

**Nassau Health Care Corporation
(A Component Unit of the County of Nassau, New York)**

NOTES TO FINANCIAL STATEMENTS - CONTINUED

**December 31, 2022
(In thousands)**

Adopted Accounting Pronouncements

In January 2020, the GASB issued GASB Statement No. 92, *Omnibus 2020* ("GASB No. 92"). GASB No. 92 includes guidance addressing various accounting and financial reporting issues identified during the implementation and application of certain GASB pronouncements. The Corporation adopted GASB No. 92 in its financial statements and related footnote disclosures in 2022. The adoption did not have a significant impact on the Corporation's financial statements.

In March 2020, the GASB issued GASB Statement No. 93, *Replacement of Interbank Offered Rates* ("GASB No. 93"). GASB No. 93 assists state and local governments in the transition away from existing interbank offered rates (IBORs) to other reference rates. GASB No. 93 also addresses those and other accounting and financial reporting implications of the replacement of an IBOR. The removal of IBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2022. All other requirements of GASB No. 93 are effective for reporting periods beginning after June 15, 2021, with earlier application encouraged. The Corporation adopted GASB No. 93 in its financial statements and related footnote disclosures in 2022. The adoption did not have a material effect on the Corporation's financial statements.

NOTE 3 - ASSETS RESTRICTED AS TO USE

Assets restricted as to use at December 31, 2022 consisted of the following:

Cash and cash equivalents	\$ 47,386
Certificates of deposit	2,958
U.S. treasury bills	<u>1,664</u>
Total	<u>\$ 52,008</u>

Investment income on cash and cash equivalents and restricted cash and cash equivalents consist of interest income of \$1,555 for the year ended December 31, 2022 and is included in nonoperating activities.

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

Cash and cash equivalents are categorized as Level 1 and are reflected at carrying value, which approximates fair value. U.S. treasury bills are categorized as Level 2, and are reflected at fair value based on prices on inactive markets. The Corporation holds non-negotiable certificates of deposit, which are carried at amortized cost.

Nassau Health Care Corporation
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NOTES TO FINANCIAL STATEMENTS - CONTINUED

December 31, 2022
(In thousands)

At December 31, 2022, NHCC's assets restricted as to use measured at fair value were categorized between Levels 1 and 2 as follows:

Description	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
Cash and cash equivalents	\$ 47,386	\$ -	\$ 47,386
U.S. treasury bills	-	1,664	1,664
	<u>\$ 47,386</u>	<u>\$ 1,664</u>	
Certificates of deposit*			<u>2,958</u>
			<u>\$ 52,008</u>

* Non-negotiable certificates of deposit that are not required to be leveled.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2022 is as follows:

	Beginning Balance	Additions	Transfers/ Disposals	Ending Balance
Capital assets, not being depreciated				
Land	\$ 12,498	\$ -	\$ -	\$ 12,498
Construction in process	7,025	2,264	-	9,289
Capital assets, being depreciated				
Building and improvements	247,518	1,456	-	248,974
Fixed equipment	122,096	1,198	-	123,294
Land improvements	17,130	-	-	17,130
Moveable equipment	248,587	10,001	(133)	258,455
Total capital assets	<u>654,854</u>	<u>14,919</u>	<u>(133)</u>	<u>669,640</u>
Less: accumulated depreciation for				
Building and improvements	(180,569)	(6,944)	-	(187,513)
Fixed equipment	(109,646)	(1,042)	-	(110,688)
Land improvements	(14,509)	(234)	-	(14,743)
Moveable equipment	(210,238)	(11,654)	133	(221,759)
Total accumulated depreciation	<u>(514,962)</u>	<u>(19,874)</u>	<u>133</u>	<u>(534,703)</u>
Carrying value of all capital assets, net	<u>\$ 139,892</u>	<u>\$ (4,955)</u>	<u>\$ -</u>	<u>\$ 134,937</u>