

CHOCTAW REGIONAL MEDICAL CENTER
(A Component Unit of Choctaw County, Mississippi)

STATEMENTS OF NET POSITION

September 30, 2019 and 2018

	<u>Assets</u>	
	<u>2019</u>	<u>2018</u>
Current Assets		
Cash	\$ 769,253	\$ 786,102
Patient accounts receivable, net of estimated uncollectibles of \$2,397,340 and \$1,708,722, respectively	3,158,824	2,925,498
Estimated amounts due from third-party payors	383,570	455,588
Inventory	99,612	110,196
Prepaid expenses	36,291	35,162
Total current assets	<u>4,447,550</u>	<u>4,312,546</u>
Capital Assets		
Property and equipment, net of depreciation	12,902,144	13,800,651
Other Assets		
Assets whose use is limited	751,009	650,270
Patient trust funds	113,493	119,765
Unemployment reserve account	36,931	36,931
Total other assets	<u>901,433</u>	<u>806,966</u>
 Total assets	 <u>\$ 18,251,127</u>	 <u>\$ 18,920,163</u>

The accompanying notes are an integral part of the financial statements.

Liabilities and Net Position

	<u>2019</u>	<u>2018</u>
Current Liabilities		
Accounts payable	\$ 1,574,856	\$ 1,873,806
Patient accounts receivable credit balances	167,860	252,082
Accrued expenses and payroll withholdings	712,093	662,288
Accrued interest payable	81,642	78,491
Estimated amounts due to third-party payors	-	535,500
Current maturities of note payable	485,000	460,000
Current maturities of capital lease obligations	39,869	45,221
Total current liabilities	3,061,320	3,907,388
Noncurrent Liabilities		
Note payable, less current maturities	2,800,000	3,285,000
Capital lease obligations, less current maturities	39,235	33,250
Patient trust funds	113,493	119,765
Total noncurrent liabilities	2,952,728	3,438,015
Total liabilities	6,014,048	7,345,403
Net Position		
Invested in capital assets, net of related debt	9,538,040	9,977,180
Restricted note agreement	751,009	650,270
Unrestricted	1,948,030	947,310
Total net position	12,237,079	11,574,760
Total liabilities and net position	<u>\$ 18,251,127</u>	<u>\$ 18,920,163</u>

CHOCTAW REGIONAL MEDICAL CENTER
(A Component Unit of Choctaw County, Mississippi)

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Years Ended September 30, 2019 and 2018

	2019	2018
Operating Revenues		
Net patient revenue, net of provision for bad debts of \$3,249,487 and \$3,328,110, respectively	\$ 20,418,547	\$ 19,440,384
340B pharmacy program revenue, net of expenses of \$269,475 and \$93,029, respectively	1,469,242	734,692
Other revenue	67,178	188,788
Total operating revenues	21,954,967	20,363,864
Operating Expenses		
Salaries and benefits	14,493,947	14,068,044
Supplies and drugs	2,043,158	1,803,537
Other expenses	4,472,423	4,591,046
Insurance	288,958	217,790
Depreciation	968,824	974,167
Total operating expenses	22,267,310	21,654,584
Loss from operations	(312,343)	(1,290,720)
Nonoperating Revenues (Expenses)		
Contributions from Choctaw County	1,177,186	1,330,500
Other contributions	33,827	41,539
Interest income	955	958
Interest expense	(237,306)	(215,639)
Total nonoperating revenues (expenses)	974,662	1,157,358
Change in net position	662,319	(133,362)
Net position, beginning of year	11,574,760	11,708,122
Net position, end of year	\$ 12,237,079	\$ 11,574,760

The accompanying notes are an integral part of the financial statements.

CHOCTAW REGIONAL MEDICAL CENTER
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STATEMENTS OF CASH FLOWS

For the Years Ended September 30, 2019 and 2018

	2019	2018
Cash Flows Provided By (Used For) Operating Activities:		
Receipts from and on behalf of patients	\$ 19,637,517	\$ 19,061,103
Payments for supplies and other expenses	(7,094,034)	(6,152,335)
Payments to and on behalf of employees	(14,444,142)	(14,078,772)
Other receipts and payments	1,536,420	923,480
Net cash used for operating activities	<u>(364,239)</u>	<u>(246,524)</u>
Cash Flows From (Used For) Capital and Related Financing Activities:		
Principal payments on notes payable	(460,000)	(440,000)
Principal payments on capital lease obligations	633	(51,936)
Change in assets whose use is limited	(100,739)	300,586
Interest paid on long-term debt	(234,155)	(224,861)
Purchase of capital assets	(70,317)	(277,216)
Net cash used for capital and related financing activities	<u>(864,578)</u>	<u>(693,427)</u>
Cash Flows From (Used For) Noncapital Financing Activities:		
Contributions	1,211,013	1,372,039
Cash Flows From (Used For) Investing Activities:		
Interest income	<u>955</u>	<u>958</u>
Net increase (decrease) in cash and cash equivalents	(16,849)	433,046
Cash and cash equivalents - beginning of the year	<u>786,102</u>	<u>353,056</u>
Cash and cash equivalents - end of the year	<u><u>\$ 769,253</u></u>	<u><u>\$ 786,102</u></u>
Reconciliation of Operating Income (Loss) to Net Cash		
Provided By (Used For) Operating Activities:		
Operating loss	\$ (312,343)	\$ (1,290,720)
Adjustments to Reconcile Operating Income (Loss) to Net		
Cash Flows Provided By (Used For) Operating Activities:		
Depreciation and amortization	968,824	974,167
Provisions for uncollectible accounts	3,249,487	3,328,110
Change in assets and liabilities:		
Patient accounts receivable	(3,410,795)	(3,063,588)
Supplies and current assets	9,455	13,847
Accounts payable, accrued expenses, and other		
current liabilities	(333,367)	498,653
Estimated third-party payor settlements	<u>(535,500)</u>	<u>(706,993)</u>
Net cash used for operating activities	<u><u>\$ (364,239)</u></u>	<u><u>\$ (246,524)</u></u>

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