



WILLMAR



FINANCE

City Office Building
Box 755
Willmar, Minnesota 56201
320-235-4984
FAX: 320-235-4917

**FINANCE COMMITTEE MEETING
5:00 P.M., MONDAY, JULY 9, 2012
(FOLLOWING SPECIAL COUNCIL MEETING SCHEDULED FOR 4:30 P.M.)
MUNICIPAL UTILITIES AUDITORIUM**

**Chair: Denis Anderson
Vice Chair: Rick Fagerlie**

**Members: Jim Dokken
Tim Johnson**

AGENDA

- 1) Fund Balance Policy Discussion
- 2) Reports
 - A. Rice Hospital May Financial
 - B. Rice Trust May Activity
- 3) Miscellany
- 4) Adjourn



CITY OF WILLMAR, MN

FUND BALANCE POLICY

I. PURPOSE

The purpose of this policy is to establish the specific guidelines for the level of fund balances available for current and future spending in the governmental funds. The fund balance policy addresses a minimum level of unrestricted fund balance to be maintained, how the unrestricted fund balance can be used or spent down and how that fund balance will be replenished if it falls below the minimum level. In addition, the City sets a stabilization amount for use in emergency situations or when revenue shortages or budgetary imbalances arise. The policy also addresses when fund balances will be restricted to specific purposes. For the purpose of this policy any reference to the City Administrator shall mean the City Administrator or his or her designee.

II. BACKGROUND

Government Accounting Standards Board (GASB) Statement No. 54 was enacted to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. In governmental funds, a City should identify fund balance separately between non-spendable, restricted, committed, assigned or unassigned based on the relative strength of the constraints that control how specific amounts can be spent.

Proprietary funds' equity will be managed as a separate business-like enterprise as allowed by U.S. Generally Accepted Accounting Principles (GAAP). The funds will be monitored through operations and their rate structures. Examples of Proprietary funds include Hospital, Municipal Utilities and Sewer. Proprietary fund balances will be classified as either invested in capital assets net of related debt, restricted or unrestricted.

III. CLASSIFICATION OF FUND BALANCE/PROCEDURES

1. **Nonspendable**

- This category includes fund balance that cannot be spent because it is either (i) not in spendable form or (ii) is legally or contractually required to be maintained intact. Examples include inventory, prepaid items, endowments and land held for resale.

2. **Restricted**

- Fund balance should be reported as restricted when constraints placed on those resources are either (i) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (ii) imposed by law through constitutional provisions or enabling legislation. Examples include bond or grant proceeds, tax increments and park dedication fees.

3. Committed

- Fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. The committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to commit those amounts.
- The City's highest level of decision making authority (City Council) will annually or as deemed necessary commit specific revenue sources for specified purposes by formal action. This formal action must occur prior to the end of the reporting period, however, the amount to be subject to the constraint, may be determined in the subsequent period. A committed fund balance cannot be a negative number.

4. Assigned

- Amounts that are constrained by the government's intent to use for specified purposes, but are neither restricted nor committed. Assigned fund balance in the General fund includes amounts that are intended to be used for specific purposes.

5. Unassigned

- Unassigned fund balance represents the residual classification for the General fund. Includes amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General fund. The General fund should be the only fund that reports a positive unassigned fund balance amount.
 - a. The City will maintain an unrestricted fund balance in the General fund of an amount not less than 100% of the next year's budgeted expenditures of the General fund. This will assist in maintaining an adequate level of fund balance to provide for cash flow requirements and contingency needs because major revenues, including property taxes and other government aids are received in the second half of the City's fiscal year.
 - b. If spending unrestricted fund balance in designated circumstances has reduced unrestricted fund balance to a point below the minimum targeted level, as noted above, the replenishment will be funded by property taxes (funding source) within five years (period over which replenishment will occur).

IV. STABILIZATION ARRANGEMENTS

Stabilization arrangements are defined as formally setting aside amounts for use in emergency situations or when revenue shortages or budgetary imbalances arise.

The City will set aside amounts by resolution as deemed necessary that can only be expended when certain specific circumstances exist. The resolution will identify and describe the specific circumstances under which a need for stabilization arises. The need for stabilization will only be utilized for situations that are not expected to occur routinely.

V. MONITORING AND REPORTING

The City Council shall annually review fund balances in relation to this policy in conjunction with the development of the annual budget.

When both restricted and unrestricted resources are available for use, it is the City's policy to first use restricted resources, and then use unrestricted resources as they are needed.

When committed, assigned or unassigned resources are available for use, it is the City's policy to use resources in the following order; 1.) committed 2.) assigned and 3.) unassigned.

A negative residual amount may not be reported for restricted, committed, or assigned fund balances in the General fund.

VI. GOVERNMENTAL FUND DEFINITIONS

GASB Statement 54 provides clarification of the governmental funds definitions. The definitions are added to the fund balance policy to clearly define their reporting requirements. It is also important to understand the fund classification when determining the classification of their fund balances.

General Fund – Used to account for all financial resources not accounted for in another fund.

Special Revenue Funds – Used to account for reporting the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes (other than debt service or capital projects).

- One or more specified restricted or committed revenues are the foundation for the fund (comprise a substantial portion of fund's inflows).
- Other inflows (i.e. interest and transfers) may be reported in fund, if restricted, committed or assigned to the specified purpose of the fund.
- Restricted or committed proceeds of specific revenue sources should be expected to continue to comprise a substantial portion of inflows of the fund.
- Exception for specific revenue rules – General fund of Blended Component Unit (EDA).

Debt Service Funds – Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest payments.

Capital Projects Funds – Used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital project funds exclude those types of capital related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

VII. ENTERPRISE FUND EQUITY

Enterprise funds are used to account for operations financed and operated in a manner similar to private business enterprises, where the City intends the cost of providing goods or services to the public be financed or recovered primarily through user charges. The City's enterprise funds include the Rice Memorial Hospital, Willmar Municipal Utilities and Sewer funds.

It is the City's intent to cover all operating and non-operating expenses through user charges to eliminate the impact on taxpayers. User charges will be reviewed annually to ensure adequate rates are charged for the services provided.

Enterprise funds' equity will be classified in one of the following categories:

- *Investment in Capital Assets, Net of Related Debt.* The component of net assets which is the difference between assets and liabilities of proprietary funds that consists of capital assets less both accumulated depreciation and the outstanding balance of debt that is directly attributable to the acquisition, construction or improvement of the capital assets.
- *Restricted.* The component of net assets which is the difference in assets and liabilities of proprietary funds that consist of assets with constraints placed on their use by either external parties (i.e. creditors or grantors) or through constitutional provisions or enabling legislation.
- *Unrestricted.* The difference between the assets and liabilities of proprietary funds that is not reported as Investment in Capital Assets, Net of Related Debt or Restricted net assets.

The City Council will not establish a minimum required level for equity in proprietary funds other than the funds should cover their own operating and non-operating costs.

IV. OTHER POLICY CONSIDERATIONS

The City will use all *budgetary and financial accounting options* available to maintain the minimum level of fund balance available for appropriation in the General and Special Revenue Funds. Some options available include the following items:

- A specific budgeted revenue increase (i.e. ad valorem property tax increase).

- Increase fees for services.
- Reduction of expenditures in the budget.
- Transfers from other available funds.
- Sale of capital assets.

The City Council requires positive fund balances for all governmental, proprietary and fiduciary funds, with a few exceptions. The Council will allow a negative fund balance in the following instances:

- A project may be in a developmental phase in which all appropriations have not yet been received. It is anticipated the appropriations will be received within the fiscal year or early the following fiscal year. The City Administrator will present anticipated revenue sources to the Council when a deficit occurs for this reason.
- An emergency occurred and all appropriations to pay for the emergency have not been received yet. The City Administrator will keep a current listing of anticipated revenue sources to pay for the emergency.
- Pledges for a project are expected to be received over a period of time. In this case, a long-term receivable may be recorded if the pledges are assured to be received. If the receipt of the pledges is not guaranteed, the receivable cannot be recorded. The project (fund in some cases) will carry a negative balance until all pledges are received.
- An inter-fund loan is not appropriate or not available to cover the fund deficit.

The City Administrator will report shortfalls or surpluses in the projected fund balance levels to the City Council as soon as found to be a significant impact.

If a *fund deficit* occurs, a written plan by the City Administrator to move the fund out of the deficit is required. The City Council is responsible for reviewing and approving the financial plan. The City Administrator will monitor the plan's effectiveness on a monthly basis. The City Administrator will report the plan's effectiveness to the City Council on a quarterly basis.

A *fund surplus*, above all internal and external constraints, may also occur. In this case, the Administrator will notify the City Council to discuss the circumstances of the surplus and determine whether or not the established threshold is effective. Some appropriate plans for using fund surpluses include the following items (but are not limited to):

- Move budgeted expenditure into a future year due to unforeseen circumstances.
- Fund a one-time project or project planning that would not normally be budgeted in the on-going operations of the City.

- Return unused dollars to donors.
- Transfer excess funds to another City fund to finance a project or cover a shortfall.

The City's *credit rating* for debt financing and investing will also be considered in the level of required General fund balance. The City Council may further restrict the required fund balance level to meet a higher credit rating need if possible. The City's credit rating is reviewed annually by the City Administrator, Finance Director, and bond counsel when necessary. The City Administrator shall be responsible for conducting rating reviews.

IV. REPORTING REQUIREMENTS

The City's audit firm shall provide a City presentation of the previous year's financial condition in the modified and full accrual basis of accounting after the audit is completed. Any deficiencies presented by the auditor will be followed up by the City Administrator with a written plan to comply with this policy. The audit presentation will occur before June 30th following the previous year's end.

