HCMO-1: Notice of Material Change Transaction

Attachment E

Detailed Information About Curry Health District

1. Describe the Participating Entity.

a. Describe the Participating Entity's business, including business lines or segments.

Curry Health District is a 501(c)(3) health district organized under Oregon law. It owns and operates Curry General Hospital, an 18-bed critical access hospital located in Gold Beach, Oregon, as well as Curry Medical Center, in Brookings, Oregon. It also owns and operates three medical clinics. Curry Health District's business lines or segments include the following clinics and services: anesthesia, cardiopulmonary services, case management and social services, anticoagulation clinic, emergency department, gynecology, hospitalist services, laboratory, occupational therapy, orthopedics, pharmacy, physical therapy, radiology/imaging, pain management, podiatry, same day visits by appointment, sleep center, speech therapy, surgical services, and swing bed services.

b. Describe the Participating Entity's governance and operational structure (including ownership of or by a health care entity)

Curry Health District is a 501(c)(3) health district with an elected board of five directors. It owns and operates Curry General Hospital, Curry Medical Center, Curry Medical Practice, Curry Medical North, and Curry Family Medical. The governance documents for Curry Health District are attached as **Attachment E, Exhibit 1.b.**

c. Provide a diagram or chart showing the organizational structure and relationships between business entities.

See **Attachment E, Exhibit 1.c**.

d. List all of the Participating Entity's business entities currently licensed to operate in Oregon using HCMO-1b: Business Entities form. Provide the business name, assumed business name, business structure, date of incorporation, jurisdiction, principal place of business, and FEIN for each entity.

See **Attachment E, Exhibit 1.d**.

e. Provide financial statements for the most recent three fiscal years. If Party A also operates outside of Oregon, provide financial statements both for Party A nationally and for the Participating Entity's Oregon business.

See **Attachment E, Exhibit 1.e**.

f. **Describe and identify the Participating Entity's health care business.** A description of Curry Health District's business lines and services is set forth in item 1.a., above. Curry Health District has five service locations, including its hospital and two medical clinic locations in Gold Beach, Oregon; its medical center location in Brookings, Oregon; and its family care location in Port Orford, Oregon.

Provide responses to i-ix as applicable:

i. **Provider type (hospital, physician group, etc.)**
Curry Health District is a health district that owns and operates Curry General Hospital, a critical access hospital. It also owns and operates Curry Medical Center, which operates a 24/7 emergency department and offers both primary and specialty care, as well as Curry Medical Practice, Curry Medical North, and Curry Family Medical, all of which provide primary care services.

ii. **Service lines, both overall and in Oregon**
See response to item 1.a., above.

iii. **Products and services, both overall and in Oregon**
See response to item 1.a., above.

iv. **Number of staff and FTE, both overall and in Oregon**
Curry Health District has 397 employees and 344 FTEs (both in Oregon and overall).

v. **Geographic areas served, both overall and in Oregon**
Curry Health District serves Curry County, Oregon, and the surrounding areas.

vi. **Addresses of all facilities owned or operated using HCMO-1c: Facilities and Locations form**
See **Attachment E, Exhibit 1.f.vi**.

vii. **Annual number of people served in Oregon, for all business, not just business related to transaction**
Curry Health District served about 23,000 people in 2025.

viii. **Annual number of services provided in Oregon**

Curry Health District annually handles about 156,000 health care encounters.

ix. For hospitals, number of licensed beds
Curry General Hospital has 18 licensed beds.

2. Describe all mergers, acquisitions, and joint ventures that closed in the ten (10) years prior to filing this notice of material change transaction involving any entities party to the current proposed transaction, the same or related services, and health care entities. For each previous transaction, include:
In 2024, Curry Health District acquired North Bend Medical Center.

a. Legal names of all entities party to the transaction
Curry Health District and North Bend Medical Center

b. Type of transaction
Acquisition

c. Description of the transaction
Curry Health District took over all medical care at North Bend Medical Center

d. Date the transaction closed
December 2024

Attachment E

Exhibit 1.b.

Governance Documents

ARTICLE I
ORGANIZATION

SECTION 1: PREAMBLE

Curry Health District was established as of the 20th day of September 1983 by an election held on September 20, 1983. Curry Health District is organized, exists as, and exercises the powers and functions of, a health district under Oregon statutes relating to special districts and health districts. Curry Health District does business as Curry Health Network, and unless specifically referencing the area which comprises the geographical taxing district, shall be so referenced in these Bylaws as Curry Health Network.

SECTION 2: LIMITATIONS OF BYLAWS

These Bylaws are subject to applicable provisions of Oregon Revised Statutes relating to units of local government and health care facilities, including but not limited to government ethics, public records and meetings, performance of the duties imposed by statute upon the Curry Health Network Board of Directors, and district elections as they may exist or hereafter be amended.

SECTION 3: PRINCIPAL OFFICE

The principal office for the transaction of the business of Curry Health Network is hereby fixed as Curry General Hospital, 94220 Fourth Street, Gold Beach, Oregon, 97444.

SECTION 4: AUTHORIZED PURPOSES:

Consistent with ORS 440.320, the authorized purposes of Curry Health Network include:

A. Promoting the physical and mental health and well-being of district residents.

B. Providing clinically related diagnostic, treatment and rehabilitative services on an inpatient or outpatient basis;

C. Providing outreach programs in health care education, health care research and patient care;

D. Serving as a resource for health care providers in the district.

ARTICLE II

GOVERNING BOARD

SECTION 1: GENERAL POWERS

Subject to the limitations of these Bylaws, and the statutes of the State of Oregon (which, in any case of inconsistency shall supersede), the affairs and property of the Curry Health Network shall be governed by and managed under the authority of the Board of Directors.

SECTION 2: QUALIFICATIONS

Each member of the Board shall be an elector within the geographical taxing district. An individual who is an employee of Curry Health Network is not eligible to serve as a Board member. If questions exist regarding the eligibility of any candidate, the Board shall obtain an opinion from legal counsel prior to swearing in such person.

SECTION 3: NUMBER AND TERM OF DIRECTORS

The Board shall consist of five (5) members. The term of office of each elected Board member is four years, and shall begin July 1 following the regular District election.

SECTION 4: EFFECT OF ABSENCE

The term of a director shall expire when the director is absent from four or more consecutive meetings of the Board and the Board declares the position vacant.

SECTION 5: OATH OF OFFICE

Each newly elected or appointed Board member shall take an oath of office at a board meeting prior to assuming Board member duties.

SECTION 6: VACANCIES

The Board shall make every effort to promptly appoint new members as vacancies occur. Vacancies on the Board shall be filled by appointment of a majority of the remaining members of the Board. If a majority of the membership of the Board is vacant, or if a majority cannot agree, the vacancies shall be filled promptly by the County Court of Curry County. The period of service of a person appointed to fill a vacancy shall expire on June 30th following the next regular district election at which a successor is elected. The successor shall be elected to serve the remainder, if any, of the term for which the appointment was made. If the term for which the appointment was made expires June 30 after the election of the successor, the successor shall be elected to a full term. In either case the successor shall take office July 1 next following the election.

SECTION 7: POWERS OF THE DISTRICT

The Board shall have the powers necessary or appropriate to accomplish the purposes of ORS 440.315 to 440.420, including, but not limited to:

A. To provide directly or indirectly any physical or mental health related services.

B. To make any contract or agreement, to purchase and lease real and personal property, to enter into business arrangements or relationships with public or private entities, and to create and participate fully in the operation of any business structure, including the development of business structures and arrangements for health care delivery systems and managed care plans.

C. To participate in community sponsored health screening, prevention, wellness, improvement or other activities that address the physical or mental health needs of

district residents. Such participation may include clinical, financial, administrative, volunteer or other support considered appropriate by the Board.

ARTICLE III

MEETINGS

SECTION 1: PUBLIC ATTENDANCE

All meetings of the Board, whether regular or special, shall be open to the public unless the subject to be discussed falls within the exceptions pertaining to Executive Sessions contained in Oregon's Public Meetings Law (ORS 192.660(2).

SECTION 2: TIME AND PLACE

A. Frequency of Regular Meetings

    i. Regular meetings of the Board shall be held at least once each month.

B. Special Meetings

    i. The Board shall hold special meetings at the request of the Chief Executive Officer, Board Chair, or any two members of the Board. If the Board Chair is absent, special Board meetings may be held at the request of the Vice Chair. Special meetings shall not be held upon less than 24 hours public notice (ORS 192.640(3) of the time and place of such meeting and its purpose. No business shall be transacted except that which is described in the notice.

C. Recessed Meetings

    i. A quorum of the directors may recess any directors meeting to meet again at a stated day and hour, provided however, that in the absence of a quorum, a majority of the Directors present at any meeting may recess from time to time, until the time **is** fixed for the next regular meeting. Reasonable notice of the time and place of holding a recessed meeting should be given to absent Directors even if the time and place is fixed in the meeting so recessed.

D. Emergency Meetings

    i. Emergency meetings may be held at the request of the persons entitled to call special meetings, upon less than 24 hours notice in situations where a true emergency exists. An emergency exists where there are objective circumstances which, in the judgment of the person or persons calling the meeting, create a real and substantial risk of harm to the Network which would be substantially increased if the Board were to delay in order to give 24 hours notice before conducting the meeting. The convenience of Board members is not grounds for calling an emergency meeting.

ii. At the beginning of an emergency meeting, the Board Chair shall declare the reason for calling such meeting, and the reason the meeting could not have been delayed to give at least 24 hours notice, which shall be noted in the minutes (ORS 192.640(3). The Board shall then determine if the reasons are sufficient to hold an emergency meeting and, if not, shall immediately adjourn such meeting. Only business related directly to the emergency shall be conducted at an emergency meeting.

E. Place

i. With the exception of at least two meetings per year to be held in Port Orford for the convenience of northern District residents, Curry General Hospital shall be the usual location of regular meetings. With the consent of a majority of the Board, meetings may be held at any other place within the District. Only training sessions without any deliberative action may be held outside of the District.

F. Notice of Regular Meetings

i. The Board shall provide for and give public notice, reasonably calculated to give actual notice to interested persons including news media which have requested notice, of the time and place for holding regular meetings. The notice shall also include a list of the principal subjects anticipated to be considered at the meeting, but this requirement shall not limit the ability of a governing body to consider additional subjects.

G. Notice of Executive Sessions

i. If an executive session only will be held, the notice shall be given to the members of the governing body, to the general public and to news media which have requested notice, stating the specific provision of law authorizing the executive session.

SECTION 3: MINUTES

The Secretary of the Board shall cause to be kept at the principal office of the Network, a book of minutes of all meetings of the Board, showing the time and place, whether a regular or special meeting, and if special, how authorized, the notice given, the names of the Directors present, substance of discussion and a statement of the vote of the Directors on all motions and resolutions. Minutes of executive sessions shall be kept separately from minutes of public meetings. Minutes of executive sessions may be kept either in writing or by tape recording and shall be stored in a secure manner.

SECTION 4: QUORUM AND ACTION

The presence of three (3) or more Board members shall constitute a quorum to do business. If only a quorum is present, actions of the Board shall require a unanimous vote of those three (3) Board members.

ARTICLE IV

OFFICERS

SECTION 1: ELECTION

The officers of the Board shall be a Board Chair, a Vice Chair, a Secretary and a Treasurer, all of whom shall be elected or appointed to one-year terms by the Board from amongst its own membership at the first regular meeting in July. Such officers shall hold office until successors shall have been duly elected and qualified.

SECTION 2: DUTIES AND RESPONSIBILITIES

A. The Board Chair, serving as the chief governance officer of the Board, shall preside at all meetings of the Board; ensure that the Board fulfills its obligations as set forth in Oregon statutes, these Bylaws and the Board's governing policies then in-effect; and fulfill other responsibilities as may be delegated from time to time in the Board's governing policies.

B. In the event of the Board Chair's absence, disability or refusal to act, the Vice Chair shall have the powers and perform the duties of the Board Chair, and shall have such other powers and duties as the Board may from time to time determine.

C. The Secretary shall ensure CHN has processes in place for the issuance of notices of all regular and special meetings on orders of the Board Chair; to receive, route and assist with all correspondence of the Board; to keep or cause to be kept a record of the Board's proceedings, including minutes of all meetings (with confidential executive session minutes maintained separately); and that custody of all records and documents are maintained by the Network.

D. The Treasurer may advise the Board on matters of fiscal policy and ensure CHN has processes in place to send copies of the audit to state and local agencies as required.

ARTICLE V

COMMITTEES OF THE GOVERNING BOARD

SECTION 1: DESIGNATION

The Board may establish committees as deemed appropriate in carrying out its purposes. The resolution establishing any such committee shall state the purpose, composition guidelines, timeline and authority of the committee. Committees may be delegated duties and functions not inconsistent with the statutes of the State of Oregon. Such committees may be composed of Board members, non-Board members or both. The designation and appointment of any such Committee and the delegation thereto of authority shall not relieve the Board or any individual Board member of any responsibility imposed upon it, him, or her by law.

ARTICLE VI

CHIEF EXECUTIVE OFFICER

SECTION 1: AUTHORITY AND DUTIES

The Board shall employ a chief executive officer (CEO) with such duties and for such length of time as shall be determined by the Board. The CEO shall be given the necessary authority and be held responsible for the day-to-day operation of the Network, including the employment of additional staff, in accordance with these Bylaws and the then in-effect Governing Policies of the Board. The CEO shall act as the Network's Agent of Record.

ARTICLE VII

MEDICAL STAFF

SECTION 1: ORGANIZATION, APPOINTMENT AND HEARINGS

A. The Board shall organize the physicians and providers granted privileges in the Network into a Medical Staff under Bylaws, Rules and Regulations approved by the Board. The Board shall consider recommendations from the Medical Staff and appoint physicians, non-physician members, and dependent allied health professionals who meet the qualifications for membership as set forth in the Bylaws of the Medical Staff. Each member shall have appropriate authority and responsibility for the care of his/her patients subject to such limitations as are contained in these Bylaws and in the Bylaws, Rules and Regulations of the Medical Staff and subject further to any limitations attached to his/her appointment and privileges.

B. All applications for appointment to the Medical Staff shall be in writing and addressed to the Medical Staff President of Curry Health Network. They shall contain full information concerning the applicant's education and training, licensure, DEA registration, work history/current practice, previous and current hospital affiliations, and any unfavorable history with regard to licensure, privileges, and malpractice suits.

C. All members of the Medical Staff and dependent allied health professionals shall be required to present a current certificate of insurance from an insurance company licensed or approved to do business in the State of Oregon, to verify malpractice liability coverage with a minimum of $1,000,000 per claim or medical incident and $3,000,000 per aggregate. Failure to have the minimum amount of insurance will cause suspension of privileges to admit and treat patients.

D. All appointments to the Medical Staff shall be for two (2) years only, renewable by the Board.

E. Medical Staff Bylaws and related rules and regulations for the governance and operation of the Medical Staff may be proposed by the Medical Staff to the Board, but only those which are adopted by the Board shall become effective.

SECTION 2: MEDICAL CARE AND EVALUATION

A. The Board shall, in the exercise of its overall responsibility, assign to the Medical Staff reasonable authority to insure appropriate professional care for the patients of Curry Health Network.

B. The Medical Staff shall conduct an ongoing review and appraisal of the quality of professional care rendered in Curry Health Network and shall report such activities and their results to the Board.

C. The Medical Staff shall make recommendations to the Board concerning:

    i. Appointments, reappointments and other changes in medical staff status.

    ii. Granting of clinical privileges.

    iii. Disciplinary actions.

    iv. All matters relating to professional competency.

    v. Such specific matters as may be referred to it by the Board.

SECTION 3: MEDICAL STAFF BYLAWS, RULES AND REGULATIONS

There shall be Bylaws, Rules and Regulations and amendments thereto, for the Medical Staff that set forth its organization and government. Proposed Bylaws, Rules and Regulations should be developed by the Medical Staff and submitted to the Board for adoption. The Board may institute and adopt changes in Medical Staff Bylaws, Rules and Regulations, which are necessary to maintain licensing or accreditation or to meet legal or fiduciary duties, but it shall exercise such rights only after consultation with the Medical Staff.

ARTICLE VIII

DISTRICT AUXILIARIES

Inasmuch as there are persons residing in the service area of Curry Health Network who may wish to render volunteer services to Curry General Hospital or its clinics, an Auxiliary may be organized. Such Auxiliaries shall have their own Bylaws and be responsible to the Board.

ARTICLE IX

CONFLICT OF INTEREST

SECTION 1: COMPENSATION

All officers, employees and agents of the Network shall comply with the applicable Oregon Government Standards and Practices Laws contained in Chapter 244 of Oregon Revised Statutes as they now exist or may hereafter be amended. A schedule of such laws shall be incorporated herein and are made available to all personnel of the Network.

SECTION 2: DISCLOSURE

Board members shall disclose any personal interest which he or she may have in any matter pending before the Board. Board members shall withdraw from decisions that present an actual or potential conflict.

ARTICLE X

CONFIDENTIALITY

Board members will protect confidential information learned during the course of their duties and respect the confidentiality appropriate to issues of a sensitive nature. The Board shall comply with all state and federal laws (including the Health Insurance Portability and Accountability Act, HIPAA) regarding the use of confidential patient information and personnel information.

ARTICLE XI

BYLAWS

SECTION 1: INSPECTION

These Bylaws shall be kept in the principal office of the Network and shall be open for public inspection during normal business hours.

SECTION 2: AMENDMENTS

Any provision of these Bylaws may be amended by an affirmative vote of a majority of the Board after two reviews.

ARTICLE XII

ADOPTION

Upon adoption of these Bylaws, all prior Bylaws and amendments thereto are to be of no further force and effect and, provided further, that if any of these Bylaws, or any section or sections are found to be contrary to Oregon Revised Statutes, such Bylaws, section or sections are deemed to have no force and effect, but all remaining Bylaws, section or sections are to remain in full force and effect.

ADOPTED by the Board of Directors of Curry Health Network at their regular meeting on the 28th day of July, 2021.

_____

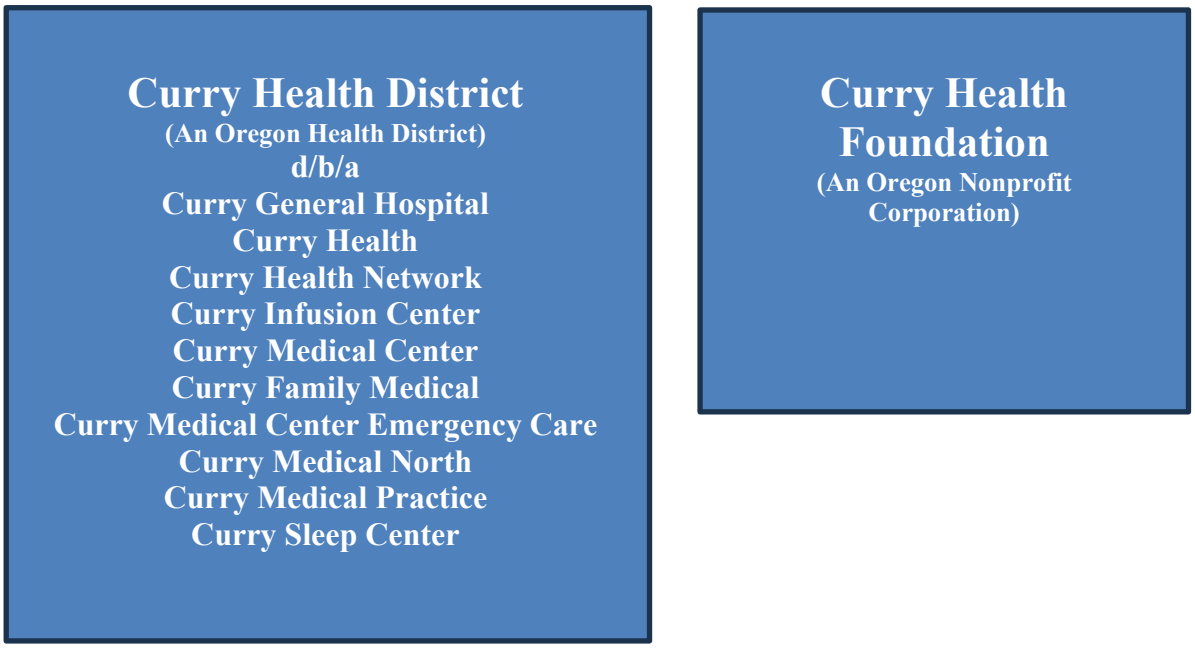
Attest: Board Secretary

Attachment E

Exhibit 1.c.

Organizational Chart or Structure

ORGANIZATIONAL CHART
CURRY HEALTH DISTRICT



Notes:

- Curry Health District has no affiliates.

Attachment E

Exhibit 1.d.

HCMO-1b: Business Entities Form

Health Care Market Oversight (HCMO) Program
HCMO-1b: Business Entities Form

List all business entities associated with parties to the proposed material change transaction that are currently registered to operate in Oregon. Please add additional rows or pages as needed. Submit the completed form in a portable document form (pdf) to hcmo.info@oha.oregon.gov. This form will be published.

Definitions

"**Business Name**" refers to the legal business name as reported to the Internal Revenue Service.

"**Assumed Business Name**" has the meaning provided in ORS 648.005.

"**Business Structure**" refers to type of structure, such as a corporation, partnership, LLC, or other.

"**Date Formed or Incorporated**" refers to the date when the business entity was formed or incorporated.

"**Jurisdiction**" refers to the state of domestic registration.

"**Principal Place of Business**" is the physical street address where the business is located.

"**FEIN**" means the 9-digit federal tax identification number assigned by the Internal Revenue Service.

Business entities associated with Party A

Entity Name: Curry Health District

Business Name	Assumed Business Name	Business Structure	Date Formed or Incorporated	Jurisdiction	Principal Place of Business	FEIN
Curry Health District	Curry General Hospital	501(c)(3) municipal corporation	September 20, 1983	Oregon	94220 4th Street, Gold Beach, Oregon 97444	93-0937095
Curry Health District	Curry Family Medical	501(c)(3) municipal corporation	September 20, 1983	Oregon	525 Madrona, Port Orford, Oregon 97465	93-0937095
Curry Health District	Curry Health	501(c)(3) municipal corporation	September 20, 1983	Oregon	94220 4th Street, Gold Beach, Oregon 97444	93-0937095
Curry Health District	Curry Health Network	501(c)(3) municipal corporation	September 20, 1983	Oregon	94220 4th Street, Gold Beach, Oregon 97444	93-0937095
Curry Health District	Curry Infusion Center	501(c)(3) municipal corporation	September 20, 1983	Oregon	94220 4th Street, Gold Beach, Oregon 97444	93-0937095
Curry Health District	Curry Medical Center	501(c)(3) municipal corporation	September 20, 1983	Oregon	500 5th Street, Brookings, Oregon 97415	93-0937095
Curry Health District	Curry Medical Center Emergency Care	501(c)(3) municipal corporation	September 20, 1983	Oregon	500 5th Street, Brookings, Oregon 97415	93-0937095

Business Name	Assumed Business Name	Business Structure	Date Formed or Incorporated	Jurisdiction	Principal Place of Business	FEIN
Curry Health District	Curry Medical North	501(c)(3) municipal corporation	September 20, 1983	Oregon	94180 2nd Street, Gold Beach, Oregon 97444	93-0937095
Curry Health District	Curry Medical Practice	501(c)(3) municipal corporation	September 20, 1983	Oregon	94220 4th Street, Gold Beach, Oregon 97444	93-0937095
Curry Health District	Curry Sleep Center	501(c)(3) municipal corporation	September 20, 1983	Oregon	94220 4th Street, Gold Beach, Oregon 97444	93-0937095

Click or tap here to enter text.

