



SVHCD FINANCE COMMITTEE

AGENDA

TUESDAY, June 26, 2018

5:00 p.m. Regular Session

Location: Schantz Conference Room

Sonoma Valley Hospital, 347 Andrieux Street

Sonoma CA 95476

Call In Number 866-228-9900, guest code 294221

<p>In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a Finance Committee meeting, please contact District Clerk Stacey Finn at sfinn@svh.com or (707) 935.5004 at least 48 hours prior to the meeting.</p>	RECOMMENDATION	
AGENDA ITEM		
<p>MISSION STATEMENT The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</p>		
<p>1. CALL TO ORDER/ANNOUNCEMENTS</p>	<i>Nevins</i>	
<p>2. PUBLIC COMMENT SECTION <i>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration. At all times please use the microphone</i></p>	<i>Nevins</i>	
<p>3. CONSENT CALENDAR • FC Minutes 04.24.18</p>	<i>Nevins</i>	Action
<p>4. MID-YEAR ACCOUNTS RECEIVABLE AUDIT UPDATE</p>	<i>Jensen</i>	Inform
<p>5. FY 2019 BUDGET UPDATE</p>	<i>Jensen</i>	Inform
<p>6. ADMINISTRATIVE REPORT</p>	<i>Mather</i>	Inform
<p>7. FINANCIAL REPORT FOR MONTH ENDING APRIL 30, 2018 & May 31, 2018</p>	<i>Jensen</i>	Inform
<p>8. SOUTH LOT SALE MODIFICATION & LOAN APPROVAL</p>	<i>Jensen</i>	Action
<p>9. ADJOURN</p>	<i>Nevins</i>	



**SVHCD
FINANCE COMMITTEE MEETING
MINUTES
TUESDAY, APRIL 24, 2018
Schantz Conference Room**

Present	Excused	Staff	Public	
Sharon Nevins Joshua Rymer Susan Porth Dr. Subhash Mishra via telephone	John Perez Keith Hughes	Kelly Mather Ken Jensen Sarah Dungan Cynthia Denton	Peter Hohorst	
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>			
	Called to order 5:02 pm. Mr. Berezin has resigned from the Committee.			
2. PUBLIC COMMENT SECTION	<i>Nevins</i>			
	None			
3. CONSENT CALENDAR FC Minutes 03.27.18	<i>Nevins</i>		Action	
			MOTION: by Rymer, 2 nd by Porth to approve. All in favor.	
4. CAPITAL SPENDING FY 2018 TO DATE	<i>Jensen</i>		Inform	
	Ms. Dungan reviewed capital spending, which was \$129,000 to date, including several items funded by the Foundation.			
5. MID-YEAR ACCOUNTS RECEIVABLE AUDIT UPDATE	<i>Jensen</i>		Inform	
	Mr. Jensen said the goal is to have reserves reviewed prior to the fiscal year end. He did not believe there were any major adjustments.			Add to the May agenda.

6. FY 2019 BUDGET UPDATE	<i>Jensen</i>	Inform	
	Mr. Jensen said that volumes have not been typical since January. He did not want to issue an unrealistic budget, but may have to do that temporarily. The Committee might also approve a three-month budget for now.		CFO to bring scenarios to the May meeting.
7. ADMINISTRATIVE REPORT	<i>Mather</i>	Inform	
	Ms. Mather reported that a SVH-UCSF meeting would take place on April 25 th . Two CMO candidates were interviewed which did not work out. They will try to fill this with an interim CMO for now. Ideas being discussed include physician strategy, memory care/geriatric strategy, group purchasing, and putting the primary care physicians in one space. Home Care due diligence started last week. Two new podiatrists and one urologist have begun practicing.		
8. FINANCIAL REPORT FOR MONTH ENDING MARCH 31, 2018	<i>Jensen</i>	Inform	
	Mr. Jensen discussed the payer mix with Medicare at 58%. Medi-Cal was also up in March, with commercial at 18%. Cash was \$219,000 under expectations. Accounts receivable were 43 days, with Accounts Payable at 43.5 days. Cash was at 6.7 days. ER revenue was off by \$1.5 million due to lower acuity, and diagnostics were down \$1.1 million. Expenses, salaries and benefits were all better than budget. Operating expenses were \$355,000 better than expected. The operating margin for March was (\$947,000) vs. a budgeted loss of (\$272,000). Net loss after GO bond activity and restricted contributions was (\$395,000). Cash will be tight through May and better in June if IGT funds come in.		
9. ADJOURN	<i>Nevins</i>		
	<i>Meeting adjourned at 5:53 pm</i>		



To: SVHCD Board of Directors
From: Kelly Mather
Date: 5/31/18
Subject: Administrative Report

Summary

This month we had staff forums and discussed the future of SVH and how we are going to restructure the hospital around the needs of the community and the shift from inpatient care. The message was about ensuring our future and the staff response was generally positive.

Strategic Update from FY 2018 Strategic Plan:

Strategic Priorities	Update
Highest levels of health care safety, quality and value	<ul style="list-style-type: none"> ➤ Rate My Hospital scores are excellent and this tool is helping us address any concerns immediately. ➤ SVH culture of embracing change using “100 day workouts.” We are completing 11 improvement projects in June. ➤ The first quarter quality data shows we are above the national average.
Be the preferred hospital for patients, physicians, employers and health plans	<ul style="list-style-type: none"> ➤ As a result of the staff satisfaction results, we were excited to share that overall satisfaction as an employee was only 2% unfavorable with 81% of staff responding to the survey. We discussed the one new issue of job security at the forums and most said it was due to the healthcare environment and not knowing the future of the hospital. ➤ A nurse practitioner is starting at Sonoma Family Practice in June. ➤ We hired a Practice Administrator to work on an overall physician strategy which will include the plan for the Rural Health Center and aligning with UCSF. ➤ We are talking about a Medical Office Building to bring all of the physicians together.
Implement new and enhanced revenue strategies as measured by increased direct margins in each service unit	<ul style="list-style-type: none"> ➤ The UCSF collaboration is going well and we have some great ideas around physician strategies. ➤ The FY 2019 – 2021 Rolling Strategic Plan has been approved. ➤ The Woman’s Place service line is on track with the goals. ➤ We had a study session with the Board on the ideas for the new Outpatient Diagnostic Center.
Continue to improve financial stability as measured by operating margin	<ul style="list-style-type: none"> ➤ As we respond to the lower inpatient census, we need to restructure the hospital for the future and will do it this summer. Our primary focus will always be having Emergency care in the Valley. ➤ We will have a \$1.3 million pick up from the South Lot sale in Fall 2018. ➤ We are working with a highly successful Home Care organization on a transfer of this service but they have asked for a few more months to make the decision. ➤ Recommending changes in our some of the pay practices and PTO accruals.
Lead progress toward being a healthier community as measured by community benefit	<ul style="list-style-type: none"> ➤ Celebration of Woman was a huge success! ➤ The physicians and staff are stepping up and helping with the ODC campaign. ➤ We are working with UCSF on telemedicine for Stroke and Neurology and also have Psychiatry coming on telemedicine this summer.

APRIL 2018

			National
Patient Experience	Current Performance	FY 2018 Goal	Benchmark
Would Recommend Hospital	98 th percentile	> 60th percentile	50th percentile
Inpatient Overall Rating	99 th percentile	>60th percentile	50th percentile
Home Health	92%	> 90%	> 80%
Outpatient Services	4.8	Rate My Hospital	4.5
Emergency	4.5	Rate My Hospital	4.5
Quality & Safety	YTD Performance	FY 2018 Goal	Benchmark
Hospital Acquired Infections	5 of 6 <benchmark	5 of 6 <benchmark	6 of 6 < benchmark
30 Day All- Cause Readmissions	9.70%	< 10 %	< 18.5%
Serious Safety Events	0	0	0
Overall Surgical Site Infection Rate	0.43%	0.50%	n/a
Hand Hygiene	98%	>90%	>80%
Falls	1.6	< 2.3	2.3
Pressure Ulcers	0	<3.7	3.7
Injuries to Staff	7	< 10	17
Adverse Drug Events with Harm	1	0	0
C Section rate	11.3%	<20%	< 20%
Wound Care time to heal	22 days	< 30 days	< 31 days
Repeat Analysis in Radiology	3.25%	< 5%	< 5%
Reportable HIPAA Privacy Events	0	0	0
SNF Star Rating	4	4	3
Hospital Star Rating	4	4	3
Our People	YTD Performance	FY 2018 Goal	Benchmark
Press Ganey Engagement Survey	61 st percentile	75th percentile	50th percentile
Wellness Ambassadors	253	250	> 200
Turnover	14.2%	< 10%	< 15%
Financial Stability	YTD Performance	FY 2018 Goal	Benchmark
EBDA	-1.8%	2.9%	3%
FTE's/AOB	4.06	4.3	5.3
Days Cash on Hand	6.8	20	30
Days in Accounts Receivable	43	49	50
Length of Stay	3.5	3.85	4.03
Cost per Medicare Beneficiary	\$18,430	<\$20,000	\$20,473
Funds raised by SVHF	\$8 million	\$20 million	\$1 million
Strategic Growth	YTD Performance	FY 2018 Goal	Benchmark
Inpatient Discharges	941/1130	1193	1225
Outpatient Visits	43,997/52,796	57,771	55,566
Emergency Visits	8,839/10,606	11,022	11,019
Surgeries	1523/1827	1,800	1,680
Births	88/105	132	120
Home Health Visits	7,732/9278	11,053	11,400
Community Benefit Hours	1124/1348	1200	1200

Note: Colors demonstrate comparison to National Benchmark



To: SVH Finance Committee
From: Ken Jensen, CFO
Date: May 22, 2018
Subject: Financial Report for the Month Ending April 30, 2018

For the month of April volumes were consistent with the previous month in both inpatient and outpatient services but continue to be under budgeted expectations. The month of April did experience higher acuity levels leading to higher gross revenues.

The actual loss of (\$651,470) from operations in April was (\$203,674) unfavorable to the budgeted loss of (\$447,796). After accounting for all other activity; April's net income was \$220,974 vs. the budgeted loss of (\$34,898) with a monthly EBIDA of -1.7% vs. a budgeted 2.6%.

Gross patient revenue for April was \$22,990,695, \$284,405 over budget. Inpatient gross revenue was over budget by \$89,926. Inpatient days were under budget by (46) days and inpatient surgeries were under budgeted expectations by (6) cases, but there was an overall higher acuity than budgeted. Outpatient revenue was over budget by \$553,729. Outpatient visits were under budgeted expectations by (623) visits, and outpatient surgeries were over budgeted expectations by 1 case. The Emergency Room gross revenue was under budget by (\$231,283) with ER visits under budgeted expectations by (48) visits. SNF gross charges were under budgeted expectations by (\$77,164) and SNF patient days were under budget by (53) days. Home Health was under budget by (\$50,803) with visits under budget by (201) visits which is due to seeing a reduced number of Kaiser HHA patients.

Gross revenue from surgical implants in April is \$762,411 with \$521,016 from inpatient surgeries and \$241,395 from outpatient surgeries, and total implant costs were (\$206,117). The net, before any revenue deductions, is \$556,294.

Deductions from revenue were unfavorable to budgeted expectations by (\$725,101). Of the variance, (\$250,772) is from the budgeted prior period adjustments or IGT payments. Without the budgeted IGT variance, the deductions from revenue variance are unfavorable by (\$474,329) which is due to a Balance Sheet adjustment to Net Accounts Receivables.

The variance was also impacted by a continued negative shift in payer mix with Medicare volume increasing by 5.0% points over budget and Commercial volume dropping by -0.6% points.



After accounting for all other operating revenue, the **total operating revenue** was unfavorable to budgeted expectations by (\$477,816).

Operating Expenses of \$5,052,638 were favorable to budget by \$274,142. Salaries and wages and agency fees were under budget by \$161,016. Salaries and wages were under budget by \$171,504 and agency fees were over budget by (\$10,488). Professional fees were over budget by (\$79,520) due to physician recruitment and signing bonus fees (\$40,000) and non-budgeted consulting fees offset by lower administration and management salaries (\$17,680). Supplies are over budget in surgery primarily with the cost of implants (\$32,086). Purchased services were under budget in April due to budgeted services not used and there was no governmental matching fee in the month of April.

For the month of April, the hospital saved \$115,111 attributable to the cost savings plan implemented January 1, 2018. From January 1, 2018, through April, the total savings is \$422,670. See attachment I for details.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for April was (\$400,962) vs. a budgeted net loss of (\$198,633). The Hospital received \$477,029 in restricted donations from the Foundation for the 3D mammography and OP Diagnostic Center projects. The total net income for April after all activity was \$220,974 vs. a budgeted net loss of (\$34,898).

EBIDA for the month of April was -1.7% vs. the budgeted 2.6%.

