



SVHCD FINANCE COMMITTEE MEETING **AGENDA**

TUESDAY, July 23, 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>

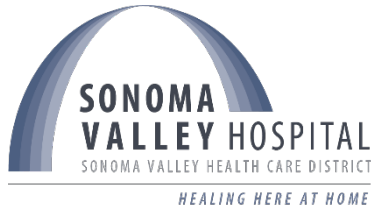
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AGENDA ITEM	RECOMMENDATION	
In compliance with the Americans with Disabilities Act, if you require special accommodations to attend a District meeting, please contact the Board Clerk, Whitney Reese, at wreese@sonomavalleyhospital.org or 707.935.5005 at least 48 hours prior to the meeting.		
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. CONSENT CALENDAR a. BOD & Finance Committee Joint Minutes 05.28.24 b. Finance Committee Minutes 05.28.24	<i>Boerum</i>	Action
4. BANK PROPOSALS	<i>Armfield</i>	Action
5. FINANCIAL REPORTS FOR MONTH END MAY & JUNE 2024	<i>Armfield</i>	Inform
6. ADJOURN	<i>Boerum</i>	



SVHCD
JOINT: BOARD OF DIRECTORS & FINANCE COMMITTEE MEETING
MINUTES

TUESDAY, MAY 28, 2024

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

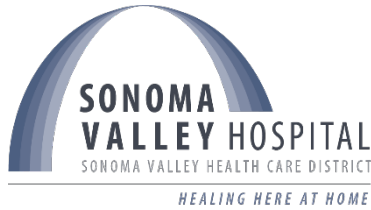
Present	Not Present/Excused	Staff/Public
Judith Bjorndal, MD, via zoom (BOD) Bill Boerum, in person (BOD & FC) Wendy Myatt Lee, in person (BOD & FC) Denise Kalos, in person (BOD) Dennis Bloch, in person (FC) Ed Case, in person (FC) Subhash Mishra, MD, via zoom (FC) Catherine Donahue, in person (FC)	Susan Kornblatt Idell (BOD) Graham Smith (FC) Robert Crane (FC) Carl Gerlach (FC)	Ben Armfield, SVH CFO, in person John Hennelly, SVH CEO, in person Lois Fruzynski, SVH Accounting Manager, in person Dave Pier, ED of SVH Foundation, via zoom Dan Kittleson, in person Whitney Reese, SVH Board Clerk, in person Dawn Kuwahara, RN BSN, SVH Chief Ancillary Officer Lynn McKissock, SVH Chief Human Resources Officer Jessica Winkler, DNP, RN, NEA-BC, CCRN, SVH CNO, in person Sabrina Kidd, MD, SVH CMO, via zoom Kimberly Drummond, SVH Chief of Support Services, via zoom

MISSION & VISION STATEMENT

The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.

AGENDA ITEM	DISCUSSION	ACTIONS
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Judith Bjorndal, MD</i>	
2. PUBLIC COMMENT SECTION	None	
3. SONOMA VALLEY HOSPITAL FY BUDGET 2025	<i>Ben Armfield</i>	Inform
	Armfield presented the SVH 2025 fiscal year budget encouraging questions and discussion. The key focus was on ensuring that medical practices could operate effectively despite challenges. The Board of Directors, Finance Committee members, and SVH Staff discussed the financial difficulties of medical practices, the importance of retaining local surgeons, and the impact of expanding MRI and PT services. They also addressed the potential revenue from the IGT fund and the importance of conservative budgeting. The committee commended the detailed budget planning and emphasized the need for continuous monitoring and strategic adjustments to maintain financial health and service quality.	

	<p>FY25 Financial Targets:</p> <ul style="list-style-type: none"> • Aim to return to FY23 levels for operating EBDA and operating EBDA with parcel tax. • Projected improvement of nearly \$2 million from current fiscal year end. <p>Other key discussions including:</p> <ul style="list-style-type: none"> • Insurance Coverage: Broad acceptance of insurance plans is crucial for community healthcare services. • Financial Challenges: Operating medical practices at a break-even point is challenging; absorbing revenue within clinics is essential. • Surgeon Retention: Keeping local surgeons is vital to maintain service volume and avoid losing key medical personnel. • MRI Expansion: The new 3T MRI is expected to significantly boost revenue, doubling current MRI scan volumes. • PT Service Expansion: Projected 25% volume increase post-expansion, with potential for further growth. • IGT Fund Revenue: Negotiations for increased IGT funding could significantly impact net revenue, with a conservative estimate of \$1.5 million net increase. 	
4. ADJOURN	<i>Judith Bjorndal, MD</i>	
	Meeting adjourned at 6:17pm	



**SVHCD
FINANCE COMMITTEE MEETING
MINUTES**

TUESDAY, APRIL 23, 2024

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

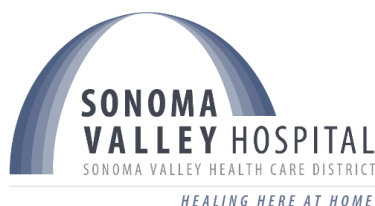
Present	Not Present/Excused	Staff/Public
Bill Boerum, in person Wendy Myatt Lee, in person Dennis Bloch, in person Ed Case, in person Subhash Mishra, MD, via zoom Catherine Donahue, in person	Graham Smith Robert Crane Carl Gerlach	Ben Armfield, SVH CFO, in person John Hennelly, SVH CEO, in person Lois Fruzynski, SVH Accounting Manager, in person Dave Pier, ED of SVH Foundation, via zoom Dan Kittleson, in person Whitney Reese, SVH Board Clerk, in person Dawn Kuwahara, RN BSN, SVH Chief Ancillary Officer Jessica Winkler, DNP, RN, NEA-BC, CCRN, SVH CNO, in person Kimberly Drummond, SVH Chief of Support Services, via zoom

MISSION & VISION STATEMENT

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AGENDA ITEM	DISCUSSION	ACTIONS
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Bill Boerum</i>	
	Committee members excused absent: Graham Smith, Robert Crane, Carl Gerlach	Meeting called to order 6:17pm (immediately following joint BOD & Finance Committee adjournment)
2. PUBLIC COMMENT SECTION	None	
3. CONSENT CALENDAR	<i>Bill Boerum</i>	Action
Finance Committee Minutes 04.23.24		MOTION: by Bloch to approve as corrected, 2 nd by Myatt Lee. All in favor
4. LINE OF CREDIT	<i>Ben Armfield</i>	Action
	Armfield presented extension of a revolving line of credit with U.S. Bank, initially misinterpreted as a renewal, from the end of April to the end of August. Key points include:	MOTION: by Bloch to approve, 2 nd by Myatt Lee. All in favor

	<ul style="list-style-type: none"> • Line of Credit Extension: A reworked line of credit extension with updated terms was reviewed. • Security Agreement: This agreement ensures U.S. Bank provides security for a \$3 million distressed hospital loan. • Collateral: U.S. Bank consents to CHFA using 20% of medical receivables as collateral. • Terms and Covenants: Updated terms and financial covenants based on revised fiscal forecasts. • Alternatives: Exploration of other banking options, including local banks and credit unions. • Interest and Payment: The extended agreement includes an updated interest rate and usage of funds to pay down existing debt. 	
5. FINANCIAL REPORT FOR MONTH END APRIL 2024	<i>Ben Armfield</i>	Inform
	<p>Armfield presented SVH's financial report for April – the best month of the fiscal year so far. \$1.4 million in Operating EBDA for April cutting year-to-date budget deficit in half. A major contributor was the \$1.8 million in incremental net revenue from the Rate Range IGT true-up. Surgical volumes, though below budget, were 30% higher than March and surpassed the prior six-month trend by over 10%. Emergency room volumes met budget expectations and exceeded last year's by 5%. Ancillary volumes increased by 10%, with physical therapy setting a new fiscal year high. Operating expenses were over 10% below budget, demonstrating effective cost management despite volume fluctuations. April saw \$4.5 million in cash collections, greatly exceeding projections and improving the hospital's cash position to over 50 days on hand.</p>	
6. ADJOURN	<i>Bill Boerum</i>	Meeting adjourned at 6:47pm



To: SVHCD Finance Committee
From: Ben Armfield, Chief Financial Officer
Date: July 23, 2024
Subject: Banking Proposals

As has been discussed at length over the last number of months, we have been in discussions with multiple prospective banks in the hopes of landing in a more favorable situation for the long-term. We currently bank with US Bank and have a line of credit that now matures at the end of August. This memo goes into detail about the banks that have been engaged, the proposals we have received, and our recommendation on how we would like to move forward.

We engaged multiple banks throughout this process and have received bids from two banks – Poppy Bank and Summit State Bank. There is a potential 3rd bid to be received from US Bank as those discussions continue, but up until this point we have yet to receive anything tangible. We also engaged Wells Fargo, Bank of Marin, and Exchange Bank – all three respectfully declined to submit a bid.

The bids received from both Poppy Bank and Summit State Bank are intriguing and we feel strongly that both are much more favorable arrangements than the situation we are currently in. This memo intends to summarize and compare the critical elements of the two offers and ultimately offer up our recommendation for who we would like to move forward with.

I. BANK OVERVIEW

General Overview

BANK	Poppy Bank	Summit Bank
Headquartered	Santa Rosa, CA	Santa Rosa, CA
Number of Employees	Approximately 100	Approximately 60
Founded	2005 (under First Community Bank)	1982
Closest Branch	Santa Rosa, CA	Santa Rosa, CA
Industry Specialization	Both banks specialize in providing financial services to individuals, businesses, and local communities in Sonoma County and surrounding areas. Both banks are community-focused.	

Both banks are headquartered out of Santa Rosa and both seem pretty comparable in terms of size. Summit State Bank isn't as big as Poppy Bank but it does have a longer history compared. Neither bank has a branch in Sonoma which is not ideal, but both offer mobile banking services that includes mobile deposit banking which mitigates the concerns of location.

II. PROPOSAL OVERVIEW – COMPARATIVE ANALYSIS

In addition to including the actual bid proposals that were received, we have attempted to summarize and compare the key terms of each of the two offers:

New Line of Credit Terms

BANK	Poppy Bank	Summit Bank
Loan Amount	\$ 5,000,000	\$ 5,500,000
Guarantor	n/a	n/a (\$4.5M financed and guaranteed through NorCal Guaranty Program)*
Secured/Unsecured	Secured	Unsecured
Collateral	Hospital Property	n/a
Interest Rate	WSJ Prime (7.75% floor)	WSJ Prime + spread
Term	5 Years	1 Year
Prepayment Penalty	None	None
Loan Fee	1% or \$50,000	1%
Total Estimated Fees	\$ 65,000	\$ 175,000

Existing \$1.9M Line of Credit

Structure	Refinanced into new LOC	5-year separate term loan
Interest Rate	n/a (see above)	7%-8% fixed for 5-years

Other

Deposit Banking	Must transition to Poppy	Must transition to Summit
LOC Stipulations/Controls	None	Must be used for IGT

High Level Comparison**Poppy Bank**

- \$5 Million Line of Credit
- Significantly cheaper (loan fees approximately \$100,000 less)
- Provides a 5-year term with no prepayment penalty
- No financial covenants due to loan being secured. However, it is significantly more risky as this requires the hospital building to be used as collateral.
 - There are concerns about using hospital building as collateral. We are legally able to enter into this arrangement, but there are questions and concerns on whether or not the lien would be enforceable.
- They are proposing that the existing \$1.9 million line of credit get refinanced into new \$5 million line. This would leave \$3.1 million for SVH to utilize.

Summit State Bank:

- \$5.5 Million Line of Credit
- Would require \$4.5 million to be financed through NorCal Guarantee Program (see details on program below)
- Does not require hospital property as collateral
- No floor interest rate

- It is more costly, about \$100,000 more than Poppy Bank, and provides only a 1-year term with associated uncertainties and potential additional costs.
 - Summit is proposing 1-year agreement as they would look to restructure the agreement after the 1st year to remove the financing through NorCal and thus reduce our fees in the out years.
- They are proposing to carve out the existing \$1.9 million line of credit into a separate 5-year fixed term loan. This would result in monthly \$30K-\$35K payments until the loan is fully paid or refinanced. This would leave the full \$5.5 million LOC for SVH to utilize.

Loan Amount and Security:

Poppy Bank has offered a line of credit up to \$5 million. The loan is secured, with the hospital property being used as collateral. **Summit Bank's** offer includes a line of credit up to \$5.5 million. This loan is unsecured, with \$4.5 million back by NorCal Guarantee. Both proposals will carry the WSJ Prime interest rate. Poppy Bank has an interest rate floor of 7.75%, while Summit Bank's offer includes a floating 2-3% spread on top of the WSJ Prime Rate.

Secured Loan vs. Unsecured Loan:

Poppy Bank's offer is a secured loan by using the hospital's property as collateral. We have consulted with our debt consultants as well as our legal counsel, and we have verified that we are legally allowed to use hospital property as collateral to secure line of credit financing. However, this could become problematic as while the act of placing the deed is not unlawful, the act of enforcing the lien would most likely be challenging. As such, the District would not be able to receive an opinion that would indicate this deed would be enforceable, which is most likely what underwriters would ask for during the close process. Given this concern, this option would be, at best, a risky one for the District to pursue.

Summit State Bank has offered an unsecured loan, which does not require hospital property to be used as collateral but relies on a guarantee through the NorCal Guarantee Program. \$4.5 of the \$5.5 million loan would be financed through the NorCal Guarantee Program. This program, backed by the State, is designed to assist businesses in securing loans by providing guarantees to lenders. This typically comes at a higher cost due to the fees involved, but it enables the hospital to access credit without requiring to use its property or other assets as collateral. In the context of Summit Bank's offer, this option is indeed more expensive, as the fee to participate in this program would be north of \$100,000 (2.25%-2.50% of guarantee amount).

NorCal Guarantee Program Details

The NorCal Guarantee Program is a state-backed initiative aimed at supporting businesses and organizations in obtaining loans by providing financial guarantees to lenders. This reduces the lender's risk and enhances facilitates access to credit. The program can guarantee up to 80% of the loan amount, which in this case includes the \$4.5 million required for the unsecured line of credit with Summit Bank. By reducing the risk to lenders, the program enables district hospitals to access necessary funding without relying on substantial collateral, thereby preserving their assets for other strategic uses.

Existing \$1.9 Million Line of Credit:

It is important to address the existing \$1.9 million line of credit that would transition from our current banking relationship. **Poppy Bank's** offer reflects refinancing our existing \$1.9 million into the overall \$5 million line of credit. This option would leave the hospital with just over \$3 million in available credit, but would offer greater flexibility in how that refinanced amount gets paid down. On the other hand, **Summit Bank** proposes converting the \$1.9 million into a term loan with a 5-year repayment period. This approach would separate the existing debt from the new credit line, providing structured repayment terms. This option would allow the hospital to tap into the full \$5.5 million of credit, but would also reduce our liquidity flexibility, requiring monthly payments in excess of \$30,000 over a 5-year period.

Deposit Banking:

Both banks would require the hospital to transition all banking activities to their respective banks.

III. BID COMPARISON - ASSESSMENT OF OFFERS

In evaluating the proposals from Poppy Bank and Summit State Bank for our new banking partner, it is crucial to consider the distinct advantages and potential drawbacks of each option. Both offers are comparable in terms of the amount of credit available on the line of credit. To better understand the differences and determine the best fit for our hospital's financial strategy and operational needs, management conducted a detailed pros and cons analysis. Below is a comprehensive comparison of the most critical aspects, including cost efficiency, term length, collateral requirements, and flexibility in fund usage.

	Poppy Bank	Summit State Bank
PROS:	+ Secured Loan + Significantly Cheaper (\$100K) + 5-Year Term with no prepayment penalty + No financial covenants + No stipulations on how the line could be used	+ Credit Line \$500K higher than Poppy + Does not require hospital collateral + No floor interest rate
CONS:	- Requires hospital building for collateral - Available line \$500K less than Summit - Floor interest rate of 7.75% - No physical branch in Sonoma	- Unsecured Loan (Requires NorCal Guaranty of \$4.5 million) - Much more costly than Poppy (+\$100K) - 1-Year Term - More financial/debt covenants and operational reporting - Specific controls over how line is used - No physical branch in Sonoma

Poppy Bank

Most Critical Pros:

- **Cost Efficiency:** Saving approximately \$100,000 is a significant financial advantage. This cost saving can be redirected to other essential hospital services or investments.

- **Long-Term Stability:** The 5-year term with no prepayment penalty provides financial predictability and flexibility, reducing the need for frequent refinancing and re-engaging on renewal discussions.

Most Critical Cons:

- **Collateral Requirement:** The most critical issue is the collateral requirement. Using the hospital building as collateral is a major consideration and potential concern. We are unsure at this point if this would ultimately pass the underwriting process with Poppy Bank. Even if so, this poses a risk to the hospital's assets and could limit future financial flexibility.
- **Interest Rate Floor:** The 7.75% floor interest rate could be disadvantageous if market rates fall below this threshold, potentially leading to higher-than-market borrowing costs.

Summit State Bank

Most Critical Pros:

- **Higher Credit Line:** Offering a \$500,000 higher credit line can provide the hospital with more immediate access to funds, which is crucial for urgent capital projects or operational needs.
- **No Collateral Needed:** Not requiring hospital property as collateral
- **Funding Available:** With carving out the existing LOC liability into a separate term loan, SVH would have access to \$5.5 million in credit. This offers quite a bit more flexibility in making the specific matching fee requirements that have been discussed at length with the committee over these past months.

Most Critical Cons

- **Higher Cost:** \$100,000 more costly than Poppy Bank.
- **Short-Term Loan:** The 1-year term introduces some uncertainty. The need to renegotiate or refinance after one year could result in higher costs and administrative complexity, disrupting financial planning and stability.

