



SCHC Monthly Board
Financial Report
October, 2013

Sunshine Community Health Center
Financial Summary
For the Month of October, 2013

Income Narrative

For the month of October, 2013 total operating revenue was \$299,284 and total operating expenses were \$344,530. The monthly actual net patient revenue of \$130,772 is less than the monthly budgeted amount of \$167,695 by \$36,923 (unfavorable variance). The monthly actual expenses are more than budgeted expenses by \$6,828 (unfavorable variance). (See page 3)

Cash Narrative:

Total operating cash receipts for the month including the federal grant monthly drawdown were \$384,000. Operating cash outflow including payroll were \$387,792. The total cash balance compared to the previous month is a decrease of \$3,792. The cash balance including investments as of October 31, 2013 is \$2,313,572. (See page 2) Medicaid converted to a new software system and has had some issues which have delayed payments and enrollment applications for our new providers. A/R days are up and cash collections down as a result of this.

Financial Ratio Analysis:

Sunshine's working capital as of October 31, 2013 is \$2,406,533. Current ratio is 8.89 and debt/equity ratio is 0.04. (See page 5)

Productivity Analysis:

The total encounters for the month are 868 compared to a budget of 1,042 and last October of 1,012. (See graph on page 6) Year to date encounters by financial class are compared to budget totals below.

| Encounters by Financial Class | YTD actual | YTD % | FY 14 Budget Total | Budget % |
|--------------------------------------|-------------------|--------------|---------------------------|-----------------|
| Insurance | 804 | 24% | 2,669 | 22% |
| Medicaid | 506 | 15% | 2,135 | 18% |
| Medicare | 522 | 15% | 1,822 | 14% |
| Self Pay | 241 | 7% | 819 | 7% |
| Slide | 1,311 | 39% | 4,743 | 39% |
| Total | 3,384 | 100% | 12,188 | 100% |

| Expense per encounter | *National Average | *Alaska Average | SCHC 2012 UDS | SCHC Current Month |
|----------------------------|-------------------|-----------------|---------------|--------------------|
| Medical cost per encounter | \$150 | \$281 | \$265 | \$353 |
| Dental cost per encounter | \$165 | \$320 | \$259 | \$219 |

*National & Alaska averages from 2012 UDS reports.

Sunshine Community Health Center, Inc.
Cash Analysis for the Month of October, 2013

Cash Receipts

| | | |
|---|----|----------------|
| Patients and Insurance receipts (Medical) | \$ | 92,887 |
| Patients and Insurance receipts (Mental Health) | \$ | 3,068 |
| Patients and Insurance receipts (Dental) | | 15,389 |
| 330 Grant | | 222,504 |
| Other | | 50,152 |
| Total Operating Cash Receipts | \$ | <u>384,000</u> |

Cash Payments

| | | |
|--------------------------|----|----------------|
| Payroll | | 177,119 |
| Accounts Payable | | 209,644 |
| Mortgage | | 1,029 |
| Total Operating Payments | \$ | <u>387,792</u> |

Total Change in Cash Balances \$ (3,792)

Cash Balance per Bank

| | | | |
|---|--|------------------|------------------|
| Wells Fargo Operating Accounts | | 107,453 | |
| Wells Fargo Savings | | 103,683 | |
| Wells Fargo Investment | | 1,793,377 | |
| First National (Payroll Account) | | 67,451 | |
| First National Bank (HRA) | | 12,160 | |
| First National Bank (Savings) | | 161,011 | |
| Deposit in Transit | | 6,019 | |
| MVFCU (CD) | | 110,588 | |
| MVFCU (Savings) | | 42 | |
| MVFCU (Gaming Account) | | 29 | |
| Petty Cash | | 100 | |
| Cash on hand (Safelite) | | 238 | |
| Drawer Cash | | 1,100 | |
| Total Cash | | <u>2,363,250</u> | \$ 2,363,250 |
| Less Outstanding Checks | | | <u>49,678</u> |
| Cash Balance after deducting Outstanding Checks | | | <u>2,313,572</u> |
| Cash balance per books (trial balance) | | | <u>2,313,572</u> |
| Difference | | | \$ - |

