Mason District Hospital

Financial Report
September 30, 2024

Contents

Independent Auditor's Report

Board of Directors
Mason District Hospital

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of Mason District Hospital (the Organization), as of and for the year ended September 30, 2024 and 2023, and the related statements of revenues, expenses and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements, which collectively comprise the Organization'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 respective financial position of Mason District Hospital, as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Organization 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 opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Organization's ability to continue as a going concern for 12 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 opinions. 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 and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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 in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization’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 Organization’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.

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management’s Discuss and Analysis and the Pension and OPEB Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Organization's basic financial statements. The combining financial statements and other schedules, listed in the table of contents as supplementary information—statements of revenue and expense information, are 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 auditing standards generally accepted in the United States of America. In our opinion, except for the portion marked unaudited, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2025, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Organization's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Organization's internal control over financial reporting and compliance.

RSM US LLP

Davenport, Iowa
February 26, 2025

Mason District Hospital

Management's Discussion and Analysis (Unaudited)
Year Ended September 30, 2024

Management's discussion and analysis of Mason District Hospital's (Hospital) financial performance provides an overall review of the Hospital's activities for the fiscal years ended September 30, 2024, 2023 and 2022. The intent of this discussion is to provide an overview of the Hospital's performance for the years and should be read in conjunction with the Hospital's financial statements and notes thereto.

Mason District Hospital operates a 25-bed Critical Access Hospital and rural health centers located in Havana, Mason City and Manito, Illinois. Mason District Hospital serves the citizens of the Havana area and residents of Mason and southern Fulton counties.

The Hospital's financial statements also include the Mason District Hospital Foundation (Foundation). The Foundation is considered to be a blended component unit of the Hospital.

Financial Highlights

The assets and deferred outflows of resources of the Organization exceeded its liabilities and deferred inflows of resources as of September 30, 2024, 2023 and 2022 by approximately $38,694,000, $33,176,000 and $30,369,000 (net position), which represents an increase of 16.6%, 9.2% and 15.8% for the years ended September 30, 2024, 2023 and 2022, respectively.

The Hospital's total assets increased by approximately $2,961,000 or 6.9% from September 30, 2023 to September 30, 2024, decreased by approximately $2,093,000 or 4.6% from September 30, 2022 to September 30, 2023 and increased by approximately $4,157,000 or 10.2% from September 30, 2021 to September 30, 2022.

Deferred outflows related to pension, which relates to requirements of Government Accounting Standards Board (GASB) Statement Nos. 68 and 71 decreased approximately $1,603,000. Deferred outflows related to other postemployment benefits, which relates to requirements of GASB Statement No. 75, decreased approximately $132,000. Deferred outflows related to bond refunding decreased approximately $7,000.

The Hospital's total liabilities decreased by approximately $4,023,000 or 23.4% from September 30, 2023 to September 30, 2024, increased by approximately $7,955,000 or 86.0% from September 30, 2022 to September 30, 2023 and decreased by approximately $2,975,000 or 24.3% from September 30, 2021 to September 30, 2022.

The Hospital's deferred inflows of resources decreased by approximately $277,000 or 26.6% from September 30, 2023 to September 30, 2024, decreased by approximately $6,787,000 or 86.7% from September 30, 2022 to September 30, 2023 and increased by approximately $2,328,000 or 42.3% from September 30, 2021 to September 30, 2022.

Overview of Financial Statements

The audited financial statements include: Statements of Net Position, Statements of Revenue, Expenses and Changes in Net Position, and Statements of Cash Flows plus the Notes to Financial Statements.

Our financial position is measured in terms of resources (assets) we own, obligations (liabilities) we owe, deferred inflows of resources and deferred outflows of resources at a given date. This information is reported in the Statements of Net Position, which reflects the Hospital's assets in relation to its debts to bondholders, suppliers, employees and other creditors. The excess of our assets and deferred outflows of resources over our liabilities and deferred inflows of resources is reported as net position.

Information regarding the results from operations during the year is reported in the Statement of Revenue, Expenses and Changes in Net Position. This statement shows how much our net position increased or decreased during the year as a result of our operations, nonoperating activities and other changes.

The Statement of Cash Flows discloses the flow of cash resources into and out of the Hospital during the year. It identifies all cash received during the year from operating activities, contributions and other sources, and how we applied those funds (for example, payment of expenses, repayment of debt, purchases of new property and equipment, additions and deletions to the investment accounts and transfers to related entities).

The notes to financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

Condensed Statements of Revenue, Expenses and Changes in Net Position

A summary version of the Hospital's Statements of Revenue, Expenses and Changes in Net Position for the years ended September 30, 2024, 2023 and 2022 follows:

	Years Ended September 30		
	2024	2023	2022
	(Dollars in Thousands)		
Net patient service revenue	$ 33,413	$ 32,324	$ 30,876
Other revenue	1,462	1,268	942
Total operating revenue	34,875	33,592	31,818
Nonoperating revenue	3,063	2,235	794
Total revenue	37,938	35,827	32,612
Operating expenses:			
Salaries and wages	15,992	14,911	14,386
Employee benefits	3,042	5,195	2,259
Supplies and other	6,676	6,789	7,050
Professional fees	3,600	3,326	3,055
Depreciation and amortization	2,887	2,556	1,568
Interest	222	244	151
Total operating expenses	32,419	33,021	28,469
Increase in net position	$ 5,519	$ 2,806	$ 4,143

Operations

Year Ended September 30, 2024: Net patient revenues increased by approximately 3.4% from the prior year. Total revenue increased by approximately 5.9% from fiscal years 2023 to 2024. Other operating revenue increased by approximately 15.3% from fiscal years 2023 to 2024. Operating expenses decreased approximately 2.0% from fiscal year 2023.

Year Ended September 30, 2023: Net patient revenues increased by approximately 4.7% from the prior year. Total revenue increased by approximately 9.9% from fiscal years 2022 to 2023. Other operating revenue increased by approximately 34.6% from fiscal years 2022 to 2023. Operating expenses increased approximately 16.0% from fiscal year 2022.

Condensed Statements of Net Position

Condensed versions of the Hospital's Statements of Net Position as of September 30, 2024, 2023 and 2022 follow:

	September 30		
	2024	2023	2022
	(Dollars in Thousands)		
Assets			
Current assets	$ 32,292	$ 28,040	$ 25,921
Assets limited as to use, noncurrent	1,223	1,123	1,108
Capital assets	9,886	10,415	10,227
Right-of-use assets, net	240	321	394
SBITA assets, net	1,796	2,581	-
Other assets	506	502	7,425
Total assets	45,943	42,982	45,075
Deferred outflows of resources	6,700	8,442	2,374
	$ 52,643	$ 51,424	$ 47,449
Liabilities			
Current liabilities	$ 5,807	$ 5,110	$ 4,370
Long-term debt and other long-term liabilities	7,377	12,097	4,882
Total liabilities	13,184	17,207	9,252
Deferred inflows of resources	764	1,041	7,828
Net Position			
Invested in capital and right-of-use assets, net of related debt	6,930	7,051	6,117
Restricted, expendable	821	711	669
Restricted, under bond indenture	998	998	1,015
Unrestricted	29,946	24,416	22,568
Total net position	38,695	33,176	30,369
	$ 52,643	$ 51,424	$ 47,449

September 30, 2024: Total net position increased by approximately 16.6% for the year, primarily as a result of nonoperating activity and nonoperating revenue.

September 30, 2023: Total net position increased by approximately 9.2% for the year, primarily as a result of nonoperating activity and nonoperating revenue.

Condensed Statements of Cash Flows

Condensed versions of the Hospital's Statements of Cash Flows for the years ended September 30, 2024, 2023 and 2022 follow:

	Years Ended September 30		
	2024	2023	2022
	(Dollars in Thousands)		
Cash provided by operating activities	$ 4,090	$ 2,517	$ 1,436
Cash provided by noncapital financing activities	1,518	1,430	1,494
Cash used in capital and related financing activities	(2,988)	(3,735)	(1,985)
Cash provided by investing activities	492	101	68
Net increase in cash	3,112	313	1,013
Cash and cash equivalents:			
Beginning	17,481	17,168	16,155
Ending	$ 20,593	$ 17,481	$ 17,168

Year Ended September 30, 2024: Liquidity increased from the prior year as a result of improved nonoperating activity.

Year Ended September 30, 2023: Liquidity increased from the prior year as a result of improved nonoperating activity.

Capital and Right-of-use Assets

September 30, 2024: Total capital assets decreased in current year as a result of purchases less than depreciation and amortization expense in the current year.

September 30, 2023: Total capital assets increased in current year as a result of purchases greater than depreciation and amortization expense in the current year.

	September 30		
	2024	2023	2022
	(Dollars in Thousands)		
Capital assets not being depreciated:			
Land	$ 164	$ 164	$ 164
Construction in progress	6	97	97
Capital assets net of depreciation:			
Land improvements	86	100	94
Buildings and improvements	6,453	6,922	7,110
Fixed equipment	110	187	260
Movable equipment	2,546	2,589	2,251
Ambulance vehicles and equipment	521	356	251
Total capital assets, net	$ 9,886	$ 10,415	$ 10,227
Right-to-use assets, net of amortization:			
Buildings under lease	$ 102	$ 135	$ 169
Equipment under lease	138	186	225
SBITAs	1,796	2,581	-
Total right-to-use assets, net	$ 2,036	$ 2,902	$ 394

Additional information on the Hospital's capital and right-of-use assets can be found in Note 5 to the financial statements.

Long-Term Debt and Other Long-Term Liabilities

September 30, 2024: Long-term debt consists of Series 2017 Refunding revenue bond issues, various notes payable, lease, and SBITA liabilities described in more detail in the notes to the financial statements. As of September 30, 2024, the Hospital had $2,270,000 in bonds outstanding versus $1,925,000 as of September 30, 2023. The decrease is attributable to the scheduled bond principal payments. The Hospital had approximately $1,512,000 in notes payable as of September 30, 2024 versus approximately $1,338,000 in notes payable as of September 30, 2023. The change is attributable to an additional note payable being added in the year ended September 30, 2024.

September 30, 2023: Long-term debt consists of Series 2017 Refunding revenue bond issues, various notes payable, lease, and SBITA liabilities described in more detail in the notes to the financial statements. As of September 30, 2023, the Hospital had $1,925,000 in bonds outstanding versus $2,560,000 as of September 30, 2022. The decrease is attributable to the scheduled bond principal payments. The Hospital had approximately $1,338,000 in notes payable as of September 30, 2023 versus approximately $1,544,000 in notes payable as of September 30, 2022. The change is attributable to scheduled principal payments.

Additional information about the Hospital's long-term debt and other long-term liabilities can be found in Note 6 and 7 to the financial statements.

Economic Factors

Year Ended September 30, 2024: The Hospital experienced a decrease of 3.89% in acute inpatient days and a decrease of 17.32% in swing bed volumes. Outpatient volumes increased 1.79% for the year. It is anticipated that volume will continue to remain consistent in fiscal year 2025. Management continues to review cost savings and offering additional services to the community.

Year Ended September 30, 2023: The Hospital experienced a decrease of 36.5% in acute inpatient days and no change in swing bed volumes. Outpatient volumes decreased 27.8% for the year. It is anticipated that volume will continue to remain consistent in fiscal year 2024. Management continues to review cost savings and offering additional services to the community.

Financial Information Contact

The Hospital's financial statements are designed to provide a general overview of the Hospital's finances for all those with an interest in the Hospital's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Mason District Hospital Attn: Administration, 615 N. Promenade, Box 530, Havana, IL 62644-0530.

Mason District Hospital

Statements of Net Position
September 30, 2024 and 2023

	2024	2023
Assets and Deferred Outflows		
Current assets:		
Cash and cash equivalents	**$ 19,503,869**	$ 16,395,196
Investments	**4,821,196**	3,979,742
Assets limited as to use	**687,700**	674,250
Receivables, net	**6,347,842**	6,029,588
Inventories	**689,931**	607,698
Prepaid expenses	**241,329**	201,240
Estimated third-party payor settlements	**-**	151,939
Total current assets	**32,291,867**	28,039,653
Assets limited as to use, less portion required for current liabilities	**1,222,709**	1,122,973
Capital assets:		
Nondepreciable	**170,047**	260,925
Depreciable, net	**9,715,931**	10,154,298
Total capital assets, net	**9,885,978**	10,415,223
Right-of-use assets, net	**240,003**	321,396
SBITA right-of-use assets, net	**1,796,101**	2,581,073
Other assets	**506,286**	501,634
Total assets	**45,942,944**	42,981,952
Deferred outflows:		
Pension-related	**6,351,709**	7,955,207
Other postemployment benefits-related	**331,512**	464,343
Related to bond refunding	**17,020**	22,394
Total deferred outflows	**6,700,241**	8,441,944
	$ 52,643,185	$ 51,423,896

See notes to financial statements.

	2024	2023
Liabilities, Deferred Inflows and Net Position		
Current liabilities:		
Current maturities of long-term debt	**$ 1,015,751**	$ 958,952
Current maturities of SBITA liabilities	**928,645**	861,215
Accounts payable, trade	**919,480**	1,381,067
Accrued expenses:		
Salaries, wages and payroll taxes	**604,901**	331,019
Earned time	**1,126,868**	1,154,594
Interest	**14,277**	21,045
Other	**252,337**	401,825
Estimated third-party payor settlements	**944,386**	-
Total current liabilities	**5,806,645**	5,109,717
Other postemployment benefits	**1,277,780**	1,235,776
Other long-term liabilities	**136,034**	136,034
Long-term debt, net of current maturities	**2,044,632**	2,636,577
SBITA liabilities, less current maturities	**1,004,586**	1,809,889
Net pension liability	**2,914,453**	6,279,236
Total liabilities	**13,184,130**	17,207,229
Deferred inflows:		
Revenue for succeeding year property taxes	**494,890**	550,000
Pension-related	**127,309**	319,304
Other postemployment benefits-related	**142,216**	171,326
Total deferred inflows	**764,415**	1,040,630
Net position:		
Invested in capital and right-of-use assets, net of related debt	**6,928,468**	7,051,059
Restricted net position:		
Expendable	**821,477**	711,133
For debt service	**998,437**	998,228
Unrestricted	**29,946,258**	24,415,617
Total net position	**38,694,640**	33,176,037
	$ 52,643,185	$ 51,423,896

Mason District Hospital

Statements of Revenue, Expenses and Changes in Net Position
Years Ended September 30, 2024 and 2023

	2024	2023
Operating revenue:		
Net patient service revenue	**$ 33,412,506**	$ 32,324,453
Other revenue	**1,462,270**	1,267,880
Total operating revenue	**34,874,776**	33,592,333
Operating expenses:		
Salaries and wages	**15,992,185**	14,910,629
Employee benefits:		
Pension-related	**(874,993)**	1,358,475
All others	**3,916,648**	3,836,285
Supplies and other	**6,676,468**	6,789,323
Professional fees	**3,600,069**	3,326,387
Depreciation and amortization	**2,886,977**	2,555,611
Interest	**221,824**	244,155
Total operating expenses	**32,419,178**	33,020,865
Operating income	**2,455,598**	571,468
Nonoperating revenue:		
Tax revenue	**805,908**	981,008
Contributions and bequests, noncapital	**444,209**	444,683
Grant revenue	**273,678**	12,438
Investment income	**1,539,210**	796,939
Total nonoperating revenue	**3,063,005**	2,235,068
Increase in net position	**5,518,603**	2,806,536
Net position:		
Beginning	**33,176,037**	30,369,501
Ending	**$ 38,694,640**	$ 33,176,037

See notes to financial statements.

