

**STATE OF NEW YORK**  
**PUBLIC HEALTH AND HEALTH PLANNING COUNCIL**

**COMMITTEE DAY**

**AGENDA**

*September 20, 2017*

*10:00 a.m.*

*New York State Office of Alcoholism and Substance Abuse Services (OASAS) Office Building  
501 7<sup>th</sup> Avenue, 8<sup>th</sup> Floor, CR 8A and 8B  
New York, New York 10018 (located between 37<sup>th</sup> and 38<sup>th</sup> Street)*

*New York State Department of Health Offices  
584 Delaware Avenue, 3<sup>rd</sup> Floor Video Conference Room  
Buffalo, New York 14202*

**I. COMMITTEE ON ESTABLISHMENT AND PROJECT REVIEW**

Peter Robinson, Chair

**A. Applications for Construction of Health Care Facilities/Agencies**

**Acute Care Transplant Services – Construction**

**Exhibit # 1**

<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
1. 171344 C	Women and Children's Hospital Of Buffalo (Erie County)

**Ambulatory Surgery Centers – Construction**

**Exhibit # 2**

<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
1. 171438 C	Advanced Surgery Center (Rockland County)

**Diagnostic and Treatment Center – Construction**

**Exhibit # 3**

<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
1. 171142 C	Joseph P. Addabbo - Family Health Center (Queens County)

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

**Acute Care Services – Establish/Construct**

**Exhibit # 4**

<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
1. 172071 E	Brooks Memorial Hospital (Chautauqua County)

**Ambulatory Surgery Centers - Establish/Construct****Exhibit # 5**

	<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
1.	171220 E	Fifth Avenue Surgery Center (New York County)
2.	171432 E	Sheepshead Bay Surgery Center (Kings County)
3.	171477 B	Clifton Park ASC, LLC d/b/a OrthoNY Surgical Suites (Saratoga County)
4.	172004 E	The Endoscopy Center of New York (New York County)

**Dialysis Services - Establish/Construct****Exhibit # 6**

	<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
1.	171109 E	FSNR SNF, LLC d/b/a Four Seasons Nursing and Rehabilitation Center (Kings County)
2.	171304 E	FSNR Dialysis, LLC d/b/a Four Seasons Dialysis Center (Kings County)

**Residential Health Care Facilities - Establish/Construct****Exhibit # 7**

	<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
1.	162532 E	Highland Nursing Home, Inc. (St. Lawrence County)
2.	171128 E	Barnwell Operations Associates LLC d/b/a The Grand Rehabilitation and Nursing at Barnwell (Columbia County)
3.	171180 E	RTRNC, LLC d/b/a Robinson Terrace Rehabilitation and Nursing Center (Delaware County)
4.	171302 E	Hampton NH Operating, LLC d/b/a Westhampton Care Center (Suffolk County)
5.	171450 E	S & J Operational LLC d/b/a Mills Pond Nursing and Rehabilitation Center (Suffolk County)
6.	171451 E	L & A Operational LLC d/b/a Sayville Nursing and Rehabilitation Center (Suffolk County)
7.	172125 E	Utica Operations Associates LLC d/b/a Utica Center for Rehabilitation and Nursing (Oneida County)

**New LHCSAs**

- 2149L Behdokht Kangarlu d/b/a Hopewell Health Home Care  
(Duchess, Westchester, Orange, Ulster, Putnam Counties)
- 2334L EZ Living Home Care of NY, Inc.  
(Kings, Queens, Richmond, Bronx, Nassau, New York Counties)
- 2335L ProHealth Homecare, Inc.  
(Kings, Queens, New York, Richmond, Bronx, Nassau Counties)
- 2339L OnSite LifeCare, Inc.  
(New York, Bronx, Kings, Queens, Richmond, Nassau Counties)
- 2340L Healthy Aging Homecare, Inc.  
(Kings, Queens, Bronx, Richmond, New York, Westchester Counties)
- 2535L Igor Homecare, Inc.  
(Bronx, Kings, New York, Richmond, Queens, Westchester Counties)
- 2539L Galaxy Home Care Inc.  
(Queens, Kings, Bronx, New York Richmond, Nassau Counties)
- 2581L Apple Best Home Care Agency Inc.  
(Kings, Queens, New York, Bronx, Richmond, Nassau Counties)
- 2591L Exclusive Home Care Services, Inc.  
(Bronx, Kings, Nassau, New York, Queens, Richmond Counties)
- 2623L DMV Home Care, Inc.  
(Richmond, New York, Kings, Queens, Bronx, Westchester Counties)
- 2625L C.A.R.E. Mavens Home Health Agency, LLC  
(Kings, New York, Bronx, Queens, Richmond, Westchester Counties)
- 2631L Key To Life Homecare, Inc.  
(New York, Kings, Queens, Richmond, Bronx, Westchester Counties)
- 2633L Help From The Heart LLC  
(Kings, Queens, Bronx, New York, Richmond, Westchester Counties)

2636L	L & G Enterprises USA LLC d/b/a L & G Home Care Agency (Queens, Kings, New York, Richmond, Bronx, Nassau Counties)
2639L	Jancare Private Health Services, Inc. (Dutchess, Putnam, Westchester Counties)
2640L	Amelia Home Care, Inc. (Queens, Kings, New York, Richmond, Bronx, Westchester Counties)
151254	Shalom Home Care Agency, Inc. (Bronx, Kings, New York, Queens, Richmond, Nassau Counties)
152053	AAA HealthSource, Inc. (Bronx, Kings, Nassau, New York, Queens, Richmond Counties)
152103	Blue Ridge Home Care, Inc. (New York, Bronx, Kings, Queens, Richmond, Nassau Counties)
152107	Fidelity Home Care, Inc. (Bronx, Kings, New York, Richmond, Queens, Westchester Counties)
152159	Regal Home Care, Inc. (Bronx, Kings, Nassau, New York, Queens, Richmond Counties)
152344	Home Care of Northern New York, LLC (Jefferson, Lewis, St. Lawrence Counties)
161375	Capital District Home Care Agency, LLC (Albany, Schenectady, Saratoga, Rensselaer, Columbia Counties)
162341	Embrace Care, LLC (Monroe, Livingston, Genesee Counties)

**New LHCSAs – Affiliated with Assisted Living Programs (ALPs)**

<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
2320L	New York Resort for Seniors, LLC d/b/a Oasis Home Care (Delaware, Orange, Sullivan, Ulster Counties)

**Changes of Ownership**

<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
152373	Infusion Options, Inc. (Bronx, Kings, Nassau, New York, Queens, Richmond Counties)

- 162326 R.A.I.N. Home Attendant Services, Inc.  
(Bronx, Kings, Queens, New York, Richmond,  
Westchester Counties)
- 162538 Sanford Home Care Agency, LLC d/b/a Sanford Home  
Care Agency (Bronx, Kings, New York, Queens,  
Richmond Counties)
- 171031 The W Group at New Broadview, LLC d/b/a New  
Broadview Manor Home for Adults LHCSA  
(Richmond County)
- 171394 New Haven Manor Home Care Agency, LLC  
(Bronx, Kings, Nassau, New York, Queens, Richmond  
Counties)
- 171401 RTACF, LLC d/b/a The Pavilion at Robinson Terrace  
(Delaware, Greene, Schoharie Counties)
- 171402 Hamaspik Care, Inc.  
(Bronx, Kings, Nassau, New York, Queens, Richmond  
Counties)
- 172030 Magic Home Care, LLC  
(Bronx, Kings, New York, Queens, Richmond Counties)

**D. Certificates**

**Exhibit # 9**

**Certificate of Dissolution**

Applicant

Mercy Health-Care Center, Inc.

The Uihlein Mercy Center, Inc.

**KALEIDA HEALTH**  
Consolidated Balance Sheets  
December 31, 2016 and 2015  
(Dollars in thousands)

<b>Assets</b>	<u><b>2016</b></u>	<u><b>2015</b></u>
<b>Current assets:</b>		
Cash and cash equivalents	\$ 45,783	65,227
Investments	176,970	156,972
Accounts receivable:		
Patient, less estimated allowance for doubtful accounts of \$31,653 in 2016 and \$36,995 in 2015	195,458	188,040
Other (note 9)	28,386	24,216
Grants receivable	16,243	4,562
Estimated third-party payor receivables	14,452	21,904
Inventories	33,857	31,745
Prepaid expenses and other current assets	20,775	14,379
<b>Total current assets</b>	<u><b>531,924</b></u>	<u><b>507,045</b></u>
<b>Assets limited as to use :</b>		
Designated under debt agreements	45,276	44,926
Designated under self-insurance programs	102,152	104,359
Board designated and donor restricted	85,049	85,015
Other	1,919	1,737
	<u>234,396</u>	<u>236,037</u>
Property and equipment, less accumulated depreciation and amortization :	595,950	514,851
Grants receivable	2,585	—
Other (	63,181	68,970
 <b>Total assets</b>	 <u><u><b>\$ 1,428,036</b></u></u>	 <u><u><b>1,326,903</b></u></u>

**KALEIDA HEALTH**  
Consolidated Balance Sheets  
December 31, 2016 and 2015  
(Dollars in thousands)

<b>Liabilities and Net Assets</b>	<u>2016</u>	<u>2015</u>
<b>Current liabilities:</b>		
Accounts payable and other accrued expenses	\$ 119,881	112,955
Accrued payroll and related expenses	54,874	52,469
Estimated third-party payor settlements :	19,677	23,255
Current portion of long-term debt	25,193	21,673
Other current liabilities	<u>7,820</u>	<u>10,758</u>
<b>Total current liabilities</b>	<u>227,245</u>	<u>221,110</u>
Long-term debt, less current portion	336,519	291,483
Construction costs payable	12,306	16,979
Estimated self-insurance reserves	154,127	159,382
Asset retirement obligations	13,601	13,218
Pension and postretirement obligations	288,441	259,672
Other long-term liabilities	<u>4,852</u>	<u>4,834</u>
	<u>809,846</u>	<u>745,568</u>
<b>Total liabilities</b>	<u>1,037,091</u>	<u>966,678</u>
<b>Commitments (</b>		
<b>Net assets:</b>		
Unrestricted:		
Available for operations	583,659	493,495
Provision for future benefit costs	<u>(298,785)</u>	<u>(256,230)</u>
<b>Total unrestricted</b>	<u>284,874</u>	<u>237,265</u>
Temporarily restricted	85,831	103,227
Permanently restricted	<u>20,240</u>	<u>19,733</u>
<b>Total net assets</b>	<u>390,945</u>	<u>360,225</u>
<b>Total liabilities and net assets</b>	<u>\$ 1,428,036</u>	<u>1,326,903</u>

**KALEIDA HEALTH**  
**Consolidated Statements of Operations and Changes in Net Assets**  
**Years ended December 31, 2016 and 2015**  
(Dollars in thousands)

	<u>2016</u>	<u>2015</u>
<b>Operating revenue:</b>		
Patient service revenue, net of contractual allowances and discounts (notes 3 and 4)	\$ 1,466,437	1,357,995
Less provision for bad debts	<u>16,765</u>	<u>13,139</u>
Net patient service revenue	1,449,672	1,344,856
Other operating revenue	41,418	44,769
Net assets released from restrictions for operations	<u>5,555</u>	<u>5,578</u>
Total operating revenue	<u>1,496,645</u>	<u>1,395,203</u>
<b>Operating expenses:</b>		
Salaries and benefits	848,628	785,432
Purchased services and other	273,213	253,629
Medical and nonmedical supplies	267,129	253,423
Depreciation and amortization	65,809	64,742
Interest	<u>13,599</u>	<u>14,731</u>
Total operating expenses	<u>1,466,378</u>	<u>1,371,957</u>
Income from operations	<u>30,267</u>	<u>23,246</u>
<b>Other income (losses):</b>		
Investment income (	8,852	2,051
Net realized gains on sales of investments	6,288	3,095
Net change in unrealized gains on investments	<u>2,858</u>	<u>(10,865)</u>
Total other income (losses), net	<u>17,998</u>	<u>(5,719)</u>
Excess of revenue over expenses	<u>\$ 48,265</u>	<u>17,527</u>



**Kaleida Health**  
Combined Balance Sheet

(Dollars in Thousands)

	March 31, 2017	Unaudited December 31, 2016	Change from Prior Year End
<b>Assets</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 40,379	\$ 45,783	\$ (5,404)
Current investments	186,242	176,970	9,272
Accounts receivable:			
Patient	204,340	195,458	8,882
Other	29,747	28,386	1,361
Grant Receivable	28,503	16,243	12,260
Estimated third-party payor receivables	17,408	14,452	2,956
Inventories	34,428	33,857	571
Prepaid expenses and other current assets	21,426	20,775	651
<b>Total Current Assets</b>	<b>562,473</b>	<b>531,924</b>	<b>30,549</b>
<b>Assets whose use is limited:</b>			
Designated under Self-Insurance Programs	102,215	102,152	63
Designated under Debt Agreements	40,455	45,276	(4,821)
Board Designated and Donor Restricted	89,667	85,049	4,618
Other	2,402	1,919	483
	<u>234,739</u>	<u>234,396</u>	<u>343</u>
Property and equipment, net	610,553	595,950	14,603
Grant Receivable	3,790	2,585	1,205
Other assets	70,789	63,181	7,608
<b>Total Assets</b>	<b>\$ 1,482,344</b>	<b>\$ 1,428,036</b>	<b>\$ 54,308</b>
<b>Liabilities and net assets</b>			
Current portion of long-term debt	\$ 25,634	\$ 25,193	\$ 441
Line of credit	900	500	400
Accounts payable	122,568	119,381	3,187
Accrued payroll and related expenses	56,763	54,674	2,089
Estimated third-party payor settlements	16,459	19,677	(3,218)
Other current liabilities	20,101	7,820	12,281
<b>Total Current Liabilities</b>	<b>242,425</b>	<b>227,245</b>	<b>15,180</b>
Long-term debt	350,475	336,519	13,956
Construction costs payable	12,638	12,306	332
Estimated Self Insurance Reserves	154,439	154,127	312
Asset retirement obligations	13,279	13,601	(322)
Pension and postretirement obligations	289,357	288,441	916
Other long-term liabilities	4,841	4,852	(11)
	<u>825,029</u>	<u>809,846</u>	<u>15,183</u>
<b>Total Liabilities</b>	<b>1,067,454</b>	<b>1,037,091</b>	<b>30,363</b>
<b>Net assets</b>			
<b>Unrestricted:</b>			
Available for operations	605,950	583,659	22,291
Provision for future benefit costs	(298,785)	(298,785)	-
	<u>307,165</u>	<u>284,874</u>	<u>22,291</u>
Temporarily restricted	87,484	85,831	1,653
Permanently restricted	20,241	20,240	1
<b>Total Net Assets</b>	<b>414,890</b>	<b>390,945</b>	<b>23,945</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 1,482,344</b>	<b>\$ 1,428,036</b>	<b>\$ 54,308</b>

**Kaleida Health**

Consolidated Statement of Operations  
Year-To-Date March 31, 2017

(Dollars in Thousands)

	Actual	Budget	Variance	Prior Year
<b>Operating Revenues</b>				
Patient Revenue				
Inpatient Services	\$ 478,084	\$ 465,399	\$ 12,685	\$ 467,538
Outpatient Services	363,933	358,608	5,325	344,799
Gross Patient Revenue	842,017	824,007	18,010	812,337
Less:				
Contractual Allowances	459,452	442,080	(17,372)	440,543
Bad Debt & Charity Care	7,738	6,760	(978)	8,024
Total Care Discounts	467,190	448,840	(18,350)	448,567
Net Patient Revenue	374,827	375,167	(340)	363,770
Operating Investment Interest & Dividend Income	528	577	(49)	560
Other Operating Revenue	10,355	11,848	(1,493)	11,124
Total Operating Revenue	385,710	387,592	(1,882)	375,454
<b>Operating Expenses</b>				
Salary/Wages/Contract Labor	161,920	161,387	(533)	157,185
Employee Benefits	53,416	54,621	1,206	52,435
Physician Fees	27,269	27,711	442	25,943
Purchased Services	19,115	19,063	(52)	19,168
Med & Non-Med Supplies	70,958	70,740	(218)	67,852
Other Expenses	19,181	19,064	(116)	18,698
Utilities	2,876	3,111	235	2,682
Insurance Expense	5,251	5,845	595	6,030
Depreciation & Amortization	15,408	15,570	162	16,765
Interest	3,001	3,211	210	3,494
Total Operating Expenses	378,394	380,323	1,929	370,253
<b>Income (Loss) from Operations</b>	\$ 7,316	\$ 7,269	\$ 47	\$ 5,201
<b>Non Operating Gains (Losses)</b>				
Interest and Dividends	1,164	1,364	(200)	723
Realized Gains (Losses)	250	1,774	(1,524)	(139)
Unrealized Gains (Losses)	12,014	-	12,014	(1,473)
Non Operating Gains (Losses), Net	13,428	3,137	10,291	(888)
<b>Excess of Revenues Over Expenses</b>	\$ 20,744	\$ 10,406	\$ 10,338	\$ 4,313

Advanced Surgery Center LLC- Financial Summary

	<u>April 30, 2017</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$28,340	\$336,120	\$268,450
Non-Current Assets	<u>43,057</u>	<u>27,067</u>	<u>28,587</u>
Total Assets	\$71,397	\$363,187	\$297,037
Current Liabilities	34,536	72,441	1,357
Long Term Liabilities	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	34,536	72,441	1,357
Net Assets	\$36,861	\$290,746	\$295,680
Working Capital Position	(\$6,196)	\$263,679	\$267,093
Operating Revenues	\$633,496	\$1,267,207	\$732,997
Operating Expenses	<u>349,202</u>	<u>1,013,095</u>	<u>548,766</u>
Operating Net Income	\$284,294	\$254,112	\$184,231
Medicaid	N/A	1.05%	N/A
Medicare	N/A	9.89%	N/A
Private Pay and other	N/A	89.05%	N/A

**Advanced Surgery Center LLC**  
**Balance Sheet Prev Year Comparison**  
As of April 30, 2017

Accrual Basis

	Apr 30, 17	Apr 30, 16
<b>ASSETS</b>		
Current Assets		
Checking/Savings		
Cash-BONJ	28,340.21	34,063.14
Total Checking/Savings	28,340.21	34,063.14
Total Current Assets	28,340.21	34,063.14
Fixed Assets		
Equipment	22,387.00	0.00
Equipment - A/D	-6,397.00	0.00
Leasehold Improvements	44,659.00	44,659.00
Leasehold Improvements A/D	-17,592.00	-16,072.00
Total Fixed Assets	43,057.00	28,587.00
<b>TOTAL ASSETS</b>	<b>71,397.21</b>	<b>62,650.14</b>
<b>LIABILITIES &amp; EQUITY</b>		
Liabilities		
Current Liabilities		
Credit Cards		
American Express Payable	34,535.72	42,734.43
Total Credit Cards	34,535.72	42,734.43
Other Current Liabilities		
net payroll	0.00	7,943.82
Tax Impound	0.00	4,345.16
Total Other Current Liabilities	0.00	12,288.98
Total Current Liabilities	34,535.72	55,023.41
Total Liabilities	34,535.72	55,023.41
Equity		
*Retained Earnings	493,255.36	386,524.77
Capital - M Fiorillo	410,906.13	388,519.13
Owner's Capital		
Draws	-1,151,593.12	-787,467.12
Total Owner's Capital	-1,151,593.12	-787,467.12
Net Income	284,293.12	20,049.95
Total Equity	36,861.49	7,626.73
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>71,397.21</b>	<b>62,650.14</b>

Advanced Surgery Center LLC  
Profit & Loss Prev Year Comparison  
January through April 2017

Accrual Basis

	Jan - Apr 17	Jan - Apr 16
<b>Income</b>		
Income	639,548.49	410,230.58
refund	-6,052.91	-31,137.50
<b>Total Income</b>	<b>633,495.58</b>	<b>379,093.08</b>
<b>Expense</b>		
Accounting	0.00	425.00
Credit Card Charges	7,318.83	5,065.17
Data Processing	864.64	662.81
Dues and Subscriptions	1,551.00	1,884.00
Equipment Rental	32.60	2,199.00
Insurance	4,957.33	4,078.52
Laundry & Cleaning	450.00	1,950.00
Licenses & Permits	0.00	1,050.00
Materials & Lab Fees	71,500.00	59,550.00
Meals & Entertainment	405.93	0.00
Medical Supplies	46,410.19	65,074.99
Office Expense	9,676.85	3,162.40
Payroll Expenses	92,743.09	84,705.35
Postage	6.90	149.67
Professional Fees	27,835.88	50,700.25
Rent	63,177.68	61,938.92
Repairs & Maintenance	3,547.79	1,368.38
Tax - Fica Expense	7,094.80	6,479.95
Tax - Fui Expense	283.72	195.48
Tax - Miscellaneous	0.00	25.00
Tax - NYS Unemployment	3,705.93	3,354.21
Uniforms	1,904.57	1,407.78
Utilities	5,734.73	3,616.25
<b>Total Expense</b>	<b>349,202.46</b>	<b>359,043.13</b>
<b>Net Income</b>	<b>284,293.12</b>	<b>20,049.95</b>

**Advanced Surgery Center LLC**  
**Balance Sheet**  
**December 31, 2016**

<b>Assets</b>	
<b>Current Assets</b>	
Cash	\$ 27,079
Accounts Receivable	309,041
<b>Total Current Assets</b>	<u>336,120</u>
<b>Property and Equipment</b>	
Leasehold Improvements	44,659
Less: Accumulated Depreciation	(17,592)
<b>Property and Equipment - Net</b>	<u>27,067</u>
<b>Total Assets</b>	<u><u>363,187</u></u>
<b>Liabilities and Members' Equity</b>	
<b>Current Liabilities</b>	
Accounts Payable	72,441
<b>Total Current Liabilities</b>	<u>72,441</u>
<b>Total Liabilities</b>	<u><u>72,441</u></u>
<b>Equity</b>	
<b>Member's Equity</b>	<u><u>290,746</u></u>
<b>Total Liabilities and Members' Equity</b>	<u><u>\$ 363,187</u></u>

**Advanced Surgery Center LLC**  
**Statement of Revenues and Expenses**  
**December 31, 2016**

Revenues	\$	1,267,207
Cost of Revenues:		
Medical Supplies		<u>353,635</u>
Gross Profit		<u>913,572</u>
Operating Expenses		
Payroll		253,176
Payroll Taxes		24,339
Data Processing		1,972
Depreciation		1,520
Dues and Subscriptions		4,503
Equipment Rentals		4,378
Insurance		16,638
Laundry and Cleaning		7,050
Professional Fees		104,415
Rent		185,817
Office Expense		16,410
Repairs and Maintenance		15,358
Licenses and Permits		1,109
Utilities		14,432
Uniforms		<u>8,343</u>
Total Operating Expenses	\$	<u>659,460</u>
<b>Net Income</b>	\$	254,112

**Advanced Surgery Center LLC**  
**Statement of Members' Equity**  
**December 31, 2016**

Balance, Beginning of Year	\$	295,680
Net Income		254,112
Members' Distributions		<u>(259,046)</u>
Balance, End of Year	\$	<u>290,746</u>



**Advanced Surgery Center, LLC**  
**Statement of Cash Flows**  
**December 31, 2016**

Cash flows from operating activities:		
Net Income	\$	254,112
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation		1,520
Changes in operating assets and liabilities		
Accounts Receivable		(140,987)
Accounts Payable		71,084
Net cash provided by operating activities:		185,729
Cash flows from financing activities:		
Distributions to members'		<u>(259,046)</u>
Net cash used in financing activities		(259,046)
Net increase in cash	\$	(73,317)
Cash		
January 1,	\$	100,396
December 31,	\$	27,079

**THE JOSEPH P. ADDABBO FAMILY HEALTH CENTER, INC.**  
**STATEMENTS OF FINANCIAL POSITION**  
**December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash	\$ 5,917,513	\$ 4,545,426
Patient Services Receivable - Net :	6,585,871	3,832,530
Contracts and Grants Receivable (	516,730	492,206
Prepaid Expenses and Other Assets	<u>111,957</u>	<u>166,458</u>
<b>Total Current Assets</b>	<b>13,132,071</b>	<b>9,036,620</b>
Debt Service Reserve Fund :	479,004	968,111
Security Deposits	40,566	40,566
Property and Equipment - Net	<u>23,469,115</u>	<u>22,921,977</u>
<b>Total Assets</b>	<b>\$ <u>37,120,756</u></b>	<b>\$ <u>32,967,274</u></b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities:</b>		
Accounts Payable and Accrued Expenses	\$ 1,294,591	\$ 1,533,898
Accrued Compensation and Accrued Vacation	1,446,706	1,309,895
Refundable Advances	-	28,972
Current Maturities of Long-Term Debt	<u>849,043</u>	<u>1,076,972</u>
<b>Total Current Liabilities</b>	<b>3,590,340</b>	<b>3,949,737</b>
Deferred Rent	117,949	118,671
Long-Term Debt - Less Current Maturities (	<u>6,356,141</u>	<u>6,633,739</u>
<b>Total Liabilities</b>	<b>10,064,430</b>	<b>10,702,147</b>
Commitments and Contingencies		
<b>Net Assets - Unrestricted</b>	<u>27,056,326</u>	<u>22,265,127</u>
<b>Total Liabilities and Net Assets</b>	<b>\$ <u>37,120,756</u></b>	<b>\$ <u>32,967,274</u></b>

**THE JOSEPH P. ADDABBO FAMILY HEALTH CENTER, INC.**  
**STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS**  
**For the year ended December 31, 2016**  
**(With comparative totals for 2015)**

	<u>2016</u>	<u>2015</u>
<b>Patient Services Revenue:</b>		
Patient Services - Net of Contractual Allowance	\$ 33,627,773	\$ 32,193,373
Provision for Bad Debts	<u>(515,000)</u>	<u>(1,891,203)</u>
Net Patient Services Revenue Less Provision for Bad Debts	<u>33,112,773</u>	<u>30,302,170</u>
<b>Other Revenue:</b>		
Pharmacy Revenue, Net	3,252,951	1,868,684
DHHS Grants	3,874,917	3,354,640
Contract Services	3,788,304	3,093,998
Other	<u>444,657</u>	<u>410,002</u>
Total Other Revenue	<u>11,360,829</u>	<u>8,727,324</u>
Total Revenue	<u>44,473,602</u>	<u>39,029,493</u>
<b>Expenses:</b>		
Salaries and Benefits	31,194,298	29,895,173
Other than Personnel Services	7,147,536	6,579,962
Interest	<u>349,352</u>	<u>399,857</u>
Total Expenses	<u>38,691,186</u>	<u>36,874,992</u>
Operating Income Prior to Other Expense	<u>5,782,416</u>	<u>2,154,501</u>
<b>Other Expense</b>		
Depreciation and Amortization	<u>(991,217)</u>	<u>(998,381)</u>
Total Other Expense	<u>(991,217)</u>	<u>(998,381)</u>
Increase in Net Assets	4,791,199	1,156,120
Net Assets at Beginning of Year	<u>22,265,127</u>	<u>21,109,007</u>
Net Assets at End of Year	<u>\$ 27,056,326</u>	<u>\$ 22,265,127</u>

**JOSEPH P. ADDABBO FAMILY HEALTH CENTER, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2017**

(With comparative totals for December 2016 and December 2015)

ASSETS	Interim Unaudited 06/30/17	Audited 12/31/16	Audited 12/31/2015
<b>Current Assets</b>			
Cash	\$ 8,183,776	\$ 5,917,513	\$ 4,545,426
Patient Receivable (Net)	3,065,567	3,004,094	2,452,676
Indigent Care Pool funds Receivable (safety net)	900,000	2,798,863	410,980
Contract Receivable	300,239	516,730	386,481
Pharmacy Contract Receivable	1,386,046	782,914	968,874
Grant Receivable	613,076	-	-
Prepaid & Other Receivables	180,551	111,957	272,185
<b>Total Current Assets</b>	<b>\$ 14,629,255</b>	<b>\$ 13,132,071</b>	<b>\$ 9,036,622</b>
<b>Fixed Assets</b>			
Land	\$ 1,605,071	\$ 1,605,071	\$ 1,023,464
Building-6200 (Net)	9,109,522	9,288,832	9,208,070
Building-1288 (Net)	2,071,277	2,109,833	2,157,949
Building-St. Dominicks (Net)	4,563,412	4,624,109	4,743,727
Building-Red Hook (Net)	3,158,708	3,194,580	3,222,824
Equipment/Leasehold Improvement (Net)	1,673,415	1,808,847	2,168,253
Construction in Progress	1,526,778	837,842	397,689
<b>Total Fixed Assets</b>	<b>\$ 23,708,183</b>	<b>\$ 23,469,115</b>	<b>\$ 22,921,976</b>
Debt Reserve Funds	479,004	479,004	968,111
Security Deposits	40,566	40,566	40,566
<b>Total Assets</b>	<b>\$ 38,857,008</b>	<b>\$ 37,120,756</b>	<b>\$ 32,967,275</b>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Current Liabilities</b>			
Accounts Payable & Accrued Exp	\$ 1,081,092	\$ 1,294,591	\$ 1,533,898
Accrued Compensation	909,193	934,099	783,444
Accrued Vacation	512,607	512,607	526,451
Current Portion of L/T Debts	849,043	849,043	1,076,972
<b>Total Current Liabilities</b>	<b>\$ 3,351,935</b>	<b>\$ 3,590,340</b>	<b>\$ 3,949,737</b>
Deferred Rent	117,949	117,949	118,671
Long Term Debts, Net Current	5,937,647	6,356,141	6,633,739
<b>Total Liabilities</b>	<b>\$ 9,407,531</b>	<b>\$ 10,064,430</b>	<b>\$ 10,702,147</b>
<b>Fund Balance</b>			
Fund Balance, Beginning	\$ 27,056,327	\$ 22,265,128	\$ 21,109,007
Net Income (Loss)	2,393,150	4,791,199	1,156,121
<b>Total Fund Balance</b>	<b>\$ 29,449,477</b>	<b>\$ 27,056,327</b>	<b>\$ 22,265,128</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$ 38,857,008</b>	<b>\$ 37,120,756</b>	<b>\$ 32,967,275</b>

Unaudited For Management Use Only

**JOSEPH P. ADDABBO FAMILY HEALTH CENTER  
STATEMENT OF OPERATIONS - ACTUAL VS BUDGET  
FOR THE SIX MONTH PERIOD ENDING JUNE 30, 2017**

	THIS YEAR June 30, 2017	BUDGET June 30, 2017	Favorable / (Unfavorable) Variance	%
<b>Billable Visits</b>	99,347	115,660	(16,313)	-14.10%

**Revenue**

Patient Revenue	\$ 14,003,564	\$ 15,978,802	\$ (1,975,238)	-12.36%
Indigent Care Pool funds (safety net)	2,498,801	200,502	2,298,299	100.00%
Grant Revenues (Federal)	2,010,910	1,944,319	66,591	3.42%
Contract Revenues (State)	920,216	1,001,962	(81,746)	-8.16%
340B Pharmacy (Net Revenue)	2,267,349	750,000	1,517,349	202.31%
Misc. Revenues	249,039	626,252	(377,213)	-60.23%

<b>Total Revenue</b>	\$ 21,949,879	\$ 20,501,837	\$ 1,448,042	7.06%
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<b>Net Patient Revenue (NPR) per Visit</b>	\$ 140.96	\$ 138.15
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**Expenses**

Salaries and Wages	\$ 12,306,172	\$ 12,599,588	\$ 293,416	2.33%
Fringe Benefits	3,747,263	3,614,356	(132,907)	-3.68%
Consultant & Contract Services	884,841	740,149	(144,692)	-19.55%
Pharmaceuticals	821,272	954,011	132,739	13.91%
Supplies	576,551	607,080	30,529	5.03%
Occupancy	379,284	386,999	7,715	1.99%
Mortgage Interest	162,493	213,232	50,739	23.80%
Insurance	99,548	107,099	7,550	7.05%
Repairs & Maintenance	89,876	109,469	19,593	17.90%
Conferences, Travel & Training	53,332	61,884	8,552	13.82%
Medicaid Transportation	60,500	72,395	11,895	16.43%
Other OTPS	199,943	485,579	285,636	58.82%
<b>Total Expenses</b>	\$ 19,381,075	\$ 19,951,837	\$ 570,762	2.86%

<b>Operating Surplus/ (Deficit)</b>	\$ 2,568,804	\$ 550,000
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NYC Immunization Grant Revenue	781,702	781,702
DSRIP, Infant Mortality grants	292,122	-
Depreciation Expense	(467,776)	(550,000)
NYC Immunization Grant Expenses	(781,702)	(781,702)

<b>Operating Surplus/ (Deficit)</b>	\$ 2,393,150	\$ -
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## TLC HEALTH NETWORK (DEBTOR-IN-POSSESSION)

