



# SVHCD FINANCE COMMITTEE

## AGENDA

TUESDAY, OCTOBER 26, 2021

5:00 p.m. Regular Session

**TO BE HELD VIA ZOOM VIDEOCONFERENCE**

To Participate via Zoom Videoconferencing,  
use the link below:

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Meeting ID: 946 7336 8760

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In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a District meeting, please contact District Clerk Jenny Fontes at <a href="mailto:jfontes@sonomavalleyhospital.org">jfontes@sonomavalleyhospital.org</a> or (707) 935.5005 at least 48 hours prior to the meeting.		
AGENDA ITEM	RECOMMENDATION	
<b>MISSION STATEMENT</b> <i>The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</i>		
<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>	Boerum	
<b>2. PUBLIC COMMENT SECTION</b> <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.</i>	Boerum	
<b>3. CONSENT CALENDAR</b> a. Finance Committee Minutes 09.28.21	Boerum	Action
<b>4. DOME SETTLEMENT NEGOTIATIONS</b>	Hennelly	Action
<b>5. CAPITOL SPENDING PLAN</b>	Dungan	Action

<b>6. FINANCIAL REPORT FOR MONTH END SEPTEMBER</b>	<i>Jensen/Dungan</i>	Inform
<b>7. NOVEMBER MEETING SCHEDULE – 11/23/21</b>	<i>Boerum</i>	Inform
<b>8. ADJOURN</b>	<i>Boerum</i>	

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**SVHCD**  
**FINANCE COMMITTEE MEETING**  
**MINUTES**  
**TUESDAY, SEPTEMBER 28, 2021**  
**Via Zoom Teleconference**

Present		Excused	Staff	Public	
Bill Boerum via Zoom Joshua Rymer via Zoom Subhash Mishra, MD via Zoom Bruce Flynn via Zoom Peter Hohorst via Zoom Wendy Lee via Zoom Carl Gerlach via Zoom Catherine Donahue via Zoom			Jenny Fontes via Zoom Sarah Dungan via Zoom Dawn Kuwahara, CAO, via Zoom John Hennelly via Zoom		
AGENDA ITEM		DISCUSSION		ACTIONS	FOLLOW-UP
<b>MISSION &amp; VISION STATEMENT</b> <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>					
<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>		<i>Boerum</i>			
		Called to order at 5:15 p.m.			
<b>2. PUBLIC COMMENT SECTION</b>		<i>Boerum</i>			
<b>3. CONSENT CALENDAR (ACTION)</b>		<i>Boerum</i>			
a. Finance Committee Minutes 08.24.21				<b>MOTION:</b> by Flynn to approve, 2 <sup>nd</sup> by Hohorst. All in favor.	
<b>4. FY 2021 AUDIT UPDATE</b>		<i>Dungan</i>			
		The field work ended in August and there were no significant issues. Auditors are still reviewing the net AR to determine cash collections after year end. A new item this year is the Single Subject Audit, pertaining to the provider relief funds that SVH received in 2020. Auditors are reviewing those			

	expenses and the net revenue loss. SVH did not receive phase 3 funding. Phase 4 funding is opening September 29. Phase 4 funding is focused on rural hospitals. It is possible SVH will get phase 4 funding.		
<b>5. REVIEW CURRENT INSURANCE POLICIES</b>	<i>Jensen</i>		
	Mr. Jensen reviewed the summary of insurance renewals and premiums. There were no changes in Professional and General Liability. All hospitals received 8% increase for Directors and Officers Liability. He said Excess Workers' Compensation increased due to increased Workers Compensation claims. Property insurance went up because of increased values, the cyber-attack, and fire claim. He mentioned SVH does not have earthquake insurance. Mr. Boerum suggested that Finance get a quote on earthquake insurance. Mr. Jensen said they receive a quote every few years and the cost is prohibited.		
<b>6. CAPITOL SPENDING PLAN (ACTION)</b>	<i>Dungan</i>		
	Ms. Dungan presented the capital spending plan. She said there are several key items that will be purchased soon. Endoscope storage, drying cabinets, an EHR system, roof repairs and medivator compliance. Ms. Dungan highlighted capital needs that will be supported by the Foundation. Mr. Rymer suggested a list of capital needs likely to be funded by the Foundation versus unlikely to be funded and a comparison of capital spending in previous years.		
<b>7. ADMINISTRATIVE REPORT FOR SEPTEMBER 2021</b>	<i>Hennelly</i>		
	Mr. Hennelly reviewed the Administrative Report for September 2021. The data report will not be presented because of the changes in Quality Leadership. Regarding the Outpatient Diagnostic		

	Center, the contractor is still struggling to get the air-handler in compliance. He noted that it could take several months to rectify. The front entrance has been reopened to provide more screening and speed up access into the hospital and new staff has been hired to monitor entrances.		
<b>8. FINANCIAL REPORT FOR MONTH ENDED AUGUST</b>	<i>Dungan</i>		
	<p>Ms. Dungan reported outpatient and ER volumes were up in August. Inpatient volumes were under budget for surgical and overbudget for patient days. She noted, the budget was based on pandemic levels and there is currently a trend towards pre-pandemic levels. The cash collection goal for August was \$3.9M and the hospital collected under goal by 326K. Year-to-date, under collection by \$377K. Days cash on hand were 52.3, A/R days were 41.2, A/P was \$3.5M, A/P days were 44.6.</p> <p>Long term debt increased due to bond refinance. Total operating revenue was over budget by \$465K, operating expenses over budget by \$141K. Ms. Dungan mentioned we will continue to see an increase of total people cost, professional fees, and utilities. The operating margin was a loss of \$680,500 vs. a budget of \$326K. After accounting for non-operating revenue there was a loss of \$270,920, EBDA was -3.3% vs. budgeted EBDA - 12.7%. Ms. Dungan briefly reviewed the cash flow. Cash was down by \$750K during the month of August. This will be the trend until December when the Parcel Tax money is received. There is an impending IGT. SVH will pay out \$1M and receive \$2.6M in return by January.</p>		
<b>9. UPDATE ALLSCRIPS CONTRACT</b>	<i>Hennelly</i>		
	Mr. Hennelly reported that the hospital has been negotiating an extension of the current contract with Allscripts for the EHR. The current contract expired on October 1 <sup>st</sup> . The likely extension will run 18		

