CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION

Agenda Item Number: 3
Meeting Date: 12/30/2013
Attachments: ☒ Yes No

CITY COUNCIL ACTION
Date:

☐ Approved ☐ Denied
☐ Amended ☐ Tabled
☐ Other

Originating Department: Administrator

Agenda Item: Windstream Office Closure

Recommended Action: Staff is asking the committee for direction on how to proceed.

Background/Summary: Windstream has approached the City with the wish to close its local office. Section 5, Paragraph 8 (page 20) of the current cable television franchise requires a cable company to maintain a local office within the City operating for 40 hours per week, staffed for bill payments, subscriber inquiries and equipment transfers.

Windstream is proposing language to amend the cable franchise agreement with Windstream to allow closing of the local office with the following stipulations:

- $10,000 payment to the City
- 3rd party location able to accept payment 40-hours per week
- Subscribers do not have to return cable television equipment
- Windstream will notify subscribers prior to effective date

Charter Communications is also operating under an identical cable television franchise.

Alternatives: 1. Allow Windstream to close office with terms described above. 2. Allow Windstream to close office with different terms. 3. Do not allow Windstream to close office as is currently specified in the cable television franchise.

Financial Considerations: If you choose alternative 1, Windstream will include a $10,000 payment to the City.

Preparer: Mark Boeschen, Information Systems Coordinator

Signature:

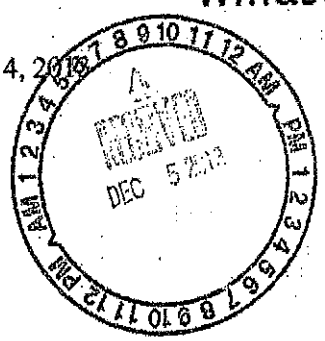
Comments:

Charles Bruggemann
Division VP – Field Operations
Windstream
115 S. Second Avenue West
Newton, IA 50208

(641) 787-2555
Charles.J.Bruggemann@windstream.com

windstream

December 4, 2013



BY OVERNIGHT COURIER
Charlene Stevens
City Administrator
City of Willmar
333 SW 6th St.
Willmar, MN 56201

Re: City of Willmar, Minnesota Ordinance No. 1152 for Cable Television Franchise for En-Tel Communications, L.L.C.

Dear Ms. Stevens:

We met in March to discuss the status of Windstream's retail store in Willmar. At that time, you indicated that you would be open to a franchise amendment that would permit Windstream to close the store, subject to certain conditions. We sent you a draft franchise amendment regarding the matter that, among other things, would avoid the level playing field concerns that you raised.

Windstream would like to resolve this matter promptly and is willing to improve its offer to Willmar by including in the option for electing the alternative to maintaining a local office payment of $10,000, which is reflected in the revised proposed amendment.

Again, please let us know what you think. If you would prefer to have your counsel contact Ed Krachmer, please feel free to do so. His telephone number is (501) 748-5777 and his e-mail is edward.krachmer@windstream.com.

Sincerely,

Charles Bruggemann
Division VP – Field Operations

Attachment

CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION

Agenda Item Number: 4
Meeting Date: September 23, 2013
Attachments: ☒ Yes ☐ No

CITY COUNCIL ACTION
Date: October 7, 2013

☐ Approved ☐ Denied
☐ Amended ☐ Tabled
☐ Other

Originating Department: Finance

Agenda Item: Extend Rice Hospital Land Lease

Recommended Action: **Extend lease per Rice Memorial Hospital for an additional 10-year period changing Paragraph #2 from September 1, 1995, and August 31, 2005, to September 1 2005, and August 31, 2015.**

Background/Summary: In 1995 Rice Memorial Hospital approached the City for permission to construct a vehicle storage facility on City property next to the fueling facilities. Permission was granted and a lease executed.

Alternatives:
1) Don't extend the lease;
2) Extend the lease for a shorter period of time; or
3) Extend the lease for a longer period of time.

Financial Considerations: None recommended.

Preparer: Steve Okins, Finance Director

Signature:

Comments:

AGREEMENT

This Agreement is made and entered into this 30 day of AUGUST, 1995, by and between the City of Willmar, a municipal corporation under the laws of the State of Minnesota (hereinafter City), and Rice Memorial Hospital, a political subdivision of the City of Willmar (hereinafter Hospital). In consideration of the mutual covenants and agreements herein set out, the parties hereto do agree as follows:

1. In consideration of one ($1.00) dollar and other good and valuable consideration to it in hand paid, City does hereby grant to Hospital the right to use a tract of real estate 34 feet by 175 feet East of City's steel building located at the Public Works - City Garage facility on West Highway 40 in the City of Willmar for the purposes of Hospital constructing a garage and storage building thereon. City further grants to Hospital the right to use all driveways, parking lots, and other common facilities upon such terms and conditions as City may hereafter establish.

2. The right herein granted to Hospital by City shall be for a term of ten (10) years, commencing September 1, 1995, and terminating on August 31, 2005, unless sooner terminated as hereinafter provided.

3. Hospital agrees to obtain all permits necessary for the construction of said building and further agrees that the building will be constructed in conformance with all codes applicable within the City of Willmar. Hospital further agrees to use the subject building for the storage of motor vehicles and any other use of said building without first obtaining the written consent of City is prohibited.

4. Hospital shall pay the entire cost of constructing the

subject building, including the costs of providing sewer and water service if such service is desired, and shall also pay the costs of installing any fire hydrant required by the Fire Marshal. All landscaping, graveling and bituminous overlays shall be paid by Hospital without reimbursement from the City.

5. Hospital shall obtain and keep in force during the entire term of this Agreement an insurance policy protecting itself and City from liability for damages to property or death or injury to persons arising from Hospital's use, ownership and possession of the subject building. City shall be named as a joint insured on said policy. The limits of coverage on said policy shall be not less than $1,000,000.00, CSL.

6. At the termination of this Agreement or in the event that Hospital shall be sold to a private entity prior to the termination of this Agreement, then at the time of such sale, City shall have the first right to purchase the subject building at a price to be agreed upon by the parties. In the event that the parties are unable to agree upon a price, then the price shall be determined by two disinterested appraisers, one chosen by City and one chosen by Hospital.

7. In the event that Hospital shall desire to extend this Agreement at the expiration of the original term hereof, then Hospital shall have the right to do so for one additional ten (10) year term, provided that Hospital is still a municipal hospital. City shall have the same right to purchase the building as set out in the previous paragraph during said additional term or the expiration thereof.

8. Hospital, at its own expense, shall keep the building in

good repair and condition and the surrounding premises occupied by it in a clean and neat condition. Hospital shall not allow any waste or nuisance on the subject premises.

9. Hospital agrees to indemnify and hold harmless the City for any damage to property or injury or death to persons that shall arise as a result of Hospital's use, ownership and possession of the subject building.

10. This Agreement is personal to Hospital and Hospital shall not assign, transfer, sell or convey its interest in this Agreement or the subject building.

11. In the event the subject building shall be wholly or substantially destroyed, then this Agreement shall terminate and be of no further force and effect.

12. Hospital shall be responsible for snow removal and lawn mowing on the premises occupied by it. Hospital acknowledges that it may be at least eight (8) hours after City commences any snow removal campaign before City removes the snow from the common areas at the Public Works site. In the event that Hospital shall require snow removal prior to City's commencement of snow removal at the site, it shall do so at its own expense.

13. If the subject building shall become deserted or vacated; or if Hospital or its property shall be taken by garnishment, attachment, execution or other process of law; or if the Hospital shall make a general assignment for the benefit of creditors; or if a receiver or trustee is appointed for Hospital; or if Hospital shall be adjudicated a bankrupt or a petition for reorganization is filed; then in any one of such events, City shall have the immediate right to terminate this Agreement without any further

rights or obligations to Hospital.

14. This Agreement constitutes the entire agreement of the parties hereto and shall not be amended, except in writing and signed by both of the parties.

IN WITNESS WHEREOF, the parties have hereunto executed this Agreement the day and year first above written.

CITY OF WILLMAR

By: _____
Its

RICE MEMORIAL HOSPITAL

By: _____
Its CEO

DRAFTED BY:

Richard L. Ronning
Attorney at Law
P.O. Box 971
401 SW 5th St.
Willmar, MN 56201
(612) 235-6480
Mn Atty. Lic. No. 93191

CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION

Agenda Item Number: 5

Meeting Date: December 30, 2013

Attachments: ☒ Yes No

CITY COUNCIL ACTION

Date:

☐ Approved ☐ Denied
☐ Amended ☐ Tabled
☐ Other

Originating Department: City Clerk-Treasurer

Agenda Item: Consideration of contract with architectural firm for redesign of HVAC system and other upgrades to City Auditorium.

Recommended Action:

Review recommendations from staff and consider entering a contract with an architectural firm to re-design the HVAC system for the City Auditorium.

Background/Summary: In early September, the City closed the Indoor Gun Range at the City Auditorium due to a malfunction with the Heating Ventilation and Air Conditioning (HVAC) system. At the same time, access to other areas of building were limited due to concerns regarding potential contamination from the range HVAC. Since that time, testing has been conducted that revealed the shortfalls in the gun range technology and HVAC system.

Staff has solicited proposals from architectural and mechanical engineering firms to assist in re-designing the HVAC and assessing any other building conditions that may need upgrades in order to return the range and other areas to public use. Staff will provide a summary of the proposals at the meeting for discussion and review.

Alternatives: Seek additional proposals. City staff lack expertise to perform the work in-house.

Financial Considerations: $250,000 was allocated towards improvements of the range and City Auditorium in the 2014 budget.

Preparer: Kevin Halliday

Signature:

Comments:

CITY AUDITORIUM UPGRADES

STAFF HAS SOLICITED PROPOSALS FROM ARCHITECTURAL AND MECHANICAL ENGINNERING FIRMS FOR BUILDING ASSESSMENT AND MASTER PLANNING WITH PROJECT PRIORITIES TO INCLUDE: LEAD AND HAZARDOUS MATERIAL ABATEMENT AND CLEANING, GUN RANGE IMPROVEMENTS, MECHANICAL EQUIPMENT UPGRADES, AND OTHER CONSIDERATIONS LIKE ROOF UPGRADES AND ADA / BUILDING CODE LIFE SAFETY UPGRADES.

ARCHITECTURAL FIRM	TSP	MILLER DUNWIDDIE	ENGAN ASSOCIATES
MECHANICAL FIRM	WSB, INC	GAUSMAN & MOORE	DUFFY ENGINEERING
LOCATION	BECKER, MN	ST. PAUL, MN	WOODBURY, MN
EXPERIENCE	Designed the Kandiyohi County Law Enforcement Center gun range.	Miller Dunwiddie includes historical preservation as one of its specialties.	Engan Assoc. includes historical preservation as one of its specialties. Duffy Engineering has provided - a firing range for the Department of Natural Resources in Grand Rapids, MN (2012) - a 7-lane firing range for a private owner in Isle, MN (2012) - a 5-lane firing range for a private owner in Sauk Rapids, MN (2012) - a 360-degree firing range for the Camp Ripley Shoot House (2002) - a firing range at the National Guard Armory in Rosemount, MN (1990's) - a firing range for Camp Ripley (1980's). - Perry Nistler PE of Duffy Engineering was previously an engineer for the MN Army National Guard and worked directly on firing range projects. - Nistler also was a Design Specification Writer for National Guard Firing Range Standards.
COST	Hourly rates Not to Exceed $22,500	$9,800	$9,500

CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION

Agenda Item Number: 6
Meeting Date: December 30, 2013
Attachments: ☒ Yes No

CITY COUNCIL ACTION
Date: December 16, 2013

☐ Approved ☐ Denied
☐ Amended ☐ Tabled
☐ Other

Originating Department: Finance

Agenda Item: Reports

Recommended Action: Receive and review reports:
A) Preliminary General Fund Expenditures
B) November CVB Financial Reports
C) October Rice Financial Report
D) MUC Financial Report
E) November Rice Trust Report

Background/Summary: Periodic review of reports

Alternatives: N/A

Financial Considerations: Review financial status.

Preparer: Steve Okins, Finance Director

Signature:

Comments:

Expenditure Guideline
FOR THE PERIOD(S) JAN 01, 2013 THROUGH DEC 30, 2013

		ANNUAL REVISED BUDGET	ENCUMBERED	ACT MTD POSTED AND IN PROCESS	ACT YTD POSTED AND IN PROCESS	REMAINING BALANCE	PCT	
101	GENERAL FUND							
41400	CITY ADMINISTRATOR	272,701.00	0.00	16,088.16	269,867.47	2,833.53	98	---------
41401	MAYOR AND COUNCIL	209,615.00	0.00	30,466.22	211,626.49	2,011.49-	100	----------
41402	PLANNING & DEVELOP. SERVICES	482,412.00	0.00	29,181.55	481,632.06	779.94	99	---------
41403	CITY CLERK-TREASURER	207,994.00	0.00	11,793.77	204,007.98	3,986.02	98	---------
41404	ASSESSING	274,950.00	0.00	15,885.17	221,915.56	53,034.44	80	--------
41405	FINANCE DEPARTMENT	387,032.00	0.00	21,605.64	335,819.66	51,212.34	86	--------
41406	LEGAL	216,000.00	0.00	22,067.06	235,917.02	19,917.02-	109	----------
41408	CITY HALL	145,254.00	0.00	8,505.79	112,374.28	32,879.72	77	-------
41409	INFORMATION TECHNOLOGY	425,530.00	0.00	20,329.34	377,606.07	47,923.93	88	--------
41418	CULTURAL DIVERSITY	0.00	0.00	0.00	0.00	0.00	0	
41424	ELECTIONS	22,697.00	0.00	556.70	21,138.75	1,558.25	93	---------
41428	NON-DEPARTMENTAL	1,255,100.00	0.00	9,490.12	1,366,325.82	111,225.82-	108	----------
42411	POLICE DEPARTMENT	4,111,630.00	0.00	214,446.65	3,815,259.06	296,370.94	92	---------
42412	FIRE PROTECTION	645,430.00	0.00	40,531.84	501,462.58	143,967.42	77	-------
42428	NON-DEPARTMENTAL	15,000.00	0.00	10.58	44,889.43	29,889.43-	299	----------!!!!
43001	TRANSIT SYSTEM	13,000.00	0.00	13,000.00	13,000.00	0.00	100	----------
43417	ENGINEERING	496,938.00	0.00	20,986.15	272,922.82	224,015.18	54	-----
43425	PUBLIC WORKS	2,384,391.00	0.00	108,832.68	2,179,633.25	204,757.75	91	---------
43428	NON-DEPARTMENTAL	2,000.00	0.00	66.50	872.50	1,127.50	43	----
43430	AIRPORT	0.00	0.00	0.00	0.00	0.00	0	
44428	NON-DEPARTMENTAL	0.00	0.00	0.00	0.00	0.00	0	
45426	LIBRARY	469,173.00	0.00	0.00	420,431.10	48,741.90	89	--------
45427	AUDITORIUM	47,500.00	0.00	6,685.13	40,280.22	7,219.78	84	--------
45428	NON-DEPARTMENTAL	110,500.00	0.00	0.00	46,000.00	64,500.00	41	----
45431	PARK DEVELOPMENT	0.00	0.00	0.00	0.00	0.00	0	
45432	LEISURE SERVICES	334,670.00	0.00	49,226.07	282,994.98	51,675.02	84	--------
45433	CIVIC CENTER	564,705.00	0.00	36,179.45	545,832.21	18,872.79	96	---------
45435	COMMUNITY CENTER	133,242.00	0.00	10,054.40	113,948.15	19,293.85	85	--------
45437	AQUATIC CENTER	199,669.00	0.00	3,944.20	180,408.95	19,260.05	90	---------
49429	TRANSFERS	1,817,611.00	0.00	1,727,258.50	1,817,611.00	0.00	100	----------
TOTAL:	GENERAL FUND	15,244,744.00	0.00	2,417,191.67	14,113,777.41	1,130,966.59	92	---------

City of Willmar

CONVENTION & VISITORS BUREAU

Balance Sheet as of November 30, 2013

(As of 12/11/13)

Assets		
Cash		$ 22,563.12
Petty Cash		50.00
Investments		174,887.85
Taxes Receivable		-
Accounts Receivable		15,774.02
Prepaid Expenses		-
Interest Receivable		-
	Total Assets	$ 213,274.99
Liabilities		
Accounts Payable		$ -
Due to General Fund		-
Due to Capital Improvements		-
	Total Liabilities	-
Fund Balance		
Restricted Fund Balance - Prepaid Expenses		15,094.17
Committed Fund Balance - CVB		31,193.62
Assigned Fund Balance - Petty Cash/CVB		50.00
Assigned Fund Balance - CVB		166,937.20
	Total Fund Balance	213,274.99
	Total Liabilities & Fund Balance	$ 213,274.99

City of Willmar

CONVENTION & VISITORS BUREAU
COMPARATIVE INCOME STATEMENT
For the Period Ended November 30, 2013
(As of 12/11/13)

	Budget	2013 Actual		2012 Actual	
Lodging Receipts	$ 152,000.00	$ 148,653.07		$ 140,198.22	*
State Tourism Grant	3,000.00	2,975.00		4,922.16	*
Kandiyohi County	14,500.00	14,885.55	*	14,728.80	
Kandiyohi Co. Tourism Phone Reim	1,000.00	-		-	
Kandiyohi Co. Tourism Partnerhip	34,000.00	34,000.00		34,000.00	
Advertising Sales	4,000.00	1,899.50		2,653.50	
Miscellaneous	-	1,661.68	*	1,105.00	*
Interest Earnings	6,000.00	2,225.17		2,720.50	
Market Value Increase (Decr)	-	52.37	*	651.07	*
Refunds & Reimbursements	-	1,080.08	*	2,601.81	*
Total Revenues	214,500.00	207,432.42		203,581.06	
Expenditures					
Operating					
Full Time Exec Director Salary	84,240.00	63,016.30		61,444.77	
Temporary Employee Salaries	-	-		-	
Benefits and Taxes	19,500.00	11,065.95		13,267.63	
Office Supplies/Copies	3,400.00	2,486.22		2,116.87	
Small Tools	-	616.52	*	751.59	*
Postage	1,300.00	857.94		985.62	
Mtce. of Equipment	1,000.00	-		-	
General Supplies	2,200.00	2,173.70		350.92	
Telephone/Fax	4,200.00	3,191.56		3,400.92	
Printing & Publishing	2,000.00	1,039.33		1,453.70	
Travel/Lodging/Dues	5,000.00	5,546.01	*	6,049.35	*
Mtce. of Equipment	-	168.33	*	-	
Other Services	-	645.20	*	768.92	*
Rents	8,000.00	6,266.10		6,266.10	
Insurances & Bonds	355.00	375.00	*	355.00	*
Awards & Indemnities	200.00	270.55	*	256.50	*
Subscription/Membership	1,600.00	2,602.43	*	1,562.19	*
Professional Services	2,400.00	1,848.00		2,598.00	*
Advertising/Marketing	-	343.10	*	-	
Other Charges					
Contingency Fund	1,300.00	60.00		4,105.07	
City Transfer (5%)	7,500.00	-		-	
Transfer Out Capital Improvement	-	-		-	
Refunds and Reimbursements	-	-		46.78	*
Market Value Adjustment	-	11,846.61	*	607.37	*
Tourism Expenses	34,000.00	34,805.85	*	38,005.24	*
Ad Development & Revisions	250.00	-		-	
Conference & Convention	21,000.00	8,652.36		15,064.58	
Group Tour Promotions	2,000.00	1,510.99		1,972.00	
Leisure Travel	25,000.00	17,557.62		26,217.78	*
Fall/Winter Promotions	6,000.00	3,743.65		3,491.85	
Spring/Summer Promotions	-	-		-	
Special Projects	7,000.00	1,625.00		5,750.00	
Strategic Marketing	6,000.00	-		3,123.52	
Total Expenditures	245,445.00	182,314.32		200,012.27	
Net Income (Loss)	(30,945.00)	25,118.10		3,568.79	
Fund Balance January 1	188,156.89	188,156.89		207,922.15	
Prior Period Adjustment	-				
Fund Balance November 30	$ 157,211.89	$ 213,274.99		$ 211,490.94	

* Indicates Over Budget

Rice Memorial Hospital
Financial Statements
October 31, 2013

Executive Summary

October was a negative month in terms of financial performance compared to budget and in terms of actual performance. Rice generated a loss of $776,000 from operations compared to budgeted Operating Income of $76,000 and last year's October Operating Income of $1.0 million. The primary contributing factors for this month's negative results were lower reimbursement and an increase in expenses. The lower reimbursement was due to the continued shift in payer mix and declining reimbursement rates within the governmental payers due to lower case mix acuity. All three operating entities incurred operating deficits for the month.

Here is a summary of key financial indicators:

	Actual	Budget	Last Year/ Last YTD	Prior Year	Benchmark	Actual - YTD	Desired
Operating Margin-Month	-10.1%	0.9%	10.7%			↓	↑
Operating Margin-YTD	-3.0%	2.4%	0.7%	1.4%	2.2%	↓	
Excess Margin-Month	-8.7%	1.8%	10.7%			↓	
Excess Margin-YTD	-3.2%	3.3%	1.7%	2.3%	2.8%	↓	
EBIDA Margin-Month	0.5%	11.0%	19.2%			↓	
EBIDA Margin-YTD	7.2%	12.2%	10.4%	13.1%	10.8%	↓	
Debt/Capitalization	42.4%	41.8%	43.9%	43.4%	38.7%	↔	↓
Net Days of Receivables	53	50	58	64	46	↔	
Days of Cash	110	129	122	114	131	↓	↑
Cash/Debt	64%	82%	67%	63%	87%	↔	

October 31, 2013 Balance Sheet:

The October YTD balance sheet realized a decrease in Net Assets of $1.4 million. Total Assets have decreased $2.6 million while Total Liabilities have decreased $1.2 million. The Total Asset decrease was due to a decrease in Current Assets of $3.8 million; an increase in Assets Limited as to Use of $223,000; an increase in Property, Plant, and Equipment of $1.4 million; and a decrease in Other Assets of $495,000. The decrease in Current Assets was due to decreases in Trustee Bond Agreement reserves (debt service payments) and Receivables. Assets Limited as to Use has increased due to market value increases in the Rice Trust Endowment Fund. Property, Plant, and Equipment has increased due to the Care Center Project and Other Assets have decreased due to General Investment transfers to Cash partially offset by an increase in the investment in Willmar Medical Services.

