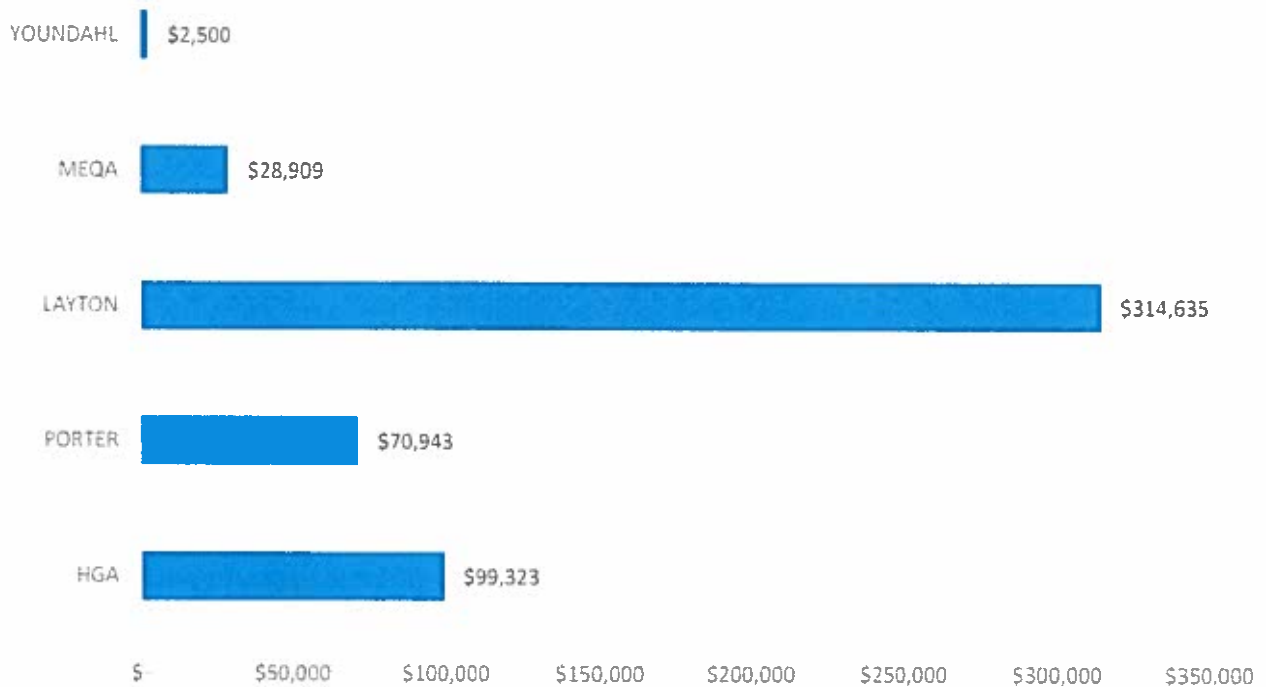


Finance Notes January 2017

Summary

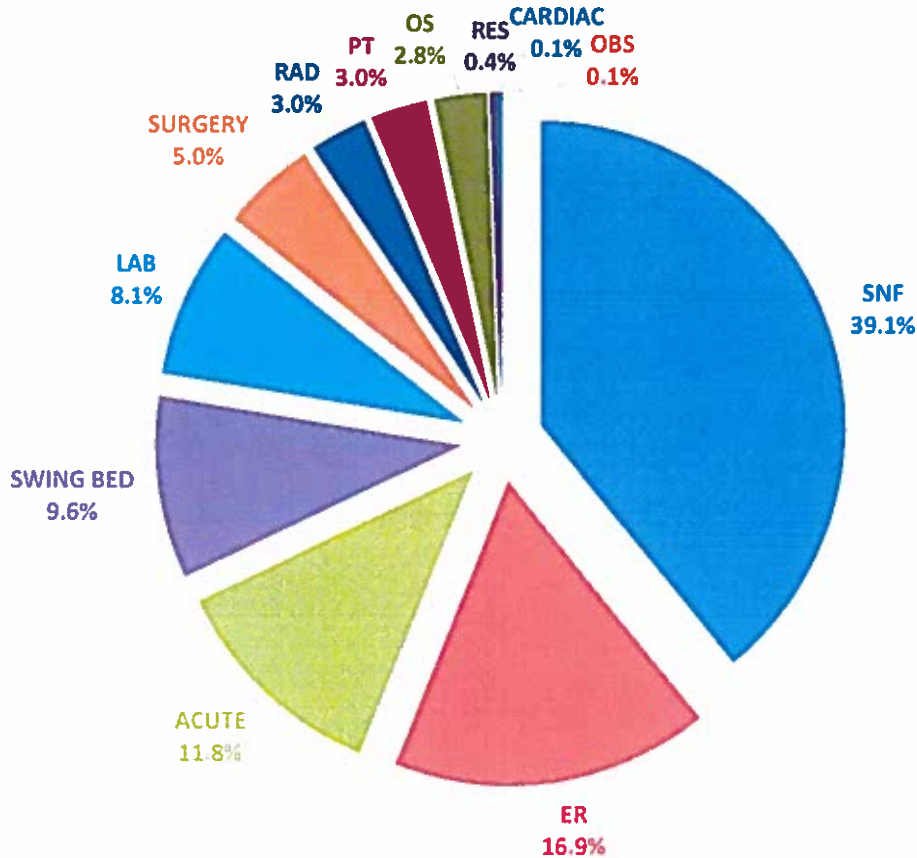
1. In January we received our IGT, the majority of our QAF, and property taxes. In February we've received the remainder of QAF and a Cost Report Settlement so we are at 80.96 days cash on hand. With EMR upgrades and the construction project I don't expect it to stay in the current range.
2. All project financing (516K) so far has been out of operating cash.

Current Project Costs Approved by USDA



- 3.
4. Working with the Bond Council and USDA to get the paperwork set up for the bond financing. USDA requires an automatic withdrawal for payments which the county won't do so we'll probably end up with a restricted account at our local bank specifically for USDA debt service.

