



# SVHCD FINANCE COMMITTEE

## AGENDA

**TUESDAY, November 22, 2022**

**5:00 p.m. Regular Session**

**TO BE HELD VIA ZOOM VIDEOCONFERENCE**

To Participate via Zoom Videoconferencing,  
use the link below:

<https://sonomavalleyhospital-org.zoom.us/j/93270771849?pwd=ViszUTROdE0ralRkZnhKcGRtUTFldz09>

**Meeting ID: 932 7077 1849**

**Passcode: 527978**

One tap mobile

+16692192599,,93270771849#

+16699009128,,93270771849#

Dial by your location

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In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a District meeting, please contact Interim District Clerk Stacey Finn at <a href="mailto:sfinn@sonomavalleyhospital.org">sfinn@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>	<i>Boerum</i>
<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>	<i>Boerum</i>
<b>3. CONSENT CALENDAR</b> a. Finance Committee Minutes 10.25.22	<i>Boerum</i> Action
<b>4. RESOLUTION 368 – CHFFA BRIDGE LOAN PROGRAM YEAR II</b>	<i>Armfield</i> Action
<b>5. DRAFT 2023 FINANCE COMMITTEE WORK PLAN</b>	<i>Boerum</i> Inform/Action

<b>6. ODC UPDATE</b>	<i>Drummond/ Hennelly</i>	Inform
<b>7. EPIC UPDATE</b>	<i>Hennelly</i>	Inform
<b>8. UCSF AFFILIATION UPDATE</b>	<i>Hennelly</i>	Inform
<b>9. AUDIT UPDATE</b>	<i>Armfield</i>	Inform
<b>10. FINANCIAL REPORT FOR MONTH END OCTOBER 2022</b>	<i>Armfield</i>	Inform
<b>11. ADJOURN</b>	<i>Boerum</i>	



**SVHCD**  
**FINANCE COMMITTEE MEETING**  
**MINUTES**  
**TUESDAY, OCTOBER 25, 2022**  
**Via Zoom Teleconference**

Present	Not Present/Excused	Staff	Public	
Bill Boerum via Zoom Art Grandy via Zoom Wendy Lee via Zoom Carl Gerlach via Zoom Subhash Mishra via Zoom Joshua Rymer via Zoom Catherine Donahue via Zoom	Bruce Flynn Peter Hohorst	Ben Armfield via Zoom Kimberly Drummond via Zoom John Hennelly via Zoom Dawn Kuwahara via Zoom Jessica Winkler via Zoom Celia Kruse de la Rosa via Zoom	Judith Bjorndal via Zoom Susan Kornblatt Idell 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 5:01 p.m. Mr. Boerum announced that Vivian Woodall has returned temporarily as Board Clerk. Catherine Donahue has joined the executive staff at Hanna Center.			
<b>2. PUBLIC COMMENT SECTION</b>	<i>Boerum</i>			
	None			
<b>3. CONSENT CALENDAR (ACTION)</b>	<i>Boerum</i>		Action	
a. Finance Committee Minutes September 27, 2022	Changes requested to the prior meeting minutes were: add Dr. Mishra present, add Ms. Donahue present and Mr. Rymer excused.		<b>MOTION:</b> by Grandy to approve with changes, 2 <sup>Nd</sup> by Gerlach. All in favor.	
<b>4. ODC UPDATE</b>	<i>Drummond/Hennelly</i>		Inform	

	<p>Ms. Drummond reported that the CT project was progressing. The emergency contract was approved and latent defects should be completed by the end of December. Vertran is developing an RFQ/RFP for a team to design the modular structure; the RFP will be issued in November with team selection by end of December. Two entities with previous SVH experience will be included in that process. Volumes will be reviewed on the temporary project and be presented at November Committee and December Board meetings.</p> <p>Mr. Rymer asked about experiences with original design build construction vs. renovation considering recent contract difficulties. Renovation is much more difficult to work through. Ms. Drummond said the MRI is considered an OSHPD 3 build, not full occupancy, so there is some simplification. The new building will be much simpler vs. all of the renovations that would have been necessary to bring the existing building up to code. It is considered new construction with new power and new infrastructure. The CT exhaust and plumbing were run through entire west tower so presented their own challenges. The upcoming tunnel connection inside the hospital will also require an RFQ/RFP for general contractor and will happen after schematic design is complete in April 2023.</p>		
<b>5. EPIC UPDATE</b>	<i>Hennelly</i>	Inform	
	<p>The Epic implementation go-live is six weeks away. All teams are on track with the only risk area being hardware deployment. All indicators are on track for a December 3<sup>rd</sup> rollout. A more comprehensive report will be available for next week's Board meeting. Management indicated the Hospital is still planning to use the additional \$650,000 contingency.</p>		

<b>6. PAYOR CONTRACTING STRATEGY UPDATE</b>	<i>Armfield</i>	Inform	
	Mr. Armfield reported that the Hospital is identifying opportunities in payor contracts. Statements of work and qualifications were received from two candidates but fees were not in line with expectations. A third bid was received within the last few days from a company who has prior SVH experience. A recommendation will be brought to the Committee prior to Thanksgiving.		
<b>7. UCSF AFFILIATION UPDATE</b>	<i>Hennelly</i>	Inform	
	Mr. Hennelly reviewed the UCSF affiliation matrix. Neurology, stroke, and infectious disease are complete. SVH would need intensivist coverage to expand patient case types. The transfer center is in progress. SVH is currently recruiting for a GI specialist. Orthopedic surgeons have been reaching out to the Hospital which is encouraging. PT will enhance that. The clinically integrated network is currently being reviewed and should be out in the next few months. A new CMO signed on this morning who is a faculty member at UCSF; it is hoped this will open some doors for surgical services. The upcoming Epic implementation should remove a barrier to physician collaboration. After going live the affiliation will look at optimization of data transfer. Mr. Rymer suggested highlighting what has changed month to month on the UCSF matrix going forward.		
<b>8. AUDIT UPDATE</b>	<i>Armfield</i>	Inform	
	The auditors are in the process of finalizing the FY22 audit. A new audit standard relating to how operating leases are reported was required this year. Preliminary financials have		

	been received and the associated narratives are being developed. The audit report should be available for Committee review in mid-November.		
<b>9. FINANCIAL REPORT FOR MONTH END SEPTEMBER 2022</b> • <b>Capital Spending Q1 Review</b>	<i>Armfield</i>	Inform	
	<p>Mr. Armfield reported that financial performance took a step back from its recent trend in September. The budgeted operating margin was missed by approximately \$444,000 or 43%. The variance related to operating expenses, and specifically supplies, with implant costs 70% over budget due to a one-time catch-up. Traveler and agency fees made up the people cost overage. Volumes have tracked close to budget month to month. The total net loss of (\$56,979) was due to how Foundation donations are recorded. SVH is still meeting budget for the year. He indicated that the Hospital is certainly experiencing labor shortages and is exploring alternative methods to fill nursing and physician positions. A revenue cycle staff member will be promoted to manager. Monthly department operating reviews will be re-implemented after the Epic rollout in December.</p> <p>Mr. Armfield briefly discussed 1<sup>st</sup> quarter capital spending, with the majority being CIP (construction projects in process) related to Epic, as well as CIP which is Foundation funded relating to the CT and MRI installation.</p>		
<b>10. ADJOURN</b>			
	Meeting adjourned at 6:12 p.m.		



To: Sonoma Valley Health Care District Finance Committee  
From: Ben Armfield, Chief Financial Officer  
Date: November 22, 2022  
Subject: **CHFAA Bridge Loan Program Year II Resolution**

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**Recommendation:**

Administration recommends the Sonoma Valley Health Care District Finance Committee to recommend the Board of Directors approve Resolution 368, which authorizes the execution and delivery of the Non-Designated Public Hospital Bridge Loan II Program between Sonoma Valley Health Care District and California Health Facilities Financing Authority (CHFFA).

**Background and Reasoning:**

The QIP Bridge loan was a District Hospital Leadership Forum (DHLF) sponsored budget item for the State of California to provide needed funds for CA District hospitals to bridge the 2-year period of the Prime Grant (ended 12/31/2020) to the new QIP program. The DHLF lobbied extensively for this loan with state legislatures and it was signed by the Governor in September 2021.

This is the second year of the bridge loan program. Sonoma Valley Health Care District received \$608,000 in bridge loans during fiscal year 2022.

**Loan Details:**

Sonoma Valley Health Care District is eligible to receive \$307,450 for the first funding round. Dependent on what remains of the initial \$40,000,000 pool of funds, a second round of funding may become available and the District would be eligible for an additional \$471,550 (up to \$779,000 for the year).

- 2-Year term with balloon payment at end of term
- 0% interest
- 1% Administration fee to the California Health Facilities Financing Authority
- Application for First Round of funding due October 14, 2022 (Completed)
- Application for Second Round of funding due March 31, 2023 (Second Round)
- Secured by Medi-Cal revenue
- QIP payment to the hospital is expected at \$750,000 (FY 2024)
- DHLF has noted the possibility of the loan becoming a grant

**Attachments:**

- California Health Facilities Financing Authority (CHFFA) Non-designated Public Hospital Bridge Loan Program Board Resolution
- California Health Facilities Financing Authority (CHFFA) Bridge Loan Program II Overview & Guidelines.

