



Sevier County Medical Center

Financial Statement (Compiled)

August 31, 2023 and 2022

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ACCOUNTANTS' COMPILATION REPORT

Sevier County Medical Center
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Management is responsible for the accompanying financial statements of Sevier County Medical Center (the Company), which comprises the Statements of Net Position as of August 31, 2023 and 2022, and the related Statement of Revenues and Expenses for the month and six months then ended, in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit substantially all the disclosures as required in financial statements prepared in accordance with accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Company's financial position, results of operations and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The accompanying supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management. The supplementary information was subject to our compilation engagement. We have not audited or reviewed the supplementary information and do not express an opinion, a conclusion, nor provide any assurance on such information.

We are not independent with respect to Sevier County Medical Center.

HORNE LLP

HORNE LLP
September 13, 2023

Sevier County Medical Center
Statements of Net Position

	Year To Date 08/31/2023	Prior Year To Date 08/31/2022
Assets		
Cash and Cash Equivalents		
FSB Operating 9436 Account	\$ 326.00	\$ 545,400.72
Farmer's Operating & Sweep Account 2029	358,260.89	0.00
Farmer's Operating 3415	183,039.81	0.00
Petty Cash	920.00	0.00
Farmers Bond Proceeds Fund 3605	100.00	0.00
Farmers Bank 3589 - Revenue Bond Fund	3,612.22	0.00
Farmers Credit Card 2045	10,260.43	0.00
Total Cash and Cash Equivalents	<u>556,519.35</u>	<u>545,400.72</u>
Inventory		
Materials Mgmt Inventory	339,785.15	0.00
Pharmacy Inventory	214,945.81	0.00
Total Inventory	<u>554,730.96</u>	<u>0.00</u>
Prepaid Expenses		
Prepaid Expense	96,001.89	0.00
Total Prepaid Expenses	<u>96,001.89</u>	<u>0.00</u>
Accounts Receivable		
Accounts Receivable	6,176,471.89	0.00
Unbilled Receivables	330,719.79	0.00
Employee Receivables	3,985.98	0.00
Contractual Allowance Inpatient	(172,490.08)	0.00
Contractual Allowance Outpatient	(910,123.42)	0.00
Contractual Allowance ER	(3,596,707.91)	0.00
Contractual Allowance Observation	(199,850.85)	0.00
Total Accounts Receivable	<u>1,632,005.40</u>	<u>0.00</u>
Fixed Assets		
Land	195,826.69	0.00
Building	23,643,618.49	0.00
Major Movable	5,620,239.47	0.00
Minor Movable	160,758.66	0.00
Building - Acc Depr	(277,069.12)	0.00
Major Movable - Acc Depr	(479,877.20)	0.00
Minor Movable - Acc Depr	(6,157.38)	0.00
Total Fixed Assets	<u>28,857,339.61</u>	<u>0.00</u>
Other Assets		
Due from Sevier County	0.00	2,498,214.29
Debt Service Reserve - Series 2021 Bond	682,329.00	682,329.00
Proceeds from Bond	0.00	22,150,000.00
Total Other Assets	<u>682,329.00</u>	<u>25,330,543.29</u>
Total Assets	<u>\$ 32,378,926.21</u>	<u>\$ 25,875,944.01</u>

