



# Kit Carson County Health Service District

*Rooted in excellence. Growing in trust.*

## FINANCIAL STATEMENT SUMMARY

April 2018

### Income Statement Summary

Kit Carson County Health Service District (KCCHSD) had a net profit of \$2,975 for the month and a net profit of \$378,560 YTD. KCCHSD had YTD budgeted income of \$20,275. The budget is set up in to twelve equal months rather than volume based. January through April should be higher volume months and the District will see a decline as we approach the summer months.

KCCHSD's Net Operating Income was a profit of \$4,039 for the month and a profit of \$372,896 YTD. YTD Budgeted Net Operating Income was \$87,478.

### Revenue:

Gross Patient Revenue was \$2,253,045 for the month and \$9,068,593 YTD compared to the budget of \$2,034,730 and \$8,138,918. Again, January through April are higher volume months and the District should be above budget during this time to compensate for the months with lower volume.

Net Patient revenue was \$1,202,650 for April and \$5,355,500 YTD compared to the budget of \$1,325,431 and \$5,301,724. The District continues reviewing contractual and doubtful account allowances calculations quarterly to ensure accuracy throughout the year. The first quarter calculations were used for the April financials. Additional allowance has been accrued to aid in the offset of the imminent Medicaid write-offs and overall AR clean-up.

### Expense:

Operating Expense Less Depreciation at \$1,109,620 was under budget for the month by \$75,011. YTD Operating expense less depreciation was under budget by \$117,496.

### Non-Operating Income (Expense):

Non-Operating Expense was \$1,064 compared to the budget expense of \$16,801 for April. YTD the income is \$5,655 .



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## Notes

- End of April: District is under budget on all categories with the exception of Purchased Service, Utilities, and Education.
  - Purchased services is over budget by \$68,834
  - Imaging budget is not sufficient for the current purchased maintenance
  - Home Health and Hospice is utilizing their EMR vendor for billing recovery – this cost was not factored in the budget
  - Transcription services were not factored in the budget
  - Nursing MCG subscription was not factored in the budget
  - Utilities will always fluctuate and the budget is calculated in twelve equal months; the YTD overage decreased to \$2,474.
  - Education is over budget. Finance will do an analysis of the expenditures in that area. Some contract employees do receive education funding and did receive their max in April.
- Provision for uncollectable accounts: this is where bad debt allowance entries and bad debt recoveries will fall. There was no debit for bad debt allowance based on the current AR totals and the District calculations. The District also received some payments on bad debt patient accounts in April

