



# Kit Carson County Health Service District

*Rooted in excellence. Growing in trust.*

## FINANCIAL STATEMENT SUMMARY

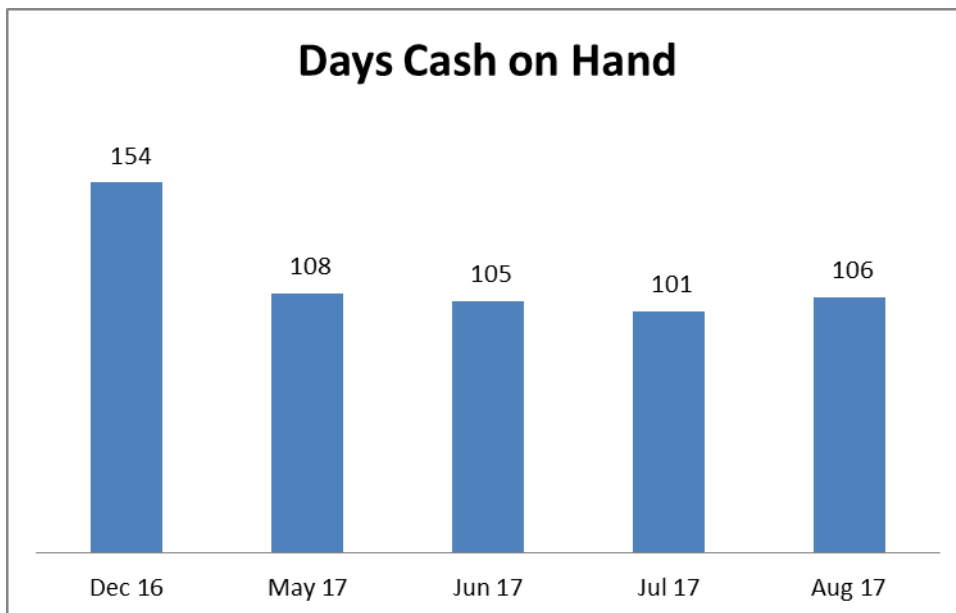
August 2017

### Summary:

Kit Carson County Health Service District (KCCHSD) had a net profit of \$19,948 for the month and a net loss of \$1,247,565 YTD. KCCHSD had YTD budgeted income of \$11,485.

KCCHSD's Net Operating Income was a profit of \$28,566 for the month and a loss of \$1,133,769 YTD. YTD Budgeted Net Operating Income was \$65,109.

KCCHSD had Days Cash on Hand of 106 compared to 101 as of July and 154 as of December, 2016. KCCHSD's Bond Covenants require 60 Days Cash.



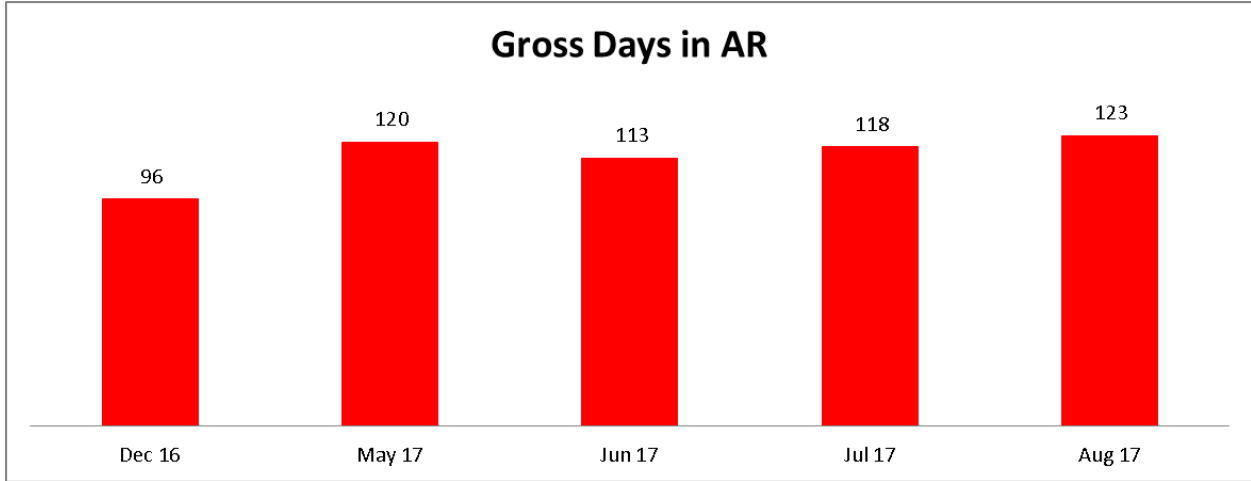
Note: Days Cash on Hand is calculated on a YTD basis consistent with the bond covenant calculation.

