

STATE OF NEW YORK
PUBLIC HEALTH AND HEALTH PLANNING COUNCIL

COMMITTEE DAY

AGENDA

May 19, 2016
10:00 a.m.

90 Church Street 4th Floor, Room 4A & 4B, New York City

I. COMMITTEE ON ESTABLISHMENT AND PROJECT REVIEW

Peter Robinson, Chair

A. Applications for Construction of Health Care Facilities/Agencies

Acute Care Services – Construction

Exhibit # 1

	<u>Number</u>	<u>Applicant/Facility</u>
1.	152343 C	Long Island Jewish Medical Center (Queens County)
2.	161080 C	Phelps Memorial Hospital Assn (Westchester County)
3.	161121 C	New York Methodist Hospital (Kings County)

Residential Health Care Facilities - Construction

Exhibit # 2

	<u>Number</u>	<u>Applicant/Facility</u>
1.	152138 C	St Marys Hospital for Children Inc (Queens County)

B. Applications for Establishment and Construction of Health Care Facilities/Agencies

Acute Care Services – Establish/Construct

Exhibit # 3

	<u>Number</u>	<u>Applicant/Facility</u>
1.	161077 E	Woman’s Christian Association (Chautauqua County)

Ambulatory Surgery Centers - Establish/Construct

Exhibit # 4

<u>Number</u>	<u>Applicant/Facility</u>
1. 161083 E	Gastroenterology Care, Inc. (Kings County)
2. 161138 B	JTL Consulting, LLC t/b/k/a Gastroenterology of Westchester (Westchester County)

Diagnostic and Treatment Centers - Establish/Construct

Exhibit # 5

<u>Number</u>	<u>Applicant/Facility</u>
1. 152384 E	Suffolk Primary Health, LLC (Suffolk County)

Residential Health Care Facilities - Establish/Construct

Exhibit # 6

<u>Number</u>	<u>Applicant/Facility</u>
1. 152111 E	CCRNC, LLC d/b/a Crown Park Rehabilitation and Nursing Center (Cortland County)
2. 161091 E	YRNC Operating, LLC d/b/a Yorktown Rehabilitation & Nursing Center (Westchester County)
3. 161223 E	St Margaret's Center (Albany County)

C. Home Health Agency Licensures

Home Health Agency Licensures

Exhibit # 7

Changes of Ownership

<u>Number</u>	<u>Applicant/Facility</u>
2322 L	Hamilton Home Care, LLC d/b/a Hamilton Home Care (Madison and Onondaga Counties)

2322 A	Hamilton Home Care, LLC d/b/a Hamilton Limited Home Care Services Agency (Madison County)
2509 L	Senior Solutions Worldwide, Inc. d/b/a Wesley Senior Solutions (Saratoga County)
152199 E	111 Ensminger Road Operating Company, LLC d/b/a Elderwood Home Care at Tonawanda (Erie County)
152285 E	Helping U Homecare, Inc. (New York, Richmond, Kings, Bronx, Queens, and Nassau Counties)
152367 E	Focus RX Pharmacy Services, Inc. (Suffolk, Putnam, Westchester, Nassau, Rockland, Queens, Orange, and Ulster Counties)
161126 E	New Broadview Manor Home for Adults, LLC d/b/a New Broadview Manor Home for Adults LHCSA (Richmond County)

D. Certificates

Exhibit # 8

Restated Certificate of Incorporation

Applicant

1. Housing Works Health Services III, Inc.

*Northwell Health, Inc.
Table of Organization*

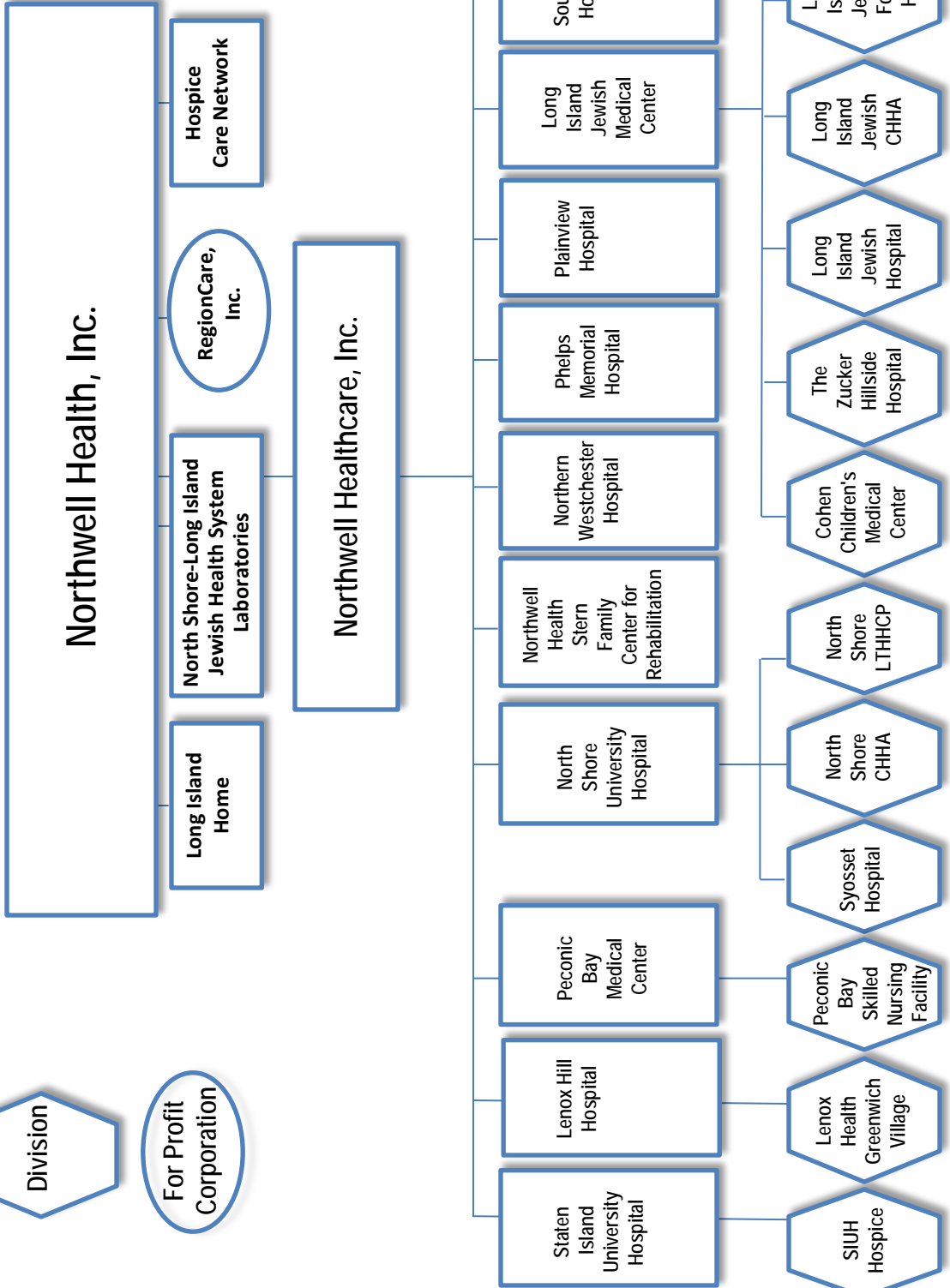
Current as of March 2, 2016

Project #152343
BFA Attachment A

Not-for-Profit Corporation

Division

For Profit Corporation



North Shore-Long Island Jewish Health System, Inc.

Consolidated Statements of Financial Position
September 30, 2015 and December 31, 2014 (In Thousands)

	(Unaudited) September 30, 2015	(Audited) December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	\$ 372,049	\$ 194,570
Marketable securities and other investments	1,789,195	1,905,161
Accounts receivable for services to patients, net of allowance for doubtful accounts	815,532	774,831
Accounts receivable for physician activities, net	71,526	74,058
Assets limited as to use, current portion	108,825	104,566
Pledges receivable, current portion	33,493	36,129
Insurance claims receivable, current portion	92,198	83,268
Other current assets	225,119	172,369
Total current assets	3,507,937	3,344,952
Assets limited as to use, net of current portion	1,575,196	1,365,666
Pledges receivable, net of current portion	101,624	101,423
Property, plant and equipment, net	4,216,475	3,762,104
Insurance claims receivable, net of current portion	282,186	289,953
Other assets	321,322	182,254
Total assets	\$ 10,004,740	\$ 9,046,352
Liabilities and net assets		
Current liabilities:		
Short-term borrowings	\$ 110,218	\$ 110,218
Accounts payable and accrued expenses	697,847	607,224
Accrued salaries and related benefits	616,633	595,405
Current portion of capital lease obligations	4,485	5,902
Current portion of long-term debt	49,960	55,357
Current portion of insurance claims liability	92,198	83,268
Current portion of malpractice and other insurance liabilities	80,989	81,344
Current portion of third-party payer structured liabilities	4,346	4,346
Current portion of estimated payable to third-party payers	322,198	247,935
Total current liabilities	1,978,874	1,790,999
Accrued retirement benefits, net of current portion	787,688	706,145
Capital lease obligations, net of current portion	128,125	197,825
Long-term debt, net of current portion	2,209,062	1,856,298
Insurance claims liability, net of current portion	282,186	289,953
Malpractice and other insurance liabilities, net of current portion	857,415	781,199
Third-party payer structured liabilities, net of current portion	10,276	13,266
Other long-term liabilities	596,303	577,276
Total liabilities	6,849,929	6,212,961
Commitments and contingencies		
Net assets:		
Unrestricted	2,638,715	2,340,552
Temporarily restricted	352,558	357,127
Permanently restricted	163,538	135,712
Total net assets	3,154,811	2,833,391
Total liabilities and net assets	\$ 10,004,740	\$ 9,046,352

See accompanying notes.

North Shore-Long Island Jewish Health System, Inc.

Consolidated Statements of Operations
For the Nine Months Ended September 30, 2015 and 2014 (In Thousands)

	(Unaudited) 2015	(Unaudited) 2014
Operating revenue:		
Net patient service revenue	\$ 5,098,327	\$ 4,465,040
Physician practice revenue	816,140	708,940
Provision for bad debts	(80,818)	(75,450)
Total patient revenue, net of provision for bad debts	<u>5,833,649</u>	<u>5,098,530</u>
Other operating revenue	331,429	254,666
Health insurance premium revenue	154,578	55,076
Net assets released from restrictions used for operations	46,269	36,878
Total operating revenue	<u>6,365,925</u>	<u>5,445,150</u>
Operating expenses:		
Salaries	3,179,225	2,805,075
Employee benefits	823,157	704,139
Supplies and expenses	1,911,595	1,564,630
Depreciation and amortization	292,142	249,941
Interest	78,242	69,661
Total operating expenses	<u>6,284,361</u>	<u>5,393,446</u>
Excess of operating revenue over operating expenses	81,564	51,704
Non-operating gains and losses:		
Investment income	39,273	73,394
Change in net unrealized gains and losses and change in value of equity method investments	(115,136)	(11,217)
Change in fair value of interest rate swap agreements designated as derivative instruments	565	654
Loss on refunding and redemption of long-term debt	(56,975)	-
Contribution received in the acquisition of Phelps Memorial Hospital and Northern Westchester Hospital	266,053	-
Gain from acquired interest in Optum360	85,000	-
Other non-operating gains and losses	(5,486)	(4,853)
Total non-operating gains and losses	<u>213,294</u>	<u>57,978</u>
Excess of revenue and gains and losses over expenses	294,858	109,682
Net assets released from restrictions for capital asset acquisitions	5,055	21,246
Change in fair value of interest rate swap agreements designated as cash flow hedges	610	1,173
Other changes in net assets	(2,360)	(1,800)
Increase in unrestricted net assets	<u>\$ 298,163</u>	<u>\$ 130,301</u>

See accompanying notes.

Project #152343
BFA Attachment B (cont.)

Assets	Central	Cash and cash equivalents	Marketable securities and other investments	Accounts receivable and notes receivable, net of allowances	Investments receivable for prepaid services, net	Assets receivable for prepaid services, net	Accounts receivable, current portion	Prepaid expenses, current portion	Accounts receivable, non-current	Prepaid expenses, non-current	Property, plant and equipment, net	Intangible assets receivable, net of current portions	Other assets	Total assets	Liabilities and net assets (deficit)	Current liabilities	Short-term borrowings	Accounts payable and related expenses	Current portion of capital lease obligations	Current portion of long-term debt	Current portion of insurance claims (liability)	Current portion of purchase and other intangible liabilities	Current portion of third party structured liabilities	Current portion of structured liabilities payable to third-party payors	Other long-term liabilities	Total liabilities	Equity	Total
North Shore-Long Beach	937,848	\$-	\$12,313	\$32,332	\$77,322	\$14,011	616,633	4,483	49,960	29,198	92,198	(2,198)	327,198	1,978,878	1,978,878	1,978,878	110,218	697,847	544,860	577,232	114,226	3,366	314,305	327,198	1,978,878	\$1,044,740	937,848	
Long Beach	1,789,195	\$-	-	-	-	-	31,489	41,872	-	-	-	-	31,489	1,820,677	1,820,677	1,820,677	110,218	1,710,459	1,710,459	1,710,459	-	1,710,459	1,710,459	1,820,677	1,789,195	1,789,195		
Long Beach	815,532	113,909	742,338	27,990	14,915	113,909	1,726	2,696	22,665	2,696	1,726	22,665	815,532	929,528	929,528	929,528	110,218	819,310	742,338	742,338	113,909	113,909	819,310	929,528	815,532	815,532		
North Shore-Long Beach	26,336	-	-	-	-	-	26,336	-	-	-	-	-	26,336	26,336	26,336	26,336	110,218	15,122	15,122	15,122	-	15,122	26,336	26,336	26,336	26,336		
North Shore	46,446	-	-	-	-	-	46,446	-	-	-	-	-	46,446	46,446	46,446	46,446	110,218	4,652	4,652	4,652	-	4,652	46,446	46,446	46,446	46,446		
North Shore	19,194	-	-	-	-	-	19,194	-	-	-	-	-	19,194	19,194	19,194	19,194	110,218	3,328	3,328	3,328	-	3,328	19,194	19,194	19,194	19,194		
North Shore	76,336	614	-	-	-	-	76,336	-	-	-	-	-	76,336	76,950	76,950	76,950	110,218	2,645	2,645	2,645	-	2,645	76,950	76,950	76,950	76,950		
North Shore	55,930	542	-	-	-	-	55,930	-	-	-	-	-	55,930	56,472	56,472	56,472	110,218	83	83	83	-	83	56,472	56,472	56,472	56,472		
North Shore	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599		
The Pointe	82,453	-	21,578	20	-	82,453	1,997	2,318	1,997	2,318	2,318	2,318	82,453	84,771	84,771	84,771	110,218	3,415	6,821	6,821	-	6,821	84,771	84,771	84,771	84,771		
North Shore-Long Beach	320,563	527	51,335	3,203	20	320,563	19,640	29,140	4,666	3,996	4,666	3,996	320,563	329,599	329,599	329,599	110,218	3,745	3,745	3,745	-	3,745	329,599	329,599	329,599	329,599		
North Shore-Long Beach	320,563	527	51,335	3,203	20	320,563	19,640	29,140	4,666	3,996	4,666	3,996	320,563	329,599	329,599	329,599	110,218	3,745	3,745	3,745	-	3,745	329,599	329,599	329,599	329,599		
North Shore-Long Beach	320,563	527	51,335	3,203	20	320,563	19,640	29,140	4,666	3,996	4,666	3,996	320,563	329,599	329,599	329,599	110,218	3,745	3,745	3,745	-	3,745	329,599	329,599	329,599	329,599		
North Shore-Long Beach	320,563	527	51,335	3,203	20	320,563	19,640	29,140	4,666	3,996	4,666	3,996	320,563	329,599	329,599	329,599	110,218	3,745	3,745	3,745	-	3,745	329,599	329,599	329,599	329,599		
North Shore-Long Beach	320,563	527	51,335	3,203	20	320,563	19,640	29,140	4,666	3,996	4,666	3,996	320,563	329,599	329,599	329,599	110,218	3,745	3,745	3,745	-	3,745	329,599	329,599	329,599	329,599		

North Shore-Long Beach Health System, Inc.
 Consolidating Statement of Financial Position
 September 30, 2015 (revised and in thousands)

Central	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore	46,446	-	-	-	-	46,446	46,446	-	-	-	-	-	46,446	46,446	46,446	46,446	110,218	4,652	4,652	4,652	-	4,652	46,446	46,446	46,446	46,446
Long Beach	19,194	-	-	-	-	19,194	19,194	-	-	-	-	-	19,194	19,194	19,194	19,194	110,218	3,328	3,328	3,328	-	3,328	19,194	19,194	19,194	19,194
Long Beach	76,336	614	-	-	-	76,336	76,336	-	-	-	-	-	76,336	76,950	76,950	76,950	110,218	2,645	2,645	2,645	-	2,645	76,950	76,950	76,950	76,950
Long Beach	55,930	542	-	-	-	55,930	55,930	-	-	-	-	-	55,930	56,472	56,472	56,472	110,218	83	83	83	-	83	56,472	56,472	56,472	56,472
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218	3,745	3,745	3,745	-	3,745	339,599	339,599	339,599	339,599
North Shore-Long Beach	330,563	527	51,335	3,203	20	330,563	19,640	29,140	4,666	3,996	4,666	3,996	330,563	339,599	339,599	339,599	110,218									

North Shore-Long Island Jewish Health System, Inc.

Consolidating Statement of Operations
For the Nine Months Ended September 30, 2015 (Unaudited and In Thousands)

	North Shore-Long Island Jewish Health System, Inc. Total	North Shore-Long Island Jewish Health System Obligated Group	Phelps Memorial Hospital Association and Subsidiaries	Northern Westchester Hospital and Subsidiaries	The Long Island Home	Hospice Care Network, Inc.	The Francis and Mary Taylor Medical Research Institute	North Shore-Long Island Jewish Health System Foundation, Inc.	North Shore-Long Island Jewish Health System Laboratories	Capitol Insurance Companies	Dolan Family Health Center	Health Insurance Companies	Epidemiology Center of Long Island	Grande City Surgical Center	Other Health System Entities
Operating revenue:															
Net patient service revenue	\$5,094,327	\$4,680,071	\$173,496	\$191,209	\$76,088	\$18,743	\$189	\$319	\$-	\$-	\$3,337	\$-	\$10,180	\$5,835	\$44,425
Physician practice revenue	816,140	816,140	-	211	1,331	-	-	684,075	-	-	-	-	-	-	151,003
Provision for bad debts	(80,878)	(80,878)	(7,929)	(3,495)	(1,207)	(8,001)	-	(6,155)	-	-	-	-	-	-	(8,701)
Total patient revenue, net of provision for bad debts	5,333,649	5,333,669	172,647	187,925	76,232	38,443	189	319	\$-	\$-	3,337	\$-	10,180	5,835	194,302
Other operating revenue	131,429	134,221	6,452	5,203	701	-	37,420	-	223,187	10,512	1,918	4,337	-	-	123,932
Health insurance premiums revenue	46,269	-	181	796	-	723	12,926	-	-	-	199	154,378	-	-	-
Net assets released from restrictions, used for operations	6,385,923	(411,662)	5,208,813	394,026	76,933	39,183	50,535	-	223,232	10,512	5,454	153,935	10,180	5,835	318,140
Total operating revenue															
Operating expenses:															
Salaries	3,179,225	(31,269)	2,639,669	76,487	65,778	13,402	37,278	-	51,675	-	3,031	17,159	1,299	1,616	170,348
Employee benefits	823,157	(76,392)	710,666	24,314	15,300	1,448	42,187	-	17,314	-	1,214	3,522	164	279	36,596
Supplies and expenses	1,911,595	(158,530)	1,648,875	72,331	16,999	18,468	20,207	-	141,789	10,474	1,264	15,172	3,517	2,777	124,962
Depreciation and amortization	292,142	-	292,142	9,368	1,935	234	-	-	1,232	-	61	437	14	90	4,661
Interest	78,242	(2,731)	75,619	258	3,234	-	-	-	-	-	-	-	-	-	9
Total operating expenses	6,364,361	(468,464)	5,185,974	185,582	81,337	36,051	73,658	-	212,010	10,474	6,074	177,329	4,994	4,762	336,376
Excess (deficiency) of operating revenue over operating expenses	81,564	(3,194)	122,954	8,438	(4,404)	3,134	(2,123)	-	10,742	38	(629)	(21,314)	5,186	1,115	(18,436)
Non-operating gains and losses:															
Investment income	39,273	-	38,935	378	1,220	294	(3)	(92)	(30)	(969)	-	9	(139)	(10)	1,361
Change in net unrealized gains and losses and change in value of equity method investments	(115,136)	-	(105,664)	(431)	(128)	(783)	9	(1,000)	-	(7,744)	-	-	-	-	(4,980)
Change in interest in acquired entities	-	(21,226)	25,716	-	-	-	-	-	-	-	-	-	-	-	-
Change in fair value of interest rate swap agreements designated as derivative instruments	565	-	565	-	-	-	-	-	-	-	-	-	-	-	-
Loss on extinguishment and redemption of long-term debt	(56,975)	-	(56,975)	-	-	-	-	-	-	-	-	-	-	-	-
Contribution received in the acquisition of Phelps Memorial Hospital and Northern Westchester Hospital	266,053	-	266,053	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of property and equipment	19,000	-	19,000	-	-	-	-	-	-	-	-	-	-	-	-
Gain on sale of investments	1,001	-	1,001	(706)	1	187	-	6,697	-	-	-	-	-	-	181
Other non-operating gains and losses	273,284	(72,236)	254,213	218	262	(377)	6	(6,289)	130	(8,703)	-	9	(130)	(16)	(4,381)
Total non-operating gains and losses	294,854	(74,424)	377,125	1,969	(4,179)	2,407	(2,137)	(6,289)	10,712	(8,665)	(620)	(21,205)	5,147	1,697	(22,801)
Excess (deficiency) of revenue and gains and losses over expenses	5,015	-	4,518	118	(59)	-	269	-	-	-	-	-	-	-	-
Net assets released from restrictions for capital asset acquisition	630	-	630	-	(111)	-	-	-	-	-	-	-	-	-	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	-	3,194	(98,928)	5,219	-	-	22,668	-	(1,190)	-	-	61,340	-	-	9,092
Transfers (to) from affiliates	(2,860)	-	-	-	-	-	-	-	(3,718)	-	-	(5,100)	-	-	(4,571)
Other changes in net assets															
Increase (decrease) in unrestricted net assets	\$298,163	(517,656)	578,436	\$3,951	(44,900)	\$7,007	\$20	(46,739)	\$7,514	(48,665)	(46,270)	\$39,966	\$47	\$645	(517,769)

