



# SVHCD FINANCE COMMITTEE MEETING

## AGENDA

**TUESDAY, AUGUST 26, 2025**

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

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

[sonomavalleyhospital-org.zoom.us/j/94662918236](https://sonomavalleyhospital-org.zoom.us/j/94662918236)

Meeting ID: 946 6291 8236

Passcode: 052184

One tap mobile

+16692192599,,94662918236#

+16699009128,,94662918236#

### AGENDA ITEM

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](mailto:wreese@sonomavalleyhospital.org) or 707.935.5005 at least 48 hours prior to the meeting.

### MISSION STATEMENT

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

<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>	<i>Bloch</i>	
<b>2. PUBLIC COMMENT SECTION</b> <i>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration.</i>	<i>Bloch</i>	
<b>3. CONSENT CALENDAR</b> • Finance Committee Minutes 07.29.25	<i>Bloch</i>	Action Pages 2 - 3
<b>4. AUDIT PROGRESS REVIEW</b>	<i>Moss Adams</i>	Inform
<b>5. DEBT PROFILE REVIEW</b>	<i>Armfield</i>	Inform Pages 4 - 10
<b>6. RES 386: SETTING GO BOND RATE</b>	<i>Armfield</i>	Action Pages 11 -14
<b>7. IGT UPDATE</b>	<i>Armfield</i>	Inform
<b>8. FINANCIAL REPORTS FOR MONTH END JULY 2025</b>	<i>Armfield</i>	Inform Pages 15 - 22
<b>9. ADJOURN</b>	<i>Bloch</i>	



## SVHCD FINANCE COMMITTEE MEETING

### MINUTES

**TUESDAY, JULY 29, 2025**

**In Person at Sonoma Valley Hospital**

**347 Andrieux Street**

**and Via Zoom Teleconference**

Present	Not Present/Excused	Staff/Public
Ed Case, in person Paul Chakmak, in person Andrew Exner, in person Robert Crane, via zoom Alexis Alexandridis, MD MBA FACS, in person Graham Smith, via zoom Catherine Donahue, via zoom	Dennis Bloch	Ben Armfield, SVH Interim CEO & SVH CFO, in person Lois Fruzynski, SVH Accounting Manager, in person Whitney Reese – SVH Board Clerk, in person Dawn Kuwahara, RN BSN, SVH Chief Ancillary Officer, in person Wendy Lee Myatt, via zoom Leslie Petersen, SVH Foundation ED, in person
<b>MISSION &amp; VISION STATEMENT</b> <i>The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.</i>		
AGENDA ITEM	DISCUSSION	ACTIONS
<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>	<i>Ed Case</i>	Meeting called to order 5:00pm
Case announced Carl Gerlach's resignation from the committee and thanked him for his long tenure and significant contributions to the hospital. Case welcomed Paul Chakmak & Andrew Exner to the Finance Committee. There are still two available committee vacancies available to be filled. The Board of Directors will discuss whether to fill any.		
<b>2. PUBLIC COMMENT SECTION</b>	None	
<b>3. CONSENT CALENDAR</b>	<i>Ed Case</i>	Action
Finance Committee Minutes 5.27.25		<b>MOTION:</b> Motion to approve by Crane, 2 <sup>nd</sup> by Alexandridis. All in favor.
<b>4. GENERAL LIABILITY/PROFESSIONAL LIABILITY INSURANCE COVERAGE LINES 2025/2026</b>	<i>Ben Armfield</i>	Inform
Armfield reviewed the hospital's insurance renewal proposals and the committee was pleased to see an overall premium increase of just under 2%, a significant improvement compared to past years. The hospital's broker has served since at least 2022 with a 10–15% commission, and the committee expressed interest in seeing the full list of insurers and renewal marketing history, as well as periodically reviewing broker arrangements to ensure continued value. Members expressed desire to review deductible structures and explore options like pooled or self-funded programs available to community hospitals. While D&O/EPL premiums rose due to past claims, coverage remains strong, and other lines renewed with minimal or no change. Overall, the committee viewed the renewal outcome as favorable and will continue monitoring risk management and coverage strategies going forward.		
<b>5. FY26 CASH FLOW PROJECTIONS WITH ESTIMATED CAPITAL PLAN</b>	<i>Ben Armfield</i>	Inform

Armfield reviewed upcoming capital and funding needs. A major focus was the IGT program, which allows the hospital to receive about \$22 million in federal matching funds early next year if we contribute \$10.5 million upfront. Management is working with banking partners to ensure financing is in place, with strong confidence that a solution will be reached. More than \$6 million in critical capital projects were identified, including upgrades to air handling, AC systems, and completion of the Outpatient Diagnostic Center. Several funding options are being explored, such as vendor financing, support from the Hospital Foundation, and third-party loans. While the timing of these projects creates short-term cash flow challenges, the committee expressed confidence in management's proactive planning, multiple financing options, and the hospital's improved negotiating position with health plans.

<b>6. FINANCIAL REPORTS FOR MONTH END JUNE 2025</b>	<i>Ben Armfield</i>	Inform
Armfield reported that June closed out a positive fiscal year, stronger than the prior year. The hospital beat budget with nearly \$200k in positive results against a \$150k target, driven largely by additional IGT funds. Net patient revenue fell short of budget due to lower volumes in surgery, MRI, and PT, though still above prior year levels. Operating expenses were 2% over budget overall, but excluding IGT matching fees, ran 3% under budget. Cash collections were especially strong at \$4.5M for the month, ending the year with \$4.4M cash and nearly 30 days cash on hand. This marked the first cash-flow-positive year since COVID, a \$3M turnaround from the prior year. Auditors have completed preliminary fieldwork and will return in mid-August for year-end review. The committee also noted upcoming infrastructure and technology improvement projects across the hospital, which, while not glamorous, will significantly improve operations.		
<b>7. ADJOURN</b>	<i>Ed Case</i>	Inform



To: SVHCD Finance Committee  
From: Ben Armfield, Chief Financial Officer  
Date: August 26, 2025  
Subject: Debt Profile Review

---

## **OVERVIEW**

This memo and supporting attachments provide a summary of the hospital's current debt portfolio. The review highlights active debt vehicles, key obligations, and debt capacity ratios that reflect the hospital's financial position. This review also provides a 3-year look-back to provide both comparison and context to current state.

Over the past couple of fiscal years, the hospital has worked intentionally to restructure its debt portfolio, retiring legacy obligations and refinancing high-interest balances into more sustainable arrangements.

Notably, the historical Union/US Bank line of credit (LOC) - once the hospital's primary working credit line and had a longstanding \$5M outstanding balance - was resolved in summer 2024 through a combination of the CHFFA Distressed Hospital Program Loan and a new Summit State Bank term loan. This refinancing substantially reduced immediate cash strain while securing a much more secure banking relationship.

Today, the hospital's active debt vehicles are concentrated in four areas: **(1)** a new \$5.5M Summit State Bank line of credit; **(2)** the Summit State Bank term loan refinancing the remaining outstanding balance on the US Bank LOC; **(3)** Low or no-interest CHFFA-supported program loans used to help fund a recent EMR implementation and refinancing of high-interest US Bank legacy LOC debt; **(4)** General obligation bonds funded through dedicated property tax revenues to help fund the hospital's West Wing expansion in 2014 – including the current emergency room and operating suites.

## **CURRENT DEBT PROFILE**

***(Summary of Attachment I)***

### **ACTIVE DEBT VEHICLES**

#### **1. Working Capital Facilities**

- **Summit State Bank Line of Credit (\$5.5M Revolver):**

Established in late 2024, this facility replaced the legacy Union/US Bank line and now serves as the hospital's primary source of liquidity for working capital. The line carries an interest rate of Prime + 1.5% and matures in 2031. It was instrumental in funding the Rate Range IGT matching fee pay-in, ensuring the hospital could access the full benefit of supplemental Medi-Cal funding. The LOC remains active, and has only been utilized to backfill working capital post IGT matching fee pay-in. Any draw on the line requires a repayment in 150 days.

**Covenants:** 1) SVH maintains primary banking relationship with Summit; 2) Zero LOC balance for 30 consecutive days; 3) Minimum DSCR Ratio (Op. EBITDA) of 1:1; 4) LOC draws to be repaid within 150 days; 5) Minimum Liquidity : Liquid Assets > \$2,000,000 at FYE.

- **Summit State Bank Term Loan (\$1.9M):**

As part of the transition away from US Bank, the hospital refinanced the remaining \$1.9M balance of the old LOC into a fixed-rate term loan at 7.75%, maturing in 2029. While this carries a higher fixed interest rate, it converts a short-term revolving liability into a predictable amortization schedule. This shift reduces refinancing risk and provides a clearer path to repayment.

