



SVHCD FINANCE COMMITTEE MEETING AGENDA

TUESDAY, AUGUST 27, 2024

6:00 p.m. Regular Session

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

Join Zoom Meeting

<https://sonomavalleyhospital-org.zoom.us/j/96092860630>

Meeting ID: 960 9286 0630

One tap mobile

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AGENDA ITEM	RECOMMENDATION	
In compliance with the Americans with Disabilities Act, if you require special accommodations to attend a District meeting, please contact the Board Clerk, Whitney Reese, at wreese@sonomavalleyhospital.org or 707.935.5005 at least 48 hours prior to the meeting.		
MISSION STATEMENT <i>The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</i>		
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Boerum</i>	
2. PUBLIC COMMENT SECTION <i>At this time, members of the public may comment on any item not appearing on the agenda. It is recommended that you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Board at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up for Board consideration.</i>	<i>Boerum</i>	
3. CONSENT CALENDAR a. Finance Committee Minutes 07.23.24 b. Finance Committee Charter (formatting revision)	<i>Boerum</i>	Action
4. ICU CONTRACT AWARD	<i>Kimberly Drummond</i>	Action
5. RESOLUTION # 379 - SETTING TAX RATE FOR FY24-25 GO BONDS	<i>Armfield</i>	Action
6. BANK RELATIONSHIP UPDATE • New Relationship Update • US Bank LOC Extension	<i>Armfield</i>	Inform
7. FINANCIAL REPORTS FOR MONTH END JULY 2024	<i>Armfield</i>	Inform
8. ADJOURN	<i>Boerum</i>	



**SVHCD
FINANCE COMMITTEE MEETING
MINUTES**

TUESDAY, JULY 23, 2024

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

Present	Not Present/Excused	Staff/Public
Bill Boerum, in person Wendy Myatt Lee, in person Dennis Bloch, in person Ed Case, in person Catherine Donahue, via zoom Robert Crane, in person Carl Gerlach, in person	Graham Smith Subhash Mishra, MD	Ben Armfield, SVH CFO, in person John Hennelly, SVH CEO, in person Dave Pier, ED of SVH Foundation, via zoom Dan Kittleson, in person Whitney Reese, SVH Board Clerk, in person Dawn Kuwahara, RN BSN, SVH Chief Ancillary Officer, in person

MISSION & VISION STATEMENT

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

AGENDA ITEM	DISCUSSION	ACTIONS
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Bill Boerum</i>	
	Committee members excused absent: Subhash Mishra	Meeting called to order 6:00pm
2. PUBLIC COMMENT SECTION	None	
3. CONSENT CALENDAR	<i>Bill Boerum</i>	Action
a. BOD & Finance Committee Joint Minutes 05.28.24 b. Finance Committee Minutes 05.28.24	a. Motion to approve by Bloch, 2 nd by Crane b. Motion to approve by Bloch, 2 nd by Myatt Lee	MOTION: Both minutes approved. All in favor
4. BANK PROPOSALS	<i>Ben Armfield</i>	Action
	Armfield presented two banking proposals, Summit Bank and Poppy Bank, detailing the pros and cons. The committee discussed challenges faced with several banks, including Wells Fargo and Exchange Bank, that declined involvement due to the hospital's fragile financial situation and the complexities of healthcare as an industry. The discussion also covered the difficulty in securing collateral, with concerns about the enforceability of a lien and the legal counsel's hesitancy to provide a definitive opinion on it. Summit's offer includes a one-year line of credit, with fees significantly influenced by a third-party guarantee program, while Poppy offers a five-	MOTION: recommend to the BOD to agree to Summit's terms with a counter offer for a 5 year agreement (will accept 3 year+) by Bloch to approve, 2 nd by Case. All in favor

	year line of credit secured by hospital property. The committee expressed concerns about the risks associated with Summit's one-year term and debated the merits of each option, including the potential need for further discussions with U.S. Bank and legal counsel to ensure the best outcome.	
5. FINANCIAL REPORTS FOR MONTH END MAY & JUNE 2024	<i>Ben Armfield</i>	Inform
	Armfield presented Financial Reports for month end for May & June. Discussion highlighted concerns about the hospital's negative operating margin and the challenges of sustaining financial stability. Recent successes included receiving additional funds through the IGT (Intergovernmental Transfer) program. Rate Range IGT Resetting was presented.	
6. ADJOURN	<i>Bill Boerum</i>	Meeting adjourned at 7:02pm



SUBJECT: Finance Committee Charter

PAGE 1 of 3

REVISED: 03.26.24

EFFECTIVE: 06.06.24

PURPOSE:

This charter sets forth the duties and responsibilities and governs the operations of the Finance Committee (“FC”) of the Board of Directors (“BOD”) of Sonoma Valley Health Care District (“SVHCD”), a nonprofit corporation organized and existing under the California Law.

The FC’s purpose is to assist the BOD in its oversight of the SVHCD’s financial affairs, including SVHCD’s financial condition, financial planning, operational, and capital budgeting, debt structure, debt financing and refinancing and other significant financial matters involving the SVHCD. The FC is the body which makes recommendations to the BOD on all financial decisions.

RESPONSIBILITIES:

Review Monthly Financial Operating Performance

- Review the SVHCD’s monthly financial operating performance. The FC will review the monthly financial statements, including but not limited to the Statement of Revenues and Expenses, Balance Sheet, Statement of Cash Flows, and Operating Indicator Report, prepared by management. The FC will also review other financial indicators as warranted.
- Review management’s plan for improved financial and operational performance including but not limited to new patient care programs, cost management plans, and new financial arrangements. The FC will make recommendations to the BOD when necessary.

Budgets

- Review and recommend to the BOD for approval an annual operating budget for the SVHCD.
- Review management’s budget assumptions including volume, growth, inflation, and other budget assumptions.
- Review and recommend to the BOD for approval an annual capital expenditures budget, and unbudgeted capital expenditures for SVHCD. If deemed appropriate by the FC, review and recommend to the BOD for approval projected capital expenditures budgets for one or more succeeding years.

Debt, Financing, and Refinancing

- Evaluate and monitor SVHCD’s long and short-term indebtedness, debt structure, collateral or security, therefore, cash flows, and uses and applications of funds.
- Evaluate and recommend to the BOD for approval proposed new debt financing, including lines of credit, financings and refinancing, including (i) interest rate and whether the rate will be fixed or floating rate; (ii) collateral or security, if any; (iii) issuance



SUBJECT: Finance Committee Charter

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REVISED: 03.26.24

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costs; (iv) banks, investment banks, and underwriters retained or compensated by SVHCD in connection with any financing or refinancing.

- Review and recommend to the BOD all guarantees or other obligations for the indebtedness of any third party.

Insurance

- Review on an annual basis all insurance coverage, including (i) identity and rating of carriers; (ii) premiums; (iii) retentions; (iv) self-insurance; (v) stop-loss policies; and (vi) all other aspects of insurance coverage for healthcare institutions.

Investment Policies

- Review and recommend to the BOD, SVHCD's cash management and cash investment policies, utilizing the advice of financial consultants as the FC deems necessary or desirable.
- Review and recommend to the BOD, SVHCD's investment policies relating to assets of any employee benefit plans maintained and controlled by SVHCD, utilizing the advice of financial consultants as the FC deems necessary or desirable.

General

- Review and recommend the services of all outside financial advisors, financial consultants, banks, investment banks, and underwriters for SVHCD. Review annually SVHCD's significant commercial and investment bank relationships.
- Review and recommend consideration of any acquisition, merger, combination, or affiliation with another healthcare enterprise.
- Perform any other duties and responsibilities as the BOD may deem necessary, advisable or appropriate for the FC to perform.
- Perform such other duties and responsibilities as the FC deems appropriate to carry out its purpose as provided in this Charter.
- The FC will be invited to attend the presentation by SVHCD's independent auditors.
- The FC shall report to the BOD on the status of its prior fiscal year's work plan accomplishments by after the completion of the Financial Statement Audit.



