



# SVHCD FINANCE COMMITTEE MEETING AGENDA

**TUESDAY, MARCH 26, 2024**

**6:00 p.m. Regular Session**

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

Join Zoom Meeting

<https://sonomavalleyhospital-org.zoom.us/j/93308479693>

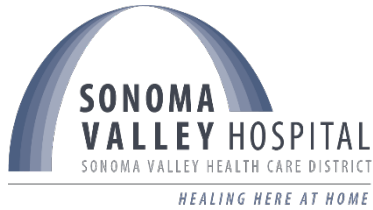
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<b>AGENDA ITEM</b>	<b>RECOMMENDATION</b>	
In compliance with the Americans with Disabilities Act, if you require special accommodations to attend a District meeting, please contact the Board Clerk, Whitney Reese, at <a href="mailto:wreese@sonomavalleyhospital.org">wreese@sonomavalleyhospital.org</a> or 707.935.5005 at least 48 hours prior to the meeting.		
<b>MISSION STATEMENT</b> <i>The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</i>		
<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>	<i>Boerum</i>	
<b>2. PUBLIC COMMENT SECTION</b> <i>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration.</i>	<i>Boerum</i>	
<b>3. CONSENT CALENDAR</b> a. Finance Committee Minutes 02.27.24	<i>Boerum</i>	Action
<b>4. FY 2025 BUDGET ASSUMPTIONS</b>	<i>Armfield</i>	Inform
<b>5. FY 2025 BUDGET PREPERATION</b>	<i>Boerum</i>	Inform
<b>6. REVENUE ANALYSIS/PROFITABILITY</b> <i>Verbal update on progress. Report will be presented May 2024</i>	<i>Armfield</i>	Inform
<b>7. FINANCIAL REPORT FOR MONTH END FEB. 2024</b>	<i>Armfield</i>	Inform
<b>8. ADJOURN</b>	<i>Boerum</i>	



**SVHCD**  
**FINANCE COMMITTEE MEETING**  
**MINUTES**  
**TUESDAY, FEBRUARY 27, 2024**  
**In Person at Sonoma Valley Hospital**  
**347 Andrieux Street**  
**and Via Zoom Teleconference**

Present	Not Present/Excused	Staff	Public
Art Grandy Bill Boerum, in person Carl Gerlach, via zoom Catherine Donahue, via zoom Ed Case, via zoom Subhash Mishra, via zoom Wendy Myatt Lee, in person Dennis Bloch, in person	Graham Smith Robert Crane	John Hennelly, CEO, in person Ben Armfield, CFO, in person Jessica Winkler, in person	David Pier, via zoom
AGENDA ITEM	DISCUSSION	ACTIONS	FOLLOW-UP
<b>MISSION &amp; VISION STATEMENT</b> <i>The mission of SVHCD is to maintain, improve and restore the health of everyone in our community.</i>			
<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>	<i>Bill Boerum</i>		
	Called to order at 6:01 p.m. Welcome to Dennis Bloch Welcome to Whitney Reese Thank you to Stacey Finn Mr. Hennelly spoke about town hall meeting scheduled for Wed. 2/27. Mr. Boerum requested greater reach for announcements of such nature so that more public and Board committee members can be aware in the future.		
<b>2. PUBLIC COMMENT SECTION</b>	None		
<b>3. CONSENT CALENDAR</b>	<i>Bill Boerum</i>	Action	
a. Finance Committee Minutes 01.23.24		<b>MOTION:</b> by Mr. Bloch to approve, 2 <sup>nd</sup> by Ms. Lee. All	

		in favor	
<b>4. SONOMA VALLEY HOSPITAL FOUNDATION UPDATE</b>	<i>David Pier</i>	Inform	
	<p>Mr. Pier provided an overview of Sonoma Valley Hospital Foundation's activities and achievements in 2023. He highlighted the completion of the epic MyChart initiative as a primary fundraising objective and discussed efforts to deepen relationships with donors through personalized communication and impact reports. Dave emphasized the foundation's collaborative approach with the hospital in developing fundraising strategies.</p> <p>Mr. Pier discussed various fundraising efforts, including expansion of physical therapy services, support for women's health/wellness, continued education funding for hospital staff, and ongoing projects such as cancer screening initiatives. He also provided updates on the allocation of funds raised, particularly for capital projects like the ICU remodel and MRI installation.</p> <p>The presentation included a discussion of the foundation's communication strategy, leveraging stakeholder stories to convey the hospital's impact. Mr. Pier also shared revenue history and strategic priorities, highlighting the foundation's commitment to excellence and its benchmark performance compared to industry standards. He clarified the foundation's focus on specific, tangible projects vs. operational funding due to community preferences.</p>		
<b>5. FINANCE COMMITTEE CHARTER</b>	<i>Bill Boerum</i>	Action	
	<p>The Committee reviewed the Charter that had not been revised since 2014. Topics included clarifying the Finance Committee's responsibilities regarding budgeting, capital expenditures, acquisitions, mergers, and affiliations with other healthcare enterprises.</p> <ul style="list-style-type: none"> <li>• Agreed to include a provision for reviewing and recommending any unbudgeted capital expenditures.</li> </ul>		

	<ul style="list-style-type: none"> <li>• Agreed to include a clause for reviewing and recommending consideration of any acquisition/merger, with another healthcare enterprise.</li> <li>• Agreed to change meetings from 12 to “at least 10” annually</li> </ul>		
<b>6. FINANCIAL REPORT FOR MONTH END JANUARY 2024</b>	<i>Ben Armfield</i>	Inform	
	<p>Mr. Armfield presented a positive financial report in January after a challenging period. He highlighted operational successes, particularly in surgical volumes, which rebounded significantly from December lows. Despite some accrued expenses related to quality improvement programs, the hospital exceeded budget expectations. Increases in ancillary volumes, ER visits, and PT volumes contributed to an overall positive month. Mr. Armfield noted a decrease in expenses and shared the cash flow forecast is in progress of refinement.</p> <p>Mr. Hennelly discussed the hospital's negotiation with Anthem Blue Cross. Both parties need to agree to work off the same data set before increasing negotiations. More discussion to be had at the town hall meeting.</p>		
<b>7. NET A/R REVIEW</b>	<i>Ben Armfield</i>	Inform	
	<p>First review of the net A/R analysis since the implementation of Epic. Two schedules were presented: one detailing the standard AR aging by payer and age, and the other adjusting gross AR to what's reported in financial statements. It was noted that 85% of the gross AR is less than 90 days old, with a target of at least 80% being open to 90 days. Concerns were raised about a significant portion of AR being unbilled, particularly in Medicare and Medicare HMO categories. Strategies to expedite billing processes, including addressing staffing challenges and physician documentation completion, were discussed. The meeting also covered the application of contractual adjustments to arrive at net AR, based on a CVA analysis and payer payment percentages estimation.</p>		
<b>8. ADJOURN</b>	<i>Bill Boerum</i>		
	Meeting adjourned at 7:30p.m.		





**To:** Sonoma Valley Health Care District Finance Committee  
**From:** Ben Armfield, Chief Financial Officer  
**Date:** March 26, 2024  
**Subject:** **Fiscal Year 2025 Budget Assumptions**

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## **VOLUMES**

- Fiscal year 2025 budgeted volumes are based on an annualization of this fiscal year's run-rate - *July 2023 to January 2024*.
- **Specific Volume Assumptions of Note:**
- MRI – Budgeting anticipated volume growth of new 3 Tesla magnet. FY25 budget will reflect an additional 7 scans per day on new magnet – roughly 1,800 additional MRI scans annually. This represents a 50% increase in MRI volumes compared to current year run-rate.
- Orthopedics – Budgeting overall decrease in volumes compared to FY24 annualized due to:
  - 1) Departure of Dr. Brown - Not budgeting any volumes for Dr. Brown in FY25.
    - *Dr. Brown performed a total of 200 ortho surgeries between July 2023 & January 2024 (~28 per month).*
  - 2) Incoming Recruit - Volume loss of Dr. Brown's departure partially mitigated by projected volumes of incoming recruit. Will assume ramp-up starting in July.
    - *Budgeting 220 ortho surgeries for new recruit for FY25 (~18 per month).*
- General Surgery / GI – 5% increase in general surgery & GI volumes resulting from additional program resources that will facilitate more effective and efficient throughput.
- Physical Therapy - 50% increase in visit volumes beginning January 1, 2025 due to capacity gained through expansion project.
- Imaging – Contemplating adjustment of imaging volumes to account for the anticipated variability in Orthopedics.
- Inpatient Services – Management will be review inpatient volumes and contemplate gained efficiencies through recruitment of new orthopedic surgeon, and potential anticipated efficiencies gained through enhanced clinical services.

## **GROSS REVENUE**

- Gross revenues for the organization driven by budgeted volumes and current charge



pricing per our active chargemaster.

- Gross Price Increase – Currently performing market study with third party to assess current charge levels in comparison to peers. We are planning to make proposed price adjustments based on the findings of the analysis underway.

