

**SOUTH ROUTT MEDICAL CENTER
HEALTH SERVICES DISTRICT**

Financial Statements

December 31, 2017

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October 2, 2018

**SOUTH ROUTT MEDICAL CENTER
HEALTH SERVICES DISTRICT**

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Independent Auditor's Report

Board of Directors
South Routt Medical Center Health Services District
Routt County, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the South Routt Medical Center Health Services District (the District), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the South Routt Medical Center Health Services District as of December 31, 2017, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Financial Information

We have previously audited the District's December 31, 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 24, 2017. In our opinion, the summarized comparative financial information presented herein as of and for the year ended December 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The supplementary information consisting of the schedule of revenues, expenditures and changes in fund balance – budget and actual on page 13 is presented for purpose of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Catterson + Company, P.C.

Steamboat Springs, Colorado
September 17, 2018

SOUTH ROUTT MEDICAL CENTER HEALTH SERVICES DISTRICT
Statement of Net Position
December 31, 2017
(w with summarized financial information as of December 31, 2016)

	2017	2016
Assets:		
Current assets:		
Cash and cash equivalents	\$ 31,080	\$ 25,677
Accounts receivable, net of allowance	26,623	19,608
Due from other government	2,728	1,275
Property taxes receivable	350,554	378,239
Total current assets	410,985	424,799
Noncurrent assets:		
Capital assets, net of accumulated depreciation	966,385	1,002,161
Total noncurrent assets	966,385	1,002,161
Total assets	1,377,370	1,426,960
Liabilities:		
Current liabilities:		
Accounts payable and accrued expenses	18,741	30,471
Line of credit	50,000	60,000
Current portion of lease purchase obligation	25,462	24,428
Total current liabilities	94,203	114,899
Noncurrent liabilities:		
Lease purchase obligation, net of current portion	345,180	370,643
Total liabilities	439,383	485,542
Deferred Inflows of Resources:		
Deferred property taxes	350,554	378,239
Deferred inflows of resources	350,554	378,239
Net Position:		
Net investment in capital assets	595,743	607,090
Restricted for:		
Emergencies	28,520	17,830
Unrestricted (deficit)	(36,830)	(61,741)
Total net position	\$ 587,433	\$ 563,179

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

SOUTH ROUTT MEDICAL CENTER HEALTH SERVICES DISTRICT
Statement of Activities
For the Year Ended December 31, 2017
(with summarized financial information for the year ended December 31, 2016)

	2017	2016
Operating Revenues:		
Patient services:		
Medical	\$ 677,827	\$ 538,591
Less: uncollectible accounts	(277,157)	(206,987)
Dental	269,526	52,614
Less: uncollectible accounts	(163,627)	(26,285)
Patient services, net of uncollectible accounts	506,569	357,933
Grants	7,667	24,244
Other income	32,157	15,867
Total operating revenues	546,393	398,044
Operating Expenses:		
Wages, contract labor and benefits	668,658	529,311
Medical supplies and equipment	66,834	50,620
Professional fees	38,474	36,347
Utilities	15,446	16,716
Cleaning, repairs and maintenance	4,470	4,145
Insurance	10,502	12,257
Office	7,061	9,935
Laboratory fees	20,090	31,528
Depreciation	35,776	34,903
Other	36,179	18,454
Total operating expenses	903,490	744,216
Income (loss) from operations	(357,097)	(346,172)
Non-Operating Revenues (Expenses):		
Taxes:		
Property	381,005	202,679
Specific ownership	30,172	14,400
Treasurer's fees	(11,441)	(6,183)
Interest income	774	3,456
Interest expense	(19,159)	(20,643)
Net non-operating revenues	381,351	193,709
Change in net position	24,254	(152,463)
Net position, beginning of year	563,179	715,642
Net position, end of year	\$ 587,433	\$ 563,179

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

SOUTH ROUTT MEDICAL CENTER HEALTH SERVICES DISTRICT
Statement of Cash Flows
For the Year Ended December 31, 2017
(with summarized financial information for the year ended December 31, 2016)

