



# Kit Carson County Health Service District

*Rooted in excellence. Growing in trust.*

## FINANCIAL STATEMENT SUMMARY

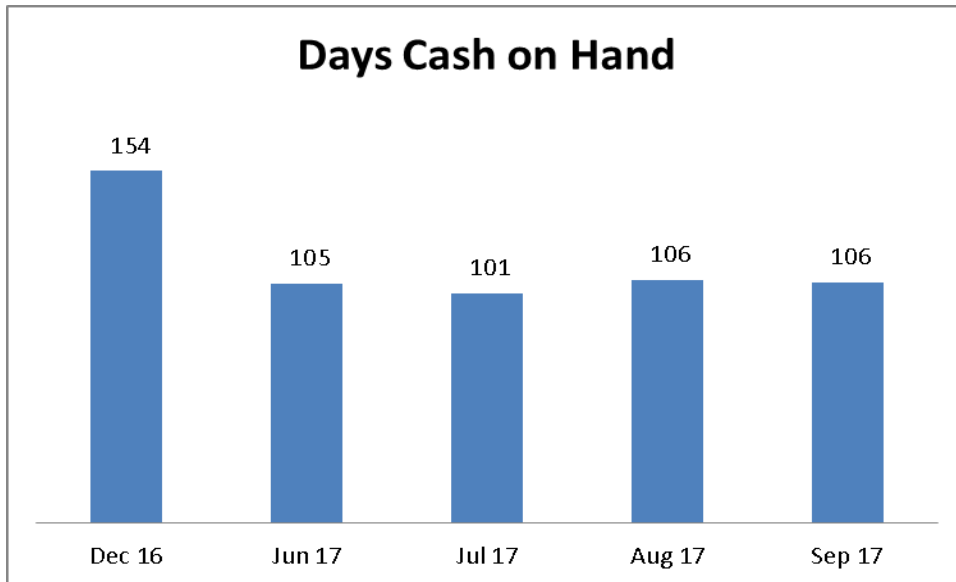
September 2017

### Summary:

Kit Carson County Health Service District (KCCHSD) had a net loss of \$152,145 for the month and a net loss of \$1,399,280 YTD. KCCHSD had YTD budgeted income of \$6,961.

KCCHSD's Net Operating Income was a loss of \$139,139 for the month and a loss of \$1,272,479 YTD. YTD Budgeted Net Operating Income was \$67,288.

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



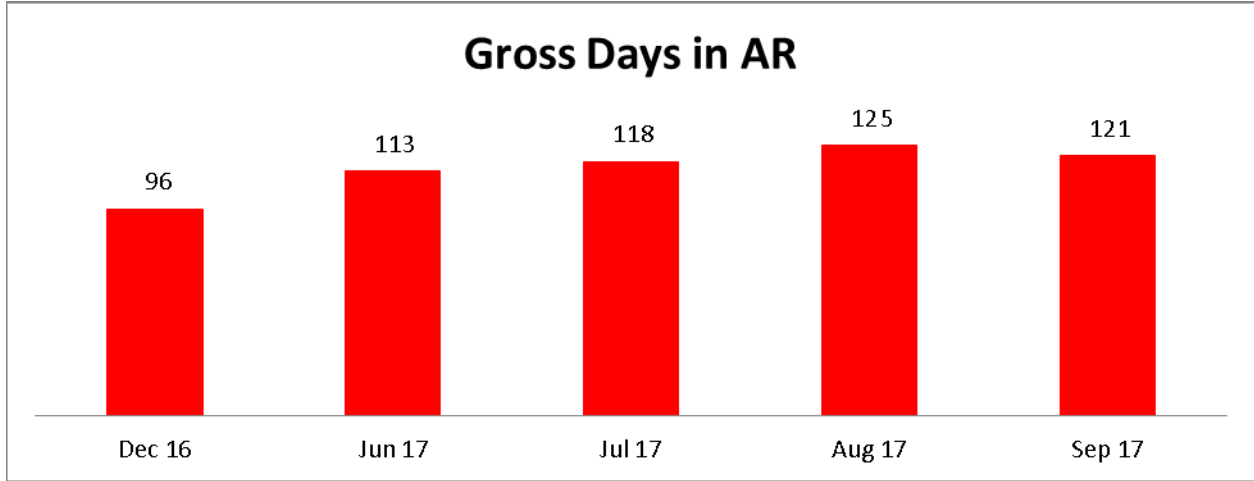
Note: Days Cash on Hand is calculated on a YTD basis consistent with the bond covenant calculation.

