

Kalkaska Memorial Health Center

Balance Sheet

| | June 30, 2017 | June 30, 2016 |
|--|----------------------|----------------------|
| Assets | | |
| Current Assets | | |
| Cash and Cash Equivalents | \$ 11,496,887 | \$ 9,464,275 |
| Short-Term Investments | | |
| <i>Huntington Bank CD .30% APR 10/27/17</i> | 423,820 | 376,029 |
| Accounts Receivable | 4,523,449 | 4,536,347 |
| Third Party Settlements | 1,558,151 | 1,509,565 |
| Due from Affiliates | 563 | - |
| Inventory | 84,698 | 148,996 |
| Other Current Assets | 38,997 | 88,209 |
| Total Current Assets | 18,126,565 | 16,123,421 |
| Investments | | |
| <i>Farmers Home Loan-10 yr step bond 1.25%-10% 5/23/23</i> | 1,984,740 | 2,001,180 |
| <i>Fannie Mae-5 yr 1.00% 12/20/18</i> | 1,989,360 | 2,000,100 |
| Investments Held by Others | 44,314 | 43,314 |
| Capital Assets (net of Accumulated Depreciation) | 29,282,403 | 28,843,927 |
| Land | 1,164,492 | 1,164,492 |
| Other Assets | 300,127 | 438,647 |
| Total Assets | \$ 52,892,001 | \$ 50,615,081 |
| Liabilities and Net Assets | | |
| Current Liabilities | | |
| Current Maturities - Long-Term Debt | \$ 234,512 | \$ 1,294,413 |
| Trade Accounts Payable | 1,470,328 | 1,200,890 |
| Accrued Compensation | 2,448,220 | 2,004,067 |
| Third Party Liabilities | 1,033,261 | 2,121,464 |
| Due to Affiliates | 2,000,254 | 353,399 |
| Other Current Liabilities | 451,781 | 267,198 |
| Total Current Liabilities | 7,638,356 | 7,241,431 |
| Long-Term Debt - Less Current Maturities | 1,040,698 | 1,151,879 |
| Deferred Liabilities | 7,325 | 7,393 |
| Total Liabilities | 8,686,379 | 8,400,703 |
| Net Assets | | |
| Invested in Capital Assets, net of Related Debt | 29,171,685 | 27,562,127 |
| Unrestricted | 15,033,937 | 14,652,251 |
| Total Net Assets | 44,205,622 | 42,214,378 |
| Total Liabilities and Net Assets | \$ 52,892,001 | \$ 50,615,081 |

