

PUBLIC DISCLOSURE COPY

TAX RETURN FILING INSTRUCTIONS

FORM 990

FOR THE YEAR ENDING

December 31, 2021

Prepared For:

Community Memorial Hospital, Inc.
PO Box 319
Burke, SD 57523-0319

Prepared By:

Eide Bailly LLP
200 E. 10th St., Ste. 500
Sioux Falls, SD 57104-6375

Amount Due or Refund:

Not applicable

Make Check Payable To:

Not applicable

Mail Tax Return and Check (if applicable) To:

Not applicable

Return Must be Mailed On or Before:

Not applicable

Special Instructions:

This copy of the return is provided ONLY for Public Disclosure purposes. Any confidential information regarding large donors has been removed.

Application for Automatic Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ **File a separate application for each return.**
▶ **Go to www.irs.gov/Form8868 for the latest information.**

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/e-file-providers/e-file-for-charities-and-non-profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

Type or print	Name of exempt organization or other filer, see instructions. COMMUNITY MEMORIAL HOSPITAL, INC.	Taxpayer identification number (TIN) 46-0219795
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. PO BOX 319	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. BURKE, SD 57523-0319	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12
Form 990-T (corporation)	07		

TAMI LYON

• The books are in the care of ▶ **PO BOX 319 - BURKE, SD 57523-0319**

Telephone No. ▶ **605-775-2621** Fax No. ▶ _____

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and TINs of all members the extension is for.

1 I request an automatic 6-month extension of time until **NOVEMBER 15, 2022**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:
▶ calendar year **2021** or
▶ tax year beginning _____, and ending _____.

2 If the tax year entered in line 1 is for less than 12 months, check reason: Initial return Final return
 Change in accounting period

3a If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-TE and Form 8879-TE for payment instructions.

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2021

Department of the Treasury
Internal Revenue Service

▶ Do not enter social security numbers on this form as it may be made public.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

Open to Public Inspection

A For the **2021** calendar year, or tax year beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization COMMUNITY MEMORIAL HOSPITAL, INC.		D Employer identification number 46-0219795
	Doing business as		E Telephone number 605-775-2621
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	PO BOX 319		G Gross receipts \$ 10,064,630.
	City or town, state or province, country, and ZIP or foreign postal code BURKE, SD 57523-0319		
F Name and address of principal officer: MISTIE DREY SAME AS C ABOVE		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. See instructions H(c) Group exemption number ▶	

I Tax-exempt status: 501(c)(3) 501(c) () ◀ (insert no.) 4947(a)(1) or 527

J Website: ▶ **WWW.CMHBURKE.ORG**

K Form of organization: Corporation Trust Association Other ▶ **L** Year of formation: **1945** **M** State of legal domicile: **SD**

Part I Summary			
Activities & Governance	1 Briefly describe the organization's mission or most significant activities: PROVIDE MEDICAL SERVICES		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	9
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	6
	5 Total number of individuals employed in calendar year 2021 (Part V, line 2a)	5	73
	6 Total number of volunteers (estimate if necessary)	6	10
	7 a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0.
b Net unrelated business taxable income from Form 990-T, Part I, line 11	7b	0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 1,246,794.	Current Year 2,834,502.
	9 Program service revenue (Part VIII, line 2g)	6,513,155.	7,025,523.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	60,943.	44,332.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	84,387.	85,108.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	7,905,279.	9,989,465.
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	8,220.
14 Benefits paid to or for members (Part IX, column (A), line 4)		0.	0.
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		2,898,084.	3,114,765.
16a Professional fundraising fees (Part IX, column (A), line 11e)		0.	0.
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0.			
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		3,413,077.	3,796,890.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	6,319,381.	6,930,820.	
19 Revenue less expenses. Subtract line 18 from line 12	1,585,898.	3,058,645.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 16,470,278.	End of Year 16,272,801.
	21 Total liabilities (Part X, line 26)	7,559,422.	4,300,805.
	22 Net assets or fund balances. Subtract line 21 from line 20	8,910,856.	11,971,996.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date			
	MISTIE DREY, CEO Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name LAURIE HANSON, CPA	Preparer's signature LAURIE HANSON, CPA	Date 07/19/22	Check if self-employed <input type="checkbox"/>	PTIN P00851848
	Firm's name ▶ EIDE BAILLY LLP	Firm's EIN ▶ 45-0250958	Phone no. 605-339-1999		
Firm's address ▶ 200 E. 10TH ST., STE. 500		SIOUX FALLS, SD 57104-6375			

May the IRS discuss this return with the preparer shown above? See instructions Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission: EXCELLENCE IN THE PROVISION OF HEALTH CARE AND RELATED SERVICES, GOVERNED AS A NOT-FOR-PROFIT COMMUNITY ORGANIZATION, SERVING THE NEEDS OF OUR PEOPLE WITH SUPERIOR QUALITY AND VALUE.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

4a (Code:) (Expenses \$ 5,277,981. including grants of \$ 19,165.) (Revenue \$ 7,025,523.) COMMUNITY MEMORIAL HOSPITAL, INC., 16-BED ACUTE CARE HOSPITAL, PROMOTES HEALTH OF THE COMMUNITY BY PROVIDING A VARIETY OF HEALTH CARE SERVICES. DURING 2021, COMMUNITY MEMORIAL HOSPITAL HAD 3,688 CLINIC VISITS IN BURKE AND 541 CLINIC VISITS IN BONESTEEL. THE HOSPITAL HAD 176 ADMISSIONS, 375 ACUTE PATIENT DAYS, 497 SWINGBED DAYS AND 443 VISITS TO THE EMERGENCY ROOM.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe on Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 5,277,981.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? See instructions	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Rev. Proc. 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X, as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15, that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I.</i> See instructions		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	X	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	X	
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	X	

Part IV Checklist of Required Schedules (continued)

	Yes	No
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
26 Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see the Schedule L, Part IV, instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i>	X	
c A 35% controlled entity of one or more individuals and/or organizations described in line 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>		X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations on Schedule O for Part VI, lines 11b and 19?	X	

Note: All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

	Yes	No
1a Enter the number reported in box 3 of Form 1096. Enter -0- if not applicable		
b Enter the number of Forms W-2G included on line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance (continued)

Table with columns for question number, question text, and Yes/No response boxes. Includes questions 2a through 17 regarding employee counts, tax filings, and organizational compliance.

Part VI Governance, Management, and Disclosure. For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members... 1b Enter the number of voting members included... 2 Did any officer, director, trustee, or key employee have a family relationship... 3 Did the organization delegate control over management duties... 4 Did the organization make any significant changes to its governing documents... 5 Did the organization become aware during the year of a significant diversion of the organization's assets... 6 Did the organization have members or stockholders... 7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body... 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body... 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: 8a The governing body? 8b Each committee with authority to act on behalf of the governing body? 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses on Schedule O.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates? 10b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? 11b Describe on Schedule O the process, if any, used by the organization to review this Form 990. 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe on Schedule O how this was done 13 Did the organization have a written whistleblower policy? 14 Did the organization have a written document retention and destruction policy? 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? 15a The organization's CEO, Executive Director, or top management official 15b Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process on Schedule O. See instructions. 16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? 16b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed NONE
18 Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, if applicable), 990, and 990-T (section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. [X] Own website [] Another's website [X] Upon request [] Other (explain on Schedule O)
19 Describe on Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records TAMI LYON - 605-775-2621 PO BOX 319, BURKE, SD 57523-0319

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See the instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (box 5 of Form W-2, Form 1099-MISC, and/or box 1 of Form 1099-NEC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations. See the instructions for the order in which to list the persons above.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) AMY JURACEK CNP	40.00					X	121,109.	0.	16,333.	
(2) THOMAS GLOVER CHAIRMAN	2.00	X		X			0.	0.	0.	
(3) MICHAEL KARBO VICE CHAIRMAN	1.00	X		X			0.	0.	0.	
(4) KAREN MARTIN SECRETARY	1.00	X		X			0.	0.	0.	
(5) JASON MOSTERD DIRECTOR	1.00	X					0.	0.	0.	
(6) BECKY JONES DIRECTOR	1.00	X					0.	0.	0.	
(7) CLAYTON STEELE DIRECTOR	1.00	X					0.	0.	0.	
(8) RACHELLE NORBERG DIRECTOR	1.00	X					0.	0.	0.	
(9) DOUG SPITZENBERGER DIRECTOR	1.00	X					0.	0.	0.	
(10) DOUG SHEPPERD DIRECTOR BEG JULY 2021	1.00	X					0.	0.	0.	
(11) SUE CHYTKA DIRECTOR UNTIL JUNE 2021	1.00	X					0.	0.	0.	
(12) MISTIE DREY CEO	40.00			X			0.	0.	0.	
(13) MEGAN SMITH MD	40.00					X	0.	0.	0.	

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC/1099-NEC)	(E) Reportable compensation from related organizations (W-2/1099-MISC/1099-NEC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Subtotal							121,109.	0.	16,333.	
c Total from continuation sheets to Part VII, Section A							0.	0.	0.	
d Total (add lines 1b and 1c)							121,109.	0.	16,333.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **1**

	Yes	No
3 Did the organization list any former officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
SANFORD HEALTH PO BOX 5074, SIOUX FALLS, SD 57117-5074	MANAGEMENT SERVICES	515,618.
SANFORD CLINIC 1305 W 18TH ST, SIOUX FALLS, SD 57105	MD SERVICES	256,703.
WINNER PHYSICAL THERAPY 825 E 8TH ST #204, WINNER, SD 57580	PT AND OT COVERAGE SERVICES	243,898.
BURKE COMMUNITY PHARMACY PO BOX 358, BURKE, SD 57523	PHARMACIST SERVICES	101,778.
KASEY HANSON 28188 348TH AVE, BURKE, SD 57523	CONTRACT APP	100,155.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **5**

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII

				(A)	(B)	(C)	(D)	
				Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e	2,732,822.				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	101,680.				
	g	Noncash contributions included in lines 1a-1f	1g	\$				
	h	Total. Add lines 1a-1f			2,834,502.			
Program Service Revenue	2 a	PATIENT SERVICE REVENUE	Business Code 621110	5,000,439.	5,000,439.			
	b	CLINIC REVENUE	621498	1,020,643.	1,020,643.			
	c	PHARMACY REVENUE	446110	899,949.	899,949.			
	d							
	e							
	f	All other program service revenue	561499	104,492.	104,492.			
	g	Total. Add lines 2a-2f			7,025,523.			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		52,171.			52,171.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross rents	(i) Real	93,802.				
			(ii) Personal					
			6a					
	b	Less: rental expenses	6b	8,694.				
	c	Rental income or (loss)	6c	85,108.				
	d	Net rental income or (loss)			85,108.		85,108.	
	7 a	Gross amount from sales of assets other than inventory	(i) Securities					
			(ii) Other	58,632.				
			7a					
b	Less: cost or other basis and sales expenses	7b	66,471.					
c	Gain or (loss)	7c	-7,839.					
d	Net gain or (loss)			-7,839.		-7,839.		
8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	8a						
b	Less: direct expenses	8b						
c	Net income or (loss) from fundraising events							
9 a	Gross income from gaming activities. See Part IV, line 19	9a						
b	Less: direct expenses	9b						
c	Net income or (loss) from gaming activities							
10 a	Gross sales of inventory, less returns and allowances							
		10a						
b	Less: cost of goods sold	10b						
c	Net income or (loss) from sales of inventory							
Miscellaneous Revenue	11 a		Business Code					
	b							
	c							
	d	All other revenue						
	e	Total. Add lines 11a-11d						
12	Total revenue. See instructions			9,989,465.	7,025,523.	0.	129,440.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX X

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	15,000.	15,000.		
2 Grants and other assistance to domestic individuals. See Part IV, line 22	4,165.	4,165.		
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	162,423.	162,423.		
7 Other salaries and wages	2,407,298.	1,929,597.	477,701.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	56,831.	48,729.	8,102.	
9 Other employee benefits	309,737.	208,666.	101,071.	
10 Payroll taxes	178,476.	144,939.	33,537.	
11 Fees for services (nonemployees):				
a Management	233,646.		233,646.	
b Legal	37,748.		37,748.	
c Accounting	52,780.		52,780.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A), amount, list line 11g expenses on Sch O.)	1,212,914.	1,081,339.	131,575.	
12 Advertising and promotion	26,272.	2,577.	23,695.	
13 Office expenses	94,716.	26,132.	68,584.	
14 Information technology	136,790.		136,790.	
15 Royalties				
16 Occupancy	80,466.	60,573.	19,893.	
17 Travel	676.	568.	108.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	6,753.	3,381.	3,372.	
20 Interest	95,646.	72,001.	23,645.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	522,223.	393,119.	129,104.	
23 Insurance	42,993.		42,993.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A), amount, list line 24e expenses on Schedule O.)				
a MEDICAL SUPPLIES	1,086,566.	1,073,667.	12,899.	
b EQUIPMENT & MAINTENANCE	100,284.	13,790.	86,494.	
c EMPLOYEE RECRUITMENT	33,169.	33,169.		
d LICENSES, DUES & SUBSCR	26,313.	4,146.	22,167.	
e All other expenses	6,935.		6,935.	
25 Total functional expenses. Add lines 1 through 24e	6,930,820.	5,277,981.	1,652,839.	0.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here if following SOP 98-2 (ASC 958-720)

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing		1	
	2 Savings and temporary cash investments	7,044,249.	2	7,339,820.
	3 Pledges and grants receivable, net	212,057.	3	164,556.
	4 Accounts receivable, net	668,528.	4	592,509.
	5 Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B)		6	
	7 Notes and loans receivable, net	217,500.	7	182,500.
	8 Inventories for sale or use	114,900.	8	156,035.
	9 Prepaid expenses and deferred charges	85,422.	9	64,907.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 8,992,305.		
	b Less: accumulated depreciation	10b 2,462,864.	10c	6,529,441.
	11 Investments - publicly traded securities	557,234.	11	766,910.
	12 Investments - other securities. See Part IV, line 11	21,284.	12	24,615.
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	974,128.	15	451,508.
16 Total assets. Add lines 1 through 15 (must equal line 33)	16,470,278.	16	16,272,801.	
Liabilities	17 Accounts payable and accrued expenses	483,172.	17	449,161.
	18 Grants payable		18	
	19 Deferred revenue	2,255,886.	19	148,977.
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	162,155.	21	208,811.
	22 Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons		22	
	23 Secured mortgages and notes payable to unrelated third parties	4,658,209.	23	3,493,856.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	7,559,422.	26	4,300,805.
Net Assets or Fund Balances	Organizations that follow FASB ASC 958, check here <input checked="" type="checkbox"/> and complete lines 27, 28, 32, and 33.			
	27 Net assets without donor restrictions	8,855,108.	27	11,931,996.
	28 Net assets with donor restrictions	55,748.	28	40,000.
	Organizations that do not follow FASB ASC 958, check here <input type="checkbox"/> and complete lines 29 through 33.			
	29 Capital stock or trust principal, or current funds		29	
	30 Paid-in or capital surplus, or land, building, or equipment fund		30	
	31 Retained earnings, endowment, accumulated income, or other funds		31	
	32 Total net assets or fund balances	8,910,856.	32	11,971,996.
	33 Total liabilities and net assets/fund balances	16,470,278.	33	16,272,801.

