

STATE OF NEW YORK
PUBLIC HEALTH AND HEALTH PLANNING COUNCIL

COMMITTEE DAY

AGENDA

May 23, 2013
10:00 a.m.

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

I. COMMITTEE ON CODES, REGULATIONS AND LEGISLATION

Exhibit #1

Angel Gutiérrez, M.D., Chair

For Emergency Adoption

13-08 Amendment of Subpart 7-2 of Title 10 NYCRR - Children's Camps

For Discussion

13-08 Amendment of Subpart 7-2 of Title 10 NYCRR – Children's Camps

Repeal of Sections 708.2 and 708.5 and addition of a new Section 405.33
and Patient Safety

Repeal of Subdivision (g) in Section 405.19 and addition of a new Section
405.32 of Title 10 NYCRR – Observation Services

Repeal of Sections 405.43 and 700.5 and Amendment of Section 400.21 of
Title 10 NYCRR Advance Directives (Tentative)

13-12 Amendment of Section 1.31 of Title 10 NYCRR - Disclosure of
Confidential Cancer Information

II. COMMITTEE ON ESTABLISHMENT AND PROJECT REVIEW

Jeffrey Kraut, Chair

A. Applications for Construction of Health Care Facilities

Acute Care Services - Construction

Exhibit #2

	<u>Number</u>	<u>Applicant/Facility</u>
1.	121069 C	St Johns Episcopal Hospital So Shore (Queens County)
2.	122205 C	Women and Children's Hospital of Buffalo (Erie County)
3.	122216 C	University Hospital (Suffolk County)
4.	131101 C	Montefiore Med Center – Jack D Weiler Hosp of A Einstein College Div (Bronx County)

Cardiac Services – Construction

Exhibit #3

	<u>Number</u>	<u>Applicant/Facility</u>
1.	131114 C	Brookhaven Memorial Hospital Medical Center, Inc. (Suffolk County)

Upstate Request For Applications - Certified Home Health Agencies - Construction

Exhibit #4

	<u>Number</u>	<u>Applicant/Facility</u>
1.	121139 C	Visiting Nurse Association of Central New York Inc (Onondaga County)
2.	121170 C	Rosa Coplon Jewish Home and Infirmary (Erie County)
3.	121238 C	Visiting Nurse Service of Schenectady and Saratoga (Schenectady County)
4.	121304 C	Twin Tier Home Health, Inc. (Broome County)

5. 121317 C VNA of Albany VNA of Saratoga VNA of Rensselaer
(Albany County)
6. 121319 C Schofield Residence
(Erie County)
7. 121322 C Lutheran Long Term Home Health Care Program
(Suffolk County)
8. 121443 C Hudson Valley Long Term Home Health Care Program
(Ulster County)
9. 131184 C Calvary Hospital
(Bronx County)
10. 131185 C Bethel Nursing Home Co Inc
(Westchester County)

**Downstate Request For Applications - Certified Home Health Agencies -
Construction**

Exhibit #5

1. 121221 C Revival Home Health Care
(Kings County)
2. 121223 C Excellent Home Care Services, LLC
(Kings County)

**Upstate Dear Administrator Letters – Long Term Home Health Care
Program - Construction**

Exhibit #6

- | <u>Number</u> | <u>Applicant/Facility</u> |
|---------------|---|
| 1. 121437 C | Community Health Center of St. Mary’s Healthcare and
Nathan Littauer Hospital
(Fulton County) |

**Downstate Dear Administrator Letters – Long Term Home Health Care
Program - Construction**

Exhibit #7

1. 121290 C Park Gardens Rehabilitation & Nursing Center, LLC
(Bronx County)
2. 121456 C Fort Tryon Center for Rehabilitation and Nursing
(New York County)

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

Acute Care Services - Establish/Construct

Exhibit #8

	<u>Number</u>	<u>Applicant/Facility</u>
1.	122271 E	St. Peter's Health Partners (Albany County)

Ambulatory Surgery Centers - Establish/Construct

Exhibit #9

	<u>Number</u>	<u>Applicant/Facility</u>
1.	122207 E	Center for Specialty Care Inc (New York County)
2.	131050 B	New York Center for Ambulatory Surgery, LLC (New York County)
3.	131056 B	The Endoscopy Center of Queens (Queens County)
4.	131064 E	Midtown Surgery Center (New York County)
5.	131069 E	Meadowbrook Endoscopy Center (Nassau County)

Dialysis Services- Establish/Construct

Exhibit #10

	<u>Number</u>	<u>Applicant/Facility</u>
1.	112210 B	New York Regional Services, LLC d/b/a New York Regional Dialysis Center (Kings County)

Residential Health Care Facilities - Establish/Construct

Exhibit 11

	<u>Number</u>	<u>Applicant/Facility</u>
1.	122312 E	Van Duyn Home and Hospital (Onondaga County)
2.	131054 E	Cortlandt Healthcare, LLC (Westchester County)

3. 131068 B Judson Meadows Residential Health Care Center, Inc.
(Schenectady County)
4. 131100 E Palatine Nursing Home
(Montgomery County)

Certified Home Health Agencies – Establish/Construct

Exhibit #12

- | <u>Number</u> | <u>Applicant/Facility</u> |
|---------------|---|
| 1. 131103 E | Family Care Certified Services of Brooklyn/Queens
(Kings County) |

Upstate Request For Applications - Certified Home Health Agencies – Establish/Construct

Exhibit #13

- | <u>Number</u> | <u>Applicant/Facility</u> |
|---------------|---|
| 1. 121213 E | Fort Hudson Certified Home Health Agency, Inc.
(Washington County) |
| 2. 121266 E | Guthrie Home Care
(Chemung County) |

Downstate Request For Applications - Certified Home Health Agencies – Establish/Construct

Exhibit #14

- | <u>Number</u> | <u>Applicant/Facility</u> |
|---------------|---|
| 1. 121233 E | United Hebrew of New Rochelle Certified Home
Health Agency, Inc.
(Westchester County) |

C. Certificates

Certificate of Amendment of the Certificate of Incorporation

Exhibit #15

- | <u>Applicant</u> |
|--|
| 1. North Country Children’s Clinic, Inc. |

D. Home Health Agency Licensures

Home Health Agency Licensures

Exhibit #16

<u>Number</u>	<u>Applicant/Facility</u>
2077L	GTD Services, Inc. dba BrightStar of North Shore Nassau County (Nassau and Suffolk Counties)
2080L	Nix JT Corporation d/b comfort Keepers #685 (Tompkins, Cortland, and Schuyler Counties)
1788L	Sunrise Home Care, Inc. (Putnam, Westchester and Dutchess Counties)
2243L	Washington County Public Health Nursing Service (Washington County)
2263L	Wyoming County Health Department (Wyoming County)

III. COMMITTEE ON HEALTH PLANNING

Dr. John Ruge, Chair

**New York State Department of Health
Public Health and Health Planning Council
Committee Day**

May 23, 2013

ATTACHMENTS

Acute Care Services - Construction

Exhibit #2

	<u>Number</u>	<u>Applicant/Facility</u>
1.	121069 C	St Johns Episcopal Hospital So Shore (Queens County)
2.	122205 C	Women and Children's Hospital of Buffalo (Erie County)
3.	122216 C	University Hospital (Suffolk County)
5.	131101 C	Montefiore Med Center – Jack D Weiler Hosp of A Einstein College Div (Bronx County)

Episcopal Health Services Inc. and Subsidiaries
Consolidated Statements of Financial Position

	December 31	
	2011	2010
	<i>(In Thousands)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 10,949	\$ 22,869
Investments	1,041	9,895
Accounts receivable (net of allowance for doubtful accounts – \$13,301 in 2011 and \$20,162 in 2010)	28,794	28,698
Due from third-party payers	5,966	2,604
Assets limited as to use, current portion	1,236	1,237
Other receivables and prepaid expenses	3,405	3,091
Funds held in trust for residents	361	409
Inventories	283	316
Total current assets	<u>52,035</u>	<u>69,119</u>
Assets limited as to use, net of current portion	12,711	17,954
Property, buildings and equipment, net	53,600	51,367
Deferred expenses and other, net	1,141	855
Investments in and held by captive insurance companies	22,646	19,521
Insurance recovery receivable	10,604	10,161
Other assets	13,264	11,152
Prepaid pension cost	–	556
Total assets	<u>\$ 166,001</u>	<u>\$ 180,685</u>

	December 31	
	2011	2010
	<i>(In Thousands)</i>	
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 18,366	\$ 12,269
Accrued interest expense	558	584
Accrued salaries and related liabilities	10,959	10,409
Current portion of long-term debt	3,160	3,128
Funds held in trust for residents	361	409
Other current liabilities, including current portion of third-party payer liabilities	11,615	16,463
Total current liabilities	<u>45,019</u>	<u>43,262</u>
Long-term debt, net of current portion	25,227	27,891
Accrued pension liability	1,464	-
Professional and self-insured liabilities	48,928	52,245
Other long-term liabilities, including long-term portion of third-party payer liabilities	23,229	23,091
Total liabilities	<u>143,867</u>	<u>146,489</u>
Commitments and contingencies		
Net assets:		
Unrestricted	20,626	32,458
Temporarily restricted	100	330
Permanently restricted	1,408	1,408
Total net assets	<u>22,134</u>	<u>34,196</u>
Total liabilities and net assets	<u>\$ 166,001</u>	<u>\$ 180,685</u>

Episcopal Health Services Inc. and Subsidiaries

Consolidated Statements of Activities

	Year Ended December 31	
	2011	2010
	<i>(In Thousands)</i>	
Operating revenue		
Net patient service revenue	\$ 203,906	\$ 200,420
Other revenue	14,545	14,508
Investment income	1,115	1,397
Net assets released from restrictions used for operations	489	552
Total operating revenue	<u>220,055</u>	<u>216,877</u>
Operating expenses		
Salaries, wages and fringe benefits	144,057	135,564
Supplies and other	62,004	53,667
Insurance and professional liabilities	5,109	15,331
Provision for bad debts	9,454	4,157
Interest	1,693	1,794
Depreciation and amortization	7,578	6,001
Total operating expenses	<u>229,895</u>	<u>216,514</u>
(Deficiency) excess of operating revenue over operating expenses before other operating item	(9,840)	363
Other operating item:		
Resolution of preconfirmation contingencies	829	268
(Deficiency) excess of operating revenue over operating expenses	<u>(9,011)</u>	<u>631</u>
Change in pension liability to be recognized in future years	(2,821)	(132)
(Decrease) increase in unrestricted net assets	<u>\$ (11,832)</u>	<u>\$ 499</u>

Episcopal Health Services Inc. and Subsidiaries

Consolidating Balance Sheets

December 31, 2012 and December 31, 2011
(in Thousands)

	EMS	HUCLES	SUNIS	St. John's Emergency	CCC	Reclass/ Eliminations	Total Consolidated 12/31/2012	Audited 12/31/2011	Net Change
Assets:									
Cash & cash equivalents	3,279	1,023	1,402	135	23		5,862	10,949	(5,087)
Marketable securities	426				217		643	1,041	(398)
Accounts receivable net of allowance for doubtful accounts	19,777	4,088		100		(3,477)	23,973	28,784	(4,821)
Other receivables & prepaid expenses	4,184	55		250			4,489	3,406	(2,413)
Due from third parties	4,681						4,681	5,988	(1,286)
Assets limited as to use	78	882					882	1,238	(364)
Funds held in trust for residents	349	264					342	381	(19)
Inventories							349	283	66
Total Current Assets	32,754	6,320	1,402	485	240	(3,477)	37,724	52,035	(14,311)
Deferred expenses	1,468	529	12				2,109	1,141	968
Other assets	19,933	260			104	(203)	20,084	13,264	6,820
Inv. held by captive Ins. Co.	36,079	155					36,234	33,250	2,984
Assets limited as to use	9,209	7,210			340		16,759	12,711	4,048
Prepaid pension costs									
Property & equipment, net	39,470	12,586					52,056	53,600	(1,544)
Total Assets	138,913	27,150	1,414	485	684	(3,680)	164,966	166,001	(1,035)
Liabilities and Net Assets:									
Accounts payable	9,259	14	7	44			9,324	6,207	3,117
Accrued expenses	11,988	2,759	252	27	65		15,081	12,158	2,932
Accrued interest expense		531					531	558	(27)
Accrued salaries and related liabilities	10,668	1,084	33	94			11,879	10,859	920
Funds held in trust for residents	78	264					342	381	(19)
Current portion of long term debt	1,656	1,355					3,011	3,180	(149)
Other current liabilities	9,977	3,692	1,022	220	159	(3,480)	11,590	11,615	(25)
Total Current Liabilities	43,626	9,698	1,314	385	224	(3,480)	51,788	45,019	6,749
Long term debt	1,487	20,886					22,472	25,227	(2,755)
Accrued pension liability	1,312						1,312	1,484	(152)
Professional & self-insured liabilities	60,155	317					60,472	48,928	1,544
Other non-current liabilities	24,514	1,591	100	100		(200)	25,105	23,228	2,876
Total Liabilities	121,094	32,592	1,414	485	224	(3,680)	152,129	143,867	8,262
Net Assets									
Unrestricted	15,645	(5,442)			460		10,963	20,628	(9,663)
Temporarily restricted	466						466	100	366
Permanently restricted	1,408						1,408	1,408	
Total Net Assets	17,819	(5,442)			460		12,837	22,134	(9,297)
Total Liabilities and Net Assets	138,913	27,150	1,414	485	684	(3,680)	164,966	166,001	(1,035)

Epicopal Health Services Inc. and Subsidiaries
Consolidating Statements of Operations
For the Twelve Month Period Ended December 31, 2012
Actual vs Budget

(In Thousands)

	EHS Inc	Hucies Nursing Home	SJMS	St. John's Emergency	CCC	Eliminations / Adjustments	Actual	Budget	Variance Favorable (Unfavorable)	% Change
Operating Revenues:										
Net patient service revenue	\$ 101,062	\$ 22,023	\$ -	\$ -	\$ -	\$ -	\$ 213,085	\$ 205,766	\$ 7,319	3.6%
Other operating revenue	12,608	114	2,458	2,746	12	(1,815)	16,124	12,536	3,588	28.6%
Net Assets released	85	-	-	-	-	-	85	372	(287)	-77.2%
Total operating revenue	203,756	22,137	2,458	2,746	12	(1,815)	228,294	218,674	10,620	4.9%
Operating Expenses:										
Salaries, wages and fringe benefits	133,338	15,284	382	1,827	-	-	150,819	144,033	(6,786)	-4.7%
Supplies & other expenses	49,461	4,991	2,000	216	84	(1,815)	54,837	47,883	(7,044)	-14.7%
Professional fees	8,940	1,078	98	703	-	-	11,417	8,932	(2,485)	-27.8%
Insurance	8,710	195	-	-	-	-	8,905	9,836	931	9.5%
Interest	243	1,267	-	-	-	-	1,510	1,596	78	4.8%
Bad debt expense	3,664	279	-	-	-	-	4,243	4,000	(243)	-5.1%
Depreciation & amortization	6,455	1,534	-	-	-	-	7,989	7,869	(120)	-1.7%
Total operating expenses	211,109	25,238	2,458	2,746	84	(1,815)	238,820	224,139	(15,681)	-7.0%
Excess of operating revenues over (under) operating expenses before other items	(7,353)	(3,101)			(72)		(10,526)	(5,465)	(5,061)	-42.8%
Investment income (loss)	826	34	-	-	-	-	860	888	162	23.2%
Excess of operating revenues over (under) operating expenses	(6,527)	(3,067)			(72)		(9,668)	(4,767)	(4,899)	-102.8%
Non-operating income and expenses:										
Other income (expenses)	3	-	-	-	-	-	3	4,300	(4,297)	0%
Increase (decrease) in unrestricted assets	(6,524)	(3,067)			(72)		(9,663)	(467)	(9,196)	-1889.2%

Episcopal Health Services Inc.
Consolidating Statement of Operations
For the Twelve Month Period Ended December 31, 2012
Actual vs Budget

(In Thousands)

	St. John's Hospital	MacLean Nursing Home	Corporate Office	Eliminations / Adjustments	Actual	Budget	Variance Favorable (Unfavorable)	% Change
Operating Revenues:								
Net patient service revenue	\$ 180,521	\$ 10,837	\$ -	\$ (98)	\$ 191,082	\$ 181,152	\$ 9,910	5.5%
Other operating revenue	12,482	35	92	-	12,609	9,007	3,602	40.0%
Net assets released	85	-	-	-	85	372	(287)	-77.2%
Total operating revenue	193,088	10,872	92	(98)	203,756	190,531	13,225	6.9%
Operating Expenses:								
Salaries, wages and fringe benefits	125,288	6,048	(82)	(98)	133,336	124,668	(8,668)	-7.0%
Supplies & other expenses	45,988	3,621	30	-	49,481	41,738	(7,723)	-18.5%
Professional fees	7,993	947	32	-	8,940	6,990	(1,960)	-27.9%
Insurance	8,554	124	-	-	8,710	9,643	933	9.7%
Interest	243	-	-	-	243	265	22	8.3%
Bad debt expense	3,820	144	-	-	3,964	3,706	(258)	-7.0%
Depreciation & amortization	6,352	103	-	-	6,455	6,295	(160)	-2.5%
Total operating expenses	198,218	12,987	92	(98)	211,109	193,305	(17,804)	-9.2%
Excess of operating revenues over (under) operating expenses before other items	(5,130)	(2,315)	92		(7,353)	(2,774)	(4,579)	-165.1%
Investment income (loss)	826	-	-	-	826	648	178	27.5%
Excess of operating revenues over (under) operating expenses	(4,304)	(2,315)	92		(6,527)	(2,126)	(4,401)	-207.0%
Non-operating income and expenses:								
Other income (expenses)	-	-	3	-	3	4,300	(4,297)	0.0%
Increase (decrease) in unrestricted assets	\$ (4,304)	\$ (2,315)	\$ 95	\$ -	\$ (6,524)	\$ 2,174	\$ (8,698)	-400.1%

**BHFP Attachment: Map
CON # 121069 St. John's Episcopal Hospital
Queens County Hospitals**



KALEIDA HEALTH
Consolidated Balance Sheets
December 31, 2011 and 2010
(Dollars in thousands)

Assets	2011	2010
Current assets:		
Cash and cash equivalents	\$ 41,267	60,122
Investments	139,260	148,795
Accounts receivable:		
Patient, less estimated allowance for doubtful accounts of \$32,161 in 2011 and \$35,494 in 2010	152,348	151,456
Other	10,030	8,291
Inventories	20,563	23,419
Prepaid expenses and other current assets	11,752	10,668
Total current assets	<u>375,220</u>	<u>402,751</u>
Assets limited as to use:		
Designated under debt agreements	42,476	50,831
Designated under self-insurance programs	123,920	138,592
Board designated and donor restricted	85,974	85,741
Other	1,187	1,380
	<u>253,557</u>	<u>276,544</u>
Property and equipment, less accumulated depreciation and amortization	477,556	351,188
Receivable for insurance recoveries	9,078	7,809
Grants receivable	19,307	47,143
Deferred financing costs, net	12,209	12,933
Other	7,186	6,321
Total assets	<u>\$ 1,154,113</u>	<u>1,104,689</u>

Liabilities and Net Assets	<u>2011</u>	<u>2010</u>
Current liabilities:		
Accounts payable and other accrued expenses	\$ 95,273	91,615
Accrued payroll and related expenses	54,888	54,216
Line of credit	10,000	10,000
Estimated third-party payor settlements	23,288	27,499
Current portion of long-term debt	18,223	18,889
Other current liabilities	9,122	4,427
Total current liabilities	<u>210,794</u>	<u>206,646</u>
Long-term debt, less current portion	276,245	226,544
Construction costs payable	13,290	11,696
Estimated self-insurance reserves (168,328	160,516
Asset retirement obligations)	13,030	10,685
Pension and postretirement obligations (264,767	176,507
Other long-term liabilities)	13,235	3,269
Total liabilities	<u>748,895</u>	<u>589,217</u>
Total liabilities	<u>959,689</u>	<u>795,863</u>
Commitments and contingencies (
Net assets:		
Unrestricted	91,356	180,453
Temporarily restricted	87,668	112,973
Permanently restricted	15,400	15,400
Total net assets	<u>194,424</u>	<u>308,826</u>
Total liabilities and net assets	<u>\$ 1,154,113</u>	<u>1,104,689</u>

KALEIDA HEALTH

Consolidated Statements of Operations and Changes in Net Assets

Years ended December 31, 2011 and 2010

(Dollars in thousands)

	<u>2011</u>	<u>2010</u>
Operating revenue:		
Net patient service revenue	\$ 1,178,419	1,180,088
Other operating revenue	18,944	17,982
Net assets released from restrictions for operations	5,747	7,703
Total operating revenue	<u>1,203,110</u>	<u>1,205,773</u>
Operating expenses:		
Salaries and benefits	689,218	668,426
Purchased services and other	223,007	211,344
Medical and non-medical supplies	222,993	222,096
Depreciation and amortization	58,664	52,718
Provision for bad debts	18,739	19,759
Interest	10,551	12,662
Total operating expenses	<u>1,223,172</u>	<u>1,187,005</u>
(Loss) income from operations	<u>(20,062)</u>	<u>18,768</u>
Other income (losses):		
Investment income	1,707	12,339
Net realized gains (losses) on sales of investments	12,469	(189)
Net change in unrealized gains and losses on investments	(13,629)	14,917
Restructuring charges, loss on impairment and disposal of assets	(7,453)	(3,409)
Total other (losses) income, net	<u>(6,906)</u>	<u>23,658</u>
(Deficiency) excess of revenue over expenses	<u>\$ (26,968)</u>	<u>42,426</u>

Kaleida Health

Combined Balance Sheet

(Dollars in Thousands)

	<u>December 31, 2012</u>	<u>December 31, 2011</u>	<u>Change from Prior Year End</u>
Assets			
Current assets:			
Cash and cash equivalents	\$ 54,877	\$ 41,267	\$ 13,610
Current investments	128,906	139,260	(10,354)
Accounts receivable:			
Patient	147,593	152,348	(4,755)
Other	24,183	10,030	14,153
Inventories	20,492	20,563	(71)
Prepaid expenses and other current assets	11,298	11,752	(454)
Total Current Assets	387,349	375,220	12,129
Assets whose use is limited:			
Designated under Self-insurance Programs	129,189	123,920	5,269
Designated under Debt Agreements	41,989	42,476	(487)
Board Designated and Donor Restricted	95,090	85,974	9,116
Other	2,005	1,187	818
	268,273	253,557	14,716
Property and equipment, net	502,825	477,556	25,269
Receivable for insurance recoveries	8,908	9,078	(170)
Grant Receivable	3,400	19,307	(15,907)
Deferred financing costs	11,139	12,209	(1,070)
Other assets	20,749	7,186	13,563
Total Assets	\$ 1,202,643	\$ 1,154,113	\$ 48,530
Liabilities and net assets			
Current portion of long-term debt			
Line of credit	\$ 22,437	\$ 18,223	\$ 4,214
Accounts payable	72,121	10,000	(10,000)
Accrued payroll and related expenses	56,837	95,273	(23,152)
Estimated third-party payor settlements	7,854	54,888	1,949
Other current liabilities	5,758	23,288	(15,434)
Total Current Liabilities	165,007	210,794	(45,787)
Long-term debt	311,609	276,245	35,364
Construction costs payable	951	13,290	(12,339)
Estimated Self Insurance Reserves	180,896	168,328	12,568
Asset retirement obligations	13,376	13,030	346
Pension and postretirement obligations	268,884	264,767	4,117
Other long-term liabilities	10,099	13,235	(3,136)
Total Liabilities	785,815	748,895	36,920
	950,822	959,689	(8,867)
Net assets			
Unrestricted net assets	154,285	91,356	62,929
Temporarily restricted net assets	82,136	87,668	(5,532)
Permanently restricted net assets	15,400	15,400	-
Total Net Assets	251,821	194,424	57,397
Total Liabilities and Net Assets	\$ 1,202,643	\$ 1,154,113	\$ 48,530

Kaleida Health

Consolidated Statement of Operations
Year-To-Date December 31, 2012

(Dollars in Thousands)

	Actual	Budget	Variance	Prior Year
Operating Revenues				
Patient Revenue				
Inpatient Services	\$ 1,661,475	\$ 1,611,120	\$ 50,355	\$ 1,644,296
Outpatient Services	938,708	929,764	8,945	921,652
Gross Patient Revenue	2,600,183	2,540,884	59,300	2,565,948
Less:				
Contractual Allowances	1,384,262	1,316,920	(67,342)	1,368,114
Bad Debt & Charity Care	36,461	37,587	1,126	38,156
Total Care Discounts	1,420,722	1,354,507	(66,215)	1,406,270
Net Patient Revenue	1,179,461	1,186,377	(6,916)	1,159,678
Operating Investment Interest & Dividend Income	2,514	2,288	226	2,674
Other Operating Revenue	45,252	23,956	21,297	21,461
Total Operating Revenue	1,227,228	1,212,621	14,607	1,183,813
Operating Expenses				
Salary/Wages/Contract Labor	516,077	505,867	(10,209)	525,776
Employee Benefits	178,667	172,285	(6,382)	169,303
Physician Fees	32,664	80,651	(2,013)	79,739
Purchased Services	47,838	45,840	(1,998)	48,999
Med & Non-Med Supplies	209,257	203,868	(5,389)	222,994
Other Expenses	60,387	57,853	(2,534)	59,397
Utilities	10,324	14,115	3,791	12,882
Insurance Expense	20,718	23,110	2,392	23,025
Depreciation & Amortization	69,093	70,728	1,635	58,664
Interest	15,574	18,224	2,650	10,551
Total Operating Expenses	1,210,600	1,192,538	(18,062)	1,211,328
Income (Loss) from Operations Before Strategic Investments	\$ 16,629	\$ 20,083	\$ (3,455)	\$ (27,515)
Strategic Investments	(1,019)	(3,500)	2,481	0
Income (Loss) from Operations After Strategic Investments	15,610	16,583	(974)	(27,515)
Non Operating Gains (Losses)				
Minority Interest	(957)	(952)	(5)	(818)
Interest and Dividends	2,979	3,210	(231)	3,206
Realized Gains (Losses)	5,313	8,206	(2,893)	16,297
Unrealized Gains (Losses)	19,902	-	19,902	(18,138)
Non Operating Gains (Losses), Net	27,237	10,464	16,773	547
Excess of Revenues Over Expenses	\$ 42,846	\$ 27,047	\$ 15,799	\$ (26,968)

**THE WOMEN AND CHILDREN'S HOSPITAL
OF BUFFALO FOUNDATION**

Statements of Financial Position

December 31, 2011 and 2010

Assets	<u>2011</u>	<u>2010</u>
Cash and cash equivalents	\$ 1,673,476	1,289,761
Investments	45,964,024	45,331,849
Other assets	92,098	217,960
Other investments for temporarily and permanently restricted activities	19,764,299	18,852,665
Pledges receivable, net	918,492	1,153,863
Amounts due from affiliates	6,523	92,965
Equipment, net	1,096	4,604
Total assets	<u>\$ 68,420,008</u>	<u>66,943,667</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 158,569	134,772
Amounts due to affiliates	163,319	24,162
Total liabilities	<u>321,888</u>	<u>158,934</u>
Net assets:		
Unrestricted	52,680,636	51,892,608
Temporarily restricted	12,216,747	11,691,388
Permanently restricted	3,200,737	3,200,737
Total net assets	<u>68,098,120</u>	<u>66,784,733</u>
Total liabilities and net assets	<u>\$ 68,420,008</u>	<u>66,943,667</u>

**THE WOMEN AND CHILDREN'S HOSPITAL
 OF BUFFALO FOUNDATION**

Statements of Operations and Changes in Net Assets
 Years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Operating revenue:		
Contributions and events	\$ 2,016,217	2,661,249
Net assets released from restrictions	1,224,054	308,199
Total operating revenue	<u>3,240,271</u>	<u>2,969,448</u>
Operating expenses:		
Salaries and fringe benefits	673,637	782,076
Professional fees and purchased services	250,930	226,143
Depreciation	3,508	4,848
Expenditures in accordance with restricted purpose	1,224,054	308,199
Other	352,620	387,595
Total operating expenses	<u>2,504,749</u>	<u>1,708,861</u>
Income from operations	<u>735,522</u>	<u>1,260,587</u>
Other income (losses)		
Investment income	735,150	1,850,842
Net realized gains on sales of investments	2,906,778	2,702
Net change in unrealized gains and losses on investments	(3,321,474)	3,219,924
Total other income, net	<u>320,454</u>	<u>5,073,468</u>
Excess of revenue over expenses	<u>\$ 1,055,976</u>	<u>6,334,055</u>

The Women and Children's Hospital of Buffalo Foundation

Consolidated Balance Sheet

December 31, 2012

	Consolidated 12/31/2012	Consolidated 12/31/2011
ASSETS		
Current Assets:		
Cash	\$ 1,409,896	\$ 1,673,476
Investments	49,096,654	45,964,024
Prepaid Expenses	100,463	70,922
Due from Affiliates	277,232	-
Other	463,078	21,176
Total current assets	51,347,323	47,729,598
Donor Restricted and Board Designated Assets:		
Cash	7,885,604	6,572,881
Investments	14,145,018	13,191,418
	22,030,622	19,764,299
Property, Plant & Equipment, Net	498	1,096
Note Receivable Affiliate	5,000,000	-
Pledges receivable, net	699,627	918,492
TOTAL ASSETS	\$ 79,078,070	\$ 68,413,485

LIABILITIES AND NET ASSETS

Current Liabilities:		
Accounts Payable & Accrued Expenses	\$ 176,620	\$ 158,567
Due to Affiliates	-	156,796
Total current liabilities	176,620	315,363
Net Assets:		
Unrestricted	61,321,423	52,680,636
Temporarily Restricted	14,379,289	12,216,748
Permanently Restricted	3,200,738	3,200,738
Total Net Assets	78,901,450	68,098,122
TOTAL LIABILITIES & NET ASSETS	\$ 79,078,070	\$ 68,413,485

The Women and Children's Hospital of Buffalo Foundation

Consolidated Statement of Operations

For The Year Ended December 31, 2012

	2012			12/31/2011
	ACTUAL	BUDGET	VARIANCE	
Revenue				
Unrestricted Contributions	\$ 4,269,138	\$ 2,000,000	\$ 2,269,138	\$ 2,016,217
Other Operating Revenue	-	-	-	-
Total Support Revenue and Gains	4,269,138	2,000,000	2,269,138	2,016,217
Net Assets Released From Restrictions	1,991,730	-	1,991,730	1,224,054
Total Operating Revenue	6,260,868	2,000,000	4,260,868	3,240,271
Expenses				
Salaries and Wages	451,451	451,088	(363)	495,574
Employee Benefits	148,511	153,430	4,919	178,063
Purchased Services	377,307	228,268	(149,039)	250,930
Non Medical Supplies	8,830	8,800	(30)	8,213
Other Expenses	385,573	376,137	(9,436)	344,407
Utilities	8,126	5,100	(3,026)	-
Depreciation	598	598	-	3,508
Total Operating Expenses	1,380,396	1,223,421	(156,975)	1,280,695
Net Assets Released From Restrictions	1,991,730	-	(1,991,730)	1,224,054
Total Expenses	3,372,126	1,223,421	(2,148,705)	2,504,749
Net Operating Gain (Loss)	\$ 2,888,742	\$ 776,579	\$ 2,112,163	\$ 735,522
Investment Income				
Interest & Dividend Income	2,897,357	782,792	2,114,565	735,150
Net Realized Gains (Losses)	1,310,210	-	1,310,210	2,906,778
Net Unrealized Gains (Losses)	2,197,365	-	2,197,365	(3,321,474)
Non Operating Gains (Losses)	6,404,932	782,792	5,622,140	320,454
Transfers to Affiliates for Donated Capital	(652,887)	-	(652,887)	(267,950)
Net Surplus (Deficit)	\$ 8,640,787	\$ 1,559,371	\$ 7,081,416	\$ 788,026

STONY BROOK UNIVERSITY HOSPITAL,
STONY BROOK UNIVERSITY

Balance Sheets

December 31, 2011 and 2010

(in thousands of dollars)

<u>Assets</u>	<u>2011</u>	<u>2010</u>
Current assets:		
Cash and cash held by the State	\$ 71,752	\$ 131,662
Patient accounts receivable, net of allowance for uncollectible accounts of approximately \$115,272 and \$94,251 in 2011 and 2010, respectively	161,625	149,256
Inventories	5,173	4,693
Prepaid expenses and other current assets	13,607	18,374
Due from third-party payors	10,101	25,464
Current portion of appropriations receivable - malpractice	9,000	10,000
Assets whose use is limited:		
Internally designated	10,000	34,000
Unexpended bond proceeds	10,883	10,997
Capitalized lease agreement	-	7,513
Due from Clinical Practice Management Plan ("CPMP")	-	638
	<hr/>	<hr/>
Total current assets	292,141	392,597
Capital assets, net	381,197	364,995
Appropriations receivable - malpractice, net of current portion	166,091	151,635
Long-term patient receivables, net	9,600	8,900
Other assets	21,554	16,560
Due from third-party payors	9,274	574
Assets whose use is limited, net of current portion:		
Internally designated	93,068	49,869
	<hr/>	<hr/>
Total non-current assets	680,784	592,533
	<hr/>	<hr/>
Total assets	\$ 972,925	\$ 985,130

<u>Liabilities and Net Assets</u>	<u>2011</u>	<u>2010</u>
Current liabilities:		
Current maturities of long-term debt and capital lease obligations	\$ 9,601	\$ 24,231
Accounts payable, accrued expenses and other	61,890	58,764
Accrued salaries and wages	30,931	27,821
Accrued employee benefits	31,383	29,269
Accrued interest payable	2,545	2,694
Current portion of estimated malpractice and general liability claims	9,000	10,000
Due to State of New York	11,700	24,567
Due to Clinical-Practice Management Plan ("CPMP")	1,217	-
Due to third-party payors	16,694	19,423
	<hr/>	<hr/>
Total current liabilities	174,961	196,769
Long-term debt:		
Obligation to Dormitory Authority of the State of New York	197,994	206,138
Capital lease obligations	-	16,275
	<hr/>	<hr/>
	197,994	222,413
Accrued employee benefits, net of current portion	30,551	28,053
Estimated malpractice and general liability claims, net of current portion	166,091	151,635
Due to third-party payors, net of current portion	30,110	21,961
Due to State of New York, net of current portion	12,562	16,417
Other liabilities	5,050	-
	<hr/>	<hr/>
Total liabilities	617,319	637,248
Net assets:		
Invested in capital assets, net of related debt	277,553	186,729
Restricted - expendable for capital	2,654	-
Unrestricted	75,399	161,153
	<hr/>	<hr/>
Total net assets	355,606	347,882
Commitments and contingencies		
Total liabilities and net assets	\$ 972,925	\$ 985,130

STONY BROOK UNIVERSITY HOSPITAL,
STONY BROOK UNIVERSITY

Statements of Revenues, Expenses and Changes in Net Assets

Years ended December 31, 2011 and 2010

(in thousands of dollars)

	<u>2011</u>	<u>2010</u>
Operating revenues:		
Net patient service revenue (net of provision for bad debts of approximately \$110,400 in 2011 and \$82,595 in 2010)	\$ 836,375	\$ 810,593
Other operating revenues	14,106	21,962
	<u>850,481</u>	<u>832,555</u>
Total operating revenue		
Operating expenses:		
Salaries and wages	403,703	388,106
Employee health and welfare benefits	158,238	140,181
Supplies and other expenses	303,304	261,840
Depreciation, amortization and loss on disposal	37,309	38,978
	<u>902,554</u>	<u>829,105</u>
Total operating expenses		
Operating income (loss)	(52,073)	3,450
Non-operating revenues (expenses):		
State of New York appropriations	63,337	36,587
Interest expense on capital-related debt	(8,418)	(10,362)
Interest income	2,224	1,534
	<u>57,143</u>	<u>27,759</u>
Total non-operating revenues		
Excess of revenues over expenses	5,070	31,209
Restricted capital contributions	2,654	-
	<u>7,724</u>	<u>31,209</u>
Increase in net assets		
Net assets:		
Beginning of year	<u>347,882</u>	<u>316,673</u>
End of year	<u>\$ 355,606</u>	<u>\$ 347,882</u>

**STONY BROOK UNIVERSITY HOSPITAL,
 STONY BROOK UNIVERSITY**

Statements of Revenues, Expenses and Changes in Net Assets

Years ended December 31, 2012 and 2011

(in thousands of dollars)

	<u>2012</u>	<u>2011</u>
Operating revenue:		
Net patient service revenue (net of provision for bad debts of \$ 121,477 in 2012 and \$110,400 in 2011)	\$ 893,568	\$ 836,375
Other operating revenue	<u>29,440</u>	<u>14,106</u>
Total operating Revenue	<u>923,008</u>	<u>850,481</u>
Operating expenses:		
Salaries and wages	430,358	403,703
Employee health and welfare benefits	168,248	158,238
Supplies and other expenses	311,501	303,304
Depreciation and amortization	<u>38,881</u>	<u>37,309</u>
Total operating expenses	<u>948,989</u>	<u>902,554</u>
Operating income (loss)	(25,981)	(52,073)
Nonoperating revenue (expense):		
State of New York appropriations	47,273	63,337
Interest expense on capital related debt	(9,396)	(8,418)
Interest income	<u>579</u>	<u>2,224</u>
Total non-operating revenues	<u>38,455</u>	<u>57,143</u>
Excess of revenues over expenses	12,474	5,070
Capital contributions	<u>0</u>	<u>2,654</u>
Increase in net assets	12,474	7,724
Net assets:		
Beginning of year	<u>355,606</u>	<u>347,882</u>
End of year	<u>\$ 368,080</u>	<u>\$ 355,606</u>

**STONY BROOK FOUNDATION, INC.
AND AFFILIATE**

Combined Statements of Financial Position

<i>June 30,</i>	2012	2011
Assets		
Cash and Cash Equivalents	\$ 42,121,758	\$ 12,063,755
Pledges Receivable, net	147,458,066	48,174,210
Loans and Other Receivables	661,572	1,046,668
Prepaid Expenses	161,709	98,039
Inventory	31,175	28,198
Investments:		
Permanently restricted investments	67,219,235	53,600,872
Other investments	103,243,730	99,780,587
Total Investments	<u>170,462,965</u>	<u>153,381,459</u>
Bond Issuance Cost, net	61,206	69,950
Land, Buildings, Equipment and Collections, net	12,889,293	12,406,422
Total Assets	<u>\$ 373,847,744</u>	<u>\$ 227,268,701</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 5,473,451	\$ 4,906,633
Deferred revenue	3,005,725	1,377,167
Annuities payable	611,625	556,941
Funds held in trust for others	30,083,878	27,996,866
Bond payable	1,975,000	2,135,000
Total Liabilities	<u>41,149,679</u>	<u>36,972,607</u>
Unrestricted Net Assets:		
Undesignated	2,507,480	2,699,185
Designated	7,625,878	6,472,918
Total Unrestricted Net Assets	<u>10,133,358</u>	<u>9,172,103</u>
Temporarily Restricted Net Assets	230,681,736	101,599,124
Permanently Restricted Net Assets	91,882,971	79,524,867
Total Net Assets	<u>332,698,065</u>	<u>190,296,094</u>
Total Liabilities and Net Assets	<u>\$ 373,847,744</u>	<u>\$ 227,268,701</u>

**STONY BROOK FOUNDATION, INC.
AND AFFILIATE**

Combined Statement of Activities

Year Ended June 30, 2012 (with summarized comparative totals for 2011)