Gross Days in AR were 123 compared to 118 as of July and 96 as of December, 2016. Days in AR and Accounts Receivable are up partially as a result of the inability to bill or collect Medicaid accounts due to a change in the State's payment system. The Hospital has not collected any of the Medicaid receivables and has been re-evaluating the contractual allowance on this AR balance. Commercial AR is also up in August.



# Kit Carson County Health Service District

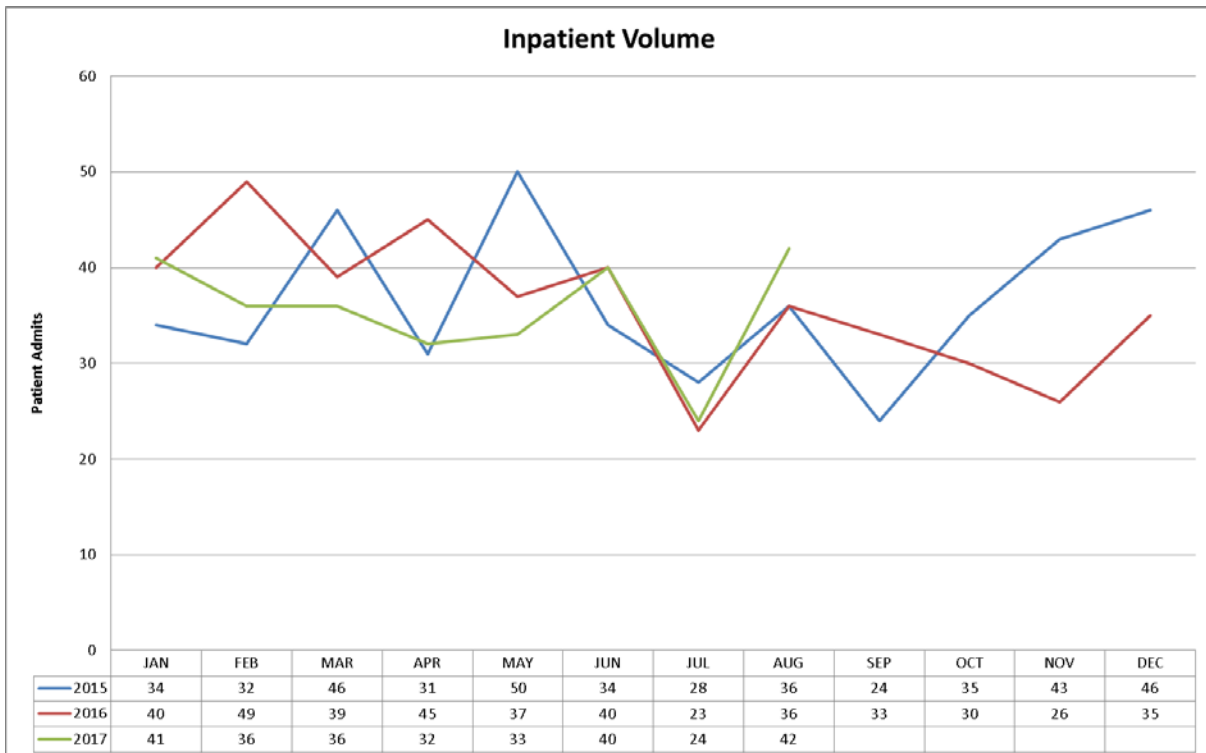
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Note: Gross Days in AR are calculated using a 6 month average for daily revenue.

### Volume:

Inpatient volume was up from prior months and increased from prior years in August.

