



Sevier County Medical Center

Financial Statement (Compiled)

February 28, 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 February 28, 2023 and 2022, and the related Statement of Revenues and Expenses for the month and two 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
March 20, 2023

Sevier County Medical Center
Statements of Net Position

	<u>Year To Date</u> 02/28/2023	<u>Prior Year To Date</u> 02/28/2022
Assets		
Cash and Cash Equivalents		
FSB Operating Account	\$ 311,587.96	\$ 1,466,514.99
Farmer's Operating Account	4,478,971.62	0.00
Petty Cash	800.00	0.00
Total Cash and Cash Equivalents	<u>4,791,359.58</u>	<u>1,466,514.99</u>
Inventory		
Materials Mgmt Inventory	303,752.76	0.00
Pharmacy Inventory	214,945.81	0.00
Total Inventory	<u>518,698.57</u>	<u>0.00</u>
Prepaid Expenses		
Prepaid Expense	127,379.52	0.00
Total Prepaid Expenses	<u>127,379.52</u>	<u>0.00</u>
Accounts Receivable		
Accounts Receivable	241,940.42	0.00
Unbilled Receivables	747,007.18	0.00
Employee Receivables	1,174.00	0.00
Contractual Allowance Inpatient	(172,993.88)	0.00
Contractual Allowance Outpatient	(130,132.55)	0.00
Contractual Allowance ER	(444,549.27)	0.00
Contractual Allowance Observation	(95,168.84)	0.00
Total Accounts Receivable	<u>147,277.06</u>	<u>0.00</u>
Fixed Assets		
Land	195,826.69	0.00
Building	19,963,167.42	0.00
Major Movable	5,609,018.28	0.00
Minor Movable	15,936.00	0.00
Total Fixed Assets	<u>25,783,948.39</u>	<u>0.00</u>
Other Assets		
Due from Sevier County	0.00	1,597,113.03
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>24,429,442.03</u>
Total Assets	<u>\$ 32,050,992.12</u>	<u>\$ 25,895,957.02</u>

See Accountants' Compilation Report

Sevier County Medical Center
Statements of Net Position

	<u>Year To Date</u> 02/28/2023	<u>Prior Year To Date</u> 02/28/2022
Liabilities & Equity		
Liabilities		
Current Liabilities		
Accounts Payable	\$ 72,545.01	\$ 0.00
Withholding Ins. Employee	78,606.11	8,514.66
Withholding 401k	0.00	5,752.40
Accounts Payable Accrual	69,092.92	0.00
ARPA Grant	3,973,075.79	0.00
Horatio State Bank 4750	500,106.00	0.00
Total Current Liabilities	<u>4,693,425.83</u>	<u>14,267.06</u>
Long Term Liabilities		
Bond Payable	24,051,666.66	24,221,666.66
Lease Payable - LAB 9000	35,625.00	0.00
Lease Payable - LAB 8000	127,691.11	0.00
Notes Payable - Stryker	617,721.52	0.00
Note Payable - GE	2,930,765.28	0.00
Total Long Term Liabilities	<u>27,763,469.57</u>	<u>24,221,666.66</u>
Total Liabilities	<u>32,456,895.40</u>	<u>24,235,933.72</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	246,287.92	153,142.09
Total Net Position	<u>(405,903.28)</u>	<u>1,660,023.30</u>
Total Liabilities & Equity	<u>\$ 32,050,992.12</u>	<u>\$ 25,895,957.02</u>