Adopted by the Willmar City Council on this ?th day of ?, 2012.

Frank Yanish
Mayor

Carlene Stevens
City Administrator

DRAFT

Rice Memorial Hospital
Financial Statements
May 31, 2012

Executive Summary

May was a negative month in terms of financial performance compared to budget and in terms of actual performance. Rice generated a loss of \$70,000 from operations in May compared to budgeted operating income of \$218,000. The primary contributing factor was lower than expected Hospital inpatient activity and Home Medical activity. Hospital inpatient volumes continued to be soft compared to budget and last year as were sales and rental revenues at Home Medical. The overall net income was \$161,000 compared to budgeted net income of \$303,000. The difference relates to unrealized gains on investments due to lower market interest rates thus increasing the unrealized gains on the market value of the instruments.

May 31, 2012 Balance Sheet:

The May balance sheet showed an increase in net assets of \$131,000. Total Assets have decreased \$2.3 million while total liabilities have decreased \$2.4 million. The Total Asset decrease was due to an increase in current assets of \$53,000; a decrease in assets whose use is limited of \$467,000; a decrease in net property, plant, and equipment of \$238,000, and a decrease in other assets of \$1.6 million. The increase in current assets was due to increases in Receivables and offset by decreases in Bond Reserves and Prepaid Expenses. Although Receivables have increased during the year; improvements have been made in the revenue cycle process as evidenced with Days Outstanding decreasing from 67 last month to 61 this month. These improvements have resulted in an improvement in the cash position thus mitigating the need for a line of credit borrowing. Assets whose use is limited decreased due to the refunding of the 2002 Bond Issue which resulted in decreased investments in the reserve funds but offset some by an increase in the Rice Trust Endowment. Net Property, Plant, and Equipment decreased due to depreciation expense greater than capital expenditures. Other Assets have decreased due to decreases in unrestricted or general investments and Deferred Debt Acquisition costs and offset by an increase in the investment in Willmar Medical Services. Cash & General Investments have decreased \$2.2 million since December 31, 2011 due to poor operating performance and an increase in outstanding receivables. However, this is a \$1.2 million improvement from the prior month.

May 2012 Results:

The overall net operating loss was \$70,000 compared to budgeted operating income of \$218,000 and compared to last year's operating income of \$736,000. Patient revenues were \$1.0 million (5.6%) less than budget for the month and 4.0% less than the prior year. Hospital revenues were less than budget with inpatient revenues 24.7% less than budget and outpatient revenues 4.2% greater than budget. Inpatient revenues were driven by the decreased census and lower than anticipated inpatient surgeries. Outpatient revenue variances were the result of increased outpatient surgeries and medical imaging activity. Work has commenced with McGladrey for revenue cycle issues of which this will be completed later this summer. Revenues at the Care Center were up by 22.5% due to increased therapy services provided to the residents. Rice recently partnered and

outsourced all therapy services at the Care Center which increased access and availability of therapy staff. This should have a positive impact to resident care for both long-term and short-term residents. Home Medical revenues continued to be off from budget due to the slower than anticipated hiring of sales staff. The regional account representative position for Redwood Falls is still open.

Consolidated deductions from revenue were \$593,000 (6.7%) less than budget and when netted against total patient revenues yielded a negative net patient revenue variance of \$407,000 (4.6%). Rice completed its submission of the 2011 Medicare Cost Report which indicated additional funds (\$150,000) was due Rice for 2011 activity of which this was booked in May's activity. The Hospital's reimbursement rate for the month was 47.89% compared to a budget of 47.50%; a positive variance of \$59,000.

Other operating revenues were \$24,000 (1.6%) greater than budget due to higher profitability at Willmar Medical Services (WMS). WMS activity at Rice was less than budget by \$73,000 (4.0%) due to decreased Radiation Oncology revenues. Total operating revenues were \$8.3 million or \$309,000 (3.6%) less than budget and \$263,000 (3.1%) less than last year.

Net Expenses were \$8.3 million which was \$20,000 (0.2%) less than budget. Expenses were mixed for the month with Salaries \$126,000 (3.3%) less than budget due to decreased activity and vacancies which was offset by Contract Labor which was \$112,000 greater than budget. Contract Labor variances were due to Hospital and Care Center therapy services contracts. Benefits were \$28,000 (2.4%) greater than budget due to higher than anticipated health insurance costs for the month. Supplies were \$30,000 (2.9%) less than budget due lower activity at Home Medical but offset by increases in Surgery, Blood Bank, Pathology, and Materials. Drugs were \$29,000 (5.6%) less than budget due to lower inpatient activity. Purchased Services were \$76,000 (13.0%) less due to lower costs in Administration and Hospice and a reclassification of Epic costs which have been capitalized but were previously expensed. Repairs were \$77,000 (25.6%) lower due to Medical Imaging, Radiation, Patient Accounting, and Maintenance costs lower than expected. Utilities were \$12,000 (9.8%) less than budget due to mild weather while Insurance was slightly less than budget by \$1,400. Patient Related Travel was \$4,700 (13.7%) less than budget; Education, Travel, and Dues were \$6,200 (8.1%) less than budget; and Other was \$10,000 (24.1%) less than budget due to lower advertising. Depreciation was \$56,000 (9.5%) greater than budget due to a budget miscalculation while Interest was \$56,000 (27.7%) less than budget due to the refunding of the 2002 bonds. Bad Debts were \$17,000 (11.4%) greater than budget while Taxes and Surcharge were \$2,200 (1.2%) less than budget.

Non-operating income was \$146,000 greater than budget due to unrealized gains. Rice has subsequently sold \$1.0 million of investments in order to sell subordinated securities, for which there was an uncomfortable level of risk. Rice will continue to analyze its investments to determine if any additional securities should be sold to capture realized gains.

The Hospital generated an operating loss of \$138,000 compared to budgeted operating income of \$221,000 and compared to last year's operating income of \$722,000. Care Center activity generated operating income for the month of \$97,000 compared to expected operating income of \$34,000 and last year's operating loss of \$13,000. Increased therapy services contributed to the positive income variance. Home Medical

activity generated an operating loss of \$29,000 compared to a budgeted operating loss of \$36,000 and last year's operating income of \$27,000. As mentioned above, lower than expected sales and rental revenues have contributed to this deficit.

May YTD 2012 Results:

The overall net operating loss was \$863,000 compared to budgeted operating income of \$800,000 and last year's operating income of \$1.8 million. Patient revenues were \$4.3 million (5.0%) less than budget and 1.1% less than the prior year. Hospital revenues were less than budget with inpatient revenues 12.8% less than budget and outpatient revenues 0.4% less than budget. Inpatient revenues were driven by the decreased census and lower surgical volumes while Outpatient revenues were the result of flat volumes in many departments and lower radiation therapy revenue. Care Center revenues were \$161,000 (5.0%) greater than budget while Home Medical revenues were \$699,000 (14.4%) less than budget due to lower sales and rental activity.

Consolidated deductions from revenue were \$3.2 million (7.4%) less than budget and when netted against total patient revenues yielded a negative net patient revenue variance of \$1.1 million (2.6%). The Hospital's reimbursement rate was 48.81% compared to a budget of 47.52%; a positive variance of \$979,000.

Other operating revenues were \$719,000 (9.4%) less than budget due to lower activity and profits at Willmar Medical Services. Willmar Medical Services activity at Rice was less than budget by \$267,000 (3.0%) due to lower Radiation Oncology activity. Total operating revenues were \$41.2 million or \$1.5 million (3.7%) less than budget and \$230,000 (0.6%) less than last year.

Net Expenses were \$42.1 million which was \$80,000 (0.2%) greater than budget. Expenses were mixed with Salaries \$197,000 (1.0%) less than budget due lower activity but offset by the Epic conversion costs which were greater than anticipated. Contract Labor was \$690,000 greater than budget due to Emergency Room Physicians, Pharmacy, and contracted therapy costs. As the Care Center has outsourced its therapy services, this variance will continue for the remainder of the year. Benefits were \$193,000 (3.3%) less than budget due to lower than anticipated health insurance costs. Supplies were \$398,000 (7.7%) less than budget due lower activity in numerous departments including Surgery and Home Medical while Drugs were \$976,000 (37.1%) greater due to Medical Oncology purchases. Purchased Services were \$110,000 (3.7%) greater due to consulting and legal costs and reference lab costs. Repairs were \$238,000 (15.7%) less due to lower activity in numerous departments while Utilities were \$78,000 (10.8%) less than budget due to mild weather. Insurance was \$6,800 (2.5%) less than budget; Patient Related Travel was \$10,000 (5.8%) less than budget; Education, Travel, and Dues were \$5,400 (1.4%) less than budget; and Other was \$10,000 (4.9%) less than budget. Depreciation was \$310,000 (10.4%) greater than budget due to the budget miscalculation while Interest was \$170,000 (16.5%) less than budget due to the bond refunding. Bad Debts were \$101,000 (13.9%) less than budget due to improved quality and lower activity with Taxes \$113,000 (12.0%) less than budget due to reconciliations with amounts paid to the City and the successful MN Care Tax and MA Surcharge appeal.

Non-operating income was \$187,000 greater than budget due to realized and unrealized investment gains. Investment income should be lower than budget for a few months due to investment redemptions and sales and the decreased level of investments until positive cash flows resume.

The Hospital generated an operating loss of \$945,000 compared to budgeted operating income of \$643,000 and last year's operating income of \$1.7 million. Care Center activity generated operating income of \$180,000 compared to expected operating income of \$139,000 and last year's operating income of \$93,000. Home Medical activity generated an operating loss of \$98,000 compared to budgeted operating income of \$17,000 and last year's operating loss of \$20,000.

