

STATE OF NEW YORK
PUBLIC HEALTH AND HEALTH PLANNING COUNCIL

COMMITTEE DAY

AGENDA

November 17, 2016

9:30 a.m.

- New York State Department of Health Offices at 90 Church Street, 4th Floor, Rooms 4A and 4B,
NYC

Video Sites:

- New York State Department of Health Offices at 584 Delaware Avenue,
3rd Floor Video Conference Room, **Buffalo**, New York 14202
- New York State Department of Health Offices at the Triangle Building, 335 East Main Street,
1st Floor Conference Room, **Rochester**, New York 14604
- New York State Department of Health Offices at the Corning Tower, 14th Floor, CR #1, **Albany**,
New York 12237

I. JOINT MEETING OF THE PUBLIC HEALTH COMMITTEE AND THE AD HOC COMMITTEE TO LEAD THE PREVENTION AGENDA

Jo Ivey Boufford, M.D., Chair, Public Health Committee

II. 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. 161325 C	University Hospital (Suffolk County)
2. 161345 C	Jamaica Hospital Medical Center (Queens County)

Cardiac Services – Construction

Exhibit # 2

<u>Number</u>	<u>Applicant/Facility</u>
1. 152391 C	Peconic Bay Medical Center (Suffolk County)
2. 161168 C	Southampton Hospital (Suffolk County)

Diagnostic and Treatment Centers - Construction

Exhibit # 3

<u>Number</u>	<u>Applicant/Facility</u>
1. 162095 C	Weill Cornell Imaging at New York Presbyterian (New York County)

Hospice Services - Construction

Exhibit # 4

1. 162096 C	Good Shepherd Hospice (Suffolk County)
2. 162134 C	United Hospice of Rockland (Rockland County)

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

Acute Care Services – Establish/Construct

Exhibit # 5

<u>Number</u>	<u>Applicant/Facility</u>
1. 161464 E	Massena Memorial Hospital (St. Lawrence County)

Ambulatory Surgery Centers - Establish/Construct

Exhibit # 6

<u>Number</u>	<u>Applicant/Facility</u>
1. 162011 B	Queens Surgical Center (Queens County)
2. 162112 E	Hudson Valley Center for Digestive Health (Westchester County)

Diagnostic and Treatment Centers - Establish/Construct

Exhibit # 7

<u>Number</u>	<u>Applicant/Facility</u>
1. 161431 E	Hudson Valley Regional Community Health Centers, Inc. (Putnam County)
2. 162209 E	Bedford Medical Family Health Center Inc (Kings County)

Dialysis Services - Establish/Construct

Exhibit # 8

<u>Number</u>	<u>Applicant/Facility</u>
1. 161356 B	USRC Forest Hills, LLC d/b/a U.S. Renal Care Forest Hills Dialysis (Queens County)

Residential Health Care Facilities - Establish/Construct

Exhibit # 9

<u>Number</u>	<u>Applicant/Facility</u>
1. 161097 E	VillageCare Rehabilitation and Nursing Center (New York County)
2. 161180 E	Nesconset ZJ1 LLC d/b/a Nesconset Center for Nursing and Rehabilitation (Suffolk County)
3. 161181 E	Huntington Acquisition 1, LLC d/b/a Hilaire Rehab & Nursing (Suffolk County)
4. 161338 E	Riverdale SNF, LLC d/b/a Schervier Nursing Care Center (Bronx County)
5. 161413 E	Beach Terrace Care Center (Nassau County)
6. 161450 E	Grandell Rehabilitation and Nursing Center (Nassau County)
7. 161452 E	Oceanside Care Center, Inc. (Nassau County)
8. 162092 E	CNH Operating, LLC d/b/a The Chateau at Brooklyn Rehabilitation and Nursing Center (Kings County)
9. 162120 E	170 West Avenue Operating Company, LLC d/b/a Elderwood at Lakeside at Brockport (Monroe County)
10. 162229 E	1019 Wicker Street Operating Company, LLC d/b/a Elderwood at Ticonderoga (Essex County)

Certified Home Health Agency - Establish/Construct

Exhibit #10

<u>Number</u>	<u>Applicant/Facility</u>
1. 161477 E	Premier Home Health Care Services, Inc. (New York County)

C. Home Health Agency Licensures

Home Health Agency Licensures

Exhibit # 11

New LHCSAs – Affiliated with Assisted Living Programs (ALPs)

161454 E	Cobbs Hill Manor, Inc. (Monroe County)
162015 E	Argyle Center LHCSA, LLC d/b/a Centers Home Care North East (Albany, Essex, Montgomery, Schenectady, Columbia, Fulton Rensselaer, Warren, Dutchess, Greene Saratoga and Washington Counties)
162016 E	Bath Center LHCSA, LLC d/b/a Centers Home Care West (Chemung, Ontario, Yates, Genesee, Schuyler, Livingston, Steuben, Monroe and Wayne Counties)

Changes of Ownership

<u>Number</u>	<u>Applicant/Facility</u>
152285 E	Helping U Homecare, Inc. (New York, Richmond, Kings, Bronx, Queens, and Nassau Counties)
161111 E	Crown of Life Care NY, LLC (Bronx, Queens, Kings, Richmond, Nassau and New York Counties)
161146 E	All Metro Aids, Inc. d/b/a All Metro Health Care (New York, Queens, Bronx, Richmond and Kings Counties)
161147 E	All Metro Home Care Services of New York, Inc. d/b/a All Metro Health Care (Nassau County)
161392 E	Paramount Homecare Agency Inc. (Kings, Bronx, Queens, Richmond, New York, and Nassau Counties)
161424 E	Robynwood Home Care LLC d/b/a Robynwood Home Care (Otsego, Delaware, Schoharie and Chenango Counties)
162038 E	Extended Holding Company, LLC d/b/a Extended at Home Care (New York, Queens, Bronx, Richmond, Kings, and Nassau Counties)

- 162061 E Best Help Home Care Corp.
(Kings, Queens, Bronx, Richmond, New York and Westchester Counties)
- 162067 E DOJ LHSCA Operations Associates LLC
d/b/a Claremont LHCSA
(Bronx County)
- 162119 E A.V. Pro Services, Inc.
d/b/a Assisted Home Care Services
(Kings, Bronx, Queens, Nassau, Richmond, and New York Counties)
- 162137 E AllHealth Home Care LLC
(Bronx, Queens, Kings, Richmond, New York and Westchester Counties)

D. Certificates

Exhibit # 12

Certificate of Amendment of the Certificate of Incorporation

Applicant

The Southampton Hospital Association

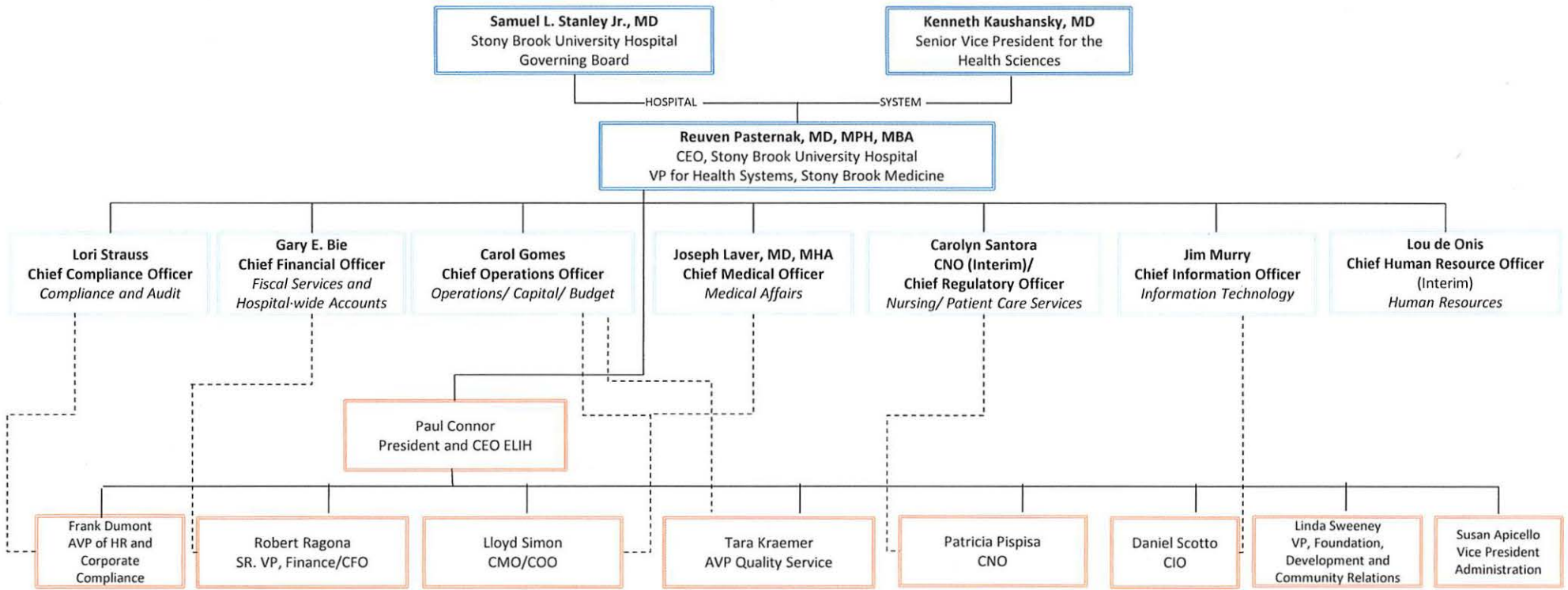
Daughters of Jacob Nursing Home Company, Inc.

III. JOINT MEETING OF THE PUBLIC HEALTH COMMITTEE AND THE HEALTH PLANNING COMMITTEE

Jo Ivey Boufford, M.D., Chair of the Public Health Committee

John Rugge, M.D., Chair of the Health Planning Committee

Stony Brook Medicine/ University Hospital/ ELIH
 Table of Organization
 June 2016



Key
 Existing Stony Brook University Hospital Employee = BLUE
 ELIH employees to State title = ORANGE
 ELIH employees to EPO = GREEN

REVISIONS			
REV1	Stony Brook Medicine	Effective: June 23, 2016	Approved



Carol Gomes 6-24-2016

STONY BROOK UNIVERSITY HOSPITAL,
 STONY BROOK UNIVERSITY

Balance Sheets

December 31, 2015 and 2014

(in thousands of dollars)

<u>Assets and Deferred Outflows of Resources</u>	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash held by the State	\$ 54,683	\$ 46,818
Patient accounts receivable, net of allowance for uncollectible accounts of approximately \$142,319 and \$105,386 in 2015 and 2014, respectively	146,254	155,423
Inventories	7,870	7,890
Prepaid expenses and other current assets	18,224	27,700
Due from third-party payors	54,665	50,421
Current portion of appropriations receivable - malpractice	7,800	6,700
Due from Clinical Practice Management Plan ("CPMP")	4,507	981
	<u>294,003</u>	<u>295,933</u>
Total current assets		
Assets whose use is limited:		
Internally designated	8,812	67,244
Capital lease proceeds	19,788	-
Unexpended bond proceeds	3,922	25,237
Appropriations receivable - malpractice, net of current portion	147,803	135,951
Long-term patient accounts receivable, net	4,050	4,100
Due from third-party payors, net of current portion	49,568	40,463
Capital assets, net	509,474	427,703
Other assets	16,763	19,620
	<u>1,054,183</u>	<u>1,016,251</u>
Total assets		
Deferred outflows of resources	<u>59,053</u>	<u>1,335</u>
Total assets and deferred outflows of resources	<u>\$ 1,113,236</u>	<u>\$ 1,017,586</u>

<u>Liabilities, Deferred Inflows of Resources and Net Position</u>	<u>2015</u>	<u>2014</u>
Current liabilities:		
Current maturities of long-term debt obligations	\$ 12,336	\$ 12,783
Accounts payable, accrued expenses and other	62,893	46,107
Accrued salaries and wages	35,232	31,713
Accrued employee benefits	33,609	33,429
Accrued interest	2,403	2,237
Current portion of estimated malpractice and general liability claims	7,800	6,700
Due to State of New York	24,871	28,134
Due to third-party payors	25,160	23,208
Due to Clinical Practice Management Plan ("CPMP")	4,912	7,191
	<u>209,216</u>	<u>191,502</u>
Long-term debt:		
Obligation to Dormitory Authority of the State of New York	192,179	190,935
Capital lease obligations	26,297	14,496
	<u>218,476</u>	<u>205,431</u>
Accrued employee benefits, net of current portion	37,753	34,836
Estimated malpractice and general liability claims, net of current portion	147,803	135,951
Due to third-party payors, net of current portion	11,392	16,284
Due to State of New York, net of current portion	41,359	40,374
Net pension liability	39,480	-
Other liabilities	7,961	-
	<u>713,440</u>	<u>624,378</u>
Deferred inflows of resources	<u>12,604</u>	<u>6,030</u>
Total liabilities and deferred inflows of resources	<u>726,044</u>	<u>630,408</u>
Net position:		
Net investment in capital assets	311,184	301,970
Unrestricted	76,008	85,208
	<u>387,192</u>	<u>387,178</u>
Commitments and contingencies (note 11)		
Total liabilities, deferred inflows of resources and net position	<u>\$ 1,113,236</u>	<u>\$ 1,017,586</u>

STONY BROOK UNIVERSITY HOSPITAL,
 STONY BROOK UNIVERSITY

Statements of Revenues, Expenses and Changes in Net Position

Years ended December 31, 2015 and 2014

(in thousands of dollars)

	<u>2015</u>	<u>2014</u>
Operating revenues:		
Net patient service revenue (net of provision for bad debts of approximately \$108,021 in 2015 and \$89,827 in 2014)	\$ 924,789	\$ 889,066
Federal Social Security Act Disproportionate Share Hospital Revenue	116,970	130,454
Other operating revenues	<u>39,034</u>	<u>40,440</u>
Total operating revenues	<u>1,080,793</u>	<u>1,059,960</u>
Operating expenses:		
Salaries and wages	480,286	466,946
Employee health and welfare benefits	177,079	184,712
Supplies and other expenses	398,494	385,986
Malpractice	23,706	19,170
Depreciation and amortization	<u>48,665</u>	<u>46,694</u>
Total operating expenses	<u>1,128,230</u>	<u>1,103,508</u>
Operating loss	<u>(47,437)</u>	<u>(43,548)</u>
Non-operating revenues (expenses):		
State of New York appropriations, net	43,373	36,458
State of New York malpractice appropriation	23,706	19,170
Interest expense on capital-related debt	(5,542)	(6,070)
Interest income	<u>1,477</u>	<u>1,487</u>
Total non-operating revenues, net	<u>63,014</u>	<u>51,045</u>
Excess of revenues over expenses	15,577	7,497
Capital contributions	<u>552</u>	<u>2,404</u>
Increase in net position	16,129	9,901
Net position at the beginning of year	387,178	377,277
Cumulative effect of change in accounting principle (note 2(c))	<u>(16,115)</u>	<u>-</u>
Net position at the end of year	<u>\$ 387,192</u>	<u>\$ 387,178</u>

Eastern Long Island Hospital and Affiliates

BFA Attachment C
CON #161325

Consolidated Balance Sheet (with comparative totals for 2014)

<i>December 31,</i>	2015	2014
Assets		
Current:		
Cash and cash equivalents	\$ 4,015,170	\$ 4,021,725
Investments, at fair value (Notes 3 and 5)	5,544,851	5,900,473
Accounts receivable for patient care, less allowance for uncollectibles of approximately \$3,361,000 for 2015 and \$3,448,000 for 2014 (Notes 3 and 6)	5,087,856	5,104,981
Current portion of pledges receivable, net (Notes 3 and 4)	11,732	102,537
Current portion of deferred bond issuance costs (Note 3)	36,051	36,051
Estimated malpractice recoveries (Note 3(k))	1,279,000	1,229,000
Prepaid expenses and other current assets	473,933	606,421
Inventory and supplies (Note 3)	909,550	874,050
Total Current Assets	17,358,143	17,875,238
Other Assets	225,238	90,207
Pledges Receivable, Net, Less Current Portion (Notes 3 and 4)	18,785	29,116
Deferred Bond Issuance Costs, Less Current Portion (Note 3)	739,044	775,095
Fixed Assets, Net (Notes 3 and 7)	14,665,542	16,032,319
Total Assets	\$33,006,752	\$34,801,975
Liabilities and Net Assets		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 6,554,676	\$ 5,364,583
Accrued salaries and related benefits	2,758,704	3,369,415
Current portion of bonds payable (Note 8)	415,000	395,000
Lines of credit	600,000	600,000
Due to third-party payors	685,130	401,506
Estimated malpractice liability (Note 3(k))	1,279,000	1,229,000
Total Current Liabilities	12,292,510	11,359,504
Accrued Pension Liability (Note 10)	221,812	30,841
Bonds Payable, Less Current Portion (Note 8)	14,485,000	14,900,000
Total Liabilities	26,999,322	26,290,345
Commitments and Contingencies (Notes 3, 5, 8, 9, 10, 13, 14, 16, 17, 18 and 19)		
Net Assets:		
Unrestricted (Note 3)	2,985,304	5,890,649
Temporarily restricted (Notes 3 and 14)	1,701,438	1,300,293
Permanently restricted (Notes 3 and 15)	1,320,688	1,320,688
Total Net Assets	6,007,430	8,511,630
Total Liabilities and Net Assets	\$33,006,752	\$34,801,975

Eastern Long Island Hospital and Affiliates CON # 161325

Consolidated Statement of Operations
(with comparative totals for 2014)

Year ended December 31,

	Unrestricted	Temporarily Restricted	Permanently Restricted	Consolidated Total	
				2015	2014
Revenues, Gains and Other Support:					
Net patient service revenue	\$47,123,987	\$ -	\$ -	\$47,123,987	\$47,397,343
Less: Provision for uncollectibles, net	(3,519,924)	-	-	(3,519,924)	(4,373,528)
Net Patient Service Revenue Less Provision for Uncollectibles					
	43,604,063	-	-	43,604,063	43,023,815
Other operating revenue	2,192,834	-	-	2,192,834	3,317,226
Net investment income	681,779	-	-	681,779	198,758
Contributions and bequests	1,743,746	401,145	-	2,144,891	2,534,137
Rental income	82,623	-	-	82,623	47,668
Total Revenues, Gains and Other Support					
	48,305,045	401,145	-	48,706,190	49,121,604
Expenses:					
Salaries and wages	22,677,689	-	-	22,677,689	22,367,206
Employee benefits	8,930,963	-	-	8,930,963	8,884,869
Supplies and other expenses	14,744,121	-	-	14,744,121	14,124,515
Depreciation and amortization	2,299,127	-	-	2,299,127	2,312,749
Interest	889,596	-	-	889,596	895,088
Insurance	724,024	-	-	724,024	655,663
Total Expenses					
	50,265,520	-	-	50,265,520	49,240,090
Deficiency of Revenues, Gains and Other Support Over Expenses Before Non-Operating Revenues and Expenses					
	(1,960,475)	401,145	-	(1,559,330)	(118,486)
Non-Operating Revenues and Expenses:					
Net change in unrealized losses on investments	(757,528)	-	-	(757,528)	(34,727)
Change in unfunded pension obligation (Note 10)	(187,342)	-	-	(187,342)	30,605
Total Non-Operating Revenues and Expenses					
	(944,870)	-	-	(944,870)	(4,122)
Change in Net Assets	(2,905,345)	401,145	-	(2,504,200)	(122,608)
Net Assets, Beginning of Year	5,890,649	1,300,293	1,320,688	8,511,630	8,634,238
Net Assets, End of Year	\$ 2,985,304	\$1,701,438	\$1,320,688	\$ 6,007,430	\$ 8,511,630

Stony Brook University Hospital
Balance Sheets
(In Thousands)

	<u>06/30/16</u>	<u>06/30/15</u>	<u>VARIANCE</u>
Assets:			
<i>Current Assets</i>			
Cash and cash held by the State	\$ 86,117	\$ 34,714	\$ 51,403
Accounts receivable, less allowance for uncollectible accounts	142,176	152,302	(10,126)
Inventories	7,892	7,800	92
Prepaid expenses and other current assets	9,473	9,660	(188)
Due from third-party payors	51,987	97,071	(45,084)
Current portion of appropriations receivable - malpractice	7,800	6,700	1,100
Due from Clinical Practice Management Plan ("CPMP")	277	3,113	(2,837)
Total Current Assets	<u>305,722</u>	<u>311,361</u>	<u>(5,639)</u>
Capital assets, net	540,591	423,688	116,903
Appropriations receivable-malpractice, net of current portion	147,803	135,951	11,852
Long-term patient receivables, net	2,500	4,500	(2,000)
Other assets	16,163	18,620	(2,457)
Due from third party payors	49,568	40,463	9,105
<i>Assets who use is limited:</i>			
Internally designated	29,730	66,888	(37,158)
Unexpended bond proceeds	702	23,622	(22,920)
Total Non-current assets	787,058	713,732	73,326
Deferred outflows of resources	47,991	1,209	46,783
Total Assets	<u>1,140,771</u>	<u>1,026,301</u>	<u>114,469</u>
Liabilities and Net Position			
<i>Current Liabilities</i>			
<i>Current maturities of long-term debt and capital lease Obligations</i>			
	9,000	10,898	(1,898)
Accounts payable, accrued expenses, and other	57,269	60,987	(3,718)
Accrued salaries and wages	36,273	47,724	(11,451)
Accrued vacation and sick pay	34,944	33,951	993
Accrued interest payable	2,630	2,716	(86)
Deferred Revenue	-	-	-
Current portion of estimated malpractice and general liability claims	7,800	6,700	1,100
Due to State of New York	51,003	15,559	35,444
Due to CPMP	4,199	7,191	(2,992)
Due to third-party payors	19,451	21,826	(2,376)
Total Current Liabilities	<u>222,569</u>	<u>207,551</u>	<u>15,017</u>
<i>Long-Term Debt</i>			
Obligation to Dormitory Authority of the State of New York	188,820	186,374	2,446
Capital lease obligations	26,297	14,496	11,801
Employee benefits accrued, net of current portion	37,754	34,837	2,917
Estimated malpractice and general liability claims, net of current portion	147,803	135,951	11,852
Due to third-party payors, net of current portion	11,393	16,283	(4,890)
Due to State of New York, net of current portion	40,666	40,374	292
Net Pension Liability	39,480	-	39,480
Other liabilities	29,117	-	29,117
Deferred Inflows of resources	7,279	725	6,554
Total Liabilities	<u>751,177</u>	<u>636,590</u>	<u>114,587</u>
<i>Invested in Capital Assets, net of related debt</i>			
	-	-	-
<i>Restricted - expendable for capital</i>			
	-	-	-
Unrestricted	389,593	389,711	(118)
Total Net Position	<u>389,593</u>	<u>389,711</u>	<u>(118)</u>
Total Liabilities and net position	<u>\$1,140,771</u>	<u>\$1,026,301</u>	<u>\$114,469</u>

Stony Brook University Hospital
Statements of Revenues & Expenses
(In Thousands)

	FISCAL YEAR TO DATE			
	Jun-15	6/30/2016		
	Actual	Budget	Actual	Variance
Operating Revenues:				
Net Patient Service Revenue -Inpatient	\$ 653,166	\$ 692,915	\$ 648,784	\$ (44,131)
Net Patient Service Revenue -Outpatient	274,053	294,285	292,758	(1,527)
Disproportionate Share Hospital Revenue	116,265	94,000	124,072	30,072
Other Operating Revenue	43,825	32,858	39,638	6,780
Total Operating Revenue	1,087,309	1,114,058	1,105,251	(8,807)
Non-Operating Revenues (Expenses):				
State Of New York Appropriations	46,262	34,500	43,695	9,195
State Of New York Malpractice Appropriations	19,170	13,000	28,039	15,039
Interest Expense on Capital Related Debt	(5,988)	(8,000)	(4,014)	3,986
Interest Income	1,337	1,477	1,535	58
Other Non-Operating Income (Expense)	-	-	-	-
Non-Operating income (expenses)	60,781	40,977	69,255	28,278
Total Revenues	1,148,089	1,155,035	1,174,506	19,471
Operating Expenses:				
Salaries	478,248	490,758	491,539	781
Fringe Benefits	188,907	194,011	183,021	(10,991)
Supplies & Other	402,912	405,562	408,836	3,274
Malpractice	19,170	13,000	28,039	15,039
Depreciation and Amortization	49,001	48,000	47,073	(927)
Total Operating Expenses	1,138,237	1,151,332	1,158,508	7,176
Increase (decrease) In Net Position	9,852	3,702	15,998	12,295

**EASTERN LONG ISLAND HOSPITAL
BALANCE SHEET**
As of June 30, 2016 And December 31, 2015

**BFA Attachment E
CON # 161325**

A S S E T S	<u>30-Jun-16</u>	<u>31-Dec-15</u>	NET CHANGES
CURRENT ASSETS			
Cash & cash equivalents	\$2,228,564	\$2,435,223	(\$206,659)
Accounts receivable for patient care, net	4,825,928	4,970,123	(\$144,195)
Due from affiliates	0	0	\$0
Due from third-party payors - net	0	0	\$0
Inventories	918,552	899,255	\$19,297
Prepaid expenses and other current assets	2,037,228	1,677,204	\$360,024
Assets whose use is limited, current portion	1,313,279	2,074,212	(\$760,933)
TOTAL CURRENT ASSETS	<u>11,323,551</u>	<u>12,056,017</u>	<u>(732,466)</u>
Assets whose use is limited, net of current portion	5,040,065	5,027,103	12,962
Deferred bond costs, net	535,796	548,553	(12,757)
Property, plant and equipment, net	14,081,934	14,622,967	(541,033)
Other Assets	0	0	0
TOTAL ASSETS	<u>\$30,981,346</u>	<u>\$32,254,640</u>	<u>(\$1,273,294)</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Accounts payable and accrued expenses	** \$10,066,483	\$9,572,379	\$494,104
Bank loan payable	0	0	0
Current portion of long-term debt and capital leases	393,768	393,768	0
Due to third-party payors	548,640	370,967	177,673
Due to affiliates	0	0	0
TOTAL CURRENT LIABILITIES	<u>11,008,891</u>	<u>10,337,114</u>	<u>671,778</u>
LONG-TERM DEBT - less current portion	<u>15,784,959</u>	<u>14,879,691</u>	<u>905,268</u>
TOTAL LIABILITIES	<u>26,793,850</u>	<u>25,216,805</u>	<u>1,577,045</u>
NET ASSETS:			
Unrestricted	1,566,515	4,416,854	(2,850,339)
Temporarily restricted	1,300,293	1,300,293	0
Permanently restricted	1,320,688	1,320,688	0
TOTAL NET ASSETS	<u>4,187,496</u>	<u>7,037,835</u>	<u>(2,850,339)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$30,981,346</u>	<u>\$32,254,640</u>	<u>(\$1,273,294)</u>
** Accounts Payable & Accrued Expenses	<u>30-Jun-16</u>	<u>31-Dec-15</u>	
Vendor payables	\$5,249,792	\$4,772,033	
Accrued wages & vacation payables	\$1,907,933	\$2,678,610	
Accrued expenses payable	\$2,908,758	\$2,121,736	
	<u>\$10,066,483</u>	<u>\$9,572,379</u>	

**EASTERN LONG ISLAND HOSPITAL
SUMMARY STATEMENT OF REVENUE AND EXPENSES
FOR THE MONTHS ENDED**

BFA Attachment E (cont.)
CON # 161325

	<u>ACTUAL</u> <u>6/30/2016</u>	<u>BUDGET</u>	<u>VARIANCE</u>	<u>ACTUAL</u> <u>6/30/2015</u>
<u>REVENUE</u>				
Patient Revenue	\$3,691,004	\$4,270,267	(\$579,263)	\$4,182,854
Provision for Bad Debts	(\$287,669)	(\$388,934)	\$101,265	(\$221,312)
Net Patient Revenue	<u>\$3,403,335</u>	<u>\$3,881,333</u>	<u>(\$477,998)</u>	<u>\$3,961,542</u>
Contributions and bequests	191,759	123,333	68,426	\$112,834
Investment income and other income	11,055	8,167	2,888	\$15,948
Other operating income	<u>285,875</u>	<u>184,036</u>	<u>101,839</u>	<u>\$171,549</u>
Total Revenue	<u>3,892,024</u>	<u>4,196,869</u>	<u>(304,845)</u>	<u>4,261,873</u>
<u>EXPENSES</u>				
Salaries	1,941,654	1,922,600	19,054	1,826,371
Employee benefits	742,657	775,858	(33,201)	662,500
Contract nurses	9,924	7,948	1,976	15,729
Supplies and other expenses	710,284	759,099	(48,815)	779,640
Professional Fees	454,630	438,243	16,387	460,880
General insurance	55,874	60,027	(4,153)	57,055
Interest expense	74,563	71,012	3,551	73,517
Depreciation expense	<u>189,728</u>	<u>195,003</u>	<u>(5,275)</u>	<u>185,976</u>
Total expenses	<u>4,179,314</u>	<u>4,229,790</u>	<u>(50,476)</u>	<u>4,061,668</u>
EXCESS OF REVENUE OVER (EXPENSES)	<u>(287,290)</u>	<u>(32,921)</u>	<u>(254,369)</u>	<u>200,205</u>
UNREALIZED GAIN / (LOSS) ON INVESTMENTS	<u>5,083</u>	<u>0</u>	<u>5,083</u>	<u>(82,586)</u>
INCREASE (DECREASE) IN NET ASSETS	<u><u>(\$282,207)</u></u>	<u><u>(\$32,921)</u></u>	<u><u>(\$249,286)</u></u>	<u><u>\$117,619</u></u>

Jamaica Hospital Medical Center and Affiliate
Consolidated Balance Sheets
December 31, 2015 and 2014

(dollars in thousands)

	2015	2014
Assets		
Current assets		
Cash and cash equivalents	\$ 5,733	\$ 8,062
Investments	3,939	17,327
Assets limited or restricted as to use	268	3,423
Accounts receivable, net of allowance for doubtful accounts of \$38,156 and \$41,299 at December 31, 2015 and 2014	40,926	43,542
Other receivables from capitation contracts	8,976	9,542
Prepaid expenses, supplies, and other current assets	10,044	12,404
Insurance receivable	4,515	5,155
Due from third-party payors	12,254	12,946
Due from related parties	5,979	4,869
Total current assets	92,634	117,270
Property and equipment, net	52,176	53,843
Investments in joint ventures	21,068	33,193
Due from related parties, less current portion	4,663	4,701
Insurance receivable, less current portion	17,364	17,243
Due from third party payors, less current portion	5,819	93
Other assets	22,132	13,414
Total assets	\$ 215,856	\$ 239,757
Liabilities and Net Deficit		
Current liabilities		
Cash overdraft	\$ 111	\$ 680
Current installments of long-term debt	3,843	3,674
Accounts payable and accrued expenses	39,856	34,562
Accrued payroll and related benefits	45,865	52,199
Deferred revenue	19,465	13,718
Due to third-party payors	5,862	5,651
Workers compensation liabilities	3,189	3,477
Malpractice liabilities	12,528	14,490
Total current liabilities	130,719	128,451
Long-term debt, less current installments	5,745	6,345
Due to third-party payors, less current portion	8,905	8,348
Workers compensation liabilities, less current portion	13,898	14,552
Malpractice liabilities, less current portion	82,719	84,285
Total liabilities	241,986	241,981
Unrestricted net deficit	(26,130)	(2,224)
Total liabilities and net deficit	\$ 215,856	\$ 239,757

Jamaica Hospital Medical Center and Affiliate
Consolidated Statements of Operations and Changes in Net Deficit
Years Ended December 31, 2015 and 2014

<i>(dollars in thousands)</i>	2015	2014
Revenues and other support		
Net patient service revenue, less provision for bad debts of \$15,296 in 2015 and \$17,372 in 2014	\$ 367,707	\$ 354,895
Capitation revenue	185,068	166,930
Investment income (loss), net	374	(7)
Other revenue	56,405	62,368
Total revenues and other support	<u>609,554</u>	<u>584,186</u>
Expenses		
Salaries and wages	234,166	226,832
Employee benefits	76,579	111,682
Supplies and other	136,533	120,671
Expenses related to capitation revenue	155,805	132,272
Depreciation and amortization	11,498	11,921
Interest expense	658	650
Total expenses	<u>615,239</u>	<u>604,028</u>
Loss from operations	(5,685)	(19,842)
Other nonoperating (expense) income		
Provision for uncollectible amounts due from related parties, net	(22,147)	(27,267)
Equity earnings in joint ventures, net	2,999	83
Contributions	810	547
Provision for income taxes	111	176
Deficiency of revenues and other support over expenses	<u>(23,912)</u>	<u>(46,303)</u>
Other changes in unrestricted net (deficit) assets		
Provision for advances due from related parties	-	(254)
Grant for capital purchases	6	416
Pension related changes other than net periodic pension cost	-	22,318
Increase in net deficit	<u>(23,906)</u>	<u>(23,823)</u>
Net (deficit) assets beginning of year	<u>(2,224)</u>	<u>21,599</u>
Net deficit end of year	<u>\$ (26,130)</u>	<u>\$ (2,224)</u>

JAMAICA HOSPITAL MEDICAL CENTER
BALANCE SHEET -Draft
AS OF JUNE 30, 2016

DESCRIPTION	June 30, 2016	June 30, 2015	December 31, 2015
ASSETS			
CURRENT ASSETS			
CASH AND EQUIVALENTS	5,593,417	7,630,544	9,558,711
ACCOUNTS RECEIVABLE-NET	37,124,369	44,019,252	40,682,995
INVENTORY	3,885,928	4,256,695	4,130,443
AR OTHER	7,812,550	10,865,590	5,619,130
GRANTS & CONTRACTS	684,831	646,410	778,437
PREPAID	1,311,536	2,457,541	1,511,859
DUE TO/FROM RELATED PARTIES	4,397,545	9,893,086	10,641,889
DUE FROM THIRD PARTY	16,281,426	13,902,106	16,484,204
TOTAL CURRENT ASSETS	77,091,602	93,671,224	89,407,668
ASSETS LIMITED TO USE L/T			
PROPERTY, PLANT, & EQUIP NET	311,521	1,001,927	269,580
INVESTMENTS IN MANAGED CARE	48,458,769	52,227,326	52,175,393
OTHER ASSETS	38,124,163	44,107,109	37,197,664
TOTAL ASSETS	169,987,999	194,430,989	185,052,249
LIABILITIES			
CURRENT LIABILITIES			
CURRENT PORTION OF LTD	3,918,176	3,679,993	3,918,176
CURRENT PORTION OF MALPRACTICE	10,835,416	12,437,516	10,835,416
DUE TO THIRD PARTY-CURRENT	12,420,063	12,042,492	12,898,752
ACCOUNTS PAYABLE & ACCRUED EXP	34,189,322	29,669,841	35,408,439
ACCRUED PAYROLL	48,667,583	55,339,037	43,356,325
DEFERRED REVENUE	19,546,011	11,879,453	19,464,983
TOTAL CURRENT LIABILITIES	129,576,571	125,048,332	125,882,091
LONG TERM LIABILITIES			
ESTIMATED MALPRACTICE, LT	82,263,070	85,105,080	79,251,821
LONG TERM DEBT, NET OF CURRENT	4,351,543	5,351,124	6,045,481
TOTAL L/T LIABILITIES	86,614,613	90,456,204	85,297,302
TOTAL LIABILITIES	216,191,184	215,504,536	211,179,393
FUND BALANCE			
UNRESTRICTED FUND BALANCE	(46,607,554)	(21,073,547)	(26,127,142)
RESTRICTED FUND BALANCE	404,370	-	-
TOTAL FUND BALANCE	(46,203,184)	(21,073,547)	(26,127,142)
TOTAL LIABILITIES & FUND BAL	169,987,999	194,430,989	185,052,249

JAMAICA HOSPITAL MEDICAL CENTER
 COMPARATIVE STATEMENT OF REVENUE & EXPENSES -Draft
 AS OF JUNE 30, 2016

DESCRIPTION	CPD ACTUAL	CPD BUDGET	PRIOR YEAR CPD	YTD ACTUAL	YTD BUDGET	PRIOR YEAR YTD	PRIOR YEAR 12-31-2015
UNRESTRICTED REV/OTHR SUPPORT:							
NET PATIENT SERVICE REVENUE	32604679	30412432	29991401	183950344	183488244	180048544	363040425
CAPITATION REVENUE	29187440	15431043	30302776	107978947	93100630	101395618	189735470
INVESTMENT INCOME	28424	60414	-104088	217848	364502	336492	373893
OTHER REVENUE AND GAINS	4054303	4827282	4967205	24073699	29124582	25173183	56404775
TOTAL UNRESTRICT REV/OTHR SUP	65,874,846	50,731,171	65,157,294	316,220,838	306,077,958	306,953,837	609,554,563
EXPENSES:							
SALARIES AND WAGES	20,060,337	20,068,859	19,508,911	120,926,423	121,082,118	114,671,240	234,166,041
EMPLOYEE BENEFITS	7,677,008	6,877,373	7,518,262	43,028,267	41,493,484	43,499,315	79,218,600
OUT NETWORK & CAPITATION EXP	24,989,340	12,649,450	27,281,588	89,908,060	76,318,348	84,577,686	155,804,926
SUPPLIES AND OTHER	11,851,717	11,090,594	11,422,304	65,691,816	66,913,253	64,220,576	133,493,044
INS EXP-MALPRACTICE	1,063,062	1,055,019	975,249	6,378,372	6,365,279	6,213,182	3,038,959
DEPRECIATION & AMORTIZATION	964,508	937,631	967,890	5,776,344	5,657,038	5,845,067	11,497,854
INTEREST EXPENSE	75,128	152,082	70,230	457,083	917,561	368,795	(1,982,288)
TOTAL EXPENSES	66,681,100	52,831,008	67,744,434	332,166,365	318,747,081	319,395,861	615,237,136
GAIN/LOSS FROM OPERATIONS	(806,254)	(2,099,837)	(2,587,140)	(15,945,527)	(12,669,123)	(12,442,024)	(5,682,573)
OTHER NON-OPER INCOME (EXP):							
PROV UNCOL AMTS D/F REL PRTY	(1,715,000)	(896,221)	(1,715,000)	(7,066,124)	(5,407,200)	(10,290,000)	(22,146,957)
TAXES FOR UNRELATED BUSINESS	(10,000)	(9,863)	(10,000)	904,055	(59,507)	171,106	111,106
INVESTMENT IN MANAGED CARE	250,000	398,761	250,000	1,500,000	2,405,858	1,500,000	2,999,459
CONTRIBUTIONS	14,593	36,810	15,780	127,182	222,090	205,148	809,601
GAIN ON SALE OF INVESTMENT	-	-	-	-	-	2,000,000	-
TOTAL OTHER NON-OPER INC (EXP)	(1,460,407)	(470,513)	(1,459,220)	(4,534,687)	(2,838,759)	(6,413,746)	(18,226,791)
GAIN/LOSS AFTER NON OPER INC	(2,266,661)	(2,570,350)	(4,046,360)	(20,480,414)	(15,507,882)	(18,855,770)	(23,909,364)
CHANGES UNRESTRICTED NET ASSET							
GRANT FOR CAPITAL PURPOSES	-	-	-	-	-	6,090	6,090
PROV UNCOL AMTS D/F REL PRT	-	-	-	-	-	-	-
PENSION ACTUARIAL(LOSS)GAIN	-	-	-	-	-	-	-
EQUITY TRSFR OF INT OF INV	-	-	-	-	-	-	-
TOTAL CHGS UNRESTRICT NET ASST	-	-	-	-	-	6,090	6,090
CHANGE IN UNRESTRICTED NET	(2,266,661)	(2,570,350)	(4,046,360)	(20,480,414)	(15,507,882)	(18,849,680)	(23,903,274)

CENTRAL SUFFOLK HOSPITAL D/B/A
PECONIC BAY MEDICAL CENTER

BALANCE SHEET

DECEMBER 31, 2015

(With Summarized Financial Information for December 31, 2014)

	<u>2015</u>	<u>2014</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 19,099,939	\$ 16,421,672
Investments	4,222,608	4,295,521
Accounts receivable (net of allowance for doubtful accounts of \$10,844,000 in 2015)	13,774,061	11,731,954
Contributions receivable	1,000,000	1,000,000
Other receivables	3,709,824	1,970,316
Estimated due from third-party payors	3,018,353	2,134,203
Inventory	3,299,772	3,245,879
Due from affiliates	332,039	144,853
Prepaid expenses and other current assets	1,563,089	1,550,440
Assets limited as to use	6,251,242	1,231,620
Equity interest in Central Suffolk Hospital Foundation d/b/a Peconic Bay Medical Center Foundation	<u>3,649,122</u>	<u>3,988,461</u>
Total current assets	59,920,049	47,714,919
Noncurrent assets		
Contributions receivable		968,523
Noncurrent assets limited as to use		5,009,217
Investments - endowments	786,908	786,908
Investment in Premier	518,720	493,130
Due from affiliates	114,088	3,324,037
Deferred expenses (net of accumulated amortization of \$1,170,850 in 2015)	2,832,707	2,204,160
Property and equipment - net	<u>65,773,543</u>	<u>64,660,723</u>
Total assets	<u>\$ 129,946,015</u>	<u>\$ 125,161,617</u>

CENTRAL SUFFOLK HOSPITAL D/B/A
PECONIC BAY MEDICAL CENTER

BALANCE SHEET

DECEMBER 31, 2015

(With Summarized Financial Information for December 31, 2014)

	<u>2015</u>	<u>2014</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts and accrued expenses payable	\$ 17,006,347	\$ 14,294,882
Accrued compensation and related costs	8,640,488	6,744,631
Estimated due to third-party payors	7,710,600	6,612,003
Current portion of long-term debt payable	2,859,048	2,590,322
Current portion of accrued pension costs	252,000	400,000
Current portion of capital leases payable	1,634,589	1,585,268
Estimated malpractice costs	1,761,391	1,600,000
Due to affiliate	5,000,000	
	<u>44,864,463</u>	<u>33,827,106</u>
Total current liabilities		
Long-term liabilities		
Long-term debt payable	34,168,726	34,923,411
Accrued pension costs	4,021,015	3,701,804
Capital leases payable	3,010,199	3,432,737
Estimated malpractice costs	8,173,481	9,340,612
Swap liability	7,245,097	7,334,540
Due to affiliate	4,000,000	9,000,000
	<u>60,618,518</u>	<u>67,733,104</u>
Total long-term liabilities		
Total liabilities		
	<u>105,482,981</u>	<u>101,560,210</u>
Net assets		
Unrestricted	21,177,844	18,510,644
Temporarily restricted	2,498,282	4,303,855
Permanently restricted	786,908	786,908
	<u>24,463,034</u>	<u>23,601,407</u>
Total net assets		
Total liabilities and net assets		
	<u>\$ 129,946,015</u>	<u>\$ 125,161,617</u>

CENTRAL SUFFOLK HOSPITAL D/B/A
PECONIC BAY MEDICAL CENTER

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2015
(With Summarized Financial Information
for the Year Ended December 31, 2014)

	<u>2015</u>	<u>2014</u>
Unrestricted revenues and gains		
Net patient service revenues (net of contractual allowances and discounts)	\$ 169,997,544	\$ 157,145,437
Provision for bad debts	<u>(13,116,670)</u>	<u>(12,150,000)</u>
Net patient service revenues less provision for bad debts	156,880,874	144,995,437
Other operating revenues	3,685,400	4,267,737
Contributions and grants	2,053,074	2,463,273
Interest and dividend income	66,113	89,921
Realized and unrealized gain (loss) on investments	(35,067)	28,837
Net assets released from restrictions for operations	<u>1,000,000</u>	<u>1,000,000</u>
Total unrestricted revenues, gains and losses	<u>163,650,394</u>	<u>152,845,205</u>
Unrestricted expenses		
Salaries	63,777,925	59,948,669
Employee benefits	21,216,514	20,208,390
Professional fees	1,675,827	1,393,037
Supplies and other expenses	65,089,194	57,560,419
Interest	2,805,430	3,298,577
Depreciation and amortization	6,389,324	6,225,170
New York State assessment	<u>861,890</u>	<u>817,990</u>
Total unrestricted expenses	<u>161,816,604</u>	<u>149,452,252</u>
Excess of unrestricted revenues and gains over unrestricted expenses	<u>\$ 1,833,790</u>	<u>\$ 3,392,953</u>

Northwell Health, Inc.

