

**ASPEN VALLEY HOSPITAL  
PROFIT & LOSS STATEMENT  
FOR THE PERIOD ENDING 10/31/2008**

	ACTUAL Oct-08	BUDGET Oct-08	VARIANCE AMOUNT	VAR %
<b>PATIENT SERVICE REVENUE</b>				
INPATIENT	1,250,910	1,660,856	(409,946)	-24.68%
OUTPATIENT	3,464,345	3,308,946	155,399	4.70%
<b>TOTAL PATIENT SERVICE REVENUE</b>	<b>4,715,255</b>	<b>4,969,802</b>	<b>(254,547)</b>	<b>-5.12%</b>
<b>LESS REVENUE DEDUCTIONS</b>				
UNCOMPENSATED SERVICES	(339,332)	(149,094)	(190,238)	-127.60%
CONTRACTUAL ALLOWANCES - GOVERNMENT	117,288	(504,728)	622,016	123.24%
CONTRACTUAL ALLOWANCES - OTHER	(429,730)	(360,782)	(68,948)	-19.11%
OTHER DEDUCTIONS	(100,196)	(117,789)	17,593	14.94%
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>(751,969)</b>	<b>(1,132,393)</b>	<b>380,424</b>	<b>33.59%</b>
<b>NET PATIENT SERVICE REVENUE</b>	<b>3,963,286</b>	<b>3,837,409</b>	<b>125,877</b>	<b>3.28%</b>
<b>OTHER OPERATING REVENUE</b>				
WHITCOMB TERRACE	49,987	42,719	7,268	17.01%
CAFETERIA	33,711	32,880	831	2.53%
MISCELLANEOUS	57,183	48,767	8,416	17.26%
<b>TOTAL OTHER OPERATING REVENUE</b>	<b>140,881</b>	<b>124,366</b>	<b>16,515</b>	<b>13.28%</b>
<b>TOTAL OPERATING REVENUE</b>	<b>4,104,167</b>	<b>3,961,775</b>	<b>142,392</b>	<b>3.59%</b>
<b>EXPENSES</b>				
SALARIES	(1,848,075)	(1,861,322)	13,247	0.71%
PHYSICIAN COMPENSATION	(384,014)	(306,600)	(77,414)	-25.25%
PATIENT CARE SUPPLIES	(271,069)	(353,138)	82,069	23.24%
OUTSOURCING	(160,049)	(143,954)	(16,095)	-11.18%
LEGAL, CONSULT, AUDIT	(80,850)	(81,553)	703	0.86%
MAINTENANCE & UTILITIES	(148,355)	(294,769)	146,414	49.67%
CONTINUING EDUCATION	9,865	(26,545)	36,410	137.16%
PHYSICIAN RECRUITMENT	(1,743)	0	(1,743)	0.00%
EMPLOYEE BENEFITS	(192,620)	(454,722)	262,102	57.64%
DEPRECIATION & AMORTIZATION	(354,606)	(292,136)	(62,470)	-21.38%
BAD DEBT PROVISION	(54,089)	(238,550)	184,461	77.33%
GENERAL & PROF INSURANCE	(21,897)	(21,897)	0	0.00%
MISCELLANEOUS EXPENSE	(380,275)	(405,134)	24,859	6.14%
<b>TOTAL EXPENSES</b>	<b>(3,887,775)</b>	<b>(4,480,320)</b>	<b>592,545</b>	<b>13.23%</b>
<b>OPERATING MARGIN</b>	<b>216,392</b>	<b>(518,545)</b>	<b>734,937</b>	<b>-141.73%</b>
<b>NONOPERATING REVENUE</b>				
PROPERTY TAXES	318,820	318,819	1	0.00%
INTEREST INCOME	47,157	100,000	(52,843)	-52.84%
INTEREST EXPENSE	(139,946)	(104,920)	(35,026)	-33.38%
MISCELLANEOUS NONOPERATING EXPENSE	(20,972)	0	(20,972)	100.00%
CONTRIBUTIONS - OPERATIONS & CAPITAL	35,246	41,667	(6,421)	100.00%
GAIN/(LOSS) ON JOINT VENTURE	79,660	(8,758)	88,418	-1009.57%
GAIN/(LOSS) ON DISP OF ASSETS	(6,303)	0	(6,303)	100.00%
<b>TOTAL NONOPERATING REVENUE</b>	<b>313,662</b>	<b>346,808</b>	<b>(33,146)</b>	<b>-9.56%</b>
<b>GAIN / (LOSS)</b>	<b>530,054</b>	<b>(171,737)</b>	<b>701,791</b>	<b>-408.64%</b>

