

Stoughton Hospital Association Executive Committee

Monday, August 22, 2022 | 7:30 a.m. – 8:30 a.m.

Phone: 312.626.6799 | Meeting ID: 856 6127 2843 | Passcode: 752094

Zoom info: <https://us06web.zoom.us/j/85661272843?pwd=aFBSQk52dHRiO3gyZGxMOmRqOzNFOT09>

Committee Members

Tom Fendrick | Donna Olson | Steve Staton | Margo Francisco | Dan DeGroot | Michelle Abey

| Item | Discussion | Presenter |
|------|--|--------------------------------|
| | 1. Call to Order | Tom Fendrick |
| | 2. Master Facility Plan Update | Teresa Lindfors |
| A | 3. Approval of EUA Service Contract (<i>See Attached</i>) | Dan DeGroot |
| A | 4. Approval of Reimbursement Resolution (<i>See Attached</i>) | Brian Swain / Michelle Abey |
| A | 5. July 2022 Financials (<i>See Attached</i>) | Brian Swain / Michelle Abey |
| A | 6. Capital Request (<i>See Attached</i>) <ul style="list-style-type: none"> - SSM Health Dean Clinic Tenant Improvement Agreement, Stoughton Lease FY2022 Capital = \$270,000 | Brian Swain / Michelle Abey |
| | 7. Adjournment | Tom Fendrick |

Upcoming Meetings:

- Finance Committee Meeting: Friday, August 26, 2022 at 7:30 a.m.
- Governing Board Meeting: Wednesday, September 28, 2022 at 7:15 a.m.
- Executive Committee Meeting: Monday, October 24, 2022 at 7:30 a.m.

Note:

- A = Item requiring a Board/Committee Action, Approval, Recommendation or Acceptance
- R = Item requiring a formal Board Resolution

MISSION

The mission of Stoughton Hospital is to provide safe, quality health care with exceptional personalized service.

VISION

We grow to meet the changing needs of the communities we serve and become their health partner of choice.

VALUES

Our patients and community are our number one priority.



April 28, 2022
Revised August 15, 2022

| | |
|---|--------------|
| milwaukee : 333 E Chicago St | 414.271.5350 |
| madison : 309 W Johnson St, Ste 202 | 608.442.5350 |
| green bay : 124 N Broadway | 920.336.9929 |
| denver : 1899 Wynkoop St, Ste 700 | 303.595.4500 |
| atlanta : 1401 Peachtree St NE, Ste 300 | 404.596.8006 |

Dan DeGroot
Stoughton Health
900 Ridge Street
Stoughton, Wisconsin 53589

eua.com

Re: Stoughton Hospital – MOB
EUA Project No.: 421578

Dear Dan:

We would like to thank you for giving EUA the opportunity to work with you and your team on your new Medical Office Building project.

Project Understanding

This letter of agreement is to confirm your acceptance of our proposal to perform full architectural services for the Medical Office Building located in Stoughton, Wisconsin, and located on your existing hospital campus per our conversation on April 6, 2022. This project will be approximately 50,000 square feet and will contain Ortho and General Surgery, X-ray, Specialty Clinic, Cardiac Rehab, the SWAC will be relocated to this building, as well as building support areas. A Shell space shall be planned on the top level for a future ASC. The ASC portion of the project will only proceed through Schematic Design, to design the MEP systems/ support spaces for the ASC. The area for the ASC will be shown as shell space only from Design Development through Construction Documents. The proposed building location is shown in the image below, with additional locations for expanding parking.



Approximate Project Schedule

Once the project commences, we anticipate the following minimum timeline listed below. Municipal approval time and building permit and plan review are estimates and beyond the control of EUA:

| | |
|---------------------------------|--|
| Master Site Planning | Previously Completed |
| Conceptual Design & Programming | 4 Weeks |
| Schematic Design | 8 Weeks |
| Design Development | 12 Weeks |
| Construction Documents | 12 Weeks |
| Building Permit/Plan Review | TBD - Timing is depending on AHJ Reviews, but Assume 7-8 Weeks |
| Construction Administration | TBD - Timing is dependent on CM schedule |

Project Scope

In order to address and manage the complexity of this project, we have divided our scope of services into phases corresponding to the natural development of an architectural project.

Conceptual Design & Programming

The Conceptual Design will be a continuation of the work done in the Master Planning effort that was previously completed on December 9, 2021. The Master Planning document is attached to this agreement.

Programming draws a roadmap to follow for future work development. It defines the needs that a given project is intended to meet and outlines projections for growth and future requirements. This document is generally summarized in a narrated spreadsheet with diagrams to better illustrate the flow and adjacency needs of people and products.

This document is developed from our discussions with you and others you designate and covers topics such as:

- Current space utilization
- Current staff in each given area including:
 - Job titles
 - Equipment and file needs on an individual basis
 - Shared equipment and files on a departmental basis
 - Reporting and communication structure
 - Work flow to and from each position
- Specific current space needs that are specialized and unique to your organization (i.e. labs, servers, crisis management, etc.)
- Future needs, including one and three year projections for future:
 - Job titles
 - Staff count and function
 - Equipment and file sizes and quantities
 - Storage requirements
 - Labs
 - Other specialty areas

These discussions will be conducted over the course of four (4) weeks, consolidated into not more than two (2) meetings of 1.5 hours each. These meetings will be attended by key managers and staff as designated by you with the overall goal to identify existing and future facility needs. Focusing on how the

operation could or should flow, not necessarily how it has flowed, these meetings will discuss and identify which of the groups would benefit from being located adjacent to one another.

Conceptual Design

The Conceptual Design has previously been completed as part of the Master Planning Effort in December of 2021. If further planning or reconfiguration of the conceptual plan is desired, this may be an additional fee.

Schematic Design

Completion of Schematic Design will include refinement of the conceptual design, including review of the structural grid, exterior materials, and core elements.

Deliverables for this phase of the work include:

- Site plan developed in coordination with the civil engineer
- Floor plans of all floors
- Preliminary roof plan
- Exterior sketch-up perspective or elevations, as determined by EUA to convey the design intent

Meetings included in our fee for this phase of the work include:

- Attendance up to four (4) progress meetings with the development team to discuss alternatives and direction
- Attendance up to four (4) user group meetings with each department (up to 6 departments)
- Attendance up to one (1) municipal review meeting if required

Once an approved Schematic Design package is signed-off, we will proceed with Design Development. If there are substantial changes after client approval, we will negotiate any additional fees required to complete those revisions. As noted in the project description, the ASC portion of the project will go through Schematic Design only.

Design Development

Based on the approved schematic design package, our work will continue to develop into a Design Development phase. This phase includes work to prepare a package for use in budget monitoring by the General Contractor and to provide a basis for coordination between the owner's other consultants and any design-build contractors (for example, mechanical, electrical and plumbing engineering). Submittal packages and applications for municipal approval are completed within this phase of work.

Deliverables for this phase of the work include:

- Site plan
- Colored site plan for use in municipal approval meetings
- Overall building floor plans
- Exterior elevations identifying exterior materials and rendered for use in municipal approval meetings
- Typical building and wall sections
- Interior finishes and elevations of the lobby, common corridors and public toilet rooms
- Preliminary structural information
- Outline specifications

Meetings included in our fee for this phase of the work include:

- Attendance up to five (5) progress meetings with the development team to discuss alternatives and direction
- Attendance up to five (5) user group meetings with each department (up to 6 departments)
- Attendance up to one (1) municipal review meeting if required

Construction Documents

Construction Documents will be developed based on the previously approved work and will consist of both drawings and a project manual. These documents will be submitted to the general contractor for final bidding and to the authority having jurisdiction for plan review approval, including requirements of the Wisconsin Department of Commerce (COM) check envelope calculations. Coordination between the architectural package and the owner's consultants, as well as general and design-build contractors, will continue throughout this phase.

Deliverables for this phase of the work include:

- Site plan
- Overall building floor and life safety plans
- Exterior elevations identifying exterior materials and details
- Typical building and wall sections and details
- Stair and elevator details and sections
- Reflected ceiling plans
- Schedules of doors and openings
- Schedules of interior finishes and materials
- Interior elevations of the lobby, common corridors and public toilet rooms
- Structural plans and details
- Project specifications

Construction Administration

Work during this phase is intended to continue coordination between the contractors and consultants which was begun during previous phases. EUA will answer questions and make interpretations of the documents in order to facilitate construction.

Much of the work in this phase includes:

- Review of shop drawings for conformance with design
- Interpretation for the general contractor's request for information (RFI)
- Provide construction bulletins
- One (1) site visit every four (4) weeks over a construction duration of thirty-six (36) months for a maximum of thirty-six (36) site visits
 - Above site visits include punch list walk-throughs to establish substantial and final completion

Engineering Services

- The following consultants and services are included:
- Civil Engineering and Landscape Architecture to be performed by Kapur & Associates, Inc.
- Structural Engineering to be performed by Pierce Engineers, Inc.
- Mechanical Engineering to be performed by IMEG CORP.
- Electrical Engineering to be performed by IMEG CORP.
- Plumbing and Fire Protection Engineering to be performed by IMEG CORP.
- Technology Engineering to be performed by IMEG CORP.

The following disciplines will be design-build or assist and are not included:

- Geotechnical
- Land survey
- Environmental assessment(s)

Fee

EUA will perform the services as outlined above for a Fixed Fee of One Million Fifty-Three Thousand Two Hundred and No/100 Dollars (\$1,053,200.00). This fee includes up to three (3) bid packages.

| | |
|-----------------------------------|--------------|
| Conceptual Design and Programming | \$37,915.20 |
| Schematic Design | \$170,958.00 |
| Design Development | \$271,268.40 |
| Construction Documents | \$337,758.40 |
| Construction Administration | \$235,300.00 |

Estimated Reimbursable Expenses: \$4,250.00 which includes the following categories and breakdown as shown below. It is our understanding that Stoughton Hospital plans to send in the Plan Review Fees.

| | |
|---------------------|-------------|
| Travel Costs | \$ 3,800.00 |
| Printing & Plotting | \$ 300.00 |
| Shipping | \$ 150.00 |

Additional Services

Any services not explicitly outlined above as part of the scope of this proposal, including the list below, are not included and are additional services. The following list of services may be available for the project at your request. Fees for these services can be negotiated on an individual basis.

- Consultation and evaluation services to determine the feasibility of LEED® certification, including the design and documentation required for submission
- Consultation and evaluation services to determine the feasibility of WELL® certification, including the design and documentation required for submission
- Certified Survey Map of site & Plat Survey
- Water infiltration specialist
- Acoustical Engineering
- Geotechnical or environmental investigation
- Construction budgeting/cost estimating
- Sales/leasing marketing drawings
- Furniture, fixtures, equipment, or art selection and specification
- Site visits in excess of the frequency, number, or construction duration in the proposal
- As-built drawings
- Services related to rezoning
- Signage plans
- Site design beyond specific building locations
- Services related to historical submittal
- Archaeological investigation
- Structural monitoring of existing structure

Dan DeGroot
Stoughton Hospital – MOB
Project Number: 421578
August 15, 2022



Terms and Conditions

EUA's Standard Terms and Conditions are attached and incorporated into this proposal by reference. This proposal is based on the information currently provided or available with regards to the project. EUA shall have the opportunity to revise the scope, fee, and schedules in this proposal due to any changes to the project scope, size, complexity, schedule, or other material facts regarding the project.

If you are in agreement with this proposal, please return a signed copy of this letter to us and retain a signed copy for your records. Upon acceptance of this proposal, we will execute an AIA Owner-Architect Agreement.

We appreciate your consideration and look forward to working with you on this exciting project. If you have any questions, please feel free to call me directly at (608) 405-8138.

Sincerely,

Michelle DuPont
Project Manager

Paul Stefanski
Studio Director : Principal

Client Signature

Dan DeGroot
Printed Name

Date

CEO
Title

Attachments:

EUA's Standard Terms and Conditions
Master Planning Document

MD/kmh/LOA1 Revised Stoughton Health 2022_0815.docx



| | |
|--|--------------|
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| atlanta : 1401 Peachtree St NE, Ste 300 | 404.596.8006 |

eua.com

EUA's Standard Terms and Conditions

These Standard Terms and Conditions are material terms of the Letter of Agreement proposed on August 15, 2022 (Agreement) by and between EUA and Stoughton Health (Client).

Standard of Care: Services provided by EUA shall be consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances.

Additional Services: Services requested or required beyond the scope of the basic services shall be additional services and shall be compensated on an hourly basis or for a negotiated fee. EUA shall notify the Client of the need for additional services and obtain written approval in advance of providing the services. If necessary to avoid a delay in the project schedule EUA shall provide additional services prior to receiving the Client's written approval, notifying the Client promptly. If the Client elects not to have EUA continue with the additional services, the Client shall notify EUA in writing; however, EUA shall be compensated for the additional services completed to the date of notice.

Reimbursable Expenses: Reimbursable expenses include printing, plotting, deliveries, mileage, permit fees, and other similar project related expenses and are not included in the contract fee. Reimbursables will be billed at cost times 1.1.

Licensing / User Fees: Licenses and fees for use of building information modeling, collaboration, construction management, file share/management, or other such software or services, the use of which is required by the Client and dedicated exclusively to this Project, except where EUA and EUA's consultants already maintain licenses or pay fees for such software or services, are a Reimbursable Expense.

Invoicing & Payment: Invoices will be sent monthly with payments due within thirty (30) days of the invoice date. Payment shall not be contingent upon any third-party financial agreements. Invoices outstanding past thirty (30) days will accrue interest at a rate of one and one-half percent (1.5%) per month. Invoices outstanding past sixty (60) days shall be cause for suspension or termination of services.

Building Information Modeling: EUA shall utilize building information modeling on the Project for the sole purpose of fulfilling its obligations set forth in this Agreement without an expectation that the model will be relied upon by the Client or the Client's other consultants or contractors. Any use of, or reliance on, all or a portion of a building information model shall be at the using or relying party's sole risk and without liability to the other party and its contractors or consultants, the authors of, or contributors to, the building information model, and each of their agents and employees.