See Accountants' Compilation Report

Sevier County Medical Center
Statements of Net Position

	<u>Year To Date</u> 08/31/2023	<u>Prior Year To Date</u> 08/31/2022
Liabilities & Equity		
Liabilities		
Current Liabilities		
Accounts Payable	\$ 651,216.51	\$ 0.00
Accrued Salaries	122,193.43	0.00
Withholding Ins. Employee	0.00	10,734.91
Withholding 401k	1,481.43	0.00
Accounts Payable Accrual	66,514.38	0.00
ARPA Grant	355,361.03	0.00
Horatio State Bank 4750	500,106.00	0.00
Gift Cards Outstanding	60.00	0.00
Interest Payable	75,808.78	0.00
Total Current Liabilities	<u>1,772,741.56</u>	<u>10,734.91</u>
Long Term Liabilities		
Bond Payable	23,959,466.54	24,136,666.65
Lease Payable - De Lange 7348	10,527.95	0.00
Lease Payable - De Lange 1732	91,583.85	0.00
Lease Payable - De Lange 6994	8,160.00	0.00
Lease Payable - LAB 9000	30,213.00	0.00
Lease Payable - LAB 8000	97,029.98	0.00
Notes Payable - Stryker	418,457.80	0.00
Note Payable - Farmers Bank	3,000,000.00	0.00
Note Payable - GE	9,742.07	0.00
Construction Payable	3,099,897.07	0.00
Total Long Term Liabilities	<u>30,725,078.26</u>	<u>24,136,666.65</u>
Total Liabilities	<u>32,497,819.82</u>	<u>24,147,401.56</u>
Net Position		
Net Investment in Capital Assets	25,783,948.39	0.00
Unrestricted Assets	(26,436,139.59)	1,506,881.21
Increase (Decrease) in Net Position	533,297.59	221,661.24
Total Net Position	<u>(118,893.61)</u>	<u>1,728,542.45</u>
Total Liabilities & Equity	<u>\$ 32,378,926.21</u>	<u>\$ 25,875,944.01</u>

See Accountants' Compilation Report

Sevier County Medical Center
Statements of Revenues, Expenses and Changes in Net Position

	Month Ending 08/31/2023	Month Ending 08/31/2022	Year To Date 08/31/2023	Prior Year To Date 08/31/2022
Revenue				
Gross Patient Revenue				
Inpatient Revenue	\$ 137,752.53	\$ 0.00	\$ 1,079,294.66	\$ 0.00
Outpatient Revenue	359,939.51	0.00	1,833,498.78	0.00
Emergency Revenue	974,500.47	0.00	6,424,469.06	0.00
Observation Revenue	128,699.54	0.00	952,176.48	0.00
Total Gross Patient Revenue	1,600,892.05	0.00	10,289,438.98	0.00
Revenue Deductions				
Inpatient Contractual Adjustment	(50,182.17)	0.00	(608,246.18)	0.00
Outpatient Contractual Adjustment	(254,252.92)	0.00	(1,373,434.36)	0.00
Emergency Contractual Adjustment	(695,613.50)	0.00	(5,291,932.67)	0.00
Observation Contractual Adj	(71,143.34)	0.00	(458,147.66)	0.00
Other Discount Contractual Adj	0.00	0.00	(9,192.99)	0.00
Total Revenue Deductions	(1,071,191.93)	0.00	(7,740,953.86)	0.00
Total Net Patient Revenue	529,700.12	0.00	2,548,485.12	0.00
Other Income				
Cafeteria Revenue	10,428.89	0.00	67,353.45	0.00
Purchase Discounts	1,348.02	0.00	7,312.76	0.00
Grant Income	300,051.16	0.00	7,296,149.90	0.00
Non-Patient Room Rent	928.50	0.00	2,785.50	0.00
Other Income	247.51	0.00	72,672.14	0.00
Interest Income	0.00	53.61	103.58	797.84
Total Other Income	313,004.08	53.61	7,446,377.33	797.84
Total Revenue	842,704.20	53.61	9,994,862.45	797.84
Expenses				
Salaries	587,876.52	103,829.01	4,441,064.69	614,926.14
Taxes & Benefits	130,640.85	31,559.07	1,523,493.51	212,083.09
Supplies	86,531.00	639.50	960,461.37	11,164.41
Depreciation	154,749.48	0.00	765,318.13	0.00
Equipment	4,353.56	0.00	41,956.79	0.00
Utilities	34,370.11	108.83	232,747.33	4,158.65
Contract Labor	0.00	0.00	9,526.06	542.50
Meals	0.00	120.48	777.70	276.03
Travel	0.00	14.56	5,608.38	1,347.52
Rental Expenses	23,817.89	220.00	190,197.88	26,929.24
Interest	80,712.97	63,454.15	541,969.47	500,884.43
Bank Fees	3,359.57	0.00	20,151.78	0.00
Finance Charge	266.48	0.00	724.64	0.00
Bad Debt	22,634.18	0.00	22,634.18	0.00
Tax And Licenses	633.00	515.48	6,448.53	42,415.73
Freight	579.92	25.10	1,963.39	39.16
Legal	7,333.75	0.00	71,618.52	0.00
Dues & Subscriptions	35,720.44	1,164.75	200,694.75	6,180.50
Physician Fees	132,520.00	0.00	672,818.70	0.00
Purchased Services	120,865.83	23,366.47	1,564,472.22	164,732.61
Pre-Employment	561.70	45.00	9,011.14	730.00
Marketing	129.44	800.00	8,777.23	8,443.61
Clearing Account	(50.00)	0.00	(860.16)	0.00