HCMO-1b: Business Entities Form

Supplemental Page
Curry Health District

Business Name	Assumed Business Name	Business Structure	Date Formed or Incorporated	Jurisdiction	Principal Place of Business	FEIN
Curry Health Foundation	NA	501(c)(3) nonprofit corporation	August 9, 1994	Oregon	29692 Ellensburg Avenue, Suite 11, Gold Beach, Oregon 97444	93-1155582

Attachment E

Exhibit 1.e.

Financial Statements

DINGUS | ZARECOR & ASSOCIATES PLLC
Certified Public Accountants

Board of Directors
Curry Health District
Gold Beach, Oregon

We have audited the financial statements of Curry Health District (the District) for the year ended June 30, 2023. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letters to you dated February 15, 2023 and September 28, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the District are described in Note 1 to the financial statements. As discussed in Note 1 to the financial statements, in 2022, the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter**.**

We noted no transactions entered in by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the District's financial statements were:

- Management's estimate of the allowance for uncollectible accounts and contractual adjustments is based on experience, third-party collection history, and any unusual circumstances.
- Management's estimate of the third-party settlements is based on interim payments, District expenses and revenues, and patient statistical data.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated November 16, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of resources and expenditures – budget vs. actual and the schedule of federal awards which accompanies the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

In the audit planning process, we identify balances, transactions, and disclosures that require specific audit attention due to a combination of their inherent risks and significance to the financial statements. Management override of controls and revenue recognition receive specific audit attention in all audits. We have identified the following for specific audit attention:

- The patient accounts receivable allowance for contractual adjustments and doubtful accounts (allowance) contains a risk of improper revenue recognition.
- Management override of controls.
- Implementation of the new subscription-based information technology arrangement creates a risk of material misstatement.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

Dingus, Zarecor & Associates PLLC

Spokane Valley, Washington
November 16, 2023

Curry Health District

Basic Financial Statements and
Independent Auditors' Reports

June 30, 2023 and 2022

DINGUS | ZARECOR & ASSOCIATES PLLC
Certified Public Accountants

Curry Health District
Table of Contents

Curry Health District
Table of Contents (Continued)

INTRODUCTORY SECTION

Curry Health District
Governing Board and Principal Employee
June 30, 2023 and 2022

Members of the Board of Directors as of July 1, 2022:

Maarten Van Otterloo	Board Chair
Karen Kennedy	Vice Chair
Joel Hensley	Secretary
Derral Hawthorne	Board Member
Bryan Grummon	Treasurer

Curry Health District has designated the following registered agent and office as of July 1, 2022.

Registered agent	Virginia Williams

The above individuals can be contacted at the address below:

94220 Fourth St.
Gold Beach, Oregon 97444

FINANCIAL SECTION

DINGUS | ZARECOR & ASSOCIATES PLLC
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT

Board of Directors
Curry Health District
Gold Beach, Oregon

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Curry Health District (the District) as of and for the years ended June 30, 2023 and 2022, 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 District as of June 30, 2023 and 2022, and the changes in its financial position and its 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, in 2023 the District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

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.

Auditors' 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 auditors' 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the management's discussion and analysis on pages 5-8 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the schedule of resources and expenditures – budget vs. actual are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 16, 2023, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters for the year ended June 30, 2023. We issued a similar report for the year ended June 30, 2022, dated December 12, 2022. The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Other Reporting Required by Regulatory Requirements

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 16, 2023, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Dingus, Zarecor & Associates PLLC

Spokane Valley, Washington
November 16, 2023

This "Discussion and Analysis" provides an overview of the financial activities of Curry Health District (the District) for the fiscal years ended June 30, 2023, 2022, and 2021. It should be read in conjunction with the District's financial statements that follow.

The District is a governmental entity organized under the laws of the state of Oregon with five publicly elected board members who serve four-year terms. The District levies and collects property taxes from property owners within the District. The Governmental Accounting Standards Board prescribes the financial reporting format for the District. The state of Oregon's Auditor's Office maintains copies of the audited financial statements.

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

One of the most important questions asked about the District's finances is, "Is the District better or worse off because 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. All the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's net position and changes in it. You can think of the District's net position — the difference between assets and liabilities — as one way to measure the District's 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. You will need to consider other nonfinancial factors, however, such as changes in the District's patient base and measures of the quality of service it provides to the community, as well as the local economic factors to assess the overall health of the District.

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 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?"

The District's Services

In fiscal year 2023, the District operated several healthcare facilities in Curry County, Oregon:

- A Rural Health Clinic in Port Orford – with 1,936 clinic and 677 ancillary visits
- Curry General Hospital in Gold Beach, a critical access hospital – with 4,595 emergency room visits, 501 hospital admissions, 7,155 clinic visits, 29,956 ancillary service (radiology, lab, therapy) visits, and 2,129 surgical procedures
- Curry Medical Center (CMC) in Brookings – with 25,405 clinic visits, 11,934 emergency room visits, and 26,237 ancillary service visits
- The District brought on five providers in FY2023, one MD on a per diem basis, and four mid-level providers between December 2022 and March 2023. One provider left the District in January 2023.
- In fiscal year 2023, 42 percent of the District's cash revenue was from traditional Medicare, 35 percent from commercial insurers, 20 percent Medicaid (OMAP), and 3 percent from patients.

Significant Events and Initiatives

The following events and transactions had significant financial impacts, which are reflected in the financial statements:

- The following Medicare cost report adjustments took place during the fiscal year:

$ 41,686	2019 Final Audit
434,754	2022 Cost Report Settlement
$476,440	Net amount received in cost report adjustments throughout fiscal year

Below are several initiatives in various stages of progress which will have financial impacts in future years. Each initiative will require varying amounts of manpower and management focus throughout their implementations.

- Accountable Care Organization (ACO) Membership
- Electronic Medical Record (EMR) Change from CPSI to Epic
- Enterprise Resource Planning (ERP) Change effective July 10, 2023 (required before converting EMR to Epic)
- CHN Chemo/Infusion Center
- Master Facilities Planning
- Work Force Housing

Risks

The District faces numerous financial risks, some of which derive from the healthcare industry and some from the local condition of the District's market and financial condition.

Table 1: Statements of Net Position:

	2023	2022	2021
Assets			
Current assets	**$ 39,688,740**	$ 38,028,741	$ 30,924,107
Capital assets, net	**38,290,916**	37,734,065	38,318,927
Other noncurrent assets	**1,549,263**	1,453,917	856,172
Total assets	**$ 79,528,919**	$ 77,216,723	$ 70,099,206
Liabilities			
Current liabilities	**$ 6,073,592**	$ 7,438,882	$ 6,251,010
Noncurrent liabilities	**36,608,500**	36,796,353	42,114,489
Total liabilities	**42,682,092**	44,235,235	48,365,499
Net position			
Net investment in capital assets	**19,811**	(940,851)	(852,785)
Restricted	**1,049,263**	953,917	856,172
Unrestricted	**35,777,753**	32,968,422	21,730,320
Total net position	**36,846,827**	32,981,488	21,733,707
Total liabilities and net position	**$ 79,528,919**	**$ 77,216,723**	**$ 70,099,206**

Table 2: Operating Results and Changes in Net Position

Contacting the District's Financial Management

This financial report is designed to provide our patients, suppliers, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the District's Chief Financial Officer's Office at Curry Health District, 94181 Fourth Street, Gold Beach, Oregon 97444.

	2023	2022	2021
Operating revenues			
Net patient service revenue	**$ 66,397,447**	$ 59,893,929	$ 53,733,401
Other operating revenue	**963,435**	658,900	228,742
Total operating revenues	**67,360,882**	60,552,829	53,962,143
Operating expenses			
Salaries, wages, and benefits	**30,833,492**	28,677,425	26,358,111
Professional fees	**18,621,129**	13,379,393	9,640,494
Depreciation and amortization	**4,238,946**	4,211,193	3,552,904
Supplies and other operating expenses	**10,707,959**	8,957,679	8,852,861
Total operating expenses	**64,401,526**	55,225,690	48,404,370
Operating gain (loss)	**2,959,356**	5,327,139	5,557,773
Nonoperating revenues (expenses)			
Taxation for bond principal and interest	**586,691**	595,924	568,117
Taxation for maintenance and operations	**895,365**	846,006	795,062
CARES Act Provider Relief Fund	**-**	1,627,442	4,998,174
COVID-19 grants	**-**	-	2,501,621
Interest income	**783,723**	118,736	129,365
Interest expense	**(1,579,873)**	(1,757,909)	(1,775,078)
Gain (loss) on disposal of capital assets	**35,000**	17,500	(3,193)
Other, net	**35,077**	322,303	2,103,903
Total nonoperating revenues (expenses), net	**755,983**	1,770,002	9,317,971
Change in net position before capital asset impairment, net of insurance settlement and gain on forgiveness of Paycheck Protection Program loan	**3,715,339**	7,097,141	14,875,744
Capital asset impairment, net of insurance settlement	**150,000**	(254,660)	-
Gain on forgiveness of Paycheck Protection Program loan	**-**	4,405,300	-
Change in net position	**3,865,339**	11,247,781	14,875,744
Net position, beginning of year	**32,981,488**	21,733,707	6,857,963
Net position, end of year	**$ 36,846,827**	$ 32,981,488	$ 21,733,707

BASIC FINANCIAL STATEMENTS

Curry Health District
Basic Statements of Net Position
June 30, 2023 and 2022

ASSETS	2023	2022
Current assets		
Cash and cash equivalents	**$ 366,842**	$ 2,895,748
Investments	**26,936,390**	23,285,070
Receivables:		
Patient accounts, net	**10,293,124**	9,998,557
Estimated third-party payor settlements	**1,113,188**	771,000
Property taxes	**138,547**	136,550
Other	**11,731**	14,575
Inventories	**624,446**	660,535
Prepaid expenses	**204,472**	266,706
Total current assets	**39,688,740**	38,028,741
Noncurrent assets		
Restricted investments - Certificates of Participation, Series 2010A reserve	**564,263**	565,917
Restricted investments - USDA loan reserve	**485,000**	388,000
Investments designated by the Board for electronic medical record system	**500,000**	500,000
Capital, lease and software right-of-use assets net of accumulated depreciation and amortization	**38,290,916**	37,734,065
Total noncurrent assets	**39,840,179**	39,187,982
Total assets	**$ 79,528,919**	$ 77,216,723

LIABILITIES AND NET POSITION	2023	2022
Current liabilities		
Accounts payable	**$ 2,448,507**	$ 3,085,699
Accrued compensation and related liabilities	**1,616,529**	2,113,969
Estimated third-party payor settlements	**49,549**	49,549
Accrued interest payable	**296,402**	311,102
Current maturities of long-term debt and other noncurrent liabilities	**1,662,605**	1,878,563
Total current liabilities	**6,073,592**	7,438,882
Noncurrent liabilities		
Long-term debt and other noncurrent liabilities, net of current maturities	**36,608,500**	36,796,353
Total noncurrent liabilities	**36,608,500**	36,796,353
Total liabilities	**42,682,092**	44,235,235
Net position		
Net investment in capital assets	**19,811**	(940,851)
Restricted	**1,049,263**	953,917
Unrestricted	**35,777,753**	32,968,422
Total net position	**36,846,827**	32,981,488
Total liabilities and net position	**$ 79,528,919**	$ 77,216,723

See accompanying notes to basic financial statements.

Curry Health District
Basic Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2023 and 2022

	2023	2022
Operating revenues		
Net patient service revenue	**$ 66,397,447**	$ 59,893,929
Other	**963,435**	658,900
Total operating revenues	**67,360,882**	60,552,829
Operating expenses		
Salaries and wages	**25,936,192**	23,865,989
Employee benefits	**4,897,300**	4,811,436
Professional fees and purchased services	**18,621,129**	13,379,393
Supplies	**6,175,627**	5,150,872
Utilities	**847,817**	786,054
Repairs and maintenance	**1,012,088**	1,099,323
Depreciation and amortization	**4,238,946**	4,211,193
Rent	**341,040**	323,230
Insurance	**702,454**	637,778
Other	**1,628,933**	960,422
Total operating expenses	**64,401,526**	55,225,690
Operating income	**2,959,356**	5,327,139
Nonoperating revenues (expenses)		
Taxation for bond principal and interest	**586,691**	595,924
Taxation for maintenance and operations	**895,365**	846,006
Grants	**35,077**	322,303
CARES Act Provider Relief Fund	**-**	1,627,442
Interest income	**783,723**	118,736
Interest expense	**(1,579,873)**	(1,757,909)
Gain on disposal of capital assets	**35,000**	17,500
Total nonoperating revenues, net	**755,983**	1,770,002
Change in net position before capital asset impairment, net of insurance settlement and gain on forgiveness of Paycheck Protection Program loan	**3,715,339**	7,097,141
Capital asset impairment, net of insurance settlement	**150,000**	(254,660)
Gain on forgiveness of Paycheck Protection Program loan	**-**	4,405,300
Change in net position	**3,865,339**	11,247,781
Net position, beginning of year	**32,981,488**	21,733,707
Net position, end of year	**$ 36,846,827**	$ 32,981,488

See accompanying notes to basic financial statements.

Curry Health District
Basic Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	2023	2022
Increase (Decrease) in Cash and Cash Equivalents		
Cash flows from operating activities		
Receipts from and on behalf of patients	**$ 65,760,692**	$ 58,201,810
Receipts from other revenue	**966,279**	658,900
Payments to or on behalf of employees	**(31,330,932)**	(28,983,150)
Payments to suppliers and contractors	**(29,867,957)**	(21,307,766)
Net cash from operating activities	**5,528,082**	8,569,794
Cash flows from noncapital financing activities		
Grants received	**-**	500
Property taxes for maintenance and operations	**893,368**	855,659
COVID-19 grant proceeds	**-**	301,557
CARES Act Provider Relief Fund proceeds	**-**	1,577,981
Net cash from noncapital financing activities	**893,368**	2,735,697
Cash flows from capital and related financing activities		
Property taxes for bond principal and interest	**586,691**	595,924
Principal paid on long-term debt and other noncurrent liabilities	**(2,332,836)**	(2,400,273)
Interest paid	**(1,594,573)**	(1,770,804)
Purchase of capital assets	**(2,831,772)**	(2,274,818)
Insurance settlement received	**150,000**	314,804
Capital grant	**35,077**	20,246
Net cash from capital and related financing activities	**(5,987,413)**	(5,514,921)
Cash flows from investing activities		
Interest received	**783,723**	118,736
Purchase of investments	**(3,746,666)**	(6,567,344)
Net cash from investing activities	**(2,962,943)**	(6,448,608)
Net change in cash and cash equivalents	**(2,528,906)**	(658,038)
Cash and cash equivalents, beginning of year	**2,895,748**	3,553,786
Cash and cash equivalents, end of year	**$ 366,842**	$ 2,895,748

See accompanying notes to basic financial statements.

Curry Health District
Basic Statements of Cash Flows (Continued)
Years Ended June 30, 2023 and 2022

	2023	2022
Reconciliation of Operating Income to Net		
Cash from Operating Activities		
Operating income	**$ 2,959,356**	$ 5,327,139
Adjustments to reconcile operating income to net cash from operating activities		
Depreciation and amortization	**4,238,946**	4,211,193
Provision for bad debts	**1,731,889**	1,649,556
(Increase) decrease in assets:		
Receivables:		
Patient accounts, net	**(2,026,456)**	(2,943,224)
Estimated third-party payor settlements	**(342,188)**	(448,000)
Other	**2,844**	-
Inventories	**36,089**	(56,626)
Prepaid expenses	**62,234**	(4,432)
Increase (decrease) in liabilities:		
Accounts payable	**(637,192)**	1,090,364
Accrued compensation and related liabilities	**(497,440)**	(305,725)
Estimated third-party payor settlements	**-**	49,549
Net cash from operating activities	**$ 5,528,082**	$ 8,569,794

Noncash Capital Financing Activities

During the year ended June 30, 2023, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, which resulted in recognizing seven software assets totaling $1,646,310.

During the year ended June 30, 2022, the District implemented GASB Statement No. 87, *Leases*, which resulted in recognizing twenty new right-of-use lease assets totaling $1,903,477.

During the year ended June 30, 2022, the District received $23,500 in credit towards the purchase of equipment from the trade in of existing equipment.

During the year ended June 30, 2023, the District received $35,000 in credit towards the purchase of equipment from the trade in of existing equipment.

See accompanying notes to basic financial statements.

1. Reporting Entity and Summary of Significant Accounting Policies:

The financial statements of Curry Health District (the District) have been prepared in accordance with generally accepted accounting principles (GAAP) in the United States of America. The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting and reporting policies and practices used by the District are described below.

a. Reporting Entity

The District owns and operates Curry General Hospital (the Hospital), an 18-bed acute care hospital, and multiple medical clinics which, combined with the Hospital, do business as Curry Health Network. The District provides healthcare services to patients in Curry County, as well as other patients in the Southern Oregon Coastal area. The District's services include the acute care hospital, surgery, emergency department, and related clinic and ancillary services (laboratory, radiology, etc.). Outpatient clinic services are provided from District-owned and leased facilities in Port Orford, Gold Beach, and Brookings.

The District also has dual status as a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code. The District is exempt from federal income tax.

The District was incorporated as a municipal corporation on October 17, 1983, and operates under the laws of the state of Oregon for Oregon Health Districts as provided by ORS 440.315-440.410. It is governed by an elected five-member board.

For financial reporting purposes, the District has included all funds, organizations, agencies, boards, commissions, and authorities. The District has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that the exclusion would cause the District's financial situation to be misleading or incomplete. The District has no material component units.

b. Summary of Significant Accounting Policies

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 the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Enterprise fund accounting – The District's accounting policies conform to accounting principles generally accepted in the United States of America as applicable to proprietary funds of governments. The District uses enterprise fund accounting. Revenue and expenses are recognized on the accrual basis using the economic resources measurement focus.

Cash and cash equivalents – Cash and cash equivalents include highly liquid investments with original maturity dates of three months or less.

Prepaid expenses – Prepaid expenses are expenses paid during the year relating to expenses incurred in future periods. Prepaid expenses are amortized over the expected benefit period of the related expense. Prepaid expenses include prepaid insurance and other expenses.

Inventories – Inventories are stated at cost on the first-in, first-out method. Inventories consist of pharmaceutical, medical-surgical, and other supplies used in the operation of the District.

1. **Reporting Entity and Summary of Significant Accounting Policies (continued):**

   b. **Summary of Significant Accounting Policies (continued)**

   Budgets – The District is required to prepare and adopt an annual operating budget in accordance with the state of Oregon (Oregon) Health District Law. This budget is presented differently, in some respects, from generally accepted accounting principles (GAAP). The differences are primarily that nonoperating transactions such as interest income, interest expense, and contributions are considered operating expenses and revenues for budgetary purposes.

   Restricted and designated noncurrent investments – Restricted investments consist of amounts restricted for debt reserves. The debt reserve funds are for the Certificates of Participation, Series 2010A bond, and the USDA Rural Development loan. The Board has also designated investments for an electronic medical record system.

   Compensated absences – The District's employees earn paid time off (PTO) at varying rates, depending on years of service. Employees can accumulate unused PTO from one year to the next with a maximum of 280 hours. All unused PTO is paid to employees in cash upon their termination of employment from the District, if proper notice has been given, subject to limits based on years of employment with the District. All exempt staff receive unlimited PTO and received a pay out of any unused PTO when the policy was changed. In addition, upon request, the District has the discretion to cash out a current employee's unused PTO in the event of a hardship.

   Net position – Net position of the District is classified into three components. *Net investment in capital assets* 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 net position* is noncapital 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 definition of *net investment in capital assets* or *restricted net position*.

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

   Operating revenues and expenses – The District's statements of revenues, expenses, and changes in net position distinguish between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions, including grants for specific operating activities associated with providing healthcare services — the District's principal activity. 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 provide healthcare services, other than financing costs.

   Grants and contributions – From time to time, the District receives grants from government entities and others 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 restricted for capital acquisitions are reported after nonoperating revenues and expenses. Grants that are restricted for specific projects or purposes related to the District's operating activities are reported as operating revenue. Grants that are used to subsidize operating deficits are reported as nonoperating revenue. Contributions, except for capital contributions, are reported as nonoperating revenue.

1. Reporting Entity and Summary of Significant Accounting Policies (continued):

b. Summary of Significant Accounting Policies (continued)

Reclassifications – Certain items included in the accompanying 2022 financial statements have been reclassified to conform to the 2023 presentation, with no effect on the previously reported change in net position.

Subsequent events – The District has evaluated subsequent events through November 16, 2023, the date on which the financial statements were available to be issued.

Changes in accounting principle – In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objectives of this statement are to (1) define a subscription-based information technology arrangement (SBITA); (2) establish that a SBITA results in a right-of-use subscription asset — an intangible asset — and a corresponding subscription liability; (3) provide the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) require note disclosures regarding a SBITA.

When the District adopted GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*, the District elected the transition option to apply the new guidance as of that effective date without adjusting comparative periods presented. Adoption of the standard required the District to recognize subscription liabilities of $1,646,310 and assets of $1,880,576 as of July 1, 2022. The adoption had no material impact on the statement of revenues, expenses, and changes in net position.

The District adopted GASB No. 96 during the year ended June 30, 2023. The District did not restate the financial statements for the year ended June 30, 2022, for GASB No. 96 due to management's determination that the restatement would not provide significant benefit to the financial statement users.

2. Bank Deposits and Investments:

As of June 30, 2023 and 2022, the District had deposits invested in various financial institutions in the form of operating cash, cash equivalents, and certificates of deposits in the amounts of $1,127,428 and $3,350,460, respectively. The District is required by Oregon Revised Statutes (ORS) Chapter 295 (ORS 295) to maintain any deposit accounts in financial institutions in excess of Federal Deposit Insurance Corporation (FDIC) coverage at certain "qualified" financial institutions. As of and for the years ended June 30, 2023 and 2022, all of the District's deposits in financial institutions in excess of FDIC coverage were maintained at "qualified" financial institutions.