Mason District Hospital

Statements of Cash Flows
Years Ended September 30, 2024 and 2023

	2024	2023
Cash flows from operating activities:		
Receipts from patients and third-party payors	**$ 34,192,096**	$ 30,318,412
Payments to suppliers	**(10,983,447)**	(9,550,611)
Payments to employees	**(20,530,495)**	(19,435,027)
Other receipts	**1,411,399**	1,184,354
Net cash provided by operating activities	**4,089,553**	2,517,128
Cash flows from noncapital financing activities:		
Tax collections	**800,151**	972,661
Contributions and bequests	**444,209**	444,683
Grant proceeds, noncapital	**273,678**	12,438
Net cash provided by noncapital financing activities	**1,518,038**	1,429,782
Cash flows from capital and related financing activities:		
Principal paid on:		
Bonds	**(655,000)**	(635,000)
Long-term debt, excluding the bonds	**(200,593)**	(206,058)
Lease liabilities	**(105,378)**	(96,255)
SBITA liabilities	**(898,055)**	(801,126)
Interest paid on:		
Bonds	**(48,143)**	(67,223)
Long-term debt, excluding the bonds	**(75,847)**	(47,268)
Lease liabilities	**(12,438)**	(14,729)
SBITA liabilities	**(92,164)**	(121,233)
Proceeds from issuance of new debt	**400,000**	-
Acquisition of capital assets	**(1,299,985)**	(1,745,810)
Net cash used in capital and related financing activities	**(2,987,603)**	(3,734,702)
Cash flows from investing activities:		
Investment income	**1,539,209**	767,972
Proceeds from investments, net	**(951,798)**	(409,342)
Recruitment advances, net	**(95,884)**	(258,018)
Net cash provided by investing activities	**491,527**	100,612
Net increase in cash and cash equivalents	**3,111,515**	312,820
Cash and cash equivalents:		
Beginning, including cash and cash equivalents limited as to use of 2023—$1,086,090; 2022—$1,100,355	**17,481,286**	17,168,466
Ending, including cash and cash equivalents limited as to use of 2024—$1,088,932; 2023—$1,086,090	**$ 20,592,801**	$ 17,481,286

(Continued)

Mason District Hospital

Statements of Cash Flows (Continued)
Years Ended September 30, 2024 and 2023

	2024	2023
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	**$ 2,455,598**	$ 571,468
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	**2,881,603**	2,550,237
Amortization of bond premium	**5,374**	5,374
Forgiveness of recruitment advances	**85,858**	56,551
Interest expense considered capital financing activity	**221,824**	244,155
(Increase) decrease in:		
Receivables	**(312,497)**	(1,156,469)
Inventories	**(82,233)**	(66,400)
Prepaid expenses	**(40,089)**	732
Deferred outflows of resources	**1,741,703**	(6,068,360)
Increase (decrease) in:		
Accounts payable, accrued expenses, and other long-term liabilities	**(338,431)**	599,315
Deferred revenue	**(55,110)**	(92,000)
Other postemployment benefits liability	**15,516**	9,355
Deferred inflows of resources	**(221,105)**	(6,695,016)
Net pension liability	**(3,364,783)**	13,398,894
Estimated third-party payor settlements	**1,096,325**	(840,708)
Net cash provided by operating activities	**$ 4,089,553**	$ 2,517,128
Supplemental schedule of noncash capital and related financing activities:		
Capital lease obligations incurred for purchase of buildings and equipment	**$ 25,825**	$ 28,866
SBITA right-of-use assets acquired with SBITA liabilities	**$ 160,182**	$ 920,023

See notes to financial statements.

Note 1. Nature of Business and Significant Accounting Policies

Nature of business:

Reporting entity: The Mason District Hospital (Hospital) is an acute care district hospital with 25 licensed beds which also provides related ancillary and outpatient services, swing bed facilities and home health care services. The Hospital is located in Havana, Illinois, and serves Havana and surrounding areas.

Blended component unit: The financial statements include the accounts of its blended component unit, Mason District Hospital Foundation (Foundation). The Hospital has authorized the Foundation, which is governed by a separate Board of Directors appointed by the Hospital's Board of Directors, to provide financial and promotional support to the Hospital and has assigned to the Foundation the right to receive, invest and disburse all unrestricted and certain donor-restricted contributions, gifts and bequests resulting from these activities. The Foundation's bylaws provide that funds raised, except for the funds required for the operation of the Foundation, be distributed to, or be held for the purpose of benefitting, the Hospital. The Foundation's bylaws also provide that upon dissolution of the Foundation, all assets of the Foundation shall be distributed to the Hospital, provided that the Hospital qualifies at the time of distribution as exempt or as a local government. No separate financial statements have been issued during the year for the Foundation.

The Hospital and Foundation are collectively referred to as the Organization.

Presented below are condensed combining schedules for the Hospital and blended component unit:

Condensed Statement of Net Position
September 30, 2024

	Hospital	Foundation	Total (Memorandum Only)
Assets and Deferred Outflows			
Current assets	$ 27,381,619	$ 4,910,248	$ 32,291,867
Assets limited as to use, noncurrent	1,222,709	-	1,222,709
Capital assets, net	9,885,978	-	9,885,978
Right-to-use assets, net	240,003	-	240,003
SBITA right-of-use assets, net	1,796,101	-	1,796,101
Other assets	506,286	-	506,286
Total assets	41,032,696	4,910,248	45,942,944
Deferred outflows	6,700,241	-	6,700,241
	$ 47,732,937	$ 4,910,248	$ 52,643,185
Liabilities, Deferred Inflows and Net Position			
Liabilities:			
Current liabilities	$ 5,806,645	$ -	$ 5,806,645
Long-term debt, less current maturities	2,044,632	-	2,044,632
Long-term SBITA, net of current maturities	1,004,586	-	1,004,586
Other liabilities	4,328,267	-	4,328,267
Total liabilities	13,184,130	-	13,184,130
Deferred inflows	764,415	-	764,415
Net position:			
Net investment in capital and right-to-use assets	6,928,468	-	6,928,468
Restricted, expendable	821,477	-	821,477
Restricted, for debt service	998,437	-	998,437
Unrestricted	25,036,010	4,910,248	29,946,258
Total net position	33,784,392	4,910,248	38,694,640
	$ 47,732,937	$ 4,910,248	$ 52,643,185

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Condensed Statement of Net Position
September 30, 2023

	Hospital	Foundation	Total (Memorandum Only)
Assets and Deferred Outflows			
Current assets	$ 24,011,039	$ 4,028,614	$ 28,039,653
Assets limited as to use, noncurrent	1,122,973	-	1,122,973
Capital assets, net	10,415,223	-	10,415,223
Right-to-use assets, net	321,396	-	321,396
SBITA right-of-use assets, net	2,581,073	-	2,581,073
Other assets	501,634	-	501,634
Total assets	38,953,338	4,028,614	42,981,952
Deferred outflows	8,441,944	-	8,441,944
	$ 47,395,282	$ 4,028,614	$ 51,423,896
Liabilities, Deferred Inflows and Net Position			
Liabilities:			
Current liabilities	$ 5,109,717	$ -	$ 5,109,717
Long-term debt, less current maturities	2,636,577	-	2,636,577
Long-term SBITA, net of current maturities	1,809,889	-	1,809,889
Other liabilities	7,651,046	-	7,651,046
Total liabilities	17,207,229	-	17,207,229
Deferred inflows	1,040,630	-	1,040,630
Net position:			
Net investment in capital and right-to-use assets	7,051,059	-	7,051,059
Restricted, expendable	711,133	-	711,133
Restricted, for debt service	998,228	-	998,228
Unrestricted	20,387,003	4,028,614	24,415,617
Total net position	29,147,423	4,028,614	33,176,037
	$ 47,395,282	$ 4,028,614	$ 51,423,896

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Condensed Statement of Revenues, Expenses and Changes in Net Position
Year Ended September 30, 2024

	Hospital	Foundation	Total (Memorandum Only)
Total operating revenue	$ 34,858,873	$ 15,903	$ 34,874,776
Operating expenses, before depreciation and amortization	29,529,299	2,902	29,532,201
Depreciation and amortization	2,886,977	-	2,886,977
Total operating expenses	32,416,276	2,902	32,419,178
Operating income	2,442,597	13,001	2,455,598
Nonoperating revenue	2,194,372	868,633	3,063,005
Increase in net position	4,636,969	881,634	5,518,603
Net position:			
Beginning	29,147,423	4,028,614	33,176,037
Ending	$ 33,784,392	$ 4,910,248	$ 38,694,640

Condensed Statement of Revenues, Expenses and Changes in Net Position
Year Ended September 30, 2023

	Hospital	Foundation	Total (Memorandum Only)
Total operating revenue	$ 33,582,649	$ 9,684	$ 33,592,333
Operating expenses, before depreciation and amortization	30,464,864	390	30,465,254
Depreciation and amortization	2,555,611	-	2,555,611
Total operating expenses	33,020,475	390	33,020,865
Operating income	562,174	9,294	571,468
Nonoperating revenue	1,836,654	398,414	2,235,068
Increase in net position	2,398,828	407,708	2,806,536
Net position:			
Beginning	26,748,595	3,620,906	30,369,501
Ending	$ 29,147,423	$ 4,028,614	$ 33,176,037

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Condensed Statement of Cash Flows
Year Ended September 30, 2024

	Hospital	Foundation	Total (Memorandum Only)
Operating activities	$ 4,076,552	$ 13,001	$ 4,089,553
Noncapital financing activities	1,491,555	26,483	1,518,038
Capital and related financing activities	(2,987,603)	-	(2,987,603)
Investing activities	490,831	696	491,527
Net increase in cash and cash equivalents	3,071,335	40,180	3,111,515
Cash and cash equivalents:			
Beginning	17,432,414	48,872	17,481,286
Ending	$ 20,503,749	$ 89,052	$ 20,592,801

Condensed Statement of Cash Flows
Year Ended September 30, 2023

	Hospital	Foundation	Total (Memorandum Only)
Operating activities	$ 2,507,834	$ 9,294	$ 2,517,128
Noncapital financing activities	1,427,298	2,484	1,429,782
Capital and related financing activities	(3,734,702)	-	(3,734,702)
Investing activities	100,374	238	100,612
Net increase in cash and cash equivalents	300,804	12,016	312,820
Cash and cash equivalents:			
Beginning	17,131,610	36,856	17,168,466
Ending	$ 17,432,414	$ 48,872	$ 17,481,286

Significant accounting policies:

Accrual basis of accounting: The accrual basis of accounting is used by the Organization. Under the accrual basis of accounting, revenue is recognized when earned and expenses are recognized when the liability has been incurred. Under this basis of accounting, all assets, deferred outflows of resources, liabilities and deferred inflows of resources associated with the operation of the Organization are included in the statements of net position.

Accounting standards: These financial statements have been prepared in accordance with the Governmental Accounting Standards Board (GASB) codification (GASB Cod.). The financial statements of the component units are also prepared in accordance with the GASB Cod., as they are established for the direct benefit of the Organization. The financial statements of the Organization have been prepared on the accrual basis of accounting.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Accounting estimates: The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP), requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents: For purposes of reporting cash flows, the Organization considers investments with original maturities of less than three months to be cash equivalents.

Receivables, net: Receivables, net consist of patient accounts receivable, where a third-party payor is responsible for paying the amount and are carried at a net amount determined by the original charge for the service provided, less an estimate made for contractual adjustments or discounts provided to third-party payors.

Patient accounts receivable, due directly from the patients, are carried at the original charge for the service provided, less amounts covered by third-party payors and less an estimated allowance for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts, by historical experience applied to an aging of accounts and by considering the patient's financial history, credit history and current economic conditions. The Hospital does not charge interest on patient receivables. Patient receivables are written off as bad debt expense when deemed uncollectible. Recoveries of receivables previously written off are recorded as a reduction of bad debt expense when received.

Receivables or payables related to estimated settlements on various risk contracts that the Hospital participates in are reported as estimated third-party payor settlement receivables or payables.

Inventories: Inventories, consisting of materials and supplies used in patient service departments throughout the Hospital, are stated at cost (first-in, first-out method) or market.

Investments: Investments are carried at fair value. Securities traded on a national exchange are valued at the last reported sales price.

Assets limited as to use: The Hospital's assets limited as to use include assets held by trustee under indenture agreements, donor restricted assets and assets internally designated by the Hospital's Board of Directors for capital improvements, over which the Board retains control and may at their discretion subsequently use for other purposes.

Capital assets: Capital assets are carried at cost. It is the Hospital's policy to include amortization on assets acquired under capital leases with depreciation on owned assets. Interest cost incurred before the end of a construction period is recognized as an expense. Depreciation is computed by the straight-line method over the estimated useful lives as follows:

	Years
Land improvements	5-15
Buildings and improvements	15-40
Fixed equipment	5-20
Moveable equipment	5-15
Ambulance vehicles and equipment	3-5

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Leases: A lease asset is determined at inception when the control of the right-of-use underlying asset belongs to the entity for the term of the lease for a period of one year or greater. The term of the lease may include exercisable options when reasonably certain the option will be renewed. Right-of-use assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. Leases, in which the Organization is the lessee, are included as right to use assets, net of respective amortization, in accordance with GASB Statement No. 87, *Leases* (GASB 87), in the statement of net position at the present value of expected lease payments over the lease term, adjusted for lease incentives, if applicable. Lease liabilities are based initially at the present value of lease payments, over the term of the leases and are re-measured whenever there is a change or modification of the lease terms. For leases recorded, the discount rates are based upon rate stated in the lease or the incremental borrowing rate and vary based on inception date and terms of the contract.