	months at a 15% increase price. Committee members suggested that the hospital see if there was an option to get an optional 6-month additional extension should the build out of the EHR take longer than anticipated.		
<b>10. TOWARD ENTERPRISE PROFITABILITY</b>	<i>Boerum</i>		
	Mr. Gerlach reviewed the Toward Enterprise Profitability Spreadsheet. FY 2019 was used for the calculations. Mr. Gerlach said SVH does well with Medi-Cal and traditional 3 <sup>rd</sup> parties but not well with Medicare. Mr. Jensen explained Medi-Cal payments are dependent on IGT. SVH Finance calculations for Medicare were around 5.5M and 25M in gross. In terms of developing new programs there may be investment money needed to get programs started. Mr. Boerum asked that two or three people from the Committee meet with Mr. Gerlach to refine the spreadsheet to help with Mr. Hennelly's strategic plan.		
<b>11. ADJOURN</b>	<i>Boerum</i>		
	Meeting adjourned at 6:20 p.m.		

### Capital Spending and Planned, CIP, and Capital Leases

Page 1 of 3

Equipment:		Historical Capital Spend				Current	Planned Capital Spend			
Dept #	Department	DESCRIPTION	FY 2019	FY 2020	FY 2021	FYTD 2022	FY 2022	FY 2023	FY 2024	FY 2025
8340	Dietary	Mobile shelving - Uline	6,909							
8480	Information Systems	GHA Technologies UCSF Telemedicine Cart	8,265							
7420	Surgery	Stryker Medical - Refurbished PI drive/attachments	15,415							
7420	Surgery	Olympus - EVIS EXERA III	29,716							
8450	Engineering/Plant Ops	UCSF signage - multiple sites	8,182							
7420	Surgery	Stryker Medical - System 8 Drill/saws	107,487							
Various		Celtic Lease payoff - various equipment		421,904						
7420	Surgery	Zimmer Biomet Intellcart System w/Evac Station		22,034						
7420	Surgery	Alcon Centurian Phaco Machine		65,250						
7420	Surgery	Olympus America - Urology equipment		62,118						
8340	Dietary	Commercial Blenders - 2		4,838						
6010	ICU	Smart IV Pumps - 27		56,994						
8450	Engineering/Plant Ops	Security Camera system - South Lot			11,660					
7500	Laboratory	Bactec FX40 Blood Culture Unit			36,759					
8610	Administration	History Wall Panels - Hallway			18,819					
6010	ICU	Series 980S Ventilator			36,921					
6010	ICU	CAPR Hood Ventilator (PPE)			14,777					
7420	Surgery	Stryker Medical - Eye Surgery Stretcher			13,140					
8340	Dietary	Alladin Temp Rite - Activator/base/dome/heating unit			5,475					
7630	Medical Imaging	Stryker Medical - Transport Gurney			4,569					
7630	Medical Imaging	Stryker Medical - OB Gyn Stretcher			7,250					
7500	Laboratory	Fisher Healthcare - Logic Purifier Bio-safety cab			11,397					
7420	Surgery	Steris Corp - Surgical table				42,724				
7420	Surgery	Depuy - Monobloc flexible reamers				14,997				
8340	Dietary	Kitchen - Drying Rack on Wheels (Compliance issue)					6,000			
8340	Dietary	Kitchen - Soiled Tray Carts (2) (Compliance issue)					10,000			
6010/6170	ICU/Med-Surg	Nursing - 10 Defibrillators used in crash carts					180,000			
6010/6170	ICU/Med-Surg	Nursing - Hovermat					5,898			
7072	Special Procedures	Endoscope storage and drying cabinet with seismic anchorage					13,072			
7590	EKG	EKG Machines - 3					30,000			
7420	Surgery	Processing sink - 3 basin and installation					27,167			
8340	Dietary	Kitchen - Pass-thru warming cabinet						10,000		

Sonoma Valley Hospital

Capital Spending and Planned, CIP, and Capital Leases

Historical Capital Spend For Fiscal Years Ending June 30, 2019, 2020, 2021 & YTD FY 2022 and  
Planned Capital Spend for Fiscal Years Ending June 30, 2022, 2023, 2024, & 2025

8340	Dietary	Café Refresh - Grab & Go Refrigeration (4) (OSHPD permit costs not included)				
8340	Dietary	Café Refresh - Stand alone Refrigerators (2) (OSHPD permit costs not included)				
8340	Dietary	Kitchen - Cooking & Serving Table/Steam table				
8340	Dietary	Kitchen - Walk-in-freezer (OSHPD permit costs not included)				

	100,000		
	20,000		
	85,000		
	25,000		

Equipment Sub-total\$175,974\$633,138\$160,767\$57,721

\$272,137\$240,000\$- \$-

Information Systems/Electronic Health Records:			Historical Capital Spend			Current
Dept #	Department	DESCRIPTION	FY 2019	FY 2020	FY 2021	FYTD 2022
8480	Information Systems	Dell Computers - 20		17,252		
8480	Information Systems	Dragon One Speech Recognition - Physician dictation		11,300		
8480	Information Systems	Lenovo Thinkpads - Laptops			8,760	
8480	Information Systems	Dell computers with monitors			25,311	
8480	Information Systems	Vx Rail Server Upgrades			24,981	
8480	Information Systems	Dell computers with monitors			21,450	
8480	Information Systems	Vx Rail Server Upgrades			10,376	
8480	Information Systems	Dell computers (Optiplex 7080)			37,261	
8480	Information Systems	Cisco catalyst network switch upgrade				40,820
8480	Information Systems	EHR - Paragon contract expires 9/2021 (extension granted)				
8480	Information Systems	Network switch - replacements				
8480	Information Systems	Space Lab Monitors (qty. 26)				
8480	Information Systems	Paging System - Conversion (Waiting for estimate)				

