

CHIEF FINANCIAL OFFICER REPORT

BMHD had a total net loss before depreciation of \$43,235 for the month compared to a net loss of \$10,389 last year. Expenses include \$21,370 of SKDSC costs.

The September 30, Operating Cash Balance was \$1,551,506 and Days Cash On Hand was 139 Days\*. In August the DCH was 143 Days.

\* Days Cash on Hand (DCH) = Operating Cash / Average Daily Expense (excluding depreciation). DCH indicates Bloss's ability to cover operating expenses. The Benchmark for Health Centers is a minimum of 90 Days.

Dental Surgery Center Summary:

|  | CCDSC     | SKDSC      | CDSC       | COMBINED   |              |              |                  |          |  |
|--|-----------|------------|------------|------------|--------------|--------------|------------------|----------|--|
| Net Operating Revenue and Non-Operating  | \$211,468 | \$0        | \$141,268  | \$352,736  |              |              |                  |          |  |
| Operating Expenses   | 197,590   | 21,370     | 224,830    | 443,790    |              |              |                  |          |  |
| Net Income (Loss)  | 13,878    | (21,370)   | (83,562)   | (91,054)   |              |              |                  |          |  |
| BMHCD % Share  | 100.00%   | 100.00%    | 65.00%     | N/A        |              |              |                  |          |  |
| Bloss Share of Net Income (Loss)   | \$13,878  | (\$21,370) | (\$54,315) | (\$61,807) |              |              |                  |          |  |
| A summary comparison of operations for the month and the prior year is as follows: |           |            |            |            |              |              |                  |          |  |
|  | Sep-17    | Sep-16     | VARIANCE * | %          | Y-T-D Sep-17 | Y-T-D Sep-16 | Y-T-D VARIANCE * | Y-T-D %  |  |
| Net Patient Revenue  | 210,635   | 249,139    | (38,504)   | -15.45%    | 610,361      | 778,635      | (168,274)        | -21.61%  |  |
| Other Operating Revenue  | 1,251     | 865        | 386        | 44.62%     | 6,560        | 4,096        | 2,464            | 60.16%   |  |
| Total Net Operating Revenue  | 211,886   | 250,004    | (38,118)   | -15.25%    | 616,921      | 782,731      | (165,810)        | -21.18%  |  |
| Operating Expenses Excluding Depreciation  | 334,706   | 376,440    | 41,734     | 11.09%     | 1,017,149    | 1,149,628    | 132,479          | 11.52%   |  |
| Net Operating Income (Loss) Before Depreciation                                    | (122,820) | (126,436)  | 3,616      | 2.86%      | (400,228)    | (366,897)    | (33,331)         | -9.06%   |  |
| Net Non Operating-Gains/Losses   |           |            |            |            |              |              |                  |          |  |
| Gain/Loss on Investments   | 4,963     | 1,174      | 3,809      | N/A        | 9,902        | 6,455        | 3,447            | 53.40%   |  |
| CDSC Gain/Losses   | (54,315)  | (23,421)   | 30,894     | -131.91%   | (163,814)    | (49,090)     | (114,724)        | -233.70% |  |
| All Other Non-Operating Gains/Losses   | 128,917   | 138,294    | 9,377      | 6.76%      | 383,337      | 442,145      | (58,808)         | -13.30%  |  |
| Total Net Non-Operating Income: Losses/Gains                                       | 79,565    | 116,047    | 36,482     | 31.42%     | 229,425      | 399,510      | (170,085)        | -42.57%  |  |
| Total Net Income (Loss) Before Depreciation  | (43,235)  | (10,389)   | (32,846)   | 316.16%    | (170,803)    | 32,613       | (203,416)        | -623.73% |  |
| Depreciation Expense   | 59,760    | 66,012     | (6,232)    | -12.10%    | 179,607      | 186,700      | (7,093)          | -3.80%   |  |
| Net Income (Loss) After Depreciation   | (103,015) | (76,401)   | (26,614)   | 31.40%     | (350,410)    | (154,087)    | (196,323)        | 127.41%  |  |

\* Note: unfavorable variances are indicated by parenthesis ( ).