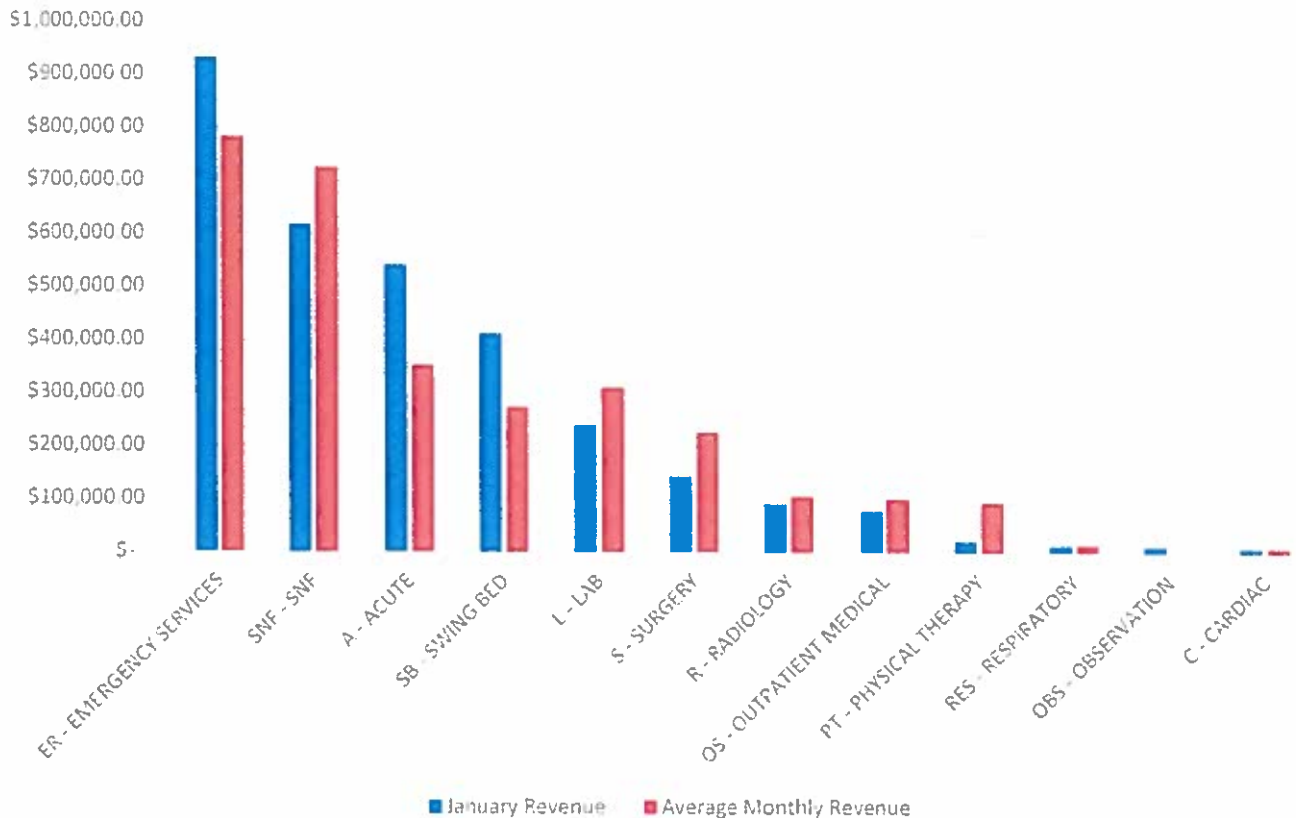
PAYMENTS BY SERVICE TYPE YTD



Stats

1. Patient Days are up YTD in Swing and SNF while Acute is down due to a lower average length of stay.
2. The SNF Census dropped to 69.42 in January which is well below the average census of almost 77.
3. Surgery visits are down overall as referrals continue to be an issue.
4. ER visits in January are up by 54 visits over December and was the highest revenue month for the ER this year.
5. Lab visits continue to trail last year's numbers. This is very concerning as it only trails the ER in outpatient collections.
6. As a whole MMHD is very reliant on inpatient revenue when healthcare is moving to a wellness/preventative focus in order to minimize inpatient stays.
7. PT is down YTD. Ignore the month figures as it's an aberration created by when PT gets their charges to charge entry. Mckesson closes at midnight on the last day of the month so if all the charges aren't in by then they show up in next month's numbers.
8. I'm going to reach out to some of colleagues and see if they are accounting for travelers in their FTEs and how they are doing that.

January Rev by Service Type compared to Average



Income Statement

1. We had a strong revenue month due to ER, Acute and Swing.
2. Contractuals are very low due to receiving more IGT based payments than I'd conservatively estimated as we were told there would be major reductions in IGT funding compared to the first year. So since my receivable that I'd booked last year was low we recognize the revenue in the current year which boosts the bottom line by 585K
3. Productive Salaries are only up .91% which is fairly impressive as we did a wage adjustment in January of 2016 and a larger one in 2017 so you would expect it to be a larger increase.
4. Benefits are up as health insurance costs are up compared to last year.
5. Supplies continue outpace the prior year by 19.21%. Dignity moved away from our primary vendor which makes all purchases from that vendor more expensive since we are in a group purchasing organization with discounts based on spend with individual vendors.
6. SNF Purchased Services are up 83.21% due to an increased use of travelers. Hopefully with an increased wage in that area we can reduce this going forward.
7. Other Purchased Services are up mostly due to Radiology and PT travelers.
8. All of our insurance premiums increased this year which led to the 17.21% increase YTD.
9. Total Operating Expenses are up by 5.11% mostly due to increased traveler and supply costs.
10. Our Net Income which was already positive got a huge bump as noted above.

Balance Sheet

1. Reserve Cash is way up due to receiving QAF, IGT, property taxes and SNF retro rate payments all in January.
2. CIP increases as we incur costs monthly for Layton, Porter and Youngdahl.
3. The Current Ratio increased to 4.41 as Current Assets bumped up with increase in cash.

Miscellaneous

1. Average Daily Revenue for the last couple of months has been fairly high compared to prior years which are typically in 95K range in the winter months.
2. We are currently collecting 60% of gross revenue which is actually ahead of my goals based off of historical averages.
3. AR Days are at 60 which is slightly above average based off of CAH Flex averages. I might have to adjust the staffing as I only have 4.69 FTEs compared to 5.97 last year. As of today AR days are at 56.2 but they always crawl back up as we have SNF charges accumulate.
4. Cash on Hand at the end of January is 70.41 days.

MONTHLY COLLECTIONS - OBLIGATIONS FISCAL YEAR 2016

2017

2016

| | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | average beg balance |
|----------------------------------|--------------|--------------|--------------|----------------|--------------|--------------|--------------|------------|-------|-------|------|------|---------------------------|
| BEGINNING AP BALANCE | 527,868.70 | 810,222.00 | 557,832.00 | 591,046.00 | 595,175.00 | 691,239.61 | 527,937.85 | 607,821.46 | | | | | 613,642.83 |
| BEGINNING CREDIT LINE BALANCE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | 0.00 |
| CASH COLLECTIONS | | | | | | | | | | | | | YTD total |
| PATIENT PAYMENTS | 1,806,490.48 | 1,651,767.47 | 1,974,628.45 | 1,851,149.13 | 1,780,383.29 | 1,828,309.48 | 1,874,504.56 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 12,767,232.86 |
| COST REPORT SETTLEMENTS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| DSH (Disproportionate Share) | 229.00 | 11,746.00 | 0.00 | 16,771.00 | 27,949.00 | 306.00 | 22,384.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 79,385.00 |
| OUTPATIENT SUPPLEMENTAL | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| DPNF SUPPLEMENTAL | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| E.H.R. MCAL/MCARE INCENTIVES | 0.00 | 0.00 | 0.00 | 93,471.28 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 93,471.28 |
| PRIME | 375,000.00 | 0.00 | 0.00 | 0.00 | 1,125,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,500,000.00 |
| IGT | 0.00 | 0.00 | 191,084.00 | 0.00 | 0.00 | 0.00 | 1,154,784.55 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,345,868.55 |
| HOARF | 0.00 | 27,854.38 | 0.00 | 0.00 | 33,528.24 | 0.00 | 1,269,333.08 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,330,715.70 |
| TAXES | 44,662.93 | 9,489.30 | 26,857.58 | 3,005.81 | 1,102.03 | 8,349.63 | 263,174.57 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 356,641.85 |
| RENTS | 2,232.00 | 2,232.00 | 2,232.00 | 2,232.00 | 2,232.00 | 2,232.00 | 2,232.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 15,624.00 |
| VENDING / CAFETERIA | 7,078.33 | 4,375.02 | 4,105.47 | 4,919.34 | 3,844.37 | 3,705.49 | 3,431.29 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 31,459.31 |
| MISC (REBATES/REIMB ETC) | 37,606.78 | 7,722.74 | 12,976.71 | 29,247.76 | 25,755.02 | 40,710.64 | 7,875.79 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 161,895.44 |
| TOTAL COLLECTIONS | 2,273,299.52 | 1,715,186.91 | 2,211,884.21 | 2,000,796.32 | 2,999,793.95 | 1,883,613.24 | 4,597,719.84 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 17,682,293.99 |
| EXPENSES | | | | | | | | | | | | | YTD total |
| INCOME STATEMENT EXPENSES | 1,969,989.51 | 1,684,329.66 | 1,879,461.61 | 1,861,548.00 | 1,865,337.71 | 1,725,612.00 | 1,886,686.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 12,872,964.49 |
| ASSET EXPENSES | 0.00 | 0.00 | 60,467.32 | 24,282.99 | 0.00 | 0.00 | 49,049.20 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 133,799.51 |
| CIP EXPENSES | 25,161.34 | 18,249.89 | 15,161.34 | 118,820.13 | 171,225.00 | 243,250.67 | 83,578.56 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 675,446.93 |
| IGT EXPENSES | 18,750.00 | 104,991.00 | 0.00 | 1,143,836.00 | 646,050.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,913,627.00 |
| EMR LOAN | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| E.H.R STAGE 1 REPAYMENT | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2007 REVENUE BOND | 40,763.71 | 40,763.71 | 40,763.71 | 40,763.71 | 40,763.71 | 40,581.92 | 40,581.92 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 284,982.39 |
| MEDICARE/MCAL REPAYMENT PLANS | 0.00 | 0.00 | 0.00 | 21,860.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 21,860.00 |
| CHFFA | 12,314.72 | 12,314.72 | 12,314.72 | 12,314.72 | 12,314.72 | 12,314.72 | 12,314.72 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 86,203.04 |
| CAPITAL LEASES | 11,504.15 | 11,504.15 | 11,504.15 | 11,504.15 | 11,504.15 | 11,504.15 | 11,504.15 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 80,529.05 |
| PG & E RETROFIT PAYMENT | 2,020.83 | 2,020.83 | 2,020.83 | 2,020.83 | 2,020.83 | 758.65 | 758.65 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 11,621.45 |
| LINE OF CREDIT Prin/Int Paymts | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENSES | 2,080,504.26 | 1,874,173.96 | 2,021,693.68 | 3,236,950.53 | 2,749,216.12 | 2,034,022.11 | 2,084,473.20 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 16,081,033.86 |
| collections less expenses | 192,795.26 | (158,987.05) | 190,190.53 | (1,236,154.21) | 250,577.83 | (150,408.87) | 2,513,246.64 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,601,260.13 |
| ENDING AP BALANCE | 810,222.00 | 557,832.00 | 591,046.00 | 595,175.00 | 691,239.61 | 527,937.85 | 607,821.46 | | | | | | average ending balance |
| ENDING CREDIT LINE BALANCE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | 625,896.27 |