Design Contingency: At the start of project design EUA recommends the Client establish a design contingency of at least 5% of the overall construction cost. This contingency is established to resolve unforeseen issues during initial design and any additional project costs due to information or aspects of the Project not known or otherwise excluded at the time the initial project budget was established.

Construction Contingency: At the start of construction, EUA recommends the Client establish a construction contingency of at least 5% to cover changes in site conditions, gas, telephone, and electrical connection costs, dimension variances, construction variances, changes in Client needs, upgrading of materials, code compliance, coordination, and similar. A contingency of 10% is recommended in fast track or remodeling projects.

Project Suspension or Delay: EUA shall be compensated for services performed prior to notice of a suspension or delay. When the Project is resumed, EUA shall be compensated for expenses incurred in the interruption and resumption of EUA's



services. EUA's fees for the remaining services and the time schedules and deadlines shall be equitably adjusted. EUA's services, compensation, and schedule under this Agreement have been developed based upon the available or expected project

schedule. Deviation from such available or expected project schedule, or any unplanned suspension or delay, may have a substantial impact on EUA's staffing, consultants, and proposed sequence of services. In addition to the terms under this section, in the event of a material suspension or delay, including any unplanned suspension or delay, not the sole fault of EUA, EUA reserves the right to make changes to the original project team, including consultants, as EUA deems necessary. Changes necessary to accommodate deviations to the available or expected schedule and services impacted thereby may be subject to Additional Services or adjustment in EUA's compensation

Construction Administration: If the Project includes construction, EUA shall provide construction administration site visits appropriate to the Project or as defined in the Agreement. EUA shall become generally familiar with the progress and quality of the portion of the work completed, and determine, in general, if the work observed is being performed in a manner indicating that the work, when fully completed, will be in accordance with the Contract Documents. EUA shall not be required to make exhaustive or continuous on-site inspections.

Construction Means and Methods: EUA shall not have control over, charge of, or responsibility for the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Work, nor shall EUA be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents.

Construction Cost: For projects where EUA's compensation is a percentage of the construction cost of the Project, the construction cost is hereby defined to include the total cost to the Client to construct all elements of the Project designed or specified by EUA (including project alternates); the contractors' general conditions costs, overhead, and profit; and costs for land surveys and geotechnical services.

Furniture, Fixture, and Equipment (FFE): Furniture, fixture, and equipment will also be considered part of construction cost identified above, if those items were specified or coordinated by EUA, unless a separate fee for those services is identified elsewhere in this Agreement.

Existing Conditions: EUA shall utilize documentation regarding existing conditions furnished by the Client and EUA shall be entitled to rely on the accuracy and completeness of the information provided. If the existing conditions materially differ from the documentation furnished by the Client, EUA shall have no responsibility for any costs or expense incurred by the Client as a result of the differing conditions. If EUA is required to make changes to EUA's instruments of service the Client shall compensate EUA for such services as an Additional Service. The Client will indemnify, defend, and hold harmless EUA from and against any and all claims against EUA arising out of or related to the condition of any existing buildings.

Instruments of Service: EUA shall retain ownership and all common law, statutory, and other reserved rights, including copyrights, in and to all instruments of services developed by EUA including drawings, specifications, digital models, and other documents. Use of the instruments of services by the Client without EUA's written consent shall be at the Client's sole risk. The Client agrees to indemnify, defend, and hold harmless EUA and its consultants from all costs and expenses, including reasonable attorney's fees from such unauthorized use.

Dispute Resolution: The Client and EUA agree to address any claims or disputes through direct discussion between the parties. If an agreement is not reached through direct discussion, parties agree to non-binding mediation. If the claim or dispute is not resolved through mediation, the method of binding dispute resolution shall be arbitration. Mediation and arbitration shall be administered by the American Arbitration Association unless otherwise agreed between the parties.

Indemnification: The Client shall indemnify and hold EUA and EUA's Consultants and their respective officers and employees harmless from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the Client, its employees and its consultants, or breach of these terms. The Client's obligation to indemnify and hold EUA and EUA's Consultants and their respective officers and employees harmless does not include a duty to defend.

EUA shall indemnify and hold the Client and the Client's officers and employees harmless from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of EUA, its employees and its



consultants in the performance of professional services under this Agreement. EUA's obligation to indemnify and hold the Client and the Client's officers and employees harmless does not include a duty to defend.

Limitation of Liability: Neither EUA, EUA's consultants, nor their officers, employees, or agents shall be jointly, severally or individually liable to the Client or any other person in excess of the compensation to be paid pursuant to this Agreement for any claim arising out of or relating to any act or omission, including but not limited to breach of contract or negligence.

Assignability: Neither the Client nor EUA shall assign this Agreement without the written consent of the other.

Termination: EUA or the Client may terminate this Agreement upon not less than seven (7) days written notice for convenience and without cause. EUA shall be paid all sums due for work completed prior to notice of termination.

Survivability: In the event any term, provision, or condition of this Agreement shall be held to be void or otherwise unenforceable under the law governing this Agreement, the remaining terms, provisions, and conditions shall remain valid and binding upon the parties. One or more waivers by either party of any term, provision, or condition shall not be construed by the other party as a waiver of subsequent breach of the same by the other part.

Acceptance of Terms: If the Client provides verbal or written notification to proceed other than signing this Agreement the Client agrees to be bound by terms and conditions stated herein in their entirety.

Billing Rates: Services provided on an hourly basis will be billed based on EUA's hourly billing rates in effect at the time the services are provided. EUA's billing rates are subject to periodic change.

Release of Documents: EUA shall not release documents for any reason or under any circumstances without first having received a signed Agreement from the Client.

Integrated Agreement: This Agreement represents the entire and integrated Agreement between EUA and Client and supersedes all prior representations or agreements, written or oral. If the Client issues a purchase order or other document for services provided by EUA, it shall be for the Client's administrative purposes only and its terms and conditions will not be of any force or effect against EUA.

Governing Law: This Agreement and any disputes in connection with this Agreement shall be governed by the laws of the State of Wisconsin without regard to said state's choice of law rules.

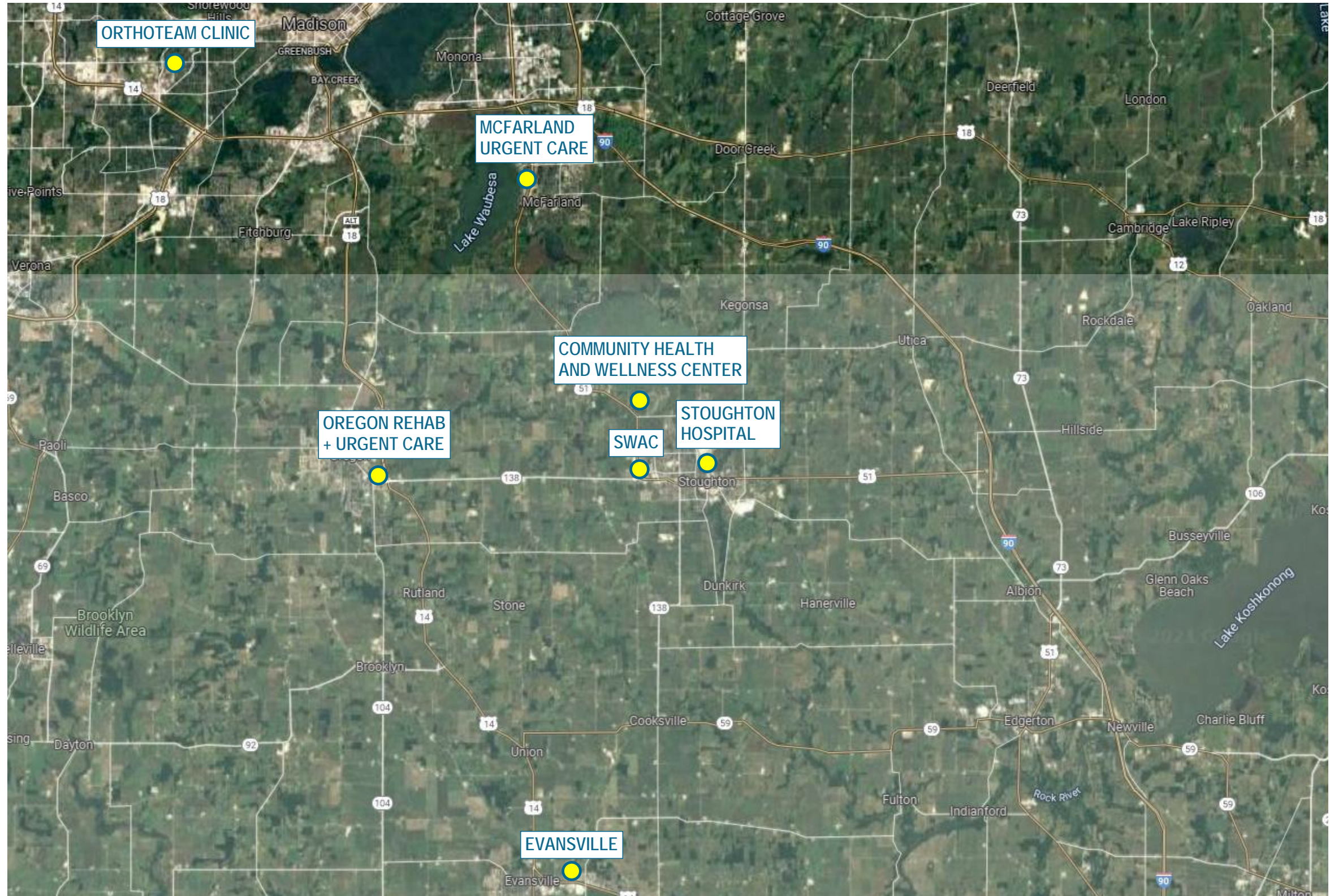
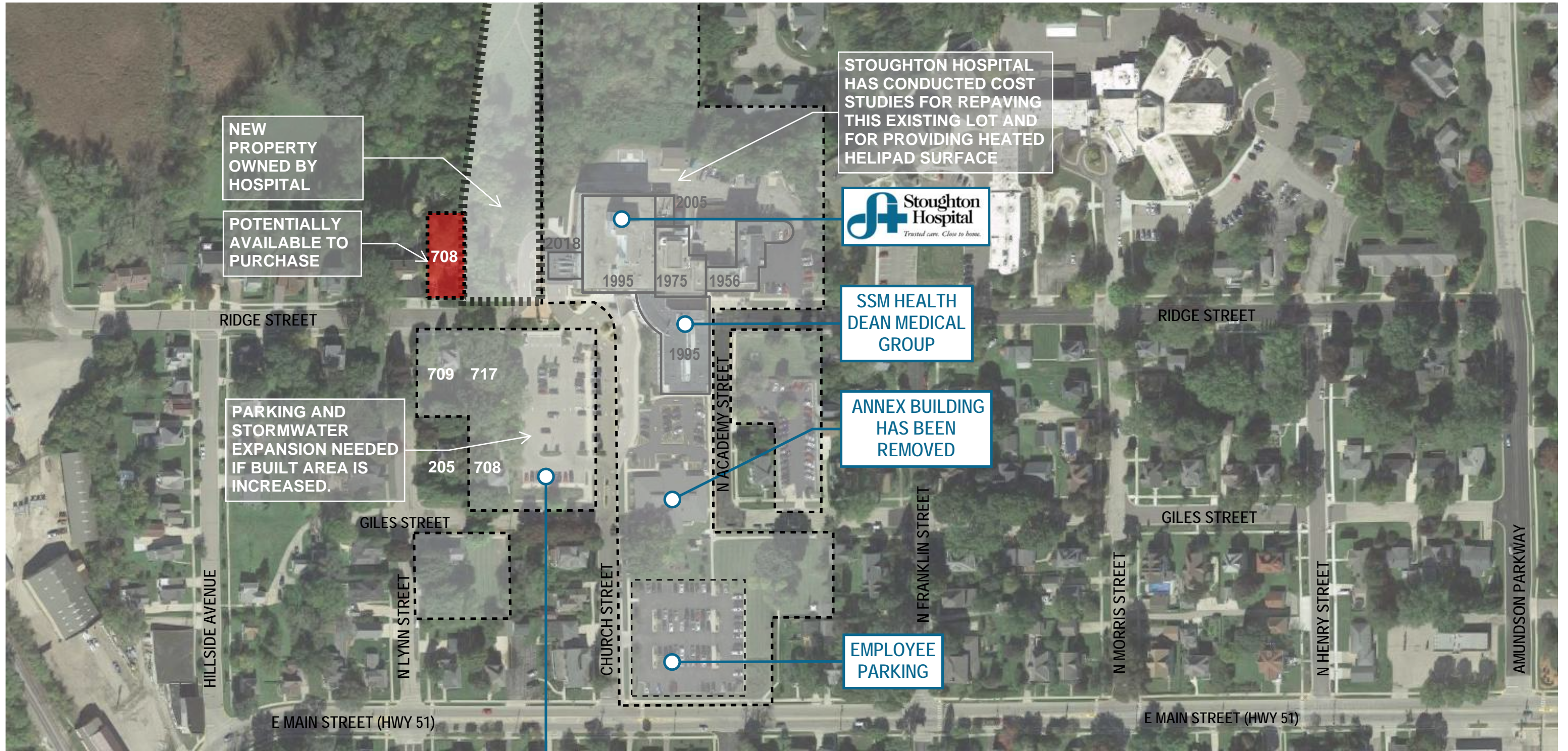


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- MP202 SITE AERIAL- DETAIL OPTION 2
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- MP204 FIRST FLOOR- OPTION 2
- MP205 SECOND FLOOR- OPTION 2
- MP301 ZONING NOTES
- MP302 ZONING NOTES



NEW PROPERTY OWNED BY HOSPITAL

POTENTIALLY AVAILABLE TO PURCHASE

708

PARKING AND STORMWATER EXPANSION NEEDED IF BUILT AREA IS INCREASED.

