



**SONOMA VALLEY HEALTH CARE DISTRICT
FINANCE COMMITTEE
REGULAR MEETING AGENDA
Tuesday, August 27, 2013
5:00 p.m.**

**Location: Schantz Conference Room
Sonoma Valley Hospital – 347 Andrieux Street, Sonoma CA 95476**

| AGENDA ITEM | RECOMMENDATION | |
|---|----------------|---------------|
| MISSION STATEMENT <i>The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</i> | | |
| 1. CALL TO ORDER/ANNOUNCEMENTS | <i>Fogg</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 Committee 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 Committee consideration.</i> | | |
| 3. CONSENT CALENDAR: A. FC Minutes 07.30.13 | <i>Fogg</i> | Action |
| 4. EDUCATION SESSION – COVERED CALIFORNIA AND MEDI-CAL CHANGES | <i>Duarte</i> | Inform |
| 5. CAPITAL BUDGET APPROVAL | <i>Reid</i> | Action |
| 6. RAC UPDATE | <i>Reid</i> | Inform |
| 7. UPDATES | <i>Reid</i> | Inform |
| 8. JULY 2013 FINANCIALS | <i>Reid</i> | Inform |
| 9. PROJECTED CASH FLOWS | <i>Reid</i> | Inform |
| 10. UPDATE ON LANDMARK OPTION AGREEMENT LEASE EASEMENT PURCHASE | <i>Reid</i> | Inform/Action |
| 11. CLOSING COMMENTS/ADJOURN | <i>Fogg</i> | |

3.

CONSENT CALENDAR



**SONOMA VALLEY HEALTH CARE DISTRICT
FINANCE COMMITTEE
MEETING MINUTES
TUESDAY, JULY 30, 2013
Schantz Conference Room**

| Board Members Present | <i>cont.</i> | Staff/ Public/Other | Absent/Excused |
|--|---|---|---|
| Dick Fogg Sharon Nevins Peter Hohorst Steve Barclay Richard Conley | Mary Smith Phil Woodward Keith Chamberlin | Rick Reid Jeannette Tarver Sam McCandless Gigi Betta | Subhash Mishra Kelly Mather Shari Glago |

| AGENDA ITEM | DISCUSSION | ACTIONS | FOLLOW-UP |
|--|--|---|------------------|
| MISSION AND VISION STATEMENTS | <i>The mission of the SVHCD is to maintain, improve and restore the health of everyone in our community. The vision of the SVHCD is that SVH will be a nationally recognized, compassionate place of healing known for excellence in clinical quality. We serve as the guide and indispensable link in our community members' health care journey.</i> | | |
| 1. CALL TO ORDER | <i>Dick Fogg</i> | | |
| | Call to order at 5:05PM Announcements: Kelly Mather is excused and Mary Smith will leave the meeting at 6:00PM. | | |
| 2. PUBLIC COMMENT SECTION | <i>Dick Fogg</i> | | |
| | No public comment. | | |
| 3. CONSENT CALENDAR | <i>Dick Fogg</i> | Action | |
| A. FC Minutes 06.25.13 | | MOTION to approve Item #3.A. by Hohorst, 2 nd by Smith. All in favor. | |
| 4. RECOVERY AUDIT CONTRACTOR (RAC) UPDATE | <i>Reid</i> | Inform | |
| | Mr. Reid updated the Finance Committee on current RAC cases (total of 302) and their status. The majority of the cases fall into the <i>approved</i> category. The Committee discussed the need to restate previous year financial statements, and the opportunity to bring some of the RAC "appeal won money" back into 2013 earnings. | | |

| AGENDA ITEM | DISCUSSION | ACTIONS | FOLLOW-UP |
|---|--|---------|-----------|
| 5. UPDATES | <i>Reid</i> | Inform | |
| | <p>The Hospital is within \$4,000 of matching the \$1,000,000 Vadasz matching grant.</p> <p>Implementation of the new accounting software is underway and final training with both MGH and SVH was completed this week.</p> <p>In the past, the SVH payment to Prima Medical has been \$65,000/month. Accounting issues and management turnover have resulted in larger losses for Prima Medical. After negotiation, it was agreed that SVH would increase monthly payments to \$83,000, effective 7/1/13. On their part, Prima has committed to being more cost effective. The maximum monthly amount that SVH is obligated to pay is \$101,000.</p> <p>Bartko, Zankel & Bunzel is the legal representation on the Hospital's HIPAA Class Action Law Suit. The judge for the case has been selected and approved, the first round of interviews with Hospital staff are completed and motions are being filed. SVH has HIPAA insurance coverage of \$2 million with a \$50,000 deductible. SVH legal representation believes that this HIPAA case is not about <i>disclosure</i> but rather <i>exposure</i>.</p> <p>SVH has seen a slow-down in billing payments from insurance companies and CMSP is getting "take-backs".</p> | | |
| 6. JUNE 2013 FINANCIALS | <i>Reid</i> | Inform | |
| | <p>Overall for June, SVH has a net income of \$732,280 on budgeted income of \$63,150, for a favorable difference of \$669,130.</p> <p>Total net patient service revenue was under budget, risk contracts were over budget and other operating revenue was over budget bringing the total operating revenue to \$3,905,311 or (\$7,477) (under budget). Expenses were \$4,693,845 on a budget of \$4,357,080 or (\$336,765) over budget. The EBIDA prior to the restricted donations for the month was (\$191,000) or -4.9%.</p> <p>On a year to date basis, the loss prior to the restricted contributions was \$618,860. This loss includes the Medicare paybacks due to the RAC audits of \$1,109,223. Adjusting for RAC audits, the income prior to the restricted contributions would have by \$490,363 on a budget of \$433,198 or \$57,165 better than budget.</p> | | |
| 7. PROJECTED CASH FLOWS | <i>Reid</i> | Inform | |
| | Mr. Reid presented the 6-month cash projection and summary of the building program. | | |
| 8. QUARTERLY CAPITAL SPENDING REPORT | <i>Reid</i> | Inform | |
| | Mr. Reid presented the Quarterly Capital Spending Report. | | |

| AGENDA ITEM | DISCUSSION | ACTIONS | FOLLOW -UP |
|--|---|---|---------------|
| 9. QUARTERLY VOLUME UPDATE | <i>Reid</i> | Inform | |
| | Mr. Reid presented the Quarterly Volume Update. | | |
| 10. LANDMARK OPTION AGREEMENT-LEASE EASEMENT PURCHASE | <i>Reid</i> | Action | |
| | <p>Mr. Reid gave the Committee some background on the Option Agreement he is proposing with ATT. Currently, SVH leases space to ATT for a mechanical building and a cell phone tower and very recently, ATT proposed that SVH take a reduction in rent payment.</p> <p>Mr. Reid is recommending approval on the Option Agreement that would assign lease easement rights to Landmark for a period of 40 years for a total of \$217,176.</p> <p>Ms. Nevins recommends adding an end date to due diligence requests. Mr. Fogg suggests having a local expert review the Agreement at no cost to the Hospital.</p> | <p>MOTION by Nevins to advise Board that Item#10, the Option Agreement, <i>as amended</i> is in process and will be presented to the Board at a future time; and 2nd by Chamberlin. All in favor.</p> | |
| 11. CLOSING COMMENTS/ADJOURN | <p><i>Fogg</i> 6:35 PM The next Finance Committee meets on Tuesday, August 27 at 5:00PM.</p> | | |

8.

