



**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS  
REGULAR BOARD MEETING  
July 11, 2017 – 5:30 p.m.  
Board Room**

**AGENDA (p. 1-2)**

- I. CALL TO ORDER.....** Mary Thompson, President
- II. INVOCATION .....** Chaplain Farrell Ard
- III. MISSION/VISION/VALUES OF MEDICAL CENTER HEALTH SYSTEM** Mary Thompson, p. 3
- IV. JULY 2017 EMPLOYEES OF THE MONTH .....** William Webster
  - Clinical: Milissa Aranda, Licensed Physical Therapist Assistant, Rehab Services
  - Non-Clinical: Michelle Mendoza, Credentialing Coordinator, Medical Staff Office
  - Nurse of the Month: Jessica Castillo, RN, Charge Nurse, 5-Central Unit
- V. REVIEW OF MINUTES .....** Mary Thompson, p. 4-11
  - A. Regular Meeting – June 6, 2017**
- VI. EDUCATIONAL TOPIC: CYBER SECURITY.....**Gary Barnes/Brad Dummer
- VII. FINANCIAL REPORT FOR EIGHT MONTHS ENDED MAY 31, 2017.....**Jon Riggs, p. 12-84
- VIII. COMMITTEE REPORTS**
  - A. Joint Conference .....**Fernando Boccalandro, MD, p. 85-90
    - 1. Medical Staff or AHP Initial Appointment/Reappointment
    - 2. Change in Clinical Privileges/or Scope of Practice/or Supervisor
    - 3. Change in Medical Staff or AHP Staff Status
    - 4. Change in Medical Staff or AHP Staff Category
    - 5. Change in Medical Staff Bylaws/Policy/Privilege Criteria
- IX. TTUHSC AT THE PERMIAN BASIN REPORT .....** Gary Ventolini, MD
- X. PRESIDENT/CHIEF EXECUTIVE OFFICERS REPORT .....**William Webster
  - A. Approval/Appointment of MCH ProCare Board Members.....**William Webster

**B. DIXON HUGHES GOODMAN, LLP (DHG) REVENUE CYCLE**

**PROCESSIMPROVEMENT AGREEMENT** .....Jon Riggs, p. 91-100

**XI. ECHD BOARD COMMITTEE APPOINTMENTS**.....Mary Thompson

**XII. NOMINATION AND APPOINTMENT OF ECHD BOARD MEMBER TO  
FAMILY HEALTH CLINIC BOARD OF DIRECTORS**.....Mary Thompson

**XIII. GUIDELINES CRITERIA AND RESOLUTION  
FOR TAX ABATEMENT** .....Ron Griffin, p. 101-120

**XIV. CONSIDER, DISCUSS AND TAKE ACTION IF NECESSARY  
PERTAINING TO RETIREE HEALTH BENEFIT** .....Don Hallmark

**XV. EXECUTIVE SESSION**

Meeting held in closed session as to (1) consultation with attorney regarding legal matters pertaining to conflict of interest forms, and legal issues pursuant to Section 551.071 of the Texas Open Meetings Act, and, (2) deliberation by the governing board of certain providers of health care services of the hospital pursuant to Section 551.085 of the Texas Open Meetings Act, pertaining to a request for a new service-line proposal, and, (3) Section 551.072 of the Texas Open Meetings Act to deliberate the purchase, exchange, lease or value of real properties.

**XVI. ADJOURNMENT** ..... Mary Thompson

If during the course of the meeting covered by this notice, the Board of Directors needs to meet in executive session, then such closed or executive meeting or session, pursuant to Chapter 551, Government Code of Texas, will be held by the Board of Directors on the date, hour and place given in this notice or as soon after the commencement of the meeting covered by this notice as the Board of Directors may conveniently meet in such closed or executive meeting or session concerning any and all subjects and for any and all purposes permitted by Chapter 551 of said Government Code.

## **MISSION**

***Medical Center Health System is a community-based teaching organization dedicated to providing high quality and affordable healthcare to improve the health and wellness of all residents of the Permian Basin.***

## **VISION**

***MCHS will be the premier source for health and wellness.***

## **VALUES**

***I-ntegrity***

***C-ustomer centered***

***A-ccountability***

***R-espect***

***E-xcellence***

**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS  
REGULAR BOARD MEETING  
June 6, 2017**

**MINUTES OF THE MEETING**

**MEMBERS PRESENT:**

David Dunn, President  
Mary Lou Anderson  
Bryn Dodd  
Don Hallmark  
Mary Thompson  
Ben Quiroz  
Adela Vasquez

**MEMBERS ABSENT:**

None

**OTHERS PRESENT:**

William Webster, President/Chief Executive Officer  
Jon Riggs, Senior Vice President/Chief Financial Officer  
Matt Collins, Vice President, Support Services  
Robbi Banks, Vice President, Human Resources  
Ron Griffin, Vice President/Chief Legal Counsel  
Chad Dunavan, Vice President/Chief Nursing Officer  
Dr. Arun Mathews, CMO/CMIO (Acute)  
Dr. Augusto Sepulveda, CMO/CMIO (Ambulatory)  
Dr. Gary Ventolini, Regional Dean, TTUHSC Permian Basin  
David Duree of Weaver  
Various other interested members of the Media,  
Medical Staff, Employees, Retirees and Citizens

**I. CALL TO ORDER**

David Dunn, President, called the meeting to order at 5:30 p.m. in the Board Room of Medical Center Hospital. Notice of the meeting was properly posted as required by the Open Meetings Act.

**II. INVOCATION**

Chaplain Farrell Ard offered the invocation.

### **III. MISSION/VISION OF MEDICAL CENTER HEALTH SYSTEM**

Mary Lou Anderson presented the Mission, Vision and Values of Medical Center Health System.

### **IV. JUNE 2017 EMPLOYEES OF THE MONTH**

Mr. Webster introduced the June 2017 Employees of the Month as follows:

- Clinical: Sandra Reyes, Respiratory Therapy Supervisor, Respiratory Care Department
- Non-Clinical: Mary Helen Lopez, HPF Imaging Analyst, Health Information Management Department
- Nurse of the Month: Bertha Gomez, RN, Wound Care Department

### **V. REVIEW OF MINUTES**

- A. Regular Meeting – May 2, 2017**
- B. Special ECHD Board Meeting – May 16, 2017**
- C. ECHD Board Retreat – May 18-19, 2017**

Mary Thompson moved and Mary Anderson seconded the motion to accept the minutes of the Regular ECHD Board meeting held May 2, 2017; the Special ECHD Board Meeting held May 16, 2017; and the ECHD Board Retreat held May 18-19, 2017 as presented. The motion carried.

### **VI. EMERGENCY MANAGEMENT EDUCATION TO ECHD BOARD**

Matt Collins, Vice President, Support Services presented the Emergency Management Education to the ECHD Board for informational purposes. No action was taken.

### **VII. FINANCIAL REPORT FOR SEVEN MONTHS ENDED APRIL 30, 2017**

*There was not a 4:30 p.m. Finance Committee meeting, therefore, the Finance Report was provided as a part of the Regular Meeting of the ECHD Board, June 6, 2017.*

Jon Riggs presented the Financial Report for Seven Months Ended April 30, 2017 for approval by the ECHD Board of Directors.

Mary Thompson moved and Don Hallmark seconded the motion to accept the Financial Report for Seven Months Ended April 30, 2017 as presented. The motion carried.

**VIII. COMMITTEE REPORTS**

**A. Joint Conference Committee**

Dr. Augusto Sepulveda, CMO/CMIO, presented the recommendation of the Joint Conference Committee to accept the following Medical Staff Recommendations:

**1. Medical Staff or AHP Initial Appointment/Reappointment**

**Medical Staff**

<b>Applicant</b>	<b>Department</b>	<b>Specialty/Privileges</b>	<b>Group</b>	<b>Dates</b>
NONE				

**Allied Health Professional (AHP) Staff Applicants**

<b>Applicant</b>	<b>Department</b>	<b>Specialty/Privileges</b>	<b>Group</b>	<b>Sponsoring Physician(s)</b>	<b>Dates</b>
Williams, Lauren CRNA	Anesthesia	CRNA	Pro Care	Meghana Gillala, MD; Joseph Bryan, MD; Jannie Tang, MD; Marlys Munnell, MD; Luke Young, MD; Bhari Jayadevappa, MD	06/06/2017- 05/30/2019

*\*Please grant temporary privileges*

**Reappointment of the Medical Staff and Allied Health Professional Staff**

**Medical Staff/Or Allied Health Professional Staff**

<b>Applicant</b>	<b>Department</b>	<b>Staff Category</b>	<b>Specialty/Privileges</b>	<b>Group</b>	<b>Changes in Privileges</b>	<b>Dates</b>
Bueno, Jose MD	Pediatrics	Active	Pediatrics			07/01/2017 – 06/30/2019
Bulczak, Dariusz MD	Radiology	Telemedicine	Telemedicine	VRAD		06/01/2017 – 05/30/2019
Huston, James MD	Medicine	Associate	Internal Medicine	Pro Care		08/01/2017 – 07/31/2018
Nguyen, Vinh MD	Pediatrics	Active	Pediatrics		DELETE: Umbilical Arterial and Venous Catheterization; Autotransfusion; Bone Marrow Aspiration; Chest Tube Placement; Echocardiography; Laryngoscopy, Direct; Moderate Sedation, administer; Paracentesis; Subdural taps;	07/01/2017 – 06/30/2019

					Suprapubic Bladder Aspiration; Thoracentesis; Venous aspiration, internal jugular	
Raja, Pill MD	OB/GYN	Active	Obstetrics and Gynecology		ADD: Abortion induced (Medically indicated, First Trimester); Hysterectomy, cesarean section; Hysterosalpingography	07/01/2017 – 06/30/2019
Selvan, Vani MD	Medicine	Associate	Family Medicine	Texas Tech		07/01/2017 – 06/30/2018
Wolfe, Gregory MD	Radiology	Telemedicine	Telemedicine	VRAD		07/01/2017 – 06/30/2019

Blank **Staff Category** column signifies no change

**Allied Health Professionals**

Applicant	Department	Specialty/Privileges	Group	Sponsoring Physician(s)	Change in Privileges	Dates
Jackson, Gary OD	Surgery	Optometry	Pro Care	Independent AHP		07/01/2017 – 06/30/2019

Blank **Staff Category** column signifies no change

**2. Change in Clinical Privileges/or Scope of Practice/or Supervisor**

**Clinical/ Additional Privileges**

Staff Member	Department	Privilege
Nguyen, Vinh MD	Pediatrics	DELETE: Umbilical Arterial and Venous Catheterization; Autotransfusion; Bone Marrow Aspiration; Chest Tube Placement; Echocardiography; Laryngoscopy, Direct; Moderate Sedation, administer; Paracentesis; Subdural taps; Suprapubic Bladder Aspiration; Thoracentesis; Venous aspiration, internal jugular
Raja, Pill MD	OB/GYN	ADD: Abortion induced (Medically indicated, First Trimester); Hysterectomy, cesarean section; Hysterosalpingography
Stike, Aaron MD	Surgery	ADD: da Vinci Surgical System- Proctor first 3 cases
Uy, Sing MD	Pediatrics	ADD: Resuscitation, newborn
Vyas, Dinesh MD	Surgery	ADD: da Vinci Surgical System- Proctor first 3 cases

**3. Change in Medical Staff or AHP Staff Status**

**Resignation / Expiration of Privileges**

<b>Staff Member</b>	<b>Staff Category</b>	<b>Department</b>	<b>Effective Date</b>	<b>Action</b>
Bardini, John MD	Telemedicine	Radiology	04/23/2017	Resigned
Rex, David MD	Telemedicine	Radiology	04/25/2017	Resigned
Trump, Mark, MD	Associate	Surgery	07/31/2017	Resigned

**4. Change in Medical Staff or AHP Staff Category**

**Staff Category Changes**

<b>Staff Member</b>	<b>Department</b>	<b>Category</b>
James William Huston, MD	Medicine	Removal of Provisional Status
Emily Sullivan , PA	Family Medicine	Removal of Provisional Status
Tabatha Pittman, PA	Family Medicine	Removal of Provisional Status
Patrick Williams, APRN	Family Medicine	Removal of Provisional Status
Vani Selvan, MD	Family Medicine	Removal of Provisional Status
Martha Nunez, FNP	Family Medicine	Removal of Provisional Status
Verna Auge, CRNA	Anesthesia	Removal of Provisional Status
Bhari Jayadevappa Abhishek, MD	Anesthesia	Removal of Provisional Status
Lawrence Blanchard, MD	Anesthesia	Removal of Provisional Status

**5. Medical Staff Bylaws/Policy/Privilege Criteria**

**NONE Presented**

Mary Thompson moved and Mary Lou Anderson seconded the motion to approve the Medical Staff recommendations (Items VIII. B. 1-4) as presented, (There were no items to present under section VIII. B. 5). The motion carried.

**IX. TTUHSC AT THE PERMIAN BASIN REPORT**

Dr. Ventolini provided the TTUHSC at the Permian Basin Report for informational purposes only. No action was taken.

**X. CHANGE ECHD BOARD OF DIRECTORS FINANCE COMMITTEE AND REGULAR MEETING DATE FROM AUGUST 1 TO AUGUST 8, 2018**

David Dunn presented the recommendation to change the ECHD Board Finance Committee and Regular Meeting date from August 1, 2017 to August 8, 2017.

Mary Lou Anderson moved and Ben Quiroz seconded the motion to Change the ECHD Board of Directors Finance Committee and Regular Meeting Date from August 1 to August 8, 2017. The motion carried.

**XI. ECHD BOARD OFFICER ELECTION/APPOINTMENT**

**A. President**

(1) Ben Quiroz nominated David Dunn for President.

(2) Adela Vasquez nominated Mary Thompson for President.

(1) David Dunn called for a show of hands by those who vote for David Dunn for President. Mr. Dunn received one vote.

(2) David Dunn called for a show of hands by those who vote for Mary Thompson for President. Mary Thompson received six votes. Mary Thompson was voted President by majority vote.

**B. Vice President**

Mary Thompson nominated David Dunn for Vice President.

No other nominations were received. Mr. Dunn called for a show of hands by those who vote for David Dunn as Vice President. David Dunn received seven votes and was elected by majority vote.

**C. Executive Committee Member**

Mary Thompson nominated Ben Quiroz for Executive Committee member.

No other nominations were received. Mr. Dunn called for a show of hands by those who vote for Ben Quiroz for Executive Committee member. Ben Quiroz received seven votes and was elected by majority vote.

**D. Secretary**

Mary Thompson moved that Virginia ("Gingie") Sredanovich remain as Secretary.

No other nominations were received. Mr. Dunn called for a show of hands by those who vote for Virginia ("Gingie") for Secretary. Virginia ("Gingie") Sredanovich received seven votes and was elected by majority vote.

The slate of officers, Executive Committee Member and Secretary for 2017-2018 is as follows:

President – Mary Thompson  
Vice President – David Dunn  
Executive Committee Member – Ben Quiroz  
Secretary – Virginia (Gingie) Sredanovich

## **XII. EXECUTIVE SESSION**

David Dunn stated that the Board would now go into Executive Session for consultation with the attorney regarding legal matters pursuant to Section 551.071 of the Texas Open Meetings Act; and, (2) Section 551.072 of the Texas Open Meetings Act to deliberate the purchase, exchange, lease or value of real properties, and (3) Section 551.085 of the Texas Open Meetings Act to deliberate pricing or financial planning information relating to a bid or negotiation for the arrangement or provision of services or product lines to another person if disclosure of the information would give advantage to competitors of the hospital, hospital district, or nonprofit health maintenance organization.

Those present during Executive Session to deliberate related to **Section 551.085** included David Dunn, Mary Thompson, Mary Anderson, Bryn Dodd, Don Hallmark, Ben Quiroz, Adela Vasquez, William Webster, Jon Riggs, Tony Ruiz, Julian Beseril, Jacqui Gore, Robbi Banks, Miles Nelson, Ron Griffin, and Gingie Sredanovich.

Those excused from Executive Session as such time as consultation/deliberation related to **Section 551.071 and 551.072** of the Texas Open Meetings Act are as follow: Tony Ruiz, Julian Beseril, and Jacqui Gore.

**Executive Session began at 6:49 p.m.**  
**Executive Session ended at 9:58 p.m.**

No action was taken during Executive Session.

## **XIII. MCH PROCARE PROVIDER AGREEMENTS**

Julian Beseril presented three (3) MCH ProCare provider agreements as follows:

- Krishna Sudhir Ayyagari, M.D. This is a three year full-time agreement for hospital based Critical Care Medicine. Employment effective upon licensing, privileging, and credentialing after completion of fellowship in June 2017.
- Pragnyadipta Mishra, M.D. This is a three year full-time agreement for Anesthesia. Employment effective as soon as possible
- Narendra Sajja, M.D. This is a three year full-time agreement for MCHS Hospitalist Group. Employment effective as soon as possible.

Ben Quiroz moved and Mary Thompson seconded the motion to approve the three (3) MCH ProCare provider agreements as presented. The motion carried.

**XIV. DISCUSSION REGARDING RETIREE HEALTHCARE BENEFITS**

Don Hallmark and Bryn Dodd made closing comments regarding the Retiree Healthcare Benefits. There was no further discussion. No action was taken.

**XV. ADJOURNMENT**

There being no further business to come before the Board, David Dunn adjourned the meeting at 10:02 p.m.

Respectfully Submitted,



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Virginia Sredanovich, Secretary  
Ector County Hospital District Board of Directors



DATE: July 7, 2017

TO: Board of Directors  
 Ector County Hospital District

FROM: Jon E. Riggs   
 Senior Vice President and Chief Financial Officer

Subject: Financial Report for the month ended May 31, 2017

Attached are the Financial Statements for the month ended May 31, 2017.

Operating Account - Cash Collections and Disbursements

The following summary is of operating cash receipts and disbursements for the month:

Deposits	Year to Date	May
A/R Payments FHC	1,453,419	81,021
A/R payments *	124,942,561	10,831,972
Non A/R pmts	19,676,149	2,063,451
Sales Tax	22,297,622	3,168,533
Ad Valorem	10,298,505	102,583
Total Deposits	178,668,257	16,247,560
<u>Disbursements</u>		
Accounts Payable & Payroll	190,573,137	19,210,965
Group Medical	13,026,098	1,637,798
Transfer to Foundation (LTAC)	-	-
Flex Benefit	651,635	149,182
Worker's Comp Claims	250,973	99,228
Total Disbursements	204,501,844	21,097,172
Transfer (To)/From Reserves	27,778,761	6,800,000
Net Increase/(Decrease) in Cash	1,945,174	1,950,388

\* Includes Patient A/R, MCH Pro Fees and Bad Debt Collections.

#### Operating Results - Hospital Operations:

For the month ended May, earnings before interest depreciation and amortization (EBIDA) was a surplus of \$398K comparing unfavorably to the budget of \$593K by 33.0%. Inpatient (I/P) revenue was above budget by \$3.7M driven by IP admissions, length of stay and associated ancillary tests. Outpatient (O/P) revenue was slightly below budget by \$214K or 0.6%. Net Patient Revenue was \$2.2M or 11.4% below the budget of \$18.9M. Net operating revenue was estimated at \$1.6M or 7.0% below budget due to the associated challenges when converting to a new Electronic Medical Record system. On a year-to-date (YTD) basis net operating revenue was 0.2% below budget at \$177.0M.

Operating expenses for the month were under budget by \$1.1M due to favorable benefits by \$1.0M, supplies by \$264K, and purchased services by \$237K; partially offset by unfavorable salaries of \$262K, and temporary labor of 306K. For the month ended May, EBIDA was \$398K which is 33.0% unfavorable to the budgeted \$593K. For the eight months ended May EBIDA is \$6.1M or 0.6% unfavorable to the budget of \$6.1M.

#### Operating Results - ProCare (501a) Operations:

For the month of May the net loss from operations before capital contributions was \$1.5M compared to a budgeted loss of \$1.6M. Net operating revenue was below budget by \$63K. Total operating costs were below budget by \$137K. Decreased benefits, purchased services, physician fees and other expenses accounted for most of the favorable variance. After MCH capital contributions of \$1.5M for the month and \$10.9M YTD, ProCare showed a positive contribution of \$2K for the month and a positive \$56K YTD.

#### Operating Results - Family Health Center Operations:

For the month of May the net loss from operations by location:

- Clements: \$120K loss compared to a budgeted loss of \$116K. Net revenue was unfavorable by \$31K and was partially offset by \$27K favorable operating costs.
- West University: \$141K loss compared to a budgeted loss of \$104K. Net revenue was unfavorable by \$73K and was partially offset by \$36K favorable operating costs.

#### Blended Operating Results - Ector County Hospital District:

For the month of May EBIDA was \$427K compared to a budget of \$621K that was created by an accumulation of the variances previously described. On a YTD basis EBIDA was \$6.4M compared to a budget of \$6.4M.

#### Volume:

Total admissions for the month were 1,101 or 3.1% above budget and 4.0% above last year. YTD admissions were 8,940 or 1.7% above budget and 4.7% above last year. Patient days for the month were 5,699 or 8.1% above budget and 2.7% above last year. YTD patient days were 45,930, or 6.1% above budget and 2.3% below last year. Due to the preceding, total average length of stay (ALOS) was 5.2 for the month, and 5.1 YTD. Observation days were below budget by 8.8% and were below prior year by 3.3%. On a YTD basis, observation days are 9.5% below budget and 0.5% above prior year.

Emergency room visits totaled 4,145 resulting in an increase as compared to budget by 17.1% and an increase as compared to last year of 2.6%. YTD ER visits were 33,249 or

10.2% above budget and 1.3% above prior year. Total O/P occasions of service were 4.6% below budget for the month and 13.5% below last year. YTD O/P occasions were 1.2% below budget and 6.2% below last year.

Revenues:

I/P revenues were above budget for the month by \$3.7M due to increased IP admissions, length of stay and associated IP ancillary services. O/P revenues were below budget for the month by \$214K, or 0.6%, as a result of decreased OP volumes. Total patient revenue was above budget by \$3.5M and total revenue deductions were \$5.6M above budget, leaving estimated net patient revenue below budget by \$2.2M.

Operating Expenses:

Total operating expenses for the month were \$1.3M, or 5.3%, below budget. Major favorable variances include benefits by \$1.0M, purchased services by \$237K and supplies by \$263K, that were partially offset by unfavorable salaries and wages by \$262K, and temporary labor by \$306K. Favorable benefits expense was due to decreased medical claims of \$755K as well as other smaller variances. Purchased services favorable variance caused by decreased collection agency fees of \$117K and decreased eligibility fees of \$111K. Supplies favorable variance was created by decreased purchases of implants in the operating room by \$107K, cost of blood \$30K less than budgeted and \$99K favorable cath lab budget. Unfavorable salaries caused primarily by increased staffing related to the Electronic Medical Record conversion and increased temporary labor was used to fill open positions.

**ECTOR COUNTY HOSPITAL DISTRICT  
MONTHLY STATISTICAL REPORT  
MAY 2017**

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL	BUDGET		PRIOR YEAR		ACTUAL	BUDGET		PRIOR YEAR	
		AMOUNT	VAR.%	AMOUNT	VAR.%		AMOUNT	VAR.%	AMOUNT	VAR.%
<b>Hospital InPatient Admissions</b>										
Acute / Adult	1,075	1,039	3.5%	1,037	3.7%	8,700	8,568	1.5%	8,338	4.3%
Neonatal ICU (NICU)	26	29	-11.7%	22	18.2%	240	223	7.4%	198	21.2%
<b>Total Admissions</b>	<b>1,101</b>	<b>1,068</b>	<b>3.1%</b>	<b>1,059</b>	<b>4.0%</b>	<b>8,940</b>	<b>8,791</b>	<b>1.7%</b>	<b>8,536</b>	<b>4.7%</b>
<b>Patient Days</b>										
Adult & Pediatric	4,671	3,848	21.4%	4,408	6.0%	36,211	32,515	11.4%	36,562	-1.0%
ICU	399	468	-14.8%	399	0.0%	3,444	3,556	-3.1%	3,596	-4.2%
CCU	368	466	-21.0%	364	1.1%	3,152	3,536	-10.9%	3,606	-12.6%
NICU	261	492	-46.9%	380	-31.3%	3,123	3,679	-15.1%	3,239	-3.6%
<b>Total Patient Days</b>	<b>5,699</b>	<b>5,274</b>	<b>8.1%</b>	<b>5,551</b>	<b>2.7%</b>	<b>45,930</b>	<b>43,287</b>	<b>6.1%</b>	<b>47,003</b>	<b>-2.3%</b>
Observation (Obs) Days	734	805	-8.8%	759	-3.3%	5,580	6,165	-9.5%	5,551	0.5%
Nursery Days	204	244	-16.3%	232	-12.1%	1,821	1,850	-1.5%	1,572	15.8%
<b>Total Occupied Beds / Bassinets</b>	<b>6,637</b>	<b>6,322</b>	<b>5.0%</b>	<b>6,542</b>	<b>1.5%</b>	<b>53,331</b>	<b>51,301</b>	<b>4.0%</b>	<b>54,126</b>	<b>-1.5%</b>
<b>Average Length of Stay (ALOS)</b>										
Acute / Adult & Pediatric	5.06	4.60	9.9%	4.99	1.4%	4.92	4.62	6.4%	5.25	-6.3%
NICU	10.04	16.70	-39.9%	17.27	-41.9%	13.01	16.47	-21.0%	16.36	-20.5%
<b>Total ALOS</b>	<b>5.18</b>	<b>4.94</b>	<b>4.8%</b>	<b>5.24</b>	<b>-1.3%</b>	<b>5.14</b>	<b>4.92</b>	<b>4.3%</b>	<b>5.51</b>	<b>-6.7%</b>
<b>Average Daily Census</b>	<b>183.8</b>	<b>170.1</b>	<b>8.1%</b>	<b>179.1</b>	<b>2.7%</b>	<b>189.0</b>	<b>178.1</b>	<b>6.1%</b>	<b>192.6</b>	<b>-1.9%</b>
<b>Hospital Case Mix Index (CMI)</b>	<b>1.4159</b>	<b>1.4974</b>	<b>-5.4%</b>	<b>1.5768</b>	<b>-10.2%</b>	<b>1.4441</b>	<b>1.4974</b>	<b>-3.6%</b>	<b>1.4984</b>	<b>-3.6%</b>
<b>Medicare</b>										
Admissions	449	704	-36.2%	416	7.9%	3,600	3,803	-5.3%	3,381	6.5%
Patient Days	2,392	3,702	-35.4%	2,448	-2.3%	19,948	19,315	3.3%	20,224	-1.4%
Average Length of Stay	5.33	5.26	1.3%	5.88	-9.5%	5.54	5.08	9.1%	5.98	-7.4%
Case Mix Index	1.5106			1.7097	-11.6%	1.6840			1.7595	-4.3%
<b>Medicaid</b>										
Admissions	112	109	2.8%	140	-20.0%	1,137	1,122	1.3%	1,069	6.4%
Patient Days	546	505	8.1%	684	-20.2%	5,277	5,010	5.3%	5,420	-2.6%
Average Length of Stay	4.88	4.63	5.2%	4.89	-0.2%	4.64	4.47	3.9%	5.07	-8.5%
Case Mix Index	1.0823			1.2397	-12.7%	1.0651			1.1496	-7.4%
<b>Commercial</b>										
Admissions	277	269	3.0%	251	10.4%	2,162	2,129	1.6%	2,158	0.2%
Patient Days	1,608	1,488	8.1%	1,147	40.2%	10,658	9,997	6.6%	10,287	3.6%
Average Length of Stay	5.81	5.53	4.9%	4.57	27.0%	4.93	4.70	5.0%	4.77	3.4%
Case Mix Index	1.4633			1.4687	-0.4%	4.9297			1.3767	258.1%
<b>Self Pay</b>										
Admissions	240	233	3.0%	216	11.1%	1,683	1,650	2.0%	1,531	9.9%
Patient Days	1,035	958	8.0%	1,014	2.1%	9,218	8,688	6.1%	9,275	-0.6%
Average Length of Stay	4.31	4.11	4.9%	4.69	-8.1%	5.48	5.27	4.0%	6.06	-9.6%
Case Mix Index	1.1427			1.7155	-33.4%	1.4536			1.4512	0.2%
<b>All Other</b>										
Admissions	23	22	4.5%	36	-36.1%	358	356	0.6%	403	-11.2%
Patient Days	118	109	8.3%	263	-55.1%	1,844	1,765	4.5%	1,822	1.2%
Case Mix Index	1.8727			1.9074	-1.8%	1.9014			1.6763	13.4%
<b>Radiology</b>										
InPatient	4,218	3,922	7.6%	3,363	25.4%	31,343	29,768	5.3%	29,848	5.0%
OutPatient	5,231	7,726	-32.3%	7,697	-32.0%	54,905	58,648	-6.4%	59,387	-7.5%
<b>Cath Lab</b>										
InPatient	474	284	66.9%	329	44.1%	2,938	2,156	36.3%	2,105	39.6%
OutPatient	498	272	83.0%	261	90.8%	3,176	2,066	53.7%	2,000	58.8%
<b>Laboratory</b>										
InPatient	73,692	62,429	18.0%	56,780	29.8%	499,767	473,895	5.5%	476,847	4.8%
OutPatient	36,908	39,259	-6.0%	37,697	-2.1%	290,867	298,011	-2.4%	299,603	-2.9%
NonPatient	7,399	7,256	2.0%	6,726	10.0%	58,303	55,082	5.8%	50,532	15.4%
<b>Other</b>										
Deliveries	122	146	-16.6%	129	-5.4%	1,088	1,105	-1.5%	947	14.9%
<b>Surgical Cases</b>										
InPatient	280	323	-13.4%	330	-15.2%	2,368	2,454	-3.5%	2,672	-11.4%
OutPatient	588	598	-1.7%	608	-3.3%	4,670	4,607	1.4%	4,795	-2.6%
<b>Total Surgical Cases</b>	<b>868</b>	<b>921</b>	<b>-5.8%</b>	<b>938</b>	<b>-7.5%</b>	<b>7,038</b>	<b>7,061</b>	<b>-0.3%</b>	<b>7,467</b>	<b>-5.7%</b>

**ECTOR COUNTY HOSPITAL DISTRICT  
MONTHLY STATISTICAL REPORT  
MAY 2017**

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL	BUDGET		PRIOR YEAR		ACTUAL	BUDGET		PRIOR YEAR	
		AMOUNT	VAR.%	AMOUNT	VAR.%		AMOUNT	VAR.%	AMOUNT	VAR.%
<b>OutPatient (O/P)</b>										
Emergency Room Visits	4,145	3,540	17.1%	4,038	2.6%	33,249	30,180	10.2%	32,837	1.3%
Observation Days	734	805	-8.8%	759	-3.3%	5,580	6,165	-9.5%	5,551	0.5%
GI Procedures (Endo)	169	389	-56.5%	376	-55.1%	2,334	3,305	-29.4%	2,801	-16.7%
Other O/P Occasions of Service	20,075	21,597	-7.0%	23,857	-15.9%	182,849	186,970	-2.2%	197,670	-7.5%
<b>Total O/P Occasions of Svc.</b>	<b>25,123</b>	<b>26,330</b>	<b>-4.6%</b>	<b>29,030</b>	<b>-13.5%</b>	<b>224,012</b>	<b>226,620</b>	<b>-1.2%</b>	<b>238,859</b>	<b>-6.2%</b>
<b>Hospital Operations</b>										
Manhours Paid	287,612	277,697	3.6%	287,257	0.1%	2,202,754	2,205,600	-0.1%	2,273,658	-3.1%
FTE's	1,623.6	1,567.6	3.6%	1,621.6	0.1%	1,586.3	1,588.4	-0.1%	1,630.7	-2.7%
Adjusted Patient Days	10,139	8,931	13.5%	9,400	7.9%	84,142	72,925	15.4%	79,148	6.3%
Hours / Adjusted Patient Day	28.37	31.10	-8.8%	30.56	-7.2%	26.18	30.24	-13.4%	28.73	-8.9%
Occupancy - Actual Beds	52.7%	48.7%	8.1%	63.3%	-16.7%	54.2%	51.0%	6.1%	68.1%	-20.4%
FTE's / Adjusted Occupied Bed	5.0	5.4	-8.8%	5.3	-7.2%	4.6	5.3	-13.4%	5.0	-8.9%
<b>InPatient Rehab Unit</b>										
Admissions	32	31	3.2%	27	18.5%	299	272	9.9%	281	6.4%
Patient Days	406	573	-29.1%	499	-18.6%	3,523	3,440	2.4%	3,523	0.0%
Average Length of Stay	12.7	18.5	-31.4%	18.5	-31.4%	11.8	12.6	-6.8%	12.5	-6.0%
Manhours Paid	6,830	6,893	-0.9%	6,705	1.9%	53,687	54,522	-1.5%	54,645	-1.8%
FTE's	38.6	38.9	-0.9%	37.9	1.9%	38.7	39.3	-1.5%	39.2	-1.3%
<b>Center for Primary Care - Clements</b>										
Total Medical Visits	935	1,091	-14.3%	1,074	-12.9%	9,603	9,942	-3.4%	9,654	-0.5%
Total Dental Visits	632	809	-21.9%	666	-5.1%	5,286	5,464	-3.3%	4,732	11.7%
Manhours Paid	792	859	-7.8%	1,099	-27.9%	6,880	6,843	0.5%	9,732	-29.3%
FTE's	4.5	4.9	-7.8%	6.2	-27.9%	5.0	4.9	0.5%	7.0	-29.0%
<b>Center for Primary Care - West University</b>										
Total Medical Visits	536	747	-28.2%	621	-13.7%	4,829	6,073	-20.5%	5,031	-4.0%
Total Optometry	270	288	-6.3%	277	-2.5%	2,159	2,175	-0.7%	1,973	9.4%
Manhours Paid	177	192	-7.8%	173	2.4%	1,388	1,554	-10.6%	1,486	-6.6%
FTE's	1.0	1.1	-7.8%	1.0	2.4%	1.0	1.1	-10.6%	1.1	-6.2%
<b>Total ECHD Operations</b>										
Total Admissions	1,133	1,099	3.1%	1,086	4.3%	9,239	9,063	1.9%	8,817	4.8%
Total Patient Days	6,105	5,847	4.4%	6,050	0.9%	49,453	46,727	5.8%	50,526	-2.1%
Total Patient and Obs Days	6,839	6,651	2.8%	6,809	0.4%	55,033	52,892	4.0%	56,077	-1.9%
Total FTE's	1,667.6	1,612.5	3.4%	1,667.7	0.0%	1,631.0	1,633.7	-0.2%	1,678.9	-2.9%
FTE's / Adjusted Occupied Bed	4.8	4.6	2.9%	4.5	4.9%	4.4	4.6	-4.4%	4.4	0.0%
<b>Total Adjusted Patient Days</b>	<b>10,862</b>	<b>10,808</b>	<b>0.5%</b>	<b>11,394</b>	<b>-4.7%</b>	<b>90,608</b>	<b>86,774</b>	<b>4.4%</b>	<b>93,612</b>	<b>-3.2%</b>
<b>Hours / Adjusted Patient Day</b>	<b>27.20</b>	<b>26.43</b>	<b>2.9%</b>	<b>25.93</b>	<b>4.9%</b>	<b>24.99</b>	<b>26.14</b>	<b>-4.4%</b>	<b>25.01</b>	<b>0.0%</b>
<b>Outpatient Factor</b>	<b>1.7791</b>	<b>1.8485</b>	<b>-3.8%</b>	<b>1.8833</b>	<b>-5.5%</b>	<b>1.8324</b>	<b>1.8572</b>	<b>-1.3%</b>	<b>1.8528</b>	<b>-1.1%</b>
<b>Blended O/P Factor</b>	<b>1.9868</b>	<b>2.0525</b>	<b>-3.2%</b>	<b>2.0691</b>	<b>-4.0%</b>	<b>2.0915</b>	<b>2.0669</b>	<b>1.2%</b>	<b>2.0471</b>	<b>2.2%</b>
<b>Total Adjusted Admissions</b>	<b>2,016</b>	<b>2,036</b>	<b>-1.0%</b>	<b>2,045</b>	<b>-1.4%</b>	<b>16,935</b>	<b>16,790</b>	<b>0.9%</b>	<b>16,336</b>	<b>3.7%</b>
<b>Hours / Adjusted Admission</b>	<b>146.55</b>	<b>140.30</b>	<b>4.5%</b>	<b>144.44</b>	<b>1.5%</b>	<b>133.73</b>	<b>135.11</b>	<b>-1.0%</b>	<b>143.30</b>	<b>-6.7%</b>
<b>FTE's - Hospital Contract</b>	<b>63.5</b>	<b>48.1</b>	<b>32.0%</b>	<b>54.8</b>	<b>15.9%</b>	<b>67.6</b>	<b>49.6</b>	<b>36.3%</b>	<b>42.2</b>	<b>60.2%</b>
<b>FTE's - Mgmt Services</b>	<b>50.0</b>	<b>62.2</b>	<b>-19.6%</b>	<b>48.8</b>	<b>2.4%</b>	<b>48.9</b>	<b>62.2</b>	<b>-21.4%</b>	<b>49.6</b>	<b>-1.5%</b>
<b>Total FTE's (including Contract)</b>	<b>1,781.1</b>	<b>1,722.8</b>	<b>3.4%</b>	<b>1,771.3</b>	<b>0.6%</b>	<b>1,747.4</b>	<b>1,745.5</b>	<b>0.1%</b>	<b>1,770.7</b>	<b>-1.3%</b>
<b>Total FTE'S per Adjusted Occupied Bed (including Contract)</b>										
	<b>5.1</b>	<b>4.9</b>	<b>2.9%</b>	<b>4.8</b>	<b>5.5%</b>	<b>4.7</b>	<b>4.9</b>	<b>-4.1%</b>	<b>4.6</b>	<b>1.5%</b>
<b>Urgent Care Visits</b>										
Health & Wellness	-	-	0.0%	424	-100.0%	396	589	-32.8%	4,740	-91.6%
Golder	413	419	-1.4%	535	-22.8%	3,961	5,213	-24.0%	5,468	-27.6%
JBS Clinic	829	387	114.2%	676	22.6%	7,313	6,256	16.9%	7,801	-6.3%
West University	449	344	30.5%	465	-3.4%	4,275	4,090	4.5%	4,327	-1.2%
42nd Street	363	406	-10.6%	-	0.0%	3,084	2,561	20.4%	-	0.0%
<b>Total Urgent Care Visits</b>	<b>2,054</b>	<b>1,556</b>	<b>32.0%</b>	<b>2,100</b>	<b>-2.2%</b>	<b>19,029</b>	<b>18,709</b>	<b>1.7%</b>	<b>22,336</b>	<b>-14.8%</b>
<b>Wal-Mart Clinic Visits</b>										
East Clinic	306	243	25.9%	226	35.4%	3,172	2,446	29.7%	2,421	31.0%
West Clinic	201	162	24.1%	152	32.2%	2,038	1,319	54.5%	1,315	55.0%
<b>Total Wal-Mart Visits</b>	<b>507</b>	<b>405</b>	<b>25.2%</b>	<b>378</b>	<b>34.1%</b>	<b>5,210</b>	<b>3,765</b>	<b>38.4%</b>	<b>3,736</b>	<b>39.5%</b>
<b>Mission Fitness</b>										
Memberships	2,201	2,221	-0.9%	2,344	-6.1%	2,201	2,221	-0.9%	2,344	-6.1%
Visits	8,328	8,400	-0.9%	8,345	-0.2%	61,436	63,600	-3.4%	64,764	-5.1%

**ECTOR COUNTY HOSPITAL DISTRICT  
BALANCE SHEET - BLENDED  
MAY 2017**

	<u>HOSPITAL</u>	<u>PRO CARE</u>	<u>ECTOR COUNTY HOSPITAL DISTRICT</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS:</b>			
Cash and Cash Equivalents	\$ 20,637,193	\$ 2,602,008	\$ 23,239,201
Investments	34,844,531	-	34,844,531
Patient Accounts Receivable - Gross	250,575,721	18,339,631	268,915,351
Less: 3rd Party Allowances	(113,933,268)	(7,045,594)	(120,978,862)
Bad Debt Allowance	(100,385,198)	(5,346,020)	(105,731,218)
Net Patient Accounts Receivable	36,257,254	5,948,017	42,205,271
Taxes Receivable	5,434,457	-	5,434,457
Accounts Receivable - Other	22,115,137	4,585,170	26,700,307
Inventories	6,700,817	245,933	6,946,750
Prepaid Expenses	4,123,662	198,172	4,321,835
<b>Total Current Assets</b>	<u>130,113,052</u>	<u>13,579,300</u>	<u>143,692,352</u>
<b>CAPITAL ASSETS:</b>			
Property and Equipment	440,719,627	522,945	441,242,572
Construction in Progress	7,140,498	-	7,140,498
	<u>447,860,125</u>	<u>522,945</u>	<u>448,383,070</u>
Less: Accumulated Depreciation and Amortization	(247,974,518)	(270,775)	(248,245,293)
<b>Total Capital Assets</b>	<u>199,885,607</u>	<u>252,170</u>	<u>200,137,777</u>
<b>INTANGIBLE ASSETS / GOODWILL - NET</b>	<b>144,818</b>	<b>356,870</b>	<b>501,687</b>
<b>RESTRICTED ASSETS:</b>			
Restricted Assets Held by Trustee	5,476,477	-	5,476,477
Restricted Assets Held in Endowment	6,285,545	-	6,285,545
Restricted Corner Escrow	636,219	-	636,219
Restricted MCH West Texas Services	1,916,242	-	1,916,242
Pension, Deferred Outflows of Resources	37,430,525	-	37,430,525
Assets whose use is Limited	-	7,181	7,181
<b>TOTAL ASSETS</b>	<u><u>\$ 381,888,484</u></u>	<u><u>\$ 14,195,521</u></u>	<u><u>\$ 396,084,005</u></u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>CURRENT LIABILITIES:</b>			
Current Maturities of Long-Term Debt	\$ 4,532,706	\$ -	\$ 4,532,706
Self-Insurance Liability - Current Portion	4,863,777	-	4,863,777
Accounts Payable	20,999,625	4,308,234	25,307,859
Accrued Interest	672,922	-	672,922
Accrued Salaries and Wages	3,371,901	6,513,671	9,885,572
Accrued Compensated Absences	5,121,912	286,091	5,408,003
Due to Third Party Payors	2,652,540	-	2,652,540
Deferred Revenue	3,283,832	1,113,890	4,397,722
<b>Total Current Liabilities</b>	<u>45,499,216</u>	<u>12,221,887</u>	<u>57,721,102</u>
ACCRUED POST RETIREMENT BENEFITS	65,987,214	-	65,987,214
SELF-INSURANCE LIABILITIES - Less Current Portion	1,927,389	-	1,927,389
LONG-TERM DEBT - Less Current Maturities	52,685,088	-	52,685,088
<b>Total Liabilities</b>	<u>166,098,906</u>	<u>12,221,887</u>	<u>178,320,793</u>
<b>FUND BALANCE</b>	<u>215,789,578</u>	<u>1,973,634</u>	<u>217,763,212</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u><u>\$ 381,888,484</u></u>	<u><u>\$ 14,195,521</u></u>	<u><u>\$ 396,084,005</u></u>

