

**ASPEN VALLEY HOSPITAL  
PROFIT & LOSS STATEMENT  
FOR THE PERIOD ENDING 08/31/2011**

	ACTUAL August-11	BUDGET August-11	VARIANCE AMOUNT	VAR %
<b>PATIENT SERVICE REVENUE</b>				
INPATIENT	1,789,244	1,623,900	165,344	10.18%
OUTPATIENT	5,259,353	4,434,511	824,842	18.60%
<b>TOTAL PATIENT SERVICE REVENUE</b>	<b>7,048,597</b>	<b>6,058,411</b>	<b>990,186</b>	<b>16.34%</b>
<b>LESS REVENUE DEDUCTIONS</b>				
UNCOMPENSATED SERVICES	10,157	(175,529)	185,686	105.79%
CONTRACTUAL ALLOWANCES - GOVERNMENT	(1,157,978)	(607,874)	(550,104)	-90.50%
CONTRACTUAL ALLOWANCES - OTHER	(284,472)	(424,365)	139,893	32.97%
BAD DEBT EXPENSE	(125,380)	(123,261)	(2,119)	-1.72%
OTHER DEDUCTIONS	(346,844)	(147,246)	(199,598)	-135.55%
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>(1,904,518)</b>	<b>(1,478,275)</b>	<b>(426,242)</b>	<b>-28.83%</b>
<b>NET PATIENT SERVICE REVENUE</b>	<b>5,144,080</b>	<b>4,580,136</b>	<b>563,944</b>	<b>12.31%</b>
<b>OTHER OPERATING REVENUE</b>				
WHITCOMB TERRACE	47,938	57,380	(9,442)	-16.46%
CAFETERIA	36,197	42,644	(6,447)	-15.12%
MISCELLANEOUS	56,430	64,863	(8,433)	-13.00%
<b>TOTAL OTHER OPERATING REVENUE</b>	<b>140,564</b>	<b>164,887</b>	<b>(24,322)</b>	<b>-14.75%</b>
<b>TOTAL OPERATING REVENUE</b>	<b>5,284,644</b>	<b>4,745,023</b>	<b>539,622</b>	<b>11.37%</b>
<b>EXPENSES</b>				
SALARIES	(1,879,724)	(1,997,279)	117,555	5.89%
PHYSICIAN COMPENSATION	(517,231)	(509,477)	(7,754)	-1.52%
PATIENT CARE SUPPLIES	(422,438)	(388,349)	(34,089)	-8.78%
OUTSOURCING	(222,536)	(207,066)	(15,470)	-7.47%
LEGAL, CONSULT, AUDIT	(59,977)	(41,763)	(18,214)	-43.61%
MAINTENANCE & UTILITIES	(265,076)	(273,106)	8,030	2.94%
CONTINUING EDUCATION	(8,022)	(14,584)	6,562	44.99%
PHYSICIAN RECRUITMENT	0	(2,500)	2,500	100.00%
EMPLOYEE BENEFITS	(453,894)	(565,344)	111,450	19.71%
DEPRECIATION & AMORTIZATION	(413,587)	(381,092)	(32,495)	-8.53%
GENERAL & PROF INSURANCE	(17,908)	(23,714)	5,806	24.48%
MISCELLANEOUS EXPENSE	(411,121)	(359,031)	(52,090)	-14.51%
<b>TOTAL EXPENSES</b>	<b>(4,671,512)</b>	<b>(4,763,305)</b>	<b>91,791</b>	<b>1.93%</b>
<b>OPERATING MARGIN</b>	<b>613,132</b>	<b>(18,282)</b>	<b>631,413</b>	<b>-3453.74%</b>
<b>NONOPERATING REVENUE</b>				
PROPERTY TAXES	592,250	592,250	0	0.00%
INTEREST INCOME	189,932	75,666	114,266	151.01%
INTEREST EXPENSE	(129,281)	(224,002)	94,721	42.29%
MISC NON-OPERATING REVENUE/(EXPENSE)	27,255	(45,078)	72,333	160.46%
CONTRIBUTIONS - OPERATIONS & CAPITAL	2,700	21,334	(18,634)	-87.34%
GAIN/(LOSS) ON DISP OF ASSETS	0	0	0	#DIV/0!
MEMBER DISTRIBUTIONS & EQUITY TRANSFER	62,500	62,500	0	0.00%
<b>TOTAL NONOPERATING REVENUE</b>	<b>745,355</b>	<b>482,670</b>	<b>262,686</b>	<b>54.42%</b>
<b>GAIN / (LOSS)</b>	<b>1,358,487</b>	<b>464,388</b>	<b>894,099</b>	<b>192.53%</b>