RESOLUTION 368 OF SONOMA VALLEY HEALTH CARE DISTRICT AUTHORIZING  
EXECUTION AND DELIVERY OF A LOAN AND SECURITY AGREEMENT,  
PROMISSORY NOTE, AND CERTAIN ACTIONS WITH THE CALIFORNIA HEALTH  
FACILITIES FINANCING AUTHORITY  
NONDESIGNATED PUBLIC HOSPITAL BRIDGE LOAN PROGRAM II

**Nondesignated Public Hospital Bridge Loan Program II**

WHEREAS, Sonoma Valley Health Care District (the “Borrower”) is a nondesignated public hospital as defined in Welfare and Institutions Code section 14165.55, subdivision (1), excluding those affiliated with county health systems pursuant to Section 2.0, Chapter 43, Statutes of 2022; and

WHEREAS, Borrower has determined that it is in its best interest to borrow an aggregate amount not to exceed **\$779,000.00** from the California Health Facilities Financing Authority (the “Lender”), with that loan to be funded with the proceeds of the Lender's Nondesignated Public Hospital Bridge Loan Program II; and

WHEREAS, the Borrower intends to use the proceeds solely to fund its working capital needs to support its operations;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Borrower as follows:

Section 1. The Board of Directors of Borrower hereby ratifies the submission of the application for a loan from the Nondesignated Public Hospital Bridge Loan Program II.

Section 2. John Hennelly, President and Chief Executive Officer is an “Authorized Officer”) and is hereby authorized and directed, for and on behalf of the Borrower, to do any and all things and to execute and deliver any and all documents that the Authorized Officer deems necessary or advisable to consummate the borrowing of moneys from the Lender and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 3. The proposed form of Loan and Security Agreement (the “Agreement”), which contains the terms of the loan, is hereby approved. The loan shall be in a principal amount not to exceed **\$779,000.00**, shall not bear interest, and shall mature 24 months from the date of the executed Loan and Security Agreement between the Borrower and the Lender. The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Agreement in substantially that form, which includes the redirection of up to 20% of Medi-Cal reimbursements (checkwrite payments) to Lender in the event of default, with those changes therein as the Authorized Officers may require or approve, and the approval to be conclusively evidenced by the execution and delivery thereof.



Section 4. The proposed form of Promissory Note (the “Note”) as evidence of the Borrower's obligation to repay the loan is hereby approved. The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Note in substantially that form, with those changes therein as the Authorized Officer may require or approve and the approval to be conclusively evidenced by the execution and delivery thereof.

Date of Adoption: \_\_\_\_\_

## SECRETARY'S CERTIFICATE

I, \_\_\_\_\_, Secretary of Sonoma Valley Health Care District, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors of Sonoma Valley Health Care District duly and regularly held at the regular meeting place thereof on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, of which meeting all of the members of said Board of Directors had due notice and at which the required quorum was present and voting and the required majority approved the resolution by the following vote at said meeting:

**Ayes:**

**Noes:**

**Absent:**

I further certify that I have carefully compared the same with the original minutes of the meeting on file and of record in my office; that the resolution is a full, true, and correct copy of the original resolution adopted at the meeting and entered in the minutes; and that the resolution has not been amended, modified, or rescinded since the date of its adoption, and is now in full force and effect.

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Secretary

Date: \_\_\_\_\_

**California Health Facilities Financing Authority**  
**Nondesignated Public Hospital Bridge Loan Program II**

(Authority and Reference: Items of Appropriation 0977-101-0001,  
Section 2.00, Chapter 43, Statutes of 2022)

**GUIDELINES**

**Section 1. Definitions**

The following definitions shall apply wherever the terms are used herein.

- (a) “Applicant” means a Nondesignated Public Hospital that meets the eligibility requirements specified in Section 3.
- (b) “Application” means an emailed or online request for a loan under the Program and all other supporting documents, as described in Section 4.
- (c) “Authority” means the California Health Facilities Financing Authority.
- (d) “Executive Director” means the Executive Director of the Authority.
- (e) “Funding Round” means the time period during which Applications may be submitted for consideration of a loan, as specified in Section 5.
- (f) “Loan and Security Agreement” means the Loan and Security Agreement specified in Section 8.
- (g) “Loan Recipient” means a Nondesignated Public Hospital that has been approved to receive a Program loan from the Program.
- (h) “Medi-Cal Checkwrite” means a system operated by the State Department of Health Care Services that processes payments to providers of medical care to Medi-Cal certified eligible beneficiaries.
- (i) “Nondesignated Public Hospital” means a public hospital as defined in Welfare and Institutions Code section 14105.98, subdivision (a), paragraph (25), excluding designated public hospitals, and as listed in Section 3.
- (j) “Program” means the Nondesignated Public Hospital Bridge Loan Program II.
- (k) “Working Capital” means working capital as defined in Government Code section 15432, subdivision (h).

**Section 2. Eligibility and Eligible Use of Loan Proceeds**

- (a) An Applicant shall be eligible to apply for a Program loan if both of the following conditions are met:
  - 1) The Applicant is a Nondesignated Public Hospital.
  - 2) The loan proceeds shall be used for the sole purpose of Working Capital to support its operations.

### Section 3.      **Guaranteed and Maximum Loan Amounts and Funding Rounds**

a) For the first Funding Round, the guaranteed and maximum Program loan amounts for each Nondesignated Public Hospital are as follows:

	<b>Nondesignated Public Hospital</b>	<b>Guaranteed Loan Amount</b>	<b>Maximum Loan Amount</b>
1	Antelope Valley Hospital/Antelope Valley Healthcare District	\$2,811,290	\$7,124,257
2	Bear Valley Community Hospital/Bear Valley Community Healthcare District	\$340,890	\$863,859
3	Eastern Plumas Health Care/Eastern Plumas Health Care District	\$326,030	\$826,214
4	El Camino Hospital/El Camino Health Mountain View Campus	\$1,192,420	\$3,021,800
5	El Centro Regional Medical Center/City of El Centro	\$2,296,310	\$5,819,199
6	Hazel Hawkins Memorial Hospital/San Benito Healthcare District	\$1,252,960	\$3,175,208
7	Jerold Phelps Community Hospital/Southern Humboldt Community Healthcare District	\$511,170	\$1,295,380
8	John C. Fremont Healthcare District	\$551,620	\$1,397,883
9	Kaweah Delta Medical Center/Kaweah Health Medical Center	\$3,993,950	\$10,121,293
10	Kern Valley Healthcare District	\$601,680	\$1,524,754
11	Lompoc Valley Medical Center	\$2,062,100	\$5,225,694
12	Mammoth Hospital/Southern Mono Healthcare District	\$1,083,700	\$2,746,265
13	Marin General Hospital/MarinHealth Medical Center	\$1,384,120	\$3,507,576
14	Mayers Memorial Hospital/Mayers Memorial Hospital District	\$331,320	\$839,613
15	Modoc Medical Center/Last Frontier Healthcare District	\$313,400	\$794,217
16	Mountains Community Hospital/San Bernardino Mountains Community Hospital District	\$770,520	\$1,952,625
17	Northern Inyo Hospital/Northern Inyo Healthcare District	\$497,230	\$1,260,050
18	Oak Valley District Hospital/Oak Valley Hospital District	\$2,045,800	\$5,184,373
19	Palo Verde Hospital/Palo Verde Healthcare District	\$300,000	\$760,247
20	Palomar Pomerado Health/Palomar Health/Palomar Medical Center	\$3,478,510	\$8,815,092
21	Pioneers Memorial Hospital/Pioneers Memorial Healthcare District	\$1,527,340	\$3,870,529
22	Plumas District Hospital/Plumas Hospital District	\$300,000	\$760,247

	<b>Nondesignated Public Hospital</b>	<b>Guaranteed Loan Amount</b>	<b>Maximum Loan Amount</b>
23	Salinas Valley Memorial Hospital/Salinas Valley Memorial Healthcare System	\$2,430,350	\$6,158,879
24	San Geronio Memorial Hospital/San Geronio Memorial Healthcare District	\$1,073,490	\$2,720,382
25	Seneca Healthcare District	\$300,000	\$760,247
26	Sierra View District Hospital/Sierra View Local Health Care District	\$1,472,590	\$3,731,787
27	Sonoma Valley Hospital/Sonoma Valley Healthcare District	\$307,450	\$779,133
28	Southern Inyo Hospital/Southern Inyo Healthcare District	\$300,000	\$760,247
29	Surprise Valley Community Hospital/Surprise Valley Health Care District	\$300,000	\$760,247
30	Tahoe Forest Hospital/Tahoe Valley Hospital District	\$994,330	\$2,519,788
31	Tri-City Medical Center/Tri-City Hospital District	\$2,405,440	\$6,095,752
32	Trinity Hospital/Mountain Communities Healthcare District	\$300,000	\$760,247
33	Washington Hospital-Fremont/Washington Township Healthcare District	\$2,143,990	\$5,433,211
	Total	\$40,000,000	\$101,366,295

b) Loan amounts for the first Funding Round shall be determined as follows:

(1) An Applicant may request a loan up to the amount specified in the column titled Maximum Loan Amount. The Applicant shall only be initially entitled to receive up to the amount as specified in subdivision (a) in the column titled Guaranteed Loan Amount.

(2) If the cumulative sum of the Guaranteed Loan Amounts or any lesser amounts requested from all Applicants that applied in the first Funding Round is less than the \$40,000,000 available for Program funding, Authority staff shall calculate how much in moneys remain to distribute to first Funding Round Applicants that applied for more than their Guaranteed Loan Amount using the following calculation:

(A) Authority staff shall total the first Funding Round amounts requested from Applicants that applied for more than their Guaranteed Loan Amounts. The proportionate share percentage for each Applicant shall be calculated by dividing the individual Guaranteed Loan Amount by the total of all Guaranteed Loan Amounts from those Applicants in the first Funding Round that applied for more than their Guaranteed Loan Amount.

(B) The proportionate share percentage is multiplied by the amount of loan proceeds remaining in the Program to determine the additional funding each Applicant may receive in the first Funding Round.

