

**ASPEN VALLEY HOSPITAL  
PROFIT & LOSS STATEMENT  
FOR THE PERIOD ENDING 10/31/2011**

	ACTUAL October-11	BUDGET October-11	VARIANCE AMOUNT	VAR %
<b>PATIENT SERVICE REVENUE</b>				
INPATIENT	1,416,694	1,134,550	282,144	24.87%
OUTPATIENT	3,654,499	3,280,331	374,168	11.41%
<b>TOTAL PATIENT SERVICE REVENUE</b>	<b>5,071,192</b>	<b>4,414,881</b>	<b>656,311</b>	<b>14.87%</b>
<b>LESS REVENUE DEDUCTIONS</b>				
UNCOMPENSATED SERVICES	(30,249)	(127,912)	97,663	76.35%
CONTRACTUAL ALLOWANCES - GOVERNMENT	(518,694)	(442,967)	(75,727)	-17.10%
CONTRACTUAL ALLOWANCES - OTHER	(568,677)	(309,242)	(259,435)	-83.89%
BAD DEBT EXPENSE	(169,542)	(122,376)	(47,166)	-38.54%
OTHER DEDUCTIONS	(232,356)	(107,302)	(125,054)	-116.54%
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>(1,519,518)</b>	<b>(1,109,799)</b>	<b>(409,719)</b>	<b>-36.92%</b>
<b>NET PATIENT SERVICE REVENUE</b>	<b>3,551,675</b>	<b>3,305,082</b>	<b>246,593</b>	<b>7.46%</b>
<b>OTHER OPERATING REVENUE</b>				
WHITCOMB TERRACE	47,938	57,468	(9,530)	-16.58%
CAFETERIA	42,793	33,338	9,455	28.36%
MISCELLANEOUS	50,055	69,579	(19,524)	-28.06%
<b>TOTAL OTHER OPERATING REVENUE</b>	<b>140,786</b>	<b>160,385</b>	<b>(19,599)</b>	<b>-12.22%</b>
<b>TOTAL OPERATING REVENUE</b>	<b>3,692,460</b>	<b>3,465,467</b>	<b>226,993</b>	<b>6.55%</b>
<b>EXPENSES</b>				
SALARIES	(1,898,217)	(1,985,065)	86,848	4.38%
PHYSICIAN COMPENSATION	(473,414)	(486,144)	12,730	2.62%
PATIENT CARE SUPPLIES	(362,236)	(389,181)	26,945	6.92%
OUTSOURCING	(153,514)	(138,044)	(15,470)	-11.21%
LEGAL, CONSULT, AUDIT	(45,808)	(43,511)	(2,297)	-5.28%
MAINTENANCE & UTILITIES	(223,287)	(280,056)	56,769	20.27%
CONTINUING EDUCATION	(11,793)	(14,583)	2,790	19.13%
PHYSICIAN RECRUITMENT	0	(2,500)	2,500	100.00%
EMPLOYEE BENEFITS	(426,497)	(549,971)	123,474	22.45%
DEPRECIATION & AMORTIZATION	(401,034)	(381,100)	(19,934)	-5.23%
GENERAL & PROF INSURANCE	(18,600)	(19,179)	579	3.02%
MISCELLANEOUS EXPENSE	(358,508)	(343,065)	(15,443)	-4.50%
<b>TOTAL EXPENSES</b>	<b>(4,372,907)</b>	<b>(4,632,399)</b>	<b>259,492</b>	<b>5.60%</b>
<b>OPERATING MARGIN</b>	<b>(680,446)</b>	<b>(1,166,932)</b>	<b>486,486</b>	<b>-41.69%</b>
<b>NONOPERATING REVENUE</b>				
PROPERTY TAXES	592,250	592,250	0	0.00%
INTEREST INCOME	19,393	75,667	(56,274)	-74.37%
INTEREST EXPENSE	(85,611)	(233,367)	147,756	63.31%
MISC NON-OPERATING REVENUE/(EXPENSE)	(22,030)	(45,078)	23,048	51.13%
CONTRIBUTIONS - OPERATIONS & CAPITAL	0	21,333	(21,333)	-100.00%
GAIN/(LOSS) ON DISP OF ASSETS	23,000	0	23,000	#DIV/0!
MEMBER DISTRIBUTIONS & EQUITY TRANSFER	62,500	62,500	0	0.00%
<b>TOTAL NONOPERATING REVENUE</b>	<b>589,503</b>	<b>473,305</b>	<b>116,197</b>	<b>24.55%</b>
<b>GAIN / (LOSS)</b>	<b>(90,944)</b>	<b>(693,627)</b>	<b>602,683</b>	<b>-86.89%</b>

