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May 29, 2019

To: Marianna City Commissioners
MH&RC Board Members
Marianna City Manager

From: Bruce C. Baldwin, Consultant

Subject: April 2019 Financial Statements

At first glance, April appears to be an excellent month for the Center; however, total income is intentionally overstated by \$541,477. This represents the net amount that the Center received from the insurance company for the replacement of the roof. Accounting standards require that insurance proceeds be listed as a separate line item in the income category. The occupancy remained solid at 91.5% and the month-end total cash figure, including the insurance money, was \$1,119,131.

Income: Room and board income was slightly below the budgeted amount due to the lower census. Physical and occupational therapy incomes exceeded the budget because more patients required these services; however, income from speech therapy was below budget due to fewer patients requiring this service. Revenue from laboratory services and prescription drugs were higher than budget due to greater patient needs.

Expenses: Total expenses were above the budgeted amount. R.N. salaries exceeded the budget due to the new nursing positions. Nurse aides' salaries were over budget due to overtime hours. Prescription drug and respiratory supply costs were over budget due to greater patient demand. Raw food costs exceeded the budget due to an increase in inventory. Linen expense was over budget due to the purchase of new bed spreads. Patient activities expense exceeded the budget due to the purchase of items for Easter and Mother's Day. Group insurance premiums exceeded the budget due to more employees participating in the program.

Year-to-date the Center is well ahead of the budgeted Income/Loss amount. The Medicare census continues to remain strong which increases the ancillary services income. The therapy gym and private room suites are the driving force responsible for the Center's increase in Medicare utilization.

MARIANNA HEALTH AND REHABILITATION CENTER
Operations Summary
Month Ending April 2019

	Current	Budget	April 2018
Census	91.15%	88%	90%
Accounts Receivable	\$4,611,369		\$4,329,985
Allowance for Bad Debts	\$1,080,500		\$630,000
Allowance for Coinsurance Write-offs	\$206,400		\$177,350
Total Expenses	\$1,430,284	\$1,355,051	\$1,270,316
Depreciation	\$32,000	\$32,000	\$26,600
Cash on Hand	\$1,119,997		\$315,509
Total Employees	203		198
Income before City Fees:	\$555,475	\$36,205	\$83,123
Net Income	\$522,142	\$12,185	\$59,103

Census Information from Area Facilities as of May 30, 2019:

Chipola Health & Rehab	98%
Signature Health Care at the Courtyard	93%
River Valley Rehabilitation Center	84%
Signature Health Care of North Florida	90%

Marianna Health and Rehabilitation Center
Statement of Net Assets
Schedule I
April 30, 2019

ASSETS

Current Assets

Cash	\$ 1,119,997.46	
Accounts Receivable - General	4,611,369.12	
AR Clearing Account	77,314.60	
Accounts Receivable - Others	(7,971.14)	
Allowance for Bad Debts	(1,080,500.00)	
Allowance For Co-Insurance Write-Offs	(206,400.00)	
Inventory - Supplies	78,256.08	
Prepaid Expenses	37,941.46	
Prepaid Maintenance	434.55	
Prepaid Insurance	44,312.09	
Prepaid Dues & Subscriptions	8,645.52	
Total Current Assets	<u>8,645.52</u>	\$ 4,683,399.74

Property, Plant, & Equipment

Land	50,000.00	
Buildings	8,706,945.50	
Vehicles	77,821.88	
Laundry Equipment	171,130.66	
Departmental Equipment	2,974,872.84	
Construction in Progress	163,502.70	
Less: Accumulated Depreciation		
A/D - Building	(4,104,895.97)	
A/D - Vehicles	(77,821.88)	
A/D - Departmental Equipment	(2,477,577.16)	
A/D - Laundry Equipment	(170,536.66)	
Net Property, Plant, & Equipment	<u>5,313,441.91</u>	5,313,441.91

Other Assets

Utility Deposits	168.00	
Security Deposits	600.00	
Deferred Outflows-Contributions	2,567,005.00	
Deferred Outflows-Other Than Contributions	0.00	
Total Other Assets	<u>2,567,773.00</u>	2,567,773.00

Total Assets

\$ 12,564,614.65

Marianna Health and Rehabilitation Center
Statement of Net Assets
Schedule I
April 30, 2019

