

**Continuing Disclosure Report for the Fiscal Year Ending  
September 30, 2018**



**RANKIN COUNTY HOSPITAL DISTRICT**



(512) 726-5547  
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**DISCLAIMER**

The information set forth herein has been obtained from the District and other sources believed to be reliable, but such information is not guaranteed as to accuracy or completeness and is not to be construed as a promise or guarantee. This Annual Continuing Disclosure Report may contain, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and expressions of opinion contained herein are subject to change without notice, and the delivery of this Annual Continuing Disclosure Report will not, under any circumstances, create any implication that there has been no change in the affairs of the District or other matters described.

**RANKIN COUNTY HOSPITAL DISTRICT**

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Signature

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Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

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**RANKIN COUNTY HOSPITAL DISTRICT 2018 CONTINUING DISCLOSURES**

**Table 1 - Valuation, Exemptions, and Tax Supported Debt <sup>1</sup>**

District Direct Debt	
2018 Certified Taxable AV (100% of Estimated Market Value)	\$3,705,063,933
Outstanding Debt	\$21,068,000
Total Direct Debt	\$21,068,000
As a % of 2018 Certified Taxable AV	0.57%

**Table 2 –Taxable Assessed Valuation by Category <sup>2</sup>**

	<u>Tax Year 2018</u>	<u>Tax Year 2017</u>	<u>Tax Year 2016</u>	<u>Tax Year 2015</u>	<u>Tax Year 2014</u>
Real Property	\$175,981,383	\$174,037,338	\$175,601,795	\$92,239,065	\$83,117,915
Personal Property	\$757,930,780	\$596,797,110	\$488,320,230	\$527,964,660	\$366,241,640
Mineral	\$2,934,845,554	\$1,965,884,926	\$1,536,406,599	\$2,406,337,019	\$3,368,067,893
Gross Value	\$3,868,757,717	\$2,736,719,374	\$2,200,328,624	\$3,026,540,744	\$3,817,427,448
Less Exemptions	\$163,693,784	\$156,073,244	\$148,561,027	\$76,283,326	\$76,344,075
Net Taxable Value	\$3,705,063,933	\$2,580,646,130	\$2,051,767,597	\$2,950,257,418	\$3,741,083,373

**Table 3 – Valuation and Tax Supported Debt History <sup>3</sup>**

Fiscal Year Ended 09/30	Estimated Population	Taxable Assessed Valuation	Taxable Assessed Valuation Per Capita	Tax Debt Outstanding at End of Fiscal Year	Ratio of Tax Debt to Taxable Assessed Valuation	Tax Debt Per Capita
2015	1,588	\$3,741,083,373	\$2,355,846	\$24,685,000	0.66%	\$15,544.71
2016	1,633	\$2,950,257,418	\$1,806,649	\$23,879,000	0.81%	\$14,622.78
2017	1,682	\$2,051,767,597	\$1,219,845	\$22,965,000	1.12%	\$13,653.47
2018	1,732	\$2,580,646,130	\$1,489,594	\$22,028,000	0.85%	\$12,714.94
2019	1,784	\$3,705,063,933	\$2,076,337	\$21,068,000	0.57%	\$11,806.62

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<sup>1</sup> Source: Upton County Appraisal District, subject to change during the ensuing year.

<sup>2</sup> Source: Upton County Appraisal District.

<sup>3</sup> Source: Upton County Appraisal District; Municipal Advisory Council of Texas

**Table 4 – Tax Rate, Levy, and Collection History <sup>1</sup>**

<b>Fiscal Year Ended 09/30</b>	<b>Tax Year</b>	<b>Taxable Assessed Valuation</b>	<b>Tax Rate</b>	<b>Tax Levy</b>	<b>Total Percent Collected</b>
2015	2014	\$3,741,083,373	\$0.1505	\$5,537,813	96.57%
2016	2015	\$2,950,257,418	\$0.1946	\$5,741,201	99.35%
2017	2016	\$2,051,767,597	\$0.3008	\$6,211,669	98.98%
2018	2017	\$2,580,646,130	\$0.2579	\$6,654,970	100.00%
2019	2018	\$3,705,063,933	\$0.2068	\$7,662,072	(In process of collection)

**Table 5 – Tax Rate Distribution <sup>2</sup>**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
Maintenance and Operations	\$0.1581	\$0.1881	\$0.2133	\$0.1333	\$0.1023
Interest and Sinking	\$0.0487	\$0.0698	\$0.0875	\$0.0613	\$0.0482
<b>Total</b>	<b>\$0.2068</b>	<b>\$0.2579</b>	<b>\$0.3008</b>	<b>\$0.1946</b>	<b>\$0.1505</b>