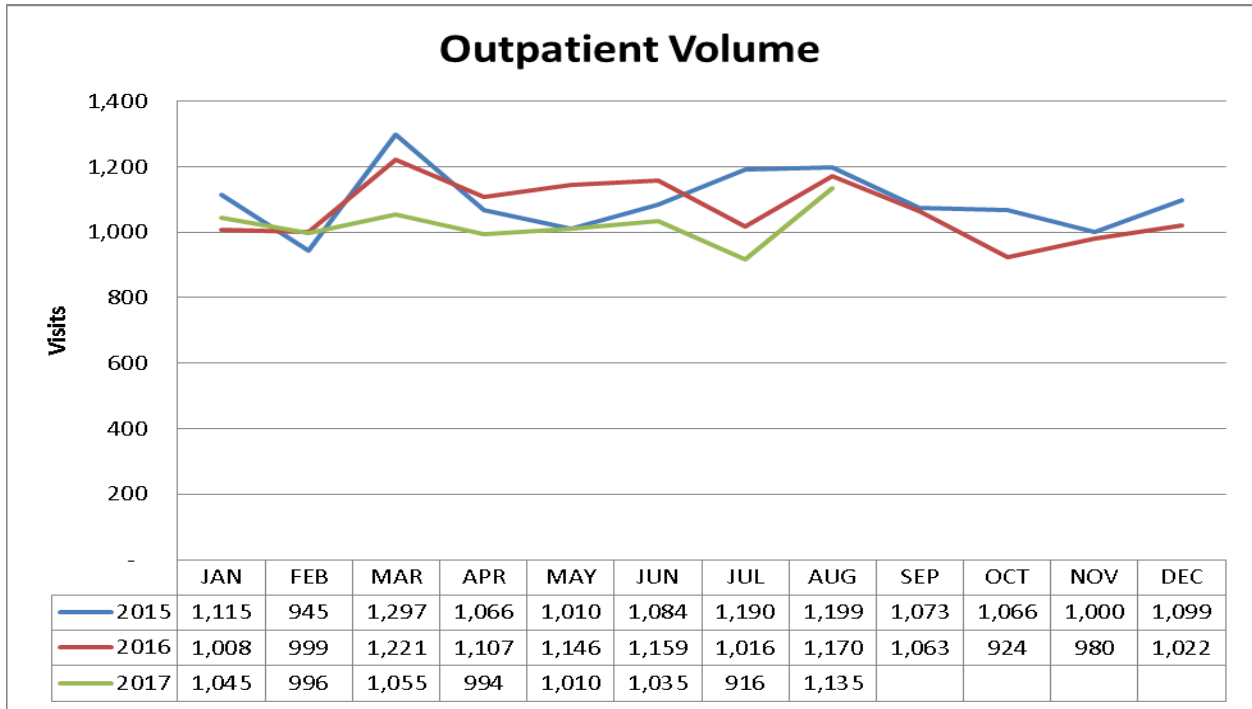




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Outpatient volume (excluding clinics) for 2017 has been and continues to be lower than prior years. However, August was more consistent with prior year August volumes than previous months have been. Lower outpatient volume has been driven by the decrease in outpatient surgeries although all outpatient areas are being reviewed by Hospital Management.



**Revenue:**

Gross Patient Revenue was \$2,145,944 for the month and \$15,159,191 YTD compared to the budget of \$1,947,820 and \$15,582,556. The increase in revenue follows the increase in volume for August. The District is continuing to strive towards the consistency of charging practices to improve the revenue stream. PARA is currently performing the charging and pricing review.

Net Patient revenue was \$1,374,519 for August and \$9,811,931 YTD compared to the budget of \$1,330,716 and \$10,645,727. Higher revenue for August contributed to the increase over budget of net revenue. Contractual adjustments are higher than budget due to increase in net revenue as well as additional adjustments made for the large Medicaid AR balance.

**Expense:**

Operating Expense Less Depreciation at \$1,234,021 was close to budget for the month of \$1,217,803. YTD Operating expense less depreciation was over budget by \$312,853. The District is continuously evaluating expenses to determine what areas can be reduced while still providing quality patient care.



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## **Non-Operating Income (Expense):**

Non-Operating Income was a loss (Expense) of \$8,618 compared to the budget loss of \$6,703 for August. Interest Expense was the main item that contributed to this loss. Interest expense was not budgeted high enough. The Hospital will continue to run over budget in this area the remainder of the year.

