



Independent Auditor's Report on Supplementary Information

To the Board of Directors
The Community Hospital Association
McCook, Nebraska:

We have audited the financial statements of The Community Hospital Association and Affiliate (together the Organization) as of and for the year ended June 30, 2024 and 2023 and have issued our report thereon dated September 13, 2024, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole.

The balance sheets – hospital only, statements of operations and changes in net assets – hospital only, and statements of cash flows – hospital only are presented for the purposes of additional analysis and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Eide Bailly LLP".

Omaha, Nebraska,
September 13, 2024

Community Hospital Association and Affiliate

Balance Sheets – Hospital Only

June 30, 2024 and 2023

	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	\$ 17,810,400	\$ 17,572,565
Receivables		
Patients	8,854,645	7,205,117
Other	731,674	630,103
Inventories	2,165,529	1,922,883
Prepaid expenses	2,895,604	2,638,840
Estimated third-party payor settlements - Medicare and Medicaid	678,000	1,191,041
Total current assets	33,135,852	31,160,549
Assets Limited as to Use	2,157,200	3,779,722
Investments	13,195,326	13,479,966
Property and Equipment, Net	42,438,901	43,188,817
Other Assets	660,411	464,702
Total assets	\$ 91,587,690	\$ 92,073,756
Liabilities and Net Assets		
Current Liabilities		
Current portion of long-term debt	\$ 835,738	\$ 802,203
Accounts payable - trade	1,402,886	1,768,381
Accrued salaries, vacation and benefits payable	2,283,379	1,917,428
Other accrued expenses	576,236	650,660
Refundable advances	10,989	16,565
Total current liabilities	5,109,228	5,155,237
Long-Term Debt, Net of Current Portion	26,738,992	27,543,550
Deferred Compensation	671,128	493,584
Total liabilities	32,519,348	33,192,371
Net Assets		
Without donor restrictions	59,068,342	58,881,385
Total net assets	59,068,342	58,881,385
Total liabilities and net assets	\$ 91,587,690	\$ 92,073,756

Community Hospital Association and Affiliate
Statements of Operations and Changes in Net Assets – Hospital Only
Years Ended June 30, 2024 and 2023

	2024	2023
Revenue, Gains, and Other Support		
Patient service revenue	\$ 62,708,466	\$ 55,983,444
Other operating revenue	1,786,514	3,109,457
Total revenue, gains, and other support	64,494,980	59,092,901
Expenses		
Salaries and wages	24,026,303	23,035,833
Employee health and welfare	8,587,733	6,926,339
Supplies and other	26,365,529	23,218,085
Depreciation	5,465,073	5,442,896
Interest	1,102,586	1,129,157
Insurance	400,830	368,013
Total expenses	65,948,054	60,120,323
Operating Loss	(1,453,074)	(1,027,422)
Other Income		
Investment income, net	1,378,217	998,081
Unrestricted gifts, grants and bequests	261,814	70,921
Other income, net	1,640,031	1,069,002
Increase in Net Assets without Donor Restrictions	186,957	41,580
Net Assets, Beginning of Year	58,881,385	58,839,805
Net Assets, End of Year	\$ 59,068,342	\$ 58,881,385

Community Hospital Association and Affiliate
Statements of Cash Flows – Hospital Only
Years Ended June 30, 2024 and 2023

	2024	2023
Operating Activities		
Receipts from patients and third-party payors	\$ 61,566,403	\$ 50,687,254
Receipts from others	2,009,316	2,783,624
Payments to and on behalf of employees	(32,322,509)	(30,311,144)
Payments to suppliers and contractors	(27,631,264)	(23,884,647)
Interest paid	(1,102,586)	(1,129,157)
Investment income received	1,378,217	998,081
Net Cash from (used for) Operating Activities	3,897,577	(855,989)
Investing Activities		
Purchase of investments	(2,912,674)	(8,176,097)
Sales of investments	3,197,314	4,618,600
Purchase of assets limited as to use	(264,547)	(594,443)
Sales of assets limited as to use	2,270,133	184,246
Purchase of other assets	(195,709)	(120,850)
Purchase of property and equipment	(4,777,716)	(3,534,473)
Net Cash used for Investing Activities	(2,683,199)	(7,623,017)
Financing Activities		
Proceeds from issuance of long term debt	-	794,820
Principal payments on long-term debt	(771,023)	(778,289)
Net Cash from Financing Activities	(771,023)	16,531
Net Change in Cash, Cash Equivalents, and Restricted Cash	443,355	(8,462,475)
Cash, Cash Equivalents, and Restricted Cash - Beginning of Year	17,698,075	26,160,550
Cash, Cash Equivalents, and Restricted Cash - End of Year	\$ 18,141,430	\$ 17,698,075
Reconciliation of Cash, Cash Equivalents, and Restricted Cash to Balance Sheets		
Cash and cash equivalents	17,810,400	17,572,565
Restricted cash in assets limited as to use	331,030	125,510
	\$ 18,141,430	\$ 17,698,075

Community Hospital Association and Affiliate

Statements of Cash Flows – Hospital Only
Years Ended June 30, 2024 and 2023

	2024	2023
Reconciliation of Increase in Net Assets to Net		
Cash from Operating Activities		
Increase in net assets	\$ 186,957	\$ 41,580
Adjustments to reconcile the change in net assets to net cash from (used for) operating activities:		
Depreciation expense	5,465,073	5,442,896
Provision for bad debts	1,511,589	2,161,477
(Gain) loss on disposal of property and equipment	62,559	(76,479)
Change in current assets and liabilities		
Receivables		
Patient	(3,161,117)	(1,057,302)
Other	(101,571)	(320,275)
Inventories	(242,646)	96,682
Prepaid expenses	(256,764)	(580,130)
Estimated third-party payor settlements - Medicare and Medicaid	513,041	(180,593)
Accounts payable - trade	(365,495)	184,899
Accrued salaries, vacation, and benefits payable	365,951	(406,391)
Other accrued expenses	(74,424)	57,419
Estimated third-party payor settlements - Medicare	-	(1,320,000)
Refundable advances	(5,576)	(4,899,772)
	\$ 3,897,577	\$ (855,989)
Net Cash from (used for) Operating Activities		