In compliance with the Americans Disabilities Act, if you require special accommodations to participate in a District meeting, please contact District Clerk, Gigi Betta at (707) 935.5004/5 at least 48 hours prior to the meeting.

<table>
<thead>
<tr>
<th>AGENDA ITEM</th>
<th>RECOMMENDATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. CALL TO ORDER</td>
<td>Hirsch</td>
</tr>
<tr>
<td>2. PUBLIC COMMENT ON CLOSED SESSION</td>
<td>Hirsch</td>
</tr>
<tr>
<td>3. CLOSED SESSION</td>
<td>Hirsch</td>
</tr>
<tr>
<td>• Calif. Government Code § 54956.9(b)(3)(C): Conference Regarding Potential Litigation</td>
<td>Action</td>
</tr>
<tr>
<td>4. REPORT OF CLOSED SESSION</td>
<td>Hirsch</td>
</tr>
<tr>
<td>5. PUBLIC COMMENT SECTION</td>
<td>Hirsch</td>
</tr>
<tr>
<td>6. CONSENT CALENDAR</td>
<td>Hirsch</td>
</tr>
<tr>
<td>A. Board Minutes 11.3.16</td>
<td>Action</td>
</tr>
<tr>
<td>B. FC No Minutes</td>
<td>Action</td>
</tr>
<tr>
<td>C. QC Minutes 9.28.16</td>
<td>Action</td>
</tr>
<tr>
<td>D. GC Minutes 10.25.16</td>
<td>Action</td>
</tr>
<tr>
<td>E. Medical Staff Credentialing Report</td>
<td>Action</td>
</tr>
<tr>
<td>7. SWEARING IN OF ELECTED BOARD MEMBERS</td>
<td>Hirsch</td>
</tr>
<tr>
<td>8. ELECTION OF 2017 OFFICERS</td>
<td>Hirsch</td>
</tr>
<tr>
<td>• Chair; 1st Vice Chair; 2nd Vice Chair; Treasurer; Secretary</td>
<td>Action</td>
</tr>
<tr>
<td>9. FINANCIAL REPORT OCTOBER 31, 2016</td>
<td>Jensen</td>
</tr>
<tr>
<td>10. ADMINISTRATIVE REPORT NOVEMBER 2016</td>
<td>Mather</td>
</tr>
<tr>
<td>11. STAFF FORUM PRESENTATION</td>
<td>Mather</td>
</tr>
<tr>
<td>12. COMMITTEE REPORTS</td>
<td>Hohorst</td>
</tr>
<tr>
<td>• Revision to Resolution No. 331 Parcel Tax</td>
<td>Action</td>
</tr>
<tr>
<td>13. BOARD COMMENTS</td>
<td>Board Members</td>
</tr>
<tr>
<td>14. ADJOURN</td>
<td>Hirsch</td>
</tr>
</tbody>
</table>
6.

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

## 1. CALL TO ORDER
The meeting was called to order at 6:00 P.M. Mr. Boerum has been excused from tonight’s meeting. On behalf of the board, Ms Hirsch expressed shock and sadness over Dr. Rolf Olness’s untimely death. He was a beloved figure in the community for many years. Dr. Verducci has taken over the 300-patient load for the time being, and the concierge company is working on a long-term plan.

## 2. PUBLIC COMMENT ON CLOSED SESSION

| Hirsch |

## 3. CLOSED SESSION
Performance Evaluation Regarding Chief Executive Officer

| Hirsch |

## 4. REPORT OF CLOSED SESSION
The CEO’s performance evaluation was very positive and the Board thanked her for her continued service. Having met the performance objectives over the last 12 months, Ms. Mather will receive an incentive bonus of $40,238 and a 3% salary increase. The salary increase will be effective January 1, 2017.

| Hirsch | Inform |

## 5. PUBLIC COMMENT SECTION
No public comment.

| Hirsch |

## 6. CONSENT CALENDAR

<table>
<thead>
<tr>
<th>Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Board Minutes 10.6.16</td>
</tr>
<tr>
<td>B. Board Retreat Minutes 10.17.16</td>
</tr>
<tr>
<td>C. FC Minutes 10.25.16</td>
</tr>
<tr>
<td>D. QC Minutes No Minutes</td>
</tr>
<tr>
<td>E. GC Minutes 7.26.16</td>
</tr>
</tbody>
</table>

| MOTION by Hohorst 2nd by Rymer. All in favor. |

## 7. REPORT ON BOARD RETREAT, OCTOBER 17, 2016
The Board held their annual retreat on October 17, 2016. During the morning session, the Board and CEO discussed the strategic priorities that were set in the 2017 Three-Year Rolling Strategic Plan.

During the afternoon session, Ms. Hirsch led a discussion of Board responses to the Annual Assessment, with active participation from all Board members regarding areas that are going well and areas where continued work would enhance their activities.
8. FAMILY CARE GIVING PRESENTATION

| Jennie Chin Hansen RN, MSN | Inform |

Ms. Chin Hansen presented on emerging roles for hospitals, community wellness and the business case for person-centered care for the older adult.

9. OUTPATIENT DIAGNOSTIC CENTER REPORT

| Kuwahara | Inform/Action |

Ms. Kuwahara gave an update on the diagnostic center including volumes, current space status, proposed construction phases, reimbursements and estimated timeframe and costs.

10. SURGERY CAPACITY AND UTILIZATION REPORT

| Kobe | Inform |

Mr. Kobe presented the surgical capacity analysis for 2017 which included FY16 statistics, analysis by specialty, current utilization review and a scenario for expanding utilization.

11. FINANCIAL REPORT MONTH ENDING AUG. 31, 2016

| Jensen | Inform |

After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net loss for September was ($80,958) vs. a budgeted net loss of ($94,121). The total net income for September after all activity was $94,074 vs. a budgeted net income of $59,230. Ms. Nevins commented that total current liabilities have decreased and commended Mr. Jensen, CFO on his efforts.

12. ADMINISTRATIVE REPORT FOR SEPTEMBER 2016

| Mather | Inform |

After progress review on the FY17 Strategic Plan it was learned that SVH has completed many of the planned initiatives. Discussions are underway to arrive at the best use the south lot. The SVH Foundation has agreed to fundraise for the Outpatient Diagnostic Center and Surgery area. This year the Hospital has changed to a rolling 12-month average for patient satisfaction this year. Employee Forums for November are scheduled and one major area to address will be salary increases. The physician satisfaction survey goes out the week of November 7 and staff satisfaction survey goes out early in January 2017. The new SVH physicians actively practicing in Sonoma have brought outpatient volumes above those of last year.

13. RESOLUTION No. 333 HONORING DICK FOGG

| Hirsch/Hohorst | Inform |

The Board saluted Dick Fogg for his leadership, thanked him for his outstanding service to the Hospital, the District, and the Community and wished him well in all his future endeavors both personal and professional.

14. COMMITTEE REPORTS

| Hohorst | Action |

Governance Committee Mr. Hohorst recommended the Board approve Resolution No. 332 to Implement the Policy and Procedures Governing Bidding for Facilities Projects. 

MOTION by Hohorst 2nd by Rymer. All in favor.

15. BOARD COMMENTS

<p>| Board | Inform |</p>
<table>
<thead>
<tr>
<th>16. ADJOURN</th>
<th>Hirsch</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meeting adjourned at 7:55 PM.</td>
<td></td>
</tr>
</tbody>
</table>
**AGENDA ITEM** | **RECOMMENDATION**
---|---
In compliance with the Americans with Disabilities Act, if you require special accommodations to participate in a District meeting, please contact the District Clerk, Gigi Betta at ebetta@svh.com or (707) 935.5004 at least 48 hours prior to the meeting. | 
**MISSION STATEMENT**
The mission of the SVHCD is to maintain, improve, and restore the health of everyone in our community. | 
1. **CALL TO ORDER/ANNOUNCEMENTS**
Meeting called to order at 8:00am | Hohorst
2. **PUBLIC COMMENT SECTION**
At this time, members of the public may comment on any item not appearing on the agenda. It is recommended you keep your comments to three minutes or less. Under State Law, matters presented under this item cannot be discussed or acted upon by the Committee at this time. For items appearing on the agenda, the public will be invited to make comments at the time the item comes up. | Hohorst
3. **CONSENT CALENDAR**
Minutes from 7.26.16 | Hohorst
4. **PROPOSED RESOLUTION FOR ADOPTION OF FACILITIES CONTRACTING POLICY**
This Policy will go forward for approval at the Board meeting on Thursday, November 3, 2016. | Hohorst
4. **ADJOURN**
Meeting adjourned at 8:30am | Hohorst
### AGENDA ITEM | DISCUSSION | ACTION
---|---|---
1. **CALL TO ORDER/ANNOUNCEMENTS** |  
Jane Hirsch  
Meeting called to order at 5:00pm

2. **PUBLIC COMMENT** |  
Jane Hirsch  
No public comment.

3. **CONSENT CALENDAR** |  
Jane Hirsch  
Action

   - QC Minutes, 8.24.16  
     Minor change made under agenda item 6.  
     **MOTION** by Eisenstark to approve *as amended* and 2nd by Rymer. All in favor.

4. **SURGERY DEPARTMENT UPDATE** |  
Allan Sendaydiego  
Inform

   - Mr. Sendaydiego presented the Surgical Safety Checklist, Audit Tool and the RF Assure Detection System to the Committee and gave detailed examples of how they have been effective in the SVH Surgery Department.

5. **POLICY & PROCEDURES** |  
Leslie Lovejoy  
Action

   - Infection Prevention Policies  
   - Infection Prevention-Aerosol Disease Control Plan  
   - Communicable Disease Reporting  
   - Multiple Policies August 2016  

   **MOTION** by Eisenstark to approve and 2nd by Mainardi. All in favor.

6. **QUALITY REPORT SEPTEMBER 2016** |  
Leslie Lovejoy  
Inform/Action
<table>
<thead>
<tr>
<th>AGENDA ITEM</th>
<th>DISCUSSION</th>
<th>ACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>The September Quality Report covered PRIME grant activities, the laboratory CLIA survey action plan, credentialing verification and the leadership dashboard.</td>
<td></td>
</tr>
<tr>
<td>7. CLOSING COMMENTS/ANNOUNCEMENTS</td>
<td>Hirsch</td>
<td></td>
</tr>
<tr>
<td>8. ADJOURN</td>
<td>Hirsch</td>
<td></td>
</tr>
<tr>
<td>9. UPON ADJOURNMENT OF REGULAR SESSION</td>
<td>Hirsch</td>
<td></td>
</tr>
<tr>
<td>10. CLOSED SESSION</td>
<td>Medical Staff Credentialing &amp; Peer Review Report</td>
<td>Action</td>
</tr>
<tr>
<td>• Calif. Health &amp; Safety Code § 32155 Medical Staff Credentialing &amp; Peer Review Report</td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. REPORT OF CLOSED SESSION</td>
<td>Hirsch</td>
<td>Inform/Action</td>
</tr>
<tr>
<td></td>
<td>Medical Staff Credentialing &amp; Peer Review Report unanimously approved, there were no issues and four expeditions. Nancy Iredale, MSC will send a flyer to the Medical Staff inviting them to the Dr. Jaffe presentation in the Basement Conference room on October 26, 2016 at 5:00pm. There will be a short reception and refreshments prior to the presentation.</td>
<td></td>
</tr>
<tr>
<td>12. ADJOURNMENT AND ANNOUNCEMENTS</td>
<td>Hirsch</td>
<td></td>
</tr>
<tr>
<td></td>
<td>The Board Quality Committee Scorecard was distributed for Committee review prior to the meeting on November 16, 2016. The last of the Active Aging series will be on November 3, 2016 at Vintage House from 1-3pm. QC plans to invite Dr. Pope, Pain Management and his partners Drs. Wu and Hau to present in future. Meeting adjourned at 6:00pm</td>
<td></td>
</tr>
</tbody>
</table>
FINANCE REPORT MONTH ENDING OCTOBER 31, 2016
To: SVH Finance Committee
From: Ken Jensen, CFO
Date: November 15, 2016

The actual loss of ($159,837) from operations for October was $192,667 favorable to the budgeted loss of ($352,504). The year-to-date actual loss from operations is ($1,071,054) compared to the expected loss of ($1,285,951). After accounting for all other activity, the October net income was $336,844 vs. the budgeted net loss of ($4,273) with a monthly EBIDA of 8.3% vs. a budgeted 3.6%. Year-to-date the total net income was $354,599 favorable to budget with a year to date EBIDA of 5.2% vs. the budgeted 4.4%.

