

STATE OF NEW YORK
PUBLIC HEALTH AND HEALTH PLANNING COUNCIL

COMMITTEE DAY

AGENDA

March 22, 2017

10:00 a.m.

*Empire State Plaza, Concourse Level
Meeting Room 6, Albany*

I. COMMITTEE ON PUBLIC HEALTH

Jo Ivey Boufford, M.D., Chair

II. COMMITTEE ON ESTABLISHMENT AND PROJECT REVIEW

Peter Robinson, Chair

A. Applications for Construction of Health Care Facilities/Agencies

Acute Care Services – Construction

Exhibit # 1

	<u>Number</u>	<u>Applicant/Facility</u>
1.	162281 C	University Hospital SUNY Health Science Center (Oswego County)
2.	162286 C	University Hospital SUNY Health Science Center (Onondaga County)
3.	171003 C	UPMC Chautauqua at WCA (Chautauqua County)
4.	171054 C	Aurelia Osborn Fox Memorial Hospital (Delaware County)

Ambulatory Surgery Centers - Construction

Exhibit # 2

	<u>Number</u>	<u>Applicant/Facility</u>
1.	162429 C	Gramercy Park Digestive Disease Center (New York County)

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

Acute Care Services – Establish/Construct

Exhibit # 3

<u>Number</u>	<u>Applicant/Facility</u>
1. 162467 E	Samaritan Medical Center (Jefferson County)

Ambulatory Surgery Centers - Establish/Construct

Exhibit # 4

<u>Number</u>	<u>Applicant/Facility</u>
1. 162438 E	Saratoga-Schenectady Endoscopy Center, LLC (Saratoga County)
2. 162445 E	Putnam Gastroenterology (Putnam County)
3. 162552 B	HSS West Side ASC (New York County)
4. 171020 E	West Side GI (New York County)
5. 171053 E	Surgical Specialty Center of Westchester (Westchester County)

Diagnostic and Treatment Centers - Establish/Construct

Exhibit # 5

<u>Number</u>	<u>Applicant/Facility</u>
1. 161035 E	Lafayette Medical Approach, LLC (New York County)
2. 162428 E	Heritage One Day Surgery LLC (Onondaga County)

Dialysis Services - Establish/Construct

Exhibit # 6

<u>Number</u>	<u>Applicant/Facility</u>
1. 162543 E	True North II DC, LLC d/ba/ East Islip Dialysis (Suffolk County)

Residential Health Care Facilities - Establish/Construct

Exhibit # 7

	<u>Number</u>	<u>Applicant/Facility</u>
1.	161323 E	Sapphire HC LLC d/b/a Briarcliff Manor Center for Rehabilitation and Nursing Care (Westchester County)
2.	161449 E	GRNC Operating LLC d/b/a Ghent Rehabilitation & Nursing Center (Columbia County)
3.	162187 E	Optima Care Smithtown, LLC d/b/a Brookside Multicare Nursing Center (Suffolk County)
4.	162190 E	Optima Care Little Neck, LLC d/b/a Little Neck Care Center (Queens County)
5.	162192 E	Optima Care White Plains, LLC d/b/a White Plains Center for Nursing Care (Westchester County)
6.	162463 B	Cayuga Ridge, LLC d/b/a Cayuga Nursing and Rehabilitation Center (Tomkins County)
7.	162570 E	The Center for Nursing and Rehabilitation at Hoosick Falls (Rensselaer County)

Certified Home Health Agencies - Establish/Construct

Exhibit # 8

	<u>Number</u>	<u>Applicant/Facility</u>
1.	162528 E	Jamaica Acquisition III, LLC d/b/a Hillside Certified Home Care Agency (Queens County)

C. Home Health Agency Licensures

Home Health Agency Licensures

Exhibit # 9

New LHCSAs

2480 L	Liz's Compassionate Care, Inc. (Chemung, Steuben, and Schuyler Counties)
2482 L	T & L Care, Inc. d/b/a Caring Companions of Buffalo (Erie, Niagara, Orleans, Genesee, Wyoming, Chautauqua, Cattaraugus, and Allegany Counties)

- 2534 L Western New York Homecare, Inc.
(Allegany, Cattaraugus, Chautauqua, Erie, Genesee,
Monroe, Niagara, Orleans and Wyoming Counties)
- 152081 Angels at Heart Senior Care, LLC
(Erie and Niagara Counties)
- 152104 Capital Region Home Care, LLC
d/b/a Right at Home Albany
(Albany, Greene, Columbia, Montgomery, Fulton,
Saratoga, Schenectady and Rensselaer Counties)
- 161260 S.M.R. Cares, Inc. d/b/a Home Helpers/Direct Link of
Buffalo
(Alleghany, Cattaraugus, Erie and Wyoming Counties)
- 161284 New York Regional Home Care, LLC
(Monroe, Genesee, Livingston, Ontario and Wayne
Counties)
- 162441 Independence Home Care of New York, Inc.
(Erie and Niagara Counties)

New LHCSAs – Affiliated with Assisted Living Programs (ALPs)

- 162121 Elegance Home Care LLC d/b/a Elegance at Home
(Nassau, Queens, Rockland, Suffolk and Westchester
Counties)
- 162301 St. Johnland LHCSA, Inc. d/b/a St. Johnland LHCSA
(Suffolk and Nassau Counties)
- 162310 Ateret of Midwood LLC d/b/a Ateret Home Care
(Kings, New York, Bronx, Richmond, and Queens
Counties)
- 162311 St. Joseph’s Adult Care Home, Inc.
d/b/a St. Joseph’s Home Care
(Rockland County)
- 162312 Rosewood of Rochester, LLC
d/b/a Rosewood of Rochester Home Care
(Genesee, Ontario, Livingston, Wayne, and Monroe
Counties)

Changes of Ownership

<u>Number</u>	<u>Applicant/Facility</u>
161046	Advanced Care, Inc. (See exhibit for Counties served)
161186	YALR Operating, LLC (Westchester County)
161455	Brighton Home Care, Inc. (New York, Queens, Kings, Richmond, Bronx, and Nassau Counties)
162070	GALR Operating LLC d/b/a Ghent Assisted Living (Columbia County)
162302	Naidu Associates LLC d/b/a Comfort Keepers #512 (Dutchess, Putnam, Westchester and Bronx Counties)
162476	Better Choice Home Care Inc. (Bronx, Queens, Kings, Richmond, Nassau and New York Counties)
162499	MedPro Homecare Agency, Inc. (Bronx, Queens, Kings, Richmond, Nassau and New York Counties)

D. Certificates

Exhibit # 10

Certificate of Amendment of the Certificate of Incorporation

Applicant

Troy Conference Geriatric Foundation, Inc.

Certificate of Amendment to the Certificate of Incorporation

Applicant

Winthrop South Nassau University Health System, Inc.

Upstate University Hospital

Balance Sheet

December 31, 2016

(Dollars in thousands)

				ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
12/31/2016	Audited 12/31/2015	Increase (Decrease)	%					12/31/2016	Audited 12/31/2015	Increase (Decrease)	%
\$ 134,865	\$ 148,584	\$ (13,718)	(9.2)%	<u>Current Assets:</u>				\$ 134,865	\$ 148,584	\$ (13,718)	(9.2)%
75,431	73,717	1,714	2.3%	Cash				75,431	73,717	1,714	2.3%
16,193	19,802	(3,610)	(18.2)%	Accounts Receivable, Net				16,193	19,802	(3,610)	(18.2)%
7,879	7,879	-0-	0.0%	Other Receivables				7,879	7,879	-0-	0.0%
113,206	99,878	13,327	13.3%	Inventory				113,206	99,878	13,327	13.3%
13,207	12,147	1,060	8.7%	Due From Third-Party				13,207	12,147	1,060	8.7%
8,500	8,500	-0-	0.0%	Prepays and Other Assets				8,500	8,500	-0-	0.0%
369,280	370,507	(1,227)	(0.3)%	Due from affiliate, net				369,280	370,507	(1,227)	(0.3)%
10,170	17,761	(7,591)	(42.7)%	Total Current Assets				10,170	17,761	(7,591)	(42.7)%
22,003	20,879	1,124	5.4%	Other Long Term Receivables, Net				22,003	20,879	1,124	5.4%
594	594	-0-	0.0%	Assets Whose Use Is Limited				594	594	-0-	0.0%
120,682	120,682	-0-	0.0%	Unexpended bond proceeds				120,682	120,682	-0-	0.0%
399,436	410,287	(10,851)	(2.6)%	Long term - Due from affiliate				399,436	410,287	(10,851)	(2.6)%
-0-	-0-	-0-	0.0%	Property, Plant and Equip, Net				-0-	-0-	-0-	0.0%
922,166	940,710	(18,544)	(2.0)%	Other Assets				922,166	940,710	(18,544)	(2.0)%
163,843	38,419	125,423	326.5%	Total Assets				163,843	38,419	125,423	326.5%
\$ 1,086,008	\$ 979,129	\$ 106,879	10.9%	Deferred Outflows of Resources				\$ 1,086,008	\$ 979,129	\$ 106,879	10.9%
				<u>Total Assets and Deferred Outflows of Resources</u>							
				LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET ASSETS							
				<u>Current Liabilities:</u>							
\$ 28,146	\$ 26,881	\$ 1,265	4.7%	Current Debt Maturities				\$ 28,146	\$ 26,881	\$ 1,265	4.7%
55,211	71,810	(16,598)	(23.1)%	Accounts Payable				55,211	71,810	(16,598)	(23.1)%
24,289	22,051	2,238	10.2%	Accrued Wages				24,289	22,051	2,238	10.2%
32,060	31,492	567	1.8%	Accrued Compensating Absences				32,060	31,492	567	1.8%
6,790	17,238	(10,448)	(60.6)%	Accrued Employee Benefits				6,790	17,238	(10,448)	(60.6)%
4,318	4,365	(46)	(1.1)%	Accrued Interest				4,318	4,365	(46)	(1.1)%
8,500	8,500	-0-	0.0%	Estimated Professional Liability				8,500	8,500	-0-	0.0%
5,558	5,558	-0-	0.0%	Advances From Third-Party Payors				5,558	5,558	-0-	0.0%
5,216	12,490	(7,274)	(58.2)%	Due to affiliates				5,216	12,490	(7,274)	(58.2)%
170,088	200,384	(30,297)	(15.1)%	Total Current Liabilities				170,088	200,384	(30,297)	(15.1)%
120,682	120,682	-0-	0.0%	Estimated Professional Liability				120,682	120,682	-0-	0.0%
160,461	37,331	123,129	329.8%	Net Pension Liability				160,461	37,331	123,129	329.8%
14,869	16,692	(1,823)	(10.9)%	Loan From Affiliate				14,869	16,692	(1,823)	(10.9)%
22,507	22,507	-0-	0.0%	Accrued Compensating Absences				22,507	22,507	-0-	0.0%
-0-	25,941	(25,941)	(100.0)%	Accrued Employee Benefits				-0-	25,941	(25,941)	(100.0)%
41,095	39,185	1,910	4.9%	Capital Lease Obligations				41,095	39,185	1,910	4.9%
283,961	296,830	(12,869)	(4.3)%	Long-term Obligations, Net				283,961	296,830	(12,869)	(4.3)%
813,662	759,552	54,110	7.1%	Total Liabilities				813,662	759,552	54,110	7.1%
38,904	23,033	15,871	68.9%	Deferred Inflow of Resources				38,904	23,033	15,871	68.9%
852,566	782,585	69,981	0.09	Total liabilities and deferred inflow of resources				852,566	782,585	69,981	0.09
165,094	121,804	43,290	35.5%	Unrestricted				165,094	121,804	43,290	35.5%
68,348	74,740	(6,392)	(8.6)%	Net Invested in Capital Assets				68,348	74,740	(6,392)	(8.6)%
233,442	196,544	36,899	18.8%	Net Assets				233,442	196,544	36,899	18.8%
\$ 1,086,008	\$ 979,129	\$ 106,879	10.9%	Total Liabilities, Deferred Inflows and Net Assets				\$ 1,086,008	\$ 979,129	\$ 106,879	10.9%

Upstate University Hospital
Statements of Revenues and Expenses

December 31, 2016

MONTH TO DATE				Prior MTD	YEAR TO DATE				Prior YTD	
Actual	Budget	Favorable (Unfavorable)	%	Actual	(Dollars in thousands)				Actual	
					Actual	Budget	Favorable (Unfavorable)	%	Actual	
INPATIENT REVENUE										
\$ 134,551	\$ 134,436	\$ 115	0.1%	\$ 119,339	Gross Charges	\$ 810,490	\$ 797,943	\$ 12,546	1.6%	\$ 711,915
(94,695)	(90,805)	(3,890)	(4.3)%	(75,874)	Contractual Allowances	(553,299)	(538,970)	(14,329)	(2.7)%	(450,826)
2,610	(3,726)	6,336	170.1%	(2,325)	Reserve For Bad Debt	(12,413)	(22,115)	9,702	43.9%	(19,807)
42,467	39,906	2,561	6.4%	41,141	Net Inpatient Revenue	244,778	236,859	7,920	3.3%	241,281
OUTPATIENT REVENUE										
83,340	83,154	185	0.2%	78,196	Gross Charges	497,439	492,603	4,837	1.0%	447,155
(59,868)	(59,716)	(152)	(0.3)%	(54,143)	Contractual Allowances	(355,703)	(353,703)	(2,000)	(0.6)%	(320,163)
(3,106)	(2,534)	(573)	(22.6)%	1,356	Reserve For Bad Debt	(16,845)	(15,039)	(1,807)	(12.0)%	(11,091)
20,365	20,905	(540)	(2.6)%	25,409	Net Outpatient Revenue	124,890	123,861	1,030	0.8%	115,901
(2) 62,832	60,811	2,021	3.3%	66,550	Net Patient Revenue	369,669	360,719	8,949	2.5%	357,181
(3) 1,976	735	1,241	168.9%	(718)	Pools and Retros (Pmts)	3,953	4,411	(458)	(10.4)%	5,603
(4) 10,163	14,724	(4,561)	(31.0)%	39,341	Federal Social Security Act - DSH	83,844	88,341	(4,497)	(5.1)%	137,026
2,630	2,564	66	2.6%	2,122	Appropriations from State of New York	15,751	15,384	367	2.4%	12,992
-0-	-0-	-0-	0.0%	-0-	Other State Support - STIP	-0-	-0-	-0-	0.0%	-0-
(5) 5,376	4,301	1,075	25.0%	5,745	Other Revenue	27,582	25,807	1,775	6.9%	23,756
82,978	83,134	(157)	(0.2)%	113,039	Total Revenue	500,799	494,662	6,136	1.2%	536,559
OPERATING EXPENSES										
33,436	30,169	(3,266)	(10.8)%	29,305	Salaries and Wages	176,185	177,300	1,115	0.6%	165,548
3,253	3,079	(174)	(5.7)%	1,592	Contract labor	18,662	18,476	(186)	(1.0)%	16,086
14,313	11,923	(2,390)	(20.0)%	(8,214)	Fringe Benefits	81,587	70,818	(10,769)	(15.2)%	50,652
28,848	31,419	2,570	8.2%	25,020	Supplies and Other	176,523	187,919	11,397	6.1%	167,611
3,642	3,640	(2)	(0.1)%	3,326	Depreciation and Amortization	22,021	21,841	(180)	(0.8)%	20,364
1,168	1,247	79	6.3%	1,821	Interest	6,838	7,480	643	8.6%	7,423
(6) 84,662	81,477	(3,184)	(3.9)%	52,851	Total Expenses	481,816	483,835	2,019	0.4%	427,683
(1,684)	1,657	(3,341)	(201.6)%	60,188	Operating Income (Loss)	18,983	10,828	8,156	75.3%	108,875
NON-OPERATING INCOME (LOSS)										
-0-	-0-	-0-	0.0%	(29)	Non-Operating Gain (Loss)	-0-	-0-	-0-	0.0%	5,277
(1) \$ (1,684)	\$ 1,657	\$ (3,341)	(201.6)%	\$ 60,159	Net Income (Loss)	\$ 18,983	\$ 10,828	\$ 8,156	75.3%	\$ 114,152

**UNIVERSITY HOSPITAL OF THE STATE UNIVERSITY OF
NEW YORK UPSTATE MEDICAL UNIVERSITY**

Balance Sheets

December 31, 2015 and 2014

<u>Assets and Deferred Outflows of Resources</u>	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash held by the State	\$ 148,583,593	\$ 84,908,465
Patient accounts receivable, net of allowance for uncollectible accounts of approximately \$109,200,000 and \$113,700,000, respectively	73,717,111	87,069,561
Other receivables, net	19,802,458	17,286,563
Inventories	7,878,679	7,349,433
Due from third-party payors, net	99,878,331	36,384,962
Prepaid expenses and other	4,272,143	2,897,354
Due from affiliates	8,500,000	6,200,000
Total current assets	362,632,315	242,096,338
Other long-term receivables, net	17,761,000	14,273,000
Limited use assets	20,879,261	15,594,117
Unexpended bond proceeds	593,727	1,482,094
Due from affiliates, net of current portion	120,681,875	72,457,933
Capital assets, net	410,287,050	420,947,536
Other assets, net	-	4,361,987
Total assets	932,835,228	771,213,005
Deferred outflows of resources	46,293,916	-
Total assets and deferred outflows of resources	\$ 979,129,144	\$ 771,213,005
<u>Liabilities and Deferred Inflows of Resources and Net Position</u>		
Current liabilities:		
Current maturities of long-term debt and capital lease obligations	26,881,299	31,390,033
Accounts payable and accrued expenses	71,809,578	64,492,195
Accrued salaries and wages	22,050,529	20,068,401
Accrued compensated absences	31,492,372	31,766,639
Accrued employee benefits	17,237,880	4,031,950
Accrued interest	4,364,597	4,563,002
Estimated professional liability	8,500,000	6,200,000
Advances from third-party payors	5,558,000	5,558,000
Due to affiliates	12,490,176	19,254,494
Total current liabilities	200,384,431	187,324,714
Long-term obligations, net of current maturities:		
Estimated professional liability	120,681,875	72,457,933
Net pension liability	37,331,408	-
Due to affiliates	16,691,789	12,027,258
Accrued compensated absences	22,506,537	22,482,872
Accrued employee benefits	25,940,835	37,619,540
Capital lease obligations	39,184,639	41,846,157
Long-term debt	296,830,459	299,403,880
Total liabilities	759,551,973	673,162,354
Deferred inflows of resources	23,033,278	8,824,736
Total liabilities and deferred inflows of resources	782,585,251	681,987,090
Net position:		
Unrestricted	121,803,753	10,743,975
Net investment in capital assets	74,740,140	78,481,940
Total net position	196,543,893	89,225,915
Commitments and contingencies		
Total liabilities, deferred inflows of resources and net position	\$ 979,129,144	\$ 771,213,005

**UNIVERSITY HOSPITAL OF THE STATE UNIVERSITY OF
NEW YORK UPSTATE MEDICAL UNIVERSITY**

Statements of Revenues, Expenses and Changes in Net Position

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Operating revenue:		
Net patient service revenue (net of provision for bad debts of approximately \$62,900,000 and \$97,400,000, respectively)	\$ 699,619,084	\$ 612,898,438
Federal Social Security Act Disproportionate Share Hospital Revenue	195,627,414	143,373,951
Other revenue	<u>42,303,034</u>	<u>51,230,357</u>
Total operating revenue	<u>937,549,532</u>	<u>807,502,746</u>
Operating expenses:		
Salaries and wages	322,153,353	301,413,298
Employee benefits	129,337,408	125,478,031
Supplies and other	354,606,347	345,342,996
Malpractice	51,925,942	21,449,529
Depreciation and amortization	42,181,397	40,940,310
Cash receipts assessment tax	<u>2,734,279</u>	<u>2,725,738</u>
Total operating expenses	<u>902,938,726</u>	<u>837,349,902</u>
Operating gain (loss)	34,610,806	(29,847,156)
Non-operating revenue (expense):		
State of New York appropriations, net	42,192,411	37,353,464
State of New York malpractice appropriation	51,925,942	21,449,529
Gain on sale of investment	5,276,797	-
Interest expense on capital-related debt	(14,169,362)	(11,991,095)
Interest income	<u>137,481</u>	<u>96,686</u>
Total non-operating revenue, net	<u>85,363,269</u>	<u>46,908,584</u>
Excess of revenues over expenses	<u>119,974,075</u>	<u>17,061,428</u>
Net capital transfers	<u>(6,345,753)</u>	<u>(3,507,378)</u>
Increase in net position	113,628,322	13,554,050
Net position		
Beginning of year	89,225,915	75,671,865
Cumulative effect of change in accounting principle	<u>(6,310,344)</u>	<u>-</u>
End of year	<u>\$ 196,543,893</u>	<u>\$ 89,225,915</u>

Upstate University Radiation Oncology, Inc. (UURO)

	<u>2016</u>	<u>2015</u>
Current Assets	\$13,663,836	\$13,175,248
Non-Current Assets	<u>2,487,147</u>	<u>2,431,562</u>
Total Assets	\$16,150,983	\$15,606,810
Current Liabilities	232,157	121,170
Long Term Liabilities	<u>274,298</u>	<u>249,795</u>
Total Liabilities	506,455	370,965
Net Assets	\$15,644,528	\$15,235,845
Working Capital Position	\$13,431,679	\$13,054,078
Operating Revenues	\$8,050,455	\$8,793,310
Operating Expenses	<u>7,683,868</u>	<u>7,253,095</u>
Operating Net Income	\$366,587	\$1,540,215

Upstate University Hospital
Balance Sheet
December 31, 2016
(Dollars in thousands)

				ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
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120,682	120,682	-0-	0.0%	Unexpended bond proceeds	120,682	120,682	-0-	0.0%
399,436	410,287	(10,851)	(2.6)%	Long term - Due from affiliate	399,436	410,287	(10,851)	(2.6)%
-0-	-0-	-0-	0.0%	Property, Plant and Equip, Net	-0-	-0-	-0-	0.0%
922,166	940,710	(18,544)	(2.0)%	Other Assets	922,166	940,710	(18,544)	(2.0)%
163,843	38,419	125,423	326.5%	Total Assets	163,843	38,419	125,423	326.5%
\$ 1,086,008	\$ 979,129	\$ 106,879	10.9%	Deferred Outflows of Resources	\$ 1,086,008	\$ 979,129	\$ 106,879	10.9%
				Total Assets and Deferred Outflows of Resources				
				LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET ASSETS				
				<u>Current Liabilities:</u>				
\$ 28,146	\$ 26,881	\$ 1,265	4.7%	Current Debt Maturities	\$ 28,146	\$ 26,881	\$ 1,265	4.7%
55,211	71,810	(16,598)	(23.1)%	Accounts Payable	55,211	71,810	(16,598)	(23.1)%
24,289	22,051	2,238	10.2%	Accrued Wages	24,289	22,051	2,238	10.2%
32,060	31,492	567	1.8%	Accrued Compensating Absences	32,060	31,492	567	1.8%
6,790	17,238	(10,448)	(60.6)%	Accrued Employee Benefits	6,790	17,238	(10,448)	(60.6)%
4,318	4,365	(46)	(1.1)%	Accrued Interest	4,318	4,365	(46)	(1.1)%
8,500	8,500	-0-	0.0%	Estimated Professional Liability	8,500	8,500	-0-	0.0%
5,558	5,558	-0-	0.0%	Advances from Third-Party Payors	5,558	5,558	-0-	0.0%
5,216	12,490	(7,274)	(58.2)%	Due to affiliates	5,216	12,490	(7,274)	(58.2)%
170,088	200,384	(30,297)	(15.1)%	Total Current Liabilities	170,088	200,384	(30,297)	(15.1)%
120,682	120,682	-0-	0.0%	Estimated Professional Liability	120,682	120,682	-0-	0.0%
160,461	37,331	123,129	329.8%	Net Pension Liability	160,461	37,331	123,129	329.8%
14,869	16,692	(1,823)	(10.9)%	Loan From Affiliate	14,869	16,692	(1,823)	(10.9)%
22,507	22,507	-0-	0.0%	Accrued Compensating Absences	22,507	22,507	-0-	0.0%
-0-	25,941	(25,941)	(100.0)%	Accrued Employee Benefits	-0-	25,941	(25,941)	(100.0)%
41,095	39,185	1,910	4.9%	Capital Lease Obligations	41,095	39,185	1,910	4.9%
283,961	296,830	(12,869)	(4.3)%	Long-term Obligations, Net	283,961	296,830	(12,869)	(4.3)%
813,662	759,552	54,110	7.1%	Total Liabilities	813,662	759,552	54,110	7.1%
38,904	23,033	15,871	68.9%	Deferred Inflow of Resources	38,904	23,033	15,871	68.9%
852,566	782,585	69,981	0.09	Total liabilities and deferred inflow of resources	852,566	782,585	69,981	0.09
165,094	121,804	43,290	35.5%	Unrestricted	165,094	121,804	43,290	35.5%
68,348	74,740	(6,392)	(8.6)%	Net Invested in Capital Assets	68,348	74,740	(6,392)	(8.6)%
233,442	196,544	36,899	18.8%	Net Assets	233,442	196,544	36,899	18.8%
\$ 1,086,008	\$ 979,129	\$ 106,879	10.9%	Total Liabilities, Deferred Inflows and Net Assets	\$ 1,086,008	\$ 979,129	\$ 106,879	10.9%

Upstate University Hospital
Statements of Revenues and Expenses

December 31, 2016

MONTH TO DATE				Prior MTD	YEAR TO DATE				Prior YTD	
Actual	Budget	Favorable (Unfavorable)	%	Actual	(Dollars in thousands)				Actual	
					Actual	Budget	Favorable (Unfavorable)	%	Actual	
\$ 134,551	\$ 134,436	\$ 115	0.1%	\$ 119,339	INPATIENT REVENUE				\$ 711,915	
(94,695)	(90,805)	(3,890)	(4.3)%	(75,874)	Gross Charges	\$ 810,490	\$ 797,943	\$ 12,546	1.6%	\$ 711,915
2,610	(3,726)	6,336	170.1%	(2,325)	Contractual Allowances	(553,299)	(538,970)	(14,329)	(2.7)%	(450,826)
42,467	39,906	2,561	6.4%	41,141	Reserve For Bad Debt	(12,413)	(22,115)	9,702	43.9%	(19,807)
					Net Inpatient Revenue	244,778	236,859	7,920	3.3%	241,281
					OUTPATIENT REVENUE					
83,340	83,154	185	0.2%	78,196	Gross Charges	497,439	492,603	4,837	1.0%	447,155
(59,868)	(59,716)	(152)	(0.3)%	(54,143)	Contractual Allowances	(355,703)	(353,703)	(2,000)	(0.6)%	(320,163)
(3,106)	(2,534)	(573)	(22.6)%	1,356	Reserve For Bad Debt	(16,845)	(15,039)	(1,807)	(12.0)%	(11,091)
20,365	20,905	(540)	(2.6)%	25,409	Net Outpatient Revenue	124,890	123,861	1,030	0.8%	115,901
(2) 62,832	60,811	2,021	3.3%	66,550	Net Patient Revenue	369,669	360,719	8,949	2.5%	357,181
(3) 1,976	735	1,241	168.9%	(718)	Pools and Retros (Prnts)	3,953	4,411	(458)	(10.4)%	5,603
(4) 10,163	14,724	(4,561)	(31.0)%	39,341	Federal Social Security Act - DSH	83,844	88,341	(4,497)	(5.1)%	137,026
2,630	2,564	66	2.6%	2,122	Appropriations from State of New York	15,751	15,384	367	2.4%	12,992
-0-	-0-	-0-	0.0%	-0-	Other State Support - STIP	-0-	-0-	-0-	0.0%	-0-
(5) 5,376	4,301	1,075	25.0%	5,745	Other Revenue	27,582	25,807	1,775	6.9%	23,756
82,978	83,134	(157)	(0.2)%	113,039	Total Revenue	500,799	494,662	6,136	1.2%	536,559
					OPERATING EXPENSES					
33,436	30,169	(3,266)	(10.8)%	29,305	Salaries and Wages	176,185	177,300	1,115	0.6%	165,548
3,253	3,079	(174)	(5.7)%	1,592	Contract labor	18,662	18,476	(186)	(1.0)%	16,086
14,313	11,923	(2,390)	(20.0)%	(8,214)	Fringe Benefits	81,587	70,818	(10,769)	(15.2)%	50,652
28,848	31,419	2,570	8.2%	25,020	Supplies and Other	176,523	187,919	11,397	6.1%	167,611
3,642	3,640	(2)	(0.1)%	3,326	Depreciation and Amortization	22,021	21,841	(180)	(0.8)%	20,364
1,168	1,247	79	6.3%	1,821	Interest	6,838	7,480	643	8.6%	7,423
(6) 84,662	81,477	(3,184)	(3.9)%	52,851	Total Expenses	481,816	483,835	2,019	0.4%	427,683
(1,684)	1,657	(3,341)	(201.6)%	60,188	Operating Income (Loss)	18,983	10,828	8,156	75.3%	108,875
					NON-OPERATING INCOME (LOSS)					
-0-	-0-	-0-	0.0%	(29)	Non-Operating Gain (Loss)	-0-	-0-	-0-	0.0%	5,277
(1) \$ (1,684)	\$ 1,657	\$ (3,341)	(201.6)%	\$ 60,159	Net Income (Loss)	\$ 18,983	\$ 10,828	\$ 8,156	75.3%	\$ 114,152

**UNIVERSITY HOSPITAL OF THE STATE UNIVERSITY OF
NEW YORK UPSTATE MEDICAL UNIVERSITY**

Balance Sheets

December 31, 2015 and 2014

<u>Assets and Deferred Outflows of Resources</u>	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash held by the State	\$ 148,583,593	\$ 84,908,465
Patient accounts receivable, net of allowance for uncollectible accounts of approximately \$109,200,000 and \$113,700,000, respectively	73,717,111	87,069,561
Other receivables, net	19,802,458	17,286,563
Inventories	7,878,679	7,349,433
Due from third-party payors, net	99,878,331	36,384,962
Prepaid expenses and other	4,272,143	2,897,354
Due from affiliates	<u>8,500,000</u>	<u>6,200,000</u>
Total current assets	362,632,315	242,096,338
Other long-term receivables, net	17,761,000	14,273,000
Limited use assets	20,879,261	15,594,117
Unexpended bond proceeds	593,727	1,482,094
Due from affiliates, net of current portion	120,681,875	72,457,933
Capital assets, net	410,287,050	420,947,536
Other assets, net	<u>-</u>	<u>4,361,987</u>
Total assets	932,835,228	771,213,005
Deferred outflows of resources	<u>46,293,916</u>	<u>-</u>
Total assets and deferred outflows of resources	\$ 979,129,144	\$ 771,213,005
<u>Liabilities and Deferred Inflows of Resources and Net Position</u>		
Current liabilities:		
Current maturities of long-term debt and capital lease obligations	26,881,299	31,390,033
Accounts payable and accrued expenses	71,809,578	64,492,195
Accrued salaries and wages	22,050,529	20,068,401
Accrued compensated absences	31,492,372	31,766,639
Accrued employee benefits	17,237,880	4,031,950
Accrued interest	4,364,597	4,563,002
Estimated professional liability	8,500,000	6,200,000
Advances from third-party payors	5,558,000	5,558,000
Due to affiliates	<u>12,490,176</u>	<u>19,254,494</u>
Total current liabilities	200,384,431	187,324,714
Long-term obligations, net of current maturities:		
Estimated professional liability	120,681,875	72,457,933
Net pension liability	37,331,408	-
Due to affiliates	16,691,789	12,027,258
Accrued compensated absences	22,506,537	22,482,872
Accrued employee benefits	25,940,835	37,619,540
Capital lease obligations	39,184,639	41,846,157
Long-term debt	<u>296,830,459</u>	<u>299,403,880</u>
Total liabilities	759,551,973	673,162,354
Deferred inflows of resources	<u>23,033,278</u>	<u>8,824,736</u>
Total liabilities and deferred inflows of resources	782,585,251	681,987,090
Net position:		
Unrestricted	121,803,753	10,743,975
Net investment in capital assets	<u>74,740,140</u>	<u>78,481,940</u>
Total net position	196,543,893	89,225,915
Commitments and contingencies		
Total liabilities, deferred inflows of resources and net position	\$ 979,129,144	\$ 771,213,005

**UNIVERSITY HOSPITAL OF THE STATE UNIVERSITY OF
NEW YORK UPSTATE MEDICAL UNIVERSITY**

Statements of Revenues, Expenses and Changes in Net Position

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Operating revenue:		
Net patient service revenue (net of provision for bad debts of approximately \$62,900,000 and \$97,400,000, respectively)	\$ 699,619,084	\$ 612,898,438
Federal Social Security Act Disproportionate Share Hospital Revenue	195,627,414	143,373,951
Other revenue	<u>42,303,034</u>	<u>51,230,357</u>
Total operating revenue	<u>937,549,532</u>	<u>807,502,746</u>
Operating expenses:		
Salaries and wages	322,153,353	301,413,298
Employee benefits	129,337,408	125,478,031
Supplies and other	354,606,347	345,342,996
Malpractice	51,925,942	21,449,529
Depreciation and amortization	42,181,397	40,940,310
Cash receipts assessment tax	<u>2,734,279</u>	<u>2,725,738</u>
Total operating expenses	<u>902,938,726</u>	<u>837,349,902</u>
Operating gain (loss)	34,610,806	(29,847,156)
Non-operating revenue (expense):		
State of New York appropriations, net	42,192,411	37,353,464
State of New York malpractice appropriation	51,925,942	21,449,529
Gain on sale of investment	5,276,797	-
Interest expense on capital-related debt	(14,169,362)	(11,991,095)
Interest income	<u>137,481</u>	<u>96,686</u>
Total non-operating revenue, net	<u>85,363,269</u>	<u>46,908,584</u>
Excess of revenues over expenses	<u>119,974,075</u>	<u>17,061,428</u>
Net capital transfers	<u>(6,345,753)</u>	<u>(3,507,378)</u>
Increase in net position	113,628,322	13,554,050
Net position		
Beginning of year	89,225,915	75,671,865
Cumulative effect of change in accounting principle	<u>(6,310,344)</u>	<u>-</u>
End of year	<u>\$ 196,543,893</u>	<u>\$ 89,225,915</u>

Upstate University Radiation Oncology, Inc. (UURO)

	<u>2016</u>	<u>2015</u>
Current Assets	\$13,663,836	\$13,175,248
Non-Current Assets	<u>2,487,147</u>	<u>2,431,562</u>
Total Assets	\$16,150,983	\$15,606,810
Current Liabilities	232,157	121,170
Long Term Liabilities	<u>274,298</u>	<u>249,795</u>
Total Liabilities	506,455	370,965
Net Assets	\$15,644,528	\$15,235,845
Working Capital Position	\$13,431,679	\$13,054,078
Operating Revenues	\$8,050,455	\$8,793,310
Operating Expenses	<u>7,683,868</u>	<u>7,253,095</u>
Operating Net Income	\$366,587	\$1,540,215

THE WOMAN'S CHRISTIAN ASSOCIATION OF JAMESTOWN, N.Y.
CONSOLIDATED BALANCE SHEETS
December 31, 2015 and 2014

ASSETS	2015	2014
Current assets:		
Cash and cash equivalents	\$ 3,113,816	\$ 5,213,004
Patient accounts receivable, net of allowance for doubtful accounts of approximately \$998,206 (\$1,127,000 - 2014)	11,699,895	13,180,632
Other receivables - affiliates	1,239	634
Supplies	3,276,939	2,986,262
Prepaid expenses and other current assets	2,534,837	1,796,755
Assets limited as to use - current portion	15,881	744,342
Estimated amounts due from third-party payors	1,764,229	556,333
Total current assets	22,406,236	24,477,962
Property, plant and equipment, net	38,842,975	42,882,134
Assets limited as to use, net	5,955,427	5,374,645
Beneficial interest in the net assets of W.C.A. Foundation	12,697,870	13,552,109
Other long-term receivable	925,000	875,000
Other assets, net	1,307,390	1,367,536
Total assets	\$ 82,134,698	\$ 88,529,386
LIABILITIES AND NET ASSETS		
Current liabilities:		
Line of credit	\$ -	\$ 1,500,000
Due to related parties	-	2,000,000
Current portion of long-term debt	3,135,508	2,620,686
Current portion of capital lease obligations	256,841	516,517
Accounts payable and accrued expenses	6,947,927	7,146,703
Accrued payroll and benefits	2,869,706	3,803,380
Deferred revenue	222,834	269,616
Estimated amounts due to third-party payors	2,462,794	2,504,788
Total current liabilities	15,895,410	20,361,690
Long-term debt, net of unamortized discount	24,099,548	27,323,105
Capital lease obligations, net	44,162	300,793
Other long-term liability	925,000	875,000
Accrued pension liability	30,092,941	31,661,659
Total liabilities	71,057,051	80,522,247
Net assets:		
Unrestricted		
Pension liability adjustment	(34,591,223)	(37,075,302)
Other	30,929,085	29,413,219
Total unrestricted net assets (deficit)	(3,662,138)	(7,662,083)
Temporarily restricted	11,835,657	12,827,507
Permanently restricted	2,904,128	2,841,715
Total net assets	11,077,647	8,007,139
Total liabilities and net assets	\$ 82,134,698	\$ 88,529,386

