Independent Auditor's Report and Financial Statements

Attica Hospital District No. 1
of Harper County, Kansas

December 31, 2024 and 2023

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Attica Hospital District No. 1
Management's Discussion and Analysis

Our discussion and analysis of the financial performance of Attica Hospital District No. 1 (District) provides a narrative overview of the District's financial activities for the years ended December 31, 2024 and 2023. Please read it in conjunction with the accompanying financial statements.

Financial highlights

The District reported operating losses of $368,083 in 2024, $278,859 in 2023, and $1,308,768 in 2022.

The District had nonoperating revenues which consisted primarily of District tax proceeds, COVID-19 grant revenues, noncapital contributions, capital contributions, gain on impairment, interest income, and rental income of $719,837 in 2024, $668,545 in 2023, and $519,083 in 2022. The increase in nonoperating revenues in 2024 is primarily due to COVID-19 grant revenue of $114,659.

After the inclusion of nonoperating revenues and expenses and capital grants and contributions, the District's net position increased by $371,548 or 12.5 percent in 2024, increased by $554,293 or 22.8 percent in 2023, and decreased by $779,685 or 23.8 percent in 2022.

Using these financial statements

The District's financial statements consist of three statements - a Statement of Net Position; a Statement of Revenues, Expenses, and Changes in Net Position; and a Statement of Cash Flows. These financial statements and related notes provide information about the activities of the District, including resources held by the District and resources restricted for specific purposes by contributors.

One of the most important questions asked about the District's finances is, "Is the District as a whole better or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the District's resources and its activities in a way that helps answer this question. These statements include all restricted and unrestricted assets and all liabilities using the accrual basis of accounting. For purposes of these two statements, revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's net position and its changes. The District's net position - the difference between assets and liabilities - may be thought of as one way to measure its financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. Consideration must also be given to other nonfinancial indicators, such as changes in the District's physical plant and measures of the quality of services it provides to the community, as well as local economic factors, to assess the overall health of the District.

The final required statement is the Statement of Cash Flows. This statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities. It provides answers to such questions as "Where did cash come from?", "What was cash used for?", and "What was the change in cash balance during the reporting period?"

Assets, liabilities, and net assets

The District's statements of net position as of the end of each of the last three years are summarized as follows:

	2024	2023	2022
Assets			
Current assets	$ 3,609,741	$ 3,343,095	$ 2,750,479
Assets limited as to use	38,374	301,621	163,776
Capital assets, net	1,796,854	1,341,805	1,398,741
Total assets	5,444,969	4,986,521	4,312,996
Deferred outflows of resources	374,085	487,580	591,281
Total assets and deferred outflows of resources	$ 5,819,054	$ 5,474,101	$ 4,904,277
Liabilities			
Current liabilities	$ 345,952	$ 257,705	$ 197,688
Long-term liabilities	1,462,610	1,643,486	1,675,166
Nonrefundable fees	1,447	3,026	4,605
Total liabilities	$ 1,810,009	$ 1,904,217	$ 1,877,459
Deferred inflows of resources	$ 653,656	$ 586,043	$ 529,450
Net position			
Invested in capital assets, net of related debt	$ 1,796,854	$ 1,341,805	$ 1,398,741
Restricted expendable net position	13,374	276,621	138,776
Unrestricted	1,545,161	1,365,415	959,851
Total net position	$ 3,355,389	$ 2,983,841	$ 2,497,368

In aggregate, the District's unrestricted cash and invested cash totaled $2,538,603 and $2,096,677 as of December 31, 2024 and 2023, respectively. These represent 226 days and 193 days, respectively, of average cash expenses during each of the years then ended.

Capital asset acquisitions were funded from operating cash flow, tax credit monies, restricted monies for capital purposes, and capital grants during 2024 and 2023. Net capital assets (after depreciation) increased by $455,049 during the 2024 fiscal year due to capital asset acquisitions exceeding depreciation expense and decreased by $56,936 during the 2023 fiscal year due to depreciation expense exceeding capital asset acquisitions.

The District's net resident accounts receivable was 16 percent of current assets as of December 31, 2024, and 18 percent as of December 31, 2023. The average number of days of net resident revenue in accounts receivable was 52 days as of December 31, 2024, and 58 days as of December 31, 2023.

The District's net position increased by $371,548 or 12.5 percent in 2024 and $554,293 or 22.8 percent in 2023.

Operating results and changes in net position

The District's operating results and changes in net position for each of the last three years are summarized as follows:

	2024	2023	2022
Operating revenues	$ 3,974,581	$ 3,843,350	$ 2,987,332
Operating expenses	(4,342,664)	(4,122,209)	(4,296,100)
Operating loss	(368,083)	(278,859)	(1,308,768)
Nonoperating income	719,837	668,545	519,083
Capital contributions and grants	19,794	164,607	10,000
Increase (decrease) in net position	$ 371,548	$ 554,293	$ (779,685)

The most significant components of the overall change in the District's increase in net position in 2024 were an increase in nonoperating income of $51,292, an increase in net resident service revenue of $157,853, and an increase in salaries and wages of $259,057, a decrease in employee benefits of $43,288, and a decrease in supplies and other expenses of $71,995.