Patient Volumes – April

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	103	101	2	89
Newborn Discharges	6	14	-8	11
Acute Patient Days	341	387	-46	368
SNF Patient Days	525	578	-53	512
Home Care Visits	755	956	-201	934
OP Gross Revenue	\$14,170	\$13,924	\$246	\$13,168
Surgical Cases	144	149	-5	171

Gross Revenue Overall Payer Mix – April

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	46.1%	45.7%	0.4%	44.6%	45.6%	-1.0%
Medicare Mgd Care	14.6%	10.0%	4.6%	13.0%	10.0%	3.0%
Medi-Cal	15.5%	17.8%	-2.3%	17.9%	17.9%	0.0%
Self Pay	1.3%	1.2%	0.1%	1.1%	1.2%	-0.1%
Commercial	19.6%	20.2%	-0.6%	19.2%	20.3%	-1.1%
Workers Comp	1.7%	3.1%	-1.4%	2.1%	3.0%	-0.9%
Capitated	1.2%	2.0%	-0.8%	2.1%	2.0%	0.1%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for April:

For the month of April the cash collection goal was \$2,672,909 and the Hospital collected \$3,826,323 or over the goal by \$1,153,414. The year-to-date cash collection goal was \$35,498,078 and the Hospital has collected \$36,665,533 or over goal by \$1,167,455. Days of cash on hand are 6.8 days at April 30, 2018. Accounts Receivable decreased from March, from 43.0 days to 42.9 days in April. Accounts Payable decreased by \$220,145 from March and Accounts Payable days are at 40.6.

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
- Attachment I is the Cash Savings from cost reduction plan implemented 1/1/2018

Sonoma Valley Hospital
Payer Mix for the month of April 30, 2018

ATTACHMENT A

April-18

YTD

Gross Revenue:	Actual	Budget	Variance	% Variance
Medicare	10,570,653	10,378,450	192,203	1.9%
Medicare Managed Care	3,356,629	2,257,693	1,098,936	48.7%
Medi-Cal	3,548,911	4,034,634	-485,723	-12.0%
Self Pay	299,916	278,061	21,855	7.9%
Commercial & Other Government	4,550,077	4,602,799	-52,722	-1.1%
Worker's Comp.	381,230	693,867	-312,637	-45.1%
Capitated	283,279	460,786	-177,507	-38.5%
Total	22,990,695	22,706,290	284,405	

Actual	Budget	Variance	% Variance
97,366,005	104,268,232	-6,902,227	-6.6%
28,419,794	22,788,868	5,630,926	24.7%
39,034,105	40,922,501	-1,888,396	-4.6%
2,448,066	2,829,959	-381,893	-13.5%
42,087,392	46,758,866	-4,671,474	-10.0%
4,670,781	6,952,038	-2,281,257	-32.8%
4,516,684	4,654,476	-137,792	-3.0%
218,542,827	229,174,940	(10,632,113)	

Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	1,659,664	1,548,978	110,686	7.1%
Medicare Managed Care	448,781	289,854	158,927	54.8%
Medi-Cal	435,451	549,649	-114,198	-20.8%
Self Pay	167,953	125,327	42,626	34.0%
Commercial & Other Government	1,424,932	1,710,283	-285,351	-16.7%
Worker's Comp.	80,020	179,336	-99,316	-55.4%
Capitated	11,643	14,941	-3,298	-22.1%
Prior Period Adj/IGT	62,500	313,272	-250,772	-80.0%
Total	4,290,944	4,731,640	(440,696)	-9.3%

Actual	Budget	Variance	% Variance
14,825,360	15,653,485	-828,125	-5.3%
4,128,593	2,925,817	1,202,776	41.1%
5,576,242	5,639,171	-62,929	-1.1%
1,264,519	1,365,302	-100,783	-7.4%
13,723,279	17,159,248	-3,435,969	-20.0%
994,471	1,721,873	-727,402	-42.2%
141,983	157,368	-15,385	-9.8%
4,150,338	3,132,720	1,017,618	32.5%
44,804,785	47,754,984	(2,950,199)	-6.2%

Percent of Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	38.7%	32.7%	6.0%	18.3%
Medicare Managed Care	10.5%	6.1%	4.4%	72.1%
Medi-Cal	11.6%	18.2%	-6.6%	-36.3%
Self Pay	3.8%	2.8%	1.0%	35.7%
Commercial & Other Government	33.2%	36.1%	-2.9%	-8.0%
Worker's Comp.	1.9%	3.8%	-1.9%	-50.0%
Capitated	0.3%	0.3%	0.0%	0.0%
Total	100.0%	100.0%	0.0%	0.0%

Actual	Budget	Variance	% Variance
33.2%	32.8%	0.3%	0.9%
9.2%	6.1%	3.1%	50.8%
21.7%	18.4%	3.3%	17.9%
2.8%	2.9%	-0.1%	-3.4%
30.6%	35.9%	-5.3%	-14.8%
2.2%	3.6%	-1.4%	-38.9%
0.3%	0.3%	0.0%	0.0%
100.0%	100.0%	-0.1%	-0.1%

Projected Collection Percentage:	Actual	Budget	Variance	% Variance
Medicare	15.7%	14.9%	0.8%	5.4%
Medicare Managed Care	13.4%	12.8%	0.6%	4.7%
Medi-Cal	14.0%	21.4%	-7.4%	-34.6%
Self Pay	56.0%	45.1%	10.9%	24.2%
Commercial & Other Government	31.3%	37.2%	-5.9%	-15.9%
Worker's Comp.	21.0%	25.8%	-4.8%	-18.6%
Capitated	4.1%	3.2%	0.9%	28.1%

Actual	Budget	Variance	% Variance
15.2%	15.0%	0.2%	1.3%
14.5%	12.8%	1.7%	13.3%
24.9%	21.4%	3.5%	16.4%
51.7%	48.2%	3.5%	7.3%
32.6%	36.7%	-4.1%	-11.2%
21.3%	24.8%	-3.5%	-14.1%
3.1%	3.4%	-0.3%	-8.8%

**SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended April 30, 2018**

ATTACHMENT B

	<u>CURRENT MONTH</u>				<u>YEAR-TO-DATE</u>			<u>YTD</u>
	<u>Actual 04/30/18</u>	<u>Budget 04/30/18</u>	<u>Favorable (Unfavorable) Variance</u>		<u>Actual 04/30/18</u>	<u>Budget 04/30/18</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Prior Year 04/30/17</u>
				Inpatient Utilization				
				Discharges				
1	95	87	8	Acute	801	897	(96)	910
2	8	14	(6)	ICU	140	160	(20)	111
3	103	101	2	Total Discharges	941	1,057	(116)	1,021
4	6	14	(8)	Newborn	88	142	(54)	116
5	109	115	(6)	Total Discharges inc. Newborns	1,029	1,199	(170)	1,137
				Patient Days:				
6	260	300	(40)	Acute	2,434	3,099	(665)	3,064
7	81	87	(6)	ICU	837	989	(152)	982
8	341	387	(46)	Total Patient Days	3,271	4,088	(817)	4,046
9	13	29	(16)	Newborn	152	291	(139)	219
10	354	416	(62)	Total Patient Days inc. Newborns	3,423	4,379	(956)	4,265
				Average Length of Stay:				
11	2.7	3.5	(0.7)	Acute	3.0	3.5	(0.4)	3.4
12	10.1	6.2	4.0	ICU	6.0	6.2	(0.2)	8.8
13	3.3	3.8	(0.5)	Avg. Length of Stay	3.5	3.9	(0.4)	4.0
14	2.2	2.0	0.1	Newborn ALOS	1.7	2.0	0.3	1.9
				Average Daily Census:				
15	8.7	10.0	(1.3)	Acute	8.0	10.2	(2.2)	10.1
16	2.7	2.9	(0.2)	ICU	2.8	3.3	(0.5)	3.2
17	11.4	12.9	(1.5)	Avg. Daily Census	10.8	13.4	(2.7)	13.3
18	0.4	1.0	(0.5)	Newborn	0.50	0.96	(0.5)	0.72
				Long Term Care:				
19	525	578	(53)	SNF Patient Days	5,393	5,674	(281)	5,536
20	39	25	14	SNF Discharges	304	249	55	293
21	17.5	19.3	(1.8)	Average Daily Census	17.7	18.7	(0.9)	18.2
				Other Utilization Statistics				
				Emergency Room Statistics				
22	864	912	(48)	Total ER Visits	8,839	9,175	(336)	9,112
				Outpatient Statistics:				
23	4,374	4,997	(623)	Total Outpatients Visits	43,997	47,618	(3,621)	45,746
24	30	36	(6)	IP Surgeries	277	328	(51)	378
25	114	113	1	OP Surgeries	1,246	1,043	203	1,028
26	87	45	42	Special Procedures	690	326	364	419
27	755	956	(201)	Home Health Visits	7,732	9,249	(1,517)	9,211
28	371	326	45	Adjusted Discharges	3,360	3,360	(0)	3,367
29	2,265	2,499	(234)	Adjusted Patient Days (Inc. SNF)	23,401	25,115	(1,715)	24,521
30	75.5	83.3	(7.8)	Adj. Avg. Daily Census (Inc. SNF)	77.0	82.6	(5.6)	80.7
31	1.4819	1.4000	0.082	Case Mix Index -Medicare	1.5145	1.4000	0.115	1.6439
32	1.5128	1.4000	0.113	Case Mix Index - All payers	1.4794	1.4000	0.079	1.5618
				Labor Statistics				
33	281	284	3.1	FTE's - Worked	277	285	8.3	282
34	307	325	18.2	FTE's - Paid	311	326	14.6	318
35	43.40	43.87	0.47	Average Hourly Rate	42.74	42.74	(0.00)	40.64
36	23.2	22.2	(0.9)	Manhours / Adj. Pat Day	23.1	22.5	(0.6)	22.5
37	141.3	170.3	29.0	Manhours / Adj. Discharge	160.5	168.1	7.5	163.5
38	22.5%	21.8%	-0.7%	Benefits % of Salaries	22.5%	22.1%	-0.4%	23.1%
				Non-Labor Statistics				
39	12.4%	10.8%	-1.6%	Supply Expense % Net Revenue	11.8%	10.6%	-1.2%	12.5%
40	1,461	1,606	145	Supply Exp. / Adj. Discharge	1,619	1,546	(74)	1,723
41	14,045	16,818	2,773	Total Expense / Adj. Discharge	16,068	16,247	179	15,527
				Other Indicators				
42	6.8			Days Cash - Operating Funds				
43	42.9	50.0	(7.1)	Days in Net AR	46.1	50.0	(3.9)	49.6
44	143%			Collections % of Net Revenue	103%			107.1%
45	40.6	55.0	(14.4)	Days in Accounts Payable	40.6	55.0	(14.4)	24.3
46	19.1%	21.4%	-2.3%	% Net revenue to Gross revenue	21.1%	21.4%	-0.4%	21.3%
47	21.3%			% Net AR to Gross AR	21.3%			23.3%

Sonoma Valley Health Care District
Balance Sheet
As of April 30, 2018

ATTACHMENT C

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets			
Current Assets:			
1 Cash	\$ 1,101,646	\$ 375,086	\$ 1,740,420
2 Trustee Funds	3,628,488	3,625,045	2,700,895
3 Net Patient Receivables	7,523,327	7,760,498	8,908,441
4 Allow Uncollect Accts	(1,091,983)	(1,199,386)	(1,277,292)
5 Net A/R	6,431,344	6,561,112	7,631,149
6 Other Accts/Notes Rec	819,250	1,838,996	2,436,706
7 3rd Party Receivables, Net	2,333,644	1,488,696	1,088,987
8 Inventory	818,935	829,196	816,225
9 Prepaid Expenses	924,013	845,340	838,596
10 Total Current Assets	<u>\$ 16,057,320</u>	<u>\$ 15,563,471</u>	<u>\$ 17,252,978</u>
12 Property, Plant & Equip, Net	\$ 51,903,384	\$ 52,062,188	\$ 53,480,478
13 Specific Funds/ Money Market	203,518	919,563	698,847
14 Other Assets	-	-	-
15 Total Assets	<u><u>\$ 68,164,222</u></u>	<u><u>\$ 68,545,222</u></u>	<u><u>\$ 71,432,303</u></u>
Liabilities & Fund Balances			
Current Liabilities:			
16 Accounts Payable	\$ 3,137,322	\$ 3,357,467	\$ 2,859,973
17 Accrued Compensation	3,963,962	3,832,217	3,989,727
18 Interest Payable	317,320	211,545	330,797
19 Accrued Expenses	1,408,467	1,427,213	1,426,019
20 Advances From 3rd Parties	126,897	112,930	126,800
21 Deferred Tax Revenue	1,134,700	1,702,050	993,817
22 Current Maturities-LTD	1,206,336	1,226,184	1,291,901
23 Line of Credit - Union Bank	-	6,973,734	6,973,734
24 Other Liabilities	6,975,120	1,386	1,386
25 Total Current Liabilities	<u>\$ 18,270,124</u>	<u>\$ 18,844,727</u>	<u>\$ 17,994,154</u>
26 Long Term Debt, net current portion	\$ 35,113,941	\$ 35,141,312	\$ 37,477,881
Fund Balances:			
28 Unrestricted	\$ 10,020,524	\$ 10,276,579	\$ 12,157,774
29 Restricted	4,759,632	4,282,604	3,802,495
30 Total Fund Balances	<u>\$ 14,780,157</u>	<u>\$ 14,559,183</u>	<u>\$ 15,960,268</u>
31 Total Liabilities & Fund Balances	<u><u>\$ 68,164,222</u></u>	<u><u>\$ 68,545,222</u></u>	<u><u>\$ 71,432,303</u></u>