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

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted revenue, gains and other support:		
Net patient service revenue	\$ 101,820,158	\$ 103,145,323
Provision for bad debts	(4,817,857)	(5,980,843)
Net patient service revenue, less provision for bad debts	<u>97,202,301</u>	<u>97,164,680</u>
Other revenue	8,334,838	4,743,156
Total unrestricted revenue, gains and other support	<u>105,537,139</u>	<u>101,907,836</u>
Expenses:		
Salaries and wages	40,777,720	40,314,944
Supplies	18,076,538	14,915,697
Employee benefits	11,725,297	10,698,558
Other	11,275,891	9,953,228
Professional fees	8,515,153	8,377,362
Purchased services	7,000,299	7,943,384
Depreciation and amortization	6,418,792	6,242,497
Interest	2,264,142	2,211,895
Malpractice insurance	845,315	1,086,260
Total operating expenses	<u>104,898,947</u>	<u>101,741,725</u>
Income from operations	638,192	166,111
Other income:		
Contributions	29,804	10,714
Investment income	381,838	273,481
Loss on sale of capital assets	(41,568)	-
Equity investment income	50,000	50,000
Total other income	<u>419,874</u>	<u>334,175</u>
Excess of revenue over expenses	<u>\$ 1,058,086</u>	<u>\$ 500,286</u>

**WCA HOSPITAL
JAMESTOWN, NEW YORK
BALANCE SHEET
AS OF NOVEMBER 30, 2016**

ASSETS	YEAR-TO-DATE	PRIOR YEAR-TO-DATE
CURRENT ASSETS:		
CASH AND CASH EQUIVALENTS	\$6,880,167	\$3,457,118
ACCOUNTS RECEIVABLE-NET	11,891,293	11,298,930
OTHER RECEIVABLES-AFFILIATES	157	394
SUPPLIES	3,517,622	3,063,429
PREPAID EXPENSES AND OTHER	1,836,076	1,815,660
DUE FROM THIRD-PARTY PAYOR SETTLEMENTS	0	0
TOTAL CURRENT ASSETS	24,105,315	19,635,431
PROPERTY, PLANT, AND EQUIPMENT - NET	37,064,082	38,906,296
ASSETS WHOSE USE IS LIMITED	6,131,030	6,032,001
ASSETS HELD BY OTHERS	12,697,670	13,552,109
OTHER ASSETS, NET	<u>1,291,885</u>	<u>1,334,009</u>
TOTAL ASSETS	<u>\$81,289,982</u>	<u>\$79,459,846</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
DEFERRED REVENUE	\$191,409	\$225,691
SHORT-TERM BORROWINGS	0	0
CURRENT PORTION OF LONG-TERM DEBT	3,316,091	2,947,662
ACCOUNTS PAYABLE AND ACCRUED EXPENSES	8,767,517	5,879,238
ACCRUED PAYROLL AND BENEFITS	4,643,296	4,216,544
DUE TO THIRD PARTY PAYOR SETTLEMENTS	2,416,471	2,358,999
TOTAL CURRENT LIABILITIES	19,534,784	15,829,134
LONG-TERM DEBT	22,042,566	25,799,280
DEFERRED EHR REVENUE	0	0
ACCRUED PENSION LIABILITY	30,518,986	32,263,433
NET ASSETS:		
UNRESTRICTED:		
PENSION LIABILITY ADJUSTMENT	(34,691,223)	(37,076,302)
OTHER	29,436,345	27,957,258
TEMPORARILY RESTRICTED	11,444,398	12,024,328
PERMANENTLY RESTRICTED	<u>2,904,128</u>	<u>2,841,715</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$81,289,982</u>	<u>\$79,459,846</u>

**WCA HOSPITAL
JAMESTOWN, NEW YORK
STATEMENT OF REVENUES AND EXPENSES
NOVEMBER 30, 2016**

YEAR-TO-DATE

UNRESTRICTED REVENUE:	ACTUAL	BUDGET	VARIANCE FAV/(UNF)	PERCENT CHANGE	PRIOR YEAR	VARIANCE FAV/(UNF)	PERCENT CHANGE
1 NET PATIENT REVENUE	98,818,278	97,489,430	(851,154)	-0.9%	91,676,688	4,941,610	5.4%
2 BAD DEBT EXPENSE	(4,784,334)	(4,625,338)	(158,996)	3.4%	(4,678,523)	(108,811)	2.3%
3 RETROACTIVE ADJUSTMENTS	32,724	0	32,724		253,142	(220,418)	
4 TOTAL PATIENT REVENUE	91,866,668	92,844,692	(977,426)	-1.1%	87,254,285	4,612,381	5.3%
5 OTHER REVENUE	2,217,145	2,028,832	190,313	9.4%	2,088,550	130,595	6.3%
6 VAPAP AWARD	5,494,383	5,380,288	114,127	2.1%	5,526,360	(31,987)	-0.6%
TOTAL UNRESTRICTED REVENUE	99,578,204	100,251,190	(672,986)	-0.7%	94,867,185	4,711,009	5.0%
EXPENSES:							
7 SALARIES	39,550,323	38,923,319	(627,004)	-1.6%	37,286,835	(2,253,488)	-6.0%
8 BENEFITS	11,045,798	11,540,454	494,656	4.3%	11,031,280	(14,538)	-0.1%
9 MEDICAL SURGICAL SUPPLIES	13,683,588	13,248,515	(437,073)	-3.3%	12,619,438	(1,064,150)	-8.4%
10 OTHER SUPPLIES	2,514,134	2,018,794	(495,340)	-24.6%	2,231,473	(282,661)	-12.7%
11 PHYSICIANS' PROFESSIONAL FEES	7,386,716	7,013,442	(363,274)	-5.0%	8,838,083	(530,833)	-7.8%
12 INTEREST EXPENSE	1,691,754	1,960,548	268,794	13.7%	1,988,293	296,539	14.9%
13 DEPRECIATION	5,642,711	5,630,588	(12,145)	-0.2%	5,815,500	172,789	3.0%
14 OTHER EXPENSE	20,280,879	20,244,485	(36,384)	-0.2%	19,145,419	(1,135,460)	-5.9%
TOTAL OPERATING EXPENSES:	101,778,903	100,678,133	(1,197,770)	-1.2%	98,984,361	(4,811,602)	-5.0%
NET INCOME (LOSS) FROM OPERATIONS	(2,197,699)	(326,943)	(1,670,756)		(2,097,106)	(100,583)	
OTHER INCOME(EXPENSES):							
15 CONTRIBUTIONS	9,238	4,584	4,652		16,254	(7,018)	
16 INVESTMENT INCOME	252,293	268,387	(16,094)		312,765	(60,472)	
17 GAIN (LOSS) ON SALE OF ASSETS	(467,103)	0	(467,103)		2,701.00	(469,804)	
EXCESS OF REVENUE OVER EXPENSES	(2,403,273)	(63,972)	(2,349,301)		(1,766,386)	(637,887)	

AURELIA OSBORN FOX MEMORIAL HOSPITAL SOCIETY AND SUBSIDIARIES

Consolidated Balance Sheets

December 31, 2015 and 2014

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash equivalents	\$ 1,768,346	1,522,179
Investments	159,956	544,909
Patient accounts receivable, net of allowance for doubtful accounts of approximately \$970,000 in 2015 and \$2,156,000 in 2014	8,437,822	8,530,631
Grants and other receivables, net	2,987,598	2,927,674
Inventories	1,567,775	1,632,940
Prepaid expenses	894,929	633,003
Estimated third-party payor settlements	<u>1,091,838</u>	<u>1,456,123</u>
Total current assets	<u>16,908,264</u>	<u>17,247,459</u>
Assets limited as to use	2,068,731	2,234,019
Investments	2,441,370	2,464,185
Grants and other receivables	664,670	813,952
Property and equipment, net	33,451,076	37,139,137
Other assets	109,285	109,285
Deferred financing costs, net of accumulated amortization of approximately \$25,000 in 2015 and \$5,000 in 2014	382,316	402,704
Investment in At Home Care, Inc.	<u>1,588,227</u>	<u>1,586,734</u>
Total assets	<u>\$ 57,613,939</u>	<u>61,997,475</u>

<u>Liabilities and Net Assets</u>	<u>2015</u>	<u>2014</u>
Current liabilities:		
Current portion of long-term debt	\$ 1,148,302	1,151,190
Accounts payable	9,438,691	9,319,810
Accrued payroll and benefits	3,037,310	3,370,567
Accrued expenses	1,917,245	1,707,676
Compensated absences	464,525	421,505
Deferred revenue	224,171	10,599
Due to affiliates, net	<u>3,283,738</u>	<u>582,110</u>
Total current liabilities	19,513,982	16,563,457
Long-term debt, net of current portion	13,735,715	14,873,030
Other liabilities	<u>2,628,376</u>	<u>3,004,267</u>
Total liabilities	<u>35,878,073</u>	<u>34,440,754</u>
Net assets:		
Unrestricted:		
A.O. Fox Memorial Hospital Society and Subsidiaries	17,057,015	22,774,617
Noncontrolling interest in Stamford Professional Associates	<u>89,441</u>	<u>92,116</u>
Total unrestricted net assets	17,146,456	22,866,733
Temporarily restricted	969,863	1,072,361
Permanently restricted	<u>3,619,547</u>	<u>3,617,627</u>
Total net assets	<u>21,735,866</u>	<u>27,556,721</u>
Commitments and contingencies		
Total liabilities and net assets	<u>\$ 57,613,939</u>	<u>61,997,475</u>

AURELIA OSBORN FOX MEMORIAL HOSPITAL SOCIETY AND SUBSIDIARIES

Consolidated Statements of Operations

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted revenues, gains and other support:		
Patient service revenue (net of contractual allowances and discounts)	\$ 68,156,788	68,406,427
Provision for bad debts	(2,631,831)	(4,409,521)
Net patient service revenue less provision for bad debts	<u>65,524,957</u>	<u>63,996,906</u>
Pharmacy sales, net cost of pharmaceutical goods sold	146,607	199,566
Membership dues	734,824	761,812
Other revenue	7,652,900	4,532,738
Net assets released from restrictions used for operations	<u>144,360</u>	<u>79,733</u>
Total unrestricted revenues, gains and other support	<u>74,203,648</u>	<u>69,570,755</u>
Expenses:		
Salaries	33,864,271	34,826,907
Employee benefits	10,621,044	9,539,341
Physician fees	1,086,704	1,782,408
Supplies and materials	8,676,615	8,068,510
Purchased and contracted services	13,074,276	12,710,258
Professional services	2,827,380	787,733
Insurance	1,025,455	1,063,446
Interest	823,899	1,177,653
Depreciation and amortization	5,299,760	6,051,675
Other direct expenses	<u>3,368,772</u>	<u>3,724,230</u>
Total expenses	<u>80,668,176</u>	<u>79,732,161</u>
Operating loss	(6,464,528)	(10,161,406)
Other income (loss):		
Contributions	63,433	49,926
Net realized gains on sales of investments and assets limited as to use	131,669	1,160,650
Other investment income	19,427	67,710
Loss on disposal of property and equipment	(144,607)	(701,034)
Loss on extinguishment of debt	-	(479,552)
Equity in earnings (loss) of At Home Care, Inc.	<u>1,493</u>	<u>(37,449)</u>
Total other income	<u>71,415</u>	<u>60,251</u>
Deficiency of revenues over expenses	(6,393,113)	(10,101,155)
Net loss attributable to noncontrolling interest in Stamford Professional Associates	<u>2,675</u>	<u>7,391</u>
Deficiency of revenues over expenses - A.O. Fox Memorial Hospital Society and Subsidiaries	(6,390,438)	(10,093,764)
Change in net unrealized gains and losses on investments and assets limited as to use	(187,571)	(1,213,824)
Pension-related changes other than net periodic benefit cost	274,394	(742,458)
Net assets released from restrictions used for purchase of property and equipment	<u>586,013</u>	<u>1,469,530</u>
Change in unrestricted net assets - A.O. Fox Memorial Hospital Society and Subsidiaries	<u>\$ (5,717,602)</u>	<u>(10,580,516)</u>

TRI TOWN REGIONAL HEALTHCARE

Balance Sheets

December 31, 2015 and 2014

Assets	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash equivalents	\$ 2,193,110	2,676,528
Patient accounts receivable, net	1,019,125	870,768
Grants and other receivables	181,266	170,604
Inventories	95,812	112,587
Prepaid expenses	30,566	29,355
Total current assets	<u>3,519,879</u>	<u>3,859,842</u>
Interest in net assets of Friends of Bassett, Inc.	17,599	30,806
Property and equipment, net	1,880,283	1,352,372
Total assets	<u>\$ 5,417,761</u>	<u>5,243,020</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 398,434	217,039
Accrued expenses	471,123	1,052,028
Estimated payable to third-party payors	16,163	72,552
Current installments of loan payable	—	396,724
Total current liabilities	<u>885,720</u>	<u>1,738,343</u>
Long-term liabilities:		
Deferred revenue	—	14,565
Total liabilities	<u>885,720</u>	<u>1,752,908</u>
Net assets:		
Unrestricted	4,499,863	3,431,819
Temporarily restricted	32,178	58,293
Total net assets	<u>4,532,041</u>	<u>3,490,112</u>
Total liabilities and net assets	<u>\$ 5,417,761</u>	<u>5,243,020</u>

TRI TOWN REGIONAL HEALTHCARE
Statements of Operations and Changes in Net Assets
Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted revenue, gains, and other support:		
Net patient service revenue	\$ 9,700,097	10,912,199
Provision for uncollectible accounts	(1,003,848)	(1,142,065)
Net patient service revenue, less provision for uncollectible accounts	8,696,249	9,770,134
Interest income	2,938	1,286
Other revenue	1,437,873	1,068,477
Net assets released from restrictions used for operations	47,183	79,011
Total unrestricted revenue, gains, and other support	<u>10,184,243</u>	<u>10,918,908</u>
Expenses:		
Contracted personnel services	3,651,906	3,549,587
Supplies and other	5,793,053	5,452,453
Depreciation and amortization	281,220	289,421
Interest expense	3,276	7,304
Total expenses	<u>9,729,455</u>	<u>9,298,765</u>
Operating margin	<u>454,788</u>	<u>1,620,143</u>
Excess of unrestricted revenue, gains, and other support over expenses	454,788	1,620,143
Unrestricted net assets:		
Net assets released from restrictions for property and equipment	613,256	155,911
Increase in unrestricted net assets	<u>1,068,044</u>	<u>1,776,054</u>
Temporarily restricted net assets:		
Contributions and grants and change in interest in Friends of Bassett, Inc.	634,324	244,099
Net assets released from restrictions for:		
Purchase of property and equipment	(613,256)	(155,911)
Operations	(47,183)	(79,011)
(Decrease) increase in temporarily restricted net assets	<u>(26,115)</u>	<u>9,177</u>
Change in net assets	<u>1,041,929</u>	<u>1,785,231</u>
Net assets, beginning of year	3,490,112	1,704,881
Net assets, end of year	<u>\$ 4,532,041</u>	<u>3,490,112</u>

A.O. FOX MEMORIAL HOSPITAL
BALANCE SHEET
DECEMBER 2016

BFA Attachment C
CON 171054

	DECEMBER 2016	NOVEMBER 2016
ASSETS:		
CURRENT ASSETS:		
Cash and Cash Equivalents	2,654,835	3,174,548
Short term investments	2,062,790	2,178,404
Accounts Receivable	14,939,107	16,132,186
less: Estimated Uncollectibles	935,660	966,471
Estimated Contractual Allowances	5,001,441	5,554,140
Grants and Other Receivables	2,377,599	2,020,457
Settlement amounts due from 3rd party payors	1,209,009	1,184,820
Inventories	1,276,822	1,279,723
Prepaid Expenses	720,749	952,617
TOTAL CURRENT ASSETS:	19,303,812	20,402,145
INVESTMENTS LIMITED AS TO USE:		
Externally Restricted Investments	2,382,775	2,242,911
TOTAL INVESTMENTS LIMITED TO USE	2,382,775	2,242,911
LONG TERM INVESTMENTS		
Beneficial Interest in Net Assets of At Home Care Due from Affiliates	1,588,227	1,588,227
Other Assets	3,939,812	3,883,273
Grants and Other Receivables	109,285	109,285
Property, Plant & Equipment, Net	525,000	525,000
Deferred Financing Costs	30,632,587	30,538,396
Beneficial Interest in Net Assets of A.O. Fox Foundation	0	0
	2,948,976	2,948,976
TOTAL ASSETS	61,430,474	62,238,213
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Accounts Payable - trade	7,067,502	6,182,900
Accrued Payroll and Payroll related expenses	1,365,327	2,354,431
Accrued Expenses	2,761,421	2,630,201
Compensated Absences	464,525	464,525
Due to Affiliates	133,201	241,165
Current portion of Long Term Debt	534,839	571,713
TOTAL CURRENT LIABILITIES	12,326,815	12,444,935
Long Term Debt - net of current portion	204,632	225,611
OTHER LIABILITIES	2,592,915	2,584,704
TOTAL LIABILITIES	15,124,362	15,255,249
NET ASSETS:		
Unrestricted	42,618,119	42,446,201
Temporarily Restricted	1,068,446	917,315
Permanently Restricted	3,619,547	3,619,547
TOTAL NET ASSETS	46,306,113	46,982,963
TOTAL	61,430,474	62,238,213

A.O. FOX MEMORIAL HOSPITAL
STATEMENTS OF REVENUE AND EXPENSE
DECEMBER 2016

BFA Attachment C(Cont'd)
CON 171054

	YTD 2016 ACTUAL	YTD 2016 BUDGET	YTD 2015 ACTUAL
NET PATIENT SERVICE REVENUE	\$73,261,087	\$69,521,280	\$68,229,234
NET BAD DEBT	\$2,355,407	\$2,721,861	\$2,602,576
TOTAL NET PATIENT SERVICE REVENUE	70,905,679	66,799,419	65,626,658
Foundation Contributions	3,435	-	3,678.23
General Contributions	125,752	-	337,692
EHR Incentives	-	-	570,060
VAP Grant	4,464,038	639,573	845,526
ESSENTIAL PROVIDER GRANT	200,096	-	-
VAPAP/VBP QIP Grant	3,186,847	2,381,745	3,761,329
DSRIP	180,804	350,000	-
Other Operating Revenue	2,257,948	2,218,889	2,072,499
Net Assets Released from Restriction	32,569	-	29,934
TOTAL OPERATING REVENUE	\$81,357,169	\$72,389,626	\$73,247,376
OPERATING EXPENSES			
Salaries	\$34,039,340	\$31,270,354	\$33,092,610
Physician Fees	978,168	721,318	1,334,517
Employee Benefits	10,209,610	9,234,005	9,432,299
Supplies - Medical	7,225,529	7,618,389	6,548,791
Supplies - Non-Medical	1,645,149	1,749,615	2,050,020
Purchased & Contr. Services	16,053,159	15,623,581	14,718,053
Professional Services	484,274	664,097	792,544
Insurance	1,104,872	1,025,393	1,039,175
Interest Expense	579,404	120,459	736,505
Depreciation & Amortization	4,808,044	4,805,981	5,261,271
Other Direct Expenses	2,978,869	3,190,173	3,165,372
TOTAL OPERATING EXPENSES	\$80,106,418	\$76,023,365	\$78,171,158
GAIN (LOSS) FROM OPERATIONS	\$1,250,751	(\$3,633,739)	(\$4,923,781)
NON-OPERATING REVENUE (EXPENSE)			
Investment Income (Net)	13,204	-	\$138,497
Gain(loss) on Sale of Property	336	-	1,062
TOTAL NON-OPERATING REVENUE (EXPENSE)	13,539	-	\$139,559
EXCESS OF REVENUE OVER EXPENSES	1,264,290	(3,633,739)	(\$4,784,222)
Change in Net Unrealized Gain (Loss) on Investments	101,026	-	(\$166,563)
Net Assets Released from Restrictions for PP&E	391,584	-	384,769
Grant Revenue for PP&E	208,310	-	208,310.00
Loss on Extinguishment of Debt	19,834,580	-	-
CHANGE IN UNRESTRICTED NET ASSETS	\$21,799,791	(\$3,633,739)	(\$4,357,706)

TRI-TOWN REGIONAL HOSPITAL

BALANCE SHEET
December 31, 2016 and 2015

ASSETS

CURRENT:	<u>2016</u>	<u>2015</u>
CASH AND EQUIVALENTS	\$ 2,512,121	\$ 2,193,110
NET ACCOUNTS RECEIVABLE	1,179,415	1,019,125
INVENTORIES	113,100	95,812
OTHER RECEIVABLES	219,017	198,866
PREPAID EXPENSES AND ADVANCES	32,001	30,566
THIRD PARTY PAYABLE	<u>6,364</u>	<u>-</u>
TOTAL CURRENT ASSETS	4,062,019	3,537,479
 PROPERTY, PLANT AND EQUIPMENT:		
NET PROPERTY, PLANT AND EQUIPMENT	1,921,245	1,880,283
 TOTAL ASSETS	 <u>\$ 5,983,264</u>	 <u>\$ 5,417,761</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES:

ACCOUNTS PAYABLE	\$ 388,222	\$ 398,434
OTHER ACCRUED EXPENSES	483,421	471,123
CURRENT PORTION LONG TERM DEBT	19,355	-
THIRD PARTY PAYABLES	<u>-</u>	<u>16,163</u>
TOTAL CURRENT LIABILITIES	890,998	885,720
 LONG TERM LIABILITIES:		
PHILIPS CAPITAL LEASE	<u>100,626</u>	<u>-</u>
TOTAL LONG TERM LIABILITIES	100,626	-

NET ASSETS:

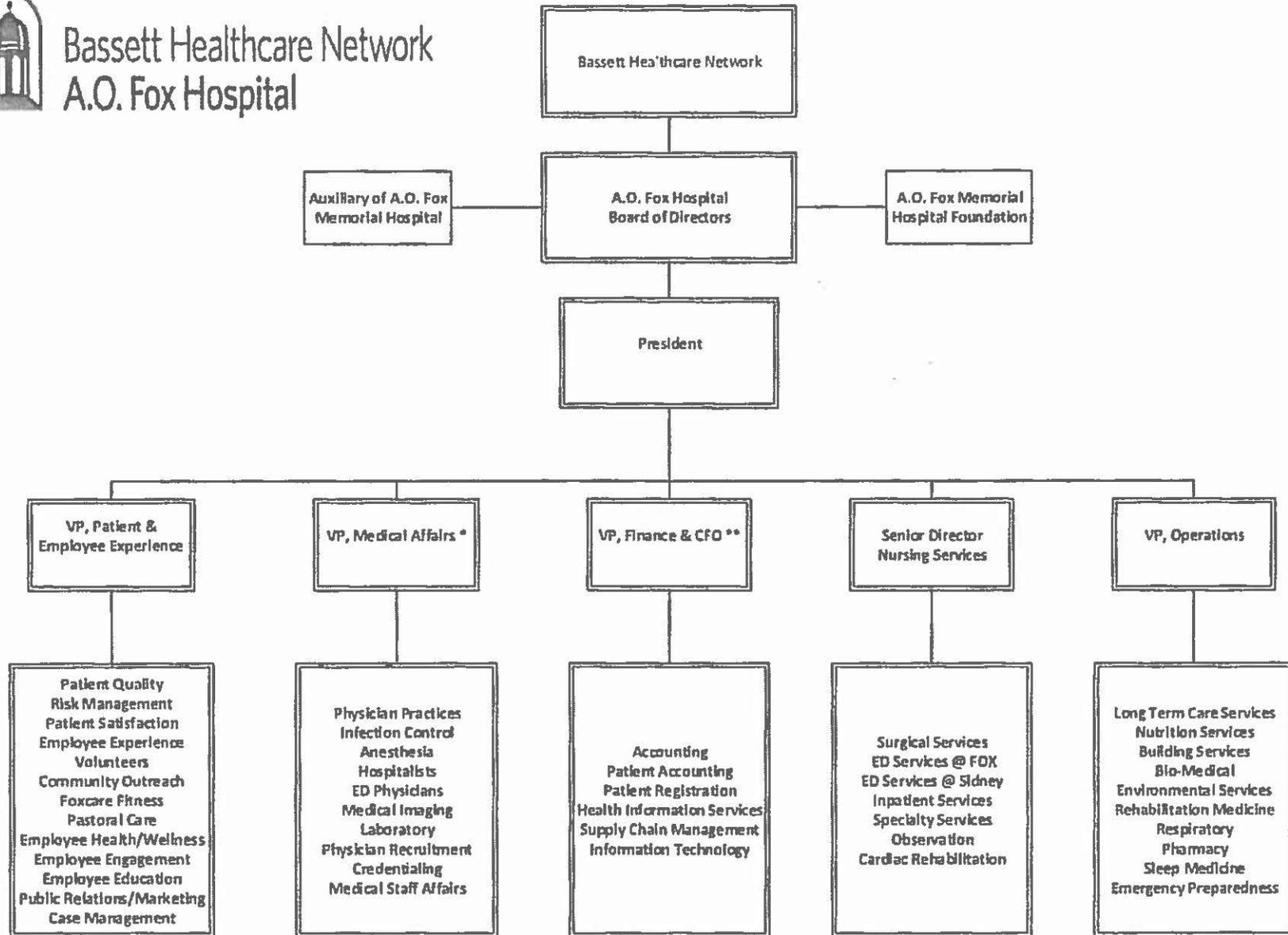
UNRESTRICTED	4,959,491	4,499,863
TEMPORARILY RESTRICTED	<u>32,148</u>	<u>32,178</u>
TOTAL NET ASSETS	4,991,640	4,532,041
 TOTAL LIABILITIES AND NET ASSETS	 <u>\$ 5,983,264</u>	 <u>\$ 5,417,761</u>

**TRI TOWN REGIONAL HEALTHCARE
 STATEMENT OF REVENUES & EXPENSES
 December 31, 2016
 YEAR-TO-DATE**

	<u>2015 ACTUAL</u>	<u>2016 BUDGET</u>	<u>2016 ACTUAL</u>	<u>VARIANCE</u>	<u>PERCENT VARIANCE</u>
NET PATIENT REVENUES	\$ 10,054,103	\$ 10,287,841	\$ 10,328,746	\$ 40,905	0.4%
NONPATIENT REVENUES	<u>372,482</u>	<u>336,567</u>	<u>351,217</u>	<u>14,650</u>	4.4%
TOTAL REVENUES	<u>10,426,585</u>	<u>10,624,408</u>	<u>10,679,963</u>	<u>55,555</u>	0.5%
EXPENSES:					
SALARY & WAGES (LEASED STAFF)	2,999,219	3,064,893	3,021,928	(42,965)	-1.4%
FRINGE BENEFITS	652,688	671,807	656,197	(15,610)	-2.3%
CONTRACT & AGENCY	3,844,722	4,005,698	4,302,741	297,043	7.4%
PATIENT CARE SUPPLIES	1,275,904	1,368,564	1,256,323	(112,241)	-8.2%
PROPERTY & EQUIPMENT	805,257	833,870	868,500	34,630	4.2%
SUPPLIES & OTHER	<u>394,008</u>	<u>372,343</u>	<u>353,156</u>	<u>(19,187)</u>	-5.2%
TOTAL EXPENSES	<u>9,971,798</u>	<u>10,317,175</u>	<u>10,458,845</u>	<u>141,670</u>	1.4%
NET OPERATING GAIN/(LOSS)	<u>\$ 454,787</u>	<u>\$ 307,233</u>	<u>\$ 221,118</u>	<u>\$ (86,115)</u>	



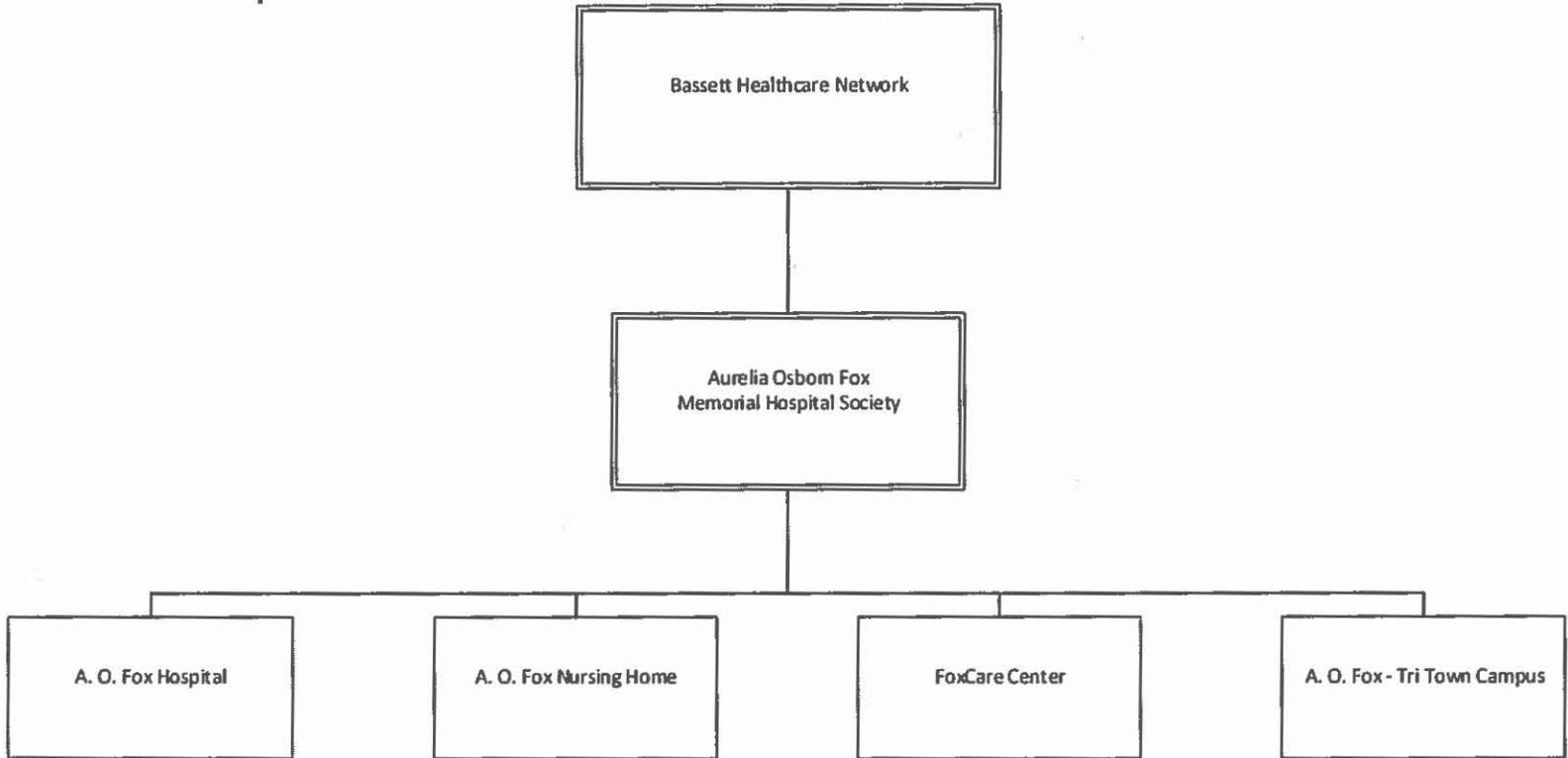
**Bassett Healthcare Network
A.O. Fox Hospital**



* Bassett Medical Group Liaison
** Information Technology Liaison



Bassett Healthcare Network
A.O. Fox Hospital



**GPDDC, LLC
A/K/A
Gramercy Park Digestive Disease Center
BALANCE SHEET
DECEMBER 31, 2015**

ASSETS

CURRENT ASSETS

Cash	\$	1,334,293
Accounts receivable (net of allowance of \$92,442)		1,016,039
Prepaid expenses		<u>2,427</u>
Total current assets		<u>2,352,759</u>

PROPERTY AND EQUIPMENT

Furniture, fixtures and medical equipment		2,621,527
Leasehold improvements		<u>1,898,851</u>
		4,520,378
Less: Accumulated depreciation		<u>2,445,286</u>
		2,075,092

OTHER ASSETS

Intangible assets (net of accumulated amortization of \$70,849)		0
Security deposit		<u>96,236</u>
		<u>96,236</u>
	\$	<u>4,524,087</u>

GPDDC, LLC
A/K/A
Gramercy Park Digestive Disease Center
BALANCE SHEET
DECEMBER 31, 2015

LIABILITIES AND MEMBERS' CAPITAL

CURRENT LIABILITIES

Accounts payable	\$	25,473
Accrued expenses		36,901
Business tax payable		119,200
Payroll liabilities		50,897
Pension liability		37,176
Equipment financing payable		<u>203,833</u>
Total current liabilities		473,480

OTHER LIABILITIES

Equipment financing payable – non-current		<u>507,554</u>
Total liabilities		981,034

MEMBERS' CAPITAL

		<u>3,543,053</u>
	\$	<u>4,524,087</u>

GPDDC, LLC
A/K/A
Gramercy Park Digestive Disease Center
STATEMENT OF INCOME, EXPENSES AND MEMBERS' CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2015

PATIENT INCOME (net of refunds \$24,881)	\$ 10,277,208
COST OF MEDICAL SERVICES/SUPPLIES	<u>1,816,080</u>
GROSS PROFIT	8,461,128
OPERATING EXPENSES	
Administrative and facility expenses	<u>2,686,835</u>
OPERATING INCOME	5,774,293
OTHER INCOME	
Interest expenses	(31,849)
Interest income	<u>714</u>
	<u>(31,135)</u>
INCOME BEFORE PROVISION FOR INCOME TAXES	5,743,158
Provision for income taxes	<u>227,045</u>
NET INCOME	5,516,113
MEMBERS' CAPITAL – BEGINNING	<u>3,635,143</u>
	9,151,256
ADD: MEMBER CONTRIBUTION	<u>180,000</u>
	9,331,256
LESS: MEMBERS' DISTRIBUTIONS	<u>5,788,203</u>
MEMBERS' CAPITAL – ENDING	\$ <u>3,543,053</u>

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Cash Basis

GPDDC, LLC
Balance Sheet(UNAUDITED)
As of December 31, 2016

BFA Attachment B
CON 162429

	Dec 31, 16
ASSETS	
Current Assets	
Checking/Savings	
1000 · Bank Accounts	2,834,335.56
Total Checking/Savings	2,834,335.56
Other Current Assets	
1030-01 · Advances Receivable	1,500.00
Total Other Current Assets	1,500.00
Total Current Assets	2,835,835.56
Fixed Assets	
1050 · Fixed Assets	1,791,119.57
1080 · Intangible Assets	0.00
Total Fixed Assets	1,791,119.57
TOTAL ASSETS	<u>4,626,955.13</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 · Payroll Liabilities	1,319.94
2102 · Pension Plan Payable_Employees	32,878.96
2120 · Wages Payable	0.07
2135 · Accrued Expenses	131,537.00
2136 · Accrued Taxes	23,663.00
Total Other Current Liabilities	189,398.97
Total Current Liabilities	189,398.97
Long Term Liabilities	
2210 · Loans Payable-Bank	507,554.20
Total Long Term Liabilities	507,554.20
Total Liabilities	696,953.17
Equity	
3000 · Member Capital Account	-5,030,936.54
Net Income	8,960,938.50
Total Equity	3,930,001.96
TOTAL LIABILITIES & EQUITY	<u>4,626,955.13</u>

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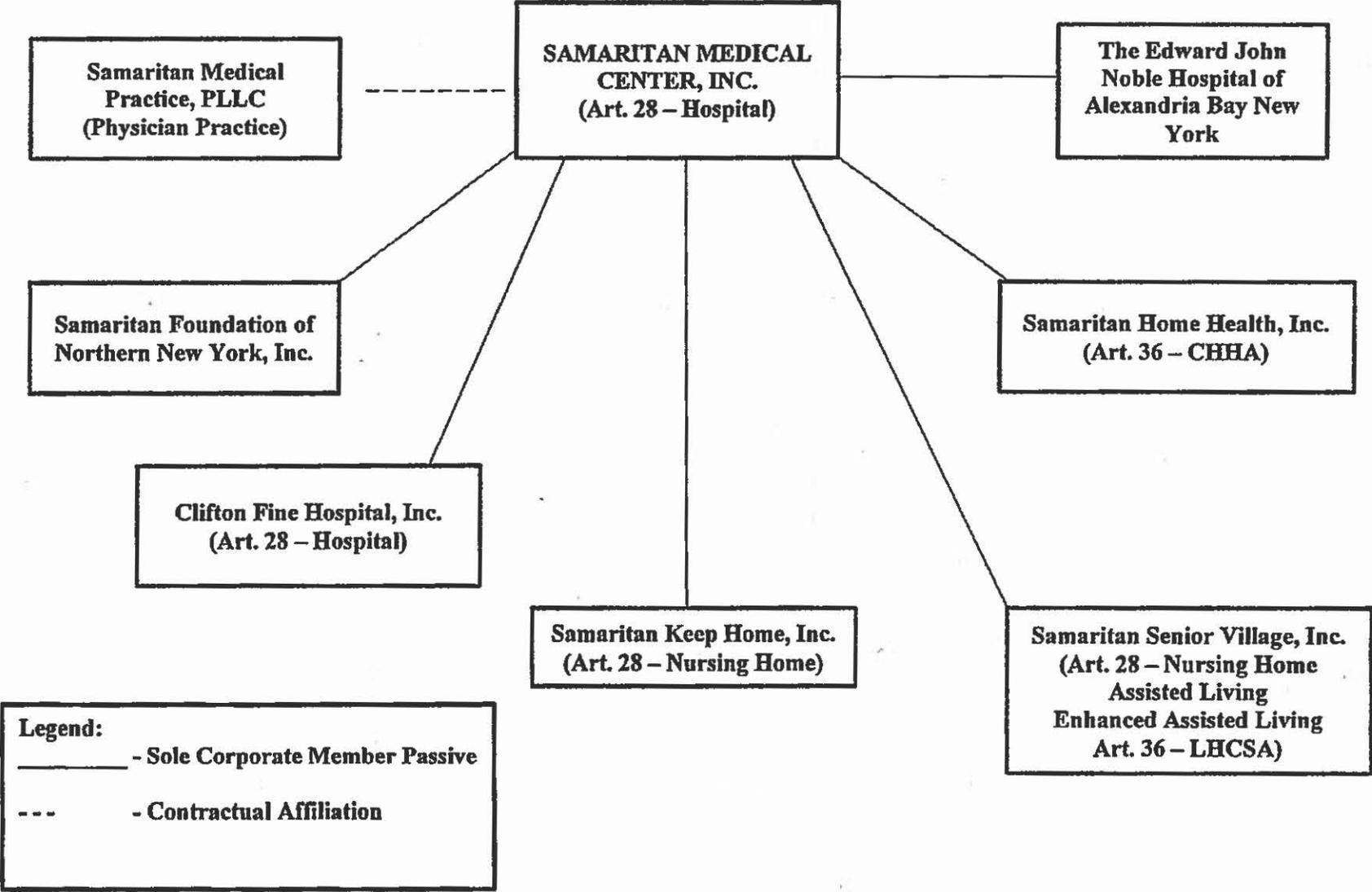
Cash Basis

GPDDC, LLC
Profit & Loss(UNAUDITED)
January through December 2016

	Jan - Dec 16
Ordinary Income/Expense	
Income	
4000 · Revenue	13,943,605.84
Total Income	13,943,605.84
Expense	
6110 · Service Charges	11,558.37
6115 · Billing Service	98,764.60
6130 · Cleaning Expense	104,009.14
6135 · Conferences	2,375.72
6150 · Depreciation Expense	271,672.48
6160 · Dues and Subscriptions	10,800.00
6165 · Education Expense	900.00
6170 · Equipment Rental	37,662.32
6180 · Insurance	398,526.15
6200 · Interest Expense	24,062.76
6215 · Licenses and Permits	41,654.94
6225 · Office Expense	80,272.47
6230 · Outside Services	192,242.40
6240 · Pension Plan Expense	44,762.79
6250 · Postage and Delivery	63.99
6270 · Professional Services	102,109.64
6290 · Rent	734,149.41
6300 · Repairs	104,596.61
6500 · Payroll Expenses	199,192.17
6610 · Reference/Research Expenses	127.17
6700 · Salaries & Wages	1,789,260.88
6720 · Supplies	619,723.86
6730 · Telephone	19,492.00
6740 · Travel & Ent	35,942.51
6760 · Utilities	63,003.82
6800 · Taxes	-40.86
Total Expense	4,986,885.34
Net Ordinary Income	8,956,720.50
Other Income/Expense	
Other Income	
7010 · Other Income	14,626.43
Total Other Income	14,626.43
Other Expense	
9999 · Other Expenses	10,408.43
Total Other Expense	10,408.43
Net Other Income	4,218.00
Net Income	<u>8,960,938.50</u>

2016 - Organizational Chart

CON#162467 BFA
Attachment A



**Samaritan Medical Practice, PLLC
(Physician Practice)**

**SAMARITAN MEDICAL CENTER, INC.
(Art. 28 - Hospital)**

**The Edward John Noble Hospital of
Alexandria Bay New York**

Samaritan Foundation of Northern New York, Inc.