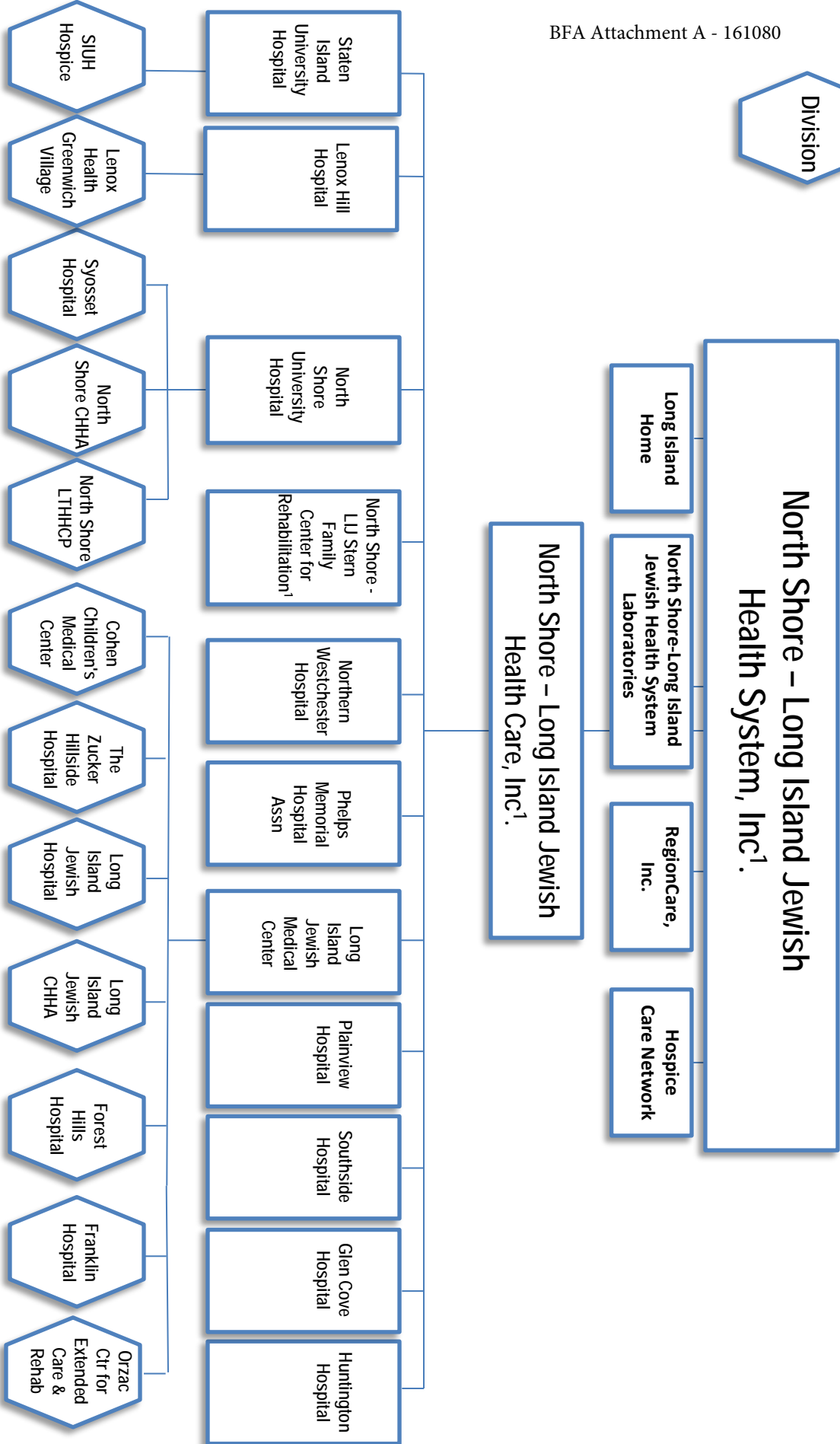
Not-for-Profit Corporation

Division

North Shore-Long Island Jewish Health System, Inc.¹

Table of Organization

Current as of February 8, 2016



¹ Pending name change process with the NYS DOH.

Northwell Health, Inc.
Consolidating Statement of Financial Position
(In Thousands)

December 31, 2015

	Northwell Health, Inc.	Northwell Health Obligated Group	Phelps Memorial Hospital Association and Subsidiaries	Northern Westchester Hospital Association and Subsidiaries	The Long Island Home	Hospice Care Network, Inc.	The Feinstein Institute for Medical Research	Northwell Health Foundation, Inc.	North Shore-Long Island Jewish Health System Laboratories	Capitive Insurance Companies	Dolan Family Health Center	Health Insurance Companies	Endoscopy Center of Long Island	Garden City SurgiCenter	Other Northwell Entities				
	Total	Eliminations																	
Assets																			
Current assets:																			
Cash and cash equivalents	\$ 432,829	\$ -	\$ 230,613	\$ 31,087	\$ 51,319	\$ 3,357	\$ 9,636	\$ 21,878	\$ 6,706	\$ 20	\$ 29,056	\$ 6,387	\$ -	\$ 120	\$ 290	\$ 67,829	\$ 916	\$ 365	\$ 8,241
Marketable securities and other investments	1,844,892	-	1,810,714	5,768	-	70	-	-	-	-	-	-	-	-	55	-	-	-	-
Accounts receivable for services to patients, net of allowance for doubtful accounts	876,130	(14,337)	803,107	24,106	22,590	12,541	6,706	-	12,544	-	-	-	-	-	258	-	-	-	8,615
Accounts receivable for physician activities, net	111,902	(1,546)	97,118	3,058	1,158	-	-	-	-	-	-	-	-	-	-	-	-	-	12,114
Assets limited as to use, net of current portion	101,683	-	73,585	1,133	4,537	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pledges receivable, current portion	35,097	-	-	-	-	-	97	-	332	-	-	-	-	-	-	-	-	-	598
Insurance claims receivable, current portion	71,068	(16,690)	85,484	-	-	1,797	39	100	332	-	-	-	-	-	-	-	-	-	-
Other current assets	207,968	(165)	149,639	6,965	6,966	1,338	200	10,764	3,521	1	409	823	23,176	-	-	-	-	-	4,331
Total current assets	3,681,569	(32,738)	3,250,260	72,117	86,570	19,103	38,556	10,884	16,397	22,549	1,426	91,005	916	365	823	23,176	916	365	33,899
Due from affiliates, net	-	(105,849)	-	-	-	-	-	-	31,807	65,467	-	8,575	-	-	-	-	-	-	-
Note receivable from affiliate	-	(35,089)	35,089	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets limited as to use, net of current portion	1,508,032	(217,470)	1,246,022	22,995	66,579	7,000	1,862	69,710	-	207,428	5,980	6,379	-	-	-	-	-	-	13,381
Pledges receivable, net of current portion	91,090	-	-	3,459	4,314	-	227	-	9,508	-	698	2,761	303	739	-	-	-	-	1,815
Property, plant and equipment, net	4,315,166	-	3,812,912	146,130	174,894	56,996	901	56,164	9,508	-	-	-	-	-	-	-	-	-	51,885
Insurance claims receivable, net of current portion	278,530	(192,621)	437,602	7,032	-	6,123	147	378	1,255	18,590	-	-	-	-	-	-	-	-	-
Other assets	264,340	(423,446)	622,019	5,592	7,997	9,428	216	56	-	1,475	-	-	29,939	6,341	-	-	-	-	4,723
Total assets	\$ 10,138,727	\$ (1,007,213)	\$ 9,403,904	\$ 257,325	\$ 340,354	\$ 98,650	\$ 41,909	\$ 137,192	\$ 58,967	\$ 315,509	\$ 8,104	\$ 108,720	\$ 31,158	\$ 7,445	\$ 105,703				
Liabilities and net assets (deficit)																			
Current liabilities:																			
Short-term borrowings	\$ 110,218	\$ -	\$ 110,218	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
Accounts payable and accrued expenses	733,653	(16,051)	546,471	10,680	30,161	3,421	1,969	13,207	889	169	109	71,188	137	108	109	71,188	137	108	39,025
Accrued salaries and related benefits	625,383	-	555,223	12,830	9,173	5,257	1,903	5,608	1,349	-	381	3,063	62	24	381	3,063	62	24	23,789
Current portion of capital lease obligations	3,138	-	1,755	-	479	892	-	-	-	-	-	-	-	-	-	-	-	-	-
Current portion of long-term debt	55,613	-	47,189	4,750	2,782	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current portion of insurance claims liability	71,068	(16,690)	85,484	-	-	1,797	39	100	332	-	-	-	-	-	-	-	-	-	-
Current portion of malpractice and other insurance liabilities	101,720	(5,220)	68,911	1,827	4,088	762	-	-	-	31,352	-	-	-	-	-	-	-	-	-
Current portion of third-party payer structured liabilities	4,346	-	4,346	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current portion of estimated payable to third-party payers	235,768	-	231,636	-	292	2,364	-	-	1	-	-	1,441	-	-	-	1,441	-	-	34
Total current liabilities	1,940,907	(37,961)	1,651,233	30,087	47,400	14,972	3,911	18,915	2,244	31,521	490	75,692	199	132	490	75,692	199	132	62,848
Due to affiliates, net	-	(41,891)	10,559	138	51	5,452	198	1,130	2,800	-	9,212	-	170	17	9,212	-	170	17	12,164
Note payable to affiliate	-	(35,089)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued retirement benefits, net of current portion	782,972	-	722,449	4,837	45,194	10,466	-	-	-	-	-	26	-	-	-	26	-	-	-
Capital lease obligations, net of current portion	171,888	-	171,888	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term debt, net of current portion	2,199,401	-	2,082,732	-	60,583	24,651	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance claims liability, net of current portion	278,530	(192,621)	437,602	7,032	-	6,123	147	378	24	18,590	-	-	-	-	-	-	-	-	-
Malpractice and other insurance liabilities, net of current portion	881,794	(60,247)	678,702	16,414	18,875	3,213	-	-	-	224,837	-	-	-	-	-	-	-	-	-
Third-party payer structured liabilities, net of current portion	8,303	-	8,303	-	-	1,161	-	-	-	-	-	-	-	-	-	-	-	-	-
Other long-term liabilities	635,892	-	613,467	2,039	8,622	1,161	752	99	7,314	1,304	-	182	-	-	-	182	-	-	952
Total liabilities	6,899,687	(367,809)	6,376,935	91,982	180,725	101,127	5,008	20,522	12,382	41,783	9,702	75,900	369	149	9,702	75,900	369	149	75,964
Commitments and contingencies																			
Net assets (deficit):																			
Unrestricted	2,710,921	(387,430)	2,610,605	153,384	133,811	(2,477)	34,994	27,505	1,412	17,184	40,561	(7,578)	30,789	7,296	40,561	(7,578)	30,789	7,296	18,045
Temporarily restricted	363,573	(21,665)	339,039	8,675	18,771	-	1,529	47,816	151,126	-	1,577	-	-	-	1,577	-	-	-	11,694
Permanently restricted	164,546	(35,320)	77,325	3,284	7,047	-	378	41,349	66,080	-	4,403	-	-	-	4,403	-	-	-	-
Total net assets (deficit)	3,239,040	(639,404)	3,026,969	165,343	159,629	(2,477)	36,901	116,670	218,618	17,184	40,561	(1,598)	30,789	7,296	40,561	(1,598)	30,789	7,296	29,739
Total liabilities and net assets (deficit)	\$ 10,138,727	\$ (1,007,213)	\$ 9,403,904	\$ 257,325	\$ 340,354	\$ 98,650	\$ 41,909	\$ 137,192	\$ 231,000	\$ 58,967	\$ 8,104	\$ 108,720	\$ 31,158	\$ 7,445	\$ 105,703				

PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY

Northwell Health, Inc.
Combining Statement of Financial Position – Northwell Health Obligated Group
(In Thousands)

December 31, 2015

	Total Obligated Group	Eliminations	Northwell Healthcare, Inc.	North Shore University Hospital	Long Island Jewish Medical Center	Staten Island University Hospital	Lenox Hill Hospital	Southside Hospital	Huntington Hospital Association	Glen Cove Hospital	Painview Hospital	Forest Hills Hospital	Franklin Hospital	Northwell Health Stern Family Center for Rehabilitation
Assets														
Current assets:														
Cash and cash equivalents	\$ 230,613	\$ -	\$ 168,040	\$ 3,441	\$ 380	\$ 33,968	\$ 403	\$ 1	\$ 23,563	\$ 15	\$ 45	\$ 373	\$ 383	\$ 1
Marketable securities and other investments	1,810,714	-	16,587	750,927	538,154	271,807	39,175	290	121,203	72,571	-	-	-	-
Accounts receivable for services to patients, net of allowance for doubtful accounts	803,107	-	-	195,553	196,588	107,072	118,215	49,422	41,581	10,761	18,477	30,264	26,099	9,075
Accounts receivable for physician activities, net	97,118	-	-	89,231	2,824	-	1,932	1,026	998	181	499	234	193	-
Assets limited as to use, current portion	73,585	-	-	45,525	15,998	1,312	3,822	1,640	1,723	777	639	813	518	818
Insurance claims receivable, current portion	85,484	-	1,005	17,496	17,496	11,866	16,247	5,130	3,921	1,515	2,364	3,265	2,502	298
Other current assets	149,639	(3,000)	19,018	41,313	33,535	15,099	18,484	8,818	6,445	1,337	2,957	2,294	3,269	70
Total current assets	3,250,260	(3,000)	204,650	1,145,865	804,975	441,124	198,278	66,327	199,434	87,157	24,981	37,243	32,964	10,262
Due from affiliates, net	-	(190,021)	-	24,859	92,623	-	-	-	-	7,726	10,357	31,282	-	23,174
Note receivable from affiliate	35,089	-	35,089	-	272,120	153,445	55,710	53,957	60,133	-	-	190	3,970	-
Assets limited as to use, net of current portion	1,246,022	-	431,298	193,944	272,120	210,901	939,552	148,635	140,284	6,599	567	55,518	35,561	14,089
Property, plant and equipment, net	3,812,912	-	557,147	457,389	1,172,348	2,109,011	66,522	27,014	21,314	50,199	34,016	18,361	11,217	11,362
Insurance claims receivable, net of current portion	437,602	(553,878)	3,799	103,443	100,132	64,831	66,522	1,390	21,314	7,918	11,923	18,361	11,217	1,128
Other assets	622,019	-	1,048,325	73,798	13,638	14,541	24,205	1,390	-	-	-	-	-	-
Total assets	\$ 9,403,904	\$ (746,899)	\$ 2,280,308	\$ 1,999,298	\$ 2,455,836	\$ 884,842	\$ 1,284,267	\$ 297,323	\$ 421,165	\$ 159,599	\$ 81,844	\$ 142,594	\$ 83,712	\$ 60,015
Liabilities and net assets (deficit)														
Current liabilities:														
Short-term borrowings	\$ 110,218	\$ -	\$ -	\$ 7,500	\$ 102,718	\$ 51,852	\$ 58,912	\$ 34,084	\$ 20,035	\$ 9,403	\$ 9,161	\$ 8,232	\$ 8,368	\$ 1,812
Accounts payable and accrued expenses	546,471	-	148,114	120,011	76,487	46,123	47,348	29,735	21,722	9,438	10,558	17,908	13,569	2,350
Accrued salaries and related benefits	555,223	-	128,684	128,761	99,027	46,123	47,348	29,735	21,722	9,438	10,558	17,908	13,569	2,350
Current portion of capital lease obligations	1,755	-	1,511	-	-	-	244	-	-	-	-	-	-	-
Current portion of long-term debt	471,899	-	741	9,510	16,417	8,347	4,795	1,080	1,100	716	1,434	1,849	405	775
Current portion of insurance claims liability	85,484	-	1,005	19,875	17,496	11,866	16,247	5,130	3,921	1,515	2,364	3,265	2,502	298
Current portion of malpractice and other insurance liabilities	68,911	-	15,545	14,224	12,996	9,512	4,032	3,627	2,597	1,181	1,441	2,149	1,607	-
Current portion of third-party payer structured liabilities	4,346	-	-	-	-	4,346	-	-	-	-	-	-	-	-
Current portion of estimated payable to third-party payers	231,636	-	-	66,264	28,468	43,145	31,232	17,025	2,438	7,364	5,552	18,680	7,686	3,782
Total current liabilities	1,651,233	-	295,600	366,145	353,609	175,191	162,810	90,681	51,813	29,617	30,530	52,083	34,137	9,017
Due to affiliates, net	10,559	(334,272)	161,660	-	-	21,123	84,324	48,014	5,305	-	-	-	24,405	-
Accrued retirement benefits, net of current portion	722,449	-	156,155	133,371	50,840	3,186	170,703	61,871	98,253	12,546	19,176	4,282	8,396	3,670
Capital lease obligations, net of current portion	171,888	-	102,414	-	66,667	-	2,807	-	-	-	-	-	-	-
Long-term debt, net of current portion	2,082,732	-	692,221	126,296	859,150	83,113	119,215	71,114	78,285	7,456	11,536	15,839	13,751	4,756
Insurance claims liability, net of current portion	437,602	-	3,799	103,443	100,132	64,831	66,522	27,014	21,314	7,918	11,923	18,361	11,217	1,128
Malpractice and other insurance liabilities, net of current portion	678,702	-	77,225	167,073	148,437	89,019	54,957	41,833	31,349	12,548	14,962	23,187	18,112	-
Third-party payer structured liabilities, net of current portion	8,303	-	-	-	-	8,303	-	-	-	-	-	-	-	-
Other long-term liabilities	613,467	-	4,721	146,144	173,888	44,374	93,617	46,505	17,874	12,850	20,110	32,199	20,468	717
Total liabilities	6,376,935	(334,272)	1,493,795	1,042,472	1,752,723	489,140	754,955	387,032	304,193	82,935	108,237	145,951	130,486	19,288
Commitments and contingencies														
Net assets (deficit):														
Unrestricted	2,610,605	(326,628)	662,724	859,326	566,535	382,081	443,308	(112,542)	109,216	66,318	(26,852)	(3,547)	(49,248)	39,914
Temporarily restricted	339,039	(61,081)	88,540	70,066	127,431	12,137	61,086	22,833	6,593	7,511	459	190	2,461	813
Permanently restricted	77,325	(24,918)	35,249	27,434	9,147	1,484	2,918	-	1,163	2,835	-	-	13	-
Total net assets (deficit)	3,026,969	(412,627)	786,513	956,826	703,113	395,702	529,312	(89,709)	116,972	76,664	(26,393)	(3,357)	(46,774)	40,727
Total liabilities and net assets (deficit)	\$ 9,403,904	\$ (746,899)	\$ 2,280,308	\$ 1,999,298	\$ 2,455,836	\$ 884,842	\$ 1,284,267	\$ 297,323	\$ 421,165	\$ 159,599	\$ 81,844	\$ 142,594	\$ 83,712	\$ 60,015

PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY

Northwell Health, Inc.