Consolidating Statement of Financial Position
June 30, 2016 (Unaudited and In Thousands)

	Northwell Health, Inc.	Northwell Health Obligated Group	Phelps Memorial Hospital Association and Subsidiaries	Northern Westchester Hospital Association and Subsidiaries	Peconic Bay Medical Center	The Long Island Home	Hospice Care Network	The Feinstein Institute for Medical Research	Northwell Health Foundation	Northwell Health Laboratories	Regional Insurance Company	Dolan Family Health Center	Health Insurance Companies	Endoscopy Center of Long Island	Garden City SurgiCenter	South Shore Surgery Center	Other Northwell Health Entities
Assets																	
Current assets:																	
Cash and cash equivalents	\$423,579	\$-	\$30,753	\$50,709	\$20,548	\$5,600	\$8,391	\$-	\$14,502	\$-	\$78	\$1	\$94,176	\$648	\$314	\$294	\$9,558
Marketable securities and other investments	1,929,901	-	5,973	-	3,000	76	23,531	20	6,410	-	-	469	26,419	-	-	-	-
Accounts receivable for services to patients, net of allowance for doubtful accounts	999,640	(30,828)	25,322	25,237	10,405	15,576	8,080	-	-	13,630	-	223	-	-	-	768	8,670
Accounts receivable for physician activities, net	113,139	(4,952)	3,058	1,171	957	-	-	-	-	-	22,428	-	-	-	-	-	14,032
Assets limited as to use, current portion	115,719	-	1,639	2,769	4,214	-	-	-	-	-	-	-	-	-	-	-	-
Pledges receivable, current portion	34,594	-	-	-	-	-	97	-	34,125	-	-	-	-	-	-	-	372
Insurance claims receivable, current portion	67,729	(16,691)	82,170	-	-	1,797	39	100	7	307	-	-	-	-	-	-	-
Other current assets	257,378	(100)	172,385	6,789	8,854	2,013	263	14,918	598	3,408	17	812	34,546	43	385	385	5,051
Total current assets	3,941,679	(52,571)	741,141	86,675	47,978	25,062	40,401	15,038	55,642	17,345	22,523	1,505	135,141	691	314	1,447	37,683
Due from affiliates, net	-	(114,786)	13,429	-	-	-	-	-	1,177	46,437	53,734	-	-	-	-	9	-
Note receivable from affiliate	-	(42,489)	42,489	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Assets limited as to use, net of current portion	1,476,142	-	23,939	81,373	6,892	7,000	1,755	70,304	73,308	-	206,069	5,926	72,533	-	-	-	13,762
Pledges receivable, net of current portion	90,216	-	3,172	3,928	-	-	227	-	80,981	-	-	-	-	-	-	-	1,908
Property, plant and equipment, net	4,479,236	-	147,958	180,676	79,295	57,640	943	55,933	1,208	9,954	1,208	812	2,609	400	1,286	3,069	61,413
Insurance claims receivable, net of current portion	266,924	(192,622)	426,091	180,676	79,295	57,640	943	55,933	1,208	9,954	1,208	812	2,609	400	1,286	3,069	61,413
Other assets	278,268	(493,426)	696,765	8,131	5,230	9,102	216	-	25	1,160	3,311	-	-	29,939	6,344	3,719	3,311
Total assets	\$10,532,465	(\$1,088,823)	\$9,573,688	\$60,783	\$139,395	\$104,927	\$43,689	\$141,653	\$212,341	\$74,896	\$304,227	\$8,243	\$230,283	\$31,030	\$7,944	\$8,244	\$118,077
Liabilities and net assets (deficit)																	
Current liabilities:																	
Short-term borrowings	\$110,218	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Accounts payable and accrued expenses	876,939	(35,881)	9,684	27,979	15,049	3,321	1,871	11,866	191	42,272	346	189	182,548	115	260	312	52,445
Accrued salaries and related benefits	626,417	-	10,853	10,657	8,477	7,010	1,802	5,258	969	5,719	-	377	2,287	80	29	40	26,757
Current portion of capital lease obligations	4,900	-	1,759	573	1,759	1,560	-	-	-	-	-	-	-	-	-	-	1,008
Current portion of long-term debt	56,693	-	48,622	2,782	2,743	915	-	-	-	-	-	-	-	-	-	-	-
Current portion of insurance claims liability	67,729	(16,691)	82,170	-	-	1,797	39	100	7	307	-	-	-	-	-	-	-
Current portion of malpractice and other insurance liabilities	103,019	(5,220)	68,135	1,827	1,600	762	-	-	-	-	31,352	-	-	-	-	-	-
Current portion of third-party payer structured liabilities	4,346	-	4,346	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Current portion of estimated payable to third-party payers	270,634	-	262,718	699	3,376	2,208	-	-	-	1	-	-	1,602	-	-	-	30
Total current liabilities	2,120,895	(57,792)	1,688,442	47,253	32,805	16,013	3,712	17,224	1,167	48,299	31,698	566	186,437	195	289	1,360	79,232
Due to affiliates, net	-	(51,011)	-	3,191	1,869	5,802	166	8,523	-	-	-	9,889	1,026	226	25	-	-
Note payable to affiliate	-	(42,489)	-	-	-	42,489	-	-	-	-	-	-	-	-	-	-	-
Accrued retirement benefits, net of current portion	810,689	-	753,372	38,599	4,435	9,386	-	-	-	-	-	-	60	-	-	-	-
Capital lease obligations, net of current portion	175,070	-	171,048	-	2,878	-	-	-	-	-	-	-	-	-	-	-	-
Long-term debt, net of current portion	2,194,234	-	2,040,666	60,082	34,141	24,184	-	-	-	-	-	-	-	-	-	1,144	-
Insurance claims liability, net of current portion	266,924	(192,622)	426,091	7,032	7,032	6,123	147	378	25	1,160	18,590	-	-	-	169	-	-
Malpractice and other insurance liabilities, net of current portion	926,828	(60,964)	727,649	19,939	10,940	3,557	-	-	-	-	208,043	-	-	-	-	-	-
Third-party payer structured liabilities, net of current portion	3,724	-	3,724	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other long-term liabilities	618,992	(403,978)	585,012	8,228	12,247	1,318	815	99	7,184	1,304	-	-	247	-	-	-	846
Total liabilities	7,117,356	(403,978)	6,596,004	177,763	99,315	108,872	4,840	26,224	8,376	50,763	258,331	10,455	187,770	421	483	2,504	96,710
Commitments and contingencies																	
Net assets (deficit):																	
Unrestricted	2,897,968	(453,379)	2,781,133	157,025	36,297	(3,945)	37,066	27,841	914	24,133	45,896	(8,138)	42,513	30,609	7,461	5,740	9,471
Temporarily restricted	348,764	(192,621)	317,606	8,637	2,996	-	1,405	44,331	134,043	-	-	1,523	-	-	-	-	11,896
Permanently restricted	168,377	(38,845)	78,945	3,397	7,047	-	378	43,257	69,008	-	-	4,403	-	-	-	-	-
Total net assets (deficit)	3,415,109	(684,845)	3,177,684	169,365	46,840	(3,945)	38,849	115,439	203,965	24,133	45,896	(2,212)	42,513	30,609	7,461	5,740	21,367
Total liabilities and net assets (deficit)	\$10,532,465	(\$1,088,823)	\$9,573,688	\$60,783	\$139,395	\$104,927	\$43,689	\$141,653	\$212,341	\$74,896	\$304,227	\$8,243	\$230,283	\$31,030	\$7,944	\$8,244	\$118,077

Northwell Health, Inc.

Consolidating Statement of Operations
For the Six Months Ended June 30, 2016 (Unaudited and in Thousands)

	Northwell Health, Inc. Total	Eliminations	Northwell Health Obligated Group	Phelps Memorial Hospital Association and Subsidiaries	Northern Westchester Hospital Association and Subsidiaries	Peconie Bay Medical Center (*)	The Long Island Home	Hospice Care Network	The Feinstein Institutes for Medical Research	Northwell Health Foundation	Northwell Health Laboratories	Regional Insurance Company	Dolan Family Health Center	Health Insurance Companies	Endoscopy Center of Long Island	Garden City SurgCenter	South Shore Surgery Center	Other Northwell Health Entities	
Operating revenue:																			
Net patient service revenue	\$3,732,766	(859,099)	\$3,339,235	\$110,897	\$128,918	\$73,721	\$57,999	\$23,321	\$38	\$-	\$-	\$-	\$2,280	\$-	\$8,657	\$4,321	\$3,259	\$39,219	
Physician practice revenue	620,731	(22,744)	478,809	13,660	4,673	2,017	1,113	-	-	-	-	-	-	-	-	-	-	143,203	
Provision for bad debts	(60,842)	9	(51,941)	(930)	(2,576)	(1,431)	(1,098)	(105)	(1,431)	-	(455)	-	(1)	-	-	-	-	(2,314)	
Total patient revenue, net of provision for bad debts	4,292,655	(81,834)	3,766,103	123,627	131,015	74,307	58,014	23,216	38	-	(455)	-	2,279	-	8,657	4,321	3,259	180,108	
Other operating revenue	248,162	(317,361)	249,569	4,346	3,127	1,940	245	-	23,728	-	171,433	6,097	1,066	5,018	-	-	-	98,954	
Net health insurance premium revenue	253,545	(275)	19,898	215	329	-	-	424	7,540	-	-	-	110	253,818	-	-	-	-	
Net assets released from restrictions used for operations	4,822,876	(399,470)	4,035,570	128,188	134,471	76,247	58,259	23,640	31,306	-	170,978	6,097	3,455	258,836	8,657	4,321	3,259	279,062	
Total operating revenue																			
Operating expenses:																			
Salaries	2,302,818	(34,130)	1,925,613	64,807	55,875	30,781	33,753	9,650	27,496	-	37,564	-	1,989	14,776	981	1,096	666	131,901	
Employee benefits	606,410	(20,617)	515,967	19,073	16,381	8,613	11,507	2,523	8,617	-	12,778	-	819	2,971	219	196	97	27,266	
Supplies and expenses	1,588,742	(341,375)	1,233,470	34,777	47,762	31,644	12,092	10,382	13,271	-	109,713	6,097	1,162	2,885,577	2,514	2,002	1,248	135,406	
Depreciation and amortization	203,563	-	181,185	5,469	5,692	2,614	1,373	166	2,948	-	881	-	45	282	10	38	47	2,813	
Interest	54,860	(288)	51,523	669	878	1,174	871	-	-	-	-	-	-	-	-	-	-	33	
Total operating expenses	4,756,393	(396,410)	3,907,758	124,795	126,588	74,826	59,596	22,721	52,332	-	160,936	6,097	4,015	306,606	3,724	3,332	2,091	297,386	
Excess (deficiency) of operating revenue over operating expenses	66,483	(3,060)	127,812	3,393	7,883	1,421	(1,337)	919	(21,026)	-	10,042	-	(560)	(47,770)	4,933	989	1,168	(18,324)	
Non-operating gains and losses:																			
Investment income	16,442	-	15,933	121	41	48	27	292	9	(21)	(33)	83	-	-	(13)	(11)	(5)	(29)	
Change in net unrealized gains and losses and change in value of equity method investments	50,862	-	43,936	422	433	(654)	-	575	8	(23)	-	5,252	-	913	-	-	-	-	
Change in interest in acquired entities	-	(29,220)	30,688	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,468)	
Change in fair value of interest rate swap agreements designated as derivative instruments	190	-	190	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Contribution received in the acquisition of Peconic Bay Medical Center	36,370	-	36,370	-	-	-	-	286	-	-	-	-	-	-	-	-	-	-	
Other non-operating gains and losses	(4,319)	-	1,729	(143)	-	-	-	-	-	(6,512)	-	-	-	-	-	-	-	152	
Total non-operating gains and losses	99,545	(29,220)	128,846	712	331	(606)	27	1,153	17	(6,556)	(33)	5,335	-	913	(13)	(11)	(5)	(1,345)	
Excess (deficiency) of revenue and gains and losses over expenses	166,028	(32,280)	256,658	4,105	8,214	815	(1,310)	2,072	(21,009)	(6,556)	10,009	5,335	(560)	(46,857)	4,920	978	1,163	(19,669)	
Net assets released from restrictions for capital asset acquisitions as cash flow hedges	24,573	-	23,917	23	-	-	-	-	633	-	-	-	-	-	-	-	-	-	
Change in fair value of interest rate swap agreements designated as cash flow hedges	(776)	-	392	-	-	(1,010)	(158)	-	-	-	-	-	-	-	-	-	-	-	
Recovery of fair value of endowment corpus	502	-	119	-	-	-	-	-	325	58	-	-	-	-	-	-	-	-	
Transfers (to) from affiliates	-	3,060	(110,558)	-	15,000	-	-	-	20,387	6,000	(3,060)	-	-	57,100	(5,100)	-	(685)	12,071	
Other changes in net assets	(3,280)	4,903	-	(181)	-	122	-	-	-	-	-	-	-	(550)	-	(813)	-	(976)	
Increase (decrease) in unrestricted net assets	\$187,047	(\$24,317)	\$170,528	\$3,947	\$23,214	(\$73)	(\$1,468)	\$2,072	\$336	(\$498)	\$6,949	\$5,335	(\$560)	\$9,693	(\$180)	\$165	\$478	(\$8,574)	

(*) Peconic Bay Medical Center's operating results above are from the January 15, 2016 acquisition date.

Not-for-Profit Corporation

Division

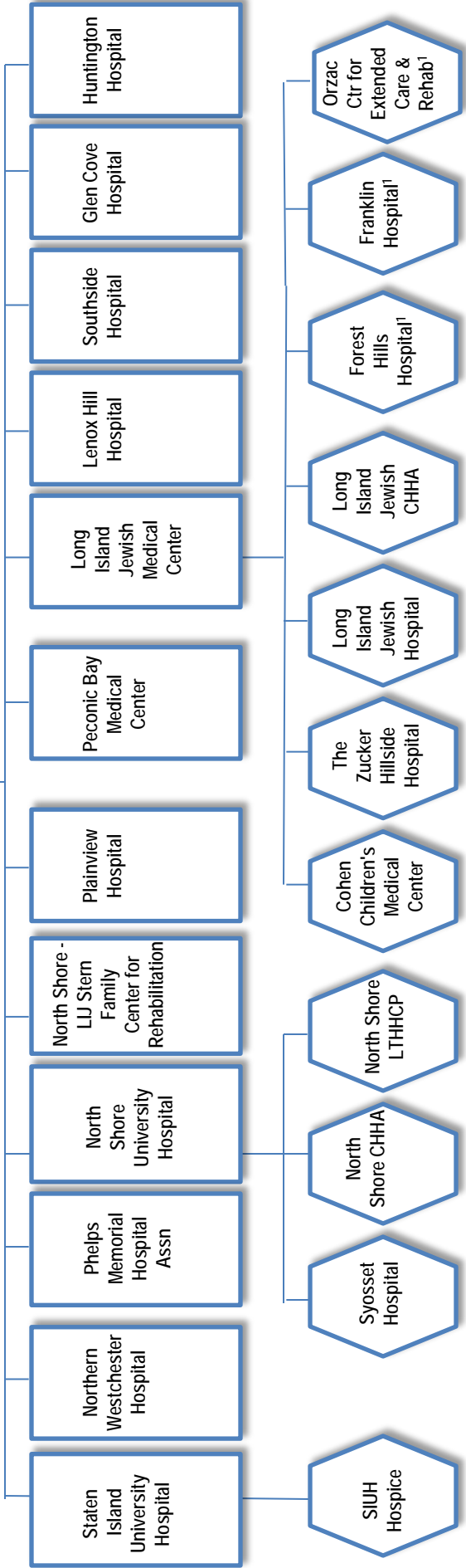
North Shore-Long Island Jewish Health System, Inc. Table of Organization

Proposed

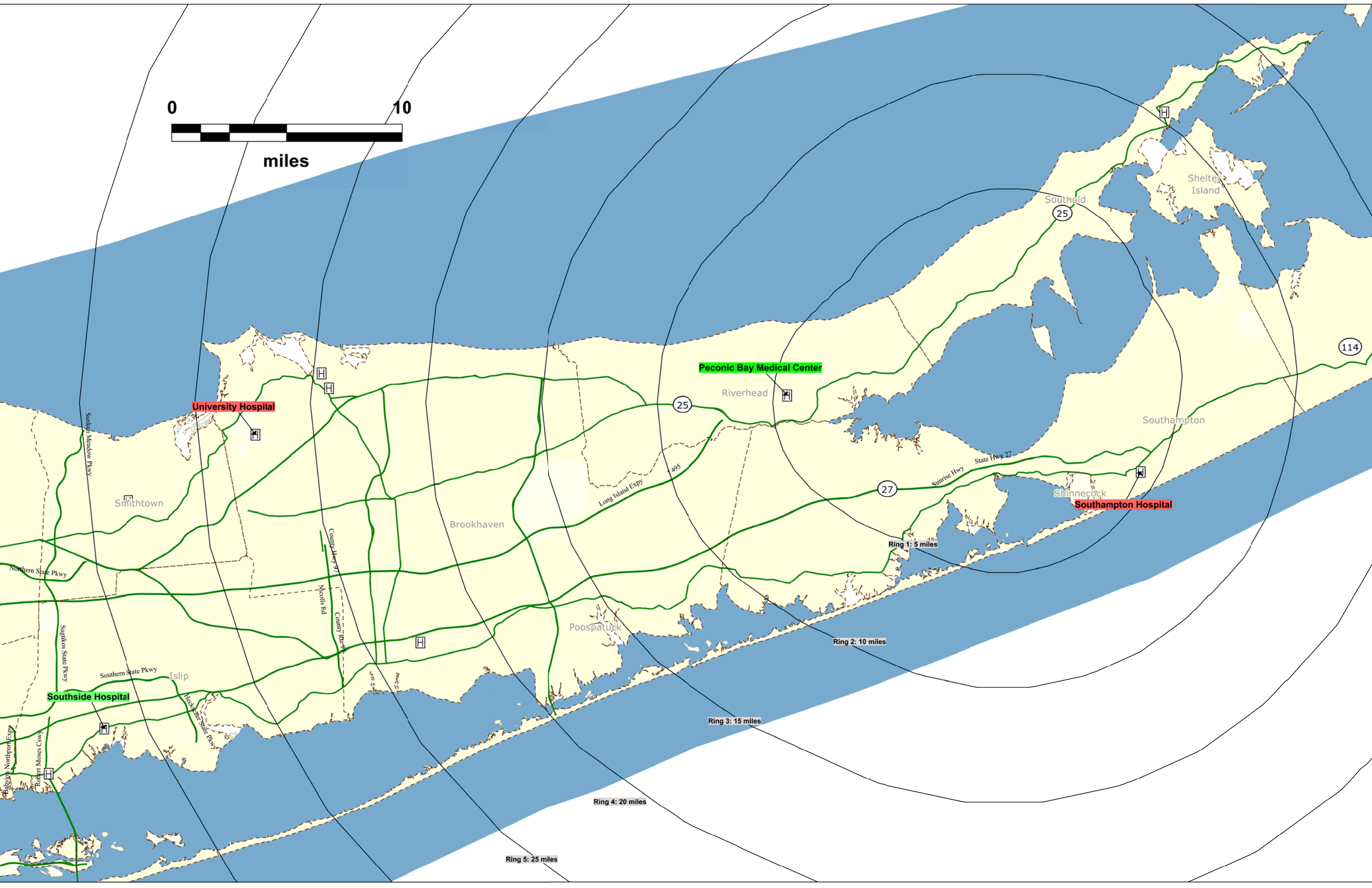
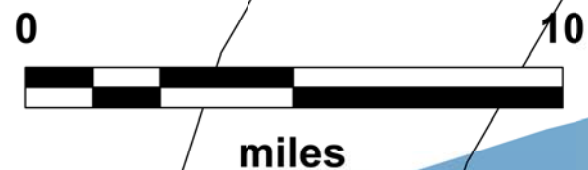
North Shore – Long Island Jewish Health System, Inc.

Long Island Home
North Shore-Long Island Jewish Health System Laboratories
RegionCare, Inc.
Hospice Care Network

North Shore – Long Island Jewish Health Care, Inc.



¹ Pending contingent approval of CON# 142108.



University Hospital

Peconic Bay Medical Center

Southampton Hospital

Southside Hospital

Ring 4: 20 miles

Ring 3: 15 miles

Ring 2: 10 miles

Ring 1: 5 miles

Ring 5: 25 miles

The Southampton Hospital Association and Affiliates

Consolidated Balance Sheet
(with comparative totals for 2014)

December 31,	2015	2014
Assets		
Current:		
Cash and cash equivalents	\$ 6,911,302	\$ 9,257,300
Investments, at fair value	9,039,581	9,856,296
Accounts receivable, less estimated allowance for uncollectible accounts of \$9,303,034 and \$7,113,157 for 2015 and 2014, respectively	18,969,134	16,399,781
Other receivables, net	1,264,733	1,551,137
Inventories	3,088,612	2,178,901
Prepaid expenses and other current assets	850,361	565,178
Due from third-party payors	3,033,025	-
Assets limited or restricted as to use, current portion	1,553,000	1,707,583
Total Current Assets	44,709,748	41,516,176
Assets Limited or Restricted as to Use, Net of Current Portion	9,985,405	10,000,516
Bond Issuance Costs, Net	807,617	866,353
Other Assets	50,595	155,318
Property and Equipment, Net	59,188,222	57,460,673
	\$114,741,587	\$109,999,036
Liabilities and Net Assets		
Current Liabilities:		
Current installments of long-term debt	\$ 1,758,344	\$ 1,267,960
Accounts payable and accrued expenses	18,632,611	14,502,431
Accrued payroll and related withholdings	3,228,834	3,516,878
Accrued pension liability - current portion	1,102,412	947,207
Accrued compensated absences	3,813,394	3,549,106
Due to third-party payors	7,046,783	7,847,838
Malpractice self-insurance liability - current portion	1,553,000	1,553,000
Bond interest payable	110,736	104,222
Line of credit	2,175,434	1,321,457
Total Current Liabilities	39,421,548	34,610,099
Long-term Debt, Net of Current Portion	37,910,728	37,705,187
Malpractice Self-Insurance Liability, Net of Current Portion	5,588,000	5,221,000
Accrued Pension Liability, Net of Current Portion	7,655,483	5,416,081
Total Liabilities	90,575,759	82,952,367
Commitments and Contingencies		
Net Assets		
Unrestricted	19,469,637	21,767,153
Temporarily restricted	1,862,174	2,445,499
Permanently restricted	2,834,017	2,834,017
Total Net Assets	24,165,828	27,046,669
	\$114,741,587	\$109,999,036

The Southampton Hospital Association and Affiliates

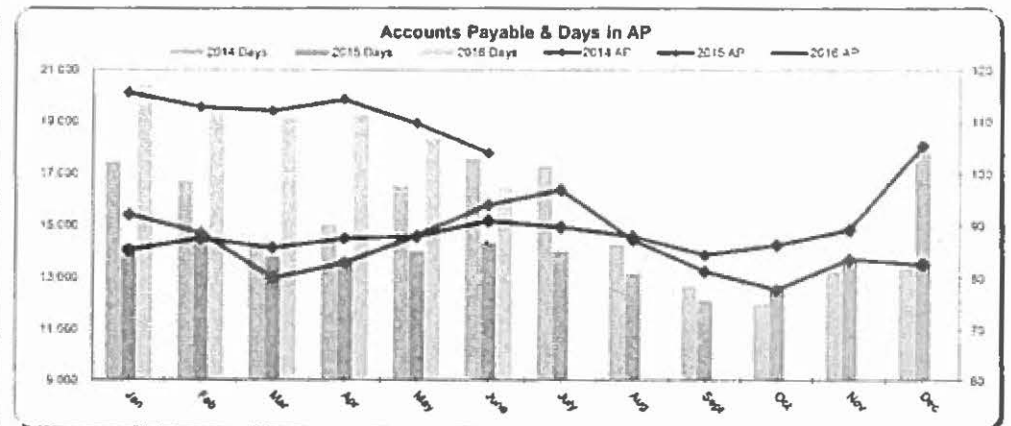
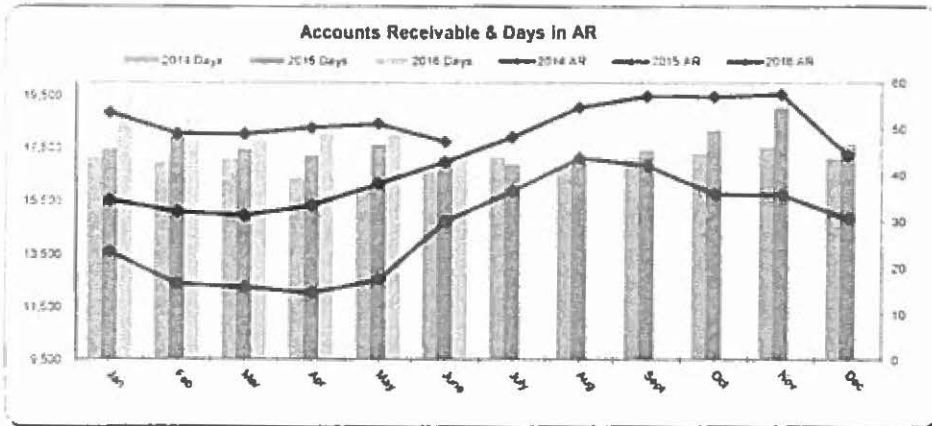
Consolidated Statement of Operations
(with comparative totals for 2014)

<i>Year ended December 31,</i>	2015	2014
Unrestricted Revenues, Gains and Other Support:		
Net patient service revenue	\$155,562,571	\$144,036,909
Less: Provision for uncollectibles, net	(6,929,253)	(5,456,070)
	148,633,318	138,580,839
Other revenue	4,163,533	6,392,499
Investment income, net	703,542	987,244
Contributions	3,813,308	3,931,993
Net assets released from restrictions	1,033,447	1,050,349
Total Unrestricted Revenues, Gains and Other Support	158,347,148	150,942,924
Expenses		
Salaries and fees	74,882,869	67,851,734
Employees' health and welfare	24,054,759	22,647,763
Supplies and other	50,778,771	46,626,488
Depreciation and amortization	7,002,240	6,444,071
Interest expense	1,501,856	2,469,641
Total Expenses	158,220,495	146,039,697
Excess of Revenues, Gains and Other Support Over Expenses	126,653	4,903,227
Other Changes in Unrestricted Net Assets:		
Change in unfunded pension obligation	(2,249,402)	(2,940,069)
Loss on bond extinguishment	-	(1,222,344)
Net change in unrealized (losses) gains on investments	(745,749)	136,645
Net assets released from restrictions used for capital acquisitions	570,982	4,116,069
(Decrease) Increase in Unrestricted Net Assets	\$ (2,297,516)	\$ 4,993,528

THE SOUTHAMPTON HOSPITAL ASSOCIATION AND SUBSIDIARY
Consolidated Balance Sheets
 As of June 30, 2016 and December 31, 2015

ASSETS					
	MTD Actual	Fav (Unfav) variance from:			
		Prior Month		Prior Year End	
		\$	%	\$	%
Current Assets:					
Cash and cash equivalents	\$ 2,036,756	\$ 1,065,000	110	\$ (4,678,000)	(70)
Short-term investments	8,890,839	14,000	0	(149,000)	(2)
Accounts receivable, net	17,768,456	(680,000)	(4)	497,000	3
Other receivables	1,435,438	55,000	4	435,000	43
Inventories	2,944,890	5,000	0	(144,000)	(5)
Prepaid expenses and other assets	1,730,101	(28,000)	(2)	892,000	106
Due from third-party payors	2,735,096	85,000	3	(298,000)	(10)
Due from Affiliates	3,327,067	-	0	200,000	6
Assets limited as to use - current portion:					
Malpractice self-insurance trust	1,553,000	-	0	-	0
Debt service fund	-	-	0	-	0
Senes 2014 Project Fund	-	-	0	-	0
Total current assets	42,421,643	516,000	1	(3,245,000)	(7)
Assets limited as to use - long term portion:					
Malpractice self-insurance trust	5,587,502	-	0	-	0
Debt service reserve fund	-	-	0	-	0
Temporarily restricted net assets	803,459	-	0	-	0
Permanently restricted net assets	2,834,017	-	0	-	0
Total assets limited as to use	9,224,978	-	0	-	0
Property and equipment, net	83,015,484	1,219,000	2	4,221,000	7
Bond discount and issuance costs, net	778,249	(5,000)	(1)	(29,000)	(4)
Other assets, net	12,478	-	0	-	0
Total assets	\$ 115,452,833	\$ 1,730,000	2	\$ 947,000	1

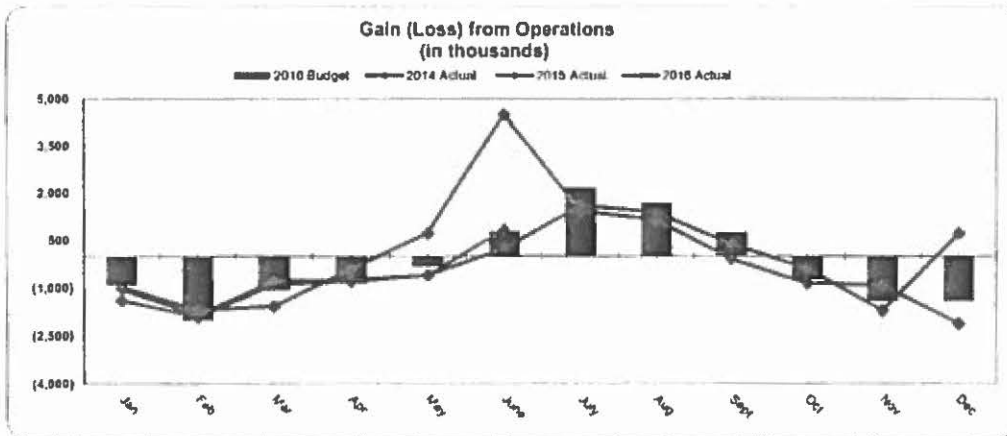
LIABILITIES AND NET ASSETS					
	MTD Actual	Fav (Unfav) variance from:			
		Prior Month		Prior Year End	
		\$	%	\$	%
Current liabilities:					
Current installments of debt	\$ 4,178,565	\$ (73,000)	(2)	\$ (245,000)	(6)
Accounts payable and accrued expenses	17,812,445	1,136,000	6	275,000	2
Accrued bond interest payable	97,708	(98,000)	(3)	13,000	12
Accrued payroll and related items	4,863,215	(474,000)	(11)	(617,000)	(15)
Accrued benefits payable	4,003,121	(6,000)	(0)	(190,000)	(5)
Due to third-party payors and patients	7,521,077	217,000	3	(474,000)	(7)
Malpractice self-insurance liability - current portion	1,553,000	-	0	-	0
Due to Affiliates	-	-	0	3,000,000	100
Total current liabilities	40,029,131	702,000	2	1,762,000	4
LTD, net of current portion	39,162,194	(1,236,000)	(3)	(1,251,000)	(3)
LTD, net of current portion, non-union pension	7,615,359	7,000	0	40,000	0
Malpractice self-insurance liability, net of current portion	5,912,945	(58,000)	(1)	(325,000)	(6)
Total liabilities	92,719,629	(585,000)	(1)	226,000	0
Net assets (deficit):					
Unrestricted	19,095,728	1,145,000	6	1,172,000	7
Temporarily restricted	803,459	-	0	-	0
Permanently restricted	2,834,017	-	0	-	0
Total net assets (deficit)	22,733,204	1,145,000	5	1,172,000	5
Total liabilities and net assets (deficit)	\$ 115,452,833	\$ (1,730,000)	(2)	\$ (947,000)	(1)

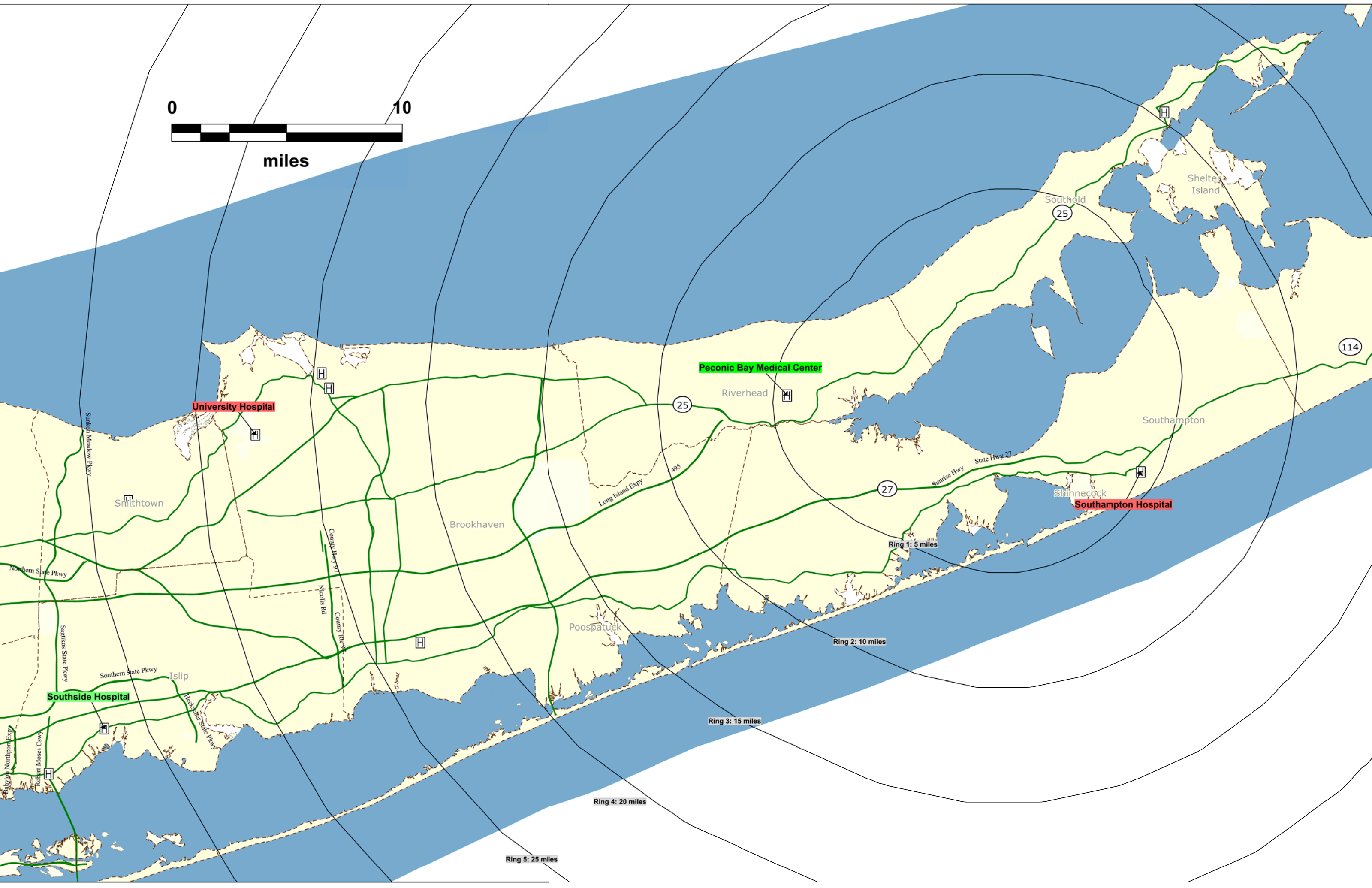
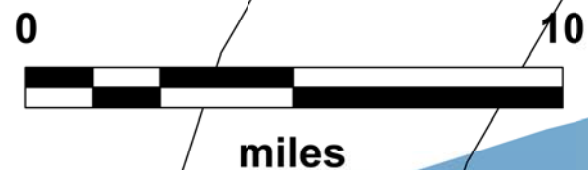


THE SOUTHAMPTON HOSPITAL ASSOCIATION AND SUBSIDIARY
 Consolidated Statement of Operations
 For the 6 months ended June 30, 2016

BFA Attachment
 B(Cont'd)
 CON 161168

Month of June 2016					For the 6 months ended June 30, 2016					
Fav.(Unfav) variance from:				MTD Actual		YTD Actual	Fav.(Unfav) variance from:			
Prior Year		Budget					Budget	Prior Year		
\$	%	\$	%			\$	%	\$	%	
\$ 1,038,000	18	\$ 482,000	8	\$ 6,666,054	Unrest'd revenues, gains & other:	\$35,036,160	239,000	1	\$ 3,416,000	11
217,000	3	(195,000)	(3)	7,112,872	Net patient svc revenue - I/P	35,904,029	144,000	0	2,384,000	7
(8,000)	(2)	-	0	(449,360)	Net patient svc revenue - O/P	(2,349,866)	-	0	(33,000)	(1)
1,247,000	10	287,000	2	13,329,576	Net assets released - operations	68,580,223	383,000	1	5,767,000	9
(55,000)	(16)	7,000	2	287,847	Other revenue	1,582,177	(61,000)	(4)	(523,000)	(25)
60,000	112	49,000	76	113,679	Net revenues	832,730	20,000	2	484,000	139
1,252,000	10	343,000	3	13,731,102	Total revenues	70,985,130	342,000	0	5,728,000	9
(287,000)	(5)	(102,000)	(2)	5,913,030	Expenses:	34,771,339	(276,000)	(1)	(2,727,000)	(9)
(116,000)	(6)	5,000	0	1,893,589	Salaries and wages	12,048,085	41,000	0	(654,000)	(8)
(195,000)	(5)	(178,000)	(4)	4,212,871	Employee benefits	23,820,520	44,000	0	(846,000)	(4)
(50,000)	(9)	-	0	633,333	Supplies and expenses	3,799,898	-	0	(300,000)	(9)
-	0	4,000	3	127,200	Depreciation and amortization	753,091	17,000	2	(25,000)	(3)
(648,000)	(5)	(271,000)	(2)	12,880,023	Interest expense	75,193,033	(174,000)	(0)	(4,752,000)	(7)
604,000	246	72,000	9	851,079	Total expenses	(4,207,903)	168,000	4	976,000	19
(60,000)	(53)	(5,000)	(9)	52,839	Gain (Loss) from operations	4,950,924	3,011,000	155	2,971,000	150
-	0	-	0	181,666	Non operating gains:	148,873	(200,000)	(57)	(331,000)	(69)
-	0	-	0	191,666	Investment income, net	4,280,689	3,131,000	272	3,131,000	272
87,000	0	77,000	770	87,314	Contributions & bequests	-	0	0	-	0
-	0	-	0	-	Gain on Sale of Property	520,362	80,000	18	171,000	49
27,000	9	72,000	28	331,819	EHR Grant	-	-	0	-	0
631,000	115	144,000	14	1,182,898	HEAL NY	-	-	0	-	0
-	0	-	n/a	-	Total non operating gains	4,950,924	3,011,000	155	2,971,000	150
274,000	88	(38,000)	n/a	(38,314)	Excess (Deficiency) of revenues over expenses	743,021	3,179,000	130	3,947,000	123
-	0	-	n/a	-	Other changes in net assets	351,163	351,000	n/a	(206,000)	(37)
-	0	-	n/a	-	Net assets released - capital	-	-	n/a	-	0
-	0	-	n/a	-	Minimum pension liability	77,911	78,000	n/a	327,000	131
-	0	-	n/a	-	Change in unrealized gain (loss)	-	-	n/a	-	0
-	0	-	n/a	-	Other Non-Operating Income	-	-	n/a	-	0
					Equity Transfer	-	-	n/a	-	0
\$ 905,000	382	\$ 106,000	10	\$ 1,144,584	Inc (Decr) in unrestricted net assets	\$ 1,172,095	\$ 3,608,000	148	\$ 4,068,000	140





University Hospital

Peconic Bay Medical Center

Southside Hospital

Southampton Hospital

Ring 4: 20 miles

Ring 5: 25 miles

Ring 3: 15 miles

Ring 2: 10 miles

Ring 1: 5 miles

Smithtown

Brookhaven

Poospatuck

Riverhead

Southampton

Shinnecock

Southold

Shelter Island

Sunken Meadow Pkwy
Northern State Pkwy
Sagtikos State Pkwy
Babylon Northport Expy
Robert Moses Cswy