MAYERS MEMORIAL HOSPITAL

Statistical Data

Fiscal Year Ending JUNE 30, 2017

COMPARISON TO ACTUAL

| 2017 | | 2016 | | FYE 2017 | | FYE 2016 | | | |
|---|----------|----------|--------------------------------|----------|--------|----------|--|---------------------------|--|
| JANUARY | DECEMBER | | | YTD | YTD | | | % Increase or Decrease | |
| Actual | Actual | Variance | | Actual | Actual | Variance | | | |
| VOLUME: | | | | | | | | | |
| DISCHARGES | | | | | | | | | |
| 26 | 24 | 2 | Acute | 179 | 145 | 34 | | 23.42% | |
| 13 | 12 | 1 | Swing Bed | 62 | 51 | 11 | | 21.62% | |
| 6 | 7 | (1) | Skilled Nursing Care (DISCHG) | 33 | 27 | 6 | | 22.22% | |
| 1 | 0 | 1 | Observations | 2 | 10 | (8) | | -80.01% | |
| PATIENT DAYS | | | | | | | | | |
| 111 | 69 | 42 | Acute | 569 | 616 | (47) | | -7.61% | |
| 139 | 133 | 6 | Swing Bed | 752 | 541 | 211 | | 39.02% | |
| 2152 | 2284 | (132) | Skilled Nursing Care | 16540 | 15,526 | 1014 | | 6.52% | |
| LENGTH OF STAY | | | | | | | | | |
| 4.27 | 2.88 | 1 | Acute | 3.18 | 4.25 | (1) | | -25.21% | |
| 10.69 | 11.08 | (0) | Swing Bed | 12.13 | 10.61 | 2 | | 14.32% | |
| AVERAGE DAILY CENSUS | | | | | | | | | |
| 3.58 | 2.23 | 1 | Acute | 2.65 | 2.87 | (0) | | -7.81% | |
| 4.48 | 4.29 | 0 | Swing Bed | 3.50 | 2.52 | 1 | | 38.82% | |
| 69.42 | 73.68 | (4) | Skilled Nursing Care | 76.93 | 72.21 | 5 | | 6.52% | |
| ANCILLARY SERVICES | | | | | | | | | |
| 3 | 1 | 2 | Surgery Inpatient Visits | 16 | 19 | (3) | | -15.81% | |
| 13 | 22 | (9) | Surgery OP/ procedure visits | 145 | 161 | (16) | | -9.91% | |
| 379 | 325 | 54 | Emergency Room Visits | 2389 | 2,313 | 76 | | 3.32% | |
| 104 | 88 | 16 | Outpatient Services Procedures | 725 | 831 | (106) | | -12.81% | |
| 746 | 761 | (15) | Laboratory Visits | 5697 | 6,616 | (919) | | -13.91% | |
| 427 | 375 | 52 | Radiology Procedures | 2735 | 2,815 | (80) | | -2.81% | |
| 45 | 81 | (36) | Hospice Patient Days | 606 | 1,159 | (553) | | -47.71% | |
| 371 | 1181 | (810) | Physcial Therapy Procedures | 5525 | 6,632 | (1107) | | -16.71% | |
| 232 | 253 | (21) | Cardiac Rehab | 1674 | 1,835 | (161) | | -8.81% | |
| 26 | 20 | 6 | Admissions from ER | 146 | 123 | 23 | | 18.72% | |
| 8 | 8 | 0 | Transfers from ER | 59 | 90 | (31) | | -34.41% | |
| 53 | 47 | 6 | Ambulance Runs | 263 | 245 | 18 | | 7.32% | |
| PRODUCTIVITY: | | | | | | | | | |
| Productive FTE's | | | | | | | | | |
| 16.95 | 15.58 | | Nursing - Acute | 15.80 | 15.33 | | | | |
| 56.14 | 51.67 | | Long Term Care | 54.77 | 57.64 | | | | |
| 45.20 | 43.37 | | Ancillary | 41.87 | 42.89 | | | | |
| 72.92 | 76.96 | | Service | 74.95 | 72.56 | | | | |
| 191.21 | 187.58 | | Total Productive | 187.39 | 188.42 | | | | |
| 22.14 | 20.02 | | Non-Productive FTE's | 23.20 | 22.35 | | | | |
| 213.35 | 207.60 | | Paid FTE's | 210.59 | 210.77 | | | | |
| PRODUCTIVE FTE PER ADJUSTED OCCUPIED BED | | | | | | | | | |
| 3.09 | 2.75 | | | 2.83 | 2.93 | | | | |

