



**SONOMA VALLEY HEALTH CARE DISTRICT  
FINANCE COMMITTEE  
REGULAR MEETING AGENDA  
Tuesday, February 26, 2013  
5:00 p.m.**

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

AGENDA ITEM	RECOMMENDATION	
<b>MISSION STATEMENT</b> <i>The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</i>		
<b>1. CALL TO ORDER/ANNOUNCEMENTS</b>	Fogg	Inform/Action
<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 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>		
<b>3. UPDATES</b>	Reid	Inform
<b>4. JANUARY 2013 FINANCIALS</b>	Reid	Inform
<b>5. PROJECTED CASH FLOWS</b>	Reid	Inform
<b>6. QUARTERLY CAPITAL SPENDING SUMMARY</b>	Reid	Inform
<b>7. ADJOURN TO MARCH 26, 2013</b>	Fogg	

4.

JANUARY 2013  
FINANCIALS

Sonoma Valley Hospital  
Sonoma Valley Health Care District  
January 31, 2013 Financial Report

Finance Committee  
February 26, 2013

# January's Patient Volumes

	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	<b>Prior Year</b>
<b>Acute Discharges</b>	<b>159</b>	<b>126</b>	<b>33</b>	<b>125</b>
<b>Acute Patient Days</b>	<b>613</b>	<b>446</b>	<b>167</b>	<b>448</b>
<b>SNF Patient Days</b>	<b>707</b>	<b>669</b>	<b>38</b>	<b>662</b>
<b>Outpatient Gross Revenue (in thousands)</b>	<b>\$8,805</b>	<b>\$8,584</b>	<b>\$221</b>	<b>\$8,640</b>
<b>Surgical Cases</b>	<b>116</b>	<b>132</b>	<b>-16</b>	<b>132</b>

# Summary Statement of Revenues and Expenses Month of January 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percentage</u>	<u>Prior Year</u>
1 <b>Total Operating Revenue</b>	\$ 4,382,193	\$ 3,952,464	\$ 429,729	11%	\$ 3,834,574
2 <b>Total Operating Expenses</b>	\$ 4,631,768	\$ 4,404,900	\$ (226,868)	-5%	\$ 4,229,668
3 <b>Operating Margin</b>	\$ (249,575)	\$ (452,436)	\$ 202,861	45%	\$ (395,094)
4 <b>NonOperating Rev/Exp</b>	\$ 468,622	\$ 459,942	\$ 8,680	2%	\$ 418,290
5 <b>Net Income before Restricted Cont.</b>	\$ 219,047	\$ 7,506	\$ 211,541	2818%	\$ 23,196
6 <b>Restricted Contribution</b>	\$ 17,948	\$ 47,500	\$ (29,552)	-62%	\$ -
7 <b>Net Income with Restricted Contributions</b>	\$ 236,995	\$ 55,006	\$ 181,989	331%	\$ 23,196
8 <b>EBIDA before Restricted Contributions</b>	\$ 484,673	\$ 262,870	\$ 221,803		\$ 271,532
9 <b>EBIDA before Restricted Cont. %</b>	11%	7%	4%		7%
10 <b>Net Income without GO Bond Activity</b>	\$ 113,439	\$ (73,316)	\$ 186,755		\$ (100,360)

# Summary Statement of Revenues and Expenses Year to Date January 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percentage</u>	<u>Prior Year</u>
1 <b>Total Operating Revenue</b>	\$ 27,688,846	\$ 27,431,106	\$ 257,740	1%	\$ 27,270,937
2 <b>Total Operating Expenses</b>	\$ 30,545,020	\$ 30,610,145	\$ 65,125	0%	\$ 29,463,912
3 <b>Operating Margin</b>	\$ (2,856,174)	\$ (3,179,039)	\$ 322,865	10%	\$ (2,192,975)
4 <b>NonOperating Rev/Exp</b>	\$ 3,245,202	\$ 3,267,094	\$ (21,892)	-1%	\$ 2,324,297
5 <b>Net Income before Restricted Cont.</b>	\$ 389,028	\$ 88,055	\$ 300,973	342%	\$ 131,322
6 <b>Restricted Contribution</b>	\$ 446,026	\$ 285,000	\$ 161,026	57%	\$ -
<b>Net Income with Restricted</b>					
7 <b>Contributions</b>	\$ 835,054	\$ 373,055	\$ 461,999	124%	\$ 131,322
8 <b>EBIDA before Restricted Contributions</b>	\$ 2,096,885	\$ 1,875,603	\$ 221,282		\$ 1,656,398
9 <b>EBIDA before Restricted Cont. %</b>	8%	7%	1%		6%
10 <b>Net Income without GO Bond Activity</b>	\$ (475,864)	\$ (810,199)	\$ 334,335		\$ (733,570)

