



**HEALTH CARE DISTRICT BOARD AND
FINANCE & AUDIT COMMITTEE
JOINT MEETING AGENDA
June 11, 2025 at 2:00PM
1515 N Flagler Drive, Suite 101
West Palm Beach, FL 33401**

Remote Participation Link:

<https://zoom.us/j/5507895592?pwd=REZ4TWtYUXowQWNpWTBaVXRzZldDQT09>

Telephone Dial-in Access: (646) 558-8656 / Meeting ID: 550 789 5592 / Password: 946503

1. Call to Order – Carlos Vidueira, Chair

- A. Roll Call
- B. Invocation
- C. Pledge of Allegiance
- D. Affirmation of Mission: The mission of the Health Care District of Palm Beach County is to be the health care safety net for Palm Beach County. Our vision is meeting changes in health care to keep our community healthy.

2. Agenda Approval

- A. Additions/Deletions/Substitutions
- B. Motion to Approve Agenda

3. Awards, Introductions and Presentations

- A. Legislative Wrap Up (Mat Forrest)
- B. Epic Electronic Health Record Host Replacement for the Community Health Centers (Belma Andric, MD)
- C. Benoist Purchase and Sale Agreement (Audrey Wolf)

4. Disclosure of Voting Conflict

5. Public Comment

6. Health Care District Board Meeting Minutes

A. MOTION TO APPROVE:

Board Meeting Minutes of April 3, 2025 [Pages 1-5]

7. Finance and Audit Committee Meeting Minutes

A. MOTION TO APPROVE:

Finance & Audit Committee Meeting Minutes of May 21, 2025 [Pages 6-9]

8. Committee Reports

8.1 Finance and Audit Committee – (Commissioner Rooney)

8.2 Good Health Foundation Committee – (No Report)

8.3 Quality, Patient Safety and Compliance Committee – (Commissioner Caruso)

8.4 Lakeside Health Advisory Board – (Commissioner Jackson-Moore)

8.5 Community Health Centers Board – (Commissioner Borroto)

9. Consent Agenda – Motion to Approve Consent Agenda Items

HEALTH CARE DISTRICT

A. ADMINISTRATION

9A-1 RECEIVE AND FILE:

June 2025 Internet Posting of District Public Meeting

<https://www.hcdpbc.org/EventViewTrainingDetails.aspx?Bck=Y&EventID=344&m=0|0&DisplayType=C>

9A-2 RECEIVE AND FILE:

Health Care District Board Attendance [Page 10]

9A-3 MOTION TO APPROVE:

Health Care District Financial Statements April 2025 (Jessica Cafarelli)
[Pages 11-61]

9. Consent Agenda (Continued)

9A-4 **MOTION TO APPROVE:**

Local Provider Participation Fund for the Directed Payment Program
(Jessica Cafarelli) [Pages 62-63]

9A-5 **MOTION TO APPROVE:**

Recredentialing and Privileging of Healey Center Practitioner(s)
(Belma Andric) [Pages 64- 65]

9A-6 **MOTION TO APPROVE:**

Recent Regulatory Updates & Industry Enforcement Activity
(Heather Bokor) [Pages 66- 101]

DISTRICT HOSPITAL HOLDINGS, INC.

B. ADMINISTRATION

9B-1 **MOTION TO APPROVE:**

Medical Staff Appointments for Lakeside Medical Center (Belma Andric, MD)
[Pages 102-104]

10. Regular Agenda

A. ADMINISTRATION

10A-1 **MOTION TO APPROVE:**

External Auditor Selection (Jessica Cafarelli) [Pages 105-106]

10A-2 **MOTION TO APPROVE:**

Epic Electronic Health Record Host Replacement for the Community Health
Centers (Belma Andric, MD) [Pages 107-111]

10A-3 **MOTION TO APPROVE:**

Atlantis Purchase and Sale Agreement (Candice Abbott) Pages 112-184]

10A-4 **MOTION TO APPROVE:**

Benoist Purchase and Sale Agreement (Audrey Wolf) [Pages 185-249]

10A-5 **MOTION TO APPROVE:**

Contract for Program Management Services (Audrey Wolf) [Pages 250-283]

10. Regular Agenda (Continued)

10A-6 **MOTION TO APPROVE:**

Budget Amendment (Jessica Cafarelli) [Pages 284-287]

10A-7 **MOTION TO APPROVE:**

Tentative Millage Rate (Jessica Cafarelli) [Pages 288-289]

11. CFO Comments

12. CEO Comments

13. HCD Board Member Comments

14. Establishment of Upcoming Board Meetings

August Date & Time (TBD)

September 17, 2025

- 4:00PM, Joint Meeting with Finance & Audit Committee
- 5:15PM, Truth In Millage (TRIM) Meeting

September 30, 2025

- 4:00PM, Health Care District Board Annual Meeting (Officer Elections)
- 5:15PM, Truth In Millage (TRIM) Meeting

December 10, 2025

- 2:00PM, Health Care District Board Meeting

15. Motion to Adjourn

16. Call to Order District Hospital Holdings, Inc. Board Meeting – Carlos Vidueira, Chair

16.1. Closed Hospital Strategic Planning

16.2 Motion to Adjourn



**HEALTH CARE DISTRICT BOARD
MEETING MINUTES
April 3, 2025
Embassy Suites
4350 PGA Boulevard
Palm Beach Gardens, FL 33410**

1. Call to Order

Carlos Vidueira called the meeting to order.

A. Roll Call

Health Care District Board members present: Carlos Vidueira, Chair; Patrick Rooney, Jr, Vice Chair; Tammy Jackson-Moore, Secretary; Dr. Jyothi Gunta; Cathleen Ward; Albert Borroto and Tracy Caruso.

Staff present: Darcy Davis, President & Chief Executive Officer; Dr. Belma Andric, SVP & Chief Medical Officer; Bernabe Icaza, SVP & General Counsel; Geoffrey Washburn, VP & Chief Human Resources Officer; Candice Abbott, SVP & Chief Operating Officer; Heather Bokor, VP & Chief Compliance & Privacy Officer; Jessica Cafarelli, VP & Chief Financial Officer and Regina All, SVP & Chief Nursing Officer.

Transcribing Secretary: Heidi Bromley

B. Invocation

Ms. Davis led the invocation.

C. Pledge of Allegiance

The Pledge of Allegiance was recited.

- D. Affirmation of Mission: The mission of the Health Care District of Palm Beach County is to be the health care safety net for Palm Beach County. Our vision is meeting changes in health care to keep our community healthy.

2. Agenda Approval

- A. Additions/Deletions/Substitutions
- B. Motion to Approve Agenda

CONCLUSION/ACTION: Dr. Gunta made a motion to approve the agenda as presented. The motion was duly seconded by Commissioner Jackson- Moore. There being no opposition, the motion passed unanimously.

3. Awards, Introductions and Presentations

2025 Legislative Session Update.

Ms. Khoury and Ms. Sonnenschein provided the Board with a 2025 Legislative Session update.

4. Disclosure of Voting Conflict

5. Public Comment

6. Meeting Minutes

- A. **Staff Recommends a MOTION TO APPROVE:**
Board Meeting Minutes of March 12, 2025

CONCLUSION/ACTION: Commissioner Jackson-Moore made a motion to approve the Meeting Minutes of March 12, 2025. The motion was duly seconded by Dr. Gunta. There being no opposition, the motion passed unanimously.

7. Consent Agenda – Motion to Approve Consent Agenda Items

CONCLUSION/ACTION: Commissioner Ward made a motion to approve the Consent Agenda. The motion was duly seconded by Commissioner Jackson-Moore. There being no opposition, the motion passed unanimously.

A. **HEALTH CARE DISTRICT**

7A-1 **RECEIVE AND FILE:**

April 2025 Internet Posting of District Public Meeting

<https://www.hcdpbc.org/EventViewTrainingDetails.aspx?Bck=Y&EventID=344&m=010&DisplayType=C>

7A-2 **RECEIVE AND FILE:**

Health Care District Board Attendance

8. **Regular Agenda**

A. **HEALTH CARE DISTRICT**

8A-1 **Staff Recommends MOTION TO APPROVE:**

Atlantis Purchase

Ms. Abbott stated that this agenda item presents the Board with a recommendation to purchase the Atlantis Community Health Center building. Staff recommends approval to earmark up to \$15 million from unassigned reserves to acquire the Atlantis building contingent upon Finance Committee and Board approvals of the final Purchase and Sale documents.

CONCLUSION/ACTION: Commissioner Rooney made a motion to approve the Atlantis Purchase. The motion was duly seconded by Commissioner Ward. There being no opposition, the motion passed unanimously.

8A-2 **Staff Recommends MOTION TO APPROVE:**

Electronic Health Record System Vendor Transition Plan

Ms. Abbott stated that on February 21, 2025, the Health Care District received notice from Memorial Healthcare terminating our existing community connect relationship for Epic. The Health Care District has twelve months to wind down the current EHR environment and transition services to a new EHR Host for our community health centers and hospital. The HCD community health centers and hospital will review potential Epic Connect hosts by conducting thorough vendor interviews and evaluating their ability to meet our operational needs and timelines. Staff recommends Board approval to earmark up to \$15 million from unassigned reserve funds to acquire and transition HCD's EHR based on the aforementioned plan

CONCLUSION/ACTION: Commissioner Ward made a motion to approve the Electronic Health Record System Vendor Transition Plan. The motion was duly seconded by Dr. Gunta. There being no opposition, the motion passed unanimously.

8A-3 **Staff Recommends MOTION TO APPROVE:**

Approval of Unbudgeted Expenditures

Ms. Cafarelli requested that the Board approve the Unbudgeted Capital Expenditures for FY25 related to the replacement of 3 boilers at Lakeside Medical Center that were not included in the approved FY25 budget.

CONCLUSION/ACTION: Commissioner Jackson-Moore made a motion to approve the Unbudgeted Expenditures. The motion was duly seconded by Commissioner Rooney. There being no opposition, the motion passed unanimously.

9. **CEO Comments**

10. **HCD Board Member Comments**

11. **Establishment of Upcoming Board Meetings**

June 11, 2025

- 2:00PM, Joint Meeting with the Finance & Audit Committee

(1st) September Meeting (Date TBD)

- 4:00PM, Joint Meeting with the Finance & Audit Committee
- 5:15PM, Truth In Millage (TRIM) Meeting

(2nd) September Meeting (Date TBD)

- 4:00PM, Health Care District Board Annual Meeting (Officer Elections)
- 5:15PM, Truth In Millage (TRIM) Meeting

December 10, 2025

- 2:00PM, Health Care District Board Meeting

12. Motion to Adjourn

There being no further business, the meeting was adjourned.

Tammy Jackson-Moore, Secretary

Date



**FINANCE AND AUDIT COMMITTEE
MEETING MINUTES
May 21, 2025, at 12:00PM
1515 N Flagler Drive, Suite 101
West Palm Beach, FL 33401**

1. Call to Order – Cathleen Ward

A. Roll Call

Health Care District Finance and Audit Committee members present: Cathleen Ward, Joseph Gibbons, Carlos Vidueira, Patrick Rooney, Jr., (virtual), Mark Marciano (virtual) Sophia Eccleston (Virtual) and Heather Frederick (virtual). Richard Sartory was absent.

Staff present: Darcy Davis, President & Chief Executive Officer; Jessica Cafarelli, VP & Chief Financial Officer; Bernabe Icaza, SVP & General Counsel; Candice Abbott, SVP & Chief Operating Officer; Dr. Belma Andric, SVP & Chief Medical Officer; Heather Bokor, VP & Chief Compliance & Privacy Officer; Regina All, SVP & Chief Nursing Officer and Geoffrey Washburn, VP & Chief Human Resources.

B. Affirmation of Mission: The mission of the Health Care District of Palm Beach County is to be the health care safety net for Palm Beach County. Our vision is meeting changes in health care to keep our community healthy.

2. Agenda Approval

A. Additions/Deletions/Substitutions

Ms. Davis requested to add a presentation under Section 3 Awards, Introductions and Presentations to discuss the Benoist Purchase and Sale Agreement.

B. Motion to Approve Agenda

CONCLUSION/ACTION: Joseph Gibbons made a motion to approve the revised agenda. The motion was duly seconded by Patrick Rooney, Jr., There being no opposition, the motion passed unanimously.



3. Awards, Introductions and Presentations

A. Benoist Purchase and Sale Agreement Presentation

Dr. Andric introduced Ms. Wolf to the Finance and Audit Committee Members. Ms. Wolf presented the Benoist Purchase and Sale Agreement to the Finance and Audit Committee.

4. Disclosure of Voting Conflict

5. Public Comment

6. Meeting Minutes

A. **Staff Recommends a MOTION TO APPROVE:**

Finance and Audit Committee Meeting March 12, 2025

CONCLUSION/ACTION: Joseph Gibbons made a motion to approve the Finance and Audit Committee Meeting Minutes of March 12, 2025. The motion was duly seconded by Carlos Vidueira. There being no opposition, the motion passed unanimously.

7. Consent Agenda – Motion to Approve Consent Agenda Items

CONCLUSION/ACTION: Mark Marciano made a motion to approve the Consent Agenda. The motion was duly seconded by Carlos Vidueira. There being no opposition, the motion passed unanimously.

HEALTH CARE DISTRICT

A. **ADMINISTRATION**

7A-1 **RECEIVE AND FILE:**

May 2025 Internet Posting of District Public Meeting
<https://www.hcdpbcc.org/EventViewTrainingDetails.aspx?Bck=Y&EventID=344&m=0|0&DisplayType=C>



- 7A-2 **RECEIVE AND FILE:**
Finance and Audit Committee Attendance

8. Regular Agenda

A. ADMINISTRATION

- 8A-1 **Staff Recommends MOTION TO APPROVE:**
Benoist Purchase and Sale Agreement

Benoist Purchase and Sale Agreement (PSA) for 9.67 acres of unimproved real property located at 100 N. Benoist Farms Rd – West Palm Beach, FL 33411 (“Property”) for the development of the Crisis Center for Mental Health and Substance Abuse.

CONCLUSION/ACTION: Joseph Gibbons made a motion to submit the Benoist Purchase and Sale Agreement to the Board for approval. The motion was duly seconded by Carlos Vidueira. There being no opposition, the motion passed unanimously.

- 8A-2 **Staff Recommends MOTION TO APPROVE:**
Atlantis Purchase

This agenda item presents the Finance and Audit Committee with a recommendation to purchase the improved real property (Atlantis) located at 4801 S. Congress Avenue – Lake Worth Beach, FL 33461.

CONCLUSION/ACTION: Marc Marciano made a motion to submit the Atlantis Purchase to the Board for approval. The motion was duly seconded by Carlos Vidueira. There being no opposition, the motion passed unanimously.

- 9. CEO Comments**
- 10. CFO Comments**
- 11. Finance and Audit Committee Member Comments**



12. Establishment of Upcoming Finance and Audit Committee Meetings

June 11, 2025

- 2:00PM, Joint Meeting with the Health Care District

September Meeting (Date TBD)

- 4:00PM, Joint Meeting with the Health Care District Board

December 10, 2025

- 12:00PM, Finance and Audit Committee Meeting

13. Motion to Adjourn

There being no further business, the meeting was adjourned.

Patrick Rooney, Jr., Chair

Date



**HEALTH CARE DISTRICT
BOARD OF COMMISSIONERS**

Board Meeting Attendance Tracking for 2025

	2/19/25 (Special Board Meeting)	3/12/25	4/3/25	6/11/25	1st Sept. (TBD)	2nd Sept. (TBD)	12/10/25
Carlos Vidueira	X	Virtual	X				
Patrick Rooney	Absent	X	X				
Tammy Jackson-Moore	X	Virtual	X				
Tracy Caruso	X	X	X				
Dr. Jyothi Gunta	X	X	X				
Cathleen Ward	X	Virtual	X				
Albert Borroto	X	X	X				



**HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
JOINT MEETING
JUNE 11, 2025**

1. Description: Health Care District Financial Report April 2025

2. Summary:

The April 2025 financial statements for the Health Care District are presented for Finance and Audit Committee review and Board approval.

3. Substantive Analysis:

Management has provided the income statements and key statistical information for the Health Care District. Additional Management discussion and analysis is incorporated into the financial statement presentation.

4. Fiscal Analysis & Economic Impact Statement:

	Current FY Amounts	Total Amounts (Current + Future)	Budget
Capital Requirements	N/A		Yes <input type="checkbox"/> No <input type="checkbox"/>
Net Operating Impact	N/A		Yes <input type="checkbox"/> No <input type="checkbox"/>

*Non-budgeted expenditures in excess of \$250,000 require Finance and Audit Committee review and Board approval. Reviewed for financial accuracy and compliance with purchasing procedure:

N/A
Jessica Cafarelli
VP & Chief Financial Officer

5. Reviewed/Approved by Committee:

N/A
Committee Name

N/A
Date Approved



**HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
JOINT MEETING
JUNE 11, 2025**

6. Recommendation:

Staff recommends the Board approve the Health Care District April 2025 YTD financial statements.

Approved for Legal sufficiency:

Signed by:

Bernabe Icaza

0CF6F7DB6706434

Bernabe Icaza
SVP & General Counsel

Signed by:

Jessica Cafarelli

CA6A21FF2E92484

Jessica Cafarelli
VP & Chief Financial Officer

Signed by:

Darcy Davis

77A3B5358995177

Darcy J. Davis
Chief Executive Officer



MEMO

To: Finance & Audit Committee

From: Jessica Cafarelli, VP & Chief Financial Officer

Date: June 11, 2025

Subject: Management Discussion and Analysis as of April 2025 Health Care District Financial Statements

The April statements represent the financial performance through the seventh month of the 2025 fiscal year for the Health Care District. Total revenue year to date (YTD) of \$257.8M is favorable to budgeted revenue of \$249.1M by \$8.7M or 3.5%. Operational expenditures YTD are \$23.2M favorable to budget or 13.9%. YTD, the consolidated net margin is \$111.6M, with a favorable variance to budget of \$33.0M.

The General Fund YTD total revenue of \$209.8M is favorable to the budget of \$202.7M by \$7.1M. This overall favorable variance is primarily due to investment earnings. The unrealized gain on investment of \$1.3M represents an increase in the current market value of the investment portfolio held by the District. Fluctuations in interest rates are impacting the portfolio's value, however, this increase in portfolio value would only be realized should the District liquidate its portfolio or underlying investments. Favorable Ad Valorem variance is due to timing. Expenditures in the General Fund YTD before overhead allocation are favorable to budget by \$12.6M or 14.5%. Significant categories of favorable YTD budget variances include; salaries, wages and benefits of \$1.6M, purchased services of \$2M, medical services of \$2.2M, repair and maintenance of \$2.2M, and other expense of \$3.4M.

The General Fund YTD has a net margin of \$149.3M versus a budgeted net margin of \$133M, for a favorable net margin variance of \$16.3M or 12.2%. YTD the General Fund has transferred out as subsidy \$79.6M as follows; Medicaid Match \$9.5M, Capital \$43.6M, Skilled Nursing Facility (Healey) \$3.1M, Lakeside Medical Center \$9.7M, and Community Health Centers (Primary Care Clinics) \$13.7M. Transfer adjustment from self insurance fund of \$11.2M into General fund resulted in net total transfer out subsidy of \$68.3M.



The Skilled Nursing Facility (Healey Center) total revenue YTD of \$10.1M was favorable to budget by \$322k or 3.3%. This favorable variance is primarily due to reduced contractual allowances. Total YTD operating expenses before overhead allocation of \$11.2M were favorable to budget by \$879k or 7.3%. The YTD net margin after overhead allocations for the Skilled Nursing Facility was a loss of (\$3.6M) compared to the budgeted loss of (\$5.2M) for a favorable variance of \$1.6M or (30.1%).

Lakeside Medical Center total revenue YTD of \$22.3M was favorable to budget by \$3.3M or 17.2%. Net patient revenue YTD of \$21.3M was favorable to budget by \$2.9M or 15.7%. Total operating expenses YTD of \$25.1M were favorable to budget by \$4.2M or 14.5%. The YTD net margin after overhead allocations at Lakeside Medical Center was a loss of (\$9.5M) compared to a budgeted loss of (\$19.7M) for a favorable variance of \$10.2M or (51.9%).

The Primary Care Clinics total revenue YTD of \$12.2M was unfavorable to budget by (\$2M) or (14.3%). Net patient revenue YTD was unfavorable to budget by (\$488k) or (5.9%). This unfavorable variance was primarily due to revenue recognition timing, as well as increased charity and bad debt classification. Total operating expenses YTD for the clinics are favorable to budget by \$5.5M or 21.4%. This favorable variance is primarily due to salaries, wages, and benefits of \$4.7M, medical supplies of \$400k, and other expense of \$202k. The primary reason for savings is timing differences in personnel staffing, and expense timing due to a delay in clinic site moves. Total net margin YTD after overhead allocations for the Primary Care Clinics is a loss of (\$15.1M), compared to a budgeted loss of (\$20M) for a favorable variance of \$4.9M or (24.4%).

Cash and investments have a combined balance of \$347.7M, of which \$4k is restricted. Due from other governments of \$19.1M includes HRSA receivable \$708k, AHCA receivable \$6.9M, other local and federal gov't receivable \$790k, and tax collector receivable of \$10.6M. Total net position for all funds combined is \$406.1M.

Revenues & Expenses - Combined All Funds (Functional)
For The Seventh Month Ended April 30, 2025

Current Month						
Actual	Budget	Variance	%	Prior Year	Variance	%
\$ 10,311,379	\$ 8,034,733	\$ 2,276,646	28.3%	\$ 8,788,335	\$ 1,523,045	17.3%
5,478,888	4,676,678	802,210	17.2%	7,429,850	(1,950,962)	(26.3%)
1,623,197	1,559,193	64,004	4.1%	1,612,879	10,319	0.6%
898,478	969,193	(70,715)	(7.3%)	851,106	47,372	5.6%
1,297,095	458,334	838,761	183.0%	1,176,120	120,975	10.3%
983,999	-	983,999	-	(1,024,306)	2,008,305	(196.1%)
138,785	245,370	(106,585)	(43.4%)	159,484	(20,699)	(13.0%)
\$ 20,731,822	\$ 15,943,502	\$ 4,788,320	30.0%	\$ 18,993,467	\$ 1,738,354	9.2%
8,583,979	9,348,101	764,122	8.2%	8,500,045	(83,935)	(1.0%)
2,450,592	2,696,468	245,876	9.1%	2,450,836	244	-
1,196,383	1,800,562	604,178	33.6%	1,378,918	182,534	13.2%
280,386	404,900	124,515	30.8%	217,653	(62,732)	(28.8%)
255,555	456,113	200,558	44.0%	363,918	108,363	29.8%
589,169	647,747	58,577	9.0%	730,132	140,963	19.3%
1,848,478	1,848,478	-	-	1,529,298	(319,180)	(20.9%)
1,227,702	1,340,815	113,113	8.4%	825,061	(402,641)	(48.8%)
166,941	186,446	19,505	10.5%	138,928	(28,013)	(20.2%)
657,246	1,270,377	613,131	48.3%	467,013	(190,232)	(40.7%)
234,792	363,547	128,755	35.4%	243,452	8,660	3.6%
145,475	165,102	19,627	11.9%	136,573	(8,902)	(6.5%)
1,163,203	2,321,519	1,158,317	49.9%	1,610,836	447,634	27.8%
63,617	15,921	(47,695)	(299.6%)	17,914	(45,703)	(255.1%)
37,085	145,557	108,472	74.5%	920,620	883,535	96.0%
138,890	174,367	35,478	20.3%	137,261	(1,629)	(1.2%)
745,249	750,662	5,413	0.7%	733,354	(11,895)	(1.6%)
\$ 19,784,741	\$ 23,936,682	\$ 4,151,941	17.3%	\$ 20,401,812	\$ 617,071	3.0%
\$ 947,080	\$ (7,993,181)	\$ 8,940,261	(111.8%)	\$ (1,408,345)	\$ 2,355,425	(167.2%)
418,082	542,592	124,511	22.9%	477,963	59,882	12.5%
-	11	11	100.0%	-	-	-
20,202,823	24,479,286	4,276,463	17.5%	20,879,776	676,953	3.2%
\$ 528,999	\$ (8,535,784)	\$ 9,064,783	(106.2%)	\$ (1,886,308)	\$ 2,415,307	(128.0%)
(3,895,825)	1,145,187	5,041,012	440.2%	923,481	4,819,307	521.9%
(4,197,944)	244,716	(4,442,660)	(1,815.4%)	205,794	(4,403,738)	(2,139.9%)
\$ 226,880	\$ (9,436,255)	\$ 9,663,136	(102.4%)	\$ (2,603,996)	\$ 2,830,876	(108.7%)

	Fiscal Year To Date						
	Actual	Budget	Variance	%	Prior Year	Variance	%
Revenues:							
Ad Valorem Taxes	\$ 193,436,231	\$ 192,691,933	\$ 744,297	0.4%	\$ 181,534,505	\$ 11,901,725	6.6%
Net Patient Service Revenue	36,738,567	33,895,527	2,843,040	8.4%	32,312,296	4,426,271	13.7%
Intergovernmental Revenue	11,362,380	10,914,351	448,029	4.1%	11,225,064	137,317	1.2%
Grants	5,348,043	6,721,915	(1,373,871)	(20.4%)	5,150,216	197,827	3.8%
Interest Earnings	6,998,275	3,208,338	3,789,937	118.1%	6,372,015	626,260	9.8%
Unrealized Gain/(Loss) On Investments	1,275,050	-	1,275,050	-	1,139,695	135,355	11.9%
Other Revenue	2,654,041	1,717,545	936,497	54.5%	2,436,135	217,906	8.9%
Total Revenues	\$ 257,812,588	\$ 249,149,609	\$ 8,662,979	3.5%	\$ 240,169,926	\$ 17,642,661	7.3%
Expenses:							
Salaries and Wages	59,546,708	65,453,853	5,907,144	9.0%	57,889,031	(1,657,677)	(2.9%)
Benefits	17,130,235	18,938,671	1,808,436	9.5%	16,825,328	(304,908)	(1.8%)
Purchased Services	8,936,436	12,603,931	3,667,495	29.1%	9,366,128	429,692	4.6%
Medical Supplies	1,817,954	2,834,302	1,016,348	35.9%	2,063,069	245,115	11.9%
Other Supplies	1,807,965	3,192,789	1,384,824	43.4%	2,018,674	210,709	10.4%
Contracted Physician Expense	4,249,203	4,534,227	285,024	6.3%	4,715,240	466,037	9.9%
Medicaid Match-	12,939,343	12,939,344	1	-	10,705,085	(2,234,258)	(20.9%)
Medical Services	7,119,775	9,385,708	2,265,932	24.1%	5,394,443	(1,725,332)	(32.0%)
Drugs	1,193,461	1,305,122	111,661	8.6%	894,576	(298,885)	(33.4%)
Repairs and Maintenance	6,894,425	8,892,637	1,998,212	22.5%	5,875,342	(1,019,083)	(17.3%)
Lease and Rental	2,104,988	2,544,827	439,839	17.3%	1,619,859	(485,129)	(29.9%)
Utilities	990,313	1,155,715	165,401	14.3%	964,344	(25,969)	(2.7%)
Other Expense	11,158,848	15,036,036	3,877,188	25.8%	11,107,486	(51,362)	(0.5%)
Interest Expense	484,993	111,449	(373,544)	(335.2%)	276,477	(208,516)	(75.4%)
Principal Expenditure	914,271	1,306,504	392,233	30.0%	3,385,745	2,471,474	73.0%
Insurance	1,006,752	1,220,572	213,820	17.5%	946,282	(60,470)	(6.4%)
Sponsored Programs.	5,216,744	5,254,636	37,892	0.7%	4,790,887	(425,856)	(8.9%)
Total Operating Expenses	\$ 143,512,414	\$ 166,710,322	\$ 23,197,908	13.9%	\$ 138,837,995	\$ (4,674,419)	(3.4%)
Net Performance before Depreciation & Overhead Allocations	\$ 114,300,173	\$ 82,439,287	\$ 31,860,887	38.6%	\$ 101,331,931	\$ 12,968,242	12.8%
Depreciation	2,708,918	3,798,146	1,089,228	28.7%	3,310,611	601,693	18.2%
Total Overhead Allocations	-	78	78	100.0%	-	-	-
Total Expenses	146,221,332	170,508,546	24,287,214	14.2%	142,148,607	(4,072,726)	(2.9%)
Net Margin	\$ 111,591,255	\$ 78,641,062	\$ 32,950,193	41.9%	\$ 98,021,320	\$ 13,569,936	13.8%
Capital	2,851,066	8,016,309	5,165,243	64.4%	5,508,937	2,657,871	48.2%
Capital Contributions.	1,445,117	1,713,011	(267,894)	(15.6%)	1,875,377	(430,260)	(22.9%)
Reserves - Added/(Used)	\$ 110,185,306	\$ 72,337,765	\$ 37,847,542	52.3%	\$ 94,387,759	\$ 15,797,547	16.7%

Revenues & Expenses by Fund YTD
For The Seventh Month Ended April 30, 2025

	General Fund.	Medicaid Match	Capital Funds	Healey Center	Healthy Palm Beaches	Lakeside Medical	Primary Care Clinics	Total
Revenues:								
Ad Valorem Taxes	\$ 193,436,231	-	-	-	-	-	-	\$ 193,436,231
Net Patient Service Revenue	2,985,031	-	-	4,759,300	-	21,283,358	7,710,877	36,738,567
Intergovernmental Revenue	2,612,380	3,441,667	-	5,308,333	-	-	-	11,362,380
Grants	145,265	-	-	-	-	885,246	4,317,533	5,348,043
Interest Earnings	6,998,275	-	-	-	-	-	-	6,998,275
Unrealized Gain/(Loss) On Investments	1,275,050	-	-	-	-	-	-	1,275,050
Other Revenue	2,372,715	-	-	10,922	-	116,500	153,903	2,654,041
Total Revenues	\$ 209,824,947	\$ 3,441,667	-	\$ 10,078,556	-	\$ 22,285,104	\$ 12,182,314	\$ 257,812,588
Expenses:								
Salaries and Wages	28,904,086	-	-	6,631,688	-	11,161,506	12,849,428	59,546,708
Benefits	8,645,791	-	-	2,289,270	-	2,781,142	3,414,032	17,130,235
Purchased Services	5,828,337	-	-	476,709	-	2,389,739	241,650	8,936,436
Medical Supplies	76,166	-	-	330,535	-	914,583	496,670	1,817,954
Other Supplies	589,925	-	-	501,144	-	541,622	175,274	1,807,965
Contracted Physician Expense	-	-	-	5,502	-	4,243,701	-	4,249,203
Medicaid Match-	-	12,939,343	-	-	-	-	-	12,939,343
Medical Services	6,620,678	-	-	16,440	-	-	482,658	7,119,775
Drugs	74,632	-	-	179,770	-	452,193	486,865	1,193,461
Repairs and Maintenance	4,964,836	-	-	303,094	-	1,261,312	365,182	6,894,425
Lease and Rental	998,238	-	-	0	-	228,792	877,959	2,104,988
Utilities	76,417	-	-	266,392	-	569,015	78,490	990,313
Other Expense	10,137,544	-	-	90,986	-	393,880	536,438	11,158,848
Interest Expense	226,195	-	-	192	-	10,602	248,004	484,993
Principal Expenditure	914,035	-	-	236	-	-	0	914,271
Insurance	739,345	-	-	72,137	-	148,821	46,448	1,006,752
Sponsored Programs.	5,216,744	-	-	-	-	-	-	5,216,744
Total Operating Expenses	74,012,967	12,939,343	-	11,164,097	-	25,096,908	20,299,099	143,512,414
Net Performance before Depreciation & Overhead Allocations	\$ 135,811,980	\$ (9,497,676)	-	\$ (1,085,541)	-	\$ (2,811,804)	\$ (8,116,785)	\$ 114,300,173
Budget	\$ 116,146,080	\$ (9,497,675)	-	\$ (2,286,730)	-	\$ (10,319,659)	\$ (11,602,729)	\$ 82,439,287
Prior Year: Net Performance before Depreciation & Overhead Allocations	\$ 126,409,321	\$ (7,263,418)	-	\$ (1,802,206)	-	\$ (8,336,055)	\$ (7,675,711)	\$ 101,331,931

Combined Governmental Funds Statement of Net Position
As of April 30, 2025

	General Fund.	General Fund.	Medicaid Match	Medicaid Match	Capital Projects	Capital Projects	Government Funds	Government Funds
	Apr 2025	Mar 2025	Apr 2025	Mar 2025	Apr 2025	Mar 2025	Apr 2025	Mar 2025
Assets								
Cash and Cash Equivalents	\$(11,273,198)	\$1,822,894	\$609,042	\$609,042	\$52,461,578	\$52,461,578	\$41,797,422	\$54,893,514
Restricted Cash	-	-	-	-	-	-	-	-
Investments	292,580,101	290,613,074	-	-	-	-	292,580,101	290,613,074
Accounts Receivable, net	566,005	733,353	-	-	-	-	566,005	733,353
Due From Other Governments	10,667,114	20,837,140	-	-	-	-	10,667,114	20,837,140
Inventory	49,398	49,398	-	-	-	-	49,398	49,398
Other Current Assets	7,365,848	7,189,988	-	-	-	-	7,365,848	7,189,988
Net Investment in Capital Assets	-	-	-	-	-	-	-	-
Right Of Use Assets	-	-	-	-	-	-	-	-
Total Assets	<u>\$299,955,269</u>	<u>\$321,245,846</u>	<u>\$609,042</u>	<u>\$609,042</u>	<u>\$52,461,578</u>	<u>\$52,461,578</u>	<u>\$353,025,889</u>	<u>\$374,316,466</u>
Liabilities								
Accounts Payable	1,001,178	4,404,063	-	-	129,420	213,155	1,130,597	4,617,218
Medical Benefits Payable	1,567,000	3,694,717	-	-	-	-	1,567,000	3,694,717
Due to Other Governments	337,379	337,379	-	-	-	-	337,379	337,379
Deferred Revenue-	8,678,361	19,362,938	-	-	-	-	8,678,361	19,362,938
Accrued Interest	-	-	-	-	0	0	0	0
Other Current Liabilities	1,262,432	1,086,033	-	-	-	-	1,262,432	1,086,033
Lease Liability	-	-	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	-	-	-
Non-Current Liabilities	156,279	156,279	-	-	-	-	156,279	156,279
Total Liabilities	<u>13,002,629</u>	<u>29,041,409</u>	<u>-</u>	<u>-</u>	<u>129,420</u>	<u>213,155</u>	<u>13,132,049</u>	<u>29,254,564</u>
Fund Balances								
Nonspendable	5,736,203	5,710,346	-	-	-	-	5,736,203	5,710,346
Stabilization Fund	76,076,443	76,076,443	-	-	-	-	76,076,443	76,076,443
Assigned to Capital Projects	-	-	-	-	52,332,158	52,248,423	52,332,158	52,248,423
Assigned to Medicaid Match	-	-	609,042	609,042	-	-	609,042	609,042
Unassigned	205,139,994	210,417,647	0	0	0	0	205,139,994	210,417,647
Ending Fund Balance	<u>286,952,639</u>	<u>292,204,437</u>	<u>609,042</u>	<u>609,042</u>	<u>52,332,158</u>	<u>52,248,423</u>	<u>339,893,840</u>	<u>345,061,902</u>
Total Liabilities and Fund Balances	<u>\$299,955,269</u>	<u>\$321,245,846</u>	<u>\$609,042</u>	<u>\$609,042</u>	<u>\$52,461,578</u>	<u>\$52,461,578</u>	<u>\$353,025,889</u>	<u>\$374,316,466</u>

Combined Business-Type Funds Statement of Net Position
As of April 30, 2025

	Healey Center	Healey Center	Lakeside Medical	Lakeside Medical	Primary Care Clinics	Primary Care Clinics	Business-Type Funds	Business-Type Funds
	Apr 2025	Mar 2025	Apr 2025	Mar 2025	Apr 2025	Mar 2025	Apr 2025	Mar 2025
Assets								
Cash and Cash Equivalents	\$5,009,570	\$4,454,100	\$7,385,025	\$0	\$948,137	\$134,221	\$13,342,731	\$4,588,321
Restricted Cash	3,887	3,887	-	-	-	-	3,887	3,887
Investments	-	-	-	-	-	-	-	-
Accounts Receivable, net	865,024	918,194	1,572,154	1,655,490	2,285,810	2,350,559	4,722,987	4,924,243
Due From Other Governments	-	-	5,660,031	9,557,864	2,730,344	2,447,631	8,390,375	12,005,495
Inventory	-	-	631,793	653,766	-	-	631,793	653,766
Other Current Assets	58,587	53,502	422,910	491,147	377,984	149,739	859,481	694,389
Net Investment in Capital Assets	15,209,974	15,182,483	28,661,960	28,796,505	5,326,913	5,390,259	49,198,847	49,369,246
Right Of Use Assets	3,447	3,526	448,287	457,655	8,399,900	8,493,564	8,851,634	8,954,745
Total Assets	<u>\$21,150,489</u>	<u>\$20,615,692</u>	<u>\$44,782,158</u>	<u>\$41,612,428</u>	<u>\$20,069,088</u>	<u>\$18,965,973</u>	<u>\$86,001,735</u>	<u>\$81,194,092</u>
Deferred Outflows of Resources								
Deferred Outflows Related to Pensions	<u>\$35,535</u>	<u>\$35,535</u>	<u>\$22,776</u>	<u>\$22,776</u>	<u>\$45,186</u>	<u>\$45,186</u>	<u>\$103,497</u>	<u>\$103,497</u>
Liabilities								
Accounts Payable	247,598	262,305	776,162	1,189,148	333,562	426,907	1,357,322	1,878,361
Medical Benefits Payable	-	-	-	-	-	-	-	-
Due to Other Governments	67,874	67,874	-	-	-	-	67,874	67,874
Deferred Revenue-	-	-	91,712	91,712	(56,471)	(55,638)	35,241	36,074
Accrued Interest	76	51	16,949	15,427	34,627	34,896	51,652	50,374
Other Current Liabilities	1,475,949	1,382,236	2,255,891	2,103,417	2,517,792	2,338,943	6,249,632	5,824,596
Lease Liability	2,724	2,724	353,037	353,037	7,949,556	8,028,354	8,305,317	8,384,114
Other Liabilities	-	-	-	-	-	-	-	-
Non-Current Liabilities	997,785	997,785	1,355,787	1,355,787	1,140,819	1,140,819	3,494,391	3,494,391
Total Liabilities	<u>2,792,006</u>	<u>2,712,975</u>	<u>4,849,539</u>	<u>5,108,528</u>	<u>11,919,885</u>	<u>11,914,281</u>	<u>19,561,430</u>	<u>19,735,784</u>
Deferred Inflows of Resources								
Deferred Inflows	<u>\$159,216</u>	<u>\$159,216</u>	<u>\$94,240</u>	<u>\$94,240</u>	<u>\$66,853</u>	<u>\$66,853</u>	<u>\$320,309</u>	<u>\$320,309</u>
Net Position								
Net Investment in Capital Assets	15,209,974	15,182,483	28,661,960	28,796,505	5,326,913	5,390,259	49,198,847	49,369,246
Restricted Cash	3,887	3,887	-	-	-	-	3,887	3,887
Unrestricted	3,020,942	2,592,666	11,199,195	7,635,931	2,800,623	1,639,766	17,020,760	11,868,363
Total Net Position	<u>18,234,802</u>	<u>17,779,035</u>	<u>39,861,155</u>	<u>36,432,436</u>	<u>8,127,537</u>	<u>7,030,025</u>	<u>66,223,494</u>	<u>61,241,496</u>
Total Net Position	<u>\$21,026,808</u>	<u>\$20,492,011</u>	<u>\$44,710,694</u>	<u>\$41,540,964</u>	<u>\$20,047,421</u>	<u>\$18,944,306</u>	<u>\$85,784,923</u>	<u>\$80,977,280</u>

General Fund Revenues & Expenditures
For The Seventh Month Ended April 30, 2025

Current Month						
Actual	Budget	Variance	%	Prior Year	Variance	%
\$ 10,311,379	\$ 8,034,733	\$ 2,276,646	28.3%	\$ 8,788,335	\$ 1,523,045	17.3%
484,070	223,511	260,559	116.6%	378,876	105,194	27.8%
373,197	309,193	64,004	20.7%	362,879	10,319	2.8%
39,454	33,333	6,121	18.4%	73,359	(33,905)	(46.2%)
1,297,095	458,334	838,761	183.0%	1,176,120	120,975	10.3%
983,999	-	983,999	-	(1,024,306)	2,008,305	(196.1%)
121,010	221,508	(100,498)	(45.4%)	137,959	(16,949)	(12.3%)
\$ 13,610,204	\$ 9,280,612	\$ 4,329,593	46.7%	\$ 9,893,221	\$ 3,716,983	37.6%
4,167,204	4,295,568	128,365	3.0%	4,206,628	39,424	0.9%
1,258,071	1,288,868	30,797	2.4%	1,120,312	(137,758)	(12.3%)
734,939	1,114,580	379,641	34.1%	879,832	144,892	16.5%
8,445	24,744	16,299	65.9%	4,143	(4,302)	(103.8%)
74,056	134,848	60,792	45.1%	174,462	100,406	57.6%
1,192,342	1,258,333	65,991	5.2%	732,603	(459,739)	(62.8%)
(3,624)	917	4,541	495.2%	1,483	5,107	344.4%
349,018	1,023,789	674,771	65.9%	133,100	(215,918)	(162.2%)
83,038	192,956	109,918	57.0%	129,732	46,694	36.0%
9,672	12,590	2,918	23.2%	9,618	(54)	(0.6%)
1,018,718	2,109,114	1,090,397	51.7%	1,478,131	459,414	31.1%
28,018	133	(27,885)	(20,966.2%)	-	(28,018)	-
88,612	145,557	56,945	39.1%	920,620	832,008	90.4%
100,283	136,357	36,074	26.5%	104,976	4,694	4.5%
745,249	750,662	5,413	0.7%	733,354	(11,895)	(1.6%)
\$ 9,854,039	\$ 12,489,016	\$ 2,634,977	21.1%	\$ 10,628,994	\$ 774,955	7.3%
\$ 3,756,165	\$ (3,208,404)	\$ 6,964,569	(217.1%)	\$ (735,773)	\$ 4,491,939	(610.5%)
(1,608,777)	(2,405,743)	(796,966)	33.1%	(1,749,914)	(141,137)	8.1%
8,245,262	10,083,273	1,838,011	18.2%	8,879,080	633,818	7.1%
\$ 5,364,942	\$ (802,661)	\$ 6,167,604	(768.4%)	\$ 1,014,141	\$ 4,350,802	429.0%
-	-	-	-	-	-	-
\$ (1,356,811)	\$ (9,350,831)	\$ 7,994,021	(85.5%)	\$ (46,017,639)	\$ (44,660,828)	97.1%

Revenues:

Ad Valorem Taxes
Net Patient Service Revenue
Intergovernmental Revenue
Grants
Interest Earnings
Unrealized Gain/(Loss) On Investments
Other Revenue

Total Revenues

Expenditures:

Salaries and Wages
Benefits
Purchased Services
Medical Supplies
Other Supplies
Medical Services
Drugs
Repairs and Maintenance
Lease and Rental
Utilities
Other Expense
Interest Expense
Principal Expenditure
Insurance
Sponsored Programs.

Total Operational Expenditures

Net Performance before Depreciation & Overhead Allocations

Total Overhead Allocations

Total Expenditures

Net Margin

Capital

Transfer In/(Out)

Fiscal Year To Date						
Actual	Budget	Variance	%	Prior Year	Variance	%
\$ 193,436,231	\$ 192,691,933	\$ 744,297	0.4%	\$ 181,534,505	\$ 11,901,725	6.6%
2,985,031	2,868,168	116,863	4.1%	2,674,692	310,339	11.6%
2,612,380	2,164,351	448,029	20.7%	2,475,064	137,317	5.5%
145,265	233,331	(88,066)	(37.7%)	353,262	(207,997)	(58.9%)
6,998,275	3,208,338	3,789,937	118.1%	6,364,002	634,273	10.0%
1,275,050	-	1,275,050	-	1,139,695	135,355	11.9%
2,372,715	1,550,555	822,160	53.0%	2,273,127	99,588	4.4%
\$ 209,824,947	\$ 202,716,676	\$ 7,108,271	3.5%	\$ 196,814,347	\$ 13,010,601	6.6%
28,904,086	30,104,526	1,200,441	4.0%	26,906,402	(1,997,683)	(7.4%)
8,645,791	9,061,004	415,213	4.6%	7,987,861	(657,930)	(8.2%)
5,828,337	7,802,061	1,973,724	25.3%	5,663,207	(165,131)	(2.9%)
76,166	173,208	97,042	56.0%	77,333	1,167	1.5%
589,925	943,934	354,009	37.5%	768,596	178,671	23.2%
6,620,678	8,808,334	2,187,656	24.8%	4,799,095	(1,821,583)	(38.0%)
74,632	6,419	(68,213)	(1,062.7%)	(34,347)	(108,979)	317.3%
4,964,836	7,166,523	2,201,687	30.7%	4,117,616	(847,220)	(20.6%)
998,238	1,350,691	352,453	26.1%	820,697	(177,541)	(21.6%)
76,417	88,130	11,713	13.3%	71,099	(5,318)	(7.5%)
10,137,544	13,549,199	3,411,656	25.2%	10,168,664	31,120	0.3%
226,195	931	(225,264)	(24,195.9%)	146,639	(79,556)	(54.3%)
914,035	1,306,504	392,469	30.0%	3,385,745	2,471,710	73.0%
739,345	954,496	215,150	22.5%	735,532	(3,813)	(0.5%)
5,216,744	5,254,636	37,892	0.7%	4,790,887	(425,856)	(8.9%)
\$ 74,012,967	\$ 86,570,596	\$ 12,557,629	14.5%	\$ 70,405,026	\$ (3,607,942)	(5.1%)
\$ 135,811,980	\$ 116,146,080	\$ 19,665,900	16.9%	\$ 126,409,321	\$ 9,402,659	7.4%
(13,449,417)	(16,840,200)	(3,390,783)	20.1%	(12,762,647)	686,770	(5.4%)
60,563,550	69,730,396	9,166,846	13.1%	57,642,379	(2,921,171)	(5.1%)
\$ 149,261,397	\$ 132,986,280	\$ 16,275,117	12.2%	\$ 139,171,968	\$ 10,089,429	7.2%
-	-	-	-	-	-	-
\$ (68,302,806)	\$ (65,455,820)	\$ (2,846,986)	4.3%	\$ (52,243,426)	\$ 16,059,380	(30.7%)

Trauma Statement of Revenues and Expenditures
For The Seventh Month Ended April 30, 2025

Current Month													
Actual	Budget	Variance	%	Prior Year	Variance	%							
39,454	33,333	6,121	18.4%	73,359	(33,905)	(46.2%)							
1,354	4,167	(2,814)	(67.5%)	-	1,354	-							
\$ 40,808	\$ 37,500	\$ 3,308	8.8%	\$ 73,359	\$ (32,551)	(44.4%)							
12,015	24,610	12,595	51.2%	22,606	10,591	46.9%							
5,142	7,009	1,867	26.6%	5,799	657	11.3%							
41,142	18,333	(22,809)	(124.4%)	48,657	7,516	15.4%							
-	208	208	-	-	-	-							
322,160	333,333	11,174	3.4%	178,857	(143,303)	(80.1%)							
1,015	11,073	10,058	90.8%	66,492	65,477	98.5%							
381,474	394,566	13,093	3.3%	322,411	(59,062)	(18.3%)							
\$ (340,666)	\$ (357,066)	\$ 16,400	(4.6%)	\$ (249,053)	\$ (91,613)	36.8%							
116	211	95	45.0%	364	248	68.1%							
30	56	26	46.4%	62	32	51.6%							
2,058	2,128	70	3.3%	1,600	(458)	(28.6%)							
394	228	(166)	(72.8%)	591	197	33.3%							
851	1,010	159	15.7%	422	(429)	(101.7%)							
421	645	224	34.7%	787	366	46.5%							
62	78	16	20.5%	113	51	45.1%							
243	261	18	6.9%	377	134	35.5%							
742	1,079	337	31.2%	2,002	1,260	62.9%							
243	375	132	35.2%	405	162	40.0%							
677	718	41	5.7%	1,087	410	37.7%							
262	313	51	16.3%	374	112	29.9%							
322	427	105	24.6%	601	279	46.4%							
442	773	331	42.8%	1,757	1,315	74.8%							
-	-	-	-	494	494	-							
415	335	(80)	(23.9%)	601	186	30.9%							
290	353	63	17.8%	541	251	46.4%							
60	76	16	21.1%	120	60	50.0%							
27	87	60	69.0%	-	(27)	-							
84	58	(26)	(44.8%)	-	(84)	-							
159	281	122	43.4%	-	(159)	-							
7,898	9,492	1,594	16.8%	12,298	4,400	35.8%							
389,372	404,058	14,687	3.6%	334,709	(54,662)	(16.3%)							
\$ (348,564)	\$ (366,558)	\$ 17,994	(4.9%)	\$ (261,351)	\$ (87,213)	33.4%							
-	\$516,667	\$(516,667)	-	\$813,342	\$813,342	-							

Fiscal Year To Date													
Actual	Budget	Variance	%	Prior Year	Variance	%							
143,015	233,331	(90,316)	(38.7%)	352,287	(209,273)	(59.4%)	Grants						
42,235	29,169	13,066	44.8%	94,345	(52,110)	(55.2%)	Other Revenue						
\$ 185,250	\$ 262,500	\$ (77,250)	(29.4%)	\$ 446,632	\$ (261,382)	(58.5%)	Total Revenues						
							Direct Operating Expenditures:						
155,566	173,905	18,339	10.5%	152,130	(3,436)	(2.3%)	Salaries and Wages						
50,816	49,325	(1,491)	(3.0%)	38,044	(12,771)	(33.6%)	Benefits						
157,576	128,331	(29,245)	(22.8%)	135,353	(22,223)	(16.4%)	Purchased Services						
187	1,456	1,269	87.2%	728	541	74.3%	Other Supplies						
1,243,174	2,333,334	1,090,159	46.7%	591,926	(651,248)	(110.0%)	Medical Services						
3,207	77,511	74,304	95.9%	267,114	263,907	98.8%	Other Expense						
1,610,526	2,763,862	1,153,335	41.7%	1,185,295	(425,231)	(35.9%)	Total Operating Expenditures						
\$ (1,425,276)	\$ (2,501,362)	\$ 1,076,085	(43.0%)	\$ (738,663)	\$ (686,613)	93.0%	Net Performance before Depreciation & Overhead Allocations						
							Overhead Allocations:						
1,066	1,477	411	27.8%	2,409	1,343	55.7%	OH Risk Management						
260	392	132	33.7%	628	368	58.6%	OH Internal Audit						
15,620	14,896	(724)	(4.9%)	10,485	(5,135)	(49.0%)	Home Office Facilities						
1,739	1,596	(143)	(9.0%)	2,883	1,144	39.7%	OH Administration						
6,012	7,070	1,058	15.0%	3,874	(2,138)	(55.2%)	OH Human Resources						
3,375	4,515	1,140	25.2%	6,085	2,710	44.5%	Legal						
444	546	102	18.7%	775	331	42.7%	Records						
1,575	1,827	252	13.8%	2,815	1,240	44.0%	OH Compliance						
4,732	7,553	2,821	37.3%	9,654	4,922	51.0%	IT Operations						
1,707	2,625	918	35.0%	2,903	1,196	41.2%	IT Security						
4,724	5,026	302	6.0%	7,915	3,191	40.3%	OH Finance						
1,602	2,191	589	26.9%	2,977	1,375	46.2%	Corporate Communications						
2,210	2,989	779	26.1%	4,496	2,286	50.8%	OH Information Technology						
4,280	5,411	1,131	20.9%	8,816	4,536	51.5%	IT Service Center						
-	-	-	-	3,631	3,631	-	OH Performance Excellence						
2,369	2,345	(24)	(1.0%)	3,665	1,296	35.4%	Corporate Quality						
1,896	2,471	575	23.3%	3,843	1,947	50.7%	OH Supply Chain						
390	532	142	26.7%	891	501	56.2%	OH Mail Room						
131	609	478	78.5%	-	(131)	-	OH Patient Experience						
575	406	(169)	(41.6%)	-	(575)	-	OH External Affairs						
1,423	1,967	544	27.7%	-	(1,423)	-	OH Strategic Initiatives and Projects						
56,130	66,444	10,314	15.5%	78,747	22,617	28.7%	Total Overhead Allocations-						
1,666,656	2,830,306	1,163,649	41.1%	1,264,043	(402,614)	(31.9%)	Total Expenditures						
\$ (1,481,406)	\$ (2,567,806)	\$ 1,086,399	(42.3%)	\$ (817,410)	\$ (663,996)	81.2%	Net Margin						
\$1,132,842	\$3,616,669	\$(2,483,827)	(68.7%)	\$813,342	\$(319,500)	(39.3%)	General Fund Support/Transfer In						

Aeromedical Statement of Revenues and Expenditures
For The Seventh Month Ended April 30, 2025

Current Month							Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%		Actual	Budget	Variance	%	Prior Year	Variance	%
\$1,160,942	\$549,430	\$611,512	111.3%	\$1,049,272	\$111,670	10.6%	Gross Patient Revenue	\$8,091,497	\$8,955,713	\$(864,216)	(9.6%)	\$7,839,003	\$252,494	3.2%
911,828	355,133	556,695	156.8%	440,158	471,671	107.2%	Contractual Allowance	5,131,244	5,788,670	(657,426)	(11.4%)	4,532,624	598,620	13.2%
-	5,291	(5,291)	-	24,764	(24,764)	-	Charity Care	24,794	86,241	(61,446)	(71.2%)	128,301	(103,507)	(80.7%)
(151,525)	48,835	(200,360)	(410.3%)	302,078	(453,603)	(150.2%)	Bad Debt	453,154	796,011	(342,857)	(43.1%)	1,051,173	(598,019)	(56.9%)
760,303	409,259	351,044	85.8%	766,999	(6,696)	(0.9%)	Total Contractuals and Bad Debt	5,609,192	6,670,921	(1,061,729)	(15.9%)	5,712,098	(102,906)	(1.8%)
400,639	140,171	260,468	185.8%	282,273	118,366	41.9%	Net Patient Service Revenue	2,482,305	2,284,791	197,513	8.6%	2,126,904	355,400	16.7%
34.51%	25.51%			26.90%			Collection %	30.68%	25.51%			27.13%		
\$ 400,639	\$ 140,171	\$ 260,468	185.8%	\$ 282,273	\$ 118,366	41.9%	Total Revenues	\$ 2,482,305	\$ 2,284,791	\$ 197,513	8.6%	\$ 2,126,904	\$ 355,400	16.7%
Direct Operating Expenditures:														
328,635	296,084	(32,551)	(11.0%)	269,493	(59,143)	(21.9%)	Salaries and Wages	2,203,163	2,092,329	(110,834)	(5.3%)	1,884,852	(318,311)	(16.9%)
77,455	71,487	(5,968)	(8.3%)	60,177	(17,278)	(28.7%)	Benefits	503,050	503,387	337	0.1%	421,697	(81,353)	(19.3%)
285,020	320,805	35,785	11.2%	325,457	40,437	12.4%	Purchased Services	2,107,835	2,245,635	137,800	6.1%	1,998,848	(108,987)	(5.5%)
3,540	10,410	6,870	66.0%	1,470	(2,070)	(140.8%)	Medical Supplies	22,968	72,870	49,902	68.5%	15,393	(7,575)	(49.2%)
26,827	42,192	15,365	36.4%	27,156	329	1.2%	Other Supplies	172,307	295,344	123,037	41.7%	399,429	227,122	56.9%
53,627	110,013	56,386	51.3%	12,680	(40,946)	(322.9%)	Repairs and Maintenance	361,976	770,091	408,115	53.0%	133,797	(228,179)	(170.5%)
-	38,273	38,273	-	5,817	5,817	-	Lease and Rental	-	267,913	267,913	100.0%	5,817	5,817	100.0%
4,769	6,495	1,726	26.6%	4,479	(290)	(6.5%)	Utilities	42,494	45,465	2,971	6.5%	37,609	(4,884)	(13.0%)
36,643	57,444	20,801	36.2%	83,763	47,120	56.3%	Other Expense	333,736	402,108	68,372	17.0%	361,289	27,553	7.6%
18	-	(18)	-	-	(18)	-	Interest Expense	504	-	(504)	-	1,236	732	59.2%
5,799	3,393	(2,406)	(70.9%)	5,817	18	0.3%	Principal Expenditure	40,217	23,751	(16,466)	(69.3%)	39,485	(732)	(1.9%)
51,999	75,926	23,927	31.5%	61,952	9,953	16.1%	Insurance	396,216	531,482	135,266	25.5%	433,661	37,444	8.6%
874,333	1,032,522	158,190	15.3%	858,261	(16,071)	(1.9%)	Total Operating Expenditures	6,184,466	7,250,375	1,065,909	14.7%	5,733,114	(451,351)	(7.9%)
\$ (473,694)	\$ (892,351)	\$ 418,658	(46.9%)	\$ (575,988)	\$ 102,294	(17.8%)	Net Performance before Depreciation & Overhead Allocations	\$ (3,702,161)	\$ (4,965,583)	\$ 1,263,423	(25.4%)	\$ (3,606,210)	\$ (95,951)	2.7%
Overhead Allocations:														
1,894	3,448	1,554	45.1%	3,038	1,144	37.7%	OH Risk Management	17,436	24,136	6,700	27.8%	20,113	2,677	13.3%
10,015	12,576	2,561	20.4%	5,451	(4,564)	(83.7%)	OH Revenue Cycle	72,219	88,032	15,813	18.0%	41,747	(30,472)	(73.0%)
497	917	420	45.8%	515	18	3.5%	OH Internal Audit	4,269	6,419	2,150	33.5%	5,235	966	18.5%
6,447	3,730	(2,717)	(72.8%)	4,936	(1,511)	(30.6%)	OH Administration	28,449	26,110	(2,339)	(9.0%)	24,078	(4,371)	(18.2%)
6,805	8,076	1,271	15.7%	4,637	(2,168)	(46.8%)	OH Human Resources	48,100	56,532	8,432	14.9%	42,605	(5,495)	(12.9%)
6,889	10,544	3,655	34.7%	6,573	(316)	(4.8%)	Legal	55,221	73,808	18,587	25.2%	50,828	(4,393)	(8.6%)
1,016	1,270	254	20.0%	940	(76)	(8.1%)	Records	7,266	8,890	1,624	18.3%	6,474	(792)	(12.2%)
3,978	4,273	295	6.9%	3,153	(825)	(26.2%)	OH Compliance	25,766	29,911	4,145	13.9%	23,518	(2,248)	(9.6%)
12,136	17,647	5,511	31.2%	16,723	4,587	27.4%	IT Operations	77,419	123,529	46,110	37.3%	80,646	3,227	4.0%
3,978	6,126	2,148	35.1%	3,380	(598)	(17.7%)	IT Security	27,900	42,882	14,982	34.9%	24,253	(3,647)	(15.0%)
11,079	11,748	669	5.7%	9,083	(1,996)	(22.0%)	OH Finance	77,276	82,236	4,960	6.0%	66,121	(11,156)	(16.9%)
4,278	5,127	849	16.6%	3,126	(1,152)	(36.9%)	Corporate Communications	26,194	35,889	9,695	27.0%	24,870	(1,324)	(5.3%)
5,272	6,976	1,704	24.4%	5,018	(254)	(5.1%)	OH Information Technology	36,145	48,832	12,687	26.0%	37,548	1,403	3.7%
-	23,283	23,283	-	-	-	-	IT Applications	-	162,981	162,981	-	-	-	-
7,223	12,637	5,414	42.8%	14,680	7,457	50.8%	IT Service Center	70,015	88,459	18,444	20.9%	73,639	3,624	4.9%
-	-	-	-	4,127	4,127	-	OH Performance Excellence	-	-	-	-	30,334	30,334	-
6,787	5,479	(1,308)	(23.9%)	5,017	(1,770)	(35.3%)	Corporate Quality	38,733	38,353	(380)	(1.0%)	30,605	(8,128)	(26.6%)
4,738	5,773	1,035	17.9%	4,522	(216)	(4.8%)	OH Supply Chain	31,013	40,411	9,398	23.3%	32,102	1,089	3.4%
2,965	3,316	351	10.6%	3,143	178	5.7%	HIM Department	21,535	23,212	1,677	7.2%	22,992	1,457	6.3%
5,669	7,185	1,516	21.1%	5,668	(1)	-	OH Coding	40,323	50,295	9,972	19.8%	39,926	(397)	(1.0%)
637	647	10	1.5%	566	(71)	(12.5%)	OH Reimbursement	1,398	4,529	3,131	69.1%	4,019	2,621	65.2%
5,189	3,552	(1,637)	(46.1%)	3,217	(1,972)	(61.3%)	District Operations Admin	36,522	24,864	(11,658)	(46.9%)	19,342	(17,180)	(88.8%)

Aeromedical Statement of Revenues and Expenditures
For The Seventh Month Ended April 30, 2025

Current Month						
Actual	Budget	Variance	%	Prior Year	Variance	%
986	1,238	252	20.4%	999	13	1.3%
436	1,423	987	69.4%	-	(436)	-
1,367	949	(418)	(44.0%)	-	(1,367)	-
2,603	4,593	1,990	43.3%	-	(2,603)	-
112,884	162,533	49,649	30.5%	108,512	(4,372)	(4.0%)
987,217	1,195,055	207,839	17.4%	966,773	(20,443)	(2.1%)
\$ (586,578)	\$ (1,054,884)	\$ 468,307	(44.4%)	\$ (684,500)	\$ 97,922	(14.3%)
-	\$916,667	\$(916,667)	-	\$4,830,115	\$4,830,115	-

OH Mail Room
OH Patient Experience
OH External Affairs
OH Strategic Initiatives and Projects
Total Overhead Allocations-

Total Expenditures

Net Margin

General Fund Support/Transfer In

Fiscal Year To Date						
Actual	Budget	Variance	%	Prior Year	Variance	%
6,377	8,666	2,289	26.4%	7,445	1,068	14.3%
2,155	9,961	7,806	78.4%	-	(2,155)	-
9,404	6,643	(2,761)	(41.6%)	-	(9,404)	-
23,268	32,151	8,883	27.6%	-	(23,268)	-
784,403	1,137,731	353,328	31.1%	708,438	(75,965)	(10.7%)
6,968,869	8,388,106	1,419,237	16.9%	6,441,552	(527,316)	(8.2%)
\$ (4,486,564)	\$ (6,103,314)	\$ 1,616,751	(26.5%)	\$ (4,314,648)	\$ (171,916)	4.0%
\$4,202,612	\$6,416,669	\$(2,214,057)	(34.5%)	\$4,830,115	\$627,503	13.0%

Care Coordination Statement of Revenues and Expenditures
For The Seventh Month Ended April 30, 2025

Current Month							Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%		Actual	Budget	Variance	%	Prior Year	Variance	%
-	-	-	-	-	-	-	Total Revenues	-	-	-	-	-	-	-
Direct Operating Expenditures:														
63,358	67,820	4,462	6.6%	59,830	(3,528)	(5.9%)	Salaries and Wages	439,773	479,258	39,485	8.2%	421,296	(18,477)	(4.4%)
23,356	22,432	(924)	(4.1%)	21,885	(1,472)	(6.7%)	Benefits	168,043	157,726	(10,317)	(6.5%)	153,749	(14,294)	(9.3%)
265,200	295,383	30,183	10.2%	265,200	-	-	Purchased Services	1,856,400	2,067,681	211,281	10.2%	1,911,660	55,260	2.9%
270	192	(78)	(40.6%)	39	(231)	(592.3%)	Other Supplies	426	1,344	918	68.3%	118	(308)	(261.0%)
870,182	925,000	54,818	5.9%	553,746	(316,437)	(57.1%)	Medical Services	5,377,503	6,475,000	1,097,497	16.9%	4,207,169	(1,170,335)	(27.8%)
1,677	2,237	560	25.0%	1,149	(528)	(46.0%)	Other Expense	12,738	15,659	2,921	18.7%	2,711	(10,027)	(369.9%)
-	-	-	-	-	-	-	Principal Expenditure	-	-	-	-	2,675	2,675	-
-	-	-	-	733,354	733,354	-	Sponsored Programs.	-	-	-	-	4,790,887	4,790,887	-
1,224,044	1,313,064	89,020	6.8%	1,635,203	411,159	25.1%	Total Operating Expenditures	7,854,884	9,196,668	1,341,785	14.6%	11,490,264	3,635,381	31.6%
\$ (1,224,044)	\$ (1,313,064)	\$ 89,020	(6.8%)	\$ (1,635,203)	\$ 411,159	(25.1%)	Net Performance before Depreciation & Overhead Allocations	\$ (7,854,884)	\$ (9,196,668)	\$ 1,341,785	(14.6%)	\$ (11,490,264)	\$ 3,635,381	(31.6%)
Overhead Allocations:														
731	1,331	600	45.1%	1,327	596	44.9%	OH Risk Management	6,730	9,317	2,587	27.8%	8,785	2,055	23.4%
192	354	162	45.8%	225	33	14.7%	OH Internal Audit	1,649	2,478	829	33.5%	2,286	637	27.9%
1,543	1,596	53	3.3%	1,600	57	3.6%	Home Office Facilities	11,716	11,172	(544)	(4.9%)	10,485	(1,231)	(11.7%)
2,489	1,440	(1,049)	(72.8%)	2,156	(333)	(15.4%)	OH Administration	10,982	10,080	(902)	(8.9%)	10,518	(464)	(4.4%)
3,686	4,374	688	15.7%	2,740	(946)	(34.5%)	OH Human Resources	26,054	30,618	4,564	14.9%	25,176	(878)	(3.5%)
2,659	4,070	1,411	34.7%	2,871	212	7.4%	Legal	21,317	28,490	7,173	25.2%	22,202	885	4.0%
392	490	98	20.0%	411	19	4.6%	Records	2,804	3,430	626	18.3%	2,828	24	0.8%
1,536	1,650	114	6.9%	1,377	(159)	(11.5%)	OH Compliance	9,947	11,550	1,603	13.9%	10,272	325	3.2%
4,685	6,813	2,128	31.2%	7,305	2,620	35.9%	IT Operations	29,888	47,691	17,803	37.3%	35,227	5,339	15.2%
1,536	2,365	829	35.1%	1,477	(59)	(4.0%)	IT Security	10,771	16,555	5,784	34.9%	10,594	(177)	(1.7%)
4,277	4,535	258	5.7%	3,968	(309)	(7.8%)	OH Finance	29,831	31,745	1,914	6.0%	28,882	(949)	(3.3%)
1,651	1,979	328	16.6%	1,365	(286)	(21.0%)	Corporate Communications	10,111	13,853	3,742	27.0%	10,862	751	6.9%
2,035	2,693	658	24.4%	2,192	157	7.2%	OH Information Technology	13,954	18,851	4,897	26.0%	16,401	2,447	14.9%
2,788	4,879	2,091	42.9%	6,412	3,624	56.5%	IT Service Center	27,029	34,153	7,124	20.9%	32,166	5,137	16.0%
-	-	-	-	1,803	1,803	-	OH Performance Excellence	-	-	-	-	13,249	13,249	-
2,620	2,115	(505)	(23.9%)	2,191	(429)	(19.6%)	Corporate Quality	14,953	14,805	(148)	(1.0%)	13,368	(1,585)	(11.9%)
1,829	2,228	399	17.9%	1,975	146	7.4%	OH Supply Chain	11,971	15,596	3,625	23.2%	14,022	2,051	14.6%
381	478	97	20.3%	436	55	12.6%	OH Mail Room	2,461	3,346	885	26.4%	3,251	790	24.3%
168	549	381	69.4%	-	(168)	-	OH Patient Experience	832	3,843	3,011	78.4%	-	(832)	-
528	366	(162)	(44.3%)	-	(528)	-	OH External Affairs	3,630	2,562	(1,068)	(41.7%)	-	(3,630)	-
1,005	1,773	768	43.3%	-	(1,005)	-	OH Strategic Initiatives and Projects	8,983	12,411	3,428	27.6%	-	(8,983)	-
36,731	46,078	9,347	20.3%	41,831	5,100	12.2%	Total Overhead Allocations-	255,613	322,546	66,933	20.8%	270,574	14,961	5.5%
1,260,775	1,359,142	98,367	7.2%	1,677,034	416,259	24.8%	Total Expenditures	8,110,497	9,519,214	1,408,718	14.8%	11,760,838	3,650,342	31.0%
\$ (1,260,775)	\$ (1,359,142)	\$ 98,367	(7.2%)	\$ (1,677,034)	\$ 416,259	(24.8%)	Net Margin	\$ (8,110,497)	\$ (9,519,214)	\$ 1,408,718	(14.8%)	\$ (11,760,838)	\$ 3,650,342	(31.0%)
-	\$1,350,000	\$(1,350,000)	-	\$13,648,759	\$13,648,759	-	General Fund Support/Transfer In	\$7,799,672	\$9,450,000	\$(1,650,328)	(17.5%)	\$13,648,759	\$5,849,087	42.9%

Sponsored Programs Statement of Revenues and Expenditures
For The Seventh Month Ended April 30, 2025

Current Month						
Actual	Budget	Variance	%	Prior Year	Variance	%
-	-	-	-	-	-	-
745,249	750,662	5,413	0.7%	-	(745,249)	-
745,249	750,662	5,413	0.7%	-	(745,249)	-
\$ (745,249)	\$ (750,662)	\$ 5,413	(0.7%)	-	\$ (745,249)	-
745,249	750,662	5,413	0.7%	-	(745,249)	-
\$ (745,249)	\$ (750,662)	\$ 5,413	(0.7%)	-	\$ (745,249)	-
-	\$791,667	\$(791,667)	-	-	-	-

Total Revenues

Direct Operating Expenditures:

Sponsored Programs.

