

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

STATEMENTS OF NET POSITION

September 30, 2022 and 2021

	<u>Assets</u>	<u>2022</u>	<u>2021</u>
Current Assets			
Cash		\$ 11,386,157	\$ 8,890,275
Patient accounts receivable, net of estimated uncollectibles of \$3,544,140 and \$6,207,539, respectively		3,428,863	4,773,560
Estimated amounts due from third-party payors		346,778	253,121
Inventory		111,898	97,098
Prepaid expenses		302,603	296,085
Total current assets		<u>15,576,299</u>	<u>14,310,139</u>
Noncurrent Assets			
Capital assets, net		11,514,092	12,105,870
Lease assets, net		466,329	25,937
Assets whose use is limited		-	650,952
Patient trust funds		56,665	63,597
Unemployment reserve account		36,931	36,931
Total noncurrent assets		<u>12,074,017</u>	<u>12,883,287</u>
Total assets		<u>\$ 27,650,316</u>	<u>\$ 27,193,426</u>
<u>Liabilities and Net Position</u>			
		<u>2022</u>	<u>2021</u>
Current Liabilities			
Accounts payable		\$ 563,456	\$ 999,978
Refundable advances		-	1,099,379
Patient accounts receivable credit balances		368,421	198,662
Accrued expenses and payroll withholdings		588,521	838,045
Estimated amounts due to third-party payors		-	60,823
Current portion of note payable		-	535,000
Current portion of lease liabilities		167,569	11,975
Total current liabilities		<u>1,687,967</u>	<u>3,743,862</u>
Noncurrent Liabilities			
Note payable, less current portion		-	1,574,011
Lease liabilities, less current portion		310,339	15,924
Patient trust funds		56,253	63,390
Total noncurrent liabilities		<u>366,592</u>	<u>1,653,325</u>
Total liabilities		<u>2,054,559</u>	<u>5,397,187</u>
Net Position			
Net investment in capital assets		11,502,513	9,994,897
Restricted note agreement		-	650,952
Unrestricted		14,093,244	11,150,390
Total net position		<u>25,595,757</u>	<u>21,796,239</u>
Total liabilities and net position		<u>\$ 27,650,316</u>	<u>\$ 27,193,426</u>

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

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, 2022 and 2021

	2022	2021
Operating Revenues		
Net patient revenue	\$ 21,250,105	\$ 20,912,501
Net 340B pharmacy program revenue	2,283,319	2,314,954
Other revenue	177,768	62,899
Total operating revenues	<u>23,711,192</u>	<u>23,290,354</u>
Operating Expenses		
Salaries and benefits	13,883,917	14,023,877
Supplies and drugs	2,634,201	2,518,110
Other expenses	5,241,874	4,607,072
Insurance	71,459	320,285
Depreciation and amortization	818,594	614,044
Total operating expenses	<u>22,650,045</u>	<u>22,083,388</u>
Income from operations	1,061,147	1,206,966
Nonoperating Revenues (Expenses)		
Contributions from Choctaw County	1,564,736	840,029
Other contributions, grants and assistance	1,268,819	5,332,380
Interest income	5,120	5,426
Interest expense	(100,304)	(141,150)
Total nonoperating revenues (expenses)	<u>2,738,371</u>	<u>6,036,685</u>
Change in net position	3,799,518	7,243,651
Net position, beginning of year	<u>21,796,239</u>	<u>14,552,588</u>
Net position, end of year	<u><u>\$ 25,595,757</u></u>	<u><u>\$ 21,796,239</u></u>

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

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

STATEMENTS OF CASH FLOWS

For the Years Ended September 30, 2022 and 2021

	2022	2021
Cash Flows From Operating Activities:		
Receipts from and on behalf of patients	\$ 22,609,876	\$ 20,133,776
Payments for supplies and other expenses	(8,405,374)	(8,296,133)
Payments to and on behalf of employees	(14,133,441)	(14,018,548)
Other receipts and payments	2,461,087	2,377,853
Net cash provided by operating activities	2,532,148	196,948
Cash Flows From Capital and Related Financing Activities:		
Principal payments on notes payable	(2,109,011)	(690,989)
Principal payments on lease liabilities	(161,410)	(5,943)
Change in assets whose use is limited	650,952	(4,486)
Interest paid on notes payable and lease liabilities	(100,303)	(132,305)
Purchase of capital assets	(55,789)	(303,112)
Net cash used for capital and related financing activities	(1,775,561)	(1,136,835)
Cash Flows From Noncapital Financing Activities:		
Contributions	2,833,555	1,461,825
Recoupment of Medicare advance payments	(1,099,379)	(4,050,981)
Net cash provided by (used for) noncapital financing activities	1,734,176	(2,589,156)
Cash Flows From Investing Activities:		
Interest income	5,119	5,426
Net increase (decrease) in cash and cash equivalents	2,495,882	(3,523,617)
Cash and cash equivalents - beginning of the year	8,890,275	12,413,892
Cash and cash equivalents - end of the year	\$ 11,386,157	\$ 8,890,275

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

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

STATEMENTS OF CASH FLOWS (Continued)

For the Years Ended September 30, 2022 and 2021

Reconciliation of Income from Operations to Net Cash

Used For Operating Activities:

Operating income	\$ 1,061,147	\$ 1,206,966
------------------	--------------	--------------

Adjustments to Reconcile Income from Operations to Net

Cash Flows Provided By Operating Activities:

Depreciation and amortization	818,594	614,044
-------------------------------	---------	---------

Provisions for uncollectible accounts	4,916,877	3,943,841
---------------------------------------	-----------	-----------

Change in assets and liabilities:

Patient accounts receivable	(3,572,385)	(4,059,997)
-----------------------------	-------------	-------------

Inventory and prepaid expenses	(21,318)	(131,549)
--------------------------------	----------	-----------

Accounts payable, accrued expenses, and other current liabilities	(516,287)	(687,180)
--	-----------	-----------

Estimated third-party payor settlements	(154,480)	(689,177)
---	-----------	-----------

Net cash provided by operating activities	<u>\$ 2,532,148</u>	<u>\$ 196,948</u>
---	---------------------	-------------------

Noncash Capital and Related Financing Activities:

Lease liabilities incurred for lease assets	<u>\$ 611,419</u>	<u>\$ -</u>
---	-------------------	-------------

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