

**CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE
ACTION**

Agenda Item Number: 3
Meeting Date: December 9, 2013
Attachments: Yes No

CITY COUNCIL ACTION

Date: December 16, 2013

- Approved Denied
 Amended Tabled
 Other

Originating Department: City Clerk-Treasurer

Agenda Item: Consideration of Fire Contract for Dovre Township

Recommended Action:

Approve the contract with Dovre Township and authorize the Mayor and City Administrator to execute the contract.

Background/Summary:

Dovre Township is under an annual contract for Willmar Fire Department service. A statewide formula has been used for decades to calculate the Township cost sharing proposal and is enclosed with current numbers.

	Dovre Township	Willmar Township
2014	\$27,198.20	
2013	\$29,434.58	\$33,704.96
2012	\$30,487.92	\$20,540.54
2011	\$22,415.12	\$19,301.12
2010	\$33,181.40	\$24,889.30
2009	\$28,632.46	\$34,973.04

Alternatives: Discontinue Fire Suppression Services for Township area

Financial Considerations: \$27,198.20 for the Townships fiscal year

Preparer: City Clerk-Treasurer

Signature:

Comments: Approve the agreement for 2014 fire services

AGREEMENT FOR FIRE DEPARTMENT SERVICE

THIS AGREEMENT, made this ___ day of _____, 20___, by and between the City of Willmar, a municipal corporation of Kandiyohi County, Minnesota, hereinafter referred to as "City", and the Township of Dovre, a political subdivision of the State of Minnesota, hereinafter referred to as "Township".

WHEREAS, the Township deems it advisable to have available for the benefit of the residents of said Township (Sections 25, 26, 27, 34, 35, & 36) services of the City's Fire Department, and the electors of said Township having, pursuant to law, provided a fund for the furnishing of said services, and

WHEREAS, the City has authorized its Mayor and City Administrator to enter into a contract with the Township for the furnishing of said services;

NOW, THEREFORE, IT IS AGREED between the parties hereto, that for the period commencing January 1, 2014, and terminating December 31, 2014, the Fire Department of the City will answer fire calls within the Township of Dovre which the City is requested to answer by the Township, and will respond to such calls with such fire fighting apparatus of the City Fire Department as may be authorized by the Insurance Services Office, and all equipment and resources deemed necessary by the incident commander, and will render all assistance possible in the saving of life and property, subject to City retaining in its corporate limits sufficient firefighters and equipment to maintain its fire class rating, and subject to the terms of this Agreement.

As payment for such services, the Township agrees to pay, pursuant to the formula attached hereto and made a part hereof, the amount of TWENTY-SEVEN THOUSAND, ONE HUNDRED NINETY-EIGHT DOLLARS AND TWENTY CENTS, (\$27,198.20) payable THIRTEEN THOUSAND, FIVE HUNDRED NINETY-NINE DOLLARS AND TEN CENTS, (\$13,599.10) on January 1, 2014, and THIRTEEN THOUSAND, FIVE HUNDRED NINETY-NINE DOLLARS AND TEN CENTS, (\$13,599.10) on July 1, 2014.

IT IS FURTHER UNDERSTOOD AND AGREED that at times weather and road conditions through the seasons of the year demand for City's firefighters and equipment to be used at a fire within the City, or other special circumstances, may interfere in the rendering of the service contemplated herein, and in the event, failure to furnish the service herein agreed upon shall not be a breach of this Agreement. In an event whereby equipment and firefighters can not leave the City, Willmar Fire Command will activate mutual aid to render service to the township. Failure of the City to provide the services herein contracted for shall not result in the City being liable to Township or its residents for actual or consequential damages or for any other damages.

IT IS FURTHER UNDERSTOOD AND AGREED that the City will submit a billing statement to the Township within five (5) working days subsequent to a fire call listing the number of firefighters involved, firefighter hours, vehicles in use, and other data pertinent to assisting the township in making a "bill for services rendered" to the property owner receiving fire assistance. It shall be further understood that the sum total of the billings will not necessarily equal the annual contract price between the

City and Township due to various formula charges such as building and/or vehicle depreciation costs and administration and training costs which will not be a part of the individual billing statements.

IT IS FURTHER UNDERSTOOD AND AGREED that in the event of a hazardous materials incident the City reserves the right to exclude the call from the annual Funding Formula and bill the cost of the services rendered for special hazardous materials equipment and related costs directly to the owner of the property.

Township does hereby guarantee to the City that it is an equal opportunity employer and that it meets all United States Government and State of Minnesota Equal Opportunity Employment Requirements or that they are exempt from these provisions.

This Agreement may be terminated upon thirty (30) calendar days written notice by either party or the other party, and the cost of services prorated to the time of termination.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed by the respective officers thereof, and the respective seals of the parties have been affixed thereto.

CITY OF WILLMAR, A MUNICIPAL CORPORATION

BY: _____

FRANK YANISH, MAYOR

(S E A L)

BY: _____

CHARLENE STEVENS, CITY ADMINISTRATOR

(S E A L)

In the Presence of:

TOWNSHIP OF DOVRE

BY: _____

Beth Johnston

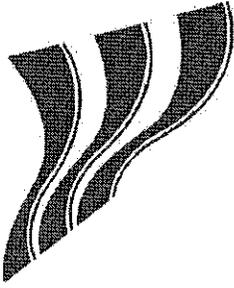
(S E A L)

2012 Rural/City Hours

Willmar Township			Firefighters		
Date	Location	Description	Responding	Call Hours	Hours Paid
2/7/12	3637 SW 15th Ave.	Outside storage fire	23	4	90
2/23/12	350 NW 45th St.	Vehicle accident, general cleanup	19	1	19
3/29/12	SW Co. Rd. 5 & Hwy 12	Vehicle accident, general cleanup	14	1	14
4/1/12	W Hwy 40 & Co. Rd. 55	Chemical spill/leak	18	1	18
4/13/12	360 NW 45th St.	Alarm system activation, unintentional	12	1	12
4/24/12	W Hwy 12 & 60th St. NW	Vehicle accident, general cleanup	12	1	12
5/16/12	8571 S Hwy 71	Dispatched and cancelled en route	19	1	19
6/30/12	1000 NE 26th Ave.	Brush fire	15	2	30
7/7/12	360 NW 45th St.	Alarm system activation, unintentional	14	1	14
7/25/12	350 NW 45th St.	Off-road vehicle or heavy equipment fire	18	1	18
8/9/12	SW Co. Rd. 5 & 19th Ave.	Dispatched and cancelled en route	15	1	15
8/16/12	360 NW 45th St.	Alarm system activation, unintentional	15	1	15
9/24/12	SW Hwy 23 & Co. Rd. 5	Vehicle accident, general cleanup	17	1	17
10/31/12	SW Co. Rd. 5 & Co. Rd. 15	Motor vehicle accident w/ injuries	14	1	14
11/2/12	1950 NW 45th St.	Building Fire	12	3	36
11/10/12	N 1st St. & 26th Ave.	Dispatched and cancelled en route	12	1	12
11/10/12	SW Hwy 23 & Co. Rd. 5	Dispatched and cancelled en route	12	2	24
12/2/12	W Hwy 40 & Co. Rd. 5	Grass Fire	18	1	18
12/3/12	N 1st St. & 26th Ave.	Dispatched and cancelled en route	11	1	11
					408

Dovre Township			Firefighters		
Date	Location	Description	Responding	Call Hours	Hours Paid
4/1/12	Hwy 71/23 & Co. Rd. 90	Vehicle accident, general cleanup	19	1	19
4/10/12	N 1st St. & 60th Ave.	Water/ice rescue	21	2	42
7/2/12	2580 NE 47th Ave.	Cooking fire, confined to container	25	1	25
8/22/12	2894 NE 47th Ave.	Cooking fire, confined to container	16	1	16
9/17/12	4820 N Hwy 71	Grass fire	21	1	21
10/31/12	750 30th Ave.	Building fire	24	2	46
12/18/12	N Hwy 71 & 37th Ave.	Dispatched and cancelled en route	11	1	11
					180

Total CITY firefighting hours for 2012: **5,717**



CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION

Agenda Item Number: 4
Meeting Date: December 9, 2013
Attachments: Yes No

CITY COUNCIL ACTION

Date: December 16, 2013

Approved Denied
 Amended Tabled
 Other

Originating Department: Engineering

Agenda Item: Consideration of final budget for the Sperryville Lift Station project

Recommended Action: Approve the budget as presented

Background/Summary: With bids having been received and construction started on the project, it is necessary to adopt a final budget. The necessary funds have been appropriated and are available.

Alternatives: 1. Adopt the budget and complete the project
2. Suspend the project

Financial Considerations: (See Budget)

Preparer: Bruce D. Peterson, AICP
Acting Public Works Director

Signature: 

Comments:

RESOLUTION NO. _____
FINAL SPERRYVILLE LIFT STATION BUDGET
 Budget Code 651.48485
ESTIMATED TOTAL COST \$369,907.00
 *Budget Amounts are Essential

Dated: October 28, 2013

Code			
	PERSONNEL SERVICES		RECEIVABLES
10*	Salaries Reg. Employees		Property Owners
11*	Overtime Reg. Employees		County
12*	Salaries Temp. Employees		State
13*	Employer Pension Contr.		City 2013 Collection Capital Budget
14*	Employer Ins. Contr.		City 2013 Collection Operating Budget
	TOTAL	\$0.00	Other
			TOTAL
			\$369,907.00
	SUPPLIES		FINANCING
20*	Office Supplies		Bonds
21*	Small Tools		State
22*	Motor Fuels & Lubricants		City 2013 Collection Capital Budget
23*	Postage		City 2013 Collection Operating Budget
24	Mtce. of Equipment		Other
25	Mtce. of Structures		TOTAL
26	Mtce. of Other Improvements		\$369,907.00
27	Subsistence of Persons		
28	Cleaning & Waste Removal		GRAND TOTAL \$369,907.00
29*	General Supplies		
	TOTAL	\$0.00	
			Dated: _____
	OTHER SERVICES		
30	Communications		
31*	Printing & Publishing		
32	Utilities		
33*	Travel-Conf.-Schools		
34	Mtce. of Equipment		_____
35	Mtce. of Structures		Mayor
36*	Mtce. of Other Impr.	\$285,000.00	
37	Subsistence of Persons		
38	Cleaning & Waste Removal		
39*	Other Services	\$25,807.00 (7.5% contingency)	
	TOTAL	\$310,807.00	Attest: _____

			City Clerk/Treasurer
	OTHER CHARGES		
40	Rents		
41*	Insurance & Bonds		
42	Awards & Indemnities		
43	Subscription/Memberships		
44	Interest		
45	Licenses & Taxes		
46*	Prof. Serv.	\$54,100.00 Donohue contract	
47*	Advertising		
48*	Adm. OH (Transfer)		
49	Other Charges		
	TOTAL	\$54,100.00	
	CAPITAL OUTLAY		
51	Land and Legal	\$5,000.00 Permanent Easement	
	GRAND TOTAL	\$369,907.00	

ACS FINANCIAL SYSTEM
10/04/2013 8:31:15
LEVEL OF DETAIL 1.0 THRU 3.0

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

	REVISED BUDGET	ENCUMBERED	ACT MTID POSTED AND IN PROCESS	ACT YTD POSTED AND IN PROCESS	REMAINING BALANCE	PCT
651 WASTE TREATMENT						
48485 WTP COLLECTIONS-COMBINED						
0333 TRAVEL CONF - SCHOOL	1,000.00	0.00	0.00	300.00	700.00	30
0334 TRAVEL CONF - SCHOOL	4,000.00	0.00	68.00	428.00	3,572.00	10
0336 MICE - OF EQUIPMENT	10,100.00	0.00	0.00	110.33	10,210.33	101
0337 MICE - OF OTHER IMPROVE.	10,500.00	0.00	0.00	0.00	500.00	0
0338 SUBSISTENCE OF PERSONS	2,000.00	0.00	0.00	0.00	2,000.00	0
TOTAL:	73,850.00	0.00	3,935.64	55,521.33	18,328.67	75
0440 OTHER CHARGES						
0441 RENTIS	200.00	0.00	0.00	0.00	200.00	0
0445 INSURANCES AND BONDS	0.00	0.00	0.00	30,230.00	30,230.00	9999
0446 LICENSES AND TAXES	100.00	0.00	0.00	578.02	478.02	578
TOTAL:	54,300.00	0.00	10,954.47	4,068.37	49,931.63	7
TOTAL:	54,300.00	0.00	10,954.47	34,876.39	19,423.61	64
0551 CAPITAL OUTLAY						
0551 BUILDINGS AND STRUCTURES	275,000.00	0.00	0.00	0.00	275,000.00	0
0554 OTHER IMPROVEMENTS	50,000.00	0.00	0.00	0.00	50,000.00	0
TOTAL:	325,000.00	0.00	0.00	0.00	325,000.00	0
0882 OTHER DISBURSEMENTS						
0882 REFUNDS AND REIMBURSEMENTS	0.00	0.00	0.00	100.00	100.00	9999
0883 DEPRECIATION	52,750.00	0.00	0.00	0.00	52,750.00	0
TOTAL:	641,880.00	0.00	326.42	161,250.92	480,629.08	25
48486 WTP BIOSOLIDS-COMBINED						
0110 PERSONAL SERVICES	50,718.00	0.00	3,885.40	36,903.53	13,814.47	72
0111 SALARIES-REG. EMPLOYEES	10,000.00	0.00	582.96	4,700.12	5,299.88	47
0112 OVERTIME-REG. EMPLOYEES	9,047.00	0.00	643.21	5,994.40	3,052.60	66
0113 EMPLOYER PENSION CONTR.	18,970.00	0.00	1,451.43	13,065.80	5,904.20	68
0114 EMPLOYER INSUR CONTR.	88,735.00	0.00	6,564.00	60,663.85	28,071.15	68
TOTAL:	176,470.00	0.00	12,526.99	117,327.70	59,142.30	68
0220 SUPPLIES						
0220 OFFICE SUPPLIES	50.00	0.00	0.00	0.00	50.00	0
0221 SMALL TOOLS	3,500.00	0.00	15.46	47.28	3,452.72	1
0222 MOTOR FUELS AND LUBRICANTS	16,000.00	0.00	0.00	4,799.06	11,200.94	29
0223 POSTAGE	50.00	0.00	0.00	0.00	50.00	0
0224 MICE - OF EQUIPMENT	8,000.00	0.00	194.49	9,460.24	1,460.24	118
0225 MICE - OF STRUCTURES	1,400.00	0.00	0.00	9.14	1,390.86	0
0226 MICE - OF OTHER IMPROVE.	1,000.00	0.00	0.00	0.00	1,000.00	0
0227 SUBSISTENCE OF PERSONS	150.00	0.00	0.00	0.00	150.00	0
0228 CLEANING AND WASTE REMOVAL	1,000.00	0.00	0.00	0.00	1,000.00	0
0229 GENERAL SUPPLIES	50,000.00	0.00	8,709.03	34,939.23	15,060.77	69

WASTE TREATMENT PLANT FUND

48485-WTP COLLECTIONS-COMBINED (CONTINUED)

	2010 ACTUAL	2011 ACTUAL	2012 BUDGET	2013 PROPOSED	2013 ADOPTED
OTHER CHARGES					
0440 RENTS	---	110	---	200	200
0441 INSURANCES & BONDS	---	---	---	---	---
0442 AWARDS & INDEMNITIES	---	---	---	---	---
0443 SUBSCRIPTIONS & MEMBERSHI	4,926	2,463	---	---	---
0444 INTEREST	---	---	---	54,100	54,100
0445 LICENSES & TAXES	---	35	---	---	---
0446 PROFESSIONAL SERVICES	21,941	46	---	---	---
0447 ADVERTISING	---	---	---	---	---
0449 OTHER CHARGES	---	---	---	---	---
TOTAL OTHER CHARGES	26,866	2,654	0	54,300	54,300
CAPITAL OUTLAY					
0550 LAND	---	---	---	---	---
0551 BUILDINGS & STRUCTURES	---	---	---	275,000	275,000
0552 FURNITURE & EQUIPMENT	---	---	---	---	---
0553 MACHINERY & AUTO	72,915	86,886	---	---	---
0554 OTHER IMPROVEMENTS	---	---	---	50,000	50,000
TOTAL CAPITAL OUTLAY	72,915	86,886	0	325,000	325,000
DEBT REDEMPTION					
0660 BONDS	---	---	---	---	---
TOTAL DEBT REDEMPTION	0	0	0	0	0
TRANSFERS OUT					
0701 TRANSFER OUT-GENERAL	100,000	---	---	---	---
0712 TRANSFER OUT-S.A.B.F 2012	---	4,600	---	---	---
TOTAL TRANSFERS OUT	100,000	4,600	0	0	0
OTHER DISBURSEMENTS					
0882 REFUNDS & REIMBURSEMENTS	---	---	---	---	---
0883 DEPRECIATION	39,314	52,750	52,750	52,750	52,750
0885 CAPITAL LOSS	---	10,742	---	---	---
TOTAL OTHER DISBURS.	39,314	63,492	52,750	52,750	52,750
TOTAL WTP COLLECT/COMB.	391,457	272,551	133,992	641,880	641,880

Colleen Thompson

From: Halvorson, Josh <jhalvorson@donohue-associates.com>
Sent: Monday, September 23, 2013 5:08 PM
To: Colleen Thompson; Bruce Peterson
Subject: RE: sperryville

Project Costs are as follows:

285,000	Construction
54,100	Engineering
5,000	Permanent Easement
344,100	Subtotal Project costs (add 285K + 54,100 + 5K)
369,907	Total Projected costs (includes 7.5% contingency or 344,100 x 7.5%)
329,100	Original Project Budget
40,810	Project Short on funds (369,907 - 329,100 is approx. 40,810)

40,810 is how much the budget would need to be amended by. If you think we don't need the contingency, we can definitely revise.

Let me know if you have farther questions!
Joshua J. Halvorson, PE
jhalvorson@donohue-associates.com

2320 East Highway 12, Suite 5
Willmar, MN 56201
320-235-5400 Office
320-333-9325 Cell
320-235-5401 Fax

-----Original Message-----

From: Colleen Thompson [<mailto:cthompson@willmarmn.gov>]
Sent: Monday, September 23, 2013 3:10 PM
To: Bruce Peterson
Cc: Halvorson, Josh
Subject: FW: sperryville

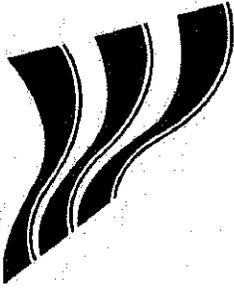
Look at the sperry budget attachment as Josh has it somewhat laid out? Not sure where he came up with the \$40,810?