Summary

- **Poppy Bank** offers a cheaper option, but it comes with the significant risk of using hospital property as collateral and a relatively high interest rate floor.
- **Summit State Bank** provides a higher credit line without collateral requirements, offering more immediate funding and asset protection, but at a much higher cost and with a short-term loan that introduces uncertainty and potential additional costs.

Recommendation

After a detailed analysis of the pros and cons of both Poppy Bank and Summit State Bank, our recommendation is to partner with **Summit State Bank**. Here's a summary of the key reasons:

Key Factors for Recommendation

1. **Easiest Option:** The requirement to use the hospital building as collateral with Poppy Bank introduces significant complexities and risks. There are concerns about the feasibility of meeting underwriting requirements given this arrangement, which might hinder final approval.

Summit Bank's offer, while more costly, does not come with the complexity of tying any collateral to hospital property, and thus provides a much smoother and less risky option than Poppy Bank.

2. **Access to Working Capital and IGT Matching Fee Funding:** By restructuring the existing \$1.9 million line into a term loan, Summit Bank's proposal would allow the hospital to allocate a full \$5.5 million credit line for working capital. This flexibility would provide enough working capital for management to navigate the time period of any Intergovernmental Transfer (IGT) funding process effectively, without the need to seek additional funding sources. This includes the anticipated increase in our Rate Range IGT fund. By going with Summit Bank, there would be no need to seek any additional funding from outside sources in order to fund any incremental IGT.
3. **Provides a Landing Spot:** Choosing Summit Bank gives Sonoma Valley Hospital a strategic advantage by providing a secure financial platform and additional time to assess long-term banking options. SVH would still have the ability to evaluate alternative partners that may be better suited to meet our needs long term, but in the short-term, Summit is the only landing spot that provides a pathway for the hospital to fully fund its IGT matching fee obligations this next year – including any potential increase that has been discussed.

Mitigating the Cons:

- **Higher Cost:** Although Summit Bank's offer is indeed more costly, this reflects the price of transitioning from our current relationship without encumbering hospital assets. The one-year term with the NorCal guarantee is specifically designed to limit this higher cost to the first year, providing a strategic financial bridge during this critical transitional period.
- **\$1.9M Term Loan:** The refinancing of the \$1.9 million of our existing line of credit into a fixed, 5-year term loan would result in monthly payments exceeding \$30,000. While that is not insignificant, this is manageable. It also gets the hospital on a path to rid itself of long-term debt that has been sitting idle for years. It also frees up the necessary room to pull any additional credit needed to support any working capital needs specific to IGT funding this upcoming fiscal year, as we would be able to tap into the full \$5.5 million in new line of credit funding.

Conclusion

Summit Bank's proposal, while not without its drawbacks, offers strategic advantages that are critical for our hospital's current and future financial health. The initial higher costs are outweighed by the increased financial flexibility and potential for higher funding, aligning with our long-term strategic objectives. This recommendation ensures that the hospital can manage its finances more predictably and cost-effectively, supporting its mission to provide high-quality healthcare services.

Attachments:

Attachment A – Summit State Bank Proposal

Attachment B – Poppy Bank Proposal



Quote

Date: July 8, 2024

To: Benjamin Armfield, CFO, MBA and Lois Fruzynski, MBA, CPA

From: Janet Connors

Subject: Proposed \$5.5MM RLOC plus \$1.9MM Term Loan

Quote Terms and Structure RLOC with NorCal Guaranty

- Loan Amount: \$5,500,000
- NorCal Guaranty Amt: \$4,400,000
- Borrower: Sonoma Valley Hospital
- Guarantor: N/A
- Collateral: Unsecured
- Interest Rate: Floating tied to WSJ Prime plus a spread
- Term: Annually renewable
- Loan Fee: 1.00%
- NorCal Guaranty Fee: \$105,250 (2.5% x \$2.5MM plus 2.25% x \$1.9MM)
- Min Global DSCR: 1.25X As-is
- Miscellaneous: Deposits plus operating account with auto pay. SSB to be primary bank relationship.
- Controls around release of funds to be used for IGT payments

Quote Terms and Structure Term Loan with NorCal Guaranty

- Loan Amount: \$1,900,000
- NorCal Guaranty Amt: \$ 600,000
- Borrower: Sonoma Valley Hospital
- Guarantor: N/A
- Collateral: 1st secured by non-MediCal receivables
- Interest Rate: 7% - 8% range fixed for 5 years
- Amortization: 5 years
- Prepayment Penalty: Yes if refinanced and waived if paid off from cash proceeds
- Loan Fee: 1.00%
- NorCal Guaranty Fee: \$15,000 (2.5% x \$600,000)
- Min Global DSCR: 1.25X As-is
- Miscellaneous: Deposits plus operating account with auto pay. SSB to be primary bank relationship.



438 First Street, Suite 200 - Santa Rosa CA 95401

July 2, 2024

Sonoma Valley Health Care District Benjamin Armfield, CFO

Re: Revolving Line of Credit

In response to your inquiry regarding a loan on the above referenced applicant, Poppy Bank ("Bank") is pleased to issue this Letter of Interest (LOI). Your loan request was presented to Poppy Bank's Loan Committee and was approved to proceed to application. Barring any material changes discovered in the underwriting process from what was previously represented to the Bank, or changes to the Bank's lending policies, below are the likely terms and conditions that would be included in your final Commitment Letter. However, this letter is not a Commitment to lend and does not contain all of the terms or provisions that will be contained in the final loan approval.

Borrower:	Sonoma Valley Health Care District
Guarantor:	NA
Collateral:	1 st Deed of Trust on hospital property located at 347 Andrieux Street, Sonoma, CA UCC-1 on all business assets
Loan Amount:	\$5,000,000 - Maximum 25% loan to value based on third-party appraisal.
Interest Rate:	WSJ Prime + 0.00%
Floor Interest Rate:	7.75%
Term:	5 years
Repayment Schedule:	Interest only payments due monthly; principal at maturity
Prepayment Penalty:	None
Bank Loan Fee:	1% or \$50,000
Documentation Fee:	\$2,000.00
Legal Fee:	All legal fees plus any other out of pocket expenses related to this transaction are to be paid by Borrower.
Payments:	Automatic monthly payments shall be made at time of loan origination through a Poppy Bank checking account, Poppy Bank online banking, or ACH. In the event borrower chooses not to have automatic payments, the interest rate, as noted above, shall increase by 10 basis points.
Other Fees:	Tax Service \$55.00 - \$105.00 per APN Flood Certification \$30.00 per APN Environmental Report: \$595.00 (estimated) 3 rd Party Appraisal \$10,000 (estimated) 3 rd Party Appraisal Review \$2,000.00 (estimated)
Appraisal:	An Appraisal of the subject property is to be commissioned by Bank, with an appraiser reviewer acceptable to Bank, using assumptions and value approaches reasonably

acceptable to the Bank. Borrower agrees to pay for the cost of the appraisal review upon request of Bank.

Environmental:	Borrower to complete a Bank provided Environmental Questionnaire, which must be acceptable to the bank in form and substance. In addition, the bank may order an Environmental Radius Report which is a desktop review report that screens the property for possible environmental issues. The borrower is responsible for paying for this report. Upon the Bank's review of the questionnaire and the environmental desktop review report, the Bank will make a reasonable determination as to whether further environmental due diligence is warranted. Any subsequent environmental surveys required by the Bank shall require the borrower's written consent to commissioning said report. All costs of environmental reports and surveys required by the bank will be paid for by the borrower.
Title and Escrow:	Borrower to provide ALTA title insurance with various endorsements for the full amount of the loan, containing no exceptions other than those approved by Bank which are usual and customary to such properties and be in form and include endorsements as required by Bank. The cost of title insurance, escrow services, and costs relating to the closing of the proposed loan shall be paid for by Borrower.
Security:	A first position deed of trust on the leasehold interest of the subject property. Borrower's interest in the property shall be free and clear of all encumbrances except those that Bank shall have consented to in writing. No subordinate mortgage shall be permitted to Borrower unless approved by Bank in writing.
Guaranty:	NA – non-profit entity
Deposits:	Borrower to establish primary banking relationship and deposit accounts with Treasury Management department. Estimated average balances of \$3,000,000.
Indemnification:	Borrower will indemnify Bank against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs and expenses (including fees of counsel) of whatever kind or nature which may be imposed on, incurred by or asserted at any time against Bank in any way relating to or arising in connection with, its financing of the property, the offer or sale and/or use, occupation or operation of any of the property to be encumbered by the construction deed of trust. Said indemnification shall also cover damages arising from existing or future hazardous wastes and/or substances located on the property, including the cost to cleanup or detoxify the property.
Confidentiality:	This letter has been issued for the express use and benefit of Borrowers as they evaluate establishing a business banking relationship with the Bank and should not be shared with third parties for any reason whatsoever, except for the borrower's advisors, brokers, legal counsel, employees, partners, or other related entities.
Other Conditions:	Appropriate loan covenants to be set as part of the Bank's underwriting process.

Any conditions required after full underwriting.

A complete list of legal and financial documents will be required. Said request letter to be issued upon the LOI signing and remittance of good faith deposit.

While I intended that this letter be as complete as possible, it is possible that we may require additional information from you in order to complete our underwriting of your loan request. Again, this letter is not intended as, and should not be construed as, a commitment on the part of Poppy Bank to make the Loan referred to herein. Such a commitment

can only come at such time as we have completed our underwriting of your proposed loan request, and the Loan has been formally approved, in writing, by Bank's Loan Committee.

If the foregoing terms meet with your approval, please signify by signing and returning the enclosed copy of this letter to my attention not later than **August 2, 2024** accompanied with a check for **\$15,000** as a good faith deposit. The estimated terms and provisions of this offer letter shall expire, and be of no further force or effect, if our offer has not been accepted by **August 2, 2024** or if the Loan contemplated herein has not been documented, funded, and closed by **September 30, 2024**.

Please feel free to call me at (707) 974-1664 should you have any questions or further needs regarding this matter. Many thanks in advance for your assistance, and for allowing us to entertain this financing request.

Best regards,

A handwritten signature in cursive script that reads "Greg Hancock".

Greg Hancock
Vice President
Commercial Loan Officer

POPPY BANK DEPOSIT RECEIPT, DEPOSIT REFUND ABILITY DISCLOSURE AND THIRD-PARTY REPORT AUTHORIZATION

The undersigned, (“Applicant”) hereby acknowledges that in conjunction with any proposed financing opportunity by Poppy Bank (hereafter “Bank”) to Applicant, Applicant delivered a Fee Deposit to Bank, receipt of which is hereby acknowledged by Bank. The Applicant acknowledges that it has been advised and agrees that the Fee Deposit may be used by Bank, in its discretion, to pay any third-party service provider fees or expenses as they are incurred. Third party fees, include, but are not limited to the following: appraisal, environmental assessment, site inspection, structural inspection reports, fees for reports and verifications (e.g., credit, IRS, flood certification); title, lien and legal entity searches; recording fees; and taxes. The Fee Deposit does not cover title and closing costs, which will be the Applicant’s direct responsibility should the proposed loan be approved and a conditional commitment letter be issued. It is not anticipated that the Fee Deposit will be adequate to cover all expenses to be incurred in this transaction. If the Fee Deposit is insufficient to meet the actual third-party fees or expense, Bank may require Applicant to deposit additional funds or pay such expenses prior to the closing of the proposed loan. If the Fee Deposit exceeds actual third-party fees or expenses incurred, the excess will be refunded at closing unless, otherwise required by law, or within a reasonable amount of time following other actions taken.

In order to qualify for the proposed loan, an appraisal, and/or any other third-party report deemed necessary by Bank, (“Report”) is necessary. Applicant authorizes Bank to select a third-party service provider and order the Report, and agrees to be responsible for the cost of the Report. If the initial funding of the proposed loan does not occur within six months from the date Bank receives the Report, or if there are material changes to the Collateral, or other circumstances occur which could materially affect the value of the Collateral, Applicant may be required to incur additional Report costs. Such additional costs may be necessary to assist Bank in confirming, through analysis of updated information that the value and/or condition of the Collateral has not materially changed since the Report was prepared. If additional real or personal property is required to secure the proposed loan, additional Reports may be necessary to evaluate the value of the additional property pledged. If such additional valuations become necessary, Applicant agrees to be responsible for any costs incurred to obtain such Reports.

Appraisal Notice – Secured by Residential (SFR 1-4), 1st Lien

The following Appraisal Notice is required to be delivered to you in connection with your loan application.

We may order an appraisal to determine the property’s value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close.

You can pay for an additional appraisal for your own use at your own cost.

If you have any questions about the notice or have any specific instruction on the delivery of your copy of the appraisal, please contact your loan officer.

Disclosure of Right to receive a copy of an Appraisal – Commercial Real Estate and SFR 1-4 subordinate liens.

You have the right to a copy of the appraisal report used in connection with your application for credit. If you wish to have a copy, please write to us at the following mailing address: 438 First Street, Santa Rosa, CA 95404. We must hear from you no later than ninety (90) days after we notify you about the action taken on your credit application or no later than ninety (90) days after you withdraw your application. In your letter, please tell us when you applied for the loan, the type of loan applied for, the address of the property which was to secure or secures the loan, and to where you would like us to mail the copy of the report.

Disclosure of Right to Request specific Reasons for Credit Denial

If your application for business credit is denied, you have the right to a written statement of the specific reasons for the denial. To obtain the statement, please contact: Loan Operations Department, Poppy Bank, 438 First Street, Santa Rosa, CA 95401 within 60 days from the date you are notified of our decision. We will send you a written statement of reasons for the denial within 30 days of receiving your request for the statement.

Notice: The Federal Equal Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant’s income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Protection Act. The federal agency

that administers compliance with this law concerning this creditor is: Federal Deposit Insurance Corporation, 1100 Walnut Street, Box #11, Kansas City, MO 64106. (877) 275-3342.

Questions, Comments, Complaints: Address any questions, comments or complaints to: Lending Department, Poppy Bank, 438 First Street, Santa Rosa, CA 95401.

Authorization

I/We are applying for credit from Poppy Bank ("Lender"). As part of the application process, Lender, any insurer of the loan and any collateral title insurer may verify information contained in our loan application and in other documents required in connection the loan, either before or after the loan is closed.

We authorize you to provide Lender, to any investor to whom Lender may sell our loan, and to any insurer of the loan any and all information and documentation that they may request. Such information may include, but is not limited to, employment history, and income, bank, money market, and similar account balances, credit history, copies of income tax returns.

Lender, any investor that purchase the loan, and any insurer of the loan may address and send this authorization to any person or company names in the application.

A copy of this authorization may be accepted as an original.

Authorization to File Financing Statement

I/We hereby authorize Lender to file the appropriate Financing Statements for the following collateral prior to executing a security agreement, pledge or control agreement: All Inventory, Chattel Paper, Accounts, Equipment and Fixtures.

Authorization to Obtain Credit Reports

I/we authorize Poppy Bank to obtain credit reports, to check the individual and/or business credit rating of both the business applicant as well as the individual owner(s) signing below. If applicable, each person certifies that he/she is authorized to sign on behalf of the business applicant in the capacity listed on this application and that such a signor is authorized to execute this credit application on behalf of the business applicant. Applicant also authorizes Poppy Bank to obtain copies of tax returns and information from the IRS and other taxing authorities and agrees to execute any forms requested by Poppy Bank to obtain such information.

Important Information about Opening a Legal Entity Account

Effective May 11, 2018, new rules under the Bank Secrecy Act will aid the government in the fight against crimes to evade financial measures designed to combat terrorism and other national security threats.

Each time an account is opened for a covered Legal Entity, we are required to ask you for identifying information (name, address, date of birth, social security number as well as identification documents) for:

- Each individual that has beneficial ownership (25% or more); and,
- One individual that has significant managerial control, of the Legal Entity.

If you are opening an account on behalf of a Legal Entity, you will be required to provide the appropriate documentation and to certify that this information is true and accurate to the best of your knowledge.

The terms/conditions and authorizations of this terms letter are hereby acknowledged and agreed to:

Borrower:

Date



Consumer Privacy Act (CCPA) Online Privacy Policy

Effective: January 1, 2020

Last Updated: December 31, 2019

This notice is provided pursuant to the CCPA and explains how Poppy Bank collects, uses and discloses the Personal Information (PI) of California residents.

Information collected that is subject to the Gramm Leach Bliley Act (GLBA) does not apply to personal information under the requirements of the CCPA. In addition, personal information collected for business-to-business communication is currently exempt.

Introduction

A consumer has the right to request from a business that collects personal information about the consumer the following:

- The categories of personal information it has collected about that consumer.
- The categories of sources from which the personal information is collected.
- The business or commercial purpose for collecting or selling personal information.
- The categories of third parties with whom the business shares personal information.
- The specific pieces of personal information it has collected about that consumer.

A business that collects personal information about a consumer must disclose to the consumer the information specified above upon receipt of a verifiable consumer request from the consumer. Additionally, the business must associate the information provided by the consumer in the verifiable consumer request to any personal information previously collected by the business about the consumer and identify by category or categories the personal information collected about the consumer in the preceding 12 months by reference to categories enumerated in California Civil Code Section 1798.130(c) that most closely describes the personal information collected.

A consumer has the right to request that a business that sells the consumer's personal information, or that discloses it for a business purpose, disclose to that consumer:

- The categories of personal information that the business collected about the consumer.
- The categories of personal information that the business sold about the consumer and the categories of third parties to whom the personal information was sold, by category or categories of personal information for each third party to whom the personal information was sold.
- The categories of personal information that the business disclosed about the consumer for a business purpose.