**ECTOR COUNTY HOSPITAL DISTRICT  
BALANCE SHEET - BLENDED  
MAY 2017**

	CURRENT YEAR	PRIOR FISCAL YEAR END		CURRENT YEAR CHANGE
		HOSPITAL AUDITED	PRO CARE AUDITED	
<b>ASSETS</b>				
CURRENT ASSETS:				
Cash and Cash Equivalents	\$ 23,239,201	\$ 45,227,505	\$ 2,734,905	\$ (24,723,209)
Investments	34,844,531	35,050,242	-	(205,710)
Patient Accounts Receivable - Gross	268,915,351	148,713,694	16,584,930	103,616,728
Less: 3rd Party Allowances	(120,978,862)	(60,195,113)	(6,708,166)	(54,075,583)
Bad Debt Allowance	<u>(105,731,218)</u>	<u>(58,888,563)</u>	<u>(5,103,621)</u>	<u>(41,739,034)</u>
Net Patient Accounts Receivable	42,205,271	29,630,017	4,773,143	7,802,111
Taxes Receivable	5,434,457	5,446,479	-	(12,023)
Accounts Receivable - Other	26,700,307	20,974,403	2,482,086	3,243,818
Inventories	6,946,750	6,694,960	230,652	21,139
Prepaid Expenses	<u>4,321,835</u>	<u>2,769,408</u>	<u>391,597</u>	<u>1,160,829</u>
Total Current Assets	<u>143,692,352</u>	<u>145,793,014</u>	<u>10,612,383</u>	<u>(12,713,045)</u>
CAPITAL ASSETS:				
Property and Equipment	441,242,572	409,630,693	597,374	31,014,505
Construction in Progress	<u>7,140,498</u>	<u>19,810,539</u>	<u>-</u>	<u>(12,670,041)</u>
	448,383,070	429,441,232	597,374	18,344,464
Less: Accumulated Depreciation and Amortization	<u>(248,245,293)</u>	<u>(234,529,317)</u>	<u>(299,182)</u>	<u>(13,416,794)</u>
Total Capital Assets	<u>200,137,777</u>	<u>194,911,915</u>	<u>298,192</u>	<u>4,927,670</u>
INTANGIBLE ASSETS / GOODWILL - NET	501,687	203,049	439,873	(141,235)
RESTRICTED ASSETS:				
Restricted Assets Held by Trustee	5,476,477	4,661,597	-	814,880
Restricted Assets Held in Endowment	6,285,545	6,351,234	-	(65,689)
Restricted Cerner Escrow	636,219	3,267,237	-	(2,631,018)
Restricted MCH West Texas Services	1,916,242	1,759,115	-	157,127
Pension, Deferred Outflows of Resources	37,430,525	37,430,525	-	-
Assets whose use is Limited	<u>7,181</u>	<u>-</u>	<u>19,273</u>	<u>(12,092)</u>
TOTAL ASSETS	<u>\$ 396,084,005</u>	<u>\$ 394,377,686</u>	<u>\$ 11,369,721</u>	<u>\$ (9,663,402)</u>
<b>LIABILITIES AND FUND BALANCE</b>				
CURRENT LIABILITIES:				
Current Maturities of Long-Term Debt	\$ 4,532,706	\$ 4,594,799	\$ -	\$ (62,093)
Self-Insurance Liability - Current Portion	4,863,777	4,863,777	-	-
Accounts Payable	25,307,859	24,328,868	3,332,924	(2,353,933)
Accrued Interest	672,922	96,889	-	576,034
Accrued Salaries and Wages	9,885,572	6,125,126	4,774,793	(1,014,346)
Accrued Compensated Absences	5,408,003	4,239,710	239,077	929,216
Due to Third Party Payors	2,652,540	2,483,539	-	169,002
Deferred Revenue	<u>4,397,722</u>	<u>416,599</u>	<u>1,105,510</u>	<u>2,875,614</u>
Total Current Liabilities	<u>57,721,102</u>	<u>47,149,306</u>	<u>9,452,303</u>	<u>1,119,493</u>
ACCRUED POST RETIREMENT BENEFITS	65,987,214	65,346,188	-	641,026
SELF-INSURANCE LIABILITIES - Less Current Portion	1,927,389	1,927,389	-	-
LONG-TERM DEBT - Less Current Maturities	52,685,088	54,724,037	-	(2,038,950)
Total Liabilities	<u>178,320,793</u>	<u>169,146,920</u>	<u>9,452,303</u>	<u>(278,430)</u>
FUND BALANCE	<u>217,763,212</u>	<u>225,230,766</u>	<u>1,917,418</u>	<u>(9,384,972)</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 396,084,005</u>	<u>\$ 394,377,686</u>	<u>\$ 11,369,721</u>	<u>\$ (9,663,402)</u>

**ECTOR COUNTY HOSPITAL DISTRICT  
BLENDED OPERATIONS SUMMARY  
MAY 2017**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b>PATIENT REVENUE</b>										
Inpatient Revenue	\$ 48,037,039	\$ 44,361,353	8.3%	\$ 43,460,095	10.5%	\$ 367,606,708	\$ 351,742,426	4.5%	\$ 341,860,586	7.5%
Outpatient Revenue	47,402,601	46,689,325	1.5%	46,464,517	2.0%	401,229,681	375,282,181	6.9%	357,952,459	12.1%
<b>TOTAL PATIENT REVENUE</b>	<b>\$ 95,439,639</b>	<b>\$ 91,050,678</b>	<b>4.8%</b>	<b>\$ 89,924,612</b>	<b>6.1%</b>	<b>\$ 768,836,389</b>	<b>\$ 727,024,607</b>	<b>5.8%</b>	<b>\$ 699,813,044</b>	<b>9.9%</b>
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>\$ 76,383,778</b>	<b>\$ 69,778,355</b>	<b>9.5%</b>	<b>\$ 70,188,895</b>	<b>8.8%</b>	<b>\$ 608,170,170</b>	<b>\$ 563,157,774</b>	<b>8.0%</b>	<b>\$ 536,709,749</b>	<b>13.3%</b>
	<b>80.03%</b>	<b>76.64%</b>		<b>78.05%</b>		<b>79.10%</b>	<b>77.46%</b>		<b>76.69%</b>	
<b>OTHER PATIENT REVENUE</b>										
Medicaid Supplemental Payments	\$ 297,632	\$ 297,632	0.0%	\$ (1,027,400)	-129.0%	\$ 1,780,252	2,381,056	-25.2%	\$ 1,914,389	-7.0%
DSRIP	1,000,000	1,000,000	0.0%	1,000,000	0.0%	8,000,000	8,000,000	0.0%	8,000,000	0.0%
Medicaid Meaningful Use Subsidy	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
Medicare Meaningful Use Subsidy	-	-	0.0%	-	0.0%	-	-	0.0%	511,243	-100.0%
<b>TOTAL OTHER PATIENT REVENUE</b>	<b>\$ 1,297,632</b>	<b>\$ 1,297,632</b>	<b>0.0%</b>	<b>\$ (27,400)</b>	<b>-4835.8%</b>	<b>\$ 9,780,252</b>	<b>\$ 10,381,056</b>	<b>-5.8%</b>	<b>\$ 10,425,632</b>	<b>-6.2%</b>
<b>NET PATIENT REVENUE</b>	<b>\$ 20,353,494</b>	<b>\$ 22,569,955</b>	<b>-9.8%</b>	<b>\$ 19,708,316</b>	<b>3.3%</b>	<b>\$ 170,446,471</b>	<b>\$ 174,247,889</b>	<b>-2.2%</b>	<b>\$ 173,528,928</b>	<b>-1.8%</b>
<b>OTHER REVENUE</b>										
Tax Revenue	\$ 3,879,012	\$ 3,523,699	10.1%	\$ 3,453,745	12.3%	\$ 29,971,258	\$ 26,831,078	11.7%	\$ 28,136,424	6.5%
Other Revenue	1,066,521	880,989	21.1%	889,740	19.9%	7,861,769	7,189,978	9.3%	7,930,338	-0.9%
<b>TOTAL OTHER REVENUE</b>	<b>\$ 4,945,534</b>	<b>\$ 4,404,688</b>	<b>12.3%</b>	<b>\$ 4,343,485</b>	<b>13.9%</b>	<b>\$ 37,833,027</b>	<b>\$ 34,021,056</b>	<b>11.2%</b>	<b>\$ 36,066,763</b>	<b>4.9%</b>
<b>NET OPERATING REVENUE</b>	<b>\$ 25,299,027</b>	<b>\$ 26,974,643</b>	<b>-6.2%</b>	<b>\$ 24,051,802</b>	<b>5.2%</b>	<b>\$ 208,279,498</b>	<b>\$ 208,268,945</b>	<b>0.0%</b>	<b>\$ 209,595,690</b>	<b>-0.6%</b>
<b>OPERATING EXPENSES</b>										
Salaries and Wages	\$ 13,106,300	\$ 12,937,922	1.3%	\$ 12,513,754	4.7%	\$ 101,455,571	\$ 102,020,617	-0.6%	\$ 99,095,846	2.4%
Benefits	2,130,143	3,305,412	-35.6%	3,218,661	-33.8%	21,328,640	22,175,224	-3.8%	23,559,335	-9.5%
Temporary Labor	1,167,268	621,481	87.8%	909,831	28.3%	8,617,376	4,958,906	73.8%	5,198,728	65.8%
Physician Fees	317,157	383,511	-17.3%	316,628	0.2%	2,895,267	3,053,263	-5.2%	2,827,466	2.4%
Texas Tech Support	-	-	0.0%	16,696	-100.0%	-	-	0.0%	133,569	-100.0%
Purchased Services	2,325,333	2,613,724	-11.0%	2,343,303	-0.8%	18,650,238	19,609,997	-4.9%	19,355,827	-3.6%
Supplies	4,378,261	4,633,092	-5.5%	4,615,019	-5.1%	36,516,594	37,378,473	-2.3%	37,279,249	-2.0%
Utilities	323,418	300,452	7.6%	304,601	6.2%	2,753,872	2,450,188	12.4%	2,516,233	9.4%
Repairs and Maintenance	1,013,572	1,111,940	-8.8%	894,481	13.3%	7,781,377	7,699,577	1.1%	7,614,875	2.2%
Leases and Rent	117,554	145,522	-19.2%	144,669	-18.7%	985,749	1,185,894	-16.9%	1,131,445	-12.9%
Insurance	185,387	131,970	40.5%	139,438	33.0%	1,167,595	1,052,820	10.9%	1,012,069	15.4%
Interest Expense	263,627	284,436	-7.3%	268,440	-1.8%	2,109,018	2,153,234	-2.1%	2,147,518	-1.8%
ECHDA	4,419	67,109	-93.4%	48,746	-90.9%	230,038	536,873	-57.2%	276,955	-16.9%
Other Expense	183,962	246,360	-25.3%	194,778	-5.6%	1,433,267	1,870,717	-23.4%	1,842,136	-22.2%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 25,516,401</b>	<b>\$ 26,782,932</b>	<b>-4.7%</b>	<b>\$ 25,929,043</b>	<b>-1.6%</b>	<b>\$ 205,924,602</b>	<b>\$ 206,145,784</b>	<b>-0.1%</b>	<b>\$ 203,991,250</b>	<b>0.9%</b>
Depreciation/Amortization	\$ 1,982,987	\$ 1,930,678	2.7%	\$ 1,730,608	14.6%	\$ 13,646,754	\$ 13,076,171	4.4%	\$ 13,935,133	-2.1%
(Gain) Loss on Sale of Assets	(55,325)	-	0.0%	-	0.0%	(54,522)	-	0.0%	(6,540)	733.7%
<b>TOTAL OPERATING COSTS</b>	<b>\$ 27,444,063</b>	<b>\$ 28,713,610</b>	<b>-4.4%</b>	<b>\$ 27,659,651</b>	<b>-0.8%</b>	<b>\$ 219,516,834</b>	<b>\$ 219,221,956</b>	<b>0.1%</b>	<b>\$ 217,919,843</b>	<b>0.7%</b>
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	<b>\$ (2,145,036)</b>	<b>\$ (1,738,967)</b>	<b>23.4%</b>	<b>\$ (3,607,849)</b>	<b>-40.5%</b>	<b>\$ (11,237,336)</b>	<b>\$ (10,953,010)</b>	<b>2.6%</b>	<b>\$ (8,324,153)</b>	<b>35.0%</b>
Operating Margin	-8.48%	-6.45%	31.5%	-15.00%	-43.5%	-5.40%	-5.26%	2.6%	-3.97%	35.8%
<b>NONOPERATING REVENUE/EXPENSE</b>										
Interest Income	\$ 33,791	\$ 34,112	-0.9%	\$ 16,205	108.5%	\$ 271,286	\$ 267,392	1.5%	\$ 243,417	11.4%
Tobacco Settlement	-	-	0.0%	-	0.0%	859,458	777,932	10.5%	777,932	10.5%
Donations	183,900	12,632	1355.9%	56,148	227.5%	284,655	252,297	12.8%	194,932	46.0%
Build America Bonds Subsidy	84,142	81,320	3.5%	84,233	-0.1%	673,047	650,556	3.5%	674,312	-0.2%
<b>CHANGE IN NET POSITION BEFORE INVESTMENT ACTIVITY</b>	<b>\$ (1,843,202)</b>	<b>\$ (1,610,904)</b>	<b>14.4%</b>	<b>\$ (3,451,264)</b>	<b>-46.6%</b>	<b>\$ (9,148,889)</b>	<b>\$ (9,004,833)</b>	<b>1.6%</b>	<b>\$ (6,433,559)</b>	<b>42.2%</b>
Unrealized Gain/(Loss) on Investments	\$ -	\$ -	0.0%	\$ -		\$ (406,557)	\$ -	0.0%	\$ 11,812	-3541.8%
Investment in Subsidiaries	23,278	16,373	42.2%	15,726	48.0%	170,474	130,983	30.2%	130,983	30.1%
<b>CHANGE IN NET POSITION</b>	<b>\$ (1,819,924)</b>	<b>\$ (1,594,532)</b>	<b>14.1%</b>	<b>\$ (3,435,538)</b>	<b>-47.0%</b>	<b>\$ (9,384,972)</b>	<b>\$ (8,873,851)</b>	<b>5.8%</b>	<b>\$ (6,290,764)</b>	<b>49.2%</b>
EBIDA	\$ 426,691	\$ 620,582	-31.2%	\$ (1,436,490)	-129.7%	\$ 6,370,800	\$ 6,355,555	0.2%	\$ 9,791,887	-34.9%

**ECTOR COUNTY HOSPITAL DISTRICT  
HOSPITAL OPERATIONS SUMMARY  
MAY 2017**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b><u>PATIENT REVENUE</u></b>										
Inpatient Revenue	\$ 48,037,039	\$ 44,361,353	8.3%	\$ 43,460,095	10.5%	\$ 367,606,708	\$ 351,742,426	4.5%	\$ 341,860,586	7.5%
Outpatient Revenue	37,427,769	37,642,146	-0.6%	38,388,747	-2.5%	305,984,715	301,498,824	1.5%	291,522,450	5.0%
<b>TOTAL PATIENT REVENUE</b>	<b>\$ 85,464,808</b>	<b>\$ 82,003,499</b>	<b>4.2%</b>	<b>\$ 81,848,842</b>	<b>4.4%</b>	<b>\$ 673,591,423</b>	<b>\$ 653,241,250</b>	<b>3.1%</b>	<b>\$ 633,383,036</b>	<b>6.3%</b>
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>\$ 69,119,065</b>	<b>\$ 63,506,709</b>	<b>8.8%</b>	<b>\$ 64,638,983</b>	<b>6.9%</b>	<b>\$ 536,109,403</b>	<b>\$ 512,130,065</b>	<b>4.7%</b>	<b>\$ 490,185,847</b>	<b>9.4%</b>
	<b>80.87%</b>	<b>77.44%</b>		<b>78.97%</b>		<b>79.59%</b>	<b>78.40%</b>		<b>77.39%</b>	
<b><u>OTHER PATIENT REVENUE</u></b>										
Medicaid Supplemental Payments	\$ (577,368)	\$ (577,368)	0.0%	\$ (1,902,400)	-69.7%	\$ (5,219,748)	\$ (4,618,944)	13.0%	\$ (5,085,611)	2.6%
DSRIP	1,000,000	1,000,000	0.0%	1,000,000	0.0%	8,000,000	8,000,000	0.0%	8,000,000	0.0%
Medicaid Meaningful Use Subsidy	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
Medicare Meaningful Use Subsidy	-	-	0.0%	-	0.0%	-	-	0.0%	511,243	-100.0%
<b>TOTAL OTHER PATIENT REVENUE</b>	<b>\$ 422,632</b>	<b>\$ 422,632</b>	<b>0.0%</b>	<b>\$ (902,400)</b>	<b>-146.8%</b>	<b>\$ 2,780,252</b>	<b>\$ 3,381,056</b>	<b>-17.8%</b>	<b>\$ 3,425,632</b>	<b>-18.8%</b>
<b>NET PATIENT REVENUE</b>	<b>\$ 16,768,375</b>	<b>\$ 18,919,422</b>	<b>-11.4%</b>	<b>\$ 16,307,458</b>	<b>2.8%</b>	<b>\$ 140,262,272</b>	<b>\$ 144,492,242</b>	<b>-2.9%</b>	<b>\$ 146,622,821</b>	<b>-4.3%</b>
<b><u>OTHER REVENUE</u></b>										
Tax Revenue	\$ 3,879,012	\$ 3,523,699	10.1%	\$ 3,453,745	12.3%	\$ 29,971,258	\$ 26,831,078	11.7%	\$ 28,136,424	6.5%
Other Revenue	924,073	741,202	24.7%	725,717	27.3%	6,767,039	6,038,535	12.1%	6,789,111	-0.3%
<b>TOTAL OTHER REVENUE</b>	<b>\$ 4,803,085</b>	<b>\$ 4,264,901</b>	<b>12.6%</b>	<b>\$ 4,179,461</b>	<b>14.9%</b>	<b>\$ 36,738,297</b>	<b>\$ 32,869,613</b>	<b>11.8%</b>	<b>\$ 34,925,536</b>	<b>5.2%</b>
<b>NET OPERATING REVENUE</b>	<b>\$ 21,571,460</b>	<b>\$ 23,184,323</b>	<b>-7.0%</b>	<b>\$ 20,486,919</b>	<b>5.3%</b>	<b>\$ 177,000,569</b>	<b>\$ 177,361,855</b>	<b>-0.2%</b>	<b>\$ 181,548,357</b>	<b>-2.5%</b>
<b><u>OPERATING EXPENSE</u></b>										
Salaries and Wages	\$ 9,136,083	\$ 8,873,637	3.0%	\$ 8,834,460	3.4%	\$ 70,475,257	\$ 69,958,616	0.7%	\$ 70,337,841	0.2%
Benefits	1,746,427	2,771,148	-37.0%	2,749,365	-36.5%	17,380,211	17,702,537	-1.8%	19,717,897	-11.9%
Temporary Labor	812,938	506,651	60.5%	707,088	15.0%	6,476,402	4,040,266	60.3%	3,477,252	86.3%
Physician Fees	75,005	86,655	-13.4%	75,001	0.0%	584,165	604,106	-3.3%	615,144	-5.0%
Texas Tech Support	-	-	0.0%	16,696	-100.0%	-	-	-	133,569	-100.0%
Purchased Services	2,444,237	2,681,431	-8.8%	2,539,276	-3.7%	19,530,498	20,247,848	-3.5%	20,397,527	-4.3%
Supplies	4,240,996	4,504,815	-5.9%	4,479,066	-5.3%	35,445,808	36,333,030	-2.4%	36,317,092	-2.4%
Utilities	319,745	296,467	7.9%	299,077	6.9%	2,721,800	2,415,513	12.7%	2,466,635	10.3%
Repairs and Maintenance	1,013,130	1,111,140	-8.8%	893,964	13.3%	7,773,583	7,690,177	1.1%	7,591,010	2.4%
Leases and Rentals	(64,805)	(47,840)	35.5%	(24,221)	167.6%	(449,231)	(290,849)	54.5%	(210,886)	113.0%
Insurance	137,936	85,992	60.4%	88,014	56.7%	794,820	687,939	15.5%	671,611	18.3%
Interest Expense	263,627	284,436	-7.3%	268,440	-1.8%	2,109,018	2,153,234	-2.1%	2,147,518	-1.8%
ECHDA	4,419	67,109	-93.4%	48,746	-90.9%	230,038	536,873	-57.2%	276,955	-16.9%
Other Expense	141,744	179,662	-21.1%	112,949	25.5%	928,232	1,220,756	-24.0%	1,257,544	-26.2%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 20,271,481</b>	<b>\$ 21,401,305</b>	<b>-5.3%</b>	<b>\$ 21,087,921</b>	<b>-3.9%</b>	<b>\$ 164,000,600</b>	<b>\$ 163,300,046</b>	<b>0.4%</b>	<b>\$ 165,196,710</b>	<b>-0.7%</b>
Depreciation/Amortization	\$ 1,956,340	\$ 1,903,188	2.8%	\$ 1,702,709	14.9%	\$ 13,422,804	\$ 12,851,019	4.4%	\$ 13,711,509	-2.1%
(Gain)/Loss on Disposal of Assets	(55,325)	-	0.0%	-	0.0%	(55,325)	-	100.0%	(6,500)	751.2%
<b>TOTAL OPERATING COSTS</b>	<b>\$ 22,172,496</b>	<b>\$ 23,304,493</b>	<b>-4.9%</b>	<b>\$ 22,790,630</b>	<b>-2.7%</b>	<b>\$ 177,368,078</b>	<b>\$ 176,151,065</b>	<b>0.7%</b>	<b>\$ 178,901,719</b>	<b>-0.9%</b>
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	<b>\$ (601,036)</b>	<b>\$ (120,170)</b>	<b>400.2%</b>	<b>\$ (2,303,711)</b>	<b>-73.9%</b>	<b>\$ (367,509)</b>	<b>\$ 1,210,790</b>	<b>-130.4%</b>	<b>\$ 2,646,639</b>	<b>-113.9%</b>
Operating Margin	-2.79%	-0.52%	437.6%	-11.24%	-75.2%	-0.21%	0.68%	-130.4%	1.46%	-114.2%
<b><u>NONOPERATING REVENUE/EXPENSE</u></b>										
Interest Income	\$ 33,791	\$ 34,112	-0.9%	\$ 16,205	108.5%	\$ 271,286	\$ 267,392	1.5%	\$ 243,417	11.4%
Tobacco Settlement	-	-	0.0%	-	0.0%	859,458	777,932	10.5%	777,932	10.5%
Donations	183,900	12,632	1355.9%	56,148	227.5%	284,655	252,297	12.8%	194,932	46.0%
Build America Bonds Subsidy	84,142	81,320	3.5%	84,233	-0.1%	673,047	650,556	3.5%	674,312	-0.2%
<b>CHANGE IN NET POSITION BEFORE CAPITAL CONTRIBUTION</b>	<b>\$ (299,202)</b>	<b>\$ 7,893</b>	<b>-3890.9%</b>	<b>\$ (2,147,126)</b>	<b>-86.1%</b>	<b>\$ 1,720,938</b>	<b>\$ 3,158,967</b>	<b>-45.5%</b>	<b>\$ 4,537,232</b>	<b>-62.1%</b>
Procure Capital Contribution	(1,546,443)	(1,618,797)	-4.5%	(1,295,534)	19.4%	(10,926,043)	(12,163,799)	-10.2%	(10,498,177)	4.1%
<b>CHANGE IN NET POSITION BEFORE INVESTMENT ACTIVITY</b>	<b>\$ (1,845,645)</b>	<b>\$ (1,610,904)</b>	<b>14.6%</b>	<b>\$ (3,442,660)</b>	<b>-46.4%</b>	<b>\$ (9,205,105)</b>	<b>\$ (9,004,832)</b>	<b>2.2%</b>	<b>\$ (5,960,944)</b>	<b>54.4%</b>
Unrealized Gain/(Loss) on Investments	\$ -	\$ -	0.0%	\$ -	0.0%	\$ (406,557)	\$ -	0.0%	\$ 11,812	-3541.8%
Investment in Subsidiaries	23,278	16,373	42.2%	15,726	48.0%	170,474	130,983	30.2%	130,983	30.1%
<b>CHANGE IN NET POSITION</b>	<b>\$ (1,822,366)</b>	<b>\$ (1,594,531)</b>	<b>14.3%</b>	<b>\$ (3,426,933)</b>	<b>-46.8%</b>	<b>\$ (9,441,188)</b>	<b>\$ (8,873,849)</b>	<b>6.4%</b>	<b>\$ (5,818,149)</b>	<b>62.3%</b>
EBIDA	\$ 397,601	\$ 593,093	-33.0%	\$ (1,455,784)	-127.3%	\$ 6,090,635	\$ 6,130,404	-0.6%	\$ 10,040,878	-39.3%

**ECTOR COUNTY HOSPITAL DISTRICT  
PROCARE OPERATIONS SUMMARY  
MAY 2017**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b>PATIENT REVENUE</b>										
Outpatient Revenue	\$ 9,974,831	\$ 9,047,179	10.3%	\$ 8,075,770	23.5%	\$ 95,244,966	\$ 73,783,356	29.1%	\$ 66,430,008	43.4%
<b>TOTAL PATIENT REVENUE</b>	\$ 9,974,831	\$ 9,047,179	10.3%	\$ 8,075,770	23.5%	\$ 95,244,966	\$ 73,783,356	29.1%	\$ 66,430,008	43.4%
<b>TOTAL REVENUE DEDUCTIONS</b>	\$ 7,264,713	\$ 6,271,646	15.8%	\$ 5,549,912	30.9%	\$ 72,060,767	\$ 51,027,709	41.2%	\$ 46,523,902	54.9%
Medicaid Supplemental Payments	\$ 875,000	\$ 875,000	0.0%	\$ 875,000	0.0%	7,000,000	7,000,000	0.0%	\$ 7,000,000	0.0%
<b>NET PATIENT REVENUE</b>	\$ 3,585,118	\$ 3,650,533	-1.8%	\$ 3,400,858	5.4%	\$ 30,184,199	\$ 29,755,647	1.4%	\$ 26,906,106	12.2%
<b>OTHER REVENUE</b>										
Other Income	\$ 142,449	\$ 139,787	1.9%	\$ 164,024	-13.2%	\$ 1,094,729	\$ 1,151,443	-4.9%	\$ 1,141,227	-4.1%
<b>TOTAL OTHER REVENUE</b>										
<b>NET OPERATING REVENUE</b>	\$ 3,727,567	\$ 3,790,320	-1.7%	\$ 3,564,882	4.6%	\$ 31,278,929	\$ 30,907,091	1.2%	\$ 28,047,333	11.5%
<b>OPERATING EXPENSE</b>										
Salaries and Wages	\$ 3,970,217	\$ 4,064,285	-2.3%	\$ 3,679,294	7.9%	\$ 30,980,313	\$ 32,062,001	-3.4%	\$ 28,758,005	7.7%
Benefits	383,716	534,264	-28.2%	469,296	-18.2%	3,948,429	4,472,687	-11.7%	3,841,438	2.8%
Temporary Labor	354,330	114,830	208.6%	202,743	74.8%	2,140,974	918,640	133.1%	1,721,476	24.4%
Physician Fees	242,152	296,856	-18.4%	241,627	0.2%	2,311,101	2,449,157	-5.6%	2,212,322	4.5%
Purchased Services	(118,904)	(67,707)	75.6%	(195,973)	-39.3%	(880,260)	(637,851)	38.0%	(1,041,700)	-15.5%
Supplies	137,265	128,277	7.0%	135,953	1.0%	1,070,786	1,045,443	2.4%	962,157	11.3%
Utilities	3,673	3,985	-7.8%	5,524	-33.5%	32,073	34,675	-7.5%	49,598	-35.3%
Repairs and Maintenance	442	800	-44.8%	516	-14.4%	7,795	9,400	-17.1%	23,864	-67.3%
Leases and Rentals	182,360	193,362	-5.7%	168,890	8.0%	1,434,980	1,476,744	-2.8%	1,342,331	6.9%
Insurance	47,451	45,978	3.2%	51,424	-7.7%	372,775	364,881	2.2%	340,459	9.5%
Other Expense	42,218	66,698	-36.7%	81,829	-48.4%	505,036	649,961	-22.3%	584,592	-13.6%
<b>TOTAL OPERATING EXPENSES</b>	\$ 5,244,920	\$ 5,381,627	-2.5%	\$ 4,841,123	8.3%	\$ 41,924,003	\$ 42,845,738	-2.2%	\$ 38,794,541	8.1%
Depreciation/Amortization	\$ 26,647	\$ 27,489	-3.1%	\$ 27,898	-4.5%	\$ 223,950	\$ 225,152	-0.5%	\$ 223,624	0.1%
(Gain)/Loss on Sale of Assets	-	-	0.0%	-	0.0%	803	-	0.0%	(40)	0.0%
<b>TOTAL OPERATING COSTS</b>	\$ 5,271,567	\$ 5,409,117	-2.5%	\$ 4,869,021	8.3%	\$ 42,148,756	\$ 43,070,891	-2.1%	\$ 39,018,124	8.0%
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	\$ (1,544,000)	\$ (1,618,797)	-4.6%	\$ (1,304,139)	18.4%	\$ (10,869,827)	\$ (12,163,800)	-10.6%	\$ (10,970,791)	-0.9%
Operating Margin	-41.42%	-42.71%	-3.0%	-36.58%	13.2%	-34.75%	-39.36%	-11.7%	-39.12%	-11.2%
MCH Contribution	\$ 1,546,443	\$ 1,618,797	-4.5%	\$ 1,295,534	19.4%	\$ 10,926,043	\$ 12,163,799	-10.2%	\$ 10,498,177	4.1%
<b>CAPITAL CONTRIBUTION</b>	\$ 2,442	\$ -	-100.0%	\$ (8,605)	-128.4%	\$ 56,216	\$ -	-100.0%	\$ (472,615)	-111.9%
EBIDA	\$ 29,089	\$ 27,489	5.8%	\$ 19,294	50.8%	\$ 280,166	\$ 225,152	24.4%	\$ (248,992)	-212.5%

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
Total Office Visits	9,099	8,640	5.31%	9,023	0.84%	75,381	70,559	6.83%	67,790	11.20%
Total Hospital Visits	4,147	4,449	-6.79%	4,222	-1.78%	35,234	35,241	-0.02%	35,760	-1.47%
Total Procedures	54,995	54,137	1.58%	63,300	-13.12%	432,049	446,620	-3.26%	453,919	-4.82%
Total Surgeries	731	751	-2.66%	679	7.66%	6,111	5,604	9.05%	4,792	27.53%
Total Provider FTE's	82.8	94.8	-12.66%	76.1	8.80%	85.2	92.6	-7.99%	80.2	6.23%
Total Staff FTE's	128.8	135.3	-4.80%	114.2	12.78%	125.2	133.3	-6.07%	114.0	9.82%
Total Administrative FTE's	35.8	35.5	0.85%	31.0	15.48%	34.0	35.5	-4.23%	33.7	0.89%
Total FTE's	247.4	265.6	-6.85%	221.3	11.79%	244.4	261.4	-6.50%	227.9	7.24%

**ECTOR COUNTY HOSPITAL DISTRICT  
CENTER FOR PRIMARY CARE CLEMENTS - OPERATIONS SUMMARY  
MAY 2017**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b><u>PATIENT REVENUE</u></b>										
Outpatient Revenue	\$ 470,395	\$ 349,469	34.6%	\$ 303,673	54.9%	\$ 3,226,213	\$ 2,833,635	13.9%	\$ 2,595,311	24.3%
<b>TOTAL PATIENT REVENUE</b>	\$ 470,395	\$ 349,469	34.6%	\$ 303,673	54.9%	\$ 3,226,213	\$ 2,833,635	13.9%	\$ 2,595,311	24.3%
<b>TOTAL REVENUE DEDUCTIONS</b>	\$ 303,421	\$ 160,077	89.5%	\$ 191,120	58.8%	\$ 1,930,937	\$ 1,260,212	53.2%	\$ 1,461,985	32.1%
	64.5%	45.8%		62.9%		59.9%	44.5%		56.3%	
<b>NET PATIENT REVENUE</b>	\$ 166,974	\$ 189,392	-11.8%	\$ 112,552	48.4%	\$ 1,295,276	\$ 1,573,423	-17.7%	\$ 1,133,326	14.3%
<b><u>OTHER REVENUE</u></b>										
FHC Other Revenue	\$ 411	\$ 8,802	0.0%	\$ -	0.0%	\$ 5,716	\$ 70,419	0.0%	\$ -	0.0%
<b>TOTAL OTHER REVENUE</b>	\$ 411	\$ 8,802	-95.3%	\$ -	0.0%	\$ 5,716	\$ 70,419	-91.9%	\$ -	0.0%
<b>NET OPERATING REVENUE</b>	\$ 167,385	\$ 198,195	-15.5%	\$ 112,552	48.7%	\$ 1,300,992	\$ 1,643,842	-20.9%	\$ 1,133,326	14.8%
<b><u>OPERATING EXPENSE</u></b>										
Salaries and Wages	\$ 28,390	\$ 32,233	-11.9%	\$ 37,333	-24.0%	\$ 256,169	\$ 256,717	-0.2%	\$ 315,320	-18.8%
Benefits	5,427	10,066	-46.1%	11,618	-53.3%	63,175	64,961	-2.7%	88,394	-28.5%
Physician Services	231,688	242,516	-4.5%	221,789	4.5%	1,896,704	1,922,498	-1.3%	1,613,589	17.5%
Cost of Drugs Sold	683	5,561	-87.7%	3,413	-80.0%	37,020	45,124	-18.0%	44,016	-15.9%
Supplies	7,972	11,583	-31.2%	6,210	28.4%	70,861	93,513	-24.2%	65,372	8.4%
Utilities	3,232	3,177	1.7%	3,836	-15.7%	37,570	25,915	45.0%	26,473	41.9%
Repairs and Maintenance	3,471	1,307	165.6%	3,803	-8.7%	27,147	19,376	40.1%	17,864	52.0%
Leases and Rentals	453	499	-9.3%	497	-8.9%	3,756	4,064	-7.6%	4,048	-7.2%
Other Expense	1,000	2,284	-56.2%	1,525	-34.4%	9,595	9,354	2.6%	9,000	6.6%
<b>TOTAL OPERATING EXPENSES</b>	\$ 282,315	\$ 309,226	-8.7%	\$ 290,023	-2.7%	\$ 2,401,997	\$ 2,441,523	-1.6%	\$ 2,184,075	10.0%
Depreciation/Amortization	\$ 5,421	\$ 5,246	3.3%	\$ 5,206	4.1%	\$ 43,823	\$ 42,418	3.3%	\$ 42,713	2.6%
<b>TOTAL OPERATING COSTS</b>	\$ 287,736	\$ 314,472	-8.5%	\$ 295,229	-2.5%	\$ 2,445,821	\$ 2,483,941	-1.5%	\$ 2,226,788	9.8%
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	\$ (120,351)	\$ (116,278)	3.5%	\$ (182,677)	-34.1%	\$ (1,144,829)	\$ (840,099)	36.3%	\$ (1,093,462)	4.7%
Operating Margin	-71.90%	-58.67%	22.6%	-162.30%	-55.7%	-88.00%	-51.11%	72.2%	-96.48%	-8.8%
<b>EBIDA</b>	\$ (114,930)	\$ (111,032)	3.5%	\$ (177,470)	-35.2%	\$ (1,101,005)	\$ (797,681)	38.0%	\$ (1,050,749)	4.8%

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
Medical Visits	935	1,091	-14.3%	1,074	-12.9%	9,603	9,942	-3.4%	9,654	-0.5%
Dental Visits	632	809	-21.9%	666	-5.1%	5,286	5,464	-3.3%	4,732	11.7%
<b>Total Visits</b>	<b>1,567</b>	<b>1,900</b>	<b>-17.5%</b>	<b>1,740</b>	<b>-9.9%</b>	<b>14,889</b>	<b>15,406</b>	<b>-3.4%</b>	<b>14,386</b>	<b>3.5%</b>
Average Revenue per Office Visit	300.19	183.90	63.2%	174.52	72.0%	216.68	183.93	17.8%	180.41	20.1%
Hospital FTE's (Salaries and Wages)	4.5	4.9	-7.8%	6.2	-27.9%	5.0	4.9	0.5%	7.0	-29.0%
Clinic FTE's - (Physician Services)	21.6	28.6	-24.3%	17.2	25.8%	21.8	28.6	-23.9%	16.5	31.9%

**ECTOR COUNTY HOSPITAL DISTRICT  
CENTER FOR PRIMARY CARE WEST UNIVERSITY - OPERATIONS SUMMARY  
MAY 2017**

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
<b><u>PATIENT REVENUE</u></b>										
Outpatient Revenue	\$ 251,359	\$ 247,290	1.6%	\$ 194,678	29.1%	\$ 1,790,213	\$ 1,970,222	-9.1%	\$ 1,584,681	13.0%
<b>TOTAL PATIENT REVENUE</b>	<b>\$ 251,359</b>	<b>\$ 247,290</b>	<b>1.6%</b>	<b>\$ 194,678</b>	<b>29.1%</b>	<b>\$ 1,790,213</b>	<b>\$ 1,970,222</b>	<b>-9.1%</b>	<b>\$ 1,584,681</b>	<b>13.0%</b>
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>\$ 188,411</b>	<b>\$ 111,553</b>	<b>68.9%</b>	<b>\$ 178,745</b>	<b>5.4%</b>	<b>\$ 1,333,304</b>	<b>\$ 871,230</b>	<b>53.0%</b>	<b>\$ 1,283,674</b>	<b>3.9%</b>
	<b>74.96%</b>	<b>45.11%</b>		<b>91.82%</b>		<b>74.48%</b>	<b>44.22%</b>		<b>81.01%</b>	
<b>NET PATIENT REVENUE</b>	<b>\$ 62,949</b>	<b>\$ 135,737</b>	<b>-53.6%</b>	<b>\$ 15,933</b>	<b>295.1%</b>	<b>\$ 456,909</b>	<b>\$ 1,098,992</b>	<b>-58.4%</b>	<b>\$ 301,006</b>	<b>51.8%</b>
<b><u>OTHER REVENUE</u></b>										
FHC Other Revenue	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%
<b>TOTAL OTHER REVENUE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.0%</b>	<b>\$ -</b>	<b>0.0%</b>
<b>NET OPERATING REVENUE</b>	<b>\$ 62,949</b>	<b>\$ 135,737</b>	<b>-53.6%</b>	<b>\$ 15,933</b>	<b>295.1%</b>	<b>\$ 456,909</b>	<b>\$ 1,098,992</b>	<b>-58.4%</b>	<b>\$ 301,006</b>	<b>51.8%</b>
<b><u>OPERATING EXPENSE</u></b>										
Salaries and Wages	\$ 3,587	\$ 3,587	0.0%	\$ 3,837	-6.5%	\$ 27,503	\$ 29,069	-5.4%	\$ 27,286	0.8%
Benefits	686	1,120	-38.8%	1,194	-42.5%	6,783	7,356	-7.8%	7,649	-11.3%
Physician Services	145,356	183,959	-21.0%	151,309	-3.9%	1,129,588	1,438,592	-21.5%	1,298,362	-13.0%
Cost of Drugs Sold	353	2,355	-85.0%	2,921	-87.9%	15,114	18,763	-19.4%	18,804	-19.6%
Supplies	8,688	5,231	66.1%	2,741	216.9%	47,273	43,068	9.8%	46,387	1.9%
Utilities	2,054	2,144	-4.2%	2,084	-1.4%	17,982	16,180	11.1%	16,714	7.6%
Repairs and Maintenance	1,840	133	1288.4%	-	100.0%	11,693	4,813	142.9%	6,373	83.5%
Leases and Rentals	-	-	0.0%	-	0.0%	-	-	0.0%	-	0.0%
Other Expense	-	200	-100.0%	200	-100.0%	-	200	-100.0%	200	-100.0%
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 162,564</b>	<b>\$ 198,728</b>	<b>-18.2%</b>	<b>\$ 164,287</b>	<b>-1.0%</b>	<b>\$ 1,255,936</b>	<b>\$ 1,558,043</b>	<b>-19.4%</b>	<b>\$ 1,421,775</b>	<b>-11.7%</b>
Depreciation/Amortization	\$ 41,241	\$ 41,241	0.0%	\$ 41,241	0.0%	\$ 329,927	\$ 329,927	0.0%	\$ 329,927	0.0%
<b>TOTAL OPERATING COSTS</b>	<b>\$ 203,805</b>	<b>\$ 239,969</b>	<b>-15.1%</b>	<b>\$ 205,528</b>	<b>-0.8%</b>	<b>\$ 1,585,864</b>	<b>\$ 1,887,970</b>	<b>-16.0%</b>	<b>\$ 1,751,702</b>	<b>-9.5%</b>
<b>NET GAIN (LOSS) FROM OPERATIONS</b>	<b>\$ (140,856)</b>	<b>\$ (104,232)</b>	<b>35.1%</b>	<b>\$ (189,595)</b>	<b>-25.7%</b>	<b>\$ (1,128,955)</b>	<b>\$ (788,978)</b>	<b>43.1%</b>	<b>\$ (1,450,696)</b>	<b>-22.2%</b>
Operating Margin	-223.76%	-76.79%	191.4%	-1189.98%	-81.2%	-247.09%	-71.79%	244.2%	-481.95%	-48.7%
<b>EBIDA</b>	<b>\$ (99,616)</b>	<b>\$ (62,991)</b>	<b>58.1%</b>	<b>\$ (148,354)</b>	<b>-32.9%</b>	<b>\$ (799,027)</b>	<b>\$ (459,051)</b>	<b>74.1%</b>	<b>\$ (1,120,769)</b>	<b>-28.7%</b>

	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
Medical Visits	536	747	-28.2%	621	-13.7%	4,829	6,073	-20.5%	5,031	-4.0%
Optometry Visits	270	288	-6.3%	277	-2.5%	2,159	2,175	-0.7%	1,973	9.4%
Total Visits	806	1,035	-22.1%	898	-10.2%	6,988	8,248	-15.3%	7,004	-0.2%
Average Revenue per Office Visit	311.86	238.93	30.5%	216.79	43.9%	256.18	238.87	7.2%	226.25	13.2%
Hospital FTE's (Salaries and Wages)	1.0	1.1	-7.8%	1.0	2.4%	1.0	1.1	-10.6%	1.1	-6.2%
Clinic FTE's - (Physician Services)	13.5	14.6	-7.8%	14.7	-8.2%	13.0	14.6	-11.0%	15.2	-14.6%

**ECTOR COUNTY HOSPITAL DISTRICT  
MAY 2017**

**REVENUE BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%
Medicare	\$ 33,644,612	39.4%	\$ 34,484,922	42.1%	\$ 274,936,042	40.8%	\$ 267,937,081	42.2%
Medicaid	10,648,108	12.5%	7,401,061	9.0%	75,579,087	11.2%	71,432,089	11.3%
Commercial	26,246,058	30.7%	22,813,528	27.9%	193,020,369	28.7%	181,796,404	28.7%
Self Pay	12,587,754	14.7%	11,025,124	13.5%	88,144,369	13.1%	74,422,956	11.8%
Other	2,338,277	2.7%	6,124,207	7.5%	41,911,555	6.2%	37,794,507	6.0%
<b>TOTAL</b>	<b>\$ 85,464,808</b>	<b>100.0%</b>	<b>\$ 81,848,842</b>	<b>100.0%</b>	<b>\$ 673,591,423</b>	<b>100.0%</b>	<b>\$ 633,383,036</b>	<b>100.0%</b>

**PAYMENTS BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 2,996,389	27.5%	\$ 5,159,834	31.9%	\$ 39,122,391	31.0%	\$ 43,884,493	32.1%
Medicaid	841,478	7.7%	1,537,508	9.5%	11,920,807	9.4%	12,251,297	8.9%
Commercial	3,601,018	33.0%	6,972,692	43.2%	53,985,759	42.7%	62,226,977	45.4%
Self Pay	918,784	8.4%	1,365,333	8.5%	9,928,211	7.9%	11,264,167	8.2%
Other	2,555,324	23.4%	1,108,995	6.9%	11,438,814	9.0%	7,450,668	5.4%
<b>TOTAL</b>	<b>\$ 10,912,993</b>	<b>100.0%</b>	<b>\$ 16,144,362</b>	<b>100.0%</b>	<b>\$ 126,395,981</b>	<b>100.0%</b>	<b>\$ 137,077,602</b>	<b>100.0%</b>
TOTAL NET REVENUE	16,345,743		17,209,858		137,482,020		143,197,189	
% OF GROSS REVENUE	19.1%		21.0%		20.4%		22.6%	
VARIANCE	(5,432,750)		(1,065,496)		(11,086,039)		(6,119,587)	
% VARIANCE TO CASH COLLECTIONS	-33.2%		-6.2%		-8.1%		-4.3%	

**ECTOR COUNTY HOSPITAL DISTRICT  
FAMILY HEALTH CLINIC CLEMENTS  
MAY 2017**

**REVENUE BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%
Medicare	\$ 37,600	8.0%	\$ 58,099	19.1%	\$ 396,191	12.3%	\$ 504,777	19.4%
Medicaid	102,026	21.7%	115,012	37.9%	843,247	26.1%	770,714	29.7%
PHC	56,639	12.0%	47,454	15.6%	893,854	27.7%	490,561	18.9%
Commercial	74,656	15.9%	53,218	17.5%	460,625	14.3%	470,587	18.1%
Self Pay	198,111	42.1%	17,655	5.8%	546,084	16.9%	247,969	9.6%
Other	1,363	0.3%	12,235	4.0%	86,212	2.7%	110,701	4.3%
<b>TOTAL</b>	<b>\$ 470,395</b>	<b>100.0%</b>	<b>\$ 303,673</b>	<b>99.9%</b>	<b>\$ 3,226,213</b>	<b>100.0%</b>	<b>\$ 2,595,310</b>	<b>100.0%</b>

**PAYMENTS BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 9,291	17.5%	\$ 8,931	6.8%	\$ 109,564	10.4%	\$ 124,534	10.9%
Medicaid	10,337	19.4%	51,222	39.0%	483,644	46.0%	424,226	37.3%
PHC	7,965	15.0%	9,574	7.3%	136,289	12.9%	89,609	7.9%
Commercial	6,209	11.7%	29,861	22.8%	132,129	12.5%	206,963	18.2%
Self Pay	19,343	36.4%	31,501	24.0%	191,927	18.2%	291,727	25.6%
Other	-	0.0%	92	0.1%	99	0.0%	1,163	0.1%
<b>TOTAL</b>	<b>\$ 53,144</b>	<b>100.0%</b>	<b>\$ 131,180</b>	<b>100.0%</b>	<b>\$ 1,053,652</b>	<b>100.0%</b>	<b>\$ 1,138,222</b>	<b>100.0%</b>
TOTAL NET REVENUE	166,974		112,552		1,295,276		1,133,326	
% OF GROSS REVENUE	35.5%		37.1%		40.1%		43.7%	
VARIANCE	(113,831)		18,628		(241,624)		4,896	
% VARIANCE TO CASH COLLECTIONS	-68.2%		16.6%		-18.7%		0.4%	