Subscription-Based Information Technology Arrangements: Subscription-Based Information Technology Arrangements (SBITA) are defined as contracts that conveys control of the right to use another party's information technology software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction. A SBITA is included as a right to use asset and corresponding SBITA liability in accordance with GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96).

For SBITAs recorded, the rates are based upon the incremental borrowing rate and vary based on inception date and terms of the contract.

Physician and employee advances: Physician and employee advances, which are included in other assets on the accompanying statements of net position, are primarily related to the recruitment and retention of physicians and employees to meet the community's needs. The advances are being forgiven over a period of one to six years, provided that the physicians and employees have continued satisfactory service.

Restricted funds: Donor-restricted funds are used to differentiate resources, the use of which is restricted by the donor, from resources on which the donor places no restriction or which arise as a result of the operation of the Hospital for its stated purposes.

Resources restricted by donors for specific operating purposes are reported in other operating revenue to the extent expended within the period.

Resources restricted by donors for plant replacement and expansion are added to the unrestricted funds to the extent expended within the period.

Deferred outflows of resources: In addition to assets, the statement of net position may report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) which will not be recognized as an outflow of resources (expense) until that time. Deferred outflows of resources for the Hospital consist of unrecognized items not yet charged to pension expense related to the net pension liability, contributions paid by the employer after the measurement date of the net pension liability but before the end of the employer's reporting period, unrecognized items not yet charged to expense related to the other postemployment benefit (OPEB) liability and the difference between the reacquisition price and net carrying amount of the old debt in the advance refunding of the Series 2006 Bonds.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Compensated absences: Earned time off benefits are earned by employees of the Hospital based on time of service. The Hospital accrues earned time off benefits as an expense and liability. Sick leave benefits are recorded when paid, as they do not vest.

Beginning Balance	Additions	Payments	Ending Balance	Amounts Due in One Year
$ 1,154,594	$ 1,596,875	$ 1,624,601	$ 1,126,868	$ 1,126,868

Deferred inflows of resources: Deferred inflows of resources represent an acquisition of net position that is applicable to a future reporting period which will not be recognized as an inflow of resources (revenue) until that time. The Hospital reports unavailable revenues from three sources: property taxes, deferred inflows related to net pension liability and deferred inflows related to the OPEB liability. These amounts are deferred and recognized as inflows of resources (revenue) in the year they become available or are intended to be used.

Net patient service revenue: Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as the final settlements are determined.

Charity care: The Hospital provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than established rates. Because the Hospital does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue. The amounts of charges forgone were approximately $27,000 and $43,000 for the years ended September 30, 2024 and 2023, respectively. The estimated costs of the charges forgone, based upon an overall cost-to-charge ratio calculation for the years ended September 30, 2024 and 2023, were approximately $14,000 and $23,000, respectively.

Treatment of contributions, bequests and investment income: Contributions received, bequests and investment income are presented as nonoperating revenue. Externally restricted assets which are included in assets limited as to use may only be utilized in accordance with the purposes established by the source of such assets. A contribution from the Foundation to the Hospital is made in the period in which the funds are expended by the Hospital for the purpose intended by the Foundation.

Grant revenue: The Hospital accounts for grants and recognizes the revenue upon the fulfillment of the restriction detailed in the grant documents. Grants may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific noncapital purpose are reported as nonoperating revenue. Amounts restricted to capital acquisitions are reported as other changes in net position.

Property taxes: Property taxes receivable, which are included in receivables, net, represent the 2023 levy and an estimate of the 2024 levy applicable to the fiscal year ended September 30, 2024. Property taxes are certified in December and attached as an enforceable lien on the property as of the preceding January 1. These taxes become due and collectible in June and September and are collected by the county collector, who in turn remits to the Hospital its respective share. Property taxes receivable from the 2024 tax levy are deferred inflows of resources on September 30, 2024, since the period for which the taxes are levied and budgeted is for fiscal year September 30, 2025.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Operating revenue/expense: The Hospital distinguishes operating revenue and expense from nonoperating items. Operating revenue and expenses generally result from the primary purpose of the Hospital, which is to provide medical services to the region. Operating revenue consists primarily of net patient services. Operating expenses consists of salaries and benefits, supplies, professional fees, depreciation and amortization, and interest. All revenue and expenses not meeting these criteria are considered nonoperating.

Net position: Net position classifications are defined as follows:

Invested in capital and right-of-use assets, net of related debt: This component of net position consists of capital assets, including any restricted capital and right-of-use assets, net of accumulated depreciation and amortization and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted: This component of net position consists of constraints placed on net position through external constraints imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position: This component of net position consists of net position that does not meet the definition of restricted or invested in capital assets, net of related debt above.

The Hospital first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Income tax matters: The Hospital is organized as a political subdivision under Illinois Hospital District statutes and is exempt from federal income taxes. The Foundation is an Illinois nonprofit organization and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code (IRC).

Subsequent events: The Organization has considered subsequent events through February 26, 2025, the date the financial statements were available to be issued, in preparing the financial statements and notes thereto.

Note 2. Contractual Arrangement with Third-Party Agencies and Net Patient Service Revenue

Approximately 58% and 56% of the Hospital's net patient service revenue for the years ended September 30, 2024 and 2023, respectively, was earned under agreements with Medicare and Medicaid. These agreements provide for reimbursement to the Hospital at amounts different from its established rates. Contractual adjustments under third-party reimbursement programs represent the difference between the Hospital's established rates for services and amounts reimbursed by third-party payors. A summary of the basis of reimbursement with major third-party payors follows:

Medicare: The Hospital is designated as a Critical Access Hospital (CAH). Under the Critical Access Hospital methodology, the Hospital is reimbursed for inpatient, outpatient and swing bed services based upon a reasonable cost methodology at a tentative rate with final settlement determined after submission of annual cost reports by the Hospital and audits by the third-party Medicare fiscal intermediary.

The Hospital's Medicare cost reports have been finalized by the Medicare fiscal intermediary through September 30, 2022.

Note 2. Contractual Arrangement with Third-Party Agencies and Net Patient Service Revenue (Continued)

Medicaid: Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed based upon prospectively determined rates. The prospectively determined rates are not subject to retroactive adjustment.

On July 7, 2020, the governor of Illinois signed legislation to extend the Medicaid Hospital tax assessment program. The updated legislation increased funding and assisted the Medicaid program to improve access to health care services. The hospital tax assessment program, which was effective July 1, 2018, will be effective through 2026.

Under the state of Illinois Medicaid Hospital Assessment Program, a hospital receives additional Medicaid reimbursement from the state and pays a related assessment. The Hospital's additional reimbursement for the years ended September 30, 2024 and 2023, was received and has been recorded as net patient service revenue in the accompanying financial statements. As a governmental hospital, the Hospital did not incur any assessments related to this program.

In January 2015, the state of Illinois approved a new supplemental payment to hospitals for services provided to newly eligible Medicaid beneficiaries under the Affordable Care Act (ACA). The new supplemental payment was retroactive to March 1, 2014. Total reimbursement revenue recognized by the Hospital related to this program was approximately $19,000 and $40,000 for the years ended September 30, 2024 and 2023, respectively.

Commencing in 2018, the state of Illinois mandated certain regions of the state, which included Mason County, to enroll all Medicaid recipients into managed care health plans. The Hospital has contractual arrangements with various Medicaid managed health care plans, which allows for the Hospital to be paid for covered services at negotiated rates, which at a minimum must be equal to the Medicaid rate.

Blue Cross: Inpatient services rendered to Blue Cross subscribers are reimbursed based upon a cost reimbursement methodology. The Hospital is reimbursed at a tentative rate, generally charges, with the final settlement determined after submission of the annual cost report by the Hospital and the audit by Blue Cross.

Other: The Hospital has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the Hospital under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

A summary of net patient service revenue is as follows:

	2024	2023
Gross patient service revenue	$ 69,215,176	$ 62,169,793
Discounts, allowances and estimated contractual adjustments under third-party reimbursement programs:		
Medicare	(14,809,268)	(13,445,816)
Medicaid/Illinois Public Aid	(6,522,701)	(4,770,214)
Other	(12,126,193)	(10,268,209)
Provision for doubtful accounts	(2,344,508)	(1,361,101)
	(35,802,670)	(29,845,340)
Net patient service revenue	$ 33,412,506	$ 32,324,453

Note 2. Contractual Arrangement with Third-Party Agencies and Net Patient Service Revenue (Continued)

Contractual adjustment expense for the years ended September 30, 2024 and 2023, includes the effect of a change in the estimate of the liability due to third-party payors. The effect of this change in estimate is a reduction in contractual adjustment expense of approximately $167,000 and $147,000 for the years ended September 30, 2024 and 2023, respectively.

Note 3. Cash, Cash Equivalents and Investments

As of September 30, 2024 and 2023, the Organization's cash, cash equivalents and investments are classified in the accompanying statements of net position as follows:

	2024	2023
Hospital:		
Cash and cash equivalents	$ 19,414,817	$ 16,346,324
Assets limited as to use:		
Cash	1,088,932	1,086,090
Investments	821,477	711,133
Foundation:		
Cash	89,052	48,872
Investments	4,821,196	3,979,742
	$ 26,235,474	$ 22,172,161

The Organization's assets limited as to use as of September 30, 2024 and 2023, consist of the following:

	2024	2023
Assets restricted by bond ordinance, debt service reserve fund	$ 998,437	$ 998,228
Assets restricted by donor for specific purposes	762,180	652,133
Assets of the William E. McFarland Business Office Trust	59,297	59,000
Assets designated by the Board of Directors for capital improvements	65,495	62,862
Assets designated for capital investment	25,000	25,000
Total assets limited as to use	1,910,409	1,797,223
Less amounts included in current assets to be used for the payment of current liabilities	687,700	674,250
Noncurrent portion	$ 1,222,709	$ 1,122,973

Authorized investments: State statutes authorize the Hospital to make deposits and investments in interest bearing depository accounts in federally insured and/or state chartered banks and savings and loan associations, or other financial institutions as designated by ordinances, and to invest available funds in direct obligations of, or obligations guaranteed by, the U.S. Treasury or agencies of the United States, money market mutual funds whose portfolios consist of government securities, and the Illinois Funds Money Market Funds. In accordance with the Hospital's investment policy, the Hospital strives to generate growth of the portfolio and generate income through interest, dividends and capital appreciation while maintaining prudent asset class diversification and prudent diversification within selected asset classes. The Hospital strives to obtain growth of asset value at a rate of 7% greater than inflation, as measured by the Consumer Price Index (CPI).

Note 3. Cash and Investments (Continued)

The Foundation's investment policy allows for investing of available funds in: depository accounts in federally insured banks and savings and loan associations; direct obligations of, or obligations guaranteed by, the U.S. Treasury or agencies of the United States; money market mutual funds whose portfolios consist of government securities; and equity securities, provided they do not result in a concentration as specified in the Foundation's investment policy. The Foundation strives to obtain growth of asset value at a rate of 7% greater than inflation, as measured by the CPI.

Interest rate risk: Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Fair value: The Hospital and Foundation use the fair value hierarchy established by generally accepted accounting principles based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs.

Investments in corporate equities, preferred stock and mutual funds are reported at the last reported sales price on the day of valuation. Investments in corporate obligations, U.S. government securities, municipal bonds and certificates of deposit are based on quoted market prices that are not active.

The Hospital and Foundation have the following recurring fair value measurements as of September 30, 2024 and 2023:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Mason District Hospital		2024		
Corporate equities	$ 378,755	$ 378,755	$ -	$ -
Preferred stock	9,704	9,704	-	-
Corporate obligations	249,813	-	249,813	-
Mutual funds	160,440	160,440	-	-
Certificates of deposit held by other banks	12,646	-	12,646	-
	811,358	$ 548,899	$ 262,459	$ -
Cash equivalents	10,119			
	$ 821,477			
		2023		
Corporate equities	$ 308,302	$ 308,302	$ -	$ -
Preferred stock	7,057	7,057	-	-
Corporate obligations	235,977	-	235,977	-
Mutual funds	136,447	136,447	-	-
Certificates of deposit held by other banks	14,000	-	14,000	-
	701,783	$ 451,806	$ 249,977	$ -
Cash equivalents	9,350			
	$ 711,133			

Note 3. Cash and Investments (Continued)

Mason District Hospital Foundation	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
		2024		
Corporate equities	$ 2,971,706	$ 2,971,706	$ -	$ -
U.S. government securities	309,356	-	309,356	-
Municipal bonds	39,743	-	39,743	-
Preferred stock	157,947	157,947	-	-
Corporate obligations	505,165	-	505,165	-
Mutual funds	581,362	581,362	-	-
Negotiable certificate of deposit	47,203	-	47,203	-
	4,612,482	$ 3,711,015	$ 901,467	$ -
Cash equivalents	208,714			
	$ 4,821,196			
		2023		
Corporate equities	$ 2,326,023	$ 2,326,023	$ -	$ -
U.S. government securities	296,808	-	296,808	-
Municipal bonds	38,410	-	38,410	-
Preferred stock	122,873	122,873	-	-
Corporate obligations	466,693	-	466,693	-
Mutual funds	524,765	524,765	-	-
Negotiable certificate of deposit	39,165	-	39,165	-
	3,814,737	$ 2,973,661	$ 841,076	$ -
Cash equivalents	165,005			
	$ 3,979,742			

The Hospital and Foundation had no other investments meeting the disclosure requirements of GASB Statement No. 72.