Statistical and Volume Summary

Statistics and volumes were mostly down for the month. Patient days were 17.4% less than budget while admissions were 15.5% less than budget yielding a decrease in length of stay from a budget of 3.50 to 3.38. The previous concerns with the inpatient statistical indicators appear to be resolved and thus the current statistics should be utilized as past volumes have been updated back to February 1, 2012. Compared to the prior year, patient days were 280 less for the month with admissions 76 less than last year. The average daily census for the month was 27.8 compared to a budget of 33.7 and last year's 36.8. Observation patients were 31.5% less than budget and 19.1% less than last year. Total Case Mix Index was 6.2% greater than budget and 8.6% greater than last year. Medicare Case Mix is still unavailable. Overall activity as measured in terms of adjusted admissions was 5.3% greater than budget but 3.8% less than last year while adjusted patient days were 2.9% greater than budget and 5.5% less than last year. Care Center resident days were 2.1% less than budget with an average daily census of 73.4 compared to the budget of 75.

On a YTD basis, patient days were 3.9% less than budget and 11.0% less than last year with admissions 5.2% less than budget and 11.1% less than last year. This equated to an average length of stay for this year at 3.55 compared to the budget of 3.50 and 3.54 from last year. Observation patients were down by 8.9% to budget but 4.3% greater than last year. Total Case Mix was 0.2% less than budget but 1.7% greater than last year. Adjusted admissions were 3.4% greater than budget but 3.0% less than last year while adjusted patient days were 4.7% greater than budget but 2.9% less than last year. Care Center resident days were 4.4% less than budget with a census of 71.7 compared to the budget of 75.0 and last year's census of 63.6.

Ancillary departments were mixed for the month. Surgeries were 7.1% greater than budget and 5.0% greater than last year but inpatient procedures were 32.4% less than budget and 33.9% less than last year. As inpatient surgeries generate higher revenues than outpatient surgeries; it is critical that inpatient surgeries are near projected volumes and thus when volumes are down as significant as May's activity; this will have a negative impact on financial performance. Emergency Room visits were 2.6% less than budget and 2.4% less than last year. Lab tests were up by 1.1% while Medical Imaging procedures were flat compared to budget. Radiation Oncology treatments were 19.7% greater than budget but 13.6% less than last year. Even though volumes were higher than budget; Radiation Oncology revenues were down due to IMRT services not available until early June. Medical Oncology visits were 37.6% greater than budget and 33.9% greater than last year. GI procedures were 22.0% less than budget while Dialysis treatments were 14.7% greater than budget. Rehab visits were 6.2% greater than budget while Hospice visits were 11.6% less than budget and Ambulance runs 21.7% greater than budget.

YTD ancillary activity was also mixed. Surgeries were 9.4% less than budget and 11.2% less than last year with inpatient procedures 20.4% less than budget and 22.4% less than last year. Emergency Room visits were flat compared to budget and last year. Laboratory tests were 1.8% less than budget and 3.2% less than last year. Medical Imaging procedures were 4.0% greater than budget and flat compared to last year. Radiation Oncology treatments were 13.1% greater than budget and 9.7% greater than last year while Medical Oncology visits were 27.6% greater than budget and 24.6% greater than last year. GI procedures were 2.8% greater than budget but 11.9% less than last year while Dialysis treatments were 2.0% greater than budget and 0.9% greater than last year. Rehab visits were greater than budget by 4.4% and 5.4% greater than last year; Hospice visits were 6.4% less than budget and 8.1% less than last year; and Ambulance runs were 1.4% greater than budget and 0.5% greater than last year.

Full Time Equivalents (FTE's) for the month were 781 compared to a budget of 780 and compared to last year's total of 753. YTD FTE's were 801 compared to the budget of 789 and last year's 761.

Key Indicators

The key Operational indicators were negative for the month compared to budget and last year. Consolidated Operating Margin was a negative 0.8% compared to the budget target of 2.5% and last year's 8.6%. Excess Margin was 1.9% compared to the budget of 3.5% and last year's 10.9%. The EBIDA margin was 11.3% for the month compared to a budget of 12.7% and last year's 20.0%.

The YTD Consolidated Operating Margin was a negative 2.1% compared to the budget of 1.9% and last year's 4.4%. Excess Margin was a negative 0.6% compared to the budget of 2.8% and last year's 5.6%. The EBIDA margin was 9.3% compared to the budget of 12.0% and last year's 15.3%

The Financial ratios indicate that the Debt/Capitalization ratio of 45% was at the year-end target. Debt service coverage was 2.3 compared to the budget of 2.9 and compared to the debt covenant of 1.25. Days in accounts receivable were 61 compared to a target of 50 and last year's 65. Home Medical days outstanding were 113 compared to the target of 70 and last month's 127. Days of Cash were 104 compared to the year-end target of 126 and compared to 101 from the prior year. The Financial Strength Index was a negative 0.20 compared to the budget of 1.10 and last year's 1.65.

YTD Hospital productivity ratios in terms of staffing was at the budget with FTE's per adjusted admit at 14.3 compared to a budget of 14.3; last year's ratio of 13.3; and the benchmark of 14.9. FTE's per adjusted patient day were 4.0 compared to the budget of 4.1; last year's ratio of 3.7; and the benchmark of 4.4. Care Center Hours per Resident Day were 6.2 compared to the budget of 5.5 and the benchmark of 5.8. The increase relates to the contracted therapy service which has been much greater than anticipated. Sales per FTE at Home Medical were \$142,000 which was 12.6% less than target and 2.7% less than last year.

**RICE MEMORIAL HOSPITAL
CONSOLIDATED
BALANCE SHEET**
For the Five Months Ending May 31, 2012

	CURRENT YEAR	PRIOR YEAR END	CHANGE
1 ASSETS			
2 CURRENT ASSETS			
3 CASH AND CASH EQUIVALENTS	\$3,716,890	\$3,728,757	(\$11,867)
4 TRUSTEE BOND AGREEMENTS - CURRENT	1,251,682	2,130,440	(878,758)
5 ACCOUNTS RECEIVABLE NET	17,302,234	16,143,018	1,159,216
6 OTHER RECEIVABLES	557,119	521,975	35,144
7 INVENTORY	1,893,953	1,858,419	35,535
8 PREPAID EXPENSES	1,231,700	1,517,862	(286,162)
10 TOTAL CURRENT ASSETS	25,953,577	25,900,470	53,107
12 ASSETS LIMITED AS TO USE			
13 HELD BY TRUSTEES - BOND AGREEMENTS	3,181,089	3,731,642	(550,552)
15 REMAINDER UNITRUST - RECEIVABLE	28,765	47,976	(19,211)
16 ENDOWMENT FUND - INVESTMENTS	2,568,191	2,466,271	101,919
18 TOTAL ASSETS - USE IS LIMITED	5,778,045	6,245,889	(467,844)
20 PROPERTY PLANT & EQUIPMENT			
21 PROPERTY PLANT & EQUIPMENT	132,168,302	129,292,102	2,876,200
22 LESS: ACCUMULATED DEPRECIATION	(70,636,961)	(67,522,491)	(3,114,470)
24 NET PROPERTY, PLANT & EQUIPMENT	61,531,341	61,769,611	(238,270)
26 OTHER ASSETS			
27 INVESTMENTS	22,916,301	25,125,564	(2,209,264)
28 INVESTMENTS - SHARED HEALTH RESOURCES	417,225	411,413	5,812
29 INVESTMENTS - WILLMAR MEDICAL SERVICES	4,171,618	3,335,316	836,301
30 OTHER INVESTMENTS	79,963	79,136	827
32 DEFERRED DEBT ACQUISITION COSTS	209,141	518,347	(309,206)
35 TOTAL OTHER ASSETS	27,794,247	29,469,777	(1,675,529)
37 TOTAL ASSETS	\$121,057,211	\$123,385,747	(\$2,328,536)
40 LIABILITIES AND NET ASSETS			
41 CURRENT LIABILITIES			
42 CURRENT MATURITIES OF LONG TERM DEBT	\$2,252,613	\$1,981,181	\$271,431
43 ACCOUNTS PAYABLE - TRADE	1,538,601	1,563,350	(24,749)
44 ESTIMATED THIRD PARTY PAYOR SETTLEMENTS	36,550	217,700	(181,150)
45 ACCRUED SALARIES, WAGES AND BENEFITS	11,196,120	10,751,022	445,098
46 ACCRUED INTEREST AND DUE TO WMS	2,220,820	2,449,639	(228,819)
48 TOTAL CURRENT LIABILITIES	17,244,704	16,962,892	281,812
50 LONG TERM DEBT (LESS CURRENT PORTION)	46,527,997	49,270,010	(2,742,013)
52 TOTAL LIABILITIES	63,772,701	66,232,902	(2,460,201)
54 COMMITMENTS AND CONTINGENCIES			
56 NET ASSETS			
57 RESTRICTED FUNDS			
58 DEBT SERVICE AND RESERVE	3,001,698	3,552,250	(550,552)
59 SPECIFIC PURPOSE FUND	65,218	74,593	(9,375)
60 PERMANENT ENDOWMENT	2,568,191	2,466,271	101,919
61 CURRENT YEAR INCOME	(251,497)	6,006,621	(6,258,118)
62 UNRESTRICTED	51,900,901	45,053,110	6,847,791
64 TOTAL NET ASSETS	57,284,510	57,152,845	131,665
66 TOTAL LIABILITIES AND NET ASSETS	\$121,057,211	\$123,385,747	(\$2,328,536)

