



SVHCD FINANCE COMMITTEE MEETING

AGENDA

TUESDAY, July 25, 2023

6:00 p.m. CLOSED SESSION

6:30 p.m. REGULAR SESSION

**To Be Held in Person at
 Sonoma Valley Hospital, 347 Andrieux Street
 Basement Conference Room
 Sonoma, CA 95476
 and Via Zoom Videoconference**

To Participate via Zoom Videoconferencing,
 use the link below:

<https://sonomavalleyhospital-org.zoom.us/j/98352087178>

Meeting ID: 983 5208 7178 Passcode: 384245

Dial by your location:

1 669 219 2599 or 1 669 900 9128

AGENDA ITEM	RECOMMENDATION	
MISSION STATEMENT <i>The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</i>		
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Boerum</i>	
2. PUBLIC COMMENT SECTION <i>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration.</i>	<i>Boerum</i>	
3. PUBLIC COMMENT ON CLOSED SESSION		
4. CLOSED SESSION <u>Government Code Sect. 37606 & Health and Safety Code Sect. 32106: Report Involving Trade Secret – Discussion will concern proposed services.</u>	<i>Boerum</i>	
5. REPORT ON CLOSED SESSION	<i>Boerum</i>	
6. CONSENT CALENDAR a. Finance Committee Minutes 06.27.23	<i>Boerum</i>	Action
7. TEMPORARY MRI SITE	<i>Hennelly</i>	Inform
8. ODC UPDATE	<i>Hennelly</i>	Inform
9. EPIC UPDATE	<i>Hennelly</i>	Inform

10. UCSF AFFILIATION UPDATE	<i>Hennelly</i>	Inform
11. RFP UPDATE	<i>Hennelly</i>	Inform
12. FINANCIAL REPORT FOR MONTH END JUNE 2023 <ul style="list-style-type: none">REVIEW UNAUDITED FY23 FINANCIALS	<i>Armfield</i>	Inform
13. REVIEW 4TH QUARTER SPENDING PLAN	<i>Armfield</i>	Inform
14. ADJOURN	<i>Boerum</i>	



**SVHCD
FINANCE COMMITTEE MEETING
MINUTES**

**TUESDAY, JUNE 27, 2023
6:00 pm**

**In Person at Sonoma Valley Hospital
347 Andrieux Street
and Via Zoom Teleconference**

Present	Not Present/Excused	Staff	Public
Wendy Lee Myatt, in person Carl Gerlach, in person Ed Case, in person Bob Crane, in person Peter Hohorst, in person Graham Smith, via Zoom Catherine Donahue, via Zoom Subhash Mishra, MD, via Zoom	Bill Boerum	John Hennelly, CEO, in person Ben Armfield, CFO, in person Jessica Winkler, via Zoom Dawn Kuwahara, via Zoom	Sandra Otter, in person
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>Lee Myatt</i>		
	Wendy Lee Myatt served as Interim Meeting Chair in place of Finance Committee Chair, Bill Boerum who was unable to be present for the day's meeting.		
	Called to order at 6:07 p.m.		
2. PUBLIC COMMENT SECTION	None		
3. CONSENT CALENDAR	<i>Lee Myatt</i>	Action	
a. Joint Board of Directors/Finance Committee Minutes 05.23.23 b. Finance Committee Minutes 05.23.23	The Committee reviewed the minutes from the 05.23.23 Joint Board/Finance Committee Meeting and the 05.23.23 Regular Finance Committee Meeting. It was requested that the term "positive" be changed to "confident" as it pertains to Mr. Armfield's presentation on budget assumptions for the upcoming fiscal year.	MOTION: by Smith to approve, 2 nd by Crane. All in favor.	
4. ODC UPDATE	<i>Hennelly</i>	Inform	

	Mr. Hennelly said that there is continued work to finalize timelines surrounding the project, however the “go-live” date is still projected to be January 1, 2024.		
5. EPIC UPDATE	<i>Hennelly</i>	Inform	
	Mr. Hennelly stated that there has been no change in the existing numbers and volume.		
6. UCSF AFFILIATION UPDATE	<i>Hennelly</i>	Inform	
	Mr. Hennelly reported that Dr. Peter Carroll is engaged and ready to begin seeing patients via Telehealth starting July 1 st . There is hope that Dr. Carroll will eventually be able to see patients on-site a couple of days per month; it was noted that Dr. Carroll will not perform procedures at the SVH facility. Mr. Hennelly went on to state that there have also been talks with UCSF to begin a virtual Intensivist service. Staff will update the committee on the progress of these discussions going forward.		
7. FINANCIAL REPORT FOR MONTH END MAY 2023	<i>Armfield</i>	Inform	
	Mr. Armfield stated that May was another financially positive month, exceeding budget for the sixth month in a row. Year-to-date, the hospital’s operating margin continues to outpace budget and the prior year. Mr. Armfield then reported that patient revenue was 6% over budget for the month and over 10% higher than prior year levels. Additionally, Mr. Armfield reported that cash levels remain to be strong as cash collections continue to improve post Epic go-live. Mr. Armfield indicated the hospital will look for opportunities prior to year-end to reduce current payables and line of credit.		
8. REVIEW CAPITAL SPENDING PLAN FOR FY 2024	<i>Armfield</i>	Inform	
	Mr. Armfield presented the Capital Spending Plan for FY 2024. It is expected that over 90% of the estimated 4.6 million in capital spending will be allocated towards regulatory, infrastructure, and initiative items. There will also be a particular focus on campus redevelopment with plans to partner with the Sonoma Valley Hospital Foundation to develop a comprehensive plan and move forward with next steps.		
9. ARMANINO FY24 BUDGET FOLLOW-UP	<i>Armfield</i>	Inform	