Information about the sensitivity of the fair values of the Organization's investments to market interest rate fluctuations is provided by the following tables that show the distribution of the Organization's investments by maturity:

Mason District Hospital	Fair Value	Investment Maturities (in Years) Less than 1	1-5	6-10	More than 10
Corporate equities	$ 378,755	N/A	N/A	N/A	N/A
Preferred stock	9,704	$ 7,043	$ 1,680	$ -	$ 981
Corporate obligations	249,813	-	-	140,309	109,504
Mutual funds	160,440	N/A	N/A	N/A	N/A
Certificates of deposit held by other banks	12,646	12,646	-	-	-
	811,358	$ 19,689	$ 1,680	$ 140,309	$ 110,485
Cash equivalents	10,119				
	$ 821,477				

Note 3. Cash and Investments (Continued)

Mason District Hospital Foundation

		Investment Maturities (in Years)			
	Fair Value	Less than 1	1-5	6-10	More than 10
Corporate equities	$ 2,971,706	N/A	N/A	N/A	N/A
U.S. government securities	309,356	$ -	$ -	$ -	$ -
Municipal bonds	39,743	-	-	-	-
Preferred stock	157,947	-	-	-	-
Corporate obligations	505,165	-	-	-	-
Mutual funds	581,362	N/A	N/A	N/A	N/A
Negotiable certificate of deposit	47,203	-	47,203	-	-
	4,612,482	$ -	$ 47,203	$ -	$ -
Cash equivalents	208,714				
	$ 4,821,196				

Credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

As of September 30, 2024, the Hospital's investments were rated as follows:

Investment Type	Standard & Poor's	Moody's Investor's Service
Corporate obligations:		
Bank of America 4.2% 8/15/37 Medium Term Note	A-	A1
JP Morgan Chase & Co 3% 10/31/32 Medium Term Notes Multi Step Up Coupon	A-	A3
AT&T INC. 5.35% 11/1/66	BBB	Baa2
Wells Fargo 4.375% 3/15/26	BB+	Baa2
Mutual funds:		
Ishares Russel SM Mid CP IDX Instl	Not Rated	Not Rated
Blackrock Multi Asset Income Port A	Not Rated	Not Rated
Fidelity International Index Fund	Not Rated	Not Rated
PIMCO Income Class A	Not Rated	Not Rated

Note 3. Cash and Investments (Continued)

As of September 30, 2024, the Foundation's investments were rated as follows:

Investment Type	Standard & Poor's	Moody's Investor's Service
Corporate obligations:		
CITIGROUP INC DUE 10/30/2024; INT 5.996%	BBB+	A3
CHARTER COMMUNICATIONS LLC OPERATING SENIOR NOTE DUE 07/23/2025; INT 4.908%	BBB-	Ba1
NEXTERA ENERGY CAP HLDGS INC DUE 09/01/2025; INT 5.749%	BBB+	Baa1
BANK OF AMERICA CORP VARIABLE RATE SENIOR MEDIUM TERM NOTE DUE 10/01/2025; INT 3.093%	A-	A1
JPMORGAN CHASE & CO DUE 10/15/2025; INT 2.301%	A-	A1
MORGAN STANLEY DUE 10/21/2025; INT 1.164%	A-	A1
ARES CAP CORP DUE 01/15/2026; INT 3.875%	BBB-	Baa2
WELLS FARGO & CO MEDIUM TERM SENIOR NOTES DUE 04/25/2026; INT 3.908%	BBB+	A1
MYLAN N V SENIOR NOTE DUE 06/15/2026; INT 3.950%	BBB-	Baa3
BANK AMER CORP DUE 07/22/2026; INT 4.827%	A-	A1
CITIGROUP INC SENIOR NOTE DUE 10/21/2026; INT 3.200%	BBB+	A3
RTX CORP DUE 11/08/2026; INT 5.750%	BBB+	Baa1
BANK AMER CORP DUE 03/11/2027; INT 1.658%	A-	A1
CAPITAL ONE FINL CORP DUE 05/11/2027; INT 3.650%	BBB	Baa1
BORGWARNER INC DUE 07/01/2027; INT 2.650%	BBB	Baa1
T-MOBILE USA INC DUE 02/01/2028; INT 4.750%	BBB	Baa2
GOLDMAN SACHS GROUP INC DUE 03/15/2028; INT 3.615%	BBB+	A2
CVS HEALTH CORP SENIOR NOTE DUE 03/25/2028; INT 4.300%	BBB	Baa2
NASDAQ INC DUE 06/28/2028; INT 5.350%	BBB	Baa2
ROPER TECHNOLOGIES INC DUE 09/15/2028; INT 4.200%	BBB+	Baa2
CHENIERE ENERGY INC DUE 10/15/2028; INT 4.625%	BBB-	Baa3
SPRINT CAP CORP NOTE DUE 11/15/2028; INT 6.875%	BBB-	Baa2
VERISK ANALYTICS INC DUE 03/15/2029; INT 4.125%	BBB	Baa1
DIGITAL RLTY TR LP DUE 07/01/2029; INT 3.600%	BBB	Baa2
ENERGY TRANSFER L P DUE 07/01/2029; INT 5.250%	BBB	Baa2
WELLS FARGO & CO MEDIUM TERM SENIOR NOTES DUE 07/25/2029; INT 5.574%	BBB+	A1
WELLS FARGO & CO MEDIUM TERM SENIOR NOTES DUE 10/23/2029; INT 6.303%	BBB+	A1
M & T BK CORP DUE 10/30/2029; INT 7.413%	BBB+	Baa1
ENBRIDGE INC DUE 11/15/2029; INT 3.125%	BBB+	Baa2
EQUINIX INC DUE 11/18/2029; INT 3.200%	BBB	Baa2
SYSCO CORP DUE 04/01/2030; INT 5.950%	BBB	Baa1
DOLLAR GEN CORP NEW DUE 04/03/2030; INT 3.500%	BBB	Baa2
EXELON CORP DUE 04/15/2030; INT 4.050%	BBB	Baa2
GOLDMAN SACHS GROUP INC DUE 04/25/2030; INT 5.727%	BBB+	A2
PFIZER INVT ENTERPRISES PTE LTD DUE 05/19/2030; INT 4.650%	A	A2
BROADCOM INC DUE 11/15/2030; INT 4.150%	BBB	Baa3
CHENIERE ENERGY PARTNERS L P DUE 03/01/2031; INT 4.000%	BBB-	Baa2
TRANSCANADA TRUST NOTE VARIABLE RATE DUE 08/15/2076; INT 5.875%	BBB-	Ba1
COMCAST CORP SR 4.25% 1/15/33	A-	A3
GE AEROSPACE 3.7% 9/15/32 MEDIUM TERM NOTES	BBB+	Baa1
JP MORGAN CHASE & CO 4% 10/31/32 MEDIUM TERM NOTES MULTI STEP UP COUPON	A-	A3
GOLDMAN SACHS GROUP 5.25% 6/15/33	BBB+	A2
LOEWS CORP 6% 2/1/35	A	A3
WELLS FARGO & CO 5.5% DUE 8/1/35	BBB+	A1
GE AEROSPACE 6.15% 8/7/37 MEDIUM TERM NOTE SERIES A	BBB+	Baa1
AT&T INC. 5.35% 9/1/40	BBB	Baa2
PEPSICO INC 3.6% DUE 8/13/42	A+	A1

(Continued)

Note 3. Cash and Investments (Continued)

Investment Type	Standard & Poor's	Moody's Investor's Service
U.S. government securities:		
UNITED STATES TREASURY NOTE UE 08/15/2025; INT 2.000%	Aaa	AA+
UNITED STATES TREASURY NOTE DUE 02/15/2026; INT 1.625%	Aaa	AA+
UNITED STATES TREAS NTS DUE 01/31/2028; INT 3.500%	Aaa	AA+
UNITED STS TREAS NTS DUE 03/31/2028; INT 1.250%	Aaa	AA+
UNITED STATES TREAS NTS DUE 11/30/2028; INT 1.500%	Aaa	AA+
UNITED STATES TREAS NTS DUE 09/30/2029; INT 3.875%	Aaa	AA+
UNITED STATES TREAS NTS DUE 01/31/2030; INT 3.500%	Aaa	AA+
UNITED STS TREAS NTS DUE 08/15/2030; INT 0.625%	Aaa	AA+
UNITED STATES TREAS NTS DUE 01/31/2031; INT 4.000%	Aaa	AA+
UNITED STATES TREAS NTS DUE 11/15/2031; INT 1.375%	Aaa	AA+
UNITED STATES TREAS NTS DUE 05/15/2032; INT 2.875%	Aaa	AA+
UNITED STATES TREAS NTS DUE 02/15/2033; INT 3.500%	Aaa	AA+
Negotiable certificates of deposit:		
FIRST CITIZENS BANK & TRUST RALEIGH 3.1% DUE 11/19/24 CERTIFICATE OF DEPOSIT	Not Rated	Not Rated
MORGAN STANLEY BK N A CD 3.85% 8/21/2028 CERT OF DEPOSIT	Not Rated	Not Rated
Mutual funds:		
AMERICAN BALANCED FUND F2	Not Rated	Not Rated
ISHARES RUSSELL SM MID CP IDX INSTL	Not Rated	Not Rated
BLACKROCK MULTI ASSET INCOME PORT A	Not Rated	Not Rated
FIDELITY INTERNATIONAL INDEX FUND	Not Rated	Not Rated
FRANKLIN INCOME CLASS A1	Not Rated	Not Rated
FRANKLIN UTILITIES CLASS A1	Not Rated	Not Rated
PIMCO INCOME CLASS A	Not Rated	Not Rated
ISHARES RUSSELL 1000 VALUE FUND	Not Rated	Not Rated
ISHARES TRUST BARCLAYS SHORT TREASURY BOND FD	Not Rated	Not Rated
Preferred stock:		
AT&T INC 5% CALLABLE 12/12/24 @25	BB+	Ba1
PUBLIC STORAGE 4.7% PFD PERPETUAL SER CALLABLE 11/15/24	BBB+	A3
AT&T INC 5.35% GLB NTS 66	BBB	Baa2
CMS ENERGY 5.875% PFD JR SUB MTY 10/15/78 CALL 10/15/23 @25	BBB-	Baa3
BANK AMER CORP 5% PFD PERP MTY CALLABLE 9/17/24 @25	BBB-	Baa2
JP MORGAN SER DD PFD FIXED 5.75% CALLABLE 12/1/23	BBB	Baa2
PUBLIC STORAGE 3.875% CALLABLE 10/6/2025	BBB+	A3
PUBLIC STORAGE PFD SHS F 5.15%	BBB+	A3
Municipal bonds:		
Albertville ALA BRD of ED TS 2014C	AA	Aa2

Concentration of credit risk: The Organization's investment policy seeks diversification to reduce overall portfolio risk while generating growth of asset value at 7% greater than inflation, as measured by the CPI. The Organization's policy further restricts investments in cash and cash equivalents, fixed income securities and equity securities as follows:

- Cash and cash equivalents must consist of securities of (or backed by the full faith and credit of) the U.S. government or agencies of the U.S. government, or commercial paper which is classified Prime-1 by Moody's or A-1 by Standard & Poor's.

- Money market funds must meet the above criteria.

Note 3. Cash and Investments (Continued)

- Domestic or international fixed income securities must be rated A or better by recognized and reputable rating services (Investment Grade securities). However, with the exception of direct obligations of the U.S. government and its agencies, maximum ownership of any one issue shall not exceed 15% of the fixed income portfolio at cost.

- Common and preferred stock must be publicly traded, but no equity security shall represent more than 5% of the market value of the outstanding equity securities issued by a corporation, and the cost at the time of purchase of any equity securities of any corporation shall not exceed 5% of the total market value of the respective assets managed by any individual manager.

The Organization's policy specifically prohibits investments in private placed securities, restricted securities, margin purchases, commodities or futures contracts, hedge funds or limited partnership interest in hedge funds, options, tax-free bonds or tax-free bond funds, and derivative instruments. As of September 30, 2024, the Organization has no investments in these investment types.

The Organization's investment policy further specifies the following asset allocation guidelines:

	Minimum	Maximum	Target
Asset category:			
Cash and equivalents	- %	10%	4%
Fixed income	40	70	46
Equities	20	50	50

Investments in any one issuer that represent greater than 5% of the Organization's investment are as follows:

	Investment Type	Fair Value
Issuer:		
U.S. Treasury	U.S. government securities	$ 309,356

Custodial credit risk: Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. It is the Organization's policy to require that time deposits in excess of Federal Deposit Insurance Corporation insurable limits be secured by collateral or private insurance to protect public deposits in a single financial institution if it were to default.

As of September 30, 2024, $8,430,123 of the Hospital's bank balance of deposits of $19,583,255 with financial institutions was exposed to custodial credit risk.

For an investment, custodial credit risk is the risk that, in the event of failure of the counterparty, the fund will not be able to recover the value or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the Hospital's name and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the Hospital's name.

All of the Hospital's investments, excluding mutual funds, are classified as insured or registered or securities held by the entity or its agent in the entity's name. Because the Hospital's investments in mutual funds do not meet the definition of a security in accordance with GASB Statement No. 3, *Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements*, they are exempt from such classification.