Gross patient revenue for October was $21,720,158, $324,633 more than expected. Inpatient gross revenue was over budget by $852,894. Inpatient days were over budgeted expectations by 77 days and inpatient surgeries were under budget by 3 cases. Outpatient revenue was under budget by ($785,220). Outpatient visits were under budgeted expectations by (517) visits and outpatient surgeries were under budget by (24) cases. The Emergency Room gross revenue is over budget by $926,331 due to the continued volume increase. SNF was under budgeted expectations by ($675,241) due to SNF patient days being under budgeted expectations by (154) days. Home Health was close to budgeted expectations with a positive variance of $5,869.

Deductions from revenue were unfavorable to budgeted expectations by ($267,109). The revenue deductions were offset by the CMS Prime Grant with a net amount of $187,425 for October. Without the CMS Prime Grant, the deductions from revenue would be unfavorable to budget by ($454,534).

After accounting for all other operating revenue, the total operating revenue was favorable to budget by $37,135.

Operating Expenses of $4,912,295 were favorable to budget by $155,532. Salaries and wages were under budget by $75,004 and agency fees over budgeted expectations by ($8,420) which is an improvement over previous months. Supplies are over budget in October by ($35,559) primarily due to the cost of implants being ($56,910) over budgeted expectations. There has been an increase in total joint replacement procedures compared to last fiscal year. The costs of surgical implants are normally recovered with the insurance reimbursements. Utilities are over budget by ($9,973) due to PG&E increasing third party gas delivery charges.
After accounting for all income and expenses, but not including Restricted Contributions and GO bond activity, the net income for October was $81,464 vs. a budgeted net loss of ($161,614). The total net income for October after all activity was $336,844 vs. a budgeted net loss of ($4,273).

EBIDA for the month of October was 8.3% vs. the budgeted 3.6%.

### Patient Volumes – October

<table>
<thead>
<tr>
<th></th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>VARIANCE</th>
<th>PRIOR YEAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acute Discharges</td>
<td>99</td>
<td>97</td>
<td>2</td>
<td>97</td>
</tr>
<tr>
<td>Newborn Discharges</td>
<td>9</td>
<td>13</td>
<td>-4</td>
<td>11</td>
</tr>
<tr>
<td>Acute Patient Days</td>
<td>402</td>
<td>325</td>
<td>77</td>
<td>325</td>
</tr>
<tr>
<td>SNF Patient Days</td>
<td>512</td>
<td>666</td>
<td>-154</td>
<td>666</td>
</tr>
<tr>
<td>Home Care Visits</td>
<td>880</td>
<td>886</td>
<td>-6</td>
<td>948</td>
</tr>
<tr>
<td>OP/ER/HHA Gross Rev.</td>
<td>$13,347</td>
<td>$13,249</td>
<td>$98</td>
<td>$13,103</td>
</tr>
<tr>
<td>Surgical Cases</td>
<td>126</td>
<td>153</td>
<td>-27</td>
<td>131</td>
</tr>
</tbody>
</table>

### Gross Revenue Overall Payer Mix – October

<table>
<thead>
<tr>
<th></th>
<th>ACTUAL</th>
<th>BUDGET</th>
<th>VARIANCE</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>VARIANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare</td>
<td>46.1%</td>
<td>47.2%</td>
<td>-1.1%</td>
<td>47.1%</td>
<td>47.0%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Medicare Mgd Care</td>
<td>8.6%</td>
<td>7.3%</td>
<td>1.3%</td>
<td>8.8%</td>
<td>7.3%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Medi-Cal</td>
<td>16.6%</td>
<td>18.9%</td>
<td>-2.3%</td>
<td>16.9%</td>
<td>19.0%</td>
<td>-2.1%</td>
</tr>
<tr>
<td>Self Pay</td>
<td>2.3%</td>
<td>1.2%</td>
<td>1.1%</td>
<td>2.2%</td>
<td>1.2%</td>
<td>1.0%</td>
</tr>
<tr>
<td>Commercial</td>
<td>21.7%</td>
<td>20.0%</td>
<td>1.7%</td>
<td>20.1%</td>
<td>20.0%</td>
<td>0.1%</td>
</tr>
<tr>
<td>Workers Comp</td>
<td>2.8%</td>
<td>2.7%</td>
<td>0.1%</td>
<td>2.7%</td>
<td>2.8%</td>
<td>-0.1%</td>
</tr>
<tr>
<td>Capitated</td>
<td>1.9%</td>
<td>2.7%</td>
<td>-0.8%</td>
<td>2.2%</td>
<td>2.7%</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>0.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>-0.5%</td>
</tr>
</tbody>
</table>

### Cash Activity for October:

For the month of October the cash collection goal was $3,677,447 and the Hospital collected $3,749,539, or over the goal by $72,092. The year-to-date cash collection goal was $13,978,254 and the hospital has collected $15,181,021, or over goal by $1,202,767. Days of cash on hand are 11.0 days at October 31, 2016. Accounts Receivable decreased from September, from 50.4 days to 49.7 days in October. Accounts Payable decreased by $654,564 from September and Accounts Payable days are at 46.5.

### ATTACHMENTS:
-Attachment A is the Payer Mix Analysis which includes the projected collection percentage by payer.
-Attachment B is the Operating Indicators Report
-Attachment C is the Balance Sheet
-Attachment D (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 E is the Variance Analysis. The line number tie to the Statement of Revenue and Expense line numbers and explains any significant variances.
-Attachment F are the graphs for Revenue and Accounts Payable.
-Attachment G is the Statistical Analysis
-Attachment H is the Cash Forecast
# Sonoma Valley Hospital

## ATTACHMENT A

### Net Revenue by Payer for the month of October 31, 2016

**October-16**

<table>
<thead>
<tr>
<th>Gross Revenue:</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare</td>
<td>9,983,653</td>
<td>10,063,904</td>
<td>-80,251</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Medicare Managed Care</td>
<td>1,866,395</td>
<td>1,559,525</td>
<td>306,870</td>
<td>19.7%</td>
</tr>
<tr>
<td>Medi-Cal</td>
<td>3,591,981</td>
<td>4,033,535</td>
<td>-441,372</td>
<td>-10.9%</td>
</tr>
<tr>
<td>Self Pay</td>
<td>501,574</td>
<td>258,823</td>
<td>242,751</td>
<td>93.8%</td>
</tr>
<tr>
<td>Commercial &amp; Other Government</td>
<td>4,755,053</td>
<td>4,335,870</td>
<td>419,183</td>
<td>9.7%</td>
</tr>
<tr>
<td>Worker's Comp.</td>
<td>605,848</td>
<td>572,144</td>
<td>33,704</td>
<td>5.9%</td>
</tr>
<tr>
<td>Capitated</td>
<td>415,654</td>
<td>571,906</td>
<td>-156,252</td>
<td>-27.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>21,720,158</strong></td>
<td><strong>21,395,525</strong></td>
<td><strong>324,633</strong></td>
<td><strong>87,382,574</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Revenue:</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare</td>
<td>1,697,058</td>
<td>1,863,877</td>
<td>-166,819</td>
<td>-9.0%</td>
</tr>
<tr>
<td>Medicare Managed Care</td>
<td>318,034</td>
<td>247,029</td>
<td>71,005</td>
<td>28.7%</td>
</tr>
<tr>
<td>Medi-Cal</td>
<td>633,266</td>
<td>630,010</td>
<td>3,256</td>
<td>0.5%</td>
</tr>
<tr>
<td>Self Pay</td>
<td>178,948</td>
<td>103,529</td>
<td>75,419</td>
<td>72.8%</td>
</tr>
<tr>
<td>Commercial &amp; Other Government</td>
<td>1,426,444</td>
<td>1,550,073</td>
<td>-123,629</td>
<td>-8.0%</td>
</tr>
<tr>
<td>Worker's Comp.</td>
<td>15,295</td>
<td>18,530</td>
<td>-3,235</td>
<td>-17.5%</td>
</tr>
<tr>
<td>Capitated</td>
<td>15,295</td>
<td>18,530</td>
<td>-3,235</td>
<td>-17.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,592,725</strong></td>
<td><strong>4,535,201</strong></td>
<td><strong>57,524</strong></td>
<td><strong>1.3%</strong></td>
</tr>
</tbody>
</table>

### Projected Collection Percentage:

<table>
<thead>
<tr>
<th>Gross Revenue:</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare</td>
<td>16.9%</td>
<td>18.5%</td>
<td>-1.6%</td>
<td>-8.6%</td>
</tr>
<tr>
<td>Medicare Managed Care</td>
<td>17.0%</td>
<td>15.8%</td>
<td>1.2%</td>
<td>7.6%</td>
</tr>
<tr>
<td>Medi-Cal</td>
<td>17.6%</td>
<td>15.6%</td>
<td>2.0%</td>
<td>12.8%</td>
</tr>
<tr>
<td>Self Pay</td>
<td>35.7%</td>
<td>40.0%</td>
<td>-4.3%</td>
<td>-10.8%</td>
</tr>
<tr>
<td>Commercial &amp; Other Government</td>
<td>30.0%</td>
<td>35.7%</td>
<td>-5.7%</td>
<td>-16.0%</td>
</tr>
<tr>
<td>Worker's Comp.</td>
<td>22.5%</td>
<td>21.4%</td>
<td>1.1%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Capitated</td>
<td>3.7%</td>
<td>3.2%</td>
<td>0.5%</td>
<td>15.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100.0%</td>
<td>100.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