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<sup>1</sup> Source: Upton County Appraisal District

<sup>2</sup> Source: Upton County Appraisal District

**Table 6 – Ten Largest Taxpayers <sup>1</sup>**

<b>2017</b>			
<u>Taxpayers</u>	<u>Type of Property</u>	<u>2017 Net Taxable Assessed Valuation</u>	<u>% of Total 2017 Assessed Valuation</u>
Pioneer Natural	Oil & Gas	\$374,517,953	14.51%
C O G Operating LLC	Oil & Gas	\$247,506,769	9.59%
Parsley Energy Operations LLC	Oil & Gas	\$211,041,467	8.18%
Targa Pipeline Mid-Continent Westtexas LLC	Pipeline	\$144,072,320	5.58%
XTO Energy Inc	Oil & Gas	\$96,685,369	3.75%
ETC Texas Processing Ltd.	Oil & Gas	\$96,233,010	3.73%
Summit Petroleum LLC	Oil & Gas	\$78,608,766	3.05%
WTG Benedum Joint Venture	Oil & Gas	\$67,903,111	2.63%
Apache Corporation	Oil & Gas	\$63,393,556	2.46%
Chevron U.S.A., Inc - WI	Oil & Gas	\$54,816,430	2.12%
<b>TOTAL</b>		<b>\$1,434,778,751</b>	<b>55.60%</b>
<b>2016</b>			
<u>Taxpayers</u>	<u>Type of Property</u>	<u>2016 Net Taxable Assessed Valuation</u>	<u>% of Total 2016 Assessed Valuation</u>
Pioneer Natural	Oil & Gas	\$280,572,109	13.67%
C O G Operating LLC	Oil & Gas	\$269,604,417	13.14%
Parsley Energy Operations LLC	Oil & Gas	\$130,777,251	6.37%
Targa Pipeline Mid-Continent Westtexas LLC	Pipeline	\$127,116,740	6.20%
XTO Energy Inc	Oil & Gas	\$82,583,580	4.02%
WTG Benedum Joint Venture	Oil & Gas	\$59,786,061	2.91%
Chevron U.S.A., Inc - WI	Oil & Gas	\$52,266,918	2.55%
Summit Petroleum LLC	Oil & Gas	\$49,228,686	2.40%
Apache Corporation	Oil & Gas	\$45,350,828	2.21%
Exxon Mobil Corporation	Oil & Gas	\$44,679,711	2.18%
<b>TOTAL</b>		<b>\$1,141,966,301</b>	<b>55.66%</b>

<sup>1</sup> Source: Upton County Appraisal District.

**Table 7 – Classification of Assessed Valuation by Use Category <sup>1</sup>**

<b><u>Property Use Category</u></b>	<b><u>2018/19</u></b>
Real Property:	
Single-Family Residential	\$22,407,851
Multi-Family Residential	\$0
Vacant Lots/Tracts	\$545,069
Acreage (Land Only)	\$128,037,919
Farm and Ranch Improvements	\$14,140,114
Commercial and Industrial	\$5,085,420
Minerals, Oil and Gas	\$2,932,855,618
Tangible Personal Property:	
Business	\$423,316,690
Other	\$7,844,596
Real & Tangible Personal Property:	
Utilities	\$334,524,440
<b>Total Assessed Valuation</b>	<b><u>\$3,868,757,717</u></b>

<b><u>Less Exemptions:</u></b>	<b><u>2018/19</u></b>
Residential Homestead	\$3,337,939
10% Residential Homestead Cap	\$951,076
Over 65/Disabled Persons	\$4,564,009
Disabled/Deceased Veterans	\$51,311
Pollution Control	\$21,619,223
Solar	\$0
Productivity Loss	\$125,796,533
Other	\$7,373,693
<b>Total Exemptions</b>	<b><u>\$163,693,784</u></b>

**Taxable Assessed Valuation**                      **\$3,705,063,933**

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<sup>1</sup> Source: Upton County Appraisal District.