	<p>Mr. Armfield discussed the feedback provided by Mr. Brian Sackstein of Armanino LLP. Mr. Sackstein is the principal partner for the Armanino firm, who will be performing our annual financial statement audit. He was invited to the joint budget meeting on May 23, 2023, by Finance Committee Chair, Bill Boerum. He also attended a separate meeting with Mr. Armfield and SVHCD Finance Committee and Board of Directors Member Wendy Lee Myatt. The discussion revolved around providing any insights and recommendations into both the budget process and associated timelines involved, as well as operational observations for hospital leadership and respective committees and SVH boards to potentially consider. Mr. Sackstein provided several creative ways to look for revenue enhancements including prioritizing the review and renegotiation of managed care contracts. There was an agreement to review the budget timeline in the upcoming year to accommodate additional workshops and respective input from the finance committee.</p>		
<p>10. ADJOURN</p>	<p><i>Lee Myatt</i></p>		
	<p>Meeting adjourned at 7:19 p.m.</p>		

Revision Date: 08/25/22

Tactic Completed	Tactics under way now	Tactics to begin in the next 12 months	Tactics in conceptual form
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UCSF/SVH Joint Operating Dashboard				Start Date	Target Completion Rate	Update	Updated
Strategic Objective	Initiative	Description/Tactic	Benefits/Impact	Start Date	Target Completion Rate	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	7/19
		Infectious Disease coverage for hospital	Specialty coverage for ED and inpatient units				
		Intensivist Coverage of ICU	Expanded medical team would increase 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				
	1.2 Beta Site for Capacity Management (transfer) Center	Integration of SVH into the UCSF capacity management system	Expanding medical team would increase 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	Summer 2023	2023-2024	System live. UCSF working on process. SVH participation pending.	1/23
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	Interviewing candidates	6/23
		Joint recruitment of orthopedic surgeon based in Sonoma	Orthopedics is in strong demand in Sonoma. Planning to insure availability over coming years.				
	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	6/23
		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.				
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 surgeons 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 Carrol (urologist) to provide services in Sonoma in 07/23	6/23
	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.		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		Activation of dormant space 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 - final interface scheduled to be completed Summer 23	6/23
	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?	6 Share Resources/Reduce Costs - by collaborating, can the two	Integration of coordination of care w UCSF and/or Marin Health					
		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.
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: July 25, 2023
Subject: Financial Report for June 2023

1. OVERALL PERFORMANCE | MONTH

June marked the close to what has been a very successful fiscal year for the hospital. Unfortunately, the month itself wasn't as positive as we broke a trend of consecutive months exceeding budget as June's performance missed the monthly targets. Our year-end played a significant role in this as we made some year-end adjustments and true-ups on both the revenue and expense side that negatively impacted our monthly margins.

Our underlying key indicators remained consistent with prior months as our gross revenues continue to exceed budget and while we did see a drop in our inpatient census in June, outpatient volumes were strong and exceeded the average levels we had been running so far this fiscal year.

Much of the month's performance is due to lower revenues as we put extra contractual reserves on specific inpatient encounters that have total charges exceeding \$200,000. We also applied additional reserves on some denials we received related to some inpatient accounts from a couple months ago. We have appealed these denials and are hopeful we will receive payment once fully adjudicated, but we have written down the net accounts receivable to be conservative. The total impact of these adjustments decreased our net patient revenue by over \$200,000 in June, which was also the total variance to budget in net revenue for the month.

Operating expenses tracked very close to budget for the month, missing by \$30,000 or less than 1%. Supply costs jumped from previous months which is directly related to our year-end inventory, which was performed in June. This resulted in ~\$100,000 of additional supply expenses. Interest expense continues to be an ongoing challenge for us as we spent nearly \$500,000 in interest alone during this past fiscal year. We continue to work hard in flexing staff to our actual volumes, which has helped keep overall operating costs down. We have been successful in keeping our total FTEs under budget while at the same time, decreasing our reliance on agency and traveler resources.

Table 1 | Overall Performance - June 2023 (Including IGT)