RICE MEMORIAL HOSPITAL CONSOLIDATED
For the Five Months Ending May 31, 2012

	CURRENT MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	VAR %	ACTUAL	BUDGET	VAR %
OPERATING REVENUE						
INPATIENT REVENUE	\$4,367,348	\$5,800,624	(24.7%)	\$24,778,777	\$28,404,075	(12.8%)
OUTPATIENT REVENUE	10,885,890	10,451,665	4.2%	51,145,660	51,362,524	(0.4%)
RICE CARE CENTER REVENUE	802,678	654,998	22.5%	3,372,637	3,211,605	5.0%
RICE HOME MEDICAL REVENUE	740,074	889,473	(16.8%)	4,149,257	4,849,249	(14.4%)
TOTAL PATIENT REVENUE	16,795,990	17,796,760	(5.6%)	83,446,331	87,827,453	(5.0%)
LESS DISCOUNTS & CONTRACTUALS	8,165,979	8,699,887	(6.1%)	39,790,796	42,844,534	(7.1%)
LESS UNCOMPENSATED CARE	95,840	155,373	(38.3%)	587,602	782,913	(24.9%)
TOTAL DEDUCTIONS FROM REVENUE	8,261,819	8,855,260	(6.7%)	40,378,398	43,627,447	(7.4%)
NET REVENUE FROM PATIENTS	8,534,171	8,941,500	(4.6%)	43,067,933	44,200,006	(2.6%)
OTHER OPERATING REVENUE	1,537,294	1,513,081	1.6%	6,933,883	7,652,886	(9.4%)
TOTAL OPERATING REVENUE	10,071,465	10,454,581	(3.7%)	50,001,816	51,852,892	(3.6%)
LESS: WILLMAR MEDICAL SERVICES OPERATING REVENUE	1,758,513	1,831,930	(4.0%)	8,724,442	8,991,922	(3.0%)
TOTAL OPERATING REVENUE	8,312,952	8,622,651	(3.6%)	41,277,374	42,860,970	(3.7%)
OPERATING EXPENSES						
SALARIES AND WAGES	3,731,180	3,857,864	(3.3%)	19,000,337	19,198,100	(1.0%)
CONTRACT LABOR	279,997	167,929	66.7%	1,550,921	860,627	80.2%
SUPPLEMENTAL BENEFITS	1,213,496	1,185,300	2.4%	5,684,581	5,877,894	(3.3%)
SUPPLIES	1,003,749	1,034,193	(2.9%)	4,805,594	5,204,241	(7.7%)
DRUGS	495,090	524,585	(5.6%)	3,613,609	2,636,645	37.1%
PURCHASED SERVICES	509,946	586,101	(13.0%)	3,075,845	2,965,145	3.7%
REPAIRS, SERVICE & RENTALS	225,551	303,134	(25.6%)	1,277,362	1,515,671	(15.7%)
UTILITIES	118,433	131,357	(9.8%)	651,204	729,823	(10.8%)
INSURANCE	54,230	55,706	(2.6%)	271,692	278,529	(2.5%)
PATIENT RELATED TRAVEL	30,235	35,025	(13.7%)	169,133	179,611	(5.8%)
EDUCATION, TRAVEL, & DUES	71,109	77,355	(8.1%)	389,426	389,426	(0.3%)
OTHER	33,680	44,400	(24.1%)	211,116	222,002	(4.9%)
DEPRECIATION AND AMORT	655,146	598,394	9.5%	3,302,336	2,991,966	10.4%
INTEREST	147,537	204,112	(27.7%)	838,117	1,028,269	(16.5%)
BAD DEBTS	166,639	149,572	11.4%	630,290	732,101	(13.9%)
TAXES & SURCHARGE	186,726	189,001	(1.2%)	831,939	945,009	(12.0%)
TOTAL OPERATING EXPENSES	8,922,764	9,144,028	(2.4%)	46,318,194	45,755,059	1.2%
LESS: WILLMAR MEDICAL SERVICES OPERATING EXPENSES	539,444	740,355	(27.1%)	4,176,906	3,694,462	13.1%
NET OPERATING EXPENSES	8,383,320	8,403,673	(0.2%)	42,141,288	42,060,597	0.2%
OPERATING INCOME (LOSS)	(70,368)	218,978	(152.1%)	(863,914)	800,373	(207.9%)
NON OPERATING INCOME	231,743	84,976	172.7%	612,419	424,882	44.1%
NET INCOME (LOSS)	\$161,375	\$303,954	(46.9%)	(\$251,495)	\$1,225,255	(120.5%)
PRIOR YR				PRIOR YR		
TOTAL OPERATING REVENUE				41,507,896		(0.6%)
TOTAL OPERATING EXPENSES				43,114,719		7.4%
OPERATING INCOME (LOSS)				1,831,946		(147.2%)
NET INCOME (LOSS)				\$2,374,311		(110.6%)

RICE HOSPITAL
For the Five Months Ending May 31, 2012

	CURRENT MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	VAR %	ACTUAL	BUDGET	VAR %
OPERATING REVENUE	\$4,367,348	\$5,800,624	(24.7%)	\$28,404,075	\$3,625,298	(12.8%)
INPATIENT REVENUE	10,885,890	10,451,665	4.2%	51,362,524	(216,864)	(0.4%)
OUTPATIENT REVENUE	15,253,238	16,252,289	(6.1%)	79,766,599	(3,842,162)	(4.8%)
TOTAL PATIENT REVENUE	7,853,349	8,358,517	(6.0%)	41,060,931	(2,773,181)	(6.8%)
LESS DISCOUNTS & CONTRACTUALS	95,840	155,373	(38.3%)	782,913	(203,939)	(26.0%)
LESS UNCOMPENSATED CARE	7,949,189	8,513,890	(6.6%)	41,843,844	(2,977,120)	(7.1%)
TOTAL DEDUCTIONS FROM REVENUE	7,949,189	8,513,890	(6.6%)	41,843,844	(2,977,120)	(7.1%)
NET REVENUE FROM PATIENTS	7,904,049	7,738,399	(2.1%)	37,922,755	(865,042)	(2.3%)
OTHER OPERATING REVENUE	1,533,771	1,511,488	1.5%	7,642,979	(748,621)	(9.8%)
TOTAL OPERATING REVENUE	8,837,820	9,249,887	(4.5%)	45,565,734	(1,613,663)	(3.5%)
LESS: WILLMAR MEDICAL SERVICES OPERATING REVENUE	1,758,513	1,831,930	(4.0%)	8,991,922	(267,480)	(3.0%)
TOTAL OPERATING REVENUE	7,079,307	7,417,957	(4.6%)	36,573,812	(1,346,183)	(3.7%)
OPERATING EXPENSES	3,286,982	3,391,562	(3.1%)	16,911,629	(104,952)	(0.6%)
SALARIES AND WAGES	199,191	167,827	18.7%	860,129	475,704	55.3%
CONTRACT LABOR	1,059,282	1,022,255	3.6%	5,073,606	(174,412)	(3.4%)
SUPPLEMENTAL BENEFITS	757,624	702,911	7.8%	3,427,261	(127,168)	(3.7%)
SUPPLIES	493,661	512,734	(3.7%)	2,578,535	970,601	37.6%
DRUGS	210,321	280,691	(25.1%)	2,794,439	65,215	2.3%
PURCHASED SERVICES	105,384	112,885	(6.6%)	1,403,457	(212,651)	(15.2%)
REPAIRS, SERVICE & RENTALS	45,927	47,430	(3.2%)	615,126	(43,939)	(7.1%)
UTILITIES	16,973	22,979	(26.1%)	230,076	(7,073)	(3.0%)
INSURANCE	59,214	70,366	(15.8%)	116,227	(16,134)	(13.9%)
PATIENT RELATED TRAVEL	26,441	37,196	(28.9%)	333,009	351,830	(5.3%)
EDUCATION, TRAVEL, & DUES	583,504	533,500	9.4%	1,859,982	(608)	(0.3%)
OTHER	132,476	188,521	(29.7%)	2,666,645	275,340	10.3%
DEPRECIATION AND AMORT	161,985	144,065	12.4%	782,745	(167,568)	(17.6%)
INTEREST	146,646	149,608	(2.0%)	611,907	704,764	(13.2%)
BAD DEBTS	7,757,151	7,936,421	(2.3%)	40,356,335	39,625,130	1.8%
TAXES & SURCHARGE	539,444	740,355	(27.1%)	4,176,906	3,694,462	13.1%
TOTAL OPERATING EXPENSES	7,217,707	7,196,066	0.3%	36,173,429	35,930,668	0.7%
LESS: WILLMAR MEDICAL SERVICES OPERATING EXPENSES	8,338,400	8,211,891	(1.5%)	41,758,350	(1,588,944)	(3.8%)
NET OPERATING EXPENSES	7,217,707	7,196,066	0.3%	36,173,429	35,930,668	0.7%
OPERATING INCOME (LOSS)	\$1,660,113	\$2,053,821	(18.2%)	\$643,444	\$(1,588,944)	(247%)
				\$1,758,350		(5.4%)

