



NOTICE OF REGULAR BOARD MEETING OF  
 THE UPPER SAN JUAN HEALTH SERVICE DISTRICT  
 d/b/a PAGOSA SPRINGS MEDICAL CENTER  
**Tuesday, November 15, 2022, at 5:00 PM**  
 The Board Room (direct access – northeast entrance)  
 95 South Pagosa Blvd., Pagosa Springs, CO 81147

**FOR INFECTION CONTROL, PERSONS FROM THE PUBLIC ARE  
 ENCOURAGED TO ATTEND VIA ZOOM**

Please use this link to join the meeting: <https://us02web.zoom.us/j/88304467907>  
 or telephone (346) 248-7799 or (669) 900-6833  
 Zoom Meeting ID: 883 0446 7907

**AGENDA**

**1) CALL TO ORDER; ADMINISTRATIVE MATTERS OF THE BOARD**

- a) Confirmation of quorum
- b) Board member self-disclosure of actual, potential or perceived conflicts of interest
- c) Approval of the Agenda (and changes, if any)

**2) PUBLIC COMMENT** This is an opportunity for the public to make comment and/or address the Board of Directors. Persons wishing to address the Board need to notify the Kelli Shanz, Clerk to the Board, or Heather Thomas, PSMC Manager, prior to the start of the meeting. All public comments shall be limited to matters under the jurisdiction of the Board and shall be expressly limited to three (3) minutes per person. The Board is not required to respond to or discuss public comments. No action will be taken at this meeting on public comments.

**3) PRESENTATIONS**

**Recognizing the service of Kathee Douglas, CNO/COO – Rhonda Webb, M.D., CEO/CMO**

**4) REPORTS**

- a) **Oral Reports** (may be accompanied by a written report)
  - i) Chair Report Chair Matt Mees
  - ii) CEO Report Rhonda Webb, M.D.
  - ~~iii) Executive Committee Chair Mees and Vice Chair Kate Alfred~~
  - ~~iv) Foundation Committee Chair Mees, Dir. Dr. Pruitt and CEO R. Webb~~
  - v) Facilities Committee Chair Mees and COO K. Douglas
  - ~~vi) Strategic Planning Committee Dir. Cox, Dir. Rose and CEO R. Webb~~

vii) [Finance Committee & Report](#)

Treas.-Sec. Zeigler and CFO C.Keplinger

(a) [October financials](#)

(b) [2023 Budget](#)

b) **Written Reports** (*no oral report unless the Board has questions*)

i) [Medical Staff Report](#)

Chief of Staff, Dr. John Wisneski

**5) CONSENT AGENDA** (The Consent Agenda is intended to allow Board approval, by a single motion, of matters that are considered routine. There will be no separate discussion of Consent Agenda matters unless requested.)

a) Approval of Board Member absences:

i) Regular meeting of 11/15/2022

b) Approval of Minutes for the following meeting(s):

i) [Regular Meeting of: 10/25/2022](#)

c) Approval of [Medical Staff report](#) recommendations for new or renewal of provider privileges.

**6) DECISION AGENDA**

a) Consideration of [Resolution 2022-21](#) to adopt the budget for 2023

b) Consideration of [Resolution 2022-22](#) to set mill levies

c) Consideration of [Resolution 2022-23](#) to appropriate sums of money

**7) EXECUTIVE SESSION** The Board reserves the right to meet in executive session for any purpose allowed and topic announced at open session of the meeting, in accordance with C.R.S. Section 24-6-402(4).

**8) OTHER BUSINESS**

**9) ADJOURN**

**Finance Committee & CFO Report for the  
USJHSD Board Meeting on November 14, 2022**

The Board's Finance Committee met on November 14, 2022. The report below provides an overview of the financials and addresses any questions made by members of the Finance Committee.

1) **October Financials:**

a) **Bottom line and Income Statement:**

- i) PSMC had a negative bottom line for October of \$571,010. The Finance Committee commented that compared to budget year-to-date, net patient revenue is 3% less than budget and expenses exceed budget by 5%. Either of these alone are not terrible but together results in PSMC being under budget for the year by \$1,755,282.
- ii) The Finance Committee received a Becker's Hospital report reporting on the financial challenges of hospitals across the country largely resulting from the pandemic high supply costs, high labor costs, and decreased elective procedures.
- iii) Charity care increased significantly at almost \$97,000 for the month of October. This is a direct result of the State of Colorado's new program, *The Hospital Discounted Care Program*, that started September 1.
- iv) Some supply expenses were extraordinarily high in October which was a matter of timing of processing of pharma/oncology supply.
- v) Days of accounts receivable continued to be excellent at 50.4 days.

b) **Balance Sheet:**

- i) As of October 31, 2022, PSMC has 131 days of cash on hand.
- ii) On the Balance Sheet, PSMC increased its cost settlement reserves.
- iii) Medicare took too much for the accelerated payment and owes us \$251,000.

2) **Budget:**

- a) The Finance Committee found the budget and assumptions reasonable.

3) **Other:**

- a) Employee Retention Credit: PSMC applied for the Employee Retention Credit ("ERC") which is government funds for maintaining staffing during the pandemic. Last week, PSMC was notified that it has been awarded \$4,193,000 for maintaining staffing. As of this date, PSMC has not received the funds. The CFO is checking with PSMC's auditor about its recommendation of the amount to hold in reserve until the audit period on ERC has ended.
- b) PSMC is evaluating a change to bank accounts to maintain interest income. PSMC is researching this and will report it back to Finance Committee.

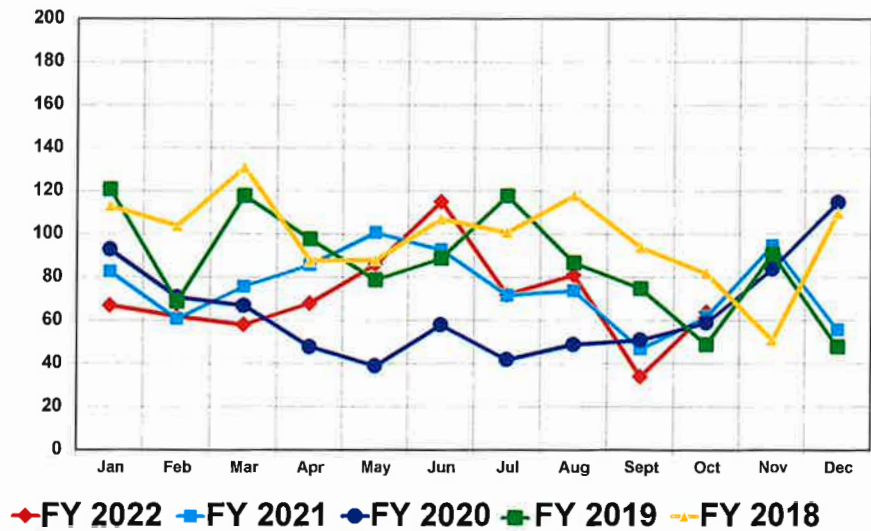
4) **Finance Committee Recommendations:** The Finance Committee recommends acceptance of the October 2022 financial reports as presented.



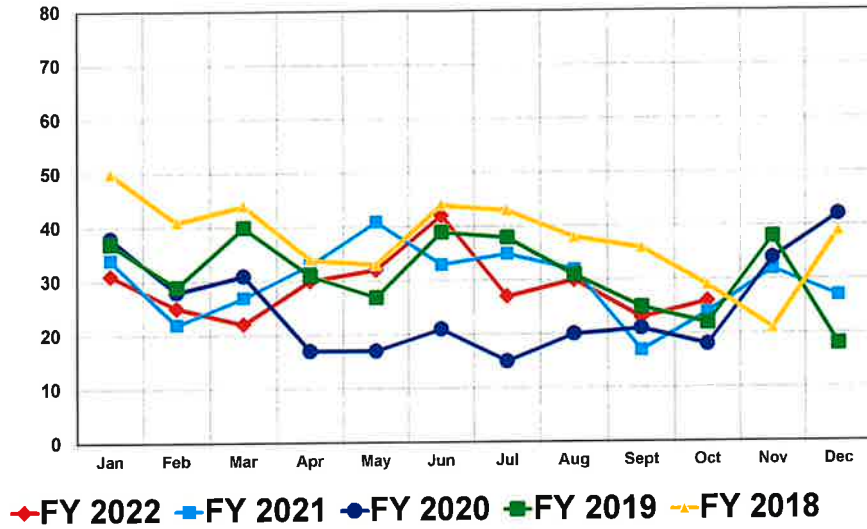
**PAGOSA SPRINGS**  
**Medical Center**  
THE CARE YOU DESERVE, IN THE MOUNTAINS YOU LOVE

**FINANCIAL PRESENTATION**  
**YTD OCTOBER 2022**

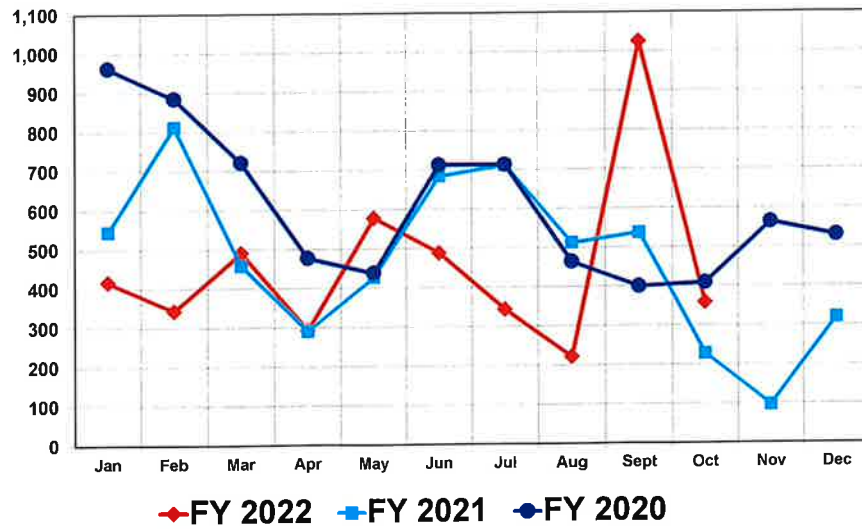
**PATIENT DAYS**

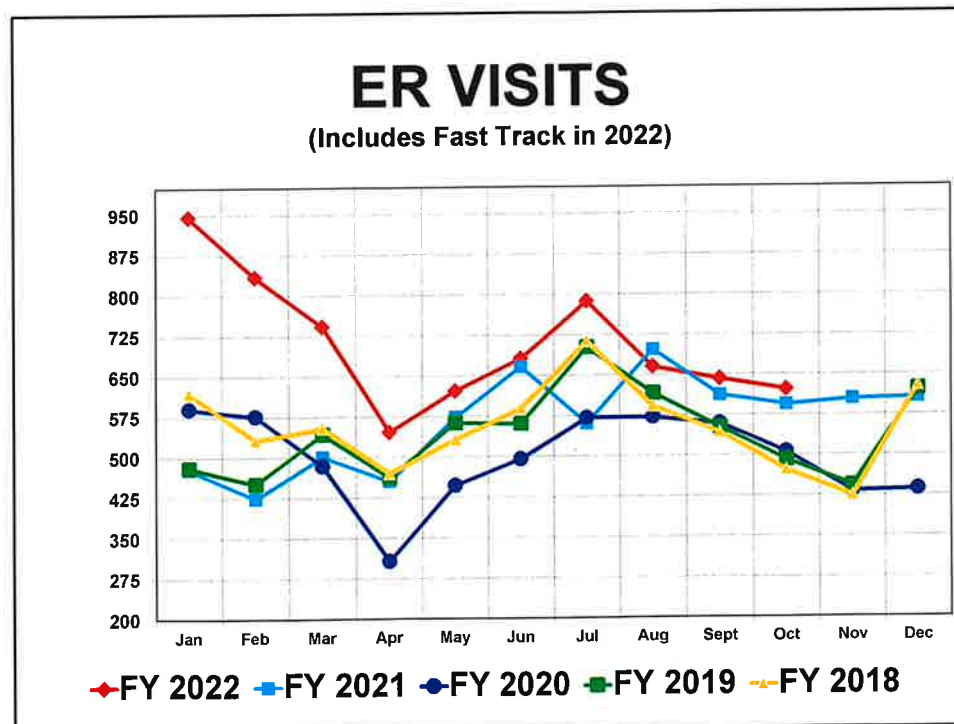
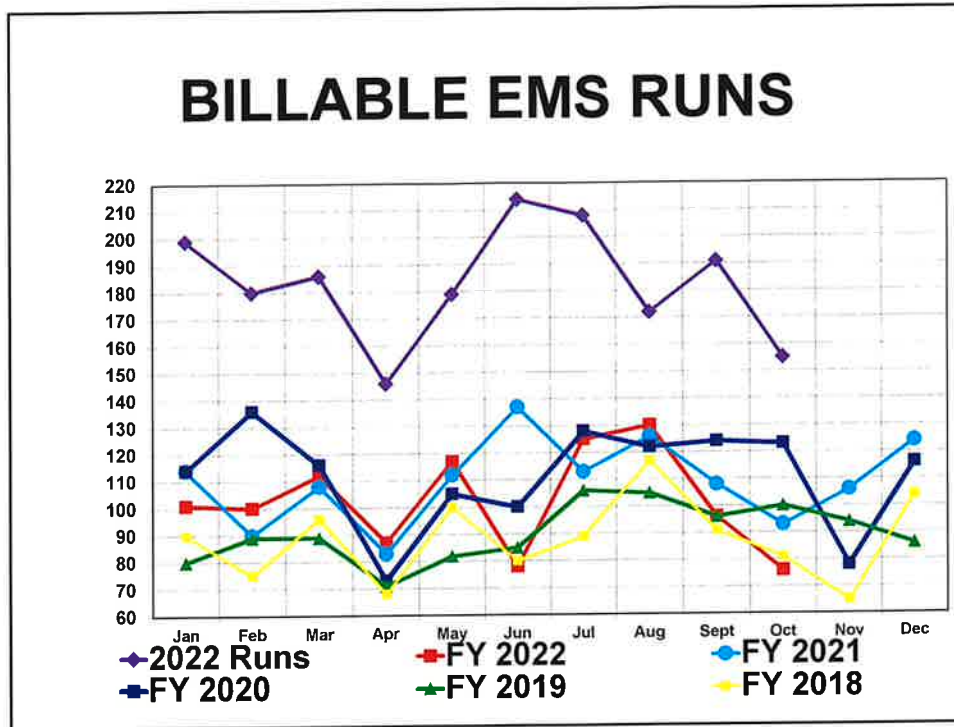


