



**SONOMA VALLEY HEALTH CARE DISTRICT
BOARD OF DIRECTORS**

AGENDA

THURSDAY, MARCH 9, 2023

REGULAR SESSION 6:00 P.M.

**Held in Person at Sonoma Valley Hospital, Basement Conference Room,
347 Andrieux Street, Sonoma, and via Zoom Videoconferencing**

To participate via Zoom videoconferencing, use the link below:

[https://sonomavalleyhospital-
org.zoom.us/j/95144342638?pwd=ektxczd5cUJCTzkvNWNXdjY5WmNWZ
z09](https://sonomavalleyhospital-org.zoom.us/j/95144342638?pwd=ektxczd5cUJCTzkvNWNXdjY5WmNWZz09)

and enter the Meeting ID: 951 4434 2638, Passcode: 876117

**To participate via telephone only,
dial: 1-669 900 9128 or 1-669 219 2599**

and enter the Meeting ID: 951 4434 2638, Passcode: 876117

<p>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 sfinn@sonomavalleyhospital.org at least 48 hours prior to the meeting.</p>	RECOMMENDATION		
AGENDA ITEM			
<p>MISSION STATEMENT <i>The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.</i></p>			
<p>1. CALL TO ORDER</p>	<i>Bjorndal</i>		
<p>2. PUBLIC COMMENT <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></p>			
<p>3. BOARD CHAIR COMMENTS</p>	<i>Bjorndal</i>		
<p>4. CONSENT CALENDAR a. Board Minutes 02.02.23 b. Finance Committee Minutes 01.24.23 c. Quality Committee Minutes 01.25.23 d. Medical Staff Credentialing e. Policies and Procedures</p>	<i>Bjorndal</i>	Action	Pages 3-5 Pages 6-8 Pages 9-11 Page 12
<p>5. UCSF JOINT OPERATING COMMITTEE UPDATE</p>	<i>Decosta</i>	Inform	
<p>6. REVIEW FIVE-YEAR STRATEGIC PLAN DRAFT</p>	<i>Hennelly</i>	Inform	

7. APPOINTMENTS TO FILL FINANCE COMMITTEE VACANCIES	<i>Boerum</i>	Action	Pages 13-34
8. RESOLUTION NO. 372 AUTHORIZING PARCEL TAX ADVANCE AND EXECUTION OF PARCEL TAX AGREEMENT	<i>Armfield</i>	Action	Pages 35-43
9. RESOLUTION NO. 373 AUTHORIZING EXECUTION OF CHFFA HELP II LOAN DOCUMENTS	<i>Armfield</i>	Action	Pages 44-72
10. FY 2024 BUDGET ASSUMPTIONS	<i>Armfield</i>	Action	Pages 73-74
11. PACE ASSOCIATION UPDATE	<i>Kornblatt Idell</i>	Inform	
12. DESTINATION HOSPITAL STRATEGY UPDATE	<i>Boerum</i>	Inform	
13. CEO REPORT	<i>Hennelly</i>	Inform	Pages 75-78
14. UCSF AFFILIATION UPDATE	<i>Hennelly</i>	Inform	Page 79
15. EPIC UPDATE	<i>Hennelly/ Resendez</i>	Inform	
16. ODC UPDATE	<i>Drummond/ Hennelly</i>	Inform	
17. FINANCIALS FOR MONTH END JANUARY 2023	<i>Armfield</i>	Inform	Pages 80-92
18. BOARD COMMENTS	<i>Board Members</i>	Inform	
19. ADJOURN	<i>Chair</i>		

Note: To view this meeting you may visit <http://sonomatv.org/> or YouTube.com.



**SONOMA VALLEY HEALTH CARE DISTRICT
BOARD OF DIRECTORS' REGULAR MEETING**

MINUTES

THURSDAY, FEBRUARY 2, 2023

HELD VIA ZOOM VIDEOCONFERENCE

	RECOMMENDATION	
SONOMA VALLEY HOSPITAL BOARD MEMBERS 1. Judith Bjorndal, MD, Chair, Present 2. Susan Kornblatt Idell, First Vice Chair, Present 3. Denise M. Kalos, Second Vice Chair, Present 4. Bill Boerum, Treasurer, Present 5. Wendy Lee Myatt, Secretary, Present		
MISSION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>		
1. CALL TO ORDER	<i>Bjorndal</i>	
Meeting called to order at 6:00 p.m.		
2. PUBLIC COMMENT		
None		
3. BOARD CHAIR COMMENTS	<i>Bjorndal</i>	
Dr. Bjorndal mentioned there will be a special meeting some time within the next week or two.		
4. CONSENT CALENDAR	<i>Bjorndal</i>	Action
a. Board Minutes 01.05.23 b. Finance Committee Minutes 12.20.22 c. Quality Committee Minutes 12.14.22 d. Medical Staff Credentialing e. Policy and Procedures		MOTION: by Kornblatt Idell to approve, 2 nd by Boerum. All in favor.
5. PATIENT CARE SERVICES ANNUAL REPORT	<i>Winkler</i>	Inform
Ms. Winkler presented the Patient Care Services annual report for 2022.		
6. QUARTERLY FINANCIAL REPORT	<i>Boerum</i>	Inform
Mr. Boerum asked what information the Board would like to hear on a quarterly basis. Both he and the other Board members felt that the Finance Committee minutes reflect any recommendations that have taken place as well as the monthly financials, and any financial report including those items would be redundant.		
7. DESTINATION STRATEGY – A PLACE CALLED SONOMA	<i>Boerum</i>	Inform
Mr. Boerum mentioned the underutilized surgical capacity and 50% occupancy rate at SVH. He believes the Hospital has the opportunity to become a medical destination considering that Sonoma is already a stand-out visitor destination. He suggested an ad hoc committee be		

<p>created to work on this subject, come up with some new service lines, physicians for them, and a business plan.</p> <p>Dr. Bjorndal thought there is certainly opportunity in this area, but also emphasized that the Board did not want to stray from its mission. There was positive feedback from other Board members to investigate the topic further and create an ad hoc committee.</p>		
<p>8. DISCUSSION – HOLDING OF IN-PERSON MEETINGS</p>	<i>Bjorndal</i>	Inform/Action
<p>Dr. Bjorndal said AB 361 allows for virtual meetings when there is a state of emergency; however, that state of emergency is due to end on February 28, 2023. If there are no changes to that order, the next Board meeting will need to be held in person. The question is whether this applies to our committees as well. Ms. Kornblatt Idell said if the Board is to meet in person, appropriate meeting space to socially distance would be needed. She also felt that virtual meetings actually provide more accessibility for the public and thought zoom should be provided at in-person meetings as well. Mr. Hennelly said the City Council chambers provide that opportunity. The Hospital’s basement conference room could provide space if it has the technical capabilities. This needs to be figured out before the next meeting on March 2, 2023. Ms. Kalos said she would have difficulty being at in-person meetings due to her travel schedule.</p>		
<p>9. CEO REPORT</p>	<i>Hennelly</i>	Inform
<p>Mr. Hennelly reported that several community listening sessions were held recently regarding strategic planning and several more are planned. A draft strategic plan will be shared with the Board at the March meeting. Initially the plan would be high level and subsequently evolve to include more detail.</p> <p>Covid and flu are still present on a daily basis. Hospital management are concerned because the community has moved on, but Covid has not. An RFP is being issued for the Emergency Department physician group. A new medical director for the ER’s present group has started and is helping with the Epic implementation. A special Board meeting will be requested to move forward with the temporary MRI project.</p>		
<p>10. UCSF AFFILIATION UPDATE</p>	<i>Hennelly</i>	Inform
<p>Intensivist coverage of the ICU is progressing and will be provided in a virtual environment. The UCSF/Phillips project is going live regarding the ability to place patients; SVH would like to be the beta test site. GI recruiting is still active.</p>		
<p>11. EPIC UPDATE</p>	<i>Hennelly</i>	Inform
<p>The UCSF interface has yet to be built and local physician interfaces need to be built.</p>		
<p>12. ODC UPDATE</p>	<i>Drummond/ Hennelly</i>	Inform
<p>Covered in CEO report.</p>		
<p>13. FINANCIALS FOR MONTH END DECEMBER 2022</p>	<i>Armfield</i>	Inform
<p>Mr. Armfield presented the financial report for December 2022. Operationally the month was a positive one and a good month for net revenue. There was a slight cost increase due to the Epic</p>		

<p>implementation. IGT funds were budgeted in Dec, but they have been delayed a bit. IGT cash flow and the accounting for the funds can be confusing. The timing difference this year appears to be a one-time thing. When the payment is made revenue can be recorded as well, per guidance from SVH auditors. Revenues continue to exceed budget and prior year. \$3.5 million was collected in December. Days' cash were just under 25.</p> <p>A capital spending review was included in the submitted report. The Foundation is working on raising \$750,000 for the Epic project. Mr. Boerum asked about the operating margin loss year-to-date. Mr. Armfield said that \$2.5 million of IGT funds were included in last year's figure and therefore reduced the operating loss. IGT funds are not in the current year-to-date loss of (\$5.6 million).</p>		
<p>14. BOARD COMMENTS</p>	<p><i>Board Members</i></p>	<p>Inform</p>
<p>Mr. Boerum indicated he had received interest from six individuals for membership on the Finance Committee. The deadline is February 10, 2023.</p>		
<p>15. ADJOURN</p>	<p><i>Chair</i></p>	
<p>Adjourned at 7:39 pm</p>		



SVHCD
FINANCE COMMITTEE MEETING
MINUTES
TUESDAY, JANUARY 24, 2023
Via Zoom Teleconference

Present	Not Present/Excused	Staff	Public	
Wendy Lee Myatt via Zoom Art Grandy via Zoom Carl Gerlach via Zoom Subhash Mishra, MD, via Zoom Catherine Donahue via Zoom Peter Hohorst via Zoom	Bill Boerum	John Hennelly, CEO, via Zoom Ben Armfield, CFO, via Zoom Kimberly Drummond, Chief of Support Services, via Zoom Dawn Kuwahara, RN, BSN, Chief Ancillary Officer, via Zoom Jessica Winkler, DNP, RN, NEA-BC, CCRN-K, CNO, via Zoom	Judith Bjordal, MD, via Zoom Dennis Bloch via Zoom Bob Crane via Zoom Peter Fitzgerald via Zoom Graham Smith via Zoom	
AGENDA ITEM	DISCUSSION		ACTIONS	FOLLOW-UP
MISSION & VISION STATEMENT <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>				
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Boerum</i>			
	Called to order at 5:06 p.m. Ms. Lee Myatt chaired the meeting.			
2. PUBLIC COMMENT SECTION	<i>Boerum</i>			
	None			
3. CONSENT CALENDAR	<i>Boerum</i>		Action	
a. Finance Committee Minutes 12.20.22			MOTION: by Hohorst to approve, 2 nd by Grandy. All in favor.	
4. ADDITION TO WORK PLAN – CREDIT LINE REVIEW	<i>Boerum</i>		Action	
	Mr. Armfield said the line of credit matures at the end of January 2024. Mr. Boerum requested that review of the line of credit be added to the work plan for June. Mr. Bloch (who has		MOTION: by Donahue to approve, 2 nd by	

	banking experience and is considering joining the Committee) suggested the CFO ask the bank to submit a proposal. Mr. Armfield agreed that was a good plan.	Grandy. All in favor.	
5. STRATEGIC PLAN DEVELOPMENT PARTICIPATION	<i>Boerum</i>	Inform	
	Mr. Grandy thought Mr. Boerum's memo was a good starting point and needs to include a financial plan with cash flow and debt management. Mr. Armfield agreed with that suggestion and indicated the methodology in the memo should be applied to each initiative. He also said there had been updates to the initiatives. Mr. Hohorst asked whether the bridge loans would be forgiven. Mr. Armfield said that is still up in the air at this time. If not forgiven they are due within 24 months of being provided to the hospital.		
6. ODC UPDATE	<i>Hennelly</i>	Inform	
	Ms. Drummond reported the electrical study has been completed and SVH is digesting the recommendations. The hydronics study is almost complete. Regarding the temporary MRI, which does not meet the \$1 million cost limit, legal counsel suggests the installation be design-build and that proposals be submitted. The attorney will develop a Board resolution for approval. It is a very limited market of vendors. The permanent MRI does meet the \$1 million cost limit. Neighborhood outreach is in planning and the architect is developing their submission to City planning for March. The Outpatient Diagnostic Center is in two parts – CT will close first when it is on emergency power and the CT suite is repurposed.		
7. EPIC UPDATE	<i>Hennelly</i>	Inform	
	Mr. Hennelly reported the Epic installation continues to go extraordinarily well and management is receiving lots of good feedback. As far as billings and collections, there is more work still to do. The lab interface is expected to be available in March.		
8. UCSF AFFILIATION UPDATE	<i>Hennelly</i>	Inform	
	Mr. Hennelly indicated the only significant update continues to be specialist recruitment, although nothing has been finalized.		

<p>9. FINANCIAL REPORT FOR MONTH END DECEMBER 2022</p> <p>a. Financial Report for December 31, 2022 b. Fiscal YTD Budget Review</p>	<p><i>Armfield</i></p>	<p>Inform</p>	
	<p>December 2022 marked the first month of Epic go-live with a lot of additional work. December was a favorable month compared to budget and did bring increased volumes which contributed to a good month in net revenue. Gross revenue was 10% over budget which is significant since it was the first month charges were posted in the Epic system. Expenses ran over due to staff training and increases in overtime. Mr. Armfield said a reduction in cash collections is anticipated in January and February due to Epic, and he expected to catch up in March and through the end of the fiscal year. Payments for Epic and ODC led to increased operating expenses in Dec.</p> <p>Mr. Grandy asked about cash going in and out in February. Mr. Armfield said that SVH may have the option of obtaining parcel tax funds in February, and he is in contact with partner organizations regarding the timing of other funds going in and out. He expected to hear more later this week.</p> <p>Ms. Lee Myatt thanked everyone for suggestions on managing cash flows during February.</p>		
<p>10. ADJOURN</p>	<p><i>Boerum</i></p>		
	<p>Meeting adjourned at 5:55 p.m.</p>		



SONOMA VALLEY HEALTH CARE DISTRICT
QUALITY COMMITTEE
January 25, 2023, 5:00 PM
MINUTES
Via Zoom Teleconference

Members Present – Via Zoom	Members Present cont.	Excused	Public/Staff – Via Zoom
Susan Kornblatt Idell Carol Snyder Carl Speizer, MD Kathy Beebe, RN PhD Michael Mainardi, MD Howard Eisenstark, MD	Ingrid Sheets, EdD, MS, RN Judith Bjorndal, MD		Jessica Winkler, DNP, RN, NEA-BC, CCRN-K, CNO Kylie Cooper, RN, BSN, CPHQ, MBA, Quality and Risk Mgmt. Philip Brown, Director of Emergency Dept. Sujatha Sankaran, MD, CMO John Hennelly, CEO Ako Walther, MD

AGENDA ITEM	DISCUSSION	ACTION
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Kornblatt Idell</i>	
	Meeting called to order at 5:02 p.m. Susan welcomed Dr. Bjorndal as the new Board representative. Dr. Mainardi has moved from the Board representative position to a community member.	
2. PUBLIC COMMENT	<i>Kornblatt Idell</i>	
	None	
3. CONSENT CALENDAR	<i>Kornblatt Idell</i>	ACTION
<ul style="list-style-type: none"> • QC Minutes 12.14.22 		MOTION: by Mainardi to approve, 2 nd by Eisenstark. All in favor.
4. EMERGENCY DEPARTMENT QA/PI	<i>Brown</i>	INFORM
	Mr. Brown reported on the Emergency Department quality measures through November 2022.	

5. QUALITY INDICATOR PERFORMANCE PLAN	<i>Cooper</i>	INFORM
	<p>Ms. Cooper shared the quality indicator performance for the month of November 2022. The County does not have the needed amount of facilities for the number of elderly patients SVH is discharging. So length of stay has been up as patients wait to be transferred to a lower level of care.</p> <p>ED arrival to departure time has been a challenge as well. The majority of patients who left without being seen occur usually in high census times. Those that left without being seen have less severity of illness. With the recent arrival of a new Medical Director in the ED, plans are to focus on improving sepsis measures.</p> <p>SVH was notified two days prior to Committee meeting that an urgent care center was opening in town. The plan will be for Hospital representatives to reach out to the company for discussions and collaboration. No further information at this time.</p>	
6.PATIENT CARE SERVICES DASHBOARD Q4	<i>Winkler</i>	INFORM
	Ms. Winkler presented the patient care services dashboard for the fourth quarter.	
7. POLICIES AND PROCEDURES	<i>Cooper</i>	INFORM
	<p>Ms. Kornblatt Idell summarized the policy review process. Dr. Mainardi reiterated that the policies are not being reviewed for approval; they are reviewed for changes and recommendations. The role of the Committee was previously addressed by the Board. Dr. Speizer felt uncomfortable recommending changes without a detailed review of the entire policy. If there were significant changes, the policy is often brought back to the Committee for further review.</p> <p>The Committee would like to review the Cesarean Section policy next month.</p>	
8. CLOSED SESSION/REPORT ON CLOSED SESSION	<i>Kornblatt Idell</i>	ACTION

a. Calif. Health & Safety Code §32155: Medical Staff Credentialing & Peer Review Report	Medical Staff Credentialing was reviewed and approved.	MOTION: by Eisenstark to approve, 2nd by Sheets. All in favor.
9. ADJOURN	<i>Kornblatt Idell</i>	
	Meeting adjourned at 6:22 p.m.	

Document Tasks By Committee

Listing of currently pending and/or upcoming document tasks grouped by committee.

Sonoma Valley Hospital

Run by: Finn, Stacey (sfinn)
Run date: 03/02/2023 11:41 AM

Report Parameters

Filtered by: Document Set: - All Available Document Sets -
Committee: 09 BOD-Board of Directors
Include Current Tasks: Yes
Include Upcoming Tasks: No

Grouped by: Committee

Sorted by: Document Title

Report Statistics

Total Documents: 3

Committee: 09 BOD-Board of Directors

Committee Members: Finn, Stacey (sfinn), Newman, Cindi (cnewman), Woodall, Vivian (vwoodall)

Current Approval Tasks (due now)

Document	Task/Status	Pending Since	Days Pending
Downtime Clinical Documentation <i>Medical Records Services Policies(MR)</i>	Pending Approval	2/23/2023	7
<p>Summary Of Changes: Changed title from "Downtime Paragon Clinical Documentation" to "Downtime Clinical Documentation."</p> <p>Changed all instances of "Paragon" to be more generic "EHR"and modified acronyms for clarity.</p> <p>Moderators: Newman, Cindi (cnewman)</p> <p>Lead Authors: Kutza, Chris (ckutza), Winkler, Jessica (jwinkler), Cooper, Kylie (kcooper), Francis, Don (dfrancis)</p> <p>ExpertReviewers: 00 Clinical P&P multidisciplinary review, ODonnell, Andrea (aodonnell)</p> <p>Approvers: 01 P&P Committee -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)</p>			
RETIRE:: Cesarean Section Birth Roles, Responsibilities and Departmental Responsibilities During Surgical Services/OR Dept	Pending Approval	2/23/2023	7
<p>Summary Of Changes: RETIRE:: recommend retirement since we do not perform C-sections</p> <p>Moderators: Newman, Cindi (cnewman)</p> <p>Lead Authors: Winkler, Jessica (jwinkler), Cornell, Kelli (kcornell)</p> <p>Approvers: Winkler, Jessica (jwinkler) -> 01 P&P Committee - (Committee) -> 03 MS-Surgery Department - (Committee) -> 05 MS-Medical Executive - (Committee) -> 07 BOD-Quality (P&P Review) - (Committee) -> 09 BOD-Board of Directors - (Committee)</p>			
Temperature Maintenance of Prepared Foods <i>Food & Nutrition Services Dept Policies</i>	Pending Approval	3/1/2023	1
<p>Summary Of Changes: Reviewed, no changes needed</p> <p>Moderators: Newman, Cindi (cnewman)</p> <p>Lead Authors: Finn, Bridget (bfinn)</p> <p>Approvers: Drummond, Kimberly (kdrummond) -> 01 P&P Committee - (Committee) -> Hennelly, John (jhennelly) -> 09 BOD-Board of Directors - (Committee)</p>			



To: SVHCD Board of Directors
From: Bill Boerum, Treasurer SVHCD & Chair, Finance Committee
Meeting Date: March 9, 2023
Subject: Appointments to Fill Finance Committee Vacancies

Recommendation:

I recommend the Board of Directors appoint applicants Bob Crane and Ed Case to fill the two vacancies on the Finance Committee.

Background and Reasoning:

There are two vacancies among the seven authorized “community” members of the Finance Committee. One member retired after four years (Bruce Flynn) and another (Wendy Lee Myatt) was elected to the District Board. These are Board-appointed positions.