Total Operating Expenditures

Net Performance before Depreciation & Overhead Allocations

Total Expenditures

Net Margin

General Fund Support/Transfer In

Fiscal Year To Date						
Actual	Budget	Variance	%	Prior Year	Variance	%
-	-	-	-	-	-	-
5,216,744	5,254,636	37,892	0.7%	-	(5,216,744)	-
5,216,744	5,254,636	37,892	0.7%	-	(5,216,744)	-
\$ (5,216,744)	\$ (5,254,636)	\$ 37,892	(0.7%)	-	\$ (5,216,744)	-
5,216,744	5,254,636	37,892	0.7%	-	(5,216,744)	-
\$ (5,216,744)	\$ (5,254,636)	\$ 37,892	(0.7%)	-	\$ (5,216,744)	-
\$4,471,495	\$5,541,669	\$(1,070,174)	(19.3%)	-	\$(4,471,495)	-

Pharmacy. Statement of Revenues and Expenditures
For The Seventh Month Ended April 30, 2025

Current Month							Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%		Actual	Budget	Variance	%	Prior Year	Variance	%
-	\$33,333	\$(33,333)	-	-	-	-	Gross Patient Revenue	-	\$233,333	\$(233,333)	-	-	-	-
-	8,333	(8,333)	-	-	-	-	Contractual Allowance	-	58,333	(58,333)	-	-	-	-
-	8,333	(8,333)	-	-	-	-	Charity Care	-	58,333	(58,333)	-	-	-	-
-	16,667	(16,667)	-	-	-	-	Total Contractuals and Bad Debt	-	116,667	(116,667)	-	-	-	-
-	16,667	(16,667)	-	-	-	-	Net Patient Service Revenue	-	116,667	(116,667)	-	-	-	-
-	50.00%			-			Collection %	-	50.00%		-			
-	-	-	-	-	-	-	Grants	2,250	-	2,250	-	450	1,800	400.0%
11	-	11	-	-	11	-	Other Revenue	14	-	14	-	-	14	-
\$ 11	\$ 16,667	\$ (16,656)	(99.9%)	-	\$ 11	-	Total Revenues	\$ 2,264	\$ 116,667	\$ (114,403)	(98.1%)	\$ 450	\$ 1,814	403.1%
							Direct Operating Expenditures:							
161,951	191,968	30,017	15.6%	167,813	5,862	3.5%	Salaries and Wages	1,237,461	1,356,574	119,113	8.8%	1,223,283	(14,178)	(1.2%)
48,256	56,693	8,437	14.9%	51,565	3,309	6.4%	Benefits	364,830	398,747	33,917	8.5%	362,727	(2,103)	(0.6%)
2,422	3,891	1,469	37.8%	1,050	(1,371)	(130.6%)	Purchased Services	26,606	27,237	631	2.3%	15,844	(10,761)	(67.9%)
(333)	-	333	-	-	333	-	Medical Supplies	(1,631)	-	1,631	-	13,514	15,145	112.1%
3,800	12,249	8,449	69.0%	9,329	5,529	59.3%	Other Supplies	34,430	85,743	51,313	59.8%	35,655	1,225	3.4%
(5,302)	-	5,302	-	853	6,155	721.6%	Drugs	71,919	-	(71,919)	-	(38,416)	(110,335)	287.2%
1,478	2,267	789	34.8%	1,160	(318)	(27.4%)	Repairs and Maintenance	6,295	15,869	9,574	60.3%	10,487	4,192	40.0%
10,471	9,561	(910)	(9.5%)	6,850	(3,621)	(52.9%)	Lease and Rental	81,686	66,927	(14,759)	(22.1%)	51,177	(30,509)	(59.6%)
529	683	154	22.5%	481	(48)	(10.0%)	Utilities	2,813	4,781	1,968	41.2%	1,596	(1,217)	(76.3%)
5,390	8,137	2,747	33.8%	4,588	(802)	(17.5%)	Other Expense	40,698	56,959	16,261	28.5%	22,885	(17,813)	(77.8%)
3,482	1	(3,481)	(348,100.0%)	-	(3,482)	-	Interest Expense	18,203	7	(18,196)	(259,942.9%)	7,578	(10,625)	(140.2%)
5,859	4,923	(936)	(19.0%)	6,023	164	2.7%	Principal Expenditure	33,142	34,897	1,755	5.0%	28,549	(4,592)	(16.1%)
4,792	4,774	(18)	(0.4%)	2,517	(2,275)	(90.4%)	Insurance	33,546	33,418	(128)	(0.4%)	17,621	(15,925)	(90.4%)
242,796	295,147	52,351	17.7%	252,230	9,434	3.7%	Total Operating Expenditures	1,949,998	2,081,159	131,161	6.3%	1,752,499	(197,499)	(11.3%)
							Net Performance before Depreciation & Overhead Allocations	\$ (1,947,733)	\$ (1,964,492)	\$ 16,759	(0.9%)	\$ (1,752,049)	\$ (195,685)	11.2%
							Overhead Allocations:							
538	980	442	45.1%	930	392	42.2%	OH Risk Management	4,954	6,860	1,906	27.8%	6,158	1,204	19.6%
1,431	1,797	366	20.4%	-	(1,431)	-	OH Revenue Cycle	10,317	12,579	2,262	18.0%	-	(10,317)	-
141	261	120	46.0%	158	17	10.8%	OH Internal Audit	1,212	1,827	615	33.7%	1,602	390	24.3%
1,029	1,064	35	3.3%	7,793	6,764	86.8%	Home Office Facilities	7,810	7,448	(362)	(4.9%)	51,072	43,262	84.7%
1,831	1,060	(771)	(72.7%)	1,511	(320)	(21.2%)	OH Administration	8,081	7,420	(661)	(8.9%)	7,371	(710)	(9.6%)
5,954	7,066	1,112	15.7%	4,215	(1,739)	(41.3%)	OH Human Resources	42,087	49,462	7,375	14.9%	38,732	(3,355)	(8.7%)
1,957	2,995	1,038	34.7%	2,012	55	2.7%	Legal	15,688	20,965	5,277	25.2%	15,560	(128)	(0.8%)
289	361	72	19.9%	288	(1)	(0.3%)	Records	2,065	2,527	462	18.3%	1,982	(83)	(4.2%)
1,130	1,214	84	6.9%	965	(165)	(17.1%)	OH Compliance	7,319	8,498	1,179	13.9%	7,198	(121)	(1.7%)
3,448	5,013	1,565	31.2%	5,120	1,672	32.7%	IT Operations	21,994	35,091	13,097	37.3%	24,688	2,694	10.9%
1,130	1,740	610	35.1%	1,035	(95)	(9.2%)	IT Security	7,926	12,180	4,254	34.9%	7,424	(502)	(6.8%)
3,147	3,337	190	5.7%	2,781	(366)	(13.2%)	OH Finance	21,951	23,359	1,408	6.0%	20,242	(1,709)	(8.4%)
1,215	1,456	241	16.6%	957	(258)	(27.0%)	Corporate Communications	7,442	10,192	2,750	27.0%	7,614	172	2.3%
1,498	1,982	484	24.4%	1,536	38	2.5%	OH Information Technology	10,267	13,874	3,607	26.0%	11,495	1,228	10.7%
2,052	3,590	1,538	42.8%	4,494	2,442	54.3%	IT Service Center	19,890	25,130	5,240	20.9%	22,543	2,653	11.8%
-	-	-	-	1,263	1,263	-	OH Performance Excellence	-	-	-	-	9,286	9,286	-
1,928	1,557	(371)	(23.8%)	1,536	(392)	(25.5%)	Corporate Quality	11,004	10,899	(105)	(1.0%)	9,369	(1,635)	(17.5%)
-	-	-	-	12,979	12,979	-	OH Security Services	-	-	-	-	88,571	88,571	-
1,346	1,640	294	17.9%	1,384	38	2.7%	OH Supply Chain	8,811	11,480	2,669	23.2%	9,826	1,015	10.3%
1,474	1,009	(465)	(46.1%)	985	(489)	(49.6%)	District Operations Admin	10,375	7,063	(3,312)	(46.9%)	5,922	(4,453)	(75.2%)

Pharmacy. Statement of Revenues and Expenditures
For The Seventh Month Ended April 30, 2025

Current Month						
Actual	Budget	Variance	%	Prior Year	Variance	%
280	352	72	20.5%	306	26	8.5%
124	404	280	69.3%	-	(124)	-
388	270	(118)	(43.7%)	-	(388)	-
740	1,305	565	43.3%	-	(740)	-
33,070	40,453	7,383	18.3%	52,248	19,178	36.7%
275,866	335,600	59,734	17.8%	304,478	28,612	9.4%
\$ (275,855)	\$ (318,933)	\$ 43,079	(13.5%)	\$ (304,478)	\$ 28,623	(9.4%)
-	\$333,333	\$(333,333)	-	\$2,180,844	\$2,180,844	-

OH Mail Room
OH Patient Experience
OH External Affairs
OH Strategic Initiatives and Projects
Total Overhead Allocations-

Total Expenditures

Net Margin

General Fund Support/Transfer In

Fiscal Year To Date						
Actual	Budget	Variance	%	Prior Year	Variance	%
1,812	2,464	652	26.5%	2,279	467	20.5%
612	2,828	2,216	78.4%	-	(612)	-
2,671	1,890	(781)	(41.3%)	-	(2,671)	-
6,611	9,135	2,524	27.6%	-	(6,611)	-
230,899	283,171	52,272	18.5%	348,936	118,037	33.8%
2,180,897	2,364,330	183,433	7.8%	2,101,434	(79,462)	(3.8%)
\$ (2,178,632)	\$ (2,247,663)	\$ 69,031	(3.1%)	\$ (2,100,984)	\$ (77,648)	3.7%
\$1,902,778	\$2,333,330	\$(430,553)	(18.5%)	\$2,180,844	\$278,067	12.8%

Transportation Statement of Revenues and Expenditures
For The Seventh Month Ended April 30, 2025

Current Month							Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%		Actual	Budget	Variance	%	Prior Year	Variance	%
\$293,544	\$367,056	\$(73,512)	(20.0%)	\$401,837	\$(108,293)	(26.9%)	Gross Patient Revenue	\$2,185,153	\$2,569,394	\$(384,241)	(15.0%)	\$2,680,088	\$(494,935)	(18.5%)
237,673	294,336	(56,662)	(19.3%)	303,415	(65,742)	(21.7%)	Contractual Allowance	1,415,068	2,060,350	(645,281)	(31.3%)	1,966,557	(551,489)	(28.0%)
636	1,749	(1,114)	(63.7%)	2,670	(2,034)	(76.2%)	Charity Care	4,501	12,245	(7,745)	(63.3%)	5,970	(1,470)	(24.6%)
(28,196)	4,298	(32,494)	(756.0%)	(852)	(27,344)	3,209.4%	Bad Debt	262,858	30,088	232,769	773.6%	159,774	103,084	64.5%
210,113	300,383	(90,270)	(30.1%)	305,234	(95,121)	(31.2%)	Total Contractuals and Bad Debt	1,682,426	2,102,683	(420,257)	(20.0%)	2,132,301	(449,874)	(21.1%)
83,431	66,673	16,758	25.1%	96,603	(13,172)	(13.6%)	Net Patient Service Revenue	502,727	466,710	36,016	7.7%	547,788	(45,061)	(8.2%)
28.42%	18.16%			24.04%			Collection %	23.01%	18.16%			20.44%		
\$ 83,431	\$ 66,673	\$ 16,758	25.1%	\$ 96,603	\$ (13,172)	(13.6%)	Total Revenues	\$ 502,727	\$ 466,710	\$ 36,016	7.7%	\$ 547,788	\$ (45,061)	(8.2%)
							Direct Operating Expenditures:							
139,499	124,915	(14,584)	(11.7%)	133,405	(6,093)	(4.6%)	Salaries and Wages	978,225	882,718	(95,507)	(10.8%)	908,424	(69,801)	(7.7%)
30,396	32,814	2,418	7.4%	34,149	3,753	11.0%	Benefits	219,805	230,702	10,897	4.7%	227,462	7,657	3.4%
2,692	4,000	1,308	32.7%	2,600	(92)	(3.5%)	Purchased Services	26,298	28,000	1,703	6.1%	18,000	(8,298)	(46.1%)
3,440	4,167	727	17.4%	2,343	(1,097)	(46.8%)	Medical Supplies	20,070	29,169	9,099	31.2%	11,643	(8,427)	(72.4%)
2,856	6,291	3,435	54.6%	4,687	1,830	39.0%	Other Supplies	27,762	44,037	16,275	37.0%	44,975	17,213	38.3%
(1,771)	917	2,688	293.1%	630	2,401	381.1%	Drugs	(736)	6,419	7,155	111.5%	4,069	4,804	118.1%
613	7,333	6,720	91.6%	5,762	5,149	89.4%	Repairs and Maintenance	8,259	51,331	43,072	83.9%	18,834	10,575	56.1%
1,215	2,083	868	41.7%	1,230	16	1.3%	Lease and Rental	8,408	14,581	6,173	42.3%	10,190	1,782	17.5%
1,363	4,059	2,696	66.4%	1,660	297	17.9%	Other Expense	14,895	28,413	13,518	47.6%	23,604	8,709	36.9%
3,230	2,207	(1,023)	(46.4%)	1,505	(1,725)	(114.6%)	Insurance	22,608	15,447	(7,161)	(46.4%)	10,532	(12,077)	(114.7%)
183,533	188,786	5,252	2.8%	187,972	4,438	2.4%	Total Operating Expenditures	1,325,593	1,330,817	5,223	0.4%	1,277,733	(47,861)	(3.7%)
\$ (100,103)	\$ (122,113)	\$ 22,010	(18.0%)	\$ (91,369)	\$ (8,734)	9.6%	Net Performance before Depreciation & Overhead Allocations	\$ (822,867)	\$ (864,106)	\$ 41,240	(4.8%)	\$ (729,945)	\$ (92,922)	12.7%
							Overhead Allocations:							
319	580	261	45.0%	585	266	45.5%	OH Risk Management	2,933	4,060	1,127	27.8%	3,873	940	24.3%
10,015	12,576	2,561	20.4%	7,928	(2,087)	(26.3%)	OH Revenue Cycle	72,219	88,032	15,813	18.0%	60,722	(11,497)	(18.9%)
84	154	70	45.5%	99	15	15.2%	OH Internal Audit	719	1,078	359	33.3%	1,008	289	28.7%
1,085	628	(457)	(72.8%)	950	(135)	(14.2%)	OH Administration	4,787	4,396	(391)	(8.9%)	4,636	(151)	(3.3%)
6,890	8,177	1,287	15.7%	5,121	(1,769)	(34.5%)	OH Human Resources	48,699	57,239	8,540	14.9%	47,057	(1,642)	(3.5%)
1,159	1,774	615	34.7%	1,266	107	8.5%	Legal	9,293	12,418	3,125	25.2%	9,788	495	5.1%
171	214	43	20.1%	181	10	5.5%	Records	1,222	1,498	276	18.4%	1,246	24	1.9%
669	719	50	7.0%	607	(62)	(10.2%)	OH Compliance	4,336	5,033	697	13.8%	4,529	193	4.3%
2,042	2,970	928	31.2%	3,220	1,178	36.6%	IT Operations	13,027	20,790	7,763	37.3%	15,528	2,501	16.1%
670	1,031	361	35.0%	651	(19)	(2.9%)	IT Security	4,696	7,217	2,521	34.9%	4,670	(26)	(0.6%)
1,864	1,977	113	5.7%	1,749	(115)	(6.6%)	OH Finance	13,004	13,839	835	6.0%	12,733	(271)	(2.1%)
720	863	143	16.6%	602	(118)	(19.6%)	Corporate Communications	4,408	6,041	1,633	27.0%	4,789	381	8.0%
887	1,174	287	24.4%	966	79	8.2%	OH Information Technology	6,082	8,218	2,136	26.0%	7,230	1,148	15.9%
-	7,697	7,697	-	-	-	-	IT Applications	-	53,879	53,879	-	-	-	-
1,216	2,127	911	42.8%	2,827	1,611	57.0%	IT Service Center	11,784	14,889	3,105	20.9%	14,180	2,396	16.9%
-	-	-	-	795	795	-	OH Performance Excellence	-	-	-	-	5,841	5,841	-
1,142	922	(220)	(23.9%)	966	(176)	(18.2%)	Corporate Quality	6,518	6,454	(64)	(1.0%)	5,893	(625)	(10.6%)
797	971	174	17.9%	871	74	8.5%	OH Supply Chain	5,219	6,797	1,578	23.2%	6,182	963	15.6%
499	558	59	10.6%	605	106	17.5%	HIM Department	3,625	3,906	281	7.2%	4,428	803	18.1%
954	1,209	255	21.1%	1,092	138	12.6%	OH Coding	6,786	8,463	1,677	19.8%	7,689	903	11.7%
107	109	2	1.8%	109	2	1.8%	OH Reimbursement	236	763	527	69.1%	774	538	69.5%
873	598	(275)	(46.0%)	620	(253)	(40.8%)	District Operations Admin	6,147	4,186	(1,961)	(46.8%)	3,726	(2,421)	(65.0%)
166	208	42	20.2%	192	26	13.5%	OH Mail Room	1,074	1,456	382	26.2%	1,433	359	25.1%
73	239	166	69.5%	-	(73)	-	OH Patient Experience	361	1,673	1,312	78.4%	-	(361)	-

Transportation Statement of Revenues and Expenditures
For The Seventh Month Ended April 30, 2025

Current Month						
Actual	Budget	Variance	%	Prior Year	Variance	%
230	160	(70)	(43.8%)	-	(230)	-
438	773	335	43.3%	-	(438)	-
33,070	48,408	15,338	31.7%	32,002	(1,068)	(3.3%)
216,603	237,194	20,590	8.7%	219,974	3,370	1.5%
\$ (133,173)	\$ (170,521)	\$ 37,348	(21.9%)	\$ (123,371)	\$ (9,802)	7.9%
-	\$166,667	\$(166,667)	-	\$910,981	\$910,981	-

OH External Affairs
OH Strategic Initiatives and Projects
Total Overhead Allocations-

Total Expenditures

Net Margin

General Fund Support/Transfer In

Fiscal Year To Date						
Actual	Budget	Variance	%	Prior Year	Variance	%
1,582	1,120	(462)	(41.3%)	-	(1,582)	-
3,916	5,411	1,495	27.6%	-	(3,916)	-
232,673	338,856	106,183	31.3%	227,957	(4,716)	(2.1%)
1,558,266	1,669,673	111,406	6.7%	1,505,690	(52,576)	(3.5%)
\$ (1,055,540)	\$ (1,202,962)	\$ 147,423	(12.3%)	\$ (957,903)	\$ (97,637)	10.2%
\$922,367	\$1,166,669	\$(244,302)	(20.9%)	\$910,981	\$(11,386)	(1.2%)

School Health Statement of Revenues and Expenditures
For The Seventh Month Ended April 30, 2025

Current Month							Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%		Actual	Budget	Variance	%	Prior Year	Variance	%
\$ 373,197	\$ 309,193	\$ 64,004	20.7%	\$ 362,879	\$ 10,319	2.8%	Total Revenues	\$ 2,612,380	\$ 2,164,351	\$ 448,029	20.7%	\$ 2,475,064	\$ 137,317	5.5%
							Direct Operating Expenditures:							
1,302,367	1,157,874	(144,493)	(12.5%)	1,243,592	(58,775)	(4.7%)	Salaries and Wages	8,809,007	8,181,777	(627,230)	(7.7%)	8,638,610	(170,397)	(2.0%)
399,169	370,741	(28,428)	(7.7%)	433,850	34,681	8.0%	Benefits	2,860,725	2,607,022	(253,703)	(9.7%)	2,958,401	97,676	3.3%
488	10,000	9,512	95.1%	234	(254)	(108.5%)	Medical Supplies	33,449	70,000	36,551	52.2%	36,634	3,185	8.7%
-	1,367	1,367	-	-	-	-	Other Supplies	13,766	9,569	(4,197)	(43.9%)	3,607	(10,159)	(281.6%)
3,653	3,333	(320)	(9.6%)	-	(3,653)	-	Repairs and Maintenance	7,951	23,331	15,380	65.9%	-	(7,951)	-
10,556	7,751	(2,805)	(36.2%)	541	(10,015)	(1,851.2%)	Other Expense	49,561	54,257	4,696	8.7%	21,395	(28,166)	(131.6%)
1,716,233	1,551,066	(165,167)	(10.6%)	1,678,217	(38,017)	(2.3%)	Total Operating Expenditures	11,774,459	10,945,956	(828,503)	(7.6%)	11,658,647	(115,812)	(1.0%)
\$ (1,343,036)	\$ (1,241,873)	\$ (101,163)	8.1%	\$ (1,315,338)	\$ (27,698)	2.1%	Net Performance before Depreciation & Overhead Allocations	\$ (9,162,079)	\$ (8,781,605)	\$ (380,474)	4.3%	\$ (9,183,584)	\$ 21,505	(0.2%)
							Overhead Allocations:							
2,872	5,229	2,357	45.1%	4,869	1,997	41.0%	OH Risk Management	26,438	36,603	10,165	27.8%	32,236	5,798	18.0%
754	1,391	637	45.8%	826	72	8.7%	OH Internal Audit	6,473	9,737	3,264	33.5%	8,391	1,918	22.9%
8,775	9,072	297	3.3%	9,097	322	3.5%	Home Office Facilities	66,609	63,504	(3,105)	(4.9%)	59,616	(6,993)	(11.7%)
9,776	5,656	(4,120)	(72.8%)	7,911	(1,865)	(23.6%)	OH Administration	43,140	39,592	(3,548)	(9.0%)	38,592	(4,548)	(11.8%)
51,533	61,164	9,631	15.7%	37,518	(14,015)	(37.4%)	OH Human Resources	364,303	428,148	63,845	14.9%	344,752	(19,551)	(5.7%)
10,446	15,988	5,542	34.7%	10,535	89	0.8%	Legal	83,736	111,916	28,180	25.2%	81,467	(2,269)	(2.8%)
1,541	1,926	385	20.0%	1,507	(34)	(2.3%)	Records	11,018	13,482	2,464	18.3%	10,377	(641)	(6.2%)
6,032	6,480	448	6.9%	5,053	(979)	(19.4%)	OH Compliance	39,071	45,360	6,289	13.9%	37,694	(1,377)	(3.7%)
18,402	26,759	8,357	31.2%	26,805	8,403	31.3%	IT Operations	117,396	187,313	69,917	37.3%	129,261	11,865	9.2%
6,033	9,290	3,257	35.1%	5,418	(615)	(11.4%)	IT Security	42,307	65,030	22,723	34.9%	38,872	(3,435)	(8.8%)
16,800	17,815	1,015	5.7%	14,559	(2,241)	(15.4%)	OH Finance	117,179	124,705	7,526	6.0%	105,981	(11,198)	(10.6%)
6,487	7,774	1,287	16.6%	5,010	(1,477)	(29.5%)	Corporate Communications	39,721	54,418	14,697	27.0%	39,862	141	0.4%
7,994	10,578	2,584	24.4%	8,042	48	0.6%	OH Information Technology	54,809	74,046	19,237	26.0%	60,181	5,372	8.9%
-	53,125	53,125	-	-	-	-	IT Applications	-	371,875	371,875	-	-	-	-
10,953	19,163	8,210	42.8%	23,530	12,577	53.5%	IT Service Center	106,170	134,141	27,971	20.9%	118,031	11,861	10.0%
-	-	-	-	6,615	6,615	-	OH Performance Excellence	-	-	-	-	48,619	48,619	-
10,292	8,309	(1,983)	(23.9%)	8,041	(2,251)	(28.0%)	Corporate Quality	58,735	58,163	(572)	(1.0%)	49,054	(9,681)	(19.7%)
7,185	8,753	1,568	17.9%	7,247	62	0.9%	OH Supply Chain	47,027	61,271	14,244	23.2%	51,453	4,426	8.6%
13,287	15,624	2,337	15.0%	32,769	19,482	59.5%	District Nursing Admin	83,321	109,368	26,047	23.8%	76,491	(6,830)	(8.9%)
1,495	1,878	383	20.4%	1,601	106	6.6%	OH Mail Room	9,668	13,146	3,478	26.5%	11,932	2,264	19.0%
661	2,157	1,496	69.4%	-	(661)	-	OH Patient Experience	3,268	15,099	11,831	78.4%	-	(3,268)	-
2,072	1,439	(633)	(44.0%)	-	(2,072)	-	OH External Affairs	14,258	10,073	(4,185)	(41.5%)	-	(14,258)	-
3,948	6,965	3,017	43.3%	-	(3,948)	-	OH Strategic Initiatives and Projects	35,284	48,755	13,471	27.6%	-	(35,284)	-
197,338	296,535	99,197	33.5%	216,953	19,615	9.0%	Total Overhead Allocations-	1,369,931	2,075,745	705,814	34.0%	1,342,862	(27,069)	(2.0%)
1,913,571	1,847,601	(65,970)	(3.6%)	1,895,170	(18,402)	(1.0%)	Total Expenditures	13,144,390	13,021,701	(122,689)	(0.9%)	13,001,509	(142,881)	(1.1%)
\$ (1,540,374)	\$ (1,538,408)	\$ (1,966)	0.1%	\$ (1,532,291)	\$ (8,083)	0.5%	Net Margin	\$ (10,532,010)	\$ (10,857,350)	\$ 325,340	(3.0%)	\$ (10,526,446)	\$ (5,564)	0.1%
-	\$1,583,333	\$ (1,583,333)	-	\$9,508,595	\$9,508,595	-	General Fund Support/Transfer In	\$8,991,635	\$11,083,331	\$ (2,091,696)	(18.9%)	\$9,508,595	\$516,959	5.4%

Behavioral Health Statement of Revenues and Expenditures
For The Seventh Month Ended April 30, 2025

Current Month						
Actual	Budget	Variance	%	Prior Year	Variance	%
-	-	-	-	-	-	-
49,633	83,145	33,511	40.3%	56,572	6,938	12.3%
9,144	18,909	9,765	51.6%	12,569	3,425	27.2%
17,400	27,500	10,100	36.7%	-	(17,400)	-
-	12,500	12,500	-	-	-	-
8,636	-	(8,636)	-	-	(8,636)	-
84,814	142,054	57,240	40.3%	69,141	(15,673)	(22.7%)
\$ (84,814)	\$ (142,054)	\$ 57,240	(40.3%)	\$ (69,141)	\$ (15,673)	22.7%
1,588	1,884	296	15.7%	-	(1,588)	-
1,588	1,884	296	15.7%	-	(1,588)	-
86,402	143,938	57,536	40.0%	69,141	(17,261)	(25.0%)
\$ (86,402)	\$ (143,938)	\$ 57,536	(40.0%)	\$ (69,141)	\$ (17,261)	25.0%
-	\$225,000	\$(225,000)	-	\$339,528	\$339,528	-

Total Revenues

Direct Operating Expenditures:

Salaries and Wages

Benefits

Purchased Services

Repairs and Maintenance

Other Expense

Total Operating Expenditures

Net Performance before Depreciation & Overhead Allocations

Overhead Allocations:

OH Human Resources

Total Overhead Allocations-

Total Expenditures

Net Margin

General Fund Support/Transfer In

Fiscal Year To Date						
Actual	Budget	Variance	%	Prior Year	Variance	%
-	-	-	-	-	-	-
473,466	587,552	114,085	19.4%	250,948	(222,519)	(88.7%)
66,340	133,189	66,850	50.2%	42,180	(24,160)	(57.3%)
27,393	192,499	165,107	85.8%	46,400	19,008	41.0%
-	87,500	87,500	-	-	-	-
9,719	-	(9,719)	-	-	(9,719)	-
576,917	1,000,740	423,823	42.4%	339,528	(237,390)	(69.9%)
\$ (576,917)	\$ (1,000,740)	\$ 423,823	(42.4%)	\$ (339,528)	\$ (237,390)	69.9%
11,224	13,188	1,964	14.9%	-	(11,224)	-
11,224	13,188	1,964	14.9%	-	(11,224)	-
588,141	1,013,928	425,787	42.0%	339,528	(248,614)	(73.2%)
\$ (588,141)	\$ (1,013,928)	\$ 425,787	(42.0%)	\$ (339,528)	\$ (248,614)	73.2%
\$501,740	\$1,575,000	\$(1,073,260)	(68.1%)	\$339,528	\$(162,212)	(47.8%)

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	Year to Date
Revenues:								
Ad Valorem Taxes	-	\$ 29,874,449	\$ 134,547,900	\$ 8,866,566	\$ 6,281,664	\$ 3,554,272	\$ 10,311,379	\$ 193,436,231
Net Patient Service Revenue	171,144	474,549	521,699	310,642	473,735	549,193	484,070	2,985,031
Intergovernmental Revenue	373,197	373,197	373,197	373,197	373,197	373,197	373,197	2,612,380
Grants	-	11,308	9,767	31,533	35,490	17,713	39,454	145,265
Interest Earnings	513,649	818,499	870,178	1,371,987	1,056,944	1,069,923	1,297,095	6,998,275
Unrealized Gain/(Loss) On Investments	(1,477,117)	133,919	(318,806)	270,542	1,227,272	455,240	983,999	1,275,050
Other Financial Assistance	-	-	-	-	-	-	-	-
Other Revenue	73,069	350,650	1,591,587	101,389	73,591	61,419	121,010	2,372,715
Total Revenues	\$ (346,058)	\$ 32,036,571	\$ 137,595,523	\$ 11,325,856	\$ 9,521,894	\$ 6,080,957	\$ 13,610,204	\$ 209,824,947
Expenditures:								
Salaries and Wages	4,426,073	3,803,004	4,125,680	4,128,389	3,934,167	4,319,568	4,167,204	28,904,086
Benefits	1,173,460	1,510,025	1,149,664	1,098,431	1,236,177	1,219,964	1,258,071	8,645,791
Purchased Services	842,298	897,537	719,728	912,780	917,798	803,257	734,939	5,828,337
Medical Supplies	8,395	2,080	14,967	32,632	6,021	3,627	8,445	76,166
Other Supplies	52,209	154,951	85,413	79,096	55,086	89,114	74,056	589,925
Medical Services	1,104,337	806,468	1,080,570	734,000	929,506	773,455	1,192,342	6,620,678
Drugs	2,246	(7,415)	(663)	(4,666)	(101)	88,854	(3,624)	74,632
Repairs and Maintenance	334,656	198,680	776,277	445,905	2,125,775	734,525	349,018	4,964,836
Lease and Rental	197,157	121,582	63,704	140,661	264,305	127,791	83,038	998,238
Utilities	10,301	16,843	10,188	9,752	9,944	9,718	9,672	76,417
Other Expense	436,917	1,339,269	4,725,255	878,806	931,030	807,549	1,018,718	10,137,544
Interest Expense	12	-	-	-	168,885	29,281	28,018	226,195
Principal Expenditure	952,463	248,417	169,780	966,630	(1,638,426)	126,560	88,612	914,035
Insurance	116,747	95,913	102,468	124,051	99,783	100,102	100,283	739,345
Sponsored Programs.	745,249	745,249	745,249	745,249	745,249	745,249	745,249	5,216,744
Total Operating Expenditures	10,402,521	9,932,604	13,768,280	10,291,714	9,785,197	9,978,613	9,854,039	74,012,967
Net Performance before Overhead Allocations	\$ (10,748,579)	\$ 22,103,967	\$ 123,827,243	\$ 1,034,142	\$ (263,303)	\$ (3,897,656)	\$ 3,756,165	\$ 135,811,980
Total Overhead Allocations-	(2,271,253)	(1,666,572)	(2,053,988)	(2,004,169)	(1,983,621)	(1,861,037)	(1,608,777)	(13,449,417)
Total Expenditures	8,131,268	8,266,032	11,714,292	8,287,545	7,801,576	8,117,576	8,245,262	60,563,550
Net Margin	\$ (8,477,326)	\$ 23,770,539	\$ 125,881,231	\$ 3,038,311	\$ 1,720,318	\$ (2,036,619)	\$ 5,364,942	\$ 149,261,397
Transfer In/(Out)	\$ (1,356,811)	\$ (1,356,811)	\$ (18,234,093)	\$ (1,356,811)	\$ (1,356,811)	\$ (43,284,658)	\$ (1,356,811)	\$ (68,302,806)



General Fund Program Statistics

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Current Year Total	Prior Year Total
Aeromedical														
Patients Transported - Actual	37	53	47	44	52	62	46						341	331
Patients Transported - Budget	36	48	51	46	54	54	42						331	359
Variance	1	5	(4)	(2)	(2)	8	4	-	-	-	-	-	10	(28)
Ground Transportation														
Ground Transportation Trips-Actual	186	160	162	144	126	139	136						1,053	1,252
Ground Transportation Trips-Budget	191	174	181	154	188	175	205						1,268	963
Variance	(5)	(14)	(19)	(10)	(62)	(36)	(69)	-	-	-	-	-	(215)	289
School Health														
Medical Events	79,836	68,251	60,578	75,731	83,944	65,042	84,965						518,347	168,152
Screenings	21,655	18,730	16,483	21,985	25,050	15,253	8,280						127,436	128,786
Total Events- Actual	101,491	86,981	77,061	97,716	108,994	80,295	93,245	-	-	-	-	-	645,783	296,938
Total Events- Budget	81,437	53,359	56,222	60,351	72,297	64,490	52,762						440,918	291,428
Pharmacy														
Total Prescriptions Filled at In-House Pharmacies	14,347	12,058	13,412	13,772	12,401	12,825	15,308						94,123	95,086
Total Prescriptions Filled In-House-Actual	14,347	12,058	13,412	13,772	12,401	12,825	15,308	-	-	-	-	-	94,123	95,086
Total Prescriptions Filled- Budget	11,740	10,198	11,144	11,349	11,006	12,379	11,095						78,911	82,390

Healey Center Statement of Revenues and Expenses
For The Seventh Month Ended April 30, 2025

Current Month							Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%		Actual	Budget	Variance	%	Prior Year	Variance	%
\$ 979,917	\$ 1,032,790	\$ (52,874)	(5.1%)	\$ 1,102,720	\$ (122,803)	(11.1%)	Gross Patient Revenue	\$ 6,909,226	\$ 7,229,533	\$ (320,307)	(4.4%)	\$ 8,354,002	\$ (1,444,776)	(17.3%)
24,599	62,743	(38,144)	(60.8%)	77,764	(53,166)	(68.4%)	Contractual Allowance	71,219	438,893	(367,674)	(83.8%)	504,308	(433,089)	(85.9%)
268,066	323,263	(55,197)	(17.1%)	319,889	(51,823)	(16.2%)	Charity Care	2,078,722	2,262,843	(184,122)	(8.1%)	2,256,433	(177,712)	(7.9%)
-	12,513	(12,513)	-	23,837	(23,837)	-	Bad Debt	(15)	87,593	(87,609)	(100.0%)	58,342	(58,357)	(100.0%)
292,665	398,519	(105,855)	(26.6%)	421,490	(128,825)	(30.6%)	Total Contractuals and Bad Debt	2,149,926	2,789,330	(639,404)	(22.9%)	2,819,083	(669,157)	(23.7%)
687,252	634,271	52,981	8.4%	681,230	6,022	0.9%	Net Patient Service Revenue	4,759,300	4,440,203	319,097	7.2%	5,534,919	(775,618)	(14.0%)
70.13%	61.41%			61.78%			Collection %	68.88%	61.42%			66.25%		
758,333	758,333	-	-	758,333	-	-	Intergovernmental Revenue	5,308,333	5,308,331	2	-	5,308,333	-	-
-	-	-	-	-	-	-	Interest Earnings	-	-	-	-	956	(956)	-
1,075	1,126	(51)	(4.5%)	1,455	(380)	(26.1%)	Other Revenue	10,922	7,882	3,040	38.6%	8,089	2,834	35.0%
\$ 1,446,660	\$ 1,393,730	\$ 52,930	3.8%	\$ 1,441,018	\$ 5,642	0.4%	Total Revenues	\$ 10,078,556	\$ 9,756,416	\$ 322,140	3.3%	\$ 10,852,297	\$ (773,741)	(7.1%)
							Direct Operating Expenses:							
922,590	1,019,975	97,385	9.5%	1,014,587	91,997	9.1%	Salaries and Wages	6,631,688	7,140,511	508,822	7.1%	7,838,087	1,206,398	15.4%
313,477	321,800	8,323	2.6%	373,120	59,644	16.0%	Benefits	2,289,270	2,260,469	(28,800)	(1.3%)	2,584,763	295,493	11.4%
52,991	78,790	25,799	32.7%	81,687	28,696	35.1%	Purchased Services	476,709	551,530	74,821	13.6%	445,076	(31,633)	(7.1%)
55,712	57,283	1,571	2.7%	47,285	(8,427)	(17.8%)	Medical Supplies	330,535	400,981	70,446	17.6%	391,395	60,860	15.5%
71,117	90,054	18,937	21.0%	83,977	12,860	15.3%	Other Supplies	501,144	630,378	129,234	20.5%	568,612	67,468	11.9%
1,020	2,383	1,364	57.2%	1,358	339	25.0%	Contracted Physician Expense	5,502	16,683	11,181	67.0%	7,892	2,389	30.3%
1,269	4,583	3,314	72.3%	611	(658)	(107.7%)	Medical Services	16,440	32,081	15,641	48.8%	9,891	(6,548)	(66.2%)
16,321	38,333	22,012	57.4%	30,219	13,898	46.0%	Drugs	179,770	268,331	88,561	33.0%	208,423	28,652	13.7%
55,235	34,799	(20,436)	(58.7%)	24,997	(30,238)	(121.0%)	Repairs and Maintenance	303,094	243,593	(59,501)	(24.4%)	196,203	(106,892)	(54.5%)
-	-	-	-	103	103	-	Lease and Rental	-	-	-	-	103	103	100.0%
36,522	39,547	3,025	7.6%	37,075	553	1.5%	Utilities	266,392	276,830	10,438	3.8%	264,363	(2,029)	(0.8%)
14,939	21,413	6,475	30.2%	11,679	(3,259)	(27.9%)	Other Expense	90,986	149,893	58,906	39.3%	81,419	(9,567)	(11.8%)
26	25	(1)	(4.0%)	31	6	19.4%	Interest Expense	192	175	(17)	(9.7%)	93	(99)	(106.5%)
-	-	-	-	-	-	-	Principal Expenditure	236	-	(236)	-	-	(236)	-
10,712	10,242	(470)	(4.6%)	8,312	(2,400)	(28.9%)	Insurance	72,137	71,692	(446)	(0.6%)	58,184	(13,953)	(24.0%)
1,551,929	1,719,227	167,298	9.7%	1,715,043	163,113	9.5%	Total Operating Expenses	11,164,097	12,043,146	879,050	7.3%	12,654,503	1,490,406	11.8%
							Net Performance before Depreciation & Overhead Allocations	\$ (1,085,541)	\$ (2,286,730)	\$ 1,201,190	(52.5%)	\$ (1,802,206)	\$ 716,665	(39.8%)
\$ (105,269)	\$ (325,497)	\$ 220,228	(67.7%)	\$ (274,024)	\$ 168,755	(61.6%)	Depreciation	354,774	514,040	159,266	31.0%	505,070	150,296	29.8%
51,532	73,434	21,902	29.8%	72,446	20,914	28.9%	Overhead Allocations:							
3,232	5,885	2,653	45.1%	6,191	2,959	47.8%	OH Risk Management	29,756	41,195	11,439	27.8%	40,990	11,234	27.4%
848	1,565	717	45.8%	1,050	202	19.2%	OH Internal Audit	7,285	10,955	3,670	33.5%	10,669	3,384	31.7%
11,003	6,366	(4,637)	(72.8%)	10,059	(944)	(9.4%)	OH Administration	48,554	44,562	(3,992)	(9.0%)	49,071	517	1.1%
51,021	60,552	9,531	15.7%	41,846	(9,175)	(21.9%)	OH Human Resources	360,643	423,864	63,221	14.9%	384,500	23,857	6.2%
11,757	17,995	6,238	34.7%	13,395	1,638	12.2%	Legal	94,245	125,965	31,720	25.2%	103,587	9,342	9.0%
1,735	2,167	432	19.9%	1,916	181	9.4%	Records	12,401	15,169	2,768	18.2%	13,195	794	6.0%
6,789	7,293	504	6.9%	6,426	(363)	(5.6%)	OH Compliance	43,973	51,051	7,078	13.9%	47,930	3,957	8.3%
20,712	30,118	9,406	31.2%	34,083	13,371	39.2%	IT Operations	132,130	210,826	78,696	37.3%	164,358	32,228	19.6%
6,790	10,456	3,666	35.1%	6,889	99	1.4%	IT Security	47,618	73,192	25,574	34.9%	49,428	1,810	3.7%
18,909	20,050	1,141	5.7%	18,512	(397)	(2.1%)	OH Finance	131,887	140,350	8,463	6.0%	134,757	2,870	2.1%
7,301	8,750	1,449	16.6%	6,370	(931)	(14.6%)	Corporate Communications	44,705	61,250	16,545	27.0%	50,687	5,982	11.8%
8,998	11,905	2,907	24.4%	10,226	1,228	12.0%	OH Information Technology	61,688	83,335	21,647	26.0%	76,523	14,835	19.4%
-	33,630	33,630	-	10,252	10,252	-	IT Applications	410,262	235,410	(174,852)	(74.3%)	207,451	(202,811)	(97.8%)
12,328	21,568	9,240	42.8%	29,919	17,591	58.8%	IT Service Center	119,494	150,976	31,482	20.9%	150,080	30,586	20.4%

Healey Center Statement of Revenues and Expenses
For The Seventh Month Ended April 30, 2025

Current Month							
Actual	Budget	Variance	%	Prior Year	Variance	%	
-	-	-	-	8,411	8,411	-	OH Performance Excellence
11,583	9,352	(2,231)	(23.9%)	10,224	(1,359)	(13.3%)	Corporate Quality
19,808	35,501	15,693	44.2%	25,958	6,150	23.7%	OH Security Services
8,086	9,852	1,766	17.9%	9,215	1,129	12.3%	OH Supply Chain
4,287	5,216	929	17.8%	5,816	1,529	26.3%	OH Clinical Labor Pool
14,954	17,585	2,631	15.0%	41,667	26,713	64.1%	District Nursing Admin
8,855	6,062	(2,793)	(46.1%)	6,557	(2,298)	(35.0%)	District Operations Admin
1,682	2,113	431	20.4%	2,036	354	17.4%	OH Mail Room
744	2,428	1,684	69.4%	-	(744)	-	OH Patient Experience
2,332	1,620	(712)	(44.0%)	-	(2,332)	-	OH External Affairs
4,443	7,839	3,396	43.3%	-	(4,443)	-	OH Strategic Initiatives and Projects
238,197	335,868	97,671	29.1%	307,018	68,821	22.4%	Total Overhead Allocations-
1,841,658	2,128,529	286,871	13.5%	2,094,506	252,848	12.1%	Total Expenses
\$ (394,998)	\$ (734,799)	\$ 339,801	(46.2%)	\$ (653,488)	\$ 258,490	(39.6%)	Net Margin
78,945	8,523	70,422	826.3%	183,587	(104,642)	(57.0%)	Capital Contributions.
-	\$ 750,000	\$ (750,000)	-	\$ 4,132,476	\$ 4,132,476	-	Transfer In/(Out)

Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%	
-	-	-	-	61,821	61,821	-	
66,104	65,464	(640)	(1.0%)	62,373	(3,731)	(6.0%)	
235,677	248,507	12,830	5.2%	177,143	(58,534)	(33.0%)	
52,928	68,964	16,036	23.3%	65,425	12,497	19.1%	
35,350	36,512	1,162	3.2%	30,143	(5,207)	(17.3%)	
93,779	123,095	29,316	23.8%	97,260	3,481	3.6%	
62,331	42,434	(19,897)	(46.9%)	39,420	(22,911)	(58.1%)	
10,881	14,791	3,910	26.4%	15,171	4,290	28.3%	
3,678	16,996	13,318	78.4%	-	(3,678)	-	
16,048	11,340	(4,708)	(41.5%)	-	(16,048)	-	
39,712	54,873	15,161	27.6%	-	(39,712)	-	
2,161,129	2,351,076	189,947	8.1%	2,031,980	(129,149)	(6.4%)	
13,680,000	14,908,263	1,228,263	8.2%	15,191,553	1,511,553	9.9%	
\$ (3,601,444)	\$ (5,151,847)	\$ 1,550,403	(30.1%)	\$ (4,339,256)	\$ 737,812	(17.0%)	
225,333	59,661	165,672	277.7%	203,690	21,643	10.6%	
\$ 3,060,058	\$ 5,250,000	\$ (2,189,942)	(41.7%)	\$ 4,132,476	\$ 1,072,417	26.0%	

Statement of Revenues and Expenses by Month

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	Year to Date
Gross Patient Revenue	\$ 1,014,743	\$ 955,536	\$ 1,000,299	\$ 1,006,319	\$ 945,374	\$ 1,007,038	\$ 979,917	\$ 6,909,226
Contractual Allowance	59,710	(51,436)	3,085	8,721	22,103	4,438	24,599	71,219
Charity Care	321,630	299,099	312,883	315,858	253,628	307,557	268,066	2,078,722
Bad Debt	-	-	(13)	-	-	(2)	-	(15)
Total Contractuals and Bad Debt	381,339	247,663	315,955	324,579	275,731	311,993	292,665	2,149,926
Net Patient Service Revenue	633,404	707,873	684,344	681,740	669,643	695,045	687,252	4,759,300
Collection %	62.42%	74.08%	68.41%	67.75%	70.83%	69.02%	70.13%	68.88%
Non-Operating Revenues								
Intergovernmental Revenue	758,333	758,333	758,333	758,333	758,333	758,333	758,333	5,308,333
Other Revenue	2,197	1,945	1,737	1,729	1,198	1,042	1,075	10,922
Total Other Revenues	\$ 760,531	\$ 760,278	\$ 760,070	\$ 760,062	\$ 759,531	\$ 759,375	\$ 759,408	\$ 5,319,256
Total Non-Operating Revenues	\$ 1,393,934	\$ 1,468,151	\$ 1,444,414	\$ 1,441,803	\$ 1,429,174	\$ 1,454,420	\$ 1,446,660	\$ 10,078,556
Direct Operating Expenses:								
Salaries and Wages	1,137,322	850,084	873,234	1,067,551	894,463	886,444	922,590	6,631,688
Benefits	332,761	432,326	394,507	188,809	313,226	314,165	313,477	2,289,270
Purchased Services	48,719	43,726	91,344	93,531	48,426	97,973	52,991	476,709
Medical Supplies	39,268	34,741	52,524	57,563	54,218	36,509	55,712	330,535
Other Supplies	57,612	55,954	84,036	94,894	52,034	85,497	71,117	501,144
Contracted Physician Expense	297	363	1,775	580	622	847	1,020	5,502
Medical Services	-	2,121	2,616	6,802	2,194	1,438	1,269	16,440
Drugs	19,439	33,418	24,872	34,153	22,504	29,063	16,321	179,770
Repairs and Maintenance	25,173	20,090	46,334	34,374	34,265	87,624	55,235	303,094
Utilities	34,160	40,550	41,965	36,056	38,803	38,336	36,522	266,392
Other Expense	3,092	8,755	17,844	5,576	16,335	24,446	14,939	90,986
Interest Expense	28	27	27	27	32	25	26	192
Principal Expenditure	242	-	-	-	(7)	-	-	236
Insurance	10,238	10,238	10,238	10,238	10,238	10,238	10,712	72,137
Total Operating Expenses	1,708,351	1,532,392	1,641,314	1,630,153	1,487,353	1,612,604	1,551,929	11,164,097

Statement of Revenues and Expenses by Month

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	Year to Date
Net Performance before Depreciation & Overhead Allocations	\$ (314,417)	\$ (64,240)	\$ (196,900)	\$ (188,351)	\$ (58,179)	\$ (158,184)	\$ (105,269)	\$ (1,085,541)
Depreciation	50,497	50,498	50,466	50,466	50,466	50,848	51,532	354,774
<i>Overhead Allocations:</i>								
OH Risk Management	5,329	4,402	4,445	4,360	4,241	3,747	3,232	29,756
OH Internal Audit	1,616	1,265	1,042	848	799	867	848	7,285
OH Administration	8,012	6,955	6,155	2,652	6,616	7,161	11,003	48,554
OH Human Resources	57,120	49,027	47,603	48,113	57,060	50,699	51,021	360,643
Legal	23,231	13,486	11,258	11,583	10,889	12,041	11,757	94,245
Records	1,789	1,448	1,960	2,011	1,677	1,781	1,735	12,401
OH Compliance	6,136	6,425	6,166	6,253	5,873	6,331	6,789	43,973
IT Operations	9,515	18,284	21,899	22,336	20,671	18,713	20,712	132,130
IT Security	7,433	11,907	1,357	5,414	7,862	6,855	6,790	47,618
OH Finance	20,284	16,397	20,182	18,065	17,177	20,873	18,909	131,887
Corporate Communications	6,848	6,162	6,163	6,014	5,725	6,492	7,301	44,705
OH Information Technology	10,376	8,618	8,473	8,460	7,963	8,800	8,998	61,688
IT Applications	111,169	35,474	81,712	106,662	75,245	-	-	410,262
IT Service Center	23,769	16,202	18,921	14,536	14,919	18,819	12,328	119,494
Corporate Quality	9,279	8,199	9,149	9,059	9,133	9,702	11,583	66,104
OH Security Services	37,583	38,428	34,372	30,908	41,035	33,543	19,808	235,677
OH Supply Chain	9,343	10,146	9,400	4,338	3,019	8,596	8,086	52,928
OH Clinical Labor Pool	5,503	5,169	5,576	4,912	4,316	5,587	4,287	35,350
District Nursing Admin	12,223	12,328	13,464	13,195	12,429	15,186	14,954	93,779
District Operations Admin	10,452	6,853	8,898	8,972	8,617	9,684	8,855	62,331
OH Mail Room	1,500	1,298	1,375	1,535	1,761	1,730	1,682	10,881
OH Patient Experience	-	-	764	702	704	764	744	3,678
OH External Affairs	1,942	3,322	2,072	2,260	1,573	2,547	2,332	16,048
OH Strategic Initiatives and Projects	-	-	16,693	6,631	6,873	5,072	4,443	39,712
Total Overhead Allocations	380,452	281,795	339,099	339,819	326,177	255,590	238,197	2,161,129
Total Expenses	2,139,300	1,864,684	2,030,879	2,020,439	1,863,996	1,919,043	1,841,658	13,680,000

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	Year to Date
Net Margin	\$ (745,366)	\$ (396,533)	\$ (586,466)	\$ (578,636)	\$ (434,823)	\$ (464,623)	\$ (394,998)	\$ (3,601,444)
Capital Contributions.	-	(819)	819	-	86,413	59,974	78,945	225,333
General Fund Support/Transfer In	-	-	\$1,728,365	-	-	\$1,331,694	-	\$3,060,058



Census	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Current Year Total	Prior Year Total
Admissions	7	7	6	6	10	13	11						60	69
Discharges	9	7	6	7	8	13	9						59	81
Average Daily Census	96	95	96	96	95	96	95	-	-	-	-	-	96	115
Budget Census	99	99	99	99	99	99	99	99	99	99	99	99	99	117
Occupancy % (120 licensed beds)	80%	79%	80%	80%	79%	80%	79%	0%	0%	0%	0%	0%	80%	96%
Days By Payor Source:														
Medicaid	-	-	-	-	-	-	31						31	20
Managed Care Medicaid	1,903	1,785	1,847	1,837	1,673	1,809	1,708						12,562	15,693
Medicare	7	30	31	24	45	42	73						252	504
Private Pay	64	62	64	64	62	71	45						432	395
Hospice	93	90	108	124	112	133	155						815	659
Charity	921	887	927	921	834	907	835						6,232	6,800
Optum/VA	-	-	-	-	25	19	3						47	372
Total Resident Days	2,988	2,854	2,977	2,970	2,751	2,981	2,850	-	-	-	-	-	20,371	24,443

Lakeside Medical Statement of Revenues and Expenses
For The Seventh Month Ended April 30, 2025

Current Month							Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%		Actual	Budget	Variance	%	Prior Year	Variance	%
\$ 9,841,667	\$ 9,571,066	\$ 270,601	2.8%	\$ 9,852,740	\$ (11,073)	(0.1%)	Gross Patient Revenue	\$ 68,063,789	\$ 66,970,216	\$ 1,093,573	1.6%	\$ 67,923,018	\$ 140,771	0.2%
6,729,542	6,966,208	(236,666)	(3.4%)	7,038,327	(308,786)	(4.4%)	Contractual Allowance	47,491,128	48,763,458	(1,272,329)	(2.6%)	48,837,765	(1,346,636)	(2.8%)
432,373	593,276	(160,903)	(27.1%)	444,256	(11,883)	(2.7%)	Charity Care	2,937,278	4,152,931	(1,215,654)	(29.3%)	3,915,577	(978,299)	(25.0%)
865,141	593,276	271,865	45.8%	902,043	(36,901)	(4.1%)	Bad Debt	6,570,600	4,152,931	2,417,669	58.2%	4,647,863	1,922,737	41.4%
8,027,056	8,152,760	(125,704)	(1.5%)	8,384,626	(357,570)	(4.3%)	Total Contractuals and Bad Debt	56,999,006	57,069,320	(70,314)	(0.1%)	57,401,204	(402,198)	(0.7%)
1,780,979	1,212,515	568,465	46.9%	3,375,796	(1,594,816)	(47.2%)	Other Patient Revenue	10,218,575	8,487,603	1,730,972	20.4%	5,203,843	5,014,733	96.4%
3,595,591	2,630,821	964,770	36.7%	4,843,910	(1,248,319)	(25.8%)	Net Patient Service Revenue	21,283,358	18,388,499	2,894,859	15.7%	15,725,657	5,557,701	35.3%
36.53%	27.49%			49.16%			Collection %	31.27%	27.46%			23.15%		
103,253	74,444	28,809	38.7%	11,592	91,661	790.7%	Grants	885,246	521,108	364,138	69.9%	216,496	668,750	308.9%
-	-	-	-	-	-	-	Interest Earnings	-	-	-	-	5,113	(5,113)	-
15,219	16,001	(782)	(4.9%)	16,440	(1,221)	(7.4%)	Other Revenue	116,500	112,007	4,493	4.0%	129,819	(13,319)	(10.3%)
\$ 3,714,063	\$ 2,721,266	\$ 992,797	36.5%	\$ 4,871,942	\$ (1,157,879)	(23.8%)	Total Revenues	\$ 22,285,104	\$ 19,021,614	\$ 3,263,490	17.2%	\$ 16,077,085	\$ 6,208,019	38.6%
							Direct Operating Expenses:							
1,596,490	1,666,771	70,281	4.2%	1,435,783	(160,707)	(11.2%)	Salaries and Wages	11,161,506	11,694,526	533,020	4.6%	10,384,311	(777,195)	(7.5%)
390,337	444,568	54,231	12.2%	427,922	37,584	8.8%	Benefits	2,781,142	3,125,760	344,618	11.0%	2,793,880	12,737	0.5%
366,917	566,807	199,890	35.3%	303,379	(63,538)	(20.9%)	Purchased Services	2,389,739	3,967,651	1,577,912	39.8%	2,326,651	(63,088)	(2.7%)
138,455	194,826	56,370	28.9%	86,156	(52,299)	(60.7%)	Medical Supplies	914,583	1,363,780	449,196	32.9%	939,347	24,764	2.6%
81,484	190,290	108,805	57.2%	77,568	(3,916)	(5.0%)	Other Supplies	541,622	1,332,027	790,404	59.3%	529,599	(12,023)	(2.3%)
588,150	645,363	57,214	8.9%	728,774	140,624	19.3%	Contracted Physician Expense	4,243,701	4,517,543	273,843	6.1%	4,707,348	463,648	9.8%
55,405	83,834	28,429	33.9%	54,220	(1,185)	(2.2%)	Drugs	452,193	586,838	134,645	22.9%	356,530	(95,664)	(26.8%)
159,029	149,465	(9,564)	(6.4%)	222,116	63,088	28.4%	Repairs and Maintenance	1,261,312	1,046,253	(215,060)	(20.6%)	1,244,736	(16,577)	(1.3%)
29,540	39,600	10,060	25.4%	20,993	(8,547)	(40.7%)	Lease and Rental	228,792	277,200	48,408	17.5%	174,620	(54,172)	(31.0%)
88,717	97,489	8,772	9.0%	79,695	(9,023)	(11.3%)	Utilities	569,015	682,423	113,408	16.6%	569,387	373	0.1%
61,933	85,469	23,536	27.5%	28,291	(33,642)	(118.9%)	Other Expense	393,880	598,280	204,400	34.2%	267,159	(126,721)	(47.4%)
1,522	114	(1,408)	(1,235.1%)	253	(1,270)	(502.0%)	Interest Expense	10,602	798	(9,804)	(1,228.6%)	1,638	(8,963)	(547.2%)
21,260	21,171	(90)	(0.4%)	19,026	(2,234)	(11.7%)	Insurance	148,821	148,194	(628)	(0.4%)	117,934	(30,888)	(26.2%)
3,579,240	4,185,766	606,526	14.5%	3,484,174	(95,065)	(2.7%)	Total Operating Expenses	25,096,908	29,341,273	4,244,364	14.5%	24,413,139	(683,769)	(2.8%)
							Net Performance before Depreciation & Overhead Allocations	\$ (2,811,804)	\$ (10,319,659)	\$ 7,507,854	(72.8%)	\$ (8,336,055)	\$ 5,524,250	(66.3%)
203,214	352,288	149,074	42.3%	315,705	112,490	35.6%	Depreciation	1,418,025	2,466,018	1,047,992	42.5%	2,186,247	768,222	35.1%
							Overhead Allocations:							
7,880	14,347	6,467	45.1%	12,727	4,847	38.1%	OH Risk Management	72,542	100,429	27,887	27.8%	84,258	11,716	13.9%
42,920	53,897	10,977	20.4%	52,029	9,109	17.5%	OH Revenue Cycle	309,512	377,279	67,767	18.0%	398,489	88,977	22.3%
2,068	3,816	1,748	45.8%	2,158	90	4.2%	OH Internal Audit	17,762	26,712	8,950	33.5%	21,931	4,169	19.0%
26,825	15,519	(11,306)	(72.9%)	20,678	(6,147)	(29.7%)	OH Administration	118,372	108,633	(9,739)	(9.0%)	100,869	(17,503)	(17.4%)
66,346	78,739	12,393	15.7%	49,001	(17,345)	(35.4%)	OH Human Resources	468,967	551,173	82,206	14.9%	450,244	(18,723)	(4.2%)
28,663	43,870	15,207	34.7%	27,535	(1,128)	(4.1%)	Legal	229,763	307,090	77,327	25.2%	212,934	(16,829)	(7.9%)
4,229	5,283	1,054	20.0%	3,939	(290)	(7.4%)	Records	30,234	36,981	6,747	18.2%	27,123	(3,111)	(11.5%)
16,551	17,780	1,229	6.9%	13,208	(3,343)	(25.3%)	OH Compliance	107,206	124,460	17,254	13.9%	98,524	(8,682)	(8.8%)
50,494	73,425	22,931	31.2%	70,061	19,567	27.9%	IT Operations	322,125	513,975	191,850	37.3%	337,854	15,729	4.7%
16,553	25,490	8,937	35.1%	14,162	(2,391)	(16.9%)	IT Security	116,088	178,430	62,342	34.9%	101,604	(14,484)	(14.3%)
46,098	48,881	2,783	5.7%	38,053	(8,045)	(21.1%)	OH Finance	321,530	342,167	20,637	6.0%	277,005	(44,525)	(16.1%)
17,798	21,331	3,533	16.6%	13,095	(4,703)	(35.9%)	Corporate Communications	108,987	149,317	40,330	27.0%	104,192	(4,795)	(4.6%)
21,936	29,024	7,088	24.4%	21,021	(915)	(4.4%)	OH Information Technology	150,392	203,168	52,776	26.0%	157,300	6,908	4.4%
64,810	282,642	217,832	77.1%	65,131	321	0.5%	IT Applications	1,217,910	1,978,494	760,584	38.4%	1,317,918	100,008	7.6%
30,055	52,581	22,526	42.8%	61,501	31,446	51.1%	IT Service Center	291,321	368,067	76,746	20.9%	308,504	17,183	5.6%

Lakeside Medical Statement of Revenues and Expenses
For The Seventh Month Ended April 30, 2025

Current Month							
Actual	Budget	Variance	%	Prior Year	Variance	%	
-	-	-	-	17,289	17,289	-	OH Performance Excellence
28,239	22,799	(5,440)	(23.9%)	21,016	(7,223)	(34.4%)	Corporate Quality
14,856	26,626	11,770	44.2%	38,938	24,082	61.8%	OH Security Services
19,714	24,018	4,304	17.9%	18,942	(772)	(4.1%)	OH Supply Chain
12,337	13,798	1,461	10.6%	13,168	831	6.3%	HIM Department
23,586	29,894	6,308	21.1%	23,747	161	0.7%	OH Coding
2,652	2,692	40	1.5%	2,370	(282)	(11.9%)	OH Reimbursement
10,453	12,717	2,264	17.8%	11,956	1,503	12.6%	OH Clinical Labor Pool
36,458	42,871	6,413	15.0%	85,651	49,193	57.4%	District Nursing Admin
21,589	14,778	(6,811)	(46.1%)	13,478	(8,111)	(60.2%)	District Operations Admin
4,102	5,152	1,050	20.4%	4,185	83	2.0%	OH Mail Room
1,815	5,920	4,105	69.3%	-	(1,815)	-	OH Patient Experience
5,686	3,950	(1,736)	(43.9%)	-	(5,686)	-	OH External Affairs
10,832	19,112	8,280	43.3%	-	(10,832)	-	OH Strategic Initiatives and Projects
635,545	990,952	355,407	35.9%	715,039	79,494	11.1%	Total Overhead Allocations-
4,417,999	5,529,006	1,111,007	20.1%	4,514,918	96,919	2.1%	Total Expenses
\$ (703,936)	\$ (2,807,740)	\$ 2,103,804	(74.9%)	\$ 357,024	\$ (1,060,960)	(297.2%)	Net Margin
59,301	59,227	74	0.1%	134,194	(74,894)	(55.8%)	Capital Contributions.
-	\$ 2,750,000	\$ (2,750,000)	-	\$ 15,420,458	\$ 15,420,458	-	Transfer In/(Out)

Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%	
-	-	-	-	127,078	127,078	-	
161,160	159,593	(1,567)	(1.0%)	128,214	(32,946)	(25.7%)	
176,757	186,382	9,625	5.2%	265,717	88,960	33.5%	
129,038	168,126	39,088	23.2%	134,486	5,448	4.1%	
89,603	96,586	6,983	7.2%	96,325	6,722	7.0%	
167,777	209,258	41,481	19.8%	167,267	(510)	(0.3%)	
5,821	18,844	13,023	69.1%	16,835	11,014	65.4%	
86,186	89,019	2,833	3.2%	61,962	(24,224)	(39.1%)	
228,626	300,097	71,471	23.8%	199,928	(28,698)	(14.4%)	
151,960	103,446	(48,514)	(46.9%)	81,035	(70,925)	(87.5%)	
26,529	36,064	9,535	26.4%	31,187	4,658	14.9%	
8,969	41,440	32,471	78.4%	-	(8,969)	-	
39,126	27,650	(11,476)	(41.5%)	-	(39,126)	-	
96,814	133,784	36,970	27.6%	-	(96,814)	-	
5,251,077	6,936,664	1,685,587	24.3%	5,308,785	57,708	1.1%	
31,766,011	38,743,954	6,977,944	18.0%	31,908,172	142,161	0.4%	
\$ (9,480,907)	\$ (19,722,340)	\$ 10,241,434	(51.9%)	\$ (15,831,087)	\$ 6,350,180	(40.1%)	
728,772	414,589	314,183	75.8%	409,796	318,975	77.8%	
\$ 9,685,738	\$ 19,250,000	\$ (9,564,262)	(49.7%)	\$ 15,420,458	\$ 5,734,720	37.2%	

Statement of Revenues and Expenses by Month

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	Year to Date
Gross Patient Revenue	\$ 8,877,927	\$ 8,623,629	\$ 10,354,079	\$ 10,417,573	\$ 9,032,373	\$ 10,916,541	\$ 9,841,667	\$ 68,063,789
Contractual Allowance	6,095,110	5,829,191	7,338,979	8,016,401	6,067,753	7,414,153	6,729,542	47,491,128
Charity Care	767,286	394,151	360,868	235,833	350,044	396,723	432,373	2,937,278
Bad Debt	976,546	1,088,195	1,000,937	453,486	851,531	1,334,764	865,141	6,570,600
Total Contractuals and Bad Debt	7,838,942	7,311,537	8,700,783	8,705,720	7,269,328	9,145,640	8,027,056	56,999,006
Other Patient Revenue	59,067	2,415,292	1,237,180	1,237,180	1,237,180	2,251,698	1,780,979	10,218,575
Net Patient Service Revenue	1,098,053	3,727,384	2,890,476	2,949,032	3,000,224	4,022,599	3,595,591	21,283,358
Collection %	12.37%	43.22%	27.92%	28.31%	33.22%	36.85%	36.53%	31.27%
Non-Operating Revenues								
Grants	36,362	38,362	36,362	113,473	646,528	(89,095)	103,253	885,246
Other Revenue	15,315	15,435	15,358	24,271	15,477	15,425	15,219	116,500
Total Other Revenues	\$ 51,677	\$ 53,797	\$ 51,720	\$ 137,744	\$ 662,005	\$ (73,670)	\$ 118,472	\$ 1,001,746
Total Non-Operating Revenues	\$ 1,149,730	\$ 3,781,181	\$ 2,942,196	\$ 3,086,776	\$ 3,662,230	\$ 3,948,929	\$ 3,714,063	\$ 22,285,104
Direct Operating Expenses:								
Salaries and Wages	1,712,802	1,459,088	1,551,254	1,652,352	1,558,999	1,630,520	1,596,490	11,161,506
Benefits	390,907	508,925	499,084	211,166	390,498	390,225	390,337	2,781,142
Purchased Services	94,833	331,282	515,640	393,850	401,433	285,785	366,917	2,389,739
Medical Supplies	159,034	74,796	136,645	132,200	132,629	140,825	138,455	914,583
Other Supplies	15,140	60,150	80,774	78,379	144,981	80,714	81,484	541,622
Contracted Physician Expense	832,170	687,293	664,011	642,738	611,219	218,120	588,150	4,243,701
Drugs	55,992	46,784	73,749	78,495	44,415	97,353	55,405	452,193
Repairs and Maintenance	67,764	288,694	143,582	215,856	262,104	124,284	159,029	1,261,312
Lease and Rental	27,538	34,046	35,841	49,111	36,550	16,167	29,540	228,792
Utilities	50,814	82,827	81,061	81,474	84,257	99,864	88,717	569,015
Other Expense	41,266	54,713	51,337	72,507	40,065	72,060	61,933	393,880
Interest Expense	133	2,890	1,511	1,516	1,512	1,517	1,522	10,602
Insurance	21,260	21,260	21,260	21,260	21,260	21,260	21,260	148,821
Total Operating Expenses	3,469,654	3,652,748	3,855,748	3,630,903	3,729,922	3,178,694	3,579,240	25,096,908

Statement of Revenues and Expenses by Month

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	Year to Date
Net Performance before Depreciation & Overhead Allocations	\$ (2,319,924)	\$ 128,433	\$ (913,552)	\$ (544,127)	\$ (67,692)	\$ 770,234	\$ 134,823	\$ (2,811,804)
Depreciation	193,183	211,020	201,539	202,590	203,398	203,082	203,214	1,418,025
<i>Overhead Allocations:</i>								
OH Risk Management	12,992	10,731	10,837	10,630	10,338	9,134	7,880	72,542
OH Revenue Cycle	45,704	35,177	52,352	28,504	58,573	46,282	42,920	309,512
OH Internal Audit	3,941	3,084	2,541	2,067	1,948	2,113	2,068	17,762
OH Administration	19,533	16,957	15,005	6,465	16,128	17,459	26,825	118,372
OH Human Resources	74,277	63,753	61,901	62,564	74,198	65,928	66,346	468,967
Legal	56,637	32,877	27,445	28,238	26,547	29,356	28,663	229,763
Records	4,362	3,530	4,778	4,904	4,088	4,343	4,229	30,234
OH Compliance	14,959	15,664	15,033	15,245	14,319	15,435	16,551	107,206
IT Operations	23,197	44,576	53,390	54,453	50,394	45,621	50,494	322,125
IT Security	18,122	29,028	3,307	13,199	19,166	16,713	16,553	116,088
OH Finance	49,450	39,974	49,204	44,042	41,876	50,886	46,098	321,530
Corporate Communications	16,696	15,022	15,024	14,663	13,957	15,827	17,798	108,987
OH Information Technology	25,296	21,009	20,657	20,625	19,414	21,455	21,936	150,392
IT Applications	271,023	86,483	199,209	260,036	183,444	152,905	64,810	1,217,910
IT Service Center	57,947	39,499	46,128	35,438	36,373	45,881	30,055	291,321
Corporate Quality	22,623	19,989	22,304	22,085	22,266	23,654	28,239	161,160
OH Security Services	28,187	28,821	25,779	23,181	30,776	25,157	14,856	176,757
OH Supply Chain	22,778	24,736	22,917	10,576	7,361	20,956	19,714	129,038
HIM Department	13,056	12,295	12,634	12,280	13,068	13,933	12,337	89,603
OH Coding	25,365	24,467	24,778	23,016	22,203	24,362	23,586	167,777
OH Reimbursement	977	190	543	470	475	514	2,652	5,821
OH Clinical Labor Pool	13,416	12,602	13,594	11,976	10,523	13,622	10,453	86,186
District Nursing Admin	29,798	30,054	32,825	32,168	30,301	37,022	36,458	228,626
District Operations Admin	25,480	16,708	21,692	21,874	21,008	23,609	21,589	151,960
OH Mail Room	3,657	3,165	3,351	3,743	4,293	4,218	4,102	26,529
OH Patient Experience	-	-	1,864	1,711	1,716	1,863	1,815	8,969
OH External Affairs	4,734	8,098	5,051	5,511	3,836	6,210	5,686	39,126

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	Year to Date
OH Strategic Initiatives and Projects	-	-	40,695	16,166	16,757	12,364	10,832	96,814
Total Overhead Allocations	884,207	638,489	804,838	785,830	755,346	746,822	635,545	5,251,077
Total Expenses	4,547,044	4,502,256	4,862,124	4,619,323	4,688,666	4,128,598	4,417,999	31,766,011
Net Margin	\$ (3,397,314)	\$ (721,075)	\$ (1,919,929)	\$ (1,532,547)	\$ (1,026,437)	\$ (179,670)	\$ (703,936)	\$ (9,480,907)
Capital Contributions.	99	26,386	56,227	344,508	193,917	48,334	59,301	728,772
General Fund Support/Transfer In	-	-	\$7,133,718	-	-	\$2,552,020	-	\$9,685,738


Lakeside Medical Center
Statistical Information

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Current Year Total	YTD Budget Total	% Var to Budget	Prior YTD Total	% Var to Prior Yr
Admissions																	
Newborn	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pediatrics	2	-	-	1	1	2	1	-	-	-	-	-	7	413	(98.3%)	5	40.0%
Adult	32	34	48	36	37	61	51	-	-	-	-	-	299	28	967.9%	266	12.4%
Total	34	34	48	37	38	63	52	-	-	-	-	-	306	441	(30.6%)	271	12.9%
Adjusted Admissions	267	243	216	204	220	247	264	-	-	-	-	-	1,661	2,403	(30.9%)	1,477	12.4%
Patient Days																	
Med Surg (14 beds)	17	12	33	21	9	26	33	-	-	-	-	-	151	54	179.6%	174	(13.2%)
Pediatrics (12 beds)	3	-	-	5	7	4	3	-	-	-	-	-	22	83	(73.5%)	18	22.2%
Telemetry (22 beds)	52	52	78	83	54	110	117	-	-	-	-	-	546	1,334	(59.1%)	487	12.1%
ICU (6 beds)	44	57	85	70	85	119	68	-	-	-	-	-	528	538	(1.9%)	475	11.2%
Obstetrics (16 beds)	-	-	-	-	-	-	-	-	-	-	-	-	-	202	(100.0%)	-	-
Total (70 beds)	116	121	196	179	155	259	221	-	-	-	-	-	1,247	2,211	(43.6%)	1,154	8.1%
Adjusted Acute Patient Days	911	864	881	987	896	1,017	1,122	-	-	-	-	-	6,678	12,049	(44.6%)	6,166	8.3%
Other Key Inpatient Statistics																	
Occupancy Percentage	5%	6%	9%	8%	8%	12%	11%	0%	0%	0%	0%	0%	5%	15%	(67.2%)	8%	(37.2%)
Average Daily Census (excl. newborns)	3.7	4.0	6.3	5.8	5.5	8.4	7.4	-	-	-	-	-	5.9	4.9	21.1%	5.5	7.6%
Average Daily Census (incl. newborns)	3.7	4.0	6.3	5.8	5.5	8.4	7.4	-	-	-	-	-	5.9	4.9	21.1%	5.5	7.6%
Average Length of Stay (excl newborns)	3.41	3.56	4.08	4.84	4.08	4.11	4.25	-	-	-	-	-	4.05	2.34	73.2%	4.27	(5.2%)
Average Length of Stay (incl newborns)	3.41	3.56	4.08	4.84	4.08	4.11	4.25	-	-	-	-	-	4.05	2.34	73.2%	4.27	(5.2%)
Case Mix Index- Medicare	1.3762	1.4010	1.6815	1.1940	1.6114	1.0907	1.4724	-	-	-	-	-	1.4039	1.5255	(8.0%)	1.6235	(13.5%)
Case Mix Index- Medicaid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.5883	(100.0%)
Case Mix Index- All Payers	1.1464	1.5033	1.3136	1.3951	1.3733	1.2325	1.3343	-	-	-	-	-	1.3284	1.4756	(10.0%)	1.5309	(13.2%)
Emergency Room and Outpatients																	
ER Admissions	20	25	34	30	28	46	44	-	-	-	-	-	227	28	710.7%	205	10.7%
ER Visits	1,669	1,779	1,752	1,668	1,692	1,789	1,724	-	-	-	-	-	12,073	12,180	(0.9%)	12,033	0.3%
Outpatient Visits	255	134	212	274	260	314	518	-	-	-	-	-	1,967	2,372	(17.1%)	1,804	9.0%
ER and Outpatient Visits	1,703	1,819	1,799	1,720	1,729	1,852	1,789	-	-	-	-	-	12,411	14,552	(14.7%)	13,837	(10.3%)
Observation Patient Stays	93	85	84	116	93	101	129	-	-	-	-	-	701	833	(15.8%)	822	(14.7%)
Surgery and Other Procedures																	
Inpatient Surgeries	11	14	10	13	4	10	14	-	-	-	-	-	76	413	(81.6%)	95	(20.0%)
Outpatient Surgeries	-	-	1	3	3	2	5	-	-	-	-	-	14	-	-	2	600.0%
Endoscopies	3	1	2	6	2	5	2	-	-	-	-	-	21	7	200.0%	31	(32.3%)
Radiology Procedures	2,180	2,126	2,388	2,220	2,197	2,487	2,261	-	-	-	-	-	15,859	16,800	(5.6%)	15,672	1.2%
Lab Charges	10,549	9,481	11,583	11,285	10,451	12,378	10,585	-	-	-	-	-	76,312	74,613	2.3%	78,295	(2.5%)
Staffing																	
Paid FTE	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	220.91	(100.0%)
Paid FTE per Adjusted Occupied Bed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.57	(100.0%)
Operational Performance																	
Gross Revenue Per Adj Pat Day	9,745	9,986	11,751	10,556	10,079	10,738	8,768	-	-	-	-	-	10,232	6,209	64.8%	11,479	(10.9%)
Net Revenue Per Adj Pat Day	1,205	4,316	3,280	2,988	3,348	3,957	3,203	-	-	-	-	-	3,185	1,704	86.9%	2,558	24.5%
Salaries & Benefits as % of Net Pat Revenue	192%	53%	71%	63%	65%	50%	55%	-	-	-	-	-	66%	81%	(19.1%)	84%	(21.8%)
Labor Cost per Adj Pat Day	2,309	2,279	2,327	1,888	2,175	1,988	1,770	-	-	-	-	-	2,105	1,384	52.1%	2,223	(5.3%)
Total Expense Per Adj Pat Day	3,808	4,230	4,376	3,679	4,162	3,127	3,275	-	-	-	-	-	3,808	2,730	39.5%	4,121	(7.6%)

Primary Care Clinics Statement of Revenues and Expenses
For The Seventh Month Ended April 30, 2025