FINANCIALS
JULY 2013

**Sonoma Valley Hospital
Sonoma Valley Health Care District
July 31, 2013 Financial Report**

Finance Committee

August 27, 2013

July's Patient Volumes

| | Actual | Budget | Variance | Prior Year |
|---|----------|---------|----------|------------|
| Acute Discharges | 100 | 118 | -18 | 115 |
| Acute Patient Days | 338 | 425 | -87 | 396 |
| SNF Patient Days | 457 | 663 | -206 | 633 |
| Outpatient Gross Revenue (in thousands) | \$10,071 | \$8,897 | \$1,174 | \$8,153 |
| Surgical Cases | 135 | 133 | 2 | 123 |

Summary Statement of Revenues and Expenses Month of July 31, 2013

| | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>Percentage</u> | <u>Prior Year</u> |
|--|---------------|---------------|-----------------|-------------------|-------------------|
| 1 Total Operating Revenue | \$ 4,081,467 | \$ 4,193,014 | \$ (111,547) | -3% | \$ 3,835,921 |
| 2 Total Operating Expenses | \$ 4,412,550 | \$ 4,555,401 | \$ 142,851 | 3% | \$ 4,256,831 |
| 3 Operating Margin | \$ (331,083) | \$ (362,387) | \$ 31,304 | 9% | \$ (420,910) |
| 4 NonOperating Rev/Exp | \$ 393,298 | \$ 413,029 | \$ (19,731) | -5% | \$ 450,100 |
| 5 Net Income before Restricted Cont. | \$ 62,215 | \$ 50,642 | \$ 11,573 | 23% | \$ 29,190 |
| 6 Restricted Contribution | \$ 122,329 | \$ 9,268 | \$ 113,061 | 1220% | \$ 1,750 |
| 7 Net Income with Restricted Contributions | \$ 184,544 | \$ 59,910 | \$ 124,634 | 208% | \$ 30,940 |
| 8 EBIDA before Restricted Contributions | \$ 289,550 | \$ 338,222 | \$ (48,672) | | \$ 265,829 |
| 9 EBIDA before Restricted Cont. % | 7% | 8% | -1% | | 7% |
| 10 Net Income without GO Bond Activity | \$ 67,143 | \$ (58,749) | \$ 125,892 | | \$ (92,616) |

July's Operating Revenues

| | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>Percentage</u> | <u>Prior Year</u> |
|--------------------------------|---------------|---------------|-----------------|-------------------|-------------------|
| REVENUE | | | | | |
| NET PATIENT REVENUE | | | | | |
| 1 Acute Inpatient | \$ 1,303,750 | \$ 1,520,317 | \$ (216,567) | -14% | \$ 1,399,384 |
| 2 Skilled Nursing Facility | \$ 258,071 | \$ 512,646 | \$ (254,575) | -50% | \$ 357,411 |
| 3 Outpatient and Emergency | \$ 2,287,086 | \$ 2,107,892 | \$ 179,194 | 9% | \$ 1,867,010 |
| 4 HomeCare | \$ 204,899 | \$ 91,335 | \$ 113,564 | 124% | \$ 206,480 |
| 5 Community Benefit (Charity) | \$ (10,000) | \$ (173,257) | \$ 163,257 | 94% | \$ (7,400) |
| 6 Bad Debt Expense | \$ (200,000) | \$ (207,405) | \$ 7,405 | 4% | \$ (320,000) |
| 7 Prior Period Adjustment | \$ - | \$ - | \$ - | 0% | \$ - |
| 8 TOTAL NET PATIENT REVENUE | \$ 3,843,806 | \$ 3,851,528 | \$ (7,722) | 0% | \$ 3,502,885 |
| RISK CONTRACTS | | | | | |
| 9 Capitation Revenue | \$ 171,847 | \$ 164,178 | \$ 7,669 | 5% | \$ 178,534 |
| 10 Napa State Hospital Revenue | \$ 52,700 | \$ 157,739 | \$ (105,039) | -67% | \$ 141,076 |
| 11 TOTAL RISK CONTRACTS | \$ 224,547 | \$ 321,917 | \$ (97,370) | -30% | \$ 319,610 |
| 12 OTHER OPER REVENUE | \$ 13,114 | \$ 19,569 | \$ (6,455) | -33% | \$ 13,426 |
| 13 TOTAL HOSPITAL NET REVENUE | \$ 4,081,467 | \$ 4,193,014 | \$ (111,547) | -3% | \$ 3,835,921 |

Revenue Variances

- Total Operating Revenue under budget by (\$111,547)
- Revenue is under budget due to lower inpatient volume offset by higher outpatient and home health volume:
 - Medicare discharges were under budget by 16
 - Medi-Cal days were under budget by 27
 - Commercial days were under budget by 7
 - SNF days under budget by 206
 - Outpatient volumes were over budget
 - Home Care volume above budget
 - Risk contract revenue is under budget due to Napa State lower volume

July's Operating Expense

| | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>Percentage</u> | <u>Prior Year</u> |
|---|---------------|---------------|-----------------|-------------------|-------------------|
| OPERATING EXPENSES | | | | | |
| 1 Salary and Wages and Agency | \$ 1,954,807 | \$ 1,949,887 | \$ (4,920) | 0% | \$ 1,909,774 |
| 2 Employee Benefits | \$ 744,838 | \$ 773,379 | \$ 28,541 | 4% | \$ 628,766 |
| 3 Total People Cost | \$ 2,699,645 | \$ 2,723,266 | \$ (23,621) | -1% | \$ 2,538,540 |
| 4 Medical and Prof Fees (excl'd Agency) | \$ 392,368 | \$ 395,938 | \$ 3,570 | 1% | \$ 441,686 |
| 5 Supplies | \$ 512,096 | \$ 501,154 | \$ (10,942) | -2% | \$ 564,227 |
| 6 Purchased Services | \$ 389,284 | \$ 436,998 | \$ 47,714 | 11% | \$ 316,662 |
| 7 Depreciation | \$ 166,512 | \$ 236,422 | \$ 69,910 | 30% | \$ 173,617 |
| 8 Utilities | \$ 84,114 | \$ 107,354 | \$ 23,240 | 22% | \$ 88,323 |
| 9 Insurance | \$ 18,888 | \$ 18,699 | \$ (189) | -1% | \$ 19,375 |
| 10 Interest | \$ 25,898 | \$ 16,233 | \$ (9,665) | -60% | \$ 33,011 |
| 11 Other | \$ 123,745 | \$ 119,337 | \$ (4,408) | -4% | \$ 81,390 |
| 12 TOTAL OPERATING EXPENSE | \$ 4,412,550 | \$ 4,555,401 | \$ 142,851 | 3% | \$ 4,256,831 |

Expense Variances

Total operating expenses were under budget by \$142,851

- Total productivity FTE's were over budget at 276. Total salaries and Agency were over budget by (\$4,920). Agency was over budget by \$25,060. Salaries were on budget. Agency was over budget due to staff turnover and extended leaves of absences
- Employee benefits were under budget by \$28,541. Health insurance is under budget by \$25,053.
- Purchase services were under budget by \$47,714 due to Utilitization Management and Information Systems budgeted projects not starting in July.