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	9,989,465.
2	Total expenses (must equal Part IX, column (A), line 25)	2	6,930,820.
3	Revenue less expenses. Subtract line 2 from line 1	3	3,058,645.
4	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	4	8,910,856.
5	Net unrealized gains (losses) on investments	5	2,495.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain on Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	10	11,971,996.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
1	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain on Schedule O.		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
b	Were the organization's financial statements audited by an independent accountant? _____ If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: <input checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? _____ If the organization changed either its oversight process or selection process during the tax year, explain on Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? _____		X
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____		

SCHEDULE A
(Form 990)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.
▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2021

Open to Public Inspection

Name of the organization **COMMUNITY MEMORIAL HOSPITAL, INC.**
Employer identification number **46-0219795**

Part I Reason for Public Charity Status. (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 12, check only one box.)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E (Form 990).)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 An agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university: _____
- 10 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions, subject to certain exceptions; and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 12 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).** See **section 509(a)(3).** Check the box on lines 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
 - f Enter the number of supported organizations _____
 - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
Total						

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Table with 7 columns: (a) 2017, (b) 2018, (c) 2019, (d) 2020, (e) 2021, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f); 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2017, (b) 2018, (c) 2019, (d) 2020, (e) 2021, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources; 9 Net income from unrelated business activities, whether or not the business is regularly carried on; 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.); 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities, etc. (see instructions); 13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 2 columns: Line number, Percentage. Rows include: 14 Public support percentage for 2021 (line 6, column (f), divided by line 11, column (f)); 15 Public support percentage from 2020 Schedule A, Part II, line 14; 16a 33 1/3% support test - 2021. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization; b 33 1/3% support test - 2020. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization; 17a 10% -facts-and-circumstances test - 2021. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization; b 10% -facts-and-circumstances test - 2020. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the facts-and-circumstances test, check this box and stop here. Explain in Part VI how the organization meets the facts-and-circumstances test. The organization qualifies as a publicly supported organization; 18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions.

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Table with 7 columns: (a) 2017, (b) 2018, (c) 2019, (d) 2020, (e) 2021, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 8 Public support.

Section B. Total Support

Table with 7 columns: (a) 2017, (b) 2018, (c) 2019, (d) 2020, (e) 2021, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources; 10b Unrelated business taxable income; 11 Net income from unrelated business activities not included on line 10b; 12 Other income; 13 Total support.

14 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

Table with 2 columns: Description, Percentage. Row 15: Public support percentage for 2021 (line 8, column (f), divided by line 13, column (f)) 15%. Row 16: Public support percentage from 2020 Schedule A, Part III, line 15 16%.

Section D. Computation of Investment Income Percentage

Table with 2 columns: Description, Percentage. Row 17: Investment income percentage for 2021 (line 10c, column (f), divided by line 13, column (f)) 17%. Row 18: Investment income percentage from 2020 Schedule A, Part III, line 17 18%.

19a 33 1/3% support tests - 2021. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2020. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked box 12a, Part I, complete Sections A and B. If you checked box 12b, Part I, complete Sections A and C. If you checked box 12c, Part I, complete Sections A, D, and E. If you checked box 12d, Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer lines 3b and 3c below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked box 12a or 12b in Part I, answer lines 4b and 4c below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer lines 5b and 5c below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described on line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons, as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined on line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined on line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer line 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described on lines 11b and 11c below, the governing body of a supported organization?		
b A family member of a person described on line 11a above?		
c A 35% controlled entity of a person described on line 11a or 11b above? <i>If "Yes" to line 11a, 11b, or 11c, provide detail in Part VI.</i>		
11a		
11b		
11c		

Section B. Type I Supporting Organizations

	Yes	No
1 Did the governing body, members of the governing body, officers acting in their official capacity, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's officers, directors, or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove officers, directors, or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>		
2 Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>		
1		
2		

Section C. Type II Supporting Organizations

	Yes	No
1 Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>		
1		

Section D. All Type III Supporting Organizations

	Yes	No
1 Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
2 Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>		
3 By reason of the relationship described on line 2, above, did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>		
1		
2		
3		

Section E. Type III Functionally Integrated Supporting Organizations

1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a governmental entity (see instructions).			
2 Activities Test. Answer lines 2a and 2b below.			
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>			
b Did the activities described on line 2a, above, constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>			
3 Parent of Supported Organizations. Answer lines 3a and 3b below.			
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>If "Yes" or "No" provide details in Part VI.</i>			
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>			
2a			
2b			
3a			
3b			

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

1 Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). See instructions.
 All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	Adjusted Net Income (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	Total (add lines 1a, 1b, and 1c)	1d	
e	Discount claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 0.015 of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by 0.035.	6	
7	Recoveries of prior-year distributions	7	
8	Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, column A)	1	
2	Enter 0.85 of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions		Current Year
1	Amounts paid to supported organizations to accomplish exempt purposes	1
2	Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	2
3	Administrative expenses paid to accomplish exempt purposes of supported organizations	3
4	Amounts paid to acquire exempt-use assets	4
5	Qualified set-aside amounts (prior IRS approval required - provide details in Part VI)	5
6	Other distributions (describe in Part VI). See instructions.	6
7	Total annual distributions. Add lines 1 through 6.	7
8	Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	8
9	Distributable amount for 2021 from Section C, line 6	9
10	Line 8 amount divided by line 9 amount	10

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2021	(iii) Distributable Amount for 2021
1 Distributable amount for 2021 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2021 (reasonable cause required - explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2021			
a From 2016			
b From 2017			
c From 2018			
d From 2019			
e From 2020			
f Total of lines 3a through 3e			
g Applied to underdistributions of prior years			
h Applied to 2021 distributable amount			
i Carryover from 2016 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from line 3f.			
4 Distributions for 2021 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2021 distributable amount			
c Remainder. Subtract lines 4a and 4b from line 4.			
5 Remaining underdistributions for years prior to 2021, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI. See instructions.			
6 Remaining underdistributions for 2021. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI. See instructions.			
7 Excess distributions carryover to 2022. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2017			
b Excess from 2018			
c Excess from 2019			
d Excess from 2020			
e Excess from 2021			

Schedule B
(Form 990)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990 or Form 990-PF.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2021

Name of the organization

COMMUNITY MEMORIAL HOSPITAL, INC.

Employer identification number

46-0219795

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(3) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I (entering "N/A" in column (b) instead of the contributor name and address), II, and III.

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

Caution: An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990).

Name of organization COMMUNITY MEMORIAL HOSPITAL, INC.	Employer identification number 46-0219795
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Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	<hr/> <hr/> <hr/>	\$ <u>15,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
	<hr/> <hr/> <hr/>	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization COMMUNITY MEMORIAL HOSPITAL, INC.	Employer identification number 46-0219795
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Part II Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____
	_____	\$ _____	_____

Name of organization COMMUNITY MEMORIAL HOSPITAL, INC.	Employer identification number 46-0219795
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Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this info. once.) ▶ \$ _____
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

SCHEDULE D (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Financial Statements

Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b. Attach to Form 990.

Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2021

Open to Public Inspection

Name of the organization: COMMUNITY MEMORIAL HOSPITAL, INC. Employer identification number: 46-0219795

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" on Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? (Yes/No), 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? (Yes/No)

Part II Conservation Easements. Complete if the organization answered "Yes" on Form 990, Part IV, line 7.

Table with 2 columns: Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply): Preservation of land for public use, Protection of natural habitat, Preservation of open space, Preservation of a historically important land area, Preservation of a certified historic structure; 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year: a Total number of conservation easements, b Total acreage restricted by conservation easements, c Number of conservation easements on a certified historic structure included in (a), d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register; 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year; 4 Number of states where property subject to conservation easement is located; 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? (Yes/No); 6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year; 7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year; 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? (Yes/No); 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" on Form 990, Part IV, line 8.

Table with 2 columns: Revenue, Assets. Rows include: 1a If the organization elected, as permitted under FASB ASC 958, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide in Part XIII the text of the footnote to its financial statements that describes these items.; 1b If the organization elected, as permitted under FASB ASC 958, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenue included on Form 990, Part VIII, line 1; (ii) Assets included in Form 990, Part X; 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under FASB ASC 958 relating to these items: a Revenue included on Form 990, Part VIII, line 1; b Assets included in Form 990, Part X

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3 Using the organization's acquisition, accession, and other records, check any of the following that make significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange program
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No
- b If "Yes," explain the arrangement in Part XIII and complete the following table:
- | | Amount |
|---------------------------------|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? Yes No
- b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment _____ %
 - b Permanent endowment _____ %
 - c Term endowment _____ %
- The percentages on lines 2a, 2b, and 2c should equal 100%.
- 3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:
- | | Yes | No |
|--|--------|----|
| (i) Unrelated organizations | 3a(i) | |
| (ii) Related organizations | 3a(ii) | |
| b If "Yes" on line 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4 Describe in Part XIII the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		44,228.		44,228.
b Buildings		5,659,077.	733,575.	4,925,502.
c Leasehold improvements				
d Equipment		2,888,993.	1,554,020.	1,334,973.
e Other		400,007.	175,269.	224,738.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				6,529,441.

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ...

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	9,991,960.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains (losses) on investments	2a	2,495.	
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d	2e	2,495.	
3	Subtract line 2e from line 1		3	9,989,465.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b	4c		0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)		5	9,989,465.

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	6,930,820.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d	2e		0.
3	Subtract line 2e from line 1		3	6,930,820.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b	4c		0.
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		5	6,930,820.

Part XIII Supplemental Information.

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

PART IV, LINE 2B:

THE FUNDS BEING HELD ARE FROM COMMUNITY DONORS AND ARE TO BE USED TO REBUILD THE CITY OF BURKE AS A RESULT OF THE TORNADO THAT WENT THROUGH THE CITY IN AUGUST 2019.

PART X, LINE 2:

THE HOSPITAL BELIEVES THAT IT HAS APPROPRIATE SUPPORT FOR ANY TAX POSITIONS TAKEN AFFECTING ITS ANNUAL FILING REQUIREMENTS, AND AS SUCH, DOES NOT HAVE ANY UNCERTAIN TAX POSITIONS THAT ARE MATERIAL TO THE FINANCIAL STATEMENTS. THE HOSPITAL WOULD RECOGNIZE FUTURE ACCRUED INTEREST AND PENALTIES RELATED TO UNRECOGNIZED TAX BENEFITS AND LIABILITIES IN INCOME TAX EXPENSE IF SUCH INTEREST AND PENALTIES ARE INCURRED.

**SCHEDULE H
(Form 990)**

Department of the Treasury
Internal Revenue Service

Hospitals

- ▶ Complete if the organization answered "Yes" on Form 990, Part IV, question 20.
- ▶ Attach to Form 990.
- ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2021

Open to Public Inspection

Name of the organization **COMMUNITY MEMORIAL HOSPITAL, INC.** Employer identification number **46-0219795**

Part I Financial Assistance and Certain Other Community Benefits at Cost

	Yes	No
1a Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	<input checked="" type="checkbox"/>	
b If "Yes," was it a written policy?	<input checked="" type="checkbox"/>	
2 If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
3 Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input checked="" type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ %	<input checked="" type="checkbox"/>	
b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input checked="" type="checkbox"/> Other <u>150</u> %	<input checked="" type="checkbox"/>	
c If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	<input checked="" type="checkbox"/>	
5a Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	<input checked="" type="checkbox"/>	
b If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?		<input checked="" type="checkbox"/>
c If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?		
6a Did the organization prepare a community benefit report during the tax year?		<input checked="" type="checkbox"/>
b If "Yes," did the organization make it available to the public?		