	2012			2011		
	Unrestricted Undesignated	Unrestricted Designated	Temporarily Restricted	Permanently Restricted	Total	Total
Revenues, Gains and Other Support:						
Gifts and grants	\$ 400,883	\$ -	\$ 156,375,628	\$ 16,277,654	\$ 173,054,165	\$ 22,317,971
Gifts-in-kind and contributed services	412,847	187,200	478,441	4,975	1,083,463	1,133,011
Contracts and other support	1,010,982	325,744	1,398,245	-	2,734,971	2,953,319
Interest and dividend income	61,326	-	1,476,835	-	1,538,161	299,277
Investment income appropriated for spending	-	-	(3,462)	-	(3,462)	-
Net realized gains on investments	1,707,351	44,962	1,667,412	-	3,419,725	2,321,888
Net unrealized appreciation on investments	1,368,121	31,062	1,894,712	-	3,293,895	13,137,667
Net loss on disposal of capital assets	-	(4,270)	(14,359)	-	(18,629)	(321)
Net loss on sale of inventory	-	-	(6,562)	-	(6,562)	(34,150)
Rental income	-	-	335,816	-	335,816	409,421
Other income	-	18,856	5,239	-	24,095	17,450
Net assets released from restrictions	3,778,075	34,706,962	(38,485,037)	-	-	-
Total Revenues, Gains and Other Support	8,739,585	35,310,516	125,122,908	16,282,629	185,455,638	42,555,533
Expenses:						
Campus program expenses:						
Instruction	-	9,708,924	-	-	9,708,924	6,940,889
Research	-	1,304,594	-	-	1,304,594	2,065,495
Public service	-	2,865,371	-	-	2,865,371	1,365,358
Academic support	175,714	638,770	-	-	814,484	626,650
Student services	12,288	438,357	-	-	440,645	274,346
Institutional support	1,474,147	14,830,717	-	-	16,304,864	24,325,352
Scholarships and fellowships	-	5,886,791	-	-	5,886,791	1,908,472
Total Campus Program Expenses	1,662,149	35,663,524	-	-	37,325,673	37,506,562
General and administrative:						
Fundraising	2,354,967	-	-	-	2,354,967	1,921,538
Depreciation	2,649,409	-	-	-	2,649,409	2,372,816
Total Expenses	6,666,525	723,618	-	-	7,390,143	606,637
Increase in Net Assets	2,073,060	(1,076,626)	125,122,908	16,282,629	142,401,971	147,980
Transfers of Net Assets	(2,264,765)	2,229,586	3,959,704	(3,924,525)	-	-
Net Assets, beginning of year	2,699,185	6,472,918	101,599,124	79,524,867	190,296,094	190,148,114
Net Assets, end of year	\$ 2,507,480	\$ 7,625,878	\$ 230,681,736	\$ 91,882,971	\$ 332,698,065	\$ 190,296,094

STONY BROOK UNIVERSITY HOSPITAL,
STONY BROOK UNIVERSITY

Balance Sheets
Pro Forms
December 31, 2012 and 2011

Asset	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Current assets:										
Cash and cash held by the State	71,752	36,715	37,449	38,198	38,962	39,742	40,536	41,347	42,174	43,018
Accounts receivable, net of uncollectible accounts of approximately \$16,272 and \$94,251 in 2011 and 2010, respectively	161,625	174,433	177,922	181,480	185,110	188,812	192,589	196,440	200,369	204,376
Inventory	5,173	6,170	6,293	6,419	6,547	6,678	6,812	6,948	7,087	7,229
Prepaid expenses and other current assets	13,607	31,054	31,675	32,009	32,955	33,614	34,286	34,972	35,672	36,385
Due from Clinical Practice Management Plan (CPMP)	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Current portion of investments receivable - malpractice	9,000	9,000	9,180	9,364	9,551	9,742	9,937	10,135	10,338	10,545
Assets whose use is limited, net of current portion Internally-designated	10,000	10,883	10,883	87,812	43,956					
Unrecognized bond proceeds	10,883	4,558	4,605	4,835	4,980	5,130	5,284	5,442	5,606	5,774
Due from Clinical Practice Management Plan (CPMP)	792,141	370,883	377,139	410,530	373,074	335,750	343,517	349,420	356,463	363,648
Total current assets	383,197	403,144	477,140	541,186	605,099	652,472	648,994	644,166	644,301	651,514
Capital assets, net	166,091	166,091	171,074	176,306	181,492	186,937	192,545	198,321	204,271	210,389
Appropriations receivable - malpractice, net of current portion	9,600	6,275	6,463	6,657	6,857	7,063	7,274	7,493	7,717	7,949
Long-term patient receivable, net	21,354	13,376	13,778	14,191	14,617	15,055	15,507	15,972	16,451	16,945
Other assets	9,274									
Assets whose use is limited, net of current portion Internally-designated	83,068	89,403	13,946	14,365	14,796	15,239	15,697	16,167	16,652	17,153
Total non-current assets	680,794	678,689	682,410	753,004	822,860	876,766	886,017	882,120	889,392	913,860
Total assets	\$ 972,925	\$ 999,573	\$ 1,009,539	\$ 1,163,134	\$ 1,195,935	\$ 1,312,517	\$ 1,272,534	\$ 1,331,540	\$ 1,246,855	\$ 1,277,608
Liabilities and Net Assets										
Current liabilities:										
Due to State of New York	9,601	10,434	7,162	11,084	9,337	16,856	16,273	13,752	7,180	16,467
Accounts payable and accrued liabilities	61,890	69,705	71,786	73,950	76,169	78,454	80,807	83,232	85,729	88,300
Accrued salaries and wages	30,931	39,717	40,999	42,136	43,400	44,702	46,043	47,424	48,847	50,312
Accrued employee benefits	31,383	33,658	34,667	35,907	36,779	37,882	39,018	40,189	41,395	42,636
Current portion of estimated malpractice and general liability claims	2,945	2,108	2,171	2,337	2,384	2,573	2,644	2,817	2,939	3,071
Due to Clinical Practice Management Plan (CPMP)	9,000	9,000	9,270	9,548	9,835	10,130	10,433	10,746	11,069	11,401
Due to State of New York	1,217	802	826	851	876	902	929	957	986	1,016
Due to third-party payors, net of current portion	11,500	26,851	27,693	28,686	29,721	30,802	31,928	33,098	34,314	35,574
Due to third-party payors	18,694	19,837	20,932	21,983	23,090	24,258	25,488	26,780	28,136	29,558
Total current liabilities	174,861	212,112	214,890	235,043	239,706	243,845	250,073	254,565	259,218	271,046
Long-term liabilities:										
Due to State of New York	197,894	188,003	177,569	298,852	287,768	278,441	268,483	259,210	250,458	245,278
Due to State of New York	197,894	188,003	177,569	298,852	287,768	278,441	268,483	259,210	250,458	245,278
Capital lease obligations	197,894	188,003	177,569	298,852	287,768	278,441	268,483	259,210	250,458	245,278
Total liabilities	372,755	400,115	392,459	533,895	527,474	522,286	518,556	513,775	509,676	516,324
Net Assets	600,170	599,458	617,080	629,239	668,461	789,231	753,978	817,765	737,179	761,284
Total net assets	600,170	599,458	617,080	629,239	668,461	789,231	753,978	817,765	737,179	761,284
Total liabilities and net assets	\$ 972,925	\$ 999,573	\$ 1,009,539	\$ 1,163,134	\$ 1,195,935	\$ 1,312,517	\$ 1,272,534	\$ 1,331,540	\$ 1,246,855	\$ 1,277,608

STONY BROOK UNIVERSITY HOSPITAL,
STONY BROOK UNIVERSITY

Statements of Revenues, Expenses and Changes in Net Assets
Proforma
Years ended December 31, 2011 through 2020

(in thousands of dollars)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Operating revenue:										
Net patient service revenue (net of provision for bad debts of \$ 121,477 in 2012 and \$110,400 in 2011)	\$ 836,375	893,568	908,371	935,820	962,629	1,007,468	1,054,050	1,084,217	1,115,101	1,146,976
Other operating revenue	14,106	29,440	30,323	31,233	32,170	33,135	34,129	35,153	36,207	37,293
Total operating revenue	\$ 850,481	923,008	938,694	967,052	994,798	1,040,603	1,088,179	1,119,370	1,151,308	1,184,270
Operating expenses:										
Salaries and wages	403,703	430,358	439,311	450,964	467,774	493,186	514,680	530,387	547,303	563,924
Employee health and welfare benefits	138,238	168,248	176,976	180,386	187,110	197,274	205,872	212,155	218,921	225,570
Supplies and other expenses	303,304	311,501	321,687	329,730	337,973	346,422	355,083	363,960	373,059	382,385
Depreciation and amortization	37,309	38,881	39,270	39,663	40,059	40,401	40,742	41,084	41,426	41,768
Total operating expenses	902,554	948,989	977,244	1,000,742	1,032,916	1,083,283	1,128,377	1,159,244	1,192,025	1,233,202
Operating income (loss)	(52,073)	(25,981)	(38,550)	(33,690)	(38,118)	(42,680)	(40,198)	(39,874)	(40,717)	(38,932)
Nonoperating revenue (expense):										
State of New York appropriations	63,337	47,273	39,600	39,600	39,600	39,600	39,600	39,600	39,600	39,600
Interest expense on capital related debt	(8,418)	(9,396)	9,035	8,485	8,067	13,649	13,039	12,789	12,532	12,267
Interest income	2,224	579	596	614	632	651	671	691	711	733
Total non-operating revenues	57,143	38,455	49,231	48,698	48,299	53,900	53,310	53,080	52,843	52,600
Excess of revenues over expenses	5,070	12,474	10,680	15,009	10,181	11,220	13,112	13,206	12,126	13,668
Capital contributions	2,654	0	-	-	-	-	-	-	-	-
Increase in net assets	7,724	12,474	10,680	15,009	10,181	11,220	13,112	13,206	12,126	13,668
Net assets:										
Beginning of year	347,882	355,606	368,080	378,761	393,770	403,951	415,170	428,282	441,488	453,614
End of year	\$ 355,606	368,080	378,761	393,770	403,951	415,170	428,282	441,488	453,614	467,282

MART Stacking

Major MEP
Research
Research
Research
Adult Infusion
Multi-D Onc Clinic
Cyclotron
Peds Infusion
MART Lobby
Mat Mgmt
Animal Hold
Loading Dock

Bed Tower Stacking

Neuro ICU-16
Major MEP
SICU-20
Cardiology-40
Adolescent-18
Peds Hem/Onc-8
Peds Lobby
Peds Proc
Onc Admin
Auditorium
Onc Admin
Auditorium
Peds Med/Surg-16
Gen Lobby/Connection
Educ
Radiology
Building Support Systems
Existing Dining
Existing Radiology
Building Connections
Building Connections
Building Connections

- Floor 10
- Floor 9
- Floor 8
- Floor 7
- Floor 6
- Floor 5
- Floor 4
- Floor 3
- Floor 2
- Floor 1

Research
Education
Support Space
Clinical OP and Hospital Ancillary
Children's
Adult/Inpatient
Building Support

MART/Bed Tower Article 28 and Non-Article 28 Funding Sources

	Source	State	Campus	TELP	Total
ARTICLE 28	-- Hospital Appropriations	\$133,200,000	\$ -	\$ -	\$ 133,200,000
	-- Philanthropy	\$ -	\$ 24,200,000	\$ -	\$ 24,200,000
	-- Hospital Revenue Funds	\$ -	\$ 55,462,597	\$ -	\$ 55,462,597
	-- Renamed Appropriations (Children's hospital educational space)	\$ 12,607,878	\$ -	\$ -	\$ 12,607,878
	-- TELP	\$ -	\$ -	\$ 38,108,990	\$ 38,108,990
	Article 28 Subtotal	\$145,807,878	\$ 79,662,597	\$ 38,108,990	\$ 263,579,465
NON-ARTICLE 28	-- Urban Development Corp. Funds	\$ 20,000,000	\$ -	\$ -	\$ 20,000,000
	-- School of Medicine Funds	\$ -	\$ 20,000,000	\$ -	\$ 20,000,000
	-- SUNY Match	\$ 15,000,000	\$ -	\$ -	\$ 15,000,000
	-- Indirect Cost Recoveries	\$ -	\$ 10,000,000	\$ -	\$ 10,000,000
	-- Philanthropy	\$ -	\$ 50,000,000	\$ -	\$ 50,000,000
	-- Renamed Appropriations (Children's hospital educational space)	\$ 40,392,122	\$ -	\$ -	\$ 40,392,122
	Non-Article 28 Subtotal	\$ 75,392,122	\$ 80,000,000	\$ -	\$ 155,392,122
	Grand Total	\$221,200,000	\$159,662,597	\$ 38,108,990	\$ 418,971,587

Montefiore Medical Center
Consolidated Statements of Financial Position

	December 31	
	2011	2010
	<i>(In Thousands)</i>	
	As Adjusted <i>(Note 1)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 26,855	\$ 12,517
Marketable and other securities	775,680	767,311
Assets limited as to use – marketable securities	49,440	47,018
Receivables for patient care, less allowances for doubtful accounts (2011 – \$132,170; 2010 – \$120,026)	161,779	163,594
Other receivables	49,784	57,765
Estimated insurance claims receivable, current portion	73,115	77,189
Other current assets	31,157	27,896
Total current assets	1,167,810	1,153,290
Assets limited as to use:		
Marketable and other securities:		
Sinking funds	64,257	60,032
Employee deferred compensation plan	12,154	10,114
Marketable and other securities externally designated	94,766	92,243
Malpractice insurance programs	19,421	--
Total non-current assets limited as to use	190,598	162,389
Marketable securities held as collateral	6,040	6,464
Property, buildings and equipment, at cost, net	738,541	717,418
Estimated insurance claims receivable, net of current portion	414,320	437,404
Deferred financing costs and other non-current assets	114,049	100,651
Total assets	\$ 2,631,358	\$ 2,577,616
Liabilities and net assets		
Current liabilities:		
Trade accounts payable	\$ 81,057	\$ 77,052
Other payables and accrued expenses	202,388	215,773
Accrued salaries, wages and related items	183,435	175,651
Estimated insurance claims liabilities, current portion	73,115	77,189
Current portion of long-term debt	39,356	36,624
Total current liabilities	579,351	582,289
Long-term debt, less current portion	550,610	573,519
Non-current defined benefit and postretirement health plan and insurance liabilities	236,114	199,596
Employee deferred compensation	12,154	10,114
Estimated insurance claims liabilities, net of current portion	414,320	437,404
Other non-current liabilities	285,457	254,490
Total liabilities	2,078,006	2,057,412
Commitments and contingencies		
Net assets:		
Unrestricted	455,208	422,410
Temporarily restricted	72,794	72,444
Permanently restricted	25,350	25,350
Total net assets	553,352	520,204
Total liabilities and net assets	\$ 2,631,358	\$ 2,577,616

Montefiore Medical Center
 Consolidated Statements of Operations

	Year Ended December 31	
	2011	2010
	<i>(In Thousands)</i>	
Operating revenue		
Net patient service revenue	\$ 2,798,093	\$ 2,726,531
Grants and contracts	72,656	68,317
Contributions	4,594	5,140
Other	102,604	87,145
Total operating revenue	<u>2,977,947</u>	<u>2,887,133</u>
Operating expenses		
Salaries and wages	1,336,865	1,271,976
Employee benefits	392,516	372,709
Supplies and other expenses	1,048,834	1,034,260
Depreciation and amortization	100,824	99,378
Interest	28,010	31,786
Total operating expenses	<u>2,907,049</u>	<u>2,810,109</u>
Income from operations before certain items	70,898	77,024
Net realized and changes in unrealized (losses) gains on marketable and other securities	(11,558)	34,534
Malpractice insurance program adjustments associated with investment losses	(25,894)	-
Medical resident tax recovery	-	21,500
Income from operations	<u>33,446</u>	<u>133,058</u>
Change in defined benefit pension and other postretirement plan liabilities to be recognized in future periods	(4,509)	(1,286)
Net assets released from restrictions used for purchases of property, buildings and equipment	3,861	2,267
Increase in unrestricted net assets	<u>\$ 32,798</u>	<u>\$ 134,039</u>

MONTEFIORE MEDICAL CENTER
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	November 30 2012	December 31 2011	November 30 2012	December 31 2011
	<i>(In Thousands)</i>		<i>(In Thousands)</i>	
Assets				
Current assets:				
Cash and cash equivalents	\$ 54,166	\$ 26,855	\$ 83,157	\$ 81,057
Assets limited as to use - marketable securities	50,000	49,440	222,795	202,388
Receivables for patient care less allowances for doubtful accounts	169,558	161,779	211,109	183,435
Other receivables	37,987	49,784	73,294	73,115
Marketable and other securities, at market	885,749	775,680	36,932	39,356
Estimated insurance claims receivable	73,294	73,115		
Other current assets	31,106	31,157		
Total current assets	<u>1,309,860</u>	<u>1,167,810</u>	<u>627,287</u>	<u>579,351</u>
Assets limited as to use:				
Marketable and other securities:				
Sinking funds	68,334	64,257	519,609	550,610
Employee deferred compensation plan	14,923	12,154	225,252	236,114
Marketable and other securities externally designated	110,667	94,766	415,335	414,320
Malpractice insurance programs	2,976	19,421	14,923	12,154
Total assets limited as to use	<u>196,900</u>	<u>190,598</u>	<u>313,033</u>	<u>285,457</u>
Estimated insurance claims receivable - non current	<u>415,335</u>	<u>414,320</u>	<u>1,488,152</u>	<u>1,498,655</u>
Marketable securities held as collateral	<u>5,876</u>	<u>6,040</u>		
Property, buildings and equipment at cost, net	<u>755,552</u>	<u>738,541</u>	<u>588,989</u>	<u>455,208</u>
Deferred financing costs and other non-current assets	<u>124,527</u>	<u>114,049</u>	<u>25,350</u>	<u>72,794</u>
Total assets	<u>\$ 2,799,050</u>	<u>\$ 2,631,358</u>	<u>\$ 2,799,050</u>	<u>\$ 2,631,358</u>
Liabilities and net assets				
Current liabilities:				
Trade accounts payable			\$ 83,157	\$ 81,057
Other payables and accrued expenses			222,795	202,388
Accrued salaries, wages and related items			211,109	183,435
Estimated insurance claims liabilities			73,294	73,115
Current portion of long-term debt			36,932	39,356
Total current liabilities			<u>627,287</u>	<u>579,351</u>
Long-term debt, less current portion			519,609	550,610
Non-current defined benefit and postretirement health plan and insurance liabilities			225,252	236,114
Estimated insurance claims liabilities - non current			415,335	414,320
Employee deferred compensation			14,923	12,154
Other non-current liabilities			313,033	285,457
Total liabilities			<u>1,488,152</u>	<u>1,498,655</u>
Net assets:				
Unrestricted			588,989	455,208
Temporarily restricted			69,272	72,794
Permanently restricted			25,350	72,794
Total net assets			<u>683,611</u>	<u>553,352</u>

This document is the property of the Board of Trustees of Montefiore Medical Center. It is to be used only for the purposes stated herein and is not to be distributed outside the organization.

MONTEFIORE MEDICAL CENTER
CONSOLIDATED STATEMENTS OF OPERATIONS
ACTUAL AND BUDGET COMPARED
YEAR-END FINANCIAL STATEMENT FORMAT
FOR THE ELEVEN MONTHS ENDED NOVEMBER 30, 2012
(In Thousands)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	%
Operating Revenue				
Inpatient	\$ 1,364,001	\$ 1,339,315	\$ 24,686	1.8%
Outpatient	780,439	793,397	(12,958)	-1.6%
Premium Revenue	514,388	507,036	7,332	1.4%
Net patient service revenue	2,858,808	2,639,748	19,060	0.7%
Grants and contracts	65,375	64,961	414	0.6%
Contributions	2,938	3,695	(757)	-20.5%
Other	98,522	105,096	(6,574)	-6.3%
Total operating revenue	2,825,643	2,813,500	12,143	0.4%
Operating Expenses				
Salaries and wages	1,268,096	1,281,101	13,005	1.0%
Employee benefits	382,296	384,537	2,241	0.6%
Supplies and other expenses	957,627	952,627	(5,001)	-0.5%
Depreciation and amortization	99,951	98,585	(1,366)	-1.4%
Interest	24,523	25,267	744	2.9%
Total operating expenses	2,732,493	2,742,117	9,624	0.4%
Income from operations before certain items	93,150	71,383	21,767	30.5%
Net realized and changes in unrealized gains on marketable and other securities	30,120	-	30,120	100.0%
Malpractice insurance program adjustments associated with investment gains	10,511	-	10,511	100.0%
Increase in unrestricted net assets	\$ 133,781	\$ 71,383	\$ 62,398	87.4%

**New York State Department of Health
Public Health and Health Planning Council
Committee Day**

May 23, 2013

ATTACHMENTS

Cardiac Services – Construction

Exhibit #3

<u>Number</u>	<u>Applicant/Facility</u>
1. 131114 C	Brookhaven Memorial Hospital Medical Center, Inc. (Suffolk County)

**BROOKHAVEN MEMORIAL HOSPITAL MEDICAL CENTER
STATEMENT OF OPERATIONS
FOR THE TWELVE MONTHS ENDED DECEMBER 31ST**

YEAR-TO-DATE

<u>OPERATING REVENUE</u>	<u>2012</u>	<u>2011</u>
Inpatient Revenue net of Allowances, Bad Debt and Charity Care	\$ 177,521,886	\$ 160,843,734
Outpatient Revenue net of Allowances, Bad Debt and Charity Care	86,037,704	90,170,495
Gross Receipts Tax	(905,833)	(889,222)
Net Patient Revenue	\$ 262,653,757	\$ 250,125,007
Professional Component Revenue	1,791,516	1,859,380
Total Patient Revenue	\$ 264,445,273	\$ 251,984,387
Health Center Revenue	12,813,646	13,221,294
Other Operating Revenue	4,458,074	5,864,117
Contribution Revenue	2,368	1,915
Investment Income	200,333	211,016
TOTAL OPERATING REVENUE	\$ 281,919,694	\$ 271,282,729
 <u>OPERATING EXPENSES</u>		
Salaries	\$ 116,690,904	\$ 116,227,751
Employee Benefits	44,214,948	43,258,285
MTA Tax	393,417	400,767
Medical & Surgical Supplies	30,940,360	29,460,153
Professional Fees	22,462,267	17,997,881
Purchased Services	20,092,566	19,070,141
Telephone & Utilities	3,563,784	3,469,759
Other Supplies & Expenses	13,808,190	13,126,567
Insurance	4,080,362	6,336,621
Interest	1,917,836	2,509,089
Depreciation, Amortization & Rent	11,102,782	10,671,807
Health Center Expenses	12,608,919	12,990,353
TOTAL OPERATING EXPENSES	\$ 281,876,336	\$ 275,519,174
 EXCESS/(DEFICIENCY) OF REVENUE OVER		
	\$ 43,359	\$ (4,236,445)
EXPENSES BEFORE VALUATION SWAP		
Change in Valuation Swap	\$ 70,927	\$ (1,807,064)
EXCESS/(DEFICIENCY) OF REVENUE OVER EXPENSES		
	\$ 114,286	\$ (6,043,509)
AFTER VALUATION SWAP		
 <u>OTHER CHANGES</u>		
Change in Unrestricted Net Assets BMH Foundation	\$ 1,817,950	\$ 1,227,429
Minimum Pension Liability	5,267,700	(395,293)
Capital Grants	827,529	5,028,391
Net Assets Released From Restriction For Capital Expenditures	-	16,794
Interest Expense Medicare Settlement with U.S. Department of Justice	(62,031)	(72,186)
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	\$ 7,965,434	\$ (238,374)

BROOKHAVEN MEMORIAL HOSPITAL MEDICAL CENTER
BALANCE SHEET

	DECEMBER 31, 2012	DECEMBER 31, 2011	DECEMBER 31, 2011
Current Assets			
Cash & Cash Equivalents	\$ 19,183,394	\$ 21,521,245	
Accounts Receivable (net)	40,102,267	32,633,607	
Health Center Receivable	1,698,907	1,681,442	
Due From Physician Practices (Note 8)	623,340	498,575	
Other Receivables	2,294,010	3,958,628	
Inventories	4,126,110	3,914,134	
Prepaid Expenses & Deposits	1,316,278	2,352,586	
Current Portion by Donors for Specific Purposes	657,054	645,484	
Total Current Assets	<u>70,004,360</u>	<u>67,205,701</u>	
Assets Whose Use Is Limited or Restricted			
By Donors for Specific Purposes	577,151	724,162	
By Donor for use in future periods -unconditional promise to give	<u>2,879,258</u>	<u>2,673,655</u>	
Total Assets Whose Use is Limited or Restricted	<u>3,456,409</u>	<u>3,397,817</u>	
Intangible Assets	<u>149,895</u>	<u>166,663</u>	
Issuance Costs - Long Term Debt	<u>552,672</u>	<u>602,320</u>	
Deferred Asset - Asbestos Abatement	<u>159,480</u>	<u>170,871</u>	
Net Assets of BMH Foundation			
Temporarily Restricted	22,940,838	21,380,601	
Unrestricted	<u>12,282,711</u>	<u>10,474,761</u>	
Total Net Assets of BMH Foundation	<u>35,223,549</u>	<u>31,855,362</u>	
Property, Plant & Equip. (Note 7)	<u>79,430,321</u>	<u>74,136,661</u>	
TOTAL ASSETS	<u>\$ 188,989,787</u>	<u>\$ 177,535,395</u>	
Current Liabilities			
Accounts Payable & Accrued Expenses	\$ 32,679,249	\$ 33,685,286	
Accrued Salaries & Payroll Taxes	6,470,833	5,303,401	
Accrued Benefits Payable	8,113,778	8,190,861	
Due To Third Parties - (Net) (Note 1)	5,250,019	682,817	
Current Portion of Est. Malpractice Liability (Note 2)	2,700,000	2,800,000	
Current Installment-Capital Leases (Note 3)	1,732,576	1,852,591	
Current Installment-Loans (Note 4)	754,353	1,289,995	
Current Installment-TD Bank Loans (Note 5)	571,133	571,133	
Current Installment-Bonds (Note 6)	610,000	580,000	
Current Portion Pension-Defined Contribution	7,515,324	7,364,461	
Current Portion Pension-Defined Benefit	631,086	1,523,556	
Current Portion Valuation of Swap	561,368	437,988	
Amounts Due to U.S. Department of Justice (Note 10)	<u>67,589,719</u>	<u>64,898,926</u>	
Total Current Liabilities	<u>67,589,719</u>	<u>64,898,926</u>	
Long-Term Liabilities			
Asbestos Abatement	1,563,273	1,533,678	
Estimated Malpractice Liability (Note 2)	22,708,898	22,864,648	
Due To Third Parties - (Net) (Note 1)	2,491,676	-	
Capital Lease Obligations (Note 3)	4,179,795	1,920,205	
Loans (Note 4)	756,702	346,067	
TD Bank Loans (Note 5)	12,591,632	13,162,766	
Bonds (Net of Discount) (Note 6)	16,755,000	17,365,000	
Pension-Defined Contribution	4,146,282	8,307,296	
Pension-Defined Benefit	3,471,364	3,556,500	
Valuation of Swap	1,432,210	1,882,907	
Amounts Due to U.S. Department of Justice (Note 10)	<u>70,096,832</u>	<u>70,929,067</u>	
Total Long-Term Liabilities	<u>70,096,832</u>	<u>70,929,067</u>	
Net Assets			
Unrestricted	24,248,935	16,283,500	
Temporarily Restricted by Donors	23,757,437	22,328,835	
Permanently Restricted by Donors	<u>3,296,864</u>	<u>3,095,067</u>	
Total Net Assets	<u>51,303,236</u>	<u>41,707,402</u>	
TOTAL LIABILITIES & NET ASSETS	<u>\$ 188,989,787</u>	<u>\$ 177,535,395</u>	

Brookhaven Memorial Hospital Medical center-addition to main hospital building.

Current Year	Inpatient	Discharges	Cost per Discharge	Outpatient	Visits	Cost per visit	Total Costs
Operating							
Capital							
Total	0			0			
First Year Budgets-Incremental							
Operating	\$2,847,900	624	\$4,564	\$2,917,514	854	\$3,416	\$5,765,414
Capital	\$2,049,402	624	\$3,284	\$2,333,714	854	\$2,733	\$4,383,116
Total	\$4,897,302	624	\$7,848	\$5,251,228	854	\$6,149	\$10,148,530
Third Year Budgets-Incremental							
Operating	\$3,674,050	1,589	\$2,312	\$4,518,864	1277	\$3,539	\$8,192,914
Capital	\$1,921,349	1,589	\$1,209	\$2,348,315	1277	\$1,839	\$4,269,664
Total	\$5,595,399	1,589	\$3,521	\$6,867,179	1277	\$5,378	\$12,462,578

**New York State Department of Health
Public Health and Health Planning Council
Committee Day**

May 23, 2013

ATTACHMENTS

**Upstate Request For Applications - Certified Home Health Agencies - Exhibit #4
Construction**

	<u>Number</u>	<u>Applicant/Facility</u>
1.	121139 C	Visiting Nurse Association of Central New York Inc (Onondaga County)
2.	121170 C	Rosa Coplon Jewish Home and Infirmary (Erie County)
3.	121238 C	Visiting Nurse Service of Schenectady and Saratoga (Schenectady County)
4.	121304 C	Twin Tier Home Health, Inc. (Broome County)
5.	121317 C	VNA of Albany VNA of Saratoga VNA of Rensselaer (Albany County)
6.	121319 C	Schofield Residence (Erie County)
7.	121322 C	Lutheran Long Term Home Health Care Program (Suffolk County)
8.	121443 C	Hudson Valley Long Term Home Health Care Program (Ulster County)
9.	131184 C	Calvary Hospital (Bronx County)
10.	131185 C	Bethel Nursing Home Co Inc (Westchester County)

VISITING NURSE ASSOCIATION OF CENTRAL NEW YORK, INC.
Balance Sheets
December 31, 2012 and December 31, 2011

Assets	<u>December 2012</u>	<u>December 2011</u>
<u>Current Assets</u>		
Cash and cash equivalents	\$ 701,346	\$ 520,649
Customer accounts receivable, net of allowances	2,549,203	1,920,893
Due from Medicaid	-	178,346
Due from affiliates	972,126	391,274
Other receivables	32,120	35,394
Inventory of patient supplies	7,582	13,509
Prepaid pension	338,873	-
Prepaid expenses and deposits	21,938	-
Total Current Assets	4,623,188	3,226,268
<u>Investments</u>		
HSBC/Vanguard funds	10,309,200	11,106,761
Total Investments	10,309,200	11,106,761
<u>Property and Equipment</u>		
Land, building and improvements, at cost	3,641,444	3,523,678
Office furniture and equipment, at cost	3,554,552	3,492,770
Office furniture and equipment, contributed	224,732	224,732
	7,420,728	7,241,180
Less accumulated depreciation	6,411,603	6,327,306
Net Property and Equipment	1,009,125	913,874
<u>Other Assets</u>		
Other assets	503,084	503,084
Deferred costs, net of amortization	20,300	-
	\$ 16,464,897	\$ 15,749,987
Liabilities and Net Assets		
<u>Current Liabilities</u>		
Current portion of capital lease	\$ 4,155	\$ 57,405
Workers Compensation Assessment, current	-	85,016
Accounts payable	727,590	603,797
Due to affiliates	160,517	179,769
Payroll deductions and taxes	62,369	45,232
<u>Accrued Liabilities</u>		
Salaries and wages	460,514	136,624
Vacation and benefits	139,607	45,973
Reserves - Medicare and Medicaid program	6,114	212,769
Other professional services	15,000	10,540
Total Current Liabilities	1,575,866	1,377,125
<u>Other Liabilities</u>		
Pension Liability	-	530,917
Other liabilities	503,084	503,084
Capital lease obligation, net of current portion	130,895	71,943
Workers Compensation Assessment Payable	483,337	474,729
Tenant deposits	5,472	-
Total Liabilities	2,698,654	2,957,798
Net Assets		
Unrestricted	13,766,243	12,792,189
	\$ 16,464,897	\$ 15,749,987

VISITING NURSE ASSOCIATION OF CENTRAL NEW YORK, INC.
Statements of Operations and Change in Net Assets
Period Ending December 31, 2012

	Month		Year to Date	
	<u>Actual</u>	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
Net customer service revenue	\$ 666,340	\$ 827,294	\$ 10,825,276	\$ 10,548,000
Other operating revenue	98,593	51,754	663,737	627,610
 Net Revenue from Operations	 764,933	 879,048	 11,489,013	 11,175,610
<u>Operating Expenses</u>				
Salaries and wages	512,503	483,407	6,543,712	6,163,440
Payroll taxes	92,952	49,796	746,275	643,030
Employee benefits	27,310	77,801	892,630	933,610
Contract services	211,299	167,326	2,104,131	2,123,080
Transportation	11,309	22,222	247,889	283,330
Professional supplies and ancillaries	28,424	16,712	239,960	213,060
Occupancy	16,408	11,339	129,399	136,067
Depreciation	21,272	28,067	283,503	336,803
Office and general	27,043	83,707	1,044,607	1,007,900
Total Operating Expenses	<u>948,520</u>	<u>940,377</u>	<u>12,232,106</u>	<u>11,840,320</u>
 Gain (Loss) from Operations	 (183,587)	 (61,329)	 (743,093)	 (664,710)
Nonoperating revenue	114,735	22,698	1,255,610	267,980
Change in Net Assets before Retirement Incentive Program & Equity Transfer	(68,852)	(38,631)	512,517	(396,730)
Equity Transfer from CCH	-	-	500,000	-
Equity Transfer to VNA Homecare Options	(675,000)	-	(675,000)	-
Voluntary Retirement Incentive Program	-	-	369,313	141,182
Change in Net Assets before Pension Curtailment Gain	(743,852)	(38,631)	(31,796)	(537,912)
Curtailment Gain	1,005,850	-	1,005,850	-
 Change in Net Assets	 <u>\$ 261,998</u>	 <u>\$ (38,631)</u>	 974,054	 <u>\$ (537,912)</u>
<u>Net Assets</u>				
January 1, 2012			<u>12,792,189</u>	
December 31, 2012			<u>\$ 13,766,243</u>	

VISITING NURSE ASSOCIATION OF CENTRAL NEW YORK, INC.

Statements of Operations and Changes in Net Assets

Years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Operating revenue:		
Net patient service revenue	\$ 10,494,286	10,745,284
Other operating revenue	<u>491,603</u>	<u>248,430</u>
Total operating revenue	<u>10,985,889</u>	<u>10,993,714</u>
Operating expenses:		
Salaries and wages	6,170,393	6,187,478
Contract services	2,129,448	2,238,022
Payroll taxes and employee benefits	1,180,024	2,080,443
Office and general	1,409,901	970,715
Transportation	250,769	216,542
Supplies and ancillary costs	221,513	257,027
Occupancy	259,456	274,445
Interest expense	<u>7,843</u>	<u>11,172</u>
Total operating expenses	<u>11,629,347</u>	<u>12,235,844</u>
Operating loss	<u>(643,458)</u>	<u>(1,242,130)</u>
Non-operating gains:		
Contribution income	302	1,865
Investment income	<u>336,534</u>	<u>363,730</u>
Total non-operating gains	<u>336,836</u>	<u>365,595</u>
Excess of expenses over revenues	(306,622)	(876,535)
Change in net unrealized gains and losses on investments	(182,657)	838,925
Pension-related changes other than net periodic benefit cost	<u>(1,393,060)</u>	<u>589,971</u>
Increase (decrease) in unrestricted net assets	(1,882,339)	552,361
Unrestricted net assets at beginning of year	<u>14,674,532</u>	<u>14,122,171</u>
Unrestricted net assets at end of year	<u>\$ 12,792,193</u>	<u>14,674,532</u>

VISITING NURSE ASSOCIATION OF CENTRAL NEW YORK, INC.

Balance Sheets

December 31, 2011 and 2010

<u>Assets</u>	<u>2011</u>	<u>2010</u>
Current assets:		
Cash and cash equivalents	\$ 660,352	1,225,280
Investments	10,967,058	12,105,552
Patient accounts receivable, net of allowance for doubtful accounts of \$108,600 in 2011 and \$119,100 in 2010	2,013,103	1,628,573
Other receivables	35,394	53,653
Due from affiliates, net	1,453	-
Prepaid expenses and other assets	179,712	89,071
	<hr/>	<hr/>
Total current assets	13,857,072	15,102,129
Property and equipment, net	913,874	1,020,596
Pension asset	-	556,968
Other assets	503,084	-
	<hr/>	<hr/>
	\$ 15,274,030	16,679,693
	<hr/>	<hr/>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Current portion of capital lease obligations	53,405	103,503
Accounts payable	400,925	423,426
Due to affiliates, net	-	264,514
Accrued salaries, wages and related costs	227,829	202,709
Other accrued expenses	95,556	128,064
Due to third-party payors	119,449	222,356
	<hr/>	<hr/>
Total current liabilities	897,164	1,344,572
Capital lease obligations, net of current portion	75,943	91,071
Estimated workers' compensation liability	474,729	569,518
Pension liability	530,917	-
Other liabilities	503,084	-
	<hr/>	<hr/>
Total liabilities	2,481,837	2,005,161
Unrestricted net assets	12,792,193	14,674,532
	<hr/>	<hr/>
Commitments and contingencies	\$ 15,274,030	16,679,693
	<hr/>	<hr/>

MENORAH CAMPUS, INC. AND SUBSIDIARIES

CONSOLIDATING BALANCE SHEET

December 31, 2011

	Rosa Coplon Jewish Home & Infirmary	Menorah Campus, Inc.	Greenwood Residences, Inc.	Menorah Campus Adult Home, Inc.	Menorah Campus Independent Senior Apartments, Inc.					Total Aging in Place Program, Inc.	Senior Amherst
					Forest Creek Cominons	Turtle Creek	The Meadows	Garden Houses	Stovroff Apartments		
ASSETS											
Current assets:											
Cash and cash equivalents	\$ 655,482	\$ 2,948,228	\$ -	\$ 100	\$ 100	\$ 378,032	\$ -	\$ 150	\$ -	\$ 2,645,042	\$ -
Accounts receivable, less allowance for doubtful accounts	2,295,255	15,891	64,914	497,233	299	23,914	19,122	2,997	2,997	37,219	
Other receivables	-	241,087	-	400	-	-	-	-	-	-	-
Inventories	33,444	-	-	24,632	-	9,147	4,654	-	-	6,088	-
Pledges and bequests receivable-current	-	179,660	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	5,262	331,544	3,218	3,307	2,265	2,312	1,391	2,374	2,374	11,460	
Assets whose use is limited - current	-	509,303	1,257,074	-	-	-	-	-	-	-	-
Due from (to) affiliate	(1,913,598)	1,913,598	-	-	-	-	-	-	-	-	-
Total current assets	1,075,845	6,139,341	1,325,206	525,672	2,664	378,032	35,373	25,317	5,311	2,699,809	
Assets whose use is limited:											
Cash and cash equivalents	486,303	7,507,207	30,238	-	148,534	95,368	123,657	107,572	6,324	35,002	11
Investments	2,044,903	1,975,393	-	-	-	-	-	-	-	195,973	
Pledges and bequests receivable, net	-	1,313,975	-	-	-	-	-	-	-	-	-
Property and equipment:											
Land	-	2,614,065	99,603	-	-	-	-	-	-	272,979	
Land improvements	-	2,574,087	63,531	-	-	-	-	-	-	104,910	
Buildings	-	54,784,825	1,004,539	-	-	-	-	-	-	3,089,559	4,2
Construction in progress	-	1,844,072	-	-	-	-	-	-	-	-	
Fixed equipment	-	19,670,434	400,425	-	-	-	-	-	-	131,750	
Major moveable equipment	861,439	7,318,132	161,230	-	-	-	-	-	-	416,407	
Less accumulated depreciation	861,439	87,805,615	1,729,328	-	-	-	-	-	-	4,025,605	4,3
	(861,439)	(45,634,507)	(919,856)	-	-	-	-	-	-	(1,079,970)	(5)
	-	42,171,108	809,472	-	-	-	-	-	-	2,945,635	3,7
Deferred financing costs, net	-	970,646	56,548	-	-	-	-	-	-	-	
Other assets	-	-	-	-	-	-	-	-	-	-	1
Total assets	\$ 3,607,051	\$ 59,977,670	\$ 2,221,464	\$ 525,672	\$ 151,198	\$ 479,400	\$ 159,030	\$ 132,889	\$ 11,635	\$ 5,876,419	\$ 4,0

Project #121170
BFA Attachment A (cont.)