July's Non-Operating Items

| | <u>Actual</u> | <u>Budget</u> | <u>Variance</u> | <u>Percentage</u> | <u>Prior Year</u> |
|---------------------------------------|---------------|---------------|-----------------|-------------------|-------------------|
| NON OPERATING | | | | | |
| Electronic Health Record & Misc. | | | | | |
| 1 Rev. | \$ 119,259 | \$ 119,167 | \$ 92 | 0% | \$ 147,156 |
| 2 Donations | \$ 1,008 | \$ 3,333 | \$ (2,325) | 0% | \$ - |
| Professional Center / Phys | | | | | |
| 3 Recruitment | \$ - | \$ - | \$ - | 0% | \$ - |
| 4 Physician Practice Support - Prima | \$ (81,870) | \$ (65,630) | \$ (16,240) | 0% | \$ (65,630) |
| 5 Tax Assessment Revenue-Parcel Tax | \$ 237,500 | \$ 237,500 | \$ - | 0% | \$ 245,018 |
| 6 Tax Assessment Revenue - GO Bond | \$ 152,326 | \$ 153,584 | \$ (1,258) | -1% | \$ 153,567 |
| 7 GO Bond Interest | \$ (34,925) | \$ (34,925) | \$ - | 0% | \$ (30,011) |
| 8 NON-OPERATING REV/EXP | \$ 393,298 | \$ 413,029 | \$ (19,731) | -5% | \$ 450,100 |
| 9 Capital Campaign Contribution | \$ 122,329 | \$ 9,268 | \$ 113,061 | 1220% | \$ 1,750 |
| 10 Restricted Foundation Contribution | \$ - | \$ - | \$ - | 0% | \$ - |
| 11 TOTAL NON-OPERATING REV/EXP | \$ 515,627 | \$ 422,297 | \$ 93,330 | 22% | \$ 451,850 |



To: SVH Finance Committee
From: Rick Reid, CFO
Date: August 27, 2013
Subject: Financial Report for the Month Ending July 31, 2013

Overall Results for July 2013

Overall for July, SVH has a net income of \$184,544 on budgeted income of \$59,910, for a favorable difference of \$124,634. Total net patient service revenue was under budget by (\$7,722). Risk contracts were under budget by (\$97,370). Other operating revenue is under budget by (\$6,455), bringing the total operating revenue to \$4,081,467 or (\$111,547) under budget. Expenses were \$4,412,550 on a budget of \$4,555,401 or \$142,851 under budget. The EBIDA prior to the restricted donations for the month was \$289,550 or 7.1%.

Patient Volumes - July

| | ACTUAL | BUDGET | VARIANCE | PRIOR YEAR |
|--------------------|----------|---------|----------|------------|
| Acute Discharges | 100 | 118 | -18 | 115 |
| Acute Patient Days | 338 | 425 | -87 | 396 |
| SNF Patient Days | 457 | 663 | -206 | 633 |
| OP Gross Revenue | \$10,071 | \$8,897 | \$1,174 | \$8,153 |
| Surgical Cases | 135 | 133 | 2 | 123 |

Overall Payer Mix - July

| | ACTUAL | BUDGET | VARIANCE | YTD ACTUAL | YTD BUDGET | VARIANCE |
|--------------|--------|--------|----------|---------------|---------------|----------|
| Medicare | 47.9% | 49.1% | -1.2% | 47.9% | 49.1% | -1.2% |
| Medi-Cal | 13.1% | 13.5% | -0.4% | 13.1% | 13.5% | -0.4% |
| Self Pay | 4.4% | 3.9% | 0.5% | 4.4% | 3.9% | 0.5% |
| Commercial | 22.4% | 23.4% | -1.0% | 22.4% | 23.4% | -1.0% |
| Managed MC | 4.1% | 2.9% | 1.2% | 4.1% | 2.9% | 1.2% |
| Workers Comp | 4.9% | 1.5% | 3.4% | 4.9% | 1.5% | 3.4% |
| Capitated | 3.2% | 5.7% | -2.5% | 3.2% | 5.7% | -2.5% |
| Total | 100% | 100% | | 100% | 100% | |

Total Operating Revenues

Total operating revenues for June were \$4.1 million on a budget of \$4.2 million or (\$111,547) under budget.

Inpatient Net Revenue is under budget by (\$216,567) or 14%, due to the following:

- Overall inpatient volume was under budget by 18 discharges
- Medicare discharges under budget by 16
- Medi-Cal patient days under budget by 27
- Self pay patient days over budget by 2,
- Commercial patient days were under budget by 7 days
- Skilled Nursing Home volume was under budget by 206 days
- Outpatient volume was over budget.
- Home Care volume was over budget by 285 visits.
- Bad Debts and Charity Care were favorable to budget by \$158,139. This was due to less charity care during the month.
- Risk Contract Revenue was under budget due to lower Napa State volume

Expenses

July's expenses were \$4.4million on a budget of \$4.5 million or under budget by \$142,851.

The following is a summary of the operating expense variances for the month of July:

- Total productivity FTE's were slightly budget at 276, on a budget of 271. Total salaries and Agency Fees were over budget by a total of (\$4,920). The reason for the negative budget variance was higher utilization of agency due to staff turnover and extended leaves of absences.
- Employee benefits were under budget by \$28,541, of this health insurance was under budget by \$25,053.
- Purchased services are under budget by \$47,714 due to Utilization Management and Information Systems budgeted projects not starting in July.

Capital Campaign Summary:

For the month of July the Hospital received \$122,329 in capital campaign donations. The total amount received from the Capital Campaign to date is \$4,024,268 offset with spending of \$895,056. The funds are included on line 16, Specific Funds on the Balance Sheet. Included on line 16 is also \$21,456 for miscellaneous restricted funds, \$114,552 received from the Foundation for the X-ray machine and \$32,270 for the Health Round Table.

| | Receipts | Spending | Balance |
|-------------------------------|--------------------|------------------|--------------------|
| Emergency Dept. | \$1,011,026 | \$0 | \$1,011,026 |
| Operating Room | \$0 | \$0 | \$0 |
| Art Work | \$100,000 | \$0 | \$100,000 |
| General | \$2,913,251 | \$895,056 | \$2,018,195 |
| Interest Earned | \$10,115 | \$0 | \$10,115 |
| Total Capital Campaign | \$4,034,392 | \$895,056 | \$3,139,336 |
| X-Ray Machine | \$114,552 | \$0 | \$114,552 |
| Misc. Restricted Funds | \$21,456 | \$0 | \$21,456 |
| Health Round Table | \$32,515 | \$245 | \$32,270 |
| Total Specific Funds | \$4,202,915 | \$895,301 | \$3,307,614 |

These comparisons are for actual FY 2014 compared to actual FY 2013. These are not budget comparisons.