## **NET PATIENT REVENUE & CONTRACTUAL ALLOWANCES**

- Collection Rates - Utilize current year-to-date collection rates by payor as baseline and adjust contractual allowance based on finalized gross price increases.
- Net Patient Revenue – Will be adjusted based on continuing negotiation discussions with Anthem.
- Payor Mix - Will be based upon current year-to-date run-rate and will contemplate potential adjustments based on industry trends and anticipated payor shifts.
  - Will contemplate further adjustments based on progress of payor negotiations over next 30 days.
- Supplemental Funding - Intergovernmental and supplemental payments include the 12-month Rate Range IGT, HQAF IGT, and the QIP IGT. IGT amounts will be based on current year actuals and will be budgeted to spread across evenly over the full 12-month fiscal year.

## **FTEs, WAGES, AND BENEFITS**

- FTEs - based upon current FY24 run-rate (July 2023 – January 2024).
- Wages – 2.0-3.0% annual increase for salaries for 6-months beginning January 2025 through June 2025.
  - Potential base wage adjustments based on ongoing 3<sup>rd</sup> party analysis for positions identified as below market.
- Employee Benefits – The hospital converted to a new health plan in January 2024, so FY25 budgeted cost will be primarily estimated based on first full year of anticipated spend.

## **PHYSICIAN FEES & PROFESSIONAL FEES**

- Based upon current costs and/or anticipated final contract arrangements.
- 1206(b) Addition – Increase in physician fees to account for two surgeons joining District's 1206(b).
- Orthopedic Recruitment – Will budget successful recruitment of orthopedic physician beginning July 2024.



## **SUPPLIES/FOOD**

- Based on current fiscal year run-rate and adjusted by department based on FY25 budgeted volumes.
- Global inflation adjustment of 2 - 4% for supply and food costs.
- Additional adjustments contemplated for potential cost savings related to high dollar implants.

## **PURCHASED SERVICES**

- Purchased services will be budgeted based on current and projected services by department.
- Budget will contemplate additional elimination of third-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.
  - US Bank Line of Credit – Interest expense to be reduced for FY25 budget year due to LOC paydown taking place during FY24.

## **DEPRECIATION**

- Based on current year and adjusted for anticipated additions and/or retirements of assets.

## **INSURANCE**

- Will confirm with insurance agent. Overall increase expected to be around 10%.

## **UTILITIES**

- Current and expected future rates to be reviewed.
- Contemplating Unison Energy agreement and impact on FY25 utility costs.

## **OTHER EXPENSES**

- Rent/leases- current, will adjust for any new expected leases and remove any that are expiring.
- Will review all other expenses in detail by department





To: SVHCD Finance Committee  
 From: Ben Armfield, Chief Financial Officer  
 Date: March 26, 2024  
 Subject: Financial Report for February 2024

## 1. OVERALL PERFORMANCE | MONTH

Table 1a | Overall Performance - February 2024

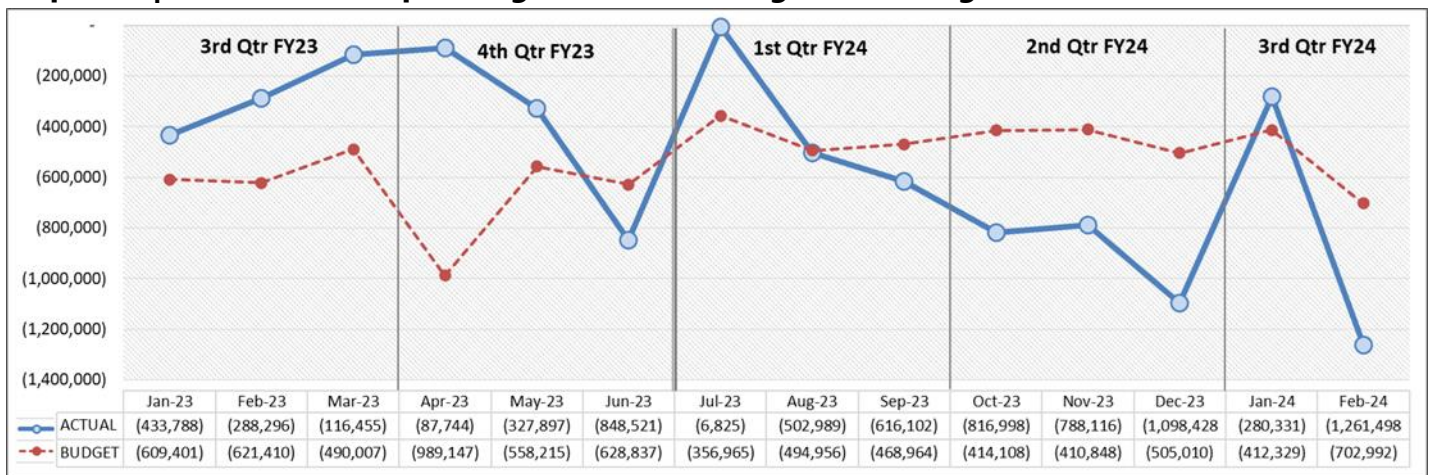
	Current Year - Month		Variance		Current Year - YTD		Variance		Prior YTD		Variance	
	Actual	Budget	\$	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Margin	\$ (501,129)	\$ 41,912	\$ (543,041)	-1296%	\$ (6,608,921)	\$ (4,152,782)	\$ (2,456,138)	-59%	\$ (4,955,950)	\$ (1,652,971)	-33%	
Operating EBDA	\$ (106,047)	\$ 314,879	\$ (420,926)	-134%	\$ (3,108,617)	\$ (1,999,046)	\$ (1,109,571)	-56%	\$ (2,946,536)	\$ (162,082)	-6%	
Net Income (Loss)	\$ 517,866	\$ 760,682	\$ (242,816)	-32%	\$ (1,287,367)	\$ 1,597,322	\$ (2,884,689)	-181%	\$ 910,692	\$ (2,198,059)	-241%	

Table 1b | IGT Amounts in Income Statement - February 2024

	Current Year - Month		Current Year - YTD		Prior YTD
	Actual	Budget	Actual	Budget	Actual
IGT Revenue	\$ 3,420,534	\$ 2,703,347	\$ 5,032,445	\$ 3,872,578	\$ 4,445,713
IGT Expense	\$ (2,265,305)	\$ (1,685,476)	\$ (2,769,998)	\$ (2,105,452)	\$ (2,525,867)
IGT Net Income	\$ 1,155,229	\$ 1,017,871	\$ 2,262,447	\$ 1,767,126	\$ 1,919,846

February was unfortunately another tough month for the hospital financially, missing budget in all three key performance indicators. The story in February is the same as it has been during the weaker financial months of our fiscal year – volume. For much of this year, the hospital’s financial performance has been closely tied to its volume activity, and much of the gains we experienced in January were short lived as February’s volumes reverted back to previous month’s totals.

Graph 1.1 | SVH Trended Operating EBDA (excluding IGT funding)



### Key Drivers in Month’s Performance:

#### Surgical Volumes

Surgical volumes, which experienced a brief surge in January, regressed back to previous levels in February. However, unlike previous months such as December where the volume pullbacks were

spread across our key surgical service lines, February's reduction was centered around Orthopedics. We witnessed a 20% underperformance in surgical volumes compared to budget, with orthopedic surgeries bearing the brunt of this decline, running roughly 40% less both January and year-to-date levels. All of the variance relates to Dr. Brown, so we are hopeful that February's volumes in Ortho represent our 'floor' in the near-term.

### **Emergency Room Utilization**

In addition to surgical volumes, emergency room volumes experienced a pullback after running at higher utilization levels in December and January. February volumes ran under budget and the previous two months by over 10%.

### **Net Revenue**

The volume pullback in February was the main driver in both our gross and net patient revenues falling short of budget by 13% and 20%, respectively.

We did have IGT activity during month as we made our matching fee pay-in to the rate range IGT program, which is our largest IGT. Accruing for this IGT resulted in \$1.15 million of net income (\$3.4 million in revenue and \$2.6 million in expense). We do believe our accrual for this IGT is conservative and will reconcile and true-up to the actual amount received once we receive the funds. Payment for both our Rate Range and QIP (which we accrued in January) IGT funds are expected in April and May. Excluding the IGT proceeds, net patient revenue marked a low point in this fiscal year.

### **Operating Expenses**

One of the silver linings in the performance could be on the expense side, as despite the formidable challenges posed by declining revenues, February saw a commendable achievement in expense control, with operating expenses running 7% under budget (excluding depreciation). We have been working hard on identifying ways to control costs as much as possible during times of volume pullbacks, and it appears these efforts have yielded positive results, albeit amidst a challenging financial landscape. Leaders and departments are flexing to volumes as much as possible, The 229 FTEs we ran in February were 20 below our budget of 249, so we are trying to mitigate the volume challenges where we can.

### **Cash**

We collected just under \$3.6 million for the month, which is one of the softer collection months we have had this fiscal year. The \$3.6 million is a pullback from the \$4.0 million we collected in January. Our fiscal year average has been right around \$4.0 million as well, so February's collections represent about a 10% drop from January's total.

Adding to our cash was our first installment of our cybersecurity insurance claim, which totaled \$861,768. We are working with our insurance adjusters to have the additional \$438,232 closed out and paid to us, which we believe will be happening sometime in the next couple of months.

