



NOTICE OF REGULAR BOARD MEETING OF THE  
UPPER SAN JUAN HEALTH SERVICE DISTRICT d/b/a PAGOSA SPRINGS MEDICAL CENTER

**Tuesday, November 28, 2023 at 5:00 p.m. MST**

The Board Room (direct access – northeast entrance)  
95 South Pagosa Blvd., Pagosa Springs, CO 81147

The public may attend in person or via Zoom.  
To attend via Zoom, please use this link to join the meeting:

<https://us02web.zoom.us/j/83611276692>

or telephone (346)248-7799 or (669)900-6833

Meeting ID: 836 1127 6692

**AGENDA**

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

- a) Confirmation of quorum
- b) Board Director 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 USJHSD Board. Persons wishing to address the Board need to notify the Clerk to the Board, Laura DePiazza, 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) PRESENTATION**~~

**4) REPORTS**

a) **Oral Reports** (may be accompanied by a written report)

- i) ~~Chair Report~~ ~~Chair Kate Alfred~~
- ii) CEO Report ~~Dr. Rhonda Webb~~
- iii) ~~Executive Committee~~ ~~Chair Alfred and Vice Chair Rose~~
- iv) [Foundation Board](#) ~~Dir. Parada, Dir. Taylor and CEO R. Webb~~
- v) [Facilities Committee](#) ~~COO C. Mundt and Dir. Alfred~~
- vi) ~~Strategic Planning Committee~~ ~~Vice Chair Rose, Dir. Cox and CEO R. Webb~~
- vii) Finance Committee Report ~~Treas.-Sec. Zeigler, Dir. Floyd, CFO C. Keplinger~~
  - (a) [October 2023 Financials](#)

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

- i) [Medical Staff Report](#) Chief of Staff, Dr. John Wisneski

**PSMC's Mission: To provide quality, compassionate healthcare and wellness for each person we serve.**

**5) DECISION AGENDA**

- a) Presentation of the [2024 budget](#) by CFO Chelle Keplinger
  - i) Consideration of [Resolution 2023-21](#) to adopt the budget for 2024
  - ii) Consideration of [Resolution 2023-22](#) to set mill levies
  - iii) Consideration of [Resolution 2023-23](#) to appropriate sums of money
- b) Consideration of [Resolution 2023-24](#) regarding selection of the auditor for PSMC's annual audit

**6) 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 11/28/2023
- b) Approval of Minutes for the following meeting(s):
  - i) [Special meeting of 10/24/2023](#)
- c) Approval of [Medical Staff report](#) recommendations for new or renewal of provider privileges.

**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**

Generally, this agenda item is limited to requests for a matter to be added to a future agenda of the Board or a Committee.

**9) ADJOURN**

- a) Next meeting: Tuesday December 19, 2023 at 5:00

**Foundation Board Report for the  
USJHSD Board Meeting on November 28, 2023**

The Board for the *Dr. Mary Fisher Medical Foundation* which does business as the *Pagosa Springs Medical Center Foundation* is a nonprofit entity that exists for the sole purpose of supporting the needs of Pagosa Springs Medical Center. The Foundation's report is:

- The Foundation Board met on November 7, 2023.
- The Foundation's Board approved the Foundation's tax form 990 after receiving an explanation and review by auditor Dingus Zarecor & Associates.
- The Foundation's Board approved transfer of \$164,169 from the Foundation's Surgery Fund to PSMC for the purchase of new equipment (a GE Healthcare OEC Elite Digital Mobile C-Arm) to be used in surgery that has enhanced diagnostic capabilities and results in less radiation exposure to patients and staff.
- The Foundation received an update on fundraising activities.
- The Foundation owns the Dodie Cassidy building north of the main hospital. Historically, the Foundation has leased the building to two tenants and the leases end (expire) at the end of 2023. On August 1, 2023, the Foundation sent terms to the tenants for lease renewals for 2024. The main tenant provides a medical service (physical therapy) and PSMC is expanding physical therapy services to address unmet patient demand. On October 23, 2023, the physical therapy tenant reported to the Foundation that it will not renew its lease for 2024 because the tenant is not interested in its business being located next to PSMC's expanded physical therapy services in the remodeled Medical Wellness Building.

## Facilities Committee Report for the USJHSD Board Meeting on November 28, 2023

The Board's Facilities Committee met on November 10, 2023 and November 16, 2023. The report below provides an overview of the discussions of the Facilities Committee. **New updates since the last report are in blue.**

### 1) Large Projects:

#### a) Medical Wellness Building Renovation (f/ka Pruitt Building):

- i) In March 2023, the Board passed a resolution making the fundraising goal for 2023 funds to support the renovation of the Medical Wellness Building.
- ii) Fundraising efforts are ongoing.
- iii) In April 2023, PSMC staff applied for a grant of \$1,000,000 from the State of Colorado Division of Local Affairs (DOLA) as DOLA has been very generous to PSMC in the past (for the Clinic Building and our HVAC system). The application is for funding for the renovation. At the end of June, the CEO and staff presented the grant application to the DOLA review committee in Denver.
- iv) **DOLA awarded PSMC the grant for \$1,000,000 and the acquisition of the MWB on August 1, 2022 qualifies for PSMC's matching fund obligations. PSMC has signed the grant contract from DOLA on 8/24/23.**
- v) In May 2023, PSMC bid the project and selected the team of RTA Architects and Nunn Construction. **Design work has commenced. PSMC has signed the first design-build contract (not cost specific because costs are unknown until the project is designed and estimated); upon completion of the designs and estimates, the Board will receive a proposed contract for the project amount (likely for the February board meeting).**


#### b) Oxygen Generation Building: PSMC bid this project and only received one bid that was higher than anticipated. PSMC will pursue additional grant funding and rebid the project in early 2024 with an anticipated timeline of construction in the late spring or summer of 2024. PSMC was awarded a grant for \$224,000 to be used toward the construction of the building. **PSMC was awarded a DOLA grant of up to \$507,581 for construction of the oxygen generation building. The DOLA grant is a 50% match and PSMC can use the \$224,000 grant toward the matching amount. Unused grant funds are retained by DOLA.**

#### c) IT: PSMC was recently awarded a federal grant for \$209,000 for I.T. infrastructure needs to improve I.T. security and functionality; in addition, this will support the costs of the I.T. structure for the MWB. **The work will take place in 2024.**

#### d) Roof Replacement: As previously reported to the Board, other than the new outpatient clinic building, an inspection concluded that the roof areas over the hospital areas and Cancer Center need to be replaced. **The roof replacement for over the Dr. Mary Fisher part of the building (board room, cancer center and admin areas) is in the 2024 budget at an estimated cost of \$270,465; the roof replacement for the hospital portion of the building is anticipated for 2025. PSMC is working with the State energy assessment program (described in Section 2b below); when the energy assessment is completed, PSMC anticipates applying to DOLA for grant funds to help pay for the roof work.**

### 2) Other Ongoing Projects:

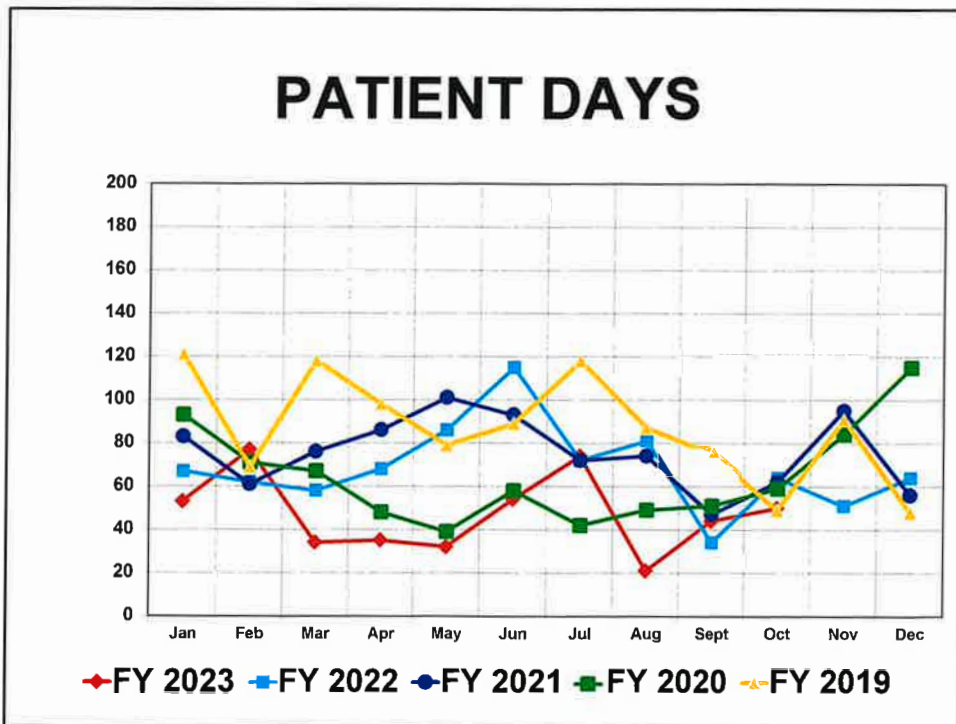
- a) Staff reported on a series of operational projects of repair and maintenance (for example HVAC, parking asphalt, stucco, landscaping, security, EMS building maintenance, plumbing, electrical, evaluation of wiring in the ceiling, evaluation of emergency generation needs).
- b) **PSMC issued an RFP for contractors to perform an energy savings performance audit. The selection of the contractor will be made in December. The contractor will then make recommendations for facility improvements for energy and water efficiency upgrades that are required, as part of the State program, capable of paying for themselves over time.**



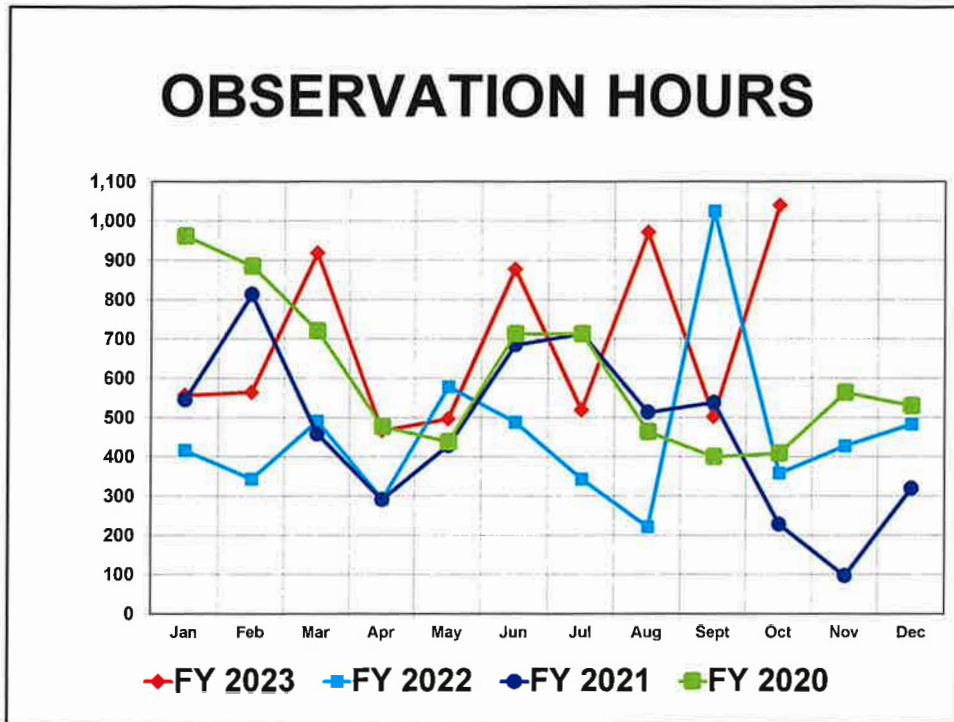
**PAGOSA SPRINGS**  
**Medical Center**  
THE CARE YOU DESERVE, IN THE MOUNTAINS YOU LOVE

**FINANCIAL PRESENTATION**  
**YTD OCTOBER 2023**

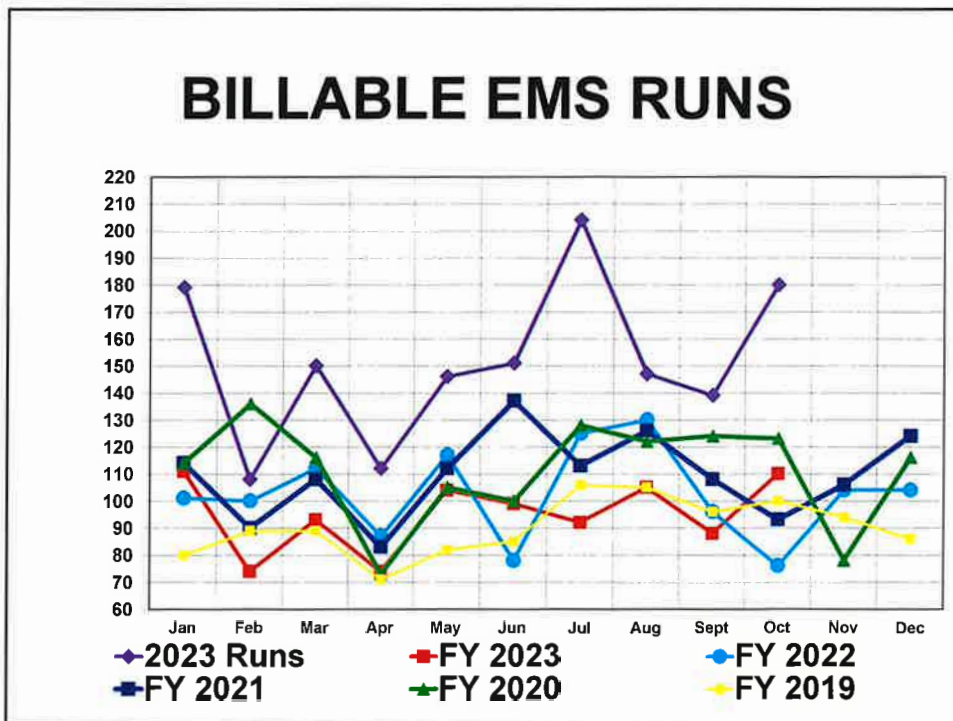
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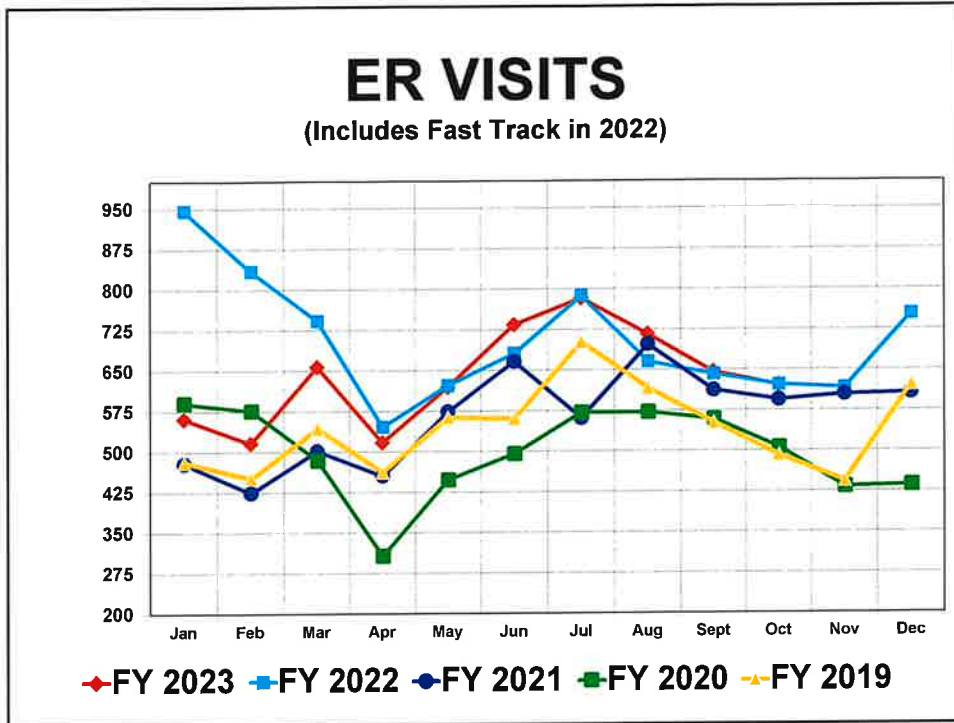