## INPATIENT DISCHARGES

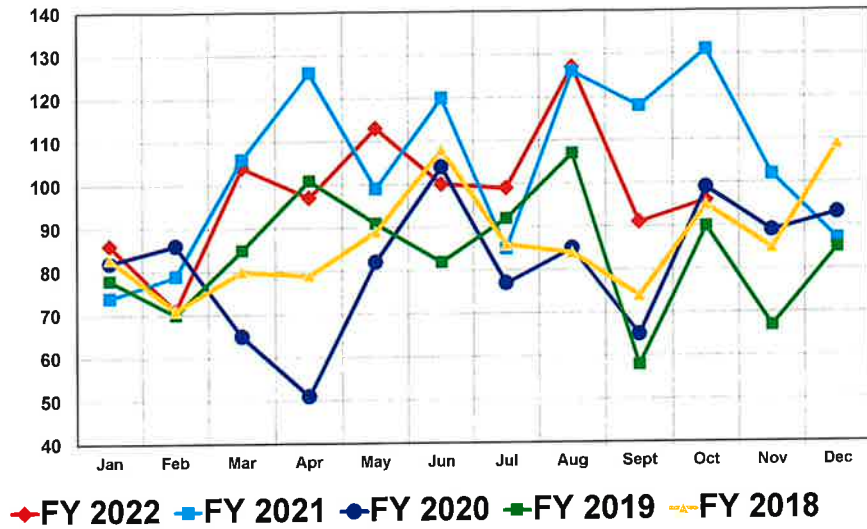


## OBSERVATION HOURS

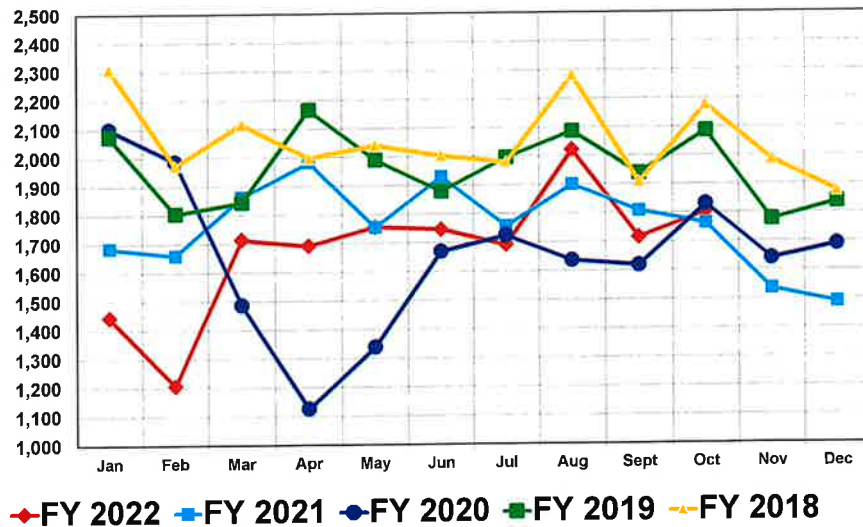


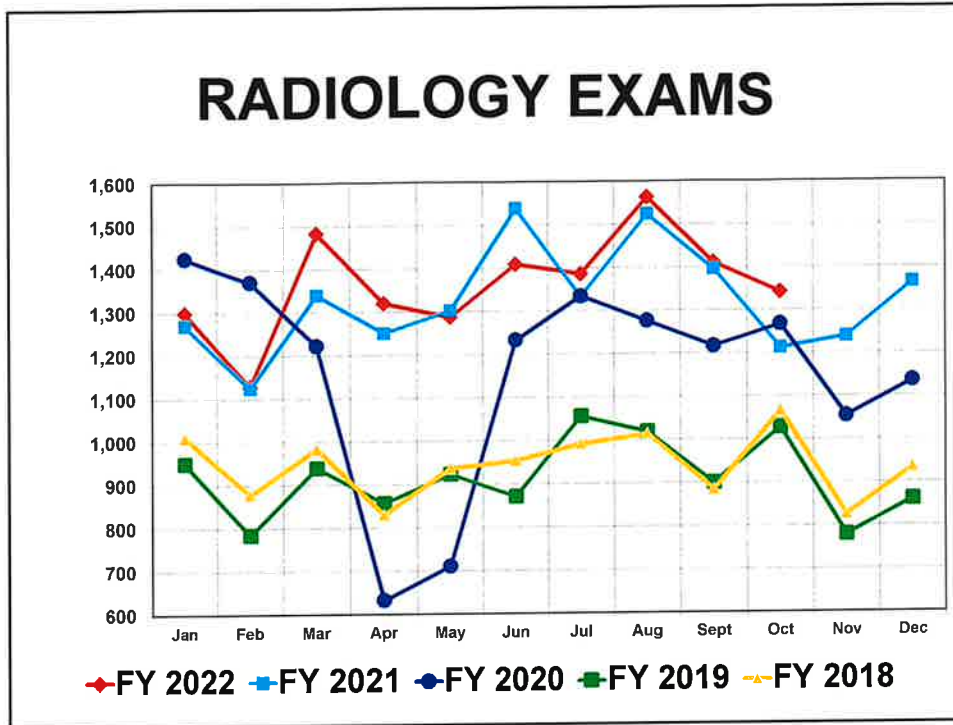


## OR and PAIN Procedures



## RURAL HEALTH CLINIC VISITS

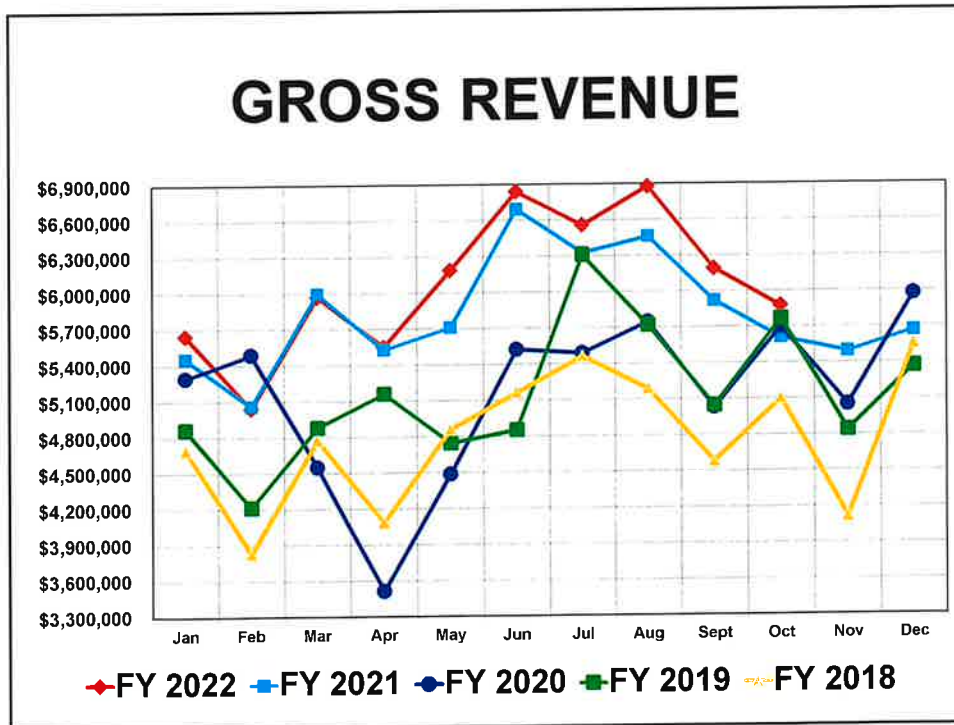
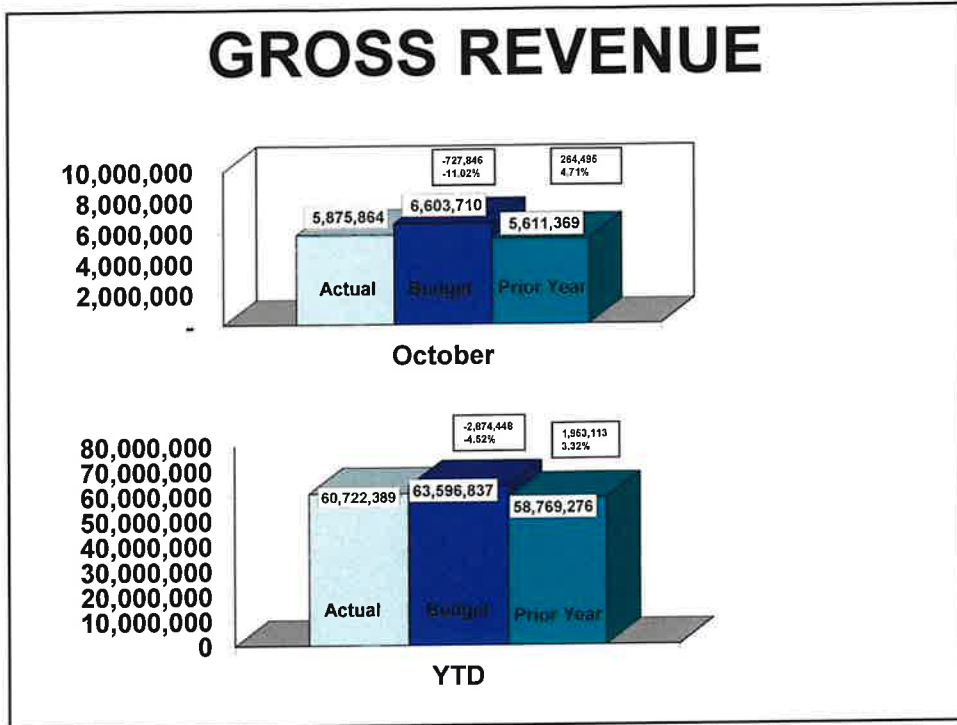


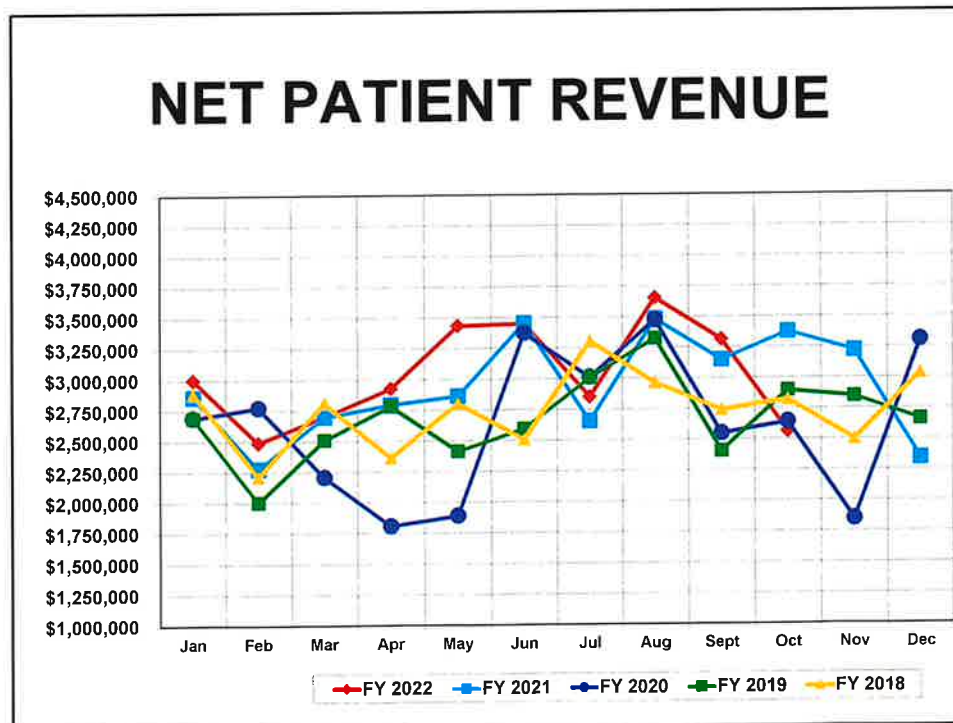
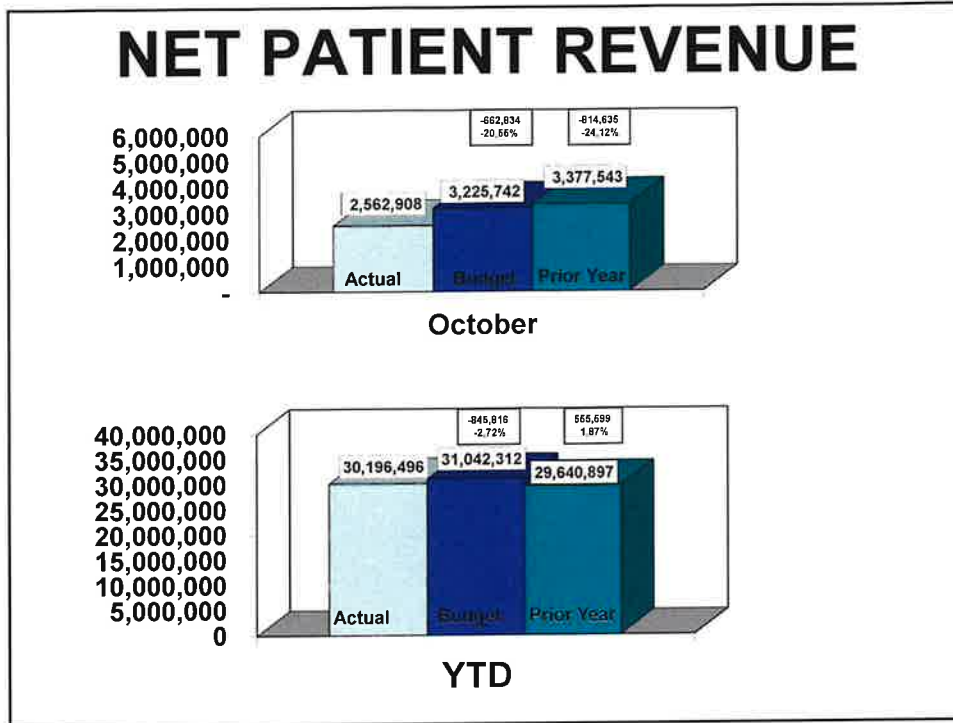