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

7 Financial Assistance and Certain Other Community Benefits at Cost

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
Financial Assistance and Means-Tested Government Programs						
a Financial Assistance at cost (from Worksheet 1)			28,000.		28,000.	.40%
b Medicaid (from Worksheet 3, column a)			499,452.	419,109.	80,343.	1.16%
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total. Financial Assistance and Means-Tested Government Programs			527,452.	419,109.	108,343.	1.56%
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)			32,083.	5,420.	26,663.	.38%
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)			1510616.	943,790.	566,826.	8.18%
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j Total. Other Benefits			1542699.	949,210.	593,489.	8.56%
k Total. Add lines 7d and 7j			2070151.	1368319.	701,832.	10.12%

Part II Community Building Activities Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total						

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

	Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15?	1 X	
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount	2	106,323.
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit	3	518.
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.		

Section B. Medicare

5 Enter total revenue received from Medicare (including DSH and IME)	5	3,039,856.
6 Enter Medicare allowable costs of care relating to payments on line 5	6	3,009,759.
7 Subtract line 6 from line 5. This is the surplus (or shortfall)	7	30,097.
8 Describe in Part VI the extent to which any shortfall reported on line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input type="checkbox"/> Cost to charge ratio <input checked="checked" type="checkbox"/> Other		

Section C. Collection Practices

9a Did the organization have a written debt collection policy during the tax year?	9a	X
b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	X

Part IV Management Companies and Joint Ventures (owned 10% or more by officers, directors, trustees, key employees, and physicians - see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %

Part V Facility Information

Section A. Hospital Facilities

(list in order of size, from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 1

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

Licensed hospital	gen. medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
X				X		X		1 COMMUNITY MEMORIAL HOSPITAL, INC PO BOX 319 BURKE, SD 57523 WWW.CMHBURKE.ORG 10530	
								2 RURAL HEALTH CLINICS	

Part V Facility Information (continued)

Section B. Facility Policies and Practices

(complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group COMMUNITY MEMORIAL HOSPITAL, INC

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1

	Yes	No
Community Health Needs Assessment		
1 Was the hospital facility first licensed, registered, or similarly recognized by a state as a hospital facility in the current tax year or the immediately preceding tax year?		X
2 Was the hospital facility acquired or placed into service as a tax-exempt hospital in the current tax year or the immediately preceding tax year? If "Yes," provide details of the acquisition in Section C		X
3 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 12	X	
If "Yes," indicate what the CHNA report describes (check all that apply):		
a <input checked="" type="checkbox"/> A definition of the community served by the hospital facility		
b <input checked="" type="checkbox"/> Demographics of the community		
c <input checked="" type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input checked="" type="checkbox"/> How data was obtained		
e <input checked="" type="checkbox"/> The significant health needs of the community		
f <input checked="" type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input checked="" type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input checked="" type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input checked="" type="checkbox"/> The impact of any actions taken to address the significant health needs identified in the hospital facility's prior CHNA(s)		
j <input type="checkbox"/> Other (describe in Section C)		
4 Indicate the tax year the hospital facility last conducted a CHNA: 20 <u>19</u>		
5 In conducting its most recent CHNA, did the hospital facility take into account input from persons who represent the broad interests of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Section C how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	X	
6a Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Section C		X
b Was the hospital facility's CHNA conducted with one or more organizations other than hospital facilities? If "Yes," list the other organizations in Section C		X
7 Did the hospital facility make its CHNA report widely available to the public?	X	
If "Yes," indicate how the CHNA report was made widely available (check all that apply):		
a <input checked="" type="checkbox"/> Hospital facility's website (list url): <u>SEE 7D, BELOW</u>		
b <input checked="" type="checkbox"/> Other website (list url): <u>SEE 7D, BELOW</u>		
c <input type="checkbox"/> Made a paper copy available for public inspection without charge at the hospital facility		
d <input checked="" type="checkbox"/> Other (describe in Section C)		
8 Did the hospital facility adopt an implementation strategy to meet the significant community health needs identified through its most recently conducted CHNA? If "No," skip to line 11	X	
9 Indicate the tax year the hospital facility last adopted an implementation strategy: 20 <u>19</u>		
10 Is the hospital facility's most recently adopted implementation strategy posted on a website?	X	
a If "Yes," (list url): <u>SEE 7D ABOVE</u>		
b If "No," is the hospital facility's most recently adopted implementation strategy attached to this return?		
11 Describe in Section C how the hospital facility is addressing the significant needs identified in its most recently conducted CHNA and any such needs that are not being addressed together with the reasons why such needs are not being addressed.		
12a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?		X
b If "Yes" to line 12a, did the organization file Form 4720 to report the section 4959 excise tax?		
c If "Yes" to line 12b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$		

Part V Facility Information (continued)

Financial Assistance Policy (FAP)

Name of hospital facility or letter of facility reporting group COMMUNITY MEMORIAL HOSPITAL, INC

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
13	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care?	X	
If "Yes," indicate the eligibility criteria explained in the FAP:			
a	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>100</u> % and FPG family income limit for eligibility for discounted care of <u>150</u> %		
b	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
c	<input checked="" type="checkbox"/> Asset level		
d	<input checked="" type="checkbox"/> Medical indigency		
e	<input checked="" type="checkbox"/> Insurance status		
f	<input checked="" type="checkbox"/> Underinsurance status		
g	<input type="checkbox"/> Residency		
h	<input checked="" type="checkbox"/> Other (describe in Section C)		
14	Explained the basis for calculating amounts charged to patients?	X	
15	Explained the method for applying for financial assistance?	X	
If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):			
a	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
b	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
c	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
d	<input checked="" type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
e	<input checked="" type="checkbox"/> Other (describe in Section C)		
16	Was widely publicized within the community served by the hospital facility?	X	
If "Yes," indicate how the hospital facility publicized the policy (check all that apply):			
a	<input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE PART V, LINE 16J NARRATIVE</u>		
b	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE PART V, LINE 16J NARRATIVE</u>		
c	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE PART V, LINE 16J NARR</u>		
d	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
e	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
f	<input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
g	<input checked="" type="checkbox"/> Individuals were notified about the FAP by being offered a paper copy of the plain language summary of the FAP, by receiving a conspicuous written notice about the FAP on their billing statements, and via conspicuous public displays or other measures reasonably calculated to attract patients' attention		
h	<input checked="" type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
i	<input type="checkbox"/> The FAP, FAP application form, and plain language summary of the FAP were translated into the primary language(s) spoken by Limited English Proficiency (LEP) populations		
j	<input checked="" type="checkbox"/> Other (describe in Section C)		

Part V Facility Information (continued)

Billing and Collections

Name of hospital facility or letter of facility reporting group COMMUNITY MEMORIAL HOSPITAL, INC

	Yes	No
17 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon nonpayment?	X	
18 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
a <input type="checkbox"/> Reporting to credit agency(ies)		
b <input type="checkbox"/> Selling an individual's debt to another party		
c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
d <input type="checkbox"/> Actions that require a legal or judicial process		
e <input type="checkbox"/> Other similar actions (describe in Section C)		
f <input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		
19 Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP?		X
If "Yes," check all actions in which the hospital facility or a third party engaged:		
a <input type="checkbox"/> Reporting to credit agency(ies)		
b <input type="checkbox"/> Selling an individual's debt to another party		
c <input type="checkbox"/> Deferring, denying, or requiring a payment before providing medically necessary care due to nonpayment of a previous bill for care covered under the hospital facility's FAP		
d <input type="checkbox"/> Actions that require a legal or judicial process		
e <input type="checkbox"/> Other similar actions (describe in Section C)		
20 Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):		
a <input checked="" type="checkbox"/> Provided a written notice about upcoming ECAs (Extraordinary Collection Action) and a plain language summary of the FAP at least 30 days before initiating those ECAs (if not, describe in Section C)		
b <input checked="" type="checkbox"/> Made a reasonable effort to orally notify individuals about the FAP and FAP application process (if not, describe in Section C)		
c <input checked="" type="checkbox"/> Processed incomplete and complete FAP applications (if not, describe in Section C)		
d <input checked="" type="checkbox"/> Made presumptive eligibility determinations (if not, describe in Section C)		
e <input type="checkbox"/> Other (describe in Section C)		
f <input type="checkbox"/> None of these efforts were made		

Policy Relating to Emergency Medical Care

21 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	X	
If "No," indicate why:		
a <input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
b <input type="checkbox"/> The hospital facility's policy was not in writing		
c <input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)		
d <input type="checkbox"/> Other (describe in Section C)		

Part V Facility Information *(continued)*

Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)

Name of hospital facility or letter of facility reporting group COMMUNITY MEMORIAL HOSPITAL, INC

		Yes	No
22	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
a	<input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service during a prior 12-month period		
b	<input type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
c	<input checked="" type="checkbox"/> The hospital facility used a look-back method based on claims allowed by Medicaid, either alone or in combination with Medicare fee-for-service and all private health insurers that pay claims to the hospital facility during a prior 12-month period		
d	<input type="checkbox"/> The hospital facility used a prospective Medicare or Medicaid method		
23	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Section C.	23	X
24	During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Section C.	24	X

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

COMMUNITY MEMORIAL HOSPITAL, INC:

PART V, SECTION B, LINE 5: COMMUNITY MEMORIAL HOSPITAL (CMH) SURVEYED

SEVERAL CROSS SECTIONS OF THE COMMUNITY INCLUDING THE CITY COUNCIL, STAFF OF BURKE SCHOOL DISTRICT, BURKE COMMUNITY CLUB, GREGORY COUNTY EMPLOYEES, CMH BOARD OF DIRECTORS, CMH EMPLOYEES AND FIRST FIDELITY BANK EMPLOYEES.

IN ADDITION A SURVEY WEBSITE WAS PUBLISHED IN THE LOCAL NEWSPAPER FOR OTHER INTERESTED PARTIES TO COMPLETE.

COMMUNITY MEMORIAL HOSPITAL, INC:

PART V, SECTION B, LINE 7D: THE CHNA AND IMPLEMENTATION STRATEGY CAN BE FOUND AT:

[HTTPS://WWW.CMHBURKE.ORG/ABOUT](https://www.cmhburke.org/about), AND

[HTTPS://WWW.SANFORDHEALTH.ORG/ABOUT/COMMUNITY-HEALTH-NEEDS-ASSESSMENT](https://www.sanfordhealth.org/about/community-health-needs-assessment)

COMMUNITY MEMORIAL HOSPITAL, INC:

PART V, SECTION B, LINE 11: THE FOLLOWING NEEDS WERE IDENTIFIED BASED ON SURVEY DATA: ECONOMICS, CHILDREN AND YOUTH, HEALTH CARE AND WELLNESS, AGING, SAFETY AND MENTAL HEALTH/SUBSTANCE ABUSE. COMMUNITY MEMORIAL HOSPITAL IS ADDRESSING ALL OF THE ASSESSED NEEDS TO THE BEST OF OUR ABILITY AS A HEALTHCARE ORGANIZATION. IF THE NEED CANNOT BE ADDRESSED, INFORMATION IS SHARED WITH VARIOUS COMMUNITY ORGANIZATIONS AND LEADERS.

THE NEEDS THAT WILL NOT BE ADDRESSED ARE AGING CONCERNS AROUND THE OVERALL COST OF LONG-TERM CARE THAT INCLUDE COST AND AVAILABILITY OF MEMORY CARE

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

AND THE AVAILABILITY OF LONG-TERM CARE, ECONOMICS OF AFFORDABLE HOUSING AND SAFETY CONCERNS AROUND ABUSE OF PRESCRIPTION DRUGS AND EXCESSIVE BINGE DRINKING. COMMUNITY MEMORIAL HOSPITAL ADDRESSED THE AGING NEED BY REFERRING TO INSURANCE AGENCIES AND ATTORNEYS FOR ESTATE PLANNING. A LONG-TERM CARE FACILITY IN A NEIGHBORING COMMUNITY IS RELOCATING TO A NEW FACILITY THAT WILL ASSIST IN ADDRESSING AVAILABILITY. IN REGARD TO ECONOMICS, RESULTS WERE SHARED WITH SEVERAL LOCAL ORGANIZATIONS TO INCLUDE OUR LOCAL DEVELOPMENT GROUP. THE DEVELOPMENT GROUP USED THE DATA IN SEVERAL OF THEIR GRANT SUBMISSIONS AND WILL BE BUILDING A HOUSE NEXT YEAR. RESULTS WERE ALSO SHARED WITH LOCAL LAW ENFORCEMENT IN REGARD TO SAFETY DUE TO ABUSE OF PRESCRIPTION DRUGS AND EXCESSIVE BINGE DRINKING.

IN FY 2021, COMMUNITY MEMORIAL HOSPITAL PERFORMED THE FOLLOWING ACTIONS WITH THE IMPLEMENTATION OF THE COMMUNITY HEALTH NEEDS ASSESSMENT: PRIORITY 1 MENTAL HEALTH- COMMUNITY MEMORIAL CONTINUED ITS FOCUS ON MENTAL HEALTH AWARENESS AND HAS MADE HUGE STRIDES HAVING MENTAL HEALTH SERVICES ON CAMPUS. THE HOSPITAL WAS ALSO A SPONSOR FOR THE FIRST ANNUAL COLORED IN HOPE AWARENESS WALK SPONSORED BY THE LOCAL COUNSELING SERVICE. THE RUN/WALK PROVIDED AWARENESS FOR SUICIDE AND MENTAL ILLNESS. THE EVENT HAD APPROXIMATELY 100 MEMBERS OF THE COMMUNITY AND SURROUNDING COMMUNITIES IN ATTENDANCE. STAFF ALSO FOCUSED ON THE FACILITY PHQ9S MAKING SIGNIFICANT IMPROVEMENTS IN COMPLETION OF THE DOCUMENTS.