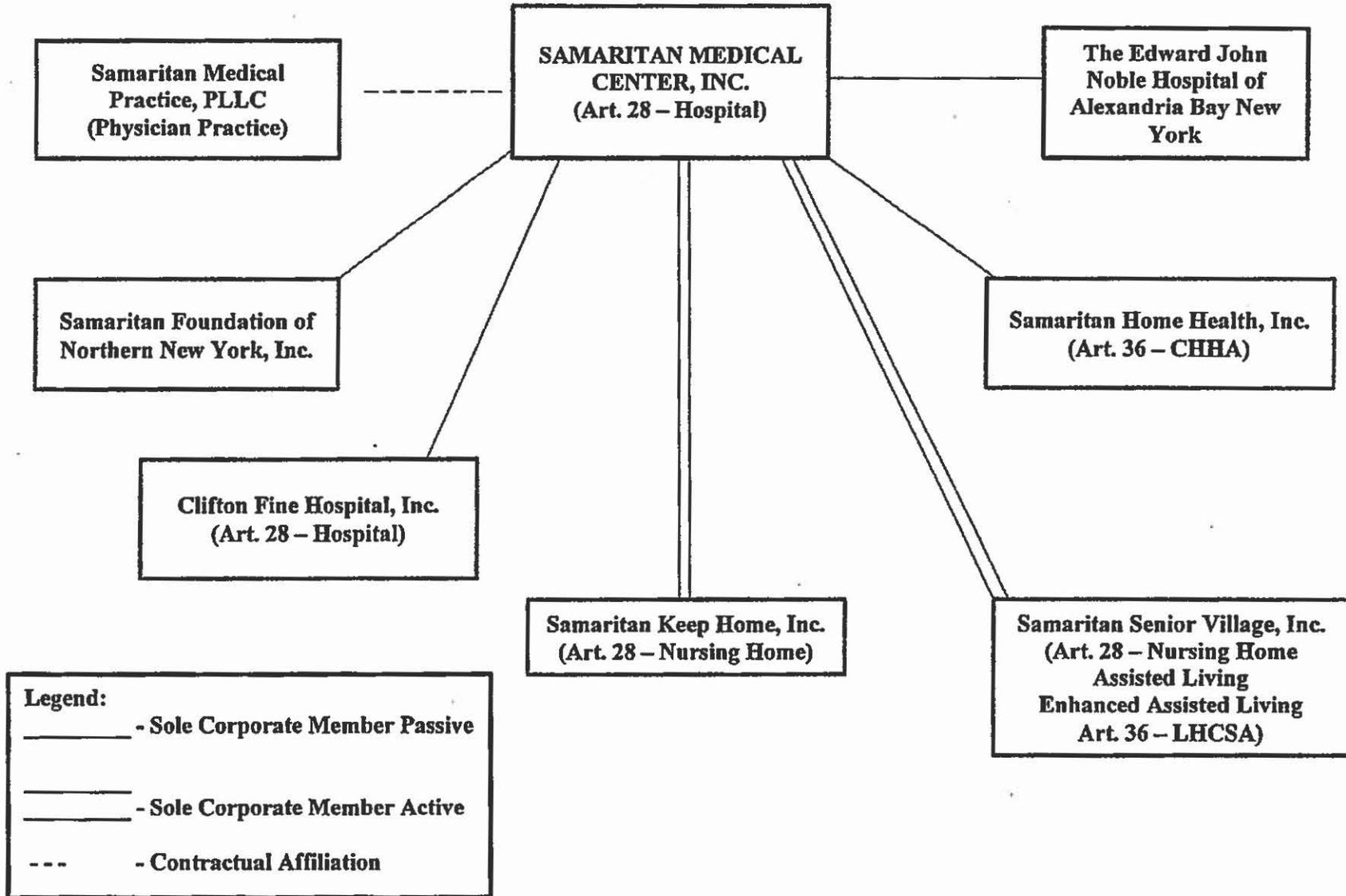
**Samaritan Home Health, Inc.
(Art. 36 - CHHA)**

**Clifton Fine Hospital, Inc.
(Art. 28 - Hospital)**

**Samaritan Keep Home, Inc.
(Art. 28 - Nursing Home)**

**Samaritan Senior Village, Inc.
(Art. 28 - Nursing Home Assisted Living
Enhanced Assisted Living
Art. 36 - LHCSA)**

Post Transaction - Organizational Chart



SAMARITAN MEDICAL CENTER AND AFFILIATES

Consolidated Balance Sheets

December 31, 2015 and 2014

<u>Assets</u>	<u>2015</u>	<u>2014</u>
Current assets:		
Cash and cash equivalents	\$ 42,444,794	37,524,050
Investments	1,606,284	2,830,795
Patient accounts receivable, net of allowance for doubtful accounts of approximately \$9,072,000 for 2015 and \$10,023,000 for 2014	31,577,229	34,139,797
Pledges receivable	345,212	626,456
Other receivables	7,026,684	10,023,414
Inventories	2,971,549	2,687,982
Prepaid expenses and other current assets	3,683,682	2,724,212
Total current assets	<u>89,655,434</u>	<u>90,556,706</u>
Assets limited as to use:		
Restricted collateral	3,606,357	3,604,036
Assets held in trust	7,764,081	1,475,534
Construction project funds	1,293,420	2,033,898
Permanently restricted endowment funds	2,863,207	2,836,163
Board designated investments	355,492	354,712
	<u>15,882,557</u>	<u>10,304,343</u>
Property and equipment, net	184,139,958	171,442,184
Debt issuance costs, net	1,142,976	1,242,005
Investments, net of current portion	6,461,887	5,285,253
Pledges receivable, net of current portion	217,908	181,008
Resident funds	321,904	287,916
Other assets, net	6,781,553	4,169,332
Total assets	<u>\$ 304,604,177</u>	<u>283,468,747</u>

<u>Liabilities and Net Assets</u>	<u>2015</u>	<u>2014</u>
Current liabilities:		
Current portion of long-term debt	\$ 3,513,256	2,298,338
Accounts payable	12,863,084	13,436,841
Accrued payroll and fringe benefit expense	23,062,446	19,540,569
Accrued expenses and other liabilities	5,405,735	5,663,372
Estimated third-party payor settlements	<u>13,158,987</u>	<u>3,893,103</u>
Total current liabilities	58,003,508	44,832,223
Long-term debt, net of current portion	85,803,035	73,751,347
Retirement plan obligations	21,937,160	23,238,693
Resident funds	321,904	287,916
Other liabilities	<u>9,776,061</u>	<u>3,961,744</u>
Total liabilities	<u>175,841,668</u>	<u>146,071,923</u>
Net assets:		
Unrestricted	124,240,620	132,637,097
Temporarily restricted	1,585,525	1,823,988
Permanently restricted	<u>2,936,364</u>	<u>2,935,739</u>
Total net assets	<u>128,762,509</u>	<u>137,396,824</u>
Commitments and contingent liabilities		
Total liabilities and net assets	<u>\$ 304,604,177</u>	<u>283,468,747</u>

SAMARITAN MEDICAL CENTER AND AFFILIATES

Consolidated Statements of Operations and Changes in Net Assets

Years ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
Unrestricted revenues, gains and other support:		
Patient service revenue (net of contractual allowances and discounts)	\$ 257,918,973	246,723,062
Provision for bad debts	<u>(10,796,633)</u>	<u>(11,734,815)</u>
Net patient service revenue less provision for bad debts	247,122,340	234,988,247
Other revenue	6,461,318	6,242,974
Net assets released from restrictions for operations	<u>2,065,799</u>	<u>624,245</u>
Total unrestricted revenues, gains and other support	<u>255,649,457</u>	<u>241,855,466</u>
Expenses:		
Salaries and wages	121,707,783	113,741,406
Fringe benefits	35,391,951	31,444,146
Supplies and other expenses	87,963,135	75,324,914
Depreciation and amortization	14,756,994	14,398,888
Provision for bad debts	136,340	96,150
Interest	2,084,049	2,303,564
New York State gross receipts assessment	<u>3,781,276</u>	<u>3,484,216</u>
Total expenses	<u>265,821,528</u>	<u>240,793,284</u>
Income (loss) from operations	<u>(10,172,071)</u>	<u>1,062,182</u>
Nonoperating revenue (expense):		
Other revenue (expense), net	(185,943)	102,178
Interest income from operating escrow	3,389	5,221
Investment income	939,359	780,730
Net realized losses on sale of investments and assets limited as to use	<u>(13,787)</u>	<u>(50,203)</u>
Total nonoperating revenue (expense), net	<u>743,018</u>	<u>837,926</u>
Excess (deficiency) of revenues over expenses	(9,429,053)	1,900,108
Change in net unrealized gains and losses on investments and assets limited as to use	(879,501)	104,540
Pension and other postretirement liability adjustments	1,654,232	(7,154,877)
Grants and contributions for capital acquisitions	93,724	176,383
Net assets released from restrictions for capital acquisition	<u>164,121</u>	<u>1,322,231</u>
Decrease in unrestricted net assets	<u>(8,396,477)</u>	<u>(3,651,615)</u>

Financial Performance Dashboard - October 2016

 CON#162467
 BFA Attachment C

OPERATING STATEMENT				
	MTD Actual	MTD Budget	YTD Actual	YTD Budget
Net Patient Revenue	18,969,228	17,474,708	170,310,033	175,450,624
Other Operating Revenue	353,603	498,553	5,653,274	4,985,530
Total Operating Revenue	17,322,831	17,973,261	176,963,307	180,436,154
Salary and Benefits	10,538,268	10,219,679	102,627,819	102,671,872
Supplies and Other	5,848,208	5,370,386	54,431,713	54,830,980
Depreciation	1,021,228	1,000,000	10,412,108	10,000,000
Interest	185,300	182,868	1,887,289	1,888,329
Provision for Bad Debt	854,058	868,666	8,720,744	8,866,860
Total Operating Expense	18,466,659	17,839,599	178,079,453	177,857,841
Operating Profit/(Loss)	(1,133,228)	333,662	(2,116,146)	2,578,313
SCH/Tricare Strategic Funds	641,142	608,333	6,349,374	6,083,333
Non Operating Gain (Loss)	33,352	0	329,544	0
Minimum Pension/Captive PC W/O	0	0	0	0
Change in Net Assets Exc DSRIP	(458,734)	841,995	4,582,772	8,681,648
Receipt/Release of T/R DSRIP	(510,006)	0	(2,820,314)	0
Change in Net Assets	(968,740)	941,995	1,742,458	8,681,648
Operating Margin (Excl. Non Oper.)	-8.54%	1.86%	-1.20%	1.43%
Operating Margin	-2.85%	5.24%	2.59%	4.80%

CASH FLOW STATEMENT		
	MTD	YTD
Operating Profit/(Loss)	(1,133,228)	(2,116,146)
SCH/Tricare Strategic Funds	641,142	6,349,374
Non Operating Gain/(Loss)	(478,854)	(2,490,770)
Retirement/Captive PC Adj	0	0
Change in Net Assets	(968,740)	1,742,458
Depreciation	1,021,228	10,412,108
(Inc./Dec) in Assets	(1,128,759)	(10,300,413)
Inc./Dec) in Liabilities	(458,886)	(3,839,183)
Net Cash - Operating	(1,531,157)	(1,985,030)
Purchase of Equipment	(1,536,743)	(14,278,136)
Advance from (to) Affiliate	(55,089)	(2,045,850)
Other Investing Activities	386,898	3,344,749
Net Cash - Investing	(1,205,144)	(12,577,037)
Borrowings	0	0
Repayment of LOC	0	0
Payments on Debt	(131,194)	(1,309,067)
Net Cash - Financing	(131,194)	(1,309,067)
Change in Cash	(2,867,495)	(16,271,134)

BALANCE SHEET				
	MTD 2016	Dec 2015	CHANGE	%
Cash and Equivalents	18,404,434	35,738,282	(18,333,848)	-51.03%
A/R - Patients	29,211,216	24,782,791	4,428,425	17.87%
A/R - 3rd Party	462,732	300,000	162,732	54.24%
Other Receivables	29,020,103	21,643,486	7,376,617	34.08%
Prepaid/Inventory/Other	6,151,973	5,609,718	542,255	9.67%
Total Current Assets	84,260,458	88,074,257	(3,813,799)	-4.34%
Other Assets	10,521,608	13,951,810	(3,430,202)	-24.59%
Prop., Plant & Equipment	126,005,200	122,141,172	3,864,028	3.16%
Temporarily Restricted	1,213,280	1,149,108	64,172	5.58%
Permanently Restricted	874,471	874,471	0	0.00%
Total Assets	222,865,015	226,190,616	(3,325,601)	-1.47%
Current Liabilities	40,071,100	47,071,049	(6,999,949)	-14.87%
Long Term Debt	59,650,702	59,648,271	2,431	0.00%
Other Liabilities	25,215,349	23,223,176	1,992,173	8.58%
Net Assets	97,927,864	96,248,121	1,679,743	1.75%
Total Liab./Net Assets	222,865,015	226,190,617	(3,325,602)	-1.47%

VOLUME STATISTICS				
	MTD 2016	MTD 2015	YTD 2016	YTD 2015
Acute				
Acute Patient Days	2,909	3,083	28,118	30,875
Acute Discharges	724	792	7,144	7,392
Average LOS	4.02	3.89	3.94	4.18
Exempt				
PMR Patient Days	157	115	1,197	1,276
Psych Patient Days	916	810	8,937	7,516
ALC				
ALC Patient Days	227	429	3,359	5,286
Outpatient Visits				
SFHC	10,187	10,065	93,567	88,759
Emergency Room	4,025	4,364	42,830	44,228
Outpatient Surgery	470	494	4,585	4,877
Outpatient Procedures	362	338	3,302	3,035
Rehabilitation	1,097	1,102	10,761	10,066
Outpatient Visits				
Laboratory	50,362	48,486	497,327	486,368
Ultrasound	1,293	1,350	13,259	14,253
Diagnostic Radiology	3,548	3,874	36,084	37,451
MRI Studies	337	363	3,485	3,855
CT Scans	1,318	1,310	13,178	14,364
Worked Full Time Equivalents	1,255	1,188	1,207	1,175
Paid Full Time Equivalents	1,408	1,338	1,382	1,338

SAMARITAN MEDICAL CENTER AND AFFILIATES

Consolidating Balance Sheet

December 31, 2014

<u>Assets</u>	<u>Samaritan Medical Center</u>	<u>Samaritan Medical Practice P.C.</u>	<u>Edward John Noble</u>	<u>Samaritan Keep Nursing Home, Inc.</u>	<u>The Samaritan Medical Center Foundation of Northern New York, Inc.</u>	<u>Samaritan Senior Village, Inc.</u>	<u>Eliminations</u>	<u>Total</u>
Current assets:								
Cash and cash equivalents	\$ 34,481,506	302,616	320,226	351,735	2,053,293	14,674	-	37,524,050
Investments	1,628,458	-	-	-	1,202,337	-	-	2,830,795
Patient accounts receivable, net of allowance for doubtful accounts	25,181,203	1,483,222	-	4,144,449	-	3,330,923	-	34,139,797
Pledges receivable	-	-	-	-	626,456	-	-	626,456
Other receivables	8,483,419	1,980	-	38,015	-	1,500,000	-	10,023,414
Inventories	2,224,336	335,097	-	73,218	-	55,331	-	2,687,982
Prepaid expenses and other current assets	2,253,904	54,494	-	199,917	10,000	205,897	-	2,724,212
Total current assets	74,252,826	2,177,409	320,226	4,807,334	3,892,086	5,106,825	-	90,556,706
Assets limited as to use:								
Restricted collateral	-	-	-	2,104,036	-	1,500,000	-	3,604,036
Assets held in trust	-	-	-	1,475,534	-	-	-	1,475,534
Construction project funds	2,033,898	-	-	-	-	-	-	2,033,898
Permanently restricted endowment funds	874,471	-	-	-	1,961,692	-	-	2,836,163
Board designated investments	199,004	-	-	141,932	13,776	-	-	354,712
	3,107,373	-	-	3,721,502	1,975,468	1,500,000	-	10,304,343
Property and equipment, net	107,822,516	272,483	-	3,225,675	-	60,121,510	-	171,442,184
Debt issuance costs, net	632,020	-	-	-	-	609,985	-	1,242,005
Investments, net of current portion	-	-	-	-	5,285,253	-	-	5,285,253
Pledges receivable, net of current portion	-	-	-	-	181,008	-	-	181,008
Resident funds	-	-	-	161,491	-	126,425	-	287,916
Other assets, net	4,097,276	-	-	50,000	-	22,056	-	4,169,332
Total assets	\$ 189,912,011	2,449,892	320,226	11,966,002	11,333,815	67,486,801	-	283,468,747

SAMARITAN MEDICAL CENTER AND AFFILIATES

Consolidating Balance Sheet, Continued

December 31, 2014

<u>Liabilities and Net Assets</u>	<u>Samaritan Medical Center</u>	<u>Samaritan Medical Practice P.C.</u>	<u>Edward John Noble</u>	<u>Samaritan Keep Nursing Home, Inc.</u>	<u>The Samaritan Medical Center Foundation of Northern New York, Inc.</u>	<u>Samaritan Senior Village, Inc.</u>	<u>Eliminations</u>	<u>Total</u>
Current liabilities:								
Current portion of long-term debt	\$ 1,661,883	-	-	-	-	636,455	-	2,298,338
Accounts payable	11,262,672	143,423	12,204	932,949	49,648	1,035,945	-	13,436,841
Accrued payroll and fringe benefit expense	16,365,085	-	6,000	2,642,654	-	526,830	-	19,540,569
Accrued expenses and other liabilities	4,740,895	-	-	490,565	-	431,912	-	5,663,372
Estimated third-party payor settlements	3,384,283	-	279,996	453,768	-	(224,944)	-	3,893,103
Due to (from) affiliates/other funds, net	(15,281,070)	2,306,469	-	3,824,891	1,611,166	7,538,544	-	-
Total current liabilities	22,133,748	2,449,892	298,200	8,344,827	1,660,814	9,944,742	-	44,832,223
Long-term debt, net of current portion	46,963,007	-	-	-	-	26,788,340	-	73,751,347
Retirement plan obligations	21,258,041	-	-	1,734,288	-	246,364	-	23,238,693
Resident funds	-	-	-	161,491	-	126,425	-	287,916
Other liabilities	3,889,688	-	-	50,000	-	22,056	-	3,961,744
Total liabilities	94,244,484	2,449,892	298,200	10,290,606	1,660,814	37,127,927	-	146,071,923
Net assets:								
Unrestricted	93,141,304	-	22,026	1,675,396	7,444,160	30,354,211	-	132,637,097
Temporarily restricted	1,651,752	-	-	-	167,573	4,663	-	1,823,988
Permanently restricted	874,471	-	-	-	2,061,268	-	-	2,935,739
Total net assets	95,667,527	-	22,026	1,675,396	9,673,001	30,358,874	-	137,396,824
Total liabilities and net assets	\$ 189,912,011	2,449,892	320,226	11,966,002	11,333,815	67,486,801	-	283,468,747

SAMARITAN MEDICAL CENTER AND AFFILIATES
Consolidating Statement of Operations and Changes in Net Assets (Deficit)
Year ended December 31, 2014

	Samaritan Medical Center	Samaritan Medical Practice P.C.	Edward John Noble	Samaritan Keep Nursing Home, Inc.	The Samaritan Medical Center Foundation of Northern New York, Inc.	Samaritan Senior Village, Inc.	Eliminations	Total
Unrestricted revenues, gains and other support:								
Patient service revenue (net of contractual allowances and discounts)	\$ 201,703,336	5,920,244	-	22,056,117	-	17,269,067	(225,702)	246,723,062
Provision for bad debts	(10,259,972)	(85,763)	-	(766,069)	-	(623,011)	-	(11,734,815)
Net patient service revenue less provision for bad debts	191,443,364	5,834,481	-	21,290,048	-	16,646,056	(225,702)	234,988,247
Other revenue	5,300,539	-	75	765,542	1,161,073	1,675,250	(2,659,505)	6,242,974
Net assets released from restrictions for operations	624,245	-	-	-	-	-	-	624,245
Total unrestricted revenues, gains and other support	197,368,148	5,834,481	75	22,055,590	1,161,073	18,321,306	(2,885,207)	241,855,466
Expenses:								
Salaries and wages	86,519,627	6,088,906	-	12,469,466	370,513	8,663,407	(370,513)	113,741,406
Fringe benefits	23,831,503	1,344,684	-	4,087,444	87,143	2,180,515	(87,143)	31,444,146
Supplies and other expenses	65,125,121	2,686,484	384	4,921,316	405,653	4,613,507	(2,427,551)	75,324,914
Depreciation and amortization	11,696,691	98,149	-	520,154	-	2,083,894	-	14,398,888
Provision for (recoveries of) bad debts	-	-	(1,474)	-	97,624	-	-	96,150
Interest	1,516,915	-	-	-	-	786,649	-	2,303,564
New York State gross receipts assessment	1,582,763	-	-	1,205,356	-	696,097	-	3,484,216
Total expenses	190,272,620	10,218,223	(1,090)	23,203,736	960,933	19,024,069	(2,885,207)	240,793,284
Income (loss) from operations	7,095,528	(4,383,742)	1,165	(1,148,146)	200,140	(702,763)	-	1,062,182
Nonoperating revenue (expense):								
Other revenue, net	99,345	-	-	2,833	-	-	-	102,178
Interest income from operating escrow	4,933	-	-	284	-	4	-	5,221
Investment income	349,830	-	32	89,578	341,290	-	-	780,730
Net realized gains (losses) on sale of investments and assets limited as to use	1,594	-	-	8,334	(60,131)	-	-	(50,203)
Total nonoperating revenue (expense), net	455,702	-	32	101,029	281,159	4	-	837,926
Excess (deficiency) of revenues over expenses	7,551,230	(4,383,742)	1,197	(1,047,117)	481,299	(702,759)	-	1,900,108
Change in net unrealized gains (losses) on investments and assets limited as to use								
Pension and other postretirement liability adjustments	4,676	-	-	670	99,194	-	-	104,540
Equity transfer (to) from affiliate	(6,508,058)	-	-	(448,063)	-	(198,756)	-	(7,154,877)
Grants and contributions for capital acquisitions	(6,999,710)	6,999,710	-	-	-	-	-	-
Net assets released from restrictions for capital acquisition	112,959	-	-	63,424	-	-	-	176,383
	375,369	-	-	-	875,472	71,390	-	1,322,231
Increase (decrease) in unrestricted net assets	(5,463,534)	2,615,968	1,197	(1,431,086)	1,455,965	(830,125)	-	(3,651,615)

SAMARITAN MEDICAL CENTER AND AFFILIATES

Consolidating Balance Sheet

December 31, 2015

<u>Assets</u>	<u>Samaritan Medical Center</u>	<u>Samaritan Medical Practice P.C.</u>	<u>Edward John Noble</u>	<u>Samaritan Keep Nursing Home, Inc.</u>	<u>The Samaritan Medical Center Foundation of Northern New York, Inc.</u>	<u>Samaritan Senior Village, Inc.</u>	<u>Eliminations</u>	<u>Total</u>
Current assets:								
Cash and cash equivalents	\$ 36,790,827	737,196	320,676	1,369,574	2,261,329	965,192	-	42,444,794
Investments	1,606,284	-	-	-	-	-	-	1,606,284
Patient accounts receivable, net of allowance for doubtful accounts	24,782,753	870,097	-	3,197,470	-	2,726,909	-	31,577,229
Pledges receivable	-	-	-	-	345,212	-	-	345,212
Other receivables	7,012,119	1,782	-	12,783	-	-	-	7,026,684
Inventories	2,414,054	433,169	-	69,422	-	54,904	-	2,971,549
Prepaid expenses and other current assets	3,195,664	73,701	-	213,829	38,448	162,040	-	3,683,682
Total current assets	75,801,701	2,115,945	320,676	4,863,078	2,644,989	3,909,045	-	89,655,434
Assets limited as to use:								
Restricted collateral	-	-	-	2,106,357	-	1,500,000	-	3,606,357
Assets held in trust	6,301,195	-	-	1,462,886	-	-	-	7,764,081
Construction project funds	1,293,420	-	-	-	-	-	-	1,293,420
Permanently restricted endowment funds	874,471	-	-	-	1,988,736	-	-	2,863,207
Board designated investments	199,362	-	-	142,316	13,814	-	-	355,492
	8,668,448	-	-	3,711,559	2,002,550	1,500,000	-	15,882,557
Property and equipment, net	122,148,574	572,287	-	3,120,032	-	58,299,065	-	184,139,958
Debt issuance costs, net	554,584	-	-	-	-	588,392	-	1,142,976
Investments, net of current portion	-	-	-	-	6,461,887	-	-	6,461,887
Pledges receivable, net of current portion	-	-	-	-	217,908	-	-	217,908
Resident funds	-	-	-	163,587	-	158,317	-	321,904
Other assets, net	4,098,715	-	-	2,467,075	-	215,763	-	6,781,553
Total assets	\$ 211,272,022	2,688,232	320,676	14,325,331	11,327,334	64,670,582	-	304,604,177

SAMARITAN MEDICAL CENTER AND AFFILIATES

Consolidating Balance Sheet, Continued

December 31, 2015

<u>Liabilities and Net Assets</u>	<u>Samaritan Medical Center</u>	<u>Samaritan Medical Practice P.C.</u>	<u>Edward John Noble</u>	<u>Samaritan Keep Nursing Home, Inc.</u>	<u>The Samaritan Medical Center Foundation of Northern New York, Inc.</u>	<u>Samaritan Senior Village, Inc.</u>	<u>Eliminations</u>	<u>Total</u>
Current liabilities:								
Current portion of long-term debt	\$ 2,858,641	-	-	-	-	654,615	-	3,513,256
Accounts payable	10,649,864	357,932	12,204	1,137,926	34,595	670,563	-	12,863,084
Accrued payroll and fringe benefit expense	16,587,483	184,365	6,000	5,680,233	-	604,365	-	23,062,446
Accrued expenses and other liabilities	4,337,156	-	-	475,217	-	593,362	-	5,405,735
Estimated third-party payor settlements, net	12,472,432	-	279,996	703,697	-	(297,138)	-	13,158,987
Due to (from) affiliates/other funds, net	(14,625,997)	2,145,935	-	4,452,994	1,696,080	6,330,988	-	-
Total current liabilities	32,279,579	2,688,232	298,200	12,450,067	1,730,675	8,556,755	-	58,003,508
Long-term debt, net of current portion	59,669,310	-	-	-	-	26,133,725	-	85,803,035
Retirement plan obligations	20,034,629	-	-	1,609,110	-	293,421	-	21,937,160
Resident funds	-	-	-	163,587	-	158,317	-	321,904
Other liabilities	9,457,731	-	-	102,567	-	215,763	-	9,776,061
Total liabilities	121,441,249	2,688,232	298,200	14,325,331	1,730,675	35,357,981	-	175,841,668
Net assets:								
Unrestricted	87,623,649	-	22,476	-	7,286,557	29,307,938	-	124,240,620
Temporarily restricted	1,332,653	-	-	-	248,209	4,663	-	1,585,525
Permanently restricted	874,471	-	-	-	2,061,893	-	-	2,936,364
Total net assets	89,830,773	-	22,476	-	9,596,659	29,312,601	-	128,762,509
Total liabilities and net assets	\$ 211,272,022	2,688,232	320,676	14,325,331	11,327,334	64,670,582	-	304,604,177

SAMARITAN MEDICAL CENTER AND AFFILIATES
Consolidating Statement of Operations and Changes in Net Assets
Year ended December 31, 2015

	Samaritan Medical Center	Samaritan Medical Practice P.C.	Edward John Noble	Samaritan Keep Nursing Home, Inc.	The Samaritan Medical Center Foundation of Northern New York, Inc.	Samaritan Senior Village, Inc.	Eliminations	Total
Unrestricted revenues, gains and other support:								
Patient service revenue (net of contractual allowances and discounts)	\$ 203,731,801	14,318,416	-	21,194,118	-	18,945,902	(271,264)	257,918,973
Provision for bad debts	(9,365,490)	(461,944)	-	(365,337)	-	(603,862)	-	(10,796,633)
Net patient service revenue less provision for bad debts	194,366,311	13,856,472	-	20,828,781	-	18,342,040	(271,264)	247,122,340
Other revenue	5,594,964	-	-	842,441	958,356	1,287,825	(2,222,268)	6,461,318
Net assets released from restrictions for operations	1,951,336	-	-	-	114,463	-	-	2,065,799
Total unrestricted revenues, gains and other support	201,912,611	13,856,472	-	21,671,222	1,072,819	19,629,865	(2,493,532)	255,649,457
Expenses:								
Salaries and wages	90,350,111	8,637,235	-	13,192,466	429,039	9,527,971	(429,039)	121,707,783
Fringe benefits	25,912,037	1,734,961	-	4,829,690	93,780	2,915,263	(93,780)	35,391,951
Supplies and other expenses	70,816,095	9,480,698	150	4,686,449	361,716	4,588,740	(1,970,713)	87,963,135
Depreciation and amortization	11,998,566	156,985	-	525,029	-	2,076,414	-	14,756,994
Provision for (recoveries of) bad debts	-	-	(600)	-	136,940	-	-	136,340
Interest	1,311,749	-	-	-	-	772,300	-	2,084,049
New York State gross receipts assessment	1,607,905	-	-	1,317,551	-	855,820	-	3,781,276
Total expenses	201,996,463	20,009,879	(450)	24,551,185	1,021,475	20,736,508	(2,493,532)	265,821,528
Income (loss) from operations	(83,852)	(6,153,407)	450	(2,879,963)	51,344	(1,106,643)	-	(10,172,071)
Nonoperating revenue (expense):								
Other revenue (expense), net	(193,544)	7,400	-	201	-	-	-	(185,943)
Interest income from operating escrow	2,994	-	-	284	-	111	-	3,389
Investment income	510,090	-	-	102,932	326,337	-	-	939,359
Net realized gains (losses) on sale of investments and assets limited as to use	14,165	-	-	(230)	(27,722)	-	-	(13,787)
Total nonoperating revenue (expense), net	333,705	7,400	-	103,187	298,615	111	-	743,018
Excess (deficiency) of revenues over expenses	249,853	(6,146,007)	450	(2,776,776)	349,959	(1,106,532)	-	(9,429,053)
Change in net unrealized gains and losses on investments and assets limited as to use								
	(261,459)	-	-	(110,480)	(507,562)	-	-	(879,501)
Pension and other postretirement liability adjustments	1,425,572	-	-	179,491	-	49,169	-	1,654,232
Equity transfer (to) from affiliates	(7,141,567)	6,146,007	-	995,560	-	-	-	-
Grants and contributions for capital acquisitions	45,825	-	-	36,809	-	11,090	-	93,724
Net assets released from restrictions for capital acquisition	164,121	-	-	-	-	-	-	164,121
Increase (decrease) in unrestricted net assets	(5,517,655)	-	450	(1,675,396)	(157,603)	(1,046,273)	-	(8,396,477)

(Continued)



Financial Performance Dashboard - October 2016

OPERATING STATEMENT					CASH FLOW STATEMENT		
	MTD Actual	MTD Budget	YTD Actual	YTD Budget	MTD	YTD	
Net Patient Revenue	1,790,848	1,940,100	18,089,301	18,860,562	Operating Profit/(Loss)	(106,785)	(1,263,094)
Other Operating Revenue	72,890	74,398	740,699	743,980	Non Operating Gain/(Loss)	1,555	63,404
Total Operating Revenue	1,863,738	2,014,498	18,830,001	19,604,542	Add'l pension liab & FASB 106	0	0
Salary and Benefits	1,421,358	1,492,567	14,663,268	14,994,671	Change in Net Assets	(105,230)	(1,299,691)
Supplies and Other	474,886	475,828	4,683,783	4,727,226	Depreciation	40,806	407,926
Depreciation	40,806	40,834	407,926	408,340	(Inc.)/Dec. in Assets	(71,687)	(131,619)
Interest	79	333	4,787	3,330	inc./(Dec) in Liabilities	128,325	345,288
Provision for Bad Debt	33,333	33,333	333,330	333,330	Net Cash - Operating	(7,786)	(578,106)
Total Operating Expense	1,970,463	2,042,885	20,093,095	20,466,897	Purchase of Equipment	(59,796)	(182,082)
Operating Profit/(Loss)	(106,785)	(28,387)	(1,263,094)	(862,355)	Advance from (to) Affiliate	78,394	783,539
Non Operating Gain (Loss)	1,555	0	63,404	0	Other Investing Activities	(5,719)	(46,658)
Add'l pension liab & FASB 106	0	0	0	0	Net Cash - Investing	12,679	554,799
Change in Net Assets	(105,230)	(28,387)	(1,299,691)	(862,355)	Borrowings	0	0
Operating Margin (Excl. Non Oper.)	-5.73%	-1.42%	-6.71%	-4.40%	Repayment of LOC	0	0
Operating Margin	-5.65%	-1.42%	-6.37%	-4.40%	Payments on Debt	0	0
					Net Cash - Financing	-	-
					Change in Cash	5,093	(13,307)

