



Sevier County Medical Center

Financial Statement Summary (Compiled)

October 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 October 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
November 9, 2023

Sevier County Medical Center
Statements of Net Position

	Year To Date 10/31/2023	Prior Year To Date 10/31/2022
Assets		
Cash and Cash Equivalents		
FSB Operating 9436 Account	\$ 100.03	\$ 335,366.04
Farmer's Operating & Sweep Account 2029	112,941.32	0.00
Farmer's Operating 3415	711,741.40	0.00
Petty Cash	920.00	0.00
Farmers Bond Proceeds Fund 3605	100.00	0.00
Farmers Bank 3589 - Revenue Bond Fund	10.00	0.00
Total Cash and Cash Equivalents	<u>825,812.75</u>	<u>335,366.04</u>
Inventory		
Materials Mgmt Inventory	201,603.70	0.00
Pharmacy Inventory	214,945.81	0.00
Total Inventory	<u>416,549.51</u>	<u>0.00</u>
Prepaid Expenses		
Prepaid Expense	55,785.71	0.00
Total Prepaid Expenses	<u>55,785.71</u>	<u>0.00</u>
Accounts Receivable		
Accounts Receivable	4,847,472.96	0.00
Unbilled Receivables	395,991.89	0.00
Bad Debt	159,425.82	0.00
Employee Receivables	9,711.29	0.00
Contractual Allowance Inpatient	164,630.96	0.00
Contractual Allowance Outpatient	(838,235.78)	0.00
Contractual Allowance ER	(2,856,259.05)	0.00
Contractual Allowance Observation	(1,013.89)	0.00
Total Accounts Receivable	<u>1,881,724.20</u>	<u>0.00</u>
Fixed Assets		
Land	195,826.69	0.00
Building	23,643,618.49	0.00
Major Movable	5,658,767.47	91,393.75
Minor Movable	177,470.92	0.00
Building - Acc Depr	(387,877.06)	0.00
Major Movable - Acc Depr	(671,429.74)	0.00
Minor Movable - Acc Depr	(6,405.76)	0.00
Total Fixed Assets	<u>28,609,971.01</u>	<u>91,393.75</u>
Other Assets		
Due from Sevier County	0.00	2,462,543.82
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>25,294,872.82</u>
Total Assets	<u>\$ 32,472,172.18</u>	<u>\$ 25,721,632.61</u>

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Sevier County Medical Center
Statements of Net Position

	Year To Date 10/31/2023	Prior Year To Date 10/31/2022
Liabilities & Equity		
Liabilities		
Current Liabilities		
Accounts Payable	\$ 846,151.79	\$ 0.00
Accrued Salaries	231,624.14	0.00
Withholding Ins. Employee	0.00	13,506.94
Withholding FICA SS Employee	0.00	(1,999.00)
Withholding 401k	4,459.85	(0.01)
ARPA Grant	113,240.36	0.00
Deferred Revenue	156,206.56	0.00
Horatio State Bank 4750	1,000,106.00	0.00
Gift Cards Outstanding	60.00	0.00
Interest Payable	42,393.75	0.00
Total Current Liabilities	2,394,242.45	11,507.93
Long Term Liabilities		
Bond Payable	23,929,710.32	24,108,333.33
Lease Payable - De Lange 7348	11,880.00	0.00
Lease Payable - De Lange 1732	86,942.70	0.00
Lease Payable - De Lange 6994	7,200.00	0.00
Lease Payable - LAB 9000	28,128.00	0.00
Lease Payable - LAB 8000	87,618.11	0.00
Notes Payable - Stryker	437,876.71	0.00
Note Payable - Farmers Bank	3,500,000.00	0.00
Note Payable - GE	9,742.07	0.00
Construction Payable	3,099,897.07	0.00
Total Long Term Liabilities	31,198,994.98	24,108,333.33
Total Liabilities	33,593,237.43	24,119,841.26
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	(468,874.05)	94,910.14
Total Net Position	(1,121,065.25)	1,601,791.35
Total Liabilities & Equity	\$ 32,472,172.18	\$ 25,721,632.61