Planned Capital Spend			
FY 2022	FY 2023	FY 2024	FY 2025
1,000,000	3,000,000		
	100,000	100,000	100,000
		500,000	

Equipment Sub-total\$- \$28,552\$128,139\$40,820

\$1,000,000\$3,100,000\$600,000\$100,000

Building/Leasehold Improvements			Historical			Current
Dept #	Department	DESCRIPTION	FY 2019	FY 2020	FY 2021	FYTD 2022
7073	SFP Clinic - Perkins	Conklin Bros Flooring	16,859			
8450	Engineering/Plant Ops	Conversion of Rooms - 215-217 - Closed CIP	87,317			
8450	Engineering/Plant Ops	SNF Courtyard walkway (1/2)		5,240		
8610	Administration	Garden Murals			9,336	
8450	Engineering/Plant Ops	Energy mgt system BAS upgrade			30,214	
8450	Engineering/Plant Ops	Roof Restoration - Center and East Wings, and boiler room				
8450	Engineering/Plant Ops	GI Suite - Medivator compliance				
8450	Engineering/Plant Ops	Endoscopy cabinet - permit and installation prep work				
8450	Engineering/Plant Ops	Sewer pumps - basement				
8450	Engineering/Plant Ops	Pipes - replacement due to corosion (East Wing)				
8450	Engineering/Plant Ops	Elevators - NPC compliance (replace jacks/doors)				
8450	Engineering/Plant Ops	Electrical - Automatic Transfer Switches				
8450	Engineering/Plant Ops	Cooling - Back-up power - New Wing				
8450	Engineering/Plant Ops	Café refresh - flooring, paint, refrigerator anchor, & counter reface				
8450	Engineering/Plant Ops	Seismic - SPC4D compliance analysis(OSHPD 2024)				
8450	Engineering/Plant Ops	Seismic - Anchorage NPC assessment (OSHPD 2024)				
8450	Engineering/Plant Ops	Medical Air & Vacuum Systems				
8450	Engineering/Plant Ops	Security Access - Exterior doors				

Planned			
FY 2022	FY 2023	FY 2024	FY 2025
117,000			
82,720			
20,680			
40,000			
60,000			
	550,000		
	250,000		
	550,000		
	230,000		
		150,000	
		120,000	
			350,000
			250,000

Infrastructure Sub-total104,1765,24039,550-

320,4001,580,000270,000600,000

Total Capital Assets\$594,521\$757,026\$429,504\$106,193

\$1,869,259\$6,191,180\$1,881,363\$700,000

Recap:  
Capital Spend - Hospital280,150666,930328,45698,541  
Capital Spend - Foundation314,37190,096101,0487,652  
Total Capital Assets\$594,521\$757,026\$429,504\$106,193

1,592,5374,920,000870,000700,000  
276,7221,271,1801,011,363-  
\$1,869,259\$6,191,180\$1,881,363\$700,000

Account #	Construction In Progress (CIP)	CIP Budget	CIP Balance at 6/30/2021	Spending Fiscal YTD 2022	CIP Balance Fiscal YTD 2022	Funding
1258-0050	ODC - Project CT & MRI	21,000,000	9,991,080	206,586	10,197,666	Foundation
1258-0440	EHR Implementation	6,315,356	44,955	-	44,955	MedOne Leases/operations
1258-0830	Wound Care Expansion	74,350	43,176		43,176	Foundation/Operations
1258-9200	ATS (Automatic Transfer Switches)	49,281	-	54,515	54,515	Operations
CIP Balance		\$ 27,438,987	\$ 10,079,211	\$ 261,101	\$ 10,340,312	

Capital Financing/Leasing:									
Dept #	Department	DESCRIPTION	Original Principal	Origination - Fiscal Year	Term - Months	Monthly Cost		Balance at 9/30/2021	Final Payment
8450	CEC Loan Phase 1	California Energy Commission loan	443,774	2012	180	3,563		84,480	6/22/2023
8450	CEC Loan Phase 2	California Energy Commission loan	675,452	2014	96	7,796		92,856	6/22/2022
7630	Medical Imaging	Fluoroscopy Equipment	418,171	2016	60	7,717		22,993	12/1/2021
8480	Information Systems	Citrix Netscaler	380,237	2018	48	6,677		80,315	8/1/2022
8480	Information Systems	Dell Financing - Recovery labor costs *	522,032	2021	36	14,502		382,437	2/1/2024
Capital Financing/Leasing Total			\$ 2,439,666			\$ 40,255		\$ 663,081	

\* - Financing will be paid off when insurance proceeds are received from cyber claim.

Bi-annual Payments  
Bi-annual Payments  
Monthly Payments  
Annual payments  
Interest free



*Healing Here at Home*

**To:** SVH Finance Committee  
**From:** Ken Jensen, CFO  
**Date:** October 26, 2021  
**Subject:** Financial Report for the Month Ending September 30, 2021

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Following the trend of the first couple months of FY 2022, September had higher than budgeted volumes for outpatient and emergency services and lower than budgeted volumes for inpatient stays and surgeries. For the month of September the hospital's actual operating margin of (\$775,025) was \$280,457 favorable to the budgeted operating margin of (\$1,055,482). After accounting for all other activity; the net loss for September was (\$264,569) vs. the budgeted net loss of (\$16,248) with a monthly EBDA of -5.7% vs. a budgeted -14.6%.

**Gross patient revenue** for September was \$23,588,474; \$3,092,764 over budget. Inpatient gross revenue was under budget by (\$1,010,218). Inpatient days were under budget by (16) days and inpatient surgeries were under budget by (8) cases. Outpatient gross revenue was over budget by \$1,978,084. Outpatient visits were over budget by 595 visits, outpatient surgeries were over budget by 19 cases, and special procedures were at budget at 14 cases. The Emergency Room gross revenue was over budget by \$2,124,898 with ER visits over budgeted expectations by 156 visits.