**YTD**

<table>
<thead>
<tr>
<th>Gross Revenue:</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare</td>
<td>41,103,988</td>
<td>39,869,243</td>
<td>1,234,745</td>
<td>3.1%</td>
</tr>
<tr>
<td>Medicare Managed Care</td>
<td>7,698,095</td>
<td>6,150,102</td>
<td>1,547,993</td>
<td>25.2%</td>
</tr>
<tr>
<td>Medi-Cal</td>
<td>14,729,699</td>
<td>16,127,768</td>
<td>-1,398,069</td>
<td>-8.7%</td>
</tr>
<tr>
<td>Self Pay</td>
<td>1,939,367</td>
<td>1,008,130</td>
<td>931,237</td>
<td>92.4%</td>
</tr>
<tr>
<td>Commercial &amp; Other Government</td>
<td>17,641,305</td>
<td>17,100,028</td>
<td>541,277</td>
<td>3.2%</td>
</tr>
<tr>
<td>Worker's Comp.</td>
<td>2,314,817</td>
<td>2,376,978</td>
<td>-62,161</td>
<td>-2.6%</td>
</tr>
<tr>
<td>Capitated</td>
<td>1,955,303</td>
<td>2,275,100</td>
<td>-319,797</td>
<td>-14.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>87,382,574</strong></td>
<td><strong>84,907,349</strong></td>
<td><strong>2,475,225</strong></td>
<td><strong>4.6%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Revenue:</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare</td>
<td>35.8%</td>
<td>38.6%</td>
<td>-2.9%</td>
<td>-7.5%</td>
</tr>
<tr>
<td>Medicare Managed Care</td>
<td>12.9%</td>
<td>18.5%</td>
<td>-5.6%</td>
<td>-30.8%</td>
</tr>
<tr>
<td>Medi-Cal</td>
<td>11.2%</td>
<td>13.7%</td>
<td>-2.5%</td>
<td>-18.2%</td>
</tr>
<tr>
<td>Self Pay</td>
<td>3.8%</td>
<td>2.2%</td>
<td>1.6%</td>
<td>72.7%</td>
</tr>
<tr>
<td>Commercial &amp; Other Government</td>
<td>30.8%</td>
<td>36.7%</td>
<td>-5.9%</td>
<td>-16.1%</td>
</tr>
<tr>
<td>Worker's Comp.</td>
<td>2.7%</td>
<td>2.9%</td>
<td>-0.2%</td>
<td>-6.9%</td>
</tr>
<tr>
<td>Capitated</td>
<td>0.3%</td>
<td>0.4%</td>
<td>-0.1%</td>
<td>-25.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>35.8%</strong></td>
<td><strong>38.6%</strong></td>
<td><strong>-2.9%</strong></td>
<td><strong>-7.5%</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Percent of Net Revenue:</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare</td>
<td>36.9%</td>
<td>41.1%</td>
<td>-4.2%</td>
<td>-10.2%</td>
</tr>
<tr>
<td>Medicare Managed Care</td>
<td>6.9%</td>
<td>5.4%</td>
<td>1.5%</td>
<td>27.8%</td>
</tr>
<tr>
<td>Medi-Cal</td>
<td>13.8%</td>
<td>13.9%</td>
<td>-0.1%</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Self Pay</td>
<td>3.9%</td>
<td>2.3%</td>
<td>1.6%</td>
<td>69.6%</td>
</tr>
<tr>
<td>Commercial &amp; Other Government</td>
<td>31.1%</td>
<td>34.2%</td>
<td>-3.1%</td>
<td>-9.1%</td>
</tr>
<tr>
<td>Worker's Comp.</td>
<td>3.0%</td>
<td>2.7%</td>
<td>0.3%</td>
<td>11.1%</td>
</tr>
<tr>
<td>Capitated</td>
<td>0.3%</td>
<td>0.4%</td>
<td>-0.1%</td>
<td>-25.0%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100.0%</td>
<td>100.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Projected Collection Percentage:</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>% Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medicare</td>
<td>16.9%</td>
<td>18.5%</td>
<td>-1.6%</td>
<td>-8.6%</td>
</tr>
<tr>
<td>Medicare Managed Care</td>
<td>17.0%</td>
<td>15.8%</td>
<td>2.2%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Medi-Cal</td>
<td>17.6%</td>
<td>15.6%</td>
<td>2.0%</td>
<td>12.8%</td>
</tr>
<tr>
<td>Self Pay</td>
<td>35.7%</td>
<td>40.0%</td>
<td>-4.3%</td>
<td>-10.8%</td>
</tr>
<tr>
<td>Commercial &amp; Other Government</td>
<td>30.0%</td>
<td>35.7%</td>
<td>-5.7%</td>
<td>-16.0%</td>
</tr>
<tr>
<td>Worker's Comp.</td>
<td>22.5%</td>
<td>21.4%</td>
<td>1.1%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Capitated</td>
<td>3.7%</td>
<td>3.2%</td>
<td>0.5%</td>
<td>15.6%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>100.0%</td>
<td>100.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

| Prior Period Adj/IGT             | 187,425  | 187,425  | 0.0%     | 0.0%       |

| Prior Period Adj/IGT             | 1,810,022 | 1,810,022 | 0.0%     | 0.0%       |

| Prior Period Adj/IGT             | 1,811,116 | 1,798,164 | 13,952   | 0.8%       |
## Inpatient Utilization

### Discharges

<table>
<thead>
<tr>
<th></th>
<th>Actual 10/31/16</th>
<th>Budget 10/31/16</th>
<th>Favorable/Unfavorable Variance</th>
<th>Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>90</td>
<td>80</td>
<td>10</td>
<td>325</td>
</tr>
<tr>
<td>2</td>
<td>9</td>
<td>17</td>
<td>(8)</td>
<td>50</td>
</tr>
<tr>
<td>3</td>
<td>99</td>
<td>97</td>
<td>2</td>
<td>402</td>
</tr>
<tr>
<td>4</td>
<td>9</td>
<td>13</td>
<td>(4)</td>
<td>53</td>
</tr>
<tr>
<td>5</td>
<td>108</td>
<td>110</td>
<td>(2)</td>
<td>455</td>
</tr>
</tbody>
</table>

### Patient Days:

<table>
<thead>
<tr>
<th></th>
<th>Actual 10/31/16</th>
<th>Budget 10/31/16</th>
<th>Favorable/Unfavorable Variance</th>
<th>Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>299</td>
<td>236</td>
<td>63</td>
<td>1,236</td>
</tr>
<tr>
<td>2</td>
<td>103</td>
<td>89</td>
<td>14</td>
<td>396</td>
</tr>
<tr>
<td>3</td>
<td>402</td>
<td>325</td>
<td>77</td>
<td>1,632</td>
</tr>
<tr>
<td>4</td>
<td>14</td>
<td>29</td>
<td>(15)</td>
<td>94</td>
</tr>
</tbody>
</table>

### Average Length of Stay:

<table>
<thead>
<tr>
<th></th>
<th>Actual 10/31/16</th>
<th>Budget 10/31/16</th>
<th>Favorable/Unfavorable Variance</th>
<th>Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3.3</td>
<td>3.0</td>
<td>0.4</td>
<td>3.5</td>
</tr>
<tr>
<td>2</td>
<td>11.4</td>
<td>5.2</td>
<td>6.2</td>
<td>7.9</td>
</tr>
<tr>
<td>3</td>
<td>4.1</td>
<td>3.4</td>
<td>0.7</td>
<td>4.1</td>
</tr>
<tr>
<td>4</td>
<td>1.6</td>
<td>2.2</td>
<td>(0.7)</td>
<td>1.8</td>
</tr>
</tbody>
</table>

## Average Daily Census:

<table>
<thead>
<tr>
<th></th>
<th>Actual 10/31/16</th>
<th>Budget 10/31/16</th>
<th>Favorable/Unfavorable Variance</th>
<th>Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>9.6</td>
<td>7.6</td>
<td>2.0</td>
<td>10.0</td>
</tr>
<tr>
<td>2</td>
<td>3.3</td>
<td>2.9</td>
<td>0.5</td>
<td>3.2</td>
</tr>
<tr>
<td>3</td>
<td>13.0</td>
<td>10.5</td>
<td>2.5</td>
<td>13.3</td>
</tr>
<tr>
<td>4</td>
<td>0.5</td>
<td>0.9</td>
<td>(0.5)</td>
<td>0.76</td>
</tr>
</tbody>
</table>

## Long Term Care:

<table>
<thead>
<tr>
<th></th>
<th>Actual 10/31/16</th>
<th>Budget 10/31/16</th>
<th>Favorable/Unfavorable Variance</th>
<th>Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>512</td>
<td>666</td>
<td>(154)</td>
<td>2,307</td>
</tr>
<tr>
<td>2</td>
<td>30</td>
<td>35</td>
<td>(5)</td>
<td>115</td>
</tr>
<tr>
<td>3</td>
<td>16.5</td>
<td>21.5</td>
<td>(5.0)</td>
<td>18.8</td>
</tr>
</tbody>
</table>

## Other Utilization Statistics

### Emergency Room Statistics

<table>
<thead>
<tr>
<th></th>
<th>Actual 10/31/16</th>
<th>Budget 10/31/16</th>
<th>Favorable/Unfavorable Variance</th>
<th>Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>852</td>
<td>820</td>
<td>32</td>
<td>3,607</td>
</tr>
</tbody>
</table>

## Outpatient Statistics:

<table>
<thead>
<tr>
<th></th>
<th>Actual 10/31/16</th>
<th>Budget 10/31/16</th>
<th>Favorable/Unfavorable Variance</th>
<th>Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>4,586</td>
<td>5,103</td>
<td>(517)</td>
<td>18,522</td>
</tr>
<tr>
<td>2</td>
<td>42</td>
<td>45</td>
<td>(3)</td>
<td>161</td>
</tr>
<tr>
<td>3</td>
<td>84</td>
<td>108</td>
<td>(24)</td>
<td>323</td>
</tr>
<tr>
<td>4</td>
<td>29</td>
<td>31</td>
<td>(2)</td>
<td>198</td>
</tr>
<tr>
<td>5</td>
<td>880</td>
<td>886</td>
<td>(6)</td>
<td>3,772</td>
</tr>
<tr>
<td>6</td>
<td>336</td>
<td>347</td>
<td>(11)</td>
<td>1,310</td>
</tr>
<tr>
<td>7</td>
<td>2,380</td>
<td>2,603</td>
<td>(223)</td>
<td>2,989</td>
</tr>
<tr>
<td>8</td>
<td>76.8</td>
<td>84.0</td>
<td>(7.2)</td>
<td>81.2</td>
</tr>
<tr>
<td>9</td>
<td>1,5890</td>
<td>1,4000</td>
<td>0.189</td>
<td>1,7452</td>
</tr>
<tr>
<td>10</td>
<td>1,6497</td>
<td>1,4000</td>
<td>0.250</td>
<td>1,5863</td>
</tr>
</tbody>
</table>