Cash & General Investments have decreased $1.3 million since December 31, 2012 due to lower than anticipated operating performance and construction projects funded out of operations. This will substantially change once the 2013 Bond Issue is completed and the proceeds are deposited. Liabilities have decreased due debt payments ($2.3 million) made during the year. Net Assets have decreased due to financial performance but offset somewhat by increases in the Rice Trust Fund and the Specific Purpose Fund.

October 2013 Results:

The overall Net Operating Loss was $776,000 compared to budgeted Operating Income of $76,000 and compared to last year's Operating Income of $1.0 million. Hospital Total Operating Revenues were 7.9% less than budget for the month and 21.0% less than last year. Inpatient Revenues were 11.1% greater than budget while Outpatient Revenues were 5.6% less than budget. Inpatient Revenues were driven by increased activity in many departments due to the higher census. Outpatient Revenue decreases were the result of lower revenues in Emergency Room, Laboratory, and Hospice. Care Center Resident Revenues were greater than budget by 6.0% while Home Medical revenues were 13.7% greater than budget due to increased Sales Revenues. Overall Patient Revenues were $540,000 (3.2%) greater than budget and 1.0% greater than last year.

Consolidated deductions from revenue were 11.0% ($908,000) greater than budget even though Patient Revenues were only 3.2% greater than budget. The continued shift to government payer sources and a decrease in case mix or patient acuity contributed to this negative variance. The Hospital's reimbursement rate for the month was 45.18% compared to a budget of 48.23%; a negative revenue variance of $474,000.

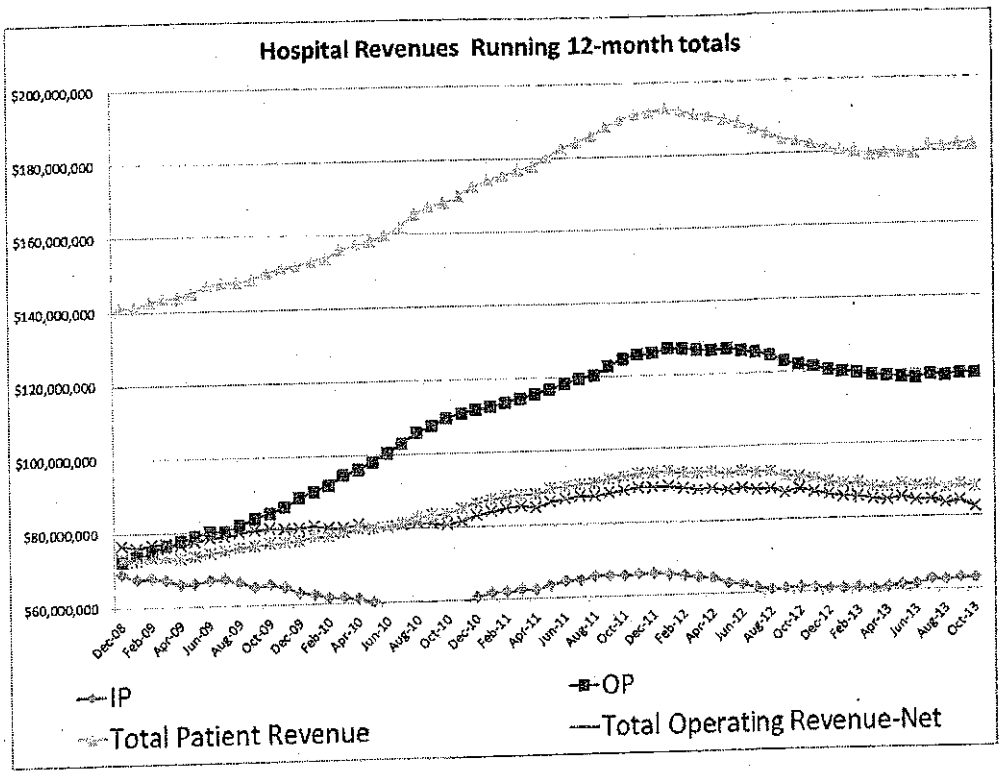
Other operating revenues were $66,000 (4.5%) less than budget even though there has been improved WMS activity and profits. Other Operating Revenue activity at the Hospital has been lower than projected due to Laboratory and Anesthesia services. Laboratory non-Rice activity was down due to the loss of a couple of clients while Anesthesia services that were previously sold to the Willmar Surgery Center are now part of Willmar Medical Services and thus these services are no longer sold but allocated and then deducted from Rice's activity. Net WMS activity at Rice was greater than budget by $318,000 (17.6%) due to added Anesthesia and Sleep services into WMS. Total Operating Revenues were $7.7 million; $754,000 (8.9%) less than budget and $1.8 million (19.4%) less than last year. Last year the Stage I Meaningful Use reimbursements were received in the amount of $1.2 million. It is expected and hopeful that Rice will receive the Stage II Meaningful Use reimbursements in December 2013 at an estimated amount of $800,000.

Net Expenses were $8.4 million; $98,000 (1.2%) greater than budget but 0.6% less than last year. Expenses were mixed for the month with Salaries $160,000 (4.2%) greater than budget due to FTE's; Contract Labor $60,000 (23.0%) greater due to Hospital contracted services and Care Center contracted therapy costs; and Benefits $197,000 (17.9%) greater due to increased health insurance and worker's compensation costs. The Hospital Compensation Ratio was 56.9% compared to the target of 50.4% a variance of $549,000. Supplies were $29,000 (2.9%) greater than budget due higher Sales Revenues at Home Medical. Drugs were $133,000 (16.6%) less than budget due to lower than projected Medical Oncology activity. Purchased Services were $82,000 (15.3%) less than budget due to lower costs in Surgery and Hospice; Repairs & Rentals were $12,000 (4.5%) greater than budget due to numerous departments and timing of service contract payments; Utilities were at budget; Insurance was at budget; Patient Related Travel was $4,500 (11.4%) greater than budget due to Ambulance and Hospice activity ; Education, Travel, and Dues were $6,900 (8.8%) greater than budget due to SWEPT and Anesthesia; and Other was $15,000 (39.1%) less than budget. Capital Costs were lower with Depreciation $39,000 (5.5%) less than budget and Interest $7,900 (5.5%) less than budget as Care Center financing has not occurred. Bad Debts were $13,000 (9.0%) less than budget due to improved aging of the accounts. Bad Debts and Uncompensated Care were $84,000 less than budget and $130,000 less than last year. Taxes were $3,500 (1.9%) greater than budget.

The Hospital generated an Operating Loss of $668,000 compared to budgeted Operating Income of $32,000 and last year's Operating Income of $1.0 million. Care Center activity generated an Operating Loss of $34,000 compared to expected Operating Income of $40,000 and last year's Operating Income of $45,000. The Care Center Loss was due to the ups and downs of the census during the renovation projects. Home Medical activity generated an Operating Loss of $72,000 compared to budgeted Operating Income of $4,200 and last year's Operating Loss of $46,000. The Home Medical Loss was due to lower reimbursements on activity and increases in expenses.

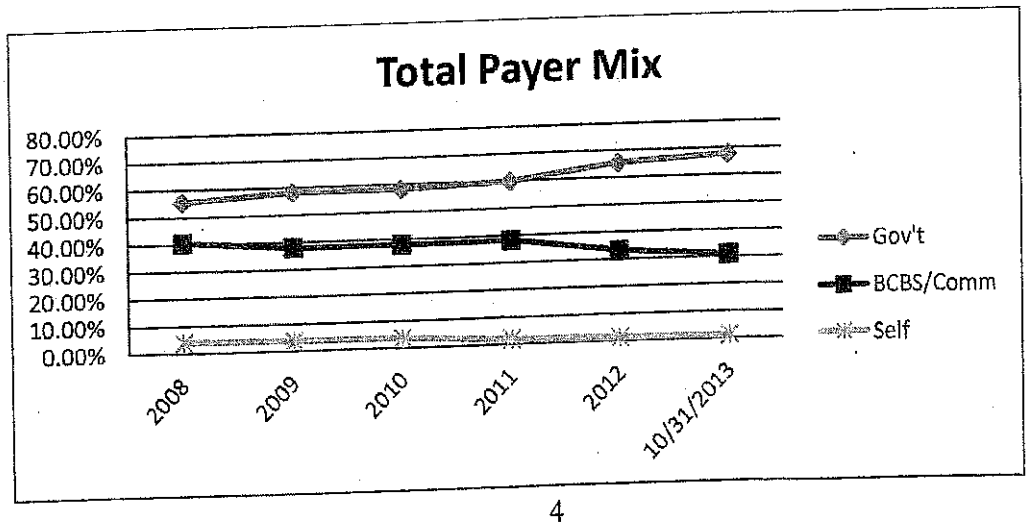
October YTD 2013 Results:

The overall YTD net Operating Loss was $2.3 million compared to budgeted Operating Income of $2.1 million and last year's Operating Income of $633,000. Hospital Operating Revenues were $4.4 million (6.2%) less than budget and 4.7% less than last year. Inpatient Revenues were 4.2% greater than budget and 2.4% greater than last year while Outpatient Revenues 7.3% less than budget and 4.6% less than last year. Inpatient Revenues were driven by the increased census while Outpatient Revenues were the result of lower revenues in Surgery, Anesthesia, Emergency, Pharmacy, Lab, Hospice, and Medical Imaging. Most of the revenue variances related to lower volumes however, Surgery experienced a lower acuity of procedures thus creating a negative rate variance.



Care Center Resident Revenues were greater than budget by $305,000 (3.7%) due to higher than projected outpatient or Part B therapy services even though the census was lower. Home Medical revenues were 7.5% greater than budget (Sales and Rentals) and 22.7% greater than last year (Sales and Rentals).

Consolidated deductions from revenue were 3.8% ($3.1 million) greater than budget even though Total Patient Revenues were 0.6% less than budget. A continued downward shift in reimbursement due to an increase in activity from government payers contributed to this variance along with the negative write-offs at Home Medical. In addition, lower inpatient reimbursements due to decreases in the case mix or patient acuity has further contributed to this negative variances. Net Revenue from Patients was $4.2 million (4.7%) less than budget and 2.3% less than last year. The Hospital's reimbursement rate was 47.83% compared to a budget of 48.96%; a negative revenue variance of $1.7 million.

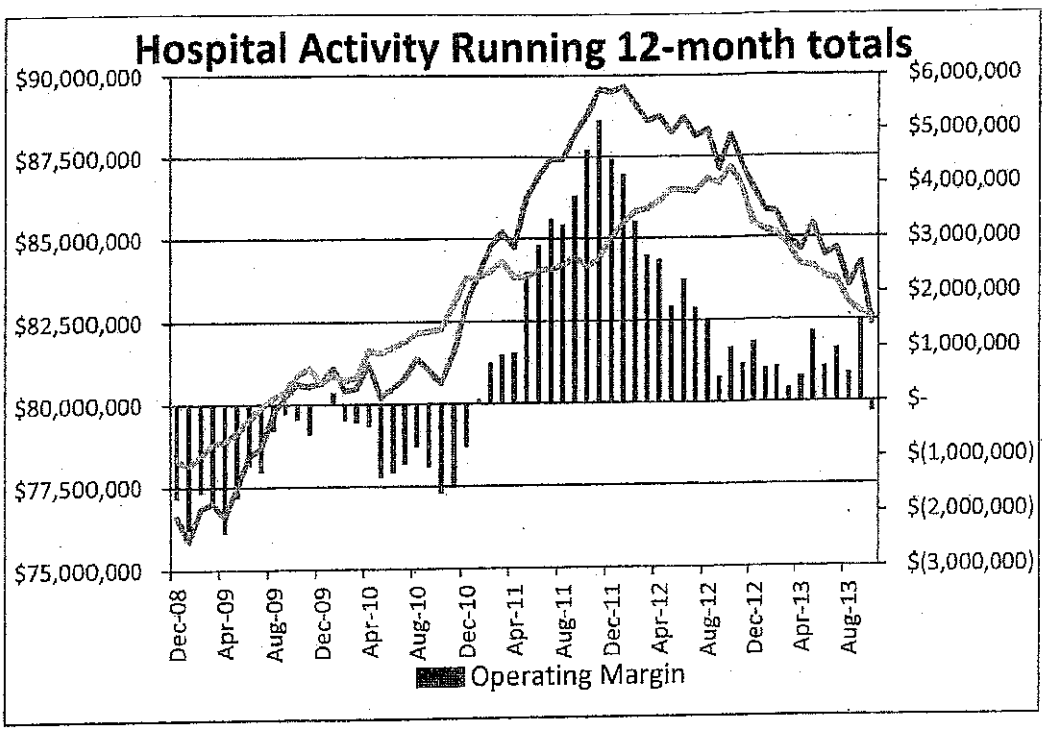


Other operating revenues were $1.1 million (7.5%) less than budget due to lower activity in Laboratory, Pharmacy (WMS related), and Anesthesia (WMS related). In addition, Dental Clinic grant revenues were also lower than projected. WMS activity at Rice was greater than budget by $1.3 million (7.4%) due to inclusion of Anesthesia and Sleep services. Total Operating Revenues were $80.5 million; $6.6 million (7.6%) less than budget and $4.3 million (5.1%) less than last year.

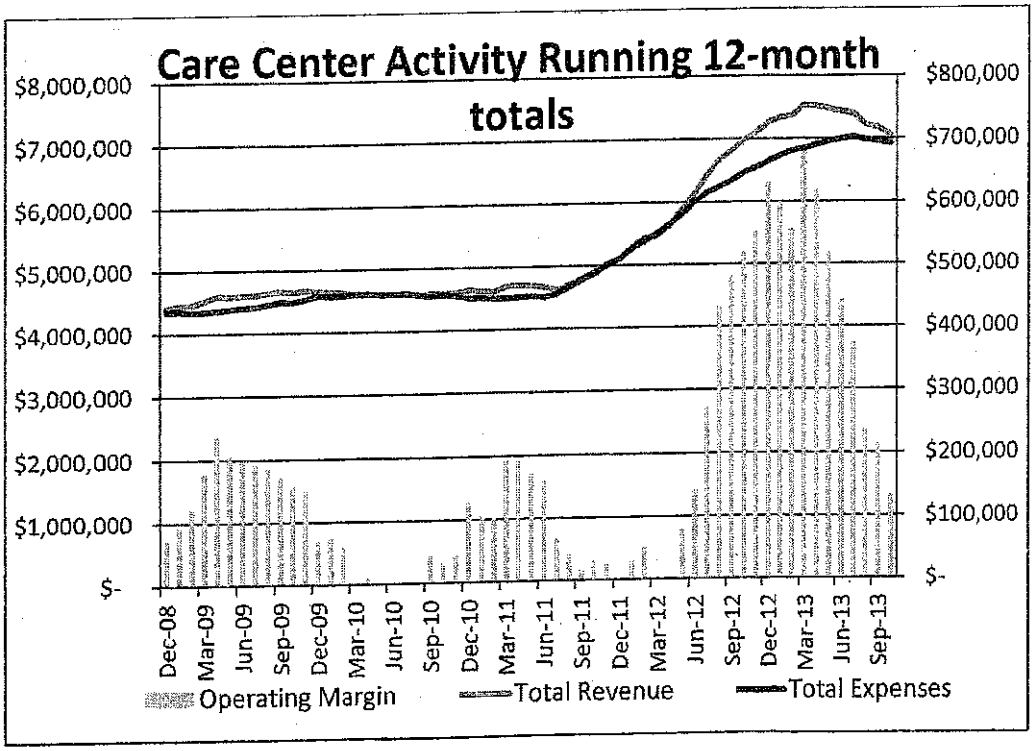
Net Expenses were $82.9 million; $2.1 million (2.5%) less than budget and 1.5% less than last year. Expenses were mostly lower with Salaries $262,000 (0.7%) less than budget due to lower Hospital patient activity. Contract Labor was $457,000 (17.8%) greater than budget due to Hospital (Behavioral Health, Care Management, Pharmacy, Emergency Room Physicians, Therapy, and Patient Accounting) and Care Center (Therapy) contracted services. Benefits were $198,000 (1.8%) greater due to lower salaries but offset by health insurance. The Compensation Ratio was 52.3% compared to the target of 49.6%, a negative variance of $2.3 million. Supplies were $519,000 (4.9%) less than budget due lower activity in Surgery. Drugs were $1.7 million (22.8%) less due to lower Medical Oncology purchases. Purchased Services were $114,000 (2.2%) less than budget; Repairs, Service, & Rentals were $54,000 (2.0%) greater than budget due new patient monitoring leases; Utilities were $53,000 (3.7%) less than budget; Insurance was $15,000 (2.5%) less than budget; Patient Related Travel was $3,200 (0.9%) greater than budget; Education, Travel, and Dues were $13,000 (1.7%) greater than budget; and Other was $74,000 (18.8%) less than budget. Capital Costs were less than budget with Depreciation $201,000 (2.9%) less than budget and Interest $79,000 (5.4%) less than budget. Bad Debts were $63,000 (4.4%) greater than budget. Combined, Bad Debts and Uncompensated Care were $223,000 (8.9%) less than budget and 7.9% less than last year. Taxes were $20,000 (1.1%) less than budget.

Non-operating activity was $946,000 less than budget due to unrealized losses which has been offsetting the unrealized gains from prior years.

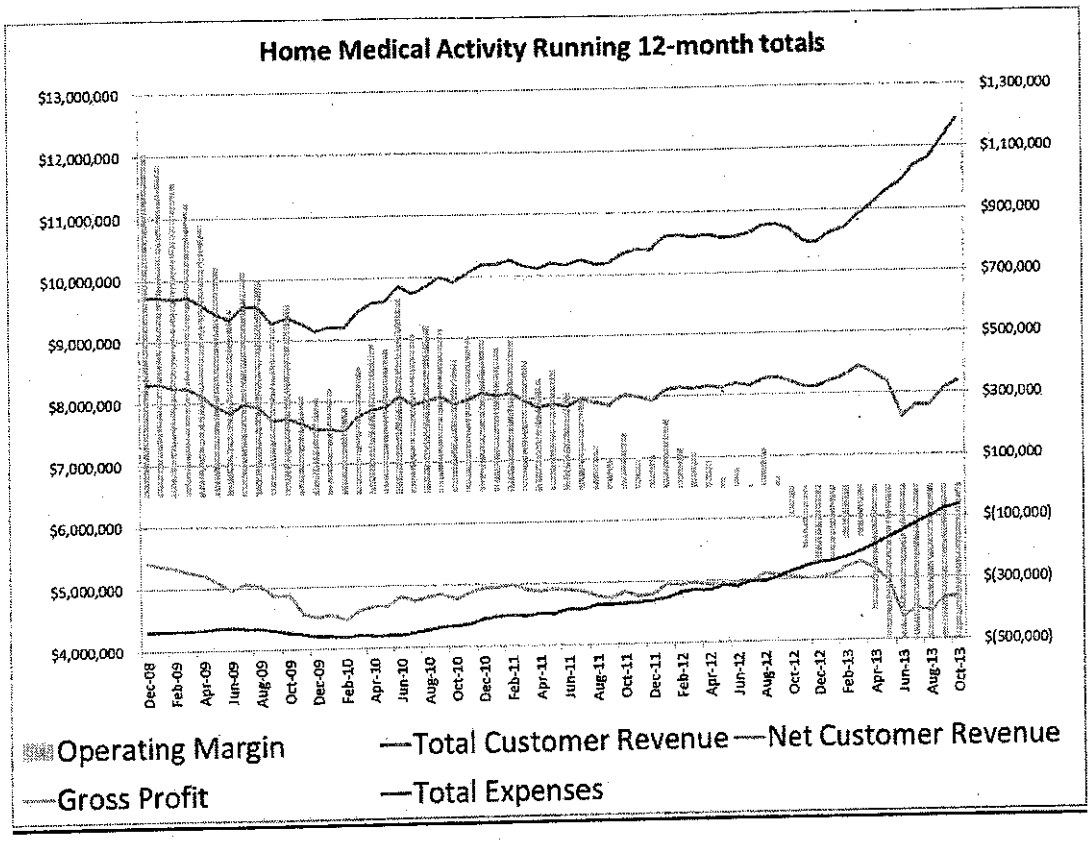
The Hospital generated an Operating Loss of $938,000 compared to budgeted Operating Income of $1.6 million and last year's Operating Income of $350,000. The downward trend of Net Patient Revenues and Total Operating Revenues continued to push lower profitability.



Care Center activity generated Operating Income of $20,000 compared to expected Operating Income of $600,000 and last year's Operating Income of $517,000. The construction projects continued to limit occupancy which has trended Revenues and Operating Margin lower.



Home Medical activity generated an Operating Loss of $1.4 million compared to a budgeted Operating Loss of $124,000 and last year's Operating Loss of $234,000.



Trend Reports – Monthly & YTD

The trended reports have been included in this packet for a few months but with little mention of the reports. As Rice will be moving to a forecasting model and away from a monthly budget model, more emphasis will be placed on trends and monthly results and compared to historical results. Each quarter global type metrics will be reported and updates to quarterly forecasts will be prepared and shared at the Finance Committee meetings. Included in this packet of material are monthly and YTD performance comparing actual monthly activity and the prior four months along with actual YTD activity and the prior four years of YTD activity.

Trend Reports - Monthly

The Hospital activity continued to bounce back and forth between profitability and losses over the past five months. The numbers indicate that in months with losses, the actual amount of losses are significant and are nearly double than the profitable months. Rice has not experienced a month in the last few months that profits were significant or measured in excess of $500,000 for any given month. However, two of the past three months, losses have exceeded or approximated $500,000.