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

	Month Ending 02/28/2023	Month Ending 02/28/2022	Year To Date 02/28/2023	Prior Year To Date 02/28/2022
Revenue				
Gross Patient Revenue				
Inpatient Revenue	\$ 199,125.18	\$ 0.00	\$ 203,522.22	\$ 0.00
Outpatient Revenue	134,056.08	0.00	153,097.08	0.00
Emergency Revenue	446,671.61	0.00	522,999.10	0.00
Observation Revenue	97,699.62	0.00	111,963.34	0.00
Total Gross Patient Revenue	877,552.49	0.00	991,581.74	0.00
Revenue Deductions				
Inpatient Contractual Adjustment	(169,256.40)	0.00	(172,993.88)	0.00
Outpatient Contractual Adjustment	(113,947.70)	0.00	(130,132.55)	0.00
Emergency Contractual Adjustment	(379,670.90)	0.00	(444,549.27)	0.00
Observation Contractual Adj	(83,044.68)	0.00	(95,168.84)	0.00
Other Discount Contractual Adj	(503.63)	0.00	(503.63)	0.00
Total Revenue Deductions	(746,423.31)	0.00	(843,348.17)	0.00
Total Net Patient Revenue	131,129.18	0.00	148,233.57	0.00
Other Income				
Cafeteria Revenue	9,532.37	0.00	16,859.51	0.00
Purchase Discounts	2,285.88	0.00	2,282.82	0.00
Grant Income	1,893,008.26	0.00	1,893,008.26	0.00
Other Income	0.00	0.00	185.08	0.00
Interest Income	47.58	117.38	83.73	253.61
Total Other Income	1,904,874.09	117.38	1,912,419.40	253.61
Total Revenue	2,036,003.27	117.38	2,060,652.97	253.61
Expenses				
Salaries	511,850.69	54,398.19	914,501.41	102,608.91
Taxes & Benefits	191,915.08	20,687.95	350,898.37	39,252.25
Supplies	107,677.54	1,854.27	182,904.30	1,854.27
Equipment	6,725.41	0.00	17,979.05	0.00
Utilities	21,382.61	465.85	42,180.63	465.85
Meals	208.90	0.00	208.90	0.00
Travel	448.67	0.00	826.95	0.00
Rental Expenses	27,376.64	3,220.00	32,562.12	6,440.00
Interest	59,166.79	62,868.61	115,266.10	125,244.75
Tax And Licenses	677.00	1,076.20	977.00	1,076.20
Legal	7,512.50	0.00	13,100.00	0.00
Dues & Subscriptions	7,540.11	1,610.00	10,954.30	1,610.00
Purchased Services	272,163.97	17,500.00	564,633.86	22,500.00
Pre-Employment	3,946.35	0.00	5,348.54	0.00
Marketing	3,115.34	180.00	6,121.23	180.00
Total Expenses	1,221,707.60	163,861.07	2,258,462.76	301,232.23
Non-Operating Income				
Sales Tax Income	220,603.90	232,934.70	444,097.71	454,120.71
Total Non-Operating Income	220,603.90	232,934.70	444,097.71	454,120.71
Total Changes in Net Assets	\$ 1,034,899.57	\$ 69,191.01	\$ 246,287.92	\$ 153,142.09

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Sevier County Medical Center
Statements of Cash Flows

	<u>Month Ending</u> 02/28/2023	<u>Year To Date</u> 02/28/2023
Cash and Cash Equivalents		
Cash Flows from Operating Activities		
Cash Received from Patients	\$ 2,130.51	\$ 2,130.51
Cash Paid to Employees	(744,133.68)	(1,286,986.19)
Cash Paid to Suppliers and Contractors	(452,136.98)	(1,236,467.49)
Other Receipts	11,555.10	18,237.14
Net Cash Used in Operating Activities	<u>(1,182,585.05)</u>	<u>(2,503,086.03)</u>
Cash Provided (Used) by Non-Capital Financing Activities		
Cash Provided (Used) in Grants	(383,915.95)	(383,915.95)
Other Receipts	720,709.90	944,203.71
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>336,793.95</u>	<u>560,287.76</u>
Cash Flows from Capital and Related Financing Activities		
Purchases of Capital Assets	(564,696.05)	(594,128.32)
Principal Paid on Capital Debt	(14,166.67)	(32,696.34)
Interest Paid on Capital Debt	(59,166.79)	(115,266.10)
Net Cash Used In Capital and Related Financing Activities	<u>(638,029.51)</u>	<u>(742,090.76)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>\$ (1,483,820.61)</u>	<u>\$ (2,684,889.03)</u>
Cash and Cash Equivalents, Beginning of Year	<u>\$ 6,275,180.19</u>	<u>\$ 7,476,248.61</u>
Cash and Cash Equivalents, End of Year	<u>\$ 4,791,359.58</u>	<u>\$ 4,791,359.58</u>

