



FINANCE COMMITTEE REGULAR SESSION

AGENDA

Tuesday, December 20, 2016

5:00 p.m.

Location: Schantz Conference Room

**Sonoma Valley Hospital, 347 Andrieux Street
Sonoma CA 95476**

AGENDA ITEM	RECOMMENDATION	
MISSION STATEMENT The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.		
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Nevins</i>	
2. PUBLIC COMMENT SECTION	<i>Nevins</i>	
3. CONSENT CALENDAR FC Minutes 10.25.16	<i>Nevins</i>	Action
4. FINANCE REPORT FOR MONTH ENDING 11.30.16	<i>Jensen</i>	Inform/Action
5. PALM DRIVE HOSPITAL LAWSUIT	<i>Jensen</i>	Inform/Action
6. FINANCE COMMITTEE ANNUAL WORK PLAN	<i>Jensen</i>	Inform/Action
7. ADJOURN	<i>Nevins</i>	

3.

CONSENT CALENDAR



SVHCD
FINANCE COMMITTEE MEETING
MINUTES
TUESDAY, October 25, 2016
Schantz Conference Room

Present	Excused	Staff	Public
Sharon Nevins Peter Hohorst Stephen Berezin Susan Porth (by phone) S. Mishra, MD (by phone)	Steve Barclay Keith Chamberlin	Ken Jensen Gigi Betta Jeannette Tarver Kelly Mather Sarah Dungan	Sam McCandless

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
MISSION & VISION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>			
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Nevins</i>		
	Meeting called to order at 5:00pm		
2. PUBLIC COMMENT SECTION	<i>Hohorst</i>		
	No public comment.		
3. CONSENT CALENDAR FC Minutes 9.27.16	<i>Nevins</i>	Action	
		MOTION by Hohorst to approve and 2 nd by Berezin. All in favor	
4. FINANCE REPORT MO. ENDING 9.30.16	<i>Jensen</i>	Inform/Action	

AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
	<p>Ms. Mather gave an update for the month of October 2016. Many staff has been on furlough since July 2016. Furlough will discontinue at the end of October 2016. There are two staff members on disability and there have been two terminations. Some of the nursing staff is requesting increases in salary.</p> <p>After accounting for all income and expenses but not including Restricted Contributions and GO bond activity, the net loss for September was (\$80,958) vs. a budgeted net loss of (\$94,121). The total net income for September after all activity was \$94,074 vs. a budgeted net income of \$59,230.</p> <p>Ms. Nevins requested that in next month's financial package the <i>percentage of total cash collections vs. overall payor mix</i> be included.</p>		
5. Q1 CAPITAL SPENDING FY 2017	<i>Tarver</i>	Inform/Action	
	Ms. Tarver presented an update of the Capital Plan for 2017. It falls into three categories: requests supported by the Hospital's Foundation, requests covered by operating expenses and construction in progress.		
6. Q1 9-MONTH PROJECTION	<i>Jensen</i>	Inform/Action	
	Mr. Jensen presented the annualized financial projection for 2017. Appears on target.		
7. ANNOUNCEMENTS/ADJOURNMENT	<i>Nevins</i>	Inform	
	Meeting adjourned 5:50pm		

4.

FINANCIAL REPORT
FOR MONTH ENDING
11.30.16



To: SVH Finance Committee
From: Ken Jensen, CFO
Date: December 20, 2016
Subject: Financial Report for the Month Ending November 30, 2016

The actual loss of (\$511,287) from operations for November was \$81,526 favorable to the budgeted loss of (\$592,813). The year-to date actual loss from operations is (\$1,582,341) compared to the expected loss of (\$1,878,764). After accounting for all other activity, the November net loss was (\$64,925) vs. the budgeted net loss of (\$244,164) with a monthly EBIDA of 1.1% vs. a budgeted -1.7%. Year-to-date the total net income is \$533,838 favorable to budget with a year to date EBIDA of 4.4% vs. the budgeted 3.3%.

Gross patient revenue for November was \$21,322,723, \$2,044,589 more than expected. Inpatient gross revenue was over budget by \$1,172,446. Inpatient days were over budgeted expectations by 79 days and inpatient surgeries were over budget by 8 cases. Outpatient revenue was over budget by \$670,343. Outpatient visits were under budgeted expectations by (237) visits but outpatient surgeries were over budget by 21 cases. The Emergency Room gross revenue is over budget by \$498,513, the volume was close to budget but there was higher acuity. SNF was under budgeted expectations by (\$281,860) due to SNF patient days being under budgeted expectations by (98) days. Home Health was under budgeted expectations with a variance of (\$14,853).

Deductions from revenue were unfavorable to budgeted expectations by (\$1,811,236) due to higher than expected inpatient gross revenue.

After accounting for all other operating revenue, the **total operating revenue** was favorable to budget by \$268,595.

Operating Expenses of \$5,046,837 were unfavorable to budget by (\$187,069). Salaries and wages were over budget by (\$28,587) due to inpatient volume being over budgeted expectations and agency fees were under budgeted expectations by \$1,847. Medical and Professional fees are over budget by (\$18,893) due to an insurance deductible of \$25,000 for a settlement on an employee claim. Supplies are over budget in November by (\$176,571) due to the cost of implants being (\$99,572) over budgeted expectations. There continues to be an increase in total joint replacement procedures compared to last fiscal year. The costs of surgical implants are normally recovered with the insurance reimbursements. Furthermore, there was a back log of non paid bariatric staples due to ongoing pricing negotiations that date back to September that were posted to November. Purchased Services were over budget by



(\$11,453) due to a one-time fee to McKesson for implementation related to a current project (\$40,936), this cost was reimbursed by the Foundation and is included in the hospital's restricted contributions revenue.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for November was (\$271,552) vs. a budgeted net loss of (\$401,505). The total net loss for November after all activity was (\$64,925) vs. a budgeted net loss of (\$244,164).