Notice was given to the public for applicants to step forward by February 10, 2023, to provide a letter or message of interest plus a biography/resume/CV. By the deadline, seven people had applied. I interviewed all seven applicants to answer any questions they had and to assess their interest level as well as to provide information on the Committee’s responsibilities, its work plan, and expected time commitment. Recently one of the seven concluded that they would not have sufficient time to participate. Listed below are the names of the six applicants in the order in which they provided their information, and in the following pages, the information provided. Certain of them have demonstrated interest by tuning into meetings of the Committee and asking questions or making observations.

1. Peter Fitzgerald
2. Dennis Bloch
3. Bob Crane
4. Graham Smith
5. Edward Case
6. Lois Fruzynski

With these six, we have a great generosity of talent and commitment. Any two of which (including two former, top level bankers) picked randomly would be exceptional additions to the Committee, serving it very well as colleagues and in a collective role as advisors to the Board. Not knowing what to expect in terms of community response, I proactively recruited: Bob Crane, a former top Kaiser executive with whom over years I have informally sought his opinion on Hospital business and financial matters; and Graham Smith, whom I recruited for the Audit Committee and who has been serving well in that capacity. Their professional and career experience qualifies both of them superbly for the Committee.

In considering the two I would recommend to the Board to appoint, I further took into account our specific healthcare and hospital domain, and who among the six would fit the best for that. Therefore, I recommend Bob Crane and Ed Case, with his extensive hospital CEO and CFO experience and in being a newcomer to the community will bring new perspective.

Among whichever of the four are not selected by the Board, I hope that they will act as alternates (for which there is precedence on the Quality Committee) or for the Audit Committee, being available to serve as members when vacancies occur.

Attachments:

Applicant Letters & Resumes in the Order Provided

Peter Fitzgerald
483 East Napa Street, Sonoma, California
Home - (707) 721-1625; Mobile - (703) 980-9097
Email · pfitzgerald82@gmail.com

January 21, 2023

Bill Boerum
Board Member, Sonoma Valley Hospital District
bill@vom.com

Dear Mr. Boerum,

As a member of the Sonoma community for the past three years, I have already come to value the high quality of life it offers. Through firsthand experience and in getting to know my neighbors, I have a great appreciation for the important role the Sonoma Valley Hospital plays in supporting that quality of life. With this in mind, I would welcome the opportunity to serve as a member of the Sonoma Valley Hospital District Board's Finance Committee. As a committee member, I would bring my commitment to sustaining the hospital's services through a financially sound array of high-quality services.

If selected to serve on the Finance Committee, I would apply my understanding of federal and state policies, Medicare and Medicaid payment systems, and age-friendly health care services to advance the hospital's services and fiscal soundness. In addition to my areas of expertise, I would also offer an approach that values listening to others, thinking strategically, and advancing care to meet the diverse needs of the community.

Professionally, I have worked with managed care and capitated provider payment models for over 25 years, most recently with the Programs of All-Inclusive Care for the Elderly (PACE). In my work with managed care organizations, I have led projects with hospitals and health systems to improve care for chronic illnesses (diabetes, asthma, CHF), support access to evidence-based clinical practice guidelines, and develop performance measures (HEDIS).

For the past 20 years through my work at the National PACE Association, I have led strategic initiatives and policy efforts that expand access to PACE nationally. PACE organizations are direct care providers and payers across the full range of health care needs and health care settings - home, day health centers, hospitals, rehabilitation and skilled nursing facilities. Through my work with PACE, I am knowledgeable about the alternative payment models, hospital reimbursement systems, quality measures, and equity initiatives that are shaping the delivery of health care today. Further, my work with PACE includes working to make hospital services and primary care more age-friendly as the country faces the needs of an

aging population.

If selected, I would be an active and engaged member of the committee. I previously served on the finance committee of the Sonoma Valley Community Health Center and currently serve as the Treasurer of a national nonprofit (Village to Village Network). In these capacities, I have developed an understanding of the important role board members and advisors play in guiding an organization's financial planning to assure its fulfillment of its mission.

Please review my attached resume for additional information on my current and prior employment, activities and publications. I would be grateful for the opportunity to discuss my participation in the finance committee with you.

Sincerely,

Peter Fitzgerald
Enclosure

R. Peter Fitzgerald

483 East Napa Street * Sonoma, CA 95476 * (703) 535-1519 work, (703) 980-9097 mobile

EXPERIENCE

National PACE Association

Executive Vice President, Policy and Strategy, September 2011 - present

Guides policy, advocacy, and strategic initiatives to advance association members' integrated, community-based care model for older adults. Represents the association in outreach to Congressional and federal administration (CMS) offices, national coalitions and policy leader forums. Advocacy results include Congressionally authorized expansion of services to new populations as well as the first update to federal regulations in over a decade. Developed a national strategic initiative to accelerate member health care providers' growth through market research, technical assistance, and learning communities. Speaks on behalf of the association at state and national forums addressing better care for older adults.

Volunteers of America

Senior Vice President, Integrated Care Strategies, June 2009 - August 2011

Developed a strategic plan to expand older adult health care programs for a national nonprofit health, housing, and social services provider organization. Working across the organizations' operations, finance, membership, and executive leadership departments, developed recommendations for initiation of services in six communities. Identified and managed acquisition opportunity, requiring development of an external financial partnership to acquire and subsequently manage the program.

National PACE Association

Vice President, Strategic Initiatives, March 2001 – June 2009

Directed initiatives to support the expansion of PACE organizations from 21 to 65 operational programs in eight years through partnerships with national foundations, state and federal agencies (CMS, HRSA), and consultants; successfully advocated at state and federal level for PACE growth, including passage of funding for start-up of new programs; formed national coalition to address needs of rural communities; provided strategic planning and technical assistance to range of nonprofit senior care service providers. Initiated a national data benchmarking service for members.

American Association of Health Plans

Director, Quality Management and Health Services Research, July 1997 - March 2001

Developed and implemented a national program with over 200 health plans and their provider networks to improve chronic illness care addressing three conditions: Taking on Diabetes, Taking on Asthma and Taking on Congestive Heart Failure. Developed joint venture with the Agency for Health Research and Quality and the American Medical Association to create the National Guidelines Clearinghouse. As a representative to the HEDIS Measurement Advisory Group, evaluated regulatory, accreditation and performance measurement requirements related to managed care quality. Represented the association at stakeholder meetings and national conferences.

EDUCATION

London School of Economics

Master of Science, Health Planning and Finance, 1987

College of William and Mary

Bachelor of Arts, Public Policy, 1986

SELECTED PUBLICATIONS

McNabney, Matthew K., MD, Peter Fitzgerald, MSc, et al. The Program of All-Inclusive Care for the Elderly: An Update after 25 Years of Permanent Provider Status. *Journal of the American Medical Directors Association*, 2022, 1-7.

Gong, Jade and Fitzgerald, P. PACE 2.0: PACE Programs are Ready to Grow Exponentially. *Health Progress*, March-April 2019: 54-58.

Naylor, M., Kurtzman, E., Miller, E. Nadash, P. and Fitzgerald, P. An Assessment of State-Led Reform of Long-Term Services and Supports. *Journal of Health Policy, Politics and Law*, Vol. 40, No. 3. June, 2015: 531-574.

Fitzgerald, P, Morgan, A, and Morris, T. Rural Policy Development: An NRHA and PACE Association Collaborative Model. *The Journal of Rural Health*, Vol. 20, No. 1. Winter, 2004: 92-96.

The Harvard Managed Care Industry Center Group (member). *Managed Care: An Industry Snapshot. Inquiry*, Summer 2002.

1999 Industry Profile: A Health Plan Reference Book. Peter Fitzgerald and Charles Maples, editors. American Association of Health Plans, January 2000.

Fitzgerald, P, Wheeler, D. New Standards and Measures for Mental Health Care. *Healthplan*. 2000, Jan/Feb: 47.

Fitzgerald, P, Maples, C and Frank, R. Health Plan Delegation of Quality Assurance and Disease Management Activities to Providers in Highly Capitated Settings. Poster session, Association for Health Services Research, June 1999.

Fitzgerald, P. Making the Case for Evidence Based Medicine. *Healthplan*, 1998, May/June: 88.

Fitzgerald, P, Shiverick, B, and Zimmerman, D. Applying Performance Measures to Long-Term Care. *Joint Commission Journal on Quality Improvement*, 1996 Jul; 22(7): 505-17.

OTHER

- Member, Board of Directors, Sonoma Valley Community Health Center, June 2021 – present
- Member, Board of Directors, Village to Village Network, January, 2014 – Present
- Member, Technical Expert Panel, Special Needs Plans, National Committee for Quality Assurance, March, 2008 – June, 2009
- Chair, Rural Long-Term Care Workgroup, April 2008 – August 2009
- Principal Investigator, State Barriers and Opportunities for PACE, Centers for Medicare and Medicaid Services, September, 2003-4
- Member, CDC/NIH National Diabetes Education Program Advisory Board, 1999-2000
- Delegate, White House Conference on Mental Health, 1999
- Member, Advisory Board, Profiles in Quality, National Committee for Quality Assurance, 1999-2000
- Principal Investigator, National Guideline Clearinghouse, Agency for Health Research and Quality, 1997-2001
- Member, Board of Directors, Workgroup for Electronic Data Interchange, 1996-7
- Issue Expert, White House Conference on Aging, 1995
- Member, National Uniform Billing Committee, 1993-94

February 1, 2023

Bill Boerum
Chairman, Finance Committee
Sonoma Valley Health Care District

Dear Bill,

I wanted to take a moment to express my interest in joining the Finance Committee of Sonoma Valley Health Care District as one of its community members. My wife and I have owned property in Sonoma for almost 20 years and have lived here full time for seven years. We believe a strong and sustainable Hospital is critical to the health of the residents of Sonoma Valley.

Since my retirement in 2016 as a Managing Director and Executive Vice President at Wells Fargo, I have been looking for an opportunity that I can be passionate about and that parallels my skills and background. During my 32 years in finance, I helped small, medium and large corporations access the debt capital markets (whether through loans or bonds), including a limited number of medical device companies and healthcare companies. I learned that to be successful in that endeavor, one must evaluate a company's credit worthiness, understand its financial statements, and critically analyze its corporate, financial and business transactions.

Based on my understanding of the Finance Committee's oversight contributions to the financial sustainability of the Hospital, as well as the financial analysis and expertise it provides to the Board of Directors, I believe my background is well-suited for a position on the Committee. I am finance-oriented and analytical by nature; I have managed

significant projects over both the long and short term; and I have spent over three decades deciphering financial statements. As I mentioned, I believe the Hospital is important to ensuring the health of our community, and I further believe I can be of valuable service to the Committee.

Sincerely,

Dennis B. Bloch

DENNIS B. BLOCH

630 Charles Van Damme Way, Sonoma, CA 95476

Email: dbloch707@gmail.com

Phone: 707.933.6123

PROFESSIONAL SUMMARY

Over 30 years of experience in Investment Banking, Finance and Management, advising a broad range of clients on capital raising alternatives, capital structures, project finance, and mergers and acquisitions, culminating in developing and leading a business unit comprised of 50 members with annual revenues in excess of \$100 million. Since retirement, advised local non-profit on finance, budgeting, endowment optimization, capital spending and management.

PROFESSIONAL EXPERIENCE

Wells Fargo Bank NA; Wells Fargo Securities, LLC 1996-2016

Executive Vice President, Managing Director: Syndications and High Yield Finance

Responsible for building and managing teams across the United States to develop opportunities to raise capital for Wells Fargo customers. Managed 7 teams across the country (San Francisco, Los Angeles, Chicago, Minneapolis, Boston, Charlotte, Dallas and Houston) that were responsible for covering a variety of industries, including Industrials, Consumer Products, Entertainment and Gaming, Retail and Energy. Employed over 50 team members and consistently generated annual revenues in excess of \$100 million.

Bank of America NT&SA; BofA Securities, 1985-1996

Senior Vice President, Managing Director

Responsible for Syndication opportunities with bank customers. Additional responsibilities included project finance, mergers and acquisitions, and private placements.

NON-PROFIT EXPERIENCE

Vintage House Sonoma, 2019-2023

Board Treasurer and Chair of Finance and Building Committees. Responsible for leading discussions on budgetary process, current financial results, tax and audit planning, endowment optimization and capital spending allocations and authorizations. Led negotiations of new 30-year lease of premises on optimal terms.

EDUCATION

University of Pennsylvania, The Wharton School, MBA with a concentration in Finance

University of California at Los Angeles, Bachelor of Arts in Economics, Magna Cum Laude

ADDITIONAL INFORMATION

I was raised and have spent most of my life in California. My wife and I have owned a home in Sonoma for almost 20 years, and we moved to Sonoma full time after we both retired. Since retiring, I have been looking for opportunities to get more involved with local organizations in our community.

I enjoy golf, pickleball and bocce, reading, working out, and travel.

520 Michael Drive
Sonoma CA 95476
February 2, 2023

Sonoma Valley Health Care District Board
c/o Vivian Woodall, Board Clerk
Sonoma Valley Hospital
347 Andrieux Street
Sonoma, CA 95476

This is express my interest in serving on the Hospital's Finance Committee.

The Sonoma Vally Hospital is a critical health care resource in our community. I have been involved in the last two campaigns to secure financial support for the hospital through the parcel tax. As part of this process, I have learned about some of the important financial challenges the hospital faces. Careful financial management and appropriate strategic decisions will be important to help assure that the Hospital continues to serve our Valley in the years ahead. The opportunity to further develop its affiliation with UCSF would seem to be an important element of future success.

I believe my experience as a senior officer at Kaiser Permanente and my health care consulting and public policy experience can be helpful to the Committee and the Board as it considers ways to better serve the Valley, improve the Hospital's financial position and secure the Hospital's future.

Sincerely yours,

A handwritten signature in blue ink that reads "Robert M. Crane". The signature is written in a cursive style.

Robert M. Crane

ROBERT M. CRANE

Robert M. Crane is a retired health care executive and consultant involved with health care organization and financing and has served as a Senior Advisor to Kaiser Permanente. Prior to his retirement in 2008, Mr. Crane had a 25-year career as a senior officer of Kaiser Foundation Health Plan and Kaiser Foundation Hospitals. During this career Mr. Crane oversaw many of Kaiser's National business functions including serving as Senior Vice President, Quality Management, Senior Vice President of Interregional Services, Senior Vice President for Research and Policy Development and Senior Vice President and Chief Administrative Officer. He is the Founding Director of the Kaiser Permanente Institute for Health Policy. He also served as President, Kaiser Permanente International and Chairman of Archimedes, Inc.

In the early 1980's, Mr. Crane worked for the New York State Department of Health where he served as Deputy Commissioner and Director of its Office of Health Systems Management. This was preceded by executive and legislative branch experience at the federal level which included working on the professional staff of the U. S. House of Representatives' Committee on Interstate and Foreign Commerce and its Subcommittee on Health and the Environment.

Mr. Crane was a senior executive fellow at Harvard's John F. Kennedy School of Government. He holds a Master's degree from the Johnson Graduate School of Management/Sloan Institute of Hospital Administration at Cornell University and a Bachelor's degree in Economics from the College of Wooster in Ohio.

He currently serves on the Board of Trustees of ECRI, an independent nonprofit organization devoted to improving safety, quality, and cost effectiveness of care across all healthcare settings. ECRI is headquartered in Pennsylvania.

Mr. Crane and his wife, Lucy Weiger currently live in Sonoma, CA.

Graham V. Smith
17900 Norrbom Rd,
Sonoma, CA 95476

grahamvsmith@gmail.com
(415) 298-2330

Vivian Woodall, Board Clerk,
Sonoma Valley Health Care District,
Sonoma Valley Hospital,
347 Andrieux St,
Sonoma, CA 95476

Re: Open Finance Committee Positions

Dear Ms. Woodall,
I write to express my interest in being considered for one of the open Finance Committee positions, as noted in your press release of January 12, 2023.

My wife and I have lived in Sonoma since 2016 and consider it our home. We have both focused our time and resources on supporting the local community. I consider a well-equipped, vibrant hospital to be a key part of any community and would be honored to contribute my time to the Finance Committee.

I spent my entire operating career in finance roles, starting as an auditor at Arthur Andersen in London, England in 1983 and ending as Chief Financial Officer of Salesforce in San Francisco in 2015. During that time, I have either worked in, or directly supervised almost every role in accounting and finance (as well as, at various times, legal, IT and HR). I have audited many different types of company (from manufacturing to publishing to leasing) but spent by far most of my career in computer software. I have a good understand of systems, technology, and cybersecurity.

After retiring from operating roles in 2015, I have served on a total of seven public company boards, including as the head of the audit committee on six of those seven. Serving on such boards in a fiduciary role has required me to exercise unbiased, independent judgment across a wide variety of

business issues. Serving on audit committees has required me spend time assessing the financial and operating activities of each company, including staffing, systems, compliance, accounting controls, planning and budgeting, procurement, collections, cash management, and reporting capabilities (to name but a few!).

I believe my wealth of experience would allow me to exercise strong oversight of the Hospital's financial and operating activities. As importantly, I also believe I could provide good advice to management in their pursuit of building a great, sustainable community health care organization.

I hope you will consider my application favorably.

Yours truly,

A handwritten signature in dark ink, appearing to read 'Graham V. Smith', written over a light blue rectangular background.

Graham V. Smith

GRAHAM SMITH

17900 Norrbom Rd, Sonoma, CA 95476 · (415) 298-2330
grahamvsmith@gmail.com · <https://www.linkedin.com/in/graham-smith-8863a>

Finance professional with extensive public software company board and operating experience

BOARD EXPERIENCE

JULY 2011 – TO DATE

SPLUNK (NASDAQ: SPLK) BOARD CHAIR, CHAIR OF TALENT AND COMPENSATION COMMITTEE, MEMBER OF GOVERNANCE AND SUSTAINABILITY COMMITTEE

FEBRUARY 2020 – TO DATE

PROCORE (NYSE: PCOR) LEAD INDEPENDENT DIRECTOR, AUDIT COMMITTEE CHAIR

PREVIOUS BOARD ROLES AT

MAY 2015 – JUNE 2022

BLACKLINE (NASDAQ: BL) LEAD INDEPENDENT DIRECTOR, CHAIR OF NOMINATING AND GOVERNANCE COMMITTEE, AUDIT COMMITTEE MEMBER

DECEMBER 2018 – JULY 2021

SLACK (NYSE: WORK) AUDIT COMMITTEE CHAIR, NOMINATING AND GOVERNANCE COMMITTEE MEMBER

JUNE 2015 – MARCH 2020

XERO (ASX: XERO) BOARD CHAIR, AUDIT COMMITTEE MEMBER

APRIL 2015 – FEBRUARY 2019

MINDBODY (NASDAQ: MB) AUDIT COMMITTEE CHAIR

DECEMBER 2015 – JUNE 2018

CITRIX (NASDAQ: CTXS) COMPENSATION COMMITTEE MEMBER

OPERATING EXPERIENCE

DECEMBER 2007 – AUGUST 2014

SALESFORCE (NYSE: CRM) CFO – EXECUTIVE COMMITTEE MEMBER AND SECTION 16 REPORTING OFFICER

JANUARY 2003 – NOVEMBER 2007

ADVENT SOFTWARE (NASDAQ: ADVS) CFO – EXECUTIVE COMMITTEE MEMBER AND SECTION 16 REPORTING OFFICER

JANUARY 2002 – DECEMBER 2002

VITRIA TECHNOLOGY (NASDAQ: VITR) CFO – EXECUTIVE COMMITTEE MEMBER AND SECTION 16 REPORTING OFFICER

AUGUST 1998 – DECEMBER 2001

NUANCE COMMUNICATIONS (NASDAQ: NUAN) CFO – EXECUTIVE COMMITTEE MEMBER AND SECTION 16 REPORTING OFFICER

APRIL 1994 – JULY 1998

ORACLE CORP (NASDAQ: ORCL) VICE PRESIDENT, FINANCE, WORLDWIDE OPERATIONS,

DECEMBER 1987 – MARCH 1994

ORACLE UK - CHIEF ACCOUNTANT (BRACKNELL, UK)

FEBRUARY 1987 – NOVEMBER 1987

UNITED INTERNATIONAL PICTURES (LONDON, UK) - RELEASE COSTS ACCOUNTANT

AUGUST 1983 – JANUARY 1987

ARTHUR ANDERSEN & CO. (LONDON, UK) - STAFF AUDITOR

EDUCATION

DECEMBER 1986

A.C.A. (CPA EQUIVALENT IN ENGLAND AND WALES)

MAY 1981

BRISTOL UNIVERSITY, ENGLAND - B.SC. ECONOMICS AND POLITICS

EXPERTISE

- Board leadership, governance, and development
- Audit and compliance
- Planning and strategy
- SaaS
- M&A
- Financial reporting and analysis
- Equity capital markets and financing
- Systems

ACTIVITIES

Sonoma-oriented philanthropy, investing, cycling, wine-collecting, golf, travel

February 9, 2023

Administration
Sonoma Valley Hospital

RE – Finance Committee Membership

Over the course of my career I have worked in healthcare with a specific emphasis on Finance and Administration. Those 30+ years allowed me to gain a unique perspective on how hospitals operate as well as how to identify the optimal path for strategic improvements. My financial background provided me in-depth knowledge regarding how to improve performance and maximize revenues.