The Care Center activity also bounced back and forth but not to nearly the same magnitude. As previously mentioned, the results were related to the renovation projects at the Care Center which will be finished in July 2014 and then operating activity will improve back to projected results.

Home Medical continued to struggle and underperform. Operating losses continued to mount on top of the write-offs from earlier in the year. Three of the last four months have experienced operating deficits due to lower reimbursements and higher expenses.

Trend Reports - YTD

The Hospital activity continued to bounce back and forth between profitability and losses over the past five years. Three of the past five years have generated positive operating results but with only 2011 generating satisfactory results and profitability. While losses in 2013 are not as significant as 2010, the Operating Margin deficit of 1.4% was still below expectations.

The Care Center activity has been substantially positive over the past five years with 2011 the only negative year (-$8,100) which was due to the construction of Therapy Suites. The improved performance related to investments made in Therapy Suites and general operational performance prior to Therapy Suites.

Home Medical continued to struggle and underperform over the past three years. Prior to 2011, profitability was generated but through continued downward pressure on reimbursement and the changes in the rules and regulations, it has taken Rice longer to move away from government payment sources to retail cash payment sources. On a positive note, Patient Revenues have increased from $7.4 million in 2009 to $10.6 million in 2013 of which the key to success will be to convert this increased activity into profits.

Statistical and Volume Summary

Patient days were 125 (14.3%) greater than budget with admissions 47 (18.8%) greater than budget yielding a decrease in length of stay of 5.1% from budget. Compared to the prior year, patient days were 33 (3.2%) less for the month with admissions 4 (1.3%) less than last year. The average daily census for the month was 32.3 compared to a budget of 28.3 and 33.4 last year. Observation patients were 22.2% less than budget and 25.0% less than last year. Medicare case mix was 8.8% less than budget while the overall case mix was 9.5% less than budget. Overall activity as measured in terms of adjusted admissions was 5.0% greater than budget and 0.4% less than last year while adjusted patient days were 0.9% greater than budget but 2.3% less than last year. There were 87 deliveries for the month compared to a budget of 49 and 77 one year ago. Care Center resident days were 4.6% less than budget with a 61.1 average daily census.

YTD patient days were 621 (6.4%) greater than budget while admissions were 200 (7.4%) greater than budget yielding a minimal decrease in the length of stay. Compared to the prior year, patient days were 84 (0.8%) greater with admissions 55 (1.9%) greater than last year. The average daily census was 33.7 compared to a budget of 31.7 and 33.4 last year. Observation patients were 23.2% less than budget and 17.4% less than last year. Medicare case mix was 3.3% less than budget while the overall case mix was 2.5% less than budget. Overall activity as measured in terms of adjusted admissions was at budget and 1.8% less than last year while adjusted patient days were 0.8% less than budget and 2.7% less than last year. There were 706 deliveries compared to a budget of 614 (15.0%) and 633 (11.5%) from a year ago. Care Center resident days were 10.1% less than budget with a 64.0 average daily census.

Ancillary departments were mixed for the month. Surgery & GI procedures were 9.9% greater than budget and 18.6% greater than last year. Inpatient activity was 6.6% less than budget and 7.3% less than last year while Outpatient activity was 16.8% greater than budget and 30.8% greater than last year. The difficulty that Rice experienced was the lower acuity in the surgical activity and especially the inpatient cases which has a negative effect on Net Patient Revenues through a lower case mix index. Emergency Room visits were 8.2% less than budget and 7.4% less than last year. Lab tests were

0.7% less than budget and 7.3% less than last year. Medical Imaging procedures were 2.4% less than budget and 7.3% less than last year. Radiation Oncology treatments were 60.6% less than budget and 39.8% less than last year. Hopefully this will improve subsequent to the transition of physician services. Medical Oncology visits were 7.1% less than budget and 7.9% less than last year. Dialysis treatments were 9.0% greater than budget and 7.8% greater than last year; Rehab visits were 10.3% greater than budget and 4.4% greater than last year; Hospice visits were 2.1% less than budget and 18.9% less than last year; and Ambulance runs were at budget and 0.9% less than last year.

On a YTD basis, Surgery & GI procedures were 2.7% greater than budget and 4.5% greater than last year. Inpatient procedures were 1.4% less than budget and 5.2% less than last year while Outpatient procedures were 4.3% greater than budget and 8.8% greater than last year. Emergency Room visits were 5.8% less than budget and 4.5% less than last year. Lab tests were 4.6% less than budget and 5.6% less than last year. Medical Imaging procedures were 7.5% less than budget and 7.8% less than last year. Radiation Oncology treatments were 39.6% less than budget and 30.4% less than last year while Medical Oncology visits were 10.4% less than budget and 8.0% less than last year. Dialysis treatments were 7.0% greater than budget and 7.7% greater than last year; Rehab visits were 0.5% greater than budget and 0.1% less than last year; Hospice visits were 0.4% less than budget and 11.6% less than last year; and Ambulance runs were 1.4% less than budget and 0.6% greater than last year.

Full Time Equivalent's (FTE's) for the month were 805 compared to a budget of 774 (4.0%) and compared to last year's total of 806 (-0.1%). Hospital FTE's were 3.9% greater than budget; Care Center 2.6% greater than budget; and Home Medical 5.6% greater than budget. YTD FTE's were 804 compared to a budget of 799 (0.6%) and last year's total of 804 (0.0%). Hospital FTE's were 0.2% greater than budget and 0.7% less than last year; Care Center was 2.6% less than budget and 4.4% less than last year; and Home Medical was 7.8% greater than budget and 11.9% greater than last year.

Key Performance Indicators

The Operational indicators were negative for the month and compared to budget. Consolidated Operating Margin was -10.1% compared to the budget of 0.9% and last year's 10.7%. Excess Margin was -8.7% compared to a budget of 1.8% and last year's 10.7%. The EBIDA Operating Margin was 0.5% for the month compared to a budget of 11.0% and last year's 19.2%. The YTD Operational indicators were negative compared to budget and last year. Consolidated Operating Margin was -3.0% compared to the budget of 2.4% and last year's 0.7%. Excess Margin was -3.2% compared to a budget of 3.3% and last year's 1.7%. EBIDA Operating Margin was 7.2% compared to a budget of 12.2% and last year's 10.4%.

The Financial ratios indicate that the Debt/Capitalization ratio of 42.4% was higher than the year-end target of 41.8%, lower than last year's 43.9%, and higher than the benchmark of 38.7%. Debt Service Coverage was 1.9 compared to the budget of 3.1 and the debt covenant of 1.25. Days in accounts receivable were 53 compared to a target of 50 and last year's 56. Days of Cash were 110 compared to the year-end target of 129 and last year's 122. The Cash/Debt ratio was 64% compared to the year-end target of 82%; last year's 67% and the benchmark of 87%. The Financial Strength Index was -0.71 compared to the budget of 1.21 and 0.73 last year.

YTD Hospital productivity ratios in terms of staffing was slightly less budget with FTE's per adjusted admit at 14.6 compared to a budget of 14.7; last year's ratio of 14.5; and the benchmark of 14.9. FTE's per adjusted patient day were 4.2 compared to the budget of 4.1; last year's ratio of 4.1; and the benchmark of 4.4. The YTD Hospital Compensation Ratio was 52.3% compared to a budget of 49.6% and 50.3% last year. Care Center Hours per Resident Day were 6.6 compared to the budget of 6.2 and the benchmark of 5.8. Sales per FTE at Home Medical were $158,000 which was 0.3% less than the target but 9.6% higher than last year.

RICE MEMORIAL HOSPITAL
CONSOLIDATED
BALANCE SHEET
For the Ten Months Ending October 31, 2013

	CURRENT YEAR	PRIOR YEAR END	CHANGE
ASSETS			
CURRENT ASSETS			
CASH AND CASH EQUIVALENTS	$3,354,564	$2,999,489	$355,075
TRUSTEE BOND AGREEMENTS - CURRENT	1,866,729	2,393,907	(527,178)
ACCOUNTS RECEIVABLE NET	14,767,062	18,416,955	(3,649,892)
OTHER RECEIVABLES	426,788	626,156	(199,368)
INVENTORY	2,219,401	1,881,543	337,859
PREPAID EXPENSES	935,326	1,080,525	(145,198)
TOTAL CURRENT ASSETS	**23,569,871**	**27,398,573**	**(3,828,702)**
ASSETS LIMITED AS TO USE			
HELD BY TRUSTEES - BOND AGREEMENTS	3,181,089	3,181,089	0
REMAINDER UNITRUST - RECEIVABLE	43,996	43,996	0
ENDOWMENT FUND - INVESTMENTS	2,840,263	2,616,990	223,273
TOTAL ASSETS - USE IS LIMITED	**6,065,349**	**5,842,075**	**223,273**
PROPERTY PLANT & EQUIPMENT			
PROPERTY PLANT & EQUIPMENT	135,650,597	132,297,068	3,353,529
LESS: ACCUMULATED DEPRECIATION	(74,691,505)	(72,741,611)	(1,949,894)
NET PROPERTY, PLANT & EQUIPMENT	**60,959,092**	**59,555,457**	**1,403,635**
OTHER ASSETS			
INVESTMENTS	24,286,682	25,941,901	(1,655,218)
INVESTMENTS - SHARED HEALTH RESOURCES	425,186	425,186	0
INVESTMENTS - WILLMAR MEDICAL SERVICES	4,845,183	3,647,124	1,198,058
OTHER INVESTMENTS	54,963	79,963	(25,000)
GOODWILL, NET	84,944	86,056	(1,111)
DEFERRED DEBT ACQUISITION COSTS	187,908	200,398	(12,490)
TOTAL OTHER ASSETS	**29,884,867**	**30,380,628**	**(495,761)**
TOTAL ASSETS	**$120,479,178**	**$123,176,733**	**($2,697,555)**
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
CURRENT MATURITIES OF LONG TERM DEBT	$2,754,479	$2,290,275	$464,204
ACCOUNTS PAYABLE - TRADE	1,695,074	1,730,604	(35,530)
ESTIMATED THIRD PARTY PAYOR SETTLEMENTS	(107,940)	(29,504)	(78,436)
ACCRUED SALARIES, WAGES AND BENEFITS	10,684,572	10,992,653	(308,081)
ACCRUED INTEREST AND DUE TO WMS	3,576,124	2,089,775	1,486,348
TOTAL CURRENT LIABILITIES	**18,602,309**	**17,073,804**	**1,528,505**
LONG TERM DEBT (LESS CURRENT PORTION)	**43,158,132**	**45,957,263**	**(2,799,131)**
TOTAL LIABILITIES	**61,760,440**	**63,031,067**	**(1,270,626)**
COMMITMENTS AND CONTINGENCIES			
NET ASSETS			
RESTRICTED FUNDS	3,181,089	3,181,089	0
DEBT SERVICE AND RESERVE	235,165	88,338	146,828
SPECIFIC PURPOSE FUND	2,840,263	2,616,990	223,273
PERMANENT ENDOWMENT	(2,553,603)	2,430,598	(4,984,201)
CURRENT YEAR INCOME	55,015,823	51,828,651	3,187,172
UNRESTRICTED	**58,718,737**	**60,145,666**	**(1,426,929)**
TOTAL NET ASSETS	**$120,479,178**	**$123,176,733**	**($2,697,555)**
TOTAL LIABILITIES AND NET ASSETS			

RICE MEMORIAL HOSPITAL CONSOLIDATED
For the Ten Months Ending October 31, 2013

CURRENT MONTH							YEAR TO DATE					
ACTUAL	BUDGET	VAR	VAR %	PRIOR YR	VAR %		ACTUAL	BUDGET	VAR	VAR %	PRIOR YR	VAR %
						OPERATING REVENUE						
$5,216,664	$4,505,767	$710,897	15.8%	$5,274,469	(1.1%)	INPATIENT REVENUE	$52,158,042	$49,238,998	$2,919,044	5.9%	$50,056,671	4.2%
10,352,132	10,715,865	(363,733)	(3.4%)	10,319,284	0.3%	OUTPATIENT REVENUE	100,275,405	105,334,239	(5,058,834)	(4.8%)	101,705,882	(1.4%)
832,212	785,060	47,152	6.0%	950,449	(12.4%)	RICE CARE CENTER REVENUE	8,493,624	8,188,298	305,326	3.7%	7,744,014	9.7%
1,207,945	1,062,013	145,932	13.7%	892,237	35.4%	RICE HOME MEDICAL REVENUE	10,619,380	9,874,883	744,497	7.5%	8,656,386	22.7%
17,608,953	**17,068,705**	**540,248**	**3.2%**	**17,436,439**	**1.0%**	**TOTAL PATIENT REVENUE**	**171,546,451**	**172,636,418**	**(1,089,967)**	**(0.6%)**	**168,162,953**	**2.0%**
9,141,236	8,161,440	979,796	12.0%	8,381,842	9.1%	LESS DISCOUNTS & CONTRACTUALS	85,072,093	81,660,849	3,411,244	4.2%	79,401,973	7.1%
59,895	130,810	(70,915)	(54.2%)	133,106	(55.0%)	LESS UNCOMPENSATED CARE	987,058	1,273,461	(286,403)	(22.5%)	1,220,037	(19.1%)
9,201,131	**8,292,250**	**908,881**	**11.0%**	**8,514,948**	**8.1%**	**TOTAL DEDUCTIONS FROM REVENU**	**86,059,151**	**82,934,310**	**3,124,841**	**3.8%**	**80,622,010**	**6.7%**
8,407,822	**8,776,455**	**(368,633)**	**(4.2%)**	**8,921,491**	**(5.8%)**	**NET REVENUE FROM PATIENTS**	**85,487,300**	**89,702,108**	**(4,214,808)**	**(4.7%)**	**87,540,943**	**(2.3%)**
1,434,953	1,501,925	(66,972)	(4.5%)	2,546,263	(43.6%)	OTHER OPERATING REVENUE	13,924,966	15,049,811	(1,124,845)	(7.5%)	14,961,989	(6.9%)
9,842,775	**10,278,380**	**(435,605)**	**(4.2%)**	**11,467,754**	**(14.2%)**	**TOTAL OPERATING REVENUE**	**99,412,266**	**104,751,919**	**(5,339,653)**	**(5.1%)**	**102,502,932**	**(3.0%)**
2,130,656	1,811,739	318,917	17.6%	1,900,913	12.1%	LESS: WILLMAR MEDICAL SERVICES OPERATING REVENUE	18,876,525	17,573,118	1,303,407	7.4%	17,665,139	6.9%
7,712,119	8,466,641	(754,522)	(8.9%)	9,566,841	(19.4%)	TOTAL OPERATING REVENUE	80,535,741	87,178,801	(6,643,060)	(7.6%)	84,837,793	(5.1%)
						OPERATING EXPENSES						
3,950,699	3,790,168	160,531	4.2%	3,826,028	3.3%	SALARIES AND WAGES	38,315,919	38,578,564	(262,645)	(0.7%)	37,529,269	2.1%
323,768	263,182	60,586	23.0%	334,321	(3.2%)	CONTRACT LABOR	3,020,911	2,563,401	457,510	17.8%	3,148,249	(4.0%)
1,300,623	1,103,549	197,074	17.9%	1,171,588	11.0%	SUPPLEMENTAL BENEFITS	11,425,606	11,227,030	198,576	1.8%	11,107,033	2.9%
1,070,529	1,040,807	29,722	2.9%	983,740	8.8%	SUPPLIES	10,077,851	10,597,703	(519,852)	(4.9%)	9,854,493	2.3%
669,536	803,058	(133,522)	(16.6%)	573,357	16.8%	DRUGS	6,057,457	7,842,455	(1,784,998)	(22.8%)	7,410,222	(18.3%)
456,790	539,599	(82,809)	(15.3%)	607,844	(24.9%)	PURCHASED SERVICES	5,203,630	5,318,276	(114,646)	(2.2%)	6,138,962	(15.2%)
280,075	268,063	12,012	4.5%	259,575	7.9%	REPAIRS, SERVICE & RENTALS	2,841,524	2,786,595	54,929	2.0%	2,592,147	9.6%
133,765	133,313	452	0.3%	126,880	5.4%	UTILITIES	1,391,364	1,444,603	(53,239)	(3.7%)	1,379,452	0.9%
60,771	59,957	814	1.4%	60,462	0.5%	INSURANCE	591,559	606,669	(15,110)	(2.5%)	582,383	1.6%
44,497	39,928	4,569	11.4%	40,522	9.8%	PATIENT RELATED TRAVEL	383,525	380,254	3,271	0.9%	357,465	7.3%
84,978	78,078	6,900	8.8%	81,856	3.8%	EDUCATION, TRAVEL, & DUES	844,362	830,633	13,729	1.7%	825,422	2.3%
24,465	40,167	(15,702)	(39.1%)	43,790	(44.1%)	OTHER	322,970	397,740	(74,770)	(18.8%)	464,527	(30.5%)
674,444	713,530	(39,086)	(5.5%)	661,216	2.0%	DEPRECIATION AND AMORT	6,783,298	6,985,243	(201,945)	(2.9%)	6,644,801	2.1%
137,058	144,962	(7,904)	(5.5%)	143,397	(4.4%)	INTEREST	1,386,085	1,465,565	(79,480)	(5.4%)	1,582,815	(12.4%)
132,347	145,483	(13,136)	(9.0%)	189,731	(30.2%)	BAD DEBTS	1,513,248	1,449,588	63,660	4.4%	1,592,116	(5.0%)
196,072	192,478	3,594	1.9%	187,100	4.8%	TAXES & SURCHARGE	1,863,801	1,884,154	(20,353)	(1.1%)	1,767,054	5.5%
9,540,417	**9,356,322**	**184,095**	**2.0%**	**9,291,407**	**2.7%**	**TOTAL OPERATING EXPENSES**	**92,023,110**	**94,358,473**	**(2,335,363)**	**(2.5%)**	**92,976,410**	**(1.0%)**
1,052,214	966,263	85,951	8.9%	752,480	39.8%	LESS: WILLMAR MEDICAL SERVICES OPERATING EXPENSES	9,100,207	9,287,764	(187,557)	(2.0%)	8,771,737	3.7%
8,488,203	**8,390,059**	**98,144**	**1.2%**	**8,538,927**	**(0.6%)**	**NET OPERATING EXPENSES**	**82,922,903**	**85,070,709**	**(2,147,806)**	**(2.5%)**	**84,204,673**	**(1.5%)**
(776,084)	**76,582**	**(852,666)**	**(1,113.4%)**	**1,027,914**	**(175.5%)**	**OPERATING INCOME (LOSS)**	**(2,387,162)**	**2,108,092**	**(4,495,254)**	**(213.2%)**	**633,120**	**(477.0%)**
93,739	77,163	16,576	21.5%	(8,123)	(1,254.0%)	NON OPERATING INCOME	(166,440)	779,625	(946,065)	(121.3%)	838,079	(119.9%)
(682,345)	153,745	(836,090)	(543.8%)	1,019,791	(166.9%)	NET INCOME (LOSS)	($2,553,602)	$2,887,717	($5,441,319)	(188.4%)	$1,471,199	(273.6%)

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RICE [illegible] TAL
CURREN[illegible]ONTH
For Periods Ending October 31, 2013

