



SVHCD FINANCE COMMITTEE MEETING

AGENDA

TUESDAY, JANUARY 28, 2025

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**

sonomavalleyhospital-org.zoom.us/j/94662918236

Meeting ID: 946 6291 8236

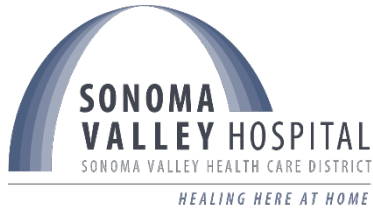
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AGENDA ITEM		
<p>In compliance with the Americans with Disabilities Act, if you require special accommodations to attend a District meeting, please contact the Board Clerk, Whitney Reese, at wreese@sonomavalleyhospital.org or 707.935.5005 at least 48 hours prior to the meeting.</p>		
<p>MISSION STATEMENT <i>The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community.</i></p>		
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Case</i>	
<p>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></p>	<i>Case</i>	
<p>3. CONSENT CALENDAR</p> <ul style="list-style-type: none"> Finance Committee Minutes 11.26.24 	<i>Case</i>	Action <i>Pages 2-4</i>
4. DISCUSSION: MERGE AUDIT AND FINANCE COMMITTEES	<i>Case</i>	Inform <i>Pages 5-9</i>
<p>5. REVIEW 2025 WORK PLANS</p> <ul style="list-style-type: none"> MEETING FREQUENCY MEETING START TIME 	<i>Case</i>	Inform <i>Pages 10-11</i>
6. FY25 BUSINESS PLAN TRACKER (Capital Project Dashboard)	<i>Armfield</i>	Inform <i>Page 12</i>
<p>7. FINANCIAL REPORTS FOR MONTH END DECEMBER 2024</p> <ul style="list-style-type: none"> November 2024 Financials for reference (as presented to BOD) 	<i>Armfield</i>	Inform <i>Pages 13-28</i> • <i>Pages 29-34</i>
8. ADJOURN	<i>Case</i>	



SVHCD
FINANCE COMMITTEE MEETING
MINUTES
TUESDAY, NOVEMBER 26, 2024
In Person at Sonoma Valley Hospital
347 Andrieux Street
and Via Zoom Teleconference

Present	Not Present/Excused	Staff/Public
Bill Boerum, in person Ed Case, in person Wendy Myatt Lee, in person Dennis Bloch, in person Carl Gerlach, in person Catherine Donahue, via zoom Graham Smith, via zoom Robert Crane, via zoom Subhash Mishra, MD, via zoom		Ben Armfield, SVH CFO, in person Dawn Kuwahara, RN BSN, SVH Chief Ancillary Officer, in person Whitney Reese, SVH Board Clerk, in person John Hennelly, SVH CEO, in person Judith Bjorndal, via zoom
MISSION & VISION STATEMENT <i>The mission of SVHCD is to maintain, improve, and restore the health of everyone in our community.</i>		
AGENDA ITEM	DISCUSSION	ACTIONS
1. CALL TO ORDER/ANNOUNCEMENTS	<i>Bill Boerum</i>	Meeting called to order 6:00pm
2. PUBLIC COMMENT SECTION	None	
3. CONSENT CALENDAR	<i>Bill Boerum</i>	Action
Finance Committee Minutes 10.22.24		MOTION: Motion to approve by Case, 2 nd by Bloch. All in favor
4. ROSA SYSTEM – ROBOTIC ASSIST DEVICE	<i>Ben Armfield</i>	Action
Armfield presented a proposal for acquiring the Zimmer Biomet ROSA (Robotic Surgical Assistant System) through a three-year placement agreement at \$270,000 plus incremental per-case costs. The system is designed to enhance orthopedic surgeries by increasing precision, reducing implant misalignment, and improving patient outcomes, particularly in knee and hip replacements. Financial analysis highlights potential net savings of \$52,500 over three years, driven by discounts on Zimmer implants, tiered rebates, and supply chain efficiencies. While the system requires meeting a minimum annual case threshold to avoid additional costs, the committee noted the system's ability to elevate SVH's competitive edge, support Dr. Walter's recruitment, and expand the orthopedic program's market share. Key discussion points included the system's benefits, marketing opportunities, physician commitments, and operational considerations for adoption.		MOTION: Motion to recommend to the BOD to approve by Bloch, 2 nd by Lee Myatt. All in favor

5. FY24 SVH AUDITED FINANCIAL STATEMENTS	<i>Ben Armfield</i>	Inform
<p>Discussion around the audited financial statements focused on discrepancies between internal financial statements and the audited report, particularly regarding the classification of revenues, such as café revenue and parcel taxes. Audited statements classify some revenues as non-operating, while internal reports include them as operating revenues, reflecting the organization's operational reality. Members expressed frustration over auditors' rigid classifications, which they felt obscure the financial story and strategic outlook. They emphasized the importance of reconciling internal and audited statements for clarity while maintaining internal reports that better support management and decision-making. A specific variance of \$260,000 due to a Medicare cost settlement reserve was discussed. It was agreed upon that while compliance with audit standards is necessary, internal reporting should prioritize usability and accuracy in reflecting operations.</p>		
6. SVH REVENUE ANALYSIS AND SERVICE LINE PROFIBILITY	<i>Ben Armfield</i>	Inform
<p>Armfield presented a revenue and profitability analysis. Key challenges were identified, including losses in inpatient services, the need for greater revenue from outpatient services, and the importance of validating financial data for accuracy. Recommendations included expanding high-margin services like MRIs and outpatient care to offset inpatient losses, analyzing payer mixes and service volumes to address underperforming areas, and refining cost allocations to separate hospital capital from community-contributed assets. These steps aim to clarify the financial picture and better inform strategic decisions.</p> <p>The importance of community and foundation contributions was repeatedly emphasized, with suggestions to incorporate these into financial reporting to highlight their impact on the hospital's viability. The committee agreed to revisit the data regularly, particularly before board offsites, to refine strategies and maintain alignment with operational goals. Additionally, evolving financial reports to allocate direct costs more transparently—such as depreciation and capital contributions—was recommended to better reflect the hospital's operational and community-funded assets. The discussion concluded with a consensus on the need for continued collaboration and data refinement to support sustainable healthcare delivery.</p>		
7. FY24 BUSINESS PLAN TRACKER	<i>Ben Armfield</i>	Inform
<p>Armfield presented the business plan tracker through October. October was a strong month across the board, with all three initiatives exceeding their budgets. MRI volumes ramped up significantly, achieving 222 exams, while physical therapy hit a record high, and Dr. Walter's contributions continued to grow. However, November is projected to be slower due to the Thanksgiving holiday, though December is expected to rebound with end-of-year deductible-driven demand. Discussions included potential strategies like a newspaper reminder and the anticipated arrival of a new ROSA device within 60 days. The Committee also explored service line strategies, focusing on high-margin cases such as joint replacements and outpatient surgeries, with an emphasis on strategic planning and financial implications. Positive recognition of the team's efforts and results was abundant.</p>		
8. FINANCIAL REPORTS FOR MONTH END OCTOBER 2024	<i>Ben Armfield</i>	Inform
<p>Armfield reported that the organization has had a strong start to the fiscal year, exceeding both budget and prior year performance in key areas like outpatient MRI, physical therapy, and surgical volumes, even amid challenges such as a doctor's absence. Despite robust cash management efforts, including securing a bank deal,</p>		

<p>utilizing a line of credit, and successfully making a \$5.1 million matching payment for an intergovernmental transfer (IGT), cash flow remains tight until an anticipated \$11.5 million payment arrives in January. The team is carefully managing accounts payable (AP), extending payment timelines strategically while maintaining vendor relationships, though AP days have temporarily increased. Discussions highlighted the importance of balancing cash outflows with operational needs and upcoming payments, with recognition of the team's financial acumen in navigating these challenges.</p>		
<p>9. ADJOURN</p>	<p><i>Bill Boerum</i></p>	<p>Meeting adjourned at 7:24pm</p>
<p>Boerum reiterated his gratitude to the committee members for their participation over the last two years, acknowledging their support and quick involvement in recruitment. Boerum mentioned having chaired the committee for four years and facilitated the recruitment of six out of the nine members. Thanks was given to everyone for their contributions and the positive outcome of the committee and staff's work was highlighted, despite facing challenges throughout the year.</p>		



SUBJECT: Audit Committee Charter

PAGE 1 of 2

REVISED: 03.19.24

EFFECTIVE: 06.06.24

PURPOSE:

The purpose of the Audit Committee (“AC”) of Sonoma Valley Health Care District (“SVHCD”) is to assist the District Board of Directors (“BOD”) in its annual audit process. Subject to the ultimate authority of the BOD, the AC shall select, engage and oversee SVHCD’s outside auditor and approve and oversee all audit services provided by SVHCD’s outside auditor.

RESPONSIBILITIES:

Subject to the ultimate authority of the BOD, the AC shall:

- Recommend the appointment and compensation of the independent auditor and provide oversight of the annual financial audit process. The independent auditor shall report directly to the AC.
- Establish policies and procedures for the review and pre-approval by the AC of all auditing services.
- Review and discuss with the independent auditor: (a) its audit plans and audit procedures, including the scope, fees and timing of the audit; (b) the results of the annual audit examination; and (c) the annual financial statements audited by the independent auditor.
- Review the annual financial audit with management and determine whether to recommend the acceptance of the audit to the BOD.
- Review with the independent auditor its judgment as to the quality, and not just the acceptability, of SVHCD’s accounting practices and internal controls, and such other matters as are required to be discussed with the AC under generally accepted auditing standards.
- Review with the independent auditor and management any changes or improvements in financial or accounting practices that are necessary or desirable, and the extent to which any changes or improvements previously approved by the AC have been implemented.
- Review with the independent auditor any audit problems or difficulties and management’s response to these issues.
- Oversee the resolution of any disputes between management and the independent auditor if and when such disputes arise.



SUBJECT: Audit Committee Charter	PAGE 2 of 2
REVISED: 03.19.24	EFFECTIVE: 06.06.24

Rules

- Charter Review: Will be reviewed/revise annually. Changes will be submitted to the BOD for approval.
- Authority to Act: In compliance with the Charter and as directed by Executive Leadership and the BOD
- Meeting Schedule: At least two meetings per year. Meetings may be held at irregular intervals.
- Voting Members: The AC shall have three voting members.
 - Two BOD members (BOD Chair & BOD Treasurer)
 - One of whom shall be the AC chair, the other the vice-chair
 - Two members of the public.
- Quorum Requirement: Half plus one member present.
- Chair: The BOD Chair shall serve as Chair of the AC, unless the BOD specifically acts to delegate otherwise.
- Composition: Voting Committee Members, Presenters, Sonoma Valley Hospital CEO and Sonoma Valley Hospital CFO.

AC Membership

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

Public Participation

All AC 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.

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

PAGE 2 of 3

REVISED: 03.26.24

EFFECTIVE: 06.06.24

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

PAGE 3 of 3

REVISED: 03.26.24

EFFECTIVE: 06.06.24

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.