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended April 30, 2018**

ATTACHMENT D

	Month				Year-To-Date				YTD					
	This Year		Variance		This Year		Variance		Prior Year					
	Actual	Budget	\$	%	Actual	Budget	\$	%						
Volume Information														
1	103	101	2	2%	Acute Discharges	941	1,057	(116)	-11%	1,021				
2	525	578	(53)	-9%	SNF Days	5,393	5,674	(281)	-5%	5,536				
3	755	956	(201)	-21%	Home Care Visits	7,732	9,249	(1,517)	-16%	9,211				
4	14,170	13,924	245	2%	Gross O/P Revenue (000's)	\$ 137,423	\$ 140,011	(2,588)	-2%	\$ 132,837				
Financial Results														
Gross Patient Revenue														
5	\$ 6,683,893	\$ 6,593,967	89,926	1%	Inpatient	\$ 60,605,786	\$ 68,469,099	(7,863,313)	-11%	\$ 65,939,999				
6	8,135,436	7,581,707	553,729	7%	Outpatient	75,716,950	74,982,737	734,213	1%	69,629,521				
7	5,803,465	6,034,748	(231,283)	-4%	Emergency	59,030,335	62,034,167	(3,003,832)	-5%	60,210,705				
8	2,090,189	2,167,353	(77,164)	-4%	SNF	20,360,006	20,507,936	(147,930)	-1%	19,283,627				
9	277,712	328,515	(50,803)	-15%	Home Care	2,829,750	3,181,001	(351,251)	-11%	3,225,955				
10	\$ 22,990,695	\$ 22,706,290	284,405	1%	Total Gross Patient Revenue	\$ 218,542,827	\$ 229,174,940	(10,632,113)	-5%	\$ 218,289,807				
Deductions from Revenue														
11	\$ (18,613,751)	\$ (18,165,315)	(448,436)	-2%	Contractual Discounts	\$ (176,264,925)	\$ (183,326,606)	7,061,681	4%	\$ (173,803,894)				
12	(100,000)	(100,000)	-	0%	Bad Debt	(1,453,000)	(1,000,000)	(453,000)	-45%	(1,315,000)				
13	(48,500)	(22,607)	(25,893)	-115%	Charity Care Provision	(170,455)	(226,070)	55,615	25%	(323,293)				
14	62,500	313,272	(250,772)	-80%	Prior Period Adj/Government Program Revenue	4,150,338	3,132,720	1,017,618	*	2,352,167				
15	\$ (18,699,751)	\$ (17,974,650)	(725,101)	4%	Total Deductions from Revenue	\$ (173,738,042)	\$ (181,419,956)	7,681,914	-4%	\$ (173,090,020)				
Net Patient Service Revenue														
16	\$ 4,290,944	\$ 4,731,640	(440,696)	-9%	Risk contract revenue	\$ 1,170,250	\$ 1,285,210	(114,960)	-9%	\$ 1,299,232				
17	\$ 97,957	\$ 128,521	(30,564)	-24%	Net Hospital Revenue	\$ 45,975,035	\$ 49,040,194	(3,065,159)	-6%	\$ 46,499,019				
18	\$ 4,388,901	\$ 4,860,161	(471,260)	-10%	Other Op Rev & Electronic Health Records	\$ 158,464	\$ 188,230	(29,766)	-16%	\$ 305,835				
19	\$ 12,267	\$ 18,823	(6,556)	-35%	Total Operating Revenue	\$ 46,133,499	\$ 49,228,424	(3,094,925)	-6%	\$ 46,804,854				
20	\$ 4,401,168	\$ 4,878,984	(477,816)	-10%	Operating Expenses									
21	\$ 2,277,228	\$ 2,438,244	161,016	7%	Salary and Wages and Agency Fees	\$ 23,054,374	\$ 24,133,165	1,078,791	4%	\$ 22,372,407				
22	851,405	904,517	53,112	6%	Employee Benefits	8,664,339	9,003,177	338,838	4%	8,835,776				
23	\$ 3,128,633	\$ 3,342,761	214,128	6%	Total People Cost	\$ 31,718,713	\$ 33,136,342	1,417,629	4%	\$ 31,208,183				
24	\$ 488,851	\$ 409,331	(79,520)	-19%	Med and Prof Fees (excl Agency)	\$ 4,251,992	\$ 4,093,963	(158,029)	-4%	\$ 3,898,404				
25	542,480	523,889	(18,591)	-4%	Supplies	5,441,841	5,193,782	(248,059)	-5%	5,803,059				
26	331,633	376,290	44,657	12%	Purchased Services	3,624,106	3,763,625	139,519	4%	3,174,558				
27	280,017	282,312	2,295	1%	Depreciation	2,853,585	2,823,120	(30,465)	-1%	2,815,945				
28	88,027	101,622	13,595	13%	Utilities	1,003,569	1,016,220	12,651	1%	970,771				
29	31,819	27,614	(4,205)	-15%	Insurance	318,190	276,140	(42,050)	-15%	295,863				
30	45,780	42,333	(3,447)	-8%	Interest	469,772	446,631	(23,141)	-5%	436,504				
31	115,398	134,195	18,797	14%	Other	1,188,713	1,371,550	182,837	13%	1,366,787				
32	-	86,433	86,433	*	Matching Fees (Government Programs)	1,491,827	864,330	(627,497)	-73%	822,361				
33	\$ 5,052,638	\$ 5,326,780	274,142	5%	Operating expenses	\$ 52,362,308	\$ 52,985,703	623,395	1%	\$ 50,792,435				
34	\$ (651,470)	\$ (447,796)	(203,674)	-45%	Operating Margin	\$ (6,228,809)	\$ (3,757,279)	(2,471,530)	-66%	\$ (3,987,581)				
Non Operating Rev and Expense														
35	\$ (10,473)	\$ (12,821)	2,348	-18%	Miscellaneous Revenue/(Expenses)	\$ (55,961)	\$ (129,812)	73,851	*	\$ (93,192)				

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended April 30, 2018**

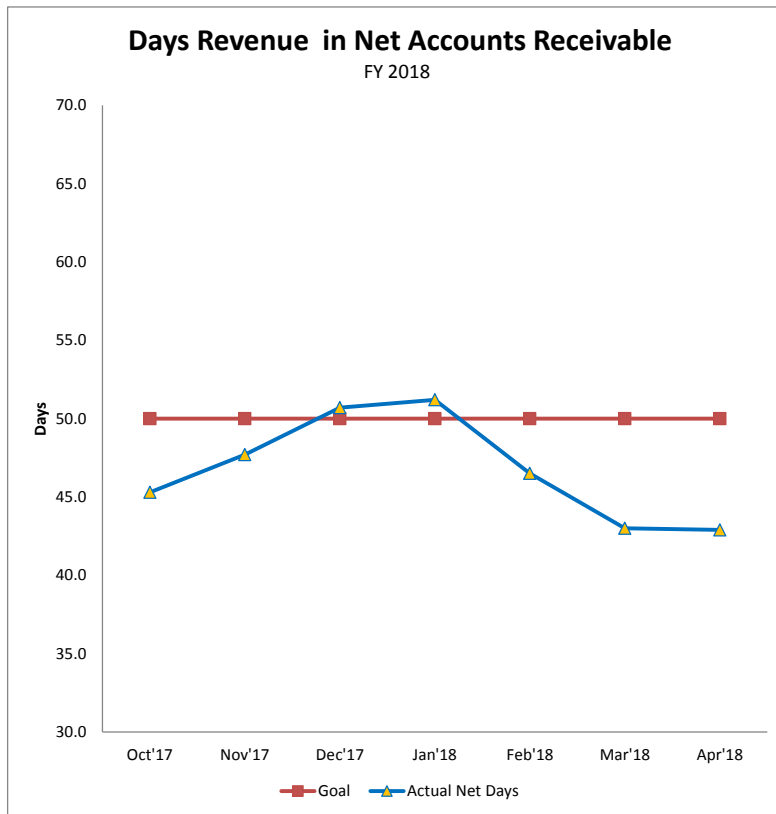
	Month					Year-To- Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
36	1,080	-	1,080	0%	Donations	27,046	-	27,046	0%	98,916	
37	(56,766)	(54,683)	(2,083)	4%	Physician Practice Support-Prima	(567,660)	(546,830)	(20,830)	4%	(375,000)	
38	316,667	316,667	-	0%	Parcel Tax Assessment Rev	3,166,670	3,166,670	-	0%	2,500,378	
39	0	0	-	0%	Extraordinary Items	(26,875)	0	(26,875)	0%		
40	\$ 250,508	\$ 249,163	1,345	1%	Total Non-Operating Rev/Exp	\$ 2,543,220	\$ 2,490,028	80,067	2%	\$ 2,131,102	
41	\$ (400,962)	\$ (198,633)	(202,329)	102%	Net Income / (Loss) prior to Restricted Contributions	\$ (3,685,589)	\$ (1,267,251)	(2,391,463)	189%	\$ (1,856,479)	
42	\$ -	\$ 18,828	(18,828)	-100%	Capital Campaign Contribution	\$ 140,664	\$ 161,812	(21,148)	-13%	\$ 204,733	
43	\$ 477,029	\$ -	477,029	0%	Restricted Foundation Contributions	\$ 739,834	\$ -	739,834	100%	\$ -	
44	\$ 76,067	\$ (179,805)	255,872	-142%	Net Income / (Loss) w/ Restricted Contributions	\$ (2,805,091)	\$ (1,105,439)	(1,699,652)	154%	\$ (1,651,747)	
45	250,683	250,683	-	0%	GO Bond Tax Assessments Rev	2,506,830	2,506,830	-	0%	2,469,090	
46	(105,776)	(105,776)	-	0%	GO Bond Interest	(1,062,250)	(1,062,250)	-	0%	(1,118,303)	
47	\$ 220,974	\$ (34,898)	255,872	-733%	Net Income/(Loss) w GO Bond Activity	\$ (1,360,511)	\$ 339,141	(1,699,652)	-501%	\$ (300,960)	
	\$ (75,165)	\$ 126,012			EBIDA - Not including Restricted Contributions	\$ (362,232)	\$ 2,002,500			\$ 1,395,970	
	-1.7%	2.6%				-0.8%	4.1%			3.0%	
	\$ (120,945)	\$ 83,679			EBDA - Not including Restricted Contributions	\$ (832,004)	\$ 1,555,869				
	-2.7%	1.7%				-1.8%	3.2%				

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended April 30, 2018

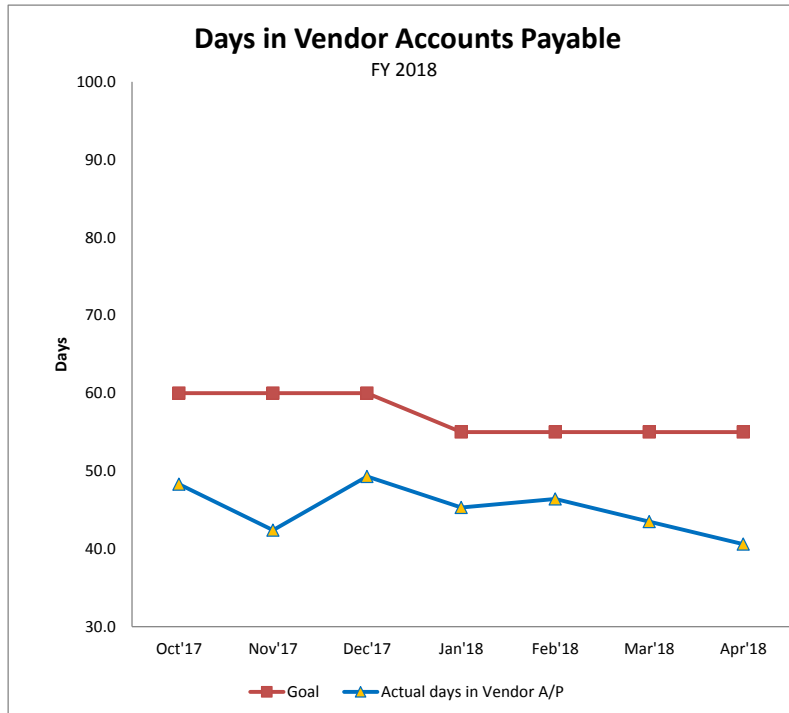
	YTD	MONTH	
Description	Variance	Variance	
Volume Information			
1 Acute Discharges	(116)	2	
2 SNF Days	(281)	(53)	
3 Home Care Visits	(1,517)	(201)	
4 Gross O/P Revenue (000's)	(2,588)	245	
Financial Results			
Gross Patient Revenue			
5 Inpatient	(7,863,313)	89,926	Inpatient days are 341 days vs. budgeted expectations of 387 days and inpatient surgeries are 30 vs. budgeted expectations 36.
6 Outpatient	734,213	553,729	Outpatient visits are 4,374 vs. budgeted expectations of 4,997 visits and outpatient surgeries are 114 vs. budgeted expectations 113.
7 Emergency	(3,003,832)	(231,283)	ER visits are 864 vs. budgeted visits of 912.
8 SNF	(147,930)	(77,164)	SNF patient days are 525 vs. budgeted expected days of 578.
9 Home Care	(351,251)	(50,803)	HHA visits are 755 vs. budgeted expectations of 956.
10 Total Gross Patient Revenue	(10,632,113)	284,405	
Deductions from Revenue			
11 Contractual Discounts	7,061,681	(448,436)	
12 Bad Debt	(453,000)	-	
13 Charity Care Provision	55,615	(25,893)	
14 Prior Period Adj/Government Program Revenue	1,017,618	(250,772)	Accrued \$62,500 for the prime grant.
15 Total Deductions from Revenue	7,681,914	(725,101)	
16 Net Patient Service Revenue	(2,950,199)	(440,696)	
17 Risk contract revenue	(114,960)	(30,564)	
18 Net Hospital Revenue	(3,065,159)	(471,260)	
19 Other Op Rev & Electronic Health Records	(29,766)	(6,556)	
20 Total Operating Revenue	(3,094,925)	(477,816)	
Operating Expenses			
21 Salary and Wages and Agency Fees	1,078,791	161,016	Salaries and Wages are under budget by \$171,504 and the Agency fees are over budget by (\$10,488).
22 Employee Benefits	338,838	53,112	PTO is under budget by \$26,244 and employee benefits are under budget by \$26,868.
23 Total People Cost	1,417,629	214,128	
24 Med and Prof Fees (excl Agency)	(158,029)	(79,520)	Chief Revenue Officer was moved from employee to consultant (\$17,680) and dietary consultant (\$13,600).
25 Supplies	(248,059)	(18,591)	Supplies are over budget due to surgery implants (\$32,086).
26 Purchased Services	139,519	44,657	Budgeted purchased services not used during April.
27 Depreciation	(30,465)	2,295	
28 Utilities	12,651	13,595	
29 Insurance	(42,050)	(4,205)	
30 Interest	(23,141)	(3,447)	
31 Other	182,837	18,797	
32 Matching Fees (Government Programs)	(627,497)	86,433	No matching fee in April
33 Operating expenses	623,395	274,142	
34 Operating Margin	(2,471,530)	(203,674)	
Non Operating Rev and Expense			
35 Miscellaneous Revenue	73,851	2,348	
36 Donations	27,046	1,080	Foundation grants for employee education
37 Physician Practice Support-Prima	(20,830)	(2,083)	
38 Parcel Tax Assessment Rev	-	-	
39 Extraordinary Items	(26,875)	-	
40 Total Non-Operating Rev/Exp	80,067	1,345	
41 Net Income / (Loss) prior to Restricted Contributions	(2,391,463)	(202,329)	