**Deductions from revenue** were unfavorable to budgeted expectations by (\$2,464,313) due to higher gross revenue than budgeted. The hospital received \$51,360 for a Non-Designated Public Hospital Intergovernmental Transfer (NDPH-IGT) program for FY 19/20.

After accounting for all other operating revenue, the **total operating revenue** was favorable to budgeted expectations by \$616,158.

**Operating Expenses** of \$4,704,949 were unfavorable to budget by (\$335,701). Salaries and wages and agency fees were over budget by (\$15,470) due to registry costs in surgery, respiratory therapy, and outpatient physical therapy. Professional fees were over budget by (\$117,154) due to higher than budgeted UCSF management costs including the new IT director and Human Resource legal costs related to an employee case. Supplies are over budget by (\$84,840) due to lab supplies being over budget in the lab (\$48,596) due to COVID testing supplies and in the pharmacy (\$17,445) due to higher costs of pharmaceuticals than budgeted. Purchased services are over budget (\$108,334) primarily due to the payout to Banyan Medical to cancel the case management contract.

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for September was (\$471,878) vs. a budgeted net loss of (\$737,839). In the month



of September the hospital received \$27,342 in donations from the Sonoma Valley Hospital Foundation. The total net loss for September after all activity was (\$264,569) vs. a budgeted net loss of (\$16,248).

EBDA for the month of September was -5.7% vs. the budgeted -14.6%.

#### Patient Volumes – September

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	58	66	-8	60
Acute Patient Days	240	256	-16	214
Observation Days	22	0	22	32
OP Gross Revenue	\$18,682	\$14,579	\$4,103	\$14,581
Surgical Cases	114	103	11	115

#### Gross Revenue Overall Payer Mix – September

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	32.8%	39.7%	-6.9%	35.3%	39.7%	-4.4%
Medicare Mgd Care	13.7%	15.5%	-1.8%	16.1%	15.5%	0.6%
Medi-Cal	18.8%	19.2%	-0.4%	17.3%	19.2%	-1.9%
Self Pay	3.6%	1.1%	2.5%	2.4%	1.1%	1.3%
Commercial	28.2%	21.5%	6.7%	25.9%	21.5%	4.4%
Workers Comp	2.9%	3.0%	-0.1%	3.0%	3.0%	0.0%
Total	100.0%	100.0%		100.0%	100.0%	

#### Cash Activity for September:

For the month of September the cash collection goal was \$3,997,845 and the Hospital collected \$3,622,547 or under the goal by (\$375,298). The year-to-date cash collection goal was \$11,718,892 and the Hospital has collected \$10,966,315 or under goal by (\$752,577).

	CURRENT MONTH	PRIOR MONTH	VARIANCE	PRIOR YEAR
Days of Cash on Hand – Avg.	45.5	52.3	-6.8	63.0
Accounts Receivable Days	42.4	41.2	1.2	38.9
Accounts Payable	\$3,519,605	\$3,535,407	-\$15,802	\$2,849,681
Accounts Payable Days	43.1	44.6	-1.5	40.8

**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
- Attachment F is the Cash Projection



**Sonoma Valley Hospital**  
**Payer Mix for the month of September 30, 2021**

ATTACHMENT A

	Month				Year-to-Date			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
<b>Gross Revenue:</b>								
Medicare	7,745,553	8,138,316	-392,763	-4.8%	25,545,003	24,684,010	860,993	3.5%
Medicare Managed Care	3,228,957	3,163,157	65,800	2.1%	11,664,792	9,599,292	2,065,500	21.5%
Medi-Cal	4,423,560	3,923,665	499,895	12.7%	12,555,807	11,915,046	640,761	5.4%
Self Pay	851,156	217,203	633,953	291.9%	1,709,284	662,867	1,046,417	157.9%
Commercial & Other Government	6,655,824	4,429,906	2,225,918	50.2%	18,833,842	13,450,586	5,383,256	40.0%
Worker's Comp.	683,424	623,463	59,961	9.6%	2,193,151	1,891,270	301,881	16.0%
<b>Total</b>	<b>23,588,474</b>	<b>20,495,710</b>	<b>3,092,764</b>		<b>72,501,879</b>	<b>62,203,071</b>	<b>10,298,808</b>	

	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
<b>Net Revenue:</b>								
Medicare	821,276	983,973	-162,697	-16.5%	2,847,652	2,969,329	-121,677	-4.1%
Medicare Managed Care	364,549	365,028	-479	-0.1%	1,298,931	1,107,758	191,173	17.3%
Medi-Cal	476,860	413,162	63,698	15.4%	1,328,578	1,234,655	93,923	7.6%
Self Pay	365,997	81,951	284,046	346.6%	713,320	250,100	463,220	185.2%
Commercial & Other Government	1,648,628	1,261,600	387,028	30.7%	5,002,375	3,863,016	1,139,359	29.5%
Worker's Comp.	120,898	115,403	5,495	4.8%	391,936	350,074	41,862	12.0%
Prior Period Adj./IGT	51,360	-	51,360	*	121,698	-	121,698	*
<b>Total</b>	<b>3,849,568</b>	<b>3,221,117</b>	<b>628,451</b>	<b>19.5%</b>	<b>11,704,490</b>	<b>9,774,932</b>	<b>1,929,558</b>	<b>19.7%</b>

	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
<b>Percent of Net Revenue:</b>								
Medicare	21.4%	30.6%	-9.2%	-30.1%	24.4%	30.4%	-6.1%	-20.1%
Medicare Managed Care	9.5%	11.3%	-1.8%	-15.9%	11.1%	11.3%	-0.2%	-1.8%
Medi-Cal	12.4%	12.8%	-0.4%	-3.1%	11.4%	12.6%	-1.2%	-9.5%
Self Pay	9.5%	2.5%	7.0%	280.0%	6.1%	2.6%	3.5%	134.6%
Commercial & Other Government	42.8%	39.2%	3.6%	9.2%	42.7%	39.5%	3.2%	8.1%
Worker's Comp.	3.1%	3.6%	-0.5%	-13.9%	3.3%	3.6%	-0.3%	-8.3%
Prior Period Adj./IGT	1.3%	0.0%	1.3%	*	1.0%	0.0%	1.0%	*
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.1%</b>	<b>-0.1%</b>