We sent out \$5.3 million in expense and accounts payable payments in February, which is higher than our monthly averages. Part of this includes our quarterly management fee service payment to UCSF, as well as some additional catch-up to further reduce our accounts payables.

We made 2 IGT pay-ins in February totaling nearly \$2.5 million, but there was no 'net' impact to cash as we received an advance from our payor plan in February of \$2.5 million to help provide a cushion until the IGT funding payments are received.

Our accounts payable increased by nearly \$1.0 million in February. All of this relates to invoices that we received specific to the ODC project, which will be reimbursed by the foundation. In fact, through February, we have \$2.4 million of ODC invoices sitting in accounts payable. You will see these costs going out in March, with a corresponding payment coming back from the foundation so there is no net cash impact. If you remove the ODC invoices that are sitting in AP, our total accounts payable liability decreased by nearly \$1.5 million from January.

In total, our cash decreased by \$800,000 in February. This is a result of lower than anticipated cash collections as well as an increase in payments to further decrease our accounts payable liability. This resulted in our days cash ending just above 14.0 days. This is low, and certainly over the long term not sustainable. We are monitoring days cash continuously. It is important to note that we do anticipate a further drop in March, but relief is on the way as our IGT payments will start coming back to us in April. We anticipate our days cash on hand getting back to 30.0 days by the end of May, which will allow for much more breathing room.

Management is actively working on identifying potential levers to address the cash shortfall, particularly in the next two months leading up to the receipt of our IGT payments in April and May. We are exploring various strategies to optimize cash flow in the short-term and minimize expenses without compromising patient care or quality of services.

*Please Note* - We have added a new attachment to our financial package that intends to provide more detail on the month-to-month variances and changes to our balance sheet accounts. Please see Attachment D for more detail.

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### **Other Hot Topics**

**Anthem Negotiations:** Our ongoing negotiations with Anthem are progressing, albeit with continued back-and-forth. We put another counter proposal forward this past week (ending 3/22) and are awaiting their response. We will most likely have one by the time of the committee meeting on 3/26 and will plan on providing more of an update at that time.

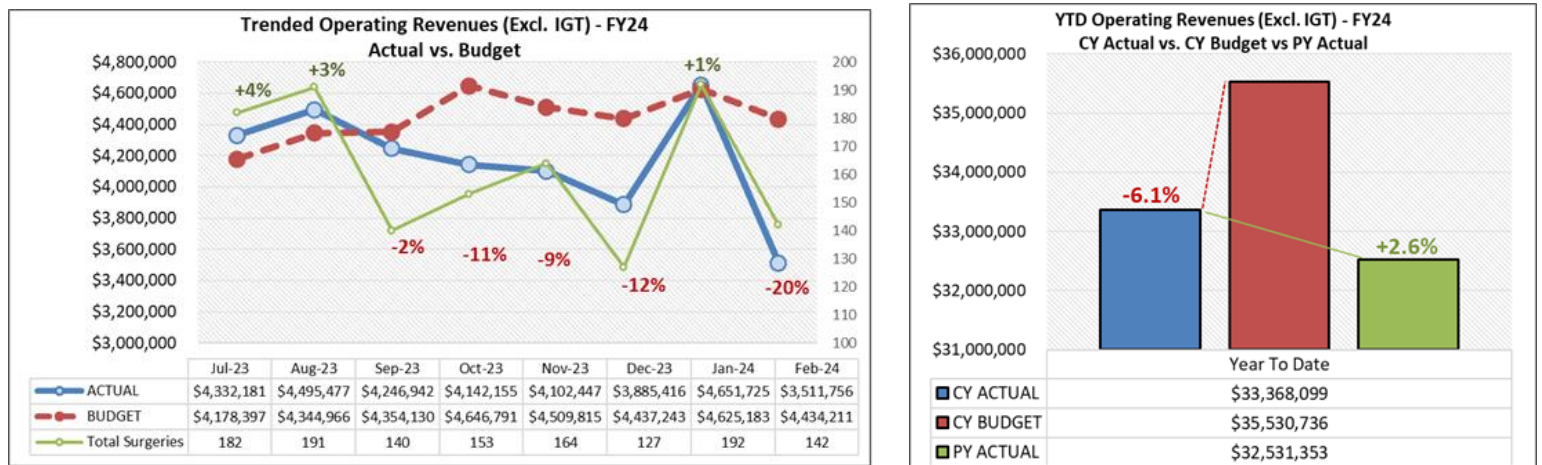
**Distressed Hospital Loan Program:** We've received updates indicating that CHFFA is in the final stages of formalizing an agreement with US Bank to secure their consent necessary for the funding of the loan. We expect this process to be concluded by the end of next week as we received word on the afternoon of March 22 that both parties have agreed to the formal consent language. We are now planning on receiving these funds in early April.

**Line of Credit Renewal:** Our efforts to renew our line of credit are still ongoing, and we are currently awaiting the terms from the bank. We anticipate receiving these details in the coming weeks, allowing us to proceed with the review of terms.

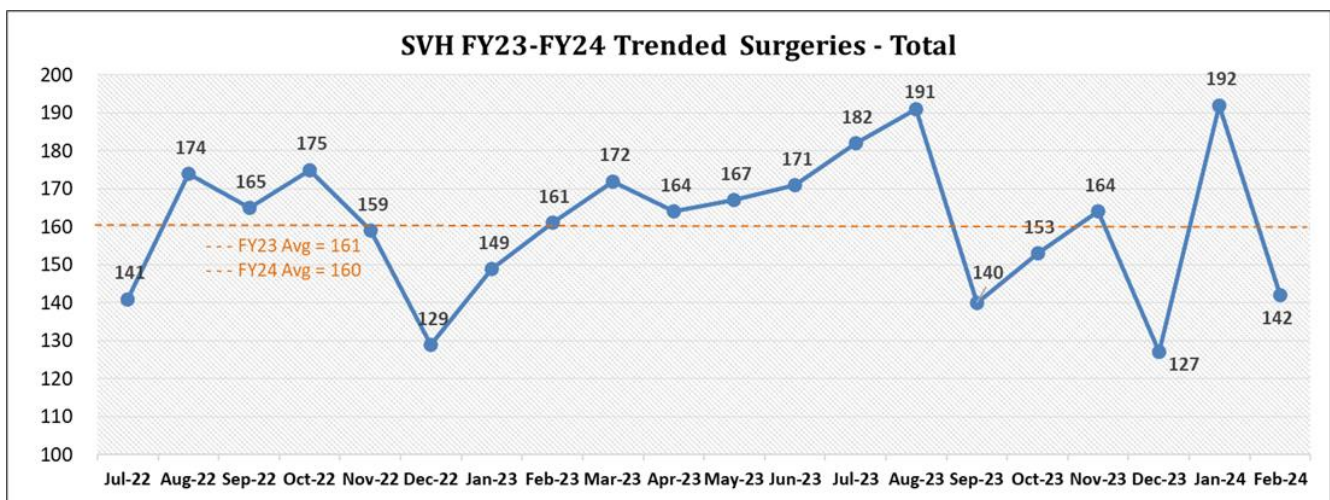
**2. NET REVENUE AND VOLUME SUMMARY:**

	Month of February 2024				Year To Date February 2024						
	Current Year - Month		Variance		Current Year - YTD		Variance		Prior YTD		Variance
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%
Gross Revenue	\$ 25,261,558	\$ 29,008,431	\$ (3,746,873)	-13%	\$ 224,901,820	\$ 230,246,886	\$ (5,345,066)	-2%	\$ 212,396,955	\$ 12,504,864	6%
Net Patient Revenue	\$ 3,423,242	\$ 4,341,405	\$ (918,163)	-21%	\$ 32,632,151	\$ 34,788,288	\$ (2,156,136)	-6%	\$ 31,791,994	\$ 840,157	3%
NPR as a % of Gross	13.6%	15.0%	-9.5%		14.5%	15.1%	-4.0%		15.0%	-3.1%	
Tot Operating Revenue	\$ 3,511,756	\$ 4,434,211	\$ (922,455)	-21%	\$ 33,368,099	\$ 35,530,736	\$ (2,162,637)	-6%	\$ 32,531,353	\$ 836,745	3%

**Graph 2.1 | SVH Trended Operating Revenue FY24 (excluding IGT funding)**



**Graph 2.2 | SVH Trended Surgeries (Total) | FY23 – FY24 YTD**



**Table 2.3 | Surgical Volumes Top 4 Service Lines – February 2024 vs Prior Month & Six Month Trend**

Service Line	Current Month vs. Previous Month				Current Month vs. 6 Month Trend		
	Feb24	Jan24	Var	% Var	6 Month Trend	Var	% Var
Orthopedics	40	67	(27)	-40%	63	(23)	-36%
Gastroenterology	59	67	(8)	-12%	58	2	3%
Ophthalmology	20	22	(2)	-9%	17	4	21%
General	11	18	(7)	-39%	15	(4)	-24%
<b>SubTotal</b>	<b>130</b>	<b>174</b>	<b>(44)</b>	<b>-25%</b>	<b>151</b>	<b>(21)</b>	<b>-14%</b>
Other	12	18	(6)	-33%	10	2	22%
<b>Grand Total</b>	<b>142</b>	<b>192</b>	<b>(50)</b>	<b>-26%</b>	<b>161</b>	<b>(19)</b>	<b>-12%</b>