**Covenants:** 1) SVH maintains primary banking relationship with Summit; 2) Zero LOC balance for 30 consecutive days; 3) Minimum DSCR Ratio (Op. EBITDA) of 1:1; 4) LOC draws to be repaid within 150 days; 5) Minimum Liquidity : Liquid Assets > \$2,000,000 at FYE.

## **2. CHFFA-Sponsored Loans**

- **Distressed Hospital Program Loan (\$3.1M):**

Secured in July 2024, this loan was specifically structured by CHFFA and the State of California to stabilize distressed facilities. The proceeds were used to pay down \$3.1M of the outstanding US Bank LOC balance, immediately reducing external bank exposure. The loan carries a 0% interest rate, no required payments until at least FY2027, and the potential for forgiveness.

**Covenants:** 1) SVH to provide audited financials no later than 150 days of receipt; 2) Annual board approved budget ASAP; 3) SVH to submit quarterly internal statements within 45 days of after end of each fiscal qtr; 4) Quarterly reporting on status of turnaround plan

- **HELP II Loan (\$2.0M):**

Issued in 2023 at a favorable 2% fixed rate, this loan supported the hospital's Epic EMR implementation - a critical IT modernization project with a total cost of nearly \$4 million. The SVH Foundation generously contributed approximately \$700,000 in philanthropic funding, leaving roughly \$3 million to be financed. To cover this balance, the hospital utilized a mix of operational cash (close to \$1 million) and the HELP II loan, providing a low-cost financing option to complete the project. It carries a 2028 maturity and has about \$1.2 million currently outstanding.

**Covenants:** 1) SVH to provide annual audited financials no later than 150 days of receipt; 2) Annual board approved budget as soon as available; 3) SVH to submit documentation and invoicing supporting usage and purpose of funding proceeds.

## **3. General Obligation (GO) Bonds – Tax Supported**

- **Series 2021:** \$11.5M outstanding (1.79% fixed, maturing 2031), secured solely by property taxes, originally refinancing 2010 GO Bonds for seismic upgrades and hospital expansion.
- **2014 Bonds:** \$6.6M outstanding (3.78% fixed, maturing 2029), refinancing 2009 GO Bonds for seismic mandates and expansion.
- Debt service on these bonds (~\$2.9M annually) is fully funded through property taxes and does not impact hospital operating cash flow

## **INACTIVE RETIRED DEBT**

**Union/US Bank Line of Credit:** Historically a \$7.0M revolver used for working capital, this facility was fully resolved in 2024. Of the ~\$5.0M outstanding balance, \$3.1M was paid down via the CHFFA Distressed Hospital Program Loan, while \$1.9M was refinanced into the Summit State Bank term loan.

**NDPH Bridge Loans (CHFFA, zero-interest):** Short-term facilities designed to bridge IGT program transitions; both have matured and been repaid.

**Vendor-Supported Loans:** Zero-interest loans tied to technology and equipment replacement following the 2020 cyberattack; these have been retired in full.

## **FY2025 Key Debt Ratios and Capacity (Excluding GO Bonds)**

- **Operating EBITDA: \$2.23M**
- **Debt Service Payments (excluding GO Bonds): \$1.57M**
- **Debt Service Coverage Ratio (DSCR): 1.42×**
- **Debt to Capitalization Ratio: 37%**

## **Key Takeaways**

- The hospital's active debt portfolio is a mix of low-cost CHFFA loans (2% interest or lower), and targeted market based bank financing to continue to paydown a legacy line of credit balance as well as provide means to make the hospital's IGT matching fee pay-in.
- CHFFA's Distressed Hospital Program Loan provides material near-term relief, with repayment deferred and potential full forgiveness.
- GO Bonds remain fully property-tax funded and have the potential for early repayment and possible extension.
- Overall leverage is moderate but continues to improve (37% debt-to-capitalization), with DSCR (Debt Service Coverage Ratio) at 1.42× on operational debt.
- Hospital is safely meeting all financial covenants – mainly the Summit Bank Minimum DSCR of 1:1

## **HISTORICAL DEBT SERVICE PAYMENTS & OUTSTANDING DEBT (FY2022 – FY2026)**

### ***(Summary of Attachment II)***

When isolating operational debt service (excluding tax-backed GO Bonds), Sonoma Valley Hospital has seen a marked improvement in both the structure and cost of its debt over the last several years.

### **1. Total Outstanding Debt (Ex-GO Bonds)**

- In FY2022, operational debt totaled approximately \$6.9M, and increased to \$8.4M in FY2023.
- By FY2025, this has been reduced to \$5.7M - reflecting the payoff of NDPH bridge loans, vendor-supported loans, and the transition away from the long-standing \$5M US Bank line of credit liability.

### **2. Annual Debt Service Payments (Ex-GO Bonds)**

- In FY2022, the hospital's operational debt service payments were approximately \$442k.
- By FY2025, despite the addition of the HELP II Loan (Epic EMR financing) and the Summit State Bank term loan, total annual debt service has stabilized at \$1.57M, with a projection to decline further to ~\$1.0M in FY2026.
- This increase between FY22 and FY25 reflects the strategic refinancing of the stagnant US Bank line of credit into structured Summit Bank and CHFFA vehicles - a shift from an "evergreen" revolving balance into amortizing and subsidized obligations that now provide a clear repayment path.

### **3. Interest Expense (Ex-GO Bonds)**

- In FY2022, interest expense on operational debt was minimal (~\$20k), but climbed sharply in FY23–24 to nearly \$388k, driven by rising interest rates on the US Bank line of credit, which carried a variable rate and had nearly \$6M outstanding.

- By FY2025, interest expense on operational debt has fallen to just \$250k, as the Distressed Hospital Loan (0% interest) eliminated \$3.1M of the LOC balance and the remainder was refinanced at predictable fixed rates.

#### **4. Debt Service Coverage Ratio (Ex-GO Bonds)**

- DSCR excluding GO Bonds tells the clearest story of improvement. In FY2024, the ratio was just 0.30×, reflecting that operating cash flow was insufficient to cover debt obligations.
- By FY2025, DSCR improved to 1.42×, indicating that the hospital now generates more than enough EBITDA to service its operational debt load.

#### **Year Over Year Improvement**

Over the past three years, the hospital has:

- **Reduced operational debt** by over \$1M.
- **Cut interest expense** from \$388k to \$250k annually.
- **Improved DSCR nearly fivefold**, from 0.30× to 1.42×.

These changes represent a significant de-risking of the debt profile, replacing an unproductive \$5M revolving LOC with structured, low-cost, and state-supported financing. The result is a leaner, more predictable debt structure that aligns repayment obligations with the hospital's operating capacity.

It is important to highlight that at the time of our banking transition, the hospital faced significant financial challenges. This led us to accept provisions that would typically be considered restrictive in more favorable circumstances (i.e. full repayment of any LOC credit draw within 150 days). However, due to our situation at that time, we were comfortable moving forward as it provided much needed stability.

Now, one year after the transition, our financial position has improved considerably. Given this progress, we believe there are now meaningful opportunities to revisit and amend the provisions of our credit arrangements to allow the hospital much more flexibility.

---

#### **ATTACHMENTS:**

- Attachment I              Current Debt Profile
- Attachment II             Historical Debt Service Payments & Outstanding Debt
- Attachment III            Ratio Graphs