2. Bank Deposits and Investments (continued):

ORS 295 governs the collateralization of Oregon public funds. Oregon's Public Funds Collateralization Program (the PFCP) was created by the Oregon State Treasurer (the OST) to facilitate bank depository, custodian, and public official compliance with ORS 295. Under the PFCP, which created a shared liability structure for participating depositories, these bank depositories are required to pledge collateral against any public funds' deposits in excess of deposit insurance amounts. Based on information the banks are required to report quarterly, the PFCP calculates each depository bank's minimum collateral (maximum liability) that must be pledged with the custodian for the next quarter. The OST can require pledged collateral to be 10 percent to 110 percent of the bank depository's uninsured public fund deposits. Federal Home Loan Bank is the agent of the depository. The pledged securities are designated as subject to the pledge agreement between the depository bank, Federal Home Loan Bank (the custodian bank), and the OST, and are held for the benefit of the OST on behalf of the public depositors.

3. Investments:

The District's investment balances and average maturities were as follows:

	2023				
		Investment Maturities in Years			Investment
	Fair Value	**Less than 1**	**1 to 5**	**Over 5**	Ratings
Investment in Local Government Investment Pool	$ 27,794,945	$ 27,794,945	$ -	$ -	Not applicable
Certificates of deposit	126,445	126,445	-	-	Not applicable
Short-term money market	564,263	564,263	-	-	Not applicable
Total investments	**$ 28,485,653**	**$ 28,485,653**	**$ -**	**$ -**	

Investments included in current assets	$ 26,936,390
Investments included in noncurrent assets	1,549,263
Total investments	$ 28,485,653

	2022				
		Investment Maturities in Years			Investment
	Fair Value	**Less than 1**	**1 to 5**	**Over 5**	Ratings
Investment in Local Government Investment Pool	$ 24,048,033	$ 24,048,033	$ -	$ -	Not applicable
Certificates of deposit	125,037	-	125,037	-	Not applicable
Short-term money market	565,917	565,917	-	-	Not applicable
Total investments	**$ 24,738,987**	**$ 24,613,950**	**$ 125,037**	**$ -**	

Investments included in current assets	$ 23,285,070
Investments included in noncurrent assets	953,917
Total investments	$ 24,238,987

ORS Chapter 294 authorizes municipal governments to invest their funds in a variety of investments including federal, state, and local government debt obligations; time deposit accounts, certificates of deposit, and savings accounts in qualified public depositories; the State of Oregon local government investment pool; and certain other investments. The District's investment policy does not further limit the types of investments the District may invest in.

3. Investments (continued):

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District has the following recurring fair value measurements as of June 30, 2023:

- Certificates of deposit of $126,445 are valued using observable inputs (Level 2).

The District had the following recurring fair value measurements as of June 30, 2022:

- Certificates of deposit of $125,037 are valued using observable inputs (Level 2).

Local Government Investment Pool – The investment in the Local Government Investment Pool (LGIP) is included in Oregon Short-Term Fund (OSTF) and the LGIP is not subject to fair value measurement under GASB 72 as the OSTF is an external government investment pool and the pool is not registered with the Securities and Exchange Commission. The Oregon Investment Council, with advice from the Treasurer and Oregon Short-Term Fund Board, adopts the policy for how the money held in the OSTF can be invested. As of June 30, 2023, the policy limited investments to Grade "A" investments including but not limited to U.S. Treasury, U.S. Agencies, corporate bonds, commercial paper, and foreign governments. A portion of the assets invested in the LGIP at June 30, 2023 and 2022, are included in cash and cash equivalents on the statements of net position.

Interest rate risk – Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The District's exposure to interest rate risk is minimal as the majority of its investments have a maturity of less than one year.

Credit risk – Credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization, such as Moody's Investor Service, Inc. The District's investments in such obligations are in government investment funds, certificates of deposit, and money markets. The District believes there is minimal credit risk with these obligations at this time.

Custodial credit risk – Custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer), the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's investments are generally held by qualified financial institutions or government agencies. The District believes there is minimal custodial credit risk with its investments at this time. District management monitors the entities which hold the various investments to ensure they remain in good standing.

Concentration of credit risk – Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District believes there is minimal concentration of custodial credit risk with its investments at this time. District management monitors the entities which hold the various investments to ensure they remain in good standing.

Restricted investments – Restricted investments as of June 30, 2023 and 2022, were held by a trustee under bond indenture agreement, and held by a trustee for the USDA debt reserve. Interest income, dividends, and both realized and unrealized gains and losses on investments are recorded as investment income.

Board designated assets – Designated investments as of June 30, 2023 and June 30, 2022, were designated by the board for the acquisition of a new electronic medical record system. The board may use these investments for other uses as its discretion.

4. Patient Accounts Receivable:

Patient accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectibility of patient accounts receivable, the District analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for uncollectible accounts. For receivables associated with services provided to patients who have third-party coverage, the District analyzes contractually due amounts and provides an allowance for uncollectible accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely). For receivables associated with self-pay patients (which include both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the District records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The District's allowance for uncollectible accounts for self-pay patients did not significantly change. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for uncollectible accounts.

Patient accounts receivable reported as current assets by the District consisted of these amounts:

	2023	2022
Receivables from patients and other insurance carriers	**$ 6,053,838**	$ 6,399,674
Receivables from Medicare	**2,931,311**	2,393,346
Receivables from Medicaid	**2,116,034**	2,013,832
Total patient accounts receivable	**11,101,183**	10,806,852
Less allowance for uncollectible accounts	**808,059**	808,295
Patient accounts receivable, net	**$ 10,293,124**	$ 9,998,557

5. Property Taxes:

The Curry County (the County) Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Taxes are levied annually on July 1 on property values listed as of the prior October 1. Remaining property tax balances due to the County after May 15 are considered delinquent. Collections are distributed monthly to the District by the County Treasurer.

Property taxes are recorded as receivables when levied. Since state law allows for sale of property for failure to pay taxes, no estimate of uncollectible taxes is made.

6. Capital Assets and Right-of-Use Assets:

All capital assets, other than land and construction in progress, are being depreciated or amortized (in the case of right-of-use assets), using the straight-line method over the shorter period of the right-of-use agreement term or the estimated useful life of the capital asset. Amortization from right-of-use leases is included in depreciation and amortization in the financial statements. Expenditures for maintenance and repairs are expensed as incurred; betterments and major renewals are capitalized. Useful lives have been estimated as follows:

Land improvements	5-25 years
Buildings and improvements	5-40 years
Fixed equipment	3-30 years
Movable equipment	3-20 years
Lease right-of-use assets – Buildings	2-5 years
Lease right-of-use assets – Equipment	2-5 years
Software right-of-use assets	1-5 years

The District capitalizes assets whose costs exceed $5,000 and with an estimated useful life of at least two years; lesser amounts are expensed. Capital assets are reported at historical cost or their estimated fair value at the date of donation. When such assets are disposed of, the related costs and accumulated depreciation or amortization are removed from the accounts, and the resulting gain or loss is classified in nonoperating revenues or expenses.

6. Capital and Right-of-Use Assets (continued):

Capital asset and right-of-use activity was as follows:

	Balance June 30, 2022	Additions	Retirements	Transfers	Balance June 30, 2023
Capital assets not being depreciated or amortized					
Land	$ 2,699,194	$ -	$ -	$ -	**$ 2,699,194**
Construction in progress	1,220,145	469,379	-	(1,215,144)	**474,380**
Total capital assets not being depreciated or amortized	3,919,339	469,379	-	(1,215,144)	**3,173,574**
Capital assets being depreciated or amortized					
Land improvements	3,363,181	-	-	-	**3,363,181**
Buildings and improvements	29,591,449	1,181,632	-	1,215,144	**31,988,225**
Fixed equipment	12,104,924	-	(154,900)	-	**11,950,024**
Movable equipment	12,840,743	1,210,860	(8,767)	-	**14,042,836**
Lease right-of-use assets - Building	329,774	-	-	-	**329,774**
Lease right-of-use assets - Equipment	2,711,530	4,901	(1,019,791)	-	**1,696,640**
Software right-of-use assets	-	1,929,025	-	-	**1,929,025**
Total capital assets being depreciated or amortized	60,941,601	4,326,418	(1,183,458)	1,215,144	**65,299,705**
Less accumulated depreciation and amortization for:					
Land improvements	820,941	197,572	-	-	**1,018,513**
Buildings and improvements	10,473,065	1,463,678	-	-	**11,936,743**
Fixed equipment	4,001,277	657,150	(154,900)	-	**4,503,527**
Movable equipment	9,972,236	1,107,025	(8,767)	-	**11,070,494**
Lease right-of-use assets - Building	90,175	90,175	-	-	**180,350**
Lease right-of-use assets - Equipment	1,769,181	516,435	(1,019,791)	-	**1,265,825**
Software right of use assets	-	206,911	-	-	**206,911**
Total accumulated depreciation or amortization	27,126,875	4,238,946	(1,183,458)	-	**30,182,363**
Total capital assets being depreciated and amortized, net	33,814,726	87,472	-	1,215,144	**35,117,342**
Capital assets, net	**$ 37,734,065**	**$ 556,851**	**$ -**	**$ -**	**$ 38,290,916**

6. Capital and Right-of-Use Assets (continued):

	Balance June 30, 2021	Additions	Retirements	Transfers	Balance June 30, 2022
Capital assets not being depreciated					
Land	$ 2,699,194	$ -	$ -	$ -	**$ 2,699,194**
Construction in progress	441,518	1,237,619	(61,336)	(397,656)	**1,220,145**
Total capital assets not being depreciated	3,140,712	1,237,619	(61,336)	(397,656)	**3,919,339**
Capital assets being depreciated					
Land improvements	3,341,559	-	-	21,622	**3,363,181**
Buildings and improvements	30,111,189	37,233	(787,226)	230,253	**29,591,449**
Fixed equipment	11,983,732	128,072	(6,880)	-	**12,104,924**
Movable equipment	13,626,677	956,782	(750,670)	(992,046)	**12,840,743**
Lease right-of-use assets - Building	-	329,774	-	-	**329,774**
Lease right-of-use assets - Equipment	-	1,573,703	-	1,137,827	**2,711,530**
Total capital assets being depreciated	59,063,157	3,025,564	(1,544,776)	397,656	**60,941,601**
Less accumulated depreciation for:					
Land improvements	625,136	195,805	-	-	**820,941**
Buildings and improvements	9,240,345	1,450,481	(217,761)	-	**10,473,065**
Fixed equipment	3,352,329	655,828	(6,880)	-	**4,001,277**
Movable equipment	10,667,132	947,806	(744,619)	(898,083)	**9,972,236**
Lease right-of-use assets - Building	-	90,175	-	-	**90,175**
Lease right-of-use assets - Equipment	-	871,098	-	898,083	**1,769,181**
Total accumulated depreciation	23,884,942	4,211,193	(969,260)	-	**27,126,875**
Total capital assets being depreciated, net	35,178,215	(1,185,629)	(575,516)	397,656	**33,814,726**
Capital assets, net	**$ 38,318,927**	**$ 51,990**	**$ (636,852)**	**$ -**	**$ 37,734,065**

Construction in progress at June 30, 2023, consists of security glass, siding, and a new chiller. These projects are expected to be complete in December 2023 with remaining total cost to complete $590,000. Also included in construction in progress is the 10 percent deposit for the EPIC implementation. The remaining estimated cost for the conversion is $2,923,000, and it is expected to go live in September 2024.

7. Long-term Debt, Lease, and Other Noncurrent Liabilities:

A schedule of balances and changes in the District's long-term debt, lease liabilities, and software subscription liabilities follows:

	Balance June 30, 2022	Additions	Reductions	Balance June 30, 2023	Amounts Due Within One Year
Certificates of Participation, Series 2010A	$ 9,455,000	$ -	$ (490,000)	$ 8,965,000	**$ 520,000**
Series 2010A discount	(89,847)	-	11,220	(78,627)	**-**
GO bonds, Series 2015	8,025,000	-	(325,000)	7,700,000	**335,000**
USDA loan	20,153,464	-	(274,101)	19,879,363	**283,830**
Siemens MRI	177,298	-	(177,298)	-	**-**
Celtic No.4 lease liability	205,458	-	(205,458)	-	**-**
Other lease liabilities	748,544	-	(408,052)	340,492	**178,103**
Software subscription liabilities	-	1,646,310	(181,432)	1,464,878	**345,672**
Total long-term debt and other noncurrent liabilities	**$ 38,674,917**	**1,646,310**	**(2,050,121)**	**38,271,106**	**1,662,605**

	Balance June 30, 2021	Additions	Reductions	Balance June 30, 2022	Amounts Due Within One Year
Certificates of Participation, Series 2010A	$ 9,915,000	$ -	$ (460,000)	$ 9,455,000	**$ 490,000**
Series 2010A discount	(101,571)	-	11,724	(89,847)	**-**
GO bonds, Series 2015	8,335,000	-	(310,000)	8,025,000	**325,000**
USDA loan	20,418,169	-	(264,705)	20,153,464	**274,101**
Siemens MRI	474,585	-	(297,287)	177,298	**177,297**
Celtic No. 4 lease liability	-	579,399	(373,941)	205,458	**205,458**
Oher lease liabilities	130,529	1,324,110	(706,095)	748,544	**406,707**
Paycheck Protection Program	4,405,300	-	(4,405,300)	-	**-**
Total long term-debt and other noncurrent liabilities	43,577,012	1,903,509	(6,805,604)	38,674,917	**1,878,563**

Certificates of Participation, Series 2010A – In March 2010, the District issued the Certificates of Participation, Series 2010A in the amount of $13,495,000, net of an original issue discount of $262,874. The proceeds from the Certificates of Participation, Series 2010A were used to build and provide equipment for a medical office building in Brookings, Oregon – Curry Medical Center (CMC). The Certificates of Participation, Series 2010A are secured by the financed assets pursuant to a deed of trust and require annual principal payments each January 1 ranging from $520,000 to $1,040,000. The Certificates of Participation, Series 2010A bear interest at rates ranging from 6.20 percent to 7 percent, payable semiannually each January 1 and July 1, through January 1, 2035. The Certificates of Participation, Series 2010A, maturing on or after January 1, 2021, are subject to optional prepayment on January 1, 2020, and on each July 1 and January 1 thereafter, at a prepayment price of 100 percent of the principal amount of such Certificates of Participation, Series 2010A, to be redeemed, plus accrued interest to the date of prepayment. Under the terms of the Certificates of Participation, Series 2010A agreement, the District is required to maintain certain deposits with a trustee. Such deposits are included with restricted investments in the financial statements. The agreement also requires that the District satisfy certain levels of insurance.

7. Long-term Debt, Lease, and Other Noncurrent Liabilities (continued):

General Obligation (GO) Bond, Series 2015 – In August 2015, the District issued the GO Bond, Series 2015 in the amount of $10,000,000. The proceeds from the GO Bond, Series 2015 were used in the construction of a critical access facility. The GO Bond, Series 2015 bears interest at 3.63 percent and requires principal payments ranging from $335,000 to $350,000 through June 2025. The GO Bond, Series 2015 is subject to mandatory tender for purchase by the District, at a purchase price equal to the outstanding principal balance plus accrued interest to the date of purchase. The dates of purchase are June 15, 2025 and June 15, 2035, if the District receives a waiver at the first purchase date. Outstanding principal balances as of the purchase dates are scheduled to be $7,015,000 and $2,770,000, respectively. If waivers are granted for both purchase dates, principal payments will range from $360,000 to $595,000 through June 2040 with the interest rate adjusting as disclosed in the GO Bond, Series 2015 agreement.

USDA loan – In September 2015, the District entered into an agreement with the USDA for the District to obtain financing for the construction of the critical access facility. The USDA loan will be repaid over 40 years with an interest rate ranging from 3.5 percent to 3.625 percent. The loan matures in April 2059. The loan is payable in monthly payments of $81,463, including interest. The loan is secured by all real property, fixtures, and equipment acquired and constructed as part of the construction project.

Paycheck Protection Program Loan – In April 2020, the District was granted a loan from Umpqua Bank in the aggregate amount of $4,405,300, pursuant to the Paycheck Protection Program (PPP) under Division A, Title I of the CARES Act, which was enacted March 27, 2020.

The District applied for PPP loan forgiveness in August 2021, and forgiveness was approved. The loan forgiveness is recorded as a Gain on Forgiveness of Paycheck Protection Program loan in the statements of revenues, expenses, and changes in net position.

Siemens MRI Loan – In 2015, the District entered into a financing agreement with Siemens Public, Inc., for an MRI in the amount of $1,948,059 that was paid in full as of June 30, 2023.

Celtic No. 4 lease liability – The District recognized Celtic No. 4 lease liability in the amount of $579,399 with the implementation of GASB No. 87 in the year ended June 30, 2022. The liability was paid in full as of June 30, 2023.

Other lease liabilities – The District recognized other lease liabilities in the amount of $1,324,110 with the implementation of GASB No. 87, in the year ended June 30, 2022. This is comprised of both equipment and building assets that have interest rates and payment amounts that are varied.

7. Long-term Debt, Lease, and Other Noncurrent Liabilities (continued):

Software subscription liabilities – The District recognized software subscription liabilities in the amount of $1,646,310 with the implementation of GASB No. 96, described in Note 1. This is comprised of assets that have interest rates and payment amounts that are varied.

Scheduled principal and interest payments are as follows:

Years Ending June 30,	Bonds and Notes Payable		
	Principal	Interest	Total
2024	$ 1,138,830	$ 1,562,049	$ 2,700,879
2025	1,193,906	1,508,613	2,702,519
2026	1,249,343	1,452,471	2,701,814
2027	1,310,151	1,390,570	2,700,721
2028	1,371,346	1,325,462	2,696,808
2029-2033	7,984,132	5,514,621	13,498,753
2034-2038	6,745,368	3,432,593	10,177,961
2039-2043	3,742,953	2,378,877	6,121,830
2044-2048	3,064,604	1,823,166	4,887,770
2049-2053	3,650,475	1,237,305	4,887,780
2054-2058	4,348,623	541,157	4,889,780
2059-2063	744,632	12,940	757,572
Total	**$ 36,544,363**	**$ 22,179,824**	**$ 58,724,187**

Years Ending June 30,	Lease Liabilities		
	Principal	Interest	Total
2024	$ 178,103	$ 12,783	$ 190,886
2025	110,082	5,047	115,129
2026	52,307	1,361	53,668
Total	**$ 340,492**	**$ 19,191**	**$ 359,683**

Years Ending June 30,	Software Subscription Liabilities		
	Principal	Interest	Total
2024	$ 345,672	$ 67,961	$ 413,633
2025	303,856	50,148	354,004
2026	330,785	34,389	365,174
2027	359,551	20,595	380,146
2028	125,014	2,175	127,189
Total	**$ 1,464,878**	**$ 175,268**	**$ 1,640,146**

8. Defined Contribution Retirement Plan:

Eligible employees may make elective contributions to the District's defined contribution retirement plan, Curry Health District 403(b) Plan (the Plan). The District made matching contributions of approximately $240,000 and $217,000 for the years ended June 30, 2023 and 2022, respectively. Participants are immediately vested in their own contributions to the Plan and vest in the District's contributions at a rate of 20 percent per year over five years of service. The Plan is administered by the District and can be amended or terminated by the District at any time. Forfeitures of nonvested contributions are used to reduce plan expenses.

Participant contributions to the Plan during the years ended June 30, 2023 and 2022, were approximately $1,057,000 and $990,000, respectively.

9. Net Patient Service Revenue:

The District recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered. For uninsured patients who do not qualify for charity care, the District recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). On the basis of historical experience, a significant portion of the District's uninsured patients will be unable or unwilling to pay for the services provided. The District's provisions for bad debts and writeoffs have not changed significantly from prior years. The District has not changed its charity care or uninsured discount policies during the years ended June 30, 2023 or 2022. The District does not maintain a material allowance for uncollectible accounts from third-party payors, nor did it have significant writeoffs from third-party payors. Patient service revenue, net of contractual adjustments and discounts (but before the provision for bad debts), recognized in the period from these major payor sources, is as follows:

	2023	2022
Patient service revenue (net of contractual adjustments and discounts):		
Medicare	**$ 28,696,713**	$ 24,163,963
Medicaid	**13,989,033**	12,754,213
Other third-party payors	**24,099,134**	23,096,901
Patients	**1,936,881**	1,970,109
	68,721,761	61,985,186
Less:		
Charity care	**592,425**	441,701
Provision for bad debts	**1,731,889**	1,649,556
Net patient service revenue	**$ 66,397,447**	$ 59,893,929

9. Net Patient Service Revenue (continued):

The District has agreements with third-party payors that provide for payments at amounts different from its established rates. A summary of the payment arrangements with major third-party payors is as follows:

- *Medicare* – The District is classified as a critical access hospital and is reimbursed for most inpatient and outpatient services at cost with final settlement determined after submission of annual cost reports by the District and subject to audits thereof by the Medicare administrative contractor. Physician services are reimbursed on a fee schedule.
- *Medicaid* – For patients covered by Medicaid managed care insurance, inpatient and outpatient services are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. For all other Medicaid patients, the District is reimbursed at cost for most hospital and physician services, with final settlement determined after submission of annual cost reports by the District and review thereof by the Oregon Health Authority. The Oregon Health Authority's administrative procedures preclude final determination of amounts due to the District for such services until after the District's annual cost report is audited or otherwise reviewed or settled upon by Oregon Health Authority. The fee for Service Medicaid is transitioning to a prospective payment program in January 2024. The District is still evaluating the impact of this change.

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

Laws and regulations governing Medicare, Medicaid, and other programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Due to differences between original estimates and final settlements or revised estimates, net patient service revenue increased by approximately $3,000 and $101,000 in 2023 and 2022, respectively.

The District provides charity care to patients who are financially unable to pay for the healthcare services they receive. The District's policy is not to pursue collection of amounts determined to qualify as charity care. Accordingly, the District does not report these amounts in net operating revenues or in the allowance for uncollectible accounts. The District determines the costs associated with providing charity care by aggregating the applicable direct and indirect costs, including salaries and wages, benefits, supplies, and other operating expenses, based on data from its costing system. The costs of caring for charity care patients for the years ended June 30, 2023 and 2022, were approximately $321,000 and $229,000, respectively.

10. CARES Act Provider Relief Fund:

The District received $6,637,000 of Provider Relief Funds in total during the years ended June 30, 2020, 2021 and 2022. These funds were required to be used to reimburse the District for healthcare-related expenses or lost revenues that are attributable to coronavirus. The District recorded these funds as deferred grant revenue until eligible expenses or lost revenues were recognized. During the year ended June 30 2022, the District recognized $1,627,442 of grant revenue from these funds. The District had $-0- remaining in 2023 and 2022 to use for healthcare-related expenses or lost revenues that are attributable to coronavirus in the next fiscal year.