**Table 2.4 | Patient Volumes – February 2024**

	Month of February 2024				Year To Date February 2024						
	Current Year		Variance		Current Year		Variance		Prior Year	Variance	
	Actual	Budget	Var	%	Actual	Budget	Var	%	Actual	Var	%
Acute Patient Days	229	261	(32)	-12%	2,122	2,182	(60)	-3%	2,204	(82)	-4%
Average Daily Census	7.9	9.0	(1.1)	-12%	9.9	10.1	(0.3)	-3%	10.3	(0.4)	-4%
Acute Discharges	63	56	7	13%	570	481	89	19%	543	27	5%
IP Surgeries	15	12	3	25%	113	107	6	6%	129	(16)	-12%
OP Surgeries/Spec Proc	127	184	(57)	-31%	1,178	1,283	(105)	-8%	1,124	54	5%
<b>Total Surgeries</b>	<b>142</b>	<b>196</b>	<b>(54)</b>	<b>-28%</b>	<b>1,291</b>	<b>1,390</b>	<b>(99)</b>	<b>-7%</b>	<b>1,253</b>	<b>38</b>	<b>3%</b>
Total Outpatient Visits	4,904	4,522	382	8%	40,953	35,873	5,080	14%	36,494	4,459	12%
Emergency Room Visits	779	855	(76)	-9%	6,749	6,841	(92)	-1%	6,518	231	4%

**Table 2.5 | Outpatient Volumes Trended – Last 6 Months**

Department	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Last 6 Months
Lab	1,308	1,312	1,284	1,181	1,337	1,261	
Medical Imaging	959	1,002	997	945	949	896	
Physical Therapy	968	1,207	1,195	1,151	1,238	1,238	
CT Scanner	381	407	370	358	409	355	
Occ. Health	311	348	280	273	291	230	
Mammography	209	296	271	241	222	233	
Occupational Therapy	150	184	211	126	194	202	
Ultrasound	222	239	220	206	244	242	
Wound Care	198	192	129	136	174	166	
MRI	144	129	114	136	140	167	
ECHO	119	124	117	104	113	135	
Speech Therapy	43	44	51	38	45	49	
Other	13	19	12	26	24	30	
<b>TOTAL</b>	<b>5,025</b>	<b>5,503</b>	<b>5,251</b>	<b>4,921</b>	<b>5,380</b>	<b>5,204</b>	
Emergency Room	884	818	780	890	868	779	

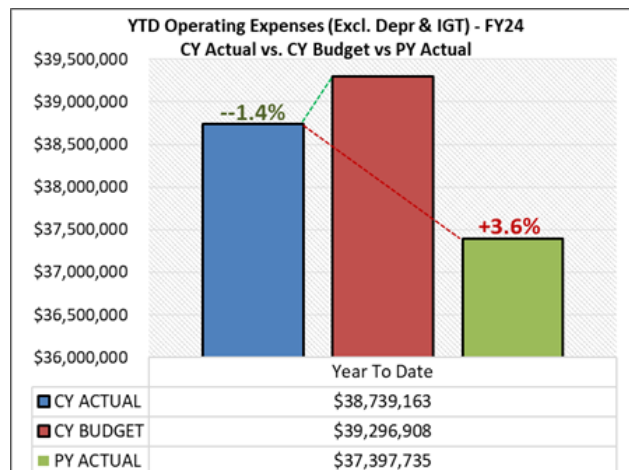
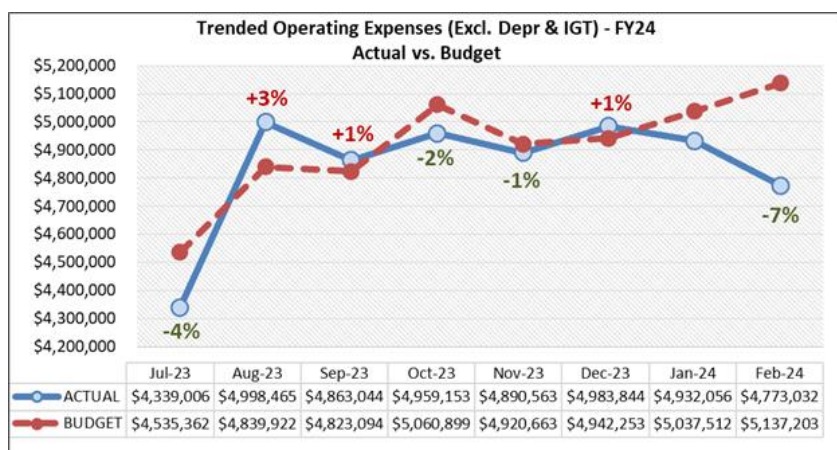


### 3. OPERATING EXPENSE SUMMARY:

**Table 3 | Operating Expenses – Actual vs. Budget – February 2024 (Excluding IGT)**

	Month of February 2024				Year To Date February 2024						
	Current Year - Month		Variance		Current Year - YTD		Variance		Prior YTD	Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%
Operating Expenses	\$5,168,114	\$ 5,410,170	\$ 242,056	4%	\$ 42,239,466	\$ 41,450,644	\$ (788,823)	-2%	\$ 39,407,149	\$(2,832,317)	-7%
Operating Exp Excl. Depr.	\$4,773,032	\$ 5,137,203	\$ 364,171	7%	\$ 38,739,163	\$ 39,296,908	\$ 557,745	1%	\$ 37,397,735	\$(1,341,428)	-4%
Worked FTEs	217.6	225.8	8.2	4%	214.8	217.7	3.0	1%	212.2	(2.6)	-1%

**Graph 3.1 | SVH Trended Operating Expenses (excluding Depreciation & IGT funding) – FY24**

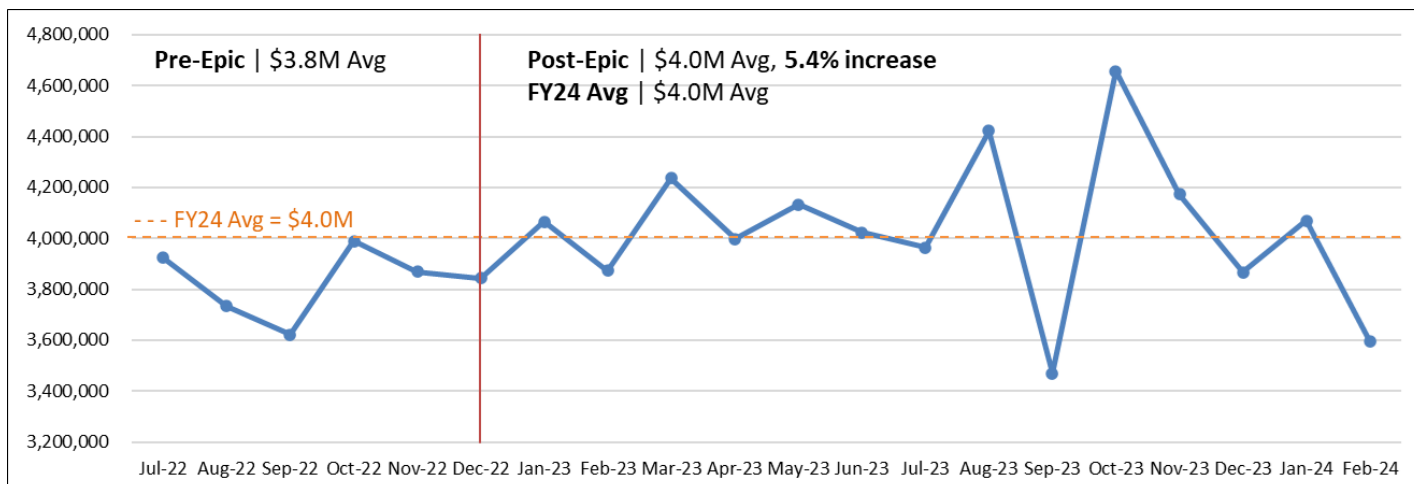


### 4. CASH ACTIVITY SUMMARY:

**Table 4 | Cash / Revenue Cycle Indicators - February 2024**

	Feb-24	Jan-24	Var	%
Days Cash on Hand	14.1	19.8	(5.7)	-29%
A/R Days	60.3	61.1	(0.8)	-1%
A/P Days	69.4	63.9	5.6	9%

**Graph 4.1 | Cash Collections Trended FY22 – Present | Pre-Epic v. Post-Epic**



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**ATTACHMENTS:**

- Attachment A is the Payer Mix Analysis
- Attachment B is the Operating Indicators Report
- Attachment C is the Balance Sheet
- Attachment D is the Balance Sheet Variance Analysis - **NEW**
- 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 Trended Income Statement
- Attachment F is the Cash Projection