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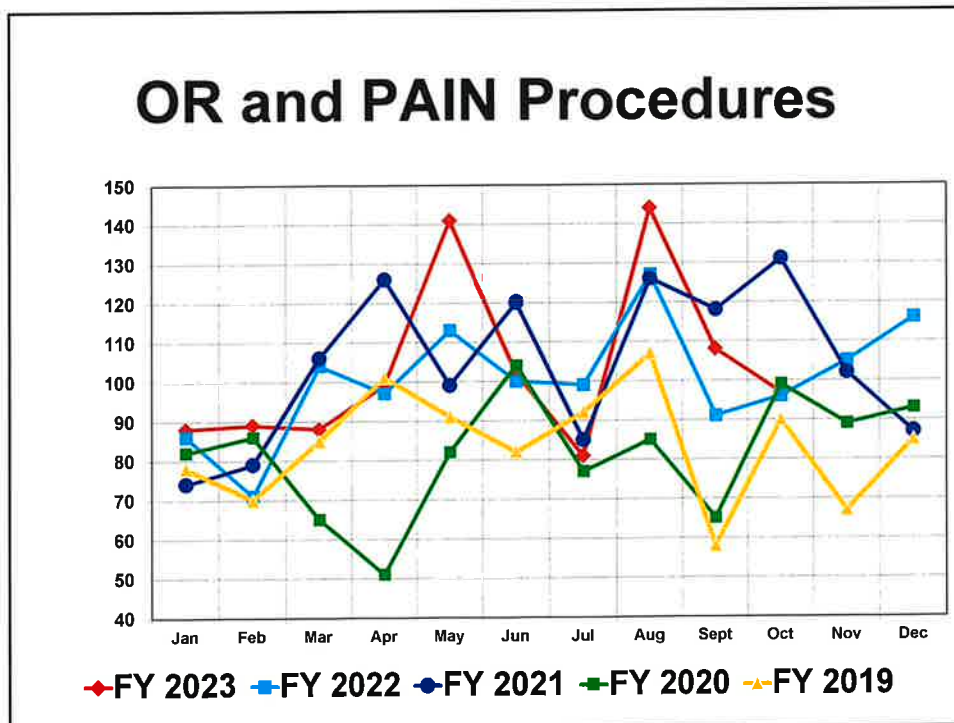


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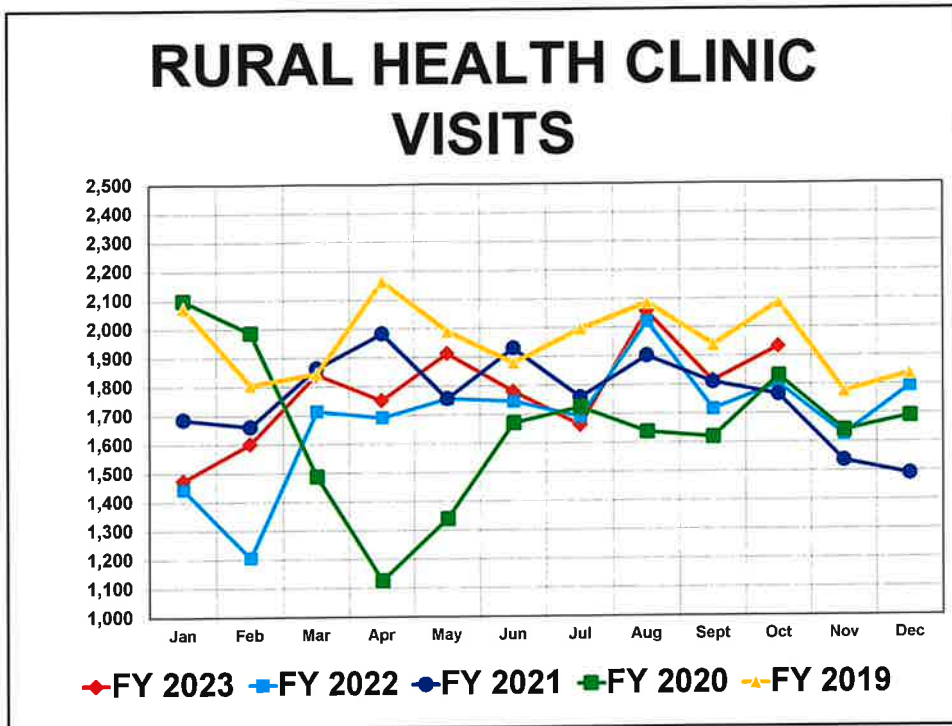




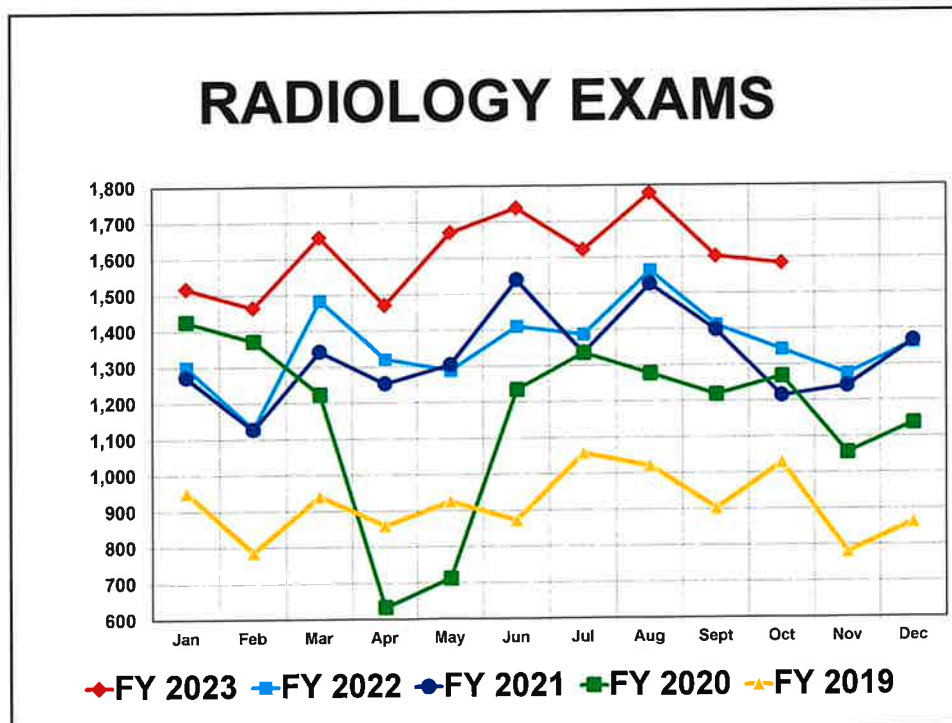
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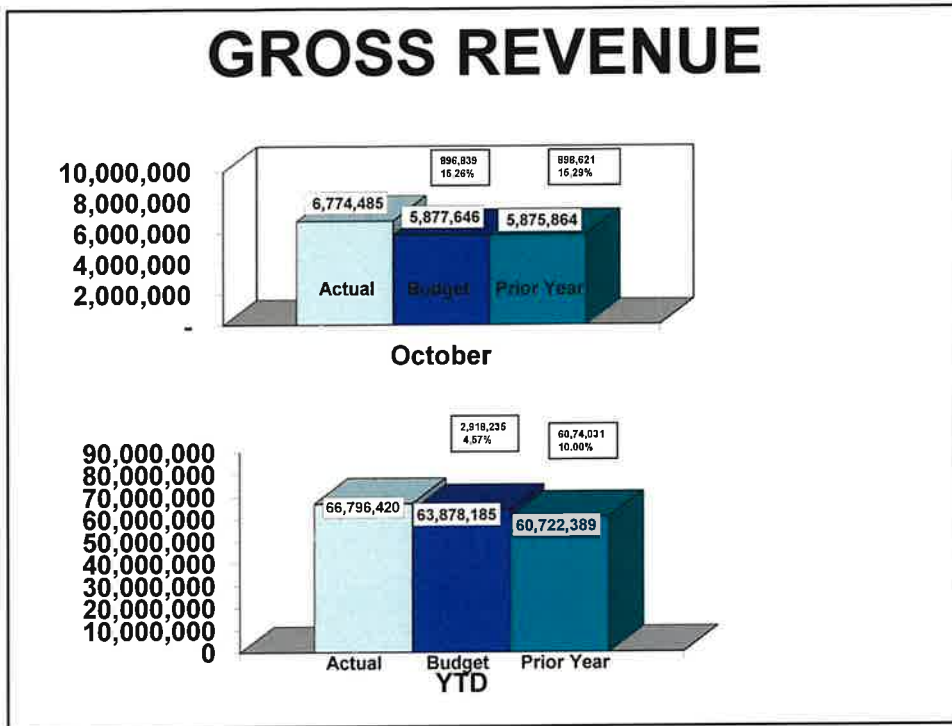


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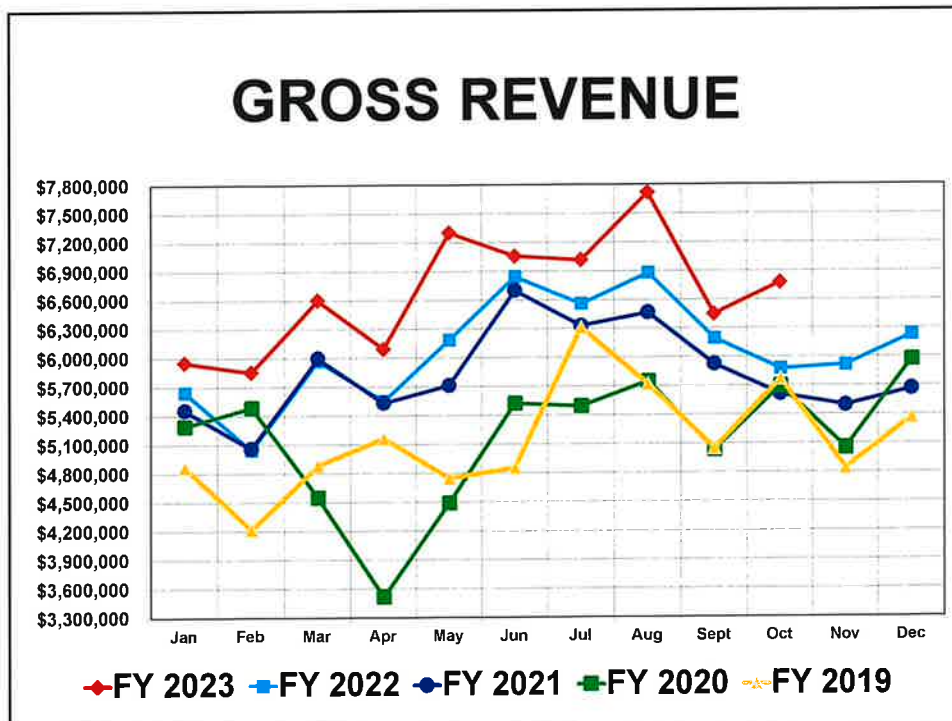


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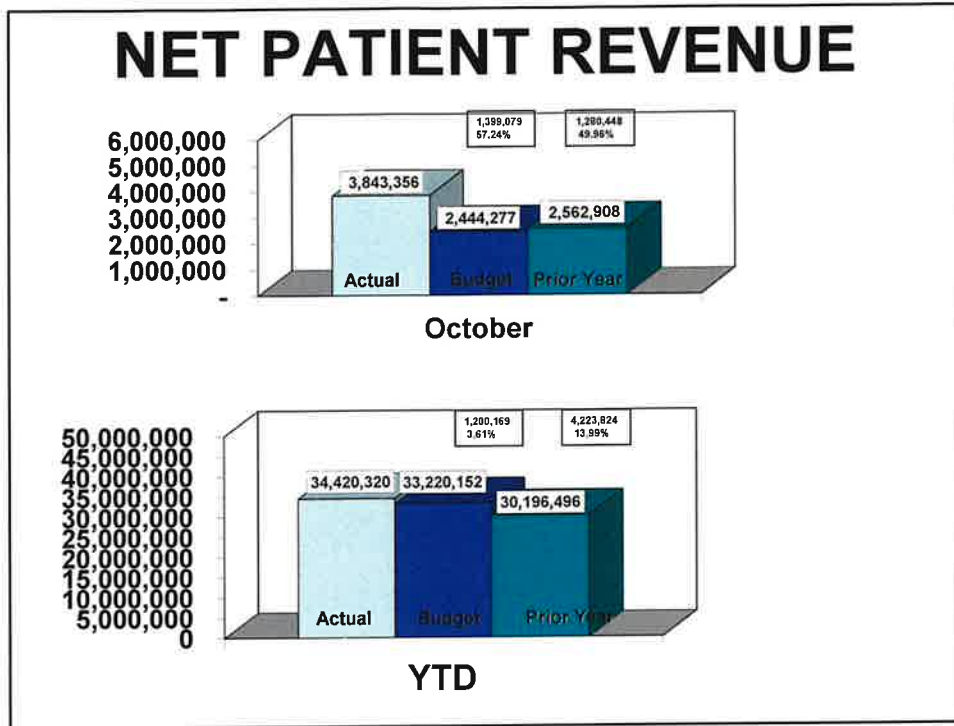