PRIORITY 2 HEALTHCARE AND WELLNESS- COMMUNITY MEMORIAL HOSPITAL CONTINUED ITS COMMITMENT TO PROMOTING A HEALTHY LIFESTYLE. THE HOSPITAL FUNDED FITNESS CLASSES AT THE LOCAL FITNESS CENTERS, FITNESS ON MAIN IN BURKE, SD AND POST 36 FITNESS IN BONESTEEL, SD. THE FUNDING ALLOWED FITNESS CLASSES

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

TO BE OFFERED TO THE PUBLIC AT NO COST. THE FUNDING ELIMINATES FINANCIAL
DETERRENCE FOR COMMUNITY MEMBERS AND INCREASES ATTENDANCE. IN JANUARY
2021, STAFF FROM COMMUNITY MEMORIAL HOSPITAL VISITED LOCAL ASSISTED LIVING
FACILITIES TO ADMINISTER THE COVID-19 VACCINE TO RESIDENTS THAT CHOSE TO
RECEIVE THE VACCINE.

THE HOSPITAL SPONSORED SPRING AND FALL COMMUNITY HEALTH FAIRS THAT
INCLUDED FREE LIPID PANELS AND A REDUCED COST WELLNESS PANEL CONSISTING OF
FIVE LAB TESTS. THE HEALTH FAIRS HAD 140 PARTICIPANTS.

HOSPITAL SPONSORED AN ANNUAL BLOOD DRIVE IN AUGUST.

HOSPITAL HOSTED A DRIVE-THRU FLU SHOT CLINIC IN SEPTEMBER.

SANFORD HEART AND VASCULAR SCREENINGS WERE OFFERED IN BOTH MARCH AND
OCTOBER.

HOSPITAL SPONSORED A BREAST CANCER AWARENESS WALK AT THE LOCAL LAKE. THE
WALK WAS IN RECOGNITION OF THOSE WHO HAVE BATTLED THE DISEASE AS WELL AS
PROMOTING ANNUAL MAMMOGRAMS.

HOSPITAL ALSO DONATED TO THE ADDITION OF A SPLASH PAD TO THE CITY PARK.
THE SPLASH PAD WILL MEET THE HEALTHCARE AND WELLNESS PRIORITY AS WELL AS
THE CHILDREN AND YOUTH FINDING. THE GOAL IS TO PROVIDE A SAFE AND
ACCESSIBLE WATER RECREATION OPTION IN THE COMMUNITY THAT CURRENTLY DOES
NOT EXIST. IT IS A FUN WAY TO INCREASE PHYSICAL ACTIVITY AND DECREASE
CHILDHOOD OBESITY. OUR LOCAL PHYSICIAN AND CHIEF EXECUTIVE OFFICER WERE
KEY MEMBERS OF THE COMMITTEE THAT WORKED ON THE IMPLEMENTATION OF THE

Part V Facility Information (continued)

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

SPLASH PAD.

COMMUNITY MEMORIAL HOSPITAL, INC:

PART V, SECTION B, LINE 13H: PATIENTS WHOSE FAMILY INCOME EXCEEDS 150% OF THE FPL MAY BE ELIGIBLE TO RECEIVE DISCOUNTED RATES ON A CASE-BY-CASE BASIS BASED ON THEIR SPECIFIC CIRCUMSTANCES, SUCH AS CATASTROPHIC ILLNESS OR MEDICAL INDIGENCE; HOWEVER, THE DISCOUNTED RATES SHALL NOT BE GREATER THAN THE AMOUNTS GENERALLY BILLED TO COMMERCIALY INSURED PATIENTS. A DETERMINATION BASED ON PRESUMPTIVE ELIGIBILITY MAY BE MADE IF ALL OTHER AVENUES HAVE BEEN EXHAUSTED.

COMMUNITY MEMORIAL HOSPITAL, INC:

PART V, SECTION B, LINE 15E: THE PHONE NUMBER FOR COMMUNITY MEMORIAL HOSPITAL IS LISTED ON THE APPLICATION. THE CMH EMPLOYEE ANSWERING THE PHONE WILL DIRECT THE PATIENT TO SOMEONE WHO CAN HELP WITH THE APPLICATION. CMH ALSO OFFERS INFORMATION REGARDING OTHER ORGANIZATIONS OR GOVERNMENT AGENCIES WHICH OFFER ASSISTANCE.

COMMUNITY MEMORIAL HOSPITAL, INC:

PART V, SECTION B, LINE 16J: PART V, LINE 16A, 16B, & 16C:
THE POLICY, PLAIN LANGUAGE SUMMARY AND APPLICATION ARE POSTED TO THE WEBSITE AT [HTTPS://WWW.CMHBURKE.ORG/FINANCIALASSISTANCE](https://www.cmhburke.org/financialassistance)

PART V, LINE 16J:

FINANCIAL ASSISTANCE POLICY, PLAIN LANGUAGE SUMMARY AND APPLICATION ARE

Part V Facility Information *(continued)*

Section C. Supplemental Information for Part V, Section B. Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16j, 18e, 19e, 20a, 20b, 20c, 20d, 20e, 21c, 21d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

AVAILABLE IN THE ER AND NEAR THE ADMISSION DESK. A SIGN IS POSTED IN THE ADMISSIONS AREA TO INFORM PATIENTS THAT FINANCIAL ASSISTANCE IS AVAILABLE. THE HOSPITAL PROVIDES A COPY OF THE POLICY, SUMMARY AND APPLICATION TO PATIENTS WHO MAY QUALIFY UNDER THE FINANCIAL ASSISTANCE POLICY. THE FA POLICY, SUMMARY AND APPLICATION ARE ALSO LOCATED AT THE COUNTY WELFARE OFFICE. LESS THAN FIVE PERCENT OF THE POPULATION, AND FEWER THAN 1,000 INDIVIDUALS IN THE SERVICE AREA SPEAK A LANGUAGE OTHER THAN ENGLISH AS THEIR PRIMARY LANGUAGE. HOWEVER, A TRANSLATION SERVICE IS AVAILABLE IF NEEDED.

COMMUNITY MEMORIAL HOSPITAL, INC:

PART V, SECTION B, LINE 24: THE HOSPITAL FACILITY MAY HAVE CHARGED FAP ELIGIBLE INDIVIDUALS AN AMOUNT EQUAL TO GROSS CHARGES FOR ELECTIVE SERVICES THAT ARE NOT COVERED UNDER THE FINANCIAL ASSISTANCE POLICY.

Part VI Supplemental Information

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

PART I, LINE 3C:

INDIVIDUALS WILL NOT BE DENIED CHARITY CARE BASED ON RACE, CREED, SEX, NATIONAL ORIGIN, DISABILITY, AGE OR ABILITY TO PAY. BUSINESS OFFICE STAFF TRY TO IDENTIFY ELIGIBLE INDIVIDUALS AT THE TIME OF ADMISSION, HOWEVER INDIVIDUALS CAN BECOME ELIGIBLE FOR CHARITY CARE AT ANY POINT DURING OR AFTER THEIR MEDICAL ENCOUNTER. ONCE AN INDIVIDUAL IS IDENTIFIED AS A POTENTIAL CHARITY CARE RECIPIENT, COMMUNITY MEMORIAL HOSPITAL UTILIZES BOTH AN INCOME AND AN ASSET TEST TO EVALUATE ELIGIBILITY FOR CHARITY CARE. THE HOSPITAL REVIEWS A SCHEDULE OF THE PATIENT'S CURRENT INCOME AND EXPENSES AND ASSET LEVELS TO DETERMINE IF THE PATIENT CAN REASONABLY BE EXPECTED TO MAKE PAYMENT OF MEDICAL EXPENSES. CATASTROPHIC ILLNESS AND OTHER FACTORS MAY BE CONSIDERED. A DETERMINATION BASED ON PRESUMPTIVE ELIGIBILITY MAY BE MADE IF ALL OTHER AVENUES HAVE BEEN EXHAUSTED.

PART I, LINE 7:

CHARITY CARE EXPENSE WAS CONVERTED TO COST ON LINE 7A BASED ON AN OVERALL COST-TO-CHARGE RATIO ADDRESSING ALL PATIENT SEGMENTS. LINE 7E WAS OBTAINED UTILIZING THE ACTUAL GENERAL LEDGER SYSTEM. LINES 7B AND 7G WAS OBTAINED

Part VI Supplemental Information (Continuation)

FROM THE MEDICAID AND MEDICARE COST REPORTS, RESPECTIVELY.

RURAL HEALTH CLINIC NET REVENUES OF \$774,061 AND COSTS OF \$1,128,331 WERE INCLUDED ON LINE 7G FOR A NET COMMUNITY SHORTFALL OF \$354,270.

PART III, LINE 2:

THE AMOUNT ON LINE 2 REPRESENTS IMPLICIT PRICE CONCESSIONS. THE ORGANIZATION DETERMINES ITS ESTIMATE OF IMPLICIT PRICE CONCESSION BASED ON ITS HISTORICAL COLLECTION EXPERIENCE WITH THIS CLASS OF PATIENTS.

PART III, LINE 3:

THE ORGANIZATION BELIEVES A SMALL AMOUNT OF THE IMPLICIT PRICE CONCESSIONS AMOUNT MAY BE ATTRIBUTABLE TO CHARITY CARE. A PERCENTAGE OF CHARITY CARE TO NET PATIENT REVENUE WAS USED TO DETERMINE THE AMOUNT OF IMPLICIT PRICE CONCESSION THAT MAY HAVE BEEN ELIGIBLE FOR FINANCIAL ASSISTANCE.

PART III, LINE 4:

FOOTNOTE FROM FINANCIAL STATEMENTS: PLEASE SEE NOTE 1, FINANCIAL STATEMENT, PATIENT SERVICE REVENUE ON PAGES 13-14.

PART III, LINE 8:

MEDICARE ALLOWABLE COSTS OF CARE WAS CALCULATED FROM THE MEDICARE COST REPORT FOR FISCAL YEAR ENDING 12/31/2021. MEDICAL SERVICES ARE PROVIDED TO PATIENTS WITH MEDICARE COVERAGE REGARDLESS OF WHETHER OR NOT A SURPLUS OR DEFICIT IS REALIZED. PROVIDING MEDICARE SERVICES PROMOTES ACCESS TO HEALTHCARE SERVICES WHICH ARE VITALLY NEEDED BY OUR COMMUNITY.

PART III, LINE 9B:

Part VI Supplemental Information (Continuation)

ONCE A DECISION HAS BEEN MADE GRANTING FINANCIAL ASSISTANCE AND THE PATIENT/GUARANTOR HAS BEEN NOTIFIED, CMH WILL NO LONGER ATTEMPT TO COLLECT THE DISCOUNTED AMOUNT. IF, DURING THE COLLECTION PROCESS, IT IS DETERMINED THAT SOMEONE MAY QUALIFY FOR FINANCIAL ASSISTANCE, THE COLLECTION PROCESS STOPS AND THE FINANCIAL ASSISTANCE APPLICATION PROCESS BEGINS. COLLECTION IS HALTED UNTIL THE FINANCIAL ASSISTANCE APPLICATION IS REVIEWED AND QUALIFICATION IS DETERMINED. APPROVED FINANCIAL ASSISTANCE REQUESTS WILL BE WRITTEN OFF WITHIN TEN DAYS FROM THE DATE APPROVED. THE DECISION TO WRITE OFF THE ACCOUNT IS PERMANENT.

PART VI, LINE 2:

COMMUNITY MEMORIAL HOSPITAL CONDUCTED A FORMAL COMMUNITY NEEDS ANALYSIS DURING 2019. IN ADDITION TO CONDUCTING THE NEEDS ASSESSMENT EVERY THREE YEARS, ADMINISTRATION MEETS WITH PROVIDERS AND CLINIC MANAGERS MONTHLY AND WITH THE MEDICAL STAFF GROUP BI-MONTHLY. DURING THESE MEETINGS, TOPICS FROM PATIENT INTERACTIONS ARE DISCUSSED TO IDENTIFY ANY COMMUNITY HEALTH NEEDS.

PART VI, LINE 3:

INDIVIDUALS ARE MADE AWARE OF FINANCIAL ASSISTANCE THROUGH POSTING OF THE POLICY AND APPLICATION IN THE ER, CLINIC, AND ADMISSIONS OFFICE. STAFF IN THE ADMISSIONS OFFICE PROVIDE INFORMATION TO INDIVIDUALS WHO MAY QUALIFY FOR MEDICARE, MEDICAID, OR OTHER FINANCIAL ASSISTANCE.

THE FINANCIAL ASSISTANCE POLICY AND APPLICATION ARE ALSO AVAILABLE ON THE FACILITY WEBSITE AND AT THE COUNTY WELFARE OFFICE.