## Labor Statistics

<table>
<thead>
<tr>
<th></th>
<th>Actual 10/31/16</th>
<th>Budget 10/31/16</th>
<th>Favorable/Unfavorable Variance</th>
<th>Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>280</td>
<td>287</td>
<td>6.5</td>
<td>282</td>
</tr>
<tr>
<td>2</td>
<td>316</td>
<td>320</td>
<td>4.1</td>
<td>319</td>
</tr>
<tr>
<td>3</td>
<td>39.83</td>
<td>40.49</td>
<td>0.66</td>
<td>39.76</td>
</tr>
<tr>
<td>4</td>
<td>23.4</td>
<td>21.7</td>
<td>(1.7)</td>
<td>22.4</td>
</tr>
<tr>
<td>5</td>
<td>166.1</td>
<td>163.0</td>
<td>(3.1)</td>
<td>170.8</td>
</tr>
<tr>
<td>6</td>
<td>23.0%</td>
<td>22.5%</td>
<td>-0.5%</td>
<td>23.2%</td>
</tr>
</tbody>
</table>

## Non-Labor Statistics

<table>
<thead>
<tr>
<th></th>
<th>Actual 10/31/16</th>
<th>Budget 10/31/16</th>
<th>Favorable/Unfavorable Variance</th>
<th>Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>12.6%</td>
<td>12.0%</td>
<td>-0.7%</td>
<td>11.9%</td>
</tr>
<tr>
<td>2</td>
<td>1,778</td>
<td>1,620</td>
<td>(158)</td>
<td>1,761</td>
</tr>
<tr>
<td>3</td>
<td>15,066</td>
<td>15,044</td>
<td>(23)</td>
<td>16,111</td>
</tr>
</tbody>
</table>

## Other Indicators

<table>
<thead>
<tr>
<th></th>
<th>Actual 10/31/16</th>
<th>Budget 10/31/16</th>
<th>Favorable/Unfavorable Variance</th>
<th>Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>11.0</td>
<td>50.0</td>
<td>(0.3)</td>
<td>51.3</td>
</tr>
<tr>
<td>2</td>
<td>46.5</td>
<td>55.0</td>
<td>(8.5)</td>
<td>46.5</td>
</tr>
<tr>
<td>3</td>
<td>21.8%</td>
<td>21.9%</td>
<td>-0.1%</td>
<td>22.2%</td>
</tr>
<tr>
<td>4</td>
<td>26.0%</td>
<td>24.0%</td>
<td>-2%</td>
<td>22.8%</td>
</tr>
</tbody>
</table>
## Sonoma Valley Health Care District
### ATTACHMENT C

#### Balance Sheet

**As of October 31, 2016**

<table>
<thead>
<tr>
<th>Assets</th>
<th>Current Month</th>
<th>Prior Month</th>
<th>Prior Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 Cash</td>
<td>$1,785,152</td>
<td>$947,230</td>
<td>$1,966,866</td>
</tr>
<tr>
<td>2 Trustee Funds</td>
<td>1,690,566</td>
<td>1,690,214</td>
<td>1,302,578</td>
</tr>
<tr>
<td>3 Net Patient Receivables</td>
<td>8,643,574</td>
<td>8,599,231</td>
<td>8,029,749</td>
</tr>
<tr>
<td>4 Allow Uncollect Accts</td>
<td>$(1,060,164)</td>
<td>$(1,054,458)</td>
<td>$(701,798)</td>
</tr>
<tr>
<td>Net A/R</td>
<td>7,583,410</td>
<td>7,544,773</td>
<td>7,327,952</td>
</tr>
<tr>
<td>6 Other Accts/Notes Rec</td>
<td>6,967,761</td>
<td>6,978,947</td>
<td>7,478,317</td>
</tr>
<tr>
<td>7 3rd Party Receivables, Net</td>
<td>2,451,242</td>
<td>2,498,653</td>
<td>338,629</td>
</tr>
<tr>
<td>8 Inventory</td>
<td>820,192</td>
<td>797,076</td>
<td>760,898</td>
</tr>
<tr>
<td>9 Prepaid Expenses</td>
<td>808,704</td>
<td>906,026</td>
<td>737,546</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>$22,107,027</td>
<td>$21,362,919</td>
<td>$19,912,785</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities &amp; Fund Balances</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16 Accounts Payable</td>
<td>$3,398,692</td>
<td>$4,053,256</td>
<td>$3,209,382</td>
</tr>
<tr>
<td>17 Accrued Compensation</td>
<td>3,883,737</td>
<td>3,656,295</td>
<td>3,943,153</td>
</tr>
<tr>
<td>18 Interest Payable</td>
<td>330,797</td>
<td>220,532</td>
<td>342,768</td>
</tr>
<tr>
<td>19 Accrued Expenses</td>
<td>1,369,681</td>
<td>1,290,486</td>
<td>1,371,814</td>
</tr>
<tr>
<td>20 Advances From 3rd Parties</td>
<td>117,071</td>
<td>171,054</td>
<td>1,406,493</td>
</tr>
<tr>
<td>21 Deferred Tax Revenue</td>
<td>3,975,269</td>
<td>4,472,178</td>
<td>3,942,219</td>
</tr>
<tr>
<td>22 Current Maturities-LTD</td>
<td>1,697,025</td>
<td>1,693,049</td>
<td>1,697,025</td>
</tr>
<tr>
<td>23 Line of Credit - Union Bank</td>
<td>7,536,234</td>
<td>6,723,734</td>
<td>5,923,734</td>
</tr>
<tr>
<td>24 Other Liabilities</td>
<td>144,911</td>
<td>144,537</td>
<td>143,691</td>
</tr>
<tr>
<td>Total Current Liabilities</td>
<td>$22,854,803</td>
<td>$22,826,507</td>
<td>$22,062,083</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fund Balances:</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>26 Long Term Debt, net current portion</td>
<td>$36,881,059</td>
<td>$36,925,354</td>
<td>$37,284,077</td>
</tr>
</tbody>
</table>

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>27 Fund Balances:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>28 Unrestricted</td>
<td>$12,953,705</td>
<td>$12,735,598</td>
<td>$12,761,165</td>
</tr>
<tr>
<td>29 Restricted</td>
<td>3,191,032</td>
<td>3,072,295</td>
<td>2,172,191</td>
</tr>
<tr>
<td>Total Fund Balances</td>
<td>$16,144,736</td>
<td>$15,807,892</td>
<td>$14,933,356</td>
</tr>
<tr>
<td>Total Liabilities &amp; Fund Balances</td>
<td>$75,880,598</td>
<td>$75,559,753</td>
<td>$74,279,516</td>
</tr>
</tbody>
</table>
### Sonoma Valley Health Care District

**Statement of Revenue and Expenses**

**Comparative Results**

**For the Period Ended October 31, 2016**

<table>
<thead>
<tr>
<th>Month</th>
<th>This Year</th>
<th>Variance</th>
<th>Year-To-Date</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Budget</td>
<td>$</td>
<td>%</td>
<td>Actual</td>
</tr>
<tr>
<td>1</td>
<td>99</td>
<td>97</td>
<td>2</td>
<td>2%</td>
<td>402</td>
</tr>
<tr>
<td>2</td>
<td>512</td>
<td>666</td>
<td>(154)</td>
<td>-23%</td>
<td>2,307</td>
</tr>
<tr>
<td>3</td>
<td>880</td>
<td>886</td>
<td>(6)</td>
<td>-1%</td>
<td>3,772</td>
</tr>
<tr>
<td>4</td>
<td>13,347</td>
<td>13,249</td>
<td>98</td>
<td>1%</td>
<td>$52,801</td>
</tr>
<tr>
<td>5</td>
<td>$6,694,534</td>
<td>$5,841,640</td>
<td>852,894</td>
<td>15%</td>
<td>$26,537,197</td>
</tr>
<tr>
<td>6</td>
<td>6,858,647</td>
<td>7,643,867</td>
<td>(785,220)</td>
<td>-10%</td>
<td>26,815,131</td>
</tr>
<tr>
<td>7</td>
<td>6,230,254</td>
<td>5,303,923</td>
<td>926,331</td>
<td>17%</td>
<td>24,834,815</td>
</tr>
<tr>
<td>8</td>
<td>1,629,163</td>
<td>2,304,404</td>
<td>(675,241)</td>
<td>-29%</td>
<td>7,885,507</td>
</tr>
<tr>
<td>9</td>
<td>307,560</td>
<td>301,691</td>
<td>5,869</td>
<td>2%</td>
<td>1,309,924</td>
</tr>
<tr>
<td>10</td>
<td>21,720,158</td>
<td>21,395,525</td>
<td>324,633</td>
<td>2%</td>
<td>$87,382,574</td>
</tr>
<tr>
<td>11</td>
<td>$17,159,058</td>
<td>$(16,758,105)</td>
<td>(400,953)</td>
<td>-2%</td>
<td>$69,772,250</td>
</tr>
<tr>
<td>12</td>
<td>(150,000)</td>
<td>(66,250)</td>
<td>(83,750)</td>
<td>-126%</td>
<td>(500,000)</td>
</tr>
<tr>
<td>13</td>
<td>(5,800)</td>
<td>(35,969)</td>
<td>30,169</td>
<td>84%</td>
<td>(109,230)</td>
</tr>
<tr>
<td>14</td>
<td>187,425</td>
<td>187,425</td>
<td>*</td>
<td>*</td>
<td>1,810,022</td>
</tr>
<tr>
<td>15</td>
<td>$(17,127,433)</td>
<td>$(16,860,324)</td>
<td>(267,109)</td>
<td>2%</td>
<td>$(66,571,458)</td>
</tr>
<tr>
<td>16</td>
<td>$4,592,725</td>
<td>$4,535,201</td>
<td>57,524</td>
<td>1%</td>
<td>$18,811,116</td>
</tr>
<tr>
<td>17</td>
<td>133,982</td>
<td>155,771</td>
<td>(21,789)</td>
<td>-14%</td>
<td>512,301</td>
</tr>
<tr>
<td>18</td>
<td>4,726,707</td>
<td>4,690,972</td>
<td>35,735</td>
<td>1%</td>
<td>19,323,417</td>
</tr>
<tr>
<td>19</td>
<td>25,751</td>
<td>24,351</td>
<td>1,400</td>
<td>6%</td>
<td>106,159</td>
</tr>
<tr>
<td>20</td>
<td>4,752,458</td>
<td>4,715,323</td>
<td>37,135</td>
<td>1%</td>
<td>19,429,576</td>
</tr>
<tr>
<td>21</td>
<td>2,221,223</td>
<td>2,287,807</td>
<td>66,584</td>
<td>3%</td>
<td>8,893,684</td>
</tr>
<tr>
<td>22</td>
<td>850,443</td>
<td>840,719</td>
<td>(9,724)</td>
<td>-1%</td>
<td>3,466,471</td>
</tr>
<tr>
<td>23</td>
<td>3,071,666</td>
<td>3,128,526</td>
<td>56,860</td>
<td>2%</td>
<td>12,360,155</td>
</tr>
<tr>
<td>24</td>
<td>402,635</td>
<td>397,207</td>
<td>(5,428)</td>
<td>-1%</td>
<td>1,551,923</td>
</tr>
<tr>
<td>25</td>
<td>597,250</td>
<td>561,691</td>
<td>(35,559)</td>
<td>-6%</td>
<td>2,307,529</td>
</tr>
<tr>
<td>26</td>
<td>267,953</td>
<td>355,658</td>
<td>87,705</td>
<td>25%</td>
<td>1,195,023</td>
</tr>
<tr>
<td>27</td>
<td>277,933</td>
<td>293,214</td>
<td>15,281</td>
<td>5%</td>
<td>1,111,216</td>
</tr>
<tr>
<td>28</td>
<td>110,657</td>
<td>100,684</td>
<td>(9,973)</td>
<td>-10%</td>
<td>440,055</td>
</tr>
<tr>
<td>29</td>
<td>29,292</td>
<td>33,417</td>
<td>4,125</td>
<td>12%</td>
<td>117,168</td>
</tr>
<tr>
<td>30</td>
<td>33,438</td>
<td>35,863</td>
<td>2,425</td>
<td>7%</td>
<td>133,089</td>
</tr>
<tr>
<td>31</td>
<td>121,471</td>
<td>161,567</td>
<td>40,096</td>
<td>25%</td>
<td>537,111</td>
</tr>
<tr>
<td>32</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>*</td>
<td>747,361</td>
</tr>
<tr>
<td>33</td>
<td>4,912,295</td>
<td>5,067,827</td>
<td>155,532</td>
<td>3%</td>
<td>$20,500,630</td>
</tr>
<tr>
<td>34</td>
<td>$(159,837)</td>
<td>$(352,504)</td>
<td>192,667</td>
<td>55%</td>
<td>$(1,071,054)</td>
</tr>
</tbody>
</table>
## Sonoma Valley Health Care District
### Statement of Revenue and Expenses
### Comparative Results
#### For the Period Ended October 31, 2016

