

HOSPITAL AUTHORITY OF FLOYD COUNTY
ROME, GEORGIA

FINANCIAL STATEMENTS

for the years ended June 30, 2023 and 2022



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CONTENTS

	<u>Pages</u>
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-6
Financial Statements:	
Balance Sheets	7
Statements of Revenues, Expenses and Changes in Net Position	8
Statements of Cash Flows	9
Statements of Fiduciary Net Position - Pension Trust Fund	10
Statements of Changes in Fiduciary Net Position - Pension Trust Fund	11
Notes to Financial Statements	12-24
Required Supplemental Information:	
Schedule of Changes in Net Pension Liability and Related Ratios	25-27
Schedule of Pension Contributions	28



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Hospital Authority of Floyd County
Rome, Georgia

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and fiduciary activities of the Hospital Authority of Floyd County (Authority), as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the business-type activities and fiduciary activities of the Authority as of June 30, 2023 and 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Authority 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 obtained is sufficient and appropriate to provide a basis for our audit opinions.

Correction of Error

As discussed in Note 1 to the financial statements, certain errors resulting in understatement of amounts previously reported for accounts receivable and revenue as of June 30, 2022, were discovered by management of the Authority during the current year. Accordingly, amounts reported for accounts receivable and revenue have been restated in the 2022 financial statements now presented, and an adjustment has been made to net position as of June 30, 2022, to correct the error. Our opinion is not modified with respect to that matter.

Continued

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 Authority'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 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 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 of a reasonable user based on these financial statements.

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 Authority'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 Authority's ability to continue as a going concern for a reasonable period of time.

Continued

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 Discussion and Analysis on pages 4 through 6, Schedule of Changes in Net Pension Liability and Related Ratios on pages 24 through 26, and Schedule of Pension Contributions on page 27 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.

Draffin & Tucker, LLP

Albany, Georgia
January 31, 2024



Hospital Authority of Floyd County Management's Discussion and Analysis For The Year Ended June 30, 2023

Our discussion and analysis of the Hospital Authority of Floyd County (Authority) financial performance provides an overview of the Authority's financial activities during the fiscal years ended June 30, 2023, 2022 and 2021. Please read it in conjunction with the Authority's financial statements and accompanying notes.

Organizational Highlights

- The leasing of assets to Floyd Healthcare Management, Inc.

Effective January 1, 1998, the Hospital Authority of Floyd County (Authority) leased all of its assets and operations to Floyd Healthcare Management, Inc. (Corporation) pursuant to a long-term lease agreement (Lease) under which the Corporation is obligated to operate Floyd Medical Center and all other medical facilities of the Authority and to otherwise perform the functions of the Authority. The Authority maintains a frozen pension plan for the benefit of eligible employees who were employed by the Authority at the time the Lease was implemented. The frozen pension plan is funded by contributions from the Corporation as required by the Lease.

Using This Annual Report

The Authority's financial statements consist of three statements - a balance sheet, 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 Authority, including resources held by the Authority but restricted for specific purposes by contributors, grantors or enabling legislation.

Fiduciary Fund

As described in Note 1 to the financial statements, the Authority adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, in 2021. Fiduciary funds are used to account for resources held for the benefit of individuals or units outside of the Authority. The Authority is the trustee or fiduciary responsible for assets, which can be used only for the trust beneficiaries per trust arrangements. The Authority is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the Authority's fiduciary activities are reported in separate statements of fiduciary net position and statements of changes in fiduciary net position. The accounting for fiduciary funds is much like that used for proprietary funds. The Authority's Floyd Medical Center Retirement Plan (Note 3) is reported under the fiduciary fund. Since the resources of this fund is not available to support the Authority's own programs, they are not reflected in the Authority's financial statements. The statements of fiduciary net position and the statements of changes in fiduciary net position can be found on pages 10 and 11, respectively of this report.

Continued

The Balance Sheet and Statement of Revenues, Expenses and Changes in Net Position

Our analysis of the Authority's finances begins on page 6. One of the most important questions asked about the Authority's finances is, "Is the Authority as a whole better or worse off as a result of the year's activities?" The balance sheet and the statement of revenues, expenses, and changes in net position report information about the Authority'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. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Authority's net position and changes in it. You can think of the Authority's net position - the difference between assets and liabilities - as one way to measure the Authority's financial health, or financial position. Over time, increases or decreases in the Authority's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the Authority's patient base and measures of the quality of service it provides to the community, as well as local economic factors to assess the overall health of the Authority.

The Statement of Cash Flows

The final required statement is the statement of cash flows. The statement reports cash receipts, cash payments, and net changes in cash resulting from operating, 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?"