	Menorah Campus Independent Senior Apartments, Inc.										Total Aging In Place Program, Inc.
	Rosa Coplon Jewish Home & Infirmary	Menorah Campus, Inc.	Greenwood Residences, Inc.	Menorah Campus Adult Home, Inc.	Forest Creek Commons	Turtle Creek	The Meadows	Garden Houses	Stavroff Apartments	Amherst Towne & Senior Apts.	
\$	422,858	962,028	40,611	72,958	170,657	141,418	151,864	140,316	31,522	465,646	69,317
Accounts payable and accrued expenses	-	212,963	-	-	-	-	-	-	-	-	-
Trade payables and accrued expenses	269,147	187,455	23,415	129,295	6,657	-	7,856	5,921	948	42,183	2,190
Construction payables	1,406,945	-	203,927	-	-	-	-	-	-	59,916	-
Accrued compensation and related taxes	-	246,427	-	-	-	-	-	-	-	-	-
Estimated amounts due/(from) to third-party payors	4,119,060	(23,255,367)	78,677	10,940,878	6,781,004	609,162	(2,864,942)	3,072,117	519,410	-	-
Demand Note Payable	-	1,741,565	85,102	-	-	-	-	-	-	-	-
Due to (from) affiliates	-	-	-	-	-	-	-	-	-	-	-
Current portion of long-term debt	6,218,010	(19,904,928)	431,732	11,143,131	6,958,518	750,580	(2,705,222)	3,218,354	551,880	567,745	71,507
Total current liabilities	-	47,446,386	764,561	-	-	-	-	-	-	-	4,494,320
Long-term debt, less current portion	-	-	-	-	-	-	-	-	-	-	-
Refundable advance	-	-	-	-	-	-	-	-	-	-	-
Other long-term liabilities	(2,746,236)	27,347,110	1,025,171	(10,617,459)	(6,807,320)	(277,180)	2,864,252	(3,085,465)	(540,245)	5,303,584	(568,693)
Net assets:	63,508	1,571,856	-	-	-	-	-	-	-	5,090	-
Unrestricted	71,769	1,695,963	-	-	-	-	-	-	-	-	-
Temporarily restricted	(2,610,959)	30,614,929	1,025,171	(10,617,459)	(6,807,320)	(277,180)	2,864,252	(3,085,465)	(540,245)	5,308,674	(558,693)
Permanently restricted	\$ 3,607,051	\$ 59,977,670	\$ 2,221,464	\$ 525,672	\$ 151,198	\$ 473,400	\$ 159,030	\$ 132,889	\$ 11,635	\$ 5,876,419	\$ 4,007,134
Total liabilities and net assets											

LIABILITIES AND NET ASSETS

Current liabilities:

Accounts payable and accrued expenses
Trade payables and accrued expenses
Construction payables
Accrued compensation and related taxes
Estimated amounts due/(from) to third-party payors
Demand Note Payable
Due to (from) affiliates
Current portion of long-term debt
Total current liabilities

Long-term debt, less current portion

Refundable advance

Other long-term liabilities

Net assets:
Unrestricted

Temporarily restricted

Permanently restricted

Total liabilities and net assets

Project #121170
BFA Attachment A (cont.)

MENORAH CAMPUS, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended December 31, 2011

	Rosa Coplon Jewish Home & Infirmary	Menorah Campus, Inc.	Greenwood Residences, Inc.	Menorah Campus Adult Home, Inc.	Forest Creek Commons	Turtle Creek	The Meadows	Garden Houses	Stevorff Apartments	Total Aging In Place Program, Inc.	Amherst Towne Senior Apts.
Unrestricted net assets:											
Revenue and other support:											
Net resident and client service revenue	\$ 18,792,746	\$ 172,193	\$ 993,605	\$ 7,140,554	\$ 2,142,537	\$ 1,137,473	\$ 1,639,121	\$ 1,320,915	\$ 727,144	\$ 4,512,141	\$ 215,032
Other operating revenue	75,757	13,127,443	137,000	40,043	32,317	55,883	27,638	31,352	46,175	728	8,102
Net assets released from restrictions and used for operations	-	68,254	-	-	-	-	-	-	-	-	-
Investment income	1,311	-	-	-	-	-	-	-	-	-	-
Total revenue and other support	18,869,814	13,367,890	1,120,606	7,180,597	2,174,854	1,193,356	1,666,759	1,352,267	775,319	4,512,869	223,134
Operating expenses:											
Nursing administration	771,693	-	586,064	4,776,066	12,877	-	9,591	5,032	-	665,357	-
Nursing services	7,115,406	-	8,271	66,446	129,138	271	24,234	56,969	65	341,686	466
Other professional services	1,859,907	167,212	135,040	837,315	648,754	178,595	506,559	461,184	354,939	2,764,203	121,768
General services	2,386,262	3,176,977	81,725	2,134,572	1,410,020	462,947	890,269	1,128,912	471,141	637,858	94,485
Administrative services	8,001,043	5,649,848	52,927	-	-	-	-	-	-	123,611	111,855
Depreciation and amortization	13,955	2,711,106	57,671	-	-	454,662	-	-	-	62,855	729
Interest	20,148,256	13,221,514	919,698	7,814,399	2,200,789	1,096,475	1,430,553	1,652,037	826,145	4,595,570	329,303
Total operating expenses	(1,278,442)	146,378	200,988	(633,802)	(25,935)	96,881	236,106	(299,830)	(50,826)	(72,701)	(105,169)
Income (loss) from operations	120	3,448	-	3,385	1,000	-	-	-	-	-	-
Nonoperating revenue:											
Unrestricted donations and bequests	278,057	99,967	372	-	7	-	-	-	-	5,326	280
Investment income from assets whose use is limited	278,177	103,415	372	3,385	1,000	7	-	-	-	5,326	280
Income (loss) from operations and nonoperating revenues	(1,000,265)	249,791	201,360	(630,417)	(24,935)	96,888	236,106	(299,830)	(50,826)	(67,375)	(105,889)
Change in unrestricted net assets related to pension plan	-	(238,281)	-	-	-	-	-	-	-	-	-
Net unrealized gains/(losses) on investments	(52,316)	173,059	-	-	-	-	-	-	-	(2,088)	-
Change in unrestricted net assets	(1,052,583)	184,568	201,360	(630,417)	(24,935)	96,888	236,106	(299,830)	(50,826)	(69,463)	(105,885)
Temporarily restricted net assets:											
Contributions, net	(2,402)	286,673	-	-	-	-	-	-	-	-	-
Investment income	(1,749)	37,857	-	-	-	-	-	-	-	-	-
Net assets released from restrictions and used for operations	-	(68,254)	-	-	-	-	-	-	-	-	-
Adjustments to pledges receivable	-	500	-	-	-	-	-	-	-	-	-
Present value adjustment	-	8,320	-	-	-	-	-	-	-	-	-
Change in temporarily restricted net assets	(4,151)	245,096	-	-	-	-	-	-	-	-	-
Permanently restricted net assets:											
Contributions, net	-	-	-	-	-	-	-	-	-	-	-
Change in permanently restricted net assets	-	-	-	-	-	-	-	-	-	-	-
Change in net assets	(1,056,734)	429,694	201,360	(630,417)	(24,935)	96,888	236,106	(299,830)	(50,826)	(69,463)	(105,889)
Net assets at beginning of year	(1,554,225)	30,195,245	823,811	(9,987,042)	(6,792,385)	(374,069)	2,628,146	(2,795,635)	(489,419)	5,278,137	(452,804)
Net assets at end of year	(2,610,959)	30,614,929	1,025,171	(10,617,459)	(6,807,320)	(277,180)	2,864,252	(3,095,465)	(540,245)	5,308,674	(558,693)

Project #121170
BFA Attachment A (cont.)

MENORAH CAMPUS, INC. AND SUBSIDIARIES
CONSOLIDATING BALANCE SHEET
December 31, 2012

	Rosa Coplon Jewish Home & Infirmary	Menorah Campus, Inc.	Greenwood Residences, Inc.	Menorah Campus Adult Home, Inc.	Menorah Campus Independent Senior Apartments, Inc.					Total Aging In Place Program, Inc.	Amherst Towne Senior Apts.
					Forest Creek Commons	Turtle Creek	The Meadows	Garden Houses	Stovroff Apartments		
ASSETS											
Current assets:											
Cash and cash equivalents	\$ 883,531	\$ 2,552,994	\$ -	\$ 100	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,418
Accounts receivable, less allowance for doubtful accounts	1,798,745	12,659	63,831	518,285	8,083	-	(9,495)	38,680	(468)	11,031	5,070
Other receivables	3,349	182,166	-	27	-	-	-	-	-	-	-
Inventories	35,580	-	-	24,250	-	-	7,255	5,171	-	3,955	-
Pledges and bequests receivable-current	-	204,548	-	-	-	-	-	-	-	-	-
Prepaid expenses and other assets	5,639	515,016	5,736	2,730	1,503	-	1,480	1,704	3,033	56,131	6,367
Assets whose use is limited - current	-	197,543	1,346,000	-	-	-	-	-	-	-	-
Due from (to) affiliate	(1,913,598)	1,913,598	-	-	-	-	-	-	-	-	-
Total current assets	611,246	5,578,524	1,415,567	545,392	7,696	406,525	(761)	45,705	2,574	2,455,261	22,855
Assets whose use is limited	1,758,363	11,455,430	30,283	-	180,716	106,245	123,552	97,705	5,863	229,910	158,410
Pledges and bequests receivable, net	-	146,729	-	-	-	-	-	-	-	-	-
Property and equipment:											
Land	-	2,614,065	99,603	-	-	-	-	-	-	272,979	-
Land improvements	-	2,583,317	68,442	-	-	-	-	-	-	104,910	8,233
Buildings	-	54,784,825	1,004,539	-	-	-	-	-	-	3,089,569	4,236,800
Construction in progress	-	104,569	-	-	-	-	-	-	-	-	-
Fixed equipment	-	20,266,250	419,065	-	-	-	-	-	-	134,815	20,080
Major moveable equipment	-	3,223,906	89,807	-	-	-	-	-	-	380,221	44,857
Less accumulated depreciation	-	(83,576,932)	(879,946)	-	-	-	-	-	-	(3,972,464)	(4,307,950)
	-	(43,608,667)	801,530	-	-	-	-	-	-	(1,151,353)	(678,682)
	-	39,970,245	-	-	-	-	-	-	-	2,821,151	3,628,268
Deferred financing costs, net	-	895,639	49,479	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-	-	-	112,410
Total assets	\$ 2,369,609	\$ 59,046,627	\$ 2,296,659	\$ 545,392	\$ 180,402	\$ 512,770	\$ 122,791	\$ 143,410	\$ 9,437	\$ 5,516,372	\$ 3,922,951

Project #121170
BFA Attachment A (cont.)

	Rosa Coplon Jewish Home & Infirmary	Menorah Campus, Inc.	Greenwood Residences, Inc.	Menorah Campus Adult Home, Inc.	Forest Creek Commons	Turtle Creek	The Meadows	Garden Houses	Stovroff Apartments	Total Aging In Place Program, Inc.	Amherst Towne Senior Apts.
	\$ 624,589	\$ 746,552	\$ (37,065)	\$ 138,472	\$ 239,006	\$ 144,882	\$ 176,101	\$ 154,030	\$ 38,781	\$ 347,547	\$ 93,984
	347,299	215,779	27,819	172,096	8,191	-	9,053	7,141	3,273	49,984	2,844
	1,396,915	-	221,304	-	-	-	-	-	-	-	-
	4,134,310	(23,547,826)	98,316	11,197,441	6,803,997	440,152	(3,082,291)	3,340,846	615,055	-	-
	6,503,113	1,793,433	90,515	-	-	-	-	-	-	-	-
	-	(20,752,062)	400,886	11,508,009	7,051,194	585,034	(2,897,137)	3,502,017	657,109	397,531	96,838
	-	45,500,231	674,047	-	-	-	-	-	-	-	-
	-	300,000	-	-	-	-	-	-	-	-	4,494,320
	-	1,916,845	-	-	-	-	-	-	-	-	-
	(4,282,470)	27,619,794	1,221,924	(10,982,617)	(6,862,792)	(72,264)	3,019,928	(3,358,607)	(648,672)	5,113,701	(668,207)
	77,187	1,532,274	-	-	-	-	-	-	-	5,090	-
	71,769	1,959,545	-	-	-	-	-	-	-	-	-
	(4,133,504)	31,121,613	1,221,924	(10,982,617)	(6,862,792)	(72,264)	3,019,928	(3,358,607)	(648,672)	5,118,791	(668,207)
	\$ 2,359,609	\$ 58,046,627	\$ 2,296,859	\$ 545,392	\$ 188,402	\$ 512,770	\$ 122,791	\$ 143,410	\$ 8,437	\$ 5,516,322	\$ 3,922,951

LIABILITIES AND NET ASSETS

Current liabilities:

- Accounts payable and accrued expenses
- Trade payables and accrued expenses
- Construction payables
- Accrued compensation and related taxes
- Estimated amounts due to third-party payors
- Demand note payable
- Due to (from) affiliates
- Current portion of long-term debt
- Total current liabilities

Long-term debt, less current portion

Refundable advance

Other long-term liabilities

Net assets:

- Unrestricted
- Temporarily restricted
- Permanently restricted

Total liabilities and net assets

Project #121170
BFA Attachment A (cont.)

MEMORAH CAMPUS, INC. AND SUBSIDIARIES

CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS

Year Ended December 31, 2012

	Rosa Coplon Jewish Home & Infirmary	Menorah Campus, Inc.	Greenwood Residences, Inc.	Menorah Campus Adult Home, Inc.	Forest Creek Commons	Turtle Creek	The Meadows	Garden Houses	Stovroff Apartments	Total Aging In Place Program, Inc.	Amherst Senior
Unrestricted net assets:											
Revenue and other support:											
Net resident and client service revenue	\$ 18,068,129	\$ 148,876	\$ 1,006,487	\$ 7,162,668	\$ 2,024,193	\$ 1,248,149	\$ 1,524,819	\$ 1,352,516	\$ 658,863	\$ 4,142,395	\$
Other operating revenue	55,617	12,531,668	137,000	42,270	26,543	74,435	31,902	22,289	26,537	530	
Net assets released from restrictions and used for operations		440,545									
Investment income	1,920										
Total revenue and other support	19,125,666	13,121,079	1,143,487	7,204,938	2,050,736	1,322,584	1,556,721	1,374,805	685,400	4,142,925	
Operating expenses:											
Nursing administration	846,485										
Nursing services	6,934,201		603,896	4,604,706	17,625		9,010	4,921		486,292	
Other professional services	1,702,521	89,247	7,589	63,372	110,078		26,798	42,772		2,265,721	
General services	2,332,348	2,993,356	146,459	884,620	588,024	181,303	514,056	433,354	348,217	744,617	
Administrative services	7,903,572	5,432,282	81,715	1,997,398	1,350,881	504,967	851,181	1,166,520	445,610	608,317	
Depreciation and amortization	9,505	2,937,109	53,878							128,568	
Interest		1,467,455	53,482			431,398				95,539	
Total operating expenses	19,728,632	12,929,449	947,029	7,550,096	2,106,608	1,117,668	1,401,045	1,647,947	793,827	4,328,993	
Income (loss) from operations	(1,602,766)	191,630	196,458	(345,158)	(55,872)	204,916	155,676	(273,142)	(108,427)	(186,068)	
Nonoperating revenue:											
Unrestricted contributions	525	7,514			400					140	
Investment income from assets whose use is limited	108,341	94,527	295							(930)	
	108,866	102,041	295		400					(790)	
Income (loss) from operations and nonoperating revenues	(1,493,900)	293,671	196,753	(345,158)	(55,472)	204,916	155,676	(273,142)	(108,427)	(186,958)	
Change in unrestricted net assets related to pension plan											
Net unrealized gains/(losses) on investments	(42,333)	(28,265)								(3,025)	
Change in unrestricted net assets	(1,536,233)	272,684	196,753	(345,158)	(55,472)	204,916	155,676	(273,142)	(108,427)	(189,983)	
Temporarily restricted net assets:											
Contributions											
Investment income		284,156									
Net assets released from restrictions and used for operations	13,686	136,807									
Change in temporarily restricted net assets		(440,545)									
Change in temporarily restricted net assets	13,686	(39,592)									
Permanently restricted net assets:											
Contributions		273,582									
Change in permanently restricted net assets		273,582									
Change in net assets	(1,522,545)	506,684	196,753	(345,158)	(55,472)	204,916	155,676	(273,142)	(108,427)	(189,983)	
Net assets at beginning of year	(2,610,959)	30,614,979	1,025,171	(10,617,459)	(6,807,320)	(277,180)	2,864,252	(3,085,465)	(540,245)	5,309,674	
Net assets at end of year	(4,133,504)	31,121,613	1,221,924	(10,962,617)	(6,952,792)	(72,264)	3,019,928	(3,358,607)	(648,672)	5,118,791	

**VISITING NURSE SERVICE ASSOCIATION
 OF SCHENECTADY COUNTY**
 (d/b/a Visiting Nurse Service of Schenectady
 and Saratoga Counties)

Balance Sheets

December 31, 2012 and 2011

Assets	<u>2012</u>	<u>2011</u>
Current assets:		
Cash and cash equivalents	\$ 849,375	889,616
Patient accounts receivable, net	1,813,761	1,229,707
Due from Visiting Nurse Service Foundation, Inc.	6,192	7,828
Prepaid expenses	85,066	25,676
Total current assets	<u>2,754,394</u>	<u>2,152,827</u>
Property and equipment, net	74,767	100,171
Interest in Visiting Nurse Service Foundation, Inc.	230,311	201,212
Security deposits	10,410	10,410
Total assets	<u>\$ 3,069,882</u>	<u>2,464,620</u>
Liabilities and Net Deficit		
Current liabilities:		
Accounts payable and accrued expenses	\$ 1,207,070	404,023
Note payable	—	326,599
Accrued payroll and related withholdings	404,130	290,989
Accrued employee benefits	817,331	715,277
Total current liabilities	<u>2,428,531</u>	<u>1,736,888</u>
Other Liabilities	910,000	910,000
Due to third party payors	589,655	718,402
Total liabilities	<u>3,928,186</u>	<u>3,365,290</u>
Unrestricted net deficit	(858,304)	(900,670)
Total liabilities and net deficit	<u>\$ 3,069,882</u>	<u>2,464,620</u>

**VISITING NURSE SERVICE ASSOCIATION
 OF SCHENECTADY COUNTY**
 (d/b/a Visiting Nurse Service of Schenectady
 and Saratoga Counties)

Statements of Operations and Changes in Net Deficit
 Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Revenue:		
Patient service revenue, net of contractual adjustments and discounts	\$ 11,344,318	10,411,736
Less provision for bad debts	(305,826)	(82,257)
Net patient service revenue	11,038,492	10,329,479
Contributions	886	1,747
Interest income	1,372	2,349
Total revenue	<u>11,040,750</u>	<u>10,333,575</u>
Operating expenses:		
Salaries and related expenses	8,567,806	8,119,320
Supplies and other expenses	952,096	898,858
Purchased services	1,733,855	1,100,894
Depreciation	38,813	58,619
Interest expense	3,923	9,149
Total operating expenses	<u>11,296,493</u>	<u>10,186,840</u>
(Deficiency) excess of revenue over expenses	<u>(255,743)</u>	<u>146,735</u>
Other changes in unrestricted net deficit:		
Change in interest in net assets of Visiting Nurse Service Foundation, Inc.	29,099	(11,351)
Forgiveness of note payable and accrued interest	269,010	—
(Increase) decrease in net deficit	<u>42,366</u>	<u>135,384</u>
Net deficit at beginning of year	<u>(900,670)</u>	<u>(1,036,054)</u>
Net deficit at end of year	<u>\$ (858,304)</u>	<u>(900,670)</u>

Liabilities and Net Assets	2012	2011
Current liabilities:		
Current portion of long-term debt	\$ 5,229,389	4,616,738
Current portion of capital lease obligations	1,313,091	1,306,340
Accounts payable	29,377,719	23,517,339
Accrued benefit time	10,742,972	9,096,120
Accrued salaries, wages and related expenses	9,058,269	6,739,724
Accrued interest payable	138,729	145,555
Other current liabilities	5,825,602	5,461,484
Estimated third-party payor settlements	387,450	2,809,269
Total current liabilities	62,073,221	53,692,569
Long-term debt, net of current portion	40,610,714	31,311,969
Capital lease obligations, net of current portion	17,104,706	2,314,123
Estimated liability for self-insurance claims	13,473,223	11,427,287
Estimated third-party payor settlements	2,997,000	2,000,000
Accrued sick pay	6,770,695	5,729,354
Accrued pension costs	21,516,827	19,638,723
Other liabilities	2,071,898	1,736,026
Deferred credit	—	2,467,257
Total liabilities	104,545,063	76,624,739
Total liabilities	166,618,284	130,317,308
Net assets:		
Unrestricted	97,083,041	77,487,333
Temporarily restricted	10,152,542	11,421,977
Permanently restricted	5,449,599	5,208,275
Total net assets	112,685,182	94,117,585
Commitments and contingencies		
Total liabilities and net assets	\$ 279,303,466	224,434,893

ELLIS HOSPITAL
(d/b/a Ellis Medicine)

Consolidated Statements of Operations and Changes in Net Assets
Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Unrestricted revenue, gains and other support:		
Patient service revenue, net of contractual adjustments and discounts	\$ 371,561,468	349,001,847
Less provision for bad debts	<u>(14,458,118)</u>	<u>(16,990,182)</u>
Net patient service revenue	357,103,350	332,011,665
Other operating revenue	10,877,240	10,434,411
Net assets released from restrictions used for operations	<u>84,269</u>	<u>89,168</u>
Total revenue, gains and other support	<u>368,064,859</u>	<u>342,535,244</u>
Expenses:		
Salaries and wages	188,270,638	174,368,674
Employee benefits	35,841,393	31,982,747
Supplies and other expenses	121,207,574	110,316,991
Depreciation and amortization	13,998,185	13,662,844
Interest	1,363,145	1,386,774
Insurance	<u>5,332,995</u>	<u>3,927,700</u>
Total expenses	<u>366,013,930</u>	<u>335,645,730</u>
Operating income	2,050,929	6,889,514
Nonoperating income:		
Investment gain	2,205,502	1,659,956
Contribution	1,209,641	—
Gain on extinguishment of debt	3,300,510	—
(Loss) gain on disposal of equipment	<u>(49,602)</u>	<u>23,065</u>
Excess of revenues over expenses	<u>\$ 8,716,980</u>	<u>8,572,535</u>

TWIN TIER HOME HEALTH, INC.

Consolidated Balance Sheets

December 31, 2011 and 2010

<u>Assets</u>	<u>2011</u>	<u>2010</u>
Current assets:		
Cash and cash equivalents	\$ 2,038,421	1,801,297
Patient accounts receivable, net of allowance for doubtful accounts of approximately \$68,000 and \$101,000 in 2011 and 2010, respectively	1,172,703	1,108,007
Due from affiliates, current portion	227,218	256,107
Prepaid expenses	101,870	79,811
Total current assets	3,540,212	3,245,222
Property and equipment, net	266,101	321,546
Due from affiliates, net of current portion	-	228,658
Total assets	\$ 3,806,313	3,795,426
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable and accrued expenses	64,481	192,967
Accrued payroll and payroll related liabilities	587,522	559,553
Deferred revenue	463,095	445,093
Due to affiliates	527,013	316,344
Estimated third-party payor settlements	262,293	262,293
Total current liabilities	1,904,404	1,776,250
Unrestricted net assets	1,901,909	2,019,176
Commitments and contingencies		
Total liabilities and net assets	\$ 3,806,313	3,795,426

TWIN TIER HOME HEALTH, INC.

Consolidated Statements of Operations and Changes in Net Assets

Years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Revenue:		
Net patient service revenue	\$ 6,683,918	7,140,273
Other operating revenue	879	719
Interest income	4,146	3,677
Project Hear revenue	294,186	292,672
	<hr/>	<hr/>
Total revenue	6,983,129	7,437,341
	<hr/>	<hr/>
Expenses:		
Salaries and wages	4,648,830	4,793,686
Employee benefits	973,039	946,149
Contracted services	261,337	233,651
Nursing supplies and transportation	260,485	262,739
Supplies and expenses	288,440	302,573
Professional fees	122,242	113,523
Recruitment and training	8,249	14,787
Rent, insurance and utilities	176,538	195,772
Provision for bad debts	25,802	34,395
Depreciation and amortization	100,456	147,259
Health facility assessment	23,073	24,549
Project Hear expenses	212,584	207,376
	<hr/>	<hr/>
Total expenses	7,101,075	7,276,459
	<hr/>	<hr/>
Income (loss) from operations	(117,946)	160,882
	<hr/>	<hr/>
Nonoperating gains:		
Contributions and grants	679	3,022
	<hr/>	<hr/>
Excess (deficiency) of revenue over expenses and change in unrestricted net assets	(117,267)	163,904
	<hr/>	<hr/>
Unrestricted net assets at beginning of year	2,019,176	1,855,272
	<hr/>	<hr/>
Unrestricted net assets at end of year	\$ 1,901,909	2,019,176
	<hr/> <hr/>	<hr/> <hr/>

UNITED HEALTH SERVICES HOSPITALS, INC.

Balance Sheets

December 31, 2011 and 2010

<u>Assets</u>	<u>2011</u>	<u>2010</u>
Current assets:		
Cash and cash equivalents	\$ 16,400,778	\$ 11,255,471
Short-term investments	31,002,365	14,904,622
Current portion of assets limited as to use	12,642,244	11,617,938
Patient accounts receivable, net of allowance for doubtful accounts of approximately \$12,455,000 in 2011 and \$9,011,000 in 2010	56,444,343	49,260,576
Inventories	7,740,456	7,805,410
Prepaid expenses and other assets	12,512,714	8,493,185
Due from affiliates, net	4,724,653	4,196,794
Total current assets	<u>141,467,553</u>	<u>107,533,996</u>
Assets limited as to use:		
Board-designated fund investments:		
Insurance	8,054,050	7,441,537
Other	2,882,881	2,175,310
Funded depreciation	15,442,769	14,009,165
Trustee held funds - long-term obligations	41,029,953	42,441,593
	<u>67,409,653</u>	<u>66,067,605</u>
Less current portion of assets limited as to use	<u>(12,642,244)</u>	<u>(11,617,938)</u>
Noncurrent assets limited as to use	<u>54,767,409</u>	<u>54,449,667</u>
Interest in net assets of UHS Foundation, Inc.	11,322,186	10,663,401
Long-term investments	1,721,547	1,764,329
Property and equipment, net	127,530,706	113,863,484
Deferred charges, net	2,033,290	2,157,201
Other assets	5,962,141	372,438
Due from affiliates, net	1,811,555	555,273
Total assets	<u>\$ 346,616,387</u>	<u>\$ 291,359,789</u>

UNITED HEALTH SERVICES HOSPITALS, INC.

Statements of Operations and Changes in Net Assets

Years ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Unrestricted revenues, gains and other support:		
Net patient service revenue	\$ 434,932,336	\$ 415,459,517
Other revenue, including investment income	20,877,310	15,956,430
Net assets released from restrictions used for operations	<u>131,686</u>	<u>156,635</u>
Total revenues, gains and other support	<u>455,941,332</u>	<u>431,572,582</u>
Expenses:		
Salaries and wages	162,497,633	152,365,199
Employee benefits	48,404,972	50,327,451
Supplies, services and other	182,904,311	174,972,031
Interest expense	2,430,709	2,096,656
Depreciation and amortization	15,929,797	15,930,036
Provision for bad debts	<u>23,892,572</u>	<u>21,276,473</u>
Total expenses	<u>436,059,994</u>	<u>416,967,846</u>
Income from continuing operations	19,881,338	14,604,736
Gain from discontinued operations	<u>7,650,736</u>	<u>32,702</u>
Income and gain from continuing and discontinued operations	<u>\$ 27,532,074</u>	<u>\$ 14,637,438</u>

UNITED HEALTH SERVICES HOSPITALS, INC.

Statements of Operations and Changes in Net Assets, Continued

	<u>2011</u>	<u>2010</u>
Unrestricted net assets:		
Income and gain from continuing and discontinued operations	\$ 27,532,074	\$ 14,637,438
Change in unrealized gains and losses on investments	(458,568)	234,897
Retirement plan obligation changes other than net periodic benefit cost	(11,009,437)	5,953,216
Net assets released from restrictions used for purchases of property and equipment	1,156,633	647,121
Donations for purchases of property and equipment	598,286	569,105
	<u>17,818,988</u>	<u>22,041,777</u>
Increase in unrestricted net assets		
Temporarily restricted net assets:		
Investment gains	46,999	42,045
Grants and contributions	-	6,644
Change in interest in temporarily restricted net assets of UHS Foundation, Inc.	1,761,368	699,940
Net assets released from restrictions used for operations	(131,686)	(156,635)
Net assets released from restrictions used for purchases of property and equipment	(1,156,633)	(647,121)
	<u>520,048</u>	<u>(55,127)</u>
Increase (decrease) in temporarily restricted net assets		
Permanently restricted net assets:		
Change in interest in permanently restricted net assets of UHS Foundation, Inc.	(37,925)	40,493
	<u>(37,925)</u>	<u>40,493</u>
Increase (decrease) in permanently restricted net assets		
Increase in net assets	18,301,111	22,027,143
Net assets at beginning of year	<u>89,226,537</u>	<u>67,199,394</u>
Net assets at end of year	<u>\$ 107,527,648</u>	<u>\$ 89,226,537</u>

TWIN TIER HOME HEALTH, INC.

Consolidated Balance Sheets

December 31, 2012 and 2011

<u>Assets</u>	<u>2012</u>	<u>2011</u>
Current assets:		
Cash and cash equivalents	\$ 2,376,364	2,038,421
Patient accounts receivable, net of allowance for doubtful accounts of approximately \$75,000 and \$68,000 in 2012 and 2011, respectively	1,159,521	1,172,703
Due from affiliates	35,914	227,218
Prepaid expenses	87,989	101,870
	<hr/>	<hr/>
Total current assets	3,659,788	3,540,212
Property and equipment, net	217,627	266,101
	<hr/>	<hr/>
Total assets	\$ 3,877,415	3,806,313
	<hr/>	<hr/>
<u>Liabilities and Net Assets</u>		
Current liabilities:		
Accounts payable and accrued expenses	60,977	64,481
Accrued payroll and payroll related liabilities	674,467	587,522
Deferred revenue	474,947	463,095
Due to affiliates	322,261	527,013
Estimated third-party payor settlements	239,492	262,293
	<hr/>	<hr/>
Total current liabilities	1,772,144	1,904,404
Unrestricted net assets	2,105,271	1,901,909
	<hr/>	<hr/>
Commitments and contingencies		
Total liabilities and net assets	\$ 3,877,415	3,806,313
	<hr/>	<hr/>

TWIN TIER HOME HEALTH, INC.

Consolidated Statements of Operations and Changes in Net Assets

Years ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Revenue:		
Net patient service revenue	\$ 7,407,859	6,683,918
Other operating revenue	798	879
Interest income	3,652	4,146
Project Hear revenue	<u>272,069</u>	<u>294,186</u>
Total revenue	<u>7,684,378</u>	<u>6,983,129</u>
Expenses:		
Salaries and wages	5,033,144	4,648,830
Employee benefits	1,106,412	973,039
Contracted services	172,865	261,337
Nursing supplies and transportation	296,121	260,485
Supplies and expenses	286,569	288,440
Professional fees	103,254	122,242
Recruitment and training	8,770	8,249
Rent, insurance and utilities	158,110	176,538
Provision for bad debts	17,440	25,802
Depreciation and amortization	83,272	100,456
Health facility assessment	26,069	23,073
Project Hear expenses	<u>190,898</u>	<u>212,584</u>
Total expenses	<u>7,482,924</u>	<u>7,101,075</u>
Income (loss) from operations	201,454	(117,946)
Nonoperating gains - contributions and grants	<u>1,908</u>	<u>679</u>
Excess (deficiency) of revenue over expenses and change in unrestricted net assets	<u>203,362</u>	<u>(117,267)</u>
Unrestricted net assets at beginning of year	<u>1,901,909</u>	<u>2,019,176</u>
Unrestricted net assets at end of year	<u>\$ 2,105,271</u>	<u>1,901,909</u>

UNITED HEALTH SERVICES HOSPITALS
BALANCE SHEET
December 31, 2012

	<u>12/31/12</u>	<u>11/30/12</u>	<u>Audit</u> <u>12/31/11</u>		<u>12/31/12</u>	<u>11/30/12</u>	<u>Audit</u> <u>12/31/11</u>
CURRENT ASSETS:				CURRENT LIABILITIES:			
Cash & cash equivalents	\$ 15,404,547	\$ 9,128,353	\$ 11,951,448	Current portion - LT debt	\$ 11,724,825	\$ 11,260,566	\$ 10,695,955
Short-term investments	27,864,821	29,748,481	35,451,695	Accounts payable	14,031,420	12,134,275	16,216,559
Accounts receivable	59,991,511	60,651,487	56,444,343	Other current liabilities	19,817,169	17,084,850	17,353,074
Notes receivable - affiliates	270,157	269,971	3,851,494	Accounts payable affiliates-ST	5,001,409	4,915,213	7,035,978
Due to/from affiliates	3,416,415	3,802,027	873,161	Accrued paid time off payable	8,379,479	8,744,949	7,303,426
Inventory	7,206,295	7,451,287	7,740,457	Accrued expenses	3,629,572	7,061,903	10,517,169
Other current assets	9,990,950	9,596,609	11,283,470				
Current portion of assets limited as to use	<u>13,285,624</u>	<u>13,199,440</u>	<u>12,642,244</u>				
Total current assets	<u>137,430,320</u>	<u>133,847,655</u>	<u>140,238,312</u>	Total current liabilities	<u>62,583,874</u>	<u>61,201,756</u>	<u>69,122,161</u>
Assets whose use is limited:				Deferred compensation payable	2,406,822	2,387,817	2,159,472
Board designated funds:				Deferred revenue - LT	322,166	322,166	331,395
Deferred compensation invests	2,336,822	2,387,817	2,159,472	Asset retirement obligations	4,294,573	4,294,573	4,294,573
Investment & cash designated as endowment fund	249,212	249,212	219,231	Accrued retiree benefits	6,187,528	6,165,528	5,879,528
Cash & cash equivalents held by the hospital and trustee	41,199,435	41,657,140	51,884,529	Other liabilities - LT	13,051,155	13,051,155	13,051,155
				Accrued expenses - LT	24,469,089	19,942,586	16,296,203
				Accrued pension - LT	65,428,567	64,389,553	64,985,054
				Long-term debt:			
				Bonds payable Series 2009	15,207,463	15,476,074	18,400,733
				Bond payable Vestal	19,400,000	20,000,000	20,000,000
				Mortgages payable	6,141,560	6,194,311	7,083,434
				Capitalized equipment leases	15,482,196	16,031,961	16,255,793
Total non-current assets whose use is limited	<u>43,785,469</u>	<u>44,294,169</u>	<u>54,263,232</u>	Total other liabilities	<u>172,391,119</u>	<u>168,255,724</u>	<u>168,737,340</u>
Investments-endowment funds	1,804,099	1,812,715	1,721,547	NET ASSETS:			
Due to/from affiliates	0	0	1,811,555	Unrestricted	121,933,223	120,432,505	94,095,824
Other assets	6,600,245	6,603,787	6,466,318	Temporarily restricted	9,288,936	9,307,492	9,353,987
Property, plant & equipment, net	167,456,119	163,505,703	127,530,704	Permanently restricted	<u>4,077,831</u>	<u>4,077,831</u>	<u>4,077,831</u>
Deferred charges	1,876,545	1,889,093	2,033,289				
Interest in net assets Foundation	<u>11,322,186</u>	<u>11,322,186</u>	<u>11,322,186</u>	Total net assets	<u>135,299,990</u>	<u>133,817,828</u>	<u>107,527,642</u>
	<u>\$ 370,274,983</u>	<u>\$ 363,275,308</u>	<u>\$ 345,387,143</u>		<u>\$ 370,274,983</u>	<u>\$ 363,275,308</u>	<u>\$ 345,387,143</u>

UNITED HEALTH SERVICES HOSPITALS
INCOME STATEMENT
December 31, 2012

	MONTH				YEAR-TO-DATE			
	ACTUAL	BUDGET	Variance \$ Favorable (Unfav)	Variance % Favorable (Unfav)	ACTUAL	BUDGET	Variance \$ Favorable (Unfav)	Variance % Favorable (Unfav)
INPATIENT REVENUE								
Gross revenue	\$ 40,151,501	\$ 36,862,264	\$ 3,289,237	8.9	\$ 474,246,183	\$ 464,845,879	\$ 9,400,304	2.0
Contractual adjustments	(20,478,446)	(18,541,612)	(1,936,834)	(10.4)	(252,325,563)	(249,087,942)	(3,237,621)	(1.3)
Financial assistance	(93,176)	(120,249)	27,073	22.5	(1,621,304)	(1,516,383)	(104,921)	(6.9)
NET INPATIENT REVENUE	<u>19,579,879</u>	<u>18,200,403</u>	<u>1,379,476</u>	<u>7.6</u>	<u>220,299,316</u>	<u>214,241,554</u>	<u>6,057,762</u>	<u>2.8</u>
OUTPATIENT REVENUE								
Gross revenue	48,154,252	48,671,856	(517,604)	(1.1)	597,231,569	624,131,323	(26,899,754)	(4.3)
Contractual adjustments	(24,724,809)	(26,946,586)	2,221,777	8.2	(327,149,740)	(346,999,495)	19,849,755	5.7
Financial assistance	(301,808)	(419,193)	117,385	28.0	(3,297,417)	(5,290,792)	1,993,375	37.7
NET OUTPATIENT REVENUE	<u>23,127,635</u>	<u>21,306,077</u>	<u>1,821,558</u>	<u>8.5</u>	<u>266,784,412</u>	<u>271,841,036</u>	<u>(5,056,624)</u>	<u>(1.9)</u>
Other operating revenue	2,765,001	2,751,837	13,164	0.5	28,038,946	27,022,617	1,016,329	3.8
TOTAL NET REVENUE	<u>45,472,515</u>	<u>42,258,317</u>	<u>3,214,198</u>	<u>7.6</u>	<u>515,122,674</u>	<u>513,105,207</u>	<u>2,017,467</u>	<u>0.4</u>
EXPENSES								
Salaries	15,682,776	17,197,120	1,514,344	8.8	184,974,118	187,475,540	2,501,422	1.3
Fringe benefits - pension expense	1,039,014	1,145,916	106,902	9.3	12,468,366	13,751,000	1,282,634	9.3
Fringe benefits - other	3,307,305	3,917,950	610,645	15.6	46,341,755	47,064,558	722,803	1.5
Supplies & services	17,909,966	18,748,202	838,236	4.5	210,476,557	210,531,966	55,409	0.0
Bad debts	4,137,886	1,878,068	(2,259,818)	*	28,770,295	24,092,923	(4,677,372)	(19.4)
Interest	252,237	161,229	(91,008)	(56.4)	2,443,436	2,014,929	(428,507)	(21.3)
Depreciation/amortization	1,596,540	1,593,144	(3,396)	(0.2)	17,943,631	17,930,249	(13,382)	(0.1)
NYS Assessment Fee	147,685	148,500	815	0.5	1,704,813	1,782,000	77,187	4.3
TOTAL EXPENSES	<u>44,073,409</u>	<u>44,790,129</u>	<u>716,720</u>	<u>1.6</u>	<u>505,122,971</u>	<u>504,643,165</u>	<u>(479,806)</u>	<u>(0.1)</u>
Net income (loss) from operations	1,399,106	(2,531,812)	3,930,918	*	9,999,703	8,462,042	1,537,661	18.2
Non-operating revenue	5,693	15,649	(9,956)	(63.6)	86,624	176,994	(90,370)	(51.1)
Net income (loss) before unusual items	1,404,799	(2,516,163)	3,920,962	*	10,086,327	8,639,036	1,447,291	16.8
Unusual items:								
Intercompany Reserve	79,577	0	79,577	*	1,592,758	0	1,592,758	*
Third Party Reserve Adjustments	0	176,610	(176,610)	*	8,421,799	2,100,000	6,321,799	*
NET INCOME/(LOSS)	<u>\$ 1,484,377</u>	<u>\$ (2,339,553)</u>	<u>\$ 3,823,930</u>	<u>*</u>	<u>\$ 20,100,883</u>	<u>\$ 10,739,037</u>	<u>\$ 9,361,846</u>	<u>87.2</u>
Net Margin	3.3 %	(5.5) %			3.9 %	2.1 %		