Sonoma Valley Hospital - Debt Profile Review  
August 2025

I. Current Debt Profile

Debt Vehicle	Lendor	Current Status	Original Date	Maturity Date	Interest Rate	Security	Original Amount	Amount	Debt Service	Purpose / Comments	Covenants
								Outstanding as of FYE25	Payment FY2025		
NDPH Bridge Loan #1	CHFFA*	Inactive - Matured, paid-off in full	April 2022	April 2024	0%	Medi-Cal Receivables	\$ 608,487	\$ -	\$ -	Zero interest loan designed to bridge gap between transition of Quality Incentive IGT Programs. Required to be paid back in full within 24 months.	n/a
NDPH Bridge Loan #2	CHFFA*	Inactive - Matured, paid-off in full	Jan 2023	Jan 2025	0%	Medi-Cal Receivables	\$ 750,660	\$ -	\$ 750,660	Zero interest loan designed to bridge gap between transition of Quality Incentive IGT Programs. Required to be paid back in full within 24 months.	n/a
Line of Credit (\$5.5M Revolver)	Union Bank / US Bank	Inactive - Loan matured August 2024	2014	August 2024	SOFR + 2.5%	Inventory, Receivables, Equipment	\$ 7,000,000	\$ -	\$ 38,711	Historical LOC. Lendor was Union Bank until US Bank acquisition in June 2023. Loan matured in Summer of 2024. Remaining balance on LOC (\$1.9M) was absorbed and refinanced through term loan with Summit State Bank.	n/a
Line of Credit (\$5.5M Revolver)	Summit State Bank	Active	November 2024	November 2031	Prime +1.5%	Inventory, Receivables, Equipment	\$ 5,500,000	\$ -	\$ 94,425	New line of credit through Summit State Bank. Used to backfill working capital needed to fund Rate Range IGT matching fee pay-in.	1) SVH maintains primary banking relationship with Summit; 2) Zero LOC balance for 30 consecutive days; 3) Minimum DSCR Ratio (Op. EBITDA) of 1:1; 4) LOC draws to be repaid within 150 days; 5) Minimum Liquidity : Liquid Assets > \$2,000,000 at FYE.
Term Loan (\$1.9M)	Summit State Bank	Active	November 2024	November 2029	7.75% Fixed	Inventory, Receivables, Equipment	\$ 1,900,000	\$ 1,376,473	\$ 269,615	Term loan to refinance existing line of credit that had \$1.9M outstanding balance with US Bank.	1) SVH maintains primary banking relationship with Summit; 2) Zero LOC balance for 30 consecutive days; 3) Minimum DSCR Ratio (Op. EBITDA) of 1:1; 4) LOC draws to be repaid within 150 days; 5) Minimum Liquidity : Liquid Assets > \$2,000,000 at FYE.
Distressed Hospital Program Loan	CHFFA*	Active	July 2024	July 2032	0%	Medi-Cal Receivables	\$ 3,100,000	\$ 3,100,000	\$ -	Zero interest loan through CHFFA and State of CA. Used to paydown balance of US Bank LOC. Repayment does not begin until FY27 at the earliest. Potential that this loan ultimately gets forgiven.	1) SVH to provide annual audited financials no later than 150 days of receipt; 2) Annual board approved budget as soon as available; 3) SVH to submit quarterly internal financial statements within 45 days of after end of each fiscal qtr; 4) Quarterly reporting on status of turnaround plan
HELP II Loan	CHFFA*	Active	July 2023	July 2028	2%	Medi-Cal Receivables	\$ 2,000,000	\$ 1,224,003	\$ 420,666	2% fixed rate interest loan through CHFFA to help fund the Epic Electronic Medical Record implementation in FY23.	1) SVH to provide annual audited financials no later than 150 days of receipt; 2) Annual board approved budget as soon as available; 3) SVH to submit documentation and invoicing supporting usage and purpose of funding proceeds.
OTHER	Various	Inactive - Matured, paid-off in full	Various	Various	0%	Receivables	Various	\$ -	\$ -	Various zero interest loans acquired directly through various vendors to assist with technology and equipment replacement in response to cyber security attack in fall of 2020.	n/a
TOTAL WITHOUT GO BONDS								\$ 5,700,476	\$ 1,574,077		
GO Bonds Series 2021 (Refinanced GO Bonds B)	Active	August 2021	August 2031	1.79%	Secured solely by property taxes	\$ 15,825,000	\$ 11,480,000	\$ 1,698,738	Refinancing of 2010 GO Bonds. Utilized to finance seismic mandates and expansion of west wing of hospital.	1) SVH to provide notice on any default of material debt (exceeding \$100,000); 2) Provide annual audited financial statements and BOD approved operating budget; 3) Bonds proceeds to only be applied to pay down Debt Service.	
GO Bonds 2014	Active	Feb 2014	August 2029	3.78%	Secured solely by property taxes	\$ 12,437,000	\$ 6,567,000	\$ 1,191,734	Refinancing of 2009 GO Bonds. Utilized to finance seismic mandates and expansion of west wing of hospital.		
GO BONDS TOTAL								\$ 18,047,000	\$ 2,890,472		
GRAND TOTAL WITH GO BONDS								\$ 23,747,476	\$ 4,464,549		
Debt Service Coverage Ratio - FY25									1.42		
Debt to Capitalization Ratio - FY25									37.0%		

\* CHFFA = California Health Facilities Financing Authority

\*\* Debt Service Excludes GO Bond Debt Service as they are fully funded through collected property taxes

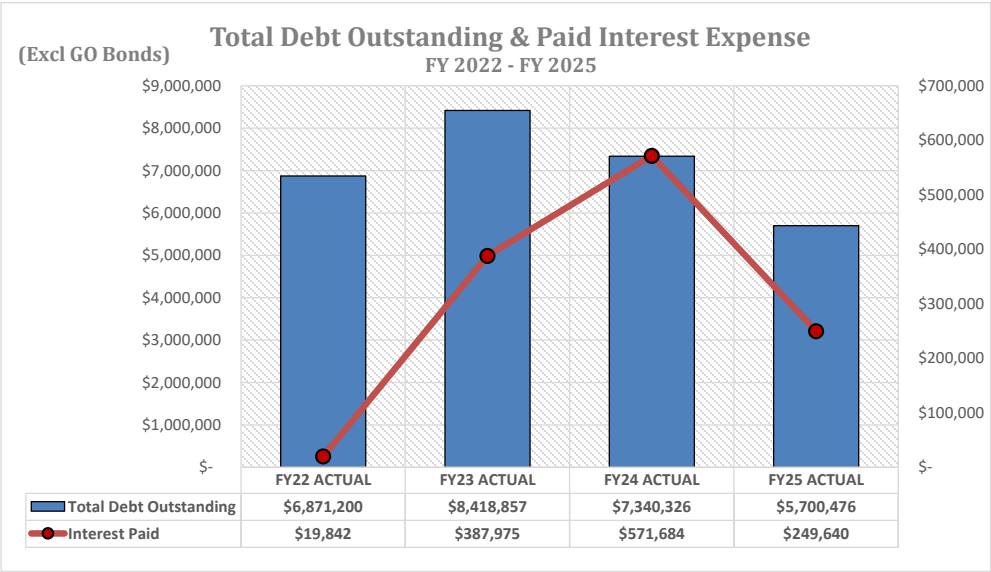
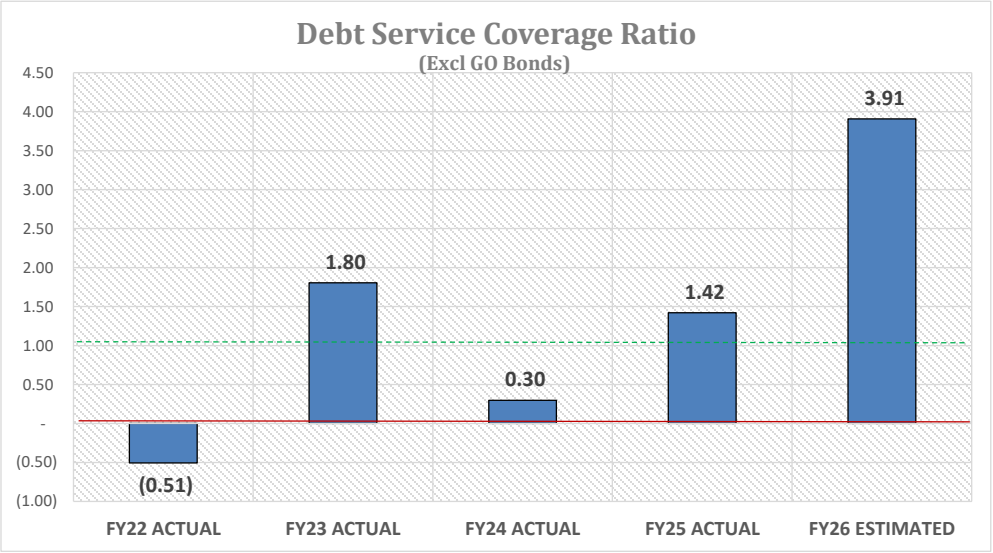
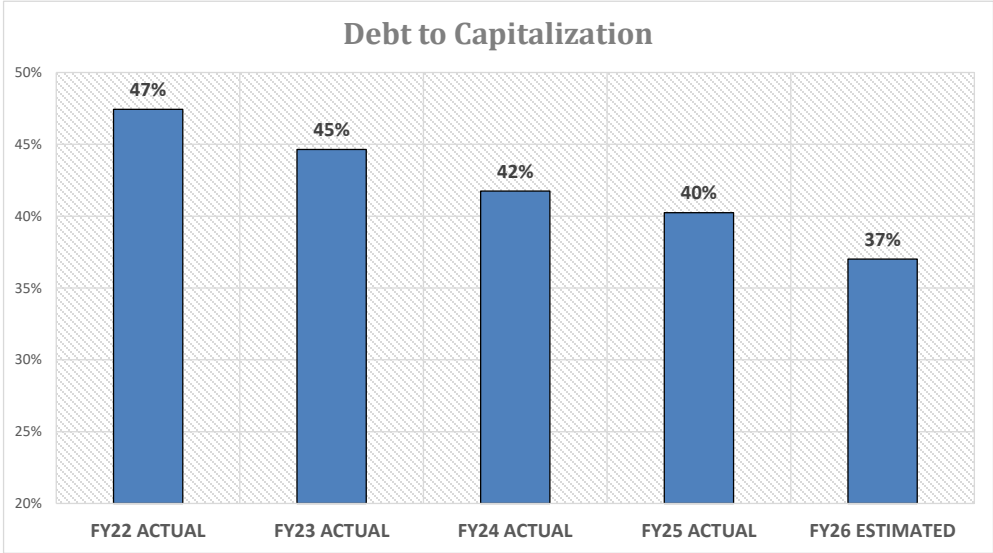
\*\*\* Long term debt excludes capital lease obligations