	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
<b>Projected Collection Percentage:</b>								
Medicare	10.6%	12.1%	-1.5%	-12.4%	11.1%	12.0%	-0.9%	-7.5%
Medicare Managed Care	11.3%	11.5%	-0.2%	-1.7%	11.1%	11.5%	-0.4%	-3.5%
Medi-Cal	10.8%	10.5%	0.3%	2.9%	10.6%	10.4%	0.2%	1.9%
Self Pay	43.0%	37.7%	5.3%	14.1%	41.7%	37.7%	4.0%	10.6%
Commercial & Other Government	24.8%	28.5%	-3.7%	-13.0%	26.6%	28.7%	-2.1%	-7.3%
Worker's Comp.	17.7%	18.5%	-0.8%	-4.3%	17.9%	18.5%	-0.6%	-3.2%

**SONOMA VALLEY HOSPITAL**  
**OPERATING INDICATORS**  
For the Period Ended September 30, 2021

**ATTACHMENT B**

	<b>CURRENT MONTH</b>				<b>YEAR-TO-DATE</b>			<b>YTD</b>
	<b>Actual 09/30/21</b>	<b>Budget 09/30/21</b>	<b>Favorable (Unfavorable) Variance</b>		<b>Actual 09/30/21</b>	<b>Budget 09/30/21</b>	<b>Favorable (Unfavorable) Variance</b>	<b>Prior Year 09/30/20</b>
				<b>Inpatient Utilization</b>				
				<b>Discharges</b>				
1	45	49	(4)	Med/Surg	143	144	(1)	161
2	13	17	(4)	ICU	43	41	2	39
3	58	66	(8)	Total Discharges	186	185	1	200
				<b>Patient Days:</b>				
4	141	168	(27)	Med/Surg	487	505	(18)	568
5	99	88	11	ICU	244	265	(21)	284
6	240	256	(16)	Total Patient Days	731	770	(39)	852
7	22	-	22	<b>Observation days</b>	83	-	83	73
				<b>Average Length of Stay:</b>				
8	3.1	3.4	(0.3)	Med/Surg	3.4	3.5	(0.1)	3.5
9	7.6	5.2	2.4	ICU	5.7	6.5	(0.8)	7.3
10	4.1	3.9	0.2	Avg. Length of Stay	3.9	4.2	(0.2)	4.3
				<b>Average Daily Census:</b>				
11	4.7	5.6	(0.9)	Med/Surg	5.3	5.5	(0.2)	6.2
12	3.3	2.9	0.4	ICU	2.7	2.9	(0.2)	3.1
13	8.0	8.5	(0.5)	Avg. Daily Census	7.9	8.4	(0.4)	9.3
				<b>Other Utilization Statistics</b>				
				<b>Emergency Room Statistics</b>				
14	756	600	156	Total ER Visits	2,394	1,836	558	2,111
				<b>Outpatient Statistics:</b>				
15	4,592	3,997	595	Total Outpatients Visits	14,062	13,195	867	12,125
16	7	15	(8)	IP Surgeries	29	46	(17)	54
17	107	88	19	OP Surgeries	330	268	62	290
18	52	38	14	Special Procedures	161	117	44	128
19	279	227	51	Adjusted Discharges	909	642	267	704
20	1,153	885	268	Adjusted Patient Days	3,580	2,675	905	2,976
21	38.4	29.5	8.9	Adj. Avg. Daily Census	38.9	29.1	9.8	32.3
22	1.5341	1.4000	0.134	Case Mix Index - Medicare	1.3385	1.4000	(0.062)	1.5762
23	1.3506	1.4000	(0.049)	Case Mix Index - All payers	1.3121	1.4000	(0.088)	1.5363
				<b>Labor Statistics</b>				
24	203	204	1	FTE's - Worked	204	203	(0.9)	205
25	231	226	(6)	FTE's - Paid	231	225	(6.2)	226
26	43.76	44.47	0.72	Average Hourly Rate	44.39	44.43	0.05	46.81
27	6.02	7.65	1.62	FTE / Adj. Pat Day	5.93	7.72	1.79	6.97
28	34.3	43.6	9.3	Manhours / Adj. Pat Day	33.8	44.0	10.2	39.7
29	142.0	169.7	27.7	Manhours / Adj. Discharge	133.2	183.5	50.3	168.0
30	25.2%	25.4%	0.1%	Benefits % of Salaries	24.8%	25.0%	0.2%	21.4%
				<b>Non-Labor Statistics</b>				
31	16.4%	16.9%	0.6%	Supply Expense % Net Revenue	15.5%	16.8%	1.3%	16.5%
32	2,264	2,402	138	Supply Exp. / Adj. Discharge	1,998	2,561	563	2,348
33	17,072	19,590	2,518	Total Expense / Adj. Discharge	15,840	21,023	5,183	19,106
				<b>Other Indicators</b>				
34	47.3			Days Cash - Operating Funds				
35	42.4	50.0	(7.6)	Days in Net AR	41.3	50.0	(8.7)	39.6
36	90%			Collections % of Net Revenue	94%			108.0%
37	43.1	55.0	(11.9)	Days in Accounts Payable	43.1	55.0	(11.9)	41.1
38	16.3%	15.7%	0.6%	% Net revenue to Gross revenue	16.2%	15.7%	0.4%	15.9%
39	18.4%			% Net AR to Gross AR	18.4%			17.4%