	CURRENT MONTH ACTUAL			CURRENT MONTH BUDGET			RICE ACT/BUD		PRIOR YEAR ACTUAL			RICE CY/PY	
	RICE	WMS	TOTAL	RICE	WMS	TOTAL	VAR $	VAR %	RICE	WMS	TOTAL	VAR $	VAR %
OPERATING REVENUE													
INPATIENT REVENUE	$4,687,723	$528,941	$5,216,664	$4,221,129	$284,638	$4,505,767	$466,594	11.1%	$4,973,865	$300,604	$5,274,469	($286,143)	(5.8%)
OUTPATIENT REVENUE	6,232,931	4,119,201	10,352,132	6,600,409	4,115,456	10,715,865	(367,479)	(5.6%)	6,316,590	4,002,694	10,319,284	(83,659)	(1.3%)
TOTAL PATIENT REVENUE	**10,920,653**	**4,648,142**	**15,568,796**	**10,821,538**	**4,400,094**	**15,221,632**	**99,115**	**0.9%**	**11,290,455**	**4,303,298**	**15,593,754**	**(369,802)**	**(3.3%)**
LESS DISCOUNTS & CONTRACTUALS	5,958,323	2,517,158	8,475,481	5,303,823	2,445,944	7,749,768	654,500	12.3%	5,660,903	2,246,559	7,907,462	297,420	5.3%
LESS UNCOMPENSATED CARE	35,869	22,989	58,858	130,515	0	130,515	(94,646)	(72.5%)	133,055	0	133,055	(97,186)	(73.0%)
TOTAL DEDUCTIONS FROM REVENUE	**5,994,192**	**2,540,148**	**8,534,340**	**5,434,339**	**2,445,944**	**7,880,283**	**559,853**	**10.3%**	**5,793,958**	**2,246,559**	**8,040,517**	**200,234**	**3.5%**
NET REVENUE FROM PATIENTS	**4,926,461**	**2,107,995**	**7,034,456**	**5,387,199**	**1,954,149**	**7,341,348**	**(460,738)**	**(8.6%)**	**5,496,497**	**2,056,739**	**7,553,237**	**(570,036)**	**(10.4%)**
OTHER OPERATING REVENUE	1,401,449	22,661	1,424,110	1,482,857	13,250	1,496,107	(81,408)	(5.5%)	2,512,676	11,679	2,524,355	(1,111,227)	(44.2%)
TOTAL OPERATING REVENUE	**6,327,910**	**2,130,656**	**8,458,566**	**6,870,056**	**1,967,399**	**8,837,455**	**(542,146)**	**(7.9%)**	**8,009,174**	**2,068,418**	**10,077,592**	**(1,681,263)**	**(21.0%)**
LESS: WILLMAR MEDICAL SERVICES OPERATING REVENUE	0	2,130,656	2,130,656	0	1,811,739	1,811,739	0	0.0%	0	1,900,913	1,900,913	0	0.0%
TOTAL OPERATING REVENUE	**6,327,910**	**0**	**6,327,910**	**6,870,056**	**155,661**	**7,025,717**	**(542,146)**	**(7.9%)**	**8,009,174**	**167,505**	**8,176,679**	**(1,681,263)**	**(21.0%)**
OPERATING EXPENSES													
SALARIES AND WAGES	3,113,422	366,175	3,479,597	3,149,139	184,881	3,334,021	(35,717)	(1.1%)	3,175,523	165,261	3,340,784	(62,101)	(2.0%)
CONTRACT LABOR	86,982	145,205	232,188	27,752	162,616	190,368	59,230	213.4%	88,654	132,294	220,948	(1,672)	(1.9%)
SUPPLEMENTAL BENEFITS	1,007,109	95,275	1,102,383	881,557	48,102	929,659	125,551	14.2%	946,817	47,779	994,596	60,292	6.4%
SUPPLIES	634,760	22,593	657,352	642,845	19,394	662,239	(8,085)	(1.3%)	639,547	12,478	652,025	(4,787)	(0.7%)
DRUGS	382,412	283,122	665,534	329,059	459,334	788,392	53,353	16.2%	232,820	320,921	553,741	149,592	64.3%
PURCHASED SERVICES	366,877	38,332	405,209	433,646	64,098	497,745	(66,769)	(15.4%)	523,835	44,350	568,184	(156,957)	(30.0%)
REPAIRS, SERVICE & RENTALS	236,194	16,974	253,168	239,363	5,704	245,066	(3,169)	(1.3%)	225,524	6,623	232,147	10,670	4.7%
UTILITIES	116,898	410	117,308	113,400	188	113,588	3,498	3.1%	111,022	191	111,212	5,876	5.3%
INSURANCE	51,452	1,302	52,754	48,745	775	49,520	2,707	5.6%	49,081	767	49,848	2,371	4.8%
PATIENT RELATED TRAVEL	27,768	1,589	29,357	20,489	1,612	22,101	7,279	35.5%	22,120	3,100	25,220	5,648	25.5%
EDUCATION, TRAVEL, & DUES	65,816	10,843	76,659	66,271	3,889	70,160	(455)	(0.7%)	70,834	3,792	74,625	(5,018)	(7.1%)
OTHER	13,789	618	14,407	28,022	2,048	30,070	(14,233)	(50.8%)	27,547	1,276	28,823	(13,758)	(49.9%)
DEPRECIATION AND AMORT	538,157	20,184	558,341	591,817	20,208	612,025	(53,660)	(9.1%)	580,390	14,325	594,714	(42,233)	(7.3%)
INTEREST	122,597	0	122,597	122,734	0	122,734	(137)	(0.1%)	128,452	0	128,452	(5,855)	(4.6%)
BAD DEBTS	76,728	49,557	126,285	97,450	42,575	140,025	(20,722)	(21.3%)	136,809	41,085	177,894	(60,082)	(43.9%)
TAXES & SURCHARGE	155,891	36	155,928	152,205	0	152,205	3,686	2.4%	147,020	0	147,020	8,871	6.0%
TOTAL OPERATING EXPENSES	**6,996,852**	**1,052,214**	**8,049,066**	**6,944,494**	**1,015,424**	**7,959,918**	**52,358**	**0.8%**	**7,105,996**	**794,241**	**7,900,237**	**(109,143)**	**(1.5%)**
LESS: WILLMAR MEDICAL SERVICES OPERATING EXPENSES	0	1,052,214	1,052,214	0	966,263	966,263	0	0.0%	0	752,480	752,480	0	0.0%
NET OPERATING EXPENSES	**6,996,852**	**0**	**6,996,852**	**6,944,494**	**49,161**	**6,993,655**	**52,358**	**0.8%**	**7,105,996**	**41,761**	**7,147,757**	**(109,143)**	**(1.5%)**
OPERATING INCOME (LOSS)	**(668,942)**	**0**	**(668,942)**	**(74,438)**	**106,500**	**32,062**	**(594,504)**	**798.7%**	**903,178**	**125,744**	**1,028,922**	**(1,572,120)**	**(174.1%)**

RICE HOSPITAL
YEAR TO DATE
For Periods Ending October 31, 2013

	CURRENT YTD ACTUAL			CURRENT YTD BUDGET			RICE ACT/BUD		PRIOR YEAR ACTUAL			RICE CY/PY	
	RICE	WMS	TOTAL	RICE	WMS	TOTAL	VAR $	VAR %	RICE	WMS	TOTAL	VAR $	VAR %
OPERATING REVENUE													
INPATIENT REVENUE	$47,828,326	$4,329,716	$52,158,042	$45,917,044	$3,321,954	$49,238,998	$1,911,283	4.2%	$46,700,200	$3,356,471	$50,056,671	$1,128,126	2.4%
OUTPATIENT REVENUE	61,665,398	38,610,007	100,275,405	66,526,991	38,807,249	105,334,239	(4,861,593)	(7.3%)	64,626,398	37,079,484	101,705,882	(2,961,000)	(4.6%)
TOTAL PATIENT REVENUE	**109,493,724**	**42,939,723**	**152,433,447**	**112,444,034**	**42,129,203**	**154,573,237**	**(2,950,310)**	**(2.6%)**	**111,326,598**	**40,435,955**	**151,762,553**	**(1,832,874)**	**(1.6%)**
LESS DISCOUNTS & CONTRACTUALS	55,313,250	23,230,646	78,543,896	54,430,169	23,197,701	77,627,870	883,081	1.6%	54,400,097	21,329,050	75,729,147	913,153	1.7%
LESS UNCOMPENSATED CARE	773,348	208,607	981,955	1,262,363	0	1,262,363	(489,015)	(38.7%)	1,210,284	0	1,210,284	(436,936)	(36.1%)
TOTAL DEDUCTIONS FROM REVENUE	**56,086,599**	**23,439,252**	**79,525,851**	**55,692,533**	**23,197,701**	**78,890,234**	**394,066**	**0.7%**	**55,610,381**	**21,329,050**	**76,939,431**	**476,217**	**0.9%**
NET REVENUE FROM PATIENTS	**53,407,125**	**19,500,471**	**72,907,596**	**56,751,502**	**18,931,502**	**75,683,004**	**(3,344,376)**	**(5.9%)**	**55,716,217**	**19,106,905**	**74,823,122**	**(2,309,091)**	**(4.1%)**
OTHER OPERATING REVENUE	13,711,769	133,840	13,845,609	14,840,445	132,500	14,972,945	(1,128,676)	(7.6%)	14,726,582	136,006	14,862,588	(1,014,814)	(6.9%)
TOTAL OPERATING REVENUE	**67,118,894**	**19,634,311**	**86,753,205**	**71,591,946**	**19,064,002**	**90,655,949**	**(4,473,053)**	**(6.2%)**	**70,442,799**	**19,242,911**	**89,685,710**	**(3,323,905)**	**(4.7%)**
LESS: WILLMAR MEDICAL SERVICES OPERATING REVENUE	0	18,876,525	18,876,525	0	17,573,118	17,573,118	0	0.0%	0	17,665,139	17,665,139	0	0.0%
TOTAL OPERATING REVENUE	**67,118,894**	**757,786**	**67,876,680**	**71,591,946**	**1,490,884**	**73,082,831**	**(4,473,053)**	**(6.2%)**	**70,442,799**	**1,577,772**	**72,020,571**	**(3,323,905)**	**(4.7%)**
OPERATING EXPENSES													
SALARIES AND WAGES	31,221,523	2,486,335	33,707,858	32,184,424	1,779,947	33,964,371	(962,902)	(3.0%)	31,468,364	1,641,464	33,109,828	(246,842)	(0.8%)
CONTRACT LABOR	630,481	1,374,960	2,005,441	214,190	1,554,721	1,768,911	416,291	194.4%	959,368	1,519,565	2,478,933	(328,887)	(34.3%)
SUPPLEMENTAL BENEFITS	9,034,834	648,406	9,683,240	8,995,886	463,102	9,458,988	38,948	0.4%	9,071,880	474,550	9,546,431	(37,046)	(0.4%)
SUPPLIES	6,244,437	202,483	6,446,920	6,768,289	198,998	6,967,288	(523,853)	(7.7%)	6,436,766	190,471	6,627,237	(192,329)	(3.0%)
DRUGS	2,663,799	3,244,507	5,908,305	3,284,780	4,397,650	7,682,429	(620,981)	(18.9%)	3,147,231	4,098,809	7,246,040	(483,432)	(15.4%)
PURCHASED SERVICES	4,055,073	552,120	4,607,194	4,290,324	617,564	4,907,887	(235,250)	(5.5%)	5,141,420	568,090	5,709,510	(1,086,347)	(21.1%)
REPAIRS, SERVICE & RENTALS	2,465,118	102,143	2,567,260	2,496,887	67,643	2,564,530	(31,769)	(1.3%)	2,349,825	59,426	2,409,251	115,293	4.9%
UTILITIES	1,200,285	2,673	1,202,958	1,243,847	1,880	1,245,727	(43,561)	(3.5%)	1,214,736	1,543	1,216,278	(14,450)	(1.2%)
INSURANCE	499,144	9,619	508,763	495,426	7,750	503,176	3,718	0.8%	485,013	7,668	492,681	14,131	2.9%
PATIENT RELATED TRAVEL	227,155	12,687	239,842	197,165	16,351	213,516	29,990	15.2%	202,255	16,159	218,414	24,900	12.3%
EDUCATION, TRAVEL, & DUES	674,860	83,693	758,553	699,864	40,969	740,833	(25,004)	(3.6%)	688,349	41,189	729,538	(13,489)	(2.0%)
OTHER	220,247	4,619	224,866	289,837	19,652	309,488	(69,590)	(24.0%)	342,575	18,608	361,183	(122,328)	(35.7%)
DEPRECIATION AND AMORT	5,716,398	166,814	5,883,212	6,158,020	131,961	6,289,980	(441,622)	(7.2%)	5,799,086	142,002	5,941,089	(82,688)	(1.4%)
INTEREST	1,240,856	0	1,240,856	1,241,790	0	1,241,790	(934)	(0.1%)	1,432,746	0	1,432,746	(191,890)	(13.4%)
BAD DEBTS	1,025,790	449,800	1,475,590	987,513	407,491	1,395,005	38,277	3.9%	1,143,520	389,181	1,532,701	(117,730)	(10.3%)
TAXES & SURCHARGE	1,454,089	181	1,454,270	1,484,410	0	1,484,410	(30,321)	(2.0%)	1,390,184	0	1,390,184	63,905	4.6%
TOTAL OPERATING EXPENSES	**68,574,089**	**9,341,040**	**77,915,128**	**71,032,651**	**9,705,679**	**80,738,330**	**(2,458,562)**	**(3.5%)**	**71,273,319**	**9,168,725**	**80,442,044**	**(2,699,230)**	**(3.8%)**
LESS: WILLMAR MEDICAL SERVICES OPERATING EXPENSES	0	9,100,207	9,100,207	0	9,287,764	9,287,764	0	0.0%	0	8,771,737	8,771,737	0	0.0%
NET OPERATING EXPENSES	**68,574,089**	**240,832**	**68,814,921**	**71,032,651**	**417,915**	**71,450,566**	**(2,458,562)**	**(3.5%)**	**71,273,319**	**396,987**	**71,670,306**	**(2,699,230)**	**(3.8%)**
OPERATING INCOME (LOSS)	**(1,455,195)**	**516,954**	**(938,241)**	**559,295**	**1,072,969**	**1,632,265**	**(2,014,490)**	**(360.2%)**	**(830,520)**	**1,180,784**	**350,265**	**(624,675)**	**75.2%**

RICE CARE CENTER
For the Ten Months Ending October 31, 2013

CURRENT MONTH							YEAR TO DATE					
ACTUAL	BUDGET	VAR	VAR %	PRIOR YR	VAR %		ACTUAL	BUDGET	VAR	VAR %	PRIOR YR	VAR %
						OPERATING REVENUE						
$832,212	$785,060	$47,152	6.0%	$950,449	(12.4%)	RICE CARE CENTER REVENUE	$8,493,624	$8,188,298	$305,326	3.7%	$7,744,014	9.7%
832,212	**785,060**	**47,152**	**6.0%**	**950,449**	**(12.4%)**	**TOTAL PATIENT REVENUE**	**8,493,624**	**8,188,298**	**305,326**	**3.7%**	**7,744,014**	**9.7%**
284,420	180,564	103,856	57.5%	284,510	(0.0%)	LESS DISCOUNTS & CONTRACTUALS	2,734,240	1,883,309	850,931	45.2%	1,779,023	53.7%
284,420	**180,564**	**103,856**	**57.5%**	**284,510**	**(0.0%)**	**TOTAL DEDUCTIONS FROM REVENUE**	**2,734,240**	**1,883,309**	**850,931**	**45.2%**	**1,779,023**	**53.7%**
547,792	**604,496**	**(56,704)**	**(9.4%)**	**665,939**	**(17.7%)**	**NET REVENUE FROM PATIENTS**	**5,759,384**	**6,304,989**	**(545,605)**	**(8.7%)**	**5,964,991**	**(3.4%)**
385	717	(332)	(46.3%)	742	(48.1%)	OTHER OPERATING REVENUE	5,653	7,167	(1,514)	(21.1%)	8,824	(35.9%)
548,177	**605,213**	**(57,036)**	**(9.4%)**	**666,681**	**(17.8%)**	**TOTAL OPERATING REVENUE**	**5,765,037**	**6,312,156**	**(547,119)**	**(8.7%)**	**5,973,815**	**(3.5%)**
						LESS: WILLMAR MEDICAL SERVICES						
548,177	**605,213**	**(57,036)**	**(9.4%)**	**666,681**	**(17.8%)**	**TOTAL OPERATING REVENUE**	**5,765,037**	**6,312,156**	**(547,119)**	**(8.7%)**	**5,973,815**	**(3.5%)**
						OPERATING EXPENSES						
208,191	204,683	3,508	1.7%	227,324	(8.4%)	SALARIES AND WAGES	2,120,964	2,194,808	(73,844)	(3.4%)	2,199,434	(3.6%)
88,854	72,814	16,040	22.0%	113,372	(21.6%)	CONTRACT LABOR	1,004,336	794,490	209,846	26.4%	669,316	50.1%
97,893	89,685	8,208	9.2%	103,732	(5.6%)	SUPPLEMENTAL BENEFITS	842,797	957,892	(115,095)	(12.0%)	925,376	(8.9%)
37,956	35,702	2,254	6.3%	39,983	(5.1%)	SUPPLIES	405,271	390,556	14,715	3.8%	370,785	9.3%
4,003	14,666	(10,663)	(72.7%)	19,617	(79.6%)	DRUGS	149,152	160,026	(10,874)	(6.8%)	164,182	(9.2%)
18,742	13,299	5,443	40.9%	19,119	(2.0%)	PURCHASED SERVICES	209,112	139,535	69,577	49.9%	177,810	17.6%
3,634	2,956	678	22.9%	8,878	(59.1%)	REPAIRS, SERVICE & RENTALS	58,460	31,802	26,658	83.8%	35,786	63.4%
7,249	9,711	(2,462)	(25.4%)	7,370	(1.6%)	UTILITIES	96,976	96,761	215	0.2%	87,248	11.1%
4,195	4,175	20	0.5%	4,048	3.6%	INSURANCE	40,907	40,875	32	0.1%	32,228	26.9%
421	330	91	27.6%	417	1.0%	PATIENT RELATED TRAVEL	2,899	3,573	(674)	(18.9%)	3,639	(20.3%)
4,697	3,696	1,001	27.1%	4,077	15.2%	EDUCATION, TRAVEL, & DUES	39,389	39,023	366	0.9%	41,661	(5.5%)
845	249	596	239.4%	9	9,288.9%	OTHER	7,239	2,492	4,747	190.5%	2,293	215.7%
57,180	57,180	0	0.0%	27,877	105.1%	DEPRECIATION AND AMORT	307,648	307,648	0	0.0%	302,774	1.6%
10,711	18,628	(7,917)	(42.5%)	10,900	(1.7%)	INTEREST	107,489	186,658	(79,169)	(42.4%)	109,381	(1.7%)
2,725	1,250	1,475	118.0%	(790)	(444.9%)	BAD DEBTS	321	12,500	(12,179)	(97.4%)	1,410	(77.2%)
35,709	35,900	(191)	(0.5%)	35,693	0.0%	TAXES & SURCHARGE	351,294	353,160	(1,866)	(0.5%)	332,902	5.5%
583,005	**564,924**	**18,081**	**3.2%**	**621,626**	**(6.2%)**	**TOTAL OPERATING EXPENSES**	**5,744,254**	**5,711,799**	**32,455**	**0.6%**	**5,456,225**	**5.3%**
						LESS: WILLMAR MEDICAL SERVICES						
583,005	**564,924**	**18,081**	**3.2%**	**621,626**	**(6.2%)**	**NET OPERATING EXPENSES**	**5,744,254**	**5,711,799**	**32,455**	**0.6%**	**5,456,225**	**5.3%**
$ (34,828)	**$ 40,289**	**$ (75,117)**	**(186.4%)**	**$ 45,055**	**(177.3%)**	**OPERATING INCOME (LOSS)**	**$ 20,783**	**$ 600,357**	**$ (579,574)**	**(96.5%)**	**$ 517,590**	**(96.0%)**

RICE HOME MEDICAL
For the Month Ending October 31, 2013

	ACTUAL	% of SALES/GP	BUDGET	% of SALES/GP	% CHANGE	Prior Yr	% of SALES/GP	% CHANGE
GROSS SALES								
SALES REVENUE	$804,040	66.4%	$636,394	59.9%	26.3%	$561,056	62.9%	43.3%
RENTS REVENUE	403,905	33.3%	425,619	40.1%	(5.1%)	331,181	37.1%	22.0%
MISC REVENUE	3,570	0.3%	600	0.1%	495.0%	282	0.0%	1,166.0%
GROSS SALES	**1,211,515**	**100.0%**	**1,062,613**	**100.0%**	**14.0%**	**892,519**	**100.0%**	**35.7%**
LESS: CONTRACTUAL ALLOWANCES	(381,334)	(31.5%)	(231,109)	(21.7%)	65.0%	(189,871)	(21.3%)	100.8%
LESS: UNCOMPENSATED CARE	(1,037)	(0.1%)	(295)	(0.0%)	251.5%	(51)	(0.0%)	1,933.3%
NET SALES	**829,144**	**68.4%**	**831,209**	**78.2%**	**(0.2%)**	**702,597**	**78.7%**	**18.0%**
COST OF GOODS SOLD								
OXYGEN	6,777	0.6%	13,336	1.3%	(49.2%)	12,272	1.4%	(44.8%)
EQUIPMENT	94,224	7.8%	98,134	9.2%	(4.0%)	65,979	7.4%	42.8%
SUPPLY - FREIGHT	16,493	1.4%	15,000	1.4%	10.0%	13,602	1.5%	21.3%
SUPPLY	217,738	18.0%	187,695	17.7%	16.0%	172,299	19.3%	26.4%
EQUIPMENT REPAIR	26,809	2.2%	12,558	1.2%	113.5%	12,309	1.4%	117.8%
SHOP EXPENSE	3,834	0.3%	5,602	0.5%	(31.6%)	7,306	0.8%	(47.5%)
PURCHASE DISCOUNTS	(6,888)	(0.6%)	(4,501)	(0.4%)	53.0%	(20,884)	(2.3%)	(67.0%)
TOTAL COST OF GOODS SOLD	**358,987**	**29.6%**	**327,824**	**30.9%**	**9.5%**	**262,883**	**29.5%**	**36.6%**
GROSS PROFIT	**470,157**	**38.8%**	**503,385**	**47.4%**	**(6.6%)**	**439,714**	**49.3%**	**6.9%**
OPERATING EXPENSES								
SALARIES & WAGES	262,911	21.7%	251,465	23.7%	4.6%	257,919	28.9%	1.9%
CONTRACT LABOR	2,727	0.2%						
SUPPLEMENTAL BENEFITS	100,347	8.3%	84,205	7.9%	19.2%	73,259	8.2%	37.0%
SUPPLIES AND DRUGS	9,345	0.8%	10,541	1.0%	(11.3%)	7,966	0.9%	17.3%
PURCHASED SERVICES	32,839	2.7%	28,555	2.7%	15.0%	20,540	2.3%	59.9%
REPAIRS, SERVICE & RENTALS	23,274	1.9%	20,041	1.9%	16.1%	18,550	2.1%	25.5%
UTILITIES	9,208	0.8%	10,013	0.9%	(8.0%)	8,298	0.9%	11.0%
INSURANCE	3,822	0.3%	6,262	0.6%	(39.0%)	6,566	0.7%	(41.8%)
PATIENT RELATED TRAVEL	14,719	1.2%	17,498	1.6%	(15.9%)	14,885	1.7%	(1.1%)
EDUCATION, TRAVEL, & DUES	3,623	0.3%	4,221	0.4%	(14.2%)	3,154	0.4%	14.9%
OTHER EXPENSE	9,213	0.8%	9,848	0.9%	(6.4%)	14,957	1.7%	(38.4%)
DEPRECIATION & AMORTIZATION	58,924	4.9%	44,326	4.2%	32.9%	38,625	4.3%	52.6%
INTEREST EXPENSE	3,750	0.3%	3,600	0.3%	4.2%	4,045	0.5%	(7.3%)
BAD DEBTS	3,337	0.3%	4,208	0.4%	(20.7%)	12,628	1.4%	(73.6%)
TAXES	4,435	0.4%	4,373	0.4%	1.4%	4,387	0.5%	1.1%
TOTAL OPERATING EXPENSES	**542,474**	**44.8%**	**499,156**	**47.0%**	**8.7%**	**485,779**	**54.4%**	**11.7%**
NET OPERATING (LOSS) INCOME	**$ (72,317)**	**(6.0%)**	**$ 4,229**	**0.4%**	**(1,810.0%)**	**$ (46,065)**	**(5.2%)**	**57.0%**