Sonoma Valley Hospital - Debt Profile Review  
August 2025

II. Debt Service Payments & Outstanding Debt, FY 2022 - FY2026 (Estimated)						Debt Service Payments					FYE 2022		FYE 2023		FYE 2024		FYE 2025							
Debt Vehicle	Lendor	Current Status	Original Date	Maturity Date	Interest Rate	FY22 ACTUAL	FY23 ACTUAL	FY24 ACTUAL	FY25 ACTUAL	FY26 ESTIMATED	Outstanding	Interest Paid	Outstanding	Interest Paid	Outstanding	Interest Paid	Outstanding	Interest Paid						
NDPH Bridge Loan #1	CHFFA*	Inactive - Matured, paid-off in full	April 2022	April 2024	0%	n/a	n/a	\$ 608,487	n/a	n/a	\$ 608,487	\$ -	\$ 608,487	\$ -	n/a	n/a	n/a	n/a						
NDPH Bridge Loan #2	CHFFA*	Inactive - Matured, paid-off in full	Jan 2023	Jan 2025	0%	n/a	n/a	n/a	\$ 750,660	n/a	\$ -	\$ -	\$ 750,660	\$ -	\$ 750,660	\$ -	n/a	n/a						
Line of Credit (\$5.5M Revolver)	Union Bank / US Bank	Inactive - Loan matured August 2024	2014	August 2024	SOFR + 2.5%	\$ 19,842	\$ 387,975	\$ 535,086	\$ 38,711	\$ -	\$ 5,973,734	\$ 19,842	\$ 4,973,734	\$ 387,975	\$ 4,973,734	\$ 535,086	\$ -	\$ 38,711						
Line of Credit (\$5.5M Revolver)	Summit State Bank	Active	November 2024	November 2031	Prime +1.5%	n/a	n/a	n/a	\$ 94,425	\$ 150,000	n/a	n/a	n/a	n/a	n/a	n/a	\$ -	\$ 94,425						
Term Loan (\$1.9M)	Summit State Bank	Active	November 2024	November 2029	7.75% Fixed	n/a	n/a	n/a	\$ 269,615	\$ 462,197	n/a	n/a	n/a	n/a	n/a	n/a	\$ 1,376,473	\$ 87,767						
Distressed Hospital Program Loan	CHFFA*	Active	July 2024	July 2032	0%	n/a	n/a	n/a	\$ -	\$ -	n/a	n/a	n/a	n/a	n/a	n/a	\$ 3,100,000	\$ -						
HELP II Loan	CHFFA*	Active	July 2023	July 2028	2%	n/a	n/a	\$ 420,666	\$ 420,666	\$ 420,666	n/a	n/a	\$ 2,000,000	n/a	\$ 1,615,932	\$ 36,598	\$ 1,224,003	\$ 28,737						
OTHER	Various	Inactive - Matured, paid-off in full	Various	Various	Various	\$ 421,765	\$ 203,002	\$ 85,976	\$ -	\$ -	\$ 288,979	\$ -	\$ 85,976	\$ -	\$ -	\$ -	\$ -	\$ -						
TOTAL WITHOUT GO BONDS						\$ 441,607	\$ 590,977	\$ 1,650,215	\$ 1,574,077	\$ 1,032,863	\$ 6,871,200	\$ 19,842	\$ 8,418,857	\$ 387,975	\$ 7,340,326	\$ 571,684	\$ 5,700,476	\$ 249,640						
GO Bonds Series 2021 (Refinanced GO Bonds B)	Active	August 2021	August 2031	1.79%	\$ 134,372	1,685,603	\$ 1,694,962	\$ 1,698,738	\$ 1,711,888	\$ 15,825,000	\$ 488,750	\$ 14,410,000	\$ 270,603	\$ 12,960,000	\$ 244,962	\$ 11,480,000	\$ 218,738							
GO Bonds 2014	Active	Feb 2014	August 2029	3.78%	\$ 1,027,320	1,072,558	\$ 1,125,866	\$ 1,191,734	\$ 1,269,558	\$ 9,064,000	\$ 355,320	\$ 8,320,000	\$ 328,558	\$ 7,493,000	\$ 298,866	\$ 6,567,000	\$ 265,734							
* CHFFA = California Health Facilities Financing Authority						GO BONDS TOTAL					\$ 1,161,692	\$ 2,758,161	\$ 2,820,827	\$ 2,890,472	\$ 2,981,446	\$ 24,889,000	\$ 844,070	\$ 22,730,000	\$ 599,161	\$ 20,453,000	\$ 543,828	\$ 18,047,000	\$ 484,472	
** Debt Service Excludes GO Bond Debt Service as they are fully funded through collected property taxes						AND TOTAL WITH GO BONDS					\$ 1,603,299	\$ 3,349,138	\$ 4,471,042	\$ 4,464,549	\$ 4,014,309	\$ 31,760,200	\$ 863,912	\$ 31,148,857	\$ 987,136	\$ 27,793,326	\$ 1,115,512	\$ 23,747,476	\$ 734,112	
*** Long term debt excludes capital lease obligations																								
1 LOC activity included in debt service payments represent interest expense paid on outstanding LOC balances during respective FY						Debt Service Coverage Ratio					47.4%	44.6%	41.7%	40.2%	37.0%									
						Debt to Cap					(0.51)	1.80	0.30	1.42	3.79									

Sonoma Valley Hospital  
Debt Profile Review  
III. Key Ratio Graphs





To: SVHCD Finance Committee  
From: Ben Armfield, Chief Financial Officer  
Date: August 26, 2025  
Subject: Resolution #386 – Setting Tax Rate for GO Bonds FY 2026

---

### **RECOMMENDATION:**

Management recommends to the SVHCD Finance Committee that they recommend to the SVHCD Board of Directors the approval of the General Obligation Bonds tax rate of \$19.60 per \$100,000 of the assessed value of the secured property in the District.

### **BACKGROUND AND RATIONALE:**

This is consistent with prior year resolutions. The total assessed value of the secured property in the District is \$13,501,129,238, which is an increase of 5% over the assessed value of secured property from last year. The tax required to assure payment of the principle, interest, and reasonable reserve for the Bonds for Fiscal Year 2024-2025 is \$2,568,326. The rate, calculated per the Sonoma County's approved formula is \$18.50 per \$100,000 of assessed valuation.

Without the resolution, the County is directed to apply the most recently provided tax rate.

The resolution will instruct the County to collect the General Obligation Bond tax to be paid to the bond holders.

### **SELECTION PROCESS AND CONTRACT HISTORY:**

The Hospital has done similar resolutions in the past and the same methodology was applied for setting the tax rate for 2025-26. In addition, the proposed tax rate calculation and resolution has been reviewed by our consultant Gary Hicks, who has been a subject matter expert for SVH in this space for many years.