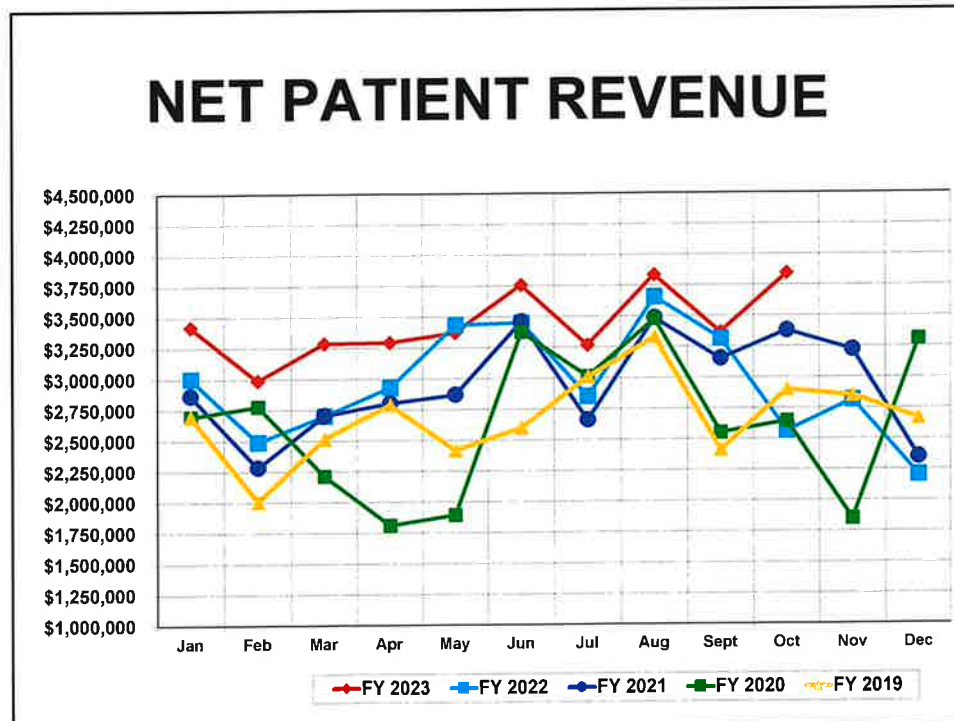
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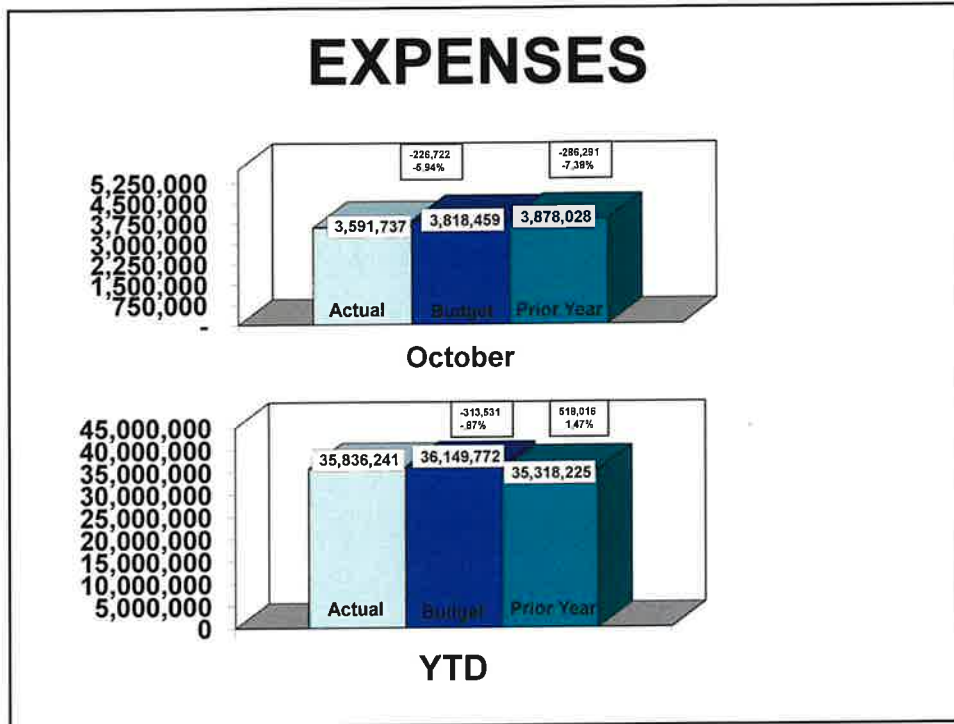
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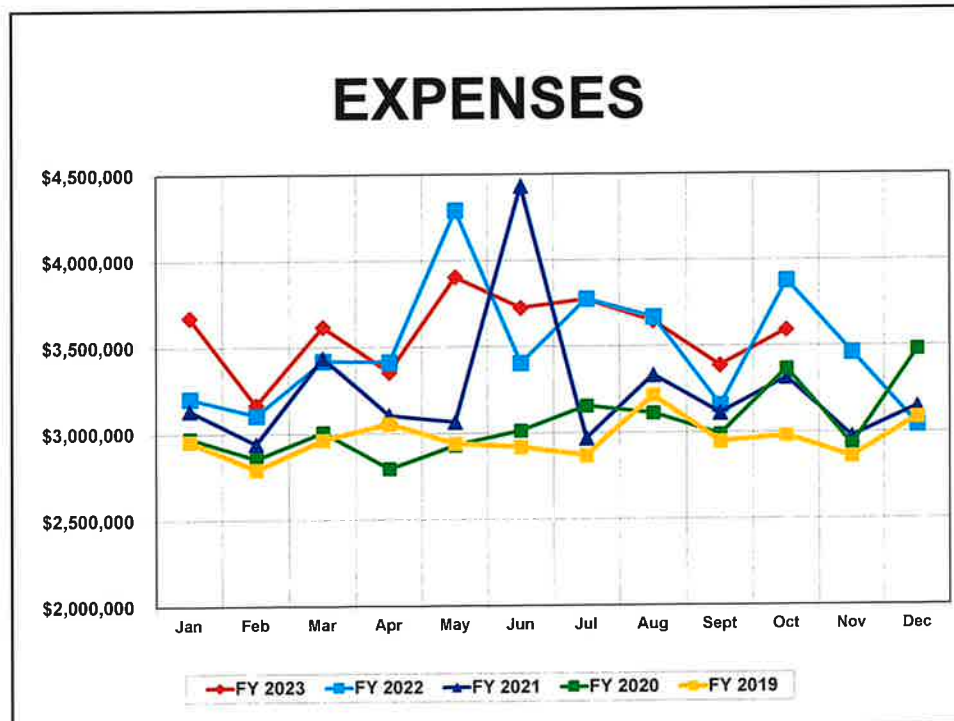
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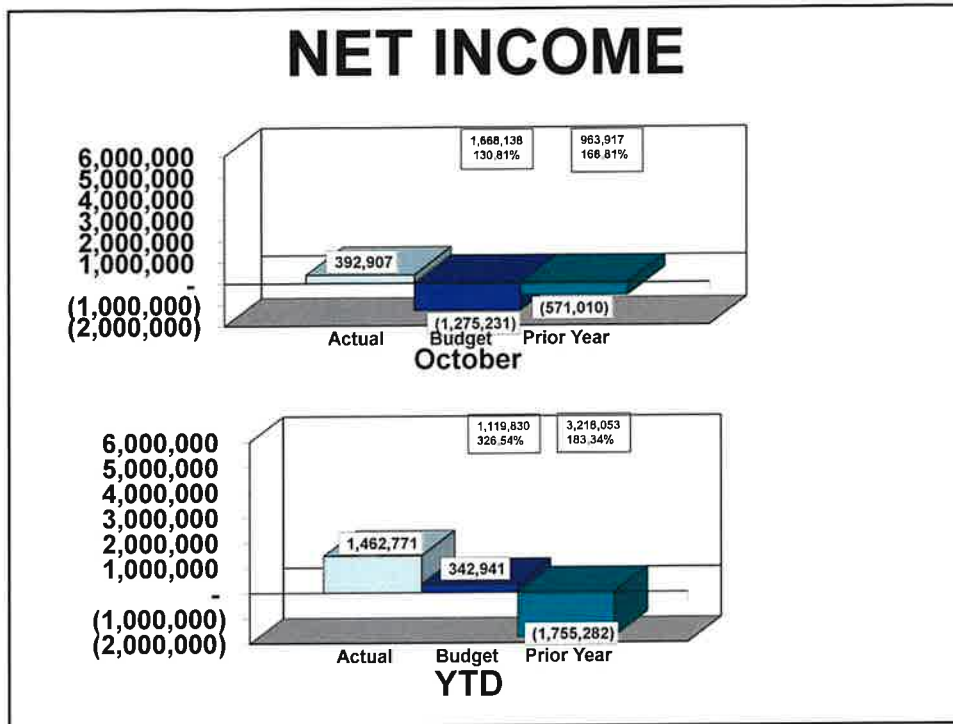
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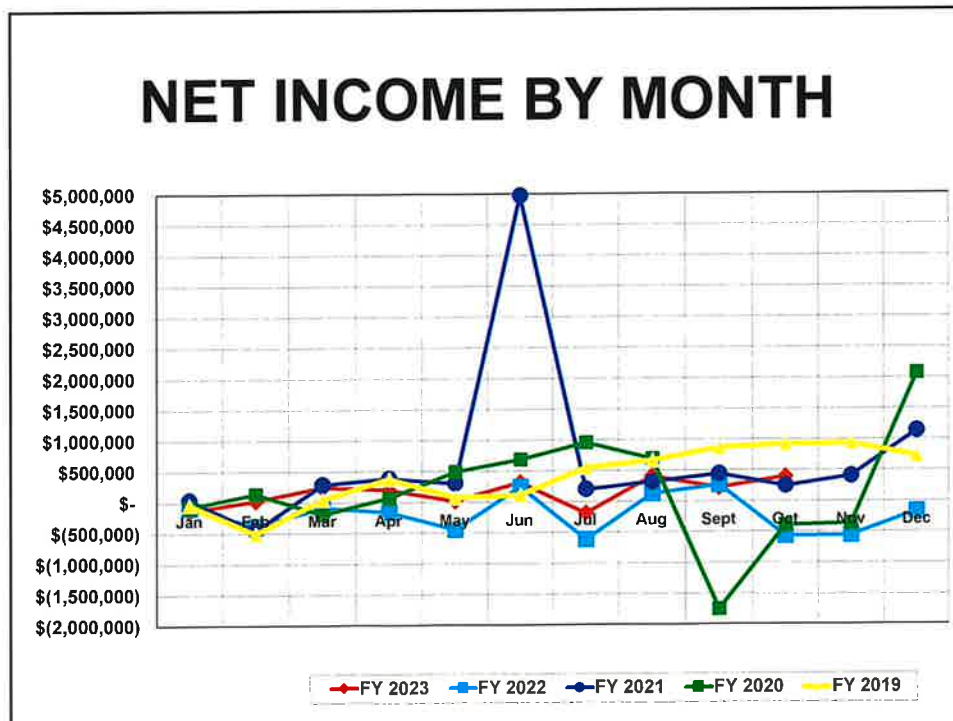
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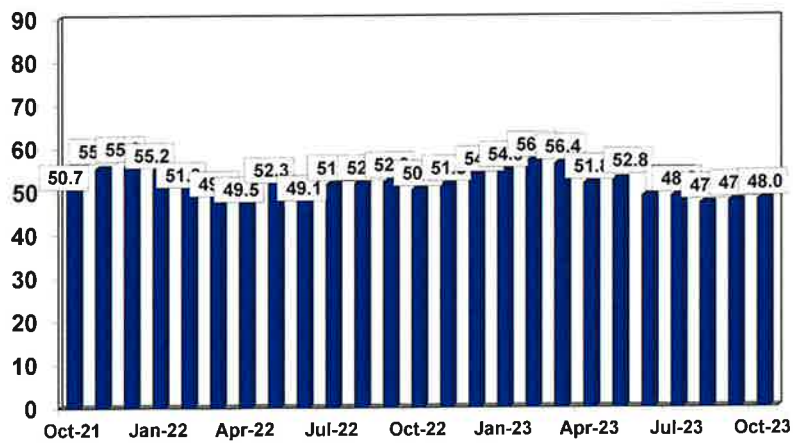
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## Summary of Financials

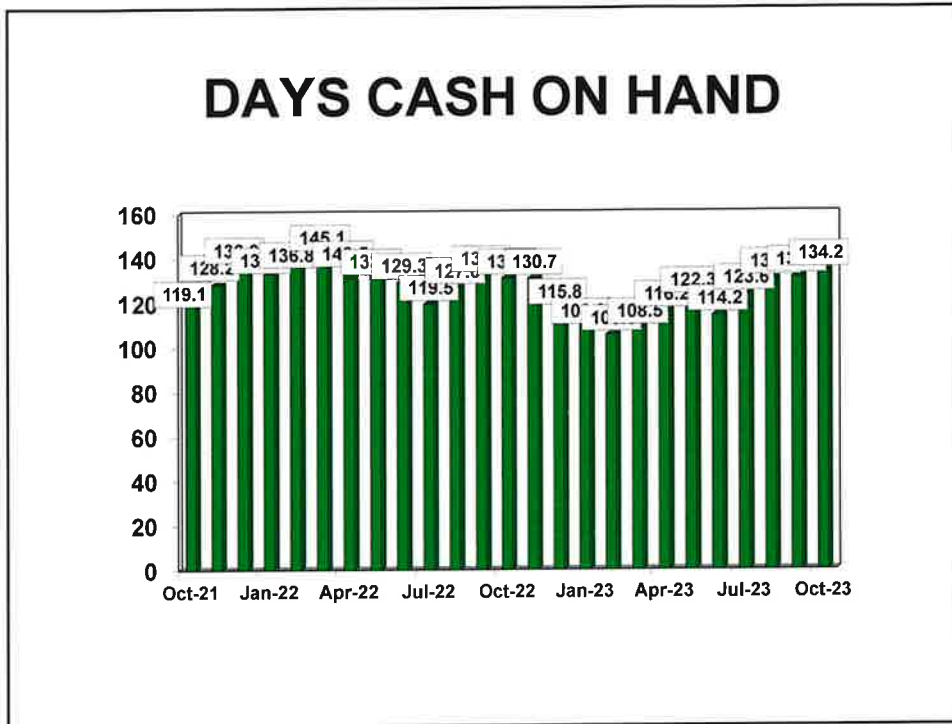
	September	October
Gross Revenue	6,444,710	6,774,485
Net Revenue	3,366,625	3,843,357
Expenses	3,367,299	3,591,737
Grants, Misc and Tax Revenue	236,167	141,287
Grants and Misc	205,299	113,828
Tax Revenue	30,868	27,459
Net Income	215,493	392,907