Josh can you explain?

Colleen Thompson
Superintendent
City of Willmar Wastewater Treatment Facility
3000 75th Street SW
Willmar, MN 56201

Phone (320) 235-4760 ext 4010
Cell (320) 262-4858
Fax (320) 235-4917

email: cthompson@willmarmn.gov



**CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION**

Agenda Item Number: 5
Meeting Date: December 9, 2013
Attachments: Yes No

CITY COUNCIL ACTION

Date: December 16, 2013

- | | |
|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Amended | <input type="checkbox"/> Tabled |
| <input type="checkbox"/> Other | |

Originating Department: Public Works

Agenda Item: Appropriate Funds Into Public Works Budget

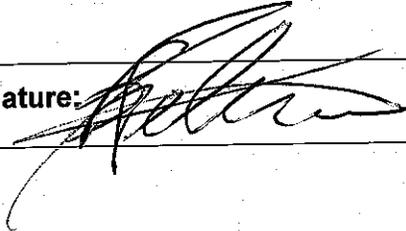
Recommended Action: Adopt a resolution appropriating monies collected from property owners for tree removal by a private tree service back into the Public Works Budget.

Background/Summary: The City adopted an ordinance in August, 2010 whereby the abatement of a nuisance tree may be assessed against the property owner upon notification by certified mail or hand delivered with 30 days' notice. Two such incidences have occurred and those expenses have been paid by the Public Works Department.

Alternatives: 1) Approve the appropriation of \$1,500.00 back into the Public Works Budget
Line Item 36
2) Do nothing

Financial Considerations:

Preparer: Bruce Peterson, Acting Public Works
Director

Signature: 

Comments:

Section 6. ABATEMENT OF NUISANCE ON PRIVATE PROPERTY. Whenever the tree inspector finds with reasonable certainty that infection, or danger of infection exists, the owner will be notified by certified mail, return receipt, or a hand delivered note, of the existence of the nuisance and directed to remove or effectively treat in an approved manner within 30 days of receipt of notification. In the event the owner fails to comply with the notification, the City will abate the nuisance and assess the property. Any expenses incurred by the City or its approved agent will be assessed to said property as provided in M.S. Chapter 429.

Hurley's Tree Service

15682 Hwy 71 S
Blomkest, MN 56216

Phone # 320-995-1426

Invoice

Date 11/24/2013
Invoice # 32

Bill To
City of Willmar Attn: Gary Manzer 801 Industrial Dr. SW Willmar, MN 56201

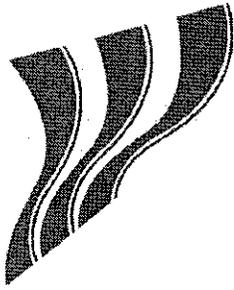
Ship To

P.O. #
Terms

Ship Date 11/24/2013
Due Date 11/24/2013
Other

Item	Description	Qty	Price	Amount
Removal	Removal of one elm tree at 1017 3rd St. SW, Willmar		600.00	600.00T
Removal	Removal of elm at 514 15th St. SW, Willmar		800.00	800.00T
Subtotal				\$1,400.00
Sales Tax (6.8735%)				\$96.23
Total				\$1,496.23
Payments/Credits				\$0.00
Balance Due				\$1,496.23

Hurley's Tree Service



**CITY OF WILLMAR, MINNESOTA
REQUEST FOR COMMITTEE ACTION**

Agenda Item Number: 8

Meeting Date: December 9, 2013

Attachments: Yes No

CITY COUNCIL ACTION

Date: December 16, 2013

- | | |
|-----------------------------------|---------------------------------|
| <input type="checkbox"/> Approved | <input type="checkbox"/> Denied |
| <input type="checkbox"/> Amended | <input type="checkbox"/> Tabled |
| <input type="checkbox"/> Other | |

Originating Department: Finance

Agenda Item: Reports

Recommended Action: Receive and review reports:
A) October Rice Trust
B) September Rice Hospital

Background/Summary: Periodic review of reports

Alternatives: N/A

Financial Considerations: Review financial status.

Preparer: Steve Okins, Finance Director

Signature:

Comments:



**Investment Management
& Trust**

Activity Summary as of 10/31/2013

RICE CUSHMAN A CHAR TR

Account 180205

Market Value Reconciliation

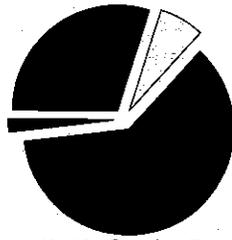
	Since 10/01/2013 (\$)	Year to Date (\$)
Beginning Market Value	2,840,263.26	2,616,990.01
Disbursements		
Withdrawals	-11,000.00	-53,002.36
Expenses	0.00	-498.75
Fees	-1,782.20	-17,450.00
Total Disbursements	-12,782.20	-70,951.11

Income		
Investment Income	2,436.74	39,814.19
Other Income	46.00	46.00
Total Income	2,482.74	39,860.19

Value on Oct 31, 2013	2,892,801.63	2,892,801.63
Total Change in Portfolio Value	62,837.83	306,902.54

Asset Allocation

Asset Category	Market Value	% Total
Cash & Money	9,159.34	0.32
Markets		
Fixed Income	857,181.98	29.63
Alternative	203,940.97	7.05
Equity	1,775,887.01	61.39
Other	46,632.33	1.61
Total	\$2,892,801.63	100.00%



Income Summary

	This Period (\$)	Year to Date (\$)
Taxable Income	2,436.74	39,814.19
Other Income	46.00	46.00
Total Income Summary	2,482.74	39,860.19

Gain/Loss Summary

	This Period (\$)	Year to Date (\$)
Short-term	-11.84	127.87
Long-term	-1,227.40	15,206.32
Total Gain/Loss Summary	-1,239.24	15,334.19



**Investment Management
& Trust**

**Selected Period Performance
RICE CUSHMAN A CHAR TR
Account 180205
Period Ending: 10/31/2013**

Sector	Market Value	1 Month	Year to Date (10 Months)
Total Fund	2,850,680	2.38	13.55
Total Fd Net Fee	2,850,680	2.31	12.82
Fixed Income	860,990	.66	.40
BarCap Int Aggregate Bd		.64	-.26
Domestic Equity	1,421,127	3.62	25.84
S&P 500 Index		4.60	25.32
Russell 2000 Index		2.51	30.89
Intl. Equity	355,463	2.96	14.82
MSCI EAFE (US\$ & Net) Index		3.36	20.05
Short Term Cash	8,927	.00	.01
Citigroup 1 Month Treas Bill		.00	.01
Alternative Investments	203,941	.27	.18
Citigroup 3 Month Treas Bill		.00	.04
Uninvested Cash	233	.00	.00

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

Rice Memorial Hospital

Quarterly Financial Statements

September 30, 2013

Attached are the quarterly financial statements of Rice Memorial Hospital for the period ending September 30, 2013. The Consolidated Statement as well as each of the three operating entities; Hospital, Care Center, and Home Medical are being presented in a quarterly format. In addition, behind each entity's performance is a graph depicting quarterly financial performance compared to budget and compared to the prior three years.

Consolidated Results:

1st Quarter

The first quarter performance was negative compared to the budget and compared to the prior years. The Net Operating Loss was \$1.2 million compared to budgeted Operating Income of \$835,000 and compared to last year's Operating Loss of \$576,000. The negative variance was attributed to lower than projected patient activity and especially outpatient volumes and reimbursement. In addition, other operating revenues (-13.0%) contributed to the negative revenues variances with lower than expected performance of Willmar Medical Services (WMS). Total Operating Revenues were \$23.8 million for the quarter compared to budgeted revenues of \$26.7 million (-10.8%) and last year's revenues of \$24.8 million (-3.8%). Expenses were 3.0% less than budget which was positive to offset some of the negative revenue variance. Overall Operating Margin for the 1st quarter was -5.4% compared to a 3.1% budget and the prior year's -2.3% margin.

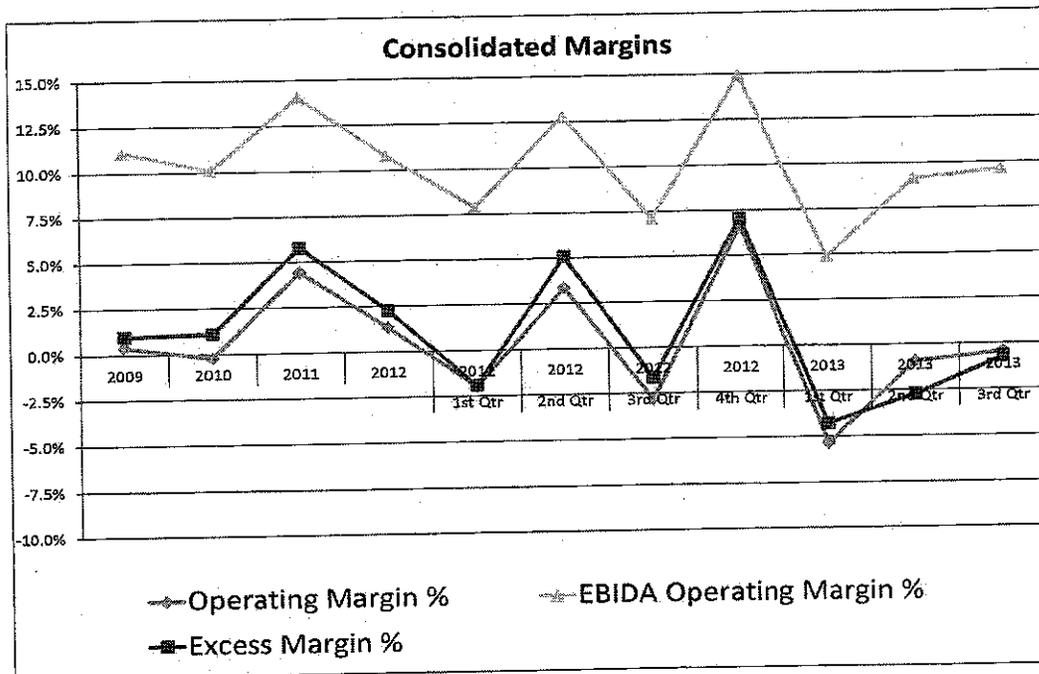
2nd Quarter

The 2nd quarter performance showed improvement with an increase in patient activity and revenues. The Operating Loss for the quarter was \$225,000 compared to budgeted Operating Income of \$786,000 and last year's Operating Income of \$872,000. Patient revenues were still down at 1.7% less than budget. Included in the 2nd Quarter activity were the Home Medical write-offs which further impacted the negative performance. Total Operating Revenue was \$24.5 million for the quarter, a 6.5% decrease from budget but a 2.6% increase from the 1st quarter. Net Operating Expenses were once again lower than budget (2.7%) compared to budget which offset some of the negative revenue variance. Overall Operating Margin for the 2nd quarter was -0.9% compared to a budget of 3.0% and last year's 3.4%.

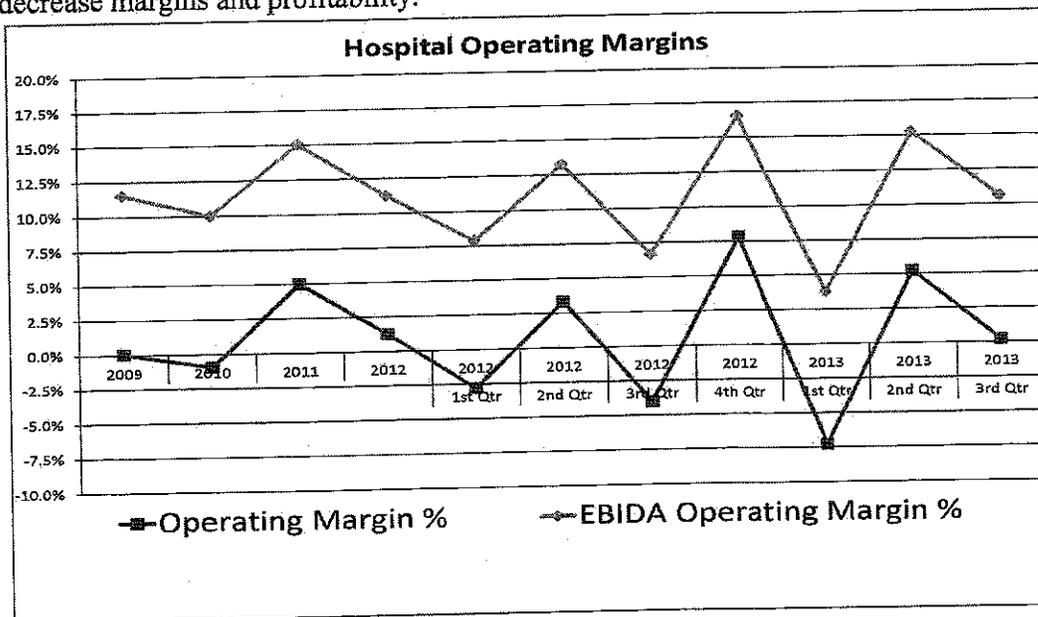
3rd Quarter

The 3rd quarter performance showed improvement from the first two quarters with an increase in patient activity and revenues and a decrease in expenses. The Operating Loss for the quarter was \$103,000 compared to 2nd quarter Operating Loss of \$225,000 and 1st quarter Operating Loss of \$1.2 million. The 3rd quarter loss of \$103,000 compared to budgeted quarterly Operating Income of \$409,000 and last year's quarterly Operating Loss of \$690,000. Patient revenues were 4.5% greater than budget for the quarter and

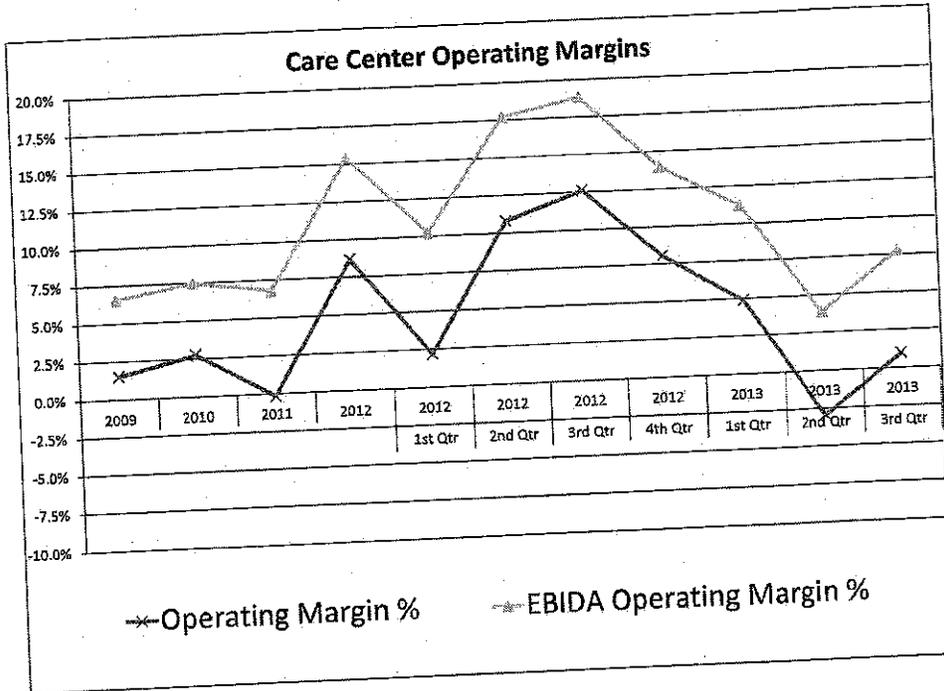
6.2% greater than last year. However, Total Operating Revenues were 5.0% less than budget and 0.2% less than last year. Net Operating Expenses were once again lower than budget (3.1%) compared to budget which further contributed to the improved performance.



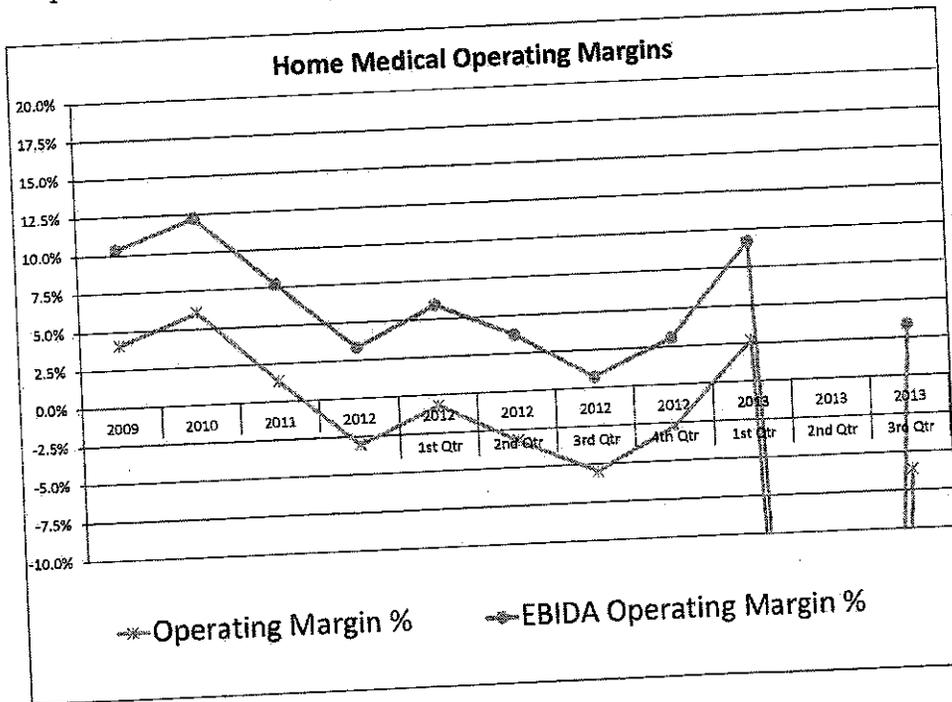
Hospital performance for the 3rd quarter declined from the 2nd quarter performance due to a decrease in Total Operating Revenues even though expenses were 1.99% lower. The continued downward pressure on reimbursement and payer mix shift continues to decrease margins and profitability.