- c) An Applicant shall not receive more than the Maximum Loan Amount listed above in subdivision (a) during the first Funding Round.
- d) If moneys remain after the first Funding Round, a second Funding Round shall commence, and moneys shall be awarded without regard to previous Maximum Loan Amounts and distributed based on the same proportionate share methodology as used during the first Funding Round in subdivision (b), paragraph (2).
- e) A second Funding Round Applicant's full Guaranteed Amount shall also be considered for the proportionate share percentage calculation and not the actual amount received during the first Funding Round.

#### **Section 4. Loan Application**

(a) The Application, CHFFA Form No. CHFFA 12 NDPH II-01, incorporated herein by reference, shall be made available on the Authority's website at [www.treasurer.ca.gov/chffa](http://www.treasurer.ca.gov/chffa).

(b) Each Application shall include all of the following:

(1) Name and title of the person to be designated by the Applicant's board to sign Program loan documents if financing is approved.

(2) Copy of the current applicable State of California operating license.

(3) A signed Application Agreement that includes all of the following:

(A) Applicant agrees that to the best of its knowledge, the information contained in the Application and the accompanying supplemental materials are true and accurate. The Applicant further understands that misrepresentation may result in the cancellation of the loan and that the Authority is authorized to take additional actions, if needed.

(B) Applicant agrees that all legal disclosure information requested has been disclosed to the best of its ability.

(C) Applicant agrees that loan proceeds shall be used solely for working capital to support operations.

(D) Applicant agrees that it is a Nondesignated Public Hospital as defined in the Program Guidelines approved by the Authority.

(E) If the Applicant does not pay off the loan within 24 months of the executed Loan and Security Agreement, the Applicant agrees to assign all of its rights to 20% of the Medi-Cal Checkwrite payments to the Authority until the full loan amount has been satisfied.

(F) Applicant acknowledges the Authority Loan Fee is 1% of the loan amount is due at closing and will be deducted from loan proceeds.

(c) Authority staff shall determine whether the Application is complete. If Authority staff determines that additional information is needed, Authority staff shall notify the Applicant and request that information. If the Applicant fails to provide the information as requested, the Applicant shall be deemed ineligible for a Program loan.

## **Section 5. Application Period and Submission Deadlines**

(a) Announcements of available funding shall be provided to all eligible Nondesignated Public Hospitals.

(1) The application period for the first Funding Round shall open September 1, 2022. The deadline to submit an application for the first Funding Round is October 14, 2022.

(2) Applicants shall meet all Program loan closing requirements, including the signing of the Loan and Security Agreement and the Promissory Note, for the first Funding Round no later than February 15, 2023. If requirements are not met as of this date, the approval shall be forfeited, and loan proceeds made available for the second Funding Round.

(3) If moneys remain after the first Funding Round, the application period for the second Funding Round shall open March 1, 2023. The deadline date to submit an application for the second Funding Round is March 31, 2023,

(A) If a second Funding Round is required, Eligible Applicants will be notified, and a notice shall be posted on the Authority's website at [www.treasurer.ca.gov/chffa](http://www.treasurer.ca.gov/chffa).

(4) Applicants shall meet all Program loan closing requirements, including the signing of the Loan and Security Agreement and the Promissory Note, for the second Funding Round no later than June 30, 2023. If requirements are not met as of this date, the approval shall be forfeited.

(A) For the second Funding Round, an Applicant may request an extension of the Program loan closing requirements deadline by submitting a written request to the Executive Director that states the reason(s) that the extension is needed. Each extension request shall be evaluated on a case-by-case basis.

(b) The Application, including supporting documentation, shall be received by the Authority no later than 5:00 p.m. (Pacific Time) on the deadline dates and may be emailed as a Portable Document Format (PDF) attachment to [chffa@treasurer.ca.gov](mailto:chffa@treasurer.ca.gov) or submitted through the online Application on the Authority's website. The Authority is not responsible for transmittal delays or failures of any kind.

## **Section 6. Application Review**

(a) Authority staff shall evaluate and determine Program loans based on the Applicants meeting all the eligibility criteria described in Section 2.

(b) Authority staff shall complete Application reviews no later than 30 calendar days after the deadline date for each Funding Round. Additional information from each Applicant may be requested.

## **Section 7. Loan Amount and Repayment Terms**

(a) The Executive Director or their designee shall be delegated the power to approve Program loans pursuant to the Program Guidelines to the extent there are available loan proceeds for the Program.

(b) The Executive Director or their designee shall establish the repayment period for an approved Program loan, which shall be memorialized in the written Loan and Security Agreement.

(1) The Program loan repayment period shall be a maximum of 24 months from the date of the Loan and Security Agreement.

(2) The Program loan amount shall be repaid in total and discharged within 24 months of the execution date of the Loan and Security Agreement.

(c) Interest shall not be charged for these loans.

(d) Program loans incur a 1% administrative fee, which is due at closing and withheld from the Program loan proceeds.

(e) A penalty shall not be assessed for early repayment of a Program loan.

## **Section 8. Loan and Security Agreement**

(a) Prior to the issuance of each Program loan, the Authority shall require each Loan Recipient to agree to the terms and conditions set forth in the written Loan and Security Agreement, which specify the loan amount, repayment period, covenants, and requirements in the event of the inability to make payments or a default.

(b) The Loan and Security Agreement shall require each Loan Recipient to agree to all of the following:

(1) Defend, indemnify, and hold harmless the Authority and the State, and all officers, trustees, agents, and employees of the same, from and against any and all claims, losses, costs, damages, or liabilities of any kind or nature, whether direct or indirect, arising from or relating to the Program.

(2) If full payment of the Program loan amount is not made within 24 months of the date of the Loan and Security Agreement, 20% of the Nondesignated Public Hospital's respective Medi-Cal Checkwrite payments shall be intercepted and offset at the state level from the Department of Health Care Services until the Program loan amount has been satisfied.

(3) Such other terms and conditions as agreed upon by the Authority and the Nondesignated Public Hospital.

(c) The loan proceeds shall not be released until the Loan and Security Agreement, including the Authority's Medi-Cal Intercept Agreement, have been executed by the Authority and the person designated by the Applicant's board executes Program loan documents.



## 2023 Finance Committee Work Plan

January	February	March	April
<ul style="list-style-type: none"> <li>• December Financials</li> <li>• Review 2nd Quarter FY 2023 capital spending</li> <li>• December Net AR Review</li> <li>• Fiscal YTD Budget review</li> <li>• 3-Year Income Stmt. &amp; Cash Projection</li> </ul>	<ul style="list-style-type: none"> <li>• January Financials</li> <li>• Review FY 2024 Budget Assumptions</li> <li>• Pension Plan Review - Lynn McKissock</li> <li>• Revenue Analysis/Profitability</li> </ul>	<ul style="list-style-type: none"> <li>• February Financials</li> <li>• FY 2024 Budget Update</li> <li>• Engage Auditors mid-year review</li> </ul>	<ul style="list-style-type: none"> <li>• March Financials</li> <li>• FY 2024 Budget Update</li> <li>• Review 3rd Quarter FY 2023 capital spending</li> <li>• Risk Management Review</li> <li>• Review Financial statement format - revise for FY 2024</li> <li>• Retirement Review –Lynn/Empower (inform)</li> </ul>
May	June	July	August
<ul style="list-style-type: none"> <li>• April Financials</li> <li>• Review and recommend FY 2024 budget proposal</li> </ul>	<ul style="list-style-type: none"> <li>• May Financials</li> <li>• Review capital spending plan for FY 2024</li> </ul>	<ul style="list-style-type: none"> <li>• June Financials</li> <li>• Review pre audited FY 2023 Financials</li> <li>• Review 4th Quarter FY 2023 capital spending &amp; plan</li> </ul>	<ul style="list-style-type: none"> <li>• July Financials</li> <li>• FY 2023 audit update</li> </ul>
September	October	November	December
<ul style="list-style-type: none"> <li>• August Financials</li> <li>• FY 2023 audit update</li> <li>• Review current insurance policies</li> </ul>	<ul style="list-style-type: none"> <li>• September Financials</li> <li>• Review preliminary audit results</li> <li>• Review 1st Quarter FY 2024 capital spending</li> </ul>	<ul style="list-style-type: none"> <li>• October Financials</li> <li>• 2024 Finance Committee work plan</li> <li>• Review current insurance policies</li> </ul>	<ul style="list-style-type: none"> <li>• November Financials</li> </ul>