**ASPEN VALLEY HOSPITAL  
PROFIT & LOSS STATEMENT  
FOR THE PERIOD ENDING 10/31/2008**

	Actual October-08 YTD	Budget October-08 YTD	VARIANCE AMOUNT	VAR %
<b>PATIENT SERVICE REVENUE</b>				
INPATIENT	20,343,148	21,388,539	(1,045,391)	-4.89%
OUTPATIENT	40,592,572	40,629,727	(37,155)	-0.09%
<b>TOTAL PATIENT SERVICE REVENUE</b>	<b>60,935,719</b>	<b>62,018,266</b>	<b>(1,082,547)</b>	<b>-1.75%</b>
<b>LESS REVENUE DEDUCTIONS</b>				
UNCOMPENSATED SERVICES	(2,315,049)	(1,860,548)	(454,501)	-24.43%
CONTRACTUAL ALLOWANCES - GOVERNMENT	(4,510,707)	(6,261,160)	1,750,453	27.96%
CONTRACTUAL ALLOWANCES - OTHER	(4,003,037)	(4,502,202)	499,165	11.09%
OTHER DEDUCTIONS	(1,830,401)	(1,469,884)	(360,517)	-24.53%
<b>TOTAL REVENUE DEDUCTIONS</b>	<b>(12,659,195)</b>	<b>(14,093,794)</b>	<b>1,434,599</b>	<b>10.18%</b>
<b>NET PATIENT SERVICE REVENUE</b>	<b>48,276,525</b>	<b>47,924,472</b>	<b>352,053</b>	<b>0.73%</b>
<b>OTHER OPERATING REVENUE</b>				
WHITCOMB TERRACE	477,058	427,182	49,876	11.68%
CAFETERIA	327,262	342,034	(14,772)	-4.32%
MISCELLANEOUS	630,997	584,447	46,550	7.96%
<b>TOTAL OTHER OPERATING REVENUE</b>	<b>1,435,318</b>	<b>1,353,663</b>	<b>81,655</b>	<b>6.03%</b>
<b>TOTAL OPERATING REVENUE</b>	<b>49,711,842</b>	<b>49,278,135</b>	<b>433,707</b>	<b>0.88%</b>
<b>EXPENSES</b>				
SALARIES	(19,298,541)	(19,147,122)	(151,419)	-0.79%
PHYSICIAN COMPENSATION	(4,334,415)	(3,794,621)	(539,794)	-14.23%
PATIENT CARE SUPPLIES	(4,588,529)	(4,980,555)	392,026	7.87%
OUTSOURCING	(1,625,631)	(1,797,904)	172,273	9.58%
LEGAL, CONSULT, AUDIT	(605,530)	(672,787)	67,257	10.00%
MAINTENANCE & UTILITIES	(2,235,355)	(2,792,932)	557,577	19.96%
CONTINUING EDUCATION	(194,414)	(317,638)	123,224	38.79%
PHYSICIAN RECRUITMENT	(59,087)	(97,424)	38,337	39.35%
EMPLOYEE BENEFITS	(4,088,250)	(4,515,722)	427,472	9.47%
DEPRECIATION & AMORTIZATION	(3,331,612)	(2,921,351)	(410,261)	-14.04%
BAD DEBT PROVISION	(2,444,451)	(2,976,871)	532,420	17.89%
GENERAL & PROF INSURANCE	(218,093)	(218,958)	865	0.40%
MISCELLANEOUS EXPENSE	(3,537,844)	(3,851,504)	313,660	8.14%
<b>TOTAL EXPENSES</b>	<b>(46,561,751)</b>	<b>(48,085,389)</b>	<b>1,523,638</b>	<b>3.17%</b>
<b>OPERATING MARGIN</b>	<b>3,150,091</b>	<b>1,192,746</b>	<b>1,957,345</b>	<b>164.10%</b>
<b>NONOPERATING REVENUE</b>				
PROPERTY TAXES	3,188,200	3,188,196	4	0.00%
INTEREST INCOME	680,598	1,000,000	(319,402)	-31.94%
INTEREST EXPENSE	(952,444)	(1,049,194)	96,750	9.22%
MISCELLANEOUS NONOPERATING EXPENSE	(99,560)	0	(99,560)	100.00%
CONTRIBUTIONS - OPERATIONS & CAPITAL	151,636	471,667	(320,031)	-67.85%
GAIN/(LOSS) ON JOINT VENTURE	501,098	230,314	270,784	117.57%
GAIN/(LOSS) ON DISP OF ASSETS	(26,578)	0	(26,578)	100.00%
<b>TOTAL NONOPERATING REVENUE</b>	<b>3,442,949</b>	<b>3,840,983</b>	<b>(398,034)</b>	<b>-10.36%</b>
<b>GAIN / (LOSS)</b>	<b>6,593,039</b>	<b>5,033,729</b>	<b>1,559,310</b>	<b>30.98%</b>