Care Center profitability improved in the 3rd quarter due to lower expenses. Operating Margin was 1.0% for the quarter compared to a negative 2.9% in the 2nd quarter.



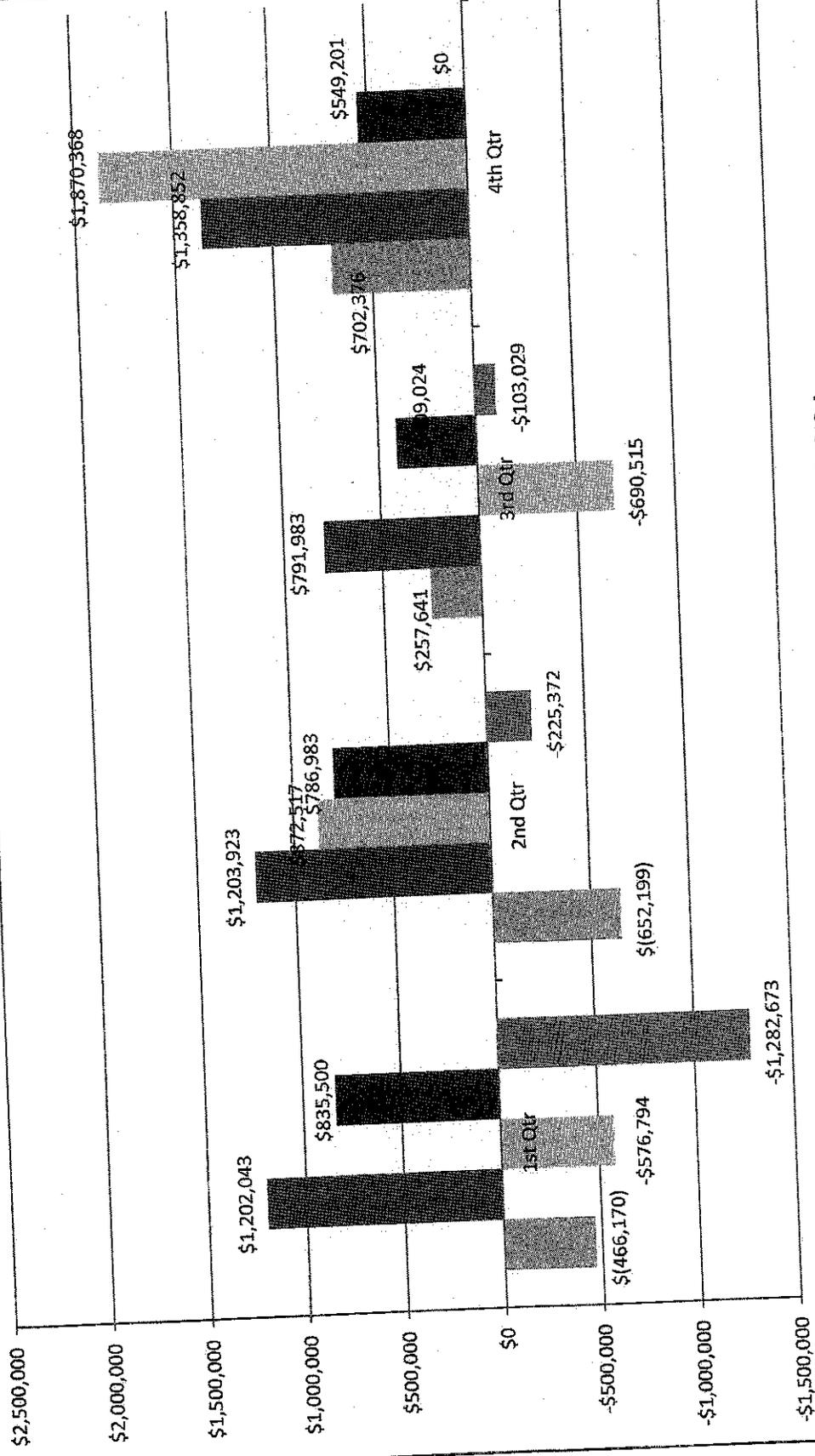
Home Medical activity improved significantly in the 3rd quarter compared to 2nd quarter but most of this was due to the write-offs taken in the 2nd quarter. Operating Margin for the quarter was a negative 6.1% even though Total Patient Revenues continue to increase.



RICE MEMORIAL HOSPITAL
CONSOLIDATED

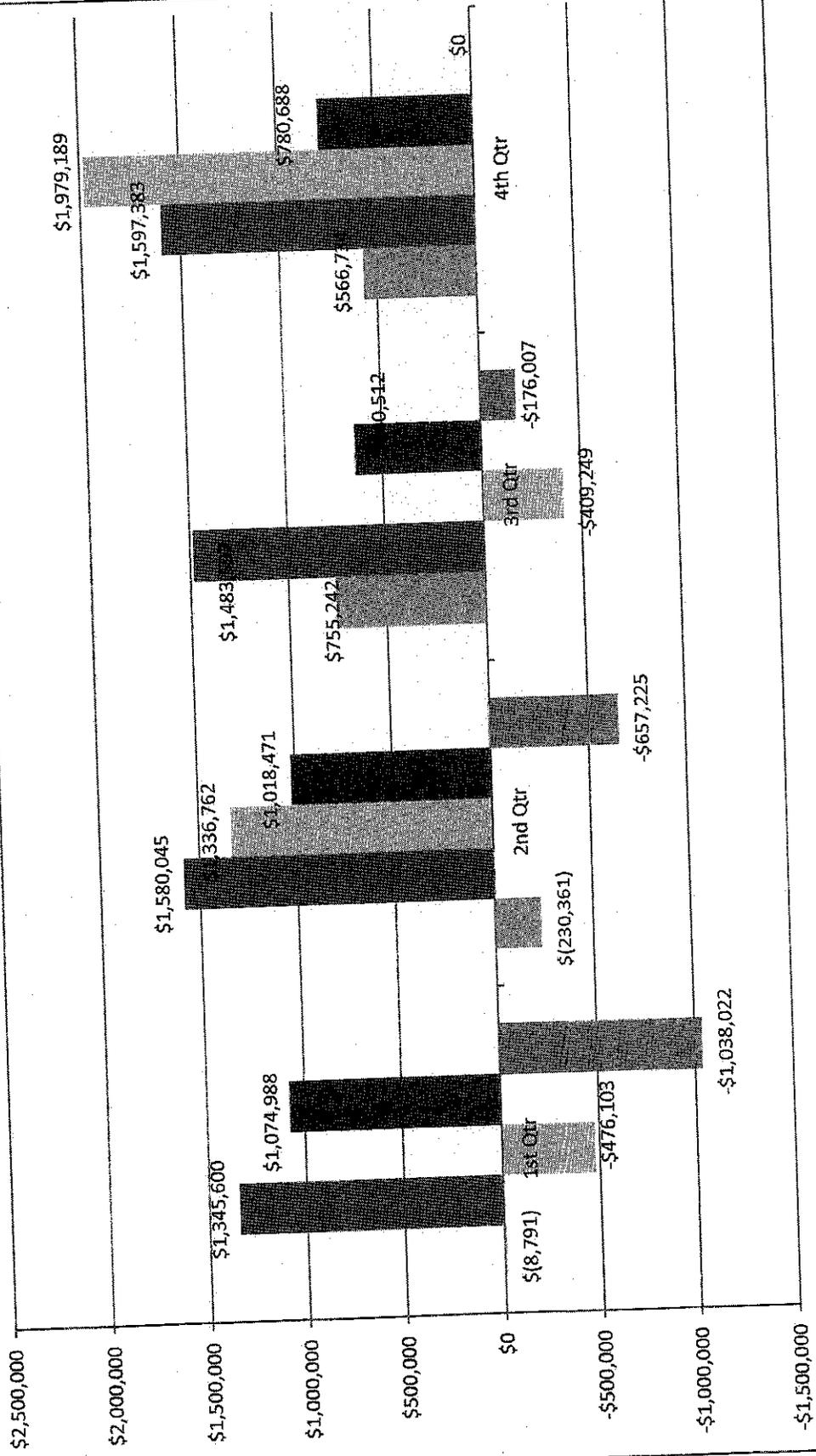
	1st Qtr 2013 Actual	1st Qtr 2013 Budget	2nd Qtr 2013 Actual	2nd Qtr 2013 Budget	3rd Qtr 2013 Actual	3rd Qtr 2013 Budget	4th Qtr 2013 Actual	4th Qtr 2013 Budget	4th Qtr 2012 Actual
OPERATING REVENUE									
INPATIENT REVENUE	\$15,286,299	\$15,997,651	\$15,479,412	\$14,344,534	\$16,175,666	\$14,391,046	\$14,721,764	\$14,623,475	\$16,091,995
OUTPATIENT REVENUE	28,779,975	31,221,859	30,106,745	32,336,286	31,012,550	31,060,228	29,865,230	30,979,417	29,054,759
RICE CARE CENTER REVENUE	2,566,081	2,479,427	2,607,567	2,484,100	2,487,765	2,439,711	2,664,568	2,329,989	2,710,534
RICE HOME MEDICAL REVENUE	3,028,377	3,055,938	2,967,674	2,864,737	3,415,384	2,892,195	2,733,931	3,264,137	2,703,135
TOTAL PATIENT REVENUE	49,660,732	52,754,875	51,161,398	52,029,657	53,091,365	50,783,180	49,991,493	51,197,018	50,560,423
LESS DISCOUNTS & CONTRACTUALS	24,353,156	24,824,837	25,181,163	24,641,005	26,388,987	24,033,567	23,744,859	24,197,461	23,650,634
LESS UNCOMPENSATED CARE	294,766	385,714	380,999	379,518	251,398	377,419	402,745	382,643	323,675
TOTAL DEDUCTIONS FROM REVENUE	24,647,922	25,210,551	25,562,162	25,020,523	26,640,385	24,410,986	24,147,604	24,580,104	23,976,309
NET REVENUE FROM PATIENTS	25,012,810	27,544,324	25,599,236	27,009,134	26,450,980	26,372,194	25,845,889	26,616,914	26,584,114
OTHER OPERATING REVENUE	3,927,951	4,515,308	4,163,626	4,510,845	4,398,436	4,521,733	3,910,343	4,499,848	5,155,470
TOTAL OPERATING REVENUE	28,940,761	32,059,632	29,762,862	31,519,979	30,849,416	30,893,927	29,754,232	31,116,762	31,739,584
LESS: WILLMAR MEDICAL SERVICES OPERATING REVENUE	5,045,205	5,274,925	5,251,404	5,298,299	6,432,807	5,188,156	5,287,767	5,106,629	5,021,160
TOTAL OPERATING REVENUE	23,895,556	26,784,707	24,511,458	26,221,680	24,416,609	25,705,771	24,466,465	26,010,133	26,718,424
OPERATING EXPENSES									
SALARIES AND WAGES	11,512,823	11,831,706	11,468,516	11,512,482	11,383,881	11,444,208	11,058,010	11,478,827	11,246,932
CONTRACT LABOR	813,251	753,842	875,845	802,836	1,024,809	743,542	944,589	744,422	1,131,424
SUPPLEMENTAL BENEFITS	3,014,954	3,438,353	3,088,612	3,352,700	3,483,815	3,332,426	3,068,019	3,239,461	3,483,427
SUPPLIES	1,645,951	2,381,372	2,367,955	2,845,155	3,146,855	3,122,475	3,036,072	3,259,571	3,014,192
DRUGS	1,627,319	1,624,462	1,647,884	2,342,823	1,960,778	2,315,202	2,208,529	2,297,677	1,532,980
PURCHASED SERVICES	865,221	840,478	857,306	834,897	836,421	843,157	772,118	808,123	764,040
REPAIRS, SERVICE & RENTALS	403,157	418,206	385,736	415,330	468,572	477,753	454,167	409,300	396,995
UTILITIES	169,280	179,351	172,798	179,351	188,687	188,009	195,733	179,870	186,600
INSURANCE	112,556	114,703	116,284	112,827	108,803	112,796	112,708	119,702	115,080
PATIENT RELATED TRAVEL	292,334	258,460	284,363	239,434	177,329	254,661	215,473	235,453	220,314
EDUCATION, TRAVEL, & DUES	115,697	116,688	114,561	120,498	108,803	120,387	164,667	122,354	130,137
OTHER	2,028,586	2,038,843	2,045,160	2,118,871	2,034,943	2,113,999	1,998,023	2,141,576	1,968,965
DEPRECIATION AND AMORT	420,858	444,598	415,278	439,340	412,891	436,665	454,354	433,973	242,611
INTEREST	370,274	442,198	502,529	435,921	517,864	508,098	592,253	424,476	612,947
BAD DEBTS	531,691	563,425	559,362	566,983	576,677	561,269	563,169	566,564	517,426
TAXES & SURCHARGE									
TOTAL OPERATING EXPENSES	27,476,507	28,668,187	27,187,788	28,294,780	27,852,244	28,039,184	27,750,926	28,141,348	27,228,456
LESS: WILLMAR MEDICAL SERVICES OPERATING EXPENSES	2,298,278	2,718,980	2,450,958	2,860,083	3,352,606	2,742,437	2,593,946	2,580,416	2,390,400
NET OPERATING EXPENSES	25,178,229	25,949,207	24,736,830	25,434,697	24,519,638	25,296,747	25,156,980	25,460,932	24,848,056
OPERATING INCOME (LOSS)	(1,282,673)	835,500	(225,372)	786,983	(103,029)	409,024	(690,515)	549,201	1,870,368
NON OPERATING INCOME	244,651	239,488	(431,853)	231,488	(72,978)	231,488	281,266	231,487	108,821
NET INCOME (LOSS)	(\$1,038,022)	\$1,074,988	(\$657,225)	\$1,018,471	(\$176,007)	\$640,512	(\$809,249)	\$780,688	\$1,979,189
Operating Margin	-5.4%	3.1%	-0.9%	3.0%	-0.4%	1.6%	-2.8%	2.1%	7.0%
Excess Margin	-4.3%	4.0%	-2.7%	3.9%	-0.7%	2.5%	-1.7%	3.0%	7.4%