ER Visits

| | ER – Inpatient | | | | ER - Outpatient | | | |
|-------------|-----------------------|------------|---------------|-----------|------------------------|------------|---------------|---------------|
| | CY | PY | Change | % | CY | PY | Change | % |
| July | 109 | 109 | 0 | 0% | 641 | 729 | -88 | -12.1% |
| YTD | 109 | 109 | 0 | 0% | 641 | 729 | -88 | -12.1% |



**OPERATING INDICATORS
SONOMA VALLEY HOSPITAL**

For the month ended July 31, 2013

| | CURRENT MONTH | | | YEAR-TO-DATE | | | |
|-------------------------------------|--------------------|--------------------|--|--------------------|--------------------|--|---------------------------|
| | Actual 07/31/13 | Budget 07/31/13 | Favorable (Unfavorable) Variance | Actual 07/31/13 | Budget 07/31/13 | Favorable (Unfavorable) Variance | Prior Year 07/31/12 |
| Inpatient Utilization | | | | | | | |
| Discharges | | | | | | | |
| Acute | 77 | 108 | (31) | 77 | 108 | (31) | 108 |
| ICU | 23 | 10 | 13 | 23 | 10 | 13 | 7 |
| Total Discharges | 100 | 118 | (18) | 100 | 118 | (18) | 115 |
| Newborn | 15 | 14 | 1 | 15 | 14 | 1 | 10 |
| Total Discharges inc. Newborn | 115 | 118 | (17) | 115 | 118 | (17) | 125 |
| Patient Days: | | | | | | | |
| Acute | 226 | 301 | (75) | 226 | 301 | (75) | 340 |
| ICU | 112 | 124 | (12) | 112 | 124 | (12) | 56 |
| Total Patient Days | 338 | 425 | (87) | 338 | 425 | (87) | 396 |
| Newborn | 28 | 30 | (2) | 28 | 30 | (2) | 20 |
| Total Patient Days inc. Newborn | 366 | 455 | (89) | 366 | 455 | (89) | 416 |
| Average Length of Stay: | | | | | | | |
| Acute | 2.9 | 2.8 | 0.1 | 2.9 | 2.8 | 0.1 | 3.1 |
| ICU | 4.9 | 12.4 | (7.5) | 4.9 | 12.4 | (7.5) | 8.0 |
| Avg. Length of Stay | 3.4 | 3.6 | (0.2) | 3.4 | 3.6 | (0.2) | 3.4 |
| Newborn ALOS | 1.9 | 2.2 | (0.3) | 1.9 | 2.2 | 0.3 | 2.0 |
| Average Daily Census: | | | | | | | |
| Acute | 7.3 | 9.7 | (2.4) | 7.3 | 9.7 | (2.4) | 11.0 |
| ICU | 3.6 | 4.0 | (0.4) | 3.6 | 4.0 | (0.4) | 1.8 |
| Avg. Daily Census | 10.9 | 13.7 | (2.8) | 10.9 | 13.7 | (2.8) | 12.8 |
| Newborn | 0.9 | 1.0 | (0.1) | 0.9 | 1.0 | (0.1) | 0.6 |
| Long Term Care: | | | | | | | |
| SNF Patient Days | 457 | 663 | (206) | 457 | 663 | (206) | 633 |
| SNF Discharges | 21 | 38 | (17) | 21 | 38 | (17) | 36 |
| Average Daily Census | 14.7 | 21.4 | (7) | 14.7 | 21.4 | (7) | 20.4 |
| Other Utilization Statistics | | | | | | | |
| Emergency Room Statistics | | | | | | | |
| Total ER Visits | 750 | 870 | (120) | 750 | 870 | (120) | 838 |
| Outpatient Statistics: | | | | | | | |
| Total Outpatients Visits | 4,209 | 4,135 | 74 | 4,209 | 4,135 | 74 | 4,091 |
| IP Surgeries | 33 | 37 | (4) | 33 | 37 | (4) | 41 |
| OP Surgeries | 102 | 96 | 6 | 102 | 96 | 6 | 82 |
| Special Procedures | 40 | 51 | (11) | 40 | 51 | (11) | 42 |
| Home Health Visits | 760 | 475 | 285 | 760 | 475 | 285 | 937 |
| Adjusted Discharges | 296 | 338 | (42) | 296 | 338 | (42) | 323 |
| Adjusted Patient Days | 1,945 | 2,354 | (409) | 1,945 | 2,354 | (409) | 2,202 |
| Adj. Avg. Daily Census | 62.8 | 75.9 | (13.2) | 63 | 76 | (13.2) | 71.0 |
| Case Mix Index -Medicare | 1.5399 | 1.4000 | 0.140 | 1.5399 | 1.4000 | 0.140 | 1.6060 |
| Case Mix Index - All payers | 1.4241 | 1.4000 | 0.024 | 1.4241 | 1.4000 | 0.024 | 1.4868 |

**OPERATING INDICATORS
SONOMA VALLEY HOSPITAL**

For the month ended July 31, 2013

| | CURRENT MONTH | | | YEAR-TO-DATE | | | |
|--------------------------------|----------------------------|----------------------------|---|----------------------------|----------------------------|---|------------------------------------|
| | Actual 07/31/13 | Budget 07/31/13 | Favorable (Unfavorable) Variance | Actual 07/31/13 | Budget 07/31/13 | Favorable (Unfavorable) Variance | Prior Year 07/31/12 |
| Labor Statistics | | | | | | | |
| FTE's - Worked | 276 | 271 | (4.7) | 276 | 271 | (4.7) | 281 |
| FTE's - Paid | 312 | 306 | (5.5) | 312 | 306 | (5.5) | 322 |
| Average Hourly Rate | 35.14 | 36.02 | 0.88 | 35.14 | 36.02 | 0.88 | 33.58 |
| Manhours / Adj. Pat Day | 28.3 | 23.0 | (5.3) | 28.3 | 23.0 | (5.3) | 25.8 |
| Manhours / Adj. Discharge | 186.1 | 160.1 | (26.0) | 186.1 | 160.1 | (26.0) | 176.0 |
| Benefits % of Salaries | 23% | 24% | 0.8% | 23% | 24% | 0.8% | 20% |
| Non-Labor Statistics | | | | | | | |
| Supply Expense % Revenue | 3% | 3% | 0% | 3% | 3% | 0% | 4% |
| Supply Exp. / Adj. Discharge | 1,729.50 | 1,482.49 | (247) | 1,729.50 | 1,482.49 | (247) | 1,746.18 |
| Total Expense / Adj. Discharge | 15,296.94 | 13,773.06 | (1,524) | 15,296.94 | 13,773.06 | (1,524) | 13,470.26 |
| Other Indicators | | | | | | | |
| Days Cash - Operating Funds | 8.0 | | | 8.0 | | | 14.0 |
| Days in Net AR | 64.0 | 50.0 | 14 | 64 | 50.0 | 14 | 50.93 |
| Collections % of Net Revenue | 80% | | | 80% | | | |
| Days in Accounts Payable | 54.0 | 60.0 | (6) | 54 | 60.0 | (6) | - |