**Table 8 - Percentage of Total Assessed Valuation by Category <sup>1</sup>**

<u>Property Use Category</u>	<u>2018/19</u>
Real Property:	
Single-Family Residential	0.58%
Multi-Family Residential	0.00%
Vacant Lots/Tracts	0.01%
Acreage (Land Only)	3.31%
Farm and Ranch Improvements	0.37%
Commercial and Industrial	0.13%
Minerals, Oil and Gas	75.81%
Tangible Personal Property:	
Business	10.94%
Other	0.20%
Real & Tangible Personal Property:	
Utilities	8.65%
<b>Total</b>	<b><u><u>100.00%</u></u></b>

**Table 9 – Estimated and Overlapping Debt <sup>2</sup>**

<u>Taxing Jurisdiction</u>	<u>As Of</u>	<u>Total Debt</u>	<u>Estimated % Overlapping</u>	<u>Overlapping Debt</u>
Rankin ISD	4/30/2018	\$28,715,000	100.00%	\$28,715,000
Upton County	4/30/2018	\$3,040,000	80.56%	\$2,449,024
Total Overlapping Debt				<u>\$31,164,024</u>
Rankin County Hospital District	4/30/2018	\$21,068,000	100.00%	\$21,068,000
Total Direct & Estimated Overlapping Debt				<u>\$2,232,024</u>
<b>Total Direct &amp; Overlapping Debt % of TAV</b>			<b>1.41%</b>	
<b>Total Direct &amp; Overlapping Debt per Capita</b>				<b>\$29,271.10</b>

<sup>1</sup> Source: Upton County Appraisal District

<sup>2</sup> Source: Municipal Advisory Council of Texas.

**Table 10 – Pro Forma Tax Supported Debt Service Requirements <sup>1</sup>**

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2019	\$991,000	814,531	\$1,805,531
2020	\$1,021,000	781,349	\$1,802,349
2021	\$1,056,000	747,129	\$1,803,129
2022	\$1,091,000	711,672	\$1,802,672
2023	\$1,129,000	672,336	\$1,801,336
2024	\$1,175,000	628,958	\$1,803,958
2025	\$1,217,000	583,796	\$1,800,796
2026	\$1,264,000	537,032	\$1,801,032
2027	\$1,319,000	486,935	\$1,805,935
2028	\$1,366,000	437,152	\$1,803,152
2029	\$1,418,000	384,558	\$1,802,558
2030	\$1,472,000	328,863	\$1,800,863
2031	\$1,533,000	268,592	\$1,801,592
2032	\$1,597,000	204,453	\$1,801,453
2033	\$1,671,000	134,060	\$1,805,060
2034	\$1,748,000	60,371	\$1,808,371
<b>TOTAL</b>	<b>\$21,068,000</b>	<b>\$7,781,786</b>	<b>\$28,849,786</b>

**Table 11 – Interest and Sinking Fund Budget Projection <sup>2</sup>**

Interest and Sinking Fund Balance, 10/01/2018 (Beginning)		\$340,610
Estimated Tax Supported Debt Service Requirements for Fiscal Year Ended 2019	\$1,805,531	
Interest and Sinking Fund Local Revenue	\$1,804,366	
Debt Subsidy from Texas Education Agency	.....	
Transfers In/(Out)	.....	
<b>Interest and Sinking Fund Balance, 08/31/2019 (Ending)</b>		<b>\$339,445</b>
Net Increase/(Decrease) in Fund Balance		(\$1,165)

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<sup>1</sup> Source: Municipal Advisory Council of Texas.

<sup>2</sup> Source: The District's audited financial statements.



**Table 12 – Authorized but Unissued Unlimited Tax Bonds <sup>1</sup>**

After the issuance of the Bonds, the District has no authorized but unissued unlimited tax bonds. The District does not anticipate issuing additional debt this fiscal year.

**Table 13 – Other Obligations <sup>2</sup>**

As of September 30, 2018, other obligations of the District included the following capital lease:

Capital lease payable for equipment (Tosoh AIA 900 9 Tray Analyzer) to the lessor in sixty monthly installments of \$1,082 until September 2022 with an implicit interest rate of 6.00%. Collateralized by leased equipment.

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<sup>1</sup> Source: The District's audited financial statements.

<sup>2</sup> Source: The District's audited financial statements.