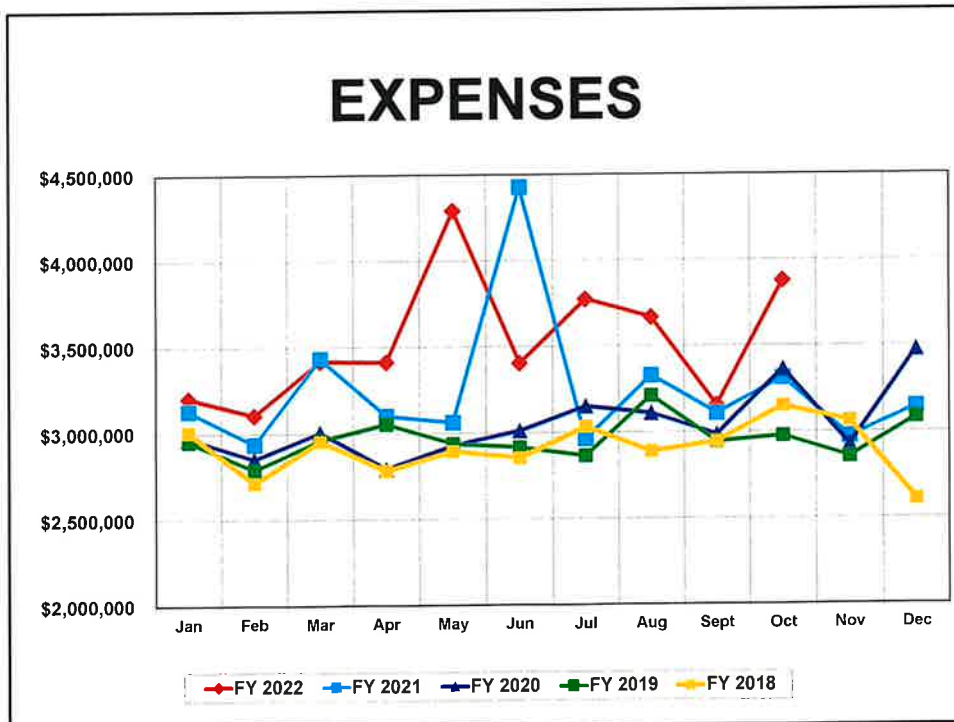
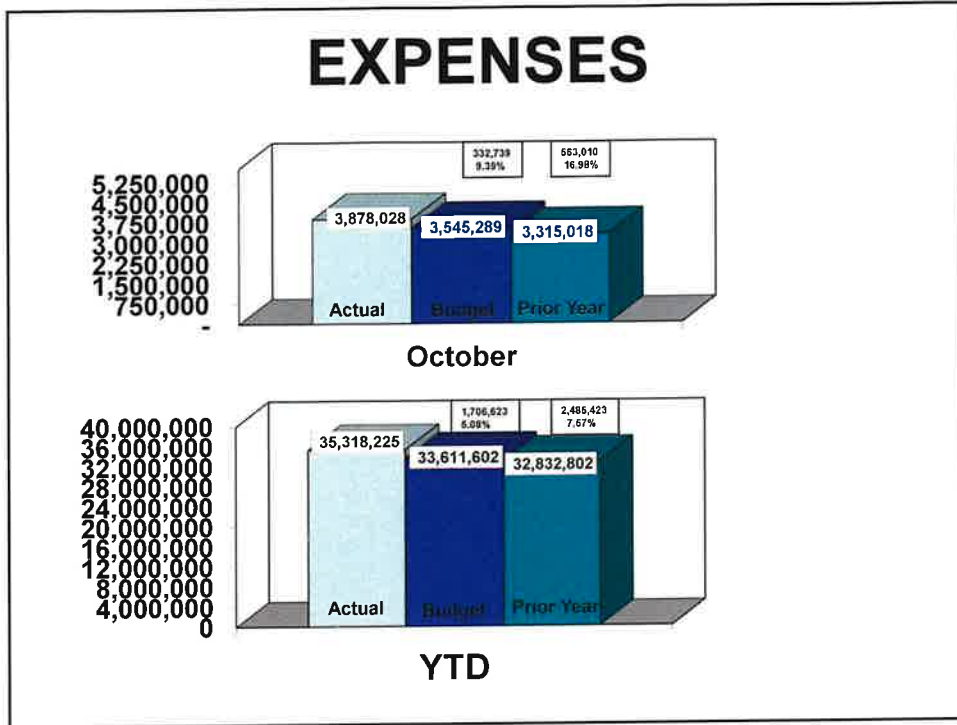
### Summary of Financials

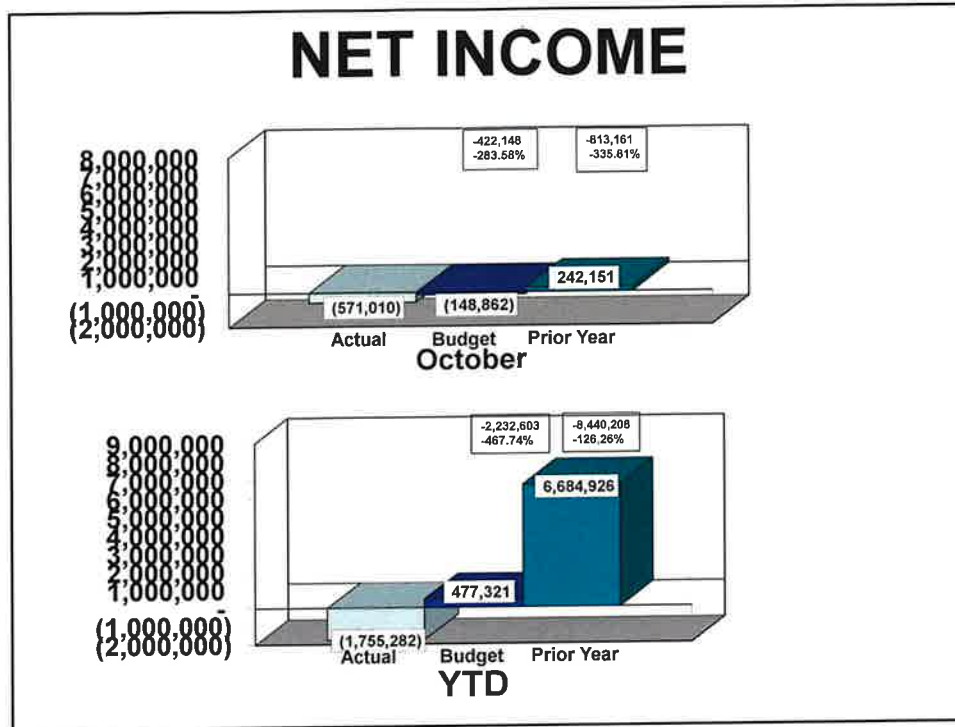
		September
Gross Revenue		\$ 6,188,825
Net Revenue		\$ 3,137,210
Expenses		\$ 3,155,648
Grants, 340B and Tax Revenue		\$ 281,380
Grants and 340B and Stimulus	\$	253,086
Tax Revenue	\$	28,294
Net Income	\$	262,942







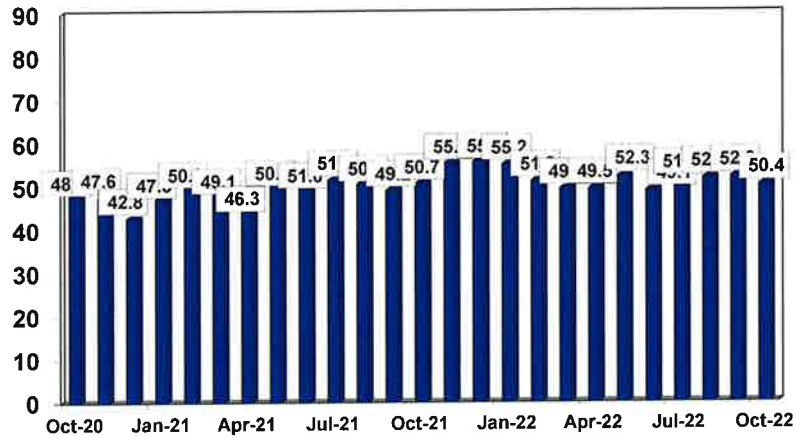




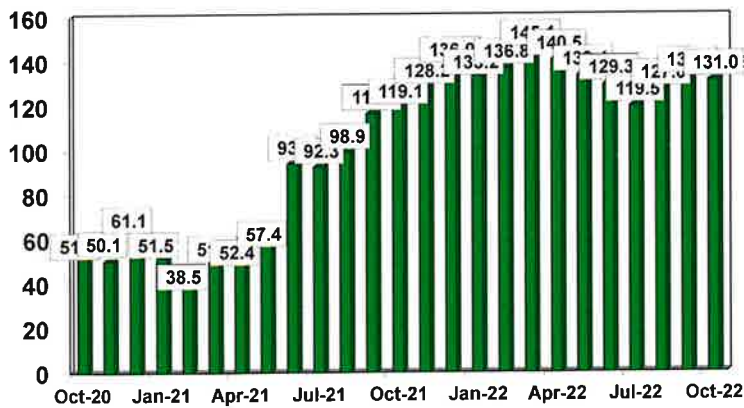
### Summary of Financials

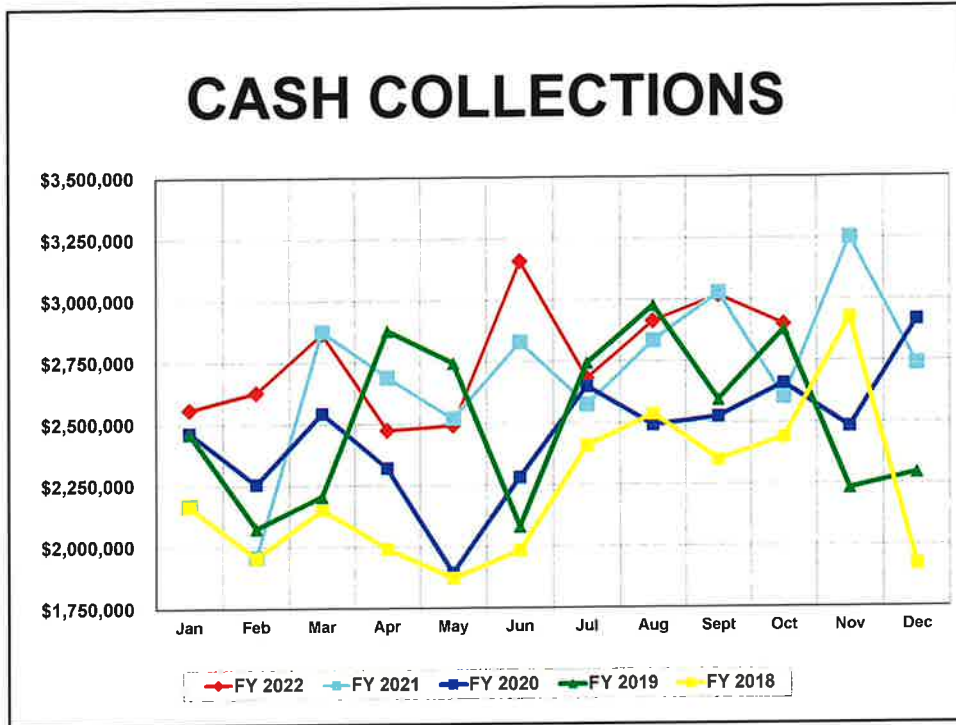
	October
Gross Revenue	\$ 5,875,884
Net Revenue	\$ 2,562,908
Expenses	\$ 3,878,028
Grants, 340B and Tax Revenue	\$ 744,110
Grants and 340B and Stimulus	\$ 719,911
Tax Revenue	\$ 24,199
Net Income	\$ -571,010

## GROSS DAYS IN ACCOUNTS RECEIVABLE



## DAYS CASH ON HAND





## Income Statement - - - October 31, 2022

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	Current Month				Year-to-Date			
	2022	Budget	Difference	Variance	2022	Budget	Difference	Variance
<b>Revenue</b>								
7 Total In-patient Revenue	274,014	419,543	(145,529)	-35%	4,442,758	4,711,651	(268,893)	-6%
17 Total Out-patient Revenue	5,141,348	5,649,554	(508,206)	-9%	51,163,722	53,741,391	(2,577,669)	-5%
18 Professional Fees	460,502	534,613	(74,111)	-14%	5,115,909	5,143,795	(27,886)	-1%
19 <b>Total Patient Revenue</b>	<b>5,875,864</b>	<b>6,603,710</b>	<b>(727,846)</b>	<b>-11%</b>	<b>60,722,389</b>	<b>63,596,837</b>	<b>(2,874,448)</b>	<b>-5%</b>
<b>Revenue Deductions &amp; Bad Debt</b>								
21 Contractual Allowances	3,186,781	3,437,436	(250,655)	-7%	31,110,852	33,127,642	(2,016,790)	-6%
22 Charity	96,837	-	96,837		395,570	-	395,570	
23 Bad Debt	333,389	228,902	104,487	46%	2,521,035	2,205,997	315,038	14%
24 Provider Fee & Other	(304,051)	(288,370)	(15,681)	5%	(3,501,564)	(2,779,114)	(722,450)	26%
25 Total Revenue Deductions & Bad Debt	3,312,956	3,377,968	(65,012)	-2%	30,525,893	32,554,525	(2,028,632)	-6%
26 <b>Total Net Patient Revenue</b>	<b>2,562,908</b>	<b>3,225,742</b>	<b>(662,834)</b>	<b>-21%</b>	<b>30,196,496</b>	<b>31,042,312</b>	<b>(845,816)</b>	<b>-3%</b>
27 Grants	-	3,632	(3,632)	-100%	113,838	48,551	65,287	134%
28 HHS Stimulus Other Revenue	669,775	-	669,775		669,775	-	669,775	
29 COVID PPP Loan Forgiveness	-	-	-	0%	-	-	-	0%
30 Other Operating Income - Misc	50,136	113,941	(63,805)	-56%	1,082,774	1,529,565	(446,791)	-29%
31 <b>Total Net Revenues</b>	<b>3,282,819</b>	<b>3,343,315</b>	<b>(60,496)</b>	<b>-2%</b>	<b>32,062,883</b>	<b>32,620,428</b>	<b>(557,545)</b>	<b>-2%</b>
<b>Operating Expenses</b>								
33 Salary & Wages	1,679,880	1,848,518	(168,638)	-9%	16,828,091	17,451,787	(623,696)	-4%
34 Benefits	264,610	302,373	(37,763)	-12%	2,761,418	2,918,943	(157,525)	-5%
35 Professional Fees/Contract Labor	298,455	41,333	257,122	622%	2,750,129	389,612	2,360,517	606%
36 Purchased Services	173,718	231,888	(58,170)	-25%	1,849,159	2,209,680	(360,521)	-16%
37 Supplies	942,066	562,335	379,731	68%	6,155,921	5,377,242	778,679	14%
38 Rent & Leases	30,147	16,091	14,056	87%	182,341	152,109	30,232	20%
39 Repairs & Maintenance	63,331	45,151	18,180	40%	502,475	442,133	60,342	14%
40 Utilities	33,803	30,158	3,645	12%	388,175	347,947	40,228	12%
41 Insurance	25,176	29,205	(4,029)	-14%	350,870	292,297	58,573	20%
42 Depreciation & Amortization	161,295	211,208	(49,913)	-24%	1,608,367	1,827,846	(219,479)	-12%
43 Interest	83,274	76,431	6,843	9%	753,713	717,044	36,669	5%
44 Other	122,273	150,598	(28,325)	-19%	1,187,566	1,484,962	(297,396)	-20%
45 <b>Total Operating Expenses</b>	<b>3,878,028</b>	<b>3,545,289</b>	<b>332,739</b>	<b>9%</b>	<b>35,318,225</b>	<b>33,611,602</b>	<b>1,706,623</b>	<b>5%</b>
46 <b>Operating Revenue Less Expenses</b>	<b>(595,209)</b>	<b>(201,974)</b>	<b>(393,235)</b>	<b>195%</b>	<b>(3,255,342)</b>	<b>(991,174)</b>	<b>(2,264,168)</b>	<b>228%</b>
<b>Non-Operating Income</b>								
48 Tax Revenue	24,199	46,612	(22,413)	-48%	1,500,060	1,288,775	211,285	16%
49 Donations	-	6,500	(6,500)	-100%	-	179,720	(179,720)	-100%
50 <b>Total Non-Operating Income</b>	<b>24,199</b>	<b>53,112</b>	<b>(28,913)</b>	<b>-54%</b>	<b>1,500,060</b>	<b>1,468,495</b>	<b>31,565</b>	<b>2%</b>
51 <b>Total Revenue Less Total Expenses</b>	<b>\$ (571,010)</b>	<b>\$ (148,862)</b>	<b>\$ (422,148)</b>	<b>284%</b>	<b>\$ (1,755,282)</b>	<b>\$ 477,321</b>	<b>\$ (2,232,603)</b>	<b>-468%</b>