LIABILITIES AND FUND BALANCE

Current Liabilities

Accounts Payable - General	\$ 989,018.51	
Accrued Payroll	322,946.89	
Accrued Vacation Pay	233,692.30	
P/R Pay - Accrued Leave	46,081.28	
Retirement Pay - Accrued Leave	15,032.66	
Accrued Sick Pay	383,026.60	
FICA Tax Payable	24,705.35	
Resident Trust Liability	35,649.47	
Employee Insurance Withheld	21,993.38	
Child Support Withheld	(641.25)	
Retirement Fund Payable	17,200.84	
Medicare Settlement Payable	37,604.85	
Other Accrued Expenses	1,983.32	
Total Current Liabilities		\$ 2,128,294.20

Long Term Liabilities

Net Pension Liability	6,744,220.00	
OPEB Liability	232,523.00	
OPEB Deferred Inflows	11,292.00	
Deferred Inflows	769,847.00	
Total Long-Term Liabilities		<u>7,757,882.00</u>

Total Liabilities

9,886,176.20

Fund Balance

Contribution from Gen. Public	54,654.69	
Contribution from State	5,047.00	
Contribution from Fed. Govt.	427,365.98	
Surplus	1,040,542.99	
Transfer to City	(99,786.00)	
Due to City - Management Fees	558,654.00	
Net Income (Loss)	691,959.79	
Total Fund Balance		<u>2,678,438.45</u>

Total Liabilities & Fund Balance

\$ 12,564,614.65

Marianna Health and Rehabilitation Center
Statement of Net Assets
Schedule I
April 30, 2019

Cash		
Petty Cash	\$	950.00
SS Direct Deposit Acct		46,378.49
Expansion Project Fund		-
Cash in Bank - Activities Fund		14,628.08
Cash in Bank - Cash Mgmt Sweep		1,022,291.22
Cash - Payroll		100.20
Cash - Resident Trust Fund		<u>35,649.47</u>
Total Cash		\$ <u>1,119,997.46</u>

Marianna Health and Rehabilitation Center
Statement of Net Assets
Schedule II
For the Current Month and the
Seven Months Ending April 30, 2019

	Current Actual	Pct	Per Pat Day	Current Budgeted	Current Variance	YTD Actual	Pct	Per Pat Day	YTD Budgeted	YTD Variance
Income										
Room & Board	\$ 1,154,040	59.11%	\$234.47	\$ 1,186,562	\$ 32,522	\$ 8,465,951	79.52%	\$235.26	\$ 8,380,770	\$ (85,181)
Lab	11,678	0.60%	2.37	6,115	(5,563)	90,780	0.85%	2.52	42,015	(48,765)
Drugs	42,260	2.16%	8.59	24,657	(17,603)	228,816	2.15%	6.36	174,243	(54,573)
Physical Therapy	95,461	4.89%	19.39	66,132	(29,329)	504,495	4.74%	14.02	467,335	(37,160)
Speech Therapy	29,079	1.49%	5.91	32,296	3,217	199,844	1.88%	5.55	226,072	26,228
Occupational Therapy	82,617	4.23%	16.79	52,647	(29,970)	463,685	4.36%	12.89	368,529	(95,156)
Medical Supplies	0	0.00%	0.00	102	102	3,978	0.04%	0.11	719	(3,259)
Employee & Guest Meals	1,935	0.10%	0.39	1,898	(37)	11,780	0.11%	0.33	13,286	1,506
Interest Income	507	0.03%	0.10	47	(460)	3,321	0.03%	0.09	329	(2,992)
Activities Income	0	0.00%	0.00	166	166	300	0.00%	0.01	1,162	862
Net Insurance Proceeds	541,477	27.73%	110.01	0	(541,477)	541,477	5.09%	15.05	0	(541,477)
Miscellaneous Income	0	0.00%	0.00	41	41	0	0.00%	0.00	287	287
Total	1,959,055	100.34%	398.02	1,370,663	(588,392)	10,514,427	98.76%	292.19	9,674,747	(839,680)
Less: Cont. Allow	(6,629)	-0.34%	(1.35)	(3,427)	3,202	132,088	1.24%	3.67	(24,187)	(156,275)
Total Income	1,952,426	100.00%	396.67	1,367,236	(585,190)	10,646,515	100.00%	295.86	9,650,560	(995,955)
Expenses										
Nursing	544,184	27.87%	110.56	507,395	(36,789)	3,730,028	35.04%	103.66	3,647,224	(82,804)
Dietary	94,902	4.86%	19.28	100,214	5,312	671,625	6.31%	18.66	711,376	39,750
Housekeeping	39,380	2.02%	8.00	44,725	5,345	272,964	2.56%	7.59	320,429	47,465
Laundry & Linen	26,234	1.34%	5.33	23,066	(3,168)	176,773	1.66%	4.91	165,544	(11,229)
Building & Grounds	87,150	4.46%	17.71	91,243	4,093	656,386	6.17%	18.24	644,948	(11,438)
Special Services	151,527	7.76%	30.79	137,367	(14,160)	968,851	9.10%	26.92	967,045	(1,805)
Admin & General	486,905	24.94%	98.92	451,041	(35,864)	3,477,928	32.67%	96.65	3,214,854	(263,074)
Total Expenses	1,430,284	73.26%	290.59	1,355,051	(75,233)	9,954,555	93.50%	276.63	9,671,420	(283,135)
Net Income (Loss)	\$ 522,142	26.74%	\$106.08	\$ 12,185	\$ (509,957)	\$ 691,960	6.50%	\$ 19.23	\$ (20,860)	\$ (712,820)