**Combined Balance Sheets**

December 31,	2016	2015
<b>Assets</b>		
<b>Current assets:</b>		
Cash	\$ 1,795,196	\$ 1,167,195
Accounts receivable, net of estimated uncollectibles of \$3,098,000 and \$2,590,000	2,428,693	2,902,462
Grants and other receivables	997,499	571,188
Supplies	578,601	550,890
Prepaid expenses	560,439	539,747
	<u>6,360,428</u>	<u>5,731,482</u>
Property and equipment, net (	15,770,911	15,283,557
Assets whose use is limited	4,249,253	3,992,037
Other assets	227,561	181,554
	<u>\$ 26,608,153</u>	<u>\$ 25,188,630</u>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities not subject to compromise:</b>		
Current portion of long-term debt	\$ 51,996	\$ 50,118
Accounts payable	2,018,385	1,426,097
Accrued payroll and related liabilities	1,588,591	1,371,123
Other accrued expenses	760,253	449,883
Deferred revenue	206,250	600,000
Estimated third-party payor settlements	1,313,118	1,169,134
	<u>5,938,593</u>	<u>5,066,355</u>
Long-term debt	415,115	467,882
Liabilities subject to compromise	8,162,150	9,437,863
<b>Net assets:</b>		
Unrestricted	9,499,789	7,594,926
Permanently restricted	2,592,506	2,621,604
	<u>12,092,295</u>	<u>10,216,530</u>
	<u>\$ 26,608,153</u>	<u>\$ 25,188,630</u>

## TLC HEALTH NETWORK (DEBTOR-IN-POSSESSION)

**Combined Statements of Operations**

For the years ended December 31,	2016	2015
<b>Revenue:</b>		
Patient service revenue (net of contractual allowances and discounts)	\$ 24,165,615	\$ 25,057,716
Less: provision for bad debts	(1,058,955)	(1,140,842)
Net patient service revenue	23,106,660	23,916,874
Other revenue	1,185,845	940,755
Total recurring revenue	24,292,505	24,857,629
<b>Expenses:</b>		
Salaries and wages	13,751,418	12,727,814
Employee benefits	2,811,394	2,948,305
Purchased services	5,402,495	5,563,608
Supplies and other expenses	5,002,123	5,564,722
Medical malpractice costs	279,867	248,265
Depreciation	2,381,065	2,305,834
Interest	34,644	171,053
Total recurring expenses	29,663,006	29,529,601
<b>Loss from recurring operations</b>	<b>(5,370,501)</b>	<b>(4,671,972)</b>
<b>Nonrecurring activity:</b>		
Government grants -		
New York State Department of Health (DOH) -		
safety net provider funding	4,455,460	2,656,364
Flood related settlements	2,190,758	-
Gain (loss) on disposal of equipment	(34,870)	52,021
Insurance recovery, net	286,167	778,340
Total nonrecurring activity, net	6,897,515	3,486,725
<b>Income (loss) from operations</b>	<b>1,527,014</b>	<b>(1,185,247)</b>
<b>Other income:</b>		
Government grants - non-flood property and equipment related	237,799	237,799
Donations and other, net	140,050	313,537
Total other income	377,849	551,336
<b>Excess (deficiency) of revenue over expenses</b>	<b>\$ 1,904,863</b>	<b>\$ (633,911)</b>

## BROOKS MEMORIAL HOSPITAL

**Balance Sheets**

December 31,	2016	2015
<b>Assets</b>		
<b>Current assets:</b>		
Cash	\$ 1,853,594	\$ 1,334,110
Accounts receivable, net of estimated uncollectibles of \$1,404,000 and \$784,000	3,448,559	3,704,076
Other receivables	173,044	275,779
Supplies	1,365,599	1,328,071
Prepaid expenses	443,164	425,096
	<u>7,283,960</u>	<u>7,067,132</u>
Property and equipment, net (	7,233,749	7,858,185
Assets held in trust	1,262,020	1,172,503
Advances to related parties, net	1,039,691	1,582,106
	<u>\$ 16,819,420</u>	<u>\$ 17,679,926</u>
<b>Liabilities and Net Assets</b>		
<b>Current liabilities:</b>		
Current portion of long-term debt (	\$ 127,821	\$ 9,910
Accounts payable	4,352,068	4,259,897
Accrued payroll and benefits	1,865,747	1,652,428
Other accrued expenses	526,726	216,588
Estimated third-party payor settlements	845,180	850,904
	<u>7,717,542</u>	<u>6,989,727</u>
Long-term debt	445,680	37,308
Accrued pension liability	5,339,573	4,519,904
<b>Net assets:</b>		
Unrestricted	2,054,605	4,960,484
Temporarily restricted	504,811	415,294
Permanently restricted	757,209	757,209
	<u>3,316,625</u>	<u>6,132,987</u>
	<u>\$ 16,819,420</u>	<u>\$ 17,679,926</u>



## BROOKS MEMORIAL HOSPITAL

**Statements of Operations**

For the years ended December 31,	2016	2015
Unrestricted revenue:		
Patient service revenue (net of contractual allowances and discounts)	\$ 42,617,341	\$ 40,888,854
Less: provision for bad debts	(2,174,929)	(1,685,242)
Net patient service revenue	40,442,412	39,203,612
Other revenue	1,234,900	970,246
Total revenue	41,677,312	40,173,858
Expenses:		
Salaries and wages	16,788,826	17,306,368
Employee benefits	5,137,727	4,758,384
Purchased services	9,099,045	6,896,626
Supplies and other expenses	13,742,620	13,849,179
Medical malpractice costs	276,677	266,898
Depreciation	1,788,127	1,918,128
Interest	8,531	5,628
Loss on disposal of property and equipment	43,511	5,649
Total expenses	46,885,064	45,006,860
Loss from operations	(5,207,752)	(4,833,002)
Other income:		
Grant revenue - New York State operating subsidies	3,773,908	1,266,848
Investment gains	-	4,514
Donations and other, net	95,514	67,503
Total other income	3,869,422	1,338,865
Excess of expenses over revenue	(1,338,330)	(3,494,137)
Change in unrealized gains and losses on investments	-	(38,923)
Pension liability adjustment	(521,667)	(1,430,174)
Contributions to affiliates - estimated advances allowances	(1,045,882)	(2,193,275)
Net assets released from restriction	-	195,330
Change in unrestricted net assets	\$ (2,905,879)	\$ (6,961,179)

## TLC Health Network

## Balance Sheet

As of June 30, 2017

	June 30, 2017	Unaudited December 31, 2016	Change from December 31st
<b>Assets</b>			
Current Assets:			
Cash and cash equivalents	\$ 1,850,356	\$ 1,638,290	\$ 212,066
Patient receivables, net	2,562,131	2,299,160	262,971
Other receivables	936,423	964,202	(27,779)
Supplies	555,270	578,601	(23,331)
Prepaid expenses and other	735,697	550,042	185,655
<b>Total Current Assets</b>	<b>6,639,876</b>	<b>6,030,295</b>	<b>609,581</b>
Assets Whose Use is Limited:			
Pre-funded bankruptcy costs	533,777	573,777	(40,000)
Restricted under bankruptcy decree	2,250,000	887,500	1,362,500
Designated insurance proceeds	177,751	177,724	27
Restricted for FEMA Projects	369,643	617,496	(247,853)
Restricted for VAP Projects	210,264	206,250	4,014
Assets held by other others	2,695,494	2,586,506	108,988
<b>Total Assets Whose Use is Limited</b>	<b>6,236,927</b>	<b>5,049,253</b>	<b>1,187,674</b>
Property and equipment, net	14,237,791	14,520,802	(283,011)
Other assets	468,308	464,628	3,680
<b>Total Assets</b>	<b>\$ 27,582,901</b>	<b>\$ 26,064,978</b>	<b>\$ 1,517,924</b>
<b>Liabilities &amp; Net Assets</b>			
Current Liabilities:			
Accounts payable	\$ 1,927,035	\$ 2,398,871	\$ (471,836)
Accrued salaries and benefits	1,724,638	1,550,981	173,657
Other accrued expenses	400,584	379,522	21,062
Deferred revenue	210,300	206,250	4,050
Estimated third party payer settlements	1,109,382	1,291,190	(181,808)
<b>Total Current Liabilities</b>	<b>5,371,939</b>	<b>5,826,814</b>	<b>(454,875)</b>
Liabilities subject to compromise:			
Secured	110,966	150,966	(40,000)
Unsecured	8,811,184	8,811,184	0
<b>Total Liabilities</b>	<b>14,294,089</b>	<b>14,788,964</b>	<b>(494,875)</b>
<b>Net Assets</b>			
Unrestricted net assets	10,593,318	8,689,508	1,903,810
Restricted net assets	2,695,494	2,586,506	108,988
<b>Total Net Assets</b>	<b>13,288,812</b>	<b>11,276,014</b>	<b>2,012,798</b>
<b>Total Liabilities and Net Assets</b>	<b>\$ 27,582,901</b>	<b>\$ 26,064,978</b>	<b>\$ 1,517,923</b>

**TLC Health Network****Statement of Operations**

For the six months ended June 30, 2017

	<b>Actual</b>	<b>Budget</b>	<b>Favorable/ (Unfavorable)</b>	<b>Prior Year</b>
<b>Operating Revenue:</b>				
Net patient revenue	\$ 11,847,898	\$ 13,413,164	\$ (1,565,267)	\$ 11,651,279
Less: Provision for uncollectable accounts	(573,900)	(589,590)	15,689	(516,879)
Adjusted net patient revenue	11,273,997	12,823,575	(1,549,577)	11,134,400
Other revenue	375,587	249,350	126,237	244,923
<b>Total Operating Revenue</b>	<b>11,649,584</b>	<b>13,072,925</b>	<b>(1,423,340)</b>	<b>11,379,323</b>
<b>Operating Expenses:</b>				
Salaries & wages	7,013,072	7,248,465	235,393	6,418,061
Employee benefits	1,416,068	1,417,768	1,700	1,338,127
Professional fees	1,112,633	1,173,122	60,489	539,258
Purchased services	1,980,233	1,938,068	(42,165)	1,926,016
Supplies	1,291,465	1,737,204	445,739	1,351,911
Other expenses	644,261	701,145	56,884	683,731
Utilities	309,168	291,629	(17,539)	314,705
Insurance	231,808	209,439	(22,369)	204,077
Depreciation & amortization	941,118	884,128	(56,990)	1,100,888
Interest	62,780	9,279	(53,502)	30,980
<b>Total Operating Expenses</b>	<b>15,002,607</b>	<b>15,610,248</b>	<b>607,641</b>	<b>13,907,755</b>
<b>Income/(Loss) from Recurring Operations</b>	<b>(3,353,022)</b>	<b>(2,537,323)</b>	<b>(815,699)</b>	<b>(2,528,432)</b>
<b>Non-recurring Activity:</b>				
Grants - NYSDOH Safety Net Hospital funding	4,726,794	2,200,002	2,526,792	1,944,000
<b>Income/(Loss) from Operations</b>	<b>1,373,772</b>	<b>(337,321)</b>	<b>1,711,093</b>	<b>(584,432)</b>
<b>Non-operating Gain/(Loss):</b>				
FEMA Project Award	383,657	-	(383,657)	-
Grants	64,700	-	(64,700)	-
Donations	26,620	18,750	(7,870)	15,976
Investment Income/(Loss)	55,061	39,750	15,311	25,988
Non-operating Gain/(Loss)	530,039	58,500	(440,916)	41,964
<b>Excess of Revenue/(Deficiency) Over Expenses</b>	<b>\$ 1,903,810</b>	<b>\$ (278,821)</b>	<b>\$ 1,270,176</b>	<b>\$ (542,467)</b>

BROOKS MEMORIAL HOSPITAL  
Comparative Statement of Revenue & Expense, Budget Vs. Actual  
JUN 2017

Actual JUN 2017	Budget JUN 2017	Variance		YTD Actual	YTD Budget	Variance
REVENUE						
PATIENT REVENUE						
1,231,520.00	1,079,492.00	152,028	Inpatient Routine	7,097,440.00	7,242,809.00	(145,369)
1,820,376.40	1,757,209.00	63,167	Inpatient Ancillary	10,696,484.12	11,131,372.00	(434,888)
5,381,906.65	6,038,010.00	(656,103)	Outpatient	31,161,670.15	35,307,066.00	(4,145,396)
8,433,803.05	8,874,711.00	(440,908)	Total Patient Revenue	48,955,594.27	53,681,247.00	(4,725,653)
DEDUCTIONS FROM REVENUE						
5,101,516.85	5,300,805.00	199,288	Contractual Adjustments	29,093,707.94	31,834,725.00	2,741,017
(150,209.38)	(26,667.00)	123,542	Other	(578,586.81)	(160,000.00)	418,587
211,003.83	179,167.00	(31,837)	Bad Debt	854,654.44	1,075,000.00	220,346
48,359.29	89,583.00	41,224	Charity Care	465,169.37	537,500.00	72,331
5,210,670.59	5,542,888.00	332,217	Total Deductions from Revenue	29,834,944.94	33,287,225.00	3,452,280
3,223,132.46	3,331,823.00	(108,691)	NET PATIENT REVENUE	19,120,649.33	20,394,022.00	(1,273,373)
64,248.82	59,272.00	4,977	OTHER OPERATING REVENUE	464,636.58	389,538.00	75,099
3,287,381.28	3,391,095.00	(103,714)	NET REVENUE	19,585,285.91	20,783,560.00	(1,198,274)
OPERATING EXPENSES						
1,387,502.24	1,498,672.00	111,170	Salaries	8,213,976.43	8,800,893.00	586,917
383,748.37	447,166.00	63,418	Benefits & Taxes	2,411,823.30	2,681,671.00	269,848
498,511.51	831,213.00	332,702	Supplies	4,389,721.24	4,948,270.00	558,549
246,244.30	329,919.00	83,675	Professional Fees - Physician	2,286,832.03	2,011,625.00	(275,207)
1,458.50	9,183.00	7,725	Professional Fees - Other	46,487.12	80,732.00	34,245
360,069.88	319,662.00	(40,408)	Purchased Services	2,137,231.44	2,044,624.00	(92,607)
48,403.75	45,559.00	(2,845)	Insurance	281,735.05	273,351.00	(8,384)
136,997.53	136,840.00	(158)	Depreciation & Amortization	843,365.74	821,040.00	(22,326)
1,277.58	320.00	(958)	Interest	4,209.44	1,907.00	(2,302)
342,164.82	347,141.00	4,976	Other Expenses	1,852,898.18	2,043,415.00	190,517
3,406,378.48	3,965,675.00	559,297	Total Expenses	22,468,279.97	23,707,528.00	1,239,248
(118,997.20)	(574,580.00)	455,583	INCOME/(LOSS) FROM OPERATIONS	(2,882,994.06)	(2,923,968.00)	40,974
1,134,208.36	0.00	1,134,208	NON OPERATING REVENUE	3,210,868.95	18,000.00	3,192,869
1,015,211.16	(574,580.00)	1,589,791	EXCESS OF REV/(LOSS) OVER EXPEN	327,874.89	(2,905,968.00)	3,233,843

BROOKS MEMORIAL HOSPITAL  
BALANCE SHEET PRIOR YEAR-END COMPARISON  
JUN 2017 UNAUDITED

	JUN 2017	DEC 2016
<b>ASSETS</b>		
-----		
<b>CASH &amp; SHORT-TERM INVESTMENTS</b>		
Cash	1,300,410.20	1,853,594.08
Short-Term Investments	0.00	0.00
Total Cash & Short-Term Investments	1,300,410.20	1,853,594.08
<b>ACCOUNTS &amp; NOTES RECEIVABLE</b>		
A/R Billed	8,898,490.12	9,001,905.42
A/R Unbilled	2,772,613.96	1,898,976.49
Reserve for Uncoll & C/A	(7,935,408.64)	(7,468,565.90)
Year-End Settlements	0.00	16,243.00
Net Patient Receivables	3,735,695.44	3,448,559.01
Receivable Other	161,335.52	173,044.01
Net Accounts & Notes Receivable	3,897,030.96	3,621,603.02
<b>INVENTORIES</b>		
	1,582,234.30	1,365,598.53
<b>OTHER CURRENT ASSETS</b>		
	591,321.28	443,164.43
<b>TOTAL CURRENT ASSETS</b>		
	7,370,996.74	7,283,960.06
<b>PROPERTY AND EQUIPMENT, NET</b>		
	6,721,564.12	7,233,748.69
<b>DUE FROM RELATED PARTIES</b>		
Due From TLC-Notes Secured	94,694.74	111,965.68
Due from TLC-Other	4,019,332.68	4,046,799.47
Reserve for Uncoll - TLC	(3,119,074.00)	(3,119,074.00)
Net Due from TLC	994,953.42	1,039,691.15
Due from Lake Erie Med Svcs	6,703,434.47	6,555,931.25
Reserve for Uncoll - LEMS	(6,555,931.25)	(6,555,931.25)
Net Due from LEMS	147,503.22	0.00
Total Due from Related Parties	1,142,456.64	1,039,691.15
<b>ASSETS LIMITED AS TO USE</b>		
Investment-NCCF	1,308,387.82	1,262,019.97
Total Assets Limited as to Use	1,308,387.82	1,262,019.97
<b>TOTAL ASSETS</b>		
	16,543,405.32	16,819,419.87

BROOKS MEMORIAL HOSPITAL  
BALANCE SHEET PRIOR YEAR-END COMPARISON  
JUN 2017 UNAUDITED

	JUN 2017	DEC 2016
LIABILITIES & FUND BALANCE		
-----		
CURRENT LIABILITIES		
Current Portion Long-Term Debt	0.00	127,821.23
Accounts Payable-Operating	3,987,744.58	4,352,067.96
Accrued Expenses Payroll	1,774,884.56	1,952,226.57
Other Payables	1,137,081.35	1,285,425.89
Total Current Liabilities	6,899,710.49	7,717,541.65
LONG-TERM LIABILITIES		
Long-Term Debt	509,617.73	445,680.05
Defined Benefit Liability	5,489,577.36	5,339,573.32
Total Long-Term Liabilities	5,999,195.09	5,785,253.37
TOTAL LIABILITIES	12,898,905.58	13,502,795.02
FUND BALANCE		
Unrestricted	2,887,290.74	2,559,415.85
Permanently restricted	757,209.00	757,209.00
Total Fund Balance	3,644,499.74	3,316,624.85
TOTAL LIABILITIES & FUND BALANCE	16,543,405.32	16,819,419.87

**BFA Attachment C  
CON 172071**

	<u>SFY 2014-15</u> <u>IAAF</u>	<u>SFY 2015-16</u> <u>VAPAP - I</u>	<u>SFY 2016-17</u> <u>VAPAP II</u>	<u>SFY 2017-18</u> <u>VAPAP III-</u> <u>Budgeted</u>	<u>Total</u>
<b>Brooks</b>		3,324,868	3,562,008	3,581,605	10,468,481
<b>TLC</b>	5,564,099	2,682,076	6,025,562	2,433,891	16,705,628
<b>Total</b>	5,564,099	6,006,944	9,587,570	6,015,496	27,174,109

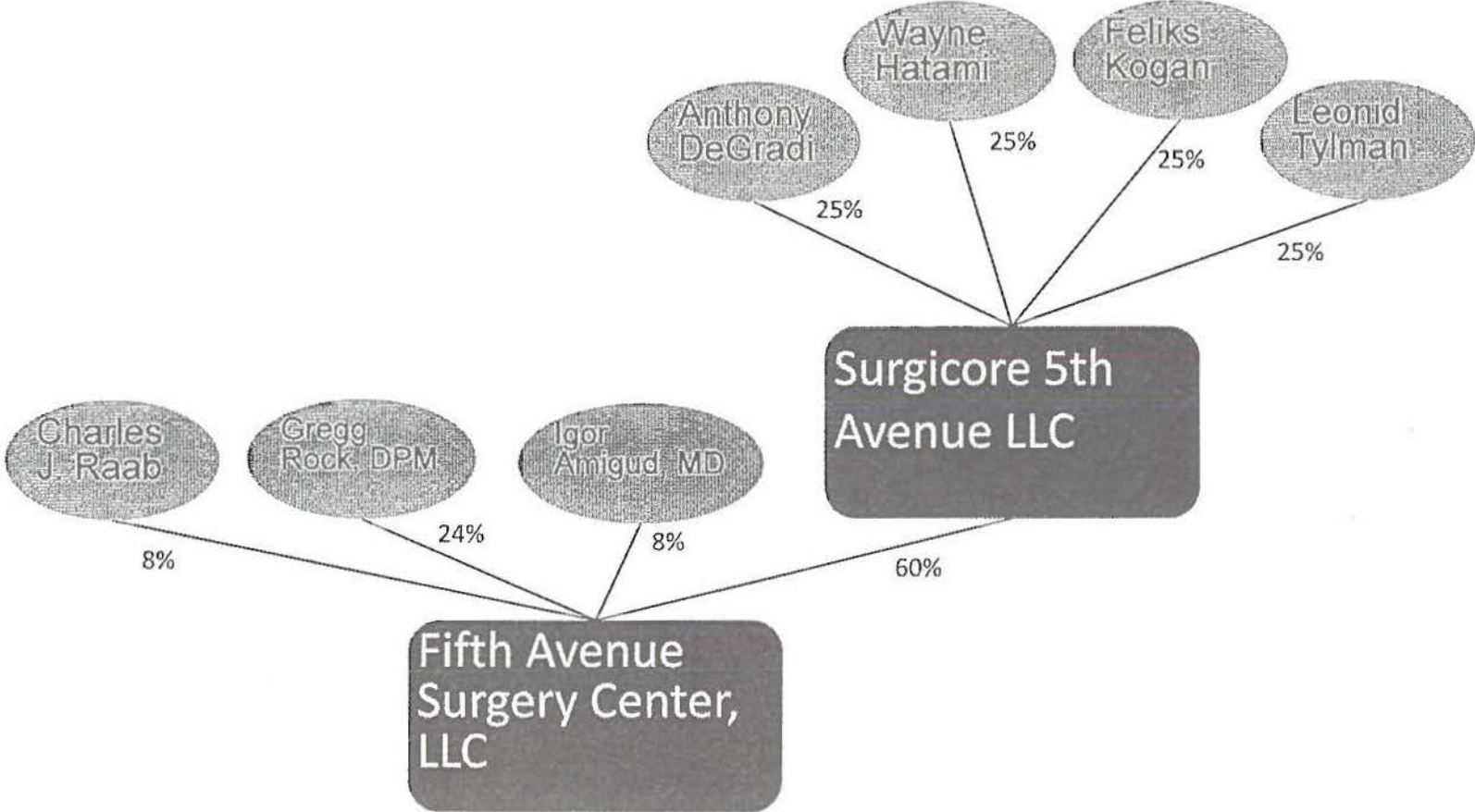
**EXHIBIT A**

**MEMBERS AND SALE INTERESTS**

<b><u>Member Name</u></b>	<b><u>Percentage Pre-Closing</u></b>	<b><u>Percentage Sold to the Buyer</u></b>	<b><u>Percentage Post-Closing</u></b>
Charlie Raab	10	2	8
Gregg Rock, D.P.M.	31	7	24
Igor Amigud, M.D.	10	2	8
Oliver Zong, D.P.M.	15	15	0
Steven Abramow, D.P.M.	8	8	0
John Mancuso, D.P.M.	8	8	0
Mark Landsman, D.P.M.	4	4	0
Paul Greenberg, D.P.M.	4	4	0
Michael Loshigian, D.P.M.	4	4	0
Rick Delmonte, D.P.M.	4	4	0
Richard Goldstein, D.P.M.	1	1	0
Robert Maccabee, D.P.M.	1	1	0
<b>TOTAL:</b>	<b>100.00%</b>	<b>60.00%</b>	<b>40.00%</b>



# Post-Closing Membership



**Indirect Membership Interests in Fifth Avenue Surgery Center, LLC:**

- Anthony DeGradi: 15%
- Wayne Hatami: 15%
- Feliks Kogan: 15%
- Leonid Tylman: 15%

FIFTH AVENUE SURGERY CENTER, LLC  
STATEMENT OF ASSETS, LIABILITIES, AND MEMBERS' CAPITAL - INCOME TAX BASIS  
DECEMBER 31, 2015

---

ASSETS

CURRENT ASSETS

Cash In Banks	\$	726,494	
Accounts Receivable-Insurance -(Note B)		809,082	
Prepaid Expenses		287,084	
Other Receivables -(Note C)		1,427	
Investment in Artwork		<u>7,640</u>	
Total Current Assets			1,831,727

FIXED ASSETS - AT COST - (NOTE A)

Depreciable Assets		<u>1,705,436</u>	
		1,705,436	
Less: Accumulated Depreciation		<u>1,382,671</u>	
Total Fixed Assets - Net			<u>322,765</u>
Total Assets			<u>\$ 2,154,492</u>

FIFTH AVENUE SURGERY CENTER, LLC

STATEMENT OF ASSETS, LIABILITIES, AND MEMBERS' CAPITAL - INCOME TAX BASIS

DECEMBER 31, 2015

LIABILITIES & MEMBERS' CAPITAL

CURRENT LIABILITIES

Accounts Payable	\$	273,811	
Member Loans Payable (Note E)		242,690	
Construction Loans Payable (Note F)		145,130	
Accrued Expenses		27,350	
Equipment Finance Payable (Note F)		90,275	
NYS Public Goods Pool Payable		15,596	
Other Taxes Payable		<u>466</u>	
Total Current Liabilities			795,318

LONG-TERM LIABILITIES

Construction Loans Payable (Note F)			193,429
Equipment Finance Payable (Note F)			<u>102,271</u>
Total Long Term Liabilities			295,700
Total Liabilities			<u>1,091,018</u>

COMMITMENTS & CONTINGENCIES - (Note G)

MEMBERS' CAPITAL - (Note A)

Members' Capital		<u>1,063,474</u>	
Total Members' Capital			<u>1,063,474</u>
Total Liabilities & Members' Capital	\$		<u>2,154,492</u>

FIFTH AVENUE SURGERY CENTER, LLC  
STATEMENT OF REVENUES, EXPENSES, AND MEMBERS' CAPITAL - INCOME TAX BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015

---

<b>REVENUES</b>	
Facility Fees (Net of Refunds)	\$ 5,219,357
<b>DIRECT COSTS</b>	<u>1,822,033</u>
<b>GROSS PROFIT</b>	3,397,324
<b>SELLING, GENERAL, &amp; ADMINISTRATIVE EXPENSES</b>	<u>3,154,058</u>
<b>NET REVENUES FROM OPERATIONS</b>	243,266
<b>OTHER REVENUE / EXPENSE</b>	
Gain on Asset Sale -(Note A)	28,000
Other Income	1,217
Reimbursed Expenses	36,397
Interest Income	<u>1,789</u>
Total Other Revenue / Expense	<u>67,403</u>
<b>NET REVENUES BEFORE PROVISION FOR INCOME TAXES</b>	310,669
<b>TOTAL PROVISION FOR INCOME TAXES - (Note A)</b>	<u>10,547</u>
<b>NET REVENUES</b>	300,122
<b>MEMBERS' CAPITAL - Beginning of Period</b>	1,463,352
<b>LESS: DISTRIBUTIONS TO MEMBERS</b>	<u>700,000</u>
<b>MEMBERS' CAPITAL - End of Period</b>	<u>\$ 1,063,474</u>

**Fifth Avenue Surgery Center, LLC.**  
**Management Use Balance Sheet**  
As of December 31, 2016

BFA Attachment E  
CON 171220

	<u>Dec 31, 16</u>
<b>ASSETS</b>	
Current Assets	
Total Checking/Savings	208,025.94
Other Current Assets	
Accounts Receivable	607,582.25
Receivable-JJS Group Inc.	46,896.22
Prepaid Expenses	104,011.56
Total Other Current Assets	<u>758,490.03</u>
Total Current Assets	966,515.97
Total Net Fixed Assets	357,983.02
Other Assets	
Investment in Artwork	7,640.00
Total Other Assets	<u>7,640.00</u>
<b>TOTAL ASSETS</b>	<b><u>1,332,138.99</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	262,045.61
Credit Cards Payable	92,326.95
Other Current Liabilities	
Accrued Expenses Payable	24,306.74
NYS Public Goods Pool Payable	129,198.99
Member Loans Payable	82,108.62
Investor Deposits Payable	650,000.00
Signature LHI Construction Loan	186,876.97
Total Other Current Liabilities	<u>1,072,491.32</u>
Total Current Liabilities	1,426,863.88
Long Term Liabilities	
Equip. Loans Payable	98,329.67
Total Long Term Liabilities	<u>98,329.67</u>
Total Liabilities	1,525,193.55

Unaudited

**Fifth Avenue Surgery Center, LLC.**  
**Management Use Balance Sheet**  
As of December 31, 2016

	<u>Dec 31, 16</u>
Equity	
Member Equity - Others	1,063,474.38
Net Loss	<u>-1,256,528.94</u>
Total Equity	<u>-193,054.56</u>
TOTAL LIABILITIES & EQUITY	<u>1,332,138.99</u>

Unaudited

**Fifth Avenue Surgery Center, LLC.**  
**Management Use Profit & Loss**  
 January through December 2016

BFA Attachment E  
 (Cont'd) CON 171220

	<u>Jan - Dec 16</u>
Ordinary Income/Expense	
Total Income	2,980,906.84
Cost of Goods Sold	
5000 · Medical Supplies	248,322.70
5011 · Sutures	11,136.01
5101 · Patient Snacks	1,406.62
5105 · Patient Transportation	302.65
5110 · Leased Medical Equipment	84,362.98
5115 · Medical Gases	4,940.93
5120 · Waste Removal	7,978.68
5125 · Medical Records Expense	35,658.87
5130 · Laundry/Linens	18,649.28
5140 · Professional Consulting	53,213.13
5142 · Compliance Consulting	4,317.98
5145 · Medical Board Consultants	859.84
5160 · Equipment Repairs	4,083.15
5170 · Maint/Service Contracts	118,248.83
5200 · Salaries - Nursing Staff	941,117.69
5250 · Depreciation - COGS	4,654.43
5300 · Outside Services	15,533.30
5320 · Credentialing Fees	3,067.41
Total COGS	1,557,854.48
Gross Profit	1,423,052.36
Expense	
5099 · Pain Management Implants	83,310.67
5400 · Plant Operations	784,856.83
6005 · Continuing Education	746.10
6080 · Publications	471.64
6090 · Gifts	2,149.21
6100 · Business Licenses and Permits	1,651.00
6130 · Staff Meals	3,117.58
6135 · Business Meetings	4,963.73
6150 · Credit Card Fees	450.00
6200 · Automobile Expense	1,918.74
6210 · Travel & Lodging Expense	70,756.90
6250 · Salaries Expense - Office	148,235.78
6310 · Shipping & Delivery	3,850.91
6390 · Leased Office Equipment	15,638.15
6400 · Telephone Expense	16,243.51
6410 · Office Supplies	19,562.83
6415 · Computer Expenses	13,523.36
6416 · Website Expense	2,660.00
6417 · Data Processing Service	2,228.85

Unaudited

**Fifth Avenue Surgery Center, LLC.**  
**Management Use Profit & Loss**  
 January through December 2016

BFA Attachment E  
 (Cont'd) CON 171220

	<b>Jan - Dec 16</b>
6418 · DP Provation Interface	2,039.28
6440 · Utilities	80,074.75
6450 · Dues and Subscriptions	1,483.00
6460 · License & Permits	1,015.23
6470 · Insurance Expense	180,615.96
6480 · Medical Insurance	156,503.37
6485 · Medical Administration Fees	3,486.92
6550 · Depreciation & Amort Expense	19,723.77
6560 · Payroll Expenses	79.91
6620 · Repairs and Maintenance	8,447.50
6720 · Professional Fees	112,939.85
6735 · Billing Service Fees	239,000.00
6760 · Officer Salaries	393,441.85
6780 · Payroll Taxes	87,270.01
6790 · Pension Expense	84,724.87
6880 · Interest Expense	23,988.95
6884 · Construction Loan Interest	12,502.81
6890 · Bank Service Charges	5,390.93
6891 · Merchant Service Fees	6,271.19
6935 · NYS Public Goods Pool	8,456.00
<b>Total Expense</b>	<b>2,603,791.94</b>
<b>Net Ordinary Income</b>	<b>-1,180,739.58</b>
 <b>Other Income/Expense</b>	
<b>Other Income</b>	
7100 · Interest Income	1,854.40
7200 · Other Income	35,959.09
<b>Total Other Income</b>	<b>37,813.49</b>
 <b>Other Expense</b>	
8999 · NYS Public Goods Pool (Prior Periods)	113,602.85
<b>Total Other Expense</b>	<b>113,602.85</b>
<b>Net Other Income</b>	<b>-75,789.36</b>
 <b>Net Income</b>	 <b>-1,256,528.94</b>

Unaudited



**FIFTH AVENUE SURGERY CENTER**

**Pro Forma Balance Sheet (AS OF APPROVAL DATE)**

Cash and Cash Equivalents	\$	2,773,202
Prepaid Expenses and Other		254,655
Accounts Receivable (Net of Allowances)		574,610
<b>TOTAL CURRENT ASSETS:</b>	<b>\$</b>	<b>3,602,467</b>
Property, Plant & Equipment		329,810
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>3,932,277</b>
Loans Payable	\$	263,500
Accounts Payable		341,603
Other Payables		63,472
<b>TOTAL CURRENT LIABILITIES:</b>	<b>\$</b>	<b>668,575</b>
Long Term Loans Payable		\$145,941
<b>TOTAL LONG TERM LIABILITIES:</b>		<b>\$145,941</b>
<b>TOTAL LIABILITIES</b>	<b>\$</b>	<b>814,516</b>
<b>MEMBERS' EQUITY</b>		<b>3,117,761</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$</b>	<b>3,932,277</b>

The balance sheet is based on the June 30, 2016 balance sheet for the Center. It includes the payoff of the loans payable to the departing member physicians in the amount of \$40,232, the reduction in members' equity of \$524,269 as a result of these member physicians leaving the Center and it also reflects the addition of \$3M in cash as a result of the purchase of a 60% membership interest in the Center by Surgicore 5th Avenue LLC.