County Hwy 97
Nicolls Rd
County Hwy 93
Peconic State Pkwy

Long Island Expy
495

State Hwy 27
Sunrise Hwy

114

25

25

Weill Cornell Imaging at New York-Presbyterian

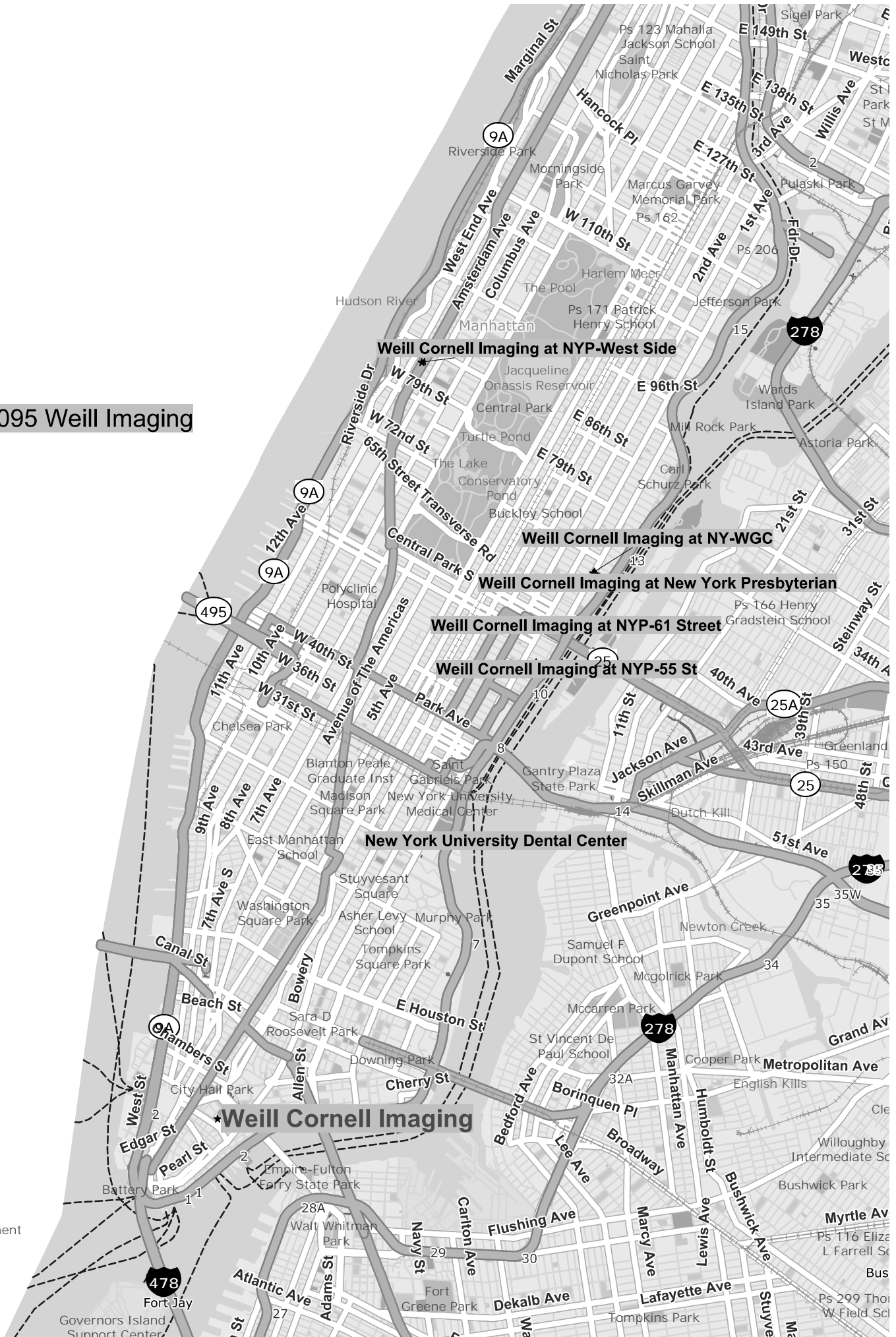
Statements of Financial Position

	December 31	
	2015	2014
	<i>(In Thousands)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 31,001	\$ 28,841
Patient accounts receivable, less allowance for uncollectibles (\$3,269 in 2015 and \$3,538 in 2014)	14,926	10,435
Prepaid expense – related organizations	285	425
Total current assets	<u>46,212</u>	<u>39,701</u>
Fixed assets and leasehold improvements – net	18,943	13,549
General and professional liabilities insurance recoveries receivable	1,850	1,341
Total assets	<u>\$ 67,005</u>	<u>\$ 54,591</u>
Liabilities and net assets		
Accounts payable	\$ –	\$ 116
Deferred rent payable – related organizations	945	907
Accrued expenses	3,588	3,097
Total current liabilities	<u>4,533</u>	<u>4,120</u>
General and professional liabilities	2,630	1,971
Total liabilities	<u>7,163</u>	<u>6,091</u>
Commitments and contingencies		
Net assets:		
Unrestricted	59,842	48,500
Total liabilities and net assets	<u>\$ 67,005</u>	<u>\$ 54,591</u>

Weill Cornell Imaging at New York-Presbyterian
Statements of Operations and Changes in Net Assets

	Year Ended December 31	
	2015	2014
	<i>(In Thousands)</i>	
Operating revenue		
Net patient service revenue	\$ 107,192	\$ 97,360
Other revenue	40	3
Total operating revenue	<u>107,232</u>	<u>97,363</u>
Operating expenses		
Purchased services – salaries and benefits	42,140	36,612
Purchased services – supplies and other expenses	19,711	18,788
Supplies and other expenses	7,186	5,990
Depreciation and amortization	1,329	1,053
Provision for bad debts	5,524	5,305
Total operating expenses	<u>75,890</u>	<u>67,748</u>
Excess of operating revenue over operating expenses	31,342	29,615
Distributions to related organizations	(20,000)	(30,000)
Increase (decrease) in net assets	<u>11,342</u>	<u>(385)</u>
Net assets at beginning of year	48,500	48,885
Net assets at end of year	<u>\$ 59,842</u>	<u>\$ 48,500</u>

162095 Weill Imaging



Good Shepherd Hospice
Comparative Balance Sheets
(\$ In thousands)

<u>ASSETS</u>	<u>8/31/16</u>	<u>12/31/15</u>	<u>LIABILITIES AND NET ASSETS</u>	<u>8/31/16</u>	<u>12/31/15</u>
Current assets:			Current liabilities:		
Cash and cash equivalents	\$ 5,547	\$ 6,230	Current portion of long-term debt	\$ -	\$ -
Investments	-	-	Accounts payable and accrued expenses	3,489	4,403
Patient accounts receivable (Less allowance for uncollectible of \$450 (2016) and \$520 (2015))	3,649	4,148	Accrued salaries, related withholdings, and benefits	1,192	1,169
Other Receivables	-	-	Current portion of other self-insured liabilities	514	432
Inventories	-	-	Current portion of estimated third party payor and other liabilities, net	-	-
Prepaid expenses and other current assets	186	147	Current portion of estimated malpractice liabilities	-	-
Due from related parties	<u>1,979</u>	<u>1,795</u>	Due to related parties, net	2,574	1,672
Total current assets	<u>11,361</u>	<u>12,320</u>	Due to affiliates	<u>-</u>	<u>-</u>
Assets whose use is limited:			Total current liabilities	<u>7,769</u>	<u>7,676</u>
Board designated investments	-	-	Long-term debt, net of current portion	-	-
Restricted funds	430	338	Other long-term liabilities, net of current portion	92	92
Total assets whose use is limited	<u>430</u>	<u>338</u>	Estimated malpractice liability, net of current portion	187	187
Less assets limited as to use and required for current liabilities	<u>-</u>	<u>-</u>	Due to related parties, net of current portion	<u>2,261</u>	<u>2,261</u>
	430	338	Total Liabilities	<u>10,309</u>	<u>10,216</u>
Insurance claims receivable	187	187	Net Assets:		
Property and equipment, net	<u>3,443</u>	<u>3,594</u>	Unrestricted	4,682	5,885
Total assets	<u>\$ 15,421</u>	<u>\$ 16,439</u>	Temporarily restricted	412	320
			Permanently restricted	<u>18</u>	<u>18</u>
			Total net assets	<u>5,112</u>	<u>6,223</u>
			Total liabilities and net assets	<u>\$ 15,421</u>	<u>\$ 16,439</u>

Good Shepherd Hospice
Statements of Operations
August 31, 2016
(In thousands)

Month end August					Eight months ended August					
2016 Actual	2016 Budget	Budget Variances	2015 Actual	Increase/ (Decrease)		2016 Actual	2016 Budget	Budget Variances	2015 Actual	Increase/ (Decrease)
					Unrestricted revenues, gains, and other support:					
2,883	3,309	(426)	3,010	(127)	Net patient service revenue	23,084	25,456	(2,372)	23,758	(674)
16	(34)	50	(29)	45	Provision for bad debts, net	(155)	(255)	100	(233)	78
2,899	3,275	(376)	2,981	(82)	Net patient service revenue less provision for bad debts	22,929	25,201	(2,272)	23,525	(596)
17	27	(10)	16	1	Other Revenue	160	211	(51)	134	26
35	41	(6)	32	3	Unrestricted contributions	185	219	(34)	129	56
2	-	2	2	-	Net assets released from restrictions used for operations	9	-	9	86	(77)
2,953	3,343	(390)	3,031	(78)	Total revenues, gains, and other support	23,283	25,631	(2,348)	23,874	(591)
					Expenses:					
1,238	1,387	149	1,248	(10)	Salaries	10,196	10,795	599	9,848	348
559	512	(47)	459	100	Employee benefits	4,874	4,035	(839)	3,622	1,252
1,128	1,255	127	1,281	(153)	Supplies and other expenses	8,490	9,697	1,207	9,566	(1,076)
12	11	(1)	15	(3)	Insurance	99	88	(11)	120	(21)
37	41	4	36	1	Depreciation and amortization	302	331	29	286	16
-	-	-	-	-	Interest	-	-	-	-	-
41	41	-	40	1	Finance and technology services	317	327	10	316	1
18	18	-	18	-	CHSLI corporate office allocation	148	148	-	141	7
3,033	3,265	232	3,097	(64)	Total expenses	24,426	25,421	995	23,899	527
(80)	78	(158)	(66)	(14)	Operating (loss) income	(1,143)	210	(1,353)	(25)	(1,118)
					Nonoperating gains (losses):					
-	-	-	1	(1)	Investment income	7	-	7	3	4
-	-	-	-	-	Change in unrealized gains on trading investments, net	2	-	2	-	2
(80)	78	(158)	(65)	(15)	(Deficiency) excess of revenues, gains, and other support over expenses	(1,134)	210	(1,344)	(22)	(1,112)
					Transfers to (from) related parties:					
(8)	(8)	-	(2)	(6)	CHS Services / CHSLI	(69)	(69)	-	(11)	(58)
-	-	-	-	-	Other Related Party Transfers	-	-	-	-	-
(88)	70	(158)	(67)	(21)	(Decrease) increase in unrestricted net assets	(1,203)	141	(1,344)	(33)	(1,170)

Good Shepherd Hospice
Statements of Operations
December 31, 2015
(In thousands)

Month end December					Twelve months ended December					
2015 Actual	2015 Budget	Budget Variances	2014 Actual	Increase/ (Decrease)		2015 Actual	2015 Budget	Budget Variances	2014 Actual	Increase/ (Decrease)
					Unrestricted revenues, gains, and other support:					
3,140	3,699	(559)	3,238	(98)	Net patient service revenue	36,172	43,755	(7,583)	36,373	(201)
67	(29)	96	(81)	148	Provision for bad debts, net	(262)	(350)	88	(246)	(16)
3,207	3,670	(463)	3,157	50	Net patient service revenue less provision for bad debts	35,910	43,405	(7,495)	36,127	(217)
17	17	-	17	-	Other Revenue	203	200	3	206	(3)
72	13	59	56	16	Unrestricted contributions	265	205	60	264	1
1	-	1	3	(2)	Net assets released from restrictions used for operations	93	-	93	13	80
3,297	3,700	(403)	3,233	64	Total revenues, gains, and other support	36,471	43,810	(7,339)	36,610	(139)
					Expenses:					
1,325	1,490	165	1,237	88	Salaries	15,111	16,814	1,703	14,080	1,031
543	495	(48)	462	81	Employee benefits	6,459	5,600	(859)	4,768	1,691
989	1,592	603	1,539	(550)	Supplies and other expenses	14,170	18,977	4,807	15,656	(1,486)
12	15	3	17	(5)	Insurance	174	178	4	166	8
36	39	3	37	(1)	Depreciation and amortization	426	471	45	447	(21)
-	-	-	-	-	Interest	-	-	-	-	-
27	39	12	34	(7)	Finance and technology services	456	474	18	446	10
(12)	18	30	(1)	(11)	CHSLI corporate office allocation	181	211	30	182	(1)
2,920	3,688	768	3,325	(405)	Total expenses	36,977	42,725	5,748	35,745	1,232
377	12	365	(92)	469	Operating income (loss)	(506)	1,085	(1,591)	865	(1,371)
					Nonoperating gains (losses):					
1	-	1	1	-	Investment income	5	-	5	4	1
-	-	-	-	-	Change in unrealized gains on trading investments, net	-	-	-	-	-
378	12	366	(91)	469	Excess (deficiency) of revenues, gains, and other support over expenses	(501)	1,085	(1,586)	869	(1,370)
					Transfers to (from) related parties:					
(8)	(1)	(7)	(8)	-	CHS Services / CHSLI	(23)	(16)	(7)	(43)	20
-	-	-	1	(1)	Other Related Party Transfers	-	-	-	-	-
370	11	359	(98)	468	Increase (decrease) in unrestricted net assets	(524)	1,069	(1,593)	826	(1,350)

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidated Balance Sheets

December 31, 2015 and 2014

(In thousands)

Assets	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash equivalents	\$ 182,292	183,931
Investments	447,226	413,966
Assets limited or restricted as to use	21,231	14,287
Patient accounts receivable, less allowance for uncollectible accounts of \$53,542 in 2015 and \$47,027 in 2014	243,237	239,230
Contributions receivable, net	3,523	2,736
Other receivables	37,747	35,176
Inventories	28,583	27,869
Prepaid expenses and other	14,816	16,108
Total current assets	<u>978,655</u>	<u>933,303</u>
Assets limited or restricted as to use:		
Board designated and other	76,350	81,049
Donor-restricted funds	32,302	33,446
Funded depreciation	259,231	249,399
Trustee held and other agreements	152,616	136,903
Captive assets	73,478	61,641
Total assets limited or restricted as to use	<u>593,977</u>	<u>562,438</u>
Less assets limited or restricted as to use and required for current liabilities	21,231	14,287
Total assets limited or restricted as to use, net	572,746	548,151
Contributions receivable, net of current portion	9,807	5,944
Other assets, net	32,949	25,554
Insurance claims receivable	166,799	156,446
Property, plant, and equipment, net	794,941	815,279
Total assets	<u>\$ 2,555,897</u>	<u>2,484,677</u>

Project 162096
BFA Attachment B (Cont.)

Liabilities and Net Assets	<u>2015</u>	<u>2014</u>
Current liabilities:		
Current portion of long-term debt	\$ 31,039	25,655
Accounts payable and accrued expenses	169,131	168,393
Accrued salaries, related withholdings, and benefits	137,504	134,502
Current portion of other self-insured liabilities	30,081	34,083
Current portion of estimated third-party payor liabilities	54,861	56,191
Other liabilities	22,652	11,189
Total current liabilities	<u>445,268</u>	<u>430,013</u>
Long-term debt, net of current portion	502,857	547,621
Estimated third-party payor liabilities, net of current portion	34,569	39,084
Other self-insured liabilities, net of current portion	128,459	110,465
Estimated malpractice liabilities	218,048	210,565
Other long-term liabilities	64,152	62,973
Total liabilities	<u>1,393,353</u>	<u>1,400,721</u>
Net assets:		
Unrestricted		
Catholic Health Services of Long Island	1,115,242	1,041,830
Noncontrolling interests	1,670	—
Total unrestricted	<u>1,116,912</u>	<u>1,041,830</u>
Temporarily restricted	41,567	38,073
Permanently restricted	4,065	4,053
Total net assets	<u>1,162,544</u>	<u>1,083,956</u>
Commitments and contingencies		
Total liabilities and net assets	<u>\$ 2,555,897</u>	<u>2,484,677</u>

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidated Statements of Operations

Years ended December 31, 2015 and 2014

(In thousands)

	<u>2015</u>	<u>2014</u>
Unrestricted revenues, gains, and other support:		
Net patient services revenue before bad debts	\$ 2,176,185	2,050,333
Provision for bad debts, net	(43,548)	(29,603)
Net patient services revenue	2,132,637	2,020,730
Investment income, net	16,996	43,032
Contributions, net	3,452	4,459
Other revenue	123,986	122,231
Gain on sale of properties and programs, net	52,626	14,577
Net assets released from restrictions used for operations	1,314	1,245
Total revenues, gains, and other support	<u>2,331,011</u>	<u>2,206,274</u>
Expenses:		
Salaries	1,140,542	1,076,021
Employee benefits	346,407	326,860
Supplies and other expenses	597,723	571,646
Insurance	39,560	40,574
Depreciation, amortization, and impairment	99,497	109,913
Interest	21,107	18,875
Total expenses	<u>2,244,836</u>	<u>2,143,889</u>
Operating income before nonoperating losses	86,175	62,385
Nonoperating losses:		
Net unrealized losses on investments	(19,924)	(9,617)
Other nonoperating losses, net	(2,729)	(4,132)
Income attributable to noncontrolling interests	(748)	—
Excess of revenues, gains, and other support over expenses	62,774	48,636
Other changes in unrestricted net assets:		
Postretirement benefit plan changes other than net periodic benefit cost	243	(1,093)
Net assets released from restrictions used for purchases of property, plant, and equipment	8,433	7,537
Grant income for purchases of property, plant, and equipment	1,962	248
Increase in unrestricted net assets	<u>\$ 73,412</u>	<u>55,328</u>

Catholic Health Services of Long Island
August 31, 2016
Consolidated Balance Sheets
(In thousands)

<u>ASSETS</u>	<u>8/31/16</u>	<u>12/31/15</u>	<u>LIABILITIES AND NET ASSETS</u>	<u>8/31/16</u>	<u>12/31/15</u>
Current assets:			Current liabilities:		
Cash and cash equivalents	233,574	182,292	Short-term debt	—	—
Investments	483,195	446,628	Current installments of long-term debt	34,017	31,039
Current portion of assets limited as to use	5,014	21,231	Accounts payable and accrued expenses	166,504	185,386
Accounts receivable, less allowance for uncollectible	273,283	243,237	Accrued salaries and vacation benefits	165,259	137,504
Contributions receivable, net	3,122	4,336	Other self insured liabilities	40,495	30,081
Other receivables	26,034	39,070	Third-party payor and other liabilities, net	64,837	62,555
Inventories	28,115	28,583	Due to affiliates	120	59
Prepaid expenses and other current assets	19,572	14,817			
Due from affiliates	179	32			
	<u>1,072,088</u>	<u>980,226</u>	Total current liabilities	<u>471,232</u>	<u>446,624</u>
Assets limited as to use:			Noncurrent liabilities:		
Board designated fund and other	78,017	76,418	Long-term debt, less current installments	473,739	502,857
Restricted Funds	38,519	32,234	Accrued third-party payable, net of current portion	34,443	34,569
Funded Depreciation	296,381	259,231	Other self insured liabilities, net	130,130	128,459
Trustee held and other agreements	80,465	105,078	Estimated malpractice liability	231,222	218,048
Bond indenture agreements	46,843	47,538	Other liabilities	64,626	64,152
Regulated Assets	95,431	73,478			
Total assets limited as to use	<u>635,656</u>	<u>593,977</u>	Total noncurrent liabilities	<u>934,160</u>	<u>948,085</u>
Assets limited as to use and required for current liabilities	<u>(5,014)</u>	<u>(21,231)</u>			
	<u>630,642</u>	<u>572,746</u>	Net assets:		
Due from affiliates	1,193	1,247	Unrestricted		
Contributions receivable, net	10,748	8,994	Attributable to CHS	1,215,836	1,115,242
Long-term investments	130	369	Attributable to noncontrolling interests	1,805	1,670
Other investments	365	332			
Other assets	30,467	31,599	Total Unrestricted Net Assets	<u>1,217,641</u>	<u>1,116,912</u>
Insurance claims receivable	166,799	166,799	Temporarily restricted	48,352	41,567
Property and equipment, net	763,018	794,941	Permanently restricted	4,065	4,065
			Total net assets	<u>1,270,058</u>	<u>1,162,544</u>
Total assets	<u>2,675,450</u>	<u>2,557,253</u>	Total liabilities and net assets	<u>2,675,450</u>	<u>2,557,253</u>

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidated Statements of Operations

August 31, 2016

(In thousands)

Month ended August 31				Eight months ended August 31			
2016			2015	2016			2015
Actual	Budget	Variances	Actual	Actual	Budget	Variances	Actual
\$ 193,996	\$ 182,861	\$ 11,135	\$ 166,897	Unrestricted revenues, gains, and other support:			
(3,103)	(3,140)	37	(2,858)	\$ 1,487,227	\$ 1,439,871	\$ 47,356	\$ 1,350,895
190,893	179,721	11,172	164,039	(24,031)	(24,501)	470	(26,605)
9,193	11,014	(1,821)	8,999	1,463,196	1,415,370	47,826	1,324,290
10,001	292	9,709	116	74,734	86,997	(12,263)	75,241
130	100	30	21	11,702	2,610	9,092	1,488
210,217	191,127	19,090	173,175	991	813	178	585
				1,550,623	1,505,790	44,833	1,401,604
90,799	92,467	1,668	83,817	Total revenues, gains, and other support			
28,889	29,195	306	26,591	Expenses:			
50,829	52,216	1,387	48,763	704,327	718,382	14,055	665,315
4,033	4,117	84	1,880	234,832	234,754	(78)	215,477
7,740	8,252	512	7,720	400,988	403,002	2,014	383,479
1,682	1,667	(15)	1,865	32,451	33,098	647	27,854
183,972	187,914	3,942	170,636	64,529	66,038	1,509	64,067
				13,396	13,330	(66)	14,186
				1,450,523	1,468,604	18,081	1,370,378
26,245	3,213	23,032	2,539	Total expenses			
(5,583)	(3,643)	(1,940)	(3,595)	Operating income (prior to consolidated performance of affiliated PC's)			
20,662	(430)	21,092	(1,056)	100,100	37,186	62,914	31,226
				(41,405)	(32,502)	(8,903)	(28,368)
				58,695	4,684	54,011	2,858
				Net effect of consolidation of affiliated PC's			
				Net operating income (loss)			
1,142	950	192	949	Nonoperating gains (losses):			
1,270	-	1,270	(26,018)	10,320	7,615	2,705	7,959
-	-	-	-	32,010	-	32,010	(15,471)
(18)	-	(18)	-	-	-	-	-
(43)	-	(43)	-	(18)	-	(18)	(138)
				(813)	-	(813)	-
23,013	520	22,493	(26,125)	Income attributable to noncontrolling interests			
				Excess (deficiency) of revenues, gains, and other support over expenses			
				100,194	12,299	87,895	(4,792)
				Other changes in unrestricted net assets:			
				Postretirement benefit plan changes other than net periodic benefit cost			
104	636	(532)	9	-	-	-	-
5	664	(659)	5	Net assets released from restrictions for purchase of property and equipment			
				291	5,068	(4,777)	1,275
				Grant income for purchases of property and equipment			
				109	5,310	(5,201)	313
\$ 23,122	\$ 1,820	\$ 21,302	\$ (26,111)	Increase (decrease) in unrestricted net assets			
				\$ 100,594	\$ 22,677	\$ 77,917	\$ (3,204)

United Hospice of Rockland, Inc.
Statements of Financial Position
June 30, 2016 and December 31, 2015

ASSETS	<u>6/30/2016</u>	<u>12/31/2015</u>
Current Assets:		
Cash and cash equivalents-unrestricted	\$ 1,342,029	\$ 1,825,138
Cash and cash equivalents-restricted	68,467	49,450
Investments-unrestricted	8,109,796	7,861,836
Accounts receivable, net of allowance for uncollectible amounts of \$75,000 and \$75,000	1,437,110	702,158
Promises to give-unrestricted	23,290	20,741
Promises to give-restricted	1,510	1,510
Contributions receivable from Charitable Lead Annuity Trust-restricted	25,833	25,833
Prepaid expenses-unrestricted	105,205	81,802
Total Current Assets	<u>11,113,240</u>	<u>10,568,468</u>
Property and equipment, net of accumulated depreciation of \$1,506,495 and \$1,374,428	7,009,705	7,135,549
Long-term and other assets:		
Contributions receivable from Charitable Lead Annuity Trust	103,405	129,238
Personal property	35,047	35,047
Total Other Assets	<u>138,452</u>	<u>164,285</u>
Total Assets	<u>\$ 18,261,397</u>	<u>\$ 17,868,302</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts payable	\$ 336,504	\$ 337,706
Accrued expenses	501,707	552,040
Reserve for vacation pay	262,766	234,652
Deferred revenue	10,075	
Total Current Liabilities	<u>1,111,052</u>	<u>1,124,398</u>
Total Liabilities	1,111,052	1,124,398
Net Assets		
Unrestricted	1,030,463	1,030,463
Board Designated:		
For Investment in Land, Buildings and Equipment	2,949,484	2,949,484
For Hospice Residence maintenance and improvement	1,500,000	1,500,000
For Hospice Residence Charitable Endowment Fund	1,300,000	1,300,000
For Administrative Office Maintenance improvement	1,147,273	1,147,273
For Hospice Development Fund	2,104,000	2,104,000
For Workers Compensation Reserve		
Operating Reserve	6,919,910	6,506,653
Total Unrestricted Net Assets	<u>16,951,130</u>	<u>16,537,873</u>
Temporarily Restricted	133,069	159,769
Permanently Restricted	66,146	46,262
Total Net Assets	<u>17,150,345</u>	<u>16,743,904</u>
Total Liabilities and Net Assets	<u>\$ 18,261,397</u>	<u>\$ 17,868,302</u>

United Hospice of Rockland, Inc.
Statement of Activities
For the Six Months Ended June 30, 2016 and 2015

	2016 Community Hospice	2016 Hospice Residence	2016 Total Unrestricted	2016 Temporarily Restricted	2016 Permanently Restricted	2016 Total	2015 Community Hospice	2015 Hospice Residence	2015 Total Unrestricted	2015 Temporarily Restricted	2015 Permanently Restricted	2015 Total
Revenues, support and gains:												
Gross patient service revenue	\$ 2,516,876	\$ 858,721	\$ 3,375,597			\$ 3,375,597	\$ 2,653,587	\$ 989,804	\$ 3,643,391			\$ 3,643,391
Less: addition to allowance for uncollectible accounts						0						0
Net patient service revenue	2,516,876	858,721	3,375,597			3,375,597	2,653,587	989,804	3,643,391			3,643,391
Fund raising:												
Special events revenue	264,263	1,875	266,138			266,138	262,901	4,431	267,332			267,332
Less: costs of direct benefits to donors	(68,662)		(68,662)			(68,662)	(91,790)		(91,790)			(91,790)
Net special events revenue	195,601	1,875	197,476			197,476	171,111	4,431	175,542			175,542
Grants	91,035		91,035			91,035	96,000		96,000			96,000
Contributions and memorials	142,804	21,949	164,753	\$ (600)	\$ 19,871	184,024	141,568	21,903	163,471	\$ 125		163,596
Bereavement support	450		450			450	1,100		1,100			1,100
Change in value of split interest agreement			0			0			0			0
Other income		680	680			660		1,105	1,105			1,105
Investment income	116,203		116,203		13	116,216	108,152		108,152	\$ 1		108,153
Net unrealized and realized gains(losses) on investments	182,151		182,151			182,151	24,382		24,382			24,382
Gain on asset conversion							48,096		48,096			48,096
Total Unrestricted Revenues, Support and Gains	3,245,120	883,205	4,128,325	(600)	19,884	4,147,609	3,243,996	1,017,243	4,261,239	125	1	4,261,365
Net assets released from restrictions and designations:												
Satisfaction of program restrictions	2,767	23,333	26,100	(26,100)		0	3,200	23,333	26,533	(26,533)		0
Total Unrestricted Revenues, Support, Gains and Other Support	3,247,887	906,538	4,154,425	(26,700)	19,884	4,147,609	3,247,196	1,040,576	4,287,772	(26,408)	1	4,261,365
Expenses:												
Program services	2,046,406	906,174	2,952,580			2,952,580	2,121,695	967,056	3,088,751			3,088,751
Support services:												
Management and general	621,779	52,396	674,175			674,175	592,840	54,436	647,276			647,276
Fund raising	114,412		114,412			114,412	131,355		131,355			131,355
Total support services	736,191	52,396	788,588	0	0	788,588	724,195	54,436	778,631	0	0	778,631
Total Program and Support Services Expenses	2,782,598	958,571	3,741,168	0	0	3,741,168	2,845,890	1,021,492	3,867,382	0	0	3,867,382
Change in net assets	465,289	(52,032)	413,257	(26,700)	19,884	406,441	401,306	19,064	420,390	(26,408)	1	393,983
Net assets at beginning of period			16,537,873	159,769	46,262	16,743,904			16,463,139	187,228	27,507	16,677,874
Net assets at end of period			\$ 16,951,130	\$ 133,069	\$ 66,146	\$ 17,150,345			\$ 16,883,529	\$ 160,820	\$ 27,508	\$ 17,071,857

United Hospice of Rockland, Inc.
Statement of Activities-Unrestricted
For the Six Months Ended June 30, 2018

	Actual Community Hospice	Actual Hospice Residence	Actual Total	Budget Community Hospice	Budget Hospice Residence	Budget Total
Revenues, support and gains:						
Gross patient service revenue	\$ 2,516,876	\$ 858,721	\$ 3,375,597	\$ 2,501,350	\$ 918,350	\$ 3,419,700
Less: addition to allowance for uncollectible accounts						
Net patient service revenue	2,516,876	858,721	3,375,597	2,501,350	918,350	3,419,700
Fund raising:						
Special events revenue	264,263	1,875	266,138	237,500		237,500
Less: costs of direct benefits to donors	(68,662)		(68,662)	(62,600)		(62,600)
Net special events revenue	195,601	1,875	197,476	174,900	0	174,900
Grants	91,035		91,035	100,250		100,250
Contributions and memorials	142,804	21,949	164,753	136,000	22,500	158,500
Bereavement support	450		450	1,500		1,500
Change in value of split interest agreement	0		0			0
Other income	0	660	660			0
Investment income	116,203	0	116,203	101,700		101,700
Net unrealized and realized gains(losses) on Investments	182,151		182,151			
Total Unrestricted Revenues, Support and Gains	3,245,120	883,205	4,128,325	3,015,700	940,850	3,956,550
Net assets released from restrictions and designations:						
Satisfaction of program restrictions	2,767	23,333	26,100			
Total Unrestricted Revenues, Support, Gains and Other Support	3,247,887	906,538	4,154,425	3,015,700	940,850	3,956,550
Expenses:						
Program services	2,046,406	906,174	2,952,580	2,289,564	984,862	3,274,425
Support services:						
Management and general	621,779	52,396	674,175	660,150	60,693	720,843
Fund raising	114,412		114,412	108,675		108,675
Total support services	736,191	52,396	788,588	768,825	60,693	829,518
Total Program and Support Services Expenses	2,782,598	958,571	3,741,168	3,058,389	1,045,555	4,103,943
Change in net assets	\$ 465,289	\$ (52,032)	\$ 413,257	\$ (42,689)	\$ (104,705)	\$ (147,393)

MASSENA MEMORIAL HOSPITAL
(A Component Unit of the Town of Massena, New York)

Balance Sheets

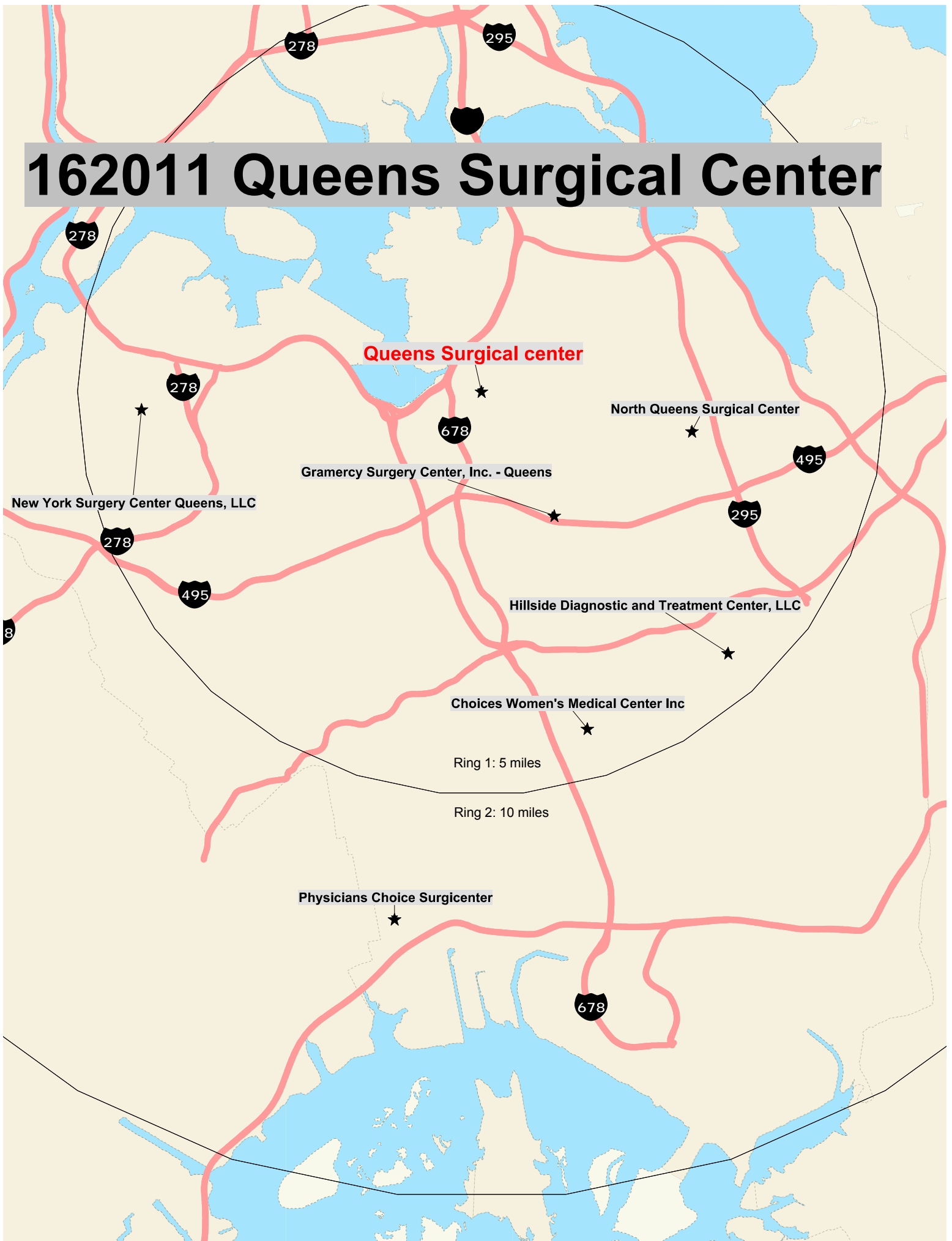
December 31,	2015	2014
Assets		
Current assets:		
Cash	\$ 3,381,986	\$ 3,426,479
Accounts receivable, net of estimated uncollectibles of \$825,000 and \$1,188,000	9,555,485	8,121,143
Other receivables	903,043	1,173,612
Supplies	660,994	701,535
Prepaid expenses	647,641	1,601,429
Estimated third-party payor settlements, net	-	1,318,956
	<u>15,149,149</u>	<u>16,343,154</u>
Property and equipment, net	22,827,491	25,150,481
Assets as limited to use	2,645,404	2
	<u>40,622,044</u>	<u>41,493,637</u>
Deferred Outflows of Resources		
Deferred outflows of resources from pension	3,794,324	-
	<u>3,794,324</u>	<u>-</u>
Total assets and deferred outflows of resources	\$ 44,416,368	\$ 41,493,637
Liabilities		
Current liabilities:		
Current portion of long-term debt	\$ 589,123	\$ 564,252
Accounts payable	1,820,090	2,033,092
Accrued salaries and benefits	2,388,275	2,535,365
Other accrued liabilities	886,394	913,813
Estimated third-party payor settlements, net	600,515	-
	<u>6,284,397</u>	<u>6,046,522</u>
Long-term debt	5,980,647	6,556,693
Net pension liability	3,153,859	-
Other postemployment benefits	256,277	211,950
	<u>15,675,180</u>	<u>12,815,165</u>
Deferred Inflows of Resources		
Deferred inflows of resources from pension	504,170	-
	<u>504,170</u>	<u>-</u>
Net Position:		
Net investment in capital assets	16,257,721	18,029,536
Unrestricted	11,979,297	10,648,936
	<u>28,237,018</u>	<u>28,678,472</u>
Total liabilities, deferred inflows of resources, and net position	\$ 44,416,368	\$ 41,493,637

MASSENA MEMORIAL HOSPITAL
(A Component Unit of the Town of Massena, New York)

Statements of Revenue, Expenses and Changes in Net Position

For the years ended December 31,	2015	2014
Operating revenue:		
Patient service revenue (net of contractual allowances and discounts)	\$ 43,949,431	\$ 47,004,669
Less: provision for bad debts	(2,152,102)	(2,490,289)
Net patient service revenue less provision for bad debts	41,797,329	44,514,380
Other revenue	8,691,943	8,390,519
Total operating revenue	50,489,272	52,904,899
Operating expenses:		
Nursing services	9,836,585	10,520,528
Other professional services	17,399,740	19,241,112
General services	3,478,875	3,677,181
Administrative services	7,779,083	8,028,830
Employee benefits	8,317,860	9,425,060
Depreciation	2,575,729	2,614,319
Total operating expenses	49,387,872	53,507,030
Income (loss) from operations	1,101,400	(602,131)
Nonoperating revenue (expense):		
Donations and other	150,909	198,431
Gain (loss) on disposal of equipment	(138,707)	530,969
Interest earnings	2,766	4,122
Interest expense	(292,352)	(337,533)
Total nonoperating revenue (expense)	(277,384)	395,989
Change in net position	824,016	(206,142)
Net position - beginning	28,678,472	28,884,614
Cumulative effect of change in accounting principle	(1,265,470)	-
Net position - ending	\$ 28,237,018	\$ 28,678,472

162011 Queens Surgical Center



QUEENS SURGICAL CENTER LLC

ESTABLISH A MULTI-SPECIALTY FREESTANDING AMBULATORY SURGERY CENTER

PRO FORMA BALANCE SHEET

ASSETS

Cash	\$897,701
New Leasehold Improvements / Other Assets	\$5,107,710
TOTAL ASSETS	\$6,005,411

LIABILITIES AND MEMBER EQUITY

LIABILITIES

Capital Loan	\$4,596,939
Working Capital Loan	<u>\$448,850</u>
TOTAL LIABILITIES	\$5,045,789

MEMBER EQUITY	<u>\$959,622</u>
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TOTAL LIABILITIES AND MEMBER EQUITY	\$6,005,411
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Hudson Valley Center for Digestive Health
Balance Sheet
Unaudited

Assets	<u>July 31, 2016</u>	<u>July 31, 2015</u>
Current Assets		
Cash	\$ 333,475	\$ 168,304
Accounts Receivable, Net	332,496	483,271
Due From Anesthesia	147,075	121,709
Due To/From Related Parties	(0)	(1,372)
Prepaid Expenses and Short Term Deposits	47,275	44,284
	<u>860,321</u>	<u>818,178</u>
Net Property and Equipment		
Property and Equipment	1,818,323	1,816,669
Accumulated Depreciation	(771,370)	(618,353)
	<u>1,046,954</u>	<u>1,198,317</u>
Long Term Assets		
Other Assets	14,739	14,739
Total Assets	<u>\$ 1,922,014</u>	<u>\$ 2,029,232</u>
Liabilities and Member's Equity		
Current Liabilities		
Accounts Payable and Accrued Expenses	\$ 157,731	\$ 168,059
Current Portion of Debt	373,312	360,131
	<u>531,042</u>	<u>528,190</u>
Long Term Liabilities		
Accrued Rent & Other Long Term Liabilities	213,051	228,572
Long Term Debt, net of current portions	485,911	829,704
	<u>698,962</u>	<u>1,058,276</u>
Total Liabilities	<u>1,230,004</u>	<u>1,584,466</u>
Member's Equity		
Members Capital	600,000	600,000
Retained Earnings - Prior yrs	299,537	(321,323)
Distribution to Partners	(1,023,067)	(615,380)
Net Income (Loss)	815,540	781,469
Members Equity	<u>692,009</u>	<u>444,766</u>
Total Liabilities and Members Equity	<u>\$ 1,922,014</u>	<u>\$ 2,029,232</u>

Hudson Valley Center for Digestive Health
Statement of Operations
For the Period Ending 07/31/2016
UNAUDITED

	JAN 2016	FEB 2016	MAR 2016	APR 2016	MAY 2016	JUN 2016	JUL 2016	FY 2016	FY 2015	Variance
	PTD	PTD	PTD	PTD	PTD	PTD	PTD	LLC	LLC	YDY
Visits	216	209	243	242	250	260	202	1,622	1,567	65
Procedures	245	281	303	288	290	305	245	1,935	1,840	95
Business Days	20	21	22	21	21	22	19	148	145	3
INCOME										
Gross Charges	\$559,500	\$593,990	\$690,420	\$652,430	\$663,270	\$698,150	\$559,170	\$4,416,930	\$4,201,085	\$215,845
Estimated Contractual Adjustment	(364,990)	(413,816)	(458,628)	(438,379)	(437,213)	(455,929)	(371,361)	(2,940,119)	(2,781,473)	(158,646)
Net Charges	194,510	180,374	231,792	214,051	226,057	242,221	187,809	1,476,811	1,419,612	57,199
Net Anesthesia Income	51,780	48,033	73,726	55,151	54,521	54,809	33,958	371,757	419,009	(47,252)
Other Income	0	0	25	0	5	10	1	42	8,995	(8,953)
Net Revenue & Other Income	246,270	228,407	305,544	269,201	280,583	296,840	221,768	1,848,613	1,848,618	(5)
DIRECT OPERATING EXPENSES										
Salary & Wages	43,453	41,884	46,563	41,652	47,847	49,834	44,272	315,504	305,540	9,964
Payroll Taxes	3,957	4,814	3,085	4,774	3,150	3,195	3,036	26,011	25,107	904
Employee Benefits - Insurance	3,192	2,525	2,525	(793)	2,105	1,611	1,509	12,874	15,415	(2,541)
Employee Benefits - 401K Match & PSP	2,127	2,706	2,210	2,904	2,248	2,131	2,227	16,553	18,632	(2,079)
Drugs & Medications	1,731	1,470	1,821	1,066	1,231	1,489	207	9,014	12,427	(3,413)
Marketing	0	1,699	631	899	0	0	0	3,229	4,436	(1,207)
Medical Supplies	10,542	8,843	15,287	7,261	7,228	11,828	8,803	67,790	59,058	8,732
Office & Miscellaneous Expenses	2,112	738	1,399	901	399	1,216	445	7,210	7,538	(328)
Postage & Printing	61	211	320	187	350	181	749	2,065	953	1,112
Recruiting Costs	0	200	1,453	525	170	0	105	2,453	2,604	(151)
Repairs, Maintenance & Cleaning	7,466	5,482	5,818	10,034	4,773	6,874	8,704	49,151	43,823	5,328
Uniforms & Laundry	1,430	1,144	2,001	1,064	1,064	1,119	1,430	9,334	8,879	455
TOTAL DIRECT OPERATING EXPENSES	78,071	71,714	82,256	71,411	70,570	78,478	69,488	520,966	505,213	15,753
Direct Operating Exp %	39%	40%	35%	33%	31%	33%	37%	35%	36%	(1%)
Operating Income (Loss) before Other Expense	170,188	156,693	223,288	197,790	210,013	217,363	152,282	1,327,627	1,343,403	(15,776)
OTHER EXPENSES										
Accounting & Consulting	2,623	7,782	3,465	1,989	1,812	4,672	5,811	28,154	21,088	7,066
Bank Fees & Collection Fees	1,389	1,252	1,898	2,015	1,860	1,234	1,306	10,955	8,054	2,901
Billing and Administrative Service Fees	25,837	25,837	25,837	25,837	25,837	25,837	26,309	181,332	175,444	5,888
Equipment Rental	357	368	457	624	0	394	90	2,590	3,078	(488)
Insurance	2,394	2,497	2,470	2,020	2,480	2,504	2,510	17,476	14,865	2,611
Legal Fees	2,783	0	132	0	0	0	500	3,414	888	2,526
Medical Director Fees	2,500	2,500	2,500	2,500	3,180	1,840	2,500	17,500	17,500	0
Rent Expense	14,075	14,215	14,238	14,412	14,251	14,251	15,458	100,000	118,839	(18,839)
Taxes, Licenses and Fees	3,885	1,487	583	2,418	1,570	2,232	861	12,836	22,621	(9,785)
Telephone & Utilities	4,045	3,937	2,570	3,850	3,809	3,954	3,631	25,996	25,133	863
Travel & Entertainment	124	40	103	651	418	51	0	1,687	5,510	(3,823)
TOTAL OTHER EXPENSES	59,812	59,917	54,252	57,516	55,198	56,969	59,177	402,842	412,819	(9,977)
EBITDA	110,386	96,776	169,036	140,274	154,815	160,394	93,104	924,784	930,584	(5,800)
Depreciation	(12,728)	(12,728)	(12,728)	(12,620)	(12,774)	(12,499)	(13,011)	(69,289)	(121,528)	52,239
Interest	(3,123)	(3,033)	(2,942)	(2,851)	(2,760)	(2,669)	(2,578)	(19,956)	(27,451)	7,495
Gain (Loss) on Sale of Investment & Assets	0	0	0	0	0	0	0	0	(135)	135
Net Income (Loss)	\$94,536	\$81,016	\$153,366	\$124,602	\$139,280	\$145,225	\$77,515	\$815,540	\$781,469	\$34,071

HUDSON VALLEY CENTER FOR DIGESTIVE HEALTH, L.L.C.