Revision Date: 08/25/22

Tactic Completed	Tactics under way now	Tactics to begin in the next 12 months	Tactics in conceptual form
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UCSF/SVH Joint Operating Dashboard							
Strategic Objective	Initiative	Description/Tactic	Benefits/Impact	Start Date	Target Completion Date	Update	Updated
1 Increase Access to San Francisco based UCSF Care - ability for Sonomans to access care at UCSF in the city has been difficult. This objective seeks to improve pathways to access care.	1.1	Expansion of Telemedicine Services with UCSF Affiliate Network	Neurology coverage for stroke and inpatient care			complete	2019
			Infectious Disease coverage for hospital	2019	2019	complete	2019
			Intensivist Coverage of ICU	2022	2023	Discussing the viability of concept	8/22
	1.2	Beta Site for Capacity Management (transfer) Center	Integration of SVH into the UCSF/Phillips capacity management system	Summer 2023	2023-2024	UCSF/Phillips building the system now. Internal go-live Q1 2023. SVH first affiliate site. Scheduled for Q2 2023.	8/22
2 Increase Access to Locally Provided Specialists/Primary Care - establishment of care sites in Sonoma will aid in access to UCSF care.	2.1	Physician Employment	Joint recruitment of GI specialists based in Sonoma	2021	in process	Agreement finalized, position advertised via UBCP 06/22. Clinic location identified, 2nd floor SVH, 08/22. Recruitment continues 09/22.	9/22
			Joint recruitment of orthopedic surgeon based in Sonoma		2023-25	This is in concept stage at this point. Discussions will occur between existing partners to develop a plan.	8/22
			Engagement of UCSF faculty in growth or under represented service lines	2022	2023	Issuance of RFP to faculty to identify programs which could be cited in Sonoma. Proposals must address market need.	9/22
	2.2	Expansion of Clinically Integrated Network	Opportunity to contractually link Sonoma providers to UCSF network improving network access, quality oversight, and financial stability for practices		2023	UCSF revising program	8/22
3 Increase Facility Utilization - objective is to use available space and resources at SVH to alleviate capacity issues at UCSF where needs align. The result will be more availability of services in Sonoma.	3.1	Grow UCSF surgical presence in Sonoma	Objective is to engage UCSF surgicians to practice in Sonoma and at SVH.			Next steps, ODC, EPIC go live to provide common working platform	8/22
	3.2	Explore collaborative opportunities in orthopedics	Details listed in section 2. Listed here to note it serves this objective.				
	3.3	Increase utilization of ODC by UCSF	Online scheduling	2022	2023	On going conversations with UCSF Affiliates team on build requirements.	10/22
	3.4	Development of Post Acute program	Objective is to insure adequate postacute care is available in Sonoma		2024	This is in concept stage at this point.	8/22
4 Enhance IT Integration - maximize connectivity between two organizations to improve integration of data available to community and patients	4.1	Maximize data availability between sites	EPIC implementation	January 2022	12/3/2022	Implementation underway	8/22
			Optimize EPIC data transfer between instances	Summer 2023	2025	Once SVH is live on Epic, SVH team will poll users to identify biggest opportunities for improvement.	8/22
	4.2	Integration of IT management	Contract executed between UCSF and SVH for the provision of management services to SVH	2022	2022	Complete	1/22
5 Share Resources/Reduce Costs - by collaborating, can the two organizations save money?	5.1	Integration of coordination of care w UCSF and/or Marin Health					
	5.2	Leadership Development	Sound leadership yields high performing organization	2022	ongoing	New Leader Orientation launched 8/22 and will be held monthly. UCSF resources for executive support being investigated.	9/22
	5.3	Explore JV opportunities around ODC	Develop a business case for a joint venture between SVH and UCSF around the ODC and surgical services	CY2023	2024	Investment models under review	10/22
Parking Lot		Exploration of ways to integrate purchase of goods and services	Cooperating with UCSF on purchasing could yield significant savings			Management continually on the look out for such opportunities. Supplies were reviewed in 2022 - no opportunity. Reimbursement rates - not allowed unless UCSF has a controlling interest.	9/22



**To:** Sonoma Valley Health Care District Finance Committee  
**From:** Ben Armfield, Chief Financial Officer  
**Date:** November 22, 2022  
**Subject:** Financial Report for October 2022

## 1. OVERALL PERFORMANCE:

October saw solid growth in both gross and net patient revenues, delivering yet another month of robust volume and revenue. Additionally, on the revenue side, net patient revenue as a % of gross revenue rebounded in October to 15.1%, narrowly missing the 15.2% target but up significantly from the 13.8% in September.

While we saw a healthy rise in revenues, we saw a larger increase in expenses. Epic has stressed staffing causing excess labor related to implementation trainings and other pre-go-live activities. We also continue to see an increase related to supply expenses, much of which is directly correlated to increases in favorable surgical volumes such as Orthopedics.

October's operating margin of (\$1,163,024) was unfavorable to our budget of (\$815,920). Similar to the prior month, much of the monthly variance relates to some specific overages in operating expenses which is described in more detail below.

Year-to-date from operations we are off budget by \$352,000. When comparing to the prior year, it is important to note much of the YTD variance relates to timing with IGT payments. In October of last fiscal year we booked \$1.6M in net income due to IGT payments we received. We have yet to book any IGT income this fiscal year as the timing of these payments will be occurring a few months later this fiscal year.

**Table 1 | Operating Margin - October 2022**

	Month of October 2022			Year To Date October 2022					
	Current Year		Variance	Current Year		Variance	Prior Year	Variance	
	Actual	Budget	\$	Actual	Budget	\$	Actual	\$	
Operating Margin	\$ (1,163,024)	\$ (815,920)	<span style="color: red;">\$(347,104)</span>	\$ (4,272,483)	\$ (3,920,457)	<span style="color: red;">\$ (352,026)</span>	\$ (1,752,734)	<span style="color: red;">\$(2,519,749)</span>	
Operating EBDA*	\$ (818,124)	\$ (586,833)	<span style="color: red;">\$(231,291)</span>	\$ (3,237,136)	\$ (3,004,109)	<span style="color: red;">\$ (233,027)</span>	\$ (782,574)	<span style="color: red;">\$(2,454,562)</span>	
Total Net Income (Loss)	\$ (396,807)	\$ 174,810	<span style="color: red;">\$(571,617)</span>	\$ (1,403,880)	\$ (49,989)	<span style="color: red;">\$(1,353,891)</span>	\$ 248,211	<span style="color: red;">\$(1,652,091)</span>	

\* Operating Margin less Depreciation

## 2. NET REVENUE SUMMARY:

**Table 2 | Net Patient Revenue – Actual vs. Budget - October 2022**

	Month of October 2022				Year To Date October 2022							
	Current Year		Variance		Current Year		Variance		Prior Year	Variance		
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%	
Net Patient Revenue	\$ 4,092,177	\$ 3,989,228	<span style="color: green;">\$102,949</span>	<span style="color: green;">3%</span>	\$ 15,449,962	\$ 14,930,824	<span style="color: green;">\$ 519,138</span>	<span style="color: green;">3%</span>	\$ 17,636,001	<span style="color: red;">\$(2,186,039)</span>	<span style="color: red;">-12%</span>	
NPR as a % of Gross	15.1%	15.2%	<span style="color: red;">-1%</span>		14.8%	15.2%	<span style="color: red;">-3%</span>		15.5%		<span style="color: red;">-5%</span>	

Net revenue was positive compared to budget as our actual of \$4.0M exceeded our monthly target by 3%. Our net patient revenue as a % of gross revenue was basically flat with budget, but it was an improvement from September when we ran 13.8%.

From a year-to-date perspective, our total net patient revenue is also +3% compared to budget, but down 3% when adjusting for volume. Year over year total net patient revenues are down \$2.1M, but that is somewhat misleading as the prior year has \$2.7M worth of IGT payments in revenue and we have yet to book anything into this fiscal year. Without the IGT difference we are +4% compared to the prior year in net patient revenue.

### 3. **VOLUME SUMMARY:**

Overall volumes were strong in October, particularly in a couple key areas such as surgery and OP therapy.

**Table 3 | Patient Volumes - October 2022**

	Month of October 2022				Year To Date October 2022							
	Current Year		Variance		Current Year		Variance		Prior Year		Variance	
	Actual	Budget	Var	%	Actual	Budget	Var	%	Actual	Var	%	
Acute Discharges	55	63	(8)	-13%	243	247	(4)	-2%	251	(8)	-3%	
Acute Patient Days	258	261	(3)	-1%	1,032	1,026	6	1%	1,025	7	1%	
IP Surgeries	16	13	3	23%	67	52	15	29%	44	23	52%	
OP Surgeries	109	106	3	3%	384	424	(40)	-9%	436	(52)	-12%	
<b>Total Surgeries</b>	<b>125</b>	<b>119</b>	<b>6</b>	<b>5%</b>	<b>451</b>	<b>476</b>	<b>(25)</b>	<b>-5%</b>	<b>480</b>	<b>(29)</b>	<b>-6%</b>	
Special Procedures	50	56	(6)	-11%	204	201	3	1%	222	(18)	-8%	
Total Outpatient Visits	4,998	4,647	351	8%	18,385	17,842	543	3%	18,788	(403)	-2%	
Total ER Visits	824	867	(43)	-5%	3,319	3,148	171	5%	3,158	161	5%	

#### **SURGICAL VOLUMES:**

Surgical volumes continue to tick up after a slow start to the fiscal year and total surgeries for the month were +5% compared to budget. The 125 surgeries in October also represents a fiscal year high.

- **Orthopedic Surgery |** Orthopedics has been the driver in increased surgical volume the last couple months. Ortho volumes in October were +25% higher than our current fiscal year average and overall volumes year-to-date are nearly 30% higher than prior year. The growth is certainly encouraging. As we have seen a pop in Ortho volumes the last 2 months, we are expecting to see an additional bump on the revenue side as those claims get processed and paid.

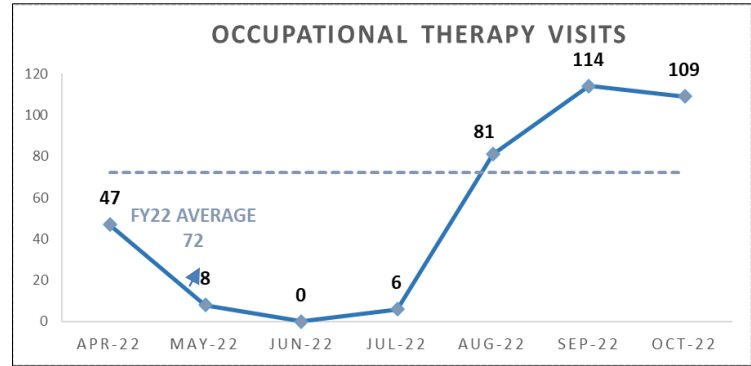
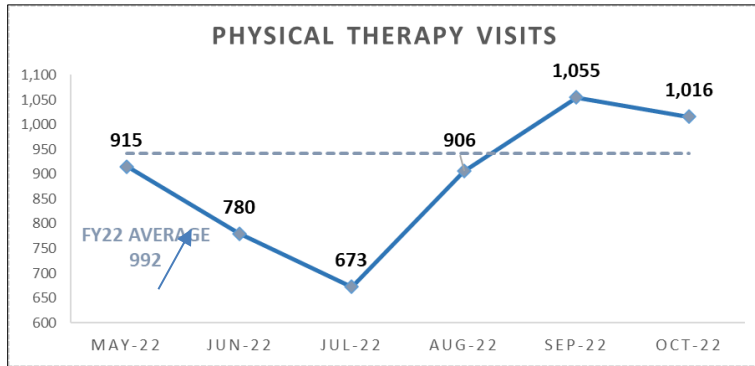
Year-to-date, surgical volumes continue to improve and are now only 5% below both the budget and prior year. As was mentioned last month, our surgical volumes started the year 30% off budget so that gap has continued to close as we move further throughout the year.