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended April 30, 2018

	YTD	MONTH	
Description	Variance	Variance	
		-	
42 Capital Campaign Contribution	(21,148)	(18,828)	
43 Restricted Foundation Contributions	739,834	477,029	Foundation donations 3D Mammography (\$449,442), A Women's Place (\$17,587), and OP Diagnostic Center (\$10,000)
44 Net Income / (Loss) w/ Restricted Contributions	(1,699,652)	255,872	
45 GO Bond Tax Assessment Rev	-	-	
46 GO Bond Interest	-	-	
47 Net Income/(Loss) w GO Bond Activity	(1,699,652)	255,872	



Days in A/R	Oct'17	Nov'17	Dec'17	Jan'18	Feb'18	Mar'18	Apr'18
Actual days in A/R	45.3	47.7	50.7	51.2	46.5	43.0	42.9
Goal	50.0	50.0	50.0	50.0	50.0	50.0	50.0



Days in A/P	Oct'17	Nov'17	Dec'17	Jan'18	Feb'18	Mar'18	Apr'18
Actual days in Vendor A/P	48.3	42.4	49.3	45.3	46.4	43.5	40.6
Goal	60.0	60.0	60.0	55.0	55.0	55.0	55.0

Sonoma Valley Hospital
Statistical Analysis
FY 2018

ATTACHMENT G

	ACTUAL	BUDGET	ACTUAL												
	Apr-18	Apr-18	Mar-18	Feb-18	Jan-18	Dec-17	Nov-17	Oct-17	Sep-17	Aug-17	Jul-17	Jun-17	May-17	Apr-17	Mar-17
Statistics															
Acute															
Acute Patient Days	341	387	335	289	394	386	321	315	325	325	240	346	388	368	415
Acute Discharges (w/o Newborns)	103	101	106	82	111	96	99	87	87	94	76	87	100	89	119
SNF Days	525	578	566	494	646	563	468	624	479	500	528	458	559	512	572
HHA Visits	755	956	684	821	801	798	630	871	789	713	870	940	966	934	849
Emergency Room Visits	864	912	871	811	996	919	816	827	921	894	920	964	1,069	921	941
Gross Outpatient Revenue (000's)	\$14,170	\$13,924	\$13,064	\$12,519	\$14,741	\$14,051	\$12,952	\$11,864	\$14,364	\$15,524	\$14,175	\$15,454	\$15,523	\$13,168	\$15,098
Equivalent Patient Days	2,265	2,499	2,272	2,212	2,629	2,471	2,030	2,334	2,266	2,591	2,332	2,328	2,654	2,227	2,537
Births	6	14	8	11	7	10	11	12	5	10	6	15	7	11	12
Surgical Cases - Inpatient	30	36	34	16	32	24	34	23	33	22	29	36	30	47	40
Surgical Cases - Outpatient	114	113	117	123	109	136	121	97	154	142	133	161	143	124	149
Total Surgical Cases	144	149	151	139	141	160	155	120	187	164	162	197	173	171	189
Total Special Procedures	87	45	75	75	65	59	73	52	75	77	52	66	58	44	36
Medicare Case Mix Index	1.48	1.40	1.45	1.34	1.50	1.57	1.55	1.49	1.54	1.57	1.65	1.66	1.69	1.64	1.45
Income Statement															
Net Revenue (000's)	\$4,389	\$4,860	4,218	4,590	4,909	4,466	4,474	4,543	4,518	4,775	4,988	5,188	5,330	4,924	5,283
Operating Expenses (000's)	\$5,053	\$5,327	\$5,179	\$5,270	\$5,357	\$5,122	\$5,332	\$4,872	\$5,206	\$5,380	\$5,592	\$5,250	\$5,678	\$5,308	\$5,395
Net Income (000's)	\$221	(\$35)	\$ (395)	\$ (175)	\$ 125	\$ (226)	\$ (380)	\$ 62	\$ (230)	\$ (165)	\$ (198)	\$ 690	\$ 16	\$ (24)	\$ 304
Productivity															
Total Operating Expense Per Equivalent Patient Day	\$2,231	\$2,132	\$2,280	\$2,382	\$2,038	\$2,073	\$2,627	\$2,087	\$2,297	\$2,076	\$2,398	\$2,255	\$2,139	\$2,383	\$2,127
Productive FTEs	281	284	279	274	276	255	316	246	289	279	271	278	291	285	294
Non-Productive FTE's	26	41	23	31	36	52	13	58	27	35	47	43	28	28	28
Total FTEs	307	325	302	305	312	307	329	304	316	314	318	321	319	313	322
FTEs per Adjusted Occupied Bed	4.06	3.90	4.17	3.87	3.68	3.85	4.86	4.04	4.19	3.75	4.23	4.14	3.73	4.22	3.93
Balance Sheet															
Days of Expense In General Operating Cash	6.8		7	14	24	18	14	12	9	11	16	20	19	11	16
Net Days of Revenue in AR	43	50	43	47	51	51	48	45	47	43	45	45	44	47	44

Sonoma Valley Hospital
Cash Forecast
FY 2018

	Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Forecast May	Forecast Jun	TOTAL
Hospital Operating Sources													
1 Patient Payments Collected	4,502,585	4,253,229	4,093,599	4,253,616	3,890,115	3,814,761	4,401,932	3,677,850	4,283,702	4,214,618	4,357,338	4,451,807	50,195,153
2 Capitation Revenue	133,404	128,220	128,530	131,210	128,781	122,912	93,640	106,306	99,290	97,957	99,290	99,290	1,368,830
3 Napa State	39,561	4,166	35,361	26,125	5,181	21,341	30,259	-	-	14,854	20,762	20,762	218,372
4 Other Operating Revenue	10,971	25,415	37,380	30,930	42,863	35,092	33,639	57,291	45,083	42,239	18,823	18,827	398,552
5 Other Non-Operating Revenue	26,914	38,081	68,232	33,898	48,014	43,511	47,501	9,459	32,528	34,738	-	-	382,877
6 Unrestricted Contributions	-	8,478	150	-	-	19,590	835	-	2,810	1,080	-	-	32,943
7 Line of Credit	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total Hospital Sources	4,713,435	4,457,589	4,363,253	4,475,779	4,114,954	4,057,207	4,607,806	3,850,906	4,463,413	4,405,486	4,496,213	4,590,686	52,596,727
Hospital Uses of Cash													
8 Operating Expenses	5,146,037	5,273,336	5,040,006	4,799,145	5,326,497	4,701,617	4,944,257	4,794,729	5,813,204	5,109,358	4,837,721	4,770,733	60,556,640
9 Add Capital Lease Payments	52,503	186,389	69,999	179,596	109,938	70,502	45,558	181,715	71,338	47,220	103,786	169,180	1,287,724
10 Additional Liabilities	-	-	-	-	-	-	-	375,000	-	-	-	-	375,000
11 Capital Expenditures	15,965	56,034	1,755	88,906	88,829	59,065	546,421	-	37,792	81,693	-	-	976,460
Total Hospital Uses	5,214,505	5,515,759	5,111,761	5,067,647	5,525,264	4,831,184	5,536,236	5,351,443	5,922,334	5,238,271	4,941,507	4,939,913	63,195,824
Net Hospital Sources/Uses of Cash	(501,070)	(1,058,171)	(748,508)	(591,868)	(1,410,310)	(773,977)	(928,430)	(1,500,538)	(1,458,921)	(832,785)	(445,294)	(349,227)	(10,599,097)
Non-Hospital Sources													
12 Restricted Cash/Capital Donations	-	527,977	(727,205)	(100,755)	382,167	417	551,467	-	227,056	1,213,518	(697,244)	18,828	1,396,226
13 Parcel Tax Revenue	152,275	-	1,500,000	-	-	482,664	532,571	-	-	1,061,899	-	-	3,729,409
14 Payment - South Lot	-	-	-	(25,205)	-	(25,205)	-	-	(24,658)	-	-	(24,932)	(100,000)
15 Other:	-	-	-	-	-	-	-	-	-	-	-	-	-
16 IGT (Net)	-	-	-	1,877,696	-	-	-	-	-	-	1,242,582	-	3,120,278
17 IGT - AB915	-	-	-	-	-	-	811,535	-	138,554	-	296,768	-	1,246,857
18 PRIME	-	-	-	-	1,350,000	-	-	-	-	-	-	150,000	1,500,000
Sub-Total Non-Hospital Sources	152,275	527,977	772,795	1,751,736	1,732,167	457,876	1,895,573	-	340,952	2,275,417	842,106	143,896	10,892,770
Non-Hospital Uses of Cash													
19 Matching Fees	-	509,543	266,212	675,000	-	-	-	-	-	716,072	75,000	-	2,241,827
Sub-Total Non-Hospital Uses of Cash	-	509,543	266,212	675,000	-	-	-	-	-	716,072	75,000	-	2,241,827
Net Non-Hospital Sources/Uses of Cash	152,275	18,434	506,583	1,076,736	1,732,167	457,876	1,895,573	-	340,952	1,559,345	767,106	143,896	8,650,943
Net Sources/Uses	(348,795)	(1,039,737)	(241,925)	484,868	321,857	(316,101)	967,143	(1,500,538)	(1,117,969)	726,560	321,812	(205,331)	
Cash and Equivalents at beginning of period	3,166,281	2,817,486	1,777,750	1,535,825	2,020,693	2,342,550	2,026,449	2,993,592	1,493,055	375,086	1,101,646	1,423,458	
Cash and Equivalents at end of period	2,817,486	1,777,750	1,535,825	2,020,693	2,342,550	2,026,449	2,993,592	1,493,055	375,086	1,101,646	1,423,458	1,218,127	