SVHCD Audit Committee Work Plan 2025

Potential for Audit Committee to merge with Finance Committee

JANUARY	FEBRUARY	MARCH	APRIL
<p><i>Exact date and time TBD</i></p> <ul style="list-style-type: none"> • Review of Committee Charter 		<p><i>Exact date and time TBD</i></p> <ul style="list-style-type: none"> • Review and consider audit firm proposal letter 	
MAY	JUNE	JULY	AUGUST
			<p><i>Exact date and time TBD</i></p> <ul style="list-style-type: none"> • Progress report on audit project
SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
	<p><i>Exact date and time TBD</i></p> <ul style="list-style-type: none"> • Review and consider recommendations of draft audit report 		

SVHCD Finance Committee Work Plan 2025

Potential for Finance Committee to absorb Audit Committee

<p>JANUARY 1/28</p> <ul style="list-style-type: none"> • November/December Financials • Detailed A/R Review (deferred to Feb) • Review Capital Project Dashboard 	<p>FEBRUARY 2/25</p> <ul style="list-style-type: none"> • January Financials • Detailed A/R Review (deferred from Feb) • District Hospital Leadership Forum (DHLF) Update / Presentation 	<p>MARCH 3/25</p> <ul style="list-style-type: none"> • February Financials • FY 2026 Budget Assumptions • Revenue Analysis and Payor Profitability Review • Payor Contract Status 	<p>APRIL 4/22</p> <ul style="list-style-type: none"> • March Financials • FY 2026 Budget Update • Sonoma Valley Hospital Foundation Update
<p>MAY 5/27</p> <ul style="list-style-type: none"> • April Financials • Review and Recommend for APPROVAL FY 2026 Budget • Long Range Financial Plan, including Capital Spending Assumptions <p>Additional meeting same day: Joint Board/Finance Committee Budget Meeting</p>	<p>JUNE</p> <p style="text-align: center;">No meeting</p>	<p>JULY 7/23</p> <ul style="list-style-type: none"> • May / June Financials • Cash Flow Forecast • Risk Management and Insurance Review 	<p>AUGUST 8/26</p> <ul style="list-style-type: none"> • July Financials • SVH Systems Review • Review Capital Project Dashboard
<p>SEPTEMBER 9/23</p> <ul style="list-style-type: none"> • August Financials • Balance Sheet Review • Debt Profile Review 	<p>OCTOBER 10/28</p> <ul style="list-style-type: none"> • September Financials • Update on Board Strategic Plan 	<p>NOVEMBER 11/25</p> <ul style="list-style-type: none"> • October Financials • Revenue Analysis including Payor Mix and major Managed Care Agreements • 2026 Finance Committee Work Plan 	<p>DECEMBER</p> <p style="text-align: center;">No meeting</p>



To: SVHCD Finance Committee
 From: Ben Armfield, Chief Financial Officer
 Date: January 28, 2025
 Subject: Financial Report for December 2024

OVERALL PERFORMANCE SUMMARY

November and December can be difficult months to navigate given the operational disruptions the holidays can bring, but we are pleased to report that December proved to be a positive month financially for the hospital, reversing course from November's performance to deliver a month that exceeded budget by nearly 10%. We did continue to see some additional volume fluctuation this past month, particularly in areas such as surgery, as fewer procedures were booked leading into and immediately following the holiday. However, significant growth in key outpatient areas, such as imaging, physical therapy, and the emergency room, contributed to a strong overall performance.

Emergency room volumes headlined the month, with 972 visits - an average of over 31 visits per day and the second busiest month of the fiscal year. Outpatient physical therapy and MRI volumes also saw substantial increases over November, which contributed to the uptick in financial performance. These three service lines - Emergency Room, Outpatient Physical Therapy, and MRI, have driven consistent volume growth and have been the cornerstone of the hospital's operational turnaround when comparing to prior year's performance.

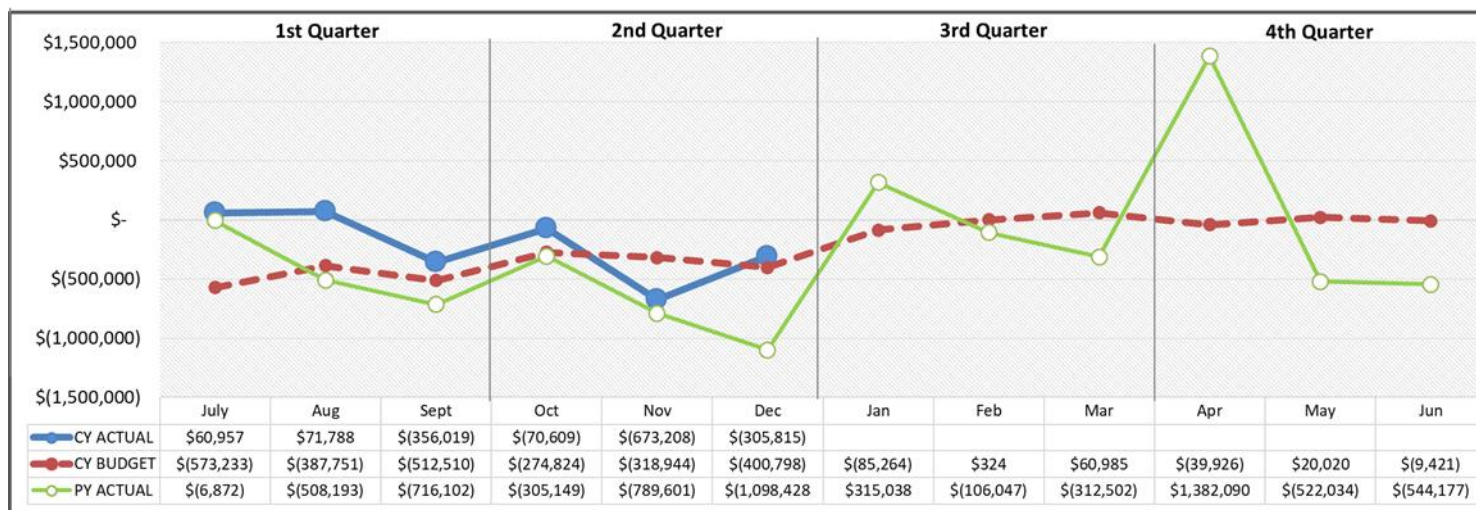
2nd QUARTER SUMMARY

The conclusion of December signifies the end of our 2nd quarter and also officially marks the halfway point in our fiscal year. Despite missing budget in November, the 2nd quarter in totality was another positive quarter for us, building off a very strong 1st quarter that resulted in the hospital's operating margin exceeding budget by over \$1,000,000 through our halfway point of our fiscal year. The budget will indeed ramp-up now that we are in the latter half of the year, but this start provides a great foundation to build on, especially as our targeted growth initiatives continue to gain traction. Some high-level highlights of our performance through the first two quarters of FY25:

- Operating Margin | Exceeds budget by 20% and FY24 by nearly 30%
- Operating EBDA | Exceeds budget by 50% and FY24 by over 60%
- Net Income (Loss) | Exceeds budget by over 40% and FY24 by 50%
- Operating Revenues | Exceeds budget by 5% and FY24 by nearly 20%
- Operating Expenses | Flat with budget but exceed FY24 by 9%

Table 1 | Overall Performance - December 2024

Metric	Current Year Month		Variance		Current Year YTD		Variance		PY YTD		Variance	
	Actual	Budget	\$	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Margin	\$(822,492)	\$(892,503)	\$70,011	8%	\$(4,443,524)	\$(5,478,288)	\$1,034,764	19%	\$(6,072,620)	\$1,629,096	27%	
Op Margin w Parcel	\$(505,825)	\$(580,003)	\$74,178	13%	\$(2,543,522)	\$(3,603,288)	\$1,059,766	29%	\$(4,172,618)	\$1,629,096	39%	
Operating EBDA	\$(305,815)	\$(400,798)	\$94,983	24%	\$(1,272,906)	\$(2,468,060)	\$1,195,154	48%	\$(3,424,344)	\$2,151,439	63%	
Op EBDA w Parcel	\$10,852	\$(88,298)	\$99,150	112%	\$627,096	\$(593,060)	\$1,220,156	206%	\$(1,524,342)	\$2,151,439	141%	
Net Income (Loss)	\$(310,428)	\$(391,899)	\$81,471	21%	\$(1,398,625)	\$(2,474,663)	\$1,076,038	43%	\$(2,907,904)	\$1,509,279	52%	

Graph 1.1 | SVH Trended Operating EBDA**DRIVERS IN MONTHLY PERFORMANCE**

Emergency room volume was the primary driver in the revenue growth that December delivered, with OP Physical Therapy and MRI volumes also contributing. Both emergency room volumes and outpatient visits exceeded budget and helped mitigate the fact that we missed budget in surgical volume by 15%.

Revenues: Following a month where revenues fell short of budget for the first time during the fiscal year, December got the hospital back on track as operating revenues of \$5.12M exceeded budget by 3%. This also marks an 8% increase over November, which is notable given the drop in surgeries. Emergency room volume was the main catalyst in driving the month over month revenue growth as December's volumes were an increase of 20% compared to November and up 8% compared to this fiscal year's run-rate.

Through the year, operating revenues are up over budget by nearly \$1.5M and are up over prior year by nearly \$5.0M. **Operating Revenues | Month vs Budget +3%, YTD vs Budget +5%, YTD vs PY +18%**

Expenses: Operating expenses totaled \$5.42 million in December, running 1% over budget for the month. Like November, the overage was largely attributable to an increase in interest expense resulting from our \$5.4 million draw on our new line of credit with Summit State Bank. The interest incurred on this draw adds an additional \$40,000 of interest expense per month until paid off. We are paying back the draw at the end of January so this expense will fall off the books starting next month. **Operating Expenses | Month vs Budget +1%, YTD vs Budget +1%, YTD vs PY +9%**

Volumes: The holidays in December brought additional volatility to monthly volumes, but the house was busier as we saw a rebound in total volumes compared to the prior month. Despite a further dip in surgical volume the rest of our outpatient activity remained busy. Upticks in imaging, OP therapy, and emergency room traffic helped mitigate the surgical activity and deliver a month in which gross revenues exceeded budget by 6%. Additionally, we did see an uptick on the inpatient side as our inpatient census, while still slightly under budget, did increase by nearly 40% compared to November's volume levels.

Surgical Volumes: Surgical volumes in December did fall to a fiscal year low of 119, which fell short of budget expectations by approximately 15% for the month. The holiday season certainly has had an impact on elective surgeries the past two months, and we are eager to get into January and put those months behind us. The departure of Dr. Brown and more recently, Dr. Kidd, are also showing through. Together, they accounted for approximately 60 surgeries per month. The recruitment of Dr. Walter has certainly helped mitigate the loss of Dr. Brown, and Dr. Alexandridis is working intensely to try and fill the backlog left with Dr. Kidd's departure. Through December, both service lines are trailing their respective prior year run rates by about 10 surgeries per month.

SVH Surgical Volume - FY25 Avg vs. FY24 Avg

Service Line	FY25	FY24	Var	% Var
	Avg	Avg		
Orthopedics	41	53	(11)	-22%
Gastro (GI)	54	63	(10)	-16%
Ophthalmology	20	17	3	15%
General	13	15	(2)	-15%
SubTotal	128	149	(21)	-14%
Other	15	20	(5)	-24%
Total Average	143	169	(26)	-15%

Year-to-date our surgical volume trails budget by 3%. This equates to about 4.5 surgeries/month. We feel confident this gap can get closed through the continued ramp-up of Dr. Walter in Orthopedics as well as adding additional surgeons to our medical staff to help shoulder the load in Gastroenterology. One of those surgeons being Dr. Bir, a general surgeon residing outside of the Sacramento area that recently joined SVH medical staff and will help backfill the void left by Dr. Kidd's departure. She just started taking general surgery call in January, and the current plan is to have her join the 1206(b) clinic where she will operate in Sonoma one day per week.