Current Month							Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%		Actual	Budget	Variance	%	Prior Year	Variance	%
\$ 3,684,741	\$ 2,862,983	\$ 821,758	28.7%	\$ 3,138,945	\$ 545,796	17.4%	Gross Patient Revenue	\$ 22,336,666	\$ 19,809,560	\$ 2,527,106	12.8%	\$ 20,426,417	\$ 1,910,249	9.4%
1,626,691	948,920	677,770	71.4%	815,993	810,697	99.4%	Contractual Allowance	7,165,022	6,587,328	577,694	8.8%	6,459,613	705,409	10.9%
1,246,642	995,021	251,621	25.3%	1,166,762	79,879	6.8%	Charity Care	7,676,492	6,882,126	794,366	11.5%	7,470,358	206,134	2.8%
629,771	380,657	249,114	65.4%	309,917	319,854	103.2%	Bad Debt	3,812,052	2,633,783	1,178,268	44.7%	2,344,305	1,467,747	62.6%
3,503,103	2,324,598	1,178,505	50.7%	2,292,672	1,210,431	52.8%	Total Contractuals and Bad Debt	18,653,566	16,103,237	2,550,328	15.8%	16,274,276	2,379,290	14.6%
530,338	649,691	(119,353)	(18.4%)	679,561	(149,223)	(22.0%)	Other Patient Revenue	4,027,777	4,492,334	(464,557)	(10.3%)	4,224,887	(197,111)	(4.7%)
711,976	1,188,076	(476,100)	(40.1%)	1,525,834	(813,858)	(53.3%)	Net Patient Service Revenue	7,710,877	8,198,657	(487,780)	(5.9%)	8,377,028	(666,151)	(8.0%)
19.32%	41.50%			48.61%			Collection %	34.52%	41.39%			41.01%		
755,771	861,416	(105,645)	(12.3%)	766,155	(10,384)	(1.4%)	Grants	4,317,533	5,967,476	(1,649,942)	(27.6%)	4,580,459	(262,926)	(5.7%)
-	-	-	-	-	-	-	Interest Earnings	-	-	-	-	1,943	(1,943)	-
1,480	6,735	(5,255)	(78.0%)	3,630	(2,150)	(59.2%)	Other Revenue	153,903	47,101	106,802	226.8%	25,101	128,803	513.1%
\$ 1,469,227	\$ 2,056,227	\$ (587,000)	(28.5%)	\$ 2,295,619	\$ (826,392)	(36.0%)	Total Revenues	\$ 12,182,314	\$ 14,213,233	\$ (2,030,920)	(14.3%)	\$ 12,984,531	\$ (802,217)	(6.2%)
							Direct Operating Expenses:							
1,897,695	2,365,787	468,092	19.8%	1,843,046	(54,649)	(3.0%)	Salaries and Wages	12,849,428	16,514,290	3,664,861	22.2%	12,760,231	(89,197)	(0.7%)
488,708	641,233	152,525	23.8%	529,481	40,773	7.7%	Benefits	3,414,032	4,491,437	1,077,406	24.0%	3,458,824	44,793	1.3%
41,537	40,384	(1,152)	(2.9%)	114,020	72,483	63.6%	Purchased Services	241,650	282,689	41,039	14.5%	931,194	689,544	74.0%
77,773	128,048	50,275	39.3%	80,069	2,296	2.9%	Medical Supplies	496,670	896,334	399,663	44.6%	654,994	158,324	24.2%
28,898	40,922	12,024	29.4%	27,911	(987)	(3.5%)	Other Supplies	175,274	286,451	111,176	38.8%	151,867	(23,407)	(15.4%)
34,091	77,899	43,808	56.2%	91,847	57,756	62.9%	Medical Services	482,658	545,293	62,635	11.5%	585,456	102,799	17.6%
98,839	63,362	(35,477)	(56.0%)	53,006	(45,833)	(86.5%)	Drugs	486,865	443,534	(43,331)	(9.8%)	363,971	(122,894)	(33.8%)
93,964	62,324	(31,640)	(50.8%)	86,800	(7,164)	(8.3%)	Repairs and Maintenance	365,182	436,268	71,086	16.3%	316,788	(48,395)	(15.3%)
122,214	130,991	8,777	6.7%	92,625	(29,589)	(31.9%)	Lease and Rental	877,959	916,936	38,978	4.3%	624,439	(253,520)	(40.6%)
10,564	15,476	4,912	31.7%	10,185	(378)	(3.7%)	Utilities	78,490	108,332	29,842	27.5%	59,495	(18,995)	(31.9%)
67,614	105,523	37,909	35.9%	92,735	25,121	27.1%	Other Expense	536,438	738,663	202,225	27.4%	590,244	53,806	9.1%
34,051	15,649	(18,402)	(117.6%)	17,630	(16,421)	(93.1%)	Interest Expense	248,004	109,545	(138,459)	(126.4%)	128,107	(119,897)	(93.6%)
(51,527)	-	51,527	-	-	51,527	-	Principal Expenditure	-	-	-	-	-	-	-
6,635	6,599	(37)	(0.6%)	4,947	(1,688)	(34.1%)	Insurance	46,448	46,191	(257)	(0.6%)	34,632	(11,817)	(34.1%)
2,951,056	3,694,196	743,140	20.1%	3,044,303	93,247	3.1%	Total Operating Expenses	20,299,099	25,815,962	5,516,864	21.4%	20,660,242	361,143	1.7%
							Net Performance before Depreciation & Overhead Allocations	\$ (8,116,785)	\$ (11,602,729)	\$ 3,485,944	(30.0%)	\$ (7,675,711)	\$ (441,074)	5.7%
163,335	116,870	(46,466)	(39.8%)	89,813	(73,522)	(81.9%)	Depreciation	936,118	818,088	(118,030)	(14.4%)	619,294	(316,825)	(51.2%)
							Overhead Allocations:							
7,687	13,995	6,308	45.1%	11,655	3,968	34.0%	OH Risk Management	70,762	97,965	27,203	27.8%	77,163	6,401	8.3%
71,533	89,828	18,295	20.4%	73,335	1,802	2.5%	OH Revenue Cycle	515,853	628,796	112,943	18.0%	561,679	45,826	8.2%
2,017	3,723	1,706	45.8%	1,976	(41)	(2.1%)	OH Internal Audit	17,325	26,061	8,736	33.5%	20,085	2,760	13.7%
22,650	23,419	769	3.3%	24,239	1,589	6.6%	Home Office Facilities	171,945	163,933	(8,012)	(4.9%)	158,847	(13,098)	(8.2%)
26,166	15,137	(11,029)	(72.9%)	18,937	(7,229)	(38.2%)	OH Administration	115,464	105,959	(9,505)	(9.0%)	92,378	(23,086)	(25.0%)
109,810	130,323	20,513	15.7%	64,698	(45,112)	(69.7%)	OH Human Resources	776,197	912,261	136,064	14.9%	594,478	(181,719)	(30.6%)
27,958	42,791	14,833	34.7%	25,216	(2,742)	(10.9%)	Legal	224,116	299,537	75,421	25.2%	195,004	(29,112)	(14.9%)
4,126	5,154	1,028	19.9%	3,607	(519)	(14.4%)	Records	29,492	36,078	6,586	18.3%	24,841	(4,651)	(18.7%)
16,145	17,343	1,198	6.9%	12,096	(4,049)	(33.5%)	OH Compliance	104,571	121,401	16,830	13.9%	90,228	(14,343)	(15.9%)
49,253	71,621	22,368	31.2%	64,162	14,909	23.2%	IT Operations	314,207	501,347	187,140	37.3%	309,408	(4,799)	(1.6%)
16,146	24,864	8,718	35.1%	12,969	(3,177)	(24.5%)	IT Security	113,232	174,048	60,816	34.9%	93,048	(20,184)	(21.7%)
44,966	47,680	2,714	5.7%	34,849	(10,117)	(29.0%)	OH Finance	313,629	333,760	20,131	6.0%	253,680	(59,949)	(23.6%)
17,361	20,807	3,446	16.6%	11,992	(5,369)	(44.8%)	Corporate Communications	106,308	145,649	39,341	27.0%	95,417	(10,891)	(11.4%)
21,396	28,311	6,915	24.4%	19,251	(2,145)	(11.1%)	OH Information Technology	146,695	198,177	51,482	26.0%	144,055	(2,640)	(1.8%)

Primary Care Clinics Statement of Revenues and Expenses
For The Seventh Month Ended April 30, 2025

Current Month							
Actual	Budget	Variance	%	Prior Year	Variance	%	
63,217	242,117	178,900	73.9%	59,647	(3,570)	(6.0%)	IT Applications
29,316	51,288	21,972	42.8%	56,323	27,007	48.0%	IT Service Center
-	-	-	-	15,833	15,833	-	OH Performance Excellence
27,545	22,239	(5,306)	(23.9%)	19,246	(8,299)	(43.1%)	Corporate Quality
32,188	57,690	25,502	44.2%	38,937	6,749	17.3%	OH Security Services
19,230	23,428	4,198	17.9%	17,348	(1,882)	(10.8%)	OH Supply Chain
12,034	13,459	1,425	10.6%	12,059	25	0.2%	HIM Department
23,006	29,159	6,153	21.1%	21,748	(1,258)	(5.8%)	OH Coding
2,587	2,626	39	1.5%	2,170	(417)	(19.2%)	OH Reimbursement
10,195	12,405	2,210	17.8%	10,949	754	6.9%	OH Clinical Labor Pool
35,562	41,818	6,256	15.0%	78,439	42,877	54.7%	District Nursing Admin
21,059	14,415	(6,644)	(46.1%)	12,343	(8,716)	(70.6%)	District Operations Admin
4,001	5,025	1,024	20.4%	3,833	(168)	(4.4%)	OH Mail Room
1,769	5,774	4,005	69.4%	-	(1,769)	-	OH Patient Experience
5,547	3,852	(1,695)	(44.0%)	-	(5,547)	-	OH External Affairs
10,565	18,643	8,078	43.3%	-	(10,565)	-	OH Strategic Initiatives and Projects
735,035	1,078,934	343,899	31.9%	727,857	(7,178)	(1.0%)	Total Overhead Allocations-
3,849,426	4,890,000	1,040,574	21.3%	3,861,973	12,547	0.3%	Total Expenses
\$ (2,380,199)	\$ (2,833,773)	\$ 453,574	(16.0%)	\$ (1,566,354)	\$ (813,845)	52.0%	Net Margin
6,326	31,140	(24,814)	(79.7%)	201,342	(195,016)	(96.9%)	Capital Contributions.
-	\$ 3,583,333	\$ (3,583,333)	-	\$ 14,702,849	\$ 14,702,849	-	Transfer In/(Out)

Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%	
1,187,973	1,694,819	506,846	29.9%	1,206,946	18,973	1.6%	
284,159	359,016	74,857	20.9%	282,527	(1,632)	(0.6%)	
-	-	-	-	116,377	116,377	-	
157,197	155,673	(1,524)	(1.0%)	117,419	(39,778)	(33.9%)	
382,973	403,830	20,857	5.2%	265,715	(117,258)	(44.1%)	
125,865	163,996	38,131	23.3%	123,162	(2,703)	(2.2%)	
87,401	94,213	6,812	7.2%	88,214	813	0.9%	
163,649	204,113	40,464	19.8%	153,184	(10,465)	(6.8%)	
5,678	18,382	12,704	69.1%	15,418	9,740	63.2%	
84,066	86,835	2,769	3.2%	56,744	(27,322)	(48.1%)	
223,006	292,726	69,720	23.8%	183,094	(39,912)	(21.8%)	
148,225	100,905	(47,320)	(46.9%)	74,210	(74,015)	(99.7%)	
25,875	35,175	9,300	26.4%	28,562	2,687	9.4%	
8,746	40,418	31,672	78.4%	-	(8,746)	-	
38,166	26,964	(11,202)	(41.5%)	-	(38,166)	-	
94,436	130,501	36,065	27.6%	-	(94,436)	-	
6,037,211	7,552,538	1,515,327	20.1%	5,421,882	(615,329)	(11.3%)	
27,272,428	34,186,589	6,914,160	20.2%	26,701,418	(571,010)	(2.1%)	
\$ (15,090,115)	\$ (19,973,355)	\$ 4,883,240	(24.4%)	\$ (13,716,887)	\$ (1,373,228)	10.0%	
138,612	217,980	(79,368)	(36.4%)	532,762	(394,150)	(74.0%)	
\$ 13,654,474	\$ 25,083,329	\$ (11,428,854)	(45.6%)	\$ 14,702,849	\$ 1,048,374	7.1%	

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	Year to Date
Gross Patient Revenue	\$ 3,463,909	\$ 2,991,655	\$ 3,037,040	\$ 2,812,330	\$ 2,524,048	\$ 3,822,944	\$ 3,684,741	\$ 22,336,666
Contractual Allowance	1,230,872	846,040	755,447	894,111	891,075	920,787	1,626,691	7,165,022
Charity Care	1,196,335	1,035,483	1,098,512	924,346	865,301	1,309,874	1,246,642	7,676,492
Bad Debt	704,322	429,668	565,031	488,188	523,591	471,481	629,771	3,812,052
Total Contractuals and Bad Debt	3,131,528	2,311,191	2,418,989	2,306,645	2,279,967	2,702,142	3,503,103	18,653,566
Other Patient Revenue	561,333	561,333	561,333	645,491	585,578	582,372	530,338	4,027,777
Net Patient Service Revenue	893,713	1,241,797	1,179,383	1,151,175	829,659	1,703,174	711,976	7,710,877
Collection %	25.80%	41.51%	38.83%	40.93%	32.87%	44.55%	19.32%	34.52%
Non-Operating Revenues								
Grants	514,544	740,790	372,651	603,899	633,632	696,247	755,771	4,317,533
Other Revenue	25,544	5,756	33,568	1,088	52,092	34,374	1,480	153,903
Total Other Revenues	\$ 540,088	\$ 746,545	\$ 406,220	\$ 604,987	\$ 685,724	\$ 730,621	\$ 757,252	\$ 4,471,437
Total Non-Operating Revenues	\$ 1,433,801	\$ 1,988,342	\$ 1,585,603	\$ 1,756,162	\$ 1,515,383	\$ 2,433,795	\$ 1,469,227	\$ 12,182,314
Direct Operating Expenses:								
Salaries and Wages	1,777,415	1,748,215	1,759,915	1,908,502	1,761,205	1,996,481	1,897,695	12,849,428
Benefits	432,027	639,602	585,302	292,556	485,230	490,607	488,708	3,414,032
Purchased Services	12,929	22,360	30,717	46,042	39,569	48,496	41,537	241,650
Medical Supplies	68,475	49,343	80,343	55,613	72,325	92,799	77,773	496,670
Other Supplies	6,167	19,844	22,170	21,433	19,138	57,625	28,898	175,274
Medical Services	103,925	95,313	64,076	90,149	69,030	26,073	34,091	482,658
Drugs	61,289	67,731	60,760	55,185	65,626	77,434	98,839	486,865
Repairs and Maintenance	52,025	41,102	33,724	61,279	44,679	38,410	93,964	365,182
Lease and Rental	180,498	143,397	61,812	172,355	50,818	146,865	122,214	877,959
Utilities	3,195	11,841	13,205	12,995	12,645	14,046	10,564	78,490
Other Expense	44,142	98,523	53,236	80,439	85,523	106,960	67,614	536,438
Interest Expense	16,511	55,677	35,698	35,432	35,740	34,896	34,051	248,004
Principal Expenditure	1,606	50,497	-	-	(576)	-	(51,527)	-
Insurance	6,635	6,635	6,635	6,635	6,635	6,635	6,635	46,448
Total Operating Expenses	2,766,839	3,050,082	2,807,592	2,838,615	2,747,587	3,137,328	2,951,056	20,299,099

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	Year to Date
Net Performance before Depreciation & Overhead Allocations	\$ (1,333,038)	\$ (1,061,740)	\$ (1,221,990)	\$ (1,082,453)	\$ (1,232,204)	\$ (703,532)	\$ (1,481,828)	\$ (8,116,785)
Depreciation	87,165	166,932	126,926	115,083	114,805	161,872	163,335	936,118
<i>Overhead Allocations:</i>								
OH Risk Management	12,674	10,468	10,570	10,369	10,084	8,910	7,687	70,762
OH Revenue Cycle	76,173	58,628	87,253	47,507	97,622	77,137	71,533	515,853
OH Internal Audit	3,844	3,009	2,478	2,016	1,900	2,061	2,017	17,325
Home Office Facilities	28,469	21,511	16,029	22,161	37,737	23,388	22,650	171,945
OH Administration	19,054	16,540	14,636	6,306	15,732	17,030	26,166	115,464
OH Human Resources	122,937	105,519	102,453	103,551	122,808	109,119	109,810	776,197
Legal	55,244	32,069	26,771	27,544	25,895	28,635	27,958	224,116
Records	4,254	3,444	4,660	4,784	3,988	4,236	4,126	29,492
OH Compliance	14,592	15,279	14,663	14,870	13,967	15,055	16,145	104,571
IT Operations	22,627	43,480	52,077	53,115	49,156	44,499	49,253	314,207
IT Security	17,676	28,314	3,226	12,874	18,694	16,302	16,146	113,232
OH Finance	48,235	38,992	47,994	42,960	40,847	49,635	44,966	313,629
Corporate Communications	16,284	14,653	14,656	14,302	13,614	15,438	17,361	106,308
OH Information Technology	24,675	20,492	20,150	20,119	18,936	20,927	21,396	146,695
IT Applications	264,361	84,357	194,313	253,644	178,935	149,146	63,217	1,187,973
IT Service Center	56,523	38,529	44,993	34,566	35,479	44,753	29,316	284,159
Corporate Quality	22,066	19,497	21,756	21,542	21,718	23,073	27,545	157,197
OH Security Services	61,071	62,445	55,853	50,226	66,682	54,508	32,188	382,973
OH Supply Chain	22,217	24,128	22,354	10,315	7,180	20,441	19,230	125,865
HIM Department	12,735	11,992	12,324	11,979	12,747	13,590	12,034	87,401
OH Coding	24,741	23,865	24,168	22,450	21,656	23,763	23,006	163,649
OH Reimbursement	953	185	530	459	463	501	2,587	5,678
OH Clinical Labor Pool	13,086	12,292	13,260	11,682	10,264	13,287	10,195	84,066
District Nursing Admin	29,065	29,316	32,018	31,377	29,556	36,112	35,562	223,006
District Operations Admin	24,854	16,298	21,158	21,336	20,491	23,029	21,059	148,225
OH Mail Room	3,566	3,087	3,269	3,651	4,187	4,114	4,001	25,875
OH Patient Experience	-	-	1,817	1,670	1,673	1,817	1,769	8,746

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	Year to Date
OH External Affairs	4,618	7,899	4,927	5,375	3,742	6,058	5,547	38,166
OH Strategic Initiatives and Projects	-	-	39,695	15,770	16,345	12,061	10,565	94,436
Total Overhead Allocations	1,006,594	746,288	910,051	878,520	902,098	858,625	735,035	6,037,211
Total Expenses	3,860,598	3,963,302	3,844,570	3,832,218	3,764,490	4,157,825	3,849,426	27,272,428
Net Margin	\$ (2,426,797)	\$ (1,974,960)	\$ (2,258,967)	\$ (2,076,056)	\$ (2,249,107)	\$ (1,724,029)	\$ (2,380,199)	\$ (15,090,115)
Capital Contributions.	-	-	-	9,221	28,085	94,980	6,326	138,612
General Fund Support/Transfer In	-	-	\$7,331,296	-	-	\$6,323,178	-	\$13,654,474

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Primary Care Medical Statement of Revenues and Expenses
For The Seventh Month Ended April 30, 2025

Current Month							Fiscal Year To Date						
Actual	Budget	Variance	%	Prior Year	Variance	%	Actual	Budget	Variance	%	Prior Year	Variance	%
\$ 2,082,715	\$ 1,711,854	\$ 370,861	21.7%	\$ 1,882,049	\$ 200,666	10.7%	\$ 12,866,964	\$ 11,827,962	\$ 1,039,002	8.8%	\$ 12,776,123	\$ 90,842	0.7%
Gross Patient Revenue							Gross Patient Revenue						
892,400	523,916	368,484	70.3%	(784,800)	1,677,200	(213.7%)	3,811,044	3,637,702	173,343	4.8%	3,928,938	(117,893)	(3.0%)
688,334	598,290	90,044	15.1%	565,594	122,740	21.7%	4,252,369	4,134,606	117,763	2.8%	4,369,857	(117,488)	(2.7%)
347,269	234,693	112,576	48.0%	177,988	169,281	95.1%	2,121,198	1,621,562	499,636	30.8%	1,397,623	723,576	51.8%
1,928,003	1,356,899	571,104	42.1%	(41,218)	1,969,221	(4,777.6%)	10,184,612	9,393,869	790,743	8.4%	9,696,417	488,195	5.0%
289,022	444,808	(155,786)	(35.0%)	438,417	(149,395)	(34.1%)	2,685,743	3,073,222	(387,478)	(12.6%)	2,869,150	(183,407)	(6.4%)
443,734	799,763	(356,029)	(44.5%)	2,361,683	(1,917,949)	(81.2%)	5,368,096	5,507,314	(139,219)	(2.5%)	5,948,856	(580,760)	(9.8%)
21.31%	46.72%			125.48%			41.72%	46.56%			46.56%		
500,299	683,351	(183,051)	(26.8%)	654,674	(154,375)	(23.6%)	3,243,046	4,732,114	(1,489,069)	(31.5%)	3,816,766	(573,720)	(15.0%)
-	-	-	-	-	-	-	-	-	-	-	1,943	(1,943)	-
1,329	6,568	(5,239)	(79.8%)	3,630	(2,301)	(63.4%)	152,396	45,932	106,464	231.8%	23,899	128,498	537.7%
\$ 945,363	\$ 1,489,682	\$ (544,319)	(36.5%)	\$ 3,019,987	\$ (2,074,625)	(68.7%)	\$ 8,763,537	\$ 10,285,361	\$ (1,521,823)	(14.8%)	\$ 9,791,463	\$ (1,027,926)	(10.5%)
Direct Operating Expenses:							Direct Operating Expenses:						
1,290,985	1,621,160	330,175	20.4%	1,517,121	226,136	14.9%	9,029,677	11,332,624	2,302,947	20.3%	10,498,207	1,468,529	14.0%
346,032	420,089	74,057	17.6%	440,897	94,865	21.5%	2,463,807	2,947,092	483,285	16.4%	2,840,229	376,422	13.3%
41,526	33,382	(8,144)	(24.4%)	111,191	69,666	62.7%	224,792	233,674	8,882	3.8%	902,414	677,622	75.1%
46,657	96,946	50,289	51.9%	47,374	717	1.5%	273,158	678,620	405,462	59.7%	460,783	187,625	40.7%
12,417	25,259	12,842	50.8%	9,122	(3,295)	(36.1%)	144,163	176,811	32,648	18.5%	109,801	(34,362)	(31.3%)
34,091	77,899	43,808	56.2%	91,847	57,756	62.9%	482,658	545,293	62,635	11.5%	585,456	102,799	17.6%
98,839	58,471	(40,368)	(69.0%)	52,659	(46,180)	(87.7%)	486,865	409,297	(77,568)	(19.0%)	363,624	(123,241)	(33.9%)
90,502	58,374	(32,128)	(55.0%)	82,422	(8,079)	(9.8%)	338,179	408,618	70,439	17.2%	295,924	(42,255)	(14.3%)
89,464	108,402	18,938	17.5%	71,099	(18,365)	(25.8%)	677,146	758,814	81,668	10.8%	463,250	(213,896)	(46.2%)
8,809	13,204	4,395	33.3%	8,012	(797)	(9.9%)	60,590	92,428	31,838	34.4%	45,859	(14,731)	(32.1%)
54,141	85,959	31,818	37.0%	76,185	22,044	28.9%	392,046	601,711	209,665	34.8%	521,449	129,403	24.8%
29,279	13,310	(15,969)	(120.0%)	15,115	(14,164)	(93.7%)	214,001	93,172	(120,830)	(129.7%)	110,201	(103,801)	(94.2%)
(40,094)	-	40,094	-	-	40,094	-	-	-	-	-	-	-	-
6,459	6,424	(35)	(0.5%)	4,902	(1,557)	(31.8%)	45,214	44,966	(247)	(0.5%)	34,314	(10,900)	(31.8%)
2,109,107	2,618,878	509,771	19.5%	2,527,947	418,840	16.6%	14,832,295	18,323,119	3,490,824	19.1%	17,231,509	2,399,214	13.9%
Net Performance before Depreciation & Overhead Allocations							Net Performance before Depreciation & Overhead Allocations						
\$ (1,163,744)	\$ (1,129,196)	\$ (34,548)	3.1%	\$ 492,040	\$ (1,655,784)	(336.5%)	\$ (6,068,757)	\$ (8,037,758)	\$ 1,969,001	(24.5%)	\$ (7,440,046)	\$ 1,371,288	(18.4%)
134,199	98,507	(35,692)	(36.2%)	77,250	(56,949)	(73.7%)	789,136	689,547	(99,589)	(14.4%)	536,995	(252,141)	(47.0%)
Overhead Allocations:							Overhead Allocations:						
5,177	9,426	4,249	45.1%	9,725	4,548	46.8%	47,659	65,982	18,323	27.8%	64,384	16,725	26.0%
35,767	44,914	9,147	20.4%	54,506	18,739	34.4%	257,927	314,398	56,471	18.0%	417,464	159,537	38.2%
1,358	2,507	1,149	45.8%	1,649	291	17.6%	11,668	17,549	5,881	33.5%	16,759	5,091	30.4%
18,306	18,927	621	3.3%	18,935	629	3.3%	138,967	132,489	(6,478)	(4.9%)	124,088	(14,879)	(12.0%)
17,623	10,195	(7,428)	(72.9%)	15,801	(1,822)	(11.5%)	77,767	71,365	(6,402)	(9.0%)	77,079	(688)	(0.9%)
71,534	84,897	13,363	15.7%	53,212	(18,322)	(34.4%)	505,640	594,279	88,639	14.9%	488,936	(16,704)	(3.4%)
18,830	28,821	9,991	34.7%	21,040	2,210	10.5%	150,947	201,747	50,800	25.2%	162,709	11,762	7.2%
2,779	3,471	692	19.9%	3,010	231	7.7%	19,863	24,297	4,434	18.2%	20,727	864	4.2%
10,874	11,681	807	6.9%	10,093	(781)	(7.7%)	70,431	81,767	11,336	13.9%	75,286	4,855	6.4%
33,173	48,238	15,065	31.2%	53,536	20,363	38.0%	211,625	337,666	126,041	37.3%	258,166	46,541	18.0%
10,875	16,746	5,871	35.1%	10,821	(54)	(0.5%)	76,265	117,222	40,957	34.9%	77,638	1,373	1.8%
30,285	32,113	1,828	5.7%	29,078	(1,207)	(4.2%)	211,234	224,791	13,557	6.0%	211,669	435	0.2%
11,693	14,014	2,321	16.6%	10,006	(1,687)	(16.9%)	71,601	98,098	26,497	27.0%	79,615	8,014	10.1%
14,411	19,068	4,657	24.4%	16,063	1,652	10.3%	98,802	133,476	34,674	26.0%	120,199	21,397	17.8%

Primary Care Medical Statement of Revenues and Expenses
For The Seventh Month Ended April 30, 2025

Current Month							
Actual	Budget	Variance	%	Prior Year	Variance	%	
37,956	160,202	122,246	76.3%	49,769	11,813	23.7%	IT Applications
19,745	34,544	14,799	42.8%	46,995	27,250	58.0%	IT Service Center
-	-	-	-	13,211	13,211	-	OH Performance Excellence
18,552	14,978	(3,574)	(23.9%)	16,059	(2,493)	(15.5%)	Corporate Quality
22,754	40,782	18,028	44.2%	25,958	3,204	12.3%	OH Security Services
12,952	15,779	2,827	17.9%	14,475	1,523	10.5%	OH Supply Chain
8,105	9,065	960	10.6%	10,062	1,957	19.4%	HIM Department
15,495	19,639	4,144	21.1%	18,146	2,651	14.6%	OH Coding
1,742	1,769	27	1.5%	1,811	69	3.8%	OH Reimbursement
6,867	8,355	1,488	17.8%	9,136	2,269	24.8%	OH Clinical Labor Pool
23,951	28,165	4,214	15.0%	65,449	41,498	63.4%	District Nursing Admin
14,183	9,709	(4,474)	(46.1%)	10,299	(3,884)	(37.7%)	District Operations Admin
2,695	3,385	690	20.4%	3,198	503	15.7%	OH Mail Room
1,192	3,889	2,697	69.3%	-	(1,192)	-	OH Patient Experience
3,736	2,595	(1,141)	(44.0%)	-	(3,736)	-	OH External Affairs
7,116	12,556	5,440	43.3%	-	(7,116)	-	OH Strategic Initiatives and Projects
479,726	710,430	230,704	32.5%	592,043	112,317	19.0%	Total Overhead Allocations-
2,723,032	3,427,815	704,783	20.6%	3,197,240	474,208	14.8%	Total Expenses
\$ (1,777,669)	\$ (1,938,133)	\$ 160,464	(8.3%)	\$ (177,253)	\$ (1,600,416)	902.9%	Net Margin
6,326	10,478	(4,152)	(39.6%)	135,192	(128,866)	(95.3%)	Capital Contributions.
-	\$ 2,333,333	\$ (2,333,333)	-	\$ 13,474,731	\$ 13,474,731	-	Transfer In/(Out)

Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%	
713,273	1,121,414	408,141	36.4%	1,007,064	293,791	29.2%	
191,387	241,808	50,421	20.9%	235,737	44,350	18.8%	
-	-	-	-	97,104	97,104	-	
105,876	104,846	(1,030)	(1.0%)	97,973	(7,903)	(8.1%)	
270,733	285,474	14,741	5.2%	177,143	(93,590)	(52.8%)	
84,774	110,453	25,679	23.2%	102,766	17,992	17.5%	
58,865	63,455	4,590	7.2%	73,605	14,740	20.0%	
110,223	137,473	27,250	19.8%	127,815	17,592	13.8%	
3,825	12,383	8,558	69.1%	12,864	9,039	70.3%	
56,621	58,485	1,864	3.2%	47,347	(9,274)	(19.6%)	
150,199	197,155	46,956	23.8%	152,772	2,573	1.7%	
99,832	67,963	(31,869)	(46.9%)	61,920	(37,912)	(61.2%)	
17,428	23,695	6,267	26.4%	23,831	6,403	26.9%	
5,891	27,223	21,332	78.4%	-	(5,891)	-	
25,704	18,165	(7,539)	(41.5%)	-	(25,704)	-	
63,604	87,892	24,288	27.6%	-	(63,604)	-	
3,908,631	4,973,010	1,064,379	21.4%	4,412,661	504,030	11.4%	
19,530,062	23,985,676	4,455,614	18.6%	22,181,165	2,651,103	12.0%	
\$ (10,766,524)	\$ (13,700,315)	\$ 2,933,791	(21.4%)	\$ (12,389,702)	\$ 1,623,177	(13.1%)	
54,261	73,346	(19,085)	(26.0%)	368,609	(314,348)	(85.3%)	
\$ 8,940,920	\$ 16,333,331	\$ (7,392,411)	(45.3%)	\$ 13,474,731	\$ 4,533,811	33.6%	

Primary Care Clinics - Dental Statement of Revenues and Expenses by Location (YTD)
For The Seventh Month Ended April 30, 2025

	Dental Clinic Administration	Belle Glade Dental Clinic	Delray Dental Clinic	Lantana Dental Clinic	West Palm Beach Dental Clinic	Atlantis Dental Clinic	Port Dental Clinic	Total
Gross Patient Revenue	-	\$ 1,074,713	\$ 1,749,872	\$ 880,367	\$ 2,236,807	\$ 568,618	\$ 22,757	\$ 6,533,134
Contractual Allowance	-	473,293	500,541	394,130	780,019	12,657	25	2,160,664
Charity Care	-	343,309	804,806	381,399	1,051,581	185,006	22,757	2,788,858
Bad Debt	-	166,574	263,624	181,029	223,573	6,459	95	841,354
Total Contractual Allowances and Bad Debt	-	983,176	1,568,971	956,557	2,055,173	204,122	22,877	5,790,876
Other Patient Revenue	-	233,525	283,422	128,613	418,700	173,040	191	1,237,490
Net Patient Revenue	-	325,061	464,323	52,423	600,334	537,536	71	1,979,747
Collection %	-	30.25%	26.53%	5.95%	26.84%	94.53%	0.31%	30.30%
Grants	14,577	82,883	160,026	97,428	243,048	70,076	-	668,039
Other Revenue	1,507	-	-	-	-	-	-	1,507
Total Other Revenues	16,084	82,883	160,026	97,428	243,048	70,076	-	669,547
Total Revenues	\$ 16,084	\$ 407,945	\$ 624,349	\$ 149,851	\$ 843,382	\$ 607,612	\$ 71	\$ 2,649,294
Direct Operational Expenses:								
Salaries and Wages	52,486	260,944	500,052	278,635	746,601	202,648	-	2,041,366
Benefits	14,088	77,183	108,388	81,503	192,537	69,099	-	542,798
Purchased Services	-	6,144	4,862	3,500	867	1,485	-	16,858
Medical Supplies	-	34,650	58,533	24,922	91,444	13,964	-	223,512
Other Supplies	-	6,805	8,830	583	10,287	4,608	-	31,112
Repairs and Maintenance	-	3,102	3,671	5,866	10,645	3,720	-	27,004
Lease and Rental	-	22,496	31,205	29,394	83,542	34,177	-	200,813
Utilities	-	5,585	8,183	975	1,365	1,793	-	17,900
Other Expense	7,832	12,299	22,300	43,849	44,614	7,286	-	138,180
Interest Expense	-	-	16,652	-	-	17,350	-	34,003
Insurance	-	1,234	-	-	-	-	-	1,234
Total Operating Expenses	74,406	430,440	762,674	469,227	1,181,902	356,130	-	3,274,780
Net Performance before Depreciation & Overhead Allocations	(58,322)	(22,495)	(138,325)	(319,376)	(338,520)	251,481	71	(625,486)
Depreciation	-	7,599	18,041	5,243	19,695	22,708	-	73,286
Overhead Allocations:								
OH Risk Management	11,890	-	-	-	-	-	-	11,890
OH Revenue Cycle	206,341	-	-	-	-	-	-	206,341
OH Internal Audit	2,911	-	-	-	-	-	-	2,911
Home Office Facilities	16,489	-	-	-	-	-	-	16,489
OH Administration	19,402	-	-	-	-	-	-	19,402
OH Human Resources	136,280	-	-	-	-	-	-	136,280
Legal	37,659	-	-	-	-	-	-	37,659
Records	4,956	-	-	-	-	-	-	4,956
OH Compliance	17,572	-	-	-	-	-	-	17,572
IT Operations	52,797	-	-	-	-	-	-	52,797
IT Security	19,026	-	-	-	-	-	-	19,026
OH Finance	52,701	-	-	-	-	-	-	52,701
Corporate Communications	17,863	-	-	-	-	-	-	17,863
OH Information Technology	24,649	-	-	-	-	-	-	24,649
IT Applications	199,621	-	-	-	-	-	-	199,621
IT Service Center	47,748	-	-	-	-	-	-	47,748
Corporate Quality	26,415	-	-	-	-	-	-	26,415
OH Security Services	37,413	-	-	-	-	-	-	37,413
OH Supply Chain	21,148	-	-	-	-	-	-	21,148
HIM Department	14,687	-	-	-	-	-	-	14,687
OH Coding	27,498	-	-	-	-	-	-	27,498
OH Reimbursement	954	-	-	-	-	-	-	954
OH Clinical Labor Pool	14,126	-	-	-	-	-	-	14,126
District Nursing Admin	37,472	-	-	-	-	-	-	37,472
District Operations Admin	24,907	-	-	-	-	-	-	24,907
OH Mail Room	4,348	-	-	-	-	-	-	4,348
OH Patient Experience	1,469	-	-	-	-	-	-	1,469
OH External Affairs	6,413	-	-	-	-	-	-	6,413
OH Strategic Initiatives and Projects	15,868	-	-	-	-	-	-	15,868
Total Overhead Allocations	1,100,623	-	-	-	-	-	-	1,100,623
Total Expenses	1,175,029	438,040	818,771	474,469	1,201,597	414,480	-	4,522,385
Net Margin	\$ (1,158,945)	\$ (30,095)	\$ (194,421)	\$ (324,618)	\$ (358,214)	\$ 193,132	\$ 71	\$ (1,873,091)
Capital Contributions	84,351	-	-	-	-	-	-	84,351
Transfer In/(Out)	\$ 2,314,784	-	53	-	-	-	-	\$ 2,314,784

Primary Care Dental Statement of Revenues and Expenses
For The Seventh Month Ended April 30, 2025

Current Month							Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%		Actual	Budget	Variance	%	Prior Year	Variance	%
\$ 1,004,696	\$ 1,005,030	\$ (334)	-	\$ 1,103,902	\$ (99,207)	(9.0%)	Gross Patient Revenue	\$ 6,533,134	\$ 6,958,908	\$ (425,775)	(6.1%)	\$ 6,683,811	\$ (150,677)	(2.3%)
378,642	371,547	7,096	1.9%	1,389,331	(1,010,688)	(72.7%)	Contractual Allowance	2,160,664	2,575,423	(414,759)	(16.1%)	2,164,894	(4,231)	(0.2%)
438,801	377,183	61,618	16.3%	563,585	(124,784)	(22.1%)	Charity Care	2,788,858	2,610,688	178,170	6.8%	2,875,434	(86,576)	(3.0%)
103,428	119,900	(16,472)	(13.7%)	106,955	(3,527)	(3.3%)	Bad Debt	841,354	829,771	11,583	1.4%	698,462	142,892	20.5%
920,872	868,630	52,242	6.0%	2,059,871	(1,138,999)	(55.3%)	Total Contractuals and Bad Debt	5,790,876	6,015,882	(225,006)	(3.7%)	5,738,790	52,086	0.9%
224,293	203,262	21,031	10.3%	236,947	(12,655)	(5.3%)	Other Patient Revenue	1,237,490	1,407,762	(170,272)	(12.1%)	1,341,566	(104,076)	(7.8%)
308,117	339,662	(31,545)	(9.3%)	(719,021)	1,027,138	(142.9%)	Net Patient Service Revenue	1,979,747	2,350,788	(371,041)	(15.8%)	2,286,586	(306,839)	(13.4%)
30.67%	33.80%			(65.13%)			Collection %	30.30%	33.78%			34.21%		
110,568	128,066	(17,498)	(13.7%)	111,481	(913)	(0.8%)	Grants	668,039	885,362	(217,322)	(24.5%)	763,693	(95,653)	(12.5%)
151	167	(16)	(9.6%)	-	151	-	Other Revenue	1,507	1,169	338	28.9%	1,202	305	25.4%
\$ 418,837	\$ 467,895	\$ (49,058)	(10.5%)	\$ (607,540)	\$ 1,026,377	(168.9%)	Total Revenues	\$ 2,649,294	\$ 3,237,319	\$ (588,025)	(18.2%)	\$ 3,051,481	\$ (402,188)	(13.2%)
							Direct Operating Expenses:							
302,253	329,640	27,387	8.3%	325,925	23,672	7.3%	Salaries and Wages	2,041,366	2,305,271	263,905	11.4%	2,262,025	220,659	9.8%
80,747	97,491	16,744	17.2%	88,584	7,837	8.8%	Benefits	542,798	684,593	141,795	20.7%	618,595	75,798	12.3%
11	6,940	6,929	99.8%	2,829	2,818	99.6%	Purchased Services	16,858	48,582	31,724	65.3%	28,780	11,922	41.4%
31,116	28,499	(2,617)	(9.2%)	32,695	1,579	4.8%	Medical Supplies	223,512	199,493	(24,019)	(12.0%)	194,211	(29,301)	(15.1%)
16,481	8,827	(7,654)	(86.7%)	18,789	2,308	12.3%	Other Supplies	31,112	61,789	30,677	49.6%	42,067	10,955	26.0%
-	137	137	-	347	347	-	Drugs	-	959	959	-	347	347	-
3,462	3,950	488	12.4%	4,377	915	20.9%	Repairs and Maintenance	27,004	27,650	646	2.3%	20,864	(6,140)	(29.4%)
32,750	22,589	(10,161)	(45.0%)	21,526	(11,224)	(52.1%)	Lease and Rental	200,813	158,122	(42,691)	(27.0%)	161,189	(39,624)	(24.6%)
1,755	2,272	517	22.8%	2,174	419	19.3%	Utilities	17,900	15,904	(1,996)	(12.6%)	13,636	(4,264)	(31.3%)
12,807	18,028	5,221	29.0%	16,550	3,743	22.6%	Other Expense	138,180	126,194	(11,986)	(9.5%)	68,795	(69,385)	(100.9%)
4,772	2,339	(2,433)	(104.0%)	2,515	(2,257)	(89.7%)	Interest Expense	34,003	16,373	(17,630)	(107.7%)	17,906	(16,097)	(89.9%)
(11,434)	-	11,434	-	-	11,434	-	Principal Expenditure	-	-	-	-	-	-	-
176	175	(1)	(0.6%)	45	(131)	(291.1%)	Insurance	1,234	1,225	(9)	(0.7%)	318	(917)	(288.4%)
474,896	520,886	45,990	8.8%	516,356	41,459	8.0%	Total Operating Expenses	3,274,780	3,646,155	371,376	10.2%	3,428,733	153,954	4.5%
							Net Performance before Depreciation & Overhead Allocations	\$ (625,486)	\$ (408,836)	\$ (216,649)	53.0%	\$ (377,252)	\$ (248,234)	65.8%
29,137	18,363	(10,774)	(58.7%)	12,563	(16,573)	(131.9%)	Depreciation	146,983	128,541	(18,442)	(14.3%)	82,299	(64,683)	(78.6%)
							Overhead Allocations:							
1,292	2,352	1,060	45.1%	1,930	638	33.1%	OH Risk Management	11,890	16,464	4,574	27.8%	12,779	889	7.0%
28,613	35,931	7,318	20.4%	18,829	(9,784)	(52.0%)	OH Revenue Cycle	206,341	251,517	45,176	18.0%	144,215	(62,126)	(43.1%)
339	626	287	45.8%	327	(12)	(3.7%)	OH Internal Audit	2,911	4,382	1,471	33.6%	3,326	415	12.5%
2,172	2,246	74	3.3%	5,304	3,132	59.0%	Home Office Facilities	16,489	15,722	(767)	(4.9%)	34,759	18,270	52.6%
4,397	2,544	(1,853)	(72.8%)	3,136	(1,261)	(40.2%)	OH Administration	19,402	17,808	(1,594)	(9.0%)	15,299	(4,103)	(26.8%)
19,280	22,881	3,601	15.7%	11,486	(7,794)	(67.9%)	OH Human Resources	136,280	160,167	23,887	14.9%	105,541	(30,739)	(29.1%)
4,698	7,190	2,492	34.7%	4,176	(522)	(12.5%)	Legal	37,659	50,330	12,671	25.2%	32,294	(5,365)	(16.6%)
693	866	173	20.0%	597	(96)	(16.1%)	Records	4,956	6,062	1,106	18.2%	4,114	(842)	(20.5%)
2,713	2,914	201	6.9%	2,003	(710)	(35.4%)	OH Compliance	17,572	20,398	2,826	13.9%	14,942	(2,630)	(17.6%)
8,276	12,035	3,759	31.2%	10,626	2,350	22.1%	IT Operations	52,797	84,245	31,448	37.3%	51,241	(1,556)	(3.0%)
2,713	4,178	1,465	35.1%	2,148	(565)	(26.3%)	IT Security	19,026	29,246	10,220	34.9%	15,410	(3,616)	(23.5%)
7,556	8,012	456	5.7%	5,771	(1,785)	(30.9%)	OH Finance	52,701	56,084	3,383	6.0%	42,012	(10,689)	(25.4%)
2,917	3,496	579	16.6%	1,986	(931)	(46.9%)	Corporate Communications	17,863	24,472	6,609	27.0%	15,802	(2,061)	(13.0%)
3,595	4,757	1,162	24.4%	3,188	(407)	(12.8%)	OH Information Technology	24,649	33,299	8,650	26.0%	23,857	(792)	(3.3%)
10,623	57,582	46,959	81.6%	9,878	(745)	(7.5%)	IT Applications	199,621	403,074	203,453	50.5%	199,882	261	0.1%
4,926	8,618	3,692	42.8%	9,328	4,402	47.2%	IT Service Center	47,748	60,326	12,578	20.9%	46,790	(958)	(2.0%)

Primary Care Dental Statement of Revenues and Expenses
For The Seventh Month Ended April 30, 2025

Current Month							
Actual	Budget	Variance	%	Prior Year	Variance	%	
-	-	-	-	2,622	2,622	-	OH Performance Excellence
4,629	3,737	(892)	(23.9%)	3,187	(1,442)	(45.2%)	Corporate Quality
3,145	5,636	2,491	44.2%	12,979	9,834	75.8%	OH Security Services
3,231	3,937	706	17.9%	2,873	(358)	(12.5%)	OH Supply Chain
2,022	2,262	240	10.6%	1,997	(25)	(1.3%)	HIM Department
3,866	4,900	1,034	21.1%	3,602	(264)	(7.3%)	OH Coding
435	441	6	1.4%	359	(76)	(21.2%)	OH Reimbursement
1,713	2,084	371	17.8%	1,813	100	5.5%	OH Clinical Labor Pool
5,976	7,027	1,051	15.0%	12,990	7,014	54.0%	District Nursing Admin
3,539	2,422	(1,117)	(46.1%)	2,044	(1,495)	(73.1%)	District Operations Admin
672	844	172	20.4%	635	(37)	(5.8%)	OH Mail Room
297	970	673	69.4%	-	(297)	-	OH Patient Experience
932	647	(285)	(44.0%)	-	(932)	-	OH External Affairs
1,775	3,133	1,358	43.3%	-	(1,775)	-	OH Strategic Initiatives and Projects
137,035	214,268	77,233	36.0%	135,814	(1,221)	(0.9%)	Total Overhead Allocations-
641,068	753,517	112,449	14.9%	664,733	23,665	3.6%	Total Expenses
\$ (222,231)	\$ (285,623)	\$ 63,391	(22.2%)	\$ (1,272,273)	\$ 1,050,042	(82.5%)	Net Margin
-	20,662	(20,662)	-	66,150	(66,150)	-	Capital Contributions.
-	\$ 500,000	\$ (500,000)	-	\$ 1,400,256	\$ 1,400,256	-	Transfer In/(Out)

Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%	
-	-	-	-	19,273	19,273	-	
26,415	26,159	(256)	(1.0%)	19,445	(6,970)	(35.8%)	
37,413	39,452	2,039	5.2%	88,571	51,158	57.8%	
21,148	27,559	6,411	23.3%	20,396	(752)	(3.7%)	
14,687	15,834	1,147	7.2%	14,609	(78)	(0.5%)	
27,498	34,300	6,802	19.8%	25,369	(2,129)	(8.4%)	
954	3,087	2,133	69.1%	2,554	1,600	62.6%	
14,126	14,588	462	3.2%	9,397	(4,729)	(50.3%)	
37,472	49,189	11,717	23.8%	30,322	(7,150)	(23.6%)	
24,907	16,954	(7,953)	(46.9%)	12,290	(12,617)	(102.7%)	
4,348	5,908	1,560	26.4%	4,731	383	8.1%	
1,469	6,790	5,321	78.4%	-	(1,469)	-	
6,413	4,529	(1,884)	(41.6%)	-	(6,413)	-	
15,868	21,931	6,063	27.6%	-	(15,868)	-	
1,100,623	1,499,876	399,253	26.6%	1,009,221	(91,402)	(9.1%)	
4,522,385	5,274,572	752,187	14.3%	4,520,253	(2,132)	-	
\$ (1,873,091)	\$ (2,037,253)	\$ 164,162	(8.1%)	\$ (1,468,772)	\$ (404,320)	27.5%	
84,351	144,634	(60,283)	(41.7%)	164,153	(79,802)	(48.6%)	
\$ 2,314,784	\$ 3,500,000	\$ (1,185,216)	(33.9%)	\$ 1,400,256	\$ (914,527)	(65.3%)	

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Primary Care Behavioral Health Statement of Revenues and Expenses
For The Seventh Month Ended April 30, 2025

Current Month							Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%		Actual	Budget	Variance	%	Prior Year	Variance	%
\$ 597,330	\$ 146,099	\$ 451,231	308.9%	\$ 152,993	\$ 444,336	290.4%	Gross Patient Revenue	\$ 2,936,568	\$ 1,022,690	\$ 1,913,879	187.1%	\$ 966,483	\$ 1,970,085	203.8%
355,648	53,458	302,191	565.3%	211,463	144,185	68.2%	Contractual Allowance	1,193,314	374,203	819,111	218.9%	365,781	827,532	226.2%
119,507	19,548	99,959	511.4%	37,583	81,924	218.0%	Charity Care	635,265	136,833	498,433	364.3%	225,067	410,198	182.3%
179,074	26,064	153,010	587.1%	24,973	154,101	617.1%	Bad Debt	849,499	182,450	667,049	365.6%	248,220	601,279	242.2%
654,229	99,069	555,159	560.4%	274,019	380,210	138.8%	Total Contractuals and Bad Debt	2,678,078	693,486	1,984,592	286.2%	839,069	1,839,010	219.2%
17,023	1,622	15,402	949.6%	4,198	12,826	305.5%	Other Patient Revenue	104,544	11,351	93,194	821.0%	14,172	90,372	637.7%
(39,876)	48,651	(88,526)	(182.0%)	(116,828)	76,953	(65.9%)	Net Patient Service Revenue	363,034	340,554	22,480	6.6%	141,586	221,448	156.4%
(6.68%)	33.30%			(76.36%)			Collection %	12.36%	33.30%			14.65%		
144,904	50,000	94,904	189.8%	-	144,904	-	Grants	406,448	350,000	56,448	16.1%	-	406,448	-
\$ 105,028	\$ 98,651	\$ 6,378	6.5%	\$ (116,828)	\$ 221,856	(189.9%)	Total Revenues	\$ 769,482	\$ 690,554	\$ 78,928	11.4%	\$ 141,586	\$ 627,896	443.5%
							Direct Operating Expenses:							
304,458	414,987	110,530	26.6%	-	(304,458)	-	Salaries and Wages	1,778,385	2,876,394	1,098,009	38.2%	-	(1,778,385)	-
61,928	123,652	61,724	49.9%	-	(61,928)	-	Benefits	407,427	859,753	452,326	52.6%	-	(407,427)	-
-	62	62	-	-	-	-	Purchased Services	-	433	433	-	-	-	-
-	2,603	2,603	-	-	-	-	Medical Supplies	-	18,221	18,221	-	-	-	-
-	6,836	6,836	-	-	-	-	Other Supplies	-	47,851	47,851	-	-	-	-
-	4,754	4,754	-	-	-	-	Drugs	-	33,278	33,278	-	-	-	-
666	1,537	871	56.7%	-	(666)	-	Other Expense	6,212	10,759	4,547	42.3%	-	(6,212)	-
367,052	554,432	187,379	33.8%	-	(367,052)	-	Total Operating Expenses	2,192,024	3,846,689	1,654,664	43.0%	-	(2,192,024)	-
							Net Performance before Depreciation & Overhead Allocations	\$ (1,422,542)	\$ (3,156,135)	\$ 1,733,593	(54.9%)	\$ 141,586	\$ (1,564,128)	(1,104.7%)
							Overhead Allocations:							
1,218	2,217	999	45.1%	-	(1,218)	-	OH Risk Management	11,213	15,519	4,306	27.7%	-	(11,213)	-
7,153	8,983	1,830	20.4%	-	(7,153)	-	OH Revenue Cycle	51,585	62,881	11,296	18.0%	-	(51,585)	-
320	590	270	45.8%	-	(320)	-	OH Internal Audit	2,746	4,130	1,384	33.5%	-	(2,746)	-
2,172	2,246	74	3.3%	-	(2,172)	-	Home Office Facilities	16,489	15,722	(767)	(4.9%)	-	(16,489)	-
4,146	2,398	(1,748)	(72.9%)	-	(4,146)	-	OH Administration	18,295	16,786	(1,509)	(9.0%)	-	(18,295)	-
18,996	22,545	3,549	15.7%	-	(18,996)	-	OH Human Resources	134,277	157,815	23,538	14.9%	-	(134,277)	-
4,430	6,780	2,350	34.7%	-	(4,430)	-	Legal	35,510	47,460	11,950	25.2%	-	(35,510)	-
654	817	163	20.0%	-	(654)	-	Records	4,673	5,719	1,046	18.3%	-	(4,673)	-
2,558	2,748	190	6.9%	-	(2,558)	-	OH Compliance	16,568	19,236	2,668	13.9%	-	(16,568)	-
7,804	11,348	3,544	31.2%	-	(7,804)	-	IT Operations	49,785	79,436	29,651	37.3%	-	(49,785)	-
2,558	3,940	1,382	35.1%	-	(2,558)	-	IT Security	17,941	27,580	9,639	34.9%	-	(17,941)	-
7,125	7,555	430	5.7%	-	(7,125)	-	OH Finance	49,694	52,885	3,191	6.0%	-	(49,694)	-
2,751	3,297	546	16.6%	-	(2,751)	-	Corporate Communications	16,844	23,079	6,235	27.0%	-	(16,844)	-
3,390	4,486	1,096	24.4%	-	(3,390)	-	OH Information Technology	23,244	31,402	8,158	26.0%	-	(23,244)	-
14,638	24,333	9,695	39.8%	-	(14,638)	-	IT Applications	275,079	170,331	(104,748)	(61.5%)	-	(275,079)	-
4,645	8,126	3,481	42.8%	-	(4,645)	-	IT Service Center	45,024	56,882	11,858	20.8%	-	(45,024)	-
4,364	3,524	(840)	(23.8%)	-	(4,364)	-	Corporate Quality	24,906	24,668	(238)	(1.0%)	-	(24,906)	-
6,289	11,272	4,983	44.2%	-	(6,289)	-	OH Security Services	74,827	78,904	4,077	5.2%	-	(74,827)	-
3,047	3,712	665	17.9%	-	(3,047)	-	OH Supply Chain	19,943	25,984	6,041	23.2%	-	(19,943)	-
1,907	2,132	225	10.6%	-	(1,907)	-	HIM Department	13,849	14,924	1,075	7.2%	-	(13,849)	-
3,645	4,620	975	21.1%	-	(3,645)	-	OH Coding	25,928	32,340	6,412	19.8%	-	(25,928)	-
410	416	6	1.4%	-	(410)	-	OH Reimbursement	899	2,912	2,013	69.1%	-	(899)	-
1,615	1,966	351	17.9%	-	(1,615)	-	OH Clinical Labor Pool	13,319	13,762	443	3.2%	-	(13,319)	-
5,635	6,626	991	15.0%	-	(5,635)	-	District Nursing Admin	35,335	46,382	11,047	23.8%	-	(35,335)	-
3,337	2,284	(1,053)	(46.1%)	-	(3,337)	-	District Operations Admin	23,486	15,988	(7,498)	(46.9%)	-	(23,486)	-

Primary Care Behavioral Health Statement of Revenues and Expenses
For The Seventh Month Ended April 30, 2025

Current Month						
Actual	Budget	Variance	%	Prior Year	Variance	%
634	796	162	20.4%	-	(634)	-
280	915	635	69.4%	-	(280)	-
879	610	(269)	(44.1%)	-	(879)	-
1,674	2,954	1,280	43.3%	-	(1,674)	-
118,274	154,236	35,962	23.3%	-	(118,274)	-
485,326	708,668	223,341	31.5%	-	(485,326)	-
\$ (380,298)	\$ (610,017)	\$ 229,719	(37.7%)	\$ (116,828)	\$ (263,470)	225.5%
-	\$ 750,000	\$ (750,000)	-	\$ (172,138)	\$ (172,138)	-

OH Mail Room
OH Patient Experience
OH External Affairs
OH Strategic Initiatives and Projects
Total Overhead Allocations-

Total Expenses

Net Margin

Transfer In/(Out)

Fiscal Year To Date						
Actual	Budget	Variance	%	Prior Year	Variance	%
4,099	5,572	1,473	26.4%	-	(4,099)	-
1,386	6,405	5,019	78.4%	-	(1,386)	-
6,049	4,270	(1,779)	(41.7%)	-	(6,049)	-
14,964	20,678	5,714	27.6%	-	(14,964)	-
1,027,957	1,079,652	51,695	4.8%	-	(1,027,957)	-
3,219,981	4,926,341	1,706,359	34.6%	-	(3,219,981)	-
\$ (2,450,499)	\$ (4,235,787)	\$ 1,785,288	(42.1%)	\$ 141,586	\$ (2,592,085)	(1,830.7%)
\$ 2,398,771	\$ 5,249,998	\$ (2,851,227)	(54.3%)	\$ (172,138)	\$ (2,570,909)	1,493.5%



District Clinic Holdings, Inc.

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Current Year Total	Current YTD Budget	%Var to Budget	Prior Year Total
Clinic Visits - Adults and Pediatrics																
West Palm Beach	1,551	1,218	1,329	1,460	1,293	1,290	1,358						9,499	11,149	(14.8%)	11,266
Delray & Women's Health Care	1,056	897	902	1,039	883	770	930						6,477	5,592	15.8%	5,654
Belle Glade & Women's Health Care	793	760	802	895	774	876	868						5,768	5,737	0.5%	5,926
Jupiter & Women's Health Care	597	500	441	538	580	511	600						3,767	3,721	1.2%	3,790
West Boca & Women's Health Care	276	235	255	251	262	260	290						1,829	2,414	(24.2%)	2,494
Mangonia Park	677	589	590	705	578	610	608						4,357	5,192	(16.1%)	5,170
Lantana (closed Feb 2025)	1,730	1,432	1,548	1,391	438	-	-						6,539	6,550	(0.2%)	13,287
Lake Worth & Women's Health Care (closed Feb 2025)	1,268	1,013	1,066	1,108	361	-	-						4,816	5,173	(6.9%)	7,962
Atlantis & Womens Health Care (opened Feb 2025)	-	-	-	3	1,153	2,433	2,839						6,428	9,135	(100.0%)	-
Lewis Center	40	57	76	76	62	71	88						470	214	119.6%	249
St Ann Place	68	54	13	56	44	53	39						327	105	211.4%	107
Cib Mob 1 Warrior (Mobile Van)	10	-	-	-	-	-	-						10	-	100.0%	48
Cib Mob 2 Scout	-	-	-	-	-	-	-						-	9	(100.0%)	-
Cib Mob 3 Hero	84	83	84	86	84	67	75						563	214	163.1%	174
Portable Medical	96	66	72	121	71	49	73						548	408	34.3%	494
Total Clinic Visits	8,246	6,904	7,178	7,729	6,583	6,990	7,768	-	-	-	-	-	51,398	55,613	(7.6%)	56,621
Dental Visits																
West Palm Beach Dental	1053	957	1091	1210	1,097	1,167	1,056						7,631	8,034	(5.0%)	7,753
Delray Dental	734	654	870	936	840	858	930						5,822	4,635	25.6%	4,838
Belle Glade Dental	515	411	454	481	431	535	550						3,377	3,456	(2.3%)	3,454
Lantana Dental	661	545	269	759	204	-	-						2,438	3,342	(27.0%)	6,212
Atlantis Dental	-	-	-	-	221	655	814						1,690	2,804	(39.7%)	-
Portable Dental	-	16	8	11	8	9	-						52	91	(42.9%)	89
Total Dental Visits	2,963	2,583	2,692	3,397	2,801	3,224	3,350	-	-	-	-	-	21,010	22,362	(6.0%)	22,346
Total Medical and Dental Visits	11,209	9,487	9,870	11,126	9,384	10,214	11,118	-	-	-	-	-	72,408	77,975	(7.1%)	78,967
Behavioral Health Visits**																
West Palm Beach BH	-	-	-	-	-	-	107						107	1,186	(91.0%)	1,651
Delray BH	369	343	426	482	541	569	717						3,447	2,530	36.2%	3,282
Lantana BH	3	1	2	10	9	-	-						25	-	100.0%	1,494
Atlantis BH	-	-	-	1	12	50	374						437	-	100.0%	-
Belle Glade BH	2	-	-	-	-	-	-						2	35	(94.3%)	66
Mangonia Park BH	979	922	1,029	1,028	915	972	1,118						6,963	9,373	(25.7%)	5,979
Lewis Center BH	250	246	281	248	287	293	422						2,027	-	100.0%	-
Lake Worth BH	4	11	8	1	-	-	-						24	-	100.0%	990
St Ann Place BH	-	-	-	-	-	-	50						50	598	(91.6%)	573
West Boca BH	3	1	-	1	-	-	18						23	-	100.0%	195
Jupiter BH	-	-	-	-	-	-	-						-	-	0.0%	-
Mob 1 Warrior BH	1	-	-	-	1	-	9						11	-	100.0%	-
Mob 3 Hero BH	-	-	-	-	-	1	61						62	-	100.0%	-
Mobile Van BH	-	2	-	-	-	-	15						17	-	100.0%	-
Total Behavioral Health Visits	1,611	1,526	1,746	1,771	1,765	1,885	2,891	-	-	-	-	-	13,195	13,722	(3.8%)	14,230
GRAND TOTAL	12,820	11,013	11,616	12,897	11,149	12,099	14,009	-	-	-	-	-	85,603	91,697		93,197

**YTD Visits were adjusted to exclude non billable warm hand over(WHO) encounters.

Medicaid Match Statement of Revenues and Expenditures
For The Seventh Month Ended April 30, 2025

Current Month							
Actual	Budget	Variance	%	Prior Year	Variance	%	
\$ 491,667	\$ 491,667	-	-	\$ 491,667	-	-	Total Revenues
1,848,478	1,848,478	-	-	1,529,298	(319,180)	(20.9%)	Direct Operating Expenditures:
1,848,478	1,848,478	-	-	1,529,298	(319,180)	(20.9%)	Medicaid Match-
							Total Operating Expenditures
\$ (1,356,811)	\$ (1,356,811)	-	-	\$ (1,037,631)	\$ (319,180)	30.8%	Net Performance before Depreciation & Overhead Allocations
1,848,478	1,848,478	-	-	1,529,298	(319,180)	(20.9%)	Total Expenditures
\$ (1,356,811)	\$ (1,356,811)	-	-	\$ (1,037,631)	\$ (319,180)	30.8%	Net Margin
\$1,356,811	\$1,038,333	\$318,478	30.7%	\$1,529,298	\$172,487	11.3%	General Fund Support/Transfer In

Fiscal Year To Date							
Actual	Budget	Variance	%	Prior Year	Variance	%	
\$ 3,441,667	\$ 3,441,669	\$ (2)	-	\$ 3,441,667	-	-	Total Revenues
12,939,343	12,939,344	1	-	10,705,085	(2,234,258)	(20.9%)	Direct Operating Expenditures:
12,939,343	12,939,344	1	-	10,705,085	(2,234,258)	(20.9%)	Medicaid Match-
							Total Operating Expenditures
\$ (9,497,676)	\$ (9,497,675)	\$ (1)	-	\$ (7,263,418)	\$ (2,234,258)	30.8%	Net Performance before Depreciation & Overhead Allocations
12,939,343	12,939,344	1	-	10,705,085	(2,234,258)	(20.9%)	Total Expenditures
\$ (9,497,676)	\$ (9,497,675)	\$ (1)	-	\$ (7,263,418)	\$ (2,234,258)	30.8%	Net Margin
\$9,497,676	\$7,268,331	\$2,229,345	30.7%	\$7,755,085	\$(1,742,592)	(22.5%)	General Fund Support/Transfer In

	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	Year to Date
Revenues:								
Intergovernmental Revenue	\$ 491,667	\$ 491,667	\$ 491,667	\$ 491,667	\$ 491,667	\$ 491,667	\$ 491,667	\$ 3,441,667
Total Revenues	\$ 491,667	\$ 491,667	\$ 491,667	\$ 491,667	\$ 491,667	\$ 491,667	\$ 491,667	\$ 3,441,667
Expenditures:								
Medicaid Match-	1,848,478	1,848,478	1,848,478	1,848,478	1,848,478	1,848,478	1,848,478	12,939,343
Total Operating Expenditures	1,848,478	1,848,478	1,848,478	1,848,478	1,848,478	1,848,478	1,848,478	12,939,343
Net Performance before Overhead Allocations	\$ (1,356,811)	\$ (1,356,811)	\$ (1,356,811)	\$ (1,356,811)	\$ (1,356,811)	\$ (1,356,811)	\$ (1,356,811)	\$ (9,497,676)
Total Expenditures	1,848,478	1,848,478	1,848,478	1,848,478	1,848,478	1,848,478	1,848,478	12,939,343
Net Margin	\$ (1,356,811)	\$ (1,356,811)	\$ (1,356,811)	\$ (1,356,811)	\$ (1,356,811)	\$ (1,356,811)	\$ (1,356,811)	\$ (9,497,676)
Transfer In/(Out)	\$ 1,356,811	\$ 1,356,811	\$ 1,356,811	\$ 1,356,811	\$ 1,356,811	\$ 1,356,811	\$ 1,356,811	\$ 9,497,676

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
JOINT MEETING
JUNE 11, 2025

1. Description: Local Provider Participation Fund for the Directed Payment Program– Palm Beach County

2. Summary:

This agenda item presents the Board with an overview of the Health Care District of Palm Beach County's ("HCD") role as the administrator of the Local Provider Participation Fund ("LPPF") for the Medicaid Directed Payment Program as requested by the Palm Beach County Board of Commissioners ("PBC").

3. Substantive Analysis:

As background, Florida's Legislature gave AHCA authority to implement the Directed Pay Program ("DPP") through Intergovernmental Transfers ("IGT") in 2021. The County has the opportunity to provide IGTs to support the DPP, which was approved by the Centers for Medicare & Medicaid Services ("CMS"). The Medicaid DPP must be approved by CMS and must also be authorized by the Florida Legislature annually. The Board of County Commissioners initially approved the Ordinance on August 26, 2021 establishing a Local Provider Participation Fund for the DPP to be solely funded by assessments on privately-owned real property zoned as a hospital.

The DPP helps hospitals recoup Medicaid shortfalls by unlocking additional federal funds. The DPP is a local option that allows local governments to establish a non-ad valorem (non-property tax) special assessment that is charged solely to non-public hospitals. Revenue generated through this special assessment is placed into an LPPF and is then matched with federal funds to provide Florida's hospitals with supplemental Medicaid reimbursement. This helps to ensure that the non-federal share is paid by the hospitals, rather than by individuals or businesses with no ties to Medicaid.

The County has requested that the HCD administer the LPPF on behalf of the County in exchange for an administrative fee not to exceed \$300,000 divided equally between the County and HCD. After AHCA finalizes its modeling of the non-federal share needed to fund the DPP, HCD will be required to notify the local hospitals of their respective non-ad valorem assessment amounts and collect the funds in the LPPF. HCD will then be required to enter into a letter of agreement ("LOA") with AHCA and will be required to remit the assessed funds for all the hospitals participating in the LPPF to the state. Any revenue collected in excess of the assessment due to the state will be held in the LPPF



HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE

JOINT MEETING

JUNE 11, 2025

and carried over to the following year. This will be the fifth year of the LPPF program.

4. Fiscal Analysis & Economic Impact Statement:

	Current FY Amounts	Total Amounts (Current + Future)	Budget	
Capital Requirements	N/A		Yes <input type="checkbox"/>	No <input type="checkbox"/>
Net Operating Impact	N/A	\$150,000	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

*Non-budgeted expenditures in excess of \$250,000 require Finance and Audit Committee review and Board approval. Reviewed for financial accuracy and compliance with purchasing procedure:

Signed by:

 CA6A21FF2E0831 Jessica Cafarelli
 VP & Chief Financial Officer

5. Reviewed/Approved by Committee:

N/A

 Committee Name


N/A

 Date Approved

6. Recommendation:

Staff recommends the Board authorize the CEO to enter into an LOA with AHCA and to enter into a fourth amendment to the existing interlocal agreement with Palm Beach County relating to the administration of the LPPF for a fifth year.

Approved for Legal sufficiency:

Signed by:

 0CF6F7DB670B41 Bernabe Icaza
 SVP & General Counsel

Signed by:

 CA6A21FF2E0831 Jessica Cafarelli
 VP & Chief Financial Officer

Signed by:

 77A3B53588A173 Darcy J. Davis
 President & Chief Executive Officer



HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
JOINT MEETING
June 11, 2025

1. Description: Recredentialing and Privileging of Healey Center Practitioner(s)

2. Summary:

The below practitioners are recommended for approval by the Chief Medical Officer:

Last Name	First Name	Credentials	Specialty	Credentialing
Bransgrove	Richard	OD	Optometry	Recredentialing
Shipley	David	OD	Optometry	Recredentialing
Sullivan	Michael	DO	Wound Care	Initial Credentialing

3. Substantive Analysis:

The practitioner has satisfactorily completed the Initial Credentialing and privileging process. The credentialing and privileging process ensures that all facility practitioners meet specific criteria and standards of professional qualifications. This criterion includes, but is not limited to:

- Current licensure
- Relevant education, training and experience
- Current clinical competence
- Health fitness, or ability to perform the requested privileges
- Malpractice history (NPDB query)

Primary source and secondary source verifications were performed for credentialing and privileging elements in accordance with state and federal requirements.

The Healey Center utilized internal Credentialing staff and the Chief Medical Officer to support the credentialing and privileging process.

4. Fiscal Analysis & Economic Impact Statement:

	Current FY Amounts	Total Amounts (Current + Future)	Budget
Capital Requirements	N/A		Yes <input type="checkbox"/> No <input type="checkbox"/>
Net Operating Impact	N/A		Yes <input type="checkbox"/> No <input type="checkbox"/>



HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
JOINT MEETING
June 11, 2025

*Non-budgeted expenditures in excess of \$250,000 require Finance and Audit Committee review and Board approval. Reviewed for financial accuracy and compliance with purchasing procedure:

Signed by:

Jessica Cafarelli

CA6A21FF2E08481 Jessica Cafarelli

VP & Chief Financial Officer

5. Reviewed/Approved by Committee:

N/A

Committee Name

N/A

Date Approved

6. Recommendation:

Staff recommends the Board approve credentialing and privileging of the Healey Center practitioners.

Approved for Legal sufficiency:

Signed by:

Bernabe Icaza

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Bernabe Icaza

SVP & General Counsel

DocuSigned by:

Belma Andric

1F272D34C8B04A5

Belma Andric, MD

EVP & Chief Medical Officer

Signed by:

Darcy Davis

77A3B535B9A1477

Darcy J. Davis

President & Chief Executive Officer

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
JOINT MEETING
June 11, 2025

1. Description: Recent Regulatory Updates and Industry Enforcement Activity (February – May 2025) – Informational Report

2. Summary:

This item presents recent health care regulatory updates and industry enforcement activity which may impact the Health Care District of Palm Beach County (“HCD”). An overall summary and supplemental details are being provided to the Board as informational, including: recent Regulatory Updates and Industry Enforcement Activity since the last meeting held (which covered November 2024– January 2025).

3. Substantive Analysis:

HCD Compliance, Privacy, and Ethics (“CPE”) consistently reviews regulatory updates and industry enforcement activity to keep abreast of the changes and potential impacts to HCD, communicate information to necessary parties, and help shape CPE’s Work Plan. Information is searched, tracked, reviewed, analyzed, monitored, and posted to our regulatory dashboard. HCD CPE determines the information necessary to communicate to HCD staff, physicians, and leadership, as well as if additional action (e.g., audit, policy, training) is necessary. These updates are presented to the HCD Board by the HCD VP/Chief Compliance, Privacy & Ethics Officer, on a quarterly basis.

Recent Trends:

Recent trends include, but are not limited to: Increased focus on cybersecurity, with several sectors facing ransomware attacks and malicious actors, proposed payment rules, HIPAA Breaches and Right of Access violations, numerous cases of Civil Monetary Penalties Law violations for employment of excluded or unlicensed individuals, continued enforcement of the Stark Law and Anti-Kickback Statute, the evolution of guidance on Artificial Intelligence and state specific laws, and the Florida Legislative session.