**Sonoma Valley Health Care District**  
**Balance Sheet**  
**As of September 30, 2021**

**ATTACHMENT C**

		<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
<b>Assets</b>				
Current Assets:				
1	Cash	\$ 2,190,544	\$ 1,491,246	\$ 2,250,201
2	Cash - Money Market	4,639,373	5,639,115	6,237,010
3	Net Patient Receivables	6,896,918	6,632,434	5,236,334
4	Allow Uncollect Accts	(1,540,144)	(1,399,958)	(1,008,759)
5	Net A/R	5,356,774	5,232,476	4,227,575
6	Other Accts/Notes Rec	1,861,476	1,856,041	76,928
7	Parcel Tax Receivable	3,800,000	3,800,000	3,800,000
8	GO Bond Tax Receivable	2,601,816	2,601,816	3,168,950
9	3rd Party Receivables, Net	10,903	81,243	(53,941)
10	Inventory	956,962	939,153	858,424
11	Prepaid Expenses	936,852	1,009,486	763,971
12	Total Current Assets	\$ 22,354,700	\$ 22,650,576	\$ 21,329,118
13	Property, Plant & Equip, Net	\$ 52,035,381	\$ 52,261,611	\$ 50,401,367
14	Trustee Funds - GO Bonds	3,714,802	6,115,138	3,353,793
15	Restricted Funds - Board Approved	1,000,000	1,000,000	1,000,000
16	Total Assets	\$ 79,104,883	\$ 82,027,325	\$ 76,084,278
<b>Liabilities &amp; Fund Balances</b>				
Current Liabilities:				
17	Accounts Payable	\$ 3,519,605	\$ 3,535,407	\$ 2,849,681
18	Accrued Compensation	3,719,865	3,701,343	3,767,521
19	Interest Payable - GO Bonds	56,023	542,516	179,449
20	Accrued Expenses	1,809,503	1,530,251	1,422,137
21	Advances From 3rd Parties	-	-	-
22	Deferred Parcel Tax Revenue	2,850,003	3,166,670	2,849,987
23	Deferred GO Bond Tax Revenue	2,086,309	2,318,121	2,481,890
24	Current Maturities-LTD	417,385	424,998	309,121
25	Line of Credit - Union Bank	5,473,734	5,473,734	5,473,734
26	Other Liabilities	243,786	252,339	121,966
27	Total Current Liabilities	\$ 20,176,213	\$ 20,945,379	\$ 19,455,486
28	Long Term Debt, net current portion	\$ 25,134,696	\$ 27,023,403	\$ 26,811,823
29	Fund Balances:			
30	Unrestricted	\$ 18,325,831	\$ 18,617,742	\$ 18,690,817
31	Restricted	15,468,143	15,440,801	11,126,152
32	Total Fund Balances	\$ 33,793,974	\$ 34,058,543	\$ 29,816,969
33	Total Liabilities & Fund Balances	\$ 79,104,883	\$ 82,027,325	\$ 76,084,278

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses  
Comparative Results  
For the Period Ended September 30, 2021**

ATTACHMENT D

Month						Year-To-Date					YTD
This Year			Variance			This Year			Variance		Prior Year
Actual		\$		%	Actual	Budget	\$	%			
1	58	66	(8)	-12%	Volume Information	186	185	1	1%	200	
2	240	256	(16)	-6%		731	770	(39)	-5%	852	
3	22	-	22	0%		83	-	83	*	73	
4	\$ 18,682	\$ 14,579	\$ 4,103	28%		\$ 57,676	\$ 44,327	\$ 13,349	30%	\$ 45,015	
Financial Results											
Gross Patient Revenue											
5	\$ 4,906,403	\$ 5,916,621	(1,010,218)	-17%	Inpatient	\$ 14,826,363	\$ 17,876,308	(3,049,945)	-17%	\$ 17,962,073	
6	11,087,477	9,109,393	1,978,084	22%	Outpatient	35,233,112	27,652,972	7,580,140	27%	26,393,813	
7	7,594,594	5,469,696	2,124,898	39%	Emergency	22,442,404	16,673,791	5,768,613	35%	18,696,345	
8	\$ 23,588,474	\$ 20,495,710	\$ 3,092,764	15%	Total Gross Patient Revenue	\$ 72,501,879	\$ 62,203,071	\$ 10,298,808	17%	\$ 63,052,231	
Deductions from Revenue											
9	(19,486,616)	(17,097,022)	(2,389,594)	-14%	Contractual Discounts	\$ (60,189,937)	\$ (51,895,426)	(8,294,511)	-16%	\$ (52,606,138)	
10	(300,000)	(150,000)	(150,000)	-100%	Bad Debt	(700,000)	(450,000)	(250,000)	-56%	(410,000)	
11	(3,650)	(27,571)	23,921	87%	Charity Care Provision	(29,150)	(82,713)	53,563	65%	(33,000)	
12	51,360	-	51,360	*	Prior Period Adj/Government Program Revenue	121,698	-	121,698	*	-	
13	\$ (19,738,906)	\$ (17,274,593)	\$ (2,464,313)	14%	Total Deductions from Revenue	\$ (60,797,389)	\$ (52,428,139)	\$ (8,369,250)	16%	\$ (53,049,138)	
14	\$ 3,849,568	\$ 3,221,117	\$ 628,451	20%	Net Patient Service Revenue	\$ 11,704,490	\$ 9,774,932	\$ 1,929,558	20%	\$ 10,003,093	
15	\$ 80,356	\$ 92,649	(12,293)	-13%	Other Op Rev & Electronic Health Records	\$ 232,318	\$ 277,947	(45,629)	-16%	\$ 294,083	
16	\$ 3,929,924	\$ 3,313,766	\$ 616,158	19%	Total Operating Revenue	\$ 11,936,808	\$ 10,052,879	\$ 1,883,929	19%	\$ 10,297,176	
Operating Expenses											
17	\$ 1,731,321	\$ 1,715,851	(15,470)	-1%	Salary and Wages and Agency Fees	\$ 5,371,158	\$ 5,231,839	(139,319)	-3%	\$ 5,535,271	
18	671,564	666,519	(5,045)	-1%	Employee Benefits	2,054,626	2,007,509	(47,117)	-2%	1,916,098	
19	\$ 2,402,885	\$ 2,382,370	(20,515)	-1%	Total People Cost	\$ 7,425,784	\$ 7,239,348	(186,436)	-3%	\$ 7,451,369	
20	\$ 628,429	\$ 511,275	(117,154)	-23%	Med and Prof Fees (excl'd Agency)	\$ 1,705,406	\$ 1,534,191	(171,215)	-11%	\$ 1,231,310	
21	630,755	545,915	(84,840)	-16%	Supplies	1,815,585	1,643,197	(172,388)	-10%	1,652,653	
22	499,893	391,559	(108,334)	-28%	Purchased Services	1,356,763	1,200,476	(156,287)	-13%	1,259,951	
23	247,731	252,880	5,149	2%	Depreciation	741,826	758,640	16,814	2%	773,526	
24	127,668	120,248	(7,420)	-6%	Utilities	425,260	361,668	(63,592)	-18%	324,766	
25	52,984	46,909	(6,075)	-13%	Insurance	152,643	140,727	(11,916)	-8%	133,398	
26	15,927	17,966	2,039	11%	Interest	48,442	53,898	5,456	10%	57,219	
27	98,677	100,126	1,449	1%	Other	321,625	300,873	(20,752)	-7%	290,991	
28	-	-	-	*	Matching Fees (Government Programs)	29,494	-	(29,494)	*	0	
29	\$ 4,704,949	\$ 4,369,248	(335,701)	-8%	Operating expenses	\$ 14,022,828	\$ 13,233,018	(789,810)	-6%	\$ 13,175,183	
30	\$ (775,025)	\$ (1,055,482)	\$ 280,457	27%	Operating Margin	\$ (2,086,020)	\$ (3,180,139)	\$ 1,094,119	34%	\$ (2,878,007)	