BALANCE SHEET					UTILIZATION/FINANCIAL INDICATORS				
	MTD 2016	Dec 2015	CHANGE	% CHANGE	MTD Actual	MTD Budget	October 2015	Year 2015	
Cash and Equivalents	1,409,146	1,432,452	(23,306)	-1.63%	Utilization - Resident Days				
A/R - Patients	3,057,757	3,109,966	(52,209)	-1.68%	Medical	7,025	6,603	6,805	77,496
A/R - 3rd Party	0	0	0	0.00%	Medicare	286	706	439	7,309
Other Receivables	8,408	12,784	(4,376)	-34.23%	Self Pay/Other	825	997	1,121	12,962
Prepaid/Inventory/Other	472,465	283,251	188,214	66.45%	Utilization	8,136	8,306	8,365	97,767
Total Current Assets	4,946,776	4,838,453	108,323	2.24%	Medical	86.34%	79.50%	81.35%	79.27%
Other Assets	6,390,005	6,342,221	47,784	0.75%	Medicare	3.52%	8.50%	5.25%	7.48%
Prop., Plant & Equipment	2,894,186	3,120,030	(225,844)	-7.24%	Self Pay/Other	10.14%	12.00%	13.40%	13.26%
Temporarily Restricted	0	0	0	0.00%	Occupancy Rate	96.49%	98.52%	99.21%	98.48%
Permanently Restricted	0	0	0	0.00%	Financial Ratios				
Total Assets	14,230,967	14,300,704	(69,737)	-0.49%	Current Ratio	0.33	0.34	0.49	0.52
Current Liabilities	14,855,049	13,632,833	1,222,216	8.97%	Days in Accounts Receivable	52	53	60	42
Long Term Debt	0	0	0	0.00%	Days in Accounts Payable	35	35	38	14
Other Liabilities	575,609	667,871	(92,262)	-13.82%	Days Cash on Hand	21	22	14	19
Net Assets	(1,199,690)	0	(1,199,689)	#DIV/0!					
Total Liab./Net Assets	14,230,967	14,300,704	(69,737)	-0.49%					

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BFA Attachment E



Financial Performance Dashboard - October 2016

OPERATING STATEMENT

	MTD Actual	MTD Budget	YTD Actual	YTD Budget
Net Patient Revenue	1,654,469	1,752,987	16,498,583	16,843,984
Other Operating Revenue	14,625	13,705	135,879	137,050
Total Operating Revenue	1,669,094	1,766,692	16,634,462	16,981,034
Salary and Benefits	1,104,702	1,073,463	10,861,424	10,629,403
Supplies and Other	422,266	445,027	4,357,268	4,477,904
Depreciation	164,309	163,391	1,640,166	1,638,218
Interest	65,542	63,861	686,684	652,444
Provision for Bad Debt	37,051	37,051	350,897	300,897
Total Operating Expense	1,782,879	1,782,793	17,898,440	17,697,866
Operating Profit/(Loss)	(113,776)	(16,101)	(1,261,978)	(716,832)
Non Operating Gain (Loss)	0	0	824	0
Add'l pension liab & FASB 106	0	0	0	0
Change in Net Assets	(113,776)	(16,101)	(1,261,154)	(716,832)
Operating Margin (Excl. Non Oper.)	-6.81%		-7.59%	
Operating Margin	-6.81%		-7.58%	

CASH FLOW STATEMENT

	MTD	YTD
Operating Profit/(Loss)	(113,776)	(1,261,978)
Non Operating Gain/(Loss)	0	824
Add'l pension liab & FASB 106	0	0
Change in Net Assets	(113,776)	(1,261,154)
Depreciation	164,309	1,640,166
(Inc./Dec) in Assets	42,348	(930,956)
Inc./Dec in Liabilities	(91,898)	(997,753)
Net Cash - Operating	983	(1,549,697)
Purchase of Equipment	(4,999)	(56,550)
Advance from (to) Affiliate	348,267	678,620
Other Investing Activities	0	0
Net Cash - Investing	343,268	622,070
Borrowings	0	0
Repayment of LOC	0	0
Payments on Debt	(54,300)	(542,415)
Net Cash - Financing	(54,300)	(542,415)
Change in Cash	290,851	(1,470,052)

BALANCE SHEET

	MTD 2016	Dec 2015	CHANGE
Cash and Equivalents	1,005,613	2,475,675	(1,470,062)
A/R - Patients	3,387,278	2,627,076	760,202
A/R - 3rd Party	800,569	740,202	60,367
Other Receivables	(1,527)	2,111	(4,638)
Prepaid/Inventory/Other	373,727	180,232	193,495
Total Current Assets	5,564,560	6,025,295	(460,735)
Other Assets	1,401,959	944,892	457,067
Prop., Plant & Equipment	56,715,449	58,399,065	(1,683,616)
Temporarily Restricted	0	0	0
Permanently Restricted	0	0	0
Total Assets	64,681,968	65,269,252	(587,284)
Current Liabilities	10,438,185	9,206,426	1,231,759
Long Term Debt	15,591,310	16,133,725	(542,415)
Other Liabilities	602,028	616,402	(15,374)
Net Assets - Unrestricted	28,046,782	29,307,936	(1,261,154)
Net Assets - Temporarily Restricted	4,663	4,663	0
Total Liab./Net Assets	64,681,968	65,269,252	(587,284)

UTILIZATION/FINANCIAL INDICATORS

	MTD - SNF Actual	MTD - SNF Budget	MTD - AL Actual	MTD - AL Budget
Utilization - Resident Days				
Medicaid - Skilled Nursing Resident	3,754	3,822		
Medicaid - Assisted Living Program			2,281	2,361
Medicaid - Assisted Living Residents			93	103
Medicare	491	487		
Self Pay/Other	782	821	979	958
	5,027	5,230	3,353	3,422
Utilization				
Medicaid - Skilled Nursing Resident	74.68%	74.50%	0.00%	0.00%
Medicaid - Assisted Living Program	0.00%	0.00%	68.03%	68.99%
Medicaid - Assisted Living Resident	0.00%	0.00%	2.77%	3.01%
Medicare	9.77%	9.49%	0.00%	0.00%
Self Pay/Other	15.56%	16.00%	29.20%	28.00%
	100.00%	100.00%	100.00%	100.00%
Occupancy Rate on Opened Beds				
	96.52%	98.50%	90.13%	91.99%
Financial Ratios				
Current Ratio	0.53	0.57	0.66	
Days in Accounts Receivable	66	53	58	
Days in Accounts Payable	24	23	51	
Days Cash on Hand	18	46	42	

SARATOGA SCHENECTADY
ENDOSCOPY CENTER, LLC
BALANCE SHEETS
December 31, 2015 and 2014

BFA Attachment B
CON 162438

ASSETS

	<u>2015</u>	<u>2014</u>
CURRENT ASSETS		
Cash	\$ 1,136,177	\$ 1,095,207
Accounts receivable, net of allowance of \$280,870 (\$231,452 in 2014)	449,478	442,255
Inventory	56,519	65,729
Related party receivable	914	565
Prepaid expenses	<u>14,761</u>	<u>26,235</u>
Total current assets	<u>1,657,849</u>	<u>1,629,991</u>
FIXED ASSETS		
Equipment	1,505,545	1,378,026
Office furniture	27,021	25,599
Leasehold improvements	<u>40,242</u>	<u>36,242</u>
Total fixed assets	<u>1,572,808</u>	<u>1,439,867</u>
Less: Accumulated depreciation	<u>1,186,589</u>	<u>1,052,499</u>
Net fixed assets	<u>386,219</u>	<u>387,368</u>
Total assets	<u><u>\$ 2,044,068</u></u>	<u><u>\$ 2,017,359</u></u>

LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES		
Accounts payable	\$ 110,469	\$ 72,364
Credit card payable	100	1,587
Sales tax payable	365	369
Accrued retirement contributions	94,519	98,237
Accrued salaries and payroll taxes	19,280	59,686
Note payable - current portion	<u>58,694</u>	<u>56,633</u>
Total current liabilities	283,427	288,876
LONG-TERM LIABILITIES		
Note payable - noncurrent portion	<u>29,985</u>	<u>88,593</u>
Total liabilities	313,412	377,469
MEMBERS' EQUITY		
	<u>1,730,656</u>	<u>1,639,890</u>
Total liabilities and members' equity	<u><u>\$ 2,044,068</u></u>	<u><u>\$ 2,017,359</u></u>

SARATOGA SCHENECTADY
 ENDOSCOPY CENTER, LLC
 STATEMENTS OF OPERATIONS AND MEMBERS' EQUITY
 For the Years Ended December 31,

	<u>2015</u>	<u>2014</u>
INCOME		
Medical fees, net	<u>\$ 7,644,457</u>	<u>\$ 7,566,592</u>
EXPENSES		
Salaries	1,490,655	1,397,520
Administrative services	177,852	163,697
Rent	249,996	249,996
Medical supplies	909,457	809,538
Consultants	235,380	187,448
Repairs and maintenance	239,889	228,914
Payroll taxes	118,969	114,155
Advertising and gifts	-	2,529
Depreciation	134,090	157,221
Insurance	124,241	119,938
Utilities	27,838	33,574
Office and computer expense	93,761	87,393
Uniforms and Laundry	62,458	60,871
Property tax	20,134	19,661
Professional fees	39,430	29,607
Retirement plan contribution	94,519	98,237
Telephone	8,192	8,569
Dues, subscriptions and licenses	5,054	6,046
Travel expense	9,329	588
Miscellaneous	51	829
Medical meetings & education	6,709	9,387
Meals & entertainment	273	379
Fees	29,577	13,205
Accreditation expense	-	13,555
Charitable Contributions	820	100
Total expenses	<u>4,078,674</u>	<u>3,812,957</u>
OPERATING INCOME	<u>3,565,783</u>	<u>3,753,635</u>
OTHER INCOME (EXPENSE)		
Gain from disposition of fixed assets	750	-
Interest expense	<u>(4,359)</u>	<u>(6,348)</u>
NET INCOME	<u>\$ 3,562,174</u>	<u>\$ 3,747,287</u>
MEMBERS' EQUITY		
Balance January 1	\$ 1,639,890	\$ 1,555,895
Add:		
Net Income	3,562,174	3,747,287
Members' contributions	221,231	-
Less:		
Members' draws	<u>(3,692,639)</u>	<u>(3,663,292)</u>
Balance, December 31	<u>\$ 1,730,656</u>	<u>\$ 1,639,890</u>

Saratoga-Schenectady Endoscopy Center LLC
Balance Sheet
As of December 31, 2016

	Dec 31, 16
ASSETS	
Current Assets	
Checking/Savings	
1000 - Key Bank	2,065,251.66
Total Checking/Savings	2,065,251.66
Other Current Assets	
1111 - Due from SSGA	-0.01
1130 - Petty Cash-Endo Registration	100.00
1131 - Cash Drawer-Thurs/Sat	50.00
Total Other Current Assets	149.99
Total Current Assets	2,065,401.65
Fixed Assets	
1100 - Equipment	
1101 - Accumulated Depreciation	-1,301,906.00
1100 - Equipment - Other	1,531,503.90
Total 1100 - Equipment	229,597.90
1110 - Office Furn	
1113 - Accum Depr - Office Furniture	-22,091.67
1110 - Office Furn - Other	30,598.64
Total 1110 - Office Furn	8,504.97
1200 - Improvements & Enhancemnts	
1201 - Accum Depr- Improvements	-30,933.33
1200 - Improvements & Enhancements - Other	42,007.21
Total 1200 - Improvements & Enhancemnts	11,073.88
Total Fixed Assets	249,176.75
TOTAL ASSETS	2,314,578.40
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
1002 - Capital One	125.00
1003 - NYS Sales Tax	554.06
Total Credit Cards	679.06
Other Current Liabilities	
2142 - Accrued Profit Sharing	62,678.48
2143 - Accrued 401k Match	32,132.45
2172 - Exchange - Section 125	690.00
2181 - Exchange - Aflac	854.47
2183 - Exchange - Pass Thru	15.78
Total Other Current Liabilities	96,371.18
Total Current Liabilities	97,050.24
Long Term Liabilities	
2299 - Line of Credit	32,906.73
Total Long Term Liabilities	32,906.73
Total Liabilities	129,956.97

Saratoga-Schenectady Endoscopy Center LLC
Balance Sheet
As of December 31, 2016

	Dec 31, 16
Equity	
3010 - Boyar	
3011 - Capital	59,210.00
3012 - Capital Contribution	45,000.00
3013 - Draw	-331,392.87
Total 3010 - Boyar	-227,182.87
3020 - Jameson	
3021 - Capital	59,211.00
3022 - Capital Contribution	45,000.00
3023 - Draw	-331,392.87
Total 3020 - Jameson	-227,181.87
3030 - Morere	
3031 - Capital	59,211.00
3032 - Capital Contribution	45,000.00
3033 - Draw	-331,392.87
Total 3030 - Morere	-227,181.87
3050 - Adsit	
3051 - Capital	59,212.00
3052 - Capital Contribution	45,000.00
3053 - Draw	-356,392.87
Total 3050 - Adsit	-252,180.87
3060 - Malamood	
3061 - Capital	59,211.00
3062 - Capital Contribution	45,000.00
3063 - Draw	-356,392.87
Total 3060 - Malamood	-252,181.87
3070 - DeFrancisco	
3071 - Capital	59,208.20
3072 - Capital Contribution	45,616.00
3073 - Draw	-331,392.87
Total 3070 - DeFrancisco	-226,568.67
3080 - Goetz	
3081 - Capital	59,208.00
3082 - Capital Contribution	86,430.00
3083 - Draw	-356,392.87
Total 3080 - Goetz	-210,754.87
3090 - Belova	
3091 - Capital	59,209.00
3092 - Capital Contribution	86,430.00
3093 - Draw	-331,392.87
Total 3090 - Belova	-185,753.87
3100 - Gusten	
3101 - Capital	59,208.00
3102 - Capital Contribution	86,430.00
3103 - Draw	-331,392.87
Total 3100 - Gusten	-185,754.87
3210 - Metwally	
3211 - Capital	284,471.00
3213 - Draw	-331,392.87
Total 3210 - Metwally	-46,921.87

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Cash Basis

Saratoga-Schenectady Endoscopy Center LLC
Balance Sheet
As of December 31, 2016

BFA Attachment C(Cont'd)
CON 162438

	Dec 31, 16
3214 - Chaudhary	
3215 - Capital	242,547.00
3217 - Draw	-107,344.30
Total 3214 - Chaudhary	135,202.70
3218 - Cornish	
3219 - Capital	242,547.00
3221 - Draw	-107,344.30
Total 3218 - Cornish	135,202.70
3222 - Provost	
3223 - Capital	242,547.00
3225 - Draw	-107,344.30
Total 3222 - Provost	135,202.70
Net Income	3,820,678.83
Total Equity	2,184,621.43
TOTAL LIABILITIES & EQUITY	2,314,578.40

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Cash Basis

Saratoga-Schenectady Endoscopy Center LLC
Profit & Loss
January through December 2016

BFA Attachment
C(Cont'd)
CON 162438

Jan - Dec 16

Income	
4081 · Collection Agency Fee	-732.36
4320 · Refunds	
4321 · Insurance	-18,830.86
4322 · Patient	-78,673.15
Total 4320 · Refunds	-97,504.01
4323 · Returned Patient Check	-1,169.91
5011 · Purchase Discount	24.64
5100 · Daily Receipts	8,124,374.29
Total Income	8,024,992.65
Gross Profit	8,024,992.65
Expense	
4000 · Accounting Fees	28,345.00
4009 · Miscellaneous	198.15
4010 · Advertising	
4012 · Promotion	0.00
Total 4010 · Advertising	0.00
4019 · Attorney Fees	15,006.73
4020 · Banking Fee	398.52
4021 · Credit Card Fees	13,102.80
4030 · Books	51.25
4040 · Building Expense	
4041 · Cleaning Services	38,038.58
4042 · Maintenance & Repair	3,595.49
4043 · Security	750.07
4046 · Furniture & Fixtures	1,308.39
4047 · Maintenance Supplies	4,589.29
4049 · Landscaping	1,424.26
4051 · Snow Removal	3,514.91
4053 · Septic Service	1,203.75
4368 · Trash Removal	8,417.07
Total 4040 · Building Expense	62,841.81
4060 · Computer Expenses	
4061 · Hardware Support	3,180.69
4063 · Software Support	34,054.92
4064 · Software Purchase	8,780.20
4065 · Website	3,929.89
4066 · Hardware Purchases	4,444.47
Total 4060 · Computer Expenses	54,390.17
4070 · Consulting Fees	
4072 · Pharmacy Services	4,000.00
4075 · Clinic Management	108,344.90
4070 · Consulting Fees - Other	106,500.00
Total 4070 · Consulting Fees	218,844.90
4080 · Courier Service	404.37
4082 · Credentials	2,132.52
4090 · CON Application Fee	43,271.00
4099 · Depreciation	126,609.00
4110 · Dues	
4112 · Facility	6,119.00
4110 · Dues - Other	180.00
Total 4110 · Dues	6,299.00

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01/04/17
Cash Basis

Saratoga-Schenectady Endoscopy Center LLC
Profit & Loss
January through December 2016

	Jan - Dec 16
4111 · Employee Relations	12,018.05
4119 · Electronic Billing	5,428.79
4120 · Education	
4121 · Hunt	1,509.00
4122 · Staff	10,385.00
4120 · Education - Other	1,728.79
Total 4120 · Education	13,622.79
4129 · Employee Lunches	2,433.50
4137 · Equipment Maintenance	122,966.86
4139 · Equipment Purchases	9,004.68
4141 · Gifts	12.75
4160 · Insurance Expense	
4161 · Health	81,071.83
4169 · Disability	3,614.25
4170 · Workers Comp	11,723.42
4171 · Malpractice	32,259.00
4172 · Business Owners	2,898.00
4174 · Directors & Officers	5,211.00
Total 4160 · Insurance Expense	136,777.50
4180 · Laundry	60,796.82
4191 · Meals	
4195 · Meals & Ent. - 50%	32.45
4191 · Meals - Other	180.31
Total 4191 · Meals	212.76
4192 · LLC Filing Fee	3,000.00
4200 · Medical Supplies	
4201 · Controlled Substances	
4201.1 · Diprivan	34,385.35
4201.2 · Midazolam	28,506.24
4201.3 · Fentanyl	22,823.12
4201 · Controlled Substances - Other	7,033.79
Total 4201 · Controlled Substances	92,748.50
4202 · Medicines	75,930.04
4200 · Medical Supplies - Other	658,925.80
Total 4200 · Medical Supplies	827,604.34
4210 · Medical Waste Removal	49,895.86
4230 · Office Supplies	18,128.03
4234 · Outside Services	32.40
4240 · Payroll Expense	
4290 · Tax	
4291 · Disability	9,705.33
4292 · Federal	0.00
4293 · FUTA	1,613.03
4294 · Medicare	116,503.38
4295 · State	0.00
4296 · SUI	-944.10
Total 4290 · Tax	126,877.64
4297 · Per Diem	1,154.96
4240 · Payroll Expense - Other	1,631,092.26
Total 4240 · Payroll Expense	1,759,124.86
4280 · PC Support Services	179,927.76
4299 · Processing Fee	10,220.37

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 01/04/17
 Cash Basis

Saratoga-Schenectady Endoscopy Center LLC
Profit & Loss
 January through December 2016

	Jan - Dec 16
4300 · Pension	
4301 · Profit Sharing	61,458.50
4302 · 401k Match	32,132.45
Total 4300 · Pension	93,590.95
4310 · Postage Expense	
4311 · PO Box	140.00
4310 · Postage Expense - Other	329.00
Total 4310 · Postage Expense	469.00
4314 · Record Destruction	1,337.50
4318 · Pension Recordkeeping	4,469.09
4330 · Rent	249,996.00
4335 · Subscriptions	515.85
4350 · Taxes	
4352 · Property	20,241.35
4354 · Other	9.00
Total 4350 · Taxes	20,250.35
4360 · Telephone	
4361 · Cell Phones	998.39
4360 · Telephone - Other	7,763.86
Total 4360 · Telephone	8,762.25
4370 · Travel Expense	
4371 · Management	2,441.37
4370 · Travel Expense - Other	2,934.18
Total 4370 · Travel Expense	5,375.55
4380 · Utilities	
4381 · Metered Water	677.16
4380 · Utilities - Other	23,137.22
Total 4380 · Utilities	23,814.38
4400 · Loan Expense	4,126.49
4599 · Payroll Transfer-ASC Support	-1,567.02
4997 · Uniforms	1,706.09
4999 · HCRA	8,366.00
Total Expense	4,204,315.82
Net Income	3,820,676.83

**Putnam GI, LLC
Balance Sheet
As of December 31, 2016**

Cash Basis

	<u>Dec 31, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
TD BANK CHECKING	110,743.83
Total Checking/Savings	<u>110,743.83</u>
Accounts Receivable	
Accounts Receivables	839,186.59
Total Accounts Receivable	<u>839,186.59</u>
Other Current Assets	
Prepaid Expenses and OCA	
Prepaid Expenses	-30,825.26
Total Prepaid Expenses and OCA	<u>-30,825.26</u>
Total Other Current Assets	<u>-30,825.26</u>
Total Current Assets	<u>919,105.16</u>
Total Fixed Assets	827,526.96
TOTAL ASSETS	<u><u>1,746,632.12</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	-10,949.65
Total Accounts Payable	<u>-10,949.65</u>
Total Current Liabilities	<u>63,929.19</u>
Total Long Term Liabilities	<u>32,706.95</u>
Total Liabilities	96,636.14
Equity	
Total Equity	<u>1,649,995.98</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,746,632.12</u></u>

**Putnam GI, LLC
Profit & Loss
January through December 2016**

Cash Basis

	<u>Jan - Dec 16</u>
Ordinary Income/Expense	
Total Income	<u>4,170,720.44</u>
Gross Profit	<u>4,170,720.44</u>
Expense	
Anesthesia Staffing Costs	499,955.33
Total Drugs & Medical Supplies	163,248.79
Total General and Administrative	220,657.77
Total Occupancy	82,534.46
Total Payroll and Benefits	519,593.39
Total Professional Fees	<u>171,248.32</u>
Total Revenue Cycle Management	<u>190,068.28</u>
Total Expense	<u>1,847,306.34</u>
Net Ordinary Income	<u>2,323,414.10</u>
Net Income	<u><u>2,323,414.10</u></u>

PUTNAM GI, LLC
d/b/a ENDOSCOPY CENTER OF NEW YORK
(A Limited Liability Company)

BALANCE SHEETS

December 31, 2015 and 2014

ASSETS

	<u>2015</u>	<u>2014</u>
CURRENT ASSETS		
Cash	\$ 44,439	\$ 146,674
Accounts Receivable - Net	873,413	463,677
Prepaid Expenses	-	6,858
TOTAL CURRENT ASSETS	<u>917,852</u>	<u>617,209</u>
LEASEHOLD IMPROVEMENTS AND EQUIPMENT- NET	<u>766,477</u>	<u>827,527</u>
TOTAL ASSETS	<u>\$ 1,684,329</u>	<u>\$ 1,444,736</u>

LIABILITIES AND MEMBERS' EQUITY

CURRENT LIABILITIES		
Accounts Payable	\$ 39,729	\$ 24,191
Accrued Expenses and Payroll Payable	119,167	84,882
Current Portion of Long-term Debt	<u>167,358</u>	<u>180,000</u>
TOTAL CURRENT LIABILITIES	<u>326,254</u>	<u>289,073</u>
LONG-TERM LIABILITIES		
Long-Term Debt, Less Current Portion	<u>8,333</u>	<u>175,691</u>
TOTAL LONG-TERM LIABILITIES	<u>8,333</u>	<u>175,691</u>
TOTAL LIABILITIES	<u>334,587</u>	<u>464,764</u>
COMMITMENTS AND CONTINGENCIES		
MEMBERS' EQUITY	<u>1,349,742</u>	<u>979,972</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 1,684,329</u>	<u>\$ 1,444,736</u>

PUTNAM GI, LLC
d/b/a ENDOSCOPY CENTER OF NEW YORK
(A Limited Liability Company)

STATEMENTS OF INCOME AND MEMBERS' EQUITY

For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
PATIENT SERVICE REVENUES	\$ 4,101,920	\$ 3,588,151
EXPENSES		
General and Administrative Expenses	442,455	429,796
Facility Costs	35,878	42,699
Property Costs	187,222	181,921
Medical and Related Expenses	149,698	162,816
Salaries	747,909	773,986
Employee Benefits	<u>108,988</u>	<u>98,109</u>
TOTAL EXPENSES	<u>1,672,150</u>	<u>1,689,327</u>
NET INCOME	2,429,770	1,898,824
MEMBERS' EQUITY, BEGINNING OF YEAR	979,972	1,121,148
MEMBERS' DISTRIBUTIONS	<u>(2,060,000)</u>	<u>(2,040,000)</u>
MEMBERS' EQUITY, END OF YEAR	<u>\$ 1,349,742</u>	<u>\$ 979,972</u>

New York Society for the Relief of
the Ruptured and Crippled, Maintaining
the Hospital for Special Surgery

Consolidated Statements of Financial Position

	(Unaudited) September 30 2016	(Audited) December 31 2015		(Unaudited) September 30 2016	(Audited) December 31 2015
	<i>(In Thousands)</i>			<i>(In Thousands)</i>	
Assets			Liabilities and net assets		
Current assets:			Current liabilities:		
Cash and cash equivalents	\$ 49,642	\$ 89,867	Accounts payable and accrued expenses	\$ 56,841	\$ 64,271
Receivables:			Accrued salaries and related liabilities	31,173	38,808
Patient care, less allowance for doubtful accounts			Current portion of long-term debt	42,130	39,852
(2016 – \$14,906; 2015 – \$11,530)	102,570	94,286	Due to third-party payors – net	3,125	3,125
Insurance claims receivable	17,138	17,138	Insurance claims liabilities	17,138	17,138
Other	17,663	18,413	Other current liabilities	20,726	23,030
Total receivables	137,371	129,837	Total current liabilities	171,133	186,224
Investments	401,204	391,631	Long-term debt	263,112	278,411
Inventories	8,110	8,157	Insurance claims liabilities, net of current portic	61,384	61,384
Prepaid expenses and other current assets	7,209	5,812	Other noncurrent liabilities, including due to		
Pledges receivable	11,590	13,589	third-party payors – net	143,770	153,753
Assets limited to use	4,311	8,131	Total liabilities	639,399	679,772
Due from affiliates – net	9,054	10,582			
Total current assets	628,491	657,606			
Insurance claims receivable, net of current portion	61,384	61,384	Net assets:		
Other noncurrent assets	10,711	9,475	Unrestricted:		
Due from affiliates – net	11,071	11,071	Unrestricted	536,482	497,904
Pledges receivable	26,038	22,361	Designated for quasi-endowment	3,719	3,719
Deferred financing costs, less accumulated amortization			Noncontrolling interest in subsidiaries	916	1,765
(2016 – \$7,833; 2015 – \$7,405)	5,223	5,651	Total unrestricted	541,117	503,388
Assets limited as to use	72,517	79,335	Temporarily restricted:		
Long-term investments	112,012	106,027	Specific purpose	52,222	56,166
Interest in The Hospital for Special Surgery Fund, Inc.	44,418	38,331	Plant replacement and expansion	48,299	42,851
Property, plant and equipment – net	513,489	491,065	Research	73,227	76,251
Total assets	\$ 1,485,354	\$ 1,482,306	Total temporarily restricted	173,748	175,268
			Permanently restricted	131,090	123,878
			Total net assets	845,955	802,534
			Total liabilities and net assets	\$ 1,485,354	\$ 1,482,306

New York Society for the Relief of
the Ruptured and Crippled, Maintaining
the Hospital for Special Surgery

Consolidated Statements of Operations and Changes in Net Assets

	(Unaudited) Nine Months Ended 2016	(Unaudited) September 30 2015
	<i>(In Thousands)</i>	
Operating revenue		
Net patient service revenue	\$ 637,607	\$ 600,419
Other operating revenue	113,668	104,134
Net assets released from restrictions for operations	12,532	12,804
Total operating revenue	<u>763,807</u>	<u>717,357</u>
Operating expenses		
Salaries and wages	320,205	287,580
Employee benefits	91,315	89,184
Supplies and other	269,630	243,912
Interest expense	6,798	6,154
Depreciation and amortization	43,256	41,381
Bad debt expense	6,755	7,038
Total operating expenses	<u>737,959</u>	<u>675,249</u>
Operating income before research operations and change in unrestricted interest in The Hospital for Special Surgery Fund, Inc., bequest and loss attributable to noncontrolling interest in subsidiary	25,848	42,108
Research operations:		
Net assets released from restrictions for research operations	26,396	23,180
Operating expenses, including depreciation (2016 – \$2,417; 2015 – \$2,423)	30,571	28,688
Net research operations	<u>(4,175)</u>	<u>(5,508)</u>
Change in unrestricted interest in The Hospital for Special Surgery Fund, Inc.	6,087	6,412
Bequest	-	6,748
Operating income before loss attributable to noncontrolling interest in subsidiary	27,760	49,760
Less: operating loss attributable to noncontrolling interest in subsidiary	849	573
Operating income	<u>\$ 28,609</u>	<u>\$ 50,333</u>

New York Society for the Relief of the Ruptured and
Crippled, Maintaining the Hospital for Special Surgery

Consolidated Statements of Financial Position

	December 31	
	2015	2014
	<i>(In Thousands)</i>	
Assets		
Current assets:		
Cash and cash equivalents	\$ 89,867	\$ 72,926
Receivables:		
Patient care, less allowance for doubtful accounts (2015 – \$11,530; 2014 – \$9,560)	94,286	86,147
Insurance claims receivable	17,138	21,555
Other	18,413	17,633
Total receivables	<u>129,837</u>	<u>125,335</u>
Investments	391,631	353,699
Inventories	8,157	7,133
Prepaid expenses and other current assets	5,812	5,153
Pledges receivable	13,589	12,129
Assets limited as to use	8,131	10,504
Due from affiliates – net	10,582	11,624
Total current assets	<u>657,606</u>	<u>598,503</u>
Insurance claims receivable, net of current portion	61,384	59,507
Other noncurrent assets	9,475	8,810
Due from affiliates – net	11,071	11,072
Pledges receivable	22,361	21,510
Deferred financing costs, less accumulated amortization (2015 – \$7,405; 2014 – \$8,594)	5,651	6,376
Assets limited as to use	79,335	112,809
Long-term investments	106,027	98,735
Interest in The Hospital for Special Surgery Fund, Inc.	38,331	30,240
Property, plant and equipment – net	491,065	411,349
Total assets	<u>\$ 1,482,306</u>	<u>\$ 1,358,911</u>

	December 31	
	2015	2014
	<i>(In Thousands)</i>	
Liabilities and net assets		
Current liabilities:		
Accounts payable and accrued expenses	\$ 64,271	\$ 60,328
Accrued salaries and related liabilities	38,808	33,130
Current portion of long-term debt	39,852	31,557
Due to third-party payors – net	3,125	3,649
Insurance claims liabilities	17,138	21,555
Other current liabilities	23,030	24,692
Total current liabilities	<u>186,224</u>	<u>174,911</u>
Long-term debt	278,411	279,268
Insurance claims liabilities, net of current portion	61,384	59,507
Other noncurrent liabilities, including accrued retirement benefits and due to third-party payors – net	153,753	143,547
Total liabilities	<u>679,772</u>	<u>657,233</u>
Commitments and contingencies		
Net assets:		
Unrestricted:		
Unrestricted	497,904	419,720
Designated for quasi-endowment	3,719	3,719
Noncontrolling interest in subsidiary	1,765	–
Total unrestricted	<u>503,388</u>	<u>423,439</u>
Temporarily restricted:		
Specific purpose	56,166	53,103
Plant replacement and expansion	42,851	43,974
Research	76,251	66,595
Total temporarily restricted	<u>175,268</u>	<u>163,672</u>
Permanently restricted	123,878	114,567
Total net assets	<u>802,534</u>	<u>701,678</u>
Total liabilities and net assets	<u>\$ 1,482,306</u>	<u>\$ 1,358,911</u>

New York Society for the Relief of the Ruptured and
Crippled, Maintaining the Hospital for Special Surgery

Consolidated Statements of Operations and Changes in Net Assets

	Year Ended December 31	
	2015	2014
	<i>(In Thousands)</i>	
Operating revenue		
Net patient service revenue	\$ 820,689	\$ 759,497
Other operating revenue	145,138	129,554
Net assets released from restrictions for operations	16,343	17,374
Total operating revenue	<u>982,170</u>	<u>906,425</u>
Operating expenses		
Salaries and wages	387,836	358,290
Employee benefits	120,132	111,849
Supplies and other	325,973	310,909
Interest expense	8,201	9,697
Depreciation and amortization	54,417	53,696
Bad debt expense	8,821	8,517
Total operating expenses	<u>905,380</u>	<u>852,958</u>
Operating income before research operations, change in unrestricted interest in The Hospital for Special Surgery Fund, Inc., bequest and operating loss attributable to noncontrolling interest in subsidiary	76,790	53,467
Research operations:		
Net assets released from restrictions for research operations	31,813	29,348
Operating expenses, including depreciation (2015 – \$3,186; 2014 – \$2,028)	39,006	34,385
Net research operations	<u>(7,193)</u>	<u>(5,037)</u>
Change in unrestricted interest in The Hospital for Special Surgery Fund, Inc.	8,091	2,671
Bequest	6,748	33,445
Operating income before operating loss attributable to noncontrolling interest in subsidiary	84,436	84,546
Operating loss attributable to noncontrolling interest in subsidiary	807	–
Operating income	<u>85,243</u>	<u>84,546</u>

HSS WEST SIDE ASC, LLC

ESTABLISH A SINGLE-SPECIALTY FREESTANDING AMBULATORY SURGERY CENTER

PRO FORMA BALANCE SHEET

ASSETS

Cash	\$1,962,662
Leasehold Improvements	\$8,904,813
Equipment	<u>\$5,509,000</u>
TOTAL ASSETS	\$16,376,476

LIABILITIES AND MEMBER EQUITY

LIABILITIES

Capital Loan	\$12,530,000
Working Capital Loan	<u>\$970,000</u>
TOTAL LIABILITIES	\$13,500,000

MEMBER EQUITY **\$2,876,476**

**TOTAL LIABILITIES AND
MEMBER EQUITY** **\$16,376,476**

Note: HSS West Side ASC, LLC is a recently formed LLC and has no assets and liabilities.



Bergen

★ Paterson

● Yonkers

● New Rochelle

★ Hackensack

○ Eastchester

Project 162552 HSS West Side ASC

Bronx

New York

★ **HSS West Side ASC, LLC**

★ **HSS ASC of manhattan**

Hudson

East Orange

★

★ New York

Queens

Kings

● Bloomfield

Richmond



West Side GI, LLC
Current Membership Chart

<u>Members</u>	<u>Membership Percentage</u>
Mount Sinai Ambulatory Ventures, Inc.	11.65%
James Palma, M.D .	7.93%
Jeffrey Crespin, M.D.	4.04%
Jefrey Aronoff, M.D.	2.77%
Frontier Healthcare Associates, LLC	0.67%
Joseph Nash, M.D.	6.99%
Leslie Seecoomar, M.D.	9.32%
Myron Goldberg, M.D.	10.31%
Peter Distler, M.D.	17.02%
Ricardo Pou, M.D.	13.44%
Susan Sain Sain Lu, M.D.	2.69%
Todd Linden, M.D.	2.86%
Vicenta DeLopez, M.D.	2.69%
Mark Koutsos, M.D.	1.48%
Jan Shim, M.D.	1.48%
Jonathan Rieber, M.D.	1.98%
Indira Kairam, M.D.	2.69%
TOTAL	<hr/> 100.00%

Indirect Membership Interests in West Side GI, LLC

<u>Frontier Healthcare Associates, LLC:</u>		<u>Indirect Membership % *</u>
1	Jordan Fowler	0.26%
2	Oleg Gutnik, M.D.	0.20%
3	Roy Bejarano	0.20%
4	Jason Schifman	0.02%
	Total	<hr/> 0.67%

*Frontier Healthcare Associates, LLC has a 0.67% membership interest in West Side GI, LLC.

WEST SIDE GI, LLC
BALANCE SHEETS

BFA Attachment B
 CON 171020

	<u>December 31,</u>	
	<u>2015</u>	<u>2014</u>
ASSETS		
CURRENT ASSETS		
Cash	\$ 25,689	\$ 57,324
Due from members	10,264	242,527
Patient services receivable, net	3,617,381	2,878,163
Prepaid expenses and other assets	197,201	106,450
Total current assets	<u>3,850,535</u>	<u>3,284,464</u>
OTHER ASSETS		
Property and equipment, net	3,148,546	3,673,235
Security deposit	286,756	286,756
Total assets	<u>\$ 7,285,837</u>	<u>\$ 7,244,455</u>
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 447,637	\$ 547,619
Defined benefit pension plan payable	467,720	437,606
Related party payable	47,083	48,333
Membership deposit	-	79,218
Long-term debt - current portion	813,376	813,376
Deferred lease incentive - current portion	51,300	51,300
Total current liabilities	<u>1,827,116</u>	<u>1,977,452</u>
OTHER LIABILITIES		
Deferred lease incentive - net of current portion	538,671	589,971
Long-term debt - net of current portion	542,250	1,355,625
Deferred rent	580,171	418,543
Total liabilities	<u>3,488,208</u>	<u>4,341,591</u>
COMMITMENTS AND CONTINGENCIES		
MEMBERS' EQUITY		
Members' equity	<u>3,797,629</u>	<u>2,902,864</u>
Total liabilities and members' equity	<u>\$ 7,285,837</u>	<u>\$ 7,244,455</u>

See notes to financial statements.