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	ACTUAL October-11 YTD	BUDGET October-11 YTD	VARIANCE AMOUNT	VAR %
<b>PATIENT SERVICE REVENUE</b>				
INPATIENT	17,508,980	18,323,565	(814,585)	-4.45%
OUTPATIENT	48,010,984	45,105,369	2,905,615	6.44%
<b>TOTAL PATIENT SERVICE REVENUE</b>	<b>65,519,963</b>	<b>63,428,934</b>	<b>2,091,029</b>	<b>3.30%</b>
<b>LESS REVENUE DEDUCTIONS</b>				
UNCOMPENSATED SERVICES	(1,725,191)	(1,837,718)	112,527	6.12%
CONTRACTUAL ALLOWANCES - GOVERNMENT	(6,579,194)	(6,364,159)	(215,035)	-3.38%
CONTRACTUAL ALLOWANCES - OTHER	(4,751,500)	(4,442,934)	(308,566)	-6.95%
BAD DEBT ALLOWANCE	(2,482,117)	(2,031,473)	(450,644)	-22.18%
OTHER DEDUCTIONS	(1,816,671)	(1,541,614)	(275,057)	-17.84%
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>(17,354,673)</b>	<b>(16,217,898)</b>	<b>(1,136,775)</b>	<b>-7.01%</b>
<b>NET PATIENT SERVICE REVENUE</b>	<b>48,165,291</b>	<b>47,211,036</b>	<b>954,254</b>	<b>2.02%</b>
<b>OTHER OPERATING REVENUE</b>				
WHITCOMB TERRACE	494,030	556,058	(62,028)	-11.15%
CAFETERIA	398,786	382,125	16,661	4.36%
MISCELLANEOUS	786,735	740,627	46,108	6.23%
<b>TOTAL OTHER OPERATING REVENUE</b>	<b>1,679,551</b>	<b>1,678,810</b>	<b>741</b>	<b>0.04%</b>
<b>TOTAL OPERATING REVENUE</b>	<b>49,844,842</b>	<b>48,889,846</b>	<b>954,995</b>	<b>1.95%</b>
<b>EXPENSES</b>				
SALARIES	(19,909,111)	(20,593,319)	684,208	3.32%
PHYSICIAN COMPENSATION	(5,109,315)	(5,119,018)	9,703	0.19%
PATIENT CARE SUPPLIES	(4,782,134)	(4,598,206)	(183,928)	-4.00%
OUTSOURCING	(1,769,467)	(1,706,724)	(62,743)	-3.68%
LEGAL, CONSULT, AUDIT	(623,329)	(518,911)	(104,418)	-20.12%
MAINTENANCE & UTILITIES	(2,554,772)	(2,785,930)	231,158	8.30%
CONTINUING EDUCATION	(95,394)	(145,833)	50,439	34.59%
PHYSICIAN RECRUITMENT	(1,373)	(25,000)	23,627	94.51%
EMPLOYEE BENEFITS	(4,782,578)	(5,660,946)	878,368	15.52%
DEPRECIATION & AMORTIZATION	(3,924,760)	(3,810,983)	(113,777)	-2.99%
GENERAL & PROF INSURANCE	(196,737)	(203,686)	6,949	3.41%
MISCELLANEOUS EXPENSE	(3,678,375)	(3,561,777)	(116,598)	-3.27%
<b>TOTAL EXPENSES</b>	<b>(47,427,344)</b>	<b>(48,730,333)</b>	<b>1,302,989</b>	<b>2.67%</b>
<b>OPERATING MARGIN</b>	<b>2,417,497</b>	<b>159,513</b>	<b>2,257,984</b>	<b>1415.55%</b>
<b>NONOPERATING REVENUE</b>				
PROPERTY TAXES	5,922,500	5,922,500	0	0.00%
INTEREST INCOME	446,532	756,667	(310,135)	-40.99%
INTEREST EXPENSE	(769,619)	(2,255,409)	1,485,790	65.88%
MISC NON-OPERATING REVENUE/(EXPENSE)	(201,493)	(429,299)	227,806	53.06%
CONTRIBUTIONS - OPERATIONS & CAPITAL	22,410	257,333	(234,923)	-91.29%
GAIN/(LOSS) ON DISP OF ASSETS	9,286	0	9,286	#DIV/0!
MEMBER DISTRIBUTIONS & EQUITY TRANSFER	744,700	625,000	119,700	19.15%
<b>TOTAL NONOPERATING REVENUE</b>	<b>6,174,315</b>	<b>4,876,792</b>	<b>1,297,523</b>	<b>26.61%</b>
<b>GAIN / (LOSS)</b>	<b>8,591,812</b>	<b>5,036,305</b>	<b>3,555,507</b>	<b>70.60%</b>