Continued below:

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Regulatory Updates

1. [FTC, Justice Department Issue Joint Letter Calling for Anticompetitive Regulations Review \(05/2025\)](#)
2. [California Regulators Release Draft Regulation Updates to Scale Back Proposed AI Privacy Rules \(05/2025\)](#)
3. [DOJ to Focus on White Collar Crime in Healthcare \(05/2025\)](#)
4. [Departments of Labor, HHS, and Treasury Announce Plan to Improve Healthcare Drug Price Transparency \(05/2025\)](#)
5. [CMS Launches Oversight Initiative on Hospitals Performing Experimental Sex Trait Modification Procedures \(05/2025\)](#)
6. [HHS Identifies Potential \\$50 Billion in Programs \(05/2025\)](#)
7. [SCOTUS Rules Against Hospitals in Disproportionate Share Hospital Case \(05/2025\)](#)
8. [CMS Announces Plan to Increase Medicare Advantage Audits \(05/2025\)](#)
9. [House Bill Would Reduce Medicaid Funding \(05/2025\)](#)
10. [HHS-OIG Outlines Potential Savings Available via Legislative Action \(05/2025\)](#)
11. [Senators Introduce Rural Patient Monitoring Access Act in House \(05/2025\)](#)
12. [CISA Warns of Vulnerabilities in INFINITT Healthcare INFINITT PAC \(04/2025\)](#)
13. [CMS Issues Proposed Rule for FY2026 Skilled Nursing Facility Prospective Payment System \(04/2025\)](#)
14. [CMS Issues Proposed Rule for FY2026 Inpatient Psychiatric Facility Prospective Payment System \(04/2025\)](#)
15. [CMS Issues Medicare Hospital Inpatient Prospective Payment System Proposed Rule for FY2026 \(04/2025\)](#)
16. [Guidance On SNF Revalidation Deadline Published \(04/2025\)](#)
17. [President Trump Signs Executive Order for State and Local Government Cybersecurity Responsibilities \(03/2025\)](#)
18. [OIG Audit Finds State Survey Agencies Need Additional Guidance to Assess Nursing Home Emergency Preparedness Programs \(03/2025\)](#)
19. [HRSA Recommends Health Centers Update Bylaws and Governing Documents \(03/2025\)](#)
20. [Medicaid Fraud Control Units Issue Annual Report for FY 2024 \(03/2025\)](#)
21. [President Trump Signs Executive Order to Expand Access to IVF \(02/2025\)](#)

Industry Enforcement Activity

22. [HHS' OCR Settles HIPAA Security Rule Investigation with a Florida Health Care Provider \(05/2025\)](#)

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23. [Missouri Man Sentenced in Multimillion Dollar Medicare Fraud \(05/2025\)](#)
24. [Agendia, Inc. Agrees to Settle False Claims Allegations for \\$3.2 Million \(05/2025\)](#)
25. [Texas Physician Sentenced to 10 Years in Prison Related to \\$118 Million Fraud \(05/2025\)](#)
26. [Florida Ophthalmology Practice Agrees to Pay \\$615,000 to Resolve Kickback Allegations \(05/2025\)](#)
27. [Gilead Agrees to Pay \\$202 Million to Resolve Kickback Allegations \(05/2025\)](#)
28. [HHS Offices Settles Civil Rights Case with Vision Upright MRI for Data Breach \(05/2025\)](#)
29. [OCR Settles Phishing Attack Breach with Health Care Network for \\$600,000 \(04/2025\)](#)
30. [Ascension Discloses Breach of Patient Data \(04/2025\)](#)
31. [HHS OCR Announces Settlement with Radiology Company for Violations of HIPAA Security Rule \(04/2025\)](#)
32. [HHS' OCR Imposes a \\$200K Penalty Against Oregon Health & Science University for Failure to Provide Timely Access to Patient Records \(03/2025\)](#)
33. [Man Indicted in \\$22 Million Health Care Fraud Case \(04/2025\)](#)
34. [Saad Healthcare Agrees to Pay \\$3 Million to Resolve FCA Allegations \(04/2024\)](#)
35. [HHS' OCR Settles HIPAA Ransomware Cybersecurity Investigation with Neurology Practice \(04/2025\)](#)
36. [HHS' OCR Settles HIPAA Ransomware Cybersecurity Investigation with Public Hospital \(04/2025\)](#)
37. [HHS' OCR Settles HIPAA Security Rule Investigation with Health Fitness Corporation \(03/2025\)](#)
38. [OIG Audit Reveals Texas Failed to Comply with Federal Waiver and State Health, Safety, and Administrative Requirement for Adult Day Activity Health and Services Facilities \(03/2025\)](#)
39. [Purdue Pharma to Pay \\$7.4 Billion \(03/2025\)](#)
40. [Health System Agrees to Pay \\$286,000 to Resolve CMP Allegations \(04/2025\)](#)
41. [Physician Group Agrees to Pay Over \\$150,000 to Resolve Violations of Telehealth Requirements \(04/2025\)](#)
42. [Washington Hospital to Pay Nearly \\$9 Million to Resolve CMP Allegations \(04/2025\)](#)
43. [Kansas Physician Admits Accepting Kickbacks \(04/2025\)](#)
44. [Man Sentenced for \\$7.6 Million Medicare Fraud \(04/2025\)](#)
45. [North Carolina Woman Sentenced Pleads Guilty to Health Care Fraud and Money Laundering Scheme \(04/2025\)](#)

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46. [Ohio Physician Pleads Guilty to Health Care Conspiracy \(04/2025\)](#)
47. [Florida Woman Pleads Guilty to \\$3.3 Million Medicare Fraud \(04/2025\)](#)
48. [Owner of Home Health Companies Sentenced to Prison \(04/2025\)](#)
49. [Walgreens Agrees to Pay \\$350 Million to Resolve Controlled Substance Act and False Claims Act Allegations \(04/2025\)](#)
50. [Tennessee Physician Sentenced to Three Years in Prison for Conspiracy to Commit Health Care Fraud \(04/2025\)](#)
51. [Pennsylvania Physician Convicted for Illegal Distribution of Opioids, Conspiracy \(04/2025\)](#)
52. [Pharmacist Indicted in \\$2 Million Medicare Fraud Scheme \(04/2025\)](#)
53. [Hospitals and Health Systems Reach Agreements with OIG for Employing Excluded Individuals \(04/2025\)](#)
54. [Former Traveling Nurse Arrested for Tampering with Morphine \(04/2025\)](#)
55. [Hospital Agrees to Pay Approximately \\$133,000 to resolve EMTALA Violations \(04/2025\)](#)
56. [Companies Excluded for Defaulting on Payment Obligations \(04/2025\)](#)
57. [Chicago Hospital Agrees to Settlement following EMTALA Violations \(03/2025\)](#)
58. [Piedmont Health Self-Discloses Conduct, Pays Nearly \\$5 Million Settlement \(03/2025\)](#)
59. [Urgent Care Center Settles Incident-to Upcoding Allegations \(03/2025\)](#)
60. [Transportation Company Self-Discloses Billing for Excessive Mileage \(03/2025\)](#)
61. [Nurse Pleads Guilty to Diverting Controlled Substances \(03/2025\)](#)
62. [North Carolina Physician Sentenced to Prison for Health Care Fraud \(03/2025\)](#)
63. [DME Company Owner Sentenced to Prison for Fraud \(03/2025\)](#)
64. [Memorial Hermann Hospital Faces Penalties for Liver Transplant Program Issues \(02/2025\)](#)
65. [HHS' OCR Imposes \\$1.5M CMP Against Warby Parker in HIPAA Cybersecurity Hacking Investigation \(02/2025\)](#)
66. [Chicago Man Sentenced for COVID-19 Fraud \(02/2025\)](#)
67. [Law Firm Suffers Data Breach \(02/2025\)](#)
68. [President of Insurance Brokerage Firm and CEO of Marketing Company Charged in \\$161 Million Affordable Care Act Enrollment Fraud \(02/2025\)](#)
69. [Ambulance Company Agrees to Exclusion for Five Years \(02/2025\)](#)
70. [St. Louis Physician Sentenced to 35 Months in Prison for Fraud \(02/2025\)](#)
71. [Baptist Medical Center South Settles EMTALA Violations for \\$290,000 \(02/2025\)](#)

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Continued below.

Regulatory Updates

1. Federal trade Commission (FTC), Department of Justice (DOJ) Issue Joint Letter Calling for Anticompetitive Regulations Review (05/2025)

- The FTC and DOJ Antitrust Division recently issued a joint letter in response to Executive Order No. 14267, entitled “Reducing Anticompetitive Regulatory Barriers.” The letter calls for agency leaders or their designee to assist in reviewing regulations subject to that agencies rulemaking authority for review to ensure that regulations within the rulemaking authority do not:
 - Create or facilitate the creation of monopolies;
 - Create unnecessary barriers to entry for new market participants;
 - Limit competition or have the effect of limiting competition between competing entities;
 - Create or facilitate licensure or accreditation requirements that unduly limit competition;
 - Unnecessarily limit companies’ ability to compete for agency procurements; or
 - Otherwise impose anticompetitive restraints or distortions on the operation of the free market.
- Specific sectors identified include: Healthcare, Energy, Technology, Food and Agriculture, Transportation, and Government Procurement.
- For healthcare, the letter noted “Federal regulations in the healthcare sector, especially those promulgated under the Affordable Care Act, may have the effect of pushing low-cost insurance plans out of the market and inducing vertical consolidation that raises prices, while burdensome pharmaceutical regulations may delay the introduction of new, more affordable medicines.”

2. California Regulators Release Draft Regulation Updates to Scale Back Proposed Artificial Intelligence (AI) Privacy Rules (05/2025)

- California recently issued updated draft updates related to the potential regulation of proposed AI Privacy Rules. This comes after several states have recently passed AI legislation. The legislation aims to loosen restrictions on AI utilized by companies. In particular, this would allow companies more time to complete compliance audits and lessen risk assessment activities for AI use.

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3. DOJ to Focus on White Collar Crime in Healthcare (05/2025)

- The DOJ recently announced its updated enforcement priorities for the Criminal Division. Per the announcement and accompanying memorandum, it will focus enforcement on white collar crime, particularly involving government initiatives such as Medicare, Medicaid, defense spending, and other programs meant to assist vulnerable individuals. Specific areas of focus include:
 - Waste, fraud, and abuse, including health care fraud and federal program and procurement fraud that harm the public;
 - Trade and customs fraud, including tariff evasion;
 - Fraud perpetrated through VIEs, including, but not limited to, offering fraud, “ramp and dumps,” elder fraud, securities fraud, and other market manipulation schemes;
 - Fraud that victimizes U.S. investors, individuals, and markets including, but not limited to, Ponzi schemes, investment fraud, elder fraud, servicemember fraud, and fraud that threatens the health and safety of consumers;
 - Conduct that threatens the country’s national security, including threats to the U.S. financial system by gatekeepers, such as financial institutions and their insiders that commit sanctions violations or enable transactions by Cartels, TCOs, hostile nation-states, and/or foreign terrorist organizations; Material support by corporations to foreign terrorist organizations, including recently designated Cartels and TCOs;
 - Complex money laundering, including Chinese Money Laundering Organizations, and other organizations involved in laundering funds used in the manufacturing of illegal drugs;
 - Violations of the Controlled Substances Act and the Federal Food, Drug, and Cosmetic Act, including the unlawful manufacture and distribution of chemicals and equipment used to create counterfeit pills laced with fentanyl and unlawful distribution of opioids by medical professionals and companies; Bribery and associated money laundering that impact U.S. national interests, undermine U.S. national security, harm the competitiveness of U.S. businesses, and enrich foreign corrupt officials; and
 - As provided by the Digital Assets DAG Memorandum: crimes (1) involving digital assetse that victimize investors and consumers; (2) that use digital assets in furtherance of other criminal conduct; and (3) willful violations that facilitate significant criminal activity.

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4. Departments of Labor, Health and Human Services (HHS), and Treasury Announce Plan to Improve Healthcare Drug Price Transparency (05/2025)

- The DOL, HHS, and Treasury Department jointly issued a Request for Information seeking public comments on how to improve prescription drug price transparency. The ROI is requesting input related to drug price disclosure requirements, to include information on existing prescription drug file data elements and information, as well as the ability of health plans to access necessary data for reporting. The agencies also issued updated guidance for health plans and insurers regarding the required format for disclosure of existing price transparency requirements.

5. The Centers for Medicare and Medicaid Services (CMS) Launches Oversight Initiative on Hospitals Performing Experimental Sex Trait Modification Procedures (05/2025)

- CMS sent a letter to identified hospitals performing pediatric sex trait modification procedures. The letters outlined concerns with quality standards and profits related to the procedure. CMS noted questions related to informed consent protocols, adverse outcomes, and financial incentives. The letter noted many of these procedures are reimbursed by federal payors.

6. HHS Identifies Potential \$50 Billion in Programs (05/2025)

- The Department of Health and Human Services recently published a report highlighting the potential to save \$50 billion on services provided through the program. Notable potential savings highlighted in the report includes:
 - \$7.7 billion by paying Critical Access Hospitals swing-bed services based on rates for nearby facilities with similar services.
 - \$6.9 billion by improving risk adjustments in Medicare Advantage.
 - \$6.6 billion by preventing Medicare from paying providers for services that hospices are paid to provide for their enrollees.
 - \$1.6 billion by recovering overpayments identified in OIG audits of state Medicaid programs.
 - \$1 billion by preventing duplicate Medicaid payments for individuals enrolled in managed care plans in more than one state.
 - Approximately \$784 million by recovering COVID uninsured funds.

7. The Supreme Court of the United States (SCOTUS) Rules Against Hospitals in Disproportionate Share Hospital (DSH) Case (05/2025)

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- In a 7-2 decision, the Supreme Court ruled in favor the Department of Health and Human Services (HHS). Hospitals were suing to dispute how the HHS calculated Medicare DSH Hospital payments.
- 8. CMS Announces Plan to Increase Medicare Advantage Audits (05/2025)**
- CMS announced plans to begin a “significant expansion” of audits of Medicare Advantage plans. Effective immediately, CMS will now audit all eligible Medicare Advantage contracts for each payment year for every audit that is newly initiated. CMS also announced its intent to expedite reviews for fiscal years 2018–2024, as the Press Release noted CMS was several years behind on Medicare Advantage audits. To expedite the process, CMS will deploy enhanced technology to assist with reviewing medical records and identify problematics diagnoses, expand its medical coding workforce, and increase audit volume.
- 9. United States House of Representatives HBill Would Reduce Medicaid Funding (05/2025)**
- The U.S. House of Representatives passed a bill that would reduce Medicaid funding. The bill, which now goes to the Senate for review, is estimated to save the government \$71 billion over ten years with these reductions. The bill also includes a Medicaid work requirement for some individuals and includes provisions aimed to deter fraud, waste, and abuse within Medicaid.
- 10. HHS’ Office of Inspector General (OIG) Outlines Potential Savings Available via Legislative Action (05/2025)**
- HHS-OIG issued a report that outlines \$17 billion in potential cost savings that could be generated if Congress takes action based on their reports. These potential savings include:
 - \$6.9 billion by improving risk adjustments in Medicare Advantage.
 - \$4.9 billion in potential cost savings by ensuring that inpatient hospital stays are appropriately billed.
 - \$2.9 billion in potential cost savings by improving the oversight of hospital billing under the “two-midnight” policy.
 - \$1.3 billion in potential cost savings by paying provider-based facilities at the Medicare freestanding, non-facility rate.
 - \$1 billion in potential cost savings by preventing duplicate Medicaid managed care enrollments.

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11. Senators Introduce Rural Patient Monitoring Access Act in House (Federal) (05/2025)

- House senators recently introduced the Patient Monitoring Access Act in the House, which aims to increase patient access to remote monitoring services in rural areas. Typically, these services are reimbursed at low rates, meaning provided in these areas have little incentive to offer them. However, this aims to address the low reimbursement and increase access to care for individuals in rural areas. To achieve this, the bill would use the national average price as the floor for remote monitoring payments, as these areas often have lower rates of reimbursement. Instead, the higher floor would incentivize providers to furnish these remote monitoring services.

12. The Cybersecurity and Infrastructure Agency (CISA) Warns of Vulnerabilities in INFINITT Healthcare INFINITT PAC (04/2025)

- CISA warned of three vulnerabilities that were identified in the INFINITT Healthcare INFINITT PAC. This includes a high-severity vulnerability which already has publicly available exploits that are accessible in simple attacks. This vulnerability would allow an unauthorized user access to internal systems without appropriate authorization and allow them to access system resources. The second vulnerability would allow an attacker to upload arbitrary files via a specific endpoint, which would lead to unauthorized remote code executions or system compromise. The final area of concern could lead an attacker to exploit the vulnerability by uploading arbitrary files via a specific service, which could lead to system compromise.
- These vulnerabilities have been patched by the latest software updates in the system. CISA recommends that facilities should locate control system networks and remote devices behind firewalls and isolate them from business networks. Additionally, when remote access is required, use more secure methods, such as VPNS, recognizing VPNs may have vulnerabilities and should be updated to the most current version available. Also recognize VPN is only as secure as the connected devices.

13. CMS Issues Proposed Rule for FY2026 Skilled Nursing Facility (SNF) Prospective Payment System (04/2025)

- On April 11, 2025, CMS issued a proposed rule that updates payment policies for skilled nursing facilities in fiscal year 2026. For FY2026, CMS has proposed increasing SNF PPS rates by 2.8%.

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- For the SNF Quality Reporting Program, the rule proposes removing four standardized patient assessment data elements beginning October 1, 2025, including one item for “living situation,” two items for “food,” and one item for “utilities.”
- For Value Based SNF programs, CMS is proposing to apply the previously finalized scoring methodology of the program to the SNF Within-Stay Potentially Preventive Readmission measure beginning with the FY 2028 year. CMS is providing estimated performance standards for the FY 2028 and FY 2029 program years to comply with the program’s statutory notice deadline.
- The rule proposes a reconsideration process that will allow SNFs to appeal CMS’ initial decisions for Review and Correction requests prior to any affected data being publicly available.
- CMS is proposing to remove four standardized patient assessment data elements under the Social Determinant of Health category.

14. CMS Issues Proposed Rule for FY2026 Inpatient Psychiatric Facility Prospective Payment System (04/2025)

- On April 11, 2025, CMS issued a proposed rule that updates payment policies for the Inpatient Psychiatric Facility Prospective Payment System.
- The proposed rule calls for a price increase of 2.4% for payments made under the IPF PPS. In this proposed rule, CMS is proposing to make changes to quality measures in the IPFQR Program. CMS is proposing to modify the reporting period of one measure — the 30-Day Risk-Standardized All-Cause Emergency Department Visit Following an Inpatient Psychiatric Facility Discharge measure (also referred to as the IPF ED Visit measure) — from a one year, calendar year to a two year, fiscal year period, to bring this measure’s reporting period into alignment with another program measure with which it is intended to be comparable. CMS is also proposing to remove four measures, all beginning with the CY 2024 reporting period/FY 2026 payment determination: Facility Commitment to Health Equity; COVID-19 Vaccination Coverage among Health Care Personnel; Screening for Social Drivers of Health; and Screen Positive Rate for Social Drivers of Health.
- CMS is seeking input on future measure concepts on the topics of well-being and nutrition. Additionally, CMS is requesting information on potentially using Fast Healthcare Interoperability Resources standards for IPFs reporting patient assessment data to CMS.

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15. CMS Issues Medicare Hospital Inpatient Prospective Payment System (IPPS) and Long-Term Care Hospital Prospective Payment System ("LTCH PPS") Proposed Rules for FY2026 (04/2025)

- On April 11, 2025, CMS issued a proposed rule that would update Medicare hospital payments for IPPS and LTCH PPS proposed rule for FY2026.
- IPPS payment rates for general acute care hospitals that successfully participate in the Hospital Inpatient Quality Reporting (IQR) program and are meaningful electronic health record (EHR) users under the Medicare Promoting Interoperability Program is projected to be 2.4%.
- This would increase hospital payments by \$4 billion. This includes a projected increase in Medicare uncompensated care payments to disproportionate share hospitals in FY 2026 of approximately \$1.5 billion.
- The LTCH standard payment rate would increase by 2.6%.
- CMS is seeking comments on the anticipated approach to FHIR-based electronic clinical quality measure) reporting in quality reporting programs and the potential use of FHIR-based patient assessment instrument reporting for inpatient psychiatric facilities.
- CMS is proposing to remove four measures:
 - (1) Hospital Commitment to Health Equity beginning with the CY 2024 reporting period/FY 2026 payment determination.
 - (2) COVID-19 Vaccination Coverage among Health Care Personnel measure, beginning with the CY 2024 reporting period/FY 2026 payment determination.
 - Both the (3) Screening for Social Drivers of Health and (4) Screen Positive Rate for Social Drivers of Health measures, beginning with the CY 2024 reporting period/FY 2026 payment determination.
 - CMS is also proposing to update and codify the ECE policy to clarify that it has the discretion to grant an extension rather than only a full exception in response to ECE requests.

16. Guidance On SNF Revalidation Deadline Published (04/2025)

- A recently published CMS [MLN Connects](#) news article contains updated for Skilled Nursing Facilities and Revalidation Deadline of May 1, 2025. Last fall, all SNFs received a notice of revalidation letter from their MAC. The Form CMS-855A has been revised to collect the SNF data addressed in this [GUIDANCE FOR SNF ATTACHMENT ON FORM CMS-855A](#). Enrolled skilled nursing facilities should collect data on ownership, managerial, and related party information and submit their revalidation by May 1, 2025. All SNFs that are initially enrolling, revalidating,

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reactivating, or undergoing a change of ownership (CHOW) under § 489.18 must submit this new version of the Form CMS-855A (i.e., the 09/24 version) with the SNF attachment completed. The revised Form CMS-855A with the SNF Attachment can be found at: [Enrollment Applications | CMS](#) (Please scroll down the page to CMS-855A link.)

- Note this deadline was subsequently changed to August 1, 2025.

17. President Trump Signs Executive Order for State and Local Government Cybersecurity Responsibilities (03/2025)

- In March, President Trump signed an executive order related to cybersecurity that will be increasing State and Local Government Responsibilities for Cybersecurity. The EO emphasizes State and local governments should take a more prominent role in preparedness and investing to reduce risks that include cyber-attacks, wildfires, hurricanes, and space weather. As part of this, a National Resilience Strategy will be published within 90 days that “articulates the priorities, means, and ways to advance the resilience of the Nation.” Additionally, it instructs the Assistant to the President for National Security Affairs to coordinate with the Director of the Office of Science and Technology Policy and the heads of relevant agencies to review all critical infrastructure policies in order to make recommendations for revisions and changes to policies. This specifically includes shifting from an all-hazards approach to a risk-informed approach and implementing the National Resilience Strategy.

18. OIG Audit Finds State Survey Agencies Need Additional Guidance to Assess Nursing Home Emergency Preparedness Programs (03/2025)

- Following issues with nursing home failures, such as during Hurricane Ida, the OIG has recently focused on nursing home emergency preparedness. CMS often contracts with State survey agencies to perform reviews to determine whether these facilities are in compliance with Medicare and Medicaid requirements, including rules related to emergency preparedness.
- 25 percent of State survey agencies reported that new hires usually lack emergency preparedness expertise when hired, as well as difficulty building and retaining this expertise. Additionally, it was found that CMS program guidance is focused more on collecting documents to demonstrate compliance, as opposed to the actual review of the content of those documents for compliance.
- The OIG issued two recommendations as a result of the audit, both of which CMS concurred with. This includes providing surveyors with instructions for how to assess

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the contents of emergency preparedness documentation as part of the survey process and issuing guidance that encourages State survey agencies to collaborate and share information.

19. The Health Resources and Service Administration (HRSA) Recommends Health Centers Update Bylaws and Governing Documents (03/2025)

- HRSA recently updated its Site Visit Protocol, which will require health centers to update their bylaws and/or other governing documents. Changes in the HRSA Site Visit Protocol now recommend changing language related to “gender” to now read “sex.” The amendments to the Bylaws and/or other governing documents are recommended based on changes to questions 4.3 and 9 in Chapter 20 of the Site Visit Protocol are copied below. Accordingly, it is recommended that the Clinics Bylaws and/or other governing documents are updated to reflect the change to ensure compliance for future site visits.

20. Medicaid Fraud Control Units (MFCU) Issue Annual Report for FY 2024(03/2025)

- MFCU issued their annual report for Fiscal Year 2024. MFCU’s investigate and prosecute Medicaid provider fraud and instances of patient abuse or neglect. For Fiscal Year 2024, these units obtained 1,151 convictions. Of these, 817 convictions were for fraud and 334 convictions were for patient abuse or neglect. This also resulted in 1,042 individuals or entities being excluded from federal health care programs.
- MFCU’s recovered \$1.4 billion, \$961 million of which was recovered in criminal cases. The unit also obtained 493 civil settlements and judgments.
- For every \$1 spent funding these units, the government recovered \$3.46.

21. President Trump Signs Executive Order to Expand Access to In-Vitro Fertilization (IVF) (02/2025)

- President Trump recently signed an executive order to “ensure reliable access to IVF treatment, including by erasing unnecessary statutory or regulatory burdens to make IVF treatment drastically more affordable.” The EO instructs the Assistant to the President for Domestic Policy to submit a list of policy recommendations on protecting IVF access and reducing out-of-pocket and health plan costs for IVF treatment. Such recommendations will be made within 90 days.

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22. HHS' Office for Civil Rights (OCR) Settles Health Information Portability and Accountability Act (HIPAA) Security Rule Investigation with a Florida Health Care Provider (05/2025)

- HHS-OCR announced a settlement with BayCare Health System ("BayCare"), a Florida health care provider, related to potential violations of the HIPAA security rule. The settlement resolves allegations of concerning impermissible access to the complainant's electronic protected health information. OCR initiated the investigation following its receipt of a complaint in October 2018, in which the complainant alleged that after receiving treatment at a BayCare facility, she was contacted by an unknown individual who had photographs of her printed medical records, as well as a video of someone scrolling through her medical records on a computer screen. The investigation determined that the credentials used to access the complainant's medical record belonged to a non-clinical former staff member of a physician's practice, which had access to BayCare's electronic medical records for the continuity of common patients' care. OCR's investigation found BayCare potentially violated multiple HIPAA Security Rule requirements.

23. Missouri Man Sentenced in Multimillion Dollar Medicare Fraud Scheme (05/2025)

- James McNamara pleaded guilty of leading a scheme to defraud Medicare by illegally billing millions in claims for cancer genetic testing and cardiovascular genetic testing. McNamara operated several laboratories in Texas and Louisiana, which obtained physician orders for genetic testing from telemarketers and call centers that used aggressive telemarketing campaigns to induce Medicare beneficiaries to agree to receive genetic testing. Orders for genetic testing were signed by purported telemedicine doctors who were not the beneficiaries' treating physicians, did not perform consultations with the beneficiaries, and did not follow up with the beneficiaries after the testing was performed. To obtain the orders, McNamara paid illegal kickbacks and bribes, which he disguised through fake contracts.

24. Agendia, Inc. Agrees to Settle False Claims Act (FCA) Allegations for \$3.2 Million (05/2025)

- Agendia, Inc., a global molecular diagnostics company that offers genomic testing, agreed to settle allegations that it violated the FCA company by submitting claims for reimbursement for genomic tests to Federal health care programs. As part of the settlement, Agendia will pay at least \$3.25 million with the potential to pay more if the company is sold.

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25. Texas Physician Sentenced to 10 Years in Prison Related to \$118 Million Fraud Scheme (05/2025)

- Dr. Jorge Zamora-Quezada, a rheumatologist in Texas, was sentenced to ten years in prison for his role in a health care fraud scheme that resulted in the submission of over \$118 million in false claims to payors. The false claims resulted in reimbursement of over \$28 million. Dr. Zamora-Quezada was accused of falsely diagnosing patients with chronic illnesses in order to bill for medically unnecessary tests the patients did not require. After receiving a grand jury subpoena, Jorge Zamora-Quezada falsified patient records in an effort to disguise the fraud. At trial, he was convicted of one count of conspiracy to commit health care fraud, seven counts of health care fraud, and one count of conspiracy to obstruct justice.

26. Florida Ophthalmology Practice Agrees to Pay \$615,000 to Resolve Kickback Allegations (05/2025)

- Pinellas Eye Care, P.A. (d/b/a Gulfcoast Eye Care), agreed to pay \$615,000.00 to resolve allegations that it violated the False Claims Act by submitting claims for transcranial doppler ultrasounds that were provided through a kickback arrangement. Gulfcoast Eye Care provides ophthalmology services in several cities in Florida. As part of the settlement, the group has agreed to cooperate with the Justice Department in its investigation against other participants to the arrangement.

27. Gilead Sciences Agrees to Pay \$202 Million to Resolve Kickback Allegations (05/2025)

- Gilead Sciences and the United States recently entered into a civil settlement to resolve allegations that Gilead offered and paid kickbacks to practitioners in an effort to induce these practitioners to prescribe certain HIV drugs, including Stribild, Genvoya, Complera, Odefsey, Descovy, Biktarvy. Gilead would pay kickbacks in the form of honoraria payments, meals, and travel expenses for providers who spoke at or attended Gilead speaker events, in violation of the Anti-Kickback Statute. This resulted in the fraudulent submission of claims, resulting in additional violations of the False Claims Act. Of the \$202 million settlement, nearly \$177 million will be paid to the United States, with the remaining amount going to various states. As part of the settlement, Gilead made admissions of some of the conduct.

28. HHS-OCR Settles Civil Rights Case with Vision Upright MRI for Data Breach (05/2025)

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- HHS-OCR announced a settlement with Vision Upright MRI, a small California health care provider that conducts magnetic resonance imaging and related services, concerning potential violations of HIPAA Breach Notification and Security Rules. The settlement resolves an OCR investigation concerning the breach of an unsecured server containing the medical images of 21,778 individuals.
- OCR initiated a compliance review of Vision Upright MRI after learning that the provider experienced a breach of ePHI stored on its Picture Archiving and Communication System (“PACS”) server for storing, retrieving, managing, and accessing radiology images, due to an unauthorized third party’s impermissible access. OCR’s investigation revealed that Vision Upright MRI had never conducted a HIPAA risk analysis and that it had failed to complete timely breach notification, within 60 days of discovering the breach, to the 21,778 individuals affected.
- Under the terms of the resolution agreement, Vision Upright MRI agreed to implement a corrective action plan that will be monitored by OCR for two years and paid \$5,000 to OCR. Vision Upright MRI will also take steps to improve its compliance with the HIPAA Security and Breach Notification Rules and protect the security of ePHI.

29. OCR Settles Phishing Attack Breach with Health Care Network for \$600,000 (04/2025)

- The HHS-OCR announced a settlement with PIH Health, Inc. (PIH), a California health care network, over potential violations of HIPAA. The violations stem from a phishing attack that exposed unsecured electronic protected health information (ePHI), prompting concerns related to the Privacy, Security, and Breach Notification Rules under HIPAA.
- The settlement resolves an investigation that OCR conducted after receiving a breach report from PIH in January 2020. The breach report stated that in June 2019, a phishing attack compromised forty-five of its employees’ email accounts, resulting in the breach of 189,763 individuals’ unsecured ePHI. PIH reported that the ePHI disclosed in the phishing attack included affected individuals’ names, addresses, dates of birth, driver’s license numbers, Social Security numbers, diagnoses, lab results, medications, treatment and claims information, and financial information. OCR’s investigation found multiple potential violations of the HIPAA Rules, including:
- Failure to use or disclose protected health information only as permitted or required by the HIPAA Privacy Rule.

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- Failure to conduct an accurate and thorough risk analysis of the potential risks and vulnerabilities to the confidentiality, integrity, and availability of ePHI held by PIH.
- Failure to notify affected individuals, the HHS Secretary, and the media of a breach of unsecured protected health information within 60 days of its discovery.
- Under the terms of the resolution agreement, PIH has agreed to implement a corrective action plan that will be monitored by OCR for two years and paid a \$600,000 settlement to OCR. Under the corrective action plan, PIH is obligated to take definitive steps toward resolving potential violations of the HIPAA Rules, including:
 - Conducting an accurate and thorough risk analysis of the potential risks and vulnerabilities to the confidentiality, integrity, and availability of its ePHI.
 - Developing and implementing a risk management plan to address and mitigate security risks and vulnerabilities identified in its risk analysis.
 - Developing, maintaining, and revising, as necessary, its written policies and procedures to comply with the HIPAA Rules.
 - Training its workforce members who have access to PHI on its HIPAA policies and procedures.

OCR recommends that health care providers, health plans, clearinghouses, and business associates that are covered by HIPAA implement the following steps to mitigate or prevent cyber-threats:

- Identify where ePHI is located in the organization, including how ePHI enters, flows through, and leaves the organization's information systems.
- Integrate risk analysis and risk management into the organization's business processes.
- Ensure that audit controls are in place to record and examine information system activity.
- Implement regular reviews of information system activity.
- Utilize mechanisms to authenticate information to ensure only authorized users are accessing ePHI.
- Encrypt ePHI in transit and at rest to guard against unauthorized access to ePHI when appropriate.
- Incorporate lessons learned from incidents into the organization's overall security management process.
- Provide workforce members with regular HIPAA training that is specific to the organization and to the workforce members' respective job duties.

30. Ascension Discloses Breach of Patient Data (04/2025)

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- Ascension, based in Missouri, recently notified patients regarding a security incident at a former business partner location. In December 2024, Ascension learned its business partner had been hacked. On January 21, 2025, it was confirmed that Ascension had previously accidentally disclosed patient data to the business partner that had likely been compromised. The hacker was able to gain access to the data via a third-party software. Information compromised includes names, dates of birth, Social Security numbers, medical record numbers, service locations, and medical information, including diagnosis and billing codes. In the disclosure to the OCR, Ascension confirmed 437,329 individuals were affected.

31. HHS-OCR Announces Settlement with Radiology Company for Violations of HIPAA Security Rule (04/2025)

- HHS-OCR announced a settlement with Northeast Radiology, P.C. (“NERAD”), a professional corporation that provides clinical services at medical imaging centers in New York and Connecticut, concerning potential violations of the HIPAA Security Rule.
- The HIPAA Security Rule establishes national standards to protect and secure our health care system by requiring administrative, physical, and technical safeguards to ensure the confidentiality, integrity, and security of electronic protected health information (ePHI). One key requirement of the Rule requires all regulated entities to conduct accurate and thorough assessments of risks and vulnerabilities to the confidentiality, integrity, and availability of ePHI held by that organization. *“A HIPAA risk analysis is essential to identifying where electronic protected health information is stored, and the security measures in place to protect it,”* said OCR Acting Director Anthony Archival. *“A failure to conduct a risk analysis often foreshadows a future HIPAA breach.”*
- This announced settlement, which marks the sixth enforcement action in OCR’s Risk Analysis Initiative, resolves a data breach investigation from March of 2020, which revealed the unauthorized access of ePHI from data stored on NERAD servers. Under the terms of this resolution agreement, NERAD agreed to a corrective action plan that will be monitored by OCR for two years, including a \$350,000 Civil Monetary Penalty (CMP) to settle the investigation.

32. Saad Healthcare Agrees to Pay \$3 Million to Resolve FCA Allegations (04/2025)

- Saad Enterprises, Inc., d/b/a Saad Healthcare, agreed to pay \$3 million to resolve False Claims Act violations. These allegedly occurred by knowingly submitting false for hospice patient care who were ineligible for hospice benefits because they did not

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meet the requirement of being terminally ill. Hospice care generally aims to provide patients with relief from symptoms, pain, and stress associated with a terminal illness. Medicare eligibility for this benefit is determined if the individual is anticipated to have a life expectancy of six months or less based on the nature of its illness and expected progression. Here, the conduct in question took place between 2013-2020, where Saad submitted or caused to be submitted false claims for 21 Medicare patients who failed to meet requirements for hospice care. The case was raised pursuant to the qui tam provision of the False Claims Act. The individuals, who were Saad employees, will receive \$540,000.00 as a result of bringing the case forward.

33. HHS' OCR Settles HIPAA Ransomware Cybersecurity Investigation with Neurology Practice (04/2025)

- The HHS-OCR announced a settlement with Comprehensive Neurology, PC ("Comprehensive"), a New York neurology practice, following violations of the HIPAA Security Rule. The settlement resolves an OCR investigation of a ransomware attack against Comprehensive. The settlement resolves OCR's investigation of a ransomware attack against Comprehensive. In December 2020, OCR received a breach report from Comprehensive that stated that its IT network, including all of its ePHI, had been encrypted and rendered inaccessible by ransomware. Comprehensive determined that 6,800 individuals may have been affected. The compromised ePHI included patient names, clinical information, health insurance information, demographic information, Social Security numbers, as well as driver's license and state identification numbers. OCR's investigation found that Comprehensive failed to conduct an accurate and thorough risk analysis to determine the potential risks and vulnerabilities to the confidentiality, integrity, and availability of the ePHI held by Comprehensive. Under the terms of the settlement, Comprehensive agreed to implement a corrective action plan that will be monitored by OCR for two years and paid \$25,000 to OCR. Under the corrective action plan, Comprehensive will be required to take specific steps toward resolving potential violations of the HIPAA Security Rule.

34. HHS' OCR Settles HIPAA Ransomware Cybersecurity Investigation with Public Hospital (04/2025)

- The HHS-OCR announced a settlement with Guam Memorial Hospital Authority ("GMHA"), a public hospital on the U.S. Territory, island of Guam, related to a potential violation of the HIPAA Security Rule. The settlement follows two complaints alleging that the ePHI of GMHA patients was impermissibly disclosed. OCR initiated

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an investigation following a complaint in January 2019 alleging that GMHA experienced a ransomware attack affecting the ePHI of approximately 5,000 individuals. During the investigation, OCR received another complaint in March 2023 alleging that hacker(s) had accessed patient records. OCR's investigation determined that GMHA had failed to conduct an accurate and thorough risk analysis to determine the potential risks and vulnerabilities to ePHI held by GMHA.

35. HHS' OCR Settles HIPAA Security Rule Investigation with Health Fitness Corporation (03/2025)

- The HHS-OCR announced a settlement with Health Fitness Corporation (Health Fitness), which provides wellness plans, for violations of the HIPAA Security Rule. The settlement marks the fifth enforcement action in OCR's Risk Analysis Initiative. the settlement resolves OCR's investigation of Health Fitness, which OCR initiated after receiving four reports from Health Fitness, over a three-month period (October 15, 2018, to January 25, 2019), of breaches of unsecured protected health information. Health Fitness filed the breach reports on behalf of multiple covered entities as their business associate. Health Fitness reported that beginning approximately in August 2015, ePHI became discoverable on the internet and was exposed to automated search devices (web crawlers) resulting from a software misconfiguration on the server housing the ePHI. Health Fitness discovered the breach on June 27, 2018. Health Fitness initially reported that approximately 4,304 individuals were affected and later estimated that the number of individuals affected may be lower. OCR's investigation determined that Health Fitness had failed to conduct an accurate and thorough risk analysis, until January 19, 2024, to determine the potential risks and vulnerabilities to the ePHI held by Health Fitness.
- Under the terms of the resolution agreement, Health Fitness agreed to implement a corrective action plan that OCR will monitor for two years and paid \$227,816 to OCR. Under the corrective action plan, Health Fitness committed to take steps to ensure compliance with the HIPAA Security Rule and protect the security of ePHI.

36. OIG Audit Reveals Texas Failed to Comply with Federal Waiver and State Health, Safety, and Administrative Requirement for Adult Day Activity Health and Services Facilities (03/2025)

- The OIG conducts health and safety audits of adult day care and foster care homes and other regulated childcare facilities. These audits have identified health and safety issues that put individuals with special health care needs at risks. This audit examined whether the Texas Health and Human Services Commission complied

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with Federal Waiver and State requirements in overseeing these facilities and those who receive health care there.

- The audit revealed Texas did not fully comply with Federal waiver and State requirements in overseeing providers that rendered services to individuals with special health care needs who were receiving services through the program. Of the 20 providers audited, 19 did not comply with at least one of the safety requirements, and 19 did not comply with at least one administrative requirement. Overall, 253 instance of provider noncompliance with health, safety, and administrative requirements were identified across the 20 providers audited.

37. HHS' OCR Imposes a \$200K Penalty Against Oregon Health and Science University for Failure to Provide Timely Access to Patient Records (03/2025)

- The HHS-OCR announced a \$200,000.00 civil monetary penalty against Oregon Health & Science University (OHSU), for failure to provide timely access to an individual's medical records.
- In September 2020, OCR resolved the first complaint when OCR notified OHSU of its potential noncompliance with the Right of Access provisions. Although OHSU provided part of the requested records in April 2019, OHSU did not provide all of the requested records until August 2021, which was nearly a year after OHSU received OCR's September 2020 letter, and sixteen months after the first request for records in April 2019. OCR's investigation found that OHSU failed to take timely action in response to the right of access requests. In September 2024, OCR issued a Notice of Proposed Determination seeking to impose a \$200,000 civil monetary penalty. OHSU waived its right to a hearing and did not contest OCR's imposition of a civil monetary penalty. Accordingly, in December 2024, OCR finalized its determination and imposed the \$200,000 civil monetary penalty against OHSU.

38. Brooklyn Man Indicted in \$22 Million Health Care Fraud Case (03/2025)

- Oleg Beretsky was indicted in Brooklyn following allegations that he conspired to commit health care fraud, violating the federal Anti-Kickback Statute, conspiring to violate the Anti-Kickback Statute, and money laundering conspiracy. Beretsky was arrested in Naples.
- Per court documents, the conduct in question took place from January 2017 through April 2024. During this time, Beretsky owned Obest, Inc., a company that provided billing, consulting, and support services to health care professionals. Instead of these services, Obest, Inc., would refer elderly Medicare patients to physicians and other practitioners in exchange for kickbacks. Many of these patients were former

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immigrants from the Soviet Union and Beretsky would identify these patients through an employee of a social service agency. He would become friendly with these individuals in order gain trust in assisting them with their choice of health care providers. Beretsky would then only refer these individuals to physicians and providers who were willing to pay kickbacks.

- In total, more than \$22 million in false claims were submitted to Medicare. Beretsky would direct co-conspirators to pay his relatives in cash to disguise the source of the payments.

39. Purdue Pharma to Pay \$7.4 Billion to Opioid Crisis Victims (03/2025)

- Purdue Pharma L.P. ("Purdue") agreed to pay \$7.4 billion to victims of the opioid crisis. This was announced in Purdue's Chapter 11 Plan of Reorganization filed with a Bankruptcy Court. The Sacklers agreed to contribute approximately \$6.5 billion as part of the reorganization plan. Other company assets will be transferred to a public benefit company that aims to assist in addressing the opioid crisis, which includes providing overdose reversing medications at no cost.

40. GreenField Health System Agrees to Pay \$286,000 to Resolve CMP Allegations for Membership Fees Charged to Medicare Beneficiaries (04/2025)

- GreenField Health System, LLC agreed to pay \$286,606.09 to resolve allegations that it violated the Civil Monetary Penalties Law. The OIG alleged that GreenField charged annual membership fees to Medicare beneficiaries. As part of the agreement, GreenField agreed to pay back funds to those beneficiaries that were charged membership fees. GreenField self-disclosed the conduct to the OIG.

41. Med-Surg Physician Group Agrees to Pay Over \$150,000 to Resolve Violations of Telehealth Requirements and the FCA (04/2025)

- Med-Surg Physician Group Inc. and its physician owner Oluyemisi Sangodeyi agreed to pay the United States \$152,382.70 to resolve civil allegations that they violated the federal False Claims Act by submitting false claims for payment to Medicare and Medicaid that falsely certified compliance with program requirements. The medical practice provided general internal medicine services and medication assisted treatment for substance use disorder. Claims analysis revealed unusual billing patterns for HCPCS procedure code Q3014, which indicates telehealth originating site facility fee. Med-Surg was regularly billing procedure code Q3014 for telehealth visits where the patient was at home, in violation of federal law and regulations that specify that the facility fee is not payable where the patient's originating site is their home.

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The conduct in question took place from March 2020–January 2021, where Med–Surg submitted these claims to Medicare and Medicaid for telehealth visits.

42. Washington Hospital to Pay Nearly \$9 Million to Resolve CMP Allegations (04/2025)

- Kadlec Regional Medical Center, based in Washington, agreed to pay \$8.99 million to resolve allegations that it violated the Civil Monetary Penalties law by submitting claims to Medicare Part A for inpatient hospital stays that did not meet Medicare requirements under the two-midnight rule. The settlement also resolves allegations that Kadlec submitted inappropriate claims to Medicare Part B for IV hydration administration to outpatients in the emergency department that failed to meet coverage criteria. The conduct was self-disclosed to the OIG.

43. Kansas Physician Admits to Accepting Kickbacks for Ordering Medically Unnecessary Care for Thousands of Patients (04/2025)

- Kansas physician Dr. Scott Taggart Roethle admitting to accepting hundreds of thousands of dollars in kickbacks in exchange for ordering medically unnecessary care for thousands of patients. From 2017–2020, Dr. Roethle admitted to conspiring with health care companies and other individuals to order medically unnecessary durable medical equipment, pain creams, and genetic tests for numerous patients in exchange for the kickbacks. Dr. Roethle contracted with these health care companies as a telemedicine doctor. Dr. Roethle would order health care services for patients despite not evaluating them or determining their medical needs. Dr. Roethle did not have a prior doctor–patient relationship with these individuals and did not provide follow-up care. Dr. Roethle received approximately \$30 for each fraudulent order and ultimately received nearly \$674,000.00 from five companies.

44. South Florida Man Sentenced to Federal Prison for \$7.6 Million for Medicare Fraud (04/2025)

- Fernando Espinosa Leon (Ft. Myers, Florida) was sentenced to five years and ten months in federal prison for his role in health care fraud and aggravated identity theft. Per court documents, Espinosa Leon engaged in a scheme to defraud Medicare through his company, Globa Medical Supply Inc. He stole the personally identifiable information (PII) of Medicare beneficiaries and medical practitioners to bill Medicare for durable medical equipment (DME) that he falsely claimed has been prescribed and supplies. The conduct in question took place from June 2020–September 2020, during which false claims were submitted that resulted in more than \$7.6 in claims

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for reimbursement. Espinosa Leon was ordered to forfeit over \$4 million, which were his proceeds from the illicit conduct.

45. North Carolina Woman Sentenced Pleads Guilty to Health Care Fraud and Money Laundering Scheme (04/2025)

- Jasmine Hoyle pled guilty to one count of health care fraud and one count of money laundering as part of a scheme to fraudulently bill North Carolina Medicaid millions of dollars for urine drug test screenings that were not performed. Per court documents, Hoyle owned and operated Harvest Focused & Consulting Services, LLC and The Ultimate Sacrifice, both of which billed Medicaid for services that were not performed for North Carolina Medicaid. These primarily were for urine drug tests. From August 2020 to July 2022, Harvest Focused submitted 97 claims to Medicaid for urine drug tests for a Medicaid beneficiary who had never even heard of either company or utilized their services. Medicaid reimbursed the companies over \$6 million during this time period.

46. Ohio Physician Pleads Guilty to Health Care Conspiracy, Faces 27 Years in Prison (04/2025)

- Ohio physician Timothy Sutton pleaded guilty for his role in a conspiracy that prescribed medical equipment and lab tests for patients that did not require the services and ultimately submitted those claims to Medicare for reimbursement. Dr. Sutton and other co-conspirators participated in a scheme that illegally billed Medicare more than \$14.5 million. Dr. Sutton was employed by two separate telemedicine companies, Real Time Physicians, LLC, based in Nevada, and 24 Hour Virtual MD, LLC, based in Florida. These companies provided Dr. Sutton with pre-completed orders for DME items, such as braces, and/or cancer genetic testing for him to approve and sign. Dr. Sutton signed the orders despite not examining the patients via telehealth and certifying the items were medically necessary. Once the orders were signed, the two companies would forward the orders to companies under their control or sold the orders to other entities to fulfill the orders or conduct the lab testing.
- Sutton pleaded guilty to attempt and conspiracy to commit wire fraud and bank fraud, and aggravated identity theft. He faces a maximum sentence of 27 years in prison.

47. Florida Woman Pleads Guilty to \$3.3 Million Medicare Fraud Conspiracy (04/2025)

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- Yolanda Dupont of Florida pleaded guilty in a conspiracy to defraud Medicare of \$3.3 million. Dupont pleaded guilty to one count of conspiracy to commit health care fraud. Per court documents, Dupont and co-conspirators owned and operated Allstar Medical Supply Corp., an alleged durable medical equipment business in New Hampshire that sold orthotic braces. In furtherance of the scheme, Dupont served as the nominee owner of the business to hide the identity of the true owners. Dupont certified that neither her or the company would submit false claims to Medicare. Ultimately, Dupont and her co-conspirators submitted or caused to be submitted nearly \$3.3 million in false claims for orthotic braces to Medicare. Of this, at least \$1.6 million was paid for these claims. This resulted in beneficiaries receiving DME that was medically unnecessary, ineligible for reimbursement, and not needed or required.

48. Owner of Home Health Companies Sentenced to Prison for Medicaid Fraud (04/2025)

- Sally Njume-Tatsing was sentenced to 42 months in prison for committing Medicaid Fraud. Njume-Tatsing was found guilty of 13 counts following a jury trial. Per court documents, Njume-Tatsing owned and operated three home healthcare businesses named Labelle Home Health in Reynoldsburg, Mt. Vernon, and Parma. Njume-Tatsing lived in California for most of the time she owned the businesses, yet performed all of the Medicaid billing for nursing services despite not being involved in daily operations. When billing Medicaid for health aide services to individuals in their homes, Njume-Tatsing inflated the number of hours that services were provided, billed for RN services despite an LPN performing the care, and billed for care of patients who were deceased or otherwise ineligible to receive Medicaid. Njume-Tatsing was found guilty of one count of health care fraud and 12 counts of making false health care statements. Njume-Tatsing was also ordered to pay \$5.7 million in restitution.

49. Walgreens Agrees to Pay \$350 Million to Resolve Controlled Substance Act and False Claims Act Allegations (04/2025)

- The Justice Department, the Drug Enforcement Administration (“DEA”) and Department of Health and Human Services Office of Inspector General (“HHS-OIG”), announced a \$300 million settlement with Walgreens Boots Alliance, Walgreen Co., and other subsidiaries (“Walgreens”) to resolve allegations that Walgreens pharmacies filled millions of invalid prescriptions for opioids and other controlled substances in violation of the Controlled Substances Act and then sought payment for these illegal prescriptions from federal health care programs in violation of the False Claims Act.

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The settlement is based in part on Walgreens's ability to pay. Walgreens will owe an additional 50 million if the company is sold, merged, or otherwise transferred prior fiscal year 2032.

- The conduct in question took place from August 2012–March 2023, during which time Walgreens knowingly filled millions of unlawful controlled substance prescriptions. These prescriptions were for excessive quantities of opioids, opioid prescriptions filled early, and prescriptions that were frequently abused in combination with other drugs. Walgreens pharmacists allegedly filled these prescriptions despite red flags that these prescriptions were invalid and lacked a legitimate medical purpose or were otherwise not issued in the normal course of business practice. Further, Walgreens is alleged to have pressured pharmacists to fill prescriptions quickly and without verifying that each prescription was lawfully issued. Compliance officials allegedly ignored evidence that stores were dispensing unlawful prescriptions and intentionally hid relevant information from pharmacists, such as refusing to share internal data regarding prescribers and preventing pharmacists from warning one another about problematic practitioners.

50. Tennessee Physician Sentenced to Three Years in Prison for Conspiracy to Commit Health Care Fraud (04/2025)

- Dr. John Manning of Tennessee was sentenced to three years in federal prison for his role in a health care fraud conspiracy. Dr. Manning was previously indicted in July 2022 of one count of conspiracy to commit health care fraud and eight counts of health care fraud.
- In August 2023, Dr. Manning pleaded guilty to the conspiracy charge. As part of the plea, Dr. Manning admitted to certain allegations, including that he worked for multiple “telemedicine” companies and signed orders for durable medical equipment, topical creams, and cancer genetic tests based only on brief conversations with a patient or sometimes no conversation at all. Dr. Manning signed the orders in exchange for kickbacks. This took place from June 2016–April 2019, during which time Dr. Manning signed orders for prescriptions that caused over \$41 million in false claims to be submitted to federal health care payors. Because of these false claims, Medicare paid over \$19 million. Manning received over \$812,000.00 for prescribing these items.

51. Pennsylvania Physician Convicted for Illegal Distribution of Opioids, Conspiracy (04/2025)

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- A federal jury convicted Dr. Neil Anand for his role in conspiracies to commit health care fraud and wire fraud, as well as unlawfully distributing controlled substances. Per court documents, Dr. Anand conspired to submit false and fraudulent claims to Medicare, health plans provided by the U.S. Office of Personnel Management, Blue Cross, and Anthem, for “Goody Bags” of medically unnecessary prescription medications that were dispensed by in-house pharmacies owned by Anand. Patients were required to take the Goody Bags, which were not needed, as a condition of receiving a prescription for controlled substances. Overall, these payors paid over \$2.3 for the medically unnecessary Goody Bags. Dr. Anand also conspired to distribute Oxycodone outside the usual course and scope of professional practice and without a legitimate medical purpose. Unlicensed medical interns wrote prescriptions for controlled substances using blank prescriptions that were pre-signed by Dr. Anand. Over 20,850 Oxycodone pulls were prescribed to nine different patents as part of the scheme. Once he learned he was under investigation, Anand aimed to conceal the money made from the scheme by transferring \$1.2 million into an account of his father and for the benefit of his daughter. Anand was ultimately convicted of conspiracy to commit health care fraud and wire fraud, three counts of health care fraud, one count of money laundering, four counts of unlawful monetary transactions, and conspiracy to distribute controlled substances.

52. Pharmacist Indicted in \$2 Million Medicare Fraud Scheme (04/2025)

- Cynthia Ann Herrera was arrested following allegations of health care fraud and aggravated identity theft in connection with a scheme to defraud Texas Medicaid. Per the indictment, it was alleged that Herrera submitted or caused to be submitted fraudulent claims to Medicaid for prescriptions that a physician never prescribed. The conduct in question took place from 2018–2024, during which time Herrera received over \$2 million in Medicaid payments. It was alleged that Herrera used the personal information of physicians without their consent in order to bill for the prescriptions. Herrera is charged with six counts of health fraud and six counts of aggravated identity theft.

53. Numerous Hospitals and Health Systems Reach Agreements with OIG for Employing Excluded Individuals (04/2025)

- Numerous hospitals and health systems have recently agreed to settlements with the OIG to resolve allegations that they knew or should have known that the individual they were employing was excluded from participation in federal health care programs. These include the following:

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- Diagnostic Clinic of Longview reached a settlement agreement to resolve allegations that it employed an individual who was excluded from participating in Federal health care program. Here, it was found that the facility was employing a licensed vocational nurse that was excluded.
- Advancare Healthcare Services, LLC agreed to pay \$41,596.68 to the OIG after it was found to be employing an individual it knew or should have known was excluded from participation in Federal health care programs. Specifically, Advancare was found to be employing an RN who was excluded from these programs.
- John H. Stroger, Jr. Hospital of Cook County agreed to pay \$456,401.07 for allegedly violating the Civil Monetary Penalties Law by employing an individual it knew or should have known was excluded from participation in Federal health care programs. This involved allegations that Stroger employed two individuals that it knew or should have known were excluded from participation in the Illinois state Medicaid program. This conduct was self-disclosed to the OIG.
- Baptist Health Medical Group, Inc. in Kentucky agreed to pay \$47,553.54 for allegedly violating the Civil Monetary Penalties Law. It was alleged Baptist Health employed an individual that it knew or should have known was excluded from participation in Federal health care programs. This conduct was self-disclosed to the OIG.
- Villa St. Vincent agreed to pay \$247,607.44 for allegedly violating the Civil Monetary Penalties Law by employing an individual it knew or should have known was excluded from participation in Federal health care programs. This conduct was self-disclosed to the OIG.
- South Pacific Rehabilitation Services, Inc. agreed to pay \$201,198.03 for allegedly violating the Civil Monetary Penalties Law by employing an individual it knew or should have known was excluded from participation in Federal health care programs. This conduct was self-disclosed to the OIG.
- Clinical Pathology Laboratories, Inc. agreed to pay \$352,623.66 for allegedly violating the Civil Monetary Penalties Law by employing an individual it knew or should have known was excluded from participation in Federal health care programs. This conduct was self-disclosed to the OIG.

54. Former Traveling Nurse Arrested for Tampering with Morphine (04/2025)

- A former traveling nurse was recently sentenced to three months in prison with two additional years after being found to have tampered with a patient's morphine. Loralie LaBroad was found to have tampered with morphine at a local rehabilitation facility. After release from prison, LaBroad will be under supervised release for two years, during which time she is prohibited from practicing as a registered nurse or

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any work that would grant her access to prescription medication or controlled substances.

- LaBroad previously worked as a registered nurse for over 30 years. In 2021, LaBroad surrendered her nursing license in New Hampshire after an investigation found she had tampered with morphine bottles. LaBroad continued to practice using her Massachusetts license as a traveling nurse that worked at nursing and rehabilitation facilities in Massachusetts. Several facilities began to believe LaBroad was diverting morphine from patients. Law enforcement worked with the facility to perform an operation, which resulted in uncovering that LaBroad had taken two bottles of morphine from a cart LaBroad was assigned to and that only she had access to.

55. Hospital Agrees to Pay Approximately \$133,000 to resolve EMTALA Violations for Failure to Accept a Transfer from Another Hospital (04/2025)

- St. Joseph Health agreed to pay \$133,420.00 as part of a settlement with the OIG to resolve allegations that St. Joseph violated the Emergency Medical Treatment and Labor Act (EMTALA). The conduct in question took place in February 2023, where St. Joseph is alleged to have violated EMTALA by failing to accept an appropriate transfer of a patient from the emergency department of a different hospital. That facility had diagnosed the patient with bilateral pulmonary embolisms and an intra-abdominal abscess and requested St. Joseph accept the patient as that facility lacked the specialized capabilities to treat the patient. Accordingly, that facility requested an appropriate transfer. Despite knowledge of the patient's condition, St. Joseph declined to accept the patient.

56. Companies Excluded for Defaulting on Payment Obligations (04/2025)

- Assure Holdings Corp. and Assure Neuromonitoring, LLC were both excluded from participation in federal health care programs for defaulting on payment obligations that arose as part of a settlement agreement. Assure had previously entered into a settlement agreement following allegations that it improperly paid remunerations to physicians to induce referrals for neuromonitoring services. Assure will remain excluded until it repays its debt obligations and receives approval from the OIG.

57. Chicago Hospital Agrees to Settlement following EMTALA Violations for Failure to Provide a Timely and Appropriate Medical Screening Examination (03/2025)

- Ascension Resurrection, based in Chicago, agreed to pay \$133,420.00 as part of a settlement with the OIG. The settlement resolves allegations that Ascension violated the Emergency Medical Treatment and Labor Act (EMTALA) in April 2023, where

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Ascension is alleged to have failed to provide a timely and appropriate medical screening examination (MSE) to a patient who presented to the emergency department. The patient presented with chest pain, nausea, and vomiting. Ascension obtained the patient's insurance information but failed to perform an EKG, perform a pain assessment, and obtain the patient's medical history. The patient was sent to the waiting area after triage, where the patient remained for an hour, after which he left the facility to seek care at a different hospital. The patient was diagnosed with a ST-elevation myocardial infarction (STEMI) at the second emergency department, which is an emergency medical condition (EMC).

58. Piedmont Health (Raleigh, North Carolina) Self-Discloses CMPL Violations when it Billed for Services that did Not Meet Medicare Requirements, Pays Nearly \$5 Million Settlement (04/2025)

- Piedmont Health Services, based in Raleigh, North Carolina, agreed to pay \$4,796,424.00 to resolve allegations that it violated the Civil Monetary Penalties Law by submitting claims to Medicare for chronic care management services that did not meet Medicare requirements. The conduct was self-disclosed to the OIG.

59. Urgent Care Center Settles Incident-to Upcoding Allegations and Agrees to Pay Nearly \$615,000, for Violations of the CMPL (03/2025)

- Diligent Urgent Care, LLC, agreed to pay \$614,137.34 to resolve allegations that it violated the Civil Monetary Penalties Law by submitting non-physician practitioner incident-to claims for reimbursement that indicated a physician had provided the services. Accordingly, these services were upcoded and billed at higher levels of service than were actually provided. Diligent Urgent Care self-disclosed the conduct to the OIG.

60. Medical Transportation Company (North Carolina) Self-Discloses Billing for Excessive Mileage (03/2025)

- Friendly Medical Transport, based in North Carolina, agreed to pay over \$119,000.00 to resolve allegations that it violated the Civil Monetary Penalties Law by submitting claims to Medicare for transportation mileage that exceed what was actually provided. The conduct was self-disclosed to the OIG.

61. Iowa Nurse Pleads Guilty to Diverting Controlled Substances (03/2025)

- Registered Nurse Amanda Manatt pleaded guilty to diverting controlled substances for personal use and falsifying patient records to indicate the medication has been

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administered. Manatt was employed as a registered nurse at two hospitals in Iowa. During her employment for each hospital, Manatt took controlled substances that were meant to be given to a patient. This includes fentanyl and Dilaudid. Manatt faces up to five years in prison.

62. North Carolina Physician Sentenced to Prison and Ordered to Pay Over \$2 Million in Restitution for Health Care Fraud and Money Laundering (03/2025)

- Dr. Wendell Lewis Randall was sentenced to 30 months in prison after he pleaded guilty to one count of health care fraud and one count of money laundering. Dr.
- Randall is also subject to two years of supervised release following his imprisonment and was ordered to pay over \$2 million in restitution. Per court documents, Dr. Randall was the owner and only physician at National Institute of Toxicology, PLLC, which is located in North Carolina. Dr. Randall would prescribe controlled substances, including opioids, to patients regardless of medical necessity. As part of this, Dr. Randall required patient to undergo urine drug testing regardless of medical necessity. The facility used an in-house laboratory to perform the tests from August 2018–December 2021. These test results were billed at the highest level for Medicare and Medicaid patients, which resulted in Dr. Randall receiving over \$750,000.00 from Medicare and nearly \$1.3 million from Medicaid for these fraudulent tests.

63. Durable Medical Equipment (DME) Company Owner Sentenced to Prison for Health Care Fraud Conspiracy (03/2025)

- Shafi Abbas, owner of Aidmen Medical Equipment LLC and Justright Medical Equipment LLC, was sentenced to one year and one day in prison after facing charges of conspiracy to commit health care fraud and three counts of money laundering through these companies. Abbas will be under supervised release for two years following his release from prison. Abbas and his companies were found to have illegally billed Medicare for medically unnecessary durable medical equipment that not prescribed by a patients' provider. Additionally, Abbas transferred funds from this illegal billing in quantities greater than \$10,000.00, resulting in the money laundering charges. Abbas was also ordered to pay over \$1.33 million in restitution.

64. Memorial Hermann Hospital–Texas Medical Center Faces Penalties for Liver Transplant Program Issues (02/2025)

- Memorial Hermann Hospital–Texas Medical Center faces severe penalties due to lack of compliance, patient safety issues, and existing corrective actions. During a February 20, 2025 meeting, the Organ Procurement and Transplantation Network

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determined the hospital as “not in good standing.” Per the Organ Procurement and Transplantation Network’s findings, the hospital was found to have altered donor criteria in order to rule some patient ineligible. Additionally, the hospital had poor staff and patient communication and fostered a culture of retaliation. Additionally, a physician was found to have made inappropriate changes to the hospital’s liver transplant database, such as altering patient’s age and weight. As a result of this, Memorial’s liver and kidney transplant programs are suspended.

65. HHS’ OCR Imposes \$1.5M Civil Monetary Penalty (CMP) Against Warby Parker in HIPAA Cybersecurity Hacking Investigation (02/2025)

- In December 2018, OCR initiated an investigation following receipt of a breach report filed by Warby Parker. The report stated that in November 2018, Warby Parker became aware of unusual, attempted log-in activity on its website. Warby Parker reported that between September 25, 2018, and November 30, 2018, unauthorized third parties gained access to Warby Parker customer accounts by using usernames and passwords obtained from other, unrelated websites that were presumably breached. This type of cyberattack is often referred to as “credential stuffing”.
- In September 2020, Warby Parker filed an addendum to its December 2018 breach report, updating the number of individuals affected by the breach to 197,986. The compromised ePHI included customer names, mailing addresses, email addresses, certain payment card information, and eyewear prescription information. Warby Parker also filed subsequent breach reports (each breach report affecting fewer than 500 persons) in April 2020, and June 2022, following similar attacks. OCR’s investigation found evidence of three violations of the HIPAA Security Rule, including a failure to conduct an accurate and thorough risk analysis to identify the potential risks and vulnerabilities to ePHI in Warby Parker’s systems, a failure to implement security measures sufficient to reduce the risks and vulnerabilities to ePHI to a reasonable and appropriate level, and a failure to implement procedures to regularly review records of information system activity.
- In September 2024, OCR issued a Notice of Proposed Determination seeking to impose a \$1,500,000 civil money penalty. Warby Parker waived its right to a hearing and did not contest OCR’s imposition of a civil money penalty. Accordingly, in December 2024, OCR imposed a civil money penalty of \$1,500,000.

66. Chicago Man Sentenced to Prison and Ordered to Pay \$1.5 Million in Restitution for COVID-19 Fraud under the CARES Act (02/2025)

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- Feroz Jalal of Chicago, Illinois, was sentenced to five years and two months in prison after illegally receiving over \$1.5 million in small business loans under the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act. Jalal entered into a scheme to fraudulently obtain money from banks and the United States Small Business Administration. Qualifying businesses were able to receive low-interest loans to cover losses suffered during the pandemic. Jalal submitting fraudulent documentations on dozens of loans for numerous businesses that he and others claimed to own. The applications for these loans were littered with false information and included fake tax filings, fraudulent spreadsheets, and other documents that misrepresented payroll expenses. In all, Jalal and co-conspirators caused \$1.64 million to be sent out. Jalal had previously pleaded guilty to bank fraud and money laundering charges. Jalal was ordered to pay \$1.5 million in restitution.

67. Health Care Law Firm (Bassford Remele) Suffers Data Breach (02/2025)

- Bassford Remele recently suffered a data breach. The law firm provides legal services to some health care organizations. The firm noted a security incident in September 2024, where it uncovered that emails were sent from a third-party application that claimed to be an employee’s email. It was confirmed that inappropriate access to data took place between July 29, 2024–September 4, 2024, wherein the unauthorized account had unfettered access to the emails. Over 4,000 individuals had information compromised as a result of the breach. Information compromised included in the breach was names, medical record information, diagnosis information, provider names, dates of birth, Social Security numbers, and financial account information.

68. President of Insurance Brokerage Firm and CEO of Marketing Company Charged in \$161 Million Affordable Care Act Enrollment Fraud (02/2025)

- Cory Lloyd and Steven Strong each face charges of conspiracy to commit wire fraud, three counts of wire fraud, conspiracy to defraud the United States, and two counts of money laundering. Lloyd, from Stuart, Florida, allegedly participated in a scheme to submit false enrollment information to fully subsidized Affordable Care Act insurance plans in order to receive millions in commission payments from insurance companies.
- The pair targeted low-income individuals with various struggles and would use employ individuals to offer bribes in order to obtain enrollees in these plans. As a result of being enrolled in these plans, many individuals experienced interruptions in their medical care. As a result of this illicit scheme, the federal government paid nearly \$162,000,000.00 in subsidies.

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69. Ambulance Company Agrees to Five-Year Exclusion from Federal Care Health Programs (02/2025)

- Med One Mobile, LLC and Gregory Wireman agreed to be excluded from participation in Federal health care programs for a period of five years. Med One and Wireman submitted or caused to be submitted claims for ambulance transportation services for Basic Life Support services, Advance Life Support, and mileage reimbursement for patients taken to a residence, skilled nursing facility, or other location when such ambulance services lacked medical necessity.

70. St. Louis Physician Sentenced to 35 Months in Prison for Health Care Fraud (02/2025)

- Dr. Sonny Saggar, who ran two urgent care centers near St. Louis, was sentenced to 35 months in prison and ordered to pay nearly \$750,000.00 in restitution after pleading guilty to one count of conspiracy. While operating two St. Louis General hospital locations, Dr. Saggar and his office manager hired assistant physicians to see patients. However, Dr. Saggar billed Medicare and Medicaid as if he personally had seen and treated the patients. Assistant physicians are medical school graduates who have not completed a residency program. These individuals require supervision by a licensed physician and can only practice in medically underserved areas. The conduct in question took place from July 2018-July 2023. Dr. Saggar admitted that the assistant physicians were not properly supervised and had them consult one another with medical questions. Dr. Saggar also offered bribes to other physicians to certify that the physicians were collaborating physicians who were supervising these assistant physicians.

71. Baptist Medical Center South Settles EMTALA Violations for \$290,000 (02/2025)

- Baptist Medical Center South agreed to pay \$290,000.00 as part of a settlement agreement with the OIG. The allegations involve violations of EMTALA, including that Baptist failed to provide an appropriate medical screening examination and/or stabilizing treatment on three separate occasions. The first violation occurred in October 2020, when a patient presented via ambulance after having been found to have suicidal tendencies. The patient denied suicidal ideation and indicated he stopped taking his medications and was depressed, at which time he requested to speak to a psychiatrist. The ED physician examined the patient and noted the history of bipolar disorder, depression, anxiety, and schizophrenia, before ordering a psychiatric consultation. A suicide risk assessment indicated the patient was “high

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risk” and initiated suicide interventions, including a bedside attendant. The patient refused to change into scrubs and eloped from the hospital without receiving the psychiatric consultation, despite being under constant observation.

- The second instance occurred in May 2021, where a patient arrived via ambulance after being found unresponsive in a parking lot. The ED physician diagnosed the patient with acute psychosis and ordered a psychiatric consultation. The patient had a history of bipolar disorder and had not taken his psychiatric medication. Prior to receiving a psychiatric examination, the patient left the ED against medical advice and refused to sign the required AMA form. ED staff failed to explain the risks and consequences of leaving the ED to the patient and failed to determine whether the patient had the capacity to leave the ED. Later that night, the patient was hit by a car while walking and brought back to the ED with rib fractures, a collapsed lung, and bruises and lacerations.
- The third instance occurred in May 2021, when a patient presented with plans to overdose. An ED physician examined the patient and diagnosed her with suicidal ideations and depression. The patient had a history of bipolar disorder, alcohol abuse, and previous suicide attempt. This patient was classified as “high risk” under the suicide assessment. A urine drug screening returned positive for controlled substances. An on-call psychiatrist recommended inpatient psychiatric treatment. Approximately 24 hours after presenting, the patient was administered Celexa. Approximately 90 minutes later, the patient left the ED AMA, prior to receiving stabilizing treatment. ED staff failed to determine whether the patient had the capacity to leave AMA.

4. Fiscal Analysis & Economic Impact Statement:

	Current FY Amounts	Total Amounts (Current + Future)	Budget
Capital Requirements	N/A		Yes <input type="checkbox"/> No <input type="checkbox"/>
Net Operating Impact	N/A		Yes <input type="checkbox"/> No <input type="checkbox"/>

*Non-budgeted expenditures in excess of \$250,000 require Finance and Audit Committee review and Board approval. Reviewed for financial accuracy and compliance with purchasing procedure:

Signed by:


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 Jessica Cafarelli
 VP & Chief Financial Officer

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE

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5. Reviewed/Approved by Committee:

N/A

Committee Name

N/A


Date Approved

6. Recommendation:

Staff recommends the Board receive and file this informational report.

Approved for Legal sufficiency:

Signed by:



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Bernabe Icaza

SVP & General Counsel

Signed by:




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Heather Bokor

VP & Chief Compliance,
Privacy & Ethics Officer

Signed by:



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Darcy J. Davis

President & Chief Executive Officer

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
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1. Description: Medical Staff Appointment(s) for Lakeside Medical Center

2. Summary:

The agenda item represents the practitioner(s) recommended for Medical Staff appointment by the Medical Executive Committee of Lakeside Medical Center.

3. Substantive Analysis:

The practitioner(s) listed below satisfactorily completed the credentialing and privileging process and met the standards set forth within the approved Medical Staff Bylaws. The credentialing and privileging process ensures that all Medical Staff meet specific criteria and standards of professional qualifications; this criterion includes, but is not limited to:

- Current licensure
- Relevant education, training and experience
- Current clinical and professional competence
- Health fitness and ability to perform requested privileges
- Malpractice history and liability insurance coverage
- Immunization status; and
- Applicable life support training

Last Name	First Name	Degree	Specialty	Appointment	Privileges
Alam	Tariq	MD	Tele-Neurology	Initial Appointment	Active
Dholakia	Rut	MD	Tele-Neurology	Initial Appointment	Active
George	Pravin	MD	Tele-Neurology	Initial Appointment	Active
Ghannam	Malik	MD	Tele-Neurology	Initial Appointment	Active
Hepner	Seth	MD	Tele-Neurology	Initial Appointment	Active
Hossain	Anowar	MD	Tele-Neurology	Initial Appointment	Active
Hua	Li	MD	Tele-Neurology	Initial Appointment	Active
Kapoor	Gaurav	DO	Tele-Neurology	Initial Appointment	Active
Kassar	Samer	MD	Tele-Neurology	Initial Appointment	Active
Kerro	Ali	MD	Tele-Neurology	Initial Appointment	Active
Lami	Victor	MD	Tele-Neurology	Initial Appointment	Active
Laurent	Bordes	MD	Tele-Neurology	Initial Appointment	Active



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Leung	Bo	MD	Tele-Neurology	Initial Appointment	Active
Li	Xi	MD	Tele-Neurology	Initial Appointment	Active
Lu	Xinrong	MD	Tele-Neurology	Initial Appointment	Active
Mian	Fawad	MD	Tele-Neurology	Initial Appointment	Active
Moussaoui	Asma	MD	Tele-Neurology	Initial Appointment	Active
Patel	Smit	MD	Tele-Neurology	Initial Appointment	Active
Patel	Prakashkumar	MD	Tele-Neurology	Initial Appointment	Active
Patterson	Damon	MD	Tele-Neurology	Initial Appointment	Active
Ramos-Canseco	Juan	MD	Tele-Neurology	Initial Appointment	Active
Rayi	Appaji	MD	Tele-Neurology	Initial Appointment	Active
Sajia	Kalyan	MD	Tele-Neurology	Initial Appointment	Active
Taqui	Ather	MD	Tele-Neurology	Initial Appointment	Active
Venkatraman	Anand	MD	Tele-Neurology	Initial Appointment	Active
Austin	Jonathan	MD	Emergency Medicine	Initial Appointment	Provisional
Shapiro	Steven	DO	Emergency Medicine	Reappointment	Active
Mann	Adam	MD	Critical Care Medicine	Reappointment	Active
Piampiano	Peter	MD	Radiology	Reappointment	Active
Mcintosh	Montia	APRN	Emergency Medicine	Reappointment	Allied Health Professional
Okator	Christian	PA	Emergency Medicine	Reappointment	Allied Health Professional

4. Fiscal Analysis & Economic Impact Statement:

	Current FY Amounts	Total Amounts (Current + Future)	Budget
Capital Requirements	N/A		Yes <input type="checkbox"/> No <input type="checkbox"/>
Net Operating Impact	N/A		Yes <input type="checkbox"/> No <input type="checkbox"/>

*Non-budgeted expenditures in excess of \$250,000 require Finance and Audit Committee review and Board approval. Reviewed for financial accuracy and compliance with purchasing procedure:

Signed by:


 CA6A21FF2E09481
 Jessica Cafarelli
 VP & Chief Financial Officer

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE

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5. Reviewed/Approved by Committee:

N/A

Committee Name

N/A


Date Approved

6. Recommendation:

Staff recommends the Board approve the Medical Staff Appointment(s) for Lakeside Medical Center.

Approved for Legal sufficiency:

Signed by:




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Bernabe Icaza

SVP & General Counsel

DocuSigned by:




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Belma Andric, MD

EVP & Chief Medical Officer

Signed by:



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Darcy J. Davis

President & Chief Executive Officer



HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE JOINT MEETING JUNE 11, 2025

1. Description: Competitive Bid Award for External Audit Services

2. Summary:

This agenda presents the Board and Finance and Audit Committee with the recommendation to engage RSM US, LLP as the Health Care District (HCD) External Auditor at their five-year bid of \$2,460,000.