**ECTOR COUNTY HOSPITAL DISTRICT  
FAMILY HEALTH CLINIC WEST UNIVERSITY  
MAY 2017**

**REVENUE BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%	GROSS REVENUE	%
Medicare	\$ 29,232	11.6%	\$ 33,056	17.0%	\$ 310,341	17.3%	\$ 198,107	12.5%
Medicaid	119,969	47.8%	38,178	19.6%	693,723	38.7%	397,236	25.1%
PHC	12,166	4.8%	71,630	36.8%	251,595	14.1%	546,500	34.5%
Commercial	41,239	16.4%	27,923	14.3%	292,517	16.3%	231,177	14.6%
Self Pay	46,854	18.6%	16,416	8.4%	192,509	10.8%	161,188	10.2%
Other	1,900	0.8%	7,475	3.8%	49,528	2.8%	50,473	3.2%
<b>TOTAL</b>	<b>\$ 251,359</b>	<b>100.0%</b>	<b>\$ 194,678</b>	<b>100.0%</b>	<b>\$ 1,790,213</b>	<b>100.0%</b>	<b>\$ 1,584,681</b>	<b>100.0%</b>

**PAYMENTS BY PAYOR**

	CURRENT MONTH				YEAR TO DATE			
	CURRENT YEAR		PRIOR YEAR		CURRENT YEAR		PRIOR YEAR	
	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%	PAYMENTS	%
Medicare	\$ 6,518	23.4%	\$ 2,897	13.6%	\$ 90,033.64	22.5%	\$ 25,766	14.0%
Medicaid	2,713	9.7%	7,222	33.9%	123,723	31.0%	61,168	33.3%
PHC	1,933	6.9%	3,977	18.7%	27,719	6.9%	30,282	16.5%
Commercial	5,112	18.3%	3,513	16.5%	70,548	17.6%	32,234	17.5%
Self Pay	11,531	41.4%	3,663	17.2%	87,389	21.9%	34,317	18.7%
Other	70	0.3%	9	0.0%	353	0.1%	151	0.1%
<b>TOTAL</b>	<b>\$ 27,877</b>	<b>100.0%</b>	<b>\$ 21,281</b>	<b>100.0%</b>	<b>\$ 399,767</b>	<b>100.0%</b>	<b>\$ 183,918</b>	<b>100.0%</b>
TOTAL NET REVENUE	62,949		15,933		456,909		301,006	
% OF GROSS REVENUE	25.0%		8.2%		25.5%		19.0%	
VARIANCE	(35,072)		5,348		(57,142)		(117,088)	
% VARIANCE TO CASH COLLECTIONS	-55.7%		33.6%		-12.5%		-38.9%	

**ECTOR COUNTY HOSPITAL DISTRICT  
SCHEDULE OF CASH AND INVESTMENTS - HOSPITAL ONLY  
MAY 2017**

<u>Cash and Cash Equivalents</u>	<u>CASH</u>	<u>Frost</u>	<u>Hilltop</u>	<u>Total</u>
Operating	\$ 3,301,294		\$ -	\$ 3,301,294
Payroll	1,507		-	1,507
Worker's Comp Claims	257,982		-	257,982
UMR Group Medical	38,957		-	38,957
Flex Benefits	50,275		-	50,275
Mission Fitness	433,681		-	433,681
Petty Cash	9,420		-	9,420
Dispro	1,633		5,191,938	5,193,571
Debt Service	49,802		-	49,802
Tobacco Settlement	422		-	422
General Liability	-		1,891,865	1,891,865
Professional Liability	-		1,969,738	1,969,738
Funded Worker's Compensation	-		1,187,165	1,187,165
Funded Depreciation	-		5,146,185	5,146,185
Designated Funds	-		1,105,330	1,105,330
Total Cash and Cash Equivalents	\$ 4,144,973		\$ 16,492,220	\$ 20,637,193

<u>Investments</u>	<u>Other</u>	<u>Hilltop</u>	<u>Total</u>
Dispro	\$ -	\$ 9,900,881	\$ 9,900,881
Funded Depreciation	-	18,930,688	18,930,688
Funded Worker's Compensation	-	2,000,000	2,000,000
General Liability	-	1,000,000	1,000,000
Professional Liability	-	1,000,000	1,000,000
Designated Funds	90,510	1,966,032	2,056,542
Allowance for Change in Market Values	-	(43,579)	(43,579)
Total Investments	\$ 90,510	\$ 34,754,021	\$ 34,844,531
Total Unrestricted Cash and Investments			\$ 55,481,725

<u>Restricted Assets</u>	<u>Reserves</u>	<u>Prosperity</u>	<u>Total</u>
Assets Held By Trustee - Bond Reserves	\$ 4,661,113	\$ -	\$ 4,661,113
Assets Held By Trustee - Debt Payment Reserves	\$ 815,364	-	815,364
Assets Held In Endowment	-	6,285,545	6,285,545
Escrow Account - Cerner Financing	636,219	-	636,219
MCH West TX Services	-	1,916,242	1,916,242
Total Restricted Assets	\$ 6,112,696	\$ 8,201,787	\$ 14,314,484

Total Cash & Investments			<b>\$ 69,796,208</b>
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**ECTOR COUNTY HOSPITAL DISTRICT  
STATEMENT OF CASH FLOW  
MAY 2017**

	<b>Hospital</b>	<b>Procure</b>	<b>Blended</b>
Cash Flows from Operating Activities and Nonoperating Revenue:			
Excess of Revenue over Expenses	\$ (9,441,188)	\$ 56,216	\$ (9,384,971)
Noncash Expenses:			
Depreciation and Amortization	13,503,433	54,597	13,558,029
Unrealized Gain/Loss on Investments	(406,557)	-	(406,557)
Accretion (Bonds)	(2,813)	-	(2,813)
Changes in Assets and Liabilities			
Patient Receivables, Net	(6,627,237)	(1,174,874)	(7,802,111)
Taxes Receivable/Deferred	2,879,256	8,381	2,887,636
Inventories, Prepays and Other	(2,500,845)	(1,924,941)	(4,425,786)
Accounts Payable	(3,329,244)	975,310	(2,353,933)
Accrued Expenses	(1,294,989)	1,797,985	502,996
Due to Third Party Payors	169,002	-	169,002
Accrued Post Retirement Benefit Costs	641,026	-	641,026
	\$ (6,410,155)	\$ (207,326)	\$ (6,617,482)
Net Cash Provided by Operating Activities			
Cash Flows from Investing Activities:			
Investments	\$ 612,267	\$ -	\$ 612,267
Acquisition of Property and Equipment	\$ (33,309,526)	\$ 74,429	\$ (33,235,097)
Cerner Project Costs	\$ 14,890,633	\$ -	\$ 14,890,633
	\$ (17,806,626)	\$ 74,429	\$ (17,732,197)
Net Cash used by Investing Activities			
Cash Flows from Financing Activities:			
Net Repayment of Long-term Debt/Bond Issuance	\$ (2,098,229)	\$ -	\$ (2,098,229)
	\$ (2,098,229)	\$ -	\$ (2,098,229)
Net Cash used by Financing Activities			
Net Increase (Decrease) in Cash	\$ (26,315,010)	\$ (132,897)	\$ (26,447,907)
Beginning Cash & Cash Equivalents @ 9/30/2016	\$ 61,266,687	\$ 2,734,905	\$ 64,001,593
Ending Cash & Cash Equivalents @ 5/31/2017	\$ 34,951,677	\$ 2,602,008	\$ 37,553,685
<hr/>			
<b>Balance Sheet</b>			
Cash and Cash Equivalents	\$ 20,637,193	\$ 2,602,008	\$ 23,239,201
Restricted Assets	14,314,484	-	14,314,484
	\$ 34,951,677	\$ 2,602,008	\$ 37,553,685
Ending Cash & Cash Equivalents @ 5/31/2017			

**ECTOR COUNTY HOSPITAL DISTRICT**  
**TAX COLLECTIONS**  
**FISCAL 2017**

	<u>ACTUAL COLLECTIONS</u>	<u>BUDGETED COLLECTIONS</u>	<u>VARIANCE</u>	<u>PRIOR YEAR COLLECTIONS</u>	<u>VARIANCE</u>
<b><u>AD VALOREM</u></b>					
OCTOBER	\$ 249,105	\$ 994,737	\$ (745,632)	\$ 124,292	\$ 124,813
NOVEMBER	924,056	994,737	(70,681)	658,003	266,053
DECEMBER	2,885,709	994,737	1,890,972	1,147,214	1,738,495
JANUARY	3,390,679	994,737	2,395,942	3,102,060	288,619
FEBRUARY	2,266,373	994,737	1,271,636	4,653,270	(2,386,897)
MARCH	327,882	994,737	(666,855)	246,383	81,499
APRIL	152,119	994,737	(842,618)	133,624	18,494
MAY	102,583	710,479	(607,896)	100,892	1,691
<b>TOTAL</b>	<b><u>\$ 10,298,505</u></b>	<b><u>\$ 7,673,636</u></b>	<b><u>\$ 2,624,869</u></b>	<b><u>\$ 10,165,738</u></b>	<b><u>\$ 132,767</u></b>
<b><u>SALES</u></b>					
OCTOBER	\$ 2,339,047	\$ 2,362,971	\$ (23,924)	\$ 2,887,145	\$ (548,098)
NOVEMBER	2,839,057	2,553,727	285,330	3,053,244	(214,187)
DECEMBER	2,324,023	2,256,215	67,808	2,631,851	(307,828)
JANUARY	2,583,565	2,171,303	412,261	2,457,544	126,020
FEBRUARY	3,162,907	2,692,643	470,265	2,973,484	189,424
MARCH	2,759,040	2,068,447	690,593	2,225,281	533,760
APRIL	3,121,450	2,238,917	882,533	2,330,153	791,296
MAY	3,168,533	2,813,220	355,313	2,828,891	339,643
<b>TOTAL</b>	<b><u>\$ 22,297,622</u></b>	<b><u>\$ 19,157,442</u></b>	<b><u>\$ 3,140,180</u></b>	<b><u>\$ 21,387,593</u></b>	<b><u>\$ 910,029</u></b>
<b>TAX REVENUE</b>	<b><u>\$ 32,596,128</u></b>	<b><u>\$ 26,831,078</u></b>	<b><u>\$ 5,765,050</u></b>	<b><u>\$ 31,553,331</u></b>	<b><u>\$ 1,042,796</u></b>

**ECTOR COUNTY HOSPITAL DISTRICT  
MEDICAID SUPPLEMENTAL PAYMENTS  
FISCAL YEAR 2017**

<b>CASH ACTIVITY</b>	<b>TAX (IGT) ASSESSED</b>	<b>GOVERNMENT PAYOUT</b>	<b>BURDEN ALLEVIATION</b>	<b>NET INFLOW</b>
<b>DSH</b>				
1st Qtr	\$ (2,597,000)	\$ 5,926,518		\$ 3,329,518
2nd Qtr	(1,301,163)	2,969,335		1,668,173
3rd Qtr	-	-		-
4th Qtr	-	-		-
<b>DSH TOTAL</b>	<b>\$ (3,898,163)</b>	<b>\$ 8,895,853</b>		<b>\$ 4,997,690</b>
<b>UC</b>				
1st Qtr	\$ -	\$ -		-
2nd Qtr	(2,237,518)	5,195,968		2,958,449
3rd Qtr	-	-		-
4th Qtr	-	-		-
<b>UC TOTAL</b>	<b>\$ (2,237,518)</b>	<b>\$ 5,195,968</b>		<b>\$ 2,958,449</b>
<b>Regional UPL (Community Benefit)</b>				
1st Qtr	\$ -	\$ -		\$ -
2nd Qtr	(22,123,615)	-		(22,123,615)
3rd Qtr	-	-		-
4th Qtr	-	-		-
<b>REGIONAL UPL TOTAL</b>	<b>\$ (22,123,615)</b>	<b>\$ -</b>		<b>\$ (22,123,615)</b>
<b>DSRIP</b>				
1st Qtr	\$ -	\$ -		\$ -
2nd Qtr	(7,530,059)	17,097,519		9,567,460
3rd Qtr	-	-		-
4th Qtr	-	-		-
<b>DSRIP UPL TOTAL</b>	<b>\$ (7,530,059)</b>	<b>\$ 17,097,519</b>		<b>\$ 9,567,460</b>
<b>Nursing Home MPAP</b>				
1st Qtr	\$ (18,941)	\$ 254,245		\$ 235,304
2nd Qtr	-	259,925		259,925
3rd Qtr	-	-		-
4th Qtr	-	-		-
<b>Nursing Home MPAP TOTAL</b>	<b>\$ (18,941)</b>	<b>\$ 514,171</b>		<b>\$ 495,229</b>
<b>MCH Cash Activity</b>	<b>\$ (35,808,296)</b>	<b>\$ 31,703,510</b>		<b>\$ (4,104,787)</b>
<b>ProCare Cash Activity</b>			\$ 7,000,000	<b>\$ 7,000,000</b>
<b>Blended Cash Activity</b>	<b>\$ (35,808,296)</b>	<b>\$ 31,703,510</b>	<b>\$ 7,000,000</b>	<b>\$ 2,895,213</b>

**INCOME STATEMENT ACTIVITY:**

**FY 2017 Accrued / (Deferred) Adjustments:**

	<b>MCH</b>	<b>PROCARE</b>	<b>BLENDED</b>
DSH Accrual	\$ 2,616,790	\$ -	\$ 2,616,790
Uncompensated Care Accrual	7,311,850	-	7,311,850
Regional UPL Accrual	(15,348,388)	-	(15,348,388)
Nursing Home UPL	200,000	-	200,000
Regional UPL Benefit	-	7,000,000	7,000,000
<b>Medicaid Supplemental Payments</b>	<b>(5,219,748)</b>	<b>7,000,000</b>	<b>1,780,252</b>
DSRIP Accrual	8,000,000	-	8,000,000
<b>Total Adjustments</b>	<b>\$ 2,780,252</b>	<b>\$ 7,000,000</b>	<b>\$ 9,780,252</b>

**ECTOR COUNTY HOSPITAL DISTRICT  
CONSTRUCTION IN PROGRESS - HOSPITAL ONLY  
AS OF MAY 31, 2017**

	A	B	C	D	E=A+B+C+D	F	G=E+F	H	H-G
<b>ITEM</b>	<b>CIP BALANCE AS OF 5/1/2017</b>	<b>May "+" ADDITIONS</b>	<b>May "- " ADDITIONS</b>	<b>May TRANSFERS</b>	<b>CIP BALANCE AS OF 5/31/2017</b>	<b>ADD: AMOUNTS CAPITALIZED</b>	<b>PROJECT TOTAL</b>	<b>BUDGETED AMOUNT</b>	<b>UNDER/(OVER) BOARD APRVD/BUDGET</b>
<u>RENOVATIONS</u>									
<b>RE NUMBER</b>									
IWOMEN'S CLINIC	\$ 5,368,295	\$ 540,567	\$ -	\$ -	\$ 5,908,861	\$ -	\$ 5,908,861	\$ 5,865,337	\$ (43,524)
<b>SUB-TOTAL</b>	<b>\$ 5,368,295</b>	<b>\$ 540,567</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,908,861</b>	<b>\$ -</b>	<b>\$ 5,908,861</b>	<b>\$ 5,865,337</b>	<b>\$ (43,524)</b>
<u>MINOR BUILDING IMPROVEMENT</u>									
IFAMILY HEALTH CLINIC IMPROVEMENT	\$ 15,781	\$ 5,427	\$ -	\$ -	\$ 21,208	\$ -	\$ 21,208	\$ 45,000	\$ 23,792
IPBX - FLOORING REMEDIATION (MAIN HOSPITAL 1ST FLOOR)	13,030	-	-	-	13,030	-	13,030	45,000	31,970
IGARAGE PROJECT	5,681	-	-	-	5,681	-	5,681	10,000	4,320
IPROCARE ENT	76,065	65,914	-	-	141,979	-	141,979	896,000	754,021
ISUITE 401 WSMP	(21,674)	-	-	-	(21,674)	-	(21,674)	75,000	96,674
IWTCC VAULT	5,408	-	-	-	5,408	-	5,408	10,000	4,592
I9 CENTRAL SHOWER ROOM	18,769	25,367	-	-	44,137	-	44,137	45,000	863
IHVAC REPAIR TEMP HUMIDITY CONROL	230,160	3,304	-	(233,465)	-	233,465	233,465	145,000	(88,465)
IONE DOCTORS PLACE	1,042	7,737	-	-	8,779	-	8,779	45,000	36,221
IOR ROOF REPAIR	-	20,776	-	-	20,776	-	20,776	45,000	24,224
<b>SUB-TOTAL</b>	<b>\$ 344,263</b>	<b>\$ 107,749</b>	<b>\$ -</b>	<b>\$ (233,465)</b>	<b>\$ 239,324</b>	<b>\$ 233,465</b>	<b>\$ 472,789</b>	<b>\$ 1,361,000</b>	<b>\$ 888,211</b>
<u>EQUIPMENT &amp; SOFTWARE PROJECTS - CIP INCOMPLETE</u>									
VARIOUS CAPITAL EXPENDITURE PROJECTS	\$ 961,064	\$ 35,924	\$ (4,674)	\$ -	\$ 992,314	\$ -	\$ 992,314	\$ 1,170,690	\$ 178,376
<b>SUB-TOTAL</b>	<b>\$ 961,064</b>	<b>\$ 35,924</b>	<b>\$ (4,674)</b>	<b>\$ -</b>	<b>\$ 992,314</b>	<b>\$ -</b>	<b>\$ 992,314</b>	<b>\$ 1,170,690</b>	<b>\$ 178,376</b>
<b>TOTAL CONSTRUCTION IN PROGRESS</b>	<b>\$ 6,673,621</b>	<b>\$ 684,240</b>	<b>\$ (4,674)</b>	<b>\$ (233,465)</b>	<b>\$ 7,140,499</b>	<b>\$ 233,465</b>	<b>\$ 7,373,964</b>	<b>\$ 8,397,027</b>	<b>\$ 1,023,063</b>

ECTOR COUNTY HOSPITAL DISTRICT  
 CAPITAL PROJECT & EQUIPMENT EXPENDITURES  
 MAY 2017

DEPT	ITEM	CLASS	BOOKED AMOUNT
<b>TRANSFERRED FROM CONSTRUCTION IN PROGRESS/RENOVATION PROJECTS</b>			
8200	HVAC REPAIR TEMP HUMIDITY CONROL	FIXED EQUIPMENT	\$ 233,465
<b>TOTAL PROJECT TRANSFERS</b>			<b>\$ 233,465</b>
<b>TRANSFERRED FROM CONSTRUCTION IN PROGRESS/EQUIPMENT</b>			
	NONE		\$ -
<b>TOTAL EQUIPMENT TRANSFERS</b>			<b>\$ -</b>
<b>TOTAL TRANSFERS FROM CIP</b>			<b>\$ 233,465</b>

**ECTOR COUNTY HOSPITAL DISTRICT  
FISCAL 2017 CAPITAL EQUIPMENT  
CONTINGENCY FUND  
MAY 2017**

<b>MONTH/ YEAR</b>	<b>DESCRIPTION</b>	<b>DEPT NUMBER</b>	<b>BUDGETED AMOUNT</b>	<b>P.O AMOUNT</b>	<b>ACTUAL AMOUNT</b>	<b>TO/(FROM) CONTINGENCY</b>
	<b>Available funds from budget</b>		<b>\$ 600,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 600,000</b>
Oct-16	Concrete Wheel Stops	8500	-	-	2,800	(2,800)
Oct-16	(2) Alarms in ER	8200	-	-	4,945	(4,945)
Oct-16	Sliding Glass Doors	8200	-	-	11,200	(11,200)
Oct-16	Sidewalk and Ramp	8200	-	-	7,100	(7,100)
Nov-16	Carpet	8200	-	-	2,352	(2,352)
Nov-16	Reach-in Refrigerator	8020	-	-	3,910	(3,910)
Nov-16	Boilerless Steamer	8020	13,491	-	13,653	(162)
Dec-16	InnerSpace Cabinets	7310	9,769	-	9,769	-
Dec-16	Blanket Warmer	7290	3,761	-	3,577	184
Jan-17	Ultrasound Machine, Trauma Bay	7800	55,750	-	62,875	(7,125)
Feb-17	Mini Split AC System	8200	-	-	3,888	(3,888)
Feb-17	Grille Operaton and Transformer	8560	-	-	2,900	(2,900)
Mar-17	Ultrasound Unit	7320	208,741	-	172,178	36,563
Mar-17	Vacuum Pumps	8200	80,000	-	35,925	44,075
Mar-17	Ultrasound Machine - EMT	7800	-	-	469	(469)
Mar-17	Biological Safety Cabinet - EMT	7060	-	-	111	(111)
Mar-17	Annex Fire System	8200	-	-	28,585	(28,585)
Mar-17	Annex Fire System - Installation	8200	-	-	10,000	(10,000)
Mar-17	Fitness Rowing Machine	9310	1,262	-	2,524	(1,262)
Apr-17	BioChem Guard	7330	10,682	-	10,682	-
Apr-17	Heart Bypass	6620	197,349	-	197,349	-
Apr-17	Heart Bypass	6620	50,070	-	52,581	(2,511)
Apr-17	Bariatric Instrument Set	6620	21,475	-	21,475	-
May-17	Police Radios	8380	59,338	54,173	3,956	1,209
May-17	Ice Cuber and Water Dispenser	8020	3,910	-	3,910	-
May-17	Clear Led Monile Barrier Full Window	7920	4,095	-	4,095	-
May-17	Nihn Kohden Monitoring	6850	268,851	-	268,851	-
			<b>\$ 1,588,543</b>	<b>\$ 54,173</b>	<b>\$ 941,658</b>	<b>\$ 592,712</b>

**ECTOR COUNTY HOSPITAL DISTRICT  
SUPPLEMENTAL SCHEDULE OF ACCOUNTS RECEIVABLE - OTHER  
MAY 2017**

	<b>CURRENT YEAR</b>	<b>PRIOR YEAR</b>		<b>CURRENT YEAR CHANGE</b>
		<b>HOSPITAL AUDITED</b>	<b>PRO CARE AUDITED</b>	
AR DISPRO/UPL	\$ (2,380,900)	\$ -	\$ -	\$ (2,380,900)
AR UNCOMPENSATED CARE	4,234,318	-	-	4,234,318
AR DSRIP	7,592,336	9,159,795	-	(1,567,460)
AR NURSING HOME UPL	288,369	583,599	-	(295,229)
AR BAB REVENUE	252,427	84,233	-	168,194
AR PHYSICIAN GUARANTEES	409,851	-	-	409,851
AR ACCRUED INTEREST	192,033	79,286	-	112,747
AR OTHER:	8,136,573	4,636,431	2,482,086	1,018,057
Procure On-Call Fees	75,250	-	46,500	28,750
Procure A/R - FHC	793,264	-	391,968	401,296
Other Misc A/R	7,268,059	4,636,431	2,043,618	588,011
AR DUE FROM THIRD PARTY PAYOR	4,902,925	4,975,920	-	(72,995)
PROCARE-INTERCOMPANY RECEIVABLE	3,072,375	1,455,140	-	1,617,235
<b>TOTAL ACCOUNTS RECEIVABLE - OTHER</b>	<b>\$ 26,700,307</b>	<b>\$ 20,974,403</b>	<b>\$ 2,482,086</b>	<b>\$ 3,243,818</b>
PROCARE-INTERCOMPANY LIABILITY	\$ (3,072,375)	\$ -	\$ (1,455,140)	\$ (1,617,235)

**ECTOR COUNTY HOSPITAL DISTRICT  
SUPPLEMENTAL SCHEDULE OF HOSPITAL TEMPORARY LABOR FTE'S  
MAY 2017**

TEMPORARY LABOR DEPARTMENT	CURRENT MONTH					YEAR TO DATE				
	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR	ACTUAL	BUDGET	BUDGET VAR	PRIOR YR	PRIOR YR VAR
OPERATING ROOM	3.6	0.9	279.2%	6.6	-45.7%	4.6	1.0	350.2%	7.1	-36.3%
NEO-NATAL INTENSIVE CARE LABOR AND DELIVERY	1.0	-	0.0%	1.4	-29.5%	2.0	-	0.0%	0.9	113.6%
LABOR AND DELIVERY	1.4	-	0.0%	4.0	-64.8%	1.9	-	0.0%	1.9	0.9%
7 CENTRAL	-	0.1	-100.0%	4.7	-100.0%	1.5	0.1	924.3%	5.6	-72.8%
INPATIENT REHAB	0.4	0.6	-43.5%	5.0	-92.8%	1.3	0.6	95.8%	2.7	-52.5%
INTENSIVE CARE UNIT 4 (CCU)	-	1.0	-100.0%	1.4	-100.0%	1.2	0.9	27.7%	1.1	10.2%
4 EAST	-	-	0.0%	1.3	-100.0%	1.1	-	0.0%	0.7	71.0%
INTENSIVE CARE UNIT 2	-	-	0.0%	4.1	-100.0%	0.9	-	0.0%	3.1	-72.1%
STERILE PROCESSING	1.0	-	0.0%	2.2	-52.4%	0.3	-	0.0%	3.4	-92.4%
6 CENTRAL	-	-	0.0%	2.0	-100.0%	0.8	-	0.0%	0.5	76.1%
9 CENTRAL	-	0.9	-100.0%	1.0	-100.0%	0.8	0.9	-12.2%	1.0	-15.3%
8 CENTRAL	-	-	0.0%	2.0	-100.0%	0.7	-	0.0%	1.1	-38.0%
CHW - SPORTS MEDICINE	-	-	0.0%	3.0	-100.0%	0.6	-	0.0%	2.7	-78.1%
PERFORMANCE IMPROVEMEN	0.7	-	0.0%	-	0.0%	0.8	-	0.0%	-	0.0%
EMERGENCY DEPARTMENT	1.0	1.2	-18.5%	3.8	-73.8%	0.7	1.3	-45.4%	2.1	-65.4%
6 WEST	-	0.6	-100.0%	2.8	-100.0%	0.5	0.6	-23.6%	1.3	-62.3%
4 CENTRAL	-	0.1	-100.0%	0.8	-100.0%	0.4	0.1	265.8%	1.2	-68.7%
PM&R - OCCUPATIONAL	0.7	0.7	-1.3%	1.1	-38.0%	0.5	0.8	-40.2%	0.7	-37.3%
PM&R - PHYSICAL	-	0.3	-100.0%	1.7	-100.0%	0.4	0.3	34.2%	0.3	41.0%
TRAUMA SERVICE	-	-	0.0%	-	0.0%	0.4	-	0.0%	-	0.0%
5 CENTRAL	-	-	0.0%	2.7	-100.0%	0.3	-	0.0%	2.0	-86.4%
OP SURGERY	-	0.3	-100.0%	0.9	-100.0%	0.1	0.4	-68.2%	0.4	-68.2%
IMAGING - ULTRASOUND	-	-	0.0%	-	0.0%	0.0	-	0.0%	-	0.0%
CERNER	-	-	0.0%	-	0.0%	0.0	-	0.0%	-	0.0%
5 WEST	-	0.3	-100.0%	0.8	-100.0%	-	0.3	-100.0%	0.3	-100.0%
RECOVERY ROOM	-	0.1	-100.0%	0.9	-100.0%	-	0.1	-100.0%	0.1	-100.0%
LABORATORY - CHEMISTRY	-	0.5	-100.0%	0.1	-100.0%	-	0.4	-100.0%	0.4	-100.0%
LABORATORY - MICROBIOLOG	-	0.5	-100.0%	0.1	-100.0%	-	0.4	-100.0%	0.5	-100.0%
LABORATORY - TRANFUSION S	-	0.8	-100.0%	-	0.0%	-	0.8	-100.0%	0.8	-100.0%
PM&R - SPEECH	-	0.2	-100.0%	0.5	-100.0%	-	0.2	-100.0%	0.2	-100.0%
MEDICAL STAFF	-	0.3	-100.0%	-	0.0%	-	0.3	-100.0%	0.2	-100.0%
<b>SUBTOTAL</b>	<b>9.8</b>	<b>9.4</b>	<b>4.6%</b>	<b>54.8</b>	<b>-82.2%</b>	<b>21.6</b>	<b>9.7</b>	<b>123.0%</b>	<b>42.2</b>	<b>-48.8%</b>
<b>TRANSITION LABOR</b>										
INTENSIVE CARE UNIT 4 (CCU)	6.5	1.0	532.7%	-	0.0%	6.1	1.0	509.4%	-	0.0%
7 CENTRAL	5.8	4.8	22.0%	-	0.0%	5.0	5.1	-1.3%	-	0.0%
INTENSIVE CARE UNIT 2	1.2	6.2	-79.8%	-	0.0%	3.1	6.0	-48.3%	-	0.0%
8 CENTRAL	3.8	1.9	98.9%	-	0.0%	3.3	2.0	60.8%	-	0.0%
6 CENTRAL	2.8	3.8	-25.2%	-	0.0%	3.0	4.1	-25.0%	-	0.0%
INPATIENT REHAB	4.1	2.0	100.8%	-	0.0%	3.1	2.0	50.9%	-	0.0%
4 EAST	3.5	1.0	254.0%	-	0.0%	2.9	1.0	185.0%	-	0.0%
9 CENTRAL	3.1	-	0.0%	-	0.0%	2.8	-	0.0%	-	0.0%
EMERGENCY DEPARTMENT	3.5	0.5	667.7%	-	0.0%	2.6	0.5	426.9%	-	0.0%
NEO-NATAL INTENSIVE CARE	2.9	3.2	-10.7%	-	0.0%	2.4	3.1	-21.1%	-	0.0%
5 CENTRAL	1.6	1.9	-15.2%	-	0.0%	2.0	2.0	-2.7%	-	0.0%
OPERATING ROOM	3.2	3.8	-14.7%	-	0.0%	2.0	4.0	-51.3%	-	0.0%
CHW - SPORTS MEDICINE	3.3	3.2	3.1%	-	0.0%	1.7	3.5	-51.7%	-	0.0%
LABORATORY - CHEMISTRY	2.2	-	0.0%	-	0.0%	1.4	-	0.0%	-	0.0%
4 CENTRAL	1.1	1.0	14.7%	-	0.0%	1.1	1.0	4.9%	-	0.0%
OP SURGERY	1.0	-	0.0%	-	0.0%	0.8	-	0.0%	-	0.0%
6 WEST	1.2	0.6	116.6%	-	0.0%	0.7	0.6	23.8%	-	0.0%
PM&R - OCCUPATIONAL	0.0	-	0.0%	-	0.0%	0.6	-	0.0%	-	0.0%
PM&R - PHYSICAL	1.0	-	0.0%	-	0.0%	0.1	-	0.0%	-	0.0%
TRAUMA SERVICE	0.8	-	0.0%	-	0.0%	0.1	-	0.0%	-	0.0%
LABORATORY - HEMATOLOGY	1.1	-	0.0%	-	0.0%	0.5	-	0.0%	-	0.0%
LABOR AND DELIVERY	-	4.0	-100.0%	-	0.0%	0.4	4.0	-91.1%	-	0.0%
CERNER	-	-	0.0%	-	0.0%	0.3	-	0.0%	-	0.0%
5 WEST	-	-	0.0%	-	0.0%	0.1	-	0.0%	-	0.0%
<b>SUBTOTAL</b>	<b>53.7</b>	<b>38.8</b>	<b>38.6%</b>	<b>-</b>	<b>0.0%</b>	<b>46.0</b>	<b>39.9</b>	<b>15.2%</b>	<b>-</b>	<b>0.0%</b>
<b>GRAND TOTAL</b>	<b>63.5</b>	<b>48.1</b>	<b>32.0%</b>	<b>54.8</b>	<b>15.9%</b>	<b>67.6</b>	<b>49.6</b>	<b>36.3%</b>	<b>42.2</b>	<b>60.2%</b>

**ECTOR COUNTY HOSPITAL DISTRICT  
SUPPLEMENTAL SCHEDULE OF TEMPORARY LABOR, TRANSITION LABOR & PURCHASED SERVICES - HOSPITAL ONLY  
MAY 2017**

	CURRENT MONTH						YEAR TO DATE					
	ACTUAL	BUDGET	\$ VAR	% VAR	PRIOR YR	% VAR	ACTUAL	BUDGET	\$ VAR	% VAR	PRIOR YR	% VAR
OR TEMPORARY LABOR	\$ 57,725	\$ 20,519	\$ 37,206	181.3%	\$ 72,985	-20.9%	\$ 505,217	\$ 167,972	\$ 337,245	200.8%	\$ 695,448	-27.4%
PI TEMPORARY LABOR	22,656	-	22,656	100.0%	-	100.0%	164,054	-	164,054	100.0%	-	100.0%
L & D TEMPORARY LABOR	12,972	-	12,972	100.0%	42,474	-69.5%	109,610	-	109,610	100.0%	159,999	-31.5%
NICU TEMPORARY LABOR	6,101	-	6,101	100.0%	22,427	-72.8%	85,255	-	85,255	100.0%	78,076	9.2%
TRAUMA TEMPORARY LABOR	12,824	-	12,824	100.0%	-	100.0%	84,274	-	84,274	100.0%	-	100.0%
ED TEMPORARY LABOR	12,204	13,117	(912)	-7.0%	44,185	-72.4%	166,694	107,302	59,393	55.4%	160,310	4.0%
4E TEMPORARY LABOR	-	-	-	100.0%	16,262	-100.0%	53,323	-	53,323	100.0%	50,015	6.6%
ALL OTHER	24,041	84,805	(60,764)	-71.7%	508,755	-95.3%	307,630	678,392	(370,762)	-54.7%	2,333,403	-86.8%
<b>TOTAL TEMPORARY LABOR</b>	<b>\$ 148,523</b>	<b>\$ 118,440</b>	<b>\$ 30,083</b>	<b>25.4%</b>	<b>\$ 707,088</b>	<b>-79.0%</b>	<b>\$ 1,476,058</b>	<b>\$ 953,666</b>	<b>\$ 522,392</b>	<b>54.8%</b>	<b>\$ 3,477,252</b>	<b>-57.6%</b>
ICU4 TRANSITION LABOR	\$ 89,204	\$ 9,034	\$ 80,170	887.5%	\$ -	100.0%	\$ 728,646	\$ 65,923	\$ 662,723	1005.3%	\$ -	100.0%
4E TRANSITION LABOR	40,622	9,295	31,327	337.0%	-	100.0%	365,691	76,195	289,496	379.9%	-	100.0%
IMCU9 TRANSITION LABOR	36,409	-	36,409	100.0%	-	100.0%	249,996	-	249,996	100.0%	-	100.0%
ED TRANSITION LABOR	43,560	3,726	39,835	1069.1%	-	100.0%	250,676	30,480	220,195	722.4%	-	100.0%
REHAB TRANSITION LABOR	54,021	20,853	33,168	159.1%	-	100.0%	367,648	164,953	202,695	122.9%	-	100.0%
7C TRANSITION LABOR	63,696	44,744	18,953	42.4%	-	100.0%	542,153	365,163	176,991	48.5%	-	100.0%
8C TRANSITION LABOR	48,242	20,104	28,138	140.0%	-	100.0%	336,216	167,904	168,312	100.2%	-	100.0%
5C TRANSITION LABOR	26,209	19,278	6,930	35.9%	-	100.0%	235,049	153,135	81,915	53.5%	-	100.0%
OP SURGERY TRANSITION LABOR	11,540	-	11,540	100.0%	-	100.0%	81,280	-	81,280	100.0%	-	100.0%
CHEM TRANSITION LABOR	18,412	-	18,412	100.0%	-	100.0%	83,788	-	83,788	100.0%	-	100.0%
NICU TRANSITION LABOR	43,111	29,535	13,576	46.0%	-	100.0%	302,524	227,736	74,788	32.8%	-	100.0%
IMCU4 TRANSITION LABOR	13,321	7,532	5,789	76.9%	-	100.0%	120,058	62,786	57,272	91.2%	-	100.0%
ORTHO/NEURO TRANSITION LABOR	15,240	4,442	10,798	243.1%	-	100.0%	86,996	37,166	49,830	134.1%	-	100.0%
ICU2 TRANSITION LABOR	20,066	63,068	(43,002)	-68.2%	-	100.0%	372,360	481,644	(109,284)	-22.7%	-	100.0%
OR TRANSITION LABOR	32,556	38,142	(5,586)	-14.6%	-	100.0%	207,255	312,243	(104,988)	-33.6%	-	100.0%
OP PM&R TRANSITION LABOR	37,868	39,855	(1,987)	-5.0%	-	100.0%	151,133	309,730	(158,597)	-51.2%	-	100.0%
ALL OTHER	70,338	78,603	(8,265)	-10.5%	-	100.0%	518,875	631,541	(112,666)	-17.8%	-	100.0%
<b>TOTAL TRANSITION LABOR</b>	<b>\$ 664,415</b>	<b>\$ 388,211</b>	<b>\$ 276,203</b>	<b>71.1%</b>	<b>\$ -</b>	<b>100.0%</b>	<b>\$ 5,000,344</b>	<b>\$ 3,086,600</b>	<b>\$ 1,913,744</b>	<b>62.0%</b>	<b>\$ -</b>	<b>100.0%</b>
<b>GRAND TOTAL TEMPORARY LABOR</b>	<b>\$ 812,938</b>	<b>\$ 506,651</b>	<b>\$ 306,287</b>	<b>60.5%</b>	<b>\$ 707,088</b>	<b>15.0%</b>	<b>\$ 6,476,402</b>	<b>\$ 4,040,266</b>	<b>\$ 2,436,135</b>	<b>60.3%</b>	<b>\$ 3,477,252</b>	<b>86.3%</b>
ADM OTHER	\$ 10,000	\$ -	\$ 10,000	100.0%	\$ -	100.0%	\$ 205,210	\$ -	\$ 205,210	100.0%	\$ -	100.0%
CERNER OTHER PURCH SVCS	9,688	102,080	-9239278.0%	(1)	3460835.0%	(1)	1,005,023	816,643	188,381	0	759,688	0
ADM CONSULTANT FEES	182,208	63,202	119,006	188.3%	70,704	157.7%	691,127	505,617	185,510	36.7%	505,617	36.7%
HK SVC CONTRACT PURCH SVC	72,843	6,104	66,739	1093.3%	6,104	1093.3%	459,563	294,176	165,387	56.2%	294,176	56.2%
PI FEES ( TRANSITION NURSE PROGRAM)	32,135	14,374	17,761	123.6%	24,414	31.6%	281,398	143,987	137,412	95.4%	246,762	14.0%
COMM REL MEDIA PLACEMENT	30,133	77,296	(47,163)	-61.0%	85,175	-84.6%	451,540	367,321	84,219	22.9%	404,763	11.6%
ED FEES ( BCA FEES )	-	-	-	100.0%	-	100.0%	88,895	5,364	83,531	1557.3%	5,364	1557.3%
COMPLIANCE CONSULTING FEES	4,233	3,421	812	23.7%	3,601	17.6%	121,049	40,895	80,153	196.0%	43,040	181.2%
ADMIN LEGAL FEES	14,732	29,732	(15,001)	-50.5%	29,312	-49.7%	400,781	321,378	79,403	24.7%	316,831	26.5%
ADMIN OTHER FEES	6,328	4,812	1,516	31.5%	7,150	-11.5%	111,546	38,498	73,048	189.7%	57,055	95.5%
HISTOLOGY SERVICES	34,351	20,413	13,939	68.3%	23,408	46.7%	245,343	177,583	67,760	38.2%	203,642	20.5%
FA EXTERNAL AUDIT FEES	-	19,771	(19,771)	-100.0%	19,304	-100.0%	204,347	158,167	46,270	29.3%	154,433	32.4%
PRO OTHER PURCH SVCS	2,115	6,134	(4,020)	-65.5%	1,574	34.4%	92,735	49,074	43,661	89.0%	49,074	89.0%
PHARMACY SERVICES	29,606	11,715	17,891	152.7%	7,416	299.2%	202,328	160,533	41,794	26.0%	101,622	99.1%
4E OTHER PURCH SVCS	11,000	18,412	(7,412)	-40.3%	3,780	191.0%	53,894	20,444	33,450	163.6%	4,197	1184.0%
NSG OTHER PURCH SVCS	7,396	3,539	3,856	109.0%	592	1150.0%	60,408	28,315	32,093	113.3%	40,106	50.6%
PH CONTRACT PURCH SVC	28,361	4,787	23,574	492.4%	11,273	151.6%	51,855	41,482	10,374	25.0%	97,681	-46.9%
ENGINEERING OTHER PURCH SVCS	3,867	1,483	2,384	160.7%	1,695	128.2%	55,080	46,372	8,708	18.8%	52,996	3.9%
ADM APPRAISAL DIST FEE	12,035	-	12,035	100.0%	-	100.0%	60,176	74,778	(14,602)	-19.5%	64,440	-6.6%
COMM REL ADVERTISEMENT PURCH SVCS	11,090	17,917	(6,826)	-38.1%	19,545	-43.3%	121,318	143,333	(22,015)	-15.4%	174,295	-30.4%
ADM CONTRACT STRYKER	20,986	26,343	(5,357)	-20.3%	42,771	-50.9%	177,702	210,742	(33,040)	-15.7%	210,742	-15.7%
AMBULANCE FEES	14,646	24,477	(9,831)	-40.2%	15,069	-2.8%	155,868	195,816	(39,948)	-20.4%	195,816	-20.4%
COMM REL WELLNESS WORKS	21,107	21,314	(207)	-1.0%	20,694	2.0%	127,058	170,515	(43,456)	-25.5%	166,620	-23.7%
HR RECRUITING FEES	87,246	30,000	57,246	190.8%	12,350	606.4%	169,169	240,000	(70,831)	-29.5%	185,866	-9.0%
OR FEES ( PERFUSION SERVICES )	23,450	33,536	(10,086)	-30.1%	33,470	-29.9%	145,318	221,146	(75,828)	-34.3%	220,711	-34.2%
ADM LEGAL SETTLEMENT FEES	-	-	-	100.0%	-	100.0%	78,592	155,863	(77,271)	-49.6%	311,725	-74.8%
UC-CPC 42ND STREET PURCH SVCS-OTHER	39,450	46,831	(7,382)	-15.8%	-	100.0%	264,772	342,869	(78,097)	-22.8%	-	100.0%
LTACH OTHER PURCH SVCS	20,000	29,963	(9,963)	-33.3%	20,000	0.0%	160,030	240,600	(80,570)	-33.5%	160,600	-0.4%
PA ELIGIBILITY FEES	65,828	176,626	(110,798)	-62.7%	87,400	-24.7%	455,180	556,833	(101,652)	-18.3%	460,663	-1.2%
UOM ( EHR FEES )	30,000	52,735	(22,735)	-43.1%	46,073	-34.9%	302,151	419,873	(117,723)	-28.0%	366,829	-17.6%
IT INFORMATION SOLUTIONS SVCS	28,266	84,583	(56,317)	-66.6%	103,153	-72.6%	470,032	676,667	(206,635)	-30.5%	625,553	-24.9%
PRIMARY CARE WEST OTHER PURCH SVCS	145,356	183,959	(38,603)	-21.0%	151,309	-3.9%	1,129,588	1,438,592	(309,004)	-21.5%	1,248,522	-9.5%
PT ACCTS COLLECTION FEES	58,843	175,842	(116,999)	-66.5%	133,746	-56.0%	616,275	1,061,175	(444,900)	-41.9%	922,930	-33.2%
ALL OTHERS	1,386,938	1,390,027	(3,089)	-0.2%	1,523,588	-9.0%	10,315,055	10,883,199	(568,143)	-5.2%	11,745,168	-12.2%
<b>TOTAL PURCHASED SERVICES</b>	<b>\$ 2,444,237</b>	<b>\$ 2,681,431</b>	<b>\$ (237,194)</b>	<b>-8.8%</b>	<b>\$ 2,539,276</b>	<b>-3.7%</b>	<b>\$ 19,530,498</b>	<b>\$ 20,247,848</b>	<b>\$ (717,350)</b>	<b>-3.5%</b>	<b>\$ 20,397,527</b>	<b>-4.3%</b>

**Ector County Hospital District  
Debt Service Coverage Calculation  
MAY 2017**

**Average Annual Debt Service Requirements of 110%:**

	FYTD			Annualized
	ProCare	ECHD	Consolidated	Consolidated
Decrease in net position	56,216	(9,441,188)	(9,384,971)	(14,077,457)
Deficiency of revenues over expenses	56,216	(9,441,188)	(9,384,971)	(14,077,457)
Depreciation/amortization	223,950	13,422,804	13,646,754	20,470,130
Interest expense	-	2,109,018	2,109,018	3,163,528
(Gain) or loss on fixed assets	803	(55,325)	(54,522)	(81,784)
Unusual / infrequent / extraordinary items	-	-	-	0
Unrealized (gains) / losses on investments	-	406,557	406,557	609,835
Consolidated net revenues	280,969	6,441,866	6,722,835	10,084,252