Sunshine Community Health Center, Inc.
Statement of Revenues and Expenditures
Month Ending October 31, 2013

| | Current Period Actual | Current Period Budget | Current Period Budget | YTD Actual | YTD Budget | YTD Budget Variance | Total FY14 Budget |
|--|-----------------------------|-----------------------------|-----------------------------|------------------|------------------|------------------------|----------------------|
| Encounters | | | | | | | |
| Medical Talkeetna | 328 | 421 | (93) | 1,459 | 1,885 | (426) | 5,131 |
| Medical Willow | 242 | 290 | (48) | 960 | 1,167 | (207) | 3,427 |
| Total Medical | 570 | 711 | (141) | 2,419 | 3,052 | (633) | 8,558 |
| Mental Health Talkeetna | 24 | 40 | (16) | 125 | 147 | (22) | 416 |
| Mental Health Willow | 41 | 47 | (6) | 150 | 148 | 2 | 472 |
| Total Mental Health | 65 | 87 | (22) | 275 | 295 | (20) | 888 |
| Dental | 233 | 244 | (11) | 690 | 883 | (193) | 2,742 |
| TOTAL ENCOUNTERS | 868 | 1,042 | (174) | 3,384 | 4,229 | (845) | 12,188 |
| Revenues and Support | | | | | | | |
| Net Patient Service Revenue | | | | | | | |
| Medical | 90,993 | 121,447 | (30,454) | 373,764 | 524,905 | (151,141) | 1,465,941 |
| Mental Health | 9,128 | 11,359 | (2,231) | 28,744 | 38,345 | (9,601) | 116,256 |
| Dental | 30,651 | 34,889 | (4,238) | 96,663 | 126,221 | (29,557) | 392,058 |
| Net Patient Service Revenue | 130,772 | 167,695 | (36,923) | 499,171 | 689,471 | (190,300) | 1,974,255 |
| CHC - BPHC Funding | 148,244 | 144,502 | 3,742 | 580,290 | 578,009 | 2,281 | 1,734,026 |
| United Way | - | - | - | - | - | - | - |
| Other Grants | 7,908 | 15,251 | (7,343) | 54,293 | 61,005 | (6,712) | 183,015 |
| Interest income | 3,024 | 1,217 | 1,807 | 5,536 | 4,867 | 669 | 14,600 |
| Other Income | 8,365 | 8,375 | (10) | 17,654 | 33,500 | (15,846) | 100,500 |
| Rental income | 970 | 535 | 435 | 2,240 | 2,140 | 100 | 6,420 |
| TOTAL REVENUES AND SUPPORT | 299,284 | 337,575 | (38,291) | 1,159,184 | 1,368,991 | (209,807) | 4,012,816 |
| Expenses | | | | | | | |
| Salaries | 140,351 | 182,031 | (41,680) | 643,977 | 718,139 | (74,162) | 2,151,222 |
| Employee benefits | 41,547 | 48,638 | (7,091) | 162,443 | 193,536 | (31,092) | 567,257 |
| Contractual | 16,097 | 15,929 | 168 | 63,649 | 63,717 | (68) | 191,150 |
| Dues & subscriptions | 1,234 | 517 | 717 | 4,646 | 2,067 | 2,579 | 6,200 |
| Insurance | 4,511 | 4,981 | (470) | 18,045 | 19,925 | (1,880) | 59,775 |
| Licenses | 507 | 353 | 154 | 1,658 | 1,413 | 244 | 4,240 |
| Marketing | 57 | 667 | (610) | 981 | 2,667 | (1,686) | 8,000 |
| Miscellaneous | 316 | 349 | (33) | 1,584 | 1,461 | 122 | 4,090 |
| Recruitment | 3,008 | 500 | 2,508 | 3,294 | 2,000 | 1,294 | 6,000 |
| Occupancy | 15,578 | 21,382 | (5,804) | 69,749 | 85,527 | (15,778) | 256,580 |
| Professional fees | 18,328 | 3,792 | 14,536 | 67,206 | 15,167 | 52,040 | 45,500 |
| IT - Contracted | 28,567 | 5,825 | 22,742 | 60,352 | 23,300 | 37,052 | 64,950 |
| Providers on Contract | 23,078 | - | 23,078 | 23,078 | 8,000 | 15,078 | 15,000 |
| Office supplies | 7,488 | 5,503 | 1,985 | 29,835 | 22,011 | 7,824 | 66,032 |
| Clinical Supplies | 11,572 | 10,642 | 930 | 39,664 | 42,567 | (2,903) | 127,700 |
| Pharmaceuticals Supplies | 3,165 | 3,000 | 165 | 12,370 | 12,000 | 370 | 36,000 |
| Training & Travel - Employee | 1,612 | 4,764 | (3,152) | 11,156 | 19,057 | (7,901) | 57,170 |
| Training & Travel - Board | - | 808 | (808) | - | 3,233 | (3,233) | 9,700 |
| Training & Travel - CME | 480 | 988 | (508) | 1,915 | 3,950 | (2,035) | 11,850 |
| Depreciation | 27,033 | 27,033 | - | 108,132 | 108,133 | (1) | 324,400 |
| TOTAL EXPENSES | 344,530 | 337,702 | 6,828 | 1,323,733 | 1,347,868 | (24,135) | 4,012,816 |
| Net Income/Loss from Operations | (45,246) | (127) | (45,119) | (164,549) | 21,123 | (185,672) | (0) |
| Non Operating Gain | - | - | - | - | - | - | - |
| Grants for Capital / In Kind Donations | 25,000 | - | 25,000 | 25,000 | - | 25,000 | - |
| NET INCOME / (LOSS) | (20,246) | (127) | (20,119) | (139,549) | 21,123 | (160,672) | (0) |