Note 4. Composition of Receivables

The Hospital's receivables consist of the following as of September 30, 2024 and 2023:

	2024	2023
Patient accounts	$ 11,126,223	$ 10,568,478
Less:		
Estimated allowance for contractual adjustments	(3,295,490)	(3,246,421)
Estimated allowance for doubtful accounts	(2,062,941)	(1,871,000)
	5,767,792	5,451,057
Property taxes	4,796	9,039
Succeeding year property tax receivable	550,000	550,000
Other receivables	25,254	19,492
	$ 6,347,842	$ 6,029,588

Note 5. Capital Assets

Capital assets activity as of and for the years ended September 30, 2024 and 2023, is as follows:

	September 30, 2023	Additions	Transfers and Disposals	September 30, 2024
Capital assets not being depreciated:				
Land	$ 163,928	$ -	$ -	$ 163,928
Construction in progress	96,997	6,119	(96,997)	6,119
Total capital assets not being depreciated	260,925	6,119	(96,997)	170,047
Capital assets being depreciated:				
Land improvements	694,751	-	-	694,751
Buildings and improvements	19,672,121	279,608	-	19,951,729
Fixed equipment	3,907,604	-	-	3,907,604
Movable equipment	13,043,831	780,851	96,997	13,921,679
Ambulance vehicles and equipment	1,378,108	233,407	-	1,611,515
Total capital assets being depreciated	38,696,415	1,293,866	96,997	40,087,278
Less accumulated depreciation for:				
Land improvements	594,929	13,361	-	608,290
Buildings and improvements	12,749,648	748,892	-	13,498,540
Fixed equipment	3,720,574	77,497	-	3,798,071
Movable equipment	10,454,890	920,841	-	11,375,731
Ambulance vehicles and equipment	1,022,076	68,639	-	1,090,715
Total accumulated depreciation	28,542,117	1,829,230	-	30,371,347
Total capital assets being depreciated, net	10,154,298	(535,364)	96,997	9,715,931
Capital assets, net	$ 10,415,223	$ (529,245)	$ -	$ 9,885,978
Right-to-use assets:				
Buildings under lease	$ 201,699	$ -	$ -	$ 201,699
Equipment under lease	319,608	25,825	-	345,433
SBITA arrangements	3,472,230	160,182	-	3,632,412
Total	3,993,537	186,007	-	4,179,544
Less accumulated amortization for:				
Buildings under lease	66,458	33,229	-	99,687
Equipment under lease	133,453	73,989	-	207,442
SBITA arrangements	891,157	945,154	-	1,836,311
Total	1,091,068	1,052,372	-	2,143,440
Right-to-use assets, net	$ 2,902,469	$ (866,365)	$ -	$ 2,036,104

Note 5. Capital Assets (Continued)

	September 30, 2022	Additions	Transfers and Disposals	September 30, 2023
Capital assets not being depreciated:				
Land	$ 163,928	$ -	$ -	$ 163,928
Construction in progress	96,997	-	-	96,997
Total capital assets not being depreciated	260,925	-	-	260,925
Capital assets being depreciated:				
Land improvements	674,756	19,995	-	694,751
Buildings and improvements	19,098,000	574,121	-	19,672,121
Fixed equipment	3,907,604	-	-	3,907,604
Movable equipment	12,038,325	1,005,506	-	13,043,831
Ambulance vehicles and equipment	1,231,920	146,188	-	1,378,108
Total capital assets being depreciated	36,950,605	1,745,810	-	38,696,415
Less accumulated depreciation for:				
Land improvements	581,236	13,693	-	594,929
Buildings and improvements	11,986,910	762,738	-	12,749,648
Fixed equipment	3,647,718	72,856	-	3,720,574
Movable equipment	9,786,935	667,955	-	10,454,890
Ambulance vehicles and equipment	981,253	40,823	-	1,022,076
Total accumulated depreciation	26,984,052	1,558,065	-	28,542,117
Total capital assets being depreciated, net	9,966,553	187,745	-	10,154,298
Capital assets, net	$ 10,227,478	$ 187,745	$ -	$ 10,415,223
Right-to-use assets:				
Buildings under lease	$ 201,699	$ -	$ -	$ 201,699
Equipment under lease	290,742	28,866	-	319,608
SBITA arrangements	-	3,472,230	-	3,472,230
Total	492,441	3,501,096	-	3,993,537
Less accumulated amortization for:				
Buildings under lease	33,229	33,229	-	66,458
Equipment under lease	65,667	67,786	-	133,453
SBITA arrangements	-	891,157	-	891,157
Total	98,896	992,172	-	1,091,068
Right-to-use assets, net	$ 393,545	$ 2,508,924	$ -	$ 2,902,469

Note 6. Notes Payable, Long-Term Debt, Lease Liabilities and Pledged Assets

The Hospital's bonds and notes outstanding are direct borrowings or private placement obligations. Long-term debt consists of the following as of September 30, 2024 and 2023:

	2024	2023
Revenue bonds, Series 2017 (A)	$ 1,270,000	$ 1,925,000
Note payable (B)	606,937	660,272
Note payable (C)	18,288	49,023
Note payable (D)	68,139	82,730
Note payable (E)	463,652	545,730
Note payable (F)	380,146	-
Lease liabilities (G)	253,221	332,774
	3,060,383	3,595,529
Less current maturities	1,015,751	958,952
	$ 2,044,632	$ 2,636,577

(A) Hospital Revenue Bonds, Series 2017, original amount $4,440,000 were privately placed by the Hospital in November 2017 to refund the Series 2006 Bonds. This refunding defeased a portion of the Series 2006 Bonds by placing $4,230,000 of the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the Series 2006 Bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the Hospital's financial statements. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the Series 2006 Bonds of $49,386. This difference, reported on the statements of net position as a deferred outflow of resources, is being amortized over the life of the bonds.

The Series 2017 Bonds are payable through December 2025, with interest due at an annual rate of 3.0%. The bond agreement provides for the establishment of debt service reserve funds and provides for other restrictions. The Hospital's revenue bonds, which were privately placed, contain provisions that, in an event of default, outstanding amounts become immediately due if the Hospital is unable to make payment.

(B) Note payable is direct borrowing and due in monthly installments of $7,748, including 2.60% interest through July 2031, collateralized by specific equipment. The interest rate was fixed at 2.60% until July 2021, at which time the interest rate was adjusted to 2.65% below the farm-commercial prime rate.

(C) Note payable is direct borrowing and due in monthly installments of $2,634, including 2.50% interest through April 2025, collateralized by specific equipment.

(D) Note payable is direct borrowing and due in monthly installments of $1,492, including 4.35% interest through November 2028, collateralized by specific equipment.

(E) Note payable is direct borrowing and due in monthly installments of $8,539, including 4.00% interest through September 2029, collateralized by specific equipment.

(F) Note payable is direct borrowing and due in monthly installments of $5,843, including 6.00% interest through May 2031, collateralized by specific equipment.

(G) Lease liabilities are due in monthly installments of $74 to $3,284, discounted at 4%.

Note 6. Notes Payable, Long-Term Debt, Lease Liabilities and Pledged Assets (Continued)

Notes payable from direct borrowings contain provisions that, in an event of default, the Hospital may incur late charge fees and the lender may cancel the agreement and require the Hospital to pay the unpaid balance, including accrued interest and return the equipment.

The Hospital has pledged future net revenue to repay the Series 2017 Revenue Bonds. Proceeds from the bonds were used to renovate and expand facilities of the Hospital. The bonds are payable from net revenues. Annual principal and interest payments on the bonds are expected to require less than 5% of annual net revenue. As of September 30, 2024, the total principal and interest remaining to be paid on the bonds is $1,306,900. Principal and interest paid for the current year on the Series 2017 Bonds and total net operating revenue of the Hospital were $703,000 and $34,859,000, respectively.

Long-term debt and lease activity as of and for the years ended September 30, 2024 and 2023, is as follows:

	September 30, 2023	Borrowings	Payments	September 30, 2024	Due Within One Year
2017 Refunding Bonds	$ 1,925,000	$ -	$ (655,000)	$ 1,270,000	$ 675,000
Notes payable	1,337,755	400,000	(200,593)	1,537,162	241,817
Lease liabilities	332,774	25,825	(105,378)	253,221	98,934
	$ 3,595,529	$ 425,825	$ (960,971)	$ 3,060,383	$ 1,015,751

	September 30, 2022	Borrowings	Payments	September 30, 2023	Due Within One Year
2017 Refunding Bonds	$ 2,560,000	$ -	$ (635,000)	$ 1,925,000	$ 655,000
Notes payable	1,543,813	-	(206,058)	1,337,755	204,139
Lease liabilities	400,163	28,866	(96,255)	332,774	99,813
	$ 4,503,976	$ 28,866	$ (937,313)	$ 3,595,529	$ 958,952

Debt service requirements on the bonds, notes payable, lease liabilities and total debt service requirements are as follows:

	Bonds	Notes Payable	Leases	Interest	Total
Years ending September 30:					
2025	$ 675,000	$ 241,817	$ 98,934	$ 59,646	$ 1,075,397
2026	595,000	237,114	90,989	46,694	969,797
2027	-	246,740	38,742	34,609	320,091
2028	-	256,721	16,147	23,843	296,711
2029	-	252,131	5,682	12,950	270,763
2030 to 2031	-	302,639	2,727	5,289	310,655
	$ 1,270,000	$ 1,537,162	$ 253,221	$ 183,031	$ 3,243,414

Note 7. Subscription Based Information Technology Arrangements (SBITA)

SBITA liabilities: In connection with the adoption of GASB 96, the Organization recognized a SBITA liability and a right-of-use asset for agreements in which Organization has the right to use another party's information technology software, alone or in combination with tangible capital assets for a period of one year or greater. Current rates are 4%.

SBITA activity for the years ended September 30, 2024 and 2023, consisted of the following:

	September 30, 2023	Additions	Reductions	September 30, 2024	Amounts Due Within One Year
SBITA liabilities	$ 2,671,104	$ 160,182	$ (898,055)	$ 1,933,231	$ 928,645

	September 30, 2022	Additions	Reductions	September 30, 2023	Amounts Due Within One Year
SBITA liabilities	$ -	$ 3,472,230	$ (801,126)	$ 2,671,104	$ 861,215

Future minimum SBITA (GASB 96) payments are as follows:

	Principal	Interest	Total
Years ending September 30:			
2025	$ 928,645	$ 57,245	$ 985,890
2026	987,953	18,930	1,006,883
2027	16,633	250	16,883
	$ 1,933,231	$ 76,425	$ 2,009,656

Note 8. Pension and Retirement Plan Commitments

Illinois Municipal Retirement Fund (IMRF):

Plan description: The Hospital's defined benefit pension plan for employees provides retirement and disability benefits, postretirement increases and death benefits to plan members and beneficiaries. The Hospital's plan is managed by the IMRF, the administrator of an agent multiemployer public pension fund. A summary of IMRF's pension benefits is provided in the benefits provided section of this document. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits provided: IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff's Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

Note 8. Pension and Retirement Plan Commitments (Continued)

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last ten years of service, divided by 96.

Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of:

- 3% of the original pension amount; or
- 1/2 of the increase in the CPI of the original pension amount.

Employees covered by benefit terms: As of December 31, 2023, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	157
Inactive plan members entitled to but not yet receiving benefits	213
Active plan members	222
	592

Contributions: As set by statute, the Hospital's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The Hospital's annual contribution rate for calendar years 2024 and 2023 was 6.81% and 5.89%, respectively. For the fiscal years ended September 30, 2024 and 2023, the Hospital contributed $2,078,708 and $826,542, respectively, to the plan. The Hospital also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net pension liability: In accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions (GASB 68),* and GASB Statement No. 71*, Pension Transition for Contributions Made Subsequent to the Measurement Date,* the Hospital is required to record the liability for defined benefit pensions to be measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees' past periods of service, less the amount of the pension plan's fiduciary net position. The net pension liability should be measured as of a date (measurement date) no earlier than the end of the employer's prior fiscal year, consistently applied from period to period.

Note 8. Pension and Retirement Plan Commitments (Continued)

As a participant in IMRF, the Hospital selected a measurement date as of December 31. As a result, the net pension liability on the Hospital's statement of net position as of September 30, 2024, is equal to the Hospital's net pension liability as of December 31, 2023. In addition, contributions which occurred between the measurement date of December 31 and the Hospital's year-end of September 30 are reported on the Hospital's statement of net position as deferred outflows.

The Hospital reported a liability of approximately $2,914,000 and $6,279,000 for its net pension liability as of September 30, 2024 and 2023, respectively. The Hospital's net pension liability was measured as of December 31, 2023 and 2022, and the total pension liability was determined by an actuarial valuation as of those dates.

Actuarial assumptions: The following are the methods and assumptions used to determine total pension liability at December 31, 2023 and 2022:

- The Actuarial Cost Method used was Entry Age Normal.
- The Asset Valuation Method used was five year smoothed, 20% corridor.
- The Price Inflation Rate was assumed to be 2.25%.
- Salary increases were expected to be 2.85% to 13.75%, including inflation.
- The Investment Rate of Return was assumed to be 7.25%.
- Projected Retirement Age was from the experience-based table of rates, specific to the type of eligibility condition, last updated for the 2020 valuation according to an experience study from years 2017 to 2019.
- The IMRF-specific rates for mortality (for nondisabled retirees) were developed from the Pub-2010, amount-weighted, below-median income, general, retiree, male (adjusted 106%) and female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020.
- For Disabled Retirees, the Pub-2010, amount-weighted, below-median income, general, disabled retiree, male and female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.
- For Active Members, the Pub-2010, amount-weighted, below-median income, general, employee, male and female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return to the target asset allocation percentage and adding expected inflation.

Note 8. Pension and Retirement Plan Commitments (Continued)

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Asset class:		
Domestic equity	37%	5.75%
International equity	18	6.50%
Fixed income	28	3.25%
Real estate	9	5.20%
Alternative investments	7	3.60%-7.60%
Cash equivalents	1	1.85%
	100%	

Single discount rate: A single discount rate of 7.25% was used to measure the total pension liability. The projection of cash flow used to determine this single discount rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The single discount rate reflects:

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and

2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.25%, the municipal bond rate is 1.84% and the resulting single discount rate is 7.25%.

Note 8. Pension and Retirement Plan Commitments (Continued)

Changes in the net pension liability:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension (Asset) Liability (A) - (B)
Balances at December 31, 2022	$ 59,735,514	$ 53,456,278	$ 6,279,236
Changes for the year:			
Service cost	1,175,950	-	1,175,950
Interest on the total pension liability	4,265,752	-	4,265,752
Differences between expected and actual experience of the total pension liability	930,502	-	930,502
Contributions—employer	-	801,264	(801,264)
Contributions—employees	-	618,378	(618,378)
Net investment income	-	5,804,946	(5,804,946)
Benefit payments, including refunds of employee contributions	(2,971,055)	(2,971,055)	-
Other (net transfer)	-	2,512,399	(2,512,399)
Net changes	3,401,149	6,765,932	(3,364,783)
Balances, December 31, 2023	$ 63,136,663	$ 60,222,210	$ 2,914,453

Sensitivity of the net pension liability to changes in the discount rate: The following presents the plan's net pension liability, calculated using a single discount rate of 7.25%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1% lower or 1% higher:

	1% Decrease (6.25%)	Current Discount (7.25%)	1% Increase (8.25%)
Net pension liability	$ 10,653,196	$ 2,914,453	$ (3,245,281)

Note 8. Pension and Retirement Plan Commitments (Continued)

Pension expense, deferred outflows of resources and deferred inflows of resources related to pension: For the years ended September 30, 2024 and 2023, the Hospital recognized pension expense of $1,078,708 and $1,358,475, respectively, which was impacted by the recognition of deferred outflows, deferred inflows and changes in the net pension liability after the measurement date but prior to September 30, 2024 and 2023. At September 30, 2024 and 2023, the Hospital reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	September 30, 2024		September 30, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Deferred amounts related to pensions:				
Deferred amounts to be recognized in pension expense in future periods:				
Differences between expected and actual experience	$ 2,598,231	$ 13,202	$ 2,850,084	$ 80,188
Changes of assumptions	2,132	114,107	102,715	239,116
Net difference between projected and actual earnings on pension plan investments	2,984,427	-	4,393,026	-
Total deferred amounts to be recognized in pension expense in future periods	5,584,790	127,309	7,345,825	319,304
Pension contributions made subsequent to the measurement date	766,919	-	609,382	-
Total deferred amounts related to pensions	$ 6,351,709	$ 127,309	$ 7,955,207	$ 319,304

Employer contributions subsequent to the measurement date of December 31, 2023, of $766,919, which are reported as deferred outflows of resources related to pension as of September 30, 2024, will be recognized as a reduction of the net pension liability in the Hospital's fiscal year ending September 30, 2025.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense in future periods over the average remaining service life of all employees of 4.41 years or five years as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Years ending September 30:		
2025	$ 1,264,347	$ 32,677
2026	1,264,347	32,677
2027	1,264,347	32,677
2028	1,264,347	32,677
2029	527,402	(3,399)
	$ 5,584,790	$ 127,309

Note 9. Risk Management, Insurance and Contingent Liabilities

Risk management: The Hospital is exposed to various risks of loss from torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits.