Sonoma Valley Hospital
Cash Forecast
FY 2018

ATTACHMENT H

	Actual July - Dec	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Forecast May	Forecast Jun	TOTAL
Hospital Operating Sources								
1 Patient Payments Collected	24,807,906	4,401,932	3,677,850	4,283,702	4,214,618	4,357,338	4,451,807	50,195,153
2 Capitation Revenue	773,056	93,640	106,306	99,290	97,957	99,290	99,290	1,368,830
3 Napa State	131,735	30,259	-	-	14,854	20,762	20,762	218,372
4 Other Operating Revenue	182,650	33,639	57,291	45,083	42,239	18,823	18,827	398,552
5 Other Non-Operating Revenue	258,651	47,501	9,459	32,528	34,738	-	-	382,877
6 Unrestricted Contributions	28,218	835	-	2,810	1,080	-	-	32,943
7 Line of Credit								-
Sub-Total Hospital Sources	26,182,217	4,607,806	3,850,906	4,463,413	4,405,486	4,496,213	4,590,686	52,596,727
Hospital Uses of Cash								
8 Operating Expenses	30,286,638	4,944,257	4,794,729	5,813,204	5,109,358	4,837,721	4,770,733	60,556,640
10 Add Capital Lease Payments	668,927	45,558	181,715	71,338	47,220	103,786	169,180	1,287,724
11 Additional Liabilities			375,000	-	-	-	-	375,000
12 Capital Expenditures	310,554	546,421		37,792	81,693	-	-	976,460
Total Hospital Uses	31,266,120	5,536,236	5,351,443	5,922,334	5,238,271	4,941,507	4,939,913	63,195,824
Net Hospital Sources/Uses of Cash	(5,083,903)	(928,430)	(1,500,538)	(1,458,921)	(832,785)	(445,294)	(349,227)	(10,599,097)
Non-Hospital Sources								
13 Restricted Cash/Capital Donations	82,601	551,467	-	227,056	1,213,518	(697,244)	18,828	1,396,226
14 Parcel Tax Revenue	2,134,939	532,571	-	-	1,061,899	-	-	3,729,409
15 Payment - South Lot	(50,410)		-	(24,658)	-	-	(24,932)	(100,000)
16 Other:	-		-	-	-	-	-	-
17 IGT	1,877,696		-	-	-	1,242,582	-	3,120,278
18 IGT - AB915 (Net)	-	811,535	-	138,554	-	296,768	-	1,246,857
19 PRIME	1,350,000		-	-	-	-	150,000	1,500,000
Sub-Total Non-Hospital Sources	5,394,826	1,895,573	-	340,952	2,275,417	842,106	143,896	10,892,770
Non-Hospital Uses of Cash								
20 Matching Fees	1,450,755				716,072	75,000	-	2,241,827
Sub-Total Non-Hospital Uses of Cash	1,450,755	-	-	-	716,072	75,000	-	2,241,827
Net Non-Hospital Sources/Uses of Cash	3,944,071	1,895,573	-	340,952	1,559,345	767,106	143,896	8,650,943
Net Sources/Uses	(1,139,832)	967,143	(1,500,538)	(1,117,969)	726,560	321,812	(205,331)	
Cash and Equivalents at beginning of period	3,166,281	2,026,449	2,993,592	1,493,055	375,086	1,101,646	1,423,458	
Cash and Equivalents at end of period	2,026,449	2,993,592	1,493,055	375,086	1,101,646	1,423,458	1,218,127	

Sonoma Valley Hospital
 Schedule of Cash Savings from Cost Reduction Plan
 For the months of January Through April 2018

ATTACHMENT I

			Savings					
<u>Department</u>	<u>Department</u>	<u>Job Code</u>	<u>Jan-18</u>	<u>Feb-18</u>	<u>Mar-18</u>	<u>Apr-18</u>	<u>Total</u>	<u>Notes</u>
7290	Home Health	Total department	\$ 23,660	\$ 34,779	\$ 14,939	\$ 40,731	\$ 114,109	Cost reduction, net
7721	Respiratory Therapy	0000 - Management	727	909	257	615	2,508	Cardiopulmonary Manager
7770	Rehab	0000 - Management	9,431	9,008	6,754	6,152	31,345	Consolidation of Rehab managers (New hire in February)
8361/8750	CareTransitions/Quality	0000 - Management	2,872	3,015	3,317	2,632	11,836	Chief of Quality
8480	IT	0000 - Management	10,523	10,390	8,719	9,746	39,378	IT Manager
8510	Accounting	0000 - Management	8,386	6,828	6,997	7,523	29,734	Controller
8610	Administration	0000 - Management	6,120	6,243	6,733	6,427	25,523	CFO (.8 to .5)
8710	Medical Staff	0000 - Management	13,807	12,178	13,445	13,012	52,442	CMO/CMIO (To be replaced by UCSF CMO)
9550	Community Health	0000 - Management	3,787	3,602	3,787	3,665	14,841	Wellness Coordinator
		Gross Salary savings	\$ 79,313	\$ 86,952	\$ 64,948	\$ 90,503	\$ 321,716	
		Employer portion FICA	6,067	6,652	4,968	6,923	17,688	
		Health Benefits	16,511	22,948	26,123	17,685	83,267	
		Total Savings	\$ 101,891	\$ 116,552	\$ 96,039	\$ 115,111	\$ 422,670	



To: SVH Finance Committee
From: Ken Jensen, CFO
Date: June 25, 2018
Subject: Financial Report for the Month Ending May 31, 2018

For the month of May inpatient volumes were close to budget with higher acuity levels which led to a higher gross revenue. Outpatient volumes were above budget primarily in outpatient surgeries and special procedures. Emergency volume was at budgeted expectations.

The actual loss of (\$305,498) from operations in May was \$179,947 favorable to the budgeted loss of (\$485,445). After accounting for all other activity; May's net income was \$369,158 vs. the budgeted loss of (\$72,948) with a monthly EBIDA of 5.5% vs. a budgeted 1.8%.

Gross patient revenue for May was \$23,960,938; \$1,087,391 over budget. Inpatient gross revenue was over budget by \$912,791. Inpatient days were under budget by (10) days and inpatient surgeries were under budgeted expectations by (5) cases but there was an overall higher acuity than budgeted. Outpatient revenue was over budget by \$142,646. Outpatient visits were over budgeted expectations by 37 visits, and outpatient surgeries were over budgeted expectations by 26 case. The Emergency Room gross revenue was over budget by \$375,465 with ER visits close to budgeted expectations at 934 visits. SNF gross charges were under budgeted expectations by (\$308,258) and SNF patient days were under budget by (106) days. Home Health was under budget by (\$35,253) with visits under budget by (148) visits which is due to seeing a reduced number of Kaiser HHA patients.

Gross revenue from surgical implants in May is \$490,523 with \$280,355 from inpatient surgeries and \$210,168 from outpatient surgeries, and total implant costs were (\$183,473). The net, before any revenue deductions, is \$307,050.

Deductions from revenue were unfavorable to budgeted expectations by (\$1,129,559). Of the variance, (\$116,747) is from the budgeted prior period adjustments or IGT payments. Without the budgeted IGT variance, the deductions from revenue variance is unfavorable by (\$1,012,812) which is due primarily to gross revenue being over budgeted expectation.

The variance was also impacted by a continued negative shift in payer mix with Medicare volume increasing by 2.7% points over budget and Commercial volume dropping by -2.8% points.

After accounting for all other operating revenue, the **total operating revenue** was unfavorable to budgeted expectations by (\$85,063).

Operating Expenses of \$5,134,151 were favorable to budget by \$265,010. Salaries and wages and agency fees were under budget by \$84,080. Salaries and wages were under budget by \$161,166 and agency fees were over budget by (\$77,086). Professional fees were under budget by \$23,097 due to the reconciliation of the Sound Physicians year-end bonus invoice. There was no matching fee in May.

For the month of May, the hospital saved \$83,049 attributable to the cost savings plan implemented January 1, 2018. From January 1, 2018 through May, the total savings is \$512,643. See attachment I for details.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for May was (\$64,533) vs. a budgeted net loss of (\$236,683). The hospital received \$288,617 in restricted donations from the Foundation for the Women's Place, 3D mammography and OP Diagnostic Center projects. The total net income for May after all activity was \$369,158 vs. a budgeted net loss of (\$72,948).

EBIDA for the month of May was 5.5% vs. the budgeted 1.8%.

Patient Volumes – May

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	108	99	9	100
Newborn Discharges	9	15	-6	7
Acute Patient Days	374	384	-10	388
SNF Patient Days	423	529	-106	559
Home Care Visits	747	895	-148	966
OP Gross Revenue	\$15,188	\$14,690	\$498	\$15,523
Surgical Cases	175	154	21	173

Gross Revenue Overall Payer Mix – May

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	42.7%	44.9%	-2.2%	44.3%	45.5%	-1.2%
Medicare Mgd Care	14.9%	10.0%	4.9%	13.2%	10.0%	3.2%
Medi-Cal	18.2%	17.9%	0.3%	17.9%	17.9%	0.0%
Self Pay	1.6%	1.3%	0.3%	1.2%	1.2%	0.0%
Commercial	17.9%	20.7%	-2.8%	19.1%	20.4%	-1.3%
Workers Comp	2.6%	3.1%	-0.5%	2.2%	3.0%	-0.8%
Capitated	2.1%	2.1%	0.0%	2.1%	2.0%	0.1%
Total	100.0%	100.0%		100.0%	100.0%	

Cash Activity for May:

For the month of May the cash collection goal was \$3,098,675 and the Hospital collected \$3,594,966 or over the goal by \$496,291. The year-to-date cash collection goal was \$38,596,753 and the Hospital has collected \$40,260,499 or over goal by \$1,663,746. Days of cash on hand are 6.2 days at May 31, 2018. Accounts Receivable increased from April, from 42.9 days to 46.8 days in May. Accounts Payable increased by \$22,497 from April and Accounts Payable days are at 40.9.

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
- Attachment I is the Cash Savings from cost reduction plan implemented 1/1/2018

Sonoma Valley Hospital
Payer Mix for the month of May, 2018

ATTACHMENT A

May-18

YTD

Gross Revenue:	Actual	Budget	Variance	% Variance
Medicare	10,234,754	10,267,301	-32,547	-0.3%
Medicare Managed Care	3,571,377	2,284,437	1,286,940	56.3%
Medi-Cal	4,366,549	4,082,474	284,075	7.0%
Self Pay	391,364	289,535	101,829	35.2%
Commercial & Other Government	4,296,189	4,749,624	-453,435	-9.5%
Worker's Comp.	618,627	725,052	-106,425	-14.7%
Capitated	482,078	475,124	6,954	1.5%
Total	23,960,938	22,873,547	1,087,391	

	Actual	Budget	Variance	% Variance
Medicare	107,600,759	114,535,533	-6,934,774	-6.1%
Medicare Managed Care	31,991,171	25,073,305	6,917,866	27.6%
Medi-Cal	43,400,654	45,004,975	-1,604,321	-3.6%
Self Pay	2,839,430	3,119,494	-280,064	-9.0%
Commercial & Other Government	46,383,581	51,508,490	-5,124,909	-9.9%
Worker's Comp.	5,289,408	7,677,090	-2,387,682	-31.1%
Capitated	4,998,762	5,129,600	-130,838	-2.6%
Total	242,503,765	252,048,487	(9,544,722)	

Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	1,523,218	1,506,585	16,633	1.1%
Medicare Managed Care	475,709	293,288	182,421	62.2%
Medi-Cal	775,394	596,641	178,753	30.0%
Self Pay	223,077	130,499	92,578	70.9%
Commercial & Other Government	1,371,884	1,723,285	-351,401	-20.4%
Worker's Comp.	143,212	187,396	-44,184	-23.6%
Capitated	15,185	15,406	-221	-1.4%
Prior Period Adj/IGT	196,525	313,272	-116,747	-37.3%
Total	4,724,204	4,766,372	(42,168)	-0.9%

	Actual	Budget	Variance	% Variance
Medicare	16,348,578	17,160,070	-811,492	-4.7%
Medicare Managed Care	4,604,302	3,219,105	1,385,197	43.0%
Medi-Cal	6,351,636	6,235,812	115,824	1.9%
Self Pay	1,487,596	1,495,801	-8,205	-0.5%
Commercial & Other Government	15,095,163	18,882,533	-3,787,370	-20.1%
Worker's Comp.	1,137,683	1,909,269	-771,586	-40.4%
Capitated	157,168	172,774	-15,606	-9.0%
Prior Period Adj/IGT	4,346,863	3,445,992	900,871	26.1%
Total	49,528,989	52,521,356	(2,992,367)	-5.7%

Percent of Net Revenue:	Actual	Budget	Variance	% Variance
Medicare	32.3%	31.6%	0.7%	2.2%
Medicare Managed Care	10.1%	6.2%	3.9%	62.9%
Medi-Cal	20.6%	19.1%	1.5%	7.9%
Self Pay	4.7%	2.7%	2.0%	74.1%
Commercial & Other Government	29.0%	36.2%	-7.2%	-19.9%
Worker's Comp.	3.0%	3.9%	-0.9%	-23.1%
Capitated	0.3%	0.3%	0.0%	0.0%
Total	100.0%	100.0%	0.0%	0.0%

	Actual	Budget	Variance	% Variance
Medicare	33.0%	32.7%	0.2%	0.6%
Medicare Managed Care	9.3%	6.1%	3.2%	52.5%
Medi-Cal	21.6%	18.4%	3.2%	17.4%
Self Pay	3.0%	2.8%	0.2%	7.1%
Commercial & Other Government	30.5%	36.1%	-5.6%	-15.5%
Worker's Comp.	2.3%	3.6%	-1.3%	-36.1%
Capitated	0.3%	0.3%	0.0%	0.0%
Total	100.0%	100.0%	-0.1%	-0.1%

Projected Collection Percentage:	Actual	Budget	Variance	% Variance
Medicare	14.9%	14.7%	0.2%	1.4%
Medicare Managed Care	13.3%	12.8%	0.5%	3.9%
Medi-Cal	22.3%	22.3%	0.0%	0.0%
Self Pay	56.9%	45.1%	11.8%	26.2%
Commercial & Other Government	31.9%	36.3%	-4.4%	-12.1%
Worker's Comp.	23.1%	25.8%	-2.7%	-10.5%
Capitated	3.1%	3.2%	-0.1%	-3.1%