# January's Operating Revenues

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percentage</u>	<u>Prior Year</u>	
<b>REVENUE</b>						
<b>NET PATIENT REVENUE</b>						
1	<b>Acute Inpatient</b>	\$ 1,922,009	\$ 1,567,469	\$ 354,540	23%	\$ 1,338,330
2	<b>Skilled Nursing Facility</b>	\$ 408,808	\$ 394,011	\$ 14,797	4%	\$ 356,208
3	<b>Outpatient and Emergency</b>	\$ 1,778,967	\$ 1,840,997	\$ (62,030)	-3%	\$ 1,904,968
4	<b>HomeCare</b>	\$ 232,793	\$ 217,047	\$ 15,746	7%	\$ 188,079
5	<b>Community Benefit (Charity)</b>	\$ (36,500)	\$ (38,861)	\$ 2,361	6%	\$ (32,090)
6	<b>Bad Debt Expense</b>	\$ (300,000)	\$ (336,895)	\$ 36,895	11%	\$ (200,000)
7	<b>TOTAL NET PATIENT REVENUE</b>	\$ 4,006,077	\$ 3,643,768	\$ 362,309	10%	\$ 3,555,495
<b>RISK CONTRACTS</b>						
8	<b>Capitation Revenue</b>	\$ 171,372	\$ 183,325	\$ (11,953)	-7%	\$ 182,696
9	<b>Napa State Hospital Revenue</b>	\$ 191,400	\$ 113,333	\$ 78,067	69%	\$ 85,800
10	<b>TOTAL RISK CONTRACTS</b>	\$ 362,772	\$ 296,658	\$ 66,114	22%	\$ 268,496
11	<b>OTHER OPER REVENUE</b>	\$ 13,344	\$ 12,038	\$ 1,306	11%	\$ 10,583
12	<b>TOTAL HOSPITAL NET REVENUE</b>	\$ 4,382,193	\$ 3,952,464	\$ 429,729	11%	\$ 3,834,574

# Revenue Variances

- Total Operating Revenue over budget by \$429,729
- Revenue is over budget by 11%
  - Medicare discharges were over budget by 19, with over budget rates for a net impact of \$323,278
  - Reserved \$300,000 for pending RAC denials
  - Medi-Cal days were over budget by 11, with under budget rates for a net impact of \$13,511
  - Commercial days were over budget by 54 with under budget rates for a net impact of \$216,675
  - Other patient days were over budget by 34 with under budget rates for a net impact of \$101,076
  - SNF days over budget by 38, with acuity over budget for a net impact of \$14,797
  - Outpatient volumes were over budget, off set with self pay discount for a net impact of (\$62,030)
  - Home Care is over budget by \$15,746
  - Napa State is over budget by \$78,067, due to a large case



# January's Operating Expense

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percentage</u>	<u>Prior Year</u>
<b>OPERATING EXPENSES</b>					
1 <b>Salary and Wages and Agency</b>	\$ 1,937,084	\$ 2,012,326	\$ 75,242	4%	\$ 1,809,094
2 <b>Employee Benefits</b>	\$ 842,461	\$ 671,904	\$ (170,557)	-25%	\$ 790,313
3 <b>Total People Cost</b>	\$ 2,779,545	\$ 2,684,230	\$ (95,315)	-4%	\$ 2,599,407
4 <b>Medical and Prof Fees (excl'd Agency)</b>	\$ 416,657	\$ 388,284	\$ (28,373)	-7%	\$ 511,206
5 <b>Supplies</b>	\$ 558,081	\$ 507,500	\$ (50,581)	-10%	\$ 479,931
6 <b>Purchased Services</b>	\$ 439,564	\$ 379,876	\$ (59,688)	-16%	\$ 192,011
7 <b>Depreciation</b>	\$ 204,044	\$ 199,672	\$ (4,372)	-2%	\$ 190,789
8 <b>Utilities</b>	\$ 66,913	\$ 82,610	\$ 15,697	19%	\$ 69,806
9 <b>Insurance</b>	\$ 17,054	\$ 20,374	\$ 3,320	16%	\$ 20,084
10 <b>Interest</b>	\$ 31,571	\$ 25,681	\$ (5,890)	-23%	\$ 27,536
11 <b>Other</b>	\$ 118,339	\$ 116,673	\$ (1,666)	-1%	\$ 138,898
12 <b>TOTAL OPERATING EXPENSE</b>	\$ 4,631,768	\$ 4,404,900	\$ (226,868)	-5%	\$ 4,229,668

# Expense Variances

Total operating expenses were over budget by (\$226,868)

- Total productivity FTE's were under budget at 284. Total salaries and Agency were under budget by \$75,242.
- Employee benefits were over budget by (\$170,557). Paid Time Off is over budget by (\$110,766), due to sick employees. Health insurance is over budget by (\$22,142)
- Professional Fees were over budget by (\$28,373) due to Patient Accounting being over by (\$15,289) due to collection services and accounts receivable clean up. Administration was over budget by (\$10,029) due to legal fees.
- Supplies were over budget by (\$50,581) due to Pharmacy's purchase of high dollar drugs of (\$11,167) and supplies of (\$18,141). This variance is directly related to volume.
- Purchase services were over budget by (\$59,688) due to Electronic Health Record yearly contracts that were originally budgeted in the capital budget.