3. Substantive Analysis:

In accordance with the District's Purchasing Policy, a competitive, qualifications-based selection process was conducted. Two (2) firms submitted proposals, while a third, firm declined to participate. A Request for Proposal (RFP) was issued on April 8, 2025 requesting that qualified and experienced public accounting firms submit proposals to serve as the independent external auditors for the District. The engagement includes auditing financial statements of the District, along with its affiliates and subsidiaries, for the fiscal year ending September 30, 2025, as well as for each of the four (4) subsequent fiscal years.

The Evaluation Committee ranked RSM US, LLP as the most qualified firm for this contract. The evaluation criteria included; costing (25 points), firm related questions (5 points), qualifications and program experience (40 points); and proposed staff (30 points).

The proposal from RSM US, LLP ("RSM") states that they maintain a national practice that serves more than 3,000 health care clients, including hospitals, health systems, academic medical centers, medical clinics, physician groups, dental groups, dialysis centers, nursing homes, home health agencies, senior housing facilities and medical technology companies. RSM serves more than 500 governmental clients nationally with government being the single largest industry they serve in Florida. Additionally, RSM serves as the auditors for three other independent Florida special taxing health care districts.

The District will be served by the RSM's Palm Beach County office, therefore, the firm is available to District management on a year-round basis, to work closely with the District and to address issues in District operations as they arise. RSM will contribute its dedicated resources and extensive experience working with both health care and governmental entities for the benefit of the District. It was clear when reviewing the



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proposals that RSM, was the most qualified entity to perform the complex audit services of the Health Care District.

4. Fiscal Analysis & Economic Impact Statement:

	Current FY Amounts	Total Amounts (Current + Future)	Budget
Capital Requirements	N/A	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>
Net Operating Impact	(\$480,000)	(\$2,460,000)	Yes <input type="checkbox"/> No <input type="checkbox"/>

*Non-budgeted expenditures in excess of \$250,000 require Finance and Audit Committee review and Board approval. Reviewed for financial accuracy and compliance with purchasing procedure:

Signed by:

Jessica Cafarelli

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Jessica Cafarelli

VP & Chief Financial Officer

5. Reviewed/Approved by Committee:

N/A

Committee Name

N/A

Date Approved

6. Recommendation:

Staff recommends the Board approve engaging RSM US, LLP as the District's external auditor for a 5 year term.

Approved for Legal sufficiency:

Signed by:

Bernabe Icaza

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Bernabe Icaza

SVP & General Counsel

Signed by:

Jessica Cafarelli

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Jessica Cafarelli

VP & Chief Financial Officer

Signed by:

Darcy Davis

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Darcy J. Davis

President & Chief Executive Officer

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
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1. Description: Epic Electronic Health Record Host Replacement for the Community Health Centers

2. Summary:

On February 21, 2025, the Health Care District of Palm Beach County received formal termination notice from Memorial Healthcare System. As a result, we must fully transition our ambulatory Federally Qualified Health Center (FQHC) clinics off Memorial's Epic Connect instance by February 2026, and the hospital must be transitioned by August 2026.

3. Substantive Analysis:

Following a comprehensive evaluation—conducted with the support of Himformatics, an IT consulting firm, and with direct input from Epic—we confirmed that the District is not large enough to support a direct Epic implementation and too complex to be adequately served by a single Epic Connect partner that could meet the distinct needs of both our FQHC and hospital environments.

To ensure continuity, compliance, and sustainability, the Health Care District recommends the selection of Health Choice Network (HCN) as our Epic Connect partner for ambulatory EHR services across our FQHC clinics. HCN is a consortium of Health Centers, serving 59 safety net organizations across the country. It should be noted however, that HCN did not have the EPIC relationship when HCD first made a decision to move forward with EPIC for the Community Health Centers. This decision reflects a right-sized, mission-aligned approach tailored to the unique requirements of community health organizations based on the following key points:

Proven FQHC Alignment

HCN has extensive experience supporting the operational, regulatory, and reporting needs of FQHCs, including UDS, 340B, and value-based care performance.

Epic Connect Model

HCN offers a hosted Epic environment designed specifically for ambulatory community health, delivering coordinated care without the cost and complexity of a full Epic build.

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Shared Governance & Collaboration

As a member-led organization, HCN fosters peer collaboration, best practice sharing, and transparent governance—benefits that strengthen the entire network.

Integrated, Scalable Technology

The HCN Epic platform includes built-in reporting tools and interfaces that support FQHC population health, telehealth, care management, and grant compliance.

Cost-Effective and Mission-Aligned

HCN's pricing model provides access to enterprise-grade tools at a sustainable cost, supporting our mission to serve underserved communities.

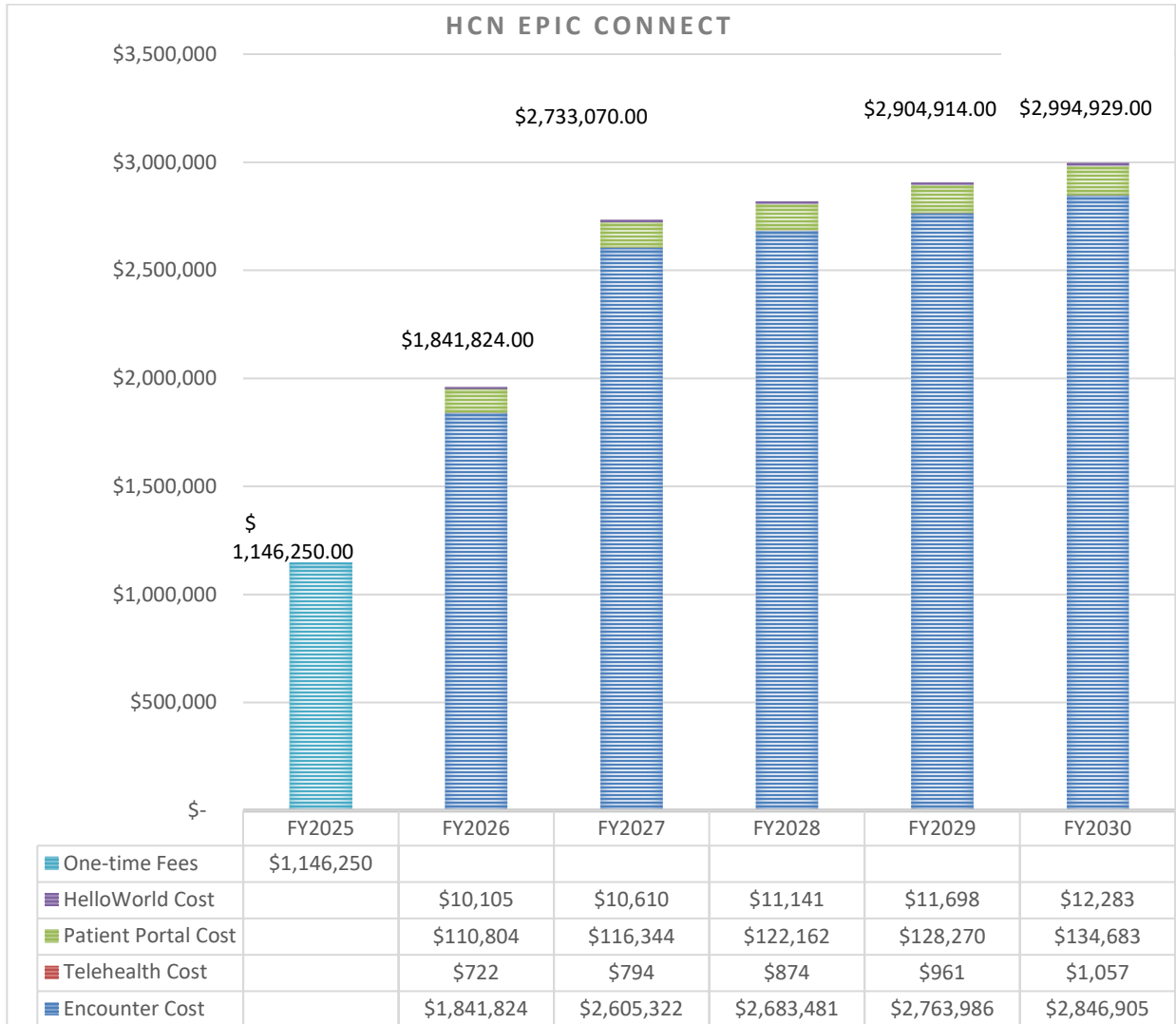
Streamlined Implementation and Support

HCN brings a proven onboarding model with dedicated project management, training, and provider support—accelerating readiness and adoption.

Financial Planning & Operational Efficiencies

Here is the current cost projection model for HCN Epic Connect over the next five years:

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It is anticipated that initial implementation fees will be incurred in FY2025 of approximately \$1.1M and will be paid from budget savings in this year. Fiscal year 2026 is projected to cost approximately \$1.8M with volume assumptions made for future years that have stabilized annual costs around \$3M annually. This cost is favorable to the current bundled costs with Memorial.

As we continue to adopt more of HCN's value-added services—such as infrastructure support, reporting, training, and analytics—we anticipate a reduction in internal IT



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administrative and operational costs. This will allow us to streamline internal resources, reduce system complexity, and reallocate IT capacity toward higher-value, patient-focused initiatives.

At the same time, we acknowledge additional upcoming costs associated with the spin-down of our current Epic Connect environment through Memorial Healthcare System (MHS). These include:

- Revenue cycle runoff
- Claims processing
- Long-term data archiving for compliance and clinical continuity

We are actively gathering estimates and defining the scope and resource requirements for both the MHS spin-down and the parallel hospital Epic Connect transition to a separate Epic Connect partner.

A complete cost model and operational impact assessment for both transitions will be presented alongside the FY26 budget at the next Board meeting.

4. Fiscal Analysis & Economic Impact Statement:

	Current FY Amounts	Total Amounts (Current + Future)	Budget
Capital Requirements	\$1,146,250.00 ¹	\$0.00	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Net Operating Impact	\$0.00	\$1,758,808.00 ²	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

¹ Capital includes implementation fees, training costs, Hello World, Welcome Kiosks, dental imaging conversion, document conversion, appointment and data conversion for go-live. This does not include the future additional costs associated with the spin-down of our existing Epic Connect environment through Memorial Healthcare System (MHS) discussed above.

² Operating begins monthly billing in March 2026 after go-live. The average cost per year for five years is \$2,685,805.00.

*Non-budgeted expenditures in excess of \$250,000 require Finance and Audit Committee review and Board approval. Reviewed for financial accuracy and compliance with purchasing procedure:

Signed by:

 CA6A21FF2E99481 Jessica Cafarelli
 VP & Chief Financial Officer



HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
JOINT MEETING
June 11, 2025

5. Reviewed/Approved by Committee:


N/A
Committee Name

N/A
Date Approved

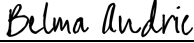
6. Recommendation:

Staff recommends the Board authorize the CEO to enter into an agreement with Health Choice Network (HCN) for a 5 year term at a cost not to exceed \$15M for the entire term.

Approved for Legal sufficiency:

Signed by:


0CF6F7DB67766424
Bernabe Icaza
SVP & General Counsel

DocuSigned by:


1F272D34C8B014A5
Belma Andric, MD
EVP & Chief Medical Officer

Signed by:


77A3B53589D17C
Darcy J. Davis
President & Chief Executive Officer

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
JOINT MEETING
JUNE 11, 2025

1. Description: Purchase and Sale Agreement – 4801 S Congress

Purchase and Sale Agreement (PSA) between the District and BD 4801, LLC (“Seller”) for 2.86 acres of improved real property located at 4801 S Congress Avenue

2. Summary:

The property is located at 4801 S Congress Avenue, between the major thoroughfares of Lake Worth Road to the North and Lantana Road to the South. A comprehensive pre-purchase due diligence review was completed which consisted of; 1) Property Condition Assessment, 2) Phase I Environmental Assessment, 3) Zoning Report, and 4) two Appraisals. The findings supported the purchase of the improved property. There are two material findings. First, there is an open elevator violation for an issue with the lighting not functioning while under emergency generator power which will be completed by the Seller prior to closing and therefore will be of no further issue to the District. Second, during the Phase I Environmental it was noted that there is one Historical Recognized Environmental Condition (“HRECs”) from 1994 related to a diesel fuel leak from a faulty shut off valve for an underground fuel tank that feeds the generator on the roof of the medical office building. The underground tank was removed and replaced with an above ground tank and remediation was complete with soil and ground water testing showing no remaining contamination between 1998 and 2007. The Site Rehabilitation Completion Order was closed on February 28, 2008 with no additional assessment needed. Additional information can be found in the Environmental Section 2.7 of Exhibit 1.

HCD has negotiated a purchase price of \$14,500,000 with up to \$250,000 contribution toward seller’s closing costs. The average of the two appraisals performed on the Property is \$13,750,000. The negotiated purchase price is \$14,500,000 or 5% above appraised value. There are no hypothetical conditions or extraordinary conditions, and the Property does not require a land use change for the District’s use.

As required by LEG 1000, the key terms of the purchase and sale agreement include: 1) the property interest will be conveyed via a General Warranty Deed in as-is, where-as condition, 2) the Seller being responsible for all costs associated with documentary stamp tax, curing of any title defects or encumbrances, one-half (1/2) of escrow/closing fees charged by the escrow agent and recording any closing documents, and 4) the District being responsible for the cost of the survey, title

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
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JUNE 11, 2025

commitment and search, title insurance and one-half (1/2) of escrow/closing fees charged by the escrow agent.

Closing will take place when: 1) Seller has provided the District with written evidence satisfactory to the District that all requirements of the elevator light violation has been met. 2) Seller has performed all of the covenants and obligations, 3) all representations and warranties identified are true and correct, and 4) the title company is ready, willing and able and irrevocably committed to issue a title policy in the face amount of the purchase price. If any of these conditions are not fulfilled by June 25, 2025, then the District shall have the right to; 1) terminate the agreements, or 2) waive such unsatisfied condition and proceed to closing of the transaction. In the event of a default by the Seller, the District shall have the right to; 1) terminate the Agreement, 2) grant Seller a reasonable amount of time to cure the default, or 3) seek specific performance. In the event of a default by the District, the Seller shall have the right to terminate the PSA or grant the District a reasonable amount of time to cure the default.

This item was considered by the Finance and Audit Committee("Committee") on May 21, 2025 (see Exhibit 3) and the Committee unanimously recommended approval by the Board.

3. Substantive Analysis:

The Atlantis Community Health Center is the Health Care District's (HCD) newest and largest Federally Qualified Health Center. This flagship FQHC boasts 26,283 square feet and spans three floors (1-3) of the four-story building with a total building size of 35,588 square feet.

The HCD's currently leased space has undergone an extensive fifteen-month buildout to like-new condition. The landlord and HCD combined investments is over \$3 million. HCD currently occupies 74% of the rentable space in this building with one additional tenant occupying the fourth floor. It sits on a 2.86 acre parcel that is adjacent to John Prince Park and only 0.3 miles from JFK Hospital and many other health-related services. This facility is easily accessed from I-95 and the Turnpike via Lake Worth Rd. It is also located on a major bus route that services Congress Avenue.

The tenant on the 4th floor currently has a 5 year lease on the space that will generate \$1.9 million during this lease term. This contemplates that the tenant does not exercise their 5 year renewal option. If renewed for an additional 5 year term it would result in

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
JOINT MEETING
JUNE 11, 2025

additional rental income and contribution toward building operating expenses. Additionally, there is a cell phone tower that will generate approximately \$29 thousand per year during the current 5 year lease term.

After completing due diligence and analyzing the existing 10 year financial lease commitment under the current rental agreement as well as the future rental revenue, the payback period for the investment will be 8.5 years. The proposed purchase provides for 1.5 years of rental cost savings from the original 10 year lease.

Exhibit 1 to this agenda item includes: 1) narrative/project description, 2) copies of appraisals, location maps, surveys, environmental reports, zoning reports, condition assessments and any other pre-purchase due diligence utilized to determine valuation, 3) identification of transaction parties, 4) disclosure of representatives including brokers, land planners, lobbyists, consultants, etc., 5) disclosure of any contemplated land use, zoning, or pending development applications, 6) discussion of valuation issues, 7) summary of negotiation history.

4. Fiscal Analysis & Economic Impact Statement:

	Current FY Amounts	Total Amounts (Current + Future)	Budget
Capital Requirements	\$15,000,000 ¹	\$15,000,000 ²	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Currently, the District has an annual rent and common area maintenance (CAM) expense of approximately \$958,000 for the Atlantis property. Upon ownership, the District will no longer incur rent and CAM expenses. The annual building operating expenses will be approximately \$115,000, representing an estimated annual operating savings of \$843,000.

¹ Amount in reserves to purchase the Atlantis site and approved by Board on April 03, 2025

² Any additional capital expenditures to repair and maintain the property will be requested as part of the FY26 budget process subject to Finance and Audit Committee and Board approval



HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE

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Annual rental and CAM payments from existing tenants is estimated at \$412,000. The District will take on landlord responsibilities for the existing tenants and will incur expenses related to building repair and maintenance in tenant leased spaces. Any tenant security deposits will be held by the District.

Reviewed for financial accuracy and compliance with purchasing procedure:

Signed by:

 CA6A21FF2E09481...

Jessica Cafarelli
 VP & Chief Financial Officer


5. Recommendation:

Staff recommends Board approval of a purchase and sale agreement with BD 4801, LLC to acquire 2.86 acres of improved real property in an amount not to exceed \$15,000,000..

Approved for Legal sufficiency:

Signed by:

 0CF6F7DB6708434
 Bernabe Icaza
 SVP & General Counsel

Signed by:

 F637D209DB56427
 Candice Abbott
 SVP & Chief Operating Officer

Signed by:

 77A3B53589A1477
 Darcy J. Davis
 President & Chief Executive Officer

EXHIBIT 1
BOARD OF DIRECTORS REGULAR AGENDA ITEM
JUNE 11, 2025

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- 1.0 Project Description
- 2.0 General Site Description
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 - 2.6 Utilities
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 - 2.8 Summary of Extraordinary/Site Specific Costs
- 3.0 Purchase Price Discussions and Appraisals
 - 3.1 Appraisals
 - 3.2 Negotiations
 - 3.3 Value to District
- 4.0 Conclusions
- 5.0 Attachments

1.0 Project Description

The Atlantis Community Health Center is the Health Care District's (HCD) newest and largest Federally Qualified Health Center. This flagship FQHC boasts 26,283 square feet and spans three floors (1-3) of the four-story building with a total building size of 35,588 square feet.

The HCD's currently leased space has undergone an extensive fifteen-month buildout to like-new condition. The landlord and HCD combined investment are over three million dollars. HCD currently occupies 74% of the rentable space in this building with one additional tenant occupying the fourth floor. It sits on a 2.86 acre parcel that is adjacent to John Prince Park and only 0.3 miles from JFK Hospital and many other health-related services. This facility is easily accessed from I-95 and the Turnpike via Lake Worth Rd. It is also located on a major bus route that services Congress Avenue.

The tenant on the 4th floor currently has a 5 year lease on the space that will generate \$1.9 million during the lease term. Additionally, there is a cell phone tower that will generate approximately \$29 thousand per year during the current 5 year lease term.

After completing due diligence and analyzing the existing 10 year financial lease commitment under the current rental agreement as well as the future rental revenue, the payback period for the investment will be 8.5 years. The proposed purchase provides for 1.5 years of rental cost savings from the original 10 year lease.

2.0 General Site Description. The subject property is a 35,588 square foot four-story medical office formally known as JFK Medical Plaza. The improvements were constructed in 1984 and renovated in 2023-2024. As of the effective appraisal date, the subject property is 100% leased to two tenants, The Health Care District of Palm Beach County and The Florida Cancer Specialist and Research Institute. The Health Care District of Palm Beach County occupies 26,283 square feet on floors one through three through February 28, 2035. The Florida Cancer Specialist and Research occupies approximately 9,300 square feet on the fourth floor through October 31, 2030. Overall, the average weighted lease term (WALT) of the subject property is considered strong, at eight years and 11 months. The subject site offers surface lot parking at a ratio of 5.1 spaces per 1,000 square feet of rentable area, or 182 parking spaces. The total site area is 2.86 acres, or 124,582 square feet.

2.1 Land Use and Zoning. The Atlantis property is located in the Village of Palm Springs and has a land use of Medical Office with a Commercial General (CG) zoning district. Per land development code 34-822 and 34-792 medical office use is permitted by right within CG District.

The Atlantis property use is considered to be legal conforming. The property improvements are considered to be legal non-conforming. Please note, as confirmed by

Chris Melendez, Palm Springs Planning, Zoning, and Building Department, the property was annexed into the Village of Palm Springs in December 2016 as a developed parcel; therefore, it may not meet all of the Village's current "CG" zoning district standards. Any aspect of the property that does not meet current code regulations is legally nonconforming. This is due to the building was built to code with a height of 55 feet prior to being annexed into the Village of Palm Springs with a height restriction of 45 feet. The current height restriction may prevent the District from adding another structure at the same height or to rebuild the structure to the same height if the building was demolished.

Property Data	
Name	Medical Office
Address	4801 South Congress Avenue
City, State and Postal Code	Palm Springs, Florida 33461
Property Use	Medical Office
Parcel Size (Acres)	2.6
Parcel Size (SF)	113,256
Number of Buildings	One
Number of Stories	Four
Year Built	1984; renovated 2023
Building Footprint (SF)	9,199
Gross Building Area (SF)	35,588
Property Jurisdiction	Village of Palm Springs
Zoning Designation	CG Commercial General
Abutting Zoning Designations	North: CG (Commercial General) South: CG (Commercial General) West: RM (Residential Multi-Family) East: Out of Jurisdiction
County	Palm Beach
Parcel Number	70-43-44-30-01-097-0030
Conformance Status Summary	
Use Conformance Status	The Subject Property's use is considered to be Legal Conforming.

2.2 Parking. The parking requirement for Medical Office is 1 parking space per 200 sf of gross floor area. This would equate to 178 parking spaces. Current number of parking spaces at this site is 182 and meets the parking requirements. The 182 parking spaces consists of 168 regular spaces and 14 handicapped parking spaces.

2.3 Access and Traffic. The primary north/south thoroughfares through the neighborhood include Congress Avenue, Military Trail, and Haverhill Road, which handle the majority of the local traffic. Interstate 95 provides excellent access to all of Florida's east coast. The major east/west thoroughfares through the Subject neighborhood are 10th Avenue North, 6th Avenue South/Melaleuca Lane, Lake Worth Road, and Lantana Road. Most of these thoroughfares have access to Interstate 95 and extend from U.S.

Highway 1 to the western extremes of the County. Lake Worth Road provides access to Florida's Turnpike and extends from Ocean Avenue to beyond State Road 7 (U.S. Highway 441).

2.4 Public Transportation. There are public transportation lines available within walking distance on S Congress Avenue. The nearest Palm Tran stop southbound is located directly in front of this property. The nearest stop northbound is one block to the north of this property.

2.5 Water Management/Drainage. The Atlantis Site is located within the jurisdiction of South Florida Water Management District (SFWMD) and the Lake Worth Drainage District (LWDD).

Stormwater and Surface Water Drainage is removed from the subject property primarily by sheet flow action across the paved surfaces towards stormwater drains located on the property and in the public right of way. On-site stormwater drains discharge to municipal owned and maintained storm sewer system. No drywells were identified on the subject property. The closest water retention area is .10 miles to the northwest.

Flood zone data summary for this property from FEMA shows Zone X, defined as minimal risk areas outside the 1- percent and 0.2-percent-annual-chance floodplains, and Zone AE, defined as areas subject to 100-year flood.

This property does not appear to be a designated wetland area based on information obtained from the United States Fish and Wildlife Service (USFW); however, a comprehensive wetlands survey would be required in order to formally determine actual wetlands on the subject property. No settling ponds, lagoons, surface impoundments, wetlands or natural catch basins were observed at the subject property during this assessment.

2.6 Utilities. Electric, drinking water, storm water and sanitary sewer are provided by City of Lake Worth Beach. Meters for electricity are divided by floor and are located in the main electrical room on the ground floor.

2.7 Environmental. Based on a Phase 1 Environmental Assessment conducted by Partner Engineering, there are no Recognized Environmental Conditions (RECs) or Controlled Recognized Environmental Conditions (CRECs) that would trigger a need for a Phase 2 Environmental Assessment.

Partner Engineering found one Historical Recognized Environmental Condition (HRECs), and one Business Environmental Risk (BERs). Partner recommended no additional investigation as part of Phase I ESA activities of this property at this time. Recommendations for Phase II ESA or other assessment activities are specifically not

required by ASTM E1527-21. A complete copy of the Phase 1 Environmental Assessment is an attachment to the attached.

The BER identified is as follows. Due to the age of the subject property building, there is a potential that asbestos-containing material (ACMs) are present. Should the identified suspect materials become damaged, be removed, or be replaced, the identified suspect ACMs would need to be sampled to confirm the presence or absence of asbestos prior to any renovation or demolition activities to prevent potential exposure to workers and/or building occupants.

The HREC identified is as follows. The subject property was formerly improved with one 550-gallon underground storage tank (UST), utilized from 1984-1998 for the storage of emergency generator diesel fuel. The UST supply lines ran to a day tank on the subject building roof, which is where the emergency generator itself was (and still currently is) located. Due to a faulty shut-off valve, an overflow of the day tank occurred in 1994, resulting in diesel fuel being discharged to a roof drain, which in turn discharged to the subject parking lot and stormwater drain system to the south of the building. The available free product was removed from the roof, parking area, and storm drains. Following report of the discharge, the Florida Department of Environmental Protection (FDEP) and Palm Beach County Environmental Resource Management (PBC-ERM) required that an assessment be conducted in order to determine if the release had adversely impacted the subsurface of the subject property. Soil and groundwater assessment was conducted in 1995, the results of which indicated that soils had not been adversely impacted, but that the shallow groundwater exhibited reportable concentrations of petroleum hydrocarbons above the Groundwater Cleanup Target Levels (GCTLs), which are specified in Chapter 62-770 of the Florida Administrative Code (FAC). Following the initial assessment, it appears that a remedial action plan was prepared but not implemented. The subject UST was removed from the property in 1998 without any reportable impacts; the tank closure information and associated soil/groundwater laboratory data was reviewed and deemed acceptable by the FDEP and ERM. The release case was not further addressed until 2007, when follow-up soil and groundwater assessment indicated that reportable impacts were no longer present onsite. Following review, the FDEP and ERM deemed that no further action would be necessary to address the release case. A Site Rehabilitation Completion Order (SRCO) was issued for the subject property's 1994 discharge dated February 28, 2008. All associated groundwater monitoring wells Phase I Environmental Site Assessment Project No. 24-471682.1 January 3, 2025 Page iv were subsequently closed and abandoned. Based on the removal of the UST without reported impacts in 1998 and the issuance of a full regulatory closure in 2008 for the 1994 release case, these items are considered to constitute an HREC on the subject property. It does not appear that any further assessment in the former UST area or the area impacted by the overflow release are warranted at this time.

2.8 Summary of Extraordinary/Site Specific Costs at Atlantis Site. The Atlantis property was inspected by Partner Engineering and Science and a property condition report (PCA) was issued on January 03, 2025. The assessment was performed in accordance with ASTM E2018-24 “Standard Guide for Property Condition Assessments: Baseline Property Condition Assessment Process”. The purpose of this PCA was to observe and document readily visible materials and building system defects that might significantly affect the value of the subject property, and determine if conditions exist which may have a significant impact on the continued operation of the facility during the evaluation period.

Partner Engineering reported that based on the systems and components observed during the site visit, the subject property appeared to be in good condition. The overall level of preventative maintenance appeared to be good and there were no issues observed or reported that indicate the need for additional investigations. No extraordinary costs were reported. Partner Engineering did provide a cost opinion for short term or immediate cost for repairs or deferred maintenance and additional long term repair costs for such items as parking lot repairs, roof repairs, elevator repairs, etc. This is calculated at \$0.72 per square foot.

Short Term Cost Summary

Improvement or Repair Category	Estimated Cost
Minor Site Improvements	\$13,000
Structural Frame and Building Envelope	\$2,000
Mechanical and Electrical Systems	\$7,000
Interior Elements	\$5,000
Accessibility	\$2,500
Water Intrusion and/or Microbial Growth	\$0
TOTAL	\$29,500

Long Term Cost Summary

Improvement Category	Estimated Cost
Site Improvements	\$53,550
Structural Frame and Building Envelope	\$207,750
Mechanical and Electrical Systems	\$40,800
Interior Elements	\$5,250
Accessibility	\$0
Water Intrusion and/or Microbial Growth	\$0
TOTAL	\$307,350

3.0 Purchase Price Discussions and Appraisals. Staff was first contacted by the broker to let the District know that the owner of the Atlantis Site is looking to sell the property in September of 2024. The Seller is BD 4801 LLC the brokers are Mark Rubin, Executive vice President, Colliers South Florida Investment Team and BorLuv, Inc. No other brokers are involved in this transaction nor were any lobbyists involved. The assessed value is \$5,000,000 and the Seller acquired the parcel in June of 2021 for \$5,765,000. The appraisal from Partner Valuation Advisors suggests the property would have a property re-assessment of \$11,200,000 with change of ownership. The Seller indicated that he had been entertaining another offer but was holding action on that offer pending buyer financing. The seller indicated an asking price of \$15,000,000. Pre purchase due diligence was started in September of 2024.

3.1 Appraisals The District’s Land Acquisition Policy requires two appraisals for a transaction of this value. The District contracted with Callaway & Price, Inc (“Callaway”), and Partner Valuation Advisors (“Partner”), for appraisal services. Both Callaway and Partner appraised the market value of fee simple ownership with no hypothetical or extraordinary conditions. Market Value is defined as “the most probable price which a property should bring in a competitive and open market under all conditions requisition to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus”

The scope of work for the appraisals generally included the following:

- Identification of the appraisal which includes the purpose or date of value, the interest be appraised, identifying the real estate (legal description) of the property and whether the appraisal is subject to any hypothetical or extraordinary conditions.
- Inspection of the property, data collection process, analysis of the factors that affect market value.
- Determination of highest and best use of the property.
- Application of the appropriate approaches or the valuation.

Both appraisers determined the highest and best use for the property was Medical Office and both used the sales comparison method of valuation.

See table below for appraisal results.

Appraiser	Market Value
Callaway and Price	\$13,500,000
Partner Valuation Advisors	\$14,000,000
Average Price	\$13,750,000

3.2 Negotiations. The District's initial offer was based on the average of the two appraisals in the amount of \$13,750,000. The asking price of \$15,000,000 is 9% above the average of the two appraisals. The seller countered with \$14,840,000 and indicated that they had another offer on the table and that the other buyer has secured financing. The seller's counter offer was based on that other offer and a premium to walk away from the other offer.

At that time, staff requested additional information regarding the other offer. Seller shared that the offer was \$14,450,000 with no broker fees worth approximately \$250,000 for a total package of \$14,700,000.

The District then offered \$14,450,000 and \$250,000 contribution toward seller's closing costs for a total of \$14,700,000. The seller did not accept this offer and countered with their best and final price of \$14,500,000 with \$250,000 contribution toward seller's closing costs on April 28, 2025. This price was accepted by the District.

3.3 Value" to the District Relative to the Strategic Facility Plan. The acquisition of this property would provide long term cost savings for the district with a payback period for the investment of approximately 8.5 years. This property meets the current needs of the District and its flagship community health center occupying 26,283 square feet on the first three floors. The tenant on the 4th floor currently has a 5 year lease on the space that will generate \$1.9 million during the lease term. Additionally, there is a cell phone tower that will generate approximately \$29 thousand per year during the current 5 year lease term.

It also provides future development/expansion capacity on the 4th floor consisting of approximately 9,300 square feet. This site allows for more flexibility for any changing programmatic needs and operational effectiveness. This purchase supports the District's policy to move to District owned land/buildings for financial and programming reasons and it supports future co-location of compatible uses in order to realize cost savings on eliminating duplicated infrastructure and operational expenses.

4.0 Conclusion: The average of the two appraisal value is \$13,750,000 and the purchase price is \$14,500,000 with a contribution of \$250,000 toward the seller's closing costs. Staff believes it is in the best interests of the District in terms of furthering its strategic facility objectives, to move forward with the purchase of the 4801 S Congress Avenue property with the corresponding purchase and sale agreement.

5.0 Attachments to Exhibit 1

- A. Partner Engineering Property Condition Assessment Report
Dated January 03, 2025
- B. Partner Engineering Zoning Report

Dated January 03, 2025

C. Partner Engineering Phase I Environmental Report

Dated January 03, 2025

D. Callaway & Price Appraisal

Dated January 14, 2025

E. Partner Engineering Appraisal

Dated January 05, 2025

F. Callaway & Price Appraisal

Dated February 19, 2025

[Exhibit 1 - 4801 S Congress Packet A-F](#)

EXHIBIT 2
HEALTH CARE DISTRICT
PURCHASE AND SALE AGREEMENT

AGREEMENT FOR PURCHASE AND SALE

between

**HEALTH CARE DISTRICT OF PALM BEACH COUNTY,
AN INDEPENDENT SPECIAL TAXING DISTRICT CREATED PURSUANT TO
CHAPTER 2003-326, LAWS OF FLORIDA, AS AMENDED,
by and through its Board of Commissioners**

as Purchaser

and

BD 4801, LLC, a Florida limited liability company

as Sellers

139640993.7

AGREEMENT FOR PURCHASE AND SALE

This Agreement for Purchase and Sale is made and entered into _____, 2025, by and between **HEALTH CARE DISTRICT OF PALM BEACH COUNTY**, an independent special taxing district created pursuant to Chapter 2003-326, Laws of Florida, as amended, hereinafter referred to as (“**District**”) and **BD 4801, LLC**, a Florida limited liability company, hereinafter referred to as the (“**Seller**”).

W I T N E S S E T H:

1. **DEFINITIONS.** The following terms as used herein shall have the following meanings:

(a) **“Agreement”** - this Agreement for Purchase and Sale, together with all exhibits, addenda, and proper amendments hereto.

(b) **“Closing”** - the consummation of the transaction contemplated by this Agreement.

(c) **“Closing Date”** June 25, 2025 or at such earlier date as is mutually agreed upon by the parties hereto.

(d) **“Effective Date”** - the Effective Date of this Agreement shall be the date upon which the Health Care District of Palm Beach County Board of Commissioners approves this Agreement at a formal meeting of the Board and is executed by both the District and Seller.

(e) **“Inspection Period”** - that certain period of time commencing upon the Effective Date and terminating thirty (30) days thereafter.

(f) **“Leases”** - All leases, licenses and other occupancy agreements, including all amendments thereto and guaranties thereof, affecting the Real Property and Improvements as described in Exhibit “B” attached hereto and made a part hereof, and any new leases entered into pursuant to this Agreement, together with any and all security deposits under the Leases.

(g) **“Leasing Costs”** - with respect to a particular Lease, to the extent the landlord under such Lease is responsible for the payment of such expense: tenant improvement expenses, tenant allowances in lieu of or as reimbursements or payments for tenant improvement expenses, payments made for purposes of satisfying or terminating the obligations of the tenant under such Lease to the landlord under another lease (i.e., lease buyout expenses), and other tenant inducements (other than free or reduced rent) paid to or for the benefit of the tenant under such

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Lease; architectural, engineering and similar out-of-pocket costs related to the build-out of the tenant under such Lease that are not covered by such tenant's tenant improvement allowance; and leasing commissions.

(h) **"Permitted Exceptions"** – real estate taxes for the year of [____] and future years, which are not yet due and payable, together with any other title matters that may be accepted in writing by the District.

(i) **"Personal Property"** - All of Seller's right, title and interest, if any, in and to all of the following items, to the extent assignable: (i) governmental approvals, licenses, and permits relating to the Property, (ii) architectural and civil plans, specifications, drawings, surveys, engineering reports and other technical information that relate to the development, construction, design, ownership, use, leasing, maintenance or operation of the Real Property (to the extent in Seller's possession or reasonable control), (iii) any warranties or guaranties with respect to any portion of the Property or fixture or equipment thereon (including, without limitation, any HVCA, roof or elevator warranties), and (iv) other non-proprietary records owned by Seller and used in connection with the operation of the Property or any part thereof, together with all additional items of personal property located upon the Real Property at Closing. Any items of personal property remaining upon the property at Closing shall, at the option of District, become the property of District and may be retained by or disposed of by District at its sole discretion.

(j) **"Property"** – (i) the Real Property, (ii) the Leases, (iii) the Personal Property and (iv) the Assumed Contracts.

(k) **"Purchase Price"** - the price set forth in or determined in accordance with Section 3(a) of this Agreement.

(l) **"Real Property"** - the land legally described in Exhibit "A" attached hereto and made a part hereof, together with all improvements situate thereon, and all appurtenances to such land or improvements, including rights, privileges, easements and rights-of-way relating thereto, all right, title, and interest, if any, of Seller in and to the land lying within any street or roadway adjoining such land or any vacated or hereafter vacated street or alley adjoining said land, and all right, title, interest, privileges, estates, tenements, hereditaments, and appurtenances appertaining to the Real Property, including, without limitation, any and all streets, roads, highways, easements, accesses, and rights of way appurtenant thereto.

(m) **"Service Contracts"** -- All service contracts listed on Exhibit "G" attached hereto and made a part hereof, and any new service contracts entered into pursuant to this Agreement.

139640993.7

2. **SALE AND PURCHASE.** In consideration of the mutual covenants herein contained, and various other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller agrees to sell and convey to District and District agrees to purchase from Seller, the Property on the terms, covenants, and conditions hereinafter set forth.

3. **PURCHASE PRICE AND METHOD OF PAYMENT.**

(a) **Purchase Price.** The purchase price of the Property shall be Fourteen Million Five Hundred Thousand and No/100 Dollars (\$14,500,000.00). In addition, at Closing, District shall pay up to Two Hundred Fifty Thousand and No/100 Dollars (\$250,000.00) toward the Seller's portion of closing costs payable under Section 10 and Section 13 of this Agreement.

(b) **Independent Consideration.** An independent consideration of One Hundred Dollars (\$100.00) (the "**Independent Consideration**") shall be deposited by District with Stewart Title Guaranty Company, 3402 West Cypress Street, Tampa, FL 33607, attention: Wilhelmina Kightlinger, Wilhelmina.Kightlinger@stewart.com (the "**Escrow Agent**" and "**Title Company**") no later than three (3) business days after the Effective Date. If this Agreement is terminated, the Independent Consideration shall be paid to Seller as consideration for the making and entering into this Agreement. At Closing, the Independent Consideration shall be paid to Seller and credited against the Purchase Price due.

(c) **Payment of Purchase Price.** On the Closing Date, District shall pay the total amount of the Purchase Price of the Property in immediately available funds via wire transfer, subject to any adjustments, credits, prorations, and fees as herein provided.

4. **REPRESENTATIONS AND WARRANTIES OF SELLER.** As a material inducement for the District to enter into this Agreement, Seller hereby represents and warrants to District as follows, as of the Effective Date and through the Closing Date:

(a) **Good Standing, Power and Authority, Due Execution and Delivery.** Seller is validly existing and in good standing under the laws of the state of its formation set forth in the initial paragraph of this Agreement and is qualified to do business in and is in good standing in the state where the Property is located and has or at Closing will have the entity power and authority to sell and convey the Property and to execute the documents to be executed by Seller and prior to Closing will have taken, as applicable, all corporate or equivalent entity actions required for the execution and delivery of this Agreement, and the consummation of the transactions contemplated by this Agreement. This Agreement and the closing documents to be executed by Seller hereunder, upon execution and delivery thereof by Seller, will have been duly executed and delivered by Seller.

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(b) Approvals & Binding Effect. Seller has all necessary approvals to execute and deliver this Agreement and perform its obligations hereunder, and no other authorization or approvals, whether of governmental bodies or otherwise, will be necessary in order to enable Seller to enter into, perform or comply with the terms of this Agreement. This Agreement is, and all documents to be executed by Seller to District at Closing will be, legal, valid and binding obligations of Seller.

(c) No Violation. Neither its entering into this Agreement nor its consummation of the transactions contemplated hereby does or will violate any provision of the organizational documents of Seller, or any indenture, contract, agreement, instrument or order by which Seller is bound, or any rule, order, or law applicable to it.

(d) Title. Seller is indefeasibly seized of good and marketable fee simple title to the Property, and is the sole owner of and has good right, title and authority to convey and transfer the Property free and clear of all liens and encumbrances, excepting only the Permitted Exceptions.

(e) Public Roadway. The Property abuts one or more public roadways to which access is not limited or restricted.

(f) Leases. Except for the Leases set forth in the rent roll attached as Exhibit “B-1” (the “**Rent Roll**”), there are no leases or other agreements with respect to the occupancy of the Property or any portion thereof or the possession or use thereof which would be binding upon the Property from and after the Closing Date. There are no subleases affecting the Property. With respect to the Leases and Rent Roll: (i) the copies of the Leases provided to District by Seller are true, correct and complete copies of the Leases; (ii) the Leases are in full force and effect and have not been amended, except as evidenced by written amendments as described on Exhibit “B-1” attached hereto, and constitute the entire agreement between Seller and the tenants, or other parties thereunder; (iii) there are no security deposits under any of the Leases except as set forth in the Rent Roll and all security deposits are in the form of cash; and (iv) neither Seller nor any tenant is in monetary default and Seller has not given nor received written notice of any default under any Lease that remains uncured. The Rent Roll is true, correct and complete in all material respects and is the schedule of leases and security deposits maintained by Seller and relied on by Seller for internal administration purposes.

(g) Allowances, Leasing Incentives, Commissions, Etc. A list of the unapplied tenant security deposits, free or reduced rent, Leasing Costs and rent abatements under the Leases as of the Effective Date is set forth on Exhibit “B-2” attached hereto and incorporated herein (the “**Leasing Costs Report**”). Except as set forth in the Leasing Costs Report, there are no outstanding Leasing Costs or unexpired free (or reduced) rent under any of the Leases and all

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tenant improvement work for which Seller is responsible has been completed. Other than as set forth in the Leasing Costs Report, there are no brokerage or leasing commissions or other compensation due or payable by Seller to any person, firm, corporation or other entity with respect to, or on account of, the Leases.

(h) Service Contracts. Seller has delivered true, correct, and complete copies of the Service Contracts to District on or before the Effective Date. A complete list of the Service Contracts is set forth on Exhibit "G" attached hereto and incorporated herein. Seller has not entered into any service or equipment leasing contracts relating to the Property that will be in force after the Closing, except for the Service Contracts set forth on Exhibit "G" attached hereto. The Service Contracts are in full force and effect, and have not been amended (except as set forth on Exhibit "G" attached hereto), and Seller is not in monetary default and Seller has not given or received written notice of any default under the Service Contracts that remains uncured.

(i) Warranties. Attached hereto as Exhibit "H" is a true, correct and complete list of all of the HVAC, elevator, roof or other manufacturing, labor or other warranties or guaranties with respect to the Property or any portion thereof. There are no pending claims under any of such warranties or guaranties.

(j) Land Use Proceedings. There are no environmental, zoning, or other land-use regulation proceedings, either instituted or planned or threatened to be instituted, with regard to the Property.

(k) Condemnation. There are no pending, and Seller has no knowledge of any threatened, condemnation or eminent domain proceeding or investigation concerning the Property or any adjacent right of way.

(l) Actions, Investigation, Suits or Judgments. There are no judicial or administrative actions, suits, litigations, investigations, proceedings or judgments pending, or to the knowledge of Seller threatened, either against Seller or otherwise affecting the Property, including, without limitation, those relating to any laws, ordinances, rules, or regulations of any governmental authority having jurisdiction of the Property.

(m) Assessments. There are no existing or pending general or special assessments affecting the Property, which are or may be assessed by any governmental authority, water or sewer authority, school district, drainage district, or any other special taxing district.

(n) Beneficial Interests Disclosure. Simultaneously with Seller's execution of this Agreement, Seller has executed and delivered to District the Seller's Disclosure of Beneficial Interests attached hereto as Exhibit "D" (the "**Disclosure**") disclosing the name and address of

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every person or entity having a 5% or greater beneficial interest in the ownership of the Property as required by Section 286.23 of the Florida Statutes.

(o) Improvements & Liens. On the Closing Date there will be no outstanding contracts for any improvements to the Property which have not been fully paid for and there will be no mechanics' or construction liens against the Property or any portion thereof.

(p) Taxes. That all ad valorem and non-ad valorem taxes for the Property have been fully paid or will be fully paid at or prior to Closing, in accordance with Section 11 hereof, for the year of Closing and all prior years. There is no tax appeal pending with respect to the Property.

(q) Purchase Rights or Options. Seller has not entered into any contracts for the sale of any portion of the Property which remain in force. There are no rights of first refusal, rights of first offer, options to purchase or similar rights outstanding with respect to the Property. Without limiting the foregoing, any contemplation, negotiations and other discussions of possibly selling the Property by Seller to **Sacred Family Investments, Inc.**, a Florida corporation ("**Sacred Family**") have been terminated and Seller has notified Sacred Family of such termination in writing; Seller has not entered into any contract or agreement to sell the Property to Sacred Family or its affiliates; and neither Sacred Family nor any of its affiliates has any contractual rights or options, whatsoever, to purchase the Property or any portion thereof.

(r) Value. There are no facts known to Seller affecting the value of the Property which have not been disclosed in writing to District.

(s) Hazardous Materials. Seller has not used, is not currently using and will not in the future (for so long as Seller owns the same) use the Property for the handling, storage, transportation or disposal of hazardous materials and, to the best of Seller's knowledge, the Property has not in the past been so used.

(t) Anti-Terrorism. Seller is not a person or entity that and shall not be a person or entity that: (a) is acting, directly or indirectly, on behalf of terrorists or terrorist organizations, including those persons or entities that are included on any of the applicable lists issued by the U.S. Office of Foreign Assets Control; (b) resides or has a place of business in a country or territory named on any of such lists or which is designated as a Non-Cooperative Jurisdiction by the Financial Action Task Force on Money Laundering; (c) is a "**Foreign Shell Bank**" within the meaning of the USA Patriot Act; or (d) resides in or is organized under the laws of a jurisdiction designated by the U.S. Secretary of the Treasury under Sections 311 or 312 of the USA Patriot Act as warranting special measures due to money laundering concerns. None of Seller, its affiliates, officers, directors, or any person or entity who owns a direct or indirect interest in Seller of ten

percent (10%) or more, is a person or entity on any Government List or with whom Seller is otherwise restricted from doing business under any applicable anti-terrorism laws including the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56 (commonly known as the “**USA Patriot Act**”) or Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, as the same has been and may further be renewed or extended, the “**Executive Order**”) and regulations promulgated pursuant thereto (collectively, “**Anti-Terrorism Laws**”), and to Seller’s knowledge no person or entity holding a direct or indirect interest in Seller of less than ten percent (10%) is subject to any such restriction.

(u) Bankruptcy. No bankruptcy, insolvency, reorganization, or similar action or proceeding, whether voluntary or involuntary, is pending, threatened or anticipated against Seller. Seller has not (i) made a general assignment for the benefit of creditors, (ii) filed any voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Seller’s creditors, (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of Seller’s assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Seller’s assets, or (v) made an offer of settlement, extension or composition to its creditors generally.

(v) No Violation. Seller has not received any written notice from any governmental authority or any other third party, and has no knowledge, of an existing violation by Seller or the Property of (i) any federal, state, county, or municipal laws (including, without limitation, ADA as defined below), ordinances, codes, requirements, regulations, licenses, permits and authorizations, including, without limitation, any environmental law or regulation, applicable building or zoning code or ordinance, (ii) development agreement or order or similar contract with the applicable governmental authority affecting the development, construction, use or occupancy of the Property, (iii) development agreement with a private party affecting the development, construction, use or occupancy of the Property, (iv) covenants, conditions, easements, restrictions or other agreements to which Seller or the Property is bound, or (v) judgments, orders or decrees of any court having jurisdiction over Seller or the Property, except for any such matters which may have been previously cured by Seller. Notwithstanding the foregoing, Seller hereby discloses that (A) the elevator light would not operate when the building was switched to emergency generator power (the “**Elevator Defect**”) and, due to the Elevator Defect, elevators on the Property were cited for a violation during the last inspection, (B) Seller has made and entered into a contract (“**Repair Contract**”) with an elevator company (the “**Elevator Repair Company**”) to repair the Elevator Defect, a true and complete copy of which is attached hereto as Exhibit “K”, (C) the Elevator Company is awaiting software and a device from the manufacturer to complete the necessary upgrade and officially close the violation. Seller shall use best efforts to cause the Elevator Defect to be fully repaired and the related violation closed and cleared prior to the Closing Date and shall pay any and all costs and expenses in connection therewith. To the extent the

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Elevator Defect is not cured and the related violation not cleared before the Closing Date, at Closing, Seller shall (X) assign the Repair Contract to the District, (Y) obtain the Elevator Repair Company's written consent to such assignment and estoppel confirming no default under the Repair Contract, the Repair Contract remaining in full force and effect, the amount remaining to be paid (the "**Remaining Payment**") and work remaining to be performed under the Repair Contract (the "**Remaining Work**") and, (Z) deposit in escrow with Title Company an amount equal to 120% of the Remaining Payment, which shall be released to District to complete the Remaining Work.

(w) No Foreign Person. Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended, or any rules or regulations promulgated thereunder, or under any laws, rules or regulations of the State of Florida. Seller is not required to withhold any tax at Closing under the Internal Revenue Code or any applicable laws in the State of Florida.

(x) Tax Appeals. Seller has not initiated, and there is no pending, tax appeals for the Property or any portion thereof.

(y) Anti-Bribery and Anti-Money Laundering. The operations of Seller and its affiliates, officers, directors and agents have been conducted at all times in compliance with (i) the U.S. Money Laundering Control Act of 1986, as amended, (ii) the Foreign Corrupt Practices Act of 1977, as amended (the "**FCPA**"), and (iii) all other applicable laws relating to anti-corruption, anti-bribery or money laundering (collectively, the "**Anti-Bribery and Anti-Money Laundering Laws**"). No proceeding by or before any governmental authority or regulatory body involving Seller with respect to the Anti- Bribery and Anti-Money Laundering Laws or the FCPA is pending or, to the knowledge of Seller, is threatened.

(z) Employees. Seller has no employees.

In the event that any of Seller's acknowledgments, representations and warranties shall be materially untrue, the same shall be considered a default for which the District shall have the rights and remedies identified in Section 16(a) hereof.

EXCEPT AS SET FORTH IN THIS SECTION 4 OR ELSEWHERE IN THIS AGREEMENT OR IN THE CLOSING DOCUMENTS, THE SALE OF THE PROPERTY BY SELLER TO DISTRICT SHALL BE ON AN AS-IS, WHERE-IS BASIS.

5. **INSPECTION OF PROPERTY**. Within two (2) business days after the Effective Date, Seller shall deliver, or make available, to District any and all documents concerning the Property that Seller has in its possession or reasonable control, including, without limitation, those

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documents, instruments or information described on Exhibit “J” attached hereto and made a part hereof. During the Inspection Period, District and its engineers, surveyors, agents, and representatives shall have the right to access the Property for purposes of survey, testing and inspection thereof. All surveys, testing and inspections shall be conducted by District at its expense. In the event District elects not to close upon its purchase of the Property, District shall restore the Property to the condition in which it existed prior to such inspections, using materials of like kind and quality. Seller acknowledges that District is subject to public records laws and open meeting requirements and consistent with such the results of said inspections will be publicly disclosed at an open meeting. If District is not satisfied with the results of such inspections or with the Property, as determined by District in its sole and absolute discretion, District shall have the right to terminate this Agreement at any time during the Inspection Period by giving written notice thereof to Seller, whereupon Escrow Agent will return the Deposit to District and upon District’s receipt of the Deposit, the parties shall be relieved of all further obligations hereunder, except as expressly set forth herein to survive the termination of this Agreement.

6. **EVIDENCE OF TITLE.**

(a) Within five (5) days after the Effective Date of this Agreement, Seller shall deliver to the District an owner’s title insurance commitment (the “**Title Commitment**”), together with legible copies of all exceptions to coverage reflected therein, issued by Title Company agreeing to issue to the District upon the recording of the General Warranty Deed to the Real Property, an owner’s title insurance policy in the amount of the Purchase Price, insuring the good and marketable fee simple title of the District to the Real Property, subject only to the Permitted Exceptions (the “**Title Policy**”). District shall have the right, on or before the expiration of the Inspection Period, to obtain a current survey of the Real Property and all improvements thereon (the “**Survey**”).

The District shall have until the later of (i) ten (10) days after receipt of both the Title Commitment and the Survey, or (ii) the end of the Inspection Period, whichever is later, in which to review same and notify Seller and the Title Company in writing of any matters shown in the Title Commitment or the Survey that are objectionable to District (“**Title Objections**”). On or before the fifth (5th) business day following Seller’s receipt of District’s Title Objections (the “**Seller Response Period**”), Seller or its attorneys shall notify District in writing whether Seller elects to cure such objections (and Seller’s failure to timely provide such a notice shall be deemed an election by Seller not to cure any such objection). If Seller notifies District that Seller does not elect to cure any Title Objection, or if Seller is deemed to have elected not to cure any such objection, then District may terminate this Agreement by notice to Seller within five (5) business days after Seller’s response or the expiration of the Seller Response Period, as applicable, whereupon the Deposit shall be refunded to District immediately and, upon receipt of the Deposit by District, neither party hereto shall have any further obligations hereunder, except as expressly

set forth herein to survive the termination of this Agreement.

Notwithstanding anything in this Agreement to the contrary, Seller shall cause the following to be removed from title on or before Closing, regardless of whether the District includes the following in the Title Objections: (a) any rights or claims of parties in possession not shown by the public records; (b) encroachments, overlaps, boundary line disputes and any other matters which would be disclosed by an accurate survey and inspection of the Property (provided District obtains a Survey in accordance with this Section 6); (c) easements or claims of easement not shown by the public records (provided District obtains a Survey); (d) any lien, or right to a lien, for services, labor or material heretofore or hereinafter furnished, imposed by law and not shown by the public records; (e) taxes for the year of Closing and all prior years, and taxes or special assessments which are not shown as existing liens by the public records; (f) matters arising or attaching subsequent to the effective date of the Title Commitment but before the acquisition of record of title to the Property by the District; (g) any general or specific title exceptions other than the Permitted Exceptions; (h) monetary encumbrances (including, without limitation, deeds to secure debt, mortgages, UCC financing statements, assignments of leases, notice of liens, judgment liens, and tax liens) placed on the Real Property, and (i) liens for work performed pursuant to or through a contract executed by Seller or an affiliate or representative of Seller (collectively, “**Mandatory Cure Liens**”). Mandatory Cure Liens shall not constitute Permitted Exceptions.

(b) District may request, prior to the Closing, the title insurance commitment be updated. If the Title Commitment is updated prior to Closing and such updated Title Commitment raises exceptions to title or Survey and were not caused by District, then District shall have the right to notify Seller and the Title Company in writing of any such matters that are objectionable to District (“**Additional Title Objections**”) not later than three (3) business days after District receives the updated Title Commitment or the updated Survey, or District shall be deemed to have waived such new exception or survey matter which shall therefore be deemed to be a Permitted Exception. Seller shall have the same obligations with respect to any Additional Title Objection as provided under Section 6(a) and Seller’s response shall be given within three (3) business days after receipt of District’s notice of Additional Title Objections (the “**Seller Update Response Period**”). If Seller elects not to cure (or is deemed to have elected not to cure) any Additional Title Objections (subject to Seller’s obligations with respect to Mandatory Cure Liens), District’s sole remedy in such event shall be to either (i) accept title to the Property subject to such Additional Title Objections without reduction of the Purchase Price or (ii) terminate this Agreement by written notice to Seller delivered within three (3) business days after (a) receipt of written notice from Seller that it is unable or unwilling to cure such Additional Title Exception or (b) the expiration of the Seller Update Response Period if Seller does not provide a response within such period, whereupon the Deposit shall be refunded to District immediately and, upon District’s receipt of the Deposit, neither party hereto shall have any further obligations hereunder, except as

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expressly set forth herein to survive the termination of this Agreement. The scheduled Closing Date shall be extended, if and to the extent necessary, to allow the same periods of time for delivering and responding to any such further notice of Additional Title Objections pursuant to this Section 6.

(c) From and after the Effective Date of this Agreement, Seller shall take no action which would impair or otherwise affect title to any portion of the Property, and shall record no documents in the Public Records which would affect title to the Real Property, without the prior written consent of the District, which may be withheld in its sole and absolute discretion.

7. COVENANTS.

(a) **Operation of Property.** From and after the Effective Date and continuing until the Closing or the earlier termination of this Agreement, Seller shall maintain and insure its Property, and shall operate and conduct its business with respect to the Property, in substantially the same manner as maintained, insured, operated and conducted prior to the Effective Date. Notwithstanding anything to the contrary contained herein, Seller shall not be obligated to make any capital repairs or replacements or improvements to the Property on account of this Agreement; however, the preceding clause shall not limit or alter Seller's obligations under the Leases. Seller shall request copies of financial statements required of any tenant (other than the tenant that is District or affiliated with District, which is hereafter referred to as the "**District Tenant**") pursuant to the terms of any Lease and provide copies of same to District; provided, however, if any Lease does not contain any such requirement, no request shall be made of the tenant under such applicable Lease. Notwithstanding the foregoing, Seller shall deliver the Property at Closing free of any trash, refuse or other debris, and in full compliance with all governmental regulations.

(b) **Leases.** From and after the Effective Date, Seller may not enter into any new leases or amend, modify, or terminate any Lease which would be binding upon the Property from and after the Closing Date without District's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed; provided that Seller shall be entitled, without District's consent, to enter into confirmatory amendments required by the express terms of any Lease or any renewals and extension pursuant to any Lease, all in accordance with the terms of such Lease; and provided, further, however, that Seller shall provide written notice to District of any amendment, modification, or changes prior to the date that is five (5) business days before the expiration of the Inspection Period (the "**DD Disclosure Deadline**").

(c) **Service Contracts.** After the DD Disclosure Deadline, Seller may not, without the prior written consent of District, enter into any new service or equipment leasing contracts relating to the Property or materially modify or terminate any of the Service Contracts without District's written consent (which consent may not be unreasonably withheld prior to the

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expiration of the DD Disclosure Deadline). However, Seller will not be required to obtain District's consent to any Service Contracts entered into after the DD Disclosure Deadline that can be and will be terminated effective as of the Closing without cause or penalty. District shall have the right, prior to the expiration of the Inspection Period, to deliver to Seller a notice of a list of Service Contracts that District elects to assume (collectively, the "**Assumed Contracts**"). If District timely delivers to Seller notice of the Assumed Contracts, then Seller shall cause the remainder of the Service Contracts to be terminated effective as of the Closing Date at Seller's sole cost. At Closing, Seller shall assign to District, and District shall assume from Seller, the Assumed Contracts.

(d) **Risk of Loss.** Seller shall bear the risk of any loss, damage or casualty to the Property prior to Closing.

(e) **Access.** District shall have access to the Property at any reasonable time prior to Closing to verify Seller's compliance herewith. Notwithstanding, until the Closing, the aforementioned does not relieve Seller from any of the risks and obligations referenced herein.

(f) **Beneficial Ownership.** In the event there are any changes prior to Closing to the names and addresses of the persons or entities having a 5% or greater beneficial interest in the ownership of the Property after the date of execution of the Disclosure, Seller shall immediately, and in every instance, provide written notification of such change to the District in the manner required by Section 14 of this Agreement.

(g) **Tenant Estoppel Certificates.** Seller shall request, within three (3) business days of the Effective Date, and thereafter shall use commercially reasonable efforts to obtain and deliver to District prior to the Closing a tenant estoppel certificate (a "**Tenant Estoppel Certificate**") executed by each tenant in occupancy at the Property or any portion thereof (except any District Tenant) satisfactory to District pursuant to this Agreement.

Each Required Tenant Estoppel Certificate will be on the form attached to or as otherwise provided by the applicable Lease, if any, or if there is no form attached to or as otherwise provided by the Lease, then will be substantially on the form attached hereto as Exhibit "I". District shall have the right to disapprove a Tenant Estoppel Certificate for any of the following reasons within five (5) Business Days after District receives such executed Tenant Estoppel Certificate (and the Closing Date may be extended accordingly to accommodate such objection period): (a) it contains information that is materially and adversely inconsistent with the due diligence materials provided to Purchaser via email to tmegiver@hcdpbc.org as of the DD Disclosure Deadline or the representations and warranties set forth in this Agreement or any closing documents; (b) it contradicts any material term or provision of the applicable Lease; (c) it identified or references a default by Seller or tenant under the Lease; (d) it assert any other ongoing dispute with Seller; (e)

it contains the qualification by the tenant of any statement that is unacceptable to Seller in its sole discretion; (f) it is dated more than thirty (30) days prior to the Closing Date; or (g) it reveals any amount due thereunder from Seller that will not be paid in full by Seller as of the Closing.

8. **CONDITION PRECEDENT TO CLOSING.** The following are conditions precedent to District's obligation to close upon its purchase of the Property:

(a) **Covenants and Obligations.** Seller shall have performed all of the covenants and obligations under this Agreement that it is obligated to perform at or prior to Closing, on or prior to the dates such performance is required hereby, including, without limitation, the delivery of the executed documents pursuant to Section 9(c);

(b) **Representations and Warranties.** Seller's representations and warranties identified in this Agreement shall be true and correct in all material respects;

(c) **No Material Adverse Changes.** There shall have been no material adverse change in the condition of the Property or the status of title to the Property, other than as specifically permitted by this Agreement.

(d) **Title.** Title Company is ready, willing and able and irrevocably committed to issue the Title Policy, together with such endorsements that Title Company has agreed to issue prior to the end of the Inspection Period.

The foregoing conditions precedent are for the exclusive benefit of District and may be unilaterally waived by the District. If any of the foregoing conditions are not satisfied before the Closing Date, then the District shall have the right, in its sole discretion, to (a) terminate this Agreement by written notice to Seller and the Escrow Agent, in which event Escrow Agent shall immediately return the Deposit to District and, upon the receipt of such Deposit by District, the parties shall be relieved of all further obligations hereunder, except as expressly set forth herein to survive the termination of this Agreement or (b) waive such unsatisfied condition and proceed to closing of the transaction contemplated by this Agreement without any deduction of the Purchase Price

9. **CLOSING.** The parties agree that the Closing upon the Property shall be consummated as follows:

(a) **Place of Closing.** The Closing shall be held at the District's Home Office, 1515 N. Flagler Dr., West Palm Beach, Florida, or through mail-away escrow closing.

(b) **Closing.** The Closing shall take place on the Closing Date.

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(c) **Closing Documents.** Seller shall be responsible for preparation of all closing documents. Seller shall submit copies of same to District no less than ten (10) days before Closing. At Closing, Seller shall deliver, or cause to be delivered to District, the following documents, each fully executed and acknowledged as required.

(i) **General Warranty Deed.** A General Warranty Deed conveying good and marketable fee simple title to the Property, subject only to the Permitted Exceptions.

(ii) **Updated Seller's Disclosure of Beneficial Interests.** A Seller's Disclosure of Beneficial Interests as required by Section 286.23, Florida Statutes, which accurately discloses the name and address of any person or entity having a 5% or greater beneficial interest in the ownership of the Property as of the date of Closing. The foregoing shall be in addition to any Disclosure or notice of change thereto previously provided to District regardless of whether or not the information contained therein has changed from the date of execution of the original Disclosure, and in the same form as previously provided to District. In the event Seller is an individual, Seller is exempt from this provision.

(iii) **Affidavit of Seller.** A Seller's Affidavit stating that the Property is free and clear of all encumbrances, mortgages, liens, leases, licenses, contracts or claim of rights in a form sufficient to permit the title insurer to delete the "Gap" and "Standard Exceptions" from the Title Policy and insure District's title to the Property in accordance with Section 6 of this Agreement, subject only to the Permitted Exceptions.

(iv) **Non-Foreign Affidavit.** Seller represents and warrants to District that Seller is not a "foreign person" as defined by the Federal Foreign Investment in Real Property Tax Act (the "Act"). At Closing, the Seller shall execute and deliver to District a "Non-Foreign Affidavit", as required by the Act. Seller acknowledges that in the event Seller fails to deliver the Non-Foreign Affidavit, District shall be authorized to withhold from the closing proceeds an amount equal to ten percent (10%) of the gross amount of the purchase price and to remit same to the Internal Revenue Service, as required by the Act.

(v) **Closing Statement.** A Closing Statement prepared in accordance with the terms hereof.

(vi) **Bill of Sale and General Assignment.** A Bill of Sale and General Assignment transferring all of the Personal Property and Assumed Contracts by Seller to District.

(vii) **Updated Rent Roll.** An updated Rent Roll, dated no sooner than three (3) business days prior to the Closing Date, certified by Seller to be true, correct and complete

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as of the date thereof.

(viii) **Tenant Estoppel**. Tenant Estoppel Certificates originally executed by each tenant occupying any portion of the Property except District Tenant, satisfactory to District pursuant to this Agreement.

(ix) **Tenant Notice Letter**. A Tenant Notice Letter executed by Seller upon Closing notifying each tenant of the change of the landlord under each lease, which may be transmitted via email as a PDF.

(x) **Assignment and Assumption of Lease**. An assignment and assumption of each Lease, separately, executed by Seller and District to assign each Lease from Seller to District (collectively, the “**Assignments of Lease**”).

(xi) **Leasing and Service Contract Files**. To the extent the same are in Seller’s possession or reasonable control, original executed counterparts of the Leases, Service Contracts, and all other material documents and agreements, plans and specifications and contracts, licenses and permits pertaining to the Property.

(xii) **Keys & Locks**. All keys to all locks on the Property in Seller’s possession or control.

(xiii) **Authority Documents**. Such evidence or documents as may reasonably be required by District and the Title Company evidencing the good standing, power and authority of Seller and its respective constituent owners, and the due authority of, and execution and delivery by, any person or persons who are executing this Agreement or any of the other documents required in connection with the sale of the Property and the transactions contemplated by this Agreement.

(xiv) **Additional Documents**. Seller shall also deliver and/or execute such other instruments as are necessary or reasonably required to consummate the transactions herein contemplated including, without limitation, if applicable, such documents as District or the title company may require evidencing Seller’s existence, good standing, power and authority to enter into and consummate the transaction herein contemplated, and a Receipt of Real Estate Brokerage Commission and Release (“**Broker’s Release**”) from each Broker (as defined below) in the form attached hereto as Exhibit “E” and made a part hereof.

(d) **Possession**. At Closing, Seller shall deliver full, complete, and exclusive possession of the Property to the District, subject to the Leases.

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(e) **District's Obligations.** At Closing, District shall deliver, or cause to be delivered, to Seller the following:

(i) **Cash due at Closing.** The required payment due in immediately available funds via wire transfer, subject to adjustments, credits, prorations, and fees, all as provided elsewhere herein.

(ii) **Assignment and Assumption of Lease.** The Assignments of Lease.

(iii) **Closing Statement.** A Closing Statement prepared in accordance with the terms hereof.

10. **CLOSING COSTS.**

(a) District shall pay:

- (i) the cost of the Survey,
- (ii) its own attorney's fees,
- (iii) all title search fees and costs for the title insurance commitment,
- (iv) all premiums for the Title Policy, including all endorsements, and
- (v) One-half (1/2) of the escrow/closing fees charged by the Escrow Agent, if any.

(b) Seller shall pay all of the other closing costs for the transaction contemplated by this Agreement, including, without limitation:

(i) Documentary stamp tax required to be affixed to the deed of conveyance.

(ii) All costs necessary to cure title defect(s) or encumbrances, other than the Permitted Exceptions, and to satisfy or release of record all existing mortgages and liens upon the Property.

(iii) Costs of recording any closing documents, including, without limitation, the Deed.

(iv) Its own attorney's fees.

(v) One-half (1/2) of the escrow/closing fees charged by the Escrow Agent, if any.

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11. **PRORATIONS.**

(a) **Taxes.** On or before the Closing Date, Seller shall establish an escrow fund with the County Tax Collector pursuant to Florida Statutes Section 196.295, and shall pay into said escrow Seller's prorata portion of ad valorem and non-ad valorem real property taxes and assessments for the year of Closing and any prior years as determined by the Tax Collector. Seller's prorata share of all taxes and assessments shall include the day of Closing.

(b) **Assessments.** If as of the Closing Date, assessments or charges have been imposed against the Property or any part thereof which are, or which may become payable in annual installments, the first installment of which is then a charge or lien, or has been paid, then for the purposes of this Agreement, all of the unpaid installments of any such assessments accrued through the Closing Date, shall be deemed to be due and payable and to be a lien upon the premises affected thereby, and shall be paid and discharged by the Seller on or before the Closing Date. Any other assessments not deemed to be due and payable as aforesaid which burden District owned property shall be deemed to be payable on a calendar year basis in arrears and prorated accordingly.

(c) **Items to be Apportioned.** The following items shall be apportioned on a per diem basis at the Closing as of 11:59 p.m. on the night immediately preceding the Closing Date:

(i) Rents, operating costs, taxes and other charges paid or payable under the Leases but only to the extent actually collected and received by Seller, subject to Section 11(k) below;

(ii) Fuel, electric, water and other utility costs (including, without limitation, water rates and charges and sewer and vault taxes and rents, if applicable), except to the extent paid or payable by the tenants under the Leases directly to the applicable utility provider, subject to Section 11(g) below;

(iii) Municipal assessments and governmental license and permit fees, except to the extent paid or payable by the tenants under the Leases directly to the applicable governmental authority;

(iv) Amounts paid or payable under any Permitted Exceptions, except to the extent paid or payable by the tenants under the Leases; and

(v) All other items of income and expense normally apportioned in sales of property in similar situations in the locality in which the Real Property is located, except to the extent paid or payable by the tenants under the Leases.

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(d) **Security Deposits.** At the Closing, Seller shall either (i) transfer to District the amount of unapplied refundable security deposits held by Seller pursuant to the terms of the Leases, or (ii) give District a credit against the Purchase Price for the amounts of all unapplied refundable security deposits held by Seller pursuant to the terms of the Leases.

(e) **Delinquent Rents.** Any amounts received by District or Seller with respect to any Lease after the Closing Date shall be applied, after payment of reasonable costs of collection actually incurred, first, to any then amounts due under such Lease for any month following the month in which the Closing Date occurred; second, to amounts due for the month in which the Closing Date occurs; and third, to any other amounts past due for periods of time prior to the month in which the Closing Date occurs in the inverse order of maturity such that the most recent past due rents are paid first. To the extent District receives any such amounts relating to periods prior to the Closing Date, District shall hold the same in trust for Seller's benefit and shall promptly deliver the same to Seller. To the extent Seller receives any such amounts relating to periods from and after the Closing Date pursuant to the preceding sentence, Seller shall hold the same in trust for District's benefit and shall promptly deliver any amounts owing to District to District. Seller shall have no right to take any action to collect any past due rents or other amounts following the Closing and, at District's request, shall assign to District any pending action against any tenant as of the Closing Date.

(f) **Leasing Commissions and Tenant Improvement Allowances.** From and after the Closing Date, any tenant improvement costs, tenant inducement costs, leasing commissions or other leasing costs (including, without limitation, reasonable attorneys' fees) paid or payable in accordance with (i) the exercise, on or after the Closing Date, of any extension or expansion option under any Lease in effect prior to the Closing Date, and (ii) any new lease, or amendments or modifications of existing Leases, entered into on or after the Closing Date by District, shall be the responsibility of District. At Closing, District shall receive a credit from Seller for any leasing commission, unfunded tenant improvement allowance or other Leasing Costs outstanding at Closing pursuant to the current term of any of the Leases in effect as of the Effective Date.

(g) **Meter Readings.** If there are water, gas or electric meters located at the Property in Seller's name, Seller shall use commercially reasonable efforts to obtain readings thereof as of a date not more than five (5) Business Days prior to the Closing Date and the unfixed water rates and charges, sewer taxes and rents and gas and electricity charges, if any, based thereon for the intervening time shall be apportioned on the basis of such last readings (except to the extent payable by the tenant under the applicable Lease). If such readings are not obtainable by the Closing Date, then, at the Closing, any water rates and charges, sewer taxes and rents and gas and electricity charges which are based on such readings shall be prorated based upon the per diem charges obtained by using the most recent period for which such readings shall then be available

(except to the extent payable by the tenant under the applicable Leases). Upon the taking of subsequent actual readings, the apportionment of such charges shall be recalculated and Seller or District, as the case may be, promptly shall make a payment to the other based upon such recalculations.

(h) **Tax Refunds.** If any refunds of real property taxes or assessments, water rates and charges or sewer taxes and rents shall be made after the Closing that are subject to proration hereunder, the same shall be held in trust by Seller or District, as the case may be, and shall first be applied to the unreimbursed costs incurred in obtaining the same, then to refund such amounts owed to tenants under the Leases on account of such refunds, and the balance, if any, shall be paid to Seller (for the period prior to the Closing Date) and to District (for the period commencing with the Closing Date).

(i) **Insurance Premiums.** No insurance policies of Seller are to be transferred to District, and no apportionment of the premiums therefor shall be made.

(j) **Capital Expenditures.** At Closing, District will take possession of the Property in its current “AS IS” condition, fully aware that capital expenditures or necessary repairs may be required. These responsibilities will be assumed by the District upon Closing.

(k) **Proration of Reimbursable Tenant Expenses.** With regard to the Leases pursuant to which the tenants thereunder are responsible for paying operating expenses, including real property taxes, insurance and common area expenses (“**Operating Expenses**”) and a protocol is included for estimation by landlord of each year’s expenses (and payment by tenant of the estimated amount in monthly installments), the parties agree to reconcile any Shortfall (as hereinafter defined) or Overage (as hereinafter defined) for the calendar year 2025 through the Closing Date in accordance with the following subsections (i) and (ii) at Closing. As used herein, “**Shortfall**” means those sums (if any) that tenants owe the landlord under the Leases for additional Operating Expenses for a specified calendar year, after crediting the tenants with such monthly payments made for that year. An “**Overage**” means those sums (if any) that landlord owes the tenants for Operating Expenses for a specified calendar year, after crediting the tenants with such monthly payments made for that year.