Balance Sheet Data

The Authority's net position is the difference between its assets and liabilities reported on the balance sheet. The following table summarizes the balance sheets as of June 30, 2023, 2022 and 2021:

	<u>2023</u>	Restated <u>2022</u>	<u>2021</u>
Assets:			
Current assets	\$ 2,028,537	\$ 2,002,279	\$ 2,857
Due from related parties	8,521,930	9,423,416	9,572,890
Deferred outflows of resources	<u>1,970,996</u>	<u>-</u>	<u>1,046,000</u>
Total assets and deferred outflows of resources	\$ <u>12,521,463</u>	\$ <u>11,425,695</u>	\$ <u>10,621,747</u>
Liabilities, deferred inflows of resources and net position:			
Current liabilities	\$ -	\$ -	\$ -
Noncurrent liabilities	10,492,926	5,611,698	9,764,265
Deferred inflows of resources	-	3,835,097	863,619
Net position	<u>2,028,537</u>	<u>1,978,900</u>	<u>(6,137)</u>
Total liabilities, deferred inflows of resources and net position	\$ <u>12,521,463</u>	\$ <u>11,425,695</u>	\$ <u>10,621,747</u>

Continued

Management's Discussion and Analysis
For the year ended June 30, 2023

Balance Sheet Data, Continued

The only significant items on the Authority's balance sheet relate to the frozen pension plan and its deferrals as described in Note 3 and the due from Floyd Healthcare Management, Inc. receivable. A significant portion of the Floyd Healthcare Management, Inc. receivable is related to Floyd Healthcare Management, Inc.'s commitment to fund the pension plan through the lease agreement described in Note 1. See Note 3 for more information on the changes in these balances.

Statement of Revenue and Expense Data

The following table summarizes the revenues and expenses for the years ended June 30, 2023, 2022 and 2021:

	<u>2023</u>	Restated <u>2022</u>	<u>2021</u>
Operating revenues	\$ -	\$ -	\$ -
Operating expenses	<u>214,394</u>	<u>(1,148,917)</u>	<u>2,300,538</u>
Operating income (loss)	(214,394)	1,148,917	(2,300,538)
Total nonoperating expenses	<u>264,031</u>	<u>836,120</u>	<u>2,222,521</u>
Increase (decrease) in net position	49,637	1,985,037	(78,017)
Net position, beginning	<u>1,978,900</u>	<u>(6,137)</u>	<u>71,880</u>
Net position, ending	\$ <u>2,028,537</u>	\$ <u>1,978,900</u>	\$(<u>6,137)</u>

The change in pension benefit was caused by changes in market returns on pension assets. See Note 3 for more information.

Capital Assets and Debt

The Authority did not hold any investments in capital assets at the end of 2023, 2022 and 2021.

The Authority did not incur any indebtedness during 2023, 2022 and 2021.

Contacting the Authority's Financial Management

This financial report is designed to provide a general overview of the Authority's finances. If you have questions about this report or need additional financial information, contact the Authority finance department at the following:

Hospital Authority of Floyd County
304 Turner McCall Blvd.
P. O. Box 233
Rome, GA 30162-0233

HOSPITAL AUTHORITY OF FLOYD COUNTY

BALANCE SHEETS, June 30, 2023 and 2022

	<u>2023</u>	Restated <u>2022</u>
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current assets:		
Cash and cash equivalents	\$ 2,028,537	\$ 2,002,279
Other assets:		
Due from Floyd Healthcare Management, Inc.	<u>8,521,930</u>	<u>9,423,416</u>
Total assets	10,550,467	11,425,695
Deferred outflows of resources:		
Pension deferrals	<u>4,679,243</u>	<u>-</u>
Total assets and deferred outflows of resources	\$ <u>15,229,710</u>	\$ <u>11,425,695</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
Net pension liability	\$ 10,492,926	\$ 5,611,698
Deferred inflows of resources:		
Pension deferrals	<u>2,708,247</u>	<u>3,835,097</u>
Total liabilities and deferred inflows of resources	13,201,173	9,446,795
Net position:		
Unrestricted	<u>2,028,537</u>	<u>1,978,900</u>
Total liabilities, deferred inflows of resources, and net position	\$ <u>15,229,710</u>	\$ <u>11,425,695</u>

See auditor's report and notes to financial statements.

HOSPITAL AUTHORITY OF FLOYD COUNTY

STATEMENTS OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
for the years ended June 30, 2023 and 2022

	<u>2023</u>	Restated <u>2022</u>
Expenses:		
Operating expenses	\$ 4,259	\$ 32,172
Pension expense (benefit)	<u>210,135</u>	<u>(1,181,089)</u>
Total expenses (benefit)	<u>214,394</u>	<u>(1,148,917)</u>
Operating income (loss)	(214,394)	1,148,917
Nonoperating revenues (expenses):		
Noncapital contribution from Floyd Healthcare Management, Inc.	<u>264,031</u>	<u>836,120</u>
Increase in net position	<u>49,637</u>	<u>1,985,037</u>
Net position at beginning of year, originally reported	(21,100)	(6,137)
Error correction	<u>2,000,000</u>	<u>-</u>
Net position at beginning of year, restated	<u>1,978,900</u>	<u>(6,137)</u>
Net position at end of year	\$ <u>2,028,537</u>	\$ <u>1,978,900</u>

See auditor's report and notes to financial statements.