BALANCE SHEETS

DECEMBER 31, 2015 AND 2014

ASSETS

	<u>2015</u>	<u>2014</u>
Current assets:		
Cash	\$ 559,738	\$ 533,028
Accounts receivable, net	464,726	450,022
Other receivables	78,197	83,575
Prepaid expenses	<u>35,107</u>	<u>35,713</u>
Total current assets	1,135,768	1,102,336
Property and equipment, net	1,134,586	1,306,582
Other assets	<u>14,739</u>	<u>14,739</u>
Total assets	<u>\$ 2,285,093</u>	<u>\$ 2,423,657</u>

LIABILITIES AND MEMBERS' EQUITY

Current liabilities:		
Accounts payable and accrued expenses	\$ 193,017	\$ 157,489
Current portion of long-term debt	366,862	353,716
Distributions payable	-	432,309
Due to related party	<u>538</u>	<u>258</u>
Total current liabilities	560,215	943,770
Allowance for leasehold improvements	151,099	160,303
Long-term debt, net of current portion	<u>674,244</u>	<u>1,040,906</u>
Total liabilities	<u>1,385,558</u>	<u>2,144,979</u>
Members' equity:		
Class A members	701,638	217,374
Class B members	89,954	27,862
Class C members	<u>107,943</u>	<u>33,442</u>
Total members' equity	<u>899,535</u>	<u>278,678</u>
Total liabilities and members' equity	<u>\$ 2,285,093</u>	<u>\$ 2,423,657</u>

HUDSON VALLEY CENTER FOR DIGESTIVE HEALTH, L.L.C.

STATEMENTS OF INCOME

YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Revenue:		
Net patient revenue	\$ 2,568,286	\$ 2,578,419
Service fees and other revenue	<u>744,517</u>	<u>874,165</u>
Net revenue	<u>3,312,803</u>	<u>3,452,584</u>
Operating expenses:		
Salaries and benefits	640,173	588,954
Billing and administrative fees	304,630	294,657
Rent	192,347	208,750
Depreciation	185,257	206,687
Medical supplies and medications	129,031	136,690
Repairs and maintenance	76,882	62,418
Telephone and utilities	44,625	45,705
Accounting and consulting	35,555	32,790
Other	35,500	39,779
Medical director fees	30,000	28,750
Taxes and licenses	27,734	22,891
Insurance	25,846	28,911
Office supplies	16,651	15,898
Laundry and linens	<u>16,034</u>	<u>16,907</u>
Operating expenses	<u>1,760,265</u>	<u>1,729,387</u>
Income from operations	1,552,538	1,723,197
Other expenses:		
Loss on disposal of equipment	(135)	-
Interest expense	<u>(44,374)</u>	<u>(58,864)</u>
Net Income	<u>\$ 1,508,029</u>	<u>\$ 1,666,333</u>

Pro Forma Balance Sheet

ASSETS:

Cash	\$472,370
Equipment	<u>351,392</u>
TOTAL ASSETS	\$823,762

LIABILITIES:

Loan Payable	\$236,185
Equipment Loan	<u>351,392</u>
Total Liabilities	\$587,577

NET ASSETS	\$236,185
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United Cerebral Palsy Association of Putnam and Southern Dutchess
Counties, Inc. (d/b/a Hudson Valley Cerebral Palsy Association
and Affiliates)

Combined Statement of Activities
(with comparative totals for 2014)

Year ended December 31,	2015	2014
	(Unrestricted)	
Revenue and Other Support:		
Residential services	\$ 7,746,569	\$ 7,819,332
Day services	4,700,354	4,975,785
Clinic services	2,243,435	2,172,502
Early childhood programs	2,684,924	2,628,995
Other programs	472,981	353,351
Rental income	35,718	36,736
Prior period revenue	276,167	399,543
Total Revenue and Other Support	18,160,148	18,386,244
Expenses:		
Program services:		
Residential services	6,084,000	6,102,711
Day services	4,558,694	4,510,237
Clinic services	2,870,305	2,909,153
Early childhood programs	2,530,826	2,646,523
Other programs	593,868	541,590
Total Program Services	16,637,693	16,710,214
Supporting services:		
Management and general	2,085,689	1,994,241
Total Expenses	18,723,382	18,704,455
Change in Net Assets Before Nonoperating Revenues	(563,234)	(318,211)
Nonoperating Revenues:		
Special events revenues	183,130	217,273
Less: Direct cost to donors	(90,786)	(89,867)
Net Revenues From Special Events	92,344	127,406
Contributions	17,563	67,780
Grant income	320,755	12,613
Other income	20,587	11,089
Gain on swap agreement	193,586	179,631
Gain on extinguishment of debt	272,000	94,896
Total Nonoperating Revenues	916,835	493,415
Change in Net Assets	353,601	175,204
Net Assets, Beginning of Year	3,903,503	3,728,299
Net Assets, End of Year	\$ 4,257,104	\$ 3,903,503

United Cerebral Palsy Association of Putnam and Southern Dutchess
Counties, Inc. (d/b/a Hudson Valley Cerebral Palsy Association
and Affiliates)

Combined Statement of Financial Position
(with comparative totals for 2014)

December 31,	2015	2014
Assets		
Cash and cash equivalents	\$ 432,141	\$ 150,412
Restricted cash held for residents	157,029	144,795
Accounts receivable, net of allowance for doubtful accounts of \$1,134,229 and \$785,476 for 2015 and 2014, respectively (Note 3)	2,994,260	2,993,505
Prepaid expenses and other assets	407,202	298,187
Security deposits	91,706	125,981
Deferred bond financing costs, net	668,171	694,380
<u>Fixed assets, net</u>	<u>19,857,802</u>	<u>20,262,058</u>
	\$24,608,311	\$24,669,318
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 1,130,452	\$ 1,156,382
Accrued payroll and related benefits	174,064	114,679
Due to residents	157,029	144,795
Deferred income	410,364	335,735
Due to third-party payors	1,274,203	937,021
Line of credit	1,900,000	1,750,000
Note payable - CP of NYS	194,677	515,340
Interest rate swap liability	-	193,586
Capital advances payable	2,895,881	2,903,093
Notes payable	1,462,059	1,339,468
Bonds payable	10,752,478	11,375,716
Total Liabilities	20,351,207	20,765,815
Commitments and Contingencies		
Net Assets:		
Unrestricted		
Operating	4,219,531	3,865,930
Board designated	37,573	37,573
Total Net Assets	4,257,104	3,903,503
	\$24,608,311	\$24,669,318

**Hudson Valley Cerebral Palsy Association
PRELIMINARY BALANCE SHEET
September 2016**

aka United Cerebral Palsy Association
of Putnam and Southern Dutchess Counties

ASSETS	09/30/2016	12/31/2015	VARIANCE
CASH AND CASH EQUIVALENTS:			
Unrestricted	\$ 70,482	\$ 376,839	\$ (306,357)
Restricted for Residents	172,939	157,028	15,911
	<u>243,421</u>	<u>533,867</u>	<u>(290,446)</u>
Accounts Receivable	3,410,260	3,510,373	(100,113)
Property, Plant and Equipment Net	16,004,898	16,517,634	(512,736)
Other Assets	1,281,687	1,167,079	114,608
TOTAL ASSETS	<u>20,940,265</u>	<u>21,728,953</u>	<u>(788,688)</u>
LIABILITIES AND FUND BALANCE	09/30/2016	12/31/2015	VARIANCE
Notes Payables/Mortgage Payable	3,161,274	3,362,058	(200,784)
Loan Payable	193,497	194,678	(1,181)
Due to Residents	172,939	167,029	15,910
Accounts Payable, Payroll and Other Liabilities	2,401,063	2,578,318	(177,255)
Deferred Income	234,688	296,572	(61,884)
Bonds Payable IDA	9,245,150	9,578,899	(333,749)
Bond Payable	1,029,628	1,173,578	(143,950)
Interest Rate Swap Liability	-	-	-
Total Liabilities	<u>16,438,237</u>	<u>17,341,132</u>	<u>(902,895)</u>
Fund Balance	<u>4,502,028</u>	<u>4,387,821</u>	<u>114,207</u>
Liabilities and Fund Balance	<u>20,940,265</u>	<u>21,728,953</u>	<u>(788,688)</u>

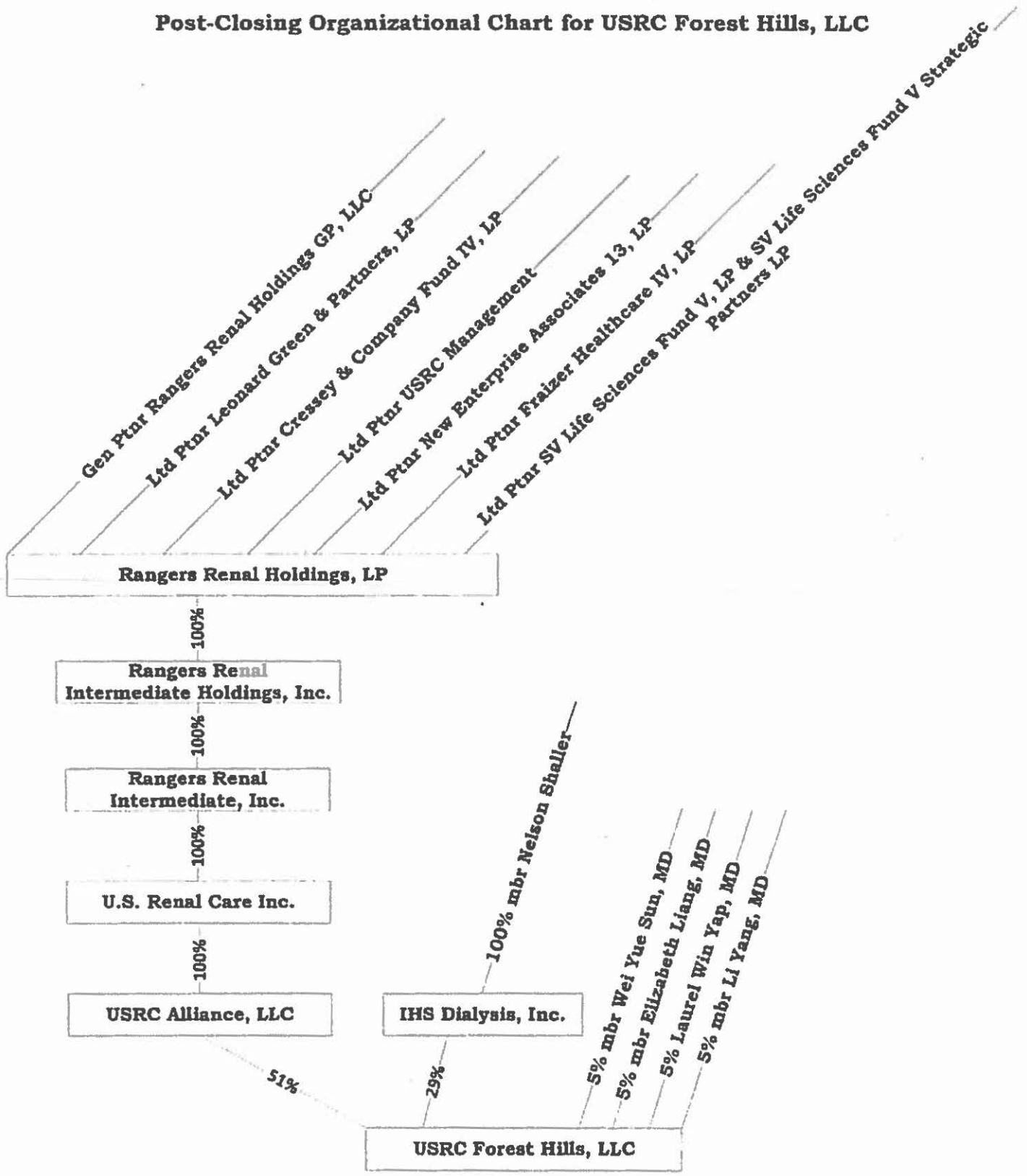
AKA United Cerebral Palsy Association of
Putnam and Southern Dutchess Counties

**Hudson Valley Cerebral Palsy Association
Preliminary Comparative Statement of Income and Expense
For The YTD Period ended September 30, 2016
Draft**

	Actual For the Period Ended 09/30/2016	Budget For the Period Ended 09/30/2016	Variance Favorable/ (Unfavorable)	Actual For the Period Ended 09/30/2015
REVENUE				
Residential	\$ 6,007,598	\$ 6,324,878	\$ (317,280)	\$ 5,746,087
Day Programs/Trans	3,543,348	3,957,312	(413,964)	3,898,417
Clinic	1,453,665	1,829,741	(376,076)	1,555,258
Early Childhood Prc	2,028,313	2,010,673	17,640	2,033,511
Other Direct Service	231,766	256,617	(24,851)	273,749
Contributions	187,376	-	187,376	179,178
Elks Income	11,835	-	11,835	11,835
TOTAL REVENUE	13,463,901	14,379,221	(915,321)	13,698,036
EXPENSES				
Personnel Services	8,937,531	9,730,790	793,258	8,808,148
Other than Personn	3,299,923	3,410,545	110,622	3,382,424
Property and Equip	1,112,239	1,166,244	54,005	1,226,127
TOTAL EXPENSES	13,349,693	14,307,579	957,885	13,416,699
EXCESS (DEFICIE	\$ 114,207	\$ 71,643	\$ 42,565	\$ 281,337

	<u>June 30, 2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$61,228	\$75,682	\$5,879
Non-Current Assets	<u>4,706</u>	<u>4,706</u>	<u>3,245</u>
Total Assets	\$65,934	\$80,388	\$9,124
Current Liabilities	53,562	48,294	56,517
Long Term Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	53,562	48,294	56,517
Net Assets	\$12,372	\$32,094	(\$47,393)
Working Capital Position	\$7,666	\$27,388	(\$50,638)
Operating Revenues	\$1,160,287	\$2,294,057	\$2,370,110
Operating Expenses	<u>1,107,275</u>	<u>2,155,839</u>	<u>2,103,284</u>
Operating Net Income	\$53,012	\$138,218	\$266,826

Post-Closing Organizational Chart for USRC Forest Hills, LLC



U.S. Renal Care, Inc. and Subsidiaries
Financial Summary

FISCAL PERIOD ENDED	Internal		
	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
ASSETS - CURRENT	\$302,808,001	\$397,213,000	\$219,711,000
ASSETS - FIXED AND OTHER	2,770,106,978	2,626,181,000	1,455,428,000
LIABILITIES - CURRENT	121,146,013	99,364,000	78,411,893
LIABILITIES - LONG-TERM	<u>2,083,173,158</u>	<u>2,031,033,000</u>	<u>1,223,910,000</u>
EQUITY	\$868,595,808	\$892,997,000	\$372,817,107
<hr/>			
INCOME	\$563,863,745	\$709,496,000	\$672,663,000
EXPENSE	<u>544,208,220</u>	<u>646,062,000</u>	<u>578,663,000</u>
NET INCOME	\$19,655,525	\$63,434,000	\$94,000,000
<hr/>			
Average Working Capital	\$206,936,698		
Average Net Assets	\$711,469,972		
Average Net Income (Loss)	\$59,029,842		

Consolidated U.S. Renal Care, Inc and Subsidiaries
Income Statement
June 30, 2016

Project# 161356
BFA Attachment-C Cont

	Q1 '16	Q2 '16	May 2016	June 2016	FY '16 YTD
Total Treatments	792,613	825,071	275,219	274,992	1,617,684
Revenue before Bad Debt Expense	\$284,683,540	\$ 299,453,329	\$100,911,444	\$ 99,686,894	\$584,136,868
Bad Debt Expense	(9,838,522)	(10,434,601)	(3,531,898)	(3,431,657)	(20,273,123)
Net Revenue	274,845,018	289,018,728	97,379,546	96,255,237	563,863,745
Facility Expenses					
Labor Expense	77,969,431	80,685,860	27,137,738	26,709,860	158,655,291
Medical Supplies	17,015,867	20,377,478	6,598,060	6,837,824	37,393,345
Medications	27,819,842	30,588,799	9,988,276	10,498,002	58,408,640
Medical Director Fees	6,658,281	6,960,992	2,322,831	2,332,407	13,619,274
Rent	12,985,379	13,991,096	4,620,874	4,772,776	26,976,476
Other Expenses	32,449,988	32,404,718	10,989,865	10,837,692	64,854,706
Total Facility Expenses	174,898,788	185,008,943	61,657,644	61,988,561	359,907,732
Facility EBITDAM	99,946,230	104,009,785	35,721,902	34,266,676	203,956,013
As a Percent of Revenue	35.1%	34.7%	35.4%	34.4%	34.9%
Management Fee	(767,279)	(982,290)	(176,870)	(594,039)	(1,749,569)
Facility EBITDA	100,713,509	104,992,075	35,898,772	34,860,715	205,705,582
As a Percent of Revenue	35.4%	35.1%	35.6%	35.0%	35.2%
Corporate Expenses					
Corporate Labor	12,284,746	11,399,871	3,680,601	4,240,839	23,684,617
Corporate Operating Expenses	6,953,406	8,100,797	2,980,917	2,620,762	15,054,204
Total Corporate Expenses	19,238,152	19,500,668	6,661,518	6,861,601	38,738,821
As a Percent of Revenue	6.8%	6.5%	6.6%	6.9%	6.6%
Corporate EBITDA	81,475,357	85,491,407	29,237,254	27,999,114	166,966,761
As a Percent of Revenue	28.6%	28.5%	29.0%	28.1%	28.6%
Earnings from Investments	(465,904)	(1,130,471)	(322,389)	(467,880)	(1,596,376)
Minority Interest Expenses	13,827,761	13,228,800	5,047,606	3,759,781	27,056,561
Corporate EBITDA Less MI	68,113,500	73,393,078	24,512,037	24,707,213	141,506,576
Non-Operating Expenses					
Interest Expense	31,814,332	31,672,512	10,596,377	10,493,791	63,486,844
Depreciation	14,405,700	23,779,170	6,324,549	6,495,648	38,184,870
Loss on Early Retirement of Debt	0	0	0	0	0
Gain (Loss) on Sale of Assets	(367,144)	(19,693)	(64,716)	44,298	(386,837)
General Service Fee	687,500	687,500	229,167	229,167	1,375,000
Other Non-Cash Expense	450,825	379,878	136,478	136,478	830,703
Transaction and Settlement Costs	2,558,855	2,542,592	1,387,782	668,792	5,101,447
Total Non-Operating Expenses	49,550,068	59,041,959	18,609,637	18,068,174	108,592,027
Net Income Before Income Taxes	18,563,432	14,351,119	5,902,400	6,639,039	32,914,549
Income Taxes	7,425,372	5,833,652	2,384,481	2,725,181	13,259,024
Net Income	11,138,060	8,517,467	3,517,919	3,913,858	19,655,525
MI % of Facility EBITDA	13.7%	12.6%	14.1%	10.8%	13.2%
MI % of Corporate EBITDA	17.0%	15.5%	17.3%	13.4%	16.2%

Consolidated U.S. Renal Care, Inc and Subsidiaries
Income Statement
June 30, 2016

Project# 161356
 BFA attachment-C Cont

	Q1 '16	Q2 '16	May 2016	June 2016	FY '16 YTD
Revenue before Bad Debt Expense	\$ 359	\$ 363	\$ 367	\$ 363	\$ 361
Bad Debt Expense	(12)	(13)	(13)	(12)	1
Net Revenue	347	350	354	350	349
Facility Expenses					
Labor Expense	98	98	99	97	98
Medical Supplies	21	25	24	25	23
Medications	35	37	36	38	36
Medical Director Fees	8	8	8	8	8
Rent	16	17	17	17	17
Other Expenses	41	39	40	39	40
Total Facility Expenses	221	224	224	225	222
Facility EBITDA	127	127	130	127	127

Consolidated U.S. Renal Care, Inc and Subsidiaries
Balance Sheet
June 30, 2016

Project# 161356
BFA Attachment-C cont

	Jun 2015	Sep 2015	Dec 2015	Mar 2016	May 2016	Jun 2016
Assets						
Cash	\$ 49,018,651	\$ 76,730,926	\$159,022,764	\$104,836,638	\$ 79,535,591	\$ 53,187,918
A/R, Net	120,489,328	116,004,936	171,115,580	176,111,190	186,059,447	184,138,414
Other Receivables	33,243,616	30,937,170	45,078,742	53,224,738	37,983,890	39,183,969
Inventory	6,551,563	7,300,132	11,759,327	12,209,489	12,066,066	13,694,122
Other Current Assets	15,961,538	15,685,518	10,235,520	11,138,481	9,985,661	12,603,578
Total Current Assets	225,264,696	246,658,682	397,211,933	357,520,536	325,630,655	302,808,001
PP&E, Net	125,855,700	124,576,484	224,360,870	232,993,824	243,145,476	247,601,206
Goodwill and Other Intangibles, Net	1,351,327,940	1,349,596,430	2,402,609,446	2,460,596,369	2,466,402,468	2,463,825,677
Other Assets	79,313,927	79,530,388	57,545,855	58,463,623	58,663,679	58,680,095
Total Assets	1,781,762,263	1,800,361,984	3,081,728,104	3,109,574,352	3,093,842,278	3,072,914,979
Liabilities						
Accounts Payable and Accrued Expenses	39,384,535	43,929,286	45,298,466	64,215,887	91,987,935	70,495,112
Accrued Payroll	19,519,075	18,321,588	36,777,121	25,277,407	31,074,652	32,508,363
Current Portion of Long Term Debt	10,078,616	9,880,363	18,048,765	17,969,290	17,946,411	17,944,866
Other Current Liabilities	3,377,352	3,376,912	195,000	200,262	198,535	197,672
Total Current Liabilities	72,359,578	75,508,149	100,319,352	107,662,846	141,207,533	121,146,013
Capital Leases	728,185	672,805	729,695	675,991	679,775	642,234
1st Lien Term Debt	912,283,442	909,938,240	1,673,873,381	1,671,365,016	1,672,535,878	1,668,877,624
2nd Lien Term Debt	305,000,000	305,000,000	252,586,122	252,863,581	253,030,524	253,148,026
Notes Payable	0	0	3,698,509	3,546,732	4,005,040	4,058,115
Intercompany Payable	(1,776,050)	(1,180,617)	(1,174,851)	(4,775,316)	(4,342,597)	(2,756,877)
Other LT Liabilities	105,426,547	105,578,256	154,938,195	155,991,982	158,891,168	159,204,036
Total Long Term Liabilities	1,321,662,124	1,320,008,684	2,084,651,051	2,079,667,986	2,084,799,788	2,083,173,158
Total Liabilities	1,394,021,702	1,395,516,833	2,184,970,403	2,187,330,832	2,226,007,321	2,204,319,171
Equity						
Common Stock	4	4	4	4	4	4
Additional Paid in Capital	74,212,238	74,748,182	523,521,196	526,999,514	515,509,135	512,484,471
Noncontrolling Interest	257,733,522	262,558,923	325,031,009	293,887,002	246,365,211	246,236,868
Retained Earnings	55,794,797	67,538,042	48,205,492	101,357,000	105,960,607	109,874,465
Total Equity	387,740,561	404,845,151	896,757,701	922,243,520	867,834,957	868,595,808
Total Liabilities & Equity	1,781,762,263	1,800,361,984	3,081,728,104	3,109,574,352	3,093,842,278	3,072,914,979

U.S. RENAL CARE, INC. AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2015 and 2014

(Dollars in thousands, except share information)

Assets	<u>2015</u>	<u>2014</u>
Cash and cash equivalents	\$ 159,023	60,289
Accounts receivable, net of allowances of \$33,801 and \$31,294	171,116	113,440
Inventories	11,759	6,111
Other receivables	45,079	32,868
Other current assets	<u>10,236</u>	<u>7,003</u>
Total current assets	397,213	219,711
Property and equipment, net	224,361	119,869
Investments in unconsolidated affiliates	17,920	20,967
Amortizable intangibles, net	131,958	36,687
Other intangibles	15,064	11,894
Goodwill	2,233,906	1,264,143
Other long-term assets	<u>2,972</u>	<u>1,868</u>
Total assets	<u>\$ 3,023,394</u>	<u>1,675,139</u>
Liabilities and Equity		
Accounts payable	\$ 24,574	12,151
Accrued expenses	55,845	55,039
Current portion of long-term debt and capital lease obligations	<u>18,945</u>	<u>11,221</u>
Total current liabilities	99,364	78,411
Long-term debt and capital lease obligations, net of current portion	1,935,212	1,203,787
Other long-term liabilities	3,052	1,658
Deferred tax liability	<u>92,769</u>	<u>18,465</u>
Total liabilities	<u>2,130,397</u>	<u>1,302,321</u>
Commitments and contingencies		
U.S. Renal Care, Inc. equity:		
Common stock (\$0.01 par value. Authorized shares, 100; issued and outstanding, 100 shares)	—	—
Additional paid-in capital	523,521	83,147
Retained earnings	<u>44,445</u>	<u>29,632</u>
Total U.S. Renal Care, Inc. stockholders' equity	567,966	112,779
Noncontrolling interests (including redeemable interests with redemption values of \$184,659 and \$255,932)	<u>325,031</u>	<u>260,039</u>
Total equity	<u>892,997</u>	<u>372,818</u>
Total liabilities and equity	<u>\$ 3,023,394</u>	<u>1,675,139</u>

U.S. RENAL CARE, INC. AND SUBSIDIARIES

Consolidated Statements of Operations

Years ended December 31, 2015 and 2014

(Dollars in thousands)

	<u>2015</u>	<u>2014</u>
Net operating revenue:		
Net operating revenue before provision for doubtful accounts	\$ 735,294	696,463
Less provision for doubtful accounts	<u>25,798</u>	<u>23,800</u>
Net operating revenue	<u>709,496</u>	<u>672,663</u>
Operating expenses:		
Patient care costs	417,281	389,113
General and administrative	54,227	45,552
Legal cost/settlement	193	1,091
Transaction costs	14,138	3,510
Depreciation and amortization	41,269	41,479
Equity in earnings of unconsolidated affiliates	<u>(2,942)</u>	<u>(1,959)</u>
Total operating expenses	<u>524,166</u>	<u>478,786</u>
Operating income	185,330	193,877
Interest expense, net	75,562	69,105
Loss on early retirement of debt	<u>21,095</u>	<u>—</u>
Income before income taxes	88,673	124,772
Income tax provision	<u>25,239</u>	<u>30,772</u>
Net income	63,434	94,000
Less net income attributable to noncontrolling interests	<u>48,621</u>	<u>45,348</u>
Net income attributable to U.S. Renal Care, Inc.	<u>\$ 14,813</u>	<u>48,652</u>

See accompanying notes to consolidated financial statements.

IHS Consolidated
 Financial Summay

FISCAL PERIOD ENDED	Internal		
	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
ASSETS - CURRENT	\$31,896,203	\$12,181,136	\$7,941,834
ASSETS - FIXED AND OTHER	14,435,542	2,783,595	2,656,107
LIABILITIES - CURRENT	4,913,476	5,244,962	7,001,422
LIABILITIES - LONG-TERM	<u>20,213,809</u>	<u>3,794,722</u>	<u>0</u>
EQUITY	\$21,204,460	\$5,925,047	\$3,596,519
<hr/>			
INCOME	\$11,822,150	\$19,645,103	\$22,148,718
EXPENSE	<u>(2,207,263)</u>	<u>18,974,902</u>	<u>22,004,262</u>
NET INCOME	\$14,029,413	\$670,201	\$144,456
<hr/>			
Average Working Capital	\$11,619,771		
Average Net Assets	\$10,242,009		
Average Net Income (Loss)	\$4,948,023		



For the Six Months Ending June 31, 2016
IHS
Pre- and Post- Purchase Performance Combined
Accounting Basis - Accrual

Project# 161356
 BFA Attachment-C cont

	Jun 2015	Sep 2015	Dec 2015	Mar 2016	Apr 2016	May 2016	June 2016
Assets							
Current Assets							
Cash	535,746	1,075,976	134,150	469,153	1,793,499	1,001,780	189,889
A/R, Net	4,411,889	4,280,254	4,436,553	5,106,632	4,934,396	6,656,668	7,990,541
Other Receivables	4,875,998	5,418,381	7,161,500	8,428,744	25,166,876	23,005,802	23,262,013
Inventory	211,213	284,747	287,115	248,764	243,045	219,631	258,100
Other Current Assets	167,779	154,585	161,818	149,476	152,052	140,120	195,660
Total Current Assets	10,202,625	11,213,943	12,181,136	14,402,769	32,289,868	31,024,001	31,896,203
PP&E, Net	2,689,201	2,605,587	2,629,787	2,455,280	2,445,063	2,755,459	2,728,720
Goodwill and Other Intangibles, Net	8,687	8,687	8,076	8,076	14,593,708	11,561,093	11,561,093
Other Assets	130,732	145,732	145,732	145,732	145,733	145,733	145,733
Total Assets	13,031,245	13,973,949	14,964,731	17,011,857	49,474,372	45,486,286	46,331,745
Liabilities							
Current Liabilities							
Accounts Payable and Accrued Expenses	3,409,133	3,870,307	5,011,377	4,886,810	3,436,529	4,590,293	4,506,797
Accrued Payroll	404,177	482,316	233,489	536,473	530,520	801,319	406,680
Total Current Liabilities	3,813,310	4,352,623	5,244,866	5,423,283	3,967,049	5,391,612	4,913,476
Long Term Liabilities							
Capital Leases	-	-	-	-	23,787	23,787	23,787
1st Lien Term Debt	1,013,842	938,323	811,658	785,569	755,963	755,963	755,963
Intercompany Payable	2,442,374	2,761,623	2,983,160	3,157,520	20,924,889	18,389,244	19,434,059
Total Long Term Liabilities	3,456,216	3,699,946	3,794,818	3,943,089	21,704,639	19,168,994	20,213,809
Total Liabilities	7,269,526	8,052,569	9,039,684	9,366,372	25,671,688	24,560,606	25,127,285
Equity							
Partner's Capital	5,761,719	5,921,380	5,925,047	7,645,485	23,802,684	20,925,680	21,204,460
Total Equity	5,761,719	5,921,380	5,925,047	7,645,485	23,802,684	20,925,680	21,204,460
Total Liabilities & Equity	13,031,245	13,973,949	14,964,731	17,011,857	49,474,372	45,486,286	46,331,745



For the Six Months Ending June 30, 2016
IHS
Pre- and Post- Purchase Performance Combined
Accounting Basis - Accrual

Project# 161356
 BFA Attachment-C cont

	FY 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Apr 2016	May 2016	June 2016	YTD 2016
Total Treatments	65,836.	16,452.	16,576.	15,878.	16,282.	5,291.	5,613.	5,378.	32,160.
Net Revenue	19,645,103	4,781,434	4,399,080	5,824,335	5,997,815	1,787,461	2,230,291	1,980,063	11,822,150
Facility Expenses									
Labor Expense	7,212,908	1,722,498	1,814,142	1,827,079	1,879,441	592,569	680,890	605,982	3,706,520
Medical Supplies	2,022,066	396,544	425,207	328,697	359,555	147,177	121,485	90,893	688,252
Medications	2,680,746	643,210	615,073	579,079	619,799	219,853	201,765	198,181	1,198,878
Medical Director Fees	835,965	193,602	234,504	149,713	193,378	64,460	64,459	64,459	343,091
Rent	1,193,153	338,851	321,481	323,239	420,116	107,557	204,155	108,404	743,355
Bad Debt Expense	406,728	164,959	(119,115)	200,890	258,097	61,666	76,946	119,485	458,987
Management Fee	1,536,364	351,379	349,711	354,823	401,326	129,625	141,106	130,595	756,149
Other Expenses	2,504,546	655,568	602,613	140,512	505,365	115,882	179,424	210,059	645,877
Total Facility Expenses	18,392,476	4,466,611	4,243,616	3,904,032	4,637,077	1,438,789	1,670,230	1,528,058	8,541,109
Facility EBITDA	1,252,627	314,823	155,464	1,920,303	1,360,738	348,672	560,061	452,005	3,281,041
As a Percent of Revenue	6.4%	6.6%	3.5%	33.0%	22.7%	19.5%	25.1%	22.8%	27.8%
Interest Expense	8,700	2,142	1,881	1,619	81,663	20,507	21,425	39,731	83,282
Depreciation	575,326	153,020	149,916	161,063	128,127	29,665	48,970	49,492	289,190
Loss (Gain) on Sale of Assets	(1,600)	0	0	37,184	(11,158,181)	(14,589,035)	3,430,854	0	(11,120,997)
Income Taxes	0	0	0	0	153	153	0	0	153
Total Non-Operating Expenses	582,426	155,162	151,797	199,866	(10,948,238)	(14,538,710)	3,501,249	89,223	(10,748,372)
Net Income	670,201	159,661	3,667	1,720,437	12,308,976	14,887,382	(2,941,188)	362,782	14,029,413

Balance Sheet
For the Twelve Months Ending Thursday, December 31, 2015
IHS
Accounting Basis - Accrual

	<u>Dec 2014</u>	<u>Mar 2015</u>	<u>Jun 2015</u>	<u>Sep 2015</u>	<u>Nov 2015</u>	<u>Dec 2015</u>
Assets						
Current Assets						
Cash	0	1,165,135	535,746	1,075,976	754,599	134,150
A/R, Net	0	4,413,068	4,411,889	4,280,254	4,071,343	4,436,553
Other Receivables	17,599	2,314,325	4,875,998	5,418,381	5,934,130	7,161,500
Inventory	0	723,051	211,213	284,747	281,681	287,115
Other Current Assets	0	112,266	167,779	154,585	171,543	161,818
Total Current Assets	17,599	8,727,845	10,202,625	11,213,943	11,213,296	12,181,136
PP&E, Net	2,377	2,489,292	2,689,201	2,605,587	2,565,733	2,629,787
Goodwill and Other Intangibles, Net	0	9,299	8,687	8,687	8,076	8,076
Other Assets	0	128,237	130,732	145,732	145,732	145,732
Total Assets	19,976	11,354,673	13,031,245	13,973,949	13,932,837	14,964,731
Liabilities						
Current Liabilities						
Accounts Payable and Accrued Expenses	(11,167)	3,335,448	3,409,133	3,870,307	4,169,294	5,011,473
Accrued Payroll	900	505,115	404,177	482,316	316,119	233,489
Total Current Liabilities	(10,267)	3,840,563	3,813,310	4,352,623	4,485,413	5,244,962
Long Term Liabilities						
1st Lien Term Debt	0	1,434,940	1,013,842	938,323	871,109	811,658
Intercompany Payable	30,243	504,606	2,442,374	2,761,623	2,899,794	2,983,064
Other LT Liabilities	0	216,108	0	0	0	0
Total Long Term Liabilities	30,243	2,155,654	3,456,216	3,699,946	3,770,903	3,794,722
Total Liabilities	19,976	5,996,217	7,269,526	8,052,569	8,256,316	9,039,684
Equity						
Partner's Capital	0	5,358,456	5,761,719	5,921,380	5,676,521	5,925,047
Total Equity	0	5,358,456	5,761,719	5,921,380	5,676,521	5,925,047
Total Liabilities & Equity	19,976	11,354,673	13,031,245	13,973,949	13,932,837	14,964,731

Income Statement
For the Twelve Months Ending Thursday, December 31, 2015
IHS
Accounting Basis - Accrual

	<u>FY 2014</u>	<u>Q1 2015</u>	<u>Q2 2015</u>	<u>Q3 2015</u>	<u>Q4 2015</u>	<u>Nov 2015</u>	<u>Dec 2015</u>	<u>YTD 2015</u>
Total Treatments	0	16,421	16,387	16,452	16,576	5,185	5,802	65,836
Net Revenue	0	5,081,828	5,382,760	4,781,434	4,399,080	854,041	1,945,461	19,645,103
Facility Expenses								
Labor Expense	0	1,891,152	1,785,116	1,722,498	1,814,142	582,955	663,512	7,212,908
Medical Supplies	0	455,565	744,750	396,544	425,207	125,203	151,960	2,022,066
Medications	0	729,033	693,429	643,210	615,073	211,132	204,379	2,680,746
Medical Director Fees	0	205,744	202,115	193,602	234,504	64,459	105,585	835,965
Rent	0	276,889	255,932	338,851	321,481	111,619	109,157	1,193,153
Bad Debt Expense	0	175,323	185,561	164,959	(119,115)	(241,395)	67,095	406,728
Management Fee	0	478,930	356,345	351,379	349,711	114,080	117,764	1,536,364
Other Expenses	0	638,936	607,429	655,568	602,613	167,008	230,957	2,504,546
Total Facility Expenses	0	4,851,572	4,830,677	4,466,611	4,243,616	1,135,061	1,650,409	18,392,476
Facility EBITDA	0	230,256	552,083	314,823	155,464	(281,020)	295,052	1,252,627
As a Percent of Revenue	0.0%	4.5%	10.3%	6.6%	3.5%	(32.9%)	15.2%	6.4%
Interest Expense	0	0	4,678	2,142	1,881	864	361	8,700
Depreciation	0	126,647	145,742	153,020	149,916	51,982	46,164	575,326
Gain (Loss) on Sale of Assets	0	0	(1,600)	0	0	0	0	(1,600)
Transaction and Settlement Costs	0	0	0	0	0	(31,804)	0	0
Total Non-Operating Expenses	0	126,647	148,820	155,162	151,797	21,042	46,525	582,426
Net Income	0	103,609	403,263	159,661	3,667	(302,062)	248,527	670,201

IHS Dialysis, Inc - Consolidated
Balance Sheet
December 31, 2014

	<u>December 2014</u>
Cash	\$ 590,190
Net Accounts Receivable	3,339,814
Other Current Assets	4,011,830
Property, plant & equipment	7,305,337
Less: Accumulated depreciation	<u>(4,649,230)</u>
Net PP&E	2,656,107
TOTAL ASSETS	<u>\$ 10,597,941</u>
Accounts Payable	1,365,426
Accrued Payroll Liabilities	504,857
Other Accrued Liabilities	<u>5,131,139</u>
TOTAL LIABILITIES	7,001,422
Owners' Equity	3,596,519
Total Liabilities & Equity	<u>\$ 10,597,941</u>

IHS Dialysis, Inc - Consolidated

Income Statement

For the Twelve Months Ended December 31, 2014

	<u>YTD</u> <u>12/31/14</u>
Revenue:	
Chronic	17,506,079
Home	<u>2,598,841</u>
Total treatment revenue	20,104,920
Pharmaceutical & other ancillary	<u>3,331,939</u>
Total gross revenue	23,436,859
Revenue adjustments:	
Write offs & bad debts	(1,042,596)
Contractual allowances	<u>(245,545)</u>
Total revenue adjustments	<u>(1,288,141)</u>
Net revenue	22,148,718
Expenses:	
Salaries, wages & benefits:	
Variable salaries & wages	4,032,820
Fixed salaries & wages	3,528,176
Biomed salaries & wages	288,587
Contract	<u>179,741</u>
Total salaries & wages	8,029,324
Benefits & taxes	<u>1,601,225</u>
Total salaries, wages & benefits	9,630,550
Pharmaceutical expenses	3,578,874
Other medical supplies	2,535,838

IHS Dialysis, Inc - Consolidated
Income Statement
For the Twelve Months Ended December 31, 2014

Project# 161356
BFA Attachment-C Cont

	<u>YTD</u> <u>12/31/14</u>
Other clinic operating expenses:	
Building rent	1,190,127
Depreciation	589,075
Machine maint & repair	8,952
Facility maint & repair	123,512
Utilities	391,342
Office supplies/minor equip	74,218
Travel & entertainment	116,273
Medical director fees	758,302
Professional fees	1,310,234
Taxes & licenses	48,408
Insurance	173,623
Other	<u>1,474,933</u>
Total other clinic operating expenses	<u>6,259,000</u>
Total operating expenses	22,004,262
Operating income (loss)	<u>144,457</u>
Income taxes	<u>20,500</u>
Net Income (Loss)	<u><u>\$123,957</u></u>

USRC Forest Hills, LLC
 USRC Forest Hills, LLC
 Balance Sheet - 6 Day Clinic

Project# 161356
 BFA Attachment-D

	Beginning of Month Zero
Assets	
Cash	721,200
Accounts Receivable - patients	
Allowance for Doubtful Accounts	
A/R, net	0
Due from subsidiaries	0
Other receivables	0
Other receivables	0
Total current assets	721,200
PP&E	3,340,796
Less accumulated depreciation	0
P&E, net	3,340,796
Total assets	4,061,996
Liabilities & Stockholder's Equity	
Accounts payable	0
Other accrued expenses	0
Total Current liabilities	0
Capital leases	672,213
Bank debt	0
Long term debt	2,668,583
Other Liabilities	0
Total long term liabilities	3,340,796
Stockholder's Equity	
Common stock	721,200
Minority Interest	0
Other Equity	0
Retained Earnings	0
Stockholder's equity	721,200
Total Liabilities & Stockholder's equity	4,061,996

Financial Summary of Affiliated New York's Dialysis Centers
CON 161356 USRC Forest Hills, LLC d/b/a U.S. Renal Care Forest Hills Dialysis

USRC Cheektowaga, Inc.

	6/30/2016		
	<u>2016-Internal</u>	<u>2015</u>	<u>2014</u>
Current Assets	(\$29,109)	\$748,461	\$1,709,144
Non-Current Assets	<u>416,795</u>	<u>576,489</u>	<u>730,737</u>
Total Assets	\$387,686	\$1,324,950	\$2,439,881
Current Liabilities	204,948	1,036,223	232,865
Long Term Liabilities	<u>(4,638,789)</u>	<u>(1,023,148)</u>	<u>(171,173)</u>
Total Liabilities	(4,433,841)	13,075	61,692
Net Assets	\$4,821,527	\$1,311,875	\$2,378,189
Working Capital Position	(\$234,057)	(\$287,762)	\$1,476,279
Operating Revenues	\$2,964,284	\$4,707,587	\$4,983,621
Operating Expenses	<u>1,782,602</u>	<u>4,848,059</u>	<u>4,468,602</u>
Operating Net Income	\$1,181,682	(\$140,472)	\$515,019

USRC Tonawanda, Inc.