A business that sells personal information about a consumer, or that discloses a consumer's personal information for a business purpose, must disclose the information specified above to the consumer upon receipt of a verifiable consumer request from the consumer. Additionally, the business must identify the consumer and associate the information provided by the consumer in the verifiable consumer request to any personal information previously collected by the business about the consumer and identify by category or categories the personal information of the consumer that the business sold in the preceding 12 months by reference to the categories enumerated in California Civil Code Section 1798.130(c) that most closely describe the personal information, and provide the categories of third parties to whom the consumer's personal information was sold in the preceding 12 months by reference to the same enumerated categories. The business shall disclose the information in a list that is separate from a list generated for the purposes of California Civil Code Section 1798.130(c).

Poppy Bank Collection and Disclosure of Personal Information

Poppy Bank has not sold PI collected in the preceding 12 months to any third party.

Poppy Bank collects and discloses the following categories of information for business purposes:

Name, address, tax ID number, driver license, passport or ID card number, date of birth, telephone number, email address, bank account number, other financial information, dependent/beneficiary PI, benefit elections, internet or other electronic network activity including IP address, geolocation, browsing history and website interaction.

Poppy Bank collects PI from a variety of sources including: directly from you in credit applications, deposit applications, employment applications and from your devices when you visit Poppy Bank or our social media webpages.

Poppy Bank collects PI for a range of purposes including: validating identification, communication with you, processing payroll, processing financial transactions, offering employment benefits, tracking benefit eligibility, target marketing and personalizing advertising that may be of interest to you.

Poppy Bank shares PI collected with our processors and vendors who provide services on our behalf.

CCPA Rights

California residents have the right to request that Poppy Bank disclose the PI we have collected, used and disclosed to our service providers.

California residents also have the right to request that their personnel information be deleted. Note: We may deny a request to delete if an exception applies or if we are unable to determine or confirm the identity of the person making the request. Poppy will advise you in our response if we are unable to honor your request.

To make a request for information collected and disclosed or to make a request to delete PI please call: 888.636.9994 or write to us at:

Poppy Bank
438 First Street
Santa Rosa CA 95401
Attn: Compliance Department

Please identify which privacy right(s) you would like to exercise, include your name, address and a detailed description of your current or previous relationship with Poppy Bank. **Poppy will process requests within 30 days.**

Non-Discrimination

Poppy Bank shall not discriminate against a consumer because the consumer exercised any of the consumer's rights under the California Consumer Privacy Act (California Civil Code Section 1798.100 et seq.), including, but not limited to, by:

- Denying goods or services to the consumer.
- Charging different prices or rates for goods or services, including through the use of discounts or other benefits or imposing penalties.
- Providing a different level or quality of goods or services to the consumer.
- Suggesting that the consumer will receive a different price or rate for goods or services or a different level or quality of goods or services.

Nothing in California Civil Code Section 1798.125(a) prohibits a business from charging a consumer a different price or rate, or from providing a different level or quality of goods or services to the consumer, if that difference is reasonably related to the value provided to the consumer by the consumer's data.

Changes to the CCPA Privacy Policy

Changes to this policy may be made at any time. When changes are made, the revised Policy will be posted to poppy.bank and will include a new "Effective" date. If you have questions regarding your rights under the CCPA, please call us at: 888.636.9994.

FACTS

WHAT DOES POPPY BANK DO WITH YOUR PERSONAL INFORMATION?

Why?

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

What?

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- Account balances and payment history
- Transaction history and overdraft history

When you are no longer our customer, we continue to share your information as described in this notice.

How?

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Poppy Bank chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does Poppy Bank share?	Can you limit this sharing?
For our everyday business purposes— such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
For our marketing purposes— to offer our products and services to you	Yes	No
For joint marketing with other financial companies	No	We don't share
For our affiliates' everyday business purposes— information about your transactions and experiences	No	No
For our affiliates' everyday business purposes— information about your creditworthiness	No	We don't share
For nonaffiliates to market to you	No	We don't share

Questions?

Call 1-888-636-9994 or go to www.poppy.bank

Who we are

Who is providing this notice?

Poppy Bank

What we do

How does Poppy Bank protect my personal information?

To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.

We restrict access to personal information about you to those employees who need to know that information to provide products or services to you.

How does Poppy Bank collect my personal information?

We collect your personal information, for example, when you

- Open an account or deposit money
- Pay your bills or apply for a loan
- Provide account information
- Give us your contact information

We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.

Why can't I limit all sharing?

Federal law gives you the right to limit only

- Sharing for affiliates' everyday business purposes—information about your creditworthiness
 - Affiliates from using your information to market to you
 - Sharing for nonaffiliates to market to you
- State laws and individual companies may give you additional rights to limit sharing

Definitions

Affiliates

Companies related by common ownership or control. They can be financial and nonfinancial companies.

- Poppy Bank does not share with our affiliates

Nonaffiliates

Companies not related by common ownership or control. They can be financial and nonfinancial companies.

- Poppy Bank does not share with nonaffiliates so they can market to you

Joint marketing

A formal agreement between nonaffiliated financial companies that together market financial products or services to you.

- Poppy Bank doesn't jointly market



To: SVHCD Board of Directors
 From: Ben Armfield, Chief Financial Officer
 Date: July 11, 2024
 Subject: Financial Report for May 2024

While April delivered one of (if not the best) months of the fiscal year, overall performance in May took a step back, primarily due to a pullback in volumes across several key areas.. The hospital continues to navigate through our orthopedic transition and May's volumes reflected that, especially in orthopedic surgery. We also experienced a slower than normal month on the inpatient side, which is not uncommon during the summer months. This decrease in volume directly impacted both our gross and net patient revenues, and was the primary driver in the variance to budget. Despite missing the budget in terms of overall operating margin, the hospital exceeded budget in Operating EBDA for the month, thanks to continued effective cost control measures.

1. OVERALL PERFORMANCE | MONTH

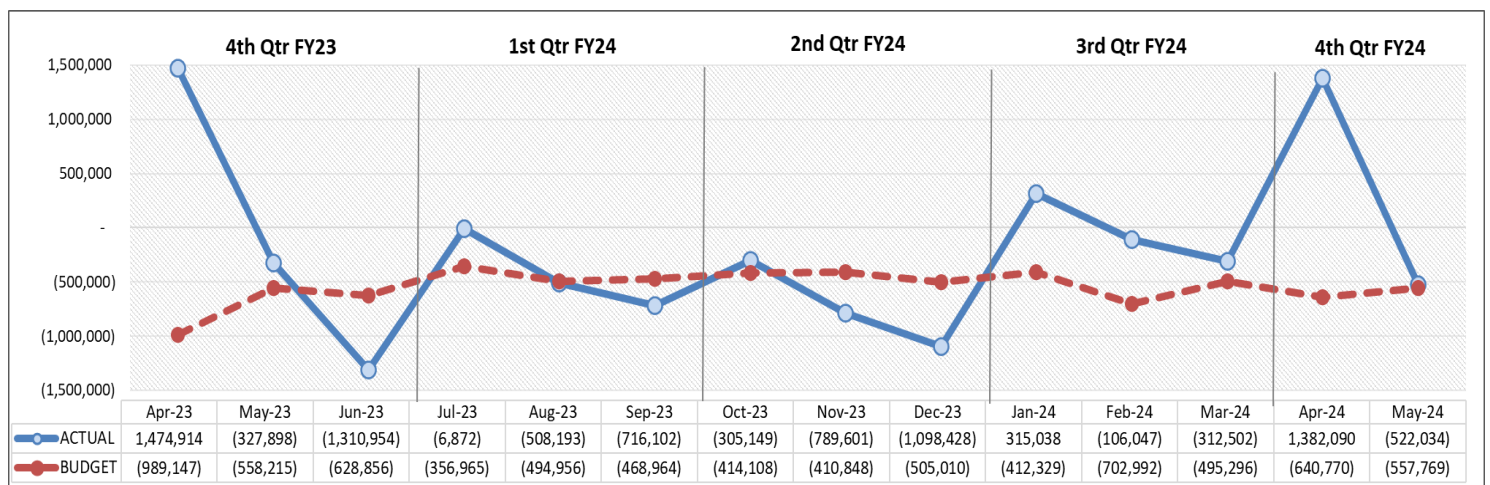
Table 1 | Overall Performance - May 2024

	Current Year Month		Variance		Current Year YTD		Variance		Prior Year YTD		Variance	
	Actual	Budget	\$	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Margin	\$ (963,874)	\$ (830,737)	\$ (133,137)	-16%	\$ (7,460,323)	\$ (4,162,751)	\$ (3,297,571)	-79%	\$ (4,646,244)	\$ (2,814,079)	-61%	
Operating EBDA	\$ (522,034)	\$ (557,769)	\$ 35,735	6%	\$ (2,667,799)	\$ (1,190,114)	\$ (1,477,685)	-124%	\$ (1,920,547)	\$ (747,252)	-39%	
Operating EBDA w Parcel	\$ (205,366)	\$ (241,102)	\$ 35,736	15%	\$ 815,539	\$ 2,293,223	\$ (1,477,684)	-64%	\$ 1,562,790	\$ (747,251)	-48%	
Net Income (Loss)	\$ (277,392)	\$ (111,966)	\$ (165,426)	-148%	\$ 3,251,181	\$ 3,743,664	\$ (492,484)	-13%	\$ 3,021,780	\$ 229,400	8%	

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

	Current Year Month		Current Year YTD		Prior Year YTD
	Actual	Budget	Actual	Budget	Actual
IGT Revenue	\$ 207,222	\$ -	\$ 7,881,130	\$ 6,489,754	\$ 6,065,998
IGT Expense	\$ (86,484)	\$ -	\$ (3,197,493)	\$ (2,219,860)	\$ (2,583,495)
IGT Net Income	\$ 120,738	\$ -	\$ 4,683,637	\$ 4,269,894	\$ 3,482,503

Graph 1.1 | SVH Trended Operating EBDA



Key Drivers in Month's Performance:

Volumes

The volume reduction was particularly pronounced on the inpatient side and in certain outpatient services. While surgical volumes ran under budget, they remained relatively consistent with the prior month and also exceeded our most recent 6-month trend. We did see a drop-off in Orthopedic surgery which can be primarily attributed to one of our orthopedic surgeons going out on PTO for most of the month.

In terms of emergency room visits, we continued to see strong performance, with volumes exceeding budget for the third consecutive month. However, physical therapy volumes saw a dip, which broke a run of consecutive months of volume increases. Other outpatient ancillary services, such as CT and MRI, showed growth, with CT volumes achieving four straight months of increases and MRI volumes reaching their highest level since February.

Surgical Volumes

Surgical volumes remained fairly consistent with April, coming in slightly lower than the prior month but higher than our most recent 6-month average. The hospital performed 159 surgeries during the month, which was 10 fewer than the 169 performed in April. The reduction in May was primarily in Orthopedics, with 27 surgeries, nearly 20 fewer than April's numbers. One of our orthopedic surgeons, who has helped cover the volume gap since Dr. Brown's departure, was on PTO for a significant portion of the month. General and GI volumes remain strong and continue to outpace prior year.

Emergency Room Utilization

Emergency room utilization increased again in May, exceeding both budget and current year trend. Since bottoming out in February our ER volumes have now exceeded budget three months in a row. For the year we are 1% under budget and up 5% compared to the prior year.

Ancillary Volumes

As mentioned above, physical therapy volumes softened in May, running 12% under April's volume levels and breaks a string of months where volumes exceeded budget. We do see this is a short-term occurrence as it does appear that June's volumes are back in the same range as previous months. Physical therapy volumes for the year are up 5% compared to budget and over 10% higher than prior year.

Outside of PT, we saw growth in other ancillary volumes. CT volumes continue to rise, achieving four straight months of volume growth. MRI volumes were the highest since February, and serves as another data point that our ancillary volumes have maintained despite losing Dr. Brown in March.

Operating Expenses

The team's hard work continues in proactively managing expenses in an attempt to balance out the shortfall in volumes and revenues. We ran under budget in operating expenses by nearly 10% in May, which marks the third month in a row that we ran under budget by at least 7%. This disciplined approach to expense management has been essential in offsetting the impact of reduced revenues and was the primary driver that helped the hospital to achieve an Operating EBDA that exceeded budget expectations in May.

Cost mitigation is particularly crucial for a small hospital like ours, where the ability to flex staff in response to fluctuating volumes is limited. Unlike larger hospitals that can more easily adjust staffing levels, we must maintain a certain level of fixed staffing to ensure operational continuity and patient care standards.

Cash

After a banner month in cash collections in April, cash collections in May pulled back a bit. We collected nearly \$3.3 million in May. A couple of drivers for this were lower volume months in February and March, which typically lead to softer months in cash, and an operational disruption caused by the finance department's move to the hospital in the last week of May, along with Memorial Day weekend.

Other Updates:

Orthoped Recruitment: We are pleased to report that our new orthopedic surgeon, Dr. Chris Walter, officially started his clinic at SVH on 6/24. He unfortunately sustained an injury a week prior to his start that will keep him out of the operating room for about 4-6 weeks. The setback is certainly unfortunate, but it is also temporary. The good news is that he is here, running his clinic and seeing patients. He plans to be full-time in the clinic as he starts his ramp-up, so he will still be able to be productive and build his surgical schedule while he continues to recover.

Temporary MRI Project: The temporary MRI project continues to have just one remaining step in order to be operational, which is an on-site inspection and clearance from the state. Training has been completed and was a success. Our inspection is now scheduled for July 8th. If all goes well, we will be open shortly thereafter.

Distressed Hospital Loan Program: We have finally received official sign-offs on all documents and agreements associated with our Distressed Hospital Loan Program funds. We should be receiving the \$3M in loan funding within the next 10 days.

Lown Hospitals Index: We just received our Lown Hospital Index score for 2024. For those unfamiliar with this index, The Lown Institute Hospitals Index is the first ranking to evaluate hospitals on their social responsibility, and evaluates hospitals on over 50 metrics across categories of health equity, value of care, and patient outcomes.

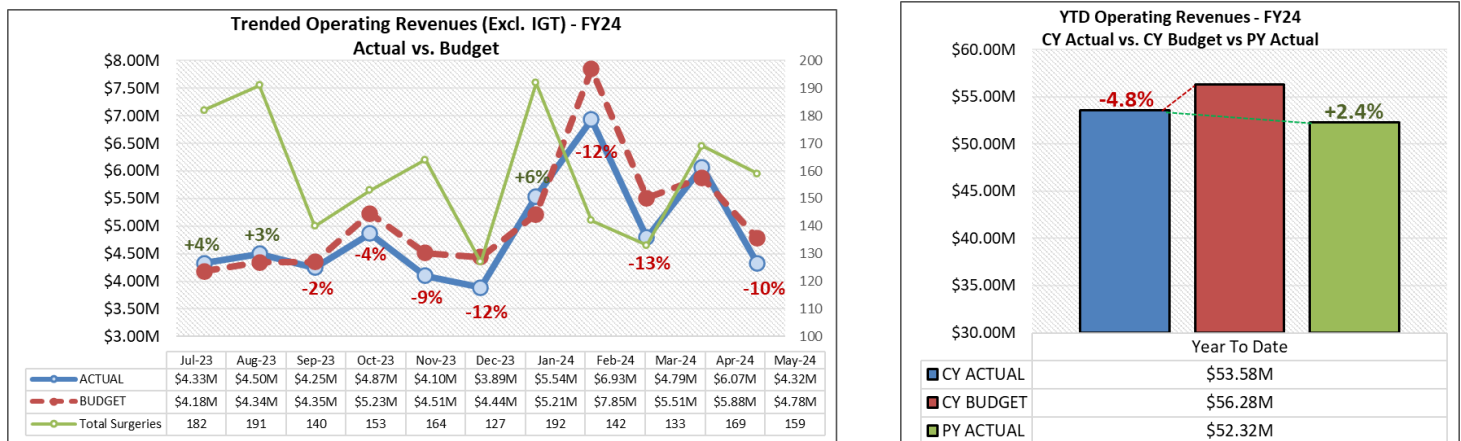
Sonoma Valley Hospital received an overall “A” grade and even more impressive, we ranked **10th nationally out of 2,758 acute care hospitals across the country, and 2nd in California (out of 258 hospitals).** Out of the 2,758 acute care hospitals that were evaluated, we were 1 of just 154 that achieved an “A” score in all categories! Including a link should you want to read more about this. [Sonoma Valley Health Care District - Lown Institute Hospital Index \(lownhospitalsindex.org\)](https://lownhospitalsindex.org)

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

Table 2 | Net Patient Revenue – Actual vs. Budget - May 2024 (Including IGT)

	Current Year Month		Variance		Current Year YTD		Variance		Prior Year YTD		Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%	
Gross Revenue	\$ 26,252,280	\$ 31,131,165	\$ (4,878,885)	-16%	\$ 304,957,820	\$ 323,121,193	\$ (18,163,374)	-6%	\$ 296,922,475	\$ 8,035,344	3%	
Net Patient Revenue	\$ 4,225,310	\$ 4,687,074	\$ (461,764)	-10%	\$ 52,557,244	\$ 55,258,982	\$ (2,701,738)	-5%	\$ 51,069,444	\$ 1,487,800	3%	
NPR as a % of Gross	15.3%	15.1%	1.7%		14.6%	15.1%	-2.9%		15.2%	-3.3%		
Total Operating Revenue	\$ 4,318,138	\$ 4,779,880	\$ (461,742)	-10%	\$ 53,581,022	\$ 56,279,847	\$ (2,698,825)	-5%	\$ 52,323,778	\$ 1,257,243	2%	