SUBJECT: Finance Committee Charter

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REVISED: 03.26.24

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Rules

Charter Review:	Will be reviewed/revised, at a minimum, every three years. Changes will be submitted to the BOD of Directors for approval.
Authority to Act:	In compliance with the Charter and as directed by Executive Leadership and the BOD
Meeting Schedule:	At least ten meetings per year
Voting Members:	The FC shall have at least seven and no more than nine voting members. <ul style="list-style-type: none">• 2 BOD members, one being the Treasurer<ul style="list-style-type: none">○ One of whom shall be the FC chair, the other the vice-chair• 4-6 SVHCD Citizens• At least one (1) member of the Medical Staff of Sonoma Valley Hospital (SVH)
Quorum Requirement:	Half plus one member present
Chair:	One of the appointed BOD Members
Composition:	Voting FC Members, Presenters, SVH Chief Executive Officer, and SVH Chief Financial Officer

FC Membership

The FC's membership is subject to the Approval of the BOD. The BOD shall recruit members of the FC that are representative of the diverse constituencies of SVHCD.

Public Participation

All FC meetings shall be announced and conducted pursuant to the Brown Act. The general public, patients, and their families and friends, Medical and SVH Staff are always welcome to attend and provide input. Other BOD members may attend but only as "observers" as defined in the Brown Act.

ICU Nurse Station Replacement

Project

Sonoma Valley Health Care District
Finance Committee Meeting
August 27, 2024

Overview

ICU Project Scope Overview

ICU Project Budget

ICU Project Schedule

ICU Bid Overview

ICU Bid Award Recommendation

Project Scope Overview

ICU Project Scope

- Replace nurse station casework with systems furniture
- Replace Med Prep station in Nurse area. Infill window above med prep station for vertical storage
- Replace Isolation room hand wash and storage area
- Replace flooring in Main ICU area and Physician office, and Lockers; paint Main ICU area
- Replace laminate in headwalls in all ICU rooms
- ICU Room footwalls – add TV's in 5 rooms with new electrical, accent paint, refresh communication board & organize clinical accessories for nurse functionality
- Add emergency power outlets outside rooms 1 & 6

PROJECT BUDGET

BUDGET BREAKDOWN	
Design	\$122K
Permit & Inspection Service Costs	\$39K
Construction Costs	\$383K
Furniture Fixtures & Equipment Costs	\$51K
Communication & Low Voltage Costs	\$10K
Owner Costs/Project Management	\$39K
Contingency	\$67K
TOTAL PROJECT	\$711K

PROJECT RISKS	
Additional Flooring in Physician office and Locker room	Contractor Change Order to be negotiated ahead of start of work

\$601K funded by the Foundation; \$110K funded by SVH Capital

PROJECT SCHEDULE

SCHEDULE	TARGET COMPLETION
START OF CONSTRUCTION	9/30/24
SYSTEM FURNITURE ARRIVAL AT SITE	MID OCTOBER 2024
END OF CONSTRUCTION	EARLY DECEMBER 2024
HCAI PROJECT SIGN-OFF AND CLOSURE	12/28/2024

BID OVERVIEW

PUBLIC BID – ICU NURSE STATION REPLACEMENT

- 5 – GENERAL CONTRACTORS ATTENDED PRE-BID WALKTHROUGH
- ALL PARTICIPANTS AT PRE-BID WALKTHROUGH ARE ELIGIBLE TO BID
- 3 – BID PACKAGE RECEIVED AT BID DEADLINE
 - RIDGEVIEW BUILDERS - \$302,000.00
 - COLIN CONSTRUCTION - \$328,987.00
 - GMH BUILDERS - \$448,300.00

BID AWARD RECOMMENDATION

PUBLIC BID – ICU NURSE STATION REPLACEMENT

- RECOMMENDING AWARD TO RIDGEVIEW BUILDERS, INC. AS LOWEST RESPONSIVE BIDDER
- BID AMOUNT - \$302,000.00
- BID AMOUNT WITHIN CONSTRUCTION BUDGET OF \$383K
- NOTE: IT IS ALSO RECOMMENDED THAT A BID INFORMALITY BE WAIVED IN ACCORDANCE WITH BID MANUAL 00 11 16 NOTICE INVITING BIDS AND SECTION 4.10.8 MINOR DEVIATIONS FROM THE POLICY AND PROCEDURES GOVERNING BIDDING FOR FACILITY PROJECTS

BID INFORMALITY / MINOR DEVIATION

00 11 16 – NOTICE INVITING BIDS

NOTICE IS HEREBY GIVEN that the Sonoma Valley Healthcare District (“District”) invites and will receive sealed Bids up to but not later than **12:00 Noon on August 2nd, 2024** at the Sonoma Valley Hospital Basement Conference Room, located at 347 Andrieux Street, Sonoma, California, for the furnishing to District of all labor, equipment, materials, tools, services, transportation, permits, utilities, and all other items necessary for **ICU Nurse Station Replacement Project** (the “Project”). At said time, Bids will be publicly opened and read aloud. Bids received after said time shall be returned unopened. Bids shall be valid for a period of 90 calendar days after the Bid opening date.

District shall award the contract for the Project to the lowest responsive, responsible Bidder as determined by the District from the Base Bid. District reserves the right to reject any or all bids or to waive any irregularities or informalities in any bids or in the bidding process.

END OF NOTICE INVITING BIDS



POLICY AND PROCEDURES GOVERNING BIDDING FOR FACILITY PROJECTS # P-2019.08.01

4.10.8 Minor Deviations. The Board reserves the right to waive inconsequential deviations from the specifications in the substance or form of formal bids received.

- PRINCIPAL/CONTRACTOR DID NOT SIGN THE BID BOND; HOWEVER, IT WAS SIGNED BY THE SURETY
- THE INFORMALITY OR INCONSEQUENTIAL DEVIATION DOES NOT AFFECT THE ENFORCIBILITY OF THE BOND ACCORDING TO LEGAL COUNSEL

Reference cited by SVH Legal Counsel - “(A) bond is enforceable if signed by the surety, regardless of whether it is signed by the principal/contractor. (Civ. Code, § 2793; *Pacific Mill & Timber Co. v. Massachusetts Bonding & Ins. Co.* (1923) 192 Cal. 278, 282-292; *Hill v. New Amsterdam Cas. Co.* (1930) 105 Cal.App. 156, 158 -159; *C. Ganahl Lumber Co. v. Thompson* (1928) 205 Cal. 354, 358.)”



NEXT STEPS

- QUESTIONS?
- BOARD ACTION: AWARD RIDGEVIEW BUILDERS, INC. –
ICU NURSE STATION REPLACEMENT - \$302,000.00



To: SVHCD Finance Committee
From: Ben Armfield, Chief Financial Officer
Date: August 27, 2024
Subject: Resolution No. 379 - Setting the Tax Rate
for the 2024-25 Fiscal Year GO Bonds

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 \$18.50 per \$100,000 of the assessed value of the secured property in the District.

Background and Reasoning:

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.

Consequences of Negative Action/Alternative Actions:

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

Financial Impact:

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 2024-25.

Other Items of Note:

The 2024-25 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:

Resolution No. 379

SONOMA VALLEY HEALTH CARE DISTRICT

RESOLUTION No. 379

**RESOLUTION SETTING THE TAX RATE FOR THE 2024-25
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 2024-25 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 (\$13,501,129,238) the tax rate required to assure payment of the principal of, interest on and a reasonable reserve for the Bonds for Fiscal Year 2024-25 is \$18.50 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 2024-25 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 5th day of September 2024, by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Judith Bjorndal
Chair, Board of Directors
Sonoma Valley Health Care District

ATTEST:

Susan Kornblatt Idell
Secretary, Board of Directors
Sonoma Valley Health Care District



To: SVHCD Finance Committee
 From: Ben Armfield, Chief Financial Officer
 Date: August 27, 2024
 Subject: Financial Report for July 2024

Overall Summary

July marked the beginning of our new fiscal year, and it was a positive start from operations as July’s performance rebounded from a subpar June to deliver a strong month. In fact, this past month marks one of the better financial performances from operations in recent months as July’s operating margin far exceeded both budget and the hospital’s most recent 6-month trend. The hospital posted a positive Operating EBDA in July, which marks just the third time this has happened during the last 13 months. This is notable given that July does not include any surgical activity from our new orthoped or the 3 Tesla MRI magnet.