**Note:** Average annual debt service requirements is defined to mean the greater of the following 2 calculations:

**1.) Average annual debt service of future maturities**

	Bonds	Cap Lease	Total	110%
2017	3,708,207.37	93,139.20	3,801,346.57	4,181,481.23
2018	3,704,144.87		3,704,144.87	4,074,559.36
2019	3,704,003.09		3,704,003.09	4,074,403.40
2020	3,703,513.46		3,703,513.46	4,073,864.81
2021	3,703,965.62		3,703,965.62	4,074,362.19
2022	3,703,363.82		3,703,363.82	4,073,700.20
2023	3,704,094.49		3,704,094.49	4,074,503.94
2024	3,703,936.71		3,703,936.71	4,074,330.38
2025	3,703,757.92		3,703,757.92	4,074,133.71
2026	3,703,381.35		3,703,381.35	4,073,719.49
2027	3,702,861.24		3,702,861.24	4,073,147.36
2028	3,703,256.93		3,703,256.93	4,073,582.63
2029	3,702,288.56		3,702,288.56	4,072,517.42
2030	3,701,769.56		3,701,769.56	4,071,946.52
2031	3,701,420.06		3,701,420.06	4,071,562.06
2032	3,701,960.19		3,701,960.19	4,072,156.21
2033	3,701,063.45		3,701,063.45	4,071,169.79
2034	3,700,496.62		3,700,496.62	4,070,546.28
2035	3,700,933.18		3,700,933.18	4,071,026.50
	3,703,074.66	93,139.20	3,707,976.72	

**OR**

**2.) Next Year Debt Service - sum of principal and interest due in the next fiscal year:**

	Bonds	
Debt Service	3,801,347	← higher of the two

Covenant Computation	Current FYTD		Annualized
	176.9%	(needs to be 110% or higher)	265.3%



# Financial Presentation

For the Month Ended

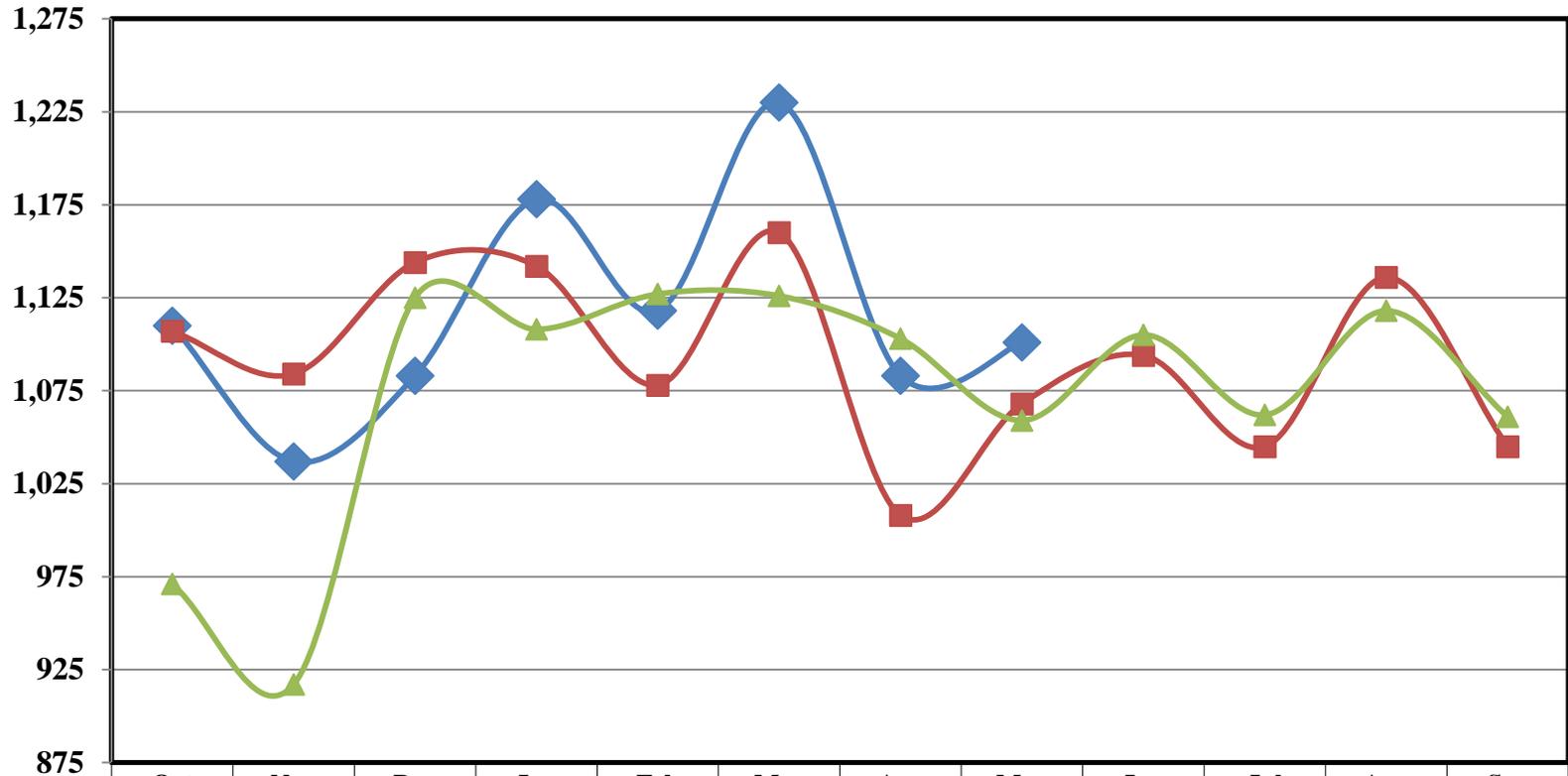
May 31, 2017

# Volume



# Admissions

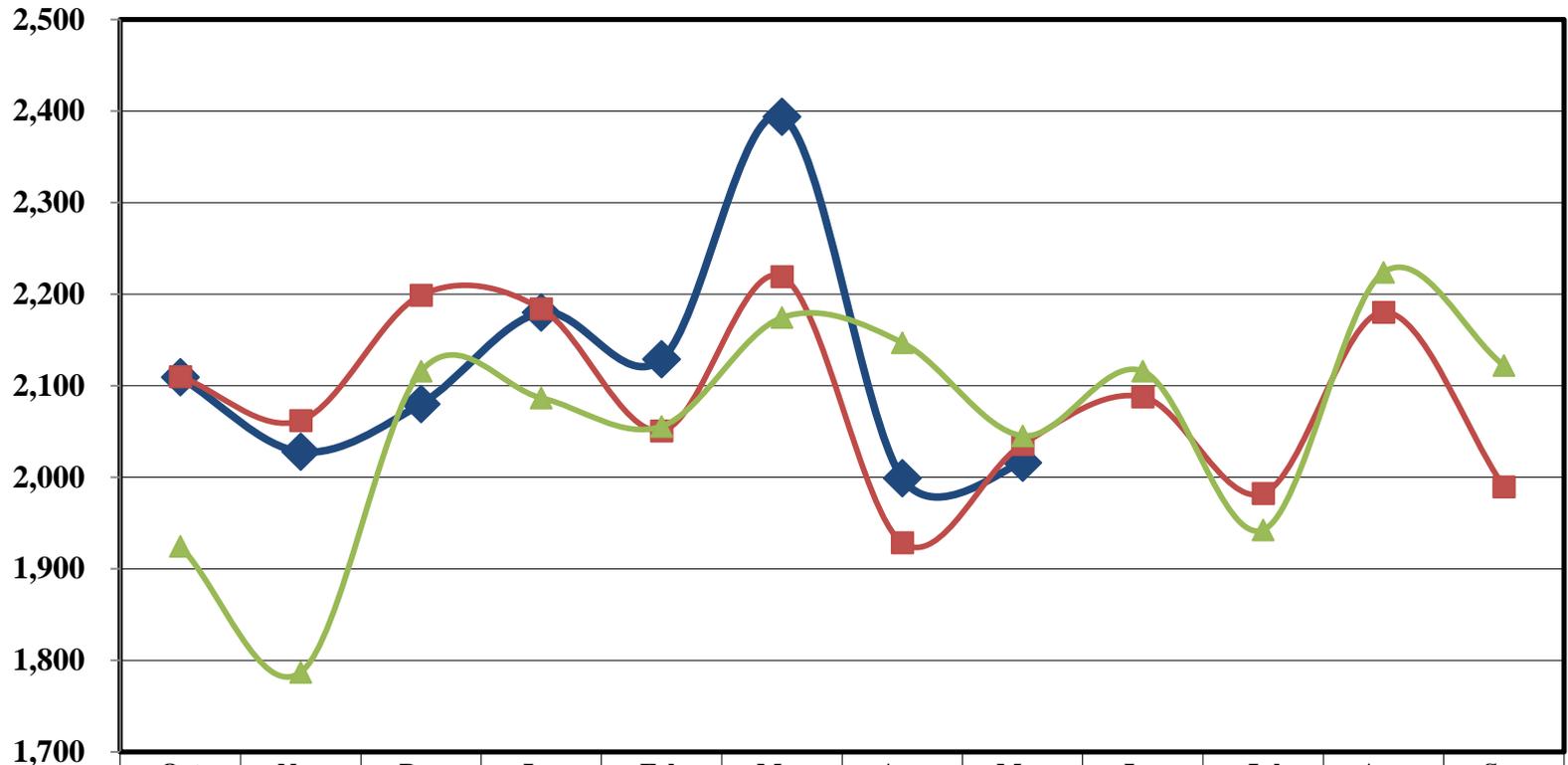
Total – Adults and NICU



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2017	1,110	1,037	1,083	1,178	1,118	1,230	1,083	1,101				
FY 2017 Budget	1,107	1,084	1,144	1,142	1,078	1,160	1,008	1,068	1,094	1,045	1,136	1,045
FY 2016	971	917	1,125	1,108	1,127	1,126	1,103	1,059	1,105	1,062	1,118	1,061

# Adjusted Admissions

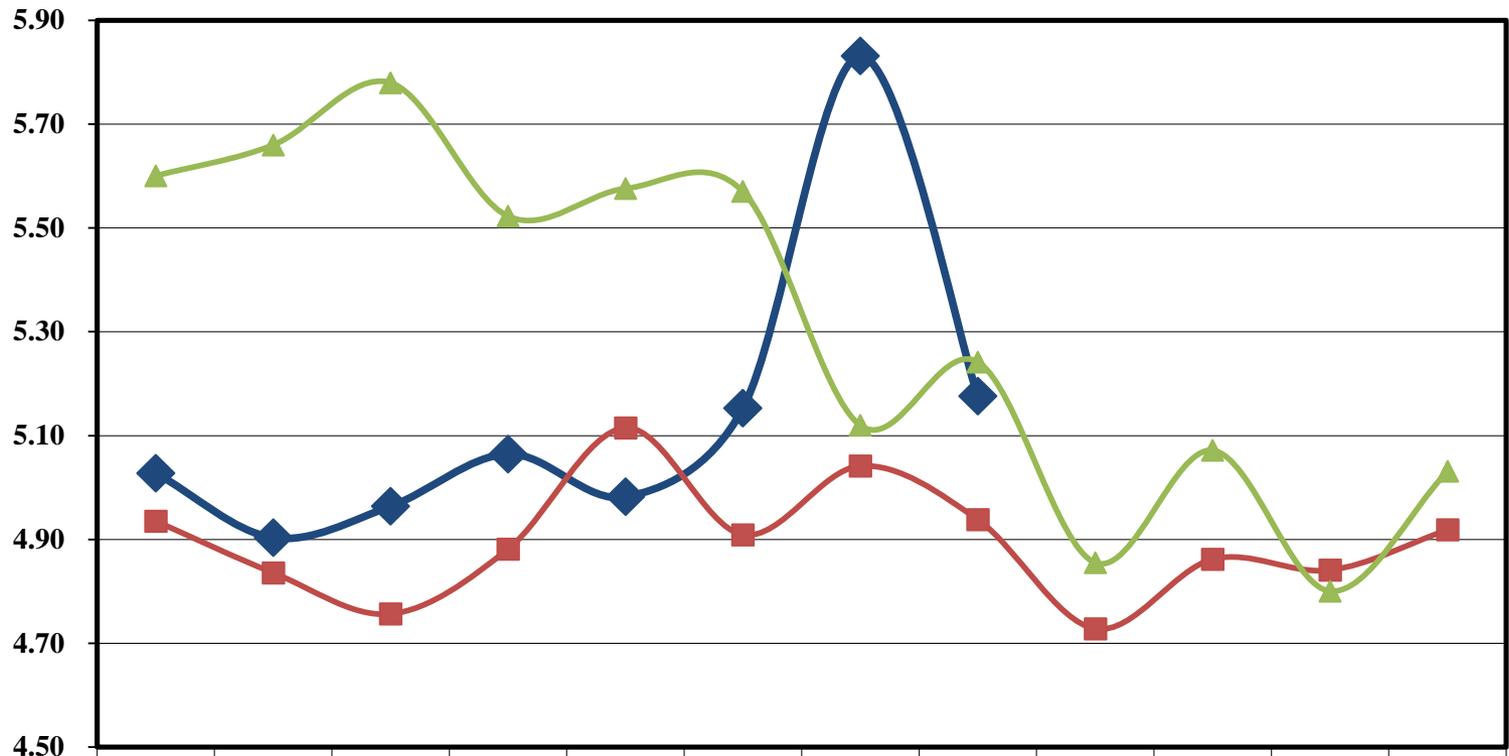
Including Acute & Rehab Unit



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<b>FY 2017</b>	2,109	2,028	2,080	2,180	2,129	2,394	1,999	2,016				
<b>FY 2017 Budget</b>	2,110	2,062	2,199	2,184	2,051	2,219	1,929	2,036	2,088	1,982	2,180	1,990
<b>FY 2016</b>	1,925	1,787	2,116	2,087	2,056	2,174	2,147	2,045	2,116	1,942	2,224	2,122

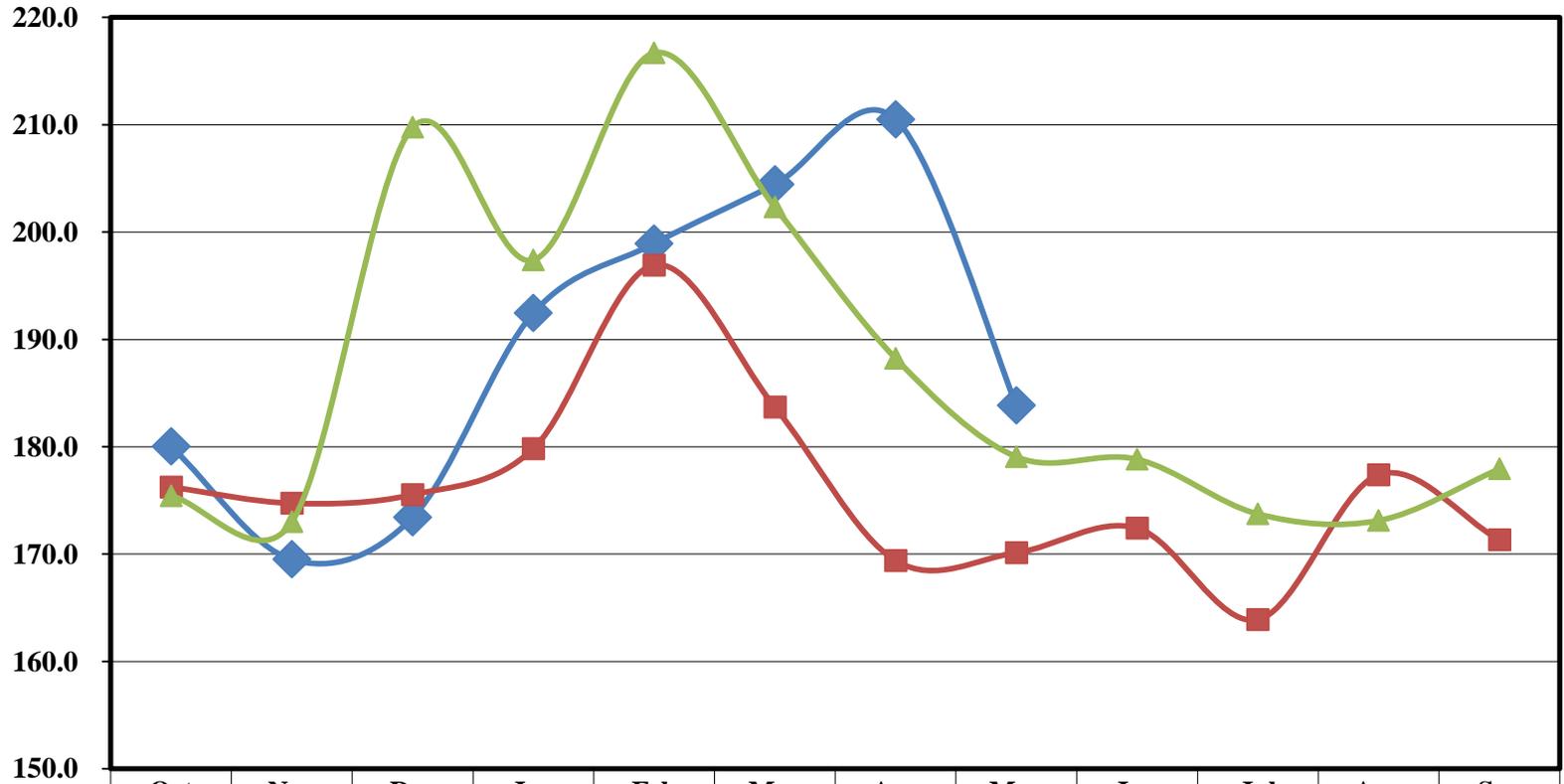
# Average Length of Stay

Total – Adults and NICU



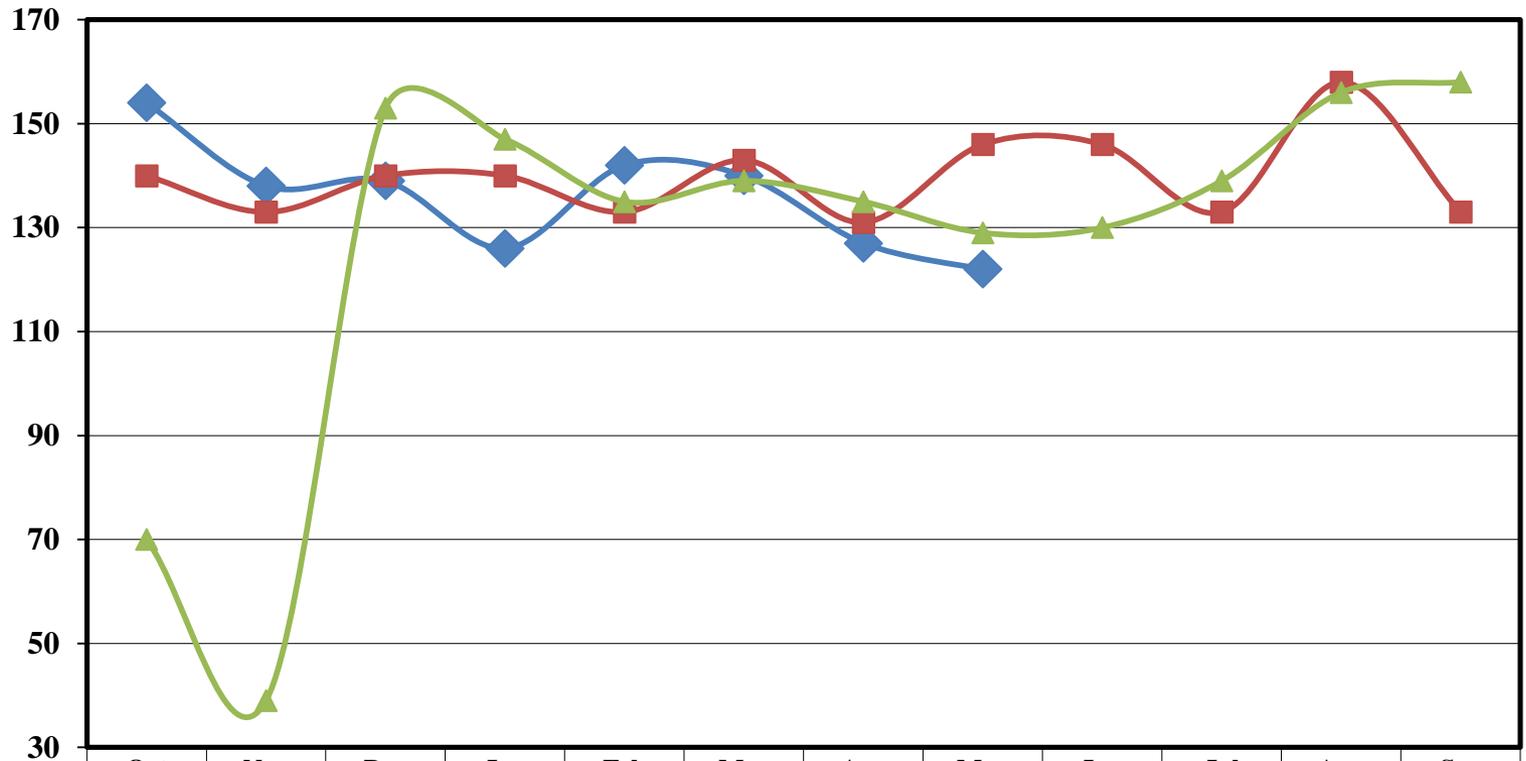
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2017	5.03	4.90	4.96	5.06	4.98	5.15	5.83	5.18				
■ FY 2017 Budget	4.94	4.84	4.76	4.88	5.12	4.91	5.04	4.94	4.73	4.86	4.84	4.92
▲ FY 2016	5.60	5.66	5.78	5.52	5.58	5.57	5.12	5.24	4.86	5.07	4.80	5.03

# Average Daily Census



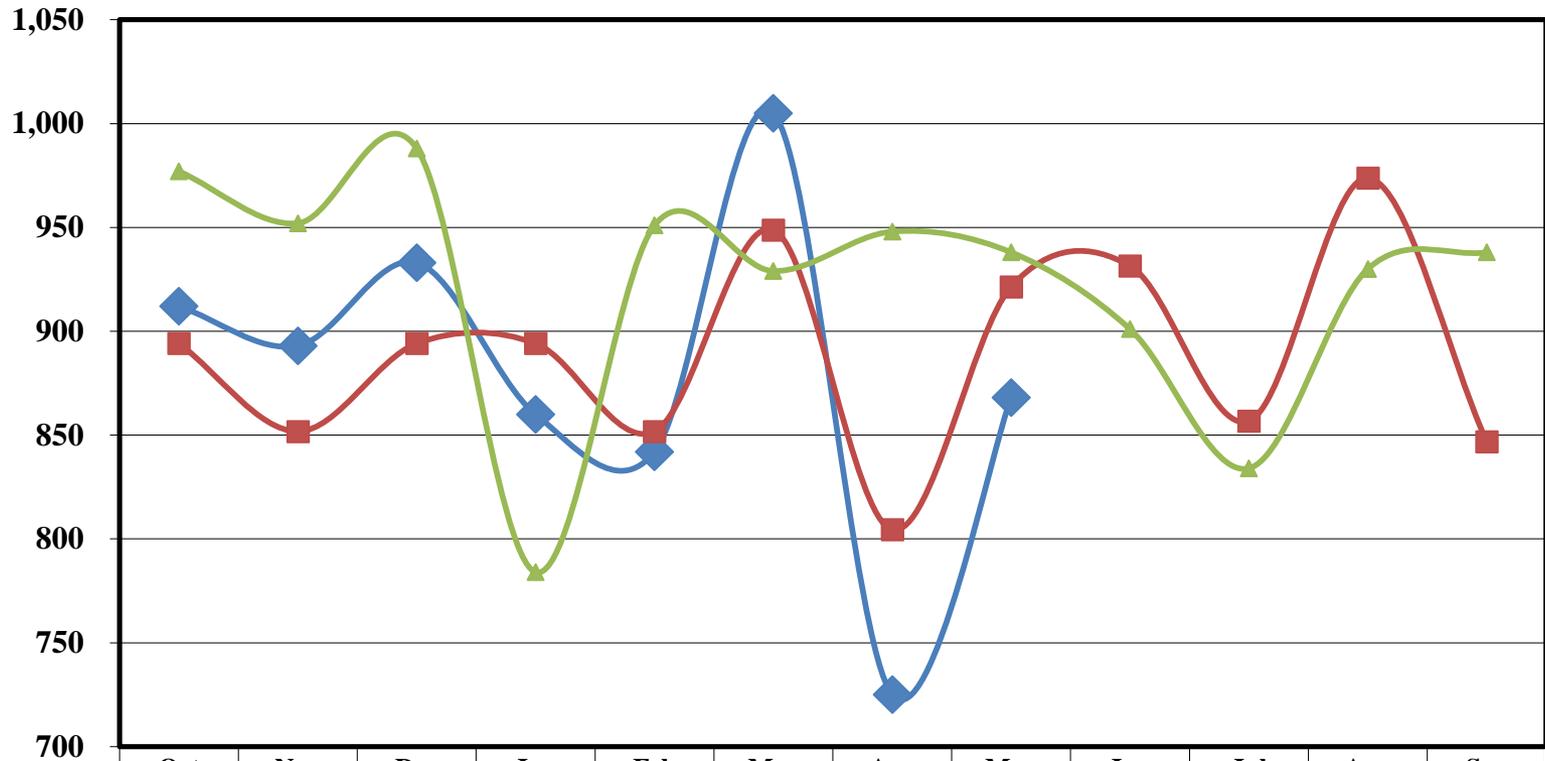
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2017	180.0	169.5	173.4	192.5	198.9	204.5	210.5	183.8				
■ FY 2017 Budget	176.2	174.7	175.5	179.8	196.9	183.7	169.4	170.1	172.4	163.9	177.4	171.3
▲ FY 2016	175.4	173.0	209.7	197.4	216.7	202.3	188.2	179.1	178.8	173.7	173.1	177.9

# Deliveries



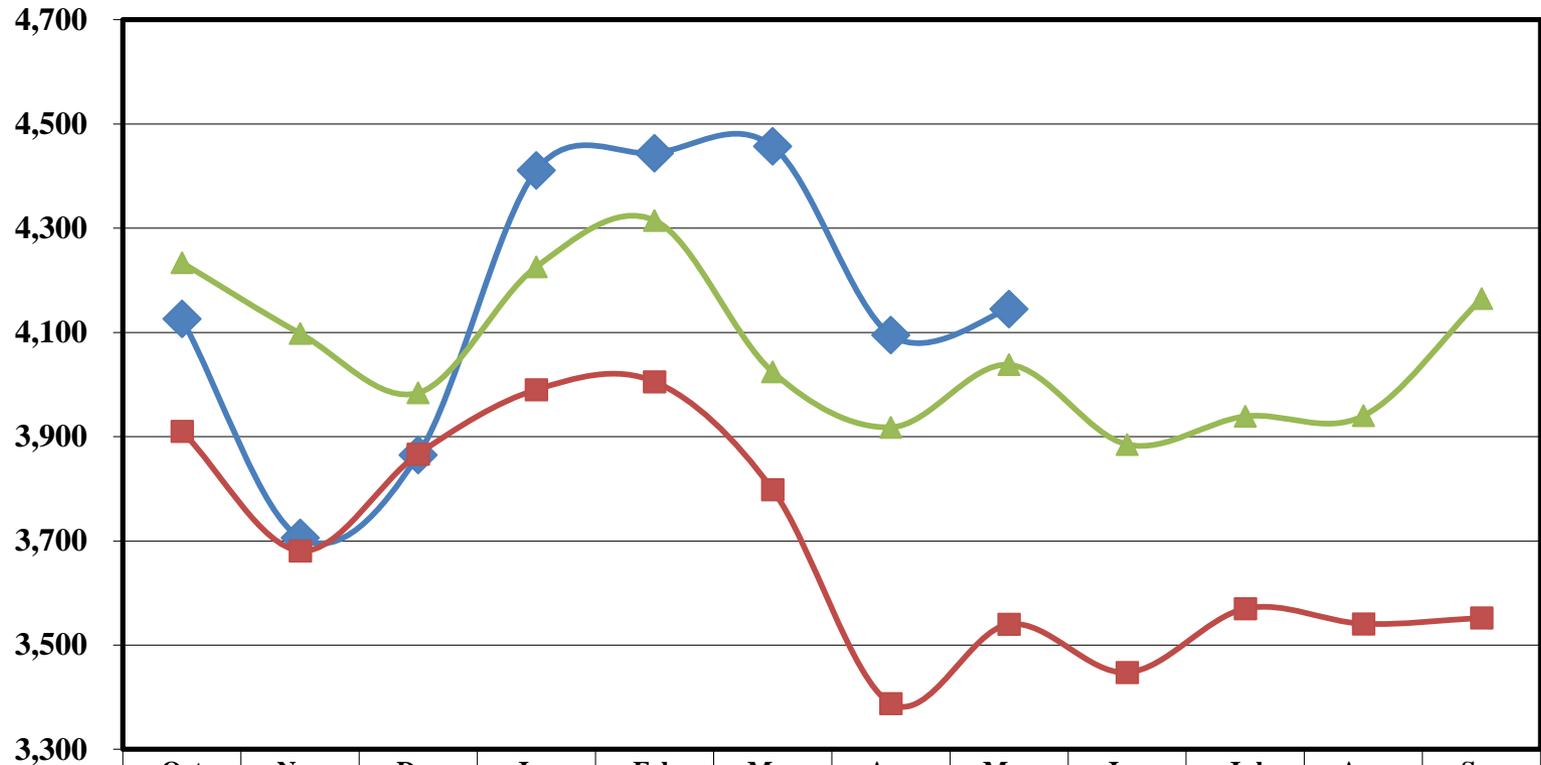
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<span style="color: blue;">◆</span> FY 2017	154	138	139	126	142	140	127	122				
<span style="color: red;">■</span> FY 2017 Budget	140	133	140	140	133	143	131	146	146	133	158	133
<span style="color: green;">▲</span> FY 2016	70	39	153	147	135	139	135	129	130	139	156	158

# Total Surgical Cases



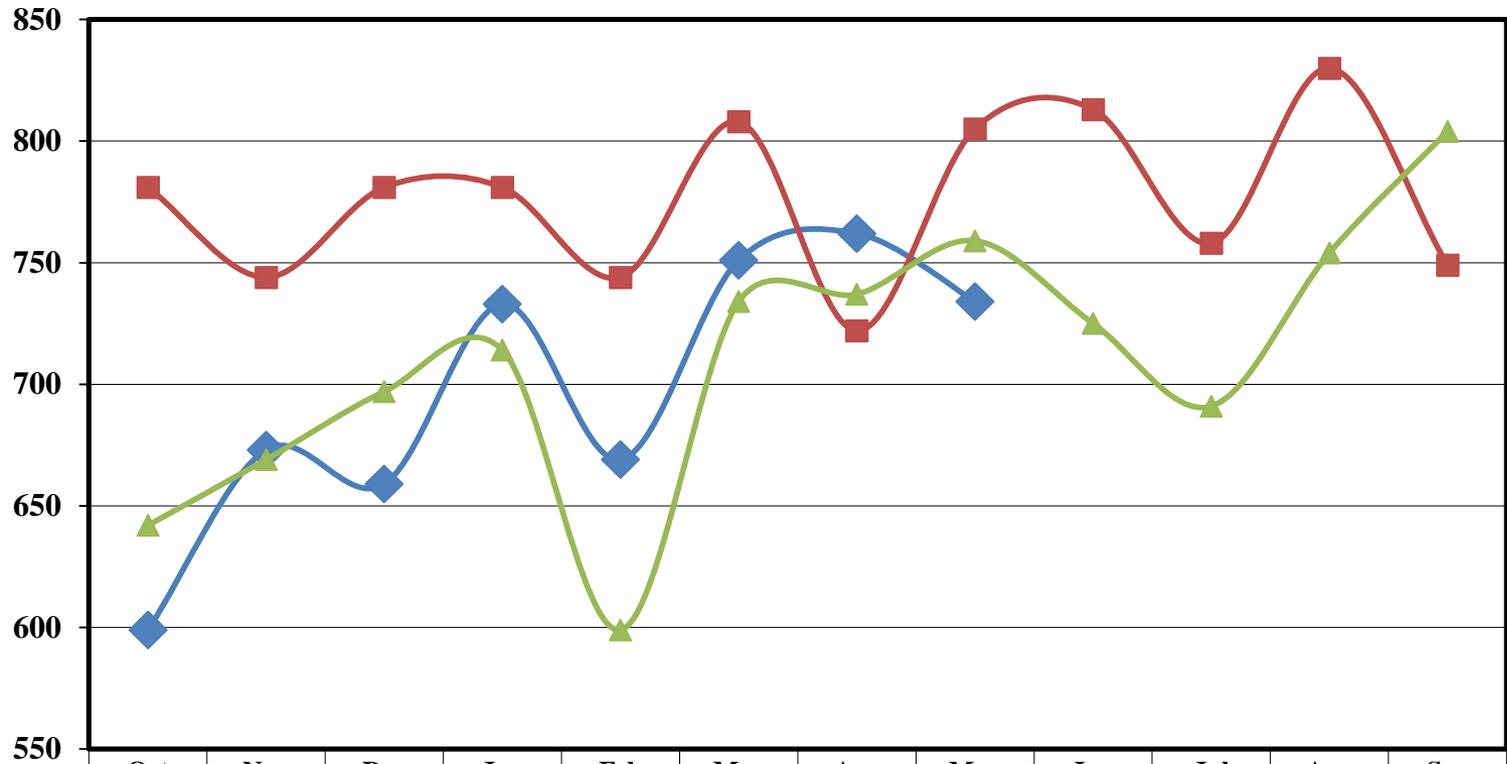
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<span style="color: blue;">◆</span> FY 2017	912	893	933	860	842	1,005	725	868				
<span style="color: red;">■</span> FY 2017 Budget	894	852	894	894	852	949	804	921	931	857	974	847
<span style="color: green;">▲</span> FY 2016	977	952	988	784	951	929	948	938	901	834	930	938

# Emergency Room Visits



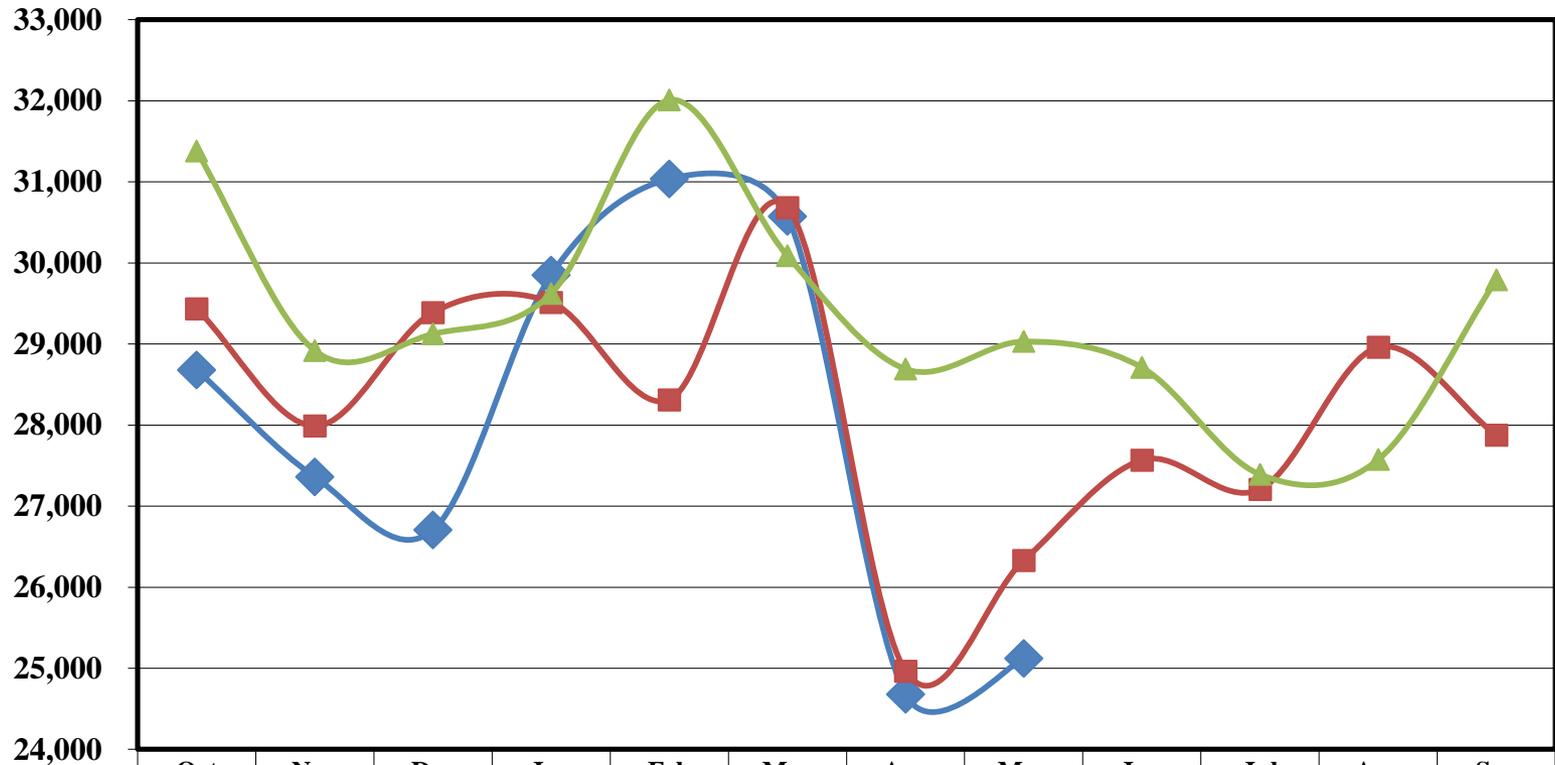
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2017	4,126	3,706	3,865	4,411	4,444	4,457	4,095	4,145				
FY 2017 Budget	3,911	3,681	3,867	3,990	4,005	3,798	3,388	3,540	3,447	3,570	3,541	3,552
FY 2016	4,234	4,098	3,984	4,226	4,315	4,024	3,918	4,038	3,885	3,939	3,940	4,165

# Observation Days



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<span style="color: blue;">◆</span> FY 2017	599	673	659	733	669	751	762	734				
<span style="color: red;">■</span> FY 2017 Budget	781	744	781	781	744	808	722	805	813	758	830	749
<span style="color: green;">▲</span> FY 2016	642	669	697	714	599	734	737	759	725	691	754	804

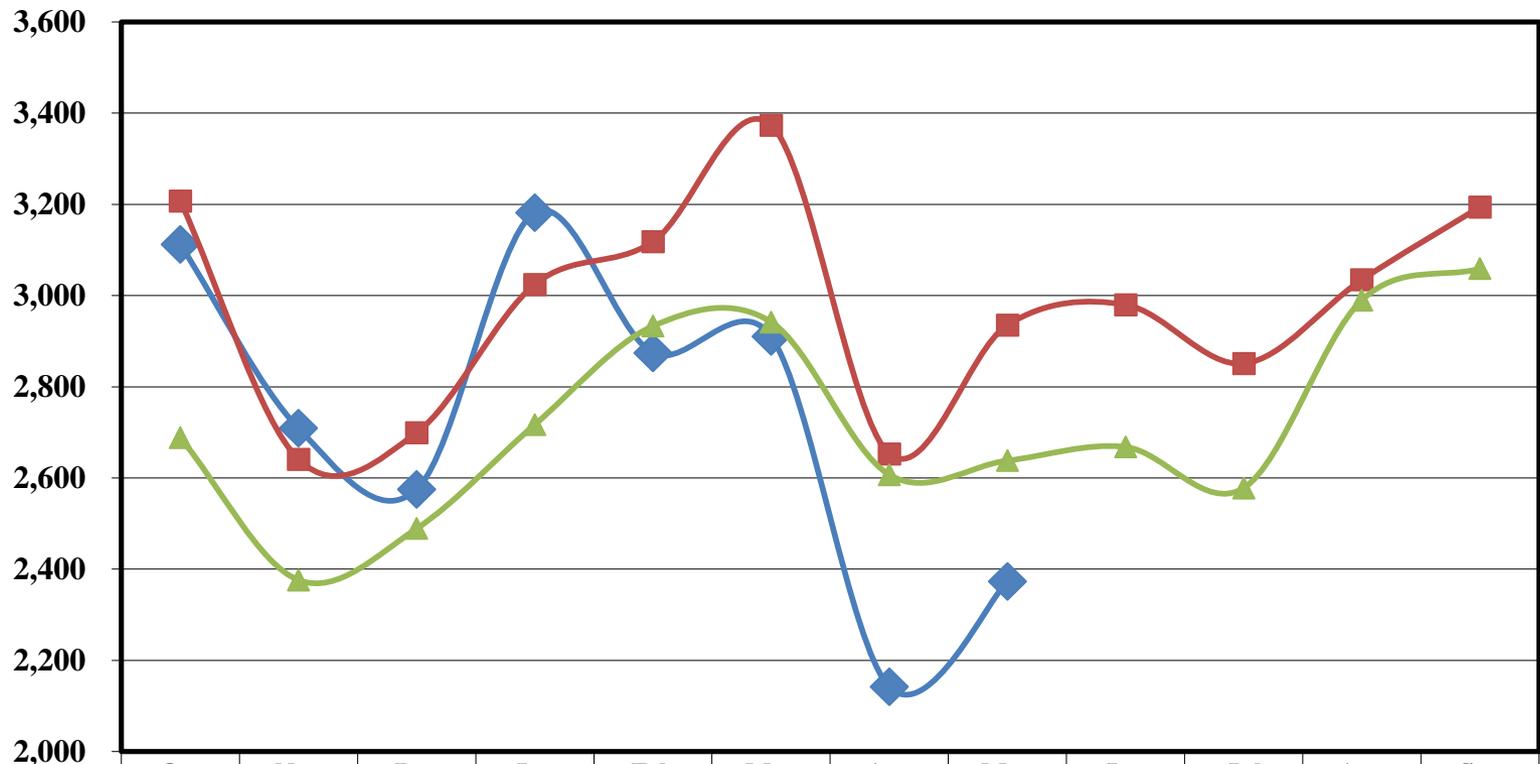
# Total Outpatient Occasions of Service



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2017	28,681	27,360	26,707	29,852	31,036	30,575	24,678	25,123				
■ FY 2017 Budget	29,434	27,989	29,390	29,513	28,313	30,685	24,965	26,330	27,568	27,209	28,960	27,875
▲ FY 2016	31,379	28,917	29,124	29,622	32,010	30,087	28,690	29,030	28,710	27,390	27,574	29,793

# Center for Primary Care Total Visits

(FQHC - Clements & West University)

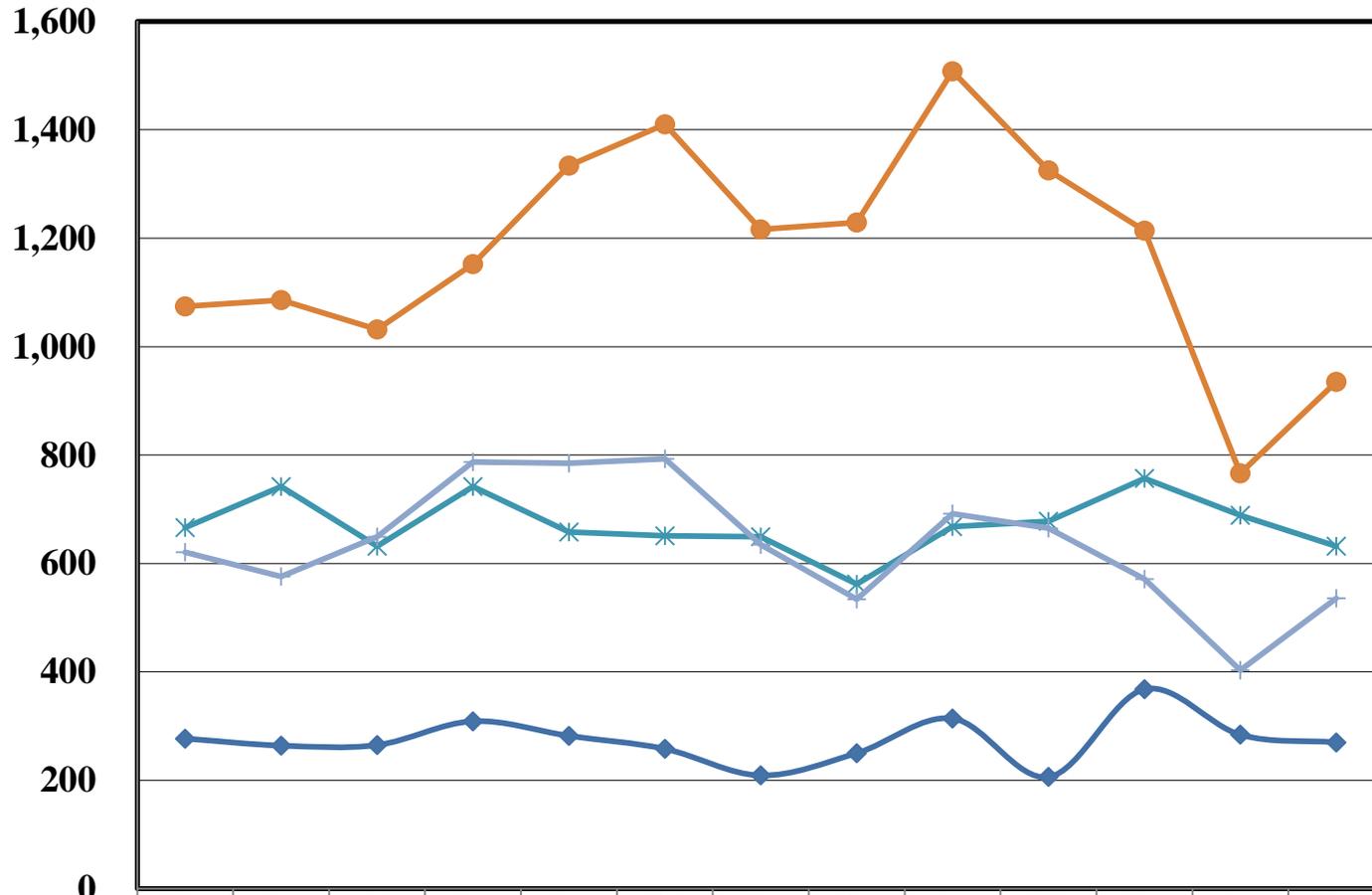


	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
—◆— FY 2017	3,112	2,709	2,575	3,182	2,874	2,910	2,142	2,373				
—■— FY 2017 Budget	3,208	2,641	2,700	3,025	3,118	3,374	2,653	2,935	2,980	2,851	3,035	3,194
—▲— FY 2016	2,688	2,376	2,489	2,717	2,933	2,942	2,607	2,638	2,668	2,578	2,990	3,059