## Income Statement Comparison - - - October 31, 2022

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	Current Month				Year-to-Date				
	2022	2021	Difference	Variance	2022	2021	Difference	Variance	
<b>Revenue</b>									
2									
7	Total In-patient Revenue	274,014	395,948	(121,934)	-31%	4,442,758	4,694,257	(251,499)	-5%
17	Total Out-patient Revenue	5,141,348	4,782,045	359,303	8%	51,163,722	49,351,876	1,811,846	4%
18	Professional Fees	460,502	433,376	27,126	6%	5,115,909	4,723,143	392,766	8%
19	<b>Total Patient Revenue</b>	<b>5,875,864</b>	<b>5,611,369</b>	<b>264,495</b>	<b>5%</b>	<b>60,722,389</b>	<b>58,769,276</b>	<b>1,953,113</b>	<b>3%</b>
20	Revenue Deductions & Bad Debt								
21	Contractual Allowances	3,186,781	2,598,536	588,245	23%	31,110,852	30,402,063	708,789	2%
22	Charity	96,837	8,491	88,346	1040%	395,570	578,639	(183,069)	-32%
23	Bad Debt	333,389	(133,036)	466,425	-351%	2,521,035	854,994	1,666,041	195%
24	Provider Fee & Other	(304,051)	(240,165)	(63,886)	27%	(3,501,564)	(2,707,317)	(794,247)	29%
25	Total Revenue Deductions & Bad Debt	3,312,956	2,233,826	1,079,130	48%	30,525,893	29,128,379	1,397,514	5%
26	<b>Total Net Patient Revenue</b>	<b>2,562,908</b>	<b>3,377,543</b>	<b>(814,635)</b>	<b>-24%</b>	<b>30,196,496</b>	<b>29,640,897</b>	<b>555,599</b>	<b>2%</b>
27	Grants	-	544	(544)	-100%	113,838	847,174	(733,336)	-87%
28	HHS Stimulus Other Revenue	669,775	-	669,775	-	669,775	2,203,633	(1,533,858)	-70%
29	COVID PPP Loan Forgiveness	-	-	-	-	-	3,740,044	(3,740,044)	-100%
30	Other Operating Income - Misc	50,136	162,284	(112,148)	-69%	1,082,774	1,578,671	(495,897)	-31%
31	<b>Total Net Revenues</b>	<b>3,282,819</b>	<b>3,540,371</b>	<b>(257,552)</b>	<b>-7%</b>	<b>32,062,883</b>	<b>38,010,419</b>	<b>(5,947,536)</b>	<b>-16%</b>
32	<b>Operating Expenses</b>								
33	Salary & Wages	1,679,880	1,692,600	(12,720)	-1%	16,828,091	17,083,028	(254,937)	-1%
34	Benefits	264,610	328,018	(63,408)	-19%	2,761,418	3,051,244	(289,826)	-9%
35	Professional Fees/Contract Labor	298,455	50,492	247,963	491%	2,750,129	433,004	2,317,125	535%
36	Purchased Services	173,718	199,265	(25,547)	-13%	1,849,159	1,594,406	254,753	16%
37	Supplies	942,066	511,257	430,809	84%	6,155,921	5,164,389	991,532	19%
38	Rent & Leases	30,147	40,818	(10,671)	-26%	182,341	380,516	(198,175)	-52%
39	Repairs & Maintenance	63,331	48,750	14,581	30%	502,475	445,170	57,305	13%
40	Utilities	33,803	29,313	4,490	15%	388,175	323,423	64,752	20%
41	Insurance	25,176	27,425	(2,249)	-8%	350,870	283,654	67,216	24%
42	Depreciation & Amortization	161,295	143,279	18,016	13%	1,608,367	1,670,036	(61,669)	-4%
43	Interest	83,274	72,664	10,610	15%	753,713	795,555	(41,842)	-5%
44	Other	122,273	171,137	(48,864)	-29%	1,187,566	1,608,377	(420,811)	-26%
45	<b>Total Operating Expenses</b>	<b>3,878,028</b>	<b>3,315,018</b>	<b>563,010</b>	<b>17%</b>	<b>35,318,225</b>	<b>32,832,802</b>	<b>2,485,423</b>	<b>8%</b>
46	<b>Operating Revenue Less Expenses</b>	<b>(595,209)</b>	<b>225,353</b>	<b>(820,562)</b>	<b>-364%</b>	<b>(3,255,342)</b>	<b>5,177,617</b>	<b>(8,432,959)</b>	<b>-163%</b>
47	<b>Non-Operating Income</b>								
48	Tax Revenue	24,199	16,798	7,401	44%	1,500,060	1,357,309	142,751	11%
49	Donations	-	-	-	-	-	150,000	(150,000)	-100%
50	<b>Total Non-Operating Income</b>	<b>24,199</b>	<b>16,798</b>	<b>7,401</b>	<b>44%</b>	<b>1,500,060</b>	<b>1,507,309</b>	<b>(7,249)</b>	<b>0%</b>
51	<b>Total Revenue Less Total Expenses</b>	<b>\$ (571,010)</b>	<b>\$ 242,151</b>	<b>\$ (813,161)</b>	<b>-336%</b>	<b>\$ (1,755,282)</b>	<b>\$ 6,684,926</b>	<b>(8,440,208)</b>	<b>-126%</b>



## Balance Sheet - - - October 31, 2022

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Assets	Current Month	Prior Month	Liabilities	Current Month	Prior Month
<b>Current Assets</b>			<b>Current Liabilities</b>		
Cash					
Operating	\$ 12,934,628	\$ 12,957,682	Accts Payable - System	\$ 965,374	\$ 721,374
Debt Svc. Res. 2016 Bonds	878,731	878,731	Accrued Expenses	922,732	881,232
Bond Funds - 2016 Bonds	24	24	Cost Report Settlement Res	(581,131)	(185,081)
Bond Funds - 2021 / 2006	1,594,236	1,582,522	Wages & Benefits Payable	2,460,627	2,271,030
Escrow - UMB	-	-	Deferred Revenue	1,945	1,945
COVID PPP	-	-	COVID PPP Short Term Loan	-	-
Relief Fund Cash Restricted	-	669,775	Relief Fund Liability	-	669,775
Medicare Accelerated Pmt	-	-	Medicare Accelerated Pmt Liab	(251,194)	(59,202)
Total Cash	15,407,619	16,088,734	Current Portion of LT Debt-Lease	-	-
			Current Portion of LT Debt-2006	-	-
Accounts Receivable			Current Portion of LT Debt-2016	225,000	225,000
Patient Revenue - Net	3,566,483	4,146,319	Total Current Liabilities	3,743,353	4,526,073
Other Receivables	152,257	145,159			
Total Accounts Receivable	3,718,740	4,291,478	<b>Long-Term Liabilities</b>		
			Leases Payable - 75 N Pagosa	2,300,000	2,300,000
Inventory	1,677,737	1,654,630	Equipment Lease (Siemens MRI)	1,594,308	1,613,008
			Bond Premium (Net) - 2006 Def Outflows	194,629	195,741
Total Current Assets	20,804,096	22,034,842	Bond Premium (Net) - 2016	119,798	120,223
			Bond Premium (Net) - 2021	722,756	726,727
<b>Fixed Assets</b>			Bonds Payable - 2021	7,885,000	7,885,000
Property Plant & Equip (Net)	23,534,825	23,667,491	Bonds Payable - 2006	-	-
Work In Progress	361,960	356,271	Bonds Payable - 2016	9,025,000	9,025,000
Land	704,021	704,021	Total Long-Term Liabilities	21,841,491	21,865,699
Total Fixed Assets	24,600,806	24,727,783	<b>Net Assets</b>		
			Un-Restricted	21,815,470	21,815,470
<b>Other Assets</b>			Current Year Net Income/Loss	(1,755,282)	(1,184,271)
Prepays & Other Assets	240,130	260,346	Total Un-Restricted	20,060,188	20,631,199
Total Other Assets	240,130	260,346	Restricted		
			Total Net Assets	20,060,188	20,631,199
<b>Total Assets</b>	<b>\$ 45,645,032</b>	<b>\$ 47,022,971</b>	<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 45,645,032</b>	<b>\$ 47,022,971</b>

## Monthly Trends

	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	YTD Total
<b>Activity</b>	<b>31</b>	<b>30</b>	<b>31</b>	<b>31</b>	<b>28</b>	<b>31</b>	<b>30</b>	<b>31</b>	<b>30</b>	<b>31</b>	<b>31</b>	<b>30</b>	<b>31</b>	<b>304</b>
2 In-Patient Admissions	24	32	27	31	25	22	30	32	42	27	30	23	26	288
3 In-Patient Days	62	95	56	67	62	58	68	86	115	72	81	34	64	707
4 Avg Stay Days (In-patients)	2.6	3.0	2.1	2.2	2.5	2.6	2.3	2.7	2.7	2.7	2.7	1.5	2.5	2.5
5 Swing Bed Admissions	0	0	0	0	0	0	0	0	0	0	0	0	0	-
6 Swing Bed Days	0	0	0	0	0	0	0	0	0	0	0	0	0	-
7 Avg Length of Stay (Swing)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
8 Average Daily Census	2.0	3.2	1.8	2.2	2.2	1.9	2.3	2.8	3.8	2.3	2.6	1.1	2.1	2.3
<b>Statistics</b>														
9 E/R visits	594	604	607	946	834	742	546	622	681	787	638	642	622	7,060
10 Observ Hours	228	97	319	416	343	490	292	578	488	343	221	1,025	358	4,554
11 Lab Tests	5,918	6,005	5,498	5,660	4,897	5,200	5,353	5,623	6,094	5,926	6,175	5,720	5,839	56,487
12 Radiology/CT/MRI Exams	1,214	1,240	1,365	1,299	1,195	1,483	1,320	1,288	1,409	1,386	1,563	1,411	1,342	13,696
14 OR Cases	131	102	87	86	71	104	78	113	100	99	127	91	96	965
15 Clinic Visits	1,766	1,536	1,490	1,444	1,206	1,714	1,692	1,756	1,747	1,692	2,021	1,717	1,804	16,793
16 Spec. Clinic Visits	75	46	37	33	32	44	27	29	46	10	33	33	- 27	314
17 Oncology Clinic Visits	114	110	103	106	107	116	105	127	137	135	139	120	126	1,218
18 Oncology/Infusion Patients	156	193	174	193	198	166	139	191	196	170	185	214	166	1,818
19 Infusion Patients	93	137	101	109	108	116	66	93	99	98	69	72	48	878
20 EMS Transports	93	106	124	101	100	112	87	117	78	125	130	96	76	1,022
21 Total Stats	10,382	10,176	9,905	10,393	9,091	10,287	9,724	10,537	11,075	10,771	11,301	11,141	10,504	104,805