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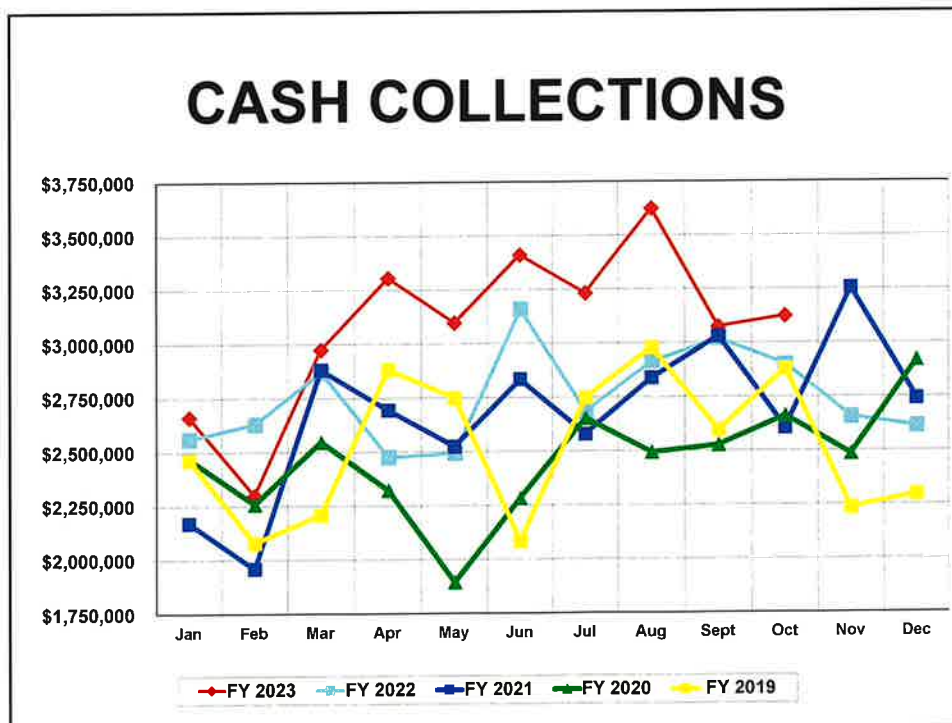
## GROSS DAYS IN ACCOUNTS RECEIVABLE



21



22



23



Income Statement - - - October 31, 2023

	Current Month				Year-to-Date			
	2023	Budget	Difference	Variance	2023	Budget	Difference	Variance
<b>Revenue</b>								
7 Total In-patient Revenue	192,341	309,828	(117,487)	-38%	2,579,318	5,391,005	(2,811,687)	-52%
17 Total Out-patient Revenue	6,040,663	5,124,084	916,579	18%	58,731,292	53,162,371	5,568,921	10%
18 Professional Fees	541,481	443,734	97,747	22%	5,485,810	5,324,809	161,001	3%
19 <b>Total Patient Revenue</b>	<b>6,774,485</b>	<b>5,877,646</b>	<b>896,839</b>	<b>15%</b>	<b>66,796,420</b>	<b>63,878,185</b>	<b>2,918,235</b>	<b>5%</b>
Revenue Deductions & Bad Debt								
21 Contractual Allowances	3,000,576	3,549,181	(548,605)	-15%	33,369,054	32,336,981	1,032,073	3%
22 Charity	10,318	-	10,318		253,685	-	253,685	
23 Bad Debt	274,847	214,856	59,991	28%	2,500,181	1,629,325	870,856	53%
24 Provider Fee & Other	(354,613)	(330,669)	(23,944)	7%	(3,746,819)	(3,308,273)	(438,546)	13%
25 Total Revenue Deductions & Bad Debt	2,931,128	3,433,368	(502,240)	-15%	32,376,101	30,658,033	1,718,068	6%
26 <b>Total Net Patient Revenue</b>	<b>3,843,357</b>	<b>2,444,278</b>	<b>1,399,079</b>	<b>57%</b>	<b>34,420,319</b>	<b>33,220,152</b>	<b>1,200,167</b>	<b>4%</b>
27 Grants	-	11,648	(11,648)	-100%	127,425	238,986	(111,561)	-47%
28 HHS Stimulus Other Revenue	-	-	-		-	-	-	
29 COVID PPP Loan Forgiveness	-	-	-	0%	-	-	-	0%
30 Other Operating Income - Misc	48,264	54,100	(5,836)	-11%	708,263	1,405,341	(697,078)	-50%
31 <b>Total Net Revenues</b>	<b>3,891,621</b>	<b>2,510,026</b>	<b>1,381,595</b>	<b>55%</b>	<b>35,256,007</b>	<b>34,864,479</b>	<b>391,528</b>	<b>1%</b>
<b>Operating Expenses</b>								
33 Salary & Wages	1,726,656	1,983,192	(256,536)	-13%	17,288,132	18,742,469	(1,454,337)	-8%
34 Benefits	261,475	289,474	(27,999)	-10%	2,967,077	2,808,787	158,290	6%
35 Professional Fees/Contract Labor	233,624	106,028	127,596	120%	1,693,368	1,059,155	634,213	60%
36 Purchased Services	192,945	208,907	(15,962)	-8%	1,910,235	1,970,580	(60,345)	-3%
37 Supplies	646,175	666,787	(20,612)	-3%	6,369,035	6,276,663	92,372	1%
38 Rent & Leases	10,281	17,856	(7,575)	-42%	122,441	179,996	(57,555)	-32%
39 Repairs & Maintenance	52,216	48,049	4,167	9%	465,437	450,094	15,343	3%
40 Utilities	32,071	46,980	(14,909)	-32%	441,310	439,504	1,806	0%
41 Insurance	39,610	37,656	1,954	5%	397,835	376,557	21,278	6%
42 Depreciation & Amortization	179,878	165,523	14,355	9%	1,809,581	1,544,282	265,299	17%
43 Interest	84,375	83,268	1,107	1%	851,347	809,045	42,302	5%
44 Other	132,431	164,739	(32,308)	-20%	1,520,443	1,492,640	27,803	2%
45 <b>Total Operating Expenses</b>	<b>3,591,737</b>	<b>3,818,459</b>	<b>(226,722)</b>	<b>-6%</b>	<b>35,836,241</b>	<b>36,149,772</b>	<b>(313,531)</b>	<b>-1%</b>
46 <b>Operating Revenue Less Expenses</b>	<b>299,884</b>	<b>(1,308,433)</b>	<b>1,608,317</b>	<b>-123%</b>	<b>(580,234)</b>	<b>(1,285,293)</b>	<b>705,059</b>	<b>-55%</b>
<b>Non-Operating Income</b>								
48 Interest Income	65,564	3,713	61,851	1666%	487,269	47,484	439,785	926%
49 Tax Revenue	27,459	29,489	(2,030)	-7%	1,555,736	1,400,750	154,986	11%
50 Donations	-	-	-		-	180,000	(180,000)	-100%
51 <b>Total Non-Operating Income</b>	<b>93,023</b>	<b>33,202</b>	<b>59,821</b>	<b>180%</b>	<b>2,043,005</b>	<b>1,628,234</b>	<b>414,771</b>	<b>25%</b>
52 <b>Total Revenue Less Total Expenses</b>	<b>\$ 392,907</b>	<b>\$ (1,275,231)</b>	<b>\$ 1,668,138</b>	<b>-131%</b>	<b>\$ 1,462,771</b>	<b>\$ 342,941</b>	<b>\$ 1,119,830</b>	<b>327%</b>

## Income Statement Comparison - - - October 31, 2023

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	Current Month				Year-to-Date			
	2023	2022	Difference	Variance	2023	2022	Difference	Variance
<b>Revenue</b>								
7 Total In-patient Revenue	192,341	274,014	(81,673)	-30%	2,579,318	4,442,758	(1,863,440)	-42%
17 Total Out-patient Revenue	6,040,663	5,141,348	899,315	17%	58,731,292	51,163,722	7,567,570	15%
18 Professional Fees	541,481	460,502	80,979	18%	\$ 5,485,810	5,115,909	369,901	7%
19 <b>Total Patient Revenue</b>	<b>6,774,485</b>	<b>5,875,864</b>	<b>898,621</b>	<b>15%</b>	<b>66,796,420</b>	<b>60,722,389</b>	<b>6,074,031</b>	<b>10%</b>
20 Revenue Deductions & Bad Debt								
21 Contractual Allowances	3,000,576	3,186,781	(186,205)	-6%	\$ 33,369,054	31,110,852	2,258,202	7%
22 Charity	10,318	96,837	(86,519)	-89%	253,685	395,570	(141,885)	-36%
23 Bad Debt	274,847	333,389	(58,542)	-18%	2,500,181	2,521,035	(20,854)	-1%
24 Provider Fee & Other	(354,613)	(304,051)	(50,562)	17%	(3,746,819)	(3,501,564)	(245,255)	7%
25 Total Revenue Deductions & Bad Debt	2,931,128	3,312,956	(381,828)	-12%	32,376,101	30,525,893	1,850,208	6%
26 <b>Total Net Patient Revenue</b>	<b>3,843,357</b>	<b>2,562,908</b>	<b>1,280,449</b>	<b>50%</b>	<b>34,420,319</b>	<b>30,196,496</b>	<b>4,223,823</b>	<b>14%</b>
27 Grants	-	-	-		127,425	113,838	13,587	12%
28 HHS Stimulus Other Revenue	-	669,775	(669,775)	-100%	-	669,775	(669,775)	-100%
29 COVID PPP Loan Forgiveness	-	-	-		-	-	-	
30 Other Operating Income - Misc	48,264	37,447	10,817	29%	708,263	1,017,719	(309,456)	-30%
31 <b>Total Net Revenues</b>	<b>3,891,621</b>	<b>3,270,130</b>	<b>621,491</b>	<b>19%</b>	<b>35,256,007</b>	<b>31,997,828</b>	<b>3,258,179</b>	<b>10%</b>
<b>Operating Expenses</b>								
33 Salary & Wages	1,726,656	1,679,880	46,776	3%	17,288,132	16,828,091	460,041	3%
34 Benefits	261,475	264,610	(3,135)	-1%	2,967,077	2,761,418	205,659	7%
35 Professional Fees/Contract Labor	233,624	298,455	(64,831)	-22%	1,693,368	2,750,129	(1,056,761)	-38%
36 Purchased Services	192,945	173,718	19,227	11%	1,910,235	1,849,159	61,076	3%
37 Supplies	646,175	942,066	(295,891)	-31%	6,369,035	6,155,921	213,114	3%
38 Rent & Leases	10,281	30,147	(19,866)	-66%	122,441	182,341	(59,900)	-33%
39 Repairs & Maintenance	52,216	63,331	(11,115)	-18%	465,437	502,475	(37,038)	-7%
40 Utilities	32,071	33,803	(1,732)	-5%	441,310	388,175	53,135	14%
41 Insurance	39,610	25,176	14,434	57%	397,835	350,870	46,965	13%
42 Depreciation & Amortization	179,878	161,295	18,583	12%	1,809,581	1,608,367	201,214	13%
43 Interest	84,375	83,274	1,101	1%	851,347	753,713	97,634	13%
44 Other	132,431	122,273	10,158	8%	1,520,443	1,187,566	332,877	28%
45 <b>Total Operating Expenses</b>	<b>3,591,737</b>	<b>3,878,028</b>	<b>(286,291)</b>	<b>-7%</b>	<b>35,836,241</b>	<b>35,318,225</b>	<b>518,016</b>	<b>1%</b>
46 <b>Operating Revenue Less Expenses</b>	<b>299,884</b>	<b>(607,898)</b>	<b>907,782</b>	<b>-149%</b>	<b>(580,234)</b>	<b>(3,320,397)</b>	<b>2,740,163</b>	<b>-83%</b>
<b>Non-Operating Income</b>								
47 Interest Income	65,564	12,689	52,875	417%	487,269	65,055	422,214	649%
49 Tax Revenue	27,459	24,199	3,260	13%	1,555,736	1,500,060	55,676	4%
50 Donations	-	-	-		-	-	-	
51 <b>Total Non-Operating Income</b>	<b>93,023</b>	<b>36,888</b>	<b>56,135</b>	<b>152%</b>	<b>2,043,005</b>	<b>1,565,115</b>	<b>477,890</b>	<b>31%</b>
52 <b>Total Revenue Less Total Expenses</b>	<b>\$ 392,907</b>	<b>\$ (571,010)</b>	<b>\$ 963,917</b>	<b>-169%</b>	<b>\$ 1,462,771</b>	<b>\$ (1,755,282)</b>	<b>3,218,053</b>	<b>-183%</b>

Balance Sheet - - - October 31, 2023

Assets	Current Month	Prior Month	Liabilities	Current Month	Prior Month
Current Assets			Current Liabilities		
Cash					
Operating (TBK)	\$ 4,225,030	\$ 4,009,863	Accts Payable - System	\$ 866,559	\$ 762,086
COLO Trust	1,702,539	1,694,563	Accrued Expenses	721,106	630,087
Debt Svc. Res. 2016 Bonds (UMB)	878,731	878,731	Cost Report Settlement Res	(1,282,740)	(824,026)
Bond Funds - 2016 Bonds (UMB)	117	116	Wages & Benefits Payable	2,145,605	2,051,418
Bond Funds - 2021 (UMB)	2,896,915	2,872,278	Deferred Revenue	2,003	2,003
CSIP Investments	6,191,803	6,162,879	COVID PPP Short Term Loan	-	-
Escrow - UMB	-	-	Relief Fund Liability	-	-
COVID PPP	-	-	Medicare Accelerated Pmt Liab	(251,194)	(251,194)
Relief Fund Cash Restricted	-	-	Current Portion of LT Debt-75 S Pagosa	120,000	120,000
Medicare Accelerated Pmt	-	-	Current Portion of LT Debt-2021	420,000	420,000
Total Cash	15,895,135	15,618,430	Current Portion of LT Debt-2016	230,000	230,000
			Total Current Liabilities	2,971,339	3,140,374
Accounts Receivable			Long-Term Liabilities		
Patient Revenue - Net	3,979,807	3,951,948	Leases Payable - 75 S Pagosa	2,180,000	2,180,000
Other Receivables	57,605	66,807	GASB 87 Capital Leases	1,914,947	1,948,951
Total Accounts Receivable	4,037,412	4,018,755	Bond Premium (Net) - 2006 Def Outflows	181,283	182,395
Inventory	1,779,528	1,787,812	Bond Premium (Net) - 2016	114,701	115,125
			Bond Premium (Net) - 2021	675,101	679,073
Total Current Assets	21,712,075	21,424,997	Bonds Payable - 2021	7,465,000	7,465,000
Fixed Assets			Bonds Payable - 2006	-	-
Property Plant & Equip (Net)	21,404,965	21,544,708	Bonds Payable - 2016	8,795,000	8,795,000
GASB 87 Leased Assets (Net)	1,397,059	1,432,841	Total Long-Term Liabilities	21,326,032	21,365,544
Work In Progress	718,788	546,964	Net Assets		
Land	704,021	704,021	Un-Restricted	20,431,783	20,431,783
Total Fixed Assets	24,224,833	24,228,534	Current Year Net Income/Loss	1,462,771	1,069,864
Other Assets			Total Un-Restricted	21,894,554	21,501,647
Prepays & Other Assets	255,017	354,034	Restricted	-	-
Total Other Assets	255,017	354,034	Total Net Assets	21,894,554	21,501,647
<b>Total Assets</b>	<b>\$ 46,191,925</b>	<b>\$ 46,007,565</b>	<b>Total Liabilities &amp; Net Assets</b>	<b>\$ 46,191,925</b>	<b>\$ 46,007,565</b>