Gross and net resident service revenue for the past three years are analyzed as follows:

	2024	2023	2022
Daily resident care	$ 3,244,757	$ 3,055,332	$ 2,442,491
Independent living units	22,801	22,916	19,683
Gross resident service revenue	3,267,558	3,078,248	2,462,174
Contractual adjustments	690,687	747,037	496,991
Provision for bad debt		(24,893)	(25,000)
Net resident service revenue	$ 3,958,245	$ 3,800,392	$ 2,934,165

Employee salaries and wages, including benefits, increased by $215,769 or 9.2 percent during 2024, and decreased by $29,786 or 1.3 percent during 2023. These changes are functions of changes in the number of employees, the number of resident days, pay rates, and benefits.

Supplies and other expenses decreased by $71,995 or 4.5 percent during 2024, and decreased by $100,750 or 5.9 percent during 2023, respectively. The decrease was attributable primarily to amounts paid for contract nursing services expenditures.

Budgetary information

Actual expenditures for the year ended December 31, 2024, on the modified accrual basis of accounting and encumbrances were $4,095,900 as compared to the legally adopted budgeted expenditures of $5,033,150. Actual expenditures for the year ended December 31, 2023, on the modified accrual basis of accounting and encumbrances were $3,968,906 as compared to the legally adopted budgeted expenditures of $5,012,500.

Wendling Noe Nelson & Johnson LLC
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Independent Auditor's Report

Board of Trustees
Attica Hospital District No. 1
of Harper County, Kansas

Opinion

We have audited the accompanying financial statements of the business-type activities of Attica Hospital District No. 1 of Harper County, Kansas (District) as of and for the years ended December 31, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the business-type activities of the District as of December 31, 2024 and 2023, and the changes in financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Kansas Municipal Audit and Accounting Guide. 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 District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 District's ability to continue as a going concern for twelve 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 opinion. 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 generally accepted 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.

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In performing an audit in accordance with generally accepted 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 District'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 District'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 management's discussion and analysis on pages 1 through 4 and the schedules of the District's proportionate share of net pension liability and District contributions to the defined pension plan on pages 27 and 28 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 audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information on pages 30 through 32 is for purposes of additional analysis and is 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 financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Wendling Noe Nelson & Johnson LLC

Topeka, Kansas
April 4, 2025

Financial Statements

Attica Hospital District No. 1 of Harper County, Kansas
Statements of Net Position
December 31, 2024 and 2023

Assets and Deferred Outflows of Resources

	2024	2023
Current assets		
Cash and cash equivalents	$ 2,538,603	$ 2,096,677
Resident accounts receivable, net of allowance for doubtful accounts of $72,280 in 2024 and $75,000 in 2023	568,887	603,916
Property taxes receivable	422,172	429,011
Insurance receivable		109,076
Other receivables		20,000
Inventories	15,634	13,563
Prepaid expenses	64,445	70,852
Total current assets	3,609,741	3,343,095
Assets limited as to use		
By donor for capital acquisitions		85,598
By contributors and grantors for capital acquisitions	13,374	191,023
By escrow agreement for unemployment benefits	25,000	25,000
	38,374	301,621
Other investment	-	-
Capital assets, net	1,796,854	1,341,805
Total assets	5,444,969	4,986,521
Deferred outflows of resources		
Pension contributions remitted subsequent to the measurement date	99,215	66,059
Changes in proportion related to pension	274,870	421,521
Total deferred outflows of resources	374,085	487,580
Total assets and deferred outflows of resources	$ 5,819,054	$ 5,474,101

The accompanying notes are an integral part of these statements.

Liabilities, Deferred Inflows of Resources, and Net Position

	2024	2023
Current liabilities		
Accounts payable	$ 109,702	$ 61,101
Accrued salaries and related taxes	129,878	74,315
Accrued compensated absences and related taxes	106,372	122,289
Total current liabilities	345,952	257,705
Long-term liabilities		
Accured compensated absences and related taxes, net current portion	31,219	32,295
Net pension liability	1,431,391	1,611,191
Total long-term liabilities	1,462,610	1,643,486
Other liabilities		
Nonrefundable fees	1,447	3,026
Total liabilities	1,810,009	1,904,217
Deferred inflows of resources		
Property taxes	422,172	429,011
Other	1,000	1,000
Estimated differences between expected and actual pension investment earnings and pension experience	230,484	156,032
Total deferred inflows of resources	653,656	586,043
Net position		
Invested in capital assets, net of related debt	1,796,854	1,341,805
Restricted expendable net position	13,374	276,621
Unrestricted	1,545,161	1,365,415
Total net position	3,355,389	2,983,841
Total liabilities, deferred inflows of resources, and net position	$ 5,819,054	$ 5,474,101

Attica Hospital District No. 1 of Harper County, Kansas
Statements of Revenues, Expenses, and
Changes in Net Position
Years ended December 31, 2024 and 2023