---

### **ATTACHMENTS:**

- Attachment I                      Resolution No. 386

**SONOMA VALLEY HEALTH CARE DISTRICT**

**RESOLUTION No. 386**

**RESOLUTION SETTING THE TAX RATE FOR THE 2025-26  
FISCAL YEAR FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON  
THE SONOMA VALLEY HEALTH CARE DISTRICT (SONOMA COUNTY,  
CALIFORNIA) GENERAL OBLIGATION BONDS, ELECTION OF 2008**

**WHEREAS**, by resolution, adopted by the Board of Directors (the "Board") of the Sonoma Valley Health Care District (the "District") on August 6, 2008, the Board determined and declared that public interest and necessity demanded the need to raise moneys for the expansion, improvement, acquisition, construction, equipping and renovation of health facilities of the District (the "Project"), and the Board called an election to be held within the boundaries of the District in accordance with the California Elections Code;

**WHEREAS**, a special municipal election was held in the District on November 4, 2008 and thereafter canvassed pursuant to law;

**WHEREAS**, an election there was submitted to and approved by the requisite two-thirds (2/3) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for the purpose of raising money for the Project in the maximum aggregate principal amount of \$35,000,000, payable from the levy of an *ad valorem* tax against all taxable property in the District;

**WHEREAS**, pursuant to Chapter 4 of Division 23 (commencing with section 32300) of the California Health and Safety Code (the "Act"), the District is empowered to issue general obligation bonds;

**WHEREAS**, the District sold, on January 27, 2009, an initial series of bonds for the purpose of raising funds needed for the Project and for other authorized costs in the aggregate principal amount of \$12,000,000, identified as the "Sonoma Valley Health Care District (Sonoma County, California) General Obligation Bonds, Election of 2008, Series A (2009)" (the "2009 Bonds"); and

**WHEREAS**, the District sold, on August 1, 2010, an additional series of bonds for the purpose of raising funds needed for the Project and for other authorized costs in the aggregate principal amount of \$23,000,000, identified as the "Sonoma Valley Health Care District (Sonoma County, California) General Obligation Bonds, Election of 2008, Series B (2010)" (the "2010 Bonds"); and

**WHEREAS**, the District sold, on January 28, 2014, a refunding series of bonds for the purpose of refunding the 2009 Bonds in the aggregate principal amount of \$12,437,000, identified as the "Sonoma Valley Health Care District (Sonoma County, California) 2014 General Obligation Refunding Bonds" (the "2014 Bonds"); and

**WHEREAS**, the District sold, on July 28, 2021, a refunding series of bonds for the purpose of refunding the 2010 Bonds in the aggregate principal amount of \$15,825,000, identified as the "Sonoma Valley Health Care District (Sonoma County, California) 2021 General Obligation Refunding Bonds" (the "2021 Bonds" and together with the 2014 Bonds, the "Bonds"); and

**WHEREAS**, Sonoma County (the "County") has requested that the District provide to the County the tax rate required for Fiscal Year 2025-26 to pay principal and interest on the Bonds and to provide a reasonable reserve;

**NOW, THEREFORE, THE BOARD OF DIRECTORS OF SONOMA VALLEY HEALTH CARE DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:**

*Section 1. Recitals.* All of the recitals herein are true and correct. To the extent that the recitals relate to findings and determinations of the Board, the Board declares such findings or determinations to be made thereby.

*Section 2. Tax Rate; Remittance.*

(a) Based upon the County's estimate of assessed valuation of all secured property in the District (\$14,373,095,854) the tax rate required to assure payment of the principal of, interest on and a reasonable reserve for the Bonds for Fiscal Year 2025-26 is \$19.60 per \$100,000 of assessed valuation. It is the intent of the District to provide to the County, by resolution, the tax rate required to assure payment of the principal of, interest on and a reasonable reserve for the Bonds for Fiscal Year 2025-26 and each Fiscal Year thereafter, so long as the Bonds remain outstanding. However, in the event the District fails to provide a tax rate in any year, the County is directed to apply the most recently provided tax rate in such year.

(b) The District hereby delegates to the County Board of Supervisors the authority to annually levy and collect the annual *ad valorem* property taxes required for the payment of the principal of and interest on the Bonds.

(c) The District hereby requests that such amounts, as collected, be remitted directly to The Bank of New York Mellon Trust Company, N.A., the District's paying agent for the Bonds.

*Section 3. Request for Necessary County Actions.* The County Board of Supervisors and the County Auditor-Controller-Treasurer-Tax Collector, and other officials of the County, are hereby directed to take whatever action that may be necessary pursuant to law to provide for the levy and collection of a property tax on all taxable property within the District at the tax rate specified in Section 2(a) above.

*Section 4. General Authority.* The Chair, the Secretary, the Chief Executive Officer and the Chief Financial Officer, and their respective designees, are each hereby authorized, empowered and directed in the name and on behalf of the District to take any and all steps which they or any of them might deem necessary or appropriate in order to give effect to this resolution.

Section 5. Effective Date. This resolution shall take effect immediately on and after its adoption.

\* \* \* \* \*

**PASSED AND ADOPTED** this 4th day of September 2025, by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

---

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

ATTEST:

---

Denise Kalos  
Secretary, Board of Directors  
Sonoma Valley Health Care District



To: SVHCD Finance Committee  
From: Ben Armfield, Chief Financial Officer  
Date: August 26, 2025  
Subject: Financial Report for July 2025

## **OVERALL PERFORMANCE SUMMARY | MONTH OF JULY 2025**

- **Operating EBDA** (with Parcel Taxes) – The hospital posted a positive Operating EBDA of **\$500,000** versus a budget of **\$252,000**. A banner month for the hospital relative to historical financial performance.
- **Operating Revenues** – **\$6.85 million**, exceeding budget by **12%** or **\$756,000**. The increase in budgeted IGT revenue certainly contributes, but volumes were a significant driver in July. Surgery, Imaging, and ER volumes all were up – with a number of imaging areas taking another big leap from past couple of months and posting new all-time highs.
- **Operating Expenses** - **\$6.85 Million**. Expenses exceeded budget by **7% (\$428,000)**. The overage is largely attributable to higher volumes (Surgery +10% vs. budget, ER +20%, OP Visits +8%). Supply costs ran 18% above budget, which aligns with the nearly 20% increase in net patient revenue. Purchased services also increased in July, driven by two one-time expenditures. We expect these costs to decline beginning in August.
- **Cash** – July was another great month in cash collections, as the hospital collected nearly \$4.7M.

## **Overall Performance (In 1000s, Includes Parcel Taxes) | July 2025**

	Current Month				Year-To- Date						
	Actual	Budget	Var	%	Actual	Budget	Var	%	PY Actual	Var	%
Operating Margin	\$ (6.6)	\$ (335.6)	\$ 329.0	98%	\$ (6.6)	\$ (335.6)	\$ 329.0	98%	\$ (141.5)	\$ 134.9	95%
Operating EBDA	\$ 499.9	\$ 252.8	\$ 247.1	98%	\$ 499.9	\$ 252.8	\$ 247.1	98%	\$ 377.6	\$ 122.2	32%
Net Income (Loss)	\$ 329.9	\$ (179.7)	\$ 509.6	284%	\$ 329.9	\$ (179.7)	\$ 509.6	284%	\$ 3.7	\$ 326.2	8777%

## **DRIVERS IN MONTHLY PERFORMANCE**

As July marks the first month of FY26, our anticipated increase in IGT funding certainly played a factor in the favorable performance, but July was really defined by notable growth in patient activity, with volumes increasing across nearly every major service line. The hospital recorded more than \$33 million in gross charges, a 20% favorable variance to budget and the highest monthly total in our history. While gross charges are not the most precise measure of bottom-line net revenue, for a hospital like SVH they serve as a strong indicator of overall activity and patient volumes.

Surgical cases, emergency department visits, and outpatient activity all exceeded expectations, while imaging delivered standout results with CT, Ultrasound, and MRI each setting new all-time highs. These gains highlight the hospital's strong operational momentum and demonstrate that July's positive performance was not solely just due to the IGT increase.

- **Surgical services** were a key driver, with 151 surgeries performed, 10% above budget and 15% higher than the prior year. This growth continues to be fueled by strong GI and Orthopedic volumes, led by a

few key high-volume surgeons. Importantly, these gains are showing signs of sustained growth, with several months now showing the same upward trend.

- The **Emergency Department** remained extremely busy, surpassing 1,000 visits for the month and averaging 34 patients per day. This exceeds the original goal of 30 daily visits that was set when the Napa Valley ER group began their coverage. Maintaining volumes above this threshold for over a year underscores both the strength of the partnership and the community's increasing reliance on SVH for emergency services.
- **Outpatient activity** continues to show encouraging growth, with total outpatient visits coming in 8% above budget. July marked the fourth consecutive month exceeding 6,000 outpatient visits, signaling that we are achieving a new baseline of consistent outpatient activity rather than isolated spikes:

The most dramatic performance came from **Imaging Services - CT, Ultrasound, and MRI** each set new all-time highs:

- **CT** volumes exceeded 500 exams for the first time ever (508 total), up 13% compared to last year's average and 35% higher than FY24.
- **Ultrasound** reached 297 exams, another all-time record and 35% above last year's level.
- **MRI** volumes also hit record highs, buoyed by targeted outreach and new referral patterns. Patients are now coming not just from Sonoma, but also from Petaluma, Napa, and St. Helena, reflecting the success of marketing and access initiatives. We are also starting to receive a number of UCSF referrals, which is certainly encouraging. We are engaging a workgroup with UCSF and SVH to prioritize the efforts of offloading the ongoing imaging backlog that UCSF has.
- **IGT** funding also provided a meaningful boost. For FY26, the hospital budgeted a net benefit of \$10.7 million from IGT programs - nearly \$3 million higher than FY25 and close to \$6 million more than FY24. Our approach is to accrue both the revenue and the matching fee evenly, based on budgeted amounts, over the fiscal year. This produces a steady impact on the income statement. **The new accrual for FY26 adds roughly \$235K of net income per month compared to FY25 (and nearly \$500K more than FY24).** Once payments are received and programs are fully reconciled, we perform a true-up adjustment to align the accrual with actual activity. This can create upside or downside swings at the point of reconciliation, but the accrual approach ensures that reported monthly performance reflects a consistent share of anticipated IGT benefit.