**Sonoma Valley Hospital**  
**Payer Mix for the month of February, 2024**

**ATTACHMENT A**

	<b>MONTH</b>			
<b>Gross Revenue</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	9,671,071	10,562,646	-891,575	-3.0%
Medicare Managed Care	4,713,495	5,016,161	-302,667	-1.0%
Medi-Cal	4,452,820	5,615,394	-1,162,574	-4.0%
Self Pay	334,301	161,444	172,857	0.6%
Commercial & Other Governn	5,597,484	6,796,402	-1,198,918	-4.1%
Worker's Comp.	466,340	1,080,620	-614,280	-2.1%
<b>Total</b>	<b>25,235,511</b>	<b>29,232,668</b>	<b>-3,997,157</b>	<b>-13.7%</b>

	<b>YEAR TO DATE</b>			
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>% Variance</b>
Medicare	83,837,882	82,991,071	846,811	0.4%
Medicare Managed Care	40,580,528	39,404,024	1,176,504	0.5%
Medi-Cal	35,958,045	43,953,481	-7,995,436	-3.5%
Self Pay	3,338,308	1,241,107	2,097,201	0.9%
Commercial & Other Governn	54,781,255	53,061,269	1,719,986	0.8%
Worker's Comp.	6,258,239	8,401,829	-2,143,590	-0.9%
<b>Total</b>	<b>224,754,257</b>	<b>229,052,781</b>	<b>-4,298,524</b>	<b>-1.9%</b>

	<b>MONTH</b>		
<b>Payor Mix</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
Medicare	38.3%	36.1%	2.2%
Medicare Managed Care	18.7%	17.2%	1.5%
Medi-Cal	17.6%	19.2%	-1.6%
Self Pay	1.3%	0.6%	0.8%
Commercial & Other Governn	22.2%	23.2%	-1.1%
Worker's Comp.	1.8%	3.7%	-1.8%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	

	<b>YEAR TO DATE</b>		
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
Medicare	37.3%	36.2%	1.1%
Medicare Managed Care	18.1%	17.2%	0.9%
Medi-Cal	16.0%	19.2%	-3.2%
Self Pay	1.5%	0.5%	0.9%
Commercial & Other Governn	24.4%	23.2%	1.2%
Worker's Comp.	2.8%	3.7%	-0.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	



**SONOMA VALLEY HOSPITAL  
OPERATING INDICATORS  
For the Period Ended February 29, 2024**

**ATTACHMENT B**

<u>CURRENT MONTH</u>				<u>YEAR-TO-DATE</u>			<u>YTD</u>	
	<u>Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>		<u>Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable) Variance</u>	<u>Prior Year 03/01/23</u>
	<u>02/29/24</u>	<u>02/29/24</u>			<u>02/29/24</u>	<u>02/29/24</u>		
<b>Inpatient Utilization</b>								
<b>Discharges</b>								
1	42	44	(2)	Med/Surg	427	384	43	390
2	21	11	10	ICU	143	97	46	153
3	63	56	7	Total Discharges	570	481	89	543
<b>Patient Days:</b>								
4	140	167	(27)	Med/Surg	1,417	1,413	4	1,379
5	89	94	(5)	ICU	705	769	(64)	825
6	229	261	(32)	Total Patient Days	2,122	2,182	(60)	2,204
7	15	-	15	<b>Observation days</b>	174	-	174	123
<b>Average Length of Stay:</b>								
8	3.3	3.8	(0.4)	Med/Surg	3.32	3.68	(0.36)	3.5
9	4.2	8.2	(4.0)	ICU	4.93	7.97	(3.04)	5.4
10	3.6	4.7	(1.0)	Avg. Length of Stay	3.72	4.54	(0.81)	4.1
<b>Average Daily Census:</b>								
11	4.8	5.8	(0.9)	Med/Surg	5.8	5.8	0.0	5.7
12	3.1	3.2	(0.2)	ICU	2.9	3.2	(0.3)	3.4
13	7.9	9.0	(1.1)	Avg. Daily Census	8.7	8.9	(0.2)	9.0
<b>Other Utilization Statistics</b>								
<b>Emergency Room Statistics</b>								
14	779	855	(76)	Total ER Visits	6,749	6,841	(92)	6,518
<b>Outpatient Statistics:</b>								
15	5,204	4,522	682	Total Outpatients Visits	41,253	35,873	5,380	36,494
16	15	12	3	IP Surgeries	113	107	6	129
17	127	169	(42)	OP Surgeries / Special Procedures	1,178	1,268	(90)	1,124
18	286	244	41	Adjusted Discharges	2,565	2,041	524	2,288
19	1,039	1,145	(106)	Adjusted Patient Days	9,581	9,267	315	9,403
20	35.8	39.5	(3.7)	Adj. Avg. Daily Census	39.3	38.0	1.3	38.5
21	1.4411	1.4000	0.041	Case Mix Index - Medicare	1.4003	1.4000	0.000	1.4668
22	1.4632	1.4000	0.063	Case Mix Index - All payers	1.3894	1.4000	(0.011)	1.4531
<b>Labor Statistics</b>								
23	218	226	8	FTE's - Worked	215	218	3.0	212
24	229	249	20	FTE's - Paid	237	240	2.4	235
25	53.70	54.47	0.77	Average Hourly Rate	48.87	51.44	2.57	49.45
26	6.39	6.30	(0.09)	FTE / Adj. Pat Day	6.04	6.31	0.27	6.10
27	36.3	34.6	(1.7)	Manhours / Adj. Pat Day	34.4	36.0	1.5	34.8
28	132.0	162.3	30.3	Manhours / Adj. Discharge	128.6	163.3	34.7	142.9
29	28.3%	24.1%	-4.2%	Benefits % of Salaries	25.3%	24.3%	-1.1%	23.8%
<b>Non-Labor Statistics</b>								
30	8.1%	9.4%	1.3%	Supply Expense % Net Revenue	14.4%	13.3%	-1.1%	14.3%
31	1,934	2,710	776	Supply Exp. / Adj. Discharge	2,116	2,527	412	2,271
32	26,153	29,221	3,068	Total Expense / Adj. Discharge	17,683	21,526	3,843	18,498
<b>Other Indicators</b>								
33	14.1			Days Cash - Operating Funds				
34	60.3	50.0	10.3	Days in Net AR	62.2	50.0	12.2	42.9
35	90%			Collections % of Cash Goal	99%			93.9%
36	69.4	55.0	14.4	Days in Accounts Payable	69.4	55.0	14.4	46.9
37	27.1%	24.3%	2.8%	% Net revenue to Gross revenue	16.8%	16.8%	0.0%	17.1%
38	36.1%			% Net AR to Gross AR	36.1%			29.0%

**Sonoma Valley Health Care District**

**ATTACHMENT C**

**Balance Sheet  
As of February 29, 2024  
UNAUDITED**

		<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
<b>Assets</b>				
Current Assets:				
1	Cash	1,993,989	2,794,908	2,344,126
3	Net Patient Receivables	10,616,258	10,855,546	9,047,841
4	Allow Uncollect Accts	(3,161,490)	(2,998,986)	(1,490,531)
5	Net A/R	7,454,768	7,856,560	7,557,310
6	Other Accts/Notes Rec	3,732,259	2,351,349	1,699,562
7	Parcel Tax Receivable	1,740,944	1,740,944	1,741,233
8	GO Bond Tax Receivable	947,285	947,285	906,105
9	3rd Party Receivables, Net	1,723,119	812,998	4,548,290
10	Inventory	1,029,859	1,027,156	1,081,370
11	Prepaid Expenses	1,001,830	1,062,872	836,394
12	<b>Total Current Assets</b>	<b>\$ 19,624,053</b>	<b>\$ 18,594,072</b>	<b>\$ 20,714,389</b>
13	Property, Plant & Equip, Net	\$ 56,442,211	\$ 56,323,297	\$ 54,310,332
14	Trustee Funds - GO Bonds	5,007,814	4,989,603	4,632,885
15	Designated Funds - Board Approved	-	-	-
16	<b>Total Assets</b>	<b>\$ 81,074,078</b>	<b>\$ 79,906,972</b>	<b>\$ 79,657,606</b>
<b>Liabilities &amp; Fund Balances</b>				
Current Liabilities:				
17	Accounts Payable	\$ 8,010,416	\$ 7,060,486	\$ 5,886,391
18	Accrued Compensation	3,895,505	3,736,291	3,738,230
19	Interest Payable - GO Bonds	254,795	206,953	4,055
20	Accrued Expenses	418,062	302,024	1,076,737
21	Advances From 3rd Parties	-	-	-
22	Deferred Parcel Tax Revenue	1,266,664	1,583,331	1,266,668
23	Deferred GO Bond Tax Revenue	872,489	1,090,611	828,364
24	Current Maturities-LTD	217,475	217,475	217,475
25	Line of Credit - Union Bank	4,973,734	4,973,734	5,473,734
26	Other Liabilities	93,916	93,916	57,511
27	<b>Total Current Liabilities</b>	<b>\$ 20,003,056</b>	<b>\$ 19,264,821</b>	<b>\$ 18,549,164</b>
28	Long Term Debt, net current portion	\$ 26,018,743	\$ 26,107,741	\$ 25,224,218
29	Fund Balances:			
30	Unrestricted	\$ 21,587,378	\$ 21,587,375	\$ 18,666,653
31	Restricted	13,464,901	12,947,035	17,217,571
32	<b>Total Fund Balances</b>	<b>\$ 35,052,279</b>	<b>\$ 34,534,410</b>	<b>\$ 35,884,224</b>
33	<b>Total Liabilities &amp; Fund Balances</b>	<b>\$ 81,074,078</b>	<b>\$ 79,906,972</b>	<b>\$ 79,657,606</b>