# January's Non-Operating Items

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Percentage</u>	<u>Prior Year</u>
<b>NON OPERATING</b>					
1 <b>Electronic Health Record &amp; Misc. Rev.</b>	\$ 165,678	\$ 147,250	\$ 18,428	13%	\$ 97,896
2 <b>Donations</b>	\$ -	\$ -	\$ -	0%	\$ -
3 <b>Professional Center / Phys Recruitment</b>	\$ -	\$ -	\$ -	0%	\$ 200
4 <b>Physician Practice Support - Prima</b>	\$ (65,630)	\$ (65,630)	\$ -	0%	\$ (48,380)
5 <b>Tax Assessment Revenue-Parcel Tax</b>	\$ 245,018	\$ 250,000	\$ (4,982)	-2%	\$ 245,018
6 <b>Tax Assessment Revenue - GO Bond</b>	\$ 153,567	\$ 158,333	\$ (4,766)	-3%	\$ 153,567
7 <b>GO Bond Interest</b>	\$ (30,011)	\$ (30,011)	\$ -	0%	\$ (30,011)
8 <b>NON-OPERATING REV/EXP</b>	\$ 468,622	\$ 459,942	\$ 8,680	2%	\$ 418,290
9 <b>Capital Campaign Contribution</b>	\$ 17,948	\$ 47,500	\$ (29,552)	-62%	\$ -
10 <b>Restricted Foundation Contribution</b>	\$ -	\$ -	\$ -	0%	\$ -
11 <b>TOTAL NON-OPERATING REV/EXP</b>	\$ 486,570	\$ 507,442	\$ (20,872)	-4%	\$ 418,290



**To:** SVH Finance Committee  
**From:** Rick Reid, CFO  
**Date:** February 26, 2013  
**Subject:** Financial Report for the Month Ending January 31, 2013

**Overall Results for January 2013**

Overall for January, SVH has net income of \$236,996 on budgeted income of \$55,007, for a favorable difference of \$181,989. Total net patient service revenue was over budget by \$362,309. Risk contracts were over budget by \$66,114, bringing the total operating revenue to \$4,382,194 or \$429,729 over budget. Expenses were \$4,631,768 on a budget of \$4,404,900 or (\$226,868) over budget. The EBIDA prior to the restricted donations for the month was \$484,674 or 11.1%.

**Patient Volumes**

	ACTUAL	BUDGET	VARIANCE	PRIOR YEAR
Acute Discharges	159	126	33	125
Acute Patient Days	613	446	167	448
SNF Patient Days	707	669	38	662
OP Gross Revenue	\$8,805	\$8,584	\$221	\$8,640
Surgical Cases	116	132	-16	132

**Overall Payer Mix - January**

	ACTUAL	BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
Medicare	47.4%	47.1%	0.3%	48.6%	47.4%	1.2%
Medi-Cal	13.0%	13.3%	-0.3%	13.9%	13.3%	0.6%
Commercial	34.4%	36.2%	-1.8%	33.8%	35.9%	-2.1%
Self Pay	5.2%	3.4%	1.8%	3.7%	3.4%	0.3%
Total	100%	100%		100%	100%	

**Net Operating Revenues**

Net operating revenues for January were \$4.4 million on a budget of \$4.0 million or \$429,729 over budget.

Inpatient Net Revenue is over budget by \$354,540 or 23%, due to the following:

- Medicare discharges over budget by 19, with a favorable rate variance for a total impact of \$323,278
- Reserved \$300,000 for pending RAC denials

- Medi-Cal patient days over budget by 11, the impact was \$36,957, offset by unfavorable rates of (\$23,446), net variance over budget \$13,511
- Other patient days over budget by 34, the impact was \$317,085, offset by unfavorable rates of (\$216,009), net variance over budget \$101,076
- Commercial patient days over budget by 54, the impact was \$289,090, offset by unfavorable rates of (\$72,415), net variance over budget \$216,675

Skilled Nursing Home:

- Volume was over budget by 38 days and patient acuity was over budget, net impact \$14,797

Outpatient:

- Volume was over budget by \$157,320, due to higher volume and better commercial insurance utilization, offset by higher self pay volumes, for a net loss of (\$62,030).

Home Care:

- Volume was over budget by 163 visits or \$15,746 over budget

Contract Revenue:

- Napa State volume was over budget due to a large case.

**Expenses**

January's expenses were \$4.6 million on a budget of \$4.4 million or over budget by (\$226,868).

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

- Total productivity FTE's were under budget at 284, on a budget of 285. Total salaries and Agency Fees were under budget by a total of \$75,242.
- Employee benefits were over budget by (\$170,557), of this (\$110,766) related to paid time off due to the number of sick employees. Health insurance was also over budget by (\$22,142).
- Professional Fees are over budget by (\$28,373) due to patient accounting being over budget by (\$15,289) due to collection services and accounts receivable clean up. Administration was over budget by (\$10,029) due to legal costs.
- Supplies are over budget by (\$50,581) due to Pharmacy supplies being over (\$18,141) and the high dollar drugs ordered by the pharmacy being over (\$11,167). This variance is directly related to volume.
- Purchase services are over budget by (\$59,688) due to Information Systems related to the Electronic Health Records, that was previously budgeted in as capital, but does not qualify as capital, therefore maintenance contracts have been expensed over the fiscal year.