WEST SIDE GI, LLC
STATEMENTS OF INCOME

	<u>Years Ended December 31,</u>	
	<u>2015</u>	<u>2014</u>
REVENUES		
Net patient service revenue	<u>\$ 20,367,322</u>	<u>\$ 18,238,212</u>
Total revenues	<u>20,367,322</u>	<u>18,238,212</u>
OPERATING EXPENSES		
Salaries and benefits	3,669,360	3,610,835
Bad debt expense	1,129,489	835,625
Professional fees	955,133	847,196
Medical supplies and other	865,123	823,017
Rent and occupancy	866,243	769,122
Depreciation and amortization	524,888	514,572
Office expenses	457,649	478,449
Insurance	<u>120,450</u>	<u>86,053</u>
Total expenses	<u>8,588,335</u>	<u>7,964,869</u>
OPERATING INCOME	11,778,987	10,273,343
NON-OPERATING EXPENSE	<u>62,253</u>	<u>102,480</u>
INCOME BEFORE INCOME TAXES	11,716,734	10,170,863
INCOME TAX EXPENSE	<u>445,982</u>	<u>419,500</u>
NET INCOME	<u>\$ 11,270,752</u>	<u>\$ 9,751,363</u>

See notes to financial statements.

1:25 PM

11/08/16

Accrual Basis

Westside GI LLC
Balance Sheet
As of October 31, 2016

BFA Attachment B
CON 171020 (cont.)

Oct 31, 16

ASSETS		
Current Assets		
Checking/Savings		
Bank Accounts		
967791427	-8,174.49	
Bank Accounts - Other	-565.73	
Total Bank Accounts		-8,740.22
Cash		1,200.00
Total Checking/Savings		-7,540.22
Accounts Receivable		
Accounts Receivables		19.50
Total Accounts Receivable		19.50
Other Current Assets		
Member Recievable		
James Palma Loan	1,514.00	
Pension Related	429,351.00	
Member Recievable - Other	4,343.00	
Total Member Recievable		435,208.00
Patient AR		
ANES allowance	-2,582,890.00	
ANES receivable	3,067,912.00	
Carrier allowance	-1,004,777.00	
WGI allowance	-314,879.00	
WGI receivable	3,476,764.00	
Total Patient AR		2,642,130.00
Prepaid Exp and OCA		
GI Supply Inventory	36,180.00	
Prepaid Insurance	280,955.92	
Prepaid Service Agreements	132,361.99	
Total Prepaid Exp and OCA		449,497.91
Total Other Current Assets		3,526,835.91
Total Current Assets		3,519,315.19

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11/08/16

Accrual Basis

Westside GI LLC
Balance Sheet
As of October 31, 2016

BFA Attachment B
CON 171020 (cont.)

	Oct 31, 16
Fixed Assets	
Accumulated Depreciation	
Accumulated Dep - Equipment	-491,588.00
Accumulated Dep - Leasehold Imp	-472,071.00
Accumulated Dep - Software	-351,163.00
Total Accumulated Depreciation	-1,314,822.00
Leasehold Improvements	
Architect's Fees	150,306.69
Construction	2,714,509.68
Designer	36,200.00
Total Leasehold Improvements	2,901,016.37
Prop & Eqmnt, Net Eqmnt	
Furniture and Equipment	170,854.69
IT Setup	280,464.57
Medical Equipment	387,946.23
Medical Equipment2	34,338.84
Olympus	915,597.17
Software cost	311,158.61
Total Prop & Eqmnt, Net Eqmnt	2,100,360.11
Total Fixed Assets	3,686,554.48
Other Assets	
Developmental Stage Expenses	
Consulting	900.00
Total Developmental Stage Expenses	900.00
Security Deposit (Cap Improv)	286,756.00
Total Other Assets	287,656.00
TOTAL ASSETS	7,493,525.67
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	141,205.85
Distribution Payable	416,572.45
Related Party Payable	48,333.00
Total Accounts Payable	606,111.30

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11/08/16

Accrual Basis

Westside GI LLC
Balance Sheet
As of October 31, 2016

BFA Attachment B
CON 171020 (cont.)

	Oct 31, 16
Credit Cards	
Chase Credit Card	3,043.95
Total Credit Cards	3,043.95
Other Current Liabilities	
Accrued Expenses	103,682.00
Accrued Vacation	27,959.00
Pension Safe Harbor Accrual	32,635.34
PENSION/401K Withholding	413,054.39
Total Other Current Liabilities	577,330.73
Total Current Liabilities	1,186,485.98
Long Term Liabilities	
Construction Loan	-77,229.57
Current Portion of LT Debt	813,376.18
Deferred Rent	418,543.00
Equipment Loan	-58,333.50
Line of Credit	354.48
Tenant Improvement Allowance	641,271.00
Total Long Term Liabilities	1,737,981.59
Total Liabilities	2,924,467.57
Equity	
Member Distributions	
Beth Isreal Ambulatory Services	-3,607,280.33
Frontier Healthcare	-205,534.14
Indira Kairam, MD	-499,188.32
James Palma	-2,454,373.66
Jan Shim, M.D.	-430,126.50
Jeffrey Crespin	-1,250,193.89
Jeffrey S. Aronoff	-827,646.87
Jonathan Rieber, M.D.	-568,582.99
Joseph Nash	-2,081,513.29
Leslie F. Seecoomar	-2,886,070.88
Markos Koutsos	-458,898.71
Myron D. Goldberg	-3,192,488.95
Peter Distler	-5,272,265.98
Ricardo Pou	-4,161,901.90
Robert Lombardo, M.D.	-269,919.71
Susan Sain Sain Lu	-832,492.59
Todd B. Linden	-916,246.20
Vicenta DeLopez	-802,924.23
Total Member Distributions	-30,717,649.14

1:25 PM

11/08/16

Accrual Basis

Westside GI LLC
Balance Sheet
As of October 31, 2016

BFA Attachment B
CON 171020 (cont.)

	Oct 31, 16
Members	
Beth Israel Ambulatory Svces Co	433,032.78
Indira Kairam, MD	528,121.15
James Palma	294,640.46
Jan Shim	44,486.79
Jeffrey Crespin	150,066.90
Jeffrey S. Aronoff	72,538.18
Jonathan Reiber	54,209.70
Jordan Fowler	24,599.49
Joseph Nash	176,049.24
Leslie F. Seecoomar	346,494.36
Markos Koutsos	73,259.00
Myron D. Goldberg	383,238.94
Peter Distler	632,896.69
Ricardo Pou	499,653.07
Robert Lombardo, MD	43,151.40
Susan Sain Sain Lu	99,931.21
Todd B. Linden	106,454.59
Vicenta DeLopez	99,931.21
Total Members	4,062,755.16
Retained Earnings	20,903,269.18
Net Income	10,320,682.90
Total Equity	4,569,058.10
TOTAL LIABILITIES & EQUITY	<u>7,493,525.67</u>

1:24 PM

11/08/16

Accrual Basis

Westside GI LLC
Profit & Loss
 January through October 2016

BFA Attachment B
 CON 171020 (cont.)

	Jan - Oct 16
Ordinary Income/Expense	
Income	
Misc Account Revenue	1,587.31
Procedure Revenue	
Returned checks	-1,754.21
Procedure Revenue - Other	16,578,736.99
Total Procedure Revenue	16,576,982.78
Refunds	-640.87
Total Revenue	16,576,341.91
Total Income	16,577,929.22
Gross Profit	16,577,929.22
Expense	
Anesthesia	
CRNA	0.00
MD Anesthesiologists	1,335,068.60
Anesthesia - Other	13,481.00
Total Anesthesia	1,348,549.60
Drugs and Medical Supplies	
Inventory	491,586.47
Linen and laundry	46,707.09
Medical Waste	3,886.48
Minor Capital	39,136.03
Non-Inventory	694.38
Pharmaceuticals	58,246.30
Total Drugs and Medical Supplies	640,256.75
Error	20.35
General and Administrative	
Computer and Internet Expenses	
Data Center	9,151.18
Internet	21,615.44
IT Consulting	92,985.07
IT Equipment	61,048.67
Software Training and Support	38,064.92
Total Computer and Internet Expenses	222,865.28

1:24 PM

11/08/16

Accrual Basis

Westside GI LLC
Profit & Loss
 January through October 2016

BFA Attachment B
 CON 171020 (cont.)

Jan - Oct 16

Office Expense	
Business gifts	1,896.42
Charitable Donations	2,500.00
Continuing Education	10,155.90
Dues/Licenses/Permits	9,256.48
Office Supplies	53,967.64
Postage and delivery	2,430.92
Pre-Employment Medical Exam	2,535.00
Pre Employment Background Check	1,117.45
Printer Lease	17,279.66
Staff Meals	21,741.77
Telephone expense	19,450.76
Translation Services	1,796.25
Travel Expense	6,279.14
Office Expense - Other	203.82
Total Office Expense	150,611.21
Total General and Administrative	373,476.49
Occupancy	
Alarm	371.99
Building Repairs	16,049.90
Building supplies	161.19
Janitorial Expense	66,861.88
Rent Expense	392,624.87
Utilities	62,717.15
Total Occupancy	538,786.98
Payroll and Benefits	
Paroll Taxes & Employee Benefit	
Disability	-929.53
FICA	133,895.15
FUTA	2,026.28
MCTMT	6,661.88
Medical/Dental Insurance/401K	72,646.88
Payroll Service	12,156.79
Safe Harbor/Profit Sharing	60,966.52
SUI	17,640.70
TransitChek	11,801.85
Total Paroll Taxes & Employee Benefit	316,866.52

1:24 PM

11/08/16

Accrual Basis

Westside GI LLC
Profit & Loss
 January through October 2016

BFA Attachment B
 CON 171020 (cont.)

	Jan - Oct 16
Salaries	
Administrative	
BOM/Bookkeeper	91,666.80
Full Time Admin Staff	124,526.99
Insurance Verification	25,450.66
Total Administrative	241,644.45
Anesthesia Staffing Costs	194,668.70
Nursing Staff Costs	
Agency Registered Nurses	199,881.90
Full Time LPN	34,446.87
Full Time Registered Nurses	295,253.09
Nurse Manager	127,499.80
Per Diem RN	17,126.05
Total Nursing Staff Costs	674,207.71
Technicians	
Full Time GI Techs	272,675.07
Materials Manager	12,224.28
Per Diem Technician	28,789.60
Total Technicians	313,688.95
Total Salaries	1,424,209.81
Total Payroll and Benefits	1,741,076.33
Pension Expense	3,167.00
Professional Fees	
Accounting	65,277.77
Consulting	15,994.83
Frontier Management Fee	179,933.33
Legal	106,629.57
Total Professional Fees	367,835.50
Revenue Cycle Management	
Bank Service Charges	15,867.04
Frontier Healthcare Billing	584,073.57
Merchant fees	10,821.68
Revenue Cycle Management - Other	1,345.00
Total Revenue Cycle Management	612,107.29
Total Expense	5,625,276.29
Net Ordinary Income	10,952,652.93

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11/08/16

Accrual Basis

Westside GI LLC
Profit & Loss
January through October 2016

BFA Attachment B
CON 171020 (cont.)

Jan - Oct 16

Other Income/Expense	
Other Expense	
Interest Expense	
Construction Loan Interest	23,691.35
Equipment Loan Interest	12,455.31
Other Interest	29.38
Interest Expense - Other	0.00
Total Interest Expense	36,176.04
Taxes	584,865.84
Taxes-NYC Rent Tax	10,928.15
Total Other Expense	631,970.03
Net Other Income	-631,970.03
Net Income	<u>10,320,682.90</u>

**Surgical Specialty Center of Westchester, LLC
Balance Sheet
As of October 31, 2016**

	<u>Oct 31, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
Checking	464,812.19
Total Checking/Savings	<u>464,812.19</u>
Total Current Assets	464,812.19
Fixed Assets	
Computer Software	121,231.36
Computer Software - A/D	-117,321.37
Equipment	884,734.52
Equipment - A/D	-864,632.14
Equipment (Nonmedical)	180,355.93
Equipment (Nonmedical) - A/D	-176,886.44
Furniture and Fixtures	24,304.10
Furniture and Fixtures - A/D	-24,304.10
Leasehold Improvements	1,612,532.18
Leasehold Improvements - A/D	-1,611,942.46
Medical Equipment	12,893.82
Medical Equipment - A/D	-12,893.82
Total Fixed Assets	<u>28,071.58</u>
Other Assets	
Closing Costs	25,615.89
Closing Costs - A/A	-25,615.89
Due from CSANY	168.81
Goodwill	400,473.50
Goodwill - A/A	-113,466.18
Organizational Costs	337,802.08
Organizational Costs - A/A	-337,802.08
Total Other Assets	<u>287,176.13</u>
TOTAL ASSETS	<u><u>780,059.90</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Credit Cards	
American Express - #14006	58,332.38
American Express - #31005	25,689.45
American Express - #45000	50,917.03
American Express - #91000	25,116.16
Total Credit Cards	<u>160,055.02</u>
Total Current Liabilities	160,055.02
Long Term Liabilities	
Loan Payable - FCB	161,925.33
Loan Payable - Key Equipment	78,011.03
Loan Payable - Key Equipment #2	22,507.20
Loans from Members	
Josh Greenwald	17,158.49
Sam Beran	17,158.49
Total Loans from Members	<u>34,316.98</u>
Total Long Term Liabilities	<u>296,760.54</u>
Total Liabilities	456,815.56

Surgical Specialty Center of Westchester, LLC
Balance Sheet
As of October 31, 2016

	<u>Oct 31, 16</u>
Equity	
Distributions	
Allen Greenbaum	-47,672.10
Bradley Scharf	-75,265.80
James Gordon	-75,265.80
Joshua Greenwald	-208,732.84
Neil Katz	-30,103.50
Richard Gordon	-14,100.00
Samuel Beran	-207,460.35
Seth Potash	-47,672.10
Total Distributions	<u>-706,272.49</u>
Equity	
Allen Greenbaum	217,293.51
Bradley Scharf	343,070.94
James Gordon	343,070.94
Josh Greenwald	-804,222.74
Neil Katz	137,217.35
Richard Gordon	19,178.20
Sam Beran	-804,221.49
Seth Potash	217,294.20
Total Equity	<u>-331,319.09</u>
Net Income	1,360,835.92
Total Equity	<u>323,244.34</u>
TOTAL LIABILITIES & EQUITY	<u><u>780,059.90</u></u>

Surgical Specialty Center of Westchester, LLC
Profit & Loss YTD Comparison
October 2016

	<u>Oct 16</u>	<u>Jan - Oct 16</u>
Ordinary Income/Expense		
Income		
Cosmetic	50,923.53	718,308.76
Insurance	303,891.17	2,890,446.09
Medicaid	18,636.24	264,595.47
Medicare	135,284.57	1,369,757.38
Refunds	-2,753.39	-45,256.59
Total Income	505,982.12	5,197,851.11
Cost of Goods Sold		
Drugs		
Drugs - Common	0.00	2,602.37
Drugs - Eyes	3,995.02	11,364.41
Total Drugs	3,995.02	13,966.78
Implants		
Implants - Cosmetics/Plastics	0.00	11,146.69
Implants - Eyes	16,262.00	95,448.06
Implants - Hand	0.00	22,035.57
Implants - Other	0.00	1,177.00
Total Implants	16,262.00	129,807.32
Instruments		
Instruments - Common	0.00	792.74
Instruments - Cosmetic/Plastic	0.00	438.00
Instruments - ENT	0.00	-75.66
Instruments - Eyes	2,203.33	14,092.05
Instruments - Hands	0.00	3,105.33
Total Instruments	2,203.33	18,352.46
Linen Expense	2,896.70	26,839.31
Medical Gases	3,083.72	13,521.74
Medical Supplies		
Medical Supplies-Common	42,739.15	478,777.83
Medical Supplies-Cosmetic/Plstc	3,691.67	73,549.44
Medical Supplies-Eyes		
Medical Supplies-Eyes-IOLs	25,781.85	202,216.59
Medical Supplies-Eyes - Other	48,224.24	314,931.80
Total Medical Supplies-Eyes	74,006.09	517,148.39
Medical Supplies-Foot	0.00	2,446.94
Medical Supplies-Hand	0.00	6,534.65
Medical Supplies-Oral	0.00	436.08
Medical Supplies-Patient Care	414.30	4,226.88
Medical Supplies - Ortho	0.00	275.91
Medical Supplies - Other	0.00	16.04
Total Medical Supplies	120,851.21	1,083,412.16
Patient Transportation	-120.00	2,679.00
Total COGS	149,171.98	1,288,578.77
Gross Profit	356,810.14	3,909,272.34
Expense		
Advertising and Promotion	109.58	7,490.96
Amortization Expense	2,224.83	22,248.30
Bank Service Charges	155.74	1,962.85
Charitable Contributions	0.00	250.00
Cleaning	0.00	14,493.88
Computer and Internet Expenses	4,293.93	55,829.74
Conference	0.00	4,200.00
Continuing Education	0.00	475.00
Credit Card Discount Fees	1,784.63	19,037.54
Depreciation Expense	864.26	8,642.60
Dictation	71.10	771.70
Dues and Subscriptions	673.93	5,195.84

Surgical Specialty Center of Westchester, LLC
Profit & Loss YTD Comparison
October 2016

	<u>Oct 16</u>	<u>Jan - Oct 16</u>
Equipment Maintenance	12,987.04	65,052.13
Equipment Rental		
Equipment Rental - Atlantic	0.00	15,090.74
Equipment Rental - Femto	7,932.85	10,692.73
Equipment Rental - Other	10,468.82	91,017.20
Total Equipment Rental	18,401.67	116,800.67
Equipment Repairs		
Equipment Repairs - Instruments		
Equipment Repairs-Ins-Plastics	0.00	118.00
Equipment Repairs - Instruments - Other	0.00	2,315.00
Total Equipment Repairs - Instruments	0.00	2,433.00
Equipment Repairs - Other	3,566.69	20,326.88
Total Equipment Repairs	3,566.69	22,759.88
Filing Fee	0.00	3,000.00
Gifts	0.00	828.00
Insurance Expense		
Disability Insurance	226.86	3,333.29
Employment Practices Liability	0.00	2,536.98
General Liability Insurance	1,052.13	5,678.24
Health Insurance	-2,046.24	113,071.65
Life Insurance	0.00	1,327.11
Malpractice Insurance	5,134.22	52,899.30
Worker's Compensation	0.00	10,375.48
Insurance Expense - Other	0.00	6,794.50
Total Insurance Expense	4,366.97	196,016.55
Interest Expense		
Amex	0.00	586.89
FCB	1,054.34	12,988.40
Joshua Greenwald	121.23	2,778.04
Key Equipment	299.81	3,927.37
Key Equipment #2	87.13	1,092.29
Samuel Beran	121.23	2,778.03
Total Interest Expense	1,683.74	24,151.02
Laboratory Fees		
Employees	0.00	346.43
Total Laboratory Fees	0.00	346.43
Licenses and Permits	0.00	2,000.00
Meals and Entertainment	2,641.33	26,216.46
Medical Waste Disposal	2,067.58	14,868.17
Office Expense & Supplies	2,117.75	17,190.50
Payroll Expenses		
FICA/Medicare Expense	8,178.92	84,707.51
FUI	6.75	1,141.37
MCTMT	0.00	1,212.39
SUI	46.90	11,618.52
Total Payroll Expenses	8,232.57	98,679.79
Payroll Processing Fee	339.40	4,105.95
Postage and Delivery	123.47	5,395.63
Printing and Reproduction	0.00	2,958.05
Professional Development	0.00	520.00
Professional Fees		
Accounting	0.00	34,000.00
Billing/Collections	124.70	33,182.23
Consultants		
General	3,000.00	25,846.61
Management	0.00	18,000.00
Pharmaceutical	0.00	2,100.00
Research	0.00	1,615.00

**Surgical Specialty Center of Westchester, LLC
Profit & Loss YTD Comparison
October 2016**

	Oct 16	Jan - Oct 16
Total Consultants	3,000.00	47,561.61
Legal	19,701.00	101,636.25
Marketing	10,000.00	10,000.00
Training	0.00	4,004.30
Total Professional Fees	32,825.70	230,384.39
Promotion Expense	3,542.64	3,542.64
Property Taxes	499.70	4,997.00
Rent Expense	25,412.33	257,662.05
Repairs and Maintenance	0.00	2,418.71
Salaries Expense		
HSA Account	550.00	2,750.00
Salaries - Staff	109,226.78	1,135,000.91
Total Salaries Expense	109,776.78	1,137,750.91
Security	0.00	433.47
Tax - Surcharge	6,974.00	83,543.00
Telephone Expense	0.00	8,556.16
Travel Expense		
Air	0.00	3,227.28
Lodging	680.24	680.24
Travel Expense - Other	2,915.17	2,517.94
Total Travel Expense	3,595.41	6,425.46
Utilities		
Electric	6,857.29	71,979.04
Utilities - Other	0.00	258.65
Total Utilities	6,857.29	72,237.69
Total Expense	256,190.06	2,549,439.12
Net Ordinary Income	100,620.08	1,359,833.22
Other Income/Expense		
Other Income		
Other Income	38.53	1,002.70
Total Other Income	38.53	1,002.70
Net Other Income	38.53	1,002.70
Net Income	100,658.61	1,360,835.92

SURGICAL SPECIALTY CENTER OF WESTCHESTER, LLC
BALANCE SHEET
DECEMBER 31, 2015

ASSETS

Current Assets		
Cash and Equivalents	\$	328,479
Accounts Receivable		846,229
Inventory		<u>139,058</u>
Total Current Assets	\$	1,313,766
Fixed Assets (net of accumulated depreciation of \$1,362,431)		1,474,621
Other Assets		
Goodwill (net of amortization of \$93,443)		307,031
Financing and Organizational costs (net of amortization of \$109,026)		<u>254,392</u>
		<u>561,423</u>
Total Assets	\$	<u>3,349,810</u>

LIABILITIES AND MEMBER'S DEFICIENCY

Current Liabilities		
Accounts Payable and Accrued Expenses	\$	304,792
Current Portion of Long-term Debt		<u>636,182</u>
Total Current Liabilities	\$	940,974
Long-Term Liabilities		
Loan Payable - FCB		648,937
Loan Payable - Key		171,527
Loans from Members		<u>172,922</u>
		993,386
Less: Current Portion		<u>(636,182)</u>
		357,204
Total Liabilities		<u>1,298,178</u>
Members' Equity		<u>2,051,632</u>
Total Liabilities and Members' Equity	\$	<u>3,349,810</u>

SURGICAL SPECIALTY CENTER OF WESTCHESTER, LLC
STATEMENT OF OPERATIONS AND MEMBERS' EQUITY
FOR THE YEAR ENDING DECEMBER 31, 2015

Revenue	\$ 5,779,715	
Less: Patient Refunds	<u>(38,763)</u>	
Total Revenue		5,740,952
Cost of Service		
Salaries	1,466,064	
Medical Supplies	1,240,498	
Payroll Taxes and Employee Benefits	141,472	
Insurance	<u>164,215</u>	
Total Cost of Service		<u>3,012,249</u>
Gross Profit		2,728,703
Operating Expenses		
Advertising and Promotion	7,444	
Amortization	50,926	
Auto and Travel	7,885	
Bank Fees	7,423	
Business Licenses	96	
Cleaning and Janitorial	38,316	
Computer and Internet	83,423	
Consulting Fees	80,645	
Credit and Collection Costs	80,170	
Depreciation	367,181	
Dues and Subscriptions	23,689	
Equipment Rental and Repair	211,446	
Insurance	16,558	
Interest	90,135	
Legal and Professional	125,784	
Meals and Entertainment	39,162	
Office and Administration	42,767	
Rent Expense (Note 7)	304,948	
Repairs and Maintenance	3,667	
Training and Related	19,987	
Utilities	<u>82,861</u>	
Total Operating Expenses		<u>1,684,513</u>

SURGICAL SPECIALTY CENTER OF WESTCHESTER, LLC
STATEMENT OF OPERATIONS AND MEMBERS' EQUITY
FOR THE YEAR ENDING DECEMBER 31, 2015

Net Profit Before Other Income and Expenses		\$ 1,044,190
Other Income and (Expenses)		
Other Income	\$ 3,566	
Taxes and Surcharges	<u>(93,823)</u>	
Subtotal		<u>(90,257)</u>
Net Profit		953,933
Members' Equity		
Beginning of Year Equity	1,497,699	
Member Distributions	<u>(400,000)</u>	
Subtotal		<u>1,097,699</u>
End of Year Equity		<u>\$ 2,051,632</u>

Northwell Health, Inc.

**Consolidated Statements of Financial Position
September 30, 2016 and December 31, 2015 (In Thousands)**

	(Unaudited) September 30, 2016	(Audited) December 31, 2015
Assets		
Current assets:		
Cash and cash equivalents	\$ 365,447	\$ 432,829
Marketable securities and other investments	2,112,635	1,844,892
Accounts receivable for services to patients, net of allowance for doubtful accounts	995,200	876,130
Accounts receivable for physician activities, net	120,430	111,902
Assets limited as to use, current portion	128,513	101,683
Pledges receivable, current portion	34,088	35,097
Insurance claims receivable, current portion	67,729	71,068
Other current assets	240,219	207,968
Total current assets	<u>4,064,261</u>	<u>3,681,569</u>
Assets limited as to use, net of current portion	1,954,821	1,508,032
Pledges receivable, net of current portion	88,050	91,090
Property, plant and equipment, net	4,539,601	4,315,166
Insurance claims receivable, net of current portion	266,925	278,530
Other assets	337,281	264,340
Total assets	<u>\$ 11,250,939</u>	<u>\$ 10,138,727</u>
Liabilities and net assets		
Current liabilities:		
Short-term borrowings	\$ 110,218	\$ 110,218
Accounts payable and accrued expenses	925,025	733,653
Accrued salaries and related benefits	631,630	625,383
Current portion of capital lease obligations	4,880	3,138
Current portion of long-term debt	56,778	55,613
Current portion of insurance claims liability	67,729	71,068
Current portion of malpractice and other insurance liabilities	102,999	101,720
Current portion of third-party payer structured liabilities	1,663	4,346
Current portion of estimated payable to third-party payers	288,708	235,768
Total current liabilities	<u>2,189,630</u>	<u>1,940,907</u>
Accrued retirement benefits, net of current portion	832,685	782,972
Capital lease obligations, net of current portion	174,469	171,888
Long-term debt, net of current portion	2,689,411	2,199,401
Insurance claims liability, net of current portion	266,925	278,530
Malpractice and other insurance liabilities, net of current portion	938,661	881,794
Third-party payer structured liabilities, net of current portion	4,529	8,303
Other long-term liabilities	600,519	635,892
Total liabilities	<u>7,696,829</u>	<u>6,899,687</u>
Commitments and contingencies		
Net assets:		
Unrestricted	3,021,957	2,710,921
Temporarily restricted	362,200	363,573
Permanently restricted	169,953	164,546
Total net assets	<u>3,554,110</u>	<u>3,239,040</u>
Total liabilities and net assets	<u>\$ 11,250,939</u>	<u>\$ 10,138,727</u>

Northwell Health, Inc.

Consolidated Statements of Operations
For the Nine Months Ended September 30, 2016 and 2015 (In Thousands)

	(Unaudited) 2016	(Unaudited) 2015
Operating revenue:		
Net patient service revenue	\$ 5,610,533	\$ 5,098,327
Physician practice revenue	941,165	816,140
Provision for bad debts	(92,784)	(80,818)
Total patient revenue, net of provision for bad debts	<u>6,458,914</u>	<u>5,833,649</u>
Other operating revenue	388,188	331,429
Net health insurance premium revenue	395,432	154,578
Net assets released from restrictions used for operations	42,297	46,269
Total operating revenue	<u>7,284,831</u>	<u>6,365,925</u>
Operating expenses:		
Salaries	3,485,376	3,179,225
Employee benefits	900,473	823,157
Supplies and expenses	2,424,781	1,911,595
Depreciation and amortization	307,901	292,142
Interest	82,216	78,242
Total operating expenses	<u>7,200,747</u>	<u>6,284,361</u>
Excess of operating revenue over operating expenses	84,084	81,564
Non-operating gains and losses:		
Investment income	41,536	39,273
Change in net unrealized gains and losses and change in value of equity method investments	134,041	(115,136)
Change in fair value of interest rate swap agreements designated as derivative instruments	190	565
Loss on refunding and redemption of long-term debt	-	(56,975)
Contributions received in the acquisitions of Peconic Bay Medical Center (2016), Phelps Memorial Hospital (2015) and Northern Westchester Hospital (2015)	36,343	259,807
Gain from acquired interest in Optum360	-	115,600
Other non-operating gains and losses	(9,198)	(5,486)
Total non-operating gains and losses	<u>202,912</u>	<u>237,648</u>
Excess of revenue and gains and losses over expenses	286,996	319,212
Net assets released from restrictions for capital asset acquisitions	28,221	5,055
Change in fair value of interest rate swap agreements designated as cash flow hedges	13	610
Recovery of fair value of endowment corpus	609	-
Other changes in net assets	(4,803)	(2,360)
Increase in unrestricted net assets	<u>\$ 311,036</u>	<u>\$ 322,517</u>

Northwell Health, Inc.
(Formerly, North Shore-Long Island Jewish Health System, Inc.)

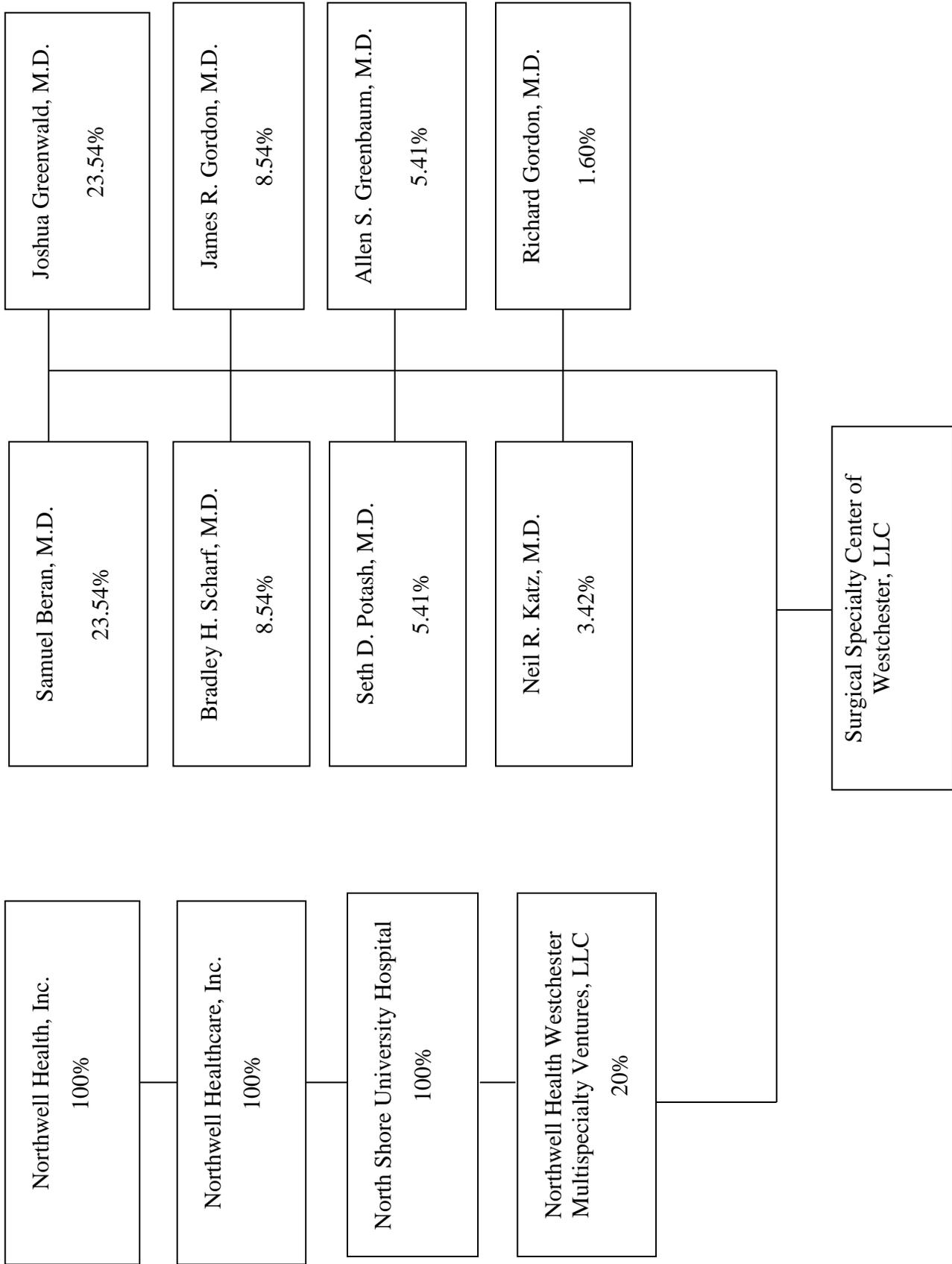
Consolidated Statements of Financial Position
(In Thousands)

	December 31	
	2015	2014
Assets		
Current assets:		
Cash and cash equivalents	\$ 432,829	\$ 194,570
Marketable securities and other investments	1,844,892	1,905,161
Accounts receivable for services to patients, net of allowance for doubtful accounts of \$94,700 in 2015 and \$91,200 in 2014	876,130	774,831
Accounts receivable for physician activities, net	111,902	74,058
Assets limited as to use, current portion	101,683	104,566
Pledges receivable, current portion	35,097	36,129
Insurance claims receivable, current portion	71,068	83,268
Other current assets	207,968	172,369
Total current assets	<u>3,681,569</u>	<u>3,344,952</u>
Assets limited as to use, net of current portion	1,508,032	1,365,666
Pledges receivable, net of current portion	91,090	101,423
Property, plant and equipment, net	4,315,166	3,762,104
Insurance claims receivable, net of current portion	278,530	312,169
Other assets	264,340	125,240
Total assets	<u>\$ 10,138,727</u>	<u>\$ 9,011,554</u>
Liabilities and net assets		
Current liabilities:		
Short-term borrowings	\$ 110,218	\$ 110,218
Accounts payable and accrued expenses	733,653	607,224
Accrued salaries and related benefits	625,383	595,405
Current portion of capital lease obligations	3,138	5,902
Current portion of long-term debt	55,613	55,357
Current portion of insurance claims liability	71,068	83,268
Current portion of malpractice and other insurance liabilities	101,720	81,344
Current portion of third-party payer structured liabilities	4,346	4,346
Current portion of estimated payable to third-party payers	235,768	247,935
Total current liabilities	<u>1,940,907</u>	<u>1,790,999</u>
Accrued retirement benefits, net of current portion	782,972	706,145
Capital lease obligations, net of current portion	171,888	196,582
Long-term debt, net of current portion	2,199,401	1,822,743
Insurance claims liability, net of current portion	278,530	312,169
Malpractice and other insurance liabilities, net of current portion	881,794	758,983
Third-party payer structured liabilities, net of current portion	8,303	13,266
Other long-term liabilities	635,892	577,276
Total liabilities	<u>6,899,687</u>	<u>6,178,163</u>
Commitments and contingencies		
Net assets:		
Unrestricted	2,710,921	2,340,552
Temporarily restricted	363,573	357,127
Permanently restricted	164,546	135,712
Total net assets	<u>3,239,040</u>	<u>2,833,391</u>
Total liabilities and net assets	<u>\$ 10,138,727</u>	<u>\$ 9,011,554</u>

Northwell Health, Inc.
(Formerly, North Shore-Long Island Jewish Health System, Inc.)