RICE HOME MEDICAL
For the Ten Months Ending October 31, 2013

	ACTUAL	% of SALES/GP	BUDGET	% of SALES/GP	% CHANGE	Prior Yr	% of SALES/GP	% CHANGE
GROSS SALES								
SALES REVENUE	$6,518,966	61.3%	$6,197,192	62.7%	5.2%	$5,453,425	63.0%	19.5%
RENTS REVENUE	4,100,414	38.6%	3,677,691	37.2%	11.5%	3,202,961	37.0%	28.0%
MISC REVENUE	11,158	0.1%	5,400	0.1%	106.6%	2,464	0.0%	352.8%
GROSS SALES	**10,630,538**	**100.0%**	**9,880,283**	**100.0%**	**7.6%**	**8,658,850**	**100.0%**	**22.8%**
LESS: CONTRACTUAL ALLOWANCES	(3,793,957)	(35.7%)	(2,149,671)	(21.8%)	76.5%	(1,893,803)	(21.9%)	100.3%
LESS: UNCOMPENSATED CARE	(5,103)	(0.0%)	(11,098)	(0.1%)	(54.0%)	(9,753)	(0.1%)	(47.7%)
NET SALES	**6,831,478**	**64.3%**	**7,719,514**	**78.1%**	**(11.5%)**	**6,755,294**	**78.0%**	**1.1%**
COST OF GOODS SOLD								
OXYGEN	89,046	0.8%	114,775	1.2%	(22.4%)	112,954	1.3%	(21.2%)
EQUIPMENT	796,522	7.5%	949,225	9.6%	(16.1%)	722,094	8.3%	10.3%
SUPPLY - FREIGHT	146,256	1.4%	150,000	1.5%	(2.5%)	139,917	1.6%	4.5%
SUPPLY	1,800,347	16.9%	1,737,189	17.6%	3.6%	1,646,320	19.0%	9.4%
EQUIPMENT REPAIR	266,834	2.5%	131,816	1.3%	102.4%	97,533	1.1%	173.6%
SHOP EXPENSE	39,858	0.4%	55,844	0.6%	(28.6%)	52,896	0.6%	(24.6%)
EQUIPMENT RENTAL & LEASES	40	0.0%						
PURCHASE DISCOUNTS	(62,546)	(0.6%)	(64,299)	(0.7%)	(2.7%)	(88,113)	(1.0%)	(29.0%)
TOTAL COST OF GOODS SOLD	**3,076,357**	**28.9%**	**3,074,550**	**31.1%**	**0.1%**	**2,683,601**	**31.0%**	**14.6%**
GROSS PROFIT	**3,755,121**	**35.3%**	**4,644,964**	**47.0%**	**(19.2%)**	**4,071,693**	**47.0%**	**(7.8%)**
OPERATING EXPENSES								
SALARIES & WAGES	2,487,097	23.4%	2,419,385	24.5%	2.8%	2,220,007	25.6%	12.0%
CONTRACT LABOR	11,134	0.1%						
SUPPLEMENTAL BENEFITS	899,569	8.5%	810,149	8.2%	11.0%	635,227	7.3%	41.6%
SUPPLIES AND DRUGS	86,758	0.8%	101,011	1.0%	(14.1%)	84,757	1.0%	2.4%
PURCHASED SERVICES	387,324	3.6%	270,855	2.7%	43.0%	251,642	2.9%	53.9%
REPAIRS, SERVICE & RENTALS	215,803	2.0%	190,263	1.9%	13.4%	147,110	1.7%	46.7%
UTILITIES	91,429	0.9%	102,115	1.0%	(10.5%)	75,926	0.9%	20.4%
INSURANCE	41,889	0.4%	62,618	0.6%	(33.1%)	57,474	0.7%	(27.1%)
PATIENT RELATED TRAVEL	140,784	1.3%	163,165	1.7%	(13.7%)	135,413	1.6%	4.0%
EDUCATION, TRAVEL, & DUES	46,420	0.4%	50,776	0.5%	(8.6%)	54,223	0.6%	(14.4%)
OTHER EXPENSE	90,865	0.9%	85,760	0.9%	6.0%	101,052	1.2%	(10.1%)
DEPRECIATION & AMORTIZATION	592,438	5.6%	387,615	3.9%	52.8%	400,939	4.6%	47.8%
INTEREST EXPENSE	37,740	0.4%	37,117	0.4%	1.7%	40,687	0.5%	(7.2%)
BAD DEBTS	37,337	0.4%	42,083	0.4%	(11.3%)	58,005	0.7%	(35.6%)
TAXES	58,238	0.5%	46,584	0.5%	25.0%	43,967	0.5%	32.5%
TOTAL OPERATING EXPENSES	**5,224,825**	**49.1%**	**4,769,496**	**48.3%**	**9.5%**	**4,306,429**	**49.7%**	**21.3%**
NET OPERATING INCOME (LOSS)	**$ (1,469,704)**	**(13.8%)**	**$ (124,532)**	**(1.3%)**	**1080.2%**	**$ (234,736)**	**(2.7%)**	**526.2%**

RICE MEMORIAL HOSPITAL CONSOLIDATED
For the Month Ending

	ACTUAL BY MONTH								
	October 2013	September 2013	% Variance	August 2013	% Variance	July 2013	% Variance	June 2013	% Variance
OPERATING REVENUE									
INPATIENT REVENUE	$5,216,664	$5,408,870	(3.6%)	$5,032,671	3.7%	$5,734,125	(9.0%)	$5,303,026	(1.6%)
OUTPATIENT REVENUE	10,352,132	10,295,478	0.6%	9,878,954	4.8%	10,862,122	(4.7%)	9,965,459	3.9%
RICE CARE CENTER REVENUE	832,212	795,896	4.6%	796,697	4.5%	895,172	(7.0%)	794,792	4.7%
RICE HOME MEDICAL REVENUE	1,207,945	1,180,388	2.3%	1,025,026	17.8%	1,209,970	(0.2%)	1,024,623	17.9%
TOTAL PATIENT REVENUE	**17,608,953**	**17,680,632**	**(0.4%)**	**16,733,348**	**5.2%**	**18,701,389**	**(5.8%)**	**17,087,900**	**3.0%**
LESS DISCOUNTS & CONTRACTUALS	9,141,236	8,496,643	7.6%	8,549,377	6.9%	9,350,518	(2.2%)	8,780,993	4.1%
LESS UNCOMPENSATED CARE	59,895	110,101	(45.6%)	94,375	(36.5%)	46,923	27.6%	185,052	(67.6%)
TOTAL DEDUCTIONS FROM REVEN	**9,201,131**	**8,606,744**	**6.9%**	**8,643,752**	**6.4%**	**9,397,441**	**(2.1%)**	**8,966,045**	**2.6%**
NET REVENUE FROM PATIENTS	**8,407,822**	**9,073,888**	**(7.3%)**	**8,089,596**	**3.9%**	**9,303,948**	**(9.6%)**	**8,121,855**	**3.5%**
OTHER OPERATING REVENUE	1,434,953	1,348,365	6.4%	1,362,564	5.3%	1,687,507	(15.0%)	1,574,110	(8.8%)
TOTAL OPERATING REVENUE	**9,842,775**	**10,422,253**	**(5.6%)**	**9,452,160**	**4.1%**	**10,991,455**	**(10.5%)**	**9,695,965**	**1.5%**
LESS: WILLMAR MEDICAL SERVICES OPERATING REVENUE	2,130,656	2,021,784	5.4%	2,021,807	5.4%	2,405,670	(11.4%)	1,745,806	22.0%
TOTAL OPERATING REVENUE	**7,712,119**	**8,400,469**	**(8.2%)**	**7,430,353**	**3.8%**	**8,585,785**	**(10.2%)**	**7,950,159**	**(3.0%)**
OPERATING EXPENSES									
SALARIES AND WAGES	3,950,699	3,813,303	3.6%	3,764,824	4.9%	3,805,754	3.8%	3,792,183	4.2%
CONTRACT LABOR	323,768	278,984	16.1%	418,334	(22.6%)	310,728	4.2%	263,409	22.9%
SUPPLEMENTAL BENEFITS	1,300,623	1,204,119	8.0%	1,171,688	11.0%	1,108,008	17.4%	974,241	33.5%
SUPPLIES	1,070,529	1,030,203	3.9%	1,003,820	6.6%	1,113,190	(3.8%)	991,179	8.0%
DRUGS	669,536	655,060	2.2%	549,694	21.8%	728,817	(8.1%)	661,003	1.3%
PURCHASED SERVICES	456,790	493,595	(7.5%)	436,787	4.6%	541,254	(15.6%)	552,529	(17.3%)
REPAIRS, SERVICE & RENTALS	280,075	230,976	21.3%	307,898	(9.0%)	300,047	(6.7%)	274,079	2.2%
UTILITIES	133,765	162,050	(17.5%)	156,125	(14.3%)	150,531	(11.1%)	145,474	(8.0%)
INSURANCE	60,771	68,261	(11.0%)	60,485	0.5%	59,965	1.3%	58,597	3.7%
PATIENT RELATED TRAVEL	44,497	40,397	10.1%	33,601	32.4%	36,191	23.0%	37,756	17.9%
EDUCATION, TRAVEL, & DUES	84,978	68,173	24.7%	55,218	53.9%	59,296	43.3%	76,561	11.0%
OTHER	24,465	27,410	(10.7%)	15,639	56.4%	25,196	(2.9%)	40,973	(40.3%)
DEPRECIATION AND AMORT	674,444	676,495	(0.3%)	673,014	0.2%	685,598	(1.6%)	695,229	(3.0%)
INTEREST	137,058	137,230	(0.1%)	137,770	(0.5%)	137,891	(0.6%)	138,207	(0.8%)
BAD DEBTS	132,347	99,706	32.7%	166,355	(20.4%)	242,037	(45.3%)	149,902	(11.7%)
TAXES & SURCHARGE	196,072	173,168	13.2%	204,281	(4.0%)	199,228	(1.6%)	178,468	9.9%
TOTAL OPERATING EXPENSES	**9,540,417**	**9,159,130**	**4.2%**	**9,155,533**	**4.2%**	**9,503,731**	**0.4%**	**9,029,790**	**5.7%**
LESS: WILLMAR MEDICAL SERVICES OPERATING EXPENSES	1,052,214	1,061,796	(0.9%)	1,081,498	(2.7%)	1,155,464	(8.9%)	810,074	29.9%
NET OPERATING EXPENSES	**8,488,203**	**8,097,334**	**4.8%**	**8,074,035**	**5.1%**	**8,348,267**	**1.7%**	**8,219,716**	**3.3%**
OPERATING INCOME (LOSS)	**(776,084)**	**303,135**	**(356.0%)**	**(643,682)**	**20.6%**	**237,518**	**(426.7%)**	**(269,557)**	**187.9%**
NON OPERATING INCOME	93,739	5,261	1,681.8%	(111,489)	(184.1%)	33,250	181.9%	(336,185)	(127.9%)
NET INCOME (LOSS)	**($682,345)**	**$308,396**	**(321.3%)**	**($755,170)**	**(9.6%)**	**$270,768**	**(352.0%)**	**($605,742)**	**(12.6%)**

RICE HOSPITAL
For the Month Ending

ACTUAL BY MONTH

	October 2013	September 2013	% Variance	August 2013	% Variance	July 2013	% Variance	June 2013	% Variance
OPERATING REVENUE									
INPATIENT REVENUE	$5,216,664	$5,408,870	(3.6%)	$5,032,671	3.7%	$5,734,125	(9.0%)	$5,303,026	(1.6%)
OUTPATIENT REVENUE	10,352,132	10,295,479	0.6%	9,878,954	4.8%	10,862,122	(4.7%)	9,965,459	3.9%
TOTAL PATIENT REVENUE	**15,568,796**	**15,704,349**	**(0.9%)**	**14,911,625**	**4.4%**	**16,596,247**	**(6.2%)**	**15,268,485**	**2.0%**
LESS DISCOUNTS & CONTRACTUALS	8,475,481	7,992,369	6.0%	7,972,478	6.3%	8,743,664	(3.1%)	7,657,777	10.7%
LESS UNCOMPENSATED CARE	58,858	110,101	(46.5%)	94,072	(37.4%)	46,711	26.0%	183,486	(67.9%)
TOTAL DEDUCTIONS FROM REVEN	**8,534,339**	**8,102,470**	**5.3%**	**8,066,550**	**5.8%**	**8,790,375**	**(2.9%)**	**7,841,263**	**8.8%**
NET REVENUE FROM PATIENTS	**7,034,457**	**7,601,879**	**(7.5%)**	**6,845,075**	**2.8%**	**7,805,872**	**(9.9%)**	**7,427,222**	**(5.3%)**
OTHER OPERATING REVENUE	1,424,110	1,340,447	6.2%	1,356,020	5.0%	1,682,725	(15.4%)	1,568,429	(9.2%)
TOTAL OPERATING REVENUE	**8,458,567**	**8,942,326**	**(5.4%)**	**8,201,095**	**3.1%**	**9,488,597**	**(10.9%)**	**8,995,651**	**(6.0%)**
LESS: WILLMAR MEDICAL SERVICES OPERATING REVENUE	2,130,656	2,021,784	5.4%	2,021,807	5.4%	2,405,670	(11.4%)	1,745,806	22.0%
TOTAL OPERATING REVENUE	**6,327,911**	**6,920,542**	**(8.6%)**	**6,179,288**	**2.4%**	**7,082,927**	**(10.7%)**	**7,249,845**	**(12.7%)**
OPERATING EXPENSES									
SALARIES AND WAGES	3,479,597	3,347,278	4.0%	3,298,739	5.5%	3,322,264	4.7%	3,341,044	4.1%
CONTRACT LABOR	232,188	184,019	26.2%	317,075	(26.8%)	209,311	10.9%	176,370	31.6%
SUPPLEMENTAL BENEFITS	1,102,383	1,033,801	6.6%	1,042,574	5.7%	921,067	19.7%	754,164	46.2%
SUPPLIES	657,352	640,606	2.6%	622,720	5.6%	701,819	(6.3%)	639,703	2.8%
DRUGS	665,534	645,577	3.1%	538,503	23.6%	707,674	(6.0%)	646,523	2.9%
PURCHASED SERVICES	405,209	416,995	(2.8%)	372,171	8.9%	490,731	(17.4%)	504,631	(19.7%)
REPAIRS, SERVICE & RENTALS	253,168	209,148	21.0%	282,841	(10.5%)	269,461	(6.0%)	243,143	4.1%
UTILITIES	117,308	142,233	(17.5%)	136,753	(14.2%)	132,475	(11.4%)	128,102	(8.4%)
INSURANCE	52,754	60,244	(12.4%)	52,058	1.3%	50,460	4.5%	50,459	4.5%
PATIENT RELATED TRAVEL	29,357	25,013	17.4%	21,150	38.8%	25,622	14.6%	22,845	28.5%
EDUCATION, TRAVEL, & DUES	76,659	61,970	23.7%	49,493	54.9%	55,745	37.5%	66,269	15.7%
OTHER	14,407	12,310	17.0%	8,660	66.4%	16,011	(10.0%)	32,679	(55.9%)
DEPRECIATION AND AMORT	558,341	567,813	(1.7%)	573,110	(2.6%)	580,560	(3.8%)	599,931	(6.9%)
INTEREST	122,597	122,865	(0.2%)	123,196	(0.5%)	123,458	(0.7%)	123,625	(0.8%)
BAD DEBTS	126,285	96,363	31.1%	159,739	(20.9%)	229,141	(44.9%)	147,780	(14.5%)
TAXES & SURCHARGE	155,928	133,749	16.6%	150,396	3.7%	159,808	(2.4%)	139,049	12.1%
TOTAL OPERATING EXPENSES	**8,049,067**	**7,699,984**	**4.5%**	**7,749,178**	**3.9%**	**7,995,607**	**0.7%**	**7,616,317**	**5.7%**
LESS: WILLMAR MEDICAL SERVICES OPERATING EXPENSES	1,052,214	1,061,796	(0.9%)	1,081,498	(2.7%)	1,155,464	(8.9%)	810,074	29.9%
NET OPERATING EXPENSES	**6,996,853**	**6,638,188**	**5.4%**	**6,667,680**	**4.9%**	**6,840,143**	**2.3%**	**6,806,243**	**2.8%**
OPERATING INCOME (LOSS)	**(668,942)**	**282,354**	**(336.9%)**	**(488,392)**	**37.0%**	**242,784**	**(375.5%)**	**443,602**	**(250.8%)**
NON OPERATING INCOME	98,686	4,300	2,195.0%	(112,063)	(188.1%)	32,925	199.7%	(336,473)	(129.3%)
NET INCOME (LOSS)	**(570,256)**	**286,654**	**(298.9%)**	**(600,455)**	**(5.0%)**	**275,709**	**(306.8%)**	**107,129**	**(632.3%)**

RICE CARE CENTER
For the Month Ending

ACTUAL BY MONTH

	October 2013	September 2013	% Variance	August 2013	% Variance	July 2013	% Variance	June 2013	% Variance
OPERATING REVENUE									
RICE CARE CENTER REVENUE	$832,212	$795,896	4.6%	$796,697	4.5%	$895,172	(7.0%)	$794,792	4.7%
TOTAL PATIENT REVENUE	**832,212**	**795,896**	**4.6%**	**796,697**	**4.5%**	**895,172**	**(7.0%)**	**794,792**	**4.7%**
LESS DISCOUNTS & CONTRACTUALS	284,420	221,484	28.4%	268,552	5.9%	310,032	(8.3%)	250,244	13.7%
TOTAL DEDUCTIONS FROM REVEN	**284,420**	**221,484**	**28.4%**	**268,552**	**5.9%**	**310,032**	**(8.3%)**	**250,244**	**13.7%**
NET REVENUE FROM PATIENTS	**547,792**	**574,412**	**(4.6%)**	**528,145**	**3.7%**	**585,140**	**(6.4%)**	**544,548**	**0.6%**
OTHER OPERATING REVENUE	385	1,614	(76.1%)	501	(23.2%)	325	18.5%	299	28.8%
TOTAL OPERATING REVENUE	**548,177**	**576,026**	**(4.8%)**	**528,646**	**3.7%**	**585,465**	**(6.4%)**	**544,847**	**0.6%**
LESS: WILLMAR MEDICAL SERVICES									
TOTAL OPERATING REVENUE	548,177	576,026	(4.8%)	528,646	3.7%	585,465	(6.4%)	544,847	0.6%
OPERATING EXPENSES									
SALARIES AND WAGES	208,191	209,733	(0.7%)	212,242	(1.9%)	225,806	(7.8%)	209,713	(0.7%)
CONTRACT LABOR	88,854	92,352	(3.8%)	95,464	(6.9%)	101,417	(12.4%)	87,039	2.1%
SUPPLEMENTAL BENEFITS	97,893	81,084	20.7%	57,195	71.2%	85,070	15.1%	112,310	(12.8%)
SUPPLIES	37,956	32,801	15.7%	37,736	0.6%	38,805	(2.2%)	32,458	16.9%
DRUGS	4,003	9,483	(57.8%)	11,190	(64.2%)	21,144	(81.1%)	14,479	(72.4%)
PURCHASED SERVICES	18,742	23,758	(21.1%)	20,804	(9.9%)	20,694	(9.4%)	18,850	(0.6%)
REPAIRS, SERVICE & RENTALS	3,634	2,525	43.9%	3,767	(3.5%)	10,877	(66.6%)	8,243	(55.9%)
UTILITIES	7,249	10,124	(28.4%)	10,043	(27.8%)	9,329	(22.3%)	9,371	(22.6%)
INSURANCE	4,195	4,196	0.0%	4,195	0.0%	4,046	3.7%	4,046	3.7%
PATIENT RELATED TRAVEL	421	382	10.2%	425	(0.9%)	146	188.4%	332	26.8%
EDUCATION, TRAVEL, & DUES	4,697	4,351	8.0%	4,523	3.8%	2,476	89.7%	3,707	26.7%
OTHER	845	2,819	(70.0%)		0.0%	1,182	(28.5%)	117	622.2%
DEPRECIATION AND AMORT	57,180	27,761	106.0%	27,501	107.9%	28,059	103.8%	27,821	105.5%
INTEREST	10,711	10,711	0.0%	10,711	0.0%	10,711	0.0%	10,711	0.0%
BAD DEBTS	2,725	469	481.0%	(1,006)	(370.9%)	1,878	45.1%	(1,105)	(346.6%)
TAXES & SURCHARGE	35,709	34,984	2.1%	34,984	2.1%	34,984	2.1%	34,984	2.1%
TOTAL OPERATING EXPENSES	**583,005**	**547,533**	**6.5%**	**529,774**	**10.0%**	**596,624**	**(2.3%)**	**573,076**	**1.7%**
LESS: WILLMAR MEDICAL SERVICES									
NET OPERATING EXPENSES	**583,005**	**547,533**	**6.5%**	**529,774**	**10.0%**	**596,624**	**(2.3%)**	**573,076**	**1.7%**
OPERATING INCOME (LOSS)	**(34,828)**	**28,493**	**(222.2%)**	**(1,128)**	**2,987.6%**	**(11,159)**	**212.1%**	**(28,229)**	**23.4%**
NON OPERATING INCOME	(4,947)	325	(1,622.2%)	574	(961.8%)	350	(1,513.4%)	291	(1,800.0%)
NET INCOME (LOSS)	($39,775)	$28,818	(238.0%)	($554)	7,079.6%	($10,809)	268.0%	($27,938)	42.4%