11. Risk Management and Contingencies:

Risk management – The District is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Medical malpractice claims – The District has professional liability insurance with Physicians Insurance: A Mutual Company (Physicians). The Physicians policy provides protection on a "claims-made" basis whereby only malpractice claims reported to the insurance carrier in the current year are covered by the current policies. If there are unreported incidents which result in a malpractice claim in the current year, such claims would be covered in the year the claim was reported to the insurance carrier only if the District purchased claims-made insurance in that year or the District purchased "tail" insurance to cover claims incurred before but reported to the insurance carrier after cancellation or expiration of a claims-made policy. The malpractice insurance provides $1,000,000 per claim of primary coverage with an annual aggregate limit of $5,000,000.

The District also has excess professional liability insurance with Physicians on a claims-made basis. The excess malpractice insurance provides $5,000,000 per claim of primary coverage with an annual aggregate limit of $5,000,000.

No liability has been accrued for future coverage of acts, if any, occurring in this or prior years. Also, it is possible that claims may exceed coverage available in any given year.

Industry regulations – The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditations, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity continues with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes no significant violations have been made by the District.

While no regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

12. Concentrations:

Patient Accounts Receivable – The District grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The majority of these patients are geographically concentrated in and around Curry County.

The mix of receivables from patients was as follows:

	2023	2022
Medicare	**32 %**	30 %
Medicaid	**19**	19
Other third-party payors	**44**	46
Patients	**5**	5
	100 %	100 %

Physicians – The District is dependent on local physicians practicing in its service area to provide admissions and utilize hospital services on an outpatient basis. A decrease in the number of physicians providing these services or change in their utilization patterns may have an adverse effect on the District's operations.

13. Subsequent Events:

The District paid cash for the following properties subsequent to June 30, 2023:

- 94202 2nd Street, R13953, Gold Beach, OR 97444 – $247,500
- 94209 4th Street, R16289, Gold Beach, OR 97444 – $330,000
- 29650 Stewart Street, R15612, Gold Beach, OR 97444 – $575,000

SUPPLEMENTAL INFORMATION

Curry Health District
Schedule of Resources and Expenditures – Budget vs. Actual (Non-GAAP Budgetary Basis)
Year Ended June 30, 2023

	Budget	Actual	Variance Favorable (Unfavorable)
Operating revenue			
Net patient revenue	$ 63,477,921	$ 66,397,447	$ 2,919,526
Other operating revenue	599,063	963,435	364,372
Total operating revenues	64,076,984	67,360,882	3,283,898
Operating expenses			
Salaries and wages	25,466,616	25,936,192	(469,576)
Employee benefits	5,322,753	4,897,300	425,453
Contract labor	12,679,186	15,478,807	(2,799,621)
Professional fees	702,628	667,020	35,608
Purchased services	4,222,171	3,487,390	734,781
Supplies	3,097,061	4,154,057	(1,056,996)
Pharmaceuticals	2,461,475	2,021,570	439,905
Utilities	833,408	847,817	(14,409)
Insurance	855,619	702,454	153,165
Rent	1,213,232	341,040	872,192
Depreciation and amortization	3,337,310	4,238,946	(901,636)
Other expenses	973,381	1,628,933	(655,552)
Total operating expenses	61,164,840	64,401,526	(3,236,686)
Operating income	2,912,144	2,959,356	47,212
Nonoperating revenue and expenses			
Interest	(1,614,636)	(1,579,873)	34,763
Other revenues and expenses, net	1,622,619	2,485,856	863,237
Total nonoperating revenues, net	7,983	905,983	898,000
Change in net position	**$ 2,920,127**	**$ 3,865,339**	**$ 945,212**

ADDITIONAL REQUIRED REPORTS

Curry Health District
Audit Comments and Disclosures Required by Oregon State Regulations
Year Ended June 30, 2023

Audit Comments and Disclosures Required by State Regulations

Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments, and disclosures required in audit reports. The required statements and schedules are set forth in the preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth in the following pages.

DINGUS | ZARECOR & ASSOCIATES PLLC
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

Board of Directors
Curry Health District
Gold Beach, Oregon

We have audited the basic financial statements of Curry Health District (the District) as of and for the year ended June 30, 2023, and have issued our report thereon dated November 16, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements as of and for the year ended June 30, 2023, are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules (OAR) 162-010-000 through 162-010-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to, the following:

- Deposit of public funds with financial institutions (ORS Chapter 295)
- Indebtedness limitations, restrictions, and repayment
- Budgets legally required (ORS Chapter 440)
- Insurance and fidelity bonds in force or required by law
- Programs funded from outside sources
- Authorized investment of surplus funds (ORS Chapter 294)
- Public contracts and purchasing (ORS Chapters 279A, 279B, and 279C)

In connection with our testing, nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts and grant agreements, including the provisions of the ORS as specified in OAR 162-010-000 through 162-010-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations.*

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OAR 162-010-0230 Internal Control

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Restriction on Use

This report is intended solely for the information and use of the Board of Directors; management; others within the District; and the Secretary of State, Oregon Audits Division, and is not intended to be, and should not be, used by anyone other than these specified parties.

DINGUS, ZARECOR & ASSOCIATES PLLC

Spokane Valley, Washington
November 16, 2023

SINGLE AUDIT

AUDITORS' SECTION

DINGUS | ZARECOR & ASSOCIATES PLLC
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Curry Health District
Gold Beach, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of Curry Health District (the District) as of and for the year ended June 30, 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, and have issued our report thereon dated November 16, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the basic financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

DINGUS, ZARECOR & ASSOCIATES PLLC

Spokane Valley, Washington
November 16, 2023

DINGUS | ZARECOR & ASSOCIATES PLLC
Certified Public Accountants

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Curry Health District
Gold Beach, Oregon

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Curry Health District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2023. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of audit findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Dingus, Zarecor & Associates PLLC

Spokane Valley, Washington
November 16, 2023

Curry Health District
Schedule of Audit Findings and Questioned Costs
Year Ended June 30, 2023

Section I – Summary of Auditors' Results

Financial Statements:

Type of auditors' report issued:	***Unmodified***			
Internal control over financial reporting:				
• Material weakness(es) identified?	____	yes	X	no
• Significant deficiency(ies) identified?	____	yes	X	none reported
Noncompliance material to financial statements noted?	____	yes	X	no

Federal Awards:

Internal control over major programs:				
• Material weakness(es) identified?	____	yes	X	no
• Significant deficiency(ies) identified?	____	yes	X	none reported
Type of auditors' report issued on compliance for major federal programs:	***Unmodified***			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.526(a)	____	yes	X	no

Identification of major federal programs:

Federal Assistance Listing Number	*Name of Federal Program or Cluster*
93.498	Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural Distribution
10.766	Community Facilities Loans and Grants

Dollar threshold used to distinguish between type A and type B programs: $750,000

Auditee qualified as low-risk auditee? X yes ____ no

Section II – Financial Statement Findings

There are no matters reported for 2023. Therefore, no corrective action plan is necessary, nor has one been prepared.

Section III – Federal Award Findings and Questioned Costs

There are no matters reported for 2023. Therefore, no corrective action plan is necessary, nor has one been prepared.

AUDITEE'S SECTION

Curry Health District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Additional Award Information	Total Federal Expenditures
U.S. Department of Agriculture Direct Programs:				
Community Facilities Loans and Grants Cluster:				
Community Facilities Loans and Grants	10.766			**$ 20,153,464**
U.S. Department of Health and Human Services Pass-through Programs From:				
Oregon Health & Sciences University				
Small Rural Hospital Improvement Grant Program	93.301	Oregon Health & Sciences University,1015654_SHIP_CURRY		**11,290**
U.S. Department of Health and Human Services Direct Programs:				
Provider Relief Fund (PRF) and American Rescue Plan (ARP) Rural Distribution	93.498		COVID-19	**1,477,981**
Total U.S. Department of Health and Human Services				**1,489,271**
Total expenditures of federal awards				**$ 21,642,735**

See accompanying independent auditors' report and notes to the schedule of expenditures of federal awards.

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation:

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Curry Health District (the District) under programs of the federal government for the year ended June 30, 2023. Amounts reported for the Federal Assistance Listing Number 93.498 – Provider Relief Fund and American Rescue Plan (ARP) Rural Distribution are based on the December 31, 2022, Provider Relief Fund report. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

2. Summary of Significant Accounting Policies:

Expenditures reported on this Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

3. Direct Loan:

Nonmonetary assistance in the form of a direct loan is included in the accompanying schedule of expenditures of federal awards. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The related loan balance was $19,879,363 at June 30, 2023.

Curry Health District
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023

The audit for the year ended June 30, 2022, reported no audit findings, nor were there any unresolved prior year findings for year ended June 30, 2021, or prior. Therefore, there are no matters to report in this schedule for the year ended June 30, 2023.

Curry Health District

Financial Indicators

June 30, 2023

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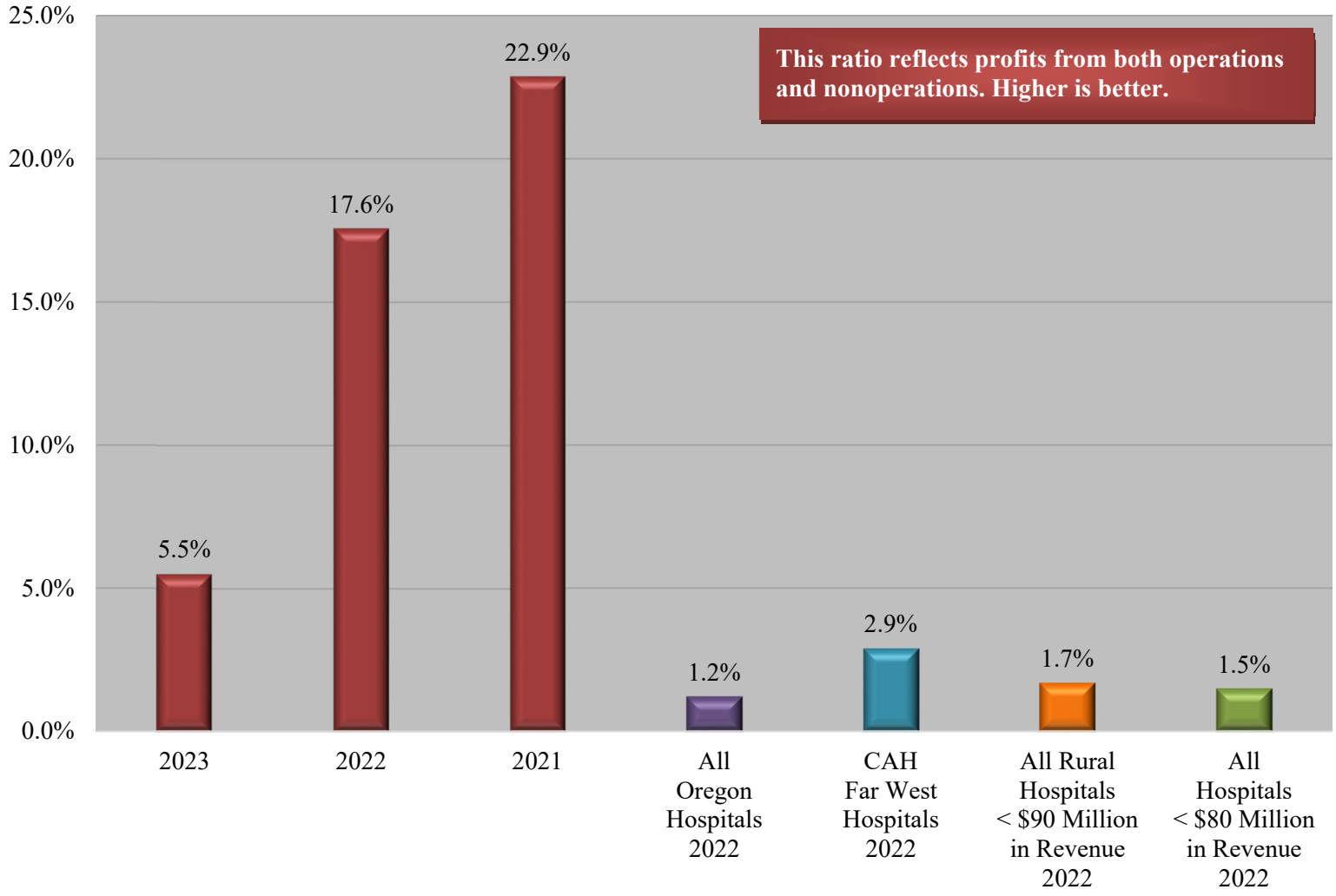
Curry Health District

Total Margin

Change in Net Position
Total Revenues



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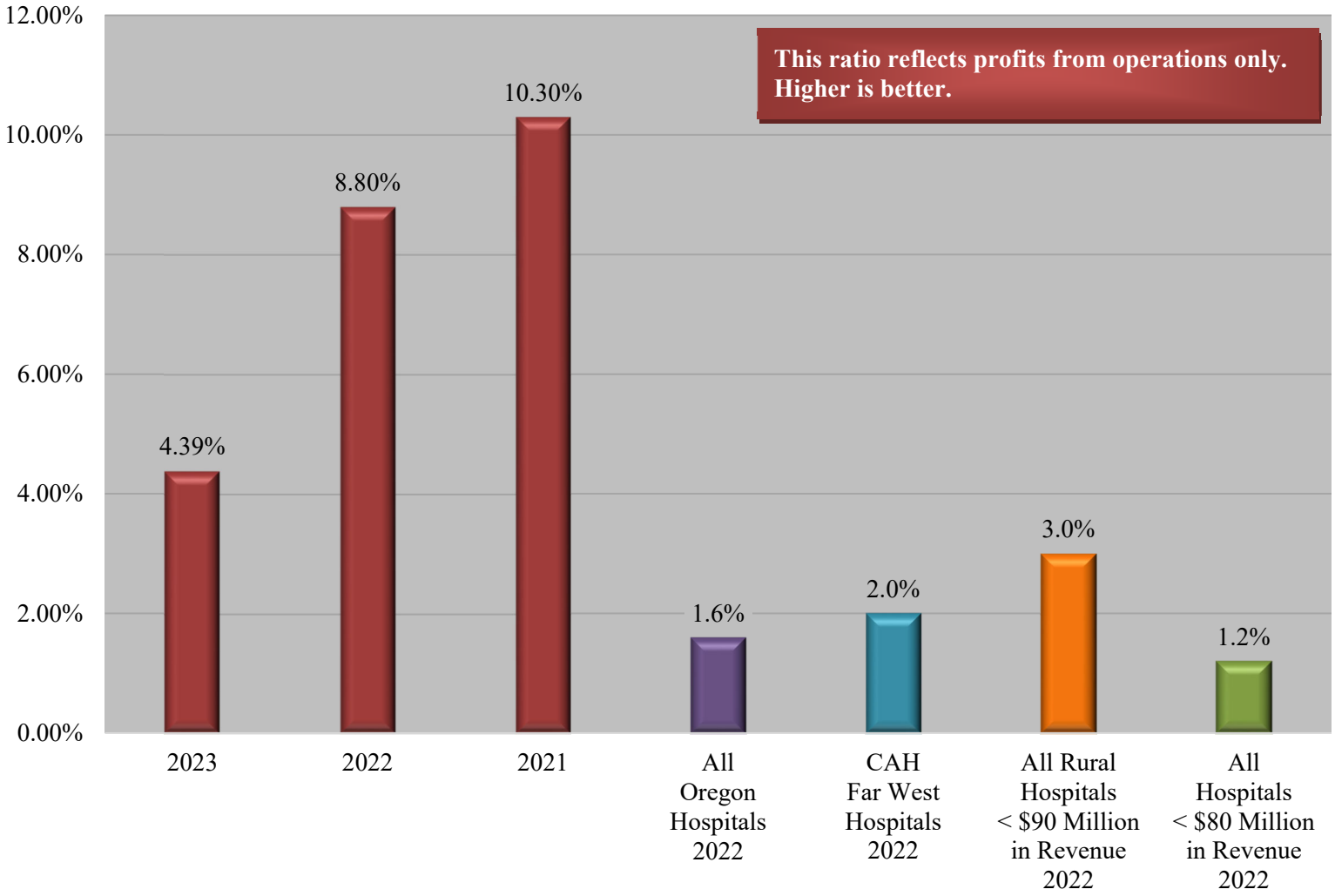
Curry Health District

Operating Margin

$$\frac{\text{Operating Income (Loss)}}{\text{Total Operating Revenues}}$$



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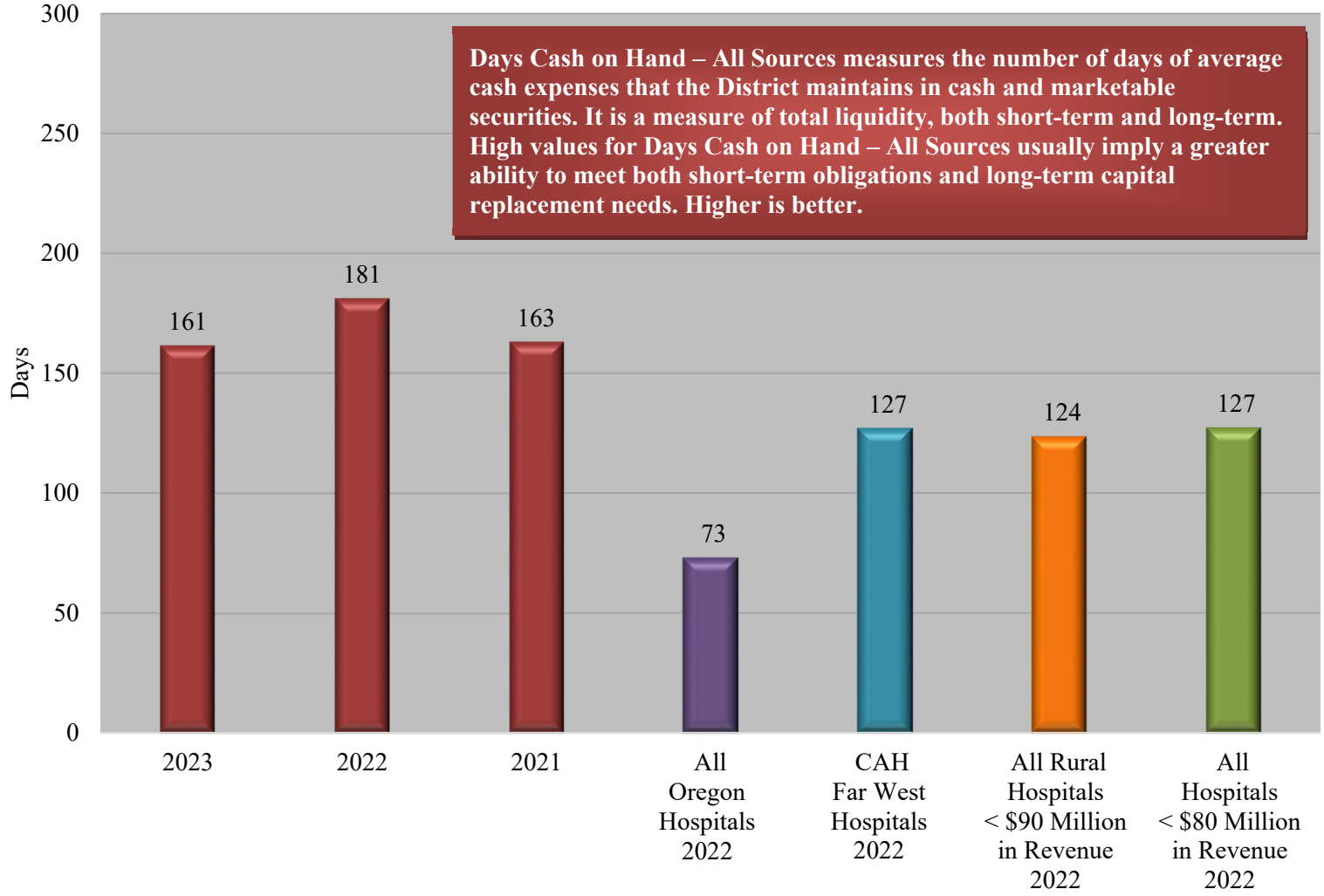
Days Cash on Hand – All Sources

$$\frac{\text{Cash + Short-term Investments + Unrestricted Long-term Investments}}{\text{(Total Expenses - Depreciation) / 365}}$$



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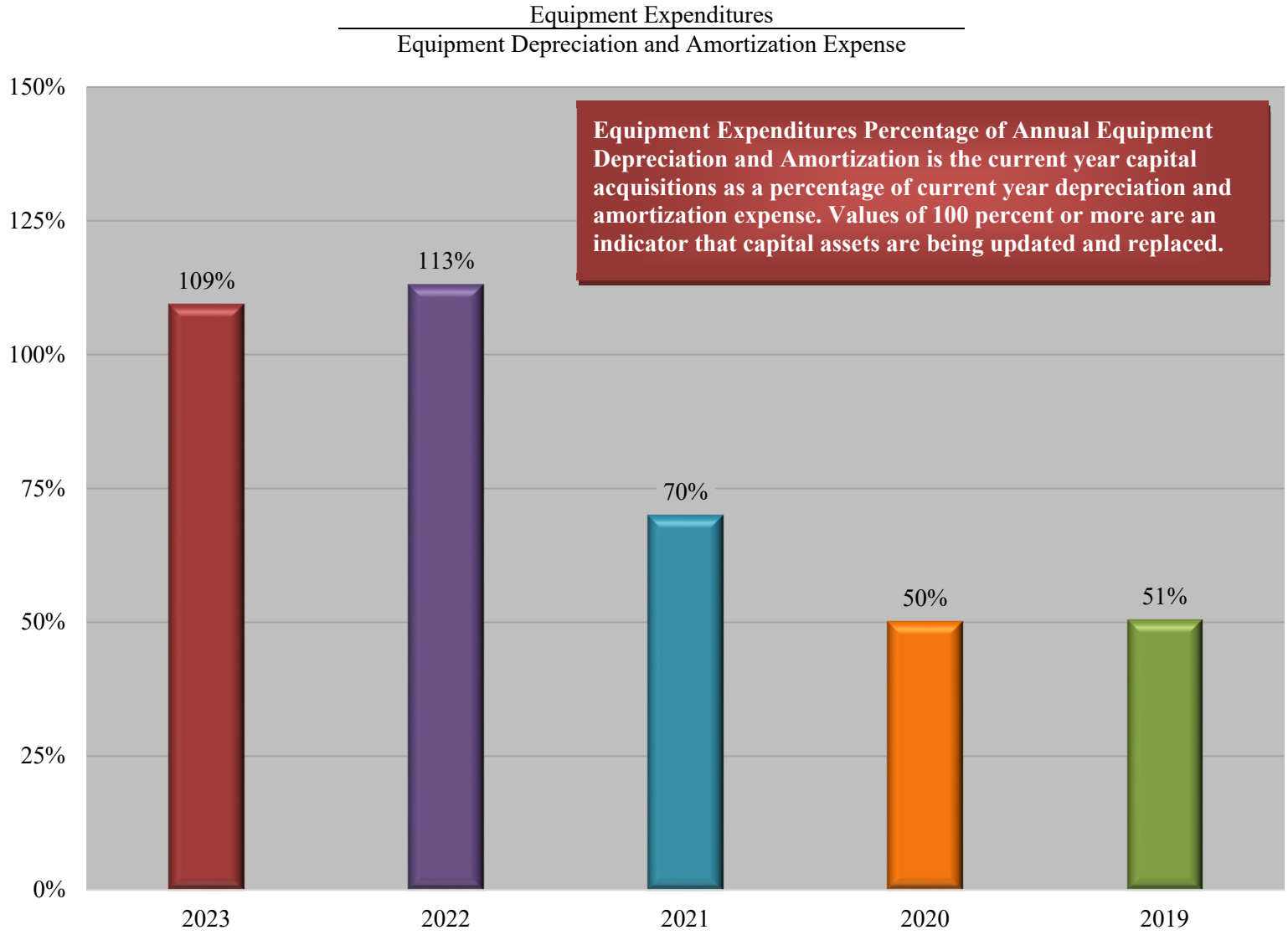
Equipment Expenditures Percentage of Annual Depreciation and Amortization