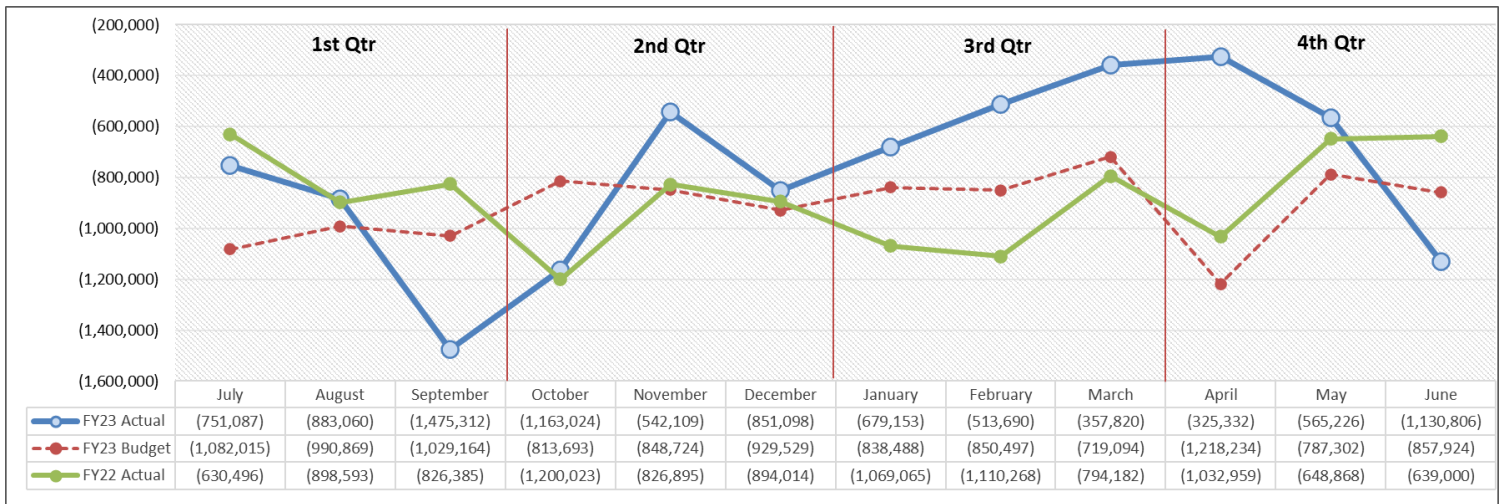
	Current Year - Month		Variance		Current Year - YTD		Variance		Prior YTD		Variance	
	Actual	Budget	\$	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Margin	\$ (1,083,103)	\$ (816,356)	\$ (266,747)	-33%	\$ (5,724,774)	\$ (6,326,727)	\$ 601,953	10%	\$ (7,194,640)	\$ 1,469,866	20%	
Operating EBDA	\$ (848,521)	\$ (587,288)	\$ (261,233)	-44%	\$ (2,764,496)	\$ (3,577,702)	\$ 813,206	23%	\$ (4,411,682)	\$ 1,647,186	37%	
Net Income (Loss)	\$ (43,144)	\$ 143,010	\$ (186,154)	-130%	\$ 2,985,402	\$ 5,183,519	\$ (2,198,117)	-42%	\$ 477,872	\$ 2,507,530	525%	

OVERALL PERFORMANCE | FISCAL YEAR 2023 (UNAUDITED)

Despite the results in June, fiscal year 2023 was a very positive one for the hospital. While FY23 has been a very tough year for hospitals and healthcare systems across the country (many of them experiencing their worst fiscal year since FY20 & COVID-19), SVH's financial trajectory continued to improve, and operational performance exceeded both budget and prior fiscal year. Some "high level" highlights of our fiscal year performance:

- Operating Margin | FY23 exceeded budget by 10% and FY22 by 20%
- Operating EBDA | FY23 exceeded budget by 20% and FY22 by nearly 40%
- Net Revenues | FY23 exceeded budget by 4% and FY22 by nearly 10%
- Operating Expenses | FY23 missed budget by 1% and were 5% higher than FY22's expenses

SVH Trended Operating Margin (excl IGT funding)



2. NET REVENUE SUMMARY:

Table 2 | Net Patient Revenue – Actual vs. Budget - June 2023 (Excluding IGT)

	Month of June 2023				Year To Date June 2023							
	Current Year - Month		Variance		Current Year - YTD		Variance		Prior YTD		Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%	
Gross Revenue	\$ 27,243,727	\$ 26,538,949	\$ 704,778	3%	\$ 324,166,202	\$ 309,857,127	\$ 14,309,075	5%	\$ 294,931,889	\$ 29,234,313	10%	
Net Patient Revenue	\$ 3,799,004	\$ 4,022,275	\$ (223,271)	-6%	\$ 48,819,714	\$ 47,012,180	\$ 1,807,534	4%	\$ 44,976,095	\$ 3,843,619	9%	
NPR as a % of Gross	13.9%	15.2%	-8%		15.1%	15.2%	-1%		15.2%	-1%		
Tot Operating Revenue	\$ 3,883,567	\$ 4,127,007	\$ (243,440)	-6%	\$ 50,158,612	\$ 48,268,865	\$ 1,889,747	4%	\$ 46,131,782	\$ 4,026,830	9%	

3. OPERATING EXPENSE SUMMARY:

Table 3 | Operating Expenses – Actual vs. Budget – June 2023 (Excluding IGT)

	Month of June 2023				Year To Date June 2023							
	Current Year - Month		Variance		Current Year - YTD		Variance		Prior YTD		Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Expenses	\$ 4,966,670	\$ 4,984,931	\$ 18,261	0.4%	\$ 59,348,625	\$ 58,812,830	\$ (535,795)	-1%	\$ 56,702,530	\$ (2,646,095)	-5%	
Worked FTEs	210.2	223.0	12.8	6%	212.7	219.5	6.9	3%	205.4	(7.3)	-4%	