I worked for a large academic medical center that had a network of hospitals, including small community hospitals. I understand how those arrangements work and can assist in discussing ways to ensure the relationship is appropriately balanced.

I have served on various not for profit boards and have a strong desire to improve access and opportunities within a community. I presently serve on a national board, where I Chair the Finance Committee, whose mission is to improve access to underserved populations at colleges and universities.

Margie and I have lived in Sonoma for a little over two years. We have used the healthcare system and understand the value of having a strong provider in the community. I believe my experience could be a valuable addition to the Finance Committee.

Ed Case

Edward B. Case

**Recently Retired, Executive Vice President & Chief Financial Officer
Shirley Ryan AbilityLab, formerly Rehabilitation Institute of Chicago**

Career Highlights

- **Highly disciplined CEO and CFO, with track record of success while leading large complex organizations**
- **10 Years as Public Company Board member, Chairing Audit and serving on Governance Committees**
- **Strong operating background able to interpret operating metrics and how to develop strategies to improve profitability**
- **Excellent communication and critical thinking skills facilitating successful Board relationships**

Mr. Case has over 30 years experience leading healthcare, academic and community organizations. During his career, Mr. Case has also provided key leadership to various Boards of Directors.

Beginning January 2006, he served as the Executive Vice President and Chief Financial Officer for The Shirley Ryan AbilityLab, formerly The Rehabilitation Institute of Chicago (“RIC”) where he provided leadership and oversight for all aspects of the Institute. In accordance with the Board-approved strategic plan for financial excellence, he is responsible for financial planning, financial reporting to internal and external constituents, treasury functions, contracting, and capital and operating budgets. In keeping with the Institute's mission of advocacy, Mr. Case also held a key role in educating local, state, and federal legislators about important financial issues related to patient care for people with disabilities.

Beginning in 2010, Mr. Case assumed executive oversight of RIC’s new research hospital, The Shirley Ryan AbilityLab. The new state-of-the art \$550 million building was completed in 2017. The project was completed on time and under budget. As part of the project funding, Mr. Case negotiated a creative funding structure that used bank and public debt in conjunction with an extensive Capital Campaign.

From December 2003 to December 2005, Mr. Case was the President and co-Owner of Healthcare Resource Associates, a leading provider of business process outsourcing services focused on cash flow improvements for hospitals and physicians. Mr. Case was recruited to help the company improve operating profitability and assist in a corporate restructuring resulting in the sale of the company.

Mr. Case has also served as Chief Executive Officer and President of Presbyterian Healthcare. In this role he led a financial turnaround and re-established Presbyterian as the preferred provider for the Charlotte region.

Mr. Case spent 13 years serving in various capacities with Barnes Hospital and BJC Health System, a \$1.5 billion organization. He was actively involved in the system development that included the merger of four provider organizations into a cohesive system spanning two states. The system included nationally recognized Academic Medical Centers along with small community hospitals with community Boards. He partnered with the Board of Directors in the strategic planning and execution of the system development. BJC Health System was the first academically based health system in the United States. Recognizing his leadership skills, the Board of Directors appointed Mr. Case Interim President and CEO which he held for 18 months during the search for a permanent CEO.

Mr. Case spent eight successful years as Chief Financial Officer at St. John's Mercy Medical Center the largest provider in the Sisters of Mercy St. Louis network.

Mr. Case served on the Board of Auxilio, Inc. (AUXO), recently renamed Cynergistek (CTEK), a publicly traded company providing leading technology and managed print services exclusively to the health care industry from 2006 to 2016. Mr. Case provided a key perspective as the Board evolved into complimentary services, including an IT security platform. In his Board capacity, Mr. Case also chaired the Audit Committee and was a member of the Governance Committee. As Audit Committee Chair, Mr. Case worked closely with management and the external Auditors. He provided oversight for many of the SEC functions.

Mr. Case graduated *cum laude* with a BS in Business Administration from the University of Missouri in St. Louis, and earned a Masters in Public Health from the University of North Carolina at Chapel Hill. He has served as a lecturer and Adjunct Professor at the University of North Carolina and Washington University – St. Louis in the Master of Healthcare Administration programs. In 1993 Mr. Case was recognized as one of the University of Missouri-St. Louis Distinguished Alumni.

Mr. Case earned his CPA immediately after college but does not currently maintain a license to practice. He was an auditor with Arthur Andersen from 1974 – 1979, promoted to Audit Manager.

Mr. Case was named the “2013 Chicago Large Not for Profit CFO of the Year” by the Financial Executives International (FEI) Association.

Thursday, February 9, 2023

I am attaching my resume for your consideration for a volunteer position on the Finance Committee.

I have been a resident of Sonoma for almost 40 years and realize the need for the hospital to remain in Sonoma.

My background is in accounting and includes the following experiences:

- after graduation, I worked for a Big 4 accounting firm
- I passed the CPA exam and held a CPA certification- it is currently inactive, but I remain current in GAAP requirements
- I have been the controller for various businesses in different industries and as such have been responsible for
 - General Ledger account reconciliations and analysis
 - Accounts Payable, Accounts Receivable, Payroll, Inventory costing....
 - Preparation of monthly financial statements including comparisons to budget and forecasts
 - Monthly reporting to the BOD
 - Preparation of annual budgets and forecasts- one and three year plans
 - Flux analysis....

This background provides me with experience to provide an informed review of SVH financials and reports and provide guidance if I am appointed a member of the Finance Committee.

I look forward to discussing this further.

Best,

Lois Fruzynski

Lois A. Fruzynski CPA (inactive), MBA
loisfruz@gmail.com 707-280-7453

Accounting Professional with proven success with startups. Big 4 CPA with broad industry experience- includes SaaS, retail, internet and consulting.

Skills

ASC 605, and 606, all month-end and year-end close processes including audit schedules, interfacing with auditors, flux analysis, budgeting and forecasting, state registrations, sales and property taxes, international accounting, consolidations and accounting software implementation.

Professional Experience

Consultant

Jan 2022 to Present

- Interim Controller positions responsible for month-end/ year-end close, financial statement preparation and analysis
- Accounting special projects as deemed necessary
- Establish accounting processes and procedures
- Sales tax compliance
- A myriad of other projects and duties- implementation of new software, business analysis, etc

Controller, B Cellars Winery

May 2018 to Dec 2021

- Evaluated and implemented new accounting software and interface with new production software and POS.
- Reorganized the chart of accounts and departments to fully utilize software for timely, accurate and detailed financial statements
- Established processes for more accurate cost accounting and reconciling new production software to the GL
- Prepare detailed departmental budgets and flux analysis monthly for GM and BOM.
- Responsible for all accounting operations including AR, AP, GL monthly close and year-end Review.
- Supervise HR administration and payroll processing
- Manage LOC and required borrowing base compliance and reporting

Controller, Capsilon Corporation

May 2013 to May 2018

- Managed all accounting and finance functions for company with YoY growth of 30% to 50%
- Evaluated and implemented new accounting software in U.S. and foreign entities in Eastern Europe and India.
- Reorganized the chart of accounts and departments to fully utilize software for timely, accurate and detailed financial information and metrics.
- Establish processes and procedures for timely and accurate reporting of monthly results at growing startup.
- Perform month-end and year-end close and revenue recognition
- Interface with auditors on the first and annual audits ensuring timely completion and compliance with GAAP
- State registrations and tax compliance

Independent Contractor

2003 thru May 2013

- Worked primarily as the acting controller for companies readying them for their first audit.
- Controller/Acting President (**DayOne Centers, Inc.**) Responsible for both accounting and operational aspects of the business- from setting strategy to implementation, budgets to monthly close, account reconciliations and sales tax reporting.
- Acting Controller (**Woodberry Events**) Reporting to the CEO responsible for monthly close and financial statement preparation and flux analysis, budgeting and forecasting.
- Acting Controller (**Organic Bouquet/Coyuchi**) Reviewed activity of previous years in preparation for first audit of two years of activity prior to asset purchase of company.
- Prepared schedules and interfaced with auditors in timely completion of first time audit.
- Acting International Accounting Manager (**GoldenGate Software reporting to the VP, Controller**)
 - Responsible for all international reporting and consolidation
 - Performed migration of the international subs from Softrax to SAP
 - Reviewed monthly reporting from International subsidiaries for reasonableness/ fluctuation and ensured accurate recording in SAP
 - Spearheaded annual audits of international entities

Lois A. Fruzynski CPA (inactive), MBA

Independent Contractor (continued)

- Liaised with Oracle's Asia Pacific and EMEA M&A team responsible for the integration of accounting information and the winding down of accounting operations at foreign entities (**Oracle Inc.**)
- Reviewed capital project presentations for projects with expenditures > \$20 million for compliance with corporate policy and worked with executive project managers to improve presentations for review by Board of Directors (**PG&E**)
- Acted as in-house support to the external accounting firm by providing accounting support for the restatements of Forms 10K and 10Q for SEC reporting (**360 Global Wine Co. (reported to the CFO)**)
- Managed the correct recording of the acquisition of Viansa Winery

Controller / CFO

1998 thru 2003

Japanese Weekend Inc (\$10 M retailer, wholesaler and manufacturer of maternity clothing)

- Implemented retail growth strategy that increased annual sales from \$2 million and 18 employees to \$10 million in annual sales with 85 employees
- Created and launched strategies that increased Internet/mail order sales from \$274K to \$2.1 million
- Full financial responsibility and operational responsibility over retail locations, wholesale operations and shipping (7 reports)
- Designed, implemented and documented accounting processes and established budgets for individual SBUs while maintaining company focus
- Implemented new accounting software (AMAS) for GL, AP and AR modules.
- Facilitated work with outside auditors during annual review and income tax preparation
- Generated improved vendor confidence, garnering preferred credit and discount terms (\$100K+ credit lines with net 60-day terms) that replaced COD and prepay terms
- Interfaced with bankers to obtain additional financing for growth
- Supervised HR including approval of new hires, compensation, development of employee handbook and benefits

Previous Experiences

Accounting Supervisor

Georgiou, Inc (\$40M retailer and manufacturer of women's clothing)

- Directed accounting staff responsible for month-end close and filing of sales tax returns for 36 retail locations in approximately 30 states.
- Assisted in the implementation of new software (MAS90)
- Managed and performed special projects for CFO

Division Accounting Manager

Clow Corporation (\$150M manufacturer of public waterworks piping and fire hydrants)

- Responsible for accounting, analysis and reporting for \$45 million division with 2 plants, 2 warehouses and 70 employees
- Worked closely with plant controllers and warehouse managers in developing inventory control and sales forecasting processes

Senior Auditor

Ernst & Young (public accounting firm)

Planned and executed audits

Supervised and ensured development of staff in audit processes

Education & Certifications

MBA, Pepperdine University, Malibu, California

BBA, Loyola University, Chicago, Illinois

CPA, inactive, State of Illinois

Technology Proficiency-Intacct, SAP, NetSuite, QuickBooks, MYOB, Great Plains, MAS90, AMAS, VAI, Peachtree and Microsoft Office Suite



To: Sonoma Valley Health Care District Board of Directors
From: Ben Armfield, Chief Financial Officer
Date: March 9, 2023
Subject: **FY 2023 Parcel Tax Advance**

Recommendation:

Recommend to the Board of Directors that they approve both the resolution and executable agreement that would allow Sonoma Valley Health Care District to receive an advance on the April 2023 payment of Parcel Tax funds in the amount of \$1,120,000.

Background:

As has been discussed during the last few finance report outs, the timing of our IGT funding has been delayed compared to past fiscal years. We made our IGT matching fee about 3 weeks ago, and while we are estimating to receive over \$4 million in IGT funds this fiscal year, we do not anticipate receiving those funds until April or May. This, combined with some anticipated disruptions on the revenue cycle side caused by the Epic implementation, has presented a timing issue that temporarily disrupts the normal cash flow of the Hospital.

SVHCD management has been in discussions with Sonoma County about the possibility of receiving an advance payment on the April 2023 parcel tax proceeds that is due to the hospital. This advance would allow the hospital to have the necessary cash flow to meet its operational commitments and also create an additional buffer during these next couple months prior to receiving our IGT payment.

For reference, the District also had parcel tax funds advanced during fiscal year 2020 in the amount of \$1,000,000.

Parcel Tax Advance Details:

- SVHCD would be permitted to receive an advance up to 85% of the Parcel Tax revenues outstanding.
- SVHCD management is recommending to receive an advance of \$1,120,000, which is ~80% of the \$1,400,000 of parcel taxes owed to the District.
- The interest rate on the advance would be at an annualized rate of 5.4%.
- The agreement has a maturity date of May 31, 2023. The parcel tax advance would be paid back, in full, as soon as IGT funds are received.

Financial Impact:

The incremental cost for a \$1,120,000 parcel tax advance would solely be the interest expense paid to the County during the life of this agreement. Based on the proposed interest rate and maturity date of this agreement, total interest expense for this advance would be between \$5,000 - \$7,500.

Finance Committee Recommendation:

This item was formally approved by the Finance Committee on February 28th for recommendation of Board approval.

Attachments:

- Sonoma County / Sonoma Valley Health Care District Resolution
- Sonoma County / Sonoma Valley Health Care District Parcel Tax Agreement

SONOMA VALLEY HEALTH CARE DISTRICT

RESOLUTION NO. 372

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SONOMA VALLEY HEALTH CARE DISTRICT AUTHORIZING THE ISSUANCE OF A TAX AND REVENUE ANTICIPATION NOTE IN A PRINCIPAL AMOUNT NOT TO EXCEED \$1,120,000 AND AUTHORIZING THE PRESIDENT AND CHIEF EXECUTIVE OFFICER TO ENTER INTO A PARCEL TAX AGREEMENT WITH THE COUNTY OF SONOMA AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR ("ACTTC")

THE BOARD OF DIRECTORS OF SONOMA VALLEY HEALTH CARE DISTRICT RESOLVES AS FOLLOWS:

WHEREAS, pursuant to Section 53850 *et seq.* of the Government Code of the State of California (the "Government Code") contained in Article 7.6, entitled "Temporary Borrowing," a healthcare district may borrow money by issuing notes (the "Notes") for any purpose for which the health care district is authorized to expend moneys, including but not limited to, current expenses, capital expenditures, investment and reinvestment, and the discharge of any obligation or indebtedness of the district; and

WHEREAS, pursuant to Section 53856 of the Government Code, the District may pledge its parcel tax revenue to the repayment of Notes, which shall be issued as a general obligation of the District, and to the extent not paid from the taxes pledged for the payment thereof, shall be paid with interest thereon from any other moneys of the District lawfully available therefor as required by Section 53857 of the Government Code; and

WHEREAS, the District desires to finance certain obligations incurred by the District in connection with prior operations and ongoing operations; and

WHEREAS, the District has determined that the sum of \$1,120,000 is needed to satisfy payment obligations of the District which the District anticipates will become payable prior to the receipt of anticipated parcel tax revenue, and that it is necessary that said sum be borrowed in anticipation of the receipt of taxes to be received by the District during Fiscal Year 2022-2023; and

WHEREAS, the District finds and determines that it is in the best interest of the District to finance its obligations through the issuance of tax and revenue anticipation notes and has determined to issue Sonoma Valley Health Care District Parcel Tax Revenue Anticipation Note, Series 2023 (the "Series 2023 Note"); and

WHEREAS, the Series 2023 Note shall mature on May 31, 2023, which is consistent with the requirement that repayment be made from available funds that have been received or accrued to the District within the fiscal year in which the Notes are issued, or in a succeeding fiscal year from funds accruing in the fiscal year of issuance; and

WHEREAS, the District wishes to provide authority to staff to enter into a parcel tax agreement with the Sonoma County.

WHEREAS, the purchaser of the Note, The Sonoma County Treasury Pool, through the Sonoma County Auditor-Controller-Treasurer-Tax Collector ("ACTTC"), has requested that the District enter into a Parcel Tax Agreement to ensure payment of the Note.

NOW, THEREFORE, be it known that the Board of Directors of the Sonoma Valley Health Care District resolves as follows:

Section 1. The Series 2023 Note may be issued in order to obtain moneys to carry out the District's purposes. The maximum principal amount of the Series 2023 Note which may be issued hereunder is limited to \$1,120,000.

Section 2. The Series 2023 Note shall be evidenced and issued in the principal amount of \$1,120,000. Registered ownership of the Series 2023 Note will be with the Sonoma County Treasury Pool, as purchaser of the Note, and shall not be transferred thereafter. The Series 2023 Note in the principal amount of \$1,120,000 constitutes a "note" and is being issued pursuant to the provisions of section 53854 of the California Government Code.

Section 3. The Series 2023 Note shall be dated as of March 13, 2023, and interest thereon shall be payable upon maturity. The Series 2023 Note shall mature on May 31, 2023, and shall bear interest at the rate of 5.40 percent per annum. If the District fails to pay the note when due, the ACTTC may retain enough of the parcel tax proceeds to satisfy the principle and interest.

Section 4. The Series 2023 Note shall be substantially in the form set forth in Exhibit A, attached hereto and by this reference incorporated herein.

Section 5. The Board of Directors have reviewed all proceedings heretofore taken relative to the authorization of the Series 2023 Note and has found, as a result of such review, and hereby finds and determines that all acts, conditions and things required by law to exist, happen or be performed precedent to and in the issuance of the Series 2023 Note do exist, have happened and have been performed in due time, form and manner as required by applicable law, and the District is now authorized, pursuant to each and every requirement of applicable law to issue the Series 2023 Note.

Section 6. The Series 2023 Note may be redeemed prior to Maturity at any time, without any premium.

Section 7. The District's obligation to pay the principal and interest on the Series 2023 Note shall be an obligation payable from parcel tax revenues and, to the extent parcel tax revenues are insufficient therefor, subject to any existing or future liens or encumbrances thereon, from any other available moneys of the District.

Section 8. The District's President and Chief Executive Officer, or designee, upon the advice of the District's legal counsel or special financial consultants, is hereby authorized to do any and all things and to execute, modify and deliver any and all documents that they may deem necessary in order to effectuate the transactions contemplated by this Resolution and to otherwise carry out the purposes of this Resolution. This authorization includes entering into a Parcel Tax Agreement with the County of Sonoma ACTTC, whereby the District agrees that the Sonoma County Auditor-Controller Treasurer-Tax Collector may retain sufficient proceeds of the April 2023 installment of the District's parcel tax, and, if necessary, from future installments, to satisfy the note, prior to allocating parcel tax proceeds to the District.

Section 9. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED this 9th day of March 2023, by the following votes:

AYES:
NOES:
ABSENT:
ABSTAIN:

Judith Bjorndal, M.D., Chair
Board of Directors
Sonoma Valley Health Care District

ATTEST:

Wendy Lee Myatt, Secretary
Board of Directors
Sonoma Valley Health Care District

FORM OF NOTE

United States of America
State of California
Sonoma County

**SONOMA VALLEY HEALTH CARE DISTRICT
(Sonoma County, California)
Parcel Tax Revenue Anticipation Note, Series 2023**

INTEREST RATE:	MATURITY DATE:	DATED DATE:
5.40%	May 31, 2023	March 13, 2023

REGISTERED OWNER:	SONOMA COUNTY TREASURY
PRINCIPAL SUM:	\$1,120,000.00

FOR VALUE RECEIVED, the Sonoma Valley Health Care District, a local health care district organized and existing under and pursuant to The Local Health Care District Law of the State of California (the “District”), hereby acknowledges itself indebted to and promises to pay to the Owner stated above, the Principal Sum stated above in lawful money of the United States of America, on the Maturity Date stated above, or date of earlier redemption as described below, together with interest thereon in like lawful money from the date hereof until payment of such Principal Sum shall be discharged, at the Interest Rate per annum stated above.

It is hereby certified, recited, and declared that this Note is issued pursuant to the provisions of Resolution No. 372 of the Board of Directors of the District duly passed and adopted on March xx, 2023 and pursuant to Section 32130 of the California Health and Safety Code, and that all things, conditions, and acts required to exist, happen, and be performed, exist, have happened, and been performed in regular and due time, form, and manner as required by law, and that the amount of this Note, together with all other indebtedness and obligations of the District, does not exceed any limit prescribed by the Constitution and laws of the State of California.

The Principal Sum of the Note, together with the interest thereon, shall be payable from taxes, income, revenue, cash receipts and other monies which are held or received by the District for the fiscal year 2022-2023 and which are lawfully available for the current expenses and other obligations of the District. Specifically, the Principal Sum of the Note, together with the interest thereon, shall be payable from the proceeds of the District’s special tax on parcels of property within the District authorized at an election held on November 2, 2021 (the “Tax”).

The Note is issued as a fully registered Note, without coupons. The Note is not transferable by its registered owner.

The Note shall be redeemed at any time, without premium, upon receipt by the District of proceeds from the Tax for fiscal year 2022-2023.