**Kit Carson County Health Services District  
Financial Statement for**

**August, 2017**



**KIT CARSON COUNTY HEALTH SERVICES DISTRICT  
STATEMENT OF CHANGES IN CASH FLOW  
AUGUST 2017**

	<b>Year-to-Date</b>
<b>Beginning Cash</b>	5,836,764
<b>Income From Operations:</b>	
Net Operating Income (Loss)	(\$1,133,769)
Noncash Expenses and Revenues Included in Income:	
Depreciation	971,144
Changes in Operating Assets and Liabilities:	
Patient Receivables	(563,816)
Cost Report and Settlements	(18,865)
Inventories	2,192
Prepaid Expenses	155,650
Other Receivables	0
Accounts Payable and Accrued Expense	(1,399,830)
Nonoperating Revenues, Net	377,717
<b>Cash Flows from Investing Activities:</b>	
Investment Income	14,247
Change in Restricted Funds	(7,591)
<b>Cash Flows from Financing Activities:</b>	
Property Tax Receivable	480,962
Interest Expense	(505,760)
Change in Long Term Debt	(89,422)
Change in Fixed Assets	(109,790)
Change in Restricted Cash	372,115
<b>Ending Cash</b>	<b>\$4,381,948</b>

**KIT CARSON COUNTY HEALTH SERVICES DISTRICT  
COMPARATIVE BALANCE SHEET  
AUGUST 31, 2017**

<b>UNRESTRICTED FUNDS - ASSETS:</b>	<u>8/31/2017</u>	<u>12/31/2016</u>	<u>Increase/ (Decrease)</u>
<b>CURRENT ASSETS:</b>			
Cash:	\$ 4,381,948	\$ 5,836,764	\$ (1,454,815)
Receivables:			
Patient	8,053,096	5,721,683	2,331,413
Less: Allowances for Bad Debts	(1,346,423)	(1,430,001)	83,578
Less: Contractual Allowances	<u>(3,575,175)</u>	<u>(1,724,000)</u>	<u>(1,851,175)</u>
Net Patient Receivables	3,131,498	2,567,682	563,816
Medicare / Medicaid / Cost Report	531,574	512,709	18,865
Property Tax Receivable	0	480,962	(480,962)
Other Receivables	<u>29,372</u>	<u>29,372</u>	<u>-</u>
Total Receivables	<u>3,692,445</u>	<u>3,590,725</u>	<u>101,719</u>
Other Current Assets:			
Inventories	475,592	477,784	(2,192)
Prepaid Expense	<u>140,120</u>	<u>295,771</u>	<u>(155,650)</u>
Total Other Current Assets	<u>615,713</u>	<u>773,555</u>	<u>(157,842)</u>
Total Current Assets	<u>8,690,106</u>	<u>10,201,044</u>	<u>(1,510,938)</u>
<b>OTHER ASSETS:</b>			
Property, Plant and Equipment	23,071,300	22,961,510	109,790
Less: Accumulated Depreciation	<u>(15,206,840)</u>	<u>(14,235,696)</u>	<u>(971,144)</u>
Net Property Plant and Equipment	7,864,460	8,725,814	(861,354)
Bond Funds	1,516,047	1,888,162	(372,115)
Restricted Fund Assets	<u>1,014,534</u>	<u>1,006,943</u>	<u>7,591</u>
Total Other Assets	<u>10,395,040</u>	<u>11,620,918</u>	<u>(1,225,878)</u>
<b>TOTAL ASSETS</b>	<u>\$ 19,085,146</u>	<u>\$ 21,821,962</u>	<u>\$ (2,736,816)</u>

**KIT CARSON COUNTY HEALTH SERVICES DISTRICT  
COMPARATIVE BALANCE SHEET  
AUGUST 31, 2017**

<b>LIABILITIES AND FUND BALANCE:</b>	<u>8/31/2017</u>	<u>12/31/2016</u>	<u>Increase/ (Decrease)</u>
<b>CURRENT LIABILITIES:</b>			
Accounts Payable and Accrued Expenses	\$ 160,420	\$ 656,773	\$ (496,353)
Leases Payable - Current	145,266	180,510	(35,244)
Bonds Payable - current	-	335,000	(335,000)
Vacation Payable	215,264	218,442	(3,178)
Salary & Salary Deductions Payable	198,590	155,011	43,580
Interest Payable	151,321	404,313	(252,993)
Deferred Income County Tax	160,321	480,962	(320,641)
Medicare / Medicaid / Cost Report	<u>0</u>	<u>0</u>	<u>0</u>
Total Current Liabilities	<u>1,031,181</u>	<u>2,431,011</u>	<u>(1,399,830)</u>
<b>LONG TERM LIABILITIES:</b>			
Leases	435,739	525,160	(89,422)
Bonds Payable	<u>10,790,000</u>	<u>10,790,000</u>	<u>0</u>
Total Long Term Debt	<u>11,225,739</u>	<u>11,315,160</u>	<u>(89,422)</u>
Total Liabilities	<u>12,256,920</u>	<u>13,746,171</u>	<u>(1,489,251)</u>
<b>FUND BALANCE:</b>			
Operating Fund	8,075,791	8,075,791	0
Revenues over Expenses	<u>(1,247,565)</u>	<u></u>	<u>(1,247,565)</u>
Total Fund Balance	<u>6,828,226</u>	<u>8,075,791</u>	<u>(1,247,565)</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u><u>\$ 19,085,146</u></u>	<u><u>\$ 21,821,962</u></u>	<u><u>\$ (2,736,816)</u></u>