	2024	2023
Operating revenues		
Net resident service revenue	$ 3,958,245	$ 3,800,392
Other revenue	16,336	42,958
Total operating revenues	3,974,581	3,843,350
Operating expenses		
Salaries and wages	2,069,194	1,810,137
Employee benefits	503,552	546,840
Supplies and other	1,526,095	1,598,090
Depreciation	243,823	167,142
Total operating expenses	4,342,664	4,122,209
Operating loss	(368,083)	(278,859)
Nonoperating revenues (expenses)		
District tax proceeds	443,988	457,818
Interest income	108,752	101,108
Rental income, net of expenses	6,869	6,916
Gas well income	2,034	5,297
Gain on impairment (Note M)	29,221	81,433
COVID-19 grants (Note O)	114,659	
Noncapital contributions	1,500	15,973
Other	32,814	
Loss on hospice investment	(20,000)	
Total nonoperating revenues, net of expenses	719,837	668,545
Excess of revenues over expenses before capital grants and contributions	351,754	389,686
Capital grants and contributions	19,794	164,607
Change in net position	371,548	554,293
Net position at beginning of year		
As previously reported	3,043,049	2,497,368
Prior period adjustment for change in accounting principle	(59,208)	(67,820)
As restated	2,983,841	2,429,548
Net position at end of year	$ 3,355,389	$ 2,983,841

The accompanying notes are an integral part of these statements.

Attica Hospital District No. 1 of Harper County, Kansas
Statements of Cash Flows
Years ended December 31, 2024 and 2023

	2024	2023
Cash flows from operating activities		
Receipts from and on behalf of residents	$ 3,991,695	$ 3,524,000
Payments to or on behalf of employees	(2,526,029)	(2,262,655)
Payments for supplies and services	(1,473,158)	(1,574,903)
Other receipts and payments	49,150	(66,118)
Net cash provided (used) by operating activities	41,658	(379,676)
Cash flows from noncapital financing activities		
District tax proceeds	443,988	457,818
COVID-19 grants received	114,659	
Proceeds from noncapital contributions	1,500	15,973
Net cash provided by noncapital financing activities	560,147	473,791
Cash flows from capital and related financing activities		
Purchase of capital assets	(698,872)	(128,436)
Insurance proceeds	138,297	99,663
Capital grants and contributions	19,794	164,607
Net cash provided (used) by capital and related financing activities	(540,781)	135,834
Cash flows from investing activities		
Interest received	108,752	101,108
Gas well income	2,034	5,297
Rental income, net	6,869	6,916
Net cash provided by investing activities	117,655	113,321
Change in cash and cash equivalents	178,679	343,270
Cash and cash equivalents at beginning of year	2,398,298	2,055,028
Cash and cash equivalents at end of year	$ 2,576,977	$ 2,398,298
Reconciliation of cash and cash equivalents to statement of financial position		
Included in current assets	$ 2,538,603	$ 2,096,677
Included in assets limited as to use	38,374	301,621
	$ 2,576,977	$ 2,398,298

The accompanying notes are an integral part of these statements.

Attica Hospital District No. 1 of Harper County, Kansas
Statements of Cash Flows - Continued
Years ended December 31, 2024 and 2023

	2024	2023
Reconciliation of operating loss to net cash provided (used) by operating activities		
Operating loss	$ (368,083)	$ (278,859)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities		
Depreciation	243,823	167,142
Amortization of nonrefundable fees	(1,579)	(1,579)
Provision for bad debts		24,893
Other	32,814	
Changes in		
Resident accounts receivable	35,029	(299,706)
Insurance receivable		(109,076)
Inventory	(2,071)	4,791
Prepaid expenses	6,407	(8,485)
Accounts payable and accrued expenses	87,171	24,492
Net pension liability, deferred inflows, and deferred outflows related to defined benefit pension plan	8,147	96,711
Net cash provided (used) by operating activities	$ 41,658	$ (379,676)

The accompanying notes are an integral part of these statements.

Attica Hospital District No. 1 of Harper County, Kansas
Notes to Financial Statements
December 31, 2024 and 2023

Note A - Description of Reporting Entity and Summary of Significant Accounting Policies

1. Reporting entity

Attica Hospital District No. 1 of Harper County, Kansas, (hereinafter referred to as the District) was created under K.S.A. 80-2178, et seq., as a Kansas political body and entity, for the purpose of owning and operating a health care facility in Attica, Kansas, for the benefit of the community. Until July 1, 1991, the District operated a 12-bed acute care hospital, a long-term care unit, and a clinic. On July 1, 1991, inpatient acute care services were discontinued. The District continues to operate a long-term care unit licensed as a freestanding nursing facility that includes a 7-bed Alzheimer's unit that opened on December 13, 2010. On June 1, 2021, the District decreased the long-term care unit licensed beds from 55 to 46. In 2013, the District opened a 5-unit independent living complex in Attica, Kansas. The District is governed by an elected five-member Board of Trustees of Attica Hospital District No. 1 of Harper County, Kansas.

2. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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 these estimates.

3. Basis of accounting

The District uses enterprise fund accounting. Revenues and expenses are recognized on the accrual basis using the economic resources measurement focus.

4. Allowance for uncollectible accounts

The District provides for accounts receivable that could become uncollectible in the future by establishing an allowance, when necessary, to reduce the carrying value of such receivables to their estimated net realizable value. The District estimates this allowance based on a review of its accounts receivable and its historical collection experience for each type of payor.

5. Inventories

Inventories are stated at the lower of cost or market with cost determined on the first-in, first-out method.

6. Investment income

Investment income on proceeds of borrowing, to the extent not capitalized, is reported as other revenue. Investment income from all other investments is reported as nonoperating revenue.