# Center for Primary Care Visits

(FQHC - Clements and West University)

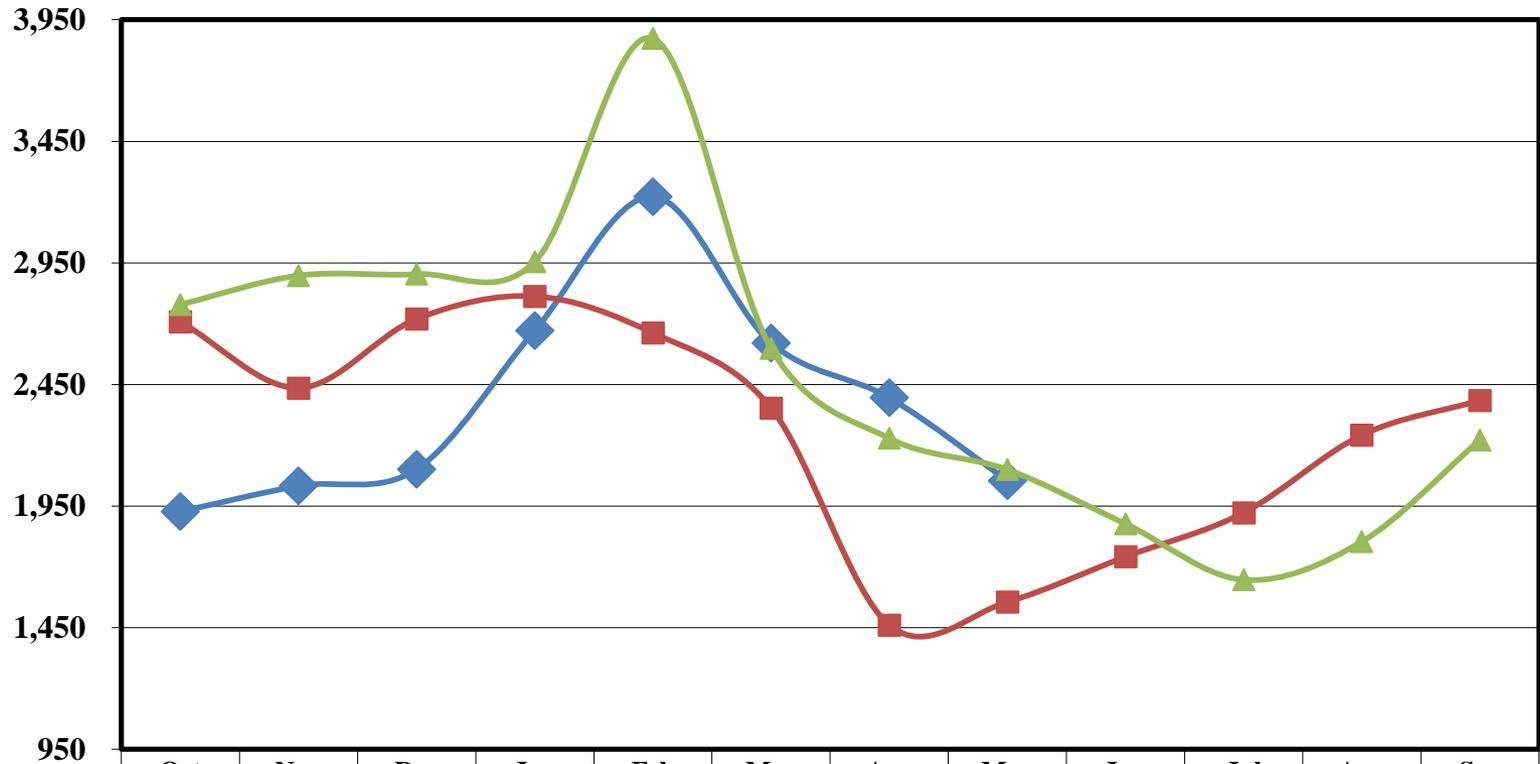
Thirteen Month Trending



	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Clements Dental	666	742	632	742	658	651	649	562	668	678	757	689	632
Clements Medical	1,074	1,086	1,032	1,152	1,334	1,410	1,216	1,229	1,508	1,325	1,214	766	935
W. University Medical	621	576	649	787	785	793	635	534	692	665	571	403	536
W. University Optometry	277	264	265	309	282	258	209	250	314	206	368	284	270

# Urgent Care Visits

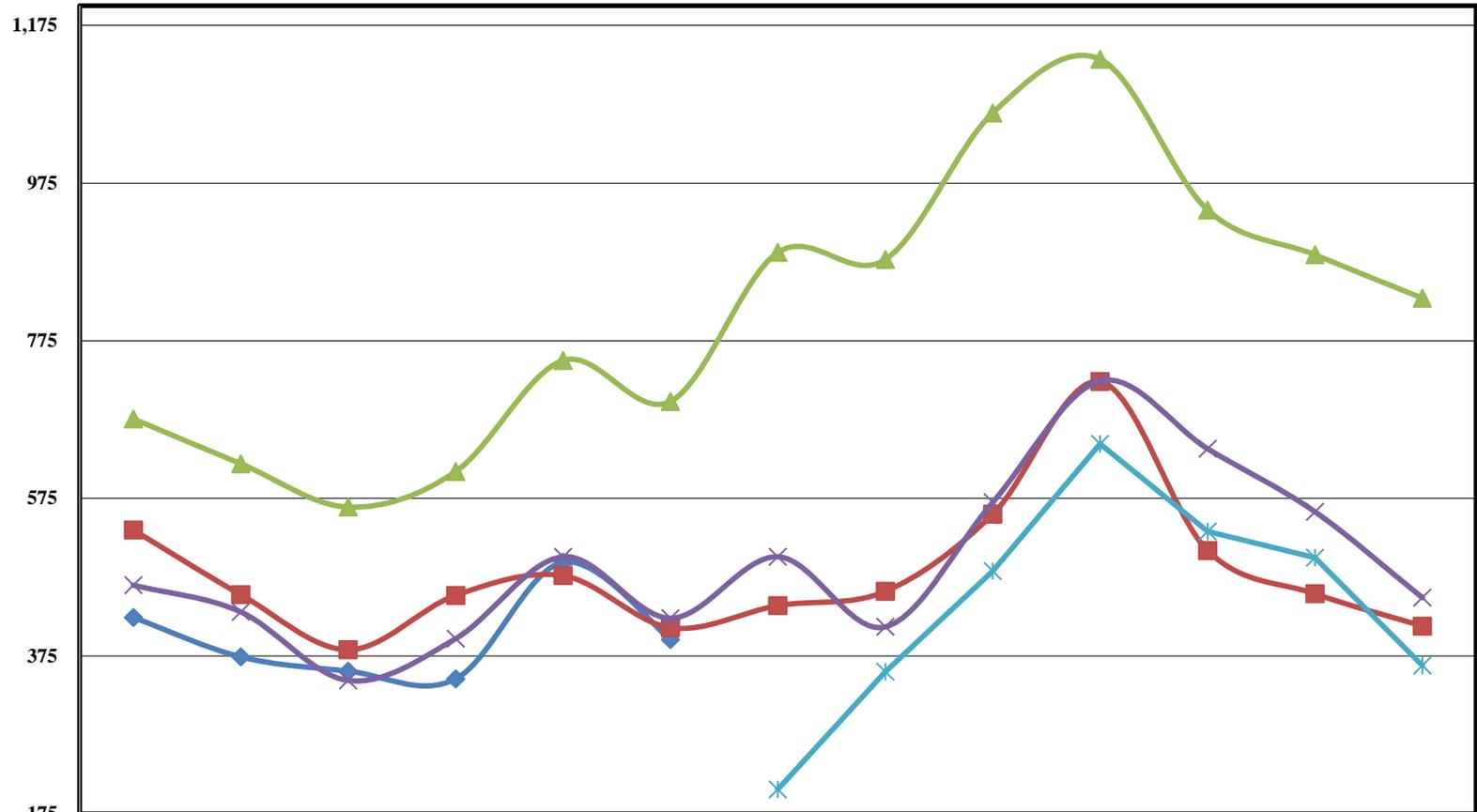
(Health and Wellness, Golder, JBS Clinic, West University & 42<sup>nd</sup> Street)



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<span style="color: blue;">◆</span> FY 2017	1,928	2,033	2,102	2,672	3,223	2,621	2,396	2,054				
<span style="color: red;">■</span> FY 2017 Budget	2,708	2,436	2,720	2,813	2,662	2,353	1,461	1,556	1,742	1,923	2,242	2,385
<span style="color: green;">▲</span> FY 2016	2,779	2,898	2,904	2,955	3,873	2,598	2,229	2,100	1,877	1,647	1,804	2,222

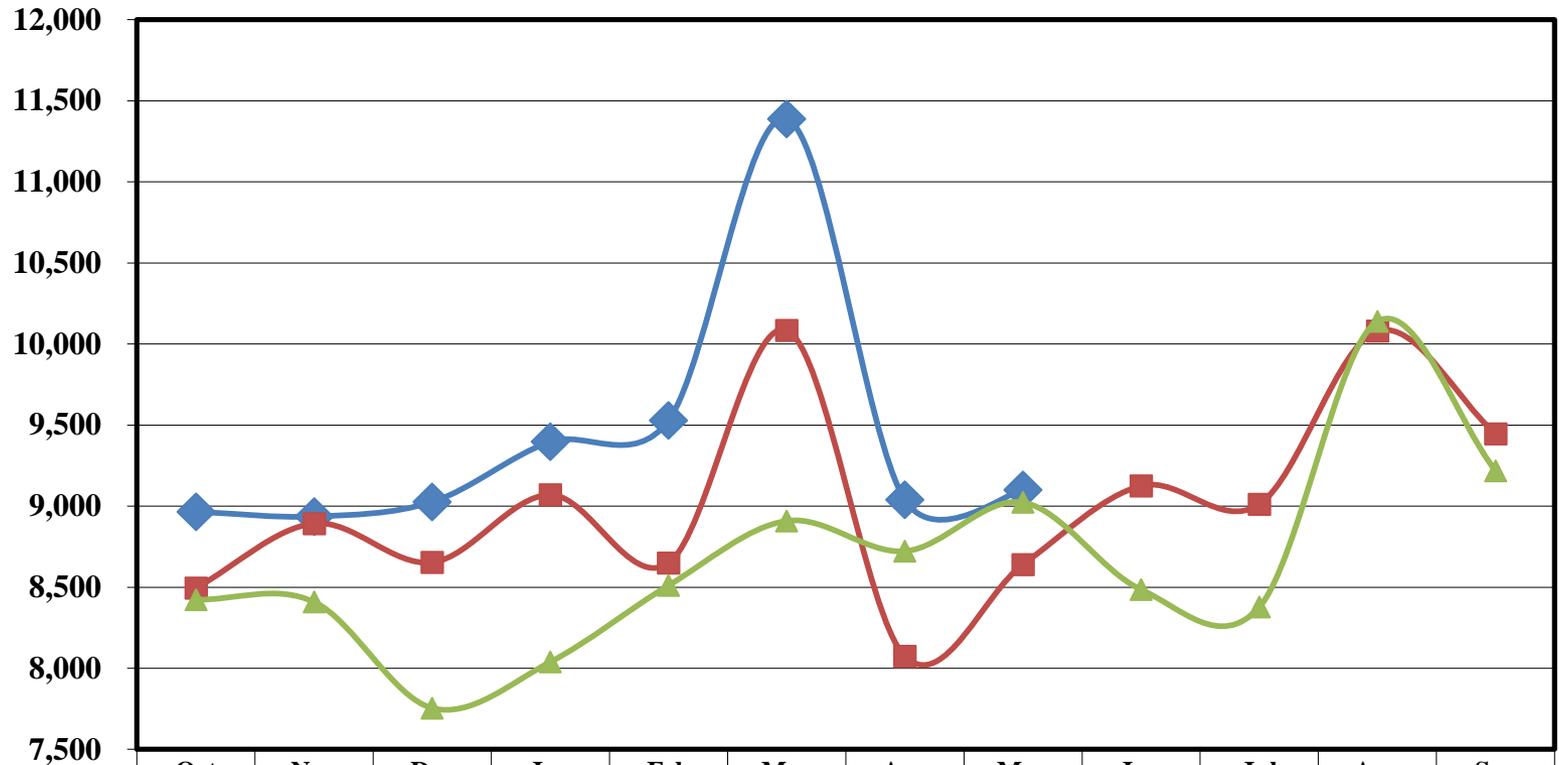
# Urgent Care Visits

(Health and Wellness, Golder, JBS Clinic, West University & 42<sup>nd</sup> Street)  
Thirteen Month Trending



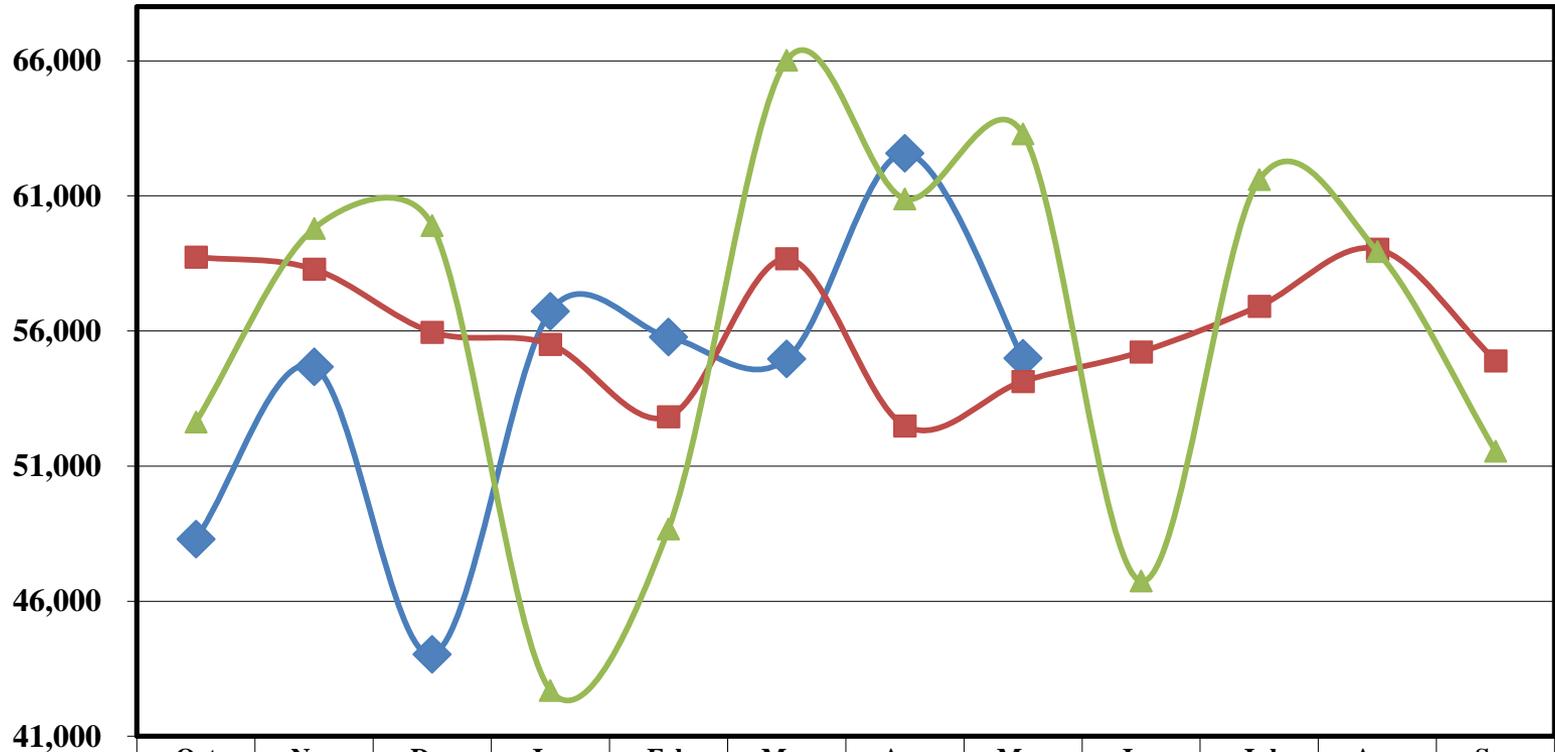
	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Health & Wellness	424	374	356	346	494	396							
Golder	535	453	383	452	477	411	439	457	555	723	509	454	413
JBS Clinic	676	619	564	609	750	698	887	878	1,064	1,132	941	884	829
West University	465	431	344	397	501	423	501	412	570	724	638	558	449
42nd Street							206	355	483	644	533	500	363

# Total ProCare Office Visits



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2017	8,965	8,936	9,026	9,398	9,529	11,389	9,039	9,099				
■ FY 2017 Budget	8,495	8,893	8,653	9,070	8,649	10,085	8,074	8,640	9,125	9,011	10,080	9,446
▲ FY 2016	8,423	8,409	7,754	8,039	8,511	8,909	8,722	9,023	8,485	8,377	10,140	9,218

# Total ProCare Procedures



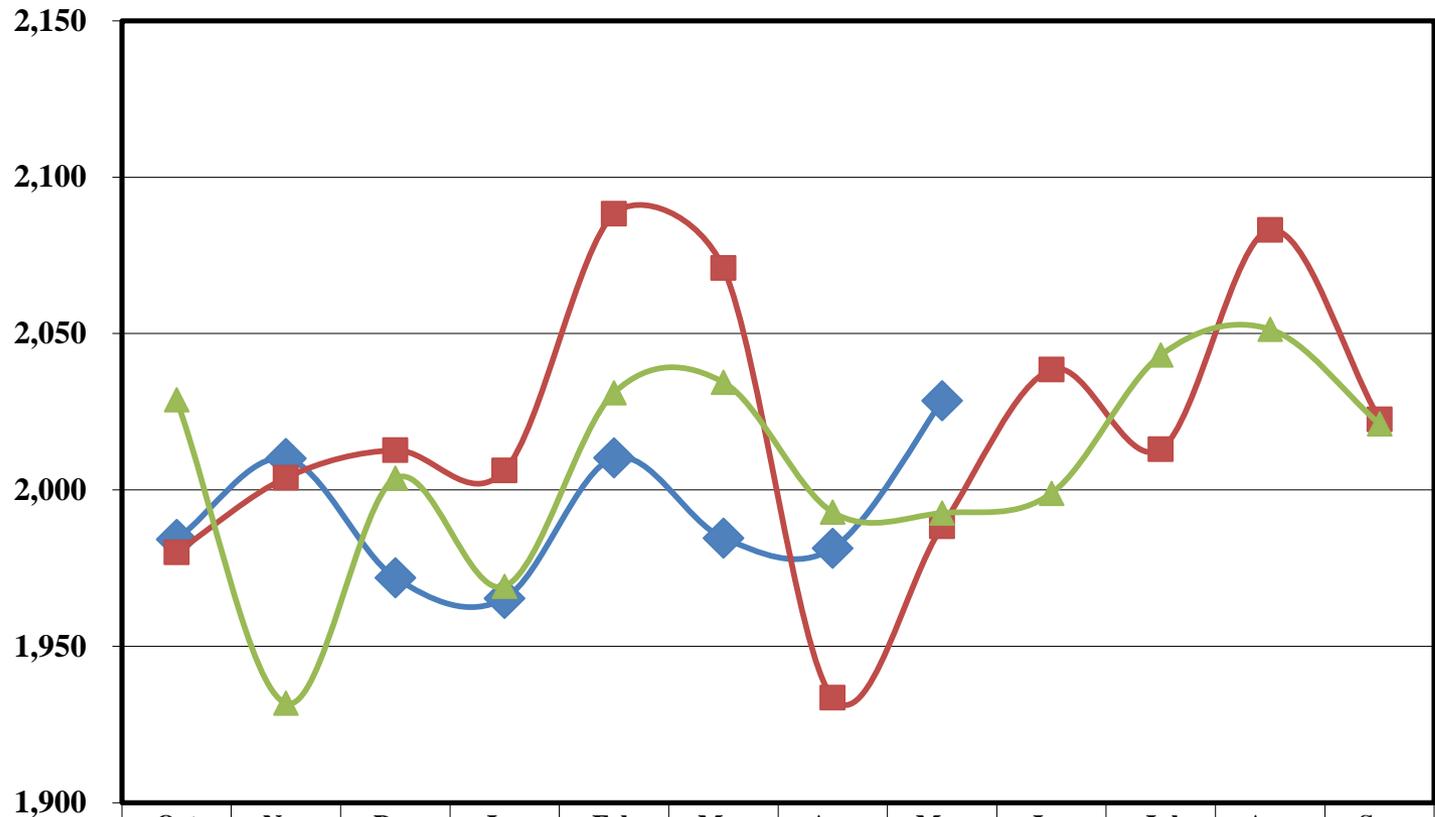
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2017	48,296	54,671	44,033	56,732	55,777	54,967	62,578	54,995				
■ FY 2017 Budget	58,737	58,287	55,958	55,504	52,829	58,677	52,491	54,137	55,231	56,922	59,037	54,902
▲ FY 2016	52,632	59,799	59,902	42,701	48,679	66,015	60,891	63,300	46,743	61,601	58,941	51,547

# Staffing



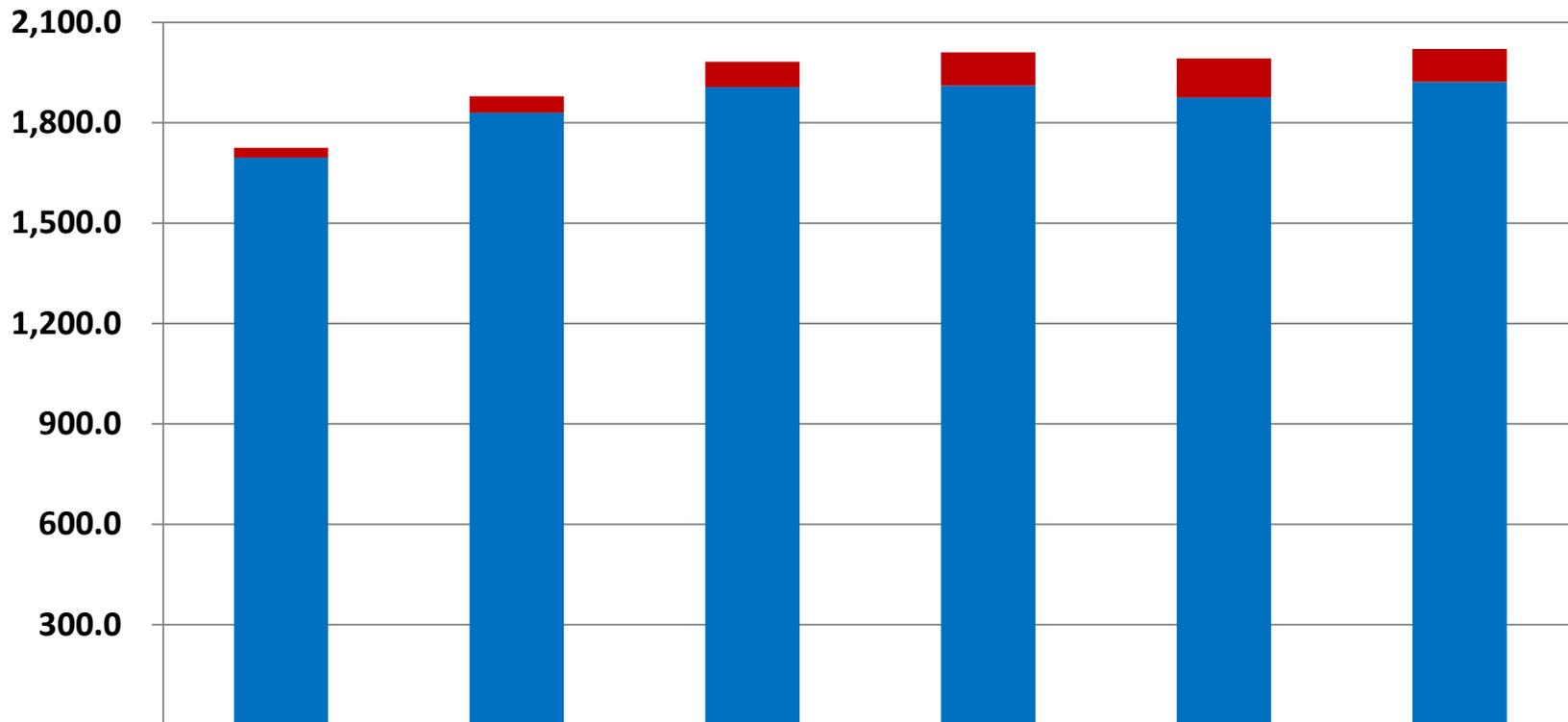
# Blended FTE's

Including Contract Labor and Management Services



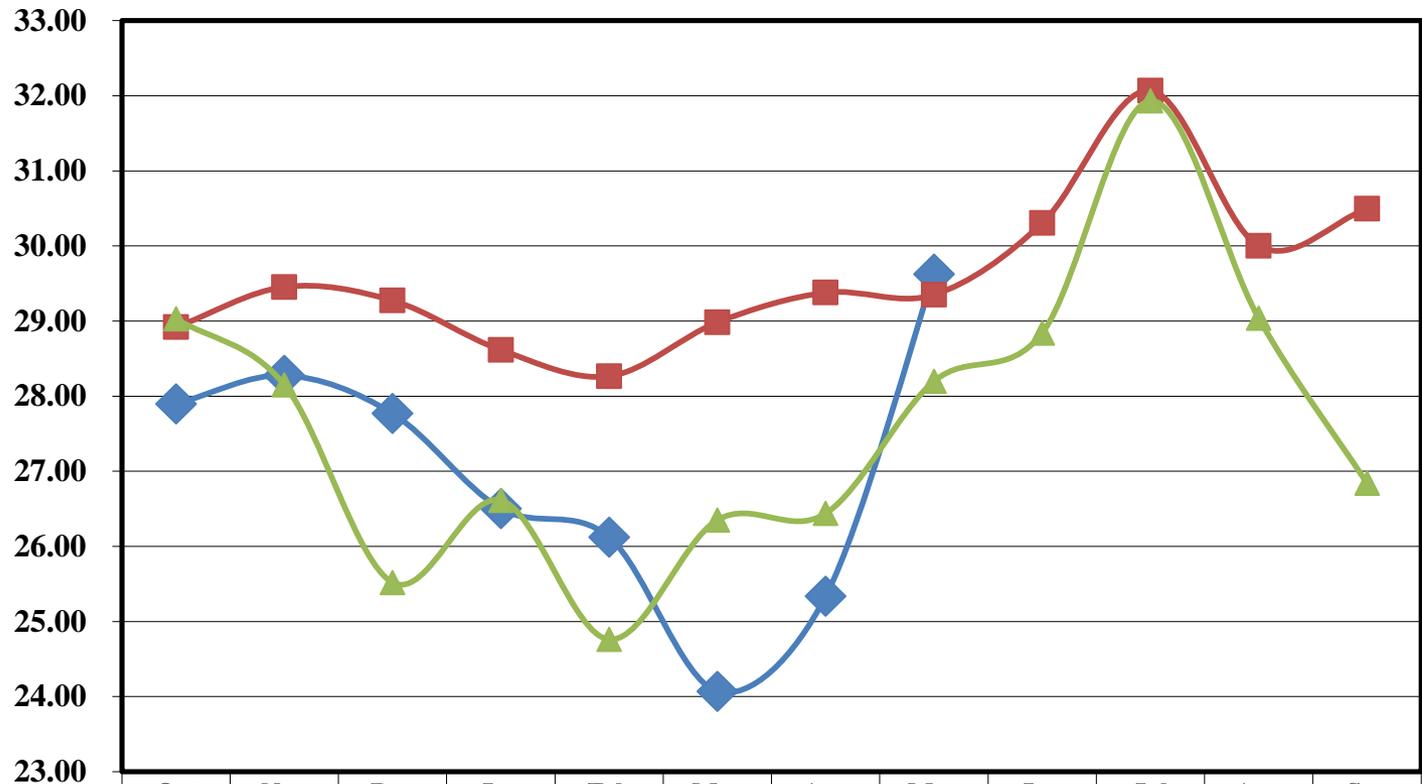
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2017	1,984	2,010	1,972	1,965	2,010	1,985	1,981	2,029				
■ FY 2017 Budget	1,980	2,004	2,013	2,006	2,088	2,071	1,934	1,988	2,038	2,013	2,083	2,023
▲ FY 2016	2,029	1,932	2,004	1,969	2,031	2,034	1,993	1,993	1,999	2,043	2,051	2,021

# Full Time Equivalent Employees (including contract) Blended Operations – Annual



	FY 2013	FY 2014	FY 2015	FY 2016	FY2017 Projection	FY2017 Budget
<b>Total</b>	1,725.2	1,879.2	1,981.9	2,010.2	1,991.9	2,020.7
<b>Contracted</b>	29.5	49.3	75.5	98.8	116.5	98.7
<b>Employed</b>	1,695.7	1,829.9	1,906.4	1,911.4	1,875.4	1,922.0

# Paid Hours per Adjusted Patient Day (Blended)



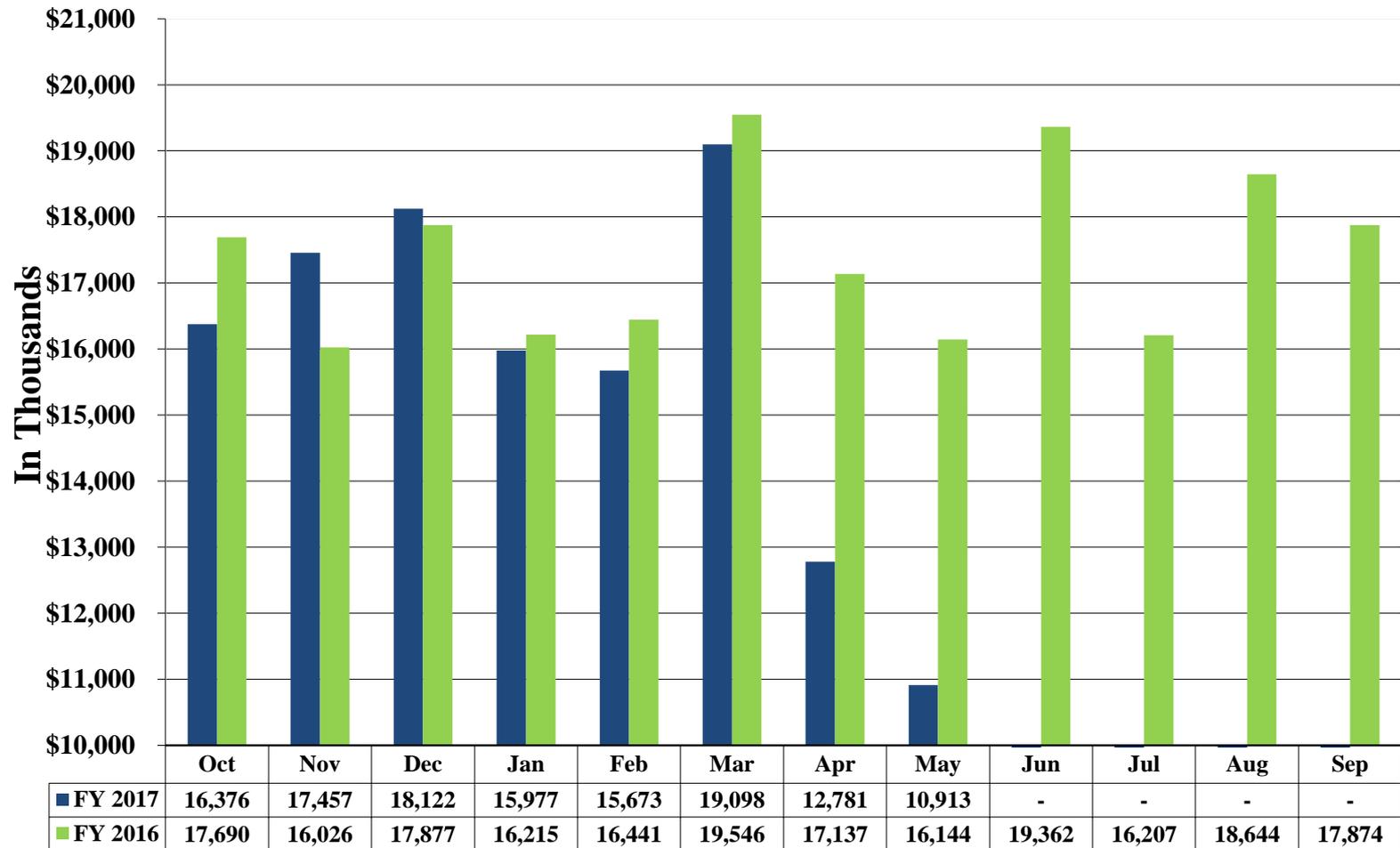
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
FY 2017	27.90	28.28	27.77	26.50	26.12	24.07	25.34	29.63				
FY 2017 Budget	28.92	29.45	29.27	28.62	28.27	28.98	29.38	29.35	30.30	32.07	30.00	30.49
FY 2016	29.03	28.15	25.52	26.61	24.76	26.35	26.44	28.20	28.84	31.93	29.04	26.84

# Accounts Receivable

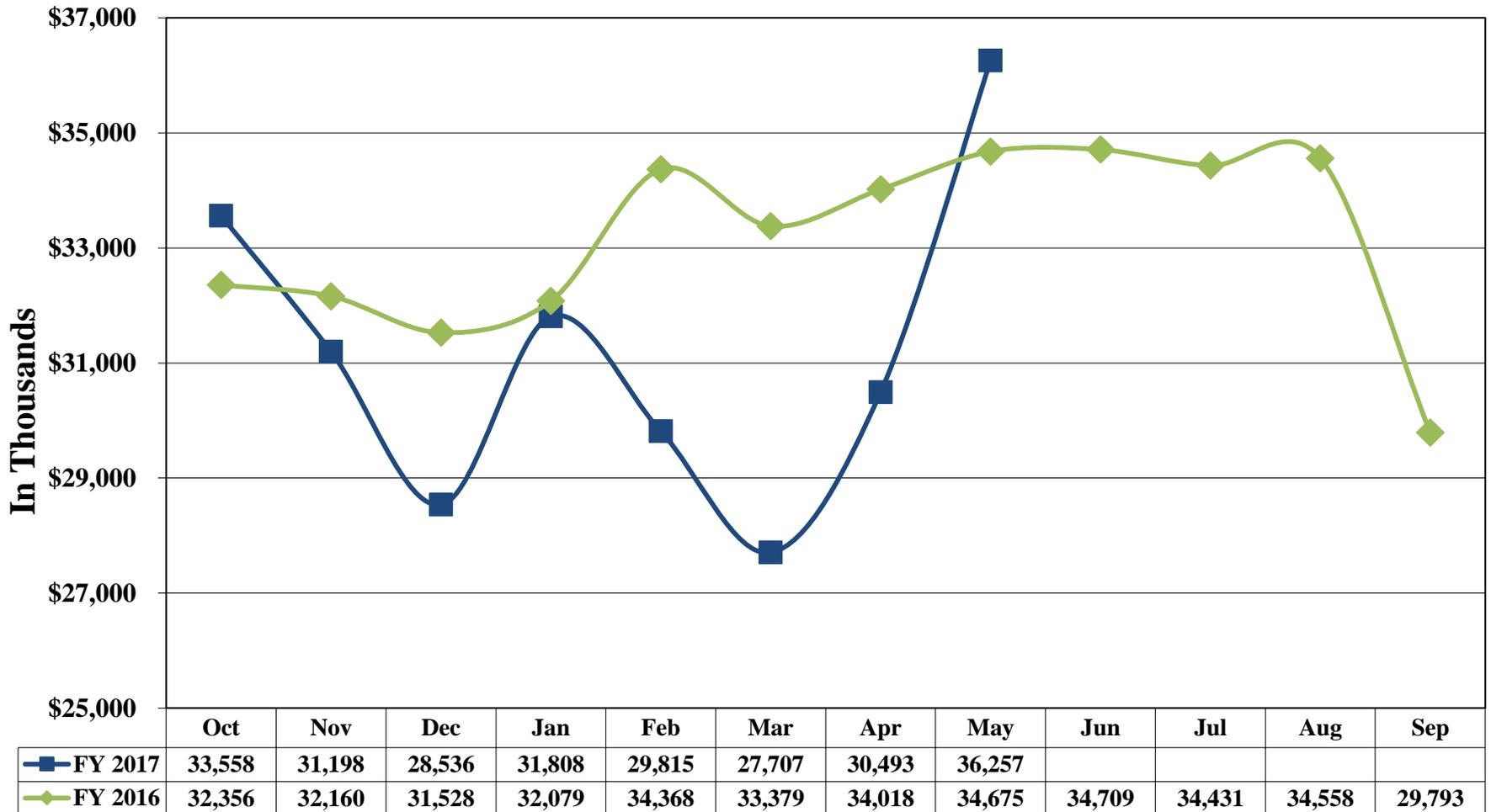


# AR Cash Receipts

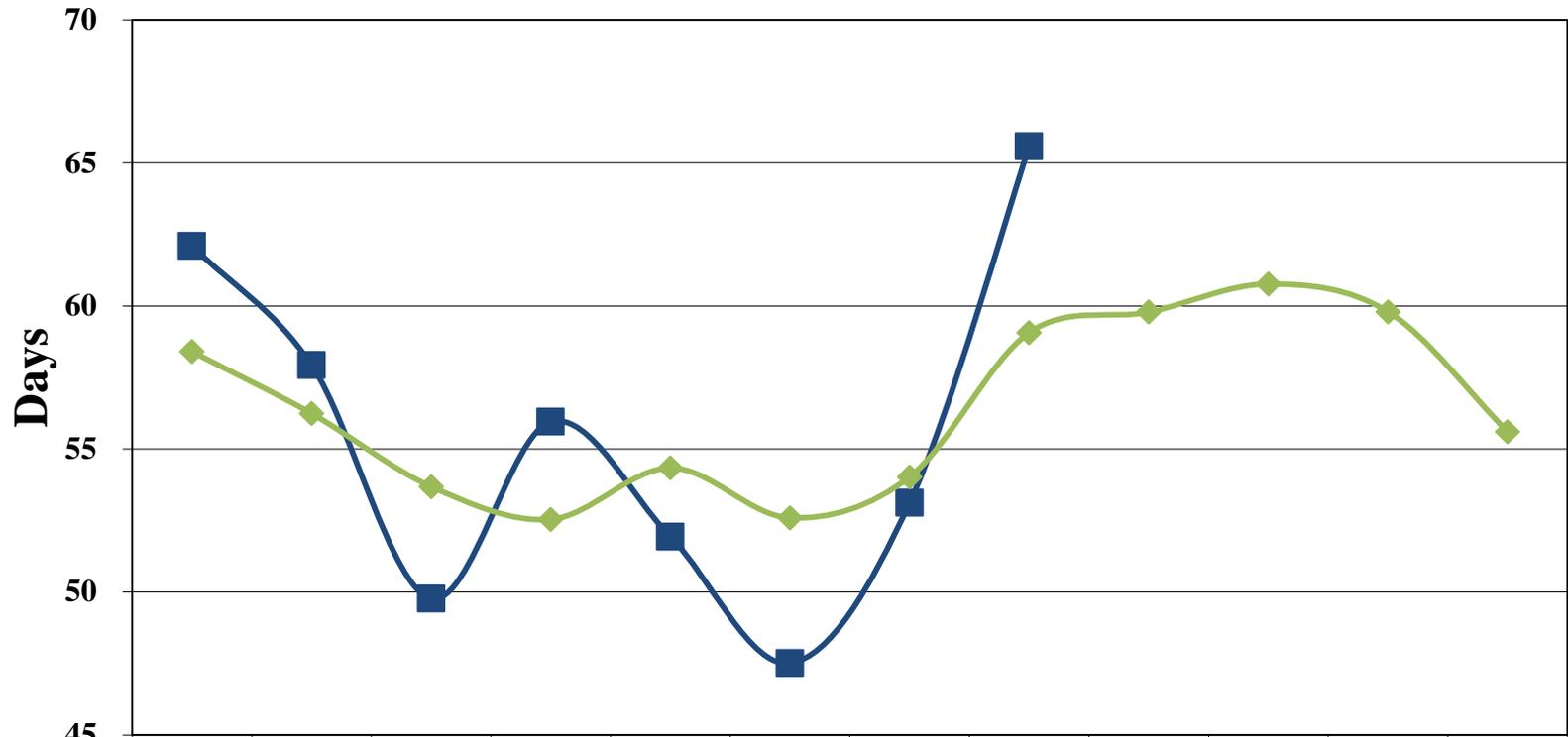
Compared to Prior Year



# Accounts Receivable - Net



# Net Days in Accounts Receivable – Rolling 3 Month



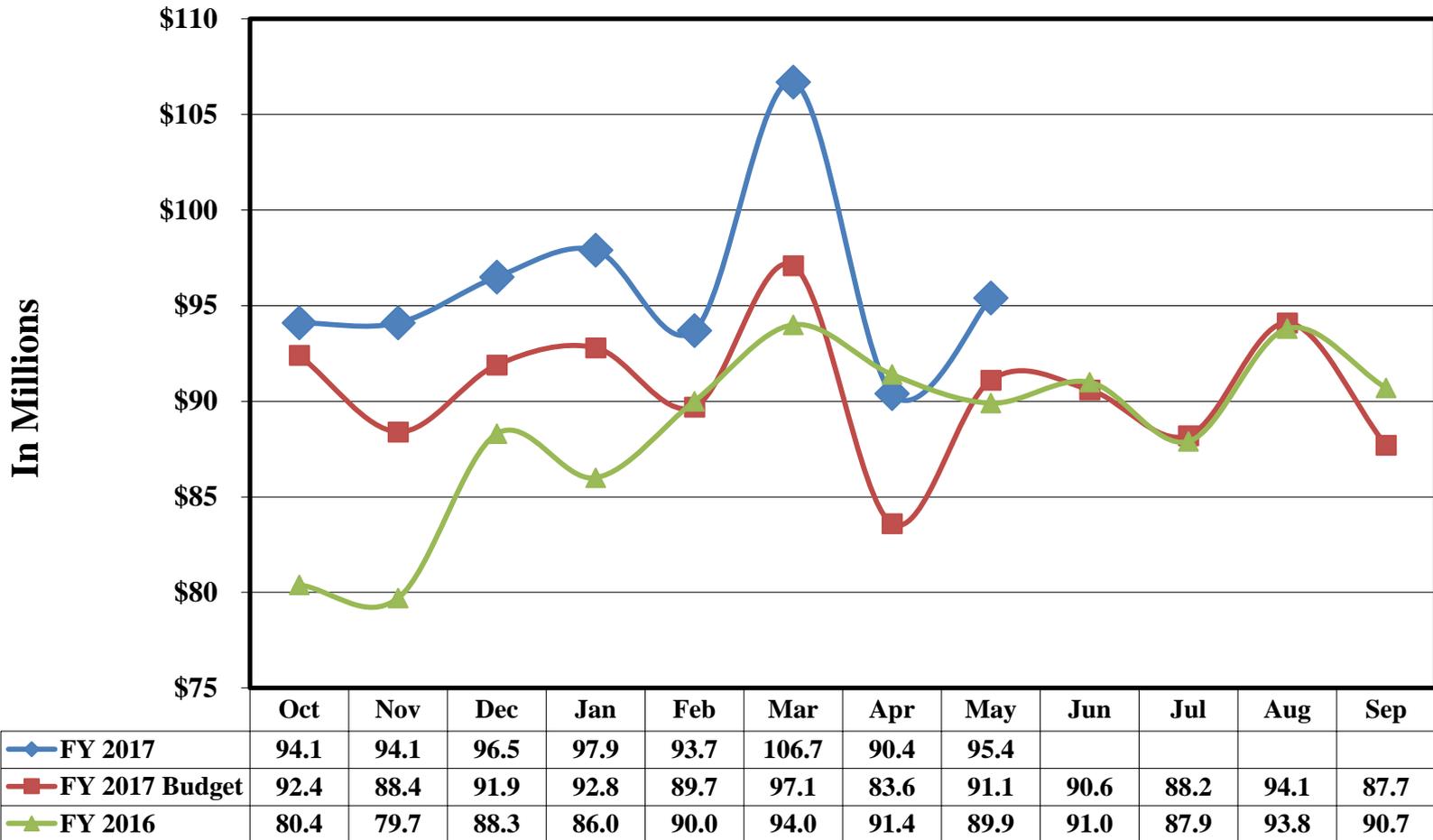
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
■ FY 2017	62.1	57.9	49.8	55.9	51.9	47.5	53.1	65.6				
◆ FY 2016	58.4	56.2	53.7	52.5	54.3	52.6	54.0	59.1	59.8	60.8	59.8	55.6