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

<b>ASSETS</b>	<b>October-11</b>	<b>October-10</b>
<b>CURRENT ASSETS</b>		
CASH	19,713,266	13,709,817
SHORT TERM INVESTMENTS	20,429,898	36,050,289
INVESTMENTS - FUNDED DEPRECIATION	18,754,582	129,810
CASH RESTRICTED FOR PHYSICIANS	57,073	62,214
PATIENT ACCOUNTS RECEIVABLE	7,570,504	7,360,939
LESS CONTRACTUAL ALLOWANCES/DOUBTFUL ACCOUNTS	(2,328,367)	(1,550,286)
NET PATIENT ACCOUNTS RECEIVABLE	5,242,138	5,810,653
CONTRIBUTIONS RECEIVABLE	196,002	348,496
OTHER RECEIVABLES	205,116	636,589
INVENTORY	1,883,013	1,710,536
PREPAID EXPENSES	799,121	804,446
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 67,280,207</b>	<b>\$ 59,262,850</b>
<b>RESTRICTED ASSETS - BOND AGREEMENT</b>		
BOND - PRINCIPAL & INTEREST	728	23,058
RESTRICTED BOND PROCEEDS	35,558,245	0
DEBT SERVICE RESERVE FUND	2,242,105	2,241,770
CONSTRUCTION ESCROW	494,898	0
<b>TOTAL RESTRICTED ASSETS</b>	<b>\$ 38,295,977</b>	<b>\$ 2,264,828</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>\$ 93,092</b>
<b>CAPITAL ASSETS</b>		
LAND	267,057	267,057
PROPERTY, PLANT, & EQUIPMENT	95,597,604	70,747,666
LESS ACCUMULATED DEPRECIATION	(38,483,348)	(37,129,555)
<b>NET PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>\$ 57,381,314</b>	<b>\$ 33,885,168</b>
<b>OTHER ASSETS</b>		
DEFERRED BOND COSTS	764,082	407,438
STOCK INVESTMENT	156,526	0
GOODWILL	239,901	239,901
ACCUMULATED AMORTIZATION	(184,080)	(130,558)
SECURITY DEPOSITS PAID	51,153	51,153
<b>TOTAL OTHER ASSETS</b>	<b>\$ 1,027,582</b>	<b>\$ 567,934</b>
<b>TOTAL ASSETS</b>	<b>\$ 164,586,741</b>	<b>\$ 97,056,089</b>