Much of this volatility was planned and budgeted for, which is why our year-to-date surgical volumes trail prior year by 15% but only trail budget by 3%. **Total Surgical Volume | Month vs Budget -15% , YTD vs Budget -3%, YTD vs PY -15%**

Other Outpatient Volumes: Outpatient activity and targeted growth in areas such as physical therapy, imaging, and our emergency room have really been the driving force in the operational turnaround when compared to last fiscal year, and the month of December was no different as all three were key factors in our revenues exceeding expectations.

Physical therapy visits continue to exceeded expectations and while December's volumes weren't quite as robust as some of the earlier months of this year, they still exceeded budget and were a +5% increase over prior month. Year-to-date OP PT volumes are up over 20% when compared to prior year.

While not quite hitting budget in December, the 190 **MRI exams** that were performed marks a +25% increase over November's total. We continue to work hard in developing referral patterns to keep this service growing, particularly with UCSF in order to integrate our processes and systems so that we

become a scheduling destination for their patients. **Total Outpatient Visits | Month vs Budget +5%, YTD vs Budget +10%, YTD vs PY +10%**

Cash: Cash remains very tight until our Rate Range IGT funding arrives in late January. We've been managing cash particularly close ever since we made our matching fee pay-in for the Rate Range program in late November, and we ended December with 11.5 Days Cash on Hand, which is right at the 11.6 we had anticipated to end December with from the previous month's cash forecast. This will also mark the low point for this fiscal year.

We anticipate receiving roughly \$11.5 million in funding from the Rate Range IGT program, and once we account for all of the movement with the IGT and our line of credit repayment, we will be ending January with 30+ days cash on hand.

FINANCE UPDATES:

Rate Range IGT (CY23/FY25): Partnership Health Plan is still in the process of reconciling final CY23 Rate Range IGT amounts. We have yet to receive our full expected allotment but anticipate receiving next week. This IGT program will provide the hospital approximately \$6 million in net funding this year.

Rate Range IGT (CY24/FY26): DHCS is in the process of finalizing Rate Range allocations for the next program year, CY24 Rate Range (paid out in FY26). Once these allocations are finalized and sent to respective health plans we will start the negotiation process with Partnership on our next fiscal year's allotment. This took months to finalize with Partnership last year and we anticipate the same timeframe this year so more to come on this in the months ahead.

District Hospital Directed Payment Program (DHDP) IGT: This is a new IGT program effective this fiscal year. This program will direct Medi-Cal managed care health plans (such as Partnership Health Plan) to make uniform dollar amount ad-on payments based on actual utilization of contracted services. These payments are based on a fixed rate for each contracted managed Medi-Cal encounter the hospital provided services for - \$813.50 for each contracted inpatient day and \$93.45 for each outpatient visit. There is a two-year data lag on payments so the funding we receive this fiscal year will be based on FY23 utilization. The IGT program will be paid based on Utilization Periods (see table below), which are broken down into six-month segments. For this fiscal year we will receive payment for only one six-month segment (or half-year), CY23 Phase I. Starting in FY26 we will be receiving payments for two phases, representing a full year of activity.

Utilization Period	Dates of Service	IGT Payment Year
CY23 Phase I	1/1/23 - 6/30/23	FY25
CY23 Phase II	7/1/23 - 12/31/23	FY26
CY24 Phase I	1/1/24 - 6/30/24	FY26
CY24 Phase II	7/1/24 - 12/31/24	FY27
CY25 Phase I	1/1/25 - 6/30/25	FY27
CY25 Phase II	7/1/25 - 12/31/25	FY28
CY26 Phase I	1/1/26 - 6/30/26	FY28

For this fiscal year's payment (CY23 Phase I), we've been approved to IGT \$230,000 and expect to receive \$573,000 back in funding, netting \$343,000 through this program. Our IGT is due March 7th and we expect to receive our funding either in April or May of this fiscal year.

Hospital Quality Assurance Fee (HQAF) IGT: The other large IGT program that we participate in is the HQAF (Hospital Quality Assurance Fee) IGT Program. We've been approved to IGT \$410,000 and expect to receive \$1,334,000 back in funding, netting \$924,000 through this program. We mentioned last month that the timing of this program was pushed back a couple of months but had yet to hear a definitive date. We received word a couple of weeks ago that our matching fee payment will be due in March, with the program funding coming back to us in May.

Capital Projects: The **ICU Renovation Project** is set to begin in mid-February and we anticipate completion in mid-to-late May.

An update on our **Cogeneration (CoGen) Project**, which we haven't discussed all that recently. This project was re-reviewed and approved in 2023 to install a power generation system on campus that utilizes natural gas. This will provide a much needed alternative to PG&E and should provide lower cost power over time since we will be able to produce electricity and heat on-site as opposed to having to purchase energy separately. A couple steps remain, but the system has been installed on campus and we expect it to be up and running by the summer.

We mentioned a couple of months ago that we are evaluating the purchase of a **new ERP (Enterprise Resource Planning) system**. Our current agreement with Paragon (All Scripts) terminates March 2026 and a new ERP implementation takes around 9 months to complete. We are finalizing discussions and negotiations this month with a few select vendors (Paragon, Infor, Premier, and Oracle) and are planning on bringing forward a recommendation to this committee either in February or March on next steps.

Operational Updates:

The ROSA (Robotic Surgical Assist) System was delivered last week. First case is scheduled for 1/27.

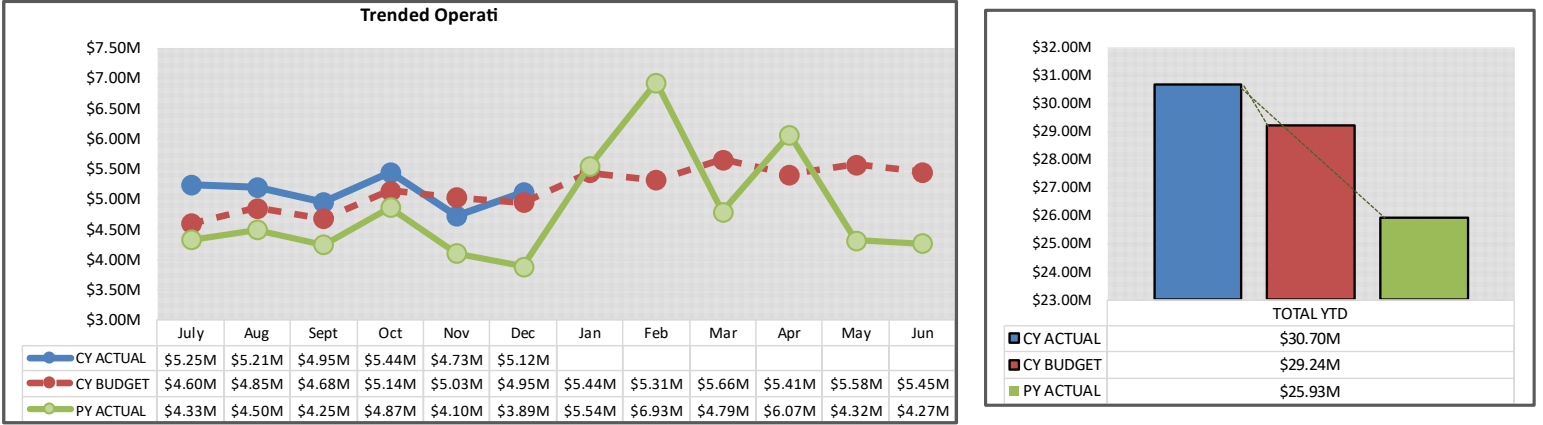
Some big **office/clinic moves** in the community this past month. We terminated our lease on Napa street which will save the hospital over \$100k annually in lease payments. Dr. Weiss (ortho) has relocated (from W. Napa) into our Perkins specialty location and will be followed by Dr Kaplan (urologist) returning to Sonoma after a 1-year hiatus in Napa and Dr Ordon (plastics) who is joining us after relocating from LA last year. These are all non-SVH contracted practitioners with Dr Kaplan employed with a Providence foundation.

2. NET REVENUE AND VOLUME SUMMARY:

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

	Current Year Month		Variance		Current Year YTD		Variance		PY YTD		Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%	
Gross Revenue	\$ 29.03M	\$ 27.77M	\$ 1.25M	5%	\$ 173.83M	\$ 162.87M	\$ 10.96M	7%	\$ 169.64M	\$ 4.19M	2%	
Net Patient Revenue	\$ 5.01M	\$ 4.86M	\$ 0.15M	3%	\$ 30.10M	\$ 28.69M	\$ 1.41M	5%	\$ 25.39M	\$ 4.71M	19%	
NPR as a % of Gross	17.3%	17.5%	-1.3%		17.3%	17.6%	-1.7%		15.0%	15.7%		
Total Operating Revenue	\$ 5.12M	\$ 4.95M	\$ 0.17M	3%	\$ 30.70M	\$ 29.24M	\$ 1.46M	5%	\$ 25.93M	\$ 4.77M	18%	

Graph 2.1 | SVH Trended Operating Revenue



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

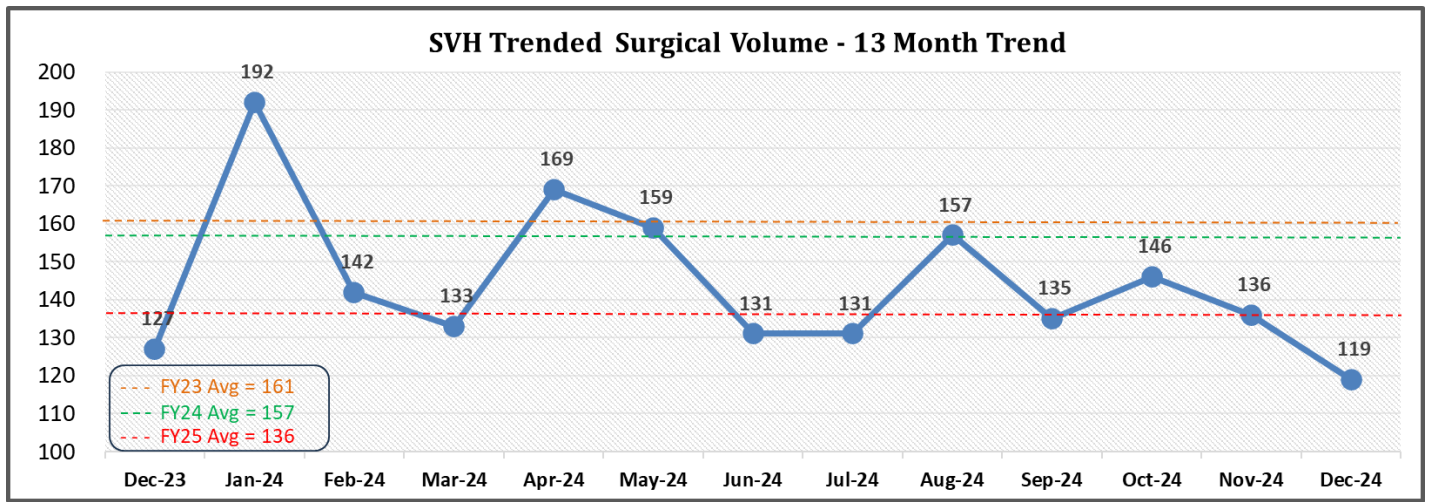


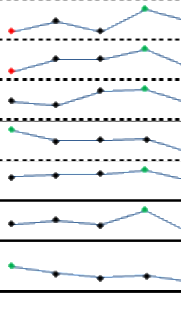

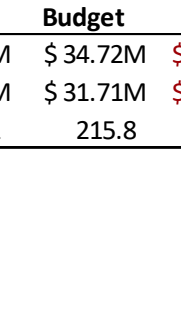

Table 2.3 | Surgical Volumes Top 4 Service Lines | December 2024 vs Prior Month & 6-Mth Trend