#### **OTHER VOLUMES OF NOTE:**

- **Emergency Room |** Our volumes in the emergency room dipped in October, running 5% under budget. Despite the lower volumes in the month the ER remains to be busy and volumes are up year-to-date, both compared to budget and the prior year.
- **Outpatient Visits |** There were nearly 5,000 outpatient visits in October, which along with surgical volumes is a fiscal year high. OP visits for the month were +12% compared to our current fiscal year average and 8% higher than September.
  - **OP Therapy |** The spike in OP PT and OT volumes was covered in last month's update. Volumes continued to run higher than the PY average in October. Physical therapy and Occupational therapy visits during the month were +8% and +50% compared to last fiscal year's monthly average.



**Table 4 | Trended Volumes – OP Physical Therapy and OP Occupational Therapy - October 2022**



#### 4. OPERATING EXPENSE SUMMARY:

**Table 5 | Operating Expenses – Actual vs. Budget - October 2022**

	Month of October 2022				Year To Date October 2022							
	Current Year		Variance		Current Year				Prior Year			
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	Variance	%
Total Operating Expenses	\$ 5,366,822	\$ 4,909,871	\$ (456,951)	-9%	\$ 20,090,964	\$ 19,270,173	\$ (820,791)	-4%	\$ 19,766,107	\$ (324,857)	-2%	

Like September, the main driver in the results for the month can be attributed to operating expenses, which account for all of the overall monthly variance. Operating expenses were \$450K, or 9% over budget in October. The overage can be attributed to two areas which account for 90% of the overall variance – people cost and supplies.

#### OPERATING EXPENSE DRIVERS:

**Table 6 | Operating Expense Variances – October 2022**

	CY Actual	CY Budget	Var	% of Total		
Operating Expenses	5,366,822	4,909,871	456,951	9%		
Line Item	CY Actual	CY Budget	Var	% of Total	% Line Over Budget	Drivers
1 Total People Cost	2,902,460	2,688,410	214,050	47%	8%	1) Travelers - Agency Fees (\$240K) \$100K over budget 2) Epic Training - \$45K incurred for Epic staff trainings; 3) Volumes - October was a busier month that saw volumes in excess of budget in key areas such as Surgery (IP & OP) and OP Therapy.
2 Supplies	822,234	629,204	193,030	42%	31%	1) Ortho Volumes - Significant increase in Orthopedic cases. 72 orthopedic surgeries in October were 25% higher than our current fiscal year average of 58. 2) Total Knee Revisions - 2 cases were performed during October, which accounts for over \$50,000 in implant costs. Historically it has been rare that we would have multiple knee revisions in a given month. These are high-cost, high-reimbursement procedures, and we expect to get paid in excess of the \$50,000 incurred for the implant cost.

- People Cost | 47% of overall variance**

- Traveler/Agency Spend** | Nearly 50% of the overall variance relates to people cost. As was discussed last month, we have had to rely more heavily on agency and traveler resources to fill much needed gaps in our staffing. October traveler/agency spend of \$240K was \$100K over budget, very similar to September. We are working on identifying solutions and filling these roles with internal hires and expect agency fees to start declining over the coming months. It is important to note that while agency fees of



\$940,000 are 73% over budget for the year, they are 11% higher than what we ran in the prior year.

- **Epic Training** | Staff trainings for Epic started ramping up in October. The hospital incurred an additional \$45K specific to staff trainings for the new EHR implementation.
- **Volumes** | An increase in volumes drove up people cost in some areas. Surgical volumes in October were the highest they have been this fiscal year and were +5% compared to budget. We exceeded budget in total outpatient visits as well. Outpatient Visits exceeded budget by 5% and 8% respectively, and October volumes were the highest they have been this fiscal year in those areas.
- **Supplies | 42% of overall variance**
  - **Implants / Orthopedic Volumes** | Implant/Patient Chargeable Supplies of \$622K was \$185 over budget for the month. We continue to see an increase in orthopedic case volumes, and as such, are seeing our implant costs rise with the incremental volumes. 72 Orthopedic surgical cases were performed in October, which is 25% higher than our current fiscal year average and almost 40% higher than our prior year average.
  - **Total Knee Revisions** | 2 total knee revisions were performed in October which added over \$50,000 in implant costs to our operating expenses. These revisions are high-cost procedures, and historically it has been rare to have multiple knee revisions performed in a given month. There is financial upside as these cases can be costly given the implant expense, but they also are high reimbursement, high margin cases. While the cost was incurred during the month, the revenue impact of these cases will most likely be felt in December.

## 5. CASH ACTIVITY SUMMARY:

**Table 7 | Cash / Revenue Cycle Indicators - October 2022**

	Current Year		Variance	
	Oct-22	Sep-22	Var	%
Days Cash on Hand - Avg	30.2	35.2	(5.0)	-14%
A/R Days	38.6	36.6	2.0	5%
A/P Days	50.2	50.9	(0.7)	-1%

We collected \$3.65M in October which was 92% of the monthly goal. We have collected 99% of our cash goal year-to-date. Days cash on hand averaged 30.2 for the month and ended at 31.1, which was just over the 30.0 that was previously forecasted.

## 6. OPERATIONAL PRIORITIES / NEXT STEPS:

### REVENUE / REVENUE CYCLE NEXT STEPS:

- 1) **Payor Contracting Review/Renegotiation**
  - a. Vendor Selection / Agreement Execution – November 2022 **(DONE)**
  - b. Priority Contract Review, Action Plan Developed – December 2022/January 2023
    - i. Focus on Blue Cross, Blue Shield Agreements
- 2) **Epic Implementation**
  - a. Training, Pre-Go Live, Readiness – October 2022 – December 2022 **(ON TRACK)**
  - b. Epic Implementation Go-Live – December 2022
  - c. Epic Revenue Cycle Validation Focus – December 2022 – 1<sup>st</sup> Quarter CY 2023
- 3) **Strengthen Front and Back-End Revenue Cycle Processes**
  - a. Develop Revenue Cycle Leadership Structure – October 2022 **(DONE)**



- b. Charter Revenue Cycle Steering Committee – December 2022
- c. FY23 Post-Epic Initiatives Developed – 1<sup>st</sup> Quarter CY 2023

**OPERATIONAL / COST MANAGEMENT NEXT STEPS:**

- 1) Reduce Agency and Traveler Costs**
  - a. Revise Traveler/Agency Approval Process – November 2022 (In Progress)
  - b. Develop Plan and Reduce Registry Spend by 25% by end of December 2022 (In Progress)
- 2) Supply Chain Optimization**
  - a. Operationalize Supply Chain Management Services Agreement – November 2022 (ON TRACK)
- 3) Departmental Reviews**
  - a. Re-implement Department Monthly Operating Reviews (MORs) – January 2023, Post-Epic Go-Live
- 4) Contract Review Workgroup / Process**
  - a. Initiate workgroup to review SVH vendor contracts – November 2022 (In Progress)

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**ATTACHMENTS:**

- Attachment A is the Payer Mix Analysis
  - 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 October 31, 2022**

ATTACHMENT A

Gross Revenue	Month				Year-to-Date			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	9,131,081	9,770,943	-639,862	-6.5%	34,429,766	36,612,299	-2,182,533	-6.0%
Medicare Managed Care	3,946,056	4,398,824	-452,768	-10.3%	18,415,005	16,422,638	1,992,367	12.1%
Medi-Cal	5,677,475	4,399,294	1,278,181	29.1%	20,618,468	16,343,181	4,275,287	26.2%
Self Pay	270,212	467,314	-197,102	-42.2%	1,342,360	1,724,090	-381,730	-22.1%
Commercial & Other Gov't	6,350,776	6,487,460	-136,684	-2.1%	24,665,845	24,334,874	330,971	1.4%
Worker's Comp.	1,773,227	777,141	996,086	128.2%	4,963,875	2,953,472	2,010,403	68.1%
<b>Total</b>	<b>27,148,827</b>	<b>26,300,976</b>	<b>847,851</b>	<b>3.2%</b>	<b>104,435,318</b>	<b>98,390,554</b>	<b>6,044,764</b>	<b>6.1%</b>

Net Revenue	Month				Year-to-Date			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	909,804	1,142,837	-319,505	-28.0%	3,644,045	4,289,620	-645,575	-15.0%
Medicare Managed Care	546,986	506,232	40,754	8.1%	1,990,086	1,893,926	96,160	5.1%
Medi-Cal	529,395	458,354	71,041	15.5%	1,916,627	1,716,679	199,948	11.6%
Self Pay	76,199	137,313	-61,114	-44.5%	337,775	514,628	-176,853	-34.4%
Commercial & Other Gov't	1,785,795	1,597,275	188,520	11.8%	6,720,224	5,966,117	754,108	12.6%
Worker's Comp.	243,998	147,217	96,781	65.7%	841,204	549,853	291,351	53.0%
<b>Total</b>	<b>4,092,177</b>	<b>3,989,228</b>	<b>16,477</b>	<b>0.4%</b>	<b>15,449,962</b>	<b>14,930,824</b>	<b>519,138</b>	<b>3.5%</b>