*In excess of +/- 100%

VISITING NURSE ASSOCIATIONS of ALBANY & AFFILIATES

COMBINED BALANCE SHEETS

AS OF DECEMBER 31, 2012 AND DECEMBER 31, 2011

ASSETS

	December 31, 2012	December 31, 2011
Current Assets		
Cash and Cash equivalents	\$ 1,996,999	\$ 2,681,711
Investments	3,513,751	3,399,353
Patient accounts receivable, net	3,800,992	3,275,904
Letters of credit, captive insurance	143,879	-
Prepaid expenses and other current assets	408,819	691,637
Total Current Assets	9,864,440	10,048,605
Assets Limited As To Use	2,579,807	2,517,903
Property and Equipment Net	179,885	219,549
Other Assets	32,548	77,169
TOTAL ASSETS	<u>\$ 12,656,680</u>	<u>\$ 12,863,226</u>

LIABILITIES AND NET ASSETS

Current Liabilities		
Line of credit	\$ 650,000	\$ 650,000
Letters of credit, captive insurance	143,879	-
Accounts payable and accrued expenses	489,662	415,710
Accrued salaries, wages, and related items	1,202,879	1,198,289
Due to third-party payers	1,982,744	2,700,000
Current maturities of long-term debt	236,676	243,561
Total Current Liabilities	4,705,840	5,207,560
Long-term Liabilities		
Long-term debt	466,667	703,348
Accrued salaries, wages, and related items	923,455	1,011,545
Accrued pension obligation	4,297,521	4,491,424
Deferred compensation plans	401,590	401,590
Total Long-term Liabilities	6,089,233	6,607,907
Total Liabilities	10,795,073	11,815,467
Net Assets		
Unrestricted	1,498,804	685,852
Temporarily restricted	2,882	1,986
Permanently restricted	359,921	359,921
Total Net Assets	1,861,607	1,047,759
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 12,656,680</u>	<u>\$ 12,863,226</u>

VISITING NURSE ASSOCIATIONS of ALBANY & AFFILIATES

COMBINED STATEMENTS OF OPERATIONS

FOR THE YEARS ENDED DECEMBER 31, 2012 and 2011

	December 31, 2012	December 31, 2011
Operating Revenue		
Net patient service revenue	\$ 23,178,163	\$ 21,528,115
Other operating revenue	83,053	55,676
Net assets released from restrictions	354	835
Total Operating Revenue	<u>23,261,570</u>	<u>21,584,626</u>
Operating Expenses		
Salaries and wages	16,282,674	15,132,508
Employee benefits	3,079,064	2,847,221
Supplies and other	2,528,849	2,280,762
Contracted services	309,128	327,662
Depreciation	75,563	197,693
Provision for bad debts	223,200	255,698
Interest	119,606	76,788
Special events	-	-
Total Operating Expenses	<u>22,618,084</u>	<u>21,118,332</u>
OPERATING INCOMES (LOSS)	<u>643,486</u>	<u>466,294</u>
Other Revenue and Gains		
Investment income	220,575	157,079
Recognized change in fair value of investments	-	(298,295)
Total Other Revenue and Gains	<u>220,575</u>	<u>(141,216)</u>
EXCESS (DEFICIT) OF REVENUE OVER EXPENSES BEFORE INCOME TAXES	864,061	325,078
Provision for Income Taxes	<u>(231,349)</u>	<u>(285,117)</u>
EXCESS (DEFICIT) OF REVENUE OVER EXPENSES AFTER INCOME TAXES	<u>\$ 632,712</u>	<u>\$ 39,961</u>

WHEEL CHAIR HOME, INC.
d/b/a SCHOFIELD RESIDENCE AND AFFILIATE

COMBINED BALANCE SHEETS
December 31,

ASSETS	2012	2011
Current assets:		
Cash and cash equivalents	\$ 1,610,884	\$ 2,496,154
Resident accounts receivable, net of allowance for uncollectible accounts of \$184,000 (\$114,000 - 2011)	1,662,355	1,897,014
Other receivables	1,020	550
Inventory	47,122	46,065
Estimated amounts due from third-party payors, net	211,759	-
Prepaid expenses	230,315	323,496
Total current assets	3,763,455	4,763,279
Resident funds held in trust	25,372	22,736
Investments	6,777,028	6,635,883
Intangible asset	186,667	186,667
Land, building and equipment, net	1,885,167	2,532,339
Total assets	\$ 12,637,689	\$ 14,140,904
LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 1,156,090	\$ 1,037,804
Accrued wages and related benefits	826,079	891,106
Estimated amounts due to third-party payors, net	-	631,904
Total current liabilities	1,982,169	2,560,814
Resident funds held in trust	25,372	22,736
Net assets:		
Unrestricted	9,976,036	10,930,704
Temporarily restricted	611,865	584,403
Permanently restricted	42,247	42,247
Total net assets	10,630,148	11,557,354
Total liabilities and net assets	\$ 12,637,689	\$ 14,140,904

WHEEL CHAIR HOME, INC.
d/b/a SCHOFIELD RESIDENCE AND AFFILIATE

COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
For the Years Ended December 31,

	2012	2011
Unrestricted net assets:		
Operating revenues:		
Net nursing facility revenue	\$ 9,792,639	\$ 10,592,021
Net long-term home health care program revenue	4,312,780	4,012,663
Net adult day health care program revenue	3,758,887	3,610,072
Net licensed home care agency revenue	961,588	898,191
Net assets released from restriction for operations	28,656	27,791
Other operating revenue	33,020	39,069
Net unrestricted revenue	<u>18,887,570</u>	<u>19,179,807</u>
Operating expenses:		
Nursing services	4,682,978	4,798,936
Long-term home health care program	4,006,523	3,802,556
Adult day health care program	2,947,347	2,776,606
Licensed home care agency	500,725	395,560
Other professional services	785,669	791,906
Therapy services	402,918	348,862
Administrative services	3,840,318	3,775,418
General services	2,303,346	2,361,636
Impairment of fixed assets	601,784	-
Depreciation	353,003	382,297
	<u>20,424,611</u>	<u>19,433,777</u>
Loss from operations	(1,537,041)	(253,970)
Non-operating income (expense):		
Net realized gains on investments	287,930	223,412
Investment income	167,086	168,907
Net unrealized gains (losses) on investments	127,277	(147,745)
Miscellaneous	80	-
Unrestricted contributions and bequests	-	33,383
	<u>582,373</u>	<u>277,957</u>
(Deficiency) excess of revenues over expenses and change in unrestricted net assets	(954,668)	23,987
Temporarily restricted net assets:		
Net unrealized gains (losses) on investments	51,377	(3,050)
Temporarily restricted contributions and bequests	4,741	4,102
Net assets released from restrictions	(28,656)	(27,791)
Change in temporarily restricted net assets	<u>27,462</u>	<u>(26,739)</u>
Change in net assets	(927,206)	(2,752)
Net assets - beginning of year	<u>11,557,354</u>	<u>11,560,106</u>
Net assets - end of year	<u>\$ 10,630,148</u>	<u>\$ 11,557,354</u>

THE LUTHERAN CARE NETWORK
STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDING UNAUDITED DECEMBER 31, 2012 AND AUDITED DECEMBER 31, 2011

	Unaudited Current	Audited 2011	Change
ASSETS			
CURRENT ASSETS:			
Cash & Equivalents	\$ 1,143,029	\$ 1,019,735	\$ 123,295
Other Receivables	-	-	-
Due from affiliated companies	4,218,291	4,389,548	(171,257)
Prepaid Expenses & Security	29,249	193,073	(163,823)
Total current assets	<u>5,390,570</u>	<u>5,602,355</u>	<u>(211,785)</u>
PROPERTY AND EQUIPMENT - NET	<u>479,322</u>	<u>560,767</u>	<u>(81,446)</u>
OTHER ASSETS			
Preoperational project costs	-	-	-
Investments in Land	3,494,075	3,494,075	-
Financing Costs	3,049	3,049	-
Total other assets	<u>3,497,124</u>	<u>3,497,124</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 9,367,016</u>	<u>\$ 9,660,247</u>	<u>\$ (293,231)</u>
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Current portion of long-term debt	\$ 50,416	\$ 46,322	\$ 4,094
Accounts payable and accrued expenses	244,646	199,285	45,361
Accrued Payroll & related Liabilities	149,430	215,156	(65,726)
Due to affiliated companies	4,124,614	5,074,121	(949,507)
Total current liabilities	<u>4,569,106</u>	<u>5,534,884</u>	<u>(965,778)</u>
LONG-TERM DEBT	<u>796,966</u>	<u>847,382</u>	<u>(50,416)</u>
TOTAL LIABILITIES	<u>5,366,072</u>	<u>6,382,266</u>	<u>(1,016,194)</u>
NET ASSETS - UNRESTRICTED	<u>4,000,944</u>	<u>3,277,981</u>	<u>722,963</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 9,367,016</u>	<u>\$ 9,660,247</u>	<u>\$ (293,231)</u>

THE LUTHERAN CARE NETWORK
STATEMENT OF ACTIVITIES
FOR THE PERIOD ENDING UNAUDITED DECEMBER 31, 2012 AND AUDITED DECEMBER 31, 2011

	Month - to - Date		Year - to - Date					
	Actual	Budget	Variance (Unfavorable)	Actual	Budget	Variance (Unfavorable)	Annual Budget	Audited 2011
	117,872	94,515	23,357	1,414,524	1,134,103	280,421	1,134,103	1,118,652
	64,674	90,348	(25,674)	802,942	1,084,154	(281,212)	1,084,154	1,323,509
	1,015,214	-	1,015,214	968,030	-	968,030	-	1,516,462
	1,197,760	184,863	1,012,897	3,185,496	2,218,257	967,239	2,218,257	3,958,624
OPERATING REVENUES:								
Management Fees								
Purchase Service Agreement								
Contributions and other revenue								
Total Operating Revenue								
OPERATING EXPENSES:								
Salaries	121,554	152,139	30,585	1,577,056	1,796,996	219,940	1,796,996	1,834,651
Payroll taxes and employee benefits	(31,052)	32,272	63,324	263,067	442,165	179,098	442,165	351,935
Agency Fees								26,651
Other Than Personal Services	40,619	53,558	12,939	505,138	643,092	137,954	643,092	3,182,490
Depreciation		4,250	4,250	43,410	51,000	7,590	51,000	36,556
Bad Debt								
Interest	5,705	6,186	481	73,862	74,188	326	74,188	77,650
Total Operating Expenses	136,826	248,405	111,579	2,462,533	3,007,441	544,908	3,007,441	5,509,933
OPERATING (LOSS)	1,060,934	(63,542)	1,124,476	722,963	(789,184)	1,512,147	(789,184)	(1,551,309)
NON-OPERATING INCOME								
CHANGE IN NET ASSETS (DEFICIT)	1,060,934	(63,542)	1,124,476	722,963	(789,184)	1,512,147	(789,184)	(1,551,309)
EQUITY TRANSFER FROM AFFILIATED ORGANIZATION								
CHANGE IN NET ASSETS (DEFICIT)				722,963	(789,184)	1,512,147	(789,184)	(1,551,309)
NET ASSETS AT BEG OF YEAR - BEFORE CONSOLIDATION				2,677,982	2,677,982	-	2,677,982	4,229,291
NET ASSETS AT END OF YEAR				3,400,945	1,888,798	1,512,147	1,888,798	2,677,982

LUTHERAN CENTER AT POUGHKEEPSIE, INC.

**STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2011**

	<u>2011</u>
ASSETS	
CURRENT ASSETS:	
Cash	\$ 841,333
Cash - Resident funds	145,879
Accounts receivable - Nursing facility, net	1,676,887
Accounts receivable - Adult day care, net	70,661
Accounts receivable - Long-term home healthcare, net	760,557
Accounts receivable - Extended family, net	103,907
Due from third party payors	-
Due from affiliated companies	738,362
Inventories	50,693
Prepaid expenses and other receivables	<u>196,319</u>
Total current assets	4,584,598
ASSETS WHOSE USE IS LIMITED - Cash	1,022,127
PROPERTY AND EQUIPMENT, net	7,831,799
DEBT ISSUANCE COSTS, net	<u>742,004</u>
	<u>\$ 14,180,528</u>
LIABILITIES AND NET ASSETS	
CURRENT LIABILITIES:	
Current portion of long-term debt	\$ 13,380,000
Accounts payable and accrued expenses	2,024,955
Accrued payroll and related liabilities	577,625
Resident funds	145,879
Workers' compensation payable	-
Due to third party payors	313,107
Deferred revenue	64,000
Due to affiliated companies	<u>1,521,111</u>
Total current liabilities	18,026,677
LONG-TERM DEBT, net of current portion	<u>-</u>
Total liabilities	18,026,677
NET ASSETS (DEFICIT) - UNRESTRICTED	<u>(3,846,149)</u>
	<u>\$ 14,180,528</u>

LUTHERAN CENTER AT POUGHKEEPSIE, INC.

**STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2011**

	<u>2011</u>
OPERATING REVENUE:	
Net service revenue	\$ 23,044,828
Contributions, rentals and miscellaneous	<u>39,639</u>
Total operating revenue	<u>23,084,467</u>
OPERATING EXPENSES:	
Direct care	12,350,093
Service departments	2,630,906
Administrative	2,849,700
Non-departmental	<u>6,156,221</u>
Total operating expenses	<u>23,986,920</u>
NET OPERATING SURPLUS (LOSS)	<u>(902,453)</u>
OTHER INCOME (EXPENSE):	
Prior period rate adjustments/settlements	72,160
Loss on disposal of assets	-
Interest income	<u>1,504</u>
Total other income (expense)	<u>73,664</u>
CHANGE IN NET ASSETS BEFORE EQUITY TRANSFER	(828,789)
EQUITY TRANSFER FROM AFFILIATE	<u>-</u>
CHANGE IN NET ASSETS	(828,789)
NET ASSETS (DEFICIT) - beginning of year	<u>(3,017,360)</u>
NET ASSETS (DEFICIT) - end of year	<u>\$ (3,846,149)</u>

HUDSON VALLEY CARE PARTNERS, LLC

BALANCE SHEET
December 31, 2011 and 2010

ASSETS

	<u>2011</u>	<u>2010</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 497,542	\$ 231,166
Accounts receivable (net of allowance for doubtful accounts of \$544,660 and \$320,036 in 2011 and 2010, respectively)	4,520,423	4,569,751
Inventory	52,407	53,639
Prepaid expenses and other current assets	64,656	60,357
Due from affiliates	15,849	15,849
TOTAL CURRENT ASSETS	<u>5,150,877</u>	<u>4,930,762</u>
PROPERTY AND EQUIPMENT at cost, less accumulated depreciation	1,624,590	1,682,911
RESTRICTED CASH - RESIDENTS' FUNDS	132,331	111,276
GOODWILL	2,747,866	2,747,866
TOTAL ASSETS	<u>\$ 9,655,664</u>	<u>\$ 9,472,815</u>

LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES		
Promissory note, current portion	\$	\$ 367,371
Line of Credit (250,000	350,000
Accounts payable and accrued expenses	1,777,517	1,044,071
Accrued payroll and benefits	417,280	364,048
Due to third party payors, current portion	445,504	997,025
Due to affiliates	1,866,866	1,786,396
Security deposit payable	25,315	33,565
TOTAL CURRENT LIABILITIES	<u>4,782,282</u>	<u>4,942,476</u>
RESIDENTS' FUNDS	141,194	142,739
PROMISSORY NOTE, net of current portion	3,001,732	2,634,361
DUE TO THIRD PARTY PAYORS, net of current portion	37,699	38,179
NET PENSION PLAN LIABILITY	449,544	209,018
CONTINGENCIES :	1,035,481	1,201,185
TOTAL LIABILITIES	<u>9,447,932</u>	<u>9,167,958</u>
MEMBERS' EQUITY	207,732	304,857
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 9,655,664</u>	<u>\$ 9,472,815</u>

HUDSON VALLEY CARE PARTNERS, LLC

STATEMENT OF INCOME AND MEMBERS' EQUITY
Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
REVENUE		
Net patient service revenue	\$ 17,664,222	\$ 17,250,541
Other revenue	14,832	17,337
TOTAL REVENUE	<u>17,679,054</u>	<u>17,267,878</u>
EXPENSES		
Professional care of patients	9,877,729	10,379,127
Dietary	1,284,733	1,261,334
Housekeeping	487,075	458,917
Laundry and linen	159,136	153,949
Operation and maintenance of plant	1,058,268	1,104,692
Administrative and general	2,440,936	2,308,602
Employee benefits	2,062,352	2,053,839
Depreciation and amortization	170,085	161,600
TOTAL EXPENSES	<u>17,540,314</u>	<u>17,882,060</u>
NET INCOME/(LOSS)	138,740	(614,182)
MEMBERS' EQUITY		
Balance, beginning		
Distributions	304,857	939,904
Accumulated other comprehensive income		(61,737)
BALANCE, END OF PERIOD	<u>\$ 207,732</u>	<u>\$ 304,857</u>

HUDSON VALLEY REHABILITATION AND EXTENDED CARE CENTER

BALANCE SHEET

12/31/2012

ASSETS

CURRENT ASSETS

12/31/2012

Cash and cash equivalent	\$ 668,858
Investments	10,150
Patient accounts receivable	
Less: Allowances for doubtful accounts	5,029,196
Inventory	51,393
Prepaid expenses	79,658
TOTAL CURRENT ASSETS	<u>5,839,255</u>
PATIENT FUND	130,027
GOODWILL	2,747,866
PROPERTY AND EQUIPMENT at cost, less accumulated depreciation	1,524,325
TOTAL ASSETS	<u>\$ 10,241,473</u>

LIABILITIES AND PARTNERSHIP EQUITY

CURRENT LIABILITIES

Accounts payable	\$ 1,892,888
Line of Credit	\$ 500,000
Accrued expenses	708,677
Accrued payroll, sick and vacation	434,357
Accrued payroll taxes / Pension Liability	14,243
TOTAL CURRENT LIABILITIES	<u>3,550,165</u>
PATIENT FUND	128,627
PATIENT SECURITY DEPOSITS	25,315
PROMISSORY NOTE PAYABLE	3,001,732
DUE TO THIRD PARTY PAYORS	60,998
NET PENSION PLAN LIABILITY	436,925
DUE TO AFFILIATES	2,078,865
TOTAL LIABILITIES	<u>9,282,627</u>
TOTAL PARTNERSHIP EQUITY	<u>958,846</u>
TOTAL LIABILITIES AND PARTNERSHIP EQUITY	<u>\$ 10,241,473</u>

HUDSON VALLEY REHABILITATION AND EXTENDED CARE CENTER
STATEMENT OF INCOME AND PARTNERSHIP EQUITY
 Year Ended 12/31/2012

	Year Ended 12/31/12
	<u>Amount</u>
OPERATING INCOME	
Total patient service income	\$ 17,715,314
Other income	391,413
TOTAL OPERATING INCOME	<u>18,106,727</u>
OPERATING EXPENSES	
NON-REVENUE SUPPORT SERVICES	
Administrative services	1,379,697
Fiscal services	373,672
Plant operations and maintenance	1,349,012
Security	-
Patient food services	1,518,040
Housekeeping services	440,947
Laundry services	182,113
Nursing administration	418,304
Medical care services	66,084
Leisure time activities	221,209
Social services	155,978
TOTAL NON-REVENUE SUPPORT SERVICES	<u>6,105,056</u>
ANCILLARY SERVICE CENTERS	980,786
PROGRAM SERVICE CENTERS	7,304,786
LONG TERM HOME HEALTH CARE PROGRAM	2,735,031
MEDICAID ASSESSMENT	808,161
LONG TERM HOME HEALTH CARE ASSESSMENT	26,713
TOTAL OPERATING EXPENSES	<u>17,960,533</u>
NET INCOME FROM OPERATIONS	146,194
INVESTMENT INCOME	<u>8</u>
NET INCOME AFTER INVESTMENT INCOME	146,202
PARTNERSHIP EQUITY	
Balance beginning of period	207,732
Capital contributions	591,304
Other Comprehensive Income	13,608
BALANCE, END OF PERIOD	<u>\$ 958,846</u>

CALVARY HOSPITAL, INC.

**STATEMENTS OF FINANCIAL POSITION
AS OF DECEMBER 31, 2011 AND 2010**

ASSETS	2011	2010
CURRENT ASSETS:		
Cash and cash equivalents		
Investments	\$ 4,300,200	\$ 1,109,200
Accounts receivable for services to patients — less allowance for uncollectible accounts of \$9,070,000 and \$7,628,000 in 2011 and 2010, respectively	16,776,100	24,099,500
Due from third-party payors	23,083,500	19,021,100
Prepaid expenses and other current assets	535,000	620,000
	<u>985,500</u>	<u>787,600</u>
Total current assets	45,680,300	45,637,400
ASSETS WHOSE USE IS LIMITED	19,682,800	19,510,400
DEFERRED COMPENSATION PLAN ASSETS	1,396,000	1,481,900
PROPERTY, PLANT, AND EQUIPMENT — Net	16,202,600	16,373,900
BENEFICIAL INTEREST IN NET ASSETS OF CALVARY FUND, INC.	<u>21,964,000</u>	<u>19,899,500</u>
TOTAL	<u>\$ 104,925,700</u>	<u>\$ 102,903,100</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ 5,943,500	\$ 6,598,300
Accrued payroll, compensated absences, and other expenses	9,062,300	8,512,800
Due to third-party payors	<u>4,295,700</u>	<u>4,731,300</u>
Total current liabilities	19,301,500	19,842,400
ESTIMATED MALPRACTICE CLAIMS PAYABLE	1,175,700	1,116,800
ACCRUED PENSION LIABILITY	<u>25,488,100</u>	<u>20,507,500</u>
Total liabilities	<u>45,965,300</u>	<u>41,466,700</u>
COMMITMENTS AND CONTINGENCIES (Note 8)		
NET ASSETS:		
Unrestricted:		
Temporarily restricted	30,427,200	35,702,000
Permanently restricted	26,698,100	23,901,500
	<u>1,835,100</u>	<u>1,832,900</u>
Total net assets	<u>58,960,400</u>	<u>61,436,400</u>
TOTAL	<u>\$ 104,925,700</u>	<u>\$ 102,903,100</u>

CALVARY HOSPITAL, INC.

**STATEMENTS OF OPERATIONS
 FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

	2011	2010
REVENUES:		
Net patient service revenue	\$ 100,576,500	\$ 96,290,400
Net assets released from restrictions --- operations	1,735,700	1,899,600
Other revenue	<u>858,000</u>	<u>874,800</u>
Total revenues	<u>103,170,200</u>	<u>99,064,800</u>
EXPENSES:		
Salaries	56,149,000	55,427,800
Employee benefits	22,214,000	21,250,200
Supplies and other	26,212,200	24,397,000
Depreciation, leases, and equipment rental	4,244,800	4,039,800
Provision for uncollectible accounts receivable	<u>2,360,400</u>	<u>2,160,800</u>
Total expenses	<u>111,180,400</u>	<u>107,275,600</u>
OPERATING LOSS	<u>(8,010,200)</u>	<u>(8,210,800)</u>
NONOPERATING GAINS --- Net:		
Unrestricted gifts and bequests	6,936,100	2,015,100
Investment income	848,900	1,019,300
Net realized gains and losses on investments	<u>1,305,900</u>	<u>3,877,300</u>
Total nonoperating gains -- net	<u>9,090,900</u>	<u>6,911,700</u>
REVENUES OVER (UNDER) EXPENSES AND NONOPERATING GAINS --- Net	1,080,700	(1,299,100)
OTHER CHANGES IN UNRESTRICTED NET ASSETS:		
Change in net unrealized gains and losses on investments	(1,465,800)	520,000
Pension-related adjustments	<u>(4,889,700)</u>	<u>2,352,000</u>
(DECREASE) INCREASE IN UNRESTRICTED NET ASSETS	<u>\$ (5,274,800)</u>	<u>\$ 1,572,900</u>

**DRAFT
UNAUDITED**

CALVARY HOSPITAL, INC.
STATEMENTS OF FINANCIAL POSITION

	12/31/12	12/31/11	12/31/12	12/31/11
ASSETS				
CURRENT ASSETS				
Cash - operating	\$4,795,200	\$4,300,200	\$6,517,100	\$5,943,300
INVESTMENTS				
Accounts Receivable, less allowance for uncollectible accounts	17,304,800	16,776,100	9,576,900	10,501,500
2012 - \$8,761,600				
2011 - \$9,070,000	22,171,700	23,083,500	2,001,300	2,856,500
Due from third parties	419,200	535,000	18,095,300	19,307,300
Prepaid expenses and other assets	789,100	985,500		
Total current assets	<u>45,480,000</u>	<u>45,680,300</u>	<u>911,200</u>	<u>1,175,700</u>
ASSETS WHOSE USE IS LIMITED:				
Internally designated for capital improvements	6,744,100	7,691,000	68,562,300	45,985,100
Trustee held for self-insurance trust	2,223,000	2,147,100		
Held in Escrow under Pledge Security Agreement	6,004,300	5,173,100		
Donor restricted	1,592,700	4,471,600		
Total assets whose use is limited	<u>18,564,100</u>	<u>19,682,800</u>	<u>9,586,100</u>	<u>30,427,300</u>
DEFERRED COMPENSATION ASSET	1,334,500	1,356,000		
PROPERTY, PLANT AND EQUIPMENT-Net of accumulated depreciation:	16,873,300	16,202,600	2,850,200	5,719,300
Temporarily			850,000	850,000
Permanently			3,700,200	6,569,300
BENEFICIAL INTEREST IN NET ASSETS OF CALVARY FUND, INC.	22,069,500	21,963,900	22,069,500	21,963,900
			25,769,700	28,533,200
	<u>35,775,800</u>	<u>35,775,800</u>	<u>56,950,500</u>	<u>56,950,500</u>
TOTAL ASSETS	<u>\$104,538,400</u>	<u>\$104,525,600</u>	<u>\$104,538,100</u>	<u>\$104,925,600</u>
LIABILITIES AND NET ASSETS				
CURRENT LIABILITIES:				
Accounts payable				
Accrued payroll, compensated absences and other expenses				
Due to third parties				
Total current liabilities			<u>18,095,300</u>	<u>19,307,300</u>
ESTIMATED MALPRACTICE CLAIMS PAYABLE			911,200	1,175,700
ACCRUED PENSION LIABILITY			49,555,800	25,488,100
Total liabilities			<u>68,562,300</u>	<u>45,985,100</u>
NET ASSETS:				
Unrestricted:				
Undesignated	-6,756,500		15,445,100	15,445,100
Designated for capital improvements	8,515,300		7,662,100	7,662,100
Designated for self-insurance trust	2,223,100		2,223,100	2,147,100
Designated under Pledge Security Agreement	6,004,200		5,173,000	5,173,000
Total unrestricted	<u>9,586,100</u>		<u>30,427,300</u>	<u>30,427,300</u>
Restricted:				
Temporarily	2,850,200		5,719,300	5,719,300
Permanently	850,000		850,000	850,000
Beneficial interest in Calvary Fund	3,700,200		6,569,300	6,569,300
Total restricted	<u>7,400,400</u>		<u>13,138,600</u>	<u>13,138,600</u>
Total net assets	<u>35,775,800</u>	<u>35,775,800</u>	<u>56,950,500</u>	<u>56,950,500</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$104,538,100</u>	<u>\$104,525,600</u>	<u>\$104,538,100</u>	<u>\$104,925,600</u>

DRAFT
UNAUDITED

CALVARY HOSPITAL, INC
SUMMARY STATEMENTS of OPERATIONS (in thousands) :
TWELVE MONTHS ENDED DECEMBER 31, 2012

	2012		FAVORABLE (UNFAVORABLE) VARIANCE	2011	2012 Actual
	ACTUAL	BUDGET		ACTUAL	FAVORABLE (UNFAVORABLE) 2011 Actual
REVENUES :					
Net patient service revenue	\$102,176	\$103,880	(\$1,704)	\$100,577	\$1,600
Provision for uncollectible accounts receivable	(1,755)	(2,154)	399	(2,360)	605
Other revenue	812	967	(155)	858	(46)
Net assets released from restrictions - operations	1,842	1,423	419	1,736	106
	103,076	104,116	(1,041)	100,811	2,265
EXPENSES :					
Salaries	59,163	56,858	(2,305)	55,642	(2,521)
Employee benefits	44,632	23,765	(20,867)	22,214	(22,418)
Professional fees	2,679	2,804	125	2,480	(199)
Supplies and expenses	22,296	22,475	179	22,095	(201)
Leases & equipment rentals	1,175	1,197	22	1,213	38
Depreciation	3,122	2,972	(150)	2,839	(283)
Cash Receipts Assessment and MTA Commuter Tax	532	557	25	551	19
Archcare System Allocation (Dues)	680	680	0	708	28
Archcare System Allocation (Legal)	181	152	(29)	76	(105)
	134,459	111,469	(23,000)	108,818	(25,642)
Operating Income (Loss)	(31,384)	(7,343)	(24,042)	(8,007)	(23,377)
NONOPERATING GAINS (LOSSES) :					
Unrestricted - gifts and Calvary Fund transfers	3,273	3,200	73	6,716	(2,443)
- bequests	2,036	1,000	1,036	1,221	815
Investment Income (net investment manager fees)	724	1,007	(283)	852	(128)
Realized gains (losses) from sale of investments	1,161	86	1,076	1,306	(145)
	7,194	5,293	1,901	9,094	(1,900)
EXCESS OF REVENUES & GAINS OVER (UNDER) EXPENSES					
NET ASSETS RELEASED FROM RESTRICTIONS-CAPITAL	(24,190)	(2,050)	(22,141)	1,087	(25,278)
CHANGE IN UNREALIZED GAINS (LOSSES) ON INVESTMENTS	3,324	0	3,324	0	3,324
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS BEFORE SFAS 158	1,877	1,000	877	(1,466)	3,343
ADJUSTMENT TO APPLY SFAS 158	(18,989)	(1,050)	(17,940)	(379)	(18,611)
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS AFTER SFAS 158	(1,453)	(400)	(1,053)	(4,890)	3,437
	(\$20,442)	(\$1,450)	(\$18,992)	(\$5,268)	(15,174)

THE BETHEL NURSING HOME COMPANY, INC.
17 Narragansett Avenue
Ossining, New York 10562

January ~~22~~²³, 2013

Amber Court @ Suffolk County LLC
130-132 Lake Avenue
Nesconset, New York 11767

Re: Closing Payment

Dear Sir/Madam:

The Bethel Nursing Home Company, Inc. hereby acknowledges receipt of your payment of \$2,113,340.00 (including an initial deposit of \$200,000), paid in connection with the January 22, 2013 closing of the transactions under that certain Asset Purchase Agreement between us dated March 27, 2012.

Very truly yours,



Beth Goldstein
CEO

BETHEL NURSING HOME COMPANY, INC.

BALANCE SHEET
December 31, 2011.

ASSETS

	<u>2011</u>
CURRENT ASSETS	
Patient accounts receivable, net of an allowance for doubtful accounts of \$66,590	\$ 1,174,013
Due from medicaid	62,457
Inventory	11,904
Prepaid expenses	3,454
Assets limited as to their use - mortgage repayment escrow accounts - including short-term investments of \$2,801 and \$2,957 for 2011 and 2010, respectively.	2,801
TOTAL CURRENT ASSETS	<u>1,254,629</u>
PROPERTY, PLANT AND EQUIPMENT at cost, less accumulated depreciation	1,118,898
CASH HELD FOR PATIENTS	25,006
ASSETS LIMITED AS TO THEIR USE:	
Mortgage Operating Escrow	125,779
TOTAL ASSETS	<u>\$ 2,524,312</u>
	<u>LIABILITIES AND NET DEFICIT</u>
CURRENT LIABILITIES	
Bank overdraft	\$ 233,957
Accounts payable	1,478,501
Accrued payroll and taxes payable	230,831
Other accrued expenses	171,076
Deferred revenue - LTHHC	6,050
Current portion payable to third party and private payors (Note 3)	214,034
Current portion of other liabilities	51,149
Due to related parties	5,851,591
Current portion of long term debt	135,000
TOTAL CURRENT LIABILITIES	<u>8,372,189</u>
PATIENT FUNDS PAYABLE	25,006
PAYABLE TO THIRD PARTY AND PRIVATE PAYORS - Less current portion above	-
OTHER LIABILITIES - Less current portion above	385,799
LONG-TERM DEBT - Less current portion above	17,605
CONTINGENCIES	
TOTAL LIABILITIES	<u>8,780,599</u>
NET DEFICIT	
Unrestricted	(6,256,287)
TOTAL NET DEFICIT	<u>(6,256,287)</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 2,524,312</u>

BETHEL NURSING HOME COMPANY, INC.

STATEMENTS OF OPERATIONS AND CHANGES IN UNRESTRICTED NET ASSETS
 Years Ended December 31, 2011

	2011	
	Amount	Per Day
UNRESTRICTED REVENUES, GAINS AND OTHER SUPPORT:		
Net patient service revenues	\$ 5,904,753	\$ 311.02
Other operating revenue	17,910	0.94
Long Term Home Healthcare	1,534,930	80.82
TOTAL REVENUES, GAINS, AND OTHER SUPPORT	<u>7,456,993</u>	<u>392.78</u>
OPERATING EXPENSES		
Administrative services	487,364	25.67
Plant, operations and maintenance	556,949	29.34
Patient food services	499,214	26.29
Housekeeping services	139,969	7.37
Laundry services	178,563	9.41
Nursing administration	595,954	31.39
Medical care services	93,452	4.93
Recreation activities	129,377	6.82
Social services and admitting	55,327	2.91
Ancillary service centers	493,109	25.99
Program service centers	2,288,973	120.57
Medicaid assessment	303,337	15.98
Medicaid assessment-LTHHC	12,505	0.66
Long Term Home Healthcare	1,412,151	74.38
TOTAL OPERATING EXPENSES	<u>7,246,244</u>	<u>331.71</u>
INCREASE/(DECREASE) IN NET ASSETS	210,749	<u>\$ 11.07</u>
UNRESTRICTED NET ASSETS/(DEFICIT), BEGINNING OF YEAR	(6,467,036)	
UNRESTRICTED NET ASSETS/(DEFICIT), END OF YEAR	<u>\$ (6,256,287)</u>	

Bethel Nursing & Rehab Center at Ossining
 Balance Sheets

ASSETS

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Cash	\$ (32,239)	\$ (218,719)
Restricted Cash - Security Deposits	-	-
Patient Funds	16,132	25,006
Assets Limited As To Use	23,555	128,580
Accounts Receivable	800,982	1,174,012
Other Receivable	213,098	-
Due from Medicaid	62,457	62,457
Inventory	11,904	11,904
Prepaid Expenses	34,895	1,790
Fixed Assets	1,071,012	1,120,554
Total Assets	<u>2,201,797</u>	<u>2,305,592</u>

LIABILITIES AND FUND BALANCE

	<u>December 31, 2012</u>	<u>December 31, 2011</u>
Accounts Payable	\$ 1,171,454	\$ 1,523,722
Accrued Payroll Expenses and Taxes Payable	203,987	230,849
Accrued Expenses	425,228	253,106
Payable To Third Party and Private Payors	118,982	132,004
Other Liabilities	7,850	6,050
Patient Funds	16,132	25,006
Current Portion of Long Term Debt	23,980	156,149
Long Term Debt	1,115,799	383,404
Other Long Term Liabilities	-	-
Due To/From Related Company	5,510,253	5,851,592
Fund Balance	(6,391,869)	(6,256,290)
Total Liabilities and Fund Balance	<u>2,201,797</u>	<u>2,305,592</u>

Project #131185
BFA Attachment C (cont.)

Fac 20 Bethel Nursing Home Co., Inc.