Sonoma Valley Health Care District
Balance Sheet
For The Period Ended
As of July 31, 2013

| | <u>Current Month</u> | <u>Prior Month</u> | <u>Prior Year</u> |
|--|----------------------|----------------------|----------------------|
| Assets | | | |
| Current Assets: | | | |
| 1 | \$ 1,103,756 | \$ 974,983 | \$ 1,950,055 |
| 2 | 1,263,697 | 1,263,697 | 276,368 |
| 3 | 9,833,938 | 9,521,604 | 8,730,247 |
| 4 | 5,340,293 | 5,567,016 | 6,382,539 |
| 5 | (1,568,133) | (1,471,800) | (2,389,739) |
| 6 | 511,173 | 307,054 | 459,770 |
| 7 | - | - | - |
| 8 | 755,936 | 794,634 | 861,455 |
| 9 | 1,185,586 | 1,074,412 | 665,177 |
| 10 | <u>\$ 18,426,246</u> | <u>\$ 18,031,600</u> | <u>\$ 16,935,872</u> |
| 11 | \$ 5,381 | \$ 186,468 | \$ 186,028 |
| 12 | 10,877,312 | 10,674,452 | 11,026,196 |
| 13 | 30,073,735 | 29,991,133 | 14,246,346 |
| 14 | 3,909,629 | 4,024,454 | 18,978,373 |
| 15 | - | - | 36,839 |
| 16 | 3,307,614 | 3,430,427 | 2,068,848 |
| 17 | 270,175 | 271,813 | 449,168 |
| 18 | <u>\$ 66,870,092</u> | <u>\$ 66,610,347</u> | <u>\$ 63,927,670</u> |
| Liabilities & Fund Balances | | | |
| Current Liabilities: | | | |
| 19 | \$ 3,913,688 | \$ 4,037,342 | \$ 4,257,850 |
| 20 | 3,330,672 | 3,163,388 | 3,093,024 |
| 21 | 857,115 | 714,262 | 857,115 |
| 22 | 1,421,080 | 957,404 | 1,289,645 |
| 23 | 1,573,699 | 1,689,354 | 1,172,081 |
| 24 | 4,288,081 | 4,677,907 | 4,370,724 |
| 25 | 850,707 | 795,004 | 1,531,487 |
| 26 | 2,424,891 | 2,424,868 | 212,223 |
| 27 | <u>\$ 18,659,933</u> | <u>\$ 18,459,529</u> | <u>\$ 16,784,149</u> |
| 28 | \$ 37,692,868 | \$ 37,820,460 | \$ 38,215,302 |
| Fund Balances: | | | |
| 30 | \$ 6,309,446 | \$ 6,244,842 | \$ 6,785,126 |
| 31 | 4,207,845 | 4,085,516 | 2,143,093 |
| 32 | <u>\$ 10,517,291</u> | <u>\$ 10,330,358</u> | <u>\$ 8,928,219</u> |
| 33 | <u>\$ 66,870,092</u> | <u>\$ 66,610,347</u> | <u>\$ 63,927,670</u> |

Sonoma Valley Health Care District
Statement of Revenue and Expenses
Comparative Results
For the Period Ended July 2013