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



Graph 2.2 | SVH Trended Surgeries (Total) - 13 Month Trend

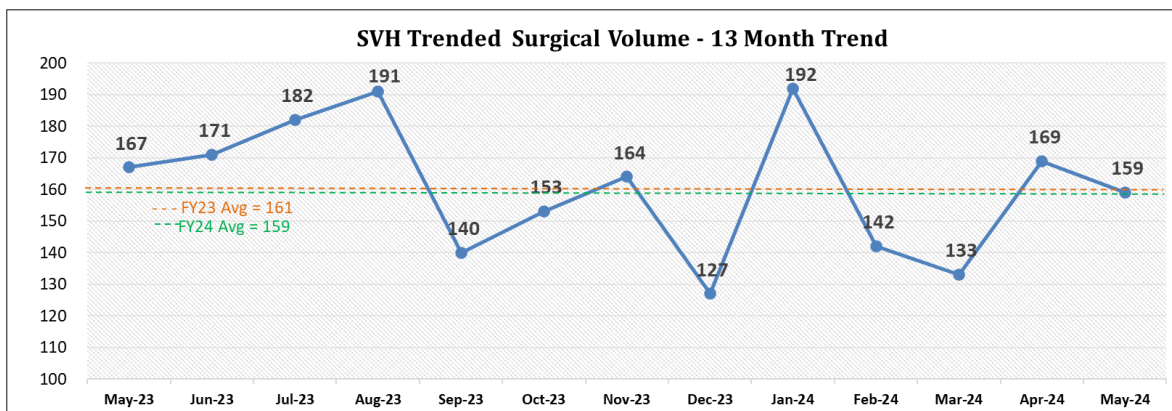


Table 2.3 | Surgical Volumes Top 4 Service Lines – May 2024 vs Prior Month & Six-Month Trend

Current Mth vs. Previous Mth					6 Month Trend						Current Mth vs. 6 Mth Trend		
Service Line	May24	Apr24	Var	% Var	Nov23	Dec23	Jan24	Feb24	Mar24	Apr24	6 Month Trend	Var	% Var
Orthopedics	27	46	(19)	-41%	51	49	67	40	33	46	48	(21)	-43%
Gastroenterology	85	73	12	16%	62	47	67	59	62	73	62	23	38%
Ophthalmology	20	18	2	11%	21	11	22	20	18	18	18	2	9%
General	17	17	-	0%	17	10	18	11	15	17	15	2	16%
SubTotal	149	154	(5)	-3%	151	117	174	130	128	154	142	7	5%
Other	10	15	(5)	-33%	13	10	18	12	5	15	12	(2)	-18%
Grand Total	159	169	(10)	-6%	164	127	192	142	133	169	155	5	3%

Table 2.4 | Patient Volumes – May 2024

	Current Year Month		Variance		Current Year YTD		Variance		PY YTD	Variance	
	Actual	Budget	Var	%	Actual	Budget	Var	%	Actual	Var	%
Acute Patient Days	197	275	(78)	-28%	2,741	3,012	(271)	-9%	3,016	(275)	-9%
Average Daily Census	6.4	8.9	(2.5)	-28%	8.2	9.0	(0.8)	-9%	9.0	(0.8)	-9%
Acute Discharges	63	59	4	7%	762	658	104	16%	750	12	2%
IP Surgeries	9	13	(4)	-31%	144	146	(2)	-1%	170	(26)	-15%
OP Surgeries/Spec Proc	150	193	(43)	-22%	1,608	1,819	(211)	-12%	1,586	22	1%
Total Surgeries / Procedures	159	206	(47)	-23%	1,752	1,965	(213)	-11%	1,756	(4)	0%
Total Outpatient Visits	5,057	4,876	181	4%	57,089	50,360	6,729	13%	50,587	6,502	13%
Emergency Room Visits	867	855	12	1%	9,353	9,407	(54)	-1%	8,948	405	5%

Table 2.5 | Outpatient Volumes Trended – Last 6 Months

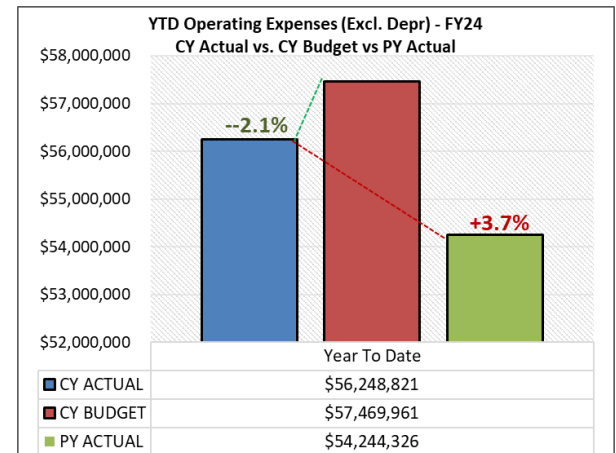
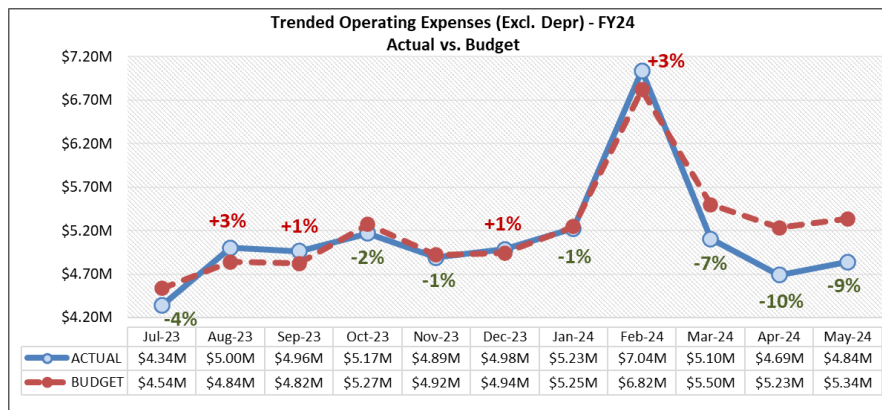
Department	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Last 6 Months
Lab	1,284	1,181	1,337	1,261	1,271	1,407	1,364	
Medical Imaging	997	945	949	896	858	857	900	
Physical Therapy	1,195	1,151	1,238	1,238	1,351	1,365	1,196	
CT Scanner	370	358	409	355	368	387	398	
Occ. Health	280	273	291	230	209	300	315	
Mammography	271	241	222	233	232	241	217	
Occupational Therapy	211	126	194	202	317	224	197	
Ultrasound	220	206	244	242	220	198	222	
Wound Care	129	136	174	166	175	201	213	
MRI	114	136	140	167	123	127	135	
ECHO	117	104	113	135	110	104	132	
Speech Therapy	51	38	45	49	45	53	43	
Other	12	26	24	30	14	22	25	
TOTAL	5,251	4,921	5,380	5,204	5,293	5,486	5,357	
Emergency Room	780	890	868	779	875	862	867	

3. OPERATING EXPENSE SUMMARY:

Table 3 | Operating Expenses – Actual vs. Budget – May 2024 (Including IGT)

	Current Year Month		Variance		Current Year YTD		Variance		Prior Year YTD		Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Expenses	\$ 5,282,012	\$ 5,610,616	\$ 328,604	6%	\$ 61,041,344	\$ 60,442,599	\$ (598,746)	-1%	\$ 56,970,022	\$ (4,071,322)	-7%	
Operating Exp. Excl. Depr.	\$ 4,840,172	\$ 5,337,649	\$ 497,477	9%	\$ 56,248,821	\$ 57,469,961	\$ 1,221,140	2%	\$ 54,244,326	\$ (2,004,496)	-4%	
Worked FTEs	212.6	222.4	9.7	4%	214.2	219.2	5.0	2%	212.9	(1.3)	-1%	

Graph 3.1 | SVH Trended Operating Expenses (excluding Depreciation) – FY24



4. CASH ACTIVITY SUMMARY:

Table 4 | Cash / Revenue Cycle Indicators - May 2024

	May-24	Apr-24	Var	%
Days Cash on Hand	22.5	51.6	(29.1)	-56%
A/R Days	58.1	55.5	2.6	5%
A/P Days	50.1	57.6	(7.5)	-13%

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
- Attachment E (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 F is the Trended Income Statement
- Attachment G is the Cash Projection

Sonoma Valley Hospital

Payer Mix for the month of May, 2024

ATTACHMENT A

	MONTH			
Gross Revenue	Actual	Budget	Variance	% Variance
Medicare	8,753,002	11,316,231	-2,563,229	-8.2%
Medicare Managed Care	4,729,444	5,374,522	-645,078	-2.1%
Medi-Cal	5,168,705	6,025,980	-857,275	-2.7%
Self Pay	520,687	174,597	346,090	1.1%
Commercial & Other Governn	6,441,966	7,301,064	-859,098	-2.7%
Worker's Comp.	614,015	1,163,009	-548,994	-1.8%
Total	26,227,818	31,355,402	-5,127,584	-16.4%

	YEAR TO DATE			
	Actual	Budget	Variance	% Variance
	112,574,624	116,777,913	-4,203,289	-1.3%
	54,662,047	55,449,809	-787,762	-0.2%
	50,043,301	61,926,455	-11,883,154	-3.7%
	4,464,439	1,759,316	2,705,123	0.8%
	75,181,149	74,822,061	359,088	0.1%
	7,811,670	11,864,245	-4,052,575	-1.3%
	304,737,229	322,599,799	-17,862,570	-5.5%

	MONTH		
Payor Mix	Actual	Budget	Variance
Medicare	33.4%	36.1%	-2.7%
Medicare Managed Care	18.0%	17.1%	0.9%
Medi-Cal	19.7%	19.2%	0.5%
Self Pay	2.0%	0.6%	1.4%
Commercial & Other Governn	24.6%	23.3%	1.3%
Worker's Comp.	2.3%	3.7%	-1.4%
Total	100.0%	100.0%	

	YEAR TO DATE		
	Actual	Budget	Variance
	36.9%	36.2%	0.7%
	17.9%	17.2%	0.7%
	16.4%	19.2%	-2.8%
	1.5%	0.5%	0.9%
	24.7%	23.2%	1.5%
	2.6%	3.7%	-1.1%
	100.0%	100.0%	

SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended May 31, 2024

ATTACHMENT B

CURRENT MONTH				YEAR-TO-DATE			YTD	
	Actual	Budget	Favorable		Actual	Budget	Favorable	Prior
	05/31/24	05/31/24	(Unfavorable)		05/31/24	05/31/24	(Unfavorable)	Year
			Variance				Variance	05/31/23
Inpatient Utilization								
Discharges								
1	43	47	(4)	Med/Surg	559	525	34	535
2	20	12	8	ICU	203	133	70	215
3	63	59	4	Total Discharges	762	658	104	750
Patient Days:								
4	140	176	(36)	Med/Surg	1,827	1,945	(118)	1,917
5	57	99	(42)	ICU	914	1,067	(153)	1,099
6	197	275	(78)	Total Patient Days	2,741	3,012	(271)	3,016
7	22	-	22	Observation days	229	-	229	168
Average Length of Stay:								
8	3.3	3.8	(0.5)	Med/Surg	3.27	3.70	(0.43)	3.6
9	2.9	8.2	(5.4)	ICU	4.50	8.04	(3.54)	5.1
10	3.1	4.7	(1.6)	Avg. Length of Stay	3.60	4.58	(0.98)	4.0
Average Daily Census:								
11	4.5	5.7	(1.2)	Med/Surg	5.4	5.8	(0.4)	5.7
12	1.8	3.2	(1.4)	ICU	2.7	3.2	(0.5)	3.3
13	6.4	8.9	(2.5)	Avg. Daily Census	8.2	9.0	(0.8)	9.0
Other Utilization Statistics								
Emergency Room Statistics								
14	867	855	12	Total ER Visits	9,353	9,407	(54)	8,948
Outpatient Statistics:								
15	5,357	4,876	481	Total Outpatients Visits	57,389	50,360	7,029	50,587
16	9	13	(4)	IP Surgeries	144	146	(2)	170
17	150	178	(28)	OP Surgeries / Special Procedures	1,608	1,804	(196)	1,586
18	360	263	97	Adjusted Discharges	3,593	2,826	768	3,165
19	1,126	1,232	(106)	Adjusted Patient Days	12,892	12,938	(46)	12,895
20	36.3	39.8	(3.4)	Adj. Avg. Daily Census	38.4	38.5	(0.1)	38.4
21	1.3070	1.4000	(0.093)	Case Mix Index -Medicare	1.3784	1.4000	(0.022)	1.4810
22	1.2966	1.4000	(0.103)	Case Mix Index - All payers	1.3677	1.4000	(0.032)	1.4594
Labor Statistics								
23	213	222	10	FTE's - Worked	214	219	5.0	213
24	234	245	11	FTE's - Paid	237	241	4.7	235
25	50.35	53.28	2.92	Average Hourly Rate	49.25	51.97	2.72	50.18
26	6.44	6.16	(0.28)	FTE / Adj. Pat Day	6.17	6.27	0.10	6.13
27	36.7	35.1	(1.6)	Manhours / Adj. Pat Day	35.2	35.7	0.6	34.9
28	114.8	164.4	49.6	Manhours / Adj. Discharge	126.1	163.6	37.4	142.2
29	26.1%	22.6%	-3.5%	Benefits % of Salaries	26.0%	23.8%	-2.1%	23.7%
Non-Labor Statistics								
30	13.0%	14.6%	1.5%	Supply Expense % Net Revenue	13.2%	13.0%	-0.1%	14.0%
31	1,529	2,595	1,066	Supply Exp. / Adj. Discharge	1,924	2,549	625	2,254
32	14,790	21,509	6,719	Total Expense / Adj. Discharge	17,120	21,579	4,458	18,166
Other Indicators								
33	22.5			Days Cash - Operating Funds				
34	58.1	50.0	8.1	Days in Net AR	60.7	50.0	10.7	46.9
35	87%			Collections % of Cash Goal	102%			97.3%
36	54.1	55.0	(0.9)	Days in Accounts Payable	54.1	55.0	(0.9)	46.1
37	16.1%	15.1%	1.0%	% Net revenue to Gross revenue	17.2%	17.1%	0.1%	17.2%
38	34.9%			% Net AR to Gross AR	34.9%			32.4%

Sonoma Valley Health Care District

ATTACHMENT C

Balance Sheet
As of May 31, 2024
UNAUDITED

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets			
Current Assets:			
1 Cash	3,273,269	8,218,030	9,167,002
3 Net Patient Receivables	11,183,285	10,469,927	9,729,409
4 Allow Uncollect Accts	(3,659,118)	(3,497,552)	(1,770,548)
5 Net A/R	7,524,167	6,972,374	7,958,860
6 Other Accts/Notes Rec	1,905,808	1,606,260	1,374,882
7 Parcel Tax Receivable	240,316	240,316	203,861
8 GO Bond Tax Receivable	(150,303)	947,285	906,105
9 3rd Party Receivables, Net	328,494	(1,580,158)	112,552
10 Inventory	1,034,650	1,026,376	1,115,954
11 Prepaid Expenses	832,531	830,070	746,495
12 Total Current Assets	\$ 14,988,932	\$ 18,260,554	\$ 21,585,711
13 Property, Plant & Equip, Net	\$ 59,188,988	\$ 59,396,074	\$ 56,523,752
14 Trustee Funds - GO Bonds	5,909,692	4,791,498	4,684,039
15 Designated Funds - Board Approved	-	-	-
16 Total Assets	\$ 80,087,612	\$ 82,448,126	\$ 82,793,502
Liabilities & Fund Balances			
Current Liabilities:			
17 Accounts Payable	\$ 5,342,499	\$ 6,424,599	\$ 5,638,891
18 Accrued Compensation	3,605,990	4,397,707	4,324,666
19 Interest Payable - GO Bonds	139,001	89,766	147,163
20 Accrued Expenses	787,073	532,976	1,355,523
21 Advances From 3rd Parties	-	-	-
22 Deferred Parcel Tax Revenue	316,663	633,330	316,663
23 Deferred GO Bond Tax Revenue	218,123	436,245	207,092
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	127,942	92,742	57,511
27 Total Current Liabilities	\$ 15,728,500	\$ 17,798,574	\$ 17,738,719
28 Long Term Debt, net current portion	\$ 25,059,930	\$ 25,072,978	\$ 27,052,746
Fund Balances:			
30 Unrestricted	\$ 20,645,516	\$ 20,645,515	\$ 19,448,668
31 Restricted	18,653,667	18,931,059	18,553,370
32 Total Fund Balances	\$ 39,299,182	\$ 39,576,574	\$ 38,002,038
33 Total Liabilities & Fund Balances	\$ 80,087,612	\$ 82,448,126	\$ 82,793,502

Sonoma Valley Health Care District
Balance Sheet Variance Analysis
As of May 31, 2024

ATTACHMENT D

Assets	Monthly Change	Current Month	Prior Month	Prior Year	Variance Commentary
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CURRENT ASSETS

Cash	(4,944,761)	3,273,269	8,218,030	9,167,002	Cash decreased by \$4.9 million in May. Half of the decrease relates to a \$2.5M repayment of an advance owed back to Partnership Health Plan. CHFPA Bridge Loan Repayment of \$300K was made in May as well. Continued efforts in working down accounts payables (AP decreased by \$1M in May). Softer month of cash collections (\$3.3M collected vs. \$4M+ last two months)
Net A/R	551,793	7,524,167	6,972,374	7,958,860	
Other Receivables	1,110,612	2,324,315	1,213,703	2,597,400	Other Receivables increased by \$1.1M in May. Main drivers were the \$2.5M repayment of the Partnership advance which increased our receivable, and \$1.1M reduction in receivables due to property taxes being collected by the county for the GO Bonds.
Inventory	8,274	1,034,650	1,026,376	1,115,954	
Prepaid Expenses	2,461	832,531	830,070	746,495	
TOTAL CURRENT ASSETS	(3,271,621)	14,988,932	18,260,554	21,585,711	