HOSPITAL AUTHORITY OF FLOYD COUNTY

STATEMENTS OF CASH FLOWS
for the years ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Payments to suppliers and contractors	\$(4,259)	\$(32,172)
Receipts from Floyd Healthcare Management, Inc.	888,379	2,543,624
Contribution to pension plan	1,135,000	-
Payments to the State of Georgia Department of Community Health	(<u>2,023,379</u>)	(<u>2,543,624</u>)
Net cash used by operating activities	(4,259)	(32,172)
Cash flows from noncapital financing activities:		
Noncapital contributions from Floyd Healthcare Management, Inc.	<u>30,517</u>	<u>2,031,594</u>
Net increase (decrease) in cash and cash equivalents	26,258	1,999,422
Cash and cash equivalents, beginning of year	<u>2,002,279</u>	<u>2,857</u>
Cash and cash equivalents, end of year	\$ <u><u>2,028,537</u></u>	\$ <u><u>2,002,279</u></u>
Reconciliation of operating income (loss) to net cash flows used by operating activities:		
Operating income (loss)	\$(214,394)	\$ 1,148,917
Adjustment to reconcile operating income (loss) to net cash used by operating activities:		
Pension expense (benefit)	<u>210,135</u>	(<u>1,181,089</u>)
Net cash used by operating activities	\$(<u><u>4,259</u></u>)	\$(<u><u>32,172</u></u>)

See auditor's report and notes to financial statements.

HOSPITAL AUTHORITY OF FLOYD COUNTY

STATEMENTS OF FIDUCIARY NET POSITION - PENSION TRUST FUND
 June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets:		
Investments, at fair value		
Money market funds	\$ 517,820	\$ 690,459
Mutual funds	18,283,944	24,021,924
Aetna group annuity	<u>246,691</u>	<u>295,517</u>
Total investments	<u>19,048,455</u>	<u>25,007,900</u>
Total assets	\$ <u>19,048,455</u>	\$ <u>25,007,900</u>
Total net position restricted for pensions	\$ <u>19,048,455</u>	\$ <u>25,007,900</u>

See auditor's report and notes to financial statements.

HOSPITAL AUTHORITY OF FLOYD COUNTY

STATEMENTS OF CHANGES IN FIDUCIARY NET POSITION - PENSION TRUST FUND
for the years ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Additions:		
Additions to net position attributed to:		
Investment income (loss):		
Net appreciation (depreciation) in fair value of investments	\$(4,430,304)	\$ 4,352,837
Interest and dividends	<u>1,413,481</u>	<u>1,251,584</u>
Total investment income (loss)	(<u>3,016,823</u>)	<u>5,604,421</u>
Total additions	(<u>3,016,823</u>)	<u>5,604,421</u>
Deductions:		
Deductions from net position attributed to:		
Participant distributions	(2,923,621)	(2,889,351)
Administrative expenses	(<u>19,001</u>)	(<u>23,189</u>)
Total deductions	(<u>2,942,622</u>)	(<u>2,912,540</u>)
Net increase (decrease)	(5,959,445)	2,691,881
Net position restricted for pensions:		
Beginning of year	<u>25,007,900</u>	<u>22,316,019</u>
End of year	\$ <u>19,048,455</u>	\$ <u>25,007,900</u>

See auditor's report and notes to financial statements.

HOSPITAL AUTHORITY OF FLOYD COUNTY

NOTES TO FINANCIAL STATEMENTS

June 30, 2023 and 2022

1. Summary of Significant Accounting Policies

Organization

The accompanying financial statements include the operations of the Hospital Authority of Floyd County (Authority). The following entities comprised the Hospital Authority of Floyd County at December 31, 1997: Floyd Medical Center, an acute care hospital providing inpatient, outpatient, and primary care services; Floyd Behavioral Health Center, a long-term care psychiatric facility; Heyman HospiceCare at Floyd; and Floyd Home Health Agency.

Pursuant to the Lease, Transfer and Reversion Agreement between the Hospital Authority of Floyd County and Floyd Healthcare Management, Inc. (Lease) the Authority leased the above described operations and substantially all of its net assets to Floyd Healthcare Management, Inc. (Corporation), effective January 1, 1998. The Corporation sold the home healthcare services in 2007. The consideration to be paid by the Corporation consists primarily of: payment of principal and interest on the Hospital Authority of Floyd County Revenue Anticipation Certificates; payment equal to the contribution the Authority is required to make to satisfy minimum funding obligations under the Authority's defined benefit pension plan with respect to benefits which had accrued under such plan prior to the Lease; and the provision of healthcare services to indigent, charity and other needy patients equal but not limited to a minimum dollar amount annually as set forth in the Lease.

In 2012, the Authority entered into a lease agreement with Cedartown-Polk County Hospital Authority (Cedartown-Polk Authority) to lease all of the assets associated with Polk Medical Center, a Critical Access Hospital providing inpatient and outpatient services. The lease had an effective date of April 1, 2012, at which time the assets and operations of Polk Medical Center transferred to the Authority. Upon signing the lease, the Corporation created a Georgia nonprofit corporation called Polk Medical Center, Inc. (PMCI) to manage the day to day operations of Polk Medical Center for the Authority through a management agreement. The Corporation is the sole member of PMCI. Pursuant to the lease, PMCI has applied for and was granted a Certificate of Need to build a new hospital to be owned by Cedartown-Polk Authority to replace the current facilities at Polk Medical Center at no cost to Cedartown-Polk Authority. Construction of the new hospital was completed in November 2014. On November 6, 2014 the new facility opened. When the new facility opened, the Authority lease with Cedartown-Polk Authority ended and PMCI began to operate the new facility pursuant to a new 35-year lease with Cedartown-Polk Authority. When the Authority's lease with Cedartown-Polk Authority ended, the assets, liabilities and operations of Polk Medical Center transferred to Polk Medical Center, Inc.