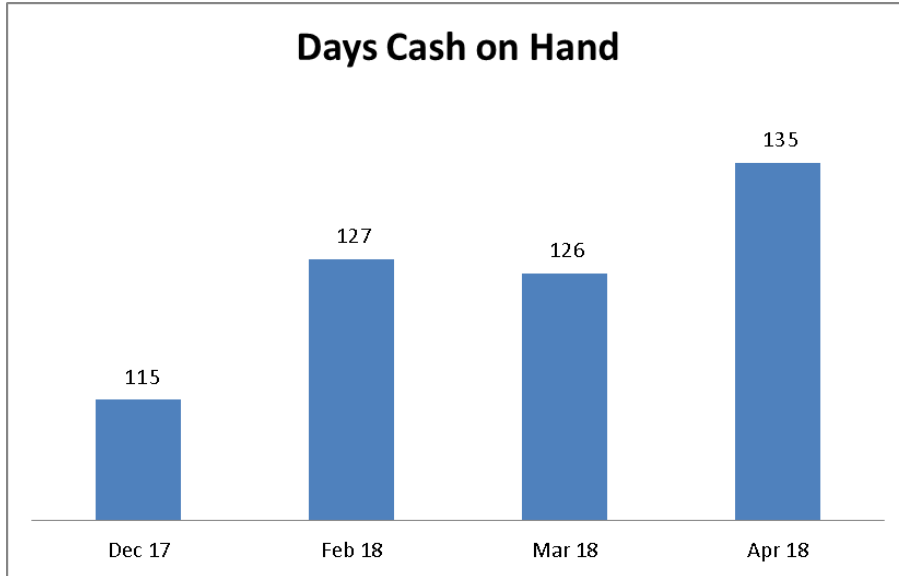


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## Days Cash on Hand

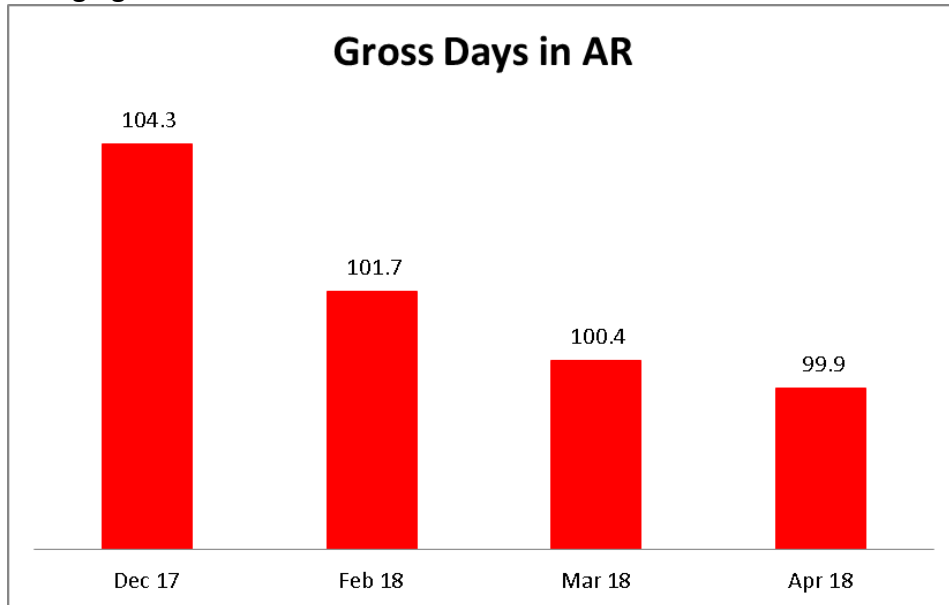
KCCHSD Days Cash on Hand is 135 in April compared to 126 as of March and 115 as of December, 2017. KCCHSD's Bond Covenants require 60 Days Cash.



Note: Days Cash on Hand is calculated on a YTD basis consistent with the bond covenant calculation.

## Gross Days in AR

Gross Days in AR for April were 99.9 compared to 100.4 as of March and 104.3 as of December 2017. The District has increased full time staff and added per diem temporary staff to help reduce aging and limit write offs.



Note: Gross Days in AR are calculated using a 6 month average for daily revenue



# Kit Carson County Health Service District

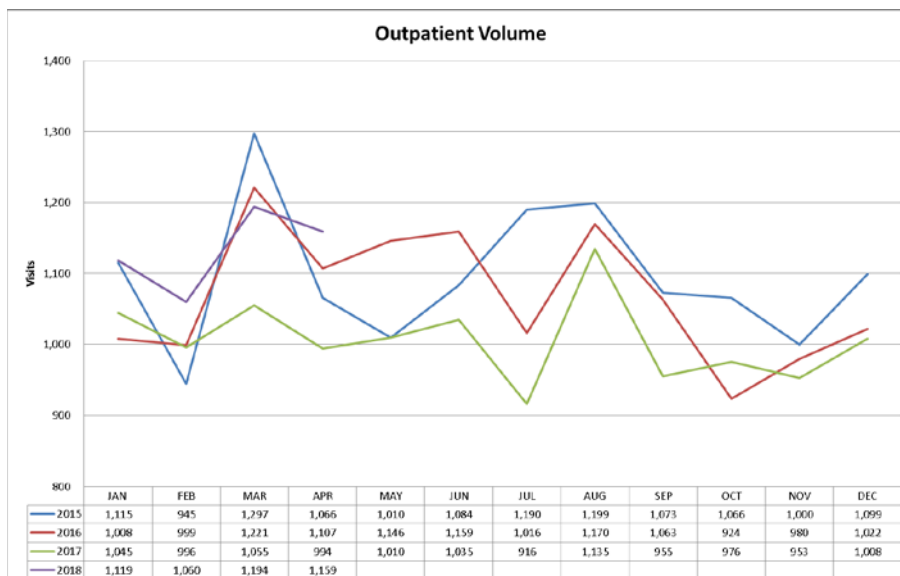
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## Volume

Inpatient volume decreased in April from March. April volume is comparable to same month in previous years with the exception of 2016, which saw an exceptionally high volume.