7. Capital assets

Capital assets are stated at cost. Depreciation of capital assets is provided on the straight-line method over the estimated useful lives of the assets which are substantially in conformity with useful lives established by the American Hospital Association.

Note A - Description of Reporting Entity and Summary of Significant Accounting Policies - Continued

The costs of maintenance and repairs are charged to operating expenses as incurred. The costs of significant additions, renewals, and betterments to depreciable properties are capitalized and depreciated over the remaining or extended estimated useful lives of the item or the properties. Gains and losses on disposition of capital assets are included in nonoperating revenues and expenses.

8. Nonrefundable private room contract fees

The District allows residents to enter into a nonrefundable fee contract for private rooms during their time at the facility. The fees are recorded as other liabilities when received and are amortized to income over the life expectancy of the resident.

9. Income taxes

The District is exempt from federal income taxes under Section 115 of the Internal Revenue Code.

10. Operating revenues and expenses

The District's statement of revenues, expenses, and changes in net position distinguishes between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions associated with providing health care services, which is the District's principal activity. Nonexchange revenues, including noncapital grants, District tax proceeds, and contributions, are reported as nonoperating revenues. Operating expenses are all expenses incurred to provide health care services, other than financing costs.

11. Grants and contributions

From time to time, the District receives grants and contributions from individuals and private organizations. Revenues from grants and contributions are recognized when all eligibility requirements, including time requirements, are met. Grants and contributions may be restricted for specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted for a specific operating purpose are reported as nonoperating revenues. Amounts restricted to capital acquisitions are reported after nonoperating revenues and expenses.

12. Pension plan, deferred outflows, and inflows of resources

The District participates in the Kansas Public Employees Retirement System Plan (KPERS), a cost-sharing multiple-employer defined benefit pension plan. The District uses information provided by KPERS to measure the net pension liability, deferred outflows of resources, and deferred inflows of resources of the KPERS pension plan.

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as revenue until then.

Note A - Description of Reporting Entity and Summary of Significant Accounting Policies - Continued

13. Net position

Net position of the District is classified in three components. "Net position invested in capital assets net of related debt" consists of capital assets net of accumulated depreciation and reduced by the balances of any outstanding borrowings used to finance the purchase or construction of those assets. "Restricted expendable net position" is capital net position that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the District. "Unrestricted net position" is the remaining net position that does not meet the definitions of the other two components of net position.

14. Net resident service revenue

Net resident service revenue is reported at established charges with adjustments for discounts, charity care, contractual adjustments, and provision for bad debts, including estimated retroactive adjustments under reimbursement agreements with third-party payors.

15. Charity care

The District provides care to residents who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the District does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

16. Cash and cash equivalents

Cash and cash equivalents include all cash and invested cash other than amounts included in assets limited as to use.

17. Adoption of accounting pronouncements

Effective January 1, 2024, the District adopted Governmental Accounting Standards Board (GASB) Statement 100, *Accounting Changes and Error Corrections*. GASB 100 provides enhanced accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information. It also addresses the impact of accounting changes and error corrections on required and other supplementary information. GASB 100 requires disclosures for accounting changes and error corrections to include descriptive information about accounting changes and error corrections and information about the quantitative effects on beginning balances from accounting changes and error corrections.

Effective January 1, 2024, the District adopted Governmental Accounting Standards Board (GASB) Statement 101, *Compensated Absences*. GASB 101 requires that liabilities for compensated absences be recognized for (1) leave that has not been used, and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services the employee already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, an entity should consider relevant factors such as employment policies

Note A - Description of Reporting Entity and Summary of Significant Accounting Policies - Continued

related to compensated absences and historical information about the use or payment of compensated absences. GASB 101 requires a retrospective application as of the beginning of the earliest period presented (i.e., January 1, 2023). Comparative prior year financial statements have been adjusted to apply this standard retrospectively, which resulted in a beginning net position adjustment of a decrease of $67,820. See Note P for amounts restated.

Note B - Assets Limited as to Use

Assets limited as to use consist of assets whose use has been limited by grant guidelines or donors to a specific time period or purpose, assets restricted by the donor for capital acquisitions, and assets limited by an escrow agreement for self-funded unemployment benefits. Assets whose use is limited are invested as follows:

	2024	2023
Certificates of deposit	$ 25,000	$ 25,000
Cash	13,374	276,621
	$ 38,374	$ 301,621

Note C - Charity Care

The amounts of charges foregone for services and supplies furnished by the District under its charity care policy and the related cost during the years ended December 31, 2024 and 2023, were not significant.

Note D - Reimbursement Programs

The District has an agreement with a third-party payor that provides for payments at amounts different from its established charge rates. A summary of the payment arrangements with the third-party payor follows:

Medicaid - Services rendered to Medicaid residents in the long-term care unit are generally reimbursed at prospectively determined rates based upon costs of previous years adjusted for inflation, statewide limits, and other factors. Revenues from Medicaid accounted for approximately 69 percent and 76 percent of the District's net resident service revenue for the years ended December 31, 2024 and 2023, respectively.

Management estimates that there are no amounts due to or from Medicaid at either December 31, 2024 or 2023, related to potential settlements of cost reports.