Health plan self-insurance: The Hospital self-insures for health care coverage provided to employees. The health care plan is administered by CoreSource. The Hospital maintains a special bank account, for the administrator, which is to be used exclusively for the payment of claims of all Hospital employees and a monthly administration fee. Claims are accrued as incurred. For the years ended September 30, 2024 and 2023, the expenses related to the medical and dental claims and administration fees, as provided by the plan, totaled approximately $2,680,000 and $2,496,000, respectively. The Hospital has recorded a current liability, which is included in other accrued expenses, for the claims payable.

Changes in the balances of claims liabilities for the years ended September 30, 2024 and 2023, are as follows:

	2024	2023
Claims payable, beginning	$ 401,729	$ 301,729
Incurred claims	2,530,079	2,631,692
Claim payments	2,680,079	2,531,692
Claims payable, ending	$ 251,729	$ 401,729

Malpractice insurance: The Hospital participates in the Illinois Provider Trust (IPT), an organization sponsored by the Illinois Hospital and Health Systems Association (IHHA) to provide professional liability coverage to Illinois hospitals which are members of the Illinois Hospital Association (IHA). The IPT is a multi-hospital self-insurance trust formed pursuant to the provisions of the Illinois Religious and Charitable Risk Pooling Act. Member hospitals and affiliates make contributions to IPT which provides mutual insurance protection for all members of the trust. The Hospital could be required to make additional retroactive contributions based on actuarial calculations of trust loss experience. The provision for insurance is based on the Hospital's experience, and future premiums can be adjusted for favorable or unfavorable retrospective experience. Claims-made coverage is currently arranged through January 1, 2025. Coverage for claims made subsequent to January 1, 2025, is dependent upon the Hospital's ability to obtain claims-made insurance in the future.

During the years ended September 30, 2024 and 2023, the Hospital used an actuary to calculate an estimate of incurred but not reported (IBNR) claims at year-end. These accruals are included in other accrued expenses and other long-term liabilities on the statements of net position. For the years ended September 30, 2024 and 2023, the Hospital incurred expenses for malpractice coverage of approximately $275,000 and $293,000, respectively.

Changes in the balances of malpractice claims liabilities for the years ended September 30, 2024 and 2023, are approximately as follows:

	2024	2023
Malpractice accrual, beginning	$ 110,000	$ 110,000
Incurred claims	-	-
Claim payments	-	-
Malpractice accrual, ending	$ 110,000	$ 110,000

Note 9. Risk Management, Insurance and Contingent Liabilities (Continued)

Workers' compensation insurance: Workers' compensation coverage is obtained through a multi-employer self-insurance trust. Beginning December 1, 2009, workers' compensation coverage was obtained through Illinois Compensation Trust (ICT). Prior to December 1, 2009, workers' compensation was obtained through the Illinois County Risk Management Trust. ICT is an organization sponsored by the IHA to provide worker's compensation coverage to Illinois hospitals which are members of IHA. The ICT is a multi-hospital self-insurance trust formed pursuant to the provisions of the Illinois Religious and Charitable Risk Pooling Act. Member hospitals make contributions to ICT which provides mutual insurance protection for all members of the trust. According to the Trust Agreement, a refund may be made to the participating hospitals if the trust's loss experience is better than anticipated. During the years ended September 30, 2024 and 2023, the Organization received no refunds. If the trust's loss experience is worse than anticipated, the member hospitals may be required to make additional contributions. Management has evaluated the potential retroactive assessment and deemed no liability is necessary as of September 30, 2024 and 2023. For the years ended September 30, 2024 and 2023, the Organization incurred expenses for workers' compensation coverage of approximately $74,000 and $2,800, respectively, which primarily consists of insurance premiums.

Laws and regulations: The health care industry is subject to numerous laws and regulations of federal, state and local governments. Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time. These laws and regulations include, but are not limited to, accreditation, licensure, government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulation by health care providers. Violations of these laws and regulations could result in exclusion from government health care program participation, together with the imposition of significant fines and penalties, as well as significant repayment for past reimbursement for patient services received. While the Hospital is subject to similar regulatory reviews, management believes the outcome of such regulatory reviews will not have a material adverse effect on the Hospital's financial position.

CMS RAC Program: Congress passed the Medicare Modernization Act in 2003, which among other things established a demonstration of The Medicare Recovery Audit Contractor (RAC) program. During fiscal year 2007, the RAC's identified and corrected a significant amount of improper overpayments to providers. In 2006, Congress passed the Tax Relief and Health Care Act of 2006 which authorized the expansion of the RAC program to all 50 states. The Hospital may be subject to such an audit at some time in the future. The final impact, if any, of this program cannot be quantified at this time.

Note 10. Deferred Compensation Plan

The Hospital offers its employees a deferred compensation plan created in accordance with the provisions of IRC Section 457. The plan available to all Hospital employees permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Effective January 1, 1999, the plan was amended to comply with IRC Section 457(g) which allowed for the plan to hold its assets in trust. Under these new requirements the Hospital no longer owns or controls the amount deferred by employees, and therefore, the liability and corresponding investment are not reflected in the financial statements.

Note 11. Other Postemployment Benefits (OPEB)

Plan description: The Organization sponsors a single-employer, postretirement medical plan, the retiree health benefit program that provides post-termination medical insurance coverage for the participant and the participant's family through age 65. The employees eligible under this policy are all employees who terminate employment at or after age 55 with at least eight years of service. Prior to the participants' age 65, the coverage shall be insured coverage providing a level of benefits reasonably comparable to the standard medical coverage the Organization provides to all full-time employees. The plan coverage terminates upon the participant reaching Medicare eligibility (age 65). The Organization pays for all or a portion of active employees' coverage. The amount depends on whether single or family coverage is elected. Upon retirement, the retired participant continuing their coverage pays the premium including any increase in single premium after retirement. The required contribution is based on projected pay-as-you-go financing requirements. The Organization contributed $146,000 and $108,000 to the plan during the years ended September 30, 2024 and 2023, respectively.

Funding policy: The current funding policy of the Organization is to pay health claims as they occur. This arrangement does not qualify as OPEB plan assets under GASB for current GASB reporting.

Employees covered by benefit terms: At September 30, 2024, the following employees were covered by the benefit terms:

Current retirees, beneficiaries and dependents	4
Current active members	206
	210

Total OPEB liability: In accordance with GASB Statement No. 75, *Accounting for Financial Reporting for Postemployment Benefits other Than Pensions*, the Organization is required to record the liability for the OPEB plan (total OPEB liability). The Organization's September 30, 2024, total OPEB liability of $1,277,780 was measured as of September 30, 2023, and was determined by an actuarial valuation as of that date which was rolled forward to September 30, 2024. The Organization's September 30, 2023, total OPEB liability of $1,235,776 was measured as of September 30, 2022, and was determined by an actuarial valuation as of that date which was rolled forward to September 30, 2023. The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Salary increases	3.00%
Discount rate	4.09% (effective October 1, 2023)
Health care cost trend rates	6.60% for medical benefits for the 2023 fiscal year and decreasing between 0.10% and 0.70% each year to an ultimate rate of 6.20% for 2024 and later years

The discount rate was based on the 20-year Bond Buyer GO Index.

Mortality rates were based on the Pub-2010 generational table scaled using MP-21 and applied on a gender-specific basis. It is assumed that 50% of future retirees cover a spouse at retirement. This is based on the current retiree spouse election percentages. The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 25% of all employees and their dependents who are eligible will participate in the retiree medical plan.

Note 11. Other Postemployment Benefits (OPEB) (Continued)

Changes in the total OPEB liability:

	2024	2023
OPEB liability, beginning	$ 1,235,776	$ 1,226,421
Changes for the year:		
Service cost	28,632	43,187
Interest on total OPEB liability	50,222	28,035
Effect of economic/demographic gains or losses	-	(175,342)
Effect of assumption changes or inputs	(6,357)	172,036
Benefit payments	(30,493)	(58,561)
Net changes	42,004	9,355
OPEB liability, ending	$ 1,277,780	$ 1,235,776

Effect of assumption changes and inputs reflect a change in the discount rate from 4.02% as of September 30, 2023, to 4.09% as of September 30, 2024.

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the approximate total OPEB liability of the Organization, as well as what the Organization's approximate total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.09) or 1-percentage-point higher (5.09) than the current discount rate:

	1% Decrease (3.09%)	Current Discount Rate (4.09%)	1% Increase (5.09%)
Total OPEB liability	$ 1,372,437	$ 1,277,780	$ 1,191,166

Sensitivity of the total OPEB liability to changes in the health care cost trend rates: The following presents the approximate total OPEB liability of the Organization, as well as what the Organization's approximate total OPEB liability would be if it were calculated using health care cost trend rates that are 1-percentage-point lower (5.20% increasing to 5.60%) or 1-percentage-point higher (7.20% increasing to 7.60%) than the current health care cost trend rates:

	1% Decrease	Health Care Cost Trend Rates (6.20% Increasing to 6.60%)	1% Increase
Total OPEB liability	$ 1,172,594	$ 1,277,780	$ 1,395,029

Note 11. Other Postemployment Benefits (OPEB) (Continued)

OPEB expense and deferred outflows of resources and deferred inflows of resources related to OPEB: For the years ended September 30, 2024 and 2023, the Organization recognized OPEB expense of approximately $146,000 and $108,000, respectively. At September 30, 2024, the Organization reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,321	$ 134,411
Effect of assumption changes or inputs	329,191	7,805
Total	$ 331,512	$ 142,216

Amounts reported as the deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Deferred Inflows and Outflows of Resources
Years ending September 30:	
2025	$ 85,247
2026	72,256
2027	35,149
2028	(1,898)
2029	(1,458)
	$ 189,296

Note 12. New and Pending Accounting Guidance

On October 1, 2022, the Organization adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for SBITAs for government end users. This statement establishes that a SBITA results in a right-of-use asset and a corresponding SBITA liability. The standard required the Organization to initially record right-of-use assets and SBITA liabilities totaling $2,581,073 in the statement of net position as of October 1, 2022.

In May 2019, GASB issued Statement No. 91, *Conduit Debt Obligations*. This statement requires that issuers disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Recognized liabilities related to supporting the debt service of conduit debt obligations should be disclosed by recognized amount and changes during the reporting period. The standard become effective and was adopted by the Organization for the fiscal year beginning October 1, 2022. This standard had no impact on the financial statements.

In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. This statement addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate. The standard became effective and was adopted by the Organization for the fiscal year beginning October 1, 2022. This standard had no impact on the financial statements.

Note 12. New and Pending Accounting Guidance (Continued)

In May 2022, GASB issued Statement No. 99, *Omnibus 2022.* The statement provides guidance addressing various accounting and financial reporting issues identified during the implementation and application of certain GASB pronouncements, including: accounting and financial reporting for exchange or exchange-like financial guarantees; certain derivative instruments that are neither hedging derivative instruments nor investment derivative instruments; and clarification of certain provisions of: GASB Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments,* GASB Statement No. 87, *Leases*, as amended, GASB Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, and GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

The requirements of this statement are effective as follows:

- For GASB Statement No. 34, as amended, and terminology updates related to GASB Statement No. 53 and Statement No. 63, they are effective upon issuance.

- For GASB Statement No. 87, GASB Statement No. 94 and GASB Statement No. 96, they are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.

- For GASB Statement No. 53, they are effective for fiscal years beginning after June 15, 2023.

The Organization is evaluating the impact of this statement on its financial statements.

Effective October 1, 2023, the Organization adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. The primary objective of GASB No. 100 is to enhance the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The adoption of this standard did not have a material impact on the financial statements.

Effective October 1, 2023, the Organization adopted GASB Statement No. 101, *Compensated Absences*. This statement establishes accounting and reporting requirements for liabilities arising from certain types of compensated absence arrangements. The adoption of this standard did not have a material impact on the financial statements.

In December 2023, GASB issued Statement No. 102, Certain Risk Disclosures. This Statement provides guidance on the disclosure of essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The standard disclosure should include the specific concentration or constraint and the related events associated with them that could cause a substantial impact should it occur, and the actions taken to mitigate said risk. This standard becomes effective for the fiscal year that begins after June 15, 2024. The Organization is currently evaluating the impact of this Statement on its financial statements.

In April 2024, GASB issued Statement No. 103, Financial Reporting Model Improvements. This Statement provides guidance on improving key components of the financial reporting model to enhance its effectiveness in providing essential information for decision making and assessing accountability and application issues. This standard becomes effective for the fiscal year that begins after June 15, 2025. The Organization is currently evaluating the impact of this Statement on its financial statements.

In September 2024, GASB issued Statement No. 104, Disclosure of Certain Capital Assets. This Statement provides guidance on providing users of the financial statement essential information about certain types of capital assets and capital assets held for sale. This standard becomes effective for the fiscal year that begins after June 15, 2025. The Organization is currently evaluating the impact of this Statement on its financial statements.