Operating Income-Consolidated



■ 2010 ■ 2011 ■ 2012 ■ 2013-B ■ 2013-A

Net Income-Consolidated

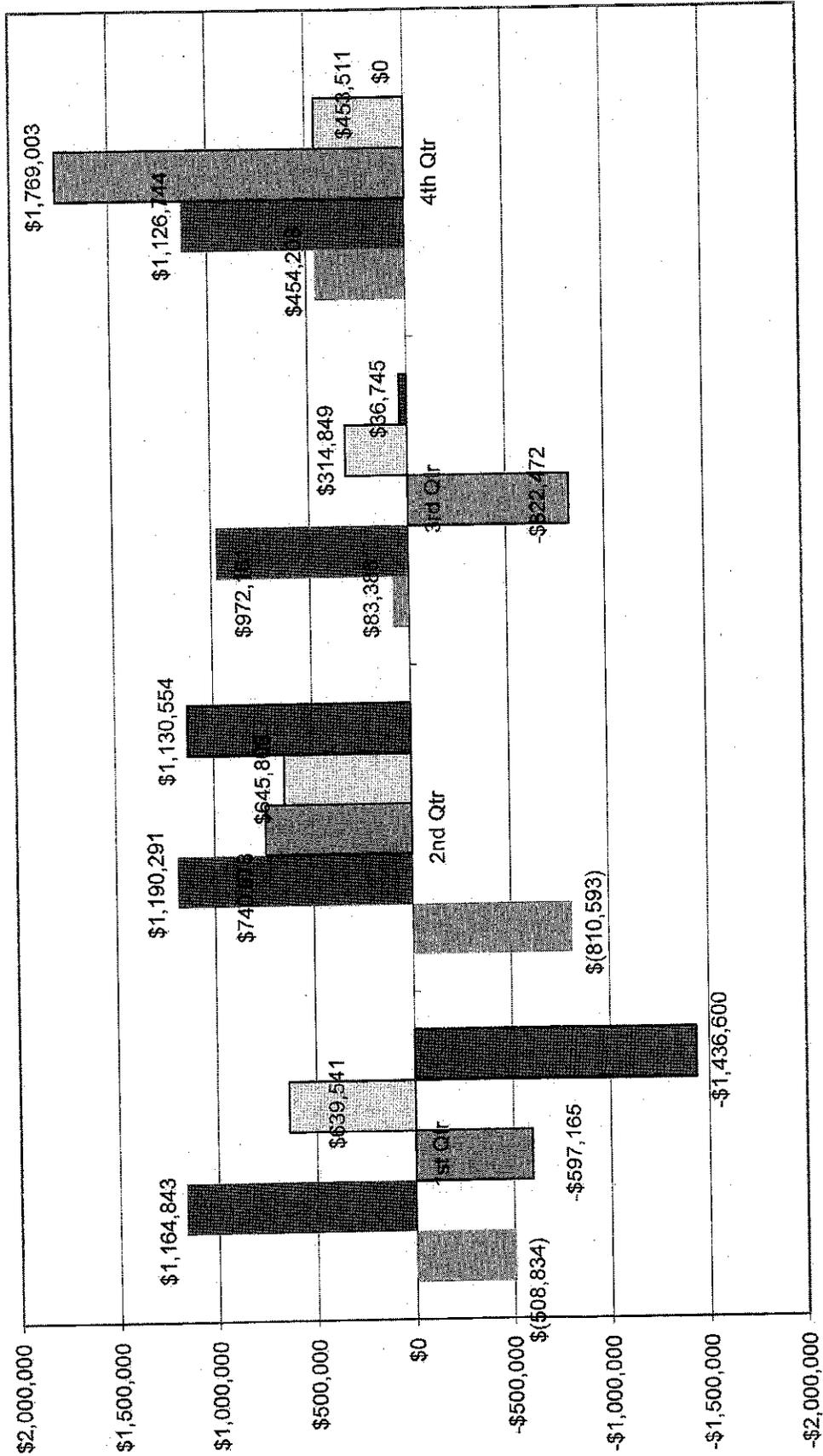


■ 2010 ■ 2011 ■ 2012 ■ 2013-B ■ 2013-A

RICE MEMORIAL HOSPITAL

	1st Qtr 2013 Actual	1st Qtr 2013 Budget	2nd Qtr 2013 Actual	2nd Qtr 2013 Budget	3rd Qtr 2013 Actual	3rd Qtr 2013 Budget	4th Qtr 2013 Actual	4th Qtr 2013 Budget	4th Qtr 2012 Actual
OPERATING REVENUE									
INPATIENT REVENUE	\$15,286,299	\$15,997,651	\$15,823,946	\$14,344,534	\$16,175,666	\$14,391,046	\$14,727,764	\$14,623,475	\$16,091,995
OUTPATIENT REVENUE	28,779,975	31,221,859	30,350,652	32,336,287	31,012,550	31,060,228	29,865,229	30,975,417	29,054,760
TOTAL PATIENT REVENUE	44,066,274	47,219,510	46,174,598	46,680,821	47,188,216	45,451,274	44,592,993	45,602,892	45,146,755
LESS DISCOUNTS & CONTRACTUALS	22,949,550	23,589,123	23,291,488	23,446,187	24,700,959	22,842,793	22,369,633	22,951,003	22,253,616
LESS UNCOMPENSATED CARE	294,575	378,180	361,635	377,638	250,884	376,334	402,009	381,758	325,424
TOTAL DEDUCTIONS FROM REVENUE	23,244,125	23,967,303	23,653,123	23,823,521	24,951,843	23,219,127	22,771,642	23,332,761	22,579,040
NET REVENUE FROM PATIENTS	20,822,149	23,252,207	22,521,475	22,857,300	22,236,373	22,232,147	21,821,351	22,270,131	22,567,715
OTHER OPERATING REVENUE	3,903,712	4,488,446	3,972,591	4,138,595	4,379,192	4,496,646	3,881,837	4,489,596	5,122,169
TOTAL OPERATING REVENUE	24,725,861	27,740,653	26,494,066	27,349,046	26,615,565	26,728,793	25,703,188	26,759,727	27,689,884
LESS: WILLMAR MEDICAL-SERVICES OPERATING REVENUE	5,045,205	5,274,925	5,284,793	5,298,299	6,432,807	5,188,156	5,287,767	5,106,629	5,021,160
TOTAL OPERATING REVENUE	19,680,656	22,465,728	21,209,273	22,050,747	20,182,758	21,540,637	20,415,421	21,653,098	22,668,724
OPERATING EXPENSES									
SALARIES AND WAGES	10,156,847	10,419,160	10,295,901	10,133,377	9,968,281	10,077,814	9,745,088	10,095,145	9,793,095
CONTRACT LABOR	502,332	509,564	912,450	559,585	727,168	509,394	668,085	528,330	820,021
SUPPLEMENTAL BENEFITS	3,070,753	2,897,498	2,750,206	2,823,144	2,997,443	2,808,687	2,621,474	2,813,196	2,970,204
SUPPLIES	1,983,961	2,129,957	1,904,760	2,163,538	1,964,788	2,011,554	1,978,397	2,077,016	2,150,469
DRUGS	1,594,514	2,332,170	2,320,849	2,293,827	1,918,961	2,268,040	2,162,736	2,234,152	1,509,093
PURCHASED SERVICES	1,449,936	1,497,910	1,793,982	1,485,764	1,279,761	1,426,469	1,799,030	1,453,445	1,526,675
REPAIRS, SERVICE & RENTALS	789,112	774,521	768,032	768,392	758,950	776,551	721,247	736,825	693,942
UTILITIES	340,771	359,895	356,299	359,594	411,328	412,649	402,243	347,356	343,485
INSURANCE	144,864	148,416	137,922	148,416	162,737	156,824	166,610	148,560	151,821
PATIENT RELATED TRAVEL	73,451	63,229	63,933	64,298	70,399	63,888	70,312	68,184	71,635
EDUCATION, TRAVEL, & DUES	259,897	230,461	223,139	234,789	161,849	231,259	191,785	211,663	198,487
OTHER	84,976	93,688	88,503	93,944	36,920	91,786	111,233	92,125	94,734
DEPRECIATION AND AMORT	1,803,412	1,843,430	1,754,281	1,923,155	1,721,318	1,911,370	1,791,981	1,834,337	1,777,452
INTEREST	371,010	376,945	517,754	372,282	369,519	369,829	367,003	367,365	197,847
BAD DEBTS	371,270	425,823	280,052	419,546	485,243	409,611	567,003	408,101	592,523
TAXES & SURCHARGE	410,428	442,500	363,574	447,205	443,934	442,500	445,106	447,205	398,638
TOTAL OPERATING EXPENSES	23,415,534	24,545,167	24,566,083	24,265,021	23,478,619	23,968,225	23,831,839	23,880,003	23,290,121
LESS: WILLMAR MEDICAL-SERVICES OPERATING EXPENSES	2,298,278	2,718,980	2,759,645	2,860,083	3,332,606	2,742,437	2,593,946	2,680,416	2,390,400
NET OPERATING EXPENSES	21,117,256	21,826,187	21,806,438	21,404,938	20,146,013	21,225,788	21,237,893	21,199,587	20,899,721
OPERATING INCOME (LOSS)	\$(1,436,600)	\$5,914,471	\$(507,165)	\$6,944,108	\$6,536,745	\$5,314,852	\$(822,712)	\$5,463,511	\$(1,769,003)
Operating Margin	-7.3%	2.8%	-2.8%	5.2%	0.2%	1.5%	-4.0%	2.1%	7.8%

Operating Income-Hospital



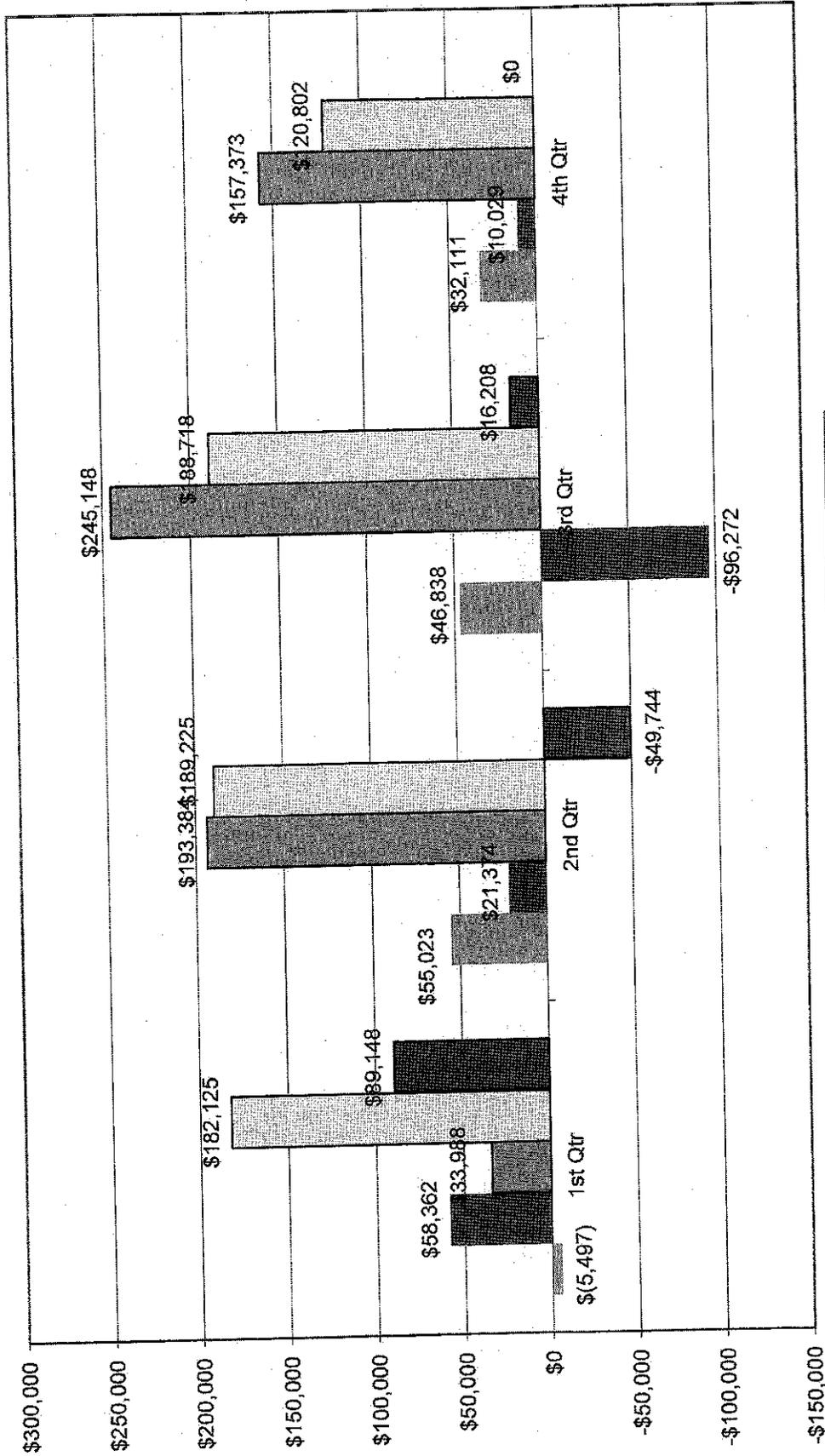
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RICE CARE CENTER

	1st Qtr 2013 Actual	1st Qtr 2013 Budget	2nd Qtr 2013 Actual	2nd Qtr 2013 Budget	3rd Qtr 2013 Actual	3rd Qtr 2013 Budget	4th Qtr 2013 Actual	4th Qtr 2013 Budget	4th Qtr 2012 Actual
OPERATING REVENUE									
RICE CARE CENTER REVENUE	\$ 2,566,081	\$ 2,479,427	\$ 1,854,517	\$ 2,484,100	\$ 2,439,711	\$ 2,439,711	\$ 2,329,989	\$ 2,329,989	\$ 2,710,534
TOTAL PATIENT REVENUE	2,566,081	2,479,427	1,854,517	2,484,100	2,439,711	2,439,711	2,329,989	2,329,989	2,710,534
LESS DISCOUNTS & CONTRACTUALS	756,699	570,268	291,349	571,343	561,133	561,133	555,897	555,897	756,190
NET REVENUE FROM PATIENTS	1,829,382	1,909,159	1,563,168	1,912,757	1,878,578	1,878,578	1,794,092	1,794,092	1,954,344
OTHER OPERATING REVENUE	1,804	2,150	3,100	2,150	2,440	2,150	2,150	2,150	2,188
TOTAL OPERATING REVENUE	1,831,186	1,911,309	1,566,268	1,914,907	1,880,728	1,880,728	1,796,242	1,796,242	1,956,532
OPERATING EXPENSES									
SALARIES AND WAGES	634,716	670,960	684,595	669,637	647,781	649,529	607,514	607,514	671,706
CONTRACT LABOR	310,919	244,278	75,918	243,250	289,233	234,149	216,092	216,092	311,403
SUPPLEMENTAL BENEFITS	248,708	292,531	297,375	291,986	223,340	283,690	266,359	266,359	300,954
SUPPLIES	140,056	118,623	101,845	118,053	109,342	118,177	106,070	106,070	122,678
DRUGS	51,437	49,202	47,106	48,995	41,817	47,162	43,525	43,525	43,887
PURCHASED SERVICES	64,706	42,771	43,594	41,384	60,408	42,081	39,866	39,866	54,376
REPAIRS, SERVICE & RENTALS	10,991	9,804	12,669	9,417	17,169	9,625	9,880	9,880	17,135
UTILITIES	34,048	26,252	31,387	27,374	29,496	33,424	29,130	29,130	25,643
INSURANCE	12,139	1,127	8,608	12,150	12,436	12,400	12,525	12,525	12,143
PATIENT RELATED TRAVEL	1,029	1,127	496	1,074	953	1,042	981	981	1,185
EDUCATION, TRAVEL, & DUES	11,976	11,592	14,563	12,217	11,349	11,518	11,074	11,074	12,757
OTHER	1,541	748	253	748	4,001	748	748	748	1,069
DEPRECIATION AND AMORT	83,624	83,624	93,353	83,523	83,321	83,321	165,802	165,802	83,839
INTEREST	32,511	56,262	33,080	55,884	32,133	55,884	55,884	55,884	32,701
BAD DEBTS	(4,656)	3,750	335	3,750	1,342	3,750	3,750	3,750	2,055
TAXES & SURCHARGE	108,293	105,510	86,680	106,240	104,953	105,510	106,240	106,240	105,628
TOTAL OPERATING EXPENSES	1,742,038	1,729,184	1,537,780	1,725,682	1,673,930	1,692,010	1,675,440	1,675,440	1,799,159
OPERATING INCOME (LOSS)	\$ 89,148	\$ 182,125	\$ 33,988	\$ (9,744)	\$ 16,798	\$ 188,718	\$ 120,802	\$ 120,802	\$ 157,373
Operating Margin	4.9%	9.5%	2.2%	-2.9%	1.8%	10.0%	6.7%	6.7%	8.0%

	3rd Qtr 2012 Actual	4th Qtr 2012 Actual
OPERATING REVENUE		
RICE CARE CENTER REVENUE	\$ 2,664,568	\$ 2,710,534
TOTAL PATIENT REVENUE	2,664,568	2,710,534
LESS DISCOUNTS & CONTRACTUALS	720,723	756,190
NET REVENUE FROM PATIENTS	1,943,845	1,954,344
OTHER OPERATING REVENUE	2,206	2,188
TOTAL OPERATING REVENUE	1,946,051	1,956,532
OPERATING EXPENSES		
SALARIES AND WAGES	646,427	671,706
CONTRACT LABOR	276,305	311,403
SUPPLEMENTAL BENEFITS	256,530	300,954
SUPPLIES	119,895	122,678
DRUGS	46,793	43,887
PURCHASED SERVICES	64,220	54,376
REPAIRS, SERVICE & RENTALS	8,322	17,135
UTILITIES	28,837	25,643
INSURANCE	10,965	12,143
PATIENT RELATED TRAVEL	828	1,185
EDUCATION, TRAVEL, & DUES	1,042	1,185
OTHER	1,778	1,069
DEPRECIATION AND AMORT	89,011	83,839
INTEREST	32,701	32,701
BAD DEBTS	2,808	2,055
TAXES & SURCHARGE	104,903	105,628
TOTAL OPERATING EXPENSES	1,700,903	1,799,159
OPERATING INCOME (LOSS)	\$ 245,148	\$ 157,373
Operating Margin	12.6%	8.0%