EBIDA for the month of November was 1.1% vs. the budgeted -1.7%.

Patient Volumes – November

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	95	85	10	85
Newborn Discharges	9	11	-2	14
Acute Patient Days	396	317	79	316
SNF Patient Days	446	544	-98	544
Home Care Visits	938	1,017	-79	1,088
OP/ER/HHA Gross Rev.	\$13,147	\$12,032	\$1,115	\$11,900
Surgical Cases	161	132	29	114

Gross Revenue Overall Payer Mix – November

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	44.6%	46.9%	-2.3%	46.6%	47.0%	-0.4%
Medicare Mgd Care	10.3%	7.3%	3.0%	9.1%	7.3%	1.8%
Medi-Cal	16.3%	19.2%	-2.9%	16.8%	19.0%	-2.2%
Self Pay	0.4%	1.2%	-0.8%	1.9%	1.2%	0.7%
Commercial	23.7%	20.1%	3.6%	20.8%	20.1%	0.7%
Workers Comp	3.2%	2.6%	0.6%	2.7%	2.7%	0.0%
Capitated	1.5%	2.7%	-1.2%	2.1%	2.7%	-0.6%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for November:

For the month of November the cash collection goal was \$3,501,975 and the Hospital collected \$3,367,613, or under the goal by (\$134,362). This was due to Medicare holding outpatient claims due to a system dysfunction on their part, we expect the held outpatient claims to be paid in December. The year-to-date cash collection goal was \$17,480,229 and the hospital has collected \$18,548,635, or over goal by \$1,068,406. Days of cash on hand are 9.9 days at November 30, 2016. Accounts Receivable increased from October, from 49.7 days to 53.0 days in November. Accounts Payable increased by \$310,750 from October and Accounts Payable days are at 49.9.



ATTACHMENTS:

- Attachment A is the Payer Mix Analysis which includes the projected collection percentage by payer.
- Attachment B is the Operating Indicators Report
- Attachment C is the Balance Sheet
- Attachment D (two pages) is the Statement of Revenue and Expense. The first page breaks out the hospital operations and page two includes all other activity.
- Attachment E is the Variance Analysis. The line number tie to the Statement of Revenue and Expense line numbers and explains any significant variances.
- Attachment F are the graphs for Revenue and Accounts Payable.
- Attachment G is the Statistical Analysis
- Attachment H is the Cash Forecast



Sonoma Valley Hospital
Net Revenue by Payer for the month of November 30, 2016

ATTACHMENT A

November-16

Gross Revenue:	Actual	Budget	Variance	% Variance
Medicare	9,488,535	9,020,039	468,496	5.2%
Medicare Managed Care	2,193,448	1,405,156	788,292	56.1%
Medi-Cal	3,472,034	3,686,278	-214,244	-5.8%
Self Pay	88,956	238,299	-149,343	-62.7%
Commercial & Other Government	5,078,418	3,926,218	1,152,200	29.3%
Worker's Comp.	689,869	501,448	188,421	37.6%
Capitated	311,463	500,696	-189,233	-37.8%
Total	21,322,723	19,278,134	2,044,589	

YTD

	Actual	Budget	Variance	% Variance
	50,592,523	48,889,282	1,703,241	3.5%
	9,891,543	7,555,258	2,336,285	30.9%
	18,201,733	19,814,046	-1,612,313	-8.1%
	2,028,323	1,246,429	781,894	62.7%
	22,719,723	21,026,246	1,693,477	8.1%
	3,004,686	2,878,426	126,260	4.4%
	2,266,766	2,775,796	-509,030	-18.3%
	108,705,297	104,185,483	4,519,814	

Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	1,479,263	1,465,166	14,097	1.0%
Medicare Managed Care	288,219	203,209	85,010	41.8%
Medi-Cal	448,240	549,882	-101,642	-18.5%
Self Pay	37,833	82,547	-44,714	-54.2%
Commercial & Other Government	1,862,160	1,652,494	209,666	12.7%
Worker's Comp.	161,084	115,012	46,072	40.1%
Capitated	8,783	18,523	-9,740	-52.6%
Prior Period Adj/IGT	34,604	-	34,604	*
Total	4,320,186	4,086,833	233,353	5.7%

	Actual	Budget	Variance	% Variance
	8,197,618	8,398,749	-201,131	-2.4%
	1,382,899	1,184,188	198,711	16.8%
	2,552,428	3,013,735	-461,307	-15.3%
	756,207	483,752	272,455	56.3%
	7,652,524	8,255,797	-603,273	-7.3%
	674,227	642,511	31,716	4.9%
	70,773	92,265	-21,492	-23.3%
	1,844,626	-	1,844,626	*
	23,131,302	22,070,997	1,060,305	4.8%

Percent of Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	34.2%	35.9%	-1.7%	-4.7%
Medicare Managed Care	6.7%	5.0%	1.7%	34.0%
Medi-Cal	10.4%	13.5%	-3.1%	-23.0%
Self Pay	0.9%	2.0%	-1.1%	-55.0%
Commercial & Other Government	43.1%	40.3%	2.8%	6.9%
Worker's Comp.	3.7%	2.8%	0.9%	32.1%
Capitated	0.2%	0.5%	-0.3%	-60.0%
Prior Period Adj/IGT	0.8%	0.0%	0.8%	*
Total	100.0%	100.0%	0.0%	0.0%