Service Line	Current Mth vs. Previous Mth				6 Month Trend						Current Mth vs. 6 Mth Trend		
	Dec24	Nov24	Var	% Var	Jun24	Jul24	Aug24	Sep24	Oct24	Nov24	6 Mth Trend	Var	% Var
Orthopedics	41	46	(5)	-11%	35	26	43	37	53	46	40	1	3%
Gastro (GI)	35	40	(5)	-13%	53	77	71	48	50	40	57	(22)	-38%
Ophthalmology	20	19	1	5%	23	14	20	26	21	19	21	(1)	-2%
General	12	13	(1)	-8%	14	5	15	17	15	13	13	(1)	-9%
SubTotal	108	118	(10)	-8%	125	122	149	128	139	118	130	(22)	-17%
Other	11	18	(7)	-39%	6	9	8	7	7	18	9	2	20%
Grand Total	119	136	(17)	-13%	131	131	157	135	146	136	139	(20)	-15%

Table 2.4 | Patient Volumes – December 2024

	Current Year Month		Variance		Current Year YTD		Variance		PY YTD		Variance	
	Actual	Budget	Var	%	Actual	Budget	Var	%	Actual	Var	%	
Acute Patient Days	263	269	(6)	-2%	1,372	1,563	(191)	-12%	1,593	(221)	-14%	
Average Daily Census	8.5	8.7	(0.2)	-2%	7.5	8.5	(1.0)	-12%	8.7	(1.2)	-14%	
Acute Discharges	66	72	(6)	-9%	361	434	(73)	-17%	432	(71)	-16%	
IP Surgeries	9	10	(1)	-11%	50	62	(12)	-20%	84	(34)	-40%	
OP Surgeries	110	130	(20)	-15%	774	789	(15)	-2%	873	(99)	-11%	
Total Surgeries	119	140	(21)	-15%	824	851	(27)	-3%	957	(133)	-14%	
Total Outpatient Visits	5,333	5,100	233	5%	33,589	30,600	2,989	10%	30,669	2,920	10%	
Emergency Room Visits	972	845	127	15%	5,467	4,964	503	10%	5,102	365	7%	

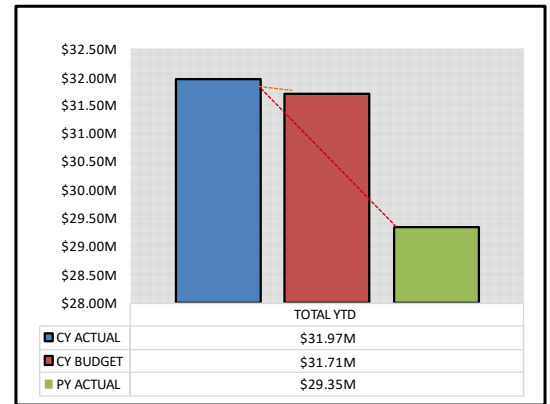
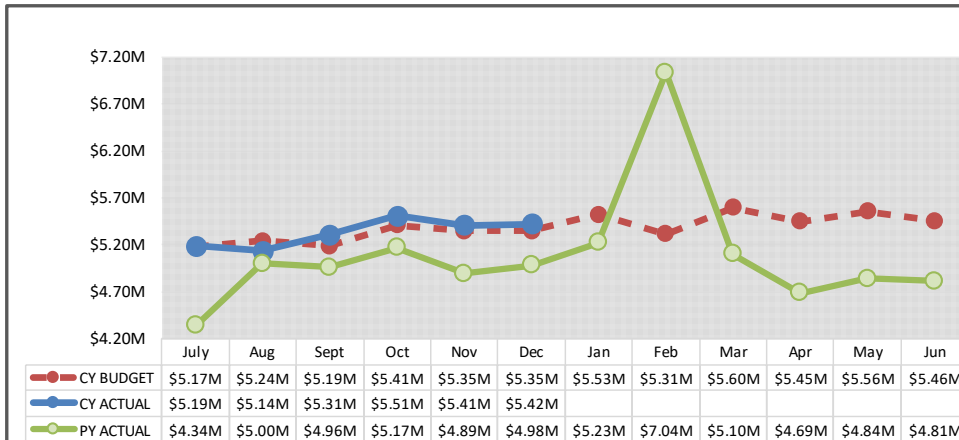
Table 2.5 | Outpatient Volumes Trended – Last 6 Months

Department	Most Recent Six Months						Last 6 Months	YoY Monthly Averages			
	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24		FY25	FY24	Chg	% Chg
Lab	1,363	1,313	1,269	1,443	1,328	1,211		1,321	1,297	25	2%
Medical Imaging	923	947	878	1,019	791	917		913	927	(14)	-2%
Physical Therapy	1,415	1,426	1,411	1,481	1,278	1,337		1,391	1,154	237	21%
CT Scanner	411	466	458	472	442	426		446	380	65	17%
Occ. Health	295	295	162	255	252	229		248	282	(34)	-12%
Mammography	167	251	215	275	234	230		229	240	(12)	-5%
Occ. Therapy	196	219	294	205	167	210		215	205	10	5%
Ultrasound	256	219	233	252	183	163		218	217	0	0%
Wound Care	205	238	209	277	236	254		237	177	59	33%
MRI	130	182	182	222	151	190		176	131	45	34%
ECHO	116	107	141	147	110	89		118	115	4	3%
Speech Therapy	93	62	66	69	31	69		65	49	16	32%
Other	23	25	26	30	19	8		22	20	2	9%
TOTAL	5,593	5,750	5,544	6,147	5,222	5,333		5,598	5,195	403	8%
Emergency Room	1,006	919	862	894	814	972		911	868	43	5%

3. OPERATING EXPENSE SUMMARY:**Table 3 | Operating Expenses – Actual vs. Budget – December 2024**

Metric	Current Year Month		Variance		Current Year YTD		Variance		PY YTD		Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Expenses	\$ 5.94M	\$ 5.84M	\$ 0.10M	2%	\$ 35.14M	\$ 34.72M	\$ 0.42M	1%	\$ 32.00M	\$ 3.14M	10%	
Operating Exp. Excl. Depr.	\$ 5.42M	\$ 5.35M	\$ 0.07M	1%	\$ 31.97M	\$ 31.71M	\$ 0.26M	1%	\$ 29.35M	\$ 2.62M	9%	
Worked FTEs	222.3	216.9	5.4	2%	218.2	215.8	2.5	1%	216.1	2.2	1%	

Graph 3.1 | SVH Trended Operating Expenses (excluding Depreciation)



4. CASH ACTIVITY SUMMARY:

Table 4 | Cash / Revenue Cycle Indicators - December 2024

	Dec-24	Nov-24	Var	%
Days Cash on Hand	11.5	16.0	(4.5)	-28%
A/R Days	56.3	55.5	0.8	1%
A/P Days	67.9	66.4	1.5	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
- Attachment H is the FY25 Business Plan Tracker

Sonoma Valley Health Care District
Payer Mix for the month of December, 2024

ATTACHMENT A

Gross Revenue	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance
Medicare	9,633,616	10,569,099	-935,483	-3.4%	62,391,625	61,905,980	485,644	0.3%
Medicare Managed Care	6,915,783	5,100,344	1,815,439	6.5%	36,954,171	29,886,106	7,068,065	4.3%
Medi-Cal	5,881,010	4,504,954	1,376,056	4.9%	31,300,231	26,423,011	4,877,220	3.0%
Self Pay	485,764	330,881	154,883	0.6%	2,191,720	1,943,973	247,747	0.2%
Commercial & Other Governn	5,874,630	6,637,728	-763,098	-2.7%	37,120,942	38,935,466	-1,814,525	-1.1%
Worker's Comp.	208,253	738,117	-529,863	-1.9%	3,718,493	4,334,358	-615,864	-0.4%
Total	28,999,056	27,881,122	1,117,934	4.0%	173,677,182	163,428,895	10,248,287	6.3%

Payor Mix	MONTH			YEAR TO DATE		
	Actual	Budget	Variance	Actual	Budget	Variance
Medicare	33.2%	37.9%	-4.7%	35.9%	37.9%	-2.0%
Medicare Managed Care	23.8%	18.3%	5.6%	21.3%	18.3%	3.0%
Medi-Cal	20.3%	16.2%	4.1%	18.0%	16.2%	1.9%
Self Pay	1.7%	1.2%	0.5%	1.3%	1.2%	0.1%
Commercial & Other Governn	20.3%	23.8%	-3.5%	21.4%	23.8%	-2.5%
Worker's Comp.	0.7%	2.6%	-1.9%	2.1%	2.7%	-0.5%
Total	100.0%	100.0%		100.0%	100.0%	

Sonoma Valley Health Care District
Operating Indicators
For the Period Ended December 31, 2024