NURSING HOME STATEMENT OF EARNINGS
For the Period Ending December 31, 2012

[GL162]

	CURRENT PERIOD				YEAR-TO-DATE			
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var
GROSS OPERATING REVENUE								
Private	11,400	0	11,400		381,235	0	381,235	
Medicaid & Hospice	251,616	300,849	(49,233)	(16)	2,667,910	3,551,957	(884,047)	(25)
Cash Assessment Add on - Medicaid	12,867	15,798	(2,930)	(19)	145,402	186,514	(41,112)	(22)
Medicare	42,299	0	42,299		807,705	0	807,705	
Commercial Insurance	23,850	0	23,850		181,241	0	181,241	
Hospice Inpatient	0	0	0		16,487	0	16,487	
TOTAL GROSS REVENUE	342,033	316,646	25,386	8	4,199,980	3,738,470	461,509	12
ANCILLARY AND OTHER REVENUES								
Medicare Part B	5,352	1,401	3,950	282	27,956	16,545	11,411	69
Barber & Beauty	130	132	(2)	(2)	1,560	1,564	(4)	0
Vending Machines	0	30	(30)	(100)	350	351	(1)	0
Cafeteria	0	0	0		75	0	75	
Guest Meals	0	0	0		3	0	3	
Gift shop	0	136	(136)	(100)	60	1,604	(1,544)	(96)
Rental Income - LHCSA	1,237	1,237	0	0	14,607	14,600	7	0
Interest Income	0	8	(8)	(100)	1,342	100	1,242	1238
Other Misc Income	215,072	212	214,860	101191	247,935	2,507	245,429	9790
Bad Debt	(3,737)	(3,737)	0	0	(44,129)	(44,121)	(8)	0
TOTAL ANCILL. & OTHER REVENUES	218,054	(580)	218,634	(37690)	249,759	(6,849)	256,608	(3747)
TOTAL REVENUES	560,086	316,066	244,020	77	4,449,739	3,731,622	718,118	19
OPERATING EXPENSES								
Nursing Department	131,521	120,412	(11,109)	(9)	1,589,259	1,421,640	(167,620)	(12)
Hospice Services	0	0	0		41,835	0	(41,835)	
Laboratory Services	3,042	0	(3,042)		5,363	0	(5,363)	
Radiology Services	(26)	0	26		3,777	0	(3,777)	
Pharmacy Services	8,044	836	(7,209)	(863)	85,623	9,867	(76,756)	(778)
Dental Services	1,845	2,378	533	22	23,928	28,077	4,148	15
Medical Directors office	1,498	1,571	73	5	18,000	18,551	551	3
Medical records	3,303	3,406	103	3	34,416	40,210	5,794	14
Rehabilitation Therapy Services	11,887	0	(11,887)		187,760	0	(187,760)	
Recreation	2,024	5,549	3,526	64	54,877	65,518	10,642	16
Social Services	2,439	2,279	(160)	(7)	29,538	26,906	(2,633)	(10)
Communications	3,359	2,531	(828)	(33)	27,088	29,880	2,792	9
Administration	4,350	4,826	476	10	122,397	56,974	(65,423)	(115)
Food service	26,473	25,194	(1,278)	(5)	309,181	303,457	(5,724)	(2)
Housekeeping & Laundry Expense	16,354	15,975	(379)	(2)	190,507	188,613	(1,894)	(1)
Plant Operations & Grounds	19,636	23,367	3,731	16	222,094	239,807	17,713	7
Insurance Expense	(9,121)	4,489	13,610	303	32,991	53,000	20,009	38
Depreciation & Amortization	14,411	14,073	(338)	(2)	168,197	166,155	(2,042)	(1)
Employee Fringe Benefits	75,727	58,656	(17,071)	(29)	796,756	692,514	(104,241)	(15)
Other Operating Expenses	36,443	24,813	(11,630)	(47)	400,772	293,261	(107,511)	(37)
Management Fee	13,760	13,760	0	0	162,456	162,458	2	0
TOTAL EXPENSES	366,968	324,116	(42,852)	(13)	4,507,815	3,796,886	(710,929)	(19)
TOTAL INCOME (LOSS) FROM OPERATIONS	193,118	(8,049)	201,168	(2499)	(58,076)	(65,264)	7,189	(11)

**New York State Department of Health
Public Health and Health Planning Council
Committee Day**

May 23, 2013

ATTACHMENTS

**Downstate Request For Applications - Certified Home Health
Agencies - Construction**

Exhibit #5

1. 121221 C Revival Home Health Care
(Kings County)
2. 121223 C Excellent Home Care Services, LLC
(Kings County)

GAMZEL NY, INC.
D/B/A REVIVAL HOME HEALTH CARE
(an S corporation)
BALANCE SHEETS

	At December 31
ASSETS	2011
Current assets	
Cash and cash equivalents	\$ 6,705,571
Accounts receivable, less allowance of \$1,550,000 for both years	14,384,604
Prepaid expenses and other	864,387
Deferred taxes (note 5)	200,100
Due from related parties (note 8)	-
Total current assets	<u>22,154,662</u>
Property and equipment - net (note 2)	722,658
Goodwill - (note 3)	2,663,895
Security deposits	17,699
TOTAL ASSETS	<u>\$ 25,558,914</u>
 LIABILITIES AND STOCKHOLDERS' DEFICIENCY	
Current liabilities	
Accounts payable	\$ 21,899,435
Accrued expenses	1,333,026
Accrued and withheld taxes	183,112
Income tax payable	-
Due to third party payors	1,912,862
Due to related parties (note 8)	896,141
Total current liabilities	<u>26,224,576</u>
Deferred taxes (note 5)	17,000
Total liabilities	<u>26,241,576</u>
Stockholders' deficiency	
Common stock, no par value; 200 shares authorized	
100 shares issued and outstanding	100
Additional paid in capital	23,400
Accumulated deficit	(706,162)
Total stockholders' deficiency	<u>(682,662)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIENCY	<u>\$ 25,558,914</u>

See accompanying notes to the financial statements.

GAMZEL NY, INC.
D/B/A REVIVAL HOME HEALTH CARE
(an S corporation)
STATEMENTS OF EARNINGS AND RETAINED EARNINGS (ACCUMULATED DEFICIT)

	Years ended December 31 2011
Sales	\$ 179,046,594
Selling, general and administrative expenses	<u>170,526,978</u>
Earnings from operations	8,519,616
Other income (expenses):	
Interest income	104
Interest expense	<u>(4,296)</u>
Earnings before provision for taxes	8,515,424
Provision for income taxes (note 5)	<u>1,181,700</u>
NET EARNINGS	7,333,724
Retained earnings (accumulated deficit) - beginning of year	<u>(8,039,886)</u> <u>(706,162)</u>
Dividends	<u> </u>
ACCUMULATED DEFICIT - END OF YEAR	\$ <u><u>(706,162)</u></u>

See accompanying notes to the financial statements.

Project #121221
BFA Attachment B

GAMZEL NY, INC.
D/B/A REVIVAL HOME HEALTH CARE
(an S corporation)
BALANCE SHEET - 2012 DRAFT

ASSETS

Current assets

Cash and cash equivalents	\$	2,065,859
Accounts receivable, less allowance		2,305,256
EPS pending receivables		5,570,721
PPS pending receivables		3,031,996
Prepaid expense and other		1,249,588
Deferred taxes		200,100
Total current assets		<u>14,423,520</u>

Property and equipment - net		706,110
Goodwill		2,663,895
Security deposits		17,699
TOTAL ASSETS	\$	<u><u>17,811,224</u></u>

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities

Accounts payable and accrued expenses	\$	8,517,366
Accrued compensation		981,253
Accrued and withheld taxes		127,325
Deferred revenue		4,515,294
Due to third party payors		2,790,299
Due to related parties		(7,301)
Total current liabilities		<u>16,924,237</u>

Deferred taxes		17,000
Total liabilities		<u>16,941,237</u>

Stockholders' equity

Common stock, no par value, 200 shares authorized		
100 shares issued and outstanding		100
Additional paid in capital		23,400
Retained earnings		846,487
Total stockholders' equity		<u>869,987</u>

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$	<u><u>17,811,224</u></u>
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GAMZELNY, INC.
D/B/A REVIVAL HOME HEALTH CARE
(an S corporation)
STATEMENTS OF EARNINGS AND RETAINED EARNINGS - 2012 DRAFT

Sales	\$ 108,005,324
Selling, general and administrative expenses	<u>101,447,777</u>
Earnings from operations	6,557,548
Other income (expenses): Interest income	<u>-</u>
Earnings before provision for taxes	
Provision for income taxes	<u>652</u>
NET EARNINGS	6,556,896
Retained earnings (accumulated deficit)- beginning of period	<u>(5,710,408)</u>
RETAINED EARNINGS - END OF PERIOD	<u>\$ 846,488</u>

EXCELLENT HOME CARE SERVICES, LLC

BALANCE SHEETS

	<u>December 31,</u>	
	<u>2011</u>	<u>2010</u>
<u>ASSETS</u>		
Current:		
Cash	\$ 29,549	\$ 5,577,292
Accounts receivable	20,915,349	20,130,169
Medicaid cap adjustment receivable	4,106,303	-
Prepaid expenses	126,356	184,231
Loans receivable	116,653	196,822
Due from members	11,925,316	6,433,816
Deferred income tax	<u>155,244</u>	<u>192,257</u>
	<u>37,374,770</u>	<u>32,714,587</u>
Non-current:		
Property and equipment (net of accumulated depreciation of \$419,374 and \$280,305 in 2011 and 2010, respectively)	838,015	705,030
Deferred software costs (net of accumulated amortization of \$192,610 and \$133,756 in 2011 and 2010, respectively)	-	58,854
Security deposits	<u>55,263</u>	<u>181,950</u>
	<u>893,278</u>	<u>945,834</u>
	<u>\$ 38,268,048</u>	<u>\$ 33,660,421</u>

LIABILITIES AND MEMBERS' EQUITY

Current liabilities:		
Demand loans payable	\$ 553,950	\$ 553,950
Loans payable - bank	3,000,000	1,500,000
Accounts payable	18,790,329	13,557,580
Accrued expenses and withheld payroll taxes	2,467,194	2,003,215
Income taxes payable	120,900	462,000
Rate adjustment liability	4,719,209	2,772,525
Third-party liability	1,484,430	3,144,965
Deferred revenue	<u>772,894</u>	<u>3,408,623</u>
	31,908,906	27,402,858
Commitments and contingencies		
Members' equity	<u>6,359,142</u>	<u>6,257,563</u>
	<u>\$ 38,268,048</u>	<u>\$ 33,660,421</u>

EXCELLENT HOME CARE SERVICES, LLC
STATEMENTS OF INCOME AND MEMBERS' EQUITY

	<u>Years Ended December 31,</u>	
	<u>2011</u>	<u>2010</u>
Net patient revenue	<u>\$ 93,042,124</u>	<u>\$ 88,084,305</u>
Cost of patient services:		
Salaries	8,058,969	8,289,124
Contract services	62,235,117	57,619,724
Payroll taxes and benefits :	742,841	745,113
Other direct costs	<u>92,716</u>	<u>-</u>
	<u>71,129,643</u>	<u>66,653,961</u>
Gross profit	21,912,481	21,430,344
General and administrative expenses	<u>21,754,989</u>	<u>15,762,246</u>
Income from operations	157,492	5,668,098
Provision for income tax	<u>55,913</u>	<u>218,641</u>
Net Income	101,579	5,449,457
Members' equity, beginning of year	<u>6,257,563</u>	<u>808,106</u>
Members' equity, end of year	<u>\$ 6,359,142</u>	<u>\$ 6,257,563</u>

**Excellent Home Care
Balance Sheet
As of December 31, 2012**

	<u>Dec 31, 12</u>
ASSETS	
Current Assets	
Checking/Savings	
1001 · Amalgamated Bank Operating	-4,093.66
1002 · Amalgamated Bank Payroll	-310,720.24
1010 · Capital One - Operating	40,803.86
1011 · Capital One - Payroll	-41,862.00
1020 · Cash – Petty Cash	400.00
Total Checking/Savings	<u>-315,572.04</u>
Other Current Assets	
1350 · Loans Receivables Employees	75,748.59
1355 · Loans & Exchange - Other	177,855.03
Total Other Current Assets	<u>253,603.62</u>
Total Current Assets	-81,968.42
Fixed Assets	
1510 · Office Equipment	32,270.81
1520 · Computer Equipment	63,867.75
1535 · Furniture & Fixtures	464,299.54
1540 · Leasehold Improvements	816,671.84
1610 · Less Accum Depr-Leasehold Impr	-484,494.31
Total Fixed Assets	<u>892,615.43</u>
Other Assets	
1700 · Security Deposit	10,574.50
1750 · Organizational Costs	924.00
1755 · Start-up Cost	758,486.13
1760 · Accumulated Amortization	-759,410.00
Total Other Assets	<u>10,574.63</u>
TOTAL ASSETS	<u><u>841,221.64</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2200 · Accounts Payable	-265.76
Total Accounts Payable	<u>-265.76</u>
Credit Cards	
2201 · American Express	38,258.92
Total Credit Cards	<u>38,258.92</u>
Other Current Liabilities	
1375 · Due to/from Geno Guttman	-8,292,760.00
1376 · Due to/from Ben Landau	-6,055,000.00
2100 · Bank Loans - Line of Credit	1,000,000.00
2120 · Loans Payble -Toby weinberger	436,950.00
2121 · Loans Payble-Abe Fensterman	17,000.00
2122 · loans payable-Joe Treff	100,000.00
2205 · Accounts Payable-Adjusment	2,865.76
2245 · Accured Payroll	-2,172.32
2375 · Deferred Revenue-R&R	3,408,623.00
2380 · Medicaid Rate Adj Liability	2,772,525.00
2385 · TPL - Medicaid Liability	3,144,965.47
Total Other Current Liabilities	<u>-3,467,003.09</u>
Total Current Liabilities	<u>-3,429,009.93</u>
Total Liabilities	<u>-3,429,009.93</u>

**Excellent Home Care
Balance Sheet
As of December 31, 2012**

	<u>Dec 31, 12</u>
Equity	
2800 • Retained Earnings (Members' Equ	1,298,469.09
2830 • Member's Distrib - Geno Guttman	-2,253,599.00
2831 • Member's Distrib - Ben Landa	-400,000.00
Net Income	5,625,361.48
Total Equity	<u>4,270,231.57</u>
TOTAL LIABILITIES & EQUITY	<u><u>841,221.64</u></u>

**Excellent Home Care
 Profit & Loss
 January through December 2012**

	<u>Jan - Dec 12</u>
Ordinary Income/Expense	
Income	
4010 · Revenue-Medicad	44,008,454.44
4015 · Revenue - Surplus	113,825.29
4025 · Revenue - Medicare	7,989,898.34
4030 · Revenue-Private Insurance	1,659,208.38
4050 · Revenue - Other providers	5,501.92
4070 · Health Assesment tax	-168,640.00
Total Income	53,608,248.37
Cost of Goods Sold	
4310 · Direct Payroll - RN	3,407,124.42
4311 · Direct Payroll - RN - FFS	1,568,437.85
4320 · Direct Payroll - OT	56,430.78
4321 · Direct Payroll - OT - FFS	41,632.50
4330 · Direct Salaries - PT	272,165.42
4331 · Direct Payroll - PT - FFS	142,212.21
4340 · Direct Salaries - MSW	92,247.14
4341 · Direct Payroll - SW - FFS	18,502.50
4350 · Direct Payroll - ST	3,076.92
4351 · Direct Payroll - ST-FFS	25,730.00
4355 · Direct Payroll - Nutritionist	3,600.00
4401 · P/R Tax Expense - RN	313,544.16
4402 · P/R Tax Expense - OT	8,670.55
4403 · P/R Tax Expense - PT	16,160.44
4404 · P/R Tax Expense - SW	7,420.76
4405 · P/R Tax Expense - ST	2,977.25
4406 · P/R Tax Expense - Nutritionist	368.76
4410 · Direct - MCTM Tax Expense	15,592.42
4440 · Workers Comp. Expense	607.95
4450 · Disability Expense - Direct	-6,793.80
4500 · Contracted Services - Nursing	69,520.00
4501 · Contracted Services - PT	275,420.00
4502 · Contracted Services - OT	16,049.00
4503 · Contracted Services - MSW	14,410.00
4504 · Contracted Services - ST	2,835.00
4550 · Travel - Nurses	8,699.51
4560 · Training for Nurses, HA, etc	513.95
4575 · Medical Supplies	22,765.42
Total COGS	6,399,920.91
Gross Profit	47,208,327.46
Expense	
4430 · Direct - Medical W/H	-54,856.54
4435 · Direct - Dental W/H	-3,318.24
4505 · Contracted Services - HHA	27,167,159.76
5010 · Admin Payroll - RN	4,221,865.11
5030 · Admin Payroll - PT	32,739.70
5040 · Admin Payroll - SW	9,620.26
5050 · Admin Payroll - HHA clerical	1,414,634.60
5055 · Admin Payroll - TPL	72,802.04
5075 · Admin Payroll - Administrators	1,178,972.28
5080 · Admin Payroll - Director of Pa	244,565.99
5085 · Admin Payroll - Accounting/IT	627,996.62
5090 · Admin Payroll - Marketing	784,372.97
5095 · Admin Payroll - Office	1,400,974.36
5101 · Admin - P/R FICA Expense	579,909.36
5102 · Admin - P/R Medicare Expense	121,669.90
5103 · Admin - P/R SUI Expense	101,408.42
5104 · Admin - P/R FUTA Expense	18,504.36
5105 · Admin- MCTM Tax Expense	37,512.49
5140 · Admin - Workers' Comp	286,730.57
5145 · Health Insurance	119,924.71
5150 · Admin - Disability Exp	19,805.99
5200 · Rent	496,242.90

**Excellent Home Care
 Profit & Loss
 January through December 2012**

	<u>Jan - Dec 12</u>
5201 · Rent - Parking	15,473.08
5205 · Repairs & Maintenance	36,175.27
5210 · Cleaning & Waste Removal	56,832.47
5215 · Utilities Electricity & Heating	75,593.94
5220 · Telephone	68,777.48
5221 · Telephone - Mobile	3,408.94
5222 · Answering Service	16,512.56
5250 · Office Supplies & Expense	224,296.02
5255 · Bank Charges	90,633.85
5260 · Printing and Stationary	121,590.70
5265 · Payroll Service Costs	13,469.85
5270 · Postage & Delivery	12,481.96
5275 · Minor Office Equipment	4,822.81
5300 · Computer Expenses	144,560.28
5305 · Billing Outsourcing	470,766.57
5310 · Clerical Outsourcing	76,376.59
5350 · Equipment Rental	52,108.80
5400 · Insurance - Liability Insurance	68,045.34
5401 · Insurance - Auto Insurance	14,394.03
5402 · Insurance - Fire & Accident	4,419.73
5425 · Conference & Seminars	498.00
5450 · Recruitment Advertising - Nurs	21,267.17
5451 · Recruitment Advertising - PT	784.00
5460 · Advertising & Classified	24,717.18
5465 · Marketing Costs	27,602.13
5470 · Dues & Subscription	24,612.87
5480 · NYS Filing Fees	4,500.00
5485 · Miscellaneous Expense	21,283.34
5490 · Gifts	2,267.89
5491 · Holiday Party	16,300.49
5500 · Professional Fees-Legal	318,268.01
5501 · Professional Fees-Accounting	78,000.00
5502 · Professional Fees-Consulting	175,439.00
5525 · Contributions/Community Goodwil	178,400.00
5625 · Meals & Entertainment	12,928.86
5630 · Travel Expense - Admin	13,358.18
5640 · Auto - Lease Expense	42,506.08
5641 · Auto - Gasoline & Tolls	24,321.35
5642 · Auto - Tolls	260.50
5643 · Auto - Parking	36.00
5650 · Fines & Penalty	1,770.13
5700 · Interest Expense	146,562.50
Total Expense	<u>41,585,661.66</u>
Net Ordinary Income	5,622,665.80
Other Income/Expense	
Other Income	
5755 · Other Income	2,695.68
Total Other Income	<u>2,695.68</u>
Net Other Income	<u>2,695.68</u>
Net Income	<u><u>5,625,361.48</u></u>

**New York State Department of Health
Public Health and Health Planning Council
Committee Day**

May 23, 2013

ATTACHMENT

**Upstate Dear Administrator Letters – Long Term Home Health Care
Program - Construction**

Exhibit #6

<u>Number</u>	<u>Applicant/Facility</u>
1. 121437 C	Community Health Center of St. Mary's Healthcare and Nathan Littauer Hospital (Fulton County)

Community Health Center, Inc.
Balance Sheet
As of December 31, 2012

	Dec 31, 12
ASSETS	
Current Assets	
Checking/Savings	
1000 · Cash	548,002.25
1014000 · CASH WELLS FARGO CASH EQUIV	88,484.82
1035000 · INVESTMENTS WELLS FARGO	469,007.46
Total Checking/Savings	1,085,494.53
Other Current Assets	
1060000 · PREPAID EXPENSES	40,347.21
1160999 · PATIENTS ACCOUNTS RECEIVABLES	1,389,159.68
1198000 · A/R HOME HEALTH CARE PARTNERS	12,563.40
12000 · Undeposited Funds	801.51
Total Other Current Assets	1,452,871.80
Total Current Assets	2,538,366.33
Fixed Assets	
1100999 · Property, Plant & Equipment-net	913,557.80
Total Fixed Assets	913,557.80
TOTAL ASSETS	<u>3,451,924.13</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2010000 · ACCOUNTS PAYABLE	94,196.73
Total Accounts Payable	94,196.73
Other Current Liabilities	
1195000 · NURSE OF EXCELLENCE	1,340.90
2030999 · Accrued Payroll & Fringe	300,355.92
2050000 · ACCRUED VACATION	286,237.58
2070000 · ACCRUED AUDIT FEES	35,586.56
2170000 · TPL REPAYMENTS	100,000.00
2174999 · Deferred Revenue	287,098.50
Total Other Current Liabilities	1,010,619.46
Total Current Liabilities	1,104,816.19
Long Term Liabilities	
2190000 · CONTINGENT LIABILITY OMIG	800,000.00
2205000 · WORKERS COMPENSATION LIABILITY	392,000.00
Total Long Term Liabilities	1,192,000.00
Total Liabilities	2,296,816.19
Equity	
2300000 · FUND BALANCE	1,038,536.69
32000 · Unrestricted Net Assets	-49,995.80
Net Income	166,567.05
Total Equity	1,155,107.94
TOTAL LIABILITIES & EQUITY	<u>3,451,924.13</u>

Community Health Center, Inc.
Profit & Loss
January through December 2012

	Jan - Dec 12
Ordinary Income/Expense	
Income	
3001999 - Patient Service Revenue	7,497,292.90
3083999 - Service Revenue	8,244.48
Total Income	7,505,537.38
Gross Profit	7,505,537.38
Expense	
3647000 - Bad Debt Expense	565.41
4000999 - Salaries	4,991,446.19
4116999 - Fringe	1,000,518.60
4200999 - Travel	335,108.90
4400999 - Prof. Fees & Cont. Svcs.	87,856.60
4510999 - General & Admin.	574,762.13
4579000 - Utilities & Maintenance	69,376.91
4620999 - Supplies	94,044.24
4640999 - Depreciation	189,625.48
4690000 - Interest Expense	2,797.15
4900999 - NYS Assessment	46,006.00
Total Expense	7,391,897.61
Net Ordinary Income	113,639.77
Other Income/Expense	
Other Income	
3090000 - Interest Income	821.90
3200999 - Non-Operating Income	0.00
3210000 - Unrealized gain/Loss on Invest	25,995.35
3215000 - Realized Gain/Loss on Invest	15,497.70
3220000 - Dividend Income	14,604.14
Total Other Income	56,919.09
Other Expense	
4990000 - Investment Fees	3,991.81
Total Other Expense	3,991.81
Net Other Income	52,927.28
Net Income	<u>166,567.05</u>

**COMMUNITY HEALTH CENTER OF ST. MARY'S HEALTHCARE
AND NATHAN LITTAUER HOSPITAL, INC.**

**STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2011 AND 2010**

	<u>2011</u>	<u>2010</u>
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 320,236	\$ 998,618
Investments	465,748	461,462
Accounts receivable, net of allowance for doubtful accounts	1,613,867	1,363,991
Prepaid expenses and other current assets	56,537	49,638
Due from affiliates	<u>17,485</u>	<u>8,097</u>
Total current assets	2,473,853	2,881,806
PROPERTY AND EQUIPMENT, net	<u>1,028,753</u>	<u>1,084,152</u>
	<u>\$ 3,500,606</u>	<u>\$ 3,965,958</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Current portion of long-term debt	\$ 756	\$ 8,890
Line-of-credit	110,000	-
Accounts payable and accrued expenses	234,425	186,264
Accrued payroll and related withholdings	307,886	343,668
Accrued vacation	357,775	370,109
Current portion of workers' compensation liability	57,504	43,128
Current portion of due to third party payors	216,379	744,354
Deferred revenue	<u>228,219</u>	<u>175,014</u>
Total current liabilities	<u>1,512,944</u>	<u>1,871,527</u>
LONG-TERM LIABILITIES, net of current portion:		
Long-term debt	-	759
Workers' compensation liability	377,627	435,134
Due to third party payors	<u>620,000</u>	<u>620,000</u>
Total long-term liabilities	<u>997,627</u>	<u>1,055,893</u>
Total liabilities	<u>2,510,571</u>	<u>2,927,420</u>
COMMITMENTS AND CONTINGENCIES		
NET ASSETS - UNRESTRICTED	<u>990,035</u>	<u>1,038,538</u>
	<u>\$ 3,500,606</u>	<u>\$ 3,965,958</u>

**COMMUNITY HEALTH CENTER OF ST. MARY'S HEALTHCARE
AND NATHAN LITTAUER HOSPITAL, INC.**

**STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010**

	<u>2011</u>	<u>2010</u>
OPERATING REVENUE:		
Net patient service revenue	\$ 7,952,359	\$ 8,432,972
Grant revenue	11,413	42,758
Other operating revenue	<u>101,547</u>	<u>47,823</u>
Total operating revenue	<u>8,065,319</u>	<u>8,523,553</u>
OPERATING EXPENSES:		
Salaries and related expenses	6,526,586	7,010,840
Supplies and other expenses	906,750	1,093,231
Purchased services	385,331	398,996
Depreciation and amortization	174,861	155,012
Provision for bad debts	78,546	63,464
NYS assessment fees	39,208	28,636
Interest	<u>1,692</u>	<u>647</u>
Total operating expenses	<u>8,113,174</u>	<u>8,770,846</u>
LOSS FROM OPERATIONS	<u>(47,855)</u>	<u>(247,293)</u>
NON-OPERATING INCOME (EXPENSE):		
Worker's compensation reserve	-	(384,025)
Interest and dividend income	13,836	8,386
Gains (losses) on investments, net	(4,743)	31,184
Miscellaneous income	4,516	2,395
Loss on disposal of equipment	<u>(14,257)</u>	<u>-</u>
Total non-operating expense, net	<u>(648)</u>	<u>(342,060)</u>
CHANGE IN NET ASSETS	(48,503)	(589,353)
NET ASSETS - beginning of year	<u>1,038,538</u>	<u>1,627,891</u>
NET ASSETS - end of year	<u>\$ 990,035</u>	<u>\$ 1,038,538</u>

**New York State Department of Health
Public Health and Health Planning Council
Committee Day**

May 23, 2013

ATTACHMENTS

**Downstate Dear Administrator Letters – Long Term Home Health
Care Program - Construction**

Exhibit #7

1. 121290 C Park Gardens Rehabilitation & Nursing Center, LLC
(Bronx County)
2. 121456 C Fort Tryon Center for Rehabilitation and Nursing
(New York County)

PARK GARDENS REHABILITATION & NURSING CENTER, LLC
BALANCE SHEET
December 31, 2012

ASSETS

CURRENT ASSETS:

Cash	\$	7,263
Accounts Receivable (Net)		2,506,944
Inventory		70,770
Prepaid Expenses		378,623
Exchanges		<u>31,116</u>

TOTAL CURRENT ASSETS \$ 2,994,716

FIXED ASSETS:

Leasehold Improvements		3,738,121
Furniture & Equipment		<u>1,986,592</u>
		5,724,713
Less: Accum. Depreciation & Amortization		<u>3,205,328</u>

TOTAL FIXED ASSETS 2,519,385

OTHER ASSETS:

Cost of Lease		2,337,500
Goodwill (Net)		336,170
Organization Costs - CHHA		28,776
Investments		78,800
Security Deposits		14,581
Patients' Trust Fund		<u>310,328</u>

TOTAL OTHER ASSETS 3,106,155

TOTAL ASSETS \$ 8,620,256

PARK GARDENS REHABILITATION & NURSING CENTER, LLC
BALANCE SHEET
December 31, 2012

LIABILITIES & MEMBERS' EQUITY

CURRENT LIABILITIES:

Current Portion of Long Term Debt	\$	482,270
Equipment Obligations		31,028
Accounts Payable		2,970,557
Withholding Taxes Payable		19,157
Accrued Payroll		732,671
Accrued Expenses & Taxes		266,602
Due To Third Party Payors		<u>1,136,418</u>

TOTAL CURRENT LIABILITIES \$ 5,638,703

LONG TERM LIABILITIES:

Long Term Debt		1,763,103
Equipment Obligations		138,761
Patients' Trust Fund Payable		<u>310,328</u>

TOTAL LONG TERM LIABILITIES 2,212,192

MEMBERS' EQUITY 769,361

TOTAL LIABILITIES & MEMBERS' EQUITY \$ 8,620,256

PARK GARDENS REHABILITATION & NURSING CENTER, LLC
STATEMENT OF OPERATIONS
Year ended December 31, 2012

TOTAL REVENUE FROM PATIENTS: \$ 22,480,891

OPERATING EXPENSES:

Payroll	\$ 7,216,059
Employee Benefits	2,633,435
Professional Care	4,063,797
Dietary & Housekeeping	1,199,853
Plant & Maintenance	2,898,877
General & Administrative	1,901,111
Long Term Home Health Care	<u>2,556,749</u>

TOTAL OPERATING EXPENSES 22,469,881

INCOME FROM OPERATIONS 11,010

OTHER INCOME 4,933

INCOME BEFORE TAXES 15,943

Less: NYC Unincorporated Business Taxes 13,078

NET INCOME \$ 2,865

PARK GARDENS REHABILITATION & NURSING CENTER, LLC
BALANCE SHEET
December 31, 2011

ASSETS

CURRENT ASSETS:

Cash	\$	203,151
Accounts Receivable (Net)		2,421,262
Inventory		72,270
Prepaid Expenses		439,860
Exchanges		<u>24,672</u>

TOTAL CURRENT ASSETS \$ 3,161,215

FIXED ASSETS:

Leasehold Improvements		3,859,192
Furniture & Equipment		<u>2,054,746</u>
		5,913,938
Less: Accum. Depreciation & Amortization		<u>3,025,781</u>

TOTAL FIXED ASSETS 2,888,157

OTHER ASSETS:

Cost of Lease		2,612,500
Goodwill		336,169
Start Up Costs - LTHHC		56,531
Investments		78,800
Security Deposits		8,000
Patients' Trust Fund		<u>297,548</u>

TOTAL OTHER ASSETS 3,389,548

TOTAL ASSETS \$ 9,438,920

PARK GARDENS REHABILITATION & NURSING CENTER, LLC
BALANCE SHEET
December 31, 2011

LIABILITIES & MEMBERS' EQUITY

CURRENT LIABILITIES:

Current Portion of Long Term Debt	\$	441,200
Equipment Obligations		5,989
Accounts Payable		2,166,463
Withholding Taxes Payable		32,158
Accrued Payroll		621,604
Accrued Expenses & Taxes		258,195
Due To Third Party Payors		<u>2,578,117</u>

TOTAL CURRENT LIABILITIES \$ 6,103,726

LONG TERM LIABILITIES:

Long Term Debt		2,206,948
Equipment Obligations		32,522
Patients' Trust Fund Payable		<u>297,548</u>

TOTAL LONG TERM LIABILITIES 2,537,018

MEMBERS' EQUITY 798,176

TOTAL LIABILITIES & MEMBERS' EQUITY \$ 9,438,920

PARK GARDENS REHABILITATION & NURSING CENTER, LLC
STATEMENT OF OPERATIONS
Year ended December 31, 2011

TOTAL REVENUE FROM PATIENTS:		\$ 22,823,555
OPERATING EXPENSES:		
Payroll	\$ 7,365,273	
Employee Benefits	2,668,708	
Professional Care	3,954,749	
Dietary & Housekeeping	1,130,704	
Plant & Maintenance	3,922,782	
General & Administrative	1,923,803	
Long Term Home Health Care	<u>1,939,959</u>	
TOTAL OPERATING EXPENSES		<u>22,905,978</u>
LOSS FROM OPERATIONS		(82,423)
OTHER INCOME		<u>106,501</u>
INCOME BEFORE TAXES		24,078
Less: NYC Unincorporated Business Taxes		<u>11,280</u>
NET INCOME		<u>\$ 12,798</u>

FORT TRYON REHABILITATION & HEALTH CARE FACILITY, LLC
(a limited liability company)
BALANCE SHEETS

	At December 31	
	2011	2010
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,246,783	\$ 1,912,719
Cash - restricted - patient funds	141,177	154,670
Accounts receivable - less allowance for doubtful accounts of \$403,000 and \$107,000	5,005,212	4,638,602
Supplies on hand	35,124	35,124
Deferred tax asset	30,300	4,100
Escrow deposits	11,898	-
Due from related entities	4,028	-
Prepaid expenses and other	350,291	390,329
Total current assets	<u>6,824,813</u>	<u>7,135,544</u>
Property and equipment - net	1,935,625	2,171,149
Intangible assets - net	543,936	556,182
Goodwill	11,462,156	11,462,156
Investments	50,481	50,481
Deferred tax asset	41,500	51,200
Security deposits	40,868	56,780
TOTAL ASSETS	<u>\$ 20,899,379</u>	<u>\$ 21,483,492</u>
LIABILITIES AND MEMBERS' EQUITY		
Current liabilities		
Leasehold mortgage payable	\$ 3,600,000	\$ 400,000
Note payable bank	400,000	400,000
Note payable	-	-
Capital lease obligations - net	-	34,987
Accounts payable	5,990,351	6,462,249
Escrow deposits payable	-	2,395
Due to related entities	295,517	295,517
Due to prior owners	500,350	342,039
Accrued expenses	830,874	562,146
Accrued and withheld taxes	42,879	97,856
Patients' funds and deposits payable	214,485	208,771
Total current liabilities	<u>11,874,456</u>	<u>8,805,960</u>
Leasehold mortgage payable (-	4,400,001
Note payable bank	400,000	-
Interest rate swap agreement	186,832	401,293
Total liabilities	<u>12,461,288</u>	<u>13,607,254</u>
Members' equity	<u>8,438,091</u>	<u>7,876,238</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 20,899,379</u>	<u>\$ 21,483,492</u>

FORT TRYON REHABILITATION & HEALTH CARE FACILITY, LLC
(a limited liability company)
STATEMENTS OF EARNINGS AND CHANGES IN MEMBERS' EQUITY

	Years ended December 31	
	2011	2010
Revenues	\$ 28,060,106	\$ 26,164,443
Operating expenses	<u>25,752,164</u>	<u>22,636,207</u>
Earnings from operations	2,307,942	3,528,236
Other income (expenses):		
Interest and dividend income	6,873	1,207
Change in fair value of interest rate swap agreement	214,461	96,978
Interest expense	<u>(377,560)</u>	<u>(479,549)</u>
Net earnings before income taxes	2,151,716	3,146,872
Provision for income taxes	<u>(89,863)</u>	<u>(46,501)</u>
NET EARNINGS	2,061,853	3,100,371
Members' equity - beginning of year	<u>7,876,238</u>	<u>6,683,730</u>
	9,938,091	9,784,101
Distributions - net	<u>(1,500,000)</u>	<u>(1,907,863)</u>
MEMBERS' EQUITY - END OF YEAR	<u>\$ 8,438,091</u>	<u>\$ 7,876,238</u>

FORT TRYON REHABILITATION & HEALTH CARE FACILITY, LLC
(a limited liability company)
BALANCE SHEET
December 31, 2012
FOR INTERNAL MANAGEMENT USE ONLY

ASSETS

Current assets	
Cash and cash equivalents	\$ 1,570,629
Cash - restricted - patient funds	156,586
Accounts receivable	5,238,450
Supplies on hand	35,124
Deferred tax asset	30,300
Escrow deposits	11,898
Due from related entities	(14,055)
Prepaid expenses and other	324,315
Total current assets	<u>7,353,256</u>
Property and equipment - net	1,788,514
Intangible assets - net	527,784
Goodwill	11,462,156
Investments	50,481
Deferred tax asset	41,500
Security deposits	25,711
TOTAL ASSETS	<u>\$ 21,249,402</u>

LIABILITIES AND MEMBERS' EQUITY

Current liabilities	
Leasehold mortgage payable	\$ 3,266,667
Note payable bank	400,000
Accounts payable	5,371,121
Escrow deposits payable	-
Due to related entities	4,699
Due to prior owners	330,448
Accrued expenses	770,619
Accrued and withheld taxes	49,925
Patients' funds and deposits payable	154,775
Total current liabilities	<u>10,348,254</u>
Leasehold mortgage payable	-
Note payable bank	400,000
Interest rate swap agreement	186,832
Total liabilities	10,935,086
Members' equity	<u>10,314,316</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 21,249,402</u>

FORT TRYON REHABILITATION & HEALTH CARE FACILITY, LLC
(a limited liability company)
STATEMENTS OF EARNINGS AND CHANGES IN MEMBERS' EQUITY
TWELVE MONTHS ENDED DECEMBER 31, 2012
FOR INTERNAL MANAGEMENT USE ONLY

Revenues	\$ 27,477,031
Operating expenses	<u>23,703,911</u>
Earnings from operations	3,773,120
Other income (expenses):	
Interest and dividend income	(2,949)
Change in fair value of interest rate swap agreement	
Interest expense	<u>(372,418)</u>
Net earnings before income taxes	3,397,753
Provision for income taxes	<u>(21,528)</u>
NET EARNINGS	3,376,225
Members' equity - beginning of year	<u>8,438,091</u>
	11,814,316
Distributions - net	<u>(1,500,000)</u>
MEMBERS' EQUITY - END OF YEAR	\$ <u><u>10,314,316</u></u>

**New York State Department of Health
Public Health and Health Planning Council
Committee Day**

May 23, 2013

ATTACHMENTS

Acute Care Services - Establish/Construct

Exhibit #8

<u>Number</u>	<u>Applicant/Facility</u>
1. 122271 E	St. Peter's Health Partners (Albany County)

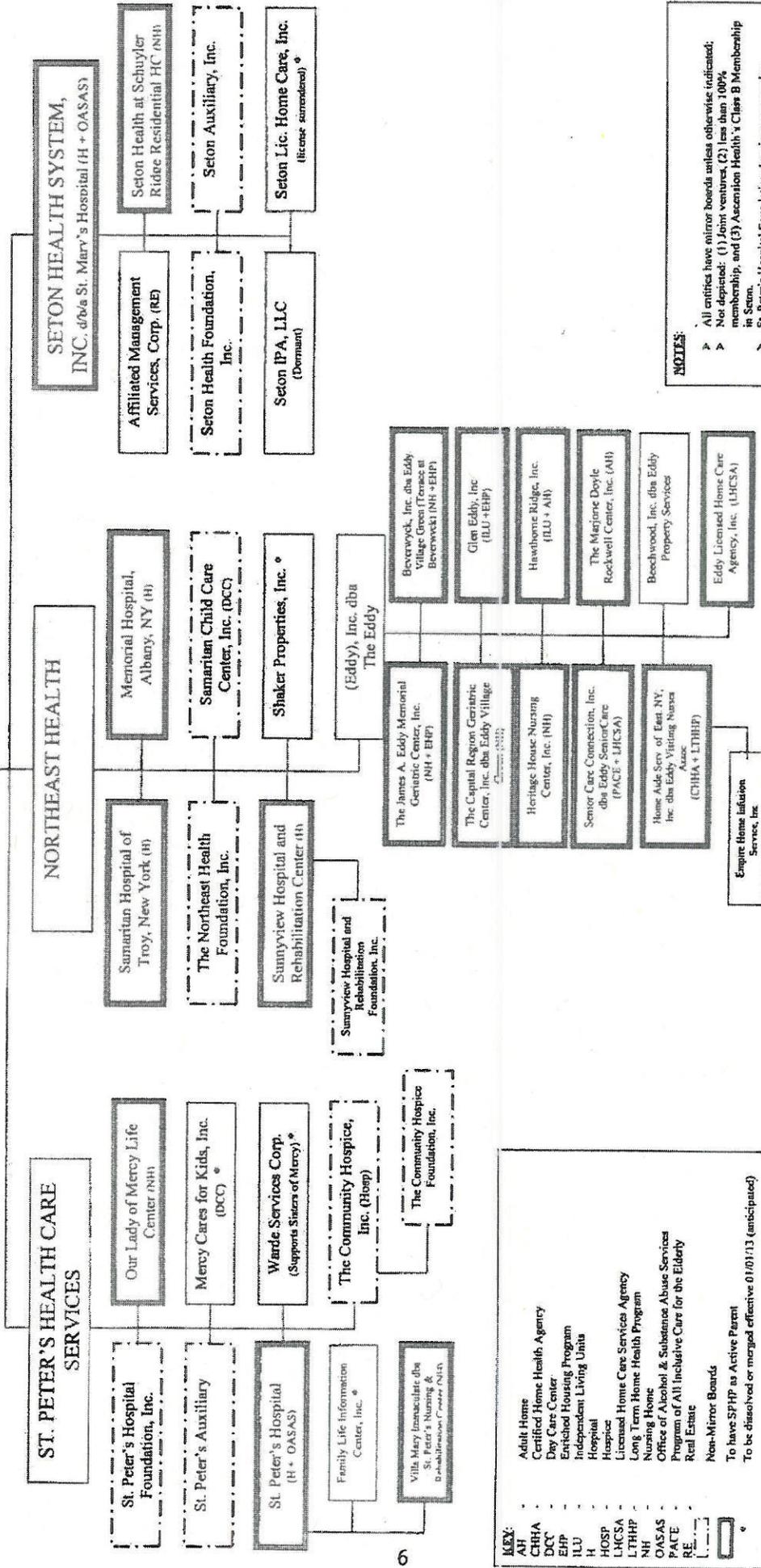
SPHP PROVIDERS

Entity	Licensed Service	Operating Cert #	Fed Tax ID	PFI
St. Peter's Hospital of the City of Albany	PHL 28 Hospital	0101004H	14-1348692	0005
Our Lady of Mercy Life Center	PHL 28 NH	0155301N	14-1743506	4755
Villa Mary Immaculate dba St. Peter's Nursing and Rehabilitation Center	PHL 28 NH	0101305N	14-1438749	0017
Beverwyck, Inc. dba Eddy Village Green (Terrace at Beverwyck)	PHL 28 NH Enriched Hsg Prog	0151301N 000-S-005	14-1717028	9198
Eddy Licensed Home Care Agency Inc.	PHL 36 LHCSA	0846L001	14-1818568	
Glen Eddy, Inc. (Terrace at Glen Eddy)	Enriched Hsg Prog	650-S-067	14-1794150	
Hawthorne Ridge, Inc.	Adult Home	600-E-114		
Heritage House Nursing Center, Inc.	PHL 28 NH	4102311N	14-1725101	4549
Home Aide Service of Eastern New York, Inc. dba Eddy Visiting Nursing Associates	PHL 36 CHHA and LTHHP	4102601	14-1514867	1784 4005
Memorial Hospital, Albany NY	PHL 28 Hospital	0101003H	14-1338457	0004
Samaritan Hospital of Troy, New York	PHL 28 Hospital	4102002H	14-1338544	0756
Senior Care Connection Inc. dba Eddy SeniorCare	PHL 36 LHCSA and PACE	1220L001	14-1708754	
Sunnyview Hospital and Rehabilitation Center	PHL 28 Hospital	4601004H	14-1338386	0831
The Capital Region Geriatric Center, Inc. dba Eddy Village Green	PHL 28 NH	0102001N	14-1701597	4000
The James A. Eddy Memorial Geriatric Center, Inc. (Terrace at Eddy Memorial)	PHL 28 NH Enriched Hsg Prog	4102309N 600-S-001	22-2570478	3293
The Marjorie Doyle Rockwell Center, Inc.	Adult Home	000-E-283	14-1793885	
Seton Health System, Inc. dba St. Mary's Hospital	PHL 28 Hospital	4102003H	14-1776186	0755
Seton Health at Schulyer Ridge Residential Healthcare	PHL 28 NH	4552300N	14-1756230	4826

CONFIDENTIAL

**ST. PETER'S HEALTH PARTNERS
ACTIVE PARENT OF SPHP PROVIDERS**

**Catholic Health East
St. Peter's Health Partners**



NOTES:

- > All entities have minor boards unless otherwise indicated;
- > Not depicted: (1) Joint ventures, (2) less than 700% membership, and (3) Ascension Health v Client B Membership in Seton.
- > St. Peter's Hospital Foundation, Inc. is a non-member organization despite the solid line to SPHCS.

