

**SOUTH ROUTH MEDICAL CENTER  
HEALTH SERVICES DISTRICT**

Financial Statements

December 31, 2024

**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 Audit of the Financial Statements**

#### ***Opinion***

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, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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, 2024, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with U.S. generally accepted accounting principles (GAAP).

#### ***Basis for Opinion***

We conducted our audit in accordance with U.S. generally accepted auditing standards (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Report on Summarized Comparative Financial Information**

We have previously audited the District's December 31, 2023 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 14, 2024. In our opinion, the summarized comparative financial information presented herein as of and for the year ended December 31, 2023 is consistent, in all material respects, with the audited financial statements from which it has been derived.

### ***Required Supplementary Information***

Management has omitted Management's Discussion and Analysis that GAAP 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.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of revenues, expenditures and changes in fund balance – budget and actual on page 13 is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such 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. The 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 to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Steamboat Springs, Colorado  
May 19, 2025

**SOUTH ROUTT MEDICAL CENTER HEALTH SERVICES DISTRICT**  
**Statement of Net Position**  
**December 31, 2024**  
(with summarized financial information as of December 31, 2023)

	2024	2023
<b>Assets:</b>		
Current assets:		
Cash and cash equivalents	\$ 180,187	\$ 220,290
Accounts receivable, net	14,421	21,540
Prepaid expense	-	9,835
Property taxes receivable	555,641	542,561
Total current assets	750,249	794,226
Noncurrent assets:		
Capital assets, net of accumulated depreciation	853,287	801,376
Total noncurrent assets	853,287	801,376
Total assets	1,603,536	1,595,602
<b>Liabilities:</b>		
Current liabilities:		
Accounts payable and accrued expenses	71,732	112,000
Current portion of lease purchase obligation	34,025	32,622
Total current liabilities	105,757	144,622
Noncurrent liabilities:		
Lease purchase obligation, net of current portion	134,692	168,625
Total liabilities	240,449	313,247
<b>Deferred Inflows of Resources:</b>		
Deferred property taxes	555,641	542,561
Deferred inflows of resources	555,641	542,561
<b>Net Position:</b>		
Net investment in capital assets	684,570	600,129
Restricted for:		
Emergencies	42,583	33,295
Unrestricted	80,293	106,370
Total net position	\$ 807,446	\$ 739,794

See accompanying notes to financial statements.

**SOUTH ROUTH MEDICAL CENTER HEALTH SERVICES DISTRICT**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended December 31, 2024**  
(with summarized financial information for the year ended December 31, 2023)

	2024	2023
<b>Operating Revenues:</b>		
Patient services:		
Medical	\$ 1,089,583	\$ 965,892
Less: uncollectible accounts	(364,760)	(342,335)
Patient services, net of uncollectible accounts	724,823	623,557
Operating grants	16,984	16,500
Insurance recovery	-	20,551
Other income	70,930	47,590
Total operating revenues	812,737	708,198
<b>Operating Expenses:</b>		
Wages, contract labor and benefits	943,699	792,627
Professional fees	76,479	72,259
Laboratory	13,675	11,802
Medical supplies and equipment	216,024	191,106
Office	64,320	56,221
Insurance	22,883	21,159
Cleaning, repairs and maintenance	28,535	12,265
Utilities	21,574	24,091
Depreciation	33,741	33,885
Other	7,027	6,629
Total operating expenses	1,427,957	1,222,044
Income (loss) from operations	(615,220)	(513,846)
<b>Non-operating Revenues (Expenses):</b>		
Taxes:		
Property	588,690	408,929
Specific ownership	33,703	28,587
Treasurer's fees	(17,694)	(12,269)
Capital grants	84,707	-
Interest income	1,297	1,161
Interest expense	(7,831)	(9,147)
Net non-operating revenues	682,872	417,261
Change in net position	67,652	(96,585)
Net position, beginning of year	739,794	836,379
Net position, end of year	\$ 807,446	\$ 739,794

See accompanying notes to financial statements.

**SOUTH ROUTH MEDICAL CENTER HEALTH SERVICES DISTRICT**  
**Statement of Cash Flows**  
**For the Year Ended December 31, 2024**  
(with summarized financial information for the year ended December 31, 2023)