Annual IGT Impact	FY26 BUDGET	FY25	FY24
IGT Program Revenue	\$ 19,844,260	\$ 13,912,610	\$ 7,881,130
IGT Matching Fee Expense	\$ 9,175,561	\$ 6,060,261	\$ 3,197,493
<b>Net Benefit - Annual</b>	<b>\$ 10,668,699</b>	<b>\$ 7,852,349</b>	<b>\$ 4,683,637</b>
	<b>FY26 Change vs</b>	<b>\$ 2,816,350</b>	<b>\$ 5,985,062</b>
Monthly IGT Impact	FY26 BUDGET	FY25	FY24
IGT Program Revenue	\$ 1,653,688	\$ 1,159,384	\$ 656,761
IGT Matching Fee Expense	\$ 764,630	\$ 505,022	\$ 266,458
<b>Net Benefit - Monthly</b>	<b>\$ 889,058</b>	<b>\$ 654,362</b>	<b>\$ 390,303</b>
	<b>FY26 Change vs</b>	<b>\$ 234,696</b>	<b>\$ 498,755</b>

Importantly, we elected not to budget the full approved Rate Range allotment since final details were not confirmed at the time the budget was completed. This creates additional upside potential later in FY26 once those funds are finalized and received.



## **OTHER FINANCE UPDATES**

- **FY25 Financial Statement Audit** - Moss Adams is currently on-site, with fieldwork progressing smoothly and no significant issues identified to date. A verbal update will be provided at this week's meeting, with final deliverables expected at October's finance committee meeting.
- **Critical Capital Needs FY26** - Work continues on the prioritization and timing of critical capital items identified during the budget process. Several items require attention prior to receipt of our Rate Range IGT funds in January. We are actively evaluating financing options to ensure the hospital has the flexibility to move forward on urgent projects without putting strain on liquidity. Recommendations on funding strategy will be brought forward to the committee in the coming months.
- **Contract Approval Process** - Beginning in September, we will implement a new contract approval process, which includes standardized approval forms for both operational contracts and capital expenditures. This change is designed to improve documentation and management of our contracts, as well as streamline internal workflows. Communication and training with department leaders will occur in the coming month to support a smooth rollout.

## **CAPITAL PROJECTS UPDATE**

- **PT Expansion Project:** Construction has now been completed and pleased to report the project is going to finish under budget. The final step is obtaining CDPH approval. The formal application was submitted on July 31, and while the state has indicated it can take 80-100 days to process, we are actively working with CDPH to facilitate review and schedule a site visit as soon as possible. Once approval is granted, the expanded space can be fully activated to meet growing patient demand.
- **ODC Project:** The Central Wing demolition has been completed, clearing the way for permanent planning of the 3T MRI. We have engaged architectural firm 19(six) to lead the design process and have submitted an application to the City of Sonoma for permanent occupancy. Discussions are underway with city officials to determine final requirements, and next steps will be shared once feedback is received. In the interim, the MRI trailer remains in use and volumes continue to be strong.
- **ICU Project:** This project is now virtually complete, with occupancy granted for all remodeled rooms. The only remaining item is the replacement of the fire alarm system in the nurses' station - a technical update that does not affect patient care or daily operations.
- **Seismic Master Facility Plan:** Management is preparing for the January 2026 deadline to submit the hospital's Seismic Compliance Plan and associated construction documents. Engagement with the committee and board will begin soon to review compliance options, phasing considerations, and funding strategies to ensure SVH is positioned to meet regulatory deadlines without compromising ongoing operations.

---

## **FINANCE REPORT ATTACHMENTS:**

- Attachment A      Income Statement
- Attachment B      Balance Sheet
- Attachment C      Cash Flow Forecast
- Attachment D      Key Performance Indicators | Volumes & Statistics
- Attachment E      Fiscal Year 2026 Business Plan Tracker (DEFERRED TO NEXT REPORT)
- Attachment F      Key Performance Indicators | Overall Performance

Sonoma Valley Health Care District  
Income Statement (in 1000s)  
For the Period Ended July 31, 2025

ATTACHMENT A

Month					Year-To- Date						
Revenues	CYM Actual	CYM Budget	Var	%	YTD Actual	YTD Budget	Var	%	PYTD Actual	Var	%
1 Net Patient Revenue	\$ 4,777.3	\$ 4,021.4	755.9	19%	\$ 4,777.3	\$ 4,021.4	755.9	19%	\$ 4,279.8	497.5	12%
2 IGT Program Revenue	1,653.7	1,653.7	-	0%	1,653.7	1,653.7	-	0%	871.5	782.1	90%
3 Parcel Tax Revenue	316.7	316.7	(0.0)	0%	316.7	316.7	(0.0)	0%	316.7	(0.0)	0%
4 Other Operating Revenue	100.8	99.9	0.9	1%	100.8	99.9	0.9	1%	98.0	2.9	3%
5 Total Revenue	\$ 6,848.4	\$ 6,091.6	756.8	12%	\$ 6,848.4	\$ 6,091.6	756.8	12%	\$ 5,566.0	1,282.5	23%
Operating Expenses	CYM Actual	CYM Budget	Var	%	YTD Actual	YTD Budget	Var	%	PYTD Actual	Var	%
6 Labor / Total People Cost	\$ 3,141.8	\$ 2,939.8	202.0	7%	\$ 3,141.8	\$ 2,939.8	202.0	7%	\$ 2,852.7	289.1	10%
7 Professional Fees	689.6	677.4	12.3	2%	689.6	677.4	12.3	2%	760.4	(70.8)	-9%
8 Supplies	722.9	613.2	109.7	18%	722.9	613.2	109.7	18%	437.0	285.9	65%
9 Purchased Services	545.1	409.0	136.0	33%	545.1	409.0	136.0	33%	350.3	194.7	56%
10 Depreciation	506.4	588.3	(81.9)	-14%	506.4	588.3	(81.9)	-14%	519.1	(12.7)	-2%
11 Interest	48.4	36.6	11.8	32%	48.4	36.6	11.8	32%	13.0	35.4	273%
15 Other	436.1	398.2	37.9	10%	436.1	398.2	37.9	10%	409.7	26.4	6%
16 IGT Program Expense	764.6	764.6	-	0%	764.6	764.6	-	0%	365.2	399.4	109%
17 Operating Expenses	\$ 6,855.0	\$ 6,427.1	427.8	7%	\$ 6,855.0	\$ 6,427.1	427.8	6.7%	\$ 5,707.4	1,147.6	20%
18 Operating Margin	\$ (6.6)	\$ (335.6)	\$ 329.0	98%	\$ (6.6)	\$ (335.6)	\$ 329.0	98%	\$ (141.5)	\$ 134.9	95%
Non Operating Income	CYM Actual	CYM Budget	Var	%	YTD Actual	YTD Budget	Var	%	PYTD Actual	Var	%
19 GO Bond Activity, Net	221.8	128.6	93.2	72%	221.8	128.6	93.2	72%	157.7	64.1	41%
20 Misc Revenue/(Expenses)	114.7	27.2	87.4	321%	114.7	27.2	87.4	321%	(12.5)	127.2	-1017%
21 Total Non-Op Income	\$ 336.4	\$ 155.9	180.6	116%	\$ 336.4	\$ 155.9	180.6	116%	\$ 145.2	191.3	132%
22 Net Income (Loss)	\$ 329.9	\$ (179.7)	509.6	-284%	\$ 329.9	\$ (179.7)	509.6	284%	\$ 3.7	326.2	-8777%
23 Restricted Foundation Contr.	817.9	125.0	692.9	554%	817.9	125.0	692.9	554%	66.0	751.9	1140%
24 Change in Net Position	\$ 1,147.7	\$ (54.7)	1,202.4	-2199%	\$ 1,147.7	\$ (54.7)	1,202.4	2199%	\$ 69.7	1,078.1	-1547%
25 Operating EBDA	\$ 499.9	\$ 252.8	247.1	98%	\$ 499.9	\$ 252.8	247.1	-98%	\$ 377.6	122.2	-32%