Monthly Trends

	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	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	26	25	32	28	37	20	22	18	28	34	11	18	16	232
3 In-Patient Days	64	51	64	53	77	34	35	32	54	74	21	44	50	474
4 Avg Stay Days (In-patients)	2.5	2.0	2.0	1.9	2.1	1.7	1.6	1.8	1.9	2.2	1.9	2.4	3.1	2.0
5 Swing Bed Admissions	0	0	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	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	2.1	1.7	2.1	1.7	2.8	1.1	1.2	1.0	1.8	2.4	0.7	1.4	1.6	1.6
<b>Statistics</b>														
9 E/R visits	529	616	753	561	516	657	517	619	734	783	716	646	621	6,370
10 Observ Hours	358	428	483	557	564	918	467	496	878	519	971	502	1,040	6,912
11 Lab Tests	5,839	6,987	5,695	5,480	5,176	6,094	5,279	6,051	6,390	6,449	6,625	5,816	6,412	59,772
12 Radiology/CT/MRI Exams	1,342	1,274	1,361	1,517	1,464	1,659	1,470	1,671	1,738	1,621	1,778	1,602	1,582	16,102
14 OR Cases	95	105	116	88	89	88	99	141	102	81	144	108	97	1,037
15 Clinic Visits	1,804	1,627	1,794	1,475	1,602	1,842	1,752	1,913	1,781	1,663	2,057	1,815	1,933	17,833
16 Spec. Clinic Visits	27	30	37	41	42	28	38	53	40	20	33	27	29	351
17 Oncology Clinic Visits	126	111	93	109	106	106	110	133	139	106	134	93	113	1,149
18 Oncology/Infusion Patients	214	161	195	134	171	229	254	261	211	288	204	267	266	2,285
19 EMS Transports	76	104	104	111	74	93	74	104	99	92	105	88	110	950
20 Total Stats	#####	#####	#####	10,073	9,804	11,714	10,060	11,442	12,112	11,622	12,767	10,964	12,203	112,761

Pagosa Springs Medical Center - - - Statistical Review

ORAL REPORT 4.a.vii.a

Statistical Review

2023	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	16	17	(1)	232	290	(58)	232	288	(56)	-19%
Swing Bed	-	-	-	-	-	-	-	-	-	-
Total	16	17	(1)	232	290	(58)	232	288	(56)	-19%
Patient Days:										
Acute	50	42	8	474	724	(250)	474	707	(233)	-33%
Swing Bed	-	-	-	-	-	-	-	-	-	-
Total	50	42	8	474	724	(250)	474	707	(233)	-33%
Average Daily Census:										
# Of Days	31	31		304	304		304	304		
Acute	1.6	1.4	0.3	1.6	2.4	(0.8)	1.6	2.3	(0.8)	-33%
Swing Bed	-	-	-	-	-	-	-	-	-	-
Total	1.6	1.4	0.3	1.6	2.4	(0.8)	1.6	2.3	(0.8)	-33%
Length of Stay:										
Acute	3.1	2.5	0.7	2.0	2.5	(0.5)	2.0	2.5	(0.4)	-17%
Swing Bed	-	-	-	-	-	-	-	-	-	0%
Total	3.1	2.5	0.7	2.0	2.5	(0.5)	2.0	2.5	(0.4)	-17%
<b>Out-Patient</b>										
Out-Patient Visits										
E/R Visits	621	687	(66)	6,370	7,124	(754)	6,370	6,964	(594)	-9%
Observ admissions	43	22	21	298	229	69	298	231	67	29%
Lab Tests	6,412	5,644	768	59,772	58,559	1,213	59,772	56,487	3,285	6%
Radiology/CT/MRI Exams/M	1,582	1,343	239	16,102	13,935	2,167	16,102	13,696	2,406	18%
OR Cases	97	99	(2)	1,037	1,025	12	1,037	964	73	8%
Clinic Visits	1,933	1,649	284	17,833	17,112	721	17,833	16,793	1,040	6%
Spec. Clinic Visits	29	30	(1)	351	313	38	351	314	37	12%
Oncology Clinic Visits	113	111	2	1,149	1,152	(3)	1,149	1,218	(69)	-6%
Oncology/Infusion Patients	266	256	10	2,285	2,656	(371)	2,285	2,696	(411)	-15%
EMS Transports	110	101	9	950	1,050	(100)	950	1,022	(72)	-7%
Total	11,206	9,942	1,264	106,147	103,155	2,992	106,147	100,385	5,762	6%

**Pagosa Springs Medical Center**

**Cerner/Healthland Accounts Receivable for Hospital by Payor and Days Outstanding -- As of October 31, 2023**

	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	\$ 2,546,577	\$ 413,164	\$ 131,463	\$ 162,026	\$ 90,335	\$ 34,254	\$ 284,271	\$ 3,662,090	34%	
3 Medicaid	540,241	65,115	82,187	37,465	12,795	25,667	66,465	829,935	8%	
4 Third Party	1,761,682	401,082	245,768	266,569	127,721	124,187	552,548	3,479,557	32%	
5 Self-Pay	428,218	296,055	322,398	273,387	263,233	169,117	1,198,519	2,950,927	27%	
<b>Current Month Total</b>	<b>\$ 5,276,718</b>	<b>\$ 1,175,416</b>	<b>\$ 781,816</b>	<b>\$ 739,447</b>	<b>\$ 494,084</b>	<b>\$ 353,225</b>	<b>\$ 2,101,803</b>	<b>\$ 10,922,509</b>	<b>100%</b>	<b>209,769</b>
<b>Pct of Total</b>	<b>48%</b>	<b>11%</b>	<b>7%</b>	<b>7%</b>	<b>5%</b>	<b>3%</b>	<b>19%</b>	<b>100%</b>		
Sep-23	\$ 5,357,429	\$ 1,364,191	\$ 829,226	\$ 571,432	\$ 437,907	\$ 314,760	\$ 2,112,322	\$ 10,987,267		161,484
Pct of Total	49%	12%	8%	5%	4%	3%	19%	100%		
Aug-23	\$ 5,791,813	\$ 1,310,432	\$ 705,237	\$ 499,128	\$ 347,251	\$ 331,541	\$ 2,188,265	\$ 11,173,667		294,367
Pct of Total	52%	12%	6%	4%	3%	3%	20%	100%		
Jul-23	\$ 5,195,855	\$ 1,750,827	\$ 922,811	\$ 484,274	\$ 416,696	\$ 338,589	\$ 1,881,363	\$ 10,990,415		262,515
Pct of Total	47%	16%	8%	4%	3%	3%	17%	100%		
Jun-23	\$ 5,512,522	\$ 1,195,087	\$ 537,000	\$ 531,450	\$ 583,696	\$ 409,956	\$ 2,213,524	\$ 10,983,235		169,493
Pct of Total	50%	11%	5%	5%	5%	4%	20%	100%		
May-23	\$ 5,727,512	\$ 1,086,665	\$ 730,974	\$ 686,873	\$ 574,251	\$ 322,203	\$ 2,335,486	\$ 11,463,964		149,612
Pct of Total	50%	9%	6%	6%	5%	3%	20%	100%		
Apr-23	\$ 4,649,144	\$ 1,340,245	\$ 887,732	\$ 744,066	\$ 390,670	\$ 383,149	\$ 2,391,747	\$ 10,786,753		118,155
Pct of Total	43%	12%	8%	7%	4%	4%	22%	100%		
Mar-23	\$ 5,487,671	\$ 1,397,788	\$ 1,008,260	\$ 492,549	\$ 442,994	\$ 507,208	\$ 2,182,723	\$ 11,519,193		146,612
Pct of Total	48%	12%	9%	4%	4%	4%	19%	100%		
Feb-23	\$ 5,248,449	\$ 1,682,584	\$ 760,575	\$ 468,388	\$ 607,923	\$ 437,374	\$ 2,190,121	\$ 11,395,414		102,197
Pct of Total	46%	15%	7%	4%	5%	4%	19%	100%		
Jan-23	\$ 5,123,357	\$ 1,248,805	\$ 614,514	\$ 745,873	\$ 482,283	\$ 273,204	\$ 2,257,741	\$ 10,745,777		141,264
Pct of Total	48%	12%	6%	7%	4%	3%	21%	100%		
Dec-22	\$ 4,866,761	\$ 1,268,334	\$ 866,931	\$ 548,451	\$ 414,832	\$ 408,064	\$ 2,198,139	\$ 10,571,512		176,992
Pct of Total	46%	12%	8%	5%	4%	4%	21%	100%		
Nov-22	\$ 4,628,883	\$ 1,203,061	\$ 741,822	\$ 516,963	\$ 509,027	\$ 428,506	\$ 2,149,446	\$ 10,177,708		226,765
Pct of Total	45%	12%	7%	5%	5%	4%	21%	100%		
Oct-22	\$ 4,510,172	\$ 1,414,025	\$ 840,205	\$ 678,170	\$ 658,661	\$ 439,855	\$ 1,826,111	\$ 10,367,199		147,187
Pct of Total	44%	14%	8%	7%	6%	4%	18%	100%		
Sep-22	\$ 5,163,652	\$ 1,454,685	\$ 829,159	\$ 821,421	\$ 525,214	\$ 274,896	\$ 2,073,259	\$ 11,142,286		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		181,959
Pct of Total	47%	13%	12%	6%	4%	3%	14%	100%		



**Pagosa Springs Medical Center**

**Cerner/Healthland Accounts Receivable for Hospital by Payor and Days Outstanding -- As of October 31, 2023**

		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
Jul-22	\$	5,195,855	\$ 1,750,827	\$ 922,811	\$ 484,274	\$ 416,696	\$ 338,589	\$ 1,881,363	\$ 10,990,415		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		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		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		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		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		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		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		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		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		372,288
Pct of Total		46%	14%	8%	6%	7%	3%	16%	100%		
12	<b>Pct Settled (Current)</b>		78.1%	42.7%	10.8%	13.5%	19.3%	-567.7%			
13	<b>Pct Settled (Sept from Aug)</b>		76.4%	36.7%	19.0%	12.3%	9.4%	-537.1%			
14	<b>Pct Settled (Aug from July)</b>		74.8%	59.7%	45.9%	28.3%	20.4%	-546.3%			
15	<b>Pct Settled (July from June)</b>		68.2%	22.8%	9.8%	21.6%	42.0%	-358.9%			



**Pagosa Springs Medical Center**  
**Financial Forecast**  
**Statement of Cash Flows**

	Oct-23
<b>Cash Flows from operating activities</b>	
Change in net assets	392,907
Adjustments to reconcile net assets to net cash	
Depreciation and amortization	179,878
Patient accounts receivable	(27,859)
Accounts payable and wages payable	198,660
Accrued liabilities	91,019
Pre-paid assets	99,017
Deferred revenues	-
Other receivables	9,202
Reserve for third party settlement	(458,714)
Inventory	8,284
Net Cash Provided by (used in) operating activities	492,394
<b>Cash Flows from investing activities</b>	
Purchase of property and equipment	(9,861)
Work in progress	(171,824)
Proceeds from sale of equipment/(Loss)	-
Net Cash Provided by (used in) investing activities	(181,685)
<b>Cash Flows from financing activities</b>	
Principal payments on long-term debt	-
Proceeds from debt (funding from 2021 Bond)	-
Proceeds from PPP Short Term Loan	-
Recognize Amounts from Relief Fund	-
Payments/Proceeds from Medicare Accelerated Payment	-
Change in Prior Year Net Assets	-
Change in leases payable	(34,004)
Net Cash Provided by (used in) financing activities	(34,004)
<b>Net Increase(Decrease) in Cash</b>	276,705
<b>Cash Beginning of Month</b>	15,618,430
<b>Cash End of Month</b>	15,895,135

2023						
Month	Cash Goal	Actual Cash	Variance	% Collected	GL Non AR	Total
Jan-23	\$1,898,252.00	\$2,661,282.24	\$763,030.24	140.20%	\$ (94,934.27)	\$2,566,347.97
Feb-23	\$2,517,041.00	\$2,300,038.64	(\$217,002.36)	91.38%	\$ 33,865.39	\$2,333,904.03
Mar-23	\$2,681,584.00	\$2,973,397.69	\$291,813.69	110.88%	\$ 80,560.75	\$3,053,958.44
Apr-23	\$3,284,110.00	\$3,305,562.31	\$21,452.31	100.65%	\$ 123,435.41	\$3,428,997.72
May-23	\$2,963,309.00	\$3,097,724.96	\$134,415.96	104.54%	\$ 78,380.91	\$3,176,105.87
Jun-23	\$3,371,760.00	\$3,410,190.02	\$38,430.02	101.14%	\$ 348,856.56	\$3,759,046.58
Jul-23	\$3,221,285.00	\$3,232,565.25	\$11,280.25	100.35%	\$ 545,421.19	\$3,777,986.44
Aug-23	\$2,910,480.00	\$3,625,164.22	\$714,684.22	124.56%	\$ 172,833.39	\$3,797,997.61
Sep-23	\$3,478,062.00	\$3,074,896.60	(\$403,165.40)	88.41%	\$ (236,870.50)	\$2,838,026.10
Oct-23	\$3,011,453.00	\$3,123,265.54	\$111,812.54	103.71%	\$ (29,963.64)	\$3,093,301.90
Nov-23						
Dec-23						
	\$29,337,336.00	\$30,804,087.47	\$1,466,751.47	105.00%	\$ 1,021,585.19	\$31,825,672.66

2023 Revenue				
Month	Revenue Goal	Actual Revenue	Variance	% Generated
Jan-23	\$ 6,252,289.00	\$ 5,954,092.00	\$ (298,197.00)	95.23%
Feb-23	\$ 5,361,067.00	\$ 5,853,763.00	\$ 492,696.00	109.19%
Mar-23	\$ 6,250,864.00	\$ 6,599,775.00	\$ 348,911.00	105.58%
Apr-23	\$ 6,188,899.00	\$ 6,090,739.00	\$ (98,160.00)	98.41%
May-23	\$ 6,188,899.00	\$ 7,299,799.00	\$ 1,110,900.00	117.95%
Jun-23	\$ 7,204,053.00	\$ 7,054,999.00	\$ (149,054.00)	97.93%
Jul-23	\$ 6,892,800.00	\$ 7,012,693.00	\$ 119,893.00	101.74%
Aug-23	\$ 7,016,731.00	\$ 7,713,367.00	\$ 696,636.00	109.93%
Sep-23	\$ 6,644,938.00	\$ 6,444,708.00	\$ (200,230.00)	96.99%
Oct-23	\$ 5,877,646.00	\$ 6,774,485.00	\$ 896,839.00	115.26%
Nov-23	\$ 5,941,036.00			
Dec-23	\$ 6,767,444.00			
Totals	\$ 76,586,666.00	\$ 66,798,420.00	\$ (9,788,246.00)	104.57%

**Pagosa Springs Medical Center  
Cash Forecast as of end of December 2023  
Forecast Months Based on Budget and Actual**