Marianna Health and Rehabilitation Center
Statement of Net Assets
Schedule II
For the Current Month and the
Seven Months Ending April 30, 2019

	Current Actual	Pct	Per Pat Day	Current Budgeted	Current Variance	YTD Actual	Pct	Per Pat Day	YTD Budgeted	YTD Variance
Nursing										
Payroll - Director	\$ 7,043	0.36%	\$ 1.43	\$ 8,597	\$ 1,554	\$ 60,003	0.56%	\$ 1.67	\$ 65,700	\$ 5,697
Asst Dir.	7,135	0.37%	1.45	8,071	936	53,885	0.51%	1.50	61,681	7,796
R.N.	87,403	4.48%	17.76	75,707	(11,696)	586,115	5.51%	16.29	543,164	(42,951)
L.P.N.	116,721	5.98%	23.71	121,720	4,999	828,698	7.78%	23.03	874,800	46,102
Aides	221,237	11.33%	44.95	212,102	(9,135)	1,613,895	15.16%	44.85	1,526,786	(87,109)
Ward Clerks	15,121	0.77%	3.07	14,918	(203)	110,748	1.04%	3.08	109,032	(1,716)
Employee Drug Screening	220	0.01%	0.04	354	134	2,405	0.02%	0.07	2,478	73
Drugs	43,136	2.21%	8.76	29,166	(13,970)	230,605	2.17%	6.41	204,162	(26,443)
Nursing Supplies	31,800	1.63%	6.46	22,275	(9,525)	138,800	1.30%	3.86	157,408	18,608
Noncovered PPS Expenses	1,472	0.08%	0.30	3,589	2,117	18,730	0.18%	0.52	25,364	6,634
Oxygen	3,781	0.19%	0.77	3,796	15	25,328	0.24%	0.70	26,827	1,499
Respiratory Supplies	5,121	0.26%	1.04	1,832	(3,289)	32,779	0.31%	0.91	12,946	(19,833)
Medical Records Consultant	0	0.00%	0.00	720	720	0	0.00%	-	5,040	5,040
Pharmacy Consultant	1,622	0.08%	0.33	1,438	(184)	11,360	0.11%	0.32	10,066	(1,294)
Dental Consultant	0	0.00%	0.00	11	11	0	0.00%	-	77	77
Medical Director	2,375	0.12%	0.48	2,375	0	16,625	0.16%	0.46	16,625	0
Inservice Teaching Aides	0	0.00%	0.00	50	50	0	0.00%	-	350	350
Education	0	0.00%	0.00	366	366	0	0.00%	-	2,562	2,562
Advertising - Help Wanted	0	0.00%	0.00	208	208	52	0.00%	0.00	1,456	1,404
Travel - Nursing	0	0.00%	0.00	100	100	0	0.00%	-	700	700
Total Nursing	544,184	27.87%	110.56	507,395	(36,789)	3,730,028	35.04%	103.66	3,647,224	(82,804)
Dietary										
Salaries - Supervisor	4,328	0.22%	0.88	8,265	3,937	47,637	0.45%	1.32	57,216	9,579
Cooks	8,896	0.46%	1.81	8,259	(637)	61,705	0.58%	1.71	60,502	(1,203)
Aides	22,854	1.17%	4.64	25,056	2,202	164,096	1.54%	4.56	179,441	15,345
Food	49,321	2.53%	10.02	46,750	(2,571)	323,701	3.04%	9.00	330,369	6,668
Dietary Supplements	2,112	0.11%	0.43	3,323	1,211	11,813	0.11%	0.33	23,484	11,671
Kitchen Supplies	5,363	0.27%	1.09	6,237	874	48,478	0.46%	1.35	44,075	(4,403)
Equipment Rental	0	0.00%	-	296	296	0	0.00%	-	2,093	2,093
Dietician	2,028	0.10%	0.41	2,028	0	14,195	0.13%	0.39	14,196	1
Total Dietary	94,902	4.86%	19.28	100,214	5,312	671,625	6.31%	18.66	711,376	39,750
Housekeeping										
Salaries - Supervisor	3,382	0.17%	0.69	3,527	145	23,806	0.22%	0.66	25,341	1,535
Aides	28,607	1.47%	5.81	34,212	5,605	207,965	1.95%	5.78	245,720	37,755
Supplies	7,391	0.38%	1.50	6,986	(405)	41,193	0.39%	1.14	49,368	8,175
Total Housekeeping	39,380	2.02%	8.00	44,725	5,345	272,964	2.56%	7.59	320,429	47,465