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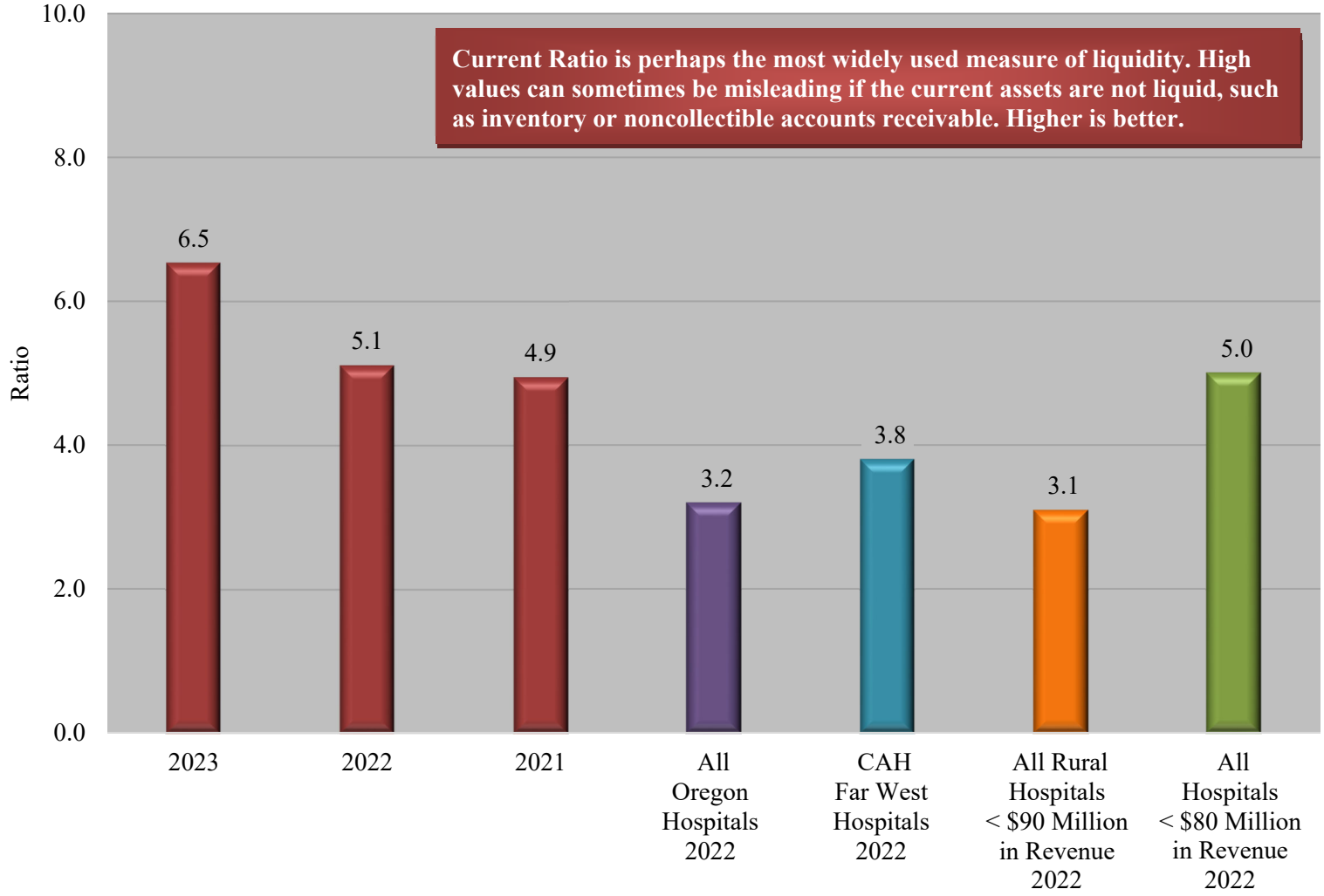
Curry Health District

Current Ratio

$$\frac{\text{Current Assets}}{\text{Current Liabilities}}$$



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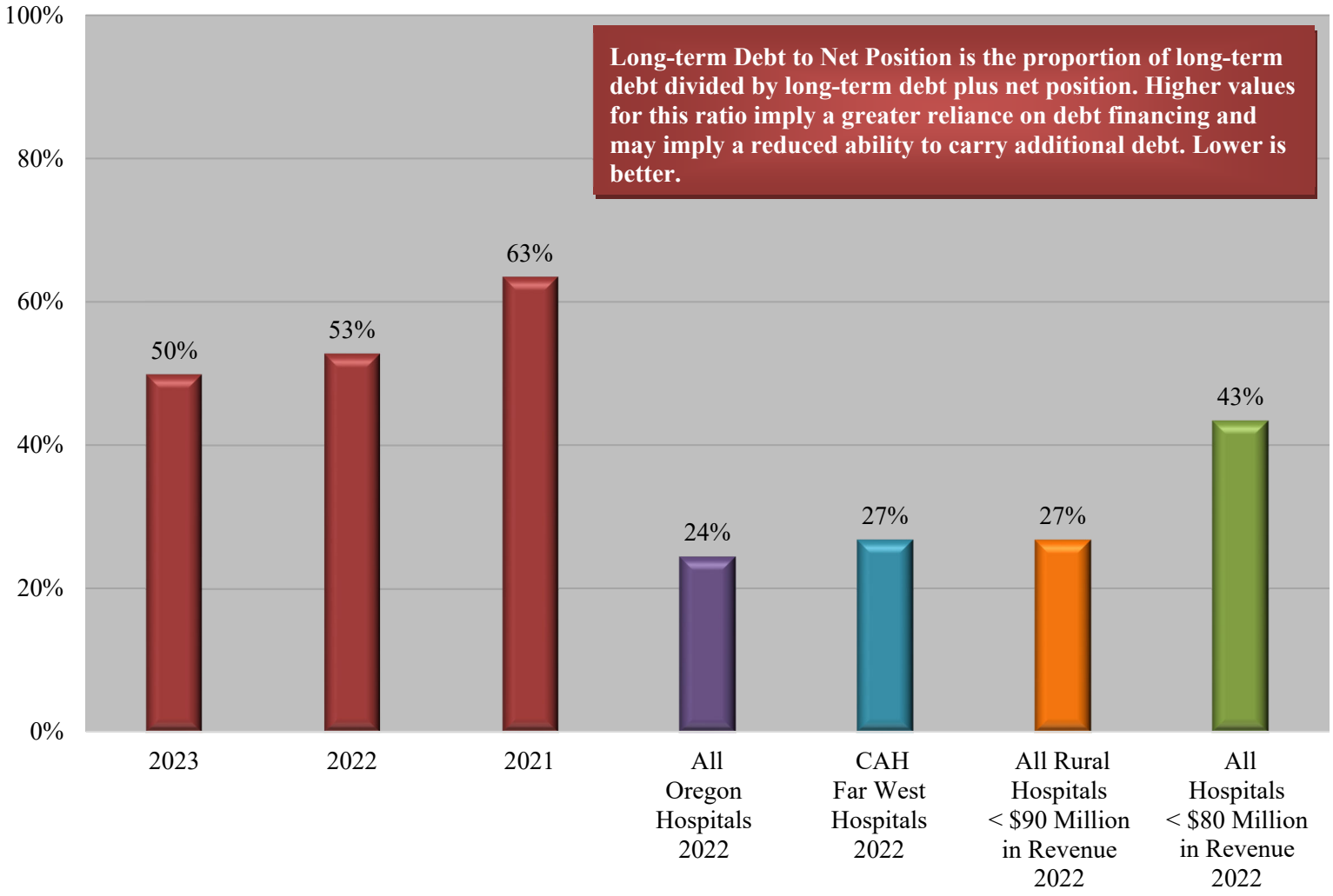
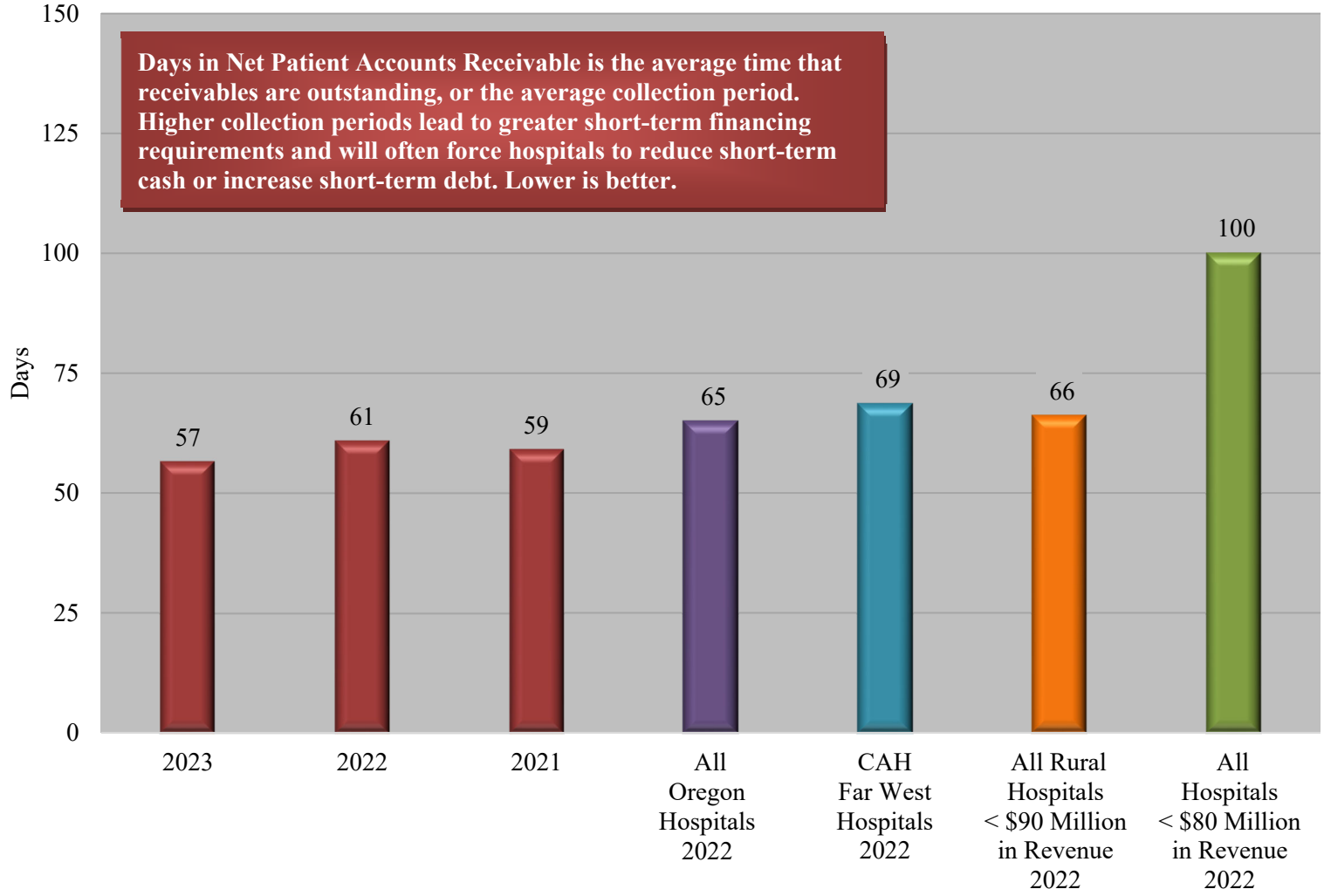
Long-term Debt to Net Position

$$\frac{\text{Long-term Debt}}{\text{Long-term Debt + Net Position}}$$



Days in Net Patient Accounts Receivable

$$\frac{\text{Net Patient Accounts Receivable}}{\text{Net Patient Service Revenue / 365(366)}}$$



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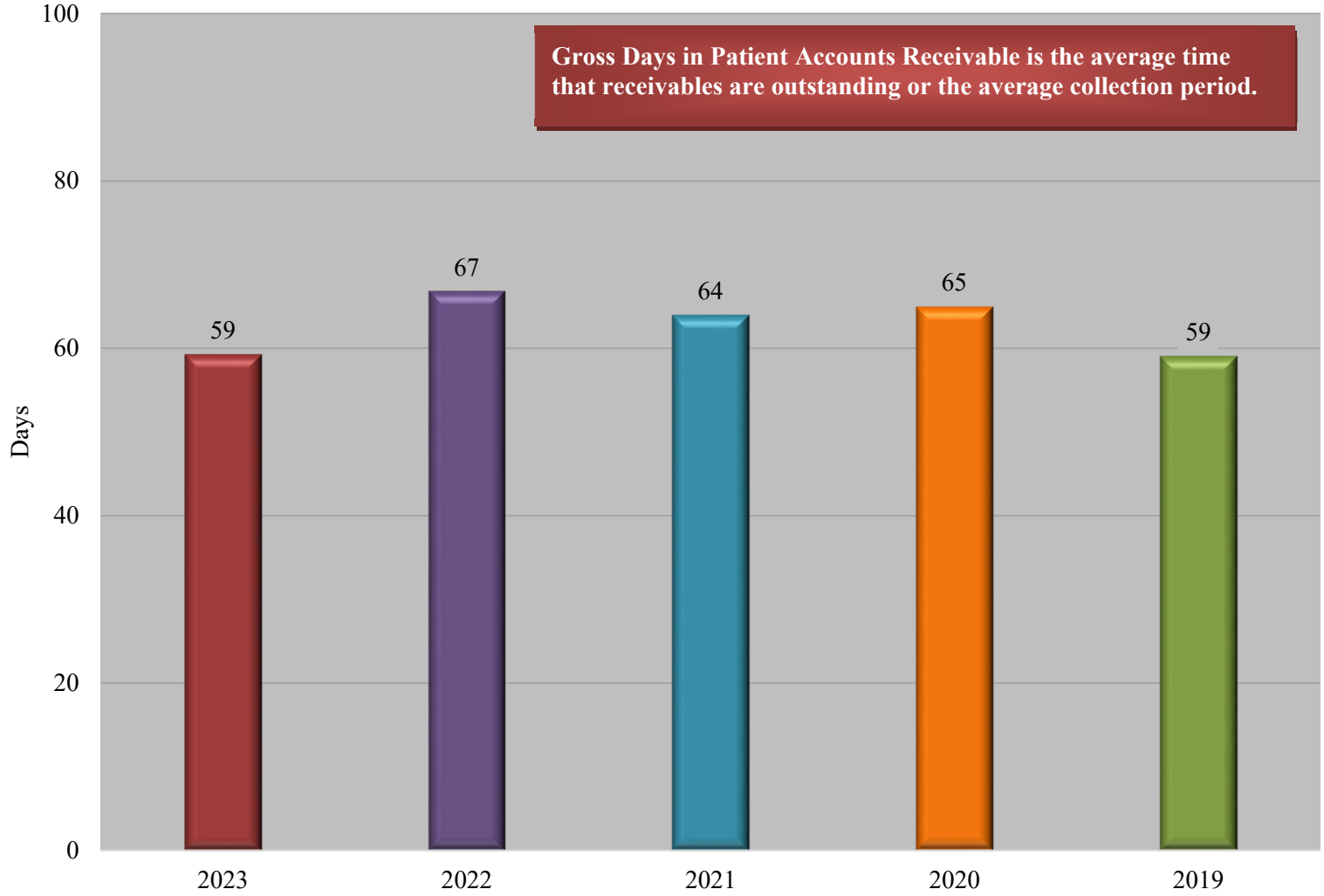
Curry Health District

Gross Days in Patient Accounts Receivable

$$\frac{\text{Gross Patient Accounts Receivable}}{\text{Gross Patient Service Revenue / 365(366)}}$$



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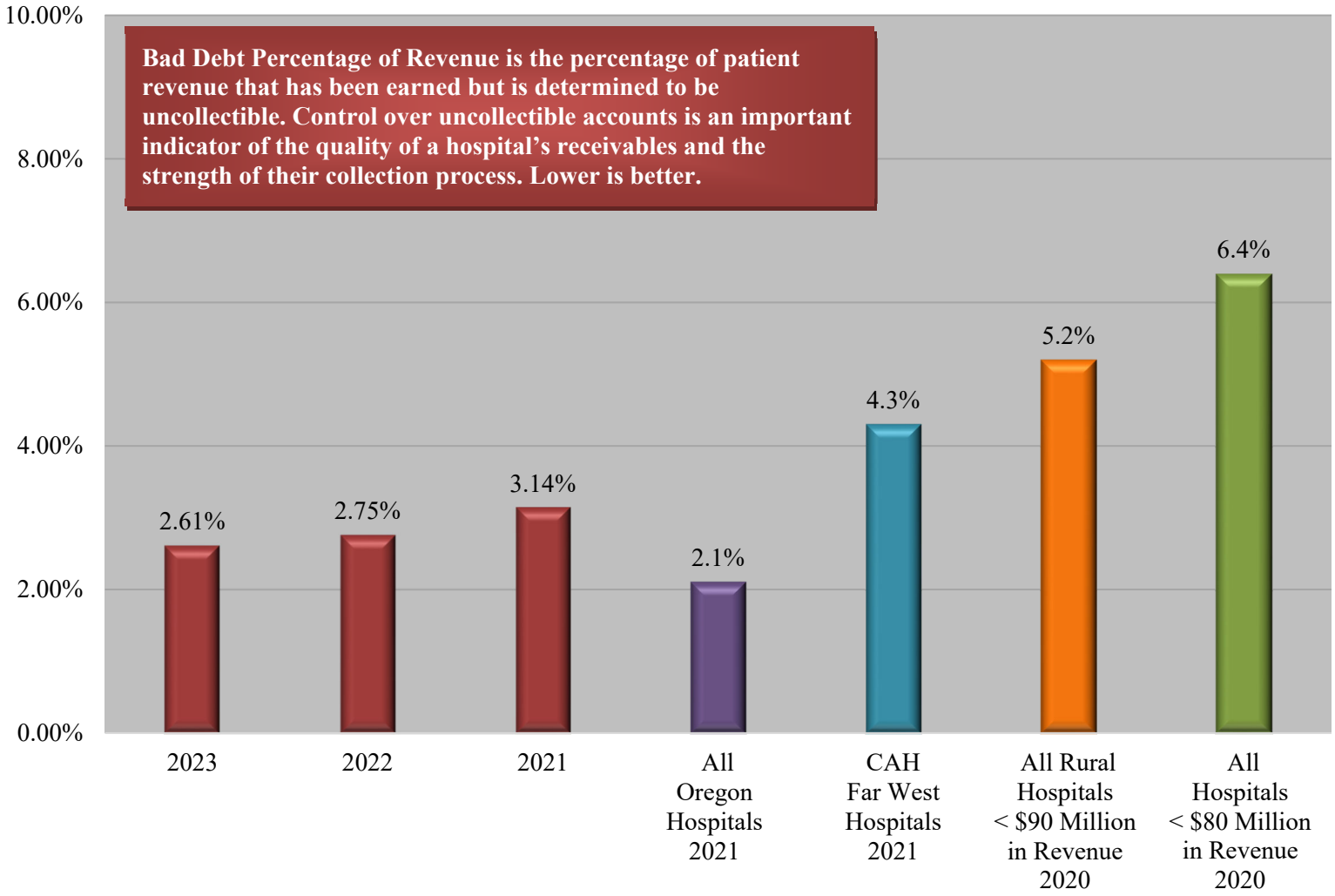
Bad Debt Percentage of Revenue

$$\frac{\text{Provision for Bad Debt}}{\text{Net Patient Revenues}}$$



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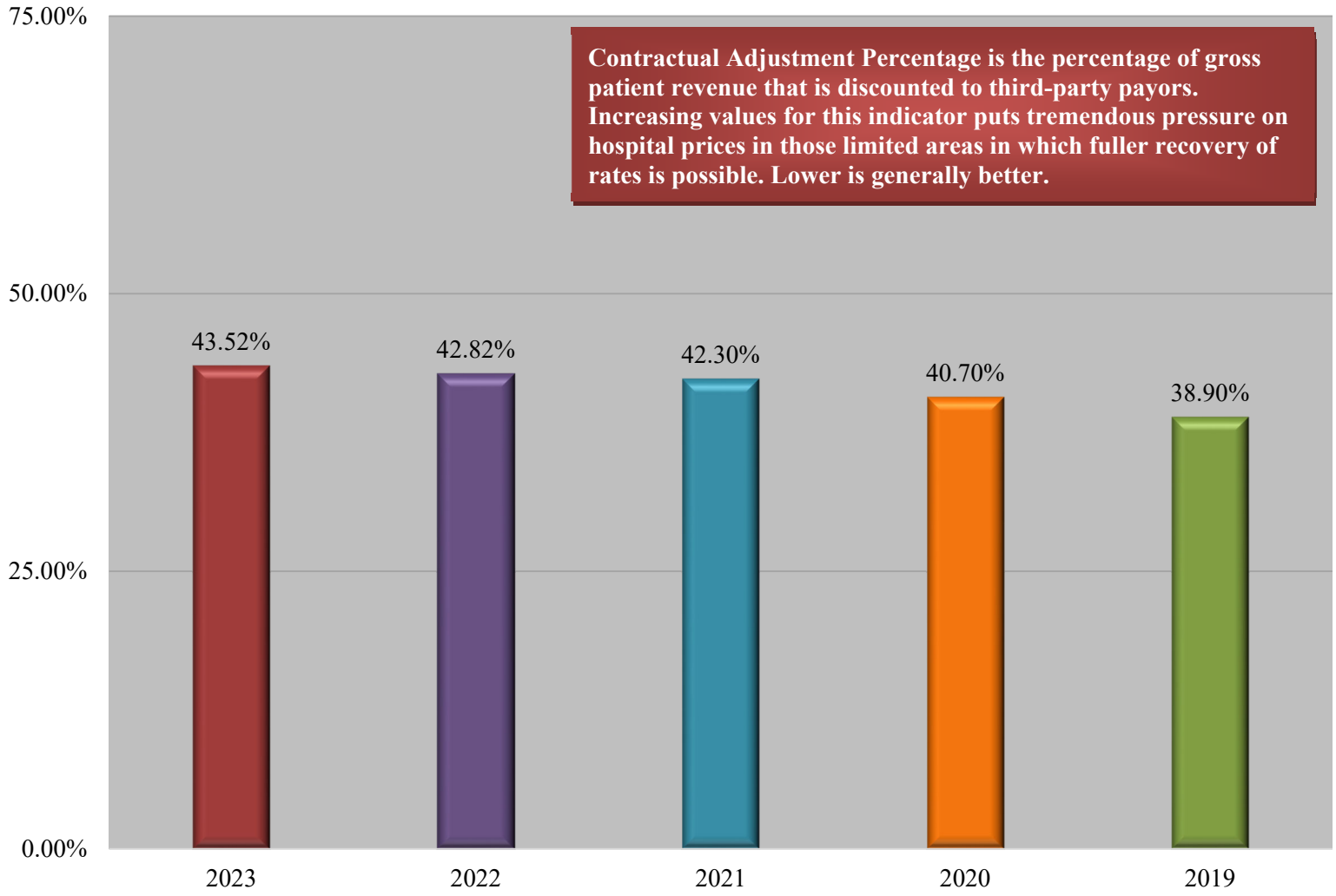
Curry Health District