<table>
<thead>
<tr>
<th>Month</th>
<th>This Year</th>
<th>Variance</th>
<th>Year-To-Date</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Budget</td>
<td>$</td>
<td>%</td>
<td>Actual</td>
</tr>
<tr>
<td>35</td>
<td>(11,194)</td>
<td>(21,610)</td>
<td>10,416</td>
<td>-48%</td>
<td>(73,102)</td>
</tr>
<tr>
<td>36</td>
<td>39,995</td>
<td>-</td>
<td>39,995</td>
<td>0%</td>
<td>53,088</td>
</tr>
<tr>
<td>37</td>
<td>(37,500)</td>
<td>(37,500)</td>
<td>-</td>
<td>0%</td>
<td>(150,000)</td>
</tr>
<tr>
<td>38</td>
<td>250,000</td>
<td>250,000</td>
<td>-</td>
<td>0%</td>
<td>1,000,378</td>
</tr>
<tr>
<td>39</td>
<td>241,301</td>
<td>190,890</td>
<td>50,411</td>
<td>26%</td>
<td>$ 830,364</td>
</tr>
<tr>
<td>40</td>
<td>81,464</td>
<td>(161,164)</td>
<td>243,078</td>
<td>-150%</td>
<td>(240,690)</td>
</tr>
<tr>
<td>41</td>
<td>50,224</td>
<td>20,698</td>
<td>29,526</td>
<td>143%</td>
<td>60,809</td>
</tr>
<tr>
<td>42</td>
<td>68,513</td>
<td>-</td>
<td>68,513</td>
<td>0%</td>
<td>115,384</td>
</tr>
<tr>
<td>43</td>
<td>200,201</td>
<td>(140,916)</td>
<td>341,117</td>
<td>-242%</td>
<td>(64,497)</td>
</tr>
<tr>
<td>44</td>
<td>246,909</td>
<td>246,909</td>
<td>-</td>
<td>0%</td>
<td>987,636</td>
</tr>
<tr>
<td>45</td>
<td>(110,266)</td>
<td>(110,266)</td>
<td>-</td>
<td>0%</td>
<td>(456,707)</td>
</tr>
<tr>
<td>46</td>
<td>336,844</td>
<td>(4,273)</td>
<td>341,117</td>
<td>-7983%</td>
<td>$ 466,432</td>
</tr>
</tbody>
</table>

**Non Operating Rev and Expense**

<table>
<thead>
<tr>
<th>Description</th>
<th>This Year</th>
<th>Variance</th>
<th>Year-To-Date</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Miscellaneous Revenue/(Expenses)</td>
<td>$ (73,102)</td>
<td>(7,166)</td>
<td>*</td>
<td>$ 8,434</td>
<td></td>
</tr>
<tr>
<td>Donations</td>
<td>53,088</td>
<td>-</td>
<td>53,088</td>
<td>0%</td>
<td>0</td>
</tr>
<tr>
<td>Physician Practice Support-Prima</td>
<td>(150,000)</td>
<td>0%</td>
<td>(150,000)</td>
<td>0%</td>
<td>0</td>
</tr>
<tr>
<td>Parcel Tax Assessment Rev</td>
<td>1,000,378</td>
<td>1,000,000</td>
<td>378</td>
<td>0%</td>
<td>1,001,954</td>
</tr>
</tbody>
</table>

**Total Non-Operating Rev/Exp**

<table>
<thead>
<tr>
<th>This Year</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 830,364</td>
<td>$ 784,064</td>
<td>46,300 6%</td>
</tr>
</tbody>
</table>

**Net Income / (Loss) prior to Restricted Contributions**

<table>
<thead>
<tr>
<th>This Year</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>($ 240,690)</td>
<td>261,197</td>
<td>-52%</td>
</tr>
</tbody>
</table>

**Capital Campaign Contribution**

<table>
<thead>
<tr>
<th>This Year</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>60,809</td>
<td>$ 82,792</td>
<td>(21,983) -27%</td>
</tr>
</tbody>
</table>

**Restricted Foundation Contributions**

<table>
<thead>
<tr>
<th>This Year</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>115,384</td>
<td>-</td>
<td>115,384 100%</td>
</tr>
</tbody>
</table>

**Net Income / (Loss) w/ Restricted Contributions**

<table>
<thead>
<tr>
<th>This Year</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>($ 64,497)</td>
<td>(419,095)</td>
<td>354,598 -85%</td>
</tr>
</tbody>
</table>

**GO Bond Tax Assessment Rev**

<table>
<thead>
<tr>
<th>This Year</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>987,636</td>
<td>-</td>
<td>971,108</td>
</tr>
</tbody>
</table>

**GO Bond Interest**

<table>
<thead>
<tr>
<th>This Year</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>(456,707)</td>
<td>(456,708)</td>
<td>1 0%</td>
</tr>
</tbody>
</table>

**Net Income/(Loss) w GO Bond Activity**

<table>
<thead>
<tr>
<th>This Year</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 466,432</td>
<td>$ 111,833</td>
<td>354,599 317%</td>
</tr>
</tbody>
</table>

**EBIDA - Not including Restricted Contributions**

<table>
<thead>
<tr>
<th>This Year</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 1,003,615</td>
<td>805,969</td>
<td>$ 1,353,041 7.3%</td>
</tr>
</tbody>
</table>

**EBDA - Not including Restricted Contributions**

<table>
<thead>
<tr>
<th>This Year</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ 870,526</td>
<td>670,969</td>
<td>4.5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>This Year</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.3%</td>
<td>3.6%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>This Year</th>
<th>Variance</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.6%</td>
<td>2.8%</td>
<td></td>
</tr>
</tbody>
</table>
## Statement of Revenue and Expenses Variance Analysis

### For the Period Ended October 31, 2016

<table>
<thead>
<tr>
<th>Description</th>
<th>YTD</th>
<th>MONTH</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volume Information</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acute Discharges</td>
<td>29</td>
<td>2</td>
</tr>
<tr>
<td>SNF Days</td>
<td>(219)</td>
<td>(154)</td>
</tr>
<tr>
<td>Home Care Visits</td>
<td>228</td>
<td>(6)</td>
</tr>
<tr>
<td>Gross O/P Revenue (000's)</td>
<td>(110)</td>
<td>98</td>
</tr>
<tr>
<td><strong>Financial Results</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gross Patient Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inpatient</td>
<td>3,464,884</td>
<td>852,894</td>
</tr>
<tr>
<td>Outpatient</td>
<td>(3,797,711)</td>
<td>(785,220)</td>
</tr>
<tr>
<td>Emergency</td>
<td>3,925,480</td>
<td>926,331</td>
</tr>
<tr>
<td>SNF</td>
<td>(1,038,588)</td>
<td>(675,241)</td>
</tr>
<tr>
<td>Home Care</td>
<td>103,160</td>
<td>5,869</td>
</tr>
<tr>
<td><strong>Total Gross Patient Revenue</strong></td>
<td>2,475,225</td>
<td>324,633</td>
</tr>
<tr>
<td><strong>Deductions from Revenue</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contractual Discounts</td>
<td>(3,257,941)</td>
<td>(400,953)</td>
</tr>
<tr>
<td>Bad Debt</td>
<td>(235,000)</td>
<td>183,750</td>
</tr>
<tr>
<td>Charity Care Provision</td>
<td>34,646</td>
<td>30,169</td>
</tr>
<tr>
<td>Prior Period Adj/Government Program Revenue</td>
<td>1,810,022</td>
<td>187,425</td>
</tr>
<tr>
<td><strong>Total Deductions from Revenue</strong></td>
<td>(1,648,273)</td>
<td>(267,109)</td>
</tr>
<tr>
<td><strong>Net Patient Service Revenue</strong></td>
<td>826,952</td>
<td>57,524</td>
</tr>
<tr>
<td><strong>Risk contract revenue</strong></td>
<td>(110,783)</td>
<td>(21,789)</td>
</tr>
<tr>
<td><strong>Net Hospital Revenue</strong></td>
<td>716,169</td>
<td>35,735</td>
</tr>
<tr>
<td><strong>Other Op Rev &amp; Electronic Health Records</strong></td>
<td>8,755</td>
<td>1,400</td>
</tr>
<tr>
<td><strong>Total Operating Revenue</strong></td>
<td>724,924</td>
<td>37,135</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary and Wages and Agency Fees</td>
<td>142,280</td>
<td>66,584</td>
</tr>
<tr>
<td>Employee Benefits</td>
<td>(97,008)</td>
<td>(9,724)</td>
</tr>
<tr>
<td>Total People Cost</td>
<td>45,272</td>
<td>56,860</td>
</tr>
<tr>
<td>Med and Prof Fees (excld Agency)</td>
<td>(988)</td>
<td>(5,428)</td>
</tr>
<tr>
<td>Supplies</td>
<td>(161,298)</td>
<td>(35,559)</td>
</tr>
<tr>
<td>Purchased Services</td>
<td>184,111</td>
<td>87,705</td>
</tr>
<tr>
<td>Depreciation</td>
<td>61,640</td>
<td>15,281</td>
</tr>
<tr>
<td>Utilities</td>
<td>(44,302)</td>
<td>(9,973)</td>
</tr>
<tr>
<td>Insurance</td>
<td>16,248</td>
<td>4,125</td>
</tr>
<tr>
<td>Interest</td>
<td>1,911</td>
<td>2,425</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>134,738</td>
<td>40,096</td>
</tr>
<tr>
<td><strong>Matching Fees (Government Programs)</strong></td>
<td>(747,361)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Operating expenses</strong></td>
<td>(510,027)</td>
<td>155,532</td>
</tr>
<tr>
<td><strong>Operating Margin</strong></td>
<td>214,897</td>
<td>192,667</td>
</tr>
<tr>
<td><strong>Non Operating Rev and Expense</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>(7,166)</td>
<td>10,416</td>
</tr>
<tr>
<td>Donations</td>
<td>53,088</td>
<td>39,995</td>
</tr>
<tr>
<td>Physician Practice Support-Prima</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Parcel Tax Assessment Rev</td>
<td>378</td>
<td>-</td>
</tr>
<tr>
<td>Description</td>
<td>YTD</td>
<td>MONTH</td>
</tr>
<tr>
<td>--------------------------------------------------</td>
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<tr>
<td>Total Non-Operating Rev/Exp</td>
<td>46,300</td>
<td>50,411</td>
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<tr>
<td>Net Income / (Loss) prior to Restricted Contributions</td>
<td>261,197</td>
<td>243,078</td>
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<td>Capital Campaign Contribution</td>
<td>(21,983)</td>
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<td>Restricted Foundation Contributions</td>
<td>115,384</td>
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<tr>
<td>Net Income / (Loss) w/ Restricted Contributions</td>
<td>354,598</td>
<td>341,117</td>
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<td>Net Income/(Loss) w GO Bond Activity</td>
<td>354,599</td>
<td>341,117</td>
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### Days Revenue in Net Accounts Receivable