Bloss Memorial HealthCare District  
 Operations Summary Report  
 Three Months Ending September 30, 2017

Total CFHC Inc. encounters for the month are 10,003 compared to 10,499 last year, a 4.72% decrease.  
 CCDSC cases for the month are 14.66 % less than last year.  
 CDSC cases for the month are 51.67% less than last year.

| Department              | Sep-17        | Sep-16        | VARIANCE     | %             | Sep-17        | Sep-16        | VARIANCE *   | %             |
|-------------------------|---------------|---------------|--------------|---------------|---------------|---------------|--------------|---------------|
| Castle Clinic           | 3,618         | 3,618         | 0            | 0.00%         | 11,190        | 9,939         | 1,251        | 12.59%        |
| Specialty Clinic        | 658           | 873           | (215)        | -24.63%       | 1,912         | 2,849         | (937)        | -32.89%       |
| Bloss Clinic            | 794           | 961           | (167)        | -17.38%       | 2,557         | 2,904         | (347)        | -11.95%       |
| Winton Clinic           | 803           | 740           | 63           | 8.51%         | 2,340         | 2,051         | 289          | 14.09%        |
| Urgent Care             | 270           | 389           | (119)        | -30.59%       | 772           | 1,802         | (1,030)      | -57.16%       |
| Lab                     | 1,787         | 1,756         | 31           | 1.77%         | 5,520         | 5,110         | 410          | 8.02%         |
| Radiology               | 545           | 598           | (53)         | -8.86%        | 1,541         | 1,577         | (36)         | -2.28%        |
| Behavioral Health       | 201           | 217           | (16)         | -7.37%        | 614           | 662           | (48)         | -7.25%        |
| Adult Day Health Care   | 568           | 482           | 86           | 17.84%        | 1,628         | 1,508         | 120          | 7.96%         |
| Optometry               | 451           | 553           | (102)        | -18.44%       | 1,298         | 1,607         | (309)        | -19.23%       |
| Ophthalmology           | 308           | 312           | (4)          | -1.28%        | 1,060         | 921           | 139          | 15.09%        |
| <b>TOTAL ENCOUNTERS</b> | <b>10,003</b> | <b>10,499</b> | <b>(496)</b> | <b>-4.72%</b> | <b>30,432</b> | <b>30,930</b> | <b>(498)</b> | <b>-1.61%</b> |

**CASTLE NEW PATIENTS**

|  | Sep-17 | Sep-16 | VARIANCE | %      | Sep-17 | Sep-16 | VARIANCE * | %      |
|--|--------|--------|----------|--------|--------|--------|------------|--------|
|  | 402    | 270    | 132      | 48.89% | 1,515  | 1,011  | 504        | 49.85% |

Bloss Memorial Health Care District

|  | Sep-17     | Sep-16     | VARIANCE     | %              | Sep-17     | Sep-16       | VARIANCE *   | %              |
|--|------------|------------|--------------|----------------|------------|--------------|--------------|----------------|
| Central California Dental Surgery Center | 163        | 191        | (28)         | -14.66%        | 479        | 601          | (122)        | -20.30%        |
| Childrens Surgery Center                 | 101        | 209        | (108)        | -51.67%        | 323        | 647          | (324)        | -50.08%        |
| <b>Total Surgery Center Visits</b>       | <b>264</b> | <b>400</b> | <b>(136)</b> | <b>-34.00%</b> | <b>802</b> | <b>1,248</b> | <b>(446)</b> | <b>-35.74%</b> |

September-17 Working Days 20 and 1 Holiday  
 September-16 Working Days 21 and 1 Holiday

Bloss Memorial HealthCare District  
 Operations Summary Report  
 Three Months Ending September 30, 2017

**BMHD FULL TIME EQUIVALENTS SUMMARY :**

(See FTE report included in Financial Reports for detail)

|                       | Sep-17 | Sep-16 | VARIANCE | %      | Y-T-D<br>Sep-17 | Y-T-D<br>Sep-16 | Y-T-D<br>VARIANCE * | Y-T-D<br>% |
|-----------------------|--------|--------|----------|--------|-----------------|-----------------|---------------------|------------|
| <b>EMPLOYEE FTE'S</b> | 13.82  | 12.85  | (0.97)   | -7.55% | 13.46           | 12.75           | (0.71)              | -5.57%     |
| <b>CONTRACT FTE'S</b> | 4.15   | 5.67   | 1.52     | 26.81% | 4.44            | 5.43            | 0.99                | 18.23%     |
| <b>TOTAL FTE'S</b>    | 17.97  | 18.52  | 0.55     | 2.97%  | 17.90           | 18.18           | 0.28                | 1.54%      |

\* Note: unfavorable variances above are indicated by parenthesis ( ).