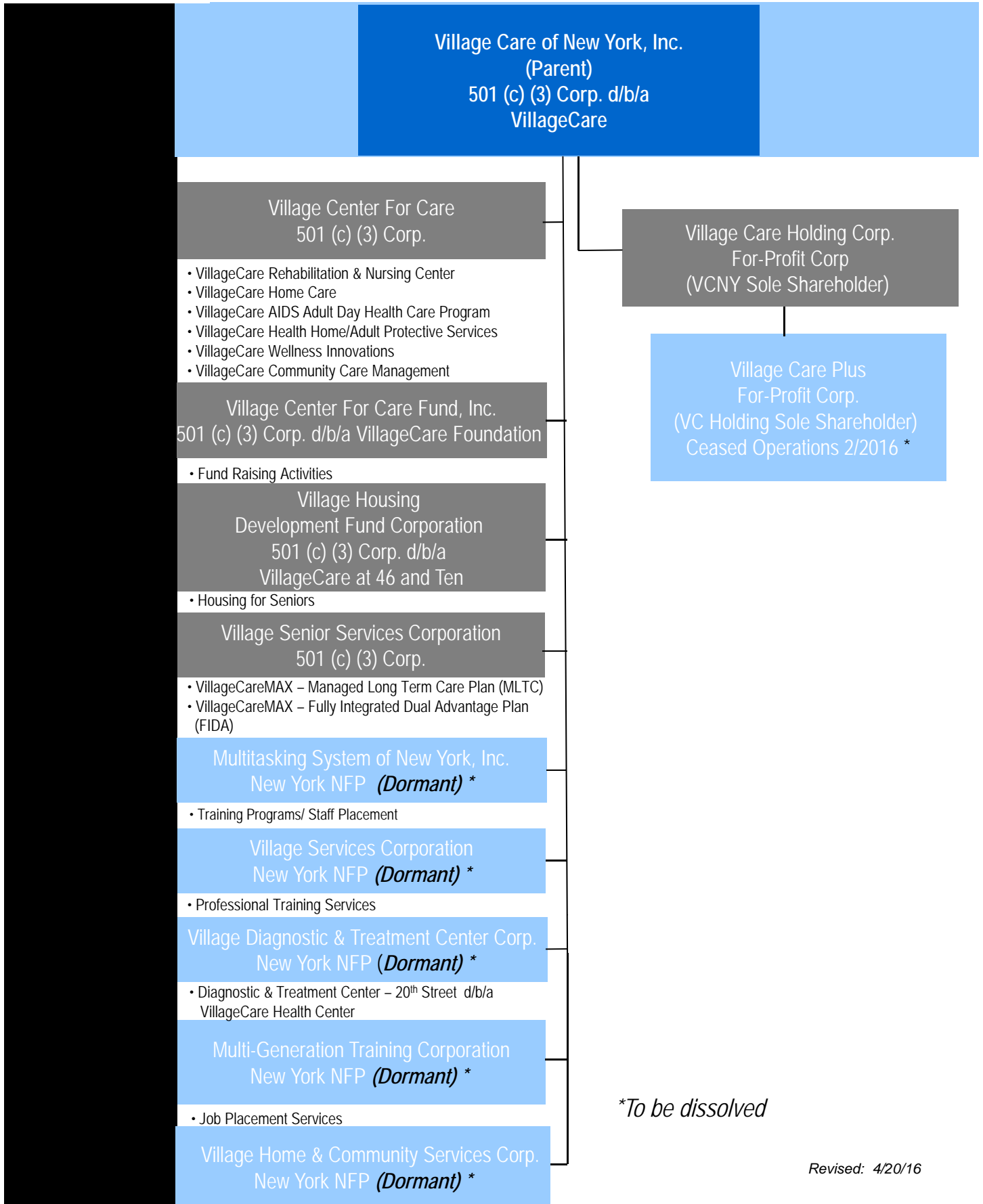
	6/30/2016		
	<u>2016-Internal</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$135,977	\$134,043	\$767,787
Non-Current Assets	<u>297,527</u>	<u>428,776</u>	<u>579,300</u>
Total Assets	\$433,504	\$562,819	\$1,347,087
Current Liabilities	268,041	194,750	(22,267)
Long Term Liabilities	<u>(2,624,523)</u>	<u>(2,044,348)</u>	<u>216,542</u>
Total Liabilities	(2,356,482)	(1,849,598)	194,275
Net Assets	\$2,789,986	\$2,412,417	\$1,152,812
Working Capital Position	(\$132,064)	(\$60,707)	\$790,054
Operating Revenues	\$2,090,432	\$3,392,092	\$2,007,711
Operating Expenses	<u>1,253,814</u>	<u>2,734,298</u>	<u>1,875,072</u>
Operating Net Income	\$836,618	\$657,794	\$132,639

USRC Williamsville, Inc.

	6/30/2016		
	<u>2016-Internal</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$569,233	\$639,787	\$1,297,196
Non-Current Assets	<u>299,306</u>	<u>386,913</u>	<u>404,374</u>
Total Assets	\$868,539	\$1,026,700	\$1,701,570
Current Liabilities	(148,237)	(144,706)	201,392
Long Term Liabilities	<u>(1,399,318)</u>	<u>(1,145,887)</u>	<u>(236,912)</u>
Total Liabilities	(1,547,555)	(1,290,593)	(35,520)
Net Assets	\$2,416,094	\$2,317,293	\$1,737,090
Working Capital Position	\$717,470	\$784,493	\$1,095,804
Operating Revenues	\$668,852	\$1,861,257	\$2,557,973
Operating Expenses	<u>570,053</u>	<u>1,332,465</u>	<u>2,258,038</u>
Operating Net Income	\$98,799	\$528,792	\$299,935



Corporate Structure



**To be dissolved*

**VILLAGE CARE OF NEW YORK, INC.
AND SUBSIDIARIES**

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 43,918,315	\$ 45,582,055
Resident funds held in trust	128,858	94,402
Investments	39,434,957	23,678,588
Accounts receivable - net	20,564,404	10,529,676
Reinsurance receivable	64,960	
Grants receivable	580,546	721,102
Prepaid expenses and other assets	2,090,223	1,641,589
Extension fee receivable		400,000
	<u>106,782,263</u>	<u>82,647,412</u>
Assets limited as to use		
Reserve for replacement - cash	409,093	381,889
Escrow funds - money market funds	<u>8,208,000</u>	<u>5,025,000</u>
	<u>8,617,093</u>	<u>5,406,889</u>
Fixed assets - net		
	<u>70,900,033</u>	<u>82,698,334</u>
Total assets	<u>\$ 186,299,389</u>	<u>\$ 170,752,635</u>

**VILLAGE CARE OF NEW YORK, INC.
 AND SUBSIDIARIES**

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 2,220,504	\$ 3,377,096
Accrued wages payable and related liabilities	5,294,673	6,432,248
Construction costs payable		2,000,000
Claims reserve	18,796,316	15,165,075
Long-term debt	651,769	624,920
Capital leases payable	560,702	852,292
Pension liability payable		247,197
Advances from funding sources		134,447
Deferred rent	79,663	153,363
Due to third parties	10,521,685	23,938,625
Resident funds	128,858	94,402
	<u>38,254,170</u>	<u>53,019,665</u>
Total current liabilities		
Long-term liabilities		
Long-term debt	27,022,643	27,697,702
Capital leases payable	208,709	758,397
Pension liability payable		505,482
	<u>27,231,352</u>	<u>28,961,581</u>
Total long-term liabilities		
Total liabilities		
	<u>65,485,522</u>	<u>81,981,246</u>

VILLAGE CARE OF NEW YORK, INC.
AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Operating revenues						
Patient service revenue						
Skilled nursing facilities	\$ 23,515,127		\$ 23,515,127	\$ 42,005,479		\$ 42,005,479
Adult day health care centers	3,310,692		3,310,692	5,326,096		5,326,096
Certified home health care agency	11,125,963		11,125,963	9,503,877		9,503,877
Health home	12,215,625		12,215,625	7,683,918		7,683,918
Diagnostic and treatment center				454,921		454,921
Total patient service revenue (net of contractual allowances and discounts)	50,167,407		50,167,407	64,974,291		64,974,291
Provision for bad debts	(1,947,941)		(1,947,941)	(608,324)		(608,324)
Net patient service revenue less provision for bad debts	48,219,466		48,219,466	64,365,967		64,365,967
Licensed home care services agency	1,739,401		1,739,401	1,750,007		1,750,007
Managed long-term care	197,651,107		197,651,107	139,655,669		139,655,669
Senior housing	4,100,316		4,100,316	3,849,022		3,849,022
Grants	5,105,872		5,105,872	3,102,380		3,102,380
Other operating revenues	1,510		1,510	406,370		406,370
Total operating revenues	256,817,672		256,817,672	213,129,415		213,129,415
Operating expenses						
Skilled nursing facilities	13,294,610		13,294,610	24,393,474		24,393,474
Adult day health care centers	2,779,532		2,779,532	4,614,880		4,614,880
Certified home health care agency	12,942,557		12,942,557	8,399,832		8,399,832
Health home	7,138,535		7,138,535	4,029,633		4,029,633

VILLAGE CARE OF NEW YORK, INC.
AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF ACTIVITIES

YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015			2014		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Operating expenses (continued)						
Licensed home care services agency	\$ 6,202,929		\$ 6,202,929	\$ 4,918,653		\$ 4,918,653
Diagnostic and treatment center				825,893		825,893
Managed long-term care	152,223,462		152,223,462	108,368,735		108,368,735
Senior housing	2,876,802		2,876,802	2,657,473		2,657,473
Other community based programs	2,176,795		2,176,795	608,427		608,427
Interest	1,283,757		1,283,757	1,601,129		1,601,129
Payroll taxes and employee benefits	14,538,647		14,538,647	17,287,218		17,287,218
Administrative and general	22,798,551		22,798,551	26,809,878		26,809,878
New York State revenue assessment	533,832		533,832	1,900,134		1,900,134
Depreciation and amortization	5,284,949		5,284,949	7,244,515		7,244,515
Total operating expenses	244,074,958		244,074,958	213,659,874		213,659,874
Operating gain (loss)	12,742,714		12,742,714	(530,459)		(530,459)
Nonoperating revenues and expenses						
Contributions and grants	413,925	\$ 12,310	426,235	181,444		181,444
Special events revenues	307,173		307,173	286,211		286,211
Direct cost of special events	(63,724)		(63,724)	(50,727)		(50,727)
Investment income - net	(1,746)		(1,746)	497,838		497,838
Other revenues	280,747		280,747	204,481		204,481
Nonoperating expenses	(298,592)		(298,592)	(306,371)		(306,371)
Net assets released from restriction	499,612	(499,612)		64,200	\$ (64,200)	
Total nonoperating revenues and expenses	1,137,395	(487,302)	650,093	877,076	(64,200)	812,876

VILLAGE CENTER FOR CARE
BALANCE SHEET
DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
ASSETS		
Current assets		
Cash and cash equivalents	\$ 20,704,153	\$ 10,238,312
Resident funds held in trust	128,858	90,159
Investments	27,419,947	
Accounts receivable - net	6,987,221	6,707,060
Grants receivable	585,449	721,102
Due from related entities	694,090	1,122,444
Prepaid expenses and other assets	<u>1,083,721</u>	<u>696,514</u>
Total current assets	57,603,439	19,575,591
Fixed assets - net	<u>57,882,338</u>	<u>60,041,556</u>
Total assets	<u>\$ 115,485,777</u>	<u>\$ 79,617,147</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 1,748,913	\$ 1,643,515
Accrued wages payable and related liabilities	2,323,911	1,965,313
Construction costs payable		2,000,000
Pension liability payable		247,197
Advances from funding sources		134,447
Estimated liabilities due to third parties	6,195,732	6,016,438
Capital lease payable	60,149	70,511
Long-term debt	445,000	430,000
Resident funds held in trust	<u>128,858</u>	<u>90,159</u>
Total current liabilities	<u>10,902,563</u>	<u>12,597,580</u>
Long-term liabilities		
Pension liability payable		505,482
Capital lease payable		60,149
Long-term debt	<u>14,515,000</u>	<u>14,960,000</u>
Total long-term liabilities	<u>14,515,000</u>	<u>15,525,631</u>
Total liabilities	25,417,563	28,123,211
Unrestricted net assets	<u>90,068,214</u>	<u>51,493,936</u>
Total liabilities and net assets	<u>\$ 115,485,777</u>	<u>\$ 79,617,147</u>

VILLAGE CENTER FOR CARE
STATEMENT OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2015 AND 2014

	<u>2015</u>	<u>2014</u>
Operating revenues		
Patient service revenues		
Skilled nursing facility	\$ 23,478,856	\$ 23,835,176
Adult day health care centers	3,494,991	4,902,767
Certified home health care agency	11,859,517	10,199,079
Health Home	<u>12,215,625</u>	<u>7,683,918</u>
Total patient service revenues (net of contractual allowances and discounts)	51,048,989	46,620,940
Provision for bad debts	<u>(1,947,941)</u>	<u>(392,782)</u>
Net patient service revenues less provision for bad debts	49,101,048	46,228,158
Other operating revenues		
Grant revenues	<u>5,550,685</u>	<u>2,894,703</u>
Total operating revenues	<u>54,651,733</u>	<u>49,122,861</u>
Operating expenses		
Skilled nursing facility	13,110,372	12,073,094
Adult day health care centers	2,751,330	4,196,715
Certified home health care agency	13,204,681	10,271,099
Health Home	7,138,535	4,785,704
Other community-based programs	2,176,795	620,647
Administrative and general	5,294,262	4,039,462
Payroll taxes and employee benefits	6,066,406	5,646,386
Depreciation and amortization	3,359,987	3,077,307
New York State revenue assessment	527,237	595,640
Interest	<u>725,021</u>	<u>806,708</u>
Total operating expenses	<u>54,354,626</u>	<u>46,112,762</u>
Operating gain	<u>297,107</u>	<u>3,010,099</u>

**VILLAGE CARE OF NEW YORK
AND SUBSIDIARIES**

CONSOLIDATED BALANCE SHEET

FOR THE QUARTER ENDED JUNE 30, 2016

	<u>Unaudited</u> <u>June 30,</u> <u>2016</u>	<u>Audited</u> <u>December 31,</u> <u>2015</u>		<u>Unaudited</u> <u>June 30,</u> <u>2016</u>	<u>Audited</u> <u>December 31,</u> <u>2015</u>
ASSETS			LIABILITIES AND NET ASSETS		
Current assets			Current liabilities		
Cash and cash equivalents	\$ 53,755,090	\$ 43,918,315	Accounts payable and accrued expenses	\$ 4,184,302	3,071,586
Resident funds held in trust	115,603	128,858	Accrued wages payable and related liabilities	5,789,198	5,294,673
Investments	40,340,606	39,434,957	Claims reserve	20,175,603	17,945,234
Accounts receivable - net	21,857,136	20,564,404	Deferred Rent	36,375	79,663
Reinsurance receivable	-	64,960	Due to third parties	7,193,924	7,961,890
Grants receivable	397,752	580,546	Resident funds	115,603	128,858
Prepaid expenses and other assets	3,532,479	2,090,223			
VCP Escrow Funds	200,000	-			
Total current assets	<u>120,198,666</u>	<u>106,782,263</u>	Total current liabilities	<u>37,495,005</u>	<u>34,481,904</u>
Limited use funds	12,201,663	8,617,093	Total long-term liabilities	<u>27,758,360</u>	<u>28,443,823</u>
Fixed assets - net	<u>69,576,726</u>	<u>70,900,033</u>	Total liabilities	<u>65,253,365</u>	<u>62,925,727</u>
			Net assets		
Total assets	<u>\$ 201,977,055</u>	<u>\$ 186,299,389</u>	Unrestricted	135,145,309	121,795,281
			Temporarily restricted	<u>1,578,381</u>	<u>1,578,381</u>
			Total net assets	<u>136,723,690</u>	<u>123,373,662</u>
			Total liabilities and net assets	<u>\$ 201,977,055</u>	<u>\$ 186,299,389</u>

VILLAGECARE AND RELATED ENTITIES

STATEMENT OF REVENUE & EXPENSES
 For the period ended June 30, 2016

PROGRAMS	Unaudited
<u>POST ACUTE CARE</u>	
<i>VillageCare for Rehab & Nursing Center - provides residential based skilled nursing and rehab services - 105 beds</i>	
REVENUE	\$ 13,393,309
LESS EXPENSES	
OPERATING EXPENSES EXCLUDING INTEREST & DEPRECIATION	9,610,117
DEPRECIATION INTEREST AND DEBT SERVICE COSTS	1,569,370
TOTAL EXPENSES	11,179,487
CONTRIBUTION MARGIN	2,213,822
VCNY OVERHEAD ALLOCATION	(2,498,131)
NET SURPLUS (DEFICIT)	(284,309)
<i>Certified Home Health Care Agency (CHHA) - provides home health care services</i>	
REVENUE	6,482,853
LESS EXPENSES	
OPERATING EXPENSES EXCLUDING INTEREST & DEPRECIATION	7,920,415
DEPRECIATION INTEREST AND DEBT SERVICE COSTS	106,837
TOTAL EXPENSES	8,027,252
CONTRIBUTION MARGIN	(1,544,399)
VCNY OVERHEAD ALLOCATION	(1,626,892)
NET SURPLUS (DEFICIT)	(3,171,292)
<u>POST ACUTE CARE TOTAL</u>	
REVENUE	19,876,162
LESS EXPENSES	19,206,739
CONTRIBUTION MARGIN	669,423
VCNY OVERHEAD ALLOCATION	(4,125,023)
NET SURPLUS (DEFICIT)	(3,455,601)
<u>Villagecare Max Total</u>	
REVENUE	145,623,430
LESS MEDICAL EXPENSES	118,819,115
LESS EXPENSES	9,606,966
CONTRIBUTION MARGIN	17,197,349
VCNY OVERHEAD ALLOCATION	(5,155,185)
NET SURPLUS (DEFICIT)	12,042,164
<u>COMMUNITY PROGRAMS</u>	
<i>Village Housing @ 46th and Ten -Assisted Living Program</i>	
REVENUE	2,230,471
LESS EXPENSES	
OPERATING EXPENSES EXCLUDING INTEREST & DEPRECIATION	1,761,739
DEPRECIATION INTEREST AND DEBT SERVICE COSTS	557,584
TOTAL EXPENSES	2,319,323
CONTRIBUTION MARGIN	(88,852)
VCNY OVERHEAD ALLOCATION	(40,000)
NET SURPLUS (DEFICIT)	(128,852)
<i>AIDS - DTP 20th St. - provides day treatment services to persons living with HIV/AIDS</i>	
REVENUE	1,756,391
LESS EXPENSES	
OPERATING EXPENSES EXCLUDING INTEREST & DEPRECIATION	1,340,604
DEPRECIATION INTEREST AND DEBT SERVICE COSTS	11,874
TOTAL EXPENSES	1,352,478
CONTRIBUTION MARGIN	403,912
VCNY OVERHEAD ALLOCATION	(238,533)
NET SURPLUS (DEFICIT)	165,380
<i>Health Home - provides community based case management services</i>	
REVENUE	10,133,747
LESS EXPENSES	
OPERATING EXPENSES EXCLUDING INTEREST & DEPRECIATION	6,085,346
DEPRECIATION INTEREST AND DEBT SERVICE COSTS	41,930
TOTAL EXPENSES	6,127,276
CONTRIBUTION MARGIN	4,006,471
VCNY OVERHEAD ALLOCATION	(1,215,992)
NET SURPLUS (DEFICIT)	2,790,479

VILLAGECARE AND RELATED ENTITIES

STATEMENT OF REVENUE & EXPENSES

For the period ended June 30, 2016

PROGRAMS	Unaudited
<i>Village Care Plus - operates a licensed home care service agency</i>	
REVENUE	2,395,611
LESS EXPENSES	1,223,663
CONTRIBUTION MARGIN	1,171,948
VCNY OVERHEAD ALLOCATION	-
NET SURPLUS (DEFICIT)	1,171,948
<i>Wellness Innovations - CMS Pilot Program</i>	
REVENUE	1,444,268
LESS EXPENSES	1,399,682
CONTRIBUTION MARGIN	44,586
VCNY OVERHEAD ALLOCATION	(44,586)
NET SURPLUS (DEFICIT)	-
COMMUNITY PROGRAMS TOTAL	
REVENUE	17,960,488
LESS: EXPENSES	12,422,422
CONTRIBUTION MARGIN	5,538,065
VCNY OVERHEAD ALLOCATION	(1,539,111)
NET SURPLUS (DEFICIT)	3,998,954
<i>Village Center for Care Fund- solicits contributions on behalf of related entities</i>	
REVENUE	199,953
LESS: EXPENSES	261,256
CONTRIBUTION MARGIN	(61,304)
VCNY OVERHEAD ALLOCATION	(51,424)
NET SURPLUS (DEFICIT)	(112,728)
<i>Village Care of New York - provides management services</i>	
REVENUE	10,870,744
LESS EXPENSES	10,870,744
NET SURPLUS (DEFICIT)	-
TOTAL VILLAGE CARE & RELATED ENTITIES AND VILLAGE CARE HOLDING	
REVENUE	183,660,032
LESS EXPENSES	160,316,499
CONTRIBUTION MARGIN	23,343,533
VCNY OVERHEAD ALLOCATION	(10,870,744)
NET OPERATING SURPLUS (DEFICIT)	12,472,789
INVESTMENT INCOME	303,840
UNREALIZED INVESTMENT GAIN	593,461
NET SURPLUS (DEFICIT)	\$ 13,370,090
CLOSED PROGRAMS TOTAL	
REVENUE	-
LESS EXPENSES	20,062
CONTRIBUTION MARGIN	(20,062)
VCNY OVERHEAD ALLOCATION	-
NET SURPLUS (DEFICIT)	(20,062)
TOTAL VILLAGE CARE & RELATED ENTITIES AND VILLAGE CARE HOLDING	
REVENUE	183,660,032
LESS EXPENSES	160,336,561
CONTRIBUTION MARGIN	23,323,471
VCNY OVERHEAD ALLOCATION	(10,870,744)
NET OPERATING SURPLUS (DEFICIT)	12,452,727
INVESTMENT INCOME	303,840
UNREALIZED INVESTMENT GAIN	593,461
NET SURPLUS (DEFICIT)	\$ 13,350,028

**VILLAGE CENTER FOR CARE
CONSOLIDATED BALANCE SHEET**

FOR THE QUARTER ENDED JUNE 30, 2016

	<u>Unaudited June 30, 2016</u>	<u>Audited December 31, 2015</u>		<u>Unaudited June 30, 2016</u>	<u>Audited December 31, 2015</u>
	ASSETS			LIABILITIES AND NET ASSETS	
Current assets			Current liabilities		
Cash and cash equivalents	\$ 20,364,360	20,704,153	Accounts payable and accrued expenses	\$ 1,597,570	1,748,913
Resident funds held in trust	58,753	128,858	Accrued wages payable and related liabilities	2,644,058	2,323,911
Investments	27,958,887	27,419,947	Advances from funding sources	-	-
Accounts receivable - net	9,405,766	6,987,221	Due to third parties	3,854,232	3,635,937
Grants receivable	397,752	585,449	Capital lease payable	24,048	60,149
Prepaid expenses and other assets	1,768,195	1,083,721	Loans Payable	465,000	445,000
Due From Related Entities	-	694,090	Resident funds held in trust	58,753	128,858
Total current assets	<u>59,953,713</u>	<u>57,603,439</u>	Due to Related Entities	1,298,237	-
			Total current liabilities	<u>9,941,898</u>	<u>8,342,768</u>
Limited use funds	-	-	Long Term Liabilities		
			Capital lease payable	-	-
			Long-term debt	14,050,000	14,515,000
			Total long-term liabilities	<u>14,050,000</u>	<u>14,515,000</u>
Fixed assets - net	<u>56,674,689</u>	<u>57,882,338</u>	Total liabilities	<u>23,991,898</u>	<u>22,857,768</u>
			Net assets		
			Unrestricted	92,636,504	92,628,009
			Temporarily restricted	-	-
			Total net assets	<u>92,636,504</u>	<u>92,628,009</u>
Total assets	<u>\$ 116,628,402</u>	<u>115,485,777</u>	Total liabilities and net assets	<u>\$ 116,628,402</u>	<u>115,485,777</u>

VILLAGE CENTER FOR CARE
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2015 AND JUNE 30, 2016

	Unaudited Jan - June 2016	Audited 2015
Operating Revenue		
Patient service revenues		
Skilled nursing facility	11,582,358	26,038,651
Adult day health care centers	1,756,265	3,494,991
Certified home health care agency	6,342,864	11,859,517
Health Home	9,299,333	12,215,625
Total patient services revenues (net of contractual allowances and discounts)	28,980,820	53,608,784
Provision for bad debts	(654,272)	(1,947,941)
Net patient service revenues less provision for bad debts	28,326,548	51,660,843
Other Operating Revenues		
Grant Revenues	4,112,826	5,550,685
Total operating revenues	32,439,374	57,211,528
Operating Expenses		
Skilled nursing facility	6,931,003	13,110,372
Adult day health care centers	1,407,838	2,751,330
Certified home health care agency	8,681,337	13,204,681
Health Home	5,809,463	7,138,535
Other community-based programs	1,380,742	2,176,795
Administrative and general	3,244,670	5,294,262
Payroll taxes and employee benefits	3,660,539	6,066,406
Depreciation and amortization	1,480,211	3,359,987
New York State revenue assessment	281,118	527,237
Interest	303,655	725,021
Total operating expenses	33,180,575	54,354,626
Operating gain/ loss	(741,201)	2,856,902
Nonoperating revenues		
Contributions	80,181	217,092
Investment gain/loss	528,301	(758)
Other revenues	147,447	251,272
Total nonoperating revenues	755,929	467,606
Change in net assets before other changes	14,728	3,324,508
Grant from Rivington House Health Care Facility		39,065,543
Grant to Village Care of New York	(6,233)	(1,255,978)
Forgiveness of related entities' borrowings	-	-
Change in unrestricted net assets	8,495	41,134,073
Net assets - beginning of year	92,628,009	51,493,936
Net assets - end of year	92,636,504	92,628,009

CON 161180 Nesconset ZJ 1 LLC d/b/a Nesconset Center for Nursing and Rehabilitation

		Pre and Post Ownership of Realty	
Current Owners		Proposed Owners	
Nesconset NC Realty, LLC	100%	Nesconset ZJ Realty 1 LLC	100%
Robert Heppenheimer	33.34%	RL Nesconset Investors LLC	50%
Anupadevi Lamba	33.33%	Jonah Jay Lobell-50%	
Smita Lodha	33.33%	Leslie Rieder-50%	
		100 Southern Boulevard, LLC	50%
		Zev Farkas-50%	
		Joseph Schlanger-50%	
Islip DC Realty, LLC	100%	Central Island Realty 1 LLC	100%
Robert Heppenheimer	33.34%	RL Nesconset Investors LLC	50%
Anupadevi Lamba	33.33%	Jonah Jay Lobell-50%	
Smita Lodha	33.33%	Leslie Rieder-50%	
		575 Clayton Street LLC	50%
		Zev Farkas-50%	
		Joseph Schlanger-50%	
MDDC Realty, LLC	100%	Middle Island Realty1 LLC	100%
Robert Heppenheimer	33.34%	RL Nesconset Investors LLC	50%
Anupadevi Lamba	33.33%	Jonah Jay Lobell-50%	
Smita Lodha	33.33%	Leslie Rieder-50%	
		45 Rocky Point Road LLC	50%
		Zev Farkas-50%	
		Joseph Schlanger-50%	

Financial Summary

Nesconset Center for Nursing and Rehabilitation

FISCAL PERIOD ENDED	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
ASSETS - CURRENT	\$6,637,058	\$6,673,060	\$6,050,193
ASSETS - FIXED AND OTHER	\$5,303,915	\$5,295,859	\$5,868,765
LIABILITIES - CURRENT	\$8,651,350	\$7,749,110	\$7,495,082
LIABILITIES - LONG-TERM	<u>\$1,489,691</u>	<u>\$1,440,840</u>	<u>\$1,446,660</u>
EQUITY	\$1,799,932	\$2,778,969	\$2,977,216
<hr/>			
INCOME	\$8,447,314	\$34,790,047	\$35,730,231
EXPENSE	<u>\$9,418,368</u>	<u>\$34,811,473</u>	<u>\$37,414,161</u>
NET INCOME	-\$971,054	-\$21,426	-\$1,683,930
<hr/>			
NUMBER OF RHCF BEDS	240	240	240
PERCENT OF OCCUPANCY (DAYS)	92.66%	91.06%	90.55%
<hr/>			
PERCENT RHCF OCCUPANCY (DAYS):			
MEDICAID	85.17%	81.80%	78.55%
MEDICARE	10.79%	13.10%	8.29%
PRIVATE/OTHER	4.04%	5.10%	13.16%
<hr/>			

Sources: 6/30/16 internal financial statements; 2014-2015 certified financial statements; Cost Report: 2014-2015 RHCF (utilization)

Nesconset Acquisition, LLC
d/b/a
Nesconset Center for Nursing and Rehabilitation
(A Limited Liability Company)
and
Related Companies
Consolidating Balance Sheet
December 31, 2015

	Nesconset Center for Nursing and Rehabilitation	Nesconset NC Realty, LLC	MDDC Realty, LLC	Islip DC Realty, LLC	Eliminations	Total
ASSETS						
Current Assets						
Cash and cash equivalents	\$ 141,548	\$ 2,013	\$ 61,591	\$ 42,822	\$ -	\$ 247,974
Patient accounts receivable, net	5,398,834	-	-	-	-	5,398,834
Prepaid expenses and other current assets	433,452	162,912	-	39,509	-	635,873
Investments	332,502	-	-	-	-	332,502
Rent receivable	-	611,077	-	92,933	(704,010)	-
Due from Medicaid, net	<u>366,724</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>366,724</u>
Total Current Assets	<u>6,673,060</u>	<u>776,002</u>	<u>61,591</u>	<u>175,264</u>	<u>(704,010)</u>	<u>6,981,907</u>
Patient fund cash	136,256	-	-	-	-	136,256
Sinking funds	-	-	704,705	704,592	-	1,409,297
Escrows	763,142	470,840	66,838	20,034	-	1,320,854
Property and equipment, net	1,914,890	15,325,502	4,295,820	4,165,625	-	25,701,837
Due from Nesconset Center for Nursing and Rehabilitation	-	1,304,584	-	-	(1,304,584)	-
Due from MDDC Realty, LLC	317,669	500,000	-	-	(817,669)	-
Due from Islip DC Realty, LLC	174,530	500,000	-	-	(674,530)	-
Due from other related parties	441,610	-	42,175	-	-	483,785
Deferred financing costs	-	559,441	12,136	33,892	-	605,469
Goodwill	<u>1,547,762</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,547,762</u>
	<u>\$ 11,968,919</u>	<u>\$ 19,436,369</u>	<u>\$ 5,183,265</u>	<u>\$ 5,099,407</u>	<u>\$ (3,500,793)</u>	<u>\$ 38,187,167</u>
LIABILITIES AND EQUITY (DEFICIT)						
Current Liabilities						
Accounts payable	\$ 2,849,760	\$ -	\$ -	\$ -	\$ -	\$ 2,849,760
Line of credit	2,294,000	-	-	-	-	2,294,000
Accrued payroll, sick, vacation and taxes payable	861,909	-	-	-	-	861,909
Payable to third-party and private payors	407,022	-	-	-	-	407,022
Accrued expenses	1,336,419	82,503	-	-	(704,010)	714,912
Long-term debt	<u>-</u>	<u>317,389</u>	<u>200,892</u>	<u>127,839</u>	<u>-</u>	<u>646,120</u>
Total Current Liabilities	<u>7,749,110</u>	<u>399,892</u>	<u>200,892</u>	<u>127,839</u>	<u>(704,010)</u>	<u>7,773,723</u>
Patient fund liability	136,256	-	-	-	-	136,256
Long-term debt, net of current portion	-	20,947,852	3,617,091	4,149,063	-	28,714,006
Due to Nesconset NC Realty, LLC	1,304,584	-	500,000	500,000	(2,304,584)	-
Due to Nesconset Center for Nursing and Rehabilitation	-	-	317,669	174,530	(492,199)	-
Interest rate swap liability	<u>-</u>	<u>-</u>	<u>220,241</u>	<u>294,316</u>	<u>-</u>	<u>514,557</u>
Total Liabilities	<u>9,189,950</u>	<u>21,347,744</u>	<u>4,855,893</u>	<u>5,245,748</u>	<u>(3,500,793)</u>	<u>37,138,542</u>
Equity (Deficit)						
Members' Equity	2,778,969	-	-	-	-	2,778,969
Non-controlling interests	<u>-</u>	<u>(1,911,375)</u>	<u>327,372</u>	<u>(146,341)</u>	<u>-</u>	<u>(1,730,344)</u>
Equity (Deficit)	<u>2,778,969</u>	<u>(1,911,375)</u>	<u>327,372</u>	<u>(146,341)</u>	<u>-</u>	<u>1,048,625</u>
	<u>\$ 11,968,919</u>	<u>\$ 19,436,369</u>	<u>\$ 5,183,265</u>	<u>\$ 5,099,407</u>	<u>\$ (3,500,793)</u>	<u>\$ 38,187,167</u>

Nesconset Acquisition, LLC
d/b/a
Nesconset Center for Nursing and Rehabilitation
(A Limited Liability Company)
and
Related Companies

Consolidating Balance Sheet
December 31, 2014

	Nesconset Center for Nursing and Rehabilitation	Nesconset NC Realty, LLC	MDDC Realty, LLC	Islip DC Realty, LLC	Eliminations	Total
ASSETS						
Current Assets						
Cash and cash equivalents	\$ -	\$ 389,580	\$ 537,962	\$ 3,093	\$ -	\$ 930,635
Patient accounts receivable, net	5,323,689	-	-	-	-	5,323,689
Prepaid expenses and other current assets	83,004	159,867	-	38,240	-	281,111
Investments	397,224	-	-	-	-	397,224
Rent receivable	-	41,000	73,300	131,271	(245,571)	-
Due from Medicaid, net	246,276	-	-	-	-	246,276
Total Current Assets	6,050,193	590,447	611,262	172,604	(245,571)	7,178,935
Patient fund cash	144,956	-	-	-	-	144,956
Sinking funds	-	-	703,297	703,184	-	1,406,481
Escrows	761,998	634,288	65,059	18,309	-	1,479,654
Property and equipment, net	1,954,240	15,745,059	4,416,936	4,278,125	-	26,394,360
Due from Nesconset Center for Nursing and Rehabilitation	-	1,304,584	-	-	(1,304,584)	-
Due from MDDC Realty, LLC	843,669	500,000	-	-	(1,343,669)	-
Due from Islip DC Realty, LLC	174,530	500,000	-	-	(674,530)	-
Due from other related parties	441,610	-	42,175	-	-	483,785
Deferred financing costs	-	577,634	17,961	46,819	-	642,414
Goodwill	1,547,762	-	-	-	-	1,547,762
	\$ 11,918,958	\$ 19,852,012	\$ 5,856,690	\$ 5,219,041	\$ (3,568,354)	\$ 39,278,347
LIABILITIES AND EQUITY (DEFICIT)						
Current Liabilities						
Accounts payable	\$ 2,217,986	\$ -	\$ -	\$ -	\$ -	\$ 2,217,986
Bank overdraft	425,605	-	-	-	-	425,605
Line of credit	2,125,000	-	-	-	-	2,125,000
Accrued payroll, sick, vacation and taxes payable	1,211,291	-	-	-	-	1,211,291
Payable to third-party and private payors	347,177	-	-	-	-	347,177
Accrued expenses	1,168,023	83,577	7,495	-	(245,571)	1,013,524
Long-term debt	-	302,995	190,616	121,642	-	615,253
Total Current Liabilities	7,495,082	386,572	198,111	121,642	(245,571)	7,955,836
Patient fund liability	142,076	-	-	-	-	142,076
Long-term debt	-	21,265,241	3,817,983	4,276,903	-	29,360,127
Due to Nesconset NC Realty, LLC	1,304,584	-	500,000	500,000	(2,304,584)	-
Due to Nesconset Center for Nursing and Rehabilitation	-	-	843,669	174,530	(1,018,199)	-
Interest rate swap liability	-	-	307,076	380,436	-	687,512
Total Liabilities	8,941,742	21,651,813	5,666,839	5,453,511	(3,568,354)	38,145,551
Equity (Deficit)						
Members' Equity	2,977,216	-	-	-	-	2,977,216
Non-controlling interests	-	(1,799,801)	189,851	(234,470)	-	(1,844,420)
Equity (Deficit)	2,977,216	(1,799,801)	189,851	(234,470)	-	1,132,796
	\$ 11,918,958	\$ 19,852,012	\$ 5,856,690	\$ 5,219,041	\$ (3,568,354)	\$ 39,278,347

Nesconset Acquisition, LLC
d/b/a
Nesconset Center for Nursing and Rehabilitation
(A Limited Liability Company)
and
Related Companies
Consolidating Statement of Income and Equity (Deficit)
Year Ended December 31, 2015

	Nesconset Center for Nursing and Rehabilitation	Nesconset NC Realty, LLC	MDDC Realty, LLC	Islip DC Realty, LLC	Eliminations	Total
OPERATING REVENUE						
Net resident revenue - routine and ancillary revenue	\$ 26,154,874	\$ -	\$ -	\$ -	\$ -	\$ 26,154,874
Adult daycare service revenue	<u>8,274,732</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,274,732</u>
	34,429,606	-	-	-	-	34,429,606
Other operating revenue	360,441	62	1,460	1,408	-	363,371
Rental revenue	<u>-</u>	<u>1,629,077</u>	<u>501,700</u>	<u>471,662</u>	<u>(2,602,439)</u>	<u>-</u>
Total Operating Revenue	<u>34,790,047</u>	<u>1,629,139</u>	<u>503,160</u>	<u>473,070</u>	<u>(2,602,439)</u>	<u>34,792,977</u>
OPERATING EXPENSES						
Administrative services	4,511,079	107,446	16,407	384	-	4,635,316
Fiscal services	968,814	-	-	-	-	968,814
Plant, operations and maintenance	2,905,076	1,818,926	436,067	470,677	(2,602,439)	3,028,307
Patient food services	2,168,757	-	-	-	-	2,168,757
Housekeeping services	896,845	-	-	-	-	896,845
Laundry services	471,694	-	-	-	-	471,694
Nursing administration	2,124,809	-	-	-	-	2,124,809
Utilization review	22,328	-	-	-	-	22,328
Medical care services	256,238	-	-	-	-	256,238
Leisure time activities	490,814	-	-	-	-	490,814
Social services and admitting	639,067	-	-	-	-	639,067
Ancillary service centers	2,434,955	-	-	-	-	2,434,955
Program service centers	8,112,336	-	-	-	-	8,112,336
Middle Island Daycare	3,307,781	-	-	-	-	3,307,781
Central Islip Daycare	3,662,782	-	-	-	-	3,662,782
Medicaid assessment - Nursing home patients	1,271,634	-	-	-	-	1,271,634
Medicaid Assessment - Middle Island Daycare	248,495	-	-	-	-	248,495
Medicaid Assessment - Central Islip Daycare	313,469	-	-	-	-	313,469
LLC filing fee	4,500	-	-	-	-	4,500
Total Operating Expenses	<u>34,811,473</u>	<u>1,926,372</u>	<u>452,474</u>	<u>471,061</u>	<u>(2,602,439)</u>	<u>35,058,941</u>
Net Operating (Loss) Income	(21,426)	(297,233)	50,686	2,009	-	(265,964)
OTHER REVENUE						
Investment Income	34,879	-	-	-	-	34,879
Gain on interest rate swap	<u>-</u>	<u>-</u>	<u>86,835</u>	<u>86,120</u>	<u>-</u>	<u>172,955</u>
Net (Loss) Income	13,453	(297,233)	137,521	88,129	-	(58,130)
EQUITY (DEFICIT)						
Beginning of year	2,977,216	(1,799,801)	189,851	(234,470)	-	1,132,796
Contributions (Distributions)	<u>(211,700)</u>	<u>185,659</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(26,041)</u>
End of year	<u>\$ 2,778,969</u>	<u>\$ (1,911,375)</u>	<u>\$ 327,372</u>	<u>\$ (146,341)</u>	<u>\$ -</u>	<u>\$ 1,048,625</u>

Nesconset Acquisition LLC
d/b/a
Nesconset Center for Nursing and Rehabilitation
(A Limited Liability Company)
and
Related Companies

Consolidating Statements of Income and Equity (Deficit)
Year Ended December 31, 2014

	Nesconset Center for Nursing and Rehabilitation	Nesconset NC Realty	MDDC Realty	Islip DC Realty	Eliminations	Total
OPERATING REVENUE						
Net resident revenue - routine and ancillary revenue	\$ 27,139,810	\$ -	\$ -	\$ -	\$ -	\$ 27,139,810
Daycare service revenue	8,242,254	-	-	-	-	8,242,254
	35,382,064	-	-	-	-	35,382,064
Other operating revenue	348,167	134	1,497	1,170	-	350,968
Rental revenue	-	1,936,324	620,369	529,760	(3,086,453)	-
Total Operating Revenue	<u>35,730,231</u>	<u>1,936,458</u>	<u>621,866</u>	<u>530,930</u>	<u>(3,086,453)</u>	<u>35,733,032</u>
OPERATING EXPENSES						
Administrative services	6,484,699	110,278	11,495	500	-	6,606,972
Fiscal services	895,843	-	-	-	-	895,843
Plant, operations and maintenance	3,276,355	1,822,656	451,909	472,166	(3,086,453)	2,936,633
Patient food services	2,205,469	-	-	-	-	2,205,469
Housekeeping services	797,642	-	-	-	-	797,642
Laundry services	485,002	-	-	-	-	485,002
Nursing administration	2,291,068	-	-	-	-	2,291,068
Utilization review	46,453	-	-	-	-	46,453
Medical care services	170,640	-	-	-	-	170,640
Leisure time activities	467,150	-	-	-	-	467,150
Social services and admitting	580,150	-	-	-	-	580,150
Ancillary service centers	2,513,320	-	-	-	-	2,513,320
Program service centers	8,135,220	-	-	-	-	8,135,220
Middle Island Daycare	3,543,327	-	-	-	-	3,543,327
Central Islip Daycare	3,603,723	-	-	-	-	3,603,723
Medicaid assessment - Nursing home patients	1,352,271	-	-	-	-	1,352,271
Medicaid Assessment - Middle Island Daycare	280,053	-	-	-	-	280,053
Medicaid Assessment - Central Islip Daycare	281,276	-	-	-	-	281,276
LLC Filing Fee	4,500	-	-	-	-	4,500
Total Operating Expenses	<u>37,414,161</u>	<u>1,932,934</u>	<u>463,404</u>	<u>472,666</u>	<u>(3,086,453)</u>	<u>37,196,712</u>
Net Operating (Loss) Income	(1,683,930)	3,524	158,462	58,264	-	(1,463,680)
OTHER REVENUE						
Investment Income	232,164	-	-	-	-	232,164
Gain on interest rate swap	-	-	88,045	72,979	-	161,024
Net (Loss) Income	(1,451,766)	3,524	246,507	131,243	-	(1,070,492)
EQUITY (DEFICIT)						
Beginning of year	3,455,286	(713,325)	(56,656)	(365,713)	-	2,319,592
Contributions (Distributions)	973,696	(1,090,000)	-	-	-	(116,304)
End of year	<u>\$ 2,977,216</u>	<u>\$ (1,799,801)</u>	<u>\$ 189,851</u>	<u>\$ (234,470)</u>	<u>\$ -</u>	<u>\$ 1,132,796</u>

NESCONSET ZJ 1 LLC
(a limited liability company)
BALANCE SHEET
JANUARY 1, 2017

BFA Attachment D
CON 161180

ASSETS

Current assets

Cash and cash equivalents	\$ 6,200,000
Supplies on hand	<u>10,000</u>
Total current assets	6,210,000