MAYERS MEMORIAL HOSPITAL

Statement of Revenue and Expenses

Fiscal Year Ending JUNE 30, 2017

COMPARISON TO ACTUAL

| 2017 JANUARY ACTUAL | 2016 JANUARY ACTUAL | Variance | | FYE 2017 YTD ACTUAL | FYE 2016 YTD ACTUAL | Variance | Increase Decrease % |
|---------------------------|---------------------------|-----------|--|---------------------------|---------------------------|------------------|---------------------------|
| 604,838 | 467,358 | 137,480 | Acute | 3,196,183 | 2,616,209 | 579,974 | 22.22% |
| 632,388 | 725,622 | (93,235) | Skilled Nursing | 5,048,286 | 4,843,505 | 204,780 | 4.22% |
| | | | Inpatient Ancillary | | | | |
| 347,641 | 299,841 | 47,801 | Acute | 2,033,220 | 1,923,384 | 109,836 | 5.72% |
| 2,535 | 1,115 | 1,420 | Skilled Nursing | 39,765 | 24,369 | 15,396 | |
| 1,587,403 | 1,493,936 | 93,466 | Total Inpatient Revenue | 10,317,454 | 9,407,468 | 909,986 | 9.72% |
| 1,557,413 | 1,341,631 | 215,781 | Total Outpatient Revenue | 11,166,733 | 10,999,420 | 167,314 | 1.52% |
| 3,144,815 | 2,835,568 | 309,248 | Total Patient Revenue | 21,484,187 | 20,406,888 | 1,077,299 | 5.32% |
| | | | DEDUCTIONS FROM REVENUE | | | | |
| 333,629 | 1,023,943 | 690,315 | Contractuals - Care/Cal | 5,355,485 | 5,937,467 | 581,982 | |
| 93,296 | 83,151 | (10,145) | Contractuals - PPO | 694,792 | 713,888 | 19,096 | |
| 11,104 | 4,918 | (6,186) | Charity and Write Offs | 39,807 | 49,390 | 9,583 | |
| 35,239 | 58,005 | 22,766 | Admin Adjmts/Emp Discounts | 374,583 | 441,990 | 67,406 | |
| 5,966 | 43,628 | 37,662 | Provision for Bad Debts | 476,881 | 257,826 | (219,054) | |
| 479,234 | 1,213,646 | 734,412 | Total Deductions | 6,941,547 | 7,400,561 | 459,014 | |
| 4,297 | 19,407 | (15,110) | Other Operating Revenues | 171,093 | 190,294 | (19,200) | |
| 2,669,878 | 1,641,328 | 1,028,550 | Net Revenue | 14,713,733 | 13,196,620 | 1,517,113 | |
| | | | OPERATING EXPENSES | | | | |
| 785,116 | 777,706 | (7,410) | Productive Salaries | 5,368,160 | 5,321,667 | (46,493) | -9.1% |
| 181,042 | 96,047 | (84,996) | Non-Productive Salaries | 743,394 | 652,725 | (90,669) | -13.91% |
| 214,263 | 218,672 | 4,409 | Employee Benefits | 1,548,192 | 1,498,034 | (50,157) | -3.31% |
| 200,374 | 170,965 | (29,410) | Supplies | 1,364,442 | 1,144,599 | (219,843) | -19.21% |
| 137,012 | 156,709 | 19,697 | Professional Fees | 1,053,557 | 1,119,492 | 65,935 | 5.92% |
| 5,220 | 818 | (4,401) | Acute/Swing Purchased Serv | 42,062 | 85,594 | 43,532 | 50.92% |
| 50,222 | 9,642 | (40,581) | SNF Purchased Serv | 497,457 | 271,487 | (225,970) | -83.21% |
| 139,137 | 116,680 | (22,456) | Other Purchased Services | 884,888 | 764,321 | (120,567) | -15.81% |
| 29,682 | 28,459 | (1,224) | Repairs | 232,965 | 234,225 | 1,260 | .52% |
| 46,052 | 38,938 | (7,114) | Utilities | 308,496 | 282,681 | (25,815) | -9.11% |
| 18,246 | 15,560 | (2,686) | Insurance | 127,722 | 108,966 | (18,756) | -17.21% |
| 43,266 | 35,676 | (7,590) | Other | 290,734 | 219,938 | (70,795) | -32.21% |
| 109,796 | 113,399 | 3,603 | Depreciation | 763,102 | 794,119 | 31,017 | 3.92% |
| 0 | 0 | 0 | Bond Repayment Insurance | 0 | 0 | 0 | |
| 29,423 | 31,045 | 1,623 | Bond Repayment Interest | 206,897 | 234,505 | 27,608 | 11.82% |
| 4,809 | 6,811 | 2,002 | Interest | 40,984 | 82,557 | 41,574 | 50.42% |
| 7,629 | 19,892 | 12,263 | Rental - Lease | 77,950 | 80,124 | 2,174 | 2.72% |
| 2,001,291 | 1,837,019 | (164,272) | Total Operating Expense | 13,551,002 | 12,895,036 | (655,966) | -5.11% |
| 668,587 | (195,691) | 864,278 | Income From Operations | 1,162,731 | 301,584 | 861,147 | |
| | | | NON-OPERATING REVENUE AND EXPENSE | | | | |
| 159,112 | 97,299 | 61,813 | Non-Operating Revenue | 1,263,696 | 897,405 | 366,291 | |
| 0 | 30 | (30) | Interest Income | 74 | 120 | (45) | |
| 7,418 | 7,418 | 0 | Non-Operating Expense | 51,923 | 51,924 | 1 | |
| 151,694 | 89,911 | 61,783 | Total Non-Operating | 1,211,847 | 845,601 | 366,247 | |
| 820,281 | (105,781) | 926,062 | NET INCOME | 2,374,579 | 1,147,185 | 1,227,394 | |

| | JANUARY 2017 | DECEMBER 2016 |
|--|-------------------|-------------------|
| CURRENT ASSETS | | |
| Cash (General/Payroll/Petty Cash) | 198,075 | 177,800 |
| Reserve Cash (unrestricted) | 4,097,771 | 1,419,771 |
| Reserve Cash (restricted) - construction acct | 2,500 | 0 |
| Accounts Receivable | 5,987,391 | 5,765,561 |
| County Treasury receivable | 28,534 | 333,372 |
| Less: Reserve for Uncollectibles | (758,718) | (780,791) |
| Reserve for Medicare/Medi-Cal | (1,569,660) | (1,333,216) |
| Inventories | 399,296 | 407,606 |
| Accounts Receivable - Other | 1,446,348 | 2,553,181 |
| Prepaid Expenses | 338,735 | 346,204 |
| Medicare/Medi-Cal Settlement | 2,210,941 | 2,662,368 |
| TOTAL CURRENT ASSETS | 12,381,212 | 11,551,856 |
| PROPERTY, PLANT AND EQUIPMENT | | |
| Land | 753,510 | 753,510 |
| Building and Fixed Equipment | 11,467,558 | 11,467,558 |
| Equipment | 10,943,384 | 10,894,335 |
| Construction in Progress | 4,760,203 | 4,676,624 |
| Less: Reserve for Depreciation | (18,666,440) | (18,556,573) |
| TOTAL PROPERTY, PLANT AND EQUIPMENT | 9,258,215 | 9,235,454 |
| OTHER ASSETS (includes 2007 Bond / AP Bond / G.O. BOND) | | |
| Bond Indenture agreement - held by trustee | 302,676 | 262,012 |
| Bond Reserve Funds held by trustee | 397,232 | 291,714 |
| Unamortized Bond Issue Cost | (51,654) | (48,935) |
| Unamortized Bond Discount | (9,586) | (9,905) |
| Unamortized Cost of Bond Defeasance | 85,632 | 90,651 |
| AP Bond - issue / discount / cost | (0) | (0) |
| G.O. Bond - issue / discount / cost | 307,402 | 307,402 |
| TOTAL OTHER ASSETS | 1,031,702 | 892,938 |
| TOTAL ASSETS | 22,671,128 | 21,680,248 |
| CURRENT LIABILITIES | | |
| Accounts Payable | 608,901 | 520,618 |
| Accrued Payroll | 254,664 | 177,876 |
| Accrued Payroll Taxes | (55,389) | 43,468 |
| Accrued Vacation & Holiday | 544,095 | 478,683 |
| Accrued Health Insurance | 31,160 | 29,119 |
| Accrued Interest | 787,616 | 742,792 |
| Accrued Audit Fees | 0 | 0 |
| Grants Received | 0 | 0 |
| Line of Credit | 0 | 0 |
| PGE Retrofit payback | 758 | 1,517 |
| ICE Technology | 0 | 0 |
| E.H.R. | 0 | 0 |
| E.H.R. contingency/deferred revenue | 763,100 | 794,286 |
| CHAFFA | 144,311 | 143,951 |
| PRIME PLAN | 0 | 0 |
| HQAF | 0 | 0 |
| IGT (TRAD/PHP) | 52,009 | 52,009 |
| Current Portion of Long Term Debt (2007 Bond) | 440,000 | 440,000 |
| Current Portion of Medicare/Medi-Cal Settlement | 0 | 0 |
| TOTAL CURRENT LIABILITIES | 3,571,227 | 3,424,320 |
| LONG-TERM DEBT | | |
| Revenue Bonds (2007 Bond / AP Bond / G.O. Bond) | | |
| 2007 Revenue Bond | 1,285,000 | 1,285,000 |
| AP Bond | 1,765,000 | 1,765,000 |
| G.O. Bond | 5,632,301 | 5,632,301 |
| Notes Payable | 0 | 0 |
| Capital Leases / Settlement pymt | | |
| Leases | 41,678 | 53,031 |
| E.H.R. | 0 | 0 |
| CHAFFA | 36,759 | 48,950 |
| Medicare 2015 | 299,969 | 299,969 |
| Medicare 2010 | 0 | 0 |
| Medi-Cal 2009 | 0 | 0 |
| DPNF (medi-cal 2013) | 0 | 0 |
| PGE Retrofit Payback | 0 | 0 |
| Less: Current Maturities | (440,000) | (440,000) |
| TOTAL LONG-TERM DEBT | 8,620,707 | 8,644,252 |
| FUND EQUITY | 10,479,195 | 9,611,675 |
| TOTAL LIABILITIES AND FUND BALANCE | 22,671,128 | 21,680,248 |
| CURRENT RATIO: | 4.41 | 4.39 |