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	<b>ACTUAL August-11 YTD</b>	<b>BUDGET August-11 YTD</b>	<b>VARIANCE AMOUNT</b>	<b>VAR %</b>
<b>PATIENT SERVICE REVENUE</b>				
INPATIENT	14,836,417	15,759,093	(922,676)	-5.85%
OUTPATIENT	40,160,483	38,012,710	2,147,773	5.65%
<b>TOTAL PATIENT SERVICE REVENUE</b>	<b>54,996,900</b>	<b>53,771,803</b>	<b>1,225,097</b>	<b>2.28%</b>
<b>LESS REVENUE DEDUCTIONS</b>				
UNCOMPENSATED SERVICES	(1,700,243)	(1,557,923)	(142,320)	-9.14%
CONTRACTUAL ALLOWANCES - GOVERNMENT	(5,523,344)	(5,395,210)	(128,134)	-2.37%
CONTRACTUAL ALLOWANCES - OTHER	(3,771,482)	(3,766,491)	(4,991)	-0.13%
BAD DEBT ALLOWANCE	(2,254,579)	(1,786,065)	(468,514)	-26.23%
OTHER DEDUCTIONS	(1,475,607)	(1,306,902)	(168,705)	-12.91%
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>(14,725,255)</b>	<b>(13,812,591)</b>	<b>(912,664)</b>	<b>-6.61%</b>
<b>NET PATIENT SERVICE REVENUE</b>	<b>40,271,645</b>	<b>39,959,212</b>	<b>312,433</b>	<b>0.78%</b>
<b>OTHER OPERATING REVENUE</b>				
WHITCOMB TERRACE	398,265	441,237	(42,972)	-9.74%
CAFETERIA	322,066	314,873	7,193	2.28%
MISCELLANEOUS	671,599	605,780	65,819	10.87%
<b>TOTAL OTHER OPERATING REVENUE</b>	<b>1,391,930</b>	<b>1,361,890</b>	<b>30,040</b>	<b>2.21%</b>
<b>TOTAL OPERATING REVENUE</b>	<b>41,663,575</b>	<b>41,321,102</b>	<b>342,473</b>	<b>0.83%</b>
<b>EXPENSES</b>				
SALARIES	(16,174,208)	(16,680,932)	506,724	3.04%
PHYSICIAN COMPENSATION	(4,134,427)	(4,120,021)	(14,406)	-0.35%
PATIENT CARE SUPPLIES	(3,988,847)	(3,779,640)	(209,207)	-5.54%
OUTSOURCING	(1,462,440)	(1,430,637)	(31,803)	-2.22%
LEGAL, CONSULT, AUDIT	(534,560)	(434,873)	(99,687)	-22.92%
MAINTENANCE & UTILITIES	(2,118,844)	(2,234,567)	115,723	5.18%
CONTINUING EDUCATION	(58,579)	(116,667)	58,088	49.79%
PHYSICIAN RECRUITMENT	1,664	(20,000)	21,664	108.32%
EMPLOYEE BENEFITS	(4,026,109)	(4,544,659)	518,550	11.41%
DEPRECIATION & AMORTIZATION	(3,126,372)	(3,048,781)	(77,591)	-2.54%
GENERAL & PROF INSURANCE	(159,537)	(163,513)	3,976	2.43%
MISCELLANEOUS EXPENSE	(2,834,456)	(2,867,331)	32,875	1.15%
<b>TOTAL EXPENSES</b>	<b>(38,616,714)</b>	<b>(39,441,621)</b>	<b>824,907</b>	<b>2.09%</b>
<b>OPERATING MARGIN</b>	<b>3,046,861</b>	<b>1,879,481</b>	<b>1,167,380</b>	<b>62.11%</b>
<b>NONOPERATING REVENUE</b>				
PROPERTY TAXES	4,738,000	4,738,000	0	0.00%
INTEREST INCOME	470,969	605,333	(134,364)	-22.20%
INTEREST EXPENSE	(594,846)	(1,798,987)	1,204,141	66.93%
MISC NON-OPERATING REVENUE/(EXPENSE)	(111,738)	(339,143)	227,405	67.05%
CONTRIBUTIONS - OPERATIONS & CAPITAL	16,586	214,667	(198,081)	-92.27%
GAIN/(LOSS) ON DISP OF ASSETS	(13,714)	0	(13,714)	#DIV/0!
MEMBER DISTRIBUTIONS & EQUITY TRANSFER	619,700	500,000	119,700	23.94%
<b>TOTAL NONOPERATING REVENUE</b>	<b>5,124,956</b>	<b>3,919,870</b>	<b>1,205,086</b>	<b>30.74%</b>
<b>GAIN / (LOSS)</b>	<b>8,171,817</b>	<b>5,799,351</b>	<b>2,372,466</b>	<b>40.91%</b>