	Actual	Budget	Variance	% Variance
	35.4%	38.1%	-2.8%	-7.3%
	6.0%	5.4%	0.6%	11.1%
	11.0%	13.7%	-2.7%	-19.7%
	3.3%	2.2%	1.1%	50.0%
	33.1%	37.3%	-4.2%	-11.3%
	2.9%	2.9%	0.0%	0.0%
	0.3%	0.4%	-0.1%	-25.0%
	8.0%	0.0%	8.1%	*
	100.0%	100.0%	0.0%	0.0%

Projected Collection Percentage:	Actual	Budget	Variance	% Variance
Medicare	15.6%	16.2%	-0.6%	-3.7%
Medicare Managed Care	13.1%	14.5%	-1.4%	-9.7%
Medi-Cal	12.9%	14.9%	-2.0%	-13.4%
Self Pay	42.5%	34.6%	7.9%	22.8%
Commercial & Other Government	36.7%	42.1%	-5.4%	-12.8%
Worker's Comp.	23.3%	22.9%	0.4%	1.7%
Capitated	2.8%	3.7%	-0.9%	-24.3%
Prior Period Adj/IGT	0.2%	0.0%	0.2%	*

	Actual	Budget	Variance	% Variance
	16.2%	17.2%	-1.0%	-5.8%
	14.0%	15.7%	-1.7%	-10.8%
	14.0%	15.2%	-1.2%	-7.9%
	37.3%	38.8%	-1.5%	-3.9%
	33.7%	39.3%	-5.6%	-14.2%
	22.4%	22.3%	0.1%	0.4%
	3.1%	3.3%	-0.2%	-6.1%
	1.7%	0.0%	1.7%	*

SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended November 30, 2016

ATTACHMENT B

CURRENT MONTH					YEAR-TO-DATE			YTD
	Actual 11/30/16	Budget 11/30/16	Favorable (Unfavorable) Variance		Actual 11/30/16	Budget 11/30/16	Favorable (Unfavorable) Variance	Prior Year 11/30/15
Inpatient Utilization								
Discharges								
1	87	70	17	Acute	439	380	59	380
2	8	15	(7)	ICU	58	78	(20)	78
3	95	85	10	Total Discharges	497	458	39	458
4	9	11	(2)	Newborn	62	63	(1)	63
5	104	96	8	Total Discharges inc. Newborns	559	521	38	521
Patient Days:								
6	302	218	84	Acute	1,538	1,184	354	1,174
7	94	99	(5)	ICU	490	492	(2)	492
8	396	317	79	Total Patient Days	2,028	1,676	352	1,666
9	15	22	(7)	Newborn	109	130	(21)	130
10	411	339	72	Total Patient Days inc. Newborns	2,137	1,806	331	1,796
Average Length of Stay:								
11	3.5	3.1	0.4	Acute	3.5	3.1	0.4	3.1
12	11.8	6.6	5.2	ICU	8.4	6.3	2.1	6.3
13	4.2	3.7	0.4	Avg. Length of Stay	4.1	3.7	0.4	3.6
14	1.7	2.0	(0.3)	Newborn ALOS	1.8	2.1	0.3	2.1
Average Daily Census:								
15	10.1	7.3	2.8	Acute	10.1	7.7	2.3	7.7
16	3.1	3.3	(0.2)	ICU	3.2	3.2	(0.0)	3.2
17	13.2	10.6	2.6	Avg. Daily Census	13.3	11.0	2.3	10.9
18	0.5	0.7	(0.2)	Newborn	0.71	0.85	(0.1)	0.85
Long Term Care:								
19	446	544	(98)	SNF Patient Days	2,753	3,070	(317)	3,070
20	28	22	6	SNF Discharges	143	135	8	135
21	14.9	18.1	(3.3)	Average Daily Census	18.0	20.1	(2.1)	20.1
Other Utilization Statistics								
Emergency Room Statistics								
22	850	841	9	Total ER Visits	4,457	4,298	159	4,298
Outpatient Statistics:								
23	4,231	4,468	(237)	Total Outpatients Visits	22,753	24,054	(1,301)	24,054
24	38	30	8	IP Surgeries	199	188	11	151
25	123	102	21	OP Surgeries	446	531	(85)	468
26	32	26	6	Special Procedures	230	157	73	157
27	938	1,017	(79)	Home Health Visits	4,710	4,561	149	4,882
28	322	285	37	Adjusted Discharges	1,632	1,576	56	1,622
29	2,202	2,291	(88)	Adjusted Patient Days (Inc. SNF)	12,192	12,622	(430)	12,971
30	73.4	76.4	(2.9)	Adj. Avg. Daily Census (Inc. SNF)	79.7	82.5	(2.8)	84.8
31	1.7936	1.4000	0.394	Case Mix Index -Medicare	1.7548	1.4000	0.355	1.5743
32	1.6815	1.4000	0.282	Case Mix Index - All payers	1.6053	1.4000	0.205	1.4462
Labor Statistics								
33	289	280	(9.1)	FTE's - Worked	283	284	0.6	284
34	319	313	(6.0)	FTE's - Paid	319	317	(2.4)	317
35	40.24	40.51	0.27	Average Hourly Rate	39.85	40.57	0.72	39.33
36	24.8	23.4	(1.4)	Manhours / Adj. Pat Day	22.8	21.9	(0.9)	21.3
37	169.5	187.9	18.5	Manhours / Adj. Discharge	170.5	175.2	4.7	170.3
38	22.7%	23.4%	0.7%	Benefits % of Salaries	23.1%	22.8%	-0.4%	22.6%
Non-Labor Statistics								
39	15.0%	11.6%	-3.4%	Supply Expense % Net Revenue	12.5%	11.5%	-1.0%	11.3%
40	2,080	1,730	(349)	Supply Exp. / Adj. Discharge	1,824	1,674	(150)	1,566
41	16,146	17,591	1,445	Total Expense / Adj. Discharge	16,118	16,247	129	15,332
Other Indicators								
42	9.9			Days Cash - Operating Funds				
43	53.0	50.0	3.0	Days in Net AR	51.6	50.0	1.6	50.4
44	96%			Collections % of Net Revenue	106%			98.9%
45	49.9	55.0	(5.1)	Days in Accounts Payable	49.9	55.0	(5.1)	10.3
46	20.9%	22.0%	-1.1%	% Net revenue to Gross revenue	21.9%	21.9%	0.0%	22.6%
47	24.4%			% Net AR to Gross AR	24.4%			25.0%