Sonoma Valley Health Care District  
 Balance Sheet Variance Analysis  
 For the Period Ended February 29, 2024

ATTACHMENT D

Assets	Monthly Change	Current Month	Prior Month	Prior Year	Variance Commentary
<b>CURRENT ASSETS</b>					
Cash	(800,919)	1,993,989	2,794,908	2,344,126	Cash decreased by \$800K in February. Total hospital sources cash receipts of \$3.8M vs. Expense/AP Payments (incl. capital lease payments and loan repayments) of \$5.4M. In addition, \$860K of cyberattack insurance claim money was received in February.
Net A/R	(401,792)	7,454,768	7,856,560	7,557,310	Net A/R decreased with increased focus on reducing hospital's Open A/R.
Other Receivables	2,291,031	8,143,607	5,852,576	8,895,189	Other Receivables increased due to additional IGT accrual of \$2.4M for the Rate Range fund.
Inventory	2,703	1,029,859	1,027,156	1,081,370	
Prepaid Expenses	(61,042)	1,001,830	1,062,872	836,394	
<b>TOTAL CURRENT ASSETS</b>	<b>1,029,981</b>	<b>19,624,053</b>	<b>18,594,072</b>	<b>20,714,389</b>	
<b>NON-CURRENT ASSETS</b>					
Net Fixed Assets	118,914	56,442,211	56,323,297	54,310,332	
Trustee Funds - GO Bonds	18,211	5,007,814	4,989,603	4,632,885	
<b>TOTAL ASSETS</b>	<b>1,167,106</b>	<b>81,074,078</b>	<b>79,906,972</b>	<b>79,657,606</b>	
Liabilities / Fund Balance	Monthly Change	Current Month	Prior Month	Prior Year	Variance Commentary
<b>CURRENT LIABILITIES</b>					
Accounts Payable	949,930	8,010,416	7,060,486	5,886,391	A/P increased due to large amount of invoices received for ODC project. In total, \$2.4 million of AP liability includes payable invoices for the ODC project. These amounts will be reimbursed by foundation once paid, which took place in March.
Accrued Expenses	275,252	4,313,567	4,038,315	4,814,966	
Interest Payable	47,842	254,795	206,953	4,055	
Deferred Revenues	(534,789)	2,139,153	2,673,942	2,095,032	Deferred revenue decreased due to the monthly revenue recognition of our parcel taxes (\$316,667/month) and GO bond proceeds (\$218,122/month).
Line of Credit	-	4,973,734	4,973,734	5,473,734	
Other Liabilities	(0)	311,391	311,391	274,986	
<b>TOTAL CURRENT LIABILITIES</b>	<b>738,235</b>	<b>20,003,056</b>	<b>19,264,821</b>	<b>18,549,164</b>	
<b>NON-CURRENT LIABILITIES</b>					
Long Term Debt	(88,998)	26,018,743	26,107,741	25,224,218	
<b>TOTAL LIABILITIES</b>	<b>649,237</b>	<b>46,021,799</b>	<b>45,372,562</b>	<b>43,773,382</b>	
<b>FUND BALANCES</b>					
Fund Balance	517,869	35,052,279	34,534,410	35,884,224	Net income of \$517,866
<b>TOTAL LIABILITIES &amp; FUND BALANCES</b>	<b>1,167,106</b>	<b>81,074,078</b>	<b>79,906,972</b>	<b>79,657,606</b>	

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses  
For the Period Ended February 29, 2024**

	Month				Volume Information	Year-To-Date				YTD
	This Year		Variance			This Year		Variance		
	Actual	Budget	\$	%		Actual	Budget	\$	%	
1	63	61	2	3%	Acute Discharges	570	484	86	18%	530
2	229	254	(25)	-10%	Patient Days	2,122	2,159	(37)	-2%	2,266
3	15	-	15	0%	Observation Days	174	-	174	*	123
4	\$ 19,700	\$ 22,403	\$ (2,702)	-12%	Gross O/P Revenue (000's)	\$ 174,920	\$ 176,082	\$ (1,162)	-1%	\$ 161,765
<b>Financial Results</b>										
<b>Gross Patient Revenue</b>										
5	\$ 5,561,483	\$ 6,605,677	\$ (1,044,194)	-16%	Inpatient	\$ 49,981,739	\$ 54,164,927	(4,183,188)	-8%	\$ 50,435,251
6	11,809,432	13,221,013	(1,411,581)	-11%	Outpatient	107,360,489	105,123,467	2,237,022	2%	95,368,884
7	7,890,643	9,181,741	(1,291,098)	-14%	Emergency	67,559,591	70,958,492	(3,398,900)	-5%	66,592,820
8	\$ 25,261,558	\$ 29,008,431	(3,746,873)	-13%	<b>Total Gross Patient Revenue</b>	\$ 224,901,820	\$ 230,246,886	(5,345,066)	-2%	\$ 212,396,955
<b>Deductions from Revenue</b>										
9	(21,395,686)	(24,465,296)	3,069,610	13%	Contractual Discounts	\$ (191,358,366)	\$ (194,087,191)	2,728,825	1%	\$ (174,668,794)
10	(202,507)	(171,925)	(30,582)	-18%	Bad Debt	(837,534)	(1,153,818)	316,284	27%	(5,602,360)
11	(240,123)	(29,805)	(210,318)	-706%	Charity Care Provision	(73,768)	(217,589)	143,821	66%	(333,807)
12	3,420,534	2,703,347	717,187	27%	Prior Period Adj/Government Program Revenue	5,032,445	3,872,578	1,159,867	30%	4,445,713
13	\$ (18,417,782)	\$ (21,963,679)	3,545,897	-16%	<b>Total Deductions from Revenue</b>	\$ (187,237,223)	\$ (191,586,020)	4,348,797	-2%	\$ (176,159,248)
<b>Net Patient Service Revenue</b>										
14	\$ 6,843,776	\$ 7,044,752	(200,976)	-3%	Other Op Rev & Electronic Health Records	\$ 37,664,596	\$ 38,660,866	(996,269)	-3%	\$ 36,237,707
15	\$ 88,514	\$ 92,806	(4,292)	-5%	<b>Total Operating Revenue</b>	\$ 735,948	\$ 742,448	(6,500)	-1%	\$ 739,359
16	\$ 6,932,290	\$ 7,137,558	(205,268)	-3%		\$ 38,400,544	\$ 39,403,314	\$ (1,002,770)	-3%	\$ 36,977,066
<b>Operating Expenses</b>										
17	\$ 2,025,982	\$ 2,160,940	134,958	6%	Salary and Wages and Agency Fees	\$ 16,126,740	\$ 16,575,995	449,256	3%	\$ 16,167,271
18	729,229	747,522	18,293	2%	Employee Benefits	5,994,051	5,838,141	(155,910)	-3%	5,615,265
19	\$ 2,755,211	\$ 2,908,462	153,251	5%	Total People Cost	\$ 22,120,791	\$ 22,414,136	293,345	1%	\$ 21,782,536
20	\$ 621,045	\$ 661,124	40,079	6%	Med and Prof Fees (excl'd Agency)	\$ 4,668,910	\$ 5,001,371	332,461	7%	\$ 4,537,738
21	552,783	662,580	109,797	17%	Supplies	5,426,559	5,159,199	(267,360)	-5%	5,195,131
22	379,540	542,452	162,912	30%	Purchased Services	3,411,231	3,547,543	136,312	4%	3,415,056
23	395,082	272,967	(122,115)	-45%	Depreciation	3,500,303	2,153,736	(1,346,567)	-63%	2,009,414
24	256,678	159,120	(97,558)	-61%	Utilities	1,311,110	1,402,954	91,844	7%	1,346,682
25	66,583	66,758	175	0%	Insurance	551,221	544,063	(7,158)	-1%	444,955
26	84,472	83,094	(1,378)	-2%	Interest	465,834	387,752	(78,082)	-20%	292,178
27	56,720	53,613	(3,107)	-6%	Other	783,506	839,889	56,383	7%	383,458
28	2,265,305	1,685,476	(579,829)	34%	Matching Fees (Government Programs)	2,769,998	2,105,452	(664,546)	32%	2,525,867
29	\$ 7,433,419	\$ 7,095,646	(337,773)	-5%	<b>Operating expenses</b>	\$ 45,009,464	\$ 43,556,096	(1,453,369)	-3.3%	\$ 41,933,016
30	\$ (501,129)	\$ 41,912	\$ (543,041)	1296%	<b>Operating Margin</b>	\$ (6,608,921)	\$ (4,152,782)	(2,456,138)	-59%	\$ (4,955,950)