RICE CARE CENTER
For the Five Months Ending May 31, 2012

	CURRENT MONTH			YEAR TO DATE		
	ACTUAL	BUDGET	VAR %	ACTUAL	BUDGET	VAR %
OPERATING REVENUE						
\$802,678 RICE CARE CENTER REVENUE	\$147,680	\$420,457	22.5%	\$161,032	\$2,253,424	5.0%
802,678 TOTAL PATIENT REVENUE	147,680	420,457	22.5%	161,032	2,253,424	5.0%
168,455 LESS DISCOUNTS & CONTRACTUALS	27,217	52,415	19.3%	(80,736)	278,608	(11.7%)
168,455 TOTAL DEDUCTIONS FROM REVENUE	27,217	52,415	19.3%	(80,736)	278,608	(11.7%)
634,223 NET REVENUE FROM PATIENTS	120,463	368,042	23.4%	241,768	1,974,816	9.6%
686 OTHER OPERATING REVENUE	93	884	15.7%	2,059	4,512	70.8%
634,909 TOTAL OPERATING REVENUE	120,556	368,926	23.4%	243,827	1,979,328	9.7%
LESS: WILLMAR MEDICAL SERVICES						
634,909 TOTAL OPERATING REVENUE	120,556	368,926	23.4%	243,827	1,979,328	9.7%
OPERATING EXPENSES						
223,839 SALARIES AND WAGES	190	195,198	0.1%	16,959	960,947	1.5%
80,805 CONTRACT LABOR	80,703	3,646	79,120.6%	214,590	7,403	43,090.4%
87,186 SUPPLEMENTAL BENEFITS	(7,017)	73,459	(7.4%)	474,022	396,236	2.3%
35,056 SUPPLIES	(4,269)	34,353	(10.9%)	193,103	148,818	(9.3%)
1,429 DRUGS	(10,422)	14,311	(87.9%)	6,363	49,717	10.9%
14,363 PURCHASED SERVICES	4,204	10,727	41.4%	50,446	47,593	52.1%
94 REPAIRS, SERVICE & RENTALS	(4,260)	1,822	(97.8%)	(7,003)	13,415	(32.2%)
6,143 UTILITIES	(3,441)	4,905	(35.9%)	(19,717)	37,500	(31.7%)
2,869 INSURANCE	(85)	2,511	(2.9%)	14,770	12,553	(2.9%)
264 PATIENT RELATED TRAVEL	142	191	116.4%	608	655	180.8%
5,173 EDUCATION, TRAVEL, & DUES	1,364	3,778	35.8%	1,099	20,703	22.7%
97 OTHER	(223)	3,778	(69.7%)	(1,195)	2,376	(74.7%)
30,843 DEPRECIATION AND AMORT	0	12,933	0.0%	0	64,449	0.0%
10,900 INTEREST	(437)	3,687	(3.9%)	(1,805)	20,531	(3.2%)
2,893 BAD DEBITS	860	755	42.3%	9,967	10,264	(76.5%)
35,693 TAXES & SURCHARGE	18	18,298	0.1%	(21,035)	92,938	(11.8%)
537,647 TOTAL OPERATING EXPENSES	57,327	382,086	11.9%	203,555	1,886,098	8.5%
LESS: WILLMAR MEDICAL SERVICES						
537,647 NET OPERATING EXPENSES	57,327	382,086	11.9%	203,555	1,886,098	8.5%
\$ 97,362 OPERATING INCOME (LOSS)	\$ 63,229	\$ (13,160)	185.8%	\$ 40,272	\$ 95,230	28.3%

RICE HOME MEDICAL
For the Five Months Ending May 31, 2012

	CURRENT MONTH			YEAR TO DATE			
	ACTUAL	BUDGET	VAR %	ACTUAL	BUDGET	VAR %	
740,074	889,473	(149,399)	(16.8%)	4,149,257	4,849,249	(699,992) (14.4%)	
740,074	889,473	(149,399)	(16.8%)	4,149,257	4,849,249	(699,992) (14.4%)	
144,176	200,132	(55,956)	(28.0%)	891,261	1,091,082	(199,821) (18.3%)	
144,176	200,132	(55,956)	(28.0%)	891,261	1,091,082	(199,821) (18.3%)	
595,898	689,341	(93,443)	(13.6%)	3,249,368	3,758,167	(508,799) (13.5%)	
2,837	1,000	1,837	183.7%	34,558	7,000	27,558	393.7%
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
220,359	242,653	(22,294)	(9.2%)	1,080,019	1,189,789	(109,770) (9.2%)	
67,027	68,841	(1,814)	(2.6%)	311,465	341,035	(29,570) (8.7%)	
211,070	291,957	(80,887)	(27.7%)	1,330,413	1,583,877	(253,464) (16.0%)	
24,044	24,052	(8)	(0.0%)	139,473	120,260	19,213	16.0%
15,137	18,089	(2,952)	(16.3%)	71,790	90,445	(18,655) (20.6%)	
6,906	8,888	(1,982)	(22.3%)	37,539	52,502	(14,963) (28.5%)	
5,454	5,322	132	2.5%	27,271	26,610	661	2.5%
12,998	11,924	1,074	9.0%	67,335	62,776	4,559	7.3%
7,142	6,884	258	3.7%	27,645	18,552	9,093	49.0%
40,799	34,051	6,748	19.8%	205,281	170,251	35,030	20.6%
4,161	4,254	(93)	(2.2%)	20,492	21,270	(778) (3.7%)	
1,762	3,474	(1,712)	(49.3%)	16,038	17,370	(1,332) (7.7%)	
4,387	3,718	669	18.0%	22,032	18,596	3,436	18.5%
627,968	727,287	(99,319)	(13.7%)	3,382,131	3,747,753	(365,622) (9.8%)	
627,968	727,287	(99,319)	(13.7%)	3,382,131	3,747,753	(365,622) (9.8%)	
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
220,359	242,653	(22,294)	(9.2%)	1,080,019	1,189,789	(109,770) (9.2%)	
67,027	68,841	(1,814)	(2.6%)	311,465	341,035	(29,570) (8.7%)	
211,070	291,957	(80,887)	(27.7%)	1,330,413	1,583,877	(253,464) (16.0%)	
24,044	24,052	(8)	(0.0%)	139,473	120,260	19,213	16.0%
15,137	18,089	(2,952)	(16.3%)	71,790	90,445	(18,655) (20.6%)	
6,906	8,888	(1,982)	(22.3%)	37,539	52,502	(14,963) (28.5%)	
5,454	5,322	132	2.5%	27,271	26,610	661	2.5%
12,998	11,924	1,074	9.0%	67,335	62,776	4,559	7.3%
7,142	6,884	258	3.7%	27,645	18,552	9,093	49.0%
40,799	34,051	6,748	19.8%	205,281	170,251	35,030	20.6%
4,161	4,254	(93)	(2.2%)	20,492	21,270	(778) (3.7%)	
1,762	3,474	(1,712)	(49.3%)	16,038	17,370	(1,332) (7.7%)	
4,387	3,718	669	18.0%	22,032	18,596	3,436	18.5%
627,968	727,287	(99,319)	(13.7%)	3,382,131	3,747,753	(365,622) (9.8%)	
627,968	727,287	(99,319)	(13.7%)	3,382,131	3,747,753	(365,622) (9.8%)	
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
220,359	242,653	(22,294)	(9.2%)	1,080,019	1,189,789	(109,770) (9.2%)	
67,027	68,841	(1,814)	(2.6%)	311,465	341,035	(29,570) (8.7%)	
211,070	291,957	(80,887)	(27.7%)	1,330,413	1,583,877	(253,464) (16.0%)	
24,044	24,052	(8)	(0.0%)	139,473	120,260	19,213	16.0%
15,137	18,089	(2,952)	(16.3%)	71,790	90,445	(18,655) (20.6%)	
6,906	8,888	(1,982)	(22.3%)	37,539	52,502	(14,963) (28.5%)	
5,454	5,322	132	2.5%	27,271	26,610	661	2.5%
12,998	11,924	1,074	9.0%	67,335	62,776	4,559	7.3%
7,142	6,884	258	3.7%	27,645	18,552	9,093	49.0%
40,799	34,051	6,748	19.8%	205,281	170,251	35,030	20.6%
4,161	4,254	(93)	(2.2%)	20,492	21,270	(778) (3.7%)	
1,762	3,474	(1,712)	(49.3%)	16,038	17,370	(1,332) (7.7%)	
4,387	3,718	669	18.0%	22,032	18,596	3,436	18.5%
627,968	727,287	(99,319)	(13.7%)	3,382,131	3,747,753	(365,622) (9.8%)	
627,968	727,287	(99,319)	(13.7%)	3,382,131	3,747,753	(365,622) (9.8%)	
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
220,359	242,653	(22,294)	(9.2%)	1,080,019	1,189,789	(109,770) (9.2%)	
67,027	68,841	(1,814)	(2.6%)	311,465	341,035	(29,570) (8.7%)	
211,070	291,957	(80,887)	(27.7%)	1,330,413	1,583,877	(253,464) (16.0%)	
24,044	24,052	(8)	(0.0%)	139,473	120,260	19,213	16.0%
15,137	18,089	(2,952)	(16.3%)	71,790	90,445	(18,655) (20.6%)	
6,906	8,888	(1,982)	(22.3%)	37,539	52,502	(14,963) (28.5%)	
5,454	5,322	132	2.5%	27,271	26,610	661	2.5%
12,998	11,924	1,074	9.0%	67,335	62,776	4,559	7.3%
7,142	6,884	258	3.7%	27,645	18,552	9,093	49.0%
40,799	34,051	6,748	19.8%	205,281	170,251	35,030	20.6%
4,161	4,254	(93)	(2.2%)	20,492	21,270	(778) (3.7%)	
1,762	3,474	(1,712)	(49.3%)	16,038	17,370	(1,332) (7.7%)	
4,387	3,718	669	18.0%	22,032	18,596	3,436	18.5%
627,968	727,287	(99,319)	(13.7%)	3,382,131	3,747,753	(365,622) (9.8%)	
627,968	727,287	(99,319)	(13.7%)	3,382,131	3,747,753	(365,622) (9.8%)	
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
220,359	242,653	(22,294)	(9.2%)	1,080,019	1,189,789	(109,770) (9.2%)	
67,027	68,841	(1,814)	(2.6%)	311,465	341,035	(29,570) (8.7%)	
211,070	291,957	(80,887)	(27.7%)	1,330,413	1,583,877	(253,464) (16.0%)	
24,044	24,052	(8)	(0.0%)	139,473	120,260	19,213	16.0%
15,137	18,089	(2,952)	(16.3%)	71,790	90,445	(18,655) (20.6%)	
6,906	8,888	(1,982)	(22.3%)	37,539	52,502	(14,963) (28.5%)	
5,454	5,322	132	2.5%	27,271	26,610	661	2.5%
12,998	11,924	1,074	9.0%	67,335	62,776	4,559	7.3%
7,142	6,884	258	3.7%	27,645	18,552	9,093	49.0%
40,799	34,051	6,748	19.8%	205,281	170,251	35,030	20.6%
4,161	4,254	(93)	(2.2%)	20,492	21,270	(778) (3.7%)	
1,762	3,474	(1,712)	(49.3%)	16,038	17,370	(1,332) (7.7%)	
4,387	3,718	669	18.0%	22,032	18,596	3,436	18.5%
627,968	727,287	(99,319)	(13.7%)	3,382,131	3,747,753	(365,622) (9.8%)	
627,968	727,287	(99,319)	(13.7%)	3,382,131	3,747,753	(365,622) (9.8%)	
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
220,359	242,653	(22,294)	(9.2%)	1,080,019	1,189,789	(109,770) (9.2%)	
67,027	68,841	(1,814)	(2.6%)	311,465	341,035	(29,570) (8.7%)	
211,070	291,957	(80,887)	(27.7%)	1,330,413	1,583,877	(253,464) (16.0%)	
24,044	24,052	(8)	(0.0%)	139,473	120,260	19,213	16.0%
15,137	18,089	(2,952)	(16.3%)	71,790	90,445	(18,655) (20.6%)	
6,906	8,888	(1,982)	(22.3%)	37,539	52,502	(14,963) (28.5%)	
5,454	5,322	132	2.5%	27,271	26,610	661	2.5%
12,998	11,924	1,074	9.0%	67,335	62,776	4,559	7.3%
7,142	6,884	258	3.7%	27,645	18,552	9,093	49.0%
40,799	34,051	6,748	19.8%	205,281	170,251	35,030	20.6%
4,161	4,254	(93)	(2.2%)	20,492	21,270	(778) (3.7%)	
1,762	3,474	(1,712)	(49.3%)	16,038	17,370	(1,332) (7.7%)	
4,387	3,718	669	18.0%	22,032	18,596	3,436	18.5%
627,968	727,287	(99,319)	(13.7%)	3,382,131	3,747,753	(365,622) (9.8%)	
627,968	727,287	(99,319)	(13.7%)	3,382,131	3,747,753	(365,622) (9.8%)	
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
598,735	690,341	(91,606)	(13.3%)	3,283,926	3,765,167	(481,241) (12.8%)	
220,359	242,653	(22,294)	(9.2%)	1,080,019	1,189,789	(109,770) (9.2%)	
67,027	68,841	(1,814)	(2.6%)	311,465	341,035	(29,570) (8.7%)	
211,070	291,957	(80,887)	(27.7%)	1,330,413	1,583,877	(253,464) (16.0%)	
24,044	24,052	(8)	(0.0%)	139,473	120,260	19,213	16.0%
15,137	18,089	(2,952)	(16.3%)	71,790	90,445	(18,655) (20.6%)	
6,906	8,888	(1,982)	(22.3%)	37,539	52,502	(14,963) (28.5%)	
5,454	5,322	132	2.5%	27,271	26,610	661	2.5%
12,998	11,924	1,074	9.0%	67,335	62,776	4,559	7.3%
7,142	6,884	258	3.7%	27,645	18,552	9,093	49.0%
40,799	34,051	6,748	19.8%	205,281	170,251	35,030	20.6%
4,161	4,254	(93)	(2.2%)	20,492	21,270	(778) (3.7%)	
1,762	3,474	(1,712)	(49.3%)	16,038	17,370	(1,332) (7.7%)	
4,387	3,718	669	18.0%	22,032	18,596	3,436	18.5%
627,968	727,287	(99,319)	(13.7%)	3,382,131	3,747,753	(365,622) (9.8%)	
627,968	727,287	(99,319)					