See Accountants' Compilation Report

Sevier County Medical Center
 Statements of Revenues, Expenses and Changes in Net Position

	Month Ending 08/31/2023	Month Ending 08/31/2022	Year To Date 08/31/2023	Prior Year To Date 08/31/2022
Total Expenses	1,427,606.69	225,862.40	11,291,576.23	1,594,853.62
Non-Operating Income				
Sales Tax Income	229,729.72	247,439.64	1,830,011.37	1,815,717.02
Total Non-Operating Income	229,729.72	247,439.64	1,830,011.37	1,815,717.02
Total Changes in Net Assets	\$ (355,172.77)	\$ 21,630.85	\$ 533,297.59	\$ 221,661.24

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Sevier County Medical Center
 Statements of Cash Flows
 Year To Date 08/31/2023

Cash and Cash Equivalents

Cash Flows from Operating Activities

Cash Received from Patients	\$ 920,465.70
Cash Paid to Employees	(5,941,075.86)
Cash Paid to Suppliers and Contractors	(3,786,543.09)
Other Receipts	<u>146,241.45</u>

Net Cash Used in Operating Activities (8,660,911.80)

Cash Provided (Used) by Non-Capital Financing Activities

Cash Provided (Used) in Grants	1,401,510.93
Other Receipts	<u>1,830,011.37</u>

Net Cash Provided (Used) by Non-Capital Financing Activities 3,231,522.30

Cash Flows from Capital and Related Financing Activities

Purchases of Capital Assets	(4,430,623.24)
Principal on Capital Debt	
Bond Payable	(120,533.46)
Note Payable - Farmers Bank	3,000,000.00
Principal Paid on Other Capital Debt	<u>625,420.59</u>
Total Principal on Capital Debt Group	3,504,887.13
Interest Paid on Capital Debt	<u>(541,969.47)</u>

Net Cash Used In Capital and Related Financing Activities (1,467,705.58)

Net Increase (Decrease) in Cash and Cash Equivalents \$ (6,897,095.08)

Cash and Cash Equivalents, Beginning of Year \$ 7,476,248.61

Cash and Cash Equivalents, End of Year \$ 556,519.35

SUPPLEMENTAL INFORMATION

Sevier County Medical Center
Statements of Revenues, Expenses and Changes in Net Position