ATTACHMENT B

CURRENT MONTH				YEAR-TO-DATE			YTD
Actual	Budget	Favorable		Actual	Budget	Favorable	Prior
<u>12/31/24</u>	<u>12/31/24</u>	(Unfavorable)		<u>12/31/24</u>	<u>12/31/24</u>	(Unfavorable)	Year
		<u>Variance</u>				<u>Variance</u>	<u>12/31/23</u>
Inpatient Utilization							
Discharges							
1	48	54	(6)	255	324	(69)	326
2	18	18	(0)	106	109	(3)	106
3	66	72	(6)	361	434	(73)	432
Total Discharges							
Patient Days:							
4	174	180	(6)	871	1,044	(173)	1,064
5	89	89	(0)	501	519	(18)	529
6	263	269	(6)	1,372	1,563	(191)	1,593
Total Patient Days							
7	23	-	23	138	-	138	133
Observation days							
Average Length of Stay:							
8	3.63	3.32	0.3	3.42	3.22	0.20	3.26
9	4.94	4.91	0.0	4.73	4.75	(0.03)	4.99
10	3.98	3.72	0.3	3.80	3.60	0.20	3.69
Avg. Length of Stay							
Average Daily Census:							
11	5.6	5.8	(0.2)	4.7	5.7	(0.9)	5.8
12	2.9	2.9	(0.0)	2.7	2.8	(0.1)	2.9
13	8.5	8.7	(0.2)	7.5	8.5	(1.0)	8.7
Avg. Daily Census							
Other Utilization Statistics							
Emergency Room Statistics							
14	972	845	127	5,467	4,964	503	5,102
OP ER Visits							
Outpatient Statistics:							
15	5,333	5,100	233	33,589	30,600	2,989	30,669
16	9	10	(1)	50	62	(12)	84
17	110	130	(20)	774	774	-	873
18	310	329	(19)	1,974	1,990	(16)	1,944
19	2,469	1,238	1,231	9,911	7,259	2,652	7,291
20	79.6	39.9	39.7	53.9	39.5	14.4	39.6
21	1.303	1.400	(0.097)	1.378	1.400	(0.022)	1.357
22	1.342	1.400	(0.058)	1.393	1.400	(0.007)	1.354
Total Outpatients Visits							
IP Surgeries							
OP Surgeries / Special Procedures							
Adjusted Discharges							
Adjusted Patient Days							
Adj. Avg. Daily Census							
Case Mix Index - Medicare							
Case Mix Index - All payers							
Labor Statistics							
23	217	217	(0)	217	216	(1.6)	216
24	242	239	(3)	240	238	(2.0)	238
25	48.80	49.50	0.70	49.88	49.52	(0.36)	48.79
26	3.04	5.98	2.94	4.46	6.03	1.58	6.01
27	17.3	34.1	16.7	25.4	34.4	9.0	34.3
28	138.1	128.4	(9.7)	127.5	125.4	(2.1)	128.5
29	26.8%	27.2%	0.4%	24.8%	28.0%	3.2%	24.7%
FTE's - Worked							
FTE's - Paid							
Average Hourly Rate							
FTE / Adj. Pat Day							
Manhours / Adj. Pat Day							
Manhours / Adj. Discharge							
Benefits % of Salaries							
Non-Labor Statistics							
30	12.5%	12.9%	0.5%	12.1%	12.3%	0.2%	16.6%
31	2,017	1,911	(107)	1,848	1,773	(75)	2,168
32	19,292	17,924	(1,368)	17,926	17,597	(329)	16,599
Supply Expense % Net Revenue							
Supply Exp. / Adj. Discharge							
Total Expense / Adj. Discharge							
Other Indicators							
Days Cash - Operating Funds							
33	11.5						
34	56.3	50.0	6.3	56.4	50.0	6.4	62.7
35	109%			101%			99.1%
36	67.9	55.0	12.9	67.9	55.0	12.9	-
Days in Accounts Payable							
37	17.3%	17.5%	-0.2%	17.3%	17.6%	-0.3%	15.0%
38	41.3%			41.3%			31.8%
% Net revenue to Gross revenue							
% Net AR to Gross AR							

Sonoma Valley Health Care District
Balance Sheet
As of December 31, 2024
UNAUDITED

ATTACHMENT C

	<u>Current Month</u>	<u>Prior Month</u>	<u>Prior Year</u>
Assets			
Current Assets:			
1 Cash	1,799,387	2,496,519	3,388,272
3 Net Patient Receivables	8,397,289	8,429,333	10,270,305
4 Allow Uncollect Accts	(1,008,773)	(1,058,000)	(2,726,204)
5 Net A/R	7,388,516	7,371,333	7,544,101
6 Other Accts/Notes Rec	2,514	865,376	2,190,681
7 Parcel Tax Receivable	-	2,188,000	1,740,944
8 GO Bond Tax Receivable	5,424,617	2,407,523	2,401,190
9 3rd Party Receivables, Net	8,229,145	7,431,793	317,962
10 Inventory	941,328	944,816	1,015,925
11 Prepaid Expenses	1,042,034	1,151,281	1,023,531
12 Total Current Assets	\$ 24,827,541	\$ 24,856,641	\$ 19,622,605
13 Property, Plant & Equip, Net	\$ 60,710,983	\$ 61,221,931	\$ 56,463,268
14 Trustee Funds - GO Bonds	3,549,995	3,535,751	3,520,557
15 Designated Funds - Board Approved	-	-	-
16 Total Assets	\$ 89,088,519	\$ 89,614,323	\$ 79,606,430
Liabilities & Fund Balances			
Current Liabilities:			
17 Accounts Payable	\$ 8,185,216	\$ 7,977,055	\$ 6,506,464
18 Accrued Compensation	3,883,914	3,713,702	3,737,047
19 Interest Payable - GO Bonds	468,474	431,906	195,172
20 Accrued Expenses	404,037	305,298	571,164
21 Advances From 3rd Parties	-	-	-
22 Deferred Parcel Tax Revenue	1,899,998	2,216,665	1,899,998
23 Deferred GO Bond Tax Revenue	1,203,761	1,404,388	1,308,733
24 Current Maturities-LTD	217,475	217,475	217,475
25 Line of Credit & Term Loan - Summit Bank	5,740,000	5,740,000	4,973,734
26 Other Liabilities	57,511	57,511	57,511
27 Total Current Liabilities	\$ 22,060,386	\$ 22,064,000	\$ 19,467,298
28 Long Term Debt, net current portion	\$ 28,128,173	\$ 28,347,522	\$ 26,378,346
29 Fund Balances:			
30 Unrestricted	\$ 15,524,888	\$ 15,827,728	\$ 13,115,275
31 Restricted	23,375,073	23,375,073	20,645,512
32 Total Fund Balances	\$ 38,899,960	\$ 39,202,800	\$ 33,760,787
33 Total Liabilities & Fund Balances	\$ 89,088,519	\$ 89,614,323	\$ 79,606,430

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

ATTACHMENT D

Assets	Monthly Change	Current Month	Prior Month	Prior Year	Variance Commentary
CURRENT ASSETS					
Cash	(697,132)	1,799,387	2,496,519	3,388,272	Cash out (\$5.4M) for payroll and vendor payments greater than cash in (\$4.9) which includes patient payments, partial parcel tax payment and foundation payment
Net A/R	17,183	7,388,516	7,371,333	7,544,101	Comparable
Other Receivables	763,584	13,656,276	12,892,692	6,650,777	Primarily due to recording of Medi-Cal settlement, IGT entry, and our stop loss receivable
Inventory	(3,488)	941,328	944,816	1,015,925	Comparable
Prepaid Expenses	(109,247)	1,042,034	1,151,281	1,023,531	Monthly amortization
TOTAL CURRENT ASSETS	(29,100)	24,827,541	24,856,641	19,622,605	
NON-CURRENT ASSETS					
Net Fixed Assets	(510,948)	60,710,983	61,221,931	56,463,268	Monthly depreciation
Trustee Funds - GO Bonds	14,244	3,549,995	3,535,751	3,520,557	Interest income
TOTAL ASSETS	(525,804)	89,088,519	89,614,323	79,606,430	
Liabilities / Fund Balance	Monthly Change	Current Month	Prior Month	Prior Year	Variance Commentary
CURRENT LIABILITIES					
Accounts Payable	208,161	8,185,216	7,977,055	6,506,464	Increase in AP due to restricted payment of vendor invoices
Accrued Expenses	268,951	4,287,951	4,019,000	4,308,211	Accrued payroll due to timing and accrued UMR
Interest Payable	36,568	468,474	431,906	195,172	Go Bond interest accrual
Deferred Revenues	(517,294)	3,103,759	3,621,053	3,208,731	Monthly amortization of annual Parcel Tax and IGT funds
Line of Credit / Term Loan	-	5,740,000	5,740,000	4,973,734	No change
Other Liabilities	-	274,986	274,986	274,986	No change
TOTAL CURRENT LIABILITIES	(3,614)	22,060,386	22,064,000	19,467,298	
NON-CURRENT LIABILITIES					
Long Term Debt	(219,349)	28,128,173	28,347,522	26,378,346	Payment of term loan
TOTAL LIABILITIES	(222,964)	50,188,559	50,411,523	45,845,644	
FUND BALANCES					
Fund Balance	(302,840)	38,899,960	39,202,800	33,760,787	Change in Net Position for December \$(302,840)
TOTAL LIABILITIES & FUND BALANCES	(525,803)	89,088,519	89,614,323	79,606,430	

Sonoma Valley Health Care District
Statement of Revenue and Expenses
For the Period Ended December 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	66	64	2	3%	361	425	(64)	-15%	432	(71)	-16%
2 Patient Days	263	266	(3)	-1%	1,372	1,560	(188)	-12%	1,593	(221)	-14%
3 Observation Days	23	-	23	n/a	138	-	138	n/a	133	5	4%
4 Gross O/P Revenue (000's)	22,848	21,668	1,180	5%	141,855	127,398	14,457	11%	131,824	10,031	8%
Financial Results											
Gross Patient Revenue											
5 Inpatient	6,179,274	6,105,771	73,503	1%	31,974,109	35,471,699	(3,497,590)	-10%	37,720,366	(5,746,257)	-15%
6 Outpatient	12,018,792	13,263,551	(1,244,759)	-9%	80,823,464	78,012,298	2,811,166	4%	81,108,441	(284,977)	0%
7 Emergency	10,829,195	8,403,989	2,425,206	29%	61,031,781	49,386,125	11,645,656	24%	50,809,250	10,222,531	20%
8 Total Gross Patient Revenue	29,027,261	27,773,311	1,253,950	5%	173,829,354	162,870,122	10,959,232	7%	169,638,058	4,191,296	2%
Deductions from Revenue											
9 Contractual Discounts	(23,573,118)	(23,713,691)	140,573	-1%	(146,656,435)	(138,967,002)	(7,689,432)	6%	(144,715,919)	(1,940,515)	1%
10 Bad Debt	(1,122,096)	(131,645)	(990,451)	752%	(1,998,653)	(771,464)	(1,227,189)	159%	(545,027)	(1,453,626)	267%
11 Charity Care Provision	(193,660)	56,557	(250,217)	-442%	(300,599)	331,433	(632,033)	-191%	288,368	(588,967)	-204%
12 IGT Program Revenue	871,547	871,547	0	0%	5,229,282	5,229,280	2	0%	723,542	4,505,740	623%
13 Total Deductions from Revenue	(24,017,327)	(22,917,232)	(1,100,095)	5%	(143,726,405)	(134,177,753)	(9,548,652)	7%	(144,249,036)	522,632	0%
14 Net Patient Service Revenue	5,009,934	4,856,079	153,855	3%	30,102,949	28,692,369	1,410,580	5%	25,389,021	4,713,928	19%
15 Other Operating Revenue	105,312	91,993	13,318	14%	597,728	551,961	45,767	8%	539,139	58,590	11%
16 Total Operating Revenue	5,115,246	4,948,072	167,174	3%	30,700,678	29,244,330	1,456,347	5%	25,928,160	4,772,518	18%
Operating Expenses											
17 Salary and Wages and Agency Fees	2,088,172	2,088,217	(45)	0%	12,553,709	12,360,578	193,131	2%	12,185,207	368,503	3%
18 Employee Benefits	870,312	806,388	63,924	8%	4,766,095	4,856,095	(90,001)	-2%	4,451,697	314,398	7%
19 Total People Cost	2,958,484	2,894,606	63,879	2%	17,319,804	17,216,674	103,131	1%	16,636,903	682,901	4%
20 Med and Prof Fees (excl Agency)	644,409	679,569	(35,159)	-5%	3,956,630	4,039,592	(82,962)	-2%	3,389,664	566,966	17%
21 Supplies	624,886	627,744	(2,857)	0%	3,648,371	3,527,801	120,570	3%	4,213,874	(565,503)	-13%
22 Purchased Services	433,661	400,755	32,906	8%	2,399,228	2,454,505	(55,276)	-2%	2,640,226	(240,998)	-9%
23 Depreciation	516,677	491,705	24,972	5%	3,170,618	3,010,228	160,390	5%	2,648,275	522,343	20%
24 Utilities	120,175	175,209	(55,034)	-31%	1,041,243	1,051,254	(10,012)	-1%	888,656	152,586	17%
25 Insurance	81,549	74,736	6,813	9%	516,619	448,416	68,203	15%	418,055	98,564	24%
26 Interest	99,150	29,445	69,706	237%	248,714	176,667	72,047	41%	309,625	(60,911)	-20%
27 Other	93,555	101,617	(8,062)	-8%	651,827	606,337	45,490	8%	643,807	8,021	1%
28 IGT Program Expense (Matching Fees)	365,191	365,191	0	0%	2,191,146	2,191,145	1	0%	211,693	1,979,453	935%
29 Operating Expenses	5,937,738	5,840,575	97,163	2%	35,144,201	34,722,618	421,583	1%	32,000,779	3,143,422	10%
30 Operating Margin	(822,492)	(892,503)	70,011	8%	(4,443,524)	(5,478,288)	1,034,764	19%	(6,072,620)	1,629,096	37%