**ASPEN VALLEY HOSPITAL  
BALANCE SHEET  
August-11**

<b>ASSETS</b>	<b>August-11</b>	<b>August-10</b>
<b>CURRENT ASSETS</b>		
CASH	20,234,810	14,680,501
SHORT TERM INVESTMENTS	20,420,301	36,050,289
INVESTMENTS - FUNDED DEPRECIATION	18,750,153	77,712
CASH RESTRICTED FOR PHYSICIANS	58,082	65,327
PATIENT ACCOUNTS RECEIVABLE	8,621,984	8,135,701
LESS CONTRACTUAL ALLOWANCES/DOUBTFUL ACCOUNTS	(2,196,020)	(1,786,126)
NET PATIENT ACCOUNTS RECEIVABLE	6,425,964	6,349,575
CONTRIBUTIONS RECEIVABLE	208,827	348,163
OTHER RECEIVABLES	(1,202,285)	295,889
INVENTORY	1,871,301	1,657,812
PREPAID EXPENSES	772,314	835,652
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 67,539,468</b>	<b>\$ 60,360,919</b>
<b>RESTRICTED ASSETS - BOND AGREEMENT</b>		
BOND - PRINCIPAL & INTEREST	710,142	615,998
RESTRICTED BOND PROCEEDS	38,636,679	0
DEBT SERVICE RESERVE FUND	2,242,067	2,241,770
CONSTRUCTION ESCROW	494,873	0
<b>TOTAL RESTRICTED ASSETS</b>	<b>\$ 42,083,761</b>	<b>\$ 2,857,768</b>
<b>LONG-TERM CONTRIBUTIONS RECEIVABLE</b>	<b>\$ 498,726</b>	<b>\$ 982,217</b>
<b>INVESTMENT IN JOINT VENTURE</b>	<b>\$ 102,936</b>	<b>\$ 178,955</b>
<b>CAPITAL ASSETS</b>		
LAND	267,057	267,057
PROPERTY , PLANT, & EQUIPMENT	86,547,860	69,308,515
LESS ACCUMULATED DEPRECIATION	(37,703,199)	(36,334,862)
<b>NET PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>\$ 49,111,718</b>	<b>\$ 33,240,711</b>
<b>OTHER ASSETS</b>		
DEFERRED BOND COSTS	778,991	418,672
STOCK INVESTMENT	156,526	0
GOODWILL	239,901	0
ACCUMULATED AMORTIZATION	(175,159)	0
SECURITY DEPOSITS PAID	51,153	36,153
<b>TOTAL OTHER ASSETS</b>	<b>\$ 1,051,412</b>	<b>\$ 454,825</b>
<b>TOTAL ASSETS</b>	<b>\$ 160,388,020</b>	<b>\$ 98,075,394</b>