MAYERS MEMORIAL HOSPITAL
SUMMARY OF SERVICES - DEPOSITS - REFUNDS
 - Fiscal Year 2017

| DATE: | AVERAGE | | | | | | | | | |
|--------------------|----------------------|------------------|----------------------|------------------|---------------------|------------------------|----------------------|--------------------------|-------------------|--|
| | REVENUE / SERVICES | DAILY REVENUE | TOTAL DEPOSITS | RESERVE DEPOSITS | MISC. PAYMENTS | MISC. PYMTS PT RELATED | PATIENT PAYMENTS | ADJUSTMENTS & WRITE-OFFS | REFUNDS | |
| July 31, 2016 | 2,665,795.35 | 85,993.40 | 2,273,299.52 | 0.00 | 423,773.47 | 229.00 | 1,794,676.21 | 1,203,319.88 | 1,364.12 | |
| August 31, 2016 | 3,670,842.59 | 118,414.28 | 1,715,186.91 | 0.00 | 9,489.30 | 39,600.38 | 1,666,097.23 | 1,192,773.91 | 663.01 | |
| September 30, 2016 | 2,997,780.36 | 99,926.01 | 2,211,884.21 | 0.00 | 217,941.58 | 0.00 | 1,993,942.63 | 1,652,034.05 | 5,191.17 | |
| October 31, 2016 | 2,878,099.95 | 92,841.93 | 2,000,796.32 | 0.00 | 25,886.72 | 110,242.28 | 1,864,667.32 | 963,959.06 | 7,318.54 | |
| November 30, 2016 | 2,914,493.71 | 97,149.79 | 2,999,793.95 | 0.00 | 1,126,102.03 | 61,477.24 | 1,812,214.68 | 1,236,414.61 | 65,871.55 | |
| December 31, 2016 | 3,109,045.89 | 100,291.80 | 1,883,613.24 | 0.00 | 49,648.75 | 306.00 | 1,833,658.49 | 1,586,144.50 | 733.53 | |
| January 30, 2017 | 3,127,164.49 | 100,876.27 | 4,597,719.84 | 0.00 | 271,815.21 | 2,446,501.63 | 1,879,403.00 | 1,101,002.91 | 40,719.72 | |
| February 28, 2017 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| April 1, 2017 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| May 1, 2017 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| June 1, 2017 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| July 1, 2017 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| YTD TOTAL | 21,363,222.34 | 99,356.21 | 17,682,293.99 | 0.00 | 2,124,657.06 | 2,658,356.53 | 12,844,659.56 | 8,935,648.92 | 121,861.64 | |

| | ACCOUNTS RECEIVABLE AGING | | |
|---------------------------|---------------------------|------------------|-------------------|
| | JANUARY \$ OUTSTANDING | JANUARY DAYS OUT | NOVEMBER DAYS OUT |
| MEDICARE | 1,966,015.89 | 43.25 | 47.53 |
| MEDI - CAL | 1,928,699.67 | 52.42 | 47.23 |
| THIRD PARTY | 1,177,483.42 | 86.67 | 81.55 |
| PRIVATE | 931,738.23 | 256.50 | 253.06 |
| LTC ONLY (INCLUDE) | 1,492,628.94 | 68.06 | 75.74 |
| OVERALL | 6,003,937.21 | 60.36 | 62.60 |

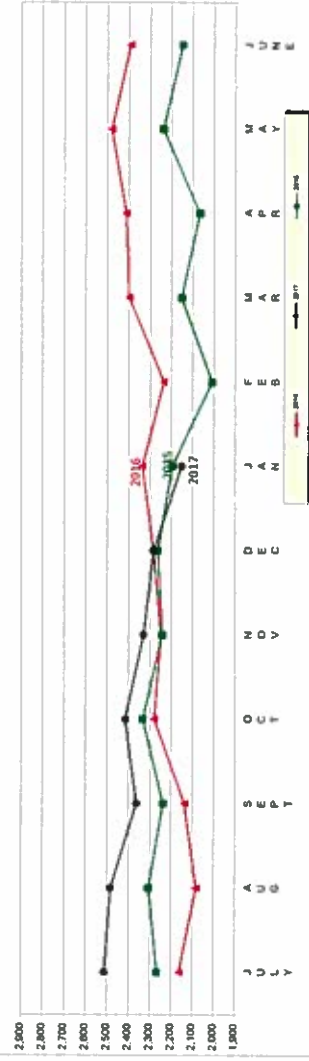
| | PAYOR MIX - YTD % OF REVENUE | | |
|-------------|------------------------------|--------|-----------------|
| | JAN | DEC | 3 MONTH AVERAGE |
| MEDICARE | 47.14% | 48.00% | 45.61% |
| MEDI - CAL | 36.76% | 33.11% | 37.08% |
| THIRD PARTY | 13.32% | 15.34% | 13.63% |
| PRIVATE | 2.78% | 3.55% | 3.68% |

