

**ASPEN VALLEY HOSPITAL
PROFIT & LOSS STATEMENT
FOR THE PERIOD ENDING 2/29/2012**

	ACTUAL February-12	BUDGET February-12	VARIANCE AMOUNT	VAR %
PATIENT SERVICE REVENUE				
INPATIENT	2,440,848	2,054,784	386,064	18.79%
OUTPATIENT	6,091,601	5,908,019	183,582	3.11%
TOTAL PATIENT SERVICE REVENUE	8,532,449	7,962,803	569,646	7.15%
LESS REVENUE DEDUCTIONS				
UNCOMPENSATED SERVICES	(147,025)	(198,464)	51,439	25.92%
CONTRACTUAL ALLOWANCES - GOVERNMENT	(653,927)	(808,825)	154,898	19.15%
CONTRACTUAL ALLOWANCES - OTHER	(681,621)	(551,311)	(130,310)	-23.64%
BAD DEBT EXPENSE	(123,618)	(402,118)	278,500	69.26%
OTHER DEDUCTIONS	(174,639)	(209,143)	34,504	16.50%
TOTAL REVENUE DEDUCTIONS	(1,780,830)	(2,169,861)	389,031	17.93%
NET PATIENT SERVICE REVENUE	6,751,619	5,792,942	958,677	16.55%
OTHER OPERATING REVENUE				
WHITCOMB TERRACE	45,790	37,831	7,959	21.04%
CAFETERIA	39,545	46,701	(7,156)	-15.32%
MISCELLANEOUS	6,859	35,688	(28,829)	-80.78%
TOTAL OTHER OPERATING REVENUE	92,194	120,220	(28,026)	-23.31%
TOTAL OPERATING REVENUE	6,843,813	5,913,162	930,651	15.74%
EXPENSES				
SALARIES	(2,148,998)	(2,121,177)	(27,821)	-1.31%
PHYSICIAN COMPENSATION	(459,523)	(465,385)	5,862	1.26%
PATIENT CARE SUPPLIES	(577,793)	(538,612)	(39,181)	-7.27%
OUTSOURCING	(187,118)	(184,618)	(2,500)	-1.35%
LEGAL, CONSULT, AUDIT	(112,704)	(101,101)	(11,603)	-11.48%
MAINTENANCE & UTILITIES	(260,236)	(276,435)	16,199	5.86%
CONTINUING EDUCATION	(11,110)	(17,084)	5,974	34.97%
PHYSICIAN RECRUITMENT	0	(2,500)	2,500	100.00%
EMPLOYEE BENEFITS	(487,390)	(548,684)	61,294	11.17%
DEPRECIATION & AMORTIZATION	(365,260)	(459,123)	93,863	20.44%
GENERAL & PROF INSURANCE	(18,349)	(19,187)	838	4.37%
MISCELLANEOUS EXPENSE	(322,676)	(391,978)	69,302	17.68%
TOTAL EXPENSES	(4,951,157)	(5,125,885)	174,727	3.41%
OPERATING MARGIN	1,892,656	787,277	1,105,378	140.41%
NONOPERATING REVENUE				
PROPERTY TAXES	577,059	577,059	0	0.00%
INTEREST INCOME	16,323	11,709	4,614	39.41%
INTEREST EXPENSE	(77,047)	(68,710)	(8,337)	-12.13%
MISC NON-OPERATING REVENUE/(EXPENSE)	(21,058)	(27,500)	6,442	23.43%
GAIN/(LOSS ON JOINT VENTURE)	0	0	0	#DIV/0!
MEMBER DISTRIBUTIONS & EQUITY TRANSFER	74,650	74,650	0	0.00%
TOTAL NONOPERATING REVENUE	569,927	567,208	2,719	0.48%
GAIN / (LOSS)	2,462,583	1,354,485	1,108,097	81.81%