**Capital Campaign Summary:**

For the month of January the Hospital received \$17,948 in capital campaign donations. The total amount received from the Capital Campaign to date is \$2,381,456, offset with spending of \$648,056. The funds are included on line 16, Specific Funds on the Balance Sheet. Included on line 16 is also \$21,778 for miscellaneous restricted funds and \$114,420 received from the Foundation for the X-ray machine.

	Receipts	Spending	Balance
Emergency Dept.	\$1,001,000	\$0	\$1,001,000
Operating Room	\$0	\$0	\$0
General	\$1,380,456	\$648,056	\$732,400
<b>Total Capital Campaign</b>	<b>\$2,381,456</b>	<b>\$648,056</b>	<b>\$1,733,400</b>
X-Ray Machine	\$114,420	\$0	\$114,420
Misc. Restricted Funds	\$21,778	\$0	\$21,778
<b>Total Specific Funds</b>	<b>\$2,517,654</b>	<b>\$648,056</b>	<b>\$1,869,598</b>

These comparisons are for actual FY 2013 compared to actual FY 2012. These are not budget comparisons.

**Outpatient & ER Visits**

	ER – Inpatient				ER - Outpatient			
	CY	PY	Change	%	CY	PY	Change	%
<b>July</b>	<b>109</b>	<b>114</b>	<b>-5</b>	<b>-4.4%</b>	<b>729</b>	<b>772</b>	<b>-43</b>	<b>-5.6%</b>
<b>Aug</b>	<b>106</b>	<b>105</b>	<b>1</b>	<b>.9%</b>	<b>778</b>	<b>718</b>	<b>60</b>	<b>8.4%</b>
<b>Sept</b>	<b>111</b>	<b>107</b>	<b>4</b>	<b>3.1%</b>	<b>677</b>	<b>693</b>	<b>-16</b>	<b>2.3%</b>
<b>Oct</b>	<b>95</b>	<b>108</b>	<b>-13</b>	<b>-12%</b>	<b>706</b>	<b>679</b>	<b>27</b>	<b>4.0%</b>
<b>Nov</b>	<b>101</b>	<b>107</b>	<b>-6</b>	<b>-5.6%</b>	<b>631</b>	<b>632</b>	<b>-1</b>	<b>-0.2%</b>
<b>Dec</b>	<b>100</b>	<b>119</b>	<b>-19</b>	<b>-16.6%</b>	<b>693</b>	<b>622</b>	<b>71</b>	<b>11.4%</b>
<b>Jan</b>	<b>141</b>	<b>93</b>	<b>48</b>	<b>51.6%</b>	<b>711</b>	<b>698</b>	<b>13</b>	<b>1.9%</b>
<b>YTD</b>	<b>763</b>	<b>753</b>	<b>10</b>	<b>1.3%</b>	<b>4,925</b>	<b>4,814</b>	<b>111</b>	<b>2.3%</b>