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses  
Comparative Results  
For the Period Ended September 30, 2021**

ATTACHMENT D

Month						Year-To- Date					YTD		
This Year			Variance			This Year			Variance		Prior Year		
Actual			\$		%	Actual	Budget	\$	%				
31	\$	(13,470)	\$	976	(14,446)	-1480%	Non Operating Rev and Expense						
32		-		-	-	0%	Miscellaneous Revenue/(Expenses)					\$	44,416
33		-		-	-	*	Donations						0
34		316,667		316,667	-	0%	Physician Practice Support-Prima						0
35		-		-	-	0%	Parcel Tax Assessment Rev						950,001
36	\$	303,197	\$	317,643	(14,446)	-5%	Extraordinary Items						0
						Total Non-Operating Rev/Exp					\$	994,417	
37	\$	(471,828)	\$	(737,839)	266,011	-36%	Net Income / (Loss) prior to Restricted Contributions					\$	(1,883,590)
38	\$	-	\$	-	-	0%	Capital Campaign Contribution					\$	-
39	\$	27,342	\$	523,803	(496,461)	0%	Restricted Foundation Contributions					\$	1,831,219
40	\$	(444,486)	\$	(214,036)	(230,450)	108%	Net Income / (Loss) w/ Restricted Contributions					\$	(52,371)
41		179,917		197,788	(17,871)	-9%	GO Bond Activity, Net						552,402
42	\$	(264,569)	\$	(16,248)	(248,321)	1528%	Net Income/(Loss) w GO Bond Activity					\$	500,031
	\$	(224,097)	\$	(484,959)	260,862		EBDA - Not including Restricted Contributions					\$	(1,110,064)
		-5.7%		-14.6%									-10.8%

\* Operating Margin without Depreciation expense:

\$	(775,025)	\$	(1,055,482)	\$	280,457	27%
	247,731		252,880		5,149	2%
\$	(527,294)	\$	(802,602)	\$	285,606	34%

<b>Operating Margin</b>	\$	(2,086,020)	\$	(3,180,139)	\$	1,094,119	34%
Add back Depreciation		741,826		758,640		16,814	2%
<b>Operating Margin without Depreciation expense</b>	\$	(1,344,194)	\$	(2,421,499)	\$	1,110,933	44%

**Sonoma Valley Health Care District**  
**Variance Analysis**  
**For the Period Ended September 30, 2021**

**ATTACHMENT E**

<b>Operating Expenses</b>	<b>YTD Variance</b>	<b>Month Variance</b>	
Salary and Wages and Agency Fees	(139,319)	(15,470)	Salaries and wages are under budget by \$14,380 and agency fees are over by (\$29,850). Agency fees are over budget in surgery, respiratory therapy, and OP physical therapy.
Employee Benefits	(47,117)	(5,045)	
<b>Total People Cost</b>	<b>(186,436)</b>	<b>(20,515)</b>	
Med and Prof Fees (excl Agency)	(171,215)	(117,154)	Professional fees are over budget due to higher than budgeted UCSF management costs including the unbudgeted position of IT director which is offset by a savings in salaries & wages.
Supplies	(172,388)	(84,840)	Supplies are over budget primarily due to the costs of COVID testing supplies in the lab.
Purchased Services	(156,287)	(108,334)	Purchased services are over budget due to the final payout for Banyan case management services.
Depreciation	16,814	5,149	
Utilities	(63,592)	(7,420)	
Insurance	(11,916)	(6,075)	
Interest	5,456	2,039	
Other	(20,752)	1,449	
Matching Fees (Government Programs)	(29,494)	-	
<b>Operating expenses</b>	<b>(789,810)</b>	<b>(335,701)</b>	