Fiduciary Fund

Following the Authority's financial statements are separate financial statements for the fiduciary fund. The Pension Trust Fund fiduciary fund is excluded from the Authority's financial statements as these assets are held in a trust capacity for the benefit of employees of the Authority who participate in the Floyd Medical Center Retirement Plan (Note 3) and cannot be used to support the Authority's programs.

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY
NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2023 and 2022

1. Summary of Significant Accounting Policies, Continued

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Enterprise Fund Accounting

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

The Authority prepares its financial statements as a business-type activity in conformity with applicable pronouncements of the Governmental Accounting Standards Board (GASB).

Cash and Cash Equivalents

Cash and cash equivalents include investments in highly liquid debt instruments with an original maturity of three months or less.

Deferred Inflows of Resources

Deferred inflows of resources consist of the unamortized portion of deferred pension expense. See Note 3 for additional information.

Deferred Outflows of Resources

Deferred outflows of resources consist of the unamortized portion of deferred pension expense and contributions made subsequent to the measurement date of the pension plan. See Note 3 for additional information.

Net Position

Net position of the Authority is classified as *unrestricted net position*. *Unrestricted net position* is the remaining net amount of assets, deferred outflows of resources, liabilities and deferred inflows of resources that are not invested in capital assets and do not contain restrictions on their use.

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY
NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2023 and 2022

1. Summary of Significant Accounting Policies, Continued

Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension items, and pension expense, information about the fiduciary net position of the defined benefit plan and additions to or deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Operating Revenues and Expenses

The Authority's statement of revenues, expenses and changes in net position distinguishes between operating and nonoperating revenues and expenses. Nonexchange revenues, including taxes, grants, and contributions received for purposes other than capital asset acquisition, are reported as nonoperating revenues. Operating expenses are all expenses incurred to administer the defined benefit plan.

Grants and Contributions

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

Income Taxes

The Authority is a governmental entity and is exempt from income taxes. Accordingly, no provision for income taxes has been considered in the accompanying financial statements.

Restricted Resources

When the Authority has both restricted and unrestricted resources available to finance a particular program, it is the Authority's policy to use restricted resources before unrestricted resources.

Risk Management

The Authority 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 and natural disasters. The Authority is indemnified by the Corporation pursuant to the lease. See Note 4 for more information.

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY
NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2023 and 2022

1. Summary of Significant Accounting Policies, Continued

Fair Value Measurements

GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability. GASB No. 72 also establishes a hierarchy of inputs to valuation techniques used to measure fair value. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. GASB No. 72 describes the following three levels of inputs that may be used:

- *Level 1*: Quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date. The fair value hierarchy gives the highest priority to Level 1 inputs.
- *Level 2*: Observable inputs such as quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.
- *Level 3*: Unobservable inputs for an asset or liability. The fair value hierarchy gives the lowest priority to Level 3 inputs.

Recently Adopted Accounting Pronouncement

In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100). GASB 100 amends GASB Statement No. 62 to enhance accounting and financial reporting requirements for accounting changes and error corrections. GASB 100 is effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The Authority has early adopted the provisions of GASB 100.

Error Correction

In 2022, the Authority received \$2,000,000 in cash from Floyd Medical Center, Inc. as a result of the Atrium transaction. This money was incorrectly recorded as a reduction of receivables due from Floyd Healthcare Management, Inc. for the year ending June 30, 2022. An adjustment of \$2,000,000 was recorded as revenue in 2022 to correct the treatment of the donation from Floyd Healthcare Management, Inc. This adjustment increased the beginning net position for the year ending June 30, 2023.

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY
NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2023 and 2022

1. Summary of Significant Accounting Policies, Continued

Error Correction, Continued

	June 30, 2022 as Previously Reported	Error Correction	June 30, 2022 as Restated
BALANCE SHEET			
Other assets:			
Due from Floyd Healthcare Management, Inc.	\$ <u>7,423,416</u>	\$ <u>2,000,000</u>	\$ <u>9,423,416</u>
Net position:			
Unrestricted	\$ (<u>21,100</u>)	\$ <u>2,000,000</u>	\$ <u>1,978,900</u>

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION

Nonoperating revenues (expenses):			
Noncapital contribution (to) from Floyd Healthcare Management, Inc.	\$ (<u>1,163,880</u>)	\$ <u>2,000,000</u>	\$ <u>836,120</u>

2. Bank Deposits

At June 30, 2023 and 2022, the Authority had bank balances as follows:

	2023	2022
FDIC coverage	\$ 250,000	\$ 250,000
Collateralized by securities held by the pledging financial institutions trust department in the Authority's name	-	-
Uncollateralized	<u>1,778,537</u>	<u>1,752,279</u>
Carrying value	\$ <u>2,028,537</u>	\$ <u>2,002,279</u>

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2023 and 2022

3. Employee Benefit Plan

The Authority has a single-employer defined benefit pension plan (Floyd Medical Center Retirement Plan) covering substantially all of its former employees. The pension plan provides retirement and death benefits to plan members and beneficiaries. The pension plan was frozen effective December 31, 1997. The benefits are based on 1.75% of average annual earnings for the three-year period immediately preceding January 1, 1993 times continuous services as of January 1, 1993, plus 1.75% of earnings for each plan year after January 1, 1993, with the total benefit subject to thirty-five continuous years of service maximum. The Authority's funding policy is to contribute annually an amount intended to provide for benefits attributed to service through December 31, 1997. Although the Lease requires the Corporation to provide certain minimum funding for the Authority's pension plan, the Authority remains liable for the benefits accrued under this plan. For more information on the pension plan, contact Floyd Medical Center Administration. An actuarial valuation of the plan was performed with a measurement date of June 30, 2022 and measurement period of July 1, 2021 to June 30, 2022.