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

	Month				Year-To-Date				YTD Prior Year
	This Year		Variance		This Year		Variance		
	Actual	Budget	\$	%	Actual	Budget	\$	%	
<b>Volume Information</b>									
1 Acute Discharges	159	126	33	26%	842	886	(44)	-5%	901
2 SNF Days	707	669	38	6%	4,524	4,810	(286)	-6%	4,216
3 Home Care Visits	1,076	913	163	18%	6,771	6,427	344	5%	6,612
4 Gross O/P Revenue (000's)	8,805	8,584	221	3%	\$ 59,844	\$ 58,289	1,555	3%	\$ 54,481
<b>Financial Results</b>									
<b>Gross Patient Revenue</b>									
5 Inpatient	\$ 6,830,442	\$ 5,167,399	1,663,043	32%	\$ 37,157,798	\$ 36,300,781	857,017	2%	\$ 34,851,071
6 Outpatient & Emergency	8,497,901	8,314,899	183,002	2%	57,857,680	56,398,832	1,458,848	3%	52,697,510
7 SNF	2,295,676	1,971,814	323,862	16%	14,768,414	14,124,950	643,464	5%	13,214,757
8 Home Care	306,807	269,033	37,774	14%	1,986,551	1,890,526	96,025	5%	1,783,132
9 Total Gross Patient Revenue	\$ 17,930,826	\$ 15,723,145	2,207,681	14%	\$ 111,770,443	\$ 108,715,089	3,055,354	3%	\$ 102,546,470
<b>Deductions from Revenue</b>									
10 Contractual Discounts	\$ (13,573,872)	\$ (11,567,059)	(2,006,813)	-17%	\$ (83,490,706)	\$ (79,902,516)	(3,588,190)	-4%	\$ (74,104,067)
11 Bad Debt	(300,000)	(336,895)	36,895	11%	(1,900,000)	(2,329,407)	429,407	18%	(2,225,000)
12 Charity Care Provision	(50,876)	(175,422)	124,546	71%	(1,246,408)	(1,212,931)	(33,477)	-3%	(1,141,041)
13 Prior Period Adjustments	-	-	-	0%	-	-	-	0%	-
14 Total Deductions from Revenue	\$ (13,924,748)	\$ (12,079,376)	(1,845,372)	15%	\$ (86,637,114)	\$ (83,444,854)	(3,192,260)	4%	\$ (77,470,108)
15 Net Patient Service Revenue	\$ 4,006,078	\$ 3,643,769	362,309	10%	\$ 25,133,329	\$ 25,270,235	(136,906)	-1%	\$ 25,076,362
16 Risk contract revenue	\$ 362,772	\$ 296,658	66,114	22%	\$ 2,418,303	\$ 2,076,606	341,697	16%	\$ 2,107,558
17 Net Hospital Revenue	\$ 4,368,850	\$ 3,940,427	428,423	11%	\$ 27,551,632	\$ 27,346,841	204,791	1%	\$ 27,183,920
18 Other Operating Revenue	\$ 13,344	\$ 12,038	1,306	11%	\$ 137,216	\$ 84,266	52,950	63%	\$ 87,020
19 Total Operating Revenue	\$ 4,382,194	\$ 3,952,465	429,729	11%	\$ 27,688,848	\$ 27,431,107	257,741	1%	\$ 27,270,940
<b>Operating Expenses</b>									
20 Salary and Wages and Agency Fees	\$ 1,937,084	\$ 2,012,326	75,242	4%	\$ 13,526,039	\$ 13,781,638	255,599	2%	\$ 12,934,564
21 Employee Benefits	842,461	671,904	(170,557)	-25%	5,174,547	4,906,187	(268,360)	-5%	4,598,561
22 Total People Cost	\$ 2,779,545	\$ 2,684,230	(95,315)	-4%	\$ 18,700,586	\$ 18,687,825	(12,761)	0%	\$ 17,533,125
23 Med and Prof Fees (excl Agency)	\$ 416,657	\$ 388,284	(28,373)	-7%	\$ 2,694,837	\$ 2,741,428	46,591	2%	\$ 3,224,550
24 Supplies	558,081	507,500	(50,581)	-10%	3,561,745	3,403,766	(157,979)	-5%	3,405,275
25 Purchased Services	439,564	379,876	(59,688)	-16%	2,792,673	2,673,496	(119,177)	-4%	2,203,035
26 Depreciation	204,044	199,672	(4,372)	-2%	1,283,079	1,397,704	114,625	8%	1,125,289
27 Utilities	66,913	82,610	15,697	19%	570,356	578,270	7,914	1%	540,239
28 Insurance	17,054	20,374	3,320	16%	138,304	142,618	4,314	3%	141,545
29 Interest	31,571	25,681	(5,890)	-23%	214,701	179,767	(34,934)	-19%	189,712
30 Other	118,339	116,673	(1,666)	-1%	588,739	805,271	216,532	27%	1,101,142
31 Operating expenses	\$ 4,631,768	\$ 4,404,900	(226,868)	-5%	\$ 30,545,020	\$ 30,610,145	65,125	0%	\$ 29,463,912
32 Operating Margin	\$ (249,574)	\$ (452,435)	202,861	45%	\$ (2,856,172)	\$ (3,179,038)	322,866	10%	\$ (2,192,972)
<b>Non Operating Rev and Expense</b>									
33 Electronic Health Records & Misc. Rev.	\$ 165,678	\$ 147,250	18,428	13%	\$ 1,115,180	\$ 887,667	227,513	26%	\$ 129,959
34 Donations	-	-	-	0%	10,000	190,583	(180,583)	95%	15,117
35 Professional Center/Phys Recruit	-	-	-	0%	-	-	-	0%	(1,366)
36 Physician Practice Support-Prima	(65,630)	(65,630)	-	0%	(459,410)	(459,410)	-	0%	(399,430)
37 Parcel Tax Assessment Rev	245,018	250,000	(4,982)	-2%	1,714,540	1,750,000	(35,460)	-2%	1,715,125
38 GO Bond Tax Assessment Rev	153,567	158,333	(4,766)	-3%	1,074,969	1,108,331	(33,362)	-3%	1,074,967
39 GO Bond Interest	(30,011)	(30,011)	-	0%	(210,077)	(210,077)	-	0%	(210,075)
40 Total Non-Operating Rev/Exp	\$ 468,622	\$ 459,942	8,680	2%	\$ 3,245,202	\$ 3,267,094	(21,892)	-1%	\$ 2,324,297
41 Net Income / (Loss) prior to Restricted Contributor	\$ 219,048	\$ 7,507	211,541	2818%	\$ 389,030	\$ 88,056	300,974	342%	\$ 131,325
42 Capital Campaign Contribution	\$ 17,948	\$ 47,500	(29,552)	-62%	\$ 331,692	\$ 285,000	46,692	16%	\$ -
43 Restricted Foundation Contributions	\$ -	\$ -	-	0%	\$ 114,334	\$ -	114,334	100%	\$ -
44 Net Income / (Loss) w/ Restricted Contributions	\$ 236,996	\$ 55,007	181,989	331%	\$ 835,056	\$ 373,056	462,000	124%	\$ 131,325
45 Net Income w/o GO Bond Activity	\$ 113,440	\$ (73,315)	186,755	255%	\$ (475,862)	\$ (810,198)	334,336	41%	\$ (733,567)