Consolidating Statement of Financial Position – Phelps Memorial Hospital
(In Thousands)

December 31, 2015

	Phelps Memorial Hospital Association and Subsidiaries	Eliminations	Phelps Memorial Hospital Association	Phelps Professional Building Co., L.P.	Phelps Medical Associates
Assets					
Current assets:					
Cash and cash equivalents	\$ 31,087	\$ -	\$ 28,817	\$ 1,312	\$ 958
Marketable securities and other investments	5,768	-	5,768	-	-
Accounts receivable for services to patients, net of allowance for doubtful accounts	24,106	-	24,106	-	-
Accounts receivable for physician activities, net	3,058	-	1,616	-	1,442
Assets limited as to use, current portion	1,133	-	1,133	-	-
Other current assets	6,965	-	6,810	155	-
Total current assets	72,117	-	68,250	1,467	2,400
Due from affiliates, net	-	(2,337)	2,337	-	-
Assets limited as to use, net of current portion	22,995	-	22,995	-	-
Pledges receivable, net of current portion	3,459	-	3,459	-	-
Property, plant and equipment, net	146,130	-	136,394	9,736	-
Insurance claims receivable, net of current portion	7,032	-	7,032	-	-
Other assets	5,592	(2,080)	7,672	-	-
Total assets	\$ 257,325	\$ (4,417)	\$ 248,139	\$ 11,203	\$ 2,400
Liabilities and net assets					
Current liabilities:					
Accounts payable and accrued expenses	\$ 10,680	\$ -	\$ 10,623	\$ 57	\$ -
Accrued salaries and related benefits	12,830	-	12,830	-	-
Current portion of long-term debt	4,750	-	1,551	3,199	-
Current portion of malpractice and other insurance liabilities	1,827	-	1,827	-	-
Total current liabilities	30,087	-	26,831	3,256	-
Due to affiliates, net	138	(2,337)	-	91	2,384
Accrued retirement benefits, net of current portion	4,837	-	4,837	-	-
Long-term debt, net of current portion	31,435	-	31,435	-	-
Insurance claims liability, net of current portion	7,032	-	7,032	-	-
Malpractice and other insurance liabilities, net of current portion	16,414	-	16,414	-	-
Other long-term liabilities	2,039	-	2,039	-	-
Total liabilities	91,982	(2,337)	88,588	3,347	2,384
Commitments and contingencies					
Net assets:					
Unrestricted	153,384	(2,080)	147,592	7,856	16
Temporarily restricted	8,675	-	8,675	-	-
Permanently restricted	3,284	-	3,284	-	-
Total net assets	165,343	(2,080)	159,551	7,856	16
Total liabilities and net assets	\$ 257,325	\$ (4,417)	\$ 248,139	\$ 11,203	\$ 2,400

PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY

Northwell Health, Inc.
Consolidating Statement of Operations
(In Thousands)

Year Ended December 31, 2015

	Northwell Health, Inc. Total	Eliminations	Northwell Health Obligated Group	Phelps Memorial Hospital Association and Subsidiaries	Northern Westchester Hospital Association and Subsidiaries	The Long Island Home	Hospice Care Network, Inc.	The Feinstein Institute for Medical Research	Northwell Health Foundation, Inc.	North Shore Long Island Jewish System Laboratories	Captive Insurance Companies	Dolan Family Health Center	Health Insurance Companies	Endoscopy Center of Long Island	Garden City SurgiCenter	Other Northwell Entities
Operating revenue:																
Net patient service revenue	\$ 6,962,767	\$ (65,748)	\$ 6,322,516	\$ 212,022	\$ 250,001	\$ 101,555	\$ 51,228	\$ 258	\$ -	\$ -	\$ -	\$ 4,552	\$ -	\$ 13,980	\$ 8,135	\$ 64,268
Physician practice revenue	1,125,838	(28,336)	899,548	22,760	7,712	1,901	-	-	-	-	-	-	-	-	-	222,253
Provision for bad debts	(110,265)	56	(99,258)	(1,851)	(4,965)	(1,797)	(300)	-	-	(846)	-	(1)	-	-	-	(1,303)
Total patient revenue, net of provision for bad debts	7,978,340	(94,028)	7,122,806	232,931	252,748	101,659	50,928	258	-	(846)	-	-	-	13,980	8,135	285,218
Other operating revenue	457,612	(477,313)	408,110	8,185	5,685	938	-	49,250	-	303,590	6,772	2,461	1,137	-	3	148,794
Health insurance premium revenue	228,427	-	-	-	-	-	-	-	-	-	-	-	228,427	-	-	-
Net assets released from restrictions used for operations	58,276	-	41,851	235	1,002	-	1,074	13,859	-	-	-	255	-	-	-	-
Total operating revenue	8,722,655	(571,341)	7,572,767	241,351	259,435	102,597	52,002	63,367	-	302,744	6,772	7,267	229,564	13,980	8,138	434,012
Operating expenses:																
Salaries	4,319,212	(28,250)	3,648,776	124,367	104,477	63,201	18,875	51,180	-	72,759	-	4,058	23,957	1,747	2,244	231,821
Employee benefits	1,100,101	(37,632)	951,115	33,986	32,674	20,601	4,634	16,059	-	24,020	-	1,622	4,733	199	336	47,754
Supplies and expenses	2,724,420	(500,929)	2,362,471	66,667	97,433	23,002	24,346	30,141	-	190,978	8,895	2,296	241,883	4,852	3,783	168,602
Depreciation and amortization	384,206	-	346,498	10,976	11,637	2,605	315	5,435	-	1,680	-	68	419	18	109	4,446
Interest	105,018	(393)	101,497	1,360	888	1,657	-	-	-	-	-	-	-	-	-	9
Total operating expenses	8,632,957	(567,204)	7,410,357	237,356	247,109	111,066	48,170	102,815	-	289,437	8,895	8,044	270,992	6,816	6,472	452,652
Excess (deficiency) of operating revenue over operating expenses	89,698	(4,137)	162,410	3,995	12,326	(8,469)	3,832	(39,448)	-	13,307	(2,123)	(777)	(41,428)	7,164	1,666	(18,620)
Non-operating gains and losses:																
Investment income (loss)	62,205	-	59,166	575	331	39	824	1	(467)	(42)	1,877	-	18	(51)	(23)	(43)
Change in net unrealized gains and losses and change in value of equity method investments	(112,700)	-	(101,680)	(162)	(1,802)	-	(1,044)	4	(458)	-	(7,558)	-	-	-	-	-
Change in interest in acquired entities	-	(67,336)	77,097	-	-	-	-	-	-	-	-	-	-	-	-	(9,761)
Change in fair value of interest rate swap agreements designated as derivative instruments	790	-	790	-	-	-	-	-	-	-	-	-	-	-	-	-
Loss on refunding and redemption of long-term debt	(56,975)	-	(56,975)	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributions received in the acquisitions of Phelps Memorial Hospital and Northern Westchester Hospital	259,807	-	259,807	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain from acquired interest in Optum360	115,600	-	115,600	182	(122)	1	451	(2,500)	(7,970)	-	-	-	-	-	-	-
Other non-operating gains and losses	(10,981)	-	(1,538)	-	-	-	-	-	-	-	-	-	-	-	-	515
Total non-operating gains and losses	257,746	(67,336)	352,267	595	(1,593)	40	231	(2,495)	(8,895)	(42)	(5,681)	-	18	(51)	(23)	(9,289)
Excess (deficiency) of revenue and gains and losses over expenses	347,444	(71,473)	514,677	4,590	10,733	(8,429)	4,063	(41,943)	(8,895)	13,265	(7,804)	(777)	(41,410)	7,113	1,643	(27,909)
Net assets released from restrictions for capital asset acquisitions	7,696	-	6,868	224	150	-	-	454	-	-	-	-	-	-	-	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	1,289	-	1,070	-	-	219	-	-	-	-	-	-	-	-	-	-
Loss of fair value of endowment corpus	(608)	-	(180)	-	-	-	-	(325)	(103)	-	-	-	-	-	-	-
Transfers (to) from affiliates	-	6,637	(178,081)	10,009	-	-	-	38,943	-	(4,137)	(1,160)	-	71,890	-	-	55,899
Pension and other postretirement liability adjustments	18,131	-	17,667	-	2,015	(1,551)	-	-	-	-	-	-	-	-	-	-
Other changes in net assets	(3,583)	5,350	-	(333)	-	-	-	-	-	-	-	-	(378)	(6,800)	(1,422)	-
Increase (decrease) in unrestricted net assets	\$ 370,369	\$ (59,486)	\$ 362,021	\$ 14,490	\$ 12,898	\$ (9,761)	\$ 4,063	\$ (2,871)	\$ (8,998)	\$ 9,128	\$ (8,964)	\$ (777)	\$ 30,102	\$ 313	\$ 221	\$ 27,990

PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY

Northwell Health, Inc.
Combining Statement of Operations – Northwell Health Obligated Group
(In Thousands)

Year Ended December 31, 2015

	Total Obligated Group	Eliminations	Northwell Healthcare, Inc.	North Shore University Hospital	Long Island Jewish Medical Center	Staten Island University Hospital	Lenox Hill Hospital	Southside Hospital	Huntington Hospital Association	Glen Cove Hospital	Plainview Hospital	Forest Hills Hospital	Franklin Hospital	Northwell Health Stern Family Center for Rehabilitation
Operating revenue:														
Net patient service revenue	\$ 6,322,516	\$ (599)	\$ -	\$ 1,585,909	\$ 1,542,117	\$ 859,059	\$ 897,195	\$ 388,744	\$ 306,545	\$ 99,450	\$ 173,784	\$ 231,970	\$ 182,353	\$ 55,989
Physician practice revenue	899,548	-	-	334,731	263,055	-	89,099	70,176	58,108	22,375	20,686	24,318	15,959	1,041
Provision for bad debts	(99,258)	6,507	-	(35,685)	(23,157)	(10,196)	(14,027)	(6,871)	(4,438)	(1,703)	(1,980)	(4,079)	(3,230)	(399)
Total patient revenue, net of provision for bad debts	7,122,806	5,908	-	1,884,955	1,782,015	848,863	972,267	452,049	360,215	120,122	192,490	252,209	195,082	56,631
Other operating revenue	408,110	(1,061,660)	969,086	271,038	95,506	19,417	54,616	19,774	7,155	4,748	9,158	8,861	9,870	541
Net assets released from restrictions used for operations	41,851	-	846	14,442	13,118	670	12,499	117	98	-	-	-	-	61
Total operating revenue	7,572,767	(1,055,752)	969,932	2,170,435	1,890,639	868,950	1,039,382	471,940	367,468	124,870	201,648	261,070	204,952	57,233
Operating expenses:														
Salaries	3,648,776	(344,034)	336,814	1,052,419	895,307	367,958	491,207	244,159	176,665	74,435	98,406	125,476	99,912	30,052
Employee benefits	951,115	(77,755)	89,153	220,219	217,286	123,905	126,148	67,746	48,150	19,430	30,804	41,436	33,322	11,271
Supplies and expenses	2,362,471	(633,566)	433,690	773,807	600,006	287,697	366,905	160,585	122,380	34,706	64,587	76,819	63,204	11,651
Depreciation and amortization	346,498	-	83,044	60,409	80,238	29,103	40,680	12,731	15,486	6,417	4,160	7,764	4,923	1,543
Interest	101,497	(397)	37,240	7,659	39,909	5,394	5,409	1,949	1,827	346	568	631	726	236
Total operating expenses	7,410,357	(1,055,752)	979,941	2,114,513	1,832,746	814,057	1,030,349	487,170	364,508	135,334	198,525	252,126	202,087	54,753
Excess (deficiency) of operating revenue over operating expenses	162,410	-	(10,009)	55,922	57,893	54,893	9,033	(15,230)	2,960	(10,464)	3,123	8,944	2,865	2,480
Non-operating gains and losses:														
Investment income (loss)	59,166	-	5,819	15,802	11,026	8,120	252	102	16,494	1,667	(36)	(42)	(34)	(4)
Change in net unrealized gains and losses and change in value of equity method investments	(101,680)	-	(7,924)	(32,700)	(24,605)	(15,975)	(978)	(206)	(16,641)	(2,682)	-	-	3	28
Change in interest in acquired entities	77,097	29,272	34,905	12,920	-	-	-	-	-	-	-	-	-	-
Change in fair value of interest rate swap agreements designated as derivative instruments	790	-	-	-	-	790	-	-	-	-	-	-	-	-
Loss on refunding and redemption of long-term debt	(56,975)	-	-	(6,111)	(50,477)	-	-	-	-	(158)	-	(229)	-	-
Contributions received in the acquisitions of Phelps Memorial Hospital and Northern Westchester Hospital	259,807	-	259,807	-	-	-	-	-	-	-	-	-	-	-
Gain from acquired interest in Opum360	115,600	-	115,600	-	-	-	-	-	-	-	-	-	-	-
Other non-operating gains and losses	(1,538)	-	-	-	4,007	(5,545)	-	-	-	-	-	-	-	-
Total non-operating gains and losses	352,267	29,272	408,207	(10,089)	(60,049)	(12,610)	(726)	(104)	(147)	(1,173)	(36)	(271)	(31)	24
Excess (deficiency) of revenue and gains and losses over expenses	514,677	29,272	398,198	45,833	(2,156)	42,283	8,307	(15,334)	2,813	(11,637)	3,087	8,673	2,834	2,504
Net assets released from restrictions for capital asset acquisitions	6,868	-	-	3,340	1,098	414	625	2	1,369	20	-	-	-	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	1,070	-	-	385	685	-	-	-	-	-	-	-	-	-
Loss of fair value of endowment corpus	(180)	-	-	(180)	-	-	-	-	-	-	-	-	-	-
Transfers to affiliates	(178,081)	-	(92,781)	(28,373)	(17,564)	(741)	(39,363)	(2,349)	17,673	(782)	(1,196)	(266)	1,098	(229)
Penison and other postretirement liability adjustments	17,667	-	(338)	3,843	(205)	(741)	1,159	(2,349)	17,673	(782)	(1,196)	(266)	1,098	(229)
Increase (decrease) in unrestricted net assets	362,021	29,272	305,079	24,848	(18,142)	41,956	(29,272)	(17,681)	21,855	(12,399)	1,891	8,407	3,932	2,275

Northwell Health, Inc.

Consolidating Statement of Operations – Phelps Memorial Hospital
(In Thousands)

Year Ended December 31, 2015

	Phelps Memorial Hospital Association and Subsidiaries	Eliminations	Phelps Memorial Hospital Association	Phelps Professional Building Co., L.P.	Phelps Medical Associates
Operating revenue:					
Net patient service revenue	\$ 212,022	\$ -	\$ 212,022	\$ -	\$ -
Physician practice revenue	22,760	-	8,193	-	14,567
Provision for bad debts	(1,851)	-	(1,847)	-	(4)
Total patient revenue, net of provision for bad debts	232,931	-	218,368	-	14,563
Other operating revenue	8,185	(2,269)	7,855	2,114	485
Net assets released from restrictions used for operations	235	-	235	-	-
Total operating revenue	241,351	(2,269)	226,458	2,114	15,048
Operating expenses:					
Salaries	124,367	-	108,877	-	15,490
Employee benefits	33,986	-	30,236	124	3,626
Supplies and expenses	66,667	(2,269)	63,400	844	4,692
Depreciation and amortization	10,976	-	10,689	287	-
Interest	1,360	-	1,138	222	-
Total operating expenses	237,356	(2,269)	214,340	1,477	23,808
Excess (deficiency) of operating revenue over operating expenses	3,995	-	12,118	637	(8,760)
Non-operating gains and losses:					
Investment income	575	-	575	-	-
Change in net unrealized gains and losses and change in value of equity method investments	(162)	-	(162)	-	-
Change in interest in acquired entities	-	(461)	461	-	-
Other non-operating gains and losses	182	-	182	-	-
Total non-operating gains and losses	595	(461)	1,056	-	-
Excess (deficiency) of revenue and gains and losses over expenses	4,590	(461)	13,174	637	(8,760)
Net assets released from restrictions for capital asset acquisitions	224	-	224	-	-
Transfers from affiliates	10,009	-	1,234	-	8,775
Other changes in net assets	(333)	402	(156)	(579)	-
Increase (decrease) in unrestricted net assets	\$ 14,490	\$ (59)	\$ 14,476	\$ 58	\$ 15

PRELIMINARY AND TENTATIVE FOR DISCUSSION ONLY

PHELPS MEMORIAL HOSPITAL ASSOCIATION
d/b/a PHELPS MEMORIAL HOSPITAL CENTER

Consolidated Balance Sheets

December 31, 2014 and 2013

(Dollars in thousands)

Assets	2014	2013
Current assets:		
Cash and cash equivalents	\$ 30,167	33,154
Investments	5,748	5,238
Patients' accounts receivable, less allowance for doubtful accounts of \$2,547 and \$2,741 in 2014 and 2013, respectively	24,065	23,929
Assets limited or restricted as to use	4,400	1,240
Estimated third-party retroactive receivables	594	—
Other current assets	4,081	3,799
Insurance recoveries	13,800	—
Total current assets	82,855	67,360
Assets limited or restricted as to use, net of current portion	13,258	23,697
Pledges receivable, net	4,573	3,425
Property, plant, and equipment, net	116,105	104,020
Deferred financing costs, net	965	964
Insurance recoveries, net of current portion	9,405	10,107
Other assets, net	6,123	5,557
Total assets	\$ 233,284	215,130
Liabilities, Noncontrolling Interest, and Net Assets		
Current liabilities:		
Current installments of long-term debt	\$ 1,768	1,810
Accounts payable and accrued expenses	20,386	18,383
Accrued payroll and related expenses	11,297	12,466
Estimated third-party retroactive payables	—	172
Insurance liabilities	13,800	—
Total current liabilities	47,251	32,831
Estimated third-party retroactive payables, net of current portion	754	2,166
Long-term debt, net of current portion	36,184	37,951
Insurance liabilities, net of current portion	9,839	10,541
Other liabilities	5,729	4,001
Total liabilities	99,757	87,490
Commitments and contingencies		
Net assets:		
Unrestricted	122,445	118,241
Temporarily restricted	8,848	7,470
Permanently restricted	2,234	1,929
Total net assets	133,527	127,640
Total liabilities and net assets	\$ 233,284	215,130

**PHELPS MEMORIAL HOSPITAL ASSOCIATION
d/b/a PHELPS MEMORIAL HOSPITAL CENTER**

Consolidated Statements of Operations

Years ended December 31, 2014 and 2013

(Dollars in thousands)

	<u>2014</u>	<u>2013</u>
Revenues and other support:		
Patient service revenues, net of contractual allowances and discounts	\$ 221,322	214,044
Provision for bad debts, net	<u>(1,279)</u>	<u>(1,283)</u>
Net patient service revenues	220,043	212,761
Rental income	2,299	2,413
Other revenue	7,737	8,189
Net assets released from restrictions	<u>225</u>	<u>205</u>
Total revenues and other support	<u>230,304</u>	<u>223,568</u>
Expenses:		
Salaries and wages	121,740	113,275
Employee benefits	28,613	27,728
Supplies and other	65,877	66,617
Depreciation and amortization	12,110	11,114
Interest	<u>958</u>	<u>1,204</u>
Total expenses	<u>229,298</u>	<u>219,938</u>
Income from operations	1,006	3,630
Nonoperating gains, net	<u>1,816</u>	<u>1,334</u>
Excess of revenues and other support over expenses	2,822	4,964
Other changes in unrestricted net assets:		
Change in net unrealized gains on other-than-trading securities	695	1,198
Contributions for capital acquisitions	—	183
Net assets released from restrictions for purchase of equipment	903	534
Distributions to partners	<u>(216)</u>	<u>(210)</u>
Increase in unrestricted net assets	\$ <u>4,204</u>	<u>6,669</u>

NEW YORK METHODIST HOSPITAL
COMBINED STATEMENTS OF FINANCIAL POSITION
AT NOVEMBER 30, 2015
(DOLLARS IN THOUSANDS)

	November 2015	December 2014		November 2015	December 2014
Assets			Liabilities and Net Assets		
Current Assets:			Current Liabilities:		
Cash and cash equivalents	\$ 122,825	\$ 121,412	Current portion of long-term debt	\$ 2,008	\$ 1,659
Short-term investments	310,745	268,432	Third party advances	417	7,495
Accounts receivable:			Accounts payable and accrued expenses	50,108	49,155
Receivable for patient care - net	52,778	41,894	Accrued salaries and related liabilities	50,510	42,917
Other - net	3,597	4,047	Due to related organizations	942	710
Inventories	9,158	8,387	Professional insurance liabilities	16,695	16,695
Other current assets	3,838	2,444	Other current liabilities	33,360	27,384
Assets limited as to use - current portion	16,695	16,695			
			Total Current Liabilities	154,040	146,015
Total Current Assets	519,634	463,311			
			Non-Current Liabilities:		
Non-Current Assets:			Long-term debt, less current portion	34,990	33,581
Assets limited as to use:			Accrued pension liabilities	28,154	42,675
Donor restricted	6,587	6,587	Professional insurance liabilities, less current portion	154,857	153,209
Investments held by captive insurance cos.	174,957	181,951	Deferred employee compensation plan	8,447	8,548
Deferred employee compensation plan	8,447	8,548	Other non-current liabilities	86,860	80,218
	189,991	197,086	Insurance claims liabilities	14,480	14,480
Less assets limited as to use - current portion	16,695	16,695	Total Non-Current Liabilities	326,788	332,711
Total assets limited as to use - noncurrent	173,296	180,391	Total Liabilities	479,828	478,726
Property, buildings & equipment - net	175,744	165,450	Net Assets:		
Investments in real estate - net	562	828	Unrestricted	386,974	326,505
Other non-current assets	8,278	5,369	Temporarily restricted	18,605	18,011
Insurance recovery receivable	14,480	14,480	Permanently restricted	6,567	6,567
Total Non-Current Assets	372,360	368,518	Total Net Assets	412,166	351,103
Total Assets	\$ 891,994	\$ 829,829	Total Liabilities and Net Assets	\$ 891,994	\$ 829,829

NEW YORK METHODIST HOSPITAL
COMBINED STATEMENTS OF OPERATIONS
(DOLLARS IN THOUSANDS)

	ACTUAL Nov 2015	BUDGET Nov 2015	ACTUAL Nov 2014	ACTUAL 11 Mos. 2015	BUDGET 11 Mos. 2015	ACTUAL 11 Mos. 2014
Gross Charges						
Inpatient	\$ 109,916	\$ 106,846	\$ 104,639	\$ 1,284,454	\$1,163,377	\$ 1,190,467
Outpatient	11,457	4,925	4,988	70,222	55,204	56,896
Emergency room	14,597	10,954	11,377	145,355	127,690	129,730
Ambulatory surgery	15,384	12,448	12,660	177,230	149,457	158,272
Referred ambulatory	10,799	10,329	9,726	129,378	115,001	116,304
Professional services	33,270	34,964	32,622	392,696	400,637	388,603
Total Charges	195,423	180,466	176,012	2,199,335	2,011,366	2,038,272
Contractual Allowances and Provision for Bad Debts						
Inpatient	62,894	61,033	63,960	751,038	664,555	696,101
All ambulatory	37,044	26,351	27,235	367,407	304,951	319,993
Professional services	23,188	24,611	22,046	270,595	282,003	269,476
Provision for bad debts	4,446	2,256	2,627	29,528	24,976	25,711
Total Allowances	127,572	114,251	115,868	1,418,568	1,276,485	1,311,281
Net Patient Service Revenue	67,851	66,215	60,144	780,767	734,881	724,991
Other Operating Revenue	2,700	1,002	1,947	23,563	11,028	17,521
Specific Purpose Fund Receipts and Net Assets Released from Restrictions	2,073	1,713	1,842	15,494	18,843	20,821
Supplemental Revenue						
Net realized gains (losses) on marketable securities	(2)	-	131	1,219	-	8,036
CCC Captive realized gains	-	-	-	4,491	-	227
CCC Captive unrealized gains (losses)	-	-	-	(10,539)	-	4,838
Investment income	413	83	367	9,677	917	25,411
Rental income	186	218	218	2,250	2,398	2,446
Contributions	42	34	67	472	372	582
Total Supplemental Revenue	639	335	783	7,570	3,687	41,540
Total Revenue	73,263	69,265	64,716	827,394	788,439	804,873
Expenses						
Salaries and wages	27,956	26,832	25,755	298,764	298,159	280,457
Employee fringe benefits	9,549	8,104	6,996	96,105	90,102	81,156
Supplies and expenses	26,682	29,826	23,900	325,732	327,659	309,810
Professional liability insurance	1,171	2,008	1,179	16,685	22,092	23,403
Interest expense	101	111	88	969	1,273	2,219
Depreciation & amortization	1,897	1,909	4,087	19,308	20,999	22,125
Total Expenses	67,356	68,790	62,003	757,563	780,284	719,170
Gain from Operations	5,907	475	2,713	69,831	8,155	85,703
Nonoperating Gains (Losses) and Other Changes						
Net unrealized gains (losses) on marketable securities	(1,667)	-	1,772	(9,265)	-	(61)
Net assets released from restrictions used for purchase of property and equipment	-	-	-	10	-	33
Reclassification of accumulated endowment earnings	16	-	3,755	(107)	-	3,272
Change in Unrestricted Net Assets	\$ 4,256	\$ 475	\$ 8,240	\$ 60,469	\$ 8,155	\$ 88,947