RICE HOME MEDICAL
For the Month Ending

ACTUAL BY MONTH

	October 2013	September 2013	% Variance	August 2013	% Variance	July 2013	% Variance	June 2013	% Variance
OPERATING REVENUE									
RICE HOME MEDICAL REVENUE	$1,207,945	$1,180,388	2.3%	$1,025,026	17.8%	$1,209,970	(0.2%)	$1,024,623	17.9%
TOTAL PATIENT REVENUE	**1,207,945**	**1,180,388**	**2.3%**	**1,025,026**	**17.8%**	**1,209,970**	**(0.2%)**	**1,024,623**	**17.9%**
LESS DISCOUNTS & CONTRACTUALS	381,334	282,791	34.8%	308,348	23.7%	296,822	28.5%	872,971	(56.3%)
LESS UNCOMPENSATED CARE	1,037		0.0%	303	242.2%	212	389.2%	1,567	(33.8%)
TOTAL DEDUCTIONS FROM REVEN	**382,371**	**282,791**	**35.2%**	**308,651**	**23.9%**	**297,034**	**28.7%**	**874,538**	**(56.3%)**
NET REVENUE FROM PATIENTS	**825,574**	**897,597**	**(8.0%)**	**716,375**	**15.2%**	**912,936**	**(9.6%)**	**150,085**	**450.1%**
OTHER OPERATING REVENUE	10,458	6,303	65.9%	6,043	73.1%	4,457	134.6%	5,383	94.3%
TOTAL OPERATING REVENUE	**836,032**	**903,900**	**(7.5%)**	**722,418**	**15.7%**	**917,393**	**(8.9%)**	**155,468**	**437.8%**
LESS: WILLMAR MEDICAL SERVICES									
TOTAL OPERATING REVENUE	**836,032**	**903,900**	**(7.5%)**	**722,418**	**15.7%**	**917,393**	**(8.9%)**	**155,468**	**437.8%**
OPERATING EXPENSES									
SALARIES AND WAGES	262,911	256,292	2.6%	253,843	3.6%	257,684	2.0%	241,426	8.9%
CONTRACT LABOR	2,727	2,613	4.4%	5,795	(52.9%)		0.0%		0.0%
SUPPLEMENTAL BENEFITS	100,347	89,233	12.5%	71,920	39.5%	101,871	(1.5%)	107,767	(6.9%)
SUPPLIES	375,220	356,796	5.2%	343,364	9.3%	372,566	0.7%	319,018	17.6%
PURCHASED SERVICES	32,839	52,842	(37.9%)	43,812	(25.0%)	29,829	10.1%	29,048	13.1%
REPAIRS, SERVICE & RENTALS	23,274	19,303	20.6%	21,291	9.3%	19,709	18.1%	22,693	2.6%
UTILITIES	9,208	9,692	(5.0%)	9,329	(1.3%)	8,727	5.5%	8,001	15.1%
INSURANCE	3,822	3,822	0.0%	4,232	(9.7%)	5,459	(30.0%)	4,092	(6.6%)
PATIENT RELATED TRAVEL	14,719	15,003	(1.9%)	12,026	22.4%	10,422	41.2%	14,578	1.0%
EDUCATION, TRAVEL, & DUES	3,623	1,853	95.5%	1,203	201.2%	1,075	237.0%	6,586	(45.0%)
OTHER	9,213	12,281	(25.0%)	6,980	32.0%	8,003	15.1%	8,177	12.7%
DEPRECIATION AND AMORT	58,924	80,921	(27.2%)	72,403	(18.6%)	76,979	(23.5%)	67,477	(12.7%)
INTEREST	3,750	3,654	2.6%	3,863	(2.9%)	3,722	0.8%	3,871	(3.1%)
BAD DEBTS	3,337	2,874	16.1%	7,622	(56.2%)	11,018	(69.7%)	3,227	3.4%
TAXES & SURCHARGE	4,435	4,435	0.0%	18,900	(76.5%)	4,435	0.0%	4,435	0.0%
TOTAL OPERATING EXPENSES	**908,349**	**911,614**	**(0.4%)**	**876,583**	**3.6%**	**911,499**	**(0.3%)**	**840,396**	**8.1%**
LESS: WILLMAR MEDICAL SERVICES									
NET OPERATING EXPENSES	**908,349**	**911,614**	**(0.4%)**	**876,583**	**3.6%**	**911,499**	**(0.3%)**	**840,396**	**8.1%**
OPERATING INCOME (LOSS)	**(72,317)**	**(7,714)**	**837.5%**	**(154,165)**	**(53.1%)**	**5,894**	**(1,327.0%)**	**(684,928)**	**(89.4%)**
NON OPERATING INCOME		636	(100.0%)		0.0%	(26)	(100.0%)	(3)	(100.0%)
NET INCOME (LOSS)	**($72,317)**	**($7,078)**	**921.7%**	**($154,165)**	**(53.1%)**	**$5,868**	**(1,332.4%)**	**($684,931)**	**(89.4%)**

RICE MEMORIAL HOSPITAL CONSOLIDATED
For the Year To Date Period Ending

	YEAR TO DATE ACTUAL								
	October 2013	October 2012	% Variance	October 2011	% Variance	October 2010	% Variance	October 2009	% Variance
OPERATING REVENUE									
INPATIENT REVENUE	$52,158,042	$50,056,671	4.2%	$54,716,325	(4.7%)	$49,920,021	4.5%	$54,305,330	(4.0%)
OUTPATIENT REVENUE	100,275,405	101,705,882	(1.4%)	105,767,107	(5.2%)	92,878,559	8.0%	72,105,401	39.1%
RICE CARE CENTER REVENUE	8,493,624	7,744,014	9.7%	4,650,756	82.6%	4,480,377	89.6%	4,168,828	103.7%
RICE HOME MEDICAL REVENUE	10,619,380	8,656,386	22.7%	8,349,198	27.2%	8,203,758	29.4%	7,460,533	42.3%
TOTAL PATIENT REVENUE	**171,546,451**	**168,162,953**	**2.0%**	**173,483,386**	**(1.1%)**	**155,482,715**	**10.3%**	**138,040,092**	**24.3%**
LESS DISCOUNTS & CONTRACTUALS	85,072,093	79,401,973	7.1%	84,470,736	0.7%	73,430,421	15.9%	62,896,818	35.3%
LESS UNCOMPENSATED CARE	987,058	1,220,037	(19.1%)	1,582,769	(37.6%)	1,028,249	(4.0%)	868,568	13.6%
TOTAL DEDUCTIONS FROM REVEN	**86,059,151**	**80,622,010**	**6.7%**	**86,053,505**	**0.0%**	**74,458,670**	**15.6%**	**63,765,386**	**35.0%**
NET REVENUE FROM PATIENTS	**85,487,300**	**87,540,943**	**(2.3%)**	**87,429,881**	**(2.2%)**	**81,024,045**	**5.5%**	**74,274,706**	**15.1%**
OTHER OPERATING REVENUE	13,924,966	14,961,989	(6.9%)	14,728,656	(5.5%)	13,030,277	6.9%	12,873,509	8.2%
TOTAL OPERATING REVENUE	**99,412,266**	**102,502,932**	**(3.0%)**	**102,158,537**	**(2.7%)**	**94,054,322**	**5.7%**	**87,148,215**	**14.1%**
LESS: WILLMAR MEDICAL SERVICES OPERATING REVENUE	18,876,525	17,665,139	6.9%	18,206,235	3.7%	16,038,275	17.7%	9,414,356	100.5%
TOTAL OPERATING REVENUE	**80,535,741**	**84,837,793**	**(5.1%)**	**83,952,302**	**(4.1%)**	**78,016,047**	**3.2%**	**77,733,859**	**3.6%**
OPERATING EXPENSES									
SALARIES AND WAGES	38,315,919	37,529,269	2.1%	36,526,993	4.9%	36,872,276	3.9%	36,010,512	6.4%
CONTRACT LABOR	3,020,911	3,148,249	(4.0%)	1,548,319	95.1%	1,904,124	58.7%	709,443	325.8%
SUPPLEMENTAL BENEFITS	11,425,606	11,107,033	2.9%	10,729,926	6.5%	10,492,066	8.9%	10,240,200	11.6%
SUPPLIES	10,077,851	9,854,493	2.3%	9,989,994	0.9%	9,739,110	3.5%	9,027,383	11.6%
DRUGS	6,057,457	7,410,222	(18.3%)	5,635,115	7.5%	5,399,534	12.2%	2,597,541	133.2%
PURCHASED SERVICES	5,203,630	6,138,962	(15.2%)	5,766,116	(9.8%)	5,128,577	1.5%	4,994,434	4.2%
REPAIRS, SERVICE & RENTALS	2,841,524	2,592,147	9.6%	2,550,766	11.4%	2,578,874	10.2%	2,668,155	6.5%
UTILITIES	1,391,364	1,379,452	0.9%	1,359,469	2.3%	1,302,471	6.8%	1,269,186	9.6%
INSURANCE	591,559	582,383	1.6%	517,974	14.2%	432,768	36.7%	389,643	51.8%
PATIENT RELATED TRAVEL	383,525	357,465	7.3%	354,990	8.0%	330,208	16.1%	307,041	24.9%
EDUCATION, TRAVEL, & DUES	844,362	825,422	2.3%	788,708	7.1%	737,034	14.6%	668,819	26.2%
OTHER	322,970	464,527	(30.5%)	398,540	(19.0%)	375,819	(14.1%)	327,663	(1.4%)
DEPRECIATION AND AMORT	6,783,298	6,644,801	2.1%	6,121,913	10.8%	6,059,460	11.9%	6,170,020	9.9%
INTEREST	1,386,085	1,582,815	(12.4%)	2,071,364	(33.1%)	2,121,629	(34.7%)	2,134,908	(35.1%)
BAD DEBTS	1,513,248	1,592,116	(5.0%)	1,465,839	3.2%	1,732,481	(12.7%)	1,665,868	(9.2%)
TAXES & SURCHARGE	1,863,801	1,767,054	5.5%	1,748,359	6.6%	1,577,008	18.2%	1,528,600	21.9%
TOTAL OPERATING EXPENSES	**92,023,110**	**92,976,410**	**(1.0%)**	**87,574,385**	**5.1%**	**86,783,439**	**6.0%**	**80,709,416**	**14.0%**
LESS: WILLMAR MEDICAL SERVICES OPERATING EXPENSES	9,100,207	8,771,737	3.7%	7,413,363	22.8%	7,562,188	20.3%	3,343,289	172.2%
NET OPERATING EXPENSES	**82,922,903**	**84,204,673**	**(1.5%)**	**80,161,022**	**3.4%**	**79,221,251**	**4.7%**	**77,366,127**	**7.2%**
OPERATING INCOME (LOSS)	**(2,387,162)**	**633,120**	**(477.0%)**	**3,791,280**	**(163.0%)**	**(1,205,204)**	**98.1%**	**367,732**	**(749.2%)**
NON OPERATING INCOME	(166,440)	838,079	(119.9%)	1,215,906	(113.7%)	1,461,899	(111.4%)	548,852	(130.3%)
NET INCOME (LOSS)	**(2,553,602)**	**1,471,199**	**(273.6%)**	**5,009,186**	**(151.0%)**	**256,695**	**(1,094.8%)**	**916,584**	**(378.6%)**

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RICE HOSPITAL
For the Year To Date Period Ending

YEAR TO DATE ACTUAL

	October 2013	October 2012	% Variance	October 2011	% Variance	October 2010	% Variance	October 2009	% Variance
OPERATING REVENUE									
INPATIENT REVENUE	$52,158,042	$50,056,671	4.2%	$54,716,325	(4.7%)	$49,920,021	4.5%	$54,305,330	(4.0%)
OUTPATIENT REVENUE	100,275,405	101,705,882	(1.4%)	105,767,107	(5.2%)	92,878,559	8.0%	72,105,400	39.1%
TOTAL PATIENT REVENUE	**152,433,447**	**151,762,553**	**0.4%**	**160,483,432**	**(5.0%)**	**142,798,580**	**6.7%**	**126,410,730**	**20.6%**
LESS DISCOUNTS & CONTRACTUALS	78,543,896	75,729,147	3.7%	82,032,388	(4.3%)	71,128,241	10.4%	61,330,047	28.1%
LESS UNCOMPENSATED CARE	981,955	1,210,284	(18.9%)	1,581,498	(37.9%)	1,028,157	(4.5%)	867,602	13.2%
TOTAL DEDUCTIONS FROM REVEN	**79,525,851**	**76,939,431**	**3.4%**	**83,613,886**	**(4.9%)**	**72,156,398**	**10.2%**	**62,197,649**	**27.9%**
NET REVENUE FROM PATIENTS	**72,907,596**	**74,823,122**	**(2.6%)**	**76,869,546**	**(5.2%)**	**70,642,182**	**3.2%**	**64,213,081**	**13.5%**
OTHER OPERATING REVENUE	13,845,609	14,862,588	(6.8%)	14,670,848	(5.6%)	12,977,987	6.7%	12,814,554	8.0%
TOTAL OPERATING REVENUE	**86,753,205**	**89,685,710**	**(3.3%)**	**91,540,394**	**(5.2%)**	**83,620,169**	**3.7%**	**77,027,635**	**12.6%**
LESS: WILLMAR MEDICAL SERVICES OPERATING REVENUE	18,876,525	17,665,139	6.9%	18,206,235	3.7%	16,038,275	17.7%	9,414,356	100.5%
TOTAL OPERATING REVENUE	**67,876,680**	**72,020,571**	**(5.8%)**	**73,334,159**	**(7.4%)**	**67,581,894**	**0.4%**	**67,613,279**	**0.4%**
OPERATING EXPENSES									
SALARIES AND WAGES	33,707,858	33,109,828	1.8%	32,659,463	3.2%	33,240,327	1.4%	32,404,131	4.0%
CONTRACT LABOR	2,005,441	2,478,933	(19.1%)	1,470,219	36.4%	1,874,131	7.0%	668,055	200.2%
SUPPLEMENTAL BENEFITS	9,683,240	9,546,431	1.4%	9,358,424	3.5%	9,291,280	4.2%	9,075,580	6.7%
SUPPLIES	6,446,920	6,627,237	(2.7%)	6,840,058	(5.7%)	6,669,735	(3.3%)	6,065,965	6.3%
DRUGS	5,908,305	7,246,040	(18.5%)	5,550,331	6.4%	5,311,520	11.2%	2,519,290	134.5%
PURCHASED SERVICES	4,607,194	5,709,510	(19.3%)	5,352,040	(13.9%)	4,626,654	(0.4%)	4,611,904	(0.1%)
REPAIRS, SERVICE & RENTALS	2,567,260	2,409,251	6.6%	2,377,053	8.0%	2,348,456	9.3%	2,420,246	6.1%
UTILITIES	1,202,958	1,216,278	(1.1%)	1,198,439	0.4%	1,171,696	2.7%	1,135,217	6.0%
INSURANCE	508,763	492,681	3.3%	437,058	16.4%	358,246	42.0%	325,090	56.5%
PATIENT RELATED TRAVEL	239,842	218,414	9.8%	225,936	6.2%	227,141	5.6%	200,968	19.3%
EDUCATION, TRAVEL, & DUES	758,553	729,538	4.0%	703,802	7.8%	673,178	12.7%	591,999	28.1%
OTHER	224,866	361,183	(37.7%)	315,999	(28.8%)	309,068	(27.2%)	222,916	0.9%
DEPRECIATION AND AMORT	5,883,212	5,941,089	(1.0%)	5,560,856	5.8%	5,553,270	5.9%	5,683,850	3.5%
INTEREST	1,240,856	1,432,746	(13.4%)	1,949,016	(36.3%)	2,018,289	(38.5%)	2,022,954	(38.7%)
BAD DEBTS	1,475,590	1,532,701	(3.7%)	1,401,101	5.3%	1,691,402	(12.8%)	1,622,683	(9.1%)
TAXES & SURCHARGE	1,454,270	1,390,184	4.6%	1,526,080	(4.7%)	1,366,450	6.4%	1,318,190	10.3%
TOTAL OPERATING EXPENSES	**77,915,128**	**80,442,044**	**(3.1%)**	**76,925,875**	**1.3%**	**76,730,843**	**1.5%**	**70,889,038**	**9.9%**
LESS: WILLMAR MEDICAL SERVICES OPERATING EXPENSES	9,100,207	8,771,737	3.7%	7,413,363	22.8%	7,562,188	20.3%	3,343,289	172.2%
NET OPERATING EXPENSES	**68,814,921**	**71,670,307**	**(4.0%)**	**69,512,512**	**(1.0%)**	**69,168,655**	**(0.5%)**	**67,545,749**	**1.9%**
OPERATING INCOME (LOSS)	**(938,241)**	**350,264**	**(367.9%)**	**3,821,647**	**(124.6%)**	**(1,586,761)**	**(40.9%)**	**67,530**	**(1,489.4%)**
NON OPERATING INCOME	(171,871)	831,689	(120.7%)	1,180,510	(114.6%)	1,425,017	(112.1%)	517,829	(133.2%)
NET INCOME (LOSS)	**($1,110,112)**	**$1,181,953**	**(193.9%)**	**$5,002,157**	**(122.2%)**	**($161,744)**	**586.3%**	**$585,359**	**(289.6%)**

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RICE CARE CENTER
For the Year To Date Period Ending

	YEAR TO DATE ACTUAL								
	October 2013	October 2012	% Variance	October 2011	% Variance	October 2010	% Variance	October 2009	% Variance
OPERATING REVENUE									
RICE CARE CENTER REVENUE	$8,493,624	$7,744,014	9.7%	$4,650,756	82.6%	$4,480,377	89.6%	$4,168,828	103.7%
TOTAL PATIENT REVENUE	**8,493,624**	**7,744,014**	**9.7%**	**4,650,756**	**82.6%**	**4,480,377**	**89.6%**	**4,168,828**	**103.7%**
LESS DISCOUNTS & CONTRACTUALS	2,734,240	1,779,023	53.7%	570,645	379.1%	653,835	318.2%	280,964	873.2%
TOTAL DEDUCTIONS FROM REVEN	**2,734,240**	**1,779,023**	**53.7%**	**570,645**	**379.1%**	**653,835**	**318.2%**	**280,964**	**873.2%**
NET REVENUE FROM PATIENTS	**5,759,384**	**5,964,991**	**(3.4%)**	**4,080,111**	**41.2%**	**3,826,542**	**50.5%**	**3,887,864**	**48.1%**
OTHER OPERATING REVENUE	5,653	8,824	(35.9%)	8,292	(31.8%)	8,072	(30.0%)	5,998	(5.8%)
TOTAL OPERATING REVENUE	**5,765,037**	**5,973,815**	**(3.5%)**	**4,088,403**	**41.0%**	**3,834,614**	**50.3%**	**3,893,862**	**48.1%**
LESS: WILLMAR MEDICAL SERVICES									
TOTAL OPERATING REVENUE	5,765,037	5,973,815	(3.5%)	4,088,403	41.0%	3,834,614	50.3%	3,893,862	48.1%
OPERATING EXPENSES									
SALARIES AND WAGES	2,120,964	2,199,434	(3.6%)	2,043,903	3.8%	1,767,903	20.0%	1,799,163	17.9%
CONTRACT LABOR	1,004,336	669,316	50.1%	24,646	3,975.0%	3,609	27,728.7%	376	267,010.6%
SUPPLEMENTAL BENEFITS	842,797	925,376	(8.9%)	803,231	4.9%	730,683	15.3%	726,010	16.1%
SUPPLIES	405,271	370,785	9.3%	366,634	10.5%	316,924	27.9%	301,448	34.4%
DRUGS	149,152	164,182	(9.2%)	84,784	75.9%	88,014	69.5%	78,251	90.6%
PURCHASED SERVICES	209,112	177,810	17.6%	134,234	55.8%	320,182	(34.7%)	283,541	(26.2%)
REPAIRS, SERVICE & RENTALS	58,460	35,786	63.4%	30,038	94.6%	38,799	50.7%	48,438	20.7%
UTILITIES	96,976	87,248	11.1%	74,298	30.5%	53,986	79.6%	55,339	75.2%
INSURANCE	40,907	32,228	26.9%	28,040	45.9%	21,510	90.2%	18,075	126.3%
PATIENT RELATED TRAVEL	2,899	3,639	(20.3%)	2,164	34.0%	1,711	69.4%	1,524	90.2%
EDUCATION, TRAVEL, & DUES	39,389	41,661	(5.5%)	38,563	2.1%	32,740	20.3%	33,141	18.9%
OTHER	7,239	2,293	215.7%	11,881	(39.1%)	4,965	45.8%	37,329	(80.6%)
DEPRECIATION AND AMORT	307,648	302,774	1.6%	180,442	70.5%	140,899	118.3%	144,247	113.3%
INTEREST	107,489	109,381	(1.7%)	72,239	48.8%	45,780	134.8%	52,090	106.4%
BAD DEBTS	321	1,410	(77.2%)	16,985	(98.1%)	2,009	(84.0%)	10,359	(96.9%)
TAXES & SURCHARGE	351,294	332,902	5.5%	184,425	90.5%	174,752	101.0%	174,752	101.0%
TOTAL OPERATING EXPENSES	**5,744,254**	**5,456,225**	**5.3%**	**4,096,507**	**40.2%**	**3,744,466**	**53.4%**	**3,764,083**	**52.6%**
LESS: WILLMAR MEDICAL SERVICES									
NET OPERATING EXPENSES	**5,744,254**	**5,456,225**	**5.3%**	**4,096,507**	**40.2%**	**3,744,466**	**53.4%**	**3,764,083**	**52.6%**
OPERATING INCOME (LOSS)	**20,783**	**517,590**	**(96.0%)**	**(8,104)**	**(356.5%)**	**90,148**	**(76.9%)**	**129,779**	**(84.0%)**
NON OPERATING INCOME	1,913	4,791	(60.1%)	6,750	(71.7%)	7,569	(74.7%)	8,148	(76.5%)
NET INCOME (LOSS)	$22,696	$522,381	(95.7%)	($1,354)	(1,776.2%)	$97,717	(76.8%)	$137,927	(83.5%)