Full Time Equivalent - Employees for the month are 7.55% more than the prior year with 0.97 more FTE'S

The major (>1 fte) Total Employee FTE increases for the month are comprised primarily of the following :

| Department                        | Cur. Mo.<br>Increase<br>(DECREASE) | YTD<br>Increase<br>(DECREASE) | Reason  |
|-----------------------------------|------------------------------------|-------------------------------|---|
| All other departments < 1 fte var | 0.97                               | 0.70                          | Various departments less than 1 fte variance.         |
|                                   | 0.97                               | 0.70                          | Brackets ( ) indicate a decrease (favorable) variance |

CASTLE FAMILY HEALTH CENTERS, INC REPORT

Castle Family Health Centers Inc  
 Operations Summary Report  
 Three Months Ending September 30, 2017

Total encounters for the month are 10,003 compared to 10,499 last year, a 4.72% decrease.

| Department              | Sep-17        | Sep-16        | VARIANCE     | %             | Y-T-D<br>Sep-17 | Y-T-D<br>Sep-16 | Y-T-D<br>VARIANCE * | Y-T-D<br>%    |
|-------------------------|---------------|---------------|--------------|---------------|-----------------|-----------------|---------------------|---------------|
| Castle Clinic           | 3,618         | 3,618         | 0            | 0.00%         | 11,190          | 9,939           | 1,251               | 12.59%        |
| Specialty Clinic        | 658           | 873           | (215)        | -24.63%       | 1,912           | 2,849           | (937)               | -32.89%       |
| Bloss Clinic            | 794           | 961           | (167)        | -17.38%       | 2,557           | 2,904           | (347)               | -11.95%       |
| Winton Clinic           | 803           | 740           | 63           | 8.51%         | 2,340           | 2,051           | 289                 | 14.09%        |
| Urgent Care             | 270           | 389           | (119)        | -30.59%       | 772             | 1,802           | (1,030)             | -57.16%       |
| Lab                     | 1,787         | 1,756         | 31           | 1.77%         | 5,520           | 5,110           | 410                 | 8.02%         |
| Radiology               | 545           | 598           | (53)         | -8.86%        | 1,541           | 1,577           | (36)                | -2.28%        |
| Behavioral Health       | 201           | 217           | (16)         | -7.37%        | 614             | 662             | (48)                | -7.25%        |
| Adult Day Health Care   | 588           | 482           | 86           | 17.84%        | 1,628           | 1,508           | 120                 | 7.96%         |
| Optometry               | 451           | 553           | (102)        | -18.44%       | 1,298           | 1,607           | (309)               | -19.23%       |
| Ophthalmology           | 308           | 312           | (4)          | -1.28%        | 1,060           | 921             | 139                 | 15.09%        |
| <b>TOTAL ENCOUNTERS</b> | <b>10,003</b> | <b>10,499</b> | <b>(496)</b> | <b>-4.72%</b> | <b>30,432</b>   | <b>30,930</b>   | <b>(498)</b>        | <b>-1.61%</b> |

August-17 Working Days 23  
 August-16 Working Days 23

| NEW PATIENTS | Sep-17 | Sep-16 | VARIANCE * | %      | Y-T-D<br>Sep-17 | Y-T-D<br>Sep-16 | Y-T-D<br>VARIANCE * | Y-T-D<br>% |
|--------------|--------|--------|------------|--------|-----------------|-----------------|---------------------|------------|
|              | 402    | 270    | 132        | 48.89% | 1,515           | 1,011           | 504                 | 49.85%     |