Kalkaska Memorial Health Center

Statement of Operations

| | Month of June 2017 | | | | Year to Date Period Ending June 30, 2017 | | | |
|--|--------------------|-------------------|-------------------|---------------------|--|---------------------|--------------------|---------------------|
| | Actual | Budget | Variance | Prior Year | Actual | Budget | Variance | Prior Year |
| Operating Revenue | | | | | | | | |
| Inpatient | \$ 21,451 | \$ 21,963 | \$ (512) | \$ 27,752 | \$ 383,441 | \$ 267,260 | \$ 116,181 | \$ 353,630 |
| Outpatient | 3,642,052 | 3,242,865 | 399,187 | 4,079,385 | 42,561,373 | 39,521,505 | 3,039,868 | 40,552,842 |
| Professional | 858,663 | 767,669 | 90,994 | 822,444 | 9,037,842 | 9,339,592 | (301,750) | 8,525,708 |
| Long Term Care | 873,703 | 769,869 | 103,834 | 834,204 | 10,915,873 | 9,362,670 | 1,553,203 | 8,810,156 |
| Dialysis Center | 603,855 | 445,893 | 157,962 | 475,146 | 6,778,486 | 5,425,009 | 1,353,477 | 5,262,390 |
| Ambulance | 193,430 | 192,381 | 1,049 | 205,048 | 2,528,752 | 2,340,627 | 188,125 | 2,489,105 |
| Retail Pharmacy | 99,809 | 64,238 | 35,571 | 84,251 | 1,057,064 | 781,557 | 275,507 | 815,939 |
| Assisted Living | 86,447 | 83,760 | 2,687 | 86,643 | 1,042,441 | 1,019,069 | 23,372 | 1,045,245 |
| | <u>6,379,410</u> | <u>5,588,638</u> | <u>790,772</u> | <u>6,614,873</u> | <u>74,305,272</u> | <u>68,057,289</u> | <u>6,247,983</u> | <u>67,855,015</u> |
| Revenue Deductions: | | | | | | | | |
| Contractual Allowances | 2,544,950 | 2,207,948 | (337,002) | 2,944,290 | 31,384,848 | 26,863,465 | (4,521,383) | 27,160,649 |
| Provision Charity Care | 35,306 | 13,281 | (22,025) | 15,437 | 272,629 | 161,609 | (111,020) | 177,719 |
| Provision for Bad Debt | 89,692 | 112,907 | 23,215 | 79,987 | 1,457,103 | 1,373,712 | (83,391) | 1,382,766 |
| | <u>2,669,948</u> | <u>2,334,136</u> | <u>(335,812)</u> | <u>3,039,714</u> | <u>33,114,580</u> | <u>28,398,786</u> | <u>(4,715,794)</u> | <u>28,721,134</u> |
| Net Patient Revenues | 3,709,462 | 3,254,502 | 454,960 | 3,575,159 | 41,190,692 | 39,658,503 | 1,532,189 | 39,133,881 |
| Other Operating Revenues | 160,893 | 138,412 | 22,481 | 144,953 | 1,936,329 | 1,694,946 | 241,383 | 1,855,492 |
| Total Operating Revenue | <u>3,870,355</u> | <u>3,392,914</u> | <u>477,441</u> | <u>3,720,112</u> | <u>43,127,021</u> | <u>41,353,449</u> | <u>1,773,572</u> | <u>40,989,373</u> |
| Operating Expenses | | | | | | | | |
| Salaries and Wages | 1,697,627 | 1,594,817 | (102,810) | 1,641,744 | 19,328,168 | 18,554,180 | (773,988) | 17,021,224 |
| Fringe Benefits | 622,842 | 434,368 | (188,474) | 934,126 | 6,087,000 | 5,064,378 | (1,022,622) | 5,086,907 |
| Contract Labor | 1,297 | 10,879 | 9,582 | 14,454 | 100,599 | 130,642 | 30,043 | 155,558 |
| Physician Fees | 96,555 | 73,882 | (22,673) | 104,617 | 1,173,286 | 1,213,769 | 40,483 | 1,026,538 |
| Purchased Services | 462,139 | 443,223 | (18,916) | 478,374 | 5,620,675 | 5,783,011 | 162,336 | 5,166,366 |
| Supplies | 428,653 | 442,621 | 13,968 | 451,142 | 5,384,096 | 5,313,631 | (70,465) | 5,911,645 |
| Occupancy | 98,605 | 96,469 | (2,136) | 109,273 | 1,106,080 | 1,022,017 | (84,063) | 1,003,529 |
| Equipment, Software & Maintenance | 66,392 | 36,490 | (29,902) | 47,666 | 568,872 | 550,237 | (18,635) | 529,496 |
| Depreciation | 197,225 | 185,894 | (11,331) | 189,689 | 2,168,487 | 2,190,460 | 21,973 | 2,045,939 |
| Insurance | 34,030 | 29,092 | (4,938) | 31,036 | 400,839 | 349,082 | (51,757) | 382,099 |
| Other | 35,877 | 36,397 | 520 | 30,500 | 365,243 | 740,780 | 375,537 | 340,113 |
| Total Operating Expenses | <u>3,741,242</u> | <u>3,384,132</u> | <u>(357,110)</u> | <u>4,032,621</u> | <u>42,303,345</u> | <u>40,912,187</u> | <u>(1,391,158)</u> | <u>38,669,414</u> |
| Income from Operations | 129,113 | 8,782 | 120,331 | (312,509) | 823,676 | 441,262 | 382,414 | 2,319,959 |
| Non-Operating Income (Expense) | | | | | | | | |
| Reserved for Bond Debt | 112,927 | 98,545 | 14,382 | 101,312 | 1,194,718 | 1,182,573 | 12,145 | 1,185,337 |
| Interest on Debt Related to Capital Assets | (2,112) | (2,150) | 38 | (7,337) | (75,367) | (75,787) | 420 | (135,779) |
| Unrealized Gain/Loss on LT Investments | (241) | 7,791 | (8,032) | 11,234 | (26,180) | 93,525 | (119,705) | 122,980 |
| Tax Levy Revenue | 616 | 601 | 15 | 742 | 7,393 | 7,179 | 214 | 7,325 |
| Other Income (Loss) | 42,380 | 3,988 | 38,392 | 23,005 | 67,004 | 47,889 | 19,115 | 47,918 |
| Total Non-Operating Income (Expense) | <u>153,570</u> | <u>108,775</u> | <u>44,795</u> | <u>128,956</u> | <u>1,167,568</u> | <u>1,255,379</u> | <u>(87,811)</u> | <u>1,227,781</u> |
| Total Increase (Decrease) in Net Assets | <u>\$ 282,683</u> | <u>\$ 117,557</u> | <u>\$ 165,126</u> | <u>\$ (183,553)</u> | <u>\$ 1,991,244</u> | <u>\$ 1,696,641</u> | <u>\$ 294,603</u> | <u>\$ 3,547,740</u> |