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

	Month Ending 10/31/2023	Month Ending 10/31/2022	Year To Date 10/31/2023	Prior Year To Date 10/31/2022
Revenue				
Gross Patient Revenue				
Inpatient Revenue	\$ 159,320.81	\$ 0.00	\$ 1,414,224.73	\$ 0.00
Outpatient Revenue	337,215.48	0.00	2,443,267.70	0.00
Emergency Revenue	790,389.32	0.00	8,048,442.86	0.00
Observation Revenue	131,079.61	0.00	1,220,825.58	0.00
Total Gross Patient Revenue	1,418,005.22	0.00	13,126,760.87	0.00
Revenue Deductions				
Inpatient Contractual Adjustment	35,478.67	0.00	(645,331.10)	0.00
Outpatient Contractual Adjustment	(190,404.31)	0.00	(1,760,135.88)	0.00
Emergency Contractual Adjustment	(415,411.17)	0.00	(6,265,389.40)	0.00
Observation Contractual Adj	(83,870.20)	0.00	(622,491.50)	0.00
Other Discount Contractual Adj	0.00	0.00	(9,192.99)	0.00
Total Revenue Deductions	(654,207.01)	0.00	(9,302,540.87)	0.00
Total Net Patient Revenue	763,798.21	0.00	3,824,220.00	0.00
Other Income				
Cafeteria Revenue	9,139.08	0.00	85,133.46	0.00
Purchase Discounts	2,548.55	0.00	12,409.86	0.00
Grant Income	114,773.81	0.00	7,538,270.57	0.00
Non-Patient Room Rent	928.50	0.00	4,642.50	0.00
Other Income	0.00	0.00	72,672.14	0.00
Interest Income	0.00	17.05	103.58	849.09
Total Other Income	127,389.94	17.05	7,713,232.11	849.09
Total Revenue	891,188.15	17.05	11,537,452.11	849.09
Expenses				
Salaries	596,418.53	108,583.58	5,603,327.22	829,652.64
Taxes & Benefits	226,799.80	34,663.80	1,882,651.94	279,712.38
Supplies	144,575.30	31,838.38	1,243,831.20	56,256.88
Depreciation	154,749.48	0.00	1,074,817.09	0.00
Equipment	1,128.53	0.00	44,050.42	0.00
Utilities	30,312.00	392.54	294,254.89	5,842.56
Contract Labor	0.00	0.00	9,526.06	542.50
Meals	0.00	0.00	777.70	582.74
Travel	1,897.92	466.38	9,436.37	2,048.90
Rental Expenses	31,638.59	4,830.05	250,956.55	37,979.29
Interest	78,446.31	62,553.51	724,345.75	626,660.32
Bank Fees	3,514.85	0.00	26,557.93	0.00
Finance Charge	532.36	0.00	1,789.36	0.00
Tax And Licenses	813.00	547.60	8,243.53	44,023.46
Freight	504.40	157.79	2,856.09	196.95
Legal	2,424.51	0.00	78,467.54	0.00
Dues & Subscriptions	14,578.50	66.00	230,563.75	7,746.50
Physician Fees	131,580.00	0.00	945,373.70	0.00
Purchased Services	112,666.91	43,281.00	1,813,076.60	286,155.44
Pre-Employment	538.51	656.94	9,994.99	2,970.54
Marketing	1,790.27	585.00	12,313.53	9,723.61
Clearing Account	0.00	0.00	(860.16)	0.00
Total Expenses	1,534,909.77	288,622.57	14,266,352.05	2,190,094.71

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

	Month Ending 10/31/2023	Month Ending 10/31/2022	Year To Date 10/31/2023	Prior Year To Date 10/31/2022
Non-Operating Income				
Sales Tax Income	219,154.01	226,240.85	2,260,025.89	2,284,155.76
Total Non-Operating Income	219,154.01	226,240.85	2,260,025.89	2,284,155.76
Total Changes in Net Assets	\$ (424,567.61)	\$ (62,364.67)	\$ (468,874.05)	\$ 94,910.14

See Accountants' Compilation Report

Sevier County Medical Center
Statement of Cash Flows
As of October 31, 2023

	<u>Month Ending</u> 10/31/2023	<u>Year To Date</u> 10/31/2023
Cash Flows from Operating Activities		
Cash Received from Patients	452,196.38	1,952,207.09
Cash Paid to Employees	(805,106.72)	(7,350,087.69)
Cash Paid to Suppliers and Contractors	(107,285.58)	(4,470,728.46)
Other Receipts	9,778.21	165,250.25
	<u>(450,417.71)</u>	<u>(9,703,358.81)</u>
Net Cash Used in Operating Activities		
Cash Provided (Used) by Non-Capital Financing Activities		
Cash Provided (Used) in Grants	0.00	1,401,510.93
Other Receipts	219,154.01	2,260,025.89
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>219,154.01</u>	<u>3,661,536.82</u>
Cash Flows from Capital and Related Financing Activities		
Purchases of Capital Assets	(27,620.13)	(4,485,863.50)
Bond Payable	(20,408.26)	(150,289.68)
Note Payable - Farmers Bank	300,000.00	3,500,000.00
Principal Paid on Other Capital Debt	533,136.85	1,251,885.06
Interest Paid on Capital Debt	(78,446.31)	(724,345.75)
	<u>706,662.15</u>	<u>(608,613.87)</u>
Net Cash Used In Capital and Related Financing Activities		
Net increase (decrease) in cash and cash equivalents	<u>475,398.45</u>	<u>(6,650,435.86)</u>
Cash and Cash Equivalents, Beginning of Year	<u>350,414.30</u>	<u>7,476,248.61</u>
Cash at End of Period	<u><u>825,812.75</u></u>	<u><u>825,812.75</u></u>