Payor Mix	Month			% Variance	Year-to-Date			% Variance
	Actual	Budget			Actual	Budget		
Medicare	33.6%	37.2%		-9.5%	32.7%	37.2%		-12.1%
Medicare Managed Care	14.5%	16.7%		-13.1%	18.7%	16.7%		12.2%
Medi-Cal	20.9%	16.7%		25.0%	19.3%	16.6%		16.7%
Self Pay	1.0%	1.8%		-44.0%	1.4%	1.7%		-20.4%
Commercial & Other Gov't	23.4%	24.7%		-5.2%	23.7%	24.8%		-4.3%
Worker's Comp.	6.5%	3.0%		121.0%	4.1%	3.0%		36.7%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>		<b>0.0%</b>	<b>100.0%</b>	<b>100.0%</b>		<b>0.0%</b>

Percent of Net Revenue	Month				Year-to-Date			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	22.2%	28.6%	-6.4%	-22.4%	23.6%	28.7%	-5.2%	-18.3%
Medicare Managed Care	13.4%	12.7%	0.7%	5.3%	12.9%	12.7%	0.2%	1.5%
Medi-Cal	12.9%	11.5%	1.4%	12.6%	12.4%	11.5%	0.9%	7.9%
Self Pay	1.9%	3.4%	-1.6%	-45.9%	2.2%	3.4%	-1.3%	-36.6%
Commercial & Other Gov't	43.6%	40.0%	3.6%	9.0%	43.5%	40.0%	3.5%	8.9%
Worker's Comp.	6.0%	3.7%	2.3%	61.6%	5.4%	3.7%	1.8%	47.8%
Prior Period Adj/IGT	0.0%	0.0%	0.0%	*	0.0%	0.0%	0.0%	*
<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>

Net Revenue as a % of Gross	Month				Year-to-Date			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	10.0%	11.7%	-1.7%	-14.8%	10.6%	11.7%	-1.1%	-9.7%
Medicare Managed Care	13.9%	11.5%	2.4%	20.4%	10.8%	11.5%	-0.7%	-6.3%
Medi-Cal	9.3%	10.4%	-1.1%	-10.5%	9.3%	10.5%	-1.2%	-11.5%
Self Pay	28.2%	29.4%	-1.2%	-4.0%	25.2%	29.8%	-4.7%	-15.7%
Commercial & Other Government	28.1%	24.6%	3.5%	14.2%	27.2%	24.5%	2.7%	11.1%
Worker's Comp.	13.8%	18.9%	-5.2%	-27.4%	16.9%	18.6%	-1.7%	-9.0%
<b>TOTAL</b>	<b>15.1%</b>	<b>15.2%</b>			<b>14.8%</b>	<b>15.2%</b>		



**SONOMA VALLEY HOSPITAL**  
**OPERATING INDICATORS**  
For the Period Ended October 31, 2022

**ATTACHMENT B**

	<b>CURRENT MONTH</b>				<b>YEAR-TO-DATE</b>			<b>YTD</b>
	<b>Actual 10/31/22</b>	<b>Budget 10/31/22</b>	<b>Favorable (Unfavorable) Variance</b>		<b>Actual 10/31/22</b>	<b>Budget 10/31/22</b>	<b>Favorable (Unfavorable) Variance</b>	<b>Prior Year 10/31/21</b>
				<b>Inpatient Utilization</b>				
				<b>Discharges</b>				
1	38	49	(11)	Med/Surg	173	192	(19)	190
2	17	14	3	ICU	70	55	15	61
3	55	63	(8)	Total Discharges	243	247	(4)	251
				<b>Patient Days:</b>				
4	155	174	(19)	Med/Surg	632	683	(51)	683
5	103	87	16	ICU	400	343	57	342
6	258	261	(3)	Total Patient Days	1,032	1,026	6	1,025
7	10	-	10	<b>Observation days</b>	54	-	54	98
				<b>Average Length of Stay:</b>				
8	4.1	3.6	0.5	Med/Surg	3.65	3.56	0.09	3.6
9	6.1	6.2	(0.1)	ICU	5.71	6.20	(0.49)	5.6
10	4.7	4.1	0.5	Avg. Length of Stay	4.25	4.15	0.09	4.1
				<b>Average Daily Census:</b>				
11	5.0	5.6	(0.6)	Med/Surg	5.1	5.6	(0.4)	5.6
12	3.3	2.8	0.5	ICU	3.3	2.8	0.5	2.8
13	8.3	8.4	(0.1)	Avg. Daily Census	8.4	8.3	0.0	8.3
				<b>Other Utilization Statistics</b>				
				<b>Emergency Room Statistics</b>				
14	824	867	(43)	Total ER Visits	3,319	3,148	171	3,158
				<b>Outpatient Statistics:</b>				
15	4,998	4,647	351	Total Outpatients Visits	18,385	17,842	543	18,788
16	16	13	3	IP Surgeries	67	52	15	44
17	109	106	3	OP Surgeries	384	424	(40)	436
18	50	56	(6)	Special Procedures	204	201	3	222
19	244	276	(32)	Adjusted Discharges	1,054	1,029	26	1,164
20	1,144	1,144	(0)	Adjusted Patient Days	4,452	4,272	180	4,733
21	36.9	36.9	(0.0)	Adj. Avg. Daily Census	36.2	34.7	1.5	38.5
22	1.5672	1.4000	0.167	Case Mix Index - Medicare	1.5640	1.4000	0.164	1.4206
23	1.4363	1.4000	0.036	Case Mix Index - All payers	1.4834	1.4000	0.083	1.3606
				<b>Labor Statistics</b>				
24	228	220	(8)	FTE's - Worked	209	214	5.7	206
25	242	242	(0)	FTE's - Paid	232	236	4.3	229
26	51.41	46.78	(4.63)	Average Hourly Rate	49.59	46.57	(3.02)	45.24
27	6.56	6.55	(0.01)	FTE / Adj. Pat Day	6.40	6.80	0.40	5.96
28	37.4	37.3	(0.0)	Manhours / Adj. Pat Day	36.5	38.7	2.3	34.0
29	175.3	154.7	(20.6)	Manhours / Adj. Discharge	154.1	160.9	6.8	138.2
30	21.7%	24.2%	2.5%	Benefits % of Salaries	23.8%	25.1%	1.3%	24.3%
				<b>Non-Labor Statistics</b>				
31	20.1%	15.8%	-4.3%	Supply Expense % Net Revenue	17.6%	16.5%	-1.1%	13.2%
32	3,372	2,278	(1,094)	Supply Exp. / Adj. Discharge	2,584	2,397	(187)	2,005
33	22,208	17,952	(4,256)	Total Expense / Adj. Discharge	19,239	18,925	(313)	17,349
				<b>Other Indicators</b>				
34	30.2			Days Cash - Operating Funds				
35	38.6	50.0	(11.4)	Days in Net AR	38.2	50.0	(11.9)	42.5
36	92%			Collections % of Cash Goal	99%			92.4%
37	50.2	55.0	(4.8)	Days in Accounts Payable	50.2	55.0	(4.8)	45.5
38	15.1%	15.2%	-0.1%	% Net revenue to Gross revenue	14.8%	15.2%	-0.4%	18.4%
39	13.7%			% Net AR to Gross AR	13.7%			18.5%

**Sonoma Valley Health Care District**  
**Balance Sheet**  
**As of October 31, 2022**  
**UNAUDITED**

**ATTACHMENT C**

		<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
<b>Assets</b>				
Current Assets:				
1	Cash	\$ 1,759,104	\$ 1,847,571	\$ 2,757,988
2	Cash - Money Market	2,846,229	3,346,052	2,639,564
3	Net Patient Receivables	6,334,821	5,959,156	6,867,754
4	Allow Uncollect Accts	(1,508,251)	(1,546,025)	(1,591,027)
5	Net A/R	4,826,570	4,413,131	5,276,727
6	Other Accts/Notes Rec	1,365,016	1,563,119	1,783,817
7	Parcel Tax Receivable	3,800,000	3,800,000	3,800,000
8	GO Bond Tax Receivable	2,601,816	2,601,816	2,601,816
9	3rd Party Receivables, Net	119,841	97,905	2,649,085
10	Inventory	1,048,916	1,037,568	958,509
11	Prepaid Expenses	969,056	718,638	918,154
12	Total Current Assets	\$ 19,336,547	\$ 19,425,802	\$ 23,385,660
13	Property, Plant & Equip, Net	\$ 54,364,995	\$ 53,091,009	\$ 51,852,224
14	Trustee Funds - GO Bonds	3,519,210	3,512,793	3,714,834
15	Designated Funds - Board Approved	1,000,000	1,000,000	1,000,000
16	Total Assets	\$ 78,220,752	\$ 77,029,604	\$ 79,952,718
<b>Liabilities &amp; Fund Balances</b>				
Current Liabilities:				
17	Accounts Payable	\$ 5,253,335	\$ 4,914,964	\$ 3,699,027
18	Accrued Compensation	4,025,321	3,650,892	3,964,248
19	Interest Payable - GO Bonds	99,460	51,758	107,919
20	Accrued Expenses	658,637	537,844	1,910,845
21	Advances From 3rd Parties	-	-	-
22	Deferred Parcel Tax Revenue	3,483,333	3,483,333	2,533,336
23	Deferred GO Bond Tax Revenue	706,726	1,230,484	1,854,497
24	Current Maturities-LTD	217,475	217,475	409,747
25	Line of Credit - Union Bank	5,473,734	5,473,734	5,473,734
26	Other Liabilities	60,591	106,158	235,159
27	Total Current Liabilities	\$ 19,978,614	\$ 19,666,642	\$ 20,188,512
28	Long Term Debt, net current portion	\$ 24,665,826	\$ 23,369,667	\$ 25,121,415
29	Fund Balances:			
30	Unrestricted	\$ 16,565,816	\$ 17,943,115	\$ 19,149,094
31	Restricted	17,010,497	16,747,773	15,493,697
32	Total Fund Balances	\$ 33,576,313	\$ 34,690,888	\$ 34,642,791
33	Total Liabilities & Fund Balances	\$ 78,220,752	\$ 77,727,197	\$ 79,952,718