Outpatient volume for April saw a decrease from March. The month came in higher than last year when volume looks to have taken a large decline but is still slightly lower than the years before. KCCHSD will continuously research outpatient services that would increase volume with little to no cost to the District.





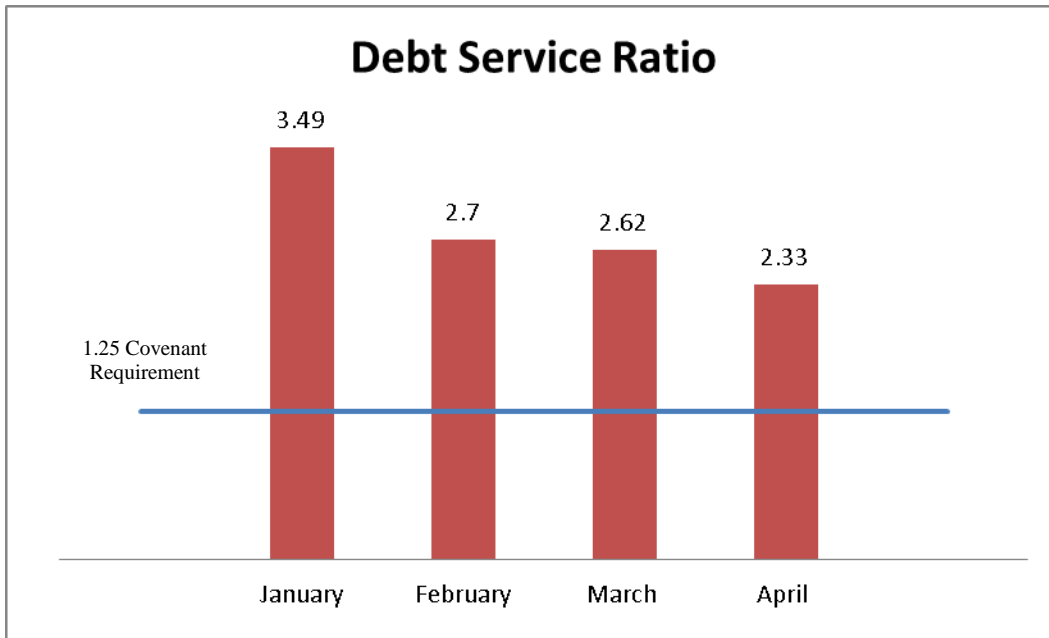
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## Debt Service Ratio

Debt Service Ratio for April is at 2.33 which is a decrease from March at 2.62. The bond covenant requires the district to have a debt service ratio of 1.25.

Debt Service Coverage Ratio	
Net Income	378,560
Interest exp	241,402
Dep Exp	372,953
Revenue Available for Debt Service	992,916
MRI	40,516
CT	32,460
Bonds	352,967
Annual Debt Service	425,943
Debt Service Coverage Ratio	2.33
**YTD Figures in accordance with bond covenants	



**Kit Carson County Health Service District**

**Financial Statements for**

**April 2018**



**KIT CARSON COUNTY HEALTH SERVICE DISTRICT  
STATEMENT OF CHANGES IN CASH FLOW  
April 2018**

	<b>Year-to-Date</b>
<b>Beginning Cash</b>	4,750,083
<b>Income From Operations:</b>	
Net Operating Income (Loss)	\$372,896
Noncash Expenses and Revenues Included in Income:	
Depreciation	372,953
Changes in Operating Assets and Liabilities:	
Patient Receivables	(336,305)
Cost Report and Settlements	228,863
Inventories	3,564
Prepaid Expenses	(18,741)
Other Receivables	0
Accounts Payable and Accrued Expense	(907,079)
Nonoperating Revenues, Net	238,597
<b>Cash Flows from Investing Activities:</b>	
Investment Income	8,470
Change in Restricted Funds	(2,743)
<b>Cash Flows from Financing Activities:</b>	
Property Tax Receivable	263,674
Interest Expense	(241,402)
Change in Long Term Debt	0
Change in Fixed Assets	0
Change in Restricted Cash	454,915
<b>Ending Cash</b>	<b>\$5,187,746</b>