Gross Days in AR for September were 121 compared to 125 as of August and 96 as of December, 2016. Days in AR and Accounts Receivable have decreased marginally. The District is still diligently working on collecting any past Medicaid receivables for the hospital.



# Kit Carson County Health Service District

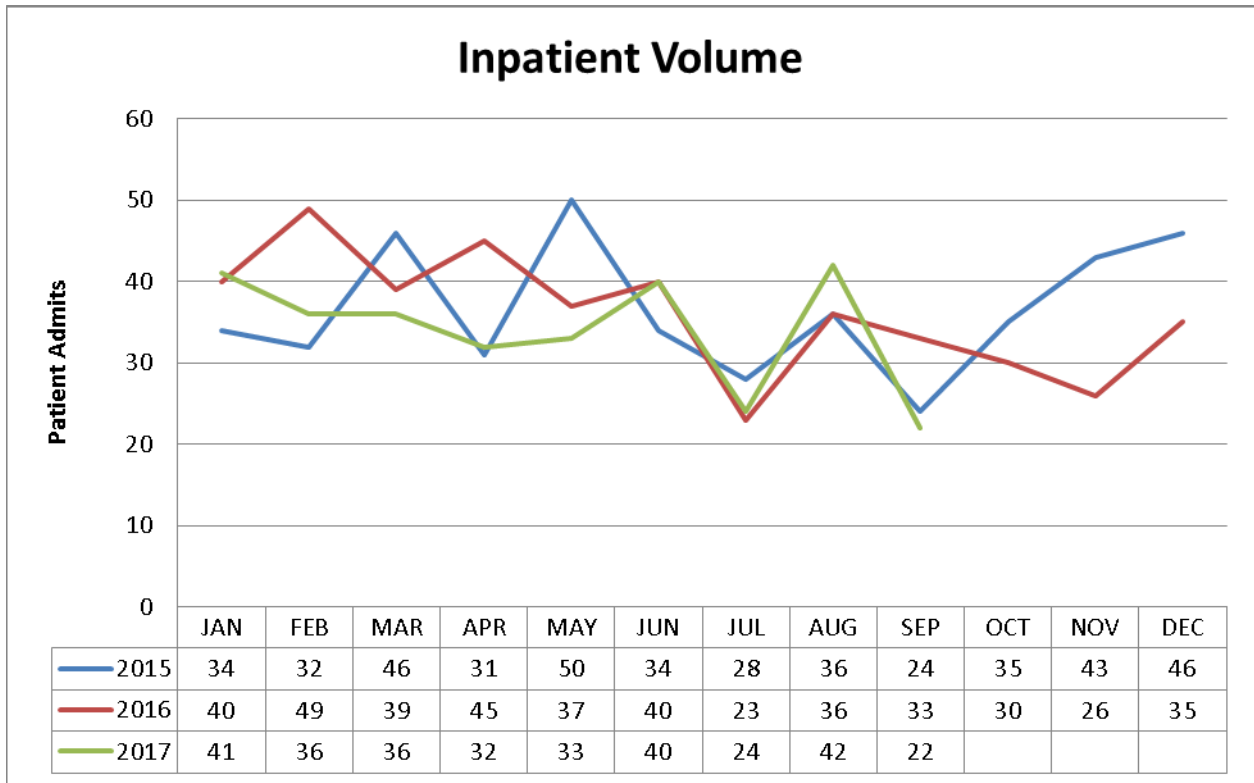
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Note: Gross Days in AR are calculated using a 6 month average for daily revenue.