Sonoma Valley Health Care District
Balance Sheet
As of November 30, 2016

ATTACHMENT C

		<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets				
Current Assets:				
1	Cash	\$ 1,605,510	\$ 1,785,152	\$ 1,397,891
2	Trustee Funds	1,690,858	1,690,566	1,302,603
3	Net Patient Receivables	9,232,374	8,643,574	8,306,816
4	Allow Uncollect Accts	(1,282,409)	(1,060,164)	(726,710)
5	Net A/R	7,949,965	7,583,410	7,580,106
6	Other Accts/Notes Rec	6,847,450	6,967,761	7,749,709
7	3rd Party Receivables, Net	2,847,865	2,451,242	422,221
8	Inventory	791,253	820,192	894,596
9	Prepaid Expenses	800,370	808,704	727,902
10	Total Current Assets	\$ 22,533,271	\$ 22,107,027	\$ 20,075,028
12	Property, Plant & Equip, Net	\$ 53,196,716	\$ 53,442,292	\$ 53,705,856
13	Specific Funds	224,917	186,368	279,134
14	Other Assets	144,911	144,911	143,691
15	Total Assets	\$ 76,099,815	\$ 75,880,598	\$ 74,203,709
Liabilities & Fund Balances				
Current Liabilities:				
16	Accounts Payable	\$ 3,709,442	\$ 3,398,692	\$ 3,496,357
17	Accrued Compensation	4,127,921	3,883,737	4,061,646
18	Interest Payable	441,062	330,797	457,025
19	Accrued Expenses	1,427,495	1,369,681	1,254,088
20	Advances From 3rd Parties	124,255	117,071	1,397,743
21	Deferred Tax Revenue	3,478,361	3,975,269	3,449,442
22	Current Maturities-LTD	1,703,099	1,697,025	1,703,099
23	Line of Credit - Union Bank	7,823,534	6,723,734	5,923,734
24	Other Liabilities	546,297	1,358,797	192,855
25	Total Current Liabilities	\$ 23,381,466	\$ 22,854,803	\$ 21,935,989
26	Long Term Debt, net current portion	\$ 36,638,538	\$ 36,881,059	\$ 37,089,574
27	Fund Balances:			
28	Unrestricted	\$ 12,818,796	\$ 12,953,705	\$ 12,501,688
29	Restricted	3,261,016	3,191,032	2,676,458
30	Total Fund Balances	\$ 16,079,811	\$ 16,144,736	\$ 15,178,146
31	Total Liabilities & Fund Balances	\$ 76,099,815	\$ 75,880,598	\$ 74,203,709

Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended November 30, 2016

ATTACHMENT D

Month					Year-To- Date					YTD
This Year		Variance			This Year		Variance			
Actual	Budget	\$	%		Actual	Budget	\$	%	Prior Year	
Volume Information										
1	95	85	10	12%	Acute Discharges	497	458	39	458	
2	446	544	(98)	-18%	SNF Days	2,753	3,070	(317)	3,070	
3	938	1,017	(79)	-8%	Home Care Visits	4,710	4,561	149	4,882	
4	13,147	12,032	1,115	9%	Gross O/P Revenue (000's)	\$ 65,947	\$ 64,943	1,005	\$ 63,228	
Financial Results										
Gross Patient Revenue										
5	\$ 6,572,284	\$ 5,399,838	1,172,446	22%	Inpatient	\$ 33,109,481	\$ 28,472,151	4,637,330	\$ 25,941,488	
6	7,199,629	6,529,286	670,343	10%	Outpatient	34,014,760	37,324,128	(3,309,368)	36,236,179	
7	5,655,815	5,157,302	498,513	10%	Emergency	30,490,630	26,066,637	4,423,993	25,644,006	
8	1,564,679	1,846,539	(281,860)	-15%	SNF	9,450,186	10,770,634	(1,320,448)	10,471,359	
9	330,316	345,169	(14,853)	-4%	Home Care	1,640,240	1,551,933	88,307	1,595,568	
10	\$ 21,322,723	\$ 19,278,134	2,044,589	11%	Total Gross Patient Revenue	\$ 108,705,297	\$ 104,185,483	4,519,814	\$ 99,888,600	
Deductions from Revenue										
11	\$ (16,887,423)	\$ (15,089,082)	(1,798,341)	-12%	Contractual Discounts	\$ (86,659,673)	\$ (81,603,391)	(5,056,282)	\$ (78,661,159)	
12	(120,000)	(66,250)	(53,750)	-81%	Bad Debt	(620,000)	(331,250)	(288,750)	(290,000)	
13	(29,718)	(35,969)	6,251	17%	Charity Care Provision	(138,948)	(179,845)	40,897	(160,666)	
14	34,604	-	34,604	*	Prior Period Adj/Government Program Revenue	1,844,626	-	1,844,626	969,694	
15	\$ (17,002,537)	\$ (15,191,301)	(1,811,236)	12%	Total Deductions from Revenue	\$ (85,573,995)	\$ (82,114,486)	(3,459,509)	\$ (78,142,131)	
16	\$ 4,320,186	\$ 4,086,833	233,353	6%	Net Patient Service Revenue	\$ 23,131,302	\$ 22,070,997	1,060,305	\$ 21,746,469	
17	\$ 132,267	\$ 155,771	(23,504)	-15%	Risk contract revenue	\$ 644,568	\$ 778,855	(134,287)	\$ 771,960	
18	\$ 4,452,453	\$ 4,242,604	209,849	5%	Net Hospital Revenue	\$ 23,775,870	\$ 22,849,852	926,018	\$ 22,518,429	
19	\$ 83,097	\$ 24,351	58,746	*	Other Op Rev & Electronic Health Records	\$ 189,256	\$ 121,755	67,501	\$ 143,368	
20	\$ 4,535,550	\$ 4,266,955	268,595	6%	Total Operating Revenue	\$ 23,965,126	\$ 22,971,607	993,519	\$ 22,661,797	
Operating Expenses										
21	\$ 2,193,931	\$ 2,167,191	(26,740)	-1%	Salary and Wages and Agency Fees	\$ 11,087,615	\$ 11,203,155	115,540	\$ 10,863,841	
22	824,610	\$ 827,259	2,649	0%	Employee Benefits	4,291,081	4,196,722	(94,359)	4,119,215	
23	\$ 3,018,541	\$ 2,994,450	(24,091)	-1%	Total People Cost	\$ 15,378,696	\$ 15,399,877	21,181	\$ 14,983,056	
24	\$ 415,350	\$ 396,457	(18,893)	-5%	Med and Prof Fees (excl Agency)	\$ 1,967,273	\$ 1,947,392	(19,881)	\$ 1,659,143	
25	669,079	492,508	(176,571)	-36%	Supplies	2,976,608	2,638,739	(337,869)	2,540,973	
26	362,815	351,362	(11,453)	-3%	Purchased Services	1,557,838	1,730,496	172,658	1,385,411	
27	278,384	293,214	14,830	5%	Depreciation	1,389,600	1,466,070	76,470	1,456,414	
28	91,919	100,684	8,765	9%	Utilities	531,974	496,439	(35,535)	506,159	
29	29,292	33,417	4,125	12%	Insurance	146,460	166,833	20,373	126,208	
30	42,584	35,534	(7,050)	-20%	Interest	175,673	170,534	(5,139)	215,247	
31	138,873	162,142	23,269	14%	Other	675,984	833,991	158,007	867,917	
32	-	-	-	*	Matching Fees (Government Programs)	747,361	-	(747,361)	368,026	
33	\$ 5,046,837	\$ 4,859,768	(187,069)	-4%	Operating expenses	\$ 25,547,467	\$ 24,850,371	(697,096)	\$ 24,108,554	
34	\$ (511,287)	\$ (592,813)	81,526	14%	Operating Margin	\$ (1,582,341)	\$ (1,878,764)	296,423	\$ (1,446,757)	

ATTACHMENT D

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended November 30, 2016**

	Month			
	This Year		Variance	
	Actual	Budget	\$	%
35	\$ 26,436	\$ (21,192)	47,628	-225%
36	799	-	799	0%
37	(37,500)	(37,500)	-	0%
38	250,000	250,000	-	0%
39	\$ 239,735	\$ 191,308	48,427	25%
40	\$ (271,552)	\$ (401,505)	129,953	-32%
41	\$ 5,536	\$ 20,698	(15,162)	-73%
42	\$ 64,448	\$ -	64,448	0%
43	\$ (201,568)	\$ (380,807)	179,239	-47%
44	246,909	246,909	-	0%
45	(110,266)	(110,266)	-	0%
46	\$ (64,925)	\$ (244,164)	179,239	-73%
	\$ 49,416	\$ (72,757)		
	1.1%	-1.7%		
	\$ 6,832	\$ (108,291)		
	0.2%	-2.5%		

Non Operating Rev and Expense
 Miscellaneous Revenue/(Expenses)
 Donations
 Physician Practice Support-Prima
 Parcel Tax Assessment Rev
Total Non-Operating Rev/Exp

Net Income / (Loss) prior to Restricted Contributions

Capital Campaign Contribution
 Restricted Foundation Contributions
Net Income / (Loss) w/ Restricted Contributions