Statistical Review

2022	October			October			October Prior Y-T-D			
	Current Month Actual	Current Month Budget	Variance	Y-T-D Actual	Y-T-D Budget	Variance	Y-T-D Actual	Prior Y-T-D Actual	Difference	Variance
<b>In-Patient</b>										
Admissions:										
Acute	26	30	(4)	288	291	(3)	288	298	(10)	-3%
Swing Bed	-	-	-	-	-	-	-	-	-	-
Total	26	30	(4)	288	291	(3)	288	298	(10)	-3%
Patient Days:										
Acute	64	76	(12)	707	726	(19)	707	755	(48)	-6%
Swing Bed	-	-	-	-	-	-	-	-	-	-
Total	64	76	(12)	707	726	(19)	707	755	(48)	-6%
Average Daily Census:										
# Of Days	31	31		304	304		304	304		
Acute	2.1	2.5	(0.4)	2.3	2.4	(0.1)	2.3	2.5	(0.2)	-6%
Swing Bed	-	-	-	-	-	-	-	-	-	-
Total	2.1	2.5	(0.4)	2.3	2.4	(0.1)	2.3	2.5	(0.2)	-6%
Length of Stay:										
Acute	2.5	2.5	(0.1)	2.5	2.5	(0.0)	2.5	2.5	(0.1)	-3%
Swing Bed	-	-	-	-	-	-	-	-	-	0%
Total	2.5	2.5	(0.1)	2.5	2.5	(0.0)	2.5	2.5	(0.1)	-3%
<b>Out-Patient</b>										
Out-Patient Visits										
E/R Visits	622	602	20	7,060	5,726	1,334	7,060	5,561	1,499	27%
Observ admissions	21	28	(7)	231	264	(33)	231	288	(57)	-20%
Lab Tests	5,839	6,124	(285)	56,487	58,256	(1,769)	56,487	56,725	(238)	0%
Radiology/CT/MRI Exams/M	1,342	1,420	(78)	13,696	13,511	185	13,696	13,304	392	3%
OR Cases	96	114	(18)	965	1,081	(116)	965	1,064	(99)	-9%
Clinic Visits	1,804	1,898	(94)	16,793	18,053	(1,260)	16,793	18,117	(1,324)	-7%
Spec. Clinic Visits	27	103	(76)	314	980	(666)	314	1,088	(774)	-71%
Oncology Clinic Visits	126	123	3	1,218	1,169	49	1,218	1,142	76	7%
Oncology/Infusion Patients	166	170	(4)	1,818	1,614	204	1,818	1,505	313	21%
Infusion Patients	48	93	(45)	878	885	(7)	878	788	90	11%
EMS Transports	76	117	(41)	1,022	1,111	(89)	1,022	1,084	(62)	-6%
Total	10,167	10,792	(625)	100,482	102,650	(2,168)	100,482	100,666	(184)	0%

Pagosa Springs Medical Center

Cerner/Healthland Accounts Receivable for Hospital by Payor and Days Outstanding -- As of October 31, 2022

		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181+ Days	Total	Percent of Total	Accts sent to Collections
2 Medicare	\$	2,292,140	\$ 559,725	\$ 253,419	\$ 125,770	\$ 175,151	\$ 162,744	\$ 384,522	\$ 3,953,471	38%	
3 Medicaid		598,582	78,994	71,830	48,156	14,971	5,505	144,627	962,665	9%	
4 Third Party		1,292,320	446,383	196,248	184,284	240,397	136,858	669,520	3,166,010	31%	
5 Self-Pay		327,130	328,923	318,708	319,960	228,142	134,748	627,442	2,285,053	22%	
<b>Current Month Total</b>	<b>\$</b>	<b>4,510,172</b>	<b>\$ 1,414,025</b>	<b>\$ 840,205</b>	<b>\$ 678,170</b>	<b>\$ 658,661</b>	<b>\$ 439,855</b>	<b>\$ 1,826,111</b>	<b>\$ 10,367,199</b>	<b>100%</b>	<b>147,187</b>
<b>Pct of Total</b>		<b>44%</b>	<b>14%</b>	<b>8%</b>	<b>7%</b>	<b>6%</b>	<b>4%</b>	<b>18%</b>	<b>100%</b>		
Sep-22	\$	5,163,652	\$ 1,454,685	\$ 829,159	\$ 821,421	\$ 525,214	\$ 274,896	\$ 2,073,259	\$ 11,142,286	100%	176,296
Pct of Total		46%	13%	7%	7%	5%	2%	19%	100%		
Aug-22	\$	5,070,970	\$ 1,423,538	\$ 1,289,523	\$ 637,852	\$ 423,338	\$ 370,971	\$ 1,518,317	\$ 10,734,509	100%	181,959
Pct of Total		47%	13%	12%	6%	4%	3%	14%	100%		
Jul-22	\$	5,195,855	\$ 1,750,827	\$ 922,811	\$ 484,274	\$ 416,696	\$ 338,589	\$ 1,881,363	\$ 10,990,415	100%	262,515
Pct of Total		47%	16%	8%	4%	4%	3%	17%	100%		
Jun-22	\$	5,296,769	\$ 1,257,194	\$ 690,323	\$ 660,956	\$ 438,544	\$ 356,021	\$ 1,355,339	\$ 10,055,146	100%	248,707
Pct of Total		53%	13%	7%	7%	4%	4%	13%	100%		
May-22	\$	4,976,841	\$ 1,229,667	\$ 763,335	\$ 569,449	\$ 554,337	\$ 321,119	\$ 1,643,977	\$ 10,058,725	100%	150,992
Pct of Total		49%	12%	8%	6%	6%	3%	16%	100%		
Apr-22	\$	4,411,765	\$ 1,085,976	\$ 693,620	\$ 609,943	\$ 440,794	\$ 289,902	\$ 1,669,402	\$ 9,201,402	100%	215,897
Pct of Total		48%	12%	8%	7%	5%	3%	18%	100%		
Mar-22	\$	4,206,381	\$ 1,389,690	\$ 673,681	\$ 575,452	\$ 413,271	\$ 309,780	\$ 1,752,689	\$ 9,320,944	100%	199,177
Pct of Total		45%	15%	7%	6%	4%	3%	19%	100%		
Feb-22	\$	4,206,381	\$ 1,389,690	\$ 673,681	\$ 575,452	\$ 413,271	\$ 309,780	\$ 1,752,689	\$ 9,320,944	100%	199,177
Pct of Total		45%	15%	7%	6%	4%	3%	19%	100%		
Jan-22	\$	4,815,885	\$ 1,218,564	\$ 968,019	\$ 573,545	\$ 504,719	\$ 332,446	\$ 1,663,719	\$ 10,076,897	100%	184,318
Pct of Total		48%	12%	10%	6%	5%	3%	17%	100%		
Dec-21	\$	4,411,483	\$ 1,771,146	\$ 897,483	\$ 629,416	\$ 471,528	\$ 299,814	\$ 1,716,882	\$ 10,197,752	100%	246,249
Pct of Total		43%	17%	9%	6%	5%	3%	17%	100%		
Nov-21	\$	5,254,766	\$ 1,288,663	\$ 765,276	\$ 596,925	\$ 429,612	\$ 449,363	\$ 1,582,207	\$ 10,366,811	100%	223,165
Pct of Total		51%	12%	7%	6%	4%	4%	15%	100%		
Oct-21	\$	4,591,197	\$ 1,412,195	\$ 784,524	\$ 573,095	\$ 661,916	\$ 330,409	\$ 1,562,788	\$ 9,916,124	100%	372,288
Pct of Total		46%	14%	8%	6%	7%	3%	16%	100%		
Sep-21	\$	4,623,878	\$ 1,367,954	\$ 793,192	\$ 861,326	\$ 484,324	\$ 263,617	\$ 1,610,326	\$ 10,004,617	100%	251,846
Pct of Total		46%	14%	8%	9%	5%	3%	16%	100%		

Pagosa Springs Medical Center

Cerner/Healthland Accounts Receivable for Hospital by Payor and Days Outstanding -- As of October 31, 2022

	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181+ Days	Total	Percent of Total	Accts sent to Collections
Aug-21	\$ 5,070,970	\$ 1,423,538	\$ 1,289,523	\$ 637,852	\$ 423,338	\$ 370,971	\$ 1,518,317	\$ 10,734,509		181,959
Pct of Total	47%	13%	12%	6%	4%	3%	14%	100%		
Jul-21	\$ 4,918,121	\$ 1,859,528	\$ 864,925	\$ 524,846	\$ 546,331	\$ 340,021	\$ 1,455,387	\$ 10,509,159		125,498
Pct of Total	47%	18%	8%	5%	5%	3%	14%	100%		
Jun-21	\$ 4,450,225	\$ 991,357	\$ 492,319	\$ 470,912	\$ 586,430	\$ 386,858	\$ 1,658,314	\$ 9,036,415		248,707
Pct of Total	49%	11%	5%	5%	6%	4%	18%	100%		
May-21	\$ 4,564,596	\$ 1,223,151	\$ 900,499	\$ 559,379	\$ 516,823	\$ 338,558	\$ 1,383,875	\$ 9,486,881		95,678
Pct of Total	48%	13%	9%	6%	5%	4%	15%	100%		
Apr-21	\$ 4,315,723	\$ 1,332,592	\$ 712,599	\$ 645,005	\$ 417,714	\$ 166,007	\$ 1,174,380	\$ 8,764,020		190,242
Pct of Total	49%	15%	8%	7%	5%	2%	13%	100%		
Mar-21	\$ 4,536,107	\$ 1,283,697	\$ 893,010	\$ 614,678	\$ 287,740	\$ 205,954	\$ 1,187,089	\$ 9,008,275		141,056
Pct of Total	50%	14%	10%	7%	3%	2%	13%	100%		
Feb-21	\$ 4,632,177	\$ 1,808,956	\$ 796,014	\$ 329,120	\$ 255,606	\$ 194,030	\$ 1,194,813	\$ 9,210,716		116,794
Pct of Total	50%	20%	9%	4%	3%	2%	13%	100%		
Jan-21	\$ 4,667,228	\$ 1,324,541	\$ 489,574	\$ 380,972	\$ 303,832	\$ 307,163	\$ 1,102,666	\$ 8,575,976		197,220
Pct of Total	54%	15%	6%	4%	4%	4%	13%	100%		
Dec-20	\$ 4,315,448	\$ 835,664	\$ 542,288	\$ 394,340	\$ 421,056	\$ 304,468	\$ 965,830	\$ 7,779,094		222,785
Pct of Total	55%	11%	7%	5%	5%	4%	12%	100%		
Nov-20	\$ 4,108,089	\$ 1,171,013	\$ 583,125	\$ 541,005	\$ 584,542	\$ 275,531	\$ 985,311	\$ 8,248,616		172,213
Pct of Total	50%	14%	7%	7%	7%	3%	12%	100%		
Oct-20	\$ 4,351,562	\$ 1,054,133	\$ 832,882	\$ 694,766	\$ 372,848	\$ 200,118	\$ 1,158,212	\$ 8,664,521		855,499
Pct of Total	50%	12%	10%	8%	4%	2%	13%	100%		
Sep-20	\$ 4,073,962	\$ 1,528,744	\$ 916,786	\$ 468,911	\$ 324,972	\$ 204,586	\$ 2,011,419	\$ 9,529,381		12,049
Pct of Total	43%	16%	10%	5%	3%	2%	21%	100%		
<b>Pct Settled (Current)</b>		72.6%	42.2%	18.2%	19.8%	16.3%	-564.3%			

Pagosa Springs Medical Center - - - Net Days in A/R 2022

	31	28	31	30	31	30
	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
2 Net Accounts Receivable	\$ 4,241,833	\$ 3,719,612	\$ 3,356,476	\$ 3,562,280	\$ 4,287,056	\$ 4,552,033
3 Net Patient Revenue	\$ 2,998,220	\$ 2,487,566	\$ 2,698,764	\$ 2,925,069	\$ 3,497,765	\$ 3,447,795
4 Net Patient Rev/Day (2 month Avg)	\$ 86,218	\$ 92,779	\$ 87,949	\$ 92,280	\$ 105,167	\$ 113,879
5 Net Days in A/R	49	40	38	39	41	40

	31	31	30	31	30	31
	Jul-22	Aug-22	Sep-22	Oct-22	Nov-21	Dec-21
7 Net Accounts Receivable	\$ 4,150,381	\$ 4,332,364	\$ 4,146,319	\$ 3,566,483	\$ 5,115,376	\$ 4,030,555
8 Net Patient Revenue	\$ 2,851,249	\$ 3,654,608	\$ 3,390,296	\$ 2,562,908	\$ 3,221,526	\$ 2,347,320
9 Net Patient Rev/Day (2 month Avg)	\$ 103,451	\$ 104,933	\$ 115,450	\$ 106,986	\$ 108,169	\$ 91,552
10 Net Days in A/R	40	41	36	33	47	44

Pagosa Springs Medical Center - - - Gross Days Target

12 Medicare	33%	21	\$ 97,594	\$ 676,323
13 Medicaid	7%	35	\$ 97,594	\$ 239,104
14 Blue Cross	15%	48	\$ 97,594	\$ 702,673
15 Commercial	26%	65	\$ 97,594	\$ 1,649,330
16 Self Pay	19%	150	\$ 97,594	\$ 2,781,415
17 Total:	100%			\$ 6,048,846
18				\$ 97,594
19			<b>Gross Days in A/R Target</b>	<b>62</b>



Pagosa Springs Medical Center  
 Financial Forecast  
 Statement of Cash Flows

ORAL REPORTS 4.a.vii.(a)

**Cash Flows from operating activities**

	October 2022
Change in net assets	(571,010)
Adjustments to reconcile net assets to net cash	
Depreciation and amortization	161,295
Patient accounts receivable	579,836
Accounts payable and wages payable	433,597
Accrued liabilities	41,500
Pre-paid assets	20,216
Deferred revenues	-
Other receivables	(7,098)
Reserve for third party settlement	(396,050)
Inventory	(23,107)
Net Cash Provided by (used in) operating activities	239,179

**Cash Flows from investing activities**

Purchase of property and equipment	(34,138)
Work in progress	(5,689)
Proceeds from sale of equipment/(Loss)	-
Net Cash Provided by (used in) investing activities	(39,827)

**Cash Flows from financing activities**

Principal payments on long-term debt	-
Proceeds from debt (funding from 2021 Bond)	-
Proceeds from PPP Short Term Loan	-
Recognize Amounts from Relief Fund	(669,775)
Payments/Proceeds from Medicare Accelerated Payment	(191,992)
Change in Prior Year Net Assets	-
Change in leases payable	(18,700)
Net Cash Provided by (used in) financing activities	(880,467)

**Net Increase(Decrease) in Cash**

(681,115)