	Month Ending 08/31/2023			Year To Date 08/31/2023		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue						
Net Patient Revenue	529,700.12	569,180.56	(39,480.44)	2,548,485.12	4,461,641.17	(1,913,156.05)
Other Income						
Cafeteria Revenue	10,428.89	0.00	10,428.89	67,353.45	0.00	67,353.45
Purchase Discounts	1,348.02	0.00	1,348.02	7,312.76	0.00	7,312.76
Grant Income	300,051.16	0.00	300,051.16	7,296,149.90	0.00	7,296,149.90
Medicaid UPL Income	0.00	42,000.00	(42,000.00)	0.00	126,000.00	(126,000.00)
Non-Patient Room Rent	928.50	0.00	928.50	2,785.50	0.00	2,785.50
Other Income	247.51	0.00	247.51	72,672.14	0.00	72,672.14
Interest Income	0.00	0.00	0.00	103.58	0.00	103.58
Total Other Income	313,004.08	42,000.00	271,004.08	7,446,377.33	126,000.00	7,320,377.33
Total Revenue	842,704.20	611,180.56	231,523.64	9,994,862.45	4,587,641.17	5,407,221.28
Expenses						
Salaries	587,876.52	526,310.40	61,566.12	4,441,064.69	4,159,646.40	281,418.29
Taxes & Benefits	130,640.85	110,762.10	19,878.75	1,523,493.51	875,929.38	647,564.13
Supplies	86,531.00	79,810.56	6,720.44	960,461.37	677,484.48	282,976.89
Depreciation	154,749.48	101,250.00	53,499.48	765,318.13	810,000.00	(44,681.87)
Equipment	4,353.56	1,500.00	2,853.56	41,956.79	22,500.00	19,456.79
Utilities	34,370.11	21,498.64	12,871.47	232,747.33	168,521.61	64,225.72
Contract Labor	0.00	0.00	0.00	9,526.06	0.00	9,526.06
Meals	0.00	250.00	(250.00)	777.70	2,000.00	(1,222.30)
Travel	0.00	500.00	(500.00)	5,608.38	4,000.00	1,608.38
Rental Expenses	23,817.89	3,000.00	20,817.89	190,197.88	24,000.00	166,197.88
Interest	80,712.97	80,073.45	639.52	541,969.47	660,795.38	(118,825.91)
Bank Fees	3,359.57	0.00	3,359.57	20,151.78	0.00	20,151.78
Finance Charge	266.48	0.00	266.48	724.64	0.00	724.64
Bad Debt	22,634.18	0.00	22,634.18	22,634.18	0.00	22,634.18
Tax And Licenses	633.00	6,059.39	(5,426.39)	6,448.53	48,475.12	(42,026.59)
Freight	579.92	0.00	579.92	1,963.39	0.00	1,963.39
Legal	7,333.75	5,000.00	2,333.75	71,618.52	40,000.00	31,618.52
Dues & Subscriptions	35,720.44	4,207.08	31,513.36	200,694.75	33,656.64	167,038.11
Physician Fees	132,520.00	0.00	132,520.00	672,818.70	0.00	672,818.70
Purchased Services	120,865.83	227,500.00	(106,634.17)	1,564,472.22	1,820,000.00	(255,527.78)
Pre-Employment	561.70	621.67	(59.97)	9,011.14	4,973.36	4,037.78
Marketing	129.44	5,000.00	(4,870.56)	8,777.23	40,000.00	(31,222.77)
Clearing Account	(50.00)	0.00	(50.00)	(860.16)	0.00	(860.16)
Total Other Operating	429,085.17	332,211.59	96,873.58	3,326,534.41	2,677,900.50	648,633.91
Total Expenses	1,427,606.69	1,173,343.29	254,263.40	11,291,576.23	9,391,982.37	1,899,593.86
Non-Operating Income						
Sales Tax Income	229,729.72	226,208.08	3,521.64	1,830,011.37	1,809,664.64	20,346.73
Total Non-Operating Income	229,729.72	226,208.08	3,521.64	1,830,011.37	1,809,664.64	20,346.73
Total Changes in Net Assets	\$ (355,172.77)	\$ (335,954.65)	\$ (19,218.12)	\$ 533,297.59	\$ (2,994,676.56)	\$ 3,527,974.15

See Accountants' Compilation Report



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