RICE HOME MEDICAL
For the Month Ending May 31, 2012

	ACTUAL	% of SALES/GP	BUDGET	% of SALES/GP	% CHANGE	Prior Yr	% of SALES/GP	% CHANGE
GROSS SALES	\$393,663	53.2%	\$538,726	60.6%	(26.9%)	\$469,874	59.1%	(16.2%)
SALES REVENUE	346,411	46.8%	350,747	39.4%	(1.2%)	320,513	40.3%	8.1%
RENTS REVENUE		0.0%		0.0%	0.0%	4,337	0.5%	(100.0%)
MISC REVENUE								
GROSS SALES	740,074	100.0%	889,473	100.0%	(16.8%)	794,724	100.0%	(6.9%)
LESS: CONTRACTUAL ALLOWANCES	(144,176)	(19.5%)	(200,132)	(22.5%)	(28.0%)	(176,875)	(22.3%)	(18.5%)
NET SALES	595,898	80.5%	689,341	77.5%	(13.6%)	617,849	77.7%	(3.6%)
COST OF GOODS SOLD								
OXYGEN	11,458	1.9%	11,832	1.7%	(3.2%)	10,702	1.7%	7.1%
EQUIPMENT	30,032	5.0%	78,000	11.3%	(61.5%)	41,183	6.7%	(27.1%)
SUPPLY - FREIGHT	14,006	2.4%	14,801	2.1%	(5.4%)	10,611	1.7%	32.0%
SUPPLY	132,029	22.2%	161,825	23.5%	(18.4%)	160,900	26.0%	(17.9%)
EQUIPMENT REPAIR	8,076	1.4%	14,119	2.0%	(42.8%)	6,127	1.0%	31.8%
SHOP EXPENSE	4,561	0.8%	330	0.0%	1,282.1%	2,533	0.4%	80.1%
EQUIPMENT RENTAL & LEASES		0.0%	348	0.1%	(100.0%)		0.0%	0.0%
PURCHASE DISCOUNTS	(2,837)	(0.5%)	(1,000)	(0.1%)	183.7%	(1,144)	(0.2%)	148.0%
TOTAL COST OF GOODS SOLD	197,325	33.1%	280,255	40.7%	(29.6%)	230,912	37.4%	(14.5%)

GROSS PROFIT 342,749 60.2% 409,086 59.3% (26.6%) 366,817 62.6%

OPERATING EXPENSES								
SALARIES & WAGES	220,359	37.0%	242,653	35.2%	(9.2%)	175,953	28.5%	25.2%
CONTRACT LABOR		0.0%		0.0%	0.0%	3,424	0.6%	(100.0%)
SUPPLEMENTAL BENEFITS	67,027	11.2%	68,841	10.0%	(2.6%)	58,778	9.5%	14.0%
SUPPLIES AND DRUGS	10,908	1.8%	10,702	1.6%	1.9%	6,872	1.1%	58.7%
PURCHASED SERVICES	24,044	4.0%	24,052	3.5%	0.0%	19,199	3.1%	25.2%
REPAIRS, SERVICE & RENTALS	15,137	2.5%	18,089	2.6%	(16.3%)	16,281	2.6%	(7.0%)
UTILITIES	6,906	1.2%	8,888	1.3%	(22.3%)	7,489	1.2%	(7.8%)
INSURANCE	5,454	0.9%	5,322	0.8%	2.5%	5,731	0.9%	(4.8%)
PATIENT RELATED TRAVEL	12,998	2.2%	11,924	1.7%	9.0%	10,884	1.8%	19.4%
EDUCATION, TRAVEL, & DUES	6,722	1.1%	3,180	0.5%	111.4%	2,377	0.4%	182.8%
OTHER EXPENSE	7,142	1.2%	6,884	1.0%	3.7%	5,332	0.9%	33.9%
DEPRECIATION & AMORTIZATION	40,799	6.8%	34,051	4.9%	19.8%	39,590	6.4%	3.1%
INTEREST EXPENSE	4,161	0.7%	4,254	0.6%	(2.2%)	4,420	0.7%	(5.9%)
BAD DEBTS	1,762	0.3%	3,474	0.5%	(49.3%)	(368)	(0.1%)	(578.8%)
TAXES	4,387	0.7%	3,718	0.5%	18.0%	3,575	0.6%	22.7%
TOTAL OPERATING EXPENSES	427,806	71.8%	446,032	64.7%	(4.1%)	359,537	58.2%	19.0%
NET OPERATING INCOME (LOSS)	(29,233)	(4.9%)	(36,946)	(5.4%)	(20.9%)	27,400	4.4%	(206.7%)
NON-OPERATING INCOME	2,307	0.4%	1,060	0.2%	117.6%	3,368	0.5%	(31.5%)

NET INCOME (LOSS) (26,926) (4.5%) (35,886) (5.2%) (25.0%) (30,768) (5.1%) (18.2%)