**Cash Beginning of Month**

16,088,734

**Cash End of Month**

15,407,619



2022						
Month	Cash Goal	Actual Cash	Variance	% Collected	GL Non AR	Total
Jan-22	\$2,121,338.00	\$2,559,519.95	\$438,181.95	120.66%	\$ (89,581.25)	\$2,469,938.70
Feb-22	\$2,758,055.00	\$2,629,036.30	(\$129,018.70)	95.32%	\$ 229,760.89	\$2,858,797.19
Mar-22	\$2,447,401.00	\$2,867,669.94	\$420,268.94	117.17%	\$ (100,621.01)	\$2,767,048.93
Apr-22	\$2,458,581.00	\$2,473,500.99	\$14,919.99	100.61%	\$ (75,703.82)	\$2,397,797.17
May-22	\$2,683,321.00	\$2,492,736.21	(\$190,584.79)	92.90%	\$ (213,193.08)	\$2,279,543.13
Jun-22	\$3,192,941.00	\$3,158,673.78	(\$34,267.22)	98.93%	\$ (427,856.04)	\$2,730,817.74
Jul-22	\$3,357,630.00	\$2,682,707.49	(\$674,922.51)	79.90%	\$ (258,382.04)	\$2,424,325.45
Aug-22	\$2,265,214.00	\$2,914,900.80	\$649,686.80	128.68%	\$ (137,818.00)	\$2,777,082.80
Sep-22	\$3,920,074.00	\$3,018,978.09	(\$901,095.91)	77.01%	\$ (450,918.35)	\$2,568,059.74
Oct-22	\$3,137,210.00	\$2,899,452.86	(\$237,757.14)	92.42%	\$ (550,663.63)	\$ 2,348,789.23
	\$28,341,765.00	\$27,697,176.41	(\$644,588.59)	97.73%	\$ (2,074,976.33)	\$25,622,200.08

# ORAL REPORTS 4.a.vii.(a)

**Pagosa Springs Medical Center  
Cash Forecast as of end of August 2022  
Forecast Months Based on Budget and Actual**

Prepared 9/15/2022  
Cash balance 18,153,025  
at 12/31/21

	(1) Net Asset Change	(2) Depreciation	(3) Receivables	(4) Payables & Other Liabilities	(5) Pre-Paid Assets	(6) Deferrred Revenue	(7) Third Party	(8) Inventory	(9) Equipment Purchase	(10) Lease Payables	(11) Other	Net Cash Change	Balance
January 2022 (Actual)	(92,659)	145,357	(208,375)	1,309	(27,688)	-	(43,608)	(3,452)	(38,542)	(14,316)	(143,656)	(425,630)	17,727,395
February 2022 (Actual)	(389,081)	145,171	749,244	284,437	(8,139)	(70,348)	(204,353)	2,184	(122,975)	(14,341)	(159,398)	212,401	17,939,796
March 2022 (Actual)	(92,064)	146,944	865,722	429,452	26,909	(490,329)	(3,184)	(6,718)	(10,302)	(14,367)	(272,512)	579,551	18,519,347
April 2022 (Actual)	(169,828)	151,033	(15,343)	(42,597)	49,270	(163,007)	(5,307)	23,627	(104,967)	(8,991)	(295,270)	(581,380)	17,937,967
May 2022 (Actual)	(449,450)	136,427	(348,698)	1,392,304	(122,776)	(344,186)	(107,336)	4,980	(81,898)	(9,016)	(306,346)	(235,995)	17,701,972
June 2022 (Actual)	241,658	226,556	16,637	(65,519)	68,063	(111,994)	(564,135)	12,968	(1,711,526)	1,668,917	(588,761)	(807,136)	16,894,836
July 2022 (Actual)	(615,301)	163,730	654,096	(993,430)	53,407	(208,902)	(77,547)	111,494	(36,164)	(18,510)	(318,202)	(1,285,329)	15,609,507
August 2022 (Actual)	119,512	162,618	(118,462)	592,912	104,650	(45,250)	77,584	(936)	(2,304,769)	2,281,301	(420,406)	448,754	16,058,261
September 2022 (Actual)	262,247	169,236	95,833	(584,540)	14,852	-	592,269	2,867	(47,636)	(18,700)	(455,955)	30,473	16,088,734
October 2022 (Actual)	(571,010)	161,295	572,738	475,097	20,216	-	(396,050)	(23,107)	(39,827)	(18,700)	(861,767)	(681,115)	15,407,619
November 2022 (Budget)	(15,488)	217,207	(75,000)	25,000	5,000	-	(50,000)	5,000	(50,000)	(30,000)	10,968	42,687	15,450,306
December 2022 (Budget)	38,367	217,207	(75,000)	25,000	5,000	-	50,000	5,000	(110,495)	(30,000)	10,972	136,051	15,586,357
<b>Totals</b>	<b>(1,733,097)</b>	<b>2,042,781</b>	<b>2,113,392</b>	<b>1,539,425</b>	<b>188,764</b>	<b>(1,434,016)</b>	<b>(731,667) 981,635</b>	<b>133,907</b>	<b>(4,659,101)</b>	<b>3,773,277</b>	<b>(3,800,333)</b>	<b>(2,566,668)</b>	<b>15,586,357</b>
													<b>at 12/31/21</b>
													<b>6,653,261</b>
													<b>Bond Requirements (60 days cash)</b>
													<b>Less Cares Act</b>
													<b>Less Medicare Accelerated</b>
													<b>Less Bond Reserve</b>
													<b>(878,731)</b>
													<b>Net Cash for Days Cash on Hand</b>
													<b>14,707,626</b>
													<b>AVG. Expense Per Day</b>
													<b>110,888</b>
													<b>Days Cash on Hand</b>
													<b>132.64</b>

**Notes:**

- (1) Forecast based on projected net income.
- (2) Forecast is based on the budgeted depreciation expense.
- (3) Based on projected changes in receivables.
- (4) Based on projected changes in payables and liabilities.
- (5) Based on projected changes in prepaids.
- (6) Based on projected deferred revenues.
- (7) Based on projected Due to Third Party Reserves.
- (8) Based on projected Inventory changes.
- (9) Based on projected equipment and capital project expenditures.
- (10) Based on projected lease payments.
- (11) Based on projected receivables and payables due to Covid.

# UPPER SAN JUAN HEALTH SERVICE DISTRICT

DBA: PAGOSA SPRINGS MEDICAL CENTER

# BUDGET PROPOSAL

# 2023



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## **2023 PSMC BUDGET OVERVIEW**

In 2023, PSMC will continue to offer hospital services, outpatient clinic services and EMS/ambulance services to the District. PSMC's goals for 2023 are set forth in the three-year Strategic Plan approved by the Board of Directors in September 2021. The proposed budget positions PSMC to carry out the Strategic Plan and to pivot to meet unplanned demands.

Preparing the budget for Pagosa Springs Medical Center always requires addressing a number of unknown variables, but in planning the 2023 budget there are still significant uncertainties regarding the unwinding of the pandemic. As we look back at 2022, PSMC had significant expense for contract labor due to the lack of staff in key clinical positions. By contracting for labor, PSMC did the right thing for our staff and patients, but it was a very costly alternative for us. The unexpected experiences in 2022 inform us that we may not successfully predict what will result from the pandemic in 2023. We know PSMC will face many challenges in 2023, but we anticipate the greatest challenge will likely be finding qualified staff and the costs resulting from both a nationwide shortage of healthcare workers and a lack of economical housing in Archuleta County.

## **BUDGET ASSUMPTIONS**

With respect to **revenues**, PSMC makes the following 2023 budget assumptions:

- A decrease in Medicare reimbursement from 99% of PSMC's allowable costs to 95% of PSMC's allowable costs – this change by the federal government results in PSMC serving Medicare patients at a more significant loss than 2022. This was supposed to happen in 2022, but it is still planned for 2023.
- Static donations at \$180,000.
- Increase in patient volume by 2.93%. Due to the impacts of COVID-19, some increases to revenue have been hard to quantify and predict. Anticipated increases in revenues include the following: the Cancer Center due to steady growth; pain management due to expansion of the service line; and radiology due to the new MRI (which accommodates larger patients and bariatrics). With the approval of the capital budget, there will be additional revenue potential in respiratory therapy.
- Increase in prices by an average 4%. Last year PSMC made a 3% increase in prices in many departments in order to remain financially viable. Due to the increases in wages and inflation, PSMC budgeted a 4% price increase for 2023. PSMC's price increases are capped at the 4% allowed in our contracts with insurance companies.

With respect to **expenses**, PSMC makes the following budget assumptions:

- PSMC's largest expense continues to be labor. The budget includes a 3% wage increase for all employees (except employees with an employment agreement as they agree to compensation for a set period of years). PSMC has done a compensation survey of the healthcare market for all positions (excluding those with an employment agreement). As a result, we budgeted additional increases of \$171,000 to bring certain positions within market. As a result of the compensation survey, the 3% raise and the market adjustments, PSMC's expects its compensation to be competitive.
- Increase (inflation) in costs for the following:
  - 3.5% in medications;
  - 4% for supplies; and
  - 1% for employee health insurance plan.
- We will continue to see increased costs needed to enhance our security for IT.
- Other expenses are status quo with 2022. But note: PSMC has maintained throughout 2022 additional supplies (mostly personal protective equipment) and equipment necessary to keep employees and patients safe.

With respect to **capital replacement**, PSMC has a 5-year capital replacement plan and has prioritized items based upon remaining life and the Strategic Plan. The budget includes \$1,173,809.25 of capital expenditures in 2023 for immediate capital needs of PSMC.

Due to the large increase in salaries and expenses for 2023, we are expecting a little over a break even year.

## **POSITIONS**

As PSMC continues to advance the complexity and volume of services it provides, there is an increase in full-time equivalent (FTE) positions added. For 2023, the budget includes a net increase of 2.0 FTEs to address the demand for clinical services (orthopedics upper extremity, cardiology, primary care, behavioral health, CT and PT) as well as staff that support services (registration, security, lab administration, IT, EMS, billing, clinic and preauthorization).

## **METHODOLOGY IN PREPARING THE BUDGET**

In preparing this budget, the CFO and Controller assessed sources of revenue, changes to expenses including changes in employees, and capital budget needs. To be certain the proposed budget is as accurate as possible, the CFO and Controller pulled the most current data for the period July 2021 through June 2022. With respect to employees, the finance team prepared a report of hours and rates of compensation for employees. Each manager/director met with the CFO and Controller at least once (in

some circumstances several times) to adequately review the 2021-2022 data, changes to the 2022 budget, and the expectations for 2023. The finance team developed a budget for every department and employee (including regular, overtime, paid time off, call pay, call back pay, sick, holiday and shift differential). Managers and Directors were responsible to review the department/employee budgets and assure accuracy in preparing the PSMC proposed budget.

The 2022 actual is annualized (this means the computer system takes seven months of actual revenues and expenses and divides it by 7 and then multiplies it by 12 months). We recognize that certain one-time or limited revenues and expenses are not accurate when *annualized*; therefore, on the revised income statement, we did not annualize the one-time or limited revenues and one-time expenses. PSMC uses an accrual basis for accounting.

Pagosa Springs Medical Center

Income Statement - - - Budget 2023 - DRAFT

	2019 Actual	2020 Actual	2021 Actual	Annualized 2022 Actual	Budget 2023	Difference to Annualized 2022	Variance Percent Annualized 2022
<b>Revenue</b>							
Total In-patient Revenue	5,483,013	5,176,747	5,657,241	5,738,388	6,196,558	458,170	8%
Total Out-patient Revenue	49,782,028	52,022,602	58,666,150	59,769,156	64,051,049	4,281,893	7%
Professional Fees	6,504,216	4,636,252	5,605,458	6,116,046	6,339,058	223,012	4%
<b>Total Patient Revenue</b>	<b>61,769,257</b>	<b>61,835,601</b>	<b>69,928,849</b>	<b>71,623,590</b>	<b>76,586,665</b>	<b>4,963,075</b>	<b>7%</b>
<b>Revenue Deductions &amp; Bad Debt</b>							
Contractual Allowances	28,167,670	30,230,926	35,952,079	36,260,156	38,935,342	2,675,186	7%
Charity	746,437	282,686	619,176	376,341	500,000	123,659	33%
Bad Debt	3,470,959	1,730,052	832,034	2,735,963	1,790,467	(945,496)	-35%
Provider Fee & Other	(3,081,149)	(2,520,105)	(3,187,647)	(3,477,617)	(3,969,610)	(491,993)	14%
Total Revenue Deductions & Bad Debt	29,303,917	29,723,559	34,215,642	35,894,843	37,256,199	1,361,356	4%
<b>Total Net Patient Revenue</b>	<b>32,465,340</b>	<b>32,112,042</b>	<b>35,713,207</b>	<b>35,728,747</b>	<b>39,330,466</b>	<b>3,601,719</b>	<b>10%</b>
Other Operating Income - Misc	2,426,420	2,184,081	1,770,942	1,207,723	1,620,130	412,407	34%
<b>Total Net Revenues</b>	<b>34,891,760</b>	<b>34,296,123</b>	<b>37,484,149</b>	<b>36,936,470</b>	<b>40,950,596</b>	<b>4,014,126</b>	<b>11%</b>
<b>Operating Expenses</b>							
Salary & Wages	18,652,419	19,159,203	20,443,178	20,301,628	22,044,500	1,742,872	9%
Benefits	3,352,542	3,287,282	3,469,346	3,323,221	3,403,446	80,225	2%
Professional Fees	-	-	-	-	-	-	0%
Professional Fees/Contract Labor	307,381	349,923	590,251	3,208,989	1,230,403	(1,978,586)	-62%
Purchased Services	2,158,291	1,842,826	1,895,136	2,072,393	2,372,729	300,336	14%
Supplies	4,915,130	5,763,642	6,049,760	7,239,877	7,467,721	227,844	3%
Rent & Leases	519,305	438,281	451,270	228,166	216,056	(12,110)	-5%
Repairs & Maintenance	538,505	549,091	539,479	573,402	535,694	(37,708)	-7%
Utilities	470,669	361,183	430,349	509,156	522,967	13,811	3%
Insurance	313,792	327,437	339,605	438,706	451,868	13,162	3%
Depreciation & Amortization	1,858,800	1,774,630	1,957,507	1,911,802	1,838,000	(73,802)	-4%
Interest	1,094,344	1,051,867	929,981	862,751	912,700	49,949	6%
Other	1,356,457	1,561,457	1,945,741	1,530,145	1,771,584	241,439	16%
<b>Total Operating Expenses</b>	<b>35,537,635</b>	<b>36,466,822</b>	<b>39,041,603</b>	<b>42,200,236</b>	<b>42,767,668</b>	<b>567,432</b>	<b>1%</b>
<b>Operating Revenue Less Expenses</b>	<b>(645,875)</b>	<b>(2,170,699)</b>	<b>(1,557,454)</b>	<b>(5,263,766)</b>	<b>(1,817,072)</b>	<b>3,446,694</b>	<b>-65%</b>
<b>Non-Operating Income</b>							
Grants	89,852	1,448,642	1,011,386	177,593	277,593	100,000	56%
HHS Stimulus Other Revenue	-	1,157,026	4,225,159	-	-	-	100%
COVID PPP Loan Forgiveness	-	-	3,740,044	-	-	-	-
Tax Revenue	1,228,832	1,371,862	1,434,731	1,500,000	1,474,474	(25,526)	-2%
Donations	515,811	316,527	150,000	150,000	180,000	30,000	20%
<b>Total Non-Operating Income</b>	<b>1,834,495</b>	<b>4,294,057</b>	<b>10,561,320</b>	<b>1,827,593</b>	<b>1,932,067</b>	<b>104,474</b>	<b>6%</b>
<b>Total Revenue Less Total Expenses</b>	<b>1,188,620</b>	<b>2,123,358</b>	<b>9,003,866</b>	<b>(3,436,173)</b>	<b>114,995</b>	<b>3,551,168</b>	<b>-103%</b>



**Pagosa Springs Medical Center  
Budget Cash Flow Statement  
Budget Year 2023**

	<b>Budget 2023</b>
Net Revenue Collections	\$ 39,330,466
Grants	\$ 277,593
Other Income (1)	\$ 1,676,733
HSS Stimulus Other Revenue	\$ -
Mill Levy	\$ 1,474,474
Donations	\$ 180,000
<b>Total Collections</b>	<b>\$ 42,939,266</b>
Expenses Less Depr	\$ 40,986,270
Bond/Leaseback Principal Payments	\$ 765,000
Capital Outlay (2)	\$ 1,173,809
<b>Total Outlay</b>	<b>\$ 42,925,079</b>
<b>Net increase in Cash</b>	<b>\$ 14,187</b>
Beginning Cash	15,586,357
<b>Ending Cash</b>	<b>\$ 15,600,544</b>

(1) Other income includes 340B revenue, cafeteria revenue and other misc revenue.