Consolidated Statements of Operations
(In Thousands)

	Year Ended December 31	
	2015	2014
Operating revenue:		
Net patient service revenue	\$ 6,962,767	\$ 6,078,845
Physician practice revenue	1,125,838	961,772
Provision for bad debts	(110,265)	(103,871)
Total patient revenue, net of provision for bad debts	7,978,340	6,936,746
Other operating revenue	457,612	367,374
Health insurance premium revenue	228,427	85,808
Net assets released from restrictions used for operations	58,276	45,119
Total operating revenue	<u>8,722,655</u>	<u>7,435,047</u>
Operating expenses:		
Salaries	4,319,212	3,816,925
Employee benefits	1,100,101	947,744
Supplies and expenses	2,724,420	2,156,716
Depreciation and amortization	384,206	331,036
Interest	105,018	95,113
Total operating expenses	<u>8,632,957</u>	<u>7,347,534</u>
Excess of operating revenue over operating expenses	89,698	87,513
Non-operating gains and losses:		
Investment income	62,205	100,817
Change in net unrealized gains and losses and change in value of equity method investments	(112,700)	(24,354)
Change in fair value of interest rate swap agreements designated as derivative instruments	790	841
Loss on refunding and redemption of long-term debt	(56,975)	-
Contributions received in the acquisitions of Phelps Memorial Hospital and Northern Westchester Hospital	259,807	-
Gain from acquired interest in Optum360	115,600	-
Other non-operating gains and losses	(10,981)	25,967
Total non-operating gains and losses	<u>257,746</u>	<u>103,271</u>
Excess of revenue and gains and losses over expenses	347,444	190,784
Net assets released from restrictions for capital asset acquisitions	7,696	27,136
Change in fair value of interest rate swap agreements designated as cash flow hedges	1,289	1,310
Loss of fair value of endowment corpus	(608)	-
Pension and other postretirement liability adjustments	18,131	(359,743)
Other changes in net assets	(3,583)	(27,340)
Increase (decrease) in unrestricted net assets	<u>\$ 370,369</u>	<u>\$ (167,853)</u>



LAFAYETTE MEDICAL APPROACH, LLC
Statements of Assets, Liabilities and Members' Equity
December 31, 2015 and 2014

BFA Attachment A
CON 161035

	2015	2014
Assets		
Current assets		
Cash	\$ 990,175	\$ 558,563
Patient income receivable (note 2)	81,297	2,130,796
Prepaid taxes	41,941	
Prepaid insurance	12,011	8,462
Inventory (medical supplies)	3,946	6,161
Total current assets	1,129,370	2,703,982
Other assets		
Organizational costs	10,000	10,000
Deferred tax asset	21,093	
Total current assets	31,093	10,000
Fixed assets		
Equipment	30,665	13,880
Furniture & fixtures	1,300	
Leasehold improvements	1,066,945	1,066,945
Less: accumulated amortization & depreciation	(87,552)	(53,667)
Net fixed assets	1,011,358	1,027,158
Total assets	2,171,821	3,741,140
Liabilities and members' equity		
Liabilities		
Current liabilities		
Accounts payable	\$ 20,335	\$ 4,532
Accrued expenses	62,600	40,000
Physician services payable - Massimo Degiarde MD, PC	38,644	229,288
Patient income returns payable	500,602	1,112,804
Deferred NYC UBT payable (note 6)		1,177
Due to Massimo Degiarde MD, PC (note 5)	32,527	39,695
Total current liabilities	654,708	1,427,496
Long term liabilities		
Member loans (note 3)	516,945	1,016,945
Total liabilities	1,171,653	2,444,441
Members' equity		
Total members' equity	1,000,168	1,296,699
Total liabilities and members' equity	\$ 2,171,821	\$ 3,741,140

LAFAYETTE MEDICAL APPROACH, LLC
Statements of Revenues, Expenses and Members' Equity
Years ended December 31, 2015 and 2014

BFA Attachment A

(cont.)

CON 161035

	2015	2014
Revenues		
Patient income	\$ 2,789,547	\$ 3,033,733
Less: returns & allowances (note 4)		(654,345)
Interest income	181	32
Total revenue	<u><u>2,789,728</u></u>	<u><u>2,379,420</u></u>
 Operating expenses		
Officers compensation	63,591	28,905
Salaries & wages	1,163,292	354,445
Payroll taxes	120,095	37,195
Employee benefits	65,136	38,486
Accounting & billing services	112,154	46,957
Amortization & depreciation	33,885	27,409
Computer software & expenses	7,902	24,988
Consultant fees	1,050	10,599
Continuing education	1,697	
Dues & subscriptions	2,459	
Equipment rental	2,362	564
Exterminator	1,543	729
Fees, permits & licenses	10,752	1,805
Insurance	43,767	22,070
Laboratory fees	45,875	19,502
Legal & professional fees	3,095	20,000
Miscellaneous and other expenses	2,390	2,420
Office supplies & expenses	42,597	14,097
Payroll service fees	3,542	1,320
Physician services expense (note 5)	334,644	334,644
Postage & delivery	3,373	1,053
Printing & copying	6,681	2,604
Real estate taxes	5,889	2,722
Refuse removal	13,107	3,739
Rent expense (note 5)	720,000	660,000
Security & alarm service	1,787	679
Supplies - vaccines & meds.	124,365	38,344
Taxes (NYC UBT) (note 6)		22,548
Telephone	7,367	3,221
Travel, meals & entertainment	27,264	5,894
Total operating expenses	<u><u>2,971,661</u></u>	<u><u>1,726,939</u></u>
 Net income (loss)	 (181,933)	 652,481
 Beginning members' equity	 1,296,699	 644,218
Less: Distributions	(114,598)	0
Ending members' equity	<u><u>\$ 1,000,168</u></u>	<u><u>\$ 1,296,699</u></u>

LAFAYETTE MEDICAL APPROACH LLC
Profit & Loss
January 1 through September 27, 2016

3:37 PM
09/27/16
Accrual Basis

	Jan 1 - Sep 27, 16
Ordinary Income/Expense	
Income	
Fee for Service Income	
Amerigroup	49,344.48
MCM-Affinity/Beacon	2,188.75
MCM-Amida/Beacon	12,495.00
MCM-BeaconHealth	213,019.73
MCM-Empire	133,199.52
MCM-Fidelis	47,841.96
MCM-Healthfirst	399,134.32
MCM-Healthplus	10,442.27
MCM-MetroPlus/Beacon	350,648.37
MCM-Unitedhealthcare	99,825.78
Medicaid	475,353.90
NJPLIGA	2,325.00
Fee for Service Income - Other	118,515.49
Total Fee for Service Income	1,914,334.57
Interest Income	32.99
Total Income	1,914,367.56
Gross Profit	1,914,367.56
Expense	
Advertising and Promotion	1,974.86
Alarm Service	1,733.83
Bank Service Charges	413.33
Billing Services	13,471.79
Charitable Donations	200.00
Computer and Internet Expenses	19,803.75
Consultant Fees	600.00
Continuing Education	533.00
Copier lease	1,014.66
Copy Service	5,507.40
Dues and Subscriptions	0.00
Exterminator	949.36
Fees Expense	
Criminal Background Check	199.70
payroll Fees	3,266.27
Fees Expense - Other	1,022.79
Total Fees Expense	4,488.76
Guarenteed Payment	11,562.00
Guarenteed PaymentV - AD	40,467.00

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09/27/16

Accrual Basis

LAFAYETTE MEDICAL APPROACH LLC

Profit & Loss

January 1 through September 27, 2016

	Jan 1 - Sep 27, 16
Insurance Expense	
Auto Insurance	6,228.56
Clinic Liability Insurance	17,719.96
Disability Insurance	-697.19
Employee Health Insurance	79,020.02
Malpractice insurance	27,060.00
Worker's Comp	11,231.88
Insurance Expense - Other	17,336.07
Total Insurance Expense	157,899.30
Laboratory Fees	23,598.73
License Fees	2,844.00
Meals and Entertainment	2,567.44
Medical Supplies	14,857.22
Message Service	947.64
Office Supplies	33,078.89
Payroll Expenses	
Flexible Spending	-104.83
Garnishment	638.78
Simple IRA	6,701.07
Payroll Expenses - Other	859,204.71
Total Payroll Expenses	866,439.73
Payroll Taxes	72,639.12
Physician Service	270,000.00
Postage	1,227.23
Professional Fees	
Accountant	47,850.00
Bookkeeping	3,850.00
Total Professional Fees	51,700.00
Professional Fees; legal	2,787.00
Rent Expense	587,721.73
Repairs and Maintenance	7,051.33
Sanitation	11,073.47
Taxes	
MCTMT	12,621.67
NYC Corp.	1,500.00
Total Taxes	14,121.67
Telephone Expense	7,337.45
Travel Expense	292.10

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09/27/16

Accrual Basis

LAFAYETTE MEDICAL APPROACH LLC

Profit & Loss

January 1 through September 27, 2016

	Jan 1 - Sep 27, 16
Vaccines and Medicines methadone	73,317.60
Total Vaccines and Medicines	73,317.60
Total Expense	2,304,221.39
Net Ordinary Income	-389,853.83
Net Income	<u><u>-389,853.83</u></u>

LAFAYETTE MEDICAL APPROACH LLC
Balance Sheet
 As of September 27, 2016

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 09/27/16
 Accrual Basis

	Sep 27, 16
ASSETS	
Current Assets	
Checking/Savings	82,941.07
Checking	500,746.19
Savings	
Total Checking/Savings	583,687.26
Other Current Assets	
inventory	3,946.00
Prepaid City Tax	41,941.00
Total Other Current Assets	45,887.00
Total Current Assets	629,574.26
Fixed Assets	
Accumulated Amortization	-4,732.00
Accumulated Depreciation	
Architect Fees	-4,065.00
Capital Improvements	-24,757.00
Equipment	-13,880.21
Organizational Costs	-667.00
Software	-23,800.00
Accumulated Depreciation - Other	-43,878.51
Total Accumulated Depreciation	-111,047.72
Architect Fees - LI	60,982.53
Capital Improvements	1,005,962.71
Equipment	
Furniture and Equipment	22,619.25
Computers	5,032.32
Security Cameras	3,897.73
Furniture and Equipment - Other	1,300.00
Total Furniture and Equipment	10,230.05
Organizational Costs	10,000.00
Software	23,800.00
Total Fixed Assets	1,017,814.82
TOTAL ASSETS	1,647,389.08

LAFAYETTE MEDICAL APPROACH LLC
Balance Sheet
As of September 27, 2016

3:39 PM
09/27/16
Accrual Basis

	Sep 27, 16
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	523,106.00
Partner Loan - MD	
Total Other Current Liabilities	523,106.00
Total Current Liabilities	523,106.00
Total Liabilities	523,106.00
Equity	
Paid in Capital-AD	48,214.79
Paid in Capital-MD	1,465,922.12
Net Income	-389,853.83
Total Equity	1,124,283.08
TOTAL LIABILITIES & EQUITY	1,647,389.08

HERITAGE ONE DAY SURGERY, LLC

AUDITED FINANCIAL STATEMENTS

BALANCE SHEETS

December 31, 2015 and 2014

	2015	2014
ASSETS		
CURRENT ASSETS		
Cash	\$ 1,254,710	\$ 1,543,478
Accounts Receivable - Net	1,427,778	1,238,778
Prepaid Expenses and Other Current Assets	94,745	21,453
Notes Receivable - Related Party	127,456	123,424
Total Current Assets	<u>2,904,689</u>	<u>2,927,133</u>
PROPERTY AND EQUIPMENT - NET	<u>857,916</u>	<u>1,134,793</u>
OTHER ASSETS		
Deferred Financing Costs - Net	3,153	4,798
Notes Receivable - Related Party	0	23,969
Total Other Assets	<u>3,153</u>	<u>28,767</u>
TOTAL ASSETS	<u>\$ 3,765,758</u>	<u>\$ 4,090,693</u>
LIABILITIES AND MEMBERS' EQUITY		
CURRENT LIABILITIES		
Accounts Payable	\$ 151,001	\$ 135,964
Accrued Liabilities	1,186,854	1,506,432
Current Portion of Long-Term Debt	370,200	358,723
Total Current Liabilities	<u>1,708,055</u>	<u>2,001,119</u>
LONG-TERM DEBT	<u>332,551</u>	<u>703,446</u>
Total Liabilities	2,040,606	2,704,565
MEMBERS' EQUITY	<u>1,725,152</u>	<u>1,386,128</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 3,765,758</u>	<u>\$ 4,090,693</u>

HERITAGE ONE DAY SURGERY, LLC

STATEMENTS OF INCOME AND MEMBERS' EQUITY

Years Ended December 31, 2015 and 2014

	2015	2014
REVENUES	<u>\$ 11,528,534</u>	<u>\$ 10,402,690</u>
EXPENSES		
Clinical Expenses	3,520,615	3,158,195
Facility Expenses	1,007,156	877,524
General and Administrative Expenses	764,832	1,120,315
Total Expenses	<u>5,292,603</u>	<u>5,156,034</u>
INCOME FROM OPERATIONS	6,235,931	5,246,656
OTHER EXPENSE - NET, (Including Interest Expense of \$31,699 and \$44,774, Respectively)	<u>(32,427)</u>	<u>(92,610)</u>
NET INCOME	6,203,504	5,154,046
MEMBERS' EQUITY		
Balance, Beginning of Year	1,386,128	1,203,349
Paid in Capital	705,085	928,777
Members' Distributions	<u>(6,569,565)</u>	<u>(5,900,044)</u>
Balance, End of Year	<u>\$ 1,725,152</u>	<u>\$ 1,386,128</u>

**Balance Sheet
As of 10/31/2016**

Heritage One-Day Surgery, LLC (HOD)

Assets

Cash

1106-00-00	Cash - CB Operating-UA	\$	1,868,837.17	
1107-00-00	Cash - CB Merchant-UA	\$	23,537.38	
1108-00-00	Oper Acct - AMEX-UA	\$	-89,003.61	
1150-00-00	Patient Cash-UA	\$	300.00	
	Total Cash:			\$ 1,803,670.94

Receivables

1278-00-00	Due From NYS&W-UA	\$	13,386.14	
1281-00-00	Due from HASCA-UA	\$	127,602.71	
	Total Receivables:			\$ 140,988.85

Fixed Assets

1565-00-00	Construction in Prog-UA	\$	13,310.00	
1570-00-00	Leasehold Imp-UA	\$	681,797.76	
1577-00-00	Loan Acquis Costs-UA	\$	4,935.00	
1670-00-00	A/D Leasehold Imp-UA	\$	-82,778.36	
1677-00-00	A/A Loan Acq Costs-UA	\$	-3,152.88	
1750-00-00	Furn Fix & Equip Off-UA	\$	8,228.48	
1760-00-00	Furn Fix & Equip DP-UA	\$	5,307.84	
1780-00-00	Furn Fix & Equip-UA	\$	1,393,428.34	
1792-00-00	Software-UA	\$	106,647.40	
1880-00-00	A/D Furn Fix & Equip-UA	\$	-1,388,041.13	
1892-00-00	A/A Software-UA	\$	-106,647.00	
	Total Fixed Assets:			\$ 633,035.45
	Total Assets:			\$ 2,577,695.24

Liabilities

Payables

2100-00-00	Salary Payable-UA	\$	-254.34	
	Total Payables:			\$ -254.34

Current Liabilities

2118-00-00	M&T Bank Equipment Loan - C/P	\$	65,384.62	
2119-00-00	CB \$900K Ln-C/P-UA	\$	300,482.69	
2136-00-00	Due to NYS&W-UA	\$	6,942.00	
	Total Current Liabilities:			\$ 372,809.31

Accruals

2230-00-00	W/H Garnishee-UA	\$	64.38	
2234-00-00	Optional Ins W/H-UA	\$	-1,335.29	
2245-00-00	Accrued Salary&Wages-UA	\$	254.34	
2264-00-00	Accrued 401(k) PS-UA	\$	46,972.54	
2268-00-00	Accrued Pension-UA	\$	5,786.80	
2315-00-00	Accrued Other-UA	\$	1,329.97	
	Total Accruals:			\$ 53,072.74

Long-Term Liabilities

2518-00-00	M&T Bank Equipment Loan - L/T	\$	-5,832.39	
2519-00-00	CB \$900K Ln-L/T-UA	\$	60,456.80	
	Total Long-Term Liabilities:			\$ 54,624.41

Total Liabilities: \$ 480,252.12

Equity

2630-00-10	Shareholder Draw-RJA	\$	-170,627.31	
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**Balance Sheet
As of 10/31/2016**

CON 162428
Attachment B (cont.)

Heritage One-Day Surgery, LLC (HOD)

2630-00-20	Shareholder Draw-JAC	\$	-935,655.00	
2630-00-23	Shareholder Draw-RDB	\$	-170,626.85	
2630-00-25	Shareholder Draw-JL	\$	-963,835.89	
2630-00-27	Shareholder Draw-EAT	\$	-974,539.00	
2630-00-30	Shareholder Draw-RLT	\$	-968,655.00	
2630-00-32	Shareholder Draw-MCT	\$	-935,538.69	
2630-00-36	Shareholder Draw-JAV	\$	-211,700.24	
2650-00-10	Paid In Capital-RJA	\$	-13,876.24	
2650-00-20	Paid In Capital-JAC	\$	-6,277,238.68	
2650-00-23	Paid In Capital-RDB	\$	-73,848.21	
2650-00-25	Paid In Capital-JL	\$	430,627.35	
2650-00-27	Paid In Capital-EAT	\$	-6,238,238.68	
2650-00-30	Paid In Capital-RLT	\$	-6,244,238.68	
2650-00-32	Paid In Capital-MCT	\$	-1,011,338.40	
2650-00-36	Paid In Capital-JAV	\$	1,121,329.00	
3200-00-00	Retained Earnings	\$	20,709,905.95	
3200-00-00	Retained Earnings-Current Year	\$	5,025,537.69	
	Total Equity:			\$ 2,097,443.12
	Total Liabilities & Equity:			<u>\$ 2,577,695.24</u>

**HODS trended income statement
For 10 Periods Ending 10/31/2016**

Heritage One-Day Surgery, LLC (HOD)

Period Ending 1/31/2016	Period Ending 2/29/2016	Period Ending 3/31/2016	Period Ending 4/30/2016	Period Ending 5/31/2016	Period Ending 6/30/2016	Period Ending 7/31/2016	Period Ending 8/31/2016	Period Ending 9/30/2016	Period Ending 10/31/2016	Total
Revenue										
3500-00-00	Prof Fees-FFS: DOC-UA									
829,288.59	1,024,528.14	957,390.90	916,207.24	1,017,328.37	1,053,931.23	1,030,606.15	1,085,026.74	898,232.29	963,768.92	9,776,308.57
3520-00-00	Patient Refund: UA									
-66.21	0.00	-165.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-231.35
3520-00-70	Patient Refund: UA-OPS									
-1,090.09	-2,010.17	-1,911.14	-6,887.01	-3,131.42	-2,705.90	-1,610.96	-19,477.68	-413.78	-10,694.43	-49,932.58
828,132.29	1,022,517.97	955,314.62	909,320.23	1,014,196.95	1,051,225.33	1,028,995.19	1,065,549.06	897,818.51	953,074.49	9,726,144.64
Cost Of Sales										
6100-00-70	Sal & Wages-OPS									
138,739.34	90,907.00	88,197.61	89,574.97	105,265.94	105,092.54	150,997.58	98,858.42	99,907.76	99,110.73	1,066,651.89
6105-00-70	FICA Exp-OPS									
9,755.87	6,404.18	6,255.35	6,351.65	7,521.84	7,514.83	10,822.01	7,095.81	7,175.32	7,119.87	76,016.73
6112-00-70	FUTA Exp-OPS									
756.36	260.69	116.69	116.46	188.06	138.71	62.25	34.67	43.48	46.27	1,763.64
6114-00-70	SUI Exp-OPS									
6,243.25	3,625.45	1,240.46	1,003.56	1,173.29	1,086.87	1,063.68	339.90	248.45	322.20	16,347.11
6115-00-70	W/C Ins-OPS									
0.00	791.62	958.28	947.86	947.86	968.69	968.69	0.00	1,922.48	958.27	8,463.75
6120-00-70	HSA Funding-OPS									
6,283.35	7,150.00	6,283.35	6,066.68	6,716.68	6,283.35	2,816.65	2,816.65	2,816.65	2,816.65	50,050.01
6122-00-70	NYS Dbl Ins-OPS									
-93.82	-62.40	1,294.41	-71.32	-82.80	-87.59	-120.69	-79.12	-81.42	-78.92	536.33
6122-00-72	NYS Dbl Ins-Triage									
0.00	0.00	0.00	0.00	0.00	0.00	0.00	79.12	-79.12	0.00	0.00
6125-00-70	L/T Dbl Ins-OPS									
0.00	627.85	1,001.34	0.00	579.05	1,040.95	0.00	1,200.29	0.00	709.13	5,158.61
6125-00-72	L/T Dbl Ins-Triage									
0.00	0.00	0.00	0.00	0.00	140.02	-140.02	0.00	0.00	0.00	0.00
6127-00-70	Mal Prac Ins-OPS									
0.00	0.00	56,014.00	0.00	0.00	0.00	0.00	0.00	1,363.00	0.00	57,377.00
6133-00-70	Pension-OPS									
495.08	495.08	495.08	495.08	495.08	495.08	495.08	495.08	495.08	495.08	4,950.80

Unaudited report intended for management puposes only

**HODS trended income statement
For 10 Periods Ending 10/31/2016**

Heritage One-Day Surgery, LLC (HOD)

Period Ending 1/31/2016	Period Ending 2/29/2016	Period Ending 3/31/2016	Period Ending 4/30/2016	Period Ending 5/31/2016	Period Ending 6/30/2016	Period Ending 7/31/2016	Period Ending 8/31/2016	Period Ending 9/30/2016	Period Ending 10/31/2016	Total
6139-00-70		401(k)Profit Sharing-OPS								
3,404.58	3,404.58	4,179.76	4,179.76	4,179.76	4,179.76	4,179.76	4,179.76	4,179.76	4,179.76	40,247.24
6172-00-70		Health Ins-OPS								
-9,059.86	23,770.36	7,467.04	9,199.71	5,272.07	7,525.78	8,435.18	5,060.76	6,943.47	6,979.99	71,594.50
6174-00-70		Emp Medical Exp-OPS								
0.00	0.00	0.00	111.86	0.00	0.00	0.00	0.00	0.00	124.21	236.07
6176-00-70		Dental Ins-OPS								
681.21	1,179.74	723.64	994.10	1,009.38	1,061.85	449.24	-665.82	905.76	896.16	7,235.26
6176-00-72		Dental Ins-Triage								
258.68	0.00	-258.68	0.00	0.00	83.48	-83.48	0.00	0.00	0.00	0.00
6178-00-70		Grp Life Ins-OPS								
118.54	115.30	79.82	112.95	120.90	126.86	116.55	0.00	108.99	114.50	1,014.41
6178-00-72		Grp Life Ins-Triage								
0.00	0.00	0.00	0.00	0.00	3.10	-3.10	0.00	0.00	0.00	0.00
6258-00-70		Trng & Seminars-OPS								
470.17	1,079.83	0.00	0.00	0.00	125.00	0.00	0.00	0.00	270.00	1,945.00
6310-00-70		Med Supply-OPS								
68,360.01	60,753.86	60,933.47	85,293.29	98,231.17	80,537.89	58,432.56	55,594.30	76,811.81	73,208.92	718,157.28
6315-00-70		Pharmacy Supply-OPS								
22,811.59	17,774.32	21,107.99	16,590.62	35,032.65	17,773.81	20,859.24	25,211.76	8,694.88	38,123.70	223,980.56
6324-00-70		Uniform Exp-OPS								
0.00	0.00	412.88	0.00	28.00	0.00	0.00	0.00	0.00	0.00	440.88
6328-00-70		Laundry Exp-OPS								
6,924.22	5,531.46	7,421.07	6,044.88	4,562.42	8,692.54	5,629.25	5,965.23	7,017.75	4,380.31	62,169.13
6330-00-70		Nutrition Exp-OPS								
568.66	758.54	798.35	1,072.44	868.51	956.02	1,286.98	1,310.98	708.51	722.72	9,051.71
6348-00-70		Office Supply-OPS								
0.00	189.00	427.95	535.94	76.83	362.92	383.40	511.40	247.80	809.24	3,544.48
6530-00-70		Postage-OPS								
13.44	41.46	404.33	36.19	44.14	40.54	24.00	44.08	50.46	31.35	729.99
6532-00-70		Delivery Service-OPS								
0.00	0.00	0.00	0.00	0.00	25.00	0.00	0.00	0.00	0.00	25.00
6535-00-70		Printing Exp-OPS								
0.00	0.00	1,363.80	0.00	0.00	492.48	0.00	1,729.08	793.80	0.00	4,379.16
6539-00-70		Periodicals-OPS								
0.00	0.00	143.00	33.00	0.00	0.00	0.00	0.00	0.00	0.00	176.00

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**HODS trended income statement
For 10 Periods Ending 10/31/2016**

Heritage One-Day Surgery, LLC (HOD)

Period Ending 1/31/2016	Period Ending 2/29/2016	Period Ending 3/31/2016	Period Ending 4/30/2016	Period Ending 5/31/2016	Period Ending 6/30/2016	Period Ending 7/31/2016	Period Ending 8/31/2016	Period Ending 9/30/2016	Period Ending 10/31/2016	Total
6540-00-70	Books & Pubs-OPS									
109.70	198.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	169.00	477.14
6552-00-70	Dues & Member-OPS									
0.00	60.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	305.00	365.00
6565-00-70	Office Exp-OPS									
231.50	540.65	293.73	598.76	921.81	3,774.61	1,534.08	450.56	511.17	373.80	9,230.67
6565-00-90	Office Exp-ADM									
0.00	0.00	57.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	57.00
6568-00-70	Mobil/Telephone-OPS									
422.77	421.03	425.48	429.08	434.87	429.34	425.96	422.34	429.97	429.03	4,269.87
6720-00-70	General Ins-OPS									
0.00	515.65	515.65	515.65	515.65	515.65	515.65	0.00	1,031.30	515.65	4,640.85
6741-00-70	Computer Service-OPS									
0.00	0.00	0.00	505.44	0.00	0.00	0.00	0.00	0.00	0.00	505.44
6742-00-70	Cmptr Parts&Supplies-OPS									
0.00	2,525.39	891.44	0.00	9,622.68	1,249.87	0.00	0.00	748.39	401.82	15,439.59
6792-00-70	Outside Service-OPS									
60,574.17	64,684.04	68,093.66	57,986.76	58,470.51	56,424.86	56,836.33	58,733.15	58,368.83	72,174.30	612,346.61
6792-00-90	Outside Service-ADM									
0.00	60.00	0.00	0.00	0.00	3,583.00	0.00	0.00	0.00	0.00	3,643.00
6810-00-70	O&U Equip Maint-OPS									
5,449.34	5,943.86	8,237.24	6,489.11	7,589.70	7,866.34	5,030.97	5,372.51	6,960.59	4,798.07	63,737.73
6812-00-70	O&U Ofc Equip Maint-OPS									
1,890.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,890.34
6815-00-70	O&U Cmptr Maint-OPS									
267.15	276.90	13,259.47	348.95	4,096.51	11,389.80	363.15	1,301.25	11,307.95	333.45	42,944.58
6818-00-70	O&U Med Waste Disp-OPS									
2,269.87	0.00	335.06	1,529.80	2,389.48	225.00	740.00	0.00	-235.06	1,317.25	8,571.40
6820-00-70	O&U Bldgs & Grounds-OPS									
13,066.65	13,321.89	15,039.93	19,282.63	14,251.63	20,782.74	18,646.56	15,422.12	14,286.17	13,379.60	157,479.92
6822-00-70	O&U Auto Fuel-OPS									
0.00	0.00	30.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30.00
6826-00-70	O&U Rent-OPS									
17,774.75	17,774.75	17,774.75	17,774.75	17,774.75	17,774.75	17,774.75	17,774.75	17,774.75	17,774.75	177,747.50
6835-00-70	O&U Equip Rent-OPS									
1,069.00	1,023.86	1,023.86	1,041.58	1,041.58	1,041.58	1,041.58	2,209.46	485.19	485.19	10,462.88

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For 10 Periods Ending 10/31/2016**

Heritage One-Day Surgery, LLC (HOD)

Period Ending 1/31/2016	Period Ending 2/29/2016	Period Ending 3/31/2016	Period Ending 4/30/2016	Period Ending 5/31/2016	Period Ending 6/30/2016	Period Ending 7/31/2016	Period Ending 8/31/2016	Period Ending 9/30/2016	Period Ending 10/31/2016	Total
6872-00-70 O&U Depr Equip-OPS										
3,790.29	3,790.29	3,790.29	3,790.29	3,790.29	3,790.29	3,790.29	3,790.29	3,790.29	3,790.29	37,902.90
363,646.20	335,934.67	396,828.55	338,982.48	393,130.29	373,508.31	373,374.13	315,258.78	335,734.21	357,587.34	3,583,984.96
464,486.09	686,583.30	558,486.07	570,337.75	621,066.66	677,717.02	655,621.06	750,290.28	562,084.30	595,487.15	6,142,159.68
Expenses										
7100-00-90 Sai & Wages-ADM										
44,155.62	8,337.08	8,337.08	8,337.08	8,337.08	8,337.08	12,505.62	8,337.08	8,337.08	8,337.08	123,357.88
7105-00-90 FICA Exp-ADM										
3,288.07	576.71	576.77	576.82	576.81	576.74	865.13	576.68	576.81	576.84	8,767.38
7112-00-90 FUTA Exp-ADM										
41.95	0.00	-0.01	-0.03	-0.02	-0.03	0.00	-0.02	-0.01	0.02	41.85
7114-00-90 SUI Exp-ADM										
481.52	-0.02	0.00	-2,990.03	-0.03	-0.02	0.02	-0.02	-0.01	0.00	-2,508.59
7115-00-90 W/C Ins-ADM										
0.00	249.98	83.32	93.74	93.74	72.91	72.91	0.00	160.72	83.33	910.65
7120-00-90 HSA Funding-ADM										
433.33	433.33	433.33	433.33	433.33	433.33	216.67	216.67	216.67	216.67	3,466.66
7122-00-90 NYS Dbl Ins-ADM										
-3.60	-2.40	51.08	-2.40	-2.40	-2.40	-3.60	-2.40	-2.40	-2.40	27.08
7125-00-90 L/T Dbl Ins-ADM										
0.00	69.79	151.96	0.00	82.17	164.34	0.00	164.34	0.00	82.17	714.77
7133-00-90 Pension-ADM										
83.50	83.50	83.50	83.50	83.50	83.50	83.50	83.50	83.50	83.50	835.00
7139-00-90 401(k)Profit Sharing-ADM										
567.33	567.33	698.83	698.83	698.83	698.83	698.83	698.83	698.83	698.83	6,725.30
7172-00-90 Health Ins-ADM										
-620.34	1,166.16	374.93	374.93	374.93	374.93	166.78	374.93	374.93	374.93	3,337.11
7176-00-90 Dental Ins-ADM										
73.16	39.56	39.56	39.56	39.56	39.56	17.60	-43.92	39.56	39.56	323.76
7178-00-90 Grp Life Ins-ADM										
11.30	11.30	11.30	11.30	11.30	11.30	11.30	0.00	11.30	11.30	101.70
7348-00-90 Office Supply-ADM										
0.00	0.00	0.00	88.81	0.00	0.00	0.00	276.21	0.00	0.00	365.02

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7525-00-90 Employee Recruitment-ADM										
0.00	0.00	3,122.28	0.00	0.00	0.00	0.00	0.00	2,145.96	0.00	5,268.24
7530-00-90 Postage-ADM										
120.96	209.48	145.44	148.32	137.71	132.02	132.48	134.32	134.32	175.26	1,470.31
7540-00-90 Books & Pubs-ADM										
44.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	44.95
7565-00-90 Office Exp-ADM										
0.00	0.00	321.82	234.29	0.00	1,906.78	39.54	449.33	47.00	690.00	3,688.76
7710-00-90 Accounting Fees-ADM										
0.00	5,000.00	18,850.00	0.00	0.00	0.00	0.00	7,950.00	0.00	5,250.00	37,050.00
7730-00-90 Legal Fees-ADM										
0.00	3,893.75	365.00	3,025.00	1,521.25	0.00	1,487.50	0.00	182.50	40.00	10,515.00
7741-00-90 Computer Service-ADM										
38.88	-38.88	0.00	0.00	0.00	0.00	0.00	0.00	1,218.24	0.00	1,218.24
7792-00-90 Outside Service-ADM										
15,770.43	121,469.82	65,585.75	63,618.31	63,719.16	63,753.20	64,125.54	63,719.32	63,725.89	63,713.36	649,200.78
7820-00-90 O&U Bldgs & Grounds-ADM										
0.00	0.00	0.00	0.00	23,778.25	4,755.65	0.00	9,511.30	6,552.18	6,552.18	51,149.56
7826-00-90 O&U Rent-ADM										
16,188.83	16,188.83	16,188.83	16,188.83	16,188.83	16,188.83	16,188.83	16,188.83	16,188.83	16,188.83	161,888.30
7869-00-90 O&U Amort Exp-ADM										
27.42	27.42	356.40	137.08	137.08	137.08	137.08	137.08	137.08	137.08	1,370.80
7910-00-90 Bank Charges Exp-ADM										
543.03	663.80	819.00	955.47	703.37	756.83	623.67	807.00	683.83	660.83	7,216.83
7920-00-90 Interest Exp-ADM										
2,052.61	1,862.05	1,894.15	1,731.80	1,694.83	1,591.34	1,517.17	237.67	1,411.16	1,306.06	15,298.84
7975-00-90 Misc Exp-ADM										
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1.82	-1.82
83,298.95	160,808.59	118,490.32	93,784.54	118,609.28	100,011.80	98,886.57	109,816.73	102,923.97	105,213.61	1,091,844.36
381,187.14	525,774.71	439,995.75	476,553.21	502,457.38	577,705.22	556,734.49	640,473.55	459,160.33	490,273.54	5,050,315.32
Other Income and Expense										
9320-00-00 NYS LLC Fee-UA										
0.00	-3,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-3,000.00

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**HODS trended income statement
For 10 Periods Ending 10/31/2016**

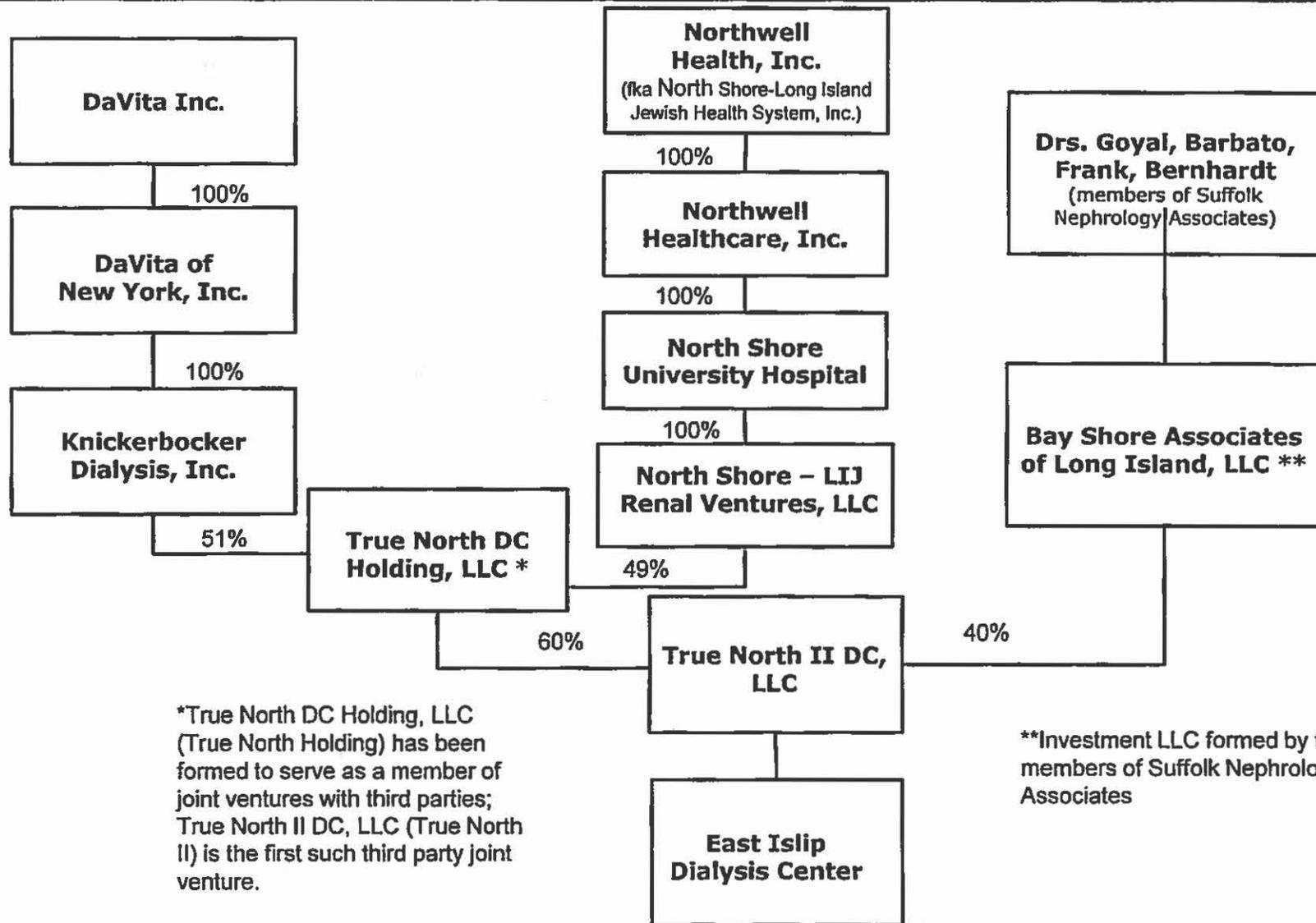
Heritage One-Day Surgery, LLC (HOD)

Period Ending 1/31/2016	Period Ending 2/29/2016	Period Ending 3/31/2016	Period Ending 4/30/2016	Period Ending 5/31/2016	Period Ending 6/30/2016	Period Ending 7/31/2016	Period Ending 8/31/2016	Period Ending 9/30/2016	Period Ending 10/31/2016	Total
9325-00-00 NYS Sales Tax-UA										
0.00	0.00	-1,143.19	0.00	0.00	-4,060.72	0.00	0.00	-4,060.72	0.00	-9,264.63
9350-00-00 Public Goods Pool SC-UA										
0.00	0.00	0.00	-1,988.00	-2,147.00	-1,872.00	-1,652.00	-1,458.00	-1,709.00	-1,687.00	-12,513.00
0.00	-3,000.00	-1,143.19	-1,988.00	-2,147.00	-5,932.72	-1,652.00	-1,458.00	-5,769.72	-1,687.00	-24,777.63
381,187.14	522,774.71	438,852.56	474,565.21	500,310.38	571,772.50	555,082.49	639,015.55	453,390.61	488,586.54	5,025,537.69
381,187.14	522,774.71	438,852.56	474,565.21	500,310.38	571,772.50	555,082.49	639,015.55	453,390.61	488,586.54	5,025,537.69

Unaudited report intended for management puposes only



East Islip JV Structure



*True North DC Holding, LLC (True North Holding) has been formed to serve as a member of joint ventures with third parties; True North II DC, LLC (True North II) is the first such third party joint venture.