| | Month | | | | Year-To-Date | | | | YTD | |
|--------------------------------------|---|-----------------|-----------------|-----------|--------------|-----------------|-----------------|-----------|-------|-----------------|
| | This Year | | Variance | | This Year | | Variance | | | |
| | Actual | Budget | \$ | % | Actual | Budget | \$ | % | | |
| Volume Information | | | | | | | | | | |
| 1 | Acute Discharges | 100 | 118 | (18) | -15% | 100 | 118 | (18) | -15% | 115 |
| 2 | SNF Days | 457 | 663 | (206) | -31% | 457 | 663 | (206) | -31% | 633 |
| 3 | Home Care Visits | 760 | 475 | 285 | 60% | 760 | 475 | 285 | 60% | 937 |
| 4 | Gross O/P Revenue (000's) | 10,071 | 8,897 | 1,174 | 13% | \$ 10,071 | \$ 8,897 | 1,174 | 13% | \$ 8,153 |
| Financial Results | | | | | | | | | | |
| Gross Patient Revenue | | | | | | | | | | |
| 5 | Inpatient | \$ 5,156,972 | \$ 5,358,437 | (201,465) | -4% | \$ 5,156,972 | \$ 5,358,437 | (201,465) | -4% | \$ 5,308,315 |
| 6 | Outpatient & Emergency | 9,839,271 | 8,778,938 | 1,060,333 | 12% | 9,839,271 | 8,778,938 | 1,060,333 | 12% | 7,876,257 |
| 7 | SNF | 1,802,466 | 2,286,280 | (483,814) | -21% | 1,802,466 | 2,286,280 | (483,814) | -21% | 1,843,983 |
| 8 | Home Care | 231,484 | 117,592 | 113,892 | 97% | 231,484 | 117,592 | 113,892 | 97% | 276,474 |
| 9 | Total Gross Patient Revenue | \$ 17,030,193 | \$ 16,541,247 | 488,946 | 3% | \$ 17,030,193 | \$ 16,541,247 | 488,946 | 3% | \$ 15,305,029 |
| Deductions from Revenue | | | | | | | | | | |
| 10 | Contractual Discounts | \$ (12,983,854) | \$ (12,346,734) | (637,120) | -5% | \$ (12,983,854) | \$ (12,346,734) | (637,120) | -5% | \$ (11,363,508) |
| 11 | Bad Debt | (200,000) | (207,405) | 7,405 | 4% | (200,000) | (207,405) | 7,405 | 4% | (320,000) |
| 12 | Charity Care Provision | (2,533) | (135,580) | 133,047 | 98% | (2,533) | (135,580) | 133,047 | 98% | (118,636) |
| 13 | Prior Period Adjustments | - | - | - | 0% | - | - | - | 0% | - |
| 14 | Total Deductions from Revenue | \$ (13,186,387) | \$ (12,689,719) | (496,668) | 4% | \$ (13,186,387) | \$ (12,689,719) | (496,668) | 4% | \$ (11,802,144) |
| 15 | Net Patient Service Revenue | \$ 3,843,806 | \$ 3,851,528 | (7,722) | 0% | \$ 3,843,806 | \$ 3,851,528 | (7,722) | 0% | \$ 3,502,885 |
| 16 | Risk contract revenue | \$ 224,547 | \$ 321,917 | (97,370) | -30% | \$ 224,547 | \$ 321,917 | (97,370) | -30% | \$ 319,610 |
| 17 | Net Hospital Revenue | \$ 4,068,353 | \$ 4,173,445 | (105,092) | -3% | \$ 4,068,353 | \$ 4,173,445 | (105,092) | -3% | \$ 3,822,495 |
| 18 | Other Operating Revenue | \$ 13,114 | \$ 19,569 | (6,455) | 33% | \$ 13,114 | \$ 19,569 | (6,455) | -33% | \$ 13,426 |
| 19 | Total Operating Revenue | \$ 4,081,467 | \$ 4,193,014 | (111,547) | -3% | \$ 4,081,467 | \$ 4,193,014 | (111,547) | -3% | \$ 3,835,921 |
| Operating Expenses | | | | | | | | | | |
| 20 | Salary and Wages and Agency Fees | \$ 1,954,807 | \$ 1,949,887 | (4,920) | 0% | \$ 1,954,807 | \$ 1,949,887 | (4,920) | 0% | \$ 1,909,774 |
| 21 | Employee Benefits | 744,838 | 773,379 | 28,541 | 4% | 744,838 | 773,379 | 28,541 | 4% | 628,766 |
| 22 | Total People Cost | \$ 2,699,645 | \$ 2,723,266 | 23,621 | 1% | \$ 2,699,645 | \$ 2,723,266 | 23,621 | 1% | \$ 2,538,540 |
| 23 | Med and Prof Fees (excl Agency) | \$ 392,368 | \$ 395,938 | 3,570 | 1% | \$ 392,368 | \$ 395,938 | 3,570 | 1% | \$ 376,056 |
| 24 | Supplies | 512,096 | 501,154 | (10,942) | -2% | 512,096 | 501,154 | (10,942) | -2% | 564,227 |
| 25 | Purchased Services | 389,284 | 436,998 | 47,714 | 11% | 389,284 | 436,998 | 47,714 | 11% | 382,292 |
| 26 | Depreciation | 166,512 | 236,422 | 69,910 | 30% | 166,512 | 236,422 | 69,910 | 30% | 173,617 |
| 27 | Utilities | 84,114 | 107,354 | 23,240 | 22% | 84,114 | 107,354 | 23,240 | 22% | 88,323 |
| 28 | Insurance | 18,888 | 18,699 | (189) | -1% | 18,888 | 18,699 | (189) | -1% | 19,375 |
| 29 | Interest | 25,898 | 16,233 | (9,665) | -60% | 25,898 | 16,233 | (9,665) | -60% | 33,011 |
| 30 | Other | 123,745 | 119,337 | (4,408) | -4% | 123,745 | 119,337 | (4,408) | -4% | 81,390 |
| 31 | Operating expenses | \$ 4,412,550 | \$ 4,555,401 | 142,851 | 3% | \$ 4,412,550 | \$ 4,555,401 | 142,851 | 3% | \$ 4,256,831 |
| 32 | Operating Margin | \$ (331,083) | \$ (362,387) | 31,304 | 9% | \$ (331,083) | \$ (362,387) | 31,304 | 9% | \$ (420,910) |
| Non Operating Rev and Expense | | | | | | | | | | |
| 33 | Electronic Health Records & Misc. Rev. | \$ 119,259 | \$ 119,167 | 92 | 0% | \$ 119,259 | \$ 119,167 | 92 | 0% | \$ 147,156 |
| 34 | Donations | 1,008 | 3,333 | (2,325) | 0% | 1,008 | 3,333 | (2,325) | 70% | 0 |
| 35 | Professional Center/Phys Recruit | - | - | - | 0% | - | - | - | 0% | 0 |
| 36 | Physician Practice Support-Prima | (81,870) | (65,630) | (16,240) | 25% | (81,870) | (65,630) | (16,240) | 25% | (65,630) |
| 37 | Parcel Tax Assessment Rev | 237,500 | 237,500 | - | 0% | 237,500 | 237,500 | - | 0% | 245,018 |
| 38 | GO Bond Tax Assessment Rev | 152,326 | 153,584 | (1,258) | -1% | 152,326 | 153,584 | (1,258) | -1% | 153,567 |
| 39 | GO Bond Interest | (34,925) | (34,925) | - | 0% | (34,925) | (34,925) | - | 0% | (30,011) |
| 40 | Total Non-Operating Rev/Exp | \$ 393,298 | \$ 413,029 | (19,731) | -5% | \$ 393,298 | \$ 413,029 | (19,731) | -5% | \$ 450,100 |
| 41 | Net Income / (Loss) prior to Restricted Contributor | \$ 62,215 | \$ 50,642 | 11,573 | 23% | \$ 62,215 | \$ 50,642 | 11,573 | 23% | \$ 29,190 |
| 42 | Capital Campaign Contribution | \$ 122,329 | \$ 9,268 | 113,061 | 1220% | \$ 122,329 | \$ 9,268 | 113,061 | 1220% | \$ 1,750 |
| 43 | Restricted Foundation Contributions | \$ - | \$ - | - | 0% | \$ - | \$ - | - | 100% | \$ - |
| 44 | Net Income / (Loss) w/ Restricted Contributions | \$ 184,544 | \$ 59,910 | 124,634 | 208% | \$ 184,544 | \$ 59,910 | 124,634 | 208% | \$ 30,940 |
| 45 | Net Income w/o GO Bond Activity | \$ 67,143 | \$ (58,749) | 125,892 | 214% | \$ (55,186) | \$ (68,017) | 12,831 | 19% | \$ (94,366) |

Sonoma Valley Hospital
Statement of Cash Flows
For the Period Ended

| | <u>Current Month</u> | <u>Year To Date</u> |
|--|-------------------------|-------------------------|
| Operating Activities | | |
| Net Income (Loss) | 184,551 | 184,551 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | | |
| Depreciation and amortization | 166,512 | 166,512 |
| Net changes in operating assets and liabilities: | | |
| (Increase)/Decrease Patient accounts receivable - net | (216,001) | (216,001) |
| (Increase)/Decrease Other receivables and other assets | 24,242 | 24,242 |
| (Increase)/Decrease Prepaid expenses | (111,174) | (111,174) |
| (Increase)/Decrease in Inventories | 38,698 | 38,698 |
| (Decrease)/Increase in Deferred revenues | (505,481) | (505,481) |
| (Decrease)/Increase in Accounts payable, accrued expenses | 652,564 | 652,564 |
| Net Cash Provided/(Used) by operating activities | <u>233,911</u> | <u>233,911</u> |
| Investing Activities | | |
| Net Purchases of property, plant and equipment - Other Fixed Assets | (369,372) | (369,372) |
| Net Purchases of property, plant and equipment - GO Bond Purchases | (82,602) | (82,602) |
| Net Proceeds and Distributions from investments | - | - |
| Net Book Value of Assets Disposed | - | - |
| Change in Restricted Funds | - | - |
| Change in Limited Use Cash | 418,725 | 418,725 |
| (Payment)/Refund of Deposits | - | - |
| Net cash Provided/(Used) by investing activities | <u>(33,249)</u> | <u>(33,249)</u> |
| Financing Activities | | |
| Proceeds (Repayments) from Borrowings - Banks & Carriers | (71,889) | (71,889) |
| Proceeds (Repayments) from Borrowings - Other | | |
| Net Intercompany Borrowings/(Repayments) | | |
| Change in Post Retirement Obligations & Other Net Assets | - | - |
| Net Equity Transfers to related entities (Cash and Non-Cash) | | |
| Net cash Provided/(Used) by financing activities | <u>(71,889)</u> | <u>(71,889)</u> |
| Net increase/(Decrease) in cash and cash equivalents | <u>128,773</u> | <u>128,773</u> |
| Cash and Equivalents at beginning of period | <u>974,983</u> | <u>974,983</u> |
| Cash and Equivalents at July 31, 2013 | <u><u>1,103,756</u></u> | <u><u>1,103,756</u></u> |

