



Justin P. Wilson, Comptroller

March 20, 2020

Houston County Audit Contains Serious Findings and Adverse Opinions
Audited Financial Statements of Houston County Community Hospital are Not Available

The financial position of the Houston County Community Hospital is not clear because the hospital has not been audited by an outside firm since fiscal year 2017. This is the primary reason the Tennessee Comptroller's Office has issued adverse opinions on the county's business-type activities and the Houston County Community Hospital Fund in the county's fiscal year 2019 audit report.

An adverse opinion is given when financial statements are not fairly presented or available.

Houston County's annual audit report also includes seven findings detailing significant weaknesses, deficiencies, and areas of noncompliance.

The audit findings indicate Houston County is dealing with significant financial challenges. For example, the county borrowed a total of \$700,000 from a bank and from other county funds in order to make debt payments and fund certain operations. The borrowed money was supposed to be paid back by June 30, 2019; however, the Comptroller's Office was asked to approve extensions.

Additionally, the Comptroller's Office has not approved the county's budget for the current fiscal year. The Comptroller's Office cannot determine if the county budget is balanced because the hospital's audited financial statements are not available.

"Houston County must continue taking steps to address its challenges," said Comptroller Justin P. Wilson. "We are currently working with Houston County to provide appropriate assistance. We encourage Houston County leaders to come up with a concrete and executable plan to solve the issues associated with the county's hospital."

To view the Houston County Audit Report click [here](#).

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