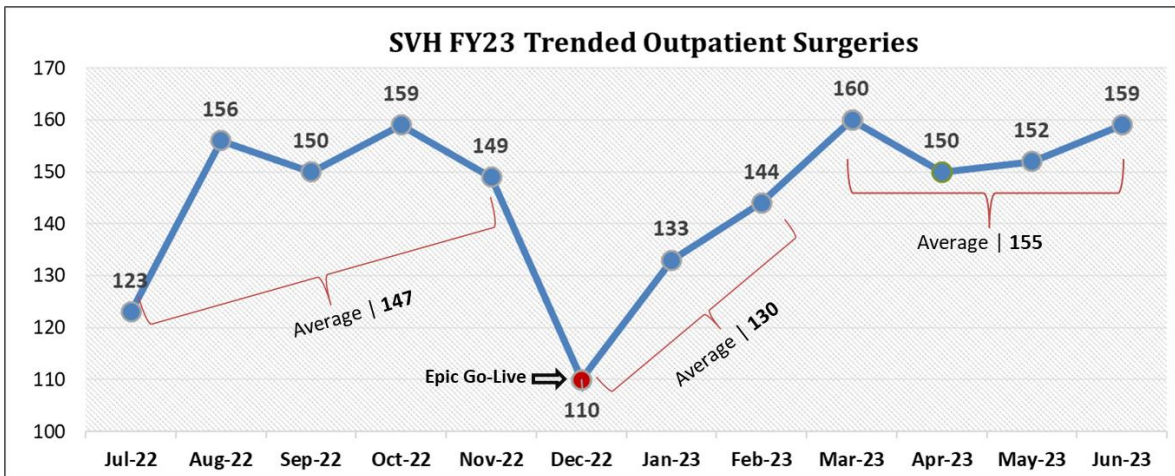
4. VOLUME SUMMARY:

Table 4 | Patient Volumes – June 2023

	Month of June 2023				Year To Date June 2023							
	Current Year		Variance		Current Year		Variance		Prior Year		Variance	
	Actual	Budget	Var	%	Actual	Budget	Var	%	Actual	Var	%	
Acute Patient Days	241	265	(24)	-9%	3,257	3,153	104	3%	3,233	24	1%	
Average Daily Census	8.0	8.8	(0.8)	-9%	9.7	9.4	0.3	3%	9.7	0.1	1%	
Acute Discharges	62	64	(2)	-3%	812	758	54	7%	778	34	4%	
IP Surgeries	12	13	(1)	-8%	182	155	27	17%	158	24	15%	
OP Surgeries/Spec Proc	159	175	(16)	-9%	1,745	1,994	(249)	-12%	1,833	(88)	-5%	
Total Surgeries / Procedures	171	188	(17)	-9%	1,927	2,149	(222)	-10%	1,991	(64)	-3%	
Total Outpatient Visits	5,043	4,709	334	7%	55,630	55,069	561	1%	55,809	(179)	0%	
Total ER Visits	915	870	45	5%	9,804	10,071	(267)	-3%	9,308	496	5%	

Outpatient activity was robust in June. Outpatient surgeries, ancillary volumes and emergency room visits all increased from prior months. We performed over 5,000 outpatient visits this past month which was the first time we exceeded that threshold this fiscal year. CT, Ultrasound and MRI volumes headlined the increase in ancillary volumes. Outpatient surgeries were up in June as well, particularly orthopedic and GI procedures.

We did experience a drop in activity on the inpatient side as our average daily census (ADC) of 8.0 was nearly 10% off our fiscal year run-rate. The good news here is we didn't see a big swing in discharges as we only missed budget by 2, or 3%. Also, our case-mix index (CMI) jumped from May, indicating the drop in patient days was lower acuity volume. Looking at the year, all inpatient volumes in FY2023 exceeded both budget and the prior year.



5. CASH ACTIVITY SUMMARY:

Table 5 | Cash / Revenue Cycle Indicators - June 2023

	Jun-23	May-23	Var	%
Days Cash on Hand	42.3	56.4	(14.1)	-25%
A/R Days	56.0	53.9	2.1	4%
A/P Days	46.5	50.2	(3.7)	-7%

Days cash on hand ended the year right at 42 days. As has been discussed, we have worked on reducing our overall payables and those efforts continued in June. We also we made a principal paydown on our line of credit as well. A/R days grew in June due to a coding backlog that has since been resolved and anticipate a reduction back to more normal levels starting in July.

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 Cash Projection | Will provide as separate attachment

Sonoma Valley Hospital
Payer Mix for the month of June, 2023

ATTACHMENT A

Gross Revenue	June-23 MONTH				YEAR TO DATE			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	8,257,733.60	9,852,015.00	-1,594,281.40	-6.0%	116,236,061.65	115,152,508.00	1,083,553.65	0.3%
Medicare Managed Care	5,337,805.00	4,436,704.00	901,101.00	3.4%	56,471,023.47	51,756,269.00	4,714,754.47	1.5%
Medi-Cal	5,119,940.08	4,437,652.00	682,288.08	2.6%	60,968,241.29	51,683,128.00	9,285,113.29	3.0%
Self Pay	428,289.91	470,013.00	-41,723.09	-0.2%	4,746,106.67	5,468,572.00	-722,465.33	-0.2%
Commercial & Other Government	7,328,833.14	6,544,438.00	784,395.14	3.0%	74,446,800.06	76,421,357.00	-1,974,556.94	-0.6%
Worker's Comp.	754,151.30	779,594.00	-25,442.70	-0.1%	11,026,076.58	9,152,853.00	1,873,223.58	0.6%
Total	27,226,753.03	26,520,416.00	706,337.03	2.7%	323,894,309.72	309,634,687.00	14,259,622.72	4.6%