Contractual Adjustment Percentage

$$\frac{\text{Contractual Adjustments}}{\text{Gross Patient Revenues}}$$



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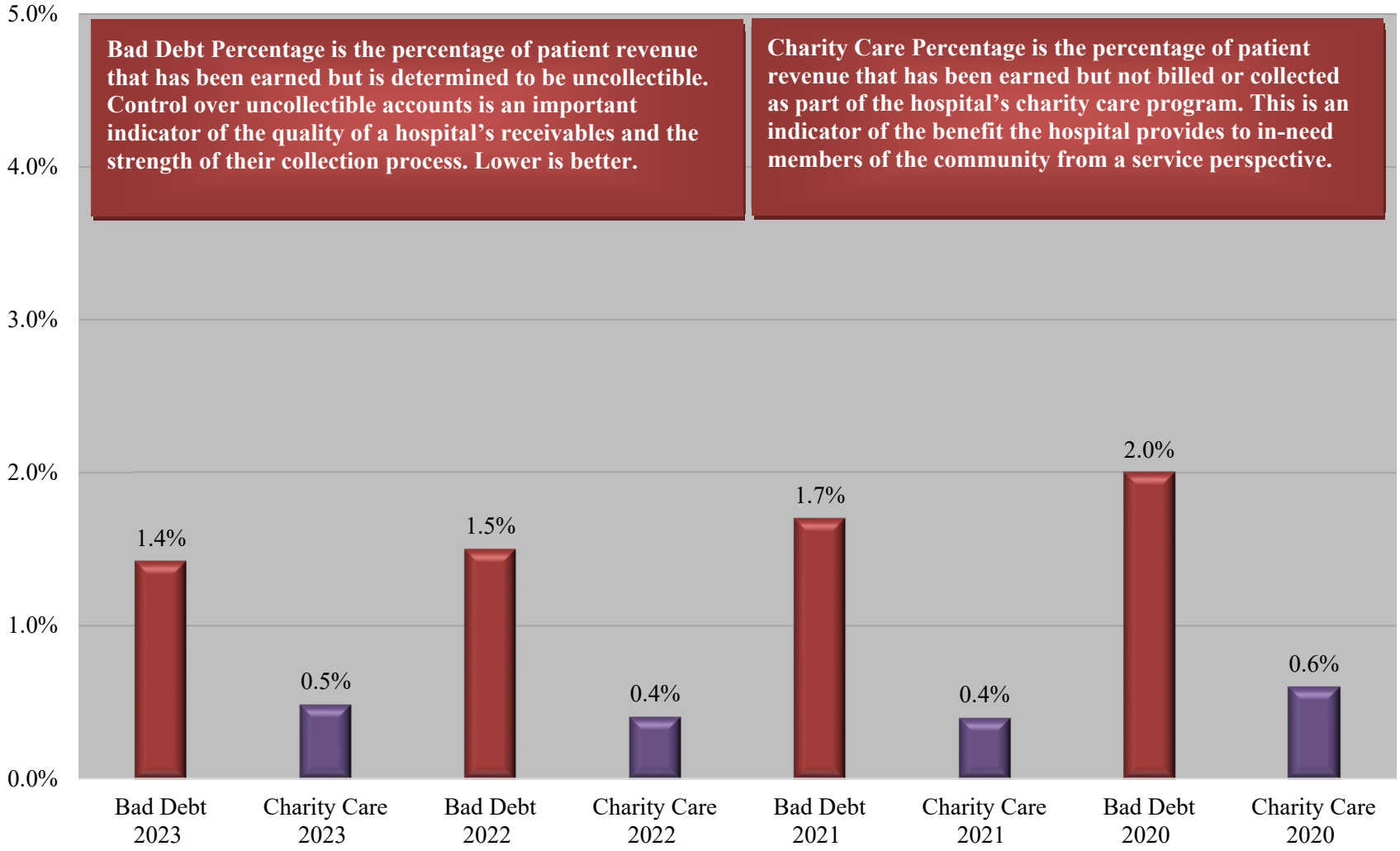
Bad Debt and Charity Care Percentage

Provision for Bad Debt / Gross Patient Revenues

Charity Care / Gross Patent Revenues



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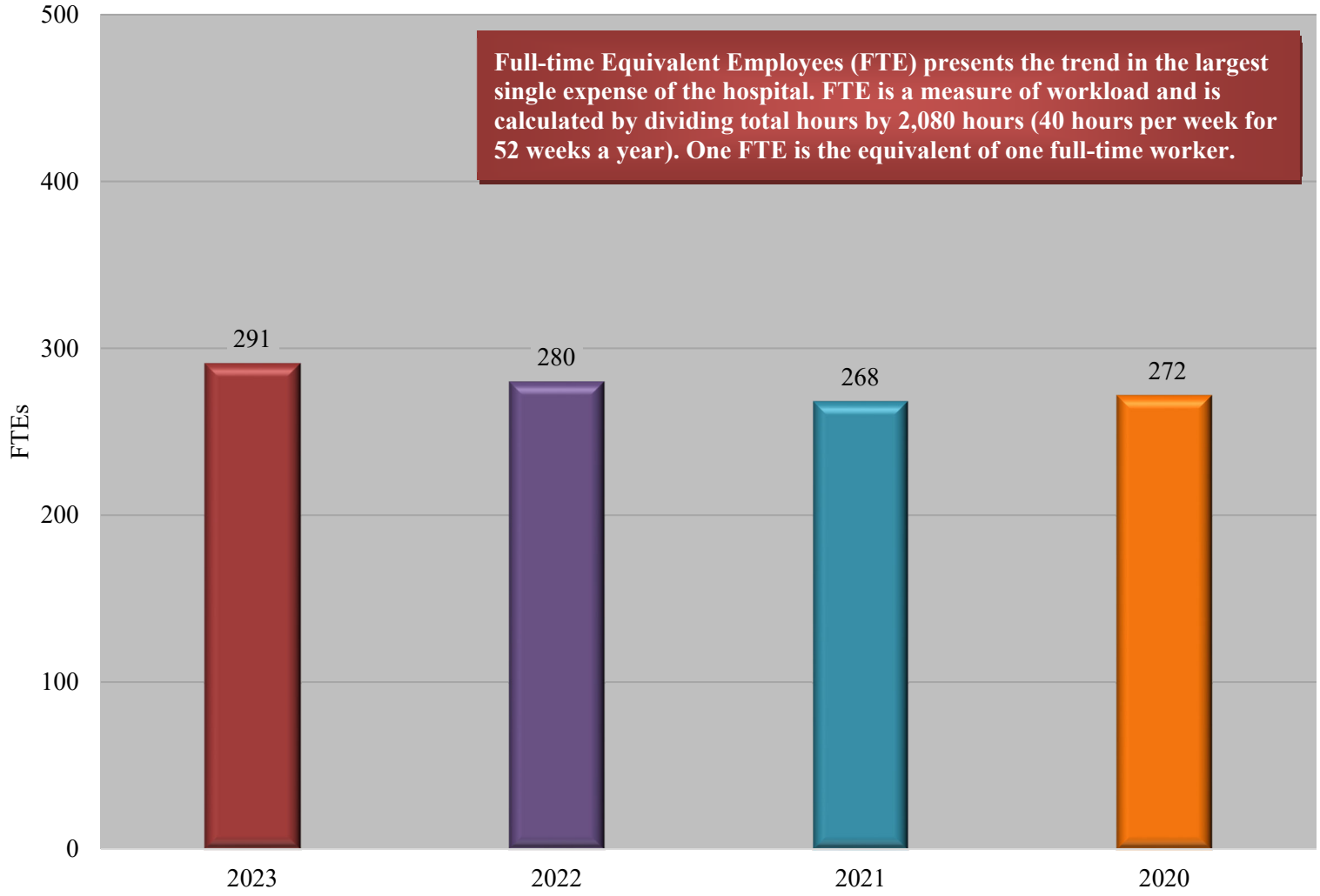
Full-time Equivalent Employees (FTE)



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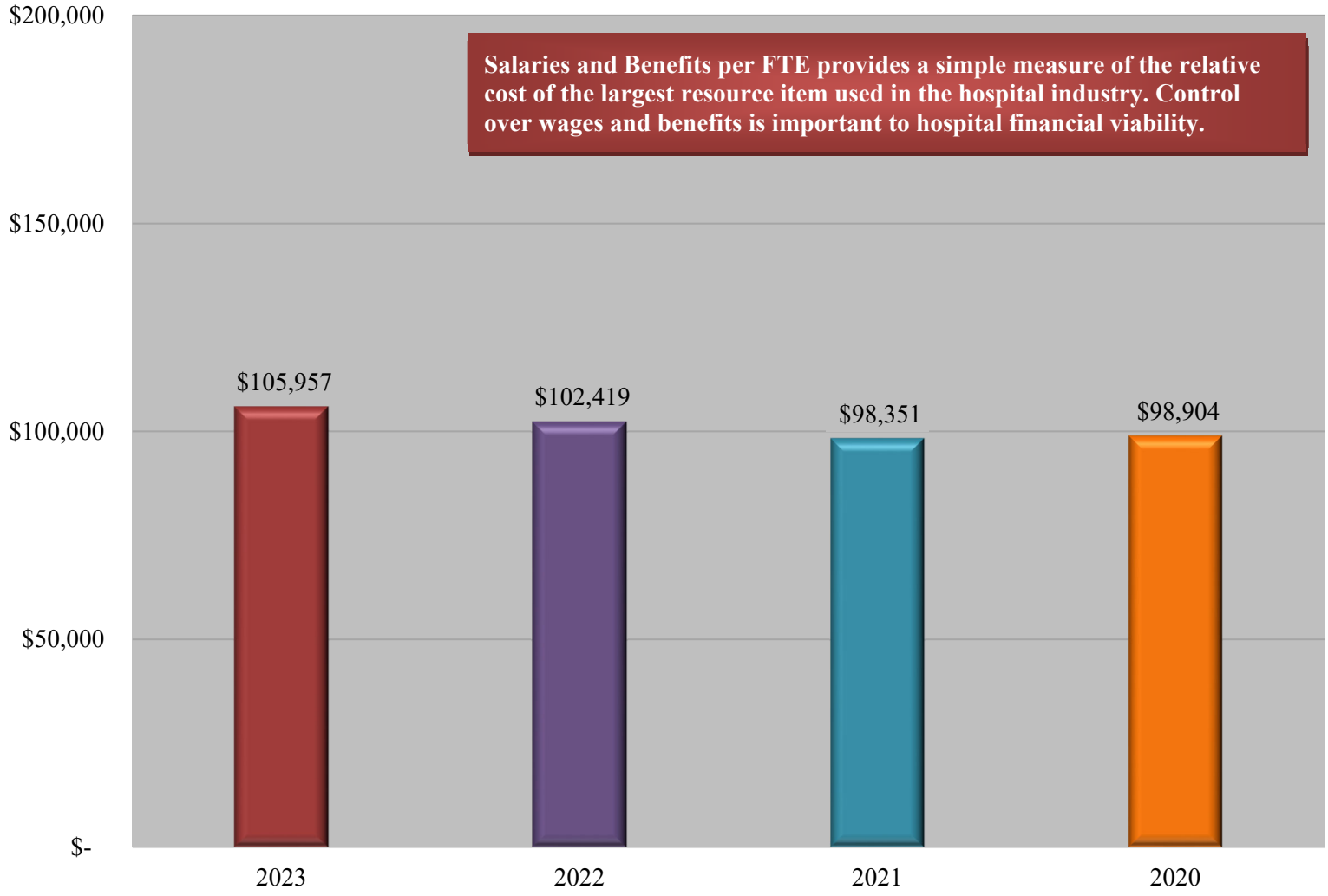
Salaries and Benefits per FTE

Total Salaries & Total Benefits
FTE



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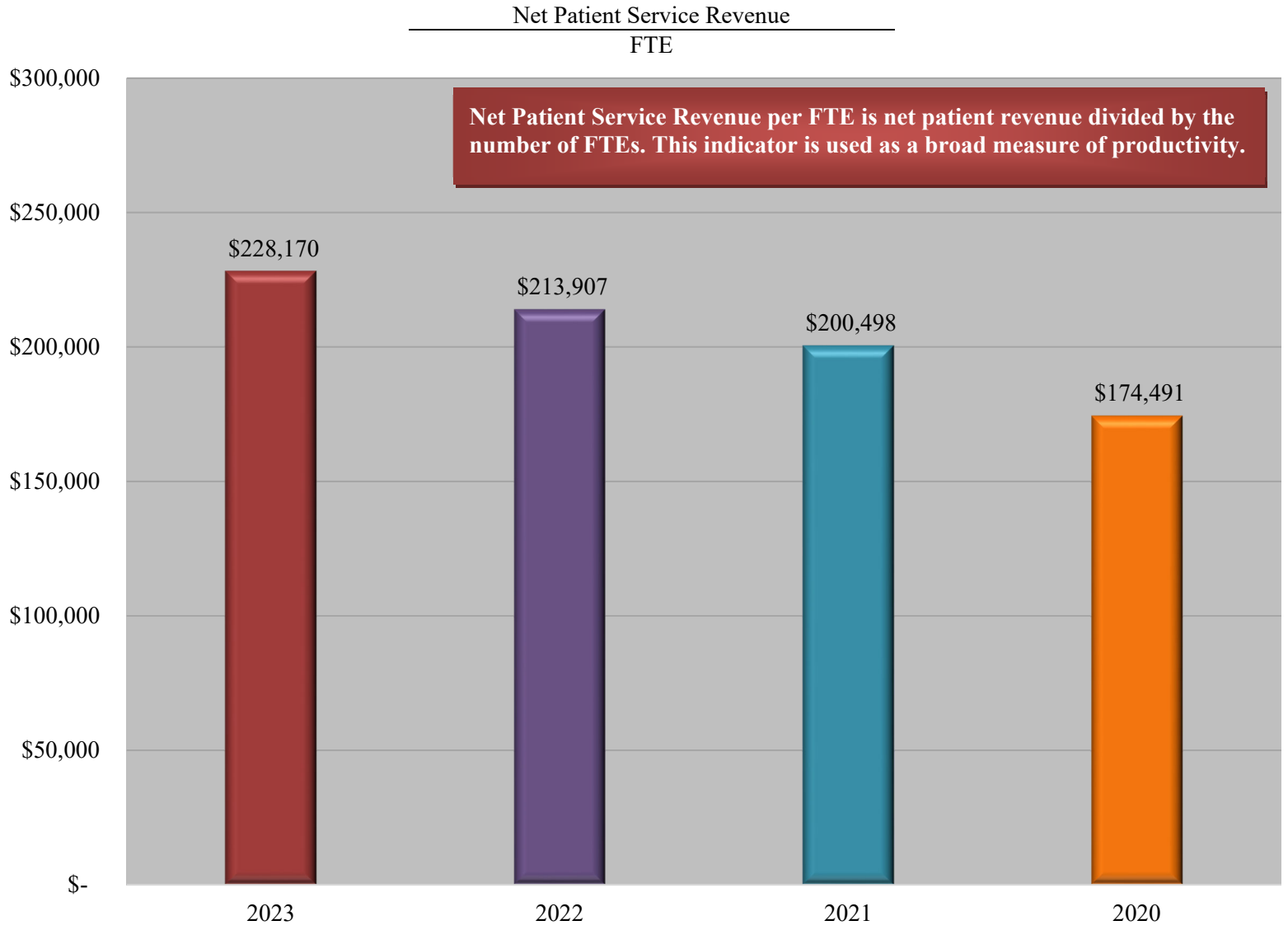
Net Patient Service Revenue per FTE



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Certified Public Accountants

CURRY HEALTH DISTRICT

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

YEARS ENDED JUNE 30, 2025 AND 2024

CPAs | CONSULTANTS | WEALTH ADVISORS

CLAconnect.com

CURRY HEALTH DISTRICT
TABLE OF CONTENTS
YEARS ENDED JUNE 30, 2025 AND 2024

INTRODUCTORY SECTION

CURRY HEALTH DISTRICT
GOVERNING BOARD AND PRINCIPAL EMPLOYEE
JUNE 30, 2025

Members of the Board of Directors as of July 1, 2024:

Maarten Van Otterloo	Board Chair
Joel Hensley	Vice Chair
DJ Storns	Secretary
Derral Hawthorne	Board Member
Bryan Grummon	Treasurer

Curry Health District has designated the following registered agent and office as of July 1, 2024:

Virginia Williams	Registered Agent

The above individuals can be contacted at the address below:

94220 Fourth St.
Gold Beach, Oregon 97444

FINANCIAL SECTION

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Curry Health District
Gold Beach, Oregon

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Curry Health District (the District) as of and for the years ended June 30, 2025 and 2024, 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 District as of June 30, 2025 and 2024, and the changes in its financial position and its 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' 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.

Auditors' 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 auditors' 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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the management's discussion and analysis on pages 6-9 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.

Other Information – Non-GAAP Budgetary Basis Schedules

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The schedules of revenues and expenditures – budget (non-GAAP budgetary basis) and actual on page 33 are presented for purposes of additional analysis and are not a required part of the financial statements.

The schedules of revenues and expenditures – budget (non-GAAP budgetary basis) and actual on page 33 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 14, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters for the year ended June 30, 2025. The purpose of this report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Other Reporting Required by Regulatory Requirements

In accordance with the Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated October 14, 2025, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

CliftonLarsonAllen LLP

Bellevue, Washington
October 14, 2025

This "Discussion and Analysis" provides an overview of the financial activities of Curry Health District (the District) for the fiscal years ended June 30, 2025, 2024, and 2023. It should be read in conjunction with the District's financial statements that follow.

The District is a governmental entity organized under the laws of the state of Oregon with five publicly elected board members who serve four-year terms. The District levies and collects property taxes from property owners within the District. The Governmental Accounting Standards Board prescribes the financial reporting format for the District. The state of Oregon's Auditor's Office maintains copies of the audited financial statements.

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

One of the most important questions asked about the District's finances is, "Is the District better or worse off because 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. All the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's net position and changes in it. You can think of the District's net position — the difference between assets and liabilities — as one way to measure the District's 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. You will need to consider other nonfinancial factors, however, such as changes in the District's patient base and measures of the quality of service it provides to the community, as well as the local economic factors to assess the overall health of the District.

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 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?"

The District's Services

In fiscal year 2025, the District operated several healthcare facilities in Curry County, Oregon:

- A Rural Health Clinic in Port Orford – with 2,988 clinic and 876 ancillary visits.
- Acquired a second Rural Health Clinic in Gold Beach effective January 2025 – with 3,317 clinic and 679 ancillary visits.
- Curry General Hospital in Gold Beach, a critical access hospital – with 4,490 emergency room visits, 506 hospital admissions, 6,780 clinic visits, 24,872 ancillary service (radiology, lab, therapy) visits, and 2,188 surgical procedures.
- Curry Medical Center (CMC) in Brookings – with 26,605 clinic visits, 11,446 emergency room visits, and 40,539 ancillary service visits.

The District's Services (Continued)

- The District brought on ten providers in FY2025, one physician, two CRNA's, a Licensed Care Social Worker, and six mid-level providers. Two providers left the District during the same time period. Three of the providers added were due to the acquisition of the Rural Health Clinic in Gold Beach.
- In fiscal year 2025, 55% of the District's cash revenue was from Medicare (including Medicare Advantage Plans), 24% from commercial insurers, 19% Medicaid (OMAP), and 2% from patients.

Significant Events and Initiatives

The following events and transactions had significant financial impacts, which are reflected in the financial statements:

- The following Medicare cost report adjustments took place during the fiscal year:

$2,146,000	2025 Lump Sum Adjustment Settlements
158,868	2024 Cost Report Settlements
$2,304,868	Net amount paid in cost report adjustments and settlements throughout fiscal year

- Employee benefits as a percentage of salaries and wages increased in the current year primarily due to higher than expected claims on the District's self-funded health insurance plan.

Below are several initiatives in various stages of progress which will have financial impacts in future years. Each initiative will require varying amounts of manpower and management focus throughout their implementations.

- Accountable Care Organization (ACO) Membership
- Electronic Medical Record (EMR) Change from CPSI to Epic went live in September 2024
- CHN Chemo/Infusion Center
- Master Facilities Planning
- General Surgery Expansion
- Orthopedic Surgery
- Work Force Housing

Risks

The District faces numerous financial risks, some of which derive from the healthcare industry and some from the local economy of the District's market and financial condition. Also, with the passing of the One Big Beautiful Bill Act in 2025 there is a risk to future Medicaid funding.

Table 1: Statements of Net Position

	2025	2024	2023
Assets			
Current Assets	$ 43,232,070	$ 40,254,725	$ 39,688,740
Capital Assets, Net	42,608,003	39,502,494	38,290,916
Other Noncurrent Assets	680,000	1,644,009	1,549,263
Total Assets	$ 86,520,073	$ 81,401,228	$ 79,528,919
Liabilities			
Current Liabilities	$ 8,706,126	$ 7,329,729	$ 6,073,592
Noncurrent Liabilities	34,094,703	35,313,510	36,608,500
Total Liabilities	42,800,829	42,643,239	42,682,092
Net Position			
Net Investment in Capital Assets	6,790,509	2,489,484	19,811
Restricted	680,000	1,144,009	1,049,263
Unrestricted	36,248,735	35,124,496	35,777,753
Total Net Position	43,719,244	38,757,989	36,846,827
Total Liabilities and Net Position	$ 86,520,073	$ 81,401,228	$ 79,528,919

Table 2: Operating Results and Changes in Net Position

Contacting the District's Financial Management

This financial report is designed to provide our patients, suppliers, taxpayers, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the District's Chief Financial Officer's Office at Curry Health District, 29650 Stewart Street, Gold Beach, Oregon 97444.