709 717

205 708

GILES STREET

HILLSIDE AVENUE

N LYNN STREET

CHURCH STREET

N ACADEMY STREET

N FRANKLIN STREET

N MORRIS STREET

N HENRY STREET

AMUNDSON PARKWAY

RIDGE STREET

RIDGE STREET

GILES STREET

E MAIN STREET (HWY 51)

E MAIN STREET (HWY 51)

STOUGHTON HOSPITAL HAS CONDUCTED COST STUDIES FOR REPAVING THIS EXISTING LOT AND FOR PROVIDING HEATED HELIPAD SURFACE

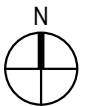


SSM HEALTH DEAN MEDICAL GROUP

ANNEX BUILDING HAS BEEN REMOVED

EMPLOYEE PARKING

CURRENT PARKING = +/- 80 STALLS
 PARKING WITH INCLUSION OF 708 & 717 = 140-170 STALLS



TRUE

SITE AERIAL - CURRENT

**STOUGHTON HEALTH
CONCEPTUAL BUILDING PROGRAM**
SQUARE FOOTAGES ARE APPROXIMATED

FIRST FLOOR

| | |
|-----------------------------|----------|
| SWAC REHAB- | 5400 SF |
| ORTHO AND GEN SURG- | 2500 SF |
| SPECIALTY, PODIATRY, X-RAY- | 4000 SF |
| LOBBY AND PUBLIC SPACE- | 800 SF |
| MECH. AND BLDG. SUPPORT- | 1200 SF |
| GROSSING AT 20%- | 1780 SF |
| TOTAL- | 15680 SF |

SECOND FLOOR

| | |
|--------------------------|----------|
| ASC- | 13500 SF |
| PUBLIC AND BLDG SUPPORT- | 400 SF |
| GROSSING @ 20% - | 2700 SF |
| TOTAL- | 16600 SF |

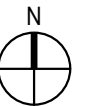
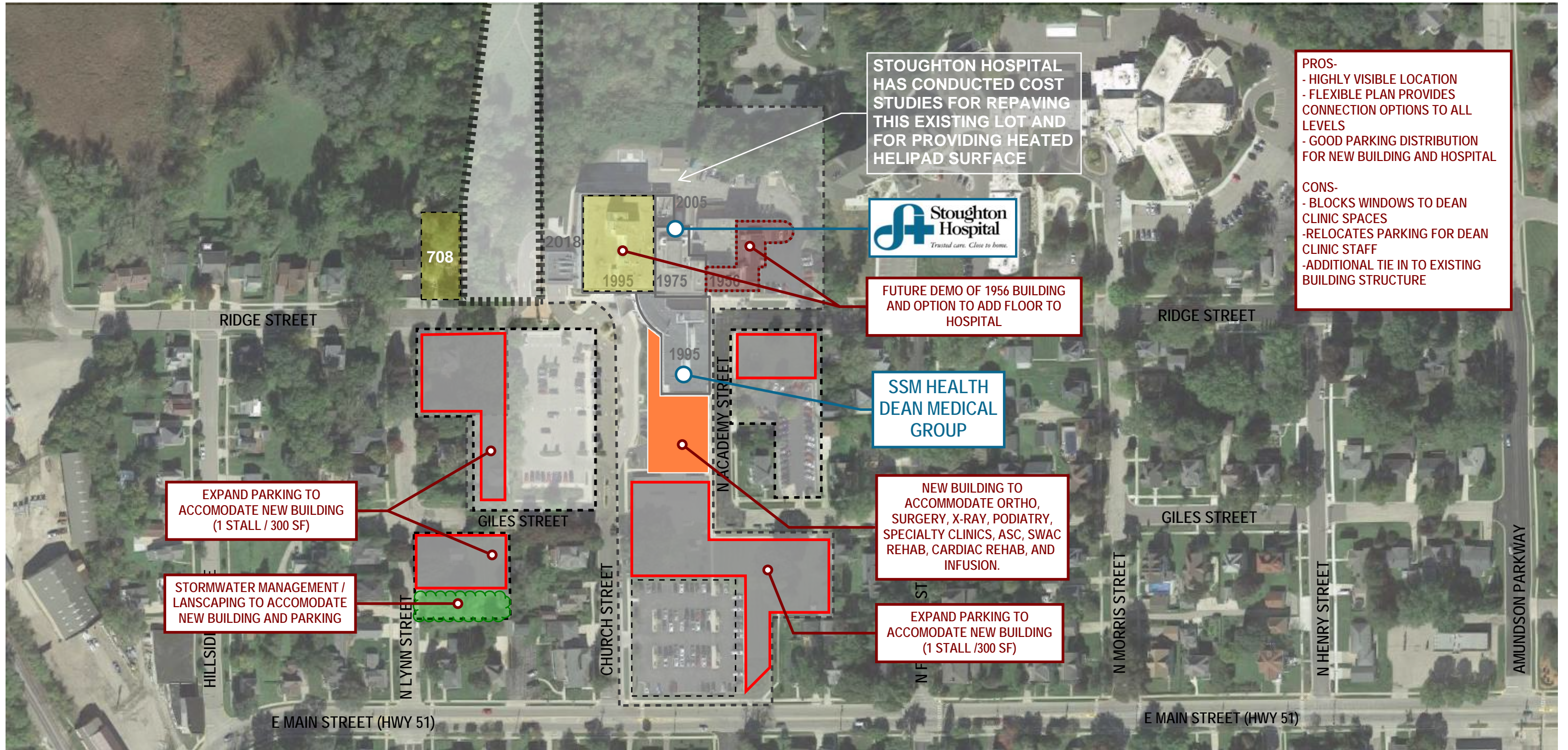
THIRD FLOOR

| | |
|--------------------------|----------|
| CARDIAC REHAB- | 2200 SF |
| INFUSION- | 2000 SF |
| SHELL- | 9700 SF |
| PUBLIC AND BLDG SUPPORT- | 400 SF |
| GROSSING @ 20% - | 2700 SF |
| TOTAL- | 16600 SF |

TOTAL BUILDING- 50,000 SF

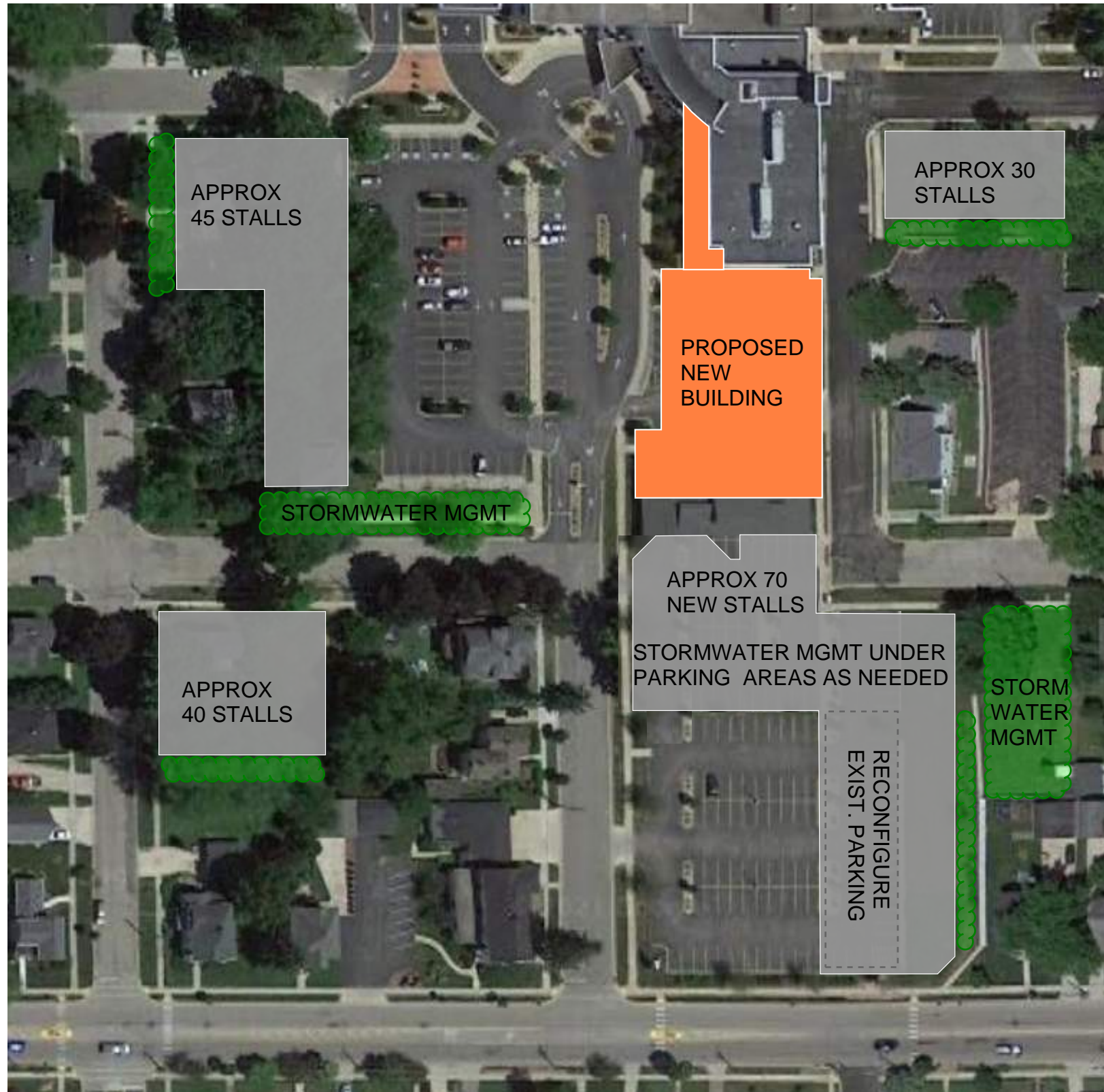
CONNECTOR SF VARIES PER OPTION
OPTION 1 CONNECTOR 1350 SF
OPTION 2 CONNECTOR 925 SF PER FLOOR

*GROSSING INCLUDES EXTERIOR WALL
THICKNESS, CIRCULATION, STAIRS,
ELEVATORS, AND MISC. MECHANICAL
FUNCTIONS. ROOF MOUNTED AIR
HANDLING ASSUMED FOR BUILDING.



TRUE

SITE AERIAL - EXPANSION OPTION 2 (RECOMMENDED)



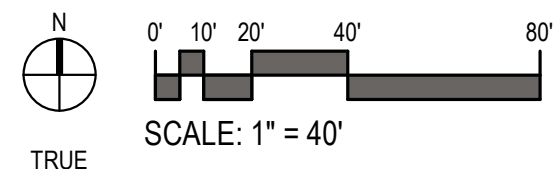
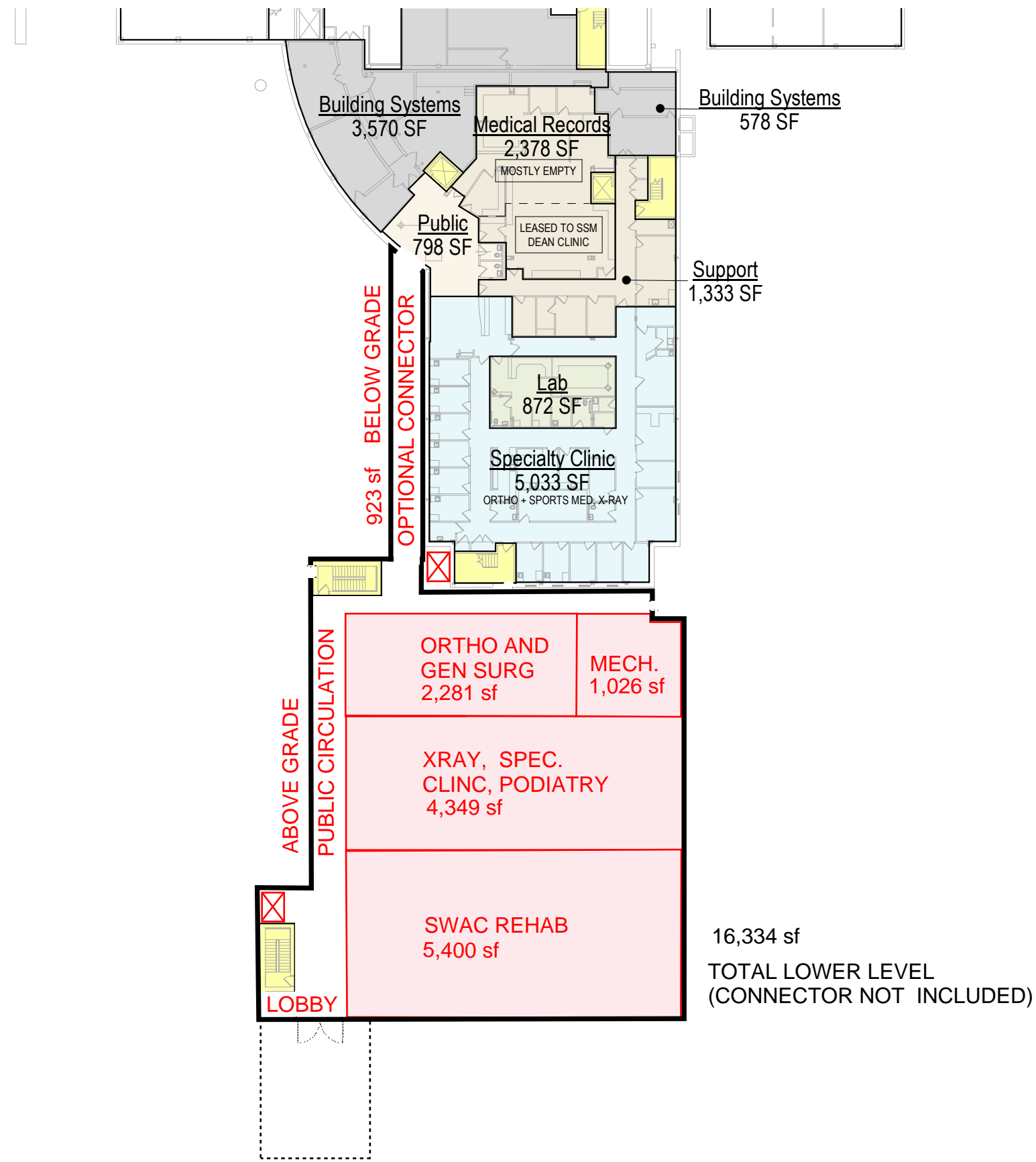
16,600 SF x 3 = 50,000 SF NEW BUILDING
 8,800 SF BUILDING REMOVED (ANNEX)
 42,000 SF ADDED