(2) Capital Outlay includes \$1,122,018 for capital.

**Pagosa Springs Medical Center  
FTE Budget  
Budget Year 2023**

Dept	Dept Name	2017 Budget FTE	2018 Budget FTE	2019 Budget FTE	12 Month FTE Calc	2020 Budget FTE	2020 Actual FTE	2021 Budget FTE	2021 Actual FTE	2022 Budget FTE	2023 Budget FTE	Variance	Percent
600 Total	Med Surg	10.40	10.50	10.70	12.31	14.31	11.12	11.32	12.58	11.93	10.85	(1.08)	-9.05%
610 Total	ER	9.90	9.90	9.60	8.67	9.77	9.06	9.74	10.03	9.88	10.60	0.72	7.29%
615 Total	ER Physicians	4.40	4.40	4.50	4.49	4.56	4.45	4.21	4.44	4.21	4.33	0.12	2.85%
700 Total	Lab	9.60	9.70	10.50	8.53	9.87	8.98	9.28	8.57	8.56	9.30	0.74	8.64%
710 Total	Radiology	4.80	4.80	4.60	8.30	8.51	8.46	8.99	8.80	9.95	10.59	0.64	6.43%
720 Total	Pharmacy	3.60	3.60	2.90	3.29	2.90	2.96	3.00	2.90	3.03	3.30	0.27	8.91%
721 Total	Infusion	1.00	1.00	1.50	0.48	0.90	1.77	3.65	1.63	3.60	3.05	(0.55)	-15.28%
722 Total	Cardiopulmonary	1.00	1.00	2.00	1.27	2.10	4.09	2.01	1.99	2.10	1.87	(0.23)	-10.95%
725 Total	Physical Therapy	1.00	1.00	1.10	0.98	1.29	1.15	1.24	1.24	1.66	1.48	(0.18)	-10.84%
726 Total	Speech	-	-	-	0.02	0.02	0.01	0.02	0.01	0.01	-	(0.01)	-100.00%
728 Total	Cardiology	0.80	0.80	1.00	1.01	0.02	0.58	0.08	1.03	0.05	1.00	0.95	1900.00%
729 Total	Oncology	-	3.60	5.00	5.95	5.81	4.41	4.53	6.49	4.74	4.68	(0.06)	-1.27%
730 Total	Central Supply	2.10	2.10	3.00	2.97	3.01	2.55	2.51	2.01	2.47	1.73	(0.74)	-29.96%
731 Total	Biomedical	0.90	0.90	1.20	1.11	1.17	1.15	1.18	1.10	1.18	0.22	(0.96)	-81.36%
740 Total	Dietary	6.40	6.40	6.90	5.63	7.07	6.49	6.40	6.51	7.14	6.81	(0.33)	-4.62%
760 Total	OR	9.00	9.10	9.50	8.69	8.47	8.00	8.69	7.50	8.69	8.55	(0.14)	-1.61%
761 Total	Recovery	4.00	4.00	4.00	3.74	4.26	4.01	3.07	3.42	3.50	4.00	0.50	14.29%
762 Total	Anesthesia	1.30	1.30	1.50	1.39	2.00	2.00	2.00	1.50	1.54	1.89	0.35	22.73%
763 Total	OR Physician	1.00	1.00	1.00	-	0.94	0.87	1.00	1.02	1.04	0.93	(0.11)	-10.58%
765 Total	Specialty Clinic	1.10	1.10	2.00	1.01	2.50	2.07	1.79	1.58	-	1.00	1.00	100.00%
790 Total	Ambulance	27.60	27.60	26.10	28.12	26.43	30.10	26.74	30.60	29.18	30.59	1.41	4.83%
791 Total	RHC	35.80	35.80	36.20	26.07	29.42	24.27	31.29	27.03	32.83	32.68	(0.15)	-0.46%
792 Total	EMS Training	0.60	0.60	0.60	0.57	0.57	0.45	0.39	0.28	-	0.37	0.37	100.00%
793 Total	Hospitalist	2.20	2.30	2.00	2.15	1.86	2.29	2.06	2.41	2.24	2.13	(0.11)	-4.91%
794 Total	RHC Providers	6.50	8.50	7.40	11.16	10.52	10.98	11.66	11.08	12.47	13.11	0.64	5.13%
800 Total	Administration	4.20	4.20	4.10	4.79	4.18	4.76	5.00	4.42	5.10	5.17	0.07	1.37%
801 Total	Quality	3.80	3.80	1.00	2.44	1.51	0.55	1.00	1.98	2.75	2.19	(0.56)	-20.36%
802 Total	Infection Control	-	-	-	-	0.50	-	1.00	0.72	1.00	2.00	1.00	100.00%
803 Total	Informatics	5.10	5.10	5.10	4.08	4.11	4.53	4.40	2.46	2.50	3.81	1.31	52.40%
806 Total	Compliance	1.70	1.70	1.80	1.78	1.75	1.71	1.75	1.82	1.35	1.41	0.06	4.44%
807 Total	Physician Recruiting	-	-	-	0.99	0.20	0.32	-	-	-	-	-	0.00%
809 Total	Nursing Admin	1.10	1.10	2.00	1.04	1.02	1.12	1.01	1.07	1.02	1.01	(0.01)	-0.98%
810 Total	Medical Staff Office	2.00	2.00	2.00	2.01	2.00	2.00	2.00	1.86	2.00	2.00	-	0.00%
815 Total	Human Resources	2.00	2.00	2.00	2.23	1.70	2.06	2.79	4.39	2.84	2.00	(0.84)	-29.58%
820 Total	Plant Operations	3.40	3.40	3.60	3.49	3.48	3.39	5.46	3.59	4.87	5.25	0.38	7.80%
825 Total	Housekeeping	9.10	9.10	10.00	8.50	9.25	7.47	10.16	7.10	11.02	9.44	(1.58)	-14.34%
830 Total	Accounting	7.30	7.30	5.00	5.41	4.03	4.23	4.02	4.01	4.00	3.81	(0.19)	-4.75%
835 Total	Registration	28.50	28.50	26.10	20.13	19.20	19.58	16.43	11.99	12.39	10.34	(2.05)	-16.55%
840 Total	Medical Records	8.70	8.70	6.20	6.11	4.00	4.66	3.01	3.06	3.51	4.14	0.63	17.95%
845 Total	Business Office	12.10	12.10	14.10	13.29	13.31	12.44	14.05	13.89	14.01	13.94	(0.07)	-0.50%
846 Total	Pre-Service	-	-	-	-	-	-	4.49	7.60	9.64	2.04	26.84%	
850 Total	IT	-	-	-	0.67	2.06	2.16	2.01	2.10	3.00	3.10	0.10	3.33%
861 Total	Fundraising	-	-	0.30	1.30	0.72	1.14	1.00	1.24	0.50	0.83	0.33	66.00%
862 Total	Community Relations	-	-	2.30	1.01	2.55	1.59	1.07	1.63	2.78	1.17	(1.61)	-57.91%
Grand Total		234.00	240.00	240.40	227.20	233.85	225.98	233.01	227.57	244.24	246.31	2.07	0.86%

Pagosa Springs Medical Center  
 Summary of Lease Agreements  
 Budget Year 2023

	Budget 2023	Outstanding Balance
<b>Lease Purchase Agreements</b>		
Lease Purchase for Real Estate (COP)	\$ 204,420	\$ 2,300,000
Lease Purchase for Non Real Estate (COP)	<u>\$ 325,851</u>	<u>\$ 1,594,308</u>
<b>Total Lease Purchase Agreements</b>	<b>\$ 530,271</b>	<b>\$ 3,894,308</b>

\* No optional renewal terms available

**Upper San Juan Health Service District  
Debt Service Coverage Ratio**

	2020 Actual	2021 Actual	2022 Budget	2023 Budget
Total Revenue Less Total Expenses	\$ 2,123,358	\$ 8,757,564	\$ 11,963	\$ 114,995
Less: Existing Capital Leases	\$ (204,342)	\$ (181,460)	\$ (64,113)	\$ (64,113)
Less: 2022 Lease Purchase	\$ -	\$ -	\$ (27,008)	\$ (201,420)
Less: Property Tax	\$ (1,405,122)	\$ (1,434,731)	\$ (1,000,000)	\$ (1,474,474)
Less: CARES ACT Provider Relief Funds	\$ (1,234,026)	\$ (4,225,159)	\$ (670,000)	\$ -
Less: Loan Forgiveness for PPP	\$ -	\$ (3,740,044)	\$ -	\$ -
Plus: Depreciation	\$ 1,793,074	\$ 1,802,311	\$ 2,262,261	\$ 1,838,000
Plus: Interest	\$ 947,263	\$ 976,848	\$ 846,190	\$ 969,303
<b>Revenue Available for 2016 Bonds and Capital Leases</b>	<b>\$ 2,020,205</b>	<b>\$ 1,955,329</b>	<b>\$ 1,359,293</b>	<b>\$ 1,182,291</b>
Series 2016 Bonds	\$ 827,131	\$ 824,943	\$ 824,081	\$ 701,313
Debt Service Coverage (1.35 Requirement)	2.44	2.37	1.65	1.69

ORAL REPORTS 4.a.vii.(b)

Pagosa Springs Medical Center  
 Capital Budget 2023  
 Capital Replacement Plan Thru 2027

Dept	Item	Cost	Year Purchase	Useful Life
Cardiopulmonary	Body Plethysmograph (PFT)	55,212.50	2023	5
Emergency Room	Stryker Big Wheel Stretcher with Scale	22,160.00	2023	7
EMS	Stryker PowerPro Cot	20,949.87	2023	5
EMS	EMS Rescue Bay and Training Room HVAC	5,800.00	2023	10
EMS	800 mhz Portable Radios	59,925.00	2023	7
EMS	Replace 1 roll up door and Opener	7,300.00	2023	10
EMS	Paint EMS Building Exterior	54,265.00	2023	15
EMS	LP15 Monitor/Defibrillator	34,752.42	2023	5
Inpatient	AMSCO Glass door dual compartment warming cabinet	9,100.00	2023	7
IT	Cisco switch replacement	\$24,000.00	2023	3
IT	Dell (encrypted drives )	\$32,000.00	2023	3
IT	Dell CTO Unity 480 Hybrid DPE DS	\$49,000.00	2023	3
IT	HP Switch refresh	\$105,000.00	2023	3
IT	IDF 7 HP Switches 6100's 48 port	\$25,133.22	2023	3
Lab	EPOC	\$35,659.50	2023	5
Lab	Microscope	\$10,000.00	2023	10
Pharmacy	Regular Hood	6,589.34	2023	10
Plant Operations	Push Button Doors	12,300.00	2023	10
Radiology	C-ARM Upgrade	130,000.00	2023	7
Radiology	Ultrasound	140,002.40	2023	5
Radiology	Mammography Room Work	100,000.00	2023	15
Surgery	Sterilizer (substerile)	70,000.00	2023	7
Surgery	Blanket/Fluid Warmer	8,500.00	2023	5
Surgery	OR Table	42,000.00	2023	12
Surgery	Upper GI Scope	22,000.00	2023	5
Surgery	PACU Gurney	22,160.00	2023	7
Surgery	Olympus Tower for GI	65,000.00	2023	7
Surgery	Bone Holding Forceps	5,000.00	2023	5



**THE UPPER SAN JUAN HEALTH SERVICE DISTRICT  
DOING BUSINESS AS PAGOSA SPRINGS MEDICAL CENTER**

**MEDICAL STAFF REPORT BY CHIEF OF STAFF, JOHN WISNESKI  
November 15<sup>th</sup>, 2022**

~~I. STATEMENT OF THE MEDICAL STAFF'S RECOMMENDATIONS FOR THE USJHSD BOARD ACCEPTANCE OF NEW POLICIES OR PROCEDURES ADOPTED BY THE MEDICAL STAFF:~~

II. STATEMENT OF THE MEDICAL STAFF'S RECOMMENDATIONS FOR THE USJHSD BOARD ACCEPTANCE OF PROVIDER PRIVILEGES (ACCEPTANCE BY THE BOARD RESULTS IN THE GRANT OF PRIVILEGES):

NAME	INITIAL/REAPPOINT/CHANGE	TYPE OF PRIVILEGES	SPECIALTY
<b>Inhyup Kim, MD</b>	Initial Appointment	Telemedicine/Teleneurology	Neurology & Clinical Neurophysiology
<b>Gitesh Chheda, MD</b>	Reappointment	Telemedicine/Teleradiology	Diagnostic Radiology
<b>Scott Cordray, DO</b>	Reappointment	Courtesy/Otolaryngology	Otolaryngology
<b>Joanna Estes, MD</b>	Reappointment	Active/Hospitalist & Emergency Medicine	Family Medicine
<b>Andrew Fisher, MD</b>	Reappointment	Telemedicine/Teleradiology	Diagnostic Radiology
<b>Benjamin Kassanoff, MD</b>	Reappointment	Telemedicine/Teleradiology	Diagnostic Radiology & Interventional Radiology
<b>Elizabeth Maddox, MD</b>	Reappointment	Telemedicine/Teleradiology	Diagnostic Radiology
<b>Eric Malden, MD</b>	Reappointment	Telemedicine/Teleradiology	Diagnostic Radiology & Interventional Radiology
<b>John Richards, MD</b>	Reappointment	Telemedicine/Teleradiology	Diagnostic Radiology
<b>Stanley Smazal, MD</b>	Reappointment	Telemedicine/Teleradiology	Diagnostic Radiology
<b>Marisa Todd, MD</b>	Reappointment	Courtesy/Gynecology	Obstetrics & Gynecology

III. REPORT OF NUMBER OF PROVIDERS BY CATEGORY

Active: 16

Courtesy: 23

Courtesy-Locum Tenens: 2

Telemedicine: 135

Advanced Practice Providers & Behavioral Health Providers: 12

Honorary: 1

Total: 189



**MINUTES OF REGULAR BOARD MEETING**  
**Tuesday, October 25, 2022**  
**5:00 PM**  
**The Board Room**  
**95 South Pagosa Blvd., Pagosa Springs, CO 81147**

The Board of Directors (the “Board”) of the Upper San Juan Health Service District doing business as Pagosa Springs Medical Center (“PSMC”) held its regular board meeting on October 25, 2022, at PSMC, The Board Room, 95 South Pagosa Blvd., Pagosa Springs, Colorado as well as via Zoom video communications.