# Revenues & Revenue Deductions

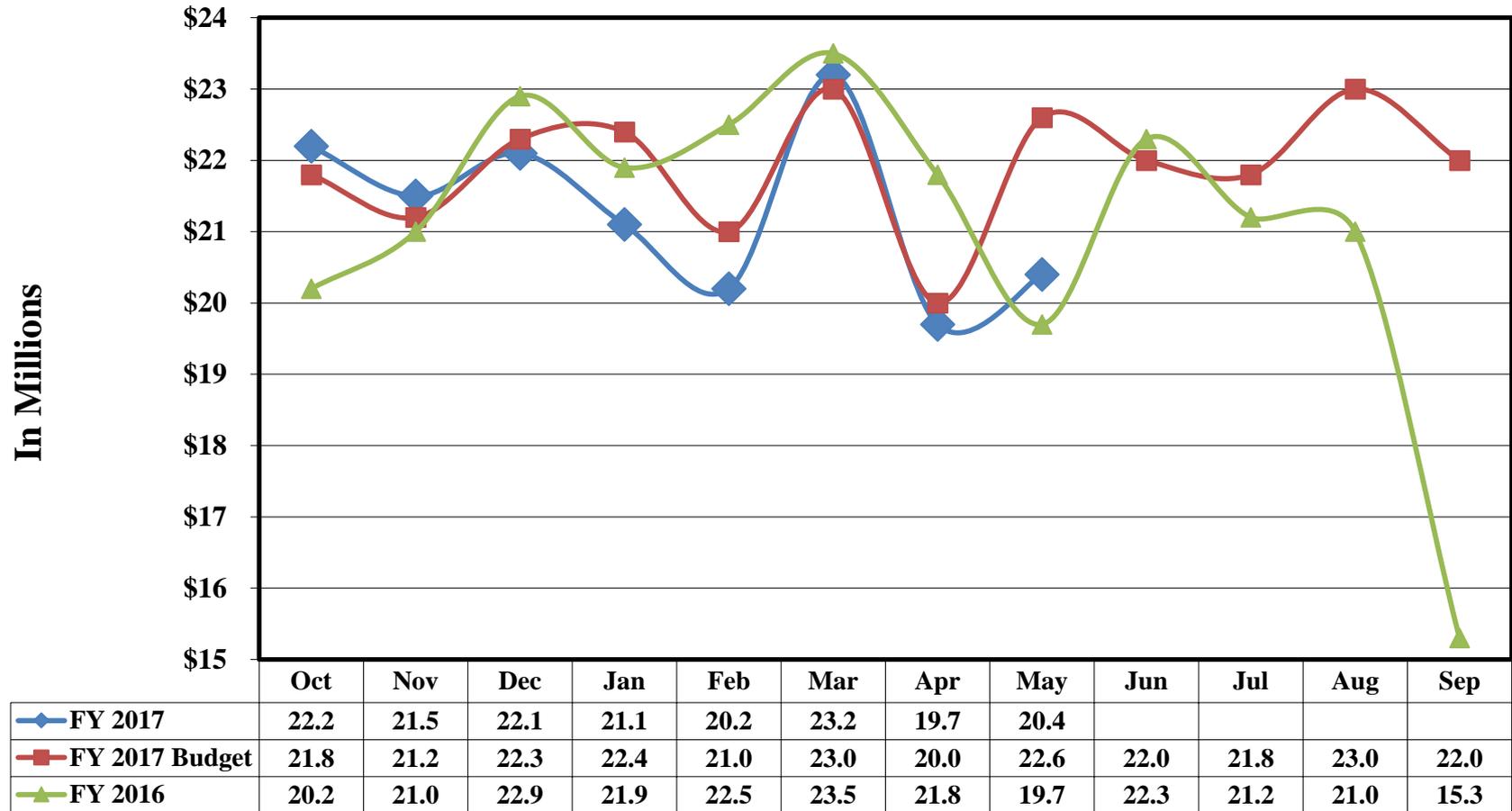


# Total Patient Revenues

## (Blended)

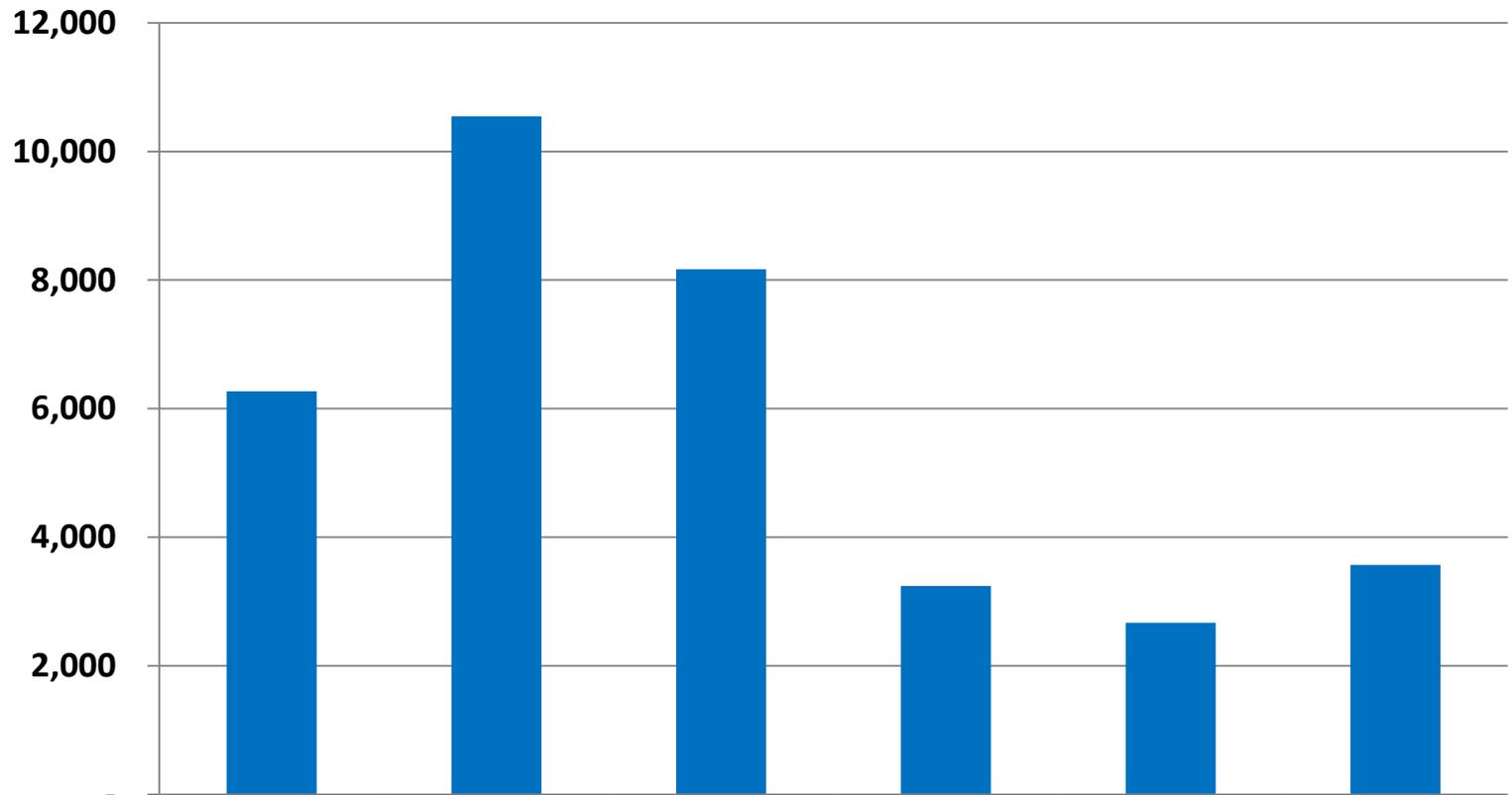


# Net Patient Revenues (Blended)



# Medicaid Supplemental Payments

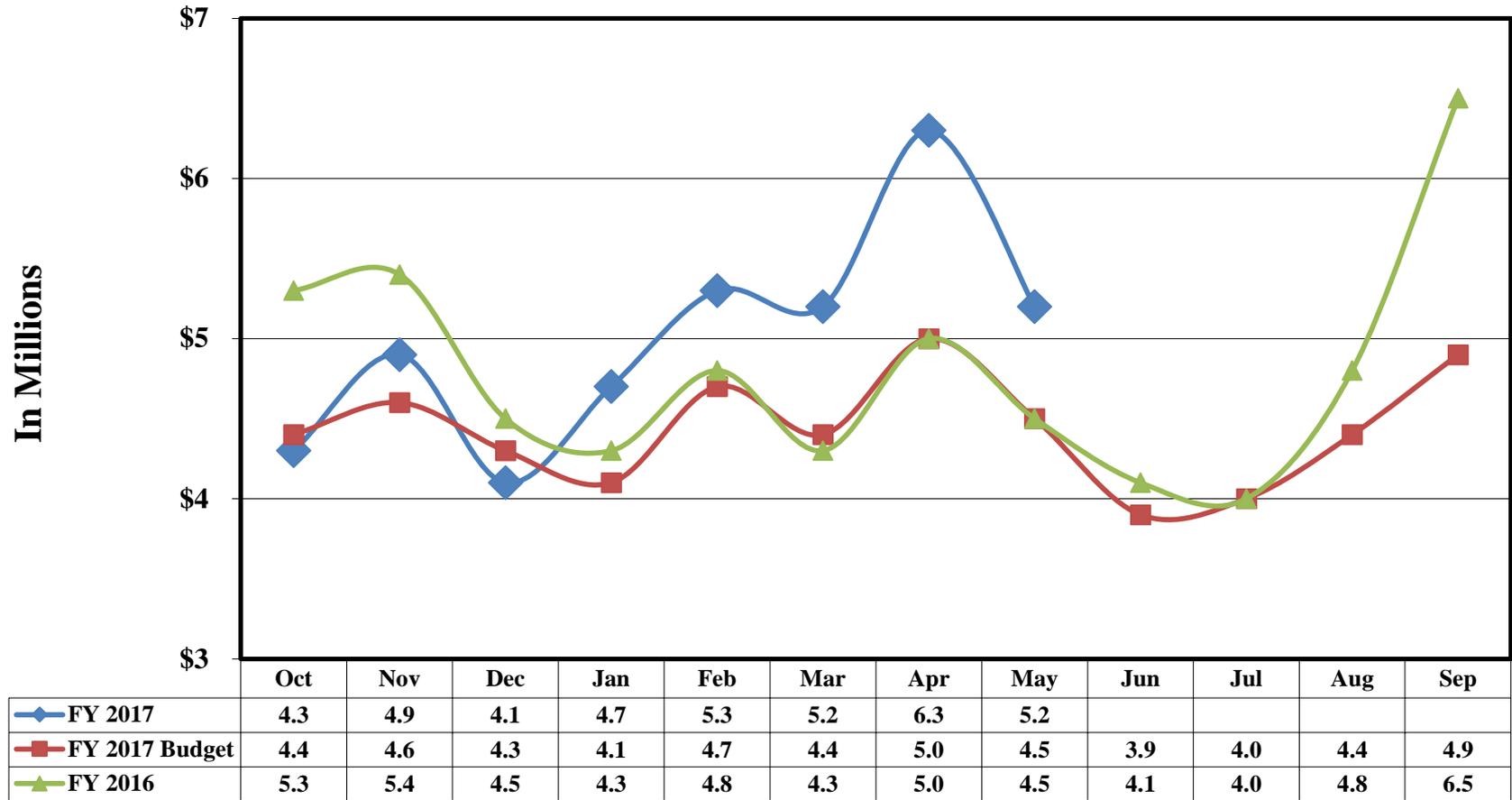
## Blended Operations – Annual



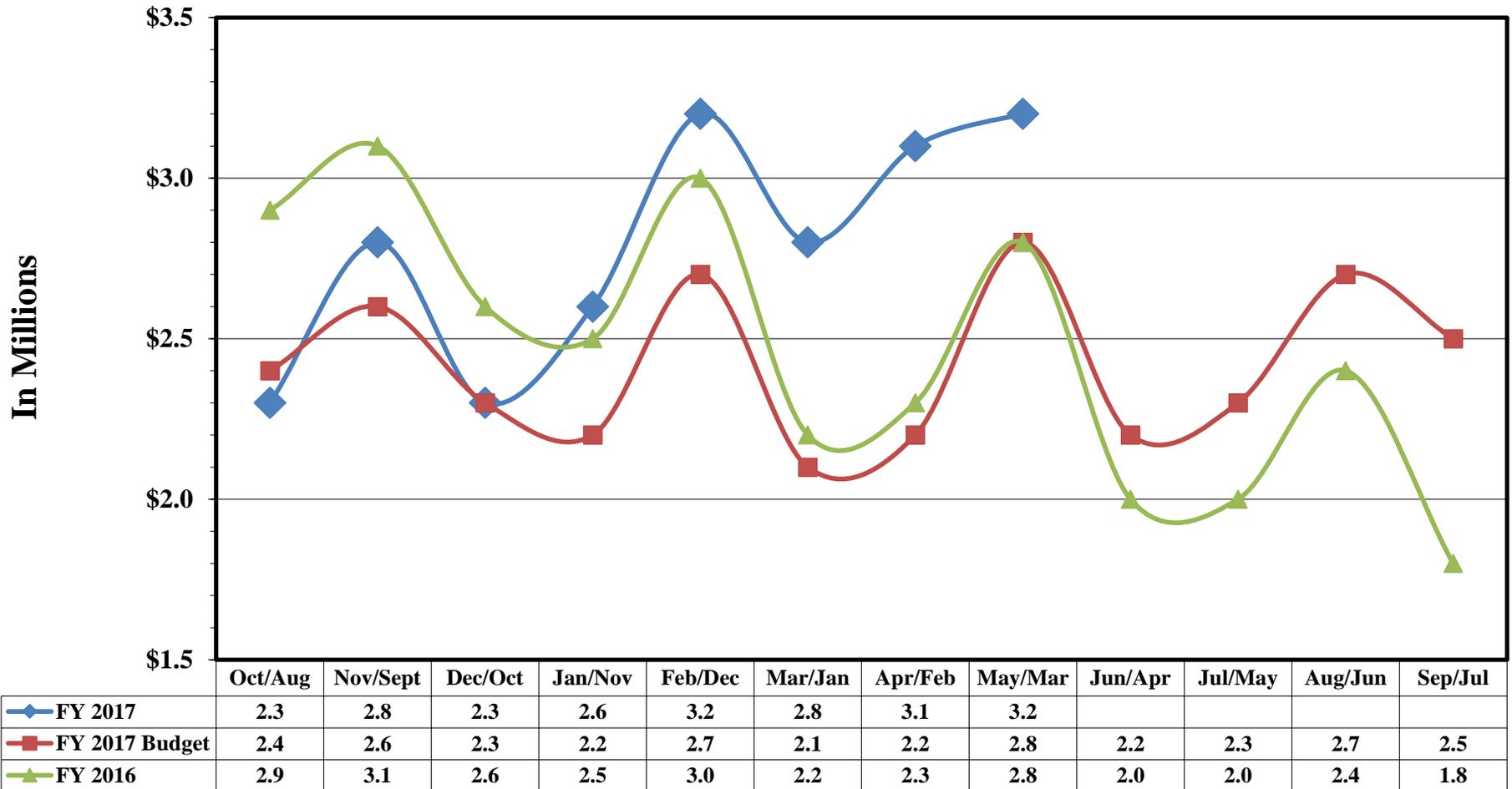
	FY 2013	FY 2014	FY 2015	FY 2016	FY2017 Projection	FY2017 Budget
<b>Total</b>	6,269	10,547	8,169	3,242	2,670	3,572
<b>Community Benefit</b>	(13,417)	(7,099)	(4,775)	(12,839)	(12,401)	(11,500)
<b>UC</b>	12,369	9,619	7,100	11,931	11,146	11,146
<b>DSH</b>	7,317	8,027	5,844	4,150	3,925	3,925

# Other Revenue - Blended

Including Tax Receipts, Interest & Other Operating Income

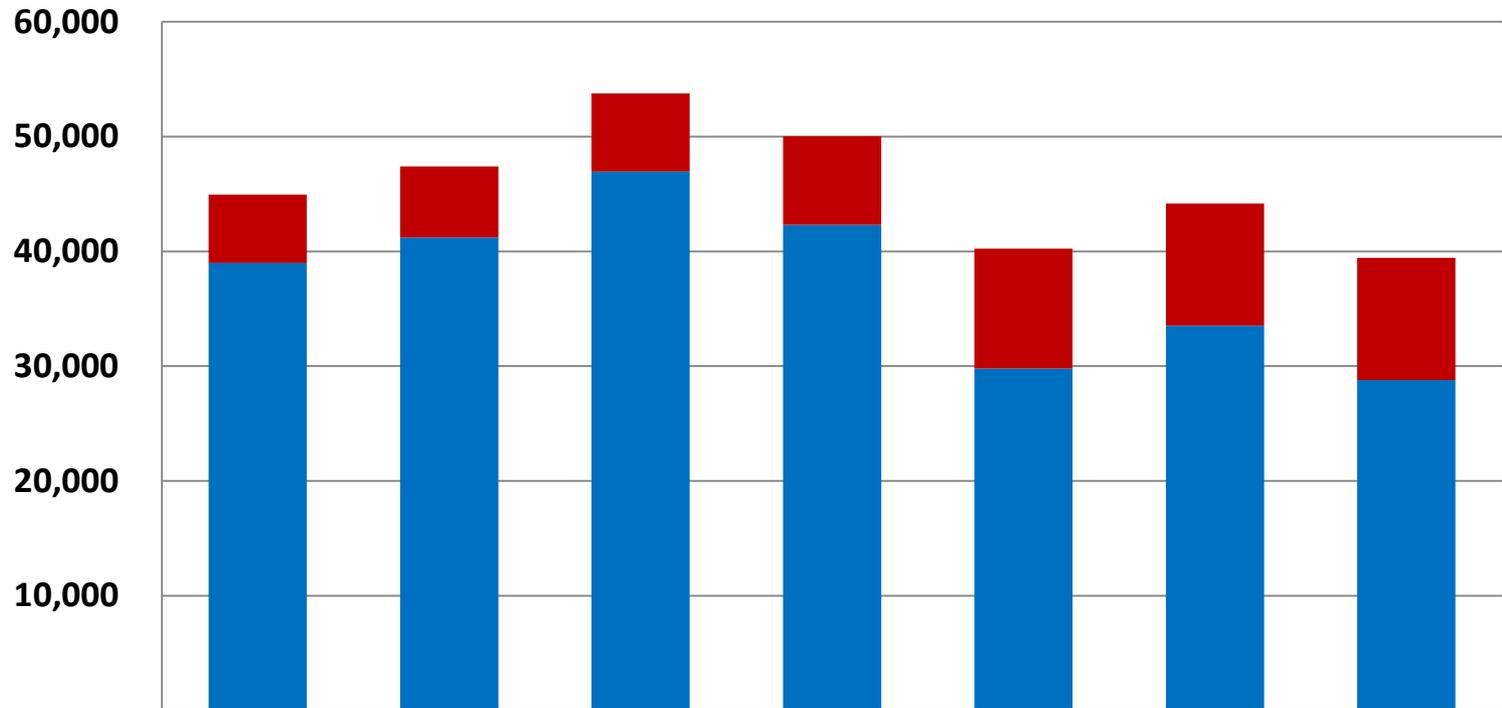


# Sales Tax Receipts



# Total Tax Receipt History

## Blended Operations – Annual

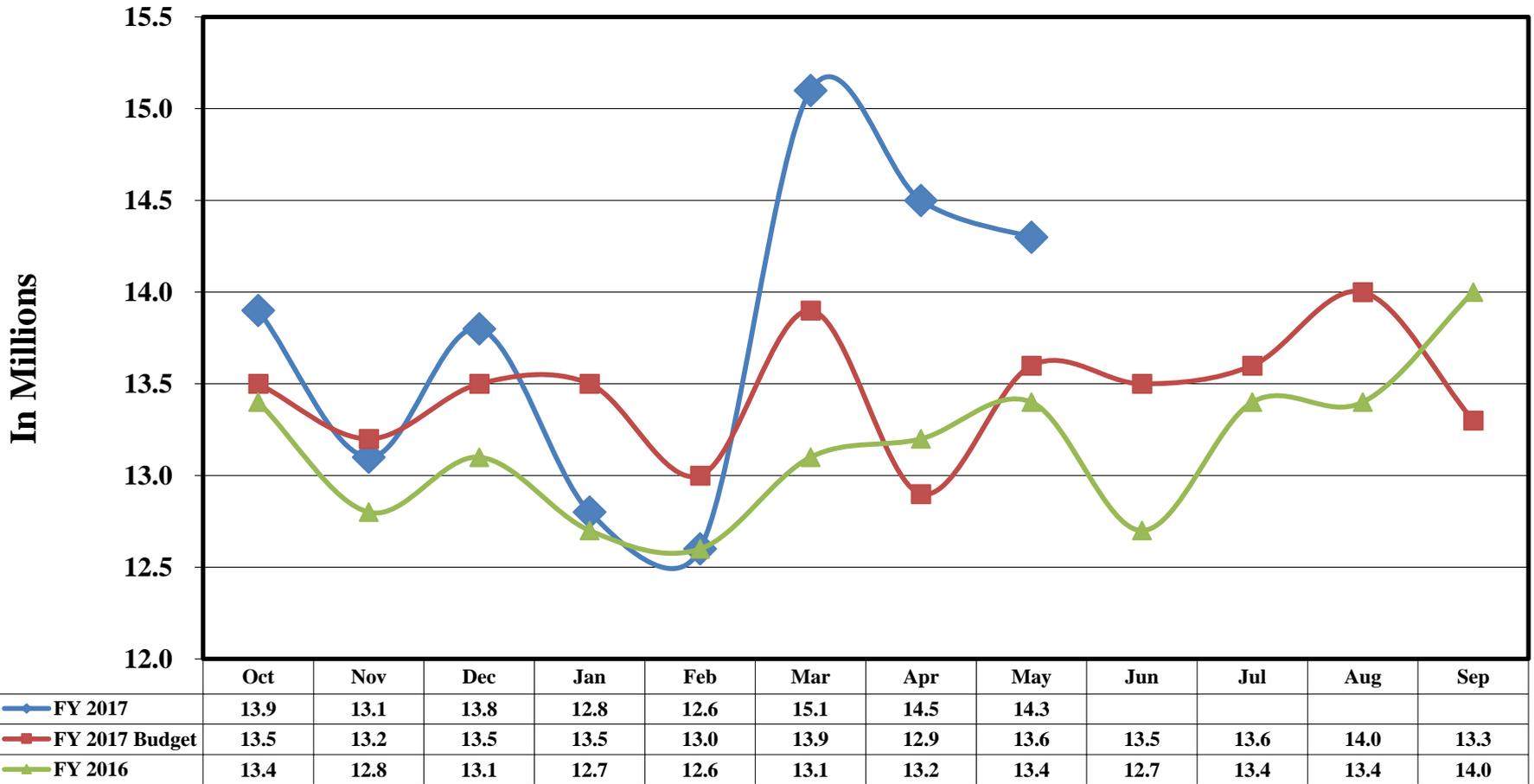


	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017 Projection	FY 2017 Budget
<b>Total Tax Receipts</b>	<b>44,940</b>	<b>47,410</b>	<b>53,745</b>	<b>50,033</b>	<b>40,229</b>	<b>44,168</b>	<b>39,448</b>
<b>Ad Valorem</b>	<b>5,947</b>	<b>6,201</b>	<b>6,783</b>	<b>7,733</b>	<b>10,447</b>	<b>10,648</b>	<b>10,648</b>
<b>Sales Tax</b>	<b>38,993</b>	<b>41,209</b>	<b>46,961</b>	<b>42,300</b>	<b>29,782</b>	<b>33,520</b>	<b>28,800</b>

# Operating Expenses

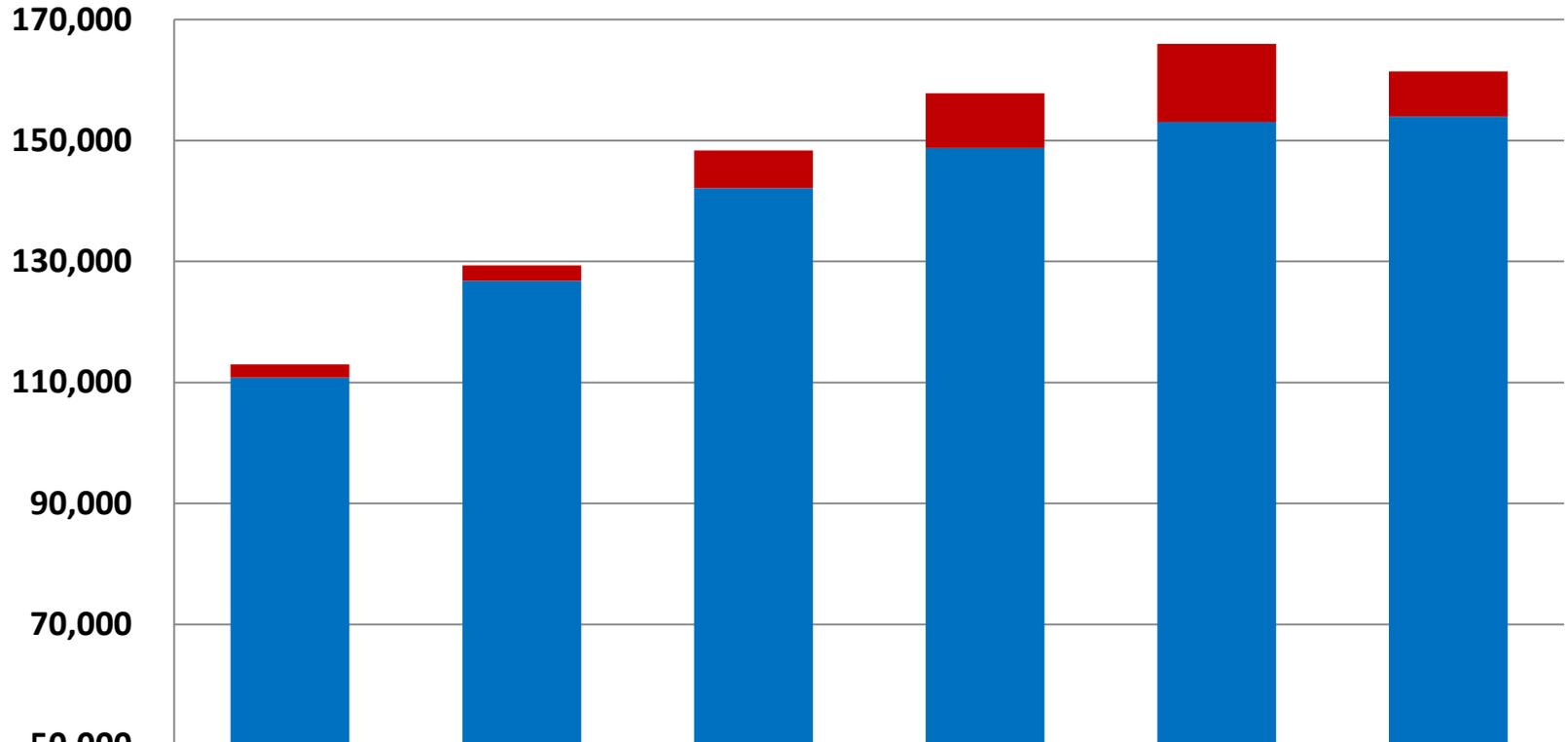


# Salaries, Wages & Contract Labor (Blended)



# Total Salaries, Wages and Temporary Labor

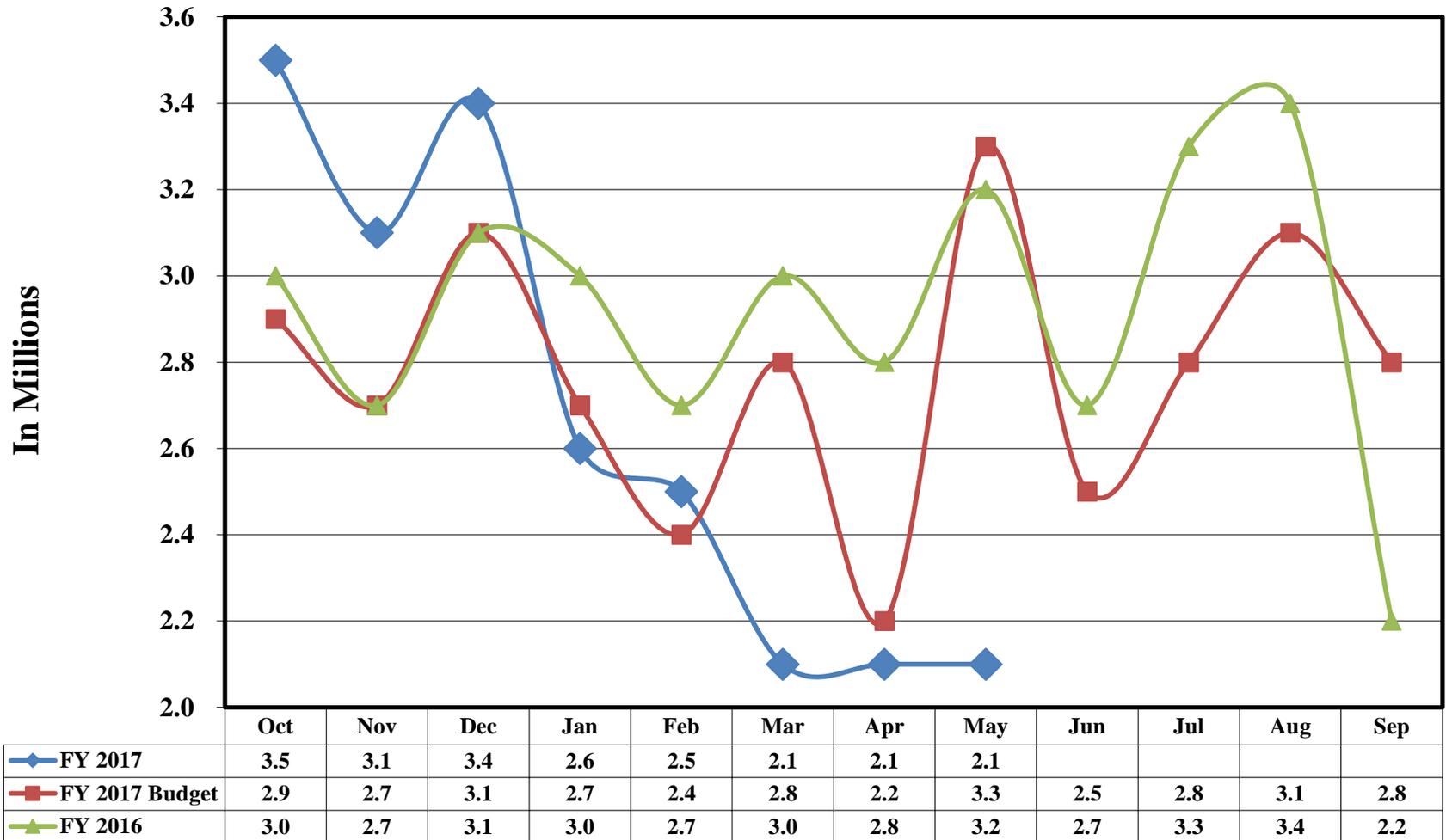
## Blended Operations – Annual



	FY 2013	FY 2014	FY 2015	FY 2016	2017 Projection	2017 Budget
<b>Total</b>	<b>113,003</b>	<b>129,354</b>	<b>148,365</b>	<b>157,801</b>	<b>165,987</b>	<b>161,418</b>
<b>Contract</b>	<b>2,182</b>	<b>2,558</b>	<b>6,253</b>	<b>9,042</b>	<b>12,934</b>	<b>7,442</b>
<b>Employed</b>	<b>110,821</b>	<b>126,796</b>	<b>142,111</b>	<b>148,759</b>	<b>153,053</b>	<b>153,977</b>

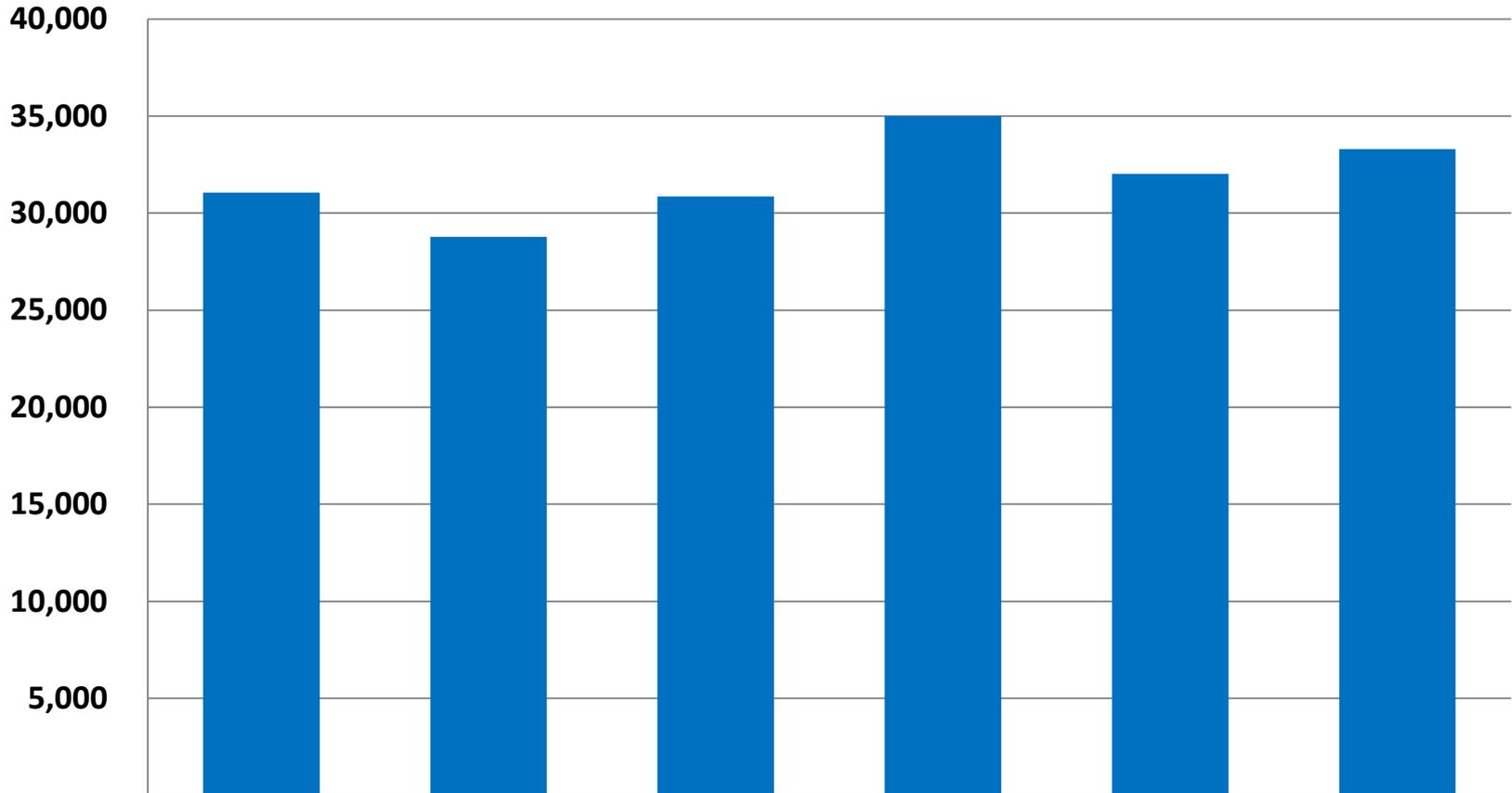
# Employee Benefit Expense

## (Blended)



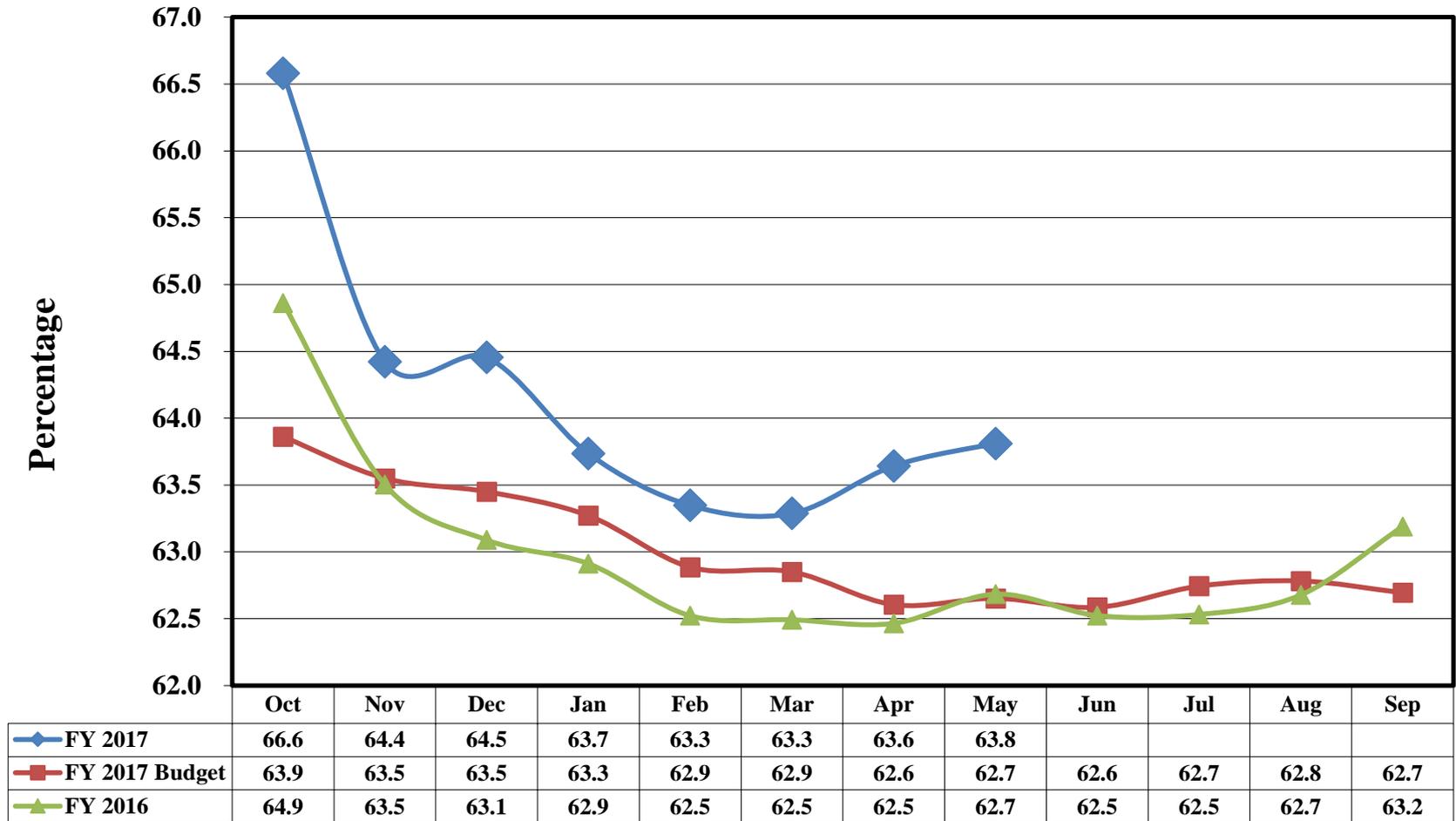
# Total Employee Benefit Expense

Blended Operations – Annual



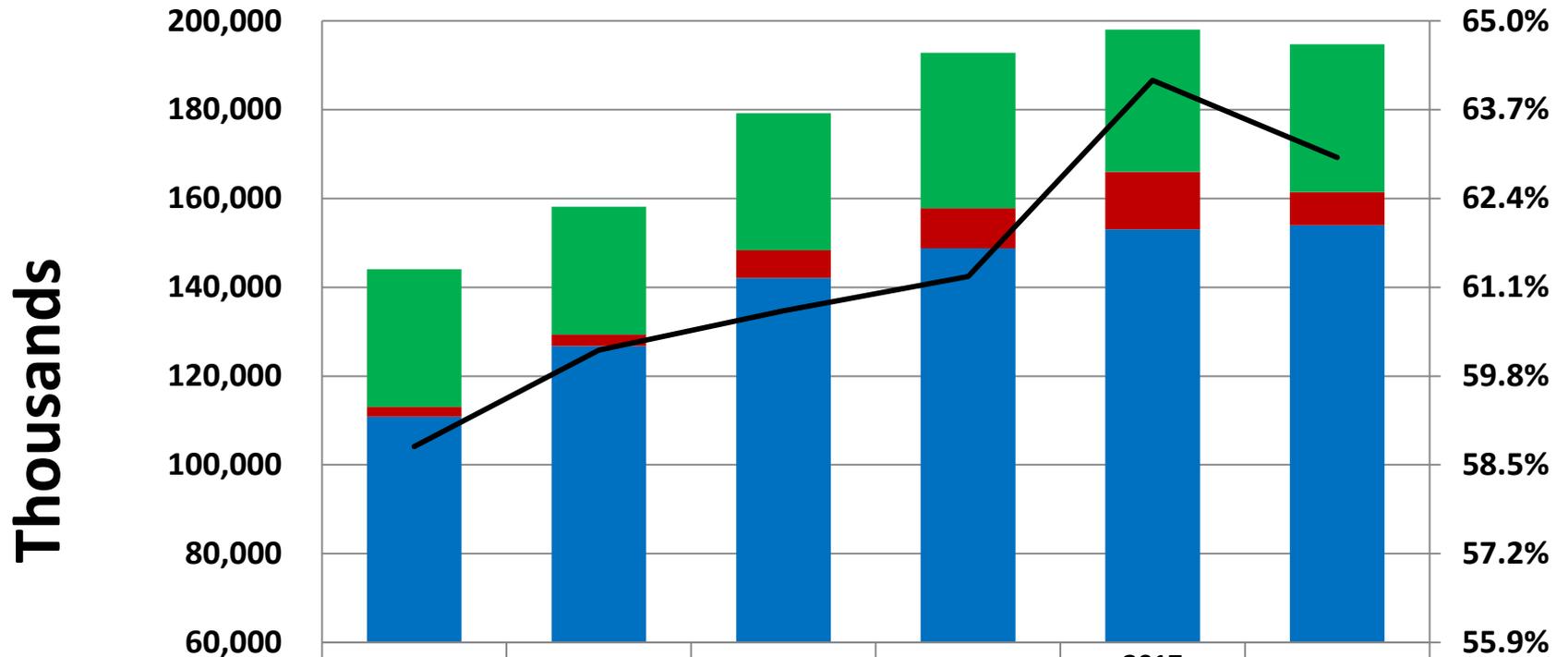
	FY 2013	FY 2014	FY 2015	FY 2016	2017 Projection	2017 Budget
Blended	31,045	28,772	30,853	34,992	32,026	33,291