The New York Methodist Hospital
Consolidated Statements of Financial Position

	December 31	
	2014	2013
	<i>(In Thousands)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 121,412	\$ 107,972
Short-term investments	268,432	176,061
Accounts receivable:		
Patient care, less allowance for uncollectibles (2014 – \$23,456; 2013 – \$26,233)	41,894	48,318
Other – net	4,047	5,649
	45,941	53,967
Other current assets	10,831	11,140
Assets limited as to use – current portion :	16,695	21,422
Total current assets	463,311	370,562
Assets limited as to use		
Project fund	–	1,099
Debt service reserve	–	3,761
Debt service	–	1,975
Donor restricted	6,587	6,587
Investments held by captive insurance companies	181,951	167,250
Deferred employee compensation plan	8,548	8,089
	197,086	188,761
Less assets limited as to use – current portion	16,695	21,422
Assets limited as to use – noncurrent	180,391	167,339
Property, buildings, and equipment – net	165,450	158,775
Investments in real estate – net	828	1,118
Other noncurrent assets	5,369	3,491
Insurance recovery receivable	14,480	18,955
Total assets	\$ 829,829	\$ 720,240

	December 31	
	2014	2013
	<i>(In Thousands)</i>	
Liabilities and net assets		
Current liabilities:		
Current portion of long-term debt	\$ 1,659	\$ 2,790
Accounts payable and accrued expenses	49,155	41,704
Accrued salaries and related liabilities	42,917	41,110
Due to affiliates, net	710	319
Professional insurance liabilities – current	16,695	19,448
Other current liabilities	34,879	25,628
Total current liabilities	146,015	130,999
Long-term debt, less current portion	33,581	39,251
Accrued pension liability <i>(Note 9)</i>	42,675	10,714
Deferred employee compensation plan liabilities	8,548	8,089
Professional insurance liabilities – noncurrent	153,209	144,176
Other noncurrent liabilities	80,218	70,081
Insurance claims liability	14,480	18,955
Total liabilities	478,726	422,265
Commitments and contingencies		
Net assets:		
Unrestricted	326,505	273,493
Temporarily restricted	18,011	17,895
Permanently restricted	6,587	6,587
Total net assets	351,103	297,975
 Total liabilities and net assets	 \$ 829,829	 \$ 720,240

The New York Methodist Hospital
Consolidated Statements of Operations

	Year Ended December 31	
	2014	2013
	<i>(In Thousands)</i>	
Revenue, gains, and other support		
Net patient service revenue	\$ 833,639	\$ 749,694
Provision for bad debts	(25,927)	(23,016)
Net patient service revenue, less provision for bad debts	807,712	726,678
Other revenue	98,164	82,274
Net assets released from restrictions for operations	887	1,371
Total revenue, gains, and other support	906,763	810,323
Operating expenses		
Salaries and wages	306,615	283,633
Employee benefits	88,805	88,040
Supplies and other expenses	388,225	330,750
Interest and amortization of deferred financing fees	1,409	1,948
Depreciation and amortization	20,344	21,656
Total operating expenses	805,398	726,027
Excess of revenue over expenses	101,365	84,296
Other changes in unrestricted net assets		
Change in unrealized gains and losses on investments – other-than-trading securities	(7,782)	4,691
Net assets released from restrictions for purchases of property, buildings, and equipment	770	2,256
Change in pension liability to be recognized in future periods	(41,341)	24,150
Increase in unrestricted net assets	\$ 53,012	\$ 115,393

St. Mary's Hospital For Children and Foundation			
	1/1/15-12/31/15* Internal	2014	2013
ASSETS - CURRENT	\$33,579,309	\$25,533,488	\$30,022,958
ASSETS - FIXED AND OTHER	\$113,729,518	\$125,494,704	\$137,767,844
TOTAL ASSETS	\$147,308,827	\$151,028,192	\$167,790,802
LIABILITIES - CURRENT	\$30,040,525	\$30,514,348	\$33,272,736
LIABILITIES - LONG-TERM	\$103,825,913	\$102,642,106	\$107,346,546
TOTAL LIABILITIES	\$133,866,438	\$133,156,454	\$140,619,282
WORKING CAPITAL	\$3,538,784	(\$4,980,860)	(\$3,249,778)
INCOME	\$77,725,596	\$72,820,836	\$87,792,214
EXPENSE	\$80,901,626	\$72,998,591	\$109,674,021
NET INCOME	(\$3,176,030)	(\$177,755)	(\$21,881,807)
NET ASSET POSITION	\$13,442,389	\$17,871,738	\$27,171,520
Number of Beds	95	95	95
Number of Days in the Year	365	365	365
Max Days	34,675	34,675	34,675
Actual Payor Days	34,297	34,297	34,429
Percent Occupancy	98.91%	98.91%	99.29%
Percentage Occupancy by Payor			
Medicaid	77.29%	77.29%	97.50%
Medicare	19.33%	19.33%	0.00%
Private Pay/Other	3.38%	3.38%	2.50%

*2014 Utilization Information used

St. Mary's Hospital for Children and Foundation
Balance Sheet
December 31, 2015

ASSETS	December 31, 2015	December 31, 2014
Current Assets:		
Cash and cash equivalents	\$ 10,690,610	\$ 662,577
Investments	13,559,865	13,606,906
Patient accounts receivable, net of allowance	6,664,836	8,349,938
Other receivables, net of allowance	1,008,125	1,097,457
Due from related organizations	1,000,000	1,000,000
Prepaid expenses and other assets	655,873	816,610
Total Current Assets	33,579,309	25,533,488
Limited Use Assets:		
Construction Fund	-	-
Debt Service Reserve Fund	5,504,817	5,502,971
Total Limited Use Assets	5,504,817	5,502,971
Non Current Assets:		
Property and equipment – net	107,001,803	112,293,804
Other Receivables	241,654	429,700
Construction in Progress		
Estimated third-party payor settlements		
Due from related organizations	777,841	7,166,528
Notes receivable, net	203,403	101,701
Total Non Current Assets	108,224,701	119,991,733
Total Assets	\$ 147,308,827	\$ 151,028,192
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 10,133,569	\$ 13,094,256
Estimated third-party payor settlements	6,200,425	3,912,252
Refundable advances	1,090,417	27,929
Capital lease payable	491,114	729,911
Due to related organizations	900,000	900,000
Loans payable	11,225,000	11,850,000
Total Current Liabilities	30,040,525	30,514,348
Long Term Liabilities:		
Mortgage payable - DASNY	91,393,509	94,221,516
Loans payable	4,000,000	-
Capital lease payable	-	-
Due to related organizations	8,142,404	8,130,590
Other long term liability	290,000	290,000
Total Long Term Liabilities	103,825,913	102,642,106
Total Liabilities	133,866,438	133,156,454
Net Assets:		
Unrestricted	12,611,648	16,853,210
Temporarily restricted	830,741	1,018,528
Total Net Assets	13,442,389	17,871,738
Total Liabilities and Net Assets	\$ 147,308,827	\$ 151,028,192

**St. Mary's Healthcare System for Children
Consolidated Statement of Operations - Detail by Entity
For the Year Ending December 31, 2015**

	<u>St Mary's Hospital For Children</u>	<u>St Mary's Community Care Professionals</u>	<u>St Mary's Foundation For Children</u>	<u>St. Mary's Home Care</u>	<u>Actual Total</u>
Revenue					
Inpatient services	60,362,303				\$60,362,303
Facility Based Services	9,973,902				9,973,902
Community programs	1,472,594	\$3,912,624		\$28,535,438	33,920,657
Other Income	1,998,395		2,776	360,686	2,361,857
In-Kind Donations	2,109,994				2,109,994
Government Grants	-				-
Restricted Donations - Oper	1,805,631			15,000	1,820,631
Total Revenue	<u>77,722,820</u>	<u>3,912,624</u>	<u>2,776</u>	<u>28,911,124</u>	<u>110,549,344</u>
Expenses					
Salaries and Benefits	45,457,764	3,887,259	299,329	9,787,835	59,432,187
Fees and Purchased Services	5,423,191	110,466	77,431	12,960,232	18,571,319
Supplies and materials	3,308,398	11,620	7,283	111,652	3,438,952
Insurance and other	1,976,640	91,013	92,425	955,126	3,115,204
Other Direct Expenses	2,999,109	132,873	65,560	570,223	3,767,765
In-Kind Expenses	2,109,994				2,109,994
Bad Debt Expense	651,748	15,000	20,004	620,004	1,306,756
NYS Assessment Expense	4,599,894			102,433	4,702,327
Interest	8,025,384				8,025,384
Depreciation	5,786,864	55	608		5,787,527
Total Expenses	<u>80,338,986</u>	<u>4,248,285</u>	<u>562,640</u>	<u>25,107,504</u>	<u>110,257,415</u>
Operating Surplus (Deficit)	<u>(2,616,166)</u>	<u>(335,661)</u>	<u>(559,864)</u>	<u>3,803,620</u>	<u>291,929</u>
Other Income					
Landslide	-				-
Rest. Donations - NonOp	86,000				86,000
Unrestricted Donations	1,928,581				1,928,581
Non Operating Income	174,798	74	4	190	175,067
Portfolio Performance	(3,431)		(3,717)		(7,148)
Investment Fees	(7,059)		(7,647)		(14,706)
Net Income (loss)	<u>(\$437,277)</u>	<u>(\$335,587)</u>	<u>(\$571,224)</u>	<u>\$3,803,810</u>	<u>\$2,459,723</u>

St. Mary's Hospital for Children with Foundation
Balance Sheet
2015 - 2014 - 2013

Project # 152138
BFA Attachment A (Cont.)

ASSETS	December 31, 2015	December 31, 2014	December 31, 2013
Current Assets:			
Cash and cash equivalents	10,690,610	662,577	508,574
Investments	13,559,865	13,606,906	13,666,459
Patient accounts receivable, net of allowance	6,664,836	8,349,938	10,416,889
Other receivables, net of allowance	1,008,125	1,097,457	3,609,285
Due from related organizations	1,000,000	1,000,000	1,000,000
Prepaid expenses and other assets	655,873	816,610	821,751
Total Current Assets	33,579,309	25,533,488	30,022,958
Limited Use Assets:			
Construction Fund	-		
Debt Service Reserve Fund	5,504,817	5,502,971	5,423,010
Total Limited Use Assets	5,504,817	5,502,971	5,423,010
Non Current Assets:			
Property and equipment – net	107,001,803	112,293,804	5,049,761
Construction in Progress	-		111,735,651
Other Receivables	241,654	429,700	494,152
Estimated third-party payor settlements	-		
Due from related organizations	777,841	7,166,528	14,455,046
Notes receivable, net	203,403	101,701	610,224
Total Non Current Assets	108,224,701	119,991,733	132,344,834
Total Assets	147,308,827	151,028,192	167,790,802
LIABILITIES AND NET ASSETS			
Current Liabilities:			
Accounts payable and accrued expenses	10,133,569	13,094,256	15,994,741
Estimated third-party payor settlements	6,200,425	3,912,252	2,517,390
Refundable advances	1,090,417	27,929	800,929
Due to related organizations	900,000	900,000	900,000
Capital lease payable	491,114	729,911	1,259,676
Loans payable	11,225,000	11,850,000	11,800,000
Total Current Liabilities	30,040,525	30,514,348	33,272,736
Long Term Liabilities:			
Mortgage payable - DASNY	91,393,509	94,221,516	98,375,834
Loans payable	4,000,000		
Capital lease payable	-		210,574
Due to related organizations	8,142,404	8,130,590	8,470,138
Other long term liability	290,000	290,000	290,000
Total Long Term Liabilities	103,825,913	102,642,106	107,346,546
Total Liabilities	133,866,438	133,156,454	140,619,282
Net Assets:			
Unrestricted	12,611,648	16,853,210	26,383,363
Temporarily restricted	830,741	1,018,528	788,157
Total Net Assets	13,442,389	17,871,738	27,171,520
Total Liabilities and Net Assets	147,308,827	151,028,192	167,790,802

**St. Mary's Hospital and Foundation
Statement of Operations
For the Year Ending December 31, 2013**

	<u>St Mary's Hospital For Children</u>	<u>St Mary's Foundation For Children</u>
Revenue		
Inpatient services	53,015,275	
Inpatient services retro adjust		
Facility Based Services	9,371,918	
Community programs	8,742,023	-
Other Income	1,312,682	-
In-Kind Donations	-	
Government Grants	-	
Restricted Donations - Oper	1,627,632	8,805,077
Total Revenue	<u>74,069,530</u>	<u>8,805,077</u>
Expenses		
Salaries and Benefits	48,721,542	581,589
Fees and Purchased Services	9,728,209	0
Supplies and materials	3,708,347	97,170
Insurance and other	1,909,833	79,249
Other Direct Expenses	2,724,136	3,179,462
In-Kind Expenses	-	
Bad Debt Expense	25,918	
NYS Assessment Expense	3,764,254	-
Interest	8,564,738	0
Depreciation	5,857,377	1,382
Total Expenses	<u>85,004,353</u>	<u>3,938,852</u>
Operating Surplus (Deficit)	<u>(10,934,823)</u>	<u>4,866,225</u>
Landslide	-	
Rest. Donations - NonOp	220,521	
Unrestricted Donations	4,044,199	
Non Operating Income	115,057	
Contributions to related companies		(5,671,821)
Reserve for amounts due from related companies	(15,000,000)	
Portfolio Performance	258,158	279,672
Investment Fees	(28,318)	(30,677)

Net Income (loss)	<u><u>(\$21,325,206)</u></u>	<u><u>(\$556,601)</u></u>
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St. Mary's Healthcare System for Children, Inc.			
	1/1/15- 12/31/15* Internal	2014	2013
ASSETS - CURRENT	36,524,383	28,719,714	33,263,888
ASSETS - FIXED AND OTHER	112,980,620	119,049,757	123,341,259
TOTAL ASSETS	149,505,003	147,769,471	156,605,147
LIABILITIES - CURRENT	34,215,404	38,289,220	39,599,846
LIABILITIES - LONG-TERM	95,606,418	92,256,793	96,197,742
TOTAL LIABILITIES	129,821,822	130,546,013	135,797,588
WORKING CAPITAL	2,308,979	(9,569,506)	(6,335,958)
INCOME	112,738,992	116,908,704	122,109,218
EXPENSE	110,279,269	120,492,805	137,414,119
NET INCOME	2,459,723	(3,584,101)	(15,304,901)
NET ASSET POSITION	19,683,181	17,223,458	20,807,559

**St. Mary's Healthcare System for Children
Consolidated Balance Sheet - Summary
As of December 31, 2015 vs. December 31, 2014**

	December 31, 2015 Total	December 31, 2014 Total	\$ Variance	% Variance
Current Assets:				
Cash and cash equivalents	\$11,263,816	\$866,459	\$10,397,357	1199.98%
Investments	13,559,865	13,606,906	(\$47,041)	-0.35%
Patient accounts receivable, net of allowance of \$7,179,000	9,967,733	12,175,804	(2,208,071)	-18.13%
Contributions receivable, net of allowance	200,000	417,724	(217,724)	-52.12%
Other receivables, net of allowance	808,125	828,366	(20,241)	-2.44%
Estimated third-party payor receivables				
Prepaid expenses and other assets	724,844	824,456	(99,612)	-12.08%
Total Current Assets	<u>36,524,383</u>	<u>28,719,715</u>	<u>7,804,668</u>	<u>27.18%</u>
Limited Use Assets:				
Construction Fund				
Debt Service Reserve Fund	5,504,817	6,421,455	(916,638)	-14.27%
Total Limited Use Assets:	<u>5,504,817</u>	<u>6,421,455</u>	<u>(916,638)</u>	<u>-14.27%</u>
Non Current Assets:				
Contributions receivable	241,654	334,396	(92,742)	-27.73%
Property and equipment – net	107,234,149	112,293,905	(5,059,756)	-4.51%
Construction in Progress				
Total Non Current Assets	<u>107,475,803</u>	<u>112,628,301</u>	<u>(5,152,498)</u>	<u>-4.57%</u>
Total Assets	<u>149,505,003</u>	<u>147,769,471</u>	<u>1,735,532</u>	<u>1.17%</u>
LIABILITIES AND NET ASSETS				
Current Liabilities:				
Accounts Payable and accrued expenses	14,571,448	17,934,565	(3,363,117)	-18.75%
Deferred revenue				
Loan Payables	11,225,000	11,850,000	(625,000)	-5.27%
Capital leases payable	491,114	997,475	(506,361)	-50.76%
Refundable advances	1,090,417	27,929	1,062,488	3804.25%
Estimated third-party payor liabilities	6,837,425	3,949,251	2,888,174	73.13%
Total Current Liabilities	<u>34,215,404</u>	<u>34,759,220</u>	<u>(543,816)</u>	<u>-1.56%</u>
Long Term Liabilities:				
Mortgage payable - DASNY	91,316,418	95,140,000	(3,823,582)	-4.02%
Loans Payable - DASNY	4,000,000		4,000,000	
Capital leases payable		356,793	(356,793)	
Other Liabilities	290,000	290,000		
Total Long Term Liability	<u>95,606,418</u>	<u>95,786,793</u>	<u>(180,375)</u>	<u>-0.19%</u>
Total Liabilities	<u>129,821,822</u>	<u>130,546,013</u>	<u>(724,191)</u>	<u>-0.55%</u>
Net Assets:				
Unrestricted	18,783,282	16,316,030	2,467,252	15.12%
Temporarily restricted	899,899	907,428	(7,529)	-0.83%
Total Net Assets	<u>19,683,181</u>	<u>17,223,458</u>	<u>2,459,723</u>	<u>14.28%</u>
Total Liabilities and Net Assets	<u>\$149,505,003</u>	<u>\$147,769,471</u>	<u>\$1,735,532</u>	<u>1.17%</u>

St. Mary's Healthcare System For Children
Consolidated Statement of Operations - Actual vs. Budget
For the Year Ending December 31, 2015

	Year to Date December 31, 2015		
	Actual	Budget	\$ Variance
Revenue			
Inpatient services	\$60,362,303	\$59,296,471	\$1,065,832
Facility based services	9,973,902	9,665,246	308,656
Community programs	33,920,657	33,371,649	549,008
Other Income	2,361,857	1,032,000	1,329,857
In-Kind Donations	2,109,994		2,109,994
Restricted Donations - Oper	1,820,631	2,809,000	(988,369)
Total Revenue	110,549,344	106,174,366	4,374,978
Expenses			
Salaries and Benefits	59,432,187	60,286,370	854,183
Fees and Purchased Services	18,554,579	19,044,393	489,814
Supplies and materials	3,438,952	3,362,580	(76,372)
Insurance and other	3,115,204	3,194,880	79,676
Other Direct Expenses	3,784,505	4,257,123	472,618
In-Kind Expenses	2,109,994		(2,109,994)
Bad Debt Expense	1,306,756	1,285,000	(21,756)
NYS Assessment Expense	4,702,327	4,474,000	(228,327)
Interest	8,025,384	8,071,800	46,416
Depreciation	5,787,527	5,400,400	(387,127)
Total Expenses	110,257,415	109,376,546	(880,869)
Operating Surplus (Deficit)	291,929	(3,202,180)	3,494,109
Rest. Donations - NonOp	86,000		86,000
Unrestricted Donations	1,928,581	3,375,000	(1,446,419)
Non operating income	175,067	53,000	122,067
Portfolio Performance	(7,148)		(7,148)
Investment Fees	(14,706)		(14,706)
Net Income (loss) from continuing operations	\$2,459,723	\$225,820	\$2,233,903

**ST. MARY'S HEALTHCARE SYSTEM
FOR CHILDREN, INC.**

**Project # 152138
BFA Attachment B (Cont.)**

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2014 AND 2013

	2014	2013
ASSETS		
Current assets		
Cash and cash equivalents	\$ 866,459	\$ 424,452
Investments	13,606,905	13,666,462
Accounts receivable - net	12,175,804	14,846,757
Contributions receivable - net	417,724	2,648,572
Due from MSAF Group, LLC	24,500	345,838
Other receivables	803,866	486,047
Prepaid expenses and other assets	824,456	845,760
Total current assets	28,719,714	33,263,888
Contributions receivable - net	334,396	603,250
Fixed assets - net	108,319,961	112,162,679
Bond issuance costs - net	3,973,945	4,129,786
Assets whose use is limited - cash and cash equivalents	6,421,455	6,445,544
Total assets	\$ 147,769,471	\$ 156,605,147
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 17,934,565	\$ 19,363,718
Accounts payable - construction		96,605
Line of credit and capital leases payable	12,223,119	12,502,508
Mortgage payable	3,530,000	3,530,000
Accrued interest payable	624,356	728,368
Refundable advances	27,929	800,929
Estimated amount due to third-party payors)	3,949,251	2,577,718
Total current liabilities	38,289,220	39,599,846
Long-term liabilities		
Loan and capital leases payable Mortgage payable	356,793	767,742
Accrued asset retirement obligation	91,610,000	95,140,000
Total liabilities	130,546,013	135,797,588
Net assets (Exhibit B)		
Unrestricted	16,316,030	20,017,507
Temporarily restricted	907,428	790,052
Total net assets	17,223,458	20,807,559
Total liabilities and net assets	\$ 147,769,471	\$ 156,605,147