If the Note is called for redemption and payment is duly provided therefor, interest shall cease to accrue hereon from and after the date fixed for redemption.

IN WITNESS WHEREOF, SONOMA VALLEY HEALTH CARE DISTRICT has caused this Note to be executed in its name and on its behalf by the manual signature of its Chief Executive Officer and attested by the manual signature of the Secretary of its Board of Directors, all as of the Dated Date stated above.

SONOMA VALLEY HEALTH CARE DISTRICT

By:

John Hennelly
President and Chief Executive Officer
Sonoma Valley Hospital

ATTEST:

Wendy Lee Myatt
Secretary, Board of Directors
Sonoma Valley Health Care District

CLERK'S CERTIFICATE

I, Vivian Woodall, Clerk of the Governing Board of the Sonoma Valley Health Care District of the County of Sonoma, State of California, do hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Governing Board of said District, regularly held at the regular meeting place thereof, on March 09, 2023, of which meeting all the members of said Governing Board had due notice.

I further certify that said resolution has not been amended, modified, or rescinded since the date of its adoption and the same is now in full force and effect.

ATTEST: This ____ day of _____ 2023

Vivian Woodall, Clerk of the Governing Board of the
Sonoma Valley Health Care District
County of Sonoma, State of California

COUNTY TREASURER'S AUTHORIZATION
(Per County of Sonoma Resolution 91-0271)

The attached request for borrowing is in compliance with the requirements of Article XVI, Section 6, of the State Constitution and with Resolution 91-0271 of the County of Sonoma.

Approved By:

Auditor-Controller/Treasurer-Tax Collector County of Sonoma

Date: _____

Amount to be collected on Property Tax Bill	\$1,400,000
Amount Requested	\$1,120,000
Percent of Property Tax Bill Requested (not to exceed 85% of outstanding property taxes)	80%

PARCEL TAX AGREEMENT BY AND BETWEEN
COUNTY OF SONOMA AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR
AND
SONOMA VALLEY HEALTH CARE DISTRICT

THIS PARCEL TAX AGREEMENT ("Agreement"), is entered into by and between the COUNTY OF SONOMA AUDITOR-CONTROLLER-TREASURER-TAX COLLECTOR ("ACTTC"), and the SONOMA VALLEY HEALTH CARE DISTRICT ("District")
(collectively referred to as the "Parties" herein).

Recitals

1. On November 2, 2021, voters approved a parcel tax levy on each taxable parcel of land within the District at an annual rate of \$250 per parcel per year for ten years ("Tax").
2. The Sonoma County Auditor-Controller Treasurer-Tax Collector ("ACTTC") is responsible for collecting the Tax at the same time that it collects ad valorem property taxes, and for distributing the Tax proceeds to the District.
3. The ACTTC has agreed to purchase from the District a tax and revenue anticipation note as an investment for the Sonoma County Treasury Pool in the principal amount not to exceed \$1,120,000, with a maturity date of May 31, 2023 ("Note"), as authorized by Government Code§ 53635.2 and Government Code§ 53601(e).
4. The ACTTC has requested that the District enter into this Agreement to ensure payment of the Note.
5. On March xx, 2023 the Board of Directors of the District passed Resolution No. 372, authorizing the issuance of the Note and authorizing the President and Chief Executive Officer to enter into this Agreement.

Agreement

1. The District agrees that the ACTTC may retain sufficient proceeds of the April 2023 installment of the Tax to satisfy the principal of and interest on the Note prior to allocating the Tax proceeds to the District.
2. Should the proceeds of the April 2023 installment of the Tax be insufficient to satisfy the principal of and interest on the Note, the ACTTC may retain all the proceeds of the April 2023 installment of the Tax, and sufficient proceeds from each future installment to satisfy the principal of and interest on the Note.
3. The District shall indemnify and hold harmless, to the extent permitted by law, and without limiting the County's obligations under California law to collect the Tax, the ACTTC, the County of Sonoma and the County's officers and employees ("Indemnified Parties") against any and all losses, claims, damages, or liabilities, joint or several, to which such Indemnified Parties may become subject because of the Treasury Pool's purchase of the Note and ACTTC's retention of Tax proceeds. The District shall also reimburse such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

4. This Agreement is made and entered into for the sole protection and benefit of the Parties and their successors and assigns. No other person shall have any right of action based upon any provision of this Agreement.
5. This Agreement may be executed in duplicate counterpart originals, each of which is deemed to be an original and all of which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have each executed this Agreement on _____, 2023

SONOMA COUNTY AUDITOR CONTROLLER
TREASURER TAX COLLECTOR

SONOMA VALLEY HEALTH CARE
DISTRICT, a health care district of the
State of California

Auditor-Controller-Treasurer-
Tax Collector

President and Chief Executive Officer

APPROVED AS TO FORM

APPROVED AS TO FORM

County Counsel

District Counsel



To: Sonoma Valley Health Care District Board of Directors
From: Ben Armfield, Chief Financial Officer
Date: March 9, 2023
Subject: **CHFFA HELP II Loan Program Approval**

Recommendation:

Recommend to the Board of Directors that they approve both the resolution and executable agreement that would formalize a \$2,000,000 loan between the Sonoma Valley Health Care District and California Health Facilities Financing Authority (CHFFA).

Background:

CHFFA's Help II Loan Program has been around since 1995, helping small and rural hospitals obtain adequate financing to meet their capital needs. We identified this loan as a favorable source of non-hospital funds to help supplement the funding of the Epic EMR project, due to the low fixed interest rate of 2%.

We applied for a \$2,000,000 equipment loan in the fall. That loan was approved by the CHFFA Board of Directors on January 26, 2023.

Help II Loan Details:

- Loan Amount - \$2,000,000
- Interest Rate – 2% fixed over life of loan
- Amortization – 5 Years
- Administration Fee - \$25,000 (or 2% of total loan) payable to CHFFA upon execution

Finance Committee Recommendation:

This item was formally approved by the Finance Committee on February 28th for recommendation of Board approval.

Attachments:

- CHFFA / Sonoma Valley Health Care District Loan and Security Agreement
- CHFFA / Sonoma Valley Health Care District Promissory Note
- CHFFA / Sonoma Valley Health Care District Board Resolution

SONOMA VALLEY HEALTH CARE DISTRICT

RESOLUTION NO. 373

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE **SONOMA VALLEY HEALTH CARE DISTRICT** AUTHORIZING EXECUTION AND DELIVERY OF A PROMISSORY NOTE, LOAN AND SECURITY AGREEMENT, DEED OF TRUST, IF REQUIRED, UCC-1 FINANCING STATEMENT AND CERTAIN ACTIONS IN CONNECTION THEREWITH FOR THE CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY HEALTHCARE EXPANSION LOAN PROGRAM II (HELP II)

HELP II

WHEREAS, Sonoma Valley Health Care District (the “Borrower”) has determined that it is in its best interest to borrow an aggregate amount not to exceed **\$2,000,000.00** from the California Health Facilities Financing Authority (the “Lender”), such loan to be funded with the proceeds of the Lender's HELP II; and

WHEREAS, the Borrower intends to use the funds for the following project: To purchase equipment/information technology (IT) to replace an electronic health record (EHR) system;

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

Section 1. John Hennelly, President and Chief Executive Officer (an “Authorized Officer”) 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 in order to consummate the borrowing of moneys from the Lender and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 2. The proposed form of Loan and Security Agreement (the “Agreement”) dated as of March 1, 2023, which contains the terms of the loan is hereby approved. The loan shall be in a principal amount not to exceed \$2,000,000.00 and the loan shall bear interest at a rate of 2% per annum until April 15, 2028 (the “Maturity Date”). The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Agreement in substantially said form, with such changes therein as the Authorized Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The proposed form of Promissory Note (the “Note”) dated as of March 1, 2023, 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 said form, with such changes therein as the Authorized Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of Deed of Trust dated as of March 1, 2023, if required, granting a lien on certain of the Borrower's property for the benefit of the Lender is hereby approved. The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute a Deed of Trust in substantially said form, with such changes therein as the Authorized

Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 5. The proposed form of UCC-1 financing statement granting a lien on the Borrower's gross revenues and, if required, granting a lien on certain of the Borrower's equipment for the benefit of the Lender is hereby approved. The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the UCC-1 financing statement in substantially said form, with such changes therein as the Authorized Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The proposed form of Environmental Indemnity dated as of March 1, 2023, if required, protecting Lender from losses incurred because of Post-Foreclosure Transfer Environmental Losses is hereby approved. The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Environmental Indemnity in substantially said form, with such changes therein as the Authorized Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. The proposed form of Environmental Compliance Certificate dated as of March 1, 2023, certifying for the benefit of the Lender to the best knowledge of Borrower with regard to any violations of or claims regarding environmental laws or conditions, is approved. The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Environmental Compliance Certificate in substantially said form, with such changes therein as the Authorized Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

PASSED AND ADOPTED this 9th day of March 2023, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

Judith Bjordal, M.D., Chair
Board of Directors
Sonoma Valley Health Care District

ATTEST:

Wendy Lee Myatt, Secretary
Board of Directors
Sonoma Valley Health Care District

CLERK'S CERTIFICATE

I, Vivian Woodall, Clerk of the Governing Board of the **Sonoma Valley Health Care District**, do 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 9th day of March, 2023, 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 said resolution by the following vote at said meeting:

AYES:

NOES:

ABSENT:

ABSTAIN:

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

Vivian Woodall, Clerk of the Governing Board
of the Sonoma Valley Health Care District
County of Sonoma, State of California

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

Healthcare Expansion Loan Program II (HELP II)

Loan and Security Agreement

This Loan and Security Agreement (“Agreement”) is dated as of **March 1, 2023**, and is entered into between the CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY, a public instrumentality of the State of California (“Lender”), authorized by the California Health Facilities Financing Authority Act (the “Act”), having its principal place of business at 915 Capitol Mall, Room 435, Sacramento, California 95814, and **Sonoma Valley Health Care District**, a local health care district (“Borrower”), having its principal place of business at **347 Andrieux Street, Sonoma, California 95476**.

RECITALS

A. Borrower is a **local health care district duly organized pursuant to the Local Health Care District Law (Health And Safety Code section 32000 et seq) and operates a health facility which provides medical services to local consumers** and is a participating health institution pursuant to the Act.

B. Borrower has requested that Lender lend Borrower certain funds from HELP II for the following purpose: **To purchase equipment/information technology (IT) to replace an electronic health record (EHR) system** (the “Project” pursuant to the Act).

C. Lender is willing to lend Borrower such funds subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

1. Waiver of Sovereign Immunity

The Borrower hereby waives any immunity it may have as a local health care district from lawsuits and other legal proceedings brought under this Agreement or in connection therewith that are brought by the Lender in the California Superior Court for the County of Sacramento and all courts to which appeals therefrom are available, and enforcement of any judgment of such court in any court of competent jurisdiction, to enforce the terms of this Agreement, and to enforce and execute any order, judgment or ruling resulting therefrom against any assets or revenues of the Borrower.

2. The Loan Disbursement and Repayment.

(a) Subject to the terms and conditions of this Agreement, Lender agrees to make a loan in the aggregate principal amount of **Two Million Dollars and No Cents (\$2,000,000.00)** (the “Loan”) to Borrower. The Loan shall be disbursed to Borrower upon the satisfaction of all of the conditions precedent set forth in Section 5 of this Agreement. If the Loan is for a construction project, Lender may disburse Loan proceeds incrementally upon Borrower’s provision of construction contracts, local permits, documentation substantiating the expenditure of Loan funds as approved by the Lender, and construction progress reports (including but not limited to reports and statements required in Sections 6(d)(ii) and 6(d)(iii) of this Agreement) as Lender may require. Borrower shall submit all documentation and a Request for Disbursement, which is incorporated herein and attached hereto as Exhibit E, for each disbursement request for a construction project.

(b) Borrower's obligation to repay the Loan shall be evidenced by a promissory note executed by Borrower (the “Note”), payable to the order of Lender, in which Borrower agrees to repay the principal sum of the Loan together with interest thereon at the rate of **two** percent (**2.0%**) per annum (the “Interest Rate”) from **April 1, 2023** and thereafter until **April 15, 2028** (the “Maturity Date”), or until payment of such principal sum shall be discharged (the “Loan Repayments”). Interest shall be computed on the basis of a year consisting of three hundred sixty-five (365) days or, in case of a leap year, three hundred sixty-six (366) days. The principal and interest under this Agreement shall be due and payable in equal monthly installments, on or before the **fifteenth** day of each month (“the Due Date”), commencing **May 15, 2023**, as required on the attached amortization schedule which is incorporated herein and attached hereto as Exhibit D. In addition, in the event the Loan closed prior to **April 1, 2023**, Borrower shall pay to Lender interest, at the Interest Rate, on the principal amount of the Loan, from the date the Loan closes through **March 31, 2023**. Borrower shall have the right at any time to prepay the Note in whole or in part without premium or penalty.

(c) All payments and prepayments of principal and interest shall, at the option of Lender, be applied first to any fees and costs owing, second to the payment of accrued interest and to any late payment penalties, and after all such fees, interest and penalties have been paid any remainder shall be applied to reduction of the principal balance.

3. Security Interest.

To induce Lender to make the Loan, and to secure Borrower’s performance under this Agreement and punctual payment of all amounts due under this Agreement and the Note, the Borrower hereby grants a security interest to Lender and to its successors and assigns, for so long as Borrower has any obligations to Lender under this Agreement, and for the security and benefit of Lender, in all of Borrower’s right to and interest in Borrower’s gross revenues (all such rights being the “Collateral”). Borrower hereby covenants and agrees to execute such California UCC-1 Financing Statement in the form approved by Lender as is necessary to perfect Lender’s security interest in the Collateral.

If equipment is required as security to induce Lender to make the Loan, and to secure Borrower's performance under this Agreement and punctual payment of all amounts due under this Agreement and the Note, the Borrower then hereby grants a security interest, with power of sale, to Lender and to its successors and assigns, for so long as Borrower has any obligations to Lender under this Agreement, and for the security and benefit of Lender, in all of Borrower's right, title and interest in and to any and all equipment purchased by Borrower in whole or in part with the proceeds of the Loan and all additions, replacements, substitutions, and exceptions thereto and any property which Borrower may receive on account of such equipment and all cash and noncash proceeds of the foregoing (all such properties and rights being the "Collateral"). Borrower hereby covenants and agrees to execute a California UCC-1 Financing Statement in the form approved by Lender as is necessary to perfect Lender's security interest in the Collateral immediately upon Borrower's acquisition of any Collateral.

For the purposes of this Agreement, the term "proceeds" includes whatever is receivable or received when Collateral or proceeds is sold, collected, exchanged or otherwise disposed of, whether such disposition is voluntary or involuntary, and includes, without limitation, all rights to payment, including return premiums, with respect to any insurance relating thereto.

If property, as that term is defined in the Deed of Trust, is purchased with loan proceeds and is required as Collateral, Borrower hereby covenants and agrees to execute the Deed of Trust in a form acceptable to the Lender to perfect Lender's security interest in the Collateral.

A description of the real property where the Collateral is located is attached hereto as Exhibit A and made a part hereof. Any real property, equipment or gross revenues required as Collateral is more particularly described in Exhibit B, attached hereto and made a part hereof. Any existing encumbrances on the Collateral are more particularly described in Exhibit C, attached hereto and made a part hereof, and those liens and encumbrances shown as exceptions to the title insurance policy delivered in connection with this Loan.

4. Representations and Warranties.

To induce Lender to make the Loan under this Agreement, Borrower hereby represents and warrants to Lender that as of the date hereof and, where relevant, until the Note is paid in full and all obligations under this Agreement are performed in full, that:

(a) Borrower is duly organized under applicable law, is qualified to do business and in good standing in each jurisdiction where required, and has complied with all law necessary to conduct its business as a health facility as defined in the Act;

(b) Borrower has authority, and has completed all proceedings and obtained all approvals and consents necessary to execute and deliver, all documents authorizing this Loan, including, without limitation, this Agreement, the Note, the UCC-1 Financing Statement and the Deed of Trust, if applicable, (all such documents are sometimes hereafter collectively referred to as the "Loan Documents"), and the transactions contemplated by these Loan Documents;

(c) the execution, delivery and performance of the Loan Documents will not contravene, or constitute a default under or result in a lien upon assets of Borrower pursuant to any applicable law or regulation, any charter document of Borrower or any contract, agreement, judgment, order, decree, or other instrument binding upon or affecting Borrower except for, if applicable, (i) certain liens created by the Loan Documents evidencing this Loan and (ii) other liens in favor of Lender;

(d) the Loan Documents constitute the legal, valid and binding obligations of Borrower, enforceable in accordance with their respective terms;

(e) Borrower represents and warrants there is no Deed of Trust, financing statement, security agreement or any other document covering any required Collateral, or any part thereof, on file, recorded or in effect in any public office other than those encumbrances disclosed in Exhibit C, and those liens and encumbrances shown as exceptions to the title insurance policy delivered in connection with this Loan;

(f) except as previously disclosed to Lender in writing, there is no action, suit or proceeding, pending or threatened against Borrower which might adversely affect Borrower in any material respect;

(g) Borrower does not have any delinquent tax obligations, and all tax returns required of Borrower have been filed; and

(h) all proceeds of this Loan will be used by the Borrower solely for the Project as described in the Recitals and as has been approved by Lender, and the Loan shall not exceed 95% of the appraised value or purchase price, whichever is less.

5. Conditions Precedent.

Lender shall have no obligation to make the Loan under this Agreement until Lender is satisfied that all of the following conditions have been met:

(a) as of the date of this Agreement, there shall exist no Event of Default, as defined in Section 7 of this Agreement, and no event which, with the giving of notice or passage of time, or both, would constitute an Event of Default;

(b) Borrower shall have delivered to Lender a duly executed Agreement, Note, and all other requested Loan Documents;

(c) Borrower shall have delivered to Lender a resolution of the Borrower's Board of Directors duly authorizing the execution, delivery and performance by it of each of the Loan Documents, together with certified copies of its charter documents;

(d) if equipment purchases are part of the Loan, Lender shall have approved a list of all equipment that Borrower plans, as of the date of this Agreement, to purchase with the proceeds of the Loan; and

(e) Borrower shall have delivered any other documents reasonably required by Lender in connection with carrying out the purposes of this Agreement.

6. Covenants.

From the date of this Agreement until the Note is paid in full and all obligations under this Agreement are performed, Borrower agrees that:

(a) prior to the purchase with the proceeds of the Loan of any equipment different from or in addition to that approved under Section 5(d) of this Agreement, Borrower shall obtain the written approval of Lender of the modified list of the equipment;

(b) Borrower shall apply all proceeds of this Loan dedicated to the Project, in accordance with the provisions of Section 4(h) of this Agreement, within six (6) months of the date of this Agreement for non construction projects and within one (1) year of initial disbursement of the Loan for construction projects, or as otherwise agreed to in writing by the Lender;

(c) If Loan proceeds are used for a construction project, Borrower shall establish a separate account to deposit the Loan funds and shall maintain this account solely for purposes of payment of construction project expenditures.

(d) Borrower shall provide periodic reports and financial information to Lender in the manner set forth below:

(i) as soon as available, but in any event **no later than one hundred fifty (150) days after the end of each fiscal year of Borrower, a copy of Borrower's audited consolidated financial statements** prepared by a Certified Public Accountant and consisting of, at a minimum, a balance sheet, statement of income and expenses, and a cash flow statement;

(ii) where Loan proceeds are used for a construction project, Borrower shall provide monthly progress reports, due on the 1st of every month, describing progress of the construction, including estimated time of completion, unanticipated issues, use of Loan proceeds to date and any other information relevant to the construction project;

(iii) where Loan proceeds are used for a construction project, Borrower shall provide monthly account statements (from the bank where all Loan proceeds are deposited pursuant to Section 6(c) of this Agreement) to Lender showing all deposits and withdrawals therefrom until such time as the construction project has been completed. Upon completion of the construction project, Borrower shall certify in writing to the Lender that the project is complete which certification shall include a description of the results of the construction project;

(iv) upon request by Lender, as soon as available, but in any event prior to the start of each fiscal year of Borrower, a copy of Borrower's budget for the following year;

(v) upon request by Lender, quarterly or monthly financial reports of Borrower consisting of a statement of income and expenses certified by an appropriate officer of Borrower as fairly presenting the financial position of Borrower at the end of such period; and

(vi) as soon as available, copies of any communications between Borrower and any governmental entity including, but not limited to, Department of Health Care Access and Information or Department of Health Care Services concerning beneficial occupancy, license certification, or reimbursement.