**FY 2017**

<table>
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<tr>
<th>Months</th>
<th>Apr'16</th>
<th>May'16</th>
<th>Jun'16</th>
<th>Jul'16</th>
<th>Aug'16</th>
<th>Sep'16</th>
<th>Oct'16</th>
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<tbody>
<tr>
<td>Actual</td>
<td>50.2</td>
<td>54.6</td>
<td>57.3</td>
<td>54.8</td>
<td>50.3</td>
<td>50.4</td>
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<td>50.0</td>
<td>50.0</td>
<td>50.0</td>
<td>50.0</td>
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### Days in Vendor Accounts Payable

**FY 2017**

<table>
<thead>
<tr>
<th>Months</th>
<th>Apr'16</th>
<th>May'16</th>
<th>Jun'16</th>
<th>Jul'16</th>
<th>Aug'16</th>
<th>Sep'16</th>
<th>Oct'16</th>
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<tbody>
<tr>
<td>Actual</td>
<td>50.5</td>
<td>51.7</td>
<td>51.1</td>
<td>54.1</td>
<td>55.3</td>
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<tr>
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<td>60.0</td>
<td>60.0</td>
<td>60.0</td>
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## Statistical Analysis
### FY 2017

### ACTUAL vs. BUDGET

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<tr>
<th>Statistics</th>
<th>ACTUAL</th>
<th>BUDGET</th>
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<tr>
<td></td>
<td>Oct-16</td>
<td>Oct-16</td>
</tr>
<tr>
<td>Acute</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acute Patient Days</td>
<td>402</td>
<td>325</td>
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<tr>
<td>Acute Discharges (w/o Newborns)</td>
<td>99</td>
<td>97</td>
</tr>
<tr>
<td>SNF Days</td>
<td>512</td>
<td>666</td>
</tr>
<tr>
<td>IHH Visits</td>
<td>880</td>
<td>886</td>
</tr>
<tr>
<td>Emergency Room Visits</td>
<td>852</td>
<td>820</td>
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<tr>
<td>Gross Outpatient Revenue (000's)</td>
<td>$13,347</td>
<td>$13,249</td>
</tr>
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<td>2,603</td>
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<tr>
<td>Surgical Cases - Inpatient</td>
<td>42</td>
<td>45</td>
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<tr>
<td>Surgical Cases - Outpatient</td>
<td>84</td>
<td>108</td>
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<tr>
<td>Total Surgical Cases</td>
<td>126</td>
<td>153</td>
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<td>Medicare Case Mix Index</td>
<td>1.59</td>
<td>1.40</td>
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<td>Income Statement</td>
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<td>Net Revenue (000's)</td>
<td>4,727</td>
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<tr>
<td>Operating Expenses (000's)</td>
<td>$4,912</td>
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<td>Net Income (000's)</td>
<td>337</td>
<td>(4)</td>
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<td>Productivity</td>
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<tr>
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<td>$1,947</td>
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<td>287</td>
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<td>Non-Productive FTEs</td>
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<td>Total FTEs</td>
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<td>320</td>
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<tr>
<td>FTEs per Adjusted Occupied Bed</td>
<td>4.11</td>
<td>3.81</td>
</tr>
<tr>
<td>Balance Sheet</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Days of Expense In General Operating Cash</td>
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<td></td>
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<tr>
<td>Net Days of Revenue in AR</td>
<td>50</td>
<td>50</td>
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### ACTUAL

<table>
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<tr>
<th></th>
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<tbody>
<tr>
<td>Acute Patient Days</td>
<td>407</td>
<td>437</td>
<td>386</td>
<td>334</td>
<td>386</td>
<td>409</td>
<td>426</td>
<td>417</td>
<td>404</td>
<td>351</td>
<td>316</td>
<td>325</td>
<td>376</td>
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<td>105</td>
<td>103</td>
<td>95</td>
<td>85</td>
<td>97</td>
<td>99</td>
<td>101</td>
<td>124</td>
<td>109</td>
<td>85</td>
<td>97</td>
<td>92</td>
</tr>
<tr>
<td>SNF Days</td>
<td>624</td>
<td>608</td>
<td>563</td>
<td>526</td>
<td>529</td>
<td>578</td>
<td>580</td>
<td>671</td>
<td>710</td>
<td>648</td>
<td>544</td>
<td>666</td>
<td>607</td>
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<td>960</td>
<td>942</td>
<td>844</td>
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<td>879</td>
<td>889</td>
<td>933</td>
<td>915</td>
<td>1,088</td>
<td>948</td>
<td>948</td>
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<td>Emergency Room Visits</td>
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<td>918</td>
<td>940</td>
<td>907</td>
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<td>945</td>
<td>919</td>
<td>864</td>
<td>863</td>
<td>843</td>
<td>820</td>
<td>871</td>
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<td>Gross Outpatient Revenue (000's)</td>
<td>$13,512</td>
<td>$13,336</td>
<td>$12,605</td>
<td>$13,465</td>
<td>$12,542</td>
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<td>$12,049</td>
<td>$12,184</td>
<td>$12,274</td>
<td>$11,900</td>
<td>$13,103</td>
<td>$12,774</td>
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<td>Equivalent Patient Days</td>
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<td>2,581</td>
<td>2,322</td>
<td>2,381</td>
<td>2,545</td>
<td>2,636</td>
<td>2,886</td>
<td>2,628</td>
<td>2,771</td>
<td>2,614</td>
<td>2,384</td>
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<td>14</td>
<td>14</td>
<td>13</td>
<td>17</td>
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<td>36</td>
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<td>Surgical Cases - Outpatient</td>
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<td>87</td>
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<td>98</td>
<td>104</td>
<td>90</td>
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<tr>
<td>Total Surgical Cases</td>
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<td>116</td>
<td>124</td>
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<td>118</td>
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<td>127</td>
<td>124</td>
<td>136</td>
<td>114</td>
<td>131</td>
<td>127</td>
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<td>1.97</td>
<td>1.58</td>
<td>1.84</td>
<td>1.64</td>
<td>1.73</td>
<td>1.47</td>
<td>1.48</td>
<td>1.50</td>
<td>1.41</td>
<td>1.35</td>
<td>1.69</td>
<td>1.53</td>
<td>1.69</td>
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</table>

### Income Statement

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<tr>
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</thead>
<tbody>
<tr>
<td>Net Revenue (000's)</td>
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<td>4,919</td>
<td>5,172</td>
<td>4,980</td>
<td>4,610</td>
<td>4,481</td>
<td>4,484</td>
<td>4,614</td>
<td>4,522</td>
<td>4,729</td>
<td>4,029</td>
<td>4,655</td>
<td>4,739</td>
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<td>Operating Expenses (000's)</td>
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<td>$5,310</td>
<td>$5,472</td>
<td>$5,450</td>
<td>$5,267</td>
<td>$5,143</td>
<td>$4,968</td>
<td>$4,987</td>
<td>$4,932</td>
<td>$4,829</td>
<td>$4,665</td>
<td>$4,931</td>
<td>$4,931</td>
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<tr>
<td>Net Income (000's)</td>
<td>(6)</td>
<td>(23)</td>
<td>59</td>
<td>(133)</td>
<td>(403)</td>
<td>(99)</td>
<td>(132)</td>
<td>39</td>
<td>19</td>
<td>575</td>
<td>245</td>
<td>104</td>
<td>170</td>
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### Productivity

<table>
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<th></th>
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</thead>
<tbody>
<tr>
<td>Total Operating Expense Per Equivalent Patient Day</td>
<td>$1,776</td>
<td>$2,057</td>
<td>$2,356</td>
<td>$2,289</td>
<td>$2,069</td>
<td>$1,951</td>
<td>$1,721</td>
<td>$1,898</td>
<td>$1,780</td>
<td>$1,847</td>
<td>$2,022</td>
<td>$1,832</td>
<td>$1,922</td>
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<td>Productive FTEs</td>
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<td>286</td>
<td>278</td>
<td>287</td>
<td>300</td>
<td>292</td>
<td>293</td>
<td>296</td>
<td>271</td>
<td>277</td>
<td>292</td>
<td>299</td>
<td>280</td>
</tr>
<tr>
<td>Non-Productive FTEs</td>
<td>36</td>
<td>35</td>
<td>42</td>
<td>37</td>
<td>32</td>
<td>32</td>
<td>33</td>
<td>28</td>
<td>48</td>
<td>41</td>
<td>30</td>
<td>28</td>
<td>32</td>
</tr>
<tr>
<td>Total FTEs</td>
<td>319</td>
<td>321</td>
<td>320</td>
<td>324</td>
<td>332</td>
<td>324</td>
<td>326</td>
<td>324</td>
<td>319</td>
<td>317</td>
<td>322</td>
<td>327</td>
<td>312</td>
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<td>FTEs per Adjusted Occupied Bed</td>
<td>4.11</td>
<td>3.81</td>
<td>3.54</td>
<td>3.86</td>
<td>4.28</td>
<td>4.08</td>
<td>4.16</td>
<td>3.70</td>
<td>3.50</td>
<td>3.58</td>
<td>3.57</td>
<td>3.77</td>
<td>4.05</td>
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</table>