Operating Income-Care Center

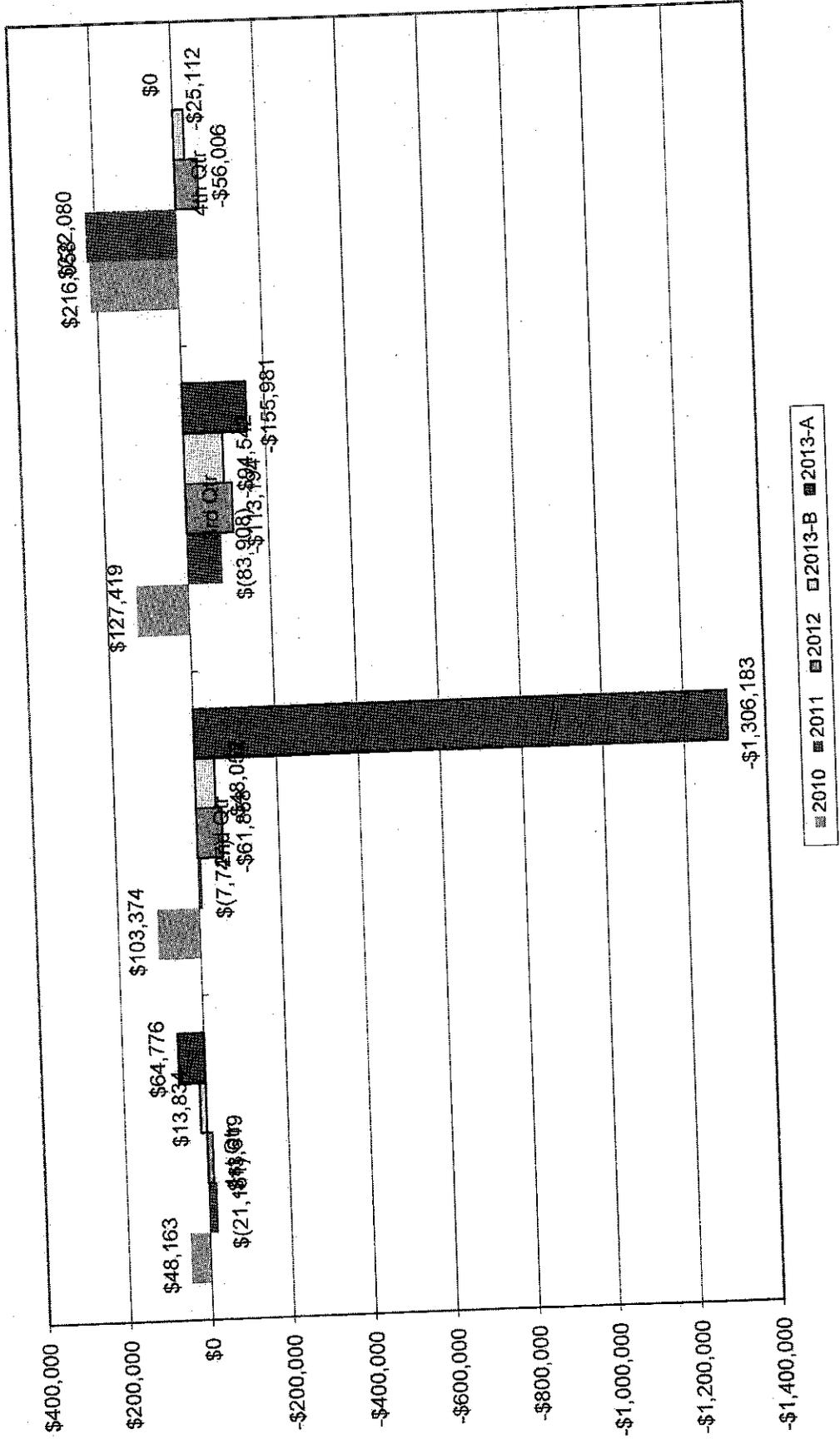


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RIJCE HOME MEDICAL

	1st Qtr 2013 Actual	1st Qtr 2013 Budget	2nd Qtr 2013 Actual	2nd Qtr 2013 Budget	2nd Qtr 2012 Actual	3rd Qtr 2013 Actual	3rd Qtr 2013 Budget	3rd Qtr 2012 Actual	4th Qtr 2013 Actual	4th Qtr 2013 Budget	4th Qtr 2012 Actual
OPERATING REVENUE											
OUTPATIENT REVENUE	\$3,028,377	\$3,055,938	\$2,967,674	\$2,864,737	\$2,428,074	\$3,415,384	\$2,892,195	\$2,733,931	\$3,264,137	\$2,703,135	\$2,703,135
RIJCE HOME MEDICAL REVENUE											
TOTAL PATIENT REVENUE	3,028,377	3,055,938	2,967,674	2,864,737	2,428,074	3,415,384	2,892,195	2,733,931	3,264,137	2,703,135	2,703,135
LESS DISCOUNTS & CONTRACTUALS	666,907	665,446	1,857,755	623,475	490,775	887,961	629,641	654,503	710,561	640,828	640,828
LESS UNCOMPENSATED CARE	191	7,534	3,361	2,184	3,365	514	1,084	736	884	251	251
TOTAL DEDUCTIONS FROM REVENUE	667,098	672,980	1,861,116	625,659	494,140	888,475	630,725	655,239	711,445	641,079	641,079
NET REVENUE FROM PATIENTS	2,361,279	2,382,958	1,106,558	2,239,078	1,933,934	2,526,909	2,261,470	2,078,692	2,552,692	2,062,056	2,062,056
OTHER OPERATING REVENUE	22,435	24,712	24,008	16,949	17,326	16,804	22,937	26,301	8,102	31,113	31,113
TOTAL OPERATING REVENUE	2,383,714	2,407,670	1,130,566	2,256,027	1,951,260	2,543,713	2,284,407	2,104,993	2,560,794	2,093,169	2,093,169
OPERATING EXPENSES											
SALARIES AND WAGES	721,260	741,587	735,108	709,467	649,962	767,819	716,865	666,495	776,168	782,131	782,131
CONTRACT LABOR	233,094	248,326	303,104	237,571	172,328	263,023	240,048	190,015	259,906	212,269	212,269
SUPPLEMENTAL BENEFITS	888,938	972,920	888,776	931,329	803,092	1,072,725	992,744	937,780	1,076,486	741,045	741,045
SUPPLIES	112,677	83,781	115,325	80,420	63,982	126,483	78,100	68,993	86,688	73,335	73,335
DRUGS	65,119	56,153	67,108	57,088	42,709	60,302	56,981	42,549	61,419	52,962	52,962
REPAIRS, SERVICE & RENTALS	28,338	32,059	26,135	28,363	21,318	27,748	31,680	23,086	32,813	27,867	27,867
UTILITIES	12,277	18,785	12,277	18,785	16,387	13,513	18,785	18,158	18,785	22,636	22,636
INSURANCE	38,076	50,347	50,539	47,456	37,127	37,451	47,865	41,568	53,537	42,259	42,259
PATIENT RELATED TRAVEL	20,460	16,407	18,206	22,149	22,149	27,264	27,854	27,854	29,481	34,334	34,334
EDUCATION, TRAVEL, & DUES	29,181	22,252	25,207	25,806	22,482	230,304	119,307	117,031	141,437	107,673	107,673
OTHER	141,550	111,788	161,661	112,193	122,482	230,304	119,307	12,145	141,437	12,625	12,625
DEPRECIATION AND AMORT	11,337	11,391	11,415	11,174	12,217	11,239	10,952	12,441	12,625	18,370	18,370
INTEREST	3,660	12,625	8,826	12,625	15,161	27,770	13,259	13,161	13,119	13,161	13,161
BAD DEBTS	12,971	15,415	13,062	13,538	15,161	27,770	13,259	13,161	13,119	13,161	13,161
TAXES & SURCHARGE											
TOTAL OPERATING EXPENSES	2,318,938	2,393,836	2,436,749	2,304,079	2,013,118	2,699,694	2,378,949	2,218,187	2,585,906	2,149,175	2,149,175
OPERATING INCOME (LOSS)	\$ 64,776	\$ 13,834	\$ (1,306,183)	\$ (48,052)	\$ (61,858)	\$ (155,981)	\$ (94,542)	\$ (113,194)	\$ (25,112)	\$ (56,006)	\$ (56,006)
Operating Margin	2.7%	0.6%	-115.5%	-2.1%	-3.2%	-6.1%	-4.1%	-5.4%	-1.0%	-2.7%	-2.7%

Operating Income-Home Medical



■ 2010 ■ 2011 ■ 2012 □ 2013-B ■ 2013-A

KEY PERFORMANCE INDICATORS by ENTITY

	2009	2010	2011	2012	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	YTD 2013	5-Year Plan 2013	Benchmark
Rice Consolidated:														
Operating Margin %	0.4%	-0.2%	4.4%	1.4%	-1.9%	3.4%	-2.8%	6.7%	-5.4%	-0.9%	-0.4%	-2.2%	2.4%	2.2%
Excess Margin %	1.0%	1.1%	5.8%	2.3%	-1.9%	5.1%	-1.7%	7.0%	-4.3%	-2.7%	-0.7%	-2.6%	3.2%	2.8%
EBIDA Operating Margin %	11.1%	10.1%	14.1%	10.8%	7.9%	12.8%	7.1%	14.9%	4.9%	9.1%	9.6%	7.9%		
EBIDA Excess Margin %	11.6%	11.3%	15.3%	11.6%	8.2%	14.4%	8.2%	15.3%	5.8%	7.5%	9.3%	7.6%	12.5%	10.8%
Operating Margin \$	\$ 405,964	\$ (158,344)	\$ 4,566,798	\$ 1,379,217	\$ (675,796)	\$ 872,514	\$ (690,514)	\$ 1,774,013	\$ (1,289,672)	\$ (225,371)	\$ (103,028)	\$ (1,611,071)		
Excess Margin \$	\$ 962,328	\$ 1,062,832	\$ 6,006,622	\$ 2,334,239	\$ (476,105)	\$ 1,336,759	\$ (406,248)	\$ 1,882,833	\$ (1,038,021)	\$ (657,224)	\$ (176,006)	\$ (1,871,251)		
EBIDA Margin \$	\$ 10,908,798	\$ 10,903,468	\$ 15,873,766	\$ 11,954,654	\$ 2,057,445	\$ 3,793,835	\$ 2,023,129	\$ 4,080,245	\$ 1,411,424	\$ 1,803,214	\$ 2,271,828	\$ 5,486,466		
Hospital														
Operating Margin %	0.0%	-0.9%	5.0%	1.3%	-2.8%	3.3%	-4.0%	7.8%	-7.3%	5.2%	0.2%	-0.4%		
EBIDA Operating Margin %	11.5%	10.0%	15.0%	11.2%	7.9%	13.2%	6.7%	16.5%	3.8%	15.2%	10.5%	10.0%		
Revenues:														
Inpatient Revenue	\$ 63,085,598	\$ 60,784,544	\$ 66,088,083	\$ 60,874,197	\$ 15,823,947	\$ 14,230,491	\$ 14,727,765	\$ 16,091,994	\$ 15,286,299	\$ 15,479,413	\$ 16,175,666	\$ 46,941,378		
Outpatient Revenue	\$ 88,804,546	\$ 111,787,552	\$ 126,052,246	\$ 120,441,856	\$ 30,850,652	\$ 31,170,716	\$ 29,865,229	\$ 29,054,759	\$ 28,779,975	\$ 30,108,744	\$ 31,012,551	\$ 89,899,270		
Net Patient Revenue	\$ 77,236,758	\$ 86,366,460	\$ 93,538,445	\$ 89,837,588	\$ 22,621,476	\$ 22,827,057	\$ 21,821,352	\$ 22,567,713	\$ 20,822,149	\$ 22,798,166	\$ 22,236,373	\$ 65,856,688		
Total Operating Revenues	\$ 80,654,346	\$ 83,014,293	\$ 89,486,295	\$ 86,512,613	\$ 21,209,275	\$ 22,219,196	\$ 20,415,422	\$ 22,668,720	\$ 19,680,656	\$ 21,685,356	\$ 20,182,757	\$ 61,548,769		
Total Operating Expenses	\$ 80,630,454	\$ 83,796,125	\$ 85,032,251	\$ 85,422,270	\$ 21,806,436	\$ 21,478,223	\$ 21,237,893	\$ 20,899,718	\$ 21,117,256	\$ 20,554,804	\$ 20,146,009	\$ 61,818,069		
Operating Margin	\$ 23,893	\$ (781,830)	\$ 4,454,044	\$ 1,080,343	\$ (597,161)	\$ 740,973	\$ (822,471)	\$ 1,769,002	\$ (1,436,600)	\$ 1,130,552	\$ 36,748	\$ (269,300)		
Revenue/Adj. Admission Reimbursement Rate	\$ 9,653	\$ 10,151	\$ 10,120	\$ 10,402	\$ 9,890	\$ 10,554	\$ 10,115	\$ 11,037	\$ 10,006	\$ 10,811	\$ 10,021	\$ 10,218	49.2%	
FTE/Adj. Admission	15.4	14.7	13.4	14.6	14.5	14.4	14.8	14.9	15.2	14.7	14.3	14.3	14.7	14.9
FTE/Adj. Patient Day	4.4	4.2	3.8	4.1	4.0	4.1	4.1	4.3	4.3	4.0	4.2	4.2	4.1	4.4
Total Expense Ratio	55.8%	53.7%	49.0%	52.9%	53.2%	53.2%	53.4%	51.6%	53.1%	50.5%	49.8%	49.8%		
Controllable Expense/Adj. Admit	\$ 7,697	\$ 8,110	\$ 7,610	\$ 8,295	\$ 8,186	\$ 8,283	\$ 8,345	\$ 8,337	\$ 8,427	\$ 8,032	\$ 7,886	\$ 8,114	\$ 8,630	50.0%
Compensation Ratio	54.0%	52.0%	46.1%	50.5%	52.7%	49.8%	50.7%	49.1%	55.5%	48.9%	51.4%	51.9%	49.5%	50.0%
Supply & Drug Expense/Ctrl Adj. Admit	\$ 1,067	\$ 1,417	\$ 1,357	\$ 1,525	\$ 1,579	\$ 1,574	\$ 1,402	\$ 1,418	\$ 1,402	\$ 1,400	\$ 1,454	\$ 1,410		

KEY PERFORMANCE INDICATORS by ENTITY

	2009	2010	2011	2012	1st Qtr 2012	2nd Qtr 2012	3rd Qtr 2012	4th Qtr 2012	1st Qtr 2013	2nd Qtr 2013	3rd Qtr 2013	YTD 2013
Care Center												
Operating Margin %	1.5%	2.8%	-0.1%	8.7%	2.2%	10.8%	12.6%	8.0%	4.9%	-2.9%	1.0%	1.1%
EBIDA Operating Margin %	6.6%	7.5%	6.8%	15.4%	10.2%	17.8%	18.9%	14.0%	11.2%	3.9%	7.8%	7.7%
Total Resident Revenue	\$ 5,021,221	\$ 5,344,140	\$ 5,874,653	\$ 9,504,099	\$ 1,854,517	\$ 2,274,480	\$ 2,664,558	\$ 2,710,534	\$ 2,566,080	\$ 2,607,566	\$ 2,487,765	\$ 7,661,411
Total Revenue	\$ 4,659,907	\$ 4,645,518	\$ 5,098,102	\$ 7,263,667	\$ 1,566,267	\$ 1,794,815	\$ 1,946,052	\$ 1,956,533	\$ 1,831,187	\$ 1,695,536	\$ 1,690,138	\$ 5,216,861
Total Operating Expenses	\$ 4,588,961	\$ 4,517,039	\$ 5,104,616	\$ 6,533,766	\$ 1,532,281	\$ 1,601,421	\$ 1,700,903	\$ 1,799,161	\$ 1,742,040	\$ 1,745,279	\$ 1,673,931	\$ 5,161,250
Operating Margin	\$ 70,946	\$ 128,479	\$ (6,514)	\$ 629,901	\$ 33,986	\$ 193,384	\$ 245,149	\$ 157,372	\$ 89,147	\$ (49,743)	\$ 16,207	\$ 55,611
Case Mix	\$ 192.1	\$ 192.8	\$ 212.1	\$ 273.8	\$ 245.2	\$ 271.3	\$ 283.2	\$ 286.2	\$ 302.2	\$ 292.0	\$ 296.3	\$ 296.9
Total Revenue/Day	\$ 170.9	\$ 169.5	\$ 186.5	\$ 216.4	\$ 205.0	\$ 207.4	\$ 214.7	\$ 238.7	\$ 250.7	\$ 263.1	\$ 254.5	\$ 256.0
Controllable Expense/Day	\$ 2.9	\$ 5.3	\$ (0.3)	\$ 23.7	\$ 5.1	\$ 29.0	\$ 35.4	\$ 14.4	\$ (8.7)	\$ 3.1	\$ 3.1	\$ 3.2
Operating Margin/Day	5.9	5.9	6.1	6.2	6.2	6.2	6.1	6.2	6.4	6.5	6.8	6.7
Hours/Resident Day												5.8
Home Medical												
Operating Margin %	4.1%	6.1%	1.4%	-3.0%	-0.7%	-3.2%	-5.4%	-2.7%	2.7%	-117.9%	-6.2%	-23.9%
EBIDA Operating Margin %	10.4%	12.3%	7.7%	3.4%	6.0%	3.8%	0.8%	3.1%	9.2%	-102.2%	3.4%	-13.8%
Sales Revenue	\$ 6,121,541	\$ 6,589,971	\$ 6,371,410	\$ 6,602,080	\$ 1,659,720	\$ 1,459,404	\$ 1,773,245	\$ 1,709,711	\$ 1,743,935	\$ 1,740,922	\$ 2,230,058	\$ 5,714,925
Rental Revenue	\$ 3,046,566	\$ 3,602,025	\$ 4,012,947	\$ 3,865,204	\$ 942,424	\$ 968,670	\$ 960,686	\$ 993,424	\$ 1,284,442	\$ 1,226,751	\$ 1,185,315	\$ 3,696,508
Total Revenues	\$ 9,168,107	\$ 10,191,996	\$ 10,384,357	\$ 10,467,284	\$ 2,602,144	\$ 2,428,074	\$ 2,793,931	\$ 2,703,135	\$ 3,028,377	\$ 2,967,673	\$ 3,415,363	\$ 9,411,433
Net Revenues	\$ 7,551,797	\$ 8,113,306	\$ 7,928,396	\$ 8,112,572	\$ 2,037,888	\$ 1,953,935	\$ 2,078,692	\$ 2,062,056	\$ 2,361,279	\$ 1,106,556	\$ 2,525,907	\$ 5,994,742
Gross Profit	\$ 4,521,751	\$ 4,846,363	\$ 4,801,438	\$ 5,012,358	\$ 1,264,438	\$ 1,172,354	\$ 1,195,186	\$ 1,380,380	\$ 1,517,513	\$ 270,863	\$ 1,486,563	\$ 3,284,964
Total Operating Expenses	\$ 4,211,228	\$ 4,451,349	\$ 4,692,183	\$ 5,257,037	\$ 1,278,057	\$ 1,234,213	\$ 1,308,376	\$ 1,436,376	\$ 1,452,741	\$ 1,577,047	\$ 1,652,567	\$ 4,682,355
Operating Margin	\$ 310,523	\$ 495,014	\$ 109,255	\$ (244,679)	\$ (13,619)	\$ (61,659)	\$ (113,180)	\$ (56,011)	\$ 64,777	\$ (1,305,184)	\$ (155,984)	\$ (1,397,391)
Net Sales % / Gross Sales	82.37%	79.60%	76.35%	77.50%	78.32%	79.65%	76.03%	76.28%	77.97%	37.29%	73.99%	63.70%
Gross Profit % Sales/FTE	59.89%	60.97%	60.58%	61.79%	62.05%	60.62%	57.50%	66.94%	64.27%	24.48%	59.23%	54.80%
Sales/Sq. Ft.	144,440	155,876	156,081	144,516	149,876	137,504	149,774	141,174	158,564	147,234	167,657	\$ 158,750

Rice Memorial Hospital Financial Statements September 30, 2013

Executive Summary

September was a positive month in terms of financial performance compared to budget and in terms of actual performance. Rice generated a profit of \$303,000 from operations compared to budgeted Operating Income of \$298,000 and last year's September Operating Loss of \$740,000. The primary contributing factors for this month's positive results were stable revenues compared to budget and lower expenses at the Hospital. Although Hospital Operating Revenues were 2.7% less than budget and 14.0% greater than last year, Hospital Expenses were 4.5% less than budget and 3.5% less than last year. Care Center activity generated Operating Income of \$28,000 while Home Medical incurred a \$7,700 loss compared to an expected loss of \$29,000.

Here is a summary of key financial indicators:

	<u>Actual</u>	<u>Budget</u>	<u>Last Year/ Last YTD</u>	<u>Prior Year</u>	<u>Benchmark</u>	<u>Actual - YTD</u>	<u>Desired</u>	
Operating Margin- Month	3.6%	3.5%	-9.9%			↑	↑	
Operating Margin- YTD	-2.2%	2.6%	-0.5%	1.4%	2.2%	↓		
Excess Margin- Month	3.7%	4.3%	-9.1%			↑		
Excess Margin- YTD	-2.6%	3.4%	0.6%	2.3%	2.8%	↓		
EBIDA Margin- Month	13.3%	13.3%	0.9%			↑		
EBIDA Margin- YTD	7.9%	12.1%	9.3%	13.1%	10.8%	↓		
Debt/Capitalization	42.1%	41.8%	44.3%	43.4%	38.7%	↔		↓
Net Days of Receivables	56	50	57	64	46	↔		↓
Days of Cash	107	129	113	114	131	↓		↑
Cash/Debt	62%	82%	62%	63%	87%	↔		↑

September 30, 2013 Balance Sheet:

The September YTD balance sheet realized a decrease in Net Assets of \$689,000. Total Assets have decreased \$4.0 million while Total Liabilities have decreased \$3.3 million. The Total Asset decrease was due to a decrease in Current Assets of \$3.9 million; an increase in Assets Limited as to Use of \$223,000; an increase in Property, Plant, and Equipment of \$1.0 million; and a decrease in Other Assets of \$1.3 million. The decrease in Current Assets was due to decreases in Cash, 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 \$2.1 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 (\$2.2 million) made during the year and decreases in Current Liabilities. Net Assets have decreased due to financial performance but offset somewhat by increases in the Rice Trust Fund and the Specific Purpose Fund.