PART VI, LINE 4:

Part VI Supplemental Information (Continuation)

COMMUNITY MEMORIAL HOSPITAL SERVES SEVERAL COMMUNITIES IN SOUTH CENTRAL SOUTH DAKOTA AND NORTH CENTRAL NEBRASKA. WE SERVE A RURAL POPULATION THAT IS VERY HOMOGENEOUS IN COMPOSITION. THE AREAS SERVED ARE PRIMARILY FARMING/RANCHING AND RETIREMENT COMMUNITIES. WE HAVE A VERY LOW PERCENTAGE OF UNINSURED RESIDENTS IN OUR AREA. WE ARE LOCATED IN A FEDERAL HEALTH PROFESSIONAL SHORTAGE AREA. 68% OF THE ORGANIZATION'S REVENUE WAS FROM SERVING THE MEDICARE POPULATION, 6% WAS FROM TITLE 19, 19% FROM COMMERCIAL INSURANCE, 3% FROM GOVERNMENT PAYERS/OTHERS, AND 4% SELF-PAY.

PART VI, LINE 5:

THE GOVERNING BODY IS COMPRISED OF PERSONS WHO RESIDE IN THE ORGANIZATION'S SERVICE AREA WHO ARE NEITHER EMPLOYEES NOR CONTRACTORS OF THE ORGANIZATION. FAMILY MEMBERS OF SOME OF THE MEMBERS OF THE GOVERNING BODY ARE EMPLOYED BY THE ORGANIZATION DUE TO THE SMALL POPULATION OF THE COMMUNITY. THE ORGANIZATION EXTENDS MEDICAL STAFF PRIVILEGES TO ALL QUALIFIED PHYSICIANS IN ITS COMMUNITY. SURPLUS FUNDS, IF ANY, ARE REINVESTED FOR FACILITY AND EQUIPMENT UPGRADES, AND IMPROVING TECHNICAL SKILLS OF EMPLOYEES.

COMMUNITY MEMORIAL HOSPITAL PROVIDES THE FOLLOWING TYPES OF COMMUNITY EDUCATION:

A HEALTH FAIR IS PROVIDED SEMI-ANNUALLY FOR THE COMMUNITY WITH MANY DIFFERENT ASPECTS OF HEALTH CARE REPRESENTED. BLOOD DRAWS, BLOOD PRESSURES, GLUCOSE TESTING, AND DIFFERENT SCREENING TESTS ARE JUST A FEW OF THE SERVICES OFFERED BY THE HEALTH FAIR. IN ADDITION, EDUCATION FOR ALL SCHOOL AGES IS PROVIDED DURING A WEEK OF ACTIVITIES AT THE HOSPITAL. ACTIVITIES INCLUDE: TOURS OF DIFFERENT DEPARTMENTS, HAND WASHING

Part VI Supplemental Information (Continuation)

TECHNIQUES, POISON CONTROL EDUCATION, AND A TEDDY BEAR CLINIC WHICH
ENTAILS A TRIP TO THE EMERGENCY DEPARTMENT WITH THE TEDDY BEAR BEING THE
PATIENT AND THE STUDENT BEING THE PARENT DESCRIBING THE COMPLAINTS.

COMMUNITY MEMORIAL HOSPITAL ALSO PROVIDES CPR TRAINING TO BOTH THE STAFF
AND COMMUNITY MEMBERS. DISASTER PREPAREDNESS TRAINING IS PROVIDED TO THE
LOCAL FIRE DEPARTMENT. ADVANCED CARDIAC LIFE SUPPORT (ACLS) CLASSES AND
TRAUMA NURSE CURRICULUM COURSES (TNCC) ARE PROVIDED TO STAFF AS WELL AS
NURSES FROM SURROUNDING COMMUNITIES.

COMMUNITY MEMORIAL HOSPITAL SPONSORS DIFFERENT ACTIVITIES IN THE COMMUNITY
AS WELL AS PARTICIPATES IN COMMUNITY PROJECTS, INCLUDING SCHOOL YEAR BOOK,
AFTER PROM PARTY, PARADES AND OTHER COMMUNITY EVENTS. A GREAT DEAL OF
PRIDE IS TAKEN IN THE COMMUNITY WITH THE COMMUNITY GIVING AS MUCH TO THE
HOSPITAL AS THE HOSPITAL GIVES BACK TO THE COMMUNITY.

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**
Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.

▶ **Attach to Form 990.**

▶ **Go to www.irs.gov/Form990 for the latest information.**

OMB No. 1545-0047

2021

**Open to Public
Inspection**

Name of the organization **COMMUNITY MEMORIAL HOSPITAL, INC.** Employer identification number **46-0219795**

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? **Yes** **No**
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section (if applicable)	(d) Amount of cash grant	(e) Amount of noncash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of noncash assistance	(h) Purpose of grant or assistance
FITNESS ON MAIN 901 MAIN STREET BURKE, SD 57523	26-4125455	501(C)(3)	15,000.	0.			FITNESS CLASSES AND SPLASH PAD DONATION

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ▶ **1.**

3 Enter total number of other organizations listed in the line 1 table ▶

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) 2021

Part III Grants and Other Assistance to Domestic Individuals. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of noncash assistance

Part IV Supplemental Information. Provide the information required in Part I, line 2; Part III, column (b); and any other additional information.

FORM 990, SCHEDULE I, PART I, LINE 2

CMH MAKES DONATIONS TO ORGANIZATIONS THAT FOCUS ON HEALTH AND THE
COMMUNITY. FORMAL MONITORING OF THE USE OF FUNDING IS NOT PERFORMED.

SCHEDULE L
(Form 990)

Department of the Treasury
Internal Revenue Service

Transactions With Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2021

Open To Public Inspection

Name of the organization

COMMUNITY MEMORIAL HOSPITAL, INC.

Employer identification number

46-0219795

Part I Excess Benefit Transactions (section 501(c)(3), section 501(c)(4), and section 501(c)(29) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1 (a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected?	
			Yes	No

2 Enter the amount of tax incurred by the organization managers or disqualified persons during the year under section 4958 ▶ \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ \$

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a or Form 990, Part IV, line 26; or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22.

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization?		(e) Original principal amount	(f) Balance due	(g) In default?		(h) Approved by board or committee?		(i) Written agreement?	
			To	From			Yes	No	Yes	No	Yes	No

Total ▶ \$

Part III Grants or Assistance Benefiting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
DEBRA LEIBEL	FAMILY MEMBER OF TO	27,356.	WAGES AND B		X
AMANDA STEFFEN	FAMILY MEMBER OF MI	27,117.	WAGES AND B		X
PATRICIA JONES	FAMILY MEMBER OF RE	41,689.	WAGES AND B		X
KIMBERLY SHEPPERD	FAMILY MEMBER OF DO	56,229.	WAGES AND B		X
SARA CHYTKA	FAMILY MEMBER OF SU	10,031.	WAGES AND B		X

Part V Supplemental Information.

Provide additional information for responses to questions on Schedule L (see instructions).

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: DEBRA LEIBEL

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY MEMBER OF TOM GLOVER, BOARD CHAIRMAN

(D) DESCRIPTION OF TRANSACTION: WAGES AND BENEFITS

(A) NAME OF PERSON: AMANDA STEFFEN

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY MEMBER OF MISTIE DREY, CEO

(D) DESCRIPTION OF TRANSACTION: WAGES AND BENEFITS

(A) NAME OF PERSON: PATRICIA JONES

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY MEMBER OF REBECCA JONES, BOARD MEMBER

(D) DESCRIPTION OF TRANSACTION: WAGES AND BENEFITS

(A) NAME OF PERSON: KIMBERLY SHEPPERD

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY MEMBER OF DOUG SHEPPERD, BOARD MEMBER

(D) DESCRIPTION OF TRANSACTION: WAGES AND BENEFITS

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

(A) NAME OF PERSON: SARA CHYTKA

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

FAMILY MEMBER OF SUE CHYTKA, BOARD MEMBER

(D) DESCRIPTION OF TRANSACTION: WAGES AND BENEFITS

**SCHEDULE O
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2021

Open to Public
Inspection

Name of the organization

COMMUNITY MEMORIAL HOSPITAL, INC.

Employer identification number

46-0219795

FORM 990, PART VI, SECTION A, LINE 1A:

THE EXECUTIVE COMMITTEE SHALL INCLUDE FIVE MEMBERS ALL OF WHOM SHALL BE MEMBERS OF THE BOARD OF DIRECTORS, AND SHALL INCLUDE THE CHAIR, THE VICE CHAIR, SECRETARY, AND THE ADMINISTRATOR. THE EXECUTIVE COMMITTEE SHALL HAVE THE POWER TO TRANSACT ALL REGULAR BUSINESS OF THE CORPORATION DURING THE INTERIM BETWEEN MEETINGS OF THE BOARD, PROVIDED THAT ANY ACTION TAKEN BY THE EXECUTIVE COMMITTEE SHALL NOT CONFLICT WITH THE ARTICLES OF INCORPORATION, THE BYLAWS OR THE POLICIES OR EXPRESSED WISHES OF THE BOARD.

FORM 990, PART VI, SECTION A, LINE 3:

COMMUNITY MEMORIAL HOSPITAL HAS ENTERED INTO A MANAGEMENT AGREEMENT WITH SANFORD HEALTH NETWORK TO PROVIDE MANAGEMENT SERVICES FOR THE FACILITY. THE CEO OF COMMUNITY MEMORIAL HOSPITAL IS AN EMPLOYEE OF SANFORD HEALTH NETWORK. COMPENSATION AND BENEFITS FOR MISTIE DREY WERE \$163,138 AND \$33,488 RESPECTIVELY. DUTIES OF THE CEO INCLUDE: SUPPORTING FACILITY OPERATIONS AND ADMINISTRATION, RECOMMENDING BUDGETS AND MANAGING RESOURCES ACCORDINGLY, AND OVERSEEING DESIGN AND DELIVERY OF QUALITY PROGRAMS, PRODUCTS, AND SERVICES. THE MD OF COMMUNITY MEMORIAL HOSPITAL IS AN EMPLOYEE OF SANFORD HEALTH NETWORK. COMPENSATION AND BENEFITS FOR MEGAN SMITH WERE \$212,348 AND \$34,897 RESPECTIVELY.

FORM 990, PART VI, SECTION A, LINE 6:

COMMUNITY MEMORIAL HOSPITAL HAS ONE CLASS OF GENERAL MEMBERSHIP. THE GENERAL MEMBERSHIP INCLUDES ANY INDIVIDUAL, PARTNERSHIP, CORPORATION OR ASSOCIATION WHO HAS CONTRIBUTED TO THE COMMUNITY MEMORIAL HOSPITAL BUILDING FUND OR CLINIC FUND AND WHO RESIDES IN THE FOUR-COUNTY AREA OF GREGORY AND

Name of the organization COMMUNITY MEMORIAL HOSPITAL, INC.	Employer identification number 46-0219795
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TRIPP COUNTIES OF SOUTH DAKOTA AND KEWA PAHA AND BOYD COUNTIES IN NEBRASKA. THESE MEMBERSHIPS SHALL BE FOR THE LIFE OF THE CONTRIBUTOR AND ARE NOT TRANSFERABLE. IN ADDITION, ANY PATIENT OF THE HOSPITAL WHO HAS PAID THE HOSPITAL BILL IN FULL UPON DISCHARGE OR SHORTLY THEREAFTER AND WHO RESIDES IN THE PREVIOUSLY MENTIONED FOUR-COUNTY AREA SHALL BE A MEMBER OF THIS CORPORATION FOR THREE YEARS FROM THE DATE OF SAID PAYMENT IN FULL. ALSO, ALL MEMBERS OF THE LADIES AUXILIARY TO THE COMMUNITY MEMORIAL HOSPITAL, INC., OF BURKE, SOUTH DAKOTA, SHALL BE MEMBERS WITH FULL VOTING RIGHTS. PRESENT EMPLOYEES SHALL NOT BE CONSIDERED ELIGIBLE TO SERVE ON THE BOARD OF DIRECTORS.

FORM 990, PART VI, SECTION A, LINE 7A:

GOVERNING BOARD MEMBERS ARE ELECTED BY THE MEMBERSHIP.

FORM 990, PART VI, SECTION A, LINE 7B:

APPROVAL BY THE MEMBERS OF THE ORGANIZATION IS REQUIRED TO:

ESTABLISH MISSION STATEMENT

APPROVE THE SALE OF REAL PROPERTY

ELECT OR REMOVE THE BOARD OF DIRECTORS

APPROVE AMENDMENTS TO THE ARTICLES OF INCORPORATION

REVIEW THE ANNUAL REPORT AND FINANCIAL AUDIT

ESTABLISH SERVICES TO MEET THE NEEDS OF THE COMMUNITY

THE MEMBERS MAY DELEGATE THE ABOVE AUTHORITIES BY CONTRACT, AS THE MEMBERS DEEM NECESSARY AND APPROPRIATE.

FORM 990, PART VI, SECTION A, LINE 8B:

Name of the organization

COMMUNITY MEMORIAL HOSPITAL, INC.

Employer identification number

46-0219795

THE EXECUTIVE COMMITTEE DID NOT MEET IN 2021.

FORM 990, PART VI, SECTION B, LINE 11B:

THE CEO DOES A DETAILED REVIEW OF THE FORM 990. TWO BOARD MEMBERS ALSO PERFORM A DETAILED REVIEW OF THE 990. A COPY OF THE 990 IS DISTRIBUTED TO ALL BOARD MEMBERS PRIOR TO FILING OF THE FORM WITH THE IRS.