Prepared 11/15/2023  
Cash balance 13,821,488  
at 12/31/22

	(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 2023 (Actual)	(141,450)	150,394	(465,836)	314,555	(273,391)	-	(157,058)	13,421	(65,961)	(27,154)	-	(652,480)	13,169,008
February 2023 (Actual)	21,315	183,912	(250,228)	(574,589)	4,756	(83,822)	(35,080)	(10,201)	11,428	(18,700)	(7,206)	(758,415)	12,410,593
March 2023 (Actual)	240,404	166,002	236,086	31,520	23,385	(468,304)	250,000	4,887	-	(11,993)	-	471,987	12,882,580
April 2023 (Actual)	191,566	166,630	503,328	108,970	34,976	(149,554)	(26,324)	13,244	(106,715)	(18,700)	(213)	717,208	13,599,788
May 2023 (Actual)	12,557	169,680	1,113,321	577,827	(25,264)	(371,169)	(531,380)	(4,905)	25,389	(18,700)	(2)	947,354	14,547,142
June 2023 (Actual)	311,541	166,013	376,470	(1,224,021)	45,260	(147,329)	2,701	33	(55,627)	(18,700)	(225,002)	(768,661)	13,778,481
July 2023 (Actual)	(187,469)	267,248	547,563	296,554	82,112	(209,520)	383,670	7,989	(14,840)	(114,400)	-	1,058,907	14,837,388
August 2023 (Actual)	404,907	179,541	(217,356)	327,251	25,779	(41,378)	307,642	13,696	(192,616)	(32,534)	-	774,932	15,612,320
September 2023 (Actual)	215,493	180,282	49,348	(106,845)	(16,151)	(2,039)	(163,912)	28,578	(5,859)	(39,823)	(132,961)	6,111	15,618,431
October 2023 (Actual)	392,907	179,878	(18,657)	289,679	99,017	-	(458,714)	8,284	(181,685)	(34,004)	-	276,705	15,895,136
November 2023 (Budget)	(342,205)	152,453	(150,000)	200,000	(50,000)	-	150,000	(15,000)	(91,666)	(27,000)	-	(173,418)	15,721,718
December 2023 (Budget)	<b>114,258</b>	<b>151,841</b>	<b>(150,000)</b>	<b>200,000</b>	<b>(50,000)</b>	<b>-</b>	<b>150,000</b>	<b>(15,000)</b>	<b>(91,666)</b>	<b>(27,000)</b>	<b>100,000</b>	<b>382,433</b>	<b>16,104,151</b>
Totals	1,233,824	2,113,874	1,574,039	440,901	(99,521)	(1,473,115)	(128,455) 981,635	45,026	(769,818)	(388,708)	(265,384)	2,282,663	16,104,151

at 10/31/2023

Bond Requirements (60 days cash) 6,715,788

Less Cares Act	-
Less Medicare Accelerated	-
Less Bond Reserve	(878,731)
Net Cash for Days Cash on Hand	14,733,589
AVG. Expense Per Day	111,930
Days Cash on Hand	131.63

- 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.



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

**MEDICAL STAFF REPORT BY CHIEF OF STAFF, JOHN WISNESKI  
November 28, 2023**

~~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>Ravi Chilukuri, MD</b>	Initial Appointment	Telemedicine/Teleneurology	Neurology
<b>Cynthia Dickerson, DO</b>	Initial Appointment	Telemedicine/Teleneurology	Neurology
<b>Aashutosh (Asit) Goswami, MD</b>	Initial Appointment	Active/Hospitalist	Family Medicine
<b>Jon Paul Nielsen, MD</b>	Initial Appointment	Telemedicine/Teleradiology	Diagnostic Radiology
<b>Alex Stuckey, MD</b>	Initial Appointment	Telemedicine/Teleradiology	Neuroradiology & Diagnostic Radiology
<b>Kenneth Allison, MD</b>	Reappointment	Telemedicine/Teleradiology	Neuroradiology & Diagnostic Radiology
<b>John Yody Aucoin, CRNA</b>	Reappointment	Advanced Practice Provider/CRNA & CRNA Interventional Pain Management	Certified Registered Nurse Anesthetist
<b>William Bentley, MD</b>	Reappointment	Courtesy/Neurology	Neurology
<b>Kelly Cesary, ANP-BC</b>	Reappointment	Advanced Practice Provider/NP Oncology & Hematology and NP Family Medicine	Advanced Oncology Certified Nurse Practitioner
<b>David Eisenhauer, DO</b>	Reappointment	Courtesy/Orthopedics	Orthopedic Surgery
<b>William Jordan, DO</b>	Reappointment	Courtesy/Oncology & Hematology	Oncology
<b>Kourosh Kahkeshani, DO</b>	Reappointment	Telemedicine/Teleneurology	Neurology
<b>Chelsea Pluta, DO</b>	Reappointment	Telemedicine/Telepsychiatry	Psychiatry
<b>Lauren Sonderegger, MD</b>	Reappointment	Courtesy/Hospitalist	Family Medicine

III. REPORT OF NUMBER OF PROVIDERS BY CATEGORY

Active: 18  
 Courtesy: 20  
 Telemedicine: 143  
 Advanced Practice Providers & Behavioral Health Providers: 12  
 Honorary: 2  
 Total: 195

IV. REPORT ON MEDICAL STAFF ELECTION

In the fall of every odd year, the active Medical Staff accepts self-nominations for the Chief of Staff and Vice Chief of Staff and then holds an election if there is more than one nominee for either officer position. For the terms 1/1/2024 through 12/31/2025, Dr. Corinne Reed self-nominated to serve as Chief of Staff and Dr. Stephen Stewart self-nominated to serve as Vice Chief of Staff. There were no other nominations, so no election was held and Dr. Reed and Dr. Stewart's terms begin January 1, 2024. This is per the Medical Staff Bylaws, Section 8.2, an election will occur only if there is more than one nominee for an Elected Officer position.



UPPER SAN JUAN HEALTH SERVICE DISTRICT d/b/a

**PAGOSA SPRINGS**

**MEDICAL CENTER**

**2024 BUDGET**



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## **2024 PSMC BUDGET OVERVIEW**

In 2024, Pagosa Springs Medical Center (“PSMC”) will continue to offer hospital services, outpatient clinic services and EMS/ambulance services. PSMC’s goals for 2024 are set forth in PSMC’s Strategic Plan last 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 PSMC always requires addressing a number of unknown variables. In planning the 2024 budget, there are still revenue trend uncertainties due to the significant variations during the pandemic. As we look back at 2023, PSMC spent a significant amount of money on contract labor due to the lack of staff; we continue to work diligently to hire full-time employees to replace the contract labor. We have had some hiring success in 2023 and we look forward to additional successes in 2024. We know PSMC will face many challenges in 2024, but we anticipate the greatest challenge will continue to be the cost of staffing 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 2024 budget assumptions:

- A Foundation transfer to PSMC of \$650,000 which represents funds raised for the remodel of the Medical Wellness Building and \$175,000 for a C-Arm (radiology equipment) to be used in surgery.
- An average 5% increase in patient volume and an average 4% increase in prices.
- Anticipated increases in revenues include the following:
  - the Cancer Center due to steady growth;
  - pain management due to expansion of the service line;
  - radiology due to steady increase in volume;
  - surgery due the increased staffing of surgeons;
  - cardiopulmonary due to the addition of equipment;
  - cardiology due to having an echo tech for the entire year; and
  - assuming approval of the capital budget, there will be additional revenue potential in respiratory therapy.

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

- PSMC’s largest expense continues to be labor.
  - The budget assumes a 4% increase in wages to employees without an employment agreement (so excludes providers and senior leaders).
  - A net increase of 2.87 FTEs.
- Increase (inflation) in costs for the following:
  - 5% in medications;
  - 4% for supplies; and
  - 3% for employee health insurance plan.

- We will continue to see increased costs needed to enhance our security with regards to IT. We have applied for, and were awarded, some grants funds to help with IT security.
- Other expense increases are department specific based on what projects are expected to be completed in 2024.

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 \$4,689,513 of capital expenditures in 2024 for capital needs of PSMC. As the facility and equipment age, the need for capital expenditures will continue to remain high over the next several years.

With all of the additional expenses and grant income, we budgeted a bottom line of \$2,557,414.

### **POSITIONS**

For 2024, the budget includes a net increase of 2.87 full-time equivalent employees (“FTEs”). The budget includes a specific report detailing FTEs by department and budget year together with the adjustments from 2023 to 2024.

### **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 2022 through June 2023. 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 2022-2023 data, changes to the 2023 budget, and the expectations for 2024. 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 for reviewing the department/employee budgets and assure accuracy in preparing PSMC’s budget.

In preparation of the 2024 budget we annualized 7 months of 2023 data (this means the computer system takes 7 months of actual revenues and expenses and divides 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 including the following: Taxes, Donations & Grants. PSMC uses an accrual basis for accounting.

**Pagosa Springs Medical Center**

**Income Statement - - - Budget 2024**

	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 YTD Sept Annualized	Budget 2024	Difference to Annualized 2023	Variance Percent Annualized 2023
<b>Revenue</b>								
Total In-patient Revenue	5,483,013	5,176,747	5,657,241	5,112,198	3,182,636	3,341,201	158,565	5%
Total Out-patient Revenue	49,782,028	52,022,602	58,666,150	61,602,889	70,254,173	76,122,235	5,868,062	8%
Professional Fees	6,504,216	4,636,252	5,605,458	6,149,915	6,592,439	7,127,384	534,945	8%
<b>Total Patient Revenue</b>	<b>61,769,257</b>	<b>61,835,601</b>	<b>69,928,849</b>	<b>72,865,002</b>	<b>80,029,248</b>	<b>86,590,820</b>	<b>6,561,572</b>	<b>8%</b>
<b>Revenue Deductions &amp; Bad Debt</b>								
Contractual Allowances	28,167,670	30,230,926	35,926,420	37,976,116	40,491,303	45,668,508	5,177,205	13%
Charity	746,437	282,686	619,176	438,363	324,491	500,000	175,509	54%
Bad Debt	3,470,959	1,730,052	832,034	1,993,603	2,967,111	1,866,785	(1,100,326)	-37%
Provider Fee & Other	(3,081,149)	(2,520,105)	(3,187,647)	(4,111,252)	(4,522,940)	(4,558,453)	(35,513)	1%
<b>Total Revenue Deductions &amp; Bad Debt</b>	<b>29,303,917</b>	<b>29,723,559</b>	<b>34,189,983</b>	<b>36,296,830</b>	<b>39,259,964</b>	<b>43,476,840</b>	<b>4,216,876</b>	<b>11%</b>
<b>Total Net Patient Revenue</b>	<b>32,465,340</b>	<b>32,112,042</b>	<b>35,738,866</b>	<b>36,568,172</b>	<b>40,769,284</b>	<b>43,113,980</b>	<b>2,344,696</b>	<b>6%</b>
Operating Grants						185,580		
Other Operating Income - Misc	2,333,037	2,113,048	1,895,091	1,869,844	879,999	740,305	(139,694)	-16%
<b>Total Net Revenues</b>	<b>34,798,377</b>	<b>34,225,090</b>	<b>37,633,957</b>	<b>38,438,016</b>	<b>41,649,283</b>	<b>44,039,865</b>	<b>2,390,582</b>	<b>6%</b>
<b>Operating Expenses</b>								
Salary & Wages	18,652,419	19,159,203	20,776,614	19,859,952	20,748,635	23,270,171	2,521,536	12%
Benefits	3,352,542	3,287,282	3,278,759	3,333,271	3,607,471	4,037,975	430,504	12%
Professional Fees/Contract Labor	307,381	349,923	590,251	3,325,486	1,946,325	1,301,873	(644,452)	-33%
Purchased Services	2,158,291	1,842,826	1,849,808	2,255,411	2,289,720	2,525,471	235,751	10%
Supplies	4,915,130	5,763,642	6,054,530	7,162,876	7,630,480	8,546,448	915,968	12%
Rent & Leases	519,305	438,281	451,270	158,385	149,547	263,695	114,148	76%
Repairs & Maintenance	538,505	549,091	539,480	635,370	550,961	541,631	(9,330)	-2%
Utilities	470,669	361,183	430,349	495,971	545,652	613,462	67,810	12%
Insurance	313,792	327,437	339,605	434,406	477,633	493,929	16,296	3%
Depreciation & Amortization	1,858,800	1,774,630	1,802,311	2,012,426	2,172,937	2,596,357	423,420	19%
Interest	1,094,344	1,051,867	976,848	925,535	1,022,628	1,026,623	3,995	0%
Other	1,356,457	1,561,457	2,113,249	1,473,388	1,850,684	2,040,523	189,839	10%
<b>Total Operating Expenses</b>	<b>35,537,635</b>	<b>36,466,822</b>	<b>39,203,074</b>	<b>42,072,477</b>	<b>42,992,673</b>	<b>47,258,159</b>	<b>4,265,485</b>	<b>10%</b>
<b>Operating Revenue Less Expenses</b>	<b>(739,258)</b>	<b>(2,241,732)</b>	<b>(1,569,117)</b>	<b>(3,634,461)</b>	<b>(1,343,391)</b>	<b>(3,218,294)</b>	<b>(1,874,903)</b>	<b>140%</b>
<b>Non-Operating Income</b>								
Grants	89,852	1,448,642	895,277	116,329	127,425	2,067,908	1,940,483	1523%
Interest Income	93,383	71,033	31,470	96,025	562,273	550,000	(12,273)	-2%
HHS Stimulus Other Revenue	-	1,157,026	4,225,159	-	-	-	-	0%
COVID PPP Loan Forgiveness	-	-	3,740,044	-	-	-	-	
Tax Revenue	1,228,832	1,371,862	1,434,731	1,585,008	1,528,277	2,332,800	804,523	53%
Donations	515,811	316,527	-	453,412	180,000	825,000	645,000	358%
<b>Total Non-Operating Income</b>	<b>1,927,878</b>	<b>4,365,090</b>	<b>10,326,681</b>	<b>2,250,774</b>	<b>2,397,975</b>	<b>5,775,708</b>	<b>3,377,733</b>	<b>141%</b>
<b>Total Revenue Less Total Expenses</b>	<b>1,188,620</b>	<b>2,123,358</b>	<b>8,757,564</b>	<b>(1,383,687)</b>	<b>1,054,585</b>	<b>2,557,414</b>	<b>1,502,830</b>	<b>143%</b>

**Pagosa Springs Medical Center  
Budget Cash Flow Statement  
Budget Year 2024**

		<b>Budget 2024</b>
Net Revenue Collections	\$	43,113,980
Grants	\$	2,253,488
Other Income (1)	\$	740,305
Interest Income	\$	550,000
HSS Stimulus Other Revenue	\$	-
Mill Levy	\$	2,332,800
Donations	\$	825,000
<b>Total Collections</b>	<b>\$</b>	<b>49,815,573</b>
Expenses Less Depr	\$	44,661,802
Bond/Leaseback Principal Payments	\$	1,216,026
Capital Outlay (2)	\$	4,689,513
<b>Total Outlay</b>	<b>\$</b>	<b>50,567,341</b>
Net increase(decrease) in Cash	\$	(751,768)
Beginning Cash		15,298,283
Ending Cash	\$	14,546,515

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

(2) Capital Outlay includes \$4,689,513 for capital. (Of which 2,892,908 is covered by grant income or the foundation.)