MAYERS MEMORIAL HOSPITAL DISTRICT

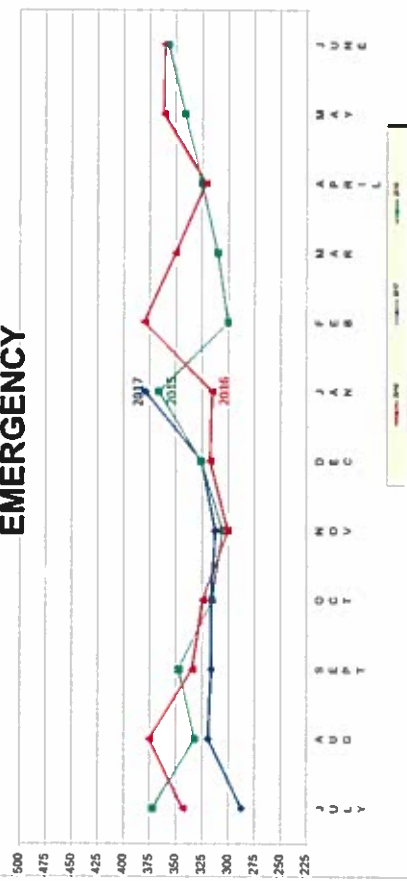
ACUTE / SWING PATIENT DAYS



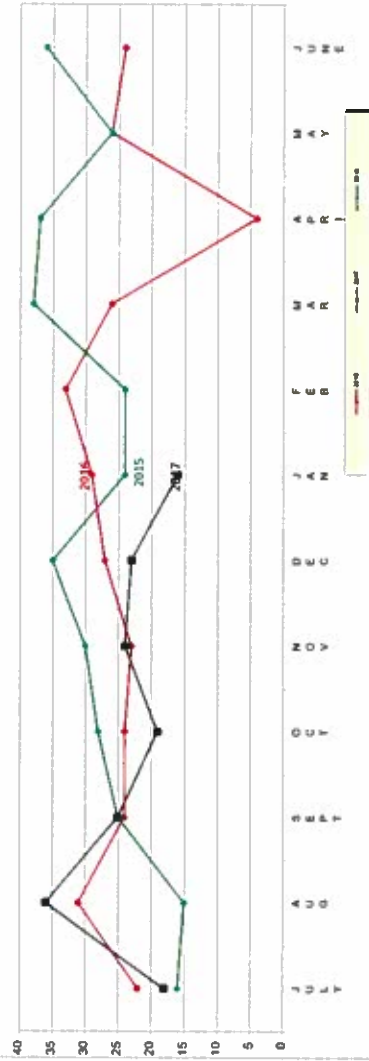
SNF PATIENT DAYS



EMERGENCY



SURGERY / OUTPATIENT PROCEDURES



**MAYERS MEMORIAL HOSPITAL
2015-2016 OPERATING ACTUAL**

| | July-15 | AUG | SEPT | OCT | NOV | DEC | Jan-16 | FEB | MAR | APR | MAY | JUN | 6/30/2016 TOTAL | 1/31/2017 |
|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|--------------------|------------|
| Operating Revenue: | | | | | | | | | | | | | | |
| Routine | | | | | | | | | | | | | | |
| Acute | 255,282 | 477,691 | 381,896 | 420,966 | 181,147 | 431,870 | 467,358 | 452,776 | 420,998 | 564,897 | 458,194 | 374,239 | 4,887,313 | 2,616,209 |
| SNF | 666,004 | 652,916 | 667,314 | 717,588 | 697,924 | 716,137 | 725,622 | 715,580 | 753,190 | 744,979 | 759,598 | 725,222 | 8,542,074 | 4,843,505 |
| Ancillary | | | | | | | | | | | | | | |
| Acute | 202,324 | 349,617 | 329,735 | 243,281 | 179,170 | 319,417 | 299,841 | 341,416 | 253,666 | 609,880 | 111,393 | 268,656 | 3,508,395 | 1,923,384 |
| SNF | 7,037 | 1,710 | 981 | 2,439 | 9,879 | 1,210 | 1,115 | 1,096 | 2,446 | 7,030 | 6,100 | 7,347 | 46,388 | 24,369 |
| Outpatient | 1,580,476 | 1,748,517 | 1,717,425 | 1,604,510 | 1,465,249 | 1,541,612 | 1,341,631 | 1,866,506 | 1,763,924 | 1,633,750 | 1,656,275 | 1,898,333 | 19,818,207 | 10,999,420 |
| | 2,711,122 | 3,230,450 | 3,097,350 | 2,988,783 | 2,533,369 | 3,010,246 | 2,835,588 | 3,377,373 | 3,194,224 | 3,560,536 | 2,991,560 | 3,273,796 | 36,804,376 | 20,406,888 |
| Less Deductions: | | | | | | | | | | | | | | |
| Contractuals - Care/Cal | 835,201 | 1,037,411 | 816,643 | 620,338 | 730,719 | 873,211 | 1,023,943 | 1,088,072 | 1,300,675 | 1,204,818 | 867,577 | 921,430 | 11,320,040 | 5,937,467 |
| Contractuals - PPO | 127,888 | 76,093 | 138,766 | 88,084 | 79,772 | 120,135 | 83,151 | 135,965 | 96,297 | 103,346 | 44,071 | 117,178 | 1,210,745 | 713,888 |
| Charity Care & Write off | 3,710 | 1,470 | 693 | 26,232 | 13,602 | (1,235) | 4,918 | 30,303 | 15,013 | 26,779 | (483) | 28,394 | 149,396 | 49,390 |
| Other Contractual write offs | 25,173 | 37,916 | 16,648 | 29,362 | 46,960 | 227,925 | 58,005 | 63,541 | 189,471 | 51,393 | 24,146 | 109,582 | 880,122 | 441,990 |
| Provision For Bad Debts | (121,697) | 24,975 | 49,355 | 93,644 | 55,503 | 112,418 | 43,628 | 50,028 | (42,444) | 41,855 | 116,612 | (966) | 422,912 | 257,826 |
| Total Deductions | 870,274 | 1,177,866 | 1,022,105 | 857,661 | 926,556 | 1,332,453 | 1,213,646 | 1,367,909 | 1,559,013 | 1,428,191 | 1,051,923 | 1,175,618 | 13,983,214 | 7,400,561 |
| Other Revenue | 22,634 | 31,788 | 22,615 | 40,055 | 45,011 | 8,783 | 19,407 | 17,859 | 34,434 | 11,869 | 42,481 | 8,674 | 305,610 | 190,294 |
| Net Revenue | 1,863,483 | 2,084,372 | 2,097,860 | 2,171,178 | 1,651,823 | 1,686,576 | 1,641,328 | 2,027,323 | 1,669,645 | 2,144,215 | 1,982,118 | 2,106,851 | 23,126,772 | 13,196,620 |
| Operating Expenses: | | | | | | | | | | | | | | |
| Salaries - Productive | 792,543 | 778,693 | 721,738 | 771,588 | 739,153 | 740,245 | 777,706 | 740,828 | 802,037 | 790,898 | 790,174 | 734,893 | 9,180,496 | 5,321,667 |
| Salaries - Non-productive | 92,397 | 71,939 | 86,311 | 110,130 | 88,089 | 105,813 | 96,047 | 85,528 | 56,775 | 106,895 | 66,214 | 88,528 | 1,056,665 | 652,725 |
| Employee Benefits | 201,844 | 212,633 | 221,535 | 223,952 | 205,126 | 214,271 | 218,672 | 206,317 | 214,967 | 254,160 | 214,988 | 227,585 | 2,616,051 | 1,498,034 |
| Supplies | 142,093 | 183,066 | 160,902 | 171,520 | 105,149 | 210,994 | 170,965 | 206,446 | 199,093 | 168,265 | 227,633 | 174,986 | 2,120,023 | 1,144,599 |
| Professional Fees | 162,028 | 157,444 | 146,989 | 160,657 | 166,479 | 169,186 | 156,709 | 51,622 | 262,608 | 169,762 | 162,523 | 153,856 | 1,919,863 | 1,119,492 |
| Acute/Swing/OB Purchased Ser- | 26,855 | 28,668 | 12,673 | 3,452 | 6,774 | 6,353 | 818 | 7,636 | 15,300 | 29,848 | 19,622 | 36,685 | 194,684 | 85,594 |
| SNF Purchased Services | 64,929 | 70,007 | 53,176 | 42,626 | 16,716 | 14,391 | 9,642 | 27,367 | 28,877 | 75,281 | 16,048 | 60,753 | 479,811 | 271,487 |
| Other Purchased Services | 68,970 | 112,167 | 133,666 | 108,153 | 120,484 | 104,201 | 116,680 | 123,134 | 205,976 | 129,935 | 114,833 | 115,852 | 1,454,052 | 764,321 |
| Repairs & Maintenance | 32,441 | 31,615 | 31,438 | 49,430 | 26,832 | 34,009 | 28,459 | 40,482 | 44,673 | 17,561 | 42,801 | 28,963 | 408,705 | 234,225 |
| Utilities | 47,566 | 46,147 | 44,146 | 37,958 | 29,577 | 38,331 | 38,938 | 37,189 | 36,577 | 34,877 | 36,149 | 33,365 | 460,839 | 282,681 |
| Insurance | 15,608 | 15,560 | 15,560 | 15,560 | 15,560 | 15,560 | 15,560 | 15,560 | 15,560 | 5,206 | 25,914 | 15,827 | 187,032 | 108,966 |
| Other Expense | 29,751 | 24,641 | 42,936 | 36,797 | 22,709 | 27,428 | 35,676 | 68,381 | 36,249 | 31,882 | 44,602 | 43,141 | 444,192 | 219,938 |
| Depreciation | 114,087 | 113,900 | 112,614 | 113,322 | 113,399 | 113,399 | 113,399 | 113,345 | 113,843 | 113,363 | 113,247 | 112,288 | 1,360,206 | 794,119 |
| Bond Repayment Insurance | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Bond Repayment Interest | 31,422 | 39,908 | 36,339 | 34,622 | 31,085 | 31,084 | 31,045 | 33,939 | 30,956 | 30,929 | 30,920 | 29,537 | 390,787 | 234,505 |
| Interest | 16,675 | 4,990 | 7,682 | 30,124 | 9,584 | 6,691 | 6,811 | 12,488 | 7,941 | 7,850 | 9,532 | 9,133 | 129,500 | 82,557 |
| Rent/Lease Equipment | 11,131 | 11,046 | 13,328 | 3,841 | 5,108 | 15,778 | 19,892 | 3,246 | 6,185 | 4,347 | 7,236 | 5,794 | 106,931 | 80,124 |
| Total Operating Expense | 1,850,270 | 1,902,422 | 1,842,034 | 1,913,733 | 1,701,823 | 1,847,734 | 1,837,019 | 1,773,507 | 2,076,615 | 1,971,057 | 1,922,434 | 1,871,185 | 22,509,835 | 12,895,036 |
| Net Operating Rev over Expense | 13,213 | 181,950 | 255,827 | 257,445 | (50,000) | (161,159) | (195,691) | 253,815 | (406,970) | 173,157 | 59,684 | 235,666 | 616,937 | 301,584 |
| Non-Operating Revenue: | | | | | | | | | | | | | | |
| Non-operating Revenue | 90,253 | 83,164 | 84,843 | 221,211 | 222,041 | 98,594 | 97,299 | 97,299 | 100,760 | 179,866 | 341,874 | 457,641 | 2,074,844 | 897,405 |
| Interest Income | 0 | 3 | 5 | 20 | 31 | 30 | 30 | 19 | 22 | 30 | 38 | 39 | 268 | 120 |
| Other non-operating Expense | 7,418 | 7,418 | 7,418 | 7,418 | 7,418 | 7,418 | 7,418 | 7,418 | 7,418 | 7,418 | 7,418 | 7,418 | 89,012 | 51,924 |
| Total Non-Operating Revenue | 82,836 | 75,750 | 77,430 | 213,813 | 214,655 | 91,206 | 89,911 | 89,900 | 93,364 | 172,479 | 334,494 | 450,263 | 1,986,100 | 845,601 |
| Net Revenue over Expense | 96,049 | 257,700 | 333,257 | 471,258 | 164,655 | (69,952) | (105,781) | 343,715 | (313,607) | 345,636 | 394,178 | 685,929 | 2,603,037 | 1,147,185 |
| YTD | 96,049 | 353,748 | 687,005 | 1,158,263 | 1,322,918 | 1,252,966 | 1,147,185 | 1,490,900 | 1,177,294 | 1,522,930 | 1,917,108 | 2,603,037 | 2,603,037 | 1,147,185 |