KEY:

- Adult Home
- AH
- CHHA
- DCC
- EHP
- ILU
- ILU
- H
- HOSP
- LHCSA
- LTRHP
- NH
- OASAS
- PACE
- RE
-
-

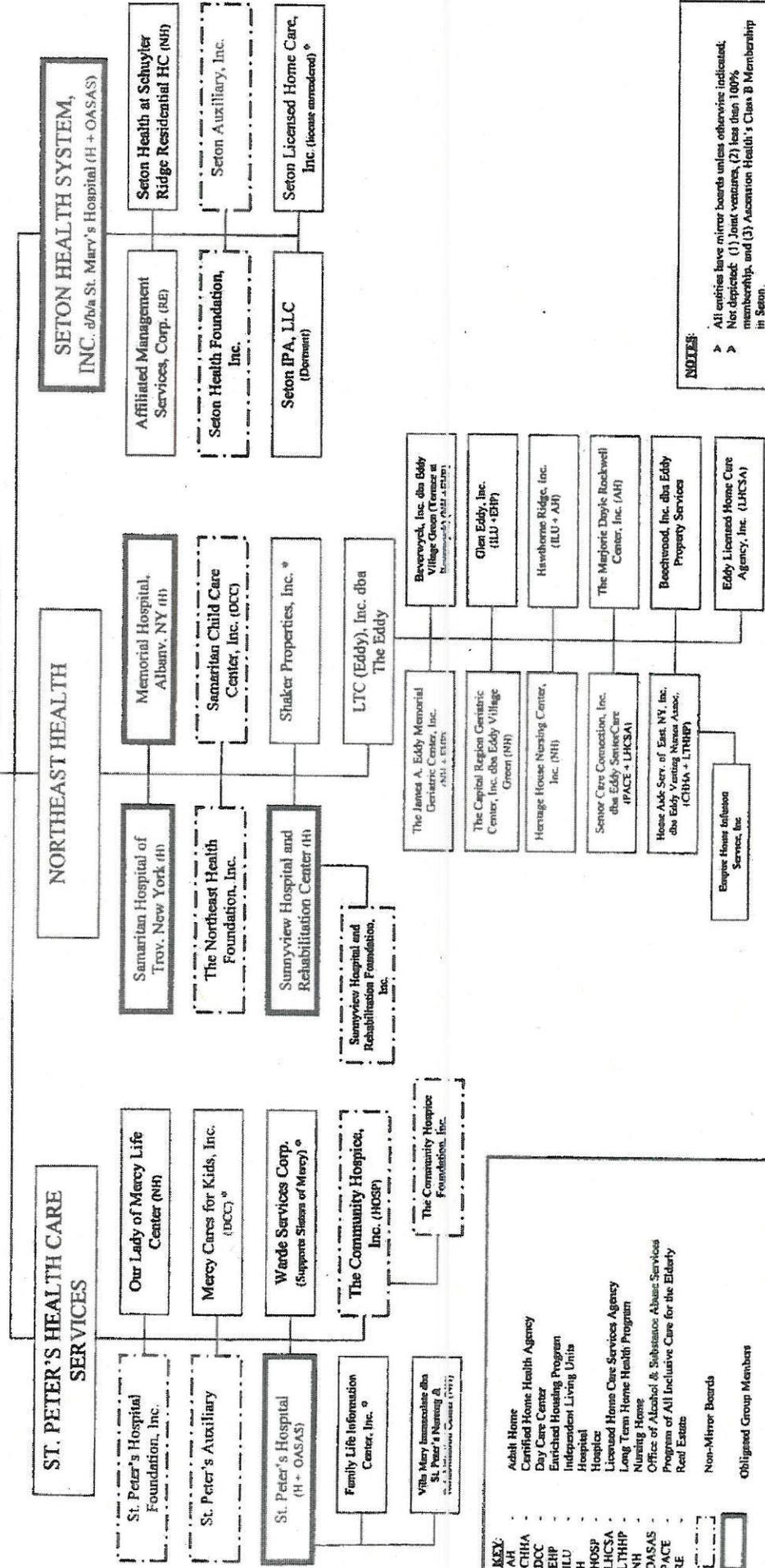
Non-Mirror Boards
To have SPHP as Active Parent
To be dissolved or merged effective 01/01/13 (anticipated)

CONFIDENTIAL

**ST. PETER'S HEALTH PARTNERS
OBLIGATED GROUP**

Catholic Health East

St. Peter's Health Partners



NOTES:

- All entities have mirror boards unless otherwise indicated.
- Not depicted: (1) Joint ventures, (2) less than 100% membership, and (3) Association Health's Class B Membership in Seton.
- St. Peter's Hospital Foundation, Inc. is a non-member organization despite the solid lines to SPHCS.

KEY:

- AH - Adult Home
- CHHA - Certified Home Health Agency
- DCC - Day Care Center
- ENP - Enriched Housing Program
- ILU - Independent Living Units
- H - Hospital
- HOSP - Hospital
- LHCSA - Licensed Home Care Services Agency
- LTHRP - Long Term Home Health Program
- NH - Nursing Home
- OASAS - Office of Alcohol & Substance Abuse Services
- PACE - Program of All Inclusive Care for the Elderly
- RE - Real Estate
- Non-Mirror Boards
- Obligated Group Member
- To be dissolved or merged effective 01/01/13 (unanticipated)

**St. Peter's Health Partners
Consolidating Balance Sheet
December 31, 2012**

	St. Peter's Health Partners	St. Peter's Health Care Services, Inc.	Northeast Health	Seton Health	St. Peter's Health Partners Medical Associates	St. Peter's Health Partners Corporate	St. Peter's Health Partners Eliminations
<i>(in thousands of dollars)</i>							
Assets							
Current assets							
Cash and cash equivalents	\$89,187	\$25,533	\$51,502	\$12,152	\$ -	\$ -	\$ -
Investments	149,121	34,666	69,666	44,789	-	-	-
Marketable securities whose use is limited	251	-	2	249	-	-	-
Patient accounts receivable, less allowance for doubtful accounts of \$57,121 for 2012	95,496	51,892	33,186	10,624	-	-	(206)
Other accounts receivable	22,677	6,880	11,309	1,608	4,257	1,907	(3,284)
Prepaid expenses and inventories	16,870	7,892	6,584	2,373	21	-	-
Total current assets	373,602	126,863	172,249	71,795	4,278	1,907	(3,490)
Marketable securities and investments whose use is limited							
Board-designated funds	152,589	66,085	58,590	27,914	-	-	-
Trustee-held funds	38,568	35,807	2,761	-	-	-	-
Donor-restricted funds	52,869	9,185	40,701	2,983	-	-	-
Investments	27,799	25,513	2,072	214	-	-	-
Total marketable securities and investments whose use is limited	271,825	136,590	104,124	31,111	-	-	-
Property and equipment, net	675,020	363,490	185,291	27,927	7,130	91,182	-
Goodwill	1,602	-	-	-	1,400	202	-
Investment in unconsolidated organization	1,057	1,057	-	-	-	-	-
Posted collateral on interest rate swaps	474	-	474	-	-	-	-
Other assets	49,223	27,022	17,720	5,837	581	(1,937)	-
Total assets	\$1,372,803	\$655,022	\$479,858	\$136,670	\$13,389	\$91,354	(\$3,490)

**St. Peter's Health Partners
Consolidating Balance Sheet, continued
December 31, 2012**

	St. Peter's Health Partners	St. Peter's Health Care Services, Inc.	Northeast Health	Seton Health	St. Peter's Health Partners Medical Associates	St. Peter's Health Partners Corporate	St. Peter's Health Partners Eliminations
<i>(in thousands of dollars)</i>							
Liabilities and Net Assets							
Current liabilities							
Current portion of long-term debt	\$55,076	\$8,770	\$4,008	\$42,298	\$-	\$-	\$-
Accounts payable and accrued expenses	97,402	49,085	36,738	11,839	888	103	(1,251)
Estimated third party payables	25,558	12,318	6,979	6,261	-	-	-
Other current liabilities	19,714	6,040	10,286	3,157	127	2,343	(2,239)
Total current liabilities	197,750	76,213	58,011	63,555	1,015	2,446	(3,490)
Long-term debt, net	300,788	247,159	53,629	-	-	-	-
Other liabilities	23,396	9,292	9,553	4,551	-	-	-
Pension liabilities	33,623	(555)	33,514	664	-	-	-
Insurance liabilities	44,901	26,976	14,584	3,341	-	-	-
Refundable entrance fees and unearned entrance fees	48,673	-	48,673	-	-	-	-
Total liabilities	649,131	359,085	217,964	72,111	1,015	2,446	(3,490)
Net assets							
Unrestricted	654,205	282,657	208,949	61,317	12,374	88,908	-
Temporarily restricted	42,550	6,167	33,662	2,721	-	-	-
Permanently restricted	26,917	7,113	19,283	521	-	-	-
Total net assets	723,672	295,937	261,894	64,559	12,374	88,908	-
Total liabilities and net assets	\$1,372,803	\$655,022	\$479,858	\$136,670	\$13,389	\$91,354	(\$3,490)

St. Peter's Health Partners
Consolidating Statement of Operations and Changes in Net Assets
Year Ended December 31, 2012

(in thousands of dollars)

	St. Peter's Health Partners	St. Peter's Health Care Services, Inc.	Northeast Health	Seton Health Associates	St. Peter's Health Partners Corporate	St. Peter's Health Partners Eliminations
Unrestricted revenue, gains and other support						
Net patient service revenue	\$993,750	\$519,137	\$348,017	\$130,146	\$ -	(\$3,550)
Other operating revenue	69,578	21,107	46,647	1,881	-	(57)
Unrestricted contributions	4,249	2,258	1,616	375	-	-
Net assets released from restrictions used for operations	2,049	1,184	630	235	-	-
Total unrestricted revenues, gains and other support	1,069,626	543,686	396,910	132,637	-	(3,607)
Expenses						
Salaries, wages and benefits	568,005	254,632	231,337	81,327	709	-
Medical supplies	158,326	102,591	42,504	13,471	(240)	-
Purchased services, professional fees and other expenses	216,380	113,000	73,700	31,896	307	(3,608)
Depreciation and amortization	61,851	30,929	23,170	2,802	-	-
Interest	16,474	13,133	2,683	658	-	-
Insurance	14,731	4,743	8,212	1,776	-	-
Total operating expenses	1,035,767	519,028	381,606	131,930	1,016	(3,608)
Operating income (loss)	33,859	24,658	15,304	707	(1,016)	1
Non-operating gains (losses)						
Investment returns, net	23,225	6,716	10,078	6,431	-	-
Restructuring expenses and impairment losses	(2,606)	(870)	(692)	(1,044)	-	-
Other (losses) gains	(627)	42	(547)	(12)	(110)	-
Change in fair value of interest rate swaps	(415)	300	(715)	-	-	-
Total non-operating gains (losses)	19,577	6,188	8,124	5,375	(110)	-
Excess (deficit) of revenues over expenses	\$53,436	\$30,846	\$23,428	\$6,082	(\$1,016)	\$1

St. Peter's Health Care Services and Related Entities
Combined Balance Sheets
December 31, 2011 and 2010

(in thousands of dollars)

	2011	2010
Assets		
Current assets		
Cash and cash equivalents	\$31,212	\$41,516
Investments	48,467	45,807
Marketable securities whose use is limited	925	7,521
Patient accounts receivable, less allowance for doubtful accounts of \$26,603 and \$26,132 for 2011 and 2010, respectively	50,393	47,399
Other accounts receivable	6,317	6,649
Prepaid expenses and inventories	7,792	6,153
Total current assets	<u>145,106</u>	<u>155,045</u>
Marketable securities and investments whose use is limited		
Board-designated funds	45,567	44,909
Trustee-held funds	42,223	34,354
Donor-restricted funds	26,237	24,606
Investments	21,778	22,351
Total marketable securities and investments whose use is limited	<u>135,805</u>	<u>126,220</u>
Property and equipment, net	341,086	319,052
Other assets	34,709	10,266
Total assets	<u>\$656,706</u>	<u>\$610,583</u>
Liabilities and Net Assets		
Current liabilities		
Current portion of long-term debt	\$11,099	\$7,069
Accounts payable and accrued expenses	42,647	58,733
Estimated third-party payables	13,099	10,393
Other current liabilities	5,550	12,420
Total current liabilities	<u>72,395</u>	<u>88,615</u>
Long-term debt, net	256,001	226,213
Other liabilities	14,052	35,585
Insurance liabilities	33,188	10,474
Total liabilities	<u>375,636</u>	<u>360,887</u>
Net assets		
Unrestricted	268,300	220,647
Temporarily restricted	6,158	22,173
Permanently restricted	6,612	6,876
Total net assets	<u>281,070</u>	<u>249,696</u>
Total liabilities and net assets	<u>\$656,706</u>	<u>\$610,583</u>

St. Peter's Health Care Services and Related Entities
Combined Statements of Operations and Changes in Net Assets
Years Ended December 31, 2011 and 2010

(in thousands of dollars)

	2011	2010
Unrestricted revenues, gains and other support		
Net patient service revenue	\$515,563	\$493,680
Other operating revenue	16,047	15,703
Unrestricted contributions	2,017	2,842
Net assets released from restrictions used for operations	1,424	1,588
Total unrestricted revenues, gains and other support	<u>535,051</u>	<u>513,813</u>
Expenses		
Salaries, wages and benefits	252,173	245,543
Medical supplies	101,498	97,574
Purchased services, professional fees and other expenses	102,762	94,103
Depreciation and amortization	28,245	24,566
Interest	11,900	6,061
Insurance	4,372	3,547
Provision for bad debts	20,501	24,362
Total operating expenses	<u>521,451</u>	<u>495,756</u>
Operating income	<u>13,600</u>	<u>18,057</u>
Non-operating gains (losses)		
Investment returns, net	75	5,399
Equity in earnings of unconsolidated organization	1,394	1,150
Other gains	45	6
Change in fair value of interest rate swaps	(273)	(344)
Total non-operating gains	<u>1,241</u>	<u>6,211</u>
Excess of revenues over expenses	<u>\$14,841</u>	<u>\$24,268</u>

Seton Health System, Inc.
Consolidated Balance Sheet
December 31, 2011

(in thousands of dollars)

Assets

Current assets

Cash and cash equivalents	\$ 10,152
Investments	40,903
Marketable securities whose use is limited	236
Accounts receivable, less allowances for uncollectible accounts of \$10,505	10,819
Other receivables	2,725
Inventories	1,627
Prepaid expenses and other current assets	1,340
Total current assets	67,802

Marketable securities whose use is limited

Board-designated funds	25,887
Donor restricted funds	3,279
Donor restricted investments	237
Total marketable securities whose use is limited	29,403

Property and equipment, net

Other assets	25,486
	4,918
Total assets	\$ 127,609

Liabilities and Net Assets

Current liabilities

Current portion of long-term debt	\$ 742
Accounts payable and accrued liabilities	9,868
Salaries and benefits payable	5,756
Estimated payables to third-party payors	4,518
Self-insurance liabilities	374
Total current liabilities	21,258

Long-term debt, less current portion

Insurance liabilities	42,042
Accrued pension liability	2,066
Other long-term liabilities	5,971
	3,961
Total liabilities	75,298

Net assets

Unrestricted	48,827
Temporarily restricted	2,963
Permanently restricted	521
Total net assets	52,311
Total liabilities and net assets	\$ 127,609

Seton Health System, Inc.
Consolidated Statement of Operations and Changes in Net Assets
Year Ended December 31, 2011

(in thousands of dollars)

Operating revenue	
Net patient service revenue	\$ 146,184
Other revenue	2,670
Unrestricted contributions	292
Net assets released from restrictions for operations	48
Total operating revenue	<u>149,194</u>
Operating expenses	
Salaries and wages and benefits	87,351
Medical Supplies	15,847
Purchased services, professional fees and other expenses	31,074
Depreciation and amortization	2,713
Interest	1,448
Insurance	1,171
Bad debts	6,364
Total operating expenses	<u>145,968</u>
Income from operations	3,226
Nonoperating gains, net	609
Excess of revenue over expenses	<u>3,835</u>
Unrestricted net assets	
Excess of revenue over expenses	3,835
Transfers to affiliates	439
Net assets released from restrictions - property	143
Pension liability adjustment	10,215
Other	465
Increase in unrestricted net assets	<u>15,097</u>
Temporarily restricted net assets	
Contributions	263
Net assets released from restrictions	(232)
Increase in temporarily restricted net assets	<u>31</u>
Permanently restricted net assets	
Realized gains on investments	1
Increase in permanently restricted net assets	<u>1</u>
Increase in net assets	15,129
Net assets	
Beginning of year	37,182
End of year	<u>\$ 52,311</u>

Northeast Health, Inc. and Affiliates
Combined Balance Sheet
December 31, 2011

(in thousands of dollars)

Assets

Current assets

Cash and cash equivalents	\$ 58,899
Investments	33,783
Accounts receivable, less estimated uncollectible amounts of \$22,818 in 2011	37,279
Prepaid expenses and other current assets	18,525
Total current assets	<u>148,486</u>

Assets whose use is limited

Interest in Sunnyview Foundation	67,050
James A. Eddy Memorial Foundation	4,451
Property and equipment, less accumulated depreciation	34,374
Other assets	188,944

Deferred compensation agreements	2,082
Deferred financing costs, net	2,129
Intangible assets	250
Investment in partnerships and other assets	7,649
Total assets	<u>\$ 455,415</u>

Liabilities and Net Assets

Current liabilities

Accounts payable and accrued expenses	\$ 13,149
Accrued salaries, wages, and related items	15,318
Other current liabilities	8,940
Estimated third-party settlements	10,416
Current portion of long-term debt	4,147
Total current liabilities	<u>51,970</u>

Other liabilities

Accrued pension obligations	18,342
Asset retirement obligations	33,627
Resident entrance fees	2,784
Refundable entrance fees, net of current portion	45,267
Unearned entrance fees	3,855
Total other liabilities	<u>99,875</u>

Long-term debt

Capital lease obligations	716
Mortgage notes payable	10,680
Bonds payable	54,185
Total long-term debt	<u>65,581</u>

Less: Portion classified as current

4,147
61,434

Net assets

Unrestricted	189,225
Temporarily restricted	
James A. Eddy Foundation	23,218
Other	7,525
Total temporarily restricted	<u>30,743</u>

Permanently restricted

James A. Eddy Foundation	11,156
Other	7,012
Total permanently restricted	<u>18,168</u>

Total net assets 238,136
Total liabilities and net assets \$ 455,415

Northeast Health, Inc. and Affiliates
Combined Statement of Operations and Changes in Net Assets
Year Ended December 31, 2011

(in thousands of dollars)

Unrestricted revenue, gains, and other support

Net patient service revenue	\$ 345,270
Other operating revenue	40,283
Unrestricted contributions	1,575
Net assets released from restrictions used for operations	917
Total operating revenue	388,045
Expenses	
Salaries, wages and benefits	220,368
Medical supplies	39,337
Purchased services, professional fees and other expenses	66,104
Interest and financing fees	2,958
Depreciation and amortization	24,306
Provision for bad debt	15,165
Insurance	7,711
Total expenses	375,949
Operating margin	12,096
Non-operating revenue (expenses)	
Investment returns	(406)
Change in fair value of interest rate swaps	(2,834)
Other expenses	(1,293)
Gain on disposal of property and equipment	393
Total non-operating expense, net	(4,140)
Excess of revenue over expenses	7,956
Unrestricted net assets	
Excess of revenue over expenses	7,956
Net assets released and contributions for capital acquisitions	7,033
Donated capital	(5,000)
Change in funded status of pension plan	(17,604)
Other	(96)
Decrease in unrestricted net assets	(7,711)
Temporarily restricted net assets	
Restricted gifts and investment returns	698
Net assets released for capital acquisitions	(1,936)
Net assets released for operations	(917)
Other	(641)
Decrease in temporarily restricted net assets	(2,796)
Permanently restricted net assets	
Restricted gifts	315
Other	605
Increase in permanently restricted net assets	920
Decrease in net assets	(9,587)
Net assets	
Beginning of year	247,723
End of year	\$ 238,136

**New York State Department of Health
Public Health and Health Planning Council
Committee Day**

May 23, 2013

ATTACHMENTS

Ambulatory Surgery Centers - Establish/Construct

Exhibit #9

	<u>Number</u>	<u>Applicant/Facility</u>
1.	122207 E	Center for Specialty Care Inc (New York County)
2.	131050 B	New York Center for Ambulatory Surgery, LLC (New York County)
3.	131056 B	The Endoscopy Center of Queens (Queens County)
4.	131064 E	Midtown Surgery Center (New York County)
5.	131069 E	Meadowbrook Endoscopy Center (Nassau County)

CENTER FOR SPECIALTY CARE INC.
(a corporation)

BALANCE SHEET - DECEMBER 31, 2011 AND 2010

ASSETS	<u>2011</u>	<u>2010</u>
Current assets:		
Cash	\$ 114,833	\$ 169,973
Accounts receivable, net of allowance for doubtful accounts of \$94,453 and \$99,892	1,142,235	751,548
Prepaid expenses	455,863	414,357
Other receivable	6,531	4,252
Total current assets	<u>1,719,340</u>	<u>1,440,150</u>
Property and equipment	4,401,512	3,927,934
Less: accumulated depreciation	<u>2,388,032</u>	<u>2,130,557</u>
	<u>2,013,480</u>	<u>1,797,377</u>
	<u>\$ 3,732,820</u>	<u>\$ 3,237,527</u>
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities:		
Obligations due under capital leases	\$ 17,861	\$ 54,061
Notes payable	28,547	
Notes payable - shareholder	0,751	
Accounts payable	486,733	342,604
Security deposits	22,717	22,717
Accrued expenses and taxes	<u>381,624</u>	<u>145,637</u>
Total current liabilities	956,238	911,989
Obligations due under capital leases	09,466	15,816
Notes payable	247,968	
Note payable - shareholder	<u>316,795</u>	<u>400,000</u>
	604,259	415,816
Shareholder's equity:		
Common stock, no par value, 200 shares authorized, 200 shares issued and outstanding	1,000	1,000
Additional paid in capital	2,149,433	2,149,433
Retained earnings (deficit)	127,335	(140,710)
Treasury Stock	<u>(100,000)</u>	<u>(100,000)</u>
Total shareholder's equity	<u>2,178,728</u>	<u>1,909,723</u>
	<u>\$ 3,732,820</u>	<u>\$ 3,237,527</u>

Center for Specialty Care, Inc.
Profit and Loss Statement
For the Month and the Twelve Months Ended December 31, 2012
PRELIMINARY - SUBJECT TO YEAR END AND AUDIT ADJUSTMENTS

	2012
Revenue	
Gross Revenue	18,300,297
Contractual Adjustments and patient refunds	(9,895,910)
Patient refunds	(140,056)
Total Net Revenue	<u>8,264,331</u>
Personnel Expenses:	
Salaries & Wages - Medical Director	120,000
Salaries & Wages - Executive (90%)	191,994
Salaries & Wages - Clinical incl Agency	1,742,847
Salaries & Wages - Maintenance (65%)	145,838
Salaries & Wages - Administration (90%)	542,892
Employee Benefits & Payroll Taxes (94%)	360,866
Employee Health Testing & CPE	6,244
Personnel agency and recruiting expenses	-
Total Personnel Expenses	<u>3,110,681</u>
Clinical Expenses:	
Medical Supplies & Pharmaceuticals	1,123,948
Medical Implants	1,065,089
Medical Equipment Costs	214,340
Laundry and Linens	50,266
Other Clinical Expenses	23,701
Total Clinical Expenses	<u>2,477,344</u>
Facilities Expenses:	
Rent (55%)	715,000
Utilities (65%)	162,945
Building Repairs & Maintenance (65%)	139,217
Property Taxes (60%)	179,014
Housekeeping - Outside (65%)	50,548
Total Facilities Expenses	<u>1,246,722</u>
Administrative Expenses:	
Office Supplies/Expense	73,391
Professional and Consulting Fees	193,125
Government fees- NYS Public Goods Pool	192,837
Government & AAAHC Certification Fees	7,286
Commercial Rent Tax (refund)	37,451
Insurance, including workers compensation	168,507
Telephone Expenses	39,000
Travel and Directors' Expenses	48,153
Depreciation and Amortization	277,076
Bad Debts (Recovery of)	33,773
Data Processing and Computer network support	58,554
Credit card fees, incl bank charges	29,371
Marketing	31,260
Other Administrative Expenses	41,865
Total Administrative Expenses	<u>1,229,448</u>
Total Operating Expenses	<u>11,064,185</u>
Income (loss) from Operations	200,138
Other Income and (Expenses):	
Rental Income	726,068
Rental Expenses - Rent (45%)	(585,000)
Rental Expenses - Utilities (35%)	(87,740)
Rental Expenses - Salaries, incl housekeeping	(187,351)
Employee Benefits & Payroll Taxes (6%)	(23,034)
Rental Expenses - Property taxes (40%)	(119,342)
Rental Expenses - Building R & M (35%)	(74,963)
	<u>(351,362)</u>
Other:	
Interest Income	96
Interest Expense	(57,738)
Other Income	5,177
Other (Expense) - Theft Reimbursement	(2,437)
Total Other Income and Expenses	<u>(54,902)</u>
Pre Tax, Officer Salary Net Income (Loss)	<u>206,128</u>

CENTER FOR SPECIALTY CARE, INC.

Pre- PHHPC Approval Organizational Chart

Shareholders		
Name	Shares	Interest
Nancy K. Smith	184	92%
James W. Smith, III	4	2%
Lucinda S. Hay	4	2%
Constance S. Plimpton	4	2%
Peter F. Smith	4	2%
TOTAL	200	100%

Center for Specialty Care, Inc.

Post- PHHPC Approval Organizational Chart

Shareholders		
Name	Shares	Interest
Nancy K. Smith	80	40%
James W. Smith, III	30	15%
Lucinda S. Hay	30	15%
Constance S. Plimpton	30	15%
Peter F. Smith	30	15%
TOTAL	200	100%

Center for Specialty Care, Inc.

NEW YORK CENTER FOR AMBULATORY SURGERY, LLC

ESTABLISH A MULTI-SPECIALTY FREESTANDING AMBULATORY SURGERY CENTER

PRO FORMA BALANCE SHEET

ASSETS

Cash	\$838,432
Leasehold Improvements	\$5,797,151
Equipment	\$624,840
TOTAL ASSETS	\$7,260,423

LIABILITIES AND MEMBER EQUITY

LIABILITIES

Capital Loan	\$5,779,792
Working Capital Loan	\$419,216

TOTAL LIABILITIES \$6,199,008

MEMBER EQUITY \$1,061,415

**TOTAL LIABILITIES AND
MEMBER EQUITY** \$7,260,423

Note: As a recently-formed entity, New York Center for Ambulatory Surgery, LLC has no assets and liabilities.

CON#131056

BFA Attachment B

Pro Forma Balance Sheet

ASSETS

Cash	\$689,498
Leasehold Improvements	2,570,195
Moveable Equipment	<u>851,116</u>
TOTAL ASSETS	\$4,110,809

LIABILITIES	\$0
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NET ASSETS	\$4,110,809
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MIDTOWN SURGERY CENTER, LLC

NAME	APPROVED DOH MEMBERSHIP INTEREST	PROPOSED MEMBERSHIP INTEREST	NET CHANGE
Robert Haar	75.10000%	3.00000%	-72.1000%
Glen Lau	0.93380%	9.25000%	8.3162%
Douglas H L Chin	0.62250%	9.25000%	8.6275%
Charles H Thorne	0.62250%	9.25000%	8.6275%
Nolan Karp	0.62250%	9.25000%	8.6275%
Jeffrey Kaplan	0.62250%	0.16129%	-0.4612%
Alton Barron	0.62250%	2.25806%	1.6356%
Steven Glickel	0.62250%	0.64516%	0.0227%
Louis Catalano	0.62250%	0.88710%	0.2646%
Adam Cohen	0.62250%	1.12903%	0.5065%
Daveed Frazier	0.62250%	2.25806%	1.6356%
Stuart Mogul	0.62250%	3.22581%	2.6033%
Dr. Andrew Rosen	0.62250%	1.93548%	1.3130%
Edmond Cleeman	0.41500%	0.64516%	0.2302%
Richard Gilbert	0.41500%	0.64516%	0.2302%
Mark Klion	0.41500%	0.64516%	0.2302%
Francis Mendoza	0.62250%	2.25806%	1.6356%
Vijay Anand	0.62250%	1.04839%	0.4259%
Darren Friedman	0.62250%	0.88710%	0.2646%
Darius Kohan	0.62250%	1.12903%	0.5065%
Kenneth McCulloch	0.62250%	0.64516%	0.0227%
Andrew Feldman	0.62250%	1.61290%	0.9904%
Kevin Wright	0.62250%	0.24194%	-0.3806%
Francis Cuomo	0.62250%	0.32258%	-0.2999%
Jonathan Stieber	0.62250%	0.96774%	0.3452%
Joel Kreitzer	0.20750%	0.53764%	0.3301%
Gordon Friedman	0.20750%	0.53763%	0.3301%
Vinoo Sebastian Thoras	0.20750%	0.53763%	0.3301%
Kenneth Chapman	0.62250%	0.32258%	-0.2999%
Douglas Schottenstein	0.62250%	0.48387%	-0.1386%
Dimitry Nesen	0.62250%	0.24194%	-0.3806%
Mark Reiner	0.46688%	0.32258%	-0.1443%
Brian Jacob	0.46688%	0.32258%	-0.1443%
Brian Katz	0.46688%	0.32258%	-0.1443%
Anthony Vine	0.46688%	0.32258%	-0.1443%
Cary B. Chapman	0.31125%	0.96774%	0.6565%
Garrett Bennett	0.62250%	5.48387%	4.8614%
Robert Guida	0.62250%	3.22581%	2.6033%
Jonathan Glashow	0.62250%	3.87097%	3.2485%
Alexa Lessow	0.00000%	0.56452%	0.5645%
Lisa Liberatore	0.00000%	0.80645%	0.8065%

Ron Noy	0.62250%	1.29032%	0.6678%
Joseph Iraci	0.15562%	0.48387%	0.3283%
Sergei Dolgopolov	0.15562%	0.48387%	0.3283%
Mark Zoland	0.15562%	0.48387%	0.3283%
A. Douglas Heymann	0.15562%	0.48387%	0.3283%
3636 Associates, LLC	0.00000%	1.93548%	1.9355%
Steven Sheskier	0.62250%	0.96774%	0.3452%
Evan Goldstein	0.00000%	1.93548%	1.9355%
Guy Lin	0.00000%	0.32258%	0.3226%
Yolanda Ragland	0.00000%	0.16129%	0.1613%
Sam Rizk	0.00000%	3.54839%	3.5484%
Charles Kimmelman	0.00000%	0.32258%	0.3226%
James Pacholka	0.00000%	0.64516%	0.6452%
Fabian Bitan	0.00000%	0.32258%	0.3226%
Donald Rose	0.00000%	0.64516%	0.6452%
Craig Radnay	0.00000%	0.32258%	0.3226%
Andrew Turtel	0.00000%	0.32258%	0.3226%
Bradford Parsons	0.00000%	0.16129%	0.1613%
James Gladstone	0.00000%	0.16129%	0.1613%
Steven Struhl	0.00000%	0.32258%	0.3226%
Timothy Reish	0.00000%	0.32258%	0.3226%
Thomas Youm	0.00000%	0.16129%	0.1613%
David Perreia	0.00000%	0.08065%	0.0806%
John A. Frachhia	0.00000%	0.32258%	0.3226%
\$. Steven Yang	0.00000%	0.64516%	0.6452%
Edward Kwak	0.00000%	0.64516%	0.6452%
Orrin Sherman	0.00000%	0.08065%	0.0806%
Michael Loshigan	0.62250%	0.00000%	-0.6225%
Laurence Orbuch	0.62250%	0.00000%	-0.6225%
Salvatore Lenzo	0.62250%	0.00000%	-0.6225%
TOTAL	100.000%	100.00000%	0.00000%

MIDTOWN SURGERY CENTER, LLC
(A Limited Liability Company)

BALANCE SHEET

December 31, 2011

ASSETS

	<u>2011</u>
CURRENT ASSETS	
Cash and Cash Equivalents	\$ 342,100
Accounts Receivable	13,498,977
Prepaid Expenses and Other Current Assets	<u>14,869</u>
TOTAL CURRENT ASSETS	<u>13,855,946</u>
FURNITURE AND EQUIPMENT - NET	<u>1,031,521</u>
OTHER ASSETS	
Organization Costs - Net	197,961
Security Deposit	<u>6,000</u>
TOTAL OTHER ASSETS	<u>203,961</u>
TOTAL ASSETS	<u>\$ 15,091,428</u>

LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES	
Accounts Payable	\$ 2,824,671
Accrued Expenses and Payroll	41,758
Capital Lease Payable	40,127
Line of Credit	<u>469,232</u>
TOTAL CURRENT LIABILITIES	<u>3,375,788</u>
LONG TERM LIABILITIES	
Capital Lease Payable, Less Current Portion	88,826
Due to Affiliates	<u>551,380</u>
TOTAL LONG TERM LIABILITIES	<u>640,206</u>
TOTAL LIABILITIES	<u>4,015,994</u>
COMMITMENTS AND CONTINGENCIES	
MEMBERS' EQUITY	<u>11,075,434</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 15,091,428</u>

MIDTOWN SURGERY CENTER, LLC
(A Limited Liability Company)

STATEMENT OF INCOME AND MEMBERS' (DEFICIT) EQUITY

For the Year Ended December 31, 2011

	<u>2011</u>
PATIENT REVENUES	<u>\$ 46,679,727</u>
OPERATING EXPENSES	
Salaries	2,462,735
Employee Benefits	391,261
Property Costs :	3,941,252
Administrative and General	<u>26,938,787</u>
 TOTAL OPERATING EXPENSES	 <u>33,734,035</u>
NET INCOME	12,945,692
MEMBERS' DEFICIT - BEGINNING OF YEAR	<u>(1,870,258)</u>
MEMBERS' EQUITY - END OF YEAR	<u>\$ 11,075,434</u>

Midtown Surgery Center, LLC
Balance Sheet
As of December 31, 2012

	Dec 31, 12
ASSETS	
Current Assets	
Checking/Savings	
102 · East West Bank - #0063748750	118,063.56
103 · East West Bank - #86-04000060	758,388.22
105 · Petty Cash on Hand	2,199.98
Total Checking/Savings	878,651.76
Other Current Assets	
180 · Intercompany Receivables	1,319,424.45
211.1 · Due from Dr. Lau	451,727.86
120 · Receivable - Members	537,831.93
125 · Employee Advances	1,213.00
Total Other Current Assets	2,310,197.24
Total Current Assets	3,188,849.00
Fixed Assets	
Fixed Assets	
139 · Allowance for Depreciation	1,856,606.45
Total Fixed Assets	-1,065,607.00
Total Fixed Assets	790,999.45
Other Assets	
211.2 · Midtown Capital Services LLC	1,512,919.04
Other Assets	1,353,713.94
170 · Deposit - Lease	55,500.00
171 · Deposits-Other	656,663.76
Total Other Assets	3,578,796.74
TOTAL ASSETS	7,558,645.19
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	202,431.98
Total Accounts Payable	202,431.98
Credit Cards	
205.1 · American Express	757,599.34
205.2 · Black Card Visa	9,610.24
Total Credit Cards	767,209.58
Other Current Liabilities	
109 · Payroll clearing	478.14
101 · East West Bank - #0063903868	1,843,159.04
210 · Payroll Liabilities	557.42
211 · Due to Affiliates	181,768.92
219 · Payable - Profit Sharing Plan	4,959.58
221 · Notes Payable	234,232.21
Total Other Current Liabilities	2,265,155.31
Total Current Liabilities	3,234,796.87
Long Term Liabilities	
240 · Leases Payable	89,705.58
Total Long Term Liabilities	89,705.58
Total Liabilities	3,324,502.45
Equity	
300 · Capital	-21,310,071.92
Net Income	25,544,214.66
Total Equity	4,234,142.74
TOTAL LIABILITIES & EQUITY	7,558,645.19