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

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
<b>Assets</b>			
Current Assets:			
1	\$ 1,239,472	\$ 2,006,788	\$ 3,007,792
2	339,459	339,459	1,133,483
3	8,604,595	8,172,226	7,703,335
4	4,607,120	4,552,278	1,841,528
5	(1,478,295)	(1,629,821)	(1,874,548)
6	204,547	44,923	712,037
7	-	-	-
8	905,016	887,934	972,182
9	1,048,555	1,198,317	1,533,136
10	<u>\$ 15,470,469</u>	<u>\$ 15,572,104</u>	<u>\$ 15,028,945</u>
11	\$ 186,333	\$ 186,193	\$ 253,764
12	11,717,094	12,690,050	10,506,859
13	20,592,634	18,571,818	11,329,510
14	11,702,114	14,541,543	20,812,464
15	-	-	36,984
16	1,869,598	1,849,766	550,619
17	312,018	313,616	514,338
18	<u>\$ 61,850,260</u>	<u>\$ 63,725,090</u>	<u>\$ 59,033,483</u>
<b>Liabilities &amp; Fund Balances</b>			
Current Liabilities:			
19	\$ 5,391,785	\$ 7,349,043	\$ 4,423,834
20	3,214,430	3,038,895	3,058,734
21	857,115	714,262	857,160
22	267,009	255,629	151,411
23	1,346,964	1,305,849	652,237
24	1,979,221	2,377,805	1,992,919
25	1,301,750	1,365,409	1,482,469
26	83,036	83,975	267,155
27	<u>\$ 14,441,310</u>	<u>\$ 16,490,867</u>	<u>\$ 12,885,919</u>
28	\$ 37,675,774	\$ 37,738,378	\$ 38,491,113
29	Fund Balances:		
30	\$ 7,148,440	\$ 6,929,057	\$ 7,587,807
31	2,584,736	2,566,788	68,644
32	<u>\$ 9,733,176</u>	<u>\$ 9,495,845</u>	<u>\$ 7,656,451</u>
33	<u>\$ 61,850,260</u>	<u>\$ 63,725,090</u>	<u>\$ 59,033,483</u>



**Sonoma Valley Hospital**  
**Statistical Analysis**  
**FY 2013**

Statistics	ACTUAL	BUDGET	ACTUAL												
	Jan-13	Jan-13	Dec-12	Nov-12	Oct-12	Sep-12	Aug-12	Jul-12	Jun-12	May-12	Apr-12	Mar-12	Feb-12	Jan-12	Dec-11
<b>Acute</b>															
Acute Patient Days	613	446	456	351	443	347	432	396	354	363	436	435	399	448	455
Acute Discharges	159	126	117	104	121	109	117	115	107	116	129	128	145	125	130
<b>SNF Days</b>	707	669	671	638	576	617	682	633	688	729	618	672	567	662	685
<b>HHA Visits</b>	1,076	913	940	921	1,043	802	1,052	937	941	989	997	1,023	950	967	913
<b>Emergency Room Visits</b>	852	790	793	732	801	788	884	838	810	863	717	783	692	791	741
<b>Gross Outpatient Revenue (000's)</b>	\$8,805	\$8,584	\$8,302	\$8,485	\$8,935	\$8,151	\$9,014	\$8,153	\$7,667	\$8,120	\$7,880	\$8,707	\$7,983	\$8,640	\$7,838
<b>Equivalent Patient Days</b>	2,594	2,456	2,353	2,213	2,214	2,202	2,509	2,202	2,355	2,362	2,236	2,451	2,214	2,412	2,374
<b>Births</b>	19	16	13	14	9	11	16	9	15	6	23	11	10	9	17
<b>Surgical Cases - Inpatient</b>	38	38	32	35	37	37	40	41	28	37	38	37	31	33	43
<b>Surgical Cases - Outpatient</b>	78	94	94	95	91	97	98	82	92	99	99	117	84	99	89
<b>Total Surgical Cases</b>	116	132	126	130	128	134	138	123	120	136	137	154	115	132	132
<b>Medicare Case Mix Index</b>	1.52	1.40	1.51	1.47	1.29	1.49	1.40	1.61	1.50	1.64	1.36	1.29	1.40	1.32	1.47
<b>Income Statement</b>															
Net Revenue (000's)	4,006	3,640	4,085	3,679	3,963	3,707	3,926	3,822	4,832	3,741	3,739	3,925	3,867	3,924	4,247
Operating Expenses (000's)	4,632	4,405	4,482	4,235	4,407	4,221	4,312	4,257	5,278	4,686	4,413	4,372	4,160	4,230	4,584
Net Income (000's)	237	55	134	174	67	65	127	31	889	343	(14)	24	36	23	(13)
<b>Productivity</b>															
Total Operating Expense Per Equivalent Patient Day	\$1,786	\$1,794	\$1,905	\$1,914	\$1,990	\$1,917	\$1,719	\$1,933	\$2,241	\$1,984	\$1,974	\$1,784	\$1,879	\$1,746	\$1,931
Productive FTEs	284	285	284	266	281	291	284	281	285	285	274	271	272	266	274
Non-Productive FTE's	37	30	33	47	36	39	37	41	34	28	28	28	26	35	27
Total FTEs	321	315	317	313	316	330	321	322	318	313	302	303	299	300	302
FTEs per Adjusted Occupied Bed	3.84		4.24	4.24	4.43	4.37	3.97	4.53	4.05	4.11	4.05	3.84	3.80	3.84	3.94
<b>Balance Sheet</b>															
Days of Expense In General Operating Cash	9		14	7	12	14	13	14	13	15	20	16	20	25	23
Net Days of Revenue in AR	51		53	52	53	50	50	50	48	47	46	45	44	45	45