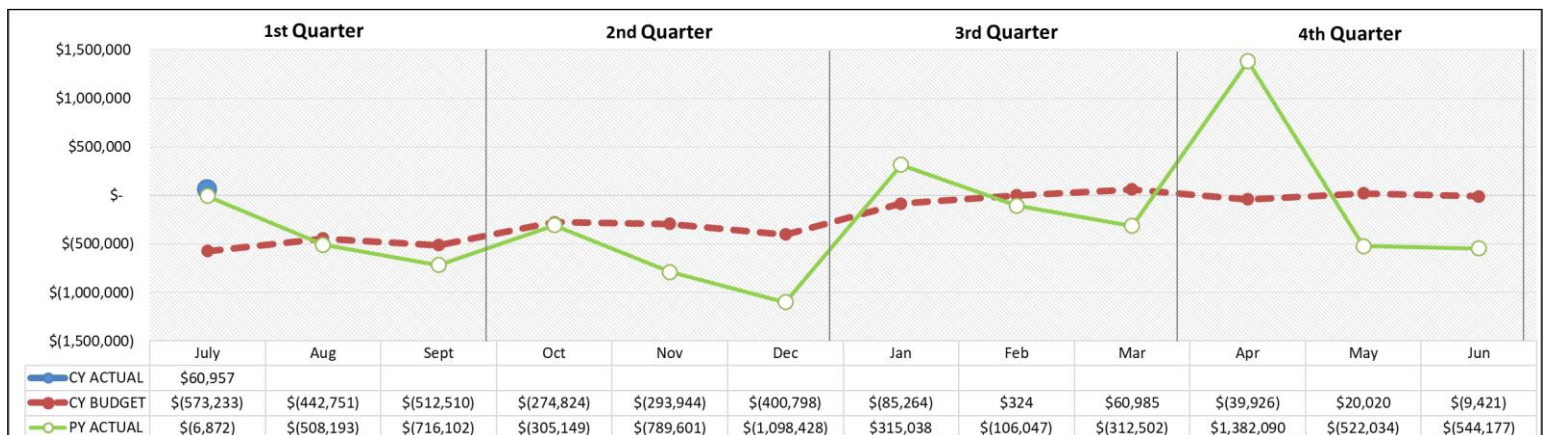
Revenue was the main driver in July’s uptick. While surgical volumes remained flat from June, strong emergency room and physical therapy volumes headlined an increase in activity that resulted in gross revenues exceeding budget by over 10%.

The budget targets will be ramping up as we progress through the first quarter of the fiscal year so it will be important to maintain this momentum, but this certainly is a strong start to FY25.

Table 1 | Overall Performance - July 2024

	Current Year Month		Variance		Current Year YTD		Variance		PY YTD		Variance	
	Actual	Budget	\$	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Margin	\$ (458,136)	\$ (1,094,938)	\$636,802	58%	\$ (458,136)	\$ (1,094,938)	\$ 636,802	58%	\$ (247,086)	\$ (211,050)	-85%	
Operating EBDA	\$ 60,957	\$ (573,233)	\$634,191	111%	\$ 60,957	\$ (573,233)	\$ 634,191	111%	\$ (6,872)	\$ 67,829	987%	
Operating EBDA w Parcel	\$ 377,624	\$ (260,733)	\$638,358	245%	\$ 377,624	\$ (260,733)	\$ 638,358	245%	\$ 309,795	\$ 67,829	22%	
Net Income (Loss)	\$ 3,717	\$ (594,334)	\$598,051	101%	\$ 3,717	\$ (594,334)	\$ 598,051	101%	\$ 267,167	\$ (263,450)	-99%	

Graph 1.1 | SVH Trended Operating EBDA



Drivers in Month's Performance:

IGT Accrual

As has been discussed with the committee over the past couple of months, we have modified the accounting method for how we recognize our Intergovernmental Transfer (IGT) revenues and expenses. In previous years, we would recognize both the revenue and the expense in the month that the hospital's matching fee was paid, which triggered the IGT funding process. This method created significant month-to-month variances in our financial statements, particularly over the last two fiscal years as the timing of IGT payments fluctuated from their historical timelines. These variances made it very challenging to accurately track our financial performance on a consistent basis.

We have adopted a new approach for this fiscal year. Starting in July we are now accruing our estimated IGT activity—based on what was budgeted for the fiscal year—equally over the 12-month period. This change aims to smooth out the financial impact and provide a more stable and predictable reflection of our performance throughout the year. As IGT funds are paid, we will reconcile these amounts to true-up what has been accrued, ensuring accuracy and alignment with actual payments.

Our income statement will now include \$506,356 of monthly net income related to our IGT programs, which consists of \$871,547 in revenue and \$365,191 in expense. This change should help us avoid the significant variances we experienced in the past and provide better visibility into our financial health.

Surgical Volumes

Surgical volumes in July did trail budget as the 131 surgeries matched the total from the prior month. We did see a big spike in GI volumes, which helped mitigate another decrease in orthopedic surgeries. There were some incremental volumes budgeted in July for our new Orthopod, so that is driving some of the variance as Dr. Walter's injury prevented him from performing any surgeries last month. The good news on this front is that he did start performing cases in August, so orthopedic volumes should start ramping up immediately.

Emergency Room Volumes

Emergency room visits continue to be strong, with volumes running 12% over budget. July marked the second busiest month in the ER over the last couple of years, only falling short of the prior month. Between June and July, we have started to realize close to 30 visits per day. That was the goal when the new group was brought in, and represents a 15% increase over historical volumes with the prior group. There is further capacity to grow and we are working operationally to facilitate. Meanwhile, the increase in volumes is a clear indication of the demand, and our team has done an excellent job managing the higher patient load.

Physical Therapy Volumes

July was a banner month for our physical therapy department, providing care for over 1,400 visits in the month. As far as we can tell, this marks an all-time high for the department. Very encouraging and also speaks to the ability of our team and their continued ability to meet the ever-growing demand for PT services.

Other Volumes

Many of our other outpatient departments found themselves busy in July as well, as our total outpatient visits exceeded budget by 15%. As mentioned above, physical therapy volumes were a significant driver in this, but we also saw notable surges in medical imaging, CT, ultrasound, and wound care. CT volumes in particular, as July now marks six straight months of consistent volume growth.

MRI volumes remained consistent with prior months, but that should start to change now that our 3 Tesla Magnet is live and operational.

Other Updates:

Orthopedics: We are pleased to report that our new orthopedic surgeon, Dr. Chris Walter, performed his first surgical case at SVH last week. All went well and he was very complimentary of the surgical team and facilities. He has scheduled his first major surgeries (hip replacements) for September, and we will start to see our orthopedic surgical volumes increase now that he is up and running. We are currently working with him to see where we can make some strategic investments to help solidify our orthopedic program and also grow our market share here in the Valley.

Temporary MRI Project: We are pleased to report that the 3T MRI magnet has received approval and is now fully operational as of a couple of weeks ago. We have already observed modest increases in volume, which is encouraging. Looking ahead, key training sessions for urologic and breast imaging are scheduled for mid-September, and we anticipate a significant increase in utilization once these trainings are completed. We also continue to work with UCSF to improve referrals from their waiting lists.