Note E - Property Taxes

The District's property tax is levied and a lien attaches each November 1 on the assessed value as of the prior January 1 for all property located in the District. Assessed values are established by the County Assessor. The assessed values for property located in the District as of January 1, 2024 and 2023, on which the 2024 and 2023 levies were based were $20,713,441 and $18,574,937, respectively.

Property taxes are due in total by December 31 following the levy date, or may be paid in equal installments if paid by December 20 (first installment) and the following May 10 (second installment). The taxes are collected by the County Treasurer and subsequently remitted to the District.

Collection of current year property tax by the County Treasurer is not completed, apportioned, nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing State statutes. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operations of the District and, therefore, are recorded as a deferred inflow of resources in the year levied and recognized as revenue when they become available to pay liabilities.

Note F - Other Investment

In 2021, the District invested $45,000 for a 1/3 share in the formation of Country Care Hospice, Inc. (Hospice). The Hospice was established by three nursing facilities in south central Kansas, each having an equal 1/3 interest in its operations. In 2022, the District invested $7,416 in the Hospice. The District's share in undistributed net equity of the Hospice was $(54,908) and $(38,687) for the years ended December 31, 2024 and 2023, respectively. Under generally accepted accounting principles, an investment accounted for under the equity method is not recorded as a negative amount, therefore, the District has a carrying value of the Hospice investment of $0 at December 31, 2024 and 2023.

The District advanced $20,000 to the Hospice which was included in other receivables at December 31, 2023. Due to the continued operating losses the Hospice has experienced, management recognized a $20,000 loss on the Hospice investment for this advance during the year ended December 31, 2024.

Note G - Capital Assets

Capital asset additions, retirements, and balances are as follows:

	2024			
	Beginning balance	Additions	Transfers and retirements	Ending balance
Land - nondepreciable	$ 51,978	$ -	$ -	$ 51,978
Land improvements	47,776			47,776
Buildings	3,517,138	14,397	608,430	4,139,965
Fixed equipment	1,102,723	50,220	35,290	1,188,233
Major movable equipment	568,827	31,623	12,763	613,213
Totals at historical cost	5,288,442	96,240	656,483	6,041,165
Less accumulated depreciation and amortization				
Land improvements	39,579	1,968		41,547
Buildings	3,141,207	104,155		3,245,362
Fixed equipment	396,127	101,867		497,994
Major movable equipment	452,331	35,833		488,164
	4,029,244	243,823	-	4,273,067
Projects in progress	82,607	602,632	(656,483)	28,756
Capital assets, net	$ 1,341,805	$ 455,049	$ -	$ 1,796,854

	2023			
	Beginning balance	Additions	Transfers and Retirements	Ending balance
Land - nondepreciable	$ 51,978	$ -	$ -	$ 51,978
Land improvements	50,546		(2,770)	47,776
Buildings	3,534,503		(17,365)	3,517,138
Fixed equipment	1,092,392	32,008	(21,677)	1,102,723
Major movable equipment	669,802	63,198	(164,173)	568,827
Totals at historical cost	5,399,221	95,206	(205,985)	5,288,442
Less accumulated depreciation and amortization				
Land improvements	40,518	1,831	(2,770)	39,579
Buildings	3,086,657	71,916	(17,366)	3,141,207
Fixed equipment	322,106	79,585	(5,564)	396,127
Major movable equipment	600,576	13,810	(162,055)	452,331
	4,049,857	167,142	(187,755)	4,029,244
Projects in progress	49,377	33,230	-	82,607
Capital assets, net	$ 1,398,741	$ (38,706)	$ (18,230)	$ 1,341,805

Note H - Nonrefundable Fees

	2024	2023
Beginning of period	$ 3,026	$ 4,605
Amortization	(1,579)	(1,579)
End of period	$ 1,447	$ 3,026

Note I - Deposits with Financial Institutions

Custodial credit risk is the risk that in an event of a bank failure, a government's deposits may not be returned to it. The District's deposit policy of custodial credit risk requires compliance with provisions of State law. In addition, the District maintains their cash in banks which are insured by the Federal Deposit Insurance Corporation (FDIC).

Kansas statutes authorize the District, with certain restrictions, to deposit or invest in open accounts, time deposits, certificates of deposit, repurchase agreements, U.S. Treasury bills and notes, and the State Treasurer's investment pool. Kansas statutes also require that collateral be pledged for bank deposits with fair value equal to 100 percent of the uninsured amounts and must be assigned to the benefit of the District.

The carrying amount of the District's deposits with financial institutions was $2,576,677 and the bank balance was $2,650,326 at December 31, 2024. The bank balance is categorized as follows at December 31, 2024:

Amount insured by the F.D.I.C.	$ 2,645,626
Amount insured by the N.C.U.S.I.F. $250,000 - limited to bank balance	4,700
	$ 2,650,326

The District's bank deposits are included in the financial statements under the following categories:

Cash and cash equivalents	$ 2,538,303
Assets limited as to use	38,374
	$ 2,576,677

Note J - Defined Benefit Pension Plan

Plan description

The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Substantially all employees of the District are eligible to participate in KPERS. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends

Note J - Defined Benefit Pension Plan - Continued

benefit provisions. Substantially all public employees in Kansas are covered by KPERS. Participation by local political subdivisions and entities is optional, but irrevocable once elected. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 South Kansas Avenue, Suite 100, Topeka, Kansas 66603-3869) or by calling 1-888-275-5737.