**SHEEPSHEAD BAY SURGERY CENTER, INC**  
**BALANCE SHEET**  
**DECEMBER 31, 2016**

**ASSETS**

<b>Current assets:</b>	
Cash and cash equivalents	\$ 942,899
Accounts receivable, less allowance for doubtful accounts of \$10,700	808,230
Inventory	56,192
Prepaid expenses and other current assets	36,066
Total current assets	<u>1,843,387</u>
Property and equipment, net of accumulated depreciation	<u>443,214</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 2,286,601</u></b>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

<b>Current liabilities:</b>	
Accrued expenses	\$ 378,299
Straight line rent liability	54,548
Loan payable to shareholder	24,000
Total current liabilities	<u>456,847</u>
Total liabilities	<u>456,847</u>
<b>Shareholders' Equity</b>	
Common stock, no par value, 200 shares authorized, issued and outstanding	1,000
Retained earnings	1,828,754
Total shareholders' equity	<u>1,829,754</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b><u>\$ 2,286,601</u></b>

**SHEEPSHEAD BAY SURGERY CENTER, INC**  
**STATEMENT OF INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

**Revenue:**

Net patient service revenue	\$ 5,422,862
Interest income	2,455
Total revenue	<u>\$ 5,425,317</u>

**Operating Expenses:**

Salaries, taxes and benefits	\$ 1,653,783
Medical supplies	1,158,193
Rent and occupancy expenses	234,155
Insurance	240,213
Repairs and maintenance	175,142
Utilities	53,980
Telephone	3,023
Depreciation	114,247
Advertising	2,848
Professional services	129,071
Patient Transportation	174,660
Office expense and supplies	142,482
Dues and subscriptions	16,192
Staff travel and training	10,165
Staff meals	44,526
Rubbish removal	39,355
Postage and delivery	2,903
Laundry	7,530

Total operating expenses	<u>4,202,468</u>
Net income before tax	1,222,849
Provision for income taxes	<u>109,288</u>
Net income after tax	<u>\$ 1,113,561</u>

**Sheepshead Bay Surgery Center  
Balance Sheet  
As of May 30, 2017**

	<u>May 30, 17</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
4100 · Astoria Federal-Checking	70,340.72
4100.05 · Astoria Federal-IMMA	500,154.50
<b>Total Checking/Savings</b>	<u>570,495.22</u>
<b>Other Current Assets</b>	
4300 · Inventory	56,192.22
4500 · Due From Employees	1,754.06
<b>Total Other Current Assets</b>	<u>57,946.28</u>
<b>Total Current Assets</b>	<u>628,441.50</u>
<b>Fixed Assets</b>	
<b>4600.10 · Furniture &amp; Fixtures</b>	
4600.11 · A/D - Furniture & Fixtures	-65,484.21
4600.10 · Furniture & Fixtures - Other	65,484.21
<b>Total 4600.10 · Furniture &amp; Fixtures</b>	<u>0.00</u>
<b>4600.15 · Leasehold Improvements</b>	
4600.16 · A/D - Leasehold Improvements	-403,517.00
4600.15 · Leasehold Improvements - Other	905,500.90
<b>Total 4600.15 · Leasehold Improvements</b>	<u>501,983.90</u>
<b>4600.20 Machinery &amp; Equipment</b>	
4600.21 · A/D - Machinery & Equipment	-2,220,916.19
4600.20 Machinery & Equipment - Other	2,225,227.27
<b>Total 4600.20 Machinery &amp; Equipment</b>	<u>4,311.08</u>
<b>Total Fixed Assets</b>	<u>506,294.98</u>
<b>TOTAL ASSETS</b>	<u><u>1,134,736.48</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Long Term Liabilities</b>	
5700.05 · Capital Lease Payable	
Lance Leasing-Zeiss Microscope	263,511.33
<b>Total 5700.05 · Capital Lease Payable</b>	<u>263,511.33</u>
<b>Total Long Term Liabilities</b>	<u>263,511.33</u>
<b>Total Liabilities</b>	<u>263,511.33</u>
<b>Equity</b>	
6000 · Capital Stock	1,000.00
6000.05 · Distribution	-1,200,000.00
6000.15 · Retained Earnings	1,421,878.15
Net Income	648,347.00
<b>Total Equity</b>	<u>871,225.15</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>1,134,736.48</u></u>

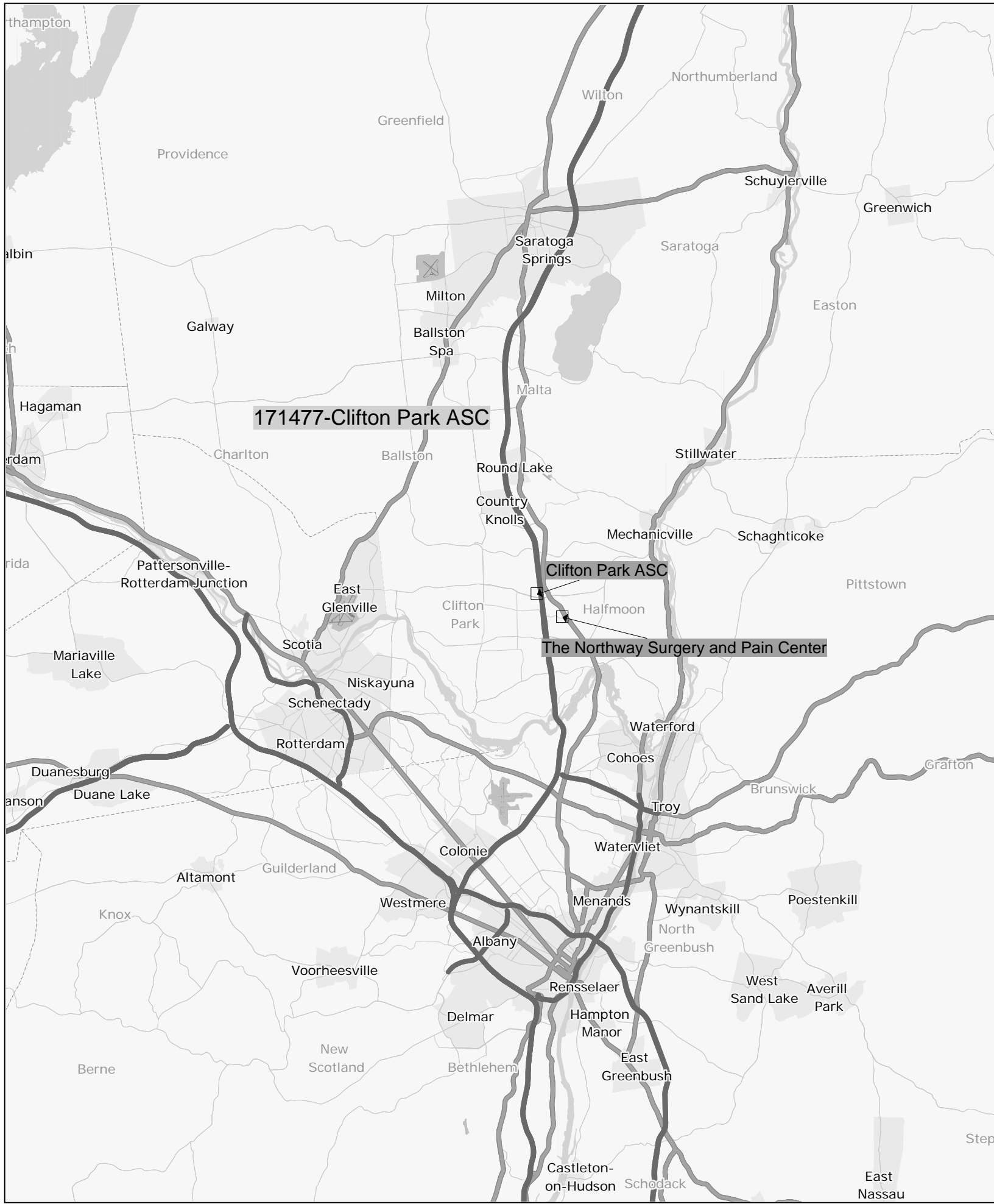
**Sheepshead Bay Surgery Center  
Profit & Loss  
January 1 through May 30, 2017**

Jan 1 - May 30, 17

<b>Ordinary Income/Expense</b>	
<b>Income</b>	
7400 · Fee Income	2,404,141.45
7400.05 · Credit Card Income	165,229.69
7400.10 · Interest Income	533.98
7400.20 · Refunds	<u>-7,665.14</u>
<b>Total Income</b>	<b>2,563,239.96</b>
<b>Expense</b>	
7700.35 · FEMTO Surgical	-1,290.06
7400.30 · Internet	7,156.14
7400.40 · Credit Card Fees	3,398.48
7400.45 · Medical waste	7,231.34
7400.60 · Pest Control	361.01
7400.65 · IT Services & Support	10,025.79
7400.60 · NYS Stipulated Assessments	12,156.00
7400.70 · Cable Service	2,848.34
7400.85 · Leasing Fees	675.00
7400.95 · Advertising	1,031.10
7600.05 · Anesthesia	2,310.00
7500.35 · Depreciation Expense	279,664.00
7500.40 · Dues and Subscriptions	8,338.68
7500.50 · Equipment	466.48
7500.55 · Equipment Rental	1,366.61
7500.60 · Insurance	
7500.62 · Disability Insurance	301.10
7500.63 · Health Insurance	67,572.42
7500.64 · Liability Insurance	2,257.70
7500.65 · Malpractice Insurance	12,365.75
7500.66 · Property Insurance	100.00
7500.67 · Work Comp	<u>4,699.63</u>
<b>Total 7500.60 · Insurance</b>	<b>87,296.60</b>
7500.80 · Laundry (Lab Coats)	2,822.35
7500.85 · Licenses and Permits	2,210.00
7500.90 · Meals	29,413.27
7500.95 · Medical Supplies	
7500.96 · Anesthesia Supplies	233.91
7500.95 · Medical Supplies - Other	<u>538,071.66</u>
<b>Total 7500.95 · Medical Supplies</b>	<b>538,305.57</b>
7600.05 · Office Cleaning	15,125.00
7600.10 · Office Expense	6,919.94
7600.15 · Office Supplies	4,149.20
7600.20 · Outside Services	12,500.00
7600.25 · Patient Transportation	63,369.92
7600.30 · Payroll	
7600.31 · Administrative	225,984.70
7600.32 · Healthcare Providers	213,849.32
7600.33 · Technicians	101,124.94
7600.35 · Officer's Salary	22,333.19
7600.36 · Payroll Taxes	
NYDI	-329.55
MTA	2,375.23
FICA/Medicare	42,730.28
FUTA	999.74
SUI	<u>5,487.80</u>
<b>Total 7600.36 · Payroll Taxes</b>	<b>51,263.60</b>
<b>Total 7600.30 · Payroll</b>	<b>614,655.65</b>
7600.40 · Payroll Service	2,902.12
7600.45 · Pension	0.00
7600.60 · Postage and Delivery	1,630.06
7600.65 · Professional Development	1,161.08

**Sheepshead Bay Surgery Center**  
**Profit & Loss**  
**January 1 through May 30, 2017**

	<u>Jan 1 - May 30, 17</u>
<b>7600.70 · Professional Fees</b>	
7600.71 · Accounting	8,960.00
7600.72 · Consulting	3,450.00
7600.73 · Legal Fees	12,863.94
<b>Total 7600.70 · Professional Fees</b>	<u>25,273.94</u>
<b>7600.75 · Rent</b>	95,801.60
<b>7600.80 · Repairs &amp; Maintenance</b>	14,321.56
<b>7600.85 · Sanitation</b>	10,674.00
<b>7700 · Service Contracts</b>	11,717.53
<b>7700.05 · Software</b>	18,857.00
<b>7700.10 · Taxes - Corporate</b>	
7700.13 · New York State	750.00
<b>Total 7700.10 · Taxes - Corporate</b>	<u>750.00</u>
<b>7700.15 · Telephone</b>	1,286.30
<b>7700.25 · Transcription Services</b>	299.54
<b>7700.30 · Utilities</b>	17,711.82
<b>Total Expense</b>	<u>1,914,892.96</u>
<b>Net Ordinary Income</b>	<u>648,347.00</u>
<b>Net Income</b>	<u><u>648,347.00</u></u>



**171477-Clifton Park ASC**

**Clifton Park ASC**

**The Northway Surgery and Pain Center**

**CLIFTON PARK ASC, LLC**

***OPENING DAY PROFORMA BALANCE SHEET***

**ASSETS**

**CURRENT ASSETS**

Cash Balances	\$700,105
Accounts Receivable – Net	<u>\$ -0-</u>
<b>Total Current Assets</b>	<b>\$700,105</b>

**PROPERTY**

Facility Improvements	\$3,292,885
Equipment (net of depreciation)	<u>\$1,960,000</u>
<b>Total Property</b>	<b>\$5,252,885</b>

**INTANGIBLE ASSETS**

Project Start-Up Costs and Application Fees	\$ 379,412
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<b>TOTAL ASSETS</b>	<b>\$6,332,402</b>
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**LIABILITIES AND NET ASSETS**

<b>CURRENT LIABILITIES</b>	<b>\$ -0-</b>
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**LONG-TERM LIABILITES**

Project Improvement Loan	\$3,076,180
Equipment Loan	\$1,764,000
Working Capital Loan	\$ 325,000

<b>Total Long-Term Liabilities</b>	<b>\$5,165,180</b>
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<b>TOTAL LIABILITIES</b>	<b>\$5,165,180</b>
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<b>LLC CAPITAL</b>	<b>\$1,167,222</b>
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<b>TOTAL LIABILITIES AND LLC CAPITAL</b>	<b>\$6,332,402</b>
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The Endoscopy Center of New York  
**Balance Sheet**  
As of April 30, 2017

Cash Basis

	Apr 30, 17
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
100.00 · Cash	
100.05 · Chase Checking Medicare 2150	304,855.72
100.04 · Chase Checking 3983	376,255.69
100.02 · Signature Checking 0253	34,236.61
Total 100.00 · Cash	715,348.02
110.00 · Restricted Cash	675,000.00
Total Checking/Savings	1,390,348.02
Accounts Receivable	
200.00 · Accounts Receivables	3,555,702.00
Total Accounts Receivable	3,555,702.00
Other Current Assets	
205.00 · Petty Cash	500.00
210.00 · Prepaid Exp and OCA	
210.01 · Prepaid Service Agreements	77,505.82
210.02 · Prepaid Insurance	52,168.95
210.03 · Prepaid expenses	-319,680.00
Total 210.00 · Prepaid Exp and OCA	-190,005.23
275.00 · FSA	
275.01 · FSA Train	-4,627.00
275.00 · FSA - Other	4,407.34
Total 275.00 · FSA	-219.66
290.00 · Security Deposits Asset	2,765.00
Total Other Current Assets	-186,959.89
Total Current Assets	4,759,090.13
Fixed Assets	
300.00 · Prop & Eqmmt, Net Eqmmt	
300.02 · Furniture and Equipment	476,124.91
300.03 · Medical Equipment	716,514.60
300.04 · IT Setup	201,828.47
300.05 · Olympus Equipment	1,035,437.00
Total 300.00 · Prop & Eqmmt, Net Eqmmt	2,429,904.98
310.00 · Leasehold Improvements	
300.06 · Capital Improvement	14,703.57
310.01 · Construction	3,588,690.88
310.02 · Architect's Fees	316,153.75
310.03 · Designer	10,000.00
310.00 · Leasehold Improvements - Other	8,659.87
Total 310.00 · Leasehold Improvements	3,938,208.07
320.00 · Software cost	259,408.84

The Endoscopy Center of New York  
**Balance Sheet**  
As of April 30, 2017

Cash Basis

	Apr 30, 17
330.00 · Accumulated Depreciation	
330.05 · Acc Depreciation -Capital lease	-522,008.09
330.04 · Furntiure and Fixtures	-164,549.10
330.01 · Accumulated Dep - Equipment	-431,987.00
330.02 · Accumulated Dep - Leasehold Imp	-1,039,637.71
330.03 · Accumulated Dep - Software	-282,830.04
<b>Total 330.00 · Accumulated Depreciation</b>	<b>-2,441,011.94</b>
<b>Total Fixed Assets</b>	<b>4,186,509.95</b>
<b>TOTAL ASSETS</b>	<b>8,945,600.08</b>
<hr/>	
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
400.00 · Accounts Payable	6,201.48
<b>Total Accounts Payable</b>	<b>6,201.48</b>
<b>Credit Cards</b>	
405.02 · Credit Card at Signature	7,366.55
<b>Total Credit Cards</b>	<b>7,366.55</b>
<b>Other Current Liabilities</b>	
411.00 · Capital Lease Given - ST	4,297.12
408.00 · Notes Payable Chase Bank- ST	718,813.19
407.00 · Capital lease Olympus- ST	211,578.33
406.00 · NYC Corporate Taxes Payable	-120,050.00
402.00 · Commercial Rent tax payable	309.96
401.00 · Wages Payable	44,778.00
<b>Total Other Current Liabilities</b>	<b>859,726.60</b>
<b>Total Current Liabilities</b>	<b>873,294.63</b>
<b>Long Term Liabilities</b>	
422.00 · Due to Insurance Provider	822,275.00
421.00 · Reserve for Employee awards	3,000.00
410.00 · Lines of Credit	
410.10 · Deferred Rent	1,234,328.47
410.05 · Chase Business Loan 9002	-127,856.25
410.04 · Chase Business Line 9001	26,000.00
410.03 · Standby Letter of Credit	675,000.00
<b>Total 410.00 · Lines of Credit</b>	<b>1,807,472.22</b>
430.00 · Capital Leases Payable	
430.03 · Capital Lease - Given Imaging	3,271.60
430.01 · Capital lease- Olympus	134,088.94
<b>Total 430.00 · Capital Leases Payable</b>	<b>137,360.54</b>
<b>Total Long Term Liabilities</b>	<b>2,770,107.76</b>
<b>Total Liabilities</b>	<b>3,643,402.39</b>

The Endoscopy Center of New York  
**Balance Sheet**  
 As of April 30, 2017

Cash Basis

	Apr 30, 17
<b>Equity</b>	
460.00 · Member's Equity	
460.13 · JD	59,967.60
460.12 · Frontier	21,115.19
460.01 · DA	61,786.98
460.02 · JA	60,500.96
460.03 · NB	61,315.96
460.05 · JF	61,786.98
460.06 · LK	61,786.98
460.07 · KMM	60,499.96
460.08 · YP	11,400.00
460.09 · WP	27,850.00
460.10 · AL	22,850.00
460.11 · BL	22,850.00
<b>Total 460.00 · Member's Equity</b>	<b>533,710.61</b>
461.00 · Member Distributions	
461.11 · Member 11 BL	-524,492.09
461.12 · Member 12 Frontier	-542,855.03
461.01 · Member 1 DA	-1,561,999.42
461.02 · Member 2 JA	-1,561,999.42
461.03 · Member 3 NB	-1,561,999.42
461.05 · Member 5 JF	-1,561,999.42
461.06 · Member 6 LK	-1,561,999.42
461.07 · Member 7 KMM	-1,561,999.42
461.08 · Member 8 YP	-261,672.18
461.09 · Member 9 WP	-524,492.09
461.10 · Member 10 AL	-524,492.09
<b>Total 461.00 · Member Distributions</b>	<b>-11,750,000.00</b>
490.00 · Retained Earnings	13,144,410.29
Net Income	3,374,076.79
<b>Total Equity</b>	<b>5,302,197.69</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>8,945,600.08</b>

The Endoscopy Center of New York  
**Profit & Loss**  
January through April 2017

Cash Basis

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	Jan - Apr 17
Ordinary Income/Expense	
Income	
500.00 · Revenue	6,562,395.21
Total Income	6,562,395.21
Gross Profit	6,562,395.21
Expense	
735.00 · Continuing Education	420.00
733.00 · NYS Public Goods Pool Surcharge	3,068.00
600.00 · Drugs & Medical Supplies	335,323.99
650.00 · Anesthesia Staffing Costs	682,391.16
700.00 · Payroll and Benefits	741,862.94
710.00 · Occupancy	355,796.81
720.00 · Revenue Cycle Management	200,793.29
730.00 · General and Administrative	178,792.31
740.00 · Professional Fees	174,462.13
800.00 · Depreciation and Amortization	147,185.64
Total Expense	2,820,096.27
Net Ordinary Income	3,742,298.94
Other Income/Expense	
Other Expense	
930.00 · NYC Corporate Tax Expense	213,288.00
910.00 · Interest Expense	7,994.86
900.00 · Eqpmnt Rental/Maintenance Agr	146,939.29
Total Other Expense	368,222.15
Net Other Income	-368,222.15
Net Income	<u>3,374,076.79</u>

**The Endoscopy Center of New York**  
**Balance Sheet**  
As of December 31, 2016

Cash Basis

	Dec 31, 16
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
100.00 · Cash	
100.05 · Chase Checking Medicare 2150	274,634.55
100.04 · Chase Checking 3983	19,105.21
100.02 · Signature Checking 0253	25,466.49
<b>Total 100.00 · Cash</b>	<b>319,206.25</b>
110.00 · Restricted Cash	675,000.00
<b>Total Checking/Savings</b>	<b>994,206.25</b>
<b>Accounts Receivable</b>	
200.00 · Accounts Receivables	3,555,702.00
<b>Total Accounts Receivable</b>	<b>3,555,702.00</b>
<b>Other Current Assets</b>	
205.00 · Petty Cash	500.00
210.00 · Prepaid Exp and OCA	
210.01 · Prepaid Service Agreements	79,258.98
210.02 · Prepaid Insurance	52,168.95
210.03 · Prepaid expenses	-319,680.00
<b>Total 210.00 · Prepaid Exp and OCA</b>	<b>-188,252.07</b>
275.00 · FSA	
275.01 · FSA Train	-4,627.00
275.00 · FSA - Other	4,345.18
<b>Total 275.00 · FSA</b>	<b>-281.82</b>
290.00 · Security Deposits Asset	2,765.00
<b>Total Other Current Assets</b>	<b>-185,268.89</b>
<b>Total Current Assets</b>	<b>4,364,639.36</b>
<b>Fixed Assets</b>	
300.00 · Prop & Eqmnt, Net Eqmnt	
300.02 · Furniture and Equipment	476,124.91
300.03 · Medical Equipment	706,664.34
300.04 · IT Setup	201,828.47
300.05 · Olympus Equipment	1,035,437.00
<b>Total 300.00 · Prop &amp; Eqmnt, Net Eqmnt</b>	<b>2,420,054.72</b>
310.00 · Leasehold Improvements	
300.06 · Capital Improvement	14,703.57
310.01 · Construction	3,588,690.88
310.02 · Architect's Fees	316,153.75
310.03 · Designer	10,000.00
310.00 · Leasehold Improvements - Other	5,659.87
<b>Total 310.00 · Leasehold Improvements</b>	<b>3,935,208.07</b>
320.00 · Software cost	228,253.84

**The Endoscopy Center of New York**  
**Balance Sheet**  
As of December 31, 2016

Cash Basis

	Dec 31, 16
330.00 · Accumulated Depreciation	
330.05 · Acc Depreciation -Capital lease	-522,008.09
330.04 · Furntiure and Fixtures	-164,549.10
330.01 · Accumulated Dep - Equipment	-374,303.68
330.02 · Accumulated Dep - Leasehold Imp	-965,352.31
330.03 · Accumulated Dep - Software	-267,613.12
<b>Total 330.00 · Accumulated Depreciation</b>	<b>-2,293,826.30</b>
<b>Total Fixed Assets</b>	<b>4,289,690.33</b>
<b>TOTAL ASSETS</b>	<b><u>8,654,329.69</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
400.00 · Accounts Payable	-79.97
<b>Total Accounts Payable</b>	<b>-79.97</b>
<b>Credit Cards</b>	
405.02 · Credit Card at Signature	12,082.14
<b>Total Credit Cards</b>	<b>12,082.14</b>
<b>Other Current Liabilities</b>	
411.00 · Capital Lease Given - ST	4,297.12
408.00 · Notes Payable Chase Bank- ST	718,813.19
407.00 · Capital lease Olympus- ST	211,578.33
406.00 · NYC Corporate Taxes Payable	-120,050.00
402.00 · Commercial Rent tax payable	309.96
401.00 · Wages Payable	44,778.00
<b>Total Other Current Liabilities</b>	<b>859,726.60</b>
<b>Total Current Liabilities</b>	<b>871,728.77</b>
<b>Long Term Liabilities</b>	
422.00 · Due to Insurance Provider	822,275.00
421.00 · Reserve for Employee awards	3,000.00
410.00 · Lines of Credit	
410.10 · Deferred Rent	1,234,328.47
410.05 · Chase Business Loan 9002	116,483.61
410.04 · Chase Business Line 9001	26,000.00
410.03 · Standby Letter of Credit	675,000.00
<b>Total 410.00 · Lines of Credit</b>	<b>2,051,812.08</b>
430.00 · Capital Leases Payable	
430.03 · Capital Lease - Given Imaging	3,271.60
430.01 · Capital lease- Olympus	134,088.94
<b>Total 430.00 · Capital Leases Payable</b>	<b>137,360.54</b>
<b>Total Long Term Liabilities</b>	<b>3,014,447.62</b>
<b>Total Liabilities</b>	<b>3,886,176.39</b>

The Endoscopy Center of New York  
**Balance Sheet**  
 As of December 31, 2016

Cash Basis

	Dec 31, 16
<b>Equity</b>	
460.00 · Member's Equity	
460.12 · Frontier	21,115.19
460.01 · DA	61,786.98
460.02 · JA	60,500.96
460.03 · NB	61,315.96
460.05 · JF	61,786.98
460.06 · LK	61,786.98
460.07 · KMM	60,499.96
460.08 · YP	11,400.00
460.09 · WP	27,850.00
460.10 · AL	22,850.00
460.11 · BL	22,850.00
<b>Total 460.00 · Member's Equity</b>	<b>473,743.01</b>
461.00 · Member Distributions	
461.11 · Member 11 BL	-395,042.98
461.12 · Member 12 Frontier	-408,873.78
461.01 · Member 1DA	-1,176,484.67
461.02 · Member 2 JA	-1,176,484.67
461.03 · Member 3 NB	-1,176,484.67
461.05 · Member 5 JF	-1,176,484.67
461.06 · Member 6 LK	-1,176,484.67
461.07 · Member 7 KMM	-1,176,484.67
461.08 · Member 8 YP	-197,089.26
461.09 · Member 9 WP	-395,042.98
461.10 · Member 10 AL	-395,042.98
<b>Total 461.00 · Member Distributions</b>	<b>-8,850,000.00</b>
490.00 · Retained Earnings	4,066,106.81
Net Income	9,078,303.48
<b>Total Equity</b>	<b>4,768,153.30</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>8,654,329.69</u></b>

**The Endoscopy Center of New York**  
**Profit & Loss**  
 January through December 2016

Cash Basis

	Jan - Dec 16
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
500.00 · Revenue	18,115,110.21
<b>Total Income</b>	18,115,110.21
<b>Gross Profit</b>	18,115,110.21
<b>Expense</b>	
735.00 · Continuing Education	6,282.00
733.00 · NYS Public Goods Pool Surcharge	4,891.00
600.00 · Drugs & Medical Supplies	788,837.71
651.00 · Outside Anesthesia Staffing cost	2,000.00
650.00 · Anesthesia Staffing Costs	1,854,090.21
700.00 · Payroll and Benefits	2,227,813.03
710.00 · Occupancy	920,398.77
720.00 · Revenue Cycle Management	548,046.83
730.00 · General and Administrative	338,078.63
740.00 · Professional Fees	1,303,166.93
800.00 · Depreciation and Amortization	450,733.92
<b>Total Expense</b>	8,444,339.03
<b>Net Ordinary Income</b>	9,670,771.18
<b>Other Income/Expense</b>	
<b>Other Expense</b>	
930.00 · NYC Corporate Tax Expense	443,720.00
910.00 · Interest Expense	37,401.33
900.00 · Eqpmnt Rental/Maintenance Agr	111,346.37
80000 · Ask My Accountant	0.00
<b>Total Other Expense</b>	592,467.70
<b>Net Other Income</b>	-592,467.70
<b>Net Income</b>	<u>9,078,303.48</u>



**YORKVILLE ENDOSCOPY, LLC**  
**(A Limited Liability Company)**  
**BALANCE SHEETS**  
**DECEMBER 31, 2015 AND 2014**

Project # 172004  
BFA Attachment A (Cont.)

	<u>2015</u>	<u>2014</u>
<b><u>ASSETS</u></b>		
Current assets:		
Cash	\$ 543,555	\$ 245,466
Accounts receivable, net of allowance for doubtful accounts of \$751,960 and \$1,090,745 at December 31, 2015 and 2014, respectively	2,786,946	2,464,957
Due from landlord	-	227,500
Prepaid expenses	<u>97,743</u>	<u>93,529</u>
Total current assets	3,428,244	3,031,452
Property and equipment, net	4,693,277	5,141,014
Other assets	<u>2,765</u>	<u>2,765</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 8,124,286</u></b>	<b><u>\$ 8,175,231</u></b>

**LIABILITIES AND MEMBERS' EQUITY**

Current liabilities:		
Accounts payable and accrued expenses	\$ 349,420	\$ 638,756
Current portion of long-term debt	718,813	690,544
Current portion of capital lease obligations	215,875	209,181
Due to third-party payer	1,028,804	822,275
Due to related party	39,883	39,432
Note payable - former member	-	115,946
Due to former member	<u>186,641</u>	<u>-</u>
Total current liabilities	<u>2,539,436</u>	<u>2,516,134</u>
Long-term liabilities:		
Long-term debt, net of current portion	834,627	1,758,261
Capital lease obligations, net of current portion	280,519	496,394
Deferred rent	<u>1,234,328</u>	<u>1,168,014</u>
Total long-term liabilities	<u>2,349,474</u>	<u>3,422,669</u>
Total liabilities	4,888,910	5,938,803
Commitments and contingencies		
Members' equity	<u>3,235,376</u>	<u>2,236,428</u>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b><u>\$ 8,124,286</u></b>	<b><u>\$ 8,175,231</u></b>

**YORKVILLE ENDOSCOPY, LLC**  
**(A Limited Liability Company)**  
**STATEMENTS OF INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2015 AND 2014**

Project # 172004  
BFA Attachment A (Cont.)