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

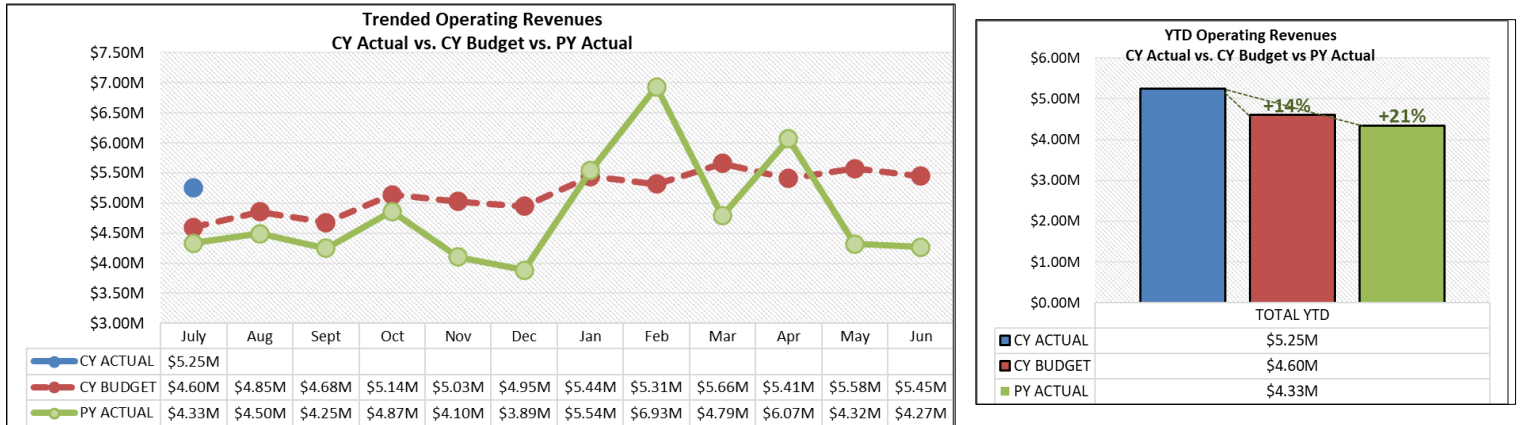
Audit Update: Auditors from Moss Adams were on-site last week as field work continues on our Fiscal Year 2024 audit.

2. NET REVENUE AND VOLUME SUMMARY:

Table 2 | Net Patient Revenue – Actual vs. Budget – July 2024

	Current Year Month		Variance		Current Year YTD		Variance		PY YTD		Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%	
Gross Revenue	\$ 27.98M	\$ 25.20M	\$ 2.79M	11%	\$ 27.98M	\$ 25.20M	\$ 2.79M	11%	\$ 27.70M	\$ 0.29M	1%	
Net Patient Revenue	\$ 5.15M	\$ 4.51M	\$ 0.64M	14%	\$ 5.15M	\$ 4.51M	\$ 0.64M	14%	\$ 4.25M	\$ 0.90M	21%	
NPR as a % of Gross	15.3%	14.4%	6.0%		15.3%	14.4%	6.0%		15.3%	-0.3%		
Total Operating Revenue	\$ 5.25M	\$ 4.60M	\$ 0.65M	14%	\$ 5.25M	\$ 4.60M	\$ 0.65M	14%	\$ 4.33M	\$ 0.92M	21%	

Graph 2.1 | SVH Trended Operating Revenue



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

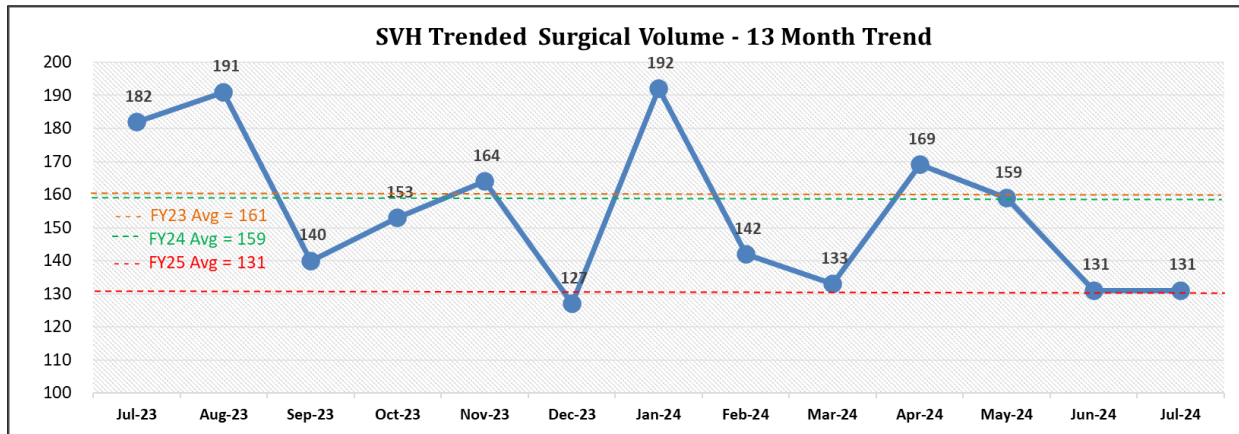


Table 2.3 | Surgical Volumes Top 4 Service Lines – July 2024 vs Prior Month & Six-Month Trend

Service Line	Current Mth vs. Previous Mth				6 Month Trend						Current Mth vs. 6 Mth Trend		
	JuL24	Jun24	Var	% Var	Jan24	Feb24	Mar24	Apr24	May24	Jun24	6 Month Trend	Var	% Var
Orthopedics	26	35	(9)	-26%	67	40	33	46	27	35	41	(15)	-37%
Gastroenterology	77	53	24	45%	67	59	62	73	85	53	67	11	16%
Ophthalmology	14	23	(9)	-39%	22	20	18	18	20	23	20	(6)	-31%
General	5	14	(9)	-64%	18	11	15	17	14	14	15	(10)	-66%
SubTotal	122	125	(3)	-2%	174	130	128	154	146	125	143	(21)	-15%
Other	9	6	3	50%	18	12	5	15	13	6	12	(3)	-22%
Grand Total	131	131	-	0%	192	142	133	169	159	131	154	(23)	-15%

Table 2.4 | Patient Volumes – July 2024

	Current Year Month		Variance		Current Year YTD		Variance		PY YTD		Variance	
	Actual	Budget	Var	%	Actual	Budget	Var	%	Actual	Var	%	
Acute Patient Days	230	259	(29)	-11%	230	259	(29)	-11%	235	(5)	-2%	
Average Daily Census	7.4	8.4	(1.0)	-11%	7.4	8.4	(1.0)	-11%	7.6	(0.2)	-2%	
Acute Discharges	65	72	(7)	-10%	65	72	(7)	-10%	58	7	12%	
IP Surgeries	7	12	(5)	-40%	7	12	(5)	-40%	14	(7)	-50%	
OP Surgeries/Spec Proc	124	135	(11)	-8%	124	135	(11)	-8%	168	(44)	-26%	
Total Surgeries / Procedures	131	147	(16)	-11%	131	147	(16)	-11%	182	(51)	-28%	
Total Outpatient Visits	5,293	4,588	705	15%	5,293	4,588	705	15%	4,563	730	16%	
Emergency Room Visits	929	830	99	12%	929	830	99	12%	869	60	7%	

Table 2.5 | Outpatient Volumes Trended – Last 6 Months

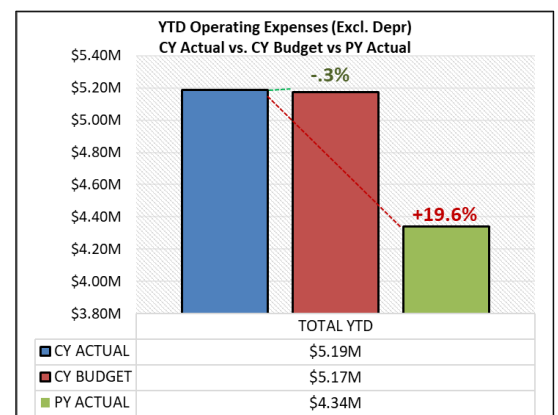
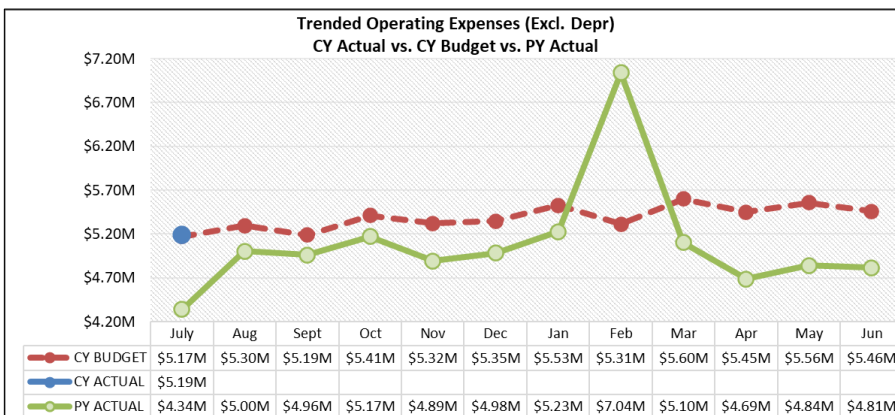
Department	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Last 6 Months
Lab	1,261	1,271	1,407	1,364	1,282	1,363	
Medical Imaging	896	858	857	900	830	923	
Physical Therapy	1,238	1,351	1,365	1,196	1,095	1,415	
CT Scanner	355	368	387	398	409	411	
Occ. Health	230	209	300	315	308	295	
Mammography	233	232	241	217	211	167	
Occupational Therapy	202	317	224	197	190	196	
Ultrasound	242	220	198	222	182	256	
Wound Care	166	175	201	213	152	205	
MRI	167	123	127	135	121	130	
ECHO	135	110	104	132	106	116	
Speech Therapy	49	45	53	43	53	93	
Other	30	14	22	25	14	23	
TOTAL	5,204	5,293	5,486	5,357	4,953	5,593	
Emergency Room	779	875	862	867	994	929	