	Actual	Budget	Variance	% Variance
Medicare	15.2%	15.0%	0.2%	1.3%
Medicare Managed Care	14.4%	12.8%	1.6%	12.5%
Medi-Cal	24.7%	21.5%	3.2%	14.9%
Self Pay	52.4%	48.0%	4.4%	9.2%
Commercial & Other Government	32.5%	36.7%	-4.2%	-11.4%
Worker's Comp.	21.5%	24.9%	-3.4%	-13.7%
Capitated	3.1%	3.4%	-0.3%	-8.8%

**SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended May 31, 2018**

ATTACHMENT B

	<u>CURRENT MONTH</u>				<u>YEAR-TO-DATE</u>			<u>YTD</u>
	<u>Actual 05/31/18</u>	<u>Budget 05/31/18</u>	<u>Favorable (Unfavorable) Variance</u>		<u>Actual 05/31/18</u>	<u>Budget 05/31/18</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Prior Year 05/31/17</u>
				Inpatient Utilization				
				Discharges				
1	96	84	12	Acute	897	981	(84)	995
2	12	15	(3)	ICU	152	175	(23)	126
3	108	99	9	Total Discharges	1,049	1,156	(107)	1,121
4	9	15	(6)	Newborn	97	156	(59)	124
5	117	113	4	Total Discharges inc. Newborns	1,146	1,312	(166)	1,245
				Patient Days:				
6	282	292	(10)	Acute	2,716	3,391	(675)	3,355
7	92	92	-	ICU	929	1,081	(152)	1,079
8	374	384	(10)	Total Patient Days	3,645	4,472	(827)	4,434
9	16	30	(14)	Newborn	168	320	(152)	236
10	390	414	(24)	Total Patient Days inc. Newborns	3,813	4,792	(979)	4,670
				Average Length of Stay:				
11	2.9	3.5	(0.5)	Acute	3.0	3.5	(0.4)	3.4
12	7.7	6.2	1.5	ICU	6.1	6.2	(0.1)	8.6
13	3.5	3.9	(0.4)	Avg. Length of Stay	3.5	3.9	(0.4)	4.0
14	1.8	2.0	(0.3)	Newborn ALOS	1.7	2.0	0.3	1.9
				Average Daily Census:				
15	9.1	9.4	(0.3)	Acute	8.1	10.1	(2.0)	10.0
16	3.0	3.0	-	ICU	2.8	3.2	(0.5)	3.2
17	12.1	12.4	(0.3)	Avg. Daily Census	10.9	13.3	(2.5)	13.2
18	0.5	1.0	(0.4)	Newborn	0.50	0.96	(0.5)	0.70
				Long Term Care:				
19	423	529	(106)	SNF Patient Days	5,816	6,203	(387)	6,095
20	24	23	1	SNF Discharges	328	273	55	329
21	13.6	17.1	(3.4)	Average Daily Census	17.4	18.5	(1.2)	18.2
				Other Utilization Statistics				
				Emergency Room Statistics				
22	934	940	(6)	Total ER Visits	9,773	10,115	(342)	10,181
				Outpatient Statistics:				
23	4,810	4,773	37	Total Outpatients Visits	48,807	52,391	(3,584)	50,710
24	29	34	(5)	IP Surgeries	306	362	(56)	408
25	146	120	26	OP Surgeries	1,392	1,163	229	1,171
26	72	26	46	Special Procedures	762	352	410	477
27	747	895	(148)	Home Health Visits	8,479	10,144	(1,665)	10,177
28	361	342	19	Adjusted Discharges	3,721	3,702	19	3,749
29	2,178	2,556	(378)	Adjusted Patient Days (Inc. SNF)	25,578	27,671	(2,093)	27,175
30	70.2	82.4	(12.2)	Adj. Avg. Daily Census (Inc. SNF)	76.4	82.6	(6.2)	81.1
31	1.4642	1.4000	0.064	Case Mix Index -Medicare	1.5099	1.4000	0.110	1.6480
32	1.4381	1.4000	0.038	Case Mix Index - All payers	1.4756	1.4000	0.076	1.5675
				Labor Statistics				
33	279	287	7.4	FTE's - Worked	277	285	8.2	283
34	306	328	22.3	FTE's - Paid	311	326	15.3	318
35	44.17	42.61	(1.55)	Average Hourly Rate	42.87	42.72	(0.14)	40.85
36	24.8	22.7	(2.1)	Manhours / Adj. Pat Day	23.2	22.5	(0.7)	22.3
37	149.6	169.4	19.8	Manhours / Adj. Discharge	159.5	168.2	8.7	161.9
38	22.0%	21.6%	-0.5%	Benefits % of Salaries	22.5%	22.0%	-0.5%	23.1%
				Non-Labor Statistics				
39	11.4%	11.6%	0.2%	Supply Expense % Net Revenue	11.8%	10.7%	-1.1%	12.7%
40	1,517	1,655	139	Supply Exp. / Adj. Discharge	1,610	1,556	(54)	1,751
41	14,686	16,263	1,577	Total Expense / Adj. Discharge	15,934	16,249	315	15,502
				Other Indicators				
42	6.2			Days Cash - Operating Funds				
43	46.8	50.0	(3.2)	Days in Net AR	46.2	50.0	(3.8)	49.1
44	116%			Collections % of Net Revenue	104%			106.5%
45	40.9	55.0	(14.1)	Days in Accounts Payable	40.9	55.0	(14.1)	26.8
46	20.1%	21.4%	-1.3%	% Net revenue to Gross revenue	21.0%	21.4%	-0.5%	21.4%
47	21.6%			% Net AR to Gross AR	21.6%			21.6%

Sonoma Valley Health Care District
Balance Sheet
As of May 31, 2018

ATTACHMENT C

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets			
Current Assets:			
1 Cash	\$ 798,439	\$ 1,101,646	\$ 2,951,248
2 Trustee Funds	4,427,002	3,628,488	3,962,198
3 Net Patient Receivables	8,024,134	7,523,327	8,930,499
4 Allow Uncollect Accts	(1,140,279)	(1,091,983)	(1,412,630)
5 Net A/R	6,883,855	6,431,344	7,517,869
6 Other Accts/Notes Rec	(119,068)	819,250	(37,582)
7 3rd Party Receivables, Net	2,462,520	2,333,644	1,510,169
8 Inventory	825,295	818,935	828,042
9 Prepaid Expenses	728,235	924,013	810,003
10 Total Current Assets	<u>\$ 16,006,278</u>	<u>\$ 16,057,320</u>	<u>\$ 17,541,947</u>
12 Property, Plant & Equip, Net	\$ 51,903,277	\$ 51,903,384	\$ 53,317,990
13 Specific Funds/ Money Market	203,535	203,518	918,635
14 Other Assets	-	-	-
15 Total Assets	<u><u>\$ 68,113,090</u></u>	<u><u>\$ 68,164,222</u></u>	<u><u>\$ 71,778,572</u></u>
Liabilities & Fund Balances			
Current Liabilities:			
16 Accounts Payable	\$ 3,159,819	\$ 3,137,322	\$ 3,450,471
17 Accrued Compensation	4,288,600	3,963,962	4,274,878
18 Interest Payable	423,097	317,320	441,063
19 Accrued Expenses	1,343,607	1,408,467	1,466,823
20 Advances From 3rd Parties	144,347	126,897	160,112
21 Deferred Tax Revenue	567,350	1,134,700	496,909
22 Current Maturities-LTD	1,186,364	1,206,336	1,296,874
23 Line of Credit - Union Bank	6,973,734	6,973,734	6,973,734
24 Other Liabilities	2,001,386	2,001,386	1,386
25 Total Current Liabilities	<u>\$ 20,088,304</u>	<u>\$ 20,270,124</u>	<u>\$ 18,562,250</u>
26 Long Term Debt, net current portion	\$ 32,875,471	\$ 33,113,941	\$ 37,239,907
Fund Balances:			
28 Unrestricted	\$ 10,100,898	\$ 10,020,524	\$ 12,172,504
29 Restricted	5,048,416	4,759,632	3,803,912
30 Total Fund Balances	<u>\$ 15,149,315</u>	<u>\$ 14,780,157</u>	<u>\$ 15,976,415</u>
31 Total Liabilities & Fund Balances	<u><u>\$ 68,113,090</u></u>	<u><u>\$ 68,164,222</u></u>	<u><u>\$ 71,778,572</u></u>

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended May 31, 2018**

ATTACHMENT D

	Month				Volume Information	Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
1	108	99	9	9%	Acute Discharges	1,049	1,156	(107)	-9%	1,121	
2	423	529	(106)	-20%	SNF Days	5,816	6,203	(387)	-6%	6,095	
3	747	895	(148)	-17%	Home Care Visits	8,479	10,144	(1,665)	-16%	10,177	
4	15,188	14,690	498	3%	Gross O/P Revenue (000's)	\$ 152,612	\$ 154,701	(2,089)	-1%	\$ 148,360	
					Financial Results						
					Gross Patient Revenue						
5	\$ 7,154,464	\$ 6,241,673	912,791	15%	Inpatient	\$ 67,760,250	\$ 74,710,772	(6,950,522)	-9%	\$ 72,534,650	
6	8,185,712	8,043,066	142,646	2%	Outpatient	83,902,662	83,025,803	876,859	1%	77,721,749	
7	6,734,598	6,359,133	375,465	6%	Emergency	65,764,933	68,393,300	(2,628,367)	-4%	67,298,923	
8	1,613,265	1,921,523	(308,258)	-16%	SNF	21,973,271	22,429,459	(456,188)	-2%	21,302,265	
9	272,899	308,152	(35,253)	-11%	Home Care	3,102,649	3,489,153	(386,504)	-11%	3,565,972	
10	\$ 23,960,938	\$ 22,873,547	1,087,391	5%	Total Gross Patient Revenue	\$ 242,503,765	\$ 252,048,487	(9,544,722)	-4%	\$ 242,423,559	
					Deductions from Revenue						
11	\$ (19,262,985)	\$ (18,297,840)	(965,145)	-5%	Contractual Discounts	\$ (195,527,910)	\$ (201,624,446)	6,096,536	3%	\$ (192,948,826)	
12	(150,000)	(100,000)	(50,000)	-50%	Bad Debt	(1,603,000)	(1,100,000)	(503,000)	-46%	(1,615,000)	
13	(20,274)	(22,607)	2,333	10%	Charity Care Provision	(190,729)	(248,677)	57,948	23%	(333,043)	
14	196,525	313,272	(116,747)	-37%	Prior Period Adj/Government Program Revenue	4,346,863	3,445,992	900,871	*	2,878,020	
15	\$ (19,236,734)	\$ (18,107,175)	(1,129,559)	6%	Total Deductions from Revenue	\$ (192,974,776)	\$ (199,527,131)	6,552,355	-3%	\$ (192,018,849)	
16	\$ 4,724,204	\$ 4,766,372	(42,168)	-1%	Net Patient Service Revenue	\$ 49,528,989	\$ 52,521,356	(2,992,367)	-6%	\$ 50,404,710	
17	\$ 92,993	\$ 128,521	(35,528)	-28%	Risk contract revenue	\$ 1,263,243	\$ 1,413,731	(150,488)	-11%	\$ 1,424,750	
18	\$ 4,817,197	\$ 4,894,893	(77,696)	-2%	Net Hospital Revenue	\$ 50,792,232	\$ 53,935,087	(3,142,855)	-6%	\$ 51,829,460	
19	\$ 11,456	\$ 18,823	(7,367)	-39%	Other Op Rev & Electronic Health Records	\$ 169,920	\$ 207,053	(37,133)	-18%	\$ 323,693	
20	\$ 4,828,653	\$ 4,913,716	(85,063)	-2%	Total Operating Revenue	\$ 50,962,152	\$ 54,142,140	(3,179,988)	-6%	\$ 52,153,153	
					Operating Expenses						
21	\$ 2,383,565	\$ 2,467,645	84,080	3%	Salary and Wages and Agency Fees	\$ 25,437,939	\$ 26,600,810	1,162,871	4%	\$ 24,794,840	
22	869,736	905,718	35,982	4%	Employee Benefits	9,534,075	9,908,895	374,820	4%	9,735,340	
23	\$ 3,253,301	\$ 3,373,363	120,062	4%	Total People Cost	\$ 34,972,014	\$ 36,509,705	1,537,691	4%	\$ 34,530,180	
24	\$ 386,234	\$ 409,331	23,097	6%	Med and Prof Fees (excl Agency)	\$ 4,638,226	\$ 4,503,294	(134,932)	-3%	\$ 4,255,099	
25	546,968	565,903	18,935	3%	Supplies	5,988,809	5,759,685	(229,124)	-4%	6,563,590	
26	384,880	376,471	(8,409)	-2%	Purchased Services	4,008,986	4,140,096	131,110	3%	3,569,006	
27	278,851	282,312	3,461	1%	Depreciation	3,132,436	3,105,432	(27,004)	-1%	3,100,581	
28	95,885	101,622	5,737	6%	Utilities	1,099,454	1,117,842	18,388	2%	1,089,403	
29	31,819	27,614	(4,205)	-15%	Insurance	350,009	303,754	(46,255)	-15%	325,155	
30	49,579	42,185	(7,394)	-18%	Interest	519,351	488,816	(30,535)	-6%	491,662	
31	106,634	133,927	27,293	20%	Other	1,295,347	1,505,477	210,130	14%	1,513,331	
32	-	86,433	86,433	*	Matching Fees (Government Programs)	1,491,827	950,763	(541,064)	-57%	1,032,445	
33	\$ 5,134,151	\$ 5,399,161	265,010	5%	Operating expenses	\$ 57,496,459	\$ 58,384,864	888,405	2%	\$ 56,470,452	
34	\$ (305,498)	\$ (485,445)	179,947	37%	Operating Margin	\$ (6,534,307)	\$ (4,242,724)	(2,291,583)	-54%	\$ (4,317,299)	