(e) upon reasonable notice from Lender, Borrower shall allow visits by representatives or agents of Lender to observe any required Collateral and Borrower's operations, to review Borrower's financial records and corporate records, and to discuss Borrower's operations with Borrower's staff or governing board;

(f) at all times during this Agreement, Borrower shall accurately maintain, in accordance with generally accepted accounting principles, all books of account, records and documents of every kind in which all matters relating to this Loan, including, without limitation, all income, expenditures, assets, and liabilities;

(g) Borrower shall at all times maintain its local health care district existence and shall do or cause to be done all things necessary to preserve and keep in full force and effect its rights, licenses, and franchises;

(h) Borrower shall not, without the prior written notification to Lender, change its name or place of business, merge, affiliate, or consolidate with any company or enterprise, or otherwise substantially change its corporate structure or the general character of its business as it is presently conducted;

(i) Borrower shall at all times carry adequate insurance (which insurance also covers any required Collateral) with responsible companies in such amounts and against such risks as is customarily carried by similar businesses in the same general industry. The insurance shall name Lender as additional insured and loss payee, and the insurance shall provide that any notice of nonpayment of premium thereunder shall be sent both to Lender and Borrower, that the insurance shall not be subject to cancellation without thirty (30) days prior written notice to Lender, and that Lender may pay any defaulted premiums on behalf of Borrower in which case the insurance shall remain in full force and effect;

(j) Borrower shall do all acts that may be necessary to maintain, preserve and protect any required Collateral;

(k) Borrower shall not use or permit any required Collateral to be used unlawfully or in violation of any provision of this Agreement, or any applicable statute, regulation, ordinance or any policy of insurance covering the Collateral;

(l) Borrower shall execute and deliver any financing statement, assignment or other writing deemed necessary or appropriate by Lender to perfect, maintain and protect its security interest under this Agreement and the priority thereof, including, without limitation, a UCC-1 Financing Statement and a Deed of Trust, if applicable;

(m) Borrower shall keep any required Collateral in good condition and repair;

(n) Borrower shall pay all taxes, assessments, and related obligations when such taxes, assessments and obligations are due and payable;

(o) **Borrower shall not create, incur, assume or suffer to exist any further assignment, encumbrance, or lien upon any required Collateral without the prior written consent of Lender;**

(p) Borrower shall not create, incur, assume or suffer to exist any additional debt from the date of Loan approval without prior written consent of Lender;

(q) Borrower shall maintain a debt service coverage ratio of at least 1.0x;

(r) Borrower shall pay all costs, fees and expenses incurred by Lender in connection with this Agreement, including, without limitation, all costs of recording and filing a UCC-1 Financing Statement and the Deed of Trust and, if required, appropriate title and escrow fees;

(s) Borrower may not assign the Agreement or Note to any person or entity, and the Agreement or Note may not be assumed by any person or entity without the prior written consent of Lender;

(t) Borrower shall promptly notify Lender in writing of the occurrence of any event which might materially adversely affect Borrower or which constitutes, or upon notice or passage of time or both, would constitute an Event of Default; and

(u) simultaneously with the receipt of the proceeds of the Loan, Borrower shall pay to Lender a fee equal to one and one quarter percent (1.25%) of the loan amount, or **\$25,000.00**.

7. Events of Default.

Upon the occurrence and during the continuance of any of the following events (“Events of Default”):

(a) failure by Borrower to pay any principal or interest or any other amount payable hereunder or under the Note, as required on the attached amortization schedule at Exhibit D, when due in accordance with the terms of the Agreement or the Note, and the failure remains uncured for a period of ten (10) days;

(b) failure by Borrower to fully and completely perform the covenant set forth in Section 6(b) of this Agreement;

(c) any representation or warranty made by Borrower in this Agreement or in any other Loan Document or financial or other statement furnished at any time under or in connection herewith or therewith is incorrect, false or misleading in any material respect on or as of the date when made or deemed to have been made or prior to the date when all obligations of this Agreement have been fully satisfied;

(d) failure of Borrower to fully and completely perform any obligation (except for the obligation set forth in Section 2(b) of this Agreement), covenant (except for the covenant set forth in Section 6(b) of this Agreement) or agreement set forth in this Agreement or in any other Loan Document and the failure remains uncured for a period of thirty (30) days; provided, however, if the default is incapable of cure within the thirty (30) day period, the failure to cure the default may, in the sole discretion of the Lender, not constitute an Event of Default unless (i) Borrower fails to commence steps to cure the failure within the thirty (30) day period or (ii) Borrower fails to cure the failure within ninety (90) days after the date of the failure;

(e) (i) Borrower applied for or consented to the appointment of a custodian, receiver, trustee or liquidator of all or a substantial part of its assets, (ii) a custodian, receiver, trustee or liquidator is appointed with or without the consent of Borrower, (iii) Borrower is not paying its debts as they become due, has made a general assignment for the benefit of creditors, has filed a voluntary petition in bankruptcy, or has filed a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any insolvency law, (iv) Borrower filed an answer admitting the material allegations of a petition in any bankruptcy, reorganization or insolvency proceeding, or taken any corporate action for the purpose of effecting the filing of such an answer, (v) a petition in bankruptcy is filed against Borrower and has not been dismissed for a period of thirty (30) consecutive days, (vi) an order for relief is entered under the Federal Bankruptcy Code against Borrower, (vii) an order, judgment or decree is entered, without the application, approval or consent of Borrower, by any court of competent jurisdiction approving a petition seeking reorganization of Borrower or appointing a receiver, trustee, custodian or liquidator of Borrower or a substantial part of its assets, and the order, judgment or decree is continued unstayed and in effect for any period of forty-five (45) consecutive days, (viii) Borrower suspended the transaction of its usual business, or (ix) Borrower is ceased to be authorized by the laws of this State to operate a health facility, as defined by the Act;

(f) any required Collateral for this Loan is lost, stolen, substantially damaged, or destroyed, and insurance proceeds are not available to reimburse Lender for the loss, theft, damage, or destruction, or the Collateral unreasonably depreciates in value;

(g) if any amount due under this Agreement is not paid in full within thirty (30) days of the date when due or if any other Event of Default occurs, then at the option and upon the declaration of Lender, all amounts owed to Lender under this Agreement and the Note shall, without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived, become immediately due and payable, and Lender may immediately, and without expiration of any period of grace, enforce payment of all amounts owed to Lender under this Agreement and the Note and exercise any and all other remedies granted to it at law, in equity or otherwise, for the enforcement of realization of the security interests provided in this Agreement. In addition, Lender shall be entitled to recover from Borrower all costs and expenses, including, without limitation, reasonable attorneys' fees, incurred by Lender in exercising any remedies under this Agreement.

No delay in accelerating the maturity of any obligation contained in this Agreement or in taking any other action with respect to any Event of Default shall affect the rights of Lender later to take such action with respect thereto, and no waiver as to a prior occasion shall affect rights as to any other Event of Default. A waiver or release with reference to any one event shall not be construed as continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to a subsequent event.

Borrower waives presentment and demand for payment, notice of intent to accelerate maturity, notice of acceleration and maturity, protest or notice of protest and nonpayment, bringing of suit and diligence in taking any action to collect any sums owing under this Agreement, and agrees that its liability on this Agreement shall not be affected by any release of or change in any security for the payment of sums due under this Agreement.

If Borrower fails to pay any monthly installment of interest and/or principal due under this Agreement within ten (10) days of the Due Date of the monthly installment, Borrower shall pay Lender, in addition to the monthly installment, a default amount equal to five percent (5%) of the monthly installment then due for the purpose of defraying the expenses incident to the handling of the delinquent payments. Borrower and Lender agree that the late charge represents a reasonable sum considering all of the circumstances existing on the date of this Agreement and represents a fair and reasonable estimate of the cost that will be sustained by Lender due to the failure of Borrower to make timely payments. The parties further agree that proof of actual damages would be costly or inconvenient. The late charge shall be paid without prejudice to the right of the Lender to collect any other amounts required to be paid or to declare a default under this Agreement or the Loan Documents or from exercising any of the other rights and remedies of Lender.

Acceptance by the Lender or holder of the Note of any installment after any default under this Agreement shall not operate to extend the time of payment of any amount then remaining unpaid or constitute a waiver of any of the other rights of the Lender or holder under the Note or this Agreement.

8. Security Agreement.

This Agreement shall constitute a security agreement with respect to any required Collateral.

9. Miscellaneous.

(a) Borrower hereby irrevocably and unconditionally agrees, to the fullest extent permitted by law, to defend, indemnify and hold harmless Lender, Authority members, officers, directors, trustees, employees and agents, from and against any and all claims, liabilities, losses and expenses (including reasonable attorneys' fees) directly, indirectly, wholly or partially arising from or in connection with any act or omission of Borrower, its employees or agents, in applying for or accepting the Loan, or in expending or applying the funds furnished pursuant to this Agreement. This section shall survive the termination of this Agreement.

(b) The terms of this Agreement may be revised or modified only with the prior written consent of both parties.

(c) The descriptive headings in this Agreement are inserted for convenience only and shall not be deemed to affect the meaning or construction of any of the provisions of this Agreement.

(d) Any provision of this Agreement that is illegal, invalid or unenforceable, shall be ineffective to the extent of such illegality, invalidity or unenforceability without rendering illegal, invalid or unenforceable the remaining provisions of this Agreement.

(e) This Agreement is intended by the parties to be the final expression of their agreement with respect to the terms included in this Agreement and may not be contradicted by evidence of any prior or contemporaneous agreement.

(f) This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all counterparts shall together constitute one and the same instrument.

(g) All notices given under this Agreement shall be in writing and shall be hand-delivered or mailed by registered or certified mail, postage prepaid and shall be sent to the parties' respective addresses first written above or any other address as a party may have specified in writing.

(h) Borrower waives trial by jury in any litigation arising out of or relating to this Agreement in which a holder of the Note is an adverse party and further waives the right to interpose any defense, set-off, or counterclaim of any nature or description.

(i) Lender and Borrower hereby agree that the laws of the State of California apply to this Agreement. Any legal action or proceedings brought to enforce or interpret the terms of this Agreement shall be initiated and maintained in the courts of the State of California in Sacramento, California, but Lender may waive venue in Sacramento County in its sole discretion.

IN WITNESS WHEREOF, the parties to this Agreement have caused this Agreement to be executed and delivered as of the date listed above.

LENDER: **CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY**, a public instrumentality of the State of California

By: _____
Name: _____ **Carolyn Aboubechara**
Title: _____ **Executive Director**

BORROWER: **Sonoma Valley Health Care District**, a local health care district

By: _____
(Authorized Officer)
Name: _____ **John Hennelly**
Title: _____ **President and Chief Executive Officer**

EXHIBIT A

Description of the Real Property Where Equipment is to be Located

Commonly known as: 347 Andrieux Street, Sonoma, California 95476

EXHIBIT B

Description of Collateral

EQUIPMENT

Itemize below any equipment purchased with loan proceeds:

See Attached

**Sonoma Valley Hospital
Epic Equipment Cost Schedule**

Vendor	Description	Part Number	Actual Count	Cost Total
Community Technologies	Epic EHR Software + Implementation		1	\$ 2,908,000
Dell	23.8" monitor 1920x1200 Full HD (1080p)	U2419M	90	\$ 22,523
IT MGMT	Optiplex 5090 SFF, Core i5-10505, 256GB SATA	Optiplex 5090 SFF	4	\$ 4,177
	Class20 SSD, 8GB RAM, Win10Pro, Int. Graphics, NOTE: Includes x4 24 in monitors			
IT MGMT	Fujitsu fi-8170 Bundle document scanner with 3 years Advanced Exchange Service	fi-8170	10	\$ 14,055
IT MGMT	Honeywell Bar Code Scanner Mounting Bracket	300001501	3	\$ 103
IT MGMT	Zebra Patient Label Printer	ZD41H22-D01E00EZ	17	\$ 7,631
IT MGMT	Zebra Pharmacy Label Printer	ZT41142-T01A000Z	1	\$ 1,687
IT MGMT	Zebra Armband Label Printer	ZD510-HC	5	\$ 2,545
Amazon	Topaz e-signature pad	T-LBK462-BSB-R	5	\$ 1,115
Amazon	Small web camera for patient registration photos	960-000694	15	\$ 297
IT MGMT	Honeywell wireless barcode scanner	1952HHD-5USB-A-N	3	\$ 2,938
IT MGMT	APC Smart-UPS 1500VA	UPS 1500VA	1	\$ 675
Amazon	HP LaserJet Pro M404dn	HP LaserJet Pro M404dn	1	\$ 330
IT MGMT	Zebra ZQ 610 Wireless Printer	ZQ61-AUFA000-00	5	\$ 4,477
IT MGMT	Zebra Power Adapter	P1065668-008	5	\$ 462
Granite	Apple iPhone SE		5	\$ 2,395
IT MGMT	Honeywell Captuvo SL42h Enterprise Sled	SL42-076302-H-K	5	\$ 5,103
Staples	USB Charging Station	B2B162	1	\$ 290
			GRAND TOTAL	\$ 2,978,801

EXHIBIT B, Description of Collateral
(Continued)

GROSS REVENUES

All gross revenues described as follows:

All revenues, income, receipts and money received by or on behalf of the Borrower, including (a) gross revenues derived from its operation and possession of the health facility, as defined by the California Health Facilities Financing Authority Act; (b) gifts, grants, bequests, donations, endowments and contributions, exclusive of any gifts, grants, bequest, donations, endowments and contributions to the extent specifically restricted by the donor to particular purpose inconsistent with payment of the Loan and Security Agreement; (c) proceeds with respect to or related to the health facility, as defined by the California Health Facilities Financing Authority Act derived from (i) condemnation proceeds, (ii) securities and other investments, (iii) inventory and other tangible and intangible property, (iv) insurance proceeds, (v) contract rights and other rights and assets now or hereafter owned by the Borrower; (d) accounts receivable including, but not limited to, any amounts receivable from third party payors such as Medicare and Medicaid, unless otherwise prohibited by law; and (e) rentals received from the lease of office space in the health facility, as defined by the California Health Facilities Financing Authority Act.

REAL PROPERTY

Real property described in Exhibit A and [*list any other real property for collateral*].

EXHIBIT C

Description of Encumbrances

With the exception of those liens and encumbrances shown on the Title Insurance policy delivered in connection with this loan describe any other Deed of Trust, financing statement, security agreement or any other document covering any Collateral of this financing, or any part thereof, on file, recorded or in effect in any public office (See Section 4(e) of Loan and Security Agreement):

EXHIBIT D
Amortization Schedule

See Attached

HELP II Loan Program
 Loan Amortization - Two Percent (2%) Fixed Interest Rate
 Sonoma Valley Health Care District
 Version: March 2023

Date	Payment Number	Payment Amount	Principal	Interest	Principal Balance
Opening Balance					2,000,000.00
Year Ending 12/31/2023					
5/15/2023	1	35,055.52	31,722.19	3,333.33	1,968,277.81
6/15/2023	2	35,055.52	31,775.06	3,280.46	1,936,502.75
7/15/2023	3	35,055.52	31,828.02	3,227.50	1,904,674.73
8/15/2023	4	35,055.52	31,881.06	3,174.46	1,872,793.67
9/15/2023	5	35,055.52	31,934.20	3,121.32	1,840,859.47
10/15/2023	6	35,055.52	31,987.42	3,068.10	1,808,872.05
11/15/2023	7	35,055.52	32,040.73	3,014.79	1,776,831.32
12/15/2023	8	35,055.52	32,094.13	2,961.39	1,744,737.19
Total Year Ending 12/31/2023		280,444.16	255,262.81	25,181.35	1,744,737.19
Year Ending 12/31/2024					
1/15/2024	9	35,055.52	32,147.62	2,907.90	1,712,589.57
2/15/2024	10	35,055.52	32,201.20	2,854.32	1,680,388.37
3/15/2024	11	35,055.52	32,254.87	2,800.65	1,648,133.50
4/15/2024	12	35,055.52	32,308.63	2,746.89	1,615,824.87
5/15/2024	13	35,055.52	32,362.48	2,693.04	1,583,462.39
6/15/2024	14	35,055.52	32,416.42	2,639.10	1,551,045.97
7/15/2024	15	35,055.52	32,470.44	2,585.08	1,518,575.53
8/15/2024	16	35,055.52	32,524.56	2,530.96	1,486,050.97
9/15/2024	17	35,055.52	32,578.77	2,476.75	1,453,472.20
10/15/2024	18	35,055.52	32,633.07	2,422.45	1,420,839.13
11/15/2024	19	35,055.52	32,687.45	2,368.07	1,388,151.68
12/15/2024	20	35,055.52	32,741.93	2,313.59	1,355,409.75
Total Year Ending 12/31/2024		420,666.24	389,327.44	31,338.80	1,355,409.75
Year Ending 12/31/2025					
1/15/2025	21	35,055.52	32,796.50	2,259.02	1,322,613.25
2/15/2025	22	35,055.52	32,851.16	2,204.36	1,289,762.09
3/15/2025	23	35,055.52	32,905.92	2,149.60	1,256,856.17
4/15/2025	24	35,055.52	32,960.76	2,094.76	1,223,895.41
5/15/2025	25	35,055.52	33,015.69	2,039.83	1,190,879.72
6/15/2025	26	35,055.52	33,070.72	1,984.80	1,157,809.00
7/15/2025	27	35,055.52	33,125.84	1,929.68	1,124,683.16
8/15/2025	28	35,055.52	33,181.05	1,874.47	1,091,502.11
9/15/2025	29	35,055.52	33,236.35	1,819.17	1,058,265.76
10/15/2025	30	35,055.52	33,291.74	1,763.78	1,024,974.02
11/15/2025	31	35,055.52	33,347.23	1,708.29	991,626.79
12/15/2025	32	35,055.52	33,402.81	1,652.71	958,223.98
Total Year Ending 12/31/2025		420,666.24	397,185.77	23,480.47	958,223.98

HELP II Loan Program
 Loan Amortization - Two Percent (2%) Fixed Interest Rate
 Sonoma Valley Health Care District
 Version: March 2023

Date	Payment Number	Payment Amount	Principal	Interest	Principal Balance
Year Ending 12/31/2026					
1/15/2026	33	35,055.52	33,458.48	1,597.04	924,765.50
2/15/2026	34	35,055.52	33,514.24	1,541.28	891,251.26
3/15/2026	35	35,055.52	33,570.10	1,485.42	857,681.16
4/15/2026	36	35,055.52	33,626.05	1,429.47	824,055.11
5/15/2026	37	35,055.52	33,682.09	1,373.43	790,373.02
6/15/2026	38	35,055.52	33,738.23	1,317.29	756,634.79
7/15/2026	39	35,055.52	33,794.46	1,261.06	722,840.33
8/15/2026	40	35,055.52	33,850.79	1,204.73	688,989.54
9/15/2026	41	35,055.52	33,907.20	1,148.32	655,082.34
10/15/2026	42	35,055.52	33,963.72	1,091.80	621,118.62
11/15/2026	43	35,055.52	34,020.32	1,035.20	587,098.30
12/15/2026	44	35,055.52	34,077.02	978.50	553,021.28
Total Year Ending 12/31/2026		420,666.24	405,202.70	15,463.54	553,021.28
Year Ending 12/31/2027					
1/15/2027	45	35,055.52	34,133.82	921.70	518,887.46
2/15/2027	46	35,055.52	34,190.71	864.81	484,696.75
3/15/2027	47	35,055.52	34,247.69	807.83	450,449.06
4/15/2027	48	35,055.52	34,304.77	750.75	416,144.29
5/15/2027	49	35,055.52	34,361.95	693.57	381,782.34
6/15/2027	50	35,055.52	34,419.22	636.30	347,363.12
7/15/2027	51	35,055.52	34,476.58	578.94	312,886.54
8/15/2027	52	35,055.52	34,534.04	521.48	278,352.50
9/15/2027	53	35,055.52	34,591.60	463.92	243,760.90
10/15/2027	54	35,055.52	34,649.25	406.27	209,111.65
11/15/2027	55	35,055.52	34,707.00	348.52	174,404.65
12/15/2027	56	35,055.52	34,764.85	290.67	139,639.80
Total Year Ending 12/31/2027		420,666.24	413,381.48	7,284.76	139,639.80
Year Ending 12/31/2028					
1/15/2028	57	35,055.52	34,822.79	232.73	104,817.01
2/15/2028	58	35,055.52	34,880.82	174.70	69,936.19
3/15/2028	59	35,055.52	34,938.96	116.56	34,997.23
4/15/2028	60	35,055.56	34,997.23	58.33	0.00
Total Year Ending 12/31/2028		140,222.12	139,639.80	582.32	0.00
Grand Total		2,103,331.24	2,000,000.00	103,331.24	0.00

EXHIBIT E
Request for Disbursement
and
Progress Billing Example

See Attached

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
915 Capitol Mall, Suite 435, Sacramento, CA 95814
Healthcare Expansion Loan Program II (HELP II)
Request for Disbursement

Date _____ Disbursement Request Number: ____ (2nd, 3rd/ 4th)

Name of Borrower Sonoma Valley Health Care District

Borrower requests the following disbursement of loan proceeds from CHFFA:

Amount Requested

Date Funds Needed*

\$ _____

* Note: Date must be a minimum of three weeks from CHFFA’s receipt of this disbursement request.