Sonoma Valley Health Care District
Statement of Revenue and Expenses
For the Period Ended December 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)	32,580	14,488	18,093	125%	179,099	86,925	92,174	106%	222,647	(43,548)	-20%
32 Donations	-	(3,955)	3,955	-100%	-	(23,728)	23,728	-100%	(4,287)	4,287	-100%
33 Parcel Tax Assessment Rev	316,667	312,500	4,167	1%	1,900,002	1,875,000	25,002	1%	1,900,002	-	0%
34 Extraordinary Items	-	-	-	n/a	-	-	-	n/a	-	-	n/a
35 Total Non-Operating Revenue/(Expense)	349,247	323,033	26,214	8%	2,079,101	1,938,197	140,904	7%	2,118,362	(39,261)	-2%
36 Net Income / (Loss) prior to GO Bond(net)	(473,245)	(569,470)	96,225	17%	(2,364,423)	(3,540,091)	1,175,668	33%	(3,954,258)	1,589,835	40%
37 GO Bond Activity, Net	162,817	177,571	(14,754)	-8%	965,798	1,065,428	(99,630)	-9%	1,046,354	(80,556)	-8%
38 Net Income / (Loss) with GO Bond(net)	(310,428)	(391,899)	81,471	21%	(1,398,625)	(2,474,663)	1,076,038	43%	(2,907,904)	1,509,279	52%
39 Restricted Foundation Contributions	7,588	157,410	(149,822)	-95%	1,521,026	944,457	576,569	61%	-	1,521,026	n/a
40 Change in Net Position	(302,840)	(234,489)	(68,351)	-29%	122,401	(1,530,206)	1,652,607	108%	(2,907,904)	3,030,305	104%
Operating EBDA	(305,815)	(400,798)	94,983	24%	(1,272,906)	(2,468,060)	1,195,154	48%	(3,424,344)	2,151,439	63%
Total EBDA - Excl Rest Contributions	206,249	99,806	106,443	107%	1,771,993	535,565	1,236,429	231%	(259,628)	2,031,622	783%

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

ATTACHMENT F

	July	August	September	October	November	December	FY25 YTD	FY25 YTD	FY24 YTD	%
	FY25	FY25	FY25	FY25	FY25	FY25	TOTAL	Mth Avg	Mth Avg	Chg
1 Acute Discharges	65	54	52	62	62	66	361	60	68	-12%
2 Patient Days	230	208	206	273	192	263	1,372	229	245	-7%
3 Observation Days	18	23	25	27	22	23	138	23	22	6%
4 Gross Revenue (000's)	\$ 27,960	\$ 28,981	\$ 28,160	\$ 32,373	\$ 27,204	\$ 29,000	\$ 173,678	\$ 28,946	\$ 27,677	5%
Financial Results										
Gross Patient Revenue										
5 Inpatient	\$ 5,899,154	\$ 4,785,991	\$ 4,896,552	\$ 5,860,242	\$ 4,352,896	\$ 6,179,274	\$ 31,974,109	\$ 5,329,018	\$ 5,855,907	-9%
6 Outpatient	11,683,143	13,524,993	13,626,895	16,102,940	13,742,734	11,991,061	80,671,767	13,445,295	12,948,617	4%
7 Emergency	10,377,802	10,670,255	9,636,758	10,409,422	9,108,349	10,829,195	61,031,781	10,171,964	8,872,108	15%
8 Total Gross Patient Revenue	\$ 27,960,099	\$ 28,981,239	\$ 28,160,205	\$ 32,372,604	\$ 27,203,980	\$ 28,999,530	\$ 173,677,657	\$ 28,946,276	\$ 27,676,632	5%
Deductions from Revenue										
9 Contractual Discounts	(23,449,018)	(24,552,378)	(24,100,734)	(27,735,343)	(23,245,843)	(23,573,118)	(146,656,435)	(24,442,739)	(23,322,102)	5%
10 Bad Debt	(150,000)	(172,250)	(164,500)	(219,000)	(170,807)	(1,122,096)	(1,998,653)	(333,109)	(274,192)	21%
11 Other Deductions	(105,349)	(41,925)	64,180	28,140	(51,986)	(193,660)	(300,599)	(50,100)	(8,882)	464%
12 IGT Revenue	871,547	871,547	871,547	871,547	871,547	871,547	5,229,282	871,547	656,761	33%
13 Total Deductions from Revenue	\$ (22,832,820)	\$ (23,895,006)	\$ (23,329,507)	\$ (27,054,656)	\$ (22,597,089)	\$ (24,017,327)	\$ (143,726,405)	\$ (23,954,401)	\$ (22,948,415)	4%
14 Net Patient Service Revenue	\$ 5,127,279	\$ 5,086,233	\$ 4,830,697	\$ 5,317,948	\$ 4,606,891	\$ 4,982,203	\$ 29,951,252	\$ 4,991,875	\$ 4,728,217	6%
15 Other Operating Revenue	\$ 122,004	\$ 122,638	\$ 119,973	\$ 123,756	\$ 128,012	\$ 133,043	\$ 749,425	\$ 124,904	\$ 92,739	35%
16 Total Operating Revenue	\$ 5,249,283	\$ 5,208,871	\$ 4,950,671	\$ 5,441,704	\$ 4,734,903	\$ 5,115,246	\$ 30,700,678	\$ 5,116,780	\$ 4,820,956	6%
Operating Expenses										
17 Salary & Wages (w/ Agency)	\$ 2,008,288	\$ 2,135,117	\$ 2,063,255	\$ 2,155,198	\$ 2,103,679	\$ 2,088,172	\$ 12,553,709	\$ 2,092,285	\$ 2,026,203	3%
18 Employee Benefits	844,382	721,346	738,758	737,835	853,461	870,312	4,766,095	794,349	785,416	1%
19 Total People Cost	\$ 2,852,670	\$ 2,856,463	\$ 2,802,013	\$ 2,893,033	\$ 2,957,140	\$ 2,958,484	\$ 17,319,804	\$ 2,886,634	\$ 2,811,618	3%
20 Med and Prof Fees	\$ 760,435	\$ 537,961	\$ 670,464	\$ 665,243	\$ 678,117	\$ 644,409	\$ 3,956,630	\$ 659,438	\$ 598,762	10%
21 Supplies	436,999	543,997	630,036	745,969	666,484	624,886	3,648,371	608,062	626,803	-3%
22 Purchased Services	350,330	481,692	352,482	410,063	371,000	433,661	2,399,228	399,871	413,583	-3%
23 Depreciation	519,093	578,469	519,114	582,244	455,020	516,677	3,170,618	528,436	441,044	20%
24 Utilities	204,101	199,612	205,277	169,049	143,029	120,175	1,041,243	173,540	162,052	7%
25 Insurance	102,750	16,650	144,155	85,387	86,128	81,549	516,619	86,103	68,293	26%
26 Interest	12,973	29,150	13,642	38,791	55,008	99,150	248,714	41,452	59,272	-30%
27 Other	102,876	106,367	123,429	139,587	86,013	93,555	651,827	108,638	100,025	9%
28 Matching Fees (IGT)	365,191	365,191	365,191	365,191	365,191	365,191	2,191,146	365,191	266,458	37%
29 Operating expenses	\$ 5,707,419	\$ 5,715,552	\$ 5,825,804	\$ 6,094,557	\$ 5,863,131	\$ 5,937,738	\$ 35,144,201	\$ 5,857,367	\$ 5,547,909	6%
30 Operating Margin	\$ (458,136)	\$ (506,681)	\$ (875,134)	\$ (652,853)	\$ (1,128,228)	\$ (822,492)	\$ (4,443,524)	\$ (740,587)	\$ (726,953)	-2%
Non Operating Rev and Expense										
31 Misc. Revenue/(Exp)	\$ (12,506)	\$ 38,607	\$ 33,567	\$ 70,668	\$ 16,183	\$ 32,580	\$ 179,099	\$ 29,850	\$ 36,743	-19%
32 Donations	-	-	-	-	-	-	-	-	(1,005)	
33 Parcel Tax Revenue	316,667	316,667	316,667	316,667	316,667	316,667	1,900,002	316,667	316,667	0%
34 Extraordinary Items	-	-	-	-	-	-	-	-	-	
35 Total Non-Op Rev/Exp	\$ 304,161	\$ 355,274	\$ 350,234	\$ 387,335	\$ 332,850	\$ 349,247	\$ 2,079,101	\$ 346,517	\$ 352,405	-2%
36 Net Income / (Loss) Excl GO Bond	\$ (153,975)	\$ (151,407)	\$ (524,899)	\$ (265,518)	\$ (795,378)	\$ (473,245)	\$ (2,364,423)	\$ (394,070)	\$ (374,548)	-5%
37 GO Bond Activity, Net	157,691	157,691	162,817	162,817	161,965	162,817	965,798	160,966	174,790	-8%
38 Net Income/(Loss) Incl GO Bond	\$ 3,716	\$ 6,284	\$ (362,082)	\$ (102,701)	\$ (633,413)	\$ (310,428)	\$ (1,398,625)	\$ (233,104)	\$ (199,759)	-17%
39 Restricted Foundation Contr	\$ 65,959	\$ 986,446	\$ 177,715	\$ 60,658	\$ 222,660	\$ 7,588	\$ 1,521,026	\$ 253,504	\$ 449,199	-44%
40 Change in Net Position	\$ 69,675	\$ 992,730	\$ (184,367)	\$ (42,043)	\$ (410,753)	\$ (302,840)	\$ 122,401	\$ 20,400	\$ 249,440	-92%
41 Operating EBDA	\$ 60,957	\$ 71,788	\$ (356,019)	\$ (70,609)	\$ (673,208)	\$ (305,815)	\$ (1,272,906)	\$ (212,151)	\$ (285,910)	26%
42 Total EBDA - Excl Rest Contr	\$ 522,809	\$ 584,753	\$ 157,032	\$ 479,543	\$ (178,393)	\$ 206,249	\$ 1,771,993	\$ 295,332	\$ 241,285	22%



To: SVHCD Board of Directors
 From: Ben Armfield, Chief Financial Officer
 Date: January 9, 2025
 Subject: Financial Report for November 2024

OVERALL PERFORMANCE SUMMARY

November broke a trend of consecutive favorable monthly performances since the start of the fiscal year, with volumes taking a dip compared to recent months. This decline aligns with typical seasonal patterns as the holiday season approaches. The shorter workweeks during the Thanksgiving period did disrupt operational flow, impacting volumes and operational capacity of some key areas towards the end of November. While we accounted for this seasonal decrease in our budget, the pullback was slightly greater than anticipated.