**Sonoma Valley Hospital**  
**Statement of Cash Flows**  
**For the Period Ended**

	<u>Current Month</u>	<u>Year To Date</u>
<b>Operating Activities</b>		
Net Income (Loss)	236,996	835,056
<b>Adjustments to reconcile change in net assets to net cash provided by operating activities:</b>		
Depreciation and amortization	206,872	1,284,445
Net changes in operating assets and liabilities:		
(Increase)/Decrease Patient accounts receivable - net	(583,895)	(1,194,714)
(Increase)/Decrease Other receivables and other assets	(212,868)	3,196,756
(Increase)/Decrease Prepaid expenses	149,762	(479,075)
(Increase)/Decrease in Inventories	(17,082)	(40,879)
(Decrease)/Increase in Deferred revenues	(357,469)	(2,393,376)
(Decrease)/Increase in Accounts payable, accrued expenses	(1,628,094)	277,746
<b>Net Cash Provided/(Used) by operating activities</b>	<u>(2,205,778)</u>	<u>1,485,959</u>
<b>Investing Activities</b>		
Net Purchases of property, plant and equipment - Other Fixed Assets	(91,373)	(564,193)
Net Purchases of property, plant and equipment - GO Bond Purchases	(1,161,897)	(7,812,214)
Net Proceeds and Distributions from investments	-	36,839
Net Book Value of Assets Disposed	(1,462)	(1,462)
Change in Restricted Funds	-	-
Change in Limited Use Cash (Payment)/Refund of Deposits	2,819,457	7,198,165
<b>Net cash Provided/(Used) by investing activities</b>	<u>1,564,725</u>	<u>(1,142,865)</u>
<b>Financing Activities</b>		
Proceeds (Repayments) from Borrowings - Banks & Carriers	(126,263)	(894,471)
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)		
<b>Net cash Provided/(Used) by financing activities</b>	<u>(126,263)</u>	<u>(894,471)</u>
<b>Net increase/(Decrease) in cash and cash equivalents</b>	<u>(767,316)</u>	<u>(551,377)</u>
Cash and Equivalents at beginning of period	<u>2,006,788</u>	<u>1,790,849</u>
<b>Cash and Equivalents at January 31, 2013</b>	<u><u>1,239,472</u></u>	<u><u>1,239,472</u></u>

5.