GO Bond Tax Assessment Rev
 GO Bond Interest

Net Income/(Loss) w GO Bond Activity

EBIDA - Not including Restricted Contributions

EBDA - Not including Restricted Contributions

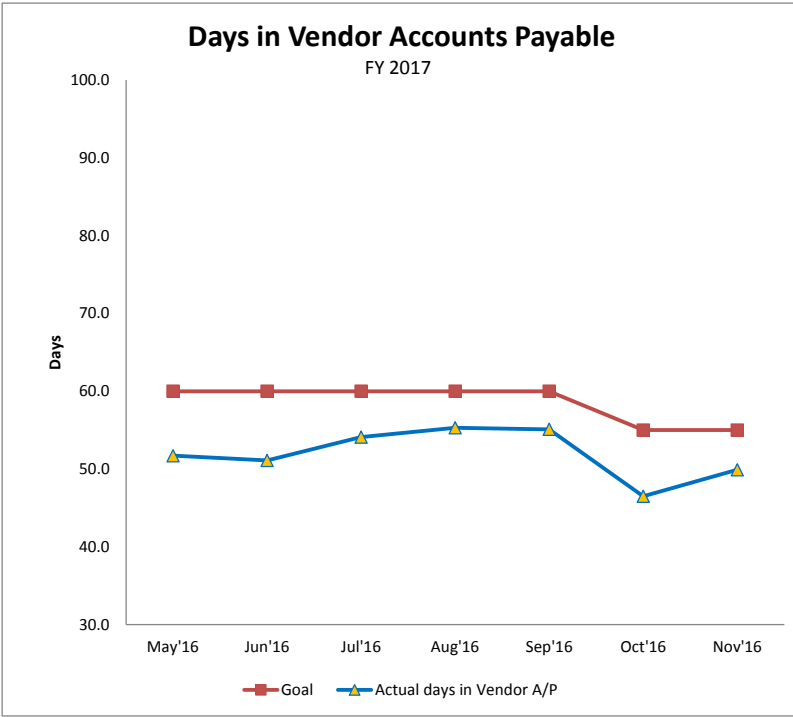
	Year-To-Date				YTD
	This Year		Variance		Prior Year
	Actual	Budget	\$	%	
	\$ (46,666)	\$ (87,128)	40,462	*	\$ 13,329
	53,887	-	53,887	0%	0
	(187,500)	(187,500)	-	0%	(187,500)
	1,250,378	1,250,000	378	0%	1,251,954
	\$ 1,070,099	\$ 975,372	94,727	10%	\$ 1,077,783
	\$ (512,242)	\$ (903,392)	391,150	-43%	\$ (368,974)
	\$ 66,345	\$ 103,490	(37,145)	-36%	\$ 176,083
	\$ 179,832	\$ -	179,832	100%	\$ -
	\$ (266,065)	\$ (799,902)	533,837	-67%	\$ (192,891)
	1,234,545	1,234,545	-	0%	1,213,885
	(566,973)	(566,974)	1	0%	(574,953)
	\$ 401,507	\$ (132,331)	533,838	-403%	\$ 446,041
	\$ 1,053,031	\$ 733,212			\$ 1,302,687
	4.4%	3.3%			5.7%
	\$ 877,358	\$ 562,678			
	3.7%	2.4%			

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended November 30, 2016

	YTD	MONTH	
Description	Variance	Variance	
Volume Information			
1 Acute Discharges	39	10	
2 SNF Days	(317)	(98)	
3 Home Care Visits	149	(79)	
4 Gross O/P Revenue (000's)	1,005	1,115	
Financial Results			
Gross Patient Revenue			
5 Inpatient	4,637,330	1,172,446	Patient Days are 396 vs. budgeted expectations of 317 and inpatient surgeries are 38 vs. budgeted expectations of 30.
6 Outpatient	(3,309,368)	670,343	Outpatient surgeries are 123 vs. budgeted expectations 102.
7 Emergency	4,423,993	498,513	ER visits are 850 vs. budgeted visits of 841 and higher acuity.
8 SNF	(1,320,448)	(281,860)	SNF patient days are 446 vs. budgeted expected days of 544.
9 Home Care	88,307	(14,853)	HHA visits are 938 vs. budgeted expectations of 1,017.
10 Total Gross Patient Revenue	4,519,814	2,044,589	
Deductions from Revenue			
11 Contractual Discounts	(5,056,282)	(1,798,341)	
12 Bad Debt	(288,750)	(53,750)	
13 Charity Care Provision	40,897	6,251	
14 Prior Period Adj/Government Program Revenue	1,844,626	34,604	FY 2014 Medicare Cost Report adjustment
15 Total Deductions from Revenue	(3,459,509)	(1,811,236)	
16 Net Patient Service Revenue	1,060,305	233,353	
17 Risk contract revenue	(134,287)	(23,504)	Blue Shield capitation received was under budget.
18 Net Hospital Revenue	926,018	209,849	
19 Other Op Rev & Electronic Health Records	67,501	58,746	
20 Total Operating Revenue	993,519	268,595	
Operating Expenses			
21 Salary and Wages and Agency Fees	115,540	(26,740)	Salaries and Wages were over budget by (\$28,587) due to the positive variance in volume over budgeted expectations and agency fees were under budget by \$1,847.
22 Employee Benefits	(94,359)	2,649	
23 Total People Cost	21,181	(24,091)	
24 Med and Prof Fees (excl Agency)	(19,881)	(18,893)	Incurred \$25k deductible for legal claim from a former employee.
25 Supplies	(337,869)	(176,571)	Supplies are over budget due to implant costs being over budget by (\$99,572), this is due to an increase of total joint replacement procedures compared to last fiscal year. These costs are normally recovered with insurance reimbursements. Also, there was a back log of bariatric staples that were posted to November from surgeries done back in September through November due to pricing negotiations.
26 Purchased Services	172,658	(11,453)	Purchased services over budget due to a one-time McKesson implementation cost (\$40,936). This cost was covered by a Foundation grant included in line 42.
27 Depreciation	76,470	14,830	
28 Utilities	(35,535)	8,765	
29 Insurance	20,373	4,125	
30 Interest	(5,139)	(7,050)	
31 Other	158,007	23,269	Budgeted other costs not used in November.
32 Matching Fees (Government Programs)	(747,361)	-	
33 Operating expenses	(697,096)	(187,069)	
34 Operating Margin	296,423	81,526	
Non Operating Rev and Expense			
35 Miscellaneous Revenue	40,462	47,628	The hospital received a payment from BNY bank re: 2010 bond issuance.
36 Donations	53,887	799	Foundation grants received for employee education and training.
37 Physician Practice Support-Prima	-	-	
38 Parcel Tax Assessment Rev	378	-	
39 Total Non-Operating Rev/Exp	94,727	48,427	