42,000 / 300 = 140 NEW STALLS

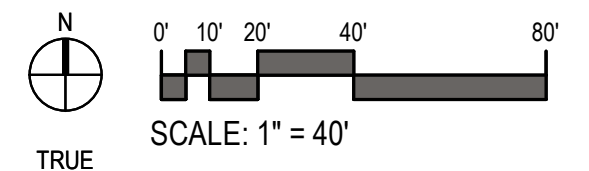
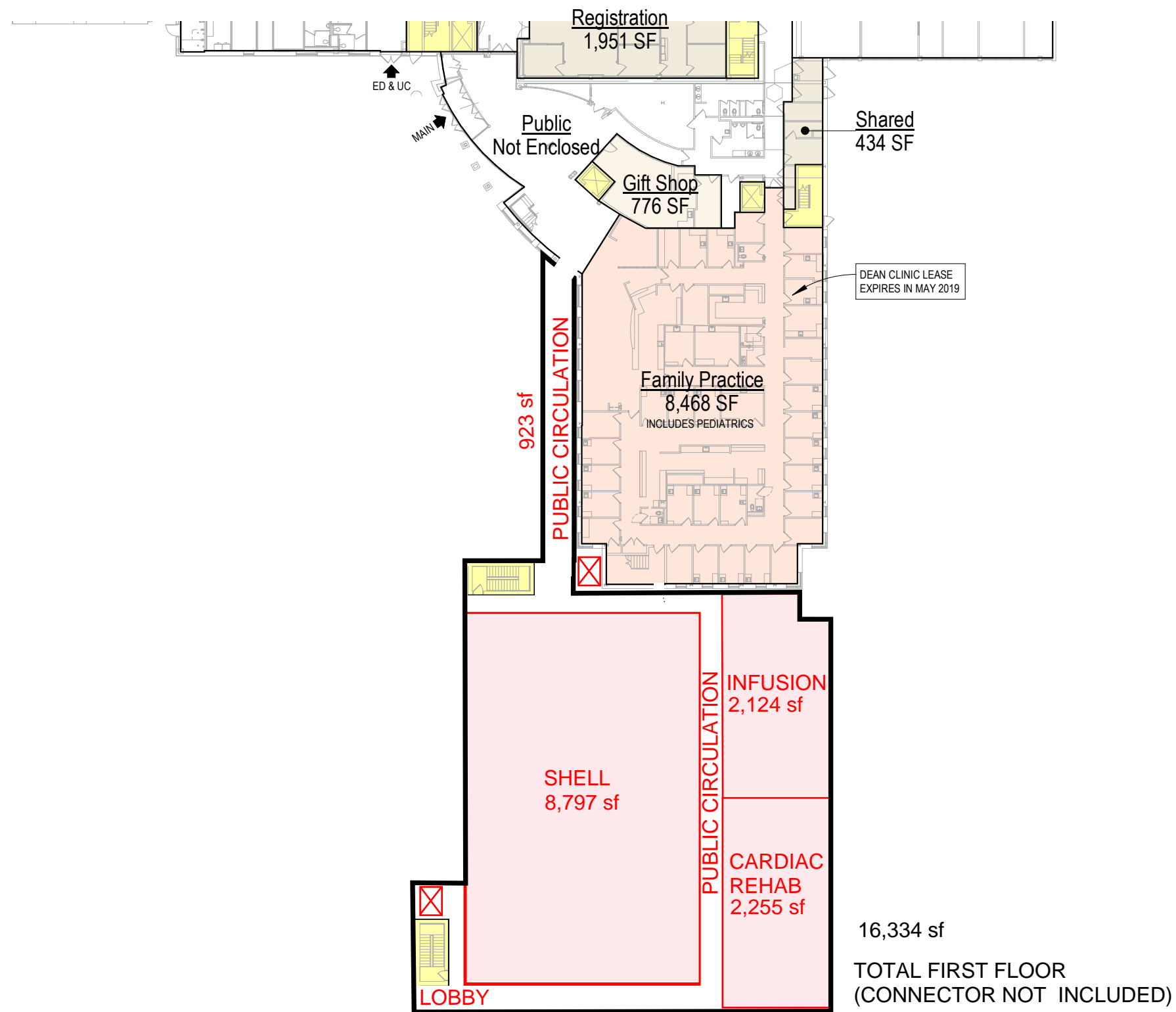
140 NEW STALLS + 27 DISPLACED STALLS = 167 REQUIRED TOTAL

APPROX 190 STALLS PROVIDED

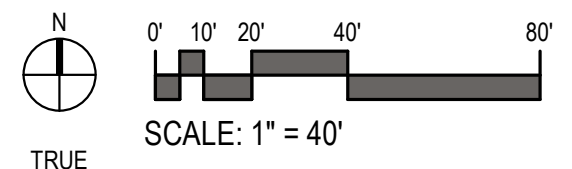
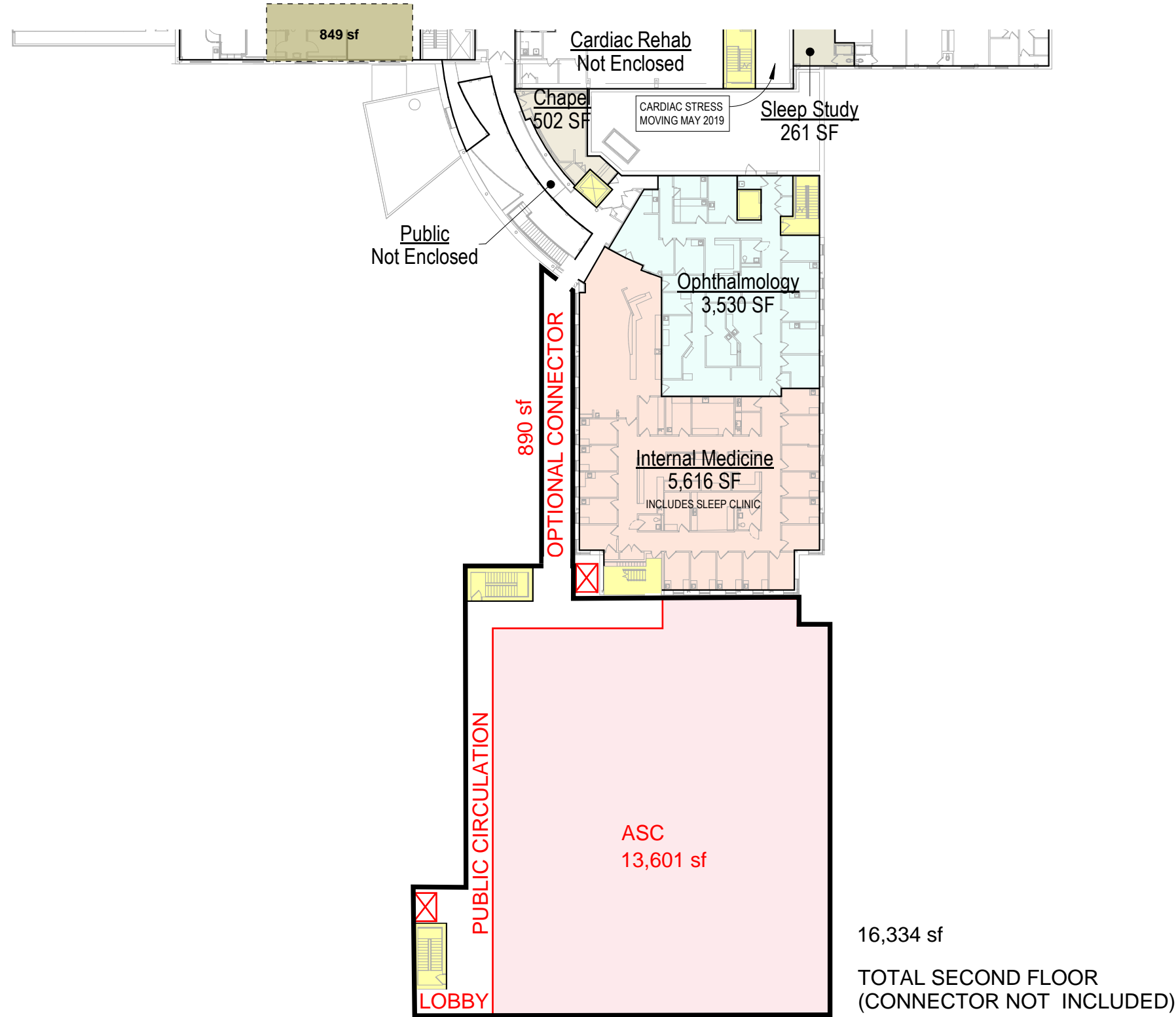




LOWER LEVEL PLAN



FIRST FLOOR PLAN



SECOND FLOOR PLAN

Zoning Notes-

(6) Institutional Districts:

(a) Institutional (I) District:

- a. Description and purpose: This district is intended to permit high-quality institutional land uses at an intensity compatible with the overall community character of the city.

Rationale : This district is used to provide for the reservation and designation of areas for institutional development.

8. Regulations applicable to nonresidential uses:

a. Nonresidential intensity requirements:

Maximum number of floors (F): Four

Minimum landscape surface ratio (LSR): 25 percent

Maximum floor area ratio (FAR): 1.0 (may be exceeded through use of structured parking)

Maximum building size (MBS): na

a. Nonresidential bulk requirements:

A: Minimum lot area: 20,000 square feet

B: Minimum lot width: 100 feet; minimum street frontage: 50 feet

Minimum Setbacks:

C: Building to front or street side lot line: 25 feet

D: Building to residential side lot line: Ten feet

E: Building to residential rear lot line: 30 feet

F: Building to nonresidential side lot line: Ten feet or zero feet where property line divides attached buildings

G: Building to nonresidential rear lot line: 30 feet

H: Side lot line to accessory structure: Four feet from property line, four feet from alley

I: Rear lot line to accessory structure: Four feet from property line, four feet from alley

J: Required bufferyard: See section 78-610 along zoning district boundary

K: Minimum paved surface setback: Five feet from side or rear; ten feet from right-of-way

L: Minimum building separation: 20 feet or zero feet where property line divides attached buildings

M: Maximum building height: 40 feet

N: Minimum number of off-street parking spaces required on the lot: See parking lot requirements per specific land use in [section 78-206](#)

From <https://library.municode.com/wi/stoughton/codes/code_of_ordinances?nodeId=MUCO_CH78ZO_ARTIESZODI_S78-104INZODIBO>

(3) Institutional land uses.

(a) Indoor institutional.

Description: Indoor institutional land uses include all indoor public and not for profit recreational facilities (such as gyms, swimming pools, libraries, museums, and community centers), schools, churches, nonprofit clubs, nonprofit fraternal organizations, convention centers, hospitals, jails, prisons, and similar land uses.

1. Regulations:

- a. Shall provide off-street passenger loading area if the majority of the users will be children (as in the case of a school, church, library, or similar land use).

- b. All structures shall be located a minimum of 50 feet from any residentially zoned property.

2. Parking requirements: Generally, one space per three expected patrons at maximum capacity. However, see additional specific requirements below:

- a. **Hospital: One space per two patient beds, plus one space per staff doctor and one space per two employees on the largest work shift.**

(4) Commercial land uses.

(b) Personal or professional service:

Description: Personal service and professional service land uses include all exclusively indoor land uses whose primary function is the provision of services directly to an individual on a walk-in or on-appointment basis. Examples of such uses include professional services, insurance or financial services, realty offices, medical offices and clinics, veterinary clinics, barber shops, beauty shops, and related land uses.

1. **Parking requirements: One space per 300 square feet of gross floor area.**

From <https://library.municode.com/wi/stoughton/codes/code_of_ordinances?nodeId=MUCO_CH78ZO_ARTIILAUSRE_S78-206DELAUSDERE>

Sec. 78-610. - Landscaping requirements for bufferyards.

(1) Purpose: This section provides the landscaping and width requirements for bufferyards on lots developed after the effective date of this chapter. A bufferyard is a combination of distance and a visual buffer or barrier. It includes an area, together with the combination of plantings, berms and fencing, that are required to eliminate or reduce existing or potential nuisances. These nuisances can often occur between adjacent zoning districts. Such nuisances are dirt, litter, noise, glare of lights, signs, and incompatible land uses, buildings or parking areas.

Rationale : One of zoning's most important functions is the separation of land uses into districts which have similar character and contain compatible uses. The location of districts is supposed to provide protection, but in the City of Stoughton, this is not the case since zoning districts permitting uses as diverse as single-family residential and industrial uses were located next to one another long before the effective date of this chapter. Bufferyards will operate to minimize the negative impact of any future use on neighboring uses.

(2) Required locations for bufferyards: Bufferyards shall be located along (and within) the outer perimeter of a lot wherever two different zoning districts abut one another. Bufferyards shall not be required in front yards.

(3) Determination of required bufferyard: The determination of bufferyard requirements is a two-staged process. First, the required level of bufferyard opacity is determined using Table 78-610(4)(a). Opacity is a quantitatively-derived measure which indicates the degree to which a particular bufferyard screens the adjoining property. The required level of opacity indicated by Table 78-610(4)(a) is directly related to the degree to which the potential character of development differs between different zoning districts. The provisions of this section indicate the minimum requirements for bufferyards located along zoning district boundaries.

(4) Identification of required level of opacity: Table 78-610(4)(a) shall be used to determine the minimum level of opacity for the required bufferyard. The required level of opacity is determined by the value given in the cell of the table at which the column heading along the top row of the table (representing the subject property's zoning district) intersects with the row heading along the left hand side of the table (representing the adjacent property's zoning district). The value listed is the required level of opacity for the bufferyard on the subject property.