NON-CURRENT ASSETS

Net Fixed Assets	(207,086)	59,188,988	59,396,074	56,523,752	
Trustee Funds - GO Bonds	1,118,194	5,909,692	4,791,498	4,684,039	Trustee funds increased by \$1.1M due to the collection of property taxes for the GO Bonds.
TOTAL ASSETS	(2,360,514)	80,087,612	82,448,126	82,793,502	

Liabilities / Fund Balance	Monthly Change	Current Month	Prior Month	Prior Year	Variance Commentary
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CURRENT LIABILITIES

Accounts Payable	(1,082,100)	5,342,499	6,424,599	5,638,891	A/P decreased due to continued efforts to paydown vendor invoices and eliminate payables aged greater than 90 days.
Accrued Expenses	(537,620)	4,393,063	4,930,683	5,680,189	
Interest Payable	49,235	139,001	89,766	147,163	
Deferred Revenues	(534,789)	534,786	1,069,575	523,755	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	(0)	4,973,734	4,973,734	5,473,734	
Other Liabilities	35,200	345,417	310,217	274,986	
TOTAL CURRENT LIABILITIES	(2,070,074)	15,728,500	17,798,574	17,738,719	

NON-CURRENT LIABILITIES

Long Term Debt	(13,048)	25,059,930	25,072,978	27,052,746	
TOTAL LIABILITIES	(2,083,122)	40,788,430	42,871,552	44,791,465	

FUND BALANCES

Fund Balance	(277,392)	39,299,182	39,576,574	38,002,038	Net loss of (\$277,392)
TOTAL LIABILITIES & FUND BALANCES	(2,360,514)	80,087,612	82,448,126	82,793,502	

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
For the Period Ended May 31, 2024**

ATTACHMENT E

Month						Year-To- Date				YTD
This Year		Variance				This Year		Variance		
Actual	Budget	\$		%		Actual	Budget	\$	%	Prior Year
Volume Information										
1	63	59	4	7%	Acute Discharges	762	662	100	15%	737
2	197	275	(78)	-28%	Patient Days	2,741	2,989	(248)	-8%	3,078
3	22	-	22	0%	Observation Days	232	-	232	*	168
4	\$ 21,663	\$ 24,189	\$ (2,525)	-10%	Gross O/P Revenue (000's)	\$ 239,934	\$ 247,975	\$ (8,041)	-3%	\$ 226,234
Financial Results										
Gross Patient Revenue										
5	\$ 4,589,215	\$ 6,941,777	\$ (2,352,562)	-34%	Inpatient	\$ 65,023,584	\$ 75,145,896	(10,122,312)	-13%	\$ 70,442,310
6	12,028,739	14,281,971	(2,253,232)	-16%	Outpatient	143,752,974	147,569,398	(3,816,423)	-3%	136,388,974
7	9,634,326	9,907,417	(273,091)	-3%	Emergency	96,181,261	100,405,899	(4,224,638)	-4%	90,091,191
8	\$ 26,252,280	\$ 31,131,165	(4,878,885)	-16%	Total Gross Patient Revenue	\$ 304,957,820	\$ 323,121,193	(18,163,374)	-6%	\$ 296,922,475
Deductions from Revenue										
9	(22,184,344)	(26,255,639)	4,071,295	16%	Contractual Discounts	\$ (257,153,909)	\$ (272,418,306)	15,264,397	6%	\$ (243,460,824)
10	(72,256)	(156,484)	84,228	54%	Bad Debt	(3,139,258)	(1,620,692)	(1,518,566)	-94%	(7,765,998)
11	22,408	(31,968)	54,376	170%	Charity Care Provision	11,462	(312,967)	324,429	*	(692,207)
12	207,222	-	207,222	*	Prior Period Adj/Government Program Revenue	7,881,130	6,489,754	1,391,376	21%	6,065,998
13	\$ (22,026,970)	\$ (26,444,091)	4,417,121	-17%	Total Deductions from Revenue	\$ (252,400,575)	\$ (267,862,211)	15,461,635	-6%	\$ (245,853,031)
Net Patient Service Revenue										
14	\$ 4,225,310	\$ 4,687,074	(461,764)	-10%		\$ 52,557,244	\$ 55,258,982	(2,701,738)	-5%	\$ 51,069,444
15	\$ 92,828	\$ 92,806	22	0%	Other Op Rev & Electronic Health Records	\$ 1,023,778	\$ 1,020,865	2,913	0%	\$ 1,254,335
16	\$ 4,318,138	\$ 4,779,880	(461,742)	-10%	Total Operating Revenue	\$ 53,581,022	\$ 56,279,847	\$ (2,698,825)	-5%	\$ 52,323,778
Operating Expenses										
17	\$ 2,080,929	\$ 2,304,548	223,619	10%	Salary and Wages and Agency Fees	\$ 22,318,297	\$ 23,444,651	1,126,355	5%	\$ 22,589,354
18	808,621	761,184	(47,437)	-6%	Employee Benefits	8,582,273	8,117,443	(464,830)	-6%	7,830,716
19	\$ 2,889,550	\$ 3,065,732	176,182	6%	Total People Cost	\$ 30,900,569	\$ 31,562,094	661,525	2%	\$ 30,420,071
20	\$ 643,707	\$ 682,598	38,891	6%	Med and Prof Fees (excl'd Agency)	\$ 6,532,480	\$ 7,043,313	510,833	7%	\$ 6,167,558
21	550,525	682,709	132,184	19%	Supplies	6,913,542	7,202,875	289,333	4%	7,135,441
22	307,662	542,507	234,845	43%	Purchased Services	4,499,536	5,175,058	675,522	13%	4,530,084
23	441,840	272,967	(168,873)	-62%	Depreciation	4,792,523	2,972,637	(1,819,886)	-61%	2,725,696
24	135,364	159,120	23,756	15%	Utilities	1,717,362	1,880,314	162,952	9%	1,711,642
25	68,544	66,758	(1,786)	-3%	Insurance	785,343	744,336	(41,008)	-6%	605,106
26	50,300	48,094	(2,206)	-5%	Interest	590,695	497,034	(93,662)	-19%	425,248
27	108,036	90,132	(17,904)	-20%	Other	1,111,800	1,145,077	33,277	3%	665,681
28	86,484	-	(86,484)	*	Matching Fees (Government Programs)	3,197,493	2,219,860	(977,633)	44%	2,583,495
29	\$ 5,282,012	\$ 5,610,616	328,604	6%	Operating Expenses	\$ 61,041,344	\$ 60,442,599	(598,746)	-1.0%	\$ 56,970,022
Operating Margin										
30	\$ (963,874)	\$ (830,737)	\$ (133,137)	-16%		\$ (7,460,323)	\$ (4,162,751)	(3,297,571)	-79%	\$ (4,646,244)

ATTACHMENT E

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
For the Period Ended May 31, 2024**

	Month			
	This Year		Variance	
	Actual	Budget	\$	%
31	\$ 41,366	\$ 4,744	36,622	*
32	-	-	-	0%
33	-	-	-	*
34	316,668	316,667	1	0%
35	-	-	-	0%
36	\$ 358,034	\$ 321,411	36,623	11%
37	\$ (605,840)	\$ (509,325)	(96,515)	-19%
38	\$ -	\$ -	-	0%
39	\$ 153,261	\$ 238,530	(85,269)	0%
40	\$ (452,579)	\$ (270,795)	(181,784)	-67%
41	175,187	158,829	16,358	10%
42	\$ (277,392)	\$ (111,966)	(165,426)	148%
	\$ (164,000)	\$ (236,358)	72,358	
	\$ (522,034)	\$ (557,769)	35,735	6%

Non Operating Rev and Expense
Miscellaneous Revenue/(Expenses)
Donations
Physician Practice Support-Prima
Parcel Tax Assessment Rev
Extraordinary Items
Total Non-Operating Rev/Exp
Net Income / (Loss) prior to Restricted Contributions
Capital Campaign Contribution
Restricted Foundation Contributions
Net Income / (Loss) w/ Restricted Contributions

GO Bond Activity, Net

Net Income/(Loss) w GO Bond Activity**EBDA - Not including Restricted Contributions****Operating EBDA - Not including Restricted Contributions**

Year-To- Date					YTD
This Year		Variance			
Actual	Budget	\$	%	Prior Year	
\$ 376,267	\$ 52,129	324,138	*	\$ (67,821)	
(12,062)	-	(12,062)	0%	-	
-	-	-	*	-	
3,483,338	3,483,337	1	0%	3,483,337	
-	-	-	0%	-	
\$ 3,847,543	\$ 3,535,466	312,077	9%	\$ 3,415,516	
\$ (3,612,779)	\$ (627,285)	(2,985,494)	-476%	\$ (1,230,728)	
\$ -	\$ -	-	0%	\$ -	
\$ 4,941,671	\$ 2,623,831	2,317,840	100%	\$ 2,503,183	
\$ 1,328,892	\$ 1,996,546	(667,654)	-33%	\$ 1,272,455	
1,922,289	1,747,118	175,171	10%	1,749,326	
\$ 3,251,181	\$ 3,743,664	(492,484)	-13%	\$ 3,021,780	
\$ 1,179,744	\$ 2,345,352	(1,165,608)		\$ 1,494,968	
\$ (2,667,799)	\$ (1,190,114)	(1,477,685)	-124%	\$ (1,920,547)	

Sonoma Valley Health Care District
FY24 Trended Income Statement - Last 6 Months
For the Period Ended May 31, 2024

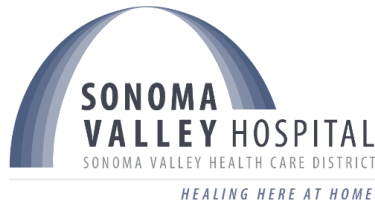
ATTACHMENT F

	December	January	February	March	April	May	FY24 YTD	FY24 YTD Month Avg
1 Acute Discharges	83	75	63	59	70	63	762	69
2 Patient Days	251	300	229	192	230	197	2,741	249
3 Observation Days	31	26	15	17	19	22	232	21
4 Gross O/P Revenue (000's)	\$ 20,765	\$ 23,302	\$ 19,700	\$ 21,438	\$ 21,913	\$ 21,663	\$ 239,934	\$ 21,812
Financial Results								
Gross Patient Revenue								
5 Inpatient	\$ 6,065,731	\$ 6,699,890	\$ 5,561,483	\$ 4,451,229	\$ 6,001,401	\$ 4,589,215	\$ 65,023,584	\$ 5,911,235
6 Outpatient	12,406,069	14,442,618	11,809,432	12,014,729	12,349,015	12,028,739	143,752,974	13,068,452
7 Emergency	8,359,376	8,859,696	7,890,643	9,423,709	9,563,637	9,634,326	96,181,261	8,743,751
8 Total Gross Patient Revenue	\$ 26,831,176	\$ 30,002,204	\$ 25,261,558	\$ 25,889,667	\$ 27,914,053	\$ 26,252,280	\$ 304,957,820	\$ 27,723,438
Deductions from Revenue								
9 Contractual Discounts	(23,383,497)	(25,246,761)	(21,395,686)	(21,920,503)	(21,690,696)	(22,184,344)	(257,153,909)	(23,377,628)
10 Bad Debt	111,925	(90,000)	(202,507)	(216,128)	(2,013,340)	(72,256)	(3,139,258)	(285,387)
11 Charity Care Provision	231,540	(122,013)	(240,123)	165,606	(102,784)	22,408	11,462	1,042
12 IGT Revenue	-	888,369	3,420,534	780,000	1,861,463	207,222	7,881,130	716,466
13 Total Deductions from Revenue	\$ (23,040,032)	\$ (24,570,405)	\$ (18,417,782)	\$ (21,191,025)	\$ (21,945,357)	\$ (22,026,970)	\$ (252,400,575)	\$ (22,945,507)
14 Net Patient Service Revenue	\$ 3,791,144	\$ 5,431,799	\$ 6,843,776	\$ 4,698,642	\$ 5,968,696	\$ 4,225,310	\$ 52,557,244	\$ 4,777,931
15 Other Operating Revenue	\$ 94,272	\$ 108,295	\$ 88,514	\$ 92,702	\$ 102,300	\$ 92,828	\$ 1,023,778	\$ 93,071
16 Total Operating Revenue	\$ 3,885,416	\$ 5,540,094	\$ 6,932,290	\$ 4,791,344	\$ 6,070,996	\$ 4,318,138	\$ 53,581,022	\$ 4,871,002
Operating Expenses								
17 Salary and Wages and Agency Fees	\$ 2,088,632	\$ 1,915,551	\$ 2,025,982	\$ 2,056,165	\$ 2,054,463	\$ 2,080,929	\$ 22,318,297	\$ 2,028,936
18 Employee Benefits	754,958	810,879	729,229	925,525	856,322	808,621	8,582,273	780,207
19 Total People Cost	\$ 2,843,590	\$ 2,726,430	\$ 2,755,211	\$ 2,981,690	\$ 2,910,785	\$ 2,889,550	\$ 30,900,569	\$ 2,809,143
20 Med and Prof Fees (excl Agency)	\$ 551,402	\$ 659,636	\$ 621,045	\$ 639,293	\$ 579,135	\$ 643,707	\$ 6,532,480	\$ 593,862
21 Supplies	656,453	761,387	552,783	473,260	361,713	550,525	6,913,542	628,504
22 Purchased Services	550,338	396,842	379,540	372,201	403,065	307,662	4,499,536	409,049
23 Depreciation	431,329	456,946	395,082	427,561	422,819	441,840	4,792,523	435,684
24 Utilities	134,835	165,776	256,678	119,082	151,806	135,364	1,717,362	156,124
25 Insurance	68,544	66,583	66,583	66,583	98,995	68,544	785,343	71,395
26 Interest	46,487	71,737	84,472	54,108	20,453	50,300	590,695	53,700
27 Other	132,195	83,665	56,720	104,090	115,482	108,036	1,111,800	101,073
28 Matching Fees (IGT)	-	293,000	2,265,305	293,539	47,472	86,484	3,197,493	290,681
29 Operating expenses	\$ 5,415,173	\$ 5,682,002	\$ 7,433,419	\$ 5,531,407	\$ 5,111,725	\$ 5,282,012	\$ 61,041,344	\$ 5,549,213
30 Operating Margin	\$ (1,529,757)	\$ (141,908)	\$ (501,129)	\$ (740,063)	\$ 959,271	\$ (963,874)	\$ (7,460,323)	\$ (678,211)
Non Operating Rev and Expense								
31 Miscellaneous Revenue/(Expenses)	\$ 16,366	\$ 19,303	\$ 14,540	\$ 37,899	\$ 40,512	\$ 41,366	\$ 376,267	\$ 34,206
32 Donations	(4,287)	(2,797)	(3,586)	(1,459)	67	-	(12,062)	(1,097)
33 Physician Practice Support-Prima	-	-	-	-	-	-	-	-
34 Parcel Tax Assessment Rev	316,667	316,667	316,667	316,667	316,667	316,668	3,483,338	316,667
35 Extraordinary Items	-	-	-	-	-	-	-	-
36 Total Non-Operating Rev/Exp	\$ 328,746	\$ 333,173	\$ 327,621	\$ 353,107	\$ 357,246	\$ 358,034	\$ 3,847,543	\$ 349,777
37 Net Income / (Loss) prior to Rest. Cont.	\$ (1,201,011)	\$ 191,265	\$ (173,508)	\$ (386,956)	\$ 1,316,517	\$ (605,840)	\$ (3,612,779)	\$ (328,434)
38 Capital Campaign Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
39 Restricted Foundation Contributions	\$ 330,142	\$ 7,169	\$ 516,187	\$ 2,442,308	\$ 1,202,053	\$ 153,261	\$ 4,941,671	\$ 449,243
40 Net Income / (Loss) w/ Rest. Cont.	\$ (870,869)	\$ 198,434	\$ 342,679	\$ 2,055,352	\$ 2,518,570	\$ (452,579)	\$ 1,328,892	\$ 120,808
41 GO Bond Activity, Net	175,187	175,187	175,187	175,187	175,187	175,187	1,922,289	174,754
42 Net Income/(Loss) w GO Bond Activity	\$ (695,682)	\$ 373,621	\$ 517,866	\$ 2,230,539	\$ 2,693,757	\$ (277,392)	\$ 3,251,181	\$ 295,562
EBDA - Not including Rest. Cont.	\$ (769,682)	\$ 648,211	\$ 221,574	\$ 40,605	\$ 1,739,336	\$ (164,000)	\$ 1,179,744	\$ 107,249
Operating EBDA	\$ (1,098,428)	\$ 315,038	\$ (106,047)	\$ (312,502)	\$ 1,382,090	\$ (522,034)	\$ (2,667,799)	\$ (242,527)
Operating EBDA excl IGT	\$ (1,098,428)	\$ (280,331)	\$ (1,261,276)	\$ (798,963)	\$ (431,901)	\$ (642,772)	\$ (7,351,437)	\$ (668,312)