# Salaries, Wages, Benefits, and Temp Labor as a % of Total Operating Expense Year-to-Date (Blended)



# Total Salaries, Wages, Benefits and Temporary Labor

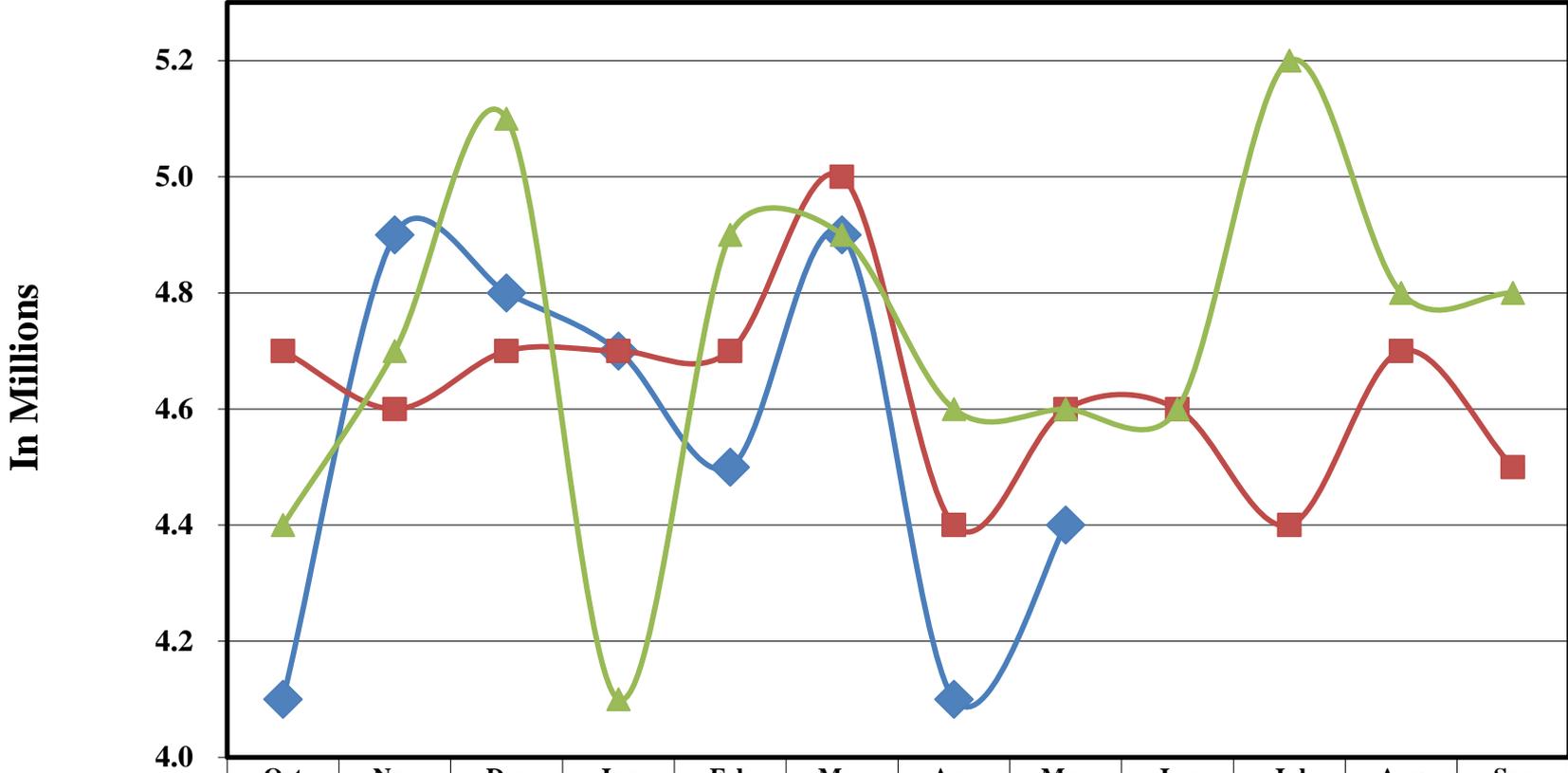
## Blended Operations – Annual



	FY 2013	FY 2014	FY 2015	FY 2016	2017 Projection	2017 Budget
<b>Total</b>	<b>144,048</b>	<b>158,125</b>	<b>179,218</b>	<b>192,792</b>	<b>198,013</b>	<b>194,709</b>
 <b>Benefits</b>	<b>31,045</b>	<b>28,772</b>	<b>30,853</b>	<b>34,992</b>	<b>32,026</b>	<b>33,291</b>
 <b>Contract</b>	<b>2,182</b>	<b>2,558</b>	<b>6,253</b>	<b>9,042</b>	<b>12,934</b>	<b>7,442</b>
 <b>Employed</b>	<b>110,821</b>	<b>126,796</b>	<b>142,111</b>	<b>148,759</b>	<b>153,053</b>	<b>153,977</b>
 <b>% of Operating Expense</b>	<b>58.8%</b>	<b>60.2%</b>	<b>60.8%</b>	<b>61.3%</b>	<b>64.1%</b>	<b>63.0%</b>

# Supply Expense

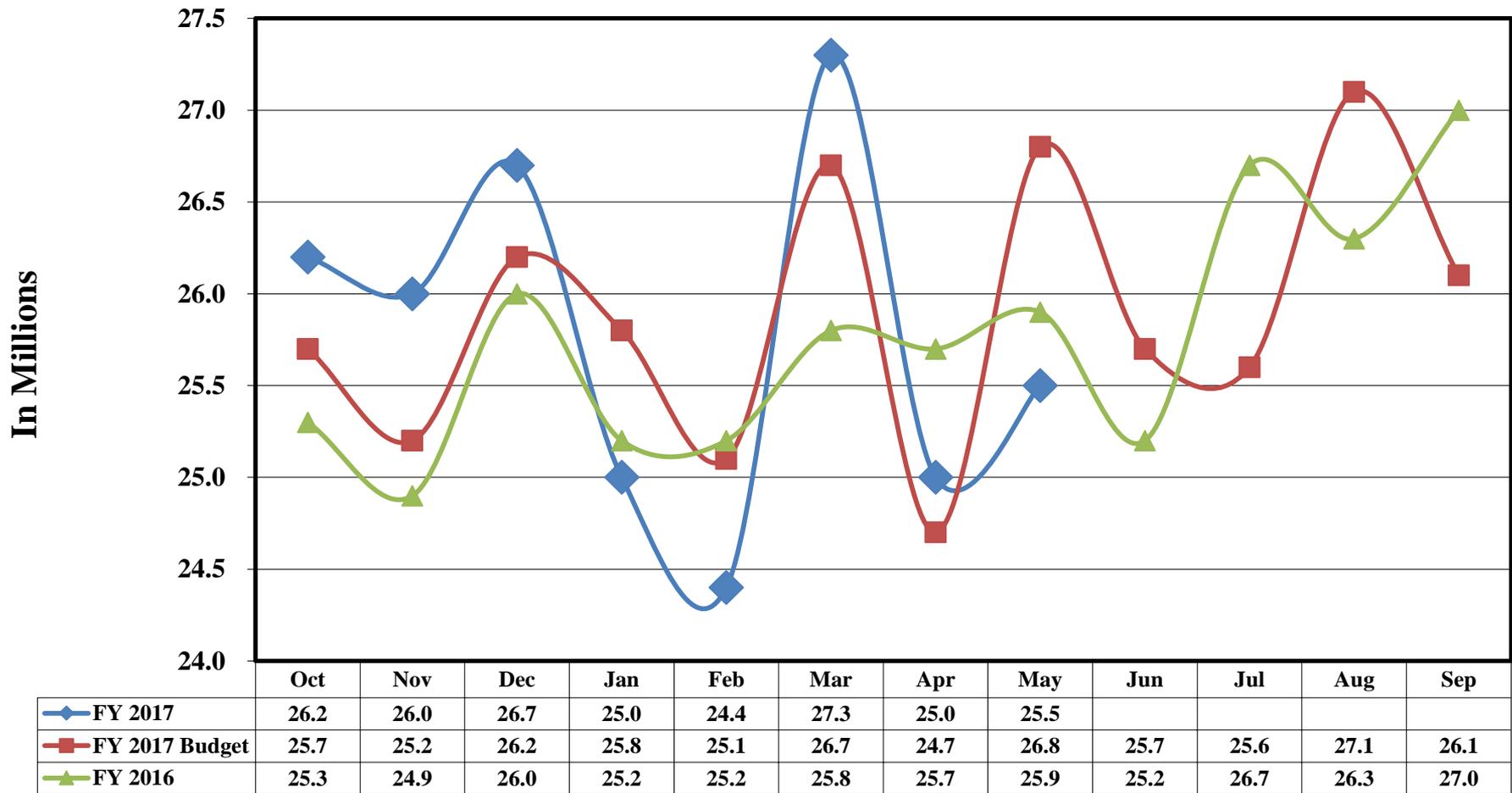
(Blended)



	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
◆ FY 2017	4.1	4.9	4.8	4.7	4.5	4.9	4.1	4.4				
■ FY 2017 Budget	4.7	4.6	4.7	4.7	4.7	5.0	4.4	4.6	4.6	4.4	4.7	4.5
▲ FY 2016	4.4	4.7	5.1	4.1	4.9	4.9	4.6	4.6	4.6	5.2	4.8	4.8

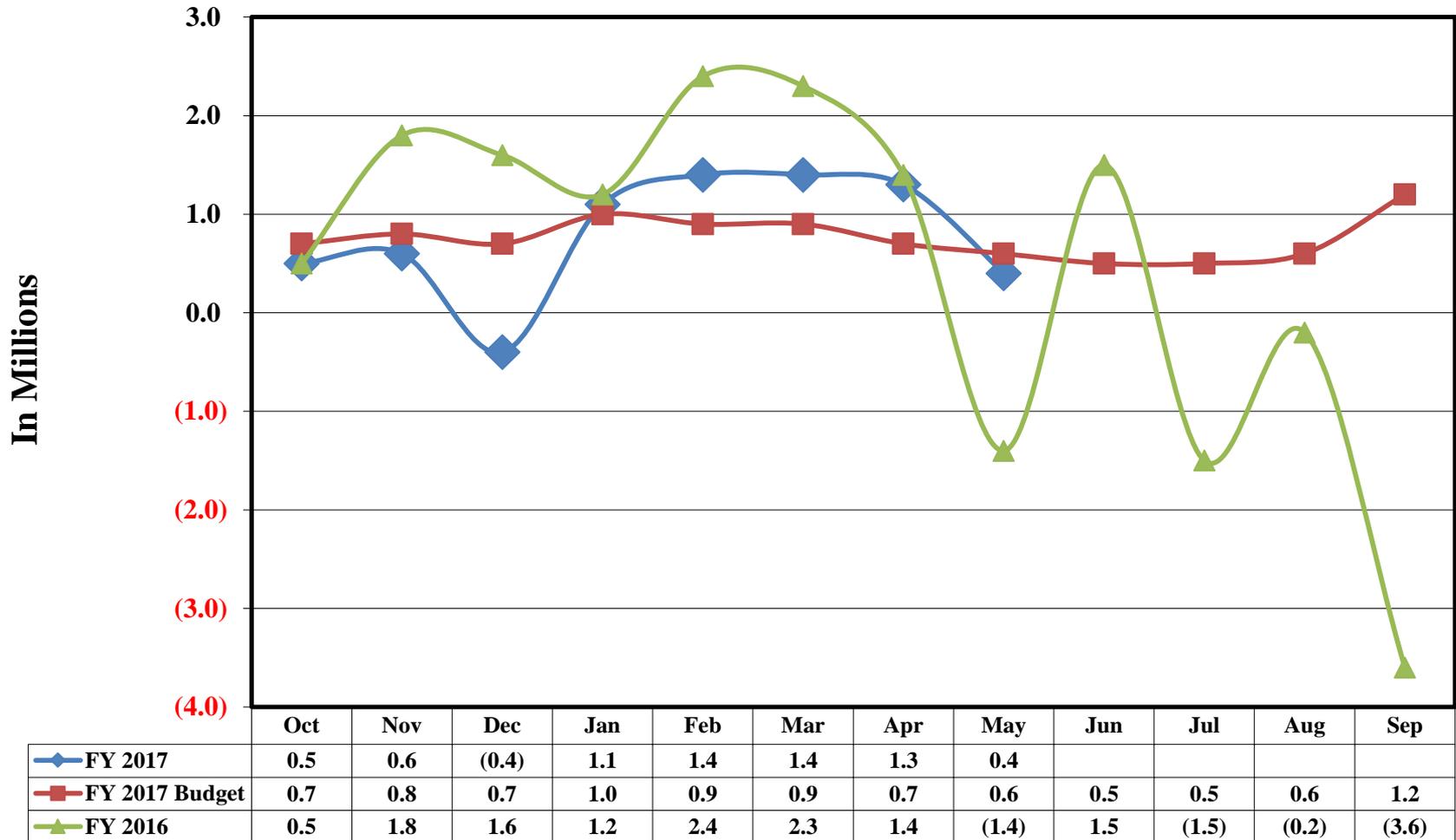
# Total Operating Expense

## (Blended)



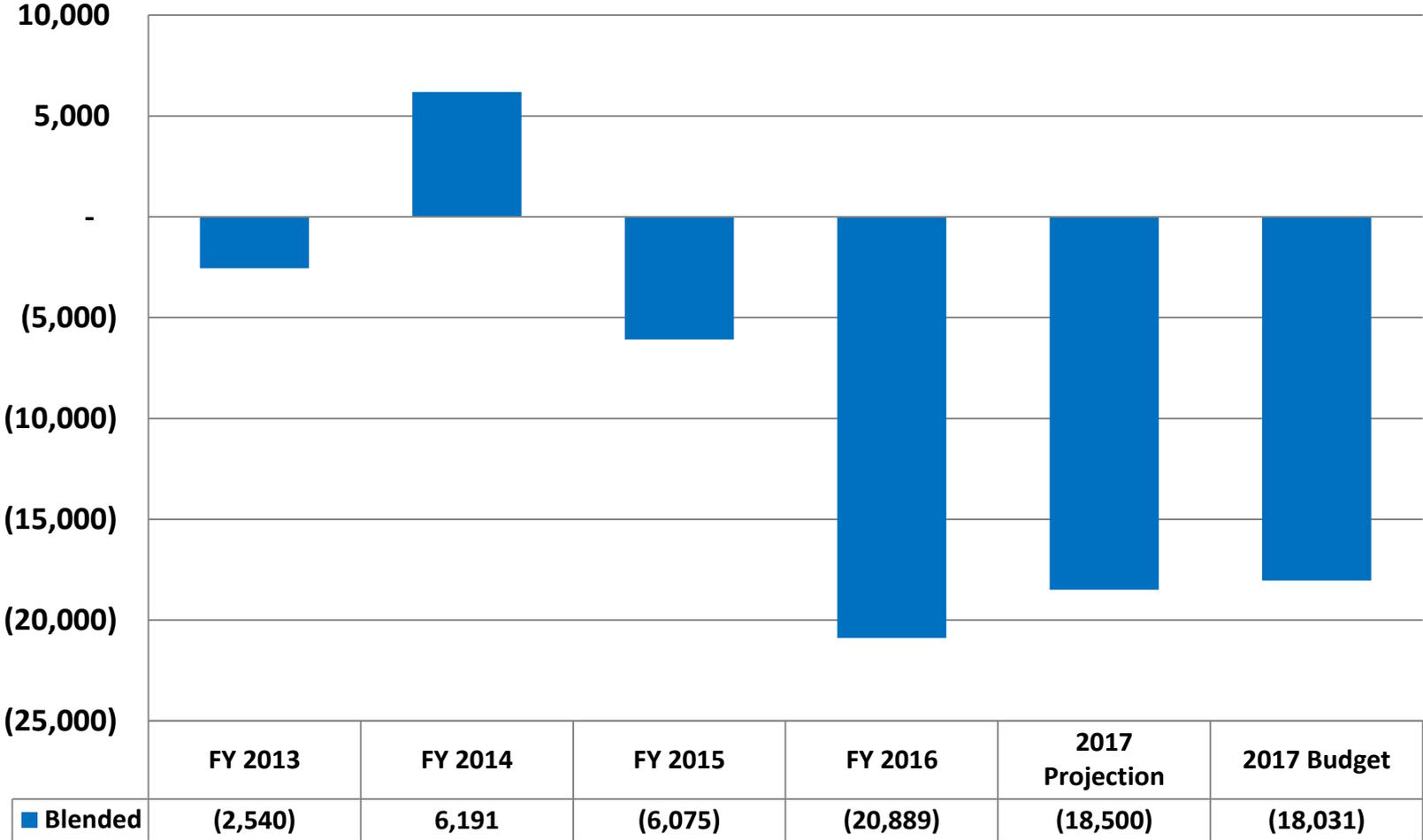
# Earnings Before Interest, Depreciation & Amortization (EBIDA)

Blended Operations



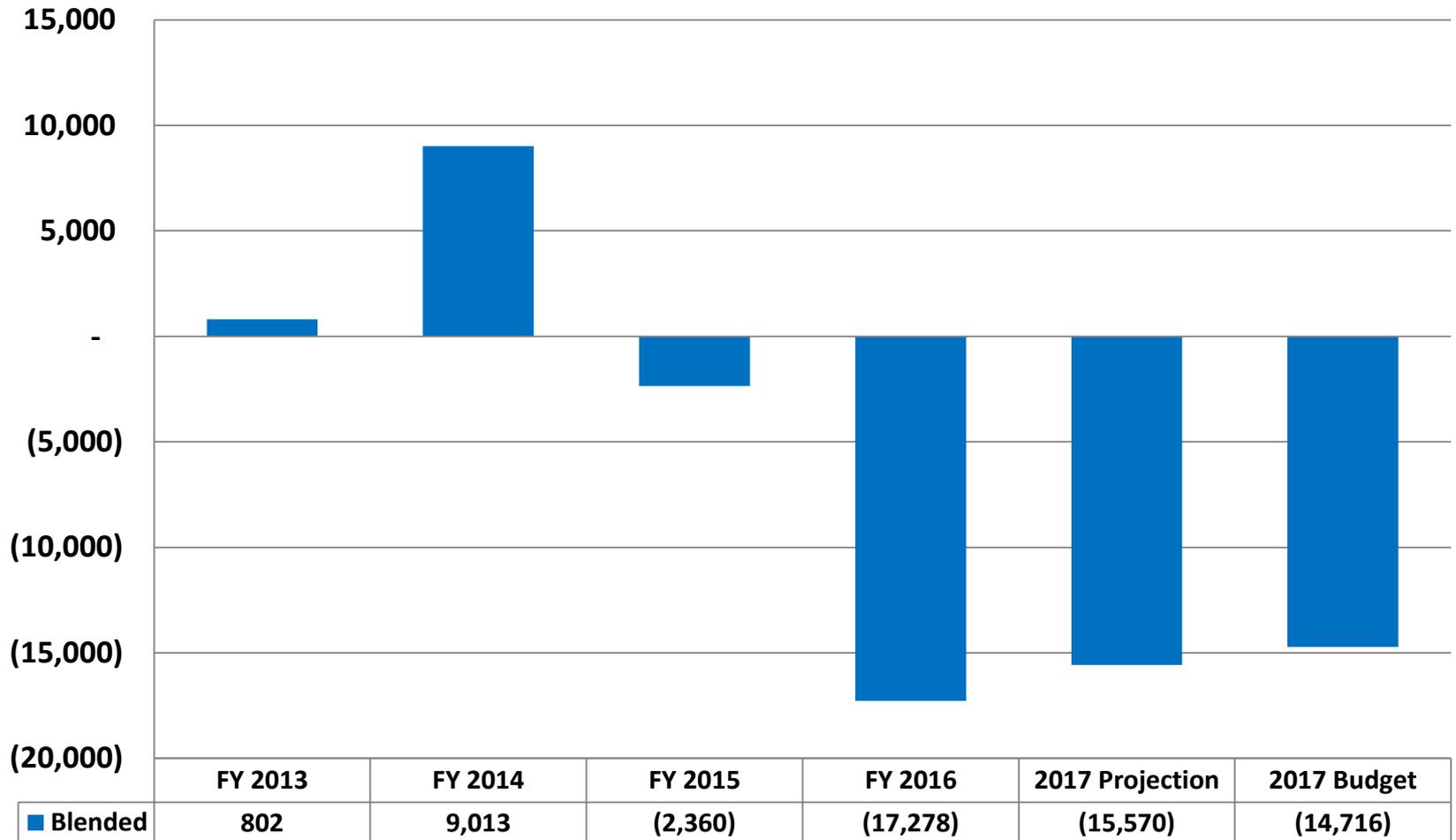
# Net Gain (Loss) from Operations

Blended Operations – Year to Date



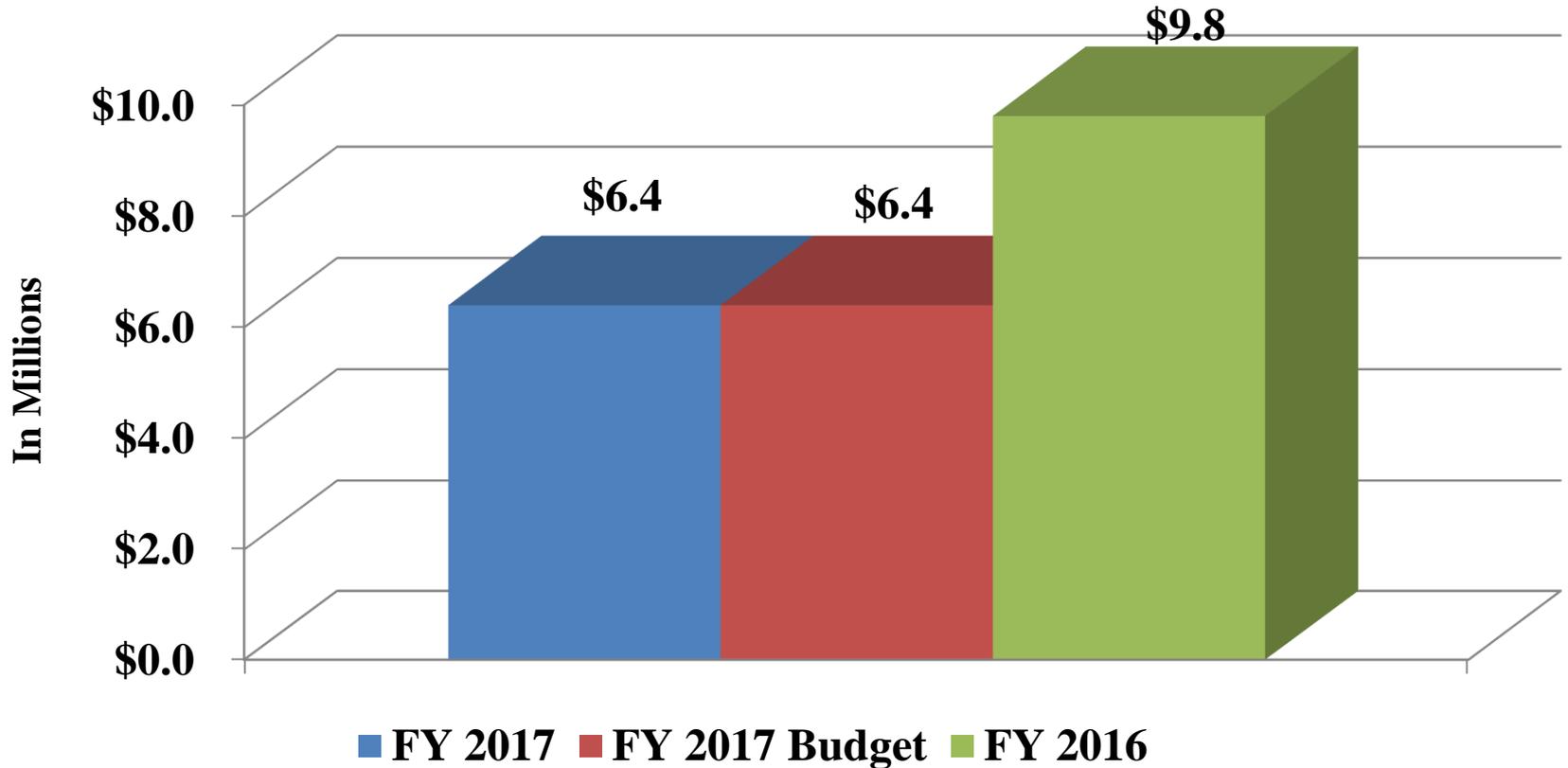
# Change in Net Position

## Blended Operations – Year to Date



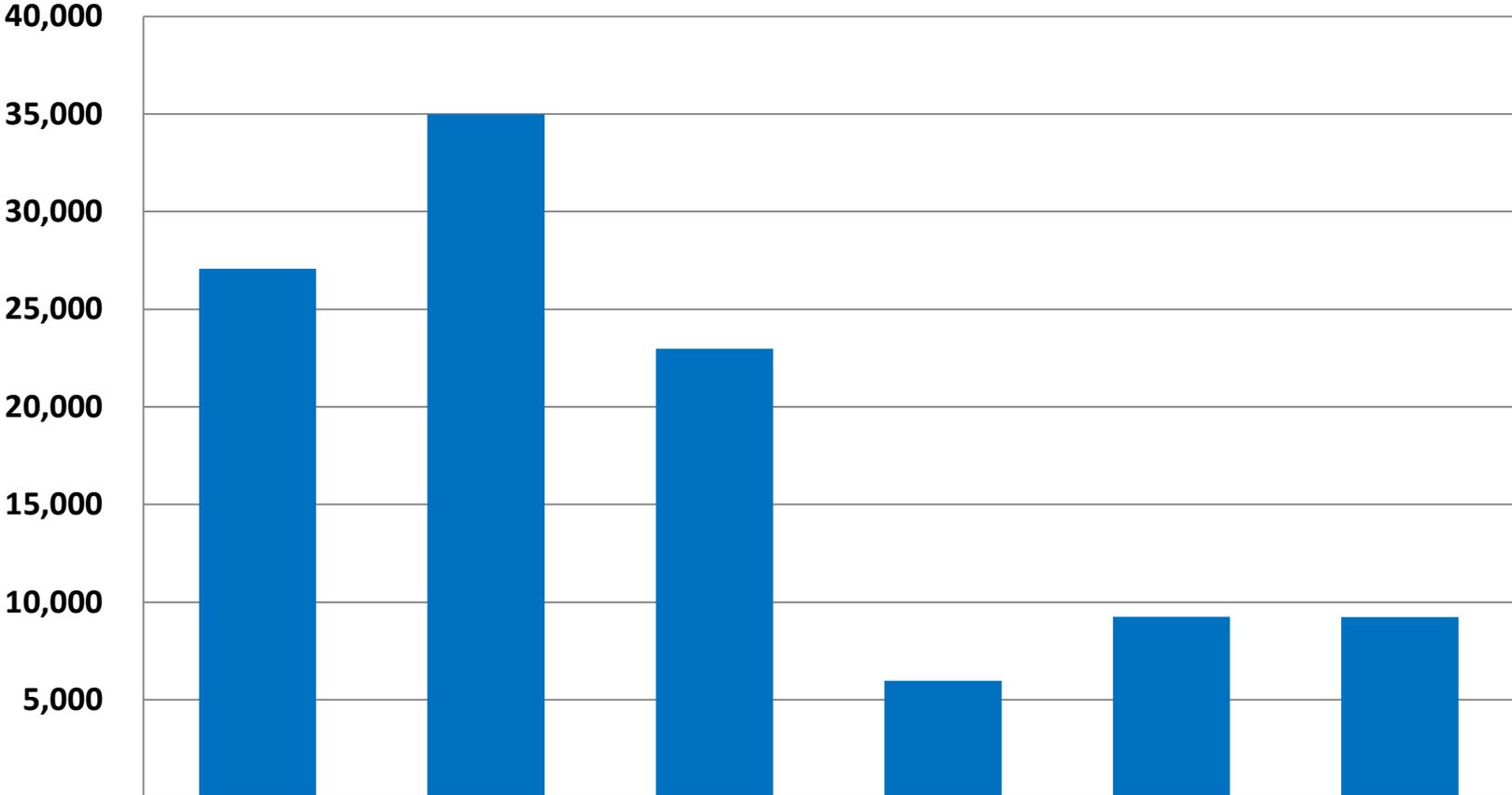
# Earnings Before Interest, Depreciation & Amortization (EBIDA)

Blended Operations – Year to Date



# EBIDA

## Blended Operations – Year to Date



	FY 2013	FY 2014	FY 2015	FY 2016	2017 Projection	2017 Budget
Blended	27,071	34,977	22,976	5,978	9,247	9,229





July 11, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
 BOARD OF DIRECTORS**

**Item to be considered:**

Medical Staff and Allied Health Professionals Staff Applicants

**Statement of Pertinent Facts:**

Pursuant to Sections 4.1-4 and 6.2-6 of the Medical Staff Bylaws, the application process for the following Medical Staff and Allied Health Professional applicants is complete. The Joint Conference Committee and the Medical Executive Committee recommend approval of privileges or scope of practice and membership to the Medical Staff or Allied Health Professionals Staff for the following applicants, effective upon Board Approval:

Medical Staff:

<b>Applicant</b>	<b>Department</b>	<b>Specialty/Privileges</b>	<b>Group</b>	<b>Dates</b>
Gerhardt, Erich DO	Surgery	General & Trauma Surgery	Acute Surgical Care	07/11/2017 – 06/30/2018
James, Rebecca MD	OB/GYN	OB/GYN	Premier Physicians	07/11/2017 – 06/30/2018
*Saldanha, Vilas MD	Surgery	Orthopedics	EmCare	07/11/2017 – 06/30/2018
York, Gregory MD	Surgery	General & Trauma Surgery	Acute Surgical Care	07/11/2017 – 06/30/2018

Allied Health:

<b>Applicant</b>	<b>Department</b>	<b>Specialty / Privileges</b>	<b>Group</b>	<b>Sponsoring Physician(s)</b>	<b>Dates</b>
*Lopez, Sabino Joshua CRNA	Anesthesia	CRNA	MCH ProCare	Dr. Gillala, Dr. Bryan, Dr. Munnell, Dr. Price, Dr. Young, Dr. Tang	07/11/2017 – 06/30/2019
*Nieto, Sandra FNP	Family Medicine	Nurse Practitioner	MCH ProCare	Dr. Johany Herrera	07/11/2017 – 06/30/2019

\*Please grant temporary Privileges

**Advice, Opinions, Recommendations and Motions:**

If the Hospital District Board of Directors concurs, the following motion is in order: Accept the recommendation of the Medical Executive Committee and the Joint Conference Committee and approve privileges and membership to the Medical Staff as well as scope of practice and Allied Health Professional Staff membership for the above listed applicants.

Gregory Shipkey, MD, Chief of Staff  
 Executive Committee Chair  
 /TL

July 11, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS**

**Item to be considered:**

Reappointment of the Medical Staff and/or Allied Health Professional Staff

**Statement of Pertinent Facts:**

The Medical Executive Committee and the Joint Conference Committee recommends approval of the following reappointments of the Medical Staff and Allied Health Professional Staff as submitted. These reappointment recommendations are made pursuant to and in accordance with Medical Staff Bylaws sections 4.4-4 and 6.6-3.

**Medical Staff:**

Applicant	Department	Staff Category	Specialty/ Privileges	Group	Changes in Privileges	Dates
Acreman, Anne MD	Family Medicine	Courtesy	Family Medicine	Permian Premier		09/01/2017 – 08/31/2018
Alam, Nimat MD	Family Medicine	Active	Family & Geriatric Medicine	TTUHSC		09/01/2017 – 08/31/2019
Armstrong-Paap, Faye MD	Surgery	Active	General Surgery	Private		08/01/2017 – 07/31/2019
Bhari Jayadevappa, Abhishek MD	Anesthesia	Associate	Anesthesiology	MCH ProCare		08/01/2017 – 07/31/2018
Blanchard, Lawrence MD	Anesthesia	Associate	Anesthesiology	MCH ProCare		08/01/2017 – 07/31/2018
Casanova, Diana MD	Family Medicine	Active	Family Medicine	Private		09/01/2017 – 08/31/2019
Gonzalez, Alfonso MD	Family Medicine	Active	Family Medicine	Private		09/01/2017 – 08/31/2019
Heidlebaugh, Michael MD	Emergency Medicine	Associate to Active	Emergency Medicine	BEPO		09/01/2017 – 08/31/2019
Le, Chau MD	Family Medicine	Active	Family Medicine	TTUHSC		09/01/2017 – 08/31/2019
McGehee, Mark MD	Radiology	Telemedicine	Telemedicine	VRAD		08/01/2017 - 07/31/2019
Nasser, Nawaal MD	Pathology	Active	Anatomic & Clinical Pathology	MCH ProCare		09/01/2017 – 08/31/2019
Ramanathan, Chittur MD	Family Medicine	Active	Family & Geriatric Medicine	MCH ProCare	ADD: Co-management of severely ill and multi-organ failure patients; Renal failure, acute/chronic, diagnose and evaluate; Ventilation management, initial, emergent; Electrocardiography, interpretation of (formal interpretation for Hospital)	09/01/2017 – 08/31/2019
Salcedo, Eduardo MD	Family Medicine	Active	Family Medicine	Private	ADD: Ostomy, management of; Hyperbaric Oxygen Therapy (HBOT)	09/01/2017 – 08/31/2019
Salcido, Francisco MD	Family Medicine	Active	Family Medicine	Private		08/01/2017 – 07/31/2019
Shelton, Michael MD	Family Medicine	Active	Family Medicine	Wendover Family Medicine		09/01/2017 – 08/31/2019
Siegler, Steve MD	Family	Courtesy	Family Medicine	First		09/01/2017 –

	Medicine			Physicians		08/31/2018
Snow, Terri MD	Radiology	Telemedicine	Telemedicine	VRAD		09/01/2017 - 08/31/2019
Sponsel, Charles MD	Family Medicine	Active	Family Medicine	TTUHSC	DELETE: Sexual abuse, prevention and detection of; Surgical emergencies, diagnose; Colposcopy; Vasectomy	09/01/2017 – 08/31/2019
Stafford, Lori DO	OB/GYN	Active	OB/GYN	Private	DELETE: da Vinci Surgical System	09/01/2017 – 08/31/2019
Townsend, Timothy MD	Radiology	Active	Diagnostic Radiology	MCH ProCare		09/01/2017 – 08/31/2019
Voesack, Lawrence MD	Family Medicine	Active	Family Medicine	Private	ADD: End of life care, management of	09/01/2017 – 08/31/2019

**Allied Health Professionals:**

Applicant	Department	Specialty / Privileges	Group	Sponsoring Physician(s)	Change in Privileges	Dates
Bueno, Nancy FNP	Family Medicine	Nurse Practitioner	MCH ProCare	Jorge Alamo, MD		09/01/2017 – 08/31/2019
Gaspar, Christina NP	Family Medicine	Nurse Practitioner	MCH ProCare	James Ingram, MD		09/01/2017 – 08/31/2019
Ramkissoon, Ramnauth PA	Family Medicine	Physician Assistant	MCH ProCare	Jorge Alamo, MD	Medication prescriptions (must provide a supervised signed “Notice of Prescriptive Authority” which includes current DEA/DPS and TMB registration)	09/01/2017 – 08/31/2019
Washburn, Lindsey PA	Surgery	Physician Assistant	WTX Urology	Dr. Stike, Dr. Staub, Dr. Dragun		09/01/2017 – 08/31/2019
Wolfram, Jennie CRNA	Anesthesia	CRNA	MCH ProCare	Dr. Gillala, Dr. Bryan, Dr. Munnell, Dr. Price, Dr. Young, Dr. Tang		09/01/2017 – 08/31/2019

**Advice, Opinions, Recommendations and Motions:**

If the Hospital District Board of Directors concurs, the following motion is in order Accept and approve the recommendations of the Medical Executive Committee and the Joint Conference Committee relating to the reappointment of the Medical Staff and/or Allied Health Professional Staff.

Gregory Shipkey, MD, Chief of Staff  
 Executive Committee Chair  
 /TL



July 11, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS**

**Item to be considered:**  
Change in Clinical Privileges

**Statement of Pertinent Facts:**

The Medical Executive Committee and the Joint Conference Committee recommends the request below on change in clinical privileges. These clinical changes in privileges are recommendations made pursuant to and in accordance with Medical Staff Bylaws sections 4.2-11.

**Change in Clinical Privileges:**

Staff Member	Department	Privilege
Ramanathan, Chittur MD	Family Medicine	ADD: Co-management of severely ill and multi-organ failure patients; Renal failure, acute/chronic, diagnose and evaluate; Ventilation management, initial, emergent; Electrocardiography, interpretation of (formal interpretation for Hospital)
Salcedo, Eduardo MD	Family Medicine	ADD: Ostomy, management of; Hyperbaric Oxygen Therapy (HBOT)
Sponsel, Charles MD	Family Medicine	DELETE: Sexual abuse, prevention and detection of; Surgical emergencies, diagnose; Colposcopy; Vasectomy
Stafford, Lori DO	OB/GYN	DELETE: da Vinci Surgical System
Voesack, Lawrence MD	Family Medicine	ADD: End of life care, management of
LaVallee, Dayna PA	OB/GYN	Issue orders for medications, treatments, laboratory tests, etc. (countersigned by supervising physician); Medication prescriptions (must provide a supervised signed "Notice of Prescriptive Authority" which includes current DEA/DPS and TMB registration)

**Advice, Opinions, Recommendations and Motions:**

If the Hospital District Board of Directors concurs, the following motion is in order: Accept and approve the recommendations of the Medical Executive Committee and the Joint Conference Committee relating to the change in clinical privileges of the Allied Health Professional Staff.

Gregory Shipkey, MD, Chief of Staff  
Executive Committee Chair  
/TL



July 11, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS**

Item to be considered:

Change in Medical Staff or AHP Staff Status– Resignations/ Lapse of Privileges

**Statement of Pertinent Facts:**

The Medical Executive Committee and the Joint Conference Committee recommends approval of the following changes in staff status. These resignations/lapse of privileges are recommendations made pursuant to and in accordance with the Medical Staff Bylaws section 4.4-4.

**Resignation/ Lapse of Privileges:**

**None**

Advice, Opinions, Recommendations and Motion:

If the Hospital District Board of Directors concurs, the following motion is in order: Accept and approve the recommendations of the Medical Executive Committee and the Joint Conference Committee to approve the Resignation / Lapse of Privileges.

Gregory Shipkey, MD, Chief of Staff  
Executive Committee Chair  
/TL



July 11, 2017

**ECTOR COUNTY HOSPITAL DISTRICT  
BOARD OF DIRECTORS**

**Item to be considered:**

Change in Medical Staff or AHP Staff Category

**Statement of Pertinent Facts:**

The Medical Executive Committee and the Joint Conference Committee recommend approval of the following changes in staff status category. The respective departments determined that the practitioners have complied with all Bylaws requirements and are eligible for the change as noted below.

**Staff Category Change:**

<b>Staff Member</b>	<b>Department</b>	<b>Category</b>
Akins, Robin MD	Radiology	Associate to Active
Heidlebaugh, Michael MD	Emergency Medicine	Associate to Active
MacMurdo, Lee FNP	Medicine	Supervising Phys. Change : Reddy, Anand MD
York, Caroline PA	Surgery	Supervising Phy. Change : Merkle, Paul MD

**Advice, Opinions, Recommendations and Motion:**

If the Hospital District Board of Directors concurs, the following motion is in order: Accept and approve the recommendations of the Medical Executive Committee and the Joint Conference Committee to approve the staff category changes.

Gregory Shipkey, MD, Chief of Staff  
Executive Committee Chair  
/TL

# DHG

.....  
healthcare



**Medical Center Health System  
Revenue Cycle Improvement Assistance**

June 14, 2017

June 14, 2017

Mr. Jon Riggs  
Chief Financial Officer  
Medical Center Health System  
500 W 4<sup>th</sup> Street  
Odessa, Texas 79761

Dear Jon:

Dixon Hughes Goodman LLP (“DHG”) appreciates the opportunity to provide this proposal to assist Ector County Hospital District dba Medical Center Health System (“MCHS”) with select Revenue Cycle process improvement activities to include:

**Immediate**

- Reduction in the Discharged, Not Final Billed (“DNFB”) balance to an amount more reflective of industry Best-of-Practice levels (and levels consistent with MCHS’ pre-conversion experience)
- Assistance and oversight of the billing and resolution of accounts currently in DNFB status

**Intermediate**

- Mitigation of “root causes” that led to the unacceptable DNFB balance

We have organized this letter of engagement into the following sections:

- Our Understanding of Current Needs
- Scope of Work and Approach
- Staffing, Qualifications and Professional Fees
- Limitations on Services Provided

**OUR UNDERSTANDING OF CURRENT NEEDS**

DHG understands that MCHS would like assistance in designing and implementing a detailed work plan that will reduce the Hospital’s Discharged, Not Final Billed balance from the current unacceptable level to a level more “in line” with industry “Best of Practice” standards to be agreed upon with MCHS management; In addition, MCHS desires assistance in developing and implementing appropriate steps to facilitate adjudication of accounts currently included in DNFB as those accounts are billed to payers. Furthermore, DHG understands that MCHS management desires that this effort be completed in an accelerated fashion to optimize cash collections prior to September 30, 2017 and that this would necessitate the reduction of DNFB to a more acceptable level by August 15, 2017. Finally, MCHS would like assistance in making appropriate changes to current work flows to mitigate those root causes identified during this process.

## SCOPE OF WORK AND APPROACH

Listed below are the initiatives that are included within the scope of this engagement.

## DNFB REDUCTION

High-level work steps related to this effort include, but are not limited to:

- **Data Analysis**
  - Obtain electronic version of DNFB listing & sort by reason bill cannot “drop”
  - Compare listing to nThrive listing to determine those items that appear to be “false positives” (e.g., those items that nThrive shows being billed and accepted by third party payer, but are still included in Cerner as Discharged, Not Final Billed).
  - Sort remaining list by Physician, Dollar, and build work list for resolution
- **Information gathering**
  - DHG staff to work with Patient Financial Services (“PFS”)/Health Information Management (“HIM”) leadership to schedule and perform site visits to gather appropriate data to facilitate billing
- **Data input**
  - DHG will provide staff with Cerner experience to input appropriate data to facilitate billing
- **Billing & collection of accounts**
  - As accounts are “dropped” into the billing queues, DHG will work with PFS leadership to ensure bills are processed and forwarded to payers in a timely manner. DHG will provide billing personnel to facilitate this process, if necessary
  - DHG will work with PFS management to ensure proper “follow-up” on accounts that are not paid by payers based on initial submission
- **“Root Cause” identification**
  - Based upon the findings from the DNFB reduction effort, DHG will create a listing of “root causes” for DNFB buildup

### *Value-added*

As a part of the ongoing DNFB effort, DHG will also perform the following:

- **Run free self-pay discovery demo**
  - This process will identify those patients that are currently classified in the wrong financial class. This listing will facilitate the current effort, as well as, identify process improvement opportunities in Patient Access areas
- **Perform billing edits analysis**
  - Designed to identify top billing edit errors. This process will identify improvement opportunities in the Billing area

## MITIGATION OF “ROOT CAUSES” OF DNFB BUILDUP

High-level work steps related to this effort include, but are not limited to:

- **Prioritize the “root causes” list develop as part of the DNFB reduction effort**
  - Based on magnitude of “fix” and value to the organization
- **Perform current state/future state analysis designed to identify “root cause” fixes**
  - Process will consider people, process & technology (system functionality)
- **Determine desired future state and develop implementation plan**
- **Implement Future State**
  - DHG will provide implementation and training, as agreed upon with MCHS management

## DELIVERABLES

Our project deliverables will include the following:

- Weekly Status report outlining accomplishments, “Quick Hits” implemented immediately and a Weekly Standing Call with MCHS and DHG Leadership.
- “Quick Hits” that can be implemented immediately
- Completed Action Plan for DNFB reduction
- Completed Action Plan that identifies root causes, mitigation steps, and completed items for all initiatives.
- Completed or updated Policy and Procedures for Departments where processes have been changed or modified.

## STAFFING, QUALIFICATIONS AND PROFESSIONAL FEES

DHG is prepared to begin this engagement upon receipt of a signed copy of this engagement letter. I will serve as Member in Charge of this project ensuring that the consulting services provided by DHG are well coordinated and meet your objectives. An experienced Manager will oversee all day-to-day aspects of this project and a project team will assist in performing action plan work steps and updates.

Our initial fees for this engagement will be based upon 70% of our standard billing rates, not to exceed \$50,000. Any additional fees will be agreed upon with Management, based upon final approval by MCHS’s Board of Trustees.

In addition to the professional fees, it is our policy to bill separately for any out-of-pocket expenses incurred during the performance of an engagement. Typical out-of-pocket expenses include, but may not be limited to, such items as transportation, lodging, and meals while on-site. As is our usual practice, we will invoice you monthly for professional fees and out of pocket expenses incurred. Invoices are payable in 30 days.

**Your satisfaction with our services in this project is extremely important and in the event the actual results achieved do not meet your expectations, we will mutually agree to an adjusted fee and/or to perform additional work as deemed appropriate by both parties.**

## TERMS AND CONDITIONS

1. **Management's Responsibilities.** Management of Medical Center Health System ("MCHS") is responsible for establishing and maintaining an effective internal control system. Dixon Hughes Goodman ("DHG") services may include advice and recommendations with respect to such systems. MCHS's management shall be fully and solely responsible for applying independent business judgment with respect to the services and work product provided by DHG, to make implementation decisions, if any, and to determine further courses of action with respect to any matters addressed by DHG to MCHS in any advice, recommendation, service, report, or other work product or delivery.
2. **Cooperation.** MCHS agrees to cooperate with DHG in the performance of DHG services to the MCHS, including the provision to DHG of reasonable facilities and timely access to MCHS's data, information and personnel. MCHS shall be responsible for the performance of MCHS's employees and agents and for the accuracy and completeness of all data and information provided to DHG for purposes of this engagement.
3. **Term.** Unless terminated sooner in accordance with its terms, this engagement shall terminate upon the completion of DHG's services hereunder. In addition, this engagement may be terminated by either DHG or MCHS at any time by giving written notice to the other party.
4. **Payment of Invoices.** MCHS agrees to pay properly submitted invoices within thirty (30) days of the invoice date (or any other date that DHG may agree to in writing). DHG shall have the right to halt or terminate entirely its services until payment is received on past due invoices. All fees, charges and other amounts payable to DHG hereunder do not include any sales, use, excise, value added or other applicable taxes, tariffs or duties, payment of which shall be MCHS's sole responsibility, excluding any applicable taxes based on DHG's net income or taxes arising from the employment or independent contractor relationship between DHG and DHG's personnel.