3. OPERATING EXPENSE SUMMARY:

Table 3 | Operating Expenses – Actual vs. Budget – July 2024

	Current Year Month		Variance		Current Year YTD		Variance		PY YTD		Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Expenses	\$ 5.71M	\$ 5.69M	\$ 0.01M	0%	\$ 5.71M	\$ 5.69M	\$ 0.01M	0%	\$ 4.58M	\$ 1.13M	25%	
Operating Exp. Excl. Depr.	\$ 5.19M	\$ 5.17M	\$ 0.02M	0%	\$ 5.19M	\$ 5.17M	\$ 0.02M	0%	\$ 4.34M	\$ 0.85M	20%	
Worked FTEs	211.3	210.2	1.0	0%	211.3	210.2	1.0	0%	215.4	(4.1)	-2%	

Graph 3.1 | SVH Trended Operating Expenses (excluding Depreciation)



4. CASH ACTIVITY SUMMARY:

Table 4 | Cash / Revenue Cycle Indicators - July 2024

	Jul-24	Jun-24	Var	%
Days Cash on Hand	22.0	22.8	(0.8)	-3%
A/R Days	57.6	60.1	(2.5)	-4%
A/P Days	58.9	57.5	1.4	2%

ATTACHMENTS:

- Attachment A is the Payer Mix Analysis
- Attachment B is the Operating Indicators Report
- Attachment C is the Balance Sheet
- Attachment D is the Balance Sheet Variance Analysis
- Attachment E (two pages) is the Statement of Revenue and Expense. The first page breaks out the hospital operations and page two includes all other activity.
- Attachment F is the Trended Income Statement
- Attachment G is the Cash Projection

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

ATTACHMENT A

MONTH

Gross Revenue	Actual	Budget	Variance	% Variance
Medicare	9,767,557	9,615,144	152,413	0.6%
Medicare Managed Care	5,587,526	4,626,233	961,293	3.8%
Medi-Cal	4,660,158	4,056,718	603,440	2.4%
Self Pay	519,721	294,239	225,482	0.9%
Commercial & Other Governn	6,609,090	5,973,914	635,176	2.5%
Worker's Comp.	816,046	658,870	157,176	0.6%
Total	27,960,099	25,225,118	2,734,981	10.8%

YEAR TO DATE

Actual	Budget	Variance	% Variance
9,767,557	9,615,144	152,413	0.6%
5,587,526	4,626,233	961,293	3.8%
4,660,158	4,056,718	603,440	2.4%
519,721	294,239	225,482	0.9%
6,609,090	5,973,914	635,176	2.5%
816,046	658,870	157,176	0.6%
27,960,099	25,225,118	2,734,981	10.8%

MONTH

Payor Mix	Actual	Budget	Variance
Medicare	34.9%	38.1%	-3.2%
Medicare Managed Care	20.0%	18.3%	1.6%
Medi-Cal	16.7%	16.1%	0.6%
Self Pay	1.9%	1.2%	0.7%
Commercial & Other Governn	23.6%	23.7%	0.0%
Worker's Comp.	2.9%	2.6%	0.3%
Total	100.0%	100.0%	

YEAR TO DATE

Actual	Budget	Variance
34.9%	38.1%	-3.2%
20.0%	18.3%	1.6%
16.7%	16.1%	0.6%
1.9%	1.2%	0.7%
23.6%	23.7%	0.0%
2.9%	2.6%	0.3%
100.0%	100.0%	

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

ATTACHMENT B

CURRENT MONTH				YEAR-TO-DATE			YTD	
Actual	Budget	Favorable (Unfavorable) Variance		Actual	Budget	Favorable (Unfavorable) Variance	Prior Year 07/31/23	
07/31/24	07/31/24	07/31/24		07/31/24	07/31/24	07/31/24	07/31/23	
Inpatient Utilization								
Discharges								
1	43	54	(11)	Med/Surg	43	54	(11)	40
2	22	18	4	ICU	22	18	4	18
3	65	72	(7)	Total Discharges	65	72	(7)	58
Patient Days:								
4	151	173	(22)	Med/Surg	151	173	(22)	155
5	79	86	(7)	ICU	79	86	(7)	80
6	230	259	(29)	Total Patient Days	230	259	(29)	235
7	18	-	18	Observation days	18	-	18	17
Average Length of Stay:								
8	3.51	3.20	0.3	Med/Surg	3.51	3.20	0.31	3.88
9	3.59	4.73	(1.1)	ICU	3.59	4.73	(1.14)	4.44
10	3.54	3.59	(0.1)	Avg. Length of Stay	3.54	3.59	(0.05)	4.05
Average Daily Census:								
11	4.9	5.6	(0.7)	Med/Surg	4.9	5.6	(0.7)	5.0
12	2.5	2.8	(0.2)	ICU	2.5	2.8	(0.2)	2.6
13	7.4	8.4	(1.0)	Avg. Daily Census	7.4	8.4	(1.0)	7.6
Other Utilization Statistics								
Emergency Room Statistics								
14	929	830	99	OP ER Visits	929	830	99	869
Outpatient Statistics:								
15	5,593	4,588	1,005	Total Outpatients Visits	5,593	4,588	1,005	4,563
16	7	12	(5)	IP Surgeries	7	12	(5)	14
17	124	120	4	OP Surgeries / Special Procedures	124	120	4	168
18	308	309	(1)	Adjusted Discharges	308	309	(1)	305
19	1,090	1,123	(33)	Adjusted Patient Days	1,090	1,123	(33)	1,255
20	35.2	36.2	(1.1)	Adj. Avg. Daily Census	35.2	36.2	(1.1)	40.5
21	1.338	1.400	(0.062)	Case Mix Index -Medicare	1.338	1.400	(0.062)	1.405
22	1.361	1.400	(0.039)	Case Mix Index - All payers	1.361	1.400	(0.039)	1.383
Labor Statistics								
23	211	210	(1)	FTE's - Worked	211	210	(1.0)	215
24	235	234	(1)	FTE's - Paid	235	234	(0.7)	237
25	48.37	49.66	1.29	Average Hourly Rate	48.37	49.66	1.29	46.44
26	6.68	6.47	(0.22)	FTE / Adj. Pat Day	6.68	6.47	(0.22)	5.86
27	38.1	36.9	(1.2)	Manhours / Adj. Pat Day	38.1	36.9	(1.2)	33.4
28	134.8	133.9	(0.8)	Manhours / Adj. Discharge	134.8	133.9	(0.8)	137.5
29	27.3%	30.2%	2.9%	Benefits % of Salaries	27.3%	30.2%	2.9%	25.4%
Non-Labor Statistics								
30	9.4%	10.7%	1.4%	Supply Expense % Net Revenue	9.4%	10.7%	1.4%	10.8%
31	1,565	1,565	1	Supply Exp. / Adj. Discharge	1,565	1,565	1	1,512
32	18,665	18,582	(84)	Total Expense / Adj. Discharge	18,665	18,582	(84)	15,189
Other Indicators								
33	22.0			Days Cash - Operating Funds				
34	57.6	50.0	7.6	Days in Net AR	57.6	50.0	7.6	65.5
35	108%			Collections % of Cash Goal	108%			100.7%
36	58.9	55.0	3.9	Days in Accounts Payable	58.9	55.0	3.9	-
37	18.4%	17.9%	0.5%	% Net revenue to Gross revenue	18.4%	17.9%	0.5%	15.3%
38	35.7%			% Net AR to Gross AR	35.7%			36.4%