Narrative of Project Progress** (Please include percent of project completion)

**Note: Attach additional pages as needed

Documentation to Accompany Request

Please attach invoices from the contractor and proof of payment of those invoices as documentation to substantiate the use of prior disbursements and the need of this disbursement request. Please see attached template example for progress billing. Any other template with the required information is acceptable.

By: _____
(Authorized Officer)

Print Name: John Hennelly

Title: President and Chief Executive Officer

For CHFFA Use Only:

Approved Loan Amount	\$	_____
Initial Disbursement		_____
Total Subsequent Disbursements		_____
Disbursement Request		_____
Balance Remaining	\$	_____

Analyst Signature

Project Manager Signature

Executive Director Signature

Progress Billing Example

TO: OWNER California Health Facilities Financing Authority PROJECT:
 915 Capitol Mall, Suite 435
 Sacramento, CA 95814
 Attn: Operations Manager

FROM: CONTRACTOR VIA ARCHITECT:

APPLICATION NO:
 PERIOD TO:
 PROJECT NOS:
 CONTRACT DATE:

Change Order Summary	Additions	Deductions
Total changes approved in Previous months by Owner		
Total approved this Month		
TOTALS		
Net Changes by Change Order		

- 1. ORIGINAL CONTRACT SUM.....\$ _____
- 2. Net change by Change Orders.....\$ _____
- 3. CONTRACT SUM TO DATE\$ _____
- 4. TOTAL COMPLETED & STORED TO DATE.....\$ _____
- 5. RETAINAGE:
 - a. _____% of Completed Work \$ _____
 - b. _____% of Stored Material \$ _____
 - Total Retainage \$ _____
- 6. TOTAL EARNED LESS RETAINAGE \$ _____
- 7. LESS PREVIOUS CERTIFICATED FOR PAYMENT
 (Line 6 from prior Certificate)..... \$ _____
- 8. Current Payment Due \$ _____
- 9. Balance To Finish, Including Retainage
 \$ _____

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

Healthcare Expansion Loan Program II (HELP II)

Promissory Note

\$2,000,000

March 1, 2023

Sonoma Valley Health Care District, a local health care district having its principal place of business at **347 Andrieux Street, Sonoma, California 95476** (“Borrower”), for value received, hereby promises to pay to the order of CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY, a public instrumentality of the State of California (the “Lender” and “Holder”), at its office located at 915 Capitol Mall, Room 435, Sacramento, California 95814, or at such other place as the Holder may from time to time designate in writing, in lawful money of the United States of America, the principal sum of **Two Million Dollars and No Cents (\$2,000,000.00)** or so much thereof as may be advanced, together with interest thereon from and after **April 1, 2023** and until **April 15, 2028** (the “Maturity Date”), or until payment of such principal sum shall be discharged, in amounts and at the rates of interest provided for in that certain Loan and Security Agreement between Borrower and the Lender, dated as of the date hereof (the “Agreement”).

All payments on this Note shall, at the option of Holder, be applied first to any fees and costs owing, second to the payment of accrued interest and any late payment penalties, and any remainder shall be applied to a reduction of the principal balance. All interest shall be computed on the basis of a year consisting of three hundred sixty-five (365) days or in the case of a leap year, three hundred sixty-six (366) days.

The remedies of the Holder, as provided in the Agreement shall be cumulative and concurrent and may be pursued singularly, successively or together, at the sole discretion of Holder, and may be exercised as often as occasion therefor shall arise. No act of omission or commission of Holder, including specifically any failure to exercise any right, remedy or recourse shall be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to a subsequent event.

Borrower hereby waives presentment and demand for payment, notice of intent to accelerate maturity, notice of acceleration and maturity, protest or notice of protest and non-payment, bringing of suit and diligence in taking any action to collect any sums owing hereunder, and agrees that its liability on this Note shall not be affected by any release of or change in any security for the payment of this Note.

Borrower shall have the right to prepay this Note in whole or in part at any time without penalty or premium.

Any provision of this Note or corresponding Agreement, UCC-1 Financing Statement or Deed of Trust that is illegal, invalid or unenforceable, shall be ineffective to the extent of such illegality, invalidity or unenforceability without rendering illegal, invalid or unenforceable the remaining provisions of this Note.

Borrower agrees that the laws of the State of California apply to this Note. Any legal action or proceedings brought to enforce or interpret the terms of this Note shall be initiated and maintained in the courts of the State of California or the United States in Sacramento, California, but Lender may waive venue in Sacramento County in its sole discretion.

Sonoma Valley Health Care District,
a local health care district

By: _____

(Authorized Officer)

Name: **John Hennelly**

Title: **President and Chief Executive Officer**



To: Sonoma Valley Health Care District Board of Directors
From: Ben Armfield, Chief Financial Officer
Date: March 9, 2023
Subject: **Fiscal Year 2024 Budget Assumptions**

VOLUMES

- Fiscal year 2024 budgeted volumes are based on an annualization of this fiscal year's run-rate - *July 2022 to January 2023*
- **Specific Volume Assumptions of Note:**
- **Physical Therapy** - 10% increase in visit volumes generated due to capacity gained through full complement of hired therapists
- **CT** - 10% increase in OP referral volumes due to continued ramp-up of service post completion of the Phase I ODC project.
- **MRI** - 30% increase in volumes due to temporary MRI trailer becoming operational starting in January 2024.
- **Orthopedics** - 6% increase in orthopedic surgical volumes resulting from additional program resources that will facilitate more effective and efficient throughput
- **Cardiology** - Increase in cardiology volumes (Echos/EKGs) due to bringing service in-house and increased provider engagement

GROSS REVENUE

- Gross revenues driven by budgeted volumes
- Gross price increase of 6% - this is allowed by most SVH commercial contracts (analysis provided by Para)

NET PATIENT REVENUE & CONTRACTUAL ALLOWANCES

- **Collection Rates** - Utilize current year-to-date collection rates by payor as baseline and adjust allowance for 6% price increase.
- **Net Patient Revenue** - 2% increase in net patient revenue due to revenue enhancements gained through Epic conversion
- **Net Patient Revenue Managed Care** - Additional 5% increase in managed care PPO net revenue to account for planned payor contract negotiations
- **Payor Mix** - Will be based upon current run-rate
- **Supplemental Funding** - Intergovernmental and supplemental payments include the 12-month Rate Range and HQAF IGT as well as Medi-Cal AB915

FTEs, WAGES, AND BENEFITS

- **FTEs** - based upon current FY23 run-rate (July 2022 – January 2023) and adjusted by department for projected volume increases.
- **FY24 Considerations:**
 - Realignment and adjustment of departmental staffing due to Epic implementation
- **Wages** - 3% increase in salaries starting in January 2024.

- **Employee Benefits** - Based upon actual experience and estimates from the providers

PHYSICIAN FEES & PROFESSIONAL FEES

- Based upon current costs and executed final contract arrangements
- Increase in Cardiology Call agreement to reflect new scope of the services being provided
- UCSF Management fees will be based on current invoices plus a true-up of positions to 1.0 status (Chief Medical Officer, IT Director)

SUPPLIES/FOOD

- Based on current fiscal year run-rate and adjusted by department for projected volume increases
- Global inflation adjustment of 2 - 4% for supply and food costs
- Additional adjustments as needed per department based on budgeted volume increases

PURCHASED SERVICES

- Purchased services based on current and projected services by department
- IT costs will include the continuation of the Paragon Allscripts ERP through fiscal year 2024
- Adjustment to true-up Epic monthly fees to full year
- Elimination of various IT and other 3rd party agreements that are no longer necessary with Epic

INTEREST

- Based on current run-rate and adjusted for any new or expiring leases and/or loans
 - CHFFA Help II Loan – new for FY24
- *FY24 Considerations:*
 - Union Bank Line of Credit - matures January 2024

DEPRECIATION

- Current, plus adjustment to true-up to a full year of depreciation for Epic EMR project.

INSURANCE

- Will confirm with insurance agent.

UTILITIES

- Current and expected future rates to be reviewed.
- *FY24 Considerations:*
 - Unison Energy agreement & impact on FY24 utility costs

OTHER EXPENSES

- Rent/leases- current, will adjust for any new expected leases and remove any expiring
- All other, no increase
- Will review all other expenses in detail by department



To: SVHCD Board of Directors
From: John Hennelly
Date: 03.08.23
Subject: Administrative Report

Covid/Flu

Covid and Flu continue to circulate. Staff quarantines have surged and have been running in the 3-5 per day range. Illness varies dramatically. No staff hospitalizations have been reported. Daily inpatient census with Covid or Flu have ranged from 1-3. Everyone in the hospital continues to be required to be masked.

Operations

We are reviewing ED physician staffing proposals. The current contract expires on 4/30/23.

The hospital awaits its triennial quality survey from CIHQ. The unannounced survey should occur in the next 60 days.

While we continue to recruit for numerous open positions, agency use has declined dramatically. Pandemic surges in various parts of the country, straining staffing, has resolved.

Despite the Epic go-live 12/3, both December and January exceeded net margin targets.

Capital

The temporary MRI project is in the planning/permitting stage. Our timeline continues to have the unit operational by the end of 2023 with the permanent project going live in the spring of 2025.

Architectural and engineering work is being finalized on the ICU upgrade. It is expected that the work will be completed in mid-2023.

We are 3 months into our Epic implementation. We continue to focus on revenue cycle activities. Our daily collections has improved from 30% of baseline 4 weeks after go live to roughly 65% today. We expect to exceed baseline in the next 6 weeks. Interfaces to community partners are coming online. The most important, UCSF, has been the most difficult and is being planned for the coming months.

Strategic Planning

Community listening sessions are complete. We conducted sessions at the following locations: Sonoma Valley Hospital, Vintage House, St. Leo’s Catholic Church, virtually. We also met with key community partners, La Luz, Sonoma Valley Community Health Center and Hanna Center. Approximately 75 community members and leaders were engaged in the active listening sessions. Additionally, XX responses were received to our online survey.

All sessions were very informative. Themes of import to participants:

- *Access to physicians* – Primary Care, Gastroenterology, Neurology, ENT, Geriatrics, Urology, Psychiatry, Gynecology, and access to UCSF physicians
- *Community based needs* – health education, housing, youth engagement, support groups, affordable healthcare, mobile healthcare (van?), hospice

Response to hospital presentation was positive. Community was appreciative of the opportunity to learn about the hospital and discuss its future.

Update from 2025 Strategic Plan:

Strategic Priorities	Update
Enhance Quality and Services through the affiliation with UCSF Health	<ul style="list-style-type: none"> ➤ We focus on building our relationship around provider recruitment <ul style="list-style-type: none"> ○ GI – recruits are being identified and vetted. ○ Primary Care
Exceed Community Expectations especially in Emergency Services	<ul style="list-style-type: none"> ➤ The hospital continues to provide guidance to our community regarding Covid guidelines. ➤ Phase 1 (CT) of the ODC is complete. The MRI project is moving from planning to implementation phase.
Ensure Patients receive Excellent, Safe care	<ul style="list-style-type: none"> ➤ Covid screening protocols continue to be deployed throughout the hospital. Masking is the primary tool used to prevent transmission. Screening has transitioned to self-attestation.
Provide Access to Excellent Physicians	<ul style="list-style-type: none"> ➤ The team continues to work on recruitment efforts to bring MDs to Sonoma. Focus currently on primary care and surgery.
Be a Healthy Hospital	<ul style="list-style-type: none"> ➤ All staff must be vaccinated against Covid or have a waiver. SVH employees and medical staff are 98% vaccinated. Provision of the new Omicron booster to qualifying individuals is under way. Those without vaccines or boosters are either exempted or on leaves of absences. ➤ The first cohort of New Leader Orientation is underway. Leaders have learned communication, personnel management, building culture and budgeting over the first few months.

SVH Performance Score Card

1. Quality and Safety

Objective	Target	DEC.22	JAN.23	Trend	Supporting detail
Infection Prevention					
Central Line Blood Stream Infection CLABSI per 10k pt days	<1	0.00	0.00	↔	
Catheter Associated Urinary Tract Infection- CAUTI per 10k pt days	<1	0.00	0.00	↔	
CDIFF Infection per 10k pt days	<0.9	0.00	0.00	↔	
Safety					
Patient Fall per 1000 pt days	<3.75	0.00	3.12	↓	
Patient fall with injury per 1000 pt days	<3.75	0.00	0.00	↔	
Surgical Site Infections per 1000 Acute Care Admissions	0.00	0.00	0.00	↔	

Core Measures					
Sepsis Early Management Bundle % compliant	>81%	45.5 (n=11)	57.1 (n=7)	↑	Sepsis task force formed to address
Severe Sepsis 3 hour Bundle % compliant	>94%	63.6 (n=11)	85.7 (n=7)	↑	
Severe Sepsis 6 hr Bundle % compliant	100.00	100 (n=6)	75 (n=4)	↓	
Core OP 23- Head CT within 45 mins % compliant	100.00	0 (n=1)	N/A	↔	

Mortality					
Acute Care Mortality Rate %	<15.3	1.40	2.70	↓	

ED					
Core OP 18b Median Time ED arrival to ED Departure mins	<132	169 (n=16)	131 (n=25)	↑	
Core Op 22 ED Left without being seen LWBS	<2%	0.50	0.40	↑	

PSI 90					
PSI 90 Composite Acute Care Admissions	0.00	0.00	0.00	↔	

Preventable Harm					
Preventable Harm Events Rate % of risk events graded Minor-Major	0.00	0.30	0.00	↑	

Readmissions					
Readmissions to Acute Care within 30 days %	<15.3	7.04	5.56	↑	Lower is better

2. Employees

Objective	Target	DEC.22	JAN.22	Trend	Supporting Detail
Turnover	<3%	0.6	0.0	↑	
Workplace Injuries	<20 Per Year	2 (QTR4)	0.0	↑	Total injuries 2022 =8

3. Patient Experience

Objective	Target	NOV.22	DEC.22	Trend	Supporting Detail
Outpatient Ambulatory Services					
Recommend Facility	>50%	95 (n=17)	17 (n=14)	↓	
Communication	>60%	17 (n=17)	49 (n=14)	↑	
Discharge Instructions	>70%	98 (n=17)	38 (n=14)	↓	
HCAHPS					
Recommend the hospital	>50%	81 (n=13)	35 (n=11)	↓	
Communication with Nurse	>50%	42 (n=13)	4 (n=11)	↓	
Communication with Doctor	>50%	56 (n=13)	2 (n=11)	↓	
Cleanliness of Hospital	>50%	72 (n=13)	85 (n=11)	↑	
Communication about medicines	>60%	66 (n=13)	1 (n=11)	↓	
Discharge Information	>50%	8 (n=13)	26 (n=11)	↑	

4. Volume

Objective	Target	DEC.22	JAN.22	Trend	Supporting Detail
Patient Visits					
Emergency Visits	>750	799.0	755.0	↓	
Surgical Volume Outpatient	>80	N/A	76.0	↔	
Surgical Volume Inpatient	>13	N/A	16.0	↔	
Inpatient Discharges	>50	72.0	79.0	↑	

5. Financial

Objective	Target	DEC.22	JAN.22	Trend	Supporting Detail
EBDA in %	>0.5	-0.1	0.0	↑	
Days Cash on Hand month end	>42	24.6	18.5	↓	
Net Revenue (\$M) (YTD)	>\$46	\$ 47.6	\$ 47.8	↑	



Scorecard Definitions for Quality Metrics

Central Line Associated Blood Stream Infection (CLABSI)

Blood stream infection found in a patient with a central line in place and has been >48 hours since admission.

Catheter Associated Urinary Tract Infection (CAUTI)

Urinary tract infection found in a patient who has a catheter in place and has been >48hrs since admission.

CDIFF (Clostridium Difficile)

Clostridium Difficile found from a stool sample in a patient that has been admitted >48hrs

Sepsis Early Management

Obtain Blood Cultures BEFORE antibiotics

Administer Antibiotics

Obtain Lactate Level

Lactate Level repeated (if elevated)

Severe Sepsis 3 hour bundle

All above included plus-

Administer 30ml/kg of crystalloid for hypotension or Lactate >4

Focused MD exam

Severe Sepsis 6 hour bundle (septic shock only)

Lactate greater than 4 or

If persistent hypotension with 1 hour of fluid administration add Vasopressor

Shock reassessment by physician

Mortality

Acute care mortality benchmark is derived from CMS 5-star rating benchmark which is 15.3%.

Our average mortality rate each month is around 2-6%, most of our deaths are expected and are related to palliative care/hospice patients.

PSI 90

Summarizes patient safety across multiple indicators including-

Pressure Ulcers

Falls with Hip Fracture

Perioperative (while in surgery) complications

Postoperative complications

Preventable Harm

Unintended physical injury resulting from or contributed to by medical care (including the absence of indicated medical treatment), that requires additional monitoring, treatment or hospitalization, or that results in death. This is a percentage of risk events that have a significance level of minor-major harm.

Derived from the risk events entered into our risk reporting platform.

Examples of risk events are- patient falls, surgical complications, mis-diagnosis, repeat visits, code blue, AMA, transfers to other facilities, documentation issues.

Goal is 0. Alarm is set at 5.0 which is the benchmark set by UCSF and chosen by Dr Kidd

Readmissions

Percentage of patients that get readmitted to the hospital within 30 days of discharge.

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	24/7 availability of neuro consult for stroke cases in ED	2019	2019	complete	2019	
			Infectious Disease coverage for hospital	Specialty coverage for ED and inpatient units			complete	2019	
	1.2	Beta Site for Capacity Management (transfer) Center	Intensivist Coverage of ICU	Expanded medical team would expand the types of cases that could be treated at SVH. The integration will improve both site's ability to place patients in the right setting for their needs. Impact to SVH increased		2022	2023	Engaging UCSF and third party vendors on contracting. Dr Sankaran has lead. Conversations progressing.	1/30
			Integration of SVH into the UCSF capacity management system			Summer 2023	2023-2024	System live. UCSF working on process. SVH participation pending.	1/30
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	Provision of service currently unavailable in Sonoma and highly in demand.	2021	in process	Actively recruiting	1/30	
			Joint recruitment of orthopedic surgeon based in Sonoma	Orthopedics is in strong demand in Sonoma. Planning to insure availability over coming years.		2023-25	This is in concept stage at this point. Discussions will occur between existing partners to develop a plan.	8/22	
	2.2	Expansion of Clinically Integrated Network	Engagement of UCSF faculty in growth or under represented service lines	Engagement can increase the types of care available in Sonoma and increase connectivity with programs at UCSF.		2022	2023	Issuance of RFP to faculty to identify programs which could be cited in Sonoma. Proposals must address market need. RFP to be issued Q1 2023	12/22
			Opportunity to contractually link Sonoma providers to UCSF network improving network access, quality oversight, and financial stability for practices	Helps insure stability of practices in Sonoma and improved access to broader network.			2023	UCSF revising program	12/22
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.	Increase availability of surgical services in Sonoma/increase utilization of SVH operating rooms			EPIC installation has removed key barrier. Improvement to interfaces underway. Dr Sankaran in talks with Dr Carrol (urologist) about beginning to provide services in Sonoma in 2023	12/22	
	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	UCSF is moving to self scheduling which enables the patient to select the best location for their service based upon availability or location. This could optimize utilization of SVH assets.		2022	2023	On going conversations with UCSF Affiliates team on build requirements. Work on going.	12/22
	3.4	Development of Post Acute program	Objective is to insure adequate postacute care is available in Sonoma	Meeting market demand and insuring Sonoma has the right setting for care. Activation of dormant space at SVH.			2024	This is in concept stage at this point.	8/22
	3.5	Develop relationship with VA for the provision of care to veterans at SVH		Improve access for veterans and increase utilization of SVH services		2023	2024	Connecting with VA leadership through UCSF contacts	2/22
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	Installation of EPIC will improve connectivity between UCSF and SVH.	January 2022	12/3/2022	Complete	12/22	
			Optimize EPIC data transfer between instances	Maximizing data integration between SVH Epic and UCSF Epic will optimize utilization by clinicians and patients	Summer 2023	2025	Interface builds still underway	1/30	
	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	Investment in leadership is paramount in a high performing organization. Impact is more innovation (growth), better staff and patient satisfaction, increased market competitiveness, higher employee retention.	2022	ongoing	Deescalation training of mangement completed in January.	1/30	
	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	A joint venture would provide both capital and focus from UCSF on Sonoma.	CY2023	2024	Investment models under review. On going.	12/22	
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: February 28, 2023
Subject: Financial Report for January 2023

1. OVERALL PERFORMANCE:

January was a positive month financially from operations as it delivered continued growth in a number of key areas. Net patient revenue, operating expenses, operating margin, operating EBDA and net income were all favorable to budget for the month. January was driven by high inpatient volumes. We did experience some dips in outpatient volumes in January, but much of that was mitigated by very strong volumes on the inpatient side. The month's average daily census of 10.4 was the highest in some time, and while some of that is due to an increase in medical admissions, we have also seen proportional gains in inpatient surgeries. These gains helped mitigate some dips in selective outpatient services to deliver a favorable month in net patient revenue and a fiscal year high when adjusted for volume (*Net Patient Revenue as a % of Gross Revenue of 15.4% - Table 3*).