FORM 990, PART VI, SECTION B, LINE 12C:

THE CONFLICT OF INTEREST DISCLOSURE IS REQUIRED TO BE COMPLETED BI-ANNUALLY AND RESPONSES ARE REVIEWED BY THE CEO. IF A CONFLICT IS DEEMED TO EXIST, THE MEMBER(S) INVOLVED IS REQUIRED TO ABSTAIN FROM DISCUSSION, DELIBERATION, AND VOTING ON THE MATTER CAUSING THE CONFLICT.

FORM 990, PART VI, SECTION B, LINE 15A:

SANFORD HEALTH NETWORK REVIEWS AND DETERMINES THE CEO'S COMPENSATION ANNUALLY. COMPENSATION RANGES ARE DETERMINED USING STATE SALARY SURVEY RESULTS. THE PROCESS AND DECISION IS DOCUMENTED AND MAINTAINED INTERNALLY BY SANFORD'S VP OF ADMINISTRATION. THE BOARD OF DIRECTORS OF COMMUNITY MEMORIAL HOSPITAL, INC, APPROVES THE AMOUNT OF THE CEO'S COMPENSATION THROUGH THEIR ACCEPTANCE OF THE MANAGEMENT AGREEMENT.

FORM 990, PART VI, SECTION C, LINE 19:

FINANCIAL STATEMENTS ARE DISTRIBUTED AT THE ANNUAL MEMBERSHIP MEETING, AND OTHER ITEMS ARE PROVIDED UPON REQUEST.

FORM 990, PART VII:

MISTIE DREY (CEO) UNDER MANAGEMENT AGREEMENT WITH SANFORD HEALTH NETWORK ACTS AS BOTH THE TOP MANAGEMENT OFFICIAL AND THE TOP FINANCIAL

Name of the organization COMMUNITY MEMORIAL HOSPITAL, INC.	Employer identification number 46-0219795
--	---

OFFICIAL.

FORM 990, PART IX, LINE 11G, OTHER FEES:

CONTRACTED SERVICES:

PROGRAM SERVICE EXPENSES	1,074,101.
MANAGEMENT AND GENERAL EXPENSES	0.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	1,074,101.

PURCHASED SERVICES:

PROGRAM SERVICE EXPENSES	7,238.
MANAGEMENT AND GENERAL EXPENSES	93,771.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	101,009.

CONTRACT SERVICES:

PROGRAM SERVICE EXPENSES	0.
MANAGEMENT AND GENERAL EXPENSES	37,804.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	37,804.

TOTAL OTHER FEES ON FORM 990, PART IX, LINE 11G, COL A 1,212,914.

Electronic Filing PDF Attachment



Financial Statements
December 31, 2021 and 2020
Community Memorial Hospital, Inc.

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Independent Auditor's Report

The Board of Directors
Community Memorial Hospital, Inc.
Burke, South Dakota

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Community Memorial Hospital, which comprise the balance sheets as of December 31, 2021 and 2020, and the related statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Community Memorial Hospital as of December 31, 2021 and 2020, and the results of its operations, changes in net assets, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Community Memorial Hospital 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 these 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 Community Memorial Hospital's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Community Memorial Hospital'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 Community Memorial Hospital'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.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental information on pages 25 through 26 is presented for the purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The Statistical Information on page 27, which is the responsibility of management, has 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 it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 11, 2022 on our consideration of the Community Memorial Hospital's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Community Memorial Hospital's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Community Memorial Hospital's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Sioux Falls, South Dakota
May 11, 2022

Community Memorial Hospital, Inc.

Balance Sheets

December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Assets		
Current Asset		
Cash and cash equivalents	\$ 7,131,008	\$ 6,882,094
Receivables		
Patient	539,342	605,680
Estimated third-party payor settlements	210,000	733,164
Promises to give, current portion	41,600	44,100
Other	53,167	62,848
Note receivable	182,500	217,500
Supplies	156,035	114,900
Prepaid expenses	64,907	85,422
Investments	766,910	557,234
Total current assets	<u>9,145,469</u>	<u>9,302,942</u>
Assets Limited as to Use		
Funds held for others	208,811	162,155
Loan reserve fund	241,508	240,964
Total assets limited as to use	<u>450,319</u>	<u>403,119</u>
Property and Equipment, Net	<u>6,529,441</u>	<u>6,574,976</u>
Other Assets		
Promises to give, long-term portion	122,957	167,957
Beneficial interest in South Dakota Community Foundation	24,615	21,284
Total other assets	<u>147,572</u>	<u>189,241</u>
Total assets	<u>\$ 16,272,801</u>	<u>\$ 16,470,278</u>

Community Memorial Hospital, Inc.

Balance Sheets

December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Liabilities and Net Assets		
Current Liabilities		
Current maturities of long-term debt	\$ 127,478	\$ 124,489
Accounts payable		
Trade	198,426	190,747
Accrued expenses		
Salaries and wages	88,922	85,174
Vacation	155,369	189,696
Payroll taxes and other	6,443	17,555
Funds held for others	208,811	162,155
Refundable advances	148,977	2,255,886
Total current liabilities	<u>934,426</u>	<u>3,025,702</u>
Long-Term Debt, Less Current Maturities	<u>3,366,378</u>	<u>4,533,720</u>
Total liabilities	<u>4,300,804</u>	<u>7,559,422</u>
Net Assets		
Without donor restrictions	11,931,997	8,855,108
With donor restrictions	40,000	55,748
Total net assets	<u>11,971,997</u>	<u>8,910,856</u>
Total liabilities and net assets	<u>\$ 16,272,801</u>	<u>\$ 16,470,278</u>

Community Memorial Hospital, Inc.
Statements of Operations
Years Ended December 31, 2021 and 2020

	2021	2020
Revenues, Gains and Other Support Without Donor Restrictions		
Patient service revenue	\$ 6,021,082	\$ 5,639,840
Other revenue	1,085,976	907,078
COVID-19 stimulus programs		
Paycheck Protection Program loan forgiveness	-	476,600
Provider Relief Funds	2,624,113	327,796
Other stimulus grant revenue	84,317	178,500
Net assets released from restrictions for operations	16,098	7,801
Total revenues, gains, and other support without donor restrictions	9,831,586	7,537,615
Expenses		
Healthcare services	4,793,696	4,431,074
General and administrative	1,519,255	1,283,384
Depreciation	522,223	491,533
Interest	95,646	113,390
Total expenses	6,930,820	6,319,381
Operating Income	2,900,766	1,218,234
Other Income (Expense)		
Loss on sale of assets	(7,839)	(1,029)
Investment income	50,805	62,055
Contributions	101,330	192,922
Insurance settlement	654	23,805
Miscellaneous	31,173	33,077
Total other income (expense), net	176,123	310,830
Revenues in Excess of Expenses	3,076,889	1,529,064
Net Assets Released from Restrictions for Capital	-	9,844
Change in Net Assets Without Donor Restrictions	\$ 3,076,889	\$ 1,538,908

Community Memorial Hospital, Inc.
 Statements of Changes in Net Assets
 Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues in Excess of Expenses	\$ 3,076,889	\$ 1,529,064
Net Assets Released from Restrictions for Capital	-	9,844
Change in net assets without donor restrictions	<u>3,076,889</u>	<u>1,538,908</u>
Contributions and Grants for Specific Purposes	350	67,645
Net Assets Released from Restrictions	<u>(16,098)</u>	<u>(17,645)</u>
Change in net assets with donor restrictions	<u>(15,748)</u>	<u>50,000</u>
Change in Net Assets	3,061,141	1,588,908
Net Assets, Beginning of Year	<u>8,910,856</u>	<u>7,321,948</u>
Net Assets, End of Year	<u><u>\$ 11,971,997</u></u>	<u><u>\$ 8,910,856</u></u>

Community Memorial Hospital, Inc.

Statements of Cash Flows

Years Ended December 31, 2021 and 2020

	2021	2020
Operating Activities		
Change in net assets	\$ 3,061,141	\$ 1,588,908
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	522,223	491,533
Loss on disposal of equipment	7,839	1,029
Change in realized and unrealized gains and losses on investments	(14,517)	(20,678)
Donated mutual funds	-	(52,122)
Contributions and grants restricted by donors	(350)	(67,645)
Paycheck Protection Program loan forgiveness	-	(476,600)
Changes in assets and liabilities		
Receivables	646,683	(597,562)
Supplies	(41,135)	(212)
Prepaid expenses	20,515	(28,451)
Accounts payable	7,679	41,579
Accrued expenses	(41,691)	38,524
Funds held for others	46,656	48,571
Refundable advances	(2,106,909)	2,255,886
Net Cash from Operating Activities	<u>2,108,134</u>	<u>3,222,760</u>
Investing Activities		
Purchase of property and equipment	(484,527)	(259,461)
Increase in beneficial interest in South Dakota Community Foundation	(3,331)	(1,069)
Proceeds from sale of investments	58,632	-
Purchase of annuity fund	(224,475)	-
Advance on note receivable	-	(195,000)
Proceeds from repayment of note receivable	35,000	135,000
Net Cash used for Investing Activities	<u>(618,701)</u>	<u>(320,530)</u>
Financing Activities		
Advance of long-term debt	-	18,392
Principal payments on long-term debt	(1,164,353)	(246,611)
Proceeds from Paycheck Protection Program loan	-	476,600
Contributions and grants restricted by donors	350	67,645
Promises to give	-	(3,600)
Net Cash (used for) from Financing Activities	<u>(1,164,003)</u>	<u>312,426</u>
Net Change in Cash, Cash Equivalents and Restricted Cash	325,430	3,214,656
Cash, Cash Equivalents and Restricted Cash, Beginning of Year	<u>7,255,897</u>	<u>4,041,241</u>
Cash, Cash Equivalents and Restricted Cash, End of Year	<u>\$ 7,581,327</u>	<u>\$ 7,255,897</u>
Cash and Cash Equivalents	\$ 7,131,008	\$ 6,882,094
Restricted Cash Included in Assets Limited as to Use	<u>450,319</u>	<u>373,803</u>
Total cash, cash equivalents and restricted cash	<u>\$ 7,581,327</u>	<u>\$ 7,255,897</u>

Community Memorial Hospital, Inc.
Statements of Cash Flows
Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid during the year for interest	\$ 95,646	\$ 113,390

Note 1 - Organization and Significant Accounting Policies

Organization

Community Memorial Hospital, Inc. (Hospital) is a 16-bed acute care hospital and medical clinic located in Burke, South Dakota and a medical clinic located in Bonesteel, South Dakota. The Hospital is organized as a South Dakota nonprofit corporation and is exempt from federal income tax.

Management services are provided to the Hospital by Sanford Regional Health Network under a management services agreement (Note 13).

Income Taxes

The Hospital is organized as a South Dakota nonprofit corporation and has been recognized by the Internal Revenue Service as exempt from federal income taxes under Internal Revenue Service Code Section 501(c)(3). The Hospital is annually required to file a Return of Organization Exempt from Income Tax (Form 990) with the IRS. In addition, the Hospital is subject to income tax on net income that is derived from business activities that are unrelated to its exempt purpose. The Organization has determined it is not subject to unrelated business income tax and has not filed an Exempt Organization Business Income Tax Return (Form 990-T) with the IRS.

The Hospital believes that it has appropriate support for any tax positions taken affecting its annual filing requirements, and as such, does not have any uncertain tax positions that are material to the financial statements. The Hospital would recognize future accrued interest and penalties related to unrecognized tax benefits and liabilities in income tax expense if such interest and penalties are incurred.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding assets limited as to use.

Patient Receivables

Patient receivables are uncollateralized customer and third-party payor obligations. Unpaid patient receivables, excluding amounts due from third-party payors, with invoice dates over 90 days old have interest assessed at 0.75% per month. Interest income is recognized at the time it is charged to the account. Payments of patient receivables are allocated to the specific claims identified on the remittance advice or, if unspecified, are applied to the earliest unpaid claim.

Patient accounts receivable are stated net of any explicit and implicit price concessions and then further reduced by an allowance for doubtful accounts. In evaluating the collectability of accounts receivable, the Hospital analyzes accounts for adverse changes in a patient's or third-party payor's ability to pay that may have occurred subsequent to recognition. Management regularly reviews specific data about receivable balances and its past history with similar cases to estimate explicit and implicit price concessions, and any allowances for uncollectible accounts.

The Hospital's patient receivables, estimated third-party payor settlements, and other receivables balances as of January 1, 2020 were \$679,042, 61,104, and \$63,984, respectively.

Promises to Give

The Hospital records unconditional promises to give expected to be collected within one year at net realizable value. Unconditional promises to give expected to be collected in future years are initially recorded at fair value using present value techniques incorporating risk-adjusted discount rates designed to reflect the assumptions market participants would use in pricing the asset. In subsequent years, amortization of the discounts is included in contribution revenue in the statements of operations. The Hospital determined an allowance for uncollectable promises to give is not needed at December 31, 2021 and 2020. Promises to give are written off when deemed uncollectable.

Note Receivable

In March 2018, the Hospital granted Burke Community Pharmacy a \$250,000 line of credit promissory note at 5% interest. There was \$182,500 and \$217,500 outstanding on the note receivable at December 31, 2021 and 2020, respectively. The note is secured by assets of the Pharmacy. The principal and interest is due on March 31, 2023, but the Hospital can call the note upon thirty days written notice.