**KIT CARSON COUNTY HEALTH SERVICES DISTRICT  
COMBINED INCOME STATEMENT  
AUGUST, 2017**

Month		2016			YTD		2016	
2017		Actual			2017		Actual	
Actual	Budget	Actual	Budget		Actual	Budget	Actual	Budget
\$ 2,145,944	\$ 1,947,820	\$ 1,609,560		<b>OPERATING REVENUE:</b>	\$ 15,159,191	\$ 15,582,556	\$ 14,967,221	
(818,978)	(530,607)	(515,693)		Patient Revenue, Gross	(4,923,222)	(4,244,853)	(4,375,867)	
1,326,965	1,417,213	1,093,867		Less: Contractual Adjustments	10,235,968	11,337,703	10,591,354	
47,554	(86,497)	(105,103)		Patient Revenue, Net of Contractual Adjustments	(424,038)	(691,976)	(941,981)	
				Less: Provision for Uncollectable Accounts				
1,374,519	1,330,716	988,764		Patient Revenue, Net	9,811,931	10,645,727	9,649,374	
7,482	2,843	2,575		Other Operating Revenue	33,050	22,744	22,750	
1,382,002	1,333,559	991,339		<b>NET OPERATING REVENUE</b>	9,844,981	10,668,471	9,672,124	
				<b>OPERATING EXPENSE:</b>				
785,121	782,734	930,579		Salary and Benefits	6,487,564	6,205,679	5,639,868	
109,489	139,650	116,357		Supplies, Drugs and Food	953,921	1,117,201	1,049,622	
41,943	66,156	71,744		Professional Fees	374,537	529,248	607,414	
128,153	108,907	75,612		Purchased Service	927,068	871,253	851,510	
6,983	10,017	5,569		Repair and Maintenance	73,919	80,138	65,433	
11,734	9,639	7,341		Insurance	96,520	77,112	77,105	
31,878	29,269	31,042		Utilities	219,095	234,152	234,122	
4,889	23,699	27,271		Travel and Education	101,666	189,595	160,738	
14,978	23,679	27,805		Lease	120,752	189,429	174,852	
10,463	6,512	4,560		Dues, Books and Subscriptions	68,061	60,619	44,980	
1,673	1,003	575		Advertising	12,739	8,024	7,770	
86,717	16,538	21,857		Other	571,767	132,303	250,437	
1,234,021	1,217,803	1,320,312		Total Operating Expense Less Depreciation	10,007,607	9,694,754	9,163,852	
147,981	115,755	(328,973)		<b>EBIDA</b>	(162,626)	973,717	508,271	
119,415	113,576	114,849		Depreciation	971,144	908,608	921,722	
28,566	2,179	(443,822)		<b>NET OPERATING INCOME</b>	(1,133,769)	65,109	(413,450)	
				<b>NON-OPERATING INCOME (EXPENSE)</b>				
(63,093)	(57,514)	(64,951)		Interest (Expense)	(505,760)	(460,112)	(523,323)	
1,925	1,473	617		Interest Income	14,247	11,784	11,500	
51,465	39,569	487,775		Tax Revenue	346,770	316,552	487,775	
(1,855)	1,321	2,101		Donations and Grants	127	10,568	46,733	
2,940	8,448	1,060		Other Non-Operating Income/(Loss)	30,821	67,584	33,343	
(8,618)	(6,703)	426,602		Total	(113,795)	(53,624)	56,028	
\$ 19,948	\$ (4,524)	\$ (17,220)		<b>NET INCOME</b>	\$ (1,247,565)	\$ 11,485	\$ (357,422)	