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended May 31, 2018**

ATTACHMENT D

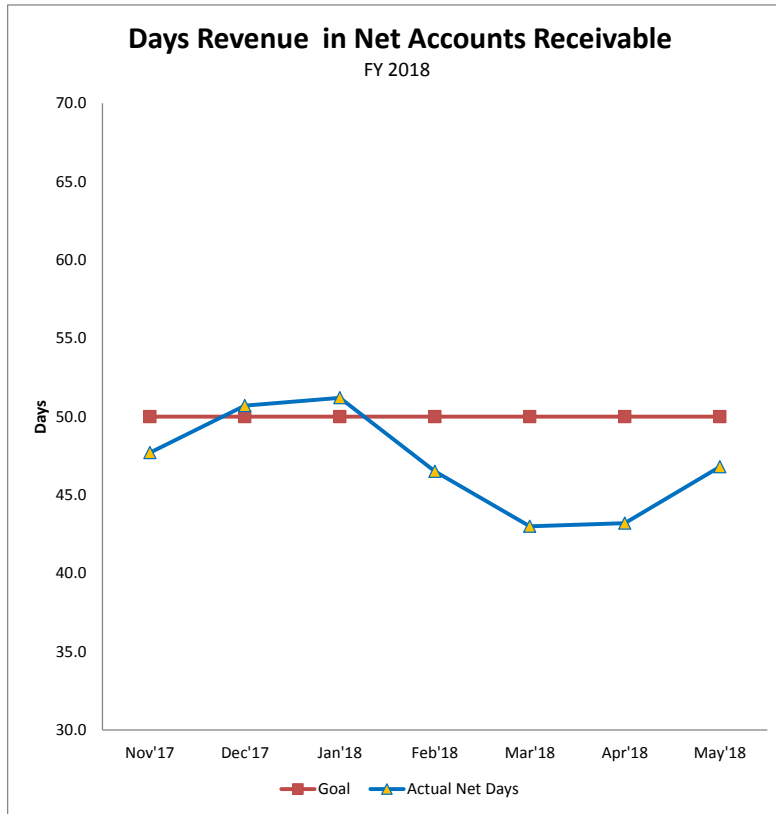
	Month					Year-To- Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
35	\$ (19,436)	\$ (13,222)	(6,214)	47%						\$ (100,322)	
36	500	-	500	0%						101,351	
37	(56,766)	(54,683)	(2,083)	4%						(412,500)	
38	316,667	316,667	-	0%						2,750,378	
39	0	0	-	0%							
40	\$ 240,965	\$ 248,762	(7,797)	-3%						\$ 2,338,907	
41	\$ (64,533)	\$ (236,683)	172,150	-73%	Net Income / (Loss) prior to Restricted Contributions	\$ (3,750,122)	\$ (1,503,934)	(2,219,313)	148%	\$ (1,978,392)	
42	\$ 167	\$ 18,828	(18,661)	-99%	Capital Campaign Contribution	\$ 140,831	\$ 180,640	(39,809)	-22%	\$ 206,150	
43	\$ 288,617	\$ -	288,617	0%	Restricted Foundation Contributions	\$ 1,028,451	\$ -	1,028,451	100%	\$ -	
44	\$ 224,251	\$ (217,855)	442,106	-203%	Net Income / (Loss) w/ Restricted Contributions	\$ (2,580,840)	\$ (1,323,294)	(1,257,546)	95%	\$ (1,772,243)	
45	250,683	250,683	-	0%	GO Bond Tax Assessment Rev	2,757,513	2,757,513	-	0%	2,715,999	
46	(105,776)	(105,776)	-	0%	GO Bond Interest	(1,168,026)	(1,168,026)	-	0%	(1,228,569)	
47	\$ 369,158	\$ (72,948)	442,106	-606%	Net Income/(Loss) w GO Bond Activity	\$ (991,353)	\$ 266,193	(1,257,546)	-472%	\$ (284,813)	
	\$ 263,897	\$ 87,814			EBIDA - Not including Restricted Contributions	\$ (98,335)	\$ 2,090,314			\$ 1,613,851	
	5.5%	1.8%				-0.2%	3.9%			3.1%	
	\$ 214,318	\$ 45,629			EBDA - Not including Restricted Contributions	\$ (617,686)	\$ 1,601,498				
	4.4%	0.9%				-1.2%	3.0%				

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended May 31, 2018

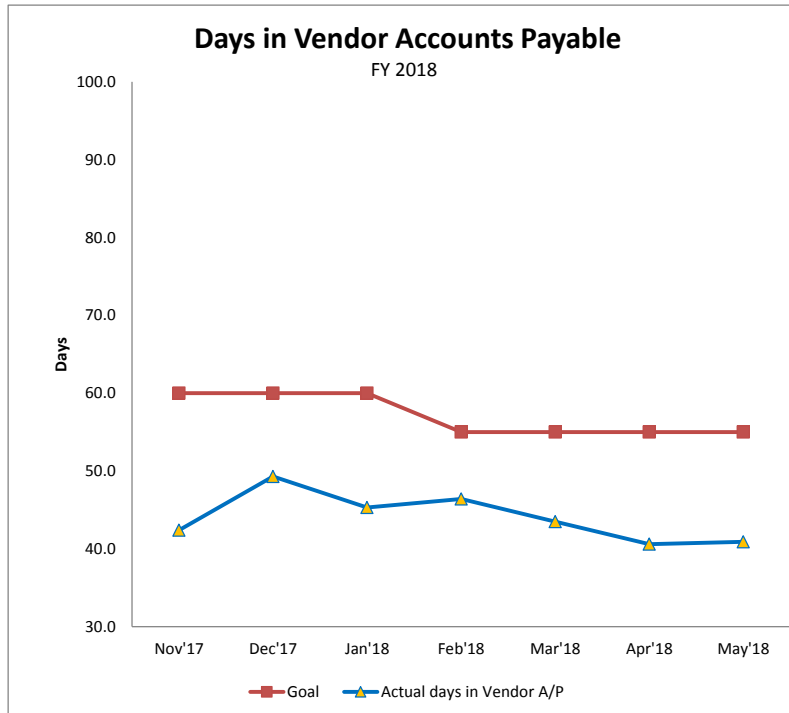
	YTD	MONTH	
Description	Variance	Variance	
Volume Information			
1 Acute Discharges	(107)	9	
2 SNF Days	(384)	(103)	
3 Home Care Visits	(1,665)	(148)	
4 Gross O/P Revenue (000's)	(2,089)	499	
Financial Results			
Gross Patient Revenue			
5 Inpatient	(6,950,522)	912,791	Inpatient days are 374 days vs. budgeted expectations of 384 days and inpatient surgeries are 29 vs. budgeted expectations 34. There was higher acuity in the month of May.
6 Outpatient	876,859	142,646	Outpatient visits are 4,810 vs. budgeted expectations of 4,773 visits and outpatient surgeries are 146 vs. budgeted expectations 120.
7 Emergency	(2,628,367)	375,465	ER visits are 934 vs. budgeted visits of 940.
8 SNF	(456,188)	(308,258)	SNF patient days are 423 vs. budgeted expected days of 529.
9 Home Care	(386,504)	(35,253)	HHA visits are 747 vs. budgeted expectations of 895.
10 Total Gross Patient Revenue	(9,544,722)	1,087,391	
Deductions from Revenue			
11 Contractual Discounts	6,096,536	(965,145)	
12 Bad Debt	(503,000)	(50,000)	
13 Charity Care Provision	57,948	2,333	
14 Prior Period Adj/Government Program Revenue	900,871	(116,747)	Received \$134,025 AB915 FY 14-15 and accrued \$62,500 for the prime grant.
15 Total Deductions from Revenue	6,552,355	(1,129,559)	
16 Net Patient Service Revenue	(2,992,367)	(42,168)	
17 Risk contract revenue	(150,488)	(35,528)	
18 Net Hospital Revenue	(3,142,855)	(77,696)	
19 Other Op Rev & Electronic Health Records	(37,133)	(7,367)	
20 Total Operating Revenue	(3,179,988)	(85,063)	
Operating Expenses			
21 Salary and Wages and Agency Fees	1,162,871	84,080	Salaries and Wages are under budget by \$161,166 and the Agency fees are over budget by (\$77,086).
22 Employee Benefits	374,820	35,982	PTO is under budget by \$10,697 and employee benefits are under budget by \$25,285.
23 Total People Cost	1,537,691	120,062	
24 Med and Prof Fees (excl Agency)	(134,932)	23,097	Adjustment to hospitalist year-end bonus accrual per invoice - \$34,496.
25 Supplies	(229,124)	18,935	
26 Purchased Services	131,110	(8,409)	
27 Depreciation	(27,004)	3,461	
28 Utilities	18,388	5,737	
29 Insurance	(46,255)	(4,205)	
30 Interest	(30,535)	(7,394)	
31 Other	210,130	27,293	
32 Matching Fees (Government Programs)	(541,064)	86,433	No matching fee in May.
33 Operating expenses	888,405	265,010	
34 Operating Margin	(2,291,583)	179,947	
Non Operating Rev and Expense			
35 Miscellaneous Revenue	67,637	(6,214)	
36 Donations	27,546	500	Foundation grants for employee education
37 Physician Practice Support-Prima	(22,913)	(2,083)	
38 Parcel Tax Assessment Rev	-	-	
39 Extraordinary Items	(26,875)	-	
40 Total Non-Operating Rev/Exp	72,270	(7,797)	
		-	

Sonoma Valley Health Care District
Statement of Revenue and Expenses Variance Analysis
For the Period Ended May 31, 2018

	YTD	MONTH	
Description	Variance	Variance	
41 Net Income / (Loss) prior to Restricted Contributions	(2,219,313)	172,150	
		-	
42 Capital Campaign Contribution	(39,809)	(18,661)	
43 Restricted Foundation Contributions	1,028,451	288,617	Foundation donations 3D Mammography (\$10,752), A Women's Place (\$14,837), OP Diagnostic Center (\$259,533), and SNF furniture (3,495).
44 Net Income / (Loss) w/ Restricted Contributions	(1,257,546)	442,106	
45 GO Bond Tax Assessment Rev	-	-	
46 GO Bond Interest	-	-	
47 Net Income/(Loss) w GO Bond Activity	(1,257,546)	442,106	



Days in A/R	Nov'17	Dec'17	Jan'18	Feb'18	Mar'18	Apr'18	May'18
Actual days in A/R	47.7	50.7	51.2	46.5	43.0	43.2	46.8
Goal	50.0	50.0	50.0	50.0	50.0	50.0	50.0



Days in A/P	Nov'17	Dec'17	Jan'18	Feb'18	Mar'18	Apr'18	May'18
Actual days in Vendor A/P	42.4	49.3	45.3	46.4	43.5	40.6	40.9
Goal	60.0	60.0	60.0	55.0	55.0	55.0	55.0

Sonoma Valley Hospital
Statistical Analysis
FY 2018

ATTACHMENT G

	ACTUAL	BUDGET	ACTUAL												
	May-18	May-18	Apr-18	Mar-18	Feb-18	Jan-18	Dec-17	Nov-17	Oct-17	Sep-17	Aug-17	Jul-17	Jun-17	May-17	Apr-17
Statistics															
Acute															
Acute Patient Days	374	384	341	335	289	394	386	321	315	325	325	240	346	388	368
Acute Discharges (w/o Newborns)	108	99	103	106	82	111	96	99	87	87	94	76	87	100	89
SNF Days	423	529	525	566	494	646	563	468	624	479	500	528	458	559	512
HHA Visits	747	895	755	684	821	801	798	630	871	789	713	870	940	966	934
Emergency Room Visits	934	940	864	871	811	996	919	816	827	921	894	920	964	1,069	921
Gross Outpatient Revenue (000's)	\$15,188	\$14,690	\$14,170	\$13,064	\$12,519	\$14,741	\$14,051	\$12,952	\$11,864	\$14,364	\$15,524	\$14,175	\$15,454	\$15,523	\$13,168
Equivalent Patient Days	2,178	2,556	2,265	2,272	2,212	2,629	2,471	2,030	2,334	2,266	2,591	2,332	2,328	2,654	2,227
Births	9	15	6	8	11	7	10	11	12	5	10	6	15	7	11
Surgical Cases - Inpatient	29	34	30	34	16	32	24	34	23	33	22	29	36	30	47
Surgical Cases - Outpatient	146	120	114	117	123	109	136	121	97	154	142	133	161	143	124
Total Surgical Cases	175	154	144	151	139	141	160	155	120	187	164	162	197	173	171
Total Special Procedures	72	26	87	75	75	65	59	73	52	75	77	52	66	58	44
Medicare Case Mix Index	1.46	1.40	1.48	1.45	1.34	1.50	1.57	1.55	1.49	1.54	1.57	1.65	1.66	1.69	1.64
Income Statement															
Net Revenue (000's)	\$4,817	\$4,895	4,389	4,218	4,590	4,909	4,466	4,474	4,543	4,518	4,775	4,988	5,188	5,330	4,924
Operating Expenses (000's)	\$5,134	\$5,399	\$5,053	\$5,179	\$5,270	\$5,357	\$5,122	\$5,332	\$4,872	\$5,206	\$5,380	\$5,592	\$5,250	\$5,678	\$5,308
Net Income (000's)	\$369	(\$73)	\$ 221	\$ (395)	\$ (175)	\$ 125	\$ (226)	\$ (380)	\$ 62	\$ (230)	\$ (165)	\$ (198)	\$ 690	\$ 16	\$ (24)
Productivity															
Total Operating Expense Per Equivalent Patient Day	\$2,357	\$2,112	\$2,231	\$2,280	\$2,382	\$2,038	\$2,073	\$2,627	\$2,087	\$2,297	\$2,076	\$2,398	\$2,255	\$2,139	\$2,383
Productive FTEs	279	287	281	279	274	276	255	316	246	289	279	271	278	291	285
Non-Productive FTE's	27	41	26	23	31	36	52	13	58	27	35	47	43	28	28
Total FTEs	306	328	307	302	305	312	307	329	304	316	314	318	321	319	313
FTEs per Adjusted Occupied Bed	4.35	3.98	4.06	4.17	3.87	3.68	3.85	4.86	4.04	4.19	3.75	4.23	4.14	3.73	4.22
Balance Sheet															
Days of Expense In General Operating Cash	6.2		7	7	14	24	18	14	12	9	11	16	20	19	11
Net Days of Revenue in AR	47	50	43	43	47	51	51	48	45	47	43	45	45	44	47