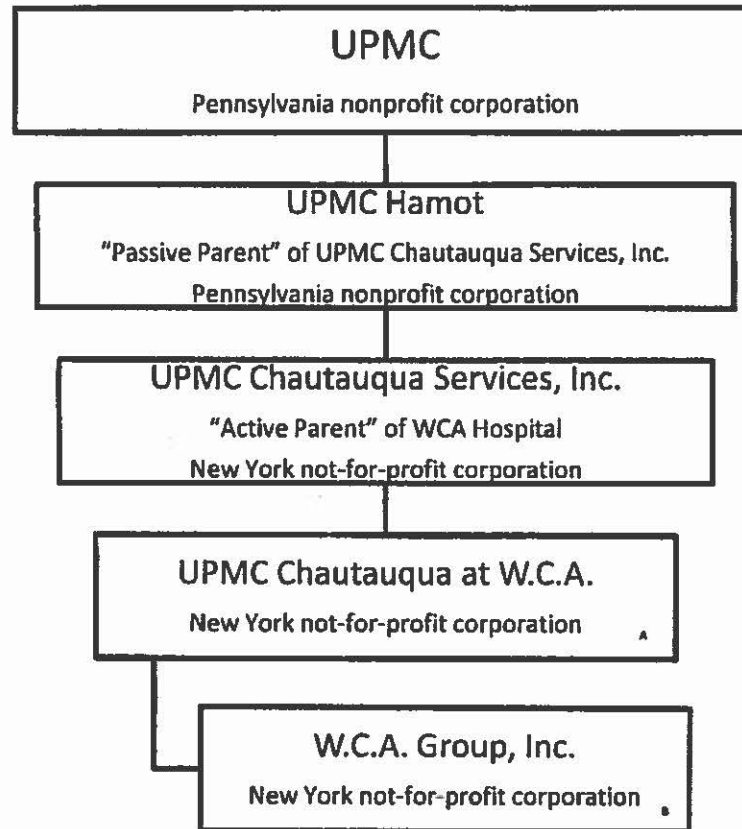
**ST. MARY'S HEALTHCARE SYSTEM FOR CHILDREN
 CONSOLIDATED STATEMENT OF OPERATIONS
 For the Year Ending December 31, 2014**

	Total
Revenue	
Inpatient services	57,527,531
Facility based services	8,833,959
Community programs	40,075,907
Other Income	1,201,682
In-Kind Donations	4,491,243
Restricted Donations - Oper	2,043,742
Total Revenue	114,174,064
Expenses	
Salaries and Benefits	62,384,632
Fees and Purchased Services	23,864,064
Supplies and materials	3,276,066
Insurance and other	3,199,203
Other Direct Expenses	3,303,553
In-Kind Expenses	4,356,243
Bad Debt Expense	2,481,903
NYS Assessment Expense	4,447,903
Interest	8,136,025
Depreciation	4,958,655
Total Expenses	120,408,248
Operating Surplus (Deficit)	(6,234,184)
Rest. Donations - NonOp	36,154
Unrestricted Donations	2,560,548
Non operating income	137,938
Portfolio Performance	(44,448)
Investment Fees	(40,109)
Net Income (loss) from continuing operations	(3,584,101)

ST. MARY'S HEALTHCARE SYSTEM FOR CHILDREN
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ending December 31, 2013

	Total
Revenue	
Inpatient services	53,015,275
Facility based services	9,371,918
Community programs	48,327,750
Other Income	1,648,615
In-Kind Donations	3,133,246
Restricted Donations - Oper	1,627,632
Total Revenue	117,124,436
Expenses	
Salaries and Benefits	70,101,949
Fees and Purchased Services	31,157,875
Supplies and materials	3,889,861
Insurance and other	3,023,180
Other Direct Expenses	4,170,039
In-Kind Expenses	3,133,246
Bad Debt Expense	3,602,921
NYS Assessment Expense	3,843,348
Interest	8,565,703
Depreciation	5,867,001
Total Expenses	137,355,124
Operating Surplus (Deficit)	(20,230,688)
Rest. Donations - NonOp	220,521
Unrestricted Donations	4,044,199
Non operating income	182,232
Portfolio Performance	537,830
Investment Fees	(58,995)
Net Income (loss) from continuing operations	(15,304,901)

Proposed Post-Transaction Organization Chart



A f/k/a Woman's Christian Association of Jamestown, N.Y. d/b/a WCA Hospital

B Former "Passive Parent" of WCA Hospital

CONSOLIDATED BALANCE SHEETS

(IN THOUSANDS)

	June 30	
	2015	2014
CURRENT ASSETS		
Cash and cash equivalents	\$ 290,291	\$ 449,539
Accounts receivable, net of allowance for uncollectable accounts of \$100,249 at June 30, 2015 and \$121,740 at June 30, 2014	837,251	694,090
Other receivables	840,719	569,102
Other current assets	155,018	165,287
Total current assets	2,123,279	1,878,018
Board-designated, restricted, trustee and other investments	4,573,337	4,272,766
Beneficial interests in foundations and trusts	456,404	461,504
Property, buildings and equipment:		
Land and land improvements	349,587	330,615
Buildings and fixed equipment	4,872,612	4,695,017
Movable equipment	2,527,843	2,393,772
Capital leases	119,221	129,992
Construction in progress	166,041	162,481
	8,035,304	7,711,877
Less allowance for depreciation	(4,374,512)	(4,037,036)
	3,660,792	3,674,841
Other assets	279,794	295,238
Total assets	\$ 11,093,606	\$ 10,582,367
LIABILITIES		
Accounts payable and accrued expenses	\$ 420,766	\$ 411,250
Accrued salaries and related benefits	623,557	551,752
Current portion of insurance reserves	478,069	405,777
Current portion of long-term obligations	160,114	325,519
Other current liabilities	336,808	291,672
Total current liabilities	2,019,314	1,985,970
Long-term obligations	2,975,573	2,804,541
Pension liability	216,846	170,532
Long-term insurance reserves	277,855	264,565
Other noncurrent liabilities	162,922	171,204
Total liabilities	5,652,510	5,396,812
Unrestricted net assets	4,789,288	4,528,034
Restricted net assets	651,808	657,521
Total net assets	5,441,096	5,185,555
Total liabilities and net assets	\$ 11,093,606	\$ 10,582,367

See accompanying notes

**CONSOLIDATED STATEMENTS OF
OPERATIONS AND CHANGES IN NET ASSETS**
(IN THOUSANDS)

	Twelve Months Ended June 30	
	2015	2014
UNRESTRICTED NET ASSETS		
Net patient service revenue:		
Patient service revenue (net of contractual allowances and discounts)	\$5,853,562	\$5,989,391
Provision for bad debts	(202,453)	(212,519)
Net patient service revenue less provision for bad debts	5,651,109	5,776,872
Insurance enrollment revenue	5,315,019	4,813,036
Other revenue	1,054,036	826,004
Total operating revenues	12,020,164	11,415,912
Expenses:		
Salaries, professional fees and employee benefits	4,496,243	4,440,575
Supplies, purchased services and general	6,720,075	6,331,112
Depreciation and amortization	465,555	453,996
Total operating expenses	11,681,873	11,225,683
Operating income (excluding Beacon investment divestiture, other operating income (loss), and income tax benefit (expense))	338,291	190,229
Beacon investment divestiture	-	(106,000)
Other operating income (loss)	899	(9,476)
Income tax benefit (expense)	11,863	(4,791)
After-tax operating income	\$351,053	\$69,962
Investing and financing activities:		
Investment revenue	182,359	529,642
Interest expense	(116,735)	(129,992)
Gain (loss) on extinguishment of debt	132	(6,152)
Gain from investing and financing activities	65,756	393,498
Excess of revenues over expenses	416,809	463,460
Net change in pension liability	(128,073)	77,438
Other changes in unrestricted net assets	(27,482)	(15,119)
Increase in unrestricted net assets	261,254	525,779
RESTRICTED NET ASSETS		
Contributions and other changes	8,277	799
Net realized and unrealized gains on restricted investments	3,061	12,748
Assets released from restriction for operations and capital purchases	(11,951)	(14,917)
Net (decrease) increase in beneficial interests in foundations	(5,100)	44,440
(Decrease) increase in restricted net assets	(5,713)	43,070
Increase in net assets	255,541	568,849
Net assets, beginning of period	5,185,555	4,616,706
Net assets, end of period	\$5,441,096	\$5,185,555

See accompanying notes

THE WOMAN'S CHRISTIAN ASSOCIATION OF JAMESTOWN, N.Y.

CONSOLIDATED BALANCE SHEETS

December 31, 2014 and 2013

ASSETS	2014	2013
Current assets:		
Cash and cash equivalents	\$ 5,213,004	\$ 3,561,550
Patient accounts receivable, net of allowance for doubtful accounts of approximately \$1,127,000 (\$1,451,000 - 2013)	13,180,632	14,305,098
Other receivables - affiliates	834	694
Supplies	2,986,262	2,655,210
Prepaid expenses and other current assets	1,796,755	1,655,669
Assets limited as to use - current portion	744,342	915,946
Estimated amounts due from third-party payors	556,333	778,443
Total current assets	<u>24,477,962</u>	<u>23,872,610</u>
Property, plant and equipment, net	42,882,134	45,229,826
Assets limited as to use, net	5,374,645	5,615,832
Beneficial interest in the net assets of W.C.A. Foundation	13,552,109	12,859,179
Other long-term receivable	875,000	500,000
Other assets, net	1,367,536	1,428,314
Total assets	<u>\$ 88,529,386</u>	<u>\$ 89,505,761</u>
LIABILITIES AND NET ASSETS		
Current liabilities:		
Line of credit	\$ 1,500,000	\$ 2,500,000
Due to related parties	2,000,000	-
Current portion of long-term debt	2,620,686	1,290,000
Current portion of capital lease obligations	516,517	544,855
Accounts payable and accrued expenses	7,146,703	9,248,865
Accrued payroll and benefits	3,803,380	4,607,087
Deferred revenue	269,616	809,141
Estimated amounts due to third-party payors	2,504,788	2,836,317
Total current liabilities	<u>20,361,690</u>	<u>21,836,265</u>
Long-term debt, net of unamortized discount	27,323,105	24,892,853
Capital lease obligations, net	300,793	817,310
Other long-term liability	875,000	500,000
Accrued pension liability	31,661,659	18,257,238
Total liabilities	<u>80,522,247</u>	<u>66,303,666</u>
Net assets:		
Unrestricted		
Pension liability adjustment	(37,075,302)	(21,045,448)
Other	29,413,219	27,681,246
Total unrestricted net assets (deficit)	<u>(7,662,083)</u>	<u>6,635,798</u>
Temporarily restricted	12,827,507	13,765,079
Permanently restricted	2,841,715	2,801,218
Total net assets	<u>8,007,139</u>	<u>23,202,095</u>
Total liabilities and net assets	<u>\$ 88,529,386</u>	<u>\$ 89,505,761</u>

THE WOMAN'S CHRISTIAN ASSOCIATION OF JAMESTOWN, N.Y.

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
For the Years Ended December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Unrestricted revenue, gains and other support:		
Net patient service revenue	\$ 103,145,323	\$ 103,222,521
Provision for bad debts	(5,980,643)	(5,093,189)
Net patient service revenue, less provision for bad debts	97,164,680	98,129,332
Other revenue	4,743,156	5,283,796
Total unrestricted revenue, gains and other support	<u>101,907,836</u>	<u>103,413,128</u>
Expenses:		
Salaries and wages	40,370,420	42,698,609
Employee benefits	10,696,558	12,249,307
Supplies	14,915,327	15,648,704
Professional fees	8,337,174	8,176,782
Purchased services	7,937,184	10,912,380
Other	9,944,410	8,009,724
Malpractice insurance	1,086,260	996,257
Interest	2,211,895	2,390,441
Depreciation and amortization	6,242,497	5,213,177
Total operating expenses	<u>101,741,725</u>	<u>106,295,381</u>
Income (loss) from operations	166,111	(2,882,253)
Other income:		
Contributions	10,714	11,074
Investment income	273,461	196,276
Gain on sale of capital assets	-	215,299
Equity investment income	50,000	223,080
Total other income	<u>334,175</u>	<u>645,729</u>
Excess (deficiency) of revenue over expenses	<u>\$ 500,286</u>	<u>\$ (2,236,524)</u>

**WCA HOSPITAL
JAMESTOWN, NEW YORK
BALANCE SHEET
AS OF OCTOBER 31, 2015**

ASSETS	YEAR-TO-DATE	PRIOR YEAR-TO-DATE
CURRENT ASSETS:		
CASH AND CASH EQUIVALENTS	\$4,240,794	\$3,315,343
ACCOUNTS RECEIVABLE-NET	10,964,990	14,697,113
OTHER RECEIVABLES-AFFILIATES	685	515
SUPPLIES	3,035,125	3,230,052
PREPAID EXPENSES AND OTHER	1,772,618	1,950,860
DUE FROM THIRD-PARTY PAYOR SETTLEMENTS	0	0
TOTAL CURRENT ASSETS	20,014,210	23,193,883
PROPERTY, PLANT, AND EQUIPMENT - NET	39,183,411	43,244,735
ASSETS WHOSE USE IS LIMITED	8,160,453	8,843,138
ASSETS HELD BY OTHERS	13,552,109	12,859,179
OTHER ASSETS, NET	<u>1,339,074</u>	<u>1,398,995</u>
TOTAL ASSETS	<u>\$82,248,257</u>	<u>\$89,537,930</u>
LIABILITIES AND NET ASSETS:		
CURRENT LIABILITIES:		
DEFERRED REVENUE	\$228,548	\$205,687
SHORT-TERM BORROWINGS	0	4,495,000
CURRENT PORTION OF LONG-TERM DEBT	2,850,289	3,632,382
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	6,915,982	6,442,389
ACCRUED PAYROLL AND BENEFITS	4,085,825	3,908,389
DUE TO THIRD PARTY PAYOR SETTLEMENTS	2,259,399	2,393,528
TOTAL CURRENT LIABILITIES	16,280,633	23,218,185
LONG-TERM DEBT	27,390,151	29,591,721
DEFERRED EHR REVENUE	0	0
ACCRUED PENSION LIABILITY	31,995,046	15,408,544
NET ASSETS:		
UNRESTRICTED:		
PENSION LIABILITY ADJUSTMENT	(37,075,302)	(21,045,448)
OTHER	28,785,919	26,282,101
TEMPORARILY RESTRICTED	12,023,095	13,223,609
PERMANENTLY RESTRICTED	<u>2,841,715</u>	<u>2,801,218</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$82,248,257</u>	<u>\$89,537,930</u>

**WCA HOSPITAL
JAMESTOWN, NEW YORK
STATEMENT OF REVENUES AND EXPENSES
OCTOBER 31, 2015**

YEAR-TO-DATE

UNRESTRICTED REVENUE:	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VARIANCE FAV/(UNF)</u>	<u>PERCENT CHANGE</u>	<u>PRIOR YEAR</u>	<u>VARIANCE FAV/(UNF)</u>	<u>PERCENT CHANGE</u>
1 NET PATIENT REVENUE	53,871,254	58,132,482	(4,261,248)	-4.8%	87,511,421	(3,640,187)	-4.2%
2 BAD DEBT EXPENSE	(4,378,908)	(4,495,532)	118,644	-2.6%	(5,055,552)	678,644	-13.4%
3 TOTAL PATIENT REVENUE	78,494,322	83,525,230	(4,142,804)	-5.0%	82,455,869	(2,961,543)	-3.6%
4 OTHER REVENUE	7,325,874	3,488,209	3,837,765	110.0%	2,086,937	5,239,037	251.0%
TOTAL UNRESTRICTED REVENUE	82,620,300	87,125,139	(304,938)	-0.3%	84,542,806	2,277,494	2.7%
EXPENSES:							
5 SALARIES	33,922,421	33,373,032	(549,449)	-1.6%	34,185,583	263,102	0.8%
6 BENEFITS	10,072,007	9,994,353	(78,554)	-0.8%	9,175,304	(897,603)	-9.8%
7 MEDICAL SURGICAL SUPPLIES	11,423,274	10,464,091	(959,183)	-8.2%	10,338,180	(1,085,094)	-10.5%
8 OTHER SUPPLIES	1,894,421	1,738,290	(255,131)	-14.7%	1,858,346	(136,076)	-7.3%
9 PHYSICIANS' PROFESSIONAL FEES	6,193,373	6,271,071	77,698	1.2%	6,975,913	(217,460)	-3.0%
10 INTEREST EXPENSE	1,816,427	1,989,923	173,496	8.7%	2,025,390	208,983	10.3%
11 DEPRECIATION	5,272,231	5,259,658	(12,603)	-0.2%	5,138,622	(133,639)	-2.6%
12 OTHER EXPENSE	17,583,024	17,193,274	(389,750)	-2.3%	17,640,587	57,563	0.3%
TOTAL OPERATING EXPENSES:	88,278,168	86,284,692	(1,993,476)	-2.3%	86,337,928	(1,940,243)	-2.2%
NET INCOME (LOSS) FROM OPERATIONS	(1,467,868)	840,447	(2,298,316)		(1,795,119)	337,251	
OTHER INCOME(EXPENSES):							
13 CONTRIBUTIONS	1,239	8,334	(7,095)		3,765	(2,526)	
14 INVESTMENT INCOME	288,863	153,346	113,317		210,967	55,696	
15 PRIOR YEAR RETROACTIVE ADJ	253,142	0	253,142		140,151	112,991	
EXCESS OF REVENUE OVER EXPENSES	(996,824)	1,002,127	(1,938,951)		(1,440,236)	503,412	

GASTROENTEROLOGY CARE, INC
BALANCE SHEET
DECEMBER 31, 2014

ASSETS

Current assets:

Cash and cash equivalents	\$ 26,349
Accounts receivable	421,983
Prepaid expenses	<u>20,120</u>

Total current assets 468,452

Fixed assets, at cost (net of accumulated depreciation of \$391,038)	<u>449,559</u>
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Total assets \$ 918,011

LIABILITIES AND STOCKHOLDER'S EQUITY

Liabilities:

Current liabilities:

Accrued expenses	\$ 57,177
Loans from stockholder	357,040
Capital lease payable	<u>16,523</u>

Total current liabilities 430,740

Total liabilities 430,740

Stockholder's equity:

Common stock, 100 shares (no par value, authorized, issued and outstanding)	\$ 2,000
Retained earnings	<u>485,271</u>

Total stockholder's equity 487,271

Total liabilities and stockholder's equity \$ 918,011

GASTROENTEROLOGY CARE, INC
STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED DECEMBER 31, 2014

Income		
Patient fees		\$ 2,458,792
Operating expenses		
Salaries and contracted services	\$ 1,295,020	
Employee benefits	117,332	
Property costs	178,743	
General and administrative expenses	360,590	
Medical expenses	<u>206,905</u>	
Total operating expenses		<u>2,158,590</u>
Net income before taxes		300,202
Income tax		(<u>12,349</u>)
Net income		287,853
Retained earnings - beginning of year		<u>197,418</u>
Retained earnings - end of year		\$ <u>485,271</u>

Register Report
 1/1/2015 Through 11/30/2015

1/21/2016

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Date	Account	Num	Description	Memo	Category	Clr	Amount
INCOME							
			SUBTOTAL Fee Income				2,638,287.21
			TOTAL Refund				-5,324.47
			TOTAL Fee Income				2,632,962.74
			TOTAL Interest Inc				0.09
Loan							
			TOTAL ALL MEDICAL CARE LLP				-500.00
			TOTAL Loan				-500.00
			TOTAL INCOME				2,632,462.83
EXPENSES							
			TOTAL Ads				-111,542.50
			TOTAL Bank Charge				-8.00
			TOTAL Billing Services				-119,380.00
			TOTAL Charity				-1,175.00
			TOTAL Cleaning				-14,073.72
			TOTAL Computer				-2,123.05
			TOTAL Consulting				-4,000.00
			TOTAL Credit Card Expense				-2,224.54
			TOTAL Dues and Subscriptions				-80.00
Equipment Leasing							
Lease							
			TOTAL FIRST DATA				-309.40
			TOTAL GREAT AMERICA				-5,078.55
			TOTAL OLYMPUS 005				-48,210.40
			TOTAL Lease				-53,598.35
Purchase							
			TOTAL DELL FINANCIAL 004				-363.80
			TOTAL DELL FINANCIAL 005				-854.49
			TOTAL GROUP FINANCIAL 1				-4,186.48
			TOTAL GROUP FINANCIAL 2				-1,938.88

Register Report
 1/1/2015 Through 11/30/2015

1/21/2016

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Date	Account	Num	Description	Memo	Category	Cir	Amount
	TOTAL OLYMPUS 003						-8,681.84
	TOTAL OLYMPUS 004						-867.28
	TOTAL Purchase						-17,000.87
	TOTAL Equipment Leasing						-70,898.22
Insurance							
	TOTAL Disability Insurance						-561.00
	TOTAL Health						-37,828.85
	TOTAL Liability						-7,366.18
	TOTAL Medical Malpractice						-16,424.00
	TOTAL Workers Comp						-3,692.00
	TOTAL Insurance						-66,873.13
	TOTAL Leasehold Improvements						-9,600.00
	TOTAL Licenses and Permits						-553.00
	TOTAL Medical Supplies						-89,780.64
	TOTAL Misc						-17,591.23
	TOTAL Office						-403.19
	TOTAL Penalties						-100.00
	TOTAL Pension and Profit-Sharing, Business						-25,000.00
	TOTAL Printing and Reproduction						-2,248.46
	TOTAL Professional Fees						-22,911.18
	TOTAL Rent						-99,395.44
	TOTAL Repairs						-26,582.87
	TOTAL Supplies, Bus						-16,958.86
Tax, Corporate							
	TOTAL New York City						-21,083.00
	TOTAL New York State						-1,000.00
	TOTAL Tax, Corporate						-22,083.00
Tax, Non-Income							
	TOTAL Public Goods Pool						-3,052.00

Register Report
 1/1/2015 Through 11/30/2015

1/21/2016

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Date	Account	Num	Description	Memo	Category	Clr	Amount
TOTAL Tax, Non-Income							-3,052.00
Tax, Payroll							
TOTAL FICA & FWT							-317,287.83
TOTAL FUTA							-1,008.00
TOTAL MCTMT							-1,267.30
TOTAL NYSUI							-2,616.66
TOTAL NYSWT							-123,986.60
TOTAL Tax, Payroll							-446,164.99
Utilities							
TOTAL Cable TV							-769.87
TOTAL Gas & Electric							-31,863.87
TOTAL Telephones							-6,357.01
TOTAL Utilities							-37,780.75
TOTAL Wages							-790,454.65
TOTAL Waste Removal							-31,884.87
TOTAL EXPENSES							-2,032,164.30
TRANSFERS							
TOTAL JP MORGAN CHASE CHECKING							11,520.00
TOTAL CHASE CREDIT CARD							-11,520.00
TOTAL TRANSFERS							0.00
OVERALL TOTAL							600,298.53

Gastroenterology of Westchester
Certify Single-Specialty Freestanding Ambulatory Surgery Center
PRO FORMA BALANCE SHEET

ASSETS

Cash	\$239,307
Leasehold Improvements/Other Assets	\$1,820,510

TOTAL ASSETS	\$2,059,817
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Liabilities and Member Equity

LIABILITIES

Capital Loan	\$1,638,459
Working Capital Loan	\$119,653

TOTAL LIABILITIES	\$1,758,112
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MEMBER EQUITY	\$301,705
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TOTAL LIABILITIES AND MEMBER EQUITY	\$2,059,817
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Pro Forma Balance Sheet

ASSETS:

Cash	\$171,797
Leasehold Improvements	1,389,991
Equipment	<u>188,154</u>
TOTAL ASSETS	\$1,749,942

LIABILITIES:

Long Term Liability	\$1,420,330
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NET ASSETS	\$329,612
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UNITED COMPREHENSIVE CARE, LTD.