(5) Identification of detailed bufferyard requirements:

(a) If a proposed use adjoins a parcel for which a bufferyard is required by the presence of a zoning district boundary, that use shall provide a bufferyard with the level of the opacity indicated in Table 78-610(4)(a).

(b) For each level of opacity listed in Table 78-610(4)(a), a wide variety of width, landscaping point, berm, and structure combinations are possible. These are listed in Table 78-610(4)(b). The requirements listed in Table 78-610(4)(b) pertain to the number of landscaping points, the minimum bufferyard width, and the type of berm or fencing required within every 100 feet of required bufferyard. A variety of landscaping point options are available and may be mixed within distinct portions of the same bufferyard. Section 78-603 describes the various available landscaping point alternatives. Section 78-611 provides a listing of tree and shrub species which correspond to the landscaping point descriptions.

(6) Tables for required bufferyards: See following pages for Tables 78-610(4)(a) and (b).

(a) Notes for Table 78-610(4)(a). For properties zoned in the rural holding district (RH), refer to the comprehensive plan's land use map to determine the proposed zoning district for said property. Bufferyard requirements shall be taken from this proposal.

From <https://library.municode.com/wi/stoughton/codes/code_of_ordinances?nodeId=MUCO_CH78ZO_ARTVILABURE_S78-610LAREBU>

Table 78-610(4)(a): Required Bufferyard Opacity Values

| EXPAND | Adjacent Property's Zoning District | RH | ER-1 | SR-3 | SR-4 | SR-5 | SR-6 | TR-6 | MR-10 | MR-24 | NO | PO | PB | NB | CB | PI | GI | HI | I |
|--------|-------------------------------------|----|------|------|------|------|------|------|-------|-------|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| | RH | | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * | * |
| | ER-1 | | | 0 | 0 | 0 | 0 | 0 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.4 | 0.5 | 1.0 | 0.4 |
| | SR-3 | | | | 0 | 0 | 0 | 0 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.4 | 0.5 | 1.0 | 0.4 |
| | SR-4 | | | | | 0 | 0 | 0 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.4 | 0.5 | 1.0 | 0.4 |
| | SR-5 | | | | | | 0 | 0 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.4 | 0.5 | 1.0 | 0.4 |
| | SR-6 | | | | | | | 0 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.4 | 0.5 | 1.0 | 0.4 |
| | TR-6 | | | | | | | | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 | 0.3 | 0.4 | 1.0 | 0.3 |
| | MR-10 | | | | | | | | | 0.2 | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.3 | 0.1 | 0.2 |
| | MR-24 | | | | | | | | | | 0.1 | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.3 | 0.1 | 0.2 |
| | NO | | | | | | | | | | | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 | 0.3 | 0.6 | 0.1 |
| | PO | | | | | | | | | | | | 0.1 | 0.1 | 0.1 | 0.1 | 0.2 | 0.6 | 0.1 |
| | PB | | | | | | | | | | | | | 0.1 | 0.1 | 0.1 | 0.2 | 0.6 | 0.1 |
| | NB | | | | | | | | | | | | | | 0.1 | 0.1 | 0.1 | 0.6 | 0.1 |
| | CB | | | | | | | | | | | | | | | 0.2 | 0.1 | 0.6 | 0.3 |
| | PI | | | | | | | | | | | | | | | | 0.2 | 0.6 | 0.1 |
| | GI | | | | | | | | | | | | | | | | | 0.5 | 0.2 |
| | HI | | | | | | | | | | | | | | | | | | 0.6 |
| | I | | | | | | | | | | | | | | | | | | |

| Opacity | # Landscaping Points/100 feet | Width | Required Structure |
|---------|-------------------------------|-------|-----------------------------|
| 0.40 | 53 | 10'+ | Minimum 6' solid fence* |
| | 330 | 20'+ | Minimum 44" picket fence* |
| | 440 | 25' | — |
| | 362 | 25'+ | Minimum 4' wood rail fence* |
| | 385 | 30' | — |
| | 349 | 35' | — |
| | 208 | 35'+ | Minimum 4' berm |
| | 327 | 40' | — |
| | 148 | 40'+ | Minimum 5' berm |
| | 310 | 45' | — |
| | 299 | 50'+ | — |
| | 56 | 50'+ | Minimum 6' berm |

From <https://library.municode.com/wi/stoughton/codes/code_of_ordinances?nodeId=MUCO_CH78ZO_ARTVILABURE_S78-610LAREBU>



**RESOLUTION OF THE BOARD OF DIRECTORS
OF
STOUGHTON HOSPITAL ASSOCIATION
REGARDING REIMBURSEMENT EXPENDITURES**

DEFINITION OF TERMS

In this resolution:

"Corporation" means Stoughton Hospital Association, a Wisconsin nonstock nonprofit corporation.

"Project" means:

- (i) the expansion of the campus and construction of a medical office building;
- (ii) the acquisition and installation of equipment for this Corporation's facilities, including the new projects described above;
- (iii) certain past and future routine capital and equipment expenditures located at the Corporation's existing facilities; and
- (iv) architectural, engineering, surveying, soil testing, reimbursement bond issuance and similar costs that are incurred prior to the commencement of the activities described in this paragraph.

BACKGROUND OF RESOLUTION

This Corporation is pursuing the Project. On an interim basis, until other financing for the Project is obtained, this Corporation intends to pay all or a portion of the costs of the Project from funds available to it. Those funds, however, are not available for that purpose on a permanent basis. This Corporation intends, therefore, to reimburse itself from the proceeds of reimbursement obligations or bonds to be issued on its behalf for the amounts which it has paid. It is the purpose of this resolution to formally state that intention.

RESOLVED

1. Intention to Reimburse. This Corporation declares its intention to reimburse itself for expenditures relating to the Project which it pays with its own funds. This Corporation expects the reimbursement to be funded with the proceeds of reimbursement obligations or bonds to be issued on its behalf with respect to the Project. This Corporation does not expect the aggregate principal amount of the obligations or bonds to be issued for the purpose of reimbursing the Corporation for costs of the Project to exceed \$20,000,000. This Corporation acknowledges that any such reimbursement must be made not later than eighteen months after the later of the date on which the expenditure to be reimbursed is paid or the date on which the property for which the reimbursement is made is placed in service or abandoned, but in no event more than three years after the date on which the expenditure to be reimbursed was paid. Each of the costs to be reimbursed is of a type that is properly chargeable to a capital account, or would be chargeable to a capital account with a proper election to do so, or is a cost of issuance for a bond.

2. Reasonableness. This Corporation's expectation to reimburse itself for costs of the Project which it pays before the reimbursement bonds are issued is reasonable. This Corporation does not have a pattern of failing to reimburse itself for expenditures which it has made and with respect to which resolutions similar to this resolution have been adopted. The funds applied to the temporary payment of the costs of the Project are needed on a long-term basis for other purposes and are not, therefore, available for the permanent payment of Project costs. No other funds of this Corporation are reserved or otherwise set aside for the payment of costs of the Project for which reimbursement is expected.

ADOPTED: _____, 2022

**STOUGHTON HEALTH
SERVICES AND FINANCIAL REPORTS**

July 31, 2022

**STOUGHTON HEALTH
FINANCIAL AND SERVICES REPORTS
July 31, 2022**

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Stoughton Health
July 2022 Operational Executive Summary

Situation: July operating income was \$663,548 which was more than the budget of \$215,789 by \$447,759. July excess of revenues over expenses is \$1,248,981, which is \$969,587 above the budget of \$279,394. Year-to-date operating income is \$7,171,955 which is better than budget by \$4,639,906 and year-to-date excess of revenues over expenses is \$6,837,305 which is \$3,669,202 better than budget.

Background:

Balance Sheet

- Days cash on hand was 423 days at the end of July (line 33 on pg 7) which is over the budgeted days cash on hand of 376 and an increase of 6 days from the end of June. The increase of 6 days in July is mostly the result of investments having a very strong month. Net realized and unrealized gains on investments contributed approximately \$540,000 to the total increase of approximately \$729,000 in all cash and investments for the month.
- \$3M was placed in a one-year CD with One Community Bank at a rate of 2.25%, therefore, this money moved from cash and cash equivalents to certificates of deposit on the balance sheet.
- \$3M was invested in a new Workforce Development Fund which is in treasury securities and high grade bonds which has a yield to maturity net of investment advisory fees of approximately 2.90%. Funds earned from this account will be used to invest in SH's workforce through funding of training for certifications and degrees. This fund is recorded in other non-current assets (line 12 on pg 7).
- \$314,000 of the CMS advanced payments were repaid during the month. These funds are all due back to CMS Medicare on September 15th. The remaining liability is \$1,704,381 as of July 31, 2022 (line 22 on pg 7).
- The estimated third party payer settlements liability has increased by \$740,000 in the first ten months of fiscal year 2022. This liability represents the estimated amount which Stoughton Health anticipates it's being overpaid on Medicare claims and potential amounts due upon cost report audit settlement. This liability fluctuates with changes in the payer mix and distribution of expenses.

Income Statement

- Outpatient gross revenues were significantly ahead of budget for the month of July by approximately \$1,485,000. The areas seeing the most significant gross revenue variances over budget were Medical imaging – specifically CT and general imaging (~\$626,000), and Emergency Room including urgent care in Oregon & McFarland (~\$431,000) and Laboratory (~\$244,000). Volumes continue to be stronger than anticipated in many outpatient areas.

Surgical Services was (5) cases or (3.6%) below budget for the month. Year-to-date total procedures are right at budget, though the mix of cases is different than budgeted, resulting in lower gross revenues than budgeted for the surgical services area. The table below shows surgical services by service line:

| Specialty | YTD FY21 | YTD FY22 | % Change from LY | Budget | % Change from Budget |
|---------------------------|----------|----------|------------------|--------|----------------------|
| Orthopedics | 188 | 257 | 37% | 267 | -4% |
| Gynecology | 0 | 0 | 0% | 0 | 0% |
| Urology | 6 | 6 | 0% | 10 | -40% |
| General | 193 | 203 | 5% | 230 | -12% |
| Ophthalmology (Phaco) | 190 | 185 | -3% | 241 | -23% |
| Podiatry | 47 | 65 | 38% | 80 | -19% |
| Dental | 177 | 132 | -25% | 188 | -30% |
| ENT | 26 | 28 | 8% | 41 | -32% |
| Total OR Procedures | 827 | 876 | 6% | 1057 | -17% |
| GI Endoscopy | 335 | 514 | 53% | 333 | 54% |
| Total Surgical Procedures | 1162 | 1390 | 20% | 1390 | 0% |

- Purchased services expense (pg 8 line 15) was higher than budget by approximately (\$99,000) which is primarily the result of agency staff use being (\$82,000) higher than budget for the month. In addition, echocardiogram (~\$15,000) had higher volumes than budgeted, thus resulting in more purchased services expense than budgeted.
- This month's mix resulted in a contractual discount percentage of 60.8% for the month vs a budgeted contractual discount of 60.5%, resulting in a net revenue increase from budget of approximately \$38,000.
- Unrealized gains (losses) on investments (pg 8 line 24) were \$522,848 above budget for the month as a result of continued market fluctuations – this month more positively than previous months.

Assessment:

Volumes in most areas continued to have a positive variance to budget for July resulting in gross patient revenues being approximately \$1.4M ahead of budget for the month.

Recommendation:

1. Recruit and retain staff in order to serve the patients of our communities.
2. Continue master facility planning so that the organization moves forward and grows.
3. Continue to follow CDC recommendations for caring for COVID and Non-COVID patients in the safest possible manner. Promote vaccination including the 2nd booster shot whenever possible.
4. Remain nimble to changing circumstances and recalibrate operations, including the evaluation of new and old programs, as needed to adjust course.