Payor Mix	MONTH			YEAR TO DATE		
	Actual	Budget	Variance	Actual	Budget	Variance
Medicare	30.3%	37.1%	-6.8%	35.9%	37.2%	-1.3%
Medicare Managed Care	19.6%	16.7%	2.9%	17.4%	16.7%	0.7%
Medi-Cal	18.8%	16.7%	2.1%	18.8%	16.7%	2.1%
Self Pay	1.6%	1.8%	-0.2%	1.5%	1.8%	-0.3%
Commercial & Other Government	26.9%	24.7%	2.2%	23.0%	24.7%	-1.7%
Worker's Comp.	2.8%	2.9%	-0.2%	3.4%	3.0%	0.4%
Total	100.0%	100.0%		100.0%	100.0%	

**SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended June 30, 2023**

ATTACHMENT B

	CURRENT MONTH				YEAR-TO-DATE			YTD
	Actual 06/30/23	Budget 06/30/23	Favorable (Unfavorable) Variance		Actual 06/30/23	Budget 06/30/23	Favorable (Unfavorable) Variance	Prior Year 06/30/22
				Inpatient Utilization				
				Discharges				
1	50	49	1	Med/Surg	585	588	(3)	596
2	12	15	(3)	ICU	227	170	57	182
3	62	64	(2)	Total Discharges	812	758	54	778
				Patient Days:				
4	163	175	(12)	Med/Surg	2,080	2,097	(17)	2,100
5	78	90	(12)	ICU	1,177	1,056	121	1,133
6	241	265	(24)	Total Patient Days	3,257	3,153	104	3,233
7	20	-	20	Observation days	188	-	188	203
				Average Length of Stay:				
8	3.3	3.5	(0.3)	Med/Surg	3.56	3.57	(0.01)	3.5
9	6.5	6.2	0.3	ICU	5.19	6.20	(1.01)	6.2
10	3.9	4.1	(0.3)	Avg. Length of Stay	4.01	4.16	(0.15)	4.2
				Average Daily Census:				
11	5.4	5.8	(0.4)	Med/Surg	5.7	5.7	(0.0)	5.8
12	2.6	3.0	(0.4)	ICU	3.2	2.9	0.3	3.1
13	8.0	8.8	(0.8)	Avg. Daily Census	8.9	8.6	0.3	8.9
				Other Utilization Statistics				
				Emergency Room Statistics				
14	915	870	45	Total ER Visits	9,804	10,071	(267)	9,308
				Outpatient Statistics:				
15	5,043	4,709	334	Total Outpatients Visits	55,630	55,069	561	55,809
16	12	13	(1)	IP Surgeries	182	155	27	158
17	159	175	(16)	OP Surgeries / Special Procedures	1,745	1,994	(249)	1,833
18	315	282	33	Adjusted Discharges	3,480	3,237	243	3,296
19	1,223	1,168	55	Adjusted Patient Days	15,154	13,465	1,689	13,735
20	40.8	38.9	1.8	Adj. Avg. Daily Census	41.5	36.9	4.6	37.6
21	1.6181	1.4000	0.218	Case Mix Index - Medicare	1.4925	1.4000	0.092	1.4571
22	1.4221	1.4000	0.022	Case Mix Index - All payers	1.4563	1.4000	0.056	1.4297
				Labor Statistics				
23	210	223	13	FTE's - Worked	213	220	6.9	205
24	242	245	3	FTE's - Paid	236	242	6.0	228
25	46.48	47.66	1.19	Average Hourly Rate	50.00	47.12	(2.88)	46.75
26	5.94	6.30	0.37	FTE / Adj. Pat Day	5.68	6.55	0.87	6.06
27	33.8	35.9	2.1	Manhours / Adj. Pat Day	32.4	37.3	5.0	34.5
28	131.6	148.8	17.2	Manhours / Adj. Discharge	140.9	155.3	14.4	144.0
29	26.7%	25.3%	-1.4%	Benefits % of Salaries	23.9%	25.1%	1.1%	24.5%
				Non-Labor Statistics				
30	20.2%	15.5%	-4.7%	Supply Expense % Net Revenue	14.4%	16.0%	1.6%	15.2%
31	2,438	2,236	(201)	Supply Exp. / Adj. Discharge	2,271	2,319	48	2,302
32	15,939	17,851	1,912	Total Expense / Adj. Discharge	17,963	19,132	1,169	17,908
				Other Indicators				
33	45.4			Days Cash - Operating Funds				
34	56.0	50.0	6.0	Days in Net AR	48.0	50.0	(2.0)	41.3
35	88%			Collections % of Cash Goal	96%			99.4%
36	46.5	55.0	(8.5)	Days in Accounts Payable	46.5	55.0	(8.5)	46.3
37	14.0%	15.3%	-1.4%	% Net revenue to Gross revenue	16.9%	15.2%	1.8%	17.0%
38	39.3%			% Net AR to Gross AR	39.3%			14.7%