**ASPEN VALLEY HOSPITAL
PROFIT & LOSS STATEMENT
FOR THE PERIOD ENDING 2/29/2012**

	ACTUAL February-12 YTD	BUDGET February-12 YTD	VARIANCE AMOUNT YTD	VAR % YTD
PATIENT SERVICE REVENUE				
INPATIENT	4,896,825	4,336,640	560,185	12.92%
OUTPATIENT	12,506,798	11,920,945	585,853	4.91%
TOTAL PATIENT SERVICE REVENUE	17,403,623	16,257,585	1,146,038	7.05%
LESS REVENUE DEDUCTIONS				
UNCOMPENSATED SERVICES	(262,215)	(322,072)	59,857	18.58%
CONTRACTUAL ALLOWANCES - GOVERNMENT	(1,642,010)	(1,656,593)	14,583	0.88%
CONTRACTUAL ALLOWANCES - OTHER	(1,283,587)	(1,128,847)	(154,740)	-13.71%
BAD DEBT EXPENSE	(817,095)	(880,745)	63,650	7.23%
OTHER DEDUCTIONS	(290,280)	(429,348)	139,068	32.39%
TOTAL REVENUE DEDUCTIONS	(4,295,188)	(4,417,605)	122,418	2.77%
NET PATIENT SERVICE REVENUE	13,108,435	11,839,980	1,268,456	10.71%
OTHER OPERATING REVENUE				
WHITCOMB TERRACE	84,943	75,662	9,281	12.27%
CAFETERIA	76,715	91,445	(14,730)	-16.11%
MISCELLANEOUS	29,346	45,631	(16,285)	-35.69%
TOTAL OTHER OPERATING REVENUE	191,004	212,738	(21,734)	-10.22%
TOTAL OPERATING REVENUE	13,299,439	12,052,718	1,246,722	10.34%
EXPENSES				
SALARIES	(4,364,317)	(4,395,615)	31,298	0.71%
PHYSICIAN COMPENSATION	(926,361)	(914,307)	(12,054)	-1.32%
PATIENT CARE SUPPLIES	(1,151,474)	(1,078,045)	(73,429)	-6.81%
OUTSOURCING	(459,785)	(388,686)	(71,099)	-18.29%
LEGAL, CONSULT, AUDIT	(141,573)	(145,554)	3,981	2.74%
MAINTENANCE & UTILITIES	(490,843)	(572,391)	81,548	14.25%
CONTINUING EDUCATION	(17,908)	(34,167)	16,259	47.59%
PHYSICIAN RECRUITMENT	0	(5,000)	5,000	100.00%
EMPLOYEE BENEFITS	(1,205,748)	(1,111,916)	(93,832)	-8.44%
DEPRECIATION & AMORTIZATION	(740,500)	(931,694)	191,194	20.52%
GENERAL & PROF INSURANCE	(37,679)	(38,372)	693	1.81%
MISCELLANEOUS EXPENSE	(668,801)	(853,383)	184,582	21.63%
TOTAL EXPENSES	(10,204,990)	(10,469,130)	264,141	2.52%
OPERATING MARGIN	3,094,450	1,583,588	1,510,863	95.41%
NONOPERATING REVENUE				
PROPERTY TAXES	1,154,117	1,154,117	0	0.00%
INTEREST INCOME	46,735	23,417	23,318	99.58%
INTEREST EXPENSE	(168,895)	(137,420)	(31,475)	-22.90%
MISC NON-OPERATING REVENUE/(EXPENSE)	(42,117)	(55,000)	12,883	23.42%
GAIN/(LOSS ON JOINT VENTURE)	11,729	0	11,729	#DIV/0!
MEMBER DISTRIBUTIONS & EQUITY TRANSFER	149,299	149,299	0	0.00%
TOTAL NONOPERATING REVENUE	1,150,868	1,134,413	16,455	1.45%
GAIN / (LOSS)	4,245,318	2,718,001	1,527,318	56.19%

**ASPEN VALLEY HOSPITAL
BALANCE SHEET
February-12**

ASSETS	February-12	February-11
CURRENT ASSETS		
CASH	21,256,504	10,176,777
SHORT TERM INVESTMENTS	17,044,165	20,264,431
INVESTMENTS - FUNDED DEPRECIATION	18,761,211	18,647,605
CASH RESTRICTED FOR PHYSICIANS	67,443	61,379
PATIENT ACCOUNTS RECEIVABLE	13,455,014	12,312,893
LESS CONTRACTUAL ALLOWANCES/DOUBTFUL ACCOUNTS	(3,602,647)	(2,908,936)
NET PATIENT ACCOUNTS RECEIVABLE	9,852,366	9,403,957
CONTRIBUTIONS RECEIVABLE	247,917	597,834
OTHER RECEIVABLES	1,360,339	1,973,624
INVENTORY	1,865,771	1,783,120
PREPAID EXPENSES	1,149,153	934,459
TOTAL CURRENT ASSETS	\$ 71,604,869	\$ 63,843,185
RESTRICTED ASSETS - BOND AGREEMENT		
BOND - PRINCIPAL & INTEREST	395,708	396,894
RESTRICTED BOND PROCEEDS	22,769,613	49,287,593
DEBT SERVICE RESERVE FUND	2,242,052	2,241,890
CONSTRUCTION ESCROW	494,923	494,841
TOTAL RESTRICTED ASSETS	\$ 25,902,295	\$ 52,421,219
LONG-TERM CONTRIBUTIONS RECEIVABLE	\$ 449,772	\$ 498,726
INVESTMENT IN JOINT VENTURE	\$ 142,395	\$ 123,989
CAPITAL ASSETS		
LAND	267,057	267,057
PROPERTY , PLANT, & EQUIPMENT	100,790,755	73,667,017
LESS ACCUMULATED DEPRECIATION	(33,864,210)	(38,706,186)
NET PROPERTY, PLANT & EQUIPMENT	\$ 67,193,602	\$ 35,227,888
OTHER ASSETS		
DEFERRED BOND COSTS	738,963	822,850
STOCK INVESTMENT	168,579	156,526
GOODWILL	239,901	239,901
ACCUMULATED AMORTIZATION	(201,920)	(148,398)
SECURITY DEPOSITS PAID	53,653	51,153
TOTAL OTHER ASSETS	\$ 999,175	\$ 1,122,031
TOTAL ASSETS	\$ 166,292,108	\$ 153,237,037