	2017	2016
Cash Flows From Operating Activities:		
Cash received from customers	\$ 499,554	\$ 357,585
Cash received from other sources	39,824	36,867
Cash payments to suppliers of goods or services	(521,089)	(406,808)
Cash payments to employees and contract labor	(358,355)	(282,946)
Net cash provided (used) by operating activities	(340,066)	(295,302)
Cash Flows From Non-Capital Financing Activities:		
Taxes received, net of collection fees	398,283	211,004
Proceeds from short-term debt	40,000	116,200
Principal payments on short-term debt	(50,000)	(56,200)
Interest payments on short-term debt	(3,227)	(3,672)
Net cash provided by non-capital financing activities	385,056	267,332
Cash Flows From Capital and Related Financing Activities:		
Acquisition of capital assets	-	(8,720)
Principal payments on long-term debt	(24,429)	(23,392)
Interest payments on long-term debt	(15,932)	(16,971)
Net cash provided (used) by capital financing activities	(40,361)	(49,083)
Cash Flows From Investing Activities:		
Interest received	774	3,456
Net cash provided by investing activities	774	3,456
Net change in cash and cash equivalents	5,403	(73,597)
Cash and cash equivalents, beginning of year	25,677	99,274
Cash and cash equivalents, end of year	\$ 31,080	\$ 25,677
Reconciliation of Income (Loss) From Operations to Net Cash Provided by Activities:		
Income (loss) from operations	\$ (357,097)	\$ (346,172)
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:		
Depreciation	35,776	34,903
(Increase) decrease in:		
Accounts receivable	(7,015)	(348)
(Decrease) increase in:		
Accounts payable and accrued expenses	(11,730)	19,559
Advance from grantor	-	(3,244)
Net cash provided (used) by operating activities	\$ (340,066)	\$ (295,302)

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

SOUTH ROUTT MEDICAL CENTER HEALTH SERVICES DISTRICT
Notes to Financial Statements
December 31, 2017
(with summarized financial information as of and for the year ended December 31, 2016)

Note 1: Summary of Significant Accounting Policies

The South Routt Medical Center Health Services District (the District) was established in May 2006 in Routt County, Colorado as a local government entity under Colorado Revised Statutes (CRS) to provide medical services including general operations and capital improvements in southern Routt County, Colorado. The District operates a medical care facility located in the Town of Oak Creek, Colorado.

The District's financial statements were prepared in accordance with accounting principles generally accepted in the United States of America (US GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for the establishment of US GAAP in governmental entities. The following summary of the more significant accounting policies of the District is presented to assist the reader in interpreting these financial statements and should be viewed as an integral part of this report.

Reporting Entity

The reporting entity consists of (a) the primary government, i.e., the District, and (b) organizations for which the District is financially accountable. The District does not have any component units for which it is financially accountable.

Measurement Focus and Basis of Accounting

The District operates as an enterprise and the accompanying proprietary fund financial statements use a flow of economic resources measurement focus to determine net income and financial position. The accounting principles used are similar to those applicable to businesses in the private sector and, thus, this fund is maintained on the accrual basis of accounting. Revenues are recorded when earned and expenses are recognized when incurred.

Assets, Liabilities, Deferred Inflows of Resources, and Net Position

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include cash on hand and demand deposits.

Accounts Receivable

The District's accounts receivable consist primarily of charges for patient services provided. The District estimates an allowance for uncollectible accounts based on review of trends in collection percentages and insurance coverage of the patients served.

As of December 31, 2017 and 2016, the District's net accounts receivable was as follows:

	2017	2016	
Accounts receivable	\$ 63,623	\$ 34,408	
Allowance for uncollectible accounts	(37,000)	(14,800)	
	\$ 26,623	\$ 19,608	

SOUTH ROUTH MEDICAL CENTER HEALTH SERVICES DISTRICT
Notes to Financial Statements
December 31, 2017
(with summarized financial information as of and for the year ended December 31, 2016)

Note 1: Summary of Significant Accounting Policies (continued)

Assets, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

Capital Assets

Capital assets include land, building and improvements, and equipment. Capital assets are defined by the District as assets with an initial cost of \$3,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset useful lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Building	40
Building improvements	20
Equipment	5-10

Deferred Inflows of Resources

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The District's deferred inflows of resources consist of unavailable revenues from property taxes to be collected in the subsequent year.