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	Actual Mar	Actual Apr	Actual May	Forecast Jun	TOTAL
Hospital Operating Sources													
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	4,209,602	4,556,724	3,297,942	3,600,000	47,881,966
2 Other Operating Revenue	26,197	172,302	37,453	95,192	283,068	93,447	117,466	153,075	20,376	116,256	122,122	115,291	1,352,244
3 Other Non-Operating Revenue	42,960	4,386	10,108	43,877	12,352	11,224	17,442	5,578	11,180	17,993		7,800	184,901
4 Unrestricted Contributions		1,250	861	2,651	7,716	380	7,169	3,420	309	628	3,587		27,972
5 Line of Credit													-
Sub-Total Hospital Sources	4,033,829	4,600,406	3,517,792	4,798,212	4,476,030	3,971,076	4,212,456	3,758,139	4,241,467	4,691,601	3,423,651	3,723,091	49,447,750
Hospital Uses of Cash													
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	4,549,822	4,976,215	5,866,394	4,614,191	59,206,988
7 Add Capital Lease Payments	64,932	65,051	389,160	194,558	370,013	69,578	270,605	88,998		332,689	57,027		1,902,610
8 Add: Bridge Loan Paybacks									308,000		300,487		608,487
9 Add: CHFFA Help II Loan Repayments	30,833	30,833	30,833	30,833	30,833	31,987	35,056	35,056	35,056	35,056	35,056	35,056	396,488
10 Line of Credit Paydown							-						-
11 Capital Expenditures	157,689	152,213	177,157	27,616	116,996	421,333	330,101	530,867	2,294,905	1,233,345	637,120	303,577	6,382,917
SVH Capital	156,051	50,387	(35,866)	27,616	31,724	94,223	296,795	4,000	5,375	31,920	87,867	45,000	795,092
Foundation Capital	1,638	101,825	213,023		85,272	327,110	33,306	526,867	2,289,530	1,201,425	549,252	258,577	5,587,824
Total Hospital Uses	5,405,567	5,369,338	4,725,991	5,251,892	5,574,384	5,745,188	4,832,623	5,978,513	7,187,782	6,718,664	6,896,083	4,952,824	68,497,490
Net Hospital Sources/Uses of Cash	(1,371,738)	(768,932)	(1,208,199)	(453,679)	(1,098,354)	(1,774,112)	(620,167)	(2,220,374)	(2,946,316)	(2,027,063)	(3,472,432)	(1,229,733)	(19,049,741)
Non-Hospital Sources													
12 Restricted Capital Donations	1,638	101,826	213,023	6,249	85,272	327,110	26,137	516,187	2,442,308	1,201,425	235,537	258,577	5,415,289
13 Parcel Tax Revenue	179,984					2,059,056				1,500,627			3,739,668
14 Other Payments								861,768				300,000	1,161,768
15 Other:													
16 IGT - HQAF VII (CY22)				39,262	684,280								723,542
17 IGT - QIP (PY 5/CY22)									1,099,230		93,747		1,192,977
18 IGT - Rate Range								2,500,000		5,281,071			7,781,071
19 IGT - HQAF VIII (CY23)											780,000		780,000
20 IGT - NDPH (SFY22-23)												151,000	151,000
21 IGT - NDPH (SFY23-24)												160,613	160,613
22 Distressed Hospital Loan Program													-
Sub-Total Non-Hospital Sources	181,622	101,826	213,023	45,511	769,552	2,386,167	26,137	3,877,955	3,555,307	7,983,123	1,109,284	870,190	21,119,696
Non-Hospital Uses of Cash													
23 Matching Fees	-	-	-	211,693	-	-	-	2,458,305	293,539	47,472	86,484		3,097,493
24 IGT Rate Range Advance Repayment											2,500,000		2,500,000
Sub-Total Non-Hospital Uses of Cash	-	-	-	211,693	-	-	-	2,458,305	293,539	47,472	2,586,484	-	5,597,493
Net Non-Hospital Sources/Uses of Cash	181,622	101,826	213,023	(166,182)	769,552	2,386,167	26,137	1,419,650	3,261,768	7,935,651	(1,477,200)	870,190	15,522,204
Net Sources/Uses	(1,190,116)	(667,106)	(995,176)	(619,862)	(328,803)	612,054	(594,030)	(800,724)	315,452	5,908,589	(4,949,632)	(359,543)	(3,527,537)
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	2,309,441	8,218,030	3,268,398	
Total Cash at End of Period	5,383,983	4,716,877	3,722,817	3,103,826	2,775,698	3,388,272	2,794,713	1,993,989	2,309,441	8,218,030	3,268,398	2,908,854	
Average Days of Cash on Hand	40.1	35.8	26.3	25.5	20.5	22.4	20.3	14.5	15.7	21.4	47.4		
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	16.3	51.6	22.5	20.6	



To: SVHCD Finance Committee
 From: Ben Armfield, Chief Financial Officer
 Date: July 23, 2024
 Subject: Financial Report for June 2024

June's financial performance was largely consistent with May's results, with both positive and negative trends observed. The hospital continues to navigate through ongoing transitions, and similar to previous months, the main driver for missing the budget in terms of overall operating margin has been volume - particularly in surgery. This plus a couple other declines across some key areas caused the hospital to fall short of budget expectations in June. Despite these challenges, we did see a surge in emergency room visits as June delivered a fiscal year high in emergency room volumes, which helped offset some of the volume declines observed in other areas. Operating expenses also ran under budget by 4%, which continues to be a significant factor in mitigating some of the volume shortfall that has been observed this year.

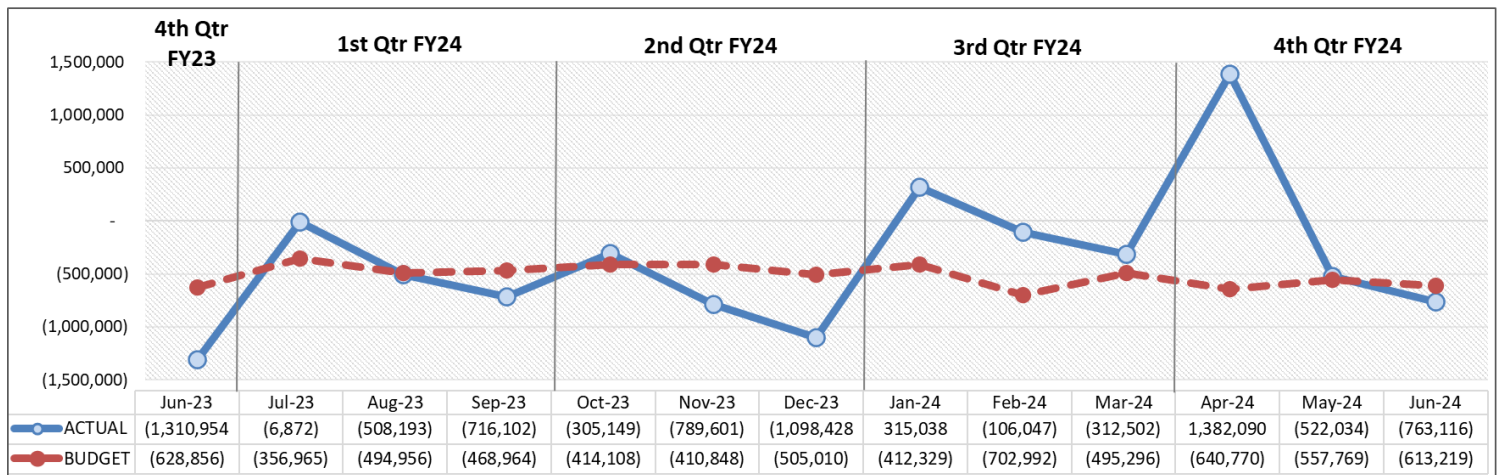
Closing the books on fiscal year 2024, we remain very optimistic about the future, particularly with the addition of Dr. Walter, who is expected to help improve surgical volumes as we move forward. The MRI expansion, PT expansion, and IGT resetting are also on deck and will significantly help the facility's financial performance in fiscal year 2025.

1. OVERALL PERFORMANCE | MONTH

Table 1 | Overall Performance - June 2024

	Current Year Month		Variance		Current Year YTD		Variance		Prior Year YTD		Variance	
	Actual	Budget	\$	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Margin	\$ (1,263,116)	\$ (886,186)	\$ (376,930)	-43%	\$ (8,723,439)	\$ (5,048,937)	\$ (3,674,501)	-73%	\$ (7,782,276)	\$ (941,163)	-12%	
Operating EBDA	\$ (763,116)	\$ (613,219)	\$ (149,897)	-24%	\$ (3,430,915)	\$ (1,803,333)	\$ (1,627,582)	-90%	\$ (3,231,501)	\$ (199,414)	-6%	
Operating EBDA w Parcel	\$ (446,453)	\$ (296,552)	\$ (149,901)	-51%	\$ 369,086	\$ 1,996,671	\$ (1,627,585)	-82%	\$ 544,622	\$ (175,536)	-32%	
Net Income (Loss)	\$ (257,898)	\$ (167,415)	\$ (90,483)	-54%	\$ 2,993,283	\$ 3,576,249	\$ (582,966)	-16%	\$ 1,067,733	\$ 1,925,550	180%	

Graph 1.1 | SVH Trended Operating EBDA



Key Drivers in Month's Performance:

Volumes

The volume reduction was particularly pronounced on the inpatient side and in certain outpatient services – which was very similar to May. Surgical volumes did drop off from the previous month as the hospital did experience a reduction in GI volumes in June (after a very busy May). We also had a slower than normal month in outpatient physical therapy as well. However, these declines were mitigated by a very busy month in the emergency room.

Surgical Volumes

Surgical volumes saw a drop in June, continuing the trend of running behind budget this fiscal year. The overall decline can be attributed to the ongoing transitions within our orthopedic department. June also saw a pullback in GI surgical volumes, which should be a one-time dip. Regarding surgical volume as a whole, we are optimistic about the future with the addition of Dr. Walter, our new orthopedic surgeon, who started at the end of the month. His presence is expected to help stabilize the service line and eventually increase our surgical volumes as we move forward.

Emergency Room Utilization

June was an exceptionally busy month in the ER with visits setting a fiscal year high. Monthly visit volumes exceeded 900 visits, which is the first time of the fiscal year that threshold has been crossed. This surge in ER visits highlights the growing demand for emergency services and underscores the effectiveness of our staff in handling increased patient loads. For the year, ER volumes closed right at budget and marked a 4% increase over the prior year.

Ancillary and Other Outpatient Volumes

As mentioned earlier, Physical Therapy volumes saw a pullback in June, reflecting the overall slower month outside of the ER, and total outpatient visits dropped below 5,000 for the first time this fiscal year. However, this decline is seen as a short-term occurrence. Ancillary services such as CT and MRI continued to show resilience. CT volumes achieved five consecutive months of growth, and MRI volumes also saw an increase, marking the highest levels since February.

It is important to note that despite this drop in June, we closed out a fiscal year where our outpatient visits exceeded both budget and the prior year by over 10%. This overall positive trend indicates strong performance in our outpatient services throughout the year, despite the seasonal slowdown in June.

Operating Expenses

Our ongoing focus on cost management continued to yield positive results in June. Operating expenses ran under budget by 4%, marking the fourth consecutive month the hospital has achieved significant cost savings. While some of the positive variance to budget in expenses can be attributed

to lower volumes—such as reduced implant costs due to fewer orthopedic surgeries—the majority of the benefit is due to the diligent efforts of our team to find and implement ways to mitigate costs.

Cost mitigation remains particularly crucial for our hospital, where the ability to flex staff in response to fluctuating volumes is limited. The hard work and proactive strategies employed by our team in controlling expenses have been critical in navigating these last couple of quarters that have delivered lower than expected volume levels.

Cash

We collected just over \$3.7 million in June, which is an improvement from May and right at our more recent monthly averages. Lower volume months preceding June certainly continues to have an impact on our cash collections as they obviously lead to softer months in cash. The positive news on this front is that our cash collection activity in July looks to be much closer to our fiscal year averages and we are anticipating collections exceeding these past two months.

Other Updates:

Distressed Hospital Loan Program: After finally receiving official sign-offs on all documents and agreements associated with our Distressed Hospital Loan Program funds, we just received the actual funding this past week. We turned around and applied this to our outstanding line of credit, which brings our current balance from \$4.9 million to \$1.9 million. This will save the hospital an estimated \$250K annually in interest expense. Our repayment of the \$3 million will start in 18 months.

Temporary MRI Project: The temporary MRI project continues to have just one remaining step in order to be operational, which is clearance from the state. We did have an inspection on July 8th and while there were some items that we needed to address, the surveyor indicated they did not plan on returning to the hospital for an on-site follow up. We have addressed their specific change requests and await their response. We hope to be able to open shortly.

IGT Update: We received word that DHCS (California Dept of Health Care Services) granted Partnership Health Plan an extension on filing their Rate Range allotments for this upcoming fiscal year. We should hear soon what our official numbers will be. We have had very positive discussions with Partnership and feel very confident that we will see a significant increase compared to what we have received these past couple of fiscal years. More to come shortly on this....

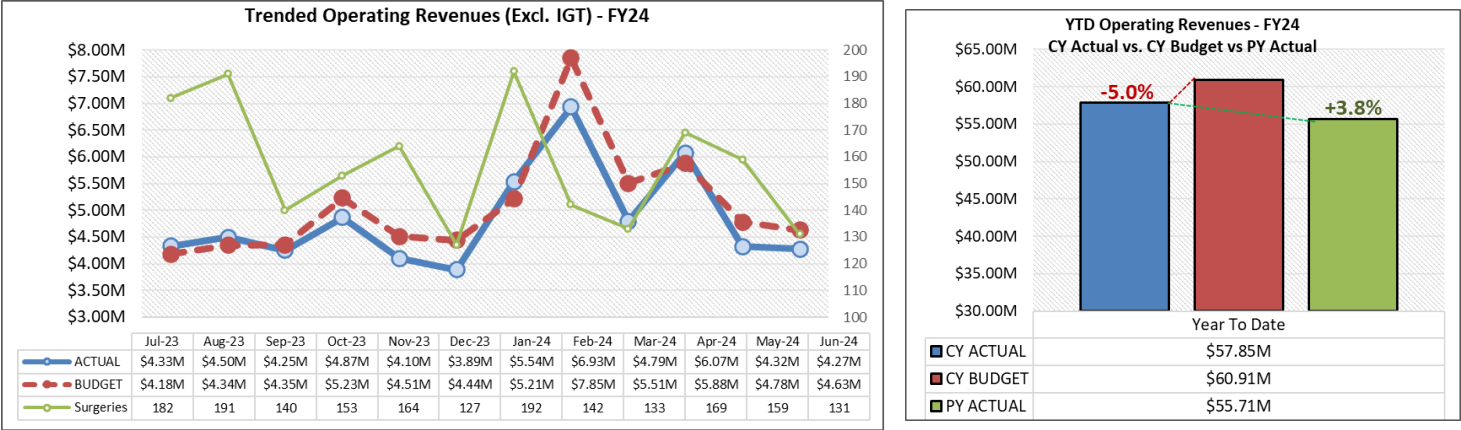
Audit Update: Auditors from Moss Adams were on-site last week for the first time performing some pre-work on our audit engagement.

2. NET REVENUE AND VOLUME SUMMARY:

Table 2 | Net Patient Revenue – Actual vs. Budget - June 2024 (Including IGT)

	Current Year Month		Variance		Current Year YTD		Variance		Prior Year YTD	Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%
Gross Revenue	\$27,161,763	\$30,125,377	\$ (2,963,614)	-10%	\$ 332,119,583	\$353,246,571	\$ (21,126,988)	-6%	\$ 324,166,202	\$ 7,953,380	2%
Net Patient Revenue	\$ 4,181,354	\$ 4,535,427	\$ (354,073)	-8%	\$ 56,738,598	\$ 59,794,409	\$ (3,055,811)	-5%	\$ 54,368,448	\$ 2,370,150	4%
NPR as a % of Gross	15.4%	15.1%	2.3%		14.7%	15.1%	-2.5%		14.9%	-1.3%	
Tot Operating Revenue	\$ 4,270,445	\$ 4,628,233	\$ (357,788)	-8%	\$ 57,851,467	\$ 60,908,080	\$ (3,056,613)	-5%	\$ 55,707,346	\$ 2,144,121	4%

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



Graph 2.2 | SVH Trended Surgeries (Total) - 13 Month Trend

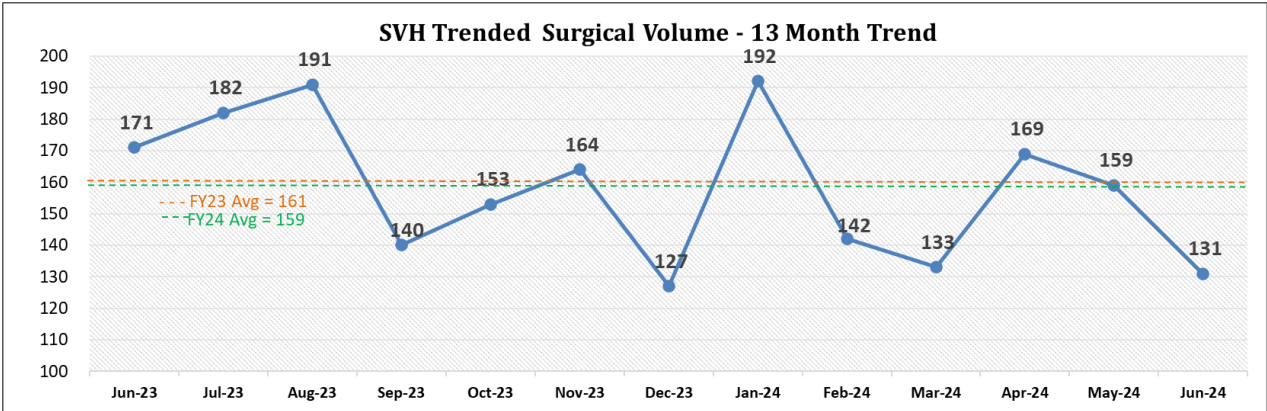


Table 2.3 | Surgical Volumes Top 4 Service Lines – June 2024 vs Prior Month & Six-Month Trend

Service Line	Current Mth vs. Previous Mth				6 Month Trend						Current Mth vs. 6 Mth Trend		
	Jun24	May24	Var	% Var	Dec23	Jan24	Feb24	Mar24	Apr24	May24	6 Month Trend	Var	% Var
Orthopedics	35	27	8	30%	49	67	40	33	46	27	44	(17)	-38%
Gastroenterology	53	85	(32)	-38%	47	67	59	62	73	85	66	20	30%
Ophthalmology	23	20	3	15%	11	22	20	18	18	20	18	2	10%
General	14	14	-	0%	10	18	11	15	17	14	14	(0)	-1%
SubTotal	125	146	(21)	-14%	117	174	130	128	154	146	142	5	3%
Other	6	13	(7)	-54%	10	18	12	5	15	13	12	1	7%
Grand Total	131	159	(28)	-18%	127	192	142	133	169	159	154	5	3%