Property and equipment - net	1,050,000
Intangible assets - net	<u>100,000</u>

TOTAL ASSETS	\$ <u><u>7,360,000</u></u>
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LIABILITIES AND MEMBERS' EQUITY

Current liabilities

Working capital loan	\$ <u>3,100,000</u>
Total liabilities	3,100,000

Members' equity	<u>4,260,000</u>
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TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ <u><u>7,360,000</u></u>
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Huntington Acquisition1, LLC
d/b/a Hilaire Rehab & Nursing

Pre and Post Ownersip of Realty

<u>Skillarle, LLC</u>		<u>Huntington Acquisition1, LLC</u>	
Member	%	Member	
Ajay Lodha	33.33%	9 Hilaire Drive, LLC	50%
Robert Heppenheimer	33.34%	Zipporah Farkas	50%
Anupadevi Lamba	33.33%	Joseph Schlanger	50%
		RL Nesconset Investors, LLC	50%
		Jonah Lobell	50%
		Leslie Rieder	50%

Financial Summary

**Huntington Acquisition 1, LLC
d/b/a Hilaire Farm Skilled Living & Rehabilitation Center, LLC**

FISCAL PERIOD ENDED	<u>As of 06/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
ASSETS - CURRENT	\$3,425,589	\$2,766,030	\$2,889,311
ASSETS - FIXED AND OTHER	4,547,166	4,697,780	4,887,868
LIABILITIES - CURRENT	3,779,978	4,151,780	4,107,593
LIABILITIES - LONG-TERM	<u>4,642,868</u>	<u>3,572,641</u>	<u>2,556,765</u>
EQUITY	(\$450,091)	(\$260,611)	\$1,112,821
<hr/>			
INCOME	\$4,164,352	\$7,339,499	\$8,226,479
EXPENSE	<u>4,424,807</u>	<u>8,715,556</u>	<u>8,429,428</u>
NET INCOME	(\$260,455)	(\$1,376,057)	(\$202,949)
<hr/>			
NUMBER OF BEDS	76	76	76
PERCENT OF OCCUPANCY (DAYS)	79.78%	81.00%	86.30%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	65.45%	72.24%	68.50%
MEDICARE	26.11%	20.20%	16.50%
PRIVATE/OTHER	8.44%	7.56%	15.00%
<hr/>			
Average Working Capital	(\$1,183,368)		
Average Net Assets	\$160,848		
Average Net Income (Loss)	(\$735,784)		
Average Occupancy	82.36%		

Hilaire Farm Skilled Living & Rehabilitation Center, LLC
 d/b/a
**Hilaire Rehab & Nursing
 and
 Skillaire, LLC**

Consolidated Balance Sheets

December 31, 2015 and 2014

	<u>December 31,</u>	
	<u>2015</u>	<u>2014</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 28,704	\$ 17,887
Cash - escrow account	86,890	99,318
Patients accounts receivable, net	2,234,595	2,442,337
Due from Medicaid, net	265,267	177,066
Prepaid expenses and other current assets	<u>150,574</u>	<u>152,703</u>
Total Current Assets	2,766,030	2,889,311
Patient funds cash	23,941	25,364
Property and equipment, net	3,833,544	4,004,209
Deferred financing costs, net	45,045	63,045
Goodwill	<u>795,250</u>	<u>795,250</u>
	<u>\$ 7,463,810</u>	<u>\$ 7,777,179</u>
LIABILITIES AND EQUITY (DEFICIT)		
Current Liabilities		
Accounts payable and accrued expenses	\$ 1,020,430	\$ 835,265
Accrued payroll and payroll taxes payable	153,324	184,304
Payable to third-party and private payors	242,948	173,335
Long-term debt	<u>2,735,078</u>	<u>2,914,689</u>
Total Current Liabilities	4,151,780	4,107,593
Patient funds liability	23,941	21,942
Due to related parties	3,194,110	2,173,610
Long-term debt, net of current portion	<u>354,590</u>	<u>361,213</u>
Total Liabilities	<u>7,724,421</u>	<u>6,664,358</u>
Equity (Deficit)		
Members' deficit	(2,013,827)	(637,770)
Non-controlling interest	<u>1,753,216</u>	<u>1,750,591</u>
Equity (Deficit)	<u>(260,611)</u>	<u>1,112,821</u>
	<u>\$ 7,463,810</u>	<u>\$ 7,777,179</u>

Hilaire Farm Skilled Living & Rehabilitation Center, LLC Project#161181
 d/b/a BFA Attchement-C Cont
Hilaire Rehab & Nursing
and
Skillaire, LLC

Consolidated Statements of Income

December 31, 2015 and 2014

	Year Ended December 31,	
	2015	2014
REVENUE		
Net resident revenue	\$ 7,299,312	\$ 8,204,154
Other operating revenue	40,187	22,325
Total Operating Revenue	7,339,499	8,226,479
OPERATING EXPENSES		
Administrative services	959,307	763,362
Fiscal services	91,874	170,473
Plant, operations and maintenance	1,039,567	1,129,939
Patient food services	841,050	827,451
Housekeeping services	347,008	332,837
Laundry services	118,772	122,403
Nursing administration	1,069,646	887,705
Medical care services	138,772	132,192
Leisure time activities	226,643	218,122
Social services and admitting	139,489	124,355
Ancillary service centers	901,132	769,155
Program service centers	2,522,615	2,575,199
Medicaid assessment	317,056	360,991
Total Operating Expenses	8,712,931	8,414,184
Net Loss	(1,373,432)	(187,705)
Net income attributable to non-controlling interest	2,625	15,244
Net Loss Attributable to Hilaire Rehab & Nursing	\$ (1,376,057)	\$ (202,949)

Hilaire Farm Skilled Living & Rehabilitation Center, LLC
d/b/a
Hilaire Rehab & Nursing
and
Skillaire, LLC

Project# 161181
BFA Attachment-C Cont

Consolidated Statements of Changes in Equity (Deficit)

December 31, 2015 and 2014

	<u>Members'</u> <u>Equity (Deficit)</u>	<u>Non-controlling</u> <u>Interest</u>
Balance at December 31, 2013	\$ (524,821)	\$ 1,735,347
Contributions, net of distributions	90,000	-
Net (loss) / income	<u>(202,949)</u>	<u>15,244</u>
Balance at December 31, 2014	(637,770)	1,750,591
Contributions, net of distributions	-	-
Net (loss) / income	<u>(1,376,057)</u>	<u>2,625</u>
Balance at December 31, 2015	<u>\$ (2,013,827)</u>	<u>\$ 1,753,216</u>

HUNTINGTON ACQUISITION 1 LLC
(a limited liability company)
BALANCE SHEET
JANUARY 1, 2017

Project# 161181
BFA Attachment-D

ASSETS

Current assets

Cash and cash equivalents	\$ 1,637,917
Supplies on hand	<u>10,000</u>
Total current assets	1,647,917

Property and equipment - net	500,000
Inrangible assets - net	<u>100,000</u>

TOTAL ASSETS	\$ <u>2,247,917</u>
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LIABILITIES AND MEMBERS' EQUITY

Current liabilities

Working capital loan	\$ <u>818,958</u>
Total liabilities	818,958

Members' equity	<u>1,428,959</u>
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TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ <u>2,247,917</u>
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HUNTINGTON REALTY 1 LLC
(a limited liability company)
BALANCE SHEET
JANUARY 1, 2017

Project# 161181
BFA Attachment-D Cont

ASSETS

Land	\$ 575,000
Buildings	5,175,000
Intangible assets - goodwill	<u>1,290,000</u>

TOTAL ASSETS	\$ <u>7,040,000</u>
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LIABILITIES AND MEMBERS' EQUITY

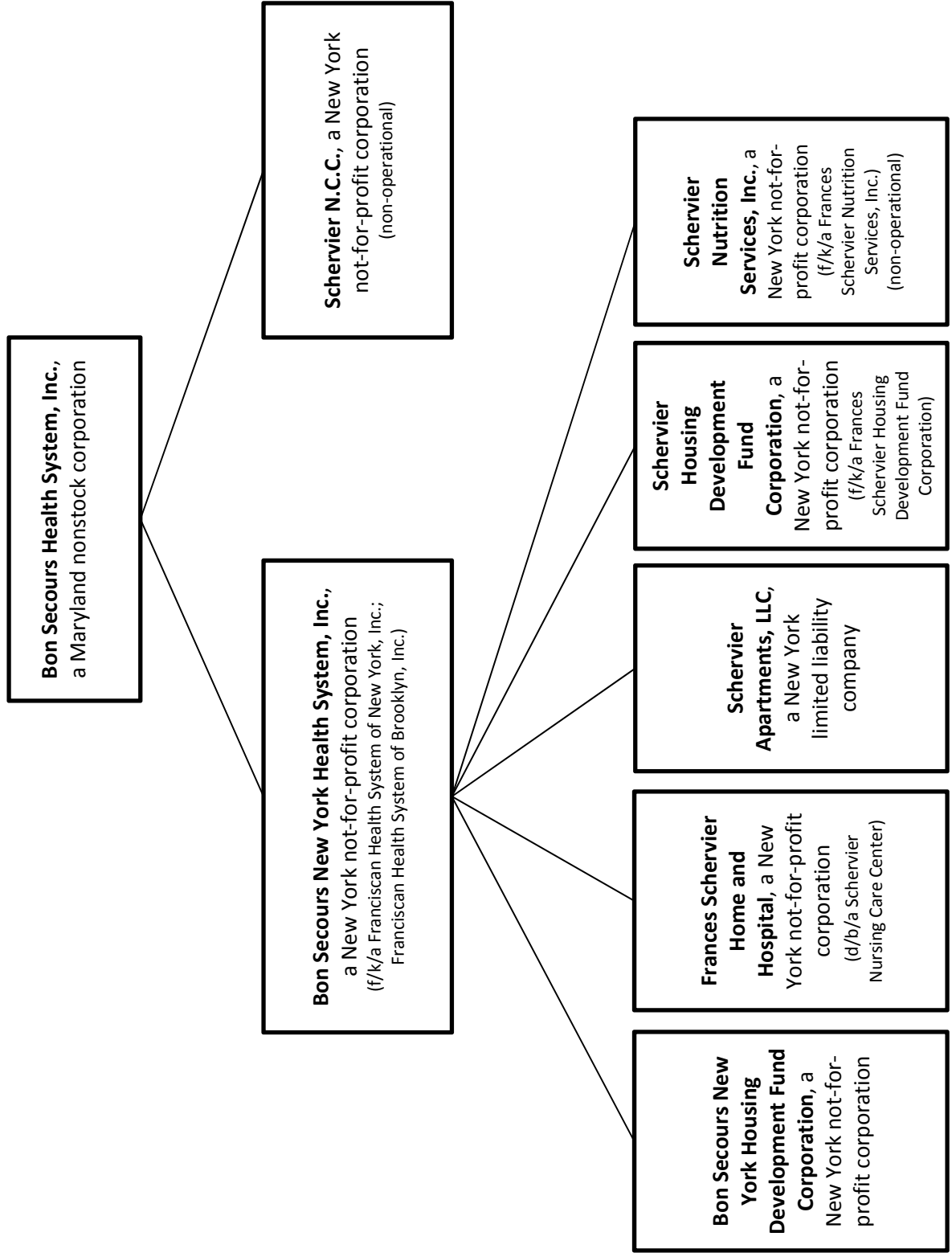
Mortgage payable	\$ <u>6,500,000</u>
Total liabilities	6,500,000

Members' equity	<u>540,000</u>
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TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ <u>7,040,000</u>
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Each line indicates the above listed corporation is the corporate member of the below listed corporation.

Bon Secours New York Health System, Inc. Organizational Chart



**Frances Schervier Home & Hosp
Consolidated Balance Sheet**

For the Period Ending: August 31, 2016

	<u>Current Month 08/31/2016</u>	<u>Audited 08/31/2015</u>
ASSETS		
Current Assets		
Cash & Cash Equivalents	\$(5,458,044)	\$(5,695,781)
Accounts Receivable, Net:		
Gross Patient & 3rd Party Pay Allowances	8,769,853	7,406,567
Other Pat & 3rd Party Payor Other Net	(2,270,689)	(1,596,895)
	-	-
	405,230	463,990
Net Accounts Receivable	6,904,394	6,273,662
Investments Limited As to Use	3,035,602	3,191,479
Inventories	107,534	115,131
Assets Held for Sale	-	-
Assets Held in Trust for Others	206,194	200,664
Prepaid Expenses	122,951	21,159
Other Current Assets	-	-
Due From Affiliates	209,981	59,493
Total Current Assets	5,128,611	4,165,807
Inv Ltd to Use, less CP		
Board Designated Funds	-	-
Other:		
Self Insurance Funds	-	-
Bond Funds	-	-
Restricted Funds	17,367	31,575
Other Funds	-	-
Property Plant & Equip	20,781,141	21,648,754
Due From Affiliates, LT	(9,572,128)	(7,871,840)
Deferred Fin Costs & Other LT Assets	7,041,606	3,616,889
Total Assets	\$23,396,597	\$21,591,185
LIABILITIES		
Current Liabilities:		
Current portion of LTD	\$ 3,800,000	\$ 3,700,000
Accounts Payable	1,933,583	1,781,977
Accr Salaries, Wages & Benefits	2,713,226	2,726,411
Other Accrued Expenses	1,459,262	646,698
Due to Affiliates	500	-
Total Current Liabilities	9,906,571	8,855,086
Long Tem Debt, Net CPLTD	16,255,661	20,021,699
Minimum Pension Liability	-	-
Due to Affiliates, LT	5,689,018	3,864,596
Other LTL & Deferred Credits	14,086,017	9,617,832
Total Liabilities	45,937,266	42,359,213
NET ASSETS:		
Unrestricted - System	(22,977,506)	(21,688,200)
Unrestricted - Noncontrolling Interest	-	-
Total Unrestricted Net Assets	(22,977,506)	(21,688,200)
Restricted Net Assets	436,837	920,172
Total Net Assets	(22,540,669)	(20,768,028)
Total Liabilities & Net Assets	\$ 23,396,597	\$ 21,591,185



Statement of Revenue & Expense
For the Period Ending: August 31, 2016

	MONTH - TO - DATE						YEAR - TO - DATE					
	JUN	JUL	AUG	MTD VAR	MTD VAR %	LY_MTD	AUG	BUDGET	YTD VAR	YTD VAR %	LY_YTD	
	ACTUAL	ACTUAL	ACTUAL				ACTUAL					
REVENUE :												
INPATIENT SERVICE REVENUE	\$ 6,505,704	6,830,484	6,822,156	564,776	9.03%	6,766,819	80,480,686	75,077,458	5,403,228	7.20%	76,723,524	
OUTPATIENT SERVICE REVENUE	-	-	-	-	- %	-	-	-	-	- %	-	
GROSS REVENUE	6,505,704	6,830,484	6,822,156	564,776	9.03%	6,766,819	80,480,686	75,077,458	5,403,228	7.20%	76,723,524	
LESS: CONTRACTUALS	2,808,425	3,039,280	2,532,685	137,499	5.15%	2,728,901	33,220,732	32,042,202	(1,178,530)	(3.68%)	31,548,128	
CHARITY CARE	-	-	-	-	- %	-	-	-	-	- %	-	
OTHER DEDUCTIONS	-	-	-	-	- %	-	-	-	-	- %	-	
TOTAL DEDUCTIONS	2,808,425	3,039,280	2,532,685	137,499	5.15%	2,728,901	33,220,732	32,042,202	(1,178,530)	(3.68%)	31,548,128	
NET PATIENT SERVICE REVENUE BEFORE BAD DEBT	3,697,279	3,791,204	4,289,471	702,275	19.58%	4,037,917	47,259,954	43,035,256	4,224,698	9.82%	45,175,396	
PATIENT BAD DEBT	145,168	129,977	423,525	382,001	(919.95%)	185,428	1,566,193	498,289	1,067,903	(214.31%)	167,573	
NET PATIENT SERVICE REVENUE LESS BAD DEBT	3,552,111	3,661,228	3,865,946	320,274	9.03%	3,852,489	45,693,761	42,536,967	3,156,795	7.42%	45,007,824	
OTHER OPERATING REVENUE	370,674	72,013	196,085	14,562	8.02%	56,231	3,209,492	2,178,278	1,031,214	47.34%	1,351,360	
TOTAL REVENUE	3,922,785	3,733,240	4,062,032	334,836	8.98%	3,908,719	48,903,253	44,715,244	4,188,009	9.37%	46,359,183	
EXPENSES :												
SALARIES & WAGES	1,855,470	1,614,536	1,613,013	13,484	0.83%	1,646,776	20,960,075	19,236,034	(1,724,041)	(8.96%)	19,303,737	
BENEFITS	662,408	845,746	589,955	77,946	11.67%	547,092	9,173,309	7,993,253	(1,180,056)	(14.76%)	7,803,106	
SUPPLY EXPENSE	207,028	232,998	253,878	(15,461)	(6.49%)	219,352	2,763,839	2,849,702	85,863	3.01%	2,694,797	
PURCHASED SERVICES	503,575	516,148	627,644	(151,007)	(31.68%)	600,747	6,268,861	5,653,547	(615,314)	(10.88%)	6,012,794	
CONTRACTED LABOR	-	-	36,981	(36,981)	- %	53,469	44,348	-	(44,348)	- %	205,309	
CORPORATE DUES	112,682	112,682	112,682	-	- %	-	1,352,179	1,352,179	-	- %	-	
PHYSICIAN FEES	22,400	7,000	16,100	(6,400)	(65.98%)	4,600	124,700	116,400	(8,300)	(7.13%)	115,800	
RENTS, UTILITIES & OTHER	638,889	583,306	586,052	48,826	7.69%	679,770	7,375,005	7,602,340	227,335	2.99%	7,583,784	
DEPRECIATION & AMORTIZATION	138,917	135,191	139,152	9,833	6.60%	134,453	1,697,734	1,787,825	90,090	5.04%	1,675,044	
TOTAL OPERATING EXPENSE	4,141,370	4,047,606	3,975,458	(59,760)	(1.53%)	3,886,259	49,760,052	46,591,280	(3,168,772)	(6.80%)	45,394,370	
INCOME FROM OPERATIONS BEFORE INTEREST	(218,585)	(314,366)	86,574	275,076	(145.93%)	22,460	(856,799)	(1,876,036)	1,019,237	54.33%	964,814	
INTEREST	24,372	23,839	24,487	10,570	30.15%	22,528	279,580	420,687	141,107	33.54%	261,426	
INCOME FROM OPERATIONS	(242,958)	(338,205)	62,087	285,646	(127.77%)	(67)	(1,136,379)	(2,296,723)	1,160,345	50.52%	703,388	
OPERATING EBIDA	(79,668)	(179,175)	225,726	265,243	(671.22%)	156,913	840,935	(88,211)	929,147	1,053.32%	2,639,857	
NON OPERATING GAINS (LOSSES) :												
MELLON INVESTMENT INCOME	-	-	-	-	- %	-	-	-	-	- %	-	
INVESTMENT INCOME	(8,020)	(6,573)	(6,463)	(13,802)	(188.06%)	(259)	(78,252)	88,068	(166,319)	(188.85%)	(35,507)	
OTHER NON-OPERATING INCOME	(3,752)	(4,693)	(10,543)	(18,037)	(240.68%)	60,904	(63,200)	89,930	(153,130)	(170.28%)	(48,686)	
NON OPERATING EXPENSES	819	816	832	84	9.14%	748	17,403	10,983	(6,420)	(58.45%)	10,656	
NON OPERATING GAINS/(LOSSES)	(12,590)	(12,083)	(17,837)	(31,755)	(228.16%)	59,897	(158,855)	167,014	(325,869)	(195.12%)	(94,850)	
NET INCOME BEFORE MINORITY INTEREST	(255,548)	(350,288)	44,250	253,891	(121.11%)	59,829	(1,295,234)	(2,129,710)	834,475	(39.18%)	608,538	
MINORITY INTEREST	-	-	-	-	- %	-	-	-	-	- %	-	
EXCESS / DEFICIT of REVENUES OVER EXPENSE:	\$ (255,548)	(350,288)	44,250	253,891	(121.11%)	59,829	(1,295,234)	(2,129,710)	834,475	(39.18%)	608,538	
UNRESTRICTED NET ASSETS ROLL FORWARD :												
UNRESTRICTED NET ASSETS BEGINNING of PERIOD	\$ (22,334,983)	(22,590,531)	(22,931,981)	-	-	(22,599,722)	(21,688,200)	-	-	-	(23,739,890)	
EXCESS / DEFICIT of REVENUES OVER EXPENSES	(255,548)	(350,288)	44,250	-	-	59,829	(1,295,234)	-	-	-	608,538	
OTHER CHANGES IN UNRESTRICTED NET ASSETS	-	8,338	-	-	-	851,692	95,703	-	-	-	1,443,152	
TOTAL CHANGE IN UNRESTRICTED NET ASSETS	(255,548)	(341,450)	44,250	-	-	911,522	(1,199,531)	-	-	-	2,051,689	
UNRESTRICTED NET ASSETS END of PERIOD	\$ (22,590,531)	(22,931,981)	(22,887,732)	-	-	(21,688,200)	(22,887,732)	-	-	-	(21,688,200)	

BON SECOURS NEW YORK HEALTH SYSTEM, INC.

Consolidating Schedule – Balance Sheet Information

December 31, 2015

<u>Assets</u>	<u>Bon Secours Health System of New York, Inc.</u>	<u>Schervier Nursing Care Center</u>	<u>Frances Schervier Housing Development Fund Corporation</u>	<u>Schervier Apartments LLC</u>	<u>BSNY Housing Dev Fund Corp</u>	<u>Reclassification and elimination entries</u>	<u>Consolidated</u>
Current assets:							
Cash and cash equivalents	\$ (3,779,259)	(17,141,074)	—	5,367,893	—	22,213,525	6,661,085
Assets limited or restricted as to use	—	583,178	—	2,271,391	—	—	2,854,569
Resident accounts receivable, net	—	6,281,951	—	—	—	—	6,281,951
Due from third-party payors, current portion	—	1,676,252	—	—	—	—	1,676,252
Other current assets	—	3,693,611	—	110,439	—	—	3,804,050
Total current assets	(3,779,259)	(4,906,082)	—	7,749,723	—	22,213,525	21,277,907
Assets limited or restricted as to use, net of current portion	—	2,642,232	—	5,880,899	—	—	8,523,131
Funds held in trust for residents	—	203,605	—	—	—	—	203,605
Other assets	—	5,549,410	—	2,388,866	—	—	7,938,276
Property, plant, and equipment, net	—	21,362,734	—	3,648,786	—	—	25,011,520
Total assets	\$ (3,779,259)	24,851,899	—	19,668,274	—	22,213,525	62,954,439

BON SECOURS NEW YORK HEALTH SYSTEM, INC.

Consolidating Schedule – Balance Sheet Information

December 31, 2015

<u>Liabilities and Net Assets (Deficit)</u>	<u>Bon Secours Health System of New York, Inc.</u>	<u>Schervier Nursing Care Center</u>	<u>Frances Schervier Housing Development Fund Corporation</u>	<u>Schervier Apartments LLC</u>	<u>BSNY Housing Dev Fund Corp</u>	<u>Reclassification and elimination entries</u>	<u>Consolidated</u>
Current liabilities:							
Current portion of long-term debt	\$ —	3,800,000	—	324,233	—	—	4,124,233
Accounts payable and accrued expenses	1,052	4,434,117	(394)	235,360	—	—	4,670,135
Accrued salaries, wages, and benefits	23,893	2,966,275	—	4,225	—	—	2,994,393
Current portion of due to third-party payors, net	—	—	—	—	—	—	—
Current portion of due to affiliates, net	—	—	(278,528)	278,528	—	—	—
Total current liabilities	24,945	11,200,392	(278,922)	842,346	—	—	11,788,761
Long-term debt, net of current portion	—	16,400,000	—	21,657,609	—	—	38,057,609
Funds held in trust for residents	—	203,605	—	—	—	—	203,605
Other long term liabilities	—	6,600,314	—	46,828	—	—	6,647,142
Accrued pension liability	—	3,473,606	—	—	—	—	3,473,606
Due to third-party payors, net	—	1,658,620	—	—	—	—	1,658,620
Due to affiliates, net	(3,057,072)	2,672,463	(115,030)	628,586	—	22,213,525	22,342,472
Total liabilities	(3,032,127)	42,209,000	(393,952)	23,175,369	—	22,213,525	84,171,815
Net assets (deficit):							
Unrestricted	(747,132)	(18,272,267)	388,702	(3,507,095)	—	—	(22,137,792)
Temporarily restricted	—	915,166	5,250	—	—	—	920,416
Total net assets (deficit)	(747,132)	(17,357,101)	393,952	(3,507,095)	—	—	(21,217,376)
Total liabilities and net assets (deficit)	\$ (3,779,259)	24,851,899	—	19,668,274	—	22,213,525	62,954,439

BON SECOURS NEW YORK HEALTH SYSTEM, INC.

Consolidating Schedule – Statement of Operations and Changes in Unrestricted Net Deficit Information

Year ended December 31, 2015

	<u>Bon Secours Health System of New York, Inc.</u>	<u>Schervier Nursing Care Center</u>	<u>Frances Schervier Housing Development Fund Corporation</u>	<u>Schervier Apartments LLC</u>	<u>BSNY Housing Dev Fund Corp</u>	<u>Reclassification and elimination entries</u>	<u>Consolidated</u>
Unrestricted revenues, gains, and other support:							
Net patient service revenue before bad debts	\$ —	47,220,989	—	—	—	—	47,220,989
Provision for bad debts, net	—	(507,935)	—	—	—	—	(507,935)
Net patient service revenue	—	46,713,054	—	—	—	—	46,713,054
Residential services	—	—	392,052	2,262,558	—	—	2,654,610
Other revenue	2,098,697	4,956,210	31,413	100,129	—	(2,098,697)	5,087,752
Total unrestricted revenues, gains, and other support	2,098,697	51,669,264	423,465	2,362,687	—	(2,098,697)	54,455,416
Expenses:							
Salaries, wages, and physician fees	540,888	21,464,036	34,776	158,062	—	—	22,197,762
Employee benefits	202,720	8,863,061	11,819	59,641	—	—	9,137,241
Supplies and other	1,398,016	19,279,008	191,490	959,281	—	(2,098,697)	19,729,098
Insurance	—	609,193	4,250	193,360	—	—	806,803
Depreciation and amortization	—	1,741,029	72,885	265,521	—	—	2,079,435
Interest	—	248,902	161,053	585,761	—	—	995,716
Total expenses	2,141,624	52,205,229	476,273	2,221,626	—	(2,098,697)	54,946,055
(Loss) gain from operations	(42,927)	(535,965)	(52,808)	141,061	—	—	(490,639)
Nonoperating gains (losses), net:							
Other nonoperating activities, net	42,927	(112,694)	189	1,406	—	—	(68,172)
(Deficiency) excess of unrestricted revenues, gains, and other support over expenses	—	(648,659)	(52,619)	142,467	—	—	(558,811)
Other changes in unrestricted net deficit:							
Net assets released for purchase of plant, property, and equipment	—	157,881	—	—	—	—	157,881
Other changes in net assets	—	—	—	1,635,771	—	—	1,635,771
Pension related changes other than net periodic pension costs	—	514,731	—	—	—	—	514,731
Transfer to affiliates	—	1,598,154	3,663,853	(5,285,333)	—	—	(23,326)
Decrease (increase) in unrestricted net deficit	\$ —	1,622,107	3,611,234	(3,507,095)	—	—	1,726,246

BON SECOURS NEW YORK HEALTH SYSTEM, INC.

Schervier Nursing Care Center by Service Center

Year ended December 31, 2015

	Schervier Nursing Facility	Long-Term Home Health Care	Total
Unrestricted revenues, gains, and other support:			
Net patient service revenue before bad debt	\$ 47,202,031	18,958	47,220,989
Provision for bad debts, net	(509,812)	1,877	(507,935)
Net patient service revenue	46,692,219	20,835	46,713,054
Other revenue	2,552,815	2,403,395	4,956,210
Total unrestricted revenues, gains, and other support	49,245,034	2,424,230	51,669,264
Expenses:			
Salaries, wages, and physician fees	20,520,782	943,254	21,464,036
Employee benefits	8,469,686	393,375	8,863,061
Supplies and other	16,727,164	2,551,844	19,279,008
Insurance	609,193	—	609,193
Depreciation and amortization	1,708,697	32,332	1,741,029
Interest	248,902	—	248,902
Total expenses	48,284,424	3,920,805	52,205,229
Gain (loss) from operations	960,610	(1,496,575)	(535,965)
Nonoperating losses, net			
Other nonoperating activities, net	(112,630)	(64)	(112,694)
Excess (deficiency) of unrestricted revenues gains, and other support over expenses	847,980	(1,496,639)	(648,659)
Other changes in unrestricted net deficit:			
Net assets released for purchase of plant, property, and equipment	157,881	—	157,881
Pension related changes other than net periodic pension cost	514,731	—	514,731
Transfer to affiliates	1,598,154	—	1,598,154
Decrease (increase) in unrestricted net deficit	\$ 3,118,746	(1,496,639)	1,622,107

BON SECOURS NEW YORK HEALTH SYSTEM, INC.

Consolidating Schedule – Balance Sheet Information

December 31, 2014

<u>Assets</u>	<u>Bon Secours Health System of New York, Inc.</u>	<u>Schervier Nursing Care Center</u>	<u>Frances Schervier Housing Development Fund Corporation</u>	<u>Schervier Apartments LLC</u>	<u>BSNY Housing Dev Fund Corp</u>	<u>Reclassification and elimination entries</u>	<u>Consolidated</u>
Current assets:							
Cash and cash equivalents	S (1,865,678)	(14,507,987)	558,629	—	—	17,156,626	1,341,590
Assets limited or restricted as to use	—	—	161,071	—	—	—	161,071
Resident accounts receivable, net	—	4,953,320	6,330	—	—	—	4,959,650
Due from third-party payors, current portion	—	377,702	—	—	—	—	377,702
Other current assets	—	1,506,620	49,790	—	—	—	1,556,410
Total current assets	(1,865,678)	(7,670,345)	775,820	—	—	17,156,626	8,396,423
Assets limited or restricted as to use, net of current portion	—	3,258,471	—	—	—	—	3,258,471
Funds held in trust for residents	—	188,902	—	—	—	—	188,902
Other assets	—	4,730,138	46,155	198,341	—	—	4,974,634
Property, plant, and equipment, net	—	21,426,813	3,782,913	—	—	—	25,209,726
Total assets	S (1,865,678)	21,933,979	4,604,888	198,341	—	17,156,626	42,028,156

BON SECOURS NEW YORK HEALTH SYSTEM, INC.

Consolidating Schedule – Balance Sheet Information

December 31, 2014

<u>Liabilities and Net Assets (Deficit)</u>	<u>Bon Secours Health System of New York, Inc.</u>	<u>Schervier Nursing Care Center</u>	<u>Frances Schervier Housing Development Fund Corporation</u>	<u>Schervier Apartments LLC</u>	<u>BSNY Housing Dev Fund Corp</u>	<u>Reclassification and elimination entries</u>	<u>Consolidated</u>
Current liabilities:							
Current portion of long-term debt	\$ —	3,700,000	353,077	—	—	—	4,053,077
Accounts payable and accrued expenses	4,044	3,170,612	185,242	—	—	—	3,359,898
Accrued salaries, wages, and benefits	31,317	2,952,996	4,158	—	—	—	2,988,471
Current portion of due to third-party payors, net	—	—	—	—	—	—	—
Current portion of due to affiliates, net	(348,800)	(1,615,371)	1,765,830	198,341	—	—	—
Total current liabilities	(313,439)	8,208,237	2,308,307	198,341	—	—	10,401,446
Long-term debt, net of current portion	—	20,200,000	5,467,708	—	—	—	25,667,708
Funds held in trust for residents	—	188,902	—	—	—	—	188,902
Other long term liabilities	—	5,627,974	46,155	—	—	—	5,674,129
Accrued pension liability	—	3,834,300	—	—	—	—	3,834,300
Due to third-party payors, net	—	2,050,956	—	—	—	—	2,050,956
Due to affiliates, net	(805,107)	806,902	—	—	—	17,156,626	17,158,421
Total liabilities	(1,118,546)	40,917,271	7,822,170	198,341	—	17,156,626	64,975,862
Net assets (deficit):							
Unrestricted	(747,132)	(19,894,374)	(3,222,532)	—	—	—	(23,864,038)
Temporarily restricted	—	911,082	5,250	—	—	—	916,332
Total net deficit	(747,132)	(18,983,292)	(3,217,282)	—	—	—	(22,947,706)
Total liabilities and net assets (deficit)	\$ (1,865,678)	21,933,979	4,604,888	198,341	—	17,156,626	42,028,156

BON SECOURS NEW YORK HEALTH SYSTEM, INC.

Consolidating Schedule – Statement of Operations and Changes in Unrestricted Net Deficit Information

Year ended December 31, 2014

	Bon Secours Health System of New York, Inc.	Schervier Nursing Care Center	Frances Schervier Housing Development Fund Corporation	Schervier Apartments LLC	BSNY Housing Dev Fund Corp	Reclassification and elimination entries	Consolidated
Unrestricted revenues, gains, and other support:							
Net patient service revenue before bad debts	\$ —	47,542,682	—	—	—	—	47,542,682
Provision for bad debts, net	—	(538,658)	—	—	—	—	(538,658)
Net patient service revenue	—	47,004,024	—	—	—	—	47,004,024
Residential services	—	—	1,841,645	—	—	—	1,841,645
Other revenue	1,921,144	1,629,514	122,952	—	—	(1,921,144)	1,752,466
Total unrestricted revenues, gains, and other support	1,921,144	48,633,538	1,964,597	—	—	(1,921,144)	50,598,135
Expenses:							
Salaries, wages, and physician fees	494,518	22,514,054	169,711	—	—	—	23,178,283
Employee benefits	166,749	8,679,614	57,702	—	—	—	8,904,065
Supplies and other	1,261,740	20,043,791	980,293	—	—	(1,921,144)	20,364,680
Insurance	—	576,629	17,000	—	—	—	593,629
Depreciation and amortization	—	1,743,814	358,150	—	—	—	2,101,964
Interest	—	289,161	554,783	—	—	—	843,944
Total expenses	1,923,007	53,847,063	2,137,639	—	—	(1,921,144)	55,986,565
Loss from operations	(1,863)	(5,213,525)	(173,042)	—	—	—	(5,388,430)
Nonoperating gains (losses), net:							
Other nonoperating activities, net	—	(119,647)	(2,381)	—	—	—	(122,028)
Deficiency of unrestricted revenues, gains, and other support over expenses	(1,863)	(5,333,172)	(175,423)	—	—	—	(5,510,458)
Other changes in unrestricted net deficit:							
Net assets released for purchase of plant, property, and equipment	—	349,949	—	—	—	—	349,949
Pension related changes other than net periodic pension costs	—	(1,094,479)	—	—	—	—	(1,094,479)
Transfer to affiliates	—	(11,664)	(524)	—	—	—	(12,188)
Increase in unrestricted net deficit	\$ (1,863)	(6,089,366)	(175,947)	—	—	—	(6,267,176)

BON SECOURS NEW YORK HEALTH SYSTEM, INC.

Schervier Nursing Care Center by Service Center

Year ended December 31, 2014

	<u>Schervier Nursing Facility</u>	<u>Long-Term Home Health Care</u>	<u>Total</u>
Unrestricted revenues, gains, and other support:			
Net patient service revenue before bad debt	\$ 45,377,566	2,165,116	47,542,682
Provision for bad debts, net	(678,321)	139,663	(538,658)
Net patient service revenue	44,699,245	2,304,779	47,004,024
Other revenue	868,361	761,153	1,629,514
Total unrestricted revenues, gains, and other support	45,567,606	3,065,932	48,633,538
Expenses:			
Salaries, wages, and physician fees	20,970,649	1,543,405	22,514,054
Employee benefits	8,137,077	542,537	8,679,614
Supplies and other	16,573,791	3,470,000	20,043,791
Insurance	534,444	42,185	576,629
Depreciation and amortization	1,693,274	50,540	1,743,814
Interest	289,161	—	289,161
Total expenses	48,198,396	5,648,667	53,847,063
Loss from operations	(2,630,790)	(2,582,735)	(5,213,525)
Nonoperating losses, net			
Other nonoperating activities, net	(119,647)	—	(119,647)
Deficiency of unrestricted revenues gains, and other support over expenses	(2,750,437)	(2,582,735)	(5,333,172)
Other changes in unrestricted net deficit:			
Net assets released for purchase of plant, property, and equipment	349,949	—	349,949
Pension related changes other than net periodic pension cost	(1,094,479)	—	(1,094,479)
Transfer from (to) affiliates	(11,664)	—	(11,664)
Increase in unrestricted net deficit	\$ (3,506,631)	(2,582,735)	(6,089,366)

Schervier Nursing Care Center				
	8/31/2016	2015	2014	2013
ASSETS - CURRENT	\$5,128,611	(\$4,906,082)	(\$7,670,345)	(\$8,317,673)
ASSETS - FIXED AND OTHER	\$18,267,986	\$29,757,981	\$29,604,324	\$37,486,455
TOTAL ASSETS	\$23,396,597	\$24,851,899	\$21,933,979	\$29,168,782
LIABILITIES - CURRENT	\$9,906,571	\$11,200,392	\$8,208,237	\$9,467,659
LIABILITIES - LONG-TERM	\$36,030,695	\$31,008,608	\$32,709,034	\$32,419,588
TOTAL LIABILITIES	\$45,937,266	\$42,209,000	\$40,917,271	\$41,887,247
WORKING CAPITAL	(\$4,777,960)	(\$16,106,474)	(\$15,878,582)	(\$17,785,332)
INCOME	\$48,903,253	\$51,669,264	\$48,633,538	\$48,456,887
EXPENSE	\$49,760,052	\$52,205,229	\$53,847,063	\$55,353,623
NET INCOME	(\$856,799)	(\$535,965)	(\$5,213,525)	(\$6,896,736)
NET ASSET POSITION	(\$22,540,669)	(\$17,357,101)	(\$18,983,292)	(\$12,718,465)
Number of Beds	364	364	364	364
Number of Days	N/A	365	365	365
Max Days	N/A	132,860	132,860	132,860
Actual Payor Days	N/A	125,902	124,459	128,163
Percent Occupancy	N/A	94.76%	93.68%	96.46%
Percentage Occupancy by Payor				
Medicaid	N/A	82.7%	81.4%	77.8%
Medicare	N/A	10.9%	13.0%	16.2%
Private Pay/Other	N/A	6.4%	5.5%	6.0%

RIVERDALE SNF LLC
PROFORMA BALANCE SHEET
January 1, 2017

ASSETS

	Riverdale SNF LLC
Current Assets	
Cash & Cash Equivalents	\$ 8,035,800
Inventory	110,000
Total Current Assets	8,145,800
Non Current Assets	
Resident Funds	205,000
Fixed Assets - Net	720,000
Total Non Current Assets	925,000
Total Assets	\$ 9,070,800

LIABILITIES AND MEMBERS' EQUITY

Liabilities	
Accrued payroll and taxes payable	\$ 780,000
Long Term Debt, Current Portion	696,719
Total current liabilities	1,476,719
Long term Liabilities	
Resident Funds	205,000
Due to Landlord	50,000
Long Term Debt, Net of Current Portion	3,328,281
Total Long-term Liabilities	3,583,281
Total Liabilities	5,060,000
Members' Equity	4,010,800
Total Liabilities and Members' Equity	\$ 9,070,800

Beach Terrace Care Center
Balance Sheet
For the Period Ended 06/30/2016

BFA Attachment B - CON 161413

Assets

Current Assets

Cash & Equivalents	\$828,163
Cash- restricted, Patients Fund	305,812
Accounts Receivable, less doubtful accounts of \$415,0000	2,279,558
Inventory	22,860
Prepaid Expenses and other	740,403
Exchanges	
Escrow Deposits	399,474
Total current assets	4,576,270

Property & equipment - net	2,916,205
Goodwill - net	40,335
Security deposits	75,296
Total assets	\$7,608,106

Liabilities & Stockholders' Equity

Current Liabilities

Notes & Loans Payable	\$178,607
Accounts Payable	884,186
Accrued Payroll	756,486
Accrued Expenses & Taxes	973,054
Patient Trust Fund Payable	305,812
Due to Third Party Payors	128,764
Total current liabilities	3,226,909

Notes & Loans Payable	0
Total liabilities	3,226,909

Stockholders' Equity

Common stock, \$25 par value; 200 shares authorized, issued and outstanding	5,000
Retained Earnings	4,376,196
Total Stockholders' equity	4,381,196

Total Liabilities and stockholders' equity	\$7,608,105
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BEACH TERRACE CARE CENTER
 STATEMENT OF OPERATION
 EXECUTIVE SUMMARY
 FOR THE PERIOD JUNE 30, 2016

<u>DEPARTMENT</u>	<u>CURRENT Y-T-D</u>	<u>CURRENT PERIOD</u>	<u>PER PAT DAY Y-T-D</u>	<u>PER PAT CURR PER</u>	<u>PRIOR YEAR</u>	<u>PR YEAR PER PT DAY</u>	<u>YTD % VARIANCE</u>
TOTAL REVENUE	8,603,336	1,386,116	268.15	263.87	8,533,228	267.76	0.82%
EXPENSES							
NURSING & MEDICAL	3,793,772	652,984	118.24	124.31	3,797,888	119.17	-0.11%
THERAPY & ANCILLARIES	304,731	53,996	9.50	10.28	267,793	8.40	13.79%
SOCIAL SERVICE	553,394	93,799	17.25	17.86	552,916	17.35	0.09%
LEISURE TIME ACTIVITIES	240,704	41,695	7.50	7.94	277,521	8.71	-13.27%
CLEANLINESS & SAFETY	721,589	122,033	22.49	23.23	724,621	22.74	-0.42%
FOOD & NUTRITION	698,331	110,258	21.77	20.99	694,696	21.80	0.52%
GENERAL & ADMINISTRATION	1,246,811	214,214	38.86	40.78	1,272,507	39.93	-2.02%
PROPERTY	286,585	49,860	8.93	9.49	279,903	8.78	2.39%
NON COMPARABLE	253,383	42,068	7.90	8.01	292,138	9.17	-13.27%
CORPORATE TAXES	3,000		0.09	-		0.00	#DIV/0!
TOTAL EXPENSES	8,102,300	1,380,907	252.53	262.88	8,159,983	256.05	-0.71%
NET INCOME(LOSS)	501,036	5,209	15.62	0.99	373,245	11.71	34.24%
MEMBER'S EQUITY - JANUARY 1, 2016	3,880,160						
LESS MEMBERS DISTRIBUTIONS							
MEMBER'S EQUITY - JUNE 30, 2016	4,381,196						
NUMBER OF PATIENT DAYS	32,084	5,253					
AVG NUMBER OF PATIENTS	176	175					

BEACH TERRACE CARE CENTER, INC.
BALANCE SHEET
December 31, 2015

ASSETS

CURRENT ASSETS:

Cash	\$ 255,675
Accounts Receivable (Net)	2,036,759
Inventory	22,860
Prepaid Expenses	193,678
Escrow Deposits	111,845
Exchanges	<u>38,646</u>

TOTAL CURRENT ASSETS \$ 2,659,463

FIXED ASSETS:

Leasehold Improvements	4,745,185
Furniture & Equipment	<u>1,126,901</u>
	5,872,086
Less: Accum. Depreciation & Amortization	<u>3,015,463</u>

TOTAL FIXED ASSETS 2,856,623

OTHER ASSETS:

Security Deposits	\$ 75,364
Goodwill (Net)	40,335
Patients' Trust Fund	<u>266,725</u>

TOTAL OTHER ASSETS 382,424

TOTAL ASSETS \$ 5,898,510

BEACH TERRACE CARE CENTER, INC.
BALANCE SHEET
December 31, 2015

LIABILITIES & EQUITY

CURRENT LIABILITIES:

Accounts Payable	\$ 1,064,708	
Accrued Payroll	604,226	
Accrued Expenses & Taxes	59,341	
Due To Third Party Payors	<u>258,166</u>	
 TOTAL CURRENT LIABILITIES		 \$ 1,986,441

LONG TERM LIABILITIES:

Patients' Trust Fund Payable	<u>266,725</u>	
 TOTAL LONG TERM LIABILITIES		 266,725

SHAREHOLDERS' EQUITY

Capital stock, \$25 par value	5,000	
Authorized 200 shares		
Issues and Outstanding 200 Shares		
 Retained Earnings	 <u>3,640,344</u>	
 TOTAL SHAREHOLDERS' EQUITY		 <u>3,645,344</u>

TOTAL LIABILITIES & SHAREHOLDERS' EQUITY		<u>\$ 5,898,510</u>
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BEACH TERRACE CARE CENTER, INC.
STATEMENT OF OPERATIONS
For the year ended December 31, 2015

TOTAL REVENUE FROM PATIENTS:		\$ 17,542,906
OPERATING EXPENSES:		
Payroll	\$ 7,711,818	
Employee Benefits	2,220,979	
Professional Care	2,483,038	
Dietary & Housekeeping	873,595	
Plant & Maintenance	1,267,538	
General & Administrative	<u>1,579,480</u>	
TOTAL OPERATING EXPENSES		<u>16,136,448</u>
INCOME FROM OPERATIONS		1,406,458
OTHER INCOME		<u>5,026</u>
INCOME BEFORE TAXES		1,411,484
Less: Corporate Taxes		<u>3,000</u>
NET INCOME		<u><u>\$ 1,408,484</u></u>

GRANDELL REHABILITATION & NURSING CENTER, INC.

