

Tulare Local Healthcare District dba Tulare Regional Medical Center

Agenda Item: CFO Reports

Board Meeting Date: January 23, 2019

Draft September and October, Balance Sheets and Statements of Revenue and Expenses - Notes and Disclaimer:

The September and October Statements were prepared based on the following facts:

The financial audits of the Tulare Local Health Care District dba Tulare Regional Medical Center's accounting books and records for the FYE June 30, 2017 and FYE June 30, 2018 are still being finalized as of the date of preparation of these reports. As such, the final impact and results of those audits may not have been fully incorporated into these FYE 2019 statements.

In the meantime, and in order to close the books and prepare a draft statement for the 3 and 4 months ended September 30, 2018 and October, 2018 respectively (FYE 2019), we have attempted to identify those adjustments that are allocable to the FYE 2017 statements and FYE 2018 statements, and reflect any carry-forward impacts into these statements.

As such, we are unable to make conclusive representations as to the completeness of the Tulare Local Health Care District dba Tulare Regional Medical Center DRAFT September, 2018 and October, 2018 Financial Statements. At such time that the audits for the FYE's 2017 and FYE 2018 books and records are fully completed, then we will be able to further analyze, reconcile, and incorporate any further adjustments needed to ensure compliance with, and be stated in accordance with uniform and accepted accounting procedures.

September and October Financial Statements

(To Be Delivered)

Tulare Local Healthcare District dba Tulare Regional Medical Center

Agenda Item

Board Meeting Date: January 23, 2019

Title to Appear on Agenda:

Hospital Operations – Adventist Health; Draft Internal Financial Statements for November 30, 2018

Brief Description:

The District re-opened the Hospital on October 15, 2018, and Adventist Health assumed Management of the Operations and related financial responsibility of said operations.

Background and Details:

The accounting and reporting of these new operations required the establishment of a second set of general ledger accounts and with related reporting functionality.

Drafts of these financial reports are anticipated to be available for presentation at the January Finance Committee and Board meetings.

Exhibits:

To be included or delivered at the meetings.

Recommended Action:

To review and accept the statements to be presented.

Adventist Health November Financial Statements

(To Be Delivered)

Tulare Local Healthcare District dba Tulare Regional Medical Center

Agenda Item

Board Meeting Date: January 23, 2019

Title to Appear on Agenda:

TLHCD Financial Audit Report Update/Presentation/Approval for FYE's June 30, 2018 and June 30, 2017 – Rick Jackson, C.P.A., JWT and Associates, LLP

Brief Description:

The District contracted with Rick Jackson, CPA of JWT and Associates, LLP to perform these financial audits for the District. Rick gave brief updates on the status of the audits at previous Finance Committee and Board of Director's meetings.

Background and Details:

Planning for the Audit commenced in July, and substantial field work started in September. The amount of staff research and work required to prepare for the two audits has been substantial and more time consuming than under normal circumstances.

Mr. Jackson will be presenting the audited reports at the January meetings.

Exhibits:

To be presented at the January, 2019 meeting.

Recommended Action:

To approve the Audited Financial Statements at the January, 2019 Board meeting.

Financial Audit Reports

(To Be Delivered)

I ULAKE LOCAL HEALTH CARE DISTRICT

Summary of Accounts Payables as of January 18, 2019

TLHCD	Date Range:	61-90	91-120	+121	Grand Total	
Status	0-30	31-60	61-90	91-120	+121	Grand Total
After 9/30/17	156,037.00	31,889.80	13,415.16	27,620.65	7,669,118.62	7,898,081.23
Before 9/30/17					27,386,441.54	27,386,441.54
Grand Total	156,037.00	31,889.80	13,415.16	27,620.65	35,055,560.16	35,284,522.77