RICHE HOME MEDICAL
For the Five Months Ending May 31, 2012

	ACTUAL	% of SALES/GP	BUDGET	% of SALES/GP	CHANGE	Prior Yr.	% of SALES/GP	CHANGE
GROSS SALES								
SALES REVENUE	\$2,559,968	61.7%	\$2,969,681	61.2%	(13.8%)	\$2,413,571	60.9%	6.1%
RENTS REVENUE	1,589,289	38.3%	1,879,568	38.8%	(15.4%)	1,545,531	39.0%	2.8%
MISC REVENUE		0.0%		0.0%	0.0%	4,571	0.1%	(100.0%)
GROSS SALES	4,149,257	100.0%	4,849,249	100.0%	(14.4%)	3,963,673	100.0%	4.7%
LESS: CONTRACTUAL ALLOWANCES	(891,261)	(21.5%)	(1,091,082)	(22.5%)	(18.3%)	(916,749)	(23.1%)	(2.8%)
LESS: UNCOMPENSATED CARE	(8,628)	(0.2%)		0.0%	0.0%		0.0%	0.0%
NET SALES	3,249,368	78.3%	3,758,167	77.5%	(13.5%)	3,046,924	76.9%	6.6%
COST OF GOODS SOLD								
OXYGEN	54,371	1.7%	61,752	1.6%	(12.0%)	53,986	1.8%	0.7%
EQUIPMENT	295,106	9.1%	456,340	12.1%	(35.3%)	348,597	11.4%	(15.3%)
SUPPLY - FREIGHT	68,843	2.1%	74,005	2.0%	(7.0%)	49,964	1.6%	37.8%
SUPPLY	803,773	24.7%	859,813	22.9%	(6.5%)	701,332	23.0%	14.6%
EQUIPMENT REPAIR	42,087	1.3%	78,655	2.1%	(46.5%)	41,442	1.4%	1.6%
SHOP EXPENSE	25,084	0.8%	1,757	0.0%	1,327.7%	16,340	0.5%	53.5%
EQUIPMENT RENTAL & LEASES		0.0%	1,740	0.0%	(100.0%)		0.0%	0.0%
PURCHASE DISCOUNTS	(34,558)	(1.1%)	(7,000)	(0.2%)	393.7%	(9,722)	(0.3%)	255.5%
TOTAL COST OF GOODS SOLD	1,254,706	38.6%	1,527,062	40.6%	(17.8%)	1,201,939	39.4%	4.4%
GROSS PROFIT	1,994,562	61.4%	2,231,105	59.4%	(10.6%)	1,844,985	60.2%	1.2%
OPERATING EXPENSES								
SALARIES & WAGES	1,080,019	33.2%	1,189,789	31.7%	(9.2%)	897,215	29.4%	20.4%
CONTRACT LABOR		0.0%		0.0%	0.0%	16,509	0.5%	(100.0%)
SUPPLEMENTAL BENEFITS	311,465	9.6%	341,035	9.1%	(8.7%)	278,417	9.1%	11.9%
SUPPLIES AND DRUGS	41,150	1.3%	49,815	1.3%	(17.4%)	44,648	1.5%	(7.8%)
PURCHASED SERVICES	139,473	4.3%	120,260	3.2%	16.0%	114,163	3.7%	22.2%
REPAIRS, SERVICE & RENTALS	71,790	2.2%	90,445	2.4%	(20.6%)	84,241	2.8%	(14.8%)
UTILITIES	37,539	1.2%	52,502	1.4%	(28.5%)	46,142	1.5%	(18.6%)
INSURANCE	27,271	0.8%	26,610	0.7%	2.5%	28,216	0.9%	(3.3%)
PATIENT RELATED TRAVEL	67,335	2.1%	62,776	1.7%	7.3%	58,623	1.9%	14.9%
EDUCATION, TRAVEL, & DUES	27,645	0.9%	18,552	0.5%	49.0%	14,484	0.5%	90.9%
OTHER EXPENSE	25,338	0.8%	34,420	0.9%	(26.4%)	32,359	1.1%	(21.7%)
DEPRECIATION & AMORTIZATION	205,281	6.3%	170,251	4.5%	20.6%	195,817	6.4%	4.8%
INTEREST EXPENSE	20,492	0.6%	21,270	0.6%	(3.7%)	28,484	0.9%	(28.1%)
BAD DEBTS	16,038	0.5%	17,370	0.5%	(7.7%)	5,823	0.2%	175.4%
TAXES	22,032	0.7%	18,596	0.5%	18.5%	19,979	0.7%	10.3%
TOTAL OPERATING EXPENSES	2,092,868	64.4%	2,213,691	58.9%	(5.5%)	1,865,120	61.2%	12.2%
NET OPERATING INCOME (LOSS)	(98,206)	(3.0%)	17,414	0.5%	(663.9%)	(20,135)	(0.7%)	387.7%
NON-OPERATING INCOME	10,418	0.3%	5,300	0.1%	96.6%	22,788	0.7%	(54.3%)
NET INCOME (LOSS)	(87,788)	(2.7%)	(12,114)	(0.3%)	(685.2%)	(3,347)	(0.1%)	(619.2%)

**RICE MEMORIAL HOSPITAL
CONSOLIDATED CASH FLOW STATEMENT**

FOR THE PERIOD ENDED:

May 31, 2012

Line #	Current YTD	Prior YTD
1 Sources of Cash & Investments:		
2 Net Income	\$ (251,502)	\$ 2,374,415
3 Depreciation & Amortization	3,302,337	\$ 3,046,487
4 Debt Proceeds	-	3,000,000
5 Other		
6		
7 Total Sources	<u>3,050,835</u>	<u>8,420,902</u>
8		
9 Uses		
10 Property, Plant, and Equipment - Gross	3,326,063	3,186,147
11 Debt Payments/Re-funding	2,470,581	460,733
12 Working Capital Changes & Other - Net	(524,679)	39,589
13		
14 Total Uses	<u>5,271,965</u>	<u>3,686,469</u>
15		
16 Increase / (Decrease) Cash & Investments	(2,221,130)	4,734,433
17		
18 Beginning of Period (January 1)	<u>28,854,321</u>	<u>19,798,398</u>
19		
20 End of Period	<u>\$ 26,633,191</u>	<u>\$ 24,532,831</u>

**RICE MEMORIAL HOSPITAL
STATISTICAL AND VOLUME SUMMARY
FOR THE PERIOD ENDED:
May 31, 2012**

CURRENT MONTH

Line #	Actual	Budget	Var.	Var. %	Prior Yr.
1	401	559	(158)	-28.3%	609
2	181	214	(33)	-15.4%	248
3	50	77	(27)	-35.1%	79
4	230	194	36	18.6%	206
5	862	1,044	(182)	-17.4%	1,142
6					
7	27.8	33.7	(5.9)	-17.4%	36.8
8					
9	3.38	3.50	(0.12)	-3.4%	3.51
10					
11	252	298	(46)	-15.5%	328
12	172	251	(79)	-31.5%	210
13					
14	-	1,268	(1,268)	-100.0%	1,197
15	1,100	1,036	0,064	6.2%	1,013
16					
17	880	836	44	5.3%	915
18	3,011	2,925	85	2.9%	3,187
19					
20	5	16	(11)	-68.8%	10
21	113	143	(30)	-21.0%	161
22					
23	3.8	5.1	(1.3)	-25.8%	5.5
24					
25	57	69	(12)	-17.4%	69
26					
27	2,276	2,325	(49)	-2.1%	1,972
28	73.4	75.0	(1.6)	-2.1%	63.6
29					

YEAR-TO-DATE

Line #	Actual	Budget	Var.	Var. %	Prior Yr.	Act/Prior	Var. %
1	2,626	2,859	(233)	-8.1%	3,115		-15.7%
2	1,163	1,171	(8)	-0.7%	1,254		-7.3%
3	327	355	(28)	-7.9%	364		-10.2%
4	998	939	59	6.3%	1,012		-1.4%
5	5,114	5,324	(210)	-3.9%	5,745		-11.0%
6							
7	33.6	35.0	(1.4)	-3.9%	38.0		-11.6%
8							
9	3.55	3.50	0.05	1.5%	3.54		0.4%
10							
11	1,442	1,521	(79)	-5.2%	1,622		-11.1%
12	1,180	1,295	(115)	-8.9%	1,131		4.3%
13							
14	-	1,268	(1,268)	-100.0%	1,187		-100.0%
15	1,033	1,036	(0,003)	-0.2%	1,016		1.7%
16							
17	4,418	4,271	147	3.4%	4,555		-3.0%
18	15,650	14,950	700	4.7%	16,111		-2.9%
19							
20	48	122	(74)	-60.7%	152		-68.4%
21	603	694	(91)	-13.1%	756		-20.2%
22							
23	4.3	5.4	(1.1)	-20.2%	6.0		-28.8%
24							
25	297	329	(32)	-9.7%	331		-10.3%
26							
27	10,904	11,400	(496)	-4.4%	9,605		13.5%
28	71.7	75.0	(3.3)	-4.4%	63.6		12.8%
29							

Patient Days

Adult Health Care
Women and Children's Care
ICCU
Mental Health
Total Adult & Peds

Average Daily Census

Average Length of Stay

Admissions-Inpatient
Observation patients

Medicare Case Mix Index
Case Mix Index-Total

Adjusted Admissions
Adjusted Patient Days

Intermediate Care Nursery
Nursery

Average Daily Census-ICN/Nursery

Births

Rice Care Center-Days

Rice Care Center-Average Daily Census

RICE MEMORIAL HOSPITAL
STATISTICAL AND VOLUME SUMMARY
FOR THE PERIOD ENDED:
May 31, 2012

CURRENT MONTH		YEAR-TO-DATE		Act/Prior
Actual	Budget	Var.	Var.%	Prior Yr.
30				
31	117	173	(56)	177
32	364	276	88	281
33	481	449	32	458
34				
35	149	200	(51)	195
36	992	972	20	974
37	1,141	1,172	(31)	1,169
38				
39	24,730	24,461	269	25,525
40	1,464	1,466	(2)	1,598
41	761	636	125	881
42	245	178	67	183
43	103	132	(29)	138
44	827	721	106	725
45	3,797	3,574	223	3,616
46	1,828	2,069	(241)	2,289
47	252	207	45	225
48				
49				
50				
51	624	631	(8)	619
52	87	77	10	70
53	70	71	(1)	64
54	781	780	2	753