(i) On or before the date that is seven (7) Business Days prior to the Closing Date (or as soon thereafter as reasonably practicable), Seller will deliver to District a statement (the “**Preliminary Reimbursement Statement**”) for the Property, and other supporting documents that are necessary or appropriate in District’s reasonable discretion, showing (a) the actual Operating Expenses incurred by Seller during the 2025 calendar year through the month prior to the date of such Preliminary Reimbursement Statement (based upon the most accurate information then available to Seller); (b) the Operating Expenses payments for the 2025 calendar

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year received by Seller from each tenant under the Leases through the month prior to the date of such Preliminary Reimbursement Statement (only payments received for 2025 will be included; payments for a prior period or that constitute reconciliation payments for a prior period will not be included); (c) each tenant's share (pursuant to its Lease) of the actual Operating Expenses incurred by Seller during the 2025 calendar year; (d) the amount, if any, of the Shortfall or Overage with respect to each tenant for 2025 through the month prior to the date of the Preliminary Reimbursement Statement, taking into account, however, any base year amount applicable to such tenant; and (e) a summary of all Shortfalls and Overages for all such tenants as of the end of the month prior to the date of the Preliminary Reimbursement Statement (such supporting documents, collectively, **"Supporting Documents for Prorating Reimbursable Tenant Expenses"**).

(ii) Based upon the Preliminary Reimbursement Statement, the parties agree to estimate the amount, if any, of the Overage or Shortfall for the month in which the Closing occurs.

(iii) If the total of all Overages reflected on the Preliminary Reimbursement Statement and for the month in which the Closing occurs exceeds the total of all Shortfalls, District will receive a credit (i.e., such amount shall be applied against the Purchase Price) from Seller at the Closing for such excess. If the amount of all Shortfalls reflected on the Preliminary Reimbursement Statement and for the month in which the Closing occurs exceeds the amount of all Overages, and if and to the extent Seller is unable to recover payment of the Shortfalls from tenants prior to Closing, then Seller shall receive a credit at the Closing in the amount of the excess. After delivery of the Preliminary Reimbursement Statement, Seller and District will cooperate to finalize the proration of Overages and Shortfalls described above on or before the Closing Date, which finalized proration will be set forth on a written reconciliation thereof (the **"Closing Reimbursement Statement"**). Upon Closing, Seller automatically assigns to District, and District alone shall have, the right to seek from the Tenants any reimbursement or other adjustments of or relating to the Operating Expenses.

(l) **Reconciliation After Closing.** If any of the items set forth in this Section 11 cannot be apportioned at the Closing because of the unavailability of the amounts which are to be apportioned, such items shall be apportioned on the basis of a good faith estimate by the parties and reconciled as soon as practicable after the Closing Date but, in any event, no later than the later of (a) six (6) months after the Closing Date or (b) three (3) months after the receipt of the real property tax bill for the Property. The party owing an amount shall pay the other party the amount owed within ten (10) days of the demand by the other party.

(m) **Survival.** The provisions of this Section 11 shall survive the Closing.

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12. **CASUALTY & CONDEMNATION.**

(a) **Casualty.** If, prior to the Closing, a fire, flooding or other casualty or damage occurs on the Property, Seller shall immediately notify District of the same in writing. District shall have the right to terminate this Agreement, by giving written notice thereof to Seller within ten (10) business days after receiving Seller's notice (and, if necessary, the Closing Date shall be extended as appropriate to permit District the full ten (10) business day period within which to decide whether to terminate this Agreement), whereupon Escrow Agent shall promptly return the Deposit to District and thereafter the parties shall have no further obligations, except for the obligations that expressly survive the termination of this Agreement. If District elects not to terminate this Agreement as aforesaid, there shall be no abatement of the Purchase Price and Seller shall assign to District at the Closing the rights of Seller to the proceeds under Seller's insurance policies covering the Property with respect to such damage or destruction and Seller shall provide District a credit against the Purchase Price in the aggregate amount of (i) the deductibles under Seller's insurance policies, (ii) an amount equal to the full amount of the damage that is not fully insured by Seller's insurance policies, and (iii) any insurance proceeds that Seller has received before Closing.

(b) **Condemnation.** If, prior to the Closing, all or any part of the Property shall be taken under power of condemnation or a process for taking or condemnation is commenced or threatened in writing, Seller shall notify District of such fact within two (2) business days thereafter and District shall have the right to terminate this Agreement by giving written notice thereof to Seller within ten (10) business days after receiving Seller's notice (and, if necessary, the Closing Date shall be extended as appropriate to permit District the full ten (10) business day period within which to decide whether to terminate this Agreement), whereupon Escrow Agent shall promptly return the Deposit to District and thereafter the parties shall have no further obligations, except for the obligations that expressly survive the termination of this Agreement. If District elects not to terminate this Agreement as aforesaid, the sale of the Property shall be consummated as herein provided without any adjustment to the Purchase Price and Seller shall assign to District at the Closing all of Seller's right, title and interest in and to all awards, if any, for the taking, District shall be entitled to receive and keep all awards for the taking of the Property or portion thereof and Seller shall provide District a credit against the Purchase Price in the aggregate amount of any awards that Seller has received before Closing.

13. **REAL ESTATE BROKER.** Seller represents and warrants to District that it has not dealt with any broker, salesman, agent, or finder in connection with this transaction other than (a) **Mark Ruben** with **Colliers** and (b) **BorLuv, Inc.** (collectively, "**Brokers**") and agrees to indemnify, defend, save, and hold District harmless from the claims and demands of any real estate broker, salesman, agent or finder claiming to have dealt with Seller, including, without limitation,

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Brokers. Seller shall provide District with a completed Broker's Release, fully executed by each Broker, in the form attached as Exhibit E, at Closing. All indemnities provided for in this Section shall include, without limitation, the payment of all costs, expenses and attorney fees incurred or expended in defense of such claims or demands. The terms of this Section shall survive the Closing or termination of this Agreement.

14. **NOTICES.** All notices and elections (collectively, "**notices**") to be given or delivered by or to any party hereunder shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service, or national overnight delivery service, emailed, or alternatively shall be sent by United States Certified Mail, with Return-Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services, or national overnight delivery service, or on the date of transmission with delivery confirmation if by email if transmitted before 5:00 p.m. on a business day and on the next business day if transmitted after 5:00 p.m. or on a non-business day, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designate the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

To District:

Health Care District of Palm Beach County
Chief Executive Officer
Attention: Darcy J. Davis
1515 N. Flagler Dr.
West Palm Beach, Florida 33401
Email: ddavis@hcdpbc.org

With a copy to:

Office of the General Counsel
1515 N. Flagler Dr.
West Palm Beach, Florida 33401
Email: bicaza@hcdpbc.org

To Seller:

BD 4801, LLC
8749 SW 134th Street
Miami, FL, 33176

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Email: _____

With a copy to:

Liliana Avellan
3301 Ponce de Leon Blvd. Ste 200
Coral Gables, Florida 33134
Email la@lapalaw.com

Any party may from time to time change the address at which notice under this Agreement shall be given such party, upon three (3) days prior written notice to the other parties.

15. **ASSIGNMENT.** Neither District nor Seller may assign this Agreement or any interest herein without the prior written consent of the other party, which may be granted or withheld at such other party's sole and absolute discretion; provided, however, District may assign this Agreement to an entity controlled by, under common control with, or controlling the District by giving written notice of such assignment at least five (5) business days prior to the Closing Date. Any attempted assignment, mortgage, pledge, encumbrance, or subletting in violation of this Section 15 shall be null and void, without legal effect and shall constitute a breach of this Agreement. This provision shall be construed to include a prohibition against any assignment by operation of law, legal process, receivership, bankruptcy, or otherwise, whether voluntary or involuntary.

16. **DEFAULT.**

(a) **Defaults by Seller.** In the event (i) Seller fails, neglects or refuses to perform any term, covenant or condition of this Agreement or (ii) Seller is in breach of any of its representations or other obligations under this Agreement, which failure, neglect, refusal or breach is not cured by Seller within ten (10) business days following written notice thereof; provided, however, such notice and cure shall not apply to Seller's obligations at Closing, District shall have the right to: (1) terminate this Agreement by written notice to Seller, whereupon Escrow Agent shall immediately return the Deposit to district and Seller shall immediately reimburse District all expenses District has incurred in connection with this Agreement, the transaction contemplated hereby and the due diligence of the Property (including, without limitation, reasonable attorneys' fees), whereupon the parties shall be released from all obligations hereunder other than those which specifically survive termination of this Agreement; (2) grant Seller a reasonable period of time within which to cure such default during which time Seller shall utilize Seller's commercially reasonable efforts, including bringing suit, to remedy such default; or (3) seek specific performance of the terms of this Agreement. In the event District elects option number two (2) set forth hereinabove and Seller fails or is unable to cure such default within the applicable time

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period, District shall have the rights identified in option numbers one (1) and three (3) set forth hereinabove. In the event District elects option number three (3) and District is unable to obtain specific performance of this Agreement for any reason, District shall have the right to terminate this Agreement, and pursue damages.

(b) **Defaults by District.** In the event District fails or refuses to perform any term, covenant, or condition of this Agreement for which a specific remedy is not set forth in this Agreement and such failure or refusal is not cured by District within ten (10) business days following written notice thereof from Seller, Seller shall have the right, as Seller's sole remedies, to: (1) terminate this Agreement at any time prior to Closing by written notice to District, in which event Seller shall be entitled to the Deposit as liquidated damages and the parties shall be released from all obligations hereunder other than those which specifically survive termination of this Agreement; or (2) grant District a reasonable period of time within which to cure such default during which time District shall utilize District's commercially reasonable efforts to remedy such default, which shall not require District to bringing any suit. In the event Seller elects option number two (2) set forth hereinabove and District fails or is unable to cure such default within the applicable time period, Seller shall have the rights identified in option number one (1) hereinabove.

17. **GOVERNING LAW & VENUE.** This Agreement shall be governed by the laws of the State of Florida. Any legal action necessary to enforce the Agreement will be held in a State court of competent jurisdiction located in Palm Beach County, Florida. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, by statute or otherwise. No single or partial exercise by any party of any right, power or remedy hereunder shall preclude any other or further exercise thereof.

18. **BINDING EFFECT.** This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective legal representatives, successors and assigns.

19. **MEMORANDUM OF AGREEMENT.** District shall be entitled to record the Memorandum of Agreement attached hereto as Exhibit "C" in the Public Records of Palm Beach County, Florida. In the event District exercises its right to terminate this Agreement, District shall deliver a termination of such Memorandum of Agreement to Seller within sixty (60) days of such termination.

20. **TIME OF ESSENCE.** Time is of the essence with respect to the performance of each and every provision of this Agreement where a time is specified for performance.

21. **INTEGRATION.** This Agreement constitutes the entire understanding and

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Agreement between the parties with respect to the subject matter hereof, and may not be modified or amended, except in a writing signed by all of the parties hereto.

22. **EFFECTIVE DATE OF AGREEMENT.** This Agreement is expressly contingent upon the approval of the Health Care District of Palm Beach County Board of Commissioners or person designated to execute documents on the Board's behalf, and shall become effective only when signed by all parties and approved by the Health Care District of Palm Beach County Board of Commissioners.

23. **HEADINGS.** The paragraph headings or captions appearing in this Agreement are for convenience only, are not part of this Agreement, and are not to be considered in interpreting this Agreement.

24. **CONSTRUCTION.** No party shall be considered the author of this Agreement since the parties hereto have participated in extensive negotiations and drafting and redrafting of this document to arrive at a final Agreement. Thus, the terms of this Agreement shall not be strictly construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or provision hereof be held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect.

25. **NO THIRD PARTY BENEFICIARY.** No provision of this Agreement is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Agreement, including but not limited to any citizens of Palm Beach County or employees of District or Seller.

26. **ENTIRE UNDERSTANDING.** This Agreement represents the entire understanding between the parties and supersedes all other negotiations, representations, or agreements, written or oral, relating to this Agreement.

27. **SURVIVAL.** Seller's representations and warranties set forth in this Agreement shall not be merged and shall survive consummation of the transaction contemplated by this Agreement for a period of one (1) year following Closing. However, Seller makes no representations or warranties regarding the condition of the building, as the Property is being sold in its current "AS IS" condition, except as set forth in Section 4 above.

28. **WAIVER.** No waiver of any provision of this Agreement shall be effective against any party hereto unless it is in writing and signed by the party waiving such provision. A written waiver shall only be effective as to the specific instance for which it is obtained and shall not be

deemed a continuing or future waiver.

29. **AMENDMENT.** This Agreement may be modified and amended only by written instrument executed by the parties hereto.

30. **INCORPORATION BY REFERENCE.** Exhibits attached hereto and referenced herein shall be deemed to be incorporated into this Agreement by reference.

31. **TIME COMPUTATION.** Any references in this Agreement to time periods of days shall, in the computation thereof, be to business days which exclude federal or state legal holidays. Any time period provided for in this Agreement that shall end on a Saturday, Sunday, federal or state legal holiday shall extend to 5:00 p.m. (Eastern Time) of the next day that is not a Saturday, Sunday, federal or state legal holiday.

32. **RADON GAS.** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon testing may be obtained from your County public health unit.

33. **COUNTERPARTS.** This Agreement, including the exhibits referenced herein, may be executed in one or more counterparts, all of which shall constitute collectively but one and the same Agreement. The District may execute the Agreement through electronic or manual means. Seller shall execute by manual means only, unless the District provides otherwise.

34. **COMPLIANCE WITH ANTI-HUMAN TRAFFICKING FLORIDA STATUTES, SECTION 787.06, (2024).** Seller warrants and represents that it does not use coercion for labor or services as defined in Section 787.06, Florida Statutes. Seller has executed Exhibit "F", Anti-Human Trafficking Attestation, which is attached hereto and incorporated herein by reference.

35. **STAND-STILL.** Seller will not enter into any contract or agreement to sell, and will not sell or convey, either directly or indirectly, the Property, any portion thereof or any interest therein, to Sacred Family, its affiliates or any other third party.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective authorized representatives on the date(s) set forth below.

BD 4801, LLC, a Florida limited liability company

By: 4801 RGA LLC, a Florida limited liability company,
its Manager and Member

By: _____
Roger Abboud, its Manager and Member

BD 4801, LLC, a Florida limited liability company

By: 4801 RGA LLC, a Florida limited liability company,
its Manager and Member

By: _____
Ghassan Abboud, its Manager and Member

BD 4801, LLC, a Florida limited liability company

By: BC 4801 LLC, a Florida limited liability company,
its Manager and Member

By: _____
Alexander Boria, its Manager

BD 4801, LLC, a Florida limited liability company

By: BC 4801 LLC, a Florida limited liability company,
its Manager and Member

By: _____
Jamie L. Chichon, its Member

BD 4801, LLC, a Florida limited liability company

By: BC 4801 LLC, a Florida limited liability company,
its Manager and Member

By: _____
Eliseo A. Brea, its Member

Date: _____

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HEALTH CARE DISTRICT OF PALM BEACH COUNTY

By: _____

Name: Darcy J. Davis

Title: Chief Executive Officer

Date: _____

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: _____

Name: Bernabe A. Icaza, Esq.

Title: General Counsel

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SCHEDULE OF EXHIBITS

EXHIBIT "A" -	LEGAL DESCRIPTION
EXHIBIT "B" -	LEASES
EXHIBIT "B-1" -	RENT ROLL
EXHIBIT "B-2" -	LEASING COSTS REPORT
EXHIBIT "C" -	MEMORANDUM OF AGREEMENT
EXHIBIT "D" -	DISCLOSURE OF BENEFICIAL INTERESTS
EXHIBIT "E" -	RECEIPT OF REAL ESTATE BROKERAGE COMMISSION AND RELEASE
EXHIBIT "F"-	COERCION OF LABOR ATTESTATION
EXHIBIT "G"-	SERVICE CONTRACTS
EXHIBIT "H"-	WARRANTIES
EXHIBIT "I"-	FORM OF TENANT ESTOPPEL
EXHIBIT "J"-	DUE DILIGENCE DOCUMENTS

EXHIBIT "A"

LEGAL DESCRIPTION

Lot C, LESS the North 30.00 feet, all of Lot D and Lot E, LESS the South 34.00 feet, Block 97, PALM BEACH FARMS COMPANY PLAT NO. 7, according to the Plat thereof on file in the Office of the Clerk of the Circuit Court in and for Palm Beach County Florida, recorded in Plat Book 5, Page 72

TOGETHER WITH

The East 180 feet of Lot C, Block 98, PALM BEACH FARMS COMPANY PLAT NO. 7, according to the Plat thereof on file in the Office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, recorded in Plat Book 5, Page 72, LESS, HOWEVER, the North 30.0 feet thereof.

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EXHIBIT “B”

LEASES

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EXHIBIT “B-1”

RENT ROLL

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EXHIBIT “B-2”
LEASING COSTS

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EXHIBIT “C”

MEMORANDUM OF AGREEMENT

Prepared By/Return To:
Bernabe Icaza, Esq, SVP & General Counsel
Health Care District of Palm Beach County
1515 N. Flagler Dr, Suite 101
West Palm Beach, FL 33401

MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT FOR PURCHASE AND SALE (the “**Agreement**”), dated _____ (Agreement # _____), by and between HEALTH CARE DISTRICT OF PALM BEACH COUNTY, an independent special taxing district created pursuant to Chapter 2003-326, Laws of Florida, as amended, hereinafter referred to as “**District**” with an address of 1515 N. Flagler Dr. Suite 101, West Palm Beach, Florida 33401, and **BD 4801, LLC**, a Florida limited liability company, with an address of _____ (“**Seller**”).

W I T N E S S E T H:

WHEREAS, District and Seller have entered into the Agreement pursuant to which Seller has agreed to sell to District and District has agreed to purchase from Seller the Real Property located in Palm Beach County legally described in Attachment “A” attached hereto and made a part hereof (the “**Property**”); and

WHEREAS, the parties have agreed to execute this Memorandum of Agreement for the purpose of giving public notice of the existence of the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby acknowledge, and give notice of, the existence of the Agreement.

SECTION 1 – TERM AND TERMINATION

1.1 This Memorandum shall automatically terminate upon recording of the deed from the Seller conveying to the District the Property.

1.2 In the event District exercises its right to terminate the Agreement for Purchase and Sale, District shall deliver a termination of this Memorandum of Agreement to Seller within sixty (60) days of such termination.

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SECTION 2 – PUBLIC RECORDS

2.1 District is subject to Florida's Public Records Act, Chapter 119, Florida Statutes. As such, records created by Seller relating to this Agreement, including this Agreement may be subject to public disclosure.

IF SELLER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES TO SELLER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS OR DESIGNEE AT THE HEALTH CARE DISTRICT OF PALM BEACH COUNTY, (561) 642-1022, RECORDSCUSTODIAN@HCDPBC.ORG 1515 N. FLAGLER DRIVE, SUITE 101, WEST PALM BEACH, FL 33401.

SECTION 3 – COUNTERPARTS

3.1 This Agreement and all related documents may be executed in two or more counterparts, each of which shall be deemed to be an original, and each of which together shall constitute one and the same instrument. This Agreement and any signed agreement or instrument entered into in connection herewith or contemplated hereby, and any amendments hereto or thereto, to the extent signed and delivered by means of digital imaging, electronic mail or a facsimile machine, shall be treated in all manner and respects as an original signature to said agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

SECTION 4 – ENTIRE AGREEMENT

4.1 This Memorandum is not a complete summary of the Agreement. Provisions of this Memorandum shall not be used to interpret the provisions of the Agreement, and, in the event of a conflict between this Memorandum and the Agreement, the Agreement shall control.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOLLOWS

139640993.7

IN WITNESS WHEREOF, the parties have caused this Memorandum of Agreement to be executed as of the date first-above written.

HEALTH CARE DISTRICT OF PALM BEACH COUNTY

By: _____
Name: Darcy J. Davis
Title: Chief Executive Officer

Date: _____

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: _____
Name: Bernabe A. Icaza, Esq.
Title: General Counsel

(witness signatures are not required if Agreement terms will be satisfied within a year)

Signed and delivered
in the presence of:

Witness Signature

Print Witness Name
Address: _____

Witness Signature

Print Witness Name
Address: _____

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing Memorandum of Agreement was acknowledged before me, by means of [] physical presence or [] online notarization this ____ day of _____, 2025, by _____ the _____ of **HEALTH CARE DISTRICT OF PALM BEACH COUNTY**, (____) who is personally 139640993.7

known to me OR (_____) who produced _____ as
identification and who (_____) did (_____) not take an oath.

Notary Public

Print Notary Name

NOTARY PUBLIC
State of Florida at Large

My Commission Expires: _____

139640993.7

Date of Execution by Seller:

Signed and delivered in the presence
of two witnesses for Seller:

_____, 20__

By: _____
Signature

"SELLER"

Print Name
Address: _____

By: _____
Signature

By: _____
Signature

Print Signatory's Name
Its: _____, President

Print Name
Address: _____

(SEAL) **OR**
(SEAL) (corporation not for profit)

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing Memorandum of Agreement was acknowledged before me by means of [] physical presence or [] online notarization this ____ day of _____, 20__, by ____ the _____ of _____ (_____) who is personally known to me OR (_____) who produced _____ as identification and who (____) did (____) not take an oath.

Notary Public

Print Notary Name

NOTARY PUBLIC
State of Florida at Large

My Commission Expires: _____

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ATTACHMENT “A”
LEGAL DESCRIPTION OF REAL PROPERTY

139640993.7

EXHIBIT “D”

139640993.7

EXHIBIT "D"

**SELLERS DISCLOSURE OF BENEFICIAL INTERESTS
BENEFICIAL INTEREST AND DISCLOSURE AFFIDAVIT**

STATE OF FLORIDA

COUNTY OF PALM BEACH

Before me, the undersigned authority, personally appeared, Alexander Boria
("Affiant") this 03 day of June, 2025, who, first being duly sworn, as required by law,
subject to the penalties prescribed for perjury, deposes and says:

1. Affiant has read the contents of this Affidavit, has knowledge of the facts contained
herein, and stated the facts contained herein are true, correct, and complete.

2. That **BD 4801, LLC**, a Florida limited liability company, whose principal address is
8749 SW 134th St Miami, FL 33176 (the "**Disclosing Entity**") is the record owner of the real
property more particularly described as Attachment "A" of the Agreement for Purchase of Sale,
attached hereto and made a part hereof (hereinafter called the "**Premises**"). The following is a
list of every "person" (as defined in Section 1.01(3), Florida Statutes) holding a beneficial
interest in the Disclosing Entity:

Name	Address	Interest
4801 RGA LLC	10910 NW 92ND Terrace Doral, FL 33178	66.67%
Abboud, Roger	Same as above	50%
Abboud, Ghassan	Same as above	50%
BC 4801 LLC	8749 SW 134th St Miami, FL 33176	33.33%
Jamie L. Chichon	2245 Red Scott Cir Las Vegas, NV 89117	66.667%
Eliseo A. Brea	1746 Belmont Circle SW Vero Beach, FL 32968	33.333%

Remainder of this page intentionally left blank
Signature page follows

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FURTHER AFFIANT SAYETH NOT.

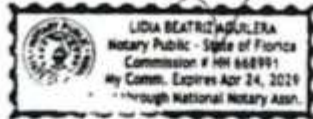
AFFIANT

By: 

SWORN TO and subscribed before me this 3rd day of June, 2025, by
Alexander Boria. Such person(s). (Notary Public must check applicable box):

☒ is/are personally know to me.
☐ produced a current driver license(s)
☐ produced _____ as identification

(NOTARY PUBLIC SEAL)



Notary Public Lidia Aguilera
(Print, Type or Stamp Name of Notary Public)

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EXHIBIT “E”

RECEIPT OF REAL ESTATE BROKERAGE COMMISSION AND RELEASE

The undersigned, _____ (“Broker”), the Broker of _____ (“Company”) (hereinafter collectively referred to as “Realtor”), does hereby acknowledge receipt of \$ _____ (___% of Purchase Price) as payment of the real estate brokerage commission due to Realtor in connection with the transaction between _____, as Seller, and Health Care District of Palm Beach County, as District, and the subsequent transfer, pursuant to the terms of the Agreement between such parties of the property described in Schedule “A” attached hereto and made a part hereof. Realtor does hereby acknowledge receipt of such payment as full settlement of and hereby releases District from any and all claims relating to real estate commissions, services fees, finders fees, costs and expenses (if any) payable unto or claimable by Broker, Company, its agents, affiliates, officers or employees relating to the transaction.

Dated this _____ day of _____ 20____.

Signed, sealed and delivered
in the presence of:

Witness

By: _____
Signature

Print Name of Witness

Print Name

Witness

Its: Broker

Print Name of Witness

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EXHIBIT “F”

ANTI-HUMAN TRAFFICKING ATTESTATION

Seller does not use coercion for labor or services as defined in section 787.06, Florida Statutes (2024).

Under penalties of perjury, I declare that I have read the foregoing statement and that the facts stated in it are true.

Printed Name:

Title:

Signature:

Date:

Exhibit “G”

SERVICE CONTRACTS

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Exhibit “H”

WARRANTIES

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Exhibit "I"

FORM OF TENANT ESTOPPEL

TENANT ESTOPPEL CERTIFICATE

Health Care District of Palm Beach County
1515 N. Flagler Dr, Suite 101
West Palm Beach, FL 33401
Attention: Bernabe Icaza, Esq, SVP & General Counsel

Re: Lease dated _____

Ladies and Gentlemen:

The undersigned, the Tenant under the referenced Lease, hereby certifies and confirms to and agrees with _____, and their successors and assigns (collectively, "**Purchaser**"), any lender of Purchaser, and such lender's successors and assigns (collectively, "**Lenders**") and Landlord as follows:

1. A true, correct and complete copy of the lease Tenant has entered into and all amendments to the lease and all other agreements modifying or supplementing the lease are attached hereto as Exhibit 1 and incorporated herein by reference (collectively, the "Lease"). The Lease is the sole agreement between Landlord and Tenant relating in any way to the Premises and the Property, and there are no other agreements, oral or written, between Landlord and Tenant relating to the Premises or the Property.

2. The term of the Lease commenced on _____, and shall expire on _____. Tenant has no right to terminate the Lease prior to its stated expiration other than as specifically set forth in the Lease.

3. The current monthly or base rent under the Lease is \$_____ per month, and Tenant has paid rent through and including _____, 20____. Tenant has paid Common Area Maintenance, Taxes, Insurance, utilities and other charges due under the Lease through and including _____, 20____.

4. The amount of the security deposit being held by Landlord is: _____.

5. The number of rentable square feet included with the Premises is approximately _____ square feet.

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6. No monetary obligations of Tenant under the Lease, including, without limitation, rent have been paid more than thirty (30) days in advance of their due date.

7. Landlord has fulfilled all of its obligations under the Lease to date, including without limitation (i) completion of the improvements and the space required to be completed by Landlord to date according to the Lease in accordance with the plans and specifications therefore approved by Tenant and (ii) all Tenant finish and other construction costs or allowances payable by Landlord have been paid and no such costs are payable hereafter under the Lease. Notwithstanding the parking ratio or requirements set forth in the Lease, Tenant has accepted the parking currently existing on the premises described in and subject to the Lease. To Tenant's knowledge, there is no violation of other restrictions set forth in the Lease.

8. To Tenant's knowledge, there are no existing defenses which Tenant has against enforcement of the Lease by Landlord. Tenant has not advanced any funds by or on behalf of Landlord, and Tenant is not entitled to any credit, offset or reduction in rent. To Tenant's knowledge, there exists no uncured default on the part of Landlord or Tenant under the Lease. Tenant's interest under the Lease has not been assigned, by operation of law or otherwise, and no sublease, concession agreement or license covering the Premises or any portion thereof has been entered into by Tenant, except as follows: _____.

9. Landlord has not granted to Tenant any free rent periods or tenant improvement contributions under the Lease, and Landlord is not reimbursing Tenant or paying Tenant's rent obligations under any other lease, except: _____.

10. Tenant has no options to expand, or extend the term of the Lease, or an option or preferred right or right of first refusal to purchase any portion of the Property except:_____.

11. Tenant has no right to purchase the Property or any portion thereof.

12. There are no actions, whether voluntary or otherwise, pending against Tenant under the bankruptcy laws of the United States or any state thereof.

13. The person executing this estoppel certificate on behalf of Tenant hereby certifies that he/she has knowledge of the matters stated herein and has the authority to execute this estoppel certificate on behalf of Tenant.

14. The undersigned understands that Purchaser or its assigns is acquiring the Premises and Lenders may rely upon the certifications and agreements set forth herein, and agrees that Purchaser, Lenders, and their respective successors and assigns may rely upon the certifications and agreements for that purpose.

[Signatures are contained on the following page]

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Signature page to Tenant Estoppel Certificate

IN WITNESS WHEREOF, the undersigned Tenant has executed and delivered this Estoppel Certificate as of the ____day of _____, 2025.

TENANT:

By:_____
Print Name:_____
Title:_____

Consented to and joined in by the following guarantor to the Lease.

GUARANTOR:

By:_____
Print Name:_____
Title:_____

Exhibit “J”

DILIGENCE MATERIALS

Tenant Information

1. Rent Rolls – Rent rolls including square footage, lease term, base rent and scheduled rent escalations.
2. Lease Documents – All Leases, lease addendum, lease amendments, subleases, commencement verification letters, guaranties and any other letter agreements related thereto.
3. Tenant Financial Statements, if any.

Operating Information

4. Historical Operating Statements – Three (3) years historical operating statements. Current YTD monthly operating statements
5. Operating Budget – Current year’s operating and capital budget(s).
6. Service Contracts – Copies of all service, maintenance, leasing, management, and other contracts or agreements to be assumed by Purchaser at closing

Building Information

7. Building Plans – Comprehensive set of “As-Built” plans including all specialty plan subsets: Architectural, Structural, Mechanical, Plumbing, Electrical, Roof, and Landscape plans.
8. Active T.I. Plans – Comprehensive set of plans, specifications, construction contracts, and agreements for all tenant improvement or other construction projects currently underway or committed to at the Property.
9. Certificates of Occupancy – Copies of certificates of occupancy for the building shell(s) and all demised tenant spaces.
10. Operating Permits, Licenses & Certifications – Copies of all licenses, permits, certifications, and other authorizations required for onsite operations including, to the extent available, medical operation permits/licenses, sprinkler certification(s), fire alarm certification(s), elevator permits, boiler permit(s), generator permit(s), infra-red electrical test(s), fire pump permit(s), UST permit(s), back-flow certification(s); swing stage license(s), etc;

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11. Elevator & HVAC Maintenance Logs – Two (2) years historical periodic elevator & HVAC maintenance reports, including comprehensive inventory of all mechanical systems units stating manufacturer, make/model, capacity, age, condition, and estimated remaining useful life;
12. Warranties & Guaranties – All active warranties and guaranties for products installed and workmanship performed on the project
13. site/”as built” building plans of the improvements;
14. Personal Property – Inventory of personal property to be transferred to District;
15. Development agreement (if any) related to the Property, to the extent applicable; and
16. Any material written correspondence between Seller and tenant related to the lease.
17. Any declaration and/or associations documentation, if any.

Miscellaneous Information

18. Title – All Title Reports (including copies of all documents noted as exceptions to title coverage), title policies and title commitments.
19. Surveys – Most recent property surveys, including, but not limited to, an ALTA/ACSM property surveys, to the extent available.
20. Violations – Copies of any notices of violations from any agency or entity having public or private jurisdiction over the Property.
21. Litigation – List of all litigation pending against the Property or the Seller relating to the Property.
22. Insurance Documents – Current certificates of Seller’s property insurance and certificates of Seller’s liability insurance, if applicable.

Exhibit “K”

ELEVATOR REPAIR CONTRACT

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EXHIBIT 3
HEALTH CARE DISTRICT
FINANCE AND AUDIT COMMITTEE AGENDA



FINANCE AND AUDIT COMMITTEE MEETING AGENDA

May 21, 2025 at 1:00pm

1515 N Flagler Drive, Suite 101

West Palm Beach, FL 33401

Remote Participation Link:

<https://zoom.us/j/5507895592?pwd=REZ4TWtYUXowQWNpWTBaVXRzZldDQT09>

Telephone Dial-in Access: (646) 558-8656 / Meeting ID: 550 789 5592 / Password: 946503

1. Call to Order – Carlos Vidueira

- A. Roll Call
- B. Affirmation of Mission: The mission of the Health Care District of Palm Beach County is to be the health care safety net for Palm Beach County. Our vision is meeting changes in health care to keep our community healthy.

2. Agenda Approval

- A. Additions/Deletions/Substitutions
- B. Motion to Approve Agenda

3. Awards, Introductions and Presentations

4. Disclosure of Voting Conflict

5. Public Comment

6. Meeting Minutes

- A. **Staff Recommends a MOTION TO APPROVE:**
Finance and Audit Committee Minutes of March 12, 2025 [Pages 1-4]



7. **Consent Agenda – Motion to Approve Consent Agenda Items**

HEALTH CARE DISTRICT

A. ADMINISTRATION

7A-1 RECEIVE AND FILE:

May 21, 2025 Internet Posting of District Public Meeting

<https://www.hcdpbc.org/EventViewTrainingDetails.aspx?Bck=Y&EventID=344&m=0|0&DisplayType=C>

7A-2 RECEIVE AND FILE:

Finance and Audit Committee Attendance [Page 5]

8. **Regular Agenda**

A. ADMINISTRATION

8A-1 Staff Recommends MOTION TO APPROVE:

Benoist Purchase and Sale Agreement – (Audrey Wolf) [Pages 6-26]

8A-2 Staff Recommends MOTION TO APPROVE:

Atlantis Purchase (Audrey Wolf) [Page 27-37]

9. **CEO Comments**

10. **CFO Comments**

11. **Finance and Audit Committee Member Comments**

12. **Establishment of Upcoming Finance and Audit Committee Meetings**

June 11, 2025

- 2:00PM, Joint Meeting with the Health Care District

September 17, 2025

- 4:00PM, Joint Meeting with the Health Care District Board

December 10, 2025

- 12:00PM, Finance and Audit Committee Meeting

13. **Motion to Adjourn**

HEALTH CARE DISTRICT FINANCE AND AUDIT COMMITTEE

1. Description: Atlantis Purchase

2. Summary:

This agenda item presents the Finance and Audit Committee with a recommendation to purchase the improved real property (Atlantis) located at 4801 S Congress Avenue.

3. Substantive Analysis:

The Atlantis Community Health Center is the Health Care District's (HCD) newest and largest Federally Qualified Health Center. This flagship FQHC boasts 26,283 square feet and spans three floors (1-3) of the four-story building with a total building size of 35,588 square feet.

The HCD's currently leased space has undergone an extensive fifteen-month buildout to like-new condition. The landlord and HCD combined investment is over \$3 million. HCD currently occupies 74% of the rentable space in this building with one additional tenant occupying the fourth floor. It sits on a 2.86 acre parcel that is adjacent to John Prince Park and only 0.3 miles from JFK Hospital and many other health-related services. This facility is easily accessed from I-95 and the Turnpike via Lake Worth Rd. It is also located on a major bus route that services Congress Avenue.

The tenant on the 4th floor currently has a 5-year lease on the space that will generate \$1.9 million during this lease term. This contemplates that the tenant does not exercise their 5-year renewal option. If renewed for an additional 5-year term it would result in additional rental income and contribution toward building operating expenses. Additionally, there is a cell phone tower that will generate approximately \$29 thousand per year during the current 5-year lease term.

After completing due diligence and analyzing the existing 10-year financial lease commitment under the current rental agreement as well as the future rental revenue, the payback period for the investment will be 8.5 years. The proposed purchase provides for 1.5 years of rental cost savings from the original 10-year lease.

HEALTH CARE DISTRICT FINANCE AND AUDIT COMMITTEE

HCD has negotiated a purchase price of \$14,500,000 with up to \$250,000 contribution toward seller's closing costs. The District's Land Acquisition Policy requires two appraisals for a transaction of this value. The District contracted with Callaway & Price, Inc. and Partner Valuation Advisors for appraisal services. The negotiated selling price of \$14,500,000 is 5% above the average of the two appraisals in the amount of \$13,750,000.

HCD seeks to purchase the Atlantis building for an amount not to exceed \$15,000,000. This unbudgeted capital expenditure will use funds from the unassigned reserves.

4. Fiscal Analysis & Economic Impact Statement:

	Current FY Amounts	Total Amounts (Current + Future)	Budget
Capital Requirements	\$15,000,000 ¹	\$15,000,000 ²	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

Currently, the District has an annual rent and common area maintenance (CAM) expense of approximately \$958,000 for the Atlantis property. Upon ownership, the District will no longer incur rent and CAM expenses. The annual building operating expenses will be approximately \$115,000, representing an estimated annual operating savings of \$843,000.

Annual rental and CAM payments from existing tenants are estimated at \$412,000. The District will take on landlord responsibilities for the existing tenants and will incur expenses related to building repair and maintenance in tenant leased spaces. Any tenant security deposits will be held by the District.

Reviewed for financial accuracy and compliance with purchasing procedure:

Signed by:

 CA6A21FF2E09481...

Jessica Cafarelli
VP & Chief Financial Officer

¹ Amount in reserves to purchase the Atlantis site and approved by Board on April 03, 2025


² Any additional capital expenditures to repair and maintain the property will be requested as part of the FY26 budget process subject to Finance and Audit Committee and Board approval

HEALTH CARE DISTRICT FINANCE AND AUDIT COMMITTEE


5. Recommendation:

Staff recommends the Finance and Audit Committee submit to the Board for approval of the acquisition of the Atlantis Building in an amount not to exceed \$15,000,000.

Approved for Legal sufficiency:

Signed by:

0CF6F7DB6706434...

Bernabe Icaza
SVP & General Counsel

Signed by:

F637D209DB52427...

Candice Abbott
SVP & Chief Operating Officer

Signed by:

77A3B53589A1477...

Darcy J. Davis
Chief Executive Officer

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE

JOINT MEETING

JUNE 11, 2025

1. Description: Benoist Purchase and Sale Agreement

Staff is recommending the approval of the Purchase and Sale Agreement (PSA) between the District and OSI 100 Benoist Farms Road, LLC ("Seller") for 9.67 acres of unimproved real property for the development of the Crisis Center for Mental Health and Substance Abuse, subject to approval of a budget amendment later on this agenda.

2. Summary:

The property is located at 100 N. Benoist Farms Rd. just North of Southern Blvd/SR 80 in unincorporated property. A comprehensive site assessment was completed which; 1) evaluated land use, zoning, traffic capacity, storm water management, environmental feasibility study and a Phase 1 site assessment, and 2) determined the developability of the property for the Crisis Center, including identifying site specific costs.

The findings were very favorable for the development of the Crisis Center, but for two material findings. First, there is an open Consent Order between the Seller and South Florida Water Management District which will be completed by the Seller prior to closing and therefore will be of no further issue to the District. Second, site specific development costs may increase the cost of construction by an estimated \$2,400,000. These two issues were considered by Staff in its analysis and are explained in more detail in the Substantive Analysis and Financial Analysis sections. The property is assessed at \$9,092,853 and the average of the two appraisals performed on the Property is \$12,675,000. The negotiated purchase price is \$16,750,000 or 32% above appraised value. There are no hypothetical conditions or extraordinary conditions, and the Property does not require a land use change for the District's use. Due to the property enabling the completion of the Crisis Center in the shortest amount of time, and the value it brings to the District in terms of fulfilling the objectives of the District's Strategic Facility Plan, it is Staff's opinion that it is in the best interests of the District to acquire the property at negotiated purchase price (the reasons are explained in more detail in the Substantive Analysis and Exhibit 1 to this item).

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE

JOINT MEETING

JUNE 11, 2025

As required by LEG 1000, the key terms of the PSA (see Exhibit 2 to this item) include: 1) the property interest will be conveyed via a General Warranty Deed in as-is, where-as condition, 2) the Seller being responsible for all costs associated with title insurance commitment and premiums as well as the documentary stamp tax, 3) the District shall deposit \$200,000 with the escrow agent which will be nonrefundable at the end of the Inspection Period One (the deposit will be released to the Seller at closing and will be credited against the purchase price), and 4) the District being responsible for the cost of recording the deed.

Closing will take place when: 1) Seller has provided the District with written evidence satisfactory to the District (i) that all requirements of the SFWMD Consent Order have been complied with which includes having to obtain written confirmation from SFWMD by September 1, 2025, and (ii) successful completion to Inspection Period Two, 2) Seller has performed all of the covenants and obligations, 3) all representations and warranties identified are true and correct, and 4) the title company is ready, willing and able and irrevocably committed to issue a title policy in the face amount of the purchase price. The conditions to closing may be unilaterally waived by the District. If any of these conditions are not fulfilled by September 22, 2025, then the District shall have the right to; 1) terminate the PSA, or 2) waive such unsatisfied condition and proceed to closing of the transaction. In the event of a default by the Seller, the District shall have the right to; 1) terminate the PSA, have the deposit returned and up to \$25,000 in expenses, 2) grant Seller a reasonable amount of time to cure the default, or 3) seek specific performance. In the event of a default by the District, the Seller shall have the right to terminate the PSA or grant the District a reasonable amount of time to cure the default.

On May 21, 2025, the Finance and Audit Committee reviewed this item (see Exhibit 3) and unanimously recommended it be considered for approval by the Board. Due to the amount by which the purchase price exceeds appraised value, this item requires a supermajority vote (5 votes) to approve.

3. Substantive Analysis:

Palm Beach County faces a mental health crisis with inconsistent services. The main providers are Emergency Departments and the jail. In 2022, over 27,000 patients sought mental health care through ER or hospitalization. There have been 7,000 Baker

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE

JOINT MEETING

JUNE 11, 2025

Acts issued, impacting 316 individuals repeatedly, affecting patients, families, and the community.

The current ad-hoc approach to behavioral health services in Palm Beach County does not provide effective or comprehensive crisis treatment or ongoing medical services. It can overwhelm facilities and is financially inefficient. There is a need for a coordinated behavioral health care system in the county.

The District has initiated efforts to establish the necessary infrastructure to serve as the central access point for such a system. Communities across the nation that have adopted the Crisis Now model have realized a 35% cost savings.

The proposed location provides a central access point for crisis care. The crisis care model supports patients during crises, stabilizes and treats them appropriately, and provides a medical home for ongoing care. Continuous care enhances patient resilience by equipping them with tools to prevent relapse, crises, or worsening symptoms. The envisioned Crisis Center will operate 24/7 for both adult and pediatric patients, offering inpatient and outpatient services, including an on-site pharmacy and integrated primary care for overall wellness. This will alleviate the burden on existing partners while promoting sustainable wellness for individuals experiencing crisis. The model adheres to national best practice guidelines for crisis care systems established by the Substance Abuse and Mental Health Services Administration (SAMHSA).

The coordinated care system has garnered support from community partners, the public with existing needs for comprehensive behavioral health services, and the Board of County Commissioners, all emphasizing the urgent need to proceed with this initiative.

Timeliness in opening the facility to provide services has been crucial throughout the site evaluation and negotiation processes. With timing being one of the most critical components in Staff's analysis of the potential sites and the Benoist Farms

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE

JOINT MEETING

JUNE 11, 2025

Site in particular, the following set forth the reasoning behind this Site and the purchase price. See Exhibit 1, Section 4.3 for additional details about these topics.

- There is a decreasing availability of land sites that meet the size, locational and adjacent use criteria (no adjacent residential land uses) needed by the District.
- The increasing costs associated with the development (design and construction).
- The potential to jeopardize County funding contribution if secondary site search and/or extended development timeframes associated with a more complicated site.
- The “value” this site brings to the District relative to the Strategic Facility Plan.

Exhibit 1 to this agenda item is a continuation of the substantive analysis and includes a summary of the various due diligence reports and information as well as the various due diligence reports; together on which the recommendation is based: 1) narrative/project description, 2) copies of appraisals, location maps, surveys, environmental audits, site assessments and other consultant reports, including any other pre-purchase due diligence utilized to determine valuation, 3) identification of transaction parties, 4) disclosure of representatives including brokers, land planners, lobbyists, consultants, etc., 5) disclosure of any contemplated land use, zoning, or pending development applications, 6) discussion of valuation issues, 7) summary of negotiation history.

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
JOINT MEETING
JUNE 11, 2025

4. Fiscal Analysis & Economic Impact Statement:

	Current FY Amounts	Total Amounts (Current + Future)	Budget
Capital Requirements	\$37,750,000 ¹	\$135,750,000 ²	Yes No X
Net Operating Impact		\$ 35,000,000 ³	Yes No X

*Non-budgeted expenditures in excess of \$250,000 require Finance and Audit Committee review and Board approval. Reviewed for financial accuracy and compliance with purchasing procedure:

Signed by:

CA6A21FF2E09481
Jessica Cafarelli
VP & Chief Financial Officer

¹ This includes; 1) \$16,750,000 as the purchase price of the land, 2) \$4,000,000 for the total program manager expenses over the life of the crisis center project, 3) \$14,000,000 as the estimated design services fees over the life of the projected including the design consultant and any other professional consultants hired directly by the District or the design professionals subconsultants, 4) estimated portion of the construction cost that are being allocated to the early construction packages, including procuring the site after closing, construction of the canal crossing/bridge to the property, and pre-construction services for the construction manager, and 5) less the \$10,000,000 capital contribution from the Board of County Commissioners.

² This includes; 1) all expenses in FY 2025 (footnote 1) plus 2) \$66,000,000 in estimated construction costs for the project, not including the early construction expenses, and pre-construction services that were included in Footnote 4, 3) \$15,000,000 estimated cost for furniture, fixtures and equipment (FFE), medical equipment and IT equipment, and 4) \$27,000,000 in total contingency needed for the project and containing two components: a) standard escalation to 2025 estimated expenses for a start of construction at 5.25% annually, and b) overall program contingency, which encompasses any type of change from tariff impact and material cost changes, to changes in programmatic requirements (square footage increases) to change orders.

³ The estimated operating expenses are \$35 million annually, and what is shown represents 6 months of ramp-up expenses to coincide with an opening in August/September 2029.

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE

JOINT MEETING

JUNE 11, 2025

5. Recommendation:

Staff recommends Board approval of a purchase and sale agreement with OSI 100 N. Benoist Farms Rd, LLC to acquire 9.67 acres of unimproved real property for a purchase price of \$16,750,000, subject to approval of the corresponding budget amendment later on this agenda.

Approved for Legal sufficiency:

Signed by:



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Darcy J. Davis

President & Chief Executive Officer

EXHIBIT 1
HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE JOINT MEETING
REGULAR AGENDA ITEM
JUNE 11, 2025
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1.0 Project Description

Palm Beach County (“County”) is facing a mental health crisis, but there is hope for a brighter future. The current mental health services are inconsistent and fragmented, causing strain on the community. Emergency Departments and the jail have become the two largest mental health care providers in the County. In 2022 alone, over 27,000 adult and pediatric patients sought care for mental disorders through the Emergency Room or hospitalization. There have been 7,000 Baker Act holds, with 316 individuals being Baker Acted three or more times, impacting patients, families, and the community as a whole.

This ad-hoc approach to behavioral health services does not provide effective or comprehensive care, can overwhelm facilities, and is not financially efficient. Palm Beach County needs a coordinated behavioral health care system. Consistent with its mission to be the health care safety net for the residents of Palm Beach County, the Health Care District of Palm Beach County (“District”) has stepped up to create the necessary infrastructure to become the central access point for this system. Communities across the nation that have implemented the Crisis Now model have realized savings of 35% in costs across the community.

The solution is a central access point for crisis care. This care model supports patients through crises, stabilizes and treats them appropriately, and provides them with a medical home for continued care. Consistent care supports patient resilience, giving them the tools they need to prevent relapses, crises, or worsened symptoms. The Crisis Center is that PLACE TO GO. The proposed Crisis Center will be available 24/7 for adults and pediatric patients (“Crisis Center”). It will offer inpatient and outpatient services, including an on-site pharmacy and integrated primary care for overall wellness. This will alleviate the pressure on our partners while supporting sustainable wellness for those suffering from crises. The Crisis Center I will meet national best practices guidelines for crisis care systems published by the federal Substance Abuse and Mental Health Services Administration (“SAMHSA”).

This coordinated care system has received support from community partners, the public, and the Board of County Commissioners, all expressing the urgent need to move forward with this effort. The time to open and provide services has been a key criteria throughout the site evaluation and negotiation process.

From pre-purchase due diligence studies, for a single story building, it is recommended that the Crisis Center be a 60,000 square foot building with a minimum floor plan of approximately 42,000 square feet for a multistory structure. The building will consist of a central receiving facility, crisis stabilization unit (chairs and beds for those patients requiring a longer stay), and outpatient services. This pre-purchase programmatic effort is discussed further in Section 2.1 and Attachment A ([Benoist Packet Crisis Center Exhibit 1 A-H.pdf](#))

2.0 Project Siting Criteria

Prior to starting the site search, Staff needed to define the approximate size of the property that was needed and the characteristics of the site which would be most desirable.

2.1 Size of Property

The District contracted with the team of Saltz Michelson Architects/WGI/JFO to conduct three (3) tasks, the first of which was known as Task 1 – Conceptual Programming and Spatial Relationships. The programming completed for this effort should not be considered design solutions or even concept proposals, but are sufficient for determining whether a site will be able to reasonably accommodate the facility. The design team will need to develop a separate comprehensive functional program in conjunction with Staff and as part of an overall architectural design effort.

The conclusion of the report was that a 60,000 square foot building on 6–8 acres of vacant land was needed. For improved sites, the building requirements would require about one acre, and the land requirement would vary based on the configuration and use of shared facilities. The complete work product from Task #1 is included as Attachment A to this document.

2.2 Key Site Characteristics

2.2.1 Location. Includes; 1) the desirability of the geographic location within the County taking into account service need and accessibility by public transportation, private vehicle and 1st responders, 2) visibility from major roads, 3) proximity to partners and similar uses, 4) adjacent uses, and 5) 365/24/7 considerations.

2.2.2 Timing. Includes durations for: 1) time for HCD to achieve owner status, 2) ability to move forward independent of other organization's timing, 3) governmental approvals and conditions, 3) regulatory approvals (seeking entitlement and permits), 4) design; and 5) construction.

2.2.3 Developability. Includes: 1) ability to accommodate all components, 2) horizontal expansion capabilities, 3) does it fit, 4) probability of land use or rezoning without extraordinary conditions, 5) medical or land regulatory constraints that would hinder or materially constrain development, 6) whether other HCD uses would be allowed, 7) ability to achieve interior design objectives (high ceilings, natural light, views/outdoor spaces) and 8) ability to accommodate expansion/contraction of behavioral health use or other use.

2.2.4 Development Costs. Includes: 1) land acquisition, 2) design including soft costs, 3) extraordinary land development costs, and 4) construction/demolition/renovation.

2.2.5 Operating and Operating Costs. Includes: 1) building operating cost savings or increases, 2) staff savings or increases, 3) operational disruption to desired workflows, 4) additional costs or cost savings associated with conceptual layout, 5) lease payments, 6) health care regulatory concerns or modifications, 7) staff cross training, 8) maximizing use of common infrastructure, and 9) changing programmatic needs.

2.2.6 Other. Includes: 1) neighborhood impact, 2) support/objection of neighbors, 3) opportunity for workforce development, 4) opportunities for not for profits, 5) support from local government and 6) branding and identity.

2.3 Site Search Process & Priorities

The site search was initially limited to publicly owned land or buildings and land or buildings currently zoned for governmental, health care, or hospital use. Specifically, the limitations as described above would:

- minimize the time for solicitation, evaluation and contract negotiation by 3-7 months;
- reduce the probability of undergoing a lengthy land use and/or zoning process and minimize the likelihood of public opposition to the siting decision by 3-9 months; and
- contribute to the beneficial stewardship of publicly owned resources/assets by: 1) not reducing taxable assets, 2) leveraging assets already in public ownership to avoid additional public investments in land buildings, and 3) reinforcing existing and on-going relationships with sustainable partners.

2.3.1 County-owned sites. Three sites were initially identified: 45th & Australian Complex, property adjacent to the former Stockade, and the vacant land at 5741 Okeechobee Blvd. Staff met with the County Administrator as well as the Director of Facilities Development & Operations and it was determined that the first and second sites were not available due to existing and active redevelopment plans. The last site was the subject of a current RFP for affordable housing. Three additional County-owned sites were suggested for evaluation, but ultimately were rejected due to existing and active redevelopment plans.

2.3.2 Palm Beach State College – Lake Worth Campus (“PBSC”). Staff and PBSC had preliminary discussions about the possibility of a co-location on campus but ultimately needed to be removed from consideration due to the Crisis Center being prohibited by existing use limitations and restrictions.

2.3.3 Edward J Healey Skilled Nursing and Rehabilitation Center (“Health Care District Skilled Nursing Center Site” or “Skilled Nursing Center Site”). The District owns property located at 5101 W. Blue Heron Blvd, Riviera Beach, FL, which has one undeveloped parcel and a large surface parking area with future development potential as well as the opportunity for operational savings.

2.3.4 Former Jerome Golden Property. The privately owned former home of the Jerome Golden Center located at 1041 45th St. West Palm Beach, FL (SW corner of the St. Mary’s campus) was evaluated in early 2024 as part of the first search due to its previous use being mental health facility. The current owner of the Jerome Golden Site was contacted and advised that he was not willing to engage in any discussions for less than \$18,000,000. Despite its previous use for mental health, Staff questioned the location and access to this site. While the site is already zoned for the existing behavioral health need, it is likely that there would be strong opposition to the District’s particular use from the community due to the number of county-wide and regional uses already near the same residential areas. This improved property is approximately 9 acres and has multiple existing buildings which would need to be demolished to allow for construction of the Crisis Center. The property also has an additional free-standing building on it which houses a not-for-profit agency which holds a long-term lease. There are complicated title, utilities and access conditions that would need to be resolved pre-purchase.

2.3.5 Conclusion. With only one readily viable property at this point, Staff re-reviewed the privately held undeveloped properties which resulted from a windshield survey and database review. A total of 13 sites that were actively on the market remained. The privately owned site that Staff believed most desirable was then identified as 100 N. Benoist Farms Rd property (“Benoist Farms Site”). The conclusion of this effort was to move forward with the comprehensive due diligence study on the Skilled Nursing Center Site and the Benoist Farms Site.

3.0 Summary of Site Assessment for Benoist Farms Site.

Tasks 2 and 3 of the SMA/WGI/JFO due diligence study were the site assessments on the Skilled Nursing Center Site and Benoist Farms Site, respectively. The scope of work for the site assessments included the following activities.

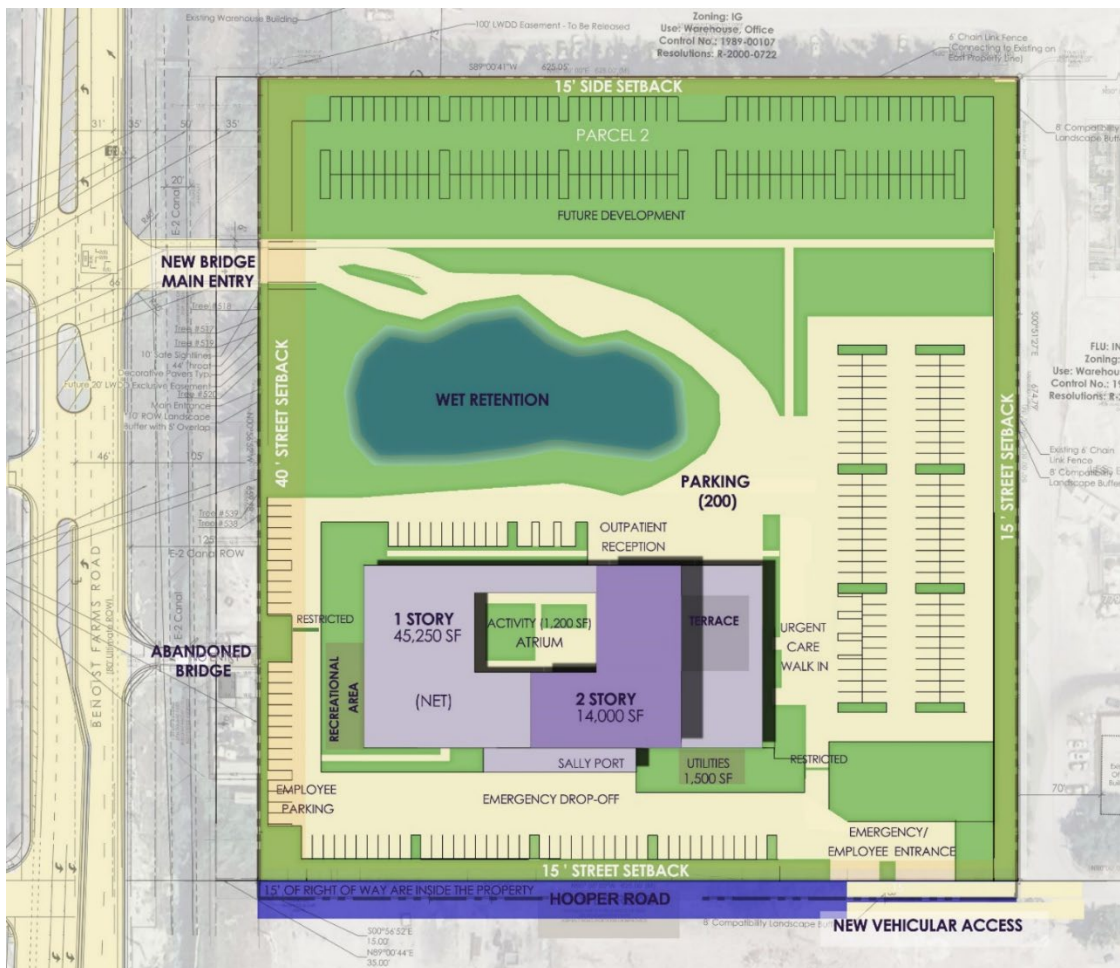
- Utilize the approved conceptual programming and work-flow information developed in Task 1, prepare a proposed plan of development, complying with the program, development regulations, access and circulation requirements, and drainage.
- Ensure that the project complies with local zoning codes, ordinances, and any newly introduced regulatory requirements.
- Review the Comprehensive Plan designation, zoning designation and property regulations, including those that may be specific property and any current approvals on the site.
- Review HCD’s future needs analysis and apply to the property and any studies currently available for the property.
- If the entire program for the Crisis Center (or other element) cannot be accommodated, identify the total interior and exterior requirements that will need to be accommodated elsewhere.
- Identify any existing regulations (both medical or land development) that would materially hinder or constrain development (either physically or financially), including a rough order of magnitude of the extent of the impact of such regulations on the project
- Identify any variances, special exceptions, etc. that will be required because of sitting the Central Receiving Facility/Crisis Stabilization Unit and potentially the Community Behavioral Health Center on that site.
- Review of environmental and logistical factors.

The entire Benoist Farms Rd Site Assessment is included as Attachment B and C. Below is a summary of SMA/WGI/JFO’s findings on the Benoist Farms Site.

3.1 General Site Description. The Benoist Farms Site is located on the east side of North Benoist Farms Rd, 400 feet north of Southern Blvd (aka SR 80 and US Highway 98), in an area of unincorporated Palm Beach County. The property address is 100 North Benoist Farms Rd, West Palm Beach, FL 33411. The Benoist Farms Site is a square shaped parcel containing 9.67 acres. The Benoist Farms Site is surrounded by undeveloped and developed industrial uses as well as commercial uses such as gas stations/convenient stores.

3.2 Development Plan Options. The purpose of the conceptual development plans is to: 1) ensure that all the plan elements (building, parking, water retention, circulation, buffer, setbacks, etc.) can “fit” on the site, 2) identify any extraordinary conditions and/or costs associated with developing the property for its intended purpose, and 3) identify any regulations that may negatively impact the development plan. These development plans are not designs, but instead a tool for conceptualizing how the property can be developed for this purpose.

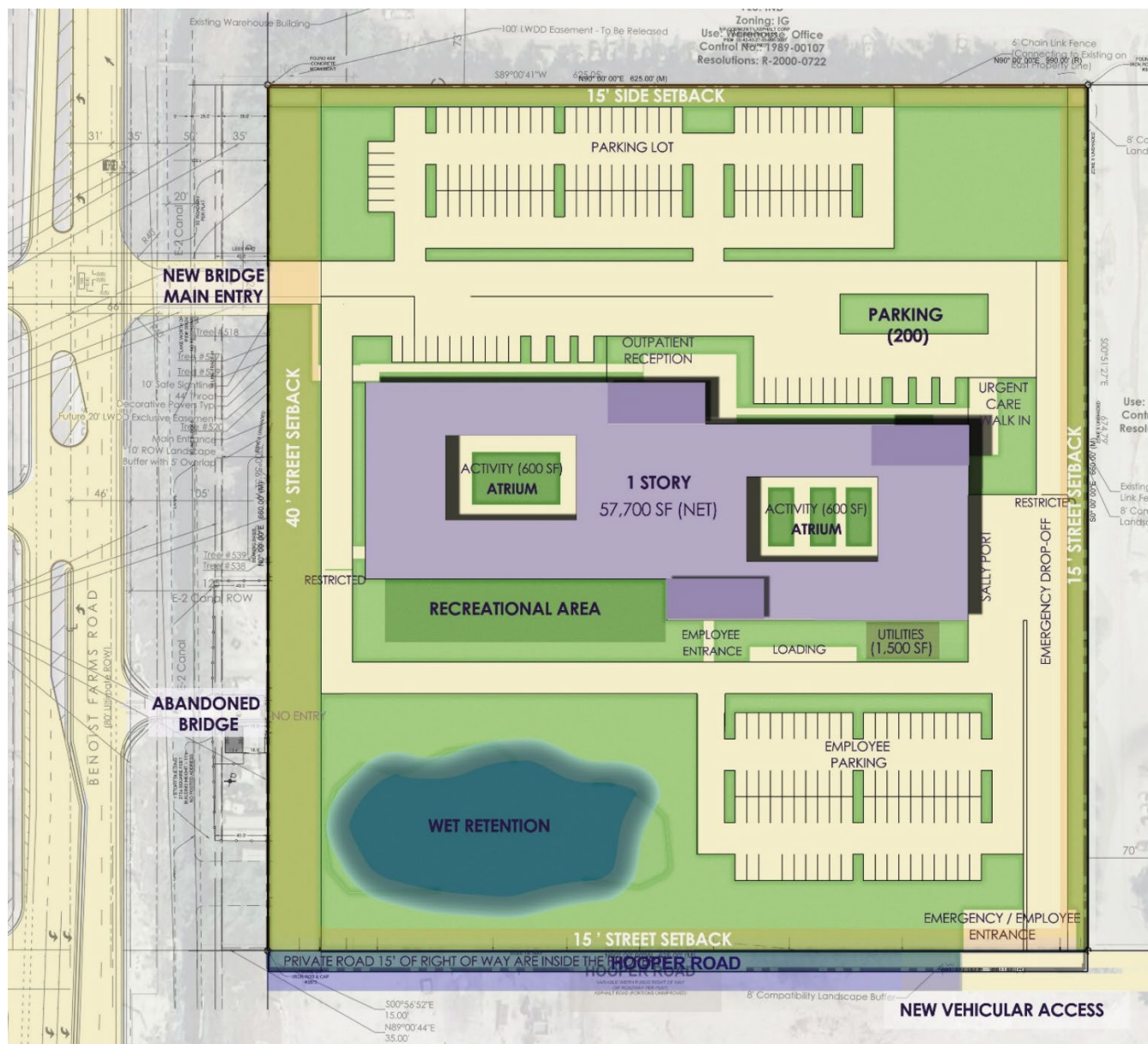
Option 1 – Urban Plan:



Two -Story +/- 59,800 SF



Option 2- Suburban Plan



One-Story +/- 59,200 SF



3.3 Future Land Use and Zoning. The Benoist Farms Site has a land use of Industrial with a Light Industrial ("IL") zoning district. Government Service⁴ uses are allowed in the IL zoning district – by right provided the use is able to meet all property development regulations of the zoning district. The size of

⁴ Government Services in the PBC ULDC is defined as "buildings or facilities owned or operated by a government entity and providing services for the public, excluding utility, recreational services and prisons, jails or correctional facilities."

the property allows sufficient space to meet the property development regulations of the IL zoning district. As such, no land use or zoning changes are required for the Crisis Center use.

3.4. Parking. The parking requirement for Government Services is 1 parking space per 500 sf of facility. For the Crisis Center's proposed use, this would equate to 120 parking spaces. However, 120 spaces are inadequate for the Crisis Center, so we have assumed 200 parking spaces are necessary⁵ and those 200 parking spaces are reflected in the development plan options.

3.5 Access. Primary access to the site is via Benoist Farms Rd. Benoist Farms Rd is a County owned and maintained road. It is currently in the process of being expanded and the new cross section provides for a median opening near the northwest end the Benoist Farms Site to allow for southbound and northbound movement from the Benoist Farms Site onto Benoist Farms Road. A new bridge, meeting the LWDD standards, will be needed to provide for a vehicular crossing.⁶ There is also an opportunity for the District to provide a secondary, limited and controlled (staff and emergency vehicles) access from Hooper Rd. which currently terminates at the southeast corner of the Property and runs East to Pike Rd. Hooper Rd. is a County road with various segments having been dedicated to the County by the numerous landowners on both the north and south and some segments remaining. Despite Hooper Rd being a County Rd. there are various segments that have yet to be dedicated to the County, it does not meet County road standard, and the County has not accepted maintenance. A cost benefit analysis regarding the use of Hooper Rd. as a secondary access will need to be completed in conjunction with the design effort.

3.6 Traffic Capacity. The purpose of this traffic study was to assess the potential for the project to achieve Traffic Concurrency approval. The study concluded that links and intersections on Benoist Farms Road from Southern Boulevard to Okeechobee Boulevard will be expected to meet the adopted level of service at the assumed project buildout in the year 2030. It is also likely that the project as proposed will meet County Traffic Performance Standards (TPS) at the assumed buildout year in 2030 where a southbound left turn lane and a northbound right turn lane may be required at the proposed access on Benoist Farms Road. The complete traffic study is included as Attachment C.

3.7 Public Transportation. There are no public transportation lines available within walking distance on either Benoist Farms Rd or Southern Blvd. However, this is not a critical element for this location, as

⁵ This is based on 60 staff persons, doubled to accommodate shift change, and all public areas at capacity and with simultaneous use.

⁶ This bridge will be discussed further in the next section. 198

the nature of individuals seeking services is not typically conducive to riding on public transportation. Someone in crisis is likely to need private transportation or to be brought via a mobile response team.

3.8 Water Management/Drainage. The Benoist Farms Site is located within the jurisdiction of South Florida Water Management District (SFWMD) and the Lake Worth Drainage District (LWDD). The Benoist Farms Site is located within the SFWMD C-51 basin and does not have an existing water management system or SFWMD permit. The Benoist Farms Site will require a system of interconnected inlets and storm pipes with a discharge to a new on-site retention area. The legal positive outfall is to the LWDD E-2 canal along the northern portion of the property. Up to 20% of the site must be preserved for a wet retention area.

3.9 Environmental. Based on a Phase I Environmental Assessment conducted by WGI, there are no Recognized Environmental Conditions (RECs) or Controlled Recognized Environmental Conditions (CRECs) that would trigger a need for a Phase 2 Environmental Assessment. In addition, WGI found no Historical Recognized Environmental Conditions (HECs), *de minimis* or Business Environmental Risks (BERs). WGI recommended no additional investigation as part of Phase I ESA activities.

Recommendations for Phase II ESA or other assessment activities are specifically not required by ASTM E1527-21. A complete copy of the Phase I Environmental Assessment is an attachment to the SMA/WGI Site Assessment (Attachment B to this report). An Environmental Feasibility Study was also completed, and a complete copy is an attachment to the SMA/WGI Site Assessment (Attachment B to this report). The most significant findings are related to tree mitigation and surface waters and wetlands and an outstanding (although neither rising to the level of a site specific issue or extraordinary cost) and an open/unresolved Notice of Violation and Consent Order by SFWMD.

A tree inventory and arborist report will need to be completed for site plan approval and to determine the actual required mitigation amount (replacement trees, buyout, or combination thereof). There are several sabal palms and strangler figs onsite which will require the preservation or relocation of these trees and palms, or sufficient justification provided for their removal.

The surface waters can be impacted with no mitigation required as long as the stormwater system accommodates any drainage that the surface waters were previously providing. Impacts to the wetland will require mitigation; either through the purchase of mitigation credits through the creation or restoration of wetlands onsite, or a combination of the two.

There is a second consent order pending against the property which incorporates the first consent order (against the previous owner which was passed along to the current owner) which requires the removal of all unauthorized fill from the wetlands and a return of the elevations to the pre-existing grades. It is WGI's opinion that the second consent order should not be assumed and/or amended and that the current owner should remove the unauthorized fill.

3.10 Summary of Extraordinary/Site Specific Costs at Benoist Farms Site. The property is square which is the ideal shape for a facility of this type, has no adjacent residential uses and is of more than adequate in size for the Crisis Center. The size and design could provide adequate land for another District use or an expansion of this use. There is significant space to accommodate a buffer from adjacent uses for purposes of creating a natural and soothing visual impact while mitigating noise and dust.

The following table summarizes the site specific and extraordinary costs associated with the Benoist Farms Site.

Site Specific and Extraordinary Costs

Cost Category	Benoist Farms Site
Bridge – Primary	\$ 1,300,000 ⁷
Hooper Rd	\$ 200,000 ⁸
Lift Station	\$ 250,000 ⁹
Water and Sewer	\$ 150,000 ¹⁰
Paving Grading and Drainage	\$ 500,000 ¹¹
Total Site-Specific Costs	<u>\$ 2,400,000</u>

3.11 Staff's Conclusions on Results of Site Assessments. Staff concluded that it was in the best interest of the District to commence negotiations with the owners of the Benoist Farms Site. The key factors in this decision were; 1) the uses the unknown compatibility between uses, duration, costs and nature of impacts on the Skilled Nursing Center Site by the design and construction of the Crisis Center, 2) the lack of any capacity for modifications or expansion of Crisis Center as needs present, 3) the limitations on outdoor and recreational programming for the Crisis Center, 4) the more central location for a countywide facility, 5) the access potential from all four directions, 6) the future development potential for the Crisis Center as well as other facilities identified in the District's Strategic Facility Plan, and 7) the ability of the Benoist Farms Site to allow for the District to create a facility with a plan and architecture that is totally consistent with the mission and programming for the facility. The issue of no public transportation to support this site was not taken lightly. While typically this is a critical component for a siting decision; this facility is fairly unique in that regard. Public transportation

⁷ A new bridge is required to cross to and from Benoist Farms Road over the LWDD E-2 is required and has an estimated cost of \$1,300,000.

⁸ An alternate to Hooper is the addition of a secondary crossing from Benoist Farms Road at \$1,300,000.

⁹ A new lift station is required on site with an estimated cost of \$250,000 for a publicly maintained station and \$150,000 for a private lift station (not recommended).

¹⁰ there are other water and sewer related extraordinary expenses estimated at \$150,000 for water and sewer lines.

¹¹ There is an estimate of \$500,000 in extraordinary paving, grading and drainage costs.

is not a critical element for this location, as the nature of individuals seeking services is not typically conducive to riding on public transportation. Someone in crisis is likely to need private transportation or to be brought via a mobile response team.

Approximately 2/3 of the facility from a square footage perspective is dedicated to crisis care, and these patients/clients arrive at the facility via 1st responders and in some cases by family members/friends. Based on the experience at our clinics, the majority of the outpatients arriving at the facility will be via private transportation, about 10% via self-pay patient transport services (e.g. Uber and Lyft). There are some out-patients that qualify for transportation assistance and same will be provided by the District as is currently offered at all Clinics.

It should also be noted that at the time the Staff came to these conclusions, it was estimated that the purchase price for the Benoist Farms Site would be \$15,000,000 with an additional cost of \$2,400,000 for a total of \$17,400,000. While there were no land acquisition costs at the Skilled Nursing Center Site, the estimated costs for the known extraordinary/site specific costs are \$15,250,000 including the construction of a parking garage. However, for the reasons listed above, the Staff proceeded with the Benoist Farms Site as the recommended site. A complete copy of the Skilled Nursing Center Site Assessment report is included as Attachment D to this report.

4.0 Purchase Price Discussions and Appraisals.

Staff first contacted the owner of the Benoist Farms Site (“Seller”) in December of 2024 expressing interest in their willingness to sell the property and to inquire as to whether the property was still for sale. The Seller is OSI 100 Benoist Farm Road LLC, and its broker Patrick McBride, SIOR, Esq., Principal ComReal, Miami Doral. No other brokers are involved in this transaction nor were any lobbyists involved. The assessed value is \$9,092,853 and the Seller acquired the parcel in May 2022 for \$14,000,000. The Seller indicated that it had been entertaining offers but that it was holding action on any potential offers pending the outcome of a refinancing on other properties.

Several weeks later, the Seller informed us that this property was ultimately included in the re-financing, and the offers were returned and they were willing to proceed through the due diligence process and provided the necessary access to the property for the District and its consultants to perform the necessary inspections. As part of these early discussions, the District indicated that it would likely be willing to pay market value for the property. The Seller indicated an asking price of \$17,000,000.

4.1 Appraisals The District’s Land Acquisition Policy requires two appraisals for a transaction of this value. The District contracted with Callaway & Price, Inc (“Callaway”), and Colliers International Valuation & Advisory Services (“Colliers”) for appraisal services. Both Callaway and Colliers appraised the market value of fee simple ownership with no hypothetical or extraordinary conditions. Market

Value is defined as “the most probable price which a property should bring in a competitive and open market under all conditions requisition to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.....”

The scope of work for the appraisals generally included the following:

- Identification of the appraisal which includes the purpose or date of value, the interest to be appraised, identifying the real estate (legal description) of the property and whether the appraisal is subject to any hypothetical or extraordinary conditions.
- Inspection of the property, data collection process, and analysis of the factors that affect market value.
- Determination of the highest and best use of the property.
- Application of the appropriate approaches or the valuation.