**KIT CARSON COUNTY HEALTH SERVICE DISTRICT  
COMPARATIVE BALANCE SHEET  
APRIL 2018**

<b>UNRESTRICTED FUNDS - ASSETS:</b>	<u>4/30/2018</u>	<u>12/31/2017</u>	<u>Increase/ (Decrease)</u>
<b>CURRENT ASSETS:</b>			
Cash:	\$ 5,187,746	\$ 4,750,083	\$ 437,662
Receivables:			
Patient	\$ 7,535,198	\$ 6,284,245	1,250,953
Less: Allowances for Bad Debts	\$ (2,003,531)	\$ (1,763,566)	(239,965)
Less: Contractual Allowances	\$ (3,107,777)	\$ (2,433,094)	(674,683)
Net Patient Receivables	2,423,891	2,087,585	336,305
Medicare / Medicaid / Cost Report	\$ 27,201	\$ 256,065	(228,863)
Property Tax Receivable	\$ 316,034	\$ 579,709	(263,674)
Other Receivables	\$ 29,372	\$ 29,372	-
Total Receivables	<u>2,796,499</u>	<u>2,952,731</u>	<u>(156,233)</u>
Other Current Assets:			
Inventories	\$ 458,137	\$ 461,700	(3,564)
Prepaid Expense	\$ 231,829	\$ 213,088	18,741
Total Other Current Assets	<u>689,965</u>	<u>674,789</u>	<u>15,177</u>
Total Current Assets	<u>8,674,209</u>	<u>8,377,603</u>	<u>296,607</u>
<b>OTHER ASSETS:</b>			
Property, Plant and Equipment	\$ 23,072,705	\$ 23,072,705	0
Less: Accumulated Depreciation	\$ (15,976,207)	\$ (15,603,254)	(372,953)
Net Property Plant and Equipment	7,096,498	7,469,452	(372,953)
Bond Funds	\$ 1,376,632	\$ 1,831,547	(454,915)
Restricted Fund Assets	\$ 1,016,569	\$ 1,013,826	2,743
Total Other Assets	<u>9,489,700</u>	<u>10,314,825</u>	<u>(825,125)</u>
<b>TOTAL ASSETS</b>	<u>\$ 18,163,910</u>	<u>\$ 18,692,428</u>	<u>\$ (528,518)</u>



**KIT CARSON COUNTY HEALTH SERVICE DISTRICT  
COMPARATIVE BALANCE SHEET  
APRIL 2018**

<b>LIABILITIES AND FUND BALANCE:</b>	<u>4/30/2018</u>	<u>12/31/2017</u>	<u>Increase/ (Decrease)</u>
<b>CURRENT LIABILITIES:</b>			
Accounts Payable and Accrued Expenses	\$ 592,575	\$ 611,992	\$ (19,417)
Leases Payable - Current	142,441	198,561	(56,120)
Bonds Payable - current	-	360,000	(360,000)
Vacation Payable	215,172	211,804	3,368
Salary & Salary Deductions Payable	37,711	187,825	(150,114)
Interest Payable	234,675	364,163	(129,488)
Deferred Income County Tax	390,617	585,926	(195,309)
Medicare / Medicaid / Cost Report	0	0	0
Total Current Liabilities	<u>1,613,192</u>	<u>2,520,271</u>	<u>(907,079)</u>
<b>LONG TERM LIABILITIES:</b>			
Leases	318,432	318,432	0
Bonds Payable	<u>10,430,000</u>	<u>10,430,000</u>	<u>0</u>
Total Long Term Debt	<u>10,748,432</u>	<u>10,748,432</u>	<u>0</u>
Total Liabilities	<u>12,361,623</u>	<u>13,268,702</u>	<u>(907,079)</u>
<b>FUND BALANCE:</b>			
Operating Fund	5,423,726	8,075,782	(2,652,056)
Revenues over Expenses	378,560	(2,652,056)	3,030,616
Total Fund Balance	<u>5,802,287</u>	<u>5,423,726</u>	<u>378,560</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u><u>\$ 18,163,910</u></u>	<u><u>\$ 18,692,428</u></u>	<u><u>\$ (528,518)</u></u>