**ASPEN VALLEY HOSPITAL  
BALANCE SHEET  
October-08**

<b>ASSETS</b>	<b>October-08</b>	<b>October-07</b>
<b>CURRENT ASSETS</b>		
CASH	35,745,582	32,715,842
SHORT TERM INVESTMENTS	1,416,350	1,388,259
CASH RESTRICTED FOR PHYSICIANS	59,086	51,464
PATIENT ACCOUNTS RECEIVABLE	7,335,220	8,967,306
LESS CONTRACTUAL ALLOWANCES/DOUBTFUL ACCOUNTS	(2,460,203)	(2,744,211)
NET PATIENT ACCOUNTS RECEIVABLE	4,875,016	6,223,095
CONTRIBUTIONS RECEIVABLE	518,774	665,888
OTHER RECEIVABLES	1,179,393	1,274,631
INVENTORY	1,673,679	1,440,302
PRE PAID EXPENSES	607,617	635,351
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 46,075,497</b>	<b>\$ 44,394,831</b>
<b>RESTRICTED ASSETS - BOND AGREEMENT</b>		
BOND - PRINCIPAL & INTEREST	11,099	12,478
RESTRICTED BOND PROCEEDS	777,230	2,536,245
DEBT SERVICE RESERVE FUND	2,241,750	2,241,750
<b>TOTAL RESTRICTED ASSETS</b>	<b>\$ 3,030,079</b>	<b>\$ 4,790,472</b>
<b>LONG-TERM CONTRIBUTIONS RECEIVABLE</b>	<b>\$ 749,280</b>	<b>\$ 1,181,796</b>
<b>INVESTMENT IN JOINT VENTURE</b>	<b>\$ 1,819,298</b>	<b>\$ 873,447</b>
<b>CAPITAL ASSETS</b>		
LAND	267,057	267,057
PROPERTY , PLANT, & EQUIPMENT	62,778,384	55,558,840
LESS ACCUMULATED DEPRECIATION	(29,554,814)	(27,315,456)
<b>NET PROPERTY, PLANT &amp; EQUIPMENT</b>	<b>\$ 33,490,627</b>	<b>\$ 28,510,441</b>
<b>OTHER ASSETS</b>		
DEFERRED BOND COSTS	496,211	492,690
SECURITY DEPOSITS PAID	40,753	34,728
<b>TOTAL OTHER ASSETS</b>	<b>\$ 536,964</b>	<b>\$ 527,418</b>
<b>TOTAL ASSETS</b>	<b>\$ 85,701,745</b>	<b>\$ 80,278,405</b>