Sunshine Community Health Center, Inc.
Statement of Revenues and Expenditures by Period
From 07/01/2013 through 10/31/13

| | 07/01/13- 07/31/13 | 08/01/13- 08/31/13 | 09/01/13- 09/30/13 | 10/01/13- 10/31/13 | FY 14 YTD TOTAL |
|--|-----------------------|-----------------------|-----------------------|-----------------------|--------------------|
| Revenues and Support | | | | | |
| CHC - BPHC Funding | 141,423 | 144,661 | 145,960 | 148,244 | 580,290 |
| Net patient service revenue | 124,765 | 119,436 | 124,197 | 130,772 | 499,171 |
| Interest income | 203 | 209 | 2,100 | 3,024 | 5,536 |
| Other Income/Grants | 15,823 | 20,469 | 19,382 | 16,273 | 71,947 |
| Rental income | 785 | - | 485 | 970 | 2,240 |
| Total Revenues and Support | 283,000 | 284,776 | 292,124 | 299,284 | 1,159,184 |
| Expenses | | | | | |
| Salaries | 158,891 | 167,799 | 176,936 | 140,351 | 643,977 |
| Employee benefits | 38,419 | 40,254 | 42,223 | 41,547 | 162,443 |
| Contractual | 16,495 | 16,346 | 14,710 | 16,097 | 63,649 |
| Dues & subscriptions | 1,657 | 1,755 | - | 1,234 | 4,646 |
| Insurance | 4,511 | 4,511 | 4,511 | 4,511 | 18,045 |
| Licenses | 454 | 495 | 202 | 507 | 1,658 |
| Marketing | 237 | - | 687 | 57 | 981 |
| Miscellaneous | 256 | 381 | 630 | 316 | 1,584 |
| Recruitment | 100 | 186 | - | 3,008 | 3,294 |
| Occupancy | 14,398 | 15,092 | 24,681 | 15,578 | 69,749 |
| Professional fees | 6,503 | 10,665 | 31,710 | 18,328 | 67,206 |
| IT - Contracted | 6,851 | 13,330 | 11,604 | 28,567 | 60,352 |
| Providers on Contract | - | - | - | 23,078 | 23,078 |
| Office supplies | 7,605 | 10,556 | 4,186 | 7,488 | 29,835 |
| Clinical Supplies | 7,371 | 11,336 | 9,384 | 11,572 | 39,664 |
| Pharmaceuticals Supplies | 3,441 | 2,425 | 3,338 | 3,165 | 12,370 |
| Training & Travel - Employee | 1,908 | 4,134 | 3,503 | 1,612 | 11,156 |
| Training & Travel - Board | - | - | - | - | - |
| Training & Travel - CME | 77 | - | 1,358 | 480 | 1,915 |
| Equipment Upgrades | - | - | - | - | - |
| Depreciation | 27,033 | 27,033 | 27,033 | 27,033 | 108,132 |
| Total Expenses | 296,208 | 326,299 | 356,696 | 344,530 | 1,323,733 |
| Net Income/Loss from Operations | (13,208) | (41,523) | (64,572) | (45,246) | (164,549) |
| Non Operating Gains | | | | | - |
| Grants for Capital / In Kind Donations | | | - | 25,000 | 25,000 |
| Net Income/Loss | (13,208) | (41,523) | (64,572) | (20,246) | (139,549) |

