



**FY 2019**

**December 2018**

**DRAFT**  
**Financial Report**

**Financial Report  
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**Consolidated Balance Sheet  
As of December 31, 2018**

	<b>Current Month</b>	<b>Fiscal Year End 6/30/2018</b>	<b>Variance</b>
<b><u>Assets</u></b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$19,039,858	\$46,621,710	(\$27,581,852)
Net patient accounts receivable	47,694,569	46,195,877	1,498,692
Other receivables	3,460,472	2,446,519	1,013,953
Supplies inventory	9,604,344	9,013,015	591,329
Prepaid expenses and other assets	6,522,192	2,978,734	3,543,458
Estimated third-party payor settlements	16,650,469	6,755,695	9,894,774
Restricted cash and investments	702,922	718,227	(15,305)
<b>Total current assets</b>	<b>103,674,826</b>	<b>114,729,777</b>	<b>(11,054,951)</b>
<b>Capital Assets - net</b>	<b>100,589,143</b>	<b>101,758,785</b>	<b>(1,169,642)</b>
<b>Other Assets</b>			
Notes receivable	3,790,322	4,387,497	(597,175)
Other	40,138,209	39,921,864	216,345
<b>Total other assets</b>	<b>43,928,531</b>	<b>44,309,360</b>	<b>(380,829)</b>
<b>Total Assets</b>	<b>\$248,192,500</b>	<b>\$260,797,922</b>	<b>(\$12,605,422)</b>
<b><u>Liabilities and Net Position</u></b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities	\$41,520,677	\$44,130,100	(\$2,609,423)
Accrued payroll and related expenses	19,229,240	19,232,710	(3,470)
Current maturities of long-term debt	3,597,520	3,827,098	(229,578)
Short-term debt	3,162,316	10,442,249	(7,279,933)
Other current liabilities	2,038,529	2,217,445	(178,916)
<b>Total current liabilities</b>	<b>69,548,282</b>	<b>79,849,602</b>	<b>(10,301,321)</b>
Long-term debt - net of current portion	82,305,119	83,987,851	(1,682,732)
Workers' comp & professional liability	8,041,392	7,938,447	102,945
<b>Total liabilities</b>	<b>159,894,793</b>	<b>171,775,900</b>	<b>(11,881,107)</b>
Net position	88,297,707	89,022,022	(724,315)
<b>Total Liabilities and Net Position</b>	<b>\$248,192,500</b>	<b>\$260,797,922</b>	<b>(\$12,605,422)</b>



Consolidated Statement of Revenue & Expenses For Six Months Ended December 31, 2018

Table with columns: For the Month (Actual, Budget, Variance, % Var), Year-to-Date (Actual, Budget, Variance, % Var), and Prior YTD. Rows include Revenue (Gross Patient, Total Revenue Deductions, Net Patient, Other Operating, Total Operating), Expenses (Salaries and Related, Benefits, Supplies and Pharmaceuticals, Purchased Services, Legal Fees, Physician Fees, Maintenance, Rent and Utilities, Other Operating, Depreciation and Amortization, Total Operating), Net Income (Loss) from Operations, Non-operating Revenue (Expenses), District Tax Revenue, Net Interest, Other Non-operating (expenses) income, Total Non-operating Revenue (Expenses), Excess Revenue Over Expenses, EROE % of Total Operating Revenue, EBITDA, and EBITDA % of Total Operating Revenue.