**ASPEN VALLEY HOSPITAL  
BALANCE SHEET  
August-11**

	August-11	August-10
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
CURRENT MATURITIES OF L-T DEBT	(2,936,882)	(1,172,029)
ACCOUNTS PAYABLE	(1,479,234)	(1,929,634)
CONSTRUCTION PAYABLE	(4,147,507)	0
ACCRUED SALARIES, BENEFITS AND PAYROLL TAXES	(1,892,427)	(1,750,389)
MISCELLANEOUS LIABILITIES	(1,653,926)	(1,031,055)
REFUNDS PAYABLE	(107,900)	(119,436)
UNCLAIMED REFUNDS PAYABLE	(321,283)	(417,788)
DUE(TO)/FROM MEDICARE	(165,957)	(269,750)
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ (12,705,115)</b>	<b>\$ (6,690,080)</b>
<b>LONG TERM LIABILITIES</b>		
REVENUE BONDS PAYABLE	(21,270,924)	(21,858,922)
GENERAL OBLIGATION BONDS PAYABLE	(48,488,898)	0
CAPITAL LEASE OBLIGATION	(230,923)	(594,834)
NOTES PAYABLE	(551,831)	(569,616)
<b>TOTAL LONG TERM LIABILITIES</b>	<b>\$ (70,542,576)</b>	<b>\$ (23,023,372)</b>
<b>NET ASSETS</b>		
OPERATING FUND BALANCE	(77,140,330)	(68,361,943)
<b>TOTAL FUND BALANCE</b>	<b>\$ (77,140,330)</b>	<b>\$ (68,361,943)</b>
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<b>\$ (160,388,020)</b>	<b>\$ (98,075,394)</b>

**ASPEN VALLEY HOSPITAL  
STATEMENT OF CASH FLOWS  
FOR THE MONTH ENDING AUGUST 31, 2011**

	<u>AUGUST 2011</u>	<u>YTD</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash Received from Patient and Third Parties	5,158,891	40,958,332
Cash Received from (Paid to) Others	81,318	2,195,359
Cash Paid to Suppliers	(2,281,204)	(19,105,174)
Cash Paid to Employees	(1,659,971)	(15,616,745)
Net Cash Provided by (Used in) Operating Activities	<u>1,299,034</u>	<u>8,431,772</u>
<b>CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Ad Valorem Taxes	181,336	6,608,172
Community Assistance Programs	(9,986)	(43,600)
Contributions for Operations	2,700	17,102
Net Cash Provided by Noncapital Financing Activities	<u>174,050</u>	<u>6,581,674</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Contributions restricted for the purchase of Capital Assets	-	481,424
Issuance of Long-Term Debt	-	-
Premium on Issuance of Long-Term Debt	-	-
Costs of Issuance of Long-Term Debt	-	-
Principal Payments on Debt	(33,767)	(440,587)
Purchases of Capital Assets - AVH Funds	(357,275)	(1,723,347)
Purchases of Capital Assets - Bond Funds	(4,353,410)	(11,702,989)
Proceeds from the sale of capital assets	-	5,000
Interest (payments)/credit on Debt	(5,903)	(1,165,293)
Net Cash Used in Capital and Related Financing Activities	<u>(4,750,355)</u>	<u>(14,545,792)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of investments, net	-	-
Change in Investments	-	21,053
Investment Income	1,661	384,342
Member Distribution	-	494,700
Net Cash Provided by Investing Activities	<u>1,661</u>	<u>900,095</u>
Net Increase in Cash, Cash Equivalents and Investments	<u>(3,275,610)</u>	<u>1,367,750</u>
Cash, Cash Equivalents and Investments at Beginning of Period	104,671,060	100,027,700
Cash, Cash Equivalents and Investments at End of Period*	<u>101,395,450</u>	<u>101,395,450</u>

\* Excludes Accrued Int. Income - FD & Bond Proceeds of \$151,657 at the end of August.