### Volume:

Inpatient volume is down from prior months and from prior years in September.

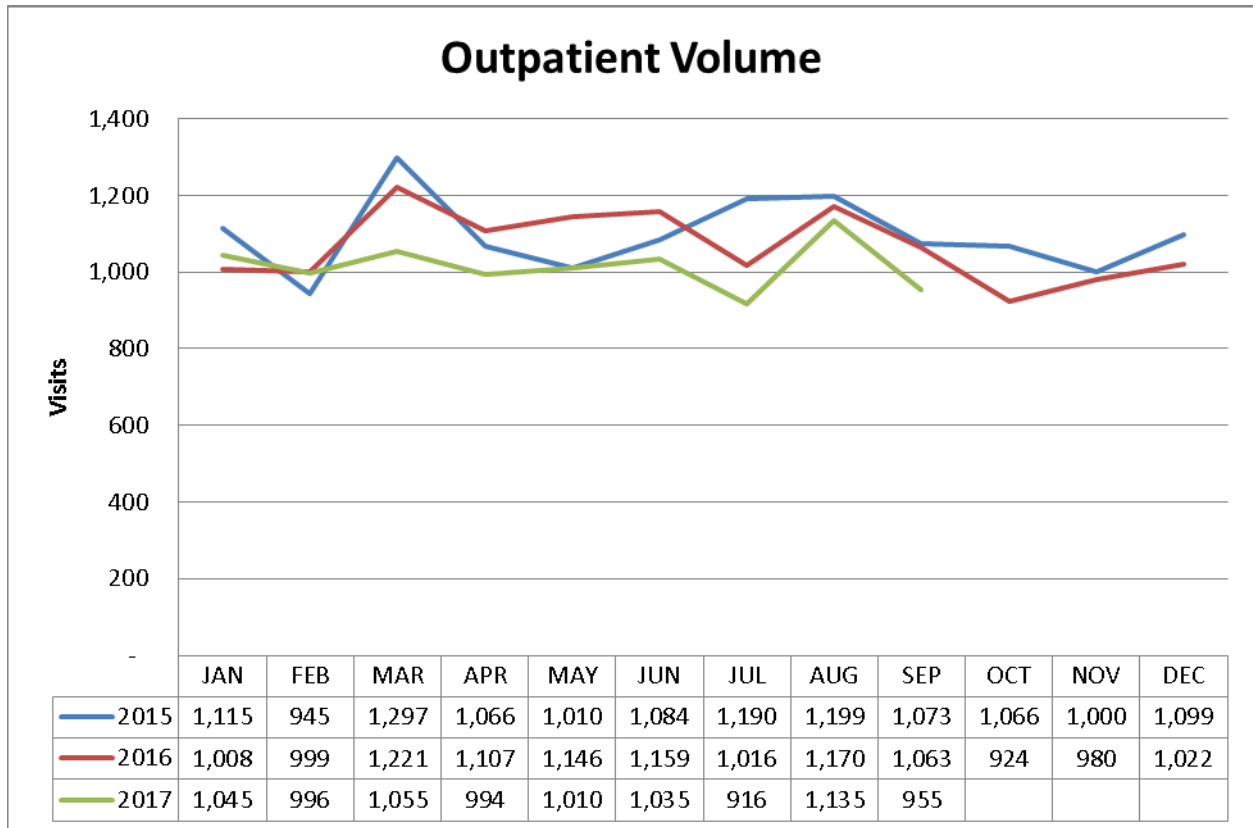




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Outpatient volume (excluding clinics) for 2017 has been and continues to be lower than prior years. Lower outpatient volume has been driven by the decrease in outpatient surgeries although all outpatient areas are being reviewed by Hospital Management. The decrease in September could be partially attributed to the primary surgeon’s extended scheduled absence during the month.