	<u>2015</u>	<u>2014</u>
Net patient service revenue	\$ <u>16,089,180</u>	\$ <u>20,356,914</u>
Operating expenses:		
Patient care costs	5,418,824	5,626,425
General and administrative	3,173,554	2,731,042
Depreciation	<u>715,765</u>	<u>684,910</u>
Total operating expenses	<u>9,308,143</u>	<u>9,042,377</u>
Operating income	<u>6,781,037</u>	<u>11,314,537</u>
Other income (expense):		
Interest expense	(122,620)	(142,594)
Other income	<u>4,208</u>	<u>12,258</u>
Other expense, net	<u>(118,412)</u>	<u>(130,336)</u>
Income before provision for income taxes	6,662,625	11,184,201
Provision for income taxes	<u>254,320</u>	<u>539,681</u>
NET INCOME	<u>\$ 6,408,305</u>	<u>\$ 10,644,520</u>

**MOUNT SINAI AMBULATORY VENTURES**  
**Comparative Balance Sheet**  
**April 30, 2017**

	<u>04/30/17</u>	<u>Audited 12/31/16</u>	<u>Change</u>
<b>Current Assets</b>			
Receivables for patient care, net	-	-	\$ -
<b>Total current assets</b>	<u>-</u>	<u>-</u>	<u>-</u>
Property, plant and equipment, net	83,925	89,240	(5,315)
Due from affiliated organizations	16,835,546	16,047,930	787,617
Equity Investments	1,591,137	1,491,137	100,000
<b>Total assets</b>	<u>\$ 18,510,608</u>	<u>\$ 17,628,307</u>	<u>\$ 882,302</u>
<b>Current Liabilities</b>			
Accrued expenses	\$ 7,518	\$ 7,674	\$ (156)
Accrued salaries	-	-	-
<b>Total current liabilities</b>	<u>7,518</u>	<u>7,674</u>	<u>(156)</u>
Investments held for SLR	798,153	798,153	-
Due to affiliated organizations	-	-	-
<b>Total liabilities</b>	<u>805,671</u>	<u>805,827</u>	<u>(156)</u>
<b>Unrestricted net assets/(deficit)</b>	<u>17,704,937</u>	<u>16,822,480</u>	<u>882,458</u>
<b>Total liabilities and net assets</b>	<u>\$ 18,510,608</u>	<u>\$ 17,628,307</u>	<u>\$ 882,302</u>

**MOUNT SINAI AMBULATORY VENTURES**  
**Statement of Operations**  
**For the Four Months Ended Apr 30, 2017**  
**Statement of Operations**

	<b>Year-to-Date</b>		
	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>Revenue:</b>			
Net patient service revenue	\$ 156	\$ -	\$ 156
Net revenue	<b>156</b>	<b>-</b>	<b>156</b>
<b>Expenses:</b>			
Salaries and wages		-	-
Employee benefits		-	-
Supplies and other expenses	711	5,699	4,988
Depreciation	5,315	-	(5,315)
<b>Total operating expenses</b>	<b>6,026</b>	<b>5,699</b>	<b>(327)</b>
<b>Gain / (loss) from operations</b>	<b>(5,870)</b>	<b>(5,699)</b>	<b>(171)</b>
Income from equity investments	1,202,828	1,370,220	(167,392)
Lost Investment in Joint Venture		-	-
<b>Gain / (loss) before Investment distributions</b>	<b>1,196,958</b>	<b>1,364,521</b>	<b>(167,563)</b>
<b>Investment Distribution</b>	<b>314,500</b>	<b>451,948</b>	<b>(137,448)</b>
<b>Increase/(Decrease) in unrestricted net assets</b>	<b>\$ 882,458</b>	<b>\$ 912,573</b>	<b>\$ (30,115)</b>

**MOUNT SINAI AMBULATORY VENTURES**  
**Comparative Balance Sheet**  
**December 31, 2016**

Project # 172004  
 BFA Attachment B(Cont.)

	12/31/16	Audited 12/31/15	Change
<b>Current Assets</b>			
Receivables for patient care, net	-	-	\$ -
<b>Total current assets</b>	-	-	-
Property, plant and equipment, net	89,240	105,392	(16,152)
Due from affiliated organizations	16,047,930	7,765,148	8,282,781
Equity Investments	1,491,137	1,392,936	98,201
<b>Total assets</b>	<b>\$ 17,628,307</b>	<b>\$ 9,263,476</b>	<b>\$ 8,364,830</b>
<b>Current Liabilities</b>			
Accrued expenses	\$ 7,674	\$ 7,658	\$ 16
Accrued salaries	-	-	-
<b>Total current liabilities</b>	<b>7,674</b>	<b>7,658</b>	<b>16</b>
Investments held for SLR	798,153	799,952	(1,799)
Due to affiliated organizations	-	-	-
<b>Total liabilities</b>	<b>805,827</b>	<b>807,610</b>	<b>(1,783)</b>
Unrestricted net assets/(deficit)	16,822,480	8,455,866	8,366,613
<b>Total liabilities and net assets</b>	<b>\$ 17,628,307</b>	<b>\$ 9,263,476</b>	<b>\$ 8,364,830</b>

**MOUNT SINAI AMBULATORY VENTURES**  
**Statement of Operations**  
**For the Twelve Months Ended Dec 31, 2016**  
**Statement of Operations**

	<b>Year-to-Date</b>		
	<b><u>Actual</u></b>	<b><u>Budget</u></b>	<b><u>Variance</u></b>
<b>Revenue:</b>			
Net patient service revenue	\$ (33)	\$ -	\$ (33)
<b>Net revenue</b>	<b>(33)</b>	<b>-</b>	<b>(33)</b>
<b>Expenses:</b>			
Salaries and wages		-	-
Employee benefits		-	-
Supplies and other expenses	45,748	3,300	(42,448)
Depreciation	16,152	-	(16,152)
<b>Total operating expenses</b>	<b>61,900</b>	<b>3,300</b>	<b>(58,600)</b>
<b>Gain / (loss) from operations</b>	<b>(61,933)</b>	<b>(3,300)</b>	<b>(58,633)</b>
Income from equity investments	9,867,092	4,169,994	5,697,098
Lost Investment in Joint Venture		-	-
<b>Gain / (loss) before Investment distributions</b>	<b>9,805,159</b>	<b>4,166,694</b>	<b>5,638,465</b>
<b>Investment Distribution</b>	<b>1,438,546</b>	<b>2,199,999</b>	<b>(761,453)</b>
<b>Increase/(Decrease) in unrestricted net assets</b>	<b>\$ 8,366,613</b>	<b>\$ 1,966,695</b>	<b>\$ 6,399,918</b>

**FSNR SNF, LLC**  
**Doing Business As**  
**FOUR SEASONS NURSING & REHABILITATION CENTER**

Project# 171109  
 BFA Attachment-B

**ORGANIZATIONAL CHART**

<b><u>FSNR SNF, LLC</u></b>	
<b>Members:</b>	
Michael Manela	20.00%
Lea Sherman	40.00%
Alexander Sherman	15.00%
Jeffery Goldstein	10.00%
Sheryl Frankel	8.00%
Howard Pomerantz	5.00%
Hindy Amsel	2.00%
	<b>100.00%</b>

<b><u>Doing Business As</u></b>
<b><u>FOUR SEASONS NURSING &amp; REHABILITATION CENTER</u></b>

Lease

RHCF Administrator Director of Nursing Direct Care Staff Support Staff Clerical Staff
---

<b><u>FSNR ACQUISITION GROUP, LLC*</u></b>		
<b>(RHCF Real Estate)</b>		
<b>Members:</b>	<b>Members:</b>	
FSNR A-1, LLC	25.00%	Howard Pomerantz 2.08%
Ashford FSNR, LLC	1.11%	Mitchell Kuflik 1.39%
Schon Family Foundation	1.39%	Jacob Muller 1.11%
BMS Holding, LLC	0.80%	Bary Friedman 0.57%
FS Equities Holding, LLC	2.50%	Samuel Sherman 10.86%
DDJ Partners, LLC	1.39%	Israel Sherman 5.86%
Queens Investing, LLC	4.85%	Michael Manela 10.00%
Yamo Equities, LLC	0.28%	Abraham Frankel 4.00%
ZLW, LLC	2.50%	Moshe Mendlowitz 11.00%
JSL Four Season, LLC	4.28%	Jeffery Goldstein 6.38%
SMG Capital, LLC	2.65%	
	<b>46.75%</b>	<b>53.25%</b>
	<b>100.00%</b>	

\* See enclosure for individual members of LLCs.

**ORGANIZATIONAL CHARTS**

**Organizational Chart of Prior Owner of Real Estate\***

<u>Members</u>	<u>"Sellers" Group</u> <u>L.P. &amp; LLC Membership</u>	<u>Percentage</u>
LHF Associates, L.P.	Barry Friedman	99.00%
	Rachel Friedman	1.00%
945 E. 108th Street, LLC	Barry Friedman	99.00%
	Rachel Friedman	1.00%
1174 E. 96th Street, LLC	Barry Friedman	99.00%
	Rachel Friedman	1.00%
1555 Rochaway Parkway, LLC	Barry Friedman	99.00%
	Rachel Friedman	1.00%
1222 E. 96th Street, LLC	Barry Friedman	99.00%
	Rachel Friedman	1.00%
9517 Ave, J, LLC	Barry Friedman	99.00%
	Rachel Friedman	1.00%

\*Realty Ownership prior to FSNR Acquisition Group, LLC purchase of the real estate.

Project# 171109  
BFA Attachment-C



**FSNR ACQUISITION GROUP, LLC**

**MEMBERSHIP LIST**

<b><u>FSNR ACQUISITION GROUP, LLC</u></b>			
<b>(RHCF Real Estate)</b>			
<b><u>Members:</u></b>		<b><u>Members:</u></b>	
FSNR A-1, LLC	25.00%	Howard Pomerantz	2.08%
Ashford FSNR, LLC	1.11%	Mitchell Kuffik	1.39%
Schon Family Foundation	1.39%	Jacob Muller	1.11%
BMS Holding, LLC	0.80%	Barry Friedman	0.57%
FS Equities Holding, LLC	2.50%	Samuel Sherman	10.86%
DDJ Partners, LLC	1.39%	Israel Sherman	5.86%
Queens Investing, LLC	4.85%	Michael Manela	10.00%
Yamo Equities, LLC	0.28%	Abraham Frankel	4.00%
ZLW, LLC	2.50%	Moshe Mendlowitz	11.00%
JSL Four Season, LLC	4.28%	Jeffrey Goldstein	6.38%
SMG Capital, LLC	2.65%		
	<b>46.75%</b>		<b>53.25%</b>
	<b>100.00%</b>		

**COMPOSITION OF ALL MEMBERSHIPS**

<b><u>FSNR A-1, LLC</u></b>	<b><u>25.00%</u></b>	<b><u>Individual Members</u></b>	<b><u>53.25%</u></b>
Shlomo Rechnitz	22.22%	Howard Pomerantz	2.08%
Steve Rechnitz	5.56%	Mitchell Kuffik	1.39%
Moshe Mendlowitz	11.11%	Jacob Muller	1.11%
Morris Weinberg	11.11%	Barry Friedman	0.57%
Gershon Bassman	11.11%	Samuel Sherman	10.86%
David Blonder	5.56%	Israel Sherman	5.86%
Alan Jaffa	5.56%	Michael Manela	10.00%
Menashe Frankel	5.56%	Abraham Frankel	4.00%
Harry Reichman	22.22%	Moshe Mendlowitz	11.00%
	<b><u>100.00%</u></b>	Jeffrey Goldstein	6.38%
<b><u>Ashford FSNR, LLC</u></b>	<b><u>1.11%</u></b>		
Abraham Frankl	<b><u>100.00%</u></b>		
<b><u>Schon Family Foundation</u></b>	<b><u>1.39%</u></b>		
<b><u>BMS Holding, LLC</u></b>	<b><u>0.80%</u></b>		
Baron Schon	<b><u>100.00%</u></b>		
<b><u>FS Equities Holding, LLC</u></b>	<b><u>2.50%</u></b>		
Zalmen Horowitz	50.00%		
David Weinberger	50.00%		
	<b><u>100.00%</u></b>		
<b><u>DDJ Partners, LLC</u></b>	<b><u>1.39%</u></b>		
Joseph Rabinowitz	<b><u>100.00%</u></b>		
<b><u>Queens Investing, LLC</u></b>	<b><u>4.85%</u></b>		
Magda Manela	<b><u>100.00%</u></b>		
<b><u>Yamo Equities, LLC</u></b>	<b><u>0.28%</u></b>		
Michal Oelbaum	<b><u>100.00%</u></b>		
<b><u>ZLW, LLC</u></b>	<b><u>2.50%</u></b>		
Zalmen Wagschall	<b><u>100.00%</u></b>		
<b><u>JSL Four Season, LLC</u></b>	<b><u>4.28%</u></b>		
Jacob Stelf	<b><u>100.00%</u></b>		
<b><u>SMG Capital, LLC</u></b>	<b><u>2.65%</u></b>		
Michael Manela	<b><u>100.00%</u></b>		
<b>TOTAL</b>	<b><u>46.75%</u></b>		<b><u>53.25%</u></b>

EXHIBIT A

ADDRESS	SELLER	BLOCK	LOT	SQ FT AREA
945 E 108 ST <i>ADHEP</i>	945 E 108 <sup>TH</sup> Street LLC	8235	342	77600
1603 ROCKAWAY PKWY	1555 ROCKAWAY PARKWAY LLC	8224	38	7667
22 TRUCKELMAN	LHF ASSOCIATES L.P.	8206	59	4629
EAST 98 <sup>TH</sup> STREET	LHF ASSOCIATES L.P.	8206	22	2436
2 TRUCKELMAN	LHF ASSOCIATES L.P.	8205	63	2675
4 TRUCKELMAN	LHF ASSOCIATES L.P.	8205	62	2675
6 TRUCKELMAN	LHF ASSOCIATES L.P.	8205	61	2657
8 TRUCKELMAN	LHF ASSOCIATES L.P.	8205	60	2635
20 TRUCKELMAN	LHF ASSOCIATES L.P.	8205	58	5564
1555 ROCKAWAY PKWY	LHF ASSOCIATES L.P.	8205	11	43000
1585 ROCKAWAY PKWY	LHF ASSOCIATES L.P.	8205	10	2142
1587 ROCKAWAY PKWY	LHF ASSOCIATES L.P.	8205	9	2167
1589 ROCKAWAY PKWY	LHF ASSOCIATES L.P.	8205	8	2167
1593 ROCKAWAY PKWY	LHF ASSOCIATES L.P.	8205	7	2167
AVENUE J	LHF ASSOCIATES L.P.	8205	5	4140
1566 ROCKAWAY PKWY	LHF ASSOCIATES L.P.	8204	65	1950
1210 E 96 ST	1222 E 96 <sup>TH</sup> ST LLC	8203	74	7140
1202 E 96/65 SKIDMORE	1222 E 96 <sup>TH</sup> ST LLC	8203	73	4560
61 SKIDMORE	1222 E 96 <sup>TH</sup> ST LLC	8203	21	5945
1174 E 96	1174 E 96 <sup>TH</sup> ST LLC	8203	11	39706
9517 AVENUE J <i>ADHEP</i>	9517 AVE. J, LLC	8203	5	21109

Pro Forma Balance sheet

Project# 171109  
BFA Attachment-E

**FOUR SEASONS NURSING & REHABILITATION CENTER**  
**As of December 31, 2016**  
**BALANCE SHEET**

**ASSETS**

**CURRENT ASSETS**

CASH & EQUIVALENTS	\$ 2,854,999
ACCOUNTS RECEIVABLE	13,674,551
INVENTORY	127,487
ACCOUNTS RECEIVABLE OTHER	334,103
PREPAID EXPENSES	849,073
<b>TOTAL CURRENT ASSETS</b>	<b>17,840,213</b>

**EQUIPMENT & OTHER ASSETS**

CONSTRUCTION IN PROGRESS	115,789
CAPITAL & LHI IMPROVEMENTS	6,269,811
FURNITURE & EQUIPMENT	1,239,236
ORGANIZATION COSTS	38,047
<b>TOTAL FIXED ASSETS</b>	<b>7,662,883</b>
ACCUMULATED DEPRECIATION	4,970,491
<b>NET UNDEPRECIATED VALUE</b>	<b>2,692,392</b>
PATIENTS' TRUST FUND	114,510
OTHER ASSETS	39,894
SECURITY DEPOSITS	1,755
<b>TOTAL EQUIPMENT &amp; OTHER ASSETS</b>	<b>2,848,551</b>
<b>TOTAL ASSETS</b>	<b>\$ 20,688,764</b>

**LIABILITIES & EQUITY**

**CURRENT LIABILITIES**

ACCOUNTS PAYABLE	\$ 4,201,123
EQUIPMENT OBLIGATIONS	16,936
ACCRUED PAYROLL	228,635
ACCRUED EXPENSES & TAXES	120,121
EXCHANGES	(91,701)
LOANS PAYABLE - REL PARTIES	(3,077,446)
OTHER LIABILITIES	2,642,845
OTHER PAYABLES	297,461
PATIENT SECURITY DEPOSITS	36,300
<b>TOTAL CURRENT LIABILITIES</b>	<b>4,374,274</b>

**LONG TERM LIABILITIES**

EQUIPMENT OBLIGATIONS PAYABLE	74,858
PATIENTS' TRUST FUND PAYABLE	114,510
<b>TOTAL LONG TERM LIABILITIES</b>	<b>189,368</b>

**EQUITY**

EQUITY	16,125,122
<b>TOTAL EQUITY</b>	<b>16,125,122</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 20,688,764</b>

Financial Summary

Parkshore Health Care, LLC  
Four Seasons Nursing & Rehabilitation Center

FISCAL PERIOD ENDED	<u>12/31/2015</u>	<u>12/31/2014</u>	<u>12/31/2013</u>
ASSETS - CURRENT	\$20,379,267	\$13,578,838	\$13,637,634
ASSETS - FIXED AND OTHER	3,110,848	3,629,581	5,733,737
LIABILITIES - CURRENT	8,985,200	8,616,940	6,313,024
LIABILITIES - LONG-TERM	<u>161,407</u>	<u>152,602</u>	<u>12,171,519</u>
EQUITY	\$14,343,508	\$8,438,877	\$886,828
<hr/>			
INCOME	\$67,781,541	\$63,800,264	\$70,013,424
EXPENSE	<u>65,976,908</u>	<u>65,867,475</u>	<u>68,480,942</u>
NET INCOME	\$1,804,633	(\$2,067,211)	\$1,532,482
<hr/>			
NUMBER OF BEDS	270	270	270
PERCENT OF OCCUPANCY (DAYS)	96.40%	95.60%	97.70%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	72.39%	74.76%	76.40%
MEDICARE	16.70%	13.32%	21.20%
PRIVATE/OTHER	10.91%	11.92%	2.40%
<hr/>			
Average Working Capital	\$7,893,525		
Average Net Assets	\$7,889,738		
Average Net Income (Loss)	\$423,301		
Average Occupancy	96.57%		

**FOUR SEASONS NURSING & REHABILITATION CENTER  
GATEWAY DIALYSIS CENTER  
FSNR ACQUISITIONS GROUP, LLC  
COMBINING BALANCE SHEET  
December 31, 2016**

{Project# 171109  
BFA attachment-G

ASSETS

	FACILITY #1	FACILITY #2	REALTY	ELIMINATION	COMBINED
<b>CURRENT ASSETS:</b>					
Cash	\$ 2,854,999	\$ 1,621,688	\$ 1,352,307	\$ -	\$ 5,828,994
Accounts Receivable (Net)	14,008,655	1,024,350	-	-	15,033,005
Inventory	127,487	67,207	-	-	194,694
Prepaid Expenses	849,073	16,014	-	-	865,087
Escrow Deposits	-	-	1,504,021	-	1,504,021
Exchanges	91,701	13,006	455,000	-	559,707
Due From Four Seasons NH	-	-	300,000	(300,000)	-
Loans Receivable - Related Parties	-	1,306,000	2,467,964	-	3,773,964
Due From Gateway Dialysis	<u>2,921,571</u>	<u>-</u>	<u>-</u>	<u>(2,921,571)</u>	<u>-</u>
<b>TOTAL CURRENT ASSETS</b>	<b>20,853,486</b>	<b>4,048,265</b>	<b>6,079,292</b>	<b>(3,221,571)</b>	<b>27,759,472</b>
<b>FIXED ASSETS:</b>					
Land	-	-	4,550,000	-	4,550,000
Building	-	-	40,950,000	-	40,950,000
Construction In Progress	115,789	-	-	-	115,789
Leasehold Improvements	6,269,811	394,936	-	-	6,664,747
Furniture & Equipment	<u>1,239,236</u>	<u>466,497</u>	<u>1,900,000</u>	<u>-</u>	<u>3,605,733</u>
	7,624,836	861,433	47,400,000	-	55,886,269
Less: Accumulated Depreciation & Amortization	<u>4,938,229</u>	<u>351,555</u>	<u>2,630,654</u>	<u>-</u>	<u>7,920,438</u>
<b>TOTAL FIXED ASSETS</b>	<b>2,686,607</b>	<b>509,878</b>	<b>44,769,346</b>	<b>-</b>	<b>47,965,831</b>
<b>OTHER ASSETS:</b>					
Interest Rate Swap Asset	-	-	13,539	-	13,539
Replacement Reserve	-	-	513,430	-	513,430
Security Deposits	1,755	-	-	-	1,755
Goodwill (Net)	-	-	16,000,000	-	16,000,000
Intangible Assets (Net)	5,784	-	182,000	-	187,784
Other Assets	39,894	-	-	-	39,894
Patients' Trust Fund	<u>114,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,510</u>
<b>TOTAL OTHER ASSETS</b>	<b>161,943</b>	<b>-</b>	<b>16,708,969</b>	<b>-</b>	<b>16,870,912</b>
<b>TOTAL ASSETS</b>	<b>\$ <u>23,702,036</u></b>	<b>\$ <u>4,558,143</u></b>	<b>\$ <u>67,557,607</u></b>	<b>\$ <u>(3,221,571)</u></b>	<b>\$ <u>92,596,215</u></b>

**FOUR SEASONS NURSING & REHABILITATION CENTER  
GATEWAY DIALYSIS CENTER  
FSNR ACQUISITIONS GROUP, LLC  
COMBINING BALANCE SHEET  
December 31, 2016**

Project# 171109  
BFA Attachment-G Cont

**LIABILITIES & EQUITY**

	FACILITY #1	FACILITY #2	REALTY	ELIMINATION	COMBINED
<b>CURRENT LIABILITIES:</b>					
Mortgage Payable	\$ -	\$ -	\$ 2,226,695	\$ -	\$ 2,226,695
Equipment Obligations	16,936	133,182	-	-	150,118
Accounts Payable	4,201,123	290,695	-	-	4,491,818
Accrued Payroll	228,635	96,340	-	-	324,975
Accrued Expenses & Taxes	120,121	36,994	145,358	-	302,473
Due to Prior Owner	-	-	2,200,000	-	2,200,000
Loans Payable Related Parties	2,484,431	-	-	-	2,484,431
Due To FSNR	300,000	-	-	(300,000)	-
Due To Four Seasons NH	-	2,921,571	-	(2,921,571)	-
Patients' Security Deposits	<u>36,300</u>	<u>-</u>	<u>8,500</u>	<u>-</u>	<u>44,800</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>7,387,546</b>	<b>3,478,782</b>	<b>4,580,553</b>	<b>(3,221,571)</b>	<b>12,225,310</b>
<b>LONG TERM LIABILITIES:</b>					
Mortgage Payable (Net)	-	-	44,299,374	-	44,299,374
Equipment Obligations	74,858	278,721	-	-	353,579
Patients' Trust Fund Payable	<u>114,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,510</u>
<b>TOTAL LONG TERM LIABILITIES</b>	<b>189,368</b>	<b>278,721</b>	<b>44,299,374</b>	<b>-</b>	<b>44,767,463</b>
<b>MEMBERS' EQUITY</b>	<u><b>16,125,122</b></u>	<u><b>800,640</b></u>	<u><b>18,677,680</b></u>	<u><b>-</b></u>	<u><b>35,603,442</b></u>
<b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY</b>	<u><b>\$ 23,702,036</b></u>	<u><b>\$ 4,558,143</b></u>	<u><b>\$ 67,557,607</b></u>	<u><b>\$ (3,221,571)</b></u>	<u><b>\$ 92,596,215</b></u>

**FOUR SEASONS NURSING & REHABILITATION CENTER  
GATEWAY DIALYSIS CENTER  
FSNR ACQUISITIONS GROUP, LLC  
COMBINING STATEMENT OF OPERATIONS  
For the year ended December 31, 2016**

Project# 171109  
BFA Attachment-G cont

	FACILITY #1	FACILITY #2	REALTY	ELIMINATION	COMBINED
TOTAL REVENUE FROM PATIENTS:	\$ 65,690,951	\$ 7,265,347	\$ -	\$ -	\$ 72,956,298
TOTAL RENTAL REVENUE	-	-	7,589,514	(7,149,863)	439,651
OPERATING EXPENSES:					
Payroll	1,970,916	2,047,696	-	-	4,018,612
Employee Benefits	638,145	304,009	-	-	942,154
Professional Care	28,922,409	2,179,014	-	-	31,101,423
Dietary & Housekeeping	7,534,289	18,014	-	-	7,552,303
Plant & Maintenance	12,093,479	567,623	4,384,801	(7,149,863)	9,896,040
General & Administrative	11,735,813	648,819	14,452	-	12,399,084
Long Term Home Health Care	<u>1,406,982</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,406,982</u>
TOTAL OPERATING EXPENSES	<u>64,302,033</u>	<u>5,765,175</u>	<u>4,399,253</u>	<u>(7,149,863)</u>	<u>67,316,598</u>
INCOME FROM OPERATIONS	1,388,918	1,500,172	3,190,261	-	6,079,351
OTHER INCOME	<u>392,697</u>	<u>6,066</u>	<u>9,410</u>	<u>-</u>	<u>408,173</u>
NET INCOME	1,781,615	1,506,238	3,199,671	-	6,487,524
OTHER COMPREHENSIVE INCOME					
Unrealized Gain on Interest Rate Swap	<u>-</u>	<u>-</u>	<u>171,464</u>	<u>-</u>	<u>171,464</u>
TOTAL COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>	<u>171,464</u>	<u>-</u>	<u>171,464</u>
TOTAL INCOME	<u>\$ 1,781,615</u>	<u>\$ 1,506,238</u>	<u>\$ 3,371,135</u>	<u>\$ -</u>	<u>\$ 6,658,988</u>

**FOUR SEASONS NURSING & REHABILITATION CENTER**  
**GATEWAY DIALYSIS CENTER**  
**FSNR ACQUISITIONS GROUP, LLC**  
**COMBINING STATEMENT OF MEMBERS' EQUITY**  
**For the year ended December 31, 2016**

Project# 171109  
BFA Attachment-G Cont

	FACILITY #1	FACILITY #2	REALTY	ELIMINATION	COMBINED
<b>MEMBERS' EQUITY:</b>					
Balance as of Beginning of Period	\$ 14,343,507	\$ (705,598)	\$ 19,299,008	\$ -	\$ 32,936,917
Net Income for the Period	1,781,615	1,506,238	3,199,671	-	6,487,524
Members' Distributions	<u>-</u>	<u>-</u>	<u>(3,834,538)</u>	<u>-</u>	<u>(3,834,538)</u>
Balance as of End of Period	16,125,122	800,640	18,664,141	-	35,589,903
<b>ACCUMULATED OTHER COMPREHENSIVE INCOME</b>					
Balance as of Beginning of Period	-	-	(157,925)	-	(157,925)
Other Comprehensive Income	<u>-</u>	<u>-</u>	<u>171,464</u>	<u>-</u>	<u>171,464</u>
Balance as of End of Period	<u>-</u>	<u>-</u>	<u>13,539</u>	<u>-</u>	<u>13,539</u>
<b>TOTAL MEMBERS' EQUITY</b>					
<b>END OF PERIOD</b>	<u>\$ 16,125,122</u>	<u>\$ 800,640</u>	<u>\$ 18,677,680</u>	<u>\$ -</u>	<u>\$ 35,603,442</u>



Proposed Members' Interest in Affiliated RHCfs.

Facility:	Jeffrey Goldstein	Alexander Sherman	Lea Sherman
Niagara Rehab & Nursing Center	25%	13%	
The Hamptons Center for Rehab & Nursing	5%		
Humboldt House & Rehab & Nursing	24%	17%	24%
JSSG Healthcare	75%		

**FSNR SNF, LLC**

**Financial Summary of porposed members' affiliated RHCs**

**Niagara Rehab & Nursing Center**

Internal

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$3,843,015	\$2,744,016	\$2,301,618
Non-Current Assets	<u>1,317,654</u>	<u>1,461,248</u>	<u>1,140,565</u>
Total Assets	\$5,160,669	\$4,205,264	\$3,442,183
Current Liabilities	2,662,999	1,797,038	1,499,903
Long Term Liabilities	<u>635,434</u>	<u>713,814</u>	<u>578,753</u>
Total Liabilities	3,298,433	2,510,852	2,078,656
Net Assets	\$1,862,236	\$1,694,412	\$1,363,527
Working Capital Position	\$1,180,016	\$946,978	\$801,715
Operating Revenues	\$10,776,423	\$11,408,779	\$10,797,228
Operating Expenses	<u>9,840,801</u>	<u>11,021,376</u>	<u>10,491,047</u>
Operating Net Income	\$935,622	\$387,403	\$306,181

**The Hampton Center for Rehab & Nursing**

Internal

	<u>11/30/2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$8,423,927	\$7,603,090	\$8,620,432
Non-Current Assets	<u>7,264,058</u>	<u>6,969,312</u>	<u>2,371,901</u>
Total Assets	\$15,687,985	\$14,572,402	\$10,992,333
Current Liabilities	5,725,762	7,729,916	8,184,956
Long Term Liabilities	<u>10,042,158</u>	<u>9,770,225</u>	<u>9,525,261</u>
Total Liabilities	15,767,920	17,500,141	17,710,217
Net Assets	(\$79,935)	(\$2,927,739)	(\$6,717,884)
Working Capital Position	\$2,698,165	(\$126,826)	\$435,476
Operating Revenues	\$32,511,550	\$35,851,169	\$38,205,801
Operating Expenses	<u>28,638,746</u>	<u>33,686,774</u>	<u>33,749,689</u>
Operating Net Income	\$3,872,804	\$2,164,395	\$4,456,112

Acquired Dec-2015

**Humboldt House Rehab & Nursing**

Internal

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$2,973,067		
Non-Current Assets	<u>237,802</u>		
Total Assets	\$3,210,869	\$0	\$0
Current Liabilities	2,704,462		
Long Term Liabilities	<u>1,000,000</u>		
Total Liabilities	3,704,462	0	0
Net Assets	(\$493,593)	\$0	\$0
Working Capital Position	\$268,605	\$0	\$0
Operating Revenues	\$10,822,030		
Operating Expenses	<u>11,495,183</u>		
Operating Net Income	(\$673,153)	\$0	\$0

JSSG Healthcare

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$2,039,198	\$1,973,221	\$1,320,224
Non-Current Assets	<u>1,766,941</u>	<u>1,906,472</u>	<u>1,997,571</u>
Total Assets	\$3,806,139	\$3,879,693	\$3,317,795
Current Liabilities	1,474,661	2,200,548	1,904,159
Long Term Liabilities	<u>1,657,890</u>	<u>1,206,700</u>	<u>1,214,011</u>
Total Liabilities	3,132,551	3,407,248	3,118,170
Net Assets	\$673,588	\$472,445	\$199,625
Working Capital Position	\$564,537	(\$227,327)	(\$583,935)
Operating Revenues	\$5,451,401	\$5,250,282	\$5,238,091
Operating Expenses	<u>6,077,598</u>	<u>5,027,412</u>	<u>5,046,664</u>
Operating Net Income	(\$626,197)	\$222,870	\$191,427

**FSNR DIALYSIS, LLC**  
**Doing Business As**  
**FOUR SEASONS DIALYSIS CENTER**

**ORGANIZATIONAL CHART**

<b><u>FSNR DIALYSIS, LLC</u></b>	
<b><u>Members:</u></b>	
Michael Manela	20.00%
Lea Sherman	40.00%
Alexander Sherman	15.00%
Jeffrey Goldstein	10.00%
Sheryl Frankel	8.00%
Howard Pomerantz	5.00%
Hindy Amsel	2.00%
	<b>100.00%</b>

<b><u>Doing Business As</u></b>
<b><u>FOUR SEASONS DIALYSIS CENTER</u></b>

Administrator Director of Nursing Direct Care Staff Support Staff Clerical Staff
--

Lease

<b><u>FSNR SNF, LLC</u></b>	
<b><u>Members:</u></b>	
Michael Manela	20.00%
Lea Sherman	40.00%
Alexander Sherman	15.00%
Jeffery Goldstein	10.00%
Sheryl Frankel	8.00%
Howard Pomerantz	5.00%
Hindy Amsel	2.00%
	<b>100.00%</b>

**ORGANIZATIONAL CHARTS**

**Organizational Chart of Prior Owner of Real Estate\***

<b><u>"Sellers" Group</u></b>		
<b><u>Members</u></b>	<b><u>L P &amp; LLC Membership</u></b>	<b><u>Percentage</u></b>
LHF Associates, L.P.	Barry Friedman	99.00%
	Rachel Friedman	1.00%
945 E. 108th Street, LLC	Barry Friedman	99.00%
	Rachel Friedman	1.00%
1174 E. 96th Street, LLC	Barry Friedman	99.00%
	Rachel Friedman	1.00%
1555 Rochaway Parkway, LLC	Barry Friedman	99.00%
	Rachel Friedman	1.00%
1222 E. 96th Street, LLC	Barry Friedman	99.00%
	Rachel Friedman	1.00%
9517 Ave, J, LLC	Barry Friedman	99.00%
	Rachel Friedman	1.00%

\*Realty Ownership prior to FSNR Acquisition Group, LLC purchase of the real estate.