**Stoughton Health
Executive Financial Summary
July 31, 2022**

Variance Key: Better than (worse than) budget

| INCOME STATEMENT | | Current Mo. July | Current Mo. Budget | Current Mo. Variance | YTD July | YTD Budget | YTD Variance | YTD Prior Year |
|-------------------------|---|---------------------|-----------------------|-------------------------|---------------------|---------------------|------------------------|------------------------------|
| Line | REVENUE: | | | | | | | |
| | Patient service revenues: | | | | | | | |
| 1 | Inpatient | \$ 1,710,733 | \$ 1,751,874 | \$ (41,141) | \$ 17,384,291 | \$ 17,336,131 | \$ 48,160 | \$ 14,475,014 |
| 2 | Outpatient | 10,626,850 | 9,141,463 | 1,485,387 | 106,782,575 | 90,512,488 | 16,270,087 | 84,311,825 |
| 3 | Total gross patient service revenues | 12,337,583 | 10,893,337 | 1,444,246 | 124,166,866 | 107,848,619 | 16,318,247 | 98,786,839 |
| 4 | Deductions from revenue (incl bad debts) | (7,639,621) | (6,732,949) | (906,672) | (77,332,926) | (66,659,021) | (10,673,905) | (60,348,137) |
| 5 | Net patient service revenue | 4,697,962 | 4,160,388 | 537,574 | 46,833,940 | 41,189,598 | 5,644,342 | 38,438,702 |
| 6 | Other income | 159,564 | 135,247 | 24,317 | 2,056,768 | 1,692,458 | 364,310 | 1,803,620 |
| 7 | Total revenues | 4,857,526 | 4,295,635 | 561,891 | 48,890,708 | 42,882,056 | 6,008,652 | 40,242,322 |
| | EXPENSES: | | | | | | | |
| 8 | Salaries | 1,589,111 | 1,548,830 | (40,281) | 15,841,990 | 15,649,834 | (192,156) | 15,250,992 |
| 9 | Fringe benefits | 360,857 | 411,827 | 50,970 | 3,512,923 | 4,098,952 | 586,029 | 3,743,831 |
| 10 | Supplies and other | 1,952,728 | 1,826,260 | (126,468) | 19,464,484 | 17,658,006 | (1,806,478) | 15,967,696 |
| 11 | Interest | 33,603 | 36,968 | 3,365 | 349,796 | 379,610 | 29,814 | 457,294 |
| 12 | Depreciation and amortization | 257,679 | 255,961 | (1,718) | 2,549,560 | 2,563,605 | 14,045 | 2,612,562 |
| 13 | Total expenses | 4,193,978 | 4,079,846 | (114,132) | 41,718,753 | 40,350,007 | (1,368,746) | 38,032,375 |
| 14 | Operating income | 663,548 | 215,789 | 447,759 | 7,171,955 | 2,532,049 | 4,639,906 | 2,209,947 |
| 15 | Investment income | 14,783 | 19,848 | (5,065) | 273,440 | 198,477 | 74,963 | 531,762 |
| 16 | Unrealized gains (losses) on investments | 547,555 | 24,707 | 522,848 | (836,225) | 247,073 | (1,083,298) | 1,115,510 |
| 17 | Interest in earnings of MRI Joint Venture | 23,095 | 19,050 | 4,045 | 228,135 | 190,504 | 37,631 | 211,434 |
| 18 | Other non-operating | - | - | - | - | - | - | 4,064,937 |
| 19 | Excess of revenue over expenses | \$ 1,248,981 | \$ 279,394 | \$ 969,587 | \$ 6,837,305 | \$ 3,168,103 | \$ 3,669,202 | \$ 8,133,590 |
| | BALANCE SHEET | 07/31/22 | 09/30/21 | | | | YTD July | 09/30/21 |
| 20 | Cash & short-term investments | \$ 32,946,595 | \$ 33,873,549 | | | | | |
| 21 | A/R (net) | 6,876,258 | 6,759,089 | | | | | |
| 22 | Total current assets | 41,318,454 | 41,950,841 | | | | 5,319,846 | 4,628,345 |
| 23 | Certificates of deposit | 8,000,000 | 7,000,000 | | | | | |
| 24 | Investments | 10,974,716 | 10,629,724 | | | | | |
| 25 | Property & equipment (net) | 26,629,393 | 27,237,551 | | | | (1,951,279) | (1,503,805) |
| 26 | Other assets | 13,345,606 | 9,543,572 | | | | (2,169,992) | 767,988 |
| 27 | Total assets | 92,268,169 | 89,361,688 | | | | | |
| 28 | Current liabilities | 9,043,726 | 10,858,317 | | | | | |
| 29 | Long-term debt | 8,823,182 | 10,923,308 | | | | (2,224,937) | (1,298,318) |
| 30 | Other long-term liabilities | 414,999 | 431,106 | | | | - | - |
| 31 | Total liabilities | 18,281,907 | 22,212,731 | | | | 99,408 | 43,836 |
| 32 | Net assets | 73,986,262 | 67,148,957 | | | | (926,954) | 2,638,046 |
| 33 | Total liabilities & net assets | 92,268,169 | 89,361,688 | | | | | |
| | CASH FLOWS | | | | | | | |
| | Cash provided by (used in): | | | | | | | |
| | Operating activities | | | | | | | |
| | Investing activities: | | | | | | | |
| | Fixed asset purchases & disposals | | | | | | | |
| | Investments | | | | | | | |
| | Financing activities: | | | | | | | |
| | Issuance of debt | | | | | | | |
| | Payment of debt & related costs | | | | | | | |
| | Forgiveness of long-term debt | | | | | | | |
| | Foundation & other | | | | | | | |
| | Net cash increase (decrease) | | | | | | | |
| | Cash, beginning | | | | | | 33,873,549 | 31,235,503 |
| | Cash, ending | | | | | | 32,946,595 | 33,873,549 |
| | RATIOS | FY20 | FY21 | May-22 | Jun-22 | Jul-22 | FY22 Budget | 2021 RWHC CAH Avg |
| 34 | Current Ratio | 3.2 | 3.9 | 5.1 | 5.2 | 4.6 | 7.4 | 4.1 |
| 35 | Operating Margin-Current Month | | | 9.9% | 14.9% | 13.7% | | |
| 36 | Operating Margin YTD | 2.3% | 5.1% | 14.8% | 14.8% | 14.7% | 5.4% | 7.2% |
| 37 | Total Margin YTD | 3.7% | 22.7% | 13.6% | 12.6% | 13.8% | 6.9% | 16.6% |
| 38 | Days in Accounts Receivable (net) | 40 | 53 | 43 | 41 | 45 | 43 | 52 |
| 39 | Days in Accounts Receivable (gross) | 43 | 52 | 43 | 40 | 44 | | |
| 40 | Days Cash & Investments on Hand | 446 | 431 | 416 | 417 | 423 | 376 | 343 |
| 41 | Long-term Debt to Equity | 0.29 | 0.16 | 0.12 | 0.12 | 0.12 | 0.12 | 0.52 |
| 42 | Debt Service Coverage (YTD) >1.25 | 2.6 | 9.2 | 6.2 | 6.0 | 6.4 | 4.5 | 8.1 |
| | STATISTICS | FY20 | FY21 | May-22 | Jun-22 | Jul-22 | YTD July | FY22 Budget |
| 43 | Inpatient Days | 4,053 | 3,658 | 258 | 263 | 323 | 3,118 | 4,308 |
| 44 | Adjusted Patient Days (APD) | 18,121 | 24,148 | 2,511 | 2,179 | 2,329 | 22,270 | 26,911 |
| 45 | Net revenue per APD | \$2,314 | \$1,938 | \$1,827 | \$2,228 | \$2,017 | \$2,103 | \$1,585 |
| 46 | FTE's | 221.9 | 227.2 | 239.3 | 234.8 | 235.7 | 236.9 | 241.0 |
| 47 | FTE's per Adjusted Occupied Bed | 4.5 | 3.3 | 3.0 | 3.2 | 3.1 | 3.2 | 3.3 |
| 48 | Avg # of payroll checks per pay period | 327 | 311 | 323 | 323 | 322 | 319 | |
| 49 | Salaries per APD | \$935 | \$761 | \$653 | \$744 | \$682 | \$711 | \$705 |
| 50 | Benefits per APD | \$269 | \$179 | \$132 | \$160 | \$155 | \$158 | \$184 |
| 51 | Other Expenses per APD | \$1,131 | \$959 | \$898 | \$1,069 | \$949 | \$988 | \$903 |

**STOUGHTON HEALTH
SERVICES SUMMARY
for the ten months ended July 31, 2022**

INPATIENT SERVICES

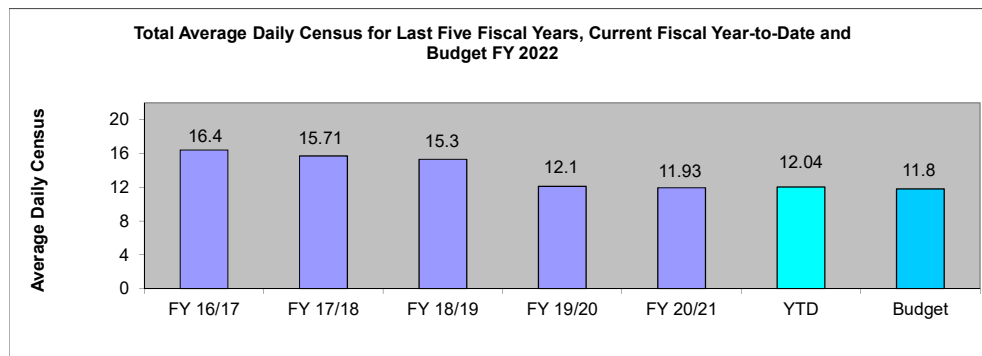
In July, inpatient admissions (including observation patients) averaged 3.13 admissions per day which was below budget by (0.93) admissions per day or (22.9%). Year-to-date inpatient admissions are (0.58) admissions per day or (15.5%) below prior year.

| 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | | THIS MONTH | YEAR-TO-DATE | BUDGET |
|-------------|-------------|-------------|-------------|-------------|----------------------------|-------------|--------------|-------------|
| 1.45 | 1.30 | 1.12 | 1.22 | 1.15 | Medical | 1.42 | 1.12 | 1.09 |
| 0.47 | 0.54 | 0.45 | 0.37 | 0.29 | Surgical | 0.23 | 0.32 | 0.26 |
| 0.12 | 0.07 | 0.18 | 0.10 | 0.11 | Detoxification | 0.10 | 0.06 | 0.10 |
| 0.63 | 0.75 | 1.67 | 1.40 | 1.77 | Observation | 1.19 | 1.21 | 2.08 |
| 0.19 | 0.13 | 0.13 | 0.07 | 0.06 | Swing Bed | 0.03 | 0.04 | 0.07 |
| 0.16 | 0.09 | 0.10 | 0.08 | 0.08 | Intensive Care | 0.03 | 0.12 | 0.05 |
| 0.42 | 0.44 | 0.36 | 0.28 | 0.27 | Geriatric Psychiatric | 0.13 | 0.28 | 0.41 |
| 3.44 | 3.32 | 4.01 | 3.52 | 3.73 | Average Admissions per day | 3.13 | 3.15 | 4.06 |

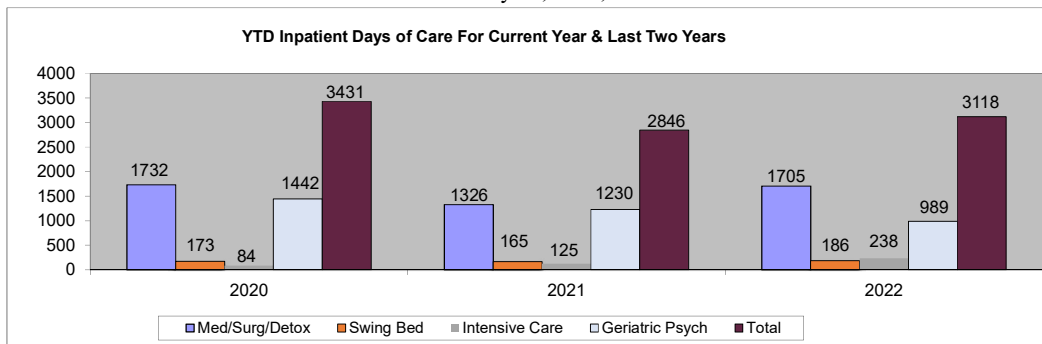
The overall average daily census in July was 12.33 which is above the budgeted average daily census of 11.80 and above the prior year average daily census of 11.93. Inpatient Average Daily Census numbers for the past thirteen months, year-to-date for Fiscal 2022, budget and prior year averages are shown in the following chart:

| | JUL 2021 | AUG 2021 | SEP 2021 | OCT 2021 | NOV 2021 | DEC 2021 | JAN 2022 | FEB 2022 | MAR 2022 | APR 2022 | MAY 2022 | JUN 2022 | JUL 2022 | CURRENT FISCAL 2022 BUDGET | PRIOR FISCAL YR | |
|---------------------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|--------------|--------------|--------------|--------------|-------------|--------------|----------------------------|-----------------|--------------|
| Medical / Surgical Unit | 3.94 | 6.61 | 6.67 | 6.61 | 8.27 | 7.90 | 3.55 | 4.14 | 6.55 | 3.77 | 4.13 | 4.73 | 6.29 | 5.61 | 2.95 | 4.74 |
| Observation | 2.62 | 2.71 | 1.47 | 2.26 | 1.78 | 1.64 | 1.16 | 1.57 | 1.62 | 2.30 | 2.45 | 1.17 | 1.91 | 1.79 | 1.90 | 1.91 |
| Swing Bed | 0.29 | 0.48 | 0.77 | 0.00 | 0.00 | 0.29 | 1.39 | 1.21 | 1.16 | 0.67 | 0.97 | 0.30 | 0.16 | 0.61 | 0.55 | 0.56 |
| Intensive Care Unit | 0.16 | 0.16 | 1.20 | 1.71 | 1.47 | 1.13 | 1.03 | 0.43 | 0.26 | 0.73 | 0.39 | 0.63 | 0.03 | 0.78 | 0.27 | 0.45 |
| Geriatric Psychiatry Unit | 4.71 | 5.77 | 4.97 | 3.71 | 3.00 | 2.58 | 2.61 | 3.64 | 3.61 | 3.53 | 2.84 | 3.10 | 3.94 | 3.25 | 6.13 | 4.27 |
| | 11.72 | 15.73 | 15.08 | 14.29 | 14.52 | 13.54 | 9.74 | 10.99 | 13.20 | 11.00 | 10.78 | 9.93 | 12.33 | 12.04 | 11.80 | 11.93 |

Inpatient average daily census numbers for the past five fiscal years, year-to-date for Fiscal 2022, and budget are shown in the following graph:



Additional inpatient service volume statistics for the ten months ended July 31, 2020, 2021 and 2022 are as follows:



**STOUGHTON HEALTH
SERVICES SUMMARY
for the ten months ended July 31, 2022**

INPATIENT SERVICES - CONTINUED

| | | | | | Discharge Length of Stay | | | |
|-------|-------|-------|-------|-------|--------------------------|---------------|------------------|--------|
| 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | | THIS MONTH | YEAR- TO-DATE | BUDGET |
| 2.67 | 3.41 | 2.77 | 2.88 | 2.28 | Medical | 2.64 | 2.62 | 2.28 |
| 2.86 | 2.68 | 2.54 | 1.68 | 0.29 | Surgical | 1.67 | 0.37 | 0.29 |
| 5.42 | 6.47 | 9.28 | 9.12 | 9.59 | Swing Bed | 5.00 | 19.00 | 9.45 |
| 7.00 | 5.85 | 2.50 | 2.73 | 9.64 | Intensive Care | 1.00 | 3.25 | 7.36 |
| 2.63 | 3.18 | 2.48 | 2.22 | 2.94 | Detoxification | 2.00 | 3.19 | 2.95 |
| 2.36 | 2.27 | 3.47 | 4.09 | 3.38 | Hospice Acute | 4.75 | 3.27 | 3.36 |
| 19.57 | 16.86 | 11.46 | 13.28 | 12.31 | Geriatric Psychiatric | 14.50 | 10.39 | 12.33 |
| 5.40 | 5.81 | 4.35 | 4.29 | 3.84 | | 3.43 | 3.66 | 4.22 |