**TULARE REGIONAL MEDICAL CENTER
CASH RECEIPTS AND DISBURSEMENTS**

CASH IN	Updated: 1/18/2019											Totals from 12/01/17
	11/9	11/16	11/23	11/30	12/7	12/14	12/21	12/28	1/4	1/11	1/18	
Receipts	39,324	31,201	46,542	104,935	100,707	70,725	74,347	89,248	97,820	78,042	171,799	4,387,268
Receipts Received for AH	(10,946)	(3,228)	(31,700)	(30,424)	(104,148)	(56,221)	(424,035)	(16,576)	(95,744)	(99,881)	(155,937)	(1,031,608)
DSH Payment	15,678	0	0	0	0	0	375,244	0	0	0	0	(179,313)
Property Taxes	0	0	0	0	0	0	886,958	0	0	241,347	0	3,017,893
Property Rentals and Evolutions	42,592	23,276	6,842	2,850	2,516	1,532	36,319	5,579	26,250	34,130	9,702	536,669
Short Term Loans	0	0	0	0	0	0	0	0	0	0	0	(10,352)
Supplemental - AB 113 & 915	0	0	0	0	0	0	0	0	0	0	0	2,322,001
Paid by TLHCD to be Reimbursed by AH	(43,094)	177,104	41,346	0	64,695	0	41,983	0	0	22,020	0	182,783
Supplemental - HQAF, Etc.	0	52,084	0	0	0	0	0	0	0	0	0	3,799,736
Payments Excluded from AH LOC	(170,068)	(138,755)	0	0	0	0	0	0	0	0	0	(1,259,184)
Other Extraordinary Receipts	0	80,467	0	0	2,290	0	82,692	0	0	0	0	441,754
Adventist Health Line of Credit	0	3,686	0	0	0	0	0	0	0	0	42,603	9,627,814
Total Cash In	{126,514}	225,835	63,030	77,360	66,060	16,036	1,073,508	78,252	28,327	275,658	68,167	21,835,462

EXPENSES

Revenue Bonds	0	0	0	0	103,179	0	0	0	103,179	0	0	722,254
Payroll & Related Expenses	349,000	0	13,637	21,263	14,063	0	23,000	0	15,254	0	15,575	4,384,919
Insurance	0	0	0	14,992	67,546	0	14,992	0	73,789	4,677	14,992	1,560,807
Utilities/Phone/Internet	0	0	0	5,890	6,678	28,758	11,441	0	2,602	9,828	14,527	1,405,940
Legal/ Bankruptcy Counsel	0	0	0	71,707	0	396	131,996	0	1,275	73,636	393,385	1,971,850
Consulting & Purchased Services	0	0	0	200,104	91	0	216,502	0	7,161	8,369	4,337	3,369,842
Physicians	0	0	0	0	0	0	0	0	0	0	0	0
Software Fees	0	0	0	0	0	0	0	0	0	0	0	139,437
Supplies - Medical	32,695	16,677	0	29,435	5,908	5,149	7,605	0	651	5,566	2,827	839,908
Leases and Rentals	0	0	0	5,622	3,153	6,338	6,555	0	692	6,138	731	231,546
IGT Advances	0	0	0	0	0	0	0	0	0	0	0	443,483
Third Party Payments	0	0	0	0	0	0	0	0	0	0	0	48,026
Other	1,194	336,863	2,949	56,014	1,864	9,687	21,352	15	48,013	9,837	13,043	2,350,623
Post-Petition Expense Catch-up	0	0	0	0	0	0	0	0	0	0	0	245,461
Assumed Liabilities, Pre & Post	0	0	0	0	0	0	0	0	0	0	0	49,935
Start-up Repairs (Gross) Including I/T &	0	0	0	0	0	0	0	0	0	0	0	0
Misc. & Minor Repairs	12,461	67,202	0	15,626	19,404	3,708	27,797	0	2,653	27,300	11,086	2,301,703
Total Expense	395,349	420,741	16,606	420,653	271,887	54,037	461,240	15	255,271	145,350	470,503	20,065,733
Difference	(521,863)	(194,907)	46,424	(343,293)	(155,826)	(38,000)	612,268	78,237	(226,944)	130,307	(402,336)	1,769,729
Cash Balance Forward	2,263,799	2,068,892	2,115,315	1,772,022	1,616,196	1,578,196	2,190,464	2,268,701	2,041,758	2,172,065	1,769,729	

NOTE 1: \$784,664 of Build America Bonds funds were received by the District in February, 2018 and in July, 2018 and were paid to Tulare County Tax Assessor. These have been removed from this

NOTE 2: Included in these amounts are \$349,000 waiting to be transferred to Adventist Health to cover final estimated payroll and start-up costs and \$35,000 for Valuation service costs.

NOTE 3: Adventist Health will be reimbursing the District for agreed up Start-Up Repairs and Valuation costs totalling \$151,363.