Sonoma Valley Health Care District

ATTACHMENT C

Balance Sheet
As of July 31, 2024
UNAUDITED

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets			
Current Assets:			
1 Cash	3,428,185	3,748,581	5,383,983
3 Net Patient Receivables	11,758,181	11,860,187	10,258,272
4 Allow Uncollect Accts	(3,948,126)	(3,823,181)	(1,917,101)
5 Net A/R	7,810,055	8,037,006	8,341,171
6 Other Accts/Notes Rec	1,376,217	1,792,370	1,627,361
7 Parcel Tax Receivable	3,800,000	-	3,800,000
8 GO Bond Tax Receivable	2,568,326	-	2,617,464
9 3rd Party Receivables, Net	568,677	64,281	(26,491)
10 Inventory	917,067	913,408	990,158
11 Prepaid Expenses	1,170,136	637,492	1,211,774
12 Total Current Assets	\$ 21,638,664	\$ 15,193,138	\$ 23,945,420
13 Property, Plant & Equip, Net	\$ 58,940,675	\$ 59,212,559	\$ 57,748,859
14 Trustee Funds - GO Bonds	5,957,336	5,957,336	5,774,189
15 Designated Funds - Board Approved	-	-	-
16 Total Assets	\$ 86,536,674	\$ 80,363,033	\$ 87,468,469
Liabilities & Fund Balances			
Current Liabilities:			
17 Accounts Payable	\$ 6,652,215	\$ 6,422,565	\$ 4,689,310
18 Accrued Compensation	3,768,145	3,648,819	3,586,699
19 Interest Payable - GO Bonds	225,861	189,398	271,795
20 Accrued Expenses	465,935	409,575	1,696,777
21 Advances From 3rd Parties	-	-	-
22 Deferred Parcel Tax Revenue	3,483,333	-	3,483,333
23 Deferred GO Bond Tax Revenue	2,206,896	-	2,399,343
24 Current Maturities-LTD	217,475	217,475	217,475
25 Line of Credit - Union Bank	1,873,734	4,973,734	4,973,734
26 Other Liabilities	92,511	57,511	57,511
27 Total Current Liabilities	\$ 18,986,105	\$ 15,919,078	\$ 21,375,978
28 Long Term Debt, net current portion	\$ 28,034,698	\$ 24,997,762	\$ 29,775,694
Fund Balances:			
30 Unrestricted	\$ 24,043,708	\$ 20,634,705	\$ 15,671,286
31 Restricted	15,472,163	18,811,489	20,645,512
32 Total Fund Balances	\$ 39,515,870	\$ 39,446,193	\$ 36,316,798
33 Total Liabilities & Fund Balances	\$ 86,536,674	\$ 80,363,033	\$ 87,468,469

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

ATTACHMENT D

Assets	Monthly Change	Current Month	Prior Month	Prior Year	Variance Commentary
CURRENT ASSETS					
Cash	(320,396)	3,428,185	3,748,581	5,383,983	Cash receipts of \$4.2 million vs. \$5.0 million in AP payments. Included in July's AP vendor payments were \$500,000 for annual service contracts and insurance premiums that will be expensed/amortized over the course of the fiscal year.
Net A/R	(226,950)	7,810,055	8,037,006	8,341,171	Net A/R decreased with increased focus on reducing hospital's Open A/R.
Other Receivables	6,456,569	8,313,220	1,856,651	8,018,334	Change in July relates to the recording of the current fiscal year income receivables for the bond and parcel taxes.
Inventory	3,659	917,067	913,408	990,158	
Prepaid Expenses	532,644	1,170,136	637,492	1,211,774	Payments made for service contracts and insurance coverages that will be recognized as prepaid assets and expensed/amortized over the course of the fiscal year.
TOTAL CURRENT ASSETS	6,445,525	21,638,664	15,193,138	23,945,420	
NON-CURRENT ASSETS					
Net Fixed Assets	(271,885)	58,940,675	59,212,559	57,748,859	
Trustee Funds - GO Bonds	-	5,957,336	5,957,336	5,774,189	
TOTAL ASSETS	6,173,640	86,536,674	80,363,033	87,468,469	

Liabilities / Fund Balance	Monthly Change	Current Month	Prior Month	Prior Year	Variance Commentary
CURRENT LIABILITIES					
Accounts Payable	229,649	6,652,215	6,422,565	4,689,310	Small increase from prior month
Accrued Expenses	175,686	4,234,080	4,058,395	5,283,476	
Interest Payable	36,463	225,861	189,398	271,795	Go Bond interest accrual
Deferred Revenues	5,690,229	5,690,229	-	5,882,676	Deferred revenue for Parcel Tax and Go Bond proceeds for Fiscal Year 25
Line of Credit	(3,100,000)	1,873,734	4,973,734	4,973,734	Paydown of LOC with long-term debt loan of \$3,100,000
Other Liabilities	35,000	309,986	274,986	274,986	GASB amortization
TOTAL CURRENT LIABILITIES	3,067,027	18,986,105	15,919,078	21,375,978	
NON-CURRENT LIABILITIES					
Long Term Debt	3,036,936	28,034,698	24,997,762	29,775,694	Increase of \$3M related to the recognition of the CA Distressed Loan that was received during the month that was used to pay down existing LOC.
TOTAL LIABILITIES	6,103,964	47,020,804	40,916,840	51,151,671	
FUND BALANCES					
Fund Balance	69,677	39,515,870	39,446,193	36,316,798	Change in Net Position for July24 \$69,676
TOTAL LIABILITIES & FUND BALANCES	6,173,640	86,536,674	80,363,033	87,468,469	

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

	Month				Year-To-Date							
	This Year		Variance		This Year		Variance		Variance			
	CYM Actual	CYM Budget	Var	%	YTD Actual	YTD Budget	Var	%	PYTD Actual	Var	%	
Volume Information												
1	Acute Discharges	65	72	(7)	-10%	65	72	(7)	-10%	58	7	12%
2	Patient Days	230	259	(29)	-11%	230	259	(29)	-11%	235	(5)	-2%
3	Observation Days	18	-	18	n/a	18	-	18	n/a	17	1	6%
4	Gross O/P Revenue (000's)	22,085	19,309	2,776	14%	22,085	19,309	2,776	14%	22,412	(327)	-1%
Financial Results												
Gross Patient Revenue												
5	Inpatient	5,899,154	5,888,336	10,818	0%	5,899,154	5,888,336	10,818	0%	5,270,930	628,224	12%
6	Outpatient	11,707,197	11,848,912	(141,715)	-1%	11,707,197	11,848,912	(141,715)	-1%	13,362,380	(1,655,183)	-12%
7	Emergency	10,377,802	7,460,227	2,917,575	39%	10,377,802	7,460,227	2,917,575	39%	9,064,276	1,313,526	14%
8	Total Gross Patient Revenue	27,984,153	25,197,476	2,786,677	11%	27,984,153	25,197,476	2,786,677	11%	27,697,586	286,567	1%
Deductions from Revenue												
9	Contractual Discounts	(23,449,018)	(21,493,386)	(1,955,632)	9%	(23,449,018)	(21,493,386)	(1,955,632)	9%	(23,186,323)	(262,695)	1%
10	Bad Debt	(150,000)	(119,319)	(30,681)	26%	(150,000)	(119,319)	(30,681)	26%	(100,000)	(50,000)	50%
11	Charity Care Provision	(105,349)	51,261	(156,610)	-306%	(105,349)	51,261	(156,610)	-306%	(164,591)	59,242	-36%
12	Supplemental Funding	871,547	871,547	0	0%	871,547	871,547	0	0%		871,547	n/a
13	Total Deductions from Revenue	(22,832,820)	(20,689,897)	(2,142,923)	10%	(22,832,820)	(20,689,897)	(2,142,923)	10%	(23,450,914)	618,094	-3%
14	Net Patient Service Revenue	5,151,333	4,507,578	643,755	14%	5,151,333	4,507,578	643,755	14%	4,246,672	904,661	21%
15	Other Operating Revenue	97,950	91,993	5,957	6%	97,950	91,993	5,957	6%	85,509	12,441	15%
16	Total Operating Revenue	5,249,283	4,599,572	649,711	14%	5,249,283	4,599,572	649,711	14%	4,332,181	917,102	21%
Operating Expenses												
17	Salary and Wages and Agency Fees	2,008,288	2,055,848	(47,560)	-2%	2,008,288	2,055,848	(47,560)	-2%	1,945,424	62,864	3%
18	Employee Benefits	844,382	838,151	6,231	1%	844,382	838,151	6,231	1%	735,985	108,398	15%
19	Total People Cost	2,852,670	2,893,999	(41,328)	-1%	2,852,670	2,893,999	(41,328)	-1%	2,681,409	171,262	6%
20	Med and Prof Fees (excl'd Agency)	735,435	649,924	85,511	13%	735,435	649,924	85,511	13%	557,320	178,115	32%
21	Supplies	481,999	483,742	(1,743)	0%	481,999	483,742	(1,743)	0%	460,649	21,350	5%
22	Purchased Services	380,330	400,732	(20,402)	-5%	380,330	400,732	(20,402)	-5%	305,922	74,408	24%
23	Depreciation	519,093	521,705	(2,612)	-1%	519,093	521,705	(2,612)	-1%	240,214	278,879	116%
24	Utilities	184,101	175,209	8,892	5%	184,101	175,209	8,892	5%	157,932	26,170	17%
25	Insurance	72,750	74,736	(1,986)	-3%	72,750	74,736	(1,986)	-3%	66,583	6,167	9%
26	Interest	12,973	29,445	(16,472)	-56%	12,973	29,445	(16,472)	-56%	42,598	(29,625)	-70%
27	Other	102,876	99,828	3,048	3%	102,876	99,828	3,048	3%	66,641	36,235	54%
28	Supplemental Funding Fees	365,191	365,191	0	0%	365,191	365,191	0	0%	-	365,191	n/a
29	Operating Expenses	5,707,419	5,694,510	12,909	0%	5,707,419	5,694,510	12,909	0%	4,579,267	1,128,152	25%
30	Operating Margin	(458,136)	(1,094,938)	636,802	58%	(458,136)	(1,094,938)	636,802	58%	(247,086)	(211,050)	-46%