BALANCE SHEET
December 31, 2015

BFA Attachment B
CON # 161450

ASSETS

CURRENT ASSETS:

Cash	\$	633,867
Accounts Receivable (Net)		4,122,446
Inventory		45,764
Prepaid Expenses		410,863
Escrow Deposits		419,177
Exchanges		<u>123,064</u>

TOTAL CURRENT ASSETS \$ 5,755,181

FIXED ASSETS:

Leasehold Improvements		7,180,276
Furniture & Equipment		<u>1,150,837</u>
		8,331,113
Less: Accum. Depreciation & Amortization		<u>2,731,402</u>

TOTAL FIXED ASSETS 5,599,711

OTHER ASSETS:

Security Deposits		249,061
Intangible Assets (Net)		678,804
Patients' Trust Fund		<u>380,167</u>

TOTAL OTHER ASSETS 1,308,032

TOTAL ASSETS \$ 12,662,924

GRANDELL REHABILITATION & NURSING CENTER, INC.

BALANCE SHEET

December 31, 2015

BFA Attachment B

(cont.)

CON # 161450

LIABILITIES & EQUITY

CURRENT LIABILITIES:

Loan Payable	\$	600,000
Equipment Obligations		51,690
Accounts Payable		6,436,425
Accrued Payroll		725,136
Accrued Expenses & Taxes		692,746
Other Payables		243,772
Due to Patients' Funds		50,510
Due To Third Party Payors		<u>509,244</u>

TOTAL CURRENT LIABILITIES \$ 9,309,523

LONG TERM LIABILITIES:

Equipment Obligations		108,136
Other Payables		472,392
Patients' Trust Fund Payable		<u>380,167</u>

TOTAL LONG TERM LIABILITIES 960,695

SHAREHOLDERS' EQUITY

Capital stock, no par value		1,000
Authorized 200 shares		
Issues and Outstanding 200 Shares		

Retained Earnings 2,391,706

TOTAL SHAREHOLDERS' EQUITY 2,392,706

TOTAL LIABILITIES & SHAREHOLDERS' EQUITY \$ 12,662,924

GRANDELL REHABILITATION & NURSING CENTER, INC.

STATEMENT OF OPERATIONS

For the year ended December 31, 2015

BFA Attachment B
(cont.)

CON # 161450

TOTAL REVENUE FROM PATIENTS:		\$ 26,875,964
OPERATING EXPENSES:		
Payroll	\$ 9,638,651	
Employee Benefits	4,154,980	
Professional Care	5,522,329	
Dietary & Housekeeping	1,588,380	
Plant & Maintenance	2,954,814	
General & Administrative	<u>2,508,464</u>	
TOTAL OPERATING EXPENSES		<u>26,367,618</u>
INCOME FROM OPERATIONS		508,346
OTHER INCOME		<u>553,353</u>
INCOME BEFORE TAXES		1,061,699
Less: Corporate Taxes		<u>3,609</u>
NET INCOME		\$ <u><u>1,058,090</u></u>

Grandell Rehab & Nursing
Balance Sheet
For the Period Ended 05/31/2016

BFA Attachment C
CON # 161450

Assets

Current Assets

Cash & Equivalents	\$262,143
Cash- restricted, Patients Fund	249,875
Accounts Receivable, less doubtful accounts of \$500,000	4,910,326
Inventory	45,764
Prepaid Expenses and other	(37,639)
Exchanges	
Escrow Deposits	849,852
Total current assets	6,280,321
Property & equipment - net	6,016,589
Intangible Assets - net	793,491
Security deposits	249,036
Total assets	\$13,339,437

Liabilities & Stockholders' Equity

Current Liabilities

Equipment Obligations	\$37,175
Accounts Payable	2,637,704
Accrued Payroll	1,029,421
Accrued Expenses & Taxes	1,147,074
Patient Trust Fund Payable	249,875
Due to Third Party Payors	638,648
Total current liabilities	5,739,897

Equipment Obligation	106,551
Other Payables -Long Term	2,511,138
Metbank Loan	600,000
Loans Related Parties	0
Total liabilities	8,957,586

Stockholders' Equity

Common stock, no par value; 200 shares authorized, issued and outstanding	1,000
Retained Earnings	4,380,851
Total Stockholders' equity	4,381,851

Total Liabilities and stockholders' equity	\$13,339,437
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GRANDELL REHABILITATION & NURSING CENTER, INC.
 STATEMENT OF OPERATION
 EXECUTIVE SUMMARY
 FOR THE PERIOD ENDED MAY 31, 2016

<u>DEPARTMENT</u>	<u>CURRENT Y-T-D</u>	<u>CURRENT PERIOD</u>	<u>PER PAT DAY Y-T-D</u>	<u>PER PAT CURR PER</u>	<u>PRIOR YEAR</u>	<u>PR YEAR PER PT DAY</u>	<u>YTD % VARIANCE</u>
TOTAL REVENUE	11,996,984	2,427,057	295.06	290.77	11,570,935	289.44	3.68%
EXPENSES							
NURSING & MEDICAL	4,563,516	865,853	112.24	103.73	4,493,549	112.40	1.56%
THERAPY & ANCILLARIES	784,019	174,912	19.28	20.96	557,197	13.94	40.71%
SOCIAL SERVICE	515,787	101,806	12.69	12.20	498,628	12.47	3.44%
LEISURE TIME ACTIVITIES	290,590	51,903	7.15	6.22	273,791	6.85	6.14%
CLEANLINESS & SAFETY	831,397	169,876	20.45	20.35	835,805	20.91	-0.53%
FOOD & NUTRITION	1,025,326	197,615	25.22	23.67	990,756	24.78	3.49%
GENERAL & ADMINISTRATION	1,595,651	320,415	39.24	38.39	1,506,337	37.68	5.93%
PROPERTY	766,980	154,021	18.86	18.45	734,934	18.38	4.36%
NON COMPARABLE	323,858	41,919	7.97	5.02	343,760	8.60	-5.79%
TOTAL EXPENSES	10,697,124	2,078,320	263.09	248.99	10,234,757	256.02	4.52%
INCOME(LOSS) FROM OPER	1,299,860	348,737	31.97	41.78	1,336,178	33.42	-2.72%
LESS: BUSINESS TAXES	33,000	19,000	0.81	2.28	60,109	1.50	-45.10%
NET INCOME(LOSS)	1,266,860	329,737	31.16	39.50	1,276,069	31.92	-0.72%
MEMBER'S EQUITY - JANUARY 1, 2016	3,114,992						
LESS MEMBERS DISTRIBUTIONS							
MEMBER'S EQUITY - May 31, 2016	4,381,852						
NUMBER OF PATIENT DAYS	40,660	8,347					
AVG NUMBER OF PATIENTS	268	269					

BFA Attachment C
 (cont.)
 CON # 161450

OCEANSIDE CARE CENTER, INC.
(an S corporation)
BALANCE SHEETS

CON#161452
Attachment B

	At December 31	
	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	\$ 608,093	\$ 534,576
Cash - restricted, patient funds	36,485	32,019
Accounts receivable, less allowance for doubtful accounts of \$190,800 and \$226,100	1,469,590	1,375,642
Supplies on hand	15,000	15,000
Prepaid expenses and other	119,584	102,302
Total current assets	<u>2,248,752</u>	<u>2,059,539</u>
Property and equipment - net	1,805,672	1,702,351
Equity in non-consolidated affiliate	<u>24,625</u>	<u>24,625</u>
TOTAL ASSETS	<u>\$ 4,079,049</u>	<u>\$ 3,786,515</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 1,329,533	\$ 1,763,817
Accrued expenses	537,705	460,541
Accrued and withheld taxes	24,866	22,691
Capital lease payable - net	-	5,649
Due to affiliates	128,565	157,801
Due to third party payers	515,705	547,049
Patients' funds and deposits payable	<u>203,895</u>	<u>197,591</u>
Total current liabilities	2,740,269	3,155,139
Due to third party payers	<u>473,756</u>	<u>569,983</u>
Total liabilities	3,214,025	3,725,122
Stockholders' equity		
Common stock, no par value; 200 shares authorized, issued and outstanding	200,000	200,000
Retained earnings (accumulated deficit)	<u>665,024</u>	<u>(138,607)</u>
Total stockholders' equity	<u>865,024</u>	<u>61,393</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u>\$ 4,079,049</u>	<u>\$ 3,786,515</u>

OCEANSIDE CARE CENTER, INC.
(an S corporation)

CON#161452
Attachment B (Continued)

STATEMENTS OF EARNINGS AND RETAINED EARNINGS (ACCUMULATED DEFICIT)

	Years ended December 31	
	2015	2014
Revenues	\$ 11,825,260	\$ 11,194,163
Operating expenses	<u>11,018,629</u>	<u>10,870,468</u>
Earnings from operations	806,631	323,695
Other income		
Interest and dividend income	<u>-</u>	<u>-</u>
Earnings before income taxes	806,631	323,695
Provision for income taxes :	<u>3,000</u>	<u>3,000</u>
NET EARNINGS	803,631	320,695
Retained earnings (accumulated defecit) - beginning of year	<u>(138,607)</u>	<u>(124,302)</u>
	665,024	196,393
Dividends	<u>-</u>	<u>(335,000)</u>
RETAINED EARNINGS (ACCUMULATED DEFICIT) - END OF YEAR	<u>\$ 665,024</u>	<u>\$ (138,607)</u>

HAMILTON PARK MULTICARE, LLC
D/B/A HAMILTON PARK NURSING
AND REHABILITATION CENTER
AND HAMILTON PARK REALTY, LLC

COMBINED BALANCE SHEET

DECEMBER 31, 2015 AND 2014

	2015				2014	
	Hamilton Park Nursing and Rehabilitation Center	Hamilton Park Realty, LLC	Intercompany Eliminations	Combined		
ASSETS						
Current assets						
Cash	\$ 345,096	\$ 385,422		\$ 730,518	\$ 979,072	\$ 124,902
Cash - resident funds	97,164			97,164		
Accounts receivable (net of allowance for bad debts of \$220,000 in 2015 and 2014)	4,463,109	984,623	\$ (984,623)	4,463,109	4,116,110	145,351
Accounts receivable - rent	657,865			657,865		203,455
Prepaid expenses and other current assets	103,487			103,487		
Total current assets	5,666,721	1,370,045	(984,623)	6,052,143	5,568,890	
Fixed assets - net	7,465,040	16,600,017		24,065,057	24,599,383	
Deferred financing costs	1,000,000	351,279		351,279	403,971	1,000,000
License						
Total assets	\$ 14,131,761	\$ 18,321,341	\$ (984,623)	\$ 31,468,479	\$ 31,572,244	

HAMILTON PARK MULTICARE, LLC
D/B/A HAMILTON PARK NURSING
AND REHABILITATION CENTER
AND HAMILTON PARK REALTY, LLC

COMBINED BALANCE SHEET

DECEMBER 31, 2015 AND 2014

	2015				2014
	Hamilton Park Nursing and Rehabilitation Center	Hamilton Park Realty, LLC	Intercompany Eliminations	Combined	
LIABILITIES AND MEMBERS' EQUITY					
Current liabilities					
Accounts payable and accrued expenses	\$ 3,838,137		\$ (100,000)	\$ 3,738,137	\$ 4,325,790
Accrued salaries and related benefits	1,273,513			1,273,513	1,266,054
Resident funds	97,164			97,164	124,902
Mortgage payable		\$ 356,523		356,523	341,843
Loans payable	126,280			126,280	115,898
Line of credit	2,384,636			2,384,636	1,650,000
Note payable:					424,591
Due to Hamilton Park Realty, LLC	884,623		(884,623)		
Estimated amounts due to third parties	427,508			427,508	243,988
Total current liabilities	9,031,861	356,523	(984,623)	8,403,761	8,493,066
Long-term liabilities					
Mortgage payable		20,891,875		20,891,875	21,248,398
Loans payable	18,169			18,169	144,448
Total long-term liabilities	18,169	20,891,875		20,910,044	21,392,846
Total liabilities	9,050,030	21,248,398	(984,623)	29,313,805	29,885,912
Members' equity	5,081,731	(2,927,057)		2,154,674	1,686,332
Total liabilities and members' equity	\$ 14,131,761	\$ 18,321,341	\$ (984,623)	\$ 31,468,479	\$ 31,572,244

HAMILTON PARK MULTICARE, LLC
D/B/A HAMILTON PARK NURSING
AND REHABILITATION CENTER
AND HAMILTON PARK REALTY, LLC

COMBINED STATEMENT OF INCOME AND
CHANGES IN MEMBERS' EQUITY

YEARS ENDED DECEMBER 31, 2015 AND 2014

	2015				
	Hamilton Park Nursing and Rehabilitation Center	Hamilton Park Realty, LLC	Intercompany Eliminations	Combined	2014
Operating revenues					
Resident service revenues	\$ 31,954,116			\$ 31,954,116	\$ 28,712,211
Provision for bad debts	(298,675)			(298,675)	(100,000)
Net resident service revenues	31,655,441			31,655,441	28,612,211
Rent		\$ 2,400,000	\$ (2,400,000)		
Miscellaneous income	7,773			7,773	331,353
Total operating revenues	31,663,214	2,400,000	(2,400,000)	31,663,214	28,943,564
Operating expenses					
Salaries	9,779,625			9,779,625	9,324,042
Payroll taxes and employee benefits	3,797,500			3,797,500	3,464,480
Professional services	217,962			217,962	201,852
Supplies, fees and other expenses	8,590,564			8,590,564	7,315,951
Lease and rentals	3,106,243		(2,400,000)	706,243	580,748
Utilities	855,761			855,761	876,279
Insurance	176,679			176,679	166,534
Interest	332,110	1,086,592		1,418,702	1,246,747
New York City corporate and LLC taxes	79,073			79,073	100,000
Real estate taxes	1,131,056			1,131,056	1,006,211
New York State revenue assessment	969,011			969,011	853,928
Depreciation and amortization	665,440	707,237		1,372,677	1,373,298
Miscellaneous		19		19	2,025
Total operating expenses	29,701,024	1,793,848	(2,400,000)	29,094,872	26,512,095

Oceanside Care Center
Balance Sheet
For the Period Ended 08/31/2016

Assets

Cash & Equivalents	\$928,854
Cash - restricted, Patients Fund	31,655
Accounts Receivable, less allowance for doubtful accounts of \$238,232	503,090
Loans officers	0
Inventory	15,000
Loans & Exchanges	14,732
Prepaid Expenses	129,876
Total Current Assets	1,623,207
Property and Equipment - net	1,992,103
Equity in non-consolidated affiliate	24,625
Total Assets	\$3,639,935

Liabilities & Equity

Current Liabilities

Accounts Payable	\$1,127,002
Accrued Expenses	711,514
Accrued and withheld taxes	45,534
Capital Lease Payable	0
Due to Third Party Payors	638,790
Patient Trust Fund Payable	31,655
Total Current Liabilities	2,554,495
Capital lease payable	0
Due to third party payers	0
Total Liabilities	\$2,554,495

Stockholders' Equity (Deficit)

Common Stock, no par value; 200 shares authorized, issued and outstanding	200,000
Retained Earnings	885,439
Total stockholders' equity (deficit)	1,085,439
Total Liabilities & Stockholders' equity (deficit)	\$3,639,934

OCEANSIDE CARE CENTER
STATEMENT OF OPERATION
EXECUTIVE SUMMARY
FOR THE PERIOD ENDED AUGUST 31, 2016

<u>DEPARTMENT</u>	<u>CURRENT Y-T-D</u>	<u>CURRENT PERIOD</u>	<u>PER PAT DAY Y-T-D</u>	<u>PER PAT CURR PER</u>	<u>PRIOR YEAR</u>	<u>PR YEAR PER PT DAY</u>	<u>YTD % VARIANCE</u>
TOTAL REVENUE	7,940,515	987,946	387.66	332.53	7,456,351	314.53	6.49%
EXPENSES							
NURSING & MEDICAL	2,958,561	343,495	144.44	115.62	2,912,067	122.84	1.60%
THERAPY & ANCILLARIES	705,911	101,553	34.46	34.18	705,120	29.74	0.11%
SOCIAL SERVICE	346,659	43,059	16.92	14.49	339,409	14.32	2.14%
LEISURE TIME ACTIVITIES	174,730	22,545	8.53	7.59	169,420	7.15	3.13%
CLEANLINESS & SAFETY	528,069	63,284	25.78	21.30	518,963	21.89	1.75%
FOOD & NUTRITION	639,265	73,789	31.21	24.84	643,735	27.15	-0.69%
GENERAL & ADMINISTRATION	1,076,524	126,942	52.56	42.73	994,858	41.97	8.21%
PROPERTY	750,052	96,287	36.62	32.41	686,383	28.95	9.28%
NON COMPARABLE	240,923	45,884	11.76	15.44	244,602	10.32	-1.50%
TOTAL EXPENSES	7,420,694	916,838	362.29	308.60	7,214,557	304.33	2.86%
INCOME(LOSS) FROM OPER	519,821	71,108	25.38	23.93	241,794	10.20	114.99%
LESS: BUSINESS TAXES	7,800	1,300	0.33	0.43	3,640	0.15	114.29%
NET INCOME(LOSS)	512,021	69,808	25.05	23.51	238,154	10.05	115.00%
MEMBER'S EQUITY - JANUARY 1, 2016	573,419						
LESS MEMBERS DISTRIBUTIONS							
MEMBER'S EQUITY -AUGUST 31, 2016	1,085,440						
NUMBER OF PATIENT DAYS	23,517	3,034					
AVG NUMBER OF PATIENTS	96	98					

Hamilton Park Care Center LLC
Balance Sheet
6/30/2016

Assets

Current Assets

Cash	\$ 742,733
Cash Resident Fund	116,376
Accounts Receivable	4,609,184
Prepaid Expenses	<u>1,482,854</u>

Total Current Assets 6,951,147

Other Assets

Fixed Assets -Net	7,552,453
Goodwill-License	<u>1,000,000</u>

Total Other Assets 8,552,453

Total Assets \$ 15,503,600

Liabilities And Retained Earnings

Current Liabilities

Accounts payable and accrued expenses	\$ 4,847,537
Accrued salaries and related benefits	1,395,110
Line of Credit	2,384,636
Notes Payable	77,543
Exchanges	230,790
Due to Realty	884,623
Resident Funds	119,561
Estimated amounts due to third parties	<u>183,520</u>

Total Current Liabilities 10,123,320

Retained Earnings 5,380,279

Total Liabilities and Retained Earnings \$ 15,503,600

Hamilton Park Nursing and Rehabilitation Center
Statement of Operations
For the Period Ending:
June 30, 2016

<u>Department</u>	<u>Current Year Year To Date</u>	<u>Current Period</u>	<u>Per Pat Day Y-T-D</u>	<u>Per Pat Day Current Period</u>
Total Revenue	\$16,222,345	\$2,676,766	453.91	454.46
Expenses				
Nursing & medical	5,340,036	870,121	149.42	147.73
Therapy & ancillaries	2,404,676	405,080	67.28	68.77
Social Services	371,652	85,927	10.40	14.59
Leisure Time Activities	199,094	36,030	5.57	6.12
Cleanliness & Safety	951,066	157,434	26.61	26.73
Food & Nutrition	971,294	152,918	27.18	25.98
General & Administration	2,003,570	301,545	56.06	51.20
Property	2,581,821	427,067	72.24	72.51
Non Comparable	551,588	96,128	15.43	16.32
Total Expenses	15,374,797	2,532,250	430.20	429.92
Income (Loss) From Operations	847,549	144,516	23.71	24.54
Less: Business Taxes	30,000	5,000		
Net Income (Loss)	\$817,549	\$139,516	23.71	24.54
Number of Patient Days	35,739	5,890		
Average Number Of Patients	196	196		

CON # 162092
Financial Summary- Crown Nursing & Rehabilitation Center

	FISCAL PERIOD ENDED			
	<u>12/31/13</u>	<u>12/31/14</u>	<u>12/31/15</u>	<u>Draft 5/31/16</u>
ASSETS - CURRENT	\$4,488,987	\$4,548,289	\$4,902,752	\$6,077,510
ASSETS - FIXED AND OTHER	3,464,968	4,369,263	4,035,119	3,244,719
LIABILITIES - CURRENT	6,604,221	4,654,029	4,595,226	4,788,481
LIABILITIES - LONG-TERM	<u>657,280</u>	<u>3,739,444</u>	<u>3,674,715</u>	<u>3,584,297</u>
EQUITY	\$692,452	\$524,079	\$667,930	\$949,451
<hr/>				
INCOME	\$18,684,964	\$17,883,380	\$17,612,786	\$8,126,343
EXPENSE	<u>18,302,906</u>	<u>17,453,753</u>	<u>17,452,137</u>	<u>7,376,612</u>
NET INCOME	\$382,058	\$429,627	\$160,649	\$749,731
<hr/>				
NUMBER OF BEDS	189	189	189	189
PERCENT OF OCCUPANCY (DAYS)	93.90%	89.40%	87.87%	85.51%
<hr/>				
Medicaid	72.80%	76.60%	66.52%	65.26%
Medicare	11.80%	13.90%	7.65%	8.98%
Private Pay/Other	15.40%	9.50%	25.83%	25.76%

The Riverside

520 beds (New York County)	<u>2014</u>	<u>12/31/2015</u>	<u>Draft</u> <u>5/31/2016</u>
Current Assets	\$12,344,645	\$15,226,279	\$15,210,382
Fixed Assets	<u>17,585,705</u>	<u>18,825,131</u>	<u>19,325,770</u>
Total Assets	\$29,930,350	\$34,051,410	\$34,536,152
Current Liabilities	14,491,197	12,217,580	8,676,041
Long Term Liabilities	<u>1,328,328</u>	<u>544,442</u>	<u>1,286,425</u>
Total Liabilities	\$15,819,525	\$12,762,022	\$9,962,466
Net Assets	\$14,110,825	\$21,289,388	\$24,573,686
Working Capital Position	(\$2,146,552)	\$3,008,699	\$6,534,341
Operating Revenues	\$67,132,849	\$68,730,071	\$31,313,190
Operating Expenses	<u>60,051,167</u>	<u>61,610,721</u>	<u>27,669,893</u>
Operating Net Income	\$7,081,682	\$7,119,350	\$3,643,297

Sharon Einhorn-9.5% membership interest

Devorah Freidman-9.5% membership interest

The Grand Pavilion for Rehab at Rockville

158 beds (Nassau County)	<u>2014</u>	<u>2015</u>	<u>Draft</u> <u>5/31/2016</u>
Current Assets	\$2,903,331	\$3,152,464	\$4,923,994
Fixed Assets	<u>10,282,135</u>	<u>10,998,700</u>	<u>10,646,823</u>
Total Assets	\$13,185,466	\$14,151,164	\$15,570,817
Current Liabilities	4,682,692	2,864,782	2,781,645
Long Term Liabilities	<u>229,133</u>	<u>974,305</u>	<u>236,307</u>
Total Liabilities	\$4,911,825	\$3,839,087	\$3,017,952
Net Assets	\$8,273,641	\$10,312,077	\$12,552,865
Working Capital Position	(\$1,779,361)	\$287,682	\$2,142,349
Operating Revenues	\$18,008,602	\$20,323,415	\$9,711,006
Operating Expenses	<u>18,540,527</u>	<u>19,717,747</u>	<u>7,998,432</u>
Operating Net Income	(\$531,925)	\$605,668	\$1,712,574

Sharon Einhorn-35.0% membership interest

Devorah Freidman-35.0% membership interest

Yossie Zucker-5.0% membership interest

Bellhaven Center for Rehab

240 beds (Kings County)	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>Draft</u> <u>4/30/2016</u>
Current Assets	\$3,522,425	\$2,962,248	\$4,329,194
Fixed Assets	<u>4,735,085</u>	<u>4,891,005</u>	<u>4,738,107</u>
Total Assets	\$8,257,510	\$7,853,253	\$9,067,301
Current Liabilities	2,920,139	2,920,139	1,854,950
Long Term Liabilities	<u>2,246,842</u>	<u>2,246,842</u>	<u>3,675,732</u>
Total Liabilities	\$5,166,981	\$5,166,981	\$5,530,682
Net Assets	\$3,090,529	\$2,686,272	\$3,536,619
Working Capital Position	\$602,286	\$42,109	\$2,474,244
Operating Revenues	\$25,417,453	\$26,118,966	\$8,639,453
Operating Expenses	<u>23,436,173</u>	<u>24,298,229</u>	<u>7,325,303</u>
Operating Net Income	\$1,981,280	\$1,820,737	\$1,314,150

Sharon Einhorn-13.0% membership interest

Devorah Freidman-14.0% membership interest

Dumont Center for Rehab

196 beds (Westchester County)	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>Draft</u> <u>4/30/2016</u>
Current Assets	\$4,374,303	\$4,803,325	\$5,378,810
Fixed Assets	<u>3,622,365</u>	<u>3,557,260</u>	<u>3,807,703</u>
Total Assets	\$7,996,668	\$8,360,585	\$9,186,513
Current Liabilities	5,310,330	4,174,732	3,766,165
Long Term Liabilities	<u>505,514</u>	<u>487,658</u>	<u>2,101,713</u>
Total Liabilities	\$5,815,844	\$4,662,390	\$5,867,878
Net Assets	\$2,180,824	\$3,698,195	\$3,318,635
Working Capital Position	(\$936,027)	\$628,593	\$1,612,645
Operating Revenues	\$23,914,495	\$25,391,800	\$8,473,093
Operating Expenses	<u>21,868,761</u>	<u>23,153,472</u>	<u>6,709,756</u>
Operating Net Income	\$2,045,734	\$2,238,328	\$1,763,337

Sharon Einhorn-9.9% membership interest

Devorah Freidman-11.0% membership interest

Ramapo Center for Rehab

203 beds (Rockland County)	<u>2014</u>	<u>2015</u>	<u>Draft</u> <u>5/31/2016</u>
Current Assets	\$7,755,036	\$7,134,249	\$7,439,360
Fixed Assets	<u>22,563,844</u>	<u>25,046,647</u>	<u>27,788,793</u>
Total Assets	\$30,318,880	\$32,180,896	\$35,228,153
Current Liabilities	3,790,377	4,690,728	5,626,936
Long Term Liabilities	<u>22,956,632</u>	<u>23,740,159</u>	<u>24,840,391</u>
Total Liabilities	\$26,747,009	\$28,430,887	\$30,467,327
Net Assets	\$3,571,871	\$3,750,009	\$4,760,826
Working Capital Position	\$3,964,659	\$2,443,521	\$1,812,424
Operating Revenues	\$25,553,578	\$23,654,667	\$10,297,929
Operating Expenses	<u>23,442,909</u>	<u>22,622,229</u>	<u>9,284,536</u>
Operating Net Income	\$2,110,669	\$1,032,438	\$1,013,393

Sharon Einhorn-8.5% membership interest

Devorah Freidman-8.5% membership interest

Yossie Zucker-2.0% membership interest

St. James Rehab & Healthcare Ctr.

230 beds (Suffolk County)

	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>Draft</u> <u>5/31/2016</u>
Current Assets	\$5,070,006	\$5,348,226	\$7,195,139
Fixed Assets	<u>4,194,123</u>	<u>5,063,930</u>	<u>5,708,888</u>
Total Assets	\$9,264,129	\$10,412,156	\$12,904,027
Current Liabilities	3,561,787	3,521,788	3,268,723
Long Term Liabilities	<u>413,787</u>	<u>430,725</u>	<u>1,816,269</u>
Total Liabilities	\$3,975,574	\$3,952,513	\$5,084,992
Net Assets	\$5,288,555	\$6,459,643	\$7,819,035
Working Capital Position	\$1,508,219	\$1,826,438	\$3,926,416
Operating Revenues	\$30,114,396	\$31,758,596	\$13,943,018
Operating Expenses	<u>28,338,124</u>	<u>29,987,058</u>	<u>12,593,864</u>
Operating Net Income	\$1,776,272	\$1,771,538	\$1,349,154

Sharon Einhorn-25.0% membership interest
 Devorah Freidman-25.0% membership interest
 Yossie Zucker-3.0% membership interest
 Akiva Rudner-1.0% membership interest
 Steven Sax-3.0% membership interest

The Phoenix Rehabilitation & Nursing

400 beds (Kings County)

	<u>12/31/2015</u>	<u>Draft</u> <u>4/30/2016</u>
Current Assets	\$6,763,673	\$7,780,665
Fixed Assets	<u>32,315,452</u>	<u>36,142,166</u>
Total Assets	\$39,079,125	\$43,922,831
Current Liabilities	10,312,159	13,833,265
Long Term Liabilities	<u>3,379,100</u>	<u>2,407,166</u>
Total Liabilities	\$13,691,259	\$16,240,431
Net Assets	\$25,387,866	\$27,682,400
Working Capital Position	(\$3,548,486)	(\$6,052,600)
Operating Revenues	\$42,087,102	\$15,132,116
Operating Expenses	<u>41,983,102</u>	<u>14,604,190</u>
Operating Net Income	\$104,000	\$527,926

Sharon Einhorn-40.0% membership interest
 Devorah Freidman-40.0% membership interest

Port Chester Nursing Rehab Center

160 beds (Westchester County)- final approval on 6/23/2016

Sharon Einhorn-44.0% membership interest
 Devorah Freidman-44.0% membership interest
 Yossie Zucker- 2% membership interest
 Steven Sax- 2% membership interest
 Akiva Rudner- 2% membership interest
 Eli Schwartz- 2% membership interest

162092-E

Affiliated Homes

BFA Attachment C

The Grove at Valhalla Rehab

160 beds (Westchester County)

	<u>12/31/2015</u>	<u>Draft</u> <u>5/31/2016</u>
Current Assets	\$3,964,265	\$5,692,073
Fixed Assets	<u>9,449,031</u>	<u>2,428,059</u>
Total Assets	\$13,413,296	\$8,120,132
Current Liabilities	3,968,532	6,578,405
Long Term Liabilities	<u>2,092,916</u>	<u>95,212</u>
Total Liabilities	\$6,061,448	\$6,673,617
Net Assets	\$7,351,848	\$1,446,515
Working Capital Position	(\$4,267)	(\$886,332)
Operating Revenues	\$12,363,925	\$9,022,929
Operating Expenses	<u>12,754,975</u>	<u>8,326,762</u>
Operating Net Income	(\$391,050)	\$696,167

Devorah Freidman-25.0% membership interest

Sharon Einhorn-25.0% membership interest

Cortlandt Healthcare

120 beds (Kings County)

	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>Draft</u> <u>5/31/2016</u>
Current Assets	\$2,631,131	\$2,901,126	\$3,910,713
Fixed Assets	<u>4,460,214</u>	<u>6,396,900</u>	<u>5,749,076</u>
Total Assets	\$7,091,345	\$9,298,026	\$9,659,789
Current Liabilities	2,117,657	2,878,465	2,814,877
Long Term Liabilities	<u>4,377,323</u>	<u>4,147,541</u>	<u>4,036,552</u>
Total Liabilities	\$6,494,980	\$7,026,006	\$6,851,429
Net Assets	\$596,365	\$2,272,020	\$2,808,360
Working Capital Position	\$513,474	\$22,661	\$1,095,836
Operating Revenues	\$12,607,887	\$16,397,644	\$7,035,924
Operating Expenses	<u>12,676,837</u>	<u>14,471,989</u>	<u>6,106,143</u>
Operating Net Income	(\$68,950)	\$1,925,655	\$929,781

Sharon Einhorn-36.5% membership interest

Devorah Freidman-36.5% membership interest

Ellezer Schwartz-2.0% membership interest

Steven Sax-1.0% membership interest

San Souci Rehab & Nursing

120 beds (Westchester County)

	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>Draft</u> <u>5/31/2016</u>
Current Assets	\$3,321,959	\$2,863,299	\$6,088,881
Fixed Assets	<u>3,210,194</u>	<u>5,453,987</u>	<u>2,769,963</u>
Total Assets	\$6,532,153	\$8,317,286	\$8,858,844
Current Liabilities	2,515,477	2,680,480	6,578,405
Long Term Liabilities	<u>434,191</u>	<u>415,692</u>	<u>95,212</u>
Total Liabilities	\$2,949,668	\$3,096,172	\$6,673,617
Net Assets	\$3,582,485	\$5,221,114	\$2,185,227
Working Capital Position	\$806,482	\$182,819	(\$489,524)
Operating Revenues	\$15,711,253	\$17,239,745	\$6,984,809
Operating Expenses	<u>13,350,853</u>	<u>14,070,838</u>	<u>6,055,368</u>
Operating Net Income	\$2,360,400	\$3,168,907	\$929,441

Devorah Freidman-2.0% membership interest

CNH OPERATING, LLC
BALANCE SHEET
January 1, 2016

ASSETS

Current Assets	
Cash & Cash Equivalents	\$ 100,000
Account Receivable	3,580,000
Inventory	45,000
Prepaid expenses and other assets	<u>460,000</u>
Total Current Assets	4,185,000
Non Current Assets	
Resident Funds	78,000
Fixed Assets - Net	<u>3,800,000</u>
Total Non Current Assets	<u>3,878,000</u>
Total Assets	<u>\$ 8,063,000</u>

LIABILITIES AND MEMBERS' EQUITY

Liabilities	
Accounts payable	\$ 2,398,000
Accrued payroll and payroll taxes payable	442,000
Accrued Expenses	151,000
Payable to Third Parties	<u>131,000</u>
Total current liabilities	<u>3,122,000</u>
Long term Liabilities	
Resident Funds Payable	<u>78,000</u>
Total Long-term Liabilities	<u>78,000</u>
Total Liabilities	3,200,000
Members' Equity	<u>4,863,000</u>
Total Liabilities and Members' Equity	<u>\$ 8,063,000</u>

Crown Nursing and Rehabilitation Center

Budget Sensitivity

<u>Payor</u>	<u>Utilization as of 5/31/16</u>	<u>Revised Budgeted Days</u>	<u>Per Diem</u>	<u>Revised Revenues</u>
Medicaid	0.65260	43,668	\$244.67	\$10,684,268
Medicare	0.08980	6,009	\$663.62	3,987,611
Commercial	0.23220	15,537	\$350.01	5,438,256
Private Pay	<u>0.02540</u>	<u>1,700</u>	\$505.03	<u>858,357</u>
	1.00000	66,914		

Total Revenues based on current utilization \$20,968,492

Total Inpatient Revenues as budgeted for first year 21,177,900

Decrease in Budgeted Revenues (\$209,408)

Note: Medicaid rate is based on 2016 initial rate plus assessments.

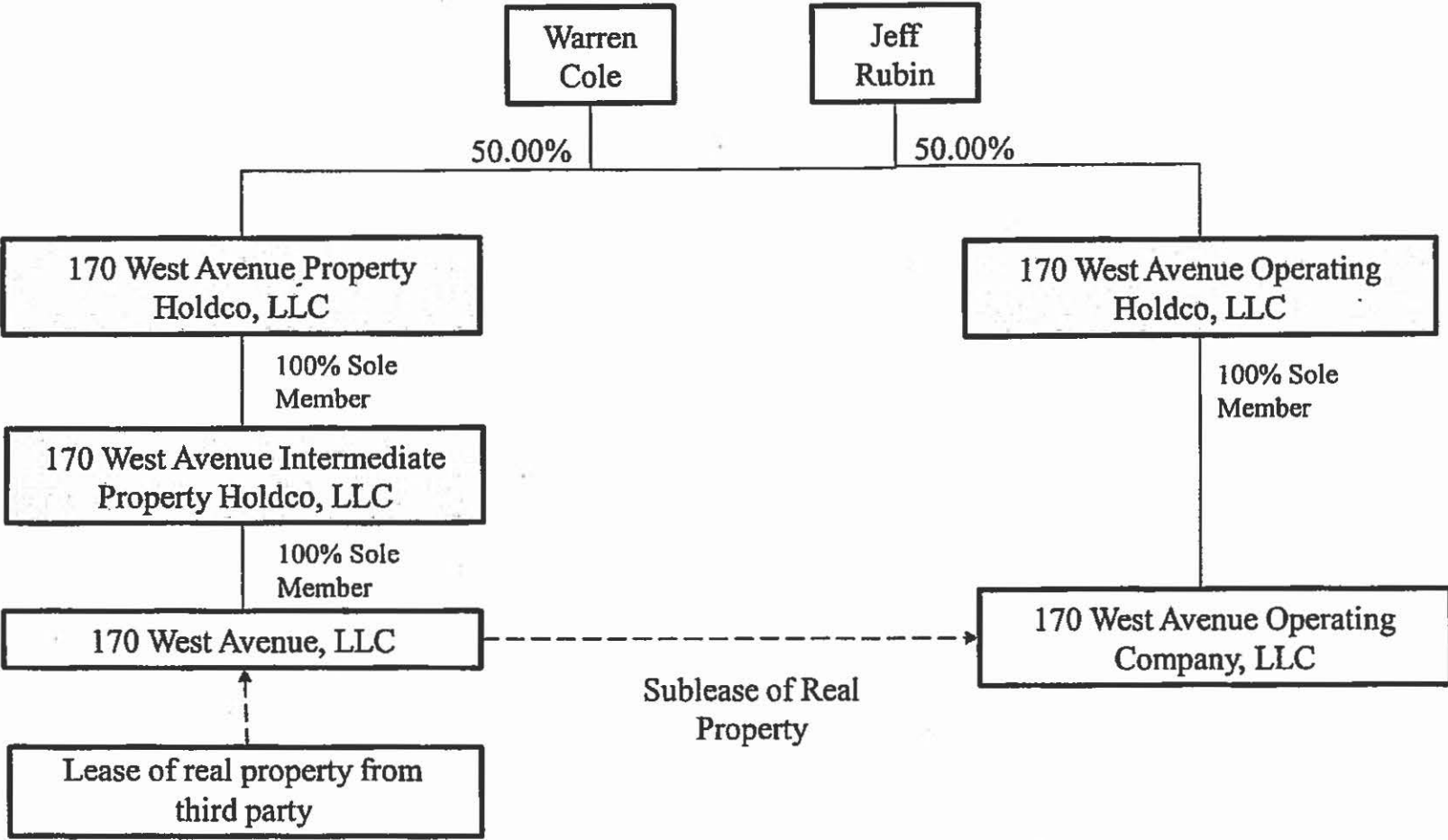
Purchase and Sale Agreements for the Realty (Vacant Land)

The applicant has submitted an executed real estate Purchase and Sale Agreement (PSA) related to the purchase of the RHCF's real property associated with the vacant land. The agreement closes concurrent with the APA upon PHHPC approval of this CON. The terms are summarized below:

Date:	May 1, 2016
Seller:	LTC Realty Associates LLC
Buyer:	2114 Haring Property, LLC
Property Purchased:	Vacant land associated with 3457 Nostrand Avenue, Brooklyn, New York 11229
Purchase Price:	\$285,000
Payment of Purchase Price:	Cash at time of closing.

Date:	May 1, 2016
Seller:	LTC Realty Associates LLC
Buyer:	2118 Haring Property, LLC
Property Purchased:	Vacant land associated with 3457 Nostrand Avenue, Brooklyn, New York 11229
Purchase Price:	\$141,550
Payment of Purchase Price:	Cash at time of closing.

Elderwood of Lakeside at Brockport



2. Pro Forma Balance Sheet:

This section should be completed in for all new establishment and change in ownership applications. On a separate attachment identified below, provide a pro forma (opening day) balance sheet. If the operation and real estate are to be owned by separate entities, provide a pro forma balance sheet for each entity. Full identify all assumptions used in preparation of the proforma balance sheet. If the pro forma balance sheet(s) is submitted in conjunction with a change in ownership application, on a line-by-line basis, provide a comparison between the submitted pro forma balance sheet(s), the most recently available facility certified financial statements and the transfer agreement. Fully explain and document all assumptions.