**Consolidated Statement of Cash Flows  
For Six Months Ended December 31, 2018**

	<b>Current Month</b>	<b>Fiscal Year to Date</b>
<b>Cash Flows From Operating Activities</b>		
Receipts from patients, insurers, and other payors	\$22,966,890	\$160,771,766
Payments to vendors	(14,872,236)	(83,435,634)
Payments for salaries, wages, and related benefits	(15,760,499)	(97,079,675)
Other receipts and payments	528,313	3,755,816
<b>Net cash provided by (used in) operating activities</b>	<b>(7,137,532)</b>	<b>(15,987,727)</b>
<b>Cash Flows From Noncapital Financing Activities</b>		
Minority interest distribution, net	(705,325)	(1,076,445)
District tax revenue	860,677	5,164,064
Other non-operating (expense) income	(61,024)	92,630
<b>Net cash provided by noncapital financing activities</b>	<b>94,328</b>	<b>4,180,249</b>
<b>Cash Flows From Capital &amp; Related Financing Activities</b>		
Acquisition of capital assets	(334,637)	(4,729,085)
Proceeds from revolving line of credit	29,045,513	171,956,340
Principal repayments on revolving line of credit	(27,138,944)	(176,236,273)
Principal repayments on debt	(321,261)	(4,912,310)
Interest payments on debt	(362,349)	(2,235,600)
<b>Net cash used in capital and related financing activities</b>	<b>888,321</b>	<b>(16,156,928)</b>
<b>Cash Flows From Investing Activities</b>		
Interest on investments	56,830	382,554
<b>Net cash provided by (used in) investing activities</b>	<b>56,830</b>	<b>382,554</b>
<b>Net Increase (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(6,098,053)</b>	<b>(27,581,852)</b>
<b>Cash and Cash Equivalents - Beginning of period</b>	<b>25,137,911</b>	<b>46,621,710</b>
<b>Cash and Cash Equivalents - End of period</b>	<b>\$19,039,858</b>	<b>\$19,039,858</b>
Net income (loss) from operations	(\$258,599)	(\$3,051,519)
Adjustments to reconcile net income (loss) from operations to net cash provided by operating activities:		
Depreciation and amortization	1,002,787	5,898,727
Changes in assets and liabilities:		
Patient accounts receivable, net of provision	(3,544,752)	(1,498,692)
Other receivables	2,388,332	(1,013,953)
Other - net	128,314	(3,814,623)
Accounts payable and accrued liabilities	(1,913,607)	(2,609,423)
Accrued payroll and related expenses	112,496	(3,470)
Estimated third-party payor settlements	(5,052,503)	(9,894,774)
<b>Net cash provided by (used in) operating activities</b>	<b>(\$7,137,532)</b>	<b>(\$15,987,727)</b>



TCMC Trailing Twelve Months Patient Days, ADC and Admissions

	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18
<b>Patient Days</b>												
6010 ACCU	655	538	496	473	490	497	441	390	359	424	528	617
6070 NICU	387	356	383	344	378	404	352	304	300	342	348	271
6150 Telemetry	1,900	1,466	1,438	1,099	1,105	1,141	1,093	1,002	1,023	1,087	1,030	1,301
6171 IP Progressive Care Unit	479	500	688	486	546	577	513	529	439	659	435	446
6183 MS Ortho 1N	594	440	534	490	498	403	515	455	475	527	419	517
6185 2P Oncology	609	479	573	500	466	490	514	562	433	531	464	504
6186 Monitored Medical Unit	627	381	435	453	461	425	477	416	379	457	400	481
6385 Mother Baby	541	448	574	424	466	540	500	542	496	466	516	449
Subtotal Acute	5,792	4,608	5,121	4,269	4,410	4,477	4,405	4,200	3,904	4,493	4,140	4,586
6340 IP Behavioral Health	517	350	426	415	402	356	336	351	292	-	-	-
6440 Acute Rehab	224	244	231	212	206	144	228	282	195	145	171	163
Total Patient Days	6,533	5,202	5,778	4,896	5,018	4,977	4,969	4,833	4,391	4,638	4,311	4,749
<b>Average Daily Census</b>												
Acute	186.8	164.6	165.2	142.3	142.3	149.2	142.1	135.5	130.2	144.9	138.0	147.9
IP Behavioral Health	16.7	12.5	13.7	13.8	13.0	11.9	10.8	11.3	9.7	-	-	-
Acute Rehab	7.2	8.7	7.5	7.1	6.6	4.8	7.4	9.1	6.5	4.7	5.7	5.3
Total ADC	210.7	185.8	186.4	163.2	161.9	165.9	160.3	155.9	146.4	149.6	143.7	153.2
<b>Admissions</b>												
Med Surg (incl. ACCU & Tele)	865	781	787	764	785	781	771	783	658	794	693	740
NICU	30	9	14	14	13	11	12	17	22	16	12	9
Mother Baby	222	190	195	169	174	199	206	216	197	194	195	177
IP Behavioral Health	60	51	54	51	46	52	35	46	21	-	-	-
Acute Rehab	18	15	15	11	16	6	14	15	12	13	14	12
Total Admissions	1,195	1,046	1,065	1,009	1,034	1,049	1,038	1,077	910	1,017	914	938