YEAR-TO-DATE		YEAR-TO-DATE		Act/Prior
Actual	Budget	Var.	Var.%	Prior Yr.
610	766	(156)	-20.4%	786
1,328	1,373	(45)	-3.3%	1,396
1,938	2,139	(201)	-9.4%	2,182
887	988	(101)	-10.2%	963
4,567	4,495	72	1.6%	4,501
5,454	5,483	(29)	-0.5%	5,464
121,350	123,636	(2,286)	-1.8%	125,404
7,686	7,392	294	4.0%	7,670
3,499	3,093	406	13.1%	3,190
1,141	894	247	27.6%	916
591	575	16	2.8%	671
3,569	3,499	70	2.0%	3,537
18,592	17,803	789	4.4%	17,639
9,513	10,168	(655)	-6.4%	10,351
1,090	1,075	15	1.4%	1,085
647	641	6	0.9%	625
84	77	8	10.2%	71
70	71	(2)	-2.1%	65
801	789	12	1.5%	761

Ancillary Services

IP Surgeries				
OP Surgeries				
Total Surgeries				
ER Visits-Inpatient				
ER Visits-Outpatient				
ER Visits-Total				
Lab Tests				
Medical Imaging Procedures				
Radiation Oncology Treatments				
Medical Oncology Visits				
GI Procedures				
Dialysis Treatments				
Rehab Visits				
Hospice Visits				
Ambulance Runs				

Full Time Equivalents (FTE's)

FTE's - Hospital				
FTE's - Care Center				
FTE's - Home Medical				
Total FTE's				

**RICE MEMORIAL HOSPITAL
KEY PERFORMANCE INDICATORS**

FOR THE PERIOD ENDED:

05/31/12

Line #		Month-to-Date				Year-to-Date				Industry Benchmarks			
		Actual	Budget	Prior Yr	Variance Act vs Bud	Actual	Budget	Prior Yr	Variance Act vs Bud		Variance Act vs Prior		
												Variance	Variance
1	OPERATIONAL												
2	Operating Margin	-2.0%	3.0%	9.5%	-4.9%	-11.5%	-2.7%	1.8%	4.8%	-4.4%	-7.5%		
3	Rice Hospital	15.3%	6.6%	-3.6%	8.7%	18.9%	6.5%	5.5%	4.7%	1.0%	1.8%		
4	Rice Care Center	-4.9%	-5.4%	4.4%	0.5%	-9.3%	-3.0%	0.5%	-0.7%	-3.5%	-2.3%		
5	Rice Home Medical												
6	Consolidated Operating Margin	-0.8%	2.5%	8.6%	-3.4%	-9.4%	-2.1%	1.9%	4.4%	-4.0%	-6.5%	1.6%	
7	Consolidated Excess Margin	1.9%	3.5%	10.9%	-1.6%	-9.0%	-0.6%	2.8%	5.6%	-3.4%	-6.2%	3.0%	
8	EBIDA												
9	(Earnings Before Interest + Depreciation + Amortization)	11.3%	12.7%	20.0%	-1.4%	-8.8%	9.3%	12.0%	15.3%	-2.6%	-6.0%	9.7%	
10													
11	FINANCIAL												
12	Debt/Capitalization Ratio						45%	45%	49%	-0.4%	-4.1%	41%	
13	Debt Service Coverage						2.3	2.9	3.4	-20.4%	-31.9%	2.9	
14	Net Days in Accounts Receivable-Hospital						61	50	65	21.3%	-7.1%	45	
15	Net Days in Accounts Receivable-Home Medical						113	70	93	61.5%	22.0%		
16	Days of Cash						104	126	101	-17.8%	2.4%	134	
17	Unrestricted Cash/Debt						57%	71%	48%	-19.4%	19.8%	97%	
18	Cushion Ratio						6.6	8.0	5.4	-18.1%	22.0%	9.6	
19	Average Age of Plant						8.9	10.5	9.3	-15.1%	-4.1%	10.2	
20	Financial Strength Index						(0.20)	1.10	1.65	-118.3%	-112.2%	0.30	
21													
22	PRODUCTIVITY												
23	Rice Hospital												
24	Controllable Expense/Adj. Admit	\$ 7,834	\$ 8,453	\$ 7,157	-7.3%	9.5%	\$ 8,142	\$ 8,254	\$ 7,394	-1.4%	10.1%	\$ 8,429	
25	Compensation Ratio	51.4%	49.5%	46.8%	3.8%	9.8%	52.4%	49.8%	48.7%	5.3%	7.6%	50%	
26	FTE per Adjusted Admit	13.8	14.7	13.0	-6.1%	6.2%	14.3	14.3	13.3	-0.1%	7.6%	14.9	
27	FTE per Adjusted Patient Day	4.0	4.7	3.7	-13.9%	8.1%	4.0	4.1	3.7	-1.7%	7.8%	4.4	
28	Supply Expense per CMI Adjusted Discharge	\$ 773	\$ 812	\$ 718	-4.8%	7.7%	\$ 724	\$ 775	\$ 727	-6.5%	-0.3%		
29	Drug Expense per CMI Adjusted Discharge	\$ 504	\$ 592	\$ 467	-14.9%	7.8%	\$ 779	\$ 583	\$ 523	33.7%	49.0%		
30	Total Supply & Drug Expense per CMI Adj. Disch	\$ 1,277	\$ 1,404	\$ 1,185	-9.0%	7.8%	\$ 1,503	\$ 1,357	\$ 1,250	10.8%	20.3%	\$ 1,271	
31	Bad Debt as % of Net Patient Revenue	2.2%	1.9%	1.2%	19.1%	86.7%	1.7%	1.1%	1.8%	46.3%	-9.0%	5.9%	
32	Capital Expense (Interest + Depreciation)	9.2%	9.1%	10.0%	1.5%	-7.7%	9.2%	10.3%	9.9%	-10.4%	-6.5%	6.9%	
33	Rice Care Center Hours per Day	6.2	5.5	5.9	11.3%	4.1%	6.2	5.5	5.9	11.9%	4.2%	5.8	
34	Rice Home Medical												
35	Sales per FTE	\$ 126,167	\$ 149,533	\$ 149,247	-15.6%	-15.5%	\$ 142,893	\$ 163,481	\$ 146,796	-12.6%	-2.7%		
36	Inventory Turns	5.4	7.0	4.8	-22.9%	12.2%	5.4	7.0	4.8	-22.9%	12.2%		
37	Inventory Days on Hand	68	53	76	29.6%	-10.9%	68	53	76	29.6%	-10.9%		



Investment Management
& Trust

Activity Summary as of 5/31/2012

RICE CUSHMAN A CHAR TR

Account 180205

Market Value Reconciliation

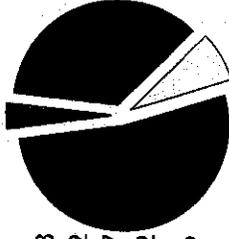
	Since 05/01/2012 (\$)	Year to Date (\$)
Beginning Market Value	2,568,190.60	2,466,271.51
Disbursements		
Withdrawals	0.00	-47,822.87
Expenses	-465.00	-520.00
Fees	-1,672.83	-8,271.13
Total Disbursements	-2,137.83	-56,614.00

Income		
Investment Income	4,042.13	23,951.63
Total Income	4,042.13	23,951.63

Value on May 31, 2012	2,466,149.04	2,466,149.04
Total Change in Portfolio Value	-103,945.86	32,539.91

Asset Allocation

Asset Category	Market Value	% Total
Cash & Money Markets	41,005.24	1.66
Fixed Income	883,727.97	35.83
Alternative	190,383.93	7.72
Equity	1,298,799.58	52.67
Other	52,232.33	2.12
Total	\$2,466,149.04	100.00%



Gain/Loss Summary

	This Period (\$)	Year to Date (\$)
Short-term	4,466.00	970.10
Long-term	12.03	-6,495.35
Total Gain/Loss Summary	4,478.03	-5,525.25



**Investment Management
& Trust**

**Selected Period Performance
RICE CUSHMAN A CHAR TR
Account 180205
Period Ending: 05/31/2012**

<u>Sector</u>	<u>Market Value</u>	<u>1 Month</u>	<u>Year to Date (5 Months)</u>
Total Fund	2,421,473	-3.92	2.24
Total Fd Net Fee	2,421,473	-3.99	1.91
Fixed Income	889,968	.20	1.95
BarCap Int Aggregate Bd		.40	1.88
Domestic Equity	1,036,353	-6.37	3.03
S&P 500 Index		-6.01	5.15
Russell 2000 Index		-6.62	3.38
Intl. Equity	263,763	-10.80	1.01
MSCI EAFE (US\$ & Net) Index		-11.48	-3.79
Short Term Cash	40,394	.00	.01
Citigroup 1 Month Treas Bill		.01	.01
Alternative Investments	190,384	.99	1.21
Citigroup 3 Month Treas Bill		.01	.02
Uninvested Cash	612	.00	.00

While the information and statistics given are believed to be complete and accurate, we cannot guarantee their completeness or accuracy. Past performance is no guarantee of future results.