MAYERS MEMORIAL HOSPITAL DISTRICT
 FINANCIAL SNAPSHOT
 MONTH ENDED JANUARY 31, 2017

FISCAL 2017

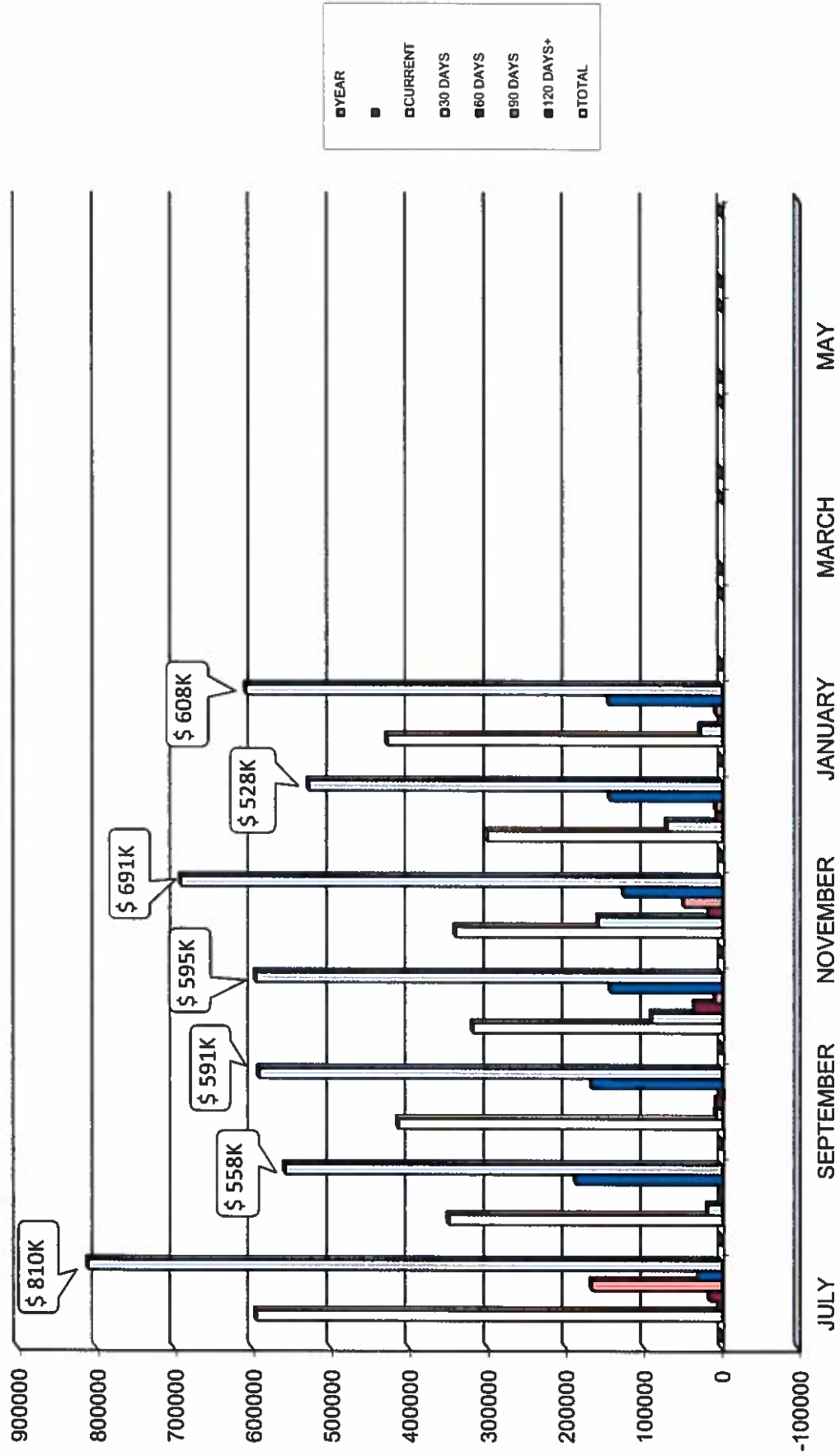
FINANCIAL DATA ACROSS ENTIRE ENTERPRISE
 ACTUAL YTD ACTUAL YTD

| | JANUARY 17 | JANUARY 16 | Variance\$\$ | Variance % |
|------------------------------------|---------------|---------------|--------------|------------|
| Inpatient Revenue | | | | |
| Acute/OB/Swing | \$ 3,196,183 | \$ 2,616,209 | 579,973.73 | 22% |
| SNF | \$ 5,048,286 | \$ 4,843,505 | 204,780.28 | 4% |
| Inpatient Ancillary Revenue | | | | |
| Acute/OB/Swing | 2,033,220 | 1,923,384 | 109,835.51 | 6% |
| SNF | 39,765 | 24,369 | 15,396.00 | 63% |
| Outpatient Revenue | 11,166,733 | 10,999,420 | 167,313.94 | 2% |
| Total Gross Revenue | \$ 21,484,187 | \$ 20,406,888 | 1,077,299.46 | 5% |