Kalkaska Memorial Health Center

Statistical Report

| | Month of June 2017 | | | | Year to Date Period Ending June 30, 2017 | | | |
|-------------------------------------|--------------------|--------|----------|------------|--|---------|----------|------------|
| | Actual | Budget | Variance | Prior Year | Actual | Budget | Variance | Prior Year |
| ADMISSIONS: | | | | | | | | |
| Acute Care | 7 | 4 | 3 | 6 | 86 | 55 | 31 | 68 |
| Respite Care | 0 | 0 | 0 | 0 | 3 | 0 | 3 | 1 |
| Long Term Care | 13 | 15 | (2) | 19 | 197 | 179 | 18 | 180 |
| Extended Stays | 2 | 4 | (2) | 2 | 28 | 48 | (20) | 47 |
| PATIENT DAYS: | | | | | | | | |
| Acute Care | 14 | 12 | 2 | 15 | 206 | 143 | 63 | 180 |
| Respite Care | 0 | 0 | 0 | 0 | 5 | 0 | 5 | 3 |
| Long Term Care | 2,989 | 2,550 | 439 | 2,671 | 35,220 | 31,033 | 4,187 | 29,611 |
| Extended Stays | 1 | 3 | (2) | 8 | 43 | 36 | 7 | 63 |
| AVERAGE LENGTH OF STAY: | | | | | | | | |
| Acute Care | 2.0 | 3.0 | 1.0 | 2.5 | 2.4 | 2.6 | 0.2 | 2.6 |
| DAILY AVERAGE CENSUS: | | | | | | | | |
| Acute Care | 0.5 | 0.4 | 0.1 | 0.5 | 0.6 | 0.4 | 0.2 | 0.5 |
| Long Term Care | 99.6 | 85.0 | 14.6 | 89.0 | 96.5 | 85.0 | 11.5 | 81.1 |
| PERCENT OF OCCUPANCY: | | | | | | | | |
| Acute Care | 5.8% | 5.0% | 0.8% | 6.3% | 7.1% | 4.9% | 2.2% | 6.2% |
| Long Term Care | 92.7% | 79.1% | 13.6% | 82.8% | 101.1% | 89.1% | 12.0% | 97.6% |
| ANCILLARY DEPARTMENT VOLUME: | | | | | | | | |
| Emergency Room | 995 | 698 | 297 | 1,064 | 9,194 | 8,490 | 704 | 8,570 |
| Urgent Care | 497 | 385 | 112 | 491 | 5,193 | 4,678 | 515 | 4,684 |
| Specialty Clinics | 602 | 616 | (14) | 520 | 6,190 | 7,491 | (1,301) | 6,574 |
| KMA Clinic RVU's | 3,769 | 3,247 | 522 | 3,504 | 42,318 | 39,504 | 2,814 | 37,935 |
| Total Outpatient Visits | 6,341 | 5,487 | 854 | 6,479 | 73,427 | 66,759 | 6,668 | 75,094 |
| Surgical Procedures | 139 | 97 | 42 | 130 | 1,415 | 1,178 | 237 | 1,300 |
| Radiology | 2,016 | 1,928 | 88 | 2,106 | 24,704 | 23,455 | 1,249 | 23,745 |
| Laboratory | 14,897 | 12,791 | 2,106 | 13,896 | 173,390 | 155,629 | 17,761 | 161,449 |
| Physical Therapy | 2,448 | 2,515 | (67) | 2,189 | 29,989 | 30,608 | (619) | 30,291 |
| Sleep Studies | 13 | 12 | 1 | 21 | 134 | 151 | (17) | 163 |
| Dialysis Treatments | 585 | 543 | 42 | 547 | 6,495 | 6,606 | (111) | 6,402 |
| Ambulance Transports | 157 | 151 | 6 | 170 | 1,985 | 1,837 | 148 | 2,017 |
| Assisted Living Days | 1,002 | 849 | 153 | 857 | 11,921 | 10,328 | 1,593 | 10,619 |
| ADJUSTED DISCHARGES: | 1,212 | 985 | 227 | 1,357 | 16,536 | 11,985 | 4,551 | 12,779 |
| TOTAL FTE'S: | 359.76 | 0.00 | (359.76) | 358.79 | 359.84 | 0.00 | (359.84) | 333.29 |