OUTPATIENT SERVICES

Outpatient/Emergency services averaged 173.14 visits per day in July which was 21.32 visits per day or 14.0% above budget for the month. Year-to-date Outpatient/Emergency services is 37.97 visits or 29.1% above the prior year average visits per day of 130.69.

| 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | | THIS MONTH | YEAR- TO-DATE | BUDGET |
|--------|--------|--------|--------|--------|-------------------------|---------------|------------------|--------|
| 13.73 | 13.52 | 13.61 | 13.36 | 14.57 | Emergency Department | 18.16 | 17.01 | 13.53 |
| 37.17 | 35.44 | 41.67 | 37.02 | 34.06 | Urgent Care - Stoughton | 57.94 | 53.28 | 41.67 |
| 9.62 | 8.67 | 8.11 | 6.47 | 6.30 | Urgent Care - Oregon | 8.19 | 8.14 | 8.11 |
| - | - | - | - | 2.11 | Urgent Care - McFarland | 16.45 | 10.79 | 14.40 |
| 3.92 | 3.03 | 2.76 | 2.95 | 3.20 | Ambulatory Infusion | 2.55 | 2.82 | 2.73 |
| 3.75 | 3.87 | 3.71 | 3.12 | 3.72 | Surgical | 4.00 | 4.36 | 3.58 |
| 0.71 | 0.98 | 1.02 | 0.68 | 1.04 | Sleep Lab | 0.71 | 0.77 | 1.16 |
| 29.01 | 28.56 | 29.67 | 23.79 | 30.60 | PT - SWAC/Hosp Rehab | 30.94 | 34.65 | 30.41 |
| 20.34 | 20.49 | 20.94 | 15.42 | 19.82 | PT - Oregon | 16.68 | 19.21 | 19.73 |
| 11.23 | 12.30 | 13.25 | 9.48 | 15.27 | Rehabilitation - Other | 17.52 | 17.63 | 16.50 |
| 129.48 | 126.86 | 134.74 | 112.29 | 130.69 | Average Visits per day | 173.14 | 168.66 | 151.82 |

DIAGNOSTIC SERVICES

Diagnostic services (laboratory & medical imaging areas) averaged 233.10 service units per day in July which was (13.91) units or (5.6%) below budget. Year-to-date diagnostic services are 26.32 service units per day or 10.7% above last year's average.

| 16-17 | 17-18 | 18-19 | 19-20 | 20-21 | | THIS MONTH | YEAR- TO-DATE | BUDGET |
|--------|--------|--------|--------|--------|-------------------------------|---------------|------------------|--------|
| 181.81 | 199.67 | 189.28 | 176.31 | 192.08 | Lab including reference lab | 165.55 | 206.24 | 195.68 |
| 23.24 | 23.17 | 21.55 | 20.53 | 20.57 | Medical Imaging | 28.10 | 26.24 | 18.40 |
| 3.79 | 4.98 | 6.12 | 5.73 | 8.16 | Mammography | 7.55 | 8.46 | 7.83 |
| 8.48 | 9.09 | 10.64 | 11.01 | 11.62 | CT | 15.81 | 14.58 | 10.97 |
| 1.17 | 1.42 | 1.82 | 1.42 | 2.96 | Echocardiogram | 4.39 | 4.90 | 2.24 |
| 5.77 | 5.76 | 5.94 | 4.88 | 5.92 | Ultrasound | 6.06 | 6.78 | 5.23 |
| 0.81 | 0.98 | 0.80 | 0.61 | 0.94 | Nuclear Medicine | 0.87 | 1.27 | 0.78 |
| 3.07 | 3.68 | 3.76 | 4.04 | 4.87 | MRI | 4.77 | 4.97 | 5.88 |
| 228.14 | 248.75 | 239.91 | 224.53 | 247.12 | Average Service Units per Day | 233.10 | 273.44 | 247.01 |

**STOUGHTON HEALTH
SERVICES SUMMARY
for the ten months ended July 31, 2022**

GENERAL SURGERY SERVICES

In July, the General Surgery clinic had a total of 120 visits for the month which was (27.00) visits or (18.4%) below the prior month and below budget by (112.00) visits or (48.3%).

| FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 | | THIS MONTH ACTUAL | THIS MONTH BUDGET | LAST MONTH ACTUAL | YEAR- TO-DATE ACTUAL | YEAR- TO-DATE BUDGET |
|------------|------------|------------|------------|------------|---|-------------------------|-------------------------|-------------------------|----------------------------|----------------------------|
| 872 | 926 | 1,191 | 1,081 | 1,001 | General Surgery Clinic Visits - Traditional | 59 | 168 | 82 | 816 | 1,720 |
| 0 | 0 | 0 | 15 | 41 | General Surgery Clinic Visits - Virtual | 3 | 0 | 3 | 28 | 0 |
| 255 | 386 | 918 | 879 | 701 | Wound Clinic Visits | 58 | 64 | 62 | 573 | 835 |
| 1,127 | 1,312 | 2,109 | 1,975 | 1,743 | Total Clinic Visits | 120 | 232 | 147 | 1,417 | 2,555 |

Dr. Aaron Schwaab, General Surgeon, had 13 surgical cases in July. Inpatient cases were at budget for the month and outpatient cases were below budget by (9) cases or (42.9%).

| FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 | | THIS MONTH ACTUAL | THIS MONTH BUDGET | LAST MONTH ACTUAL | YEAR- TO-DATE ACTUAL | YEAR- TO-DATE BUDGET |
|------------|------------|------------|------------|------------|---------------------------|-------------------------|-------------------------|-------------------------|----------------------------|----------------------------|
| 49 | 23 | 30 | 26 | 24 | Inpatient Surgical Cases | 1 | 1 | 0 | 20 | 13 |
| 191 | 234 | 247 | 212 | 218 | Outpatient Surgical Cases | 12 | 21 | 19 | 168 | 215 |
| 240 | 257 | 277 | 238 | 242 | Total Surgical Cases | 13 | 22 | 19 | 188 | 228 |

ORTHOPEDIC SERVICES

During the month of July, the OrthoTeam Clinic (Stoughton and Madison) had 282 visits and averaged 14.1 visits per clinic day. July visits were (58) visits or (17.1%) below budget.

| FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 | | THIS MONTH ACTUAL | THIS MONTH BUDGET | LAST MONTH ACTUAL | YEAR- TO-DATE ACTUAL | YEAR- TO-DATE BUDGET |
|------------|------------|------------|------------|------------|---------------------------------------|-------------------------|-------------------------|-------------------------|----------------------------|----------------------------|
| 2,122 | 2,453 | 2,497 | 3,002 | 1,489 | OrthoTeam Clinic Visits - Traditional | 232 | 340 | 355 | 2,623 | 3,249 |
| 0 | 0 | 0 | 261 | 106 | OrthoTeam Clinic Visits - Virtual | 50 | 0 | 27 | 321 | 0 |
| 2,122 | 2,453 | 2,497 | 3,263 | 1,595 | Total OrthoTeam Visits | 282 | 340 | 382 | 2,944 | 3,249 |

OrthoTeam had 20 surgical cases in July. Inpatient cases were equal to budget for July. Outpatient cases were below budget by (7) cases or (31.8%) for the month of July.

| FY 2017 | FY 2018 | FY 2019 | FY 2020 | FY 2021 | | THIS MONTH ACTUAL | THIS MONTH BUDGET | LAST MONTH ACTUAL | YEAR- TO-DATE ACTUAL | YEAR- TO-DATE BUDGET | YEAR- TO-DATE Variance |
|------------|------------|------------|------------|------------|---------------------------|-------------------------|-------------------------|-------------------------|----------------------------|----------------------------|------------------------------|
| 136 | 151 | 151 | 152 | 45 | Inpatient Surgical Cases | 5 | 5 | 4 | 27 | 52 | (25) |
| 42 | 46 | 116 | 109 | 197 | Outpatient Surgical Cases | 15 | 22 | 17 | 206 | 216 | (10) |
| 178 | 197 | 267 | 261 | 242 | Total Surgical Cases | 20 | 27 | 21 | 233 | 268 | (35) |

CARDIOLOGY SERVICES

The Cardiology Clinic opened in July 2021. It had 22 total visits in the month of July.

STOUGHTON HEALTH
BALANCE SHEET
July 31, 2022

| Line | ASSETS | 7/31/2022 | Audited 9/30/2021 |
|------|--|----------------------|----------------------|
| | Current Assets | | |
| 1 | Cash and cash equivalents | \$ 32,946,595 | \$ 33,873,549 |
| 2 | Patient accounts receivable, net of allowances | 6,876,258 | 6,759,089 |
| 3 | Supplies | 588,488 | 536,876 |
| 4 | Other current assets | 907,113 | 781,327 |
| 5 | Total current assets | 41,318,454 | 41,950,841 |
| | Assets Limited as to Use | | |
| 6 | Certificates of deposit | 8,000,000 | 7,000,000 |
| 7 | Board designated and other | 10,974,716 | 10,629,724 |
| | | 18,974,716 | 17,629,724 |
| 8 | Property and equipment | 64,628,594 | 62,869,570 |
| 9 | Less accumulated depreciation | (37,999,201) | (35,632,019) |
| 10 | Net property and equipment | 26,629,393 | 27,237,551 |
| | Other Assets | | |
| 11 | Interest in net assets of Stoughton Hospital Foundation Inc. | 1,190,219 | 1,374,175 |
| 12 | Other non-current assets | 3,007,855 | - |
| 13 | Investment in Stoughton Hospital Imaging LLC | 1,147,532 | 1,169,397 |
| 14 | Total assets | \$ 92,268,169 | \$ 89,361,688 |

LIABILITIES AND NET ASSETS

| | | | |
|----|--|----------------------|----------------------|
| | Current Liabilities | | |
| 15 | Current portion of long-term debt | \$ 1,215,947 | \$ 1,317,080 |
| 16 | Accounts payable | 1,244,021 | 1,105,863 |
| 17 | Accrued salaries and related withholdings | 865,479 | 1,061,195 |
| 18 | Accrued vacation compensation | 1,284,115 | 1,193,641 |
| 19 | Accrued interest | 31,235 | 37,109 |
| 20 | Other current liabilities | 101,217 | 102,881 |
| 21 | Refundable advance - COVID Provider Relief Funds | 407,331 | - |
| 22 | CMS advance payments, current portion | 1,704,381 | 4,590,548 |
| 23 | Estimated third-party payor settlements | 2,190,000 | 1,450,000 |
| 24 | Total current liabilities | 9,043,726 | 10,858,317 |
| 25 | Deferred compensation liability | 414,999 | 431,106 |
| 26 | Long-term debt, net of current portion | 8,823,182 | 10,923,308 |
| 27 | Total liabilities | 18,281,907 | 22,212,731 |
| | Net Assets | | |
| 28 | Without donor restrictions | 72,458,650 | 65,621,345 |
| 29 | With donor restrictions | 1,527,612 | 1,527,612 |
| 30 | Total net assets | 73,986,262 | 67,148,957 |
| 31 | Total liabilities and net assets | \$ 92,268,169 | \$ 89,361,688 |

| | Budget | | |
|----|---|------|------|
| 32 | Days revenue in accounts receivable | 43 | 53 |
| 33 | Days cash on hand, all unrestricted sources | 376 | 431 |
| 34 | Current Ratio | 7.4 | 3.9 |
| 35 | Age of Plant | 13.1 | 11.3 |