	2024	2023
<b>Cash Flows From Operating Activities:</b>		
Cash received from customers	\$ 731,942	\$ 639,871
Cash received from other sources	87,914	84,641
Cash payments to suppliers of goods or services	(544,361)	(436,569)
Cash payments to employees and contract labor	(880,288)	(709,225)
	(604,793)	(421,282)
<b>Net cash provided (used) by operating activities</b>		
<b>Cash Flows From Non-Capital Financing Activities:</b>		
Taxes received, net of collection fees	604,699	426,932
	604,699	426,932
<b>Net cash provided by non-capital financing activities</b>		
<b>Cash Flows From Capital and Related Financing Activities:</b>		
Principal payments on long-term debt	(32,530)	(31,214)
Interest payments on long-term debt	(7,831)	(9,147)
Proceeds from capital grants	84,707	-
Cash paid for capital expenditures	(85,652)	-
	(41,306)	(40,361)
<b>Net cash provided (used) by capital and related financing activities</b>		
<b>Cash Flows From Investing Activities:</b>		
Interest received	1,297	1,161
	1,297	1,161
<b>Net cash provided by investing activities</b>		
<b>Net change in cash and cash equivalents</b>	(40,103)	(33,550)
<b>Cash and cash equivalents, beginning of year</b>	220,290	253,840
<b>Cash and cash equivalents, end of year</b>	\$ 180,187	\$ 220,290
<b>Reconciliation of Income (Loss) From Operations to Net Cash Provided by Activities:</b>		
Income (loss) from operations	\$ (615,220)	\$ (513,846)
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:		
Depreciation	33,741	33,885
(Increase) decrease in:		
Accounts receivable, net	7,119	16,314
Prepaid expense	9,835	(9,835)
(Decrease) increase in:		
Accounts payable and accrued expenses	(40,268)	52,200
	(604,793)	(421,282)
<b>Net cash provided (used) by operating activities</b>	\$ (604,793)	\$ (421,282)

See accompanying notes to financial statements.

**SOUTH ROUTT MEDICAL CENTER HEALTH SERVICES DISTRICT**  
**Notes to Financial Statements**  
**December 31, 2024**  
(with summarized financial information as of December 31, 2023 and for the year then ended)

**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 U.S. generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for the establishment of 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, Net

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

Leases

The District is the lessor for leases of a portion of its facilities. At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable. Subsequently, the deferred inflow of resources is recognized as revenue of the life of the lease term.

The District does not recognize lease receivables and deferred inflows of resources for its short-term leases (agreements with a term of 12 months or less). Instead, the lease payments received for those leases are reported as revenue.

**SOUTH ROUTH MEDICAL CENTER HEALTH SERVICES DISTRICT**  
**Notes to Financial Statements**  
**December 31, 2024**  
(with summarized financial information as of December 31, 2023 and for the year then ended)

**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 the asset's useful life are not capitalized.

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

	Years
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 subsequent years.

*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 Routh County Treasurer collects property taxes and remits collections to the District monthly.

*Use of Estimates*

The preparation of financial statements in conformity with 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 GAAP. Accordingly, such information should be read in conjunction with the District's audited financial statements for the year ended December 31, 2023, from which the summarized information was derived.

**SOUTH ROUTT MEDICAL CENTER HEALTH SERVICES DISTRICT**  
**Notes to Financial Statements**  
**December 31, 2024**  
(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 2: Stewardship, Compliance and Accountability**

*Budgetary Information*

Budgets are adopted on a non-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, 2024.

*Compliance*

The District's expenditures exceeded appropriations by \$161,869 for the year ended December 31, 2024. The excess expenditures were primarily for building expansion planning costs and medical equipment and supplies that were funded from capital grants and patient services.

*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 \$42,583 of the December 31, 2024 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, 2024**  
(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 3: Cash and Cash Equivalents**

*Deposits*

The carrying amount of the District's deposits as of December 31, 2024 and 2023 was \$180,187 and \$220,290, respectively, and bank balances were \$190,000 and \$221,014, respectively. All of the bank balances as of December 31, 2024 and 2023 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.

**Note 4: Accounts Receivables, Net**

*Patient Services*

The District's net accounts receivable from patient services as of December 31, 2024 and 2023 were as follows:

	2024	2023
Accounts receivable	\$ 22,421	\$ 40,540
Allowance for uncollectible accounts	(8,000)	(19,000)
	\$ 14,421	\$ 21,540

**Note 5: Capital Assets**

Capital asset activity for the year ended December 31, 2024 is summarized below:

	Beginning Balance	Additions	Retirements	Ending Balance
<b>Business-type activities:</b>				
Land	\$ 54,000	\$ -	\$ -	\$ 54,000
Other capital assets:				
Building	939,599	85,652	-	1,025,251
Building improvements	87,989	-	-	87,989
Equipment	56,246	-	-	56,246
Total other capital assets at cost	1,083,834	85,652	-	1,169,486
Less accumulated depreciation for:				
Building	(247,699)	(23,490)	-	(271,189)
Building improvements	(59,642)	(4,399)	-	(64,041)
Equipment	(29,117)	(5,852)	-	(34,969)
Total accumulated depreciation	(336,458)	(33,741)	-	(370,199)
Other capital assets, net	747,376	51,911	-	799,287
Business-type activities capital assets, net	\$ 801,376	\$ 51,911	\$ -	\$ 853,287