#### Revenue:

Gross Patient Revenue was \$1,707,029 for the month and \$16,866,343 YTD compared to the budget of \$1,947,820 and \$17,530,376. The decrease in revenue follows the decrease in volume for September. Again, this is partially due to the lower volume in surgery. 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 \$1,168,165 for September and \$10,980,219 YTD compared to the budget of \$1,330,716 and \$11,976,443. The District is evaluating contractuals continuously as to accurately reflect net patient revenue.



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## **Expense:**

Operating Expense Less Depreciation at \$1,210,020 was close to budget for the month of \$1,217,803. YTD Operating expense less depreciation was over budget by \$304,764. The District is continuously evaluating expenses to determine what areas can be reduced while still providing quality patient care.

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

Non-Operating Income was a loss (Expense) of \$13,006 compared to the budget loss of \$6,703 for September. Interest expense continues to be the main item that contributing to this loss.

## **Debt Service Ratio**

Debt Service Ratio for September is at 0.25 which is a steady hold from August. The bond covenant requires the district to have a debt service ratio of 1.25.

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



**September, 2017**

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

	<b>Year-to-Date</b>
<b>Beginning Cash</b>	5,836,764
<b>Income From Operations:</b>	
Net Operating Income (Loss)	(\$1,272,479)
Noncash Expenses and Revenues Included in Income:	
Depreciation	1,071,288
Changes in Operating Assets and Liabilities:	
Patient Receivables	(259,498)
Cost Report and Settlements	(18,865)
Inventories	2,075
Prepaid Expenses	146,276
Other Receivables	0
Accounts Payable and Accrued Expense	(1,608,010)
Nonoperating Revenues, Net	435,952
<b>Cash Flows from Investing Activities:</b>	
Investment Income	15,874
Change in Restricted Funds	(8,232)
<b>Cash Flows from Financing Activities:</b>	
Property Tax Receivable	480,962
Interest Expense	(568,786)
Change in Long Term Debt	(89,422)
Change in Fixed Assets	(111,808)
Change in Restricted Cash	293,326
<b>Ending Cash</b>	<b>\$4,345,416</b>

**KIT CARSON COUNTY HEALTH SERVICES DISTRICT  
COMPARATIVE BALANCE SHEET  
SEPTEMBER 30, 2017**

<b>UNRESTRICTED FUNDS - ASSETS:</b>	<u>9/30/2017</u>	<u>12/31/2016</u>	<u>Increase/ (Decrease)</u>
<b>CURRENT ASSETS:</b>			
Cash:	\$ 4,345,416	\$ 5,836,764	\$ (1,491,348)
Receivables:			
Patient	7,752,340	5,721,683	2,030,657
Less: Allowances for Bad Debts	(1,345,513)	(1,430,001)	84,488
Less: Contractual Allowances	<u>(3,579,647)</u>	<u>(1,724,000)</u>	<u>(1,855,647)</u>
Net Patient Receivables	2,827,181	2,567,682	259,498
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>3,388,127</u>	<u>3,590,725</u>	<u>(202,599)</u>
Other Current Assets:			
Inventories	475,709	477,784	(2,075)
Prepaid Expense	<u>149,494</u>	<u>295,771</u>	<u>(146,276)</u>
Total Other Current Assets	<u>625,203</u>	<u>773,555</u>	<u>(148,351)</u>
Total Current Assets	<u>8,358,746</u>	<u>10,201,044</u>	<u>(1,842,298)</u>
<b>OTHER ASSETS:</b>			
Property, Plant and Equipment	23,073,318	22,961,510	111,808
Less: Accumulated Depreciation	<u>(15,306,984)</u>	<u>(14,235,696)</u>	<u>(1,071,288)</u>
Net Property Plant and Equipment	7,766,334	8,725,814	(959,479)
Bond Funds	1,594,836	1,888,162	(293,326)
Restricted Fund Assets	<u>1,015,175</u>	<u>1,006,943</u>	<u>8,232</u>
Total Other Assets	<u>10,376,345</u>	<u>11,620,918</u>	<u>(1,244,573)</u>
<b>TOTAL ASSETS</b>	<u>\$ 18,735,091</u>	<u>\$ 21,821,962</u>	<u>\$ (3,086,871)</u>