Marianna Health and Rehabilitation Center
Statement of Net Assets
Schedule II
For the Current Month and the
Seven Months Ending April 30, 2019

	Current Actual	Pct	Per Pat Day	Current Budgeted	Current Variance	YTD Actual	Pct	Per Pat Day	YTD Budgeted	YTD Variance
Laundry										
Salaries - Aides	21,238	1.09%	4.31	19,406	(1,832)	152,526	1.43%	4.24	139,924	(12,602)
Linen & Laundry Usage	3,396	0.17%	0.69	2,060	(1,336)	12,911	0.12%	0.36	14,420	1,509
Laundry Supplies	1,600	0.08%	0.33	1,600	0	11,336	0.11%	0.32	11,200	(136)
Total Laundry	26,234	1.34%	5.33	23,066	(3,168)	176,773	1.66%	4.91	165,544	(11,229)
Building & Grounds										
Salary - Supervisor	3,730	0.19%	0.76	4,006	276	29,478	0.28%	0.82	28,798	(680)
Staff	9,915	0.51%	2.01	12,128	2,213	69,609	0.65%	1.93	87,862	18,253
Travel - Maintenance	0	0.00%	-	78	78	512	0.00%	0.01	546	34
Utilities	27,108	1.39%	5.51	26,974	(134)	196,612	1.85%	5.46	190,616	(5,996)
Repairs & Maint.	8,877	0.45%	1.80	10,934	2,057	99,060	0.93%	2.75	77,265	(21,795)
Deprec. & Amort.	32,000	1.64%	6.50	32,000	0	224,000	2.10%	6.22	224,000	0
Rent	0	0.00%	-	223	223	0	0.00%	-	1,561	1,561
Insurance	2,242	0.11%	0.46	1,730	(512)	15,695	0.15%	0.44	12,110	(3,585)
Equipment Leasing	0	0.00%	-	150	150	0	0.00%	-	1,050	1,050
Pest Control	798	0.04%	0.16	369	(429)	3,192	0.03%	0.09	2,583	(609)
Outside Services	1,509	0.08%	0.31	1,455	(54)	10,299	0.10%	0.29	10,185	(114)
TV Repair & Service	972	0.05%	0.20	1,196	224	7,929	0.07%	0.22	8,372	443
Total Bldg & Grounds	87,150	4.46%	17.71	91,243	4,093	656,386	6.17%	18.24	644,948	(11,438)
Special Services										
Salary - Act. Dir.	13,339	0.68%	2.71	12,829	(510)	98,360	0.92%	2.73	92,712	(5,648)
Physical Therapy	62,950	3.22%	12.79	49,617	(13,333)	368,766	3.46%	10.25	347,319	(21,447)
Speech Pathology	16,751	0.86%	3.40	23,899	7,148	123,242	1.16%	3.42	167,293	44,051
Occup Therapy	44,848	2.30%	9.11	38,959	(5,889)	294,433	2.77%	8.18	272,713	(21,720)
Salaries - Social Worker	9,053	0.46%	1.84	9,589	536	64,272	0.60%	1.79	69,690	5,418
Social Service Supplies	53	0.00%	0.01	224	171	189	0.00%	0.01	1,568	1,379
Patient Activities	4,533	0.23%	0.92	2,250	(2,283)	19,589	0.18%	0.54	15,750	(3,839)
Total Special Services	151,527	7.76%	30.79	137,367	(14,160)	968,851	9.10%	26.92	967,045	(1,805)

Marianna Health and Rehabilitation Center
Statement of Net Assets
Schedule II
For the Current Month and the
Seven Months Ending April 30, 2019