**ASPEN VALLEY HOSPITAL  
BALANCE SHEET  
October-08**

	October-08	October-07
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
CURRENT MATURITIES OF L-T DEBT	(949,788)	(705,028)
ACCOUNTS PAYABLE	(2,358,582)	(3,273,156)
ACCRUED SALARIES, BENEFITS AND PAYROLL TAXES	(888,939)	(1,883,489)
MISCELLANEOUS LIABILITIES	(899,007)	(997,659)
REFUNDS PAYABLE	(229,918)	(326,137)
UNCLAIMED REFUNDS PAYABLE	(1,019,032)	(953,540)
DUE (TO) / FROM MEDICARE	(175,460)	(465,085)
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ (6,520,725)</b>	<b>\$ (8,604,095)</b>
<b>LONG TERM LIABILITIES</b>		
REVENUE BONDS PAYABLE	(22,411,721)	(23,347,245)
CAPITAL LEASE OBLIGATION	(1,905,595)	(1,012,084)
<b>TOTAL LONG TERM LIABILITIES</b>	<b>\$ (24,317,315)</b>	<b>\$ (24,359,329)</b>
<b>NET ASSETS</b>		
OPERATING FUND BALANCE	(54,863,705)	(47,314,981)
<b>TOTAL FUND BALANCE</b>	<b>\$ (54,863,705)</b>	<b>\$ (47,314,981)</b>
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<b>\$ (85,701,745)</b>	<b>\$ (80,278,405)</b>

**ASPEN VALLEY HOSPITAL  
STATEMENT OF CASH FLOWS  
FOR THE MONTH ENDING OCTOBER 30, 2008**

	<u>OCTOBER 08</u>	<u>YTD</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Cash Received from Patient and Third Parties	4,544,541	50,325,286
Cash Received from Others	111,214	1,216,536
Cash Paid to Suppliers	(2,232,427)	(33,005,307)
Cash Paid to Employees	(2,308,600)	(17,490,147)
Net Cash Provided by (Used in) Operating Activities	<u>114,728</u>	<u>1,046,368</u>
<b>CASH FLOWS FROM NONOPERATING ACTIVITIES:</b>		
Nonoperating Expense	(20,972)	(99,560)
<b>CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Ad Valorem Taxes	21,737	3,639,563
Contributions for Operations	65,386	42,956
Net Cash Provided by Noncapital Financing Activities	<u>87,123</u>	<u>3,682,519</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Contributions restricted for the purchase of capital assets	-	526,811
Principal Payments on Debt	(611,882)	310,985
Purchases of Capital Assets	(390,924)	(2,257,380)
Proceeds from the sale of capital assets	(6,303)	(26,578)
Interest payments on Debt	(510,581)	(1,187,759)
Net Cash Used in Capital and Related Financing Activities	<u>(1,519,690)</u>	<u>(2,633,921)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Distribution from Joint Venture	-	177,980
Investment Income	47,157	680,598
Net Cash Provided by Investing Activities	<u>47,157</u>	<u>858,578</u>
Net Increase in Cash and Cash Equivalents	<u>(1,291,654)</u>	<u>2,853,984</u>
Cash and Cash Equivalents at Beginning of Period	<u>41,544,093</u>	<u>37,398,455</u>
	<u>40,252,439</u>	<u>40,252,439</u>
Cash and Cash Equivalents at End of Period	<u><u>40,252,439</u></u>	<u><u>40,252,439</u></u>