Sonoma Valley Hospital  
Cash Forecast  
FY 2022

ATTACHMENT F

	Actual July	Actual Aug	Actual Sept	Forecast Oct	Forecast Nov	Forecast Dec	Forecast Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL
<b>Hospital Operating Sources</b>													
1 Patient Payments Collected	3,768,614	3,604,012	3,741,094	3,560,232	3,535,250	3,481,361	3,667,320	3,580,044	3,818,142	3,646,790	3,763,729	3,682,225	43,848,813
2 Other Operating Revenue	50,926	33,133	27,360	92,649	92,649	92,649	77,649	77,649	77,649	77,649	77,649	77,637	855,248
3 Other Non-Operating Revenue	10,121	10,229	9,624	14,516	14,516	14,516	14,516	14,516	14,516	14,516	14,516	14,518	160,620
4 Unrestricted Contributions	14,875												14,875
5 Line of Credit													-
<b>Sub-Total Hospital Sources</b>	<b>3,844,535</b>	<b>3,647,375</b>	<b>3,778,079</b>	<b>3,667,397</b>	<b>3,642,415</b>	<b>3,588,526</b>	<b>3,759,485</b>	<b>3,672,209</b>	<b>3,910,307</b>	<b>3,738,955</b>	<b>3,855,894</b>	<b>3,774,380</b>	<b>44,879,557</b>
<b>Hospital Uses of Cash</b>													
6 Operating Expenses	5,686,921	4,339,055	4,171,999	4,258,835	4,202,649	4,225,711	4,382,476	4,221,825	4,421,291	4,324,996	4,397,288	4,356,571	52,989,618
7 Add Capital Lease Payments	116,550	26,560	34,320	22,140	22,166	89,458	14,502	14,502	14,502	14,502	14,502	82,109	465,813
8 Additional Liabilities/LOC													-
9 Capital Expenditures	114,099	104,421	21,501	525,512	525,512	525,512	525,512	525,512	525,512	525,512	525,512	525,511	4,969,629
<b>Total Hospital Uses</b>	<b>5,917,571</b>	<b>4,470,037</b>	<b>4,227,821</b>	<b>4,806,487</b>	<b>4,750,327</b>	<b>4,840,681</b>	<b>4,922,490</b>	<b>4,761,839</b>	<b>4,961,305</b>	<b>4,865,010</b>	<b>4,937,302</b>	<b>4,964,191</b>	<b>58,425,060</b>
<b>Net Hospital Sources/Uses of Cash</b>	<b>(2,073,036)</b>	<b>(822,662)</b>	<b>(449,742)</b>	<b>(1,139,090)</b>	<b>(1,107,912)</b>	<b>(1,252,155)</b>	<b>(1,163,005)</b>	<b>(1,089,630)</b>	<b>(1,050,998)</b>	<b>(1,126,055)</b>	<b>(1,081,408)</b>	<b>(1,189,811)</b>	<b>(13,545,503)</b>
<b>Non-Hospital Sources</b>													
10 Restricted Cash/Money Market			1,000,000	2,000,000			(2,000,000)						1,000,000
11 Restricted Capital Donations	107,079	101,291	27,342	525,512	525,512	525,512	525,512	525,512	525,512	525,512	525,512	525,511	4,965,319
12 Parcel Tax Revenue	164,000					2,050,000				1,662,000			3,876,000
13 Other Payments - Ins. Claims/HHS/Grants													-
14 Other:													-
15 IGT			51,360				2,674,000	1,298,801				89,000	4,113,161
16 IGT - AB915			70,338								335,000		405,338
17 QIP													-
<b>Sub-Total Non-Hospital Sources</b>	<b>271,080</b>	<b>101,291</b>	<b>1,149,040</b>	<b>2,525,512</b>	<b>525,512</b>	<b>2,575,512</b>	<b>1,199,512</b>	<b>1,824,313</b>	<b>525,512</b>	<b>2,187,512</b>	<b>860,512</b>	<b>614,511</b>	<b>14,359,818</b>
<b>Non-Hospital Uses of Cash</b>													
18 Matching Fees		29,494		1,096,301		397,247					44,500		1,567,542
<b>Sub-Total Non-Hospital Uses of Cash</b>	<b>-</b>	<b>29,494</b>	<b>-</b>	<b>1,096,301</b>	<b>-</b>	<b>397,247</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>44,500</b>	<b>-</b>	<b>1,567,542</b>
<b>Net Non-Hospital Sources/Uses of Cash</b>	<b>271,080</b>	<b>71,797</b>	<b>1,149,040</b>	<b>1,429,211</b>	<b>525,512</b>	<b>2,178,265</b>	<b>1,199,512</b>	<b>1,824,313</b>	<b>525,512</b>	<b>2,187,512</b>	<b>816,012</b>	<b>614,511</b>	<b>12,792,276</b>
<b>Net Sources/Uses</b>	<b>(1,801,956)</b>	<b>(750,865)</b>	<b>699,298</b>	<b>290,121</b>	<b>(582,400)</b>	<b>926,110</b>	<b>36,507</b>	<b>734,683</b>	<b>(525,486)</b>	<b>1,061,457</b>	<b>(265,396)</b>	<b>(575,300)</b>	
Operating Cash at beginning of period	4,044,067	2,242,111	1,491,246	2,190,544	2,480,665	1,898,265	2,824,375	2,860,882	3,595,565	3,070,079	4,131,536	3,866,140	
<b>Operating Cash at End of Period</b>	<b>2,242,111</b>	<b>1,491,246</b>	<b>2,190,544</b>	<b>2,480,665</b>	<b>1,898,265</b>	<b>2,824,375</b>	<b>2,860,882</b>	<b>3,595,565</b>	<b>3,070,079</b>	<b>4,131,536</b>	<b>3,866,140</b>	<b>3,290,840</b>	
Money Market Account Balance - Unrestricted	5,638,824	5,639,115	4,639,373	2,639,373	2,639,373	2,639,373	4,639,373	4,639,373	4,639,373	4,639,373	4,639,373	4,639,373	
<b>Total Cash at End of Period</b>	<b>7,880,935</b>	<b>7,130,361</b>	<b>6,829,917</b>	<b>5,120,038</b>	<b>4,537,638</b>	<b>5,463,748</b>	<b>7,500,255</b>	<b>8,234,938</b>	<b>7,709,452</b>	<b>8,770,909</b>	<b>8,505,513</b>	<b>7,930,213</b>	
<b>Average Days of Cash on Hand</b>	<b>58.8</b>	<b>52.3</b>	<b>45.5</b>										
<b>Days of Cash on Hand at End of Month</b>	<b>54.6</b>	<b>50.1</b>	<b>47.3</b>	<b>34.8</b>	<b>30.9</b>	<b>37.2</b>	<b>51.0</b>	<b>56.0</b>	<b>52.4</b>	<b>59.7</b>	<b>57.9</b>	<b>54.0</b>	