### Balance Sheet

<table>
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<tr>
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<th></th>
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<th></th>
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<th></th>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Days of Expense In General Operating Cash</td>
<td>11</td>
<td>6</td>
<td>15</td>
<td>11</td>
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<td>13</td>
<td>10</td>
<td>12</td>
<td>14</td>
<td>21</td>
<td>9</td>
<td>13</td>
<td>18</td>
</tr>
<tr>
<td>Net Days of Revenue in AR</td>
<td>50</td>
<td>50</td>
<td>50</td>
<td>50</td>
<td>55</td>
<td>57</td>
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<td>50</td>
<td>52</td>
<td>53</td>
<td>51</td>
<td>53</td>
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</table>
## Sonoma Valley Hospital
### Cash Forecast
#### FY 2017

<table>
<thead>
<tr>
<th>Hospital Operating Sources</th>
<th>Actual</th>
<th>Actual</th>
<th>Actual</th>
<th>Actual</th>
<th>Forecast</th>
<th>Forecast</th>
<th>Forecast</th>
<th>Forecast</th>
<th>Forecast</th>
<th>Forecast</th>
<th>Forecast</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Napa State</td>
<td>2,326</td>
<td>49,264</td>
<td>12,455</td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>64,045</td>
</tr>
<tr>
<td>4 Other Operating Revenue</td>
<td>39,800</td>
<td>21,422</td>
<td>28,846</td>
<td>30,148</td>
<td>24,351</td>
<td>24,351</td>
<td>24,351</td>
<td>24,351</td>
<td>24,351</td>
<td>24,351</td>
<td>24,351</td>
<td>315,024</td>
</tr>
<tr>
<td>5 Other Non-Operating Revenue</td>
<td>20,788</td>
<td>46,700</td>
<td>32,026</td>
<td>71,410</td>
<td>19,609</td>
<td>19,609</td>
<td>19,609</td>
<td>19,609</td>
<td>19,609</td>
<td>19,609</td>
<td>19,609</td>
<td>327,804</td>
</tr>
<tr>
<td>6 Unrestricted Contributions</td>
<td>1,549</td>
<td>11,560</td>
<td>13,093</td>
<td>39,995</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>66,197</td>
</tr>
<tr>
<td>7 Line of Credit</td>
<td>190,000</td>
<td>(190,000)</td>
<td>812,500</td>
<td>(562,500)</td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td>250,000</td>
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<tr>
<td><strong>Sub-Total Hospital Sources</strong></td>
<td>4,757,249</td>
<td>4,794,704</td>
<td>4,140,804</td>
<td>5,243,400</td>
<td>3,707,065</td>
<td>4,554,960</td>
<td>4,622,866</td>
<td>4,563,336</td>
<td>5,146,536</td>
<td>4,617,642</td>
<td>4,750,605</td>
<td>4,710,329</td>
</tr>
</tbody>
</table>

### Hospital Uses of Cash

| Operating Expenses | 4,878,560 | 4,139,921 | 5,611,993 | 4,675,722 | 4,615,678 | 4,789,159 | 4,889,975 | 4,671,846 | 5,017,010 | 4,749,098 | 4,835,696 | 4,850,152 | 57,424,810 |
| Less Depreciation | 49,245 | 173,774 | 36,968 | 40,319 | | | | | | | | | 300,306 |
| Add Capital Lease Payments | 400,000 | | | | | | | | | | | | 400,000 |
| Additional AP | 60,776 | 43,811 | 62,997 | 155,782 | | | | | | | | 323,366 |
| Capital - Board Approved Spending | - | - | - | - | - | - | - | - | - | - | - | - |
| Napa State | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total Hospital Uses** | 4,688,581 | 4,757,506 | 5,711,958 | 4,671,823 | 6,322,464 | 5,495,945 | 5,096,761 | 4,878,632 | 5,223,796 | 5,955,884 | 4,542,482 | 5,056,935 | 62,602,767 |

### Net Hospital Sources/Uses of Cash

| Net Hospital Sources/Uses of Cash | 68,668 | 37,198 | (1,571,094) | 371,217 | (2,615,399) | (941,885) | (473,875) | (315,296) | (77,260) | (1,338,042) | 208,123 | (346,606) | (6,994,251) |

### Non-Hospital Sources

| Non-Hospital Sources | 3,167 | 141,475 | 42,379 | 118,737 | 100,000 | | | | | | | |
| Restricted Cash/Capital Donations Donations | | | | | | | | | | | | |
| Electronic Health Records | 179,365 | 1,800,000 | 1,800,000 | 1,400,000 | 3,179,365 | |
| Parcel Tax Revenue | 400,000 | (400,000) | 263,453 | 263,453 | 263,453 | |
| Advancement - Foundation | 343,950 | 1,283,647 | 300,000 | 1,000,000 | | |
| Advancement - South Lot | 900,000 | 900,000 | 900,000 | 900,000 | |
| Other: | 375,000 | 1,125,000 | 1,125,000 | 1,125,000 | |
| **Sub-Total Non-Hospital Sources** | 557,532 | 804,928 | 42,379 | 1,597,687 | 1,883,647 | 1,600,000 | - | 1,200,000 | - | 1,400,000 | - | 9,076,173 |

### Non-Hospital Uses of Cash

| Non-Hospital Uses of Cash | 187,575 | 188,982 | 1,120,982 | 1,120,982 | 1,120,982 | - | - | - | - | - | - | 1,497,541 |
| Matching Fees | | | | | | 1,120,982 | 1,120,982 | 1,120,982 | 1,120,982 | 1,120,982 | 1,120,982 | 1,120,982 | 1,120,982 |
| **Sub-Total Non-Hospital Uses of Cash** | 369,057 | 615,944 | 42,379 | 466,705 | 1,883,647 | 1,600,000 | - | 1,200,000 | - | 1,400,000 | - | 7,578,632 |

### Net Non-Hospital Sources/Uses of Cash

| Net Non-Hospital Sources/Uses of Cash | 438,525 | 653,142 | (1,528,715) | 837,922 | (731,762) | 658,115 | (473,875) | 884,704 | (77,260) | 61,958 | 208,123 | (346,606) |
| Net Sources/Uses | 1,822,803 | 2,475,945 | 947,230 | 1,785,152 | 1,053,400 | 1,711,515 | 1,237,640 | 2,122,344 | 2,045,084 | 2,107,042 | 2,315,165 | 1,968,559 |

### Cash and Equivalents at beginning of period

| Cash and Equivalents at beginning of period | 1,848,178 | 1,822,803 | 2,475,945 | 947,230 | 1,785,152 | 1,053,400 | 1,711,515 | 1,237,640 | 2,122,344 | 2,045,084 | 2,107,042 | 2,315,165 |

### Cash and Equivalents at end of period

| Cash and Equivalents at end of period | 1,822,803 | 2,475,945 | 947,230 | 1,785,152 | 1,053,400 | 1,711,515 | 1,237,640 | 2,122,344 | 2,045,084 | 2,107,042 | 2,315,165 | 1,968,559 |
10.

ADMINISTRATIVE REPORT
NOVEMBER 2016
To: SVHCD Board of Directors  
From: Kelly Mather  
Date: 11/28/16  
Subject: Administrative Report

Summary
The best news is that we have seen an increase in surgeries. In addition, the MRI marketing seemed to work as we reached an all time high of 140 visits. We are on track to meet budget for the first four months of the year. The expense reductions taken for the four months were effective. Finally, the long awaited cash is flowing in. The physician satisfaction survey went out this month and we hope to have results for the board at the January meeting. The staff forums were held this month and have been well received. We discussed the state of healthcare and how we are responding to the many changes. In addition, my CEO blog, focused on this subject and had positive reviews.

Dashboard and Trended Results
We have changed to a rolling 12 month average for patient satisfaction this year. September was very positive with 8/9 over the goal for Inpatient and 5/7 over the goal for Emergency. The quality pillar goal will be changed next year due to the fact that the value based purchasing score no longer reflects outcomes. It will require a new system to gather the quality metrics from each department, but it will be more reflective of quality metrics from operations. The salary increases will go into effect in January. Some staff will receive higher than 3% with our new compensation system that uses years of experience to determine salary. Staff members will receive a “total compensation” summary letter this year which should reduce some concerns about salaries.

Strategic Update:

<table>
<thead>
<tr>
<th>Strategic Priorities</th>
<th>Update</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality</td>
<td>We received 4/5 stars from CMS which puts the hospital in the top 25th percentile on quality and safety. The new Leapfrog grade was published and we went up a grade.</td>
</tr>
<tr>
<td>1206(b) Clinic</td>
<td>The clinic opened on September 27, 2015. We are now investigating how to make this a rural health center next year which would increase reimbursement.</td>
</tr>
<tr>
<td>Increase Volumes</td>
<td>Surgeries are increasing. Outpatient volumes are also up, again. The marketing to increase SNF referrals has started and we hired an intake coordinator to increase volumes. We are looking into becoming a Bariatric Institute and have begun creating a Pain Management Center.</td>
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<tr>
<td>Parcel Tax Renewal</td>
<td>The parcel tax campaign committee is underway. The vote will be in March, 2017.</td>
</tr>
<tr>
<td>Physician Alignment</td>
<td>The new internist, Dr. Marino, starts on December 5th. The concierge company is recruiting a replacement for Dr. Olness.</td>
</tr>
<tr>
<td>Canopy Health</td>
<td>Open enrollment is underway for UCSF and the CEO’s of the 11 hospitals and physician organizations are meeting monthly.</td>
</tr>
<tr>
<td>Electronic Health Record</td>
<td>The upgrades will be complete by May of 2017.</td>
</tr>
<tr>
<td>Population Health</td>
<td>The Care Transitions program is now underway with the PRIME grant. We are now recruiting health coaches.</td>
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## OCTOBER 2016 DASHBOARD