Supplies

Supplies are stated at lower of cost (first-in, first-out) or net realizable value.

Investment and Interest Income

Investments in equity securities with readily determinable fair values and all investments in debt securities are measured at fair value in the balance sheets. Investment income or loss (including realized and unrealized gains and losses on investments, interest, and dividends) is included in the performance indicator unless the income or loss is restricted by donor or law.

Fair Value Measurements

The Hospital has determined the fair value of certain assets and liabilities in accordance with generally accepted accounting principles, which provides a framework for measuring fair value.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques should maximize the use of observable inputs and minimize the use of unobservable inputs.

A fair value hierarchy has been established, which prioritizes the valuation inputs into three broad levels. Level 1 inputs consist of quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the related asset or liability. Level 3 inputs are unobservable inputs related to the asset or liability.

Assets Limited as to Use

Assets limited as to use include a debt service reserve fund required under the loan agreement and funds held for the community of Burke for tornado relief assistance and consist of cash and cash equivalents and mutual funds.

Property and Equipment

Property and equipment acquisitions in excess of \$5,000 are capitalized and recorded at cost. Depreciation is provided over the estimated useful life of each depreciable asset and is computed on the straight-line method. The estimated useful lives of property and equipment are as follows:

Land improvements	8 - 15 years
Buildings and improvements	10 - 30 years
Equipment	3 - 25 years

Gifts of long-lived assets such as land, buildings, or equipment are reported as net assets without donor restrictions, and are excluded from the performance indicator, unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, expirations of donor restrictions are reported when donated or when acquired long-lived assets are placed in service.

The Hospital considers whether indicators of impairment are present and performs the necessary analysis to determine if the carrying values of assets are appropriate. No impairment was identified for the years ended December 31, 2021 and 2020.

Net Assets with Donor Restrictions

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Performance Indicator

Revenues in excess of expenses is the performance indicator and excludes transfers of assets to and from related parties for other than goods and services, and contributions of long-lived assets, including assets acquired using contributions which were restricted by donors.

Patient Service Revenue

Patient service revenue is reported at the amount that reflects the consideration to which the Hospital expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and government programs), and others and includes variable consideration for retroactive revenue adjustments due to settlement of audits, reviews and investigations. Generally, the Hospital bills the patients and third-party payors several days after the services are performed and/or the patient is discharged from the facility. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by the Hospital. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. The Hospital believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations related to patient services are satisfied over time as the patients receive inpatient acute, outpatient or clinic services. The Hospital measures the performance obligation associated with inpatient acute services from admission into the hospital to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge. The Hospital measures the performance obligations for outpatient and medical clinic services over the patient encounter, which is generally short in duration. Revenue for performance obligations satisfied at a point in time is recognized when goods or services are provided, and the Hospital does not believe it is required to provide additional goods or services to the patient.

The Hospital determines the transaction price based on standard charges for goods and services provided, reduced by contractual price concessions provided to third-party payors, discounts provided to uninsured patients in accordance with the Hospital's policy, and/or implicit price concessions provided to uninsured patients. The Hospital determines its estimates of contractual price concessions and discounts based on contractual agreements, its discount policies and historical experience applied to a portfolio of accounts. The Hospital determines its estimate of implicit price concessions based on its historical collection experience with the respective class of patients.

Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care. These settlements are estimated based on the terms of the payment agreement with the payor, correspondence from the payor and the Hospital's historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as adjustments become known (that is, new information becomes available), or as years are settled or are no longer subject to such audits, reviews and investigations.

Consistent with the Hospital's mission, care is provided to patients regardless of their ability to pay. Therefore, the Hospital has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances (for example, copays and deductibles). The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts the Hospital expects to collect based on its collection history with those patients.

The Hospital provides health care services to patients who meet certain criteria under its charity care policy without charge or at amounts less than established rates. Since the Hospital does not pursue collection of these amounts, they are not reported as patient service revenue. The estimated cost of providing these services was \$28,000 and \$30,000 for the years ended December 31, 2021 and 2020, calculated by multiplying the ratio of cost to gross charges for the Hospital by the gross uncompensated charges associated with providing charity care to its patients.

Other revenue

Other revenue includes income from 340b contract pharmacy sales, rentals, dietary meal sales and other operating revenue. Revenue is recognized when obligations under the terms of the contracts are satisfied. Revenues from these services are measured at the amount of consideration the Hospital expects to receive for these services.

Donor-Restricted Gifts

The Hospital reports contributions restricted by donors as increases in net assets without restrictions if the restrictions expire (that is, when a stipulated time restriction ends or purpose restriction is accomplished) in the reporting period in which the revenue is recognized. All other donor-restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of changes in net assets as net assets released from restrictions.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

Advertising Costs

The Hospital expenses advertising costs as incurred.

Financial Instruments and Credit Risk

Deposit concentration risk is managed by placing cash, money market accounts and investments with financial institutions believed to be creditworthy. At times, amounts on deposit may exceed insured limits or include uninsured investments in money market mutual funds. To date, the Hospital has not experienced losses in any of these accounts. Although the fair values of investments are subject to fluctuation on a year-to-year basis, management believes that the investment policies and guidelines are prudent for the long-term welfare of the Hospital.

Functional Allocation of Expenses

The costs of program and supporting services activities have been summarized on a functional basis in Note 12, which presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. Costs not directly attributable to a function, such as depreciation, interest and other occupancy costs, are allocated to a function based on a square-footage or units-of-service basis.

Subsequent Events

The Hospital has evaluated subsequent events through May 11, 2022, the date the financial statements were available to be issued.

Note 2 - Liquidity and Availability

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	2021	2020
Cash and cash equivalents	\$ 7,131,008	\$ 6,882,094
Accounts receivable	802,509	1,401,692
Notes receivable	182,500	217,500
Investments	766,910	557,234
	<u>\$ 8,882,927</u>	<u>\$ 9,058,520</u>

As part of the Hospital's liquidity management plan, cash in excess of daily requirements are invested in short-term investments and money market funds. The Board could elect to designate a portion of operating surplus that may be drawn upon to meet unexpected liquidity needs. The Hospital's annuities can be withdrawn without penalty after June 18, 2021 and June 28, 2026.

Note 3 - Patient Service Revenue

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

Medicare: The Hospital is licensed as a Critical Access Hospital (CAH). The Hospital is reimbursed for most acute care services under a cost reimbursement methodology with final settlement determined after submission of annual cost reports by the Hospital and are subject to audits thereof by the Medicare Administrative Contractor (MAC). The Hospital's Medicare cost reports have been audited by the Medicare fiscal intermediary through the year ended December 31, 2019.

Medicare – Clinic: The Burke clinic is designated as a Certified Provider Based Rural Health Clinic by the Medicare program. As a result, clinical services rendered to Medicare program beneficiaries are reimbursed at cost based on a tentative rate with final settlement determined after submission of the Hospital's annual cost reports and audits thereof by the Medicare fiscal intermediary.

Medicaid: Inpatient acute care services rendered to Medicaid program beneficiaries are paid on a percentage of charges basis. Outpatient services rendered to Medicaid program beneficiaries are reimbursed under a percentage of charges or fee schedule methodology. Clinical services are paid on a fixed fee schedule for rural health clinic services.

Blue Cross: Services rendered to Blue Cross subscribers are reimbursed under a prospectively determined percentage of charges methodology.

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

Concentration of net revenues by major payor accounted for the following amounts of the Hospital's patient service revenues for the years ended December 31, 2021 and 2020:

	2021	2020
Medicare	\$ 3,716,741	\$ 3,685,669
Medicaid	432,488	307,371
Blue Cross and other commercial payors	322,961	366,187
Self-pay and other	1,548,892	1,280,613
	<u>\$ 6,021,082</u>	<u>\$ 5,639,840</u>

Laws and regulations governing the 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. The patient service revenue for the years ended December 31, 2021 and 2020 increased (decreased) by approximately \$14,295 and \$(15,811) due to removal of allowances previously estimated that are no longer necessary as a result of final settlements and years that are no longer likely subject to audits, reviews, and investigations and changes in estimated settlements.

Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. The Hospital also provides services to uninsured patients, and offers those uninsured patients a discount, either by policy or law, from standard charges. The Hospital estimates the transaction price for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts and implicit price concessions based on historical collection experience. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change. The ability to estimate the collectability of uninsured and other self-pay patients is contingent on the patient's ability or willingness to pay for the services provided. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense. Bad debt expense for the years ended December 31, 2021 and 2020 was not significant.

The nature, amount, timing and uncertainty of revenue and cash flows are affected by several factors that the Hospital considers in its recognition of revenue. Following are some of the factors considered:

- Payors (for example, Medicare, Medicaid, managed care or other insurance, patient) have different reimbursement/payment methodologies
- Length of the patient's service/episode of care
- Geography of the service location
- Hospital's line of businesses that provided the service (for example, hospital, physician services, etc.)

Note 4 - Promises to Give

Promises to give are unconditional promises to give that the Hospital has received from corporations and individuals in the community. Certain promises are receivable over a period of time. The following is a summary of contributions receivable:

	2021	2020
Within one year	\$ 41,600	\$ 44,100
In one to five years	135,000	180,000
	<u>176,600</u>	<u>224,100</u>
Less 5% discount to net present value	(12,043)	(12,043)
	<u>\$ 164,557</u>	<u>\$ 212,057</u>

At December 31, 2021 and 2020, two donors accounted for 93% and 89% of total promises to give.

Note 5 - Investments

Investments include the following at December 31, 2021 and 2020:

	2021	2020
Mutual funds	\$ -	\$ 29,316
Annuity - 4.00% guaranteed for 1 year, floor of .5% in subsequent years, (at contract value)	224,475	-
Annuity - 2.75% guaranteed for 3 years, floor of .5% in subsequent years, (at contract value)	542,435	557,234
	\$ 766,910	\$ 557,234

The following table presents assets measured at fair value on a recurring basis at December 31, 2020:

	Total	Fair Value Measurements at Report Date Using		
		Quoted Prices in Active Markets (Level 1)	Other Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
<u>December 31, 2020</u>				
Investments - mutual funds	\$ 29,316	\$ 29,316	\$ -	\$ -
Funds held for others - mutual funds	29,316	29,316	-	-
	\$ 58,632	\$ 58,632	\$ -	\$ -

The fair value of mutual funds is determined by reference to quoted market prices.

Note 6 - Property and Equipment

A summary of property and equipment at December 31, 2021 and 2020, is as follows:

	2021		2020	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Land	\$ 44,228	\$ -	\$ 44,228	\$ -
Land improvements	378,948	175,269	395,847	144,403
Buildings and improvements	5,659,077	733,575	5,716,530	591,449
Equipment	2,888,993	1,554,020	2,497,621	1,343,398
Construction in progress	21,059	-	-	-
	<u>\$ 8,992,305</u>	<u>\$ 2,462,864</u>	<u>\$ 8,654,226</u>	<u>\$ 2,079,250</u>
Net property and equipment		<u>\$ 6,529,441</u>		<u>\$ 6,574,976</u>

The construction in progress as of December 31, 2021 represented costs incurred for siding on an existing building. The project is expected to be completed in 2022.

Note 7 - Long-Term Debt

Long-term debt consists of:

	2021	2020
United States Department of Agriculture note payable, 2.375% due in monthly installments of \$19,481 including interest, through July 2052, secured by real estate mortgage on the property	\$ 3,493,856	\$ 4,658,209
Less current maturities	<u>(127,478)</u>	<u>(124,489)</u>
	<u>\$ 3,366,378</u>	<u>\$ 4,533,720</u>

Long-term debt maturities are as follows:

Years Ending December 31,	
2022	\$ 127,478
2023	130,539
2024	133,673
2025	136,882
2026	140,169
Thereafter	<u>2,825,115</u>
	<u>\$ 3,493,856</u>

Under the terms of the promissory note agreement, the Hospital is required to maintain certain deposits. Such deposits are included with assets limited as to use in the financial statements. The loan agreement also places limits on the incurrence of additional borrowings.

Note 8 - Net Assets with Donor Restrictions

Net assets with donor restrictions are restricted for the following purposes or periods at December 31, 2021 and 2020:

	2021	2020
Grants for specific purposes and capital purchases	\$ -	\$ 5,748
Grants for specific purposes, restricted by time	40,000	50,000
	\$ 40,000	\$ 55,748

In 2021 and 2020, net assets were released from donor restrictions by incurring expenditures satisfying the restricted purposes in the amounts of \$16,098 and \$17,645. These amounts are included in net assets released from restrictions in the accompanying financial statements.

Note 9 - Pension Plan

The Hospital has a defined contribution pension plan under which employees become participants upon reaching age 21, completion of one year of service and work a minimum of 1,000 hours per year. Employer contributions of 3 percent for 2021 and 2020 of annual compensation were deposited with the plan trustee who invests the plan assets. Total pension expense for the years ended December 31, 2021 and 2020, was \$56,832 and \$57,109, respectively.

Note 10 - Leases

During 2019, the Hospital remodeled part of the prior clinic building, Sweet Plaza, which is leased under long-term lease agreements and included in nonoperating income, along with various lease agreements with tenants within the Hospital included in operating income. The Hospital received \$93,800 and \$89,410 in rental income under these arrangements for the years ended December 31, 2021 and 2020, respectively.