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended November 30, 2016

	YTD	MONTH	
Description	Variance	Variance	
		-	
40 Net Income / (Loss) prior to Restricted Contributions	391,150	129,953	
		-	
41 Capital Campaign Contribution	(37,145)	(15,162)	Capital campaign donations received from the Foundation are under budgeted expectations for November
42 Restricted Foundation Contributions	179,832	64,448	Foundation grants received for fetal monitors and McKesson implementation costs (included in purchased services).
43 Net Income / (Loss) w/ Restricted Contributions	533,837	179,239	
44 GO Bond Tax Assessment Rev	-	-	
45 GO Bond Interest	1	-	
46 Net Income/(Loss) w GO Bond Activity	533,838	179,239	

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Sonoma Valley Hospital
Statistical Analysis
FY 2017

ATTACHMENT G

Statistics	ACTUAL	BUDGET
	Nov-16	Nov-16
Acute		
Acute Patient Days	396	317
Acute Discharges (w/o Newborns)	95	85
SNF Days	446	544
HHA Visits	938	1,017
Emergency Room Visits	850	841
Gross Outpatient Revenue (000's)	\$13,147	\$12,032
Equivalent Patient Days	2,202	2,284
Births	8	14
Surgical Cases - Inpatient	38	30
Surgical Cases - Outpatient	123	102
Total Surgical Cases	161	132
Medicare Case Mix Index	1.79	1.40
Income Statement		
Net Revenue (000's)	4,452	4,243
Operating Expenses (000's)	\$5,047	\$4,860
Net Income (000's)	(65)	(244)
Productivity		
Total Operating Expense Per Equivalent Patient Day	\$2,292	\$2,128
Productive FTEs	289	280
Non-Productive FTE's	30	33
Total FTEs	319	313
FTEs per Adjusted Occupied Bed	4.35	4.11
Balance Sheet		
Days of Expense In General Operating Cash	10	
Net Days of Revenue in AR	53	50

ACTUAL												
Oct-16	Sep-16	Aug-16	Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	Jan-16	Dec-15	Nov-15	Oct-15
402	407	437	386	334	386	409	426	417	404	351	316	325
99	95	105	103	95	85	97	99	101	124	109	85	97
512	624	608	563	526	529	578	580	671	710	648	544	666
880	1,042	890	960	942	844	999	879	889	933	915	1,088	948
852	897	918	940	907	940	912	945	919	864	863	841	820
\$13,347	\$13,512	\$13,336	\$12,605	\$13,465	\$13,827	\$12,542	\$14,266	\$12,049	\$12,184	\$12,274	\$11,900	\$13,103
2,380	2,707	2,581	2,322	2,381	2,545	2,636	2,886	2,628	2,771	2,614	2,384	2,691
9	14	17	14	14	13	17	17	9	17	21	14	11
42	37	39	43	31	36	26	31	34	26	32	24	36
84	81	85	73	93	87	92	110	93	98	104	90	95
126	118	124	116	124	123	118	141	127	124	136	114	131
1.59	1.97	1.58	1.84	1.64	1.73	1.47	1.48	1.50	1.41	1.35	1.69	1.53
4,727	4,406	4,919	5,172	4,980	4,610	4,481	4,484	4,614	4,522	4,729	4,029	4,655
\$4,912	\$4,807	\$5,310	\$5,472	\$5,450	\$5,267	\$5,143	\$4,968	\$4,987	\$4,932	4,829	4,665	4,931
337	(6)	(23)	59	(133)	(403)	(99)	(132)	39	19	575	245	104
\$2,064	\$1,776	\$2,057	\$2,356	\$2,289	\$2,069	\$1,951	\$1,721	\$1,898	\$1,780	\$1,847	\$2,022	\$1,832
280	283	286	278	287	300	292	293	296	271	277	292	299
36	36	35	42	37	32	32	33	28	48	41	30	28
316	319	321	320	324	332	324	326	324	319	317	322	327
4.11	3.54	3.86	4.28	4.08	4.16	3.70	3.50	3.58	3.57	3.77	4.05	3.77
11	6	15	11	9	9	13	10	12	14	21	9	13
50	50	50	55	57	55	50	50	52	53	51	53	47