BALANCE SHEET
December 31, 2014

ASSETS

CURRENT ASSETS

Accounts receivable, net of allowance for doubtful accounts of \$113,847	\$ 93,428
Security Deposits	25,681
TOTAL CURRENT ASSETS	<u>119,109</u>

PROPERTY AND EQUIPMENT at cost, less accumulated depreciation	131,606
TOTAL ASSETS	<u>\$ 250,715</u>

LIABILITIES AND STOCKHOLDERS' DEFICIT

CURRENT LIABILITIES

Bank Overdraft	\$ 5,430
Accounts payable	26,740
Accrued expenses	2,101
Accrued payroll and payroll taxes	1,485
Current Portion of Long Term Debt	75,931
TOTAL CURRENT LIABILITIES	<u>111,687</u>

DUE TO OTHER	2,942,991
LONG TERM DEBT, net of current portion	59,962
TOTAL LIABILITIES	<u>3,114,640</u>

STOCKHOLDERS' DEFICIT

Common stock	1,000
Additional Paid in Capital	130,000
Accumulated deficit	(2,994,925)
TOTAL STOCKHOLDERS' DEFICIT	<u>(2,663,925)</u>

TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	<u>\$ 250,715</u>
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UNITED COMPREHENSIVE CARE, LTD.

STATEMENT OF OPERATIONS AND CHANGES IN STOCKHOLDERS' DEFICIT
Year Ended December 31, 2014

OPERATING INCOME	
Net patient service revenue	\$ 205,992
Bad Debts	(172,658)
TOTAL OPERATING INCOME	<u>113,334</u>
EXPENSES	
Salaries	100,770
Employee Benefits	30,943
Medical Expenses	403,729
Administrative and General	121,830
Purchased/Contracted Services	48,453
Property Costs	192,701
Interest	34,260
Depreciation and amortization	48,973
TOTAL EXPENSES	<u>979,659</u>
NET LOSS	(866,325)
STOCKHOLDERS' DEFICIT	
BALANCE, DECEMBER 31, 2013	(2,128,600)
Contribution / (Withdrawals)	
DEFICIT, END OF YEAR	<u>\$ (2,994,925)</u>

United Comprehensive Care, LTD
Balance Sheet
12/31/2015

Unaudited - For Internal Use Only

	<u>Dec-15</u>
ASSETS	
Current Assets	
Total Checking/Savings	1,339 00
Other Current Assets	
Prepaid Insurance	752.39
Accounts Receivable	
A/R Other	295,210.00
2999000 - Allowance for Doubtful Accounts	<u>(113,847 00)</u>
Total Accounts Receivable	<u>181,363 00</u>
Total Other Current Assets	<u>182,115 39</u>
Total Current Assets	183,454.39
Fixed Assets	
Leasehold Improvements	34,998.00
Moveable Equipment	36,505.00
1190080 - Computers	45,409 02
1190099 - Software	169,843.56
1260001 - Accum Dep.	<u>(217,365.53)</u>
15000 - Furniture and Equipment	<u>15,807.08</u>
Total Fixed Assets	85,197.13
Other Assets	
Loan Acquisition - Amortization	(3,388.86)
Security Deposit	73,588.22
Security Deposit Asset - Tetra	<u>13,500 00</u>
Total Other Assets	<u>33,699 36</u>
TOTAL ASSETS	<u><u>302,350 88</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2041010 - Tetra Lease - Current Portion	59,931 39
Accounts Payable - SPH	179,322 01
2000000 - BANK OVERDRAFT	4 821 95
2031100 Accrued Payroll	21,994 64
2031110 Accrued Payroll Tax	<u>176 37</u>
Total Other Current Liabilities	<u>266,246 37</u>
Total Current Liabilities	266,246 37
Long Term Liabilities	
Due To Other	3,429,211 21
Total Long Term Liabilities	<u>3,429,211 21</u>
Total Liabilities	3,695,457 58
Equity	
Additional Paid in Capital	130,000 00
Common Stock	1,000 00
3200000 - Retained Earnings	(2,798,100 64)
Net Income	<u>(726,006 06)</u>
Total Equity	<u>(3,393,106 70)</u>
TOTAL LIABILITIES & EQUITY	<u><u>302,350 88</u></u>

United Comprehensive Care, LTD
 Profit & Loss
 January through December 2015

Unaudited - For Internal Use Only

	<u>Jan - Dec 15</u>
Ordinary Income/Expense	
Income	403,833.42
Expense	
7420000 · Medical	
7420010 · Aide Fees	1,790.00
7420020 · Medical Assistant	38,947.16
7420040 · LPN	28,991.63
7420270 · Physician Fees	166,103.33
7420590 · Medical Supplies	4,354.13
Total 7420000 · Medical	<u>240,186.25</u>
7420270 · Physician	
8220000 · PLANT AND MAINTENANCE	
8220590 Other Supplies & Materials	77.94
8220670 · PURCHASED SERVICES	2,367.97
8220691 · Depreciation Expense	882.02
8220710 · Rent	207,921.89
8220740 · Electricity	9,091.55
8220750 · Gas	5,503.53
8220850 · Dues and Subscriptions	1,946.79
8220760 · Water	311.30
Total 8220000 · PLANT AND MAINTENANCE	<u>228,102.99</u>
8240000 · HOUSEKEEPING	
8240070 · AIDE SALARIES	16,805.14
Total 8240000 · HOUSEKEEPING	<u>16,805.14</u>
8311000 · FISCAL SERVICES	
8311550 · Office/Administrative Supplies	1,252.34
8311370 · Bank Charges	2,862.34
8311670 · PURCHASED SERV	2,799.63
8311680 · CONTRACTED SERVICES	12,042.08
8311700 · Cablevision	3,882.67
Total 8311000 · FISCAL SERVICES	<u>22,839.06</u>
8351000 · ADMIN	
8351060 · Front Desk	1,299.29
8351100 · Office Salaries	39,922.51
8351290 · Administration - Consulting	29,036.66
8351300 · Legal Services	17,271.67
8351590 · Office Supplies	460.48
8351630 · Repairs and Maintenance	27,725.00
8351670 · Purchased Services	1,088.39
8351690 · Payroll Processing Fee	6,974.72
8351810 · Insurance Expense	5,487.49
8351834 · Licenses and other fees	7,753.00
8351835 SALES TAX	726.23
8351910 · Other Direct Expense/ Postage	2,779.14
8351920 · Telephone, Internet, & Cable	6,202.75
Total 8351000 · ADMIN	<u>106,727.33</u>

United Comprehensive Care, LTD
Profit & Loss
January through December 2015

Unaudited - For Internal Use Only

	<u>Jan - Dec 15</u>
8460000 · UNALLOCATED EMPLOYEE BENEFITS	-
8460160 · FICA EXPENSE	7,793.52
8460170 · FUI	223.89
8460171 · SUI	10,394.36
8460180 · GROUP HEALTH INS	2,240.69
8460200 · Workers Compensation	2,500.00
8460220 · NYS DISABILITY INS	(110.14)
Total 8460000 · UNALLOCATED EMPLOYEE BENEFITS	<u>23,042.32</u>
Total Expense	<u>737,703.09</u>
Net Ordinary Income	(333,869.67)
Other Income/Expense	
Other Expense	
8220691 · Depreciation Expense	46,097.85
8220692 · Amortization Ex Mortgage Cost	3,388.86
8311310 · Auditing	93,382.17
8351831 · Interest Expense	52,443.27
Total Other Expense	<u>195,312.15</u>
Net Other Income	(195,312.15)
Net Income	<u><u>(529,181.82)</u></u>

Current & Proposed Owners of the
Real Property

Current Owners		Proposed Owners	
Cortland Property NY, LLC		Kellog Road Realty Group, LLC	
Members:	%	Members:	%
Mark Friedman	27.00%	Efraim Steif	39.90%
Neal Einhorn	27.00%	Uri Koenig	60.00%
Akiva Rudner	2.00%	David Camerota	0.10%
Yossie Zucker	15.00%		
Israel Minzer	13.00%		
William Schwartz	6.90%		
Harold Weinstein	4.55%		
Aaron Schlosser	4.55%		

CCRNC LLC
Members' Ownership Interest In Affiliated Facilities

Facility	David Camerota	Uri Koenig	Efraim Steif	Total
Bridgewater Center for Rehab & Nursing, LLC	0.10%	55.00%	44.90%	100.00%
BTRNC, LLC- Beachtree Center for Rehab & Nursing	0.10%	60.00%	39.90%	100.00%
CPRNC LLC- Central Park Rehab & Nursing	0.10%	27.50%	44.90%	72.50%
CRNC, LLC- Cortland Park Rehab & Nursing	0.10%	60.00%	39.90%	100.00%
CSRNC LLC- Capstone Center for Rehab & Nursing	0.10%	60.00%	39.90%	100.00%
HRNC, LLC-Highland Park Rehab & Nursing	0.10%	60.00%	39.90%	100.00%
JBRNC, LLC-Hudson Park Rehab & Nursing	0.10%	60.00%	39.90%	100.00%
ORNC, LLC-Chestnut Park Rehab & Nursing Center	0.10%	60.00%	39.90%	100.00%
Pine Valley Center, LLC- Pine Valley Center		17.71%	49.90%	67.61%
RRNC, LLC- Colonial Park Rehab & Nursing	0.10%	60.00%	39.90%	100.00%
RSRNC, LLC- Riverside Center for Rehab & Nursing	0.10%	60.00%	39.90%	100.00%
VDRNC, LLC- Van Duyn for Rehab & Nursing	0.10%	60.00%	39.90%	100.00%
VRNC, LLC- Vestal Park Rehab & Nursing Center	0.10%	60.00%	39.90%	100.00%

Financial Summary

**Cortland Operating Co, LLC
d/b/a Crown Center for Nursing & Rehabilitation**

FISCAL PERIOD ENDED	Internal		
	<u>As of 09/30/2015</u>	<u>12/31/2014</u>	<u>12/31/2013</u>
ASSETS - CURRENT	\$2,725,336	\$3,145,000	\$2,579,978
ASSETS - FIXED AND OTHER	2,742,869	1,705,000	1,865,492
LIABILITIES - CURRENT	5,722,888	3,929,000	3,719,464
LIABILITIES - LONG-TERM	<u>103,169</u>	<u>153,000</u>	<u>1,131,670</u>
EQUITY	(\$357,852)	\$768,000	(\$405,664)
<hr/>			
INCOME	\$8,744,878	\$15,060,056	\$14,959,355
EXPENSE	<u>8,971,331</u>	<u>14,480,701</u>	<u>14,439,207</u>
NET INCOME	(\$226,453)	\$579,355	\$520,148
<hr/>			
NUMBER OF BEDS	200	200	200
PERCENT OF OCCUPANCY (DAYS)	92.21%	90.05%	90.66%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	81.89%	85.20%	83.90%
MEDICARE	5.09%	11.00%	12.60%
PRIVATE/OTHER	13.01%	3.70%	3.60%
<hr/>			
Average Working Capital	\$693,920		
Average Net Assets	\$2,242		
Average Net Income (Loss)	\$436,525		
Average Occupancy	90.36%		

CORTLAND OPERATING CO., LLC
d/b/a CROWN CENTER FOR NURSING AND REHABILITATION
(A Limited Liability Company)

BALANCE SHEETS

December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
CURRENT ASSETS		
Cash and Cash Equivalents (Overdraft)	\$ (12,303)	\$ 68,317
Accounts Receivable (Less Allowance for Doubtful Accounts of \$110,810 and \$199,116, respectively)	1,710,288	1,864,839
Prepaid Expenses and Other Current Assets	<u>367,743</u>	<u>646,822</u>
TOTAL CURRENT ASSETS	<u>2,065,728</u>	<u>2,579,978</u>
LEASEHOLD IMPROVEMENTS AND EQUIPMENT - NET	<u>1,572,488</u>	<u>1,746,770</u>
OTHER ASSETS		
Organization Costs - Net	29,923	18,257
Due from Related Parties	1,079,111	-
Patients Funds Cash	<u>102,938</u>	<u>100,465</u>
TOTAL OTHER ASSETS	<u>1,211,972</u>	<u>118,722</u>
TOTAL ASSETS	<u>\$ 4,850,188</u>	<u>\$ 4,445,470</u>
<u>LIABILITIES AND MEMBERS' EQUITY (DEFICIT)</u>		
CURRENT LIABILITIES		
Accounts Payable	\$ 3,244,015	\$ 2,850,372
Accrued Expenses and Payroll Payable	561,416	673,363
Note Payable	<u>123,508</u>	<u>195,729</u>
TOTAL CURRENT LIABILITIES	<u>3,928,939</u>	<u>3,719,464</u>
LONG-TERM LIABILITIES		
Note Payable, Less Current Portion	-	123,508
Due to Related Parties	-	859,832
Patients Funds Liability	<u>153,159</u>	<u>148,330</u>
TOTAL LONG-TERM LIABILITIES	<u>153,159</u>	<u>1,131,670</u>
TOTAL LIABILITIES	<u>4,082,098</u>	<u>4,851,134</u>
COMMITMENTS AND CONTINGENCIES		
MEMBERS' EQUITY (DEFICIT)	<u>768,090</u>	<u>(405,664)</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY (DEFICIT)	<u>\$ 4,850,188</u>	<u>\$ 4,445,470</u>

CORTLAND OPERATING CO., LLC
d/b/a CROWN CENTER FOR NURSING AND REHABILITATION
(A Limited Liability Company)

STATEMENTS OF INCOME AND MEMBERS' EQUITY (DEFICIT)

For the Years Ended December 31, 2014 and 2013

	<u>2014</u>		<u>2013</u>	
	<u>Amount</u>	<u>Cost Per Patient Day</u>	<u>Amount</u>	<u>Cost Per Patient Day</u>
OPERATING REVENUES				
Routine and Special Service Income	\$ 15,039,791	\$ 227.76	\$ 14,953,193	\$ 225.94
Other Revenues	<u>20,265</u>	<u>0.31</u>	<u>6,162</u>	<u>0.09</u>
TOTAL OPERATING REVENUES	<u>15,060,056</u>	<u>228.07</u>	<u>14,959,355</u>	<u>226.03</u>
EXPENSES				
Nursing and Medical	5,577,137	84.45	5,767,947	87.15
Therapy and Ancillaries	1,259,513	19.06	1,374,089	20.76
Social Services	252,853	3.82	235,868	3.56
Leisure Time Activities	189,804	2.87	214,783	3.25
Cleanliness and Safety	924,149	13.98	924,263	13.95
Food and Nutrition	1,174,980	17.79	1,200,338	18.14
General and Administration	1,645,026	24.90	1,512,255	22.85
Property	1,822,662	27.61	1,667,362	25.18
Non-Comparable	645,381	9.80	599,307	9.04
Non-Allowable Expenses	<u>989,196</u>	<u>14.99</u>	<u>942,995</u>	<u>14.25</u>
TOTAL EXPENSES	<u>14,480,701</u>	<u>219.27</u>	<u>14,439,207</u>	<u>218.13</u>
NET INCOME (LOSS)	579,355	<u>\$ 8.80</u>	520,148	<u>\$ 7.90</u>
MEMBERS' (DEFICIT) - BEGINNING OF YEAR	(405,664)		(925,812)	
MEMBERS' CONTRIBUTIONS	<u>594,399</u>		<u>-</u>	
MEMBERS' EQUITY (DEFICIT) - END OF YEAR	<u>\$ 768,090</u>		<u>\$ (405,664)</u>	

CCRNC, LLC
Doing Business As
CROWN PARK REHABILITATION AND NURSING CENTER

Project # 152111
 BFA Attachment-F

Pro Forma Balance Sheet (AS OF APPROVAL DATE)

	<u>Operating Co.</u>	<u>Realty Co.</u>	<u>Combined</u>
Cash and Cash Equivalents	\$ 2,473,561	\$ -	\$ 2,473,561
Goodwill	50,000	3,994,494	4,044,494
Property, Plant & Equipment	3,994,494	12,955,508	16,950,000
TOTAL ASSETS:	\$ 6,518,055	\$ 16,950,000	\$ 23,468,055
Accounts Payable *	\$ 3,212,845	\$ -	\$ 3,212,845
Accrued Expenses *	84,597	-	84,597
Accrued Payroll and Accrued Payroll Taxes *	606,722	-	606,722
Other Current Payables *	90,330	-	90,330
Long Term Debt	1,200,000	14,355,000	15,555,000
Promissory Note	-	1,000,000	1,000,000
TOTAL LIABILITIES	\$ 5,194,494	\$ 15,355,000	\$ 20,549,494
MEMBERS' EQUITY	\$ 1,323,561	\$ 1,595,000	\$ 2,918,561
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 6,518,055	\$ 16,950,000	\$ 23,468,055

* Amounts are from the September 30, 2015 balance sheet of Crown Center for Rehabilitation and Nursing.
 These amounts will be assumed by the applicant, pursuant to the terms of the APA.

Financial Summary of Affiliated RHCF Entities

Project#152111
BFA Attachment-G

Bridgewater Center for Rehab & Nursing, LLC

	<u>As of 09/30/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$7,375,332	\$6,475,050	\$9,558,000
Non-Current Assets	3,428,416	3,331,852	1,214,000
Total Assets	\$10,803,748	\$9,806,902	\$10,772,000
Current Liabilities	7,497,181	8,254,239	10,043,000
Long Term Liabilities	210,862	183,234	395,000
Total Liabilities	7,708,043	8,437,473	10,438,000
Net Assets	\$3,095,705	\$1,369,429	\$334,000
Working Capital Position	(\$121,849)	(\$1,779,189)	(\$485,000)
Operating Revenues	\$1,165,789	\$28,923,670	\$29,514,000
Operating Expenses	929,121	27,924,319	29,003,000
Operating Net Income	\$236,668	\$999,351	\$511,000

BTRNC, LLC dba Beechtree Center for Rehab & Nursing

	<u>As of 09/30/2015</u>	<u>2014</u>	<u>9/1/2013</u>
Current Assets	\$2,073,053	\$1,670,010	
Non-Current Assets	58,670	64,713	
Total Assets	\$2,131,723	\$1,734,723	\$0
Current Liabilities	1,576,967	1,914,018	
Long Term Liabilities	46,238	33,713	
Total Liabilities	1,623,205	1,947,731	0
Net Assets	\$508,518	(\$213,008)	\$0
Working Capital Position	\$496,086	(\$244,008)	\$0
Operating Revenues	\$6,690,860	\$8,709,301	
Operating Expenses	6,412,058	8,703,366	
Operating Net Income	\$278,802	\$5,935	\$0

CPRNC LLC dba Central Park Rehab & Nursing

	<u>As of 09/30/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$3,806,715	\$3,281,102	\$3,624,000
Non-Current Assets	715,309	641,407	623,000
Total Assets	\$4,522,024	\$3,922,509	\$4,247,000
Current Liabilities	3,880,491	1,464,937	1,644,000
Long Term Liabilities	97,355	2,748,686	2,801,000
Total Liabilities	3,977,846	4,213,623	4,445,000
Net Assets	\$544,178	(\$291,114)	(\$198,000)
Working Capital Position	(\$73,776)	\$1,816,165	\$1,980,000
Operating Revenues	\$11,171,108	\$14,141,637	\$13,576,000
Operating Expenses	9,370,050	13,984,735	13,497,000
Operating Net Income	\$1,801,058	\$156,902	\$79,000

CRNC, LLC dba Cortland Park Rehab & Nursing

	<u>As of 09/30/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$3,189,267	\$2,969,675	\$1,593,000
Non-Current Assets	642,378	596,462	812,000
Total Assets	\$3,831,645	\$3,566,137	\$2,405,000
Current Liabilities	1,058,794	733,008	1,077,000
Long Term Liabilities	376,685	535,608	511,000
Total Liabilities	1,435,479	1,268,614	1,588,000
Net Assets	\$2,396,166	\$2,297,523	\$817,000
Working Capital Position	\$2,130,473	\$2,236,669	\$516,000
Operating Revenues	\$6,773,055	\$9,062,686	\$8,338,000
Operating Expenses	6,674,276	8,698,550	8,417,000
Operating Net Income	\$98,779	\$364,136	(\$79,000)

CSRNC, LLC dba Capstone Center for Rehab & Nursing

	<u>As of 09/30/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$4,662,912	\$4,148,851	\$2,383,000
Non-Current Assets	<u>2,860,343</u>	<u>2,696,589</u>	<u>3,389,000</u>
Total Assets	\$7,523,255	\$6,845,440	\$5,772,000
Current Liabilities	5,615,850	5,213,922	5,165,000
Long Term Liabilities	<u>78,554</u>	<u>94,694</u>	<u>93,000</u>
Total Liabilities	5,694,404	5,308,616	5,258,000
Net Assets	\$1,828,851	\$1,536,824	\$514,000
Working Capital Position	(\$952,938)	(\$1,065,071)	(\$2,782,000)
Operating Revenues	\$7,408,032	\$10,556,284	\$9,876,000
Operating Expenses	<u>7,116,008</u>	<u>9,540,520</u>	<u>9,084,000</u>
Operating Net Income	\$292,024	\$1,015,764	\$792,000