Sonoma Valley Health Care District

ATTACHMENT C

**Balance Sheet
As of June 30, 2023
UNAUDITED**

		<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets				
Current Assets:				
1	Cash	\$ 1,469,233	\$ 2,294,112	\$ 2,493,558
2	Cash - Money Market	5,353,508	6,852,065	5,845,329
3	Net Patient Receivables	10,142,506	9,706,196	6,701,039
4	Allow Uncollect Accts	(1,790,487)	(1,770,548)	(1,426,077)
5	Net A/R	8,352,020	7,935,648	5,274,962
6	Other Accts/Notes Rec	1,723,073	1,411,388	1,604,206
7	Parcel Tax Receivable	3,836,245	203,861	4,007,928
8	GO Bond Tax Receivable	-	906,105	2,485,089
9	3rd Party Receivables, Net	(23,159)	112,552	10,905
10	Inventory	978,624	1,115,954	1,037,598
11	Prepaid Expenses	1,143,940	746,495	828,299
12	Total Current Assets	\$ 22,833,483	\$ 21,578,180	\$ 23,587,874
13	Property, Plant & Equip, Net	\$ 56,461,827	\$ 56,523,752	\$ 52,121,398
14	Trustee Funds - GO Bonds	5,274,189	4,684,039	5,752,065
15	Designated Funds - Board Approved	-	-	1,000,000
16	Total Assets	\$ 84,569,499	\$ 82,785,971	\$ 82,461,337
Liabilities & Fund Balances				
Current Liabilities:				
17	Accounts Payable	\$ 5,330,267	\$ 5,637,514	\$ 4,187,686
18	Accrued Compensation	3,519,305	4,324,666	3,694,715
19	Interest Payable - GO Bonds	194,866	147,163	217,400
20	Accrued Expenses	1,498,333	1,355,523	1,845,632
21	Advances From 3rd Parties	-	-	-
22	Deferred Parcel Tax Revenue	3,800,000	316,663	3,800,000
23	Deferred GO Bond Tax Revenue	-	207,092	2,485,090
24	Current Maturities-LTD	217,475	217,475	301,957
25	Line of Credit - Union Bank	-	5,473,734	5,473,734
26	Other Liabilities	5,031,245	57,511	106,158
27	Total Current Liabilities	\$ 19,591,492	\$ 17,737,341	\$ 22,112,372
28	Long Term Debt, net current portion	\$ 27,004,036	\$ 27,052,746	\$ 25,476,513
29	Fund Balances:			
30	Unrestricted	\$ 19,005,451	\$ 19,577,369	\$ 18,822,273
31	Restricted	18,968,520	18,418,515	16,050,179
32	Total Fund Balances	\$ 37,973,971	\$ 37,995,884	\$ 34,872,452
33	Total Liabilities & Fund Balances	\$ 84,569,499	\$ 82,785,971	\$ 82,461,337

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
For the Period Ended June 30, 2023**

ATTACHMENT D

	Month					Year-To-Date				YTD Prior Year
	This Year		Variance			This Year		Variance		
	Actual	Budget	\$	%		Actual	Budget	\$	%	
1	62	64	(2)	-3%	Volume Information					
2	241	265	(24)	-9%	Acute Discharges	799	758	41	5%	776
3	20	-	20	0%	Patient Days	3,319	3,153	166	5%	3,188
4	\$ 21,878	\$ 20,521	\$ 1,358	7%	Observation Days	188	-	188	*	221
					Gross O/P Revenue (000's)	\$ 248,358	\$ 237,348	\$ 11,011	5%	\$ 224,671
					Financial Results					
					Gross Patient Revenue					
5	\$ 5,365,732	\$ 6,017,866	\$ (652,134)	-11%	Inpatient	\$ 75,808,042	\$ 72,509,527	3,298,515	5%	\$ 70,021,823
6	12,903,180	12,651,353	251,827	2%	Outpatient	149,292,155	146,896,344	2,395,811	2%	133,329,913
7	8,974,815	7,869,730	1,105,085	14%	Emergency	99,066,006	90,451,256	8,614,750	10%	91,580,153
8	\$ 27,243,727	\$ 26,538,949	704,778	3%	Total Gross Patient Revenue	\$ 324,166,202	\$ 309,857,127	14,309,075	5%	\$ 294,931,889
					Deductions from Revenue					
9	(23,285,829)	(22,293,698)	(992,131)	-4%	Contractual Discounts	\$ (273,008,353)	\$ (260,600,991)	(12,407,362)	-5%	\$ (247,702,407)
10	(151,508)	(200,000)	48,492	24%	Bad Debt	(1,925,547)	(1,978,432)	52,885	3%	(2,000,000)
11	(7,386)	(22,976)	15,590	68%	Charity Care Provision	(412,588)	(265,524)	(147,064)	-55%	(253,387)
12	-	41,568	(41,568)	-100%	Prior Period Adj/Government Program Revenue	6,048,734	6,737,099	(688,365)	-10%	5,028,111
13	\$ (23,444,723)	\$ (22,475,106)	(969,617)	4%	Total Deductions from Revenue	\$ (269,297,754)	\$ (256,107,848)	(13,189,906)	5%	\$ (244,927,683)
					Net Patient Service Revenue	\$ 54,868,448	\$ 53,749,279	1,119,169	2%	\$ 50,004,206
14	\$ 3,799,004	\$ 4,063,843	(264,839)	-7%	Other Op Rev & Electronic Health Records	\$ 1,338,898	\$ 1,256,685	82,213	7%	\$ 1,155,687
15	\$ 84,563	\$ 104,732	(20,169)	-19%	Total Operating Revenue	\$ 56,207,346	\$ 55,005,964	\$ 1,201,382	2%	\$ 51,159,893
16	\$ 3,883,567	\$ 4,168,575	(285,008)	-7%	Operating Expenses					
					Salary and Wages and Agency Fees	\$ 24,512,944	\$ 23,688,405	(824,539)	-3%	\$ 22,178,925
17	\$ 1,923,589	\$ 1,999,821	76,232	4%	Employee Benefits	8,593,962	8,405,559	(188,403)	-2%	8,285,901
18	761,055	716,615	(44,440)	-6%	Total People Cost	\$ 33,106,906	\$ 32,093,964	(1,012,942)	-3%	\$ 30,464,826
19	\$ 2,684,644	\$ 2,716,436	31,792	1%	Med and Prof Fees (excl'd Agency)	\$ 6,807,500	\$ 7,170,302	362,802	5%	\$ 6,683,040
20	\$ 639,941	\$ 598,203	(41,738)	-7%	Supplies	7,902,326	7,506,701	(395,625)	-5%	7,584,712
21	766,886	630,699	(136,187)	-22%	Purchased Services	4,929,549	5,433,710	504,161	9%	5,230,851
22	403,778	469,518	65,740	14%	Depreciation	2,960,279	2,749,025	(211,254)	-8%	2,782,958
23	234,582	229,068	(5,514)	-2%	Utilities	1,812,095	1,517,121	(294,974)	-19%	1,589,238
24	101,427	144,793	43,366	30%	Insurance	658,491	634,002	(24,489)	-4%	614,362
25	53,384	52,839	(545)	-1%	Interest	518,238	197,715	(320,523)	*	388,489
26	93,103	16,479	(76,624)	-465%	Other	700,945	1,510,290	809,345	54%	1,364,054
27	36,628	126,896	90,268	71%	Matching Fees (Government Programs)	2,583,495	2,519,861	(63,634)	3%	1,652,003
28	-	-	-	*	Operating expenses	\$ 61,979,823	\$ 61,332,691	(647,132)	-1.1%	\$ 58,354,533
29	\$ 5,014,373	\$ 4,984,931	(29,442)	-1%	Operating Margin	\$ (5,772,477)	\$ (6,326,727)	554,250	9%	\$ (7,194,640)
30	\$ (1,130,806)	\$ (816,356)	\$ (314,450)	-39%						