**Sonoma Valley Health Care District  
Statement of Revenue and Expenses  
For the Period Ended February 29, 2024**

	Month					Year-To-Date				YTD	
	This Year		Variance			This Year		Variance			Prior Year
	Actual	Budget	\$	%		Actual	Budget	\$	%		
<b>31</b>	\$ 14,540	\$ 4,744	9,796	*							
<b>32</b>	(3,586)	-	(3,586)	0%							
<b>33</b>	-	-	-	*							
<b>34</b>	316,667	316,667	-	0%							
<b>35</b>	-	-	-	0%							
<b>36</b>	<u>\$ 327,621</u>	<u>\$ 321,411</u>	<u>6,210</u>	<u>2%</u>							
<b>37</b>	<u>\$ (173,508)</u>	<u>\$ 363,323</u>	<u>(536,831)</u>	<u>*</u>							
<b>38</b>	\$ -	\$ -	-	0%							
<b>39</b>	\$ 516,187	\$ 238,530	277,657	0%							
<b>40</b>	<u>\$ 342,679</u>	<u>\$ 601,853</u>	<u>(259,174)</u>	<u>-43%</u>							
<b>41</b>	175,187	158,829	16,358	10%							
<b>42</b>	<u>\$ 517,866</u>	<u>\$ 760,682</u>	<u>(242,816)</u>	<u>-32%</u>							
	\$ 221,574	\$ 636,290	(414,716)								
	<u>\$ (106,047)</u>	<u>\$ 314,879</u>	<u>(420,926)</u>	<u>134%</u>							
					<b>Non Operating Rev and Expense</b>						
					Miscellaneous Revenue/(Expenses)	\$ 151,784	\$ 37,896	113,888	*	\$ 60,509	
					Donations	(10,670)	-	(10,670)	0%	-	
					Physician Practice Support-Prima	-	-	-	*	-	
					Parcel Tax Assessment Rev	2,533,336	2,533,336	-	0%	2,533,336	
					Extraordinary Items	-	-	-	0%	-	
					<b>Total Non-Operating Rev/Exp</b>	<u>\$ 2,674,450</u>	<u>\$ 2,571,232</u>	<u>103,218</u>	<u>4%</u>	<u>\$ 2,593,845</u>	
					<b>Net Income / (Loss) prior to Restricted Contributions</b>	<u>\$ (3,934,471)</u>	<u>\$ (1,581,550)</u>	<u>(2,352,921)</u>	<u>-149%</u>	<u>\$ (2,362,105)</u>	
					Capital Campaign Contribution	\$ -	\$ -	-	0%	\$ -	
					Restricted Foundation Contributions	\$ 1,250,376	\$ 1,908,240	(657,864)	100%	\$ 2,001,635	
					<b>Net Income / (Loss) w/ Restricted Contributions</b>	<u>\$ (2,684,095)</u>	<u>\$ 326,690</u>	<u>(3,010,785)</u>	<u>*</u>	<u>\$ (360,470)</u>	
					GO Bond Activity, Net	1,396,728	1,270,632	126,096	10%	1,271,162	
					<b>Net Income/(Loss) w GO Bond Activity</b>	<u>\$ (1,287,367)</u>	<u>\$ 1,597,322</u>	<u>(2,884,689)</u>	<u>*</u>	<u>\$ 910,692</u>	
					<b>EBDA - Not including Restricted Contributions</b>	\$ (434,168)	\$ 572,186	(1,006,354)		\$ (352,690)	
					<b>Operating EBDA - Not including Restricted Contributions</b>	<u>\$ (3,108,617)</u>	<u>\$ (1,999,046)</u>	<u>(1,109,571)</u>	<u>-56%</u>	<u>\$ (2,946,536)</u>	

**Sonoma Valley Health Care District  
FY24 Trended Income Statement  
For the Period Ended February 29, 2024**

**ATTACHMENT F**

	July	August	September	October	November	December	January	February	FY24 YTD
1 Acute Discharges	58	67	69	82	73	83	75	63	570
2 Patient Days	235	286	252	291	278	251	300	229	2,122
3 Observation Days	17	17	20	20	28	31	26	15	174
4 Gross O/P Revenue (000's)	\$ 22,427	\$ 23,002	\$ 20,977	\$ 22,806	\$ 21,941	\$ 20,765	\$ 23,302	\$ 19,700	\$ 174,920
<b>Financial Results</b>									
<b>Gross Patient Revenue</b>									
5 Inpatient	\$ 5,270,930	\$ 6,185,291	\$ 7,042,659	\$ 6,940,541	\$ 6,215,214	\$ 6,065,731	\$ 6,699,890	\$ 5,561,483	\$ 49,981,739
6 Outpatient	13,362,380	14,480,581	12,732,428	14,061,243	14,065,738	12,406,069	14,442,618	11,809,432	107,360,489
7 Emergency	9,064,276	8,521,398	8,244,129	8,744,996	7,875,077	8,359,376	8,859,696	7,890,643	67,559,591
8 Total Gross Patient Revenue	\$ 27,697,586	\$ 29,187,271	\$ 28,019,216	\$ 29,746,780	\$ 28,156,029	\$ 26,831,176	\$ 30,002,204	\$ 25,261,558	\$ 224,901,820
<b>Deductions from Revenue</b>									
9 Contractual Discounts	(23,186,323)	(24,519,220)	(23,700,704)	(25,666,646)	(24,259,529)	(23,383,497)	(25,246,761)	(21,395,686)	(191,358,366)
10 Bad Debt	(100,000)	(150,286)	(150,000)	(150,000)	(106,666)	111,925	(90,000)	(202,507)	(837,534)
11 Charity Care Provision	(164,591)	(109,767)	(5,598)	127,064	209,720	231,540	(122,013)	(240,123)	(73,768)
12 Prior Period Adj/Government Program Reven	-	-	-	723,542	-	-	888,369	3,420,534	5,032,445
13 Total Deductions from Revenue	\$ (23,450,914)	\$ (24,779,273)	\$ (23,856,302)	\$ (24,966,040)	\$ (24,156,475)	\$ (23,040,032)	\$ (24,570,405)	\$ (18,417,782)	\$ (187,237,223)
14 Net Patient Service Revenue	\$ 4,246,672	\$ 4,407,997	\$ 4,162,914	\$ 4,780,740	\$ 3,999,554	\$ 3,791,144	\$ 5,431,799	\$ 6,843,776	\$ 37,664,596
15 Other Op Rev & Electronic Health Records	\$ 85,509	\$ 87,480	\$ 84,028	\$ 84,957	\$ 102,893	\$ 94,272	\$ 108,295	\$ 88,514	\$ 735,948
16 Total Operating Revenue	\$ 4,332,181	\$ 4,495,477	\$ 4,246,942	\$ 4,865,697	\$ 4,102,447	\$ 3,885,416	\$ 5,540,094	\$ 6,932,290	\$ 38,400,544
<b>Operating Expenses</b>									
17 Salary and Wages and Agency Fees	\$ 1,945,424	\$ 2,110,281	\$ 1,945,277	\$ 2,136,304	\$ 1,959,289	\$ 2,088,632	\$ 1,915,551	\$ 2,025,982	\$ 16,126,740
18 Employee Benefits	735,985	707,955	744,685	738,614	771,746	754,958	810,879	729,229	5,994,051
19 Total People Cost	\$ 2,681,409	\$ 2,818,236	\$ 2,689,962	\$ 2,874,918	\$ 2,731,035	\$ 2,843,590	\$ 2,726,430	\$ 2,755,211	\$ 22,120,791
20 Med and Prof Fees (excl Agency)	\$ 557,320	\$ 599,056	\$ 541,334	\$ 571,881	\$ 567,236	\$ 551,402	\$ 659,636	\$ 621,045	\$ 4,668,910
21 Supplies	460,649	762,524	752,597	797,037	683,130	656,453	761,387	552,783	5,426,559
22 Purchased Services	305,875	410,360	431,618	372,986	563,672	550,338	396,842	379,540	3,411,231
23 Depreciation	240,214	238,993	501,633	696,387	539,719	431,329	456,946	395,082	3,500,303
24 Utilities	157,932	159,965	197,864	101,670	136,391	134,835	165,776	256,678	1,311,110
25 Insurance	66,583	81,160	66,697	68,488	66,583	68,544	66,583	66,583	551,221
26 Interest	42,598	43,202	71,611	56,224	49,503	46,487	71,737	84,472	465,834
27 Other	66,641	123,963	111,361	115,949	93,013	132,195	83,665	56,720	783,506
28 Matching Fees (Government Programs)	-	-	-	211,693	-	-	293,000	2,265,305	2,769,998
29 Operating expenses	\$ 4,579,220	\$ 5,237,458	\$ 5,364,677	\$ 5,867,233	\$ 5,430,282	\$ 5,415,173	\$ 5,682,002	\$ 7,433,419	\$ 45,009,464
30 Operating Margin	\$ (247,039)	\$ (741,982)	\$ (1,117,735)	\$ (1,001,536)	\$ (1,327,835)	\$ (1,529,757)	\$ (141,908)	\$ (501,129)	\$ (6,608,921)
<b>Non Operating Rev and Expense</b>									
31 Miscellaneous Revenue/(Expenses)	\$ 27,167	\$ 15,794	\$ 12,459	\$ 42,493	\$ 3,662	\$ 16,366	\$ 19,303	\$ 14,540	\$ 151,784
32 Donations	-	-	-	-	-	(4,287)	(2,797)	(3,586)	(10,670)
33 Physician Practice Support-Prima	-	-	-	-	-	-	-	-	-
34 Parcel Tax Assessment Rev	316,667	316,667	316,667	316,667	316,667	316,667	316,667	316,667	2,533,336
35 Extraordinary Items	-	-	-	-	-	-	-	-	-
36 Total Non-Operating Rev/Exp	\$ 343,834	\$ 332,461	\$ 329,126	\$ 359,160	\$ 320,329	\$ 328,746	\$ 333,173	\$ 327,621	\$ 2,674,450
<b>Net Income / (Loss) prior to Rest.</b>									
37 Contributions	\$ 96,795	\$ (409,521)	\$ (788,609)	\$ (642,376)	\$ (1,007,506)	\$ (1,201,011)	\$ 191,265	\$ (173,508)	\$ (3,934,471)
38 Capital Campaign Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
39 Restricted Foundation Contributions	\$ 1,638	\$ 103,076	\$ 213,884	\$ -	\$ 78,280	\$ 330,142	\$ 7,169	\$ 516,187	\$ 1,250,376
40 Net Income / (Loss) w/ Restricted Contributions	\$ 98,433	\$ (306,445)	\$ (574,725)	\$ (642,376)	\$ (929,226)	\$ (870,869)	\$ 198,434	\$ 342,679	\$ (2,684,095)
41 GO Bond Activity, Net	170,419	175,187	175,187	175,187	175,187	175,187	175,187	175,187	1,396,728
42 Net Income/(Loss) w GO Bond Activity	\$ 268,852	\$ (131,258)	\$ (399,538)	\$ (467,189)	\$ (754,039)	\$ (695,682)	\$ 373,621	\$ 517,866	\$ (1,287,367)
<b>EBDA - Not including Restricted Cont.</b>									
Operating EBDA	\$ (6,825)	\$ (502,989)	\$ (616,102)	\$ (305,149)	\$ (788,116)	\$ (1,098,428)	\$ 315,038	\$ (106,047)	\$ (3,002,570)
Operating EBDA excl IGT	\$ (6,825)	\$ (502,989)	\$ (616,102)	\$ (816,998)	\$ (788,116)	\$ (1,098,428)	\$ (280,331)	\$ (1,261,276)	\$ (4,109,788)