## Sonoma Valley Health Care District

## ATTACHMENT B

## Balance Sheet

As of July 31, 2025

Expressed in 1,000s

		Current Month	Prior Month	FYE 2025 Prior Year
<b>Assets</b>				
Current Assets:				
1	Cash	\$ 3,428.3	\$ 4,386.3	\$ 4,386.3
2	Net Patient Receivables	7,653.7	7,585.1	7,585.1
3	Allow Uncollect Accts	(1,249.7)	(1,256.1)	(1,256.1)
4	Net Accounts Receivable	\$ 6,403.9	\$ 6,329.0	\$ 6,329.0
5	IGT Program Receivable	19,844.3		
6	Parcel Tax Receivable	3,800.0	-	-
7	GO Bond Tax Receivable	3,344.0	-	-
8	Other Receivables	961.1	951.7	951.7
9	Inventory	963.2	841.0	841.0
10	Prepaid Expenses	1,458.4	788.1	788.1
11	Total Current Assets	\$ 40,203.2	\$ 13,296.2	\$ 13,296.2
12	Property, Plant & Equip, Net	\$ 60,766.5	\$ 60,342.6	\$ 60,342.6
13	Trustee Funds - GO Bonds	5,986.7	5,986.7	5,986.7
14	Other Assets - Deferred IGT Expense	8,682.5	-	-
15	<b>Total Assets</b>	<b>\$ 115,638.9</b>	<b>\$ 79,625.5</b>	<b>\$ 79,625.5</b>
<b>Liabilities &amp; Fund Balances</b>				
Current Liabilities:				
16	Accounts Payable	7,084.3	\$ 6,810.4	\$ 6,810.4
17	Accrued Compensation	4,167.1	4,059.9	4,059.9
18	IGT Program Payable	9,472.1	-	-
19	Interest Payable - GO Bonds	186.1	154.4	154.4
20	Accrued Expenses	260.7	166.1	166.1
21	Deferred IGT Revenue	18,190.6	-	-
22	Deferred Parcel Tax Revenue	3,483.3	-	-
23	Deferred GO Bond Tax Revenue	2,855.6	-	-
24	Line of Credit - Summit Bank	-	-	-
25	Other Liabilities	-	-	-
26	Total Current Liabilities	\$ 46,439.9	\$ 11,930.8	\$ 11,930.8
25	Long Term Debt, net current portion	\$ 27,119.0	\$ 27,239.3	\$ 27,239.3
26	Total Fund Balance	\$ 42,080.0	\$ 40,455.4	\$ 40,455.4
27	<b>Total Liabilities &amp; Fund Balances</b>	<b>\$ 115,638.9</b>	<b>\$ 79,625.5</b>	<b>\$ 79,625.5</b>

Cash Indicators	Current Month	Prior Month	Prior Year FYE
Days Cash	22.0	29.2	29.2
A/R Days	46.9	45.8	45.8
A/P Days	69.1	67.2	67.2

Sonoma Valley Health Care District  
Projected Cash Forecast (In 1000s)  
FY 2026

ATTACHMENT C

	ACTUAL	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	TOTAL
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
<b>Hospital Operating Sources</b>													
1 Patient Payments Collected	\$ 4,683.2	\$ 4,300.0	\$ 4,430.0	\$ 4,440.0	\$ 4,400.0	\$ 4,200.0	\$ 4,373.0	\$ 4,100.0	\$ 4,400.0	\$ 4,300.0	\$ 4,300.0	\$ 4,357.0	\$ 52,283.2
2 Other Revenue - Operating & Non-Op	182.5	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	105.0	1,337.5
3 IGT Program Revenue	-	-	0.9	-	-	574.2	22,264.9	-	0.9	-	-	1,000.1	23,840.9
4 Parcel Tax Revenue	110.9	-	-	1,612.0	-	445.0	-	-	-	1,607.1	-	-	3,775.0
5 Unrestricted Contributions	4.0	-	-	-	-	-	-	-	-	-	-	-	4.0
6 Sub-Total Hospital Sources	\$ 4,980.6	\$ 4,405.0	\$ 4,535.9	\$ 6,157.0	\$ 4,505.0	\$ 5,324.2	\$ 26,742.9	\$ 4,205.0	\$ 4,505.9	\$ 6,012.1	\$ 4,405.0	\$ 5,462.1	\$ 81,240.7
<b>Hospital Uses of Cash</b>													
7 Operating Expenses / AP Payments	\$ 5,649.7	\$ 5,100.0	\$ 5,100.0	\$ 5,600.0	\$ 5,250.0	\$ 5,150.0	\$ 7,000.0	\$ 5,800.0	\$ 5,250.0	\$ 5,500.0	\$ 5,900.0	\$ 5,200.0	\$ 66,499.7
8 Term Loan Paydowns - Summit / CHFFA	73.6	73.6	73.6	73.6	73.6	73.6	73.6	73.6	73.6	73.6	73.6	73.6	882.9
9 IGT Financing Interest	-	-	-	-	75.0	90.0	75.0	-	-	-	-	-	240.0
10 IGT Matching Fee Payments	-	229	-	-	10,402	-	-	-	294	-	88	-	11,012
11 Total Hospital Uses	\$ 5,723.3	\$ 5,402.1	\$ 5,173.6	\$ 5,673.6	\$ 15,800.5	\$ 5,313.6	\$ 7,148.6	\$ 5,873.6	\$ 5,617.1	\$ 5,573.6	\$ 6,061.3	\$ 5,273.6	\$ 78,634.3
Net Hospital Sources/Uses of Cash	\$ (742.6)	\$ (997.1)	\$ (637.7)	\$ 483.4	\$ (11,295.5)	\$ 10.7	\$ 19,594.3	\$ (1,668.6)	\$ (1,111.2)	\$ 438.6	\$ (1,656.3)	\$ 188.5	\$ 2,606.5
<b>Non-Hospital Sources</b>													
12 Line of Credit Draw - Summit Bank	-	-	-	-	5,400.0	-	-	-	-	-	-	-	5,400.0
13 Line of Credit Draw - New Bank	-	-	-	-	5,100.0	-	-	-	-	-	-	-	5,100.0
14 Sub-Total Non-Hospital Sources	\$ -	\$ -	\$ -	\$ -	\$ 10,500.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,500.0
<b>Non-Hospital Uses of Cash</b>													
15 Line of Credit Payoff - US Bank LOC	-	-	-	-	-	-	5,400.0	-	-	-	-	-	5,400.0
16 Line of Credit Repayment - New LOC	-	-	-	-	-	-	5,100.0	-	-	-	-	-	5,100.0
17 Sub-Total Non-Hospital Uses of Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,500.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,500.0
18 Net Non-Hospital Sources/Uses of Cash	\$ -	\$ -	\$ -	\$ -	\$ 10,500.0	\$ -	\$ (10,500.0)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19 Net Sources/Uses	\$ (742.6)	\$ (997.1)	\$ (637.7)	\$ 483.4	\$ (795.5)	\$ 10.7	\$ 9,094.3	\$ (1,668.6)	\$ (1,111.2)	\$ 438.6	\$ (1,656.3)	\$ 188.5	\$ 2,606.5
20 Total Cash at beginning of period	\$ 4,386.3	\$ 3,643.7	\$ 2,646.6	\$ 2,008.9	\$ 2,492.3	\$ 1,696.8	\$ 1,707.4	\$ 10,801.8	\$ 9,133.2	\$ 8,021.9	\$ 8,460.5	\$ 6,804.2	
21 Total Cash Prior to Capital Expenditures	\$ 3,643.7	\$ 2,646.6	\$ 2,008.9	\$ 2,492.3	\$ 1,696.8	\$ 1,707.4	\$ 10,801.8	\$ 9,133.2	\$ 8,021.9	\$ 8,460.5	\$ 6,804.2	\$ 6,992.8	
22 Days of Cash on Hand at End of Month	23.4	17.0	12.9	16.0	10.9	10.9	69.2	58.5	51.4	54.2	43.6	44.8	
<b>Capital Expenditures</b>													
23 SVH Capital - Financed by 3rd Party	-	-	23.3	23.3	23.3	23.3	70.0	85.5	85.5	138.4	138.4	138.4	749.7
24 SVH Capital - Financed by Vendor	-	-	-	-	-	-	21.8	21.8	21.8	21.8	21.8	21.8	130.6
25 SVH Capital - SVH Funded Purchases	145.6	30.0	-	-	50.0	-	50.0	50.0	50.0	-	-	-	375.6
26 SVH Capital - Foundation Funded	876.5	500.0	150.0	-	-	-	-	-	-	-	-	-	1,526.5
27 Restricted Donations (rec'd from Foundation)	(806.7)	(500.0)	(150.0)	-	-	-	-	-	-	-	-	-	(1,456.7)
28 Restricted Donations Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-
28 Net Capital Expenditures	\$ 215.4	\$ 30.0	\$ 23.3	\$ 23.3	\$ 73.3	\$ 23.3	\$ 141.8	\$ 157.3	\$ 157.3	\$ 160.2	\$ 160.2	\$ 160.2	\$ 1,325.7
29 Net Sources/Uses (With CapEx)	\$ (958.0)	\$ (1,027.1)	\$ (661.0)	\$ 460.1	\$ (868.8)	\$ (12.7)	\$ 8,952.5	\$ (1,825.9)	\$ (1,268.6)	\$ 278.4	\$ (1,816.5)	\$ 28.3	\$ 1,280.7
30 Total Cash at beginning of period	\$ 4,386.3	\$ 3,428.0	\$ 2,400.9	\$ 1,739.8	\$ 2,199.9	\$ 1,331.1	\$ 1,318.4	\$ 10,271.0	\$ 8,445.1	\$ 7,176.5	\$ 7,454.9	\$ 5,638.4	
31 Total Cash at End of Period	\$ 3,428.0	\$ 2,400.9	\$ 1,739.8	\$ 2,199.9	\$ 1,331.1	\$ 1,318.4	\$ 10,271.0	\$ 8,445.1	\$ 7,176.5	\$ 7,454.9	\$ 5,638.4	\$ 5,666.8	
32 Days of Cash on Hand at End of Month	22.0	15.4	11.2	14.1	8.5	8.5	65.8	54.1	46.0	47.8	36.1	36.3	