Benefits

Benefits are established by statute and may only be changed by the Kansas Legislature. Members with ten or more years of credited service, may retire as early as age 55, with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of credited service equal 85 "points."

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement, a member may receive a lump-sum payment of up to 50 percent of the actuarial present value of the member's lifetime benefit. His or her monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas. For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions

Member contribution rates are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates be determined based on the results of an annual actuarial valuation for each of the three statewide pension groups. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis

KPERS has three benefit structures and funding depends on whether the employee is a Tier 1, Tier 2, or Tier 3 member. Tier 1 members were hired before July 1, 2009, Tier 2 members were first employed on or after July 1, 2009, and Tier 3 members were first employed on or after January 1, 2015. Kansas law established the KPERS member-employee contribution rate at 6 percent of covered salary for all members for 2024 and 2023, respectively. The employer rates established by statute at December 31, 2024 and 2023, are 9.26 percent and 8.43 percent, respectively. The District employer contributions to KPERS for the years ended December 31, 2024 and 2023, were $170,883 and $136,065, respectively, equal to the statutory required contributions for each year.

Note J - Defined Benefit Pension Plan - Continued

Employer and nonemployer allocations

Although KPERS administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

- State/School
- Local
- Police and Firemen
- Judges

To facilitate the separate (sub) actuarial valuations, the System maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The District is included in the local group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer. The allocation percentages for the District's share of the collective pension amounts as of December 31, 2024 and 2023, are based on the ratio of each employer's contributions to total employer and nonemployer contributions of the group for the years ended June 30, 2024 and 2023, respectively. The contributions used exclude contributions made for prior service, excess benefits, and irregular payments. As of December 31, 2024, the District's proportion was 0.067 percent which was a decrease of .010 percent from its share at December 31, 2023.

Net pension liability

At December 31, 2024 and 2023, the District reported a liability of $1,431,391 and $1,611,191, respectively, for its proportionate share of the net pension liability.

Actuarial assumptions

The total pension liability was determined by actuarial valuations as of December 31, 2023 and 2022, which were then rolled forward to June 30, 2024 and 2023, using the following actuarial assumptions:

Actuarial assumptions	2024	2023
Price inflation	2.75%	2.75%
Salary increases, including wage increases	3.50% - 15.50%	3.50% - 12.00%
Long-term rate of return net of investment expense and including price inflation	7.00%	7.00%

For 2023 and 2022, mortality rates were based on the PUB 2010 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using scale MP-2021.

Note J - Defined Benefit Pension Plan - Continued

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 by the target asset allocation percentage. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocations as of June 30, 2024, are summarized in the following table:

Asset class	Long-term target allocation	Long-term expected real rate of return
World Equities	43.00 %	8.20 %
Core Fixed Income	13.00	2.20
Yield driven	12.00	5.30
Infrastructure	3.00	6.80
Real Estate	15.00	5.70
Alternatives	11.00	12.00
Short-term investments	3.00	0.30
Total	100.00 %	

Discount rate

The discount rate used to measure the total pension liability as of December 31, 2023 and 2022, was 7.00 percent. The State, School, and Local employers do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993, the employer contribution rates certified by the System's Board of Trustees for these groups may not increase by more than the statutory cap. The statutory cap for the year ended June 30, 2024, was 1.2 percent.

Sensitivity of the net pension liability to changes in the discount rate

The following table presents the net pension liability of the pension plan as of June 30, 2024, calculated using the discount rate of 7.00 percent, as well as what the pension plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% decrease (6.00%)	Current discount rate (7.00%)	1% increase (8.00%)
District's share of net pension liability	$ 2,072,262	$ 1,431,391	$ 895,797

Note J - Defined Benefit Pension Plan - Continued

Pension expense

For the years ended December 31, 2024 and 2023, the District recognized pension expense of $177,852 and $233,573, respectively, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the period.

Deferred outflows of resources and deferred inflows of resources

A summary of the collective deferred outflows of resources and deferred inflows of resources at December 31, 2024 and 2023, are included in the tables below. Experience gains/losses and the impact of changes in actuarial assumptions or other inputs, if any, are recognized over the average expected remaining service life of the active and inactive plan members at the beginning of the measurement period. Investment gains and losses are recognized over a fixed five-year period.

	2024	2023
Deferred outflows of resources		
Differences between expected and actual experience	$ 174,119	$ 133,936
Change of assumptions	86,520	170,764
Net difference between projected and actual earnings on pension plan investments	8,770	94,102
Changes in proportion and differences between Hospital District contributions and proportionate share of contributions	5,461	22,719
Employer contributions subsequent to the measurement date	99,215	66,059
Total deferred outflows of resources	$ 374,085	$ 487,580
Deferred inflows of resources		
Differences between expected and actual experience	$ -	$ 227
Net difference between projected and actual earnings Hospital District contributions and proportionate share of contributions	230,484	155,805
Total deferred inflows of resources	$ 230,484	$ 156,032

Note J - Defined Benefit Pension Plan - Continued

The following table provides the deferred outflows of resources and deferred inflows of resources as of December 31, 2024, that will be recognized in pension expense in future years:

Year ended December 31,	Employer contributions subsequent to the measurement date	Recognition of net deferred outflows/(inflows) of resources by year	Total
2025	$ 99,215	$ 8,610	$ 107,825
2026		77,115	77,115
2027		(21,236)	(21,236)
2028		(20,103)	(20,103)
2029			
	$ 99,215	$ 44,386	$ 143,601

Note K - Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the District. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1.