**FSNR ACQUISITION GROUP, LLC**

**MEMBERSHIP LIST**

<b><u>FSNR ACQUISITION GROUP, LLC</u></b>			
<b>(RHC Real Estate)</b>			
<b><u>Members:</u></b>		<b><u>Members:</u></b>	
FSNR A-1, LLC	25.00%	Howard Pomerantz	2.08%
Ashford FSNR, LLC	1.11%	Mitchell Kuflik	1.39%
Schon Family Foundation	1.39%	Jacob Muller	1.11%
BMS Holding, LLC	0.80%	Barry Friedman	0.57%
FS Equities Holding, LLC	2.50%	Samuel Sherman	10.86%
DDJ Partners, LLC	1.39%	Israel Sherman	5.86%
Queens Investing, LLC	4.85%	Michael Manela	10.00%
Yamo Equities, LLC	0.28%	Abraham Frankel	4.00%
ZLW, LLC	2.50%	Moshe Mendlowitz	11.00%
JSL Four Season, LLC	4.28%	Jeffrey Goldstein	6.38%
SMG Capital, LLC	2.65%		
	<b>46.75%</b>		<b>53.25%</b>
	<b>100.00%</b>		

**COMPOSITION OF ALL MEMBERSHIPS**

<b><u>FSNR A-1, LLC</u></b>	<b><u>25.00%</u></b>	<b><u>Individual Members</u></b>	<b><u>53.25%</u></b>
Shlomo Rechnitz	22.22%	Howard Pomerantz	2.08%
Steve Rechnitz	5.56%	Mitchell Kuflik	1.39%
Moshe Mendlowitz	11.11%	Jacob Muller	1.11%
Morris Weinberg	11.11%	Barry Friedman	0.57%
Gershon Bassman	11.11%	Samuel Sherman	10.86%
David Blonder	5.56%	Israel Sherman	5.86%
Alan Jaffe	5.56%	Michael Manela	10.00%
Menasha Frankel	5.56%	Abraham Frankel	4.00%
Harry Reichman	22.22%	Moshe Mendlowitz	11.00%
	<b>100.00%</b>	Jeffrey Goldstein	6.38%
<b><u>Ashford FSNR, LLC</u></b>	<b><u>1.11%</u></b>		
Abraham Frankel	<b>100.00%</b>		
<b><u>Schon Family Foundation</u></b>	<b><u>1.39%</u></b>		
<b><u>BMS Holding, LLC</u></b>	<b><u>0.80%</u></b>		
Baron Schon	<b>100.00%</b>		
<b><u>FS Equities Holding, LLC</u></b>	<b><u>2.50%</u></b>		
Zalmen Horowitz	50.00%		
David Weinberger	50.00%		
	<b>100.00%</b>		
<b><u>DDJ Partners, LLC</u></b>	<b><u>1.39%</u></b>		
Joseph Rabinowitz	<b>100.00%</b>		
<b><u>Queens Investing, LLC</u></b>	<b><u>4.85%</u></b>		
Magda Manela	<b>100.00%</b>		
<b><u>Yamo Equities, LLC</u></b>	<b><u>0.28%</u></b>		
Michal Oelbaum	<b>100.00%</b>		
<b><u>ZLW, LLC</u></b>	<b><u>2.50%</u></b>		
Zalmen Wagschall	<b>100.00%</b>		
<b><u>JSL Four Season, LLC</u></b>	<b><u>4.28%</u></b>		
Jacob Steif	<b>100.00%</b>		
<b><u>SMG Capital, LLC</u></b>	<b><u>2.65%</u></b>		
Michael Manela	<b>100.00%</b>		
<b>TOTAL</b>	<b>46.75%</b>		<b>53.25%</b>

EXHIBIT A

ADDRESS	SELLER	BLOCK	LOT	SQ FT AREA
945 E 108 ST <i>ADHEP</i>	945 E 108 <sup>TH</sup> Street LLC	8235	342	77600
1603 ROCKAWAY PKWY	1555 ROCKAWAY PARKWAY LLC	8224	38	7667
22 TRUCKELMAN	LHF ASSOCIATES L.P.	8206	59	4629
EAST 98 <sup>TH</sup> STREET	LHF ASSOCIATES L.P.	8206	22	2436
2 TRUCKELMAN	LHF ASSOCIATES L.P.	8205	63	2675
4 TRUCKELMAN	LHF ASSOCIATES L.P.	8205	62	2675
6 TRUCKELMAN	LHF ASSOCIATES L.P.	8205	61	2657
8 TRUCKELMAN	LHF ASSOCIATES L.P.	8205	60	2635
20 TRUCKELMAN	LHF ASSOCIATES L.P.	8205	58	5564
1555 ROCKAWAY PKWY	LHF ASSOCIATES L.P.	8205	11	43000
1585 ROCKAWAY PKWY	LHF ASSOCIATES L.P.	8205	10	2142
1587 ROCKAWAY PKWY	LHF ASSOCIATES L.P.	8205	9	2167
1589 ROCKAWAY PKWY	LHF ASSOCIATES L.P.	8205	8	2167
1593 ROCKAWAY PKWY	LHF ASSOCIATES L.P.	8205	7	2167
AVENUE J	LHF ASSOCIATES L.P.	8205	5	4140
1566 ROCKAWAY PKWY	LHF ASSOCIATES L.P.	8204	65	1950
1210 E 96 ST	1222 E 96 <sup>TH</sup> ST LLC	8203	74	7140
1202 E 96/65 SKIDMORE	1222 E 96 <sup>TH</sup> ST LLC	8203	73	4560
61 SKIDMORE	1222 E 96 <sup>TH</sup> ST LLC	8203	21	5945
1174 E 96	1174 E 96 <sup>TH</sup> ST LLC	8203	11	39706
9517 AVENUE J <i>ADHEP</i>	9517 AVE. J, LLC	8203	5	21109

FSNR Dialysis, LLC D/B/A Four Seasons Dialysis Center		
PRO FORMA BALANCE SHEET		
ASSETS		
Cash	\$767,985	
Accounts Receivable	\$891,843	
Goodwill	\$200,000	
Total Assets	\$1,859,828	
Liabilities and Member Equity		
LIABILITIES		
Accounts Payable	\$403,618	
Total Liabilities	\$403,618	
MEMBER EQUITY	\$1,456,210	
TOTAL LIABILITIES AND MEMBER EQUITY	\$1,859,828	
Note: North Fork SC, LLC is a recently formed LLC and has no assets and liabilities.		



**FOUR SEASONS DIALYSIS CENTER, LLC  
D/B/A GATEWAY DIALYSIS CENTER  
BALANCE SHEET  
December 31, 2013**

ASSETS

CURRENT ASSETS:

Cash	\$	527,663
Accounts Receivable (Net)		952,070
Inventory		145,163
Prepaid Expenses		18,082
Loan Receivable - Related Parties		<u>25,000</u>

TOTAL CURRENT ASSETS \$ 1,667,978

FIXED ASSETS:

Leasehold Improvements		85,245
Furniture & Equipment		<u>508,047</u>
		593,292
Less: Accum. Depreciation & Amortization		<u>282,732</u>

TOTAL FIXED ASSETS 310,560

OTHER ASSETS:

Intangible Assets (Net)		<u>12,053</u>
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TOTAL OTHER ASSETS 12,053

TOTAL ASSETS \$ 1,990,591

**FOUR SEASONS DIALYSIS CENTER, LLC  
D/B/A GATEWAY DIALYSIS CENTER  
BALANCE SHEET  
December 31, 2013**

LIABILITIES & MEMBERS' DEFICIT

CURRENT LIABILITIES:

Equipment Obligations	\$	60,360
Accounts Payable		363,444
Accrued Payroll		109,915
Accrued Expenses & Taxes		12,125
Exchanges		<u>577</u>

TOTAL CURRENT LIABILITIES \$ 546,421

LONG TERM LIABILITIES:

Equipment Obligations	196,711
Loans Payable - Related Parties	<u>2,944,478</u>

TOTAL LONG TERM LIABILITIES 3,141,189

MEMBERS' DEFICIT (1,697,019)

TOTAL LIABILITIES & MEMBERS' DEFICIT \$ 1,990,591

**FOUR SEASONS DIALYSIS CENTER, LLC  
D/B/A GATEWAY DIALYSIS CENTER  
STATEMENT OF OPERATIONS  
For the year ended December 31, 2013**

TOTAL REVENUE FROM PATIENTS:		\$	6,514,111
OPERATING EXPENSES:			
Payroll	\$	2,165,265	
Employee Benefits		414,869	
Professional Care		1,948,199	
Housekeeping		13,234	
Plant & Maintenance		523,665	
General & Administrative		<u>375,086</u>	
TOTAL OPERATING EXPENSES			<u>5,440,318</u>
INCOME FROM OPERATIONS			1,073,793
OTHER LOSSES			<u>(731,334)</u>
NET INCOME		\$	<u>342,459</u>

**FOUR SEASONS DIALYSIS CENTER, LLC  
D/B/A GATEWAY DIALYSIS CENTER  
STATEMENT OF MEMBERS' DEFICIT  
For the year ended December 31, 2013**

MEMBERS' DEFICIT:

Balance as of Beginning of Period	\$	(1,640,478)
Net Income for the Period		342,459
Members' Drawings		<u>(399,000)</u>
TOTAL MEMBERS' DEFICIT - END OF PERIOD	\$	<u><u>(1,697,019)</u></u>

**FOUR SEASONS DIALYSIS CENTER, LLC  
D/B/A GATEWAY DIALYSIS CENTER  
BALANCE SHEET  
December 31, 2014**

ASSETS

CURRENT ASSETS:

Cash	\$	93,136	
Accounts Receivable (Net)		829,465	
Inventory		104,835	
Prepaid Expenses		19,829	
Exchanges		<u>3,885</u>	
TOTAL CURRENT ASSETS	\$		1,051,150

FIXED ASSETS:

Leasehold Improvements		92,708	
Furniture & Equipment		<u>452,294</u>	
		545,002	
Less: Accum. Depreciation & Amortization		<u>293,819</u>	
TOTAL FIXED ASSETS			251,183

OTHER ASSETS:

Loans Receivable - Related Parties		860,000	
Intangible Assets (Net)		<u>22,766</u>	
TOTAL OTHER ASSETS			<u>882,766</u>

TOTAL ASSETS \$ 2,185,099

**FOUR SEASONS DIALYSIS CENTER, LLC  
D/B/A GATEWAY DIALYSIS CENTER  
BALANCE SHEET  
December 31, 2014**

LIABILITIES & MEMBERS' DEFICIT

CURRENT LIABILITIES:

Equipment Obligations	\$	62,894
Accounts Payable		332,898
Accrued Payroll		64,515
Accrued Expenses & Taxes		1,578
Due to Landlord		79,335
Due To Third Party Payors		<u>39,500</u>

TOTAL CURRENT LIABILITIES \$ 580,720

LONG TERM LIABILITIES:

Equipment Obligations		133,817
Loans Payable - Related Parties		<u>2,950,478</u>

TOTAL LONG TERM LIABILITIES 3,084,295

MEMBERS' DEFICIT (1,479,916)

TOTAL LIABILITIES & MEMBERS' DEFICIT \$ 2,185,099

**FOUR SEASONS DIALYSIS CENTER, LLC  
D/B/A GATEWAY DIALYSIS CENTER  
STATEMENT OF OPERATIONS  
For the year ended December 31, 2014**

TOTAL REVENUE FROM PATIENTS:		\$	6,599,617
OPERATING EXPENSES:			
Payroll	\$	2,246,726	
Employee Benefits		387,318	
Professional Care		2,089,020	
Housekeeping		14,134	
Plant & Maintenance		514,724	
General & Administrative		<u>415,223</u>	
TOTAL OPERATING EXPENSES			<u>5,667,145</u>
INCOME FROM OPERATIONS			932,472
OTHER LOSSES			<u>(230,369)</u>
NET INCOME		\$	<u><u>702,103</u></u>

**FOUR SEASONS DIALYSIS CENTER, LLC  
D/B/A GATEWAY DIALYSIS CENTER  
STATEMENT OF MEMBERS' DEFICIT  
For the year ended December 31, 2014**

MEMBERS' DEFICIT:

Balance as of Beginning of Period	\$	(1,697,019)
Net Income for the Period		702,103
Members' Drawings		<u>(485,000)</u>
<b>TOTAL MEMBERS' DEFICIT - END OF PERIOD</b>	<b>\$</b>	<b><u>(1,479,916)</u></b>



**FOUR SEASONS NURSING & REHABILITATION CENTER**  
**COMBINING BALANCE SHEET**  
**December 31, 2015**

<u>ASSETS</u>					
	FACILITY #1	FACILITY #2	REALTY	ELIMINATION	COMBINED
<b>CURRENT ASSETS:</b>					
Cash	\$ 1,523,576	\$ 310,223	\$ 737,322	\$ -	\$ 2,571,121
Accounts Receivable (Net)	14,693,571	1,144,935	-	-	15,838,506
Inventory	127,487	114,956	-	-	242,443
Prepaid Expenses	818,742	9,941	-	-	828,683
Escrow Deposits	-	-	4,310,717	-	4,310,717
Due from Gateway Dialysis	2,939,672	-	-	(2,939,672)	-
Exchanges	117,805	-	70,000	-	187,805
Loans Receivable - Related Parties	158,414	1,281,000	2,467,964	-	3,907,378
	<u>20,379,267</u>	<u>2,861,055</u>	<u>7,586,003</u>	<u>(2,939,672)</u>	<u>27,886,653</u>
<b>TOTAL CURRENT ASSETS</b>	<b>20,379,267</b>	<b>2,861,055</b>	<b>7,586,003</b>	<b>(2,939,672)</b>	<b>27,886,653</b>
<b>FIXED ASSETS:</b>					
Land	-	-	4,550,000	-	4,550,000
Building	-	-	40,950,000	-	40,950,000
Construction in Progress	-	39,841	-	-	39,841
Leasehold Improvements	7,303,240	45,018	-	-	7,348,258
Furniture & Equipment	1,174,578	403,446	1,900,000	-	3,478,024
	<u>8,477,818</u>	<u>488,305</u>	<u>47,400,000</u>	<u>-</u>	<u>56,366,123</u>
Less: Accumulated Depreciation & Amortization	<u>5,579,917</u>	<u>272,489</u>	<u>876,885</u>	<u>-</u>	<u>6,729,291</u>
<b>TOTAL FIXED ASSETS</b>	<b>2,897,901</b>	<b>215,816</b>	<b>46,523,115</b>	<b>-</b>	<b>49,636,832</b>
<b>OTHER ASSETS:</b>					
Replacement Reserve	-	-	229,322	-	229,322
Security Deposits	1,755	-	-	-	1,755
Goodwill (Net)	-	-	18,100,000	-	18,100,000
Intangible Assets (Net)	9,891	-	2,319,553	-	2,329,444
Other Assets	39,894	-	-	-	39,894
Patients' Trust Fund	161,407	-	-	-	161,407
	<u>212,947</u>	<u>-</u>	<u>20,648,875</u>	<u>-</u>	<u>20,861,822</u>
<b>TOTAL OTHER ASSETS</b>	<b>212,947</b>	<b>-</b>	<b>20,648,875</b>	<b>-</b>	<b>20,861,822</b>
<b>TOTAL ASSETS</b>	<b><u>\$ 23,490,115</u></b>	<b><u>\$ 3,076,871</u></b>	<b><u>\$ 74,757,993</u></b>	<b><u>\$ (2,939,672)</u></b>	<b><u>\$ 98,385,307</u></b>

**FOUR SEASONS NURSING & REHABILITATION CENTER**  
**COMBINING BALANCE SHEET**  
**December 31, 2015**

LIABILITIES & MEMBERS' EQUITY (DEFICIT)

	FACILITY #1	FACILITY #2	REALTY	ELIMINATION	COMBINED
<b>CURRENT LIABILITIES:</b>					
Mortgage Payable	\$ -	\$ -	\$ 2,130,696	\$ -	\$ 2,130,696
Equipment Obligations	-	65,533	-	-	65,533
Accounts Payable	5,418,615	630,476	-	-	6,049,091
Accrued Payroll	267,033	74,057	-	-	341,090
Accrued Expenses & Taxes	159,588	4,448	143,431	-	307,467
Due to Prior Owner	-	-	4,300,000	-	4,300,000
Due to Four Seasons NH	-	2,939,672	-	(2,939,672)	-
Loans Payable - Related Parties	3,103,964	-	-	-	3,103,964
Tenant Security Deposits	-	-	8,500	-	8,500
Patients' Security Deposits	<u>36,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,000</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>8,985,200</b>	<b>3,714,186</b>	<b>6,582,627</b>	<b>(2,939,672)</b>	<b>16,342,341</b>
<b>LONG TERM LIABILITIES:</b>					
Mortgage Payable	-	-	48,876,359	-	48,876,359
Equipment Obligations	-	68,284	-	-	68,284
Interest Rate Swap Liability	-	-	157,925	-	157,925
Patients' Trust Fund Payable	<u>161,407</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>161,407</u>
<b>TOTAL LONG TERM LIABILITIES</b>	<b>161,407</b>	<b>68,284</b>	<b>49,034,284</b>	<b>-</b>	<b>49,263,975</b>
<b>MEMBERS' EQUITY(DEFICIT)</b>	<b><u>14,343,508</u></b>	<b><u>(705,599)</u></b>	<b><u>19,141,082</u></b>	<b><u>-</u></b>	<b><u>32,778,991</u></b>
<b>TOTAL LIABILITIES &amp; MEMBERS' EQUITY(DEFICIT)</b>	<b><u>\$ 23,490,115</u></b>	<b><u>\$ 3,076,871</u></b>	<b><u>\$ 74,757,993</u></b>	<b><u>\$ (2,939,672)</u></b>	<b><u>\$ 98,385,307</u></b>

**FOUR SEASONS NURSING & REHABILITATION CENTER**  
**COMBINING STATEMENT OF OPERATIONS**  
For the year ended December 31, 2015

	FACILITY #1	FACILITY #2	REALTY	ELIMINATION	COMBINED
TOTAL REVENUE FROM PATIENTS:	\$ 67,606,409	\$ 6,289,736	\$ -	\$ -	\$ 73,896,145
TOTAL RENTAL REVENUE	-	-	5,477,466	(5,212,416)	265,050
OPERATING EXPENSES:					
Payroll	2,086,363	1,994,791	-	-	4,081,154
Employee Benefits	655,969	333,787	-	-	989,756
Professional Care	30,161,079	2,200,978	-	-	32,362,057
Dietary & Housekeeping	8,567,008	17,810	-	-	8,584,818
Plant & Maintenance	10,473,303	519,822	3,196,090	(5,212,416)	8,976,799
General & Administrative	11,323,974	456,512	6,664	-	11,787,150
Long Term Home Health Care	<u>2,709,212</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,709,212</u>
TOTAL OPERATING EXPENSES	<u>65,976,908</u>	<u>5,523,700</u>	<u>3,202,754</u>	<u>(5,212,416)</u>	<u>69,490,946</u>
INCOME FROM OPERATIONS	1,629,501	766,036	2,274,712	-	4,670,249
OTHER INCOME(EXPENSES)	<u>175,132</u>	<u>8,278</u>	<u>11,289</u>	<u>-</u>	<u>194,699</u>
NET INCOME	<u>\$ 1,804,633</u>	<u>\$ 774,314</u>	<u>\$ 2,286,001</u>	<u>\$ -</u>	<u>\$ 4,864,948</u>
OTHER COMPREHENSIVE LOSS					
Unrealized Loss on Interest Rate Swap	<u>-</u>	<u>-</u>	<u>(157,925)</u>	<u>-</u>	<u>(157,925)</u>
TOTAL COMPREHENSIVE LOSS	<u>-</u>	<u>-</u>	<u>(157,925)</u>	<u>-</u>	<u>(157,925)</u>
TOTAL INCOME	<u>\$ 1,804,633</u>	<u>\$ 774,314</u>	<u>\$ 2,128,076</u>	<u>\$ -</u>	<u>\$ 4,707,023</u>

**FOUR SEASONS NURSING & REHABILITATION CENTER**  
**COMBINING STATEMENT OF MEMBERS' EQUITY**  
**For the year ended December 31, 2015**

	FACILITY #1	FACILITY #2	REALTY	ELIMINATION	COMBINED
<b>MEMBERS' EQUITY:</b>					
Balance as of Beginning of Period	\$ 8,438,875	\$ (1,479,913)	\$ -	\$ -	\$ 6,958,962
Net Income for the Period	1,804,633	774,314	2,286,001	-	4,864,948
Members' Drawings	-	-	(1,766,953)	-	(1,766,953)
Members' Contributions	<u>4,100,000</u>	<u>-</u>	<u>18,779,959</u>	<u>-</u>	<u>22,879,959</u>
<b>END OF PERIOD</b>	<b><u>\$ 14,343,508</u></b>	<b><u>\$ (705,599)</u></b>	<b><u>\$ 19,299,007</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 32,936,916</u></b>
<b>ACCUMULATED OTHER COMPREHENSIVE LOSS</b>					
Other Comprehensive Loss	<u>-</u>	<u>-</u>	<u>(157,925)</u>	<u>-</u>	<u>(157,925)</u>
Balance as of End of Period	<u>-</u>	<u>-</u>	<u>(157,925)</u>	<u>-</u>	<u>(157,925)</u>
<b>TOTAL MEMBERS' EQUITY</b>					
<b>END OF PERIOD</b>	<b><u>14,343,508</u></b>	<b><u>\$ (705,599)</u></b>	<b><u>\$ 19,141,082</u></b>	<b><u>\$ -</u></b>	<b><u>32,778,991</u></b>

FOUR SEASONS NURSING & REHABILITATION CENTER  
 GATEWAY DIALYSIS CENTER  
 FSNR ACQUISITIONS GROUP, LLC  
 COMBINING BALANCE SHEET  
 December 31, 2016

ASSETS

	FACILITY #1	FACILITY #2	REALTY	ELIMINATION	COMBINED
CURRENT ASSETS:					
Cash	\$ 2,854,999	\$ 1,621,688	\$ 1,352,307	\$ -	\$ 5,828,994
Accounts Receivable (Net)	14,008,655	1,024,350	-	-	15,033,005
Inventory	127,487	67,207	-	-	194,694
Prepaid Expenses	849,073	16,014	-	-	865,087
Escrow Deposits	-	-	1,504,021	-	1,504,021
Exchanges	91,701	13,006	455,000	-	559,707
Due From Four Seasons NH	-	-	300,000	(300,000)	-
Loans Receivable - Related Parties	-	1,306,000	2,467,964	-	3,773,964
Due From Gateway Dialysis	<u>2,921,571</u>	<u>-</u>	<u>-</u>	<u>(2,921,571)</u>	<u>-</u>
<b>TOTAL CURRENT ASSETS</b>	<b>20,853,486</b>	<b>4,048,265</b>	<b>6,079,292</b>	<b>(3,221,571)</b>	<b>27,759,472</b>
FIXED ASSETS:					
Land	-	-	4,550,000	-	4,550,000
Building	-	-	40,950,000	-	40,950,000
Construction in Progress	115,789	-	-	-	115,789
Leasehold Improvements	6,269,811	394,936	-	-	6,664,747
Furniture & Equipment	<u>1,239,236</u>	<u>466,497</u>	<u>1,900,000</u>	<u>-</u>	<u>3,605,733</u>
	7,624,836	861,433	47,400,000	-	55,886,269
Less: Accumulated Depreciation & Amortization	<u>4,938,229</u>	<u>351,555</u>	<u>2,630,654</u>	<u>-</u>	<u>7,920,438</u>
<b>TOTAL FIXED ASSETS</b>	<b>2,686,607</b>	<b>509,878</b>	<b>44,769,346</b>	<b>-</b>	<b>47,965,831</b>
OTHER ASSETS:					
Interest Rate Swap Asset	-	-	13,539	-	13,539
Replacement Reserve	-	-	513,430	-	513,430
Security Deposits	1,755	-	-	-	1,755
Goodwill (Net)	-	-	16,000,000	-	16,000,000
Intangible Assets (Net)	5,784	-	182,000	-	187,784
Other Assets	39,894	-	-	-	39,894
Patients' Trust Fund	<u>114,510</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>114,510</u>
<b>TOTAL OTHER ASSETS</b>	<b>161,943</b>	<b>-</b>	<b>16,708,969</b>	<b>-</b>	<b>16,870,912</b>
<b>TOTAL ASSETS</b>	<b>\$ <u>23,702,036</u></b>	<b>\$ <u>4,558,143</u></b>	<b>\$ <u>67,557,607</u></b>	<b>\$ <u>(3,221,571)</u></b>	<b>\$ <u>92,596,215</u></b>

**FOUR SEASONS NURSING & REHABILITATION CENTER**  
**GATEWAY DIALYSIS CENTER**  
**FSNR ACQUISITIONS GROUP, LLC**  
**COMBINING BALANCE SHEET**  
**December 31, 2016**

LIABILITIES & EQUITY

	FACILITY #1	FACILITY #2	REALTY	ELIMINATION	COMBINED
CURRENT LIABILITIES:					
Mortgage Payable	\$ -	\$ -	\$ 2,226,695	\$ -	\$ 2,226,695
Equipment Obligations	16,936	133,182	-	-	150,118
Accounts Payable	4,201,123	290,695	-	-	4,491,818
Accrued Payroll	228,635	96,340	-	-	324,975
Accrued Expenses & Taxes	120,121	36,994	145,358	-	302,473
Due to Prior Owner	-	-	2,200,000	-	2,200,000
Loans Payable Related Parties	2,484,431	-	-	-	2,484,431
Due To FSNR	300,000	-	-	(300,000)	-
Due To Four Seasons NH	-	2,921,571	-	(2,921,571)	-
Patients' Security Deposits	36,300	-	8,500	-	44,800
	<u>7,387,546</u>	<u>3,478,782</u>	<u>4,580,553</u>	<u>(3,221,571)</u>	<u>12,225,310</u>
TOTAL CURRENT LIABILITIES					
LONG TERM LIABILITIES:					
Mortgage Payable (Net)	-	-	44,299,374	-	44,299,374
Equipment Obligations	74,858	278,721	-	-	353,579
Patients' Trust Fund Payable	114,510	-	-	-	114,510
	<u>189,368</u>	<u>278,721</u>	<u>44,299,374</u>	<u>-</u>	<u>44,767,463</u>
TOTAL LONG TERM LIABILITIES					
MEMBERS' EQUITY	<u>16,125,122</u>	<u>800,640</u>	<u>18,677,680</u>	<u>-</u>	<u>35,603,442</u>
TOTAL LIABILITIES & MEMBERS' EQUITY					
	<u>\$ 23,702,036</u>	<u>\$ 4,558,143</u>	<u>\$ 67,557,607</u>	<u>\$ (3,221,571)</u>	<u>\$ 92,596,215</u>

**FOUR SEASONS NURSING & REHABILITATION CENTER  
GATEWAY DIALYSIS CENTER  
FSNR ACQUISITIONS GROUP, LLC  
COMBINING STATEMENT OF OPERATIONS  
For the year ended December 31, 2016**

	FACILITY #1	FACILITY #2	REALTY	ELIMINATION	COMBINED
TOTAL REVENUE FROM PATIENTS:	\$ 65,690,951	\$ 7,265,347	\$ -	\$ -	\$ 72,956,298
TOTAL RENTAL REVENUE	-	-	7,589,514	(7,149,863)	439,651
OPERATING EXPENSES:					
Payroll	1,970,916	2,047,696	-	-	4,018,612
Employee Benefits	638,145	304,009	-	-	942,154
Professional Care	28,922,409	2,179,014	-	-	31,101,423
Dietary & Housekeeping	7,534,289	18,014	-	-	7,552,303
Plant & Maintenance	12,093,479	567,623	4,384,801	(7,149,863)	9,896,040
General & Administrative	11,735,813	648,819	14,452	-	12,399,084
Long Term Home Health Care	<u>1,406,982</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,406,982</u>
TOTAL OPERATING EXPENSES	<u>64,302,033</u>	<u>5,765,175</u>	<u>4,399,253</u>	<u>(7,149,863)</u>	<u>67,316,598</u>
INCOME FROM OPERATIONS	1,388,918	1,500,172	3,190,261	-	6,079,351
OTHER INCOME	<u>392,697</u>	<u>6,066</u>	<u>9,410</u>	<u>-</u>	<u>408,173</u>
NET INCOME	1,781,615	1,506,238	3,199,671	-	6,487,524
OTHER COMPREHENSIVE INCOME					
Unrealized Gain on Interest Rate Swap	<u>-</u>	<u>-</u>	<u>171,464</u>	<u>-</u>	<u>171,464</u>
TOTAL COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>	<u>171,464</u>	<u>-</u>	<u>171,464</u>
TOTAL INCOME	<u>\$ 1,781,615</u>	<u>\$ 1,506,238</u>	<u>\$ 3,371,135</u>	<u>\$ -</u>	<u>\$ 6,658,988</u>

**FOUR SEASONS NURSING & REHABILITATION CENTER**  
**GATEWAY DIALYSIS CENTER**  
**FSNR ACQUISITIONS GROUP, LLC**  
**COMBINING STATEMENT OF MEMBERS' EQUITY**  
**For the year ended December 31, 2016**

	FACILITY #1	FACILITY #2	REALTY	ELIMINATION	COMBINED
<b>MEMBERS' EQUITY:</b>					
Balance as of Beginning of Period	\$ 14,343,507	\$ (705,598)	\$ 19,299,008	\$ -	\$ 32,936,917
Net Income for the Period	1,781,615	1,506,238	3,199,671	-	6,487,524
Members' Distributions	<u>-</u>	<u>-</u>	<u>(3,834,538)</u>	<u>-</u>	<u>(3,834,538)</u>
Balance as of End of Period	16,125,122	800,640	18,664,141	-	35,589,903
<b>ACCUMULATED OTHER COMPREHENSIVE INCOME</b>					
Balance as of Beginning of Period	-	-	(157,925)	-	(157,925)
Other Comprehensive Income	<u>-</u>	<u>-</u>	<u>171,464</u>	<u>-</u>	<u>171,464</u>
Balance as of End of Period	<u>-</u>	<u>-</u>	<u>13,539</u>	<u>-</u>	<u>13,539</u>
<b>TOTAL MEMBERS' EQUITY END OF PERIOD</b>	<b><u>\$ 16,125,122</u></b>	<b><u>\$ 800,640</u></b>	<b><u>\$ 18,677,680</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 35,603,442</u></b>



Highland Nursing Home, Inc.