September 2013 Results:

The overall Net Operating Income was \$303,000 compared to budgeted Operating Income of \$298,000 and compared to last year's Operating Loss of \$740,000. Hospital Operating Revenues were 2.7% less than budget for the month but 14.0% greater than last year. Inpatient Revenues were 8.3% greater than budget while Outpatient Revenues were 6.6% 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 Surgery, Laboratory, and Radiation Oncology. Care Center Resident Revenues were slightly greater than budget by 1.2% while Home Medical revenues were 27.3% greater than budget due to increased Sales Revenues. Overall Patient Revenue was \$534,000 (3.1%) greater than budget and 6.9% greater than last year.

Consolidated deductions from revenue were 4.2% (\$345,000) greater than budget even though Patient Revenues were only 3.1% greater than budget. The continuing shift to government payer sources contributed to this negative variance. The Hospital's reimbursement rate for the month was 48.38% compared to a budget of 48.92%; a negative revenue variance of \$85,000.

Other operating revenues were \$163,000 (10.8%) 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. Net WMS activity at Rice was greater than budget by \$236,000 (13.4%) due to added Anesthesia and Sleep services into WMS. Total Operating Revenues were \$8.4 million; \$210,000 (2.4%) less than budget but \$915,000 (12.2%) greater than last year.

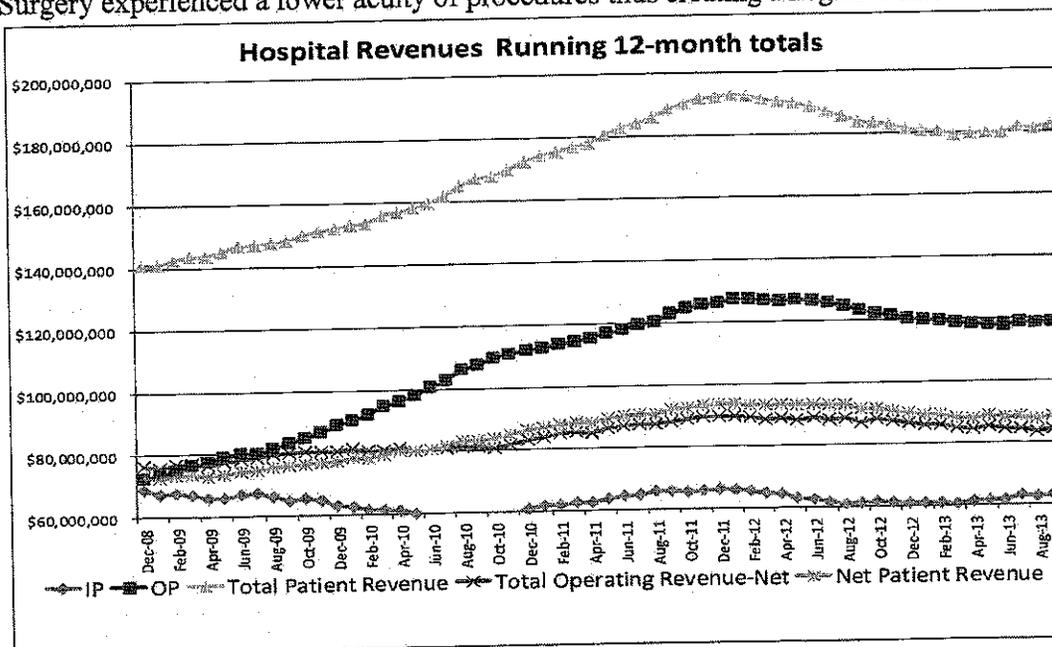
Net Expenses were \$8.0 million; \$215,000 (2.6%) less than budget which offset the negative Operating Revenue variance. Expenses were mixed for the month with Salaries \$13,000 (0.4%) less than budget; Contract Labor \$42,000 (16.6%) greater due to Hospital

contracted services and Care Center contracted therapy costs; and Benefits \$91,000 (8.3%) greater due to increased health insurance costs. Supplies were \$20,000 (2.0%) greater than budget due higher revenues in Home Medical. Drugs were \$33,000 (4.7%) less than budget due to lower than projected Medical Oncology activity. Purchased Services were \$24,000 (4.8%) less than budget; Repairs & Rentals were \$58,000 (20.3%) less than budget; Utilities were at budget; Insurance was \$8,200 (13.8%) greater than budget due to a timing difference; Patient Related Travel was \$2,200 (6.2%) greater than budget due to Ambulance activity; Education, Travel, and Dues were \$14,000 (18.7%) less than budget; and Other was \$13,000 (33.6%) less than budget. Capital Costs including Depreciation was \$24,000 (3.5%) less than budget while Interest was \$7,900 (5.5%) less than budget as Care Center financing has not occurred. Bad Debts were \$46,000 (31.8%) less than budget due to improved aging of the accounts. Bad Debts and Uncompensated Care were \$62,000 less than budget and \$101,000 less than last year. Taxes were \$13,000 (7.4%) less than budget due to lower collections resulting in higher MN Care taxes paid.

The Hospital generated Operating Income of \$282,000 compared to budgeted Operating Income of \$267,000 and last year's Operating Loss of \$694,000. Care Center activity generated Operating Income of \$28,000 compared to expected Operating Income of \$61,000 and last year's Operating Income of \$53,000. Home Medical activity generated an Operating Loss of \$7,700 compared to a budgeted Operating Loss of \$29,000 and last year's Operating Loss of \$99,000.

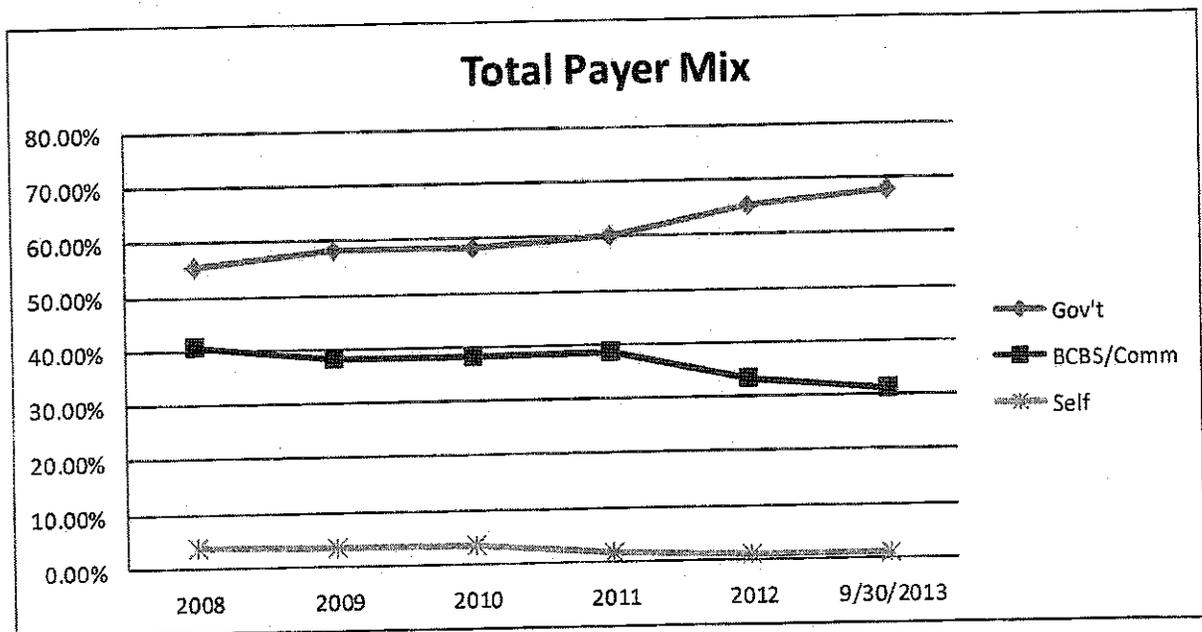
September YTD 2013 Results:

The overall YTD net Operating Loss was \$1.6 million compared to budgeted Operating Income of \$2.0 million and last year's Operating Loss of \$394,000. Hospital Operating Revenues were \$3.9 million (6.1%) less than budget and 2.6% less than last year. Inpatient Revenues were 3.5% greater than budget and 3.4% greater than last year while Outpatient Revenues 7.5% less than budget and 4.9% 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 \$258,000 (3.5%) due to higher than projected outpatient or Part B therapy services even though the census was lower. Home Medical revenues were 6.8% greater than budget (Rentals) and 21.2% greater than last year (Sales and Rentals).

Consolidated deductions from revenue were 3.0% (\$2.2 million) greater than budget even though Total Patient Revenues were 1.1% 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. Net Revenue from Patients was \$3.8 million (4.8%) less than budget and 2.0% less than last year. The Hospital's reimbursement rate was 48.13% compared to a budget of 49.04%; a negative revenue variance of \$1.2 million.



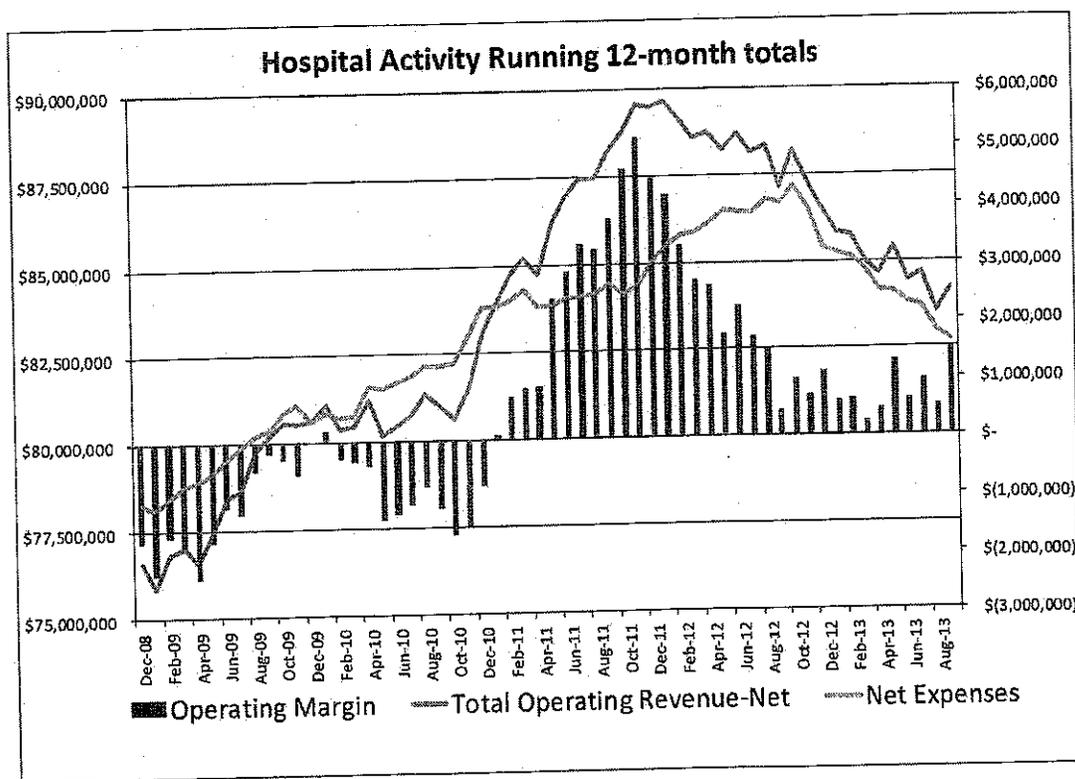
Other operating revenues were \$1.0 million (7.8%) less than budget due to lower activity than projected even though WMS activity and profits are up. WMS activity at Rice was greater than budget by \$968,000 (6.1%) due to inclusion of Anesthesia and Sleep services. Total Operating Revenues were \$72.8 million; \$5.8 million (7.5%) less than budget and \$2.4 million (3.3%) less than last year.

Net Expenses were \$74.4 million; \$2.2 million (2.9%) less than budget and 1.6% less than last year. Expenses were mostly lower with Salaries \$423,000 (1.2%) less than budget due to lower Hospital patient activity and lower FTE's. Contract Labor was \$413,000 (18.0%) greater than budget due to Hospital and Care Center contracted therapy costs. Benefits were \$1,500 (0.0%) greater due to lower salaries but offset by health insurance. Supplies were \$549,000 (5.8%) less than budget due lower activity in Surgery. Drugs were \$1.6 million (23.1%) less due to lower Medical Oncology purchases. Purchased Services were \$31,000 (0.7%) less than budget; Repairs, Service, & Rentals were \$40,000 (1.6%) greater than budget due new patient monitoring leases; Utilities were \$53,000 (4.1%) less than budget; Insurance was \$15,000 (2.9%) less than budget; Patient Related Travel was \$2,600 (0.8%) less than budget; Education, Travel,

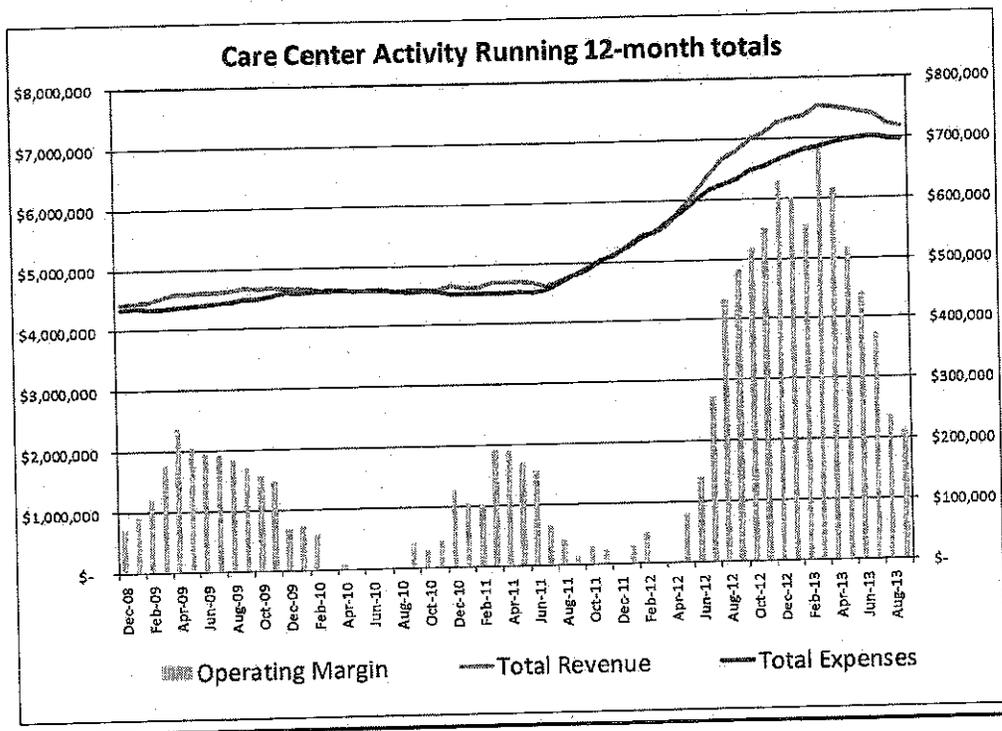
and Dues were \$1,400 (0.2%) greater than budget; and Other was \$59,000 (16.5%) less than budget. Capital Costs were less than budget with Depreciation \$163,000 (2.6%) less than budget and Interest \$71,000 (5.4%) less than budget. Bad Debts were \$76,000 (5.9%) greater than budget. Combined, Bad Debts and Uncompensated Care were \$138,000 (5.7%) less than budget and 5.6% less than last year. Taxes were \$23,000 (1.4%) less than budget.

Non-operating activity was \$962,000 less than budget due to unrealized losses which has been offsetting the unrealized gains from prior years.

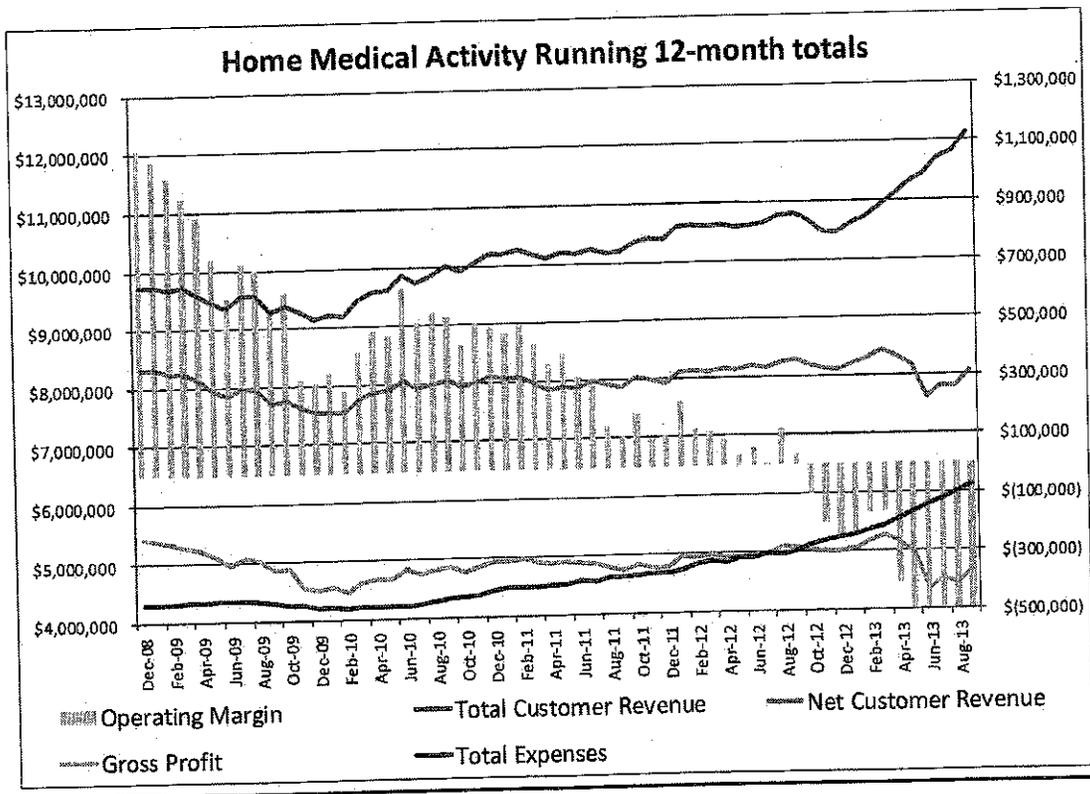
The Hospital generated an Operating Loss of \$269,000 compared to budgeted Operating Income of \$1.6 million and last year's Operating Loss of \$678,000. The continued downward trend of Net Patient Revenues and Total Operating Revenues continued to push lower profitability.