2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5.

3. Public hearing on or before August 15, but at least ten days after publication of notice of hearing.

4. Adoption of the final budget on or before August 25.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no amendments to the budget for the years ended December 31, 2024 and 2023.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Actual expenditures for the year ended December 31, 2024, on the modified accrual basis of accounting and encumbrances were $4,095,900 as compared to the legally adopted budgeted expenditures of $5,033,150. Actual expenditures for the year ended December 31, 2023, on the modified accrual basis of accounting and encumbrances were $3,968,906 as compared to the legally adopted budgeted expenditures of $5,012,500.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received.

Note K - Budgetary Information - Continued

Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations lapse at year-end.

A legal operating budget is not required for capital projects funds. Spending of funds, which are not subject to the legal annual operating budget requirement, is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Note L - Risk Management

The District is insured with respect to professional and general liability risks under an insurance policy issued by commercial insurers on a claims-made basis with a limit of $1,000,000 per occurrence up to an annual aggregate of $3,000,000 for all claims made during the policy year. Coverage is currently in effect through November 1, 2025. The District intends to renew this coverage on that date and is aware of no reason why such coverage would be denied at that time. Management believes that if any claims are asserted for incidents occurring through December 31, 2024, such claims would be settled within the limits of insurance coverage.

In addition to the risk disclosed elsewhere in these financial statements and notes thereto, the District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases commercial insurance for these risks. Settled claims have not exceeded this commercial coverage in any of the past three years.

Note M - Gain on Impairment

In April 2023, the District experienced a power surge that impaired some of its assets. Insurance proceeds were received for replacement of the impaired assets. Insurance proceeds net of the book value of the capital assets replaced resulted in a gain on impairment summarized as follows as of December 31:

	2024	2023
Insurance proceeds received	$ 29,221	$ 99,663
Net book value of capital assets replaced		(18,230)
Gain on impairment	$ 29,221	$ 81,433

Note N - Compensated Absences

The District offers compensated absences to eligible employees in the form of paid vacation and sick leave. The District will pay earned and unused vacation leave benefits upon termination provided adequate notice by the employees. Paid sick leave benefits vest to the employee, but any vested benefits earned and unused by the employee will not be paid out when the employees terminate employment with the District. The District accrues a liability for the vested vacation leave and an estimate of the vested sick leave benefits to be used by employees prior to seperating employment with the District.

The following table provides compensated absences as of December 31:

	2024	2023
Estimated accrued compensated absences and taxes	$ 137,591	$ 154,584
Current portion of estimated accrued compensated absences and taxes	(106,372)	(122,289)
Noncurrent portion of estimated accrued compensated absences and taxes	$ 31,219	$ 32,295

The following table is a summary of the changes in compensated absences for the years ended December 31, 2024 and 2023:

Accrued compensated absences and taxes at January 1, 2023	$ 164,427
Change in accrued compensated absences liabilities and taxes	(9,843)
Accrued compensated absences and taxes at December 31, 2023	$ 154,584
Change in accrued compensated absences liabilities and taxes	(16,993)
Accrued compensated absences and taxes at December 31, 2024	$ 137,591

Note O - COVID-19 Grants

COVID-19 grants consist of federal financial assistance received through the U.S. Department of Homeland Security Federal Emergency Management Agency to reimburse the District for utilities for the main facility, contracted accounting and legal services, COVID-19 loyalty pay bonuses, and straight-time force account labor that were incurred by the District during the COVID-19 pandemic from January 20, 2020 to May 11, 2023. The amount is included in nonoperating revenue as COVID-19 grants. During the year ended December 31, 2024, the District recognized $114,659 as COVID-19 grants included in nonoperating revenues.

Note P - Prior Period Adjustments

The District adopted GASB Statement No. 101, *Compensated Absences* (GASB 101) based on the facts and circumstances as of January 1, 2023. The following changes were made to the 2023 amounts in adoption of GASB 101:

	Amount as previously reported	Adoption of accounting standard	Amount as restated
Liabilities			
Accrued salaries and related taxes	$ 79,883	$ (5,568)	$ 74,315
Accrued compensated absences and related taxes	89,808	32,481	122,289
Total current liabilities	230,792	26,913	257,705
Accrued compensated absences and related taxes, less current portion		32,295	32,295
Total long-term liabilities	1,845,009	59,208	1,904,217
Net position			
Unrestricted	1,424,623	(59,208)	1,365,415
Total net position	3,043,049	(59,208)	2,983,841
Statements of Revenues, Expenses, and Changes in Net Position			
Operating expenses			
Salaries and wages	1,818,137	(8,000)	1,810,137
Employee benefits	547,452	(612)	546,840
Total operating expenses	4,130,821	(8,612)	4,122,209
Operating loss	(287,471)	8,612	(278,859)
Excess of revenues over expenses before capital grants and contributions	381,074	8,612	389,686
Change in net position	545,681	8,612	554,293
Net position at beginning of year	2,497,368	(67,820)	2,429,548
Statement of Cash Flows			
Reconciliation of operating loss to net cash provided (used) by operating activities			
Operating loss	(287,471)	8,612	(278,859)
Changes in			
Accounts payable and accrued expenses	33,104	(8,612)	24,492

Note Q - Subsequent Events

The District has evaluated subsequent events through the date of the independent auditor's report, which is the date the financial statements were available to be issued.