January's performance was also buoyed by a reduction in operating costs as we were successful in rightsizing specific post go-live expenses related to Epic. This, coupled with continued efforts by departments to staff to their volumes, were the biggest contributors in keeping our costs under budget.

As anticipated, cash collections continued to lag behind in January as we work through some of the disruptions caused by the new Epic workflows (Table 6), but both cash collections and days cash on hand exceeded what had been previously forecasted for the month. We continue to make really good progress due to the efforts by our teams here, and we are still on track to get back to historical cash collection levels in the coming months.

Table 1a | Overall Performance - January 2023 (Including IGT)

	Current Year - Month		Variance		Current Year - YTD		Variance		Prior YTD		Variance	
	Actual	Budget	\$	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Margin	\$ (679,153)	\$ (840,715)	\$ 161,562	19%	\$ (6,344,842)	\$ (2,954,678)	\$ (3,390,164)	-115%	\$ (3,192,663)	\$ (3,152,179)	-99%	
Operating EBDA	\$ (433,788)	\$ (611,628)	\$ 177,840	29%	\$ (4,578,086)	\$ (1,351,069)	\$ (3,227,017)	-239%	\$ (1,533,475)	\$ (3,044,611)	-199%	
Net Income (Loss)	\$ 337,521	\$ 120,457	\$ 217,064	180%	\$ (989,718)	\$ 3,800,372	\$ (4,790,090)	-126%	\$ 377,979	\$ (1,367,697)	-362%	

* Operating Margin less Depreciation

Table 1b | Overall Performance - January 2023 (Excluding IGT)

	Current Year - Month		Variance		Current Year - YTD		Variance		Prior YTD		Variance	
	Actual	Budget	\$	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Margin	\$ (679,153)	\$ (840,715)	\$ 161,562	19%	\$ (6,344,842)	\$ (6,543,879)	\$ 199,037	3%	\$ (6,168,221)	\$ (176,621)	-3%	
Operating EBDA	\$ (433,788)	\$ (611,628)	\$ 177,840	29%	\$ (4,578,086)	\$ (4,940,270)	\$ 362,184	7%	\$ (4,509,033)	\$ (69,053)	-2%	
Net Income (Loss)	\$ 337,521	\$ 120,457	\$ 217,064	180%	\$ (989,718)	\$ 211,171	\$ (1,200,889)	-569%	\$ (2,597,579)	\$ 1,607,861	62%	

* Operating Margin less Depreciation

JANUARY INCOME STATEMENT AND IGT:

There was no IGT activity budgeted in January so the actual to budget comparisons are clean when looking at the month itself. The year to date comparisons are still skewed as you can see from the table below.

Table 2 | IGT Amounts in SVH Income Statement – January 2023

The table below shows what has been booked on the income statement for IGT reimbursements through January, both the month itself and year-to-date.

	Month of January 2023			Year To Date January 2023		
	CY Actual	Budget	PY Actual	CY Actual	Budget	PY Actual
IGT Revenue	\$ -	\$ -	\$ -	\$ -	\$ 6,088,278	\$ 4,498,600
IGT Expense	\$ -	\$ -	\$ -	\$ -	\$ (2,499,077)	\$ (1,523,042)
IGT Net Income	\$ -	\$ -	\$ -	\$ -	\$ 3,589,201	\$ 2,975,558

2. NET REVENUE SUMMARY:

Table 3 | Net Patient Revenue – Actual vs. Budget - January 2023 (Excluding IGT)

	Month of January 2023				Year To Date January 2023						
	Current Year - Month		Variance		Current Year - YTD		Variance		Prior YTD	Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%
Total Gross Revenue	\$ 26,688,380	\$ 26,823,340	\$(134,960)	-1%	\$ 185,520,458	\$ 176,169,018	\$ 9,351,440	5%	\$ 168,343,223	\$ 17,177,235	10%
Net Patient Revenue	\$ 4,102,835	\$ 4,065,106	\$ 37,729	1%	\$ 27,911,369	\$ 26,709,629	\$ 1,201,740	4%	\$ 25,859,285	\$ 2,052,084	8%
NPR as a % of Gross	15.4%	15.2%	1%		15.0%	15.2%	0%		15.4%	-1%	
Total Operating Revenue	\$ 4,187,114	\$ 4,169,829	\$ 17,285	0%	\$ 28,538,906	\$ 27,442,690	\$ 1,096,216	4%	\$ 26,537,690	\$ 2,001,216	8%

Revenues continue to outpace both budget and the prior year. Although pretty much flat compared to budget for the month (+1%), net patient revenue was positive despite running under budget in gross revenue (-1%) due to some dips in outpatient volumes. Total net patient revenue on the year is strong compared to budget and prior year, +4% and +8%, respectively.

3. OPERATING EXPENSE SUMMARY:

Table 4 | Operating Expenses – Actual vs. Budget – January 2023 (Excluding IGT)

	Month of January 2023				Year To Date January 2023						
	Current Year - Month		Variance		Current Year - YTD		Variance		Prior YTD	Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%
Operating Expenses	\$ 4,866,267	\$ 5,010,544	\$ 144,277	3%	\$ 34,883,748	\$ 33,986,569	\$(897,179)	-3%	\$ 32,705,911	\$(2,177,837)	-7%
Worked FTEs	198.0	221.5	23.5	11%	210.7	216.6	5.9	3%	203.2	(7.5)	-4%

Operating expenses in January pulled back from our recent trend and ran under budget by 3%. As was discussed during last month's report, some of the increases we had incurred over the past couple months were directly correlated to the lead up of the Epic EMR implementation. November and December especially, we saw upticks in FTEs and staffing costs related to EHR trainings and premium pay/overtime to support post go-live activities in the hospital. Departments also continued to be diligent in flex staffing – adjusting staffing to appropriate levels given the volume. Worked FTEs in January of 198 ran 10% below budget (221.5) and nearly 15% below actual worked FTEs in December (229.0).

4. VOLUME SUMMARY:

Table 5.1 | Patient Volumes – December 2022

	Month of December 2022			
	Current Year		Variance	
	Actual	Budget	Var	%
Acute Patient Days	308	266	42	16%
Average Daily Census	9.9	8.6	1.4	16%
Acute Discharges	72	64	8	13%
IP Surgeries	19	13	6	46%
OP Surgeries	99	104	(5)	-5%
Total Surgeries	118	117	1	1%
Total Outpatient Visits	4,281	4,366	(85)	-2%

Table 5.2 | Patient Volumes – January 2023

	Month of January 2023				Year To Date January 2023						
	Current Year		Variance		Current Year		Variance		Prior Year		Variance
	Actual	Budget	Var	%	Actual	Budget	Var	%	Actual	Var	%
Acute Patient Days	322	281	41	15%	1,944	1,827	117	6%	1,828	116	6%
Average Daily Census	10.4	9.1	1.3	15%	9.0	8.5	0.5	6%	8.5	0.5	6%
Acute Discharges	79	67	12	18%	465	439	26	6%	438	27	6%
IP Surgeries	16	14	2	14%	112	91	21	23%	71	41	58%
OP Surgeries	86	107	(21)	-20%	663	738	(75)	-10%	735	(72)	-10%
Total Surgeries	102	121	(19)	-16%	775	829	(54)	-7%	806	(31)	-4%
Total Outpatient Visits	4,524	4,642	(118)	-3%	31,880	31,351	529	2%	32,300	(420)	-1%

Since we did not report patient volumes in December, we are including both December (Table 5.1) and January (5.2) volumes.

Similar to December, January delivered very strong inpatient volumes as the hospital set fiscal year highs in patient days and discharges. We have seen solid growth in surgical admissions due to increases in both IP general and IP orthopedic surgeries, especially during the last 2 months.

Outpatient visits have been running a little under our historical baselines the past couple months, but much of this can be attributed to reduced departmental schedules that were intentionally put into place so that areas could focus on the Epic transition. This is short term in nature and while there will be some inefficiencies in the months ahead while we continue to get comfortable with the new system, we anticipate getting back to historical levels starting in February.

5. CASH ACTIVITY SUMMARY:

Table 6 | Cash / Revenue Cycle Indicators - January 2023

	Jan-23	Dec-22	Var	%
Days Cash on Hand	18.5	24.6	(6.1)	-25%
A/R Days	54.4	42.1	12.3	29%
A/P Days	55.7	51.1	4.6	9%

We collected \$2.4M in cash in January, which is certainly a drop compared to our historical averages, but also did exceed the \$2.3M that had been projected on the cash forecast. As was discussed during December’s meeting, we have experienced hiccups with the new system that has caused delays in getting claims out the door. These hiccups were anticipated, and we were planning for a reduction in days cash while we work with the new revenue cycle module to process claims and reduce the growing A/R. We have been able to make significant progress with our third party vendor in resolving some of the continued hiccups that are causing further delays, and we still anticipate getting back to historical cash collections levels in March or April.

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 January 31, 2023

ATTACHMENT A

Gross Revenue	Month				Year-to-Date			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	9,927,560	9,988,550	-60,990	-0.6%	65,985,501	65,514,365	471,136	0.7%
Medicare Managed Care	4,460,661	4,486,542	-25,881	-0.6%	32,096,377	29,411,691	2,684,686	9.1%
Medi-Cal	4,841,903	4,481,904	359,999	8.0%	35,416,862	29,318,947	6,097,915	20.8%
Self Pay	283,172	473,991	-190,819	-40.3%	2,242,774	3,098,922	-856,148	-27.6%
Commercial & Other Gov't	6,267,306	6,595,512	-328,206	-5.0%	42,091,331	43,463,903	-1,372,572	-3.2%
Worker's Comp.	890,339	778,304	112,035	14.4%	7,535,903	5,231,431	2,304,472	44.1%
Total	26,670,942	26,804,803	(133,862)	-0.5%	185,368,748	176,039,259	9,329,489	5.3%

Net Revenue	Month				Year-to-Date			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	1,084,413	1,164,574	-80,161	-6.9%	6,699,921	7,673,667	-973,746	-12.7%
Medicare Managed Care	548,410	515,861	32,549	6.3%	3,615,152	3,388,029	227,123	6.7%
Medi-Cal	432,351	467,072	-34,721	-7.4%	3,385,891	3,070,954	314,937	10.3%
Self Pay	101,003	139,924	-38,922	-27.8%	652,015	920,614	-268,600	-29.2%
Commercial & Other Gov't	1,765,840	1,627,656	138,184	8.5%	12,182,761	10,672,738	1,510,024	14.1%
Worker's Comp.	170,817	150,018	20,799	13.9%	1,375,630	983,628	392,001	39.9%
Total	4,102,835	4,065,106	37,729	0.9%	27,911,369	26,709,629	1,201,740	4.5%

Payor Mix	Month				Year-to-Date			
	Actual	Budget	% Variance		Actual	Budget	% Variance	
Medicare	37.2%	37.3%	-0.1%		32.7%	37.2%	-12.1%	
Medicare Managed Care	16.7%	16.7%	-0.1%		18.7%	16.7%	12.2%	
Medi-Cal	18.2%	16.7%	8.6%		19.3%	16.6%	16.7%	
Self Pay	1.1%	1.8%	-40.0%		1.4%	1.7%	-20.4%	
Commercial & Other Gov't	23.5%	24.6%	-4.5%		23.7%	24.8%	-4.3%	
Worker's Comp.	3.3%	2.9%	15.0%		4.1%	3.0%	36.7%	
Total	100.0%	100.0%	0.0%		100.0%	100.0%	0.0%	

Percent of Net Revenue	Month				Year-to-Date			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	26.4%	28.6%	-2.2%	-7.7%	24.0%	28.7%	-4.8%	-16.8%
Medicare Managed Care	13.4%	12.7%	0.7%	5.3%	13.0%	12.7%	0.3%	2.1%
Medi-Cal	10.5%	11.5%	-1.0%	-8.3%	12.1%	11.5%	0.6%	5.5%
Self Pay	2.5%	3.4%	-1.0%	-28.5%	2.3%	3.4%	-1.1%	-32.2%
Commercial & Other Gov't	43.0%	40.0%	3.0%	7.5%	43.6%	40.0%	3.7%	9.2%
Worker's Comp.	4.2%	3.7%	0.5%	12.8%	4.9%	3.7%	1.2%	33.8%
Total	100.0%	100.0%	0.0%	0.0%	100.0%	100.0%	-0.1%	-0.1%

Net Revenue as a % of Gross	Month				Year-to-Date			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	10.9%	11.7%	-0.7%	-6.3%	10.2%	11.7%	-1.6%	-13.3%
Medicare Managed Care	12.3%	11.5%	0.8%	6.9%	11.3%	11.5%	-0.3%	-2.2%
Medi-Cal	8.9%	10.4%	-1.5%	-14.3%	9.6%	10.5%	-0.9%	-8.7%
Self Pay	35.7%	29.5%	6.1%	20.8%	29.1%	29.7%	-0.6%	-2.1%
Commercial & Other Gov't	28.2%	24.7%	3.5%	14.2%	28.9%	24.6%	4.4%	17.9%
Worker's Comp.	19.2%	19.3%	-0.1%	-0.5%	18.3%	18.8%	-0.5%	-2.9%
TOTAL	15.4%	15.2%			15.1%	15.2%		

**SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended January 31, 2023**

ATTACHMENT B

	<u>CURRENT MONTH</u>				<u>YEAR-TO-DATE</u>			<u>YTD</u>
	<u>Actual 01/31/23</u>	<u>Budget 01/31/23</u>	<u>Favorable (Unfavorable) Variance</u>		<u>Actual 01/31/23</u>	<u>Budget 01/31/23</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Prior Year 01/31/22</u>
Inpatient Utilization								
Discharges								
1	57	52	5	Med/Surg	334	340	(6)	331
2	22	15	7	ICU	131	99	32	107
3	79	67	12	Total Discharges	465	439	26	438
Patient Days:								
4	225	187	38	Med/Surg	1,213	1,216	(3)	1,211
5	97	94	3	ICU	731	611	120	617
6	322	281	41	Total Patient Days	1,944	1,827	117	1,828
7	12	-	12	Observation days	110	-	110	167
Average Length of Stay:								
8	3.9	3.6	0.3	Med/Surg	3.63	3.57	0.06	3.7
9	4.4	6.2	(1.8)	ICU	5.58	6.20	(0.62)	5.8
10	4.1	4.2	(0.1)	Avg. Length of Stay	4.18	4.16	0.02	4.2
Average Daily Census:								
11	7.3	6.0	1.2	Med/Surg	5.6	5.7	(0.0)	5.6
12	3.1	3.0	0.1	ICU	3.4	2.8	0.6	2.9
13	10.4	9.1	1.3	Avg. Daily Census	9.0	8.5	0.5	8.5
Other Utilization Statistics								
Emergency Room Statistics								
14	755	868	(113)	Total ER Visits	5,722	5,675	47	5,355
Outpatient Statistics:								
15	4,524	4,642	(118)	Total Outpatients Visits	31,880	31,351	529	32,300
16	16	14	2	IP Surgeries	112	91	21	71
17	86	107	(21)	OP Surgeries	663	738	(75)	735
18	295	277	18	Adjusted Discharges	1,978	1,837	141	1,978
19	1,204	1,162	43	Adjusted Patient Days	8,251	7,644	607	8,232
20	38.8	37.5	1.4	Adj. Avg. Daily Census	38.4	35.6	2.8	38.3
21	1.3840	1.4000	(0.016)	Case Mix Index - Medicare	1.4825	1.4000	0.082	1.4078
22	1.3747	1.4000	(0.025)	Case Mix Index - All payers	1.4644	1.4000	0.064	1.3790
Labor Statistics								
23	198	221	23	FTE's - Worked	211	217	5.9	203
24	235	244	9	FTE's - Paid	235	238	3.9	227
25	46.08	47.53	1.45	Average Hourly Rate	49.28	46.75	(2.53)	45.87
26	6.05	6.51	0.46	FTE / Adj. Pat Day	6.11	6.71	0.60	5.93
27	34.5	37.1	2.6	Manhours / Adj. Pat Day	34.8	38.2	3.4	33.8
28	140.5	155.6	15.1	Manhours / Adj. Discharge	145.3	159.1	13.8	140.7
29	25.7%	24.7%	-0.9%	Benefits % of Salaries	23.8%	25.0%	1.1%	24.5%
Non-Labor Statistics								
30	13.7%	15.6%	2.0%	Supply Expense % Net Revenue	16.1%	16.3%	0.1%	14.0%
31	1,897	2,292	395	Supply Exp. / Adj. Discharge	2,274	2,365	91	2,154
32	16,635	18,265	1,630	Total Expense / Adj. Discharge	17,806	20,049	2,243	17,600
Other Indicators								
33	18.5			Days Cash - Operating Funds				
34	54.4	50.0	4.4	Days in Net AR	41.1	50.0	(8.9)	42.2
35	53%			Collections % of Cash Goal	93%			98.3%
36	55.7	55.0	0.7	Days in Accounts Payable	55.7	55.0	0.7	46.8
37	15.4%	15.2%	0.2%	% Net revenue to Gross revenue	15.1%	15.2%	-0.1%	18.0%
38	18.3%			% Net AR to Gross AR	18.3%			14.9%

Sonoma Valley Health Care District
Balance Sheet
As of January 31, 2023
UNAUDITED

ATTACHMENT C

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets			
Current Assets:			
1 Cash	\$ 990,711	\$ 1,692,928	\$ 3,205,068
2 Cash - Money Market	1,848,556	2,097,663	5,843,923
3 Net Patient Receivables	8,980,508	6,853,121	6,940,346
4 Allow Uncollect Accts	(1,616,728)	(1,501,895)	(2,001,175)
5 Net A/R	7,363,780	5,351,226	4,939,171
6 Other Accts/Notes Rec	1,741,219	1,940,104	1,950,454
7 Parcel Tax Receivable	1,741,233	1,741,233	1,665,888
8 GO Bond Tax Receivable	906,105	2,267,381	1,225,217
9 3rd Party Receivables, Net	102,551	102,551	1,637,526
10 Inventory	1,038,426	1,055,533	1,043,635
11 Prepaid Expenses	715,339	1,105,881	945,661
12 Total Current Assets	\$ 16,447,920	\$ 17,354,499	\$ 22,456,543
13 Property, Plant & Equip, Net	\$ 54,500,312	\$ 54,473,583	\$ 51,704,726
14 Trustee Funds - GO Bonds	4,906,703	3,534,907	5,091,525
15 Designated Funds - Board Approved	1,000,000	1,000,000	1,000,000
16 Total Assets	\$ 76,854,934	\$ 76,362,989	\$ 80,252,794
Liabilities & Fund Balances			
Current Liabilities:			
17 Accounts Payable	\$ 5,229,799	\$ 4,733,852	\$ 4,248,742
18 Accrued Compensation	3,565,632	3,525,926	3,573,156
19 Interest Payable - GO Bonds	242,569	194,866	263,605
20 Accrued Expenses	969,200	854,917	2,183,118
21 Advances From 3rd Parties	-	-	-
22 Deferred Parcel Tax Revenue	1,583,331	1,899,998	1,583,335
23 Deferred GO Bond Tax Revenue	1,035,455	1,242,545	1,159,061
24 Current Maturities-LTD	217,475	217,475	348,292
25 Line of Credit - Union Bank	5,473,734	5,473,734	5,473,734
26 Other Liabilities	57,511	57,511	1,586,783
27 Total Current Liabilities	\$ 18,374,706	\$ 18,200,825	\$ 20,419,826
28 Long Term Debt, net current portion	\$ 24,507,506	\$ 24,553,023	\$ 25,060,409
Fund Balances:			
29 Unrestricted	\$ 15,920,909	\$ 16,094,034	\$ 19,135,119
30 Restricted	18,051,814	17,515,108	15,637,440
31 Total Fund Balances	\$ 33,972,723	\$ 33,609,142	\$ 34,772,559
32 Total Liabilities & Fund Balances	\$ 76,854,934	\$ 76,362,989	\$ 80,252,794

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
For the Period Ended January 31, 2023**