Sonoma Valley Hospital
Statistical Analysis
FY 2014

| | ACTUAL | BUDGET | ACTUAL | | | | | | | | | | | | |
|--|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| | Jul-13 | Jul-13 | Jun-13 | May-13 | Apr-13 | Mar-13 | Feb-13 | Jan-13 | Dec-12 | Nov-12 | Oct-12 | Sep-12 | Aug-12 | Jul-12 | Jun-12 |
| Statistics | | | | | | | | | | | | | | | |
| Acute | | | | | | | | | | | | | | | |
| Acute Patient Days | 338 | 425 | 323 | 396 | 315 | 447 | 449 | 613 | 456 | 351 | 443 | 347 | 432 | 396 | 354 |
| Acute Discharges | 100 | 118 | 87 | 99 | 88 | 122 | 128 | 159 | 117 | 104 | 121 | 109 | 117 | 115 | 107 |
| | | | | | | | | | | | | | | | |
| SNF Days | 457 | 663 | 470 | 638 | 589 | 725 | 678 | 707 | 671 | 638 | 576 | 617 | 682 | 633 | 688 |
| HHA Visits | 760 | 475 | 990 | 1,140 | 1,101 | 1,067 | 1,001 | 1,076 | 940 | 921 | 1,043 | 802 | 1,052 | 937 | 941 |
| Emergency Room Visits | 750 | 870 | 716 | 795 | 729 | 757 | 710 | 852 | 793 | 732 | 801 | 788 | 884 | 838 | 810 |
| Gross Outpatient Revenue (000's) | \$10,071 | \$8,897 | \$8,353 | \$9,289 | \$8,906 | \$8,167 | \$8,065 | \$8,805 | \$8,302 | \$8,485 | \$8,935 | \$8,151 | \$9,014 | \$8,153 | \$7,667 |
| Equivalent Patient Days | 1,945 | 2,354 | 1,892 | 2,266 | 2,237 | 2,422 | 2,314 | 2,594 | 2,353 | 2,213 | 2,214 | 2,202 | 2,509 | 2,202 | 2,355 |
| Births | 15 | 14 | 8 | 15 | 12 | 16 | 11 | 19 | 13 | 14 | 9 | 11 | 16 | 9 | 15 |
| Surgical Cases - Inpatient | 33 | 37 | 30 | 42 | 25 | 35 | 33 | 38 | 32 | 35 | 37 | 37 | 40 | 41 | 28 |
| Surgical Cases - Outpatient | 102 | 96 | 86 | 105 | 90 | 96 | 80 | 78 | 94 | 95 | 91 | 97 | 98 | 82 | 92 |
| Total Surgical Cases | 135 | 133 | 116 | 147 | 115 | 131 | 113 | 116 | 126 | 130 | 128 | 134 | 138 | 123 | 120 |
| | | | | | | | | | | | | | | | |
| Medicare Case Mix Index | 1.54 | 0.00 | 1.58 | 1.62 | 1.50 | 1.55 | 1.36 | 1.52 | 1.51 | 1.47 | 1.29 | 1.49 | 1.40 | 1.61 | 1.50 |
| | | | | | | | | | | | | | | | |
| Income Statement | | | | | | | | | | | | | | | |
| Net Revenue (000's) | 4,068 | 4,262 | 3,821 | 3,324 | 3,986 | 3,945 | 3,938 | 4,006 | 4,085 | 3,679 | 3,963 | 3,707 | 3,926 | 3,822 | 4,832 |
| Operating Expenses (000's) | 4,413 | 4,555 | 4,694 | 4,529 | 4,407 | 4,577 | 4,353 | 4,632 | 4,482 | 4,235 | 4,407 | 4,221 | 4,312 | 4,257 | 5,278 |
| Net Income (000's) | 185 | 60 | 732 | (651) | 149 | 251 | 114 | 237 | 134 | 174 | 67 | 65 | 127 | 31 | 889 |
| Productivity | | | | | | | | | | | | | | | |
| Total Operating Expense Per Equivalent Patient Day | \$2,269 | #DIV/0! | \$2,481 | \$1,999 | \$1,970 | \$1,890 | \$1,881 | \$1,786 | \$1,905 | \$1,914 | \$1,990 | \$1,917 | \$1,719 | \$1,933 | \$2,241 |
| Productive FTEs | 279 | 271 | 277 | 282 | 286 | 291 | 290 | 284 | 284 | 266 | 281 | 291 | 284 | 281 | 285 |
| Non-Productive FTE's | 36 | 36 | 40 | 28 | 34 | 31 | 32 | 37 | 33 | 47 | 36 | 39 | 37 | 41 | 34 |
| Total FTEs | 315 | 306 | 317 | 311 | 320 | 322 | 322 | 321 | 317 | 313 | 316 | 330 | 321 | 322 | 318 |
| FTEs per Adjusted Occupied Bed | 4.25 | | 4.25 | 4.25 | 4.29 | 4.12 | 3.77 | 3.84 | 4.24 | 4.24 | 4.43 | 4.37 | 3.97 | 4.53 | 4.05 |
| Balance Sheet | | | | | | | | | | | | | | | |
| Days of Expense In General Operating Cash | 8 | | 7 | 12 | 17 | 15 | 9 | 9 | 14 | 7 | 12 | 14 | 13 | 14 | 13 |
| Net Days of Revenue in AR | 64 | | 62 | 59 | 55 | 51 | 53 | 51 | 53 | 52 | 53 | 50 | 50 | 50 | 48 |

9.