Care Center activity generated Operating Income of \$55,000 compared to expected Operating Income of \$560,000 and last year's Operating Income of \$472,000. The construction projects continued to limit occupancy which has trended Revenues and Operating Margin lower.



Home Medical activity generated an Operating Loss of \$1.3 million compared to a budgeted Operating Loss of \$128,000 and last year's Operating Loss of \$188,000.



Statistical and Volume Summary

Patient days were 113 (12.0%) greater than budget with admissions 29 (10.7%) greater than budget yielding an increase in length of stay of 1.1% from budget. Compared to the prior year, patient days were 3 (0.3%) less for the month with admissions 1 (0.3%) less than last year. The average daily census for the month was 35.2 compared to a budget of 31.4 and 35.3 last year. Observation patients were 26.5% less than budget and 10.8% less than last year. Medicare case mix was 6.5% less than budget while the overall case mix was 2.9% less than budget. Overall activity as measured in terms of adjusted admissions was 0.5% less than budget and 1.7% less than last year while adjusted patient days were 0.6% greater than budget but 1.6% less than last year. There were 68 deliveries for the month compared to a budget of 68 and 61 from a year ago. Care Center resident days were 9.7% less than budget with a 61.4 average daily census.

YTD patient days were 495 (5.7%) greater than budget while admissions were 154 (6.2%) greater than budget yielding minimal change in the length of stay. Compared to the prior year, patient days were 116 (1.3%) greater with admissions 59 (2.3%) greater than last year. The average daily census was 33.9 compared to a budget of 32.1 and 33.4 last year. Observation patients were 23.3% less than budget and 16.4% less than last year. Medicare case mix was 2.2% less than budget while the overall case mix was 1.6% less than budget. Overall activity as measured in terms of adjusted admissions was 0.6% less than budget and 1.9% less than last year while adjusted patient days were 1.0% less than budget and 2.8% less than last year. There were 619 deliveries compared to a budget of 565 (9.6%) and 556 (11.3%) from a year ago. Care Center resident days were 10.7% less than budget with a 64.4 average daily census.

Ancillary departments were mixed for the month. Surgery & GI procedures were 4.2% greater than budget and 7.9% greater than last year. Inpatient activity was at budget but 23.2% less than last year while Outpatient activity was 5.8% greater than budget and 26.0% greater than last year. Emergency Room visits were 1.9% less than budget and 3.1% greater than last year. Lab tests were 3.4% greater than budget and 10.6% greater than last year. Medical Imaging procedures were 2.2% less than budget and 0.2% less than last year. Radiation Oncology treatments were 69.9% less than budget and 53.7% less than last year. Hopefully this will improve subsequent to the transition of physician services. Medical Oncology visits were 12.1% less than budget and 5.4% less than last year. Dialysis treatments were 4.8% greater than budget and 17.7% greater than last year; Rehab visits were 7.5% greater than budget and 12.1% greater than last year; Hospice visits were 1.4% greater than budget and 29.7% less than last year; and Ambulance runs were 8.0% greater than budget and 28.4% greater than last year.

On a YTD basis, Surgery & GI procedures were 1.0% greater than budget and 2.2% greater than last year. Inpatient procedures were 1.0% less than budget and 5.1% less than last year while Outpatient procedures were 1.8% greater than budget and 5.4% greater than last year. Emergency Room visits were 5.6% less than budget and 4.2% less than last year. Lab tests were 5.0% lower than budget and 5.5% less than last year. Medical Imaging procedures were 8.0% less than budget and 7.8% less than last year. Radiation Oncology treatments were 36.4% less than budget and 29.4% less than last year while Medical Oncology visits were 10.8% less than budget and 8.0% less than last year. Dialysis treatments were 6.8% greater than budget and 7.6% greater than last year; Rehab visits were 0.6% less than budget and 0.7% less than last year; Hospice visits were 0.2% less than budget and 10.7% less than last year; and Ambulance runs were 1.5% less than budget and 0.8% greater than last year.

Full Time Equivalent's (FTE's) for the month were 803 compared to a budget of 799 (0.5%) and compared to last year's total of 801 (0.3%). Hospital FTE's were 1.0% less than budget; Care Center 1.0% less than budget; and Home Medical 15.3% greater than budget. YTD FTE's were 804 compared to a budget of 802 (0.3%) and last year's total of 804 (0.1%). Hospital FTE's were 0.1% less than budget and 0.8% less than last year; Care Center was 3.2% less than budget and 3.7% less than last year; and Home Medical was 8.1% greater than budget and 12.6% greater than last year.

Key Performance Indicators

The Operational indicators were positive for the month and compared to budget. Consolidated Operating Margin was 3.6% compared to the budget of 3.5% and last year's -9.9%. Excess Margin was 3.7% compared to a budget of 4.3% and last year's -9.1%. The EBIDA Operating Margin was 13.3% for the month compared to a budget of 13.3% and last year's 0.9%. The YTD Operational indicators were negative compared to budget and last year. Consolidated Operating Margin was -2.2% compared to the budget of 2.6% and last year's -0.5%. Excess Margin was -2.6% compared to a budget of 3.4% and last year's 0.6%. EBIDA Operating Margin was 7.9% compared to a budget of 12.1% and last year's 9.3%.

The Financial ratios indicate that the Debt/Capitalization ratio of 42.1% was higher than the year-end target of 41.8%, lower than last year's 44.3%, and higher than the benchmark of 38.7%. Debt Service Coverage was 2.0 compared to the budget of 3.1 and the debt covenant of 1.25. Days in accounts receivable were 56 compared to a target of 50 and last year's 57. Days of Cash were 107 compared to the year-end target of 129 and last year's 113. The Cash/Debt ratio was 62% compared to the year-end target of 82%; last year's 62% and the benchmark of 87%. The Financial Strength Index was -0.61 compared to the budget of 1.21 and 0.73 last year.

YTD Hospital productivity ratios in terms of staffing was at budget with FTE's per adjusted admit at 14.7 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 51.9% compared to a budget of 49.6% and 51.0% 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 \$156,000 which was 1.2% less than the target but 7.6% higher than last year.

**RICE MEMORIAL HOSPITAL
CONSOLIDATED
BALANCE SHEET**
For the Nine Months Ending September 30, 2013

	CURRENT YEAR	PRIOR YEAR END	CHANGE
1 ASSETS			
2 CURRENT ASSETS			
3 CASH AND CASH EQUIVALENTS	\$2,558,406	\$2,999,489	(\$441,083)
4 TRUSTEE BOND AGREEMENTS - CURRENT	1,618,229	2,393,907	(775,678)
5 ACCOUNTS RECEIVABLE NET	15,758,660	18,416,955	(2,658,295)
6 OTHER RECEIVABLES	404,888	626,156	(221,268)
7 INVENTORY	2,180,742	1,881,543	299,199
8 PREPAID EXPENSES	914,571	1,080,525	(165,954)
10 TOTAL CURRENT ASSETS	23,435,496	27,398,573	(3,963,077)
11 ASSETS LIMITED AS TO USE			
12 HELD BY TRUSTEES - BOND AGREEMENTS	3,181,089	3,181,089	0
15 REMAINDER UNITRUST - RECEIVABLE	43,996	43,996	0
16 ENDOWMENT FUND - INVESTMENTS	2,840,263	2,616,990	223,273
18 TOTAL ASSETS - USE IS LIMITED	6,065,349	5,842,075	223,273
19 PROPERTY PLANT & EQUIPMENT			
20 PROPERTY PLANT & EQUIPMENT	134,800,356	132,297,068	2,503,288
22 LESS: ACCUMULATED DEPRECIATION	(74,191,669)	(72,741,611)	(1,450,058)
24 NET PROPERTY, PLANT & EQUIPMENT	60,608,687	59,555,457	1,053,230
25 OTHER ASSETS			
26 INVESTMENTS	24,189,555	25,941,901	(1,752,346)
28 INVESTMENTS - SHARED HEALTH RESOURCES	425,186	425,186	0
29 INVESTMENTS - WILLMAR MEDICAL SERVICES	4,090,836	3,647,124	443,712
30 OTHER INVESTMENTS	54,963	79,963	(25,000)
31 GOODWILL, NET	85,056	86,056	(1,000)
32 DEFERRED DEBT ACQUISITION COSTS	189,157	200,398	(11,241)
35 TOTAL OTHER ASSETS	29,034,753	30,380,628	(1,345,875)
37 TOTAL ASSETS	\$119,144,284	\$123,176,733	(\$4,032,449)
39 LIABILITIES AND NET ASSETS			
40 CURRENT LIABILITIES			
42 CURRENT MATURITIES OF LONG TERM DEBT	\$2,758,779	\$2,290,275	\$468,503
43 ACCOUNTS PAYABLE - TRADE	1,707,335	1,730,604	(23,269)
44 ESTIMATED THIRD PARTY PAYOR SETTLEMENTS	(307,940)	(29,504)	(278,436)
45 ACCRUED SALARIES, WAGES AND BENEFITS	10,407,477	10,992,653	(585,176)
46 ACCRUED INTEREST AND DUE TO WMS	1,897,850	2,089,775	(191,925)
48 TOTAL CURRENT LIABILITIES	16,463,501	17,073,804	(610,302)
49 LONG TERM DEBT (LESS CURRENT PORTION)	43,224,792	45,957,263	(2,732,471)
52 TOTAL LIABILITIES	59,688,293	63,031,067	(3,342,773)
53 COMMITMENTS AND CONTINGENCIES			
55 NET ASSETS			
57 RESTRICTED FUNDS			
58 DEBT SERVICE AND RESERVE	3,181,089	3,181,089	0
59 SPECIFIC PURPOSE FUND	289,726	88,338	201,389
60 PERMANENT ENDOWMENT	2,840,263	2,616,990	223,273
61 CURRENT YEAR INCOME	(1,871,256)	2,430,598	(4,301,854)
62 UNRESTRICTED	55,016,168	51,828,651	3,187,517
64 TOTAL NET ASSETS	59,455,990	60,145,666	(689,676)
66 TOTAL LIABILITIES AND NET ASSETS	\$119,144,284	\$123,176,733	(\$4,032,449)

RICE HOSPITAL
For the Nine Months Ending September 30, 2013

	CURRENT MONTH			YEAR TO DATE			PRIOR YR.	VAR %	
	ACTUAL	BUDGET	VAR	ACTUAL	BUDGET	VAR			
OPERATING REVENUE	\$5,408,870	\$4,773,673	\$635,197	\$2,208,147	\$4,733,231	\$2,208,147	4.9%	\$44,782,202	4.8%
INPATIENT REVENUE	10,271,475	10,634,478	(363,003)	(4,719,105)	94,618,374	(4,719,105)	(5.0%)	91,386,598	(1.6%)
TOTAL PATIENT REVENUE	15,680,345	15,408,151	272,194	(2,510,958)	139,351,605	(2,510,958)	(1.8%)	136,168,800	0.5%
LESS DISCOUNTS & CONTRACTUALS	7,984,818	7,744,796	240,022	182,762	69,878,102	182,762	0.3%	67,821,685	3.3%
LESS UNCOMPENSATED CARE	110,101	126,134	(16,033)	(208,751)	1,131,848	(208,751)	(18.4%)	1,077,229	(14.3%)
TOTAL DEDUCTIONS FROM REVENUE	8,094,919	7,870,930	223,989	(25,989)	71,009,950	(25,989)	0.0%	68,898,914	3.0%
NET REVENUE FROM PATIENTS	7,585,426	7,537,221	48,205	(2,484,969)	68,341,655	(2,484,969)	(3.6%)	67,269,886	(2.1%)
OTHER OPERATING REVENUE	1,340,447	1,496,832	(156,385)	(1,055,339)	13,476,838	(1,055,339)	(7.8%)	12,338,233	0.7%
TOTAL OPERATING REVENUE	8,925,873	9,034,053	(108,180)	(3,540,308)	81,818,493	(3,540,308)	(4.3%)	79,608,119	(1.7%)
LESS: WILLMAR MEDICAL SERVICES OPERATING REVENUE	2,005,331	1,768,746	236,585	968,037	15,761,379	968,037	6.1%	15,764,226	6.1%
TOTAL OPERATING REVENUE	6,920,542	7,265,307	(344,765)	(4,508,345)	66,057,114	(4,508,345)	(6.8%)	63,843,893	(6.6%)
OPERATING EXPENSES	3,347,278	3,386,824	(39,546)	(402,090)	30,630,351	(402,090)	(1.3%)	29,769,044	1.5%
SALARIES AND WAGES	200,782	178,835	21,947	211,473	1,578,543	211,473	13.4%	2,257,984	(20.7%)
CONTRACT LABOR	1,033,801	943,398	90,403	51,528	8,529,329	51,528	0.6%	8,551,834	0.3%
SUPPLEMENTAL BENEFITS	640,248	658,374	(18,126)	(515,839)	6,305,049	(515,839)	(8.2%)	5,975,212	(2.1%)
SUPPLIES	416,859	477,374	(60,515)	(1,624,059)	6,894,037	(1,624,059)	(23.6%)	6,692,299	(21.3%)
DRUGS	206,648	263,283	(56,635)	(208,293)	4,410,142	(208,293)	(4.7%)	5,141,326	(18.3%)
PURCHASED SERVICES	142,099	139,358	2,741	(7,871)	2,319,464	(7,871)	(0.3%)	2,177,103	6.2%
REPAIRS, SERVICE & RENTALS	60,219	49,520	10,699	(46,622)	1,132,138	(46,622)	(4.1%)	1,105,066	(1.8%)
UTILITIES	23,627	20,943	2,684	2,329	453,656	2,329	0.5%	442,833	3.0%
INSURANCE	56,611	69,668	(13,057)	17,684	191,415	17,684	9.2%	193,193	8.2%
PATIENT RELATED TRAVEL	12,249	32,161	(19,912)	5,863	670,673	5,863	0.9%	654,913	3.3%
EDUCATION, TRAVEL, & DUES	567,648	632,349	(64,701)	(69,020)	279,419	(69,020)	(24.7%)	332,359	(36.7%)
OTHER	122,865	122,926	(61)	(353,249)	5,677,956	(353,249)	(6.2%)	5,346,374	(0.4%)
DEPRECIATION AND AMORT	96,563	140,568	(44,005)	(797)	1,119,056	(797)	(0.1%)	1,304,294	(14.3%)
INTEREST	133,749	147,500	(13,751)	94,325	1,349,305	94,325	7.5%	1,354,807	(0.4%)
BAD DEBITS	7,733,830	7,964,468	(230,638)	(33,863)	1,332,205	(33,863)	(2.5%)	1,243,164	4.4%
TAXES & SURCHARGE	1,095,644	966,181	129,463	(2,878,501)	72,778,413	(2,878,501)	(4.0%)	72,541,805	(3.6%)
TOTAL OPERATING EXPENSES	6,638,186	6,998,287	(360,101)	(239,658)	61,818,069	(239,658)	(2.9%)	64,522,548	(4.2%)
LESS: WILLMAR MEDICAL SERVICES OPERATING EXPENSES	282,356	267,020	15,336	(1,869,502)	1,600,202	(1,869,502)	(116.8%)	(678,655)	(60.3%)
NET OPERATING EXPENSES	4,300	75,833	(71,533)	(961,057)	690,500	(961,057)	(139.2%)	831,385	(132.5%)
OPERATING INCOME (LOSS)	2,682,656	2,967,070	(284,414)	(52,280,712)	81,207,912	(52,280,712)	(63.3%)	81,207,912	(63.3%)
NON OPERATING INCOME	8,925,873	9,034,053	(108,180)	(3,540,308)	81,818,493	(3,540,308)	(4.3%)	79,608,119	(1.7%)
NET INCOME (LOSS)	11,608,529	12,001,123	(392,594)	(8,821,020)	163,026,405	(8,821,020)	(7.3%)	160,816,031	(4.5%)