Participant Data

The following is a summary of plan participants at January 1, 2021:

	<u>Number</u>	<u>Average Age</u>	<u>Average Monthly Accrued Benefit</u>
Active participants	70	56.4	\$205
Inactives with deferred benefits	151	60.3	\$228
Inactives receiving payment	<u>446</u>	72.8	\$536
Total participants	<u>667</u>		

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY
 NOTES TO FINANCIAL STATEMENTS, Continued
 June 30, 2023 and 2022

3. Employee Benefit Plan, Continued

Contribution Requirements

The Authority's funding policy of the plan is to fund the expected benefit payments, excluding payments made under the Aetna contract, plus expected non-investment related administrative expenses to be paid from the trust, less any credit balance. January 1, 2021 census data results were rolled forward to June 30, 2022 using standard methodology.

The Authority's 2023 and 2022 contribution requirements are as follows:

	<u>2023</u>	<u>2022</u>
Actuarially determined contribution	\$ -	\$ -
Contributions made in relation to the actuarially determined contribution	<u>1,135,000</u>	<u>-</u>
Contribution excess	\$ <u>1,135,000</u>	\$ <u>-</u>
Covered payroll	\$ <u>5,060,000</u>	\$ <u>5,000,000</u>
Contributions as a percentage of payroll	<u>22.4%</u>	<u>0.0%</u>

Assumptions and Other Inputs

Significant actuarial assumptions used in the valuation include an expected return on assets of 6% and a discount rate of 6%. Mortality rates were based on the amounts-weighted aggregate rates from the Pri-2012 mortality study projected generationally from 2012 with Scale MP-2021.

Changes in Assumptions

There was a change in the mortality assumption from the Pri-2012 mortality projected generationally from 2012 with Scale MP-2020 to Pri-2012 mortality projected generationally from 2012 with Scale MP-2021. Additionally, there was no change in the discount rate of 6%.

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2023 and 2022

3. Employee Benefit Plan, Continued

Changes in Assumptions, Continued

The following table illustrates the allocation of the Plan Fiduciary Net Position as of June 30, 2022 and 2021 measurement dates:

<u>Asset Class</u>	<u>2022 Allocation</u>	<u>2021 Allocation</u>
Large cap US equity	56%	56%
Small cap US equity	14%	14%
Core US fixed income	<u>30%</u>	<u>30%</u>
Total	<u>100%</u>	<u>100%</u>

The long-term expected rate of return on pension plan investments were provided by Aon Investment Consulting as of the second quarter 2022 expected return/risk tool and the target asset allocation as of the measurement date. The expected rates of return are presented as geometric means. The following table illustrates the expected nominal rate of return for each of the asset classes in the Plan Fiduciary Net Position as of June 30, 2022 and 2021 measurement dates:

<u>Asset Class</u>	<u>2022 Expected Nominal Return</u>	<u>2021 Expected Nominal Return</u>
Large cap US equity	6.5%	6.4%
Small cap US equity	7.0%	6.9%
Core US fixed income	3.1%	3.1%

The following tables illustrate the impact of interest rate sensitivity on the Net Pension Liability for fiscal years ending June 30, 2023 and 2022:

	<u>2023</u>		
	<u>1% Decrease 5.00%</u>	<u>Current Rate 6.00%</u>	<u>1% Increase 7.00%</u>
Total pension liability	\$ 32,011,659	\$ 29,541,381	\$ 27,403,178
Plan fiduciary net position	<u>19,048,455</u>	<u>19,048,455</u>	<u>19,048,455</u>
Net pension liability	\$ <u>12,963,204</u>	\$ <u>10,492,926</u>	\$ <u>8,354,723</u>
	<u>2022</u>		
	<u>1% Decrease 5.00%</u>	<u>Current Rate 6.00%</u>	<u>1% Increase 7.00%</u>
Total pension liability	\$ 33,273,310	\$ 30,619,598	\$ 28,330,657
Plan fiduciary net position	<u>25,007,900</u>	<u>25,007,900</u>	<u>25,007,900</u>
Net pension liability	\$ <u>8,265,410</u>	\$ <u>5,611,698</u>	\$ <u>3,322,757</u>

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2023 and 2022

3. Employee Benefit Plan, Continued

Changes in Net Pension Liability

The following table presents the changes in the Total Pension Liability, Plan Fiduciary Net Position, and Net Pension Liability for the years ended June 30, 2023 and 2022:

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Position Liability</u>
Balance recognized at June 30, 2021	\$ <u>32,080,284</u>	\$ <u>22,316,019</u>	\$ <u>9,764,265</u>
Changes recognized for the fiscal year:			
Interest on the total pension liability	1,838,136	N/A	1,838,136
Differences between expected and actual experience	(327,014)	N/A	(327,014)
Changes in assumptions	(82,457)	N/A	(82,457)
Contributions from the employer	-	-	-
Net investment income	N/A	5,604,421	(5,604,421)
Benefit payments	(2,889,351)	(2,889,351)	-
Administrative expenses	<u>N/A</u>	<u>(23,189)</u>	<u>23,189</u>
Net changes	<u>(1,460,686)</u>	<u>2,691,881</u>	<u>(4,152,567)</u>
Balance recognized at June 30, 2022	<u>30,619,598</u>	<u>25,007,900</u>	<u>5,611,698</u>
Changes recognized for the fiscal year:			
Interest on the total pension liability	1,750,745	N/A	1,750,745
Differences between expected and actual experience	-	N/A	-
Changes in assumptions	94,659	N/A	94,659
Contributions from the employer	-	-	-
Net investment income	N/A	(3,016,823)	3,016,823
Benefit payments	(2,923,621)	(2,923,621)	-
Administrative expenses	<u>N/A</u>	<u>(19,001)</u>	<u>19,001</u>
Net changes	<u>(1,078,217)</u>	<u>(5,959,445)</u>	<u>4,881,228</u>
Balance recognized at June 30, 2023	\$ <u>29,541,381</u>	\$ <u>19,048,455</u>	\$ <u>10,492,926</u>

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2023 and 2022

3. Employee Benefit Plan, Continued

Fair Value Measurement

Fair value of assets measured on a recurring basis at June 30, 2023 and 2022 are as follows:

	<u>June 30, 2023</u>	<u>Fair Value</u>	<u>Fair Value Measurement at Reporting Date Using</u>		
			<u>Quoted Prices In Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Money market funds		\$ <u>517,820</u>	\$ <u>-</u>	\$ <u>517,820</u>	\$ <u>-</u>
Mutual funds:					
Equity		12,837,846	12,837,846	-	-
Corporate bonds		<u>5,446,098</u>	<u>5,446,098</u>	-	-
Total mutual funds		<u>18,283,944</u>	<u>18,283,944</u>	-	-
Aetna group annuity		<u>246,691</u>	-	-	<u>246,691</u>
Total investments		\$ <u>19,048,455</u>	\$ <u>18,283,944</u>	\$ <u>517,820</u>	\$ <u>246,691</u>
<u>June 30, 2022</u>					
Money market funds		\$ <u>690,459</u>	\$ <u>-</u>	\$ <u>690,459</u>	\$ <u>-</u>
Mutual funds:					
Equity		12,708,757	12,708,757	-	-
Corporate bonds		<u>11,313,167</u>	<u>11,313,167</u>	-	-
Total mutual funds		<u>24,021,924</u>	<u>24,021,924</u>	-	-
Aetna group annuity		<u>295,517</u>	-	-	<u>295,517</u>
Total investments		\$ <u>25,007,900</u>	\$ <u>24,021,924</u>	\$ <u>690,459</u>	\$ <u>295,517</u>

Financial assets valued using Level 1 inputs are based on unadjusted quoted market prices within active markets. Financial assets valued using Level 2 inputs are based primarily on quoted prices for similar investments in active or inactive markets. All assets and liabilities have been valued using a market approach.

Level 2 U.S. government agency securities and other fixed income are primarily valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2023 and 2022

3. Employee Benefit Plan, Continued

Fair Value Measurement, Continued

Level 3 inputs are based on a 7.5-year bond formula. The Aetna group annuity is a discontinued guaranteed annuity pension contract. The assets which remain under the discontinued contract are Aetna assets used to pay the guaranteed annuities. The guaranteed annuities are experience rated annually. If the overall experience is more favorable than assumed in the annuity purchase, the contract holder could receive a premium refund, payable at book value.

Deferred Inflows and Outflows

The following table presents components of deferred inflows and outflows of resources for the years ended June 30, 2023 and 2022:

	2023		2022	
	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Net difference between expected and actual earnings on pension plan investments	\$ 3,544,243	\$(2,708,247)	\$ -	\$(3,835,097)
Contributions made subsequent to measurement date	<u>1,135,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$ <u>4,679,243</u>	\$ <u>(2,708,247)</u>	\$ <u>-</u>	\$ <u>(3,835,097)</u>

Contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the following year. Other amounts recognized in the deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending</u>	<u>Amount</u>
2024	\$(75,459)
2025	9,903
2026	15,492
2027	<u>886,060</u>
Total	\$ <u>835,996</u>

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2023 and 2022

3. Employee Benefit Plan, Continued

Pension Benefit

	<u>2023</u>	<u>2022</u>
Interest cost	\$ 1,750,745	\$ 1,838,136
Expected return on investment	(1,413,481)	(1,251,584)
Administrative expense	19,001	23,189
Amortization of unrecognized liability gain	-	(327,014)
Amortization of unrecognized assumption change loss (gain)	94,659	(82,457)
Amortization of unrecognized asset gain	(<u>240,789</u>)	(<u>1,381,359</u>)
Total pension expense (benefit) recognized	\$ <u>210,135</u>	\$ <u>(1,181,089)</u>

GASB No. 68 requires a schedule of changes in net position liability and related ratios and a schedule of pension contributions for each of the last ten years to be presented as required supplementary information. However, due to the implementation of the standard in fiscal year 2015, the prior year information is not reasonably obtainable. Therefore, only information for the years available will be presented.