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SUPPLEMENTAL INFORMATION

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

	Month Ending 02/28/2023			Year To Date 02/28/2023		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue						
Net Patient Revenue	131,129.18	514,098.57	(382,969.39)	148,233.57	1,083,279.13	(935,045.56)
Other Income						
Cafeteria Revenue	9,532.37	0.00	9,532.37	16,859.51	0.00	16,859.51
Purchase Discounts	2,285.88	0.00	2,285.88	2,282.82	0.00	2,282.82
Grant Income	1,893,008.26	0.00	1,893,008.26	1,893,008.26	0.00	1,893,008.26
Other Income	0.00	0.00	0.00	185.08	0.00	185.08
Interest Income	47.58	0.00	47.58	83.73	0.00	83.73
Total Other Income	1,904,874.09	0.00	1,904,874.09	1,912,419.40	0.00	1,912,419.40
Total Revenue	2,036,003.27	514,098.57	1,521,904.70	2,060,652.97	1,083,279.13	977,373.84
Expenses						
Salaries	511,850.69	505,377.60	6,473.09	914,501.41	1,031,688.00	(117,186.59)
Taxes & Benefits	191,915.08	106,575.52	85,339.56	350,898.37	217,337.62	133,560.75
Supplies	107,677.54	99,310.56	8,366.98	182,904.30	198,621.12	(15,716.82)
Equipment	6,725.41	106,250.00	(99,524.59)	17,979.05	212,500.00	(194,520.95)
Utilities	21,382.61	19,418.13	1,964.48	42,180.63	40,916.77	1,263.86
Meals	208.90	250.00	(41.10)	208.90	500.00	(291.10)
Travel	448.67	500.00	(51.33)	826.95	1,000.00	(173.05)
Rental Expenses	27,376.64	3,000.00	24,376.64	32,562.12	6,000.00	26,562.12
Interest	59,166.79	84,385.75	(25,218.96)	115,266.10	169,469.57	(54,203.47)
Tax And Licenses	677.00	6,059.39	(5,382.39)	977.00	12,118.78	(11,141.78)
Legal	7,512.50	5,000.00	2,512.50	13,100.00	10,000.00	3,100.00
Dues & Subscriptions	7,540.11	4,207.08	3,333.03	10,954.30	8,414.16	2,540.14
Purchased Services	272,163.97	227,500.00	44,663.97	564,633.86	455,000.00	109,633.86
Pre-Employment	3,946.35	621.67	3,324.68	5,348.54	1,243.34	4,105.20
Marketing	3,115.34	5,000.00	(1,884.66)	6,121.23	10,000.00	(3,878.77)
Total Other Operating	382,156.27	336,523.89	45,632.38	749,999.00	673,745.85	76,253.15
Total Expenses	1,221,707.60	1,173,455.70	48,251.90	2,258,462.76	2,374,809.36	(116,346.60)
Non-Operating Income						
Sales Tax Income	220,603.90	226,208.08	(5,604.18)	444,097.71	452,416.16	(8,318.45)
Total Non-Operating Income	220,603.90	226,208.08	(5,604.18)	444,097.71	452,416.16	(8,318.45)
Total Changes in Net Assets	\$ 1,034,899.57	\$ (433,149.05)	\$ 1,468,048.62	\$ 246,287.92	\$ (839,114.07)	\$ 1,085,401.99

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