	2025	2024	2023
Operating Revenues			
Net Patient Service Revenue	$ 82,784,585	$ 69,853,654	$ 66,397,447
Other Operating Revenue	1,610,090	1,034,038	963,435
Total Operating Revenues	84,394,675	70,887,692	67,360,882
Operating Expenses			
Salaries, Wages, and Benefits	43,921,814	36,689,403	30,833,492
Professional Fees	18,369,467	17,325,943	18,621,129
Depreciation and Amortization	4,412,736	4,313,716	4,238,946
Supplies and Other Operating Expenses	13,933,490	12,088,036	10,707,959
Total Operating Expenses	80,637,507	70,417,098	64,401,526
Operating Gain	3,757,168	470,594	2,959,356
Nonoperating Revenues (Expenses)			
Taxation for Bond Principal and Interest	618,209	600,460	586,691
Taxation for Maintenance and Operations	981,795	957,536	895,365
Interest Income	1,455,347	1,484,779	783,723
Interest Expense	(1,513,560)	(1,617,595)	(1,579,873)
Gain (Loss) on Disposal of Capital Assets	(77,947)	(213,539)	35,000
Other, Net	(259,757)	18,661	35,077
Total Nonoperating Revenues (Expenses)	1,204,087	1,230,302	755,983
Change in Net Position Before Capital Asset Impairment, Net of Insurance Settlement	4,961,255	1,700,896	3,715,339
Capital Asset Impairment, Net of Insurance Settlement	-	210,266	150,000
Change in Net Position	4,961,255	1,911,162	3,865,339
Beginning Net Position	38,757,989	36,846,827	32,981,488
Ending Net Position	$ 43,719,244	$ 38,757,989	$ 36,846,827

FINANCIAL STATEMENTS

CURRY HEALTH DISTRICT
STATEMENTS OF NET POSITION
JUNE 30, 2025 AND 2024

	2025	2024
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	$ 3,574,411	$ 2,057,030
Investments	24,860,643	26,547,283
Receivables:		
Patient Accounts, Net	12,715,159	10,366,293
Estimated Amounts Due from Third-Party Payor Settlements	379,464	-
Property Taxes	196,022	140,538
Other	94,442	91,186
Supply Inventories	866,312	663,099
Prepaid Expenses	545,617	389,296
Total Current Assets	43,232,070	40,254,725
NONCURRENT ASSETS		
Restricted Investments	-	562,009
Restricted Investments - USDA Loan Reserve	680,000	582,000
Investments Designated by the Board for Electronic Medical Record System	-	500,000
Capital, Lease, and Software Right-of-Use Assets, Net of Accumulated Depreciation and Amortization	42,608,003	39,502,494
Total Noncurrent Assets	43,288,003	41,146,503
Total Assets	$ 86,520,073	$ 81,401,228
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Accounts Payable	$ 3,693,609	$ 2,965,641
Accrued Compensation and Related Liabilities	3,284,778	2,073,609
Estimated Amounts Due to Third-Party Payor Settlements	-	307,727
Accrued Interest Payable	4,948	283,252
Current Maturities of Long-Term Debt and Other Noncurrent Liabilities	1,722,791	1,699,500
Total Current Liabilities	8,706,126	7,329,729
NONCURRENT LIABILITIES		
Long-Term Debt and Other Noncurrent Liabilities, Net of Current Maturities	34,094,703	35,313,510
Total Noncurrent Liabilities	34,094,703	35,313,510
Total Liabilities	42,800,829	42,643,239
NET POSITION		
Net Investment in Capital Assets	6,790,509	2,489,484
Restricted	680,000	1,144,009
Unrestricted	36,248,735	35,124,496
Total Net Position	43,719,244	38,757,989
Total Liabilities and Net Position	$ 86,520,073	$ 81,401,228

See accompanying Notes to Financial Statements.

CURRY HEALTH DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
OPERATING REVENUES		
Net Patient Service Revenues	$ 82,784,585	$ 69,853,654
Other	1,610,090	1,034,038
Total Operating Revenues	84,394,675	70,887,692
OPERATING EXPENSES		
Salaries and Wages	34,871,895	30,730,945
Employee Benefits	9,049,919	5,958,458
Professional Fees and Purchased Services	18,369,467	17,325,943
Supplies	9,270,800	7,535,663
Utilities	795,111	850,681
Repairs and Maintenance	1,250,705	1,267,954
Depreciation and Amortization	4,412,736	4,313,716
Rent	254,336	205,618
Insurance	716,517	758,106
Other	1,646,021	1,470,014
Total Operating Expenses	80,637,507	70,417,098
OPERATING INCOME	3,757,168	470,594
NONOPERATING REVENUES (EXPENSES)		
Taxation for Bond Principal and Interest	618,209	600,460
Taxation for Maintenance and Operations	981,795	957,536
Grants	28,040	500
Interest Income	1,455,347	1,484,779
Interest Expense	(1,513,560)	(1,617,595)
Debt Issuance Expenses	(288,636)	-
Loss on Disposal of Capital Assets	(77,947)	(213,539)
Other Income	839	18,161
Total Nonoperating Revenue (Expenses)	1,204,087	1,230,302
CHANGE IN NET POSITION BEFORE CAPITAL ASSET IMPAIRMENT, NET OF INSURANCE SETTLEMENT	4,961,255	1,700,896
CAPITAL ASSET IMPAIRMENT, NET OF INSURANCE SETTLEMENT	-	210,266
CHANGE IN NET POSITION	4,961,255	1,911,162
Net Position - Beginning of Year	38,757,989	36,846,827
NET POSITION - END OF YEAR	$ 43,719,244	$ 38,757,989

See accompanying Notes to Financial Statements.

CURRY HEALTH DISTRICT
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from and on Behalf of Patients	$ 79,748,528	$ 71,151,851
Receipts from Other Revenue	1,606,834	953,238
Payments to or on Behalf of Employees	(42,710,645)	(36,232,323)
Payments to Suppliers and Contractors	(32,719,390)	(29,118,977)
Net Cash Provided by Operating Activities	5,925,327	6,753,789
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property Taxes for Maintenance and Operations	981,795	957,536
Grant Proceeds and Other Income	28,879	18,661
Net Cash Provided by Noncapital Financing Activities	1,010,674	976,197
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Property Taxes for Bond Principal and Interest	562,725	598,469
Principal Paid on Long-Term Debt and Other Noncurrent Liabilities	(1,172,128)	(1,810,733)
Interest Paid	(1,829,068)	(1,620,053)
Debt Issuance Costs Paid	(288,636)	-
Purchase of Capital Assets	(6,833,327)	(5,232,726)
Proceeds From Sale of Capital Assets	35,818	35,839
Insurance Settlement Received	-	210,266
Net Cash Used by Capital and Related Financing Activities	(9,524,616)	(7,818,938)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	1,455,347	1,484,779
Proceeds from Sale of Investments	7,931,815	8,111,993
Purchase of Investments	(5,281,166)	(7,817,632)
Net Cash Provided by Investing Activities	4,105,996	1,779,140
INCREASE IN CASH AND CASH EQUIVALENTS	1,517,381	1,690,188
Cash and Cash Equivalents - Beginning of Year	2,057,030	366,842
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 3,574,411	$ 2,057,030

See accompanying Notes to Financial Statements.

CURRY HEALTH DISTRICT
STATEMENTS OF CASH FLOWS (CONTINUED)
YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	$ 3,757,168	$ 470,594
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	4,412,736	4,313,716
Provision for Bad Debts	2,439,458	2,316,158
(Increase) Decrease in Assets:		
Receivables:		
Patient Accounts, Net	(4,788,324)	(2,389,327)
Other	(3,256)	(79,455)
Supply Inventories	(203,213)	(38,653)
Prepaid Expenses	(156,321)	(184,824)
Increase (Decrease) in Liabilities:		
Accounts Payable	(56,899)	517,134
Accrued Compensation and Related Liabilities	1,211,169	457,080
Estimated Third-Party Payor Settlements	(687,191)	1,371,366
Net Cash Provided by Operating Activities	$ 5,925,327	$ 6,753,789
SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND CAPITAL RELATED FINANCING ACTIVITIES		
Lease Assets Received in Exchange for Lease Liability	$ 13,816	$ 232,891
Subscription Assets Received in Exchange for Subscription Liability	$ -	$ 309,055
Capital Asset Purchases Included in Accounts Payable	$ 784,867	$ -

See accompanying Notes to Financial Statements.

NOTE 1 REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The District owns and operates Curry General Hospital (the Hospital), an 18-bed acute care hospital, and multiple medical clinics which, combined with the Hospital, do business as Curry Health Network. The District provides healthcare services to patients in Curry County, as well as other patients in the southern Oregon coastal area. The District's services include the acute care hospital, surgery, emergency department, and related clinic and ancillary services (laboratory, radiology, etc.). Outpatient clinic services are provided from District-owned and leased facilities in Port Orford, Gold Beach, and Brookings.

The District also has dual status as a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code. The District is exempt from federal income tax.

The District was incorporated as a municipal corporation on October 17, 1983, and operates under the laws of the state of Oregon for Oregon Health Districts as provided by ORS 440.315-440.410. It is governed by an elected five-member board.

For financial reporting purposes, the District has included all funds, organizations, agencies, boards, commissions, and authorities. The District has also considered all potential component units for which it is financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that the exclusion would cause the District's financial situation to be misleading or incomplete. The District has no material component units.

Standards of Accounting and Financial Reporting

The accompanying financial statements of the District have been presented in conformity with generally accepted accounting principles in the United States of America. Revenues are recognized when earned, and expenses are recorded when the liability is incurred. The Governmental Accounting Standard Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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 the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Enterprise Fund Accounting

The District's accounting policies conform to accounting principles generally accepted in the United States of America as applicable to proprietary funds of governments. The District uses enterprise fund accounting. Revenue and expenses are recognized on the accrual basis using the economic resources measurement focus.

NOTE 1 REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

The District is required to prepare and adopt an annual operating budget in accordance with the state of Oregon (Oregon) Health District Law.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with original maturity dates of three months or less.

Restricted and Designated Noncurrent Investments

Restricted investments consist of amounts restricted for debt reserves. The debt reserve funds are for the Certificates of Participation, Series 2010A bond, and the USDA Rural Development loan. During fiscal year 2025 the Certificates of Participation, Series 2010A bond reserve was released as part of the debt refinancing. The Board had also designated investments for an electronic medical record system which were spent in fiscal year 2025.

Patient Accounts Receivable, Net

Patient accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectability of patient accounts receivable, the District analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for bad debts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of the allowance for uncollectible accounts. For receivables associated with services provided to patients who have third-party coverage, the District analyzes contractually due amounts and provides an allowance for uncollectible accounts and a provision for bad debts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payor has not yet paid, or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely). For receivables associated with self-pay patients (which include both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the District records a significant provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The District's allowance for uncollectible accounts for self-pay patients did not significantly change. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for uncollectible accounts.

Supply Inventories

Supply inventories are stated at cost on the first-in, first-out method. Supply inventories consist of pharmaceutical, medical-surgical, and other supplies used in the operation of the District.

NOTE 1 REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets, Net

All capital assets, other than land and construction in progress, are being depreciated or amortized (in the case of right-of-use assets), using the straight-line method over the shorter period of the right-of- use agreement term or the estimated useful life of the capital asset. Amortization from right-of-use leases is included in depreciation and amortization in the financial statements. Expenditures for maintenance and repairs are expensed as incurred; betterments and major renewals are capitalized. Useful lives have been estimated as follows:

Land Improvements	5 to 25 Years
Buildings and Improvements	5 to 40 Years
Fixed Equipment	3 to 30 Years
Movable Equipment	3 to 20 Years
Lease Right-of-Use Assets – Buildings	2 to 5 Years
Lease Right-of-Use Assets – Equipment	2 to 5 Years
Subscription Assets	1 to 5 Years

The District capitalizes assets whose costs exceed $5,000 and with an estimated useful life of at least two years; lesser amounts are expensed. Capital assets are reported at historical cost or their estimated fair value at the date of donation. When such assets are disposed of, the related costs and accumulated depreciation or amortization are removed from the accounts, and the resulting gain or loss is classified in nonoperating revenues or expenses.

Leases - Lessee

The District is a lessee for noncancellable leases of buildings and equipment. The District recognizes a lease liability and property and equipment in the financial statements. The District recognizes lease liabilities with an initial, individual value of $5,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

NOTE 1 REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases – Lessee (Continued)

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses their estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of their lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Subscription-Based Information Technology Arrangements (SBITA)

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

Compensated Absences

The District's employees earn paid time off (PTO) at varying rates, depending on years of service. Employees can accumulate unused PTO from one year to the next with a maximum of 280 hours. All unused PTO is paid to employees in cash upon their termination of employment from the District, if proper notice has been given, subject to limits based on years of employment with the District. All exempt staff receive unlimited PTO. In addition, upon request, the District has the discretion to cash out a current employee's unused PTO in the event of a hardship.

Net Position

Net position of the District is classified into three components. Net investment in capital assets 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 net position is noncapital 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 definition of net investment in capital assets or restricted net position.

NOTE 1 REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Patient Service Revenue

The District recognizes patient service revenue associated with services provided to patients who have third-party payor coverage on the basis of contractual rates for the services rendered. For uninsured patients who do not qualify for charity care, the District recognizes revenue on the basis of its standard rates for services provided (or on the basis of discounted rates, if negotiated or provided by policy). On the basis of historical experience, a significant portion of the District's uninsured patients will be unable or unwilling to pay for the services provided. The District's provisions for bad debts and write offs have not changed significantly from prior years. The District has not changed its charity care or uninsured discount policies during the years ended June 30, 2025 or 2024. The District does not maintain a material allowance for uncollectible accounts from third-party payors, nor did it have significant write offs from third-party payors.

Restricted Resources

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

Operating Revenues and Expenses

The District's statements of revenues, expenses, and changes in net position distinguish between operating and nonoperating revenues and expenses. Operating revenues result from exchange transactions, including grants for specific operating activities associated with providing healthcare services — the District's principal activity. 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 provide healthcare services, other than financing costs.

Grants and Contributions

From time to time, the District receives grants from government entities and others 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 restricted for capital acquisitions are reported after nonoperating revenues and expenses. Grants that are restricted for specific projects or purposes related to the District's operating activities are reported as operating revenue. Grants that are used to subsidize operating deficits are reported as nonoperating revenue. Contributions, except for capital contributions, are reported as nonoperating revenue.

Advertising Costs

The District expenses advertising costs as incurred.

NOTE 1 REPORTING ENTITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fair Value Measurements

To the extent available, the District's investments are recorded at fair value. 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. This statement establishes a hierarchy of valuation inputs based on the extent to which inputs are observable in the marketplace. Inputs are used in applying the various valuation techniques and take into account the assumptions that market participants use to make valuation decisions. Inputs may include price information, credit data, interest and yield curve data, and other factors specific to the financial instrument. Observable inputs reflect market data obtained from independent sources.

In contrast, unobservable inputs reflect an entity's assumptions about how market participants would value the financial instrument. Valuation techniques should maximize the use of observable inputs to the extent available. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used for financial instruments measured at fair value on a recurring basis:

Level 1 – Inputs that utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Hospital has the ability to access.

Level 2 – Inputs that include quoted prices for similar assets and liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument. Fair values for these instruments are estimated using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

Level 3 – Inputs that are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity.

Adoption of New Accounting Standards

Effective July 1, 2024, the District implemented GASB Statement No. 101, *Compensated Absences*. This statement updated the recognition and measurement guidance for compensated absences and associated salary-related payments and amended certain previously required disclosures. The District determined the Standard did not have a material impact on the financial statements.

Subsequent Events

The District has evaluated subsequent events through October 14, 2025, the date on which the financial statements were available to be issued.

NOTE 2 BANK DEPOSITS AND INVESTMENTS

As of June 30, 2025 and 2024, the District had deposits invested in various financial institutions in the form of operating cash, cash equivalents, and certificates of deposits in the amounts of $4,002,532 and $2,299,035, respectively. The District is required by Oregon Revised Statutes (ORS) Chapter 295 (ORS 295) to maintain any deposit accounts in financial institutions in excess of Federal Deposit Insurance Corporation (FDIC) coverage at certain "qualified" financial institutions. As of and for the years ended June 30, 2025 and 2024, all of the District's deposits in financial institutions in excess of FDIC coverage were maintained at "qualified" financial institutions.

ORS 295 governs the collateralization of Oregon public funds. Oregon's Public Funds Collateralization Program (the PFCP) was created by the Oregon State Treasurer (the OST) to facilitate bank depository, custodian, and public official compliance with ORS 295. Under the PFCP, which created a shared liability structure for participating depositories, these bank depositories are required to pledge collateral against any public funds' deposits in excess of deposit insurance amounts. Based on information the banks are required to report quarterly, the PFCP calculates each depository bank's minimum collateral (maximum liability) that must be pledged with the custodian for the next quarter. The OST can require pledged collateral to be 10% to 110% of the bank depository's uninsured public fund deposits. Federal Home Loan Bank is the agent of the depository. The pledged securities are designated as subject to the pledge agreement between the depository bank, Federal Home Loan Bank (the custodian bank), and the OST, and are held for the benefit of the OST on behalf of the public depositors.

NOTE 3 INVESTMENTS

The District's investment balances and average maturities were as follows:

	2025			
		Investment Maturities in Years		
	Fair Value	Less Than 1	1-5	Over 5
Investment in Local Government Investment Pool	$ 25,316,576	$ 25,316,576	$ -	-
Certificates of Deposit	130,872	-	130,872	-
Short-Term Money Market	93,195	93,195	-	-
Total Investments	$ 25,540,643	$ 25,409,771	$ 130,872	$ -
Investments Included in Current Assets	$ 24,860,643			
Investments Included in Noncurrent Assets	680,000			
Total Investments	$ 25,540,643			

NOTE 3 INVESTMENTS (CONTINUED)

	2024			
		Investment Maturities in Years		
	Fair Value	Less Than 1	1-5	Over 5
Investment in Local Government Investment Pool	$ 27,501,084	$ 27,501,084	$ -	$ -
Certificates of Deposit	128,199	-	128,199	-
Short-Term Money Market	562,009	562,009	-	-
Total Investments	$ 28,191,292	$ 28,063,093	$ 128,199	$ -
Investments Included in Current Assets	$ 26,547,283			
Investments Included in Noncurrent Assets	1,644,009			
Total Investments	$ 28,191,292			

ORS Chapter 294 authorizes municipal governments to invest their funds in a variety of investments including federal, state, and local government debt obligations; time deposit accounts, certificates of deposit, and savings accounts in qualified public depositories; the State of Oregon local government investment pool; and certain other investments. The District's investment policy does not further limit the types of investments the District may invest in.

The District categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The District has the following recurring fair value measurements as of June 30, 2025:

- Certificates of deposit of $130,872 are valued using observable inputs (Level 2).

The District had the following recurring fair value measurements as of June 30, 2024:

- Certificates of deposit of $128,199 are valued using observable inputs (Level 2).

Local Government Investment Pool

The investment in the Local Government Investment Pool (LGIP) is included in Oregon Short-Term Fund (OSTF) and the LGIP is not subject to fair value measurement under GASB 72 as the OSTF is an external government investment pool and the pool is not registered with the Securities and Exchange Commission. The Oregon Investment Council, with advice from the Treasurer and Oregon Short-Term Fund Board, adopts the policy for how the money held in the OSTF can be invested. As of June 30, 2025, the policy limited investments to Grade "A" investments including but not limited to U.S. Treasury, U.S. Agencies, corporate bonds, commercial paper, and foreign governments.

NOTE 3 INVESTMENTS (CONTINUED)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The District's exposure to interest rate risk is minimal as the majority of its investments have a maturity of less than one year.

Credit Risk

Credit risk is the risk that the issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization, such as Moody's Investor Service, Inc. The District's investments in such obligations are in government investment funds, certificates of deposit, and money markets. The District believes there is minimal credit risk with these obligations at this time.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer), the District will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District's investments are generally held by qualified financial institutions or government agencies. The District believes there is minimal custodial credit risk with its investments at this time. District management monitors the entities which hold the various investments to ensure they remain in good standing.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District believes there is minimal concentration of custodial credit risk with its investments at this time. District management monitors the entities which hold the various investments to ensure they remain in good standing.

Restricted Investments

Restricted investments as of June 30, 2025 and 2024, were held by a trustee under bond indenture agreement, and held by a trustee for the USDA debt reserve. The amounts held by trustee under bond indenture agreement were released in fiscal year 2025 as part of the debt refinancing. Interest income, dividends, and both realized and unrealized gains and losses on investments are recorded as interest income.

Board Designated Assets

Designated investments as of June 30, 2024, were designated by the board for the acquisition of a new electronic medical record system. The board may use these investments for other uses as its discretion. The amounts were expended during fiscal year 2025.

NOTE 4 PATIENT ACCOUNTS RECEIVABLE

Patient accounts receivable reported as current assets by the District consisted of these amounts at June 30:

	2025	2024
Medicare	$ 10,573,255	$ 8,221,662
Medicaid	4,381,503	4,100,115
Other Third-Party Payors and Patients	10,311,487	8,939,401
Subtotal	25,266,245	21,261,178
Less: Allowance for Uncollectible Amounts	12,551,086	10,894,885
Total	$ 12,715,159	$ 10,366,293

NOTE 5 PROPERTY TAXES

The Curry County (the County) Treasurer acts as an agent to collect property taxes levied in the County for all taxing authorities. Taxes are levied annually on July 1 on property values listed as of the prior October 1. Remaining property tax balances due to the County after May 15 are considered delinquent. Collections are distributed monthly to the District by the County Treasurer.

Property taxes are recorded as receivables when levied. Since state law allows for sale of property for failure to pay taxes, no estimate of uncollectible taxes is made.