**Pagosa Springs Medical Center**  
**FTE Budget**  
**Budget Year 2024**

Dept	Dept Name	2017 Budget FTE	2018 Budget FTE	2019 Budget FTE	2020 Budget FTE	2021 Budget FTE	2022 Budget FTE	2023 Budget FTE	2024 Budget FTE	Variance	Percent
600 Total	Med Surg	10.40	10.50	10.70	14.31	11.32	11.93	10.85	10.28	(0.57)	-5.25%
610 Total	ER	9.90	9.90	9.60	9.77	9.74	9.88	10.60	10.66	0.06	0.57%
615 Total	ER Physicians	4.40	4.40	4.50	4.56	4.21	4.21	4.33	4.20	(0.13)	-3.00%
700 Total	Lab	9.60	9.70	10.50	9.87	9.28	8.56	9.30	10.17	0.87	9.35%
710 Total	Radiology	4.80	4.80	4.60	8.51	8.99	9.95	10.59	10.21	(0.38)	-3.59%
720 Total	Pharmacy	3.60	3.60	2.90	2.90	3.00	3.03	3.30	3.40	0.10	3.03%
721 Total	Infusion	1.00	1.00	1.50	0.90	3.65	3.60	3.05	2.72	(0.33)	-10.82%
722 Total	Cardiopulmonary	1.00	1.00	2.00	2.10	2.01	2.10	1.87	2.08	0.21	11.23%
725 Total	Physical Therapy	1.00	1.00	1.10	1.29	1.24	1.66	1.48	2.84	1.36	91.89%
726 Total	Speech	-	-	-	0.02	0.02	0.01	-	0.01	0.01	0.00%
728 Total	Cardiology	0.80	0.80	1.00	0.02	0.08	0.05	1.00	-	(1.00)	-100.00%
729 Total	Oncology	-	3.60	5.00	5.81	4.53	4.74	4.68	4.24	(0.44)	-9.40%
730 Total	Central Supply	2.10	2.10	3.00	3.01	2.51	2.47	1.73	1.70	(0.03)	-1.73%
731 Total	Biomedical	0.90	0.90	1.20	1.17	1.18	1.18	0.22	0.31	0.09	40.91%
740 Total	Dietary	6.40	6.40	6.90	7.07	6.40	7.14	6.81	7.50	0.69	10.13%
760 Total	OR	9.00	9.10	9.50	8.47	8.69	8.69	8.55	9.24	0.69	8.07%
761 Total	Recovery	4.00	4.00	4.00	4.26	3.07	3.50	4.00	3.75	(0.25)	-6.25%
762 Total	Anesthesia	1.30	1.30	1.50	2.00	2.00	1.54	1.89	1.04	(0.85)	-44.97%
763 Total	OR Physician	1.00	1.00	1.00	0.94	1.00	1.04	0.93	1.19	0.26	27.42%
7625 Total	Pain Management	-	-	-	-	-	-	-	0.31	0.31	100.00%
765 Total	Specialty Clinic	1.10	1.10	2.00	2.50	1.79	-	1.00	1.00	-	0.00%
790 Total	Ambulance	27.60	27.60	26.10	26.43	26.74	29.18	30.59	31.05	0.46	1.50%
791 Total	RHC	35.80	35.80	36.20	29.42	31.29	32.83	32.68	32.63	(0.05)	-0.15%
792 Total	EMS Training	0.60	0.60	0.60	0.57	0.39	-	0.37	0.50	0.13	35.14%
793 Total	Hospitalist	2.20	2.30	2.00	1.86	2.06	2.24	2.13	2.02	(0.11)	-5.16%
794 Total	RHC Providers	6.50	8.50	7.40	10.52	11.66	12.47	13.11	12.49	(0.62)	-4.73%
800 Total	Administration	4.20	4.20	4.10	4.18	5.00	5.10	5.17	5.11	(0.06)	-1.16%
801 Total	Quality	3.80	3.80	1.00	1.51	1.00	2.75	2.19	2.31	0.12	5.48%
802 Total	Infection Control	-	-	-	0.50	1.00	1.00	2.00	0.60	(1.40)	-70.00%
803 Total	Informatics	5.10	5.10	5.10	4.11	4.40	2.50	3.81	2.50	(1.31)	-34.38%
806 Total	Compliance	1.70	1.70	1.80	1.75	1.75	1.35	1.41	1.46	0.05	3.55%
807 Total	Physician Recruiting	-	-	-	0.20	-	-	-	-	-	0.00%
809 Total	Nursing Admin	1.10	1.10	2.00	1.02	1.01	1.02	1.01	1.00	(0.01)	-0.99%
810 Total	Medical Staff Office	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-	0.00%
815 Total	Human Resources	2.00	2.00	2.00	1.70	2.79	2.84	2.00	2.43	0.43	21.50%
820 Total	Plant Operations	3.40	3.40	3.60	3.48	5.46	4.87	5.25	6.58	1.33	25.33%
825 Total	Housekeeping	9.10	9.10	10.00	9.25	10.16	11.02	9.44	9.33	(0.11)	-1.17%
830 Total	Accounting	7.30	7.30	5.00	4.03	4.02	4.00	3.81	3.27	(0.54)	-14.17%
835 Total	Registration	28.50	28.50	26.10	19.20	16.43	12.39	10.34	10.77	0.43	4.16%
840 Total	Medical Records	8.70	8.70	6.20	4.00	3.01	3.51	4.14	6.22	2.08	50.24%
845 Total	Business Office	12.10	12.10	14.10	13.31	14.05	14.01	13.94	16.54	2.60	18.65%
846 Total	Pre-Service	-	-	-	-	-	7.60	9.64	7.27	(2.37)	-24.59%
850 Total	IT	-	-	-	2.06	2.01	3.00	3.10	4.23	1.13	36.45%
861 Total	Fundraising	-	-	0.30	0.72	1.00	0.50	0.83	0.50	(0.33)	-39.76%
862 Total	Community Relations	-	-	2.30	2.55	1.07	2.78	1.17	1.52	0.35	29.91%
Grand Total		234.00	240.00	240.40	233.85	233.01	244.24	246.31	249.18	2.87	1.19%

Some FTE's have been restructured into different departments.



**Pagosa Springs Medical Center  
Summary of Lease Agreements  
Budget Year 2024 (Draft)**

	Budget 2024	Outstanding Balance
Lease Purchase Agreements		
Lease Purchase for Real Estate (COP)	\$ 202,172	\$ 2,055,000
Lease Purchase for Non Real Estate	<u>\$ 514,166</u>	<u>\$ 1,423,434</u>
 Total Lease Purchase Agreements	 \$ 716,338	 \$ 3,478,434

\* No optional renewal terms available

**Upper San Juan Health Service District  
Debt Service Coverage Ratio  
Budget 2024**

	2020 Actual	2021 Actual	2022 Actual	2023* YTD	2024 Budget
Total Revenue Less Total Expenses	\$ 2,123,358	\$ 8,757,564	\$ (1,383,687)	\$ 1,069,864	\$ 2,557,414
Less: Existing Capital Leases	\$ (204,342)	\$ (181,460)	\$ (77,586)	\$ (514,166)	\$ (514,166)
Less: 2022 Lease Purchase	\$ -	\$ -	\$ (27,140)	\$ (201,420)	\$ (202,172)
Less: Property Tax	\$ (1,405,122)	\$ (1,434,731)	\$ (1,585,008)	\$ (1,528,277)	\$ (2,332,800)
Less: CARES ACT Provider Relief Funds	\$ (1,234,026)	\$ (4,225,159)	\$ -	\$ -	\$ -
Less: Loan Forgiveness for PPP	\$ -	\$ (3,740,044)	\$ -	\$ -	\$ -
Plus: Depreciation	\$ 1,793,074	\$ 1,802,311	\$ 2,012,426	\$ 1,629,703	\$ 2,596,357
Plus: Interest	\$ 947,263	\$ 976,848	\$ 925,535	\$ 766,971	\$ 1,026,623
<b>Revenue Available for 2016 Bonds and Capital Leases</b>	<b>\$ 2,020,205</b>	<b>\$ 1,955,329</b>	<b>\$ (135,460)</b>	<b>\$ 1,222,675</b>	<b>\$ 3,131,256</b>
Series 2016 Bonds	\$ 827,131	\$ 824,943	\$ 824,081	\$ 701,313	\$ 699,481
Debt Service Coverage (1.15 Requirement)	2.44	2.37	(0.16)	1.74	4.48

\* 2023 includes all lease payments for the year and only the revenue through September 2023.

Pagosa Springs Medical Center  
 Capital Budget 2024  
 Capital Replacement Plan 2024 Thru 2028

Dept	Item	Budget Cost	Year Purchase	Useful Life	Use
Cardiopulmonary	Body Plethysmograph (PFT)	64,831	2024	5	New equipment to provide PFT's for patients
Emergency Room	EMS Radio Station	6,959	2024		New Radio in the ED for communications with EMS
Emergency Room	Central Station Computer for ER Monitors	33,189	2024		This piece of equipment is over the allotted hours recommended
EMS	Simulation Equipment (Training)	193,800	2024	5	Training Equipment through Grant
EMS	Ambulance	300,000	2024		New ambulance with a partial match from the EMTS Grant
Facilities	Medical Wellness Building Remodel	1,650,000	2024	20	Cost of the first phase of the MWB.
Facilities	Corner Monument Sign	50,000			Monument sign for the campus.
Facilities	EMS Generator	15,000	2024	10	EMS needs a bigger generator to open the doors.
Facilities	Asphalt Sealing the Parking Lot	68,816	2024	10	Fix and seal the parking lot.
Facilities	Roof Replacement for Original Building (Dr. Mary Fisher)	270,465	2024	20	Replace the Roof on the Dr. Mary Fisher Building
Facilities	EMS Exterior Repair	20,000	2024	15	Finish the repairs and painting on the building
Facilities	Oxygen Generation	650,000	2024	20	Complete the Oxygen Generation Project.
Facilities	ED Nurses Station Remodel	50,000	2024		Remodel the ED/Inpatient Nurses Station
Facilities	Infusion/Oncology Reception Window	5,000	2024		Create a reception window for Infusion/Oncology.
Facilities	Dietary Wainscoting	5,000	2024		Place Wainscoting on the kitchen walls for easy cleaning.
Facilities	Camera Project	15,000	2024		Running Wire for the security cameras
Facilities	Wire Management Above Inpatient	15,000	2024		Re-work wiring above ceilings. Maybe entire hospital.
Facilities	MRI Chiller Generator	10,000	2024		Generator for the MRI Chillers
Lab	Sysmex XN-L	29,819	2024		Replace the Hematology Back Up machine that is 12 years old
Radiology	C-ARM Upgrade	175,000	2024		New C-Arm to replace antiquated equipment
Radiology	General X-Ray Unit	323,238	2024	7	New General Rad Room
Radiology	Ultrasound	140,002	2024	5	New ultrasound to replace end of life equipment
Surgery	Eye stretcher	7,300	2024		Eye stretcher is beyond end of life.
Surgery	CCE Bay 6 PACU- Cerner interface with patient monitor	7,500	2024		Interface an additional PACU bay.
Surgery	OEP-6	9,100	2024		Printer for endoscopy if we are waiting for Cerner integration
Surgery	PACU stretcher	8,600	2024		PACU is beyond end of life.
Surgery	Colonoscope PCF-HQ190L	30,000	2024		Additional Colonoscope since we have two providers.
Surgery	Colonoscope CF-HQ190L	35,000	2024		Additional Colonoscope since we have two providers.
Surgery	Trauma Kits	95,000	2024		Stryker is no longer supporting our current trauma kits
Surgery	Hana Table	116,876	2024		Table for Dr. Steed for Anterior hips
Surgery	Ultrasound machine	47,726	2024		Replace equipment that is beyond end of life

**Pagosa Springs Medical Center  
Capital Budget 2024  
Capital Replacement Plan 2024 Thru 2028**

Dept	Item	Budget Cost	Year Purchase	Useful Life	Use
Information Technology	Firewall	50,131	2024		Firewall Replacement
Information Technology	Wi-Fi System Controller and Ap's	23,911	2024		WiFi is at end of life.
Information Technology	Core Switch	148,450	2024		Additional Switch needed to add cameras.
Medical Staff Office	Credentialing Software Platform	18,800.00	2024		Use a software to become more efficient with credentialing

4,689,513

**Items above covered by a grant**

EMS	Ambulance	115,800	2024		Partial match from the EMTS Grant
EMS	Simulation Equipment	193,800	2024		Education Grant
Foundation	Medical Wellness Building Remodel	650,000	2024		Funds coming from the Foundation.
Facilities	Oxygen Generation	325,000	2024	20	DOLA Grant
Facilities	Oxygen Generation	230,000	2024	20	Stimulus Grant
Facilities	Medical Wellness Building Remodel	1,000,000	2024	20	DOLA Grant
Information Technology	Firewall	50,131	2024		Stimulus Grant
Information Technology	Wi-Fi System Controller and Ap's	23,911	2024		Stimulus Grant
Information Technology	Core Switch	129,266	2024		Stimulus Grant
Radiology	C-ARM Upgrade (Push)	175,000	2024	7	Funds coming from the Foundation.