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

	Month				Year-To- Date							
	This Year		Variance		This Year		Variance		Variance			
	CYM Actual	CYM Budget	Var	%	YTD Actual	YTD Budget	Var	%	PYTD Actual	Var	%	
Non Operating Rev and Expense												
31 Miscellaneous Revenue/(Expenses)	(12,506)	14,488	(26,994)	-186%	(12,506)	14,488	(26,994)	-186%	27,167	(39,673)	-146%	
32 Donations	-	(3,955)	3,955	-100%	-	(3,955)	3,955	-100%	-	-	n/a	
33 Parcel Tax Assessment Rev	316,667	312,500	4,167	1%	316,667	312,500	4,167	1%	316,667	-	0%	
34 Extraordinary Items	-	-	-	n/a	-	-	-	n/a	-	-	n/a	
35 Total Non-Operating Revenue/(Expense)	304,161	323,033	(18,872)	-6%	304,161	323,033	(18,872)	-6%	343,834	(39,673)	-12%	
36 Net Income / (Loss) prior to GO Bond(net)	(153,975)	(771,905)	617,930	80%	(153,975)	(771,905)	617,930	80%	96,748	(250,723)	259%	
37 GO Bond Activity, Net	157,692	177,571	(19,879)	-11%	157,692	177,571	(19,879)	-11%	170,419	(12,727)	-7%	
38 Net Income / (Loss) with GO Bond(net)	3,717	(594,334)	598,051	101%	3,717	(594,334)	598,051	101%	267,167	(263,450)	99%	
39 Restricted Foundation Contributions	65,959	157,410	(91,451)	-58%	65,959	157,410	(91,451)	-58%	-	65,959	n/a	
40 Change in Net Position	69,676	(436,924)	506,600	116%	69,676	(436,924)	506,600	116%	267,167	(197,491)	74%	
Operating EBDA	60,957	(573,233)	634,191	-111%	60,957	(573,233)	634,191	-111%	(6,872)	6,872	-100%	
Total EBDA - Excl Rest Contributions	522,810	(72,629)	595,439	-820%	522,810	(72,629)	595,439	-820%	507,381	(507,381)	-100%	
Total EBDA - Incl Rest Contributions	588,769	84,780	503,989	594%	588,769	84,780	503,989	594%	507,381	(507,381)	-100%	

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

ATTACHMENT F

	Feb FY24	March FY24	April FY24	May FY24	June FY24	July FY25	FY25 YTD Month Avg	FY24 YTD Month Avg
1 Acute Discharges	63	59	70	63	58	65	65	68
2 Patient Days	229	192	230	197	201	230	230	245
3 Observation Days	15	17	19	22	29	18	18	22
4 Gross O/P Revenue (000's)	\$ 19,700	\$ 21,438	\$ 21,913	\$ 21,663	\$ 21,914	\$ 27,960	\$ 27,960	\$ 21,821
Financial Results								
Gross Patient Revenue								
5 Inpatient	\$ 5,561,483	\$ 4,451,229	\$ 6,001,401	\$ 4,589,215	\$ 5,247,297	\$ 5,899,154	\$ 5,899,154	\$ 5,855,907
6 Outpatient	11,809,432	12,014,729	12,349,015	12,028,739	11,630,429	11,683,143	11,683,143	12,948,617
7 Emergency	7,890,643	9,423,709	9,563,637	9,634,326	10,284,037	10,377,802	10,377,802	8,872,108
8 Total Gross Patient Revenue	\$ 25,261,558	\$ 25,889,667	\$ 27,914,053	\$ 26,252,280	\$ 27,161,763	\$ 27,960,099	\$ 27,960,099	\$ 27,676,632
Deductions from Revenue								
9 Contractual Discounts	(21,395,686)	(21,920,503)	(21,690,696)	(22,184,344)	(22,711,319)	(23,449,018)	(23,449,018)	(23,322,102)
10 Bad Debt	(202,507)	(216,128)	(2,013,340)	(72,256)	(151,047)	(150,000)	(150,000)	(274,192)
11 Discounts / Other Deductions	(240,123)	165,606	(102,784)	22,408	(118,043)	(105,349)	(105,349)	(8,882)
12 IGT Revenue	3,420,534	780,000	1,861,463	207,222	-	871,547	871,547	656,761
13 Total Deductions from Revenue	\$ (18,417,782)	\$ (21,191,025)	\$ (21,945,357)	\$ (22,026,970)	\$ (22,980,409)	\$ (22,832,820)	\$ (22,832,820)	\$ (22,948,415)
14 Net Patient Service Revenue	\$ 6,843,776	\$ 4,698,642	\$ 5,968,696	\$ 4,225,310	\$ 4,181,354	\$ 5,127,279	\$ 5,127,279	\$ 4,728,217
15 Other Operating Revenue	\$ 88,514	\$ 92,702	\$ 102,300	\$ 92,828	\$ 89,091	\$ 122,004	\$ 122,004	\$ 92,739
16 Total Operating Revenue	\$ 6,932,290	\$ 4,791,344	\$ 6,070,996	\$ 4,318,138	\$ 4,270,445	\$ 5,249,283	\$ 5,249,283	\$ 4,820,956
Operating Expenses								
17 Salary and Wages and Agency Fees	\$ 2,025,982	\$ 2,056,165	\$ 2,054,463	\$ 2,080,929	\$ 1,996,137	\$ 2,008,288	\$ 2,008,288	\$ 2,026,203
18 Employee Benefits	729,229	925,525	856,322	808,621	842,715	844,382	844,382	785,416
19 Total People Cost	\$ 2,755,211	\$ 2,981,690	\$ 2,910,785	\$ 2,889,550	\$ 2,838,852	\$ 2,852,670	\$ 2,852,670	\$ 2,811,618
20 Med and Prof Fees (excl Agency)	\$ 621,045	\$ 639,293	\$ 579,135	\$ 643,707	\$ 652,661	\$ 735,435	\$ 735,435	\$ 598,762
21 Supplies	552,783	473,260	361,713	550,525	608,089	481,999	481,999	626,803
22 Purchased Services	379,540	372,201	403,065	307,662	463,462	380,330	380,330	413,583
23 Depreciation	395,082	427,561	422,819	441,840	500,000	519,093	519,093	441,044
24 Utilities	256,678	119,082	151,806	135,364	227,263	184,101	184,101	162,052
25 Insurance	66,583	66,583	98,995	68,544	34,172	72,750	72,750	68,293
26 Interest	84,472	54,108	20,453	50,300	120,563	12,973	12,973	59,272
27 Other	56,720	104,090	115,482	108,036	88,499	102,876	102,876	100,025
28 Matching Fees (IGT)	2,265,305	293,539	47,472	86,484	-	365,191	365,191	266,458
29 Operating expenses	\$ 7,433,419	\$ 5,531,407	\$ 5,111,725	\$ 5,282,012	\$ 5,533,561	\$ 5,707,419	\$ 5,707,419	\$ 5,547,909
30 Operating Margin	\$ (501,129)	\$ (740,063)	\$ 959,271	\$ (963,874)	\$ (1,263,116)	\$ (458,136)	\$ (458,136)	\$ (726,953)
Non Operating Rev and Expense								
31 Miscellaneous Revenue/(Expenses)	\$ 14,540	\$ 37,899	\$ 40,512	\$ 41,366	\$ 64,651	\$ (12,506)	\$ (12,506)	\$ 36,743
32 Donations	(3,586)	(1,459)	67	-	-	-	-	(1,005)
33 Parcel Tax Assessment Rev	316,667	316,667	316,667	316,668	316,663	316,667	316,667	316,667
34 Extraordinary Items	-	-	-	-	-	-	-	-
35 Total Non-Operating Rev/Exp	\$ 327,621	\$ 353,107	\$ 357,246	\$ 358,034	\$ 381,314	\$ 304,161	\$ 304,161	\$ 352,405
36 Net Income / (Loss) Excl GO Bond	\$ (173,508)	\$ (386,956)	\$ 1,316,517	\$ (605,840)	\$ (881,802)	\$ (153,975)	\$ (153,975)	\$ (374,548)
37 GO Bond Activity, Net	175,187	175,187	175,187	175,187	175,188	157,692	157,692	174,790
38 Net Income/(Loss) Incl GO Bond	\$ 1,679	\$ (211,769)	\$ 1,491,704	\$ (430,653)	\$ (706,614)	\$ 3,717	\$ 3,717	\$ (199,759)
39 Restricted Foundation Contributions	\$ 516,187	\$ 2,442,308	\$ 1,202,053	\$ 153,261	\$ 448,716	\$ 65,959	\$ 65,959	\$ 449,199
40 Change in Net Position	\$ 517,866	\$ 2,230,539	\$ 2,693,757	\$ (277,392)	\$ (257,898)	\$ 69,676	\$ 69,676	\$ 249,440
Operating EBDA	\$ (106,047)	\$ (312,502)	\$ 1,382,090	\$ (522,034)	\$ (763,116)	\$ 60,957	\$ 60,957	\$ (285,910)
Total EBDA - Excl Rest Contributions	\$ 396,761	\$ 215,792	\$ 1,914,523	\$ 11,187	\$ (206,614)	\$ 522,810	\$ 522,810	\$ 241,285
Total EBDA - Incl Rest Contributions	\$ 912,948	\$ 2,658,100	\$ 3,116,576	\$ 164,448	\$ 242,102	\$ 588,769	\$ 588,769	\$ 690,484