UNAUDITED

**ASPEN VALLEY HOSPITAL
BALANCE SHEET
February-12**

	February-12	February-11
LIABILITIES		
CURRENT LIABILITIES		
CURRENT MATURITIES OF L-T DEBT	(3,100,851)	(3,114,850)
ACCOUNTS PAYABLE	(1,427,965)	(1,894,195)
CONSTRUCTION PAYABLE	(5,263,793)	(841,085)
ACCRUED SALARIES, BENEFITS AND PAYROLL TAXES	(2,171,238)	(1,695,357)
MISCELLANEOUS LIABILITIES	(1,599,734)	(1,595,763)
REFUNDS PAYABLE	(115,393)	(102,209)
UNCLAIMED REFUNDS PAYABLE	(226,664)	(317,732)
DUE(TO)/FROM MEDICARE	(902,968)	(594,167)
TOTAL CURRENT LIABILITIES	\$ (14,808,607)	\$ (10,155,359)
LONG TERM LIABILITIES		
REVENUE BONDS PAYABLE	(20,645,086)	(21,252,672)
GENERAL OBLIGATION BONDS PAYABLE	(46,544,633)	(48,507,177)
CAPITAL LEASE OBLIGATION	(1,093,554)	(395,735)
NOTES PAYABLE	(543,660)	(559,643)
TOTAL LONG TERM LIABILITIES	\$ (68,826,932)	\$ (70,715,227)
NET ASSETS		
OPERATING FUND BALANCE	(82,656,570)	(72,366,451)
TOTAL FUND BALANCE	\$ (82,656,570)	\$ (72,366,451)
TOTAL LIABILITIES & FUND BALANCE	\$ (166,292,108)	\$ (153,237,037)

**ASPEN VALLEY HOSPITAL
STATEMENT OF CASH FLOWS
FOR THE MONTH ENDING FEBRUARY 29, 2012**

	<u>FEBRUARY 2012</u>	<u>YTD</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from Patient and Third Parties	4,714,115	9,612,204
Cash Received from (Paid to) Others	179,925	569,309
Cash (Paid to) Received from Suppliers	(3,157,135)	(5,267,491)
Cash (Paid to) Employees	(1,890,111)	(3,700,637)
Net Cash Provided by (Used in) Operating Activities	<u>(153,206)</u>	<u>1,213,385</u>
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES		
Ad Valorem Taxes	297,836	311,267
Community Assistance Programs	(1,058)	(2,117)
Contributions for Operations	-	-
Net Cash Provided by Noncapital Financing Activities	<u>296,778</u>	<u>309,150</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Contributions restricted for the purchase of Capital Assets	-	-
Issuance of Long-Term Debt	-	-
Premium on Issuance of Long-Term Debt	-	-
Costs of Issuance of Long-Term Debt	-	-
Principal Payments on Debt	(39,986)	(80,277)
Purchases of Capital Assets - AVH Funds	(264,365)	(357,954)
Purchases of Capital Assets - Bond Funds	(4,351,174)	(4,475,103)
Proceeds from the sale of capital assets	-	-
Interest (payments)/credit on Debt	(2,384)	(8,861)
Net Cash Used in Capital and Related Financing Activities	<u>(4,657,909)</u>	<u>(4,922,195)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments, net	-	-
Change in Investments	-	-
Investment Income	2,234	5,008
Member Distribution	-	372,300
Net Cash Provided by Investing Activities	<u>2,234</u>	<u>377,308</u>
Net Increase in Cash, Cash Equivalents and Investments	<u>(4,512,103)</u>	<u>(3,022,352)</u>
Cash, Cash Equivalents and Investments at Beginning of Period	<u>87,347,536</u>	<u>85,857,785</u>
Cash, Cash Equivalents and Investments at End of Period*	<u><u>82,835,433</u></u>	<u><u>82,835,433</u></u>

* Excludes Accrued Int. Income - FD & Bond Proceeds of \$196,185 at the end of February.