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
For the Period Ended June 30, 2023**

ATTACHMENT D

	Month					Year-To- Date				YTD
	This Year		Variance			This Year		Variance		
	Actual	Budget	\$	%		Actual	Budget	\$	%	
31	\$ 13,898	\$ (12,964)	26,862	*	Non Operating Rev and Expense					
32	-	-	-	0%	Miscellaneous Revenue/(Expenses)	\$ 83,117	\$ (157,714)	240,831	*	\$ 1,249,958
33	-	-	-	*	Donations	-	-	-	0%	26,864
34	316,667	316,667	-	0%	Physician Practice Support-Prima	-	-	-	*	0
35	-	-	-	0%	Parcel Tax Assessment Rev	3,800,004	3,800,004	-	0%	3,800,004
36	\$ 330,565	\$ 303,703	26,862	9%	Extraordinary Items	-	-	-	0%	(97,933)
					Total Non-Operating Rev/Exp	\$ 3,883,121	\$ 3,642,290	240,831	7%	\$ 4,978,893
37	\$ (800,241)	\$ (512,653)	(287,588)	-56%	Net Income / (Loss) prior to Restricted Contributions	\$ (1,889,356)	\$ (2,684,437)	795,081	30%	\$ (2,215,747)
38	\$ -	\$ -	-	0%	Capital Campaign Contribution	\$ -	\$ -	-	0%	\$ -
39	\$ 550,005	\$ 493,593	56,412	0%	Restricted Foundation Contributions	\$ 2,918,341	\$ 5,923,116	(3,004,775)	100%	\$ 832,623
40	\$ (250,235)	\$ (19,060)	(231,175)	-1213%	Net Income / (Loss) w/ Restricted Contributions	\$ 1,028,985	\$ 3,238,679	(2,209,694)	-68%	\$ (1,383,124)
41	207,091	162,070	45,021	28%	GO Bond Activity, Net	1,956,417	1,944,840	11,577	1%	1,860,996
42	\$ (43,144)	\$ 143,010	(186,154)	130%	Net Income/(Loss) w GO Bond Activity	\$ 2,985,402	\$ 5,183,519	(2,198,117)	-42%	\$ 477,872
	\$ (565,659)	\$ (283,585)	(282,074)		EBDA - Not including Restricted Contributions	\$ 1,070,923	\$ 64,588	1,006,335		\$ 567,211
	\$ (896,224)	\$ (587,288)	(308,936)	-53%	Operating EBDA - Not including Restricted Contributions	\$ (2,812,199)	\$ (3,577,702)	765,503	21%	\$ (4,411,682)

Sonoma Valley Hospital

Capital Spending and Planned, CIP, and Capital Leases

Historical Capital Spend For Fiscal Years Ending June 30, 2019, 2020, 2021, 2022 & YTD FY 2023

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	Life Saving Equipment- various					417,982
Foundation Support Sub-total				\$ 314,371	\$ 90,096	\$ 101,048	\$ 151,780	\$ 492,222

Equipment:				Historical Capital Spend				Current
Dept #	Department	DESCRIPTION	FY 2019	FY 2020	FY 2021	FYTD 2022	FYTD 2023	
18	8340	Dietary	Mobile shelving - Uline	6,909				
19	8480	Information Systems	GHA Technologies UCSF Telemedicine Cart	8,265				
20	7420	Surgery	Stryker Medical - Refurbished PI drive/attachments	15,415				
21	7420	Surgery	Olympus - EVIS EXERA III	29,716				
22	8450	Engineering/Plant Ops	UCSF signage - multiple sites	8,182				
23	7420	Surgery	Stryker Medical - System 8 Drill/saws	107,487				
24	Various		Celtic Lease payoff - various equipment		421,904			
25	7420	Surgery	Zimmer Biomet Intellicart System w/Evac Station		22,034			
26	7420	Surgery	Alcon Centurian Phaco Machine		65,250			
27	7420	Surgery	Olympus America - Urology equipment		62,118			
28	8340	Dietary	Commercial Blenders - 2		4,838			
29	6010	ICU	Smart IV Pumps - 27		56,994			
30	8450	Engineering/Plant Ops	Security Camera system - South Lot			11,660		
31	7500	Laboratory	Bactec FX40 Blood Culture Unit			36,759		
32	8610	Administration	History Wall Panels - Hallway			18,819		
33	6010	ICU	Series 980S Ventilator			36,921		
34	6010	ICU	CAPR Hood Ventilator (PPE)			14,777		