HRNC, LLC dba Highland Park Rehab & Nursing

	<u>As of 09/30/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$979,073	\$878,591	\$1,343,000
Non-Current Assets	<u>382,637</u>	<u>337,960</u>	<u>382,000</u>
Total Assets	\$1,361,710	\$1,216,551	\$1,725,000
Current Liabilities	1,123,884	1,019,352	1,089,000
Long Term Liabilities	<u>811,005</u>	<u>926,556</u>	<u>988,000</u>
Total Liabilities	1,934,889	1,945,908	2,077,000
Net Assets	(\$573,179)	(\$729,357)	(\$352,000)
Working Capital Position	(\$144,811)	(\$140,761)	\$254,000
Operating Revenues	\$4,808,059	\$6,081,921	\$5,697,000
Operating Expenses	<u>4,651,884</u>	<u>5,974,129</u>	<u>5,941,000</u>
Operating Net Income	\$156,175	\$107,792	(\$244,000)

JBRNC LLC dba Hudson Park Rehab & Nursing

	<u>As of 09/30/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$2,749,712	\$2,085,353	\$1,721,000
Non-Current Assets	<u>1,001,077</u>	<u>935,733</u>	<u>956,000</u>
Total Assets	\$3,750,789	\$3,021,086	\$2,677,000
Current Liabilities	4,564,074	4,262,686	4,341,000
Long Term Liabilities	<u>821,074</u>	<u>889,794</u>	<u>190,000</u>
Total Liabilities	5,385,148	5,152,480	4,531,000
Net Assets	(\$1,634,359)	(\$2,131,394)	(\$1,854,000)
Working Capital Position	(\$1,814,362)	(\$2,177,333)	(\$2,620,000)
Operating Revenues	\$11,862,722	\$15,163,916	\$13,641,000
Operating Expenses	<u>11,365,682</u>	<u>15,147,505</u>	<u>14,719,000</u>
Operating Net Income	\$497,040	\$16,411	(\$1,078,000)

ORNC, LLC dba Chestnut Park Rehab & Nursing Center

	<u>As of 09/30/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$2,059,695	\$1,826,963	\$1,636,000
Non-Current Assets	<u>548,114</u>	<u>295,163</u>	<u>1,096,000</u>
Total Assets	\$2,607,809	\$2,122,126	\$2,732,000
Current Liabilities	725,281	699,874	1,465,000
Long Term Liabilities	<u>719,850</u>	<u>739,694</u>	<u>136,000</u>
Total Liabilities	1,445,131	1,439,568	1,601,000
Net Assets	\$1,162,678	\$682,558	\$1,131,000
Working Capital Position	\$1,334,414	\$1,127,089	\$171,000
Operating Revenues	\$5,187,825	\$6,476,053	\$5,913,000
Operating Expenses	<u>4,707,712</u>	<u>6,061,049</u>	<u>5,665,000</u>
Operating Net Income	\$480,113	\$415,004	\$248,000

Pine Valley Center, LLC dba Pine Valley Center

	<u>As of 09/30/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$5,270,101	\$6,846,794	\$14,374,000
Non-Current Assets	<u>11,704,689</u>	<u>9,959,446</u>	<u>3,178,000</u>
Total Assets	\$16,974,790	\$16,806,240	\$17,552,000
Current Liabilities	3,753,356	3,943,339	5,402,000
Long Term Liabilities	<u>9,187,030</u>	<u>9,376,528</u>	<u>8,085,000</u>
Total Liabilities	12,940,386	13,319,867	13,487,000
Net Assets	\$4,034,404	\$3,486,373	\$4,065,000
Working Capital Position	\$1,516,745	\$2,903,455	\$8,972,000
Operating Revenues	\$17,022,399	\$21,894,702	\$20,632,000
Operating Expenses	<u>16,308,745</u>	<u>21,314,530</u>	<u>19,077,000</u>
Operating Net Income	\$713,654	\$580,172	\$1,555,000

RRNC, LLC dba Colonial Park Rehab & Nursing

	<u>As of 09/30/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$796,985	\$654,200	\$941,000
Non-Current Assets	<u>498,477</u>	<u>508,384</u>	<u>570,000</u>
Total Assets	\$1,295,462	\$1,162,584	\$1,511,000
Current Liabilities	575,353	508,817	1,525,000
Long Term Liabilities	<u>89,867</u>	<u>64,104</u>	<u>89,000</u>
Total Liabilities	665,220	572,921	1,614,000
Net Assets	\$630,242	\$589,663	(\$103,000)
Working Capital Position	\$221,632	\$145,383	(\$584,000)
Operating Revenues	\$4,240,207	\$5,323,493	\$5,400,000
Operating Expenses	<u>4,199,626</u>	<u>5,214,808</u>	<u>5,604,000</u>
Operating Net Income	\$40,581	\$108,685	(\$204,000)

RSRNC, LLC dba Riverside Center for Rehabilitation & Nursing

	<u>As of 09/30/2015</u>	<u>2014</u>	<u>3/9/2012</u>
Current Assets	\$2,697,838	\$2,175,162	\$1,962,000
Non-Current Assets	<u>2,233,781</u>	<u>2,423,408</u>	<u>2,660,000</u>
Total Assets	\$4,931,619	\$4,598,570	\$4,622,000
Current Liabilities	4,692,851	4,576,188	4,253,000
Long Term Liabilities	<u>21,808</u>	<u>22,202</u>	<u>18,000</u>
Total Liabilities	4,714,659	4,598,390	4,271,000
Net Assets	\$216,960	\$180	\$351,000
Working Capital Position	(\$1,995,013)	(\$2,401,026)	(\$2,291,000)
Operating Revenues	\$5,102,436	\$6,176,217	\$6,278,000
Operating Expenses	<u>4,885,652</u>	<u>6,529,112</u>	<u>6,366,000</u>
Operating Net Income	\$216,784	(\$352,895)	(\$90,000)

VDRNC, LLC dba Van Duyn for Rehab & Nursing

	<u>As of 09/30/2015</u>	<u>2014</u>	<u>12/1/2013</u>
Current Assets	\$12,578,911	\$12,453,731	
Non-Current Assets	<u>2,826,081</u>	<u>2,133,724</u>	
Total Assets	\$15,404,992	\$14,587,455	\$0
Current Liabilities	14,977,162	12,798,958	
Long Term Liabilities	<u>259,858</u>	<u>279,817</u>	
Total Liabilities	15,237,020	13,078,775	0
Net Assets	\$167,972	\$1,508,680	\$0
Working Capital Position	(\$2,398,251)	(\$345,227)	\$0
Operating Revenues	\$32,534,617	\$41,119,261	
Operating Expenses	<u>28,075,328</u>	<u>40,076,040</u>	
Operating Net Income	\$4,459,289	\$1,043,221	\$0

VRNC, LLCProject#152111
BFA Attachment-G-Cont

	<u>As of 09/30/2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$1,381,791	\$984,728	\$1,992,000
Non-Current Assets	<u>1,358,916</u>	<u>1,048,013</u>	<u>284,000</u>
Total Assets	\$2,740,707	\$2,032,741	\$2,276,000
Current Liabilities	1,844,415	1,800,226	3,300,000
Long Term Liabilities	<u>4,044,674</u>	<u>2,871,256</u>	<u>1,512,000</u>
Total Liabilities	5,889,089	4,671,482	4,812,000
Net Assets	(\$3,148,382)	(\$2,638,741)	(\$2,536,000)
Working Capital Position	(\$462,624)	(\$815,498)	(\$1,308,000)
Operating Revenues	\$6,938,472	\$7,974,197	\$7,440,000
Operating Expenses	<u>7,448,109</u>	<u>8,075,810</u>	<u>7,687,000</u>
Operating Net Income	(\$509,637)	(\$101,613)	(\$247,000)

Balloon Loan Calculator

Inputs

Loan Amount	\$14,355,000	
Annual Interest Rate	3.61%	
Amortization Period	300	months
# of Regular Payments	120	months
Begin Date	4/1/2016	
Interest Only	No	

Assumptions

- * Interest compounds monthly
- * Payments made at end of month
- * Balloon amount paid a month after the last regular payment

Summary

Monthly Payment	\$72,714.16
Balloon Payment	\$ 10,125,399.65
Balloon Payment w/Rounding	\$ 10,125,399.43
Total Payments	\$ 18,851,098.63
Total Interest Paid	\$ 4,496,098.63

Amortization Schedule

Month	Date	Payment	Interest	Principal	Balance
	4/1/2016	-	-	-	\$ 14,355,000.00
1	5/1/2016	72,714.16	43,184.63	29,529.53	14,325,470.47
2	6/1/2016	72,714.16	43,095.79	29,618.37	14,295,852.10
3	7/1/2016	72,714.16	43,006.69	29,707.47	14,266,144.63
4	8/1/2016	72,714.16	42,917.32	29,796.84	14,236,347.79
5	9/1/2016	72,714.16	42,827.68	29,886.48	14,206,461.31
6	10/1/2016	72,714.16	42,737.77	29,976.39	14,176,484.92
7	11/1/2016	72,714.16	42,647.59	30,066.57	14,146,418.35
8	12/1/2016	72,714.16	42,557.14	30,157.02	14,116,261.33
9	1/1/2017	72,714.16	42,466.42	30,247.74	14,086,013.59
10	2/1/2017	72,714.16	42,375.42	30,338.74	14,055,674.85
11	3/1/2017	72,714.16	42,284.16	30,430.00	14,025,244.85
12	4/1/2017	72,714.16	42,192.61	30,521.55	13,994,723.30
13	5/1/2017	72,714.16	42,100.79	30,613.37	13,964,109.93
14	6/1/2017	72,714.16	42,008.70	30,705.46	13,933,404.47
15	7/1/2017	72,714.16	41,916.33	30,797.83	13,902,606.64
16	8/1/2017	72,714.16	41,823.67	30,890.49	13,871,716.15
17	9/1/2017	72,714.16	41,730.75	30,983.41	13,840,732.74
18	10/1/2017	72,714.16	41,637.54	31,076.62	13,809,656.12
19	11/1/2017	72,714.16	41,544.05	31,170.11	13,778,486.01
20	12/1/2017	72,714.16	41,450.28	31,263.88	13,747,222.13
21	1/1/2018	72,714.16	41,356.23	31,357.93	13,715,864.20
22	2/1/2018	72,714.16	41,261.89	31,452.27	13,684,411.93
23	3/1/2018	72,714.16	41,167.27	31,546.89	13,652,865.04
24	4/1/2018	72,714.16	41,072.37	31,641.79	13,621,223.25
25	5/1/2018	72,714.16	40,977.18	31,736.98	13,589,486.27
26	6/1/2018	72,714.16	40,881.70	31,832.46	13,557,653.81
27	7/1/2018	72,714.16	40,785.94	31,928.22	13,525,725.59
28	8/1/2018	72,714.16	40,689.89	32,024.27	13,493,701.32
29	9/1/2018	72,714.16	40,593.55	32,120.61	13,461,580.71

30	10/1/2018	72,714.16	40,496.92	32,217.24	13,429,363.47
31	11/1/2018	72,714.16	40,400.00	32,314.16	13,397,049.31
32	12/1/2018	72,714.16	40,302.79	32,411.37	13,364,637.94
33	1/1/2019	72,714.16	40,205.29	32,508.87	13,332,129.07
34	2/1/2019	72,714.16	40,107.49	32,606.67	13,299,522.40
35	3/1/2019	72,714.16	40,009.40	32,704.76	13,266,817.64
36	4/1/2019	72,714.16	39,911.01	32,803.15	13,234,014.49
37	5/1/2019	72,714.16	39,812.33	32,901.83	13,201,112.66
38	6/1/2019	72,714.16	39,713.35	33,000.81	13,168,111.85
39	7/1/2019	72,714.16	39,614.07	33,100.09	13,135,011.76
40	8/1/2019	72,714.16	39,514.49	33,199.67	13,101,812.09
41	9/1/2019	72,714.16	39,414.62	33,299.54	13,068,512.55
42	10/1/2019	72,714.16	39,314.44	33,399.72	13,035,112.83
43	11/1/2019	72,714.16	39,213.96	33,500.20	13,001,612.63
44	12/1/2019	72,714.16	39,113.18	33,600.98	12,968,011.65
45	1/1/2020	72,714.16	39,012.10	33,702.06	12,934,309.59
46	2/1/2020	72,714.16	38,910.71	33,803.45	12,900,506.14
47	3/1/2020	72,714.16	38,809.02	33,905.14	12,866,601.00
48	4/1/2020	72,714.16	38,707.02	34,007.14	12,832,593.86
49	5/1/2020	72,714.16	38,604.72	34,109.44	12,798,484.42
50	6/1/2020	72,714.16	38,502.11	34,212.05	12,764,272.37
51	7/1/2020	72,714.16	38,399.19	34,314.97	12,729,957.40
52	8/1/2020	72,714.16	38,295.96	34,418.20	12,695,539.20
53	9/1/2020	72,714.16	38,192.41	34,521.75	12,661,017.45
54	10/1/2020	72,714.16	38,088.56	34,625.60	12,626,391.85
55	11/1/2020	72,714.16	37,984.40	34,729.76	12,591,662.09
56	12/1/2020	72,714.16	37,879.92	34,834.24	12,556,827.85
57	1/1/2021	72,714.16	37,775.12	34,939.04	12,521,888.81
58	2/1/2021	72,714.16	37,670.02	35,044.14	12,486,844.67
59	3/1/2021	72,714.16	37,564.59	35,149.57	12,451,695.10
60	4/1/2021	72,714.16	37,458.85	35,255.31	12,416,439.79
61	5/1/2021	72,714.16	37,352.79	35,361.37	12,381,078.42
62	6/1/2021	72,714.16	37,246.41	35,467.75	12,345,610.67
63	7/1/2021	72,714.16	37,139.71	35,574.45	12,310,036.22
64	8/1/2021	72,714.16	37,032.69	35,681.47	12,274,354.75
65	9/1/2021	72,714.16	36,925.35	35,788.81	12,238,565.94
66	10/1/2021	72,714.16	36,817.69	35,896.47	12,202,669.47
67	11/1/2021	72,714.16	36,709.70	36,004.46	12,166,665.01
68	12/1/2021	72,714.16	36,601.38	36,112.78	12,130,552.23
69	1/1/2022	72,714.16	36,492.74	36,221.42	12,094,330.81
70	2/1/2022	72,714.16	36,383.78	36,330.38	12,058,000.43
71	3/1/2022	72,714.16	36,274.48	36,439.68	12,021,560.75
72	4/1/2022	72,714.16	36,164.86	36,549.30	11,985,011.45
73	5/1/2022	72,714.16	36,054.91	36,659.25	11,948,352.20
74	6/1/2022	72,714.16	35,944.63	36,769.53	11,911,582.67
75	7/1/2022	72,714.16	35,834.01	36,880.15	11,874,702.52
76	8/1/2022	72,714.16	35,723.06	36,991.10	11,837,711.42
77	9/1/2022	72,714.16	35,611.78	37,102.38	11,800,609.04
78	10/1/2022	72,714.16	35,500.17	37,213.99	11,763,395.05
79	11/1/2022	72,714.16	35,388.21	37,325.95	11,726,069.10
80	12/1/2022	72,714.16	35,275.92	37,438.24	11,688,630.86
81	1/1/2023	72,714.16	35,163.30	37,550.86	11,651,080.00
82	2/1/2023	72,714.16	35,050.33	37,663.83	11,613,416.17
83	3/1/2023	72,714.16	34,937.03	37,777.13	11,575,639.04
84	4/1/2023	72,714.16	34,823.38	37,890.78	11,537,748.26
85	5/1/2023	72,714.16	34,709.39	38,004.77	11,499,743.49
86	6/1/2023	72,714.16	34,595.06	38,119.10	11,461,624.39
87	7/1/2023	72,714.16	34,480.39	38,233.77	11,423,390.62

88	8/1/2023	72,714.16	34,365.37	38,348.79	11,385,041.83
89	9/1/2023	72,714.16	34,250.00	38,464.16	11,346,577.67
90	10/1/2023	72,714.16	34,134.29	38,579.87	11,307,997.80
91	11/1/2023	72,714.16	34,018.23	38,695.93	11,269,301.87
92	12/1/2023	72,714.16	33,901.82	38,812.34	11,230,489.53
93	1/1/2024	72,714.16	33,785.06	38,929.10	11,191,560.43
94	2/1/2024	72,714.16	33,667.94	39,046.22	11,152,514.21
95	3/1/2024	72,714.16	33,550.48	39,163.68	11,113,350.53
96	4/1/2024	72,714.16	33,432.66	39,281.50	11,074,069.03
97	5/1/2024	72,714.16	33,314.49	39,399.67	11,034,669.36
98	6/1/2024	72,714.16	33,195.96	39,518.20	10,995,151.16
99	7/1/2024	72,714.16	33,077.08	39,637.08	10,955,514.08
100	8/1/2024	72,714.16	32,957.84	39,756.32	10,915,757.76
101	9/1/2024	72,714.16	32,838.24	39,875.92	10,875,881.84
102	10/1/2024	72,714.16	32,718.28	39,995.88	10,835,885.96
103	11/1/2024	72,714.16	32,597.96	40,116.20	10,795,769.76
104	12/1/2024	72,714.16	32,477.27	40,236.89	10,755,532.87
105	1/1/2025	72,714.16	32,356.23	40,357.93	10,715,174.94
106	2/1/2025	72,714.16	32,234.82	40,479.34	10,674,695.60
107	3/1/2025	72,714.16	32,113.04	40,601.12	10,634,094.48
108	4/1/2025	72,714.16	31,990.90	40,723.26	10,593,371.22
109	5/1/2025	72,714.16	31,868.39	40,845.77	10,552,525.45
110	6/1/2025	72,714.16	31,745.51	40,968.65	10,511,556.80
111	7/1/2025	72,714.16	31,622.27	41,091.89	10,470,464.91
112	8/1/2025	72,714.16	31,498.65	41,215.51	10,429,249.40
113	9/1/2025	72,714.16	31,374.66	41,339.50	10,387,909.90
114	10/1/2025	72,714.16	31,250.30	41,463.86	10,346,446.04
115	11/1/2025	72,714.16	31,125.56	41,588.60	10,304,857.44
116	12/1/2025	72,714.16	31,000.45	41,713.71	10,263,143.73
117	1/1/2026	72,714.16	30,874.96	41,839.20	10,221,304.53
118	2/1/2026	72,714.16	30,749.09	41,965.07	10,179,339.46
119	3/1/2026	72,714.16	30,622.85	42,091.31	10,137,248.15
120	4/1/2026	72,714.16	30,496.22	42,217.94	10,095,030.21
121	5/1/2026	10,125,399.43	30,369.22	10,095,030.21	0.00

YRNC Operating, LLC d/b/a Yorktown Rehabilitation & Nursing Center &
YRNC Realty, LLC
PRO FORMA BALANCE SHEET

ASSETS

	Operating Company	Realty Company	Combined
Operations	\$3,000,000		\$3,000,000
Working Capital	\$2,744,929		\$2,744,929
Realty		\$16,050,000	
TOTAL ASSETS	\$5,744,929	\$16,050,000	\$21,794,929

Liabilities and Member Equity

LIABILITIES

Operations Acquisition Loan	\$1,600,000		\$1,600,000
Working Capital Loan	\$1,372,464		\$1,372,464
Realty Acquisition Loan		\$16,050,000	
TOTAL LIABILITIES	\$2,972,464	\$16,050,000	\$19,022,464

MEMBER EQUITY

TOTAL LIABILITIES AND MEMBER EQUITY	\$5,744,929	\$16,050,000	\$21,794,929
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Field Home - Holy Comforter			
	2015 Internal	2014	2013
ASSETS - CURRENT	\$7,159,780	\$7,767,049	\$9,622,837
ASSETS - FIXED AND OTHER	\$14,804,822	\$15,327,754	\$16,203,296
TOTAL ASSETS	\$21,964,602	\$23,094,803	\$25,826,133
LIABILITIES - CURRENT	\$11,342,635	\$10,362,661	\$9,097,273
LIABILITIES - LONG-TERM	\$210,098	\$706,224	\$1,100,845
TOTAL LIABILITIES	\$11,552,733	\$11,068,885	\$10,198,118
WORKING CAPITAL	(\$4,182,855)	(\$2,595,612)	\$525,564
INCOME	\$18,027,516	\$17,575,710	\$22,729,874
EXPENSE	\$19,278,176	\$21,177,807	\$23,537,100
NET INCOME	(\$1,250,660)	(\$3,602,097)	(\$807,226)
NET ASSET POSITION	\$10,411,869	\$12,025,918	\$15,628,015
Number of Beds	125	125	194
Number of Days	365	365	365
Max Days	45,625	45,625	70,810
Actual Payor Days	43,276	43,276	55,449
Percent Occupancy	94.85%	94.85%	78.31%
Percentage Occupancy by Payor			
Medicaid	60.00%	60.00%	72.40%
Medicare	33.70%	33.70%	19.20%
Private Pay/Other	6.30%	6.30%	8.40%

Beds for 2013 have been estimated as there was a significant bed reduction in 2013. 2014 Utilization data used for 2015, as certified numbers have not been submitted.