TCCM Trended Accounts Receivable  
Fiscal Year 2019

	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	TTM
		Days	Days	Days	Days	Days	Days	Days	Days	Days	Days	Days	Average
Gross Changes in A/R Inventory	363,294,941	359,895,773	359,130,995	345,461,522	342,303,764	360,566,405							366,434,633
Net A/R	43,551,928	42,008,673	42,427,122	41,627,596	42,891,794	46,549,116							44,154,882
Net A/R Days	51.0	48.5	50.3	49.5	52.3	56.5							51.9
Total Patient Collections	27,707,647	28,570,529	24,450,761	26,913,958	23,130,535	22,244,205							26,421,789
Collections as a % of Prior Month Net Patient Revenue	103.5%	109.6%	91.2%	109.0%	89.2%	92.6%							100.7%
Unbilled A/R:													
Inhouse	19,580,737	15,916,697	12,325,548	18,002,239	18,076,048	17,862,715							17,403,631
Discharged, Not Final Billed (DNFB)	41,579,391	41,395,666	36,625,716	37,663,627	46,453,162	70,473,583							41,354,971
Days of Revenue in Unbilled A/R:													
Inhouse	4.9	4.0	3.2	4.7	4.7	4.6							4.3
Discharged, Not Final Billed (DNFB)	10.3	10.3	9.4	9.8	12.2	18.0							10.4

Affinity System	Unbilled	0 - 30		31 - 60		61 - 90		91 - 120		121 - 150		151 - 180		181+		Total	%	
		Days	Days	Days	Days	Days	Days	Days	Days	Days	Days	Days	Days	Days				
<b>Current Month Aged A/R by Payer</b> <i>(Excludes Home Health &amp; PCP Clinics)</i>																		
Medicare	22,417,431	3,162,251	853,474	300,585	74,039	475,009	96,882	127,271	27,506,942	19.9%								
Medi-Cal	6,080,528	657,877	2,223,019	711,587	117,935	108,096	177,379	363,342	10,439,756	7.5%								
Workers Comp	423,320	181,045	130,447	164,255	226,303	61,765	47,520	120,143	1,354,798	1.0%								
CMS	0	4,315	-	-	20,585	-	-	-	24,900	0.0%								
Champus	1,680,323	185,523	119,246	35,515	15,431	12,491	27,738	53,221	2,129,488	1.5%								
Covered California	1,316,708	(142,302)	160,920	37,498	21,139	25,382	30,290	298,976	1,748,611	1.3%								
HMO	6,052,579	1,469,273	1,081,611	606,716	871,543	272,965	214,692	835,458	11,404,837	8.2%								
PPO	3,889,445	1,427,251	1,218,021	393,127	254,928	23,791	39,616	201,248	7,447,427	5.4%								
Commercial	454,084	172,509	257,198	329,091	78,394	63,341	74,130	300,392	1,729,139	1.2%								
Self Pay	3,752,780	978,374	3,292,966	2,663,439	2,453,159	2,408,747	845,002	1,582,126	17,976,593	13.0%								
Medi-Cal HMO	15,737,144	1,000,537	1,097,673	700,172	199,565	102,729	157,190	663,095	19,658,105	14.2%								
HMO Senior	13,702,678	1,622,429	1,398,325	450,945	315,228	138,144	136,740	710,220	18,474,709	13.4%								
Capitated Senior	3,932,132	79,973	13,187	22,873	3,800	5,201	590	97,232	4,154,988	3.0%								
Capitated Commercial	1,243,477	189,278	11,242	13,087	3,708	1,138	11,674	8,559	1,482,163	1.1%								
Other	7,643,673	1,530,723	1,934,764	1,068,358	182,655	129,847	69,126	289,816	12,848,962	9.3%								
<b>Total</b>	<b>88,326,302</b>	<b>12,519,056</b>	<b>13,792,093</b>	<b>7,497,248</b>	<b>4,838,412</b>	<b>3,828,646</b>	<b>1,928,569</b>	<b>5,657,099</b>	<b>138,367,418</b>	<b>100.0%</b>								
<b>Payor Percentage</b>	<b>63.8%</b>	<b>9.0%</b>	<b>10.0%</b>	<b>5.4%</b>	<b>3.5%</b>	<b>2.8%</b>	<b>1.4%</b>	<b>4.1%</b>	<b>100.0%</b>									