**Table 14 – General Operating Fund Comparative Balance Sheet <sup>1</sup>**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>OPERATING REVENUES:</b>					
Net Patient Service Revenue	\$5,444,786	\$5,830,895	\$5,388,264	\$4,299,682	\$392,349
Medicaid Supplemental Payment Program	\$-	\$-	\$-	(\$1,652,324)	\$50,622
Other Revenue	\$849,827	\$817,875	\$768,594	\$128,921	\$74,449
<b>Total Revenues</b>	<b>\$6,294,613</b>	<b>\$6,648,770</b>	<b>\$6,156,858</b>	<b>\$2,776,279</b>	<b>\$517,420</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>					
Property Tax Revenue	\$7,371,463	\$6,342,802	\$5,920,782	\$5,741,073	\$3,511,160
Noncapital Grants and Contributions	\$21,309	\$9,258	\$20,270	\$73,140	\$64,751
Investment Income	\$43,950	\$15,699	\$39,953	\$-	\$-
Interest Income	\$-	\$-	\$-	\$8,661	\$9,827
Interest Expense	(\$825,713)	(\$859,905)	(\$890,804)	(\$6,795)	(\$7,513)
Debt Issuance Costs	\$-	\$-	\$-	\$-	(\$408,021)
Gain (Loss) on Disposal of Assets	\$-	\$-	(\$28,942)	\$-	\$-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>\$6,611,009</b>	<b>\$5,507,854</b>	<b>\$5,061,259</b>	<b>\$5,816,079</b>	<b>\$3,170,204</b>
 Operating Income (Loss)	 (\$5,007,065)	 (\$4,396,021)	 (\$4,278,279)	 (\$7,177,514)	 (\$6,655,447)
<b>OPERATING EXPENSES:</b>					
Salaries	\$5,982,827	\$5,408,029	\$4,923,820	\$6,237,221	\$4,669,737
Employee Benefits and Payroll Taxes	\$1,008,545	\$1,110,479	\$1,029,056	\$-	\$-
Professional Fees and Purchased Services	\$1,063,773	\$1,467,744	\$1,700,314	\$660,728	\$396,591
Supplies	\$993,901	\$998,703	\$542,864	\$2,269,477	\$1,648,641
Other Operating	\$651,876	\$635,564	\$645,140	\$-	\$-
Depreciation and Amortization	\$1,600,756	\$1,424,272	\$1,593,943	\$786,367	\$457,898
<b>Total Operating Expenses</b>	<b>\$11,301,678</b>	<b>\$11,044,791</b>	<b>\$10,435,137</b>	<b>\$9,953,793</b>	<b>\$7,172,867</b>
 Increase (Decrease) in Net Position	 \$1,603,944	 \$1,111,833	 \$782,980	 (\$1,361,435)	 (\$3,485,243)
 <b>Fund Balance – September 1 (Beginning)</b>	 <b>\$6,606,075</b>	 <b>\$5,494,242</b>	 <b>\$4,711,262</b>	 <b>\$5,442,528</b>	 <b>\$8,927,771</b>
Adjustment for Accounting Change	\$-	\$-	\$-	\$630,169	\$-
<b>Fund Balance – August 31 (Ending)</b>	<b>\$8,210,019</b>	<b>\$6,606,075</b>	<b>\$5,494,242</b>	<b>\$4,711,262</b>	<b>\$5,442,528</b>

<sup>1</sup> Source: The District's audited financial statements.