RICE HOME MEDICAL
For the Year To Date Period Ending

	YEAR TO DATE ACTUAL								
	October 2013	October 2012	% Variance	October 2011	% Variance	October 2010	% Variance	October 2009	% Variance
OPERATING REVENUE									
RICE HOME MEDICAL REVENUE	$10,619,380	$8,656,386	22.7%	$8,349,198	27.2%	$8,203,758	29.4%	$7,460,533	42.3%
TOTAL PATIENT REVENUE	**10,619,380**	**8,656,386**	**22.7%**	**8,349,198**	**27.2%**	**8,203,758**	**29.4%**	**7,460,533**	**42.3%**
LESS DISCOUNTS & CONTRACTUALS	3,793,957	1,893,803	100.3%	1,867,702	103.1%	1,648,345	130.2%	1,285,807	195.1%
LESS UNCOMPENSATED CARE	5,103	9,753	(47.7%)	1,271	301.5%	92	5,446.7%	967	427.7%
TOTAL DEDUCTIONS FROM REVEN	**3,799,060**	**1,903,556**	**99.6%**	**1,868,973**	**103.3%**	**1,648,437**	**130.5%**	**1,286,774**	**195.2%**
NET REVENUE FROM PATIENTS	**6,820,320**	**6,752,830**	**1.0%**	**6,480,225**	**5.2%**	**6,555,321**	**4.0%**	**6,173,759**	**10.5%**
OTHER OPERATING REVENUE	73,704	90,577	(18.6%)	49,516	48.8%	44,218	66.7%	52,956	39.2%
TOTAL OPERATING REVENUE	**6,894,024**	**6,843,407**	**0.7%**	**6,529,741**	**5.6%**	**6,599,539**	**4.5%**	**6,226,715**	**10.7%**
LESS: WILLMAR MEDICAL SERVICES									
TOTAL OPERATING REVENUE	**6,894,024**	**6,843,407**	**0.7%**	**6,529,741**	**5.6%**	**6,599,539**	**4.5%**	**6,226,715**	**10.7%**
OPERATING EXPENSES									
SALARIES AND WAGES	2,487,097	2,220,007	12.0%	1,823,627	36.4%	1,864,047	33.4%	1,807,219	37.6%
CONTRACT LABOR	11,134		0.0%	53,454	(79.2%)	26,384	(57.8%)	41,012	(72.9%)
SUPPLEMENTAL BENEFITS	899,569	635,227	41.6%	568,272	58.3%	470,103	91.4%	438,610	105.1%
SUPPLIES	3,225,660	2,856,471	12.9%	2,783,302	15.9%	2,752,452	17.2%	2,659,971	21.3%
PURCHASED SERVICES	387,324	251,642	53.9%	279,842	38.4%	181,741	113.1%	98,989	291.3%
REPAIRS, SERVICE & RENTALS	215,803	147,110	46.7%	143,675	50.2%	191,619	12.6%	199,471	8.2%
UTILITIES	91,429	75,926	20.4%	86,733	5.4%	76,789	19.1%	78,629	16.3%
INSURANCE	41,889	57,474	(27.1%)	52,876	(20.8%)	53,012	(21.0%)	46,478	(9.9%)
PATIENT RELATED TRAVEL	140,784	135,413	4.0%	126,889	11.0%	101,357	38.9%	104,550	34.7%
EDUCATION, TRAVEL, & DUES	46,420	54,223	(14.4%)	46,342	0.2%	31,116	49.2%	43,680	6.3%
OTHER	90,865	101,052	(10.1%)	70,660	28.6%	61,786	47.1%	67,417	34.8%
DEPRECIATION AND AMORT	592,438	400,939	47.8%	380,615	55.7%	365,292	62.2%	341,923	73.3%
INTEREST	37,740	40,687	(7.2%)	50,110	(24.7%)	57,560	(34.4%)	59,864	(37.0%)
BAD DEBTS	37,337	58,005	(35.6%)	47,754	(21.8%)	39,070	(4.4%)	32,826	13.7%
TAXES & SURCHARGE	58,238	43,967	32.5%	37,855	53.8%	35,807	62.6%	35,658	63.3%
TOTAL OPERATING EXPENSES	**8,363,727**	**7,078,143**	**18.2%**	**6,552,006**	**27.7%**	**6,308,135**	**32.6%**	**6,056,297**	**38.1%**
LESS: WILLMAR MEDICAL SERVICES									
NET OPERATING EXPENSES	**8,363,727**	**7,078,143**	**18.2%**	**6,552,006**	**27.7%**	**6,308,135**	**32.6%**	**6,056,297**	**38.1%**
OPERATING INCOME (LOSS)	**(1,469,703)**	**(234,736)**	**526.1%**	**(22,265)**	**6,501.0%**	**291,404**	**(604.4%)**	**170,418**	**(962.4%)**
NON OPERATING INCOME	3,517	1,599	119.9%	28,646	(87.7%)	29,313	(88.0%)	22,876	(84.6%)
NET INCOME (LOSS)	**(1,466,186)**	**(233,137)**	**528.9%**	**6,381**	**(23,079.4%)**	**320,717**	**(557.2%)**	**193,294**	**(858.5%)**

RICE MEMORIAL HOSPITAL
CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD ENDED:
October 31, 2013

Line #		Current YTD	Prior YTD
1	Sources of Cash & Investments:		
2	Net Income	$ (2,553,597)	$ 1,471,197
3	Depreciation & Amortization	6,783,297	$ 6,644,802
4	Debt Proceeds	-	-
5	Other		
6			
7	Total Sources	4,229,700	8,115,999
8			
9	Uses		
10	Property, Plant, and Equipment - Gross	8,236,681	4,846,087
11	Debt Payments/Re-funding	2,334,927	2,865,825
12	Working Capital Changes & Other - Net	(5,041,765)	(1,713,966)
13			
14	Total Uses	5,529,843	5,997,946
15			
16	Increase / (Decrease) Cash & Investments	(1,300,143)	2,118,053
17			
18	Beginning of Period (January 1)	28,941,389	28,854,321
19			
20	End of Period	$ 27,641,246	$ 30,972,374

RICE MEMOR HOSPITAL
STATISTICAL AND VOLUME SUMMARY
FOR THE PERIOD ENDED:
October 31, 2013

CURRENT MONTH Actual	Budget	Var.	Var.%	Prior Yr.	Act/Prior Var. %		YEAR-TO-DATE Actual	Budget	Var.	Var.%	Prior Yr.	Act/Prior Var. %
						Patient Days						
499	453	46	10.2%	542	-7.9%	Adult Health Care	5,341	4,909	432	8.8%	5,305	0.7%
224	173	51	29.5%	208	7.7%	Women and Children's Care	2,138	2,109	29	1.4%	2,152	-0.7%
60	50	10	20.0%	58	3.4%	ICCU	613	626	(13)	-2.1%	608	0.8%
218	200	18	9.0%	226	-3.5%	Mental Health	2,164	1,991	173	8.7%	2,107	2.7%
1,001	876	125	14.3%	1,034	-3.2%	Total Adult & Peds	10,256	9,635	621	6.4%	10,172	0.8%
32.3	28.3	4.0	14.3%	33.4	-3.2%	Average Daily Census	33.7	31.7	2.0	6.4%	33.4	1.2%
3.36	3.54	(0.18)	-5.1%	3.54	-5.1%	Average Length of Stay	3.51	3.54	(0.03)	-0.9%	3.56	-1.3%
294	247	47	18.8%	298	-1.3%	Admissions-Inpatient	2,922	2,722	200	7.4%	2,867	1.9%
176	226	(50)	-22.2%	235	-25.0%	Observation patients	1,688	2,198	(510)	-23.2%	2,043	-17.4%
1.218	1.336	(0.118)	-8.8%	1.336	-8.8%	Medicare Case Mix Index	1.292	1.336	(0.044)	-3.3%	1.336	-3.3%
0.943	1.042	(0.099)	-9.5%	1.021	-7.6%	Case Mix Index-Total	1.016	1.042	(0.026)	-2.5%	1.039	-2.2%
877	836	41	5.0%	881	-0.4%	Adjusted Admissions	8,544	8,547	(2)	0.0%	8,698	-1.8%
2,987	2,959	28	0.9%	3,057	-2.3%	Adjusted Patient Days	30,004	30,255	(251)	-0.8%	30,835	-2.7%
2	38	(36)	-94.7%	38	-94.7%	Intermediate Care Nursery	185	237	(52)	-21.9%	135	37.0%
178	95	83	87.4%	155	14.8%	Nursery	1,479	1,193	286	24.0%	1,294	14.3%
5.8	4.3	1.5	35.3%	6.2	-6.7%	Average Daily Census-ICN/Nursery	5.5	4.7	0.8	16.4%	4.7	16.8%
87	49	38	77.6%	77	13.0%	Births	706	614	92	15.0%	633	11.5%
1,893	1,984	(91)	-4.6%	2,229	-15.1%	Rice Care Center-Days	19,462	21,648	(2,186)	-10.1%	22,152	-12.1%
61.1	64.0	(2.9)	-4.6%	71.9	-15.1%	Rice Care Center-Average Daily Census	64.0	71.2	(7.2)	-10.1%	72.6	-11.9%

RICE MEMORIAL HOSPITAL
STATISTICAL AND VOLUME SUMMARY
FOR THE PERIOD ENDED:
October 31, 2013

CURRENT MONTH Actual	Budget	Var.	Var.%	Prior Yr.	Act/Prior Var. %		YEAR-TO-DATE Actual	Budget	Var.	Var.%	Prior Yr.	Act/Prior Var. %
						Ancillary Services						
127	136	(9)	-6.6%	137	-7.3%	IP Surgeries	1,429	1,449	(20)	-1.4%	1,507	-5.2%
382	327	55	16.8%	292	30.8%	OP Surgeries	3,698	3,545	153	4.3%	3,398	8.8%
509	463	46	9.9%	429	18.6%	**Total Surgeries**	5,127	4,994	133	2.7%	4,905	4.5%
154	158	(4)	-2.5%	158	-2.5%	ER Visits-Inpatient	1,710	1,672	38	2.3%	1,712	-0.1%
823	906	(83)	-9.2%	897	-8.2%	ER Visits-Outpatient	8,917	9,615	(698)	-7.3%	9,419	-5.3%
977	1,064	(87)	-8.2%	1,055	-7.4%	**ER Visits-Total**	10,627	11,287	(660)	-5.8%	11,131	-4.5%
22,410	22,565	(155)	-0.7%	24,184	-7.3%	Lab Tests	224,762	235,571	(10,809)	-4.6%	238,213	-5.6%
1,400	1,434	(34)	-2.4%	1,511	-7.3%	Medical Imaging Procedures	14,168	15,311	(1,143)	-7.5%	15,361	-7.8%
352	894	(542)	-60.6%	585	-39.8%	Radiation Oncology Treatments	4,167	6,895	(2,728)	-39.6%	5,985	-30.4%
223	240	(17)	-7.1%	242	-7.9%	Medical Oncology Visits	2,057	2,295	(238)	-10.4%	2,235	-8.0%
882	809	73	9.0%	818	7.8%	Dialysis Treatments	8,215	7,676	539	7.0%	7,630	7.7%
4,157	3,769	388	10.3%	3,983	4.4%	Rehab Visits	37,225	37,027	198	0.5%	37,270	-0.1%
1,989	2,031	(42)	-2.1%	2,454	-18.9%	Hospice Visits	18,561	18,634	(73)	-0.4%	21,004	-11.6%
228	228	-	0.0%	230	-0.9%	Ambulance Runs	2,216	2,247	(31)	-1.4%	2,203	0.6%
						Full Time Equivalents (FTE's)						
644	620	24	3.9%	640	0.6%	FTE's - Hospital	642	640	1	0.2%	647	-0.7%
78	76	2	2.6%	88	-10.7%	FTE's - Care Center	82	84	(2)	-2.6%	86	-4.4%
82	78	4	5.6%	78	6.1%	FTE's - Home Medical	80	74	6	7.8%	72	11.9%
805	774	31	4.0%	806	-0.1%	**Total FTE's**	804	799	5	0.6%	804	0.0%

CE MEMORIAL HOSPITAL
KEY PERFORMANCE INDICATORS

FOR THE PERIOD ENDED: **10/31/13**

Line #		Month-to-Date					Year-to-Date					
		Actual	Budget	Prior Yr	Variance Act vs Bud	Variance Act vs Prior	Actual	Budget	Prior Yr	Variance Act vs Bud	Variance Act vs Prior	Industry Benchmarks
1	**OPERATIONAL**											
2	**Operating Margin**											
3	Rice Hospital	-10.6%	0.5%	12.6%	-11.0%	-23.2%	-1.4%	2.2%	0.5%	-3.6%	-1.9%	
4	Rice Care Center	-6.4%	6.7%	6.8%	-13.0%	-13.1%	0.4%	9.5%	8.7%	-9.2%	-8.3%	
5	Rice Home Medical	-8.7%	0.5%	-6.6%	-9.2%	-2.2%	-21.5%	-1.6%	-3.5%	-19.9%	-18.0%	
6												
7	**Consolidated Operating Margin**	**-10.1%**	**0.9%**	**10.7%**	**-11.0%**	**-20.8%**	**-3.0%**	**2.4%**	**0.7%**	**-5.4%**	**-3.7%**	**2.2%**
8												
9	**Consolidated Excess Margin**	**-8.7%**	**1.8%**	**10.7%**	**-10.5%**	**-19.4%**	**-3.2%**	**3.3%**	**1.7%**	**-6.5%**	**-4.9%**	**2.8%**
10												
11	**EBIDA Operating Margin**	**0.5%**	**11.0%**	**19.2%**	**-10.6%**	**-18.7%**	**7.2%**	**12.2%**	**10.4%**	**-5.0%**	**-3.3%**	**10.8%**
12												
13	**FINANCIAL**											
14	**Debt/Capitalization Ratio**						**42.4%**	**41.8%**	**43.9%**	**1.3%**	**-1.5%**	**38.7%**
15	**Debt Service Coverage**						**1.9**	**3.1**	**2.9**	**-39.6%**	**-34.6%**	**2.9**
16	**Net Days in Accounts Receivable-Hospital**						**53**	**50**	**58**	**5.0%**	**-9.3%**	**46**
17	**Days of Cash**						**110**	**129**	**122**	**-14.4%**	**-9.4%**	**131**
18	**Unrestricted Cash/Debt**						**64%**	**82%**	**67%**	**-21.9%**	**-4.6%**	**87%**
19	**Cushion Ratio**						**7.7**	**8.6**	**7.6**	**-10.7%**	**0.7%**	**9.1**
20	**Average Age of Plant**						**9.2**	**10.0**	**9.2**	**-8.2%**	**0.0%**	**10.2**
21	**Financial Strength Index**						**(0.71)**	**1.21**	**0.73**	**-159.0%**	**-198.3%**	**0.30**
22	**PRODUCTIVITY**											
23	***Rice Hospital***											
24												
25	**Controllable Expense/Adj. Admit**	**$ 8,220**	**$ 8,461**	**$ 7,979**	**-2.8%**	**3.0%**	**$ 8,119**	**$ 8,394**	**$ 8,246**	**-3.3%**	**-1.5%**	**$ 8,429**
26												
27	**Compensation Ratio**	**56.9%**	**50.4%**	**45.2%**	**12.9%**	**25.9%**	**52.3%**	**49.6%**	**50.3%**	**5.5%**	**4.0%**	**50%**
28												
29	**FTE per Adjusted Admit**	**14.4**	**14.3**	**14.1**	**0.3%**	**1.7%**	**14.6**	**14.7**	**14.5**	**-0.4%**	**1.0%**	**14.9**
30	**FTE per Adjusted Patient Day**	**4.2**	**4.5**	**4.1**	**-6.9%**	**3.7%**	**4.2**	**4.1**	**4.1**	**1.7%**	**2.1%**	**4.4**
31												
32	Supply Expense per CMI Adjusted Discharge	$ 784	$ 760	$ 740	3.1%	6.0%	$ 743	$ 783	$ 735	-5.1%	1.0%	
33	Drug Expense per CMI Adjusted Discharge	$ 794	$ 905	$ 628	-12.3%	26.3%	$ 681	$ 863	$ 804	-21.1%	-15.3%	
34	**Total Supply & Drug Expense per CMI Adj. Disch**	**$ 1,578**	**$ 1,666**	**$ 1,368**	**-5.3%**	**15.3%**	**$ 1,424**	**$ 1,646**	**$ 1,539**	**-13.5%**	**-7.5%**	**$ 1,271**
35												
36	**Bad Debt as % of Net Patient Revenue**	**1.8%**	**1.9%**	**2.4%**	**-5.9%**	**-23.8%**	**2.0%**	**1.8%**	**2.0%**	**9.8%**	**-1.2%**	**7.4%**
37												
38	**Capital Expense (Interest + Depreciation)**	**8.5%**	**9.2%**	**9.2%**	**-8.4%**	**-7.6%**	**9.1%**	**9.3%**	**9.2%**	**-2.0%**	**-0.3%**	**6.9%**
39												
40	***Rice Care Center Hours per Day***	**6.6**	**6.2**	**6.2**	**7.1%**	**8.0%**	**6.6**	**6.2**	**6.2**	**6.7%**	**6.9%**	**5.8**
41												
42	***Rice Home Medical***											
43	**Sales per FTE**	**$ 175,765**	**$163,157**	**$137,797**	**7.7%**	**27.6%**	**$ 158,775**	**$ 159,187**	**$ 144,836**	**-0.3%**	**9.6%**	
44												
45	**Inventory Turns**						**4.3**	**7.0**	**5.6**	**-38.1%**	**-22.8%**	
46	**Inventory Days on Hand**						**85**	**53**	**65**	**61.5%**	**29.5%**	
47												

DRAFT-NOT COMMISSION APPROVED

Combined Summary	2012 Actual	2013 Budget	2013 Reforecast	2014 Budget	2015 Estimate	Change 2013	Change 2014	Change 2015
Operating revenues								
Residential	$8,701,746	$9,003,900	$8,642,900	$8,844,800	$8,907,645	($58,846)	$201,900	$62,845
Commercial/industrial	20,685,788	21,122,200	20,763,800	21,023,800	21,307,071	78,012	260,000	283,271
Energy acquisition/fuel adj	0	0	(36,622)	0	100,300	(36,622)	36,622	100,300
Miscellaneous	317,519	335,700	311,541	313,500	314,600	(5,978)	1,959	1,100
Total operating revenues	29,705,053	30,461,800	29,681,619	30,182,100	30,629,616	(23,434)	500,481	447,516
						-0.1%	*1.7%*	*1.5%*
Operating expenses								
Production operation	3,315,432	3,658,700	2,690,600	3,031,700	3,343,700	(624,832)	341,100	312,000
Production maintenance	765,827	1,287,100	1,365,000	986,719	1,120,719	599,173	(378,281)	134,000
Purchased power	12,923,522	14,629,800	14,565,830	15,188,411	15,517,179	1,642,308	622,581	328,768
Transmission operation	155,069	142,000	156,555	182,753	182,753	1,486	26,198	0
Transmission maintenance	135,165	91,500	33,849	181,937	58,598	(101,317)	148,089	(123,339)
Distribution operation	782,237	782,400	743,700	800,419	823,619	(38,537)	56,719	23,200
Distribution maintenance	532,610	606,200	510,866	549,700	584,000	(21,744)	38,834	34,300
Customer service/energy services	632,275	740,200	674,233	733,559	736,631	41,958	59,326	3,072
General & administrative	3,300,393	3,609,500	3,549,419	3,561,040	3,653,534	249,026	11,622	92,494
Depreciation	2,308,454	2,195,400	2,299,474	2,433,667	2,704,951	(8,981)	134,194	271,284
Total operating expenses	24,850,984	27,742,800	26,589,525	27,649,906	28,725,684	1,738,541	1,060,381	1,075,779
						6.5%	*3.8%*	*3.7%*
Operating income	4,854,069	2,719,000	3,092,094	2,532,194	1,903,931	(1,761,975)	(559,900)	(628,263)
Other income	387,196	192,400	285,458	332,384	346,384	(101,738)	46,926	14,000
Other expense	(373,565)	(368,600)	(359,038)	(340,196)	(319,840)	14,527	18,842	20,356
Net earnings	4,867,700	2,542,800	3,018,514	2,524,382	1,930,475	(1,849,186)	(494,132)	(593,907)
Intragovernmental transfer	1,918,820	1,955,400	1,995,573	2,075,396	2,158,412	76,753	79,823	83,016
Retained earnings	**$2,948,880**	**$587,400**	**$1,022,941**	**$448,986**	**($227,937)**	($1,925,939)	($573,955)	($676,923)
	10%	2%	3%	1%	-1%			