Consolidated Trended Statement of Revenue & Expenses  
Fiscal Year 2019

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD
<b>Revenue</b>													
Gross Patient Revenue	\$132,792,747	\$135,520,409	\$119,687,480	\$133,312,001	\$126,142,280	\$133,325,861							\$780,780,778
Total Revenue Deductions	(104,158,801)	(105,468,704)	(91,347,823)	(104,359,941)	(98,116,280)	(104,150,047)							(607,601,593)
<b>Net Patient Revenue</b>	<b>28,633,946</b>	<b>30,051,705</b>	<b>28,339,657</b>	<b>28,952,060</b>	<b>28,026,000</b>	<b>29,175,814</b>							<b>173,179,185</b>
Other Operating Revenue	511,574	562,156	609,913	606,408	617,613	527,988							3,435,652
<b>Total Operating Revenue</b>	<b>29,145,520</b>	<b>30,613,861</b>	<b>28,949,570</b>	<b>29,558,468</b>	<b>28,643,613</b>	<b>29,703,802</b>							<b>176,614,837</b>
<b>Expenses</b>													
Salaries and Related Expenses	13,256,936	13,475,014	12,621,190	13,265,261	12,817,085	12,935,378							78,370,865
Benefits	3,325,486	3,171,891	3,188,385	3,270,658	2,811,302	2,937,617							18,705,340
Supplies and Pharmaceuticals Expense	5,663,525	6,214,954	5,420,644	6,723,546	5,537,160	6,712,326							36,272,155
Purchased Services	1,691,162	1,845,445	1,683,336	1,708,096	1,721,979	1,647,635							10,287,652
Legal Fees	41,950	49,547	96,755	(421,109)	16,762	50,038							(166,058)
Physician Fees	1,934,460	2,103,012	2,002,808	915,141	2,049,958	1,739,834							10,745,212
Maintenance, Rent and Utilities	1,545,082	1,569,847	1,548,016	1,466,020	1,497,830	1,295,318							8,922,112
Other Operating Expenses	1,697,116	1,821,163	1,770,760	1,892,058	1,807,785	1,641,468							10,630,351
Depreciation and Amortization	979,922	977,819	972,587	976,587	989,024	1,002,787							5,898,727
<b>Total Operating Expenses</b>	<b>30,125,639</b>	<b>31,228,692</b>	<b>29,304,481</b>	<b>29,796,258</b>	<b>29,248,885</b>	<b>29,962,401</b>							<b>179,666,356</b>
<b>Net Income (Loss) from Operations</b>	<b>(980,119)</b>	<b>(614,831)</b>	<b>(354,911)</b>	<b>(237,790)</b>	<b>(605,272)</b>	<b>(258,599)</b>							<b>(3,051,519)</b>
<b>Non-operating Revenue (Expenses)</b>													
District Tax Revenue	851,636	851,636	871,362	868,075	860,677	860,677							5,164,064
Net Interest	(293,285)	(310,560)	(325,504)	(330,865)	(287,314)	(305,519)							(1,853,046)
Other Non-operating (expenses) Income	(55,870)	(46,901)	(71,720)	(45,784)	373,929	(61,024)							92,630
<b>Total Non-operating Revenue (Expenses)</b>	<b>502,481</b>	<b>494,175</b>	<b>474,138</b>	<b>491,426</b>	<b>947,292</b>	<b>494,134</b>							<b>3,403,648</b>
<b>Excess Revenue Over Expenses</b>	<b>(\$477,638)</b>	<b>(\$120,656)</b>	<b>\$119,227</b>	<b>\$253,636</b>	<b>\$342,020</b>	<b>\$235,535</b>							<b>\$352,129</b>
EROE % of Total Operating Revenue	-1.64%	-0.39%	0.41%	0.86%	1.19%	0.79%							0.20%
EBITDA	\$795,569	\$1,167,723	\$1,417,318	\$1,561,088	\$1,618,358	\$1,543,841							\$8,103,902
EBITDA % of Total Operating Revenue	2.73%	3.81%	4.90%	5.28%	5.65%	5.20%							4.59%