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses  
For the Period Ended October 31, 2022**

ATTACHMENT D

	Month			
	This Year		Variance	
	Actual	Budget	\$	%
1	55	63	(8)	-13%
2	258	261	(3)	-1%
3	10	-	10	0%
4	\$ 21,048	\$ 20,320	\$ 729	4%
5	\$ 6,124,398	\$ 5,999,991	\$ 124,407	2%
6	12,914,318	12,502,568	411,750	3%
7	8,133,199	7,816,954	316,245	4%
8	\$ 27,171,915	\$ 26,319,513	852,402	3%
9	(22,827,045)	(22,107,320)	(719,725)	-3%
10	(105,982)	(200,000)	94,018	47%
11	(146,710)	(22,965)	(123,745)	-539%
12	-	-	-	*
13	\$ (23,079,737)	\$ (22,330,285)	(749,452)	3%
14	\$ 4,092,177	\$ 3,989,228	102,949	3%
15	\$ 111,621	\$ 104,723	6,898	7%
16	\$ 4,203,798	\$ 4,093,951	109,847	3%
17	\$ 2,197,786	\$ 1,998,916	(198,870)	-10%
18	704,674	689,494	(15,180)	-2%
19	\$ 2,902,460	\$ 2,688,410	(214,050)	-8%
20	\$ 592,124	\$ 598,102	5,978	1%
21	822,234	629,204	(193,030)	-31%
22	422,777	428,050	5,273	1%
23	344,900	229,087	(115,813)	-51%
24	177,623	139,027	(38,596)	-28%
25	53,384	52,833	(551)	-1%
26	52,177	18,703	(33,474)	-179%
27	(857)	126,455	127,312	101%
28	-	-	-	*
29	\$ 5,366,822	\$ 4,909,871	(456,951)	-9%
30	\$ (1,163,024)	\$ (815,920)	\$ (347,104)	-43%

**Volume Information**

Acute Discharges	243	247	(4)	-2%
Patient Days	1,032	1,026	6	1%
Observation Days	54	-	54	*
Gross O/P Revenue (000's)	\$ 80,344	\$ 74,835	\$ 5,509	7%

**Financial Results****Gross Patient Revenue**

Inpatient	\$ 24,192,342	\$ 23,629,413	562,929	2%
Outpatient	46,202,638	46,682,855	(480,217)	-1%
Emergency	34,141,587	28,152,434	5,989,153	21%

**Total Gross Patient Revenue****Deductions from Revenue**

Contractual Discounts	\$ (88,371,077)	\$ (82,652,083)	(5,718,994)	-7%
Bad Debt	(506,647)	(800,000)	293,353	37%
Charity Care Provision	(208,881)	(81,795)	(127,086)	*
Prior Period Adj/Government Program Revenue	-	-	-	*

**Total Deductions from Revenue****Net Patient Service Revenue**

Other Op Rev &amp; Electronic Health Records

**Total Operating Revenue****Operating Expenses**

Salary and Wages and Agency Fees	\$ 8,054,879	\$ 7,706,972	(347,907)	-5%
Employee Benefits	2,792,638	2,728,735	(63,903)	-2%
Total People Cost	\$ 10,847,517	\$ 10,435,707	(411,810)	-4%
Med and Prof Fees (excl Agency)	\$ 2,294,650	\$ 2,385,735	91,085	4%
Supplies	2,724,247	2,464,859	(259,388)	-11%
Purchased Services	1,756,820	1,712,174	(44,646)	-3%
Depreciation	1,035,346	916,348	(118,998)	-13%
Utilities	705,459	576,435	(129,024)	-22%
Insurance	215,497	211,332	(4,165)	-2%
Interest	136,420	70,620	(65,800)	-93%
Other	375,007	496,963	121,956	25%

Matching Fees (Government Programs)

**Operating expenses****Operating Margin**

	Year-To- Date				YTD
	This Year		Variance		Prior Year
	Actual	Budget	\$	%	
	243	247	(4)	-2%	251
	1,032	1,026	6	1%	1,025
	54	-	54	*	98
	\$ 80,344	\$ 74,835	\$ 5,509	7%	\$ 75,179
	\$ 24,192,342	\$ 23,629,413	562,929	2%	\$ 20,833,672
	46,202,638	46,682,855	(480,217)	-1%	45,999,943
	34,141,587	28,152,434	5,989,153	21%	29,253,671
	\$ 104,536,567	\$ 98,464,702	6,071,865	6%	\$ 96,087,286
	\$ (88,371,077)	\$ (82,652,083)	(5,718,994)	-7%	\$ (80,263,843)
	(506,647)	(800,000)	293,353	37%	(900,000)
	(208,881)	(81,795)	(127,086)	*	(38,750)
	-	-	-	*	2,751,308
	\$ (89,086,605)	\$ (83,533,878)	(5,552,727)	7%	\$ (78,451,285)
	\$ 15,449,962	\$ 14,930,824	519,138	3%	\$ 17,636,001
	\$ 368,519	\$ 418,892	(50,373)	-12%	\$ 377,372
	\$ 15,818,481	\$ 15,349,716	\$ 468,765	3%	\$ 18,013,373
	\$ 8,054,879	\$ 7,706,972	(347,907)	-5%	\$ 7,273,521
	2,792,638	2,728,735	(63,903)	-2%	2,725,515
	\$ 10,847,517	\$ 10,435,707	(411,810)	-4%	\$ 9,999,036
	\$ 2,294,650	\$ 2,385,735	91,085	4%	\$ 2,290,980
	2,724,247	2,464,859	(259,388)	-11%	2,333,580
	1,756,820	1,712,174	(44,646)	-3%	1,789,311
	1,035,346	916,348	(118,998)	-13%	970,160
	705,459	576,435	(129,024)	-22%	550,309
	215,497	211,332	(4,165)	-2%	206,520
	136,420	70,620	(65,800)	-93%	64,831
	375,007	496,963	121,956	25%	435,585
	0	-	-	*	1,125,795
	\$ 20,090,964	\$ 19,270,173	(820,791)	-4.3%	\$ 19,766,107
	\$ (4,272,483)	\$ (3,920,457)	(352,026)	-9%	\$ (1,752,734)

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses  
For the Period Ended October 31, 2022**

**ATTACHMENT D**

	Month				
	This Year		Variance		
	Actual	Budget	\$		%
31	\$ 27,439	\$ (14,037)	41,476	*	
32	-	-	-	0%	
33	-	-	-	*	
34	316,667	316,667	-	0%	
35	-	-	-	0%	
36	<u>\$ 344,106</u>	<u>\$ 302,630</u>	<u>41,476</u>	<u>14%</u>	
37	<u>\$ (818,918)</u>	<u>\$ (513,290)</u>	<u>(305,628)</u>	<u>-60%</u>	
38	\$ -	\$ -	-	0%	
39	\$ 262,724	\$ 523,803	(261,079)	0%	
40	<u>\$ (556,195)</u>	<u>\$ 10,513</u>	<u>(566,708)</u>	<u>*</u>	
41	159,388	164,297	(4,909)	-3%	
42	<u>\$ (396,807)</u>	<u>\$ 174,810</u>	<u>(571,617)</u>	<u>327%</u>	
	\$ (474,018)	\$ (284,203)	(189,815)		
	<u>\$ (818,124)</u>	<u>\$ (586,833)</u>	<u>(231,291)</u>	<u>-39%</u>	

<b>Non Operating Rev and Expense</b>
Miscellaneous Revenue/(Expenses)
Donations
Physician Practice Support-Prima
Parcel Tax Assessment Rev
Extraordinary Items
<b>Total Non-Operating Rev/Exp</b>
<b>Net Income / (Loss) prior to Restricted Contributions</b>
Capital Campaign Contribution
Restricted Foundation Contributions
<b>Net Income / (Loss) w/ Restricted Contributions</b>
GO Bond Activity, Net
<b>Net Income/(Loss) w GO Bond Activity</b>
<b>EBDA - Not including Restricted Contributions</b>
<b>Operating EBDA - Not including Restricted Contributions</b>

	Year-To- Date				YTD
	This Year		Variance		
	Actual	Budget	\$	%	Prior Year
	\$ 8,257	\$ (53,778)	62,035	*	\$ (46,446)
	-	-	-	0%	0
	-	-	-	*	0
	1,266,668	1,266,668	-	0%	1,266,668
	-	-	-	0%	0
	<u>\$ 1,274,925</u>	<u>\$ 1,212,890</u>	<u>62,035</u>	<u>5%</u>	<u>\$ 1,220,222</u>
	<u>\$ (2,997,557)</u>	<u>\$ (2,707,567)</u>	<u>(289,990)</u>	<u>-11%</u>	<u>\$ (532,512)</u>
	\$ -	\$ -	-	0%	\$ -
	\$ 960,318	\$ 2,004,582	(1,044,264)	100%	\$ 276,141
	<u>\$ (2,037,239)</u>	<u>\$ (702,985)</u>	<u>(1,334,254)</u>	<u>-190%</u>	<u>\$ (256,371)</u>
	633,360	652,996	(19,636)	-3%	504,582
	<u>\$ (1,403,880)</u>	<u>\$ (49,989)</u>	<u>(1,353,891)</u>	<u>-2708%</u>	<u>\$ 248,211</u>
	\$ (1,962,211)	\$ (1,791,219)	(170,992)		\$ 437,648
	<u>\$ (3,237,136)</u>	<u>\$ (3,004,109)</u>	<u>(233,027)</u>	<u>-8%</u>	<u>\$ (782,574)</u>