Sonoma Valley Hospital  
Cash Forecast  
FY 2024

ATTACHMENT G

	Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Actual Jan	Actual Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL	
<b>Hospital Operating Sources</b>														
1 Patient Payments Collected	3,964,672	4,421,352	3,469,614	4,656,688	4,173,049	3,866,074	4,070,379	3,595,869	3,600,000	3,600,000	3,600,000	3,600,000	46,617,699	
2 Other Operating Revenue	26,197	172,302	37,453	95,192	283,068	93,447	117,466	153,075	65,455	150,750	228,646	115,291	1,538,341	
3 Other Non-Operating Revenue	42,960	4,386	10,108	43,877	12,352	11,224	17,442	5,578	7,800	7,800	7,800	7,800	179,127	
4 Unrestricted Contributions		1,250	861	2,651	7,716	380	7,169	3,420					23,447	
5 Line of Credit													-	
Adjustment to Reconcile to Cash Balance		1,116	(245)	(196)	(155)	(49)		196					667	
<b>Sub-Total Hospital Sources</b>	<b>4,033,829</b>	<b>4,600,406</b>	<b>3,517,792</b>	<b>4,798,212</b>	<b>4,476,030</b>	<b>3,971,076</b>	<b>4,212,456</b>	<b>3,758,139</b>	<b>3,673,255</b>	<b>3,758,550</b>	<b>3,836,446</b>	<b>3,723,091</b>	<b>48,359,281</b>	
<b>Hospital Uses of Cash</b>														
6 Operating Expenses / AP Payments	5,152,114	5,121,241	4,128,841	4,998,884	5,056,542	5,222,290	4,196,863	5,323,592	4,923,479	4,946,353	5,034,948	5,014,191	59,119,338	
7 Add Capital Lease Payments	64,932	65,051	389,160	194,558	370,013	69,578	270,605	88,998					1,512,895	
8 Add: Bridge Loan Paybacks										304,000	304,000		608,000	
9 Add: CHFFA Help II Loan Repayments	30,833	30,833	30,833	30,833	30,833	31,987	35,056	35,056	30,833	30,833	30,833	30,833	379,596	
10 Line of Credit Paydown											3,100,000		3,100,000	
11 Capital Expenditures	157,689	152,213	177,157	27,616	116,996	421,333	330,101	530,867	26,137	817,300	996,137	263,577	4,017,122	
SVH Capital		50,387		-	-	94,223	296,795	4,000		817,300	170,000	5,000	1,437,704	
Foundation Capital	1,638	101,825	213,023		85,272	327,110	33,306	526,867	26,137		826,137	258,577	2,399,891	
<b>Total Hospital Uses</b>	<b>5,405,567</b>	<b>5,369,338</b>	<b>4,725,991</b>	<b>5,251,892</b>	<b>5,574,384</b>	<b>5,745,188</b>	<b>4,832,623</b>	<b>5,978,513</b>	<b>4,980,449</b>	<b>6,098,486</b>	<b>9,465,918</b>	<b>5,308,601</b>	<b>68,736,951</b>	
<b>Net Hospital Sources/Uses of Cash</b>	<b>(1,371,738)</b>	<b>(768,932)</b>	<b>(1,208,199)</b>	<b>(453,679)</b>	<b>(1,098,354)</b>	<b>(1,774,112)</b>	<b>(620,167)</b>	<b>(2,220,374)</b>	<b>(1,307,195)</b>	<b>(2,339,936)</b>	<b>(5,629,473)</b>	<b>(1,585,510)</b>	<b>(20,377,670)</b>	
<b>Non-Hospital Sources</b>														
12 Restricted Capital Donations	1,638	101,826	213,023	6,249	85,272	327,110	26,137	516,187	826,137		826,137	258,577	3,188,293	
13 Parcel Tax Revenue	179,984					2,059,056				1,560,959			3,800,000	
14 Other Payments								861,768	200,000	238,232			1,300,000	
15 Other:													-	
16 IGT - HQAF VII (CY22)				39,262	684,280								723,542	
17 IGT - QIP (PY 5/CY22)										1,288,369			1,288,369	
18 IGT - Rate Range								2,500,000			3,000,000		5,500,000	
19 IGT - HQAF VIII (CY23)											780,000		780,000	
20 Distressed Hospital Loan Program										3,100,000			3,100,000	
<b>Sub-Total Non-Hospital Sources</b>	<b>181,622</b>	<b>101,826</b>	<b>213,023</b>	<b>45,511</b>	<b>769,552</b>	<b>2,386,167</b>	<b>26,137</b>	<b>3,877,955</b>	<b>1,026,137</b>	<b>6,187,560</b>	<b>4,606,137</b>	<b>258,577</b>	<b>19,680,203</b>	
<b>Non-Hospital Uses of Cash</b>														
21 Matching Fees	-	-	-	211,693				2,458,305	293,529					2,963,527
<b>Sub-Total Non-Hospital Uses of Cash</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>211,693</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,458,305</b>	<b>293,529</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,963,527</b>	
<b>Net Non-Hospital Sources/Uses of Cash</b>	<b>181,622</b>	<b>101,826</b>	<b>213,023</b>	<b>(166,182)</b>	<b>769,552</b>	<b>2,386,167</b>	<b>26,137</b>	<b>1,419,650</b>	<b>732,608</b>	<b>6,187,560</b>	<b>4,606,137</b>	<b>258,577</b>	<b>16,716,677</b>	
<b>Net Sources/Uses</b>	<b>(1,190,116)</b>	<b>(667,106)</b>	<b>(995,176)</b>	<b>(619,862)</b>	<b>(328,803)</b>	<b>612,054</b>	<b>(594,030)</b>	<b>(800,724)</b>	<b>(574,587)</b>	<b>3,847,625</b>	<b>(1,023,336)</b>	<b>(1,326,933)</b>	<b>(3,660,993)</b>	
Total Cash at beginning of period	6,574,099	5,383,983	4,717,993	3,723,688	3,104,501	2,776,218	3,388,743	2,794,713	1,993,989	1,419,402	5,267,027	4,243,691		
<b>Total Cash at End of Period</b>	<b>5,383,983</b>	<b>4,716,877</b>	<b>3,722,817</b>	<b>3,103,826</b>	<b>2,775,698</b>	<b>3,388,272</b>	<b>2,794,713</b>	<b>1,993,989</b>	<b>1,419,402</b>	<b>5,267,027</b>	<b>4,243,691</b>	<b>2,916,758</b>		
<b>Average Days of Cash on Hand</b>														
Average Days of Cash on Hand	40.1	35.8	26.3	25.5	20.5	22.4	20.3	14.5						
<b>Days of Cash on Hand at End of Month</b>														
Days of Cash on Hand at End of Month	39.7	33.3	25.6	21.9	20.9	21.5	19.8	14.1	10.0	37.2	30.0	20.6		