Operating and Non-Operating Revenues and Expenses

The proprietary fund financial statements distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses are those that result from providing services associated with the principal activities of the District. Operating expenses include the cost of ongoing operations, related administrative expenses, and depreciation expense. Non-operating revenues and expenses are all those that do not meet the criteria described previously.

Property Taxes

Property taxes are levied on December 15 of each year and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The Routt County Treasurer collects property taxes and remits collections to the District on a monthly basis.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the financial statement date and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Comparative Financial Statements

The financial statements include certain prior-year summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with US GAAP. Accordingly, such information should be read in conjunction with the District's audited financial statements for the year ended December 31, 2016, from which the summarized information was derived.

SOUTH ROUTT MEDICAL CENTER HEALTH SERVICES DISTRICT
Notes to Financial Statements
December 31, 2017
(with summarized financial information as of and for the year ended December 31, 2016)

Note 2: Stewardship, Compliance and Accountability

Budgetary Information

Budgets are adopted on a non-US GAAP basis wherein depreciation is not budgeted; capital expenditures and principal payments on long-term debt are budgeted and recorded as expenditures.

The District conforms to the following procedures, in compliance with CRS, Title 29, Article 1, in establishing the budgetary data reflected in the financial statements:

- Prior to October 15, the District's Treasurer submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- Public notice is offered by the Board of Directors to obtain taxpayer comments.
- Prior to December 31, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level. Revisions that alter the total expenditures must be approved by the Board of Directors.
- All appropriations lapse at the end of each fiscal year.

The District did not adopt any supplemental budget appropriations for the year ended December 31, 2017.

Compliance

The District's expenditures exceeded appropriations by \$243,200 during the year ended December 31, 2017.

TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains tax spending, revenue and debt limitations which apply to the State of Colorado and all local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Future spending and revenue limits are determined based on the prior year's fiscal year spending adjusted for allowable increases based upon inflation and local growth. Fiscal year spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the fiscal year spending limit must be refunded unless the voters approve retention of such revenue.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish emergency reserves. These reserves must be at least 3% of fiscal year spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The District has reserved \$28,520 of the December 31, 2017 fund balance for this purpose.

The District's voters passed a ballot issue in May 2006 upon formation of the District, permitting the District to collect, retain and expend all revenues collected in 2007 and each year thereafter.

The District's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions may require judicial interpretation.

SOUTH ROUTT MEDICAL CENTER HEALTH SERVICES DISTRICT
Notes to Financial Statements
December 31, 2017
(with summarized financial information as of and for the year ended December 31, 2016)

Note 3: Detailed Notes on the Fund

Deposits

The carrying amount of the District's deposits as of December 31, 2017 and 2016 was \$31,080 and \$25,677, respectively, and bank balances were \$42,087 and \$93,473, respectively. All of the bank balances as of December 31, 2017 and 2016 were covered by federal deposit insurance.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories; eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The collateral pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must equal or exceed 102% of the aggregate uninsured deposits.

Capital Assets

Capital asset activity for the year ended December 31, 2017 is summarized below:

	Beginning Balance	Additions	Retirements	Ending Balance
Business-type activities:				
Land	\$ 54,000	\$ -	\$ -	\$ 54,000
Other capital assets:				
Building	939,599	-	-	939,599
Building improvements	77,719	-	-	77,719
Equipment	84,564	-	-	84,564
Total other capital assets at cost	<u>1,101,882</u>	<u>-</u>	<u>-</u>	<u>1,101,882</u>
Less accumulated depreciation for:				
Building	(83,269)	(23,490)	-	(106,759)
Building improvements	(31,178)	(3,886)	-	(35,064)
Equipment	(39,274)	(8,400)	-	(47,674)
Total accumulated depreciation	<u>(153,721)</u>	<u>(35,776)</u>	<u>-</u>	<u>(189,497)</u>
Other capital assets, net	<u>948,161</u>	<u>(35,776)</u>	<u>-</u>	<u>912,385</u>
Business-type activities capital assets, net	<u>\$ 1,002,161</u>	<u>\$ (35,776)</u>	<u>\$ -</u>	<u>\$ 966,385</u>