PROJECTED CASH
FLOW

**Sonoma Valley Hospital
6 Month Cash Projection**

Updated: 8/23/2013

| | Jul-13 Actual | Aug-13 Projected | Sep-13 Projected | Oct-13 Projected | Nov-13 Projected | Dec-13 Projected | Jan-14 Projected | Feb-14 Projected |
|-----------------------------|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Operating Activities | | | | | | | | |
| 1 | Net Income, Before Restricted Donations. | 62,215 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| 2 | Restricted Donations Received | 122,329 | 122,329 | 180,107 | 1,049,414 | 560,671 | 1,143,614 | 89,138 |
| 3 | Total Net Income | 184,544 | 132,329 | 190,107 | 1,059,414 | 570,671 | 1,153,614 | 99,138 |
| 4 | Add: Depreciation & Amortization | 166,512 | 166,512 | 166,512 | 166,512 | 166,512 | 166,512 | 301,661 |
| 5 | Dec (Inc) in Net Accts Receivable | (216,001) | - | - | - | - | - | - |
| 6 | Dec (Inc) in Inventories/Other Rec'v & Assets | 38,698 | 98,776 | (33,339) | 116,661 | 866,661 | 80,000 | 1,250,000 |
| 7 | Dec (Inc) in E H R Payment Accrual | (115,000) | (115,000) | (115,000) | (115,000) | (115,000) | (115,000) | (115,000) |
| 8 | Dec (Inc) in Restricted Donations Received | (122,329) | (122,329) | (180,107) | (1,049,414) | (560,671) | (1,143,614) | (89,138) |
| 9 | Decrease (Inc) in Prepaid Expenses | (111,174) | 40,327 | 40,327 | 40,327 | 40,327 | 40,327 | 40,327 |
| 10 | Increase (Dec) in Accounts Payable | (123,654) | 14,448 | 685,412 | (368,834) | (651,083) | - | - |
| 11 | Increase (Dec) in Payroll Accruals | (167,284) | 389,226 | 530,196 | 323,847 | 332,196 | 477,805 | 474,826 |
| 12 | Increase (Dec) in Accrued Expenses | 463,676 | (45,492) | (73,021) | 130,979 | 28,979 | 22,979 | (730,000) |
| 13 | Increase (Dec) in Deferred Revenue | (505,481) | (542,677) | (398,584) | (398,584) | (398,584) | (398,584) | (398,584) |
| 14 | Increase (Dec) in Interest Payable | (142,853) | (142,853) | (142,853) | (142,853) | (142,853) | (142,853) | (313,350) |
| 15 | Increase (Dec) in Other Liabilities | 420,871 | 250,000 | - | - | - | 50,000 | (25,000) |
| 16 | Net Cash Provided By Operating Activities | 233,911 | 123,267 | 669,650 | (236,945) | 137,155 | 191,186 | 665,377 |
| 17 | Capital and Related Financing Activities | | | | | | | |
| 18 | Building Project Related | | | | | | | |
| 19 | Draws on Equipment Lease | - | - | - | - | 550,000 | 550,000 | 550,000 |
| 20 | Transfers from Bond Fund/Donations | 418,725 | 2,600,000 | 2,109,629 | 2,000,000 | (2,000,000) | 2,000,000 | - |
| 21 | Draws on Pledge Financing | - | - | - | - | - | - | - |
| 22 | Draws on CEC Loan | - | - | - | - | - | - | - |
| 23 | Building Program Spending | (369,372) | (2,600,000) | (2,109,629) | (2,000,000) | 2,000,000 | (2,000,000) | (550,000) |
| 24 | Transfers From (To) Restricted/Trustee Funds | - | - | - | - | - | - | - |
| 25 | Non Building Project Capital Spending | | | | | | | |
| 26 | Purchase of Capital non Building Project | (82,602) | (25,000) | (50,000) | (50,000) | (50,000) | (50,000) | (100,000) |
| 27 | Other Financing | | | | | | | |
| 28 | Draws on Line of Credit | - | - | - | - | - | - | - |
| 29 | Repayments of Long-Term Debt | (10,190) | (131,682) | (131,682) | (69,983) | (69,983) | (91,362) | (69,983) |
| 30 | Payments on Line of Credit - March Borrowings | - | - | - | - | - | (500,000) | (200,000) |
| 31 | Payments on Line of Credit | (61,699) | (61,699) | (61,699) | (61,699) | (61,699) | (61,699) | (61,699) |
| 32 | Net Cash Used in Financing Activities | (105,138) | (218,381) | (243,381) | (181,682) | (181,682) | (153,061) | (431,682) |
| 33 | Net Increase (Decrease) in Operating Cash | 128,773 | (95,114) | 426,269 | (418,627) | (44,527) | 38,125 | 233,695 |
| 34 | Operating Cash Balances | | | | | | | |
| 35 | Cash At Beginning of Period | 974,983 | 1,103,756 | 1,008,642 | 1,434,911 | 1,016,284 | 971,757 | 1,009,883 |
| 36 | Change | 128,773 | (95,114) | 426,269 | (418,627) | (44,527) | 38,125 | 233,695 |
| 37 | Cash At End of the Period | 1,103,756 | 1,008,642 | 1,434,911 | 1,016,284 | 971,757 | 1,009,883 | 1,243,578 |

**Sonoma Valley Hospital
6 Month Cash Projection**

Updated: 8/23/2013

| | Jul-13 Actual | Aug-13 Projected | Sep-13 Projected | Oct-13 Projected | Nov-13 Projected | Dec-13 Projected | Jan-14 Projected | Feb-14 Projected |
|---|--------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| 38 Balance of Line of Credit | 2,424,868 | 2,363,169 | 2,301,470 | 2,239,771 | 2,178,072 | 1,616,373 | 1,354,674 | 1,292,975 |
| 39 Balance of GO Bond Money | 3,909,629 | 1,309,629 | - | - | - | | | |
| 40 Balance of UnSpent Donations | 3,139,336 | 3,319,443 | 3,568,857 | 2,129,528 | 1,273,142 | 238,899 | 238,899 | 238,899 |
| 41 Balance of UnPaid Pledges | 4,420,414 | 4,298,085 | 4,117,978 | 3,068,564 | 2,507,893 | 1,364,279 | 1,275,141 | 1,275,141 |
| 42 Projected Accounts Receivable | 8,265,805 | 8,265,805 | 8,265,805 | 8,265,805 | 8,265,805 | 8,265,805 | 8,265,805 | 8,265,805 |
| 43 Projected Accounts Payable | 4,122,329 | 4,136,777 | 4,822,189 | 4,453,355 | 3,802,272 | 3,802,272 | 3,802,272 | 3,802,272 |
| Statistics | | | | | | | | |
| 23 Days Cash on Hand (Operating Only) | 8 | 7 | 10 | 7 | 7 | 7 | 9 | 7 |
| 24 Days in Net Accounts Receivable | 64 | 64 | 64 | 64 | 64 | 64 | 64 | 64 |
| 25 Days in Accounts Payable | 51 | 51 | 60 | 55 | 47 | 47 | 47 | 47 |

Objectives and Priorities:

- * Maintain cash balance at \$1.5 million minimum (Priority 1)
- * Maintain days in Accounts Payable at 60
- * Maintain days in Accounts Receivable at current month's level