**KIT CARSON COUNTY HEALTH SERVICES DISTRICT  
COMPARATIVE BALANCE SHEET  
SEPTEMBER 30, 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	\$ 138,409	\$ 656,773	\$ (518,364)
Leases Payable - Current	129,354	180,510	(51,156)
Bonds Payable - current	-	335,000	(335,000)
Vacation Payable	205,390	218,442	(13,052)
Salary & Salary Deductions Payable	17,594	155,011	(137,417)
Interest Payable	212,014	404,313	(192,299)
Deferred Income County Tax	120,240	480,962	(360,722)
Medicare / Medicaid / Cost Report	<u>0</u>	<u>0</u>	<u>0</u>
Total Current Liabilities	<u>823,001</u>	<u>2,431,011</u>	<u>(1,608,010)</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>12,048,740</u>	<u>13,746,171</u>	<u>(1,697,431)</u>
<b>FUND BALANCE:</b>			
Operating Fund	8,075,791	8,075,791	0
Revenues over Expenses	<u>(1,389,439)</u>	<u></u>	<u>(1,389,439)</u>
Total Fund Balance	<u>6,686,351</u>	<u>8,075,791</u>	<u>(1,389,439)</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u><u>\$ 18,735,091</u></u>	<u><u>\$ 21,821,962</u></u>	<u><u>\$ (3,086,870)</u></u>



**KIT CARSON COUNTY HEALTH SERVICES DISTRICT  
COMBINED INCOME STATEMENT  
SEPTEMBER 2017**

Month			YTD		
2017		2016	2017		2016
Actual	Budget	Actual	Actual	Budget	Actual
\$ 1,707,029	\$ 1,947,820	\$ 1,702,522	\$ 16,866,343	\$ 17,530,376	\$ 16,669,743
(328,630)	(530,607)	(530,392)	(5,251,852)	(4,775,460)	(4,906,259)
1,378,399	1,417,213	1,172,130	11,614,491	12,754,916	11,763,484
(210,234)	(86,497)	(106,181)	(634,272)	(778,473)	(1,048,161)
1,168,165	1,330,716	1,065,949	10,980,219	11,976,443	10,715,323
2,860	2,843	4,304	35,911	25,587	27,054
1,171,025	1,333,559	1,070,253	11,016,130	12,002,030	10,742,377
68%	68%	63%	65%	68%	64%
730,711	782,734	765,056	7,182,060	6,988,414	6,404,925
104,537	139,650	51,828	1,058,450	1,256,852	1,101,450
50,113	66,156	41,704	460,865	595,404	649,118
157,478	108,907	62,840	1,084,546	980,159	914,350
5,773	10,017	114	79,692	90,155	65,547
11,734	9,639	7,341	108,254	86,751	84,446
30,828	29,269	8,228	249,924	263,421	242,350
3,769	23,699	(55,715)	105,434	213,295	105,024
11,606	23,679	2,025	132,358	213,108	176,877
5,611	6,512	3,208	73,672	67,131	48,188
665	1,003	-	13,403	9,027	7,770
97,194	16,538	4,522	668,664	148,841	254,959
1,210,020	1,217,803	891,150	11,217,321	10,912,557	10,055,003
(38,995)	115,755	179,103	(201,191)	1,089,472	687,374
100,144	113,576	114,849	1,071,288	1,022,184	1,036,571
(139,139)	2,179	64,254	(1,272,479)	67,288	(349,197)
(63,026)	(57,514)	-64909	(568,786)	(517,626)	(588,231)
1,626	1,473	303	15,874	13,257	11,803
49,921	39,569	0	396,691	356,121	487,775
3,644	1,321	5985	3,770	11,889	52,718
4,670	8,448	30	35,491	76,032	33,373
(3,165)	(6,703)	(58,591)	(116,960)	(60,327)	(2,563)
\$ (142,304)	\$ (4,524)	\$ 5,663	\$ (1,389,439)	\$ 6,961	\$ (351,759)