Required Supplementary Information

Attica Hospital District No. 1 of Harper County, Kansas
Schedule of District's Proportionate Share of
the Net Defined Pension Plan Liability
December 31,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.0674%	0.0768%	0.0843%	0.0927%	0.0915%	0.0862%	0.0876%	0.0811%	0.0954%	0.0916%
District's proportionate share of the net pension liability	$ 1,431,391	$ 1,611,191	$ 1,675,166	$ 1,112,491	$ 1,587,056	$ 1,205,080	$ 1,220,793	$ 1,174,234	$ 1,476,036	$ 1,202,328
District's covered-employee payroll	$ 1,845,389	$ 1,614,057	$ 1,649,517	$ 1,609,651	$ 1,948,734	$ 1,617,728	$ 1,594,136	$ 1,446,785	$ 1,546,721	$ 1,579,156
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	77.57%	99.82%	101.55%	69.11%	81.44%	74.49%	76.58%	81.16%	95.43%	76.14%
Plan fiduciary net position as a percentage of the total pension liability	69.07%	70.55%	70.66%	81.14%	70.77%	75.02%	74.22%	72.16%	68.55%	71.98%

Attica Hospital District No. 1 of Harper County, Kansas
Schedule of District Contributions to
Defined Pension Plan
December 31,

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 170,883	$ 136,065	$ 146,807	$ 142,776	$ 167,786	$ 143,816	$ 133,748	$ 122,398	$ 141,989	$ 149,704
Contributions in relation to the contractually required contribution	(170,883)	(136,065)	(146,807)	(142,776)	(167,786)	(143,816)	(133,748)	(122,398)	(141,989)	(149,704)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 1,845,389	$ 1,614,057	$ 1,649,517	$ 1,609,651	$ 1,948,734	$ 1,617,728	$ 1,594,136	$ 1,446,785	$ 1,546,721	$ 1,579,156
Contributions as a percentage of covered-employee payroll	9.26%	8.43%	8.90%	8.87%	8.61%	8.89%	8.39%	8.46%	9.18%	9.48%

Supplementary Information

Attica Hospital District No. 1 of Harper County, Kansas
Resident Service Revenue
Years ended December 31, 2024 and 2023

	2024	2023
Daily resident care - Geriatric and Alzheimer's	$ 3,935,444	$ 3,802,369
Independent living units	22,801	22,916
Gross resident service revenue	3,958,245	3,825,285
Provision for bad debt		(24,893)
Net resident service revenue	$ 3,958,245	$ 3,800,392

Attica Hospital District No. 1 of Harper County, Kansas
Operating Expenses
Years ended December 31, 2024 and 2023

	2024			2023		
	Salary expense	Supplies and other expenses	Total expenses	Salary expense	Supplies and other expenses	Total expenses
Geriatric nursing services	$ 1,407,430	$ 799,498	$ 2,206,928	$ 1,116,933	$ 921,691	$ 2,038,624
General services						
Operation of plant	90,326	225,640	315,966	95,930	178,491	274,421
Housekeeping	25,492	27,343	52,835	43,417	32,165	75,582
Laundry	53,264	12,409	65,673	73,107	9,227	82,334
Dietary	237,582	166,680	404,262	254,672	193,382	448,054
Administration	255,100	256,488	511,588	226,078	225,506	451,584
Medicaid tax		38,037	38,037		37,628	37,628
Employee health and welfare		503,552	503,552		546,840	546,840
	661,764	1,230,149	1,891,913	693,204	1,223,239	1,916,443
	$ 2,069,194	$ 2,029,647	4,098,841	$ 1,810,137	$ 2,144,930	3,955,067
Depreciation			243,823			167,142
			$ 4,342,664			$ 4,122,209

Attica Hospital District No. 1 of Harper County, Kansas
Balance in Depository Compared with Depository Security
Year ended December 31, 2024

	Wheat State Credit Union	Commerce Bank	Dream First Bank	Total
Bank balance, December 31, 2024				
General checking	$ 3,432	$ -	$ 283,345	$ 286,777
Savings	1,268	20,000	66,244	87,512
Money market			86,890	86,890
Certificate of deposit			2,189,147	2,189,147
Total deposits	4,700	20,000	2,625,626	2,650,326
Less N.C.U.S.I.F. coverage of $250,000 - limited to bank balance	4,700			4,700
Less F.D.I.C. insurance coverage		20,000	2,625,626	2,645,626
Balance subject to pledging of securities	$ -	$ -	$ -	$ -

At December 31, 2024, deposits with a financial institution were adequately secured under K.S.A. 9-1402, which requires the market value of certain types of securities pledged to be equal to total deposits in excess of F.D.I.C. coverage.