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

	October-11	October-10
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
CURRENT MATURITIES OF L-T DEBT	(3,051,954)	(1,172,029)
ACCOUNTS PAYABLE	(1,266,585)	(2,467,986)
CONSTRUCTION PAYABLE	(7,910,034)	0
ACCRUED SALARIES, BENEFITS AND PAYROLL TAXES	(1,237,556)	(1,270,827)
MISCELLANEOUS LIABILITIES	(1,880,128)	(870,846)
REFUNDS PAYABLE	(110,194)	(135,865)
UNCLAIMED REFUNDS PAYABLE	(321,236)	(311,295)
DUE(TO)/FROM MEDICARE	(254,640)	(269,750)
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ (16,032,327)</b>	<b>\$ (6,498,598)</b>
<b>LONG TERM LIABILITIES</b>		
REVENUE BONDS PAYABLE	(20,652,008)	(21,259,881)
GENERAL OBLIGATION BONDS PAYABLE	(48,482,806)	0
CAPITAL LEASE OBLIGATION	(1,310,050)	(509,680)
NOTES PAYABLE	(549,227)	(580,228)
<b>TOTAL LONG TERM LIABILITIES</b>	<b>\$ (70,994,090)</b>	<b>\$ (22,349,789)</b>
<b>NET ASSETS</b>		
OPERATING FUND BALANCE	(77,560,324)	(68,207,703)
<b>TOTAL FUND BALANCE</b>	<b>\$ (77,560,324)</b>	<b>\$ (68,207,703)</b>
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<b>\$ (164,586,741)</b>	<b>\$ (97,056,089)</b>

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

	<b>OCTOBER 2011</b>	<b>YTD</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash Received from Patient and Third Parties	4,264,202	50,126,734
Cash Received from (Paid to) Others	107,445	2,142,357
Cash Paid to Suppliers	(2,433,023)	(24,182,090)
Cash Paid to Employees	(1,756,210)	(19,311,361)
Net Cash Provided by (Used in) Operating Activities	<u>182,414</u>	<u>8,775,640</u>
<b>CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Ad Valorem Taxes	38,596	6,743,664
Community Assistance Programs	(972)	(45,630)
Contributions for Operations	-	22,926
Net Cash Provided by Noncapital Financing Activities	<u>37,624</u>	<u>6,720,960</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Contributions restricted for the purchase of Capital Assets	-	494,949
Issuance of Long-Term Debt	-	-
Premium on Issuance of Long-Term Debt	-	-
Costs of Issuance of Long-Term Debt	-	-
Principal Payments on Debt	(683,003) *	(1,158,166)
Purchases of Capital Assets - AVH Funds	(247,420)	(2,495,621)
Purchases of Capital Assets - Bond Funds	(2,803,408)	(14,694,419)
Proceeds from the sale of capital assets	23,000	28,000
Interest (payments)/credit on Debt	(298,713)	(1,472,003)
Net Cash Used in Capital and Related Financing Activities	<u>(4,009,544)</u>	<u>(19,297,261)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of investments, net	-	-
Change in Investments	-	21,053
Investment Income	809	395,960
Member Distribution	-	494,700
Net Cash Provided by Investing Activities	<u>809</u>	<u>911,713</u>
Net Increase in Cash, Cash Equivalents and Investments	<u>(3,788,697)</u>	<u>(2,888,947)</u>
Cash, Cash Equivalents and Investments at Beginning of Period	100,927,450	100,027,700
Cash, Cash Equivalents and Investments at End of Period*	<u><u>97,138,753</u></u>	<u><u>97,138,753</u></u>

\* Excludes Accrued Int. Income - FD & Bond Proceeds of \$112,042 at the end of October.