4. Commitments and Contingencies

Litigation

The Authority is involved in litigation arising in the normal course of business. Pursuant to the Lease described in Note 1, all liabilities resulting from litigation have been assumed by the Corporation. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the Authority's future financial position or results from operations.

5. Related Party Transactions

The Hospital Authority of Floyd County made transfers on behalf of Floyd Healthcare Management, Inc. for Indigent Care Trust Fund obligations and Upper Payment Limit transfers.

Pursuant to the Floyd Healthcare Management, Inc. Lease discussed in Note 1, Floyd Healthcare Management, Inc. is required to satisfy minimum funding obligations under the Authority's Pension Plan. The net amount due from Floyd Healthcare Management, Inc. related to the Authority's Pension Plan at June 30, 2023 and 2022 is approximately \$8,500,000 and \$9,400,000, respectively.

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY

NOTES TO FINANCIAL STATEMENTS, Continued
June 30, 2023 and 2022

6. Coronavirus

The COVID-19 coronavirus outbreak has put an unprecedented strain on the US healthcare system, disrupted or delayed production and delivery of materials and products in the supply chain, and caused staffing shortages. The extent of the impact of COVID-19 depends on certain developments, including the duration and spread of the outbreak, and remedial actions and stimulus measures adopted by local and federal governments, all of which are uncertain and cannot be predicted. At this point, the extent to which COVID-19 may impact the Authority's financial position or results of operations is uncertain. The federal Public Health Emergency for COVID-19 expired on May 11, 2023.

REQUIRED SUPPLEMENTAL INFORMATION

HOSPITAL AUTHORITY OF FLOYD COUNTY

SCHEDULE OF CHANGES IN NET PENSION
LIABILITY AND RELATED RATIOS

June 30, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability:									
Interest cost	\$ 1,750,745	\$ 1,838,136	\$ 2,064,334	\$ 2,181,547	\$ 2,243,507	\$ 2,352,933	\$ 2,408,397	\$ 2,312,788	\$ 2,293,527
Differences between expected and actual experience	-	(327,014)	-	(911,967)	-	(797,589)	266,293	(52,165)	296,082
Changes in assumptions*	94,659	(82,457)	2,013,277	(65,593)	(299,813)	(464,201)	(622,396)	2,842,932	-
Benefit payments	(2,923,621)	(2,889,351)	(2,926,092)	(2,832,465)	(2,825,330)	(2,673,710)	(2,825,259)	(2,377,726)	(2,272,001)
Net change in total pension liability	(1,078,217)	(1,460,686)	1,151,519	(1,628,478)	(881,636)	(1,582,567)	(772,965)	2,725,829	317,608
Total pension liability, beginning	<u>30,619,598</u>	<u>32,080,284</u>	<u>30,928,765</u>	<u>32,557,243</u>	<u>33,438,879</u>	<u>35,021,446</u>	<u>35,794,411</u>	<u>33,068,582</u>	<u>32,750,974</u>
Total pension liability, ending	<u>29,541,381</u>	<u>30,619,598</u>	<u>32,080,284</u>	<u>30,928,765</u>	<u>32,557,243</u>	<u>33,438,879</u>	<u>35,021,446</u>	<u>35,794,411</u>	<u>33,068,582</u>
Plan fiduciary net position:									
Contributions - employer	-	-	-	-	62,000	-	-	1,439,000	2,403,000
Net investment income	(3,016,823)	5,604,421	1,583,389	2,044,161	2,469,951	2,897,127	910,094	1,130,015	3,235,513
Benefit payments	(2,923,621)	(2,889,351)	(2,926,092)	(2,832,465)	(2,825,330)	(2,673,710)	(2,825,259)	(2,377,726)	(2,272,001)
Administrative costs	(19,001)	(23,189)	(25,088)	(25,267)	(24,979)	(24,208)	(32,421)	(22,431)	(22,516)
Net change in plan fiduciary net position	(5,959,445)	2,691,881	(1,367,791)	(813,571)	(318,358)	199,209	(1,947,586)	168,858	3,343,996

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY

SCHEDULE OF CHANGES IN NET PENSION
LIABILITY AND RELATED RATIOS, Continued

June 30, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Plan fiduciary net position, beginning	\$ <u>25,007,900</u>	\$ <u>22,316,019</u>	\$ <u>23,683,810</u>	\$ <u>24,497,381</u>	\$ <u>24,815,739</u>	\$ <u>24,616,530</u>	\$ <u>26,564,116</u>	\$ <u>26,395,258</u>	\$ <u>23,051,262</u>
Plan fiduciary net position, ending	<u>19,048,455</u>	<u>25,007,900</u>	<u>22,316,019</u>	<u>23,683,810</u>	<u>24,497,381</u>	<u>24,815,739</u>	<u>24,616,530</u>	<u>26,564,116</u>	<u>26,395,258</u>
Plan's net pension liability, ending	\$ <u>10,492,926</u>	\$ <u>5,611,698</u>	\$ <u>9,764,265</u>	\$ <u>7,244,955</u>	\$ <u>8,059,862</u>	\$ <u>8,623,140</u>	\$ <u>10,404,916</u>	\$ <u>9,230,295</u>	\$ <u>6,673,324</u>
Plan fiduciary net position as a percentage of pension liability	<u>64.48%</u>	<u>81.67%</u>	<u>69.56%</u>	<u>76.58%</u>	<u>75.24%</u>	<u>74.21%</u>	<u>70.29%</u>	<u>74.21%</u>	<u>79.82%</u>
Covered payroll	\$ <u>5,060,000</u>	\$ <u>5,000,000</u>	\$ <u>7,700,000</u>	\$ <u>8,200,000</u>	\$ <u>10,300,000</u>	\$ <u>10,500,000</u>	\$ <u>12,700,000</u>	\$ <u>13,100,000</u>	\$ <u>12,700,000</u>
Net pension liability as a percentage of payroll	<u>207.37%</u>	<u>112.23%</u>	<u>126.81%</u>	<u>88.35%</u>	<u>78.25%</u>	<u>82.13%</u>	<u>81.93%</u>	<u>70.46%</u>	<u>52.55%</u>