Sonoma Valley Hospital
Cash Forecast
FY 2017

ATTACHMENT H

FY 2017		Actual	Actual	Actual	Actual	Actual	Est. Sources	Budgeted Sources	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
		July	Aug	Sept	Oct	Nov	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
							Dec	Jan	Feb	Mar	Apr	May	Jun	TOTAL
Hospital Operating Sources														
1	Patient Payments Collected	4,375,192	4,731,348	3,928,129	4,155,005	3,905,768	4,285,993	4,423,155	4,363,605	4,946,805	4,418,111	4,550,874	4,510,595	52,594,580
2	Capitation Revenue	127,594	124,410	126,315	133,982	132,267	125,000	125,000	125,000	125,000	125,000	125,000	125,000	1,519,568
3	Napa State	2,326	49,264	12,455	-	78,395								142,440
4	Other Operating Revenue	39,800	21,422	28,846	30,148	24,397	24,351	24,351	24,351	24,351	24,351	24,351	24,351	315,070
5	Other Non-Operating Revenue	20,788	46,700	32,026	71,410	72,181	19,609	19,609	19,609	19,609	19,609	19,609	19,617	380,376
6	Unrestricted Contributions	1,549	11,560	13,093	39,995	799								66,996
7	Line of Credit	190,000	(190,000)		812,500	287,300	(799,800)	(a)						300,000
Sub-Total Hospital Sources		4,757,249	4,794,704	4,140,864	5,243,040	4,501,108	3,655,153	4,592,115	4,532,565	5,115,765	4,587,071	4,719,834	4,679,563	55,319,031
Hospital Uses of Cash														
8	Operating Expenses	4,578,560	4,139,921	5,611,993	4,675,722	4,283,113	4,753,232	5,089,975	4,671,846	5,017,010	4,749,098	4,835,696	4,850,152	57,256,318
9	Less Depreciation						(293,214)	(293,214)	(293,214)	(293,214)	(293,214)	(293,214)	(293,217)	(2,052,501)
10	Add Capital Lease Payments	49,245	173,774	36,968	40,319	172,462								472,768
11	Additional Liabilities		400,000				700,000	500,000	500,000	500,000	1,500,000	500,000	500,000	5,100,000
12	Capital - Board Approved Spending	60,776	43,811	62,997	155,782	7,836								331,202
13	Napa State													-
Total Hospital Uses		4,688,581	4,757,506	5,711,958	4,871,823	4,463,411	5,160,018	5,296,761	4,878,632	5,223,796	5,955,884	5,042,482	5,056,935	61,107,787
Net Hospital Sources/Uses of Cash		68,668	37,198	(1,571,094)	371,217	37,697	(1,504,865)	(704,646)	(346,067)	(108,031)	(1,368,813)	(322,648)	(377,372)	(5,788,756)
Non-Hospital Sources														
14	Restricted Cash/Capital Donations Donations	3,167	141,475	42,379	118,737	69,984		1,000,000						1,375,742
15	Electronic Health Records													-
16	Parcel Tax Revenue	179,365					1,600,000			1,200,000				2,979,365
17	Advancement - Foundation		400,000				(400,000)							-
18	Advancement - South Lot		263,453											263,453
19	Other:													-
20	IGT				343,950		1,242,256	(a)	431,542					2,017,748
21	IGT - AB915 (Net)								900,000					900,000
22	PRIME	375,000			1,125,000							375,000		1,875,000
Sub-Total Non-Hospital Sources		557,532	804,928	42,379	1,587,687	69,984	2,442,256	1,000,000	1,331,542	-	1,200,000	375,000	-	9,411,308
Non-Hospital Uses of Cash														
23	Matching Fees	187,575	188,984		1,120,982	287,323					187,500			1,972,364
Sub-Total Non-Hospital Uses of Cash		187,575	188,984	-	1,120,982	287,323	-	-	-	-	187,500	-	-	1,972,364
Net Non-Hospital Sources/Uses of Cash		369,957	615,944	42,379	466,705	(217,339)	2,442,256	1,000,000	1,331,542	-	1,012,500	375,000	-	7,438,944
Net Sources/Uses		438,625	653,142	(1,528,715)	837,922	(179,642)	937,391	295,354	985,475	(108,031)	(356,313)	52,352	(377,372)	
Cash and Equivalents at beginning of period		1,384,178	1,822,803	2,475,945	947,230	1,785,152	1,605,510	2,542,901	2,838,255	3,823,730	3,715,699	3,359,386	3,411,738	
Cash and Equivalents at end of period		1,822,803	2,475,945	947,230	1,785,152	1,605,510	2,542,901	2,838,255	3,823,730	3,715,699	3,359,386	3,411,738	3,034,366	

(a) Net IGT is \$431,347

6.

FC ANNUAL WORK PLAN

2016 Finance Committee Work Plan

January	February	March	April
<ul style="list-style-type: none"> ❖ Six month Financial Review/Six months projection ❖ 2nd Quarter Capital Spending Report ❖ Renew Line of Credit 	<ul style="list-style-type: none"> ❖ Monthly Financial Statements ❖ Review Budget Assumptions 	<ul style="list-style-type: none"> ❖ Monthly Financial Statements ❖ Review Auditors Mid Year Findings ❖ Review 2017 Budget Status 	<ul style="list-style-type: none"> ❖ Monthly Financial Statements ❖ 3rd Quarter Capital Spending Report ❖ Review 2017 Budget Status ❖ Nine month Financial Review/ three months projection
May	June	July	August
<ul style="list-style-type: none"> ❖ Monthly Financial Statements ❖ 2017 Operating Budget Review ❖ Insurance Review ❖ Agree to Parcel Tax assumptions for new budget ❖ Approve FY2017 Operating Budget 	<ul style="list-style-type: none"> ❖ Monthly Financial Statement ❖ Discuss South Lot Purchase 	<ul style="list-style-type: none"> ❖ Monthly Financial Statements ❖ Pre close report ❖ 4th Quarter Capital Spending Report ❖ Capital Budget Review 	<ul style="list-style-type: none"> ❖ Monthly Financial Statements ❖ Conduct Annual Audit
September	October	November	December
<ul style="list-style-type: none"> ❖ Monthly Financial Statements ❖ Audit status 	<ul style="list-style-type: none"> ❖ Monthly Financial Statements ❖ Audited Financial Statements and Audit presentation AT COMBINED MEETING WITH AUDIT COMMITTEE ❖ 1st Quarter Capital Spending Report ❖ 2017 1st Quarter Financial Review/Nine month projection 	<ul style="list-style-type: none"> ❖ Monthly Financial Statements ❖ Cost Reports for FY16 for Medicare, Medi-Cal, OSHPD, AB915 and IGT 	<ul style="list-style-type: none"> ❖ Monthly Financial Statements ❖ Annual Finance Committee Review