**Investment LLC formed by the members of Suffolk Nephrology Associates

Northwell Health, Inc.
(Formerly, North Shore-Long Island Jewish Health System, Inc.)

Consolidated Statements of Financial Position
(In Thousands)

	December 31	
	2015	2014
Assets		
Current assets:		
Cash and cash equivalents	\$ 432,829	\$ 194,570
Marketable securities and other investments	1,844,892	1,905,161
Accounts receivable for services to patients, net of allowance for doubtful accounts of \$94,700 in 2015 and \$91,200 in 2014	876,130	774,831
Accounts receivable for physician activities, net	111,902	74,058
Assets limited as to use, current portion	101,683	104,566
Pledges receivable, current portion	35,097	36,129
Insurance claims receivable, current portion	71,068	83,268
Other current assets	207,968	172,369
Total current assets	3,681,569	3,344,952
Assets limited as to use, net of current portion	1,508,032	1,365,666
Pledges receivable, net of current portion	91,090	101,423
Property, plant and equipment, net	4,315,166	3,762,104
Insurance claims receivable, net of current portion	278,530	312,169
Other assets	264,340	125,240
Total assets	\$ 10,138,727	\$ 9,011,554
Liabilities and net assets		
Current liabilities:		
Short-term borrowings	\$ 110,218	\$ 110,218
Accounts payable and accrued expenses	733,653	607,224
Accrued salaries and related benefits	625,383	595,405
Current portion of capital lease obligations	3,138	5,902
Current portion of long-term debt	55,613	55,357
Current portion of insurance claims liability	71,068	83,268
Current portion of malpractice and other insurance liabilities	101,720	81,344
Current portion of third-party payer structured liabilities	4,346	4,346
Current portion of estimated payable to third-party payers	235,768	247,935
Total current liabilities	1,940,907	1,790,999
Accrued retirement benefits, net of current portion	782,972	706,145
Capital lease obligations, net of current portion	171,888	196,582
Long-term debt, net of current portion	2,199,401	1,822,743
Insurance claims liability, net of current portion	278,530	312,169
Malpractice and other insurance liabilities, net of current portion	881,794	758,983
Third-party payer structured liabilities, net of current portion	8,303	13,266
Other long-term liabilities	635,892	577,276
Total liabilities	6,899,687	6,178,163
Commitments and contingencies		
Net assets:		
Unrestricted	2,710,921	2,340,552
Temporarily restricted	363,573	357,127
Permanently restricted	164,546	135,712
Total net assets	3,239,040	2,833,391
Total liabilities and net assets	\$ 10,138,727	\$ 9,011,554

Northwell Health, Inc.
(Formerly, North Shore-Long Island Jewish Health System, Inc.)

Consolidated Statements of Operations
(In Thousands)

	Year Ended December 31	
	2015	2014
Operating revenue:		
Net patient service revenue	\$ 6,962,767	\$ 6,078,845
Physician practice revenue	1,125,838	961,772
Provision for bad debts	(110,265)	(103,871)
Total patient revenue, net of provision for bad debts	7,978,340	6,936,746
Other operating revenue	457,612	367,374
Health insurance premium revenue	228,427	85,808
Net assets released from restrictions used for operations	58,276	45,119
Total operating revenue	8,722,655	7,435,047
Operating expenses:		
Salaries	4,319,212	3,816,925
Employee benefits	1,100,101	947,744
Supplies and expenses	2,724,420	2,156,716
Depreciation and amortization	384,206	331,036
Interest	105,018	95,113
Total operating expenses	8,632,957	7,347,534
Excess of operating revenue over operating expenses	89,698	87,513
Non-operating gains and losses:		
Investment income	62,205	100,817
Change in net unrealized gains and losses and change in value of equity method investments	(112,700)	(24,354)
Change in fair value of interest rate swap agreements designated as derivative instruments	790	841
Loss on refunding and redemption of long-term debt	(56,975)	-
Contributions received in the acquisitions of Phelps Memorial Hospital and Northern Westchester Hospital	259,807	-
Gain from acquired interest in Optum360	115,600	-
Other non-operating gains and losses	(10,981)	25,967
Total non-operating gains and losses	257,746	103,271
Excess of revenue and gains and losses over expenses	347,444	190,784
Net assets released from restrictions for capital asset acquisitions	7,696	27,136
Change in fair value of interest rate swap agreements designated as cash flow hedges	1,289	1,310
Loss of fair value of endowment corpus	(608)	-
Pension and other postretirement liability adjustments	18,131	(359,743)
Other changes in net assets	(3,583)	(27,340)
Increase (decrease) in unrestricted net assets	\$ 370,369	\$ (167,853)

Northwell Health, Inc.
(Formerly, North Shore-Long Island Jewish Health System, Inc.)

Consolidated Statements of Changes in Net Assets
(In Thousands)

Years Ended December 31, 2015 and 2014

	Total	Unrestricted	Temporarily Restricted	Permanently Restricted
Net assets, January 1, 2014	\$ 2,988,926	\$ 2,508,405	\$ 346,046	\$ 134,475
Contributions and grants	96,230	-	94,993	1,237
Investment income	8,834	-	8,834	-
Change in net unrealized gains and losses and change in value of equity method investments	(2,314)	-	(2,314)	-
Excess of revenue and gains and losses over expenses	190,784	190,784	-	-
Net assets released from restrictions for:				
Capital asset acquisitions	-	27,136	(27,136)	-
Operations	(45,119)	-	(45,119)	-
Non-operating activities	(18,177)	-	(18,177)	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	1,310	1,310	-	-
Pension and other postretirement liability adjustments	(359,743)	(359,743)	-	-
Other changes in net assets	(27,340)	(27,340)	-	-
(Decrease) increase in net assets	(155,535)	(167,853)	11,081	1,237
Net assets, December 31, 2014	2,833,391	2,340,552	357,127	135,712
Contributions and grants	86,124	-	66,496	19,628
Investment income	5,944	-	5,944	-
Change in net unrealized gains and losses and change in value of equity method investments	(6,326)	-	(6,326)	-
Contributions received in the acquisitions of Phelps Memorial Hospital and Northern Westchester Hospital	35,061	-	25,855	9,206
Excess of revenue and gains and losses over expenses	347,444	347,444	-	-
Net assets released from restrictions for:				
Capital asset acquisitions	-	7,696	(7,696)	-
Operations	(58,276)	-	(58,276)	-
Non-operating activities	(20,159)	-	(20,159)	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	1,289	1,289	-	-
Loss of fair value of endowment corpus	-	(608)	608	-
Pension and other postretirement liability adjustments	18,131	18,131	-	-
Other changes in net assets	(3,583)	(3,583)	-	-
Increase in net assets	405,649	370,369	6,446	28,834
Net assets, December 31, 2015	\$ 3,239,040	\$ 2,710,921	\$ 363,573	\$ 164,546

DAVITA HEALTHCARE PARTNERS INC.
CONSOLIDATED BALANCE SHEETS
(dollars in thousands, except per share data)

	<u>December 31, 2015</u>	<u>December 31, 2014</u>
ASSETS		
Cash and cash equivalents	\$ 1,499,116	\$ 965,241
Short-term investments	408,084	337,399
Accounts receivable, less allowance of \$264,144 and \$242,674	1,724,228	1,525,849
Inventories	185,575	136,084
Other receivables	435,885	400,916
Other current assets	190,322	186,842
Income tax receivable	<u>60,070</u>	<u>83,839</u>
Total current assets	4,503,280	3,636,170
Property and equipment, net	2,788,740	2,469,099
Intangible assets, net	1,687,326	1,864,842
Equity investments	73,368	65,637
Long-term investments	94,122	89,389
Other long-term assets	73,560	77,000
Goodwill	<u>9,294,479</u>	<u>9,415,295</u>
	<u>\$ 18,514,875</u>	<u>\$ 17,617,432</u>
LIABILITIES AND EQUITY		
Accounts payable	\$ 513,950	\$ 445,453
Other liabilities	682,123	510,223
Accrued compensation and benefits	741,926	698,475
Medical payables	332,102	314,346
Current portion of long-term debt	<u>129,037</u>	<u>120,154</u>
Total current liabilities	2,399,138	2,088,651
Long-term debt	9,001,308	8,298,624
Other long-term liabilities	439,229	389,806
Deferred income taxes	<u>726,962</u>	<u>650,075</u>
Total liabilities	12,566,637	11,427,156
Commitments and contingencies		
Noncontrolling interests subject to put provisions	864,066	829,965
Equity:		
Preferred stock (\$0.001 par value, 5,000,000 shares authorized; none issued)		
Common stock (\$0.001 par value, 450,000,000 shares authorized; 217,120,346 and 215,640,968 shares issued and 209,754,247 and 215,640,968 shares outstanding, respectively)	217	216
Additional paid-in capital	1,118,326	1,108,211
Retained earnings	4,356,835	4,087,103
Treasury stock (7,366,099 shares)	(544,772)	—
Accumulated other comprehensive loss	<u>(59,826)</u>	<u>(25,017)</u>
Total DaVita HealthCare Partners Inc. shareholders' equity	4,870,780	5,170,513
Noncontrolling interests not subject to put provisions	<u>213,392</u>	<u>189,798</u>
Total equity	<u>5,084,172</u>	<u>5,360,311</u>
	<u>\$ 18,514,875</u>	<u>\$ 17,617,432</u>

DAVITA HEALTHCARE PARTNERS INC.
CONSOLIDATED STATEMENTS OF INCOME
(dollars in thousands, except per share data)

Project# 162543
BFA Attachment-D Cont

	Year ended December 31,		
	2015	2014	2013
Patient service revenues	\$ 9,480,279	\$ 8,868,338	\$ 8,307,195
Less: Provision for uncollectible accounts	(427,860)	(366,884)	(293,546)
Net patient service revenues	9,052,419	8,501,454	8,013,649
Capitated revenues	3,509,095	3,261,288	2,987,315
Other revenues	1,220,323	1,032,364	763,086
Total net revenues	<u>13,781,837</u>	<u>12,795,106</u>	<u>11,764,050</u>
Operating expenses and charges:			
Patient care costs and other costs	9,824,834	9,119,305	8,198,377
General and administrative	1,452,135	1,261,506	1,176,485
Depreciation and amortization	638,024	590,935	528,737
Provision for uncollectible accounts	9,240	14,453	4,852
Equity investment income	(18,325)	(23,234)	(34,558)
Goodwill and other intangible asset impairment charges	210,234	—	—
Settlement charge and loss contingency accrual	495,000	17,000	397,000
Contingent earn-out obligation adjustment	—	—	(56,977)
Total operating expenses and charges	<u>12,611,142</u>	<u>10,979,965</u>	<u>10,213,916</u>
Operating income	1,170,695	1,815,141	1,550,134
Debt expense	(408,380)	(410,294)	(429,943)
Debt redemption and refinancing charges	(48,072)	(97,548)	—
Other income, net	8,893	2,374	4,787
Income from continuing operations before income taxes	723,136	1,309,673	1,124,978
Income tax expense	295,726	446,343	381,013
Income from continuing operations	427,410	863,330	743,965
Discontinued operations:			
Loss from operations of discontinued operations, net of tax	—	—	(139)
Gain on disposal of discontinued operations, net of tax	—	—	13,375
Net income	427,410	863,330	757,201
Less: Net income attributable to noncontrolling interests	(157,678)	(140,216)	(123,755)
Net income attributable to DaVita HealthCare Partners Inc.	<u>\$ 269,732</u>	<u>\$ 723,114</u>	<u>\$ 633,446</u>
Earnings per share:			
Basic income from continuing operations per share attributable to DaVita HealthCare Partners Inc.	<u>\$ 1.27</u>	<u>\$ 3.41</u>	<u>\$ 2.95</u>
Basic net income per share attributable to DaVita HealthCare Partners Inc.	<u>\$ 1.27</u>	<u>\$ 3.41</u>	<u>\$ 3.02</u>
Diluted income from continuing operations per share attributable to DaVita HealthCare Partners Inc.	<u>\$ 1.25</u>	<u>\$ 3.33</u>	<u>\$ 2.89</u>
Diluted net income per share attributable to DaVita HealthCare Partners Inc.	<u>\$ 1.25</u>	<u>\$ 3.33</u>	<u>\$ 2.95</u>
Weighted average shares for earnings per share:			
Basic	<u>211,867,714</u>	<u>212,301,827</u>	<u>209,939,364</u>
Diluted	<u>216,251,807</u>	<u>216,927,681</u>	<u>214,763,887</u>
Amounts attributable to DaVita HealthCare Partners Inc.:			
Income from continuing operations	\$ 269,732	\$ 723,114	\$ 620,197
Discontinued operations	—	—	13,249
Net income	<u>\$ 269,732</u>	<u>\$ 723,114</u>	<u>\$ 633,446</u>

DAVITA HEALTHCARE PARTNERS INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(dollars in thousands)

	Year ended December 31.		
	2015	2014	2013
Net income	\$ 427,410	\$ 863,330	\$ 757,201
Other comprehensive income (losses), net of tax:			
Unrealized (losses) gain on interest rate swap and cap agreements:			
Unrealized (losses) gain on interest rate swap and cap agreements	(12,241)	(10,059)	169
Reclassifications of net swap and cap agreements realized losses into net income	3,111	10,608	12,889
Unrealized (losses) gains on investments:			
Unrealized (losses) gains on investments	(1,413)	238	2,300
Reclassification of net investment realized losses into net income	(377)	(207)	(490)
Foreign currency translation adjustments	(23,889)	(22,952)	(2,216)
Other comprehensive (loss) income	(34,809)	(22,372)	12,652
Total comprehensive income	392,601	840,958	769,853
Less: Comprehensive income attributable to noncontrolling interests	(157,678)	(140,216)	(123,755)
Comprehensive income attributable to DaVita HealthCare Partners Inc.	\$ 234,923	\$ 700,742	\$ 646,098

See notes to consolidated financial statements.

BALANCE SHEET

<u>ASSETS</u>	East Islip DeNovo
Capital Improvements	\$1,522,320
Working Capital Cash	1,115,805
Accounts Receivable	59,391
Equipment and Telecommunications	805,357
Inventory	13,648
Prepaid Expenses	0
Intangible Assets	0
TOTAL ASSETS	\$3,516,521

LIABILITIES AND MEMBERS' EQUITY

LIABILITIES	\$26,309
CAPITAL CONTRIBUTIONS	4,153,000
EXPENSES INCURRED	(662,788)
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$3,516,521

BALANCE SHEET

<u>ASSETS</u>	<u>Knickerbocker 12/31/16</u>
Capital Improvements	\$55,283,911
Working Capital Cash	(110,329,896)
Accounts Receivable	26,621,612
Equipment and Telecommunications	11,774,342
Inventory	1,369,469
Prepaid Expenses	1,094,005
Intangible Assets	147,921,114
<u>TOTAL ASSETS</u>	<u>\$133,734,557</u>

LIABILITIES AND MEMBER'S EQUITY

LIABILITIES	\$18,791,577
CAPITAL CONTRIBUTIONS	
EXPENSES INCURRED	114,942,980
<u>TOTAL LIABILITIES AND MEMBER'S EQUITY</u>	<u>\$133,734,557</u>

Knickerbocker Dialysis Inc
Internal Fianacial as of 12/31/2016

Income Statement

	Knickerbocker <u>12/31/16</u>
Treatments	536,969
Revenue	\$190,200,944
Expenses	
Salary, Wages Benefits	54,121,661
Medical Supplies	40,973,940
Other Controllable	14,823,577
Other Operating	23,402,338
Depreciation/Amortization	6,441,669
Management Fee	19,313,352
Interest Expense	291,814
Other Gain/Loss	<u>(1,801,735)</u>
Total Expenses	<u>157,566,616</u>
Net Income/(Loss)	<u><u>\$32,634,327</u></u>

DAVITA INC.
CONSOLIDATED BALANCE SHEETS
(unaudited)
(dollars in thousands, except per share data)

	September 30, 2016	December 31, 2015
ASSETS		
Cash and cash equivalents	\$ 913,496	\$ 1,499,116
Short-term investments	659,478	408,084
Accounts receivable, less allowance of \$251,593 and \$264,144	1,850,425	1,724,228
Inventories	200,563	185,575
Other receivables	451,953	435,885
Other current assets	177,248	190,322
Income taxes receivable	8,196	60,070
Total current assets	4,261,359	4,503,280
Property and equipment, net of accumulated depreciation of \$2,728,217 and \$2,397,007	3,044,988	2,788,740
Intangible assets, net of accumulated amortization of \$895,034 and \$770,691	1,576,157	1,687,326
Equity investments	516,383	78,368
Long-term investments	100,786	89,122
Other long-term assets	42,984	73,560
Goodwill	9,382,996	9,294,479
	\$ 18,925,653	\$ 18,514,875
LIABILITIES AND EQUITY		
Accounts payable	\$ 498,422	\$ 513,950
Other liabilities	828,535	682,123
Accrued compensation and benefits	845,879	741,926
Medical payables	313,869	332,102
Current portion of long-term debt	152,764	129,037
Total current liabilities	2,639,469	2,399,138
Long-term debt	8,972,002	9,001,308
Other long-term liabilities	420,938	439,229
Deferred income taxes	802,109	726,962
Total liabilities	12,834,518	12,566,637
Commitments and contingencies:		
Noncontrolling interests subject to put provisions	971,744	864,066
Equity:		
Preferred stock (\$0.001 par value, 5,000,000 shares authorized; none issued)		
Common stock (\$0.001 par value, 450,000,000 shares authorized; 217,338,629 and 217,120,346 shares issued and 200,778,434 and 209,754,247 shares outstanding, respectively)	217	217
Additional paid-in capital	1,032,739	1,118,326
Retained earnings	5,078,983	4,356,835
Treasury stock (16,560,195 and 7,366,099 shares, respectively)	(1,147,967)	(544,772)
Accumulated other comprehensive loss	(52,226)	(59,826)
Total DaVita Inc. shareholders' equity	4,911,746	4,870,780
Noncontrolling interests not subject to put provisions	207,645	213,392
Total equity	5,119,391	5,084,172
	\$ 18,925,653	\$ 18,514,875

DAVITA INC.
CONSOLIDATED STATEMENTS OF INCOME
(unaudited)
(dollars in thousands, except per share data)

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Patient service revenues	\$ 2,629,661	\$ 2,414,034	\$ 7,678,053	\$ 7,049,428
Less: Provision for uncollectible accounts	(115,555)	(109,452)	(336,188)	(314,581)
Net patient service revenues	2,514,106	2,304,582	7,341,865	6,734,847
Capitated revenues	869,290	926,847	2,654,163	2,643,552
Other revenues	347,180	294,236	1,033,335	869,849
Total net revenues	3,730,576	3,525,665	11,029,363	10,248,248
Operating expenses and charges:				
Patient care costs and other costs	2,697,629	2,501,015	7,950,987	7,309,703
General and administrative	406,890	353,492	1,180,214	1,043,253
Depreciation and amortization	181,739	162,062	531,475	474,694
Provision for uncollectible accounts	3,773	2,511	9,856	6,497
Equity investment income	(4,237)	(2,783)	(5,119)	(10,724)
Goodwill impairment charges	—	—	253,000	4,065
Gain on changes in ownership interests, net	(374,374)	—	(404,165)	—
Settlement charge	—	—	—	495,000
Total operating expenses and charges	2,911,420	3,016,297	9,516,248	9,322,488
Operating income	819,156	509,368	1,513,115	925,760
Debt expense	(104,581)	(103,481)	(310,359)	(305,121)
Debt redemption charges	—	—	—	(48,072)
Other income, net	1,876	2,484	8,067	4,262
Income before income taxes	716,451	408,371	1,210,823	576,829
Income tax expense	104,301	147,064	366,011	183,893
Net income	612,150	261,307	844,812	392,936
Less: Net income attributable to noncontrolling interests	(40,818)	(45,435)	(122,664)	(117,204)
Net income attributable to DaVita Inc.	\$ 571,332	\$ 215,872	\$ 722,148	\$ 275,732
Earnings per share:				
Basic net income per share attributable to DaVita Inc.	\$ 2.80	\$ 1.02	\$ 3.54	\$ 1.30
Diluted net income per share attributable to DaVita Inc.	\$ 2.76	\$ 1.00	\$ 3.48	\$ 1.27
Weighted average shares for earnings per share:				
Basic	203,761,433	212,374,897	204,206,979	212,914,126
Diluted	206,961,450	216,691,461	207,643,794	217,421,213

DAVITA INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)
(dollars in thousands)

	Three months ended September 30,		Nine months ended September 30,	
	2016	2015	2016	2015
Net income	\$ 612,150	\$ 261,307	\$ 844,812	\$ 392,936
Other comprehensive income (loss), net of tax:				
Unrealized losses on interest rate swap and cap agreements:				
Unrealized losses on interest rate swap and cap agreements	(153)	(1,851)	(8,238)	(10,064)
Reclassifications of net swap and cap agreements realized losses into net income	388	771	1,301	2,372
Unrealized gains (losses) on investments:				
Unrealized gains (losses) on investments	1,121	(1,651)	1,988	(1,368)
Reclassification of net investment realized gains into net income	(50)	(203)	(143)	(376)
Unrealized gains (losses) on foreign currency translation:				
Foreign currency translation adjustments	(951)	(7,023)	5,386	(19,883)
Reclassification of foreign currency translation adjustment realized loss into net income	7,513	—	7,513	—
Other comprehensive income (loss)	7,868	(9,957)	7,807	(29,319)
Total comprehensive income	620,018	251,350	852,619	363,617
Less: Comprehensive income attributable to noncontrolling interests	(40,876)	(45,435)	(122,871)	(117,204)
Comprehensive income attributable to DaVita Inc.	\$ 579,142	\$ 205,915	\$ 729,748	\$ 246,413

Northwell Health, Inc.

Consolidated Statements of Financial Position
September 30, 2016 and December 31, 2015 (In Thousands)

	(Unaudited) September 30, 2016	(Audited) December 31, 2015
Assets		
Current assets:		
Cash and cash equivalents	\$ 365,447	\$ 432,829
Marketable securities and other investments	2,112,635	1,844,892
Accounts receivable for services to patients, net of allowance for doubtful accounts	995,200	876,130
Accounts receivable for physician activities, net	120,430	111,902
Assets limited as to use, current portion	128,513	101,683
Pledges receivable, current portion	34,088	35,097
Insurance claims receivable, current portion	67,729	71,068
Other current assets	240,219	207,968
Total current assets	4,064,261	3,681,569
Assets limited as to use, net of current portion	1,954,821	1,508,032
Pledges receivable, net of current portion	88,050	91,090
Property, plant and equipment, net	4,539,601	4,315,166
Insurance claims receivable, net of current portion	266,925	278,530
Other assets	337,281	264,340
Total assets	\$ 11,250,939	\$ 10,138,727
Liabilities and net assets		
Current liabilities:		
Short-term borrowings	\$ 110,218	\$ 110,218
Accounts payable and accrued expenses	925,025	733,653
Accrued salaries and related benefits	631,630	625,383
Current portion of capital lease obligations	4,880	3,138
Current portion of long-term debt	56,778	55,613
Current portion of insurance claims liability	67,729	71,068
Current portion of malpractice and other insurance liabilities	102,999	101,720
Current portion of third-party payer structured liabilities	1,663	4,346
Current portion of estimated payable to third-party payers	288,708	235,768
Total current liabilities	2,189,630	1,940,907
Accrued retirement benefits, net of current portion	832,685	782,972
Capital lease obligations, net of current portion	174,469	171,888
Long-term debt, net of current portion	2,689,411	2,199,401
Insurance claims liability, net of current portion	266,925	278,530
Malpractice and other insurance liabilities, net of current portion	938,661	881,794
Third-party payer structured liabilities, net of current portion	4,529	8,303
Other long-term liabilities	600,519	635,892
Total liabilities	7,696,829	6,899,687
Commitments and contingencies		
Net assets:		
Unrestricted	3,021,957	2,710,921
Temporarily restricted	362,200	363,573
Permanently restricted	169,953	164,546
Total net assets	3,554,110	3,239,040
Total liabilities and net assets	\$ 11,250,939	\$ 10,138,727

Consolidated Statements of Operations
For the Nine Months Ended September 30, 2016 and 2015 (In Thousands)

	(Unaudited) 2016	(Unaudited) 2015
Operating revenue:		
Net patient service revenue	\$ 5,610,533	\$ 5,098,327
Physician practice revenue	941,165	816,140
Provision for bad debts	(92,784)	(80,818)
Total patient revenue, net of provision for bad debts	<u>6,458,914</u>	<u>5,833,649</u>
Other operating revenue	388,188	331,429
Net health insurance premium revenue	395,432	154,578
Net assets released from restrictions used for operations	42,297	46,269
Total operating revenue	<u>7,284,831</u>	<u>6,365,925</u>
Operating expenses:		
Salaries	3,485,376	3,179,225
Employee benefits	900,473	823,157
Supplies and expenses	2,424,781	1,911,595
Depreciation and amortization	307,901	292,142
Interest	82,216	78,242
Total operating expenses	<u>7,200,747</u>	<u>6,284,361</u>
Excess of operating revenue over operating expenses	84,084	81,564
Non-operating gains and losses:		
Investment income	41,536	39,273
Change in net unrealized gains and losses and change in value of equity method investments	134,041	(115,136)
Change in fair value of interest rate swap agreements designated as derivative instruments	190	565
Loss on refunding and redemption of long-term debt	-	(56,975)
Contributions received in the acquisitions of Peconic Bay Medical Center (2016), Phelps Memorial Hospital (2015) and Northern Westchester Hospital (2015)	36,343	259,807
Gain from acquired interest in Optum360	-	115,600
Other non-operating gains and losses	(9,198)	(5,486)
Total non-operating gains and losses	<u>202,912</u>	<u>237,648</u>
Excess of revenue and gains and losses over expenses	286,996	319,212
Net assets released from restrictions for capital asset acquisitions	28,221	5,055
Change in fair value of interest rate swap agreements designated as cash flow hedges	13	610
Recovery of fair value of endowment corpus	609	-
Other changes in net assets	(4,803)	(2,360)
Increase in unrestricted net assets	<u>\$ 311,036</u>	<u>\$ 322,517</u>

Consolidated Statements of Changes in Net Assets
For the Nine Months Ended September 30, 2016 and 2015 (In Thousands)

	(Unaudited)			
	Total	Unrestricted	Temporarily Restricted	Permanently Restricted
Net assets, December 31, 2014	\$ 2,833,391	\$ 2,340,552	\$ 357,127	\$ 135,712
Contributions and grants	58,648	-	40,028	18,620
Investment income	4,695	-	4,695	-
Change in net unrealized gains and losses and change in value of equity method investments	(8,133)	-	(8,133)	-
Contributions received in the acquisitions of Phelps Memorial Hospital and Northern Westchester Hospital	35,061	-	25,855	9,206
Excess of revenue and gains and losses over expenses	319,212	319,212	-	-
Net assets released from restrictions for:				
Capital asset acquisitions	-	5,055	(5,055)	-
Operations	(46,269)	-	(46,269)	-
Non-operating activities	(15,690)	-	(15,690)	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	610	610	-	-
Other changes in net assets	(2,360)	(2,360)	-	-
Increase (decrease) in net assets	<u>345,774</u>	<u>322,517</u>	<u>(4,569)</u>	<u>27,826</u>
Net assets, September 30, 2015	<u>\$ 3,179,165</u>	<u>\$ 2,663,069</u>	<u>\$ 352,558</u>	<u>\$ 163,538</u>

	(Unaudited)			
	Total	Unrestricted	Temporarily Restricted	Permanently Restricted
Net assets, December 31, 2015	\$ 3,239,040	\$ 2,710,921	\$ 363,573	\$ 164,546
Contributions and grants	72,861	-	68,241	4,620
Investment income	5,785	-	5,785	-
Change in net unrealized gains and losses and change in value of equity method investments	7,104	-	7,104	-
Contribution received in the acquisition of Peconic Bay Medical Center	3,285	-	2,498	787
Excess of revenue and gains and losses over expenses	286,996	286,996	-	-
Net assets released from restrictions for:				
Capital asset acquisitions	-	28,221	(28,221)	-
Operations	(42,297)	-	(42,297)	-
Non-operating activities	(13,874)	-	(13,874)	-
Change in fair value of interest rate swap agreements designated as cash flow hedges	13	13	-	-
Recovery of fair value of endowment corpus	-	609	(609)	-
Other changes in net assets	(4,803)	(4,803)	-	-
Increase (decrease) in net assets	<u>315,070</u>	<u>311,036</u>	<u>(1,373)</u>	<u>5,407</u>
Net assets, September 30, 2016	<u>\$ 3,554,110</u>	<u>\$ 3,021,957</u>	<u>\$ 362,200</u>	<u>\$ 169,953</u>

Sapphire HC LLC
Doing Business As
Briarcliff Manor Center for Rehabilitation and Nursing Care

ORGANIZATIONAL CHART

<u>Sapphire HC LLC</u>	
Members:	
Richard Platschek	25.0%
Joel Leifer (Manager)	25.0%
Joel Zupnick	37.5%
Chesky Berkowitz	12.5%
Total	100.0%

Doing Business As
Briarcliff Manor Center for Rehabilitation and Nursing Care

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

Lease

<u>Sapphire HC Realty LLC</u>	
(RHCF Real Estate)	
Member:	
Richard Platschek	25.0%
Joel Leifer	25.0%
Chesky Berkowitz	12.5%
Joel Zupnick	12.5%
Benjamin Landa	20.0%
Judy Landa	5.0%
Total	100.0%

CON# 161323
Financial Summary- Elant at Brandywine Inc.

	FISCAL PERIOD ENDED		
	<u>12/31/14</u>	<u>12/31/15</u>	<u>Draft</u> <u>11/30/16</u>
ASSETS - CURRENT	\$2,015,549	\$2,538,213	\$3,133,375
ASSETS - FIXED AND OTHER	9,738,086	9,066,235	9,960,071
LIABILITIES - CURRENT	15,843,393	17,176,663	13,001,781
LIABILITIES - LONG-TERM	<u>44,821</u>	<u>371,106</u>	<u>6,630,911</u>
NET ASSETS	(\$4,134,579)	(\$5,943,321)	(\$6,539,246)
<hr/>			
INCOME	\$7,950,906	\$8,937,072	\$9,556,487
EXPENSE	<u>10,653,840</u>	<u>10,400,061</u>	<u>10,128,064</u>
NET INCOME	(\$2,702,934)	(\$1,462,989)	(\$571,577)
<hr/>			
NUMBER OF BEDS	131	131	131
PERCENT OF OCCUPANCY (DAYS)	69.71%	74.43%	76.67%
<hr/>			
Medicaid	88.30%	86.07%	76.37%
Medicare	6.10%	6.98%	11.33%
Private Pay/Other	5.60%	6.95%	12.30%

Seagate Rehabilitation**360 beds (Kings County)**

	<u>12/31/2015</u>	<u>draft</u> <u>10/31/2016</u>
Current Assets	\$7,962,607	\$12,298,994
Fixed Assets	<u>19,709,990</u>	<u>20,943,324</u>
Total Assets	\$27,672,597	\$33,242,318
Current Liabilities	6,823,101	10,668,118
Long Term Liabilities	<u>18,530,753</u>	<u>18,103,917</u>
Total Liabilities	\$25,353,854	\$28,772,035
Net Assets	\$2,318,743	\$4,470,283
Working Capital Position	\$1,139,506	\$1,630,876
Operating Revenues	\$47,188,849	\$43,015,988
Operating Expenses	<u>43,897,075</u>	<u>38,233,447</u>
Operating Net Income	\$3,291,774	\$4,782,541

Joel Zupnick-25% membership interest

Sapphire Center for Rehab**227 beds (Queens County)**

	<u>12/31/2015</u>	<u>Draft</u> <u>11/30/2016</u>
Current Assets	\$3,701,950	\$5,821,208
Fixed Assets	<u>10,140,462</u>	<u>9,675,398</u>
Total Assets	\$13,842,412	\$15,496,606
Current Liabilities	2,207,794	12,492,901
Long Term Liabilities	<u>10,335,882</u>	<u>61,621</u>
Total Liabilities	\$12,543,676	\$12,554,522
Net Assets	\$1,298,736	\$2,942,084
Working Capital Position	\$1,494,156	(\$6,671,693)
Operating Revenues	\$24,980,733	\$24,092,075
Operating Expenses	<u>23,304,743</u>	<u>22,069,085</u>
Operating Net Income	\$1,675,990	\$2,022,990

Richaed Platschek-35% membership interest

The Pavilion at Queens**302 beds (Queens County)**

	<u>12/31/2015</u>	<u>Draft</u> <u>11/30/2016</u>
Current Assets	\$7,947,091	\$13,452,073
Fixed Assets	<u>12,295,004</u>	<u>13,040,426</u>
Total Assets	\$20,242,095	\$26,492,499
Current Liabilities	3,130,536	4,801,080
Long Term Liabilities	<u>12,280,075</u>	<u>12,257,102</u>
Total Liabilities	\$15,410,611	\$17,058,182
Net Assets	\$4,831,484	\$9,434,317
Working Capital Position	\$4,816,555	\$8,650,993
Operating Revenues	\$42,707,246	\$43,369,404
Operating Expenses	<u>36,101,487</u>	<u>36,566,570</u>
Operating Net Income	\$6,605,759	\$6,802,834

Richaed Platschek-25% membership interest

Seagate Rehabilitation**360 beds (Kings County)**

	<u>12/31/2015</u>	<u>draft</u> <u>10/31/2016</u>
Current Assets	\$7,962,607	\$12,298,994
Fixed Assets	<u>19,709,990</u>	<u>20,943,324</u>
Total Assets	\$27,672,597	\$33,242,318
Current Liabilities	6,823,101	10,668,118
Long Term Liabilities	<u>18,530,753</u>	<u>18,103,917</u>
Total Liabilities	\$25,353,854	\$28,772,035
Net Assets	\$2,318,743	\$4,470,283
Working Capital Position	\$1,139,506	\$1,630,876
Operating Revenues	\$47,188,849	\$43,015,988
Operating Expenses	<u>43,897,075</u>	<u>38,233,447</u>
Operating Net Income	\$3,291,774	\$4,782,541

Joel Zupnick-25% membership interestSapphire Center for Rehab**227 beds (Queens County)**

	<u>12/31/2015</u>	<u>Draft</u> <u>11/30/2016</u>
Current Assets	\$3,701,950	\$5,821,208
Fixed Assets	<u>10,140,462</u>	<u>9,675,398</u>
Total Assets	\$13,842,412	\$15,496,606
Current Liabilities	2,207,794	12,492,901
Long Term Liabilities	<u>10,335,882</u>	<u>61,621</u>
Total Liabilities	\$12,543,676	\$12,554,522
Net Assets	\$1,298,736	\$2,942,084
Working Capital Position	\$1,494,156	(\$6,671,693)
Operating Revenues	\$24,980,733	\$24,092,075
Operating Expenses	<u>23,304,743</u>	<u>22,069,085</u>
Operating Net Income	\$1,675,990	\$2,022,990

Richard Platschek-35% membership interestThe Pavilion at Queens**302 beds (Queens County)**

	<u>12/31/2015</u>	<u>Draft</u> <u>11/30/2016</u>
Current Assets	\$7,947,091	\$13,452,073
Fixed Assets	<u>12,295,004</u>	<u>13,040,426</u>
Total Assets	\$20,242,095	\$26,492,499
Current Liabilities	3,130,536	4,801,080
Long Term Liabilities	<u>12,280,075</u>	<u>12,257,102</u>
Total Liabilities	\$15,410,611	\$17,058,182
Net Assets	\$4,831,484	\$9,434,317
Working Capital Position	\$4,816,555	\$8,650,993
Operating Revenues	\$42,707,246	\$43,369,404
Operating Expenses	<u>36,101,487</u>	<u>36,566,570</u>
Operating Net Income	\$6,605,759	\$6,802,834

Richard Platschek-25% membership interest

Sapphire HC LLC
Doing Business As
Briarcliff Manor Center for Rehabilitation and Nursing Care

BFA Attachment F
CON 161323

Pro Forma Balance Sheet (AS OF APPROVAL DATE)

	<u>Operating Co.</u>
Cash and Cash Equivalents	\$ 1,908,053
Prepaid Expenses and Other	346,578
Accounts Receivable (Net of Allowances)	2,605,539
Property, Plant & Equipment	-
Inventory	17,746
TOTAL CURRENT ASSETS:	<u>\$ 4,877,916</u>
TOTAL ASSETS:	<u>\$ 4,877,916</u>
Accrued Payroll	\$ 69,863
Accounts Payable	2,500,000
TOTAL CURRENT LIABILITIES:	<u>\$ 2,569,863</u>
Acquisition Financing	\$ 400,000
TOTAL LONG TERM LIABILITIES:	<u>\$ 400,000</u>
TOTAL LIABILITIES	<u>\$ 2,969,863</u>
MEMBERS' EQUITY	1,908,053
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u><u>\$ 4,877,916</u></u>

Briarcliff Manor

Budget Sensitivity

<u>Payor</u>	<u>Payor Mix as of 11/30/16</u>	<u>Revised Budgeted Days</u>	<u>Per Diem</u>	<u>Revised Revenues</u>
Medicaid	0.76370	28,442	\$220.26	\$6,264,572
Medicare	0.11330	4,220	\$576.59	2,432,932
Commercial	0.12300	4,581	\$533.76	2,445,030
	1.00000	37,242		

Total Revenues based on current utilization \$11,142,534

Total Inpatient Revenues as budgeted for first year 12,089,110

Decrease in Budgeted Revenues (\$946,576)

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

131 beds x 366 days= 47,946 x .77675= 37,242 (as of 12/31/16 census)

Bed reduction to 120 beds x 366 days= 43,920. Therefore, 37,242/43,920= 84.795%
 120 beds x 365 days=43,800 therefore, 37,242/43,800=85.03%

Briarcliff Manor

Budget Sensitivity

<u>Payor</u>	<u>Payor Mix as of 11/30/16</u>	<u>Revised Budgeted Days</u>	<u>Per Diem</u>	<u>Revised Revenues</u>
Medicaid	0.76370	31,938	\$220.26	\$7,034,649
Medicare	0.11330	4,738	\$576.59	2,732,002
Commercial	0.12300	5,144	\$533.76	2,745,587
	1.00000	41,820		

Total Revenues based on current utilization \$12,512,238

Total Inpatient Revenues as budgeted for first year 12,089,110

Decrease in Budgeted Revenues \$423,128

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

131 beds x 366 days= 47,946 x .77675= 37,242 (as of 12/31/16 census)

Bed reduction to 120 beds x 366 days= 43,920. Therefore, 37,242/43,920= 84.795%
120 beds x 365 days=43,800 therefore, 95.48% X 43,800=41,820 inpatient days.