Ownership Interest:							
	Date Acquired	Ephraim Zigelbaum	Alexander Barth	Yehudah Walden	Yechiel Zigelbaum	Bed Count	County
Tarrytown Hall Care Center	4/1/2008					120	Westchester
Alpine Rehabilitation & Nursing Center	7/1/2009					80	Herkimer
Norwich Rehab & Nursing Center	1/1/2011					82	Chenango
Highland Rehab & Nursing Center	2/1/2013					98	Orange
Utica Rehab & Nursing Center	2/1/2015					120	Oneida
Plattsburgh Rehab & Nursing Center	1/1/2016					89	Clinton
Delhi Rehab & Nurisng Center	Contingently approved	48.00%	23.00%	23.00%	2.00%	176	Delaware
Auburn Nursing Home	Contingently approved	50.00%	30.00%	20.00%		92	Cayuga
Blossom View Nursing Home	Contingently approved	50.00%	30.00%	20.00%		129	Wayne

Tarrytown Hall Care Center			
	1/1/2015- 10/31/2015 Internal	2014	2013
ASSETS - CURRENT	\$2,849,491	\$2,542,000	\$2,965,000
ASSETS - FIXED AND OTHER	\$2,001,120	\$1,954,000	\$3,438,000
TOTAL ASSETS	\$4,850,611	\$4,496,000	\$6,403,000
LIABILITIES - CURRENT	\$2,659,938	\$2,542,000	\$3,576,000
LIABILITIES - LONG-TERM	\$323,279	\$442,000	\$1,991,000
TOTAL LIABILITIES	\$2,983,217	\$2,984,000	\$5,567,000
WORKING CAPITAL	\$189,553	\$0	(\$611,000)
INCOME	\$10,585,226	\$13,409,000	\$13,228,000
EXPENSE	\$9,610,206	\$12,721,000	\$13,451,000
NET INCOME	\$975,020	\$688,000	(\$223,000)
NET ASSET POSITION	\$1,867,394	\$1,512,000	\$836,000
Alpine Rehabilitation & Nursing Center			
	1/1/2015- 10/31/2015 Internal	2014	2013
ASSETS - CURRENT	\$3,744,067	\$856,000	\$716,000
ASSETS - FIXED AND OTHER	\$4,820,586	\$1,826,000	\$1,962,000
TOTAL ASSETS	\$8,564,653	\$2,682,000	\$2,678,000
LIABILITIES - CURRENT	\$1,084,795	\$928,000	\$1,037,000
LIABILITIES - LONG-TERM	\$6,803,131	\$674,000	\$1,067,000
TOTAL LIABILITIES	\$7,887,926	\$1,602,000	\$2,104,000
WORKING CAPITAL	\$2,659,272	(\$72,000)	(\$321,000)
INCOME	\$5,966,120	\$6,842,000	\$7,152,000
EXPENSE	\$4,926,960	\$6,322,000	\$6,924,000
NET INCOME	\$1,039,160	\$520,000	\$228,000
NET ASSET POSITION	\$676,727	\$1,080,000	\$574,000
Norwich Rehab & Nursing Center			
	1/1/2015- 10/31/2015 Internal	2014	2013
ASSETS - CURRENT	\$1,439,371	\$1,124,000	\$613,000
ASSETS - FIXED AND OTHER	\$2,596,685	\$525,000	\$630,000
TOTAL ASSETS	\$4,036,056	\$1,649,000	\$1,243,000
LIABILITIES - CURRENT	\$1,278,707	\$942,000	\$960,000
LIABILITIES - LONG-TERM	\$1,835,620	\$243,000	\$336,000
TOTAL LIABILITIES	\$3,114,327	\$1,185,000	\$1,296,000
WORKING CAPITAL	\$160,664	\$182,000	-\$347,000
INCOME	\$6,072,322	\$7,511,000	\$6,915,000
EXPENSE	\$4,852,549	\$6,993,000	\$6,865,000
NET INCOME	\$1,219,773	\$518,000	\$50,000
NET ASSET POSITION	\$921,729	\$464,000	-\$53,000

Highland Rehab & Nursing Center		
	1/1/2015- 10/31/2015 Internal	2014
ASSETS - CURRENT	\$2,567,158	\$1,393,000
ASSETS - FIXED AND OTHER	\$6,485,827	\$955,000
TOTAL ASSETS	\$9,052,985	\$2,348,000
LIABILITIES - CURRENT	\$2,545,927	\$1,878,000
LIABILITIES - LONG-TERM	\$4,784,212	\$710,000
TOTAL LIABILITIES	\$7,330,139	\$2,588,000
WORKING CAPITAL	\$21,231	(\$485,000)
INCOME	\$9,086,369	\$9,212,000
EXPENSE	\$7,572,925	\$9,381,000
NET INCOME	\$1,513,444	(\$169,000)
NET ASSET POSITION	\$1,722,846	(\$240,000)

CENTER FOR DISABILITY SERVICES CORPORATION AND RELATED ENTITIES		
Combined Balance Sheets		
December 31, 2015 and December 31, 2014		
	December 31, 2015 DRAFT	Dec. 31, 2014
Assets		
Current Assets		
Cash & Cash Equivalents	\$12,376,941	\$12,182,490
Accounts and Grants receivable, less allowance for uncollectables of \$1,320,474 and \$1,460,856	\$16,598,227	\$15,830,363
Pledges Receivable, less allowance for uncollectables of \$0 and \$725	\$5,277	\$9,025
Assets limited as to use	\$12,452,280	\$12,176,341
Investments	\$4,970,513	\$3,977,449
Prepaid Expenses	\$2,688,510	\$2,157,084
Other Current Assets	\$500,475	\$650,332
Total Current Assets	\$49,592,223	\$46,983,084
Other Assets		
Property & Equipment, Net	\$29,167,511	\$28,756,543
Deferred Costs	\$2,608,264	\$1,036,294
Assets limited as to use	\$4,584,788	\$4,260,545
Investments	\$651,700	\$671,156
Other receivables	\$32,026	\$33,817
Total Other Assets	\$37,044,289	\$34,758,155
Total Assets	\$86,636,512	\$81,741,239
Liabilities & Net Assets		
Current Liabilities		
Line of Credit	\$1,200,000	\$0
Current Maturities of Long-term Debt	\$3,385,396	\$3,115,956
Accounts Payable & Accrued Expense	\$12,751,449	\$10,017,181
Accrued Payroll and Vacation Benefits	\$5,396,205	\$5,297,176
Deferred Revenue	\$755,879	\$516,112
Due to Third Party Payors	\$616,834	\$1,139,667
Total Current Liabilities	\$24,105,563	\$20,086,092
Long-term Debt, less current maturities	\$14,341,988	\$15,075,257
Due to Third Party Payors	\$0	\$0
Other Liabilities	\$8,316,087	\$8,299,447
Total Liabilities	\$46,763,638	\$43,460,796
Net Assets		
Unrestricted		
Board designated	\$9,169,077	\$9,169,000
Undesignated	\$26,088,878	\$24,983,145
Temporarily Restricted	\$4,482,893	\$3,996,272
Permanently Restricted	\$132,028	\$132,026
Total Net Assets	\$39,872,874	\$38,280,443
Total Liabilities & Net Assets	\$86,636,512	\$81,741,239

**CENTER FOR DISABILITY SERVICES
AND RELATED ENTITIES
STATEMENT OF OPERATIONS
DRAFT**

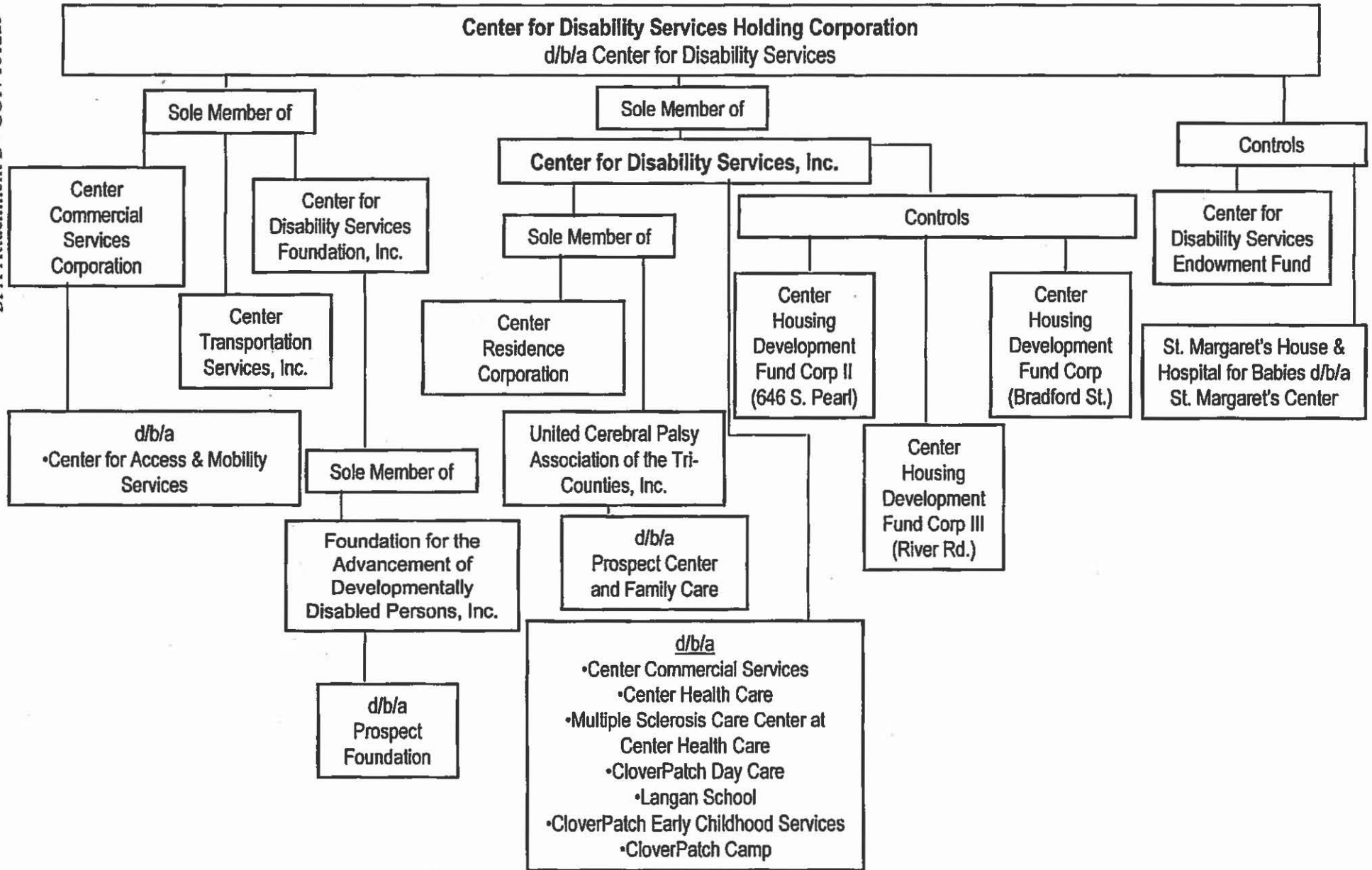
	Actual	Budget	Actual	Budget	Actual
	Dec 2015	Dec 2015	YTD Dec 2015	YTD Dec 2015	YTD Dec 2014
Unrestricted revenues, gains and other support:					
Net Client Revenue	10,658,522	\$9,481,523	\$116,467,756	\$113,058,535	\$111,424,783
Contributions	162,929	\$114,188	\$1,472,188	\$2,189,545	\$1,381,934
Grants and Contracts	664,153	\$662,167	\$6,541,402	\$7,254,475	\$6,191,842
Sales and Services	79,664	\$150,650	\$2,411,437	\$1,750,713	\$1,582,196
Investment Income	36,611	\$25,328	\$336,889	\$314,559	\$352,559
Other Income	77,081	\$129,120	\$1,663,670	\$681,596	\$937,704
Net Assets released from restrictions- used for operations	135,663	\$6,202	\$592,077	\$101,316	\$487,639
Total revenues, gains and other support	11,814,603	\$10,569,156	\$129,485,399	\$125,350,739	\$122,358,657
Expenses:					
Salaries	11,342,860	\$8,630,702	\$78,125,491	\$73,510,833	\$71,652,722
Fringe Benefits	1,675,560	\$1,833,555	\$19,481,591	\$20,633,544	\$18,504,076
Contractual and Purchased Services	875,558	\$597,931	\$8,248,166	\$7,283,189	\$8,162,446
Occupancy	447,412	\$414,915	\$4,687,945	\$4,692,278	\$4,645,663
Interest Expense	76,773	\$77,601	\$961,621	\$962,519	\$1,056,045
Depreciation & amortization	339,436	\$326,075	\$3,871,938	\$3,992,560	\$3,595,881
Supplies	645,628	\$623,043	\$7,155,695	\$7,369,117	\$8,013,004
Other	174,306	\$291,345	\$5,517,050	\$5,976,849	\$5,818,585
Total Expenses	15,577,533	\$10,795,167	\$128,049,497	\$124,420,889	\$121,448,422
Operating Income	(3,762,930)	(\$226,011)	\$1,435,902	\$929,850	\$910,235
Taxes - Presort Mail & Center Transportation	(34,311)	\$6,430	\$198,313	\$127,078	\$38,859
Operating Income After Taxes	(3,728,619)	(\$232,441)	\$1,237,589	\$802,772	\$871,376
Change in net unrealized gains and losses	(262,604)	\$0	(\$475,577)	\$0	\$191,833
Net Assets Released from Restrictions-used for purchase of property and equipment	0	\$0	\$0	\$0	\$0
Gain/Loss Asset Disposal	76,961	\$0	\$212,004	\$0	\$379,605
Pension Distribution Liab/Unrec Gain/Loss on Derivatives	131,794	\$0	\$131,794	\$0	(\$859,815)
HUD Grant Bldg - Net Adj	0	\$0	\$0	\$0	\$0
Intercompany Contributions	0	\$0	\$0	\$0	\$0
Intercompany Transfer	0	\$0	\$0	\$0	\$0
Increase/(decrease) in Unrestricted Net Assets	(3,782,468)	(\$232,441)	\$1,105,810	\$802,772	\$582,999

ST. MARGARET'S		
Balance Sheet		
December 31, 2015 and December 31, 2014		
DRAFT		
	Dec. 31, 2015 Draft	Dec. 31, 2014
Assets		
Current Assets		
Cash & Cash Equivalents	\$427,268	\$405,511
Accounts and Grants receivable, less allowance for uncollectables of \$144,143 and \$208,083	\$3,542,949	\$2,009,389
Assets limited as to use	\$0	\$0
Investments	\$0	\$0
Prepaid Expenses	\$2,192	\$31,402
Other Current Assets	\$128,421	\$155,291
Total Current Assets	\$4,100,830	\$2,601,593
Other Assets		
Property & Equipment, Net	\$7,765,027	\$7,901,557
Deferred Costs	\$230,985	\$199,486
Assets limited as to use	\$777,625	\$781,631
Investments	\$651,700	\$671,156
Other receivables	\$1,440	\$1,440
Total Other Assets	\$9,426,777	\$9,555,270
Total Assets	\$13,527,607	\$12,156,863
Liabilities & Net Assets		
Current Liabilities		
Current Maturities of Long-term Debt	\$450,548	\$420,204
Accounts Payable & Accrued Expense	\$805,851	\$749,245
Accrued Payroll and Vacation Benefits	\$196,082	\$450,994
Deferred Revenue	\$4,334	\$0
Other Liabilities/Due to Related Entities	\$1,832,812	\$2,379,171
Total Current Liabilities	\$3,289,627	\$3,999,614
Long-term Debt, less current maturities	\$5,339,408	\$5,789,956
Other Liabilities	\$417,471	\$416,818
Total Liabilities	\$9,046,506	\$10,206,388
Net Assets		
Unrestricted		
Board designated	\$0	\$0
Undesignated	\$4,454,560	\$1,923,934
Temporarily Restricted	\$26,541	\$26,541
Permanently Restricted	\$0	\$0
Total Net Assets	\$4,481,101	\$1,950,475
Total Liabilities & Net Assets	\$13,527,607	\$12,156,863

**ST. MARGARET'S
STATEMENT OF OPERATIONS
DRAFT**

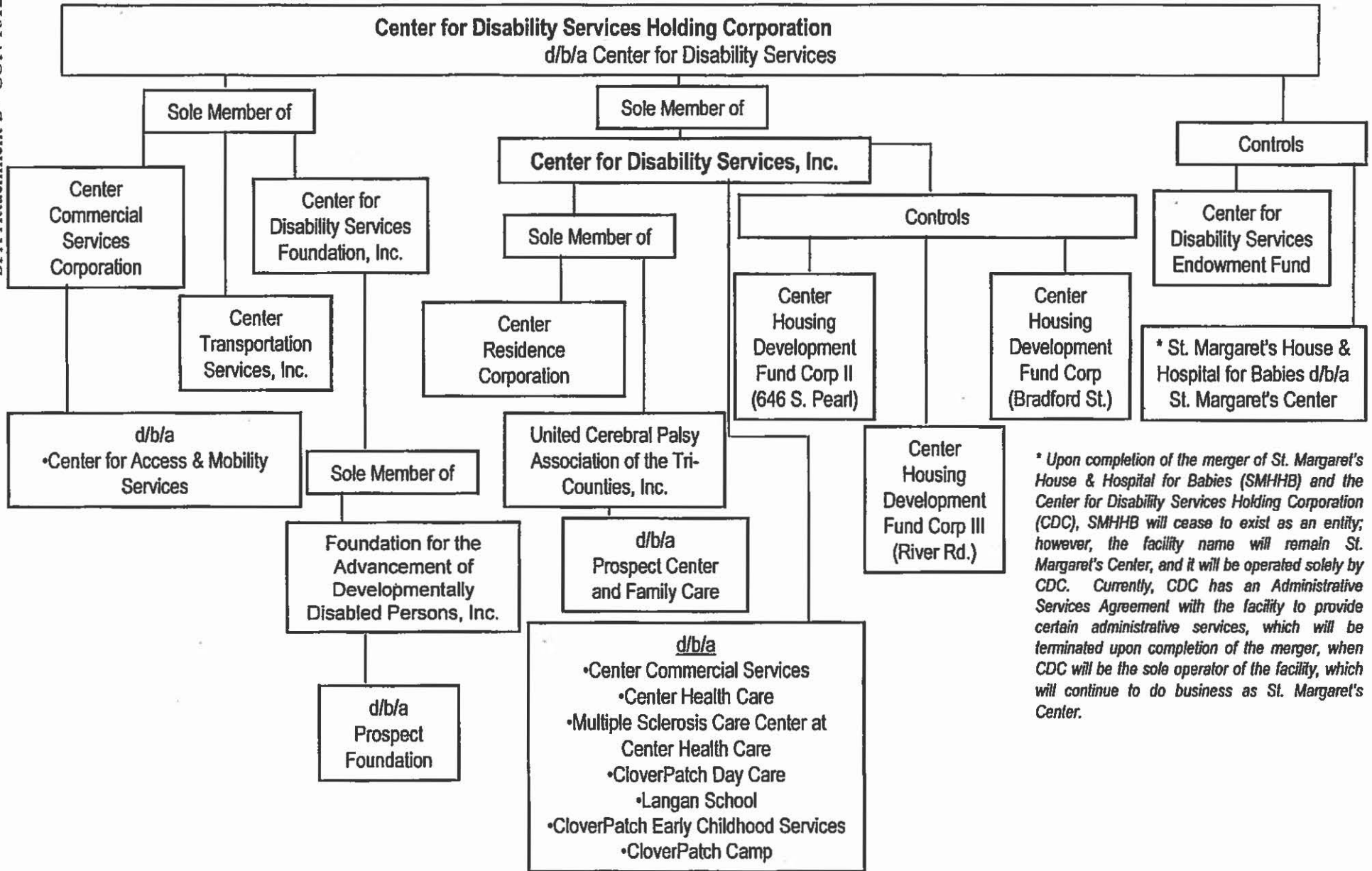
	Actual	Budget	Actual	Budget	Actual
	Dec 2015	Dec 2015	YTD Dec 2015	YTD Dec 2015	YTD Dec 2014
Unrestricted revenues, gains and other support:					
Net Client Revenue	1,415,905	\$1,521,861	\$19,353,511	\$17,932,818	\$16,795,669
Contributions	30,324	\$417	\$84,430	\$9,545	\$30,372
Grants and Contracts	0	\$0	\$0	\$0	\$0
Sales and Services	96	\$183	(\$559)	\$2,194	\$1,787
Investment Income	1,186	\$136	\$8,212	\$6,852	\$10,089
Other Income	53,523	\$45,016	\$1,548,684	\$531,171	\$829,921
Net Assets released from restrictions- used for operations	0	\$0	\$0	\$0	\$0
Total revenues, gains and other support	1,501,034	\$1,567,613	\$20,972,278	\$18,482,580	\$17,667,838
Expenses:					
Salaries	896,583	\$683,467	\$7,803,240	\$7,697,876	\$7,262,534
Fringe Benefits	144,347	\$137,896	\$1,685,034	\$1,683,216	\$1,535,332
Contractual and Purchased Services	265,915	\$261,237	\$3,280,959	\$3,156,171	\$3,704,019
Occupancy	30,032	\$41,298	\$350,768	\$350,725	\$309,860
Interest Expense	31,201	\$30,333	\$379,589	\$381,407	\$405,646
Depreciation & amortization	57,817	\$51,413	\$674,175	\$632,959	\$637,776
Supplies	158,450	\$123,109	\$1,528,476	\$1,463,058	\$1,533,716
Other	275,193	\$225,505	\$2,706,569	\$2,686,949	\$2,622,669
Total Expenses	1,859,538	\$1,554,258	\$18,408,808	\$18,052,361	\$18,011,353
Operating Income	(358,504)	\$13,355	\$2,563,470	\$430,219	(\$343,515)
Fundraising Expense	0	\$0	\$1,824	\$2,993	\$4,192
Operating Income After Fundraising Expense	(358,504)	\$13,355	\$2,561,646	\$427,226	(\$347,707)
Change in net unrealized gains and losses	(103,559)	\$0	(\$99,056)	\$0	(\$42,304)
Net Assets Released from Restrictions-used for purchase of property and equipment	0	\$0	\$0	\$0	\$0
Unrec Gain/Loss on Derivatives					
Gain/Loss Asset Disposal	70,388	\$0	\$68,688	\$0	\$110,560
Pension Distribution Liab/Unrec Gain/Loss on Derivatives	(652)	\$0	(\$852)	\$0	(\$319,481)
Intercompany Contributions	0	\$0	\$0	\$0	\$0
Intercompany Transfer	0	\$0	\$0	\$0	\$0
Increase (decrease) in unrestricted net assets	(392,347)	\$13,355	\$2,530,626	\$427,226	(\$598,932)

ORGANIZATIONAL CHART



NOTE: Center for Disability Services Holding Corporation is the sole member of Center for Disability Services, Inc. and shares a common Board of Directors and committee structure and membership with Center for Disability Services, Inc.

POST-MERGER ORGANIZATIONAL CHART



** Upon completion of the merger of St. Margaret's House & Hospital for Babies (SMHHB) and the Center for Disability Services Holding Corporation (CDC), SMHHB will cease to exist as an entity; however, the facility name will remain St. Margaret's Center, and it will be operated solely by CDC. Currently, CDC has an Administrative Services Agreement with the facility to provide certain administrative services, which will be terminated upon completion of the merger, when CDC will be the sole operator of the facility, which will continue to do business as St. Margaret's Center.*

NOTE: Center for Disability Services Holding Corporation is the sole member of Center for Disability Services, Inc. and shares a common Board of Directors and committee structure and membership with Center for Disability Services, Inc.