ATTACHMENT D

	Month					Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
1	79	67	12	18%							
2	322	281	41	15%							
3	-	-	-	0%							
4	\$ 19,556	\$ 20,338	\$ (782)	-4%							
					Volume Information						
					Acute Discharges	465	439	26	6%	438	
					Patient Days	1,944	1,827	117	6%	1,828	
					Observation Days	78	-	78	*	167	
					Gross O/P Revenue (000's)	\$ 141,844	\$ 134,092	\$ 7,752	6%	\$ 130,756	
					Financial Results						
					Gross Patient Revenue						
5	\$ 7,132,701	\$ 6,484,841	\$ 647,860	10%	Inpatient	\$ 43,676,443	\$ 42,077,001	1,599,442	4%	\$ 37,450,006	
6	11,251,624	12,575,339	(1,323,715)	-11%	Outpatient	82,689,859	83,278,932	(589,073)	-1%	79,900,165	
7	8,304,055	7,763,160	540,895	7%	Emergency	59,154,156	50,813,085	8,341,071	16%	50,993,052	
8	\$ 26,688,380	\$ 26,823,340	(134,960)	-1%	Total Gross Patient Revenue	\$ 185,520,458	\$ 176,169,018	9,351,440	5%	\$ 168,343,223	
					Deductions from Revenue						
9	(22,438,651)	(22,535,261)	96,610	0%	Contractual Discounts	\$ (156,392,512)	\$ (147,908,739)	(8,483,773)	-6%	\$ (141,025,143)	
10	(150,000)	(200,000)	50,000	25%	Bad Debt	(1,006,647)	(1,400,000)	393,353	28%	(1,400,000)	
11	3,106	(22,973)	26,079	114%	Charity Care Provision	(209,930)	(150,650)	(59,280)	-39%	(58,795)	
12	-	-	-	*	Prior Period Adj/Government Program Revenue	-	6,088,278	(6,088,278)	-100%	4,498,600	
13	\$ (22,585,545)	\$ (22,758,234)	172,689	-1%	Total Deductions from Revenue	\$ (157,609,089)	\$ (143,371,111)	(14,237,978)	10%	\$ (137,985,338)	
					Net Patient Service Revenue	\$ 27,911,369	\$ 32,797,907	(4,886,538)	-15%	\$ 30,357,885	
14	\$ 4,102,835	\$ 4,065,106	37,729	1%	Other Op Rev & Electronic Health Records	\$ 627,537	\$ 733,061	(105,524)	-14%	\$ 678,405	
15	\$ 84,279	\$ 104,723	(20,444)	-20%	Total Operating Revenue	\$ 28,538,906	\$ 33,530,968	\$ (4,992,062)	-15%	\$ 31,036,290	
16	\$ 4,187,114	\$ 4,169,829	17,285	0%	Operating Expenses						
					Salary and Wages and Agency Fees	\$ 14,164,222	\$ 13,660,074	(504,148)	-4%	\$ 12,761,332	
17	\$ 1,913,051	\$ 2,048,268	135,217	7%	Employee Benefits	4,955,237	4,819,803	(135,434)	-3%	4,869,880	
18	800,464	721,299	(79,165)	-11%	Total People Cost	\$ 19,119,459	\$ 18,479,877	(639,582)	-3%	\$ 17,631,212	
19	\$ 2,713,515	\$ 2,769,567	56,052	2%	Med and Prof Fees (excl Agency)	\$ 3,995,133	\$ 4,178,497	183,364	4%	\$ 4,020,351	
20	\$ 527,390	\$ 598,120	70,730	12%	Supplies	4,498,134	4,343,232	(154,902)	-4%	4,260,415	
21	560,249	634,763	74,514	12%	Purchased Services	3,069,906	3,083,597	13,691	0%	3,002,947	
22	442,258	470,696	28,438	6%	Depreciation	1,766,756	1,603,609	(163,147)	-10%	1,659,188	
23	245,365	229,087	(16,278)	-7%	Utilities	1,173,886	926,509	(247,377)	-27%	869,888	
24	202,058	109,602	(92,456)	-84%	Insurance	391,571	369,831	(21,740)	-6%	363,187	
25	55,345	52,833	(2,512)	-5%	Interest	256,666	126,729	(129,937)	*	115,335	
26	41,404	18,703	(22,701)	-121%	Other	612,236	874,688	262,452	30%	783,388	
27	78,683	127,173	48,490	38%	Matching Fees (Government Programs)	-	2,499,077	2,499,077	-100%	1,523,042	
28	-	-	-	*	Operating expenses	\$ 34,883,748	\$ 36,485,646	1,601,898	4.4%	\$ 34,228,953	
29	\$ 4,866,267	\$ 5,010,544	144,277	3%	Operating Margin	\$ (6,344,842)	\$ (2,954,678)	(3,390,164)	-115%	\$ (3,192,663)	
30	\$ (679,153)	\$ (840,715)	161,562	19%							

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
For the Period Ended January 31, 2023**

	Month					Year-To-Date				YTD
	This Year		Variance			This Year		Variance		
	Actual	Budget	\$	%		Actual	Budget	\$	%	
31	\$ 3,913	\$ (13,385)	17,298	*						
32	-	-	-	0%						
33	-	-	-	*						
34	316,667	316,667	-	0%						
35	-	-	-	0%						
36	<u>\$ 320,580</u>	<u>\$ 303,282</u>	<u>17,298</u>	<u>6%</u>						
37	<u>\$ (358,573)</u>	<u>\$ (537,433)</u>	<u>178,860</u>	<u>33%</u>						
38	\$ -	\$ -	-	0%						
39	\$ 536,706	\$ 493,593	43,113	0%						
40	<u>\$ 178,133</u>	<u>\$ (43,840)</u>	<u>221,973</u>	<u>*</u>						
41	159,388	164,297	(4,909)	-3%						
42	<u>\$ 337,521</u>	<u>\$ 120,457</u>	<u>217,064</u>	<u>-180%</u>						
	\$ (113,208)	\$ (308,346)	195,138							
	\$ (433,788)	\$ (611,628)	177,840	29%						
					Non Operating Rev and Expense					
					Miscellaneous Revenue/(Expenses)	\$ 25,296	\$ (92,867)	118,163	*	\$ (68,936)
					Donations	-	-	-	0%	20,459
					Physician Practice Support-Prima	-	-	-	*	0
					Parcel Tax Assessment Rev	2,216,669	2,216,669	-	0%	2,216,669
					Extraordinary Items	-	-	-	0%	(61,767)
					Total Non-Operating Rev/Exp	<u>\$ 2,241,965</u>	<u>\$ 2,123,802</u>	<u>118,163</u>	<u>6%</u>	<u>\$ 2,106,425</u>
					Net Income / (Loss) prior to Restricted Contributions	<u>\$ (4,102,877)</u>	<u>\$ (830,876)</u>	<u>(3,272,001)</u>	<u>-394%</u>	<u>\$ (1,086,238)</u>
					Capital Campaign Contribution	\$ -	\$ -	-	0%	\$ -
					Restricted Foundation Contributions	\$ 2,001,635	\$ 3,485,361	(1,483,726)	100%	\$ 419,884
					Net Income / (Loss) w/ Restricted Contributions	<u>\$ (2,101,242)</u>	<u>\$ 2,654,485</u>	<u>(4,755,727)</u>	<u>*</u>	<u>\$ (666,354)</u>
					GO Bond Activity, Net	1,111,524	1,145,887	(34,363)	-3%	1,044,333
					Net Income/(Loss) w GO Bond Activity	<u>\$ (989,718)</u>	<u>\$ 3,800,372</u>	<u>(4,790,090)</u>	<u>*</u>	<u>\$ 377,979</u>
					EBDA - Not including Restricted Contributions	\$ (2,336,120)	\$ 772,733	(3,108,853)		\$ 572,950
					Operating EBDA - Not including Restricted Contributions	<u>\$ (4,578,086)</u>	<u>\$ (1,351,069)</u>	<u>(3,227,017)</u>	<u>-239%</u>	<u>\$ (1,533,475)</u>

Sonoma Valley Health Care District
Variance Analysis
For the Period Ended January 31, 2023

ATTACHMENT E

Operating Expenses	YTD		MONTH		Variance %
	Variance	Variance %	Variance	Variance %	
Salary and Wages and Agency Fees	(504,148)	-4%	135,217	7%	1) Rightsizing of Epic related expenses such as reductions in training costs and premium pay/overtime, 2) Continued efforts of departments to staff according to volumes, such as surgery & pre-op.
Supplies	(154,902)	-4%	74,514	12%	Supplies were under budget in January due to reduced volumes on the OP side, including OP surgery.
Depreciation	(163,147)	-10%	(16,278)	-7%	GASB 87 - New accounting standard caused a reclassification in how we account for our operating leases, reclassifying parts of the lease from other operating expenses into amortization expense & interest expense. Both year-to-date and monthly variances are driven by this reclass.
Utilities	(247,377)	-27%	(92,456)	-84%	Utilities are over budget due to higher monthly PG&E rates and usage for electricity.
Interest	(129,937)	*	(22,701)	-121.4%	1) Interest Rate Fluctuation - increase in interest rate on line of credit, 2) GASB 87 - New accounting standard caused a reclassification in how we account for our operating leases.
Operating expenses	1,601,898	4%	144,277	3%	

Sonoma Valley Hospital
Cash Forecast
FY 2023

ATTACHMENT F

	Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL
Hospital Operating Sources													
Patient Payments Collected	3,924,051	4,613,392	3,735,746	3,656,614	4,177,640	3,497,534	2,406,320	2,887,584	3,609,479	3,789,953	3,979,451	4,258,013	44,535,777
Other Operating Revenue	19,072	182,649	33,561	250,527	23,522	40,390	43,299	104,723	104,723	104,723	104,723	104,732	1,116,645
Other Non-Operating Revenue	10,204	12,925	10,096	11,916	10,007	11,764	10,501	10,801	10,801	10,801	10,801	10,806	131,424
Unrestricted Contributions				3,200	2,051	202	5,829						11,282
Line of Credit													-
Sub-Total Hospital Sources	3,953,328	4,808,966	3,779,404	3,922,256	4,213,220	3,549,890	2,465,949	3,003,108	3,725,003	3,905,477	4,094,975	4,373,551	45,795,127
Hospital Uses of Cash													
Operating Expenses	4,913,977	4,894,375	5,088,864	4,586,736	4,470,658	5,948,370	4,634,254	4,598,493	5,073,479	4,946,353	5,034,948	4,993,654	59,184,161
Add Capital Lease Payments	13,501	13,354	13,280	13,354	45,386	55,162	45,517						199,554
Additional Liabilities/LOC													-
Capital Expenditures	774,009	749,295	117,435	170,157	216,084	418,400	269,571	25,000	2,205,000	25,000	25,000	25,000	5,019,952
Total Hospital Uses	5,701,487	5,657,024	5,219,578	4,770,247	4,732,128	6,421,932	4,949,342	4,623,493	7,278,479	4,971,353	5,059,948	5,018,654	64,403,666
Net Hospital Sources/Uses of Cash	(1,748,159)	(848,058)	(1,440,175)	(847,991)	(518,907)	(2,872,042)	(2,483,394)	(1,620,385)	(3,553,476)	(1,065,875)	(964,973)	(645,103)	(18,608,539)
Non-Hospital Sources													
Restricted Cash/Money Market	750,000	750,000	1,000,000	500,000	750,000		1,250,000				(3,000,000)		2,000,000
Restricted Capital Donations	210	696,111	1,483	259,524	125,306	377,052	530,877	400,000					2,390,563
Parcel Tax Revenue	192,601					2,058,767		-	1,120,000	382,000			3,753,368
Other Payments - Ins. Claims/HHS/Grants/Loans								-	1,500,000				1,500,000
Other:													-
IGT RATE RANGE										688,278	5,000,000	41,568	5,729,846
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								750,000					750,000
BOARD DESIGNATED FUNDS								-					-
Sub-Total Non-Hospital Sources	942,811	1,446,111	1,001,483	759,524	892,596	2,435,819	1,780,877	1,150,000	4,620,000	1,297,531	2,380,000	41,568	18,748,320
Non-Hospital Uses of Cash													
Matching Fees						3,642		2,150,000			20,784		2,174,426
Sub-Total Non-Hospital Uses of Cash	-	-	-	-	-	3,642	-	2,150,000	-	-	20,784	-	2,174,426
Net Non-Hospital Sources/Uses of Cash	942,811	1,446,111	1,001,483	759,524	892,596	2,432,177	1,780,877	(1,000,000)	4,620,000	1,297,531	2,359,216	41,568	16,573,894
Net Sources/Uses	(805,349)	598,053	(438,691)	(88,467)	373,689	(439,865)	(702,516)	(2,620,385)	1,066,524	231,656	1,394,243	(603,535)	
Operating Cash at beginning of period	2,493,558	1,688,209	2,286,262	1,847,571	1,759,104	2,132,793	1,692,928	990,411	(1,629,974)	(563,450)	(331,794)	1,062,448	
Operating Cash at End of Period	1,688,209	2,286,262	1,847,571	1,759,104	2,132,793	1,692,928	990,411	(1,629,974)	(563,450)	(331,794)	1,062,448	458,913	
Money Market Account Balance - Undesignated	5,095,597	4,345,597	3,346,052	2,846,649	2,096,825	2,097,663	1,848,555	2,848,555	2,848,555	2,848,555	5,848,555	5,848,555	
Total Cash at End of Period	6,783,806	6,631,859	5,193,623	4,605,753	4,229,618	3,790,590	2,838,967	1,218,581	2,285,105	2,516,761	6,911,004	6,307,468	
Average Days of Cash on Hand	54.2	45.1	35.2	30.2	28.8	24.6	19.0						
Days of Cash on Hand at End of Month	53.8	42.0	34.1	31.1	27.9	24.5	18.5	8.2	14.0	15.8	42.6	39.2	

Sonoma Valley Hospital

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Q2 FY23

Foundation Support:				Historical Capital Spend				Current
Dept #	Department	DESCRIPTION	FY 2019	FY 2020	FY 2021	FYTD 2022	FYTD 2023	
1	8340	Dietary	Walk in Freezer	8,498				
2	7500	Laboratory	ABL Flex Plus Analyzer	16,049				
3	8450	Engineering/Plant Ops	Infrared Thermal Imager		10,336			
4	6010	ICU	Patient Lift for ICU		8,605			
5	8450	Engineering/Plant Ops	A Women's Place - Building Improvements (Closed CIP in FY 2020)	22,601				
6	8450	Engineering/Plant Ops	A Women's Place - Equipment and Furniture (Closed CIP in FY 2020)	33,280				
7	6170	Med-Surg	MDM Patient Journey System		71,155			
8	8440	Environmental Services	Xenex - Lightstrike Germ Zapping Robot			87,960		
9	7420	Surgery	Olympus America - Refurbished Bronchoscope			13,088		
10	6010/6170	ICU/Med-Surg	Third floor move (Closed CIP in FY 2021)	233,942				
11	6010/6170	ICU/Med-Surg	Gentherm Medical - Hypothermia unit blanketrol				7,652	
12	7771	OP Physical Therapy	Rehab V2 Max Reformer Bundle				5,320	
13	7630	Medical Imaging	Bone Densitometer				87,166	
14	7775	Occ Health	Audiometer & Sound Room				12,916	
15	7420	Surgery	Xprezzon Monitor Anesthesia				38,726	
16	7010	Emergency Room	Fujifilm Sonosite Ultrasound System					74,240
17	7420	Surgery	Surgical Table					43,152
18	7500	Laboratory	Coagulation Analyzer					44,060
17	7420	Surgery	Anesthesia Machines					255,295
Foundation Support Sub-total				\$ 314,371	\$ 90,096	\$ 101,048	\$ 151,780	\$ 416,747

Equipment:				Historical Capital Spend				Current
Dept #	Department	DESCRIPTION	FY 2019	FY 2020	FY 2021	FYTD 2022	FYTD 2023	
17	8340	Dietary	Mobile shelving - Uline	6,909				
18	8480	Information Systems	GHA Technologies UCSF Telemedicine Cart	8,265				
19	7420	Surgery	Stryker Medical - Refurbished PI drive/attachments	15,415				
20	7420	Surgery	Olympus - EVIS EXERA III	29,716				
21	8450	Engineering/Plant Ops	UCSF signage - multiple sites	8,182				
22	7420	Surgery	Stryker Medical - System 8 Drill/saws	107,487				
23	Various		Celtic Lease payoff - various equipment		421,904			
24	7420	Surgery	Zimmer Biomet Intellicart System w/Evac Station		22,034			
25	7420	Surgery	Alcon Centurian Phaco Machine		65,250			
26	7420	Surgery	Olympus America - Urology equipment		62,118			
27	8340	Dietary	Commercial Blenders - 2		4,838			
28	6010	ICU	Smart IV Pumps - 27		56,994			
29	8450	Engineering/Plant Ops	Security Camera system - South Lot			11,660		
30	7500	Laboratory	Bactec FX40 Blood Culture Unit			36,759		
31	8610	Administration	History Wall Panels - Hallway			18,819		

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32	6010	ICU	Series 980S Ventilator				36,921				
33	6010	ICU	CAPR Hood Ventilator (PPE)				14,777				
34	7420	Surgery	Stryker Medical - Eye Surgery Stretcher				13,140				
35	8340	Dietary	Alladin Temp Rite - Activator/base/dome/heating unit				5,475				
36	7630	Medical Imaging	Stryker Medical - Transport Gurney				4,569				
37	7630	Medical Imaging	Stryker Medical - OB Gyn Stretcher				7,250				
38	7500	Laboratory	Fisher Healthcare - Logic Purifier Bio-safety cab				11,397				
39	7420	Surgery	Steris Corp - Surgical table					42,724			
40	7420	Surgery	Depuy - Monobloc flexible reamers					14,997			
41	7630	Medical Imaging	Barco Niodsply 21.3 monitor					8,713			
42	7740	Wound Care	Carts/exam table Wound Care (Closed CIP in FY 2021)					6,824			
43	7740	Wound Care	IPADS/IS Costs for Wound Care (Closed CIP in FY 2021)					35,555			
44	8390	Pharmacy	Compounding aseptic isolater system (used)					5,000			
45	7680	Central Service/Durable me	Somotom Xray Tube Replacement					172,651			
46	7420	Surgery	Mizuho OSI Surgical Table					105,151			
47	7420	Surgery	Endoscopy Cabinet/Scopes						13,990		
Equipment Sub-total							\$ 175,974	\$ 633,138	\$ 160,767	\$ 391,615	\$ 13,990

Information Systems/Electronic Health Records:

Information Systems/Electronic Health Records:				Historical Capital Spend				Current
Dept #	Department	DESCRIPTION	FY 2019	FY 2020	FY 2021	FYTD 2022	FYTD 2023	
48	8480	Information Systems	Dell Computers - 20		17,252			
49	8480	Information Systems	Dragon One Speech Recognition - Physician dictation		11,300			
50	8480	Information Systems	Lenovo Thinkpads - Laptops			8,760		
51	8480	Information Systems	Dell computers with monitors			25,311		
52	8480	Information Systems	Vx Rail Server Upgrades			24,981		
53	8480	Information Systems	Dell computers with monitors			21,450		
54	8480	Information Systems	Vx Rail Server Upgrades			10,376		
55	8480	Information Systems	Dell computers (Optiplex 7080)			37,261		
56	8480	Information Systems	Cisco catalyst network switch upgrade				40,820	
57	8480	Information Systems	TrueNAS Network Storage Server				32,474	
58	8480	Information Systems	E.H.R. Close CIP in FY 2021				44,955	
Information Systems Sub-total				\$ -	\$ 28,552	\$ 128,139	\$ 118,249	\$ -

Building/Leasehold Improvements

Building/Leasehold Improvements				Historical Capital Spend				Current
Dept #	Department	DESCRIPTION	FY 2019	FY 2020	FY 2021	FYTD 2022	FYTD 2023	
59	7073	SFP Clinic - Perkins	Conklin Bros Flooring	16,859				
60	8450	Engineering/Plant Ops	Conversion of Rooms - 215-217 - Closed CIP	87,317				
61	8450	Engineering/Plant Ops	SNF Courtyard walkway (1/2)		5,240			
62	8610	Administration	Garden Murals			9,336		
63	8450	Engineering/Plant Ops	Energy mgt system BAS upgrade			30,214		

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64	7740	Wound Care	Painting & wiring for Wound care (Closed CIP in FY 2021)				2,940	
65	8450	Engineering/Plant Ops	Roof Restoration - Advanced Foam Roofing				134,956	
66	8450	Engineering/Plant Ops	Automatic Transfer Switch Replacement (Closed CIP)				55,159	
67	8450	Engineering/Plant Ops	Roof Restoration - Advanced Foam Roofing addtl invoice GMH					42,083
Building/Leasehold Improvements Sub-total				104,176	5,240	39,550	193,055	42,083

Total Capital Assets	\$ 594,521	\$ 757,026	\$ 429,504	\$ 854,699	\$ 472,820
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Recap:

Capital Spend - Hospital	280,150	666,930	328,456	702,919	56,073
Capital Spend - Foundation	314,371	90,096	101,048	151,780	416,747
Total Capital Assets	\$ 594,521	\$ 757,026	\$ 429,504	\$ 854,699	\$ 472,820

Account #	Construction In Progress (CIP)	CIP Budget	CIP Balance at 6/30/2022	Spend FYTD 2023	CIP Balance FYTD 2023	Funding
1258-0050	ODC - Project CT & MRI	21,000,000	11,676,277	787,341	12,463,618	Foundation
1258-0810	Medivator Scopes Room	82,720	19,718	9,474	29,192	Operations
1250-0007	Endoscopy Cabinet & Install	20,680	2,329	12,482	14,811	Operations
1258-0840	CT Epic Implementation		18,013	1,063,806	1,081,819	Split
CIP Balance		\$ 21,103,400	\$ 11,716,337	\$ 1,901,105	\$ 13,617,442	