TCMC Trended Statement of Revenue & Expenses  
Fiscal Year 2019

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD
<b>Revenue</b>													
Total Gross Patient Revenue	\$126,798,918	\$128,996,265	\$112,565,398	\$126,212,210	\$118,826,270	\$127,179,179							\$740,578,240
Deductions from Revenue	(99,055,978)	(99,834,880)	(85,292,173)	(98,296,562)	(91,992,103)	(99,037,596)							(573,509,289)
<b>Net Patient Revenue</b>	<b>27,742,940</b>	<b>29,161,385</b>	<b>27,273,225</b>	<b>27,915,648</b>	<b>26,834,167</b>	<b>28,141,583</b>							<b>167,068,951</b>
Other Operating Revenue	502,086	756,087	817,876	597,336	830,239	518,817							4,022,441
<b>Total Operating Revenue</b>	<b>28,245,026</b>	<b>29,917,472</b>	<b>28,091,101</b>	<b>28,512,984</b>	<b>27,664,406</b>	<b>28,660,400</b>							<b>171,091,392</b>
<b>Expenses</b>													
Salaries and Related Expenses	13,051,901	13,278,196	12,389,844	13,057,645	12,592,329	12,715,131							77,085,047
Benefits	3,283,726	3,139,021	3,149,385	3,236,903	2,772,980	2,903,493							18,485,509
Supplies & Pharmaceutical Expense	5,411,160	5,936,738	5,038,911	6,481,953	5,244,483	6,455,456							34,568,701
Purchased Services	1,656,148	1,875,021	1,360,816	1,520,965	1,666,337	1,605,361							9,684,648
Legal Fees	41,071	48,862	93,435	(421,524)	16,627	48,508							(173,022)
Physician Fees	1,933,600	2,095,367	1,993,063	906,866	2,039,321	1,730,199							10,698,415
Maintenance, Rent & Utilities	1,470,486	1,498,493	1,483,130	1,406,795	1,410,401	1,230,627							8,499,931
Other Operating Expenses	1,646,474	1,785,704	1,707,247	1,829,402	1,733,508	1,585,340							10,287,676
Depreciation & Amortization	956,331	955,834	954,336	957,537	969,947	983,715							5,777,699
<b>Total Operating Expenses</b>	<b>29,450,897</b>	<b>30,613,236</b>	<b>28,170,167</b>	<b>28,976,542</b>	<b>28,445,933</b>	<b>29,257,830</b>							<b>174,914,604</b>
<b>Net income (Loss) from Operations</b>	<b>(1,205,871)</b>	<b>(695,764)</b>	<b>(79,066)</b>	<b>(463,558)</b>	<b>(781,527)</b>	<b>(597,430)</b>							<b>(3,823,212)</b>
<b>Non-operating Revenue (Expenses)</b>													
District Tax Revenue	851,636	851,636	871,362	868,075	860,677	860,677							5,164,064
Net Interest	(293,598)	(310,453)	(325,763)	(330,957)	(287,358)	(306,009)							(1,854,137)
Other Non-operating (expenses) income	(55,870)	(46,901)	(71,720)	(45,784)	362,929	(50,024)							92,630
<b>Total Non-operating Revenue (Expenses)</b>	<b>502,168</b>	<b>494,282</b>	<b>473,879</b>	<b>491,334</b>	<b>936,248</b>	<b>504,644</b>							<b>3,402,557</b>
<b>Excess of Revenue Over Expenses</b>	<b>(\$703,703)</b>	<b>(\$201,482)</b>	<b>\$394,813</b>	<b>\$27,776</b>	<b>\$154,721</b>	<b>(\$92,786)</b>							<b>(\$420,655)</b>
EROE % of Total Operating Revenue	-2.49%	-0.67%	1.41%	0.10%	0.56%	-0.32%							-0.25%
EBITDA	\$546,226	\$1,064,805	\$1,674,912	\$1,316,270	\$1,412,026	\$1,196,938							\$7,211,181
EBITDA % of Total Operating Revenue	1.93%	3.56%	5.96%	4.62%	5.10%	4.18%							4.21%