**Table 15 – General Operating Fund Comparative Balance Sheet <sup>1</sup>**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>ASSETS:</b>					
Cash & Cash Equivalents	\$845,548	\$680,724	\$2,882,472	\$326,346	\$1,110,015
Short-Term Investments	\$-	\$100,000	\$606,105	\$604,035	\$2,110,658
Assets Whose Use is Limited	\$4,498,247	\$3,712,062	\$1,750,762	\$-	\$-
Patient Accounts Rec, Net of Allowance	\$797,177	\$540,959	\$886,631	\$1,287,975	\$165,157
Estimated Third-Party Payor Settlements	\$1,035,212	\$985,736	\$610,222	\$249,533	\$776,026
Other Receivables	\$-	\$-	\$24,395	\$-	\$-
Inventory of Supplies	\$254,482	\$257,837	\$276,477	\$95,333	\$90,569
Prepaid and Other Current Assets	\$98,910	\$140,950	\$158,636	\$41,409	\$27,261
Property Taxes Receivable	\$51,160	\$45,606	\$48,484	\$48,484	\$112,390
Long-Term Investments	\$-	\$-	\$260,279	\$-	\$-
<b>Noncurrent Assets</b>					
Capital Assets, Net of Depreciation	\$22,867,788	\$24,190,706	\$24,499,216	\$24,919,268	\$9,372,145
Noncurrent Investments	\$-	\$-	\$-	\$1,270,286	\$-
Cash Held by Trustee for Capital Acquisition	\$-	\$-	\$-	\$3,665,851	\$20,735,753
Net Pension Assets	\$1,049,836	\$587,311	\$407,139	\$464,327	\$-
Other Assets	\$-	\$-	\$-	\$21,841	\$19,917
<b>Total Assets</b>	<b>\$31,498,360</b>	<b>\$31,241,891</b>	<b>\$32,410,818</b>	<b>\$32,994,688</b>	<b>\$34,519,891</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>					
Difference of Projected and Actual Earnings	\$216,118	\$326,265	\$390,829	\$273,397	\$-
Difference of Expected and Actual Experience	\$6,410	\$12,823	\$19,234	\$-	\$-
Difference of Changes in Assumption	\$38,469	\$33,549	\$50,324	\$-	\$-
Contributions Subsequent to Measurement Date	\$208,184	\$207,419	\$201,500	\$-	\$-
<b>Total Deferred Outflows of Resources</b>	<b>\$469,181</b>	<b>\$580,056</b>	<b>\$661,887</b>	<b>\$273,397</b>	<b>\$-</b>
<b>Total Assets and Deferred Outflows of Res</b>	<b>\$31,967,541</b>	<b>\$31,821,947</b>	<b>\$33,072,705</b>	<b>\$33,268,085</b>	<b>\$34,519,891</b>
<b>LIABILITIES:</b>					
<b>Current Liabilities</b>					
Current Portion of Long-Term Debt	\$1,001,508	\$969,899	\$937,000	\$974,472	\$863,169
Accounts Payable	\$63,990	\$290,804	\$506,769	\$1,330,916	\$3,074,250
Est. Amounts Due to Third-Party Payers	\$-	\$-	\$-	\$2,243,668	\$162,195
Accr. Payroll, Benefits & Related Liabilities	\$746,335	\$645,032	\$508,441	\$211,634	\$241,011
Accrued Interest	\$-	\$-	\$-	\$192,459	\$282,348
Accrued Compensated Absences	\$-	\$-	\$-	\$157,049	\$110,848
Other Accrued Liabilities	\$937,111	\$1,463,751	\$2,852,896	\$-	\$-
<b>Noncurrent Liabilities</b>					
Long-Term Debt, Net of Current Position	\$20,387,702	\$21,408,038	\$22,340,062	\$23,360,444	\$24,247,419
Post-Employment Benefits	\$367,780	\$91,207	\$86,181	\$86,181	\$96,123
<b>Total Liabilities</b>	<b>\$23,504,426</b>	<b>\$24,868,731</b>	<b>\$27,231,349</b>	<b>\$28,556,823</b>	<b>\$29,077,363</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Difference of Projected and Actual Earnings	\$253,096	\$347,141	\$347,114	\$-	\$-
<b>Total Deferred Inflows of Resources</b>	<b>\$253,096</b>	<b>\$347,141</b>	<b>\$347,114</b>	<b>\$-</b>	<b>\$-</b>
<b>NET POSITION:</b>					
Net Investment in Capital Assets	\$1,478,578	\$1,812,769	\$1,222,154	\$3,277,647	\$2,010,452
Restricted for Pensions	\$-	\$-	\$-	\$464,327	\$-
Unrestricted	\$6,731,441	\$4,793,306	\$4,272,088	\$969,288	\$3,432,076
<b>Total Net Position</b>	<b>\$8,210,019</b>	<b>\$6,606,075</b>	<b>\$5,494,242</b>	<b>\$4,711,262</b>	<b>\$5,442,528</b>
<b>Total Liabilities, Deferred Inflow of Resources and Fund Balances</b>	<b>\$31,967,541</b>	<b>\$31,821,947</b>	<b>\$33,072,705</b>	<b>\$33,268,085</b>	<b>\$34,519,891</b>

<sup>1</sup> Source: The District's audited financial statements.

**Table 16 – Current Investments <sup>1</sup>**

As of September 30, 2018, the District’s investable funds amounted to \$5,543,943. The following summary itemizes the District’s investment portfolio by type of security:

	<u>Percent</u>	<u>Book Value</u>	<u>Market Value</u>
Cash & Cash Equivalents	100.00%	\$5,543,943	\$5,543,943
<b>Total Investments</b>	<b>100.00%</b>	<b>\$5,543,943</b>	<b>\$5,543,943</b>

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<sup>1</sup> Source: The District’s audited financial statements.