Sonoma Valley Hospital
Cash Forecast
FY 2018

	Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Forecast Jun	TOTAL
Hospital Operating Sources													
1 Patient Payments Collected	4,502,585	4,253,229	4,093,599	4,253,616	3,890,115	3,814,761	4,401,932	3,677,850	4,283,702	4,214,618	4,134,637	4,451,807	49,972,452
2 Capitation Revenue	133,404	128,220	128,530	131,210	128,781	122,912	93,640	106,306	99,290	97,957	92,993	99,290	1,362,533
3 Napa State	39,561	4,166	35,361	26,125	5,181	21,341	30,259	-	-	14,854	25,117	20,762	222,727
4 Other Operating Revenue	10,971	25,415	37,380	30,930	42,863	35,092	33,639	57,291	45,083	42,239	36,038	18,827	415,767
5 Other Non-Operating Revenue	26,914	38,081	68,232	33,898	48,014	43,511	47,501	9,459	32,528	34,738	41,208	-	424,085
6 Unrestricted Contributions	-	8,478	150	-	-	19,590	835	-	2,810	1,080	500	-	33,443
7 Line of Credit	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total Hospital Sources	4,713,435	4,457,589	4,363,253	4,475,779	4,114,954	4,057,207	4,607,806	3,850,906	4,463,413	4,405,486	4,330,493	4,590,686	52,431,007
Hospital Uses of Cash													
8 Operating Expenses	5,146,037	5,273,336	5,040,006	4,799,145	5,326,497	4,701,617	4,944,257	4,794,729	5,813,204	5,109,358	4,528,964	4,770,733	60,247,883
9 Add Capital Lease Payments	52,503	186,389	69,999	179,596	109,938	70,502	45,558	181,715	71,338	47,220	258,442	169,180	1,442,380
10 Additional Liabilities	-	-	-	-	-	-	-	375,000	-	-	-	-	375,000
11 Capital Expenditures	15,965	56,034	1,755	88,906	88,829	59,065	546,421	-	37,792	81,693	269,103	-	1,245,563
Total Hospital Uses	5,214,505	5,515,759	5,111,761	5,067,647	5,525,264	4,831,184	5,536,236	5,351,443	5,922,334	5,238,271	5,056,509	4,939,913	63,310,826
Net Hospital Sources/Uses of Cash	(501,070)	(1,058,171)	(748,508)	(591,868)	(1,410,310)	(773,977)	(928,430)	(1,500,538)	(1,458,921)	(832,785)	(726,016)	(349,227)	(10,879,819)
Non-Hospital Sources													
12 Restricted Cash/Capital Donations	-	527,977	(727,205)	(100,755)	382,167	417	551,467	-	227,056	1,213,518	288,784	(549,858)	1,813,568
13 Parcel Tax Revenue	152,275	-	1,500,000	-	-	482,664	532,571	-	-	1,061,899	-	-	3,729,409
14 Payment - South Lot	-	-	-	(25,205)	-	(25,205)	-	-	(24,658)	-	-	(24,932)	(100,000)
15 Other:	-	-	-	-	-	-	-	-	-	-	-	-	-
16 IGT (Net)	-	-	-	1,877,696	-	-	-	-	-	-	134,025	1,635,622	3,647,343
17 IGT - AB915	-	-	-	-	-	-	811,535	-	138,554	-	-	-	950,089
18 PRIME	-	-	-	-	1,350,000	-	-	-	-	-	-	-	1,350,000
Sub-Total Non-Hospital Sources	152,275	527,977	772,795	1,751,736	1,732,167	457,876	1,895,573	-	340,952	2,275,417	422,809	1,060,832	11,390,409
Non-Hospital Uses of Cash													
19 Matching Fees	-	509,543	266,212	675,000	-	-	-	-	-	716,072	-	203,909	2,370,736
Sub-Total Non-Hospital Uses of Cash	-	509,543	266,212	675,000	-	-	-	-	-	716,072	-	203,909	2,370,736
Net Non-Hospital Sources/Uses of Cash	152,275	18,434	506,583	1,076,736	1,732,167	457,876	1,895,573	-	340,952	1,559,345	422,809	856,923	9,019,673
Net Sources/Uses	(348,795)	(1,039,737)	(241,925)	484,868	321,857	(316,101)	967,143	(1,500,538)	(1,117,969)	726,560	(303,207)	507,696	
Cash and Equivalents at beginning of period	3,166,281	2,817,486	1,777,750	1,535,825	2,020,693	2,342,550	2,026,449	2,993,592	1,493,055	375,086	1,101,646	798,439	
Cash and Equivalents at end of period	2,817,486	1,777,750	1,535,825	2,020,693	2,342,550	2,026,449	2,993,592	1,493,055	375,086	1,101,646	798,439	1,306,135	

Sonoma Valley Hospital
Cash Forecast
FY 2018

ATTACHMENT H

	Actual July - Dec	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Forecast Jun	TOTAL
Hospital Operating Sources								
1 Patient Payments Collected	24,807,906	4,401,932	3,677,850	4,283,702	4,214,618	4,134,637	4,451,807	49,972,452
2 Capitation Revenue	773,056	93,640	106,306	99,290	97,957	92,993	99,290	1,362,533
3 Napa State	131,735	30,259	-	-	14,854	25,117	20,762	222,727
4 Other Operating Revenue	182,650	33,639	57,291	45,083	42,239	36,038	18,827	415,767
5 Other Non-Operating Revenue	258,651	47,501	9,459	32,528	34,738	41,208	-	424,085
6 Unrestricted Contributions	28,218	835	-	2,810	1,080	500	-	33,443
7 Line of Credit								-
Sub-Total Hospital Sources	26,182,217	4,607,806	3,850,906	4,463,413	4,405,486	4,330,493	4,590,686	52,431,007
Hospital Uses of Cash								
8 Operating Expenses	30,286,638	4,944,257	4,794,729	5,813,204	5,109,358	4,528,964	4,770,733	60,247,883
10 Add Capital Lease Payments	668,927	45,558	181,715	71,338	47,220	258,442	169,180	1,442,380
11 Additional Liabilities			375,000	-	-	-	-	375,000
12 Capital Expenditures	310,554	546,421		37,792	81,693	269,103	-	1,245,563
Total Hospital Uses	31,266,120	5,536,236	5,351,443	5,922,334	5,238,271	5,056,509	4,939,913	63,310,826
Net Hospital Sources/Uses of Cash	(5,083,903)	(928,430)	(1,500,538)	(1,458,921)	(832,785)	(726,016)	(349,227)	(10,879,819)
Non-Hospital Sources								
13 Restricted Cash/Capital Donations	82,601	551,467	-	227,056	1,213,518	288,784	(549,858)	1,813,568
14 Parcel Tax Revenue	2,134,939	532,571	-	-	1,061,899	-	-	3,729,409
15 Payment - South Lot	(50,410)		-	(24,658)	-	-	(24,932)	(100,000)
16 Other:	-		-	-	-	-	-	-
17 IGT	1,877,696		-	-	-	134,025	1,635,622	3,647,343
18 IGT - AB915 (Net)	-	811,535	-	138,554	-	-	-	950,089
19 PRIME	1,350,000		-	-	-	-	-	1,350,000
Sub-Total Non-Hospital Sources	5,394,826	1,895,573	-	340,952	2,275,417	422,809	1,060,832	11,390,409
Non-Hospital Uses of Cash								
20 Matching Fees	1,450,755				716,072		203,909	2,370,736
Sub-Total Non-Hospital Uses of Cash	1,450,755	-	-	-	716,072	-	203,909	2,370,736
Net Non-Hospital Sources/Uses of Cash	3,944,071	1,895,573	-	340,952	1,559,345	422,809	856,923	9,019,673
Net Sources/Uses	(1,139,832)	967,143	(1,500,538)	(1,117,969)	726,560	(303,207)	507,696	
Cash and Equivalents at beginning of period	3,166,281	2,026,449	2,993,592	1,493,055	375,086	1,101,646	798,439	
Cash and Equivalents at end of period	2,026,449	2,993,592	1,493,055	375,086	1,101,646	798,439	1,306,135	

Sonoma Valley Hospital
 Schedule of Cash Savings from Cost Reduction Plan
 For the months of January Through May 2018

ATTACHMENT I

			<u>Savings</u>						
<u>Department</u>	<u>Department</u>	<u>Job Code</u>	<u>Jan-18</u>	<u>Feb-18</u>	<u>Mar-18</u>	<u>Apr-18</u>	<u>May-18</u>	<u>Total</u>	<u>Notes</u>
7290	Home Health	Total department	\$ 23,660	\$ 34,779	\$ 14,939	\$ 40,731	\$ 9,218	\$ 123,327	Cost reduction, net
7721	Respiratory Therapy	0000 - Management	727	909	257	615	760	3,268	Cardiopulmonary Manager
7770	Rehab	0000 - Management	9,431	9,008	6,754	6,152	6,498	37,843	Consolidation of Rehab managers (New hire in February)
8361/8750	CareTransitions/Quality	0000 - Management	2,872	3,015	3,317	2,632	3,689	15,525	Chief of Quality
8480	IT	0000 - Management	10,523	10,390	8,719	9,746	9,337	48,715	IT Manager
8510	Accounting	0000 - Management	8,386	6,828	6,997	7,523	6,905	36,639	Controller
8610	Administration	0000 - Management	6,120	6,243	6,733	6,427	7,039	32,562	CFO (.8 to .5)
8710	Medical Staff	0000 - Management	13,807	12,178	13,445	13,012	13,445	65,887	CMO/CMIO (To be replaced by UCSF CMO)
9550	Community Health	0000 - Management	3,787	3,602	3,787	3,665	3,787	18,628	Wellness Coordinator
		Gross Salary savings	\$ 79,313	\$ 86,952	\$ 64,948	\$ 90,503	\$ 60,678	\$ 382,394	
		Employer portion FICA	6,067	6,652	4,968	6,923	4,642	29,253	
		Health Benefits	16,511	22,948	26,123	17,685	17,729	100,996	
		Total Savings	\$ 101,891	\$ 116,552	\$ 96,039	\$ 115,111	\$ 83,049	\$ 512,643	

South Lot Loan Replacement Proposal June 2018

Background:

Up until August 2016 the hospital was leasing what is now called the South Lot. The hospital had and did exercise and option to purchase the lot for approximately \$1.7 million prior to the deadline (the hospital had already invested \$250k to obtain the option). The acquisition was funded through a private party loan to the hospital in the amount of \$2 million with an interest rate of 5%. Originally the intent of the lender was have the term of the loan through August of 2018 but before it was finalized it was changed to June of 2018. The property was sold and is now in escrow for approximately \$3.3 million.

Current Situation:

The property is in escrow and due to terms in the agreement the sale probably will not close until December 2018. The current private party lender is now insisting upon the repayment of the loan per the agreement date of June 30, 2018. The hospital is not in a situation where it can repay \$2 million on June 30th. DeNova Homes, the purchaser of the property, was approached to lend the transaction the \$2 million due to the original lender. They have agreed to lend the money with the following changes to the Purchase and Sales agreement:

- DeNova will lend the \$2m at 6.5% interest
- Since they will be removing the hard deadline to repay the current private lender, they want to amend the Purchase and Sales Agreement to extend the Close of Escrow to when they get the Final Map done on the property (rather than the Tentative Map terms)
- Since they are putting out \$2m much sooner than originally expected they want to remove the Profit Participation terms in the Purchase and Sales Agreement (not a price reduction, just removing the Profit Participation terms)

Recommendation:

Staff recommends that the hospital accept the offer from DeNova Homes with the terms noted above in order to pay off the existing loan.