**STOUGHTON HEALTH
INCOME STATEMENT
For the ten months ended July 31, 2022**

Variance Key: Better than (worse than) budget

| Line | Current Month | | | Year to Date | | | Year to Date LAST YEAR | |
|--------------------------|---|---------------------|-------------------|-------------------|---------------------|---------------------|------------------------|---------------------|
| | July | Budget | Variance | TOTALS | Budget | Variance | | |
| REVENUES | | | | | | | | |
| Patient service revenue: | | | | | | | | |
| 1 | Inpatient | \$ 1,710,733 | \$ 1,751,874 | \$ (41,141) | \$ 17,384,291 | \$ 17,336,131 | \$ 48,160 | \$ 14,475,014 |
| 2 | Outpatient | 10,626,850 | 9,141,463 | 1,485,387 | 106,782,575 | 90,512,488 | 16,270,087 | 84,311,825 |
| 3 | Gross patient charges | 12,337,583 | 10,893,337 | 1,444,246 | 124,166,866 | 107,848,619 | 16,318,247 | 98,786,839 |
| 4 | Contractual discounts and allowances | (7,498,052) | (6,586,640) | (911,412) | (75,597,931) | (65,210,501) | (10,387,430) | (59,061,775) |
| 5 | Charity care | (25,569) | (29,870) | 4,301 | (479,995) | (295,722) | (184,273) | (263,962) |
| 6 | Provision for bad debts | (116,000) | (116,439) | 439 | (1,255,000) | (1,152,798) | (102,202) | (1,022,400) |
| 7 | Patient service revenue | 4,697,962 | 4,160,388 | 537,574 | 46,833,940 | 41,189,598 | 5,644,342 | 38,438,702 |
| 8 | Other operating revenue | 74,228 | 65,052 | 9,176 | 749,260 | 650,516 | 98,744 | 769,018 |
| 9 | Contributions | 15,935 | 393 | 15,542 | 618,037 | 343,925 | 274,112 | 339,470 |
| 10 | Rental income | 69,401 | 69,802 | (401) | 689,471 | 698,017 | (8,546) | 695,132 |
| 11 | TOTAL REVENUES | 4,857,526 | 4,295,635 | 561,891 | 48,890,708 | 42,882,056 | 6,008,652 | 40,242,322 |
| 12 | Salaries | 1,589,111 | 1,548,830 | (40,281) | 15,841,990 | 15,649,834 | (192,156) | 15,250,992 |
| 13 | Employee benefits | 360,857 | 411,827 | 50,970 | 3,512,923 | 4,098,952 | 586,029 | 3,743,831 |
| 14 | Professional fees | 522,891 | 557,649 | 34,758 | 5,193,133 | 5,217,123 | 23,990 | 4,555,813 |
| 15 | Purchased services | 623,325 | 524,154 | (99,171) | 6,172,112 | 5,138,794 | (1,033,318) | 4,985,935 |
| 16 | Supplies | 595,638 | 526,287 | (69,351) | 6,076,805 | 5,288,343 | (788,462) | 4,631,040 |
| 17 | Interest | 33,603 | 36,968 | 3,365 | 349,796 | 379,610 | 29,814 | 457,294 |
| 18 | Administrative and general | 190,659 | 198,129 | 7,470 | 1,838,412 | 1,819,597 | (18,815) | 1,640,553 |
| 19 | Insurance | 20,215 | 20,041 | (174) | 184,022 | 194,149 | 10,127 | 154,355 |
| 20 | Depreciation and amortization | 257,679 | 255,961 | (1,718) | 2,549,560 | 2,563,605 | 14,045 | 2,612,562 |
| 21 | Total expenses | 4,193,978 | 4,079,846 | (114,132) | 41,718,753 | 40,350,007 | (1,368,746) | 38,032,375 |
| 22 | Operating income (loss) | 663,548 | 215,789 | 447,759 | 7,171,955 | 2,532,049 | 4,639,906 | 2,209,947 |
| Other income (loss): | | | | | | | | |
| 23 | Investment income (loss) - realized | 14,783 | 19,848 | (5,065) | 273,440 | 198,477 | 74,963 | 531,762 |
| 24 | Unrealized gains (losses) on investments | 547,555 | 24,707 | 522,848 | (836,225) | 247,073 | (1,083,298) | 1,115,510 |
| 25 | Earnings (loss) in Sto Hosp Imaging | 23,095 | 19,050 | 4,045 | 228,135 | 190,504 | 37,631 | 211,434 |
| 26 | Other gains (losses) | - | - | - | - | - | - | - |
| 27 | Forgiveness of Refundable Advance - PRF | - | - | - | - | - | - | - |
| 28 | Forgiveness of Paycheck Protection Program Loan | - | - | - | - | - | - | 4,064,937 |
| 29 | Excess of revenues over expenses | \$ 1,248,981 | \$ 279,394 | \$ 969,587 | \$ 6,837,305 | \$ 3,168,103 | \$ 3,669,202 | \$ 8,133,590 |
| 30 | <i>Operating Margin</i> | <i>13.7%</i> | <i>5.0%</i> | | <i>14.7%</i> | <i>5.9%</i> | | <i>5.5%</i> |
| 31 | <i>Total Margin</i> | <i>25.5%</i> | <i>6.4%</i> | | <i>13.8%</i> | <i>7.3%</i> | | <i>18.1%</i> |
| 32 | <i>Adjusted Patient Days</i> | <i>2,329</i> | <i>2,262</i> | | <i>22,270</i> | <i>22,399</i> | | <i>20,440</i> |
| 33 | <i>Net revenue per APD</i> | <i>\$ 2,017</i> | <i>\$ 1,839</i> | | <i>\$ 2,103</i> | <i>\$ 1,839</i> | | <i>\$ 1,881</i> |
| 34 | <i>Salaries per APD</i> | <i>\$ 682</i> | <i>\$ 685</i> | | <i>\$ 711</i> | <i>\$ 699</i> | | <i>\$ 746</i> |
| 35 | <i>Benefits per APD</i> | <i>\$ 155</i> | <i>\$ 182</i> | | <i>\$ 158</i> | <i>\$ 183</i> | | <i>\$ 183</i> |
| 36 | <i>Supplies per APD</i> | <i>\$ 256</i> | <i>\$ 233</i> | | <i>\$ 273</i> | <i>\$ 236</i> | | <i>\$ 227</i> |

STOUGHTON HEALTH
STATEMENT OF CHANGES IN NET ASSETS
For the ten months ended July 31, 2022

| | <u>7/31/22</u> | <u>Audited 9/30/21</u> |
|--|--------------------------|----------------------------|
| Unrestricted net assets: | | |
| Excess (deficit) of revenues over expenses | 6,837,305 | 13,406,181 |
| Net assets released from restrictions | - | 65,901 |
| Contributions and grants for purchases of property and equipment | - | 148,521 |
| Increase (decrease) in unrestricted net assets | <u>6,837,305</u> | <u>13,620,603</u> |
| Temporarily restricted net assets: | | |
| Restricted contributions | - | 46,291 |
| Change in interest in net assets of the Foundation | - | 90,707 |
| Net assets released from restrictions | - | (65,901) |
| Increase (decrease) in temporarily restricted net assets | <u>-</u> | <u>71,097</u> |
| Increase (decrease) in net assets | 6,837,305 | 13,691,700 |
| Net assets, beginning | <u>67,148,957</u> | <u>53,457,257</u> |
| Net assets, ending | <u><u>73,986,262</u></u> | <u><u>67,148,957</u></u> |

STOUGHTON HEALTH
STATEMENT OF CASH FLOWS
For the ten months ended July 31, 2022

| | Current Month | YTD July | Audited 9/30/2021 |
|---|--------------------------|----------------------|------------------------------|
| Cash Flows From Operating Activities | | | |
| Increase (decrease) in net assets | \$ 1,249,376 | \$ 6,837,305 | \$ 13,691,700 |
| Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities: | | | |
| Change in interest in net assets of Stoughton Hospital Foundation Inc. | - | - | (90,707) |
| Depreciation and amortization | 257,679 | 2,549,560 | 3,150,926 |
| Amortization of debt issuance costs | 2,368 | 23,678 | 30,501 |
| Net realized and unrealized gains and losses on investments | (539,585) | 825,000 | (1,307,892) |
| Forgiveness of Paycheck Protection Program Loan | - | - | (4,064,937) |
| Loss (gain) on disposal of property and equipment | - | 9,876 | (14,684) |
| Change in investment in Stoughton Hospital Imaging, LLC | (23,095) | (228,135) | (265,082) |
| Distribution from Stoughton Hospital Imaging, LLC | - | 250,000 | 200,000 |
| Contributions and grants for property and equipment | - | - | (194,812) |
| Increase (decrease) from changes in: | | | |
| Patient accounts receivable, net | (588,306) | (117,169) | (2,143,837) |
| Supplies | (39,082) | (51,612) | 157,584 |
| Estimated third-party payor settlements | 180,000 | 740,000 | 1,575,000 |
| Other current / non-current assets | (3,059,814) | (3,133,641) | (107,491) |
| Refundable advance - provider relief funds (forgiven) | - | 407,331 | (5,023,434) |
| CMS advanced payments | (314,368) | (2,886,167) | (1,237,502) |
| Accounts payable, accrued expenses and other current liabilities | 255,602 | 93,820 | 273,012 |
| Net cash provided by (used in) operating activities | (2,619,225) | 5,319,846 | 4,628,345 |
| Cash Flows From Investing Activities | | | |
| Acquisition of property and equipment | (60,516) | (1,951,279) | (1,561,623) |
| Proceeds from disposal of property and equipment | - | - | 57,818 |
| Maturities/(Purchases) of certificates of deposit | - | - | - |
| Purchases of assets limited as to use | (3,117,393) | (11,875,505) | (11,603,172) |
| Sales/Proceeds from maturities of assets limited as to use | 85,234 | 9,705,513 | 12,371,160 |
| Net cash provided by (used in) investing activities | (3,092,675) | (4,121,271) | (735,817) |
| Cash Flows From Financing Activities | | | |
| Proceeds from issuance of new debt | - | - | - |
| Payment of debt issuance costs | - | - | - |
| Payment of accounts payable for equipment and financing costs | - | (84,548) | (150,976) |
| Repayment of long-term debt | (116,136) | (2,224,937) | (1,298,318) |
| Restricted contributions and grants | - | 183,956 | 194,812 |
| Net cash provided by (used in) financing activities | (116,136) | (2,125,529) | (1,254,482) |
| Net increase (decrease) in cash | (5,828,036) | (926,954) | 2,638,046 |
| Cash, beginning | 38,774,631 | 33,873,549 | 31,235,503 |
| Cash, ending | \$ 32,946,595 | \$ 32,946,595 | \$ 33,873,549 |

Capital Budget Request Form

****RETURN COMPLETED FORM TO ACCOUNTING@STOUGHTONHEALTH.COM**

| | |
|--------------------------|-----------------------------|
| Requestor's Name: | Michelle Abey/Chris Schmitz |
|--------------------------|-----------------------------|

| | |
|--------------------|---|
| Department: | 9236 - BUILDING MAINTENANCE-Clinic Building |
|--------------------|---|

| | |
|---------------------|--|
| Description: | As part of the new lease agreement with SSM Stoughton Clinic, Stoughton Health, as landlord, will be paying for \$270,000 of tenant improvements to the clinic building. This is to ensure that the building |
|---------------------|--|

| | |
|--------------------------------|---|
| Requesting for quarter: | 4 |
|--------------------------------|---|

| | |
|---|-----------|
| Estimated Cost (provide two quotes): | \$270,000 |
|---|-----------|

| | |
|---------------------------------|-------------|
| Capital Function/Purpose | Replacement |
|---------------------------------|-------------|

| | |
|---------------------------|----|
| Is used an option? | No |
|---------------------------|----|

| | |
|--------------------------------------|-------------|
| Is this new or a replacement? | Replacement |
|--------------------------------------|-------------|

| | |
|---|--|
| Will this purchase require ongoing operating costs (regular maintenance, software contracts, purchase of supplies to operate, etc.)? | |
|---|--|

| | | |
|---|--------------------|------------------------------|
| If yes, describe the ongoing operating costs and an estimated amount per year. | Description | Estimated Yearly Cost |
| | Enter Description | Enter Cost |
| | Enter Description | Enter Cost |
| | Enter Description | Enter Cost |
| | Enter Description | Enter Cost |

| | |
|--|---|
| <p>Provide a business case for why this capital item should be or needs to be purchased.</p> <p>Clinical Impact: Improves clinical experience in terms of outcomes, patient safety, waiting times, throughput times and general comfort.</p> <p>Financial Impact: Increases profitability through higher patient volumes, additional services, additional charge capture, reduced expense or enhanced productivity.</p> <p>Market Share: Enhances market share by increasing the number of patients seen or increasing the ability to attract new patients.</p> <p>Routine Infrastructure: Improves or maintains the quality of the hospital, outside facilities, and</p> | <p>Stoughton Health, as landlord, wishes to ensure that its property is maintained and after twenty five years of leasing to SSM Health Dean Medical Group, it is time to invest more in the building to maintain it. These improvements will be done by SSM Health Dean Medical Group and will be reimbursed by Stoughton Health as part of the lease agreement.</p> |
|--|---|

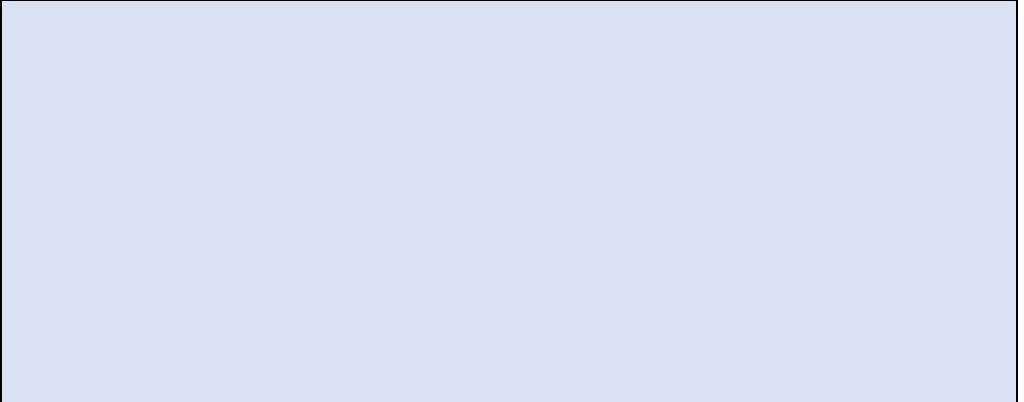
equipment. This includes expenditures for the safety, code and accreditation standards.

Staff/Physician Relationships: Improves the ability of employees and medical staff to work effectively and productively.

Regulatory Compliance: Change is required due to a new or impending regulation from Joint Commission, CMS or other governing body.



Other Comments:



****RETURN COMPLETED FORM TO ACCOUNTING@STOUGHTONHEALTH.COM**



Situation Background Assessment Recommendation

**Capital Request: Tenant Improvements Agreement (TIA) –
SSM Dean Medical Group Stoughton Clinic**

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| <p>S <u>Situation</u></p> | <p>The current tenant improvement amount included within the draft lease agreement is \$270,000 which is over \$100,000 and thus, requires Governing Board capital approval. This was budgeted for in the FY2022 capital budget.</p> |
| <p>B <u>Background</u></p> | <p>Stoughton Health has leased the Stoughton SSM Health Dean Medical Group Clinic to them since the mid-1990s under a twenty five year lease which has expired in the last year. Stoughton Health and SSM Health have been working to re-negotiate lease terms for the future. As part of these negotiations, discussion has been held around the condition of the clinic and the need to do some maintenance including carpeting, painting, etc.</p> |
| <p>A <u>Assessment</u></p> | <p>The clinic is in need of maintenance and given ongoing clinic operations are owned by SSM Health, improvements are better managed when done by SSM Health so they can schedule around their clinical operations rather than Stoughton Health performing the maintenance which requires additional coordination with SSM (the tenant). During the lease negotiations, the draft lease document provides for SSM to make these improvements with Stoughton Health reimbursing for them. Reimbursement will not be done until invoices evidencing completion are received by Stoughton Health from the tenant.</p> |
| <p>R <u>Recommendation</u></p> | <p>Request the Executive Committee, on behalf of the Governing Board and pending approval by the Finance Committee on Friday, August 26, 2022, approve \$270,000 of FY2022 budgeted capital expenditures for tenant improvements for the Stoughton SSM Dean Medical Group clinic (owned by Stoughton Health), pursuant to the lease agreement when signed.</p> |