Future minimum lease receipts are summarized as follows:

Years Ending December 31,		
2022	\$	61,767
2023		35,424
2024		27,152
2025		6,304
2026		2,122
	\$	132,769

Note 11 - Concentration of Credit Risk

The Hospital grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. The mix of receivables from third-party payors and patients at December 31, 2021 and 2020, was as follows:

	2021	2020
Medicare	45%	61%
Medicaid	3%	2%
Blue Cross and other commercial payors	19%	14%
Other third-party payor and patients	33%	23%
	<u>100%</u>	<u>100%</u>

Note 12 - Functional Expenses

The Hospital provides general health care services to patients within its geographic location. Expenses related to providing these services by functional class for the year ended December 31, 2021 is as follows:

	Health Care Services		General and Administrative	2021 Total
	Hospital Services	Clinic Services		
Salaries and wages	\$ 1,541,451	\$ 550,568	\$ 477,701	\$ 2,569,720
Purchased services	882,106	208,609	318,026	1,408,741
Employee benefits	291,866	110,469	142,710	545,045
Medical supplies	399,671	635,030	1,398	1,036,099
Other direct expenses	23,608	32,857	135,992	192,457
Utilities	50,823	9,750	19,893	80,466
Non-medical supplies	31,818	25,070	99,361	156,249
Management fees and legal	-	-	324,174	324,174
	<u>3,221,343</u>	<u>1,572,353</u>	<u>1,519,255</u>	<u>6,312,951</u>
Depreciation	329,839	63,280	129,104	522,223
Interest expense	60,410	11,590	23,646	95,646
	<u>\$ 3,611,592</u>	<u>\$ 1,647,223</u>	<u>\$ 1,672,005</u>	<u>\$ 6,930,820</u>

Expenses related to providing these services by functional class for the year ended December 31, 2020 is as follows:

	Health Care Services		General and Administrative	2020 Total
	Hospital Services	Clinic Services		
Salaries and wages	\$ 1,455,134	\$ 508,850	\$ 422,093	\$ 2,386,077
Purchased services	920,826	178,418	247,136	1,346,380
Employee benefits	296,187	91,948	123,871	512,006
Medical supplies	435,055	433,451	1,045	869,551
Other direct expenses	11,742	21,555	110,139	143,436
Utilities	42,875	8,360	17,169	68,404
Non-medical supplies	22,437	4,236	77,490	104,163
Management fees and legal	-	-	284,441	284,441
	3,184,256	1,246,818	1,283,384	5,714,458
Depreciation	308,086	60,073	123,374	491,533
Interest expense	71,071	13,858	28,461	113,390
	<u>\$ 3,563,413</u>	<u>\$ 1,320,749</u>	<u>\$ 1,435,219</u>	<u>\$ 6,319,381</u>

Note 13 - Contingencies and Commitments

Management Agreements

The Hospital has a management agreement with Sanford Regional Health Network (Sanford) to manage the Hospital and provide certain management advisory services and information system services. The agreement shall continue through July 31, 2022; however, either party may cancel this agreement without cause by providing 180 days written notice. Under the terms of the management agreement, the Hospital is to reimburse Sanford for the salary and benefits of the Hospital's Chief Executive Officer, who is an employee of Sanford, plus an annual base amount which totaled \$36,000 for the years ended December 31, 2021 and 2020, respectively, for management services provided. The information system fees incurred totaled \$136,790 and \$128,121 for the years ended December 31, 2021 and 2020, respectively.

Service Contracts

The Hospital has warranty service contracts to service specific medical equipment. The agreements continue through December 2022, December 2025, and April 2027. Total expense under the contracts totaled \$48,000 for each of the years ended December 31, 2021 and 2020.

Future commitments are summarized as follows:

<u>Years Ending December 31,</u>	
2022	\$ 53,400
2023	48,000
2024	54,667
2025	58,000
2026	10,000
Thereafter	<u>3,333</u>
	<u>\$ 227,400</u>

Equipment Purchases

The Hospital entered into an agreement to purchase a Negative Air Pressure Unit in October 2021 for approximately \$250,000. The system will be delivered, installed and paid for in 2022.

The Hospital entered into an agreement to purchase a fence in April 2021 for approximately \$11,000 but is subject to change. The fence will be installed and paid for in 2022.

The Hospital entered into an agreement to purchase siding for the auxiliary building in March 2021 for approximately \$38,500. Approximately \$23,800 has already been paid through insurance. The siding will be installed and the remaining payments will be made upon installation in 2022.

Professional Liability

The Hospital has professional liability insurance coverage to provide protection for professional liability losses on a claims-made basis subject to a limit of \$1 million per claim and an annual aggregate limit of \$5 million. Should the claims-made policy not be renewed or replaced with equivalent insurance, claims based on occurrences during its term, but reported subsequently, would be uninsured.

Litigations, Claims, and Other Disputes

The Hospital is subject to the usual contingencies in the normal course of operations relating to the performance of its tasks under its various programs. In the opinion of management, the ultimate settlement of litigation, claims, and disputes in process will not be material to the financial position of the Hospital.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Federal government activity has increased with respect to investigations and allegations concerning possible violations by health care providers of regulations, which could result in the imposition of significant fines and penalties, as well as significant repayments of previously billed and collected revenues from patient services.

Note 14 - COVID-19 Stimulus Programs**Paycheck Protection Program**

The Hospital was granted a \$476,600 loan under the Paycheck Protection Program (PPP) administered by a Small Business Administration (SBA) approved partner. The loan was uncollateralized and was fully guaranteed by the Federal government. The Hospital initially recorded a loan payable and subsequently recorded forgiveness when the loan obligation was legally released by the SBA. The Hospital recognized \$476,600 of loan forgiveness income for the year ended December 31, 2020.

Provider Relief Funds

During the years ended December 31, 2021 and 2020, the Hospital received \$517,204 and \$2,583,682, respectively, of Coronavirus Aid, Relief and Economic Security (CARES) Act Provider Relief Funds administered by the Department of Health and Human Services (HHS). The funds are subject to terms and conditions imposed by HHS. Among the terms and conditions is a provision that payments will only be used to prevent, prepare for, and respond to coronavirus and shall reimburse the recipient only for healthcare-related expenses or lost revenues that are attributable to coronavirus. Recipients may not use the payments to reimburse expenses or losses that have been reimbursed from other sources or that other sources are obligated to reimburse. HHS currently has deadlines to incur eligible expenses starting in June 30, 2021 through December 31, 2022. Unspent funds will be expected to be repaid.

These funds are recorded as a refundable advance when received and are recognized as revenues in the accompanying statements of operations as all terms and conditions are considered met. The terms and conditions are subject to interpretation changes, and future clarification, the most recent of which have been considered through the date the financial statements were available to be issued. In addition, this program may be subject to oversight, monitoring and audit. Failure by a provider that received a payment from the Provider Relief Fund to comply with any term or condition can subject the provider to recoupment of some or all of the payment. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. As a result of changes to the terms and conditions provided by HHS during 2021, \$267,534 of the amount recognized during the year ended June 30, 2021 related to additional healthcare-related expenses and lost revenues incurred during the year ended June 30, 2020.

As of December 31, 2021 and 2020, the Hospital had a total refundable advance balances of \$148,977 and \$2,255,886, respectively, which was included in current liabilities on the accompanying balance sheet. During the years ended December 31, 2021 and 2020, the Hospital recognized \$2,624,113 and \$327,796, respectively, from the Provider Relief Funds in the accompanying statement of operations.

Other Stimulus Grants

During the years ended December 31, 2021 and 2020, the Hospital also received \$84,317 and \$178,500 from the State of South Dakota. The Hospital recognized revenue related to these stimulus grants of \$84,317 and \$178,500, respectively, for the years ending December 31, 2021 and 2020 and there were no refundable advances reported as of December 31, 2021 and 2020.



Supplementary Information
December 31, 2021 and 2020

Community Memorial Hospital, Inc.

Community Memorial Hospital, Inc.

Schedules of Patient Service Revenue

Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Patient Service Revenue		
Routine services	\$ 719,268	\$ 617,195
Observation	186,684	126,265
Swingbed	533,085	866,827
Laboratory	1,390,788	1,185,197
Medical clinics	1,020,643	896,693
Radiology	1,606,735	1,263,553
Pharmacy	919,611	957,427
Emergency room	492,075	392,421
Cardiac rehab	328,159	233,839
Physical therapy	281,860	384,292
Medical supplies	327,389	307,471
EKG	84,268	71,090
Homemaker services	-	626
Occupational therapy	99,365	145,701
Speech therapy	3,107	4,700
	<u>\$ 7,993,037</u>	<u>\$ 7,453,297</u>
Inpatients	\$ 1,430,342	\$ 1,303,572
Outpatients	4,550,309	3,755,200
Swingbed	991,743	1,497,832
Burke Medical Clinic	1,020,643	896,693
	<u>7,993,037</u>	<u>7,453,297</u>
Charity Care (at charges)	(40,877)	(33,167)
Explicit Price Concessions (Previously Contractual Adjustments)	(1,824,755)	(1,641,698)
Implicit Price Concessions (Previously Provisions for Bad Debts)	<u>(106,323)</u>	<u>(138,592)</u>
Patient Service Revenue	<u>\$ 6,021,082</u>	<u>\$ 5,639,840</u>

Community Memorial Hospital, Inc.
Schedules of Other Revenue
Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Pharmacy	\$ 80,500	\$ 39,595
Pharmacy 340B Program	819,449	743,829
Rental	63,200	59,700
Dietary	5,873	5,701
Miscellaneous	<u>116,954</u>	<u>58,253</u>
	<u>\$ 1,085,976</u>	<u>\$ 907,078</u>

Community Memorial Hospital, Inc.
Statistical Information - Unaudited
Years Ended December 31, 2021, 2020 and 2019

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Number of Admissions (Excluding Swingbed)	136	120	127
Patient Days (Excluding Swingbed)	375	318	341
Swingbed Days	497	948	1,334
Number of Beds	16	16	16
Percent of Occupancy	14.9%	21.7%	28.7%
Year-End Routine Service Rates	\$ 1,703	\$ 1,653	\$ 1,605



**Independent Auditor's 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***

The Board of Directors
Community Memorial Hospital, Inc.
Burke, South Dakota

We have audited, in accordance with 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 Community Memorial Hospital, Inc., which comprise the balance sheet as of December 31, 2021, and the related statements of operations, changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated May 11, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Community Memorial Hospital, Inc.'s internal control over financial reporting (internal control) as the 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 Community Memorial Hospital, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Community Memorial Hospital, Inc.'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 Hospital'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 were not identified. We identified certain deficiencies in internal control, described in the accompanying Schedule of Findings and Responses as items 2021-1 and 2021-2 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Community Memorial Hospital, Inc.'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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Community Memorial Hospital, Inc.'s Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on Community Memorial Hospital, Inc.'s response to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. Community Memorial Hospital, Inc.'s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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 Hospital'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 Hospital's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP".

Sioux Falls, South Dakota
May 11, 2022

Finding 2021-1 – Preparation of Financial Statement and Adjustments

Criteria: Proper controls over financial reporting include the ability to prepare the financial statements with accompanying notes to the financial statements that are materially correct and include all required disclosures.

Condition: The Hospital does not have an internal control system designed to provide for the preparation of the full disclosure financial statements being audited. As auditors, we proposed significant audit adjustments to third party settlements and patient and resident service revenue, along with various other adjustments. We were also requested to draft the financial statements and accompanying notes to the financial statements.

Cause: The Hospital has limited staff. They cannot justify incurring the costs necessary for preparing the financial statements with accompanying notes to the financial statements.

Effect: Audit adjustments to third party settlements and patient and resident service revenue, along with various other adjustments, were recorded to the December 31, 2021 financial statements. Inadequate controls over financial reporting of the Hospital could result in the likelihood that the Hospital would not be able to draft the financial statements with accompanying notes to the financial statements without the assistance of the auditors.

Recommendation: While we recognize that this condition is not unusual for an organization of your size, it is important that you be aware of this condition for financial reporting purposes.

Management's Response: Since it is not cost effective for an organization of our size to prepare audit ready financial statements, we have chosen to hire Eide Bailly, a public accounting firm, to prepare our full disclosure financial statements as part of the annual audit. We have designated a member of management to review the year-end audit adjustments and the propriety of the draft financial statements and accompanying notes to the financial statements.

Finding 2021-2 – Segregation of Duties

Criteria: A proper system of internal control includes processes and procedures that are designed and implemented so that the functions of execution of transactions, recording of transactions and accountability for assets be performed by different individuals to detect, prevent, and correct misstatements to the financial statements in a timely manner.

Condition: For an interim period during the year, the chief financial officer handled multiple accounting functions, including posting transactions to the general ledger, preparing monthly reconciliations, and posting manual adjusting journal entries, resulting in a lack of segregation of duties.

Cause: Due to the interim promotion of the accountant and the resulting temporary position vacancy, along with the limited size of the office staff.

Effect: For an interim period during the year, multiple accounting functions, including posting transactions to the general ledger, preparing monthly reconciliations, and posting manual adjusting journal entries, were performed without direct oversight.

Recommendation: We recommend the management continues to be involved in the internal control process through the review of reconciliation procedures, as appropriate, to maintain an effective control structure, to ensure these procedures are being properly completed on a timely basis.

Management's Response: Although it was not cost effective to maintain full segregation controls throughout the interim promotion of the accountant and the resulting temporary position vacancy, it was noted that appropriate segregation of these responsibilities was reinstated as of year-end.