Mason District Hospital

Required Supplementary Information (Unaudited)
Illinois Municipal Retirement Fund
Schedule of Changes in the Net Pension (Asset) Liability and Related Ratios

	December 31		
	2023	2022	2021
Total pension liability:			
Service cost	$ 1,175,950	$ 1,079,573	$ 1,146,269
Interest on the total pension liability	4,265,752	3,881,474	3,700,644
Differences between expected and actual experience of the total pension liability	927,634	3,048,116	95,476
Changes of assumptions	2,868	-	-
Benefit payments, including refunds of employee contributions	(2,971,055)	(2,542,873)	(2,286,784)
Net change in total pension liability	3,401,149	5,466,290	2,655,605
Total pension liability—beginning	59,735,514	54,269,224	51,613,619
Total pension liability—ending (A)	$ 63,136,663	$ 59,735,514	$ 54,269,224
Plan fiduciary net position:			
Contributions—employer	$ 801,264	$ 982,726	$ 1,073,902
Contributions—employees	618,378	624,697	563,248
Net investment income (loss)	5,804,946	(7,363,522)	8,746,607
Benefit payments, including refunds of employee contributions	(2,971,055)	(2,542,873)	(2,286,784)
Other (net transfer)	2,512,399	366,368	9,294
Net change in plan fiduciary net position	6,765,932	(7,932,604)	8,106,267
Plan fiduciary net position—beginning	53,456,278	61,388,882	53,282,615
Plan fiduciary net position—ending (B)	$ 60,222,210	$ 53,456,278	$ 61,388,882
Net pension (asset) liability—ending (A) - (B)	$ 2,914,453	$ 6,279,236	$ (7,119,658)
Plan fiduciary net position as a percentage of the total pension liability	95.38 %	89.49 %	113.12 %
Covered employee payroll	$ 13,500,881	$ 13,263,420	$ 12,389,384
Net pension liability (asset) as a percentage of covered employee payroll	21.59 %	47.34 %	57.47 %

	December 31						
2020	2019	2018	2017	2016	2015	2014
$ 1,177,526	$ 1,149,673	$ 1,034,441	$ 1,010,990	$ 1,017,607	$ 1,010,677	$ 1,122,312
3,486,237	3,327,395	3,140,944	3,016,651	2,847,494	2,688,091	2,392,436
1,127,083	(347,396)	(2,118)	453,592	(148,592)	(204,872)	601,601
(614,143)	-	1,460,625	(1,295,776)	(54,558)	52,653	1,092,724
(2,120,690)	(1,784,654)	(1,566,670)	(1,513,215)	(1,394,587)	(1,353,319)	(1,069,071)
3,056,013	2,345,018	4,067,222	1,672,242	2,267,364	2,193,230	4,140,002
48,557,606	46,212,588	42,145,366	40,473,124	38,205,760	36,012,530	31,872,528
$ 51,613,619	$ 48,557,606	$ 46,212,588	$ 42,145,366	$ 40,473,124	$ 38,205,760	$ 36,012,530
$ 1,062,619	$ 879,513	$ 1,047,334	$ 1,020,992	$ 1,009,684	$ 1,090,814	$ 994,795
564,214	524,114	505,145	478,090	452,357	421,146	444,026
6,464,599	7,255,103	(1,990,959)	6,178,465	2,327,829	168,327	1,917,661
(2,120,690)	(1,784,654)	(1,566,670)	(1,513,215)	(1,394,587)	(1,353,319)	(1,069,071)
399,105	(306,034)	555,217	(557,811)	204,299	(324,583)	46,572
6,369,847	6,568,042	(1,449,933)	5,606,521	2,599,582	2,385	2,333,983
46,912,768	40,344,726	41,794,659	36,188,138	33,588,556	33,586,171	31,252,188
$ 53,282,615	$ 46,912,768	$ 40,344,726	$ 41,794,659	$ 36,188,138	$ 33,588,556	$ 33,586,171
$ (1,668,996)	$ 1,644,838	$ 5,867,862	$ 350,707	$ 4,284,986	$ 4,617,204	$ 2,426,359
103.23 %	96.61 %	87.30 %	99.17 %	89.41 %	87.91 %	93.26 %
$ 12,143,998	$ 11,618,402	$ 11,225,440	$ 10,623,682	$ 9,764,837	$ 9,348,485	$ 9,203,738
(13.74)%	14.16 %	52.27 %	3.30 %	43.88 %	49.39 %	26.36 %

Mason District Hospital

Required Supplementary Information (Unaudited)
Illinois Municipal Retirement Fund
Schedule of Employer Contributions

Calendar Year Ended December 31	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as a Percentage of Covered Valuation Payroll
2023	$ 795,202	$ 801,264	$ (6,062)	$ 13,500,881	5.93%
2022	974,861	982,726	(7,865)	13,263,420	7.41
2021	1,061,770	1,073,902	(12,132)	12,143,998	8.67
2020	1,056,528	1,062,619	(6,091)	12,143,998	8.75
2019	879,513	879,513	-	11,618,402	7.57
2018	1,047,334	1,047,334	-	11,225,440	9.33
2017	1,020,936	1,020,992	(56)	10,623,682	9.61
2016	1,009,684	1,009,684	-	9,764,837	10.34
2015	934,848	1,090,814	(155,966)	9,348,485	11.67
2014	933,259	994,795	(61,536)	9,203,738	10.81

Mason District Hospital

Required Supplementary Information (Unaudited)
Illinois Municipal Retirement Fund
Notes to Required Supplementary Information

Summary of Actuarial Methods and Assumptions used in the Calculation of the 2022 Contribution Rate*

Valuation Date:

Notes: Actuarially determined contribution rates are calculated as of December 31 each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and Assumptions used to Determine 2022 Contribution Rates:

Actuarial Cost Method:	Aggregate entry age = normal
Amortization Method:	Level percentage of payroll, closed
Remaining Amortization Period:	21-year closed period
Asset Valuation Method:	5-year smoothed market, 20% corridor
Wage Growth:	2.75%
Price Inflation:	2.25%, approximate; no explicit price inflation assumption is used in valuation
Salary Increases:	2.85% to 13.75%, including inflation
Investment Rate of Return:	7.25%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition; last updated for the 2020 valuation pursuant to an experience study of the period 2017 to 2019.
Mortality:	For nondisabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male (adjusted 106%) and Female (adjusted 105%) tables, and future mortality improvements projected using scale MP-2020. For disabled retirees, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020. For active members, the Pub-2010, Amount-Weighted, below-median income, General, Retiree, Male and Female (both unadjusted) tables, and future mortality improvements projected using scale MP-2020.

Other information:

Notes: There were no benefit changes during the year.

* Based on valuation assumptions used in the December 31, 2020, actuarial valuation; note two year lag between valuation and rate setting.

Mason District Hospital

Required Supplementary Information (Unaudited)
Schedule of Changes in the Organization's Total OPEB Liability and Related Ratios

	September 30	
	2024	2023
Total OPEB Liability:		
Service cost	**$ 28,632**	$ 43,187
Interest on the total OPEB liability	**50,222**	28,035
Changes of economic/demographic gains or losses	**-**	(175,342)
Changes of assumptions changes or other inputs	**(6,357)**	172,036
Benefit payments	**(30,493)**	(58,561)
Net change in total pension liability	**42,004**	9,355
Total OPEB liability—beginning	**1,235,776**	1,226,421
Total OPEB liability—ending	**$ 1,277,780**	$ 1,235,776
Covered employee payroll	**$ 12,064,106**	$ 12,037,437
Total OPEB liability as a percentage of covered employee payroll	**10.59%**	10.27%

Changes of assumptions and other inputs reflect the changes in the discount rate each period.
The following are discount rates used in each period:

2017	3.06%
2018	3.64
2019	4.18
2020	2.66
2021	2.21
2022	2.26
2023	4.02
2024	**4.09**

	September 30				
	2022	2021	2020	2019	2018
$	42,610	$ 20,856	$ 15,492	$ 17,933	$ 19,140
	27,034	19,349	26,257	18,945	16,269
	-	(38,345)	-	68,561	-
	(4,556)	507,081	76,807	26,695	(25,160)
	(38,405)	(31,300)	(18,046)	(25,905)	(14,697)
	26,683	477,641	100,510	106,229	(4,448)
	1,199,738	722,097	621,587	515,358	519,806
$	1,226,421	$ 1,199,738	$ 722,097	$ 621,587	$ 515,358
$	8,087,841	$ 8,771,748	$ 8,139,651	$ 8,380,254	$ 8,871,435
	15.16%	13.68%	8.87%	7.42%	5.81%

Mason District Hospital

Patient and Financial Statistics
(Unaudited)
Years Ended September 30, 2024 and 2023

	2024	2023
Routine service rates per day:		
Private	**$ 2,566**	$ 2,444
Semiprivate	**2,428**	2,312
Swing bed—semiprivate	**1,834**	1,747
Swing bed—private	**1,898**	1,808
Patient days:		
Medical and surgical	**544**	566
Swing bed	**358**	433
Total patient days	**902**	999
Hospital admissions	**164**	197
Average length of stay (days)	**5.5**	5.1
Average patients per day	**2.5**	2.7
Inpatient revenue:		
Per admission	**$ 29,395**	$ 26,446
Per patient day	**$ 5,344**	$ 5,215
Outpatient:		
Visits	**23,829**	23,411
Revenue per visit	**$ 2,579**	$ 2,316
Home health:		
Visits	**8,441**	8,272
Revenue per visit	**$ 352**	$ 337

Mason District Hospital

Combining Statement of Net Position
September 30, 2024

	Mason District Hospital	Mason District Hospital Foundation	Eliminations	Combined
Assets and Deferred Outflows				
Current assets:				
Cash and cash equivalents	$ 19,414,817	$ 89,052	$ -	$ 19,503,869
Investments	-	-	4,821,196	4,821,196
Assets limited as to use	687,700	4,821,196	(4,821,196)	687,700
Receivables, net	6,347,842	-	-	6,347,842
Inventories	689,931	-	-	689,931
Prepaid expenses	241,329	-	-	241,329
Total current assets	27,381,619	4,910,248	-	32,291,867
Assets limited as to use, less portion required for current liabilities	1,222,709	-	-	1,222,709
Capital assets:				
Nondepreciable	170,047	-	-	170,047
Depreciable, net	9,715,931	-	-	9,715,931
Total capital assets	9,885,978	-	-	9,885,978
Right-of-use assets, net	240,003	-	-	240,003
SBITA right-of-use assets, net	1,796,101	-	-	1,796,101
Other assets	506,286	-	-	506,286
Total assets	41,032,696	4,910,248	-	45,942,944
Deferred outflows:				
Pension-related	6,351,709	-	-	6,351,709
Other postemployment benefits-related	331,512	-	-	331,512
Related to bond refunding	17,020	-	-	17,020
Total deferred outflows	6,700,241	-	-	6,700,241
	$ 47,732,937	$ 4,910,248	$ -	$ 52,643,185

	Mason District Hospital	Mason District Hospital Foundation	Eliminations	Combined
Liabilities, Deferred Inflows and Net Position				
Current liabilities:				
Current maturities of long-term debt	$ 1,015,751	$ -	$ -	$ 1,015,751
Current maturities SBITA liabilities	928,645	-	-	928,645
Accounts payable, trade	919,480	-	-	919,480
Accrued expenses:				
Salaries, wages and payroll taxes	604,901	-	-	604,901
Earned time	1,126,868	-	-	1,126,868
Interest	14,277	-	-	14,277
Other	252,337	-	-	252,337
Estimated third-party payor settlements	944,386	-	-	944,386
Total current liabilities	5,806,645	-	-	5,806,645
Other postemployment benefits	1,277,780	-	-	1,277,780
Other long-term liabilities	136,034	-	-	136,034
Long-term debt, net of current maturities	2,044,632	-	-	2,044,632
Long-term SBITA, net of current maturities	1,004,586	-	-	1,004,586
Net pension liability	2,914,453	-	-	2,914,453
Total liabilities	13,184,130	-	-	13,184,130
Deferred inflows:				
Revenue for succeeding year property taxes	494,890	-	-	494,890
Pension-related	127,309	-	-	127,309
Other postemployment benefits-related	142,216	-	-	142,216
Total deferred inflows	764,415	-	-	764,415
Net position:				
Invested in capital and right-of-use assets, net of related debt	6,928,468	-	-	6,928,468
Restricted net position:				
Expendable	821,477	-	-	821,477
For debt service	998,437	-	-	998,437
Unrestricted	25,036,010	4,910,248	-	29,946,258
Total net position	33,784,392	4,910,248	-	38,694,640
	$ 47,732,937	$ 4,910,248	$ -	$ 52,643,185

Mason District Hospital

Combining Statement of Net Position
September 30, 2023

	Mason District Hospital	Mason District Hospital Foundation	Eliminations	Combined
Assets and Deferred Outflows				
Current assets:				
Cash and cash equivalents	$ 16,346,324	$ 48,872	$ -	$ 16,395,196
Investments	-	-	3,979,742	3,979,742
Assets limited as to use	674,250	3,979,742	(3,979,742)	674,250
Receivables, net	6,029,588	-	-	6,029,588
Inventories	607,698	-	-	607,698
Prepaid expenses	201,240	-	-	201,240
Estimated third-party payor settlements	151,939	-	-	151,939
Total current assets	24,011,039	4,028,614	-	28,039,653
Assets limited as to use, less portion required for current liabilities	1,122,973	-	-	1,122,973
Capital assets:				
Nondepreciable	260,925	-	-	260,925
Depreciable, net	10,154,298	-	-	10,154,298
Total capital assets	10,415,223	-	-	10,415,223
Right-of-use assets, net	321,396	-	-	321,396
SBITA right-of-use assets, net	2,581,073	-	-	2,581,073
Other assets	501,634	-	-	501,634
Total assets	38,953,338	4,028,614	-	42,981,952
Deferred outflows:				
Pension-related	7,955,207	-	-	7,955,207
Other postemployment benefits-related	464,343	-	-	464,343
Related to bond refunding	22,394	-	-	22,394
Total deferred outflows	8,441,944	-	-	8,441,944
	$ 47,395,282	$ 4,028,614	$ -	$ 51,423,896

	Mason District Hospital	Mason District Hospital Foundation	Eliminations	Combined
Liabilities, Deferred Inflows and Net Position				
Current liabilities:				
Current maturities of long-term debt	$ 958,952	$ -	$ -	$ 958,952
Current maturities SBITA liabilities	861,215	-	-	861,215
Accounts payable, trade	1,381,067	-	-	1,381,067
Accrued expenses:				
Salaries, wages and payroll taxes	331,019	-	-	331,019
Earned time	1,154,594	-	-	1,154,594
Interest	21,045	-	-	21,045
Other	401,825	-	-	401,825
Total current liabilities	5,109,717	-	-	5,109,717
Other postemployment benefits	1,235,776	-	-	1,235,776
Other long-term liabilities	136,034	-	-	136,034
Long-term debt, net of current maturities	2,636,577	-	-	2,636,577
Long-term SBITA, net of current maturities	1,809,889	-	-	1,809,889
Net pension liability	6,279,236	-	-	6,279,236
Total liabilities	17,207,229	-	-	17,207,229
Deferred inflows:				
Revenue for succeeding year property taxes	550,000	-	-	550,000
Pension-related	319,304	-	-	319,304
Other postemployment benefits-related	171,326	-	-	171,326
Total deferred inflows	1,040,630	-	-	1,040,630
Net position:				
Invested in capital and right-of-use assets, net of related debt	7,051,059	-	-	7,051,059
Restricted net position:				
Expendable	711,133	-	-	711,133
For debt service	998,228	-	-	998,228
Unrestricted	20,387,003	4,028,614	-	24,415,617
Total net position	29,147,423	4,028,614	-	33,176,037
	$ 47,395,282	$ 4,028,614	$ -	$ 51,423,896