See Accountants' Compilation Report

SUPPLEMENTAL INFORMATION

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

	Month Ending 10/31/2023			Year To Date 10/31/2023		
	Actual	Budget	Variance	Actual	Budget	Variance
Revenue						
Net Patient Revenue	763,798.21	569,180.56	194,617.65	3,824,220.00	5,581,641.63	(1,757,421.63)
Other Income						
Cafeteria Revenue	9,139.08	0.00	9,139.08	85,133.46	0.00	85,133.46
Purchase Discounts	2,548.55	0.00	2,548.55	12,409.86	0.00	12,409.86
Grant Income	114,773.81	0.00	114,773.81	7,538,270.57	0.00	7,538,270.57
Medicaid UPL Income	0.00	42,000.00	(42,000.00)	0.00	210,000.00	(210,000.00)
Non-Patient Room Rent	928.50	0.00	928.50	4,642.50	0.00	4,642.50
Other Income	0.00	0.00	0.00	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	127,389.94	42,000.00	85,389.94	7,713,232.11	210,000.00	7,503,232.11
Total Revenue	891,188.15	611,180.56	280,007.59	11,537,452.11	5,791,641.63	5,745,810.48
Expenses						
Salaries	596,418.53	526,310.40	70,108.13	5,603,327.22	5,197,315.20	406,012.02
Taxes & Benefits	226,799.80	110,762.10	116,037.70	1,882,651.94	1,094,463.16	788,188.78
Supplies	144,575.30	79,810.56	64,764.74	1,243,831.20	837,105.60	406,725.60
Depreciation	154,749.48	101,250.00	53,499.48	1,074,817.09	1,012,500.00	62,317.09
Equipment	1,128.53	1,500.00	(371.47)	44,050.42	25,500.00	18,550.42
Utilities	30,312.00	21,498.64	8,813.36	294,254.89	210,825.39	83,429.50
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	2,500.00	(1,722.30)
Travel	1,897.92	500.00	1,397.92	9,436.37	5,000.00	4,436.37
Rental Expenses	31,638.59	3,000.00	28,638.59	250,956.55	30,000.00	220,956.55
Interest	78,446.31	78,587.64	(141.33)	724,345.75	818,716.64	(94,370.89)
Bank Fees	3,514.85	0.00	3,514.85	26,557.93	0.00	26,557.93
Finance Charge	532.36	0.00	532.36	1,789.36	0.00	1,789.36
Tax And Licenses	813.00	6,059.39	(5,246.39)	8,243.53	60,593.90	(52,350.37)
Freight	504.40	0.00	504.40	2,856.09	0.00	2,856.09
Legal	2,424.51	5,000.00	(2,575.49)	78,467.54	50,000.00	28,467.54
Dues & Subscriptions	14,578.50	4,207.08	10,371.42	230,563.75	42,070.80	188,492.95
Physician Fees	131,580.00	0.00	131,580.00	945,373.70	0.00	945,373.70
Purchased Services	112,666.91	227,500.00	(114,833.09)	1,813,076.60	2,275,000.00	(461,923.40)
Pre-Employment	538.51	621.67	(83.16)	9,994.99	6,216.70	3,778.29
Marketing	1,790.27	5,000.00	(3,209.73)	12,313.53	50,000.00	(37,686.47)
Clearing Account	0.00	0.00	0.00	(860.16)	0.00	(860.16)
Total Other Operating	380,926.13	330,725.78	50,200.35	4,123,419.29	3,340,098.04	783,321.25
Total Expenses	1,534,909.77	1,171,857.48	363,052.29	14,266,352.05	11,717,807.39	2,548,544.66
Non-Operating Income						
Sales Tax Income	219,154.01	226,208.08	(7,054.07)	2,260,025.89	2,262,080.80	(2,054.91)
Total Non-Operating Income	219,154.01	226,208.08	(7,054.07)	2,260,025.89	2,262,080.80	(2,054.91)
Total Changes in Net Assets	\$ (424,567.61)	\$ (334,468.84)	\$ (90,098.77)	\$ (468,874.05)	\$ (3,664,084.96)	\$ 3,195,210.91

See Accountants' Compilation Report