**TCMC Summary Of Investments**  
**As of December 31, 2018**

<b>Issuer</b>	<b>Date</b>	<b>Maturity Date</b>	<b>Current Yield</b>	<b>Investment Fair Market Value</b>	<b>Purpose</b>
Local Agency Investment Fund (LAIF)	Various	Open	2.000	\$15,673,785	General Operations
<b>Assets Whose Use is Limited</b>					
Local Agency Investment Fund (LAIF)	Various	Open	2.000	\$404,922	Funded depreciation
Workcomp Letter of Credit CD (2003)	04/12/17	04/12/19	0.120	15,000	Workcomp Fund
Workcomp Letter of Credit CD (2004)	07/26/18	07/28/19	0.120	283,000	Workcomp Fund
<b>Total Assets Whose Use is Limited</b>				<u><b>\$702,922</b></u>	
<b>Total Invested Funds</b>				<u><u><b>\$16,376,707</b></u></u>	

**TCMC Financial and Patient Indicators  
December 31, 2018**

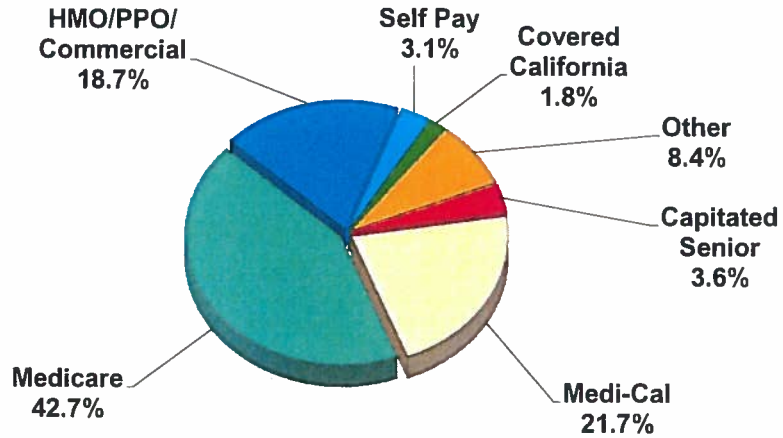
**CURRENT MONTH**
**YEAR TO DATE**

Actual	Prior Year	PATIENT VOLUME INDICATORS	Actual	Prior Year
4,749	5,349	Patient Days	27,891	31,354
8,069	9,205	Adjusted Patient Days	50,111	55,959
4.7	4.5	Acute Length of Stay (1)	4.4	4.3
153	173	Average Daily Census (Occupied Beds)	152	170
260	297	Adjusted Occupied Beds	272	304
6.50	6.43	Paid FTE per Adjusted Occupied Bed	6.91	6.41
5.87	5.45	Productive FTE per Adjusted Occupied Bed	5.92	5.51
3.3%	3.0%	Overtime Hours as % of Total Paid Hours	3.0%	2.8%

Actual	Prior Year	REVENUE AND EXPENSE INDICATORS	Actual	Prior Year
\$3,488	\$3,109	Net Patient Revenue per Adjusted Patient Day	\$3,334	\$3,040
\$3,626	\$3,310	Operating Expense per Adjusted Patient Day	\$3,491	\$3,250
\$1,936	\$1,800	Salaries, Contract Labor & Benefits Exp per Adj. Pt. Day	\$1,907	\$1,775
\$800	\$643	Supplies & Pharmaceutical Expense per Adj. Patient Day	\$690	\$631
\$148	\$49	EBITDA per Adjusted Patient Day	\$144	\$44

(1) Acute length of stay excludes mental health and rehabilitation units.

### TCMC - Payor Mix Year to Date (Percent of Gross Revenue)



### TCMC - Payor Mix Year to Date (Percent of Net Revenue)