Mason District Hospital

Combining Statement of Revenue, Expenses and Changes in Net Position
Year Ended September 30, 2024

	Mason District Hospital	Mason District Hospital Foundation	Eliminations	Combined
Operating revenue:				
Net patient service revenue	$ 33,412,506	$ -	$ -	$ 33,412,506
Other revenue	1,446,367	15,903	-	1,462,270
Total operating revenue	34,858,873	15,903	-	34,874,776
Operating expenses:				
Salaries and wages	15,992,185	-	-	15,992,185
Employee benefits:				
Pension-related	(874,993)	-	-	(874,993)
All others	3,916,648	-	-	3,916,648
Supplies and other	6,673,566	2,902	-	6,676,468
Professional fees	3,600,069	-	-	3,600,069
Depreciation and amortization	2,886,977	-	-	2,886,977
Interest	221,824	-	-	221,824
Total operating expenses	32,416,276	2,902	-	32,419,178
Operating income	2,442,597	13,001	-	2,455,598
Nonoperating revenue:				
Tax revenue	805,908	-	-	805,908
Contributions and bequests, noncapital	417,726	26,483	-	444,209
Grant revenue	273,678	-	-	273,678
Investment income	697,060	842,150	-	1,539,210
Total nonoperating revenue	2,194,372	868,633	-	3,063,005
Increase in net position	4,636,969	881,634	-	5,518,603
Net position:				
Beginning	29,147,423	4,028,614	-	33,176,037
Ending	$ 33,784,392	$ 4,910,248	$ -	$ 38,694,640

Mason District Hospital

Combining Statement of Revenue, Expenses and Changes in Net Position
Year Ended September 30, 2023

	Mason District Hospital	Mason District Hospital Foundation	Eliminations	Combined
Operating revenue:				
Net patient service revenue	$ 32,324,453	$ -	$ -	$ 32,324,453
Other revenue	1,258,196	9,684	-	1,267,880
Total operating revenue	33,582,649	9,684	-	33,592,333
Operating expenses:				
Salaries and wages	14,910,629	-	-	14,910,629
Employee benefits:				
Pension-related	1,358,475	-	-	1,358,475
All others	3,836,285	-	-	3,836,285
Supplies and other	6,788,933	390	-	6,789,323
Professional fees	3,326,387	-	-	3,326,387
Depreciation and amortization	2,555,611	-	-	2,555,611
Interest	244,155	-	-	244,155
Total operating expenses	33,020,475	390	-	33,020,865
Operating income	562,174	9,294	-	571,468
Nonoperating revenue:				
Tax revenue	981,008	-	-	981,008
Contributions and bequests, noncapital	442,199	2,484	-	444,683
Provider relief fund revenue	12,438	-	-	12,438
Investment income	401,009	395,930	-	796,939
Total nonoperating revenue	1,836,654	398,414	-	2,235,068
Increase in net position	2,398,828	407,708	-	2,806,536
Net position:				
Beginning	26,748,595	3,620,906	-	30,369,501
Ending	$ 29,147,423	$ 4,028,614	$ -	$ 33,176,037

Mason District Hospital

Statements of Revenue and Expenses Information
(Hospital Only)
Years Ended September 30, 2024 and 2023

	2024		
	Inpatient	**Outpatient**	**Total**
Gross Patient Services Revenue, Summary by Department			
Routine care services:			
Medical and surgical	**$ 1,862,798**	**$ 2,707,400**	**$ 4,570,198**
Swing beds	**658,406**	**-**	**658,406**
Home health	**-**	**2,975,096**	**2,975,096**
	2,521,204	**5,682,496**	**8,203,700**
Other nursing services:			
Operating room	**30,482**	**2,814,435**	**2,844,917**
Medical and surgical supplies	**51,202**	**318,667**	**369,869**
Emergency room	**13,767**	**6,563,878**	**6,577,645**
Cardiopulmonary	**375,899**	**1,026,215**	**1,402,114**
Intravenous therapy	**56,808**	**708,105**	**764,913**
	528,158	**11,431,300**	**11,959,458**
Other professional services:			
Laboratory	**524,457**	**11,391,709**	**11,916,166**
Sleep laboratory	**-**	**154,568**	**154,568**
Cardiac rehabilitation	**-**	**471,315**	**471,315**
Radiology	**283,514**	**15,033,241**	**15,316,755**
Pharmacy	**224,781**	**1,053,778**	**1,278,559**
Anesthesiology	**33,827**	**1,627,615**	**1,661,442**
Physical therapy	**369,934**	**3,970,722**	**4,340,656**
Ambulance	**-**	**3,107,222**	**3,107,222**
Occupational therapy	**321,296**	**1,494,748**	**1,816,044**
Senior health	**-**	**1,270,545**	**1,270,545**
Havana Medical Associates	**-**	**7,178,390**	**7,178,390**
Speech therapy	**13,560**	**554,099**	**567,659**
	1,771,369	**47,307,952**	**49,079,321**
	$ 4,820,731	**$ 64,421,748**	**69,242,479**
Less charity care			**27,303**
Gross patient services revenue			**$ 69,215,176**

	2023		
	Inpatient	Outpatient	Total
$	1,814,851	$ 2,502,717	$ 4,317,568
	753,762	-	753,762
	-	2,790,777	2,790,777
	2,568,613	5,293,494	7,862,107
	51,614	1,908,730	1,960,344
	48,316	249,559	297,875
	21,314	5,908,738	5,930,052
	425,514	915,310	1,340,824
	64,502	576,088	640,590
	611,260	9,558,425	10,169,685
	536,193	10,193,078	10,729,271
	-	162,861	162,861
	-	409,385	409,385
	356,808	13,380,774	13,737,582
	282,588	977,377	1,259,965
	31,871	1,219,205	1,251,076
	412,133	3,813,412	4,225,545
	-	2,803,025	2,803,025
	382,077	1,319,791	1,701,868
	-	1,211,455	1,211,455
	-	6,273,279	6,273,279
	28,235	387,508	415,743
	2,029,905	42,151,150	44,181,055
$	5,209,778	$ 57,003,069	62,212,847
			43,054
			$ 62,169,793

Mason District Hospital

Statements of Revenue and Expenses Information
(Hospital Only)
Years Ended September 30, 2024 and 2023

	2024	2023
Net Patient Service Revenue		
Gross patient service revenue	**$ 69,215,176**	$ 62,169,793
Contractual adjustments:		
Medicare and Medicaid:		
Medicare	**14,809,268**	13,445,816
Medicaid/Illinois Public Aid	**6,522,701**	4,770,214
	21,331,969	18,216,030
All others:		
Preferred provider organization discounts	**10,278,720**	8,308,282
Administrative allowances and discounts	**1,817,068**	1,924,627
Employee allowances	**30,405**	35,300
	33,458,162	28,484,239
Provision for doubtful accounts	**2,344,508**	1,361,101
Net patient service revenue	**$ 33,412,506**	$ 32,324,453
Other Revenue		
340B Pharmacy revenue	**$ 765,659**	$ 653,991
Mason County ambulance contract	**486,605**	426,932
Cafeteria sales	**164,361**	149,685
Medical record fees	**2,556**	2,797
Building rent	**9,924**	12,210
Miscellaneous	**17,262**	12,581
Total other revenue	**$ 1,446,367**	$ 1,258,196

Mason District Hospital

Statements of Revenue and Expenses Information
(Hospital Only)
Years Ended September 30, 2024 and 2023

	2024			
	Salaries and Wages	Employee Benefits, Supplies and Other	Professional Fees	Total
Operating Expenses, Summary by Department				
Nursing administration	$ 199,769	$ 54,025	$ -	$ 253,794
Medical and surgical	1,098,470	498,527	431,183	2,028,180
Operating room	262,685	264,479	-	527,164
Emergency room	586,837	159,842	1,607,424	2,354,103
Cardiopulmonary	252,812	70,635	18,242	341,689
Intravenous therapy	-	15,548	-	15,548
Central supply	-	96,662	-	96,662
Laboratory	864,061	976,233	52,000	1,892,294
Cardiac rehabilitation	173,313	27,752	-	201,065
Radiology	681,884	728,667	-	1,410,551
Pharmacy	506,185	265,816	-	772,001
Anesthesiology	-	10,304	354,695	364,999
Physical therapy	701,642	316,053	-	1,017,695
Occupational therapy	314,247	53,087	-	367,334
Speech therapy	107,186	15,041	-	122,227
Home health	1,135,595	267,983	-	1,403,578
Ambulance	1,440,318	335,852	-	1,776,170
Medical offices	-	69,341	-	69,341
Havana Medical Associates	3,395,152	1,206,966	1,136,479	5,738,597
Manito Medical Associates	713,773	599,996	46	1,313,815
Medical records	182,429	62,718	-	245,147
Infection control	201,912	28,820	-	230,732
Dietary	312,397	436,580	-	748,977
Plant operations and maintenance	411,722	447,050	-	858,772
Housekeeping	387,779	138,900	-	526,679
Laundry	39,751	26,409	-	66,160
Administration	873,273	1,277,412	-	2,150,685
Business office and data processing	428,388	248,079	-	676,467
Purchasing	129,147	15,778	-	144,925
Insurance	-	156,237	-	156,237
Employee health benefits	-	2,530,199	-	2,530,199
Outpatient registration	416,866	174,978	-	591,844
Sleep therapy	99,547	28,626	-	128,173
Diabetic education	75,045	11,743	-	86,788
Pension related	-	(874,572)	-	(874,572)
Other	-	(1,026,545)	-	(1,026,545)
	$ 15,992,185	$ 9,715,221	$ 3,600,069	29,307,475
Depreciation and amortization				2,886,977
Interest				221,824
				$ 32,416,276

2023			
Salaries and Wages	Employee Benefits, Supplies and Other	Professional Fees	Total
$ 177,798	$ 50,402	$ -	$ 228,200
1,164,732	292,144	363,370	1,820,246
192,942	258,078	-	451,020
634,244	163,540	1,607,424	2,405,208
233,153	78,346	25,861	337,360
-	19,951	-	19,951
-	96,993	-	96,993
810,503	1,180,645	48,000	2,039,148
161,189	21,055	-	182,244
643,535	908,163	1,155	1,552,853
478,125	350,755	-	828,880
-	7,869	356,095	363,964
743,836	213,114	-	956,950
306,623	53,915	-	360,538
99,725	11,016	-	110,741
1,020,110	253,137	25	1,273,272
1,299,068	299,129	-	1,598,197
-	55,673	-	55,673
3,436,486	1,240,128	924,457	5,601,071
636,418	489,332	-	1,125,750
172,644	68,305	-	240,949
149,594	19,243	-	168,837
283,413	406,237	-	689,650
318,808	416,181	-	734,989
370,795	142,476	-	513,271
29,597	23,996	-	53,593
603,626	252,354	-	855,980
376,118	290,354	-	666,472
113,979	15,497	-	129,476
-	132,282	-	132,282
-	2,631,692	-	2,631,692
340,771	167,397	-	508,168
98,100	36,427	-	134,527
14,697	6,926	-	21,623
-	1,358,475	-	1,358,475
-	(27,534)	-	(27,534)
$ 14,910,629	$ 11,983,693	$ 3,326,387	30,220,709
			2,555,611
			244,155
			$ 33,020,475

Mason District Hospital

Alternate Revenue Refunding Bonds
Debt Service Requirements
September 30, 2024

	Principal Due December 1	Interest Due June 1 and December 1	Annual Debt Service Requirements	Principal Balance
Years ending September 30:				
2025	$ 675,000	$ 27,975	$ 702,975	$ 595,000
2026	595,000	8,925	603,925	-
	$ 1,270,000	$ 36,900	$ 1,306,900	$ 595,000

Mason District Hospital

Schedule of Insurance Coverage (Unaudited)
September 30, 2024

Nature of Coverage	Amount of Coverage	Expiration	Insurer
Blanket Earnings and Business Interruption	$ 28,166,059	11/27/25	Chubb
Building and Personal Property, Fire and Extended Coverage	$ 53,158,268	11/27/25	Chubb
Earthquake and Flood	$ 5,000,000	11/27/25	Chubb
Accounts Receivable	$ 500,000	11/27/25	Chubb
Professional Liability (each occurrence)	$ 5,000,000	01/01/26	Illinois Provider Trust
Aggregate	$ 4,000,000	01/01/26	
Data Processing	$ 500,000	11/27/25	Chubb
Employee Dishonesty (per event)	$ 60,000	11/27/25	Chubb
Money and Securities (per loss)	$ 25,000	11/27/25	Chubb
Directors and Officers Liability	$ 1,000,000	12/31/25	Chubb
Vehicles Liability:			
Bodily Injury and Property Damage	$ 1,000,000	11/27/25	Markel
Uninsured Motorist	$ 70,000	11/27/25	Markel
Uninsured Motorist Per Person	$ 70,000	11/27/25	Markel
Physical Damage	Cash value	11/27/25	Markel
General Liability:			
Comprehensive General Liability	$ 5,000,000	01/01/26	Illinois Provider Trust
Specific Contractual Liability	$ 4,000,000	01/01/26	Illinois Provider Trust
Workers' Compensation	Statutory	12/01/25	Illinois Compensation Trust
Cyber Liability	$ 1,000,000	01/01/25	Beazley

Mason District Hospital

Hospital Officials
September 30, 2024

Administrative Staff

Dana Adcock	Chief Executive Officer
Leann Bonnett	Chief Financial Officer
Stanley Noll	President of Medical Staff
Kelli Canevit	Chief Nursing Officer

Board of Directors

Daniel Houghton	Chairman
Randy Fornoff	Vice Chairman
Marty Balbinot	Treasurer
Denis Bryant	Secretary
Bill Blessman	
Linda Leach	
Daniel Gunter	
Carol Himmel	
Alan Tucker	