Midtown Surgery Center, LLC
 Profit & Loss
 January through December 2012

	<u>Jan - Dec 12</u>
Ordinary Income/Expense	
Income	
409 · Payroll Reimbursement	184,592.02
400 · Patient Income	51,635,767.38
408 · Billing Rebates	995,951.30
410 · Other Income	973,874.38
415 · Patient Refunds	-539,552.10
Total Income	<u>53,250,632.98</u>
Gross Profit	53,250,632.98
Expense	
500 · Amortization Expense	93,247.04
502 · Automobile Expense	23,964.28
504 · Bank Charges	72,863.78
511 · Billing and Collection Service	3,975,668.54
512 · Charitable Contributions	5,000.00
513 · Computer and Internet	29,400.00
514 · Condo Maintenance Fees	267,176.81
515 · Depreciation Expense	647,920.00
516 · Dues and Subscriptions	18,810.08
520 · Education and Meetings	4,284.70
521 · Equipment Rental	934,330.85
524 · Employee Meals	197,279.12
525 · Health Insurance	295,363.91
529 · Implant	1,951,393.45
530 · Insurance	63,345.18
531 · Interest Expense	34,966.74
540 · Pension Contribution	71,219.41
546 · Laundry and Uniforms	83,848.31
547 · Legal and Accounting	99,613.76
550 · Marketing and Advertising	1,810.62
551 · Medical Services	6,157,542.58
552 · Medical Supplies	3,436,875.67
560 · Office Supplies	161,702.97
562 · Employee Wages	3,899,191.77
563 · Payroll expense	5,345.34
565 · Payroll Tax Expense	328,475.94
566 · Penalties	2,431.40
568 · Postage and Delivery	13,898.14
569 · Professional Services	246,687.01
571 · Promotion - Meals	83,115.14
572 · Promotion - Non-meals	356,977.98
576 · Rent	2,469,495.67
577 · Repairs and Maintenance	156,316.67
580 · Supplies	609.39
585 · Taxes and Licenses	932,800.21
586 · Telephone	23,769.41
587 · Transcription	-19,419.77
588 · Travel	135,825.16
595 · Utilities	28,968.74
598 · Drugs	279,403.74
Total Expense	<u>27,610,359.28</u>
Net Ordinary Income	25,640,273.70
Other Income/Expense	
Other Expense	
702 · Members' Life Insurance	20,187.72
705 · Political Contributions	150.00
707 · Lobbying Expenses	75,721.32
Total Other Expense	<u>96,059.04</u>
Net Other Income	-96,059.04
Net Income	<u>25,544,214.66</u>

GASTRO OPERATING COMPANY, LLC.
BALANCE SHEET
DECEMBER 31, 2011

ASSETS

Current assets:

Cash and cash equivalents	\$ 390,258
Accounts receivable, net of allowance for doubtful accounts of \$296,663	782,029
Inventory	25,775
Prepaid expenses	34,174
Due from related parties	43,590
Total current assets	<u>1,275,826</u>
Fixed assets, net of accumulated depreciation and amortization	1,768,887
Deferred costs, net of accumulated amortization of \$5,370	7,180
Security deposits	53,426
	<u>\$ 3,105,319</u>

LIABILITIES AND MEMBERS' EQUITY

Current liabilities:

Accounts payable and accrued expenses	\$ 105,232
Accrued payroll and benefits	39,336
Due to related parties	32,574
Capital leases payable - current portion	189,015
Notes payable - current portion	533,267
Due to third party payors	27,505
Accrued pension cost	262,191
Accrued 401(k) payable	62,389
Deferred rent payable	272,260
Total current liabilities	<u>1,523,769</u>
Capital leases payable - non-current portion	42,521
Notes payable - non-current portion	791,667
Total liabilities	<u>2,357,957</u>
Members' equity	<u>747,362</u>
	<u>\$ 3,105,319</u>

GASTRO OPERATING COMPANY, LLC.
STATEMENT OF OPERATIONS
FOR YEAR ENDED DECEMBER 31, 2011

Revenue:	
Net patient service revenue	\$ 5,539,130
Recovery of bad debt	79,543
Interest income	3,184
Total revenue	<u>5,621,857</u>
Operating expenses:	
Salaries, taxes and benefits	976,427
Pension expense	698,123
Medical supplies	311,926
Professional services	627,840
Rent and occupancy expenses	362,079
Depreciation and amortization	397,899
Office supplies and expenses	136,384
401(k) plan expense	19,388
Interest expense	66,205
Insurance	73,771
Travel, meals and entertainment	15,310
Repairs and maintenance	60,019
Contributions	3,000
Dues and subscriptions	3,874
Education and training	7,790
Filing fees	2,194
Patient transportation	18,005
Postage	10,044
Miscellaneous	9,131
Total operating expenses	<u>3,799,409</u>
Net income	<u>\$ 1,822,448</u>

**GASTRO OPERATING COMPANY, LLC.
STATEMENT OF CHANGES IN MEMBERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2011**

Balance at December 31, 2010	\$ 774,183
Net income	1,822,448
Members' withdrawals	<u>(1,849,269)</u>
Balance at December 31, 2011	<u><u>\$ 747,362</u></u>

GASTRO OPERATING COMPANY, LLC.
BALANCE SHEET
DECEMBER 31, 2010

<u>ASSETS</u>	
Current assets:	
Cash and cash equivalents	\$ 247,598
Accounts receivable, net of allowance for doubtful accounts of \$376,206	1,208,721
Inventory	25,775
Prepaid expenses	55,794
Due from related parties	22,968
Total current assets	1,560,856
Fixed assets, net of accumulated depreciation and amortization	2,150,000
Deferred costs, net of accumulated amortization of \$3,723	8,827
Security deposits	53,426
	<u>\$ 3,773,109</u>
<u>LIABILITIES AND MEMBERS' EQUITY</u>	
Current liabilities:	
Accounts payable and accrued expenses	\$ 86,013
Accrued payroll and benefits	38,120
Capital leases payable - current portion	191,950
Notes payable - current portion	681,424
Due to third party payors	22,302
Accrued pension cost	303,820
Accrued 401(k) payable	92,256
Deferred rent payable	257,558
Total current liabilities	1,673,443
Capital leases payable - non-current portion	231,520
Notes payable - non-current portion	1,093,963
Total liabilities	2,998,926
Members' equity	774,183
	<u>\$ 3,773,109</u>

GASTRO OPERATING COMPANY, LLC.
STATEMENT OF OPERATIONS
FOR YEAR ENDED DECEMBER 31, 2010

Revenue:	
Net patient service revenue	\$ 8,500,695
Interest income	870
Total revenue	<u>8,501,565</u>
Operating expenses:	
Salaries, taxes and benefits	1,015,584
Pension expense	742,789
Medical supplies	284,981
Professional services	540,340
Rent and occupancy expenses	383,979
Depreciation and amortization	396,977
Office supplies and expenses	116,137
401(k) plan expense	137,315
Interest expense	122,432
Insurance	82,631
Travel, meals and entertainment	40,315
Repairs and maintenance	47,610
Equipment rental	1,414
Advertising	8,910
Contributions	2,634
Dues and subscriptions	3,554
Education and training	7,053
Filing fees	2,886
Patient transportation	9,512
Postage	8,724
Bad debt expense	376,206
Miscellaneous	1,292
Total operating expenses	<u>4,333,275</u>
Net income	<u>\$ 4,168,290</u>

GASTRO OPERATING COMPANY, LLC.
STATEMENT OF CHANGES IN MEMBERS' EQUITY (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 2010

Balance at December 31, 2009, as previously reported	\$ (231,726)
Adjustment to correct fixed assets, net of accumulated depreciation	<u>419,774</u>
Balance at December 31, 2009, as restated	188,048
Net income	4,168,290
Members' withdrawals	<u>(3,582,155)</u>
Balance at December 31, 2010	<u><u>\$ 774,183</u></u>

**New York State Department of Health
Public Health and Health Planning Council
Committee Day**

May 23, 2013

ATTACHMENTS

Dialysis Services- Establish/Construct

Exhibit #10

<u>Number</u>	<u>Applicant/Facility</u>
1. 112210 B	New York Regional Services, LLC d/b/a New York Regional Dialysis Center (Kings County)

Pro Forma Balance Sheet

ASSETS

Cash	\$1,000,467
Leasehold Improvements	<u>179,912</u>
TOTAL ASSETS	\$1,180,379

LIABILITIES

Equipment Lease	<u>\$609,567</u>
TOTAL LIABILITIES	\$609,567

NET ASSETS \$570,812

**New York State Department of Health
Public Health and Health Planning Council
Committee Day**

May 23, 2013

ATTACHMENTS

Residential Health Care Facilities - Establish/Construct

Exhibit 11

	<u>Number</u>	<u>Applicant/Facility</u>
1.	122312 E	Van Duyn Home and Hospital (Onondaga County)
2.	131054 E	Cortlandt Healthcare, LLC (Westchester County)
3.	131068 B	Judson Meadows Residential Health Care Center, Inc. (Schenectady County)
4.	131100 E	Palatine Nursing Home (Montgomery County)

Financial Summary

CON#122312

BFA Attachment B

Van Duyn Extended Care Facility

FISCAL PERIOD ENDED

	<u>2011</u>	<u>2010</u>	<u>2009</u>
ASSETS - CURRENT	\$17,505,187	\$13,565,264	\$14,233,374
ASSETS - FIXED AND OTHER	13,668,880	14,498,802	12,947,930
LIABILITIES - CURRENT	9,286,022	6,648,163	5,021,502
LIABILITIES - LONG-TERM	40,599,566	34,038,758	23,071,006
EQUITY	(\$18,711,521)	(\$12,622,855)	(\$911,204)
<hr/>			
INCOME	\$49,715,383	\$39,342,548	\$43,990,358
EXPENSE	55,722,936	51,128,684	47,738,241
NET INCOME	(\$6,007,553)	(\$11,786,136)	(\$3,747,883)
<hr/>			
NUMBER OF BEDS	513	513	513
PERCENT OF OCCUPANCY (DAYS)	93.99%	95.34%	96.19%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	79.49%	81.60%	84.53%
MEDICARE	6.30%	7.02%	5.86%
PRIVATE/OTHER	14.21%	11.38%	9.61%
<hr/>			
MEDICAID RATE BREAKDOWN:			
	<u>2012</u>		
OPERATING	\$205.14		
CAPITAL	<u>9.39</u>		
TOTAL	\$214.53		

CON#122312

BFA Attachment C

Pro Forma Balance Sheet- Operation

ASSETS:

Cash	\$2,000,000
Accounts Receivable	5,978,113
Patient Funds	347,177
Inventory	164,073
Goodwill	50,000
Prepaid Expenses	0
Capital Assets	0
Restricted Cash less Patient Funds	<u>0</u>
TOTAL ASSETS	\$8,539,363

LIABILITIES:

Patient Funds	<u>\$347,177</u>
TOTAL LIABILITIES	\$347,177

NET ASSETS	\$8,192,186
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Financial Summary

CON#122312
BFA Attachment D

Bridgewater Center

FISCAL PERIOD ENDED

	<u>2011</u>	<u>2010</u>	<u>2009</u>
ASSETS - CURRENT	\$8,517,177	\$3,990,530	\$3,469,992
ASSETS - FIXED AND OTHER	1,215,310	1,275,312	1,197,323
LIABILITIES - CURRENT	8,025,715	3,469,089	2,273,981
LIABILITIES - LONG-TERM	1,295,578	823,410	1,048,549
EQUITY	\$411,194	\$973,343	\$1,344,785
<hr/>			
INCOME	\$28,221,696	\$21,790,405	\$19,614,323
EXPENSE	28,153,749	21,596,994	19,876,263
NET INCOME	\$67,947	\$193,411	(\$261,940)
<hr/>			
NUMBER OF BEDS	356	331	331
PERCENT OF OCCUPANCY (DAYS)	90.56%	89.15%	85.35%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	80.27%	79.52%	80.86%
MEDICARE	13.09%	12.05%	11.60%
PRIVATE/OTHER	6.64%	8.43%	7.54%

Financial Summary

CON#122312

BFA Attachment E

Pine Valley Center

FISCAL PERIOD ENDED

	<u>2011</u>	<u>2010</u>	<u>2009</u>
ASSETS - CURRENT	\$6,364,815	\$3,892,029	\$3,682,401
ASSETS - FIXED AND OTHER	10,396,978	9,063,418	9,446,471
LIABILITIES - CURRENT	5,286,019	4,832,528	4,586,758
LIABILITIES - LONG-TERM	9,191,517	5,328,884	6,162,551
EQUITY	\$2,284,257	\$2,794,035	\$2,379,563
<hr/>			
INCOME	\$17,077,336	\$18,057,037	\$18,199,439
EXPENSE	17,951,544	16,897,729	17,132,916
NET INCOME	(\$874,208)	\$1,159,308	\$1,066,523
<hr/>			
NUMBER OF BEDS	200	200	200
PERCENT OF OCCUPANCY (DAYS)	92.52%	92.65%	92.10%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	83.15%	82.58%	79.00%
MEDICARE	10.38%	9.64%	13.15%
PRIVATE/OTHER	6.46%	7.82%	7.85%

CON#122312

BFA Attachment F

Pro Forma Balance Sheet-Real Estate

ASSETS:

Facility Building	<u>\$4,950,000</u>
TOTAL ASSETS	\$4,950,000

LIABILITIES:

Acquisition Loan	<u>\$4,900,000</u>
TOTAL LIABILITIES	\$4,900,000

NET ASSETS	\$50,000
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CORTLANDT OPERATIONS LLC
Doing Business As
CORTLANDT HEALTHCARE

PRO FORMA BALANCE SHEET

ASSETS

Working Capital	\$2,343,558
Goodwill	\$4,148,240
Furniture and Equipment	\$351,760
Prepaid Expenses	\$0
Resident Funds	\$84,142
TOTAL ASSETS	\$6,927,700

LIABILITIES AND EQUITY

LIABILITIES

Acquisition Loan	\$3,600,000
Working Capital Loan	\$1,171,779
Resident Funds	\$84,142
TOTAL LIABILITIES	\$4,855,921

MEMBER EQUITY \$2,071,779

**TOTAL LIABILITIES AND
MEMBER EQUITY** \$6,927,700

Financial Summary

Cortlandt Healthcare, LLC

	FISCAL PERIOD ENDED		
	<i>draft</i> <u>11/30/12</u>	<u>12/31/11</u>	<u>12/31/10</u>
ASSETS - CURRENT	\$2,456,000	\$2,480,854	\$2,288,779
ASSETS - FIXED AND OTHER	884,830	658,592	535,580
LIABILITIES - CURRENT	1,990,021	2,079,333	\$2,264,506
LIABILITIES - LONG-TERM	247,942	210,471	92,072
EQUITY	1,102,867	849,642	467,781
<hr/>			
INCOME	\$14,504,029	\$14,495,744	\$13,844,733
EXPENSE	14,250,804	14,113,884	13,675,082
NET INCOME	\$253,225	\$381,860	\$169,651
<hr/>			
NUMBER OF BEDS	120	120	120
PERCENT OF OCCUPANCY (DAYS)	96.05%	94.11%	93.71%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	53.70%	57.38%	57.38%
MEDICARE	21.30%	21.82%	28.06%
PRIVATE/OTHER	25.00%	20.80%	14.56%
<hr/>			
MEDICAID RATE BREAKDOWN:	<u>2013</u>	<u>2012</u>	<u>2011</u>
OPERATING	\$183.75	\$174.38	\$190.08
CAPITAL	<u>22.72</u>	<u>37.17</u>	<u>17.76</u>
TOTAL	\$206.47	\$211.55	\$207.84

Financial Summary

Bellhaven Center for Rehabilitation and Nursing

	FISCAL PERIOD ENDED		
	<i>draft</i>		
	<u>12/31/12</u>	<u>12/31/11</u>	<u>12/31/10</u>
ASSETS - CURRENT	\$4,074,730	\$4,053,233	\$3,387,534
ASSETS - FIXED AND OTHER	3,410,367	2,556,037	1,836,421
LIABILITIES - CURRENT	4,653,869	4,083,549	\$4,449,030
LIABILITIES - LONG-TERM	2,764,345	466,672	644,251
EQUITY	66,883	2,059,049	130,674
<hr/>			
INCOME	\$22,704,695	\$24,002,538	\$22,998,459
EXPENSE	20,014,153	20,724,163	20,995,062
NET INCOME	\$2,690,542	\$3,278,375	\$2,003,397
<hr/>			
NUMBER OF BEDS	240	240	240
PERCENT OF OCCUPANCY (DAYS)	97.68%	96.22%	80.93%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	83.33%	82.49%	84.20%
MEDICARE	9.50%	11.36%	11.40%
PRIVATE/OTHER	7.17%	6.15%	4.40%
<hr/>			
MEDICAID RATE BREAKDOWN:	<u>2013</u>	<u>2012</u>	<u>2011</u>
OPERATING	\$226.68	\$214.67	\$174.23
CAPITAL	<u>17.69</u>	<u>5.40</u>	<u>22.04</u>
TOTAL	\$208.99	\$209.27	\$196.27
<hr/>			
Proposed members with ownership interest	Ownership interest		
Sharon Einhorn	13%		
Devorah Friedman	14%		
Israel Minzer	10%		
Naftali Minzer	1%		
Dov Minzer	1%		
Rivka Sussman	1%		

Financial Summary

Dumont Center for Rehabilitation and Nursing Care

	FISCAL PERIOD ENDED		
	<i>draft</i> <u>11/30/12</u>	<u>12/31/11</u>	<u>12/31/10</u>
ASSETS - CURRENT	\$3,808,219	\$3,976,223	\$3,028,828
ASSETS - FIXED AND OTHER	3,157,266	3,525,324	2,653,338
LIABILITIES - CURRENT	2,032,238	5,198,409	\$4,177,007
LIABILITIES - LONG-TERM	1,951,990	330,592	1,499,751
EQUITY	2,981,257	1,972,546	5,408
<hr/>			
INCOME	\$18,569,639	\$22,409,466	\$9,037,657
EXPENSE	17,561,769	20,330,469	8,236,452
NET INCOME	\$1,007,870	\$2,078,997	\$801,205
<hr/>			
NUMBER OF BEDS	196	196	196
PERCENT OF OCCUPANCY (DAYS)	95.10%	94.69%	95.50%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	78.90%	78.02%	80.78%
MEDICARE	9.84%	17.10%	14.05%
PRIVATE/OTHER	11.26%	4.88%	5.17%
<hr/>			
MEDICAID RATE BREAKDOWN:			
	<u>2013</u>	<u>2012</u>	<u>2011</u>
OPERATING	\$215.09	\$203.99	\$215.76
CAPITAL	<u>16.66</u>	<u>27.02</u>	<u>10.34</u>
TOTAL	\$231.75	\$231.01	\$226.10
<hr/>			
Proposed members with ownership interest	Ownership interest		
Sharon Einhorn	10%		
Devorah Friedman	11%		
Israel Minzer	8%		
Naftali Minzer	3%		
Dov Minzer	3%		
Rivka Sussman	1%		

Financial Summary

Sans Souci Rehabilitation and Nursing Center

	FISCAL PERIOD ENDED		
	<i>draft</i>		
	<u>12/31/12</u>	<u>12/31/11</u>	<u>12/31/10</u>
ASSETS - CURRENT	\$2,176,330	\$1,581,259	\$1,534,283
ASSETS - FIXED AND OTHER	2,670,255	2,777,629	2,623,642
LIABILITIES - CURRENT	2,425,077	2,671,011	\$2,305,012
LIABILITIES - LONG-TERM	644,137	759,105	1,036,695
EQUITY	1,777,371	928,772	816,218
<hr/>			
INCOME	\$11,920,029	\$12,724,052	\$11,016,267
EXPENSE	10,706,380	11,147,713	10,742,529
NET INCOME	\$1,213,649	\$1,576,339	\$273,738
<hr/>			
NUMBER OF BEDS	120	120	120
PERCENT OF OCCUPANCY (DAYS)	94.08%	95.65%	96.33%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	71.57%	73.31%	80.58%
MEDICARE	15.82%	20.91%	15.50%
PRIVATE/OTHER	12.61%	5.78%	3.92%
<hr/>			
MEDICAID RATE BREAKDOWN:	<u>2013</u>	<u>2012</u>	<u>2011</u>
OPERATING	\$205.77	\$195.16	\$195.27
CAPITAL	<u>6.23</u>	<u>18.40</u>	<u>8.48</u>
TOTAL	\$212.00	\$213.56	\$203.75
<hr/>			
Proposed members with ownership interest	Ownership interest		
Devorah Friedman	2%		
Naftali Minzer	7%		
Dov Minzer	2%		
Rivka Sussman	2%		

Financial Summary

Ramapo Manor Center for Rehabilitation and Nursing

FISCAL PERIOD ENDED

draft

12/31/12

ASSETS - CURRENT	\$5,914,490
ASSETS - FIXED AND OTHER	18,390,301
LIABILITIES - CURRENT	3,312,037
LIABILITIES - LONG-TERM	16,428,865
EQUITY	4,563,889

INCOME	\$24,254,190
EXPENSE	21,005,098
NET INCOME	\$3,249,092

NUMBER OF BEDS	203
PERCENT OF OCCUPANCY (DAYS)	90.12%

PERCENT OCCUPANCY (DAYS):	
MEDICAID	56.61%
MEDICARE	25.27%
PRIVATE/OTHER	18.12%

Proposed members with ownership interest	Ownership interest
Sharon Einhorn	8.5%
Devorah Friedman	8.5%
Israel Minzer	4.0%
Yossi Zucker	2.0%

*Ownership interests acquired July 2012

Financial Summary

The Grand Pavilion for Rehabilitation and Nursing

FISCAL PERIOD ENDED

draft

12/31/12

ASSETS - CURRENT	\$5,172,142
ASSETS - FIXED AND OTHER	8,514,970
LIABILITIES - CURRENT	6,868,839
LIABILITIES - LONG-TERM	157,384
EQUITY	6,660,889

INCOME	\$7,230,834
EXPENSE	6,670,940
NET INCOME	\$559,894

NUMBER OF BEDS	158
PERCENT OF OCCUPANCY (DAYS)	96.96%

PERCENT OCCUPANCY (DAYS):	
MEDICAID	74.86%
MEDICARE	15.49%
PRIVATE/OTHER	9.65%

Proposed members with ownership interest	Ownership interest
Sharon Einhorn	35%
Devorah Friedman	35%
Israel Minzer	10%
Benjamin Einhorn	7%
Naftali Minzer	1%
Dov Minzer	1%
Rivka Sussman	1%
Yossi Zucker	5%

*Ownership interest aquired August 2012

Financial Summary

St. James Rehabilitation and Healthcare Center

FISCAL PERIOD ENDED

draft

12/30/12

ASSETS - CURRENT	\$8,257,568
ASSETS - FIXED AND OTHER	21,790,121
LIABILITIES - CURRENT	10,755,857
LIABILITIES - LONG-TERM	15,726,508
EQUITY	3,565,324

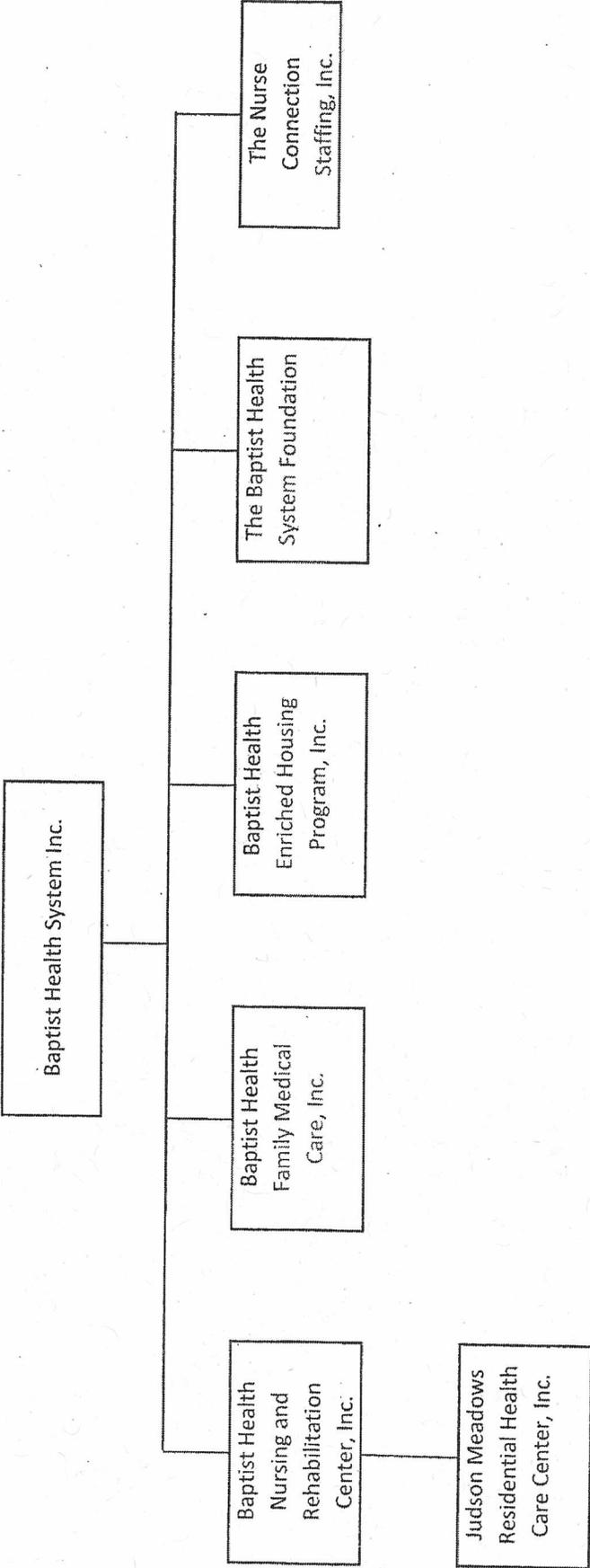
INCOME	\$11,171,481
EXPENSE	9,139,457
NET INCOME	\$2,032,024

NUMBER OF BEDS	230
PERCENT OF OCCUPANCY (DAYS)	95.87%

PERCENT OCCUPANCY (DAYS):	
MEDICAID	68.07%
MEDICARE	18.79%
PRIVATE/OTHER	13.14%

Proposed members with ownership interest	Ownership interest
Sharon Einhorn	25.00%
Devorah Friedman	25.00%
Israel Minzer	8.34%
Maftali Minzer	1.00%
Dov Minzer	1.00%
Rivka Sussman	1.00%
Yossi Zucker	3.00%
Steve Sax	3.00%

*Membership interest aquired August 2012



Financial Summary

Baptist Health Nursing and Rehabilitation Center, Inc.

	FISCAL PERIOD ENDED		
	<i>draft</i> <u>12/31/12</u>	<u>12/31/11</u>	<u>12/31/10</u>
ASSETS - CURRENT	\$11,309,300	\$9,543,938	\$10,463,997
ASSETS - FIXED AND OTHER	10,256,170	10,916,507	11,313,566
LIABILITIES - CURRENT	2,749,082	3,349,264	\$3,414,395
LIABILITIES - LONG-TERM	5,334,577	5,042,784	5,686,991
EQUITY	13,481,811	12,068,397	12,676,177
<hr/>			
INCOME	\$24,006,109	\$20,726,037	\$18,297,259
EXPENSE	22,592,706	21,419,773	19,540,311
NET INCOME	1,413,403	(693,736)	(1,243,052)
<hr/>			
NUMBER OF BEDS	262	262	262
PERCENT OF OCCUPANCY (DAYS)	96.0%	96.7%	96.2%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	74.2%	71.2%	70.9%
MEDICARE	6.1%	5.9%	6.1%
PRIVATE/OTHER	19.7%	22.9%	22.9%
<hr/>			
MEDICAID RATE BREAKDOWN:	<u>2013</u>	<u>2012</u>	<u>2011</u>
OPERATING	\$150.05	\$142.55	\$134.29
CAPITAL	<u>10.93</u>	<u>14.80</u>	<u>15.23</u>
TOTAL	\$160.98	\$157.35	\$149.52

CON 131068

Judson Meadows Residential Health Care Center Sensitized Budget

Year One	Budgeted Revenue	Patient days	Rate	2012 % occupancy	Adjusted Patient Days	Sensitized Revenues	Year One Expenses	Gain
Medicaid	\$6,813,413	31,421	\$216.84	74.2%	38,220	\$8,287,817		
Medicare	\$1,766,726	3,090	\$571.76	6.1%	3,142	\$1,796,520		
Private/Comm	\$5,910,527	16,999	\$347.70	19.7%	10,147	\$3,528,260		
Non-operating bad debt	\$519,300 (\$75,000)					\$519,300		
Total Revenue	\$14,934,966	51,510				\$14,131,898	\$13,707,665	\$424,233

Year Three	Budgeted Revenue	Patient days	Rate	2012 % occupancy	Adjusted Patient Days	Sensitized Revenues	Year Three Expenses	Gain
Medicaid	\$9,084,550	41,894	\$216.85	74.2%	50,959	\$11,050,276		
Medicare	\$2,355,635	4,120	\$571.76	6.1%	4,189	\$2,395,291		
Private/Comm	\$7,880,702	22,664	\$347.72	19.7%	13,530	\$4,704,486		
Non-operating bad debt	\$692,400 (\$100,000)					\$692,400		
Total	\$19,913,287	68,678				\$18,842,453	\$18,276,885	\$565,568

CON#131100

Financial Summary

BFA Attachment B

Palatine Nursing Home

FISCAL PERIOD ENDED

	<u>2011</u>	<u>2010</u>	<u>2009</u>
ASSETS - CURRENT	\$577,113	\$581,477	\$530,454
ASSETS - FIXED AND OTHER	1,277,615	1,327,260	1,383,309
LIABILITIES - CURRENT	1,223,723	815,513	615,470
LIABILITIES - LONG-TERM	3,310,610	3,257,852	3,200,339
EQUITY	(\$2,679,605)	(\$2,164,628)	(\$1,902,046)
<hr/>			
INCOME	\$3,937,931	\$4,077,277	\$4,271,659
EXPENSE	4,245,866	4,178,014	4,093,479
NET INCOME	(\$307,935)	(\$100,737)	\$178,180
<hr/>			
NUMBER OF BEDS	70	70	70
PERCENT OF OCCUPANCY (DAYS)	95.10%	97.31%	98.07%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	81.40%	77.87%	78.83%
MEDICARE	4.07%	4.77%	3.15%
PRIVATE/OTHER	14.53%	17.36%	18.02%
<hr/>			
<u>MEDICAID RATE</u>			
Operating	\$136.26		
Capital	<u>10.21</u>		
TOTAL	\$146.47		

CON#131100

Pro Forma Balance Sheet

ASSETS

Cash	\$607,007
Accounts Receivable	400,000
Inventory	25,000
Prepays	45,000
Patient Funds	43,000
Property & Equipment	2,205,000
Goodwill	<u>295,000</u>
TOTAL ASSETS	\$3,620,007

LIABILITIES

Accounts Payable	\$300,000
Accrued Payroll Taxes	100,000
Due to Seller	122,000
Medical Liabilities	34,000
Patient Funds	<u>43,000</u>
TOTAL LIABILITIES	\$599,000

NET ASSETS \$3,021,007

CON#131100

Financial Summary
BFA Attachment D

Pontiac Nursing Home

FISCAL PERIOD ENDED

	<u>Through 11/30/2012</u>	<u>2011</u>	<u>2010</u>
ASSETS - CURRENT	\$1,842,064	\$1,293,905	\$1,198,396
ASSETS - FIXED AND OTHER	1,256,204	1,271,787	1,372,979
LIABILITIES - CURRENT	592,744	969,641	797,952
LIABILITIES - LONG-TERM	152,640	228,198	345,403
EQUITY	\$2,352,884	\$1,367,853	\$1,428,020
<hr/>			
INCOME	\$4,731,695	\$4,777,055	\$5,147,108
EXPENSE	3,602,659	4,077,694	4,022,264
NET INCOME	\$1,129,036	\$699,361	\$1,124,844
<hr/>			
NUMBER OF BEDS	80	80	80
PERCENT OF OCCUPANCY (DAYS)	NA	98.52%	99.39%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	NA	81.34%	79.00%
MEDICARE	NA	10.18%	10.33%
PRIVATE/OTHER	NA	8.48%	10.67%

CON#131100

Financial Summary

BFA Attachment E

New East Side Nursing Home

FISCAL PERIOD ENDED

	<u>Trough 12/30/2012</u>	<u>2011</u>	<u>2010</u>
ASSETS - CURRENT	\$900,917	\$1,090,780	\$1,551,510
ASSETS - FIXED AND OTHER	583,710	603,757	630,216
LIABILITIES - CURRENT	775,605	1,220,926	1,885,125
LIABILITIES - LONG-TERM	44,279	44,279	56,149
EQUITY	\$664,743	\$429,332	\$240,452
<hr/>			
INCOME	\$5,291,144	\$5,597,480	\$6,179,916
EXPENSE	5,055,533	5,596,286	5,918,744
NET INCOME	\$235,611	\$1,194	\$261,172
<hr/>			
NUMBER OF BEDS	58	58	58
PERCENT OF OCCUPANCY (DAYS)	NA	97.09%	97.55%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	NA	82.51%	85.70%
MEDICARE	NA	11.90%	10.40%
PRIVATE/OTHER	NA	5.59%	3.90%

CON#131100

Financial Summary

BFA Attachment F

Berkshire Nursing Home

FISCAL PERIOD ENDED

	<u>Through 12/30/2012</u>	<u>2011</u>	<u>2010</u>
ASSETS - CURRENT	\$4,303,582	\$3,101,531	\$3,461,125
ASSETS - FIXED AND OTHER	3,927,556	4,009,235	4,152,492
LIABILITIES - CURRENT	2,832,919	3,413,811	2,263,056
LIABILITIES - LONG-TERM	111,275	111,275	101,185
EQUITY	\$5,286,944	\$3,585,680	\$5,249,376
<hr/>			
INCOME	\$14,272,854	\$15,361,576	\$15,590,900
EXPENSE	12,571,589	13,861,269	13,227,301
NET INCOME	\$1,701,265	\$1,500,307	\$2,363,599
<hr/>			
NUMBER OF BEDS	177	177	177
PERCENT OF OCCUPANCY (DAYS)	NA	91.36%	91.23%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	NA	83.00%	79.00%
MEDICARE	NA	12.41%	14.56%
PRIVATE/OTHER	NA	4.59%	6.44%

**New York State Department of Health
Public Health and Health Planning Council
Committee Day**

May 23, 2013

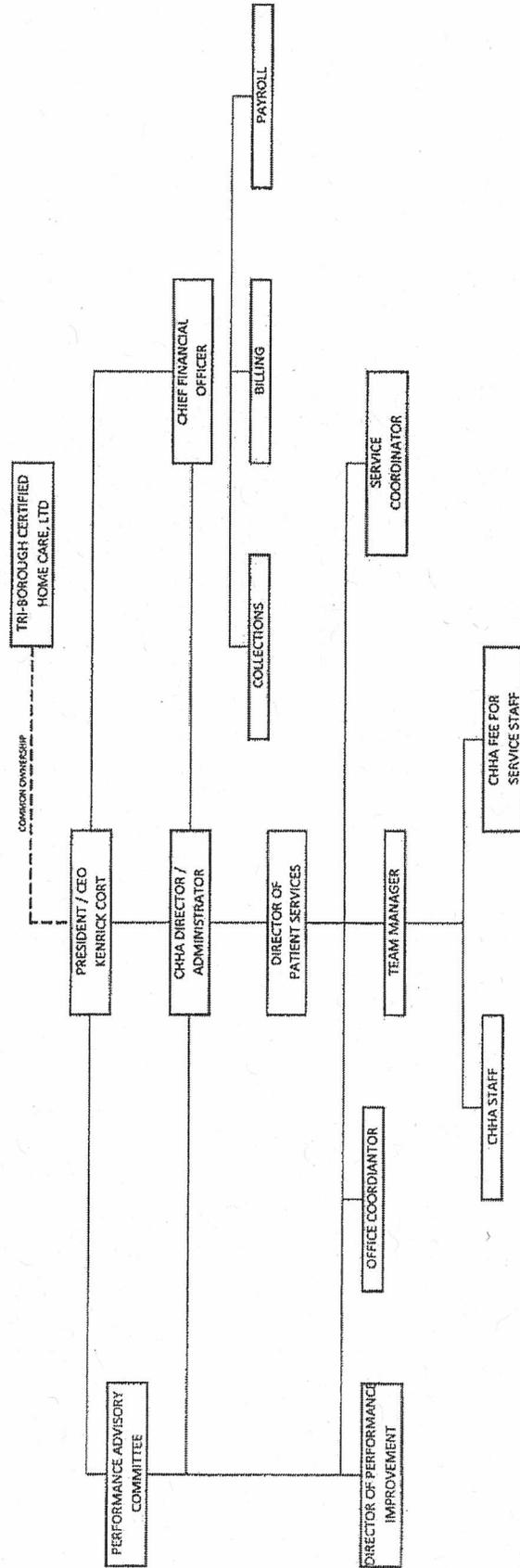
ATTACHMENTS

Certified Home Health Agencies – Establish/Construct

Exhibit #12

<u>Number</u>	<u>Applicant/Facility</u>
1. 131103 E	Family Care Certified Services of Brooklyn/Queens (Kings County)

TRI-BOROUGH CERTIFIED HEALTH SYSTEMS OF NEW YORK, LLC



Balance Sheet
As of 12/31/2012

Tri-Borough Home Care Ltd. (TR3)

Assets

Current Assets

1000-04-689	CHASE Bank- Savings A/C	\$ 564.77
1000-05-000	Chase - Checking A/C- NEW	\$ 152,396.57
1000-09-000	Bank Leumi Checking A/c	\$ 86,921.84
1000-15-000	HSBC - Checking (N)	\$-3,131.43
1000-20-000	HSBC - Savings	\$ 5.79
1000-50-000	Cash on Hand	\$ 300.00
1100-00-000	Accounts Receivable	\$ 4,583,504.98
1100-99-000	Other Receivables	\$ 1,509.84
1500-02-000	Isis Home Health Care - Florida-Fort Myers	\$ 1,557,665.54
1500-03-000	ISIS Home Health Care - Florida-Fort Lauderdale	\$ 64,410.12
1500-12-000	Cort and Medas Associates	\$ 531,133.75
1500-13-000	Triborough Certified Homecare Ltd	\$ 5,862.22

Total Current Assets:

\$ 6,981,143.79

Fixed Assets

1700-01-000	Software License	\$ 91,636.26
1700-02-000	Furniture & Equipment	\$ 231,135.75
1700-02-001	Equipment - Computers	\$ 31,021.44
1700-02-002	Equipment - Mitel Telephone System	\$ 296,955.60
1700-03-000	Amortization Account	\$-231,069.00
1700-05-000	Motor Vehicles - BMW	\$ 26,961.01
1700-06-000	Motor Vehicles-Blue SIENNA SUV - 0226234609	\$ 20,008.88
1700-07-000	Motor Vehicles-Silver SIENNA SUV - 0226234860	\$ 18,240.00
1700-10-000	Leasehold Improvements-1414 Ullica Ave, Office Bldg	\$ 207,123.36
1700-11-000	MV Special Pool Car-Administrator-Lexus RX330	\$ 25,649.36
1700-12-000	MV - Special Pool Car -PORSCHE	\$ 23,812.99
1700-13-000	Motor Vehicles-NEW Blue Sienna SUV	\$ 45,905.31
1700-39-000	Accumulated Depreciation-MV BMW	\$-16,355.00
1700-40-000	Accumulated Depreciation-MV Blue SIENNA SUV	\$-14,162.00
1700-41-000	Accumulated Depreciation-MV Silver SIENNA SUV	\$-16,312.00
1700-43-000	Accumulated Depr-MV-Specl Pool Car-Admin-Lexus330	\$-12,383.00
1700-44-000	Accumulated Depr-MV- Special Pool Car	\$-11,513.00
1700-45-000	Accumulated Depreciation-Leasehold Improvements	\$-56,945.00
1700-48-000	Accumulated Depreciation-MV NEW Blue Sienna SUV	\$-3,825.00