DRAFT-NOT COMMISSION APPROVED

Electric Summary

	2012 Actual	2013 Budget	2013 Reforecast	2014 Budget	2015 Estimate	Change 2013	Change 2014	Change 2015
Operating revenues								
Residential	$7,473,729	$7,806,900	$7,450,000	$7,624,500	$7,700,745	($23,729)	$174,500	$76,245
Commercial/industrial	19,025,053	19,385,700	19,014,400	19,299,100	19,588,071	(10,653)	284,700	288,971
Energy acquisition/fuel adj	0	0	0	0	0	0		
Miscellaneous	235,852	252,300	227,841	224,500	224,500	(8,011)	(3,341)	0
Total operating revenues	26,734,634	27,444,900	26,692,241	27,148,100	27,513,316	(42,393)	455,859	365,216
						-0.2%	*1.7%*	*1.3%*
Operating expenses								
Production operation	3,052,185	3,404,700	2,426,800	2,770,700	3,073,000	(625,385)	343,900	302,300
Production maintenance	662,323	1,158,700	1,238,100	863,219	997,219	575,777	(374,881)	134,000
Purchased power	12,504,618	14,091,300	14,065,130	14,575,911	14,904,679	1,560,512	510,781	328,768
Transmission operation	155,069	142,000	156,555	182,753	182,753	1,486	26,198	0
Transmission maintenance	135,165	91,500	33,849	181,937	58,598	(101,317)	148,089	(123,339)
Distribution operation	579,992	575,400	557,100	612,419	635,619	(22,892)	55,319	23,200
Distribution maintenance	380,343	429,800	333,166	374,400	408,800	(47,177)	41,234	34,400
Customer service/energy services	459,352	542,000	481,495	519,485	522,725	22,143	37,990	3,240
General & administrative	2,706,683	2,913,800	2,887,917	2,882,688	2,946,391	181,234	(5,229)	63,703
Depreciation	1,693,294	1,713,000	1,782,432	1,894,992	2,138,660	89,138	112,560	243,668
Total operating expenses	22,329,024	25,062,200	23,962,544	24,858,504	25,868,445	1,633,520	895,961	1,009,940
						6.8%	*3.6%*	*3.9%*
Operating income	4,405,610	2,382,700	2,729,697	2,289,596	1,644,871	(1,675,913)	(440,102)	(644,725)
Other income	347,925	164,300	255,258	282,164	293,784	(92,667)	26,906	11,620
Other expense	(351,035)	(350,800)	(341,238)	(326,606)	(311,381)	9,797	14,632	15,225
Net earnings	4,402,500	2,196,200	2,643,717	2,245,154	1,627,274	(1,758,783)	48,954	(568,926)
Intragovernmental transfer	1,727,738	1,759,800	1,796,016	1,867,856	1,942,571	68,278	71,841	74,714
Retained earnings	**$2,674,762**	**$436,400**	**$847,702**	**$377,297**	**($315,297)**	($1,827,060)	($470,404)	($692,594)
	10%	2%	3%	1%	-1%			

DRAFT-NOT COMMISSION APPROVED

Water

Summary	2012 Actual	2013 Budget	2013 Reforecast	2014 Budget	2015 Estimate	Change 2013	Change 2014	Change 2015
Operating revenues								
Residential	$1,141,174	$1,081,000	$1,076,100	$1,108,300	$1,096,900	($65,074)	$32,200	($11,400)
Commercial/industrial	944,819	930,000	921,600	924,700	919,000	(23,219)	3,100	(5,700)
Energy acquisition/fuel adj	0	0	0	0	0	0	0	0
Miscellaneous	77,162	79,400	79,500	84,800	85,900	2,338	5,300	1,100
Total operating revenues	2,163,155	2,090,400	2,077,200	2,117,800	2,101,800	(85,955)	40,600	(16,000)
						-4.1%	*1.9%*	*-0.8%*
Operating expenses								
Production operation	263,247	254,000	263,700	260,900	270,600	453	(2,800)	9,700
Production maintenance	103,008	112,400	110,200	106,800	106,800	7,192	(3,400)	0
Purchased power	122,867	139,000	139,000	147,000	147,000	16,133	8,000	0
Transmission operation	0	0	0	0	0	0	0	0
Transmission maintenance	0	0	0	0	0	0	0	0
Distribution operation	145,113	139,800	161,900	163,500	163,500	16,787	1,600	0
Distribution maintenance	127,002	126,800	103,000	106,600	108,900	(24,002)	3,600	2,300
Customer service/energy services	164,689	188,800	183,560	203,880	203,720	18,871	20,320	(160)
General & administrative	468,719	549,200	522,238	535,541	558,270	53,519	13,303	22,729
Labor growth reduction	0	0	0	0	0	0	0	0
Depreciation	374,977	288,300	317,236	338,386	362,475	(57,742)	21,151	24,089
Total operating expenses	1,769,622	1,798,300	1,800,834	1,862,607	1,921,266	31,212	61,774	58,658
						1.7%	*3.3%*	*3.1%*
Operating income	393,533	292,100	276,366	255,193	180,534	(117,167)	(21,174)	(74,658)
Other income	22,416	15,800	17,200	28,800	30,200	(5,216)	11,600	1,400
Other expense	(22,530)	(17,800)	(17,800)	(13,590)	(8,459)	4,730	4,210	5,131
Net earnings	393,419	290,100	275,766	270,403	202,275	(117,653)	(5,364)	(68,127)
Intragovernmental transfer	143,911	136,900	139,690	145,278	151,089	(4,221)	5,588	5,811
Retained earnings	**$249,508**	**$153,200**	**$136,076**	**$125,125**	**$51,186**	($113,432)	($10,951)	($73,938)
	12%	**7%**	**7%**	**6%**	**2%**			

DRAFT-NOT COMMISSION APPROVED

Heating Summary

	2012 Actual	2013 Budget	2013 Reforecast	2014 Budget	2015 Estimate	Change 2013	Change 2014	Change 2015
Operating revenues								
Residential	$86,843	$116,000	$116,800	$112,000	$110,000	$29,957	($4,800)	($2,000)
Commercial/industrial	715,916	806,500	827,800	800,000	800,000	111,884	(27,800)	0
Energy acquisition/fuel adj	0	0	(36,622)	0	100,300	(36,622)	36,622	100,300
Miscellaneous	4,505	4,000	4,200	4,200	4,200	(305)	0	0
Total operating revenues	807,264	926,500	912,178	916,200	1,014,500	104,914	4,022	98,300
						11.5%	*0.4%*	*9.7%*
Operating expenses								
Production operation	0	0	100	100	100	100	0	0
Production maintenance	496	16,000	16,700	16,700	16,700	16,204	0	0
Purchased power	296,037	399,500	361,700	465,500	465,500	65,663	103,800	0
Transmission operation	0	0	0	0	0	0	0	0
Transmission maintenance	0	0	0	0	0	0	0	0
Distribution operation	57,132	67,200	24,700	24,500	24,500	(32,432)	(200)	0
Distribution maintenance	25,265	49,600	74,700	68,700	66,300	49,435	(6,000)	(2,400)
Customer service/energy services	8,234	9,400	9,178	10,194	10,186	944	1,016	(8)
General & administrative	124,991	146,500	139,263	142,811	148,872	14,272	3,547	6,061
Depreciation	240,183	194,100	199,806	200,289	203,816	(40,377)	483	3,527
Total operating expenses	752,338	882,300	826,147	928,794	935,974	73,809	102,647	7,180
						8.9%	*11.1%*	*0.8%*
Operating income	54,926	44,200	86,031	(12,594)	78,526	31,105	(98,625)	91,120
Other income	16,855	12,300	13,000	21,420	22,400	(3,855)	8,420	980
Other expense	0	0	0	0	0	0	0	0
Net earnings	71,781	56,500	99,031	8,826	100,926	27,250	(90,205)	92,100
Intragovernmental transfer	47,171	58,700	59,867	62,262	64,752	12,696	2,395	2,490
Retained earnings	**$24,610**	**($2,200)**	**$39,163**	**($53,436)**	**$36,174**	$14,553	($92,599)	$89,610
	3%	0%	4%	-6%	4%			

Electric Summary

	Original 2014 Budget	Enhanced Revenue Recapture	Distrib Operation/ Maint	PP 30-60 days	$22 v $20 WPPI Recovery	PP transfmr	PP Boiler Maint	MTO fee	Revised 2014 Budget
Operating revenues									
Residential	7,524,500	100,000							7,624,500
Commercial/industrial	19,299,100								19,299,100
Energy acquisition/fuel adj	0				0				0
Miscellaneous	224,500								224,500
Total operating revenues	27,048,100	100,000	0	0	0	0	0	0	27,148,100
Operating expenses									
Production operation	3,070,700			(300,000)					2,770,700
Production maintenance	1,088,219						(225,000)		863,219
Purchased power	14,737,911				(162,000)				14,575,911
Transmission operation	182,753							0	182,753
Transmission maintenance	196,937					(15,000)			181,937
Distribution operation	632,419		(20,000)						612,419
Distribution maintenance	404,400		(30,000)						374,400
Customer service/energy services	519,485								519,485
General & administrative	2,882,688								2,882,688
Depreciation	1,894,992								1,894,992
Total operating expenses	25,610,505	0	(50,000)	(300,000)	(162,000)	(15,000)	(225,000)	0	24,858,505
Operating income	1,437,595	100,000	50,000	300,000	162,000	15,000	225,000	0	2,289,595
Other income	282,164								282,164
Other expense	(326,606)								(326,606)
Net earnings	1,393,153	100,000	50,000	300,000	162,000	15,000	225,000	0	2,245,153
Intragovernmental transfer	1,867,856								1,867,856
Retained earnings	**(474,703)**	**100,000**	**50,000**	**300,000**	**162,000**	**15,000**	**225,000**	**0**	**377,297**
	-2%								1%

DRAFT-NOT COMMISSION APPROVED

Combined Summary

	Original 2014 Budget	Electric	Water	Heating	Revised 2014 Budget
Operating revenues					
Residential	$8,691,500	$100,000	$53,300		$8,844,800
Commercial/industrial	21,009,100		14,700		21,023,800
Energy acquisition/fuel adj	89,900			(89,900)	0
Miscellaneous	313,500				313,500
Total operating revenues	30,104,000	100,000	68,000	(89,900)	30,182,100
Operating expenses					
Production operation	3,331,700	(300,000)			3,031,700
Production maintenance	1,211,719	(225,000)			986,719
Purchased power	15,350,411	(162,000)			15,188,411
Transmission operation	182,753	0			182,753
Transmission maintenance	196,937	(15,000)			181,937
Distribution operation	820,419	(20,000)			800,419
Distribution maintenance	579,700	(30,000)			549,700
Customer service/energy services	733,559				733,559
General & administrative	3,561,040				3,561,040
Depreciation	2,433,667				2,433,667
Total operating expenses	28,401,906	(752,000)	0	0	27,649,906
Operating income	1,702,094	852,000	68,000	(89,900)	2,532,194
Other income	332,384				332,384
Other expense	(340,196)				(340,196)
Net earnings	1,694,282	852,000	68,000	(89,900)	2,524,382
Intragovernmental transfer	2,075,396				2,075,396
Retained earnings	**($381,114)**	**$852,000**	**$68,000**	**($89,900)**	**$448,986**
	-1%				1%

DRAFT-Not Commission Approved

No.	Description	Priority (1 - 3)	Total Cost	2014	2015	2016	2017	2018	Funded Projects 2014	Other Funding/ Carryover	
	Power Production										
1	Coal area runoff control	2	125,000	125,000	0	0	0	0	125,000		JF
2	Diesel generator relocation	2	3,220,000	100,000	3,120,000	0	0	0	100,000		JS
3	Willmar distribution substation	2	1,940,000	0	0	970,000	970,000	0	0		JS
4	Cooling towers rebuild	2	467,500	467,500	0	0	0	0	467,500		JF
5	Substation communications upgrade	2	100,000	0	100,000	0	0	0	0		JS
6	Southwest substation battery bank	3	35,000	0	35,000	0	0	0	0		JS
7	Priam substation	2	3,000,000	500,000	2,500,000	0	0	0	500,000		JS
8	Tools & equipment (as needed) (>$500 each)	2	5,000	5,000	0	0	0	0	5,000		JF
9	Power plant upgrade	3	16,000,000	0	2,000,000	14,000,000	0	0	0		
	Total power production		24,892,500	1,197,500	7,755,000	14,970,000	970,000	0	1,197,500	0	
	Priority	1	0	0	0	0	0	0			
	Priority	2	8,857,500	1,197,500	5,720,000	970,000	970,000	0			
	Priority	3	16,035,000	0	2,035,000	14,000,000	0	0			
	Total		24,892,500	1,197,500	7,755,000	14,970,000	970,000	0			

*Priority 1: Project or purchase **must** be done in year budgeted.*
*Priority 2: Project or purchase **should** be done in the year budgeted, if funding is available.*
*Priority 3: Project or purchase **could** be done in the year budgeted, if funding is available.*

DRAFT-Not Commission Approved

No.	Description	Priority (1 - 3)	Total Cost	2014	2015	2016	2017	2018	Funded Projects 2014	Other Funding/ Carryover
	Electric Distribution									
1	Hookups	1	24,900	4,200	4,800	4,900	5,500	5,500	4,200	
2	New street lights	2	10,300	1,700	2,000	2,000	2,300	2,300	1,700	
3	New security lights	1	2,000	400	400	400	400	400	400	
4	Residential additions	1	271,000	39,000	45,000	54,000	63,000	70,000	39,000	
5	Commercial customers	1	664,500	146,500	124,000	128,000	131,000	135,000	146,500	
6	U/G conversion projects	2	310,000	154,000	39,000	39,000	39,000	39,000	154,000	
7	Replace existing U/G primaries	1	802,000	99,000	165,000	172,000	180,000	186,000	99,000	
8	Commerical customer U/G improvement	2	109,000	35,000	30,000	14,500	14,500	15,000	35,000	
9	U/G feeder cable replacement	2	326,000	120,000	103,000	103,000	0	0	120,000	
10	U/G feeder line Cty 5 from Hwy 12 TO Hwy 40	2	167,000	167,000	0	0	0	0	167,000	
11	City Industrial Park distribution system	2	116,500	42,500	44,000	30,000	0	0	42,500	
12	Extend FDR 43 to east of airport	2	157,000	94,500	62,500	0	0	0	94,500	
13	Small U/G residential project areas	3	41,500	14,900	14,000	12,600	0	0	0	
14	Vehicle replacement	2	478,000	198,000	0	250,000	30,000	0	198,000	
15	U/G feeder & distribution south of Hwy 23/71 Bypass	1	400,000	400,000	0	0	0	0	400,000	
16	Line department & drafting/engineering tools	1	104,500	20,500	24,000	20,000	20,000	20,000	20,500	
17	LED street light testing	2	41,000	10,000	1,000	10,000	10,000	10,000	10,000	
18	East Hwy 12 Relocation	1	64,000	64,000	0	0	0	0	64,000	
19	12th Street SW extension	1	29,300	29,300	0	0	0	0	29,300	
	Total electric distribution		**4,118,500**	**1,640,500**	**658,700**	**840,400**	**495,700**	**483,200**	**1,625,600**	**0**
	Priority	1	2,362,200	802,900	363,200	379,300	399,900	416,900		
	Priority	2	1,714,800	822,700	281,500	448,500	95,800	66,300		
	Priority	3	41,500	14,900	14,000	12,600	0	0		
	Total		4,118,500	1,640,500	658,700	840,400	495,700	483,200		

DRAFT-Not Commission Approved

No.	Description	Priority (1 - 3)	Total Cost	2014	2015	2016	2017	2018	Funded Projects 2014	Other Funding/ Carryover
	Water & Heating									
1	Water meters	1	225,500	40,800	42,900	45,000	47,300	49,500	40,800	
2	Water vehicles	2	60,000	30,000	30,000	0	0	0	30,000	
3	Water plants life extension	2	8,725,400	127,900	661,000	3,967,600	3,968,900	0	127,900	
4	Water mains	1	580,000	140,000	110,000	110,000	110,000	110,000	140,000	
5	Heating meters	1	87,500	15,000	15,000	17,500	20,000	20,000	15,000	
6	Booster station life extension	2	108,800	0	51,800	0	57,000	0	0	
7	Well life extension	2	126,700	22,000	30,300	23,800	24,800	25,800	22,000	
8	Willmar water tower life extension	2	100,000	0	0	0	0	100,000	0	
9	College watertower life extension	1	258,996	64,749	64,749	64,749	64,749	0	64,749	
	Total Water & Heating		**10,272,896**	**440,449**	**1,005,749**	**4,228,649**	**4,292,749**	**305,300**	**440,449**	**0**
	Priority	1	1,151,996	260,549	232,649	237,249	242,049	179,500		
	Priority	2	9,120,900	179,900	773,100	3,991,400	4,050,700	125,800		
	Priority	3	0	0	0	0	0	0		
	Total		10,272,896	440,449	1,005,749	4,228,649	4,292,749	305,300		

DRAFT-Not Commission Approved

No.	Description	Priority (1 - 3)	Total Cost	2014	2015	2016	2017	2018	Funded Projects 2014	Other Funding/ Carryover
	General, Administrative & Meter									
1	Computer hardware/software	2	245,000	35,000	50,000	75,000	35,000	50,000	35,000	MS
2	Office furniture & equipment	2	50,000	10,000	10,000	10,000	10,000	10,000	10,000	SW
3	Load share receiver installations	2	250,000	50,000	50,000	50,000	50,000	50,000	50,000	DO
4	Property acquisition	2	450,000	50,000	100,000	100,000	100,000	100,000	50,000	SW
5	WMU Office/Garage Headquarters	2	8,500,000	0	0	1,000,000	2,500,000	5,000,000	0	WH
6	Automated meter reading	2	2,550,000	50,000	2,500,000	0	0	0	50,000	JS
7	Electric meters	1	335,000	55,000	55,000	75,000	75,000	75,000	55,000	SS
8	System Conversion project	1	593,300	495,975	97,325	0	0	0	495,975	MS
9	Service Center floor sweeper	2	8,000	8,000	0	0	0	0	8,000	SW
10	Meter reading vehicles	2	42,000	21,000	21,000	0	0	0	21,000	SS
	Total general, administrative & meter		13,023,300	774,975	2,883,325	1,310,000	2,770,000	5,285,000	774,975	0
	Priority	1	928,300	550,975	152,325	75,000	75,000	75,000		
	Priority	2	12,095,000	224,000	2,731,000	1,235,000	2,695,000	5,210,000		
	Priority	3	0	0	0	0	0	0		
	Total		13,023,300	774,975	2,883,325	1,310,000	2,770,000	5,285,000		

Company Total

	Total Cost	2014	2015	2016	2017	2018
Power Production	24,892,500	1,197,500	7,755,000	14,970,000	970,000	0
Electric Distribution	4,118,500	1,640,500	658,700	840,400	495,700	483,200
Water & Heating	10,272,896	440,449	1,005,749	4,228,649	4,292,749	305,300
General, Administrative & Meter	13,023,300	774,975	2,883,325	1,310,000	2,770,000	5,285,000
TOTAL	**52,307,196**	**4,053,424**	**12,302,774**	**21,349,049**	**8,528,449**	**6,073,500**
Priority 1	4,442,496	1,614,424	748,174	691,549	716,949	671,400
Priority 2	31,788,200	2,424,100	9,505,600	6,644,900	7,811,500	5,402,100
Priority 3	16,076,500	14,900	2,049,000	14,012,600	0	0
Total	52,307,196	4,053,424	12,302,774	21,349,049	8,528,449	6,073,500

Sources:	Total	2014	2015	2016	2017	2018
Cash flow	4,289,268	2,023,554	2,265,714	0	0	0
Expansion Reserve	0	0	0	0	0	0
Water Plant Construction Reserve	0	0	0	0	0	0
Generation Construction Reserve	0	0	0	0	0	0
Transmission Construction Reserve	0	0	0	0	0	0
Other financing requirement	0	0	0	0	0	0
Other financing	0	0	0	0	0	0
Total	**4,289,268**	**2,023,554**	**2,265,714**	**0**	**0**	**0**

Reserves (end of year)	2013	2014	2015	2016	2017	2018
Expansion Reserve	100,000	100,000	100,000	100,000	100,000	100,000
Water Plant Construction Reserve	1,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Generation Construction Reserve	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Transmission Construction Reserve	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
	7,100,000	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000

Bremer
Investment Management & Trust

Activity Summary as of 11/30/2013

RICE CUSHMAN A CHAR TR

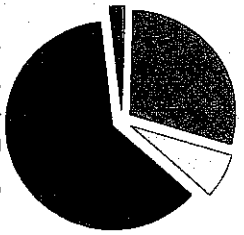
Account 180205

Market Value Reconciliation

	Since 11/01/2013 ($)	Year to Date ($)
Beginning Market Value	**2,892,801.63**	**2,616,990.01**
Disbursements		
Withdrawals	**0.00**	**-53,002.36**
Expenses	**0.00**	**-498.75**
Fees	**-1,802.18**	**-19,252.18**
Total Disbursements	**-1,802.18**	**-72,753.29**
Income		
Investment Income	**2,215.30**	**42,029.49**
Other Income	**0.00**	**46.00**
Total Income	**2,215.30**	**42,075.49**
Value on Nov 30, 2013	**2,922,121.60**	**2,922,121.60**
Total Change in Portfolio Value	**28,906.86**	**335,809.39**

Asset Allocation

Asset Category	Market Value	% Total
Cash & Money Markets	14,759.84	0.51
Fixed Income	851,629.51	29.14
Alternative	202,103.66	6.92
Equity	1,806,996.27	61.84
Other	46,632.33	1.60
Total	**$2,922,121.60**	**100.00%**



Income Summary

	This Period ($)	Year to Date ($)
Taxable Income	2,215.30	42,029.49
Other Income	0.00	46.00
Total Income Summary	**2,215.30**	**42,075.49**

Gain/Loss Summary

	This Period ($)	Year to Date ($)
Short-term	147.50	275.37
Long-term	2,072.48	17,278.80
Total Gain/Loss Summary	**2,219.98**	**17,554.17**

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.

Bremer
Investment Management & Trust

Selected Period Performance
RICE CUSHMAN A CHAR TR
Account 180205
Period Ending: 11/30/2013

Sector	Market Value	1 Month	Year to Date (11 Months)
Total Fund	2,882,140	1.17	14.87
Total Fd Net Fee	2,882,140	1.10	14.07
Fixed Income	856,668	-.05	.34
BarCap Int Aggregate Bd		-.21	-.47
Domestic Equity	1,451,145	2.36	28.81
S&P 500 Index		3.05	29.14
Russell 2000 Index		4.01	36.14
Intl. Equity	357,463	.56	15.47
MSCI EAFE (US$ & Net) Index		.77	20.97
Short Term Cash	14,275	.00	.01
Citigroup 1 Month Treas Bill		.00	.01
Alternative Investments	202,104	-.90	-.72
Citigroup 3 Month Treas Bill		.00	.04
Uninvested Cash	485	.00	.00

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