**KIT CARSON COUNTY HEALTH SERVICE DISTRICT  
COMBINED INCOME STATEMENT  
April 2018**

<u>Month</u> <u>2018</u>			<u>2017</u>			<u>YTD</u> <u>2018</u>			<u>2017</u>		
<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>
\$ 2,253,045	\$ 2,034,730	\$ 1,940,242	\$ 9,068,593	8,138,918	\$ 7,612,255						
\$ (1,060,360)	\$ (657,648)	\$ (349,903)	\$ (3,360,984)	(2,630,592)	\$ (1,605,022)						
1,192,685	1,377,081	1,590,338	5,707,609	5,508,326	6,007,233						
\$ 9,965	\$ (51,650)	\$ 42,516	\$ (352,109)	(206,602)	\$ (275,750)						
1,202,650	1,325,431	1,632,854	5,355,500	5,301,724	5,731,484						
\$ 2,640	\$ 3,103	\$ 3,260	\$ 11,376	12,412	\$ 18,538						
1,205,289	1,328,534	1,636,114	5,366,876	5,314,136	5,750,022						
53%	65%	63%	59%	65%	75%						
<b>OPERATING REVENUE:</b>											
\$ 720,497	\$ 757,342	\$ 705,245	\$ 3,004,601	3,029,369	\$ 3,113,024						
\$ 88,245	\$ 117,695	\$ 135,085	\$ 393,343	470,779	\$ 486,832						
\$ 63,396	\$ 75,037	\$ 75,078	\$ 279,226	300,149	\$ 298,821						
\$ 97,512	\$ 84,272	\$ 109,549	\$ 405,921	337,087	\$ 324,617						
\$ 6,134	\$ 9,746	\$ 18,320	\$ 19,648	38,984	\$ 41,992						
\$ 11,438	\$ 12,282	\$ 9,089	\$ 45,754	49,128	\$ 44,291						
\$ 25,149	\$ 26,628	\$ 23,024	\$ 108,985	106,512	\$ 94,565						
\$ 11,298	\$ 4,236	\$ 15,765	\$ 23,282	16,945	\$ 47,904						
\$ 16,404	\$ 14,731	\$ 14,490	\$ 59,188	58,925	\$ 53,669						
\$ 6,816	\$ 9,488	\$ 8,027	\$ 27,989	37,952	\$ 32,089						
\$ 1,468	\$ 1,493	\$ 165	\$ 2,046	5,973	\$ 3,359						
\$ 61,263	\$ 71,680	\$ 43,811	\$ 251,044	286,718	\$ 181,833						
1,109,620	1,184,631	1,157,648	4,621,027	4,738,523	4,722,996						
95,670	143,903	478,466	745,849	575,613	1,027,026						
\$ 91,631	\$ 122,034	\$ 122,104	\$ 372,953	488,135	\$ 487,899						
4,039	21,870	356,362	372,896	87,478	539,127						
<b>OPERATING EXPENSE:</b>											
<b>EBIDA</b>											
Depreciation											
<b>NET OPERATING INCOME</b>											
<b>NON-OPERATING INCOME (EXPENSE)</b>											
\$ (60,473)	\$ (63,443)	\$ (63,021)	\$ (241,402)	(253,774)	\$ (251,245)						
\$ 1,627	\$ 1,340	\$ 1,144	\$ 8,470	5,360	\$ 4,525						
\$ 48,827	\$ 40,080	\$ 20,432	\$ 195,309	160,321	\$ 160,321						
\$ (125)	\$ 110	\$ (100)	\$ 3,194	441	\$ (1,855)						
\$ 9,080	\$ 5,112	\$ 2,707	\$ 40,094	20,449	\$ 22,840						
(1,064)	(16,801)	(38,838)	5,665	(67,203)	(65,415)						
\$ 2,975	\$ 5,069	\$ 317,524	\$ 378,560	20,276	\$ 473,712						
<b>NET INCOME</b>											