	Current Actual	Pct	Per Pat Day	Current Budgeted	Current Variance	YTD Actual	Pct	Per Pat Day	YTD Budgeted	YTD Variance
Admin & General										
Salary - Admin	7,952	0.41%	1.62	8,221	269	55,844	0.52%	1.55	59,096	3,252
Asst Admin	3,428	0.18%	0.70	3,497	69	16,423	0.15%	0.46	25,139	8,716
Bookkeeper	3,541	0.18%	0.72	3,378	(163)	21,910	0.21%	0.61	23,873	1,963
Sec'y & Recept.	17,796	0.91%	3.62	23,720	5,924	140,497	1.32%	3.90	170,824	30,327
Advertising	0	0.00%	-	66	66	0	0.00%	-	462	462
Auto Operations	1,403	0.07%	0.28	835	(568)	8,109	0.08%	0.23	5,845	(2,264)
Consultant Fees	8,200	0.42%	1.67	8,200	0	53,300	0.50%	1.48	57,400	4,100
Data Processing	2,693	0.14%	0.55	3,075	382	32,168	0.30%	0.89	21,525	(10,643)
Dues & Subscriptions	1,122	0.06%	0.23	1,103	(19)	7,880	0.07%	0.22	7,721	(159)
Education	1,110	0.06%	0.23	1,400	290	4,862	0.05%	0.14	3,584	(1,278)
Travel & Entertainment	328	0.02%	0.07	700	372	2,959	0.03%	0.08	7,850	4,891
Equipment Rental	1,051	0.05%	0.21	1,075	24	25,391	0.24%	0.71	8,325	(17,066)
General Expense	0	0.00%	-	650	650	5,594	0.05%	0.16	8,850	3,256
AHCA Assessment Fee	105,920	5.43%	21.52	99,206	(6,714)	785,599	7.38%	21.83	694,442	(91,157)
Group Insurance	145,149	7.43%	29.49	119,783	(25,366)	937,974	8.81%	26.07	838,481	(99,493)
General Insurance	21,207	1.09%	4.31	20,148	(1,059)	154,755	1.45%	4.30	141,036	(13,719)
Legal & Accounting	1,807	0.09%	0.37	2,227	420	17,362	0.16%	0.48	15,589	(1,773)
Professional Services	97	0.00%	0.02	394	297	1,781	0.02%	0.05	2,758	977
Taxes & Licenses	2,727	0.14%	0.55	250	(2,477)	7,001	0.07%	0.19	1,750	(5,251)
General Office Expense	3,489	0.18%	0.71	4,398	909	27,050	0.25%	0.75	30,786	3,736
Payroll Taxes	44,460	2.28%	9.03	43,685	(775)	323,948	3.04%	9.00	330,636	6,688
Retirement Plan	47,961	2.46%	9.74	47,344	(617)	393,610	3.70%	10.94	355,080	(38,530)
Telephone	1,373	0.07%	0.28	1,666	293	6,561	0.06%	0.18	11,662	5,101
Bad Debt	30,757	1.58%	6.25	32,000	1,243	214,100	2.01%	5.95	224,000	9,900
City Administration Fee	33,333	1.71%	6.77	24,020	(9,313)	233,251	2.19%	6.48	168,140	(65,111)
Total Admin & General	486,905	24.94%	98.92	451,041	(35,864)	3,477,928	32.67%	96.65	3,214,854	(263,074)

**Marianna Health and Rehabilitation Center
Statement of Net Assets
Schedule III
For the Current Month and the
Seven Months Ending April 30, 2019**

	Month	% Occ	Year	% Occ
Bed Days Available	5,400	100.00%	38,160	100.00%
Total Bed Days	4,922	91.15%	35,985	94.30%

**Marianna Health and Rehabilitation Center
Statement of Net Assets
Schedule IV
For the Current Month and the
Seven Months Ending April 30, 2019**

	Current Actual	Pct	Current Budgeted	Current Variance	YTD Actual	Pct	YTD Budgeted	YTD Variance
Patient Days								
Medicare	735	14.93%	650	(85)	5,078	14.11%	4,595	(483)
Medicaid	3,222	65.46%	3,774	552	23,209	64.50%	26,670	3,461
Insurance	30	11.19%	0	(30)	75	3.01%	0	(75)
Private	667	13.55%	326	(341)	5,129	14.25%	2,304	(2,825)
Hospice	268	5.44%	0	(268)	2,494	6.93%	0	(2,494)
Total Patient Days	4,922	110.58%	4,750	(172)	35,985	102.80%	33,569	(2,416)