\$ 2,892,908 Confirmed Grants/Donations

\$ 1,796,605 Net Capital Outlay

**Pagosa Springs Medical Center  
Income Statement Trend  
Beginning Year 2007**

	<b>Audited 2007</b>	<b>Audited 2008</b>	<b>Audited 2009</b>	<b>Audited 2010</b>	<b>Audited 2011</b>	<b>Audited 2012</b>	<b>Audited 2013</b>	<b>Audited 2014</b>	<b>Audited 2015</b>	<b>Audited 2016</b>
<b>Revenues</b>										
Net patient services revenues	766,000	2,515,292	5,713,271	6,762,264	9,368,276	11,437,440	13,481,928	18,845,122	23,399,160	25,028,794
Adjustments		-	-	-	-	-	-	-	-	-
% Adjustments		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net patient services revenues	766,033	2,515,292	5,713,271	6,762,264	9,368,276	11,437,440	13,481,928	18,845,122	23,399,160	25,028,794
Other operating income	458	21,188	-	-	-	-	399,502	579,897	766,829	1,511,367
<b>Operating Grants</b>	-	-	-	-	-	-	-	-	-	48,243
Provider fee			291,337	745,074	719,259	930,209	673,745	640,040	1,522,232	1,427,441
Total net revenues	766,491	2,536,480	6,004,608	7,507,338	10,087,535	12,367,649	14,555,175	20,065,059	25,688,221	28,015,845
<b>Expenses</b>										
Salaries	956,744	2,626,407	3,208,348	4,584,330	6,323,422	7,766,122	7,845,336	12,421,522	15,506,630	18,155,002
Benefits	-	-	-	-	-	-	1,626,734	-	-	-
Purchases services and other	304,414	1,380,360	1,936,540	1,834,373	2,498,299	2,879,184	3,919,904	4,419,085	4,470,453	4,622,634
Supplies	30,846	576,910	697,401	902,471	1,016,375	1,300,489	1,502,030	2,142,305	3,292,955	3,348,532
Utilities	-	-	-	-	-	-	274,713	359,367	389,023	403,056
Insurance	38,719	100,262	94,013	119,530	161,869	176,411	133,069	166,717	191,606	248,247
Interest	310,976	561,243	545,981	542,606	552,625	551,721	595,022	595,011	653,429	907,271
Other	38,539	136,975	184,757	233,462	246,903	248,370	-	-	-	-
Depreciation and amortization	163,327	625,898	636,945	723,126	943,618	992,394	903,347	1,326,065	1,463,115	1,448,010
Total expenses	1,843,565	6,008,055	7,303,985	8,939,898	11,743,111	13,914,691	16,800,155	21,430,072	25,967,211	29,132,752
Operating income (loss)	(1,077,074)	(3,471,575)	(1,299,377)	(1,432,560)	(1,655,576)	(1,547,042)	(2,244,980)	(1,365,013)	(278,990)	(1,116,907)
<b>Non-operating revenues</b>										
Property taxes	1,104,365	1,514,754	1,536,256	1,682,556	1,681,937	1,319,593	1,299,227	1,106,311	1,122,124	1,144,735
Investment income	371,233	42,159	16,593	2,886	1,162	2,171	4,636	2,278	6,072	13,910
<b>Non-Operating Grants</b>	750,112	55,912	229,993	434,502	374,307	327,936	654,272	894,343	324,605	1,727,736
Provider Relief Funds	-	-	-	-	-	-	-	-	-	-
Payroll Protection	-	-	-	-	-	-	-	-	-	-
Donations	1,420	1,072,841	(25,825)	96,750	1,246	73,712	451,397	146,658	579,698	1,114,864
Total non-operating revenues	2,227,130	2,685,666	1,757,017	2,216,694	2,058,652	1,723,412	2,409,532	2,149,590	2,032,499	4,001,245
<b>Excess of revenues over (under) expenses</b>	1,150,056	(785,909)	457,640	784,134	403,076	176,370	164,552	784,577	1,753,509	2,884,338

**Pagosa Springs Medical Center  
Income Statement Trend  
Beginning Year 2007**

	<b>Audited 2017</b>	<b>Audited 2018</b>	<b>Audited 2019</b>	<b>Audited 2020</b>	<b>Audited 2021</b>	<b>Audited 2022</b>	<b>YTD Ann. 2023</b>	<b>Budget 2024</b>
<b>Revenues</b>								
Net patient services revenues	25,251,644	31,220,161	32,584,951	32,142,883	35,738,866	36,754,300	40,769,284	43,113,980
Adjustments								
% Adjustments	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Net patient services revenues	25,251,644	31,220,161	32,584,951	32,142,883	35,738,866	36,754,300	40,769,284	43,113,980
Other operating income	2,238,670	2,497,659	2,213,690	2,004,440	1,628,982	1,005,327	879,999	740,305
<b>Operating Grants</b>	<b>283,937</b>	<b>-</b>	<b>-</b>	<b>181,058</b>	<b>266,109</b>	<b>-</b>	<b>-</b>	<b>185,580</b>
Provider fee	2,327,092	-	-	-	-	-	-	-
Total net revenues	30,101,343	33,717,820	34,798,641	34,328,381	37,633,957	37,759,627	41,649,283	44,039,865
<b>Expenses</b>								
Salaries	19,065,512	18,782,081	18,652,426	19,159,427	20,776,614	19,859,948	20,748,635	23,270,171
Benefits	-	3,215,781	3,333,964	3,281,742	3,278,759	3,281,255	3,607,471	4,037,975
Purchases services and other	5,040,144	2,384,199	2,414,581	2,142,812	2,440,059	5,521,990	4,236,045	3,827,344
Supplies	3,794,427	4,128,476	4,915,129	5,795,916	6,054,530	7,176,600	7,630,480	8,546,448
Utilities	432,532	407,364	470,670	361,181	430,349	495,971	545,652	613,462
Insurance	235,170	180,801	313,793	327,437	339,605	456,879	477,633	493,929
Interest	840,024	988,821	1,014,962	947,263	976,848	764,111	1,022,628	1,026,623
Other	-	2,734,883	2,578,391	2,690,463	3,103,999	2,428,585	2,551,192	2,845,850
Depreciation and amortization	1,988,458	2,343,494	1,877,244	1,793,074	1,802,311	2,078,524	2,172,937	2,596,357
Total expenses	31,396,267	35,165,900	35,571,160	36,499,315	39,203,074	42,063,863	42,992,673	47,258,159
Operating income (loss)	(1,294,924)	(1,448,080)	(772,519)	(2,170,934)	(1,569,117)	(4,304,236)	(1,343,390)	(3,218,294)
<b>Non-operating revenues</b>								
Property taxes	1,171,890	1,251,238	1,262,092	1,405,122	1,434,731	1,585,008	1,528,277	2,332,800
Investment income	32,681	60,383	93,383	71,033	31,470	96,025	562,273	550,000
<b>Non-Operating Grants</b>	<b>355,875</b>	<b>488,472</b>	<b>605,664</b>	<b>1,584,111</b>	<b>895,277</b>	<b>569,741</b>	<b>127,425</b>	<b>2,067,908</b>
Provider Relief Funds	-	-	-	1,234,026	4,225,159	669,775	-	-
Payroll Protection	-	-	-	-	3,740,044	-	-	-
Donations	515,235	-	-	-	-	-	180,000	825,000
Total non-operating revenues	2,075,681	1,800,093	1,961,139	4,294,292	10,326,681	2,920,549	2,397,975	5,775,708
<b>Excess of revenues over (under) expenses</b>	<b>780,757</b>	<b>352,013</b>	<b>1,188,620</b>	<b>2,123,358</b>	<b>8,757,564</b>	<b>(1,383,687)</b>	<b>1,054,585</b>	<b>2,557,414</b>

**UPPER SAN JUAN HEALTH SERVICE DISTRICT**  
**D/B/A PAGOSA SPRINGS MEDICAL CENTER**  
**RESOLUTION (No. 2023-21) TO ADOPT BUDGET**

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE UPPER SAN JUAN HEALTH SERVICE DISTRICT D/B/A PAGOSA SPRINGS MEDICAL CENTER FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2024 AND ENDING ON THE LAST DAY OF DECEMBER 2024.

**WHEREAS**, the Board of Directors of the Upper San Juan Health Service District d/b/a Pagosa Springs Medical Center (“USJHSD” or “District”) has appointed its Chief Executive Officer to prepare and timely submit a proposed 2024 budget; and

**WHEREAS**, the Chief Executive Officer has caused a proposed 2024 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 12, 2023, said proposed budget was open for inspection by the public at a designated place, and a public hearing was held on October 12, 2023 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	\$47,258,159
Debt Service Fund	<u>\$0</u>
Total	\$47,258,159

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

General Fund	
From unappropriated surpluses	\$15,298,283
From Funds Transfers	\$0
From sources other than general property tax	\$47,482,773
From general property tax	<u>\$ 2,332,800</u>
Total	\$65,113,856



Upper San Juan Health Service District  
 Resolution 2023-21 to Adopt the Budget for 2024

Debt Service Fund	
From unappropriated surpluses	\$0
From Funds Transfers	\$0
From sources other than general property tax	\$0
From general property tax	\$0
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 its 2024 fiscal year.

4. That the budget, as hereby approved and adopted, shall be signed by the *Vice-Chair* of the Board of the District and made a part of the public records of the District.

**UPPER SAN JUAN HEALTH SERVICE DISTRICT**

\_\_\_\_\_  
 Martin Rose as Vice-Chair of the Board of USJHSD

\_\_\_\_\_  
 Date

Attest:

DISTRICT SEAL

\_\_\_\_\_  
 Laura DePiazza, as Clerk to the Board of USJHSD

\_\_\_\_\_  
 Date

Upper San Juan Health Service District  
Resolution 2023-22 to Set Mill Levies

**UPPER SAN JUAN HEALTH SERVICE DISTRICT**  
**D/B/A PAGOSA SPRINGS MEDICAL CENTER**  
**RESOLUTION (No. 2023-22) TO SET MILL LEVIES**

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2024 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE UPPER SAN JUAN HEALTH SERVICE DISTRICT D/B/A PAGOSA SPRINGS MEDICAL CENTER FOR THE 2024 BUDGET YEAR.

**WHEREAS**, on November 28, 2023, the Board of Directors of the Upper San Juan Health Service District doing business as Pagosa Springs Medical Center (“USJHSD” or “District”) adopted, in accordance with the Colorado local government budget law, the 2024 annual budget; and

**WHEREAS**, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$2,332,800; and

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

**WHEREAS**, the 2023 valuation for assessment for the District, as certified by the Assessors of Archuleta, Hinsdale and Mineral Counties, is \$599,342,001;

**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 2024 budget year, there is hereby levied a tax of 3.884 mills upon each dollar of the total valuation for assessment of all 2023 taxable property within USJHSD, to raise \$2,332,800 in revenue.
2. That for the purposes of meeting all debt service expenses of USJHSD during the 2024 budget year, there is hereby levied a tax of 0.0 mills upon each dollar of the total valuation for assessment of all 2023 taxable property within USJHSD, to raise \$0 in revenue.
3. That the Chair, Vice-Chair or Treasurer 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**

\_\_\_\_\_  
Martin Rose, as Vice-Chair of the USJHSD Board

\_\_\_\_\_  
Date

DISTRICT SEAL

Attest:

\_\_\_\_\_  
Laura DePiazza, Clerk to the USJHSD Board

\_\_\_\_\_  
Date

Upper San Juan Health Service District  
Resolution 2023-22 to Set Mill Levies

[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. 2023-23) 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 D/B/A PAGOSA SPRINGS MEDICAL CENTER FOR THE 2024 BUDGET YEAR.

**WHEREAS**, on November 28, 2023, the Board of Directors of the Upper San Juan Health Service District doing business as Pagosa Springs Medical Center (“USJHSD” or “District”) adopted, in accordance with the Colorado local government budget law, the 2024 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:	\$47,258,159
Fund Balance Contingency	\$0
Debt Service Fund - Net:	\$0
Unexpended Surplus – General Fund	\$15,298,283
Unexpended Surplus – Debt Service	\$0
From general property tax	<u>\$ 2,332,800</u>
Total	<b><u>\$64,889,242</u></b>

**Upper San Juan Health Service District**

\_\_\_\_\_  
Martin Rose as Vice-Chair of the USJHSD Board

\_\_\_\_\_  
Date

DISTRICT SEAL

Attest:

\_\_\_\_\_  
Laura DePiazza, as Clerk to the USJHSD Board

\_\_\_\_\_  
Date

**UPPER SAN JUAN HEALTH SERVICE DISTRICT**  
**RESOLUTION 2023-24 REGARDING SELECTION OF AN AUDITOR**

**WHEREAS**, the Board of Directors of the Upper San Juan Health Service District d/b/a Pagosa Springs Medical Center is required by C.R.S. Section 29-1-603 to cause an annual audit of the District’s financial statements and such audit is to be reported to the Board no later than June 30 each calendar year;

**WHEREAS**, the Board of Directors for PSMC selects the company who conducts the annual audit of PSMC’s financial statements;

**WHEREAS**, PSMC issued a Request for Proposals for audit services and there were three responses that were reviewed on November 27, 2023 by the Finance Committee as described in the *Finance Committee Report*;

**WHEREAS**, operational staff (the CFO) selects the company PSMC uses to prepare the Medicare Cost Report and this presents two competing issues: (1) the auditor must be independent and not have mutual or conflicting interests (e.g. operational duties) with the audited party; and, on the other hand, (2) use of the same company for the audit and Cost Report preparation presents time and financial efficiencies.

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

1. The Board selects \_\_\_\_\_ to conduct the audit of PSMC’s financial statements for fiscal years 2023, 2024 and 2025; and
2. Operational staff shall not use the auditor selected by the Board for staff’s preparation of the Medicare Cost Report.

**Upper San Juan Health Service District**

\_\_\_\_\_  
Martin Rose as Vice-Chair of the USJHSD Board

\_\_\_\_\_  
Date



**MINUTES OF REGULAR BOARD MEETING**  
**October 24, 2023, at 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 24, 2023, at PSMC, The Board Room, 95 South Pagosa Blvd., Pagosa Springs, Colorado as well as via Zoom video communications.

Directors Present: Chair Kate Alfred, Treasurer/Secretary Mark Zeigler, Director Jason Cox, Director Barbara Parada, Director Gwen Taylor, Director Mark Floyd

Present via Zoom: Vice-Chair Martin Rose

Present via telephone: none

**1) CALL TO ORDER**

- a) Call for quorum: Chair Alfred called the meeting to order at 5:00 p.m. MDT and Clerk to the Board, Laura DePiazza, recorded the minutes. A quorum of directors was present and acknowledged.
- b) Affirmation of New Board Member: Clerk to the Board affirmed that new Director Mark Floyd was sworn in and added to D&O insurance.
- c) Board member self-disclosure of actual, potential or perceived conflicts of interest: None.
- d) Approval of the Agenda: Treasurer/Secretary Zeigler motioned to approve the agenda with no changes. Director Cox seconded; the Board unanimously approved the agenda.

**2) PUBLIC COMMENT**

None

**3) PRESENTATIONS**

- a) Presentation of Quality Department Complaint Process by Dan Davis, Director of Nursing
  - Director Parada asked several questions which were answered by Dan Davis. Director Cox made comments in support of PSMC’s continuing performance improvement process.

**4) REPORTS**

- a) Oral Reports
  - i) Chair Report
    - Chair Alfred welcomed Director Mark Floyd to the Board; and
    - Announced Kathy Campbell has agreed to be an at-large member of the Finance Committee.
  - ii) Finance Committee Report

*PSMC’s Mission: To provide quality, compassionate healthcare and wellness for each person we serve*

- CFO Keplinger presented and discussed financials for September 2023. Questions asked and answered.

b) Written Reports

- i) Medical Staff Report – Chief of Staff John Wisneski: No questions asked.

**5) CONSENT AGENDA**

Director Cox motioned to approve the consent agenda (approval of Board member absences, approval of the regular meeting minutes of 10/12/2023, and the Medical Staff report recommendations for revised policy and new or renewal of provider privileges). Motion was seconded by Vice Chair Rose and the Board approved said consent agenda items with Mark Floyd abstaining with respect to the minutes.

**6) OTHER BUSINESS**

Director Parada asked questions about the Oxygen Generation Building. CAO Bruzzese and CFO Keplinger explained that PSMC already owns the oxygen generation equipment that is in storage until the building is constructed. Once the building is complete and the equipment is operational, it will be used to support patients in the hospital and for EMS. The CAO and COO explained that PSMC has applied for grants to pay for a portion of the construction costs for the building. COO Mundt offered to show, following the meeting, Director Parada the existing storage area for tanks of oxygen.

**7) ADJOURN**

There being no further business, Chair Alfred adjourned the regular meeting at 5:39 p.m.MST.

Respectfully submitted by:

Laura DePiazza, serving as Clerk to the Board