<table>
<thead>
<tr>
<th>PILLAR</th>
<th>PERFORMANCE GOAL</th>
<th>METRIC</th>
<th>ACTUAL RESULT</th>
<th>GOAL LEVEL</th>
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</thead>
</table>
| **Service Excellence**      | Highly satisfied Inpatients                           | Rolling 12 month average of at least 5 out of 9 HCAHPS domain results above the 70th percentile | 1 out of 9 through September           | &gt;7 = 5 (stretch)  
                      <br>6 = 4  
                      5 = 3 (Goal)  
                      4 = 2  
                      &lt;4=1 |
| **Service Excellence**      | Highly satisfied Emergency Patients                   | Rolling 12 month average of at least 4 out of 7 ERCAPS domain results above the 70th percentile | 1 out of 7 through September           | &gt;6 = 5 (stretch)  
                      <br>5 = 4  
                      4 = 3 (Goal)  
                      3 = 2  
                      2 = 1 |
| **Quality**                 | Excellent Clinical Outcomes                           | Value Based Purchasing Safety Score at 80% or higher                   | 68%                                    | &gt;85 = 5 (stretch)  
                      <br>&gt;80 =4  
                      &gt;75 =3 (Goal)  
                      &gt;70=2  
                      &lt;70 =1 |
| **People**                  | Highly Engaged and Satisfied Staff                    | Press Ganey percentile ranking of 75th percentile or higher            | 4.33/5 or the 84th percentile          | &gt;80th = 5 (stretch)  
                      <br>&gt;77th=4  
                      &gt;75th=3 (Goal)  
                      &gt;72nd=2  
                      &lt;70th =1 |
| **Finance**                 | Financial Viability                                   | YTD EBITDA                                                             | 5.2%                                   | &gt;4% (stretch)  
                      <br>&gt;3.5%=4  
                      &gt;3.0% (Goal)  
                      &gt;2.5%=2  
                      &lt;2.5%=1 |
| Efficiency and Financial Management | Meet FY 2017 Budgeted Expenses (excluding IGT)            | $19,753,269 (actual)  
                      $19,990,603 (budget)                                  | &lt;2% =5 (stretch)  
                      <1% = 4  
                      &lt;Budget=3 (Goal)  
                      &gt;1% =2  
                      &gt;2% = 1 |
| **Growth**                  | Surgical Cases                                        | Increase surgeries by 2% over prior year                               | 484 YTD FY2017  
                      505 YTD FY2016                                  | &gt;2% = 5  
                      &gt;1% = 3  
                      &lt; 1% = 2 |
| Outpatient & Emergency Volumes | 2% increase (gross outpatient revenue over prior year) | $53.0 mm YTD  
                      $51.5 mm prior year                                | &gt;5% = 5 (stretch)  
                      3% = 4  
                      &gt;2% = 3 (Goal)  
                      &lt;2% = 2 |
| **Community**               | Community Benefit Hours                               | Hours of time spent on community benefit activities per year          | 512 hours for 4 months                 | &gt;1500 = 5  
                      &gt;1200 = 4  
                      &gt;1000 = 3  
                      &gt;750 = 2  
                      &gt;500 = 1 |
### FY 2017 TRENDED RESULTS

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<tr>
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<tr>
<td>Emergency Satisfaction</td>
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<td>1</td>
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<td>VBP Safety score</td>
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<td>Staff Satisfaction</td>
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<td>FY YTD Turnover</td>
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<td>Outpatient Revenue</td>
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<td>Births</td>
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<td>SNF days</td>
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<td>Cardiology (Echos)</td>
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<td>Laboratory</td>
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<td>Mammography</td>
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<td>Ultrasound</td>
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<td>757</td>
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<td>Wound Care</td>
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<td>253</td>
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12.

REVISION TO RESOLUTION No. 331
PARCEL TAX
Meeting Date: December 1, 2016
Prepared by: Peter Hohorst
Agenda Item Title: Parcel Tax Resolution

Recommendations:
Although the parcel tax resolution was approved at the Board meeting on October 6\textsuperscript{th}, the wording of the resolution did not meet the current requirement for a ballot initiative and needed to be restated. Under new regulations that became effective on January 1, 2016, the total amount of revenue to be raised annually by a ballot initiative must be included in the ballot information. This information has been added to the parcel tax resolution and the change must now be approved by the Board.

Therefore, it is recommended that the Board approve the revised parcel tax resolution requesting the voters of the Sonoma Valley Health Care District approve, on March 7, 2017, a renewal of the parcel tax for five years at a rate of $250 per parcel to provide adequate funding to ensure continued local access to emergency room care, acute hospital care, and other health care services.

Background:
Because our District has a higher proportion of seniors (+65) than most areas of the state (24\% versus the state average of 15\%). and Medicare insurance reimburses the Hospital for patient services at a level that is below cost, community financial support is necessary to sustain the Hospital. By law, a Parcel Tax was, and still is, the only option available for a community to use in support of Hospital operations.

When the Sonoma Valley voters approved the first Parcel Tax in 2002 they understood that an Emergency Room could not be run as a stand-alone operation, but needed to be part of a Hospital. The 70\% plus vote in support of the Parcel Tax in the past has indicated the voters’ strong desire to retain an Emergency Room in the Valley. Because of the Parcel Tax support the Emergency Room has continued to remain open for all, regardless of the type of insurance, Medicare, Blue Shield, Kaiser, etc., and for patients with no insurance, regardless of ability to pay.

Going forward the trend for insurance reimbursement is not encouraging for a small local hospital.

- In the past year, 73.8 \% of the Hospital’s gross revenue came from State and Federal insurance, mostly Medicare, up from 70.2\% in 2014. This rising trend is expected to continue.
- Medicare has always reimbursed hospitals at a level that is below the cost of these services.
- Medicare continues to tighten regulations and limit what will be “allowed” when a Hospital submits an invoice for medical services. These changes are then mimicked by the commercial insurance carriers, resulting in across the board reimbursement decreases.

And costs continue to rise, largely to maintain competitive salaries for nurses, physicians and staff and because of inflation’s impact on the cost of medical supplies, utility bills, groceries and everything else that must be purchased.

The Hospital has responded positively to this financial challenge:
• Patient revenue has increased in each of the past four years.
• The Hospital’s operating margin, although still negative, has improved in each of the past three years.
• All hospital departments had a positive contribution to overhead in 2016, the result of constant analysis and innovation.

Quality of care remains high.

• In 2016, the Hospital received a 4-star rating for quality and safety (out of a possible 5) from the Center for Medicare and Medicaid Services (CMS).
• The Hospital will earn an extra $200,000 of reimbursement from Medicare in 2017 because of this rating. Only the top 25% of hospitals nationally qualify for this premium.

Despite these and other impressive accomplishments, the Hospital has been unable to make progress on improving two important indicators of financial health.

• Cash on hand at the end of each month has averaged just 13 days during the past 24 months. (Note: one payroll is the equivalent to 9 days)
• Accounts Payable has hovered around 50 days of invoices outstanding. Most small businesses aim for a maximum of 30 days and pay some in 10 days to take discounts.

Based on these two indicators, the Hospital’s margin for error in the uncertain future of health care is too small. The increase of $55 in the parcel tax and continued aggressive management of Hospital operations will ensure that the Hospital can weather the anticipated and unanticipated changes emanating from Washington and Sacramento and continue to keep a local Emergency Room open in Sonoma Valley.

**Consequences of Negative Action/Alternative Actions:**

Without passage of the proposed parcel tax the District’s revenues are not adequate to ensure continued local access to hospital emergency services, acute hospital care, and other critical hospital services.
WHEREAS, Sonoma Valley Health Care District (the “District”) has established the mission of serving the health needs of the Sonoma Valley community through Sonoma Valley Hospital; and

WHEREAS, following the Board’s adoption of District Resolution No. 308, in October of 2011, the voters of the District overwhelmingly approved the imposition of a real estate parcel tax of $195 per taxable parcel per year for five years to provide adequate funding to ensure continued local access to emergency room care, acute hospital care, and other health care services for residents of the District; and

WHEREAS, the current parcel tax expires on June 30, 2017; and

WHEREAS, the District, like most in California, is experiencing the impact of reduced reimbursement by Federal, State and private health insurance programs, along with the decreased census in inpatient care created by changing regulations, and

WHEREAS, the reimbursement revenue from Federal and State insurance programs for these services is below the cost of providing these services; and

WHEREAS, in Fiscal Year 2016, 74% of District services provided were to patients with Federal or State health insurance, and

WHEREAS, the District is authorized under Section 53730.01 of the California Government Code to impose special taxes uniformly on all real property within its boundaries (a parcel tax); and

WHEREAS, the District is not authorized to impose any tax other than a parcel tax to support Hospital operations.

WHEREAS, without the parcel tax revenues, the District’s revenues do not provide adequate funding to ensure continued local access to hospital emergency room care, acute hospital care, and other hospital services for residents of the District; and

THEREFORE, WE RESOLVE that:
1. The District hereby proposes to renew the parcel tax, as authorized under Section 53730.01 of the California Government Code that it will use to ensure continued local access to hospital emergency room care, acute hospital care, and other hospital services for residents of the District and it will not use the parcel tax for capital improvements, other than improvements made in connection with the day-to-day operational needs of the District.

2. The District hereby calls an election for March 7, 2017, to be held within the boundaries of the District, and requests the Board of Supervisors of the County of Sonoma (the “County”) to consolidate that election with all other elections to be held on such date, on the measure set forth in Section 3.

3. The District hereby sets the full text of the measure to be placed on the ballot for the election of March 7, 2017, as follows:

   The District will renew the parcel tax levy on each taxable parcel of land within the District, at an annual rate of up to $250 per parcel for five (5) years.

   The purpose of the parcel tax will be to supplement State and Federal insurance payments which are below the cost of providing hospital services in order to ensure continued local access to hospital emergency room care, acute hospital care, and other hospital services for residents of the District and visitors to the area.

   The parcel tax will not be used for capital improvements other than improvements made in connection with the day-to-day operational needs of the District.

   The District’s appropriations limit will be established at an amount equal to the available funding during the first year of the parcel tax at the rate of $250 per parcel.

   The amount of money to be raised annually by the parcel tax levy is estimated to be $3.8 million.

   Taxable parcels are those that appear on the annual secured County property tax roll.

   The following exemption will apply to the levy and collection of the parcel tax: with respect to multiple parcels that are contiguous and in the same ownership and that cannot be individually sold, leased (except for agricultural purposes) or financed, only one such parcel will be subject to the parcel tax.

   The District will continue to employ its currently established administrative review process to grant exemptions and consider appeals with respect to contiguous parcels.

   The parcel tax revenues will be deposited into a fund held by the County Treasurer.

   The District will cause to be filed an annual report with its Board of Directors, commencing not later than January 1, 2018, and annually thereafter, which report will be
for the year ended June 30 of the prior year and contain information regarding the amount of parcel tax revenues collected and expended.

4. The District hereby sets the abbreviated ballot form of the measure appearing in Section 3 as follows:

   Shall the Sonoma Valley Health Care District renew its expiring parcel tax for five years at up to $250 per parcel per year in order to assure the continued operation of the hospital emergency room, offset continuing reductions in reimbursements by Federal and State health insurance programs which are below the cost of providing hospital services and ensure the availability of acute hospital care and other hospital services at Sonoma Valley Hospital? The amount of money to be raised annually by the parcel tax levy is estimated to be $3.8 million.

5. The District hereby proposes to establish its appropriations limit under Article XIIIB of the California Constitution at an amount equal to the amount of available funding for the first year of the parcel tax at the rate of $250 per parcel. “Available funding” will have the same meaning under this Resolution as is given the term “proceeds of taxes” in Article XIIIB of the California Constitution.

6. The County Tax Collector will collect the parcel tax at the same time that it collects the general and ad valorem taxes, and along with the collection of those taxes. The parcel tax will be subject to the same penalties as general and ad valorem taxes.

7. The District will impose the parcel tax only if two-thirds (2/3) of those voting approve it.

   PASSED AND ADOPTED on December 1, 2016 by the following vote:

   AYES: ______

   NOES: ______

   ABSENT: ______

   ABSTAIN: ______

   Jane Hirsch, Chair
   SONOMA VALLEY HEALTH CARE
   DISTRICT

   ATTEST:

   Bill Boerum, Secretary
   SONOMA VALLEY HEALTH CARE
   DISTRICT