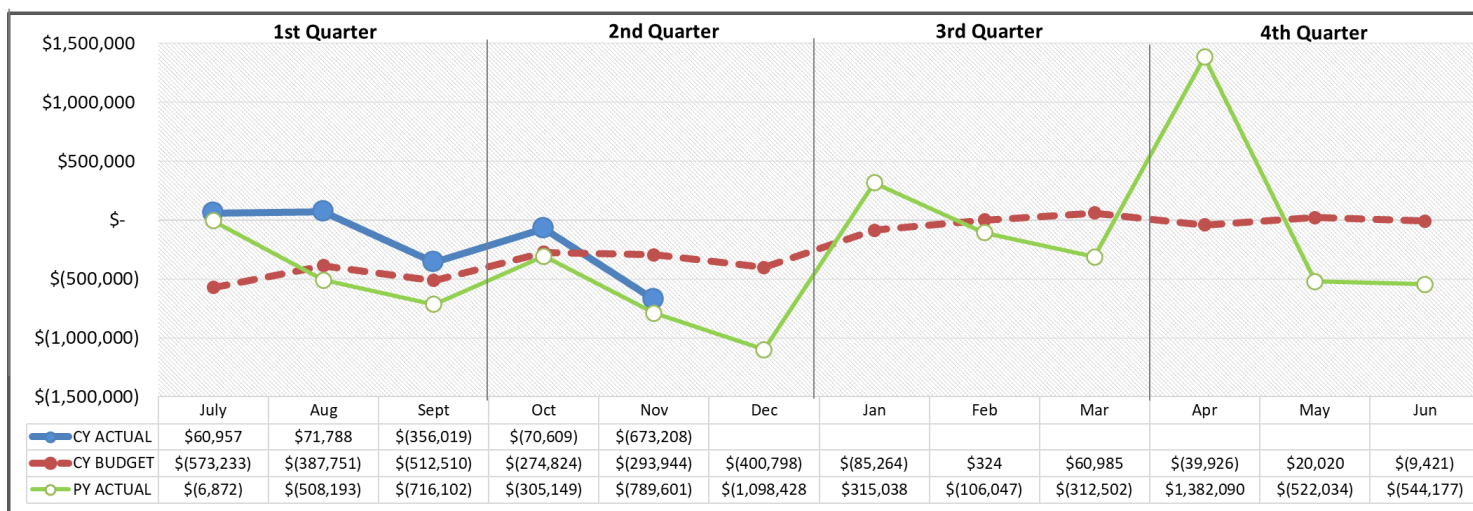
Most of the hospital’s outpatient areas experienced some level of reduction, with the most significant impacts observed in emergency room traffic and high-growth areas such as MRI and outpatient physical therapy. Both MRI and physical therapy set all-time high volumes in October; while November volumes remained above prior-year baseline levels, they declined compared to the previous month. Outpatient surgeries also saw a decrease from October but managed to maintain reasonable levels relative to the current run rate.

Despite the pullback, year-to-date operating revenues remain ahead of budget and prior-year levels, reflecting the strength of earlier months’ performances. Efforts will focus on sustaining the momentum created earlier in the fiscal year, with an expectation that volumes will rebound after the holiday season.

Table 1 | Overall Performance - November 2024

Metric	Current Year Month		Variance		Current Year YTD		Variance		PY YTD		Variance	
	Actual	Budget	\$	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Margin	\$(1,128,228)	\$ (785,648)	\$ (342,580)	-44%	\$ (3,621,032)	\$ (4,585,785)	\$ 964,753	21%	\$ (4,542,863)	\$ 921,831	20%	
Op Margin w Parcel	\$ (811,561)	\$ (473,148)	\$ (338,413)	-72%	\$ (2,037,697)	\$ (3,023,285)	\$ 985,588	33%	\$ (2,959,528)	\$ 921,831	31%	
Operating EBDA	\$ (673,208)	\$ (293,944)	\$ (379,264)	-129%	\$ (967,091)	\$ (2,042,262)	\$ 1,075,171	53%	\$ (2,325,916)	\$ 1,358,826	58%	
Op EBDA w Parcel	\$ (356,541)	\$ 18,556	\$ (375,097)	-2021%	\$ 616,244	\$ (479,762)	\$ 1,096,006	228%	\$ (742,581)	\$ 1,358,826	183%	
Net Income (Loss)	\$ (633,413)	\$ (285,044)	\$ (348,369)	-122%	\$ (1,088,197)	\$ (2,082,764)	\$ 994,568	48%	\$ (1,882,080)	\$ 793,883	42%	

Graph 1.1 | SVH Trended Operating EBDA



DRIVERS IN MONTHLY PERFORMANCE

The drivers in November's performance were largely tied to volume reductions across several key areas, following all-time highs achieved in October. Additional disruptions were noted in the final week of the month, compounding the seasonal slowdown. Nonetheless, our strategic initiatives implemented earlier in the year continue to support a solid foundation for growth.

Revenues: November marked the first month of the fiscal year in which operating revenues fell short of budget, missing the target by 6%. This ended a streak of four consecutive months exceeding budgeted revenues. The decline was driven by reductions in outpatient services, particularly in physical therapy and MRI volumes. Emergency room and surgical volumes also experienced declines.

Year-to-date, however, operating revenues remain comfortably ahead of both budget and prior-year levels, reflecting the hospital's overall strong financial performance this fiscal year. | **Month vs Budget -6%, YTD vs Budget +5%, YTD vs PY +16%**

Expenses: Operating expenses totaled \$5.41 million in November, running 1% over budget for month. The overage was largely attributable to an increase in interest expense resulting from the execution of our two new loans – the \$1.9M term loan and the \$5.4M draw on our new line of credit. We also experienced a small increase in salaries and wage expenses, particularly in PTO given the lower volumes coupled with the Thanksgiving holiday. Despite these added expenses, year-to-date operating expenses remain closely aligned with the budget, coming in just 1% over the year-to-date target. | **Month vs Budget +1%, YTD vs Budget +1%, YTD vs PY +9%**

Volumes: Volumes in November trailed off from the most recent trends as we saw a pullback from what had been consecutive months of higher volume trends. Both inpatient and outpatient volumes declined during November. As has been highlighted in this memo, Physical Therapy, MRI, and Emergency Room Volumes all saw a reduction compared to their most recent trends.

Surgical Volumes: Surgical volumes in November fell short of budget by approximately 4%, with 136 surgeries performed against a target of 142. Year-to-date surgical volumes are slightly under budget, though orthopedic surgery continues to be a strong contributor. | **Month vs Budget -4%, YTD vs Budget -1%, YTD vs PY -15%**

Orthopedics Orthopedic surgery, a standout performer in October, posted another strong month with 46 surgeries being performed in November. This is a slight decrease compared to prior month, but also 25% higher than the service line's current 6-month trend, so still positive. Like previous months, all orthopedic surgeons are contributing to this uptick in volume, with Dr. Walter still achieving robust results. Dr. Walter performed 15 cases in November, which met his budget for the month despite a shortened scheduled workload due to the holidays. For the year, Dr. Walter is +30% compared to his year-to-date targets.

Gastroenterology GI volumes took a dip as Dr. Alexandridis is trying to shoulder the load given Dr. Kidd's departure. We are working on solutions to bring on some additional surgical capacity to help Dr. A and to increase overall GI Volumes.

Other Outpatient Volumes: Other outpatient volumes came down from an incredibly busy October. Total outpatient visits dropped by approximately 15% in November from the prior month but still managed to exceed the monthly budget by 2%. Most outpatient departments experienced some level of volume pullback in November, with the main areas concentrated in imaging. **Total Outpatient Visits | Month vs Budget +2%, YTD vs Budget +11%, YTD vs PY +10%,**

MRI volumes dropped from the all-time high achieved in October, with 151 exams performed in November. This represents the lowest monthly total since the 3T MRI went live, though volumes remain significantly higher than pre-implementation levels. Physical therapy volumes, while still exceeding budget, also hit their lowest point this fiscal year, highlighting the seasonal impact. Emergency room volumes similarly experienced their lowest levels of the fiscal year, reflecting broader seasonal trends. Despite these declines, outpatient services continue to drive strong year-to-date performance, supported by strategic investments and operational efficiencies.

It should also be noted that it appears for the month of December that all of these areas saw their volumes regain their pre-November levels. **OP MRI Volume | Month vs Budget -24%, YTD vs Budget -7.5%, YTD vs PY +43% | Emergency Room Volume | Month vs Budget -7%, YTD vs Budget +9%, YTD vs PY +7%,**

Cash:

The hospital's total cash position decreased by \$1.1 million between October and November, ending at just under \$2,500,000. Total cash outlay in November totaled \$5.8 million, compared to payments received of \$4.1 million. The increase in cash outlay from fiscal year averages was due to select catch-up payments for specific AP vendors. Additionally, the hospital experienced significant cash inflows and outflows during the month that mostly netted to zero.

In November, the hospital closed on a new bank loan, which allowed for backfilling the \$5.1 million payout from operations to fund the Rate Range IGT matching fee. Furthermore, the existing line of credit with US Bank was paid off in full and rolled into a \$1.9 million term loan, as has been discussed over recent months. The hospital is on track to receive Rate Range IGT funding in early January, which will significantly enhance the overall cash position. Until then, cash will remain tight, requiring diligent daily management.

Other Finance Updates:

Rate Range IGT: We should be receiving our IGT Rate Range funding in early January. We expect to receive around \$11 million in funding, resulting in an estimated net benefit of approximately \$6 million.