SOUTH ROUTT MEDICAL CENTER HEALTH SERVICES DISTRICT
Notes to Financial Statements
December 31, 2017
(with summarized financial information as of and for the year ended December 31, 2016)

Note 3: Detailed Notes on the Fund (continued)

Capital asset activity for the year ended December 31, 2016 is summarized below:

	Beginning Balance	Additions	Retirements	Ending Balance
Business-type activities:				
Land	\$ 54,000	\$ -	\$ -	\$ 54,000
Other capital assets:				
Building	939,599	-	-	939,599
Building improvements	77,719	-	-	77,719
Equipment	75,844	8,720	-	84,564
Total other capital assets at cost	1,093,162	8,720	-	1,101,882
Less accumulated depreciation for:				
Building	(59,779)	(23,490)	-	(83,269)
Building improvements	(27,292)	(3,886)	-	(31,178)
Equipment	(31,747)	(7,527)	-	(39,274)
Total accumulated depreciation	(118,818)	(34,903)	-	(153,721)
Other capital assets, net	974,344	(26,183)	-	948,161
Business-type activities capital assets, net	<u>\$ 1,028,344</u>	<u>\$ (26,183)</u>	<u>\$ -</u>	<u>\$ 1,002,161</u>

Short-Term Debt

The District had the following short-term debt agreements during the years ended December 31, 2017 and 2016:

Glacier Bank Line of Credit

The District entered into a \$100,000 line of credit agreement with Glacier Bank dated December 30, 2016. The line of credit requires \$50,000 principal payment on June 15, 2017 with any remaining balance due July 15, 2018. Interest is payable monthly on the outstanding principal balance at prime rate plus 0.75. The line of credit is secured by a deed of trust on the District's property and a commercial security agreement on the District's assets.

Routt County, Colorado (the County) Promissory Note

The District entered into a \$56,200 promissory note with the County dated July 21, 2016 to cover delinquent property tax revenues owed by Peabody Energy Corporation, Inc. Interest was payable at 1% per month on the outstanding principal balance. The note was paid in full on December 31, 2016 including accumulated interest expense of \$3,672.

Short-term debt activity for the year ended December 31, 2017 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Glacier Bank line of credit	\$ 60,000	\$ 40,000	\$ (50,000)	\$ 50,000
	<u>\$ 60,000</u>	<u>\$ 40,000</u>	<u>\$ (50,000)</u>	<u>\$ 50,000</u>

SOUTH ROUNT MEDICAL CENTER HEALTH SERVICES DISTRICT
Notes to Financial Statements
December 31, 2017
(with summarized financial information as of and for the year ended December 31, 2016)

Note 3: Detailed Notes on the Fund (continued)

Short-Term Debt (continued)

Short-term debt activity for the year ended December 31, 2016 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
Glacier Bank line of credit	\$ -	\$ 60,000	\$ -	\$ 60,000
Routt County, Colorado	-	56,200	(56,200)	-
	<u>\$ -</u>	<u>\$ 116,200</u>	<u>\$ (56,200)</u>	<u>\$ 60,000</u>

Long-Term Liabilities

The District had the following long-term debt as of December 31, 2017:

First National Bank of the Rockies (FNBR) Lease Purchase Agreement

The District entered into a \$450,000 lease purchase agreement with FNBR dated July 1, 2014 whereby the District conveyed its ownership of its medical facility and improvements to FNBR and agreed to lease the property from FNBR subject to annual appropriation of rental amount by the District. Proceeds of the lease were used as follows: \$200,872 to pay the outstanding principal and interest of an existing line of credit agreement, \$9,421 for lease issuance costs, and the remaining \$239,707 to finance capital project costs. The lease requires monthly payments of \$3,363 including interest at 4.15% beginning August 1, 2014 through maturity on June 1, 2029.