Both appraisers determined the highest and best use for the property was Industrial – Light Industrial/Open Storage and both used the sales comparison method of valuation. There are two sets of appraisals as the appraisers each updated and re-issued their appraisals after reviewing the results of the site assessments (due diligence studies). See table below for appraisal results.

Appraiser	Market Value	Market Value with Due Diligence Results
Callaway and Price	\$14,000,000 ¹² 1/24/25	\$12,700,000 ¹³ 3/26/25
Colliers	\$14,500,000 ¹⁴ 3/11/25	\$12,650,000 ¹⁵ 3/28/25
Average Price	\$14,250,000	\$12,675,000

Neither appraiser made any substantial changes to its appraisal but for the straight deduct of \$1,300,000 for the cost of the bridge. They both indicated that they felt strongly about this deduct as the need to install the bridge would apply to any buyer.

4.2. First Round of Negotiations. Despite the spread in price positions and the appraisals, neither the Seller nor Staff terminated discussions. The Staff indicated that it would be willing to recommend to the Board (“Conditional Offer”) the purchase price of \$15,700,000, which it believed was a reasonable

¹² See Attachment E

¹³ See Attachment F

¹⁴ See Attachment G

¹⁵ See Attachment H

offer in light of the offer being approximately: 1) \$110% of the first appraised value and 2) the asking price less the estimated cost of the bridge.

The Seller countered with \$17,000,000 again, indicating they believed in the industrial market in Palm Beach County, that the values would increase with time and diminishing availability of empty land sites of similar size and location, and that they were willing and, in a position, to wait for an offer at the \$17,000,000.

4.3. District's Reconsideration of the Selection of the Benoist Farms Site. Based on the lack of willingness of the Seller to move off the asking price, and the District's previous estimate of \$15,000,000 to meet the siting and programming requirements of the Crisis Center, Staff revisited the selection of this site and whether re-starting the site search would yield a result that was more beneficial to the District and the Crisis Center Project.

4.3.1 The two most likely alternatives are the Skilled Nursing Center Site and the former Jerome Golden site.

The Skilled Nursing Center Site has sufficient development potential to accommodate the Crisis Center, but the two uses are not compatible, especially considering the extended construction period associated with the complicated design and regulatory environment and the construction of the parking garage. Due to the statutory physical plant standards for the Crisis Center, the minimum ground floor plate would limit the amount of outdoor space and active recreational programming for the Crisis Center and essentially eliminate any ability to adjust or expand Crisis Center programs in the future. In addition, the costs of a parking garage and costs associated with a multi-story building are estimated at \$15,250,000 and that does not include the costs and time associated with the: 1) complexity of the design, and 2) any renovations/modifications necessary to the Skilled Nursing Center Site to preserve its current environment.

4.3.2. The decreasing availability of land sites that meet the size, locational and adjacent use criteria needed by the District. Staff again performed windshield surveys and conducted electronic searches (using various databases designed for non-residential properties) for properties for sale that met the District's size criteria of 6-8 acres that were not adjacent to residential uses and there were none in our search area. As a result, the next step would have to involve assembling smaller properties or engaging owners of vacant properties which meet the criteria but are not currently on the market and assemble a transaction which meets the District's need. These types of transactions are also typically complex and are time consuming and result in costs higher than appraised values. The following are some excerpts from the appraisals which support our position on decreasing availability.

- "The overall Palm Beach County industrial market conditions appear to be strong but stabilizing as vacancy rates have remained consistent and rental rates increasing at a fairly significant

rate. The Central Palm Beach County Area submarket is demonstrating very strong fundamentals with tight occupancies, increasing rental rates and limited new construction to keep pace with demand.”¹⁶

- “It should be noted that there is a severe lack of remaining developable industrial sites in Palm Beach County. As a result, land values are increasing as the supply of land decreases. The demand for local distribution warehouses for last mile e-commerce delivery companies, as well as for general purpose industrial properties, continue to increase¹⁷.

4.3.3 Increasing costs to develop (design and construction). The costs of design and construction have increased an average of 5.25% over the last 10 years. If that trend continues, even an one year delay to design and construction could result in additional development costs of \$3,150,000 based on the currently estimated \$60,000,000 estimated hard construction costs.

4.3.4 Potential to jeopardize County funding contribution. In early 2025, the Board of the County Commissioners executed a funding agreement with the District that provided for \$10,000,000 in funding for the development of the Crisis Center. That funding agreement contains a requirement that the Crisis Center be open to the public and providing services no later than 12/31/2029 or repay the contributions received from the County. Any delay in securing the land by greater than 3 months, directly impacts the District’s ability to complete the project by the milestone and jeopardizes the funding.

4.3.5 “Value” to the District Relative to the Strategic Facility Plan. The acquisition of this property would provide sufficient development potential (along with the remaining development potential at the Skilled Nursing Center Site) to accommodate all currently identified facility needs of the District including the co-location and expansion of warehouse and distribution needs and other compatible District uses. The size of the Benoist Farms Site provides sufficient area and traffic capacity for the construction without the acquisition of an additional property. So not only does this purchase accomplish the District’s policy to move to District owned land/buildings for financial and programmatic reasons, but it also accomplishes the District’s policy to co-locate compatible uses were possible in order to realize cost savings and eliminating duplicated infrastructure and operational expenses.

4.4 Second Round of Negotiations.

Since the Seller had mentioned several times that previous offers were higher than the Districts, the Staff requested a copy of the offers. The Seller provided a copy of a previous offer from August 2023 for \$16,500,000.

¹⁶ Calloway & Price Appraisal

¹⁷ Calloway & Price Appraisal

Then, the District became aware via the South Florida Business Journal of a very recent sale of similarly situated property (40 acres of light industrial property immediately south of Fire Rescue Headquarters) with access from Benoist Farms Rd with a purchase price of \$1,650,000/per acre which would equate to a value of \$15,955,000 for the Benoist Farms Site.

In order to move forward, the District made a subsequent Conditional Offer of \$16,500,000, which was countered by the Seller with \$16,750,000 which ultimately became the agreed upon purchase price. *It should be noted that while Staff was using the original appraisal as the basis for the negotiation, it has, for the purposes of the District's Land Acquisition Policy, consistently reported the purchase price as a percentage of the final appraised value.*

5.0. Purchase and Sale Agreement The Purchase and Sale Agreement ("PSA" and see Exhibit 2 to this item) was negotiated by Darcy Davis, Chief Executive Officer and District employees Audrey Wolf, Facilities Development Consultant and Terry Megiveron, Construction Services Director with the assistance of Bernabe Icaza, General Counsel. The following are the key terms. OSI 100 Benoist Farms Rd, LLC, a Delaware limited liability company is the record owner of the Property with CRE Outdoor Storage Member LLC holding a 98% beneficial interest in the OSI Benoist Farms Rd, LLC.

- The property interest will be conveyed via a General Warranty Deed in as-is, where-as condition.
- Within 5 days of the Effective Date of the PSA, Seller will deliver an owner's title insurance commitment insuring the marketability of the fee simple title to the Property, with only agreed upon exceptions permitted. The District shall have 10 days after the receipt of the Title Commitment and the Survey to notify the Seller of any matters that are objectionable to the District. Within 5 days of the receipt of any objections, the Seller shall notify District that it intends to cure any defects. If the Seller determines that it is not going to cure the defects, then the District has 5 days to notify the Seller in writing of its intent to terminate the PSA. This will end Inspection Period One and the District's rights to terminate the PSA for matters of due diligence and title. All costs associated with title insurance commitment and premiums will be paid by the Seller. If the District elects endorsements to the policy, those endorsements shall be at the District's expense.
- Within 5 days of the Effective Date of the PSA, the District shall deposit \$200,000 with the escrow agent which will be nonrefundable at the end of the Inspection Period One. The deposit will be released to the Seller at closing and will be credited against the purchase price.
- Inspection Period Two is a 10 day limited purpose inspection period to occur after the Seller completes all work required by the SFWMD Consent Order for the sole purpose of ensuring that the Seller's contractor did not alter or create a defect inconsistent with the requirements of the PSA.
- Closing will take place when: 1) Seller has provided the District with written evidence satisfactory to the District (i) that all requirements of the SFWMD Consent Order have been complied with which includes having to obtain written confirmation from SFWMD by September 1, 2025, and (ii) successful completion to Inspection Period Two, 2) Seller has performed all of the covenants and obligations 3) representations and warranties identified are true and correct, and 4) title company is ready, willing and able and irrevocably committed to issue a title policy in the face amount of the

Purchase price. The conditions to closing are for the exclusive benefit of the District and may be unilaterally waived by the District. If any of these conditions are not fulfilled by September 22, 2025, then the District shall have the right to; 1) terminate the agreements, or 2) waive such unsatisfied condition and proceed to closing of the transaction.

- The purchase price is \$16,750,000 due at closing. At closing, the Recording costs will be paid by the District. Documentary Stamps fees will be paid by the Seller.
- In the event of a default by the Seller, the District shall have the right to; 1) terminate the Agreement, have the deposit returned and up to \$25,000 in expenses, 2) grant Seller a reasonable amount of time to cure the default, or 3) seek specific performance. In the event of a default by the District, the Seller shall have the right to terminate the PSA or grant the District a reasonable amount of time to cure the default.

6.0 Conclusion: The average of the two appraisal values is \$12,675,000 and the purchase price is \$16,750,000 (32% or \$4,075,000). Nonetheless, for the reasons listed in Section 4.4 of this report, Staff believes it is in the best interest of the Crisis Center and the District in terms of furthering its strategic facility objectives, to move forward with the purchase of the 100 N. Benoist Farms Rd. property with a purchase price of \$16,750,000.

7.0 Attachments to Exhibit 1

- A. SMA/WGI Task 1 Work Product
- B. SMA/WGI Task 3 Work Product – Site Assessment 100 N. Benoist Farms Rd.
- C. SMA/JFO Group Inc Task 3 Work Product – Supplement to Site Assessment at 100 N. Benoist Farms Rd
- D. SMA/WGI Task 2 Work Product – Site Assessment Edward J. Healey Skilled Nursing and Rehabilitation Center.
- E. Callaway & Price Appraisal Dated January 24, 2025
- F. Callaway & Price Appraisal Dated March 26, 2025
- G. Colliers Appraisal Dated March 11, 2025
- H. Colliers Appraisal Dated March 28, 2025.

[Benoist Packet Crisis Center Exhibit 1 A-H.pdf](#)

Exhibit 2

Purchase and Sale Agreement

AGREEMENT FOR PURCHASE AND SALE

between

**HEALTH CARE DISTRICT OF PALM BEACH COUNTY,
AN INDEPENDENT SPECIAL TAXING DISTRICT CREATED PURSUANT TO
CHAPTER 2003-326, LAWS OF FLORIDA, AS AMENDED,
by and through its Board of Commissioners**

as Purchaser

and

**OSI 100 BENOIST FARMS ROAD, LLC, a Delaware limited liability company
as Seller**

AGREEMENT FOR PURCHASE AND SALE

This Agreement for Purchase and Sale is made and entered into June 11, 2025, by and between **HEALTH CARE DISTRICT OF PALM BEACH COUNTY**, an independent special taxing district created pursuant to Chapter 2003-326, Laws of Florida, as amended, hereinafter referred to as (“**District**”) and **OSI 100 BENOIST FARMS ROAD, LLC**, a Delaware limited liability company hereinafter referred to as the (“**Seller**”).

W I T N E S S E T H:

1. **DEFINITIONS.** The following terms as used herein shall have the following meanings:

1.1 **“Agreement”** - this instrument, together with all exhibits, addenda, and proper amendments hereto.

1.2 **“Closing and Closing Date”** - the consummation of the transaction contemplated hereby which shall be held upon the date reflected in Section 9.2 of this Agreement, unless extended by the terms of this Agreement, or by mutual consent of the parties.

1.4 **“Effective Date”** - the Effective Date of this Agreement shall be the date upon which the Health Care District of Palm Beach County Board of Commissioners approves this Agreement at a formal meeting of the Board, but in no event later than June 13, 2025.

1.5 **“Inspection Period One”** – that certain period of time commencing upon the Effective Date and terminating fifteen (15) days thereafter for reviewing and inspecting the Property and related documents pursuant to Section 5.1.

1.6 **“Inspection Period Two”**- that certain period of time commencing after Seller has provided, to the reasonable satisfaction of District, proof of SFWMD’s confirmation that all requirements of the OSI Consent Order were completed and terminating ten (10) days thereafter. If Inspection Period Two ends before the time period provided in Inspection Period One, then the period provided by Inspection Period One shall be the time period for Inspection Period Two.

1.7 **“Permitted Exceptions”** – real estate taxes for the year of 2025 and future years, which are not yet due and payable, together with any other title and survey matters that may be accepted in writing by the District or deemed accepted in accordance with Section 6 below.

1.8 **“Personal Property”** - All of Seller’s right, title and interest, if any, in and to all of the following items, to the extent assignable: (i) governmental approvals, licenses, and

permits relating to the Property, (ii) architectural and civil plans, specifications, drawings, surveys, engineering reports and other technical information that relate to the development, construction, design, ownership, use, leasing, maintenance or operation of the Real Property (to the extent in Seller's possession or reasonable control), (iii) other non-proprietary records owned by Seller and used in connection with the operation of the Property or any part thereof, together with all additional items of personal property located upon the Real Property at Closing. Any items of personal property remaining upon the property at Closing shall, at the option of District, become the property of District and may be retained by or disposed of by District at its sole discretion.

1.9 **"Property"** - the Real Property and Personal Property.

1.10 **"Purchase Price"** - the price set forth in or determined in accordance with Section 3.1 of this Agreement

1.11 **"Real Property"** - the land legally described in Exhibit "A" attached hereto and made a part hereof, together with all improvements situate thereon, and all appurtenances to such land or improvements, including rights, privileges, easements and rights-of-way relating thereto, all right, title, and interest, if any, of Seller in and to the land lying within any street or roadway adjoining such land or any vacated or hereafter vacated street or alley adjoining said land, and all right, title, interest, privileges, estates, tenements, hereditaments, and appurtenances appertaining to the Real Property, including, without limitation, any and all streets, roads, highways, easements, accesses, and rights of way appurtenant thereto.

2. **SALE AND PURCHASE.** In consideration of the mutual covenants herein contained, and various other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller agrees to sell and convey to District and District agrees to purchase from Seller, on the terms, covenants, and conditions hereinafter set forth, the Property.

3. **PURCHASE PRICE AND METHOD OF PAYMENT.**

3.1 **Purchase Price.** The purchase price of the Property shall be Sixteen Million Seven Hundred Fifty Thousand and No/100 Dollars (\$16,750,000.00).

3.2 **Deposit.** A deposit of Two Hundred Thousand Dollars (\$200,000.00) (the "**Deposit**") shall be deposited by District with First American Title Insurance Company, attention: Angie Yarbrough (email: ayarbrough@firstam.com) (the "**Escrow Agent**" and "**Title Company**") no later than five (5) days after the Effective Date. The Deposit shall be held in escrow by the Escrow Agent in an interest-bearing account. At Closing, the Deposit shall be paid to Seller and credited against the Purchase Price due. Subject to the specific rights granted to District to terminate this Agreement and receive a return of the Deposit, the Deposit shall become nonrefundable to District upon the expiration of Inspection Period One.

3.3 **Independent Consideration.** An independent consideration of One Thousand Dollars (\$1,000.00) (the “**Independent Consideration**”) shall be deposited by District with the Escrow Agent no later than five (5) days after the Effective Date. If this Agreement is terminated, the Independent Consideration shall be paid to Seller as consideration for the making and entering into this Agreement. At Closing, the Independent Consideration shall be paid to Seller and credited against the Purchase Price due.

3.4 **Payment of Purchase Price.** On the Closing Date, District shall pay the total amount of the Purchase Price of the Property in immediately available funds via wire transfer, subject to any adjustments, credits, prorations, and fees as herein provided.

4. **ACKNOWLEDGMENTS, REPRESENTATIONS AND WARRANTIES OF SELLER.** As a material inducement for the District to enter into this Agreement, Seller hereby acknowledges, represents, and warrants to District as follows, as of the Effective Date and through the Closing Date:

4.1 **Title.** Seller is indefeasibly seized of fee simple title to the Property, and is the sole owner of and has good right, title and authority to convey and transfer the Property free and clear of all liens and encumbrances, excepting only the Permitted Exceptions.

4.2 **Public Roadway.** The Property abuts a public roadway to which access is not limited or restricted.

4.3 **Litigation, Investigation & Proceeding.** There is no litigation, investigation, or proceeding pending, or to the knowledge of Seller threatened, which relates to or adversely affects Seller’s ability to perform its obligations under this Agreement or which adversely affects the Property.

4.4 **Actions, Suits or Judgments.** There are no judicial or administrative actions, suits, or judgments affecting the Property pending, or to the knowledge of Seller threatened, which adversely affect Seller’s ability to perform its obligations under this Agreement, including, without limitation, those relating to any laws, ordinances, rules, or regulations of any governmental authority having jurisdiction of the Property.

4.5 **Intentionally Deleted.**

4.6 **Beneficial Interests Disclosure.** Simultaneously with Seller’s execution of this Agreement, Seller has executed and delivered to District the Seller’s Disclosure of Beneficial Interests attached hereto as Exhibit “D” (the “**Disclosure**”) disclosing the name and address of every person or entity having a 5% or greater beneficial interest in the ownership of the Property

as required by Section 286.23 of the Florida Statutes.

4.7 Proceedings. Other than as listed in Section 4.7.1, there are no condemnation or other land-use regulation proceedings, either instituted or planned or threatened to be instituted, with regard to the Property.

4.7.1 South Florida Water Management District (“**SFWMD**”) has a pending consent order against Seller to comply with Consent Order 2021-038-CO-ERP that became Seller’s responsibility upon purchase of the Property from the previous owner and Enforcement Case 23427 – Notice of Violation for Unauthorized Works & Violation of Consent Order (together, the “**OSI Consent Order**”).

4.7.1.1 No later than five (5) days after the Effective Date of this Agreement, Seller agrees to provide the District with a copy of the fully executed OSI Consent Order.

4.8 Improvements & Liens. On the Closing Date there will be no outstanding contracts for any improvements to the Property which have not been fully paid for and there will be no mechanics’ or construction liens against the Property or any portion thereof.

4.9 Binding Obligations. All documents executed or to be executed by Seller which are to be delivered to District at Closing will be legal, valid and binding obligations of Seller.

4.10 Title. There are no service or other contracts affecting the Property which will survive Closing.

4.11 Intentionally Deleted.

4.12 Other Sales Contracts, Rights or Options. Seller has entered into no other contracts for the sale of any portion of the Property which remain in force. There are no rights of first refusal, rights of first offer, options to purchaser or similar rights outstanding with respect to the Property.

4.13 Value. (a) Seller has provided true copies of all items in its possession or reasonable control from the requested property documentation list dated December 16, 2024 from the District, and (b) the previous letter of interest/offer (“Offer”) dated August 31, 2023 is a redacted version of a true and correct copy of a prior Offer from a private party.

4.14 Intentionally Omitted.

4.15 Hazardous Materials. To the best of Seller's knowledge, Seller has not used, is not currently using and will not in the future (for so long as Seller owns the same) use the Property for the handling, storage, transportation or disposal of hazardous materials and, to the best of Seller's knowledge, the Property has not in the past been so used.

4.16 Power & Authority. Seller is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, is qualified to do business in the State of Florida, and has authority to enter into and consummate its obligations under this Agreement. Seller has the power and authority to enter into this Agreement and the documents and instruments to be executed and delivered by Seller at Closing, and the execution, delivery and performance of this Agreement and such other documents and instruments have been duly authorized by all necessary action on Seller's part.

4.17 No Violation. Neither its entering into this Agreement nor its consummation of the transactions contemplated hereby does or will violate any provision of the organizational documents of Seller, or any indenture, agreement or order by which Seller is bound, or any rule, order, or law applicable to it.

4.18 Anti-Terrorism. Seller is not a person or entity that and shall not be a person or entity that: (a) is acting, directly or indirectly, on behalf of terrorists or terrorist organizations, including those persons or entities that are included on any of the applicable lists issued by the U.S. Office of Foreign Assets Control; (b) resides or has a place of business in a country or territory named on any of such lists or which is designated as a Non-Cooperative Jurisdiction by the Financial Action Task Force on Money Laundering; (c) is a "**Foreign Shell Bank**" within the meaning of the USA Patriot Act; or (d) resides in or is organized under the laws of a jurisdiction designated by the U.S. Secretary of the Treasury under Sections 311 or 312 of the USA Patriot Act as warranting special measures due to money laundering concerns. None of Seller, its affiliates, officers, directors, or any person or entity who owns a direct or indirect interest in Seller of ten percent (10%) or more, is a person or entity on any Government List or with whom Seller is otherwise restricted from doing business under any applicable anti-terrorism laws including the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56 (commonly known as the "**USA Patriot Act**") or Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001, as the same has been and may further be renewed or extended, the "**Executive Order**") and regulations promulgated pursuant thereto (collectively, "**Anti-Terrorism Laws**"), and to Seller's knowledge no person or entity holding a direct or indirect interest in Seller of less than ten percent (10%) is subject to any such restriction.

4.19 Bankruptcy. No bankruptcy, insolvency, reorganization, or similar action or proceeding, whether voluntary or involuntary, is pending, threatened or anticipated against Seller. Seller has not (i) made a general assignment for the benefit of creditors, (ii) filed any

voluntary petition in bankruptcy or suffered the filing of any involuntary petition by Seller's creditors, (iii) suffered the appointment of a receiver to take possession of all, or substantially all, of Seller's assets, (iv) suffered the attachment or other judicial seizure of all, or substantially all, of Seller's assets, or (v) made an offer of settlement, extension or composition to its creditors generally.

4.20 Condemnation. There is no pending, and Seller has no knowledge of any threatened, condemnation or eminent domain proceeding or investigation concerning the Property or any adjacent right of way or would result in a taking of any existing access to the Property.

4.21 No Violation. Other than the OSI Consent Order from Palm Beach County, Seller has not received any written notice from any governmental authority or any other third party, and has no knowledge, of an existing violation by Seller or the Property of (i) any federal, state, county, or municipal laws (including, without limitation, ADA as defined below), ordinances, codes, requirements, regulations, licenses, permits and authorizations, including, without limitation, any environmental law or regulation, applicable building or zoning code or ordinance, (ii) development agreement or order or similar contract with the applicable governmental authority affecting the development, construction, use or occupancy of the Property, (iii) development agreement with a private party affecting the development, construction, use or occupancy of the Property, (iv) covenants, conditions, easements, restrictions or other agreements to which Seller or the Property is bound, or (v) judgments, orders or decrees of any court having jurisdiction over Seller or the Property, except for any such matters which may have been previously cured by Seller.

4.22 No Foreign Person. Seller is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code of 1986, as amended, or any rules or regulations promulgated thereunder, or under any laws, rules or regulations of the State of Florida. Seller is not required to withhold any tax at Closing under the Internal Revenue Code or any applicable laws in the State of Florida.

4.23 Tax Appeals. Seller has not initiated, and there is no pending, tax appeals for the Property or any portion thereof.

4.24 Anti-Bribery and Anti-Money Laundering: The operations of Seller and its affiliates, officers, directors and agents have been conducted at all times in compliance with (i) the U.S. Money Laundering Control Act of 1986, as amended, (ii) the Foreign Corrupt Practices Act of 1977, as amended (the "**FCPA**"), and (iii) all other applicable laws relating to anti-corruption, anti-bribery or money laundering (collectively, the "**Anti-Bribery and Anti-Money Laundering Laws**"). No proceeding by or before any governmental authority or regulatory body involving Seller with respect to the Anti- Bribery and Anti-Money Laundering Laws or the FCPA is pending or, to the knowledge of Seller, is threatened.

4.25 Seller's Knowledge. References herein to the "Seller's knowledge," or other similar references shall be limited to the knowledge of any of Andrew Smith, OSI's founder/owner, and Chris Daniello, President OSI/owner who have significant knowledge about the Property within the Seller organization.

In the event that any of Seller's acknowledgments, representations and warranties shall be materially untrue, the same shall be considered a default for which the District shall have the rights and remedies identified in Section 16.1 hereof.

EXCEPT AS SET FORTH IN THIS SECTION 4 OR ELSEWHERE IN THIS AGREEMENT OR IN THE CLOSING DOCUMENTS, THE SALE OF THE PROPERTY BY SELLER TO DISTRICT SHALL BE ON AN AS-IS, WHERE-IS BASIS. Except as set forth above, and subject to the express representations, covenants and warranties set forth in this Agreement or in any closing documents, it is expressly understood and agreed that District is buying the Property "as-is" and "where-as" as of the time of Closing, and with all faults and defects, latent or otherwise, and that Seller is making no representations or warranties, either expressed or implied, by operation of law or otherwise, with respect to the quality, physical conditions or value of the Property, the Property's habitability, suitability, merchantability or fitness for a particular purpose; the presence of hazardous or toxic substances, materials of water, substances, contaminants, or pollutants on, under or about the Premises; or the income or expenses from or of the Property.

5. INSPECTION OF PROPERTY.

5.1 Inspection Period One. During the Inspection Period One, District and its engineers, surveyors, agents, and representatives shall have unrestricted access to the Property for purposes of survey, testing and inspection thereof. All surveys, testing and inspections shall be conducted by District at its sole expense, and shall be performed by licensed persons or firms dealing in the respective areas or matters tested. All testing shall be done in the least intrusive manner reasonably practical. Prior to entry upon the Property, District shall provide Seller with copies of certificates of insurance evidencing commercial general liability insurance policies (naming Seller as an additional insured) that shall be maintained by District and by any consultants or other third parties engaged by District in connection with District's and such consultants' and third parties' investigations upon the Property, with limits, coverages and insurers under such policies reasonably satisfactory to Seller. In the event District elects not to close upon its purchase of the Property, District shall restore the Property to the condition in which it existed prior to such inspections, using materials of like kind and quality. Seller acknowledges that District is subject to public records laws and open meeting requirements and consistent with such the results of said inspections will be publicly disclosed at an open meeting. In the event that District is not satisfied with the results of such inspections or with the Property, as determined by District in its sole and

absolute discretion, District shall have the right to terminate this Agreement at any time during the Inspection Period One by giving written notice thereof to Seller, whereupon Escrow Agent shall immediately return the Deposit to District and, upon the receipt of such Deposit by District, the parties shall be relieved of all further obligations hereunder, except as expressly set forth herein to survive the termination of this Agreement. All requirements of this Section shall be completed within the Inspection Period One.

5.2 Inspection of Property during Inspection Period Two. The District shall have the right to conduct a limited inspection solely for the purpose of confirming that the Seller's contractor did not alter or create a defect inconsistent with the requirements of this Agreement or the OSI Consent Order. In the event that District is not satisfied with the results of such inspections the District shall provide written notice to the Seller of such and allow Seller ten (10) days to remedy the concerns. In the event that District is not satisfied with the results of such attempts at remedying the concerns as determined by the District in its sole and absolute discretion, the District shall have the right to terminate this Agreement by providing written notice to the Seller.

6. EVIDENCE OF TITLE.

6.1 Within five (5) days after the Effective Date of this Agreement, Seller shall deliver to the District an owner's title insurance commitment (the "**Title Commitment**"), together with copies of all exceptions to coverage reflected therein, issued by Title Company agreeing to issue to the District upon the recording of the General Warranty Deed to the Real Property, an owner's title insurance policy in the amount of the Purchase Price, insuring District's good and marketable fee title to the Real Property, subject only to the Permitted Exceptions. The cost of said title insurance commitment and title insurance policy and any premium therefor shall be borne by Seller. District will exercise best efforts to deliver a current survey of the Real Property and all improvements thereon at or on the Effective Date to Seller (the "**Survey**").

The District shall have until the later of (i) ten (10) days after receipt of the Title Commitment and Survey, or (ii) the end of the Inspection Period One, whichever is later, in which to review same and notify Seller and the Title Company in writing of any matters shown in the Title Commitment or the Survey that are objectionable to District ("**Title Objections**"). On or before the seventh (7th) business day following Seller's receipt of District's Title Objections (the "**Seller Response Period**"), Seller or its attorneys shall notify District in writing whether Seller elects to cure such objections (and Seller's failure to timely provide such a notice shall be deemed an election by Seller not to cure any such objection). If Seller notifies District that Seller does not elect to cure any Title Objection, or if Seller is deemed to have elected not to cure any such objection, then District may either (i) terminate this Agreement by notice to Seller within seven (7) days after Seller's response or the expiration of the Seller Response Period, as applicable, whereupon, the Deposit shall be refunded to District and neither party hereto shall have any further obligations hereunder, except as expressly set forth herein to survive the termination of this

Agreement, or (ii) waive any objections which Seller elects or is deemed to elect not to cure and proceed with the Agreement. For the avoidance of doubt, if District fails to timely deliver the Title Objections, District shall be deemed to accept all matters provided in the Title Commitment and Survey.

Notwithstanding anything in this Agreement to the contrary, Seller shall cause the following to be removed from title on or before Closing, regardless of whether the District includes the following in the Title Objections: (a) any rights or claims of parties in possession not shown by the public records; (b) encroachments, overlaps, boundary line disputes and any other matters which would be disclosed by an accurate survey and inspection of the Property (provided District obtains a Survey in accordance with this Section 6); (c) easements or claims of easement not shown by the public records (provided District obtains a Survey); (d) any lien, or right to a lien, for services, labor or material heretofore or hereinafter furnished, imposed by law and not shown by the public records; (e) taxes for all years prior to the year of Closing, and taxes or special assessments which are not shown as existing liens by the public records; (f) matters arising or attaching subsequent to the effective date of the Title Commitment but before the acquisition of record of title to the Property by the District; (g) any general or specific title exceptions other than the Permitted Exceptions; (h) monetary encumbrances (including, without limitation, deeds to secure debt, mortgages, UCC financing statements, assignments of leases, notice of liens, judgment liens, and tax liens) placed on the Real Property, and (i) liens for work performed pursuant to or through a contract executed by Seller or an affiliate or representative of Seller (collectively, “**Mandatory Cure Liens**”). Mandatory Cure Liens shall not constitute Permitted Exceptions.

6.2 District may request, prior to the Closing, the title insurance commitment be updated. If the Title Commitment is updated prior to Closing and such updated Title Commitment raises exceptions to title or Survey and were not caused by District, then District shall have the right to notify Seller and the Title Company in writing of any such matters that are objectionable to District (“**Additional Title Objections**”) not later than five (5) days after District receives the updated Title Commitment or the updated Survey, or District shall be deemed to have waived such new exception or survey matter which shall therefore be deemed to be a Permitted Exception. Seller shall have the same obligations with respect to any Additional Title Objection as provided under Section 6.1 and Seller’s response shall be given within five (5) days after receipt of District’s notice of Additional Title Objections (the “**Seller Update Response Period**”). If Seller elects not to cure (or is deemed to have elected not to cure) any Additional Title Objections (subject to Seller’s obligations with respect to Mandatory Cure Liens), District’s sole remedy in such event shall be to either (i) accept title to the Property subject to such Additional Title Objections without reduction of the Purchase Price or (ii) terminate this Agreement by written notice to Seller delivered within five (5) days after (a) receipt of written notice from Seller that it is unable or unwilling to cure such Additional Title Exception or (b) the expiration of the Seller Update Response Period if Seller does not provide a response within such period, whereupon

District shall receive a refund of the Deposit and neither party hereto shall have any further obligations hereunder, except as expressly set forth herein to survive the termination of this Agreement. The scheduled Closing Date shall be extended, if and to the extent necessary, to allow the same periods of time for delivering and responding to any such further notice of Additional Title Objections pursuant to this Section 6.

6.3 From and after the Effective Date of this Agreement, Seller shall take no action which would impair or otherwise affect title to any portion of the Property, and shall record no documents in the Public Records which would affect title to the Real Property, without the prior written consent of the District, which may be withheld in its sole and absolute discretion.

7. **MAINTENANCE AND COVENANTS.**

(a) Between the Effective Date and Closing, Seller shall maintain and insure the Property in a condition substantially similar to the condition that existed as of the Effective Date; provided, however, that Seller shall be permitted to undertake any site work improvements or corrective actions required or authorized under the OSI Consent Order issued by SFWMD, including any work necessary to bring the Property into compliance with such order. Notwithstanding the foregoing, Seller shall deliver the Property at Closing free of any trash, refuse or other debris, and to Seller's knowledge in full compliance with all governmental regulations.

(b) Seller shall bear the risk of any loss, damage or casualty to the Property prior to Closing.

(c) District shall have access to the Property at any reasonable time prior to Closing to verify Seller's compliance herewith. Also, the District shall be allowed by Seller to access the Property and install electronic surveillance equipment that includes video surveillance of the Property at District's sole cost. Notwithstanding, until the Closing, the aforementioned does not relieve Seller from any of the risks and obligations referenced herein.

(d) In the event there are any changes prior to Closing to the names and addresses of the persons or entities having a 5% or greater beneficial interest in the ownership of the Property after the date of execution of the Disclosure, Seller shall immediately, and in every instance, provide written notification of such change to the District in the manner required by Section 14 of this Agreement.

8. **CONDITION PRECEDENT TO CLOSING.**

8.1 **District Conditions.** The following are conditions precedent to District's obligation to close upon its purchase of the Property:

(a) Seller shall have provided District with written evidence satisfactory to the District (i) that all requirements of South Florida Water Management District (“**SFWMD**”) Consent Order No. 2021-038-CO-ERP and Enforcement Action 23427 (a.k.a. OSI Consent Order see Section 4.7.1) have been complied with which includes having to obtain written confirmation from SFWMD confirming the same by September 1, 2025; and (ii) successful completion to Inspection Period Two.

(b) Seller shall have performed all of the covenants and obligations under this Agreement that it is obligated to perform at or prior to Closing, on or prior to the dates such performance is required hereby;

(c) Seller’s representations and warranties identified in this Agreement shall be true and correct in all material respects;

(d) there shall have been no material adverse change in the condition of the Property or the status of title to the Property, other than as specifically permitted by this Agreement; and

(e) Title Company is ready, willing and able and irrevocably committed to issue upon the Closing a standard coverage form of Title Policy, issued by Title Company, in the face amount of the Purchase Price, which policy shall show title to the Real Property and Improvements to be vested of record in the District and the Permitted Exceptions to be the only exceptions to title.

The foregoing conditions precedent are for the exclusive benefit of District and may be unilaterally waived by the District. If any of the foregoing conditions are not satisfied before September 22, 2025 , then the District shall have the right, in its sole discretion, to (a) terminate this Agreement by written notice to Seller and the Escrow Agent, in which event Escrow Agent shall immediately return the Deposit to District and, upon the receipt of such Deposit by District, the parties shall be relieved of all further obligations hereunder, except as expressly set forth herein to survive the termination of this Agreement or (b) waive such unsatisfied condition and proceed to closing of the transaction contemplated by this Agreement without any deduction of the Purchase Price.

8.2 **Seller Conditions.** The performance and observance, in all material respects, by District of all covenants and agreements of this Agreement to be performed or observed by District prior to or on the Closing Date under this Agreement shall be a condition precedent to Seller’s obligation to sell the Property.

9. **CLOSING.** The parties agree that the Closing upon the Property shall be consummated as follows:

9.1 **Place of Closing.** The Closing shall be held at the District's Home Office, 1515 N. Flagler Dr., West Palm Beach, Florida, or through mail-away escrow closing.

9.2 **Closing Date.** The Closing shall take place twenty (20) days after (1) expiration of Inspection Period Two, and (2) fulfillment of all conditions identified in Sections 5.2 and 8.1, or at such earlier date as is mutually agreed upon by the parties.

9.3 **Closing Documents.** Seller shall be responsible for preparation of all closing documents. Seller shall submit copies of same to District no less than fifteen (15) days before Closing. At Closing, Seller shall deliver, or cause to be delivered to District, the following documents, each fully executed and acknowledged as required.

9.3.1 **General Warranty Deed.** A General Warranty Deed conveying good and marketable fee simple title to the Property, subject only to the Permitted Exceptions.

9.3.2 **Seller's Disclosure of Beneficial Interests.** A Seller's Disclosure of Beneficial Interests as required by Section 286.23, Florida Statutes, which accurately discloses the name and address of any person or entity having a 5% or greater beneficial interest in the ownership of the Property as of the date of Closing. The foregoing shall be in addition to any Disclosure or notice of change thereto previously provided to District, and in the same form as previously provided to District. In the event Seller is an individual, Seller is exempt from this provision.

9.3.3 **Affidavit of Seller.** A Seller's Affidavit stating that the Property is free and clear of all encumbrances, mortgages, liens, leases, licenses, contracts or claim of rights in a form sufficient to permit the title insurer to delete the "Gap" and "Standard Exceptions" from the title insurance policy and insure District's title to the Property in accordance with Section 6 of this Agreement, subject only to the Permitted Exceptions.

9.3.4 **Non-Foreign Affidavit.** Seller represents and warrants to District that Seller is not a "foreign person" as defined by the Federal Foreign Investment in Real Property Tax Act (the "Act"). At Closing, the Seller shall execute and deliver to District a "Non-Foreign Affidavit", as required by the Act. Seller acknowledges that in the event Seller fails to deliver the Non-Foreign Affidavit, District shall be authorized to withhold from the closing proceeds an amount equal to ten percent (10%) of the gross amount of the purchase price and to remit same to the Internal Revenue Service, as required by the Act.

9.3.5 **Closing Statement.** A Closing Statement prepared in accordance with the terms hereof.

9.3.6 **Bill of Sale and General Assignment.** A Bill of Sale and General Assignment transferring all of the Personal Property by Seller to District.

9.3.7 **Updated Disclosure.** An updated Disclosure that accurately discloses the beneficial interests in the ownership of the Property at the time of Closing regardless of whether or not the information contained therein has changed from the date of execution of the original Disclosure.

9.3.8 **Additional Documents.** Seller shall also deliver and/or execute such other instruments as are necessary or reasonably required to consummate the transactions herein contemplated including, without limitation, if applicable, such documents as District or the title company may require evidencing Seller's existence, good standing, power and authority to enter into and consummate the transaction herein contemplated, and a Receipt of Real Estate Brokerage Commission and Release ("Broker's Release") in the form attached hereto as Exhibit "E" and made a part hereof.

9.4 **Possession.** At Closing, Seller shall deliver full, complete, and exclusive possession of the Property to the District.

9.5 **District's Obligations.** At Closing, District shall deliver, or cause to be delivered, to Seller the following:

9.5.1 **Cash due at Closing.** The required payment due in immediately available funds via wire transfer, subject to adjustments, credits, prorations, and fees, all as provided elsewhere herein.

9.5.2 **Statement.** A Closing Statement prepared in accordance with the terms hereof.

10. **EXPENSES.**

10.1 District shall pay the following expenses at Closing.

10.1.1 The cost of recording the deed of conveyance.

10.1.2 Any endorsements to owner's title insurance commitment and policy.

10.1.3 The cost of the Survey.

10.2 Seller shall pay the following expenses at Closing:

10.2.1 Documentary Stamps required to be affixed to the deed of conveyance.

10.2.2 All costs and premiums for the owner's title insurance commitment and policy, other than endorsements.

10.2.3 All costs necessary to cure title defect(s) or encumbrances, other than the Permitted Exceptions, and to satisfy or release of record all existing mortgages and liens upon the Property.

10.3 The Seller and District shall each pay their own attorney's fees and one-half (1/2) of the escrow fees charged by the Escrow Agent, if any.

11. **PRORATIONS.**

11.1 **Taxes.** On or before the Closing Date, Seller shall establish an escrow fund with the County Tax Collector pursuant to Florida Statutes Section 196.295, and shall pay into said escrow Seller's prorata portion of ad valorem and non-ad valorem real property taxes and assessments for the year of Closing and any prior years as determined by the Tax Collector. Seller's prorata share of all taxes and assessments shall include the day of Closing.

11.2 **Assessments.** If as of the Closing Date, assessments or charges have been imposed against the Property or any part thereof which are, or which may become payable in annual installments, the first installment of which is then a charge or lien, or has been paid, then for the purposes of this Agreement, all of the unpaid installments of any such assessments accrued through the Closing Date, shall be deemed to be due and payable and to be a lien upon the premises affected thereby, and shall be paid and discharged by the Seller on or before the Closing Date. Any other assessments not deemed to be due and payable as aforesaid which burden District owned property shall be deemed to be payable on a calendar year basis in arrears and prorated accordingly.

11.3 Should any proration not be based on the actual amount of the tax or assessments or expenses for the period in question and should such proration prove to be inaccurate upon receipt of the actual bills for the Property, then either Seller or District may demand, within six (6) months after Closing, a payment from the other party correcting such inaccurate apportionment. Upon such demand, the party owing an amount shall pay the other party the amount owed within ten (10) days of such demand.

12. **CONDEMNATION.** In the event that all or any part of the Property shall be acquired or condemned for any public or quasi-public use or purpose, or if any acquisition or condemnation proceedings shall be threatened or begun prior to the Closing of this transaction, District shall have the option (a) to either terminate this Agreement, whereupon, Escrow Agent shall immediately return the Deposit to the District and, upon receipt of the Deposit by the District, the obligations of all parties hereunder shall cease, or (b) to proceed, subject to all other terms, covenants, conditions, representations, and warranties of this Agreement, to Closing, whereupon Seller shall assign to the District any and all damages, awards, and other compensation arising from or attributable to such acquisition or condemnation proceedings. District shall have the right to participate in any such proceedings and to approve the settlement or other resolution of such proceedings.

13. **REAL ESTATE BROKER.** Seller represents and warrants to District that it has not dealt with any broker, salesman, agent, or finder in connection with this transaction other than Mr. Patrick McBride, ComReal ("**Broker**") and agrees to indemnify, defend, save, and hold District harmless from the claims and demands of any [other] real estate broker, salesman, agent or finder claiming to have dealt with Seller. Seller shall provide District with a completed Broker's Release, fully executed by Broker, Exhibit E, at Closing. All indemnities provided for in this Section shall include, without limitation, the payment of all costs, expenses and attorney fees incurred or expended in defense of such claims or demands. The terms of this Section shall survive the Closing or termination of this Agreement.

14. **NOTICES.** All notices and elections (collectively, "**notices**") to be given or delivered by or to any party hereunder shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service, or national overnight delivery service, emailed, or alternatively shall be sent by United States Certified Mail, with Return-Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services, or national overnight delivery service, or on the date of transmission with delivery confirmation if by email if transmitted before 5:00 p.m. on a business day and on the next business day if transmitted after 5:00 p.m. or on a non-business day, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designate the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

14.1 District:

Health Care District of Palm Beach County
Chief Executive Officer
Attention: Darcy J. Davis
1515 N. Flagler Dr.
West Palm Beach, Florida 33401
Email: ddavis@hcdpbc.org

With a copy to:

Office of the General Counsel
1515 N. Flagler Dr.
West Palm Beach, Florida 33401
Email: bicaza@hcdpbc.org

14.2 Seller:

OSI 100 Benoist Farms Road, LLC
800 Brickell Avenue, Suite 901
Miami, FL, 33131
Email: asmith@outourstorage.com

With a copy to:

Morris Manning & Martin, LLP
1600 Atlanta Financial Center
3343 Peachtree Road, NE
Atlanta, GA 30326
Attention: Quinten E. Wilson
Email: qwilson@mmmlaw.com; adelibrado@mmmlaw.com

Any party may from time to time change the address at which notice under this Agreement shall be given such party, upon five (5) days prior written notice to the other parties.

15. **ASSIGNMENT.** Neither District nor Seller may assign this Agreement or any interest herein without the prior written consent of the other party, which may be granted or withheld at such other party's sole and absolute discretion; provided, however, District may assign this Agreement to an entity controlled by, under common control with, or controlling the District by giving written notice of such assignment at least seven (7) business days prior to the Closing Date. Any attempted assignment, mortgage, pledge, encumbrance, or subletting in violation of

this Section 15 shall be null and void, without legal effect and shall constitute a breach of this Agreement. This provision shall be construed to include a prohibition against any assignment by operation of law, legal process, receivership, bankruptcy, or otherwise, whether voluntary or involuntary.

16. **DEFAULT.**

16.1 **Defaults by Seller.** In the event (a) Seller fails, neglects or refuses to perform any term, covenant or condition of this Agreement for which a specific remedy is not set forth in this Agreement or (b) Seller is in breach of any of its representations or other obligations under this Agreement, which failure, neglect, refusal or breach is not cured by Seller within fourteen (14) days following written notice thereof; provided, however, such notice and cure shall not apply to Seller's obligations at Closing, District shall have the right to: (1) terminate this Agreement by written notice to Seller, Escrow Agent shall immediately return the Deposit to the District and Seller shall immediately reimburse District up to a cap of \$25,000 for all reasonably documented expenses provided to the Seller by District which were incurred in connection with this Agreement, the transaction contemplated hereby and the due diligence of the Property, whereupon the parties shall be released from all obligations hereunder other than those which specifically survive termination of this Agreement; (2) grant Seller a reasonable period of time within which to cure such default during which time Seller shall utilize Seller's commercially reasonable efforts, including bringing suit, to remedy such default; or (3) seek specific performance of the terms of this Agreement so long as such action for specific performance is brought withing sixty (60) days of such default. In the event District elects option number two (2) set forth hereinabove and Seller fails or is unable to cure such default within the applicable time period, District shall have the rights identified in option numbers one (1) and three (3) set forth hereinabove. In the event District elects option number three (3) and District is unable to obtain specific performance of this Agreement as a result of Seller's conveyance, transfer or assignment of all or any portion of District's right, title or interest in or to the Property (directly or indirectly) to anyone other than District prior to the Closing Date set forth herein, District shall have the right to terminate this Agreement, immediately receive the Deposit back and pursue damages.

16.2 **Defaults by District.** In the event District fails or refuses to perform any term, covenant, or condition of this Agreement for which a specific remedy is not set forth in this Agreement and such failure or refusal is not cured by District within fourteen (14) days following written notice thereof from Seller, Seller shall have the right, as Seller's sole remedies, to: (1) terminate this Agreement at any time prior to Closing by written notice to District, in which event Seller shall retain the Deposit (including all interest earned thereon) as liquidated damages and the parties shall be released from all obligations hereunder other than those which specifically survive termination of this Agreement; or (2) grant District a reasonable period of time within which to cure such default during which time District shall utilize District's commercially reasonable efforts, including bringing suit, to remedy such default. In the event Seller elects option number

two (2) set forth hereinabove and District fails or is unable to cure such default within the applicable time period, Seller shall have the rights identified in option number one (1) hereinabove.

17. **GOVERNING LAW & VENUE.** This Agreement shall be governed by the laws of the State of Florida. Any legal action necessary to enforce the Agreement will be held in a State court of competent jurisdiction located in Palm Beach County, Florida. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity, by statute or otherwise. No single or partial exercise by any party of any right, power or remedy hereunder shall preclude any other or further exercise thereof.

18. **BINDING EFFECT.** This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective legal representatives, successors and assigns.

19. **MEMORANDUM OF AGREEMENT.** District shall be entitled to record the Memorandum of Agreement attached hereto as Exhibit "C" in the Public Records of Palm Beach County, Florida. In the event District exercises its right to terminate this Agreement, District shall deliver a termination of such Memorandum of Agreement to Seller within sixty (60) days of such termination.

20. **TIME OF ESSENCE.** Time is of the essence with respect to the performance of each and every provision of this Agreement where a time is specified for performance.

21. **INTEGRATION.** This Agreement constitutes the entire understanding and Agreement between the parties with respect to the subject matter hereof, and may not be modified or amended, except in a writing signed by all of the parties hereto.

22. **EFFECTIVE DATE OF AGREEMENT.** This Agreement is expressly contingent upon the approval of the Health Care District of Palm Beach County Board of Commissioners or person designated to execute documents on the Board's behalf, and shall become effective only when signed by all parties and approved by the Health Care District of Palm Beach County Board of Commissioners.

23. **HEADINGS.** The paragraph headings or captions appearing in this Agreement are for convenience only, are not part of this Agreement, and are not to be considered in interpreting this Agreement.

24. **CONSTRUCTION.** No party shall be considered the author of this Agreement since the parties hereto have participated in extensive negotiations and drafting and redrafting of this document to arrive at a final Agreement. Thus, the terms of this Agreement shall not be strictly

construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or provision hereof be held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Agreement and the same shall remain in full force and effect.

25. **NO THIRD PARTY BENEFICIARY.** No provision of this Agreement is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Agreement, including but not limited to any citizens of Palm Beach County or employees of District or Seller.

26. **ENTIRE UNDERSTANDING.** This Agreement represents the entire understanding between the parties and supersedes all other negotiations, representations, or agreements, written or oral, relating to this Agreement.

27. **SURVIVAL.** The parties' warranties, agreements, covenants, and representations set forth in this Agreement shall not be merged and shall survive consummation of the transaction contemplated by this Agreement for a period of six (6) months following Closing.

28. **WAIVER.** No waiver of any provision of this Agreement shall be effective against any party hereto unless it is in writing and signed by the party waiving such provision. A written waiver shall only be effective as to the specific instance for which it is obtained and shall not be deemed a continuing or future waiver.

29. **AMENDMENT.** This Agreement may be modified and amended only by written instrument executed by the parties hereto.

30. **INCORPORATION BY REFERENCE.** Exhibits attached hereto and referenced herein shall be deemed to be incorporated into this Agreement by reference.

31. **TIME COMPUTATION.** Any references in this Agreement to time periods are in calendar days excluding federal or state legal holidays. Any time period provided for in this Agreement that shall end on a Saturday, Sunday, federal or state legal holiday shall extend to 5:00 p.m. (EST) of the next day that is not a Saturday, Sunday, federal or state legal holiday.

32. **RADON GAS.** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon testing may be obtained from your County public health unit.

33. **COUNTERPARTS.** This Agreement, including the exhibits referenced herein, may be executed in one or more counterparts, all of which shall constitute collectively but one and the same Agreement. The District may execute the Agreement through electronic or manual means. Seller shall execute by manual means only, unless the District provides otherwise.

34. **COMPLIANCE WITH ANTI-HUMAN TRAFFICKING FLORIDA STATUTES, SECTION 787.06, (2024).** Seller warrants and represents that it does not use coercion for labor or services as defined in Section 787.06, Florida Statutes. Seller has executed Exhibit “F”, Anti-Human Trafficking Attestation, which is attached hereto and incorporated herein by reference.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective authorized representatives on the date(s) set forth below.

OSI 100 BENOIST FARMS ROAD, LLC

By: _____

Print Name: _____

Position: _____

Date: _____

HEALTH CARE DISTRICT OF PALM BEACH COUNTY

By: _____

Darcy J. Davis

Chief Executive Officer

Date: _____

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: _____

Bernabe A. Icaza, Esq.

General Counsel

SCHEDULE OF EXHIBITS

- EXHIBIT "A" - LEGAL DESCRIPTION
- EXHIBIT "B" - INTENTIONALLY DELETED
- EXHIBIT "C" - MEMORANDUM OF AGREEMENT
- EXHIBIT "D" - DISCLOSURE OF BENEFICIAL INTERESTS
- EXHIBIT "E" - RECEIPT OF REAL ESTATE BROKERAGE
COMMISSION AND RELEASE
- EXHIBIT "F"- COERCION OF LABOR ASSESTATION

EXHIBIT "A"

LEGAL DESCRIPTION

The Land referred to herein below is situated in the County of PALM BEACH, State of Florida and is described as follows:

Tract 31 in Block 6, THE PALM BEACH FARMS CO. PLAT NO. 3, according to the plat thereof on file in the Office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, recorded in Plat Book 2, Pages 45 to 54 inclusive, EXCEPTING therefrom the East 5 acres thereof, and EXPECTING thereof a 40 foot strip of land lying on each side of the center line of the county road.

EXHIBIT “B”

INTENTIONALLY DELETED

EXHIBIT “C”

MEMORANDUM OF AGREEMENT

Prepared By/Return To:
Bernabe Icaza, Esq, SVP & General Counsel
Health Care District of Palm Beach County
1515 N. Flagler Dr, Suite 101
West Palm Beach, FL 33401

MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT FOR PURCHASE AND SALE (the “**Agreement**”), dated _____ (Agreement # _____), by and between HEALTH CARE DISTRICT OF PALM BEACH COUNTY, an independent special taxing district created pursuant to Chapter 2003-326, Laws of Florida, as amended, hereinafter referred to as “**District**” with an address of 1515 N. Flagler Dr. Suite 101, West Palm Beach, Florida 33401, and OSI 100 Benoist Farms Road LLC, a Delaware limited liability company, with an address of 800 Brickell Avenue, Suite 901, Miami, FL, 33131 (“**Seller**”).

W I T N E S S E T H:

WHEREAS, District and Seller have entered into the Agreement pursuant to which Seller has agreed to sell to District and District has agreed to purchase from Seller the Real Property located in Palm Beach County legally described in Attachment “A” attached hereto and made a part hereof (the “**Property**”); and

WHEREAS, the parties have agreed to execute this Memorandum of Agreement for the purpose of giving public notice of the existence of the Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby acknowledge, and give notice of, the existence of the Agreement.

SECTION 1 – TERM AND TERMINATION

1.1 This Memorandum shall automatically terminate upon recording of the deed from the Seller conveying to the District the Property.

1.2 In the event District exercises its right to terminate the Agreement for Purchase and Sale, District shall deliver a termination of this Memorandum of Agreement to Seller within sixty (60) days of such termination.

SECTION 2 – PUBLIC RECORDS

2.1 District is subject to Florida’s Public Records Act, Chapter 119, Florida Statutes. As such, records created by Seller relating to this Agreement, including this Agreement may be subject to public disclosure.

IF SELLER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES TO SELLER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS OR DESIGNEE AT THE HEALTH CARE DISTRICT OF PALM BEACH COUNTY, (561) 642-1022, RECORDSCUSTODIAN@HCDPBC.ORG 1515 N. FLAGLER DRIVE, SUITE 101, WEST PALM BEACH, FL 33401.

SECTION 3 – COUNTERPARTS

3.1 This Agreement and all related documents may be executed in two or more counterparts, each of which shall be deemed to be an original, and each of which together shall constitute one and the same instrument. This Agreement and any signed agreement or instrument entered into in connection herewith or contemplated hereby, and any amendments hereto or thereto, to the extent signed and delivered by means of digital imaging, electronic mail or a facsimile machine, shall be treated in all manner and respects as an original signature to said agreement or instrument and shall be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

SECTION 4 – ENTIRE AGREEMENT

4.1 This Memorandum is not a complete summary of the Agreement. Provisions of this Memorandum shall not be used to interpret the provisions of the Agreement, and, in the event of a conflict between this Memorandum and the Agreement, the Agreement shall control.

IN WITNESS WHEREOF, the parties have caused this Memorandum of Agreement to be executed as of the date first-above written.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOLLOWS

HEALTH CARE DISTRICT OF PALM BEACH COUNTY

By: _____
Darcy J. Davis
Chief Executive Officer

Date: _____

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: _____
Bernabe A. Icaza, Esq.
General Counsel

(witness signatures are not required if Agreement terms will be satisfied within a year)
Signed and delivered
in the presence of:

Witness Signature

Print Witness Name
Address: _____

Witness Signature

Print Witness Name
Address: _____

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing Memorandum of Agreement was acknowledged before me, by means of [] physical presence or [] online notarization this ____ day of _____, 2025, by _____ the _____ of **HEALTH CARE DISTRICT OF PALM BEACH COUNTY**, (____) who is personally known to me OR (____) who produced _____ as identification and who (____) did (____) not take an oath.

Notary Public

Print Notary Name

NOTARY PUBLIC
State of Florida at Large

My Commission Expires: _____

Date of Execution by Seller:

Signed and delivered in the presence
of two witnesses for Seller:

_____, 20__

By: _____
Signature

“SELLER”

Print Name
Address: _____

By: _____
Signature

By: _____
Signature

Print Signatory's Name
Its: _____, President

Print Name
Address: _____

(SEAL) **OR**
(SEAL) (corporation not for profit)

STATE OF FLORIDA
COUNTY OF PALM BEACH

The foregoing Memorandum of Agreement was acknowledged before me by means of [] physical presence or [] online notarization this ____ day of _____, 20__, by ____ the _____ of _____ (_____) who is personally known to me OR (_____) who produced _____ as identification and who (____) did (____) not take an oath.

Notary Public

Print Notary Name

NOTARY PUBLIC
State of Florida at Large

My Commission Expires: _____

ATTACHMENT "A"

LEGAL DESCRIPTION OF REAL PROPERTY

The Land referred to herein below is situated in the County of PALM BEACH, State of Florida and is described as follows:

Tract 31 in Block 6, THE PALM BEACH FARMS CO. PLAT NO. 3, according to the plat thereof on file in the Office of the Clerk of the Circuit Court in and for Palm Beach County, Florida, recorded in Plat Book 2, Pages 45 to 54 inclusive, EXCEPTING therefrom the East 5 acres thereof, and EXPECTING thereof a 40 foot strip of land lying on each side of the center line of the county road.

EXHIBIT “D”

**SELLERS DISCLOSURE OF BENEFICIAL INTERESTS
BENEFICIAL INTEREST AND DISCLOSURE AFFIDAVIT**

STATE OF FLORIDA

COUNTY OF PALM BEACH

Before me, the undersigned authority, personally appeared, _____
 (“Affiant”) this ____ day of _____, 2025, who, first being duly sworn, as required by law,
 subject to the penalties prescribed for perjury, deposes and says:

1. Affiant has read the contents of this Affidavit, has actual knowledge of the facts contained herein, and stated the facts contained herein are true, correct, and complete.
2. That OSI 100 Benoist Farms Road LLC, a Delaware limited liability company, whose principal address is 800 Brickell Avenue, Suite 901, Miami, FL, 33131 (the “Disclosing Entity”) is the record owner of the real property more particularly described as Attachment “A” of the Agreement for Purchase of Sale, attached hereto and made a part hereof (hereinafter called the “Premises”). The following is a list of every “person” (as defined in Section 1.01(3), Florida Statutes) holding a beneficial interest in the Disclosing Entity:

Name	Address	Interest
	Same as above	
	Same as above	
	Same as above	
	Same as above	
	Same as above	
	Same as above	
	Same as above	
	Same as above	

Remainder of this page intentionally left blank
Signature page follows

FURTHER AFFIANT SAYETH NOT.

AFFIANT

By: _____

SWORN TO and subscribed before me this ____ day of _____, 2025, by
_____. Such person(s). (Notary Public must check applicable box):

☐ is/are personally known to me.

☐ produced a current driver license(s)

☐ produced _____ as identification

(NOTARY PUBLIC SEAL)

Notary Public

(Print, Type or Stamp Name of Notary Public)

EXHIBIT “E”

RECEIPT OF REAL ESTATE BROKERAGE COMMISSION AND RELEASE

The undersigned, _____ (“Broker”), the Broker of _____ (“Company”) (hereinafter collectively referred to as “Realtor”), does hereby acknowledge receipt of \$ _____ (___% of Purchase Price) as payment of the real estate brokerage commission due to Realtor in connection with the transaction between _____, as Seller, and Health Care District of Palm Beach County, as District, and the subsequent transfer, pursuant to the terms of the Agreement between such parties of the property described in Schedule “A” attached hereto and made a part hereof. Realtor does hereby acknowledge receipt of such payment as full settlement of and hereby releases District from any and all claims relating to real estate commissions, services fees, finders fees, costs and expenses (if any) payable unto or claimable by Broker, Company, its agents, affiliates, officers or employees relating to the transaction.

Dated this _____ day of _____ 20____.

Signed, sealed and delivered
in the presence of:

Witness

Print Name of Witness

Witness

Print Name of Witness

By: _____
Signature

Print Name

Its: Broker

EXHIBIT “F”

ANTI-HUMAN TRAFFICKING ATTESTATION

Seller does not use coercion for labor or services as defined in section 787.06, Florida Statutes (2024).

Under penalties of perjury, I declare that I have read the foregoing statement and that the facts stated in it are true.

Printed Name:

Title:

Signature:

Date:

Exhibit 3

Finance and Audit Committee Agenda of May 21, 2025

**Benoist Purchase and Sale Agreement Agenda Item from the
Finance & Audit Committee Meeting on May 21, 2025**



FINANCE AND AUDIT COMMITTEE MEETING AGENDA

May 21, 2025 at 1:00pm

1515 N Flagler Drive, Suite 101

West Palm Beach, FL 33401

Remote Participation Link:

<https://zoom.us/j/5507895592?pwd=REZ4TWtYUXowQWNpWTBaVXRzZldDQT09>

Telephone Dial-in Access: (646) 558-8656 / Meeting ID: 550 789 5592 / Password: 946503

1. Call to Order – Carlos Vidueira

- A. Roll Call
- B. Affirmation of Mission: The mission of the Health Care District of Palm Beach County is to be the health care safety net for Palm Beach County. Our vision is meeting changes in health care to keep our community healthy.

2. Agenda Approval

- A. Additions/Deletions/Substitutions
- B. Motion to Approve Agenda

3. Awards, Introductions and Presentations

4. Disclosure of Voting Conflict

5. Public Comment

6. Meeting Minutes

- A. **Staff Recommends a MOTION TO APPROVE:**
Finance and Audit Committee Minutes of March 12, 2025 [Pages 1-4]



7. **Consent Agenda – Motion to Approve Consent Agenda Items**

HEALTH CARE DISTRICT

A. ADMINISTRATION

7A-1 RECEIVE AND FILE:

May 21, 2025 Internet Posting of District Public Meeting

<https://www.hcdpbc.org/EventViewTrainingDetails.aspx?Bck=Y&EventID=344&m=0|0&DisplayType=C>

7A-2 RECEIVE AND FILE:

Finance and Audit Committee Attendance [Page 5]

8. **Regular Agenda**

A. ADMINISTRATION

8A-1 Staff Recommends MOTION TO APPROVE:

Benoist Purchase and Sale Agreement – (Audrey Wolf) [Pages 6-26]

8A-2 Staff Recommends MOTION TO APPROVE:

Atlantis Purchase (Audrey Wolf) [Page 27-37]

9. **CEO Comments**

10. **CFO Comments**

11. **Finance and Audit Committee Member Comments**

12. **Establishment of Upcoming Finance and Audit Committee Meetings**

June 11, 2025

- 2:00PM, Joint Meeting with the Health Care District

September 17, 2025

- 4:00PM, Joint Meeting with the Health Care District Board

December 10, 2025

- 12:00PM, Finance and Audit Committee Meeting

13. **Motion to Adjourn**

HEALTH CARE DISTRICT FINANCE AND AUDIT COMMITTEE

1. **Description: Benoist Purchase and Sale Agreement**

Purchase and Sale Agreement (PSA) for 9.67 acres of unimproved real property located at 100 N. Benoist Farms Rd ("Property") for the development of the Crisis Center for Mental Health and Substance Abuse.

2. **Summary:**

Board Policy LEG 1000, approved June 2024, states "The Finance Committee shall review all real estate transactions involving the purchase of real property, which involves one or more of the following: a) a purchase in which the purchase price of the real property is greater than one hundred ten percent (110%) of the fair market value as determined by the appraisal or the average of the appraisals, b) appraisal(s) with hypothetical conditions or extraordinary assumptions, or c) change of land use, a comprehensive plan amendment or concurrency from that which currently exists." There are no hypothetical conditions or extraordinary conditions, and the Property does not require a land use change for the District's use. The average fair market value price of the two appraisals performed on the Property came in at \$12,675,000 after factoring in the cost to build a bridge to access the Property (\$1.3M), and the negotiated purchase price is \$16,750,000 or 32% above appraised value.

It is Staff's opinion that the value of the Property to District warrants payment of the Property at the negotiated price and is in the District's best interest. In addition to this Property enabling the opening of the Crisis Center in the shortest time of any property evaluated, Staff believes the price is appropriate for the value to the District due to; 1) the decreasing availability of land sites that meet the size, locational and adjacent use criteria needed by the District, 2) increasing cost to develop (both design and construction), 3) time delay potentially jeopardizing County funding contribution, and 4) "value" to the District Relative to the Strategic Facility Plan.

3. **Substantive Analysis:**

Palm Beach County faces a mental health crisis with inconsistent services. The main providers are Emergency Departments and the jail. In 2022, over 27,000 patients sought mental health care through ER or hospitalization. There have been 7,000 Baker Acts issued, impacting 316 individuals repeatedly, affecting patients, families, and the community.

The current ad-hoc approach to behavioral health services in Palm Beach County does not provide effective or comprehensive crisis treatment or ongoing medical

HEALTH CARE DISTRICT FINANCE AND AUDIT COMMITTEE

services. It can overwhelm facilities and is financially inefficient. There is a need for a coordinated behavioral health care system in the county.

The District has initiated efforts to establish the necessary infrastructure to serve as the central access point for such a system. Communities across the nation that have adopted the Crisis Now model have realized a 35% cost savings.

The proposed location provides a central access point for crisis care. The crisis care model supports patients during crises, stabilizes and treats them appropriately, and provides a medical home for ongoing care. Continuous care enhances patient resilience by equipping them with tools to prevent relapse, crises, or worsening symptoms. The envisioned Crisis Center will operate 24/7 for both adult and pediatric patients, offering inpatient and outpatient services, including an on-site pharmacy and integrated primary care for overall wellness. This will alleviate the burden on existing partners while promoting sustainable wellness for individuals experiencing crisis. The model adheres to national best practice guidelines for crisis care systems established by the Substance Abuse and Mental Health Services Administration (SAMHSA).

The coordinated care system has garnered support from community partners, the public with existing needs for comprehensive behavioral health services, and the Board of County Commissioners, all emphasizing the urgent need to proceed with this initiative.

Timeliness in opening the facility to provide services has been crucial throughout the site evaluation and negotiation processes. With timing being one of the most critical components in Staff's analysis of the potential sites and the Benoist Farms Site in particular, the following set forth the reasoning behind this Site and the purchase price. See Exhibit 1, Section 4.3 for additional details about these topics.

- There is a decreasing availability of land sites that meet the size, locational and adjacent use criteria (no adjacent residential land uses) needed by the District.
- The increasing costs associated with the development (design and construction).
- The potential to jeopardize County funding contribution if secondary site search and/or extended development timeframes associated with a more complicated site.
- The "value" this site brings to the District relative to the Strategic Facility Plan.

Exhibit 1 to this Finance Committee agenda item includes: 1) narrative/project description, 2) copies of appraisals, location maps, surveys, environmental audits, site assessments and other consultant reports, including any other pre-purchase due diligence utilized to determine valuation, 3) identification of transaction parties, 4) disclosure of representatives including brokers, land planners, lobbyists,

HEALTH CARE DISTRICT
FINANCE AND AUDIT COMMITTEE

consultants, etc., 5) disclosure of any contemplated land use, zoning, or pending development applications, 6) discussion of valuation issues, 7) summary of negotiation history.

4. Fiscal Analysis & Economic Impact Statement:

The numbers shown (except for land acquisition) are based on a 60,000-sf building which is the estimated square footage, pre-programming and design and include contingencies.

Dollars shown in 1000s

Fiscal Years	2025	2026	2027	2028	2029	Total
Capital Expenditures	<u>\$16,750</u> ¹ <u>\$ 4,000</u> ² <u>\$14,000</u> ³ <u>\$ 3,000</u> ⁴		<u>\$66,000</u> ⁵ <u>\$15,000</u> ⁶ <u>\$27,000</u> ⁷			<u>\$ 145,750</u> ⁸
Capital Contributions	<u>(\$10,000)</u> ⁹					<u>(\$10,000)</u> ¹⁰
Net Program Development Expenses *						<u>\$ 135,750</u>

Is Item included in Current Budget:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does this item include the use of Federal Funds?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does this item include the use of State Funds?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

¹ The purchase price of the land.

² The estimate of program management services that will be incurred over the course of the project.

³ The estimate of design services to be incurred over the course of the project. This includes any specialty consultants or professionals hired directly by the District or its design professional.

⁴ The estimated portion of the construction costs that are being allocated to early construction packages including securing the site after closing, construction of the canal crossing/bridge to the property, and pre-construction services for the construction manager.

⁵ The estimated construction costs for the project, not including the early construction expenses and pre-construction services that were included in footnote 4.

⁶ The estimated costs for furniture, fixtures and equipment (FFE), medical equipment and IT equipment.

⁷ The total contingency needed for the project and containing two components: 1) standard escalation to 2025 estimated expenses for start of construction at 5.25% annually, and 2) overall program contingency which encompasses any type of change from tariff impact and material cost changes to changes in programmatic requirements (square footage increases) to change orders.

⁸ The projected development costs.

⁹ Capital revenue from the \$10M County Funding Agreement

¹⁰ Capital revenue from the \$10M County Funding Agreement

HEALTH CARE DISTRICT FINANCE AND AUDIT COMMITTEE

*Non-budgeted expenditures in excess of \$250,000 require Finance and Audit Committee review and Board approval.

Recommended Sources of Funds/Summary of Fiscal Impact:

The total cost to develop the Crisis Center is estimated to be \$145,750,000; inclusive of land acquisition, program management service fees, design services fees, construction management fees, furniture fixture and equipment (FFE), medical equipment, information technology expenses, as well as a contingency, as detailed in the footnotes to the table. A \$10 million capital contribution will serve as a one-time capital contribution towards the land and design of the project.

The estimated operating expenses are \$35 million annually, and what is shown represents 6 months of ramp-up expenses to coincide with an opening in August/September 2029.

Reviewed for financial accuracy and compliance with purchasing procedure:

Signed by:

CA6A21FF2E09481...

Jessica Cafarelli
VP & Chief Financial Officer

5. Recommendation:


Staff recommends that the Finance and Audit Committee submit to the Board for approval a purchase and sale agreement to acquire 9.67 acres of unimproved real property located at 100 N. Benoist Farms Rd, West Palm Beach, FL with a total purchase price of \$16,750,000.

Approved for Legal sufficiency:

Signed by:

0CF6F7DB6706434...

Bernabe Icaza
SVP & General Counsel

DocuSigned by:

1F272D34C8B04A5...

Belma Andric, MD
EVP & Chief Medical Officer

Signed by:

77A3B53589A1477...

Darcy J. Davis
Chief Executive Officer



HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE JOINT MEETING JUNE 11, 2025

1. **Description: Contract for Program Management Services**

2. **Summary:**

Pursuant to this contract, CES Consultants will provide program management services (a.k.a owner's representation services) for various District capital projects including but not limited to the Crisis Center for Mental Health and Substance Abuse. This is a term contract, and service authorizations (PMSA) will be issued on an as-needed basis up to the budgeted amount for each project. The contract has an overall duration of five (5) years.

3. **Substantive Analysis:**

In February 2025, the District issued RFP #2025PM01 seeking proposals for program management services for various District capital projects including, but not limited to the Crisis Center for Mental Health and Substance Abuse. Following the requirements of state statute that govern the selection of program managers and the District's Purchasing Policy, the District conducted a competitive qualification based selection. Six (6) firms submitted proposals but one was found to be non-responsive. The shortlist committee reduced the five (5) responsive proposers to three (3). CES Consultant, Inc. was ranked by the Final Selection Committee as the most qualified for this contract and has identified Jacobs Program Management Co. as a subconsultant. The evaluation criteria included; 1) qualifications and related program management experience of the firm (15 pts), 2) proposed project staff and functions (25 pts), 3) program management approach/comprehensive program management services (25 pts), 4) volume of previous work (5 pts), 5) location of the firm's offices (5 pts), and 6) pricing (25 pts).

CES proposal states that it "has successfully delivered program and project management services for major public infrastructure initiatives throughout South Florida. The CES Team's distinguished track record includes managing multi-phased capital improvement programs, ensuring quality, cost control, and schedule adherence. Notably, our key personnel played a pivotal role in the \$1.4 Billion Jackson Health System (JHS) Miracle Bond Building Program, one of the largest healthcare construction programs in the U.S. Our proposed Principal/Project Executive, Juan Alfonso, AIA, NCARB, RID, CCM, served as Program Executive, with our proposed Project Manager, Tom Koulouris, acting as Senior Program Manager Lead. Their leadership in managing complex healthcare infrastructure projects



HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE JOINT MEETING JUNE 11, 2025

demonstrates our ability to successfully oversee the development of the District's Behavioral Health Coordinated Care Center and other capital projects."

CES is a local firm with offices throughout Florida, New York, New Jersey and Washington D.C. CES has a local office in Palm Beach County although the assigned Project Manager may also work from the District's Home Office. CES disclosed no conflicts of interest.

CES may supply a Principal/Project Executive, Sr. Project Manager, Project Manager, Field Representative and/or Cost Estimator to assist the District, as specifically described in each PMSA. CES's personnel and/or subconsultants, will perform program management services which include; 1) planning and coordination, 2) design/document review, 3) construction phase coordination and review, 4) budget and schedule management, and 5) general project management.

The proposals submitted identified the maximum hourly rate that can be charged for each position. The labor rates of the CES and any subconsultant shall not exceed the actual hourly raw rates or the services rendered by personnel multiplied by an overhead and profit factor. The labor rates and overhead and profit factors are subject to audit, upon request. Actual hours will be billed. The hourly raw labor rates listed shall remain in effect for a period of two (2) years from the date of Contract execution. At the end of each one year period thereafter, if the cost of living index supports an increase, an increase of up to three percent (3%) may be allowed to the raw labor rates for each one year term the five-year term of the contract.

CES and its subsidiaries or affiliates will be precluded from responding to any future RFPs or bids for any District design and/or construction management projects. This restriction may or may not apply to CES's subconsultants, as determined in the sole and absolute discretion of the Board.