Continued

HOSPITAL AUTHORITY OF FLOYD COUNTY

SCHEDULE OF CHANGES IN NET PENSION
LIABILITY AND RELATED RATIOS, Continued

June 30, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015

*Changes in Assumptions

-
- | | |
|-------------|---|
| <u>2023</u> | <ul style="list-style-type: none">• A change in the mortality assumption to the Pri-2012 mortality projected generationally from 2012 with Scale MP-2021. |
| <u>2022</u> | <ul style="list-style-type: none">• A change in the mortality assumption from the RP-2006 Fully Generational Mortality Tables for Employees and Healthy Annuitants using Scale MP-2019 to Pri-2012 mortality projected generationally from 2012 with Scale MP-2020. |
| <u>2021</u> | <ul style="list-style-type: none">• A change in the discount rate from 7.00% to 6.00%• A change in the mortality assumption from the RP-2006 Fully Generational Mortality Tables for Employees and Healthy Annuitants using Scale MP-2018 to Pri-2012 mortality projected generationally from 2012 with Scale MP-2019. |
| <u>2020</u> | <ul style="list-style-type: none">• A change in the mortality assumption from the RP-2006 Fully Generational Mortality Tables for Employees and Healthy Annuitants using Scale MP-2017 to RP-2006 Fully Generational Mortality Tables for Employees and Healthy Annuitants using Scale MP-2018. |
| <u>2019</u> | <ul style="list-style-type: none">• A change in the mortality assumption from the RP-2014 Mortality Table for Employees and Healthy Annuitants (adjusted back to 2006) with a fully generational projection using Scale MP-2016 to RP-2006 Fully Generational Mortality Tables for Employees and Healthy Annuitants using Scale MP-2017. |
| <u>2018</u> | <ul style="list-style-type: none">• A change in the mortality assumption from the RP-2014 Mortality Table for Employees and Healthy Annuitants with a fully generational projection using Scale MP-2015 to RP-2014 Mortality Tables for Employees and Healthy Annuitants (adjusted back to 2006) with a fully generational projection using Scale MP-2016;• A change in the retirement rates to better reflect anticipated plan experience;• A change in the withdrawal rates to better reflect anticipated plan experience; and• A change in the optional payment form election percentages to better reflect anticipated plan experience |
| <u>2017</u> | <ul style="list-style-type: none">• A change in the mortality assumption from the RP-2014 Mortality Table for Employees and Healthy Annuitants with a fully generational projection using Scale MP-2014 to RP-2014 Mortality Tables for Employees and Healthy Annuitants (adjusted back to 2006) with a fully generational projection using Scale MP-2015. |
| <u>2016</u> | <ul style="list-style-type: none">• The mortality base table was updated from the RP-2000 Combined Healthy mortality table to the RP-2014 Mortality Tables for Employees and Healthy Annuitants.• The mortality projection scale was updated from Scale AA to Scale MP-2014.• The discount rate was updated from 7.25% to 7.00% |
| <u>2015</u> | None |

There have been no changes in benefit terms.

Information to present a ten-year history is not reasonably obtainable.

See independent auditor's report.

HOSPITAL AUTHORITY OF FLOYD COUNTY

SCHEDULE OF PENSION CONTRIBUTIONS

June 30, 2023, 2022, 2021, 2020, 2019, 2018, 2017, 2016 and 2015

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution**	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions made in relation to the actuarially determined contribution	<u>1,135,000</u>	<u>-</u>	<u>1,046,000</u>	<u>-</u>	<u>-</u>	<u>62,000</u>	<u>-</u>	<u>-</u>	<u>1,439,000</u>
Contribution excess	\$ <u>1,135,000</u>	\$ <u>-</u>	\$ <u>1,046,000</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>62,000</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>1,439,000</u>
Covered payroll	\$ <u>5,060,000</u>	\$ <u>5,000,000</u>	\$ <u>7,700,000</u>	\$ <u>8,200,000</u>	\$ <u>10,300,000</u>	\$ <u>10,500,000</u>	\$ <u>12,700,000</u>	\$ <u>13,100,000</u>	\$ <u>12,700,000</u>
Contributions as a percentage of payroll	<u>22.4%</u>	<u>0.0%</u>	<u>13.6%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.6%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>11.3%</u>

** The Plan is not subject to contribution rates.

Information to present a 10-year history is not reasonably obtainable.

See independent auditor's report.