**Sonoma Valley Health Care District**  
**Variance Analysis**  
**For the Period Ended October 31, 2022**

**ATTACHMENT E**

Operating Expenses	YTD		MONTH		Variance %
	Variance	Variance %	Variance	Variance %	
Salary and Wages and Agency Fees	(347,907)	-4.5%	(198,870)	-9.9%	<b>1)</b> Travelers - Agency Fees (\$240K) \$100K over budget <b>2)</b> Epic Trainings - \$45K incurred for Epic staff trainings; <b>3)</b> Volumes - October was a busier month that saw volumes in excess of budget in key areas such as Surgery (IP & OP) and OP Therapy.
Supplies	(259,388)	-10.5%	(193,030)	-30.7%	<b>1)</b> Ortho Volumes - Significant increase in Orthopedic cases. 72 orthopedic surgeries in October were 25% higher than our current fiscal year average of 58. <b>2)</b> Total Knee Revisions - 2 cases were performed during October, which accounts for over \$50,000 in implant costs. These are high-cost, high-reimbursement procedures, and historically it has been rare that we would have multiple knee revisions in a given month.
Depreciation	(118,998)	-13.0%	(115,813)	-50.6%	GASB 87 - New accounting standard caused a reclassification in how we account for our operating leases. \$147K was reclassified from operating expenses into amortization expense (\$130K) & interest expense (\$17K) to reflect the proper treatment of these leases. The reclass covered the time period July 2022 - October 2022. Without this adjustment depreciation expense would be under budget, both in the month of October and also year-to-date.
Interest	(65,800)	-93.2%	(33,474)	-179.0%	<b>1)</b> Interest Rate Fluctuation - current line of credit interest rate 5.5% vs. PY of ~2.5%. <b>2)</b> GASB 87 - New accounting standard caused a reclassification in how we account for our operating leases. \$147K was reclassified from operating expenses into amortization expense (\$130K) & interest expense (\$17K) to reflect the proper treatment of these leases. The reclass covered the time period July 2022 - October 2022. Without this adjustment depreciation expense would be under budget, both in the month of October and also year-to-date.
Other	121,956	24.5%	127,312	100.7%	GASB 87 - New accounting standard caused a reclassification in how we account for our operating leases. \$147K was reclassified from operating expenses into amortization expense (\$130K) & interest expense (\$17K) to reflect the proper treatment of these leases. The reclass covered the time period July 2022 - October 2022.
<b>Operating expenses</b>	<b>(820,791)</b>	<b>-4%</b>	<b>(456,951)</b>	<b>-9%</b>	

Sonoma Valley Hospital  
Cash Forecast  
FY 2023

ATTACHMENT F

	Actual July	Actual Aug	Actual Sept	Actual Oct	Forecast Nov	Forecast Dec	Forecast Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL
<b>Hospital Operating Sources</b>													
Patient Payments Collected	3,924,051	4,613,392	3,735,746	3,656,614	3,869,771	3,366,701	3,299,367	3,464,335	3,637,552	3,928,556	4,242,840	4,667,125	46,406,049
Other Operating Revenue	19,072	182,649	33,561	250,527	104,723	104,723	104,723	104,723	104,723	104,723	104,723	104,732	1,323,602
Other Non-Operating Revenue	10,204	12,925	10,096	11,916	10,801	10,801	10,801	10,801	10,801	10,801	10,801	10,806	131,555
Unrestricted Contributions				3,200									3,200
Line of Credit													-
<b>Sub-Total Hospital Sources</b>	<b>3,953,328</b>	<b>4,808,966</b>	<b>3,779,404</b>	<b>3,922,256</b>	<b>3,985,295</b>	<b>3,482,225</b>	<b>3,414,891</b>	<b>3,579,859</b>	<b>3,753,076</b>	<b>4,044,080</b>	<b>4,358,364</b>	<b>4,782,663</b>	<b>47,864,407</b>
<b>Hospital Uses of Cash</b>													
Operating Expenses	4,913,977	4,894,375	5,088,864	4,586,736	4,594,131	4,649,093	4,779,230	4,598,493	5,073,479	4,946,353	5,034,948	4,993,654	58,153,334
Add Capital Lease Payments	13,501	13,354	13,280	13,354									53,489
Additional Liabilities/LOC													-
Capital Expenditures	774,009	749,295	117,435	170,157	95,000	932,667	932,667	1,677,667	95,000	95,000	95,000	75,261	5,809,157
<b>Total Hospital Uses</b>	<b>5,701,487</b>	<b>5,657,024</b>	<b>5,219,578</b>	<b>4,770,247</b>	<b>4,689,131</b>	<b>5,581,760</b>	<b>5,711,897</b>	<b>6,276,160</b>	<b>5,168,479</b>	<b>5,041,353</b>	<b>5,129,948</b>	<b>5,068,915</b>	<b>64,015,979</b>
<b>Net Hospital Sources/Uses of Cash</b>	<b>(1,748,159)</b>	<b>(848,058)</b>	<b>(1,440,175)</b>	<b>(847,991)</b>	<b>(703,836)</b>	<b>(2,099,535)</b>	<b>(2,297,006)</b>	<b>(2,696,301)</b>	<b>(1,415,403)</b>	<b>(997,273)</b>	<b>(771,584)</b>	<b>(286,253)</b>	<b>(16,151,573)</b>
<b>Non-Hospital Sources</b>													
Restricted Cash/Money Market	750,000	750,000	1,000,000	500,000				(1,500,000)					1,500,000
Restricted Capital Donations	210	696,111	1,483	259,524			650,000						1,607,328
Parcel Tax Revenue	192,601					2,134,000				1,502,000			3,828,601
Other Payments - Ins. Claims/HHS/Grants/Loans							1,500,000						1,500,000
Other:													-
IGT								5,400,000	688,278			41,568	6,129,846
IGT - AB915										227,253			227,253
QIP					17,290						380,000		397,290
HELP II LOAN						2,000,000							2,000,000
BRIDGE LOAN YR 2							300,000						300,000
BOARD DESIGNATED FUNDS						1,000,000							1,000,000
<b>Sub-Total Non-Hospital Sources</b>	<b>942,811</b>	<b>1,446,111</b>	<b>1,001,483</b>	<b>759,524</b>	<b>17,290</b>	<b>5,134,000</b>	<b>2,450,000</b>	<b>3,900,000</b>	<b>688,278</b>	<b>1,729,253</b>	<b>380,000</b>	<b>41,568</b>	<b>18,490,317</b>
<b>Non-Hospital Uses of Cash</b>													
Matching Fees					-	2,258,179	240,898	-	-	-	20,784		2,519,861
<b>Sub-Total Non-Hospital Uses of Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,258,179</b>	<b>240,898</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,784</b>	<b>-</b>	<b>2,519,861</b>
<b>Net Non-Hospital Sources/Uses of Cash</b>	<b>942,811</b>	<b>1,446,111</b>	<b>1,001,483</b>	<b>759,524</b>	<b>17,290</b>	<b>2,875,821</b>	<b>2,209,102</b>	<b>3,900,000</b>	<b>688,278</b>	<b>1,729,253</b>	<b>359,216</b>	<b>41,568</b>	<b>15,970,456</b>
<b>Net Sources/Uses</b>	<b>(805,349)</b>	<b>598,053</b>	<b>(438,691)</b>	<b>(88,467)</b>	<b>(686,546)</b>	<b>776,286</b>	<b>(87,904)</b>	<b>1,203,699</b>	<b>(727,125)</b>	<b>731,980</b>	<b>(412,368)</b>	<b>(244,685)</b>	
Operating Cash at beginning of period	2,493,558	1,688,209	2,286,262	1,847,571	1,759,104	1,072,558	1,848,844	1,760,940	2,964,639	2,237,514	2,969,494	2,557,126	
<b>Operating Cash at End of Period</b>	<b>1,688,209</b>	<b>2,286,262</b>	<b>1,847,571</b>	<b>1,759,104</b>	<b>1,072,558</b>	<b>1,848,844</b>	<b>1,760,940</b>	<b>2,964,639</b>	<b>2,237,514</b>	<b>2,969,494</b>	<b>2,557,126</b>	<b>2,312,442</b>	
Money Market Account Balance - Undesignated	5,095,597	4,345,597	3,346,052	2,846,052	2,846,052	2,846,052	2,846,052	4,346,052	4,346,052	4,346,052	4,346,052	4,346,052	
<b>Total Cash at End of Period</b>	<b>6,783,806</b>	<b>6,631,859</b>	<b>5,193,623</b>	<b>4,605,156</b>	<b>3,918,610</b>	<b>4,694,896</b>	<b>4,606,992</b>	<b>7,310,691</b>	<b>6,583,566</b>	<b>7,315,546</b>	<b>6,903,178</b>	<b>6,658,494</b>	
<b>Average Days of Cash on Hand</b>	<b>54.2</b>	<b>45.1</b>	<b>35.2</b>	<b>30.2</b>									
<b>Days of Cash on Hand at End of Month</b>	<b>53.8</b>	<b>42.0</b>	<b>34.1</b>	<b>31.1</b>	<b>25.6</b>	<b>31.3</b>	<b>29.9</b>	<b>49.3</b>	<b>40.2</b>	<b>45.8</b>	<b>42.5</b>	<b>41.3</b>	