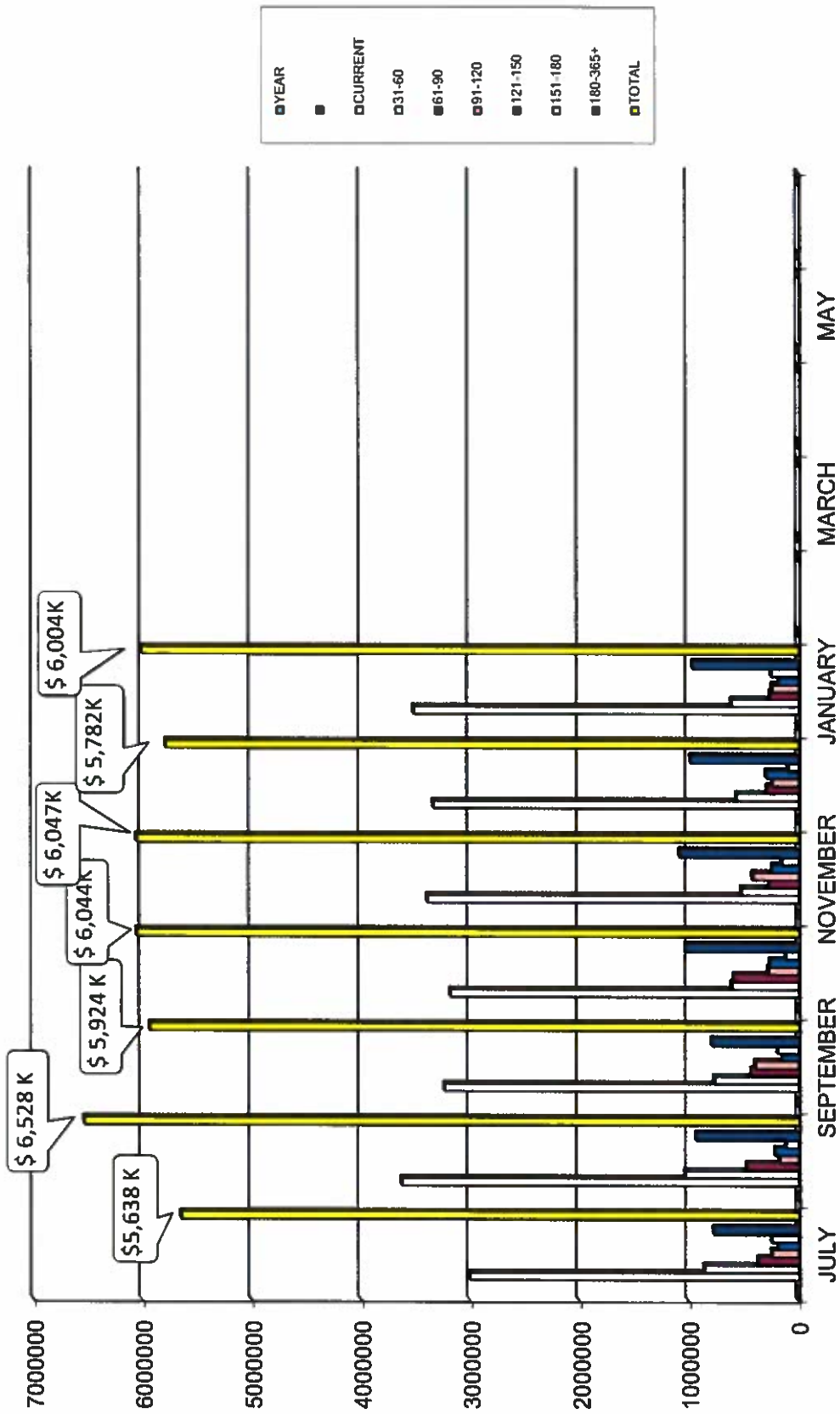
ACTUAL YTD ACTUAL YTD

| | JANUARY 17 | JANUARY 16 | Variance | Variance % |
|---------------------|------------|------------|----------|------------|
| Statistics | | | | |
| Patient Days | 17861 | 16683 | 1,178 | 7.1% |
| Outpatient Services | 725 | 831 | (106) | -13% |
| Labs | 5,697 | 6616 | (919) | -14% |
| Imaging | 2,735 | 2815 | (80) | -3% |
| Hospice | 606 | 1159 | (553) | -48% |
| Ambulance | 263 | 245 | 18 | 7% |
| PT | 5525 | 6632 | (1,107) | -17% |

ACCOUNTS PAYABLE



ACCOUNTS RECEIVABLE



ACCOUNTS RECEIVABLE

| MONTH | YEAR | CURRENT | 31-60 | 61-90 | 91-120 | 121-150 | 151-180 | 180-365+ | TOTAL |
|-----------|------|--------------|--------------|------------|------------|------------|------------|--------------|--------------|
| JULY | 2016 | 2,996,859.84 | 853,270.84 | 361,844.17 | 238,852.52 | 180,128.70 | 241,326.65 | 765,678.61 | 5,637,961.33 |
| AUGUST | 2016 | 3,620,170.40 | 1,026,120.30 | 465,967.97 | 166,533.75 | 209,232.62 | 112,043.06 | 927,717.55 | 6,527,785.65 |
| SEPTEMBER | 2016 | 3,232,850.55 | 762,178.62 | 425,306.04 | 393,478.23 | 140,349.76 | 187,076.53 | 782,817.29 | 5,924,057.02 |
| OCTOBER | 2016 | 3,178,489.21 | 606,944.80 | 585,159.68 | 276,118.16 | 256,730.62 | 115,850.79 | 1,024,526.24 | 6,043,819.50 |
| NOVEMBER | 2016 | 3,387,066.36 | 518,889.16 | 260,900.58 | 415,875.27 | 236,335.01 | 151,212.87 | 1,076,517.33 | 6,046,796.58 |
| DECEMBER | 2016 | 3,332,454.43 | 563,586.28 | 283,771.77 | 235,162.20 | 292,658.95 | 94,051.94 | 980,422.00 | 5,782,107.57 |
| JANUARY | 2017 | 3,514,524.90 | 610,816.76 | 256,098.77 | 238,160.58 | 176,123.49 | 249,262.60 | 958,950.11 | 6,003,937.21 |
| FEBRUARY | 2017 | | | | | | | | 0.00 |
| MARCH | 2017 | | | | | | | | 0.00 |
| APRIL | 2017 | | | | | | | | 0.00 |
| MAY | 2017 | | | | | | | | 0.00 |
| JUNE | 2017 | | | | | | | | 0.00 |

ACCOUNTS PAYABLE (includes accrued payables)

| MONTH | YEAR | CURRENT | 30 DAYS | 60 DAYS | 90 DAYS | 120 DAYS+ | TOTAL |
|-----------|------|------------|------------|-----------|------------|------------|------------|
| JULY | 2016 | 594,652.03 | 2,787.43 | 16,034.05 | 167,156.41 | 29,592.08 | 810,222.00 |
| AUGUST | 2016 | 349,878.88 | 18,274.09 | 2,408.13 | 0.00 | 187,270.90 | 557,832.00 |
| SEPTEMBER | 2016 | 414,085.48 | 6,857.05 | 6,140.31 | (3,040.44) | 167,003.60 | 591,046.00 |
| OCTOBER | 2016 | 318,825.29 | 90,458.24 | 34,832.29 | 8,104.85 | 142,954.33 | 595,175.00 |
| NOVEMBER | 2016 | 341,233.55 | 158,525.40 | 16,255.52 | 49,106.31 | 126,118.83 | 691,239.61 |
| DECEMBER | 2016 | 300,989.34 | 71,033.05 | 5,026.38 | 7,129.33 | 143,759.75 | 527,937.85 |
| JANUARY | 2017 | 427,956.41 | 27,503.06 | 0.00 | 7,129.33 | 145,232.66 | 607,821.46 |
| FEBRUARY | 2017 | | | | | | 0.00 |
| MARCH | 2017 | | | | | | 0.00 |
| APRIL | 2017 | | | | | | 0.00 |
| MAY | 2017 | | | | | | 0.00 |
| JUNE | 2017 | | | | | | 0.00 |