Sunshine Community Health Center, Inc.
Balance Sheet

| | 10/31/2013 | 10/31/2012 | Increase / Decrease (Decrease) |
|---|-----------------------------------|----------------------------------|--------------------------------------|
| | <u>Current Period Balance</u> | <u>Previous Year Balance</u> | <u>(Decrease)</u> |
| Assets | | | |
| Current Assets | | | |
| Operating cash and cash equivalents | \$ 520,194 | \$ 538,944 | \$ (18,750) |
| Operating reserves | 1,793,377 | 1,778,790 | 14,587 |
| Capital (Building) cash account | 0 | 206,303 | (206,303) |
| Patient receivables (net of bad debt allowance) | 223,787 | 176,445 | 47,342 |
| Grant and other receivables | 71,654 | 9,253 | 62,401 |
| Prepaid expense | 80,309 | 56,811 | 23,498 |
| Inventory (pharmaceuticals) | <u>22,206</u> | <u>17,464</u> | <u>4,742</u> |
| <i>Total Current Assets</i> | 2,711,528 | 2,784,010 | (72,482) |
| Other Assets | | | |
| Assets held for sale | 35,000 | 102,743 | (67,743) |
| Promises to give, (United Way) | 15,000 | 0 | 15,000 |
| Plant and equipment, net of AD | 6,187,618 | 6,393,168 | (205,550) |
| Security deposits | <u>400</u> | <u>400</u> | <u>-</u> |
| <i>Total Other Assets</i> | <u>6,238,018</u> | <u>6,496,311</u> | <u>(258,293)</u> |
| Total Assets | <u>\$ 8,949,546</u> | <u>\$ 9,280,321</u> | <u>\$ (330,775)</u> |
| Liabilities and Net Assets | | | |
| Current Liabilities | | | |
| Accounts payable | \$ 76,756 | \$ 178,676 | \$ (101,920) |
| Payroll-related liabilities | 93,936 | 115,696 | (21,761) |
| Other Liabilities/Deferred Revenue | 83,212 | 48,243 | 34,968 |
| Annual leave accrual | <u>51,091</u> | <u>52,057</u> | <u>(965)</u> |
| <i>Total Current Liabilities</i> | 304,995 | 394,673 | (89,678) |
| Long-Term Liabilities | | | |
| Long-term debt (Heck/Schachle/USDA) | <u>32,143</u> | <u>203,062</u> | <u>(170,919)</u> |
| <i>Total Long-Term Liabilities</i> | 32,143 | 203,062 | (170,919) |
| Net Assets | 8,751,958 | 8,664,390 | 87,567 |
| Net Income for the period | (139,549) | 18,196 | (157,745) |
| Total Liabilities and Net Assets | <u>\$ 8,949,546</u> | <u>\$ 9,280,321</u> | <u>\$ (330,775)</u> |

Financial Ratio Analysis:

| | | | |
|---|-----------|-----------|--------------------|
| Current Ratio (ability to pay obligations as they become due) | 8.89 | 7.05 | Goal = 1 or higher |
| Debt to Equity Ratio (borrowing capability) | 0.04 | 0.07 | Goal = .5 or lower |
| Working Capital (Current assets less current liabilities) | 2,406,533 | 2,389,337 | |