Sonoma Valley Hospital

Capital Spending and Planned, CIP, and Capital Leases

Historical Capital Spend For Fiscal Years Ending June 30, 2019, 2020, 2021, 2022 & YTD FY 2023

35	7420	Surgery	Stryker Medical - Eye Surgery Stretcher				13,140				
36	8340	Dietary	Alladin Temp Rite - Activator/base/dome/heating unit				5,475				
37	7630	Medical Imaging	Stryker Medical - Transport Gurney				4,569				
38	7630	Medical Imaging	Stryker Medical - OB Gyn Stretcher				7,250				
39	7500	Laboratory	Fisher Healthcare - Logic Purifier Bio-safety cab				11,397				
40	7420	Surgery	Steris Corp - Surgical table					42,724			
41	7420	Surgery	Depuy - Monobloc flexible reamers					14,997			
42	7630	Medical Imaging	Barco Niodsply 21.3 monitor					8,713			
43	7740	Wound Care	Carts/exam table Wound Care (Closed CIP in FY 2021)					6,824			
44	7740	Wound Care	IPADS/IS Costs for Wound Care (Closed CIP in FY 2021)					35,555			
45	8390	Pharmacy	Compounding aseptic isolater system (used)					5,000			
46	7680	Central Service/Durable med eqt	Somotom Xray Tube Replacement					172,651			
47	7420	Surgery	Mizuho OSI Surgical Table					105,151			
48	7420	Surgery	Endoscopy Cabinet/Scopes						13,090		
Equipment Sub-total							\$ 175,974	\$ 633,138	\$ 160,767	\$ 391,615	\$ 13,090

Information Systems/Electronic Health Records:

				Historical Capital Spend				Current
Dept #	Department	DESCRIPTION	FY 2019	FY 2020	FY 2021	FYTD 2022	FYTD 2023	
49	8480	Information Systems	Dell Computers - 20		17,252			
50	8480	Information Systems	Dragon One Speech Recognition - Physician dictation		11,300			
51	8480	Information Systems	Lenovo Thinkpads - Laptops			8,760		
52	8480	Information Systems	Dell computers with monitors			25,311		
53	8480	Information Systems	Vx Rail Server Upgrades			24,981		
54	8480	Information Systems	Dell computers with monitors			21,450		
55	8480	Information Systems	Vx Rail Server Upgrades			10,376		
56	8480	Information Systems	Dell computers (Optiplex 7080)			37,261		
57	8480	Information Systems	Cisco catalyst network switch upgrade				40,820	
58	8480	Information Systems	TrueNAS Network Storage Server				32,474	
59	8480	Information Systems	E.H.R. Close CIP in FY 2021				44,955	
60	8480	Information Systems	Dell Technologies - 12 Opti plex computeres/monitors				10,980	
61	8480	Information Systems	IDEA Upgrade				5,750	
Equipment Sub-total				\$ -	\$ 28,552	\$ 128,139	\$ 118,249	\$ 16,730

Building/Leasehold Improvements

				Historical				Current
Dept #	Department	DESCRIPTION	FY 2019	FY 2020	FY 2021	FYTD 2022	FYTD 2023	
62	7073	SFP Clinic - Perkins	Conklin Bros Flooring	16,859				
63	8450	Engineering/Plant Ops	Conversion of Rooms - 215-217 - Closed CIP	87,317				
64	8450	Engineering/Plant Ops	SNF Courtyard walkway (1/2)		5,240			
65	8610	Administration	Garden Murals			9,336		
66	8450	Engineering/Plant Ops	Energy mgt system BAS upgrade			30,214		

Sonoma Valley Hospital

Capital Spending and Planned, CIP, and Capital Leases

Historical Capital Spend For Fiscal Years Ending June 30, 2019, 2020, 2021, 2022 & YTD FY 2023

67	7740	Wound Care	Painting & wiring for Wound care (Closed CIP in FY 2021)				2,940	
68	8450	Engineering/Plant Ops	Roof Restoration - Advanced Foam Roofing				134,956	
69	8450	Engineering/Plant Ops	Automatic Transfer Switch Replacement (Closed CIP)				55,159	
70	8450	Engineering/Plant Ops	Roof Restoration - Advanced Foam Roofing addtl invoice GMH					42,083
Infrastructure Sub-total				104,176	5,240	39,550	193,055	42,083
Total Capital Assets				\$ 594,521	\$ 757,026	\$ 429,504	\$ 854,699	\$ 564,124
Recap:								
Capital Spend - Hospital				280,150	666,930	328,456	702,919	71,903
Capital Spend - Foundation				314,371	90,096	101,048	151,780	492,222
Total Capital Assets				\$ 594,521	\$ 757,026	\$ 429,504	\$ 854,699	\$ 564,124