**SOUTH ROUTH MEDICAL CENTER HEALTH SERVICES DISTRICT**  
**Notes to Financial Statements**  
**December 31, 2024**  
(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 6: Long-Term Liabilities**

The District had the following long-term debt as of December 31, 2024:

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, 2024 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Lease purchase obligation	\$ 201,247	\$ -	\$ (32,530)	\$ 168,717	\$ 34,025
	<u>\$ 201,247</u>	<u>\$ -</u>	<u>\$ (32,530)</u>	<u>\$ 168,717</u>	<u>\$ 34,025</u>

Interest expense on the lease purchase obligation during the years ended December 31, 2024 and 2023 was \$7,831 and \$9,147, respectively.

Debt service requirements of the lease purchase obligation as of December 31, 2024, assuming future annual appropriation of lease purchase payments, are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 34,025	\$ 6,337	\$ 40,362
2026	35,464	4,898	40,362
2027	36,964	3,398	40,362
2028	38,521	1,841	40,362
2029	23,743	321	24,064
Total	<u>\$ 168,717</u>	<u>\$ 16,795</u>	<u>\$ 185,512</u>

**Note 7: Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The District maintains commercial insurance for these risks by participation in an insurance pool.

The District is a member in the Colorado Special Districts Property and Liability Pool (the Pool). The Pool creates an opportunity for members to control their own insurance costs through the joint pooling of resources, making it possible to self-insure property, liability and workers' compensation insurance. The Pool is member-owned, and all surplus revenues support the stabilization of rates, coverage enhancements, innovation, and technology to bring the most value to its members. The Pool provides property, liability, workers' compensation and associated coverage, and claims and risk management services to its members. The District has not had losses of a material amount in any of the preceding three years.

**SOUTH ROUTH MEDICAL CENTER HEALTH SERVICES DISTRICT**  
**Notes to Financial Statements**  
**December 31, 2024**  
(with summarized financial information as of December 31, 2023 and for the year then ended)

**Note 7: Risk Management (continued)**

The Pool has contracted with a third party to operate, administer and manage the Pool. In the event aggregated losses incurred by the Pool exceeds amounts recoverable from the reinsurance contracts and capital and surplus accumulated by the Pool, the Pool may require additional contributions from its members.

**Note 8: Subsequent Events**

The District has evaluated subsequent events through May 19, 2025, 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, 2024**

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>Revenues:</b>			
Patient services:			
Medical	\$ 1,028,496	\$ 1,089,583	\$ 61,087
Less: uncollectible accounts	(361,507)	(364,760)	(3,253)
Taxes:			
Property	574,429	588,690	14,261
Specific ownership	38,000	33,703	(4,297)
Rent	20,454	25,310	4,856
Grants	-	101,691	101,691
Interest	-	1,297	1,297
Other	24,344	45,620	21,276
	<u>1,324,216</u>	<u>1,521,134</u>	<u>196,918</u>
<b>Total revenues</b>			
	<u>1,324,216</u>	<u>1,521,134</u>	<u>196,918</u>
<b>Expenditures:</b>			
Wages, contract labor and benefits	947,447	943,699	3,748
Professional fees	64,894	76,479	(11,585)
Laboratory	12,392	13,675	(1,283)
Medical equipment and supplies	185,583	216,024	(30,441)
Office	62,325	64,320	(1,995)
Insurance	32,544	22,883	9,661
Cleaning, repairs and maintenance	12,878	28,535	(15,657)
Utilities	25,514	21,574	3,940
Treasurer's fees	-	17,694	(17,694)
Other	16,426	7,027	9,399
Capital	-	85,652	(85,652)
Debt service:			
Principal	6,904	32,530	(25,626)
Interest	9,147	7,831	1,316
	<u>1,376,054</u>	<u>1,537,923</u>	<u>(161,869)</u>
<b>Total expenditures</b>			
	<u>1,376,054</u>	<u>1,537,923</u>	<u>(161,869)</u>
Change in fund balance - non-GAAP basis	(51,838)	(16,789)	<u>\$ 35,049</u>
<b>Adjustments to GAAP basis:</b>			
Loan principal payments		32,530	
Capitalized expenditures		85,652	
Depreciation		<u>(33,741)</u>	
Change in fund balance - GAAP basis		67,652	
Fund balance, beginning of year	<u>739,794</u>	<u>739,794</u>	
Fund balance, end of year	<u>\$ 687,956</u>	<u>\$ 807,446</u>	