ORGANIZATIONAL CHART

<u>Highland Nursing Home, Inc.</u>		
<u>Current Shareholders:</u>		<u>Proposed Shareholders:</u>
Elizabeth Kaneb	100%	Alexander Sherman 33.3%
		Jeffrey Goldstein 33.4%
		Lea Sherman 33.3%
		<u>Total 100.0%</u>

Lease

<u>Highland Realty Co., LLC</u> (RHC Real Estate)	
<u>Members:</u>	
Jeffrey Goldstein	33.4%
Lea Sherman	33.3%
Alexander Sherman	33.3%
<u>Total</u>	<u>100.0%</u>

- RHCF Administrator
- Director of Nursing
- Direct Care Staff
- Support Staff
- Clerical Staff

Prior Real Property Shareholders		Proposed Real Property Members	
<u>Highland Nursing Home, Inc.</u>		<u>Highland Realty Co., LLC</u>	
Shareholder	%	Member	%
Elizabeth Kaneb	100.0%	Jeffrey Goldstein	33.4%
		Alexander Sherman	33.3%
		Lea Sherman	<u>33.3%</u>
Total	100.0%	Total	100.0%

**HIGHLAND NURSING HOME, INC.**  
**140-BED RESIDENTIAL HEALTH CARE FACILITY**

Project # 162532  
BFA Attachment D

**PRO FORMA BALANCE SHEET**

**ASSETS**

**Current Assets**

Cash \$1,242,227  
Goodwill \$1,850,000

**Total Current Assets** \$3,092,227

**Non-Current Assets**

Equipment \$200,000

**Total Non-Current Assets** \$200,000

**TOTAL ASSETS** \$3,292,227

**LIABILITIES AND EQUITY**

**LIABILITIES**

**Current Liabilities**

Current Portion - Stock Purchase Loan \$30,571  
Current Portion - Working Capital Loan \$111,560

**Total Current Liabilities** \$142,131

**Long-Term Liabilities**

Stock Purchase Loan \$1,506,929  
Working Capital Loan \$509,553

**Total Long-Term Liabilities** \$2,016,482

**SHAREHOLDER EQUITY**

Common Stock \$512,500  
Additional Paid-In Capital for Working Capital \$621,114

**Total Shareholder Equity** \$1,133,614

**TOTAL LIABILITIES AND  
SHAREHOLDER EQUITY** \$3,292,227

**Financial Summary**  
**Highland Nursing Home, Inc.**

FISCAL PERIOD ENDED	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
ASSETS - CURRENT	\$822,920	\$759,247	\$901,193
ASSETS - FIXED AND OTHER	\$4,259,305	\$4,477,700	\$4,691,175
LIABILITIES - CURRENT	\$879,814	\$794,505	\$809,217
LIABILITIES - LONG-TERM	<u>\$1,552,771</u>	<u>\$2,020,114</u>	<u>\$2,555,688</u>
EQUITY	\$2,649,640	\$2,422,328	\$2,227,463
<hr/>			
INCOME	\$5,851,179	\$5,893,806	\$5,839,449
EXPENSE	<u>\$5,551,867</u>	<u>\$5,458,941</u>	<u>\$5,499,199</u>
NET INCOME	\$299,312	\$434,865	\$340,250
<hr/>			
NUMBER OF BEDS	140	140	140
PERCENT OF OCCUPANCY (DAYS)	62.38%	64.84%	66.63%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	83.60%	82.86%	78.54%
MEDICARE	9.26%	6.89%	9.90%
PRIVATE/OTHER	7.14%	10.26%	11.56%
<hr/>			

**HIGHLAND NURSING HOME, INC.**  
**Balance Sheets**  
**December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ -	\$ 21,033
Accounts receivable - net	740,517	663,516
Prepaid expenses and other assets	82,403	74,698
<b>Total current assets</b>	<u>822,920</u>	<u>759,247</u>
<b>Property and Equipment - Net</b>	<u>3,863,411</u>	<u>4,109,264</u>
<b>Other Assets</b>		
Escrow deposits	307,448	314,548
Due from third-party payors	-	18,197
Resident funds held in trust	88,446	35,691
<b>Total other assets</b>	<u>395,894</u>	<u>368,436</u>
<b>Total Assets</b>	<u>\$ 5,082,225</u>	<u>\$ 5,236,947</u>
<b>LIABILITIES AND STOCKHOLDER'S EQUITY</b>		
<b>Current Liabilities</b>		
Bank overdraft	\$ 10,305	\$ -
Debt - current portion	540,722	501,286
Accounts payable	94,064	78,872
Accrued expenses	230,830	214,347
Due to third-party payors	3,893	-
<b>Total current liabilities</b>	<u>879,814</u>	<u>794,505</u>
<b>Long-Term Liabilities</b>		
Debt - net of current portion	1,464,325	1,984,423
Resident funds held in trust	88,446	35,691
<b>Total long-term liabilities</b>	<u>1,552,771</u>	<u>2,020,114</u>
<b>Total Liabilities</b>	<u>2,432,585</u>	<u>2,814,619</u>
<b>Stockholder's Equity</b>		
Common stock, no par, 200 shares authorized, issued and outstanding	12,758	12,758
Additional paid in capital	226,413	226,413
Retained earnings	2,410,469	2,183,157
<b>Total stockholder's equity</b>	<u>2,649,640</u>	<u>2,422,328</u>
<b>Total Liabilities and Stockholder's Equity</b>	<u>\$ 5,082,225</u>	<u>\$ 5,236,947</u>

**HIGHLAND NURSING HOME, INC.**  
**Statements of Income**  
**For the Years Ended December 31, 2016 and 2015**

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	<u>2016</u>	<u>2015</u>
<b>Operating Revenues</b>		
Resident care revenues	\$ 5,713,455	\$ 5,861,765
Less, bad debt expense	<u>(59,800)</u>	<u>(30,000)</u>
Total revenue	<u>5,653,655</u>	<u>5,831,765</u>
<b>Operating Expenses</b>		
Nursing services	2,334,106	2,182,606
Other professional services	338,954	291,091
Dietary services	641,694	648,804
General services	756,112	848,634
Administrative services	604,425	619,412
Depreciation	258,409	247,605
Interest expense	201,874	236,817
New York state assessment	<u>316,759</u>	<u>324,580</u>
Total operating expenses	<u>5,452,333</u>	<u>5,399,549</u>
<b>Income Before Other Income</b>	201,322	432,216
<b>Other Income (Expense)</b>		
Other income	122,990	12,649
Profit sharing plan	<u>(25,000)</u>	<u>(10,000)</u>
Total other income	<u>97,990</u>	<u>2,649</u>
<b>Income Before Provision for Income Taxes</b>	299,312	434,865
<b>Provision for Income Taxes</b>	<u>3,000</u>	<u>3,000</u>
<b>Net Income</b>	<u>\$ 296,312</u>	<u>\$ 431,865</u>



## Affiliated Nursing Homes

AmeriFalls Operating, LLC _June 2012	<u>11/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$3,834,779	\$2,744,016	\$2,301,618
Fixed Assets	\$1,327,980	\$1,461,248	\$1,141,140
Total Assets	\$5,162,759	\$4,205,264	\$3,442,758
Current Liabilities	\$2,547,523	\$1,797,038	\$1,500,478
Long Term Liabilities	\$652,384	\$713,814	\$578,753
Total Liabilities	\$3,199,907	\$2,510,852	\$2,079,231
Net Assets	\$1,962,852	\$1,694,412	\$1,363,527
Working Capital Position	\$1,287,256	\$946,978	\$801,140
Revenue	\$9,824,785	\$11,889,154	\$10,905,228
Expenses	\$9,556,340	\$11,507,751	\$10,599,047
Net Income	\$268,445	\$381,403	\$306,181
North Sea Associates, LLC _ 2007	<u>11/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$8,423,927	\$7,978,000	\$8,620,000
Fixed Assets	\$7,264,058	\$6,969,000	\$2,372,000
Total Assets	\$15,687,985	\$14,947,000	\$10,992,000
Current Liabilities	\$5,725,762	\$7,730,000	\$14,070,000
Long Term Liabilities	\$10,042,158	\$9,770,000	\$3,640,000
Total Liabilities	\$15,767,920	\$17,500,000	\$17,710,000
Net Assets	-\$79,935	-\$2,553,000	-\$6,718,000
Working Capital Position	\$2,698,165	\$248,000	-\$5,450,000
Revenue	\$32,511,550	\$35,851,000	\$38,152,000
Expenses	\$28,638,746	\$33,687,000	\$33,696,000
Net Income	\$3,872,804	\$2,164,000	\$4,456,000
JSSG Healthcare, LLC _Nov 2013	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$2,039,198	\$1,973,000	\$1,320,000
Fixed Assets	\$1,766,941	\$1,907,000	\$1,998,000
Total Assets	\$3,806,139	\$3,880,000	\$3,318,000
Current Liabilities	\$1,474,661	\$2,201,000	\$3,008,000
Long Term Liabilities	\$1,657,890	\$1,206,000	\$110,000
Total Liabilities	\$3,132,551	\$3,407,000	\$3,118,000
Net Assets	\$673,588	\$473,000	\$200,000
Working Capital Position	\$564,537	-\$228,000	-\$1,688,000
Revenue	\$5,451,401	\$5,250,000	\$5,518,000
Expenses	\$6,077,598	\$5,027,000	\$5,327,000
Net Income	-\$626,197	\$223,000	\$191,000



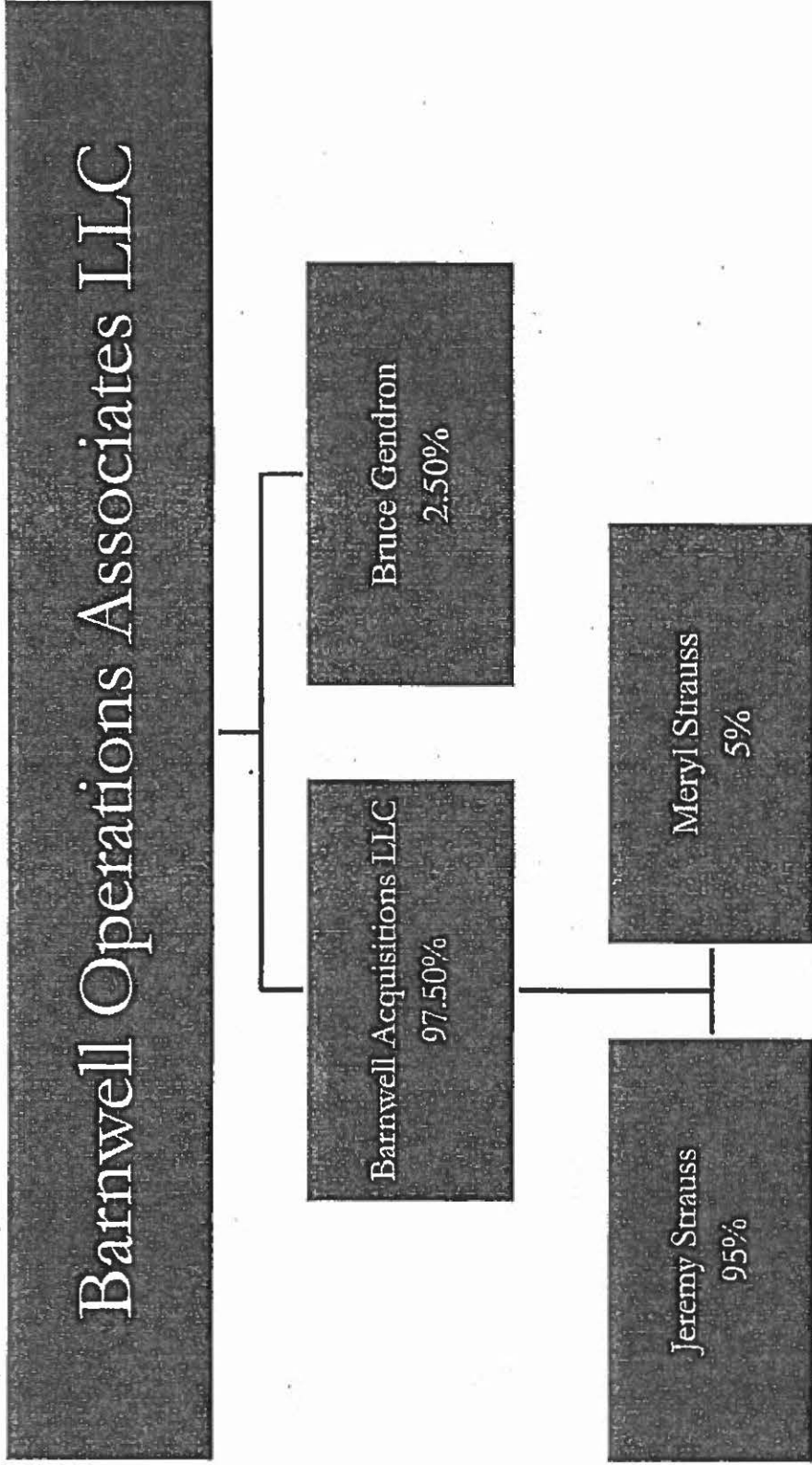
## Affiliated Nursing Homes (Page 2)

Parkshore Health Care, LLC _ Jan 2015	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$20,853,486	\$17,205,000	\$0
Fixed Assets	\$2,848,550	\$3,069,000	\$0
Total Assets	\$23,702,036	\$20,274,000	\$0
Current Liabilities	\$7,387,546	\$5,769,000	\$0
Long Term Liabilities	\$189,368	\$162,000	\$0
Total Liabilities	\$7,576,914	\$5,931,000	\$0
Net Assets	\$16,125,122	\$14,343,000	\$0
Working Capital Position	\$13,465,940	\$11,436,000	\$0
Revenue	\$66,083,648	\$68,602,000	\$0
Expenses	\$64,302,033	\$66,797,000	\$0
Net Income	\$1,781,615	\$1,805,000	\$0

NHRC Acquisition, LLC _ Dec 2015	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$2,973,067	\$0	\$0
Fixed Assets	\$237,802	\$0	\$0
Total Assets	\$3,210,869	\$0	\$0
Current Liabilities	\$2,704,462	\$0	\$0
Long Term Liabilities	\$1,000,000	\$0	\$0
Total Liabilities	\$3,704,462	\$0	\$0
Net Assets	-\$493,593	\$0	\$0
Working Capital Position	\$268,605	\$0	\$0
Revenue	\$10,822,030	\$0	\$0
Expenses	\$11,495,183	\$0	\$0
Net Income	-\$673,153	\$0	\$0

Barnwell Operations Associates LLC

Organizational Chart



CON 171128

BFA Attachment B

CON# 171128

## Financial Summary- Barnwell Nursing and Rehabilitation Center

	FISCAL PERIOD ENDED			Draft
	<u>12/31/14</u>	<u>12/31/15</u>	<u>12/31/16</u>	<u>6/30/17</u>
ASSETS - CURRENT	\$4,246,000	\$4,978,000	\$5,737,285	\$6,076,845
ASSETS - FIXED/OTHER	3,018,000	2,891,000	2,720,692	2,684,504
LIABILITIES - CURRENT	2,159,000	1,802,000	2,170,882	1,901,650
LIABILITIES - LONG-TERM	<u>3,168,000</u>	<u>3,947,000</u>	<u>3,616,965</u>	<u>3,365,998</u>
EQUITY	\$1,937,000	\$2,120,000	\$2,670,130	\$3,493,701
<b>INCOME</b>	<b>\$22,796,000</b>	<b>\$22,052,000</b>	<b>\$22,388,500</b>	<b>\$10,270,714</b>
<b>EXPENSE</b>	<b><u>22,332,000</u></b>	<b><u>21,494,000</u></b>	<b><u>21,838,136</u></b>	<b><u>8,717,639</u></b>
<b>NET INCOME</b>	<b>\$464,000</b>	<b>\$558,000</b>	<b>\$550,364</b>	<b>\$1,553,075</b>
<b>NUMBER OF BEDS</b>	<b>236</b>	<b>236</b>	<b>236</b>	<b>236</b>
<b>OCCUPANCY (DAYS)</b>	<b>90.70%</b>	<b>90.60%</b>	<b>90.16%</b>	<b>89.78%</b>
<b>Medicaid</b>	<b>70.5%</b>	<b>73.8%</b>	<b>79.53%</b>	<b>67.89%</b>
<b>Medicare</b>	<b>14.8%</b>	<b>15.2%</b>	<b>12.12%</b>	<b>12.59%</b>
<b>Private Pay/Other</b>	<b>12.4%</b>	<b>11.0%</b>	<b>8.35%</b>	<b>7.79%</b>

<b>Pro Forma Balance Sheet</b>		
As of Closing TBD		
	Barnwell Operations Associates LLC (OPERATIONS)	Barnwell Realty Operations Associates LLC (REALTY)
<b>Assets</b>		
Cash & Cash Equiv.	\$3,873,565	\$0
Escrows/Deposits	\$1,050,000	\$0
Land/Building	\$0	\$9,090,000
Goodwill	\$19,950,000	\$0
<b>Total Assets</b>	<b>\$24,873,565</b>	<b>\$9,090,000</b>
<b>Liabilities &amp; Equity</b>		
Working Capital	\$1,914,206	\$0
Financing/Mortgage	\$15,750,000	\$8,640,000
Owners Equity	\$7,209,359	\$450,000
<b>Total Liabilities &amp; Equity</b>	<b>\$24,873,565</b>	<b>\$9,090,000</b>

**CON 171128 - Barnwell Nursing &  
Rehabilitation Center**

BFA Attachment E

**The Grand Rehabilitation and Nursing  
at Pawling (f/k/a Dutchess Center for  
Rehabilitation) (122 beds)**

<b><u>Dutchess County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>draft 3/31/2017</u></b>
Current Assets	\$2,368,000	\$4,325,000	\$5,369,359	\$3,699,121
Fixed Assets/Other Assets	<u>6,231,000</u>	<u>6,069,000</u>	<u>5,540,482</u>	<u>7,161,409</u>
Total Assets	\$8,599,000	\$10,394,000	\$10,909,841	\$10,860,530
Current Liabilities	746,000	3,881,000	1,912,795	1,307,277
Long Term Liabilities	<u>3,688,000</u>	<u>652,000</u>	<u>2,680,689</u>	<u>2,558,277</u>
Total Liabilities	\$4,434,000	\$4,533,000	\$4,593,484	\$3,865,554
Net Assets	\$4,165,000	\$5,861,000	\$6,316,357	\$6,994,976
Working Capital Position	\$1,622,000	\$444,000	\$3,456,564	\$2,391,844
Operating Revenues	\$15,101,000	\$13,335,000	\$13,056,474	\$3,174,395
Operating Expenses	<u>11,976,000</u>	<u>11,481,000</u>	<u>12,245,488</u>	<u>3,082,650</u>
Operating Net Income	\$3,125,000	\$1,854,000	\$810,986	\$91,745
Jeremy Strauss - 98%				
Meryl Strauss - 2%				

**The Grand Rehabilitation and Nursing  
at Queens (f/k/a Queens Center for  
Rehabilitation) (179 beds)**

<b><u>Queens County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>draft 3/31/2017</u></b>
Current Assets	\$3,163,000	\$4,382,000	\$5,134,721	\$4,903,581
Fixed Assets/Other Assets	<u>15,334,000</u>	<u>16,606,000</u>	<u>18,451,922</u>	<u>17,606,054</u>
Total Assets	\$18,497,000	\$20,988,000	\$23,586,643	\$22,509,635
Current Liabilities	3,162,000	3,453,000	4,701,884	3,552,988
Long Term Liabilities	<u>7,158,000</u>	<u>7,315,000</u>	<u>1,503,536</u>	<u>6,717,822</u>
Total Liabilities	\$10,320,000	\$10,768,000	\$6,205,420	\$10,270,810
Net Assets	\$8,177,000	\$10,220,000	\$17,381,223	\$12,238,825
Working Capital Position	\$1,000	\$929,000	\$432,837	\$1,350,593
Operating Revenues	\$25,927,000	\$23,641,000	\$25,461,068	\$6,339,580
Operating Expenses	<u>21,566,000</u>	<u>21,549,000</u>	<u>22,133,623</u>	<u>5,975,887</u>
Operating Net Income	\$4,361,000	\$2,092,000	\$3,327,445	\$363,693
Jeremy Strauss - 95%				
Meryl Strauss - 2.5%				

## CON 171128 - Barnwell Nursing &amp; Rehabilitation Center BFA Attachment E

**The Grand Rehabilitation and Nursing at Rome (f/k/a Rome Center for Rehabilitation and Health Care) (160 beds)**

<b><u>Oneida County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>draft 3/31/2017</u></b>
Current Assets	\$2,585,000	\$3,194,555	\$4,938,062	\$4,268,144
Fixed Assets/Other Assets	<u>3,488,000</u>	<u>4,215,758</u>	<u>3,942,963</u>	<u>4,666,405</u>
Total Assets	\$6,073,000	\$7,410,313	\$8,881,025	\$8,934,549
Current Liabilities	2,809,000	2,952,501	3,861,761	2,237,951
Long Term Liabilities	<u>587,000</u>	<u>294,903</u>	<u>133,986</u>	<u>161,248</u>
Total Liabilities	\$3,396,000	\$3,247,404	\$3,995,747	\$2,399,199
Net Assets	\$2,677,000	\$4,162,909	\$4,885,278	\$6,535,350
Working Capital Position	(\$224,000)	\$242,054	\$1,076,301	\$2,030,193
Operating Revenues	\$14,215,000	\$15,100,076	\$15,581,409	\$3,829,235
Operating Expenses	<u>12,882,000</u>	<u>13,368,901</u>	<u>14,549,040</u>	<u>3,526,899</u>
Operating Net Income	\$1,333,000	\$1,731,175	\$1,032,369	\$302,336
Jeremy Strauss - 98%				
Meryll Strauss - 2%				

**The Grand Rehabilitation and Nursing at Chittenango (f/k/a Chittenango Center for Rehabilitation and Health Care) (80 beds)**

<b><u>Madison County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>draft 3/31/2017</u></b>
Current Assets	\$1,726,000	\$2,641,000	\$4,185,545	\$2,475,515
Fixed Assets/Other Assets	<u>1,602,000</u>	<u>1,551,000</u>	<u>1,369,792</u>	<u>2,684,658</u>
Total Assets	\$3,328,000	\$4,192,000	\$5,555,337	\$5,160,173
Current Liabilities	846,000	765,000	1,075,668	595,558
Long Term Liabilities	<u>210,000</u>	<u>144,000</u>	<u>167,728</u>	<u>127,199</u>
Total Liabilities	1,056,000	909,000	1,243,396	722,757
Net Assets	\$2,272,000	\$3,283,000	\$4,311,941	\$4,437,416
Working Capital Position	\$1,516,000	\$2,497,000	\$4,017,817	\$2,348,316
Operating Revenues	\$8,865,000	\$8,081,000	\$8,286,901	\$1,998,335
Operating Expenses	<u>6,606,000</u>	<u>6,805,000</u>	<u>7,067,622</u>	<u>1,840,903</u>
Operating Net Income	\$2,259,000	\$1,276,000	\$1,219,279	\$157,432
Jeremy Strauss - 67%				
Meryll Strauss - 2%				

## BFA Attachment F

CON# 171128

**Barnwell Nursing & Rehabilitation Center****Budget Sensitivity**

<u>Payor</u>	<u>Payor Mix as of 6/30/17</u>	<u>Revised Budgeted Days</u>	<u>Per Diem</u>	<u>Revised Revenues</u>
Commercial	0.92%	708	\$304.20	\$215,314
Medicaid	75.63%	58,485	\$213.67	\$12,496,589
Medicare	14.02%	10,841	\$523.72	\$5,677,582
Private Pay	9.44%	<u>7,302</u>	\$354.99	\$2,592,087
		77,336		

Total Revenues Based on Current Utilization \$20,981,572

Total Inpatient Revenues as Budgeted for First Year 21,818,184

Decrease in Budgeted Inpatient Revenues (\$836,612)

First Year Budgeted ADHCP Revenues \$1,553,282

Revised Increase in Budgeted Revenues \$716,670

Note: Medicaid rate is based on 2017 initial rate plus assessments.

	<u>Payor Mix</u>	<u>Actual Budgeted Days</u>	
236 beds x 181 days = 42,716 as of 6/30/2017	Commercial	0.92%	351
38,351 / 42,716 = 0.8978 * 86,140 = 77,336 days	Medicaid	75.63%	29,003
	Medicare	14.02%	5,376
	Private pay	9.44%	<u>3,621</u>
		100.00%	38,351

BFA Attachment C

CON# 171180

Financial Summary- Robinson Terrace Rehabilitation and Nursing Center

	FISCAL PERIOD ENDED			
	<u>12/31/14</u>	<u>12/31/15</u>	<u>12/31/16</u>	<u>Draft 4/30/17</u>
ASSETS - CURRENT	\$1,599,706	\$1,126,212	\$1,572,202	\$1,756,459
ASSETS - FIXED AND OTHER	18,616,015	16,747,915	14,623,834	13,901,863
LIABILITIES - CURRENT	1,889,257	1,775,760	2,377,778	1,891,660
LIABILITIES - LONG-TERM	<u>8,090,655</u>	<u>7,930,099</u>	<u>7,490,542</u>	<u>7,946,936</u>
EQUITY	\$10,235,809	\$8,168,268	\$6,327,716	\$5,819,726
<hr/>				
INCOME	\$9,187,098	\$9,358,808	\$9,825,856	\$8,349,121
EXPENSE	<u>10,706,393</u>	<u>11,102,447</u>	<u>11,925,030</u>	<u>9,967,731</u>
NET INCOME	(\$1,519,295)	(\$1,743,639)	(\$2,099,174)	(\$1,618,610)
<hr/>				
				<u>7/31/2017</u>
NUMBER OF BEDS	120	120	120	120
PERCENT OF OCCUPANCY (DAYS)	94.10%	92.10%	94.59%	96.00%
<hr/>				
Medicaid	79.0%	84.8%	77.64%	84.70%
Medicare	3.9%	3.6%	3.12%	7.30%
Private Pay/Other	17.1%	11.6%	19.24%	8.00%



CON 171180 - Robinson Terrace

BFA Attachment D

**Bridgewater Center for  
Rehabilitation & Nursing, LLC (356**

**beds)**

**Broome County**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Draft</u> <u>5/31/2017</u>
Current Assets	\$8,309,000	\$7,394,000	\$8,873,866	\$10,442,724
Fixed Assets/Other Assets	<u>1,240,000</u>	<u>1,948,000</u>	<u>3,269,949</u>	<u>3,881,705</u>
Total Assets	\$9,549,000	\$9,342,000	\$12,143,815	\$14,324,429
Current Liabilities	7,846,000	7,865,000	10,601,319	10,616,681
Long Term Liabilities	<u>183,000</u>	<u>197,000</u>	<u>204,196</u>	<u>214,683</u>
Total Liabilities	\$8,029,000	\$8,062,000	\$10,805,515	\$10,831,364
Net Assets	\$1,520,000	\$1,280,000	\$1,338,300	\$3,493,065
Working Capital Position	\$463,000	(\$471,000)	(\$1,727,453)	(\$173,957)
Operating Revenues	\$28,959,000	\$29,606,000	\$29,240,554	\$12,992,198
Operating Expenses	<u>27,774,000</u>	<u>29,049,000</u>	<u>29,745,048</u>	<u>10,837,434</u>
Operating Net Income	\$1,185,000	\$557,000	(\$504,494)	\$2,154,764
<b>Uri Koenig - 60.00%</b>				
<b>Efraim Steif - 39.90%</b>				
<b>David Camerota - 0.10%</b>				

**BTRNC LLC d/b/a Beechtree Center  
for Rehabilitation and Nursing (120**

**beds)**

**Tompkins County**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>Draft</u> <u>5/31/2017</u>
Current Assets	\$1,690,000	\$1,832,000	\$1,891,864	\$2,103,920
Fixed Assets/Other Assets	<u>34,000</u>	<u>41,000</u>	<u>64,437</u>	<u>68,590</u>
Total Assets	\$1,724,000	\$1,873,000	\$1,956,301	\$2,172,510
Current Liabilities	1,903,000	1,595,000	1,494,471	939,136
Long Term Liabilities	<u>34,000</u>	<u>42,000</u>	<u>593,533</u>	<u>1,398,810</u>
Total Liabilities	\$1,937,000	\$1,637,000	\$2,088,004	\$2,337,946
Net Assets	(\$213,000)	\$236,000	(\$131,703)	(\$165,436)
Working Capital Position	(\$213,000)	\$237,000	\$397,393	\$1,164,784
Operating Revenues	\$8,713,000	\$8,787,000	\$8,377,482	\$3,669,748
Operating Expenses	<u>8,703,000</u>	<u>8,780,000</u>	<u>8,844,401</u>	<u>\$3,703,493</u>
Operating Net Income	\$10,000	\$7,000	(\$466,919)	(\$33,745)
<b>Uri Koenig - 60.00%</b>				
<b>Efraim Steif - 39.90%</b>				
<b>David Camerota - 0.10%</b>				

CON 171180 - Robinson Terrace

BFA Attachment D

**CPRNC, LLC, d/b/a Central Park Rehabilitation  
and Nursing Center (160 beds)**

<b><u>Onondaga County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>Draft 5/31/2017</u></b>
Current Assets	\$3,184,000	\$3,883,000	\$4,206,482	\$4,678,763
Fixed Assets/Other Assets	642,000	882,000	651,179	669,875
Total Assets	\$3,826,000	\$4,765,000	\$4,857,661	\$5,348,638
Current Liabilities	1,368,000	2,292,000	1,776,921	1,822,654
Long Term Liabilities	2,749,000	2,910,000	2,953,395	2,913,275
Total Liabilities	4,117,000	5,202,000	4,730,316	\$4,735,929
Net Assets	(\$291,000)	(\$437,000)	\$127,345	\$612,709
Working Capital Position	\$1,816,000	\$1,591,000	\$2,429,561	\$2,856,109
Operating Revenues	\$14,187,000	\$14,345,000	\$13,834,375	\$6,352,486
Operating Expenses	13,988,000	14,039,000	13,583,727	\$5,367,121
Operating Net Income	\$199,000	\$306,000	\$250,648	\$985,365
<b>Uri Koenig - 60.00%</b>				
<b>Efraim Steif - 39.90%</b>				
<b>David Camerota - 0.10%</b>				

**CRNC, LLC, d/b/a Cortland Park Rehabilitation  
and Nursing Center (120 beds)**

<b><u>Cortland County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>Draft 5/31/2017</u></b>
Current Assets	\$1,634,000	\$1,285,000	\$1,694,019	\$2,379,104
Fixed Assets/Other Assets	586,000	1,285,000	3,013,057	2,991,315
Total Assets	\$2,220,000	\$2,570,000	\$4,707,076	\$5,370,419
Current Liabilities	(675,000)	(210,000)	775,898	1,081,357
Long Term Liabilities	598,000	390,000	1,234,699	1,206,607
Total Liabilities	(77,000)	180,000	2,010,597	\$2,287,964
Net Assets	\$2,297,000	\$2,390,000	\$2,696,479	\$3,082,455
Working Capital Position	\$2,309,000	\$1,495,000	\$918,121	\$1,297,747
Operating Revenues	\$8,992,000	\$8,905,000	\$8,988,038	\$4,277,598
Operating Expenses	8,618,000	8,811,000	9,023,684	\$3,691,621
Operating Net Income	\$374,000	\$94,000	(\$35,646)	\$585,977
<b>Uri Koenig - 60.00%</b>				
<b>Efraim Steif - 39.90%</b>				
<b>David Camerota - 0.10%</b>				

**CSRNC, LLC, d/b/a Capstone Center for  
Rehabilitation and Nursing (120 beds)**

<b><u>Montgomery County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>12/31/16</u></b>	<b><u>Draft 5/31/2017</u></b>
Current Assets	\$4,161,000	\$3,874,000	\$4,172,998	\$4,862,642
Fixed Assets/Other Assets	2,680,000	1,006,000	1,114,343	1,081,907
Total Assets	\$6,841,000	\$4,880,000	\$5,287,341	\$5,944,549
Current Liabilities	5,209,000	1,878,000	800,918	1,240,791
Long Term Liabilities	95,000	76,000	1,039,946	895,232
Total Liabilities	5,304,000	1,954,000	1,840,864	\$2,136,023
Net Assets	\$1,537,000	\$2,926,000	\$3,446,477	\$3,808,526
Working Capital Position	(\$1,048,000)	\$1,996,000	\$3,372,080	\$3,621,851
Operating Revenues	\$10,507,000	\$9,802,000	\$10,055,503	\$4,630,600
Operating Expenses	9,484,000	9,425,000	9,857,617	\$3,818,549
Operating Net Income	\$1,023,000	\$377,000	\$197,886	\$812,051
<b>Uri Koenig - 60.00%</b>				
<b>Efraim Steif - 39.90%</b>				
<b>David Camerota - 0.10%</b>				

CON 171180 - Robinson Terrace

BFA Attachment D

**HRNC, LLC, d/b/a Highland Park Rehabilitation and  
Nursing Center (80 beds)**

<b><u>Allegany County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>12/31/16</u></b>	<b><u>Draft 5/31/2017</u></b>
Current Assets	\$893,000	\$860,000	\$1,236,482	\$1,186,757
Fixed Assets/Other Assets	<u>324,000</u>	<u>531,000</u>	<u>696,562</u>	<u>740,859</u>
Total Assets	\$1,217,000	\$1,391,000	\$1,933,044	\$1,927,616
Current Liabilities	952,000	1,045,000	626,102	714,895
Long Term Liabilities	<u>994,000</u>	<u>885,000</u>	<u>1,616,295</u>	<u>1,641,836</u>
Total Liabilities	1,946,000	1,930,000	2,242,397	\$2,356,731
Net Assets	(\$729,000)	(\$539,000)	(\$309,353)	(\$429,115)
Working Capital Position	(\$59,000)	(\$185,000)	\$610,380	\$471,862
Operating Revenues	\$6,083,000	\$6,364,000	\$6,471,501	\$2,750,637
Operating Expenses	<u>5,974,000</u>	<u>6,174,000</u>	<u>6,469,746</u>	<u>\$2,720,400</u>
Operating Net Income	\$109,000	\$190,000	\$1,755	\$30,237
Uri Koenig - 60.00%				
Efraim Steif - 39.90%				
David Camerota - 0.10%				

**JBRNC, LLC, d/b/a Hudson Park Rehabilitation and  
Nursing Center (200 beds)**

<b><u>Albany County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>12/31/16</u></b>	<b><u>Draft 5/31/2017</u></b>
Current Assets	\$893,000	\$860,000	\$3,847,577	\$4,083,589
Fixed Assets/Other Assets	<u>324,000</u>	<u>531,000</u>	<u>1,073,076</u>	<u>1,358,269</u>
Total Assets	\$1,217,000	\$1,391,000	\$4,920,653	\$5,441,858
Current Liabilities	952,000	1,045,000	2,252,230	2,125,737
Long Term Liabilities	<u>994,000</u>	<u>885,000</u>	<u>4,539,142</u>	<u>4,815,604</u>
Total Liabilities	1,946,000	1,930,000	6,791,372	\$6,941,341
Net Assets	(\$729,000)	(\$539,000)	(\$1,870,719)	(\$1,499,483)
Working Capital Position	(\$59,000)	(\$185,000)	\$1,595,347	\$1,957,852
Operating Revenues	\$6,083,000	\$6,364,000	\$16,911,751	\$6,690,996
Operating Expenses	<u>5,974,000</u>	<u>6,174,000</u>	<u>16,675,363</u>	<u>\$6,319,760</u>
Operating Net Income	\$109,000	\$190,000	\$236,388	\$371,236
Uri Koenig - 60.00%				
Efraim Steif - 39.90%				
David Camerota - 0.10%				