4. Fiscal Analysis & Economic Impact Statement:

	Current FY Amounts	Total Amounts (Current + Future)	Budget
Capital Requirements	\$4,000,000	\$4,000,000	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Net Operating Impact	N/A	N/A	Yes <input type="checkbox"/> No <input type="checkbox"/>

*Non-budgeted expenditures in excess of \$250,000 require Finance and Audit Committee review and Board approval. Reviewed for financial accuracy and compliance with purchasing procedure:



**HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE JOINT
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JUNE 11, 2025**

The contract does not have a maximum amount, but instead is limited by the budget allocated for the projects. Each PMSA will identify the specific expenditure and will be reviewed and signed-off by the CFO for budget availability prior to review and execution by the CEO. The \$4,000,000 is the total estimated amount for this contract over the course of the Crisis Center project and does not represent actual expenditures in FY 2025 and is the subject of a budget amendment in FY 2025 on this same agenda.

Signed by:

CA6A21FF2B9481
Jessica Cafarelli
VP & Chief Financial Officer

5. Reviewed/Approved by Committee:

N/A

Committee Name

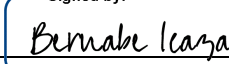
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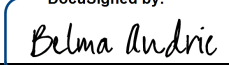
Date Approved

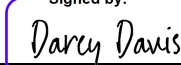
6. Recommendation:

Staff recommends the Board approve the term contract for Program Management Services with CES Consultants, Inc., subject to the approval of the budget amendment later on this agenda.

Approved for Legal sufficiency:

Signed by:

0CF6F7DB67064B
Bernabe Icaza
SVP & General Counsel

DocuSigned by:

1F272D34C8B04A5
Belma Andric, MD
EVP and Chief Medical Officer

Signed by:

77A3B53589A1477
Darcy J. Davis
Chief Executive Officer

7. Attachment: Contract between the District and CES Consultants, Inc.

**HEALTH CARE DISTRICT OF PALM BEACH COUNTY
BOARD OF DIRECTORS**

TERM CONTRACT FOR PROGRAM MANAGEMENT SERVICES

JUNE 11, 2025

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CONTRACT FOR PROGRAM MANAGEMENT SERVICES

This Contract (hereinafter "Contract") is made as of _____ by and between HEALTH CARE DISTRICT OF PALM BEACH COUNTY, an independent special taxing district created pursuant to Chapter 2003-326, Laws of Florida, as amended, hereinafter referred to as "DISTRICT", and CES Consultants Inc, a Florida corporation authorized to do business in the State of Florida, hereinafter referred to as PROGRAM MANAGER, whose Federal I.D. number is 65-0792884.

WHEREAS, the DISTRICT desires to retain the services of a PROGRAM MANAGER to assist DISTRICT in administering and managing DISTRICT's capital improvement program, including but not limited to; project planning, design oversight, construction contract management, field representation services and related services as more specifically described in Exhibit A;

WHEREAS, the DISTRICT issued a Notice and Request for Proposals #2025PM01 ("RFP") for the provision of program management services for various District capital projects including but not limited to the Crisis Center for Mental Health and Substance Abuse; and the PROGRAM MANAGER's proposal ("Proposal"), in response thereto, was selected through a competitive proposal process as the most advantageous to the DISTRICT; and

WHEREAS, the RFP and the Proposal are by this reference, expressly incorporated into and made a part of this Agreement as if set forth in full.

NOW, THEREFORE, in consideration of the mutual promises and consideration contained herein, the DISTRICT and the PROGRAM MANAGER agree as follows:

SECTION 1 - DEFINITIONS

Additional Services: services requested pursuant to a Program Manager Professional Services Authorization (PMSA) that are not described in Basic Services. Additional Services to a PMSA may be authorized through the execution of a Supplement to a PMSA.

Basic Services: all services described under Section 2 of this Contract and/or in the Scope of Work attached hereto as **Exhibit A** and/or included a PMSA.

Board: means the Health Care District of Palm Beach County Florida Board of Commissioners.

Capital Building Program: all building projects; including but not limited to, land acquisition/ lease, new construction, renewal/replacement projects, renovations, restorative work, identified as a capital improvement in the DISTRICT's approved budget.

CSD: Director of Construction Services Division of the Support Services Department.

Contract or Contract: consists of this Contract, the Request for Proposals, PROGRAM MANAGER's proposal and presentation, any PMSAs and Supplements to a PMSA when executed and any notice to proceed under the Contract or a PMSA or a Supplement; all of which are incorporated herein by reference.

DISTRICT Representative: The Director of the DISTRICT's Construction Services Division who reports to the Director of Support Services Department.

Governing Order of the Contract: is defined to be as follows: The Contract includes various documents which are essential parts for the services to be provided by the PROGRAM MANAGER. A requirement occurring in one is as binding as though occurring in all. In case of discrepancy, the following precedence will govern the interpretation of the Contract:

1. This Contract and any amendments to this Contract;
2. PMSAs and Supplements to a PMSA;
3. Notices to Proceed;
4. Request for Proposals;
5. PROGRAM MANAGER's proposal and presentation.

In the event that any conflicts cannot be resolved by reference to this "Governing Order of the Contract" definition, then DISTRICT shall resolve the conflict in any manner which is acceptable to DISTRICT and which comports with the overall intent of the Contract.

PROGRAM MANAGER: the firm selected to perform the services under this Contract.

Program Manager Services Authorization or PMSA: a document issued pursuant to this Contract that assigns a task under this Contract to the PROGRAM MANAGER which includes an agreed upon scope of work, payment terms, schedule, deliverables and other contract requirements.

Supplement: an amendment to an existing Program Manager Services Authorization.

Capitalized terms not defined in this Contract will have the meaning defined in the Construction/Contract Documents.

SECTION 2 - BASIC SERVICES OF PROGRAM MANAGER

2.1 BASIC SERVICES.

The basic services to be provided by the PROGRAM MANAGER and the scope of work for this Contract are described in **Exhibit A** to this Contract which is incorporated herein.

2.2 ASSIGNMENT OF WORK.

No minimum amount of services or compensation is guaranteed to the PROGRAM MANAGER. This is not an exclusive contract. The DISTRICT may enter into similar contracts with other firms to provide the same or similar services or use in-house staff during the term of this Contract.

2.3 LIMITATION ON PROGRAM MANAGER.

The PROGRAM MANAGER and its subsidiaries or affiliates are precluded from responding to future RFPs or bids specifically related to projects managed under this contract until the expiration of the term of this contract. This restriction may, or may not apply to the PROGRAM MANAGER's subconsultants depending on their involvement in any PSMAs issued and such subconsultants should contact the Director of Construction Services on a case by case basis to determine whether they are restricted from bidding or proposing until the expiration of the term of this contract.

2.4 ADDITIONAL WORK.

The types of individual services to be assigned to PROGRAM MANAGER under this Contract may include, but not necessarily limited to those listed in **Exhibit A**. Additional work may be authorized as provided for in Section 3 of this Contract.

2.5 DISTRICT POLICIES AND PROCEDURES.

In the performance of this Contract, the PROGRAM MANAGER (and any employees of PROGRAM MANAGER, subconsultants hired by PROGRAM MANAGER and/or employees of subconsultants hired by PROGRAM MANAGER) shall become familiar with and perform such services in accordance with the policies and procedures of the DISTRICT which access to will be provided by the DISTRICT promptly after the Effective Date of this Contract. The PROGRAM MANAGER will be promptly notified of any new policies and procedures which effect the work under this Contract or changes or updates to such policies and procedures with reasonable advance notice. If PROGRAM MANAGER fails to comply with the DISTRICT Policies and Procedures, it may be considered in material breach of this Contract and DISTRICT shall have the right to exercise any and all remedies available to it, including but not limited to Contract termination pursuant to the provisions of Section 8.2 of this Contract, and requiring PROGRAM MANAGER to re-perform work at no additional cost to the DISTRICT.

2.6 CONFLICT OF INTEREST.

In addition to the PROGRAM MANAGER's continuing compliance with the DISTRICT Policies and Procedures, the PROGRAM MANAGER acknowledges and agrees that conflict of interest or the appearance of conflict of interest are a continuing concern for the DISTRICT regarding the PROGRAM MANAGER's performance of services under this Contract. All information and discussions concerning upcoming or active solicitations that PROGRAM MANAGER and its employees obtain or become aware of through their work under this Contract, shall be held confidential to the extent permitted by law and shall not be disclosed, discussed, or revealed to contractors, consultants or persons desiring to provide services to the DISTRICT (or their employees, agents or representatives), and PROGRAM MANAGER shall direct all inquiries from entities or persons desiring to provide services to the DISTRICT to the Director of the DISTRICT's Construction Services Division.

2.7 SELECTION COMMITTEES.

No employee of the PROGRAM MANAGER, nor any employee of a subconsultant hired by the PROGRAM MANAGER, may serve or participate as a voting member on any DISTRICT selection committee, unless specifically authorized in writing by the DISTRICT's Chief Executive Officer.

2.8 FEES.

The fees associated with the Basic Services are described in **Exhibit B** to this Contract. The fees associated with any Additional Services under this Contract will be authorized by a PMSA.

2.9 DISPUTES AND SPECIFIC PERFORMANCE.

All services will be performed by the PROGRAM MANAGER to the satisfaction of the DISTRICT's Director of Construction Services or his designee. The DISTRICT will decide all questions, difficulties and disputes of any nature whatsoever that may arise under or by reason of the Contract, the prosecution and fulfillment of the services hereunder and the character, quality, amount and value thereof; and the decision upon all claims, questions and disputes will be final and binding upon the parties hereto. At all times the PROGRAM MANAGER shall continue to perform the services required under this Contract and maintain its schedule. In no event will the filing of a claim or the resolution or litigation thereof through administrative procedures or the courts relieve the PROGRAM MANAGER from the obligation to timely perform the services required hereunder.

SECTION 3 – MODIFICATIONS OF WORK/ADDITIONAL SERVICES

3.1 NOTICE OF CHANGE.

The DISTRICT reserves the right to make changes in the Scope of Work for each PMSA issued under this

Contract, including alterations, reductions therein or additions thereto. Upon receipt by the PROGRAM MANAGER of the DISTRICT's notification of a contemplated change, the PROGRAM MANAGER shall promptly, in writing; (1) provide a detailed estimate for the increase or decrease in cost, if any, due to the contemplated change, (2) notify the DISTRICT of any estimated change in the completion date, and (3) advise the DISTRICT in writing if the contemplated change shall affect the PROGRAM MANAGER's ability to meet the schedule of a PMSA issued under this Contract.

If the DISTRICT so instructs in writing, the PROGRAM MANAGER shall suspend work on that portion of the PMSA Scope of Work affected by a contemplated change, pending the DISTRICT's decision regarding the proposed change.

3.2 AMENDMENT.

If the DISTRICT elects to make the change, the DISTRICT shall issue a Supplement to an existing Program Manager Service Authorization; and the PROGRAM MANAGER shall not commence work on any such change until such Supplement has been signed by the PROGRAM MANAGER and approved and executed by the DISTRICT.

SECTION 4 - DISTRICT'S RESPONSIBILITIES

DISTRICT shall do the following in a timely manner so as not to delay the services of the PROGRAM MANAGER:

4.1 DISTRICT REPRESENTATIVE.

The DISTRICT's Representative with respect to the services to be rendered under this Contract is Director of the DISTRICT's Construction Services Division. The DISTRICT Representative shall have complete authority to transmit instructions, receive information, interpret and define DISTRICT's policies and decisions with respect to PROGRAM MANAGER's services.

4.2 CONTRACT REQUIREMENTS.

As requested, in writing by PROGRAM MANAGER, the DISTRICT will provide all criteria and full information as to DISTRICT's requirements for this Contract.

4.3 NOTICE.

The DISTRICT will give prompt written notice to PROGRAM MANAGER whenever DISTRICT observes or otherwise becomes aware of any development that affects the scope or timing of PROGRAM MANAGER's services.

SECTION 5 - PERIODS OF SERVICE

The period of service and the Contract term shall commence upon the approval and execution of this Contract by both parties and continue for a period of five (5) years, unless otherwise terminated as provided for in Section 8.2 of this Contract.

SECTION 6 - PAYMENTS TO PROGRAM MANAGER

6.1 LABOR RATES FOR BASIC SERVICES.

Labor rates of PROGRAM MANAGER and any subconsultants shall not exceed the actual hourly raw labor rates for services rendered by PROGRAM MANAGER personnel, multiplied by an overall overhead and profit factor.

The schedule of hourly labor rates by labor category as set forth in **Exhibit B** is attached hereto and made a part hereof. The labor rates listed on **Exhibit B** are all-inclusive and fully-burdened. PROGRAM MANAGER is not entitled to reimbursement of any expenses for Basic Services.

The rates listed in **Exhibit B** shall remain in effect for a period of two years from the date of contract execution. At the end of this initial two year period, the hourly raw labor rates may be re-negotiated if requested by the PROGRAM MANAGER; and, if the cost of living index supports an increase, an increase of up to three percent (3%) may be allowed for each one year period thereafter. Any such increase will be negotiated and supported by calculations using the Consumer Price Index – All Urban Consumers (CPI-U) Miami-Fort Lauderdale-West Palm Beach, FL.

The overhead and profit factor set forth in **Exhibit B** will remain in effect for the five year term of this Contract for the labor categories listed.

Salary costs for PROGRAM MANAGER as shown on **Exhibit B** and for any subconsultants are the maximum billing rates which are provisional, subject to audit of actual costs and if the audit discloses that the actual costs are less than the costs set forth in **Exhibit B** for the PROGRAM MANAGER or for any subconsultant, PROGRAM MANAGER shall reimburse the DISTRICT based upon the actual costs determined by the audit.

6.2 PMSAs FOR BASIC SERVICES.

Each PMSA issued under this Contract will include the positions authorized, the labor rates authorized in accordance with this Section 6 and **Exhibit B**, the estimated labor hours and the not to exceed amount for the PMSA. PROGRAM MANAGER shall only bill DISTRICT for actual labor hours. The DISTRICT shall not be obligated to reimburse the PROGRAM MANAGER for costs incurred in excess of the total not to exceed cost amount of each PMSA. The PROGRAM MANAGER shall notify the DISTRICT's Representative in writing when 70% of the not to exceed amount has been reached. Upon such notice, the DISTRICT shall promptly review the project status and determine whether additional funding will be required to complete the approved scope of work.

6.3 COMPENSATION FOR ADDITIONAL SERVICES

PROGRAM MANAGER will be compensated for Additional Services requested under this Contract on either: 1) a fixed price/lump sum basis, or 2) a time charge/not-to-exceed basis, as identified on any applicable PMSA.

6.3.1 When Additional Services are to be compensated on a fixed price/lump sum method of compensation, as identified on a PMSA, then the DISTRICT and PROGRAM MANAGER shall mutually agree to a fixed price/lump sum fee for the Additional Services along with a detailed Scope of Work. Prior to execution of the fixed price/lump sum PMSA, the PROGRAM MANAGER shall have submitted to the DISTRICT's Representative a detailed cost proposal including the estimated labor hours, raw labor rates, overhead/fringe factor and profit factor, subcontractual services, and other related costs supporting the proposed Scope of Work. Labor Rates are subject to the requirements of Section 6.1 above. The fixed price/lump sum fee shall include all services required to complete the Scope of Work including labor, overhead/fringe and profit, and costs as part of the fixed price/lump sum.

6.3.2 When Additional Services are to be compensated on a time charge/not to exceed method of compensation in a PMSA, then the PROGRAM MANAGER will submit a not to exceed budget to the DISTRICT's Representative for prior approval based on estimated labor hours, raw labor rates overhead/fringe factor and profit factor, subcontractual services, and other related costs supporting the proposed Scope of Work. Labor Rates are subject to the requirements of Section 6.1 above. The DISTRICT shall not be obligated to reimburse the PROGRAM MANAGER for costs incurred in excess of the total not to exceed amount. The PROGRAM MANAGER shall notify the DISTRICT's Representative in writing when 90% of the not to exceed amount has been reached.

6.4 PROGRESS PAYMENTS.

The PROGRAM MANAGER will invoice the DISTRICT monthly for services rendered via a pay application.

For PMSAs with fixed price/lump sum fee services, monthly progress payments will be made based upon the percentage of Work completed to date ("Percent Complete"), as calculated by the PROGRAM MANAGER's invoice and accepted by the DISTRICT's Representative. The Percent Complete shall be determined by reference to the Schedule of Values of the PMSA, which allocates the total contract price among the various elements of the Work.

For PMSA services to be compensated on a time charge/not to exceed method of compensation, the PROGRAM MANAGER shall maintain accurate and contemporaneous records of all labor hours and subconsultant fees incurred in the performance of the PMSA. Pay applications submitted by the PROGRAM MANAGER will itemized by demonstrating labor hours incurred by each of the subconsultant's employees in the performance of the PMSA multiplied by the applicable hourly labor rate.

6.5 APPROVAL PROCESS.

Pay applications received from the PROGRAM MANAGER pursuant to this Contract will be reviewed and approved by the DISTRICT's Representative or his/her designee, indicating that services have been received, and then will be sent to the Finance Department for payment. Pay applications must reference the Contract and project number and applicable Program Manager Service Authorization. DISTRICT shall provide PROGRAM MANAGER with a written notice of disputed pay application/invoice within 10 days after receipt of such invoice which clearly states any and all deficiencies in PROGRAM MANAGER's invoice that will prevent prompt processing and issuance of payment. To the extent there is an undisputed portion of the pay application that can be paid, the DISTRICT shall proceed with prompt payment of that portion of the pay application. Pay applications will be paid in accordance with the Local Government Prompt Payment Act.

6.6 FINAL PAYMENT.

In order for both parties to close their books and records, the PROGRAM MANAGER will clearly state Final on the PROGRAM MANAGER's final/last billing to the DISTRICT for each PMSA. This shall constitute PROGRAM MANAGER's certification that all services have been properly performed and all charges and costs have been invoiced to DISTRICT for each PMSA. Since the account for such PMSA will thereupon be closed, any and other further charges to that PMSA, if not properly included on this final invoice for that PMSA, are waived by the PROGRAM MANAGER.

6.7 RIGHT OF OFFSET.

Except for issues arising from contract indemnification provisions, the DISTRICT will have the right to retain out of any payment due the PROGRAM MANAGER under this Contract an amount sufficient to satisfy any undisputed amount due and owing to the DISTRICT by the PROGRAM MANAGER under this Contract. The DISTRICT may withhold payment on any invoice in the event that the PROGRAM MANAGER is in default under any provision of this Contract as of the time of processing the invoice or as of the time payment is made available on the invoice. This right to withhold will continue until such time as the default has been cured, and, upon cure, the DISTRICT will have the right to retain an amount equal to the damages suffered as a result of the default.

SECTION 7 – RESERVED

SECTION 8 - GENERAL CONSIDERATIONS

8.1 STANDARD OF CARE.

The PROGRAM MANAGER has, during the selection process for this Contract, represented to DISTRICT that the PROGRAM MANAGER is possessed of that level of skill, knowledge, experience and expertise that is commensurate with firms of national repute in the areas required for the services that may be assigned under this

Contract. PROGRAM MANAGER acknowledges that DISTRICT has relied on PROGRAM MANAGER's representations of skill, knowledge, experience and expertise. By executing this Contract, PROGRAM MANAGER agrees that PROGRAM MANAGER will exercise that degree of care, knowledge, skill, and ability as other professionals possessing the degree of skill, knowledge, experience and expertise which PROGRAM MANAGER has claimed. PROGRAM MANAGER shall perform such duties as may be assigned without neglect.

The PROGRAM MANAGER shall not be responsible for the means, methods, techniques, sequences and operations of construction or safety precautions and programs except as provided in this Contract.

8.2 TERMINATION.

This Contract may be canceled by the PROGRAM MANAGER upon sixty (60) days prior written notice to the DISTRICT in the event of substantial failure by the DISTRICT to perform in accordance with the terms of this Contract through no fault of the PROGRAM MANAGER. It may also be terminated, in whole or in part, by the DISTRICT, with cause upon ten (10) business days written notice to the PROGRAM MANAGER or without cause upon thirty (30) business days written notice to the PROGRAM MANAGER. Unless the PROGRAM MANAGER is in breach of this Contract, the PROGRAM MANAGER shall be paid for services rendered to the DISTRICT's satisfaction through the date of termination. In no event, whether termination is with or without cause, shall the DISTRICT be liable for any lost profits, lost opportunity damage, or consequential damages. After receipt of a termination notice and except as otherwise directed by the DISTRICT, the PROGRAM MANAGER shall:

- a. Stop work on the date and to the extent specified.
- b. Terminate and settle all orders and subcontracts relating to the performance of the terminated work.
- c. Transfer all work in process, completed work, and other materials related to the terminated work to the DISTRICT.
- d. Continue and complete all parts of the work that have not been terminated.

Should a termination for breach later be declared wrongful, said termination shall be considered and treated as a termination without cause.

Notwithstanding any breach of this Contract by either party nor the status of payment to the PROGRAM MANAGER, nor the DISTRICT's exercise of its rights of termination, it is hereby agreed between the parties that copies of all work product and deliverables created specifically for the DISTRICT under this Contract shall be the property of the DISTRICT, excluding PROGRAM MANAGER's pre-existing intellectual property, proprietary tools and methodologies, and general knowledge. PROGRAM MANAGER shall retain ownership of its pre-existing intellectual property rights.

8.3 TRUTH-IN-NEGOTIATIONS CERTIFICATE.

Signature of this Contract by the PROGRAM MANAGER shall act as the execution of a truth-in-negotiation certificate certifying that the wage rates and costs used to determine the compensation provided for in this Contract are accurate, complete and current as of the date of the Contract and no higher than those charged the PROGRAM MANAGER's most favored customer for the same or substantially similar service.

The said rates and costs shall be adjusted to exclude any significant sums should the DISTRICT determine that the rates and costs were increased due to inaccurate, incomplete or noncurrent wage rates or due to inaccurate representations of fees paid to outside consultants. The DISTRICT shall exercise its rights under this Certificate within one (1) year following final payment. DISTRICT has the authority and right to audit PROGRAM MANAGER's records under this provision.

8.4 PERSONNEL

- 8.4.1 Representations. The PROGRAM MANAGER represents that it has, or will secure at its own

expense, all necessary personnel required to perform the services under this Contract. Such personnel shall not be employees of or have any contractual relationship or conflicting relationship with the DISTRICT.

All of the services required herein shall be performed by the PROGRAM MANAGER or under its supervision, and all personnel engaged in performing the services shall be fully qualified and, if required, authorized or permitted under state and local law to perform such services.

Any changes or substitutions in the PROGRAM MANAGER's key personnel or subconsultants as listed in PROGRAM MANAGER's proposal and/or presentation to the DISTRICT's selection committee must be made known to the DISTRICT's Representative and written approval must be granted by the DISTRICT before said change or substitution can become effective.

The PROGRAM MANAGER represents and warrants that all services shall be performed by skilled and competent personnel to the professional standard of care set forth in Section 8.1 above.

All of the PROGRAM MANAGER's personnel (and all subcontractors) will comply with all DISTRICT requirements covering conduct, safety, and security while on DISTRICT premises.

8.4.2 PROGRAM MANAGER's Representative. PROGRAM MANAGER shall advise the DISTRICT of the name of its proposed senior project manager (the Senior Project Manager) for this Contract. The Senior Project Manager shall not be removed from his/her responsibilities on this Contract without the written consent of the DISTRICT. The DISTRICT shall retain reasonable right of approval of the PROGRAM MANAGER's designated Senior Project Manager and the right to require the PROGRAM MANAGER to replace its designated Senior Project Manager with another individual acceptable to the DISTRICT.

8.5 CRIMINAL HISTORY RECORDS CHECK.

The PROGRAM MANAGER, PROGRAM MANAGER'S employees, subcontractors/subconsultants of PROGRAM MANAGER and employees of subcontractors/subconsultants shall comply with DISTRICT's Screening Policy and Procedure HOHR118 and Physical Access and Control Policy HCDDSS0002-A ("Policies"), for unescorted access to DISTRICT facilities ("Facilities"). The PROGRAM MANAGER is solely responsible for the financial, schedule, and/or staffing implications of the Policies. Further, the PROGRAM MANAGER acknowledges that its price for any services authorized under this Contract includes any and all direct or indirect costs associated with compliance with the Policies, except for the applicable FDLE fees that shall be paid by the DISTRICT.

This Contract may include sites and/or buildings which may be deemed to require either a Level I or Level II criminal history record check pursuant to the Policies. DISTRICT staff representing the DISTRICT department will contact the PROGRAM MANAGER and provide specific instructions for meeting the requirements of these Policies.

Each individual undergoing a criminal history background check is required to have his/her own unique email address in order to comply with security awareness training. If an employee of PROGRAM MANAGER does not have his/her own unique email address, PROGRAM MANAGER agrees to provide one to that employee.

Individuals passing the background check will be issued a badge. PROGRAM MANAGER shall make every effort to collect the badges of its employees and its subconsultants' employees upon conclusion of the contract work and return them to the DISTRICT. If the PROGRAM MANAGER or its subconsultant terminates an employee who has been issued a badge, the PROGRAM MANAGER must notify the DISTRICT within 2 hours. At the time of termination, the PROGRAM MANAGER shall retrieve the badge and return it to the DISTRICT in a timely manner. The DISTRICT reserves the right to suspend any consultant that; 1) is not in compliance with the requirements of the Policy as may be amended, 2) does not immediately contact the DISTRICT regarding a terminated employee or subconsultant employee, or 3) fails to make a good faith effort to comply with the badge retrieval policy.

8.6 RESERVED

8.7 NON-DISCRIMINATION.

The DISTRICT and its affiliated entities is committed to assuring equal opportunity in the award of contracts and complies with all laws prohibiting discrimination. The PROGRAM MANAGER warrants and represents that throughout the term of the Contract, including any renewals thereof, if applicable, all of its employees are treated equally during employment without regard to race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity or expression, or genetic information. Failure to meet this requirement shall be considered default of the Contract.

As a condition of entering into this Contract, the PROGRAM MANAGER represents and warrants that it will comply with the DISTRICT'S Non-Discrimination Policy. As part of such compliance, the PROGRAM MANAGER shall not discriminate on the basis of race, color, ethnicity or national origin, religion, creed, language, ancestry, sex, age, marital status, familial status, sexual orientation, gender identity or expression, disability, or genetic information in the solicitation, selection, hiring or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall the PROGRAM MANAGER retaliate against any person for reporting instances of such discrimination. The PROGRAM MANAGER understands and agrees that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification or debarment of the company from participating in DISTRICT contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party. PROGRAM MANAGER shall include this language in its subcontracts.

8.8 INDEPENDENT CONTRACTOR RELATIONSHIP.

The PROGRAM MANAGER is, and shall be, in the performance of all work, services and activities under this Contract, an Independent Contractor, and not an employee, agent, representative or servant of the DISTRICT. All persons engaged in any of the work or services performed pursuant to this Contract shall at all times, and in all places, be subject to the PROGRAM MANAGER's sole direction, supervision, and control. The PROGRAM MANAGER shall exercise control over the means and manner in which it and its employees, sub-consultants and suppliers perform the work, and in all respects the PROGRAM MANAGER's relationship and the relationship of its employees to the DISTRICT shall be that of an Independent Contractor and not as employees or agents of the DISTRICT. ACCORDINGLY, NO RIGHTS OR INTERESTS GRANTED HEREIN BY DISTRICT SHALL BE DEEMED TO CONFER ANY RIGHTS OF SOVEREIGN IMMUNITY TO PROGRAM MANAGER, ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, INDEPENDENT CONTRACTORS, SUBCONTRACTORS AND REPRESENTATIVES, AND AS SUCH, ALL RIGHTS AND INTERESTS OF SOVEREIGN IMMUNITY SHALL BE STRICTLY LIMITED TO DISTRICT UNDER THE LAWS AND CONSTITUTION OF THE STATE OF FLORIDA.

PROGRAM MANAGER shall not for itself, and it shall ensure that its officers, directors, employees, agents, independent contractors, subcontractors and representatives do not assert as a defense or claim any rights of sovereign immunity in any legal or other proceeding. PROGRAM MANAGER agrees to indemnify, defend, and hold DISTRICT harmless from and against any and all liabilities, damages, claims, losses, including attorney's fees and costs at all levels of trial and appeal, resulting from a breach of this paragraph by PROGRAM MANAGER and any of its officers, directors, employees, agents, independent contractors, subcontractors and representatives.

The PROGRAM MANAGER does not have the power or authority to bind the DISTRICT in any promise, agreement or representation.

The PROGRAM MANAGER represents that all subconsultant agreements entered into shall incorporate by reference the terms and conditions of this Contract, and further warrants that the DISTRICT is an intended express third party beneficiary of any such subcontract.

8.9 CONTINGENT FEES.

The PROGRAM MANAGER warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for the PROGRAM MANAGER to solicit or secure this Contract and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee

working solely for the PROGRAM MANAGER, any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award of making of this Contract.

8.10 AUTHORITY TO PRACTICE.

The PROGRAM MANAGER hereby represents and warrants that it has and will continue to maintain all licenses and approvals required to conduct its business, and that it will at all times conduct its business activities in a reputable manner. Proof of such licenses and approvals shall be submitted to the DISTRICT's Representative upon request.

All final plans, documents, reports, studies and other data prepared by the PROGRAM MANAGER shall bear the professional's seal/signature, in accordance with the applicable Florida Statutes.

8.11 TAXES.

The DISTRICT is exempt from payment of Florida State Sales and Use Taxes. The DISTRICT will sign an exemption certificate submitted by the PROGRAM MANAGER. The PROGRAM MANAGER shall not be exempted from paying sales tax to its suppliers for materials used to fulfill contractual obligations with the DISTRICT. The PROGRAM MANAGER is not authorized to use the DISTRICT's Tax Exemption Number in securing such materials.

The PROGRAM MANAGER shall be responsible for payment of its own and its share of its employee's payroll, payroll taxes, and benefits with respect to this Contract.

8.12 AVAILABILITY OF FUNDS.

The DISTRICT's performance and obligation to pay under this Contract is contingent upon an annual appropriation for its purpose by the Board.

Notwithstanding anything in this Contract to the contrary, in the event that no funds are appropriated or budgeted by the Health Care District of Palm Beach County's or DISTRICT's governing board in any fiscal year to pay the costs associated with DISTRICT's obligations under this Contract, or in the event the funds budgeted or appropriated are, or are estimated by DISTRICT to be, insufficient to pay the costs associated with DISTRICT's obligations hereunder in any fiscal period, then DISTRICT will notify PROGRAM MANAGER of such occurrence and either DISTRICT or PROGRAM MANAGER may terminate this Contract by notifying the other in writing, which notice shall specify a date of termination no earlier than twenty-four (24) hours after giving of such notice. Termination in accordance with the preceding sentence shall be without penalty or expense to DISTRICT of any kind.

8.13 INSURANCE.

8.13.1 Requirements. PROGRAM MANAGER shall maintain, at its sole expense, in full force and effect at all times during the term of this Contract, insurance coverage and limits (including endorsements) as described herein. Failure to maintain at least the required insurance shall be considered default of the Contract. The requirements contained herein, as well as DISTRICT's review or acceptance of insurance maintained by PROGRAM MANAGER, are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by PROGRAM MANAGER under this Contract. PROGRAM MANAGER agrees to notify the DISTRICT at least ten (10) days prior to cancellation, non-renewal or material change to the required insurance coverage. Where the policy allows, coverage shall apply on a primary and non-contributory basis.

8.13.2 Commercial General Liability. PROGRAM MANAGER shall maintain Commercial General Liability at a limit of liability not less than \$1,000,000 per occurrence, \$2,000,000 aggregate to protect PROGRAM MANAGER from claims for damages for bodily and personal injury, including wrongful death, as well as from claims of property damages which may arise from any operations under this Agreement, whether such operations be by PROGRAM MANAGER or by anyone directly employed by or contracting with PROGRAM MANAGER. The policy shall include a

standard form of cross liability clause and cover all liability arising out of completed operations; personal injury; Broad Form Property Damage including all explosion, collapse and underground hazards; independent professionals; and contractual liability, including but not limited to, liability assumed by the PROGRAM MANAGER under this Contract. Coverage shall not contain any endorsements excluding Contractual Liability or Cross Liability.

Additional Insured Endorsement: The Commercial General Liability policy shall be endorsed to include, "Health Care District of Palm Beach County, an independent special district, its Board, Officers, Employees and Agents" as an Additional Insured. A copy of the endorsement shall be provided to DISTRICT upon request.

8.13.3 Reserved

8.13.4 **Workers' Compensation Insurance & Employer's Liability.** PROGRAM MANAGER shall maintain Workers' Compensation & Employer's Liability in accordance with Chapter 440, Florida Statutes.

8.13.5 **Professional Liability.** PROGRAM MANAGER shall maintain Professional Liability, or equivalent Errors & Omissions Liability, at a limit of liability not less than \$1,000,000 each occurrence and \$2,000,000 per aggregate. When a self-insured retention (SIR) or deductible exceeds \$10,000, DISTRICT reserves the right, but not the obligation, to review and request a copy of PROGRAM MANAGER's most recent annual report or audited financial statement. For policies written on a "claims-made" basis, PROGRAM MANAGER warrants the Retroactive Date equals or precedes the effective date of this Contract. In the event the policy is canceled, non-renewed, switched to an Occurrence Form, retroactive date advanced, or any other event triggering the right to purchase a Supplement Extended Reporting Period (SERP) during the term of this Contract, PROGRAM MANAGER shall purchase a SERP with a minimum reporting period not less than three (3) years after the expiration of the contract term. **The requirement to purchase a SERP shall not relieve the PROGRAM MANAGER of the obligation to provide replacement coverage.** The Certificate of Insurance providing evidence of the purchase of this coverage shall clearly indicate whether coverage is provided on an "occurrence" or "claims-made" form. If coverage is provided on a "claims-made" form the Certificate of Insurance must also clearly indicate the "retroactive date" of coverage.

8.13.6 Reserved

8.13.7 **Waiver of Subrogation.** Except where prohibited by law, PROGRAM MANAGER hereby waives any and all rights of Subrogation against the DISTRICT, its officers, employees and agents for each required policy, except Professional Liability. When required by the insurer, or should a policy condition not permit an insured to enter into a pre-loss agreement to waive subrogation without an endorsement, then PROGRAM MANAGER shall notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy that includes a condition to the policy specifically prohibiting such an endorsement, or voids coverage should PROGRAM MANAGER enter into such an agreement on a pre-loss basis.

8.13.8 **Comprehensive Automobile Liability.** PROGRAM MANAGER shall provide for all of PROGRAM MANAGER's owned, non-owned and hired vehicles, protecting the PROGRAM MANAGER against damages arising from bodily injury (including death) and from claims for property damage arising out of the use or the operations of the PROGRAM MANAGER, its sub-contractors or agents under this Contract. **This insurance shall be for an amount acceptable to the DISTRICT and shall in any event not be less than \$1,000,000.00 inclusive of any one accident.**

8.13.9 **Policy Requirements.** The insurance policies must provide coverage for the PROGRAM MANAGER's services in connection with this Project, which is a healthcare facility. The insurance policies must not exclude hospitals, nursing homes, rehabilitation centers, or other healthcare

facilities (regardless of size and height).

- 8.13.10 **Certificate(s) of Insurance.** On execution of this Contract, renewal of the Contract, within forty-eight (48) hours of a request by DISTRICT, or upon expiration of any of the required coverages throughout the term of the Contract, PROGRAM MANAGER shall deliver to the DISTRICT or to DISTRICT's designated representative a signed a Certificate(s) of Insurance evidencing that all types and minimum limits of insurance coverage required by this Contract have been obtained and are in force and effect.

Certificates for the DISTRICT shall be addressed to:

Health Care District of Palm Beach County
c/o General Counsel
1515 N. Flagler Dr., Ste. 101
West Palm Beach, FL 33401

- 8.13.11 **Right to Revise or Reject.** DISTRICT, by and through its Legal Department, in cooperation with the contracting/monitoring department, reserves the right to review, modify reject or accept any required policies of insurance, including limits, coverage, or endorsements, herein from time to time throughout the term of this Contract.

8.14 **OWNERSHIP OF DOCUMENTS.**

The PROGRAM MANAGER shall deliver to the DISTRICT's Representative, for acceptance, and before being eligible for final payment of any amounts due, all documents and materials prepared by and for the DISTRICT under this Contract.

All information and data obtained, developed, or supplied by the DISTRICT or at its expense will be kept confidential by the PROGRAM MANAGER and will not be disclosed to any other party, directly or indirectly, without the DISTRICT's prior written consent unless required by a lawful order.

All drawings, maps, sketches, programs, data base, reports and other data developed, utilized, or purchased under this Contract for a DISTRICT project or at the DISTRICT's expense shall be and remain the DISTRICT's property and may be reproduced and reused at the discretion of the DISTRICT. However, PROGRAM MANAGER will incur and assume no liabilities for reuse unless PROGRAM MANAGER agrees with said reuse and is compensated for any revisions necessary to update plans for Code compliance, site adaptations, or DISTRICT requested changes.

If DISTRICT requests in writing, the PROGRAM MANAGER shall return to DISTRICT any and all records, notes, and other written, printed, or tangible materials in its possession pertaining to Confidential Information immediately.

All covenants, agreements, representations and warranties made herein, or otherwise made in writing by any party pursuant hereto, including but not limited to any representation made herein relating to disclosure or ownership of documents, shall survive the execution and delivery of this Contract and the consummation of the transactions contemplated hereby.

8.15 **CONFIDENTIALITY OF INFORMATION AND COMPLIANCE WITH THE PUBLIC RECORDS LAW.**

8.15.1 **Public Records Requests.** Under Chapter 119, Florida Statutes (the Florida Public Records Law), a request to inspect or copy public records relating to a public agency's contract for services must be made directly to the public agency.

8.15.2 **Records Exempt from the Public Records Laws.** The Florida Public Records Law provides for certain

exemptions to Florida's Public Records Law to protect the security of specific governmental facilities, employees and visitors. For the same security reasons, the DISTRICT has the statutory obligation to protect such records from public disclosure and only disclose confidential and/or exempt information to a licensed engineer, architect or contractor. The purpose of this Section is to facilitate the PROGRAM MANAGER's work by making specific documents available to individuals/firms while implementing controls on the distribution of records or information which is confidential and/or exempt from the Florida Public Records Law.

8.15.3 Confidential Information. For purposes of this Section, "Confidential Information" shall include all information or material that is confidential and/or exempt according to the Florida Public Records Law. The exemptions most relevant to the PROGRAM MANAGER include, but are not limited to:

- Plans, blueprints, drawings and diagrams which depict the internal layout and structural elements of a building or other structure, owned or operated by the DISTRICT;
- Security or fire safety system plans records, information, photographs, audio and visual representations, schematic diagrams, surveys, recommendations or consultations relating directly to the physical security or fire safety of the facility or revealing security or fire safety systems;
- Threat assessments;
- Emergency evacuation plans;
- Sheltering arrangements; and/or
- Manuals for security or fire safety personnel, emergency equipment or security or fire safety training.

The PROGRAM MANAGER has an obligation to maintain the confidential status of Confidential Information. The PROGRAM MANAGER shall hold and maintain the Confidential Information in the strictest confidence for the sole and exclusive benefit of the DISTRICT. The PROGRAM MANAGER shall restrict access to Confidential Information to: 1) the PROGRAM MANAGER's employees, and/or 2) licensed architects, engineers, contractors, subcontractors (Third Parties) for the sole purpose of providing services related to this Contract. Prior to releasing any Confidential Information to a Third Party, the PROGRAM MANAGER shall require those Third Parties to execute nondisclosure restrictions at least as protective as those in this Contract and maintain a list of any Third Party to which the PROGRAM MANAGER has distributed Confidential Information. Other than as authorized above, the PROGRAM MANAGER shall not, without prior written approval of DISTRICT, publish, copy, or otherwise disclose to others any Confidential Information.

8.15.4 Disclosure Warning. If Confidential Information is in written form, the PROGRAM MANAGER shall label or stamp the materials as they are created with the Disclosure Warning described below on each and every sheet of plans, documents or reports that contains exempt information. If the PROGRAM MANAGER is distributing Confidential Information to authorized recipients, the materials and the correspondence related thereto should contain the following disclosure warning:

DISCLOSURE WARNING. THIS DOCUMENT IS EXEMPT AND OR CONFIDENTIAL UNDER SEC. 119.071, FLORIDA STATUTES. ANY ENTITY OR PERSONS RECEIVING SUCH INFORMATION SHALL MAINTAIN THE EXEMPT AND CONFIDENTIAL STATUS OF THE INFORMATION UNLESS OTHERWISE AUTHORIZED BY THE DISTRICT. THESE DOCUMENTS SHALL NOT BE DISTRIBUTED, LOANED OR COPIED WITHOUT THE WRITTEN PERMISSION OF THE DISTRICT IN ACCORDANCE WITH THE RELEVANT PROVISIONS OF FLORIDA LAW. THE DISTRICT MUST BE ADVISED IMMEDIATELY AS TO ANY CHANGES IN CUSTODIAN FROM THOSE PERSONS LISTED IN CORRESPONDENCE FOR ORIGINAL DISTRIBUTION. IF THE DOCUMENTS ARE LOST OR STOLEN, OR IF THERE IS IMPROPER DISCLOSURE OR UNAUTHORIZED USE OF THE INFORMATION IN THE DOCUMENT, UPON COMPLETION OF USE, WORK, PROJECT, OR CONTRACT, THE PROGRAM MANAGER SHALL SHRED OR BURN ANY DUPLICATE RECORDS.

8.15.5 Identifying Correspondence that May Contain Exempt or Confidential Information. In order to assist in the identification of electronic records (email) which may be exempt from public records requests and protect information that is exempt from disclosure, the PROGRAM MANAGER (as either the writer or receiver of an electronic document which may contain confidential and/or exempt information) must use the letters "PREX" (in caps) as the first four

letters of the subject line of the electronic document. The PREX identifier should be used if the email contains confidential and/or exempt information in the body and/or an attachment.

8.15.6 Notification of Improper Disclosure. DISTRICT must be notified immediately if the Confidential Information is lost or stolen or of any improper disclosure or unauthorized use of the Confidential Information. The PROGRAM MANAGER shall make a report to the DISTRICT not more than seven (7) business days after the PROGRAM MANAGER learns of such an improper disclosure or unauthorized use of the Confidential Information. The PROGRAM MANAGER's report shall identify, to the extent known, the nature of the improper disclosure or unauthorized use, the Confidential Information disclosed or used, who made the disclosure or used the information, what the PROGRAM MANAGER has done or shall do to mitigate any harmful effects of the improper disclosure or unauthorized use, and what corrective action the PROGRAM MANAGER has taken or shall take to prevent future similar unauthorized use or improper disclosure. The PROGRAM MANAGER shall provide any other such information about the unauthorized use or improper disclosure as reasonably requested by the DISTRICT. The PROGRAM MANAGER shall take all steps the DISTRICT deems advisable to mitigate, resolve and/or prevent the unauthorized use or improper disclosure of the Confidential Information.

8.15.7 Survival. The nondisclosure provisions of this Section shall survive the termination or expiration of this Contract. The PROGRAM MANAGER's duty to hold Confidential Information in confidence shall remain in effect until DISTRICT sends the PROGRAM MANAGER written notice releasing the PROGRAM MANAGER from the provisions of this Section.

8.15.8 Enforcement. The PROGRAM MANAGER understands that non-compliance with the terms of this Section may result in debarment as well as subject itself to any other remedies available to the DISTRICT at law or in equity.

IF THE PROGRAM MANAGER HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE PROGRAM MANAGER'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, PLEASE CONTACT THE CUSTODIAN OF PUBLIC RECORDS OR DESIGNEE AT: 1515 N. FLAGLER DR, SUITE 101 WEST PALM BEACH, FL 33401 OR BY EMAIL AT RECORDSCUSTODIAN@HCDPBC.ORG OR BY TELEPHONE AT 561-642-1022.

8.16 LAW AND VENUE; REMEDIES.

This Contract shall be governed by, construed and enforced in accordance with the laws of the State of Florida. The parties acknowledge that venue of all actions arising out of or related to the Contract shall be proper only in a state court of competent jurisdiction in Palm Beach County Florida.

No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

DISTRICT and PROGRAM MANAGER agree that the notice and cure provisions of Florida Statute Chapter 558 shall not apply to this Contract.

8.17 INDEMNIFICATION.

The PROGRAM MANAGER shall indemnify and hold harmless and defend the DISTRICT, its agents, its officers and employees, from and against any and all claims, liabilities, damages, losses, and costs including, but not limited to reasonable attorneys' fees, to the extent caused by the negligence, recklessness or intentionally wrongful

conduct of the PROGRAM MANAGER, and other persons employed or utilized by the PROGRAM MANAGER, in the performance of this Contract. Nothing contained in this provision or in the Contract with PROGRAM MANAGER shall be construed or interpreted as consent by DISTRICT to be sued, nor as a waiver of sovereign immunity beyond the limited waiver provided in Section 768.28, Florida Statutes, as amended from time to time. The foregoing indemnification provision shall be the only indemnification provision in this Contract or any other agreement with PROGRAM MANAGER.

If any legal action or other proceeding is brought for the enforcement of this Contract, or because of an alleged dispute, breach, default or misrepresentation in connection with any provisions of this Contract, each party shall bear its own attorney's fees, court costs and all expenses (including taxes and, without limitation, all such fees, costs, and expenses incident to appeals) incurred in that action or proceeding.

This section shall survive termination or expiration of this Contract.

8.18 CONFLICT OF INTEREST.

The PROGRAM MANAGER represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance of services required hereunder, as provided for in Chapter 112, Part III of Florida Statutes. The PROGRAM MANAGER further represents that no person having any such conflict of interest shall be employed for said performance of services. PROGRAM MANAGER shall provide DISTRICT with an executed Conflict of Interest Disclosure Form, attached as **Exhibit D** and incorporated herein.

The PROGRAM MANAGER shall, within thirty (30) business days, notify the DISTRICT's Representative, in writing, by certified mail, of all potential conflicts of interest of any prospective business association, interest or other circumstance which may influence or appear to influence the PROGRAM MANAGER's judgement or quality of services being provided hereunder. Such written notification shall identify the prospective business association, interest or circumstance, the nature of work that the PROGRAM MANAGER may undertake and request an opinion of the DISTRICT as to whether the association, interest or circumstance would, in the opinion of the DISTRICT, constitute a conflict of interest if entered into by the PROGRAM MANAGER. The DISTRICT agrees to notify the PROGRAM MANAGER of its opinion by certified mail within thirty (30) days of receipt of notification by the PROGRAM MANAGER. If, in the opinion of the DISTRICT, the prospective business association, interest or circumstance would not constitute a conflict of interest by the PROGRAM MANAGER, the DISTRICT shall so state in the notification and the PROGRAM MANAGER shall, at its option, enter into said association, interest or circumstance and it shall be deemed not in conflict of interest with respect to services provided to the DISTRICT by the PROGRAM MANAGER under the terms of this Contract.

8.19 EXCUSABLE DELAYS.

The PROGRAM MANAGER shall not be considered in default by reason of any failure in performance if such failure arises out of causes beyond the control of the PROGRAM MANAGER or its subcontractors and without their fault or negligence. Such causes include, but are not limited to, acts of God; natural or public health emergencies; labor disputes; freight embargoes; and abnormally severe and unusual weather conditions.

Upon the PROGRAM MANAGER's request, the DISTRICT shall consider the facts and extent of any failure to perform the work and, if in the opinion of the DISTRICT the PROGRAM MANAGER's failure to perform was without it or its subcontractors fault or negligence, the Contract shall be equitably adjusted to account for such excusable delay to the extent it is fully documented and supported; subject to the DISTRICT's rights to change, terminate, or stop any or all of the work at any time.

8.20 ARREARS.

The PROGRAM MANAGER shall not pledge the DISTRICT's credit or make it a guarantor of payment or surety for any contract, debt, obligation, judgment, lien, or any form of indebtedness. The PROGRAM MANAGER further warrants and represents that it has no obligation or indebtedness that would impair its ability to fulfill the terms of this Contract.

8.21 NOTICES.

All notices required in this Contract if sent to the DISTRICT shall be mailed to:

Director, Construction Services Division
Support Services Department
Health Care District of Palm Beach County
1515 N. Flagler Dr.
West Palm Beach, FL 33401

with copy to:

Director, Support Services Department
Health Care District of Palm Beach County
1515 N. Flagler Dr.
West Palm Beach, FL 33401

AND

Office of General Counsel
Health Care District of Palm Beach County
1515 N. Flagler Dr.
West Palm Beach, FL 33401

and if sent to the PROGRAM MANAGER shall be mailed to:

Charles Moseley, Sr. Vice President
CES Consultants
2056 Vista Parkway #200
West Palm Beach, FL 33411

8.22 SEVERABILITY.

If any provision(s), or portion(s) of a provision(s) of this Contract, or the application thereof to any person or circumstances shall, to any extent, be held to be invalid, illegal or unenforceable for any reason whatsoever, the validity, legality and enforceability of the remaining provision(s), or part of the provision(s), shall not in any way be affected or impaired thereby; and if possible the invalid, illegal, or unenforceable provision shall be interpreted to the fullest extent possible to be enforceable and to give effect to the intent manifested by the provision(s), or portion(s) thereof, held invalid, illegal or unenforceable.

8.23 ENTIRETY OF CONTRACTUAL AGREEMENT.

8.23.1 Entire Agreement. The DISTRICT and the PROGRAM MANAGER agree that this Contract sets forth the entire agreement between the parties, and that there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Contract may be added to, modified, superseded or otherwise altered, except by written instrument executed by the parties hereto.

8.23.2 Exhibits. This Contract includes the following exhibits, which are attached hereto and made a part hereof:

Exhibit A	-Scope of Work
Exhibit B	-Labor Rates
Exhibit C	-Insurance Certificates
Exhibit D	- Conflict of Interest Disclosure Form
Exhibit E	- Coercion of Labor Attestation

8.24 SUCCESSORS AND ASSIGNS.

The DISTRICT and the PROGRAM MANAGER each binds itself and its partners, successors, executors, administrators and assigns to the other party of this Contract and to the partners, successors, executors, administrators and assigns of such other party, in respect to all covenants of this Contract. Neither the DISTRICT nor the PROGRAM MANAGER shall assign, sublet, convey or transfer its interest in this Contract without the written consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of the DISTRICT which may be a party hereto, nor shall it be construed as giving any rights or benefits hereunder to anyone other than the DISTRICT and the PROGRAM MANAGER.

8.25 PUBLIC ENTITY CRIMES.

As provided in F.S. 287.132-133, by entering into this Contract or performing any work in furtherance hereof, the PROGRAM MANAGER certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the 36 months immediately preceding the date hereof. This notice is required by F.S. 287.133(3)(a).

8.26 RESERVED.

8.27 SCRUTINIZED COMPANIES.

8.27.1 As provided in F.S. 287.135, as amended from time to time, by entering into this Contract or performing any work in furtherance hereof, the PROGRAM MANAGER certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the Scrutinized Companies that boycott Israel List, or is engaged in a boycott of Israel, pursuant to F.S. 215.4725. Pursuant to F.S. 287.135(3)(b), if PROGRAM MANAGER is found to have been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel, this Contract may be terminated at the option of the DISTRICT.

8.27.2 **When contract value is greater than \$1 million:** As provided in F.S. 287.135, by entering into this Contract or performing any work in furtherance hereof, the PROGRAM MANAGER certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the Scrutinized Companies With Activities in Sudan List or Scrutinized Companies With Activities in The Iran Petroleum Energy Sector List created pursuant to F.S. 215.473 or is engaged in business operations in Cuba or Syria.

8.27.3 If the DISTRICT determines, using credible information available to the public, that a false certification has been submitted by PROGRAM MANAGER, this Contract may be terminated and a civil penalty equal to the greater of \$2 million or twice the amount of this Contract shall be imposed, pursuant to F.S. 287.135. Said certification must also be submitted at the time of Contract renewal, if applicable.

8.28 COMPLIANCE WITH LAWS AND REGULATIONS.

The PROGRAM MANAGER shall comply with all laws, policies and procedures, resolutions, ordinances and regulations in effect at the time of performance of services under this Contract and applicable to the services contemplated herein, to include those applicable to conflict of interest and collusion. PROGRAM MANAGER is presumed to be familiar with all federal, state and local laws, ordinances, codes and regulations that may in any way affect the services offered under this Contract.

8.29 NO THIRD PARTY BENEFICIARY.

Except as specifically and expressly provided for herein, no provision of this Contract is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Contract, including any employees of the DISTRICT and the PROGRAM MANAGER.

8.30 ACCESS AND AUDITS.

The PROGRAM MANAGER shall maintain adequate records to justify all charges, expenses, and costs incurred in estimating and performing the work under this Contract for at least five (5) years after completion or termination of this Contract. Upon ten (10) business days' prior written notice to PROGRAM MANAGER, the DISTRICT shall have access to such books, records, and documents as required in this section for the purpose of inspection or audit during normal business hours, at the PROGRAM MANAGER's place of business, provided that such inspection shall not unreasonably interfere with PROGRAM MANAGER's business operations and shall protect PROGRAM MANAGER's confidential and proprietary information.

8.31 RESERVED.

8.32 E-VERIFY - EMPLOYMENT ELIGIBILITY.

8.32.1 PROGRAM MANAGER warrants and represents that it is in compliance with section 448.095, Florida Statutes, as may be amended, and that it: (1) is registered with the E-Verify System (E-Verify.gov), and uses the E-Verify System to electronically verify the employment eligibility of all newly hired workers; and (2) has verified that all of the PROGRAM MANAGER's subconsultants performing any duties and obligations under this Contract are registered with the E-Verify System and use the E-Verify System to electronically verify the employment eligibility of all newly hired workers.

8.32.2 PROGRAM MANAGER shall obtain from each of its subconsultants an affidavit stating that the subconsultant does not employ, contract with, or subcontract with an Unauthorized Alien, as that term is defined in section 448.095(1)(k), Florida Statutes, as may be amended. PROGRAM MANAGER shall maintain a copy of any such affidavit from a subconsultant for, at a minimum, the duration of the subcontract and any extension thereof. This provision shall not supersede any provision of this Contract which requires a longer retention period.

8.32.3 DISTRICT shall terminate this Contract if it has a good faith belief that PROGRAM MANAGER has knowingly violated Section 448.09(1), Florida Statutes as may be amended.

8.32.3.1 If DISTRICT has a good faith belief that PROGRAM MANAGER's subconsultant has knowingly violated Section 448.09(1), Florida Statutes, as may be amended, DISTRICT shall notify PROGRAM MANAGER to terminate its contract with the subconsultant and PROGRAM MANAGER shall immediately terminate its contract with the subconsultant.

8.32.4 If DISTRICT terminates this Contract pursuant to the above, PROGRAM MANAGER shall be barred from being awarded a future contract by DISTRICT for a period of one (1) year from the date on which this Contract was terminated. In the event of such contract termination, PROGRAM MANAGER shall also be liable for any additional costs incurred by DISTRICT as a result of the termination.

8.33 EFFECTIVE DATE.

This Contract is expressly contingent upon the approval of the Board and shall become effective only when signed by all parties and approved by the Board. This Contract may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same contract.

8.34 COERCION OF LABOR.

PROGRAM MANAGER attests and warrants that PROGRAM MANAGER does not use coercion of labor or services as defined in section 787.06, Florida Statutes (2024). PROGRAM MANAGER or representative of PROGRAM MANAGER must sign and date the Affidavit attached as **Exhibit E** which is incorporated herein by reference.

8.35 DISCLOSURE OF FOREIGN GIFTS AND CONTRACTS WITH FOREIGN COUNTRIES OF CONCERN

Pursuant to F.S. 286.101, as may be amended, by entering into a contract or performing any work in furtherance

thereof, the PROGRAM MANAGER certifies that it has disclosed any current or prior interest of, any contract with, or any grant or gift received from a foreign country of concern where such interest, contract, or grant or gift has a value of \$50,000 or more and such interest existed at any time or such contract or grant or gift was received or in force at any time during the previous five (5) years .

IN WITNESS WHEREOF, the parties have caused this Contract to be executed by their respective authorized representatives on the date(s) set forth below.

CES CONSULTANTS, Inc.

By 

Print Name Juan Alfonso, AIA, NCARB, CCM

Position: President and Principal in Charge

Date: 6/2/25

HEALTH CARE DISTRICT OF PALM BEACH COUNTY

By _____

Darcy J. Davis
Chief Executive Officer

Date: _____

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By _____

Bernabe A. Icaza, Esq
General Counsel

EXHIBIT A

SCOPE OF WORK

Basic Services. Not all services listed in this section may be required, but PROGRAM MANAGER must be capable of performing each of the tasks and work described as set forth below. Each service authorization shall specify which services are contemplated pursuant to that specific authorization and whether the services are to be performed on a hourly basis or for a fixed fee.

Planning and Coordination. PROGRAM MANAGER will, when requested:

- 1.1 Determine phasing of work, critical paths, milestones for projects to minimize impact;
- 1.2 Set deadlines for funding, permitting, environmental review, design, and construction for the various phases/projects;
- 1.3 Assist the DISTRICT in determining the most appropriate procurement approach;
- 1.4 Assist DISTRICT staff in the procurement process for obtaining consultants, contractors and construction managers in accord with DISTRICT procurement procedures;
- 1.5 Develop and maintain a master schedule for the project, CPM analysis as needed;
- 1.6 Develop and maintain a comprehensive overall program budget and cash flow projection, including project cost estimating services;
- 1.7 Develop reporting tools to provide updates and alert the DISTRICT of issues in a timely manner;
- 1.8 Review; 1) land acquisition or lease for land to be acquired/secured and/or 2) capital funding agreement for the project and identify all provisions of that agreement which require active compliance management during the design, construction and operation phases;
- 1.9 Review all DISTRICT adopted procedures relative to design and construction and identify any gaps in procedures, standardization of forms or internal processes required; and
- 1.10 Assist DISTRICT Staff with contract administration for the design and construction contracts in accordance with DISTRICT policies and procedures.

Design/Document Reviews. PROGRAM MANAGER will, when requested:

- 1.11 Assist the DISTRICT in developing the scope of the project in coordination with various support departments/divisions and assist in scheduling and planning the work;
- 1.12 Coordinate and engage DISTRICT's user departments/divisions with projects to ensure proper basis of planning and design;
- 1.13 Review of the reports, plans and specifications prepared by the DISTRICT's consulting architectural/engineering firms;
- 1.14 Document and track all user comments and resolution to same;
- 1.15 Develop, in conjunction with the design professional and DISTRICT staff a list of all health care agencies that will have jurisdiction, or the DISTRICT desires to seek voluntary compliance with, on the Project;

1.16 Review, at each design milestone, the design against the regulatory and licensing requirement and compliance matrix;

1.17 Administer value engineering and constructability reviews and make recommendations to the DISTRICT;

1.18 Evaluate energy performance and sustainability of proposed designs and make recommendations for alternative designs that are consistent with the DISTRICT policies on same;

1.19 Coordinate with Facilities Services Division to create design standards for use on other future DISTRICT owned new and renewal/replacement projects;

1.20 Ensure that the design is responsive any land acquisition/lease requirements and follow-up as necessary; and

1.21 Develop, in conjunction with the design professional and construction manager, the approach to permitting (building and life safety codes as well as applicable statutory and health care permitting agencies) and project phasing which balances change risk and timing.

Services for Project Construction. PROGRAM MANAGER will, when requested:

1.22 Assist the DISTRICT to ensure proper procurement and administration of construction management contract;

1.23 Ensure all procurement and contract requirements are met;

1.24 Monitor and review all in-contract contingencies;

1.25 Coordinate all aspects of the Sales Tax Recovery Program; and

1.26 Develop, review, provide commentary on documents required to support issuance of consultant services authorizations, construction manager work authorizations and GMPs, and change orders for the construction, and maintain applicable logs.

Budget and Schedule Management. PROGRAM MANAGER will, when requested:

1.27 Monitor overall budgets and schedules and maintain conformance with project budget and schedule;

1.28 Monitor the budget and schedule of multiple projects in varying phases of design and construction;

1.29 Coordinate and monitor funding activities for the project;

1.30 Prepare cost estimates and cash flows and forecasts for the projects;

1.31 Prepare accounting and financing documents/reports for the DISTRICT, partner agencies, and funding agencies; and

1.32 Document accounting, financing, and reporting activities in sufficient detail, suitable for internal and outside audits.

General Project Management. PROGRAM MANAGER will, when requested:

- 1.33 Provide necessary administration, minutes, budget control including cash flows, cost estimates, project controls including scheduling, quality assurance and reviews, and professional oversight;
- 1.34 Maintain project staffing at acceptable levels to keep the projects on schedule, ensure continuity of information, and satisfy the requirements of the scope of work;
- 1.35 Manage change process and controls to comply with DISTRICT policies;
- 1.36 Manage all project communications, documents and other records in compliance with State law and DISTRICT policies
- 1.37 Prepare presentations, attend meetings and provide reports; and
- 1.38 Perform any other program management tasks not on list, but as assigned by the DISTRICT.

EXHIBIT B
LABOR RATES

TITLE	MAXIMUM HOURLY RATE - Raw (\$/HR)	X	MULTIPLIER	=	MAXIMUM BILLING RATE (\$/HR)
Principal/Project Executive	175.00	X	1	=	175.00
Senior Project Manager	125.00	X	2.25	=	281.25
Project Manager	87.36	X	2.25	=	196.56
Field Representative	72.12	X	2.25	=	162.27
Cost Estimator	88.75	X	2.25	=	199.69

Notes:

Rates for Senior Project Manager and Project Manager shall be "field rates". The PROGRAM MANAGER's on-site personnel will be located in DISTRICT offices at no charge and will be provided with the normal office amenities including supplies, office equipment, etc. Computer, cell phone, vehicle shall be included in billing rate. Raw labor rates listed are the maximum allowed but rate billed to DISTRICT will be the actual payroll rate for each employee. Principal/Project Executive time shall not exceed 10% of total billable hours per month.

Labor rates of PROGRAM MANAGER and any subconsultants shall not exceed the actual hourly raw labor rates for services rendered by personnel, multiplied by an overall overhead and profit factor (maximum of three). The labor rates and overhead and profit factors are subject to audit, upon request. Actual hours will be billed, unless otherwise agreed to by the PROGRAM MANAGER and the DISTRICT.

The hourly raw labor rates listed above shall remain in effect for a period of two years from the date of Contract execution. At the end of each one year period thereafter, if the cost of living index supports an increase, an increase of up to three percent (3%) may be allowed to the raw labor rates for each one year term thereafter. The overhead and profit factor (multiplier) will not be increased during the five-year term of the contract.

EXHIBIT C
INSURANCE CERTIFICATES

Client#: 1053638

CESCON

ACORD™

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

5/27/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer any rights to the certificate holder in lieu of such endorsement(s).

PRODUCER USI Insurance Services, LLC 2502 N Rocky Point Drive Suite 400 Tampa, FL 33607		CONTACT NAME: PHONE (A/C, No, Ext): 813 321-7500 FAX (A/C, No): E-MAIL: ADDRESS:															
INSURED CES Consultants, Inc. 880 Southwest 145th Avenue, Suite 106 Pembroke Pines, FL 33027		<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A: Travelers Property Cas. Co. of America</td> <td>25674</td> </tr> <tr> <td>INSURER B: Phoenix Insurance Company</td> <td>25623</td> </tr> <tr> <td>INSURER C: XL Specialty Insurance Company</td> <td>37885</td> </tr> <tr> <td>INSURER D:</td> <td></td> </tr> <tr> <td>INSURER E:</td> <td></td> </tr> <tr> <td>INSURER F:</td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A: Travelers Property Cas. Co. of America	25674	INSURER B: Phoenix Insurance Company	25623	INSURER C: XL Specialty Insurance Company	37885	INSURER D:		INSURER E:		INSURER F:	
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INSURER D:																	
INSURER E:																	
INSURER F:																	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	X X	6609D349718TC23	12/06/2024	12/06/2025	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$10,000 PERSONAL & ADV INJURY \$1,000,000 GENERAL AGGREGATE \$2,000,000 PRODUCTS - COM/PROP AGG \$2,000,000 \$
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY	X X	BA2R165655	12/06/2024	12/06/2025	COMBINED SINGLE LIMIT (Ea accident) \$1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$10,000	X X	CUP4K364717	12/06/2024	12/06/2025	EACH OCCURRENCE \$5,000,000 AGGREGATE \$5,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? <input checked="" type="checkbox"/> Y/N (Mandatory In NH) If yes, describe under DESCRIPTION OF OPERATIONS below	X	UB0P573198	12/06/2024	12/06/2025	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$1,000,000 E.L. DISEASE - EA EMPLOYEE \$1,000,000 E.L. DISEASE - POLICY LIMIT \$1,000,000
C	Professional Liability		DPR5037135	12/06/2024	12/06/2025	\$5,000,000 per claim \$5,000,000 annl aggr.

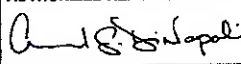
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Professional Liability coverage is written on a claims-made basis.

RE: Healthcare District of Palm Beach County.

The General Liability policy includes an automatic Additional Insured endorsement that provides Additional Insured status to Health Care District of Palm Beach County, an independent special district, its Board, (See Attached Descriptions)

CERTIFICATE HOLDER

CANCELLATION

Healthcare District of Palm Beach County Attn: Terry Megiveron 1515 N. Flagler Drive, Suite 101 West Palm Beach, FL 33401	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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DESCRIPTIONS (Continued from Page 1)

Officers, Employees and Agents, only when there is a written contract that requires such status, and only with regard to work performed by or on behalf of the named insured. The General Liability policy contains a special endorsement with Primary and Noncontributory wording, when required by written contract. The General Liability, Automobile Liability, Umbrella Liability and Workers Compensation policies include a Waiver of Subrogation endorsement in favor of Healthcare District of Palm Beach County (District), its officers, employees and agents.

EXHIBIT D
CONFLICT OF INTEREST FORM

DISTRICT CONFLICT OF INTEREST DISCLOSURE FORM

PROGRAM MANAGER represents that it presently has no interest, either direct or indirect, which would or could conflict in any manner with the performance of services for the DISTRICT, except as follows:

NONE

PROGRAM MANAGER further represents that no person having any interest shall be employed for said performance. By signing below, PROGRAM MANAGER certifies that the information contained herein is true and correct and constitutes all current potential conflicts of interest which may influence or appear to influence PROGRAM MANAGER's judgment or quality of services being provided to the DISTRICT.

PROGRAM MANAGER shall promptly notify the DISTRICT in writing by certified mail of all potential conflicts of interest that may arise in the future through any prospective business association, interest or other circumstance which may influence or appear to influence PROGRAM MANAGER's judgment or quality of services being provided to the DISTRICT. Such written notification shall identify the prospective business association, interest or circumstance, the nature of work that PROGRAM MANAGER may undertake and request an opinion of the DISTRICT as to whether the association, interest or circumstance would, in the opinion of the DISTRICT, constitute an unacceptable conflict of interest if entered into by the PROGRAM MANAGER.

If, in the sole opinion of the DISTRICT, the prospective business association, interest or circumstance of PROGRAM MANAGER would constitute an unacceptable conflict of interest to the DISTRICT, the DISTRICT shall so state in the notification and the PROGRAM MANAGER shall not enter into said association, interest or circumstance.

EXHIBIT E
COERCIAN OF LABOR ATTESTATION

PROGRAM MANAGER does not use coercion for labor or services as defined in section 787.06, Florida Statutes (2024).

Under penalties of perjury, I declare that I have read the foregoing statement and that the facts stated in it are true.

Printed Name: Juan Alfonso, AIA, NCARB, RID, CCM

Title: President and COO

Signature: 

Date

6/2/2025

HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE
JOINT MEETING
JUNE 11, 2025

1. Description: Fiscal Year 2025 Budget Amendment

2. Summary:

This agenda item provides the Finance and Audit Committee and Board with a Fiscal Year 2025 budget amendment.

3. Substantive Analysis:

A budget amendment is necessary to increase a fund's budget, whose expenditures exceeded the adopted budget, or to add funds for new programs or services. Per Florida Statute 189.016, budget amendments must be adopted by Board resolution, and the budget can be amended within 60 days following the end of the fiscal year.

Expenditures are expected to exceed the adopted budget for the Capital Replacement Fund. On April 3, 2025 the Health Care District Board earmarked \$15 million towards the future purchase of Atlantis Community Health Center building and an additional \$15 million to acquire and transition the Health Care District's Electronic Health Record system.

Additionally, on May 21, 2025 the Health Care District Finance and Audit Committee recommended to the Board a purchase and sale agreement in order to acquire the land located at 100 N. Benoist Farms, Rd., West Palm Beach, FL for future development of the Crisis Center for Mental Health and Substance Abuse.

This budget amendment will increase the Health Care District's adopted FY25 budget by \$53,950,000 using funds from unassigned reserves.

Atlantis Community Health Center Building	\$15,000,000
EHR System	\$1,200,000
Crisis Center	\$37,750,000
<i>Land</i>	<i>\$16,750,000</i>
<i>Program Manager</i>	<i>\$4,000,000</i>
<i>Design Services</i>	<i>\$14,000,000</i>
<i>Early Construction</i>	<i>\$3,000,000</i>
Total Budget Amendment:	\$53,950,000



HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE

JOINT MEETING

JUNE 11, 2025

4. Fiscal Analysis & Economic Impact Statement:

	Current FY Amounts	Total Amounts (Current + Future)	Budget
Capital Requirements	\$53,950,000		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Net Operating Impact	N/A		Yes <input type="checkbox"/> No <input type="checkbox"/>

*Non-budgeted expenditures in excess of \$250,000 require Finance and Audit Committee review and Board approval. Reviewed for financial accuracy and compliance with purchasing procedure:

Signed by:

 CA6A21FF2F09481
 Jessica Cafarelli
 VP & Chief Financial Officer

5. Reviewed/Approved by Committee:

N/A

 Committee Name

N/A

 Date Approved

6. Recommendation:

Staff recommends the Board approve the 2025 Fiscal Year budget amendment through the adoption of Resolution #2025R-001.

Approved for Legal sufficiency:

Signed by:

 0CF6F7DB6706A23
 Bernabe Icaza
 SVP & General Counsel

Signed by:

 CA6A21FF2F09481
 Jessica Cafarelli
 VP & Chief Financial Officer

Signed by:

 77A3B53589A1477
 Darcy J. Davis
 President & Chief Executive Officer

Exhibit A

Health Care District of Palm Beach County
Budget Amendment
Fiscal Year 2024-2025

Expenditures:

Capital Replacement Fund	
Capital Expenditures	<u>53,950,000</u>
Total Change in Expenditures	53,950,000
Total Change in District's Use of Reserves	<u>(53,950,00)</u>

BUDGET RESOLUTION #2025R-001

A RESOLUTION OF THE BOARD OF THE HEALTH CARE DISTRICT OF PALM BEACH COUNTY AMENDING THE ADOPTED BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2024 AND ENDING SEPTEMBER 30, 2025 WHICH WILL ADJUST BUDGETED APPROPRIATIONS.

WHEREAS, the Board of the Health Care District of Palm Beach County, Florida has adopted the Fiscal Year 2024-2025 Budget on the 11th day of June 2025 pursuant to Resolution #2025R-001;

WHEREAS, staff is bringing forward this budget amendment to cover the cost of unanticipated capital expenses;

NOW, THEREFORE, BE IT RESOLVED by the Board of the Health Care District of Palm Beach County, Florida, that:

1. The FY 2024-2025 expenditure budget be amended. A copy of the amendment is attached hereto as Exhibit "A."
2. There is hereby appropriated revised amounts (see Exhibit "A") Capital Replacement Fund.
3. This resolution shall take effect immediately upon its adoption.

DULY ADOPTED the 11th day of June 2025.

**PALM BEACH COUNTY, FLORIDA
HEALTH CARE DISTRICT OF PALM BEACH COUNTY**

Carlos Vidueira
Chair

ATTEST:

Tammy Jackson-Moore
Secretary



HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE JOINT MEETING JUNE 11, 2025

1. Description: Tentative Millage Rate

2. Summary:

Staff recommends the Board set a proposed tentative millage rate of 0.6561.

3. Substantive Analysis:

The proposed tentative millage rate represents the tax rate the Board cannot exceed when the rate is finalized at the September TRIM hearings. Effectively, the proposed tentative millage rate is the maximum rate that the District could assess for fiscal year 2026.

Staff does not believe it will be necessary to raise the millage rate for 2026. Therefore, staff recommends the fiscal year 2026 proposed tentative millage rate be set at 0.6561, which is 6% over the rolled-back rate of 0.6210 and remains flat to 2025 tax rate. The rolled-back rate is the tax rate which generates the same amount of tax revenue as the previous year, excluding new construction.

The 2025 estimate of taxable values from the County showed an increase of 6% over 2024. The increase in taxable values in conjunction with keeping the millage rate flat results in an increase in ad valorem taxes of approximately \$11.4 million relative to 2025.

4. Fiscal Analysis & Economic Impact Statement:

	Current FY Amounts	Total Amounts (Current + Future)	Budget	
Capital Requirements	N/A		Yes <input type="checkbox"/>	No <input type="checkbox"/>
Net Operating Impact	N/A		Yes <input type="checkbox"/>	No <input type="checkbox"/>

*Non-budgeted expenditures in excess of \$250,000 require Finance and Audit Committee review and Board approval. Reviewed for financial accuracy and compliance with purchasing procedure:

Signed by:

Jessica Cafarelli

CA6A21FF2E90441
Jessica Cafarelli

VP & Chief Financial Officer



**HEALTH CARE DISTRICT BOARD AND FINANCE & AUDIT COMMITTEE JOINT
MEETING
JUNE 11, 2025**

5. Reviewed/Approved by Committee:


N/A
Committee Name

N/A
Date Approved

6. Recommendation:

Staff recommends the Board set a proposed tentative millage rate of 0.6561 mills.

Approved for Legal sufficiency:

Signed by:


0CF6F7DB6706B Bernabe Icaza
SVP & General Counsel

Signed by:


CA6A21FF2E09484 Jessica Cafarelli
VP & Chief Financial Officer

Signed by:


77A3B53890A1477 Darcy J. Davis
President & Chief Executive Officer