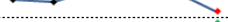










	Current Month				Year-To- Date							
	Actual	Budget	Var	%	YTD	YTD	Var	%	PYTD	Var	%	
					Actual	Budget			Actual			Var
Inpatient Volume												
Acute Patient Days	267	253	14	5%	267	253	14	5%	230	37	16%	
Acute Discharges	70	69	1	2%	70	69	1	2%	65	5	8%	
Average Length of Stay	3.8	3.7	0.1	4%	3.8	3.7	0.1	4%	3.5	0.3	8%	
Average Daily Census	8.6	8.2	0.4	5%	8.6	8.2	0.4	5%	7.4	1	16%	

Surgical Volume												
IP Surgeries	9	9	(0)	-5%	9	9	(0)	-5%	7	2	29%	
OP Surgeries	142	128	14	11%	142	128	14	11%	124	18	15%	
Total Surgeries	151	137	14	10%	151	137	14	10%	131	20	15%	

Other Outpatient Activity												
Total Outpatient Visits	6,117	5,660	457	8%	6,117	5,660	457	8%	5,593	524	9%	
Emergency Room Visits	1,052	875	177	20%	1,052	875	177	20%	1,006	46	5%	

Payor Mix	Actual	Budget	%	Actual	Budget	%
Medicare	40.0%	37.9%	2.1%	40.0%	37.9%	2.1%
Medicare Mgd Care	20.1%	21.0%	-1.0%	20.1%	21.0%	-1.0%
Medi-Cal	16.3%	17.6%	-1.2%	16.3%	17.6%	-1.2%
Commercial	21.0%	20.7%	0.3%	21.0%	20.7%	0.3%
Other	2.6%	2.7%	-0.2%	2.6%	2.7%	-0.2%
Total	100.0%	100.0%		100.0%	100.0%	

Payor Mix calculated based on gross revenues

Trended Outpatient Visits by Area													
Most Recent Six Months								YoY Monthly Averages					
Department	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Last 6 Months	FY26	FY25	Chg	% Chg		
Lab	1,189	1,372	1,435	1,403	1,392	1,450		1,450	1,348	102	8%		
Medical Imaging	980	983	1,082	1,095	1,051	1,087		1,087	982	105	11%		
Physical Therapy	1,412	1,395	1,489	1,485	1,460	1,319		1,319	1,424	(105)	-7%		
CT Scanner	423	428	478	457	497	508		508	449	59	13%		
Occ. Health	259	338	318	282	268	198		198	267	(69)	-26%		
Mammography	260	266	300	213	237	233		233	245	(12)	-5%		
Occ. Therapy	159	205	172	210	211	288		288	203	85	42%		
Ultrasound	206	214	237	195	220	297		297	218	79	36%		
Wound Care	264	267	234	258	295	285		285	251	34	13%		
MRI	176	191	192	197	198	230		230	181	49	27%		
ECHO	148	145	143	144	148	134		134	129	6	4%		
Speech Therapy	65	57	83	72	70	60		60	68	(8)	-12%		
Other	24	33	27	19	17	28		28	23	5	20%		
TOTAL	5,565	5,894	6,190	6,030	6,064	6,117		6,117	5,789	328	6%		
Emergency Room	873	926	966	1,073	985	1,052		1,052	940	112	12%		

Sonoma Valley Health Care District  
Overall Performance | Key Performance Indicators  
For the Period Ended July 31, 2025

ATTACHMENT F

	Current Month				Year-To- Date				Year-To- Date		
	Actual	Budget	Var	%	Actual	Budget	Var	%	PY Actual	Var	%
Operating Margin	\$ (6.6)	\$ (335.6)	\$ 329.0	98%	\$ (6.6)	\$ (335.6)	\$ 329.0	98%	\$ (141.5)	\$ 134.9	95%
Operating EBDA	\$ 499.9	\$ 252.8	\$ 247.1	98%	\$ 499.9	\$ 252.8	\$ 247.1	98%	\$ 377.6	\$ 122.2	32%
Net Income (Loss)	\$ 329.9	\$ (179.7)	\$ 509.6	284%	\$ 329.9	\$ (179.7)	\$ 509.6	284%	\$ 3.7	\$ 326.2	8777%

**Operating Revenue Summary** (All Numbers in 1000s)

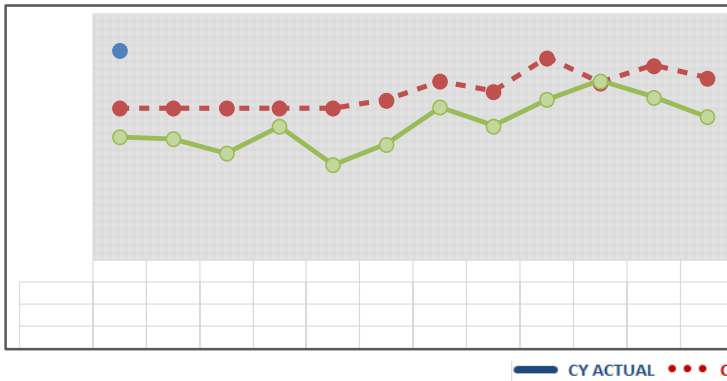
Net Patient Revenue	\$ 6,431	\$ 5,675	\$ 756	13%	\$ 6,431	\$ 5,675	\$ 756	13%	\$ 5,151	\$ 1,280	25%
NPR as a % of Gross	19.0%	19.7%	-3.4%		19.0%	19.7%	-3.4%		18.4%	3.2%	
Operating Revenue	\$ 6,848	\$ 6,092	\$ 757	12%	\$ 6,848	\$ 6,092	\$ 757	12%	\$ 5,566.0	\$ 1,282	23%

**Operating Expense Summary** (All Numbers in 1000s)

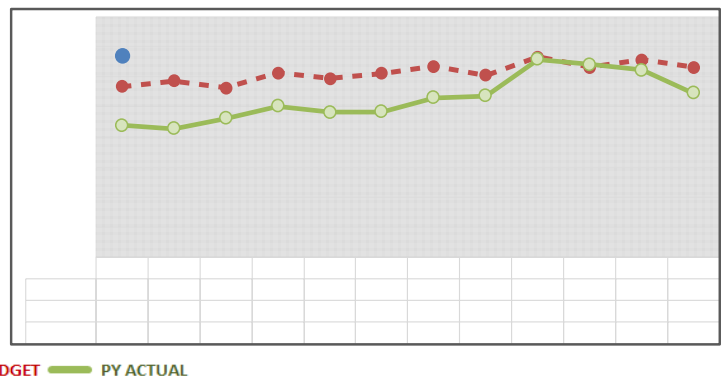
Operating Expenses	\$ 6,855	\$ 6,427	\$ 428	7%	\$ 6,855	\$ 6,427	\$ 428	7%	\$ 5,707	\$ 1,148	20%
Op Exp. Excl. Depr.	\$ 6,349	\$ 5,839	\$ 510	9%	\$ 6,349	\$ 5,839	\$ 510	9%	\$ 5,188	\$ 1,160	22%
Worked FTEs	235.00	229.30	5.70	2%	235.00	229.30	5.70	2%	218.09	16.91	8%

**Trended Operating Revenue & Operating Expense Graphs**

Trended Operating Revenues  
CY Actual vs CY Budget vs PY Actual



Trended Operating Expenses (excl Depreciation)  
CY Actual vs CY Budget vs PY Actual



**Cash Indicators**

	Current Month	Prior Month	Var	% Var
Days Cash	22.0	29.2	(7.2)	-25%
A/R Days	46.9	45.8	1.1	2%
A/P Days	69.1	67.2	1.9	3%