# PROJECTED CASH FLOWS

**Cash Flow Projection  
Sonoma Valley Hospital**

Updated: **02/20/13**

		3 Pay Periods					3 Pay Periods							
		Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14
		Actual	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
<b>Operating Activities</b>														
1	Net Income	236,996	105,267	186,631	1,111,032	153,805	52,768	577,994	52,768	52,768	52,768	52,768	52,768	52,768
2	Add: Depreciation & Amortization	205,410	201,661	201,661	201,661	201,661	201,661	301,661	301,661	301,661	301,661	301,661	301,661	301,661
3	Decrease (Inc) in Net Accts Receivable	(583,895)	558,248	128,785	-	643,927	-	-	-	-	-	-	-	-
4	Dec (Inc) in Inventories/Other Rec'v & Assets	(229,949)	1,464,115	7,000	(143,000)	197,000	(4,826,007)	-	882,115	750,000	-	750,000	-	750,000
5	Decrease (Inc) in Prepaid Expenses	149,762	40,327	40,327	40,327	40,327	40,327	40,327	40,327	40,327	40,327	40,327	40,327	40,327
6	Increase (Dec) in Accounts Payable	(1,956,923)	(998,691)	(70,022)	(993,156)	(36,500)	913,492	(1,402,303)	(467,434)	(233,717)	-	-	-	-
7	Increase (Dec) in Payroll Accruals	175,535	378,516	348,203	251,795	(1,163,509)	239,795	264,203	354,203	143,795	(1,061,509)	245,795	348,203	345,224
8	Increase (Dec) in Accrued Expenses	11,380	130,705	22,979	34,979	28,979	22,979	(61,021)	28,979	(73,021)	130,979	28,979	22,979	20,000
9	Increase (Dec) in Deferred Revenue	(357,469)	(398,586)	(398,584)	(398,584)	(398,584)	4,384,424	(398,584)	(398,584)	(398,584)	(398,584)	(398,584)	(398,584)	(398,584)
10	Increase (Dec) in Interest Payable	142,853	(714,265)	142,853	142,853	142,853	142,853	142,853	(714,448)	142,670	142,670	142,670	142,670	142,670
11	Increase (Dec) in Other Liabilities	(939)	-	-	-	-	-	-	-	-	-	-	-	-
12	<b>Net Cash Provided By Operating Activities</b>	<b>(2,207,239)</b>	<b>767,298</b>	<b>609,834</b>	<b>247,908</b>	<b>(190,042)</b>	<b>1,172,292</b>	<b>(534,870)</b>	<b>79,587</b>	<b>725,899</b>	<b>(791,688)</b>	<b>1,163,616</b>	<b>510,024</b>	<b>1,254,066</b>
<b>Capital and Related Financing Activities</b>														
13	Purchase of Capital Equipment/CIP	(1,253,271)	(2,490,537)	(3,278,851)	(3,584,295)	(2,158,206)	(2,525,910)	(2,724,615)	(1,972,723)	(1,650,891)	(1,028,448)	(1,353,316)	(15,000)	(15,000)
14	New Financing	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Transfers from Bond Fund	2,839,429	2,440,537	3,228,851	3,534,295	2,108,206	2,425,910	2,709,615	1,957,723	1,635,891	1,013,448	1,338,316	-	-
16	Repayments of Long-Term Debt	(126,263)	(150,798)	(150,798)	(150,798)	(150,798)	(150,798)	(150,798)	(150,798)	(150,798)	(89,099)	(82,800)	(82,800)	(82,800)
17	Transfers From (To) Restricted/Trustee Funds	(19,972)	-	-	-	-	-	-	-	-	-	-	-	-
18	<b>Net Cash Used in Financing Activities</b>	<b>1,439,923</b>	<b>(200,798)</b>	<b>(200,798)</b>	<b>(200,798)</b>	<b>(200,798)</b>	<b>(250,798)</b>	<b>(165,798)</b>	<b>(165,798)</b>	<b>(165,798)</b>	<b>(104,099)</b>	<b>(97,800)</b>	<b>(97,800)</b>	<b>(97,800)</b>
19	<b>Net Increase (Decrease) in Operating Cash</b>	<b>(767,316)</b>	<b>566,500</b>	<b>409,036</b>	<b>47,110</b>	<b>(390,840)</b>	<b>921,494</b>	<b>(700,668)</b>	<b>(86,211)</b>	<b>560,101</b>	<b>(895,787)</b>	<b>1,065,816</b>	<b>412,224</b>	<b>1,156,266</b>
<b>Operating Cash Balances</b>														
20	Cash At Beginning of Period	2,006,788	1,239,472	1,805,972	2,215,008	2,262,118	1,871,278	2,792,772	2,092,104	2,005,893	2,565,994	1,670,207	2,736,023	3,148,247
21	Change	(767,316)	566,500	409,036	47,110	(390,840)	921,494	(700,668)	(86,211)	560,101	(895,787)	1,065,816	412,224	1,156,266
22	Cash At End of the Period	1,239,472	1,805,972	2,215,008	2,262,118	1,871,278	2,792,772	2,092,104	2,005,893	2,565,994	1,670,207	2,736,023	3,148,247	4,304,513
<b>Statistics</b>														
23	Days Cash on Hand (Operating Only)	9	13	16	17	14	21	16	15	19	13	21	24	33
24	Days in Net Accounts Receivable	51	51	50	50	45	45	45	45	45	45	45	45	45
25	Days in Accounts Payable	90	90	90	70	70	90	60	50	45	45	45	45	45

Objectives:

- \* Maintain cash around \$1.5 million
- \* Hold off major capital spending to January, unless cash improves
- \* Pay back Napa State starting in January
- \* Reduce days in Accounts Payable to 45 by year end, but balance cash with AP
- \* Maintain days in Accounts Receivable at 45

6.

QUARTERLY  
CAPITAL SPENDING

**SONOMA VALLEY HOSPITAL**  
**2013 Capital Spending**  
**as of December 31, 2012**

**Equipment**

2012 Carryover Equipment	\$ 54,555
2013 Equipment	\$ 52,682
	<u>\$ -</u>
<b>Total Equipment</b>	<u><u>\$ 107,237</u></u>

**2013 Equipment**

Body Composition Analyzer	\$ 4,642
HP Proliant DL360P Server	\$ 8,950
HP Compaq Pro w/19" Monitor	\$ 849
Medical Grade Undercounter Refrigerator	\$ 1,789
HP P3015X Laserjet printer	\$ 725
2012 Chevy Colorado Truck	\$ 21,542
Whirlpool Top Load Washer	\$ 1,067
Canon EOS Digital Camera	\$ 1,025
Telephone expansion - Hwy. 12	\$ 7,824
Replace glass in ICU	<u>\$ 4,271</u>
Subtotal Current Year	\$ 52,682

**2012 Carryover Equipment**

Blood Bank Refrigerator	\$ 6,582
Reclass to CIP	\$ (3,640)
Returned Warming cabinets	\$ (550)
A/P Paperless System	\$ 46,995
SNF Artwork	\$ 2,452
Cable, sink	\$ 616
Hwy. 12 Additional signage	<u>\$ 2,100</u>
Subtotal Prior Year	\$ 54,555

Total	<u><u>\$ 107,237</u></u>
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