CON 171180 - Robinson Terrace

BFA Attachment D

**NCRNC, LLC, d/b/a Northeast Center  
for Rehabilitation and Brain Injury  
(280 beds)**

<u>Ulster County</u>	<u>2014</u>	<u>2015</u>	<u>12/31/16</u>	<u>Draft 5/31/2017</u>
Current Assets	\$22,930,000	\$11,540,000	\$13,762,013	\$13,445,948
Fixed Assets/Other Assets	<u>1,791,000</u>	<u>1,543,000</u>	<u>3,940,001</u>	<u>1,509,750</u>
Total Assets	\$24,721,000	\$13,083,000	\$17,702,014	\$14,955,698
Current Liabilities	11,778,000	2,766,000	2,962,558	4,929,359
Long Term Liabilities	<u>7,517,000</u>	<u>7,286,000</u>	<u>9,976,998</u>	<u>3,155,689</u>
Total Liabilities	19,295,000	10,052,000	12,939,556	\$8,085,048
Net Assets	\$5,426,000	\$3,031,000	\$4,762,458	\$6,870,650
Working Capital Position	\$11,152,000	\$8,774,000	\$10,799,455	\$8,516,589
Operating Revenues	\$35,068,000	\$40,769,000	\$38,432,571	\$16,246,591
Operating Expenses	<u>33,875,000</u>	<u>37,014,000</u>	<u>35,034,355</u>	<u>\$14,117,438</u>
Operating Net Income	\$1,193,000	\$3,755,000	\$3,398,216	\$2,129,153
Uri Koenig - 60.00%				
Efraim Steif - 39.90%				
David Camerota - 0.10%				

**ORNC, LLC, d/b/a Chestnut Park  
Rehabilitation and Nursing Center (80  
beds)**

<u>Otsego County</u>	<u>2014</u>	<u>2015</u>	<u>12/31/16</u>	<u>Draft 5/31/2017</u>
Current Assets	\$761,000	\$933,000	\$1,542,196	\$1,882,590
Fixed Assets/Other Assets	<u>283,000</u>	<u>479,000</u>	<u>1,842,156</u>	<u>1,868,591</u>
Total Assets	\$1,044,000	\$1,412,000	\$3,384,352	\$3,751,181
Current Liabilities	(472,000)	(560,000)	630,313	1,303,716
Long Term Liabilities	<u>834,000</u>	<u>657,000</u>	<u>630,316</u>	<u>655,062</u>
Total Liabilities	362,000	97,000	1,260,629	\$1,958,778
Net Assets	\$682,000	\$1,315,000	\$2,123,723	\$1,792,403
Working Capital Position	\$1,233,000	\$1,493,000	\$911,883	\$578,874
Operating Revenues	\$6,479,000	\$6,888,000	\$7,075,629	\$2,980,713
Operating Expenses	<u>6,061,000</u>	<u>6,255,000</u>	<u>6,430,798</u>	<u>\$2,612,034</u>
Operating Net Income	\$418,000	\$633,000	\$644,831	\$368,679
Uri Koenig - 60.00%				
Efraim Steif - 39.90%				
David Camerota - 0.10%				

CON 171180 - Robinson Terrace

BFA Attachment D

**RRNC, LLC, d/b/a Colonial Park  
Rehabilitation and Nursing Center (80  
beds)**

<b><u>Oneida County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>12/31/16</u></b>	<b><u>Draft 5/31/2017</u></b>
Current Assets	\$662,000	\$802,000	\$1,050,967	\$1,057,488
Fixed Assets/Other Assets	501,000	526,000	561,989	572,356
Total Assets	\$1,163,000	\$1,328,000	\$1,612,956	\$1,629,844
Current Liabilities	489,000	600,000	447,417	643,947
Long Term Liabilities	84,000	78,000	270,135	281,960
Total Liabilities	573,000	678,000	717,552	\$925,907
Net Assets	\$590,000	\$650,000	\$895,404	\$703,937
Working Capital Position	\$173,000	\$202,000	\$603,550	\$413,541
Operating Revenues	\$5,369,000	\$5,492,000	\$5,383,217	\$2,331,001
Operating Expenses	5,253,000	5,431,000	5,477,000	\$2,302,425
Operating Net Income	\$116,000	\$61,000	(\$93,783)	\$28,576
Uri Koenig - 60.00%				
Efraim Steif - 39.90%				
David Camerota - 0.10%				

**RSRNC, LLC, d/b/a Riverside Center  
for Rehabilitation and Nursing (80  
beds)**

<b><u>Rensselaer County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>12/31/16</u></b>	<b><u>Draft 5/31/2017</u></b>
Current Assets	\$1,398,000	\$1,763,000	\$2,172,745	\$3,272,932
Fixed Assets/Other Assets	2,398,000	540,000	1,460,900	541,300
Total Assets	\$3,796,000	\$2,303,000	\$3,633,645	\$3,814,232
Current Liabilities	3,774,000	(73,000)	690,079	1,144,831
Long Term Liabilities	22,000	26,000	34,198	44,647
Total Liabilities	3,796,000	(47,000)	724,277	\$1,189,478
Net Assets	\$0	\$2,350,000	\$2,909,368	\$2,624,754
Working Capital Position	(\$2,376,000)	\$1,836,000	\$1,482,666	\$2,128,101
Operating Revenues	\$6,178,000	\$6,937,000	\$7,310,648	\$3,090,014
Operating Expenses	6,529,000	6,400,000	7,035,229	\$2,859,223
Operating Net Income	(\$351,000)	\$537,000	\$275,419	\$230,791
Uri Koenig - 60.00%				
Efraim Steif - 39.90%				
David Camerota - 0.10%				

**VDRNC, LLC, d/b/a Van Duyn Center  
for Rehabilitation and Nursing (513  
beds)**

<b><u>Onandaga County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>12/31/16</u></b>	<b><u>Draft 5/31/2017</u></b>
Current Assets	\$12,484,000	\$11,247,000	\$14,130,355	\$18,033,646
Fixed Assets/Other Assets	2,099,000	2,790,000	2,792,673	3,032,381
Total Assets	\$14,583,000	\$14,037,000	\$16,923,028	\$21,066,027
Current Liabilities	12,794,000	5,887,000	13,411,587	13,181,240
Long Term Liabilities	280,000	298,000	258,929	259,031
Total Liabilities	13,074,000	6,185,000	13,670,516	\$13,440,271
Net Assets	\$1,509,000	\$7,852,000	\$3,252,512	\$7,625,756
Working Capital Position	(\$310,000)	\$5,360,000	\$718,768	\$4,852,406
Operating Revenues	\$41,509,000	\$43,735,000	\$49,473,840	\$21,252,898
Operating Expenses	40,451,000	38,723,000	50,912,258	\$16,888,978
Operating Net Income	\$1,058,000	\$5,012,000	(\$1,438,418)	\$4,363,920
Uri Koenig - 60.00%				
Efraim Steif - 39.90%				
David Camerota - 0.10%				

CON 171180 - Robinson Terrace

BFA Attachment D

VRNC, LLC, d/b/a Vestal Park  
Rehabilitation and Nursing Center  
(160 beds)

<u>Broome County</u>	<u>2014</u>	<u>2015</u>	<u>12/31/16</u>	<u>Draft 5/31/2017</u>
Current Assets	\$857,000	\$1,558,000	\$2,476,283	\$2,390,601
Fixed Assets/Other Assets	<u>1,046,000</u>	<u>453,000</u>	<u>556,647</u>	<u>673,504</u>
Total Assets	\$1,903,000	\$2,011,000	\$3,032,930	\$3,064,105
Current Liabilities	3,196,000	2,924,000	1,551,926	1,510,350
Long Term Liabilities	<u>1,346,000</u>	<u>1,045,000</u>	<u>3,073,182</u>	<u>3,281,861</u>
Total Liabilities	4,542,000	3,969,000	4,625,108	\$4,792,211
Net Assets	(\$2,639,000)	(\$1,958,000)	(\$1,592,178)	(\$1,728,106)
Working Capital Position	(\$2,339,000)	(\$1,366,000)	\$924,357	\$880,251
Operating Revenues	\$7,977,000	\$10,040,000	\$14,279,186	\$6,089,581
Operating Expenses	<u>8,080,000</u>	<u>10,731,000</u>	<u>14,347,639</u>	<u>\$6,225,509</u>
Operating Net Income	(\$103,000)	(\$691,000)	(\$68,453)	(\$135,928)
Uri Koenig - 60.00%				
Efraim Steif - 39.90%				
David Camerota - 0.10%				

PINE VALLEY CENTER, LLC, d/b/a  
Pine Valley Center for Rehabilitation  
and Nursing (160 beds)

<u>Rockland County</u>	<u>2014</u>	<u>2015</u>	<u>12/31/16</u>	<u>Draft 5/31/2017</u>
Current Assets	\$13,081,000	\$10,532,000	\$4,743,065	\$4,813,957
Fixed Assets/Other Assets	<u>3,647,000</u>	<u>5,723,000</u>	<u>11,320,079</u>	<u>11,241,461</u>
Total Assets	\$16,728,000	\$16,255,000	\$16,063,144	\$16,055,418
Current Liabilities	5,275,000	3,804,000	3,465,171	3,471,598
Long Term Liabilities	<u>7,967,000</u>	<u>9,036,000</u>	<u>8,803,382</u>	<u>8,616,225</u>
Total Liabilities	13,242,000	12,840,000	12,268,553	\$12,087,823
Net Assets	\$3,486,000	\$3,415,000	\$3,794,591	\$3,967,595
Working Capital Position	\$7,806,000	\$6,728,000	\$1,277,894	\$1,342,359
Operating Revenues	\$22,313,000	\$22,496,000	\$21,521,927	\$8,458,415
Operating Expenses	<u>21,317,000</u>	<u>22,268,000</u>	<u>22,150,061</u>	<u>\$8,285,411</u>
Operating Net Income	\$996,000	\$228,000	(\$628,134)	\$173,004
Uri Koenig - 17.714%				
Efraim Steif - 49.80%				
David Camerota - 0.10%				

RTRNC, LLC  
Doing Business As  
Robinson Terrace Nursing and Rehabilitation Center

Pro Forma Balance Sheet (AS OF APPROVAL DATE)

	<u>Operating Co.</u>	<u>Realty Co.</u>
Cash and Cash Equivalents	\$ 351,088	-
Prepaid Expenses and Other	198,587	-
Accounts Receivable (Net of Allowances)	1,125,219	-
<b>TOTAL CURRENT ASSETS:</b>	<b>\$ 1,674,894</b>	
Property, Plant & Equipment		12,000,000
Other Assets	77,234	-
<b>TOTAL LONG TERM ASSETS</b>	<b>\$ 77,234</b>	<b>\$ 12,000,000</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,752,128</b>	<b>\$ 12,000,000</b>
Mortgages Payable	-	7,673,361
Other Liabilities	76,406	-
<b>TOTAL LONG TERM LIABILITIES:</b>	<b>\$ 76,406</b>	<b>\$ 7,673,361</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 76,406</b>	<b>\$ 7,673,361</b>
<b>NET ASSETS</b>	<b>\$ 1,324,634</b>	<b>-</b>
<b>MEMBERS' EQUITY</b>	<b>351,088</b>	<b>4,326,639</b>
<b>TOTAL LIABILITIES, NET ASSETS AND MEMBERS' EQUITY</b>	<b>\$ 1,752,128</b>	<b>\$ 12,000,000</b>

**RTRNC, LLC**  
**Doing Business As**  
**Robinson Terrace Rehabilitation and Nursing Center**

**ORGANIZATIONAL CHART**

<b><u>RTRNC, LLC</u></b>	
<b><u>Members:</u></b>	
Uri Koenig	60.000%
Efraim Steif	39.900%
David Camerota	0.100%
<b>Total</b>	<hr/> 100.0%

**Doing Business As**  
**Robinson Terrace Rehabilitation and Nursing Center**

RHCF Administrator  
 Director of Nursing  
 Direct Care Staff  
 Support Staff  
 Clerical Staff

Lease

<b><u>28652 State Highway 23, LLC</u></b>	
<b>(RHCF Real Estate)</b>	
<b><u>Member:</u></b>	
Uri Koenig	60.0%
Efraim Steif	39.9%
David Camerota	0.1%
<b>Total</b>	<hr/> 100.0%



BFA Attachment G  
CON 171180

BFA Attachment-G  
CON# 171180

Robinson Terrace

Budget Sensitivity

<u>Payor</u>	<u>Payor Mix as of 7/31/17</u>	<u>Revised Budgeted Days</u>	<u>Per Diem</u>	<u>Revised Revenues</u>
Medicaid	84.7%	35,949	\$168.42	\$6,054,454
Medicare	7.3%	3,098	\$381.88	1,183,171
Private Pay	8.0%	3,395	\$277.23	941,300
	100.0%	42,442		
Total Revenues based on current utilization				\$8,178,925
Total Inpatient Revenues as budgeted for first year				<u>9,460,470</u>
Decrease in Budgeted Revenues				(\$1,281,545)

Note: Medicaid rate is based on 2017 initial rate plus assessments.

As of July 31, 2017, utilization is at 96.0%. (24,410/25,440)

120 beds x 212 days = 25,440.

120 beds x 365 days = 43,800 x 0.9690 = 42,442.2 annualized

CON# 171302  
Financial Summary- Westhampton Care Center

	FISCAL PERIOD ENDED			
	<u>12/31/14</u>	<u>12/31/15</u>	<u>12/31/16</u>	<u>draft</u> <u>7/31/17</u>
ASSETS - CURRENT	\$3,407,308	\$3,694,765	\$4,810,049	\$4,802,384
ASSETS - FIXED AND OTHER	1,807,750	1,820,343	896,862	813,611
LIABILITIES - CURRENT	3,225,994	2,602,932	2,514,165	2,431,435
LIABILITIES - LONG-TERM	<u>2,096,142</u>	<u>1,767,605</u>	<u>1,560,535</u>	<u>1,905,696</u>
EQUITY	(\$107,078)	\$1,144,571	\$1,632,211	\$1,278,864
<hr/>				
INCOME	\$20,100,450	\$20,531,803	\$22,454,709	\$13,730,790
EXPENSE	<u>21,175,754</u>	<u>19,284,085</u>	<u>21,436,701</u>	<u>12,380,298</u>
NET INCOME	(\$1,075,304)	\$1,247,718	\$1,018,008	\$1,350,492
<hr/>				
NUMBER OF BEDS	180	180	180	180
PERCENT OF OCCUPANCY (DAYS)	94.70%	93.10%	94.25%	96.59%
<hr/>				
Medicaid	69.7%	70.0%	70.8%	68.4%
Medicare	17.0%	17.4%	22.0%	21.8%
Private Pay/Other	13.3%	12.6%	7.2%	9.8%

171302-E

Affiliated Homes

BFA Attachment

pg 1 of 2

Dumont Center

**196 beds (Westchester County)**

	<u>2014</u>	<u>2015</u>	<u>draft</u> <u>12/31/2016</u>
Current Assets	\$4,297,000	\$4,700,000	\$4,379,890
Fixed Assets	<u>3,600,000</u>	<u>3,661,000</u>	<u>3,467,156</u>
Total Assets	\$7,897,000	\$8,361,000	\$7,847,046
Current Liabilities	5,162,000	3,911,000	4,047,023
Long Term Liabilities	<u>654,000</u>	<u>751,000</u>	<u>482,193</u>
Total Liabilities	\$5,816,000	\$4,662,000	\$4,529,216
Net Assets	\$2,081,000	\$3,699,000	\$3,317,830
Working Capital Position	(\$865,000)	\$789,000	\$332,867
Operating Revenues	\$23,914,000	\$25,392,000	\$27,706,387
Operating Expenses	<u>21,869,000</u>	<u>23,153,000</u>	<u>24,441,880</u>
Operating Net Income	\$2,045,000	\$2,239,000	\$3,264,507

Ernest Schlesinger-2.5% membership interest

Bellhaven Center

**240 beds (Kings County)**

	<u>2014</u>	<u>2015</u>	<u>12/31/2016</u>
Current Assets	\$3,522,000	\$2,962,000	\$5,067,162
Fixed Assets	<u>4,736,000</u>	<u>4,891,000</u>	<u>4,624,652</u>
Total Assets	\$8,258,000	\$7,853,000	\$9,691,814
Current Liabilities	3,076,000	2,920,000	4,417,612
Long Term Liabilities	<u>2,716,000</u>	<u>2,247,000</u>	<u>1,442,545</u>
Total Liabilities	\$5,792,000	\$5,167,000	\$5,860,157
Net Assets	\$2,466,000	\$2,686,000	\$3,831,657
Working Capital Position	\$446,000	\$42,000	\$649,550
Operating Revenues	\$25,606,000	\$26,408,000	\$28,311,027
Operating Expenses	<u>23,624,000</u>	<u>24,588,000</u>	<u>25,566,642</u>
Operating Net Income	\$1,982,000	\$1,820,000	\$2,744,385

Ernest Schlesinger-5.0% membership interest

171302-E  
pg 2 Of 2

Affiliated Homes

BFA Attachment

**St. James Rehab & Health**

**230 beds (Suffolk County)**

	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>12/31/2016</u></b>
Current Assets	\$5,315,000	\$6,293,000	\$5,836,269
Fixed Assets	<u>3,949,000</u>	<u>4,119,000</u>	<u>7,003,047</u>
Total Assets	\$9,264,000	\$10,412,000	\$12,839,316
Current Liabilities	3,562,000	3,522,000	3,616,256
Long Term Liabilities	<u>414,000</u>	<u>430,000</u>	<u>1,555,998</u>
Total Liabilities	\$3,976,000	\$3,952,000	\$5,172,254
Net Assets	\$5,288,000	\$6,460,000	\$7,667,062
Working Capital Position	\$1,753,000	\$2,771,000	\$2,220,013
Operating Revenues	\$30,245,000	\$31,892,000	\$33,489,127
Operating Expenses	<u>28,469,000</u>	<u>30,121,000</u>	<u>30,689,158</u>
Operating Net Income	\$1,776,000	\$1,771,000	\$2,799,969

Ernest Schlesinger-10.0% membership interest

**The Grand Pavilion-Rockville**

**158 beds (Nassau County)**

	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>12/31/2016</u></b>
Current Assets	\$2,903,000	\$3,029,000	\$4,158,758
Fixed Assets	<u>10,282,000</u>	<u>10,967,000</u>	<u>12,009,737</u>
Total Assets	\$13,185,000	\$13,996,000	\$16,168,495
Current Liabilities	4,683,000	2,709,000	2,314,284
Long Term Liabilities	<u>229,000</u>	<u>974,000</u>	<u>1,420,043</u>
Total Liabilities	\$4,912,000	\$3,683,000	\$3,734,327
Net Assets	\$8,273,000	\$10,313,000	\$12,434,168
Working Capital Position	(\$1,780,000)	\$320,000	\$1,844,474
Operating Revenues	\$18,009,000	\$20,375,000	\$23,027,160
Operating Expenses	<u>18,541,000</u>	<u>19,762,000</u>	<u>20,086,984</u>
Operating Net Income	(\$532,000)	\$613,000	\$2,940,176

Ernest Schlesinger-5.0% membership interest

HAMPTON NH OPERATING LLC  
Doing Business As  
Westhampton Care Center

Pro Forma Balance Sheet (AS OF APPROVAL DATE)

	<u>Operating Co.</u>	<u>Realty Co.</u>
<b><u>ASSETS:</u></b>		
Cash and Cash Equivalents	\$ 2,711,194	\$ -
Accounts Receivable	3,152,734	-
<b>Total Current Assets</b>	<b>\$ 5,863,928</b>	<b>\$ -</b>
Property and Equipment (Net of Accumulated Depreciation)	\$ 115,785	\$ 27,000,000
Resident Funds Held in Trust	100,443	-
<b>TOTAL ASSETS</b>	<b>\$ 6,080,156</b>	<b>\$ 27,000,000</b>
<b><u>LIABILITIES:</u></b>		
Accounts Payable	\$ 1,595,411	\$ -
Accrued Payroll	372,219	-
<b>Total Current Liabilities</b>	<b>\$ 1,967,630</b>	<b>\$ -</b>
Security Deposits	\$ 93,236	\$ -
Deferred Revenue	74,222	-
Patient Fund Liability	100,443	-
Mortgage	-	12,803,000
<b>Total Long-Term Liabilities</b>	<b>\$ 267,901</b>	<b>\$ 12,803,000</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 2,235,531</b>	<b>\$ 12,803,000</b>
Members' Equity	\$ 3,844,625	\$ 14,197,000
<b>TOTAL LIABILITIES, NET ASSETS AND MEMBERS' EQUITY</b>	<b>\$ 6,080,156</b>	<b>\$ 27,000,000</b>

Hampton NH Operating LLC  
 Doing Business As  
Westhampton Care Center

ORGANIZATIONAL CHART

<u>Hampton NH Operating LLC</u>	
<u>Members:</u>	
Shlomo Boehm	80.0%
Esther Klein	3.0%
Ernest Schlesinger	17.0%
Total	<u>100.0%</u>

Doing Business As <u>Westhampton Care Center</u>
---

RHCF Administrator
Director of Nursing
Direct Care Staff
Support Staff
Clerical Staff

Lease

<u>Hampton NH Realty, LLC</u> (RHCF Real Estate)	
<u>Members:</u>	
Ernest Schlesinger	17.0%
Charles-Edouard Gros	60.0%
Shlomo Boehm	20.0%
Esther Klein	3.0%
Total	<u>100.0%</u>

Mills Pond

	<u>2016</u>	<u>2015</u>	<u>2014</u>
CURRENT ASSETS	\$8,606,655	\$7,142,845	\$6,934,321
FIXED ASSETS	13,160,436	14,054,162	12,083,725
TOTAL ASSETS	\$21,767,091	\$21,197,007	\$19,018,046
CURRENT LIABILITIES	\$3,033,925	\$2,027,928	\$2,890,766
LONG TERM LIABILITIES	15,569,012	16,069,012	13,483,184
TOTAL LIABILITIES	\$18,602,937	\$18,096,940	\$16,373,950
WORKING CAPITAL POSITION	\$5,572,730	\$5,114,917	\$4,043,555
NET ASSET POSITION	\$3,164,154	\$3,100,067	\$2,644,096
REVENUES	\$31,485,161	\$30,698,341	\$30,597,515
EXPENSES	30,543,106	29,759,934	29,907,458
NET INCOME	\$942,055	\$938,407	\$690,057

JOPAL AT ST.JAMES LLC  
 dba MILLS POND NURSING AND REHABILITATION CENTER

CON#171450  
 BFA Attachment C

BALANCE SHEET

	<u>April 30, 2017</u>	<u>May 31, 2017</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 1,051,050	\$ 1,528,258
Patient Accounts Receivable (net of allowance for doubtful accounts)	7,842,120	7,816,781
Prepaid Expenses	593,884	649,310
Escrow	845,708	845,708
<b>TOTAL CURRENT ASSETS</b>	<b>\$ 10,332,762</b>	<b>\$ 10,840,057</b>
Security Deposits	500	500
Fixed Assets (net of accumulated depreciation)	1,275,427	1,260,427
Patient Funds	175,428	175,428
Goodwill	11,216,000	11,216,000
<b>TOTAL ASSETS</b>	<b>\$ 23,000,117</b>	<b>\$ 23,492,412</b>
<b>LIABILITIES AND MEMBERS EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 1,286,845	\$ 1,292,771
Line of Credit	510,000	425,000
Accrued Payroll, Sick and Vacation	929,423	1,046,251
Accrued Payroll Taxes	37,187	39,406
Accrued Expenses	305,912	395,209
<b>TOTAL CURRENT LIABILITIES</b>	<b>\$ 3,069,367</b>	<b>\$ 3,198,637</b>
Due to Landlord	12,774,424	12,983,060
Due to Members	-	(1,500,000)
Patient Funds	175,428	175,428
Due to Consulting Company	3,100,000	3,100,000
<b>TOTAL LIABILITIES</b>	<b>\$ 19,119,219</b>	<b>\$ 17,937,125</b>
Members Equity	3,880,898	5,555,287
<b>TOTAL LIABILITIES AND MEMBERS EQUITY</b>	<b>\$ 23,000,117</b>	<b>\$ 23,492,412</b>



JOPAL AT ST.JAMES LLC  
dba MILLS POND NURSING AND REHABILITATION CENTER

STATEMENT OF INCOME AND MEMBERS EQUITY

	One Month Ended May 31, 2017		Five Months Ended May 31, 2017	
	Amount	Per Day	Amount	Per Day
<b>OPERATING INCOME</b>				
Patient Service Income	\$ 2,437,855	\$ 337.19	\$ 13,373,894	\$ 379.61
Other Income	1,764	0.24	4,598	0.13
<b>TOTAL OPERATING INCOME</b>	<u>\$ 2,439,619</u>	<u>\$ 337.43</u>	<u>\$ 13,378,492</u>	<u>\$ 379.74</u>
<b>OPERATING EXPENSES</b>				
Administrative Services	\$ 114,295	\$ 15.80	\$ 567,145	\$ 16.09
Fiscal Services	108,475	15.00	296,756	8.42
Plant, Operations and Maintenance Services	136,858	18.93	583,402	16.55
Patient Food Services	211,265	29.22	1,014,380	28.80
Housekeeping Services	101,460	14.04	521,520	14.80
Laundry Services	37,546	5.19	129,177	3.67
Nursing Administration Services	95,973	13.27	498,381	14.15
Medical Care Services	33,520	4.64	200,485	5.69
Leisure Time Services	46,356	6.41	230,580	6.55
Social Services & Admissions	80,620	11.15	256,463	7.28
Reception Services	4,793	0.66	57,286	1.63
Ancillary Services	240,436	33.25	1,262,894	35.84
Program Services	730,787	101.08	3,820,610	108.45
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 1,942,385</u>	<u>\$ 268.64</u>	<u>\$ 9,439,080</u>	<u>\$ 267.92</u>
<b>NET INCOME FROM OPERATIONS</b>	\$ 497,234	68.79	\$ 3,939,412	111.82
<b>NET OTHER OPERATING ACTIVITIES</b>				
Medicaid Assessment Revenue	\$ 57,292	\$ 7.92	\$ 279,291	\$ 7.93
Medicaid Assessment Expense	(93,965)	(13.00)	(468,437)	(13.30)
<b>NET INCOME BEFORE CONSULTING FEES AND RENT</b>	<u>\$ 460,561</u>	<u>\$ 63.71</u>	<u>\$ 3,750,266</u>	<u>\$ 106.45</u>
Rent Debt Service	\$ (81,475)	\$ (11.27)	\$ (407,374)	\$ (11.56)
Rent Escalator	(107,161)	(14.82)	(357,161)	(10.14)
Guaranteed Payments	(30,000)	(4.15)	(157,500)	(4.47)
Consulting Fees	1,500,000	207.47	-	-
<b>NET INCOME</b>	<u>\$ 1,741,925</u>	<u>\$ 240.94</u>	<u>\$ 2,828,231</u>	<u>\$ 80.28</u>
<b>MEMBERS EQUITY</b>				
Opening Equity			3,164,158	
Member Contributions			-	
Member Withdrawals			(437,102)	
<b>BALANCE, END OF PERIOD</b>			<u>\$ 5,555,287</u>	

Rate Date	Rate	CMI Date	CMI	
1/1/2017	\$ 260.62	7/1/2016	1.2652	Paid
	\$ -	1/1/2017	1.2800	est
	\$ -			

Pro Forma Balance sheet

ASSETS:

Cash	\$4,873,133
Resident Funds	175,000
Fixed Assets	<u>225,000</u>
TOTAL ASSETS	\$5,273,133

LIABILITIES:

Working Capital Loan	<u>\$2,435,000</u>
TOTAL LIABILITIES	\$2,435,000

NET ASSETS	\$2,838,133
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**Apex Rehabilitation**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$6,084,511	\$6,982,383	\$5,685,076
Fixed Assets	25,689,457	25,769,226	25,878,529
Total Assets	\$31,773,968	\$32,751,609	\$31,563,605
Current Liabilities	6,552,266	6,065,182	8,225,676
Long Term Liabilities	21,475,039	23,662,376	21,466,103
Total Liabilities	\$28,027,305	\$29,727,558	\$29,691,779
Working Capital Position	(\$467,755)	\$917,201	(\$2,540,600)
Revenues	\$26,030,903	\$24,871,524	20,567,482
Expenses	24,608,291	23,125,818	21,998,603
Net Income	\$1,422,612	\$1,745,706	(\$1,431,121)
Net Asset Position	\$3,746,663	\$3,024,051	\$1,871,826

Sayville Nursing

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$6,734,412	\$5,784,373	\$4,878,610
Fixed Assets	865,953	531,681	388,127
Total Assets	\$7,600,365	\$6,316,054	\$5,266,737
Current Liabilities	2,495,235	1,891,194	3,231,067
Long Term Liabilities	4,009,690	3,694,891	1,775,013
Total Liabilities	6,504,925	5,586,085	5,006,080
Net Asset Position	\$1,095,440	\$729,969	\$260,657
Working Capital Position	\$4,239,177	\$3,893,179	\$1,647,543
Revenues	\$23,389,002	\$24,065,313	\$22,414,580
Expenses	23,023,531	23,596,001	22,075,069
Net Income	\$365,471	\$469,312	\$339,511
Number of Beds	180	180	180
Occupancy	92.70%	94.20%	92.90%
Medicaid	60.90%	64.70%	68.40%
Medicare	20.00%	21.40%	19.90%
Private Pay	4.50%	4.70%	5.90%
Commercial	14.70%	9.20%	5.80%

Pro Forma Balance Sheet

ASSETS:

Cash	\$3,918,067
Resident Funds	108,000
Fixed Assets	<u>225,000</u>
TOTAL ASSETS	\$4,251,067

LIABILITIES:

Resident Funds	\$108,000
Working Capital Loan	<u>1,889,000</u>
TOTAL LIABILITIES	\$1,997,000

NET ASSETS	\$2,254,067
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JOPAL SAYVILLE, LLC  
dba SAYVILLE NURSING AND REHABILITATION CENTER

**BALANCE SHEET**

	<u>April 30, 2017</u>	<u>May 31, 2017</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and Cash Equivalents	\$ 1,058,782	\$ 984,022
Patient Accounts Receivable (net of allowance for doubtful accounts)	4,086,602	4,149,862
Prepaid Expenses	319,390	735,543
Escrow	1,428,264	984,366
Due From Prior Operator	81,132	81,132
<b>TOTAL CURRENT ASSETS</b>	<u>\$ 6,982,170</u>	<u>\$ 6,944,927</u>
Security Deposits	500	500
Fixed Assets (net of accumulated depreciation)	760,810	762,943
Patient Funds	101,432	101,432
<b>TOTAL ASSETS</b>	<u>\$ 7,844,912</u>	<u>\$ 7,809,802</u>
<b>LIABILITIES AND MEMBERS EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 920,880	\$ 806,889
Line of Credit	200,000	200,000
Accrued Payroll, Sick and Vacation	863,438	981,530
Accrued Payroll Taxes	32,898	38,442
Accrued Expenses	223,390	181,861
<b>TOTAL CURRENT LIABILITIES</b>	<u>\$ 2,240,614</u>	<u>\$ 2,186,722</u>
Due to Medicaid	205,733	205,733
Due to Landlord	2,952,448	2,952,448
Patient Funds	101,432	101,432
Due to Consulting Company	490,000	490,000
Notes Payable	393,183	388,345
<b>TOTAL LIABILITIES</b>	<u>\$ 6,383,408</u>	<u>\$ 6,324,678</u>
Members Equity	1,461,504	1,485,124
<b>TOTAL LIABILITIES AND MEMBERS EQUITY</b>	<u>\$ 7,844,912</u>	<u>\$ 7,809,802</u>