Table 2.4 | Patient Volumes – June 2024

	Current Year Month		Variance		Current Year YTD		Variance		PY YTD	Variance	
	Actual	Budget	Var	%	Actual	Budget	Var	%	Actual	Var	%
Acute Patient Days	201	269	(68)	-25%	2,942	3,281	(339)	-10%	3,257	(315)	-10%
Average Daily Census	6.7	9.0	(2.3)	-25%	8.0	9.0	(0.9)	-10%	8.9	(0.9)	-10%
Acute Discharges	58	57	1	1%	820	716	104	15%	812	8	1%
IP Surgeries	7	13	(6)	-46%	151	159	(8)	-5%	182	(31)	-17%
OP Surgeries/Spec Proc	124	190	(66)	-35%	1,732	1,994	(262)	-13%	1,735	(3)	0%
Total Surgeries / Procedures	131	203	(72)	-35%	1,883	2,153	(270)	-13%	1,917	(34)	-2%
Total Outpatient Visits	4,653	4,709	(56)	-1%	62,042	55,069	6,973	13%	55,630	6,412	12%
Emergency Room Visits	210	855	(645)	-75%	9,563	10,262	(699)	-7%	9,835	(272)	-3%

Table 2.5 | Outpatient Volumes Trended – Last 6 Months

Department	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Last 6 Months
Lab	1,337	1,261	1,271	1,407	1,364	1,282	
Medical Imaging	949	896	858	857	900	830	
Physical Therapy	1,238	1,238	1,351	1,365	1,196	1,095	
CT Scanner	409	355	368	387	398	409	
Occ. Health	291	230	209	300	315	308	
Mammography	222	233	232	241	217	211	
Occupational Therapy	194	202	317	224	197	190	
Ultrasound	244	242	220	198	222	182	
Wound Care	174	166	175	201	213	152	
MRI	140	167	123	127	135	121	
ECHO	113	135	110	104	132	106	
Speech Therapy	45	49	45	53	43	53	
Other	24	30	14	22	25	14	
TOTAL	5,380	5,204	5,293	5,486	5,357	4,953	
Emergency Room	868	779	875	862	867	912	

3. OPERATING EXPENSE SUMMARY:

Table 3 | Operating Expenses – Actual vs. Budget – June 2024 (Including IGT)

	Current Year Month		Variance		Current Year YTD		Variance		Prior Year YTD		Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Expenses	\$ 5,533,561	\$ 5,514,419	\$ (19,142)	0%	\$ 66,574,905	\$ 65,957,017	\$ (617,888)	-1%	\$ 63,489,621	\$(3,085,284)	-5%	
Operating Exp. Excl. Depr.	\$ 5,033,561	\$ 5,241,452	\$ 207,891	4%	\$ 61,282,382	\$ 62,711,413	\$ 1,429,031	2%	\$ 58,938,847	\$(2,343,535)	-4%	
Worked FTEs	207.8	223.0	15.1	7%	213.6	219.5	5.9	3%	212.7	(1.0)	0%	

Graph 3.1 | SVH Trended Operating Expenses (excluding Depreciation) – FY24

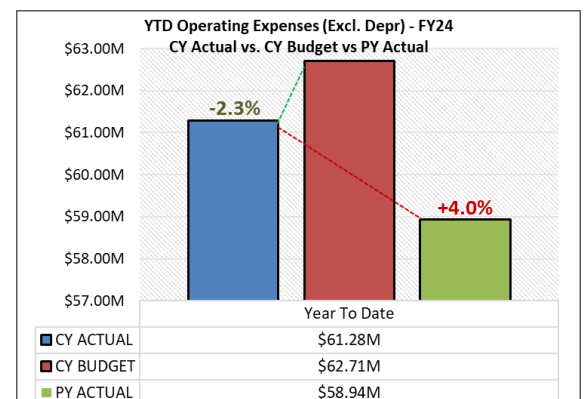
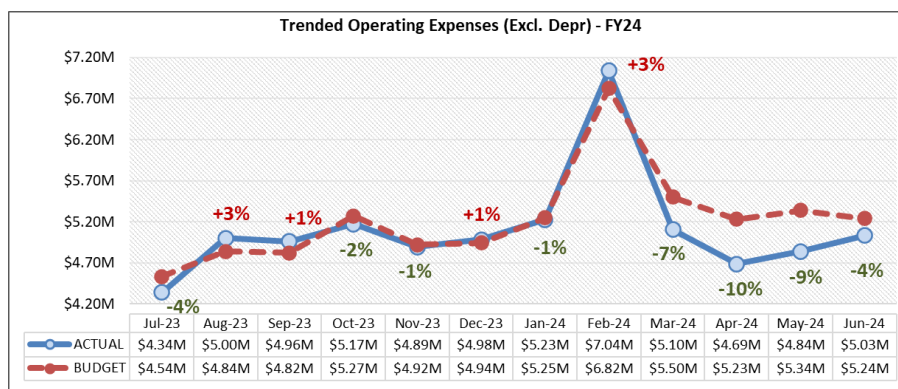


Table 4 | Cash / Revenue Cycle Indicators - June 2024

	Jun-24	May-24	Var	%
Days Cash on Hand	22.7	22.5	0.2	1%
A/R Days	60.1	58.1	2.0	3%
A/P Days	55.1	50.1	5.0	10%

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
- Attachment E (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 F is the Trended Income Statement
- Attachment G is the Cash Projection

Sonoma Valley Hospital
Payer Mix for the month of June, 2024

MONTH					YEAR TO DATE			
Gross Revenue	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	9,447,712	10,961,150	-1,513,438	-5.0%	122,022,336	127,739,063	-5,716,727	-1.6%
Medicare Managed Care	4,722,456	5,205,624	-483,168	-1.6%	59,384,503	60,655,433	-1,270,930	-0.4%
Medi-Cal	4,439,565	5,831,098	-1,391,533	-4.6%	54,482,867	67,757,553	-13,274,687	-3.8%
Self Pay	468,946	168,163	300,782	1.0%	4,933,384	1,927,479	3,005,905	0.9%
Commercial & Other Governn	7,021,125	7,060,141	-39,016	-0.1%	82,202,274	81,882,203	320,071	0.1%
Worker's Comp.	1,038,702	1,123,437	-84,736	-0.3%	8,850,371	12,987,682	-4,137,311	-1.2%
Total	27,138,506	30,349,614	-3,211,109	-10.6%	331,875,735	352,949,414	-21,073,679	-6.0%

MONTH				YEAR TO DATE		
Payor Mix	Actual	Budget	Variance	Actual	Budget	Variance
Medicare	34.8%	36.1%	-1.3%	36.8%	36.2%	0.6%
Medicare Managed Care	17.4%	17.2%	0.2%	17.9%	17.2%	0.7%
Medi-Cal	16.4%	19.2%	-2.9%	16.4%	19.2%	-2.8%
Self Pay	1.7%	0.6%	1.2%	1.5%	0.5%	0.9%
Commercial & Other Governn	25.9%	23.3%	2.6%	24.8%	23.2%	1.6%
Worker's Comp.	3.8%	3.7%	0.1%	2.7%	3.7%	-1.0%
Total	100.0%	100.0%		100.0%	100.0%	

SONOMA VALLEY HOSPITAL
OPERATING INDICATORS
For the Period Ended June 30, 2024

ATTACHMENT B

CURRENT MONTH				YEAR-TO-DATE			YTD
	Actual	Budget	Favorable (Unfavorable) Variance		Actual	Budget	Favorable (Unfavorable) Variance
	06/30/24	06/30/24			06/30/24	06/30/24	Prior Year 06/30/23
				Inpatient Utilization			
				Discharges			
1	38	46	(8)	Med/Surg	597	571	26
2	20	12	8	ICU	223	145	78
3	58	57	1	Total Discharges	820	716	104
				Patient Days:			
4	125	172	(47)	Med/Surg	1,952	2,117	(165)
5	76	97	(21)	ICU	990	1,164	(174)
6	201	269	(68)	Total Patient Days	2,942	3,281	(339)
7	29	-	29	Observation days	258	-	258
				Average Length of Stay:			
8	3.3	3.8	(0.5)	Med/Surg	3.27	3.71	(0.44)
9	3.8	8.2	(4.4)	ICU	4.44	8.05	(3.61)
10	3.5	4.7	(1.2)	Avg. Length of Stay	3.59	4.58	(1.00)
				Average Daily Census:			
11	4.2	5.7	(1.6)	Med/Surg	5.3	5.8	(0.5)
12	2.5	3.2	(0.7)	ICU	2.7	3.2	(0.5)
13	6.7	9.0	(2.3)	Avg. Daily Census	8.0	9.0	(0.9)
				Other Utilization Statistics			
				Emergency Room Statistics			
14	210	855	(645)	Total ER Visits	9,563	10,262	(699)
				Outpatient Statistics:			
15	4,953	4,709	244	Total Outpatients Visits	62,342	55,069	7,273
16	7	13	(6)	IP Surgeries	151	159	(8)
17	124	175	(51)	OP Surgeries / Special Procedures	1,732	1,979	(247)
18	300	254	46	Adjusted Discharges	3,893	3,080	814
19	1,040	1,190	(151)	Adjusted Patient Days	13,931	14,128	(197)
20	34.7	39.7	(5.0)	Adj. Avg. Daily Census	38.1	38.6	(0.5)
21	1.3500	1.4000	(0.050)	Case Mix Index -Medicare	1.3761	1.4000	(0.024)
22	1.3850	1.4000	(0.015)	Case Mix Index - All payers	1.3691	1.4000	(0.031)
				Labor Statistics			
23	211	223	12	FTE's - Worked	214	220	5.7
24	232	245	14	FTE's - Paid	236	242	5.4
25	50.40	53.28	2.87	Average Hourly Rate	49.34	52.07	2.73
26	6.69	6.19	(0.50)	FTE / Adj. Pat Day	6.21	6.26	0.05
27	38.1	35.3	(2.8)	Manhours / Adj. Pat Day	35.4	35.7	0.3
28	132.0	165.2	33.2	Manhours / Adj. Discharge	126.6	163.7	37.1
29	28.2%	23.3%	-4.9%	Benefits % of Salaries	26.1%	23.8%	-2.4%
				Non-Labor Statistics			
30	14.5%	14.8%	0.3%	Supply Expense % Net Revenue	13.3%	13.2%	-0.1%
31	2,027	2,650	623	Supply Exp. / Adj. Discharge	1,932	2,557	625
32	18,590	21,898	3,308	Total Expense / Adj. Discharge	17,234	21,605	4,371
				Other Indicators			
33	22.7			Days Cash - Operating Funds			
34	60.1	50.0	10.1	Days in Net AR	60.7	50.0	10.7
35	90%			Collections % of Cash Goal	101%		
36	59.1	55.0	4.1	Days in Accounts Payable	59.1	55.0	4.1
37	15.4%	15.1%	0.3%	% Net revenue to Gross revenue	17.1%	16.9%	0.2%
38	34.9%			% Net AR to Gross AR	34.9%		

Sonoma Valley Health Care District

ATTACHMENT C

Balance Sheet
As of June 30, 2024
UNAUDITED

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets			
Current Assets:			
1 Cash	3,748,581	3,273,269	6,322,741
3 Net Patient Receivables	11,860,187	11,183,285	9,642,506
4 Allow Uncollect Accts	(3,823,181)	(3,659,118)	(1,790,487)
5 Net A/R	8,037,006	7,524,167	7,852,020
6 Other Accts/Notes Rec	1,592,193	1,905,808	1,738,833
7 Parcel Tax Receivable	-	240,316	3,979,984
8 GO Bond Tax Receivable	-	(150,303)	2,617,464
9 3rd Party Receivables, Net	64,281	328,494	(23,159)
10 Inventory	913,408	1,034,650	978,624
11 Prepaid Expenses	637,492	832,531	1,160,940
12 Total Current Assets	\$ 14,992,961	\$ 14,988,932	\$ 24,627,446
13 Property, Plant & Equip, Net	\$ 59,168,100	\$ 59,188,988	\$ 57,831,385
14 Trustee Funds - GO Bonds	5,957,336	5,909,692	5,774,189
15 Designated Funds - Board Approved	-	-	-
16 Total Assets	\$ 80,118,397	\$ 80,087,612	\$ 88,233,021
Liabilities & Fund Balances			
Current Liabilities:			
17 Accounts Payable	\$ 6,414,601	\$ 5,342,499	\$ 5,468,141
18 Accrued Compensation	3,890,930	3,605,990	3,487,647
19 Interest Payable - GO Bonds	188,590	139,001	224,092
20 Accrued Expenses	393,810	787,073	1,498,333
21 Advances From 3rd Parties	-	-	-
22 Deferred Parcel Tax Revenue	-	316,663	3,800,000
23 Deferred GO Bond Tax Revenue	-	218,123	2,617,465
24 Current Maturities-LTD	217,475	217,475	217,475
25 Line of Credit - Union Bank	4,973,734	4,973,734	4,973,734
26 Other Liabilities	57,511	127,942	57,511
27 Total Current Liabilities	\$ 16,136,651	\$ 15,728,500	\$ 22,344,398
28 Long Term Debt, net current portion	\$ 24,938,129	\$ 25,059,930	\$ 29,840,625
29 Fund Balances:			
30 Unrestricted	\$ 20,647,850	\$ 20,645,512	\$ 16,904,312
31 Restricted	18,395,767	18,653,671	19,143,686
32 Total Fund Balances	\$ 39,043,617	\$ 39,299,182	\$ 36,047,998
33 Total Liabilities & Fund Balances	\$ 80,118,397	\$ 80,087,612	\$ 88,233,021

Sonoma Valley Health Care District
Balance Sheet Variance Analysis
As of June 30, 2024

ATTACHMENT D

Assets	Monthly Change	Current Month	Prior Month	Prior Year	Variance Commentary
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CURRENT ASSETS

Cash	475,312	3,748,581	3,273,269	6,322,741	Cash increased by \$475K in June. IGT payments received of \$312,000 and payment to Bouverie (SNF) of \$325,000 for June made July 1 (not reflected in June's cash). Cash collections of \$3.7M (collected \$3.3M last month)
Net A/R	512,838	8,037,006	7,524,167	7,852,020	
Other Receivables	(667,842)	1,656,474	2,324,315	8,313,122	Other Receivables decreased by \$668K in June. Main drivers were the receipt of Foundation funds of \$430,000 and reconciliation of UMR benefit account adjustment,
Inventory	(121,242)	913,408	1,034,650	978,624	Recording of physical inventory adjustments
Prepaid Expenses	(195,039)	637,492	832,531	1,160,940	
TOTAL CURRENT ASSETS	4,029	14,992,961	14,988,932	24,627,446	

NON-CURRENT ASSETS

Net Fixed Assets	(20,888)	59,168,100	59,188,988	57,831,385	
Trustee Funds - GO Bonds	47,644	5,957,336	5,909,692	5,774,189	
TOTAL ASSETS	30,784	80,118,397	80,087,612	88,233,021	

Liabilities / Fund Balance	Monthly Change	Current Month	Prior Month	Prior Year	Variance Commentary
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CURRENT LIABILITIES

Accounts Payable	1,072,102	6,414,601	5,342,499	5,468,141	A/P increased due to holding some AP payments at year-end. Accounts payable will start to decline again in July.
Accrued Expenses	(108,323)	4,284,740	4,393,063	4,985,980	Longer Payroll accrual at month-end
Interest Payable	49,589	188,590	139,001	224,092	Go Bond interest accrual
Deferred Revenues	(534,786)	-	534,786	6,417,465	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	4,973,734	
Other Liabilities	(70,431)	274,986	345,417	274,986	GASB amortization
TOTAL CURRENT LIABILITIES	408,151	16,136,651	15,728,500	22,344,398	

NON-CURRENT LIABILITIES

Long Term Debt	(121,801)	24,938,129	25,059,930	29,840,625	
TOTAL LIABILITIES	286,350	41,074,780	40,788,430	52,185,023	

FUND BALANCES

Fund Balance	(255,566)	39,043,617	39,299,182	36,047,998	
TOTAL LIABILITIES & FUND BALANCES	30,784	80,118,397	80,087,612	88,233,021	

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
For the Period Ended June 30, 2024**