List of Titles of Attachments related to Pro Forma Balance Sheets	List of Filenames of Attachments
<i>See below</i>	<i>See below</i>

	Operating Company	Property Company	Total Combined
Cash	\$ 2,190,646	\$ -	\$ 2,190,646
Cash - Restricted	\$ -	\$ -	\$ -
Accounts Receivable	\$ -	\$ -	\$ -
Inventory	\$ -	\$ -	\$ -
Prepaid Expenses	\$ -	\$ -	\$ -
Other Current Assets	\$ -	\$ -	\$ -
Total Current Assets	\$ 2,190,646	\$ -	\$ 2,190,646
PROPERTY & EQUIPMENT			
Land & Building	\$ -	\$ 9,310,000	\$ 9,310,000
Building Improvements	\$ -	\$ -	\$ -
Equipment, Furniture and Fixtures	\$ 350,000	\$ -	\$ 350,000
Construction in Progress	\$ -	\$ -	\$ -
Subtotal Land	\$ 350,000	\$ 9,310,000	\$ 9,660,000
Capital Leased Equipment	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -
Net Property & Equipment	\$ 350,000	\$ 9,310,000	\$ 9,660,000
OTHER ASSETS			
Deferred Financing Costs, net	\$ -	\$ -	\$ -
Goodwill	\$ -	\$ -	\$ -
Identified Intangible Assets	\$ 1,840,000	\$ -	\$ 1,840,000
Total Other Assets	\$ 1,840,000	\$ -	\$ 1,840,000
TOTAL ASSETS	\$ 4,380,646	\$ 9,310,000	\$ 13,690,646
<u>LIABILITIES & MEMBERS' EQUITY</u>			
CURRENT LIABILITIES			
Working Capital Loan	\$ 1,095,323	\$ -	\$ 1,095,323
Current Maturities of Long-Term Debt	\$ -	\$ -	\$ -
Accounts Payable	\$ -	\$ -	\$ -
Accrued Interest Expense	\$ -	\$ -	\$ -
Accrued Expenses - Other	\$ -	\$ -	\$ -
Accrued Payroll & Payroll Taxes	\$ -	\$ -	\$ -
Resident Trust Accounts & Deposits	\$ -	\$ -	\$ -
Due to Affiliates	\$ -	\$ -	\$ -
Other Current Liabilities	\$ -	\$ -	\$ -
Total Current Liabilities	\$ 1,095,323	\$ -	\$ 1,095,323
OTHER LIABILITIES			
Capital Lease Obligation	\$ -	\$ -	\$ -
Long-Term Debt	\$ -	\$ 9,200,000	\$ 9,200,000
Other Long-term Liabilities	\$ -	\$ -	\$ -
Total Liabilities	\$ 1,095,323	\$ 9,200,000	\$ 10,295,323
<u>MEMBERS' EQUITY</u>			
Members' Capital	\$ 3,285,323	\$ 110,000	\$ 3,395,323
Members' Contributions (Distributions)	\$ -	\$ -	\$ -
Retained Earnings/(Deficit)	\$ -	\$ -	\$ -
Total Members' Equity	\$ 3,285,323	\$ 110,000	\$ 3,395,323
TOTAL LIABILITIES & MEMBERS' EQUITY	\$ 4,380,646	\$ 9,310,000	\$ 13,690,646

Lakeside-Beikirch Care Center, Inc.
Financial Summary

FISCAL PERIOD ENDED	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
ASSETS - CURRENT	\$2,307,774	\$2,387,159	\$2,103,701
ASSETS - FIXED AND OTHER	5,937,000	6,051,256	6,300,773
LIABILITIES - CURRENT	1,375,693	1,666,273	1,273,229
LIABILITIES - LONG-TERM	<u>7,723,425</u>	<u>7,629,411</u>	<u>8,189,835</u>
EQUITY	(\$854,344)	(\$857,269)	(\$1,058,590)
<hr/>			
INCOME	\$5,844,770	\$12,075,456	\$11,360,927
EXPENSE	<u>5,864,939</u>	<u>11,869,372</u>	<u>11,203,571</u>
NET INCOME	(\$20,169)	\$206,084	\$157,356
<hr/>			
NUMBER OF BEDS	120	120	120
PERCENT OF OCCUPANCY (DAYS)	95.38%	92.00%	96.20%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	73.15%	61.70%	66.10%
MEDICARE	5.27%	6.21%	9.50%
PRIVATE/OTHER	21.58%	32.09%	24.40%
<hr/>			
Average Working Capital	\$827,813		
Average Net Assets	(\$923,401)		
Average Net Income (Loss)	\$114,424		
Average Occupancy	94.53%		

170 West Ave Operating Co LLC

4459 Bailey Ave Oper Co, LLC

DBA Elderwood at Amherst

	<u>6/30/2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$2,451,374	\$2,386,929	\$1,872,703
Non-Current Assets	<u>11,537,811</u>	<u>10,566,510</u>	<u>10,870,623</u>
Total Assets	\$13,989,185	\$12,953,439	\$12,743,326
Current Liabilities	1,367,342	1,527,171	1,498,055
Long Term Liabilities	<u>8,905,559</u>	<u>8,198,912</u>	<u>8,473,053</u>
Total Liabilities	10,272,901	9,726,083	9,971,108
Net Assets	\$3,716,284	\$3,227,356	\$2,772,218
Working Capital Position	\$1,084,032	\$859,758	\$374,648
Operating Revenues	\$5,326,559	\$10,010,939	\$9,745,049
Operating Expenses	<u>5,012,977</u>	<u>9,555,801</u>	<u>8,990,360</u>
Operating Net Income	\$313,582	\$455,138	\$754,689

225 Barnett Rd Oper Co, LLC

DBA Elderwood at Cheektowaga

	<u>6/30/2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$2,880,010	\$3,105,747	\$2,937,781
Non-Current Assets	<u>24,309,650</u>	<u>23,752,507</u>	<u>23,805,542</u>
Total Assets	\$27,189,660	\$26,858,254	\$26,743,323
Current Liabilities	2,720,409	4,314,702	3,551,841
Long Term Liabilities	<u>20,150,551</u>	<u>18,794,020</u>	<u>19,411,207</u>
Total Liabilities	22,870,960	23,108,722	22,963,048
Net Assets	\$4,318,700	\$3,749,532	\$3,780,275
Working Capital Position	\$159,601	(\$1,208,955)	(\$614,060)
Operating Revenues	\$9,365,949	\$17,848,188	\$17,509,079
Operating Expenses	<u>9,096,736</u>	<u>17,878,931</u>	<u>17,349,934</u>
Operating Net Income	\$269,213	(\$30,743)	\$159,145

2850 Grand Island Blvd Oper Co, LLC

DBA Elderwood at Grand Island

	<u>6/30/2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$1,337,804	\$1,431,993	\$1,096,221
Non-Current Assets	<u>7,660,164</u>	<u>7,233,126</u>	<u>7,217,025</u>
Total Assets	\$8,997,968	\$8,665,119	\$8,313,246
Current Liabilities	2,029,782	2,269,381	1,839,434
Long Term Liabilities	<u>6,550,846</u>	<u>6,163,167</u>	<u>6,345,960</u>
Total Liabilities	8,580,628	8,432,548	8,185,394
Net Assets	\$417,340	\$232,571	\$127,852
Working Capital Position	(\$691,978)	(\$837,388)	(\$743,213)
Operating Revenues	\$4,606,175	\$8,746,108	\$8,104,689
Operating Expenses	<u>4,608,871</u>	<u>8,641,389</u>	<u>8,366,588</u>
Operating Net Income	(\$2,696)	\$104,719	(\$261,899)

170 West Ave Operating Co LLC
5775 Maelou Dr Oper Co, LLC
DBA Elderwood at Hamburg

Project# 162120
BFA Attachment-E
Cont

	<u>6/30/2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$2,532,108	\$2,643,992	\$2,677,518
Non-Current Assets	<u>14,188,328</u>	<u>13,632,206</u>	<u>13,474,561</u>
Total Assets	\$16,720,436	\$16,276,198	\$16,152,079
Current Liabilities	2,489,801	3,238,595	3,386,941
Long Term Liabilities	<u>12,378,999</u>	<u>11,678,410</u>	<u>11,901,030</u>
Total Liabilities	14,868,800	14,917,005	15,287,971
Net Assets	\$1,851,636	\$1,359,193	\$864,108
Working Capital Position	\$42,307	(\$594,603)	(\$709,423)
Operating Revenues	\$9,007,912	\$17,643,056	\$16,834,428
Operating Expenses	<u>8,514,470</u>	<u>17,147,971</u>	<u>16,460,867</u>
Operating Net Income	\$493,442	\$495,085	\$373,561

1818 Como Park Blvd Oper Co, LLC
DBA Elderwood at Lancaster

	<u>6/30/2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$2,152,597	\$2,057,239	\$1,776,551
Non-Current Assets	<u>4,142,840</u>	<u>3,723,268</u>	<u>3,255,138</u>
Total Assets	\$6,295,437	\$5,780,507	\$5,031,689
Current Liabilities	1,117,396	1,263,294	1,143,632
Long Term Liabilities	<u>2,876,874</u>	<u>2,711,781</u>	<u>2,775,101</u>
Total Liabilities	3,994,270	3,975,075	3,918,733
Net Assets	\$2,301,167	\$1,805,432	\$1,112,956
Working Capital Position	\$1,035,201	\$793,945	\$632,919
Operating Revenues	\$4,812,263	\$9,612,556	\$9,157,188
Operating Expenses	<u>4,606,100</u>	<u>8,920,080</u>	<u>8,232,168</u>
Operating Net Income	\$206,163	\$692,476	\$925,020

4800 Bear Rd Oper Co, LLC
DBA Elderwood at Liverpool

	<u>6/30/2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$7,215,776	\$15,457,229	\$4,036,797
Non-Current Assets	<u>9,247,244</u>	<u>6,601,259</u>	<u>6,348,601</u>
Total Assets	\$16,463,020	\$22,058,488	\$10,385,398
Current Liabilities	1,298,398	2,301,078	2,161,108
Long Term Liabilities	<u>11,275,908</u>	<u>10,871,234</u>	<u>1,401,919</u>
Total Liabilities	12,574,306	13,172,312	3,563,027
Net Assets	\$3,888,714	\$8,886,176	\$6,822,371
Working Capital Position	\$5,917,378	\$13,156,151	\$1,875,689
Operating Revenues	\$9,235,864	\$18,533,684	\$18,554,625
Operating Expenses	<u>8,283,552</u>	<u>16,399,065</u>	<u>16,539,034</u>
Operating Net Income	\$952,312	\$2,134,619	\$2,015,591

170 West Ave Operating Co LLC
37 North Chemung St Oper Co, LLC
DBA Elderwood at Waverly

Project# 162120
BFA Attachment-E
Cont

	<u>6/30/2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$3,298,341	\$4,449,701	\$2,828,853
Non-Current Assets	<u>11,892,712</u>	<u>10,452,456</u>	<u>8,535,106</u>
Total Assets	\$15,191,053	\$14,902,157	\$11,363,959
Current Liabilities	4,387,121	4,201,348	9,610,837
Long Term Liabilities	<u>9,932,027</u>	<u>9,736,955</u>	<u>1,576,012</u>
Total Liabilities	14,319,148	13,938,303	11,186,849
Net Assets	\$871,905	\$963,854	\$177,110
Working Capital Position	(\$1,088,780)	\$248,353	(\$6,781,984)
Operating Revenues	\$9,424,029	\$18,369,640	\$18,058,332
Operating Expenses	<u>9,515,976</u>	<u>17,582,896</u>	<u>17,646,746</u>
Operating Net Income	(\$91,947)	\$786,744	\$411,586

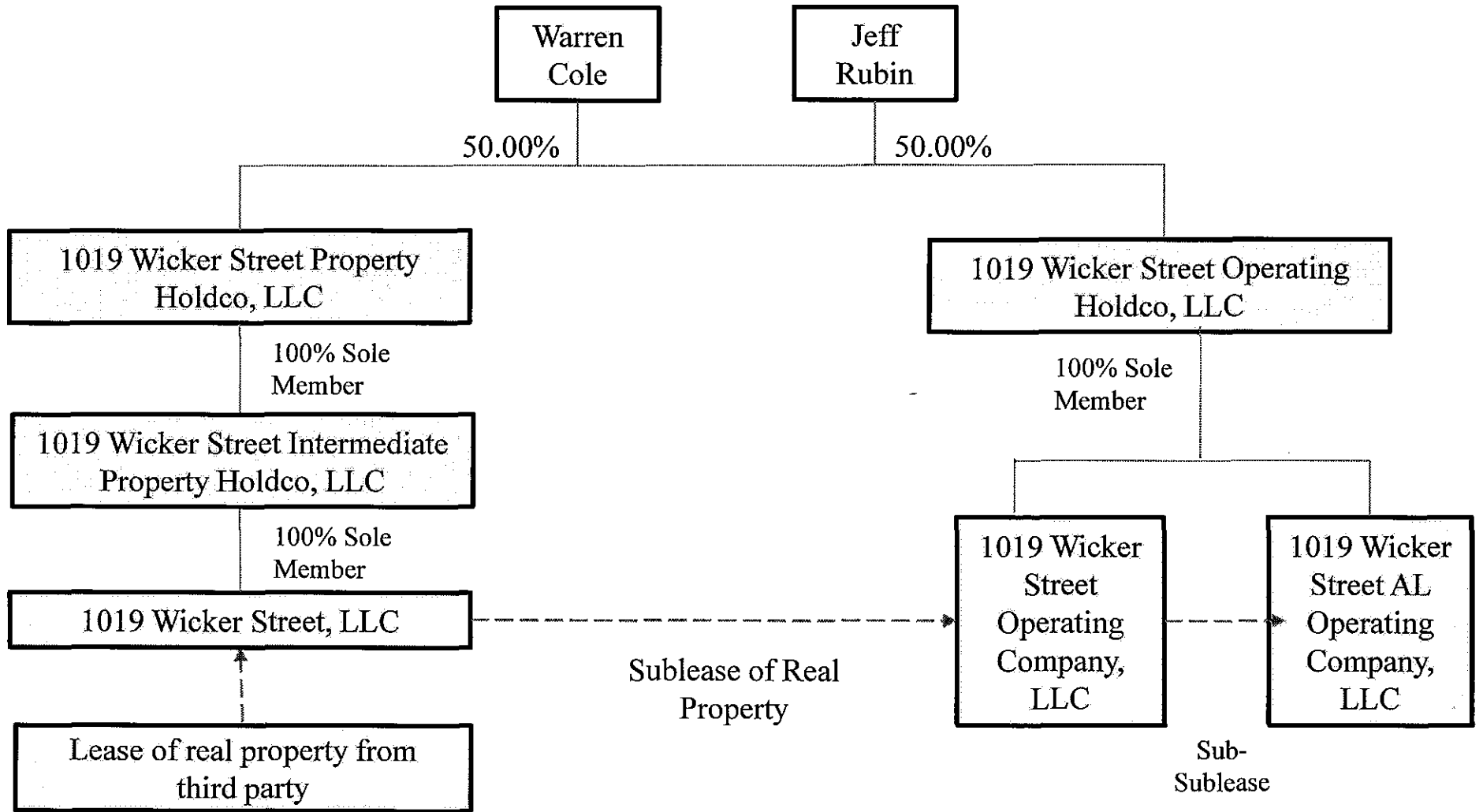
2600 Niagara Falls Blvd Oper Co, LLC
DBA Elderwood at Wheatfield

	<u>6/30/2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$3,954,156	\$4,560,467	\$2,827,071
Non-Current Assets	<u>9,607,891</u>	<u>9,456,269</u>	<u>9,701,534</u>
Total Assets	\$13,562,047	\$14,016,736	\$12,528,605
Current Liabilities	1,810,564	2,622,815	2,015,760
Long Term Liabilities	<u>8,991,591</u>	<u>8,993,131</u>	<u>9,052,194</u>
Total Liabilities	10,802,155	11,615,946	11,067,954
Net Assets	\$2,759,892	\$2,400,790	\$1,460,651
Working Capital Position	\$2,143,592	\$1,937,652	\$811,311
Operating Revenues	\$6,634,933	\$13,045,550	\$12,575,204
Operating Expenses	<u>6,275,539</u>	<u>12,105,411</u>	<u>11,703,506</u>
Operating Net Income	\$359,394	\$940,139	\$871,698

200 Bassett Rd Oper Co, LLC
DBA Elderwood at Williamsville

	<u>6/30/2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$4,618,894	\$3,925,583	\$2,943,310
Non-Current Assets	<u>18,774,379</u>	<u>18,301,562</u>	<u>18,580,294</u>
Total Assets	\$23,393,273	\$22,227,145	\$21,523,604
Current Liabilities	2,942,434	3,344,493	3,419,471
Long Term Liabilities	<u>15,870,335</u>	<u>14,897,908</u>	<u>15,337,983</u>
Total Liabilities	18,812,769	18,242,401	18,757,454
Net Assets	\$4,580,504	\$3,984,744	\$2,766,150
Working Capital Position	\$1,676,460	\$581,090	(\$476,161)
Operating Revenues	\$11,525,793	\$21,672,885	\$21,039,947
Operating Expenses	<u>10,930,033</u>	<u>20,454,291</u>	<u>20,178,213</u>
Operating Net Income	\$595,760	\$1,218,594	\$861,734

Elderwood at Ticonderoga(SNF) Elderwood Village at Ticonderoga (AH)



	Operating Company	Property Company	Total Combined
Cash	\$ 1,277,556	\$ -	\$ 1,277,556
Cash - Restricted	\$ -	\$ -	\$ -
Accounts Receivable	\$ -	\$ -	\$ -
Inventory	\$ -	\$ -	\$ -
Prepaid Expenses	\$ -	\$ -	\$ -
Other Current Assets	\$ -	\$ -	\$ -
Total Current Assets	\$ 1,277,556	\$ -	\$ 1,277,556
PROPERTY & EQUIPMENT			
Land & Building	\$ -	\$ -	\$ -
Building Improvements	\$ -	\$ -	\$ -
Equipment, Furniture and Fixtures *	\$ 46,738	\$ -	\$ 46,738
Construction in Progress	\$ -	\$ -	\$ -
Subtotal Land	\$ 46,738	\$ -	\$ 46,738
Capital Leased Equipment	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -
Net Property & Equipment	\$ 46,738	\$ -	\$ 46,738
OTHER ASSETS			
Deferred Financing Costs, net	\$ -	\$ -	\$ -
Goodwill	\$ -	\$ -	\$ -
Identified Intangible Assets	\$ -	\$ -	\$ -
Total Other Assets	\$ -	\$ -	\$ -
TOTAL ASSETS	\$ 1,324,295	\$ -	\$ 1,324,295

LIABILITIES & MEMBERS' EQUITY

CURRENT LIABILITIES

Working Capital Revolver	\$ -	\$ -	\$ -
Current Maturities of Long-Term Debt	\$ -	\$ -	\$ -
Accounts Payable	\$ -	\$ -	\$ -
Accrued Interest Expense	\$ -	\$ -	\$ -
Accrued Expenses - Other	\$ -	\$ -	\$ -
Accrued Payroll & Payroll Taxes	\$ -	\$ -	\$ -
Resident Trust Accounts & Deposits	\$ -	\$ -	\$ -
Due to Affiliates	\$ -	\$ -	\$ -
Other Current Liabilities	\$ -	\$ -	\$ -
Total Current Liabilities	\$ -	\$ -	\$ -

OTHER LIABILITIES

Capital Lease Obligation	\$ -	\$ -	\$ -
Long-Term Debt	\$ -	\$ -	\$ -
Other Long-term Liabilities	\$ -	\$ -	\$ -
Total Liabilities	\$ -	\$ -	\$ -

MEMBERS' EQUITY

Members' Capital	\$ 1,324,295	\$ -	\$ 1,324,295
Members' Contributions (Distributions)	\$ -	\$ -	\$ -
Retained Earnings/(Deficit)	\$ -	\$ -	\$ -
Total Members' Equity	\$ 1,324,295	\$ -	\$ 1,324,295

TOTAL LIABILITIES & MEMBERS' EQUITY	\$ 1,324,295	\$ -	\$ 1,324,295
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* This item reflects the allocated purchase price of \$50,000 between the skilled nursing facility and the adult care facility, as follows: \$46,738 allocated to the skilled nursing facility; and \$3,262 allocated to the adult care facility.

Financial Summary

**Heritage Commons Residential Health Care
in thousands**

FISCAL PERIOD ENDED	<u>7/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
ASSETS - CURRENT	\$1,387,243	\$1,387,244	\$977,086
ASSETS - FIXED AND OTHER	\$5,169,269	\$5,169,269	\$5,958,323
LIABILITIES - CURRENT	\$3,906,748	\$3,971,888	\$3,467,136
LIABILITIES - LONG-TERM	<u>\$10,356,062</u>	<u>\$10,290,921</u>	<u>\$10,773,512</u>
EQUITY	-\$7,706,298	-\$7,706,296	-\$7,305,239
<hr/>			
INCOME	\$4,047,471	\$7,562,422	\$6,541,105
EXPENSE	<u>\$3,990,729</u>	<u>\$7,966,394</u>	<u>\$7,544,635</u>
NET INCOME	\$56,742	-\$403,972	-\$1,003,530
<hr/>			
NUMBER OF BEDS	84	84	84
PERCENT OF OCCUPANCY (DAYS)	88.17%	94.57%	90.12%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	80.94%	75.70%	75.90%
MEDICARE	4.01%	4.00%	4.30%
PRIVATE/OTHER	15.05%	20.30%	19.80%

Sources: 7/31/16 internal financial statements; 2014-2015 certified financial statements; Cost Report: 2014-2015 RHCF (utilization)

<u>Operator</u>	<u>Name of the facility</u>	<u>Beds</u>	<u>County</u>	<u>Warren Cole</u>	<u>Jeffery Rubin</u>
4459 Bailey Avenue Operating Company, LLC	Elderwood at Amherst	92	Erie	50%	50%
225 Bennett Road Operating Company, LLC	Elderwood at Cheektowaga	172	Erie	50%	50%
2850 Grand Island Boulevard Operating Company, LLC	Elderwood at Grand Island	90	Erie	50%	50%
5775 Maelou Drive Operating Company, LLC	Elderwood at Hamburg	166	Erie	50%	50%
1 Bethesda Drive Operating Company, LLC	Elderwood at Hornell*	112	Steuben	50%	50%
1818 Como Park Boulevard Operating Company, LLC	Elderwood at Lancaster	96	Erie	50%	50%
4800 Bear Road Operating Company, LLC	Elderwood at Liverpool	160	Onondaga	50%	50%
185 Old Military Road Operating Company, LLC	Elderwood of Uihlein at Lake Placid**	157***	Essex	50%	50%
37 North Chemung Street Operating Company, LLC	Elderwood at Waverly	200	Tioga	50%	50%
2600 Niagara Falls Boulevard Operating Company, LLC	Elderwood at Wheatfield	123	Niagara	50%	50%
200 Bassett Road Operating Company, LLC	Elderwood at Williamsville	200****	Erie	50%	50%
	(* as of 4/12/16)				
	(** as of 10/4/16)				
	(*** 156 RHCF; 1 Respite)				
	(**** 180 RHCF; 20 Ventilator Dependent)				

Affiliated Nursing Homes

4459 Bailey Avenue Operating Company, LLC	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$2,451,374	\$2,386,929	\$1,872,703
Fixed Assets	\$11,537,811	\$10,566,510	\$10,870,623
Total Assets	\$13,989,185	\$12,953,439	\$12,743,326
Current Liabilities	\$1,367,342	\$1,527,171	\$1,498,055
Long Term Liabilities	\$8,905,559	\$8,198,912	\$8,473,053
Total Liabilities	\$10,272,901	\$9,726,083	\$9,971,108
Net Assets	\$3,716,284	\$3,227,356	\$2,772,218
Working Capital Position	\$1,084,032	\$859,758	\$374,648
Revenue	\$5,326,559	\$10,010,939	\$9,745,049
Expenses	\$5,012,977	\$9,555,801	\$8,990,360
Net Income	\$313,582	\$455,138	\$754,689

225 Bennett Road Operating Company, LLC	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$2,880,010	\$3,105,747	\$2,937,781
Fixed Assets	\$24,309,650	\$23,752,507	\$23,805,542
Total Assets	\$27,189,660	\$26,858,254	\$26,743,323
Current Liabilities	\$2,720,409	\$4,314,702	\$3,551,841
Long Term Liabilities	\$20,150,551	\$18,794,020	\$19,411,207
Total Liabilities	\$22,870,960	\$23,108,722	\$22,963,048
Net Assets	\$4,318,700	\$3,749,532	\$3,780,275
Working Capital Position	\$159,601	-\$1,208,955	-\$614,060
Revenue	\$9,365,949	\$17,848,188	\$17,509,079
Expenses	\$9,096,735	\$17,878,931	\$17,349,934
Net Income	\$269,213	-\$30,743	\$159,145

2850 Grand Island Boulevard Operating Company, LLC	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$1,337,804	\$1,431,993	\$1,096,221
Fixed Assets	\$7,660,164	\$7,233,126	\$7,217,025
Total Assets	\$8,997,968	\$8,665,119	\$8,313,246
Current Liabilities	\$2,029,782	\$2,269,381	\$1,839,434
Long Term Liabilities	\$6,550,846	\$6,163,167	\$6,345,960
Total Liabilities	\$8,580,628	\$8,432,548	\$8,185,394
Net Assets	\$417,340	\$232,571	\$127,852
Working Capital Position	-\$691,978	-\$837,388	-\$743,213
Revenue	\$4,606,175	\$8,746,108	\$8,104,689
Expenses	\$4,608,870	\$8,641,389	\$8,366,588
Net Income	-\$2,694	\$104,719	-\$261,899

Affiliated Nursing Homes (Page 2)

5775 Maelou Drive Operating Company, LLC	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$2,532,108	\$2,643,992	\$2,677,518
Fixed Assets	\$14,188,328	\$13,632,206	\$13,474,561
Total Assets	\$16,720,436	\$16,276,198	\$16,152,079
Current Liabilities	\$2,489,801	\$3,238,595	\$3,386,941
Long Term Liabilities	\$12,378,999	\$11,678,410	\$11,901,030
Total Liabilities	\$14,868,800	\$14,917,005	\$15,287,971
Net Assets	\$1,851,636	\$1,359,193	\$864,108
Working Capital Position	\$42,307	-\$594,603	-\$709,423
Revenue	\$9,007,912	\$17,643,056	\$16,834,428
Expenses	\$8,515,469	\$17,147,971	\$16,460,867
Net Income	\$492,443	\$495,085	\$373,561

1818 Como Park Boulevard Operating Company, LLC	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$2,152,597	\$2,057,239	\$1,776,551
Fixed Assets	\$4,142,840	\$3,723,268	\$3,255,138
Total Assets	\$6,295,437	\$5,780,507	\$5,031,689
Current Liabilities	\$1,117,396	\$1,263,294	\$1,143,632
Long Term Liabilities	\$2,876,874	\$2,711,781	\$2,775,101
Total Liabilities	\$3,994,270	\$3,975,075	\$3,918,733
Net Assets	\$2,301,167	\$1,805,432	\$1,112,956
Working Capital Position	\$1,035,201	\$793,945	\$632,919
Revenue	\$4,812,263	\$9,612,556	\$9,157,188
Expenses	\$4,606,099	\$8,920,080	\$8,232,168
Net Income	\$206,164	\$692,476	\$925,020

4800 Bear Road Operating Company, LLC	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$7,215,776	\$15,457,229	\$4,036,797
Fixed Assets	\$9,247,244	\$6,601,259	\$6,348,601
Total Assets	\$16,463,020	\$22,058,488	\$10,385,398
Current Liabilities	\$1,298,398	\$2,301,078	\$2,161,108
Long Term Liabilities	\$11,275,908	\$10,871,234	\$1,401,919
Total Liabilities	\$12,574,306	\$13,172,312	\$3,563,027
Net Assets	\$3,888,714	\$8,886,176	\$6,822,371
Working Capital Position	\$5,917,378	\$13,156,151	\$1,875,689
Revenue	\$9,235,864	\$18,533,684	\$18,554,625
Expenses	\$8,283,552	\$16,399,065	\$16,539,034
Net Income	\$952,312	\$2,134,619	\$2,015,591

Affiliated Nursing Homes (Page 3)

37 North Chemung Street Operating Company, LLC	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$3,298,341	\$4,449,701	\$2,828,853
Fixed Assets	\$11,892,713	\$10,452,456	\$8,535,106
Total Assets	\$15,191,054	\$14,902,157	\$11,363,959
Current Liabilities	\$4,387,121	\$4,201,348	\$9,610,837
Long Term Liabilities	\$9,932,027	\$9,736,955	\$1,576,012
Total Liabilities	\$14,319,148	\$13,938,303	\$11,186,849
Net Assets	\$871,906	\$963,854	\$177,110
Working Capital Position	-\$1,088,780	\$248,353	-\$6,781,984
Revenue	\$9,424,029	\$18,369,640	\$18,058,332
Expenses	\$9,515,976	\$17,582,896	\$17,646,746
Net Income	-\$91,947	\$786,744	\$411,586

2600 Niagara Falls Boulevard Operating Company, LLC	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$3,954,156	\$4,560,467	\$2,827,071
Fixed Assets	\$9,607,891	\$9,456,269	\$9,701,534
Total Assets	\$13,562,047	\$14,016,736	\$12,528,605
Current Liabilities	\$1,810,564	\$2,622,815	\$2,015,760
Long Term Liabilities	\$8,991,591	\$8,993,131	\$9,052,194
Total Liabilities	\$10,802,155	\$11,615,946	\$11,067,954
Net Assets	\$2,759,892	\$2,400,790	\$1,460,651
Working Capital Position	\$2,143,592	\$1,937,652	\$811,311
Revenue	\$6,634,933	\$13,045,550	\$12,575,204
Expenses	\$6,275,539	\$12,105,411	\$11,703,506
Net Income	\$359,393	\$940,139	\$871,698

200 Bassett Road Operating Company, LLC	<u>6/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$4,618,894	\$3,925,583	\$2,943,310
Fixed Assets	\$18,774,379	\$18,301,562	\$18,580,294
Total Assets	\$23,393,273	\$22,227,145	\$21,523,604
Current Liabilities	\$2,942,434	\$3,344,493	\$3,419,471
Long Term Liabilities	\$15,870,335	\$14,897,908	\$15,337,983
Total Liabilities	\$18,812,769	\$18,242,401	\$18,757,454
Net Assets	\$4,580,504	\$3,984,744	\$2,766,150
Working Capital Position	\$1,676,460	\$581,090	-\$476,161
Revenue	\$11,525,793	\$21,672,885	\$21,039,947
Expenses	\$10,930,033	\$20,454,291	\$20,178,213
Net Income	\$595,760	\$1,218,594	\$861,734

PREMIER HOME HEALTH CARE SERVICES, INC.
AND SUBSIDIARIES AND AFFILIATES

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2014

ASSETS

Current assets:

Cash and cash equivalents	\$ 3,511,624
Accounts receivable, net of allowance for doubtful accounts of \$1,317,000	34,020,974
Other receivables	2,845,950
Prepaid expenses	1,866,402
Deferred income taxes	1,949,880
Total current assets	<u>44,194,830</u>

Furniture and equipment, net

1,683,050

Other assets:

Goodwill, net	22,633,320
Customer contracts, net	4,406,476
Due from stockholder	35,789
Due from affiliates	2,811,348
Deferred loan fees, net	48,000
Deposit on asset purchase agreements	4,177,506
Other deposits	11,870,782
Deferred interest	1,677,399
Security deposits	227,806
Equity in net assets of affiliate	12,846
Deferred income taxes	1,623,800
	<u>49,525,072</u>
	<u>\$ 95,402,952</u>

LIABILITIES AND EQUITY

Current liabilities:

Line of credit	\$ 9,750,000
Current portion of notes payable	2,000,000
Accounts payable and accrued expenses	25,355,615
Accrued salaries	6,528,513
Deferred revenue	97,168
Accrued settlements payable, current portion	9,969,447
Payroll taxes payable	1,387,851
Income taxes payable	459,064
Deferred income taxes	2,187,900
Total current liabilities	<u>57,735,558</u>

Notes payable, net of current portion

6,000,000

Accrued settlements payable, net of current portion

10,665,000

Deferred income taxes

1,397,380

Total liabilities

75,797,938

Equity:

Premier Home Health Care stockholders' equity:

Common stock, at stated value	1,000
Retained earnings	19,386,452
Total Premier Home Health Care stockholders' equity	<u>19,387,452</u>

Non-controlling interest in consolidated affiliate

217,562

Total equity

19,605,014

Total liabilities and equity

\$ 95,402,952

**PREMIER HOME HEALTH CARE SERVICES, INC.
AND SUBSIDIARIES AND AFFILIATES**

CONSOLIDATED STATEMENT OF INCOME

YEAR ENDED DECEMBER 31, 2014

Fees, net	\$248,825,122
Direct labor costs	<u>179,636,112</u>
Income after direct labor costs	<u>69,189,010</u>
Expenses:	
Indirect labor costs	46,037,676
General and administrative expenses	14,305,255
Goodwill impairment	13,378
Depreciation and amortization	<u>2,690,302</u>
Total expenses	<u>63,046,611</u>
Other income (expense):	
Management fee income	184,898
Investment gain	4,193
Rental income	15,795
Equity in earnings of affiliate	12,846
Interest expense	(433,543)
Miscellaneous income	<u>125,197</u>
Total other income (expense)	<u>(90,614)</u>
Income before income tax expense and non-controlling interest in affiliate's earnings	6,051,785
Income tax expense	<u>893,602</u>
Income before non-controlling interest in affiliate's earnings	5,158,183
Non-controlling interest in affiliate's earnings	<u>(42,967)</u>
Net income	<u>\$ 5,115,216</u>

PREMIER HOME HEALTH CARE SERVICES, INC.
 AND SUBSIDIARIES AND AFFILIATES

CONSOLIDATED BALANCE SHEET

DECEMBER 31, 2015

ASSETS

Current assets:

Cash and cash equivalents	\$ 891,099
Accounts receivable, net of allowance for doubtful accounts of \$1,319,000	53,295,753
Other receivables	2,004,193
Prepaid expenses	3,473,921
Deferred income taxes	2,536,127
Total current assets	<u>62,201,093</u>

Furniture and equipment, net

1,841,204

Other assets:

Goodwill, net	29,648,954
Customer contracts, net	6,505,559
Due from stockholder	100,483
Deferred loan fees, net	79,783
Deposit on asset purchase agreement	1,250,000
Other receivables	125,000
Other deposits	20,175,782
Deferred interest	1,677,399
Security deposits	283,582
Equity in net assets of affiliate	19,317
Deferred income taxes	1,529,473
	<u>61,395,332</u>

Total assets

\$ 125,437,629

LIABILITIES AND EQUITY

Current liabilities:

Line of credit	\$ 29,400,000
Current portion of bank notes payable	2,200,000
Current portion of note payable	981,737
Accounts payable and accrued expenses	32,876,001
Accrued salaries	5,513,755
Accrued settlements payable, current portion	9,969,447
Payroll taxes payable	672,552
Income taxes payable	46,244
Deferred income taxes	3,681,600
Total current liabilities	<u>85,341,336</u>

Bank notes payable, net of current portion

8,250,000

Note payable, net of current portion

1,902,675

Accrued settlements payable, net of current portion

10,665,000

Deferred income taxes

2,139,200

Total liabilities

108,298,211

Equity:

Premier Home Health Care stockholders' equity:

Common stock, at stated value	1,000
Retained earnings	19,167,928

19,168,928

Total Premier Home Health Care stockholders' equity

Non-controlling interest in consolidated affiliates

(2,029,510)

Total equity

17,139,418

Total liabilities and equity

\$ 125,437,629

PREMIER HOME HEALTH CARE SERVICES, INC.
AND SUBSIDIARIES AND AFFILIATES

CONSOLIDATED STATEMENT OF INCOME

YEAR ENDED DECEMBER 31, 2015

Fees, net	\$316,687,441
Direct labor costs	<u>229,917,726</u>
Income after direct labor costs	<u>86,769,715</u>
Expenses:	
Indirect labor costs	55,532,244
General and administrative expenses	18,969,016
Goodwill impairment	17,531
Depreciation and amortization	<u>2,662,241</u>
Total expenses	<u>77,181,032</u>
Other income (expense):	
Management fee income	86,667
Interest income	2,791
Rental income	11,720
Equity in earnings of affiliate	8,268
Interest expense	(548,373)
Loss on disposal of equipment	(50,000)
Miscellaneous income	<u>320,603</u>
Total other income (expense)	<u>(168,324)</u>
Income before income tax expense and non-controlling interest in affiliates' earnings	9,420,359
Income tax expense	<u>1,790,191</u>
Income before non-controlling interest in affiliates' earnings	7,630,168
Non-controlling interest in affiliates' earnings	<u>51,493</u>
Net income	<u><u>\$ 7,681,661</u></u>

PREMIER HOME HEALTH CARE SERVICES INC AND SUBSIDIARY
CONSOLIDATED BALANCE SHEET
JUNE 30, 2016

BFA Attachment B
CON #161477

ASSETS

Current assets:

Cash and cash equivalents	\$ 15,653,128
Accounts receivable, net of allowance for doubtful accounts	55,019,261
Other receivables	2,023,148
Prepaid expenses	<u>2,697,011</u>

Total current assets 75,392,548

Furniture and equipment, net 1,686,110

Other assets:

Investment in subsidiaries	-
Goodwill, net	29,648,954
Customer contracts, net	5,483,902
Due from stockholders	112,600
Due from affiliate	-
Due from subsidiary	4,701
Other investment	19,317
Other deposit	21,425,782
Deferred financing costs, net	66,097
Deferred income taxes	1,305,800
Deferred interest	1,677,399
Security deposits	<u>427,405</u>

60,171,957

\$ 137,250,615

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Current portion of long - term debt	\$ 33,585,424
Accounts payable and accrued expenses	30,836,211
Accrued salaries	8,449,857
Payroll taxes payable	900,613
Due to parent company/affiliate	-
Accrued settlements payable	9,969,447
Income taxes payable	816,633
Deferred income taxes	<u>3,061,000</u>

Total current liabilities 87,619,184

Long - term debt, net of current portion 7,150,000

Note payable 1,409,039

Insurance payable 10,665,000

106,843,223

Stockholders' equity:

Common stock	1,100
Unrealized gain/loss	-
Additional paid in capital	-
Treasury stock	-
Retained earnings	<u>30,406,291</u>

Total stockholders' equity 30,407,391

\$ 137,250,615

PREMIER HOME HEALTH CARE SERVICES INC AND SUBSIDIARY
CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED JUNE 30, 2016

BFA Attachment B (cont.)
CON #161477

REVENUES:

Sales	\$ 194,880,026
Sales adjustments	<u>(1,019,358)</u>
Net sales	<u>195,899,384</u>

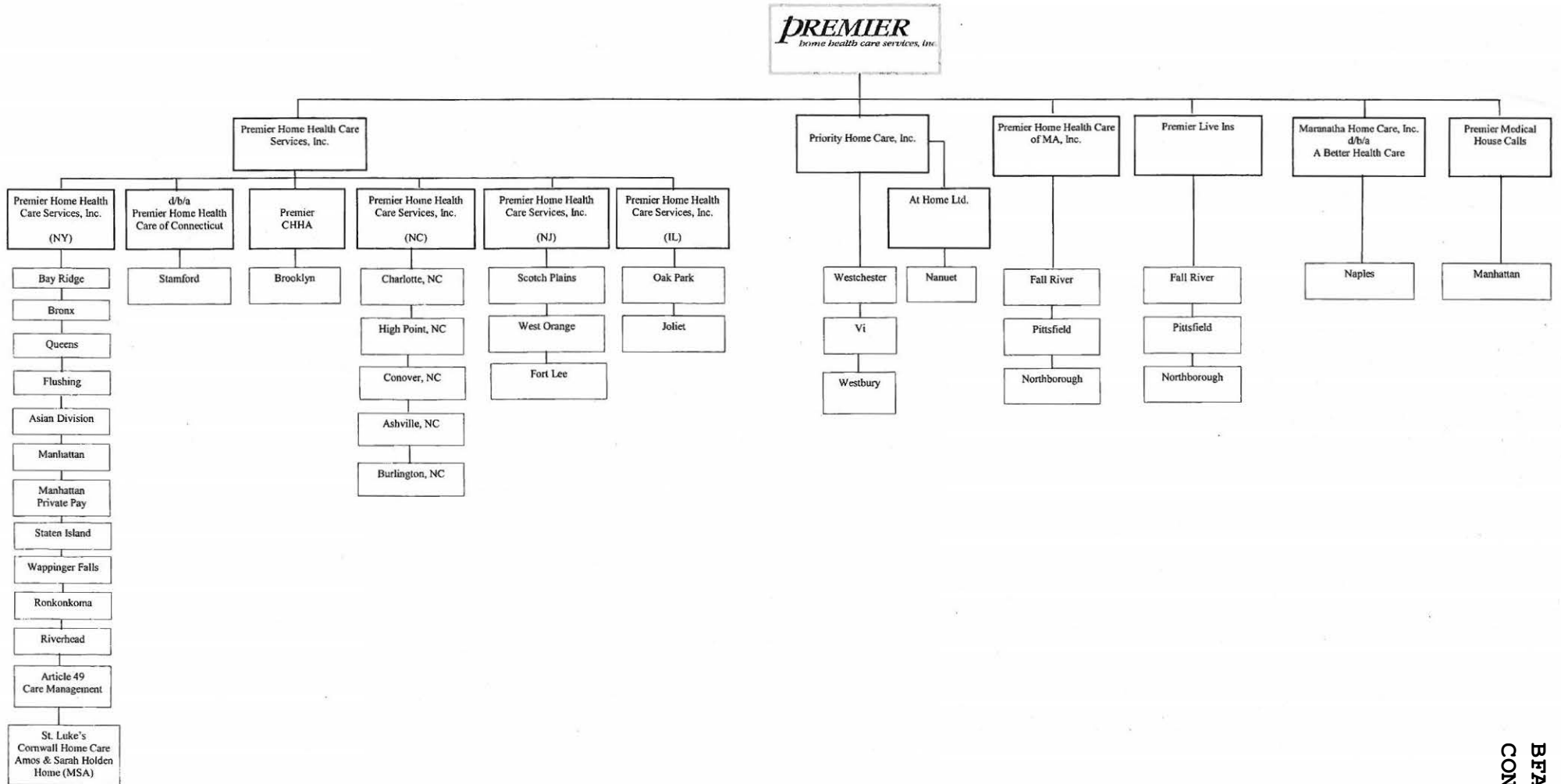
COST OF SALES:

Payroll	107,411,698
Payroll taxes	10,870,225
Contract help	219,045
Insurance - w/c	21,932,684
Staff monitor	322,699
Preemployment testing	496,579
Training expense	337,784
Travel	<u>70,353</u>
Total cost of sales	<u>141,661,069</u>
Gross margin	<u>54,238,315</u>

Operating expenses:

Payroll staff	24,176,163
Payroll taxes	2,033,746
Insurance - w/c	587,939
Temporary help	17,493
Rent	2,034,905
Utilities	174,600
Telephone	571,458
Dues & subscriptions	53,868
Office supplies	610,845
Postage and delivery	247,434
Answering service	-
Advertising	442,262
Promotional items	2,073
Repairs & maintenance	885,824
Equipment leases	148,719
Depreciation	267,019
Amortization	1,100,026
Auto expense	295,067
Entertainment	49,695
Consulting fees	86,053
Accounting	341,463
Legal	128,218
Insurance - health	1,157,713
Insurance - auto	-
Insurance - general	939,881
Insurance - life	107,904
Insurance -long-term disability	488
Management fee (income)	-
Contributions	43,708
Bad debt expense	1,812,644
NYS taxes	57,775
NYC taxes	470,000
Federal taxes	247,750
NJ, MA & OH taxes	18,520
Miscellaneous expense	152,211
Interest expense	589,573
Interest income	(57,043)
Rental income	(10,460)
Miscellaneous income	(87,614)
Medicaid assessment tax	<u>377,227</u>
Total operating expenses	<u>40,075,146</u>
Net income	<u>\$ 14,163,169</u>

Chart of Corporate Subsidiary Entities and D/B/As



HHH - CHHA Application
BALANCE SHEET
Year-1 Opening Day

ASSETS

Current assets:

Cash and cash equivalents	\$ 750,000
Accounts receivable, net of allowance for doubtful accounts	-
Other receivables	-
Prepaid expenses	-
	<u>750,000</u>

Furniture and equipment

Other assets:

Due from affiliate	-
Due from subsidiary	-
Security deposits	-
	<u>-</u>
	<u>\$ 750,000</u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Accounts payable and accrues expenses	\$ -
Due to parent company	750,000
Income taxes payable	-
Deferred income taxes	-
	<u>750,000</u>

Deferred compensation	-
Deferred income taxes	-
	<u>-</u>
	<u>750,000</u>

Stockholders' equity:

Common stock	-
Retained earnings	-
	<u>-</u>
Total stockholders' equity	<u>-</u>
	<u>\$ 750,000</u>