Long-term liability activity for the year ended December 31, 2017 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Lease purchase obligation	\$ 395,071	\$ -	\$ (24,429)	\$ 370,642	\$ 25,462
	<u>\$ 395,071</u>	<u>\$ -</u>	<u>\$ (24,429)</u>	<u>\$ 370,642</u>	<u>\$ 25,462</u>

Long-term liability activity for the year ended December 31, 2016 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Lease purchase obligation	\$ 418,463	\$ -	\$ (23,392)	\$ 395,071	\$ 24,428
	<u>\$ 418,463</u>	<u>\$ -</u>	<u>\$ (23,392)</u>	<u>\$ 395,071</u>	<u>\$ 24,428</u>

Interest expense on the lease purchase obligation during the years ended December 31, 2017 and 2016 was \$15,933 and \$16,971, respectively.

SOUTH ROUTH MEDICAL CENTER HEALTH SERVICES DISTRICT
Notes to Financial Statements
December 31, 2017
(with summarized financial information as of and for the year ended December 31, 2016)

Note 3: Detailed Notes on the Fund (continued)

Long-Term Liabilities (continued)

Debt service requirements of the lease purchase obligation as of December 31, 2017, assuming future annual appropriation of lease purchase payments, is as follows:

	Principal	Interest	Total
2018	\$ 25,462	\$ 14,900	\$ 40,362
2019	26,539	13,823	40,362
2020	27,624	12,738	40,362
2021	28,830	11,532	40,362
2022	30,049	10,313	40,362
2023-2027	170,395	31,413	201,808
2028-2029	61,743	2,162	63,905
Total	\$ 370,642	\$ 96,881	\$ 467,523

Note 4: Other Information

Risk Management

The District is exposed to various risks of loss related to torts; thefts of, damage to or destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance for these risks of loss, including workers compensation. Settle claims have not exceeded the District's insurance coverage in the past three years.

Contingency

In 2013, the District entered into a grant agreement with the State of Colorado (State) to construct a new structure over the existing medical facility for the purpose of preserving the building and to provide a structural framework for current and future building expansion. Terms of a grant agreement include the requirement for the expanded facility to operate as a medical center for a period of ten years after completion. If the District changes the use of the property to a use that the State determines does not qualify in meeting the original intent of the project, the District must reimburse the State for the current fair market value of the property, less any portion of the value attributable to expenditures of non Energy Impact funds for acquisition of and improvements to, the property. This use restriction on the property expires after ten years from completion of the project.

Subsequent Events

The District has evaluated subsequent events through September 17, 2018, the date these financial statements were available to be issued.

SOUTH ROUTT MEDICAL CENTER HEALTH SERVICES DISTRICT
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended December 31, 2017

	Original and Final Budget	Actual	Variance
Revenues:			
Patient services:			
Medical	\$ 379,789	\$ 677,827	\$ 298,038
Less: uncollectible accounts	-	(277,157)	(277,157)
Dental	-	269,526	269,526
Less: uncollectible accounts	-	(163,627)	(163,627)
Taxes:			
Property	378,239	381,005	2,766
Specific ownership	15,169	30,172	15,003
Grants	-	7,667	7,667
Rent	16,033	15,540	(493)
Interest	3,613	774	(2,839)
Other	364	16,617	16,253
Total revenues	<u>793,207</u>	<u>958,344</u>	<u>165,137</u>
Expenditures:			
Wages, contract labor and benefits	472,600	668,658	(196,058)
Supplies and equipment	39,376	66,834	(27,458)
Professional fees	30,851	38,474	(7,623)
Utilities	17,610	15,446	2,164
Cleaning, repairs and maintenance	3,532	4,470	(938)
Treasurer's fees	11,347	11,441	(94)
Insurance	10,320	10,502	(182)
Office	19,626	7,061	12,565
Laboratory	31,875	20,090	11,785
Other	1,050	36,179	(35,129)
Capital	1,000	-	1,000
Debt service:			
Principal	24,429	24,429	-
Interest	15,927	19,159	(3,232)
Total expenditures	<u>679,543</u>	<u>922,743</u>	<u>(243,200)</u>
Change in fund balance - non-US GAAP basis	113,664	35,601	<u>\$ (78,063)</u>
Adjustments to US GAAP basis:			
Loan principal payments		24,429	
Depreciation		(35,776)	
Change in fund balance - US GAAP basis		24,254	
Fund balance, beginning of year	<u>563,179</u>	<u>563,179</u>	
Fund balance, end of year	<u>\$ 676,843</u>	<u>\$ 587,433</u>	