ATTACHMENT E

Month						Year-To- Date					YTD
This Year			Variance			This Year			Variance		Prior Year
Actual	Budget		\$	%	Actual	Budget	\$	%			
						Volume Information					
1	58	57	1	1%	Acute Discharges	820	719	101	14%	799	
2	201	269	(68)	-25%	Patient Days	2,942	3,258	(316)	-10%	3,319	
3	29	-	29	0%	Observation Days	261	-	261	*	188	
4	\$ 21,914	\$ 23,323	\$ (1,407)	-6%	Gross O/P Revenue (000's)	\$ 261,849	\$ 271,298	\$ (9,449)	-3%	\$ 248,095	
						Financial Results					
						Gross Patient Revenue					
5	\$ 5,247,297	\$ 6,802,808	\$ (1,555,511)	-23%	Inpatient	\$ 70,270,881	\$ 81,948,703	(11,677,823)	-14%	\$ 75,808,042	
6	11,630,429	13,767,126	(2,136,697)	-16%	Outpatient	155,383,403	161,336,524	(5,953,120)	-4%	149,292,155	
7	10,284,037	9,555,444	728,593	8%	Emergency	106,465,298	109,961,343	(3,496,045)	-3%	99,066,006	
8	\$ 27,161,763	\$ 30,125,377	(2,963,614)	-10%	Total Gross Patient Revenue	\$ 332,119,583	\$ 353,246,571	(21,126,988)	-6%	\$ 324,166,202	
						Deductions from Revenue					
9	(22,711,319)	(25,407,538)	2,696,219	11%	Contractual Discounts	\$ (279,865,228)	\$ (297,825,844)	17,960,615	6%	\$ (267,248,263)	
10	(151,047)	(151,469)	422	0%	Bad Debt	(3,290,305)	(1,772,161)	(1,518,144)	-86%	(7,915,998)	
11	(118,043)	(30,944)	(87,099)	-281%	Charity Care Provision	(106,581)	(343,911)	237,330	69%	(699,492)	
12	-	-	-	*	Prior Period Adj/Government Program Revenue	7,881,130	6,489,754	1,391,376	21%	6,065,998	
13	\$ (22,980,409)	\$ (25,589,950)	2,609,541	-10%	Total Deductions from Revenue	\$ (275,380,984)	\$ (293,452,161)	18,071,177	-6%	\$ (269,797,754)	
						Net Patient Service Revenue					
14	\$ 4,181,354	\$ 4,535,427	(354,073)	-8%		\$ 56,738,598	\$ 59,794,409	(3,055,811)	-5%	\$ 54,368,448	
15	\$ 89,091	\$ 92,806	(3,715)	-4%	Other Op Rev & Electronic Health Records	\$ 1,112,869	\$ 1,113,670	(802)	0%	\$ 1,338,898	
16	\$ 4,270,445	\$ 4,628,233	(357,788)	-8%	Total Operating Revenue	\$ 57,851,467	\$ 60,908,080	\$ (3,056,613)	-5%	\$ 55,707,346	
						Operating Expenses					
17	\$ 1,996,137	\$ 2,235,382	239,245	11%	Salary and Wages and Agency Fees	\$ 24,314,434	\$ 25,680,033	1,365,600	5%	\$ 24,495,943	
18	842,715	754,606	(88,110)	-12%	Employee Benefits	9,424,988	8,872,048	(552,939)	-6%	8,500,070	
19	\$ 2,838,852	\$ 2,989,987	151,135	5%	Total People Cost	\$ 33,739,421	\$ 34,552,082	812,660	2%	\$ 32,996,013	
20	\$ 652,661	\$ 672,374	19,713	3%	Med and Prof Fees (excl'd Agency)	\$ 7,185,141	\$ 7,715,687	530,546	7%	\$ 6,856,430	
21	608,089	673,211	65,122	10%	Supplies	7,521,631	7,876,086	354,455	5%	7,906,054	
22	463,462	542,482	79,020	15%	Purchased Services	4,962,998	5,717,539	754,541	13%	4,886,311	
23	500,000	272,967	(227,033)	-83%	Depreciation	5,292,523	3,245,604	(2,046,919)	-63%	4,550,774	
24	227,263	159,120	(68,143)	-43%	Utilities	1,944,625	2,039,434	94,809	5%	1,813,069	
25	34,172	66,758	32,586	49%	Insurance	819,515	811,093	(8,422)	-1%	658,490	
26	120,563	48,094	(72,469)	-151%	Interest	711,258	545,127	(166,131)	-30%	521,506	
27	88,499	89,427	928	1%	Other	1,200,299	1,234,504	34,205	3%	717,479	
28	-	-	-	*	Matching Fees (Government Programs)	3,197,493	2,219,860	(977,633)	44%	2,583,495	
29	\$ 5,533,561	\$ 5,514,419	(19,142)	0%	Operating Expenses	\$ 66,574,905	\$ 65,957,017	(617,888)	-0.9%	\$ 63,489,621	
						Operating Margin					
30	\$ (1,263,116)	\$ (886,186)	\$ (376,930)	-43%		\$ (8,723,439)	\$ (5,048,937)	(3,674,501)	-73%	\$ (7,782,276)	

ATTACHMENT E

**Sonoma Valley Health Care District
Statement of Revenue and Expenses
For the Period Ended June 30, 2024**

Month						Year-To- Date						YTD
This Year		Variance				This Year		Variance				Prior Year
Actual	Budget	\$	%			Actual	Budget	\$	%			
31	\$ 64,651	\$ 4,744	59,907	*		Non Operating Rev and Expense						
32	-	-	-	0%		Miscellaneous Revenue/(Expenses)						\$ (72,063)
33	-	-	-	*		Donations						-
34	316,663	316,667	(4)	0%		Physician Practice Support-Prima						-
35	-	-	-	0%		Parcel Tax Assessment Rev						3,776,123
36	\$ 381,314	\$ 321,411	59,903	19%		Extraordinary Items						-
						Total Non-Operating Rev/Exp						\$ 3,704,060
37	\$ (881,802)	\$ (564,775)	(317,027)	-56%		Net Income / (Loss) prior to Restricted Contributions						\$ (4,078,216)
38	\$ -	\$ -	-	0%		Capital Campaign Contribution						\$ -
39	\$ 448,716	\$ 238,530	210,186	0%		Restricted Foundation Contributions						\$ 3,093,495
40	\$ (433,086)	\$ (326,244)	(106,842)	-33%		Net Income / (Loss) w/ Restricted Contributions						\$ (984,721)
41	175,188	158,829	16,359	10%		GO Bond Activity, Net						2,052,454
42	\$ (257,898)	\$ (167,415)	(90,483)	54%		Net Income/(Loss) w GO Bond Activity						\$ 1,067,733
	\$ (381,802)	\$ (291,808)	(89,994)			EBDA - Not including Restricted Contributions						\$ 472,559
	\$ (763,116)	\$ (613,219)	(149,897)	-24%		Operating EBDA - Not including Restricted Contributions						\$ (3,231,501)

Sonoma Valley Health Care District
FY24 Trended Income Statement - Last 6 Months
For the Period Ended June 30, 2024

ATTACHMENT F

	January	February	March	April	May	June	FY24 YTD	FY24 YTD Month Avg
1 Acute Discharges	75	63	59	70	63	58	820	68
2 Patient Days	300	229	192	230	197	201	2,942	245
3 Observation Days	26	15	17	19	22	29	261	22
4 Gross O/P Revenue (000's)	\$ 23,302	\$ 19,700	\$ 21,438	\$ 21,913	\$ 21,663	\$ 21,914	\$ 261,849	\$ 21,821
Financial Results								
Gross Patient Revenue								
5 Inpatient	\$ 6,699,890	\$ 5,561,483	\$ 4,451,229	\$ 6,001,401	\$ 4,589,215	\$ 5,247,297	\$ 70,270,881	\$ 5,855,907
6 Outpatient	14,442,618	11,809,432	12,014,729	12,349,015	12,028,739	11,630,429	155,383,403	12,948,617
7 Emergency	8,859,696	7,890,643	9,423,709	9,563,637	9,634,326	10,284,037	106,465,298	8,872,108
8 Total Gross Patient Revenue	\$ 30,002,204	\$ 25,261,558	\$ 25,889,667	\$ 27,914,053	\$ 26,252,280	\$ 27,161,763	\$ 332,119,583	\$ 27,676,632
Deductions from Revenue								
9 Contractual Discounts	(25,246,761)	(21,395,686)	(21,920,503)	(21,690,696)	(22,184,344)	(22,711,319)	(279,865,228)	(23,322,102)
10 Bad Debt	(90,000)	(202,507)	(216,128)	(2,013,340)	(72,256)	(151,047)	(3,290,305)	(274,192)
11 Charity Care Provision	(122,013)	(240,123)	165,606	(102,784)	22,408	(118,043)	(106,581)	(8,882)
12 IGT Revenue	888,369	3,420,534	780,000	1,861,463	207,222	-	7,881,130	656,761
13 Total Deductions from Revenue	\$ (24,570,405)	\$ (18,417,782)	\$ (21,191,025)	\$ (21,945,357)	\$ (22,026,970)	\$ (22,980,409)	\$ (275,380,984)	\$ (22,948,415)
14 Net Patient Service Revenue	\$ 5,431,799	\$ 6,843,776	\$ 4,698,642	\$ 5,968,696	\$ 4,225,310	\$ 4,181,354	\$ 56,738,598	\$ 4,728,217
15 Other Operating Revenue	\$ 108,295	\$ 88,514	\$ 92,702	\$ 102,300	\$ 92,828	\$ 89,091	\$ 1,112,869	\$ 92,739
16 Total Operating Revenue	\$ 5,540,094	\$ 6,932,290	\$ 4,791,344	\$ 6,070,996	\$ 4,318,138	\$ 4,270,445	\$ 57,851,467	\$ 4,820,956
Operating Expenses								
17 Salary and Wages and Agency Fees	\$ 1,915,551	\$ 2,025,982	\$ 2,056,165	\$ 2,054,463	\$ 2,080,929	\$ 1,996,137	\$ 24,314,434	\$ 2,026,203
18 Employee Benefits	810,879	729,229	925,525	856,322	808,621	842,715	9,424,988	785,416
19 Total People Cost	\$ 2,726,430	\$ 2,755,211	\$ 2,981,690	\$ 2,910,785	\$ 2,889,550	\$ 2,838,852	\$ 33,739,421	\$ 2,811,618
20 Med and Prof Fees (excl Agency)	\$ 659,636	\$ 621,045	\$ 639,293	\$ 579,135	\$ 643,707	\$ 652,661	\$ 7,185,141	\$ 598,762
21 Supplies	761,387	552,783	473,260	361,713	550,525	608,089	7,521,631	626,803
22 Purchased Services	396,842	379,540	372,201	403,065	307,662	463,462	4,962,998	413,583
23 Depreciation	456,946	395,082	427,561	422,819	441,840	500,000	5,292,523	441,044
24 Utilities	165,776	256,678	119,082	151,806	135,364	227,263	1,944,625	162,052
25 Insurance	66,583	66,583	66,583	98,995	68,544	34,172	819,515	68,293
26 Interest	71,737	84,472	54,108	20,453	50,300	120,563	711,258	59,272
27 Other	83,665	56,720	104,090	115,482	108,036	88,499	1,200,299	100,025
28 Matching Fees (IGT)	293,000	2,265,305	293,539	47,472	86,484	-	3,197,493	266,458
29 Operating expenses	\$ 5,682,002	\$ 7,433,419	\$ 5,531,407	\$ 5,111,725	\$ 5,282,012	\$ 5,533,561	\$ 66,574,905	\$ 5,547,909
30 Operating Margin	\$ (141,908)	\$ (501,129)	\$ (740,063)	\$ 959,271	\$ (963,874)	\$ (1,263,116)	\$ (8,723,439)	\$ (726,953)
Non Operating Rev and Expense								
31 Miscellaneous Revenue/(Expenses)	\$ 19,303	\$ 14,540	\$ 37,899	\$ 40,512	\$ 41,366	\$ 64,651	\$ 440,918	\$ 36,743
32 Donations	(2,797)	(3,586)	(1,459)	67	-	-	(12,062)	(1,005)
33 Physician Practice Support-Prima	-	-	-	-	-	-	-	-
34 Parcel Tax Assessment Rev	316,667	316,667	316,667	316,667	316,668	316,663	3,800,001	316,667
35 Extraordinary Items	-	-	-	-	-	-	-	-
36 Total Non-Operating Rev/Exp	\$ 333,173	\$ 327,621	\$ 353,107	\$ 357,246	\$ 358,034	\$ 381,314	\$ 4,228,857	\$ 352,405
37 Net Income / (Loss) prior to Rest. Cont.	\$ 191,265	\$ (173,508)	\$ (386,956)	\$ 1,316,517	\$ (605,840)	\$ (881,802)	\$ (4,494,581)	\$ (374,548)
38 Capital Campaign Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
39 Restricted Foundation Contributions	\$ 7,169	\$ 516,187	\$ 2,442,308	\$ 1,202,053	\$ 153,261	\$ 448,716	\$ 5,390,387	\$ 449,199
40 Net Income / (Loss) w/ Rest. Cont.	\$ 198,434	\$ 342,679	\$ 2,055,352	\$ 2,518,570	\$ (452,579)	\$ (433,086)	\$ 895,806	\$ 74,650
41 GO Bond Activity, Net	175,187	175,187	175,187	175,187	175,187	175,188	2,097,477	174,790
42 Net Income/(Loss) w GO Bond Activity	\$ 373,621	\$ 517,866	\$ 2,230,539	\$ 2,693,757	\$ (277,392)	\$ (257,898)	\$ 2,993,283	\$ 249,440
EBDA - Not including Rest. Cont.	\$ 648,211	\$ 221,574	\$ 40,605	\$ 1,739,336	\$ (164,000)	\$ (381,802)	\$ 797,942	\$ 66,495
Operating EBDA	\$ 315,038	\$ (106,047)	\$ (312,502)	\$ 1,382,090	\$ (522,034)	\$ (763,116)	\$ (3,430,915)	\$ (285,910)
Operating EBDA excl IGT	\$ (280,331)	\$ (1,261,276)	\$ (798,963)	\$ (431,901)	\$ (642,772)	\$ (763,116)	\$ (8,114,553)	\$ (676,213)

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	Actual Mar	Actual Apr	Actual May	Actual Jun	TOTAL
Hospital Operating Sources													
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	4,209,602	4,556,724	3,297,942	3,774,121	48,056,087
2 Other Operating Revenue	26,197	172,302	37,453	95,192	283,068	93,447	117,466	153,075	20,376	116,256	122,122	27,998	1,264,952
3 Other Non-Operating Revenue	42,960	4,386	10,108	43,877	12,352	11,224	17,442	5,578	11,180	17,993		11,412	188,513
4 Unrestricted Contributions		1,250	861	2,651	7,716	380	7,169	3,420	309	628	3,587	2,340	30,312
5 Line of Credit													-
Sub-Total Hospital Sources	4,033,829	4,600,406	3,517,792	4,798,212	4,476,030	3,971,076	4,212,456	3,758,139	4,241,467	4,691,601	3,423,651	3,815,871	49,540,530
Hospital Uses of Cash													
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	4,549,822	4,976,215	5,866,394	3,503,049	58,095,846
7 Add Capital Lease Payments	64,932	65,051	389,160	194,558	370,013	69,578	270,605	88,998		332,689	57,027		1,902,610
8 Add: Bridge Loan Paybacks									308,000		300,487	35,056	643,543
9 Add: CHFFA Help II Loan Repayments	30,833	30,833	30,833	30,833	30,833	31,987	35,056	35,056	35,056	35,056	35,056		361,432
10 Line of Credit Paydown							-						-
11 Capital Expenditures	157,689	152,213	177,157	27,616	116,996	421,333	330,101	530,867	2,294,905	1,233,345	637,120	482,374	6,561,714
SVH Capital	156,051	50,387	(35,866)	27,616	31,724	94,223	296,795	4,000	5,375	31,920	87,867	21,384	771,476
Foundation Capital	1,638	101,825	213,023		85,272	327,110	33,306	526,867	2,289,530	1,201,425	549,252	460,990	5,790,237
Total Hospital Uses	5,405,567	5,369,338	4,725,991	5,251,892	5,574,384	5,745,188	4,832,623	5,978,513	7,187,782	6,718,664	6,896,083	4,109,204	67,565,145
Net Hospital Sources/Uses of Cash	(1,371,738)	(768,932)	(1,208,199)	(453,679)	(1,098,354)	(1,774,112)	(620,167)	(2,220,374)	(2,946,316)	(2,027,063)	(3,472,432)	(293,333)	(18,024,615)
Non-Hospital Sources													
12 Restricted Capital Donations	1,638	101,826	213,023	6,249	85,272	327,110	26,137	516,187	2,442,308	1,201,425	235,537	460,990	5,617,702
13 Parcel Tax Revenue	179,984					2,059,056				1,500,627			3,739,668
14 Other Payments								861,768					861,768
15 Other:													
16 IGT - HQAF VII (CY22)				39,262	684,280								723,542
17 IGT - QIP (PY 5/CY22)									1,099,230		93,747		1,192,977
18 IGT - Rate Range								2,500,000		5,281,071			7,781,071
19 IGT - HQAF VIII (CY23)											780,000		780,000
20 IGT - NDPH (SFY22-23)												313,353	313,353
21 IGT - NDPH (SFY23-24)													-
22 Distressed Hospital Loan Program													-
Sub-Total Non-Hospital Sources	181,622	101,826	213,023	45,511	769,552	2,386,167	26,137	3,877,955	3,555,307	7,983,123	1,109,284	774,343	21,023,849
Non-Hospital Uses of Cash													
23 Matching Fees	-	-	-	211,693	-	-	-	2,458,305	293,539	47,472	86,484		3,097,493
24 IGT Rate Range Advance Repayment											2,500,000		2,500,000
Sub-Total Non-Hospital Uses of Cash	-	-	-	211,693	-	-	-	2,458,305	293,539	47,472	2,586,484	-	5,597,493
Net Non-Hospital Sources/Uses of Cash	181,622	101,826	213,023	(166,182)	769,552	2,386,167	26,137	1,419,650	3,261,768	7,935,651	(1,477,200)	774,343	15,426,357
Net Sources/Uses	(1,190,116)	(667,106)	(995,176)	(619,862)	(328,803)	612,054	(594,030)	(800,724)	315,452	5,908,589	(4,949,632)	481,010	(2,598,259)
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	2,309,441	8,218,030	3,268,398	
Total Cash at End of Period	5,383,983	4,716,877	3,722,817	3,103,826	2,775,698	3,388,272	2,794,713	1,993,989	2,309,441	8,218,030	3,268,398	3,749,407	
Average Days of Cash on Hand	40.1	35.8	26.3	25.5	20.5	22.4	20.3	14.5	15.7	21.4	47.4	21.5	
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	16.3	51.6	22.5	22.7	