JOPAL SAYVILLE, LLC  
dba SAYVILLE NURSING AND REHABILITATION CENTER

STATEMENT OF INCOME AND MEMBERS EQUITY

	One Month Ended May 31, 2017		Five Months Ended May 31, 2017	
	Amount	Per Day	Amount	Per Day
<b>OPERATING INCOME</b>				
Patient Service Income	\$ 1,878,371	\$ 380.31	\$ 9,387,598	\$ 382.25
Other Income	1,481	0.30	11,084	0.45
<b>TOTAL OPERATING INCOME</b>	<u>\$ 1,879,832</u>	<u>\$ 380.61</u>	<u>\$ 9,398,682</u>	<u>\$ 382.70</u>
<b>OPERATING EXPENSES</b>				
Administrative Services	\$ 95,254	\$ 19.28	\$ 442,681	\$ 18.03
Fiscal Services	72,823	14.75	224,396	9.13
Plant, Operations and Maintenance Services	164,870	33.38	702,105	28.59
Patient Food Services	147,105	29.78	730,253	29.74
Housekeeping Services	56,568	11.46	310,035	12.63
Laundry Services	13,390	2.72	77,130	3.14
Nursing Administration Services	138,410	28.03	584,238	23.79
Medical Care Services	37,632	7.62	171,974	7.00
Leisure Time Services	23,957	4.85	122,403	4.99
Social Services & Admissions	80,958	16.40	261,574	10.65
Reception Services	6,163	1.25	30,515	1.25
Ancillary Services	204,270	41.37	872,929	39.61
Program Services	483,577	97.91	2,592,602	105.56
<b>TOTAL OPERATING EXPENSES</b>	<u>\$ 1,524,978</u>	<u>\$ 308.80</u>	<u>\$ 7,222,834</u>	<u>\$ 294.11</u>
<b>NET INCOME FROM OPERATIONS</b>	\$ 354,854	71.81	\$ 2,175,848	88.59
<b>NET OTHER OPERATING ACTIVITIES</b>				
Medicaid Assessment Revenue	\$ 40,017	\$ 8.10	\$ 195,083	\$ 7.94
Medicaid Assessment Expense	(71,616)	(14.50)	(361,881)	(15.55)
<b>NET INCOME BEFORE CONSULTING FEES AND RENT</b>	<u>\$ 323,255</u>	<u>\$ 65.41</u>	<u>\$ 1,989,070</u>	<u>\$ 80.98</u>
Rent Debt Service	\$ (99,175)	\$ (20.08)	\$ (495,875)	\$ (20.19)
Rent Escalator	(160,075)	(32.41)	(784,819)	(31.96)
Guaranteed Payments	(40,385)	(8.18)	(212,019)	(8.63)
<b>NET INCOME</b>	<u>\$ 23,620</u>	<u>\$ 4.74</u>	<u>\$ 496,357</u>	<u>\$ 20.20</u>
<b>MEMBERS EQUITY</b>				
Opening Equity			1,095,441	
Member Contributions			-	
Member Withdrawals			(106,674)	
<b>BALANCE, END OF PERIOD</b>			<u>\$ 1,485,124</u>	

Rate Date	Rate	CMI Date	CMI
1/1/2017	\$ 290.11	7/1/2016	1.2918
7/1/2017		1/1/2017	1.2900
1/1/2018		7/1/2017	

Estimate

Apex Rehabilitation

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$6,084,511	\$6,982,383	\$5,685,076
Fixed Assets	25,689,457	25,769,226	25,878,529
Total Assets	\$31,773,968	\$32,751,609	\$31,563,605
Current Liabilities	6,552,266	6,065,182	8,225,676
Long Term Liabilities	21,475,039	23,662,376	21,466,103
Total Liabilities	\$28,027,305	\$29,727,558	\$29,691,779
Working Capital Position	(\$467,755)	\$917,201	(\$2,540,600)
Revenues	\$26,030,903	\$24,871,524	20,567,482
Expenses	24,608,291	23,125,818	21,998,603
Net Income	\$1,422,612	\$1,745,706	(\$1,431,121)
Net Asset Position	\$3,746,663	\$3,024,051	\$1,871,826



Pro Forma Balance Sheet
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**Assets****Current Assets**

Working Capital - Cash	\$1,851,523
Accounts Receivable	\$3,127,464
Prepaid Expenses	\$84,265

<b>Total Current Assets</b>	<b>\$5,063,252</b>
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**Fixed Assets**

Capital/Leasehold Improvements	\$274,327
Furniture/Fixtures	\$619,857
Intangible Assets - Goodwill	\$2,879,458

<b>Total Fixed Assets</b>	<b>\$3,773,642</b>
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<b>TOTAL ASSETS:</b>	<b>\$8,836,894</b>
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**Current Liabilities**

Accrued Expenses and Taxes	\$568,271
Accrued Payroll	\$417,651
Other Liabilities	(\$54,635)
Working Capital Loan	\$784,731

<b>Total Current Liabilities</b>	<b>\$1,716,018</b>
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**Long Term Liabilities**

Resident Funds	\$177,729
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<b>Total Long Term Liabilities</b>	<b>\$177,729</b>
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<b>TOTAL LIABILITIES:</b>	<b>\$1,893,747</b>
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**Equity**

Kenneth Rozenberg	\$6,599,461 *
Beth Rozenberg	\$343,686 *

<b>TOTAL EQUITY:</b>	<b>\$6,943,147</b>
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<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<b>\$8,836,894</b>
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\* The member equity indicated here reflects the projected member equity upon closing. The basis for the values projected is the amount of assumed assets and assumed liabilities as detailed in the current operators' June 2017 internal financial statement. Actual member equity contribution, for the purposes of this Certificate of Need Application, is reflected in Attachment 13 - Member Equity Analysis.

Project- 172125  
BFA Attachment

Financial Summary

Focus Rehab & Nursing Center at Utica

FISCAL PERIOD ENDED	<u>12/31/2014</u>	<u>12/31/2015</u>	<u>Draft</u> <u>12/31/2016</u>	<u>Draft</u> <u>6/30/2017</u>
ASSETS - CURRENT	\$2,049,000	\$2,521,000	\$3,256,944	\$3,449,449
ASSETS - FIXED AND OTHER	3,258,000	3,328,000	3,986,805	2,184,793
LIABILITIES - CURRENT	2,986,000	4,200,000	4,282,554	3,947,463
LIABILITIES - LONG-TERM	<u>1,623,000</u>	<u>953,000</u>	<u>1,340,251</u>	<u>1,070,309</u>
EQUITY	\$698,000	\$696,000	\$1,620,944	\$616,470
<hr/>				
INCOME	\$9,314,986	\$9,223,000	\$9,881,683	\$5,142,202
EXPENSE	<u>8,553,022</u>	<u>9,225,000</u>	<u>9,340,337</u>	<u>5,305,303</u>
NET INCOME	\$761,964	(\$2,000)	\$541,346	(\$163,101)
<hr/>				
NUMBER OF BEDS	120	120	120	120
PERCENT OF OCCUPANCY	96.10%	94.90%	97.64%	97.16%
<hr/>				
Medicaid	86.80%	88.20%	78.84%	57.48%
Medicare	6.40%	5.90%	8.02%	4.77%
Private Pay/Other	5.20%	5.90%	13.14%	37.75%

CON 172125 -  
Focus Rehabilitation and Nursing  
Center at Utica

BFA Attachment D

**Bronx Center for Rehab (200 beds)**

<b><u>Bronx County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>draft 3/31/17</u></b>
Current Assets	\$8,276,158	\$5,725,295	\$9,242,478	\$9,930,867
Fixed Assets/Other Assets	<u>8,696,967</u>	<u>9,466,363</u>	<u>9,784,015</u>	\$8,743,275
Total Assets	\$16,973,125	\$15,191,658	\$19,026,493	\$18,674,142
Current Liabilities	8,163,667	6,317,409	9,185,023	5,692,249
Long Term Liabilities	<u>5,849,308</u>	<u>5,674,510</u>	<u>5,458,517</u>	<u>4,737,398</u>
Total Liabilities	14,012,975	11,991,919	14,643,540	10,429,647
Net Assets	\$2,960,150	\$3,199,739	\$4,382,953	\$8,244,495
Working Capital Position	\$112,491	(\$592,114)	\$57,455	\$4,238,618
Operating Revenues	\$25,270,784	\$24,912,342	\$27,579,792	\$6,810,562
Operating Expenses	<u>25,252,267</u>	<u>24,833,141</u>	<u>25,599,189</u>	<u>6,240,765</u>
Operating Net Income	\$18,517	\$79,201	\$1,980,603	\$569,797
<b>Kenneth Rozenberg-95%</b>				
<b>Beth Rozenberg-5%</b>				

**Brooklyn Center (215 beds)**

<b><u>Kings County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>draft 3/31/17</u></b>
Current Assets	\$10,150,205	\$5,339,109	\$5,469,484	\$5,432,173
Fixed Assets/Other Assets	<u>10,628,502</u>	<u>14,981,568</u>	<u>16,511,506</u>	<u>15,475,941</u>
Total Assets	\$20,778,707	\$20,320,677	\$21,980,990	\$20,908,114
Current Liabilities	8,941,354	7,979,548	9,445,983	7,868,354
Long Term Liabilities	<u>6,612,488</u>	<u>6,218,665</u>	<u>5,895,736</u>	<u>4,638,573</u>
Total Liabilities	15,553,842	14,198,213	15,341,719	12,506,927
Net Assets	\$5,224,865	\$6,122,464	\$6,639,271	\$8,401,187
Working Capital Position	\$3,537,717	(\$879,556)	(\$426,252)	\$793,600
Operating Revenues	\$24,970,832	\$25,982,219	\$26,734,031	\$7,063,271
Operating Expenses	<u>22,071,534</u>	<u>24,020,994</u>	<u>25,163,411</u>	<u>6,500,868</u>
Operating Net Income	\$2,899,298	\$1,961,225	\$1,570,620	\$562,403
<b>Kenneth Rozenberg-95%</b>				

CON 172125 -  
Focus Rehabilitation and Nursing  
Center at Utica

BFA Attachment D

University Nursing Home (46 beds)

<u>Bronx County</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>draft 3/31/2017</u>
Current Assets	\$674,073	\$1,244,003	\$1,748,769	\$1,803,732
Fixed Assets/Other Assets	<u>3,902,571</u>	<u>3,579,152</u>	<u>3,499,537</u>	<u>3,456,819</u>
Total Assets	\$4,576,644	\$4,823,155	\$5,248,306	\$5,260,551
Current Liabilities	2,700,603	2,550,042	1,774,471	1,233,265
Long Term Liabilities	<u>706,334</u>	<u>647,627</u>	<u>1,707,090</u>	<u>1,657,420</u>
Total Liabilities	3,406,937	3,197,669	3,481,561	2,890,685
Net Assets	\$1,169,707	\$1,625,486	\$1,766,745	\$2,369,866
Working Capital Position	(\$32,261)	\$596,376	\$41,679	\$146,312
Operating Revenues	\$4,697,245	\$5,121,602	\$5,983,167	\$1,584,309
Operating Expenses	<u>4,558,156</u>	<u>4,715,324</u>	<u>5,452,839</u>	<u>1,252,913</u>
Operating Net Income	\$139,089	\$406,278	\$530,328	\$331,396
Kenneth Rozenberg-95%				
Beth Rozenberg-5%				

Williamsbridge Manor (77 beds)

<u>Bronx County</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>draft 3/31/2017</u>
Current Assets	\$4,033,442	\$2,412,297	\$3,030,266	\$2,899,754
Fixed Assets/Other Assets	<u>2,162,658</u>	<u>4,831,933</u>	<u>4,667,073</u>	<u>2,015,128</u>
Total Assets	\$6,196,100	\$7,244,230	\$7,697,339	\$4,914,882
Current Liabilities	4,065,306	4,202,382	4,980,388	3,525,276
Long Term Liabilities	<u>1,954,661</u>	<u>1,946,020</u>	<u>1,821,392</u>	<u>(333,991)</u>
Total Liabilities	6,019,967	6,148,402	6,801,780	3,191,285
Net Assets	\$176,133	\$1,095,828	\$895,559	\$1,723,597
Working Capital Position	\$2,078,781	\$466,277	\$1,208,874	\$3,233,745
Operating Revenues	\$8,468,729	\$8,930,714	\$8,872,870	\$2,213,825
Operating Expenses	<u>7,791,492</u>	<u>7,689,976</u>	<u>8,199,078</u>	<u>1,939,324</u>
Operating Net Income	\$677,237	\$1,240,738	\$673,792	\$274,501
Kenneth Rozenberg-95%				
Beth Rozenberg-5%				

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Center at Utica

BFA Attachment D

Bushwick Center for Rehab (225  
beds)

<u>Kings County</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>draft 3/31/2017</u>
Current Assets	\$8,735,800	\$8,291,603	\$9,565,344	\$10,627,704
Fixed Assets/Other Assets	<u>12,386,581</u>	<u>9,000,616</u>	<u>\$10,111,330</u>	<u>\$8,482,582</u>
Total Assets	\$21,122,381	\$17,292,219	\$19,676,674	\$19,110,286
Current Liabilities	16,454,412	15,655,695	\$15,407,610	\$13,487,471
Long Term Liabilities	<u>970,875</u>	<u>491,476</u>	<u>\$388,109</u>	<u>\$1,093,091</u>
Total Liabilities	\$17,425,287	\$16,147,171	\$15,795,719	\$14,580,562
Net Assets	\$3,697,094	\$1,145,048	\$3,880,955	\$4,529,724
Working Capital Position	(\$7,718,612)	(\$7,364,092)	(\$5,842,266)	(\$2,859,767)
Operating Revenues	\$31,964,119	\$30,462,397	\$32,836,888	\$7,945,674
Operating Expenses	<u>30,558,284</u>	<u>30,336,387</u>	<u>\$32,384,988</u>	<u>\$7,590,209</u>
Operating Net Income	\$1,405,835	\$126,010	\$451,900	\$355,465

Kenneth Rozenberg-98%

Hope Center for HIV & Nursing Care  
(66 beds)

<u>Bronx County</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>draft 3/31/2017</u>
Current Assets	N/A	N/A	\$5,295,321	\$5,959,541
Fixed Assets/Other Assets			<u>5,329,383</u>	<u>4,678,805</u>
Total Assets			\$10,624,704	\$10,638,346
Current Liabilities			3,068,169	2,823,022
Long Term Liabilities			<u>2,926,803</u>	<u>2,702,237</u>
Total Liabilities			\$5,994,972	\$5,525,259
Net Assets			\$4,629,732	\$5,113,087
Working Capital Position			\$2,227,152	\$3,136,519
Operating Revenues			\$10,450,614	\$2,574,081
Operating Expenses			<u>8,063,415</u>	<u>2,001,715</u>
Operating Net Income			\$2,387,199	\$572,366

Kenneth Rozenberg-95%

Beth Rozenberg-5%

CON 172125 -  
Focus Rehabilitation and Nursing Center  
at Utica

BFA Attachment D

Boro Park Center for Rehab (504 beds)

<u>Kings County</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>draft 3/31/2017</u>
Current Assets	\$31,736,219	\$33,477,293	\$42,000,992	\$32,461,742
Fixed Assets/Other Assets	<u>55,129,132</u>	<u>56,745,233</u>	<u>54,737,217</u>	<u>\$53,966,540</u>
Total Assets	\$86,865,351	\$90,222,526	\$96,738,209	\$86,428,282
Current Liabilities	16,779,223	13,005,995	17,498,181	11,587,570
Long Term Liabilities	<u>56,821,005</u>	<u>61,393,935</u>	<u>64,545,314</u>	<u>59,053,140</u>
Total Liabilities	\$73,600,228	\$74,399,930	\$82,043,495	\$70,640,710
Net Assets	\$13,265,123	\$15,822,596	\$14,694,714	\$15,787,572
Working Capital Position	\$14,956,996	\$20,471,298	\$24,502,811	\$20,874,172
Operating Revenues	\$85,440,310	\$85,092,767	\$90,651,525	\$23,615,348
Operating Expenses	<u>78,305,654</u>	<u>78,035,294</u>	<u>87,279,407</u>	<u>22,468,680</u>
Operating Net Income	\$7,134,656	\$7,057,473	\$3,372,118	\$1,146,668
<b>Kenneth Rozenberg-98%</b>				
<b>Beth Rozenberg-2%</b>				

Fulton Center for Rehabilitation (176 beds)

<u>Fulton County</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>draft 3/31/2017</u>
Current Assets	\$3,289,267	\$2,984,647	\$5,791,622	\$6,939,518
Fixed Assets/Other Assets	<u>3,751,705</u>	<u>5,201,309</u>	<u>5,394,222</u>	<u>5,430,561</u>
Total Assets	\$7,040,972	\$8,185,956	\$11,185,844	\$12,370,079
Current Liabilities	2,335,927	1,856,387	1,927,937	1,657,817
Long Term Liabilities	<u>3,482,427</u>	<u>5,255,210</u>	<u>7,828,345</u>	<u>8,346,142</u>
Total Liabilities	\$5,818,354	\$7,111,597	\$9,756,282	\$10,003,959
Net Assets	\$1,222,618	\$1,074,359	\$1,429,562	\$2,366,120
Working Capital Position	\$953,340	\$1,128,260	\$3,863,685	\$5,281,701
Operating Revenues	\$16,419,395	\$16,220,385	\$18,363,238	\$5,145,684
Operating Expenses	<u>15,850,097</u>	<u>15,539,592</u>	<u>17,429,333</u>	<u>4,330,216</u>
Operating Net Income	\$569,298	\$680,793	\$933,905	\$815,468
<b>Kenneth Rozenberg-81%</b>				

CON 172125 -  
Focus Rehabilitation and  
Nursing Center at Utica

BFA Attachment D

Richmond Center for Rehab  
(300 beds)

<u>Richmond County</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>draft 3/31/2017</u>
Current Assets	\$11,628,345	\$9,672,514	\$11,474,923	\$12,046,349
Fixed Assets/Other Assets	<u>21,135,162</u>	<u>22,879,393</u>	<u>23,259,782</u>	<u>23,125,430</u>
Total Assets	\$32,763,507	\$32,551,907	\$34,734,705	\$35,171,779
Current Liabilities	9,410,818	9,740,873	11,658,031	9,002,818
Long Term Liabilities	<u>19,494,444</u>	<u>19,094,075</u>	<u>19,532,067</u>	<u>22,488,583</u>
Total Liabilities	\$28,905,262	\$28,834,948	\$31,190,098	\$31,491,401
Net Assets	\$3,858,245	\$3,716,959	\$3,544,607	\$3,680,378
Working Capital Position	\$2,217,527	(\$68,359)	(\$183,108)	\$3,043,531
Operating Revenues	\$48,109,006	\$48,487,371	\$49,057,010	\$12,094,809
Operating Expenses	<u>46,614,137</u>	<u>46,528,657</u>	<u>47,229,362</u>	<u>11,494,105</u>
Operating Net Income	\$1,494,869	\$1,958,714	\$1,827,648	\$600,704

**Kenneth Rozenberg-95%**

Holliswood Center for Rehab  
(314 beds)

<u>Queens County</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>draft 3/31/2017</u>
Current Assets	\$13,435,538	\$14,630,000	\$16,932,793	\$12,759,097
Fixed Assets/Other Assets	<u>21,889,058</u>	<u>20,889,000</u>	<u>20,897,559</u>	<u>21,455,200</u>
Total Assets	\$35,324,596	\$35,519,000	\$37,830,352	\$34,214,297
Current Liabilities	9,518,338	6,106,000	7,226,203	4,700,999
Long Term Liabilities	<u>24,042,259</u>	<u>28,289,000</u>	<u>30,304,855</u>	<u>23,777,400</u>
Total Liabilities	\$33,560,597	\$34,395,000	\$37,531,058	\$28,478,399
Net Assets	\$1,763,999	\$1,124,000	\$299,294	\$5,735,898
Working Capital Position	\$3,917,200	\$8,524,000	\$9,706,590	\$8,058,098
Operating Revenues	\$39,614,813	\$39,958,000	\$40,141,639	\$9,804,592
Operating Expenses	<u>36,565,947</u>	<u>38,298,000</u>	<u>39,241,015</u>	<u>9,424,504</u>
Operating Net Income	\$3,048,866	\$1,660,000	\$900,624	\$380,088

**Kenneth Rozenberg-85.5%**

**CON 172125 -  
Focus Rehabilitation and  
Nursing Center at Utica**

**BFA Attachment D**

**Corning Center for Rehab  
(120 beds)**

<b><u>Steuben County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>draft 3/31/2017</u></b>
Current Assets	\$3,018,656	\$3,435,837	\$3,325,243	\$3,974,332
Fixed Assets/Other Assets	<u>4,465,725</u>	<u>4,503,748</u>	<u>4,828,611</u>	<u>4,968,023</u>
Total Assets	\$7,484,381	\$7,939,585	\$8,153,854	\$8,942,355
Current Liabilities	1,624,114	1,583,099	1,716,185	3,587,994
Long Term Liabilities	<u>2,213,968</u>	<u>2,704,240</u>	<u>2,659,187</u>	<u>675,956</u>
Total Liabilities	\$3,838,082	\$4,287,339	\$4,375,372	\$4,263,950
Net Assets	\$3,646,299	\$3,652,246	\$3,778,482	\$4,678,405
Working Capital Position	\$1,394,542	\$1,852,738	\$1,609,058	\$386,338
Operating Revenues	\$11,837,524	\$11,595,712	\$11,401,794	\$3,655,808
Operating Expenses	<u>11,003,841</u>	<u>11,079,908</u>	<u>10,745,635</u>	<u>2,655,899</u>
Operating Net Income	\$833,683	\$515,804	\$656,159	\$999,909

**Kenneth Rozenberg-58%**

**Essex Center for Rehab (100  
beds)**

<b><u>Essex County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>draft 3/31/2017</u></b>
Current Assets	\$2,142,889	\$2,217,781	\$2,562,171	\$2,573,290
Fixed Assets/Other Assets	<u>2,549,416</u>	<u>2,269,223</u>	<u>2,252,187</u>	<u>2,419,696</u>
Total Assets	\$4,692,305	\$4,487,004	\$4,814,358	\$4,992,986
Current Liabilities	1,541,057	1,266,486	1,369,563	1,289,850
Long Term Liabilities	<u>2,862,381</u>	<u>2,592,719</u>	<u>3,038,527</u>	<u>2,646,788</u>
Total Liabilities	\$4,403,438	\$3,859,205	\$4,408,090	\$3,936,638
Net Assets	\$288,867	\$627,799	\$406,268	\$1,056,348
Working Capital Position	\$601,832	\$951,295	\$1,192,608	\$1,283,440
Operating Revenues	\$6,781,191	\$9,101,413	\$9,995,586	\$2,677,549
Operating Expenses	<u>6,724,085</u>	<u>8,437,481</u>	<u>9,674,617</u>	<u>2,365,023</u>
Operating Net Income	\$57,106	\$663,932	\$320,969	\$312,526

**Kenneth Rozenberg-90%**



**CON 172125 -  
Focus Rehabilitation and  
Nursing Center at Utica**

**BFA Attachment D**

**Steuben Center for Rehab (105  
beds)**

<b><u>Steuben County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>draft 3/31/2017</u></b>
Current Assets	\$2,586,350	\$3,493,000	\$4,706,048	\$3,959,170
Fixed Assets/Other Assets	<u>7,297,840</u>	<u>7,374,000</u>	<u>6,606,494</u>	<u>6,449,542</u>
Total Assets	\$9,884,190	\$10,867,000	\$11,312,542	\$10,408,712
Current Liabilities	2,117,735	2,282,000	3,313,566	2,186,072
Long Term Liabilities	<u>6,011,004</u>	<u>6,883,000</u>	<u>6,980,870</u>	<u>6,882,223</u>
Total Liabilities	\$8,128,739	\$9,165,000	\$10,294,436	\$9,068,295
Net Assets	\$1,755,451	\$1,702,000	\$1,018,106	\$1,340,417
Working Capital Position	\$468,615	\$1,211,000	\$1,392,482	\$1,773,098
Operating Revenues	\$5,682,378	\$12,634,000	\$12,690,099	\$3,149,518
Operating Expenses	<u>5,545,548</u>	<u>11,766,000</u>	<u>12,574,828</u>	<u>2,778,937</u>
Operating Net Income	\$136,830	\$868,000	\$115,271	\$370,581

**Kenneth Rozenberg-92%**

**Indian River Rehab (122 beds)**

<b><u>Washington County</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>	<b><u>draft 3/31/2017</u></b>
Current Assets	N/A	\$2,349,967	\$2,762,690	\$3,413,709
Fixed Assets/Other Assets		<u>2,447,674</u>	<u>2,356,178</u>	<u>2,311,307</u>
Total Assets		\$4,797,641	\$5,118,868	\$5,725,016
Current Liabilities		3,262,295	2,422,854	1,731,085
Long Term Liabilities		<u>142,109</u>	<u>126,854</u>	<u>729,250</u>
Total Liabilities		\$3,404,404	\$2,549,708	\$2,460,335
Net Assets		\$1,393,237	\$2,569,160	\$3,264,681
Working Capital Position		(\$912,328)	\$339,836	\$1,682,624
Operating Revenues		\$10,480,449	\$10,886,008	\$2,834,134
Operating Expenses		<u>10,433,182</u>	<u>9,710,086</u>	<u>2,446,299</u>
Operating Net Income		\$47,267	\$1,175,922	\$387,835

**Kenneth Rozenberg-9%**

CON 172125 -  
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BFA Attachment D

Buffalo Center for Rehab (200  
beds)

<u>Erie County</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>draft 3/31/2017</u>
Current Assets	N/A	N/A	\$6,906,227	\$6,930,916
Fixed Assets/Other Assets			<u>4,252,801</u>	<u>4,470,694</u>
Total Assets			\$11,159,028	\$11,401,610
Current Liabilities			4,994,361	1,259,636
Long Term Liabilities			<u>1,088,751</u>	<u>4,581,861</u>
Total Liabilities			\$6,083,112	\$5,841,497
Net Assets			\$5,075,916	\$5,560,113
Working Capital Position			\$1,911,866	\$5,671,280
Operating Revenues			\$15,290,311	\$4,848,828
Operating Expenses			<u>14,868,356</u>	<u>4,430,069</u>
Operating Net Income			\$421,955	\$418,759

**Kenneth Rozenberg-90%**

Waterfront Center for Rehab  
(160 beds)

<u>Erie County</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>draft 3/31/2017</u>
Current Assets	\$7,068,000	\$9,176,000	\$5,208,786	\$5,288,236
Fixed Assets/Other Assets	<u>5,233,000</u>	<u>5,157,000</u>	<u>11,333,955</u>	<u>5,666,132</u>
Total Assets	\$12,301,000	\$14,333,000	\$16,542,741	\$10,954,368
Current Liabilities	1,393,000	1,269,000	1,972,241	1,331,526
Long Term Liabilities	<u>4,995,000</u>	<u>7,376,000</u>	<u>8,028,103</u>	<u>2,790,698</u>
Total Liabilities	\$6,388,000	\$8,645,000	\$10,000,344	\$4,122,224
Net Assets	\$5,913,000	\$5,688,000	\$6,542,397	\$6,832,144
Working Capital Position	\$5,675,000	\$7,907,000	\$3,236,545	\$3,956,710
Operating Revenues	\$13,566,000	\$14,415,000	\$15,336,108	\$3,947,495
Operating Expenses	<u>12,897,000</u>	<u>13,850,000</u>	<u>13,884,205</u>	<u>3,657,952</u>
Operating Net Income	\$669,000	\$565,000	\$1,451,903	\$289,543

**Kenneth Rozenberg-81%**

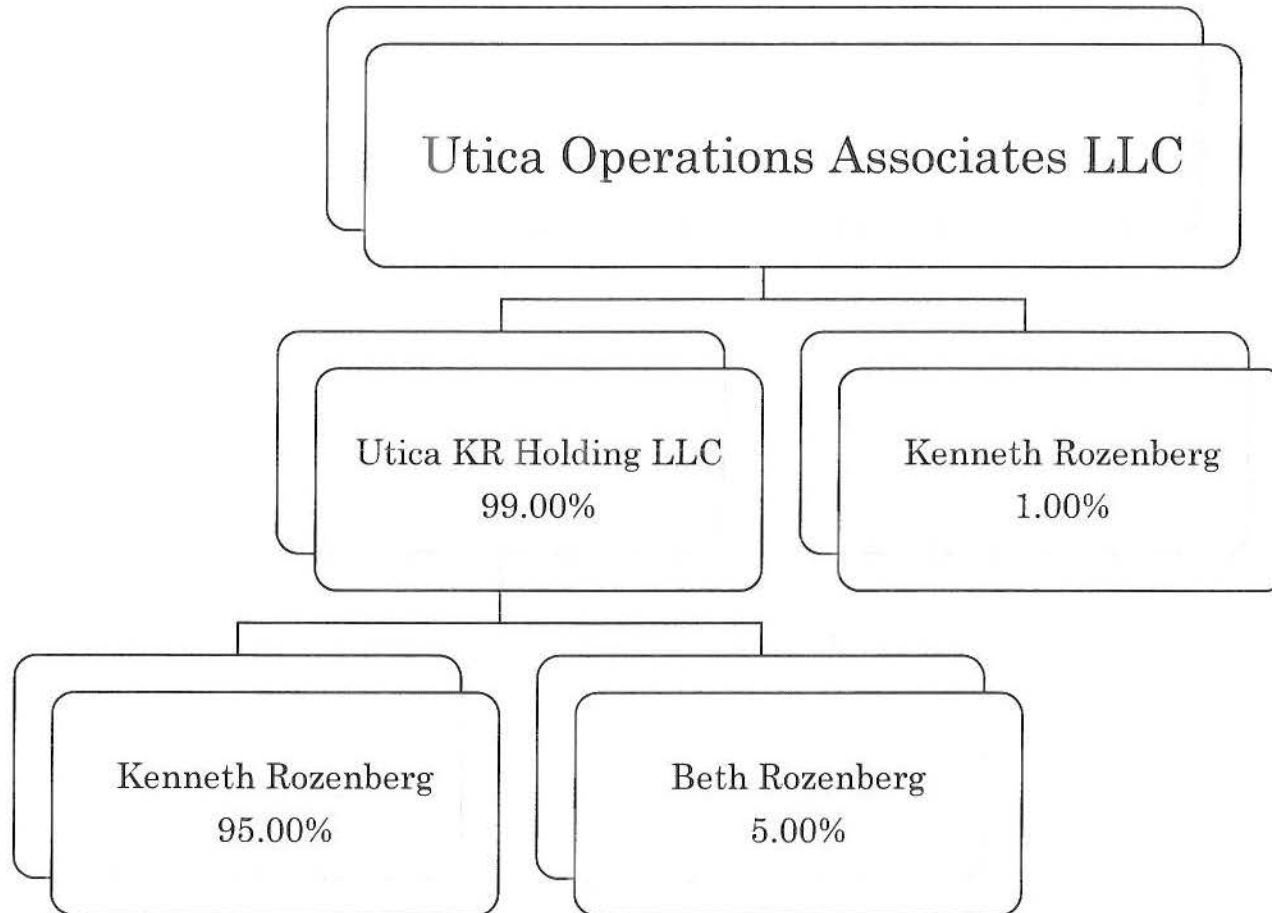
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 Nursing Center at Utica

BFA Attachment D

Washington Center for  
 Rehab (122 beds)

<u>Washington County</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>draft 3/31/2017</u>
Current Assets	\$2,326,717	\$2,682,474	\$2,769,664	N/A
Fixed Assets/Other Assets	<u>1,830,626</u>	<u>1,818,148</u>	<u>2,110,483</u>	
Total Assets	\$4,157,343	\$4,500,622	\$4,880,147	
Current Liabilities	1,867,935	1,926,162	2,410,077	
Long Term Liabilities	<u>2,053,674</u>	<u>1,996,786</u>	<u>1,968,006</u>	
Total Liabilities	\$3,921,609	\$3,922,948	\$4,378,083	
Net Assets	\$235,734	\$577,674	\$502,064	
Working Capital Position	\$458,782	\$756,312	\$359,587	
Operating Revenues	\$9,630,860	\$10,997,711	\$11,063,564	
Operating Expenses	<u>9,516,582</u>	<u>10,485,771</u>	<u>11,039,174</u>	
Operating Net Income	\$114,278	\$511,940	\$24,390	
<b>Kenneth Rozenberg-90%</b>				

Attachment 4 – Organizational Chart



BFA Attachment  
CON# 172125

Focus Rehabilitation and Nursing Center at Utica

Budget Sensitivity

<u>Payor</u>	<u>Payor Mix as of 6/30/17</u>	<u>Revised Budgeted Days</u>	<u>Per Diem*</u>	<u>Revised Revenues</u>
Medicaid	57.5%	24,461	\$191.57	\$4,686,030
Medicare	4.8%	2,030	\$384.00	779,490
Private Pay	37.8%	16,065	\$317.50	5,100,603
	100.0%	42,556		

Total Revenues based on current utilization \$10,566,122

Total Inpatient Revenues as budgeted for first year 10,140,643

Increase in Budgeted Revenues \$425,479

Note: Medicaid rate is based on 2017 initial rate

\*Per diems utilized were the lower rates based on fee for service.

As of June 30, 2017, utilization is at 97.16 (21,106/21,720)

120 beds x 365 days=43,800x 97.16=42,556