NOTE 6 CAPITAL ASSETS AND RIGHT-OF-USE ASSETS

Capital asset and right-of-use activity was as follows at June 30:

	2025				
	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Capital Assets Not Being Depreciated:					
Land	$ 3,216,602	$ -	$ -	$ 80,099	$ 3,296,701
Construction in Progress	2,190,309	3,576,291	-	(3,879,853)	1,886,747
Total Capital Assets Not Being Depreciated	5,406,911	3,576,291	-	(3,799,754)	5,183,448
Capital Assets Being Depreciated:					
Land Improvements	3,417,131	66,115	-	-	3,483,246
Building and Improvements	33,821,105	32,550	(65,926)	836,984	34,624,713
Fixed Equipment	12,271,316	-	-	84,556	12,355,872
Movable Equipment	14,308,279	243,710	(81,798)	2,878,214	17,348,405
Lease Right-of-Use Assets - Buildings	146,616	-	(66,569)	-	80,047
Lease Right-of-Use Assets - Equipment	575,306	13,816	(156,703)	-	432,419
Subscription Assets	2,340,481	3,699,528	(174,526)	-	5,865,483
Total Capital Assets Being Depreciated	66,880,234	4,055,719	(545,522)	3,799,754	74,190,185
Less: Accumulated Depreciation for:					
Land Improvements	1,233,628	220,363	-	-	1,453,991
Building and Improvements	13,493,761	1,598,135	(1,760)	-	15,090,136
Fixed Equipment	5,152,362	728,648	-	-	5,881,010
Movable Equipment	11,696,168	798,263	(98,768)	-	12,395,663
Lease Right-of-Used Assets - Buildings	12,227	25,573	-	-	37,800
Lease Right-of-Used Assets - Equipment	314,011	107,001	(156,703)	-	264,309
Subscription Assets	882,494	934,753	(174,526)	-	1,642,721
Total Accumulated Depreciation	32,784,651	4,412,736	(431,757)	-	36,765,630
Total Capital Assets Being Depreciated, Net	34,095,583	(357,017)	(113,765)	3,799,754	37,424,555
Total Capital Assets, Net	$ 39,502,494	$ 3,219,274	$ (113,765)	$ -	$ 42,608,003

	2024				
	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Capital Assets Not Being Depreciated:					
Land	$ 2,699,194	$ -	$ -	$ 517,408	$ 3,216,602
Construction in Progress	474,380	4,108,852	-	(2,392,923)	2,190,309
Total Capital Assets Not Being Depreciated	3,173,574	4,108,852	-	(1,875,515)	5,406,911
Capital Assets Being Depreciated:					
Land Improvements	3,363,181	53,950	-	-	3,417,131
Building and Improvements	31,988,225	37,653	-	1,795,227	33,821,105
Fixed Equipment	11,950,024	360,292	(39,000)	-	12,271,316
Movable Equipment	14,042,836	516,224	(331,069)	80,288	14,308,279
Lease Right-of-Used Assets - Buildings	329,774	146,616	(329,774)	-	146,616
Lease Right-of-Used Assets - Equipment	1,696,640	86,275	(1,207,609)	-	575,306
Subscription Assets	1,929,025	464,810	(53,354)	-	2,340,481
Total Capital Assets Being Depreciated	65,299,705	1,665,820	(1,960,806)	1,875,515	66,880,234
Less: Accumulated Depreciation for:					
Land Improvements	1,018,513	215,115	-	-	1,233,628
Building and Improvements	11,936,743	1,557,018	-	-	13,493,761
Fixed Equipment	4,503,527	687,996	(39,161)	-	5,152,362
Movable Equipment	11,070,494	953,820	(328,146)	-	11,696,168
Lease Right-of-Used Assets - Buildings	180350	50,497	(218,620)	-	12,227
Lease Right-of-Used Assets - Equipment	1,265,825	120,333	(1,072,147)	-	314,011
Subscription Assets	206,911	728,937	(53,354)	-	882,494
Total Accumulated Depreciation	30,182,363	4,313,716	(1,711,428)	-	32,784,651
Total Capital Assets Being Depreciated, Net	35,117,342	(2,647,896)	(249,378)	1,875,515	34,095,583
Total Capital Assets, Net	$ 38,290,916	$ 1,460,956	$ (249,378)	$ -	$ 39,502,494

NOTE 6 CAPITAL ASSETS AND RIGHT-OF-USE ASSETS (CONTINUED)

Construction in progress at June 30, 2025 consists of various projects associated with an infusion center project and information technology project. The infusion center project is anticipated to cost approximately $8,400,000 and is being funded internally. The information technology project is anticipated to cost approximately $400,000 and is being funded internally. Both projects are anticipated to be completed in fiscal year 2026.

NOTE 7 LONG-TERM DEBT, LEASE, AND OTHER NONCURRENT LIABILITIES

A schedule of balances and changes in the District's long-term debt, lease liabilities, and subscription liabilities follows:

	2025				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Certificates of Participation, Series 2010A	$ 8,445,000	$ -	$ (8,445,000)	$ -	$ -
Series 2010A Discount	(67,935)	-	67,935	-	-
GO Bonds, Series 2015	7,365,000	-	(7,365,000)	-	
Full Faith and Credit Refunding Obligations, Series 2024	-	7,630,000	-	7,630,000	585,000
Full Faith and Credit Refund Obligations Premium, Series 2024	-	588,464	(63,536)	524,928	-
General Obligation Refunding Bonds, Series 2024	-	7,115,000	(310,000)	6,805,000	320,000
General Obligation Refunding Bonds Premium, Series 2024	-	409,736	(41,603)	368,133	-
Direct Borrowings: USDA Loan	19,595,533	-	(293,906)	19,301,627	303,982
Lease Liabilities	402,238	13,816	(196,126)	219,928	104,495
Subscription Liabilities	1,273,174	-	(305,296)	967,878	409,314
Total Long-Term Debt	$ 37,013,010	$ 15,757,016	$ (16,952,532)	$ 35,817,494	$ 1,722,791

	2024				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Certificates of Participation, Series 2010A	$ 8,965,000	$ -	$ (520,000)	$ 8,445,000	$ 550,000
Series 2010A Discount	(78,627)	-	10,692	(67,935)	-
GO Bonds, Series 2015	7,700,000	-	(335,000)	7,365,000	350,000
Direct Borrowings: USDA Loan	19,879,363	-	(283,830)	19,595,533	293,906
Lease Liabilities	340,492	232,891	(171,145)	402,238	144,161
Subscription Liabilities	1,464,877	309,055	(500,758)	1,273,174	361,433
Total Long-Term Debt	$ 38,271,105	$ 541,946	$ (1,800,041)	$ 37,013,010	$ 1,699,500

Certificates of Participation, Series 2010A

In March 2010, the District issued the Certificates of Participation, Series 2010A in the amount of $13,495,000, net of an original issue discount of $262,874. The proceeds from the Certificates of Participation, Series 2010A were used to build and provide equipment for a medical office building in Brookings, Oregon – Curry Medical Center (CMC). The Certificates of Participation, Series 2010A were secured by the financed assets pursuant to a deed of trust and require annual principal payments each January 1 ranging from $550,000 to $1,040,000. The Certificates of Participation, Series 2010A bore interest at rates ranging from 6.20% to 7%, payable semiannually each January 1 and July 1, through January 1, 2035. Under the terms of the Certificates of Participation, Series 2010A agreement, the District was required to maintain certain deposits with a trustee. Such deposits are included with restricted investments in the financial statements. The agreement also required that the District satisfy certain levels of insurance. During fiscal year 2025 the Series 2010A Certificates of Participation were refinanced with the Series 2024 Full Faith and Credit Refunding Obligations.

NOTE 7 LONG-TERM DEBT, LEASE, AND OTHER NONCURRENT LIABILITIES (CONTINUED)

General Obligation (GO) Bond, Series 2015

In August 2015, the District issued the GO Bond, Series 2015 in the amount of $10,000,000. The proceeds from the GO Bond, Series 2015 were used in the construction of a critical access facility. The GO Bond, Series 2015 bore interest at 3.63% and required principal payments ranging from $350,000 to $360,000 through June 2025. The GO Bond, Series 2015 was subject to mandatory tender for purchase by the District, at a purchase price equal to the outstanding principal balance plus accrued interest to the date of purchase. During fiscal year 2025 the District issued the General Obligation (GO) Bond, Series 2024 to refund the GO Bond, Series 2015 in full.

General Obligation (GO) Bond, Series 2024

In July 2024, the District issued the General Obligation (GO) Bond, Series 2024 in the amount of $7,115,000. The proceeds from the GO Bond, Series 2024 were used to refund the GO Bond, Series 2015 and to pay costs of issuance. The GO Bond, Series 2024 bears interest ranging from 4.00% to 5.00% and requires principal payments ranging from $310,000 to $620,000 through June 2040. The bonds maturing in years 2025 through 2034 are not subject to early redemption. On June 30, 2034, the District has the option to early redeem the bonds maturing in years 2035 and after.

Full Faith and Credit Refunding Obligations, Series 2024

In November 2024, the District issued the Full Faith and Credit Refunding Obligations (FF&C), Series 2024 in the amount of $7,630,000. The proceeds from the FF&C Series 2024 were to refund the 2010A Certificates of Participation and to pay costs of issuance. The Certificates of Participation, Series 2024 bears interest at 5.00% and requires principal payments ranging from $585,000 to $945,000 through January 2035. The FF&C Series 2024 obligations are not subject to early redemptions prior to their scheduled maturities.

USDA Loan

In September 2015, the District entered into an agreement with the USDA for the District to obtain financing for the construction of the critical access facility. The USDA loan will be repaid over 40 years with an interest rate ranging from 3.5% to 3.625%. The loan matures in April 2059. The loan is payable in monthly payments of $81,463, including interest. The loan is secured by all real property, fixtures, and equipment acquired and constructed as part of the construction project.

Lease Liabilities

The District leases equipment and space for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through February 2030 and provide for varying renewal options. Interest rates on the finance lease obligations range from 0.89% to 4.64%.

NOTE 7 LONG-TERM DEBT, LEASE, AND OTHER NONCURRENT LIABILITIES (CONTINUED)

Subscription-Based Information Technology Arrangements

The District has entered into subscription-based information technology arrangements (SBITAs). The SBITAs expire at various dates through May 2028. The interest rates on the SBITAs range from 2.93% to 4.24%.

Scheduled principal and interest payments are as follows:

	Bonds and Loans Payable		
Year Ending June 30,	Principal	Interest	Total
2026	$ 1,208,982	$ 1,362,488	$ 2,571,470
2027	1,295,513	1,305,055	2,600,568
2028	1,351,345	1,244,111	2,595,456
2029	1,412,939	1,180,392	2,593,331
2030	1,414,947	1,113,759	2,528,706
2031-2035	8,480,389	4,471,141	12,951,530
2036-2040	5,166,777	2,939,103	8,105,880
2041-2045	2,759,336	2,128,444	4,887,780
2046-2050	3,286,705	1,601,075	4,887,780
2051-2055	3,915,139	972,641	4,887,780
2056-2059	3,444,555	245,687	3,690,242
	$ 33,736,627	$ 18,563,896	$ 52,300,523

	Lease Liabilities		
Year Ending June 30,	Principal	Interest	Total
2026	$ 104,495	$ 5,082	$ 109,577
2027	63,278	2,710	65,988
2028	32,263	1,375	33,638
2029	18,120	402	18,522
2030	1,772	20	1,792
Total	$ 219,928	$ 9,589	$ 229,517

	Subscription Liabilities		
Year Ending June 30,	Principal	Interest	Total
2026	$ 409,314	$ 25,449	$ 434,763
2027	428,217	11,137	439,354
2028	130,347	1,014	131,361
Total	$ 967,878	$ 37,600	$ 1,005,478

NOTE 8 DEFINED CONTRIBUTION RETIREMENT PLAN

Eligible employees may make elective contributions to the District's defined contribution retirement plan, Curry Health District 403(b) Plan (the Plan). The District made matching contributions of approximately $732,000 and $581,000 for the years ended June 30, 2025 and 2024, respectively.

Participants are immediately vested in their own contributions to the Plan and vest in the District's contributions at a rate of 20% per year over five years of service. The Plan is administered by the District and can be amended or terminated by the District at any time. Forfeitures of nonvested contributions are used to reduce plan expenses.

Participant contributions to the Plan during the years ended June 30, 2025 and 2024, were approximately $1,611,000 and $1,380,000, respectively.

NOTE 9 NET PATIENT SERVICE REVENUE

Patient service revenue, net of contractual adjustments and discounts (but before the provision for bad debts), recognized in the period from these major payor sources, is as follows at June 30:

	2025	2024
Medicare	$ 38,071,623	$ 30,891,565
Medicaid	14,614,183	13,835,058
Other Third-Party Payors	31,538,979	26,550,017
Patients	1,837,991	1,317,037
Total	86,062,776	72,593,677
Less:		
Charity Care	838,733	423,865
Provision for Bad Debts	2,439,458	2,316,158
Net Patient Service Revenue	$ 82,784,585	$ 69,853,654

NOTE 9 NET PATIENT SERVICE REVENUE (CONTINUED)

The District has agreements with third-party payors that provide for payments at amounts different from its established rates. A summary of the payment arrangements with major third-party payors is as follows:

Medicare

The District has elected the Critical Access Hospital (CAH) designation. As a Critical Access Hospital, inpatient acute care services rendered to Medicare program beneficiaries are paid on a cost-reimbursed basis and inpatient nonacute services and outpatient services are reimbursed on a cost basis. The District is reimbursed for certain services at tentative rates with final settlement determined after submission of annual cost reports by the District and audits thereof by the Medicare fiscal intermediary. The District's Medicare cost reports have been audited by the Medicare fiscal intermediary through June 30, 2020. Clinical services are paid on a cost basis or fixed fee schedule.

Medicaid

For patients covered by Medicaid managed care insurance, inpatient and outpatient services are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. For all other Medicaid patients, the District is reimbursed at cost for most hospital and physician services, with final settlement determined after submission of annual cost reports by the District and review thereof by the Oregon Health Authority. The Oregon Health Authority's administrative procedures preclude final determination of amounts due to the District for such services until after the District's annual cost report is audited or otherwise reviewed or settled upon by Oregon Health Authority. The fee for Service Medicaid transitioned to a prospective payment program in January 2024, however the change did not have a material impact on the District's patient service revenue.

Other

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

Uninsured

The District provides healthcare services to patients who have not purchased commercial healthcare insurance coverage and do not qualify as beneficiaries of the Medicare and Medicaid programs. Based upon financial information obtained, some of these patients qualify for discounts from charges under the District's charity care policy.

Laws and regulations governing Medicare, Medicaid, and other programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

NOTE 9 NET PATIENT SERVICE REVENUE (CONTINUED)

The District provides charity care to patients who are financially unable to pay for the healthcare services they receive. The District's policy is not to pursue collection of amounts determined to qualify as charity care. Accordingly, the District does not report these amounts in net operating revenues or in the allowance for uncollectible accounts. The District determines the costs associated with providing charity care by aggregating the applicable direct and indirect costs, including salaries and wages, benefits, supplies, and other operating expenses, based on data from its costing system. The costs of caring for charity care patients for the years ended June 30, 2025 and 2024, were approximately $340,000 and $322,000, respectively.

NOTE 10 RISK MANAGEMENT AND CONTINGENCIES

Risk Management

The District is exposed to various risks of loss from torts; theft of, damage to, and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental, and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Medical Malpractice Claims

The District has professional liability insurance with Physicians Insurance: A Mutual Company (Physicians). The Physicians policy provides protection on a "claims-made" basis whereby only malpractice claims reported to the insurance carrier in the current year are covered by the current policies. If there are unreported incidents which result in a malpractice claim in the current year, such claims would be covered in the year the claim was reported to the insurance carrier only if the District purchased claims-made insurance in that year or the District purchased "tail" insurance to cover claims incurred before but reported to the insurance carrier after cancellation or expiration of a claims-made policy. The malpractice insurance provides $1,000,000 per claim of primary coverage with an annual aggregate limit of $5,000,000.

The District also has excess professional liability insurance with Physicians on a claims-made basis. The excess malpractice insurance provides $5,000,000 per claim of primary coverage with an annual aggregate limit of $5,000,000.

No liability has been accrued for future coverage of acts, if any, occurring in this or prior years. Also, it is possible that claims may exceed coverage available in any given year.

NOTE 10 RISK MANAGEMENT AND CONTINGENCIES (CONTINUED)

Industry Regulations

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditations, government healthcare program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse. Government activity continues with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by healthcare providers. Violations of these laws and regulations could result in expulsion from government healthcare programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed. Management believes no significant violations have been made by the District.

While no regulatory inquiries have been made, compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time.

Employee Health Insurance

Substantially all of the District's employees and their dependents are eligible to participate in the District's employee health insurance plan. The District is partially self-insured for health claims of participating employees and dependents up to an annual aggregate amount of $100,000 per employee. Commercial stop-loss insurance coverage is purchased for claims in excess of the aggregate annual amount. A provision is accrued for self-insured employee health claims including both claims reported and claims incurred but not yet reported. The accrual is estimated based on consideration of prior claims experience, recently settled claims, frequency of claims, and other economic and social factors. The accrual is recorded within accrued compensation and related liabilities on the statements of net position. It is reasonably possible that the District's estimate will change by a material amount in the near term.

NOTE 11 CONCENTRATIONS

Patient Accounts Receivable

The District grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The majority of these patients are geographically concentrated in and around Curry County.

The mix of receivables from patients was as follows at June 30:

	2025	2024
Medicare	36 %	29 %
Medicaid	19	21
Other Third-Party Payors	40	45
Patients	5	5
Total	100 %	100 %

Physicians

The District is dependent on local physicians practicing in its service area to provide admissions and utilize hospital services on an outpatient basis. A decrease in the number of physicians providing these services or change in their utilization patterns may have an adverse effect on the District's operations.

SUPPLEMENTAL INFORMATION

CURRY HEALTH DISTRICT
SCHEDULE OF RESOURCES AND EXPENDITURES
BUDGET VS. ACTUAL (NON-GAAP BUDGETARY BASIS)
YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance
OPERATING REVENUE			
Net Patient Revenue	$ 72,675,964	$ 82,784,585	$ 10,108,621
Other Operating Revenue	1,170,945	1,610,090	439,145
Total Operating Revenue	73,846,909	84,394,675	10,547,766
OPERATING EXPENSES			
Salaries and Wages	33,028,108	34,871,895	(1,843,787)
Employee Benefits	6,266,297	9,049,919	(2,783,622)
Contract Labor	13,501,604	9,928,535	3,573,069
Professional Fees	645,801	4,886,411	(4,240,610)
Purchased Services	4,548,241	3,554,521	993,720
Supplies	5,919,707	5,051,732	867,975
Pharmaceuticals	2,071,847	4,219,068	(2,147,221)
Utilities	930,801	795,111	135,690
Insurance	825,000	716,517	108,483
Rent	407,692	254,336	153,356
Depreciation and Amortization	3,808,912	4,412,736	(603,824)
Other Expenses	2,026,147	2,896,726	(870,579)
Total Operating Expenses	73,980,157	80,637,507	(6,657,350)
OPERATING INCOME (LOSS)	(133,248)	3,757,168	3,890,416
NONOPERATING REVENUE (EXPENSES)			
Interest	(1,450,000)	(1,513,560)	(63,560)
Other Revenues and Expenses, Net	3,117,662	2,717,647	(400,015)
Total Nonoperating Revenue, Net	1,667,662	1,204,087	(463,575)
CHANGE IN NET POSITION	$ 1,534,414	$ 4,961,255	$ 3,426,841

ADDITIONAL REQUIRED REPORTS

CURRY HEALTH DISTRICT
AUDIT COMMENTS AND DISCLOSURES REQUIRED BY OREGON STATE REGULATIONS
YEAR ENDED JUNE 30, 2025

Oregon Administrative Rules 162-010-0000 through 162-010-0320 of the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments, and disclosures required in audit reports. The required statements and schedules are set forth in the preceding sections of this report. Required comments and disclosures related to the audit of such statements and schedules are set forth in the following pages.

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

Board of Directors
Curry Health District
Gold Beach, Oregon

We have audited the basic financial statements of Curry Health District (the District) as of and for the year ended June 30, 2025, and have issued our report thereon dated October 14, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements as of and for the year ended June 30, 2025, are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, including the provisions of Oregon Revised Statutes (ORS) as specified in Oregon Administrative Rules (OAR) 162-010-000 through 162-010-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to, the following:

- Deposit of public funds with financial institutions (ORS Chapter 295)
- Indebtedness limitations, restrictions, and repayment
- Budgets legally required (ORS Chapter 440)
- Insurance and fidelity bonds in force or required by law
- Programs funded from outside sources
- Authorized investment of surplus funds (ORS Chapter 294)
- Public contracts and purchasing (ORS Chapters 279A, 279B, and 279C)

In connection with our testing, nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts and grant agreements, including the provisions of the ORS as specified in OAR 162-010-000 through 162-010-320 of the *Minimum Standards for Audits of Oregon Municipal Corporations.*

OAR 162-010-0230 Internal Control

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Restriction on Use

This report is intended solely for the information and use of the Board of Directors; management; others within the District; and the Secretary of State, Oregon Audits Division, and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Bellevue, Washington
October 14, 2025

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Curry Health District
Gold Beach, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of Curry Health District (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents, and have issued our report thereon dated October 14, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the basic financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance.

Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Bellevue, Washington
October 14, 2025

Attachment E

Exhibit 1.f.vi

HCMO-1c: Facilities and Location Form

Health Care Market Oversight (HCMO) Program
HCMO-1c: Facilities and Locations Form

List all health care facilities and locations associated with parties to the proposed material change transaction that currently operate in Oregon. Please add additional rows or pages as needed. Submit the completed form in a portable document form (pdf) to hcmo.info@oha.oregon.gov. This form will be published.

For each location, include the location or facility name, street address, services provided at the location, and service area zip codes. Service area refers to the smallest number of zip codes from which the location or facility draws at least 75% of its patients, based on home zip codes of patients. Add rows as needed for additional locations.

Locations associated with Party A

Entity Name: Curry Health District

Location/ Facility Name	Street Address	Services provided at location	Service area zip codes
Curry General Hospital	94220 4th Street, Gold Beach, Oregon 97444	Hospital services (anesthesia, cardiopulmonary services, case management/discharge, anticoagulation clinic, nutrition services, emergency department, dietary services, gynecology, hospitalists, laboratory services, occupational therapy, orthopedics, pharmacy, physical therapy, radiology/diagnostic imaging, speech therapy, surgical services, swing bed, urology, etc.)	97415, 97444

Location/ Facility Name	Street Address	Services provided at location	Service area zip codes
Curry General Hospital Swing Bed Program	94220 4th Street, Gold Beach, Oregon 97444	Swing bed services	97415, 97444
Curry Medical Practice	94220 4th Street, Gold Beach, Oregon 97444	Primary care services, ob/gyn services, and urology services	97415, 97444
Curry Sleep Center	94220 4th Street, Gold Beach, Oregon 97444	Sleep medicine services	97415, 97444
Curry Medical North	94180 2nd Street, Gold Beach, Oregon 97444	Primary care services	97415, 97444
Curry Medical Center	500 5th Street, Brookings, Oregon 97415	Emergency care services, primary care services, specialty care services (ob/gyn, urology, neurology, pain management), pediatric services, therapy services, imaging services, anti-coagulation services, nuclear medicine services	97415, 97444
Curry Family Medical	525 Madrona, Port Orford, Oregon 97465	Primary care services	97415, 97444, 97465
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Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.	Click or tap here to enter text.