Total Fixed Assets:

\$ 655,885.76

Other Assets

1800-01-000	Investments - Family Aides dba Family Peds Inc	\$ 350,000.00
1800-02-000	Investments - Metro CareGivers,Inc	\$ 22,800.00
1800-04-000	Investments-Family Aides of Nassau CHHA	\$ 150,000.00
1800-05-000	Investments - DATAHR	\$ 10,000.00
1800-06-000	Investments-Family Care - CHHA - Brooklyn	\$ 50,000.00

Total Other Assets:

\$ 582,800.00

Total Assets:

\$ 8,219,829.55

Liabilities

Current Liabilities

2000-04-000	Chase Overdraft - Short Term	\$ 15,309.66
2000-05-000	Funds Held in Trust	\$ 9,119.16
2000-99-004	Loan Due Mitel Networks Inc-Equipmt Licence	\$ 141,908.57
2000-99-005	Loan Due Toyota Financial Svcs-NEW Blue Sienna SUV	\$ 37,863.36
2100-00-011	NY State Withholding Tax	\$ 87,567.39
2100-00-014	Payroll Liabilities-Tax 14	\$ 53,446.76
2100-02-000	Payroll - Misc / Melife / AllState Ded.	\$ 4,463.55
2100-02-001	Federal Withholding Tax	\$ 241,800.40
2100-02-002	Social Security Tax - Employee	\$ 186,988.07
2100-02-003	Social Security Tax - Employer	\$ 267,452.63
2100-02-004	MEDICARE - Employee	\$ 66,845.97

Balance Sheet
 As of 12/31/2012

Tri-Borough Home Care Ltd. (TR3)

Current Liabilities		(Continued)	
2100-02-005	MEDICARE - Employer		\$ 66,863.08
2100-02-006	Fed Unemployment Tax - F U T A		\$ 6,487.99
2100-02-012	Payroll Liabilities-Tax 12		\$ 412.12
2100-02-013	Payroll Liabilities- NY Disability		\$ 5,472.01
2100-02-015	NYC Withholding Tax		\$ 73,880.00
2100-02-016	NY State Unemployment Insurance		\$ 43,015.53
	Total Current Liabilities:		<u>\$ 1,308,896.25</u>
Long-Term Liabilities			
2500-09-000	Loan Payable - KAYLA CORT		\$ 95,000.00
2500-10-000	BANK Leumi Loan A/c (Line of Credit)		\$ 2,493,022.42
	Total Long-Term Liabilities:		<u>\$ 2,588,022.42</u>
	Total Liabilities:		<u>\$ 3,896,918.67</u>
Equity			
3200-00-000	Retained Earnings		\$ 3,743,083.34
3200-00-000	Retained Earnings-Current Year		\$ 200,327.54
3300-01-000	Common Stock		\$ 1,000.00
3400-00-000	Contributions - Kenrick Cort		\$ 378,500.00
	Total Equity:		<u>\$ 4,322,910.88</u>
	Total Liabilities & Equity:		<u>\$ 8,219,829.55</u>

Income Statement
For The 12 Periods Ended 12/31/2012

Tri-Borough Home Care Ltd. (TR3)

		Year to Date	% of Revenue
Revenue			
4125-00-000	Interest Income	0.54	0.00
4125-07-000	Fingerprinting Refund-NYS Health Central Admin	10,150.04	0.05
4125-08-000	Refund-Photocopies for outside Party	142.50	0.00
4150-01-000	HHA	5,011,081.71	23.10
4150-02-000	PCW	638,818.66	2.94
4150-03-000	House Keeping	10,993.00	0.05
4150-04-000	RN	29,043.42	0.13
4150-05-000	PT	5,727.50	0.03
4150-08-000	Live In	1,095,801.11	5.05
4150-10-000	Med Social Worker	70,600.98	0.33
4150-11-000	PCA	5,402,736.72	24.90
4150-12-000	PRJ	1,300.00	0.01
4150-13-000	Management Contracts	9,684,716.18	44.64
4150-25-000	Sales - Adjustments	-264,177.18	-1.22
	Total Revenue:	21,696,935.18	100.00
Cost Of Sales			
5000-00-000	Cost of Sales	1,020.00	0.00
5000-01-000	Cost of Sales - Payroll Expense	7,359,753.55	33.92
5000-02-000	Cost of Sales - Wages	12,454.01	0.06
5000-03-000	Cost of Sales-Payroll Taxes-FICA-Company	456,011.42	2.10
5000-04-000	Cost of Sales - Payroll Taxes-Medicare Tax-Company	106,752.07	0.49
5000-05-000	Cost of Sales - NYS Unemployment - Brooklyn	148,931.23	0.69
5000-08-000	Cost of Sales-Professional Fees-Nursing	294,017.57	1.36
5000-10-000	Cost of Sales - Management Contracts	8,701,651.56	40.11
	Total Cost Of Sales:	17,080,591.41	78.72
	Gross Profit:	4,616,343.77	21.28
Expenses			
6000-00-001	Fed Unemployment Insurance	31,160.47	0.14
6000-01-000	Payroll Expense	2.17	0.00
6000-01-689	Salaries - Brooklyn	58,265.35	0.27
6000-07-689	Worker's Compensation - Brooklyn	296,801.15	1.37
6000-08-689	Medical Insurance - Brooklyn	301,165.75	1.39
6050-00-000	Professional Fees	1,466.39	0.01
6050-01-689	Nursing - Brooklyn	5,070.71	0.02
6050-02-689	Physical Therapy - Brooklyn	260.00	0.00
6050-06-000	Mktg Consultancy-Referral Fees	19,843.85	0.09
6050-07-689	Information Technology - Brooklyn	178,583.24	0.82
6050-08-689	Legal Fees - Brooklyn	180,363.07	0.83
6050-09-000	Professional Fees	2,580.35	0.01
6050-09-689	Accounting Fees - Brooklyn	15,600.00	0.07
6100-01-000	Federal Taxes	860.09	0.00
6100-02-000	State Taxes	11,992.21	0.06
6100-06-000	Penalties & Interest	3,000.00	0.01
6125-01-000	Liability Insurance	35,792.20	0.16
6125-02-000	Disability Insurance	143,243.14	0.66
6125-03-000	Credit Insurance Expenses	31,355.72	0.14
6130-00-000	Training & Inservice Expenses	1,437.18	0.01
6130-01-000	Training Expense	1,293.54	0.01
6135-00-000	Professional Development	39,492.22	0.18
6140-00-000	Recruiting Expense	655.00	0.00
6140-01-000	Recruiting Expense - Fingerprinting	4,850.75	0.02
6140-02-000	Recruiting Expense	380.00	0.00
6200-00-000	Administrative Expenses.	10,611.04	0.05
6200-02-000	Refreshment & Meals	259.76	0.00
6200-03-000	Travel & Entertainment	8,557.74	0.04
6200-04-000	General Business Taxes	500.00	0.00
6200-05-000	General Expenses	848.02	0.00
6200-07-000	Administrative Business Expense	11,148.00	0.05
6300-00-000	Automobile Expense	54.45	0.00
6300-01-000	Auto Expense - Insurance	13,326.13	0.06

Income Statement
For The 12 Periods Ended 12/31/2012

Tri-Borough Home Care Ltd. (TR3)

		Year to Date	% of Revenue
6300-02-000	Auto Expense - Lease	13,010.60	0.06
6300-03-000	Auto Expense- Gas	24,425.92	0.11
6300-04-000	Auto Expense - Repairs & Maintenance	3,405.03	0.02
6315-00-000	Charitable Contributions	34,688.30	0.16
6325-00-000	Dues & Subscriptions	10,339.80	0.05
6340-00-000	Postage & Delivery	583.14	0.00
6345-00-000	Printing & Reproduction	38,701.71	0.18
6345-06-000	Printing & Reproduct	2,576.63	0.01
6400-01-000	Finance Charge	778.93	0.00
6400-02-000	Loan Interest	105,761.57	0.49
6425-00-000	Security Expenses	2,445.47	0.01
6425-01-000	Security Expenses - Terrorism	3,823.31	0.02
6450-00-000	Storage Expenses	9,767.80	0.05
6500-01-689	Stationeries & Supplies - Brooklyn	41,734.57	0.19
6500-01-694	Stationeries & Supplies - Long Island	93.08	0.00
6500-02-689	Postages and Delivery - Brooklyn	17,883.37	0.08
6500-06-000	Office Expense	3,389.96	0.02
6550-01-000	Repairs & Maintenan	123.90	0.00
6550-02-689	Janitorial & Cleaning - Brooklyn	8,790.75	0.04
6550-02-694	Janitorial & Cleaning - Long Island	1,371.24	0.01
6600-01-689	Mobile Expense - Brooklyn	29,107.94	0.13
6600-02-689	Time Keeping Expense - Brooklyn	100.00	0.00
6600-03-000	Communication Exp	10,404.20	0.05
6600-03-689	Office Telephone - Brooklyn	34,925.31	0.16
6600-04-689	Modem & Internet Services - Brooklyn	20,549.64	0.09
6600-05-689	Web Hosting - Brooklyn	4,446.43	0.02
6600-07-689	Network Expense - Brooklyn	3,259.43	0.02
6650-00-000	Computer Expenses	60.99	0.00
6650-01-689	Computer Repairs & Maintenance - Brooklyn	12,461.92	0.06
6650-02-689	Computer Hardware Expense - Brooklyn	226.60	0.00
6650-03-689	Computer Software Expense - Brooklyn	73,416.01	0.34
6700-00-000	Utilities	33,556.80	0.15
6700-01-689	Rent - Brooklyn	158,653.80	0.73
6700-01-690	Rent - New York City	38,829.29	0.18
6700-01-693	Rent - HQ Bldg-1414 Utica Ave-Brooklyn	263,540.44	1.21
6700-01-694	Rent - Long Island	78,577.91	0.36
6700-03-689	Gas & Electricity - Brooklyn	1,088.80	0.01
6700-04-689	Water - Brooklyn	1,671.61	0.01
6700-04-690	Water - New York City	201.58	0.00
6700-04-694	Water - Long Island	379.96	0.00
6800-00-000	Bank Service Charges	35,249.86	0.16
6850-00-000	Depreciation Expense	54,665.00	0.25
6900-00-000	Outside Services	1,468,311.39	6.77
6999-01-000	Miscellaneous Exp - Amex Charge Card	17,607.82	0.08
6999-02-000	Miscellaneous Exp - Capital One Charge Card	3,257.85	0.02
	Total Expenses:	4,078,865.35	18.80
	Net income From Operations:	537,478.42	2.48
Other Income and Expense			
4999-00-000	Other Income	62,122.59	0.29
8500-06-000	Other Expenses - Distribution	-399,273.47	-1.84
	Total Other Income and Expense:	-337,150.88	-1.55
	Earnings Before Income Tax:	200,327.54	0.92
	Net Income (Loss):	200,327.54	0.92

Financial Summary- Family Care Certified Services of Brooklyn/Queens

	<u>FISCAL PERIOD ENDED</u>	
	draft	
	<u>12/31/12</u>	<u>12/31/11</u>
ASSETS - CURRENT	\$8,246,587	\$21,760,223
ASSETS - FIXED AND OTHER	4,465,865	5,175,370
LIABILITIES - CURRENT	20,251,200	27,022,562
LIABILITIES - LONG-TERM	<u>9,895,803</u>	<u>17,182,658</u>
EQUITY	(\$17,434,551)	(\$17,269,627)
<hr/>		
INCOME	\$13,943,626	\$49,239,235
EXPENSE	<u>14,052,758</u>	<u>58,516,991</u>
NET INCOME	(\$109,132)	(\$9,277,756)

Tri-Borough Certified Health Systems of New York, LLC

Pro Forma Balance Sheet

ASSETS

Cash	\$1,882,738
Leasehold Improvements	\$0
Moveable Equipment	\$0

TOTAL ASSETS \$1,882,738

LIABILITIES AND MEMBERS' EQUITY

Permanent Mortgage	\$0
Working Capital Loan	\$0
TOTAL LIABILITIES	\$0

TOTAL MEMBERS EQUITY \$1,882,738

TOTAL LIABILITIES & MEMBERS EQUITY \$1,882,738

**New York State Department of Health
Public Health and Health Planning Council
Committee Day**

May 23, 2013

ATTACHMENTS

**Upstate Request For Applications - Certified Home Health Agencies – Exhibit #13
Establish/Construct**

<u>Number</u>	<u>Applicant/Facility</u>
1. 121213 E	Fort Hudson Certified Home Health Agency, Inc. (Washington County)
2. 121266 E	Guthrie Home Care (Chemung County)

FORT HUDSON HEALTH SYSTEM, INC. AND RELATED ENTITIES

**CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2012 AND 2011**

ASSETS

	<u>2012</u>	<u>2011</u>
CURRENT ASSETS:		
Cash and cash equivalents	\$ 765,855	\$ 487,808
Cash, resident deposits and funds	188,158	206,980
Resident accounts receivable, net of allowance for doubtful accounts	2,482,036	3,250,294
Inventories	120,213	116,666
Other current assets	<u>105,007</u>	<u>90,530</u>
Total current assets	3,661,269	4,152,278
LONG-TERM INVESTMENTS	509,039	462,495
PROPERTY, PLANT, AND EQUIPMENT, net	6,926,325	7,000,948
INTANGIBLE ASSETS, net	<u>163,112</u>	<u>122,125</u>
	<u>\$ 11,259,745</u>	<u>\$ 11,737,846</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:		
Line-of-credit	\$ 125,000	\$ -
Current portion of long-term debt	881,687	661,211
Current portion of capital lease obligation	-	175,065
Accounts payable	647,602	802,233
Accrued payroll and compensatory time	745,749	619,990
Accrued interest	10,333	12,395
Accrued expenses and other liabilities	3,622	3,439
Current portion of due to third party payors	326,061	789,829
Deferred revenue	30,453	15,982
Resident deposits and funds payable	<u>188,158</u>	<u>206,980</u>
Total current liabilities	2,958,665	3,287,124
LONG-TERM DEBT, net of current portion	4,300,738	3,422,007
CAPITAL LEASE OBLIGATION, net of current portion	-	1,286,421
INTEREST RATE SWAP LIABILITY	-	235,707
DUE TO THIRD PARTY PAYORS, net of current portion	<u>327,198</u>	<u>449,766</u>
Total liabilities	7,586,601	8,681,025
NET ASSETS - UNRESTRICTED	<u>3,673,144</u>	<u>3,056,821</u>
	<u>\$ 11,259,745</u>	<u>\$ 11,737,846</u>

FORT HUDSON HEALTH SYSTEM, INC. AND RELATED ENTITIES

**CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2012 AND 2011**

	<u>2012</u>	<u>2011</u>
OPERATING REVENUE:		
Net resident service revenue	\$ 16,552,351	\$ 15,878,649
Net community service revenue	3,402,657	2,917,389
Rental revenue	867,731	854,649
Cafeteria sales	50,188	58,431
Other	<u>23,322</u>	<u>20,771</u>
Total operating revenue	<u>20,896,249</u>	<u>19,729,889</u>
OPERATING EXPENSES:		
Salaries and wages	10,434,383	9,698,588
Employee benefits	<u>2,627,913</u>	<u>2,452,361</u>
Total	<u>13,062,296</u>	<u>12,150,949</u>
Other operating expenses	4,947,574	4,880,226
NYS cash receipts assessment	1,126,319	975,639
Depreciation and amortization	764,432	737,537
Interest	275,456	314,641
Bad debts	<u>227,804</u>	<u>266,114</u>
Total operating expenses	<u>20,403,881</u>	<u>19,325,106</u>
INCOME FROM OPERATIONS	<u>492,368</u>	<u>404,783</u>
NON-OPERATING INCOME (EXPENSE):		
Prior year rate adjustments	(94,281)	155,996
Contributions and non-operating grants	101,067	54,466
Change in fair value of interest rate swap agreements	68,004	44,075
Investment income, net	<u>49,165</u>	<u>(3,853)</u>
Total non-operating income (expense)	<u>123,955</u>	<u>250,684</u>
CHANGE IN NET ASSETS	616,323	655,467
NET ASSETS - beginning of year	<u>3,056,821</u>	<u>2,401,354</u>
NET ASSETS - end of year	<u>\$ 3,673,144</u>	<u>\$ 3,056,821</u>

Fort Hudson Certified Home Health, Inc.
Pro Forma Balance Sheet
Start of Operations

Assets

Current Assets:

Cash and cash equivalents	\$ 541,300
Resident accounts receivable, net	-
Grants and other receivables	-
Due from related parties	-
Other current assets	-
	<hr/>
Total current assets	541,300

Property, plant and equipment, net 364,483

Total assets \$ 905,783

Liabilities and Net Assets (Deficit)

Current liabilities

Bank line of credit	\$ 270,650
Accounts payable and accruals	-
Notes and other payables, related party	-
Other current liabilities	-
	<hr/>

Total current liabilities 270,650

Long-Term Liabilities

Five year term loan	324,450
Notes and other payables, related party	-
	<hr/>

Total liabilities 595,100

Unrestricted net assets (deficiency) 310,683

Total liabilities and net assets \$ 905,783

Guthrie Home Health
Working Balance Sheet

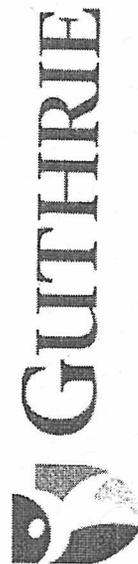
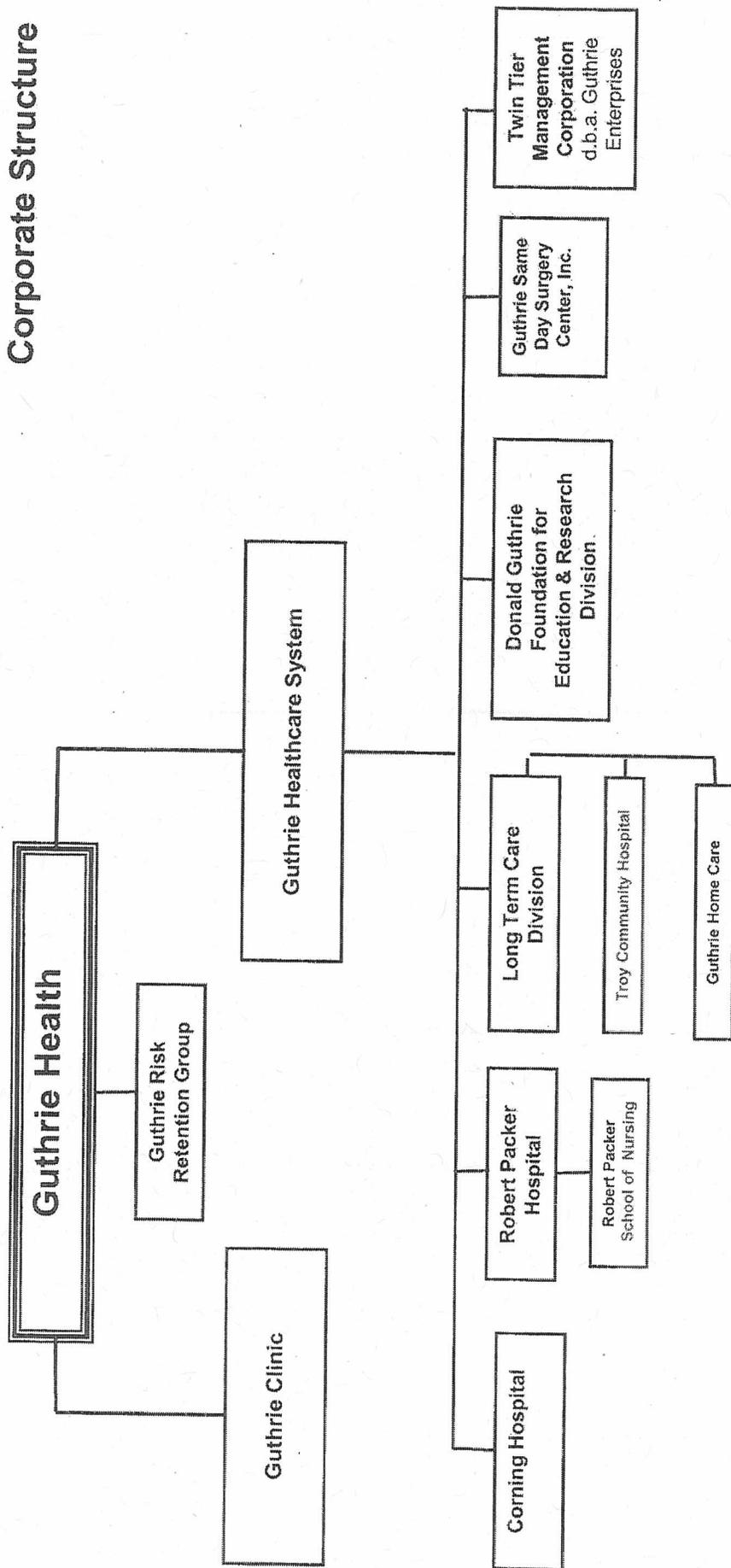
	Ending Balance		Adjusted Balance
Current Assets			
Cash and Cash Equivalents	72,820		72,820
Accounts Receivable-3M	399,092		399,092
A/R Suspense	(32,091)		(32,091)
Reserve For Bad Debt-GHH	(288,677)	109,086	(179,591)
Reserve for MC-RAP	(5,000)		(5,000)
Resrv For Contr Allow GHH	(20,305)		(20,305)
Accounts Receivable, Net of allowance for do	53,020		162,106
Inventories	323	909	1,232
Prepaid Expenses and Other Assets	10,971		10,971
Due from Affiliates	14,545		14,545
Total Current Assets	<u>151,678</u>	<u>909</u>	<u>261,673</u>
Assets limited as to use:			
Investment-M&I Trust Captive	26,736		26,736
Malprac Captive Ins Funding	2,021		2,021
Malprac Buffer Self Ins-GHS	4,567		4,567
Self Insurance Trust Funds	33,324		33,324
Total Assets limited as to use	<u>33,324</u>	<u>0</u>	<u>33,324</u>
Other Assets			
Investment	1,007,835	(44,173)	963,662
Fixed Equipment	3,717		3,717
Movable Equipment	394,392	61,840	456,232
Software	123,360		123,360
Leasehold Improvements	50,234		50,234
Acc Depr-Fixed Equip	(3,638)		(3,638)
Acc Depr-Movable Equip	(365,119)		(365,119)
Acc Depr-Software	(122,638)		(122,638)
Acc Depr-Leasehold Imp	(39,953)		(39,953)
Property, Plant & Equipment, net	40,355	61,840	102,195
Other Assets, net	26,054		26,054
Total Other Assets	<u>1,074,244</u>	<u>17,667</u>	<u>1,091,911</u>
Total Assets	<u>1,259,245</u>	<u>18,576</u>	<u>1,386,907</u>

Current Liabilities

Project #121266
 BFA Attachment C (cont.)

Accrued Expenses & Accounts Payable	44,810		44,810
Accrued Payroll, Taxes and Other	66,113	18,576	84,689
Accrued Vacation	81,832		81,832
Other Liabilities	966		966
Total Current Liabilities	<u>193,720</u>	<u>18,576</u>	<u>212,296</u>
Other Liabilities			
Accr Exp-Workers Comp LT	73,938		73,938
Accr Exp-Prof Liab Ins LT	54,155		54,155
Other Liabilities	128,092		128,092
Total Other Liabilities	<u>128,092</u>	<u>0</u>	<u>128,092</u>
Total Liabilities	<u>321,813</u>	<u>18,576</u>	<u>340,388</u>
Net Assets			
Equity Transfers	299,136		299,136
Accumulated Earnings - Current Year	(85,011)	109,086	24,075
Accum Earnings-Prior Yrs	673,659		673,659
Accum Earnings	3,962		3,962
Minimum Pension Fund Liability	38,191		38,191
Unrestricted	715,812		715,812
Restricted Fund 1/94	6,447		6,447
Restricted EF&S	1,049		1,049
Temporarily restricted	7,496		7,496
Permanently restricted	0		0
Total Net Assets	<u>937,433</u>	<u>109,086</u>	<u>1,046,519</u>
Total Liabilities and Net Assets	<u>1,259,245</u>	<u>127,662</u>	<u>1,386,907</u>

Corporate Structure



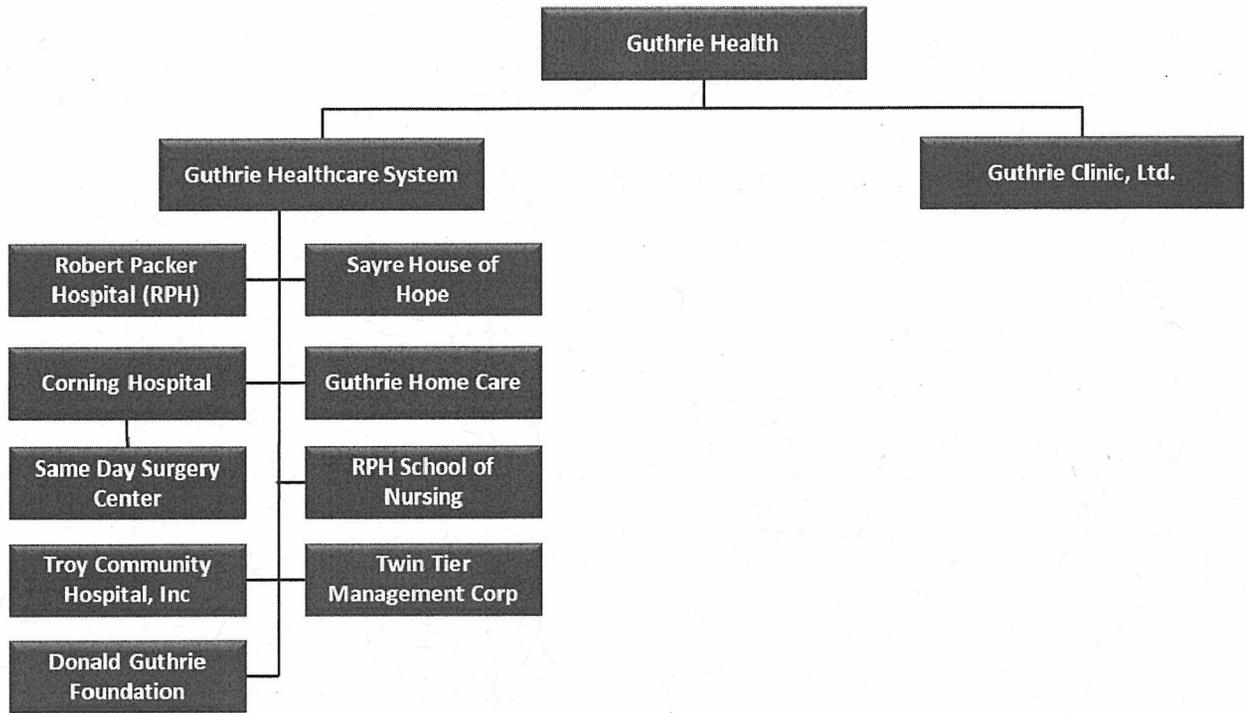


FIGURE 1

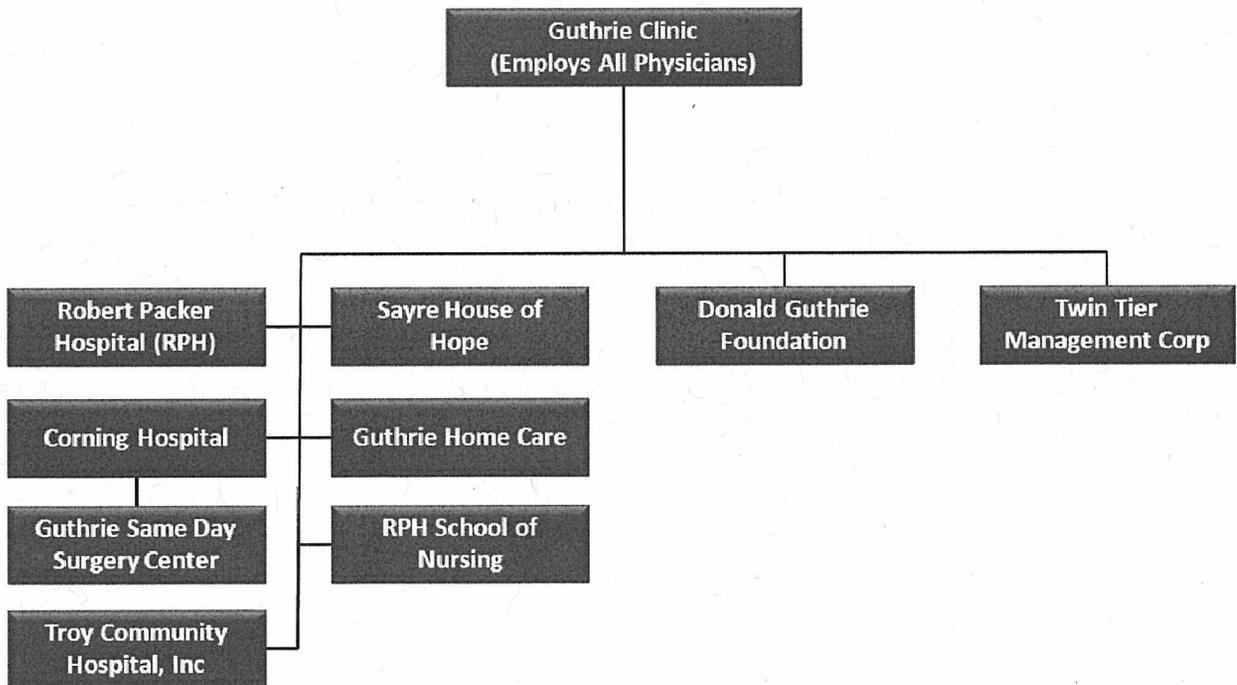


FIGURE 2

**New York State Department of Health
Public Health and Health Planning Council
Committee Day**

May 23, 2013

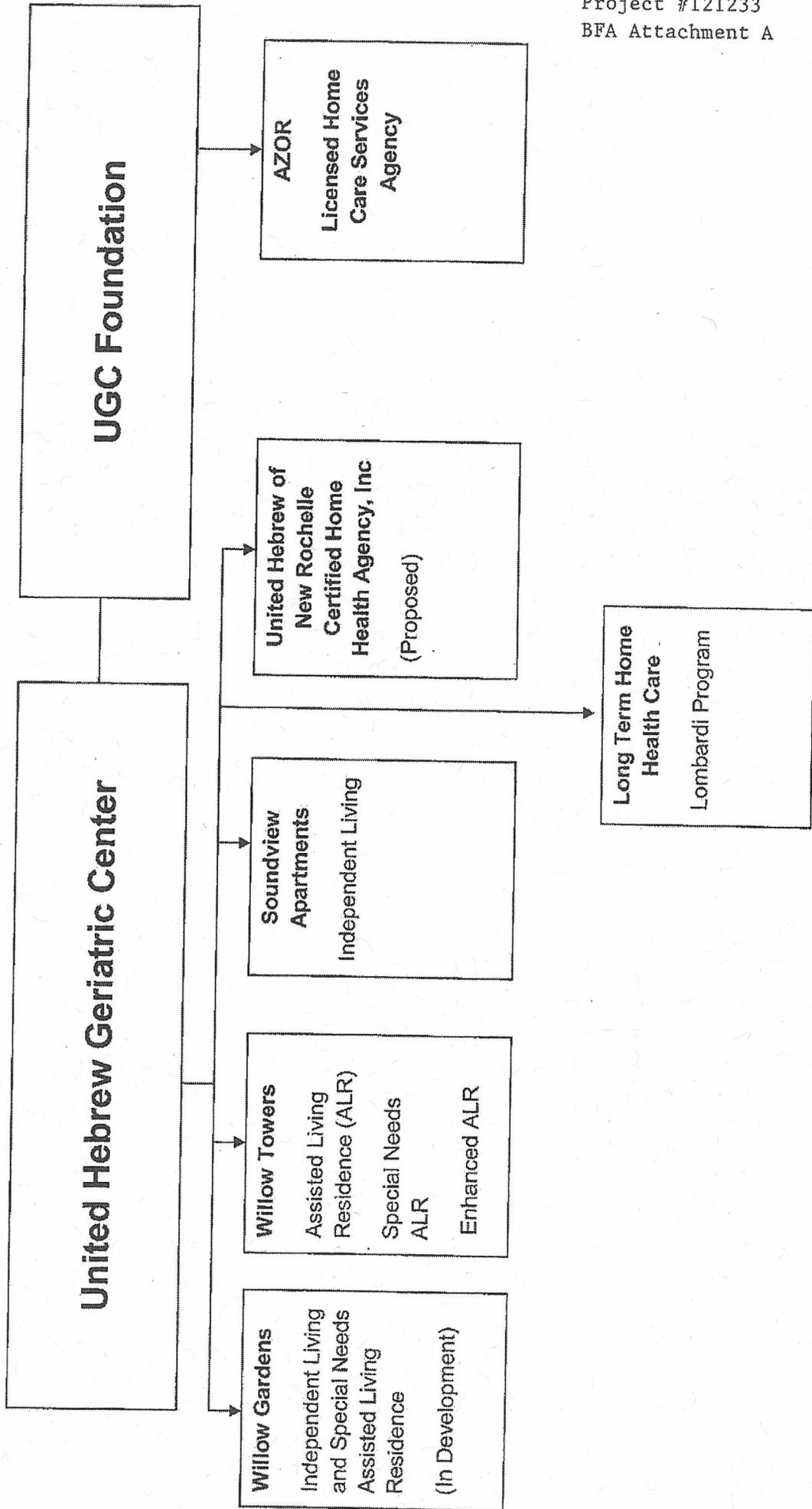
ATTACHMENTS

**Downstate Request For Applications - Certified Home Health
Agencies – Establish/Construct**

Exhibit #14

<u>Number</u>	<u>Applicant/Facility</u>
1. 121233 E	United Hebrew of New Rochelle Certified Home Health Agency, Inc. (Westchester County)

United Hebrew
Organizational Chart



NOTE: ACTUARIAL PENSION CALCULATION IS NOT YET AVAILABLE
ACCORDINGLY, THE ADJUSTMENT HAS NOT BEEN INCLUDED

EXHIBIT A

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FOR DISCUSSION
PURPOSES ONLY**

UNITED HEBREW GERIATRIC CENTER

BALANCE SHEET

DECEMBER 31, 2012 AND 2011

	<u>2012</u>	<u>2011</u>
ASSETS		
Current assets		
Cash and cash equivalents (includes money market funds of \$14,022,480 and \$14,914,306 in 2012 and 2011, respectively)	\$ 14,243,939	\$ 15,233,951
Certificates of deposit	1,017,506	1,007,314
Resident funds - cash	275,250	183,992
Resident funds - money market funds	51,392	106,368
Resident funds - certificate of deposit	156,589	155,660
State of Israel bonds	22,422	21,153
Accounts receivable (net of allowance for doubtful accounts of \$370,147 and \$444,370 in 2012 and 2011, respectively)	5,366,499	5,222,812
Due from related organizations	1,840,863	2,076,251
Other receivables	7,674	27,662
Prepaid expenses and security deposits	<u>310,027</u>	<u>351,633</u>
Total current assets	23,292,161	24,386,796
Assets limited as to use - money market funds	2,505,154	2,253,381
Investment in real estate - net	1,262,198	1,274,476
Fixed assets - net	44,843,309	47,628,394
Intangible asset	603,854	603,854
Due from related organizations	432,791	847,511
Due from UGC Foundation, Inc.	<u>3,000,000</u>	<u>3,000,000</u>
Total assets	<u>\$ 75,939,467</u>	<u>\$ 79,994,412</u>

UNITED HEBREW GERIATRIC CENTER

BALANCE SHEET

DECEMBER 31, 2012 AND 2011

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	<u>2012</u>	<u>2011</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 4,203,135	\$ 4,140,703
Accrued salaries and vacations payable	2,347,413	2,286,153
Accrued pension payable	320,000	320,000
Deferred compensation payable	36,000	36,000
Resident funds	483,231	446,020
Due to related organizations	1,279,594	1,197,296
Estimated amount due to third parties	13,227,792	14,876,288
Mortgages and loans payable	913,477	1,037,464
Total current liabilities	<u>22,810,642</u>	<u>24,339,924</u>
Long-term liabilities		
Accrued pension payable	1,133,713	1,133,713
Deferred compensation payable	169,294	184,493
Mortgages and loans payable	49,249,109	50,162,586
Total long-term liabilities	<u>50,552,116</u>	<u>51,480,792</u>
Total liabilities	<u>73,362,758</u>	<u>75,820,716</u>
Net assets (Exhibit B)		
Unrestricted	2,288,813	3,723,588
Temporarily restricted	287,896	450,108
Total net assets	<u>2,576,709</u>	<u>4,173,696</u>
Total liabilities and net assets	<u>\$ 75,939,467</u>	<u>\$ 79,994,412</u>

EXHIBIT B

UNITED HEBREW GERIATRIC CENTER
STATEMENT OF ACTIVITIES
YEARS ENDED DECEMBER 31, 2012 AND 2011

	2012		2011		Total
	Unrestricted	Temporarily Restricted	Unrestricted	Temporarily Restricted	
Operating revenues and other support					
Net patient service revenues					
Nursing facility	\$ 35,748,812	\$	\$ 35,748,812	\$	\$ 34,823,819
Home health care	6,594,803		6,594,803		6,635,447
Management fees	569,585		569,585		415,564
Other revenues	29,642		29,642		14,476
Net assets released from restrictions	162,212	(162,212)		(277,763)	14,476
Total operating revenues and other support	\$ 43,065,054	(162,212)	\$ 42,902,842	\$ (277,763)	\$ 41,889,306
Operating expenses (Schedule I)					
Professional care of patients	15,091,215		15,091,215		13,977,750
Administrative	2,540,461		2,540,461		2,412,462
Service departments	5,172,496		5,172,496		5,363,949
Nondepartmental (includes interest expense of \$2,841,492 and \$2,891,527 in 2012 and 2011, respectively)	13,333,133		13,333,133		12,858,693
Home health care	5,423,125		5,423,125		5,854,519
Depreciation	3,145,585		3,145,585		3,116,427
Total operating expenses	44,616,015		44,616,015		43,583,800
Operating loss	(1,550,961)	(162,212)	(1,713,173)	(277,763)	(1,694,494)
Nonoperating revenues					
Contributions, legacies and bequests	972		972		2,428
Rental income	88,760		88,760		168,384
Rental expenses (includes depreciation and amortization of \$41,668 and \$39,736 and interest expense of \$16,542 and \$18,536 in 2012 and 2011, respectively)	(130,676)		(130,676)		(196,615)
Interest income	151,992		151,992		91,621
Insurance settlement	0		0		150,000
Other revenue	5,198		5,198		30,770
Total nonoperating revenues	116,186		116,186		246,588
Change in net assets before other changes	(1,434,775)	(162,212)	(1,596,987)	(277,763)	(1,170,143)
Other changes					
Adjustment to accrued pension cost	0		0		(356,344)
Change in net assets (Exhibit C)	(1,434,775)	(162,212)	(1,596,987)	(277,763)	(1,804,250)
Net assets - beginning of year	3,723,588	\$ 450,108	4,173,696	727,871	5,971,946
Net assets - end of year (Exhibit A)	\$ 2,288,813	\$ 287,896	\$ 2,576,709	\$ 450,108	\$ 4,173,696

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