5. **Ownership.**

- (a) **DHG Property.** DHG creates, acquires or owns various concepts, methodologies, and techniques; models; templates; software, user interfaces or screen designs; general purpose consulting and software tools; and logic, coherence and methods of operation of systems (collectively, the “DHG Property”). DHG retains all ownership rights in
- (b) the DHG Property. MCHS shall acquire no right or interest in such property, except for the license expressly granted in the next paragraph. In addition, DHG shall be free to provide services of any kind to any other party as it deems appropriate, and DHG may use the DHG Property to do so. DHG acknowledges the DHG Property shall not include any of MCHS’s confidential information or MCHS’s tangible or intangible property, and DHG shall have no ownership rights in such property.
- (c) **Ownership of Deliverables.** Except for DHG Property, and upon full and final payment to DHG, deliverables or work product specified in the engagement letter or proposal to which these terms are attached (the “Deliverables”) will become MCHS’s property. If any DHG Property is contained in any of the Deliverables, DHG hereby grants MCHS, a royalty-free, non-exclusive license to use the DHG Property in connection with the use of the Deliverables.

6. **Infringement.**

- (a) DHG agrees to indemnify, hold harmless and defend MCHS from and against all claims, liabilities, losses, expenses (including reasonable attorneys’ fees), fines, penalties, taxes or damages (collectively “Liabilities”) asserted by any third party against MCHS to the extent such Liabilities result from the infringement by the deliverables of any third party’s trade secrets, trademarks, copyrights, or patents issued as of the date of the attached Proposal or Engagement Letter. The preceding provisions shall not apply to any infringement arising out of the following:
  - (i) use of the Deliverables other than in accordance with applicable documentation or instructions supplied by DHG or other than in accordance with Paragraph 8;
  - (ii) any alteration, modification or revision of the Deliverables not expressly agreed to in writing by DHG; or
  - (iii) the combination of the Deliverables with materials not supplied by DHG.
- (b) In case any of the Deliverables or any portion thereof is held, or in DHG’s reasonable opinion is likely to be held, in any such suit to constitute infringement, DHG may within a reasonable time, at its option, either:
  - (i) Secure for MCHS the right to continue the use of such infringing item; or
  - (ii) replace, at DHG’s sole expense, such item with a substantially equivalent non-infringing item or modify such item so that it becomes non-infringing. In the event DHG is, in its reasonable discretion, unable to perform either of options described in (i) or (ii) above, MCHS must return the Deliverable to DHG, and DHG’s sole liability shall be to refund to MCHS the amount MCHS paid DHG for such item.
- (c) The provisions of this Paragraph 6 state DHG’s entire liability and MCHS’s sole and exclusive remedy with respect to any infringement or claim of infringement.

7. **Limitation on Warranties.** THIS IS A SERVICES ENGAGEMENT. DHG WARRANTS THAT IT WILL PERFORM SERVICES HEREUNDER IN GOOD FAITH. DHG DISCLAIMS ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.
8. **Indemnification.** MCHS acknowledges and agrees that any advice, recommendations, information or work product provided to MCHS by DHG in connection with this engagement is based in part upon the accuracy of MCHS's factual representations to DHG and is not intended to be relied upon by any other parties. To the extent permitted by law, MCHS will indemnify, defend and hold DHG harmless from and against any and all manner of actions, causes of actions, suits, promises, debts, sums of money, damages, judgments, claims, and any demands whatsoever of any kind, both known and unknown, and of any nature arising under or by virtue of (i) any misrepresentation to DHG by MCHS, and (ii) claim or demand of any third party to the extent resulting from that party's use or possession of or reliance upon DHG's advice, recommendations, information or work product as a direct or indirect result of MCHS's use or disclosure of such advice, recommendations, information or work product, except as such use, possession or reliance is specifically authorized by DHG in writing or otherwise authorized by applicable law.
9. **Remedies/Limitation of Damages.** Neither MCHS nor DHG may assert against the other any claim in connection with this engagement unless the asserting party has given the other party written notice of the claim within one (1) year after the asserting party first knew or should have known of the facts giving rise to such claim. DHG shall not be liable to MCHS for any actions, damages, claims, liabilities, costs, expenses or losses arising out of the services performed hereunder for a total amount in excess of the fees paid or owing to DHG for services rendered by DHG under this engagement. DHG shall not be liable for consequential, special, indirect, incidental, punitive or exemplary damages, costs, expenses, or losses (including, without limitation, lost profits and opportunity costs). The provisions of this Paragraph shall apply regardless of the form of action, damage, claim, liability, cost, expense, or loss, whether in contract, statute, tort, or otherwise.
10. **Confidentiality.** MCHS and DHG both acknowledge and agree that all information communicated by one party (the "Disclosing Party") to the other (the "Receiving Party") in connection with this engagement shall be received in confidence, shall be used only for purposes of this engagement, and no such confidential information shall be disclosed by the Receiving Party or its agents or personnel without the prior written consent of the other party. Except to the extent otherwise required by applicable law or professional standards, the obligations under this section do not apply to information that: (a) is or becomes generally available to the public other than as a result of disclosure by the Receiving Party, (b) was known to the Receiving Party or had been previously possessed by the Receiving Party without restriction against disclosure at the time of receipt thereof by the Receiving Party, (c) was independently developed by the Receiving Party without violation of this agreement or (d) MCHS and DHG agree from time to time to disclose. Each party shall be

deemed to have met its nondisclosure obligations under this Paragraph as long as it exercises the same level of care to protect the other's information as it exercises to protect its own confidential information, except to the extent that applicable law or professional standards impose a higher requirement. DHG may retain, subject to the terms of this Paragraph, one copy of MCHS's confidential information required for compliance with applicable professional standards or internal policies. If either MCHS or DHG receives a request to disclose all or any part of the confidential information of the other or in the event MCHS receives a request to disclose any advice, recommendations, information or work product provided to MCHS by DHG under the engagement, pursuant to the terms of a valid and effective subpoena or order issued by a court of competent jurisdiction, each of MCHS and DHG agree to (i) immediately notify the other of the existence, terms and circumstances surrounding such a request so that such party may consider seeking a protective order or other appropriate remedy and/or waive compliance with the provisions hereof, (ii) consult with such party on the advisability of taking legally available steps to resist or narrow such request, and (iii) if disclosure of such information is required, exercise its best efforts, at the expense of the party whose information is required to be disclosed to obtain an order or other reliable assurance that confidential treatment will be accorded to such portion of the information which such party so designates.

11. **Independent Contractor.** MCHS and DHG are both independent contractors and neither MCHS nor DHG are, or shall be considered to be, an agent, distributor or representative of the other. Neither MCHS nor DHG shall act or represent itself, directly or by implication, as an agent of the other or in any manner assume or create any obligation on behalf of, or in the name of, the other.
12. **Force Majeure.** Neither MCHS nor DHG shall be liable for any delays resulting from circumstances or causes beyond their reasonable control, including, without limitation, fire or other casualty, act of God, strike or labor dispute, war or other violence, or any law, order or requirement of any governmental agency or authority.
13. **Assignment.** Neither MCHS nor DHG may assign, transfer or delegate any of its rights or obligations without the prior written consent of the other party, such consent not to be unreasonably withheld.
14. **Survival.** The provisions of Paragraphs 1, 4, 5, 6, 7, 8, 9, 10, 11, 12 and 14 hereof shall survive the expiration or termination of this engagement.
15. **Severability.** In the event that any term or provision of this agreement shall be held to be invalid, void or unenforceable, then the remainder of this agreement shall not be affected, and each such term and provision of this agreement shall be valid and enforceable to the fullest extent permitted by law.
16. **Entire Agreement.** These terms, and the Proposal or Engagement Letter to which these terms are appended, including Exhibits, constitute the entire agreement between MCHS and DHG with respect to the engagement and supersede all other oral and written representation, understandings or agreements relating to the engagement.

- 17. **Governing Law.** This agreement shall be governed by and construed in accordance with the laws of the State of Texas.
- 18. **Venue.** Any claims or disputes under this agreement shall be heard in the state courts sitting in the county and state of Ector County, Texas and both parties expressly consent to the personal jurisdiction and venue of such state courts for such actions.

We greatly appreciate being given the opportunity to provide professional services to MCHS. If the above terms are acceptable, please provide the appropriate signature in the space provided below and return the signed document to my attention. If you have any questions concerning this proposal, please contact Bill Hannah at (817) 276-4122.

Sincerely,



Bill Hannah, Principal

**ACKNOWLEDGED:**

MCHS

Accepted by:



Date:

06-16-2017



**Bill Hannah // Principal**  
Fort Worth, Texas  
(817) 276-4122  
bill.hannah@dhgllp.com

[www.dhgllp.com/healthcare](http://www.dhgllp.com/healthcare)

**DHG**  
DIXON HUGHES GOODMAN LLP

**ECHD BOARD OF DIRECTORS  
2017-2018 COMMITTEE ASSIGNMENTS – Proposed for approval 7-11-2017**

<p><b><u>Finance Committee (monthly)</u></b> David Dunn - Chairman Bryn Dodd Ben Quiroz Gregory Shipkey, MD Fernando Boccalandro, MD William Webster Jon Riggs</p>	<p><b><u>Long Range Planning Committee (as needed)</u></b> Ben Quiroz, Chairman Mary Lou Anderson Don Hallmark William Webster Gregory Shipkey, MD Fernando Boccalandro, MD</p> <p><b><u>Administrative Staff and TTUHSC Representative</u></b> Jon Riggs                      John O’Hearn Tony Ruiz                      Matt Collins Chad Dunavan                Gary Ventolini, MD, TTUHSC</p>
<p><b><u>Bylaws Committee (as needed)</u></b> Mary Lou Anderson, Chairman Bryn Dodd Adela Vasquez</p> <p><b><u>Administrative Staff</u></b> William Webster</p>	<p><b><u>Audit Committee (bi-monthly)</u></b> David Dunn, Chairman (<i>ECHD Board Vice Pres.</i>) Bryn Dodd Adela Vasquez</p> <p><b><u>Administrative Staff and Other Representatives (non-voting)</u></b> William Webster                Barbara Dingman Jon Riggs                         Ron Griffin David Duree</p>
<p><b><u>Joint Conference – Monthly</u></b> Mary Thompson Mary Lou Anderson Don Hallmark William Webster Tony Ruiz Chad Dunavan Gregory Shipkey, MD Fernando Boccalandro, MD</p>	<p><b><u>MCH/Tech Coordinating Committee (as needed)</u></b> Adela Vasquez, Chairman Ben Quiroz Don Hallmark</p> <p><b><u>Administrative Staff</u></b> William Webster Dr. Gary Ventolini, MD (Texas Tech)</p>
	<p><b><u>Executive Committee (as needed)</u></b> Consists of President, Vice Pres. and one additional board member Mary Thompson, Chairman (ECHD Board President) David Dunn, (ECHD Board Vice-President) Ben Quiroz</p>
<p align="center"><b>Miscellaneous</b></p> <p><b>MCHS Foundation (ex-officio member):</b> Mary Thompson, ECHD Bd. Pres.</p> <p><b>Odessa Partnership:</b> Mary Thompson, William Webster</p> <p><b>Local Govt. (Property):</b> Don Hallmark</p> <p><b>ProCare Board (ex-officio member):</b> Mary Thompson, Mary Lou Anderson, Don Hallmark</p> <p><b>Council of Governments:</b> Mary Thompson</p> <p><b>Compliance Committee:</b> Mary L. Anderson</p> <p><b>Ector County Appraisal District:</b> David Dunn (Rep)</p>	

# JOEL V. ROBERTS

Attorney at Law  
Of Counsel to City of Odessa

P. O. Box 4398

Odessa, Texas 79760-4398

Phone: (432) 335-3228

Fax (432) 335-3257

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June 21, 2017

Mr. William W. Webster, CEO  
Medical Center Hospital  
P.O. Box 7239  
Odessa, TX 79760

RE: Request to Adopt Guidelines and Criteria Governing Tax Abatement in  
Reinvestment and Enterprise Zones

Dear Mr. Webster:

The City of Odessa adopted Tax Incentive Guidelines at their meeting on June 13, 2017, to be effective on July 28, 2017, for a new two year term. In order to participate in tax abatements, it will be necessary for each Tax Entity to approve the Guidelines. We request your consideration for this important economic development incentive.

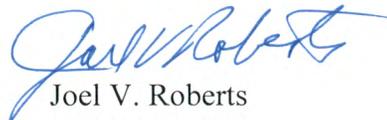
The State requires that Tax Incentive Guidelines be adopted every two years in order to continue the statutory authorizations and the ability to do tax abatement for purposes of economic development. This item will adopt the Tax Incentive Guidelines for a new two year term to continue on July 28, 2017. The Tax Incentive Committee recommended adopting the Guidelines currently in place with one change. It recommended deleting Sections IV. A. 13, IV. B. 12 and IV. C. 13 which read "No property taxes shall be abated if the owner or lessee has relocated from a place within the City limits of Odessa." The attached Guidelines have deleted this section.

Enclosed is a copy of the Resolution and Guidelines that were adopted by the City Council. When your Board approves these Guidelines, please forward a certified copy of your adopted Resolution to us for our records.

If you will contact Wesley Burnett, Economic Development Director for the Odessa Chamber of Commerce and let him know when you will have your board meeting, he will be glad to attend and make a presentation

Thank you for your assistance.

Sincerely yours,



Joel V. Roberts  
Attorney at Law

JVR/cmb

cc: Wesley Burnett  
Miles Nelson

Enc(s)

**RESOLUTION NO. 2017R-67**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ODESSA, TEXAS, ADOPTING THE GUIDELINES AND CRITERIA GOVERNING TAX ABATEMENT AND BUSINESS INCENTIVES IN THE REINVESTMENT ZONES AND ENTERPRISE ZONES; APPROVING THE FINDINGS OF FACT; AND DECLARING AN EFFECTIVE DATE.

**WHEREAS**, it has been two years since the Guidelines and Criteria were last adopted on July 14, 2015, by Resolution No. 2015R-59; and

**WHEREAS**, Section 312.002(c) limits the effective period to two years; and

**WHEREAS**, the City Council wishes all of the tax entities to continue to be eligible to participate in the tax abatement program for another two year period; and

**WHEREAS**, the proposed Guidelines and Criteria comply with Chapter 312, Texas Tax Code; and

**WHEREAS**, the proposed Guidelines and Criteria have been recommended by the Enterprise Zone Committee and are in keeping with HB 1964.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ODESSA, TEXAS:**

**Section 1.** That the statements of fact in the Preamble are found to be true and correct and are approved as findings.

**Section 2.** That the Guidelines and Criteria Governing Tax Abatement and Business Incentives in the Reinvestment Zones and Enterprise Zones, attached hereto as Exhibit "A", are approved and adopted for a new two year term to commence on July 28, 2017.

**Section 3.** That this resolution shall be effective at the time of its adoption.

The foregoing resolution was approved and adopted on the 13<sup>th</sup> day of June, A.D., 2017, by the following vote:

Malcolm Hamilton	AYE
Dewey Bryant	AYE
Barbara Graff	NAY
Michael Gardner	AYE
Filiberto Gonzales	AYE

Approved the 13<sup>th</sup> day of June, A.D., 2017.

\_\_\_\_\_  
David R. Turner, Mayor

ATTEST:

\_\_\_\_\_  
Norma Aguilar-Grimaldo, City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Larry Long, City Attorney

EXHIBIT "A"

**GUIDELINES AND CRITERIA GOVERNING TAX ABATEMENT  
IN  
REINVESTMENT ZONES AND IN ENTERPRISE ZONES**

**SECTION I. General Purpose:**

The City of Odessa is committed to the promotion of high quality residential, commercial and industrial development in enterprise zones and in reinvestment zones in the City of Odessa and in its extraterritorial jurisdiction ("Zones"); and to an ongoing improvement in the quality of life for citizens residing in the Zones. The Affected Jurisdictions recognize that these objectives are generally served by enhancement and expansion of the local economy. The Affected Jurisdictions will give consideration to providing tax abatement, as authorized by Texas Tax Code, Chapter 312, or Texas Government Code, Chapter 2303, as stimulation for economic development within the Zones. It is the policy of the Affected Jurisdictions that said consideration will be provided in accordance with the guidelines and criteria herein set forth.

Nothing contained herein shall imply, suggest or be understood to mean that the Affected Jurisdictions are under any obligation to provide tax abatement to any specific applicant (Texas Tax Code, Section 312.002(d)). With the above rights reserved, all applicants for tax abatement will be considered on the basis of the following guidelines and criteria:

**SECTION II. Definitions:**

As used within these guidelines and criteria, the following words or phrases shall have the following meaning:

1. **Affected Jurisdictions:** The City of Odessa, the County of Ector, the Ector County Hospital District and Odessa Junior College.
2. **Base Year Value:** The assessed value of the property eligible for tax abatement as of January 1 preceding the execution of a Tax Abatement Agreement, as defined herein.
3. **City:** Means the City of Odessa and its extraterritorial jurisdiction.
4. **Commercial Facility:** Facilities classified as commercial include local office, service, or retail.
5. **Distribution Facility:** A building or structure, also referred to as a distribution center, used or to be used primarily to receive, store, service or distribute goods or materials for a regional, statewide, national or international market.
6. **Existing Facility:** A facility or structure in its existing condition as of the date of execution of the Tax Abatement Agreement, located in or on Real Property, as defined herein.
7. **Eligible Abatement Property:** Means New Investment as defined herein.

## EXHIBIT "A"

8. **Industrial Facility:** Means a facility that is used for manufacturing and producing a product; research and development; distribution centers; warehouse facilities, capable of serving as a decentralized storage; regional or national corporate headquarters. The majority of the products or services must be ultimately exported to regional, statewide, national or international markets. Industrial Facility does not include local retail, service or office.
9. **Job(s):** Means new permanent job(s) that provide at least 1820 hours of employment a year to an employee or employees and are intended to exist during the period of the Tax Abatement Agreement).
10. **New Facility:** The construction of a new facility on previously undeveloped Real Property eligible for tax abatement.
11. **New Investment:**
  - (a) Subject to the following listed exceptions, New Investment means the portion of the value of the Real Property or of the Tangible Personal Property located on the Real Property, or both, to the extent its value for that year exceeds its value for the year in which the agreement is executed or as otherwise provided by Chapter 312 of the Tax Code as now adopted or as hereinafter amended.
  - (b) It must be an improvement or repair to the property. An improvement means a valuable addition made to property (usually real estate) or amelioration in its condition, amounting to more than maintenance or replacement, costing labor or capital and intended to enhance its value, beauty or utility or to adopt it for new or additional purposes.
  - (c) It generally has reference to buildings, but it may also include permanent structures or other development, such as a street, sidewalks, sewers and utilities.
  - (d) It includes personal property, such as machinery, however, personal property such as vehicles, inventory or supplies shall not be included.
  - (e) Aircraft, housing (except as allowed for a Residential Facility, Hotel Convention Center and Ancillary Development or Downtown Facilities, as provided for herein,) boats, property owned by the State of Texas and property owned by a member of an Affected Jurisdiction are not included.
  - (f) It is also understood that New Investment is meant to be the added value that would be subject to ad valorem taxation but for the tax abatement, except for any improvements that are required to be constructed and dedicated to a public entity. The value will be estimated based on the schedules used by the appraisal district for common property or based on the cost method of valuation used by the appraisal district. Such estimates of cost and value for tax appraisal purposes include the following direct and indirect elements of cost such as direct labor, materials, supervision,

## EXHIBIT "A"

utilities, equipment rental, installation of components, architecture and engineering, building permits, title and legal expenses, all risk insurance during construction, other taxes during construction, construction loan fees and interest payments during construction and any overhead for such construction. Though the estimate of New Investment is based on principles of assessing property for ad valorem taxes, the appraisal district is not obligated to find the same value when it performs the official appraisal of the property each year.

12. **Owner or Owned:** Means either the title owner or a lessee, with a lease commitment of at least 15 years, of the Eligible Abatement Property on January 1 of the year subject to the tax abatement.
13. **Real Property:** Land on which real property improvements are to be made.
14. **Renovation of Existing Facility:** The addition of buildings, structures, machinery or equipment to a facility after the date of execution of a Tax Abatement Agreement.
15. **Tangible Personal Property:** Means any personal property, not otherwise defined herein, and which is necessary for the proper operation of any type of Residential, Commercial or Industrial Facility.
16. **Tax Abatement Agreement:** Means an agreement between the Owner and any Affected Jurisdiction which provides for tax abatement and complies with all statutory and guideline regulations.
17. **Zone:** Means the area in the City or in its extraterritorial jurisdiction designated as an Enterprise Zone pursuant to the Enterprise Zone Act, Chapter 2303, Texas Government Code and it shall also include reinvestment zones established pursuant to Chapter 312 of the Tax Code.

### **SECTION III. Intent of Criteria and Guidelines:**

The intent of the criteria and guidelines, as herein set forth, is to establish the minimum standards which an applicant for tax abatement must meet in order to be considered eligible by the Affected Jurisdictions.

### **SECTION IV. Criteria and Guidelines for Tax Abatement:**

#### **A. Commercial Facility Tax Abatement**

A Commercial Facility will be eligible for tax abatement consideration provided such Commercial Facility meets the following guidelines and criteria:

1. A business must clearly add to the Odessa economic base. Compliance with this criterion must show that additional Jobs are being provided unless significant capital is being invested so that the capital investment is sufficient consideration standing alone.

## EXHIBIT "A"

2. Creation of new value: Abatement may only be granted for the addition of Eligible Abatement Property under the following circumstances:
  - (a) modernization of a Commercial Facility;
  - (b) construction of a new Commercial Facility;
  - (c) expansion of a Commercial Facility.
3. Property that does not comply with the definition of Eligible Abatement Property shall be fully taxed.
4. Eligible Abatement Property that is located outside the city limits but in an Industrial District may be allowed an abatement of money paid in lieu of taxes subject to the same terms, conditions and restrictions as are applicable to property taxes in the City. It may also provide for tax abatement at such time as the property is annexed by the City.
5. In order for a Commercial Facility to qualify for abatement, the following conditions must apply:
  - (a) The Eligible Abatement Property must be Owned by the person, corporation, partnership or other business entity that receives the tax abatement; or,
  - (b) In the case of Eligible Abatement Property leased from an Affected Jurisdiction, the Eligible Abatement Property must be Owned by the person, corporation, partnership or other business entity that would receive the tax abatement except for the lease, and said Owner must have a lease commitment of at least **15 years**.
  - (c) A Tax Abatement Agreement may not be assigned to a new Owner, unless provided for in the Tax Abatement Agreement.
  - (d) Property must be properly zoned for the use stated by the Owner in the application.
6. The amount and term of abatement shall be determined based on the criteria and schedule for incentives provided herein, however, in no event shall taxes be abated for a term in excess of **ten (10) years** commencing as provided by the Texas Tax Code, Chapter 312. The amount of the taxable value of Eligible Abatement Property to be abated by the Affected Jurisdiction shall be from 10% to 100% and the term of the abatement shall be based on the criteria and incentive schedule set forth herein.
7. No Commercial Facility shall be eligible for tax abatement under these guidelines and criteria unless such property is located in a Zone and in compliance with Texas Tax Code, Chapter 312.

EXHIBIT "A"

8. The economic qualification for tax abatement for a Commercial Facility shall be as follows subject to other guideline provisions:
  - (a) Qualifications for **five (5) years** tax abatement:
    - (1) The creation of at least five Jobs, and
    - (2) minimum New Investment of \$100,000.00.
  - (b) Qualifications for **six (6) years** tax abatement:
    - (1) The creation of at least ten Jobs, and
    - (2) minimum New Investment of at least \$250,000.00.
  - (c) Qualifications for **seven (7) years** tax abatement:
    - (1) The creation of at least 15 Jobs, and
    - (2) minimum New Investment of at least \$500,000.00.
  - (d) Qualifications for **eight (8) years** tax abatement:
    - (1) The creation of at least 20 Jobs, and
    - (2) minimum New Investment of at least \$750,000.00.
  - (e) Qualifications for **nine (9) years** tax abatement:
    - (1) The creation of at least 25 Jobs, and
    - (2) minimum New Investment of at least \$1 million.
  - (f) Qualifications for **ten (10) years** tax abatement:
    - (1) The creation of at least 30 Jobs, and
    - (2) minimum New Investment of at least \$2 million.
9. Taxability:
  - (a) The portion of the value of Eligible Abatement Property to be abated shall be abated in accordance with the terms and provisions of the Tax Abatement Agreement.
  - (b) All ineligible property shall be fully taxed.
10. The governing body of each Affected Jurisdiction shall have total discretion as to whether to participate in the tax abatement to be granted within a Zone for a particular Real Property site. Such discretion, as herein retained, shall be exercised on a case-by-case basis. The adoption of these guidelines and criteria by the governing body of an Affected Jurisdiction does not:
  - (a) Limit the discretion of the governing body to decide whether to enter into a specific Tax Abatement Agreement;

## EXHIBIT "A"

- (b) Limit the discretion of the governing body to delegate to its employees the authority to determine whether or not the governing body should consider a particular application or request for tax abatement; or,
  - (c) Create any property, contract, or other legal right in any person to have the governing body consider or grant a specific application for tax abatement.
11. The burden to demonstrate that an application for tax abatement should be granted shall be upon the applicant. Each Affected Jurisdiction to which the application has been directed shall have full authority to request any additional information from the applicant that the governing body of such Affected Jurisdiction deems necessary to assist it in considering such application.
  12. In order to receive City tax abatement for Eligible Abatement Property, the Owner must agree to improve or rehabilitate the property to the standard required by the City.

### **B. Industrial Facility Tax Abatement:**

An Industrial Facility will be eligible for tax abatement consideration provided such facility meets the following guidelines and criteria:

1. Creation of new value: Abatement may only be granted for the additional value resulting from Eligible Abatement Property under the following circumstances:
  - (a) modernization of an Industrial Facility;
  - (b) construction of a new Industrial Facility;
  - (c) expansion of an Industrial Facility.
2. Tax Abatement is limited to **10 years**.
3. Compliance with criteria must show that additional Jobs are being provided unless significant capital is being invested so that the capital investment is sufficient consideration standing alone.
4. In order for an Industrial Facility to qualify for abatement, one of the following conditions must apply:
  - (a) The Eligible Abatement Property must be Owned by the person, corporation, partnership or other business entity or,
  - (b) In the case of leased Eligible Abatement Property all improvements placed thereon together with all Tangible Personal Property used in conjunction with said improvements must be Owned by the person, corporation, partnership or other business entity, and said Owner must have a lease commitment of at least **15 years**.

## EXHIBIT "A"

- (c) Property must be properly zoned for the use stated by the Owner in the application.
5. No property shall be eligible for tax abatement unless such property is located in a Zone.
  6. In order to receive City tax abatement, the Owner must agree to improve or rehabilitate the property to the standard required by the City.
  7. The economic qualification for Industrial Facility tax abatement, subject to other provisions herein, shall be as follows:
    - (a) **New Industrial Facility**
      - (1) The creation and operation of a new Industrial Facility which has not previously existed within the Affected Jurisdiction; and,
      - (2) The Eligible Abatement Property to be erected or affixed in or on the Real Property for which tax abatement is sought, excluding the Base Year Value, must be at a **minimum value of one million dollars**, and the new Industrial Facility must create and retain **at least 10 Jobs during the term established in the Tax Abatement Agreement** executed by the Owner and the Affected Jurisdiction; or,
    - (b) **Expansion of Existing Industrial Facility:**
      - (1) The structural addition to an Industrial Facility in the amount of **at least \$500,000, and the creation and retention of additional Jobs equal to 10% of the prior work force** at said Industrial Facility during the term established in the Tax Abatement Agreement executed by Owner and the Affected Jurisdiction; or,
      - (2) In the event the value of the structural addition is **less than \$500,000, there will be an increase in value of 25% of the Existing Facility and the expansion will cause an increase in and retention of the existing work force at said Industrial Facility by at least 25%** during the term established in the Tax Abatement Agreement executed by Owner and the Affected Jurisdiction.
    - (c) **Modernization of Existing Facility:**
      - (1) The replacement and upgrading of an existing Industrial Facility and the value of such improvements, excluding the land, will be at a **minimum value of one million dollars**, and such replacement and upgrading must **create and retain at least an additional 10 Jobs during the term** established in the Tax Abatement Agreement executed by the applicant and the Affected Jurisdiction; or,



## EXHIBIT "A"

### **C. Residential Facility Tax Abatement:**

A Residential Facility will be eligible for tax abatement consideration provided such Residential Facility meets the following guidelines and criteria:

1. Only the owners of housing, which is not a single-family residence, duplex, condominium or townhome, shall be eligible for tax abatement.
2. Other than for low-income housing, in order to qualify for tax abatement, the Residential Facility must be developed in conjunction with a Commercial Facility that qualifies for tax abatement and not more than 50 percent of the land area in the Zone may be used solely for a Residential Facility.
3. The term and amount of abatement shall be the same as provided for the Commercial Facility developed with the Residential Facility.
4. Abatement may only be granted for the addition of new value through modernization, construction or expansion of a Residential Facility.
5. Property that does not comply with the definition of Eligible Abatement Property shall be fully taxed.
6. A Tax Abatement Agreement may not be assigned unless provided for in the Tax Abatement Agreement.
7. The property must be properly zoned.
8. The property must be located in a Zone and in compliance with Texas Tax Code, Chapter 312.
9. Taxability:
  - (a) The portion of the value of Eligible Abatement Property to be abated shall be abated in accordance with the terms and provisions of the Tax Abatement Agreement.
  - (b) All ineligible property shall be fully taxed.
10. The governing body of each Affected Jurisdiction shall have total discretion as to whether to participate in the tax abatement to be granted within a Zone for a particular Real Property site. Such discretion, as herein retained, shall be exercised on a case-by-case basis. The adoption of these guidelines and criteria by the governing body of an Affected Jurisdiction does not:
  - (a) Limit the discretion of the governing body to decide whether to enter into a specific Tax Abatement Agreement;
  - (b) Limit the discretion of the governing body to delegate to its employees the authority to determine whether or not the governing body should consider a particular application or request for tax abatement; or,

## EXHIBIT "A"

- (c) Create any property, contract, or other legal right in any person to have the governing body consider or grant a specific application for tax abatement.
- 11. The burden to demonstrate that an application for tax abatement should be granted shall be upon the applicant. Each Affected Jurisdiction to which the application has been directed shall have full authority to request any additional information from the applicant that the governing body of such Affected Jurisdiction deems necessary to assist it in considering such application.
- 12. In order to receive City tax abatement for Eligible Abatement Property, the Owner must agree to construct, modernize or expand the property to the standard required by the City.

### **D. Hotel, Convention Center and Ancillary Development:**

- 1. The location of improvements is significant, with those located within 1000 feet of the hotel or convention center facility having the greatest impact to revitalize the downtown area. For that reason, there is justification for additional incentives to encourage development in that area. This section is applicable to that area within 1000 feet of the hotel or convention center facility located between Texas Avenue, 5th Street, 6th Street and the alley located in the block between Hancock and Tom Green. Attached as Exhibit "A" is an area map depicting the location.
- 2. The provisions set forth in this section shall supersede provisions included in other sections of the Guidelines and Criteria to the extent of any conflict. Terms and conditions set forth in Section V can be modified if the proposed terms comply with state laws.
- 3. "Convention Center and Ancillary Development" in the described area shall mean: convention centers, entertainment related facilities, meeting spaces, restaurants, shops, hotels and parking facilities.
- 4. The amounts and terms for Tax Abatement offered for convention center and ancillary development shall be based on the type and quality of the improvements, location, cost of construction, number of jobs, subject to statutory law requirements for Texas Government Code, Chapter 2303 or Texas Tax Code, Chapter 312, whichever is applicable. It must show a clear demonstration of public purpose and economic benefit through advancement of the City's revitalization strategy for the future growth and development of the downtown area.
- 5. If applicable, other sections in these guidelines are available as another option.
- 6. Abatement may only be granted for the addition of new value through modernization, construction or expansion.
- 7. Property that does not comply with the definition of New Investment shall be fully taxed.
- 8. A Tax Abatement Agreement may not be assigned unless provided for in the Tax Abatement Agreement.

EXHIBIT "A"

9. The property must be properly zoned.
10. The governing body of each Affected Jurisdiction shall have total discretion as to whether to participate in the tax abatement to be granted within a Zone for a particular Real Property site. Such discretion, as herein retained, shall be exercised on a case-by-case basis. The adoption of these guidelines and criteria by the governing body of an Affected Jurisdiction does not:
  - (a) Limit the discretion of the governing body to decide whether to enter into a specific Tax Abatement Agreement;
  - (b) Limit the discretion of the governing body to delegate to its employees the authority to determine whether or not the governing body should consider a particular application or request for tax abatement; or,
  - (c) Create any property, contract, or other legal right in any person to have the governing body consider or grant a specific application for tax abatement.
11. The burden to demonstrate that an application for tax abatement should be granted shall be upon the applicant. Each Affected Jurisdiction to which the application has been directed shall have full authority to request any additional information from the applicant that the governing body of such Affected Jurisdiction deems necessary to assist it in considering such application.
12. In order to receive City tax abatement for Eligible Abatement Property, the Owner must agree to construct, modernize or expand the property to the standard required by the City.

**E. Downtown Facilities:**

1. Downtown Facilities shall include all Downtown Residential Facilities and Downtown Commercial Facilities.
2. Downtown Residential Facilities shall mean any type of multi-family residential facility including condominiums, townhomes, lofts, and apartments located in the Downtown area which is within the following boundaries: 1st Street, Adams Avenue, 10th Street and Bernice Avenue except for the area within the Hotel Convention Center and Ancillary Development area which is covered in Section IV. D.
3. Downtown Commercial Facilities shall mean all services, retail, entertainment related facilities, meeting spaces, restaurants, shops, offices and parking facilities located in the Downtown area which is within the following boundaries: 1st Street, Adams Avenue, 10th Street and Bernice Avenue except for the area within the Hotel Convention Center and Ancillary Development area which is covered in Section IV. D.
4. All Downtown Facilities whether for new construction or the modernization or expansion of existing facilities are subject to consideration for tax abatement with the amount and terms to be based on the type, quality, location of the improvements,

## EXHIBIT "A"

jobs, and cost of New Investment subject to statutory law requirements for Texas Government Code, Chapter 2303, and Tax Code, Chapter 312. It must show a clear demonstration of public purpose and economic benefit through advancement of the City's revitalization strategy for the future growth and development of the downtown area and subject to the following additional guidelines regarding investment:

- (a) Qualifications for **five (5) years** tax abatement: Minimum New Investment of \$100,000.00.
  - (b) Qualifications for **six (6) years** tax abatement: Minimum New Investment of at least \$250,000.00.
  - (c) Qualifications for **seven (7) years** tax abatement: Minimum New Investment of at least \$500,000.00.
  - (d) Qualifications for **eight (8) years** tax abatement: Minimum New Investment of at least \$750,000.00.
  - (e) Qualifications for **nine (9) years** tax abatement: Minimum New Investment of at least \$1 million.
  - (f) Qualifications for **ten (10) years** tax abatement: Minimum New Investment of at least \$2 million.
5. Abatement may only be granted for the addition of new value through modernization, construction or expansion of a Residential Facility.
  6. Property that does not comply with the definition of New Investment shall be fully taxed.
  7. A Tax Abatement Agreement may not be assigned unless provided for in the Tax Abatement Agreement.
  8. The property must be properly zoned.
  9. The governing body of each Affected Jurisdiction shall have total discretion as to whether to participate in the tax abatement to be granted within a Zone for a particular Real Property site. Such discretion, as herein retained, shall be exercised on a case-by-case basis. The adoption of these guidelines and criteria by the governing body of an Affected Jurisdiction does not:
    - (a) Limit the discretion of the governing body to decide whether to enter into a specific Tax Abatement Agreement;
    - (b) Limit the discretion of the governing body to delegate to its employees the authority to determine whether or not the governing body should consider a particular application or request for tax abatement; or,

## EXHIBIT "A"

- (c) Create any property, contract, or other legal right in any person to have the governing body consider or grant a specific application for tax abatement.
- 10. The burden to demonstrate that an application for tax abatement should be granted shall be upon the applicant. Each Affected Jurisdiction to which the application has been directed shall have full authority to request any additional information from the applicant that the governing body of such Affected Jurisdiction deems necessary to assist it in considering such application.
- 11. In order to receive City tax abatement for Eligible Abatement Property, the Owner must agree to construct, modernize or expand the property to the standard required by the City.
- 12. If applicable, other sections in these Guidelines are available as another option except for Section IV D.
- 13. The provisions set forth in this section shall supersede provisions included in other sections of these Guidelines and Criteria to the extent of any conflict.

### SECTION V. Tax Abatement Agreement:

- 1. The Tax Abatement Agreement must:
  - (a) list the kind, number, and location of all proposed improvements on the property;
  - (b) provide access to and authorize inspection of the property by municipal employees to ensure that the improvements or repairs are made according to the specifications and conditions of the agreement;
  - (c) limit the uses of the property consistent with the general purpose of encouraging development or redevelopment of the Zone during the period that property tax exemptions are in effect;
  - (d) provide for recapturing property tax revenue lost as a result of the Tax Abatement Agreement, within 90 days after written notice, if the Owner of the property fails to make the improvements or repairs as provided by the Tax Abatement Agreement;
  - (e) contain each term agreed to by the Owner of the property;
  - (f) require the Owner of the property to submit certain documents and to certify annually to the governing body of each taxing unit that the Owner is in compliance with each applicable term of the agreement; and
  - (g) provide that the governing body of the municipality may cancel or modify the agreement if the Owner fails to comply with the agreement.
  - (h) Include the following provision as a part of the "Recapture" section, now 2.13:

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“.7 Company shall not appeal to court the value of the New Investment as determined by the Appraisal Review Board of the Appraisal District when such value is less than 80% of the New Investment estimated by the Company and expressed as the minimum New Investment in the Tax Abatement Agreement. Such calculations shall exclude any property value for improvements dedicated to a public entity.”

- (i) provide for recapturing property tax revenue lost by each participating tax entity, within 90 days after written notice, if the Owner assigns or sells the Real Property to a tax exempt entity prior to ten years after the expiration of the Tax Abatement Agreement.
2. The Tax Abatement agreement shall be subject to any applicable provisions in Texas Government Code, Section 2303 or Texas Local Government Code, Section 380 or Chapter 312, Texas Tax Code.

### SECTION VI. Procedure:

1. Not later than the seventh day before the City (as required by Texas Tax Code, Section 312.2041 or Section 312.402) enters into an agreement for tax abatement under Texas Tax Code, Section 312.204, the governing body or a designated officer or employee thereof shall deliver to the presiding officer of the governing body of each of the other Affected Jurisdictions in which the property to be subject to the agreement is located, a written notice that the City intends to enter into the agreement. The notice must include a copy of the proposed Tax Abatement Agreement.
2. The notice, as above described in Subparagraph 2, is presumed delivered when placed in the mail, postage paid and properly addressed to the appropriate presiding officer. A notice properly addressed and sent by registered or certified mail for which a return receipt is received by the sender is considered to have been delivered to the addressee.
3. Failure to deliver the notice does not affect the validity of the agreement or subject any Affected Jurisdiction to any claims or suit for damages.
4. To be effective, the Tax Abatement Agreement must be approved by the affirmative vote of a majority of the members of the governing body of the municipality or other Affected Jurisdiction at a regularly scheduled meeting of the governing body.
5. On approval by the governing body, the Tax Abatement Agreement may be executed in the same manner as other contracts made by the municipality or other Affected Jurisdiction.
6. If property taxes on property located in the Zone are abated, the governing body of each Affected Jurisdiction may execute a written agreement with the Owner of the property not later than the 90<sup>th</sup> day after the date the municipal or county agreement is executed, whichever is later. The Tax Abatement Agreement may, but is not required to, contain terms that are identical to those contained in the Tax Abatement Agreement with the municipality, county, or both, whichever applies, and the only terms of the Tax Abatement Agreement that may vary are the portion of the

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property that is to be exempt from taxation under the Tax Abatement Agreement and the duration of the Tax Abatement Agreement.

7. At any time before the expiration of the Tax Abatement Agreement, the Tax Abatement Agreement may be modified to include other provisions that could have been included in the original Tax Abatement Agreement or to delete provisions that were not necessary to the original Tax Abatement Agreement. The modification must be made by the same procedure by which the original Tax Abatement Agreement was approved and executed. The Tax Abatement Agreement may not be modified to extend beyond 10 years from the date the abatement begins. The Tax Abatement Agreement may be terminated by the mutual consent of the parties in the same manner that the Tax Abatement Agreement was approved and executed.

### **SECTION VII. Application:**

Any Owner of a Residential, Commercial or Industrial Facility located within in the Zone may apply for tax abatement by filing an application with the Zone administrator which shall be sufficient to determine the merits of the proposed project and to prepare the tax abatement agreement.

### **SECTION VIII. Reports and Monitoring:**

The following reporting and monitoring provisions shall apply:

1. Company shall provide proof to the City of Jobs created, New Investments and any other required consideration. Documentation for Jobs may be in the form of quarterly IRS 941 returns, TWC Employer Quarterly Reports, or a certified employee roster that show the hours worked and positions filled and such other reports as may reasonably be required.
2. Company, during normal business hours, at its headquarters, shall allow the City reasonable access to its employment records and books to verify employment records, but the confidentiality of such records will be maintained by the City.
3. Company shall certify annually, in a form mutually agreed upon by the City and Company, that the Owner is in compliance with each applicable term of this Agreement. Company shall also provide any other reports that are reasonably necessary for the City to make such certification.

### **SECTION IX. State Franchise Tax Refund**

The City shall assist a Qualified Business that is eligible in obtaining a State Franchise Tax Refund. Whether or not a State Franchise Tax Refund is granted in a particular case is subject to criteria established by the State of Texas, not the City.

### **SECTION X. State Sales Tax Refund**

The City shall assist a Qualified Business that is eligible in obtaining a State Sales Tax Refund as authorized by Tax Code, Section 151.429 and Government Code, Section 2303.504, as well as any other state benefits authorized by law.

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### **SECTION XI. Leasehold Interest**

The governing body of an affected jurisdiction may agree in writing with the owner of a leasehold interest in tax-exempt real property that is located in a reinvestment zone, but that is not in an improvement project financed by tax increment bonds, to exempt a portion of the value of property subject to ad valorem taxation, including the leasehold interest, improvements, or tangible personal property located on the real property, for a period not to exceed 10 years, on the condition that the owner of the leasehold interest make specific improvements or repairs to the real property. A tax abatement agreement under this section is subject to the rights of holders of outstanding bonds of the municipality. An agreement exempting taxable real property or leasehold interests or improvements on tax-exempt real property may provide for the exemption of such taxable interests in each year covered by the agreement only to the extent its value for that year exceeds its value for the year in which the agreement is executed.

A RESOLUTION OF THE ECTOR COUNTY HOSPITAL DISTRICT BOARD OF DIRECTORS, ADOPTING THE GUIDELINES AND CRITERIA GOVERNING TAX ABATEMENT AND BUSINESS INCENTIVES IN THE REINVESTMENT ZONES AND ENTERPRISE ZONES; AND DECLARING AN EFFECTIVE DATE.

**WHEREAS**, it has been at least two years since the Guidelines and Criteria were last adopted; and

**WHEREAS**, Section 312.002(c) limits the effective period to two years; and

**WHEREAS**, the Board of Directors wishes the Ector County Hospital District to continue to be eligible to participate in the tax abatement program; and

**WHEREAS**, the proposed Guidelines and Criteria comply with Chapter 312, Texas Tax Code; and

**WHEREAS**, the proposed Guidelines and Criteria have been recommended by the City of Odessa and the Tax Incentive Committee.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ECTOR COUNTY HOSPITAL DISTRICT:**

**Section 1.** That the facts stated in the preamble are found to be true and correct and are incorporated herein by reference.

**Section 2.** That the Guidelines and Criteria Governing Tax Abatement and Business Incentives in the Reinvestment Zones and Enterprise Zones, attached hereto as Exhibit "A," are approved and adopted.

**Section 3.** That this resolution and the Guidelines and Criteria shall be effective upon approval.

The foregoing resolution was approved and adopted on July 11, 2017, by the following vote: \_\_\_\_\_ in favor, \_\_\_\_\_ opposed.

Approved the 11<sup>th</sup> day of July, A.D., 2017.

\_\_\_\_\_  
Mary E. Thompson, Board President

ATTEST:

\_\_\_\_\_  
Virginia Sredanovich, Board Secretary