**KIT CARSON COUNTY HEALTH SERVICES DISTRICT  
COMPARITIVE COMBINED INCOME STATEMENT  
MAY THROUGH SEPTEMBER 2017**

<b>OPERATING REVENUE:</b>	<u>MAY</u>	<u>JUNE</u>	<u>JULY</u>	<u>AUGUST</u>	<u>SEPTEMBER</u>
Patient Revenue, Gross	\$ 1,694,015	\$ 1,776,002	\$ 1,929,750	\$ 2,145,944	\$ 1,707,029
Less: Contractual Adjustments	<u>(1,375,655)</u>	<u>(538,313)</u>	<u>(585,255)</u>	<u>(818,978)</u>	<u>(328,630)</u>
Patient Revenue, Net of Contractual Adjustments	318,360	1,237,689	1,344,495	1,326,965	1,378,399
Less: Provision for Uncollectable Accounts	<u>83,037</u>	<u>(89,017)</u>	<u>(189,862)</u>	<u>47,554</u>	<u>(210,234)</u>
Patient Revenue, Net	401,397	1,148,672	1,154,633	1,374,519	1,168,165
Other Operating Revenue	<u>1,765</u>	<u>3,120</u>	<u>2,145</u>	<u>7,482</u>	<u>2,860</u>
<b>NET OPERATING REVENUE</b>	<u>403,162</u>	<u>1,151,792</u>	<u>1,156,778</u>	<u>1,382,002</u>	<u>1,171,025</u>
<b>OPERATING EXPENSE:</b>					
Salary and Benefits	885,591	873,614	793,999	785,121	730,711
Supplies, Drugs and Food	100,101	129,612	127,879	109,489	104,537
Professional Fees	25,215	89,055	39,138	41,943	50,113
Purchased Service	152,768	114,520	123,390	128,153	157,478
Repair and Maintenance	6,669	14,606	3,669	6,983	5,773
Insurance	9,089	19,671	11,734	11,734	11,734
Utilities	36,038	26,535	30,079	31,878	30,828
Travel and Education	18,416	21,820	8,190	4,889	3,769
Lease	14,552	20,645	16,908	14,978	11,606
Dues, Books and Subscriptions	10,628	7,753	7,127	10,463	5,611
Advertising	2,293	3,308	2,107	1,673	665
Other	<u>195,674</u>	<u>63,302</u>	<u>44,241</u>	<u>86,717</u>	<u>97,194</u>
Total Operating Expense Less Depreciation	<u>1,457,033</u>	<u>1,384,441</u>	<u>1,208,660</u>	<u>1,234,021</u>	<u>1,210,020</u>
<b>EBIDA</b>	<u>(1,053,871)</u>	<u>(232,650)</u>	<u>(51,882)</u>	<u>147,981</u>	<u>(38,995)</u>
Depreciation	122,055	122,248	119,526	119,415	100,144
<b>NET OPERATING INCOME</b>	<u>(1,175,926)</u>	<u>(354,898)</u>	<u>(171,409)</u>	<u>28,566</u>	<u>(139,139)</u>
<b>NON-OPERATING INCOME (EXPENSE)</b>					
Interest (Expense)	(65,556)	(63,859)	(62,006)	(63,093)	(63,026)
Interest Income	1,204	3,852	1,533	1,925	1,626
Tax Revenue	40,080	40,080	58,824	51,465	49,921
Donations and Grants	(2,070)	4,202	1,705	(1,855)	3,644
Other Non-Operating Income/(Loss)	<u>1,741</u>	<u>4,551</u>	<u>(43)</u>	<u>2,940</u>	<u>4,670</u>
Total	<u>(24,601)</u>	<u>(11,174)</u>	<u>(3,987)</u>	<u>(8,618)</u>	<u>(3,165)</u>
 <b>NET INCOME</b>	 <u>\$ (1,200,527)</u>	 <u>\$ (366,072)</u>	 <u>\$ (175,396)</u>	 <u>\$ 19,948</u>	 <u>\$ (142,304)</u>