Directors Present: Chairman Matt Mees, Vice-Chair Kate Alfred, Treasurer/Secretary Mark Zeigler and Director Martin Rose.

Present via Zoom: Director Dr. Jim Pruitt and Director Jason Cox

Director(s) Absent: Director Barbara Parada.

**1) CALL TO ORDER**

- a) Call for quorum: Chair Mees called the meeting to order at 5:00 p.m. MST and Clerk to the Board, Kelli Schanz, recorded the minutes. A quorum of directors was present and acknowledged.
- b) Board member self-disclosure of actual, potential or perceived conflicts of interest: There were none.
- c) Approval of the Agenda: Director Rose motioned to approve the agenda. Upon motion seconded by Vice-Chair Alfred, the Board unanimously approved the agenda.

**2) PUBLIC COMMENT**

There was none.

**3) REPORTS**

- a) Oral Reports
  - i) Chair Report  
 Chairman Mees noted that he, CEO Dr. Rhonda Webb and Vice-Chair Kate Alfred attended the Colorado Hospital Association (CHA) annual conference and attended a couple of excellent presentations given by Benjamin Anderson, CHA, Rural Hospital Liaison. Chairman Mees informed the Board that he would like Benjamin Anderson to visit PSMC and present to Directors; arrangements will be made in the future. CEO Dr. Rhonda Webb added that this conference was the first in three years due to the pandemic.
  - ii) CEO Report  
 CEO Dr. Rhonda Webb noted that this is the first Board meeting since August.

CEO Dr. Webb advised of the following updates:

- Clerk, Kelli Schanz is currently working remotely due to her move back to N.J.
- The state ended its masking mandate in hospitals unless certain community conditions are present and added how nice it was to see faces again.
- PSMC has completed Active Shooter training for all employees. There will be a live pre-announced exercise in the near future.
- We are still addressing our storage needs and the need for exterior Zircons
- On 10/19/22 PSMC the State surveyed the Trauma program. The lead surgeon for the survey team found no deficiencies with PSMC’s Trauma program and stated “It renewed his sense of purpose” to have such a good trauma program presented.

iii) Executive Committee

There was no report.

iv) Foundation Committee

There was no report.

Facilities Committee

Chairman Mees advised that there were no major updates

Strategic Planning Committee

There was no report.

v) Finance Committee & Report

CFO Chelle Keplinger presented and discussed the PowerPoint presentations regarding financials for both August and September. Questions were asked and answered.

b) Written Reports

i) Medical Staff Report

There were no questions

**4) CONSENT AGENDA**

Director Marty Rose motioned to approve the consent agenda (approval of Board member absences, approval of the regular meeting minutes of 08/23/2022, special meeting minutes of 10/13/2022 and the Medical Staff report recommendations for revised policy and new or renewal of provider privileges). Motion was seconded by Treasurer/Secretary Mark Zeigler, and the Board approved said consent agenda items.

**5) DECISION AGENDA**

a) Resolution 2022-20 Discussion about the new State run insurance program for Family Medical Leave Insurance (FAMLI) included the following:

- i) CAO Ann Bruzzese reviewed the FAMLI program discussing its purpose and requirement that the Board must decide to opt out or will automatically be opted in for 3 years.
- ii) CAO Bruzzese noted that all employees were notified on 10/19/22 that FAMLI would be on the Board agenda and employees were given the ability to comment/ask questions either in person at this meeting, via email, or during office hours set aside by her and CFO Keplinger. There were no persons at the Board meeting who wished to comment on FAMLI. CAO Bruzzese read the 7 comments received about FAMLI:

*(1) I personally think it would be best to allow a choice to the employee. With this approach the employee can choose to opt in to the 12 week for Program or choose to opt in to the 24 week program or chose to not participate in either. Jason W., 10/18/22*



- (2) *The partial option where we can choose is most desirable. I would prefer not to be forced into having an additional cut taken from my paycheck. When you are paying back student loans, paying more for things like gas and groceries and trying to buy a house in Pagosa Springs, every little bit matters. But everyone is in a different situation! Kaela M., 10/19/22*
- (3) *FAMLI - verbal comment during office hours: I would prefer to keep my short-term disability benefits with Lincoln Life over the FAMLI option.*
- (4) *I support option "C". [employees can elect to participate in FAMLI if they want]. I am against option "B." [board electing to opt-in so all employees participate in FAMLI]. However, I will not be here to participate either way. Beth F., 10/21/22*
- (5) *Personally I feel this should be an employee decision to participate, another 0.45 tax increase on payroll doesn't seem like a lot (really 0.9, if employer considered), current core inflation is hitting everyone hard, especially families, myself included, Last thing that helps my situation is more money out of my check. If employees feel that they would benefit from FAMLI, then they can contribute accordingly. Kelly R., 10/21/22*
- (6) *Thank you for the information and the opportunity to comment. I have great concerns about how this program will be developed and how long it will take before it is running smoothly with all the kinks worked out. Right now, we have the opportunity to purchase better coverage through Lincoln National, and I would prefer to stick with that rather than be forced to pay for this program. I encourage the Board to opt-out. If any employee prefers to participate, they can still do so; however, I don't think our Payroll Department should get involved in facilitating this unless it becomes clear that we have a large number of employees who would find this program more valuable than our current option. If that becomes the case, I think we should reconsider having Payroll help facilitate it. Carrie E., 10/24/22.*
- (7) *I would NOT be in favor of opting in for the FAMLI act...Thought I would send my 2 cents in. Thanks. Steve W., 10/24/22*
- iii) CAO Bruzzese further noted that the Finance committee also reviewed the program and recognizes their job is not to decide policy, but to decide if the program is a good value for the money and, if the Board votes to participate, to recommend how to pay the costs of FAMLI. The Finance committee questioned the value for an unproven program and concluded that FAMLI is an unknown value. The Finance committee recommended that if the Board decides to "opt in" to FAMLI, there is no room in the current budget for additional monies to fund the program and their suggestion is to make a corresponding reduction to personnel compensation/benefits to cover the cost of the FAMLI benefit.
- iv) After a discussion of the short-term and long-term disability insurance available to PSMC employees, Director Dr. Pruitt wanted to be certain that employees are reminded that such disability insurance does not cover lost wages to care for a family member and employees should consider this when deciding whether to individually opt-in or not.
- v) CAO Bruzzese finally noted that the Board packet does not contain a resolution to opt in as this would occur automatically if PSMC does not opt out. There are, however, an additional

consideration if PSMC opts out and that is how employees who elect to individually opt-in pay premiums – one way is for the employee to pay FAML I directly and the other is for PSMC to collect premiums in payroll and remits it to FAML I with reports.

- vi) PSMC recommendation is if the Board decides to opt out that they fully opt out with any employees who opt-in be responsible to pay premiums directly to the FAML I program and not through PSMC payroll.

Director Rose motioned to accept Resolution 2022-20 for PSMC to fully opt-out of FAML I. Upon motion seconded by Vice-Chair Alfred, the Board unanimously approved Resolution 2022-20 to fully opt out of FAML I (employees who individually opt-in will be responsible to manage payment of their premiums and PSMC will not process through its payroll).

6) **ADJOURN**

There being no further business, Chairman Mees adjourned the regular meeting at 6:19 p.m. MST.

Respectfully submitted by:

Kelli Schanz, serving as Clerk to the Board

**UPPER SAN JUAN HEALTH SERVICE DISTRICT**  
**D/B/A PAGOSA SPRINGS MEDICAL CENTER**  
**RESOLUTION (No. 2022-21) TO ADOPT BUDGET**

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE UPPER SAN JUAN HEALTH SERVICE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2023 AND ENDING ON THE LAST DAY OF DECEMBER 2023.

**WHEREAS**, the Board of Directors of the Upper San Juan Health Service District (“USJHSD”) has appointed its Chief Executive Officer to prepare and timely submit a proposed 2023 budget; and

**WHEREAS**, the Chief Executive Officer has caused a proposed 2023 budget to be submitted to the USJHSD Board for its consideration; and

**WHEREAS**, upon due and proper notice, published in accordance with the law on October 13, 2022, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on October 13, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

**WHEREAS**, the budget has been prepared to comply with the terms, limitations and exemptions of laws or obligations which are applicable to or binding upon the District; and

**WHEREAS**, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves/fund balances so that the budget remains in balance, as required by law.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Upper San Juan Health Service District:

1. That estimated expenditures for each fund are as follows:

General Fund	\$42,767,668
Debt Service Fund	0
Total	<b>\$42,767,668</b>

2. That estimated revenues for each fund are as follows:

General Fund	
From unappropriated surpluses	\$15,586,357
From Funds Transfers	0
From sources other than general property tax	\$41,408,189
From general property tax	\$1,474,474
Total	<b>\$58,469,020</b>

Debt Service Fund	
From unappropriated surpluses	\$ 0
From Funds Transfers	0
From sources other than general property tax	0
From general property tax	<u>0</u>
Total	0


3. That the budget, be, and the same hereby is, approved and adopted as the budget of the Upper San Juan Health Service District for the 2023 fiscal year.
4. That the budget, as hereby approved and adopted, shall be signed by the Chairman of the Board of the District and made a part of the public records of the District.

**UPPER SAN JUAN HEALTH SERVICE DISTRICT**

  
 \_\_\_\_\_  
 Matt Mees, as Chair of the Board of USJHSD

11/15/22  
 Date

Attest:

  
 \_\_\_\_\_  
 Heather Thomas, as Clerk to the Board

11/15/2022  
 Date



**UPPER SAN JUAN HEALTH SERVICE DISTRICT**  
**D/B/A PAGOSA SPRINGS MEDICAL CENTER**  
**RESOLUTION (No. 2022-22) TO SET MILL LEVIES**

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE UPPER SAN JUAN HEALTH SERVICE DISTRICT FOR THE 2023 BUDGET YEAR.

**WHEREAS**, on November 15, 2022, the Board of Directors of the Upper San Juan Health Service District (“USJHSD”) adopted, in accordance with the Colorado local government budget law, the 2023 annual budget; and

**WHEREAS**, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$1,474,474; and

**WHEREAS**, the amount of money necessary to balance the budget for debt service expenses is \$0; and

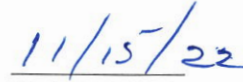
**WHEREAS**, the 2022 valuation for assessment for the District, as certified by the Assessors of Archuleta, Hinsdale and Mineral Counties, is \$378,307,275;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of USJHSD:

1. That for the purposes of meeting all general operating expenses of USJHSD during the 2023 budget year, there is hereby levied a tax of 3.884 mills upon each dollar of the total valuation for assessment of all taxable property within USJHSD for the year 2022, to raise \$1,474,474 in revenue.
2. That for the purposes of meeting all debt service expenses of USJHSD during the 2022 budget year, there is hereby levied a tax of 0.0 mills upon each dollar of the total valuation for assessment of all taxable property within USJHSD for the year 2022, to raise \$0 in revenue.
3. That the Treasurer and/or the Chairman of USJHSD is hereby authorized and directed, to immediately certify to the County Commissioners of Archuleta, Hinsdale and Mineral Counties, Colorado, the mill levy for the District as hereinabove determined and set.

**Upper San Juan Health Service District**

  
\_\_\_\_\_  
Matt Mees, as Chair of the USJHSD Board

  
\_\_\_\_\_  
Date

Attest:

  
\_\_\_\_\_  
Heather Thomas, Clerk to the Board

  
\_\_\_\_\_  
Date



Upper San Juan Health Service District

Resolution No. 2022-22

Page 2

[PAGE INTENTIONALLY LEFT BLANK FOR FINAL CERTIFIED ASSESSED  
VALUATION AND TAX REVENUES OF ARCHULETA, HINSDALE, AND MINERAL  
COUNTIES, AS APPLICABLE]

**UPPER SAN JUAN HEALTH SERVICE DISTRICT**  
**RESOLUTION (No. 2022-23) TO APPROPRIATE SUMS OF MONEY**

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS AND SPENDING AGENCIES, IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE UPPER SAN JUAN HEALTH SERVICE DISTRICT FOR THE 2023 BUDGET YEAR.

**WHEREAS**, on November 15, 2022, the Board of Directors of the Upper San Juan Health Service District (“USJHSD”) adopted, in accordance with the Colorado local government budget law, the 2023 annual budget; and

**WHEREAS**, the Board of Directors of USJHSD has made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

**WHEREAS**, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of USJHSD.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Upper San Juan Health Service District that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated:


General Fund:	\$41,408,189
Fund Balance Contingency	0
Debt Service Fund - Net:	0
Unexpended Surplus – General Fund	\$15,586,357
Unexpended Surplus – Debt Service	0
From general property tax	\$1,474,474
Total	<b>\$58,469,020</b>

**Upper San Juan Health Service District**

  
 \_\_\_\_\_  
 Matt Mees, as Chair of the Board of USJHSD

11/15/22  
 Date

Attest:

  
 \_\_\_\_\_  
 Heather Thomas, as Clerk to the Board

11/15/2022  
 Date