Sonoma Valley Hospital
Cash Forecast
FY 2025

ATTACHMENT G

	Actual July	Forecast Aug	Forecast Sept	Forecast Oct	Forecast Nov	Forecast Dec	Forecast Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	TOTAL
Hospital Operating Sources													
1 Patient Payments Collected	4,211,654	4,000,000	4,000,000	4,000,000	4,100,000	4,100,000	4,100,000	4,100,000	4,200,000	4,200,000	4,250,000	4,250,000	49,511,654
2 Other Operating Revenue	316,656	150,000	37,000	95,000	200,000	93,000	115,000	150,000	20,000	110,000	100,000	100,000	1,486,656
3 Other Non-Operating Revenue	12,149	5,250	10,861	46,651	19,716	11,380	24,169	9,420	11,309	18,628	3,587	8,000	181,120
4 Unrestricted Contributions													-
Sub-Total Hospital Sources	4,540,458	4,155,250	4,047,861	4,141,651	4,319,716	4,204,380	4,239,169	4,259,420	4,231,309	4,328,628	4,353,587	4,358,000	51,179,430
Hospital Uses of Cash													
5 Operating Expenses / AP Payments	5,002,977	4,843,000	5,032,000	5,047,000	5,057,000	5,139,000	5,407,200	4,878,000	4,954,000	5,030,000	5,403,000	4,977,000	60,770,177
6 Term Loan Paydown - \$1.9M LOC	-	-	-	38,525	38,525	38,525	38,525	38,525	38,525	38,525	38,525	38,525	346,725
7 Capital Expenditures	65,959	25,000	-	25,000	25,000	-	100,000	150,000	100,000	200,000	225,000	50,000	965,959
SVH Capital	-	25,000	-	25,000	25,000	-	100,000	150,000	100,000	200,000	225,000	50,000	900,000
Foundation Capital	65,959	-	-	-	-	-	-	-	-	-	-	-	65,959
Total Hospital Uses	5,068,936	4,868,000	5,032,000	5,072,000	5,082,000	5,139,000	5,507,200	5,028,000	5,054,000	5,230,000	5,628,000	5,027,000	61,736,136
Net Hospital Sources/Uses of Cash	(528,478)	(712,750)	(984,139)	(930,349)	(762,284)	(934,620)	(1,268,031)	(768,580)	(822,691)	(901,372)	(1,274,413)	(669,000)	(10,556,707)
Non-Hospital Sources													
8 Restricted Capital Donations	65,959												65,959
9 Parcel Tax Revenue	142,457				2,059,056					1,500,627			3,702,141
10 Other Payments			300,000										300,000
11 Other:													-
12 IGT - QIP (PY 6/CY23)									750,000				750,000
13 IGT - Rate Range (CY23)							11,105,844						11,105,844
14 IGT - HQAF VIII (CY23)										780,000			780,000
15 IGT - NDPH (SFY23-24)													-
16 IGT - NDPH (SFY24-25)												160,600	160,600
17 IGT - DHDP (CY23)									-		838,658		838,658
18 Distressed Hospital Loan Program	3,100,000												3,100,000
19 Line of Credit Draw - New Bank				5,400,000									5,400,000
Sub-Total Non-Hospital Sources	3,308,416	-	300,000	5,400,000	2,059,056	-	11,105,844	-	750,000	1,500,627	1,618,658	160,600	26,203,202
Non-Hospital Uses of Cash													
20 IGT Matching Fee Payments	-	-	-	-	5,157,563	-	-	486,730	294,000	86,480	-	-	6,024,773
21 Line of Credit Repayment - Existing LOC	3,100,000												3,100,000
22 Line of Credit Repayment - New LOC							5,400,000						5,400,000
Sub-Total Non-Hospital Uses of Cash	3,100,000	-	-	-	5,157,563	-	5,400,000	486,730	294,000	86,480	-	-	14,524,773
Net Non-Hospital Sources/Uses of Cash	208,416	-	300,000	5,400,000	(3,098,507)	-	5,705,844	(486,730)	456,000	1,414,147	1,618,658	160,600	11,678,429
Net Sources/Uses	(320,062)	(712,750)	(684,139)	4,469,651	(3,860,791)	(934,620)	4,437,813	(1,255,310)	(366,691)	512,775	344,245	(508,400)	1,121,722
Total Cash at beginning of period	3,748,581	3,428,519	2,715,769	2,031,631	6,501,282	2,640,491	1,705,871	6,143,684	4,888,374	4,521,683	5,034,458	5,378,703	
Total Cash at End of Period	3,428,519	2,715,769	2,031,631	6,501,282	2,640,491	1,705,871	6,143,684	4,888,374	4,521,683	5,034,458	5,378,703	4,870,303	
Days of Cash on Hand at End of Month	22.0	17.4	13.0	41.7	16.9	10.9	39.4	31.3	29.0	32.3	34.5	31.2	