RICE CARE CENTER
For the Nine Months Ending September 30, 2013

	CURRENT MONTH			PRIOR YR.			YEAR TO DATE			PRIOR YR.		
	ACTUAL	BUDGET	VAR	VAR %	ACTUAL	BUDGET	VAR	VAR %	ACTUAL	BUDGET	VAR	VAR %
OPERATING REVENUE												
RICE CARE CENTER REVENUE	\$795,896	\$786,631	\$9,265	1.2%	\$861,980			(7.7%)	\$258,174	\$7,403,238	\$6,793,565	3.5%
TOTAL PATIENT REVENUE	795,896	786,631	9,265	1.2%	861,980			(7.7%)	258,174	7,403,238	6,793,565	3.5%
LESS DISCOUNTS & CONTRACTUALS	221,483	180,925	40,558	22.4%	241,455			(8.3%)	747,075	1,702,745	1,494,513	43.9%
TOTAL DEDUCTIONS FROM REVENUE	221,483	180,925	40,558	22.4%	241,455			(8.3%)	747,075	1,702,745	1,494,513	43.9%
NET REVENUE FROM PATIENTS	\$74,413	\$605,706	\$(31,293)	(5.2%)	\$620,525			(7.4%)	\$(488,901)	\$5,700,493	\$5,299,052	(8.6%)
OTHER OPERATING REVENUE	1,614	717	897	125.1%	698			131.2%	(1,182)	6,450	8,082	(18.3%)
TOTAL OPERATING REVENUE	\$76,027	\$606,423	\$(30,396)	(5.0%)	\$621,223			(7.3%)	\$(490,083)	\$5,706,943	\$5,307,134	(8.6%)
LESS: WILLMAR MEDICAL SERVICES												
TOTAL OPERATING REVENUE	\$76,027	\$606,423	\$(30,396)	(5.0%)	\$621,223			(7.3%)	\$(490,083)	\$5,706,943	\$5,307,134	(8.6%)
OPERATING EXPENSES												
SALARIES AND WAGES	209,733	208,396	1,337	0.6%	211,645			(0.9%)	(77,352)	1,990,125	1,972,109	(3.9%)
CONTRACT LABOR	81,084	74,869	17,483	23.4%	90,834			1.7%	193,805	721,677	555,944	26.9%
SUPPLEMENTAL BENEFITS	32,801	36,615	(3,814)	(10.4%)	82,882			(2.2%)	(123,302)	868,207	821,644	(5.3%)
SUPPLIES	9,483	15,080	(5,597)	(37.1%)	39,001			(15.9%)	12,461	354,854	330,802	3.5%
DRUGS	2,525	13,484	(10,274)	(76.2%)	17,252			(45.0%)	(211)	145,360	144,566	(0.1%)
PURCHASED SERVICES & RENTALS	10,124	3,775	6,349	168.1%	30,533			(22.2%)	64,134	126,236	158,691	50.8%
REPAIRS, SERVICE & RENTALS	4,196	10,645	(6,449)	(60.6%)	5,234			(33.1%)	25,983	28,846	26,909	90.1%
UTILITIES	382	4,175	(3,793)	(90.9%)	9,115			(11.1%)	2,678	87,050	79,878	3.1%
INSURANCE	337	4,175	(3,838)	(92.0%)	4,048			(3.7%)	12	36,700	28,180	23.1%
PATIENT RELATED TRAVEL	2,819	3,710	(891)	(24.0%)	2,892			44.7%	(765)	3,243	3,222	(23.6%)
EDUCATION, TRAVEL, & DUES	27,761	27,761	0	0.0%	34,693			50.4%	(634)	35,327	37,583	(7.7%)
OTHER	10,711	18,628	(7,917)	(42.5%)	14,717			1.2%	4,150	2,243	2,284	185.0%
DEPRECIATION AND AMORT	469	35,170	(34,701)	(98.6%)	27,437			1.8%	1,150	250,468	274,897	(8.9%)
INTEREST	2,200	1,250	950	76.0%	10,900			(1.7%)	(13,654)	168,030	98,481	(42.4%)
BAD DEBTS	325	500	(175)	(35.0%)	324			44.8%	2,200	11,250	2,200	(209.3%)
TAXES & SURCHARGE	34,984	35,170	(186)	(0.5%)	34,968			0.0%	(1,676)	317,260	297,210	(6.3%)
TOTAL OPERATING EXPENSES	\$47,533	\$45,360	\$2,173	0.4%	\$67,476			(3.5%)	14,375	5,146,876	4,834,600	6.8%
LESS: WILLMAR MEDICAL SERVICES												
NET OPERATING EXPENSES	\$47,533	\$45,360	\$2,173	0.4%	\$67,476			(3.5%)	14,375	\$5,146,876	4,834,600	6.8%
OPERATING INCOME (LOSS)	28,494	61,063	(32,569)	(53.3%)	53,747			(47.0%)	(504,458)	560,067	472,534	(88.2%)
NON OPERATING INCOME	325	500	(175)	(35.0%)	(605)			(153.7%)	2,360	4,500	4,291	52.4%
NET INCOME (LOSS)	\$28,819	\$61,563	(32,744)	(53.2%)	\$53,142			(45.8%)	\$(502,098)	\$564,567	\$476,825	(88.9%)

RICE HOME MEDICAL
For the Month Ending September 30, 2013

	ACTUAL	% of SALES/GP	BUDGET	% of SALES/GP	% CHANGE	Prior Yr	% of SALES/GP	% CHANGE
GROSS SALES								
SALES REVENUE	\$807,129	68.3%	\$559,512	60.3%	44.3%	\$580,082	65.9%	39.1%
RENTS REVENUE	373,258	31.6%	368,031	39.7%	1.4%	299,526	34.0%	24.6%
MISC REVENUE	600	0.1%	600	0.1%		775	0.1%	(22.6%)
GROSS SALES	1,180,987	100.0%	928,143	100.0%	27.2%	880,383	100.0%	34.1%
LESS: CONTRACTUAL ALLOWANCES	(282,791)	(23.9%)	(201,930)	(21.8%)	40.0%	(245,521)	(27.9%)	15.2%
LESS: UNCOMPENSATED CARE			(295)	(0.0%)	(100.0%)			
NET SALES	898,196	76.1%	725,918	78.2%	23.7%	634,862	72.1%	41.5%
COST OF GOODS SOLD								
OXYGEN	7,129	0.8%	11,937	1.6%	(40.3%)	10,356	1.6%	(31.2%)
EQUIPMENT	92,313	10.3%	96,068	13.2%	(3.9%)	115,371	18.2%	(20.0%)
SUPPLY - FREIGHT	12,853	1.4%	15,000	2.1%	(14.3%)	12,557	2.0%	2.4%
SUPPLY	187,078	20.8%	162,566	22.4%	15.1%	146,950	23.1%	27.3%
EQUIPMENT REPAIR	47,612	5.3%	12,599	1.7%	277.9%	8,477	1.3%	461.7%
SHOP EXPENSE	2,705	0.3%	5,577	0.8%	(51.5%)	4,012	0.6%	(32.6%)
PURCHASE DISCOUNTS	(5,703)	(0.6%)	(13,504)	(1.9%)	(57.8%)	(2,817)	(0.4%)	102.4%
TOTAL COST OF GOODS SOLD	343,987	38.3%	290,243	40.0%	18.5%	294,906	46.5%	16.6%
GROSS PROFIT	547,000	61.7%	435,675	60.0%	27.2%	339,956	53.5%	63.0%
OPERATING EXPENSES								
SALARIES & WAGES	256,292	28.5%	231,749	31.9%	10.6%	223,239	35.2%	14.8%
CONTRACT LABOR	2,613	0.3%	77,603	10.7%	15.0%	64,418	10.1%	38.5%
SUPPLEMENTAL BENEFITS	89,233	9.9%	10,997	1.5%	(35.4%)	12,483	2.0%	(43.1%)
SUPPLIES AND DRUGS	7,106	0.8%	27,592	3.8%	91.5%	26,404	4.2%	100.1%
PURCHASED SERVICES	52,842	5.9%	19,701	2.7%	(2.0%)	13,811	2.2%	39.8%
REPAIRS, SERVICE & RENTALS	19,303	2.1%	10,940	1.5%	(11.4%)	7,409	1.2%	30.8%
UTILITIES	9,692	1.1%	6,262	0.9%	(39.0%)	6,566	1.0%	(41.8%)
INSURANCE	3,822	0.4%	15,454	2.1%	(2.9%)	15,651	2.5%	(4.1%)
PATIENT RELATED TRAVEL	15,003	1.7%	3,921	0.5%	(52.7%)	4,770	0.8%	(61.2%)
EDUCATION, TRAVEL, & DUES	1,853	0.2%	8,754	1.2%	40.3%	13,783	2.2%	(10.9%)
OTHER EXPENSE	12,281	1.4%	40,345	5.6%	100.6%	38,533	6.1%	110.0%
DEPRECIATION & AMORTIZATION	80,921	9.0%	3,626	0.5%	0.8%	3,938	0.6%	(7.2%)
INTEREST EXPENSE	3,654	0.4%	4,208	0.6%	(31.7%)	4,108	0.6%	(30.0%)
BAD DEBTS	2,874	0.3%	4,373	0.6%	1.4%	4,387	0.7%	1.1%
TAXES	4,435	0.5%						
TOTAL OPERATING EXPENSES	561,924	62.6%	465,525	64.1%	20.7%	439,502	69.2%	27.9%

RICE HOME MEDICAL
For the Nine Months Ending September 30, 2013

	ACTUAL	% of SALES/GP	BUDGET	% of SALES/GP	CHANGE	Prior Yr	% of SALES/GP	% CHANGE
GROSS SALES								
SALES REVENUE	\$5,714,926	60.7%	\$5,560,798	63.1%	2.8%	\$4,892,369	63.0%	16.8%
RENTS REVENUE	3,696,509	39.2%	3,252,072	36.9%	13.7%	2,871,780	37.0%	28.7%
MISC REVENUE	7,588	0.1%	4,800	0.1%	58.1%	2,182	0.0%	247.8%
GROSS SALES	9,419,023	100.0%	8,817,670	100.0%	6.8%	7,766,331	100.0%	21.3%
LESS: CONTRACTUAL ALLOWANCES	(3,412,623)	(36.2%)	(1,918,562)	(21.8%)	77.9%	(1,703,932)	(21.9%)	100.3%
LESS: UNCOMPENSATED CARE	(4,067)	(0.0%)	(10,803)	(0.1%)	(62.4%)	(9,702)	(0.1%)	(58.1%)
NET SALES	6,002,333	63.7%	6,888,305	78.1%	(12.9%)	6,052,697	77.9%	(0.8%)
COST OF GOODS SOLD								
OXYGEN	82,269	1.4%	101,439	1.5%	(18.9%)	100,682	1.7%	(18.3%)
EQUIPMENT	702,297	11.7%	851,091	12.4%	(17.5%)	656,115	10.8%	7.0%
SUPPLY - FREIGHT	129,763	2.2%	135,000	2.0%	(3.9%)	126,315	2.1%	2.7%
SUPPLY	1,582,609	26.4%	1,549,493	22.5%	2.1%	1,474,021	24.4%	7.4%
EQUIPMENT REPAIR	240,025	4.0%	119,258	1.7%	101.3%	85,224	1.4%	181.6%
SHOP EXPENSE	36,024	0.6%	50,242	0.7%	(28.3%)	45,590	0.8%	(21.0%)
EQUIPMENT RENTAL & LEASES	40	0.0%						
PURCHASE DISCOUNTS	(55,658)	(0.9%)	(59,798)	(0.9%)	(6.9%)	(67,229)	(1.1%)	(17.2%)
TOTAL COST OF GOODS SOLD	2,717,369	45.3%	2,746,725	39.9%	(1.1%)	2,420,718	40.0%	12.3%
GROSS PROFIT	3,294,954	53.7%	3,141,380	60.1%	(20.7%)	3,631,979	60.0%	(9.6%)
OPERATING EXPENSES								
SALARIES & WAGES	2,224,186	37.1%	2,167,920	31.5%	2.6%	1,962,088	32.4%	13.4%
CONTRACT LABOR	8,408	0.1%						
SUPPLEMENTAL BENEFITS	799,221	13.3%	725,945	10.5%	10.1%	561,967	9.3%	42.2%
SUPPLIES AND DRUGS	77,413	1.3%	90,470	1.3%	(14.4%)	76,791	1.3%	0.8%
PURCHASED SERVICES	354,485	5.9%	242,300	3.5%	46.3%	231,102	3.8%	53.4%
REPAIRS, SERVICE & RENTALS	192,529	3.2%	170,222	2.5%	13.1%	128,561	2.1%	49.8%
UTILITIES	82,221	1.4%	92,102	1.3%	(10.7%)	67,628	1.1%	21.6%
INSURANCE	38,067	0.6%	56,556	0.8%	(32.5%)	50,908	0.8%	(25.2%)
PATIENT RELATED TRAVEL	126,066	2.1%	145,668	2.1%	(13.5%)	120,528	2.0%	4.6%
EDUCATION, TRAVEL, & DUES	42,797	0.7%	46,555	0.7%	(8.1%)	51,069	0.8%	(16.2%)
OTHER EXPENSE	81,652	1.4%	75,912	1.1%	7.6%	86,094	1.4%	(5.2%)
DEPRECIATION & AMORTIZATION	533,514	8.9%	343,288	5.0%	55.4%	362,314	6.0%	47.3%
INTEREST EXPENSE	33,990	0.6%	33,517	0.5%	1.4%	36,642	0.6%	(7.2%)
BAD DEBITS	34,000	0.6%	37,875	0.5%	(10.2%)	45,378	0.7%	(25.1%)
TAXES	53,803	0.9%	42,211	0.6%	27.5%	39,580	0.7%	35.9%
TOTAL OPERATING EXPENSES	4,682,352	78.0%	4,270,341	62.0%	9.6%	3,820,650	63.1%	22.6%

**RICE MEMORIAL HOSPITAL
CONSOLIDATED CASH FLOW STATEMENT**

**FOR THE PERIOD ENDED:
September 30, 2013**

Line #	Current YTD	Prior YTD
1 Sources of Cash & Investments:		
2 Net Income	\$ (1,871,251)	\$ 451,406
3 Depreciation & Amortization	6,108,689	\$ 5,983,586
4 Debt Proceeds	-	-
5 Other		
6		
7 Total Sources	<u>4,237,438</u>	<u>6,434,992</u>
8		
9 Uses		
10 Property, Plant, and Equipment - Gross	7,213,786	4,369,519
11 Debt Payments/Re-funding	2,263,967	2,797,165
12 Working Capital Changes & Other - Net	(3,046,887)	(596,425)
13		
14 Total Uses	<u>6,430,866</u>	<u>6,570,259</u>
15		
16 Increase / (Decrease) Cash & Investments	(2,193,428)	(135,267)
17		
18 Beginning of Period (January 1)	<u>28,941,389</u>	<u>28,854,321</u>
19		
20 End of Period	<u>\$ 26,747,961</u>	<u>\$ 28,719,054</u>

RICE MEMORIAL HOSPITAL
STATISTICAL AND VOLUME SUMMARY
FOR THE PERIOD ENDED:
September 30, 2013

CURRENT MONTH				YEAR-TO-DATE							
Actual	Budget	Var.	Var. %	Prior Yr.	Actual	Budget	Var.	Var. %	Prior Yr.	Act/Prior	Var. %
574	459	115	25.1%	603	4,841	4,456	385	8.6%	4,763	1.6%	1.6%
201	221	(20)	-9.0%	200	1,914	1,936	(22)	-1.1%	1,944	-1.5%	-1.5%
69	58	11	19.0%	41	553	576	(23)	-4.0%	550	0.5%	0.5%
212	205	7	3.4%	215	1,946	1,791	155	8.7%	1,881	3.5%	3.5%
1,056	943	113	12.0%	1,059	9,254	8,759	495	5.7%	9,138	1.3%	1.3%
35.2	31.4	3.8	12.0%	35.3	33.9	32.1	1.8	5.7%	33.4	1.6%	1.6%
3.58	3.54	0.04	1.1%	3.61	3.53	3.54	(0.01)	-0.4%	3.56	-0.9%	-0.9%
295	266	29	10.7%	296	2,628	2,474	154	6.2%	2,569	2.3%	2.3%
159	216	(57)	-26.5%	178	1,512	1,972	(460)	-23.3%	1,808	-16.4%	-16.4%
1,249	1,336	(0.088)	-6.5%	1,336	1,307	1,336	(0.029)	-2.2%	1,336	-2.2%	-2.2%
1,012	1,042	(0.030)	-2.9%	0,993	1,025	1,042	(0.017)	-1.6%	1,040	-1.4%	-1.4%
855	860	(5)	-0.5%	870	7,666	7,711	(45)	-0.6%	7,817	-1.9%	-1.9%
3,061	3,044	18	0.6%	3,111	27,009	27,296	(287)	-1.0%	27,778	-2.8%	-2.8%
20	17	3	17.6%	3	183	199	(16)	-8.0%	97	88.7%	88.7%
146	129	17	13.2%	129	1,301	1,098	203	18.5%	1,139	14.2%	14.2%
5.5	4.9	0.7	13.7%	4.4	5.4	4.8	0.7	14.4%	4.5	20.5%	20.5%
68	68	-	0.0%	61	619	565	54	9.6%	556	11.3%	11.3%
1,843	2,040	(197)	-9.7%	2,220	17,569	19,664	(2,095)	-10.7%	19,923	-11.8%	-11.8%
61.4	68.0	(6.6)	-9.7%	74.0	64.4	72.0	(7.7)	-10.7%	72.7	-11.5%	-11.5%

Patient Days

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

Average Daily Census

Average Length of Stay

Admissions-Inpatient
 Observation patients

Medicare Case Mix Index
 Case Mix Index-Total

Adjusted Admissions
 Adjusted Patient Days

Intermediate Care Nursery
 Nursery

Average Daily Census-ICN/Nursery

Births

Rice Care Center-Days

Rice Care Center-Average Daily Census

RICE MEMORIAL HOSPITAL
STATISTICAL AND VOLUME SUMMARY
FOR THE PERIOD ENDED:
September 30, 2013

CURRENT MONTH				YEAR-TO-DATE				Act/Prior	
Actual	Budget	Var.	Var. %	Prior Yr.	Var. %	Actual	Budget	Var.	Var. %
129	129	-	0.0%	168	-23.2%	1,300	1,313	(13)	-1.0%
364	344	20	5.8%	289	26.0%	3,275	3,218	57	1.8%
493	473	20	4.2%	457	7.9%	4,575	4,531	44	1.0%
179	158	21	13.3%	185	-3.2%	1,556	1,514	42	2.8%
980	1,024	(44)	-4.3%	939	4.4%	8,094	8,709	(615)	-7.1%
1,159	1,182	(23)	-1.9%	1,124	3.1%	9,650	10,223	(573)	-5.6%
24,361	23,565	796	3.4%	22,029	10.6%	202,352	213,006	(10,654)	-5.0%
1,548	1,583	(35)	-2.2%	1,551	-0.2%	12,768	13,877	(1,109)	-8.0%
209	694	(485)	-69.9%	451	-53.7%	3,815	6,001	(2,186)	-36.4%
210	239	(29)	-12.1%	222	-5.4%	1,834	2,055	(221)	-10.8%
845	806	39	4.8%	718	17.7%	7,333	6,867	466	6.8%
3,641	3,386	255	7.5%	3,249	12.1%	33,068	33,258	(190)	-0.6%
1,772	1,747	25	1.4%	2,521	-29.7%	16,572	16,603	(31)	-0.2%
244	226	18	8.0%	190	28.4%	1,988	2,019	(31)	-1.5%
641	647	(7)	-1.0%	641	-0.1%	642	643	(1)	-0.1%
80	81	(1)	-1.0%	84	-5.3%	82	85	(3)	-3.2%
82	71	11	15.3%	75	9.4%	80	74	6	8.1%
803	799	4	0.5%	801	0.3%	804	802	3	0.3%
Ancillary Services									
IP Surgeries									
OP Surgeries									
Total Surgeries									
ER Visits-Inpatient									
ER Visits-Outpatient									
ER Visits-Total									
Lab Tests									
Medical Imaging Procedures									
Radiation Oncology Treatments									
Medical Oncology Visits									
Dialysis Treatments									
Rehab Visits									
Hospice Visits									
Ambulance Runs									
Full Time Equivalents (FTE's)									
FTE's - Hospital									
FTE's - Care Center									
FTE's - Home Medical									
Total FTE's									