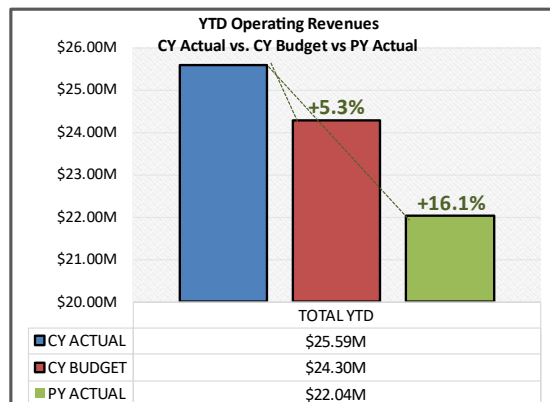
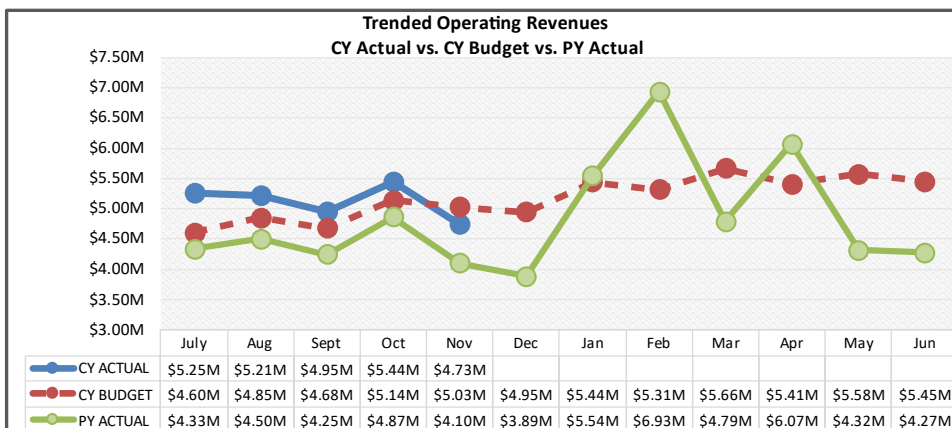
HQAF IGT: The next IGT after the Rate Range is our HQAF (Hospital Quality Assurance Fee) IGT matching fee. We've been approved to IGT \$410,000 and expect to receive \$1,334,000 back in funding, netting \$924,000 through this program. The matching fee was originally due in late December with the funding payment coming back by the end of January. However, this program has been delayed for a couple of months. We believe this will be due in March but have yet to receive clarity around a definitive date.

2. NET REVENUE AND VOLUME SUMMARY:

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

	Current Year Month		Variance		Current Year YTD		Variance		PY YTD		Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%	
Gross Revenue	\$ 27.23M	\$ 28.19M	-\$ 0.96M	-3%	\$ 144.80M	\$ 135.10M	\$ 9.71M	7%	\$ 142.81M	\$ 2.00M	1%	
Net Patient Revenue	\$ 4.63M	\$ 4.94M	-\$ 0.30M	-6%	\$ 25.09M	\$ 23.84M	\$ 1.26M	5%	\$ 21.60M	\$ 3.50M	16%	
NPR as a % of Gross	17.0%	17.5%	-2.8%		17.3%	17.6%	-1.8%		15.1%	14.6%		
Total Operating Revenue	\$ 4.73M	\$ 5.03M	-\$ 0.29M	-6%	\$ 25.59M	\$ 24.30M	\$ 1.29M	5%	\$ 22.04M	\$ 3.54M	16%	

Graph 2.1 | SVH Trended Operating Revenue



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

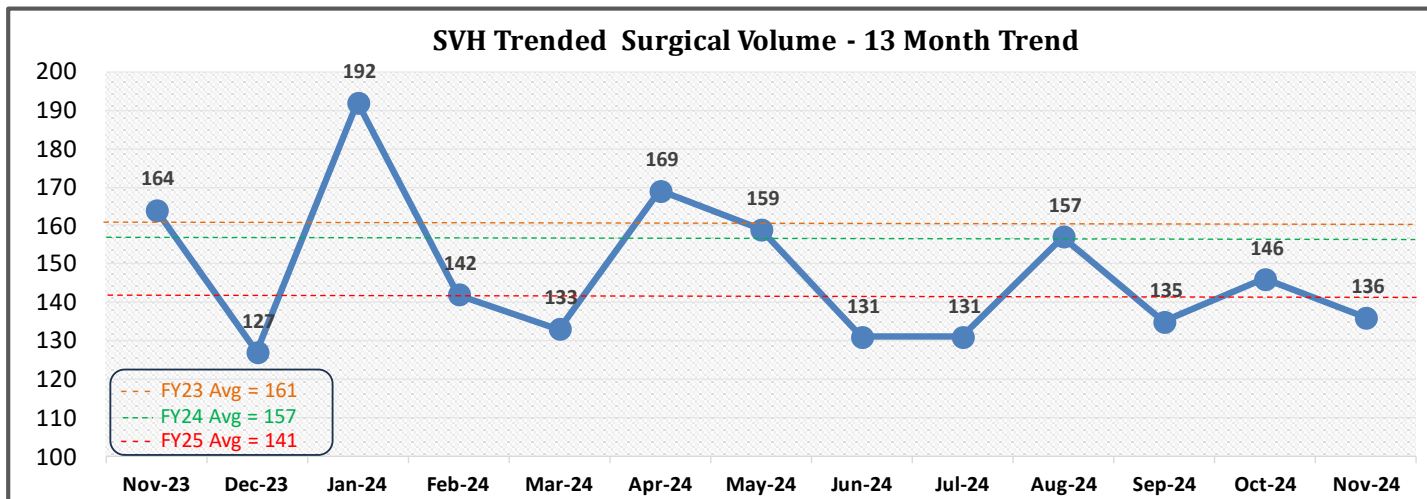


Table 2.3 | Surgical Volumes Top 4 Service Lines | November 2024 vs Prior Month & 6-Mth Trend

Service Line	Current Mth vs. Previous Mth				6 Month Trend						Current Mth vs. 6 Mth Trend		
	Nov24	Oct24	Var	% Var	May24	Jun24	Jul24	Aug24	Sep24	Oct24	6 Month Trend	Var	% Var
Orthopedics	46	53	(7)	-13%	27	35	26	43	37	53	37	9	25%
Gastro (GI)	40	50	(10)	-20%	85	53	77	71	48	50	64	(24)	-38%
Ophthalmology	19	21	(2)	-10%	20	23	14	20	26	21	21	(2)	-8%
General	13	15	(2)	-13%	14	14	5	15	17	15	13	(0)	-3%
SubTotal	118	139	(21)	-15%	146	125	122	149	128	139	135	(17)	-12%
Other	18	7	11	157%	13	6	9	8	7	7	8	10	116%
Grand Total	136	146	(10)	-7%	159	131	131	157	135	146	143	(7)	-5%

Table 2.4 | Patient Volumes – November 2024

	Current Year Month		Variance		Current Year YTD		Variance		PY YTD	Variance	
	Actual	Budget	Var	%	Actual	Budget	Var	%	Actual	Var	%
Acute Patient Days	192	257	(65)	-25%	1,109	1,294	(185)	-14%	1,342	(233)	-17%
Average Daily Census	6.2	8.3	(2.1)	-25%	9.0	10.5	(1.5)	-14%	10.9	(1.9)	-17%
Acute Discharges	62	72	(10)	-14%	295	361	(66)	-18%	349	(54)	-15%
IP Surgeries	8	10	(2)	-16%	41	52	(11)	-21%	72	(31)	-43%
OP Surgeries	128	132	(4)	-3%	664	659	5	1%	758	(94)	-12%
Total Surgeries	136	142	(6)	-4%	705	711	(6)	-1%	830	(125)	-15%
Total Outpatient Visits	5,222	5,100	122	2%	28,256	25,500	2,756	11%	25,748	2,508	10%
Emergency Room Visits	814	873	(59)	-7%	4,495	4,120	375	9%	4,212	283	7%

Table 2.5 | Outpatient Volumes Trended – Last 6 Months

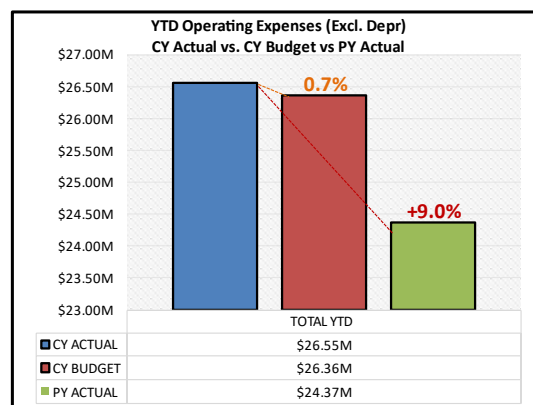
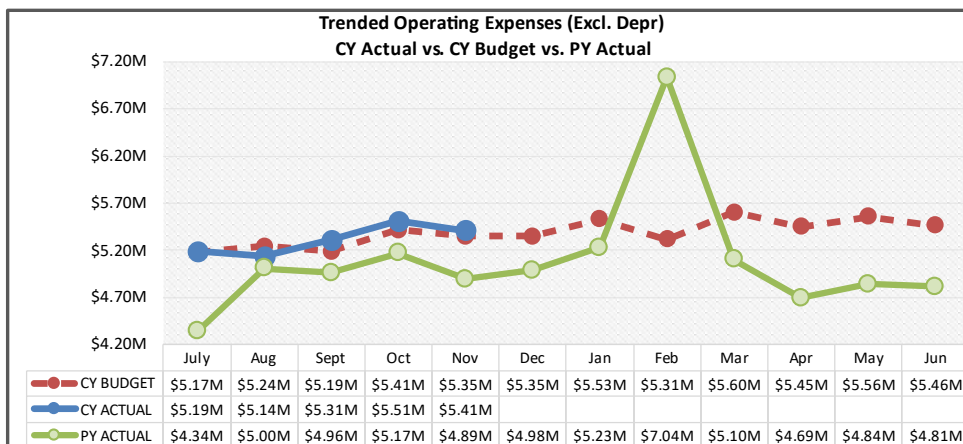
Department	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Last 6 Months
Lab	1,282	1,363	1,313	1,269	1,443	1,328	
Medical Imaging	830	923	947	878	1,019	791	
Physical Therapy	1,095	1,415	1,426	1,411	1,481	1,278	
CT Scanner	409	411	466	458	472	442	
Occ. Health	308	295	295	162	255	252	
Mammography	211	167	251	215	275	234	
Occupational Therapy	190	196	219	294	205	167	
Ultrasound	182	256	219	233	252	183	
Wound Care	152	205	238	209	277	236	
MRI	121	130	182	182	222	151	
ECHO	106	116	107	141	147	110	
Speech Therapy	53	93	62	66	69	31	
Other	14	23	25	26	30	19	
TOTAL	4,953	5,593	5,750	5,544	6,147	5,222	
Emergency Room	912	1,006	919	862	894	814	

3. OPERATING EXPENSE SUMMARY:

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

Metric	Current Year Month		Variance		Current Year YTD		Variance		PY YTD		Variance	
	Actual	Budget	Var	%	Actual	Budget	\$	%	Actual	\$	%	
Operating Expenses	\$ 5.86M	\$ 5.81M	\$ 0.05M	1%	\$ 29.21M	\$ 28.88M	\$ 0.32M	1%	\$ 26.59M	\$ 2.62M	10%	
Operating Exp. Excl. Depr.	\$ 5.41M	\$ 5.35M	\$ 0.06M	1%	\$ 26.55M	\$ 26.36M	\$ 0.19M	1%	\$ 24.37M	\$ 2.18M	9%	
Worked FTEs	219.3	219.9	(0.6)	0%	217.4	215.5	1.9	1%	214.6	2.8	1%	

Graph 3.1 | SVH Trended Operating Expenses (excluding Depreciation)



4. CASH ACTIVITY SUMMARY:

Table 4 | Cash / Revenue Cycle Indicators - November 2024

	Nov-24	Oct-24	Var	%
Days Cash on Hand	16.0	23.2	(7.2)	-31%
A/R Days	55.5	56.0	(0.5)	-1%
A/P Days	66.4	72.1	(5.7)	-8%

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
- **Attachment H is the FY25 Business Plan Tracker**