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

ASSETS

Operating Company Realty Company Combined

Operations			\$0
Working Capital	\$1,773,066		\$1,773,066
Realty		\$12,000,000	
TOTAL ASSETS	\$1,773,066	\$12,000,000	\$13,773,066

Liabilities and Member Equity

LIABILITIES

Operations Acquisition Loan			\$0
Working Capital Loan	\$880,429		\$880,429
Realty Acquisition Loan		\$9,600,000	
TOTAL LIABILITIES	\$880,429	\$9,600,000	\$10,480,429

MEMBER EQUITY	\$892,637	\$2,400,000	\$3,292,637
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TOTAL LIABILITIES AND MEMBER EQUITY	\$1,773,066	\$12,000,000	\$13,773,066
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Whittier Health Services Inc d/b/a Whittier Rehabilitation & Skilled Nursing Center				
	2016 Internal	2015	2014	2013
ASSETS - CURRENT	\$5,328,497	\$6,445,727	\$6,025,330	\$5,598,945
ASSETS - FIXED AND OTHER	\$10,218,922	\$17,059,243	\$18,275,576	\$18,682,666
TOTAL ASSETS	\$15,547,419	\$23,504,970	\$24,300,906	\$24,281,611
LIABILITIES - CURRENT	\$4,665,848	\$6,147,262	\$5,528,922	\$4,803,622
LIABILITIES - LONG-TERM	\$14,113,409	\$19,003,612	\$18,970,136	\$18,993,403
TOTAL LIABILITIES	\$18,779,257	\$25,150,874	\$24,499,058	\$23,797,025
WORKING CAPITAL	\$662,649	\$298,465	\$496,408	\$795,323
INCOME	\$11,167,354	\$13,014,504	\$12,789,405	\$13,095,491
EXPENSE	\$11,129,954	\$14,462,256	\$13,472,143	\$13,653,036
NET INCOME	\$37,400	(\$1,447,752)	(\$682,738)	(\$557,545)
NET ASSET POSITION	(\$3,231,838)	(\$1,645,904)	(\$198,152)	\$484,586
Number of Beds	120	120	120	120
Number of Days	365	365	365	365
Max Days	43,800	43,800	43,800	43,800
Actual Payor Days	39,810	39,810	36,375	35,795
Percent Occupancy	90.89%	90.89%	83.05%	81.72%
Percentage Occupancy by Payor				
Medicaid	69.28%	69.28%	72.80%	79.60%
Medicare	11.20%	11.20%	14.50%	9.60%
Private Pay/Other	19.52%	19.52%	12.70%	10.80%

*2015 Utilization data used for 2016

Ownership Interest:							
	Date Acquired	Ephraim Zageibaum	Alexander Barth	Yehudah Walden	Bed Count	County	
Tarrytown Hall Care Center	4/1/2008	43.00%	15.00%	0.00%	120	Westchester	
Alpine Rehabilitation & Nursing Center	7/1/2009	50.00%	15.00%	0.00%	80	Herkimer	
Norwich Rehab & Nursing Center	1/1/2011	50.00%	15.00%	0.00%	82	Chenango	
Highland Rehab & Nursing Center	2/1/2013	40.02%	20.00%	20.00%	98	Orange	
Utica Rehab & Nursing Center	2/1/2015	50.00%	20.00%	20.00%	120	Oneida	
Plattsburgh Rehab & Nursing Center	1/1/2016	50.00%	25.00%	25.00%	89	Clinton	
Sodus Rehab & Nursing Center (formerly Blossom View Nursing Home)	3/1/2016	50.00%	30.00%	20.00%	129	Wayne	
Auburn Nursing Home	3/1/2016	50.00%	30.00%	20.00%	92	Cayuga	
Delhi Rehab & Nursing Center*	2/12/2016	48.00%	23.00%	23.00%	176	Delaware	
Yorktown Rehab (formerly Field Home-Holy Comforter)	Contingently approved	50.00%	28.00%	12.00%	125	Westchester	

*Con 142195 includes both a change in ownership and the Construction of a new 176-bed residential health care facility

Tarrytown Hall Care Center				
	1/1/2016- 11/30/2016 Internal	2015	2014	2013
ASSETS - CURRENT	\$5,676,024	\$2,516,798	\$2,415,385	\$2,873,733
ASSETS - FIXED AND OTHER	\$4,386,969	\$1,955,244	\$2,165,657	\$3,529,400
TOTAL ASSETS	\$10,062,993	\$4,472,042	\$4,581,042	\$6,403,133
LIABILITIES - CURRENT	\$2,242,486	\$2,670,917	\$2,626,596	\$3,575,620
LIABILITIES - LONG-TERM	\$4,882,395	\$236,649	\$442,200	\$1,991,523
TOTAL LIABILITIES	\$7,124,881	\$2,907,566	\$3,068,796	\$5,567,143
WORKING CAPITAL	\$3,433,538	(\$154,119)	(\$211,211)	(\$701,887)
INCOME	\$7,610,580	\$12,563,918	\$13,387,389	\$13,228,332
EXPENSE	\$5,441,418	\$11,576,407	\$12,699,397	\$13,450,978
NET INCOME	\$2,169,162	\$987,511	\$687,992	(\$222,646)
NET ASSET POSITION	\$2,938,112	\$1,564,476	\$1,512,246	\$835,990
Alpine Rehabilitation & Nursing Center				
	1/1/2016- 11/30/2016 Internal	2015	2014	2013
ASSETS - CURRENT	\$4,187,501	\$1,553,816	\$1,016,167	\$992,011
ASSETS - FIXED AND OTHER	\$5,162,234	\$7,587,921	\$1,961,371	\$1,979,287
TOTAL ASSETS	\$9,349,735	\$9,141,737	\$2,977,538	\$2,971,298
LIABILITIES - CURRENT	\$1,321,726	\$1,729,905	\$1,223,048	\$1,330,282
LIABILITIES - LONG-TERM	\$6,716,595	\$6,871,882	\$674,514	\$1,066,317
TOTAL LIABILITIES	\$8,038,321	\$8,601,787	\$1,897,562	\$2,396,599
WORKING CAPITAL	\$2,865,775	(\$176,089)	(\$206,881)	(\$338,271)
INCOME	\$6,564,516	\$6,971,827	\$6,834,997	\$7,151,830
EXPENSE	\$5,343,052	\$6,001,655	\$6,314,353	\$6,923,887
NET INCOME	\$1,221,464	\$970,172	\$520,644	\$227,943
NET ASSET POSITION	\$1,311,414	\$539,950	\$1,079,976	\$574,699
Norwich Rehab & Nursing Center				
	1/1/2016- 11/30/2016 Internal	2015	2014	2013
ASSETS - CURRENT	\$6,120,585	\$1,557,000	\$1,390,988	\$1,300,807
ASSETS - FIXED AND OTHER	\$2,821,168	\$755,000	\$542,743	\$647,427
TOTAL ASSETS	\$8,941,753	\$2,312,000	\$1,933,731	\$1,948,234
LIABILITIES - CURRENT	\$784,262	\$1,191,000	\$1,226,609	\$1,665,260
LIABILITIES - LONG-TERM	\$7,103,792	\$488,000	\$243,026	\$336,106
TOTAL LIABILITIES	\$7,888,054	\$1,679,000	\$1,469,635	\$2,001,366
WORKING CAPITAL	\$5,336,323	\$366,000	\$164,379	(\$364,453)
INCOME	\$7,336,407	\$7,203,000	\$7,496,798	\$6,915,182
EXPENSE	\$5,520,304	\$7,029,000	\$6,978,336	\$6,864,703
NET INCOME	\$1,816,103	\$174,000	\$518,462	\$50,479
NET ASSET POSITION	\$1,053,699	\$633,000	\$464,096	(\$53,132)

Highland Rehab & Nursing Center			
	1/1/2016- 11/30/2016 Internal	2015	2014
ASSETS - CURRENT	\$2,714,113	\$2,679,883	\$1,659,695
ASSETS - FIXED AND OTHER	\$6,363,315	\$6,573,212	\$1,012,379
TOTAL ASSETS	\$9,077,428	\$9,253,095	\$2,672,074
LIABILITIES - CURRENT	\$2,174,168	\$2,480,344	\$2,202,192
LIABILITIES - LONG-TERM	\$4,664,634	\$4,978,841	\$709,908
TOTAL LIABILITIES	\$6,838,802	\$7,459,185	\$2,912,100
WORKING CAPITAL	\$539,945	\$199,539	(\$542,497)
INCOME	\$10,420,509	\$10,724,748	\$9,202,476
EXPENSE	\$8,525,792	\$9,136,435	\$9,371,485
NET INCOME	\$1,894,717	\$1,588,313	(\$169,009)
NET ASSET POSITION	\$2,238,626	\$1,793,910	(\$240,026)

Rovt 2011 Family Trust
Balance Sheet
July 31, 2016

BFÁ Attachment B cont

ASSETS

Current Assets

Wells Fargo - AC 8166-4864 C	\$ 385,205.92	
Wells Fargo - AC 8166-4864 B	1,893,088.38	
NYPTC - A/C TR12226A	1,740.19	
Accounts Receivable	167,267.00	
Int Rec - Philip Roth Note #1	1,666.72	
Int Rec - Alliance Floor	(227,938.87)	
Int Rec - Rambam Note	200,619.70	
Int Rec - Hearld Realty III	(1,025,000.00)	
Int Rec - Spruce Mission	(55,000.00)	

Total Current Assets 1,341,649.04

Property and Equipment

Total Property and Equipment 0.00

Other Assets

Note Rec Alfalfa III 2011 loan	(160,024.16)	
Note Rec Alfalfa III 2013 #1	165,994.96	
Note Rec Alfalfa III 2013 #2	(634.63)	
Note Rec - Philip Roth #1	1,000,000.00	
Note Rec - Alliance Floor	4,000,000.00	
Note Rec - Philip Roth #2	183,750.00	
Note Rec - Max Rovt	1,000,000.00	
Note Rec - Zvi Dov Roth	1,515,200.00	
Alfalfa III Holding - PS Invt	857,092.00	
Edge at Greentree	500,000.00	
IBE Trade - Common Stk B Share	3,610,750.00	
Limani 51, LLC - P/S Invt	1,012,925.00	
Limani Licensing LLC- P/S Invt	2,486.00	
Crystal Woods - P/S Interest	6,701,258.30	
Rovt Bond Inv - P/S Interest	13,210,369.00	
Rovt 1209 Investor LLC - P/S	1,468,829.00	
Rovt Manor Investor LLC - P/S	8,817,567.81	
MR Riverside LLC - P/S Invt	(99,032.00)	
Newbury Commom	2,800,000.00	
Roth Pharma LLC	2,018,130.15	
Roth Canadian Holdings ULC	25,000,010.00	
Roza 14W LLC	11,383,790.00	
S3 Capital Parters LP	10,550,000.00	
SPR Hawthorne Mbr LLC	9,650,000.00	
Spruce Mission	19,725,000.00	
Hawthorne Court P/S Invt	1,350,000.00	

Total Other Assets 126,263,461.43

Total Assets \$ 127,605,110.47

LIABILITIES AND CAPITAL

Current Liabilities

Int Pay A. Rovt \$33m Note	\$ (1,103,664.78)
Int Pay A. Rovt \$2m Note	42,666.71
Int Pay A. Rovt \$4m Note	119,022.23
Int Pay A. Rovt \$12.487m Note	283,180.82

Unaudited - For Management Purposes Only

Rovt 2011 Family Trust
Balance Sheet
July 31, 2016

Int Pay A. Rovt \$10m Note	479,375.06	
Int Pay A. Rovt \$10m Note	433,261.11	
	<hr/>	
Total Current Liabilities		253,841.15
Long-Term Liabilities		
Notes Pay - A.Rovt \$33m	33,000,000.00	
Notes Pay - A.Rovt \$2m	2,000,000.00	
Notes Pay - A.Rovt \$4m	4,000,000.00	
Notes Pay - A.Rovt \$12.487m	12,487,000.00	
Notes Pay - A.Rovt \$10m #1	10,000,000.00	
Notes Pay - A.Rovt \$10m #2	10,000,000.00	
	<hr/>	
Total Long-Term Liabilities		71,487,000.00
		<hr/>
Total Liabilities		71,740,841.15
Capital		
Deed of Gift	8,000,000.00	
Cumulative Trust Inc - Opening	17,267,999.41	
Net Income	30,596,269.91	
	<hr/>	
Total Capital		55,864,269.32
		<hr/>
Total Liabilities & Capital	\$	127,605,110.47
		<hr/> <hr/>

**Rovt 2011 Family Trust
Income Statement
For the Seven Months Ending July 31, 2016**

	Current Month		Year to Date	
Revenues				
Share of PS Inc - Alfalfa III	\$ 325,411.24	56.93	\$ 325,411.24	1.04
Share of PS Inc - 78 RPM	0.00	0.00	30,137,521.00	96.65
Dividends - S3 Capital	234,879.00	41.09	587,063.00	1.88
Interest Inc - Wells Fargo	101.20	0.02	837.04	0.00
Int Inc- Alfalfa III 2013 #1	0.00	0.00	8,865.00	0.03
Int Inc- Alfalfa III 2013 #2	0.00	0.00	3,917.24	0.01
Int Inc- Philip Roth #1	1,666.67	0.29	11,666.69	0.04
Int Inc- Alliance Floor	0.00	0.00	40,000.02	0.13
Int Inc- Max Rovt	1,666.67	0.29	11,666.69	0.04
Int Inc- Zvi Dov Roth	7,828.53	1.37	53,789.59	0.17
Total Revenues	<u>571,553.31</u>	100.00	<u>31,180,737.51</u>	100.00
Cost of Sales				
Total Cost of Sales	<u>0.00</u>	0.00	<u>0.00</u>	0.00
Gross Profit	<u>571,553.31</u>	100.00	<u>31,180,737.51</u>	100.00
Expenses				
Bank Fees	60.00	0.01	360.00	0.00
Interest Exp - A. Rovt \$33m	34,100.00	5.97	235,400.00	0.75
Interest Exp - A. Rovt \$2m	2,066.67	0.36	14,266.68	0.05
Interest Exp - A. Rovt \$4m	4,477.78	0.78	30,911.12	0.10
Interest Exp - A. Rovt \$12.487m	11,505.38	2.01	79,424.24	0.25
Interest Exp - A. Rovt \$10m	16,791.67	2.94	115,916.68	0.37
Interest Exp - A. Rovt \$10m	15,672.22	2.74	108,188.88	0.35
Total Expenses	<u>84,673.72</u>	14.81	<u>584,467.60</u>	1.87
Net Income	<u>\$ 486,879.59</u>	85.19	<u>\$ 30,596,269.91</u>	98.13

For Management Purposes Only

Project# 162187
BFA Attachment-C

Optima Care Smithtown, LLC d/b/a Brookside Multicare Nursing Center
Pre and Post Ownership of Realty

Current Owners		Proposed Owners	
Avalon Gardens Real Estate, LLC		RM Holdings Smithtown, LLC	
Benjamin Landa	19.25%	Rovt Family Trust	90%
Philipson Family Ltd	47.25%	Boris Mendel Family Trust	10%
Naomi Tessler	12.00%		
Benjamin Fishoff	7.00%		
Abraham Fishoff	1.50%		
Barbara Gold	1.50%		
Regina Weinstock Cukler	1.50%		
Meryl Gross-Maybrook	1.50%		
Stanley Hillelsohn	2.00%		
Nachum Sherman	2.00%		
Alan Chopp	1.00%		
Mayer Fischl	1.00%		
Donald Fishoff	2.50%		

Optima Care Smithtown, LLC
Doing Business As
Brookside Multicare Nursing Center

Project# 162187
BFA Attachment^D

Pro Forma Balance Sheet (AS OF APPROVAL DATE)

	<u>Operating Co.</u>	<u>Realty Co.</u>
Cash and Cash Equivalents	\$ 7,156,398	\$ -
Operational Assets	3,246,400	
Real Property		77,913,600
TOTAL ASSETS:	\$ 10,402,798	\$ 77,913,600
Acquisition Loan	\$ -	\$ 39,765,000
Working Capital Loan	3,578,199	-
TOTAL LIABILITIES	\$ 3,578,199	\$ 39,765,000
MEMBERS' EQUITY	\$ 6,824,599	\$ 38,148,600
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 10,402,798	\$ 77,913,600

Avalon Gardens Rehab & Health Center, LLC
Financial Summary

FISCAL PERIOD ENDED	<u>12/31/2015</u>	<u>12/31/2014</u>	<u>12/31/2013</u>
ASSETS - CURRENT	\$6,914,004	\$5,794,356	\$4,956,000
ASSETS - FIXED AND OTHER	15,722,127	13,192,931	12,931,000
LIABILITIES - CURRENT	11,317,900	11,603,402	12,232,000
LIABILITIES - LONG-TERM	<u>471,030</u>	<u>530,664</u>	<u>244,000</u>
EQUITY	\$10,847,201	\$6,853,221	\$5,411,000
<hr/>			
INCOME	\$45,797,052	\$44,720,565	\$42,381,000
EXPENSE	<u>40,732,702</u>	<u>42,178,068</u>	<u>39,169,000</u>
NET INCOME	\$5,064,350	\$2,542,497	\$3,212,000
<hr/>			
NUMBER OF BEDS	353	353	353
PERCENT OF OCCUPANCY (DAYS)	97.55%	97.33%	96.40%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	89.49%	91.05%	80.30%
MEDICARE	2.93%	3.08%	4.20%
PRIVATE/OTHER	7.58%	5.87%	5.00%
<hr/>			
Average Working Capital	(\$5,829,647)		
Average Net Assets	\$7,703,807		
Average Net Income (Loss)	\$3,606,282		
Average Occupancy	97.09%		

AVALON GARDENS REHABILITATION AND HEALTH CARE CENTER, LLC
(A Limited Liability Company)

BALANCE SHEETS

December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>
CURRENT ASSETS		
Cash and Cash Equivalents (Overdraft)	\$ 1,056,911	\$ (92,917)
Accounts Receivable (Less Allowance for Doubtful Accounts of \$444,614 and \$361,206, respectively)	5,779,994	5,887,273
Prepaid and Other Current Assets	<u>77,099</u>	<u>-</u>
TOTAL CURRENT ASSETS	<u>6,914,004</u>	<u>5,794,356</u>
LEASEHOLD IMPROVEMENTS AND EQUIPMENT - NET (Note 3)	<u>4,325,179</u>	<u>3,426,764</u>
GOODWILL	<u>8,490,638</u>	<u>8,490,638</u>
OTHER ASSETS		
Finance Costs - Net	114,825	78,909
Due from Related Parties	2,516,351	950,000
Patient Funds	<u>275,134</u>	<u>346,620</u>
TOTAL OTHER ASSETS	<u>2,906,310</u>	<u>1,275,529</u>
TOTAL ASSETS	<u>\$ 22,636,131</u>	<u>\$ 18,987,287</u>
	<u>LIABILITIES AND MEMBERS' EQUITY</u>	
CURRENT LIABILITIES		
Accounts Payable	\$ 6,520,711	\$ 7,440,486
Revolving Credit Line	3,655,546	2,480,346
Accrued Payroll and Other Expenses	1,053,643	1,602,860
Lease Payable - Current Portion	<u>88,000</u>	<u>79,710</u>
TOTAL CURRENT LIABILITIES	<u>11,317,900</u>	<u>11,603,402</u>
LONG TERM LIABILITIES		
Lease Payable - Less Current Portion	204,411	292,411
Patient Funds Payable	<u>266,619</u>	<u>238,251</u>
TOTAL LONG TERM LIABILITIES	<u>471,030</u>	<u>530,664</u>
TOTAL LIABILITIES	<u>11,788,930</u>	<u>12,134,066</u>
COMMITMENTS AND CONTINGENCIES		
MEMBERS' EQUITY	<u>10,847,201</u>	<u>6,853,221</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 22,636,131</u>	<u>\$ 18,987,287</u>

AYALON GARDENS REHABILITATION AND HEALTH CARE CENTER, LLC
(A Limited Liability Company)

STATEMENTS OF INCOME AND MEMBERS' EQUITY

For the Years Ended December 31, 2015 and 2014

	<u>2015</u>		<u>2014</u>	
	<u>Amount</u>	<u>Cost Per Patient Day</u>	<u>Amount</u>	<u>Cost Per Patient Day</u>
OPERATING REVENUES				
Routine and Special Service Revenues	\$ 44,951,392	\$ 330.24	\$ 44,630,451	\$ 330.71
Other Revenues	<u>845,660</u>	<u>7.52</u>	<u>90,114</u>	<u>0.81</u>
TOTAL OPERATING REVENUES	<u>45,797,052</u>	<u>337.76</u>	<u>44,720,565</u>	<u>331.52</u>
OPERATING EXPENSES				
Nursing and Medical	12,440,315	110.52	12,697,230	112.85
Therapy and Ancillaries	2,303,554	21.27	2,282,328	20.28
Social Service	428,065	3.81	440,671	3.91
Leisure and Activities	755,590	6.71	763,719	6.80
Cleanliness and Safety	3,045,327	27.06	3,030,513	26.94
Food and Nutrition	2,847,716	25.30	3,224,823	28.66
General and Administrative	3,466,511	30.81	3,034,144	27.01
Property	2,967,055	26.37	3,924,499	34.89
Non Comparable	1,630,471	14.50	1,704,536	15.15
Pediatrics Unit	5,665,900	431.20	5,954,793	461.75
Adult Day Care	1,929,552	185.08	2,017,001	211.20
Non Allowable Expenses	<u>3,162,645</u>	<u>28.10</u>	<u>3,101,810</u>	<u>27.58</u>
TOTAL OPERATING EXPENSES	<u>40,732,702</u>	<u>299.25</u>	<u>42,178,068</u>	<u>312.54</u>
NET INCOME	5,064,350	\$ 38.51	2,542,497	\$ 18.98
MEMBERS' EQUITY - BEGINNING OF YEAR	6,853,221		5,410,724	
MEMBERS' DISTRIBUTIONS	<u>(1,070,370)</u>		<u>(1,100,000)</u>	
MEMBERS' EQUITY - END OF YEAR	<u>\$ 10,847,201</u>		<u>\$ 6,853,221</u>	

**AVALON GARDENS REHABILITATION AND
HEALTH CARE CENTER, LLC
(A Limited Liability Company)**

BALANCE SHEET

November 30, 2016

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 2,372,198
Accounts Receivable (Less Allowance for Doubtful Accounts of \$444,614)	4,255,659
Prepaid Expenses and Other Current Assets	<u>13,378</u>

TOTAL CURRENT ASSETS 6,641,235

LEASEHOLD IMPROVEMENTS AND EQUIPMENT - NET 5,699,663

GOODWILL 8,490,638

OTHER ASSETS

Financing Costs - Net	104,203
Patients Funds Cash	<u>284,507</u>

TOTAL OTHER ASSETS 388,710

TOTAL ASSETS \$21,220,246

LIABILITIES AND MEMBER'S EQUITY

CURRENT LIABILITIES

Accounts Payable	\$ 4,642,568
Line of Credit	5,354,517
Accrued Expenses and Payroll Payable	<u>1,902,980</u>

TOTAL CURRENT LIABILITIES 11,900,065

LONG-TERM LIABILITIES

Capital Lease	188,720
Patients Funds Liability	<u>262,123</u>

TOTAL LONG-TERM LIABILITIES 450,843

TOTAL LIABILITIES 12,350,908

MEMBER'S EQUITY 8,869,338

TOTAL LIABILITIES AND MEMBER'S EQUITY \$21,220,246

**AVALON GARDENS REHABILITATION AND
HEALTH CARE CENTER, LLC
(A Limited Liability Company)**

STATEMENT OF INCOME AND MEMBER'S EQUITY

For the Eleven Months Ended November 30, 2016

	<u>Month to Date</u>	<u>Cost Per Patient Day</u>	<u>Year to Date</u>	<u>Cost Per Patient Day</u>
OPERATING REVENUES				
Routine and Special Service Income	\$ 3,611,608	\$ 323.45	\$39,947,958	\$ 320.10
Other Revenues	<u>9,257</u>	<u>1.00</u>	<u>594,416</u>	<u>5.76</u>
TOTAL OPERATING REVENUES	<u>3,620,865</u>	<u>324.45</u>	<u>40,542,374</u>	<u>325.86</u>
EXPENSES				
Nursing and Medical	1,137,168	122.60	11,553,964	112.06
Therapy and Ancillaries	179,630	19.37	2,002,652	19.41
Social Services	38,812	4.19	387,553	3.75
Leisure Time Activities	60,330	6.50	652,274	6.32
Cleanliness and Safety	277,283	29.90	2,992,983	29.02
Food and Nutrition	233,118	25.13	2,431,632	23.60
General and Administration	247,121	26.65	3,216,783	31.22
Property	508,795	54.85	5,979,625	58.01
Non-Comparable	124,399	13.42	1,515,199	14.71
Pediatrics Unit	504,888	480.84	5,504,996	460.37
Adult Daycare Unit	168,566	200.44	1,931,382	200.21
Non-Allowable Expenses	<u>297,912</u>	<u>32.12</u>	<u>2,941,008</u>	<u>28.53</u>
TOTAL EXPENSES	<u>3,778,022</u>	<u>338.35</u>	<u>41,110,051</u>	<u>329.42</u>
NET LOSS	<u>\$ (157,157)</u>	<u>\$ (14.07)</u>	(567,677)	<u>\$ (4.55)</u>
MEMBERS' EQUITY - BEGINNING OF PERIOD			10,847,200	
MEMBERS' CONTRIBUTIONS			375,000	
MEMBERS' DISTRIBUTIONS			<u>(1,785,185)</u>	
MEMBERS' EQUITY - END OF PERIOD			<u>\$ 8,869,338</u>	

Pro Forma Balance Sheet

	<u>Operating Co.</u>	<u>Realty Company</u>
ASSETS		

Cash	\$2,494,521	\$0
Operational Assets	1,056,000	0
Real Property	<u>0</u>	<u>25,344,000</u>
TOTAL ASSETS	\$3,550,521	\$25,344,000
LIABILITIES		

Working Capital Loan	\$1,247,260	\$0
Acquisition Loan	<u>0</u>	<u>11,602,000</u>
TOTAL LIABILITIES	\$1,247,260	\$11,602,000
NET ASSETS	\$2,303,261	\$13,742,000

Financial Summary- Little NeckCare Center

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Current Assets	\$2,651,205	\$2,869,708	\$3,098,879
Fixed Assets	2,747,690	2,425,948	1,463,883
Other Assets	<u>2,686,147</u>	<u>2,711,394</u>	<u>2,706,891</u>
Total Assets	\$8,085,042	\$8,007,050	\$7,269,653
Current Liabilities	2,537,501	2,596,465	3,438,996
Long Term Liabilities	<u>4,289,699</u>	<u>4,067,943</u>	3,074,873
Total Liabilities	\$6,827,200	\$6,664,408	\$6,513,869
Net Assets	\$1,257,842	\$1,342,642	\$755,784
Revenues	\$14,228,033	\$12,761,571	\$12,116,254
Expenses	13,417,495	12,183,666	<u>11,291,749</u>
Net Income	\$810,538	\$577,905	\$824,505
Occupancy	94.33%	93.19%	94.03%
Medicaid	65.16%	74.93%	70.53%
Mediciad MC	4.98%	1.16%	0%
Medicare	14.66%	9.53%	10.08%
Private Pay	15.20%	14.38%	19.41%

LITTLE NECK CARE CENTER, LLC
BALANCE SHEET

For the Period Ended October 31, 2016

DESCRIPTION	AMOUNT
ASSETS:	
CURRENT ASSETS	
CASH & EQUIVALENTS	\$ 476,589
ACCOUNTS RECEIVABLE	2,950,947
INVENTORY	26,897
PREPAID EXPENSES	(84,291)
TOTAL CURRENT ASSETS	3,370,142
EQUIPMENT & OTHER ASSETS	
CAPITAL & LHI IMPROVEMENTS	2,655,533
FURNITURE & EQUIPMENT	1,437,344
GOODWILL	2,610,173
TOTAL FIXED ASSETS	6,703,050
ACCUMULATED DEPRECIATION	1,752,240
NET UNDEPRECIATED VALUE	4,950,810
PATIENTS' TRUST FUND	54,933
OTHER ASSETS	14,775
SECURITY DEPOSITS	6,265
TOTAL EQUIPMENT & OTHER ASSETS	5,026,783
TOTAL ASSETS	\$ 8,396,925
LIABILITIES & EQUITY:	
CURRENT LIABILITIES	
ACCOUNTS PAYABLE	\$ 1,494,712
NOTES & LOANS PAYABLE	(2,279)
EQUIPMENT OBLIGATIONS	518,985
WITHHOLDING TAXES PAYABLE	173
ACCRUED PAYROLL	375,669
ACCRUED EXPENSES & TAXES	42,686
DUE TO THIRD PARTY PAYORS	(48,571)
EXCHANGES	24,348
LOANS PAYABLE - REL PARTIES	119,384
TOTAL CURRENT LIABILITIES	2,525,107
LONG TERM LIABILITIES	
EQUIPMENT OBLIGATIONS PAYABLE	1,088,585
LOANS RELATED PARTIES	2,698,215
PATIENTS' TRUST FUND PAYABLE	54,933
TOTAL LONG TERM LIABILITIES	3,841,733
EQUITY	
EQUITY	2,430,085
DISTRIBUTIONS or CONTRIBUTIONS	(400,000)
TOTAL EQUITY	2,030,085
TOTAL LIABILITIES & EQUITY	\$ 8,396,925

FOR INTERNAL MANAGEMENT PURPOSES ONLY

LITTLE NECK CARE CENTER, LLC
 STATEMENT OF OPERATIONS
 EXECUTIVE SUMMARY
 For the Period Ended October 31, 2016

	DEPARTMENT			PPD		PPD		INC(DEC)
		01/01/15 10/31/15	01/01/16 10/31/16	10/01/16 10/31/16	01/01/16 10/31/16	10/01/16 10/31/16	01/01/15 10/31/15	
\$ 12,268,269	TOTAL REVENUE	\$ 12,971,123	\$ 1,248,079	\$ 380.40	\$ 370.79	\$ 353.02	7.75%	
EXPENSES								
3,901,013	NURSING & MEDICAL	4,206,403	393,275	123.36	116.84	112.25	9.89%	
1,118,036	THERAPY & ANCILLARIES	1,319,721	129,092	38.70	38.35	32.17	20.30%	
240,854	SOCIAL SERVICE	305,490	32,351	8.96	9.61	6.93	29.26%	
194,379	LEISURE TIME ACTIVITIES	241,176	21,188	7.07	6.29	5.59	26.45%	
892,158	CLEANLINESS & SAFETY	945,580	88,776	27.73	26.37	25.67	8.02%	
1,055,052	FOOD & NUTRITION	993,426	97,616	29.13	29.00	30.36	(4.04)%	
1,735,451	GENERAL & ADMINISTRATION	1,736,299	161,707	50.92	48.04	49.94	1.96%	
1,153,472	PROPERTY	1,432,329	159,843	42.01	47.49	33.19	26.55%	
387,377	NON COMPARABLE	577,680	54,300	16.94	16.13	11.15	51.98%	
10,677,791	TOTAL EXPENSES	11,758,103	1,138,148	344.82	338.13	307.26	12.23%	
1,590,478	INCOME (LOSS) FROM OPERATIONS	1,213,020	109,931	35.57	32.66	45.77	(22.27)%	
33,100	LESS: BUSINESS TAXES	40,778	4,274	1.20	1.27	0.95	25.56%	
\$ 1,557,378	NET INCOME (LOSS)	\$ 1,172,242	\$ 105,657	\$ 34.38	\$ 31.39	\$ 44.81	(23.29)%	
12.58%	2015 HO38 CAP ON ADMIN EXP IS 20%. YOUR PCTG IS	11.79%						
34,752	NUMBER OF PATIENT DAYS	34,099	3,366					
113	AVERAGE NUMBER OF PATIENTS	112	109					

FOR INTERNAL MANAGEMENT PURPOSES ONLY

CON #162190
BFA Attachment D

Project # 162192
BFA Attachment C

Current Real Property Members
White Plains Real Estate, LLC

Member	%
Deborah Philipson	36.0%
Ruth Hirsch	25.0%
Benjamin Landa	16.0%
Agnes Arnstein	10.0%
Anne Gottlieb	5.0%
Nat Sherman	5.0%
Yosef Kaufman	1.5%
Mayer Fischl	1.0%
David Dachs	<u>0.5%</u>

Proposed Real Property Members
RM Holdings White Plains, LLC

Member	%
The Rovt 2011 Family Trust	90.0%
The Boris Mendel 2012 Irrevocable Trust	<u>10.0%</u>
Total	100.0%

Optima Care White Plains, LLC
Doing Business As
White Plains Center for Nursing Care

Project # 162192
BFA Attachment D

Pro Forma Balance Sheet (AS OF APPROVAL DATE)

	<u>Operating Co.</u>	<u>Realty Co.</u>
Cash and Cash Equivalents	\$ 1,771,148	\$ -
Operational Assets	654,400	-
Real Property	-	15,705,600
TOTAL ASSETS:	<u>\$ 2,425,548</u>	<u>\$ 15,705,600</u>
Acquisition Financing	\$ -	\$ 6,900,000
Working Capital Loan	850,000	-
TOTAL LIABILITIES	<u>\$ 850,000</u>	<u>\$ 6,900,000</u>
MEMBERS' EQUITY	<u>\$ 1,575,548</u>	<u>\$ 8,805,600</u>
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 2,425,548</u>	<u>\$ 15,705,600</u>

Financial Summary

White Plains Center for Nursing, LLC

FISCAL PERIOD ENDED	<u>12/31/2015</u>	<u>12/31/2014</u>	<u>12/31/2013</u>
ASSETS - CURRENT	\$2,917,438	\$2,648,000	\$2,378,000
ASSETS - FIXED AND OTHER	7,554,156	5,832,000	4,866,000
LIABILITIES - CURRENT	2,219,205	3,127,000	2,069,000
LIABILITIES - LONG-TERM	<u>2,405,300</u>	<u>144,000</u>	<u>500,000</u>
EQUITY	\$5,847,089	\$5,209,000	\$4,675,000
<hr/>			
INCOME	\$10,661,135	\$10,526,000	\$10,024,000
EXPENSE	<u>10,023,144</u>	<u>9,917,000</u>	<u>9,536,000</u>
NET INCOME	\$637,991	\$609,000	\$488,000
<hr/>			
NUMBER OF BEDS	88	88	88
PERCENT OF OCCUPANCY (DAYS)	87.60%	87.00%	88.60%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	65.10%	64.60%	66.40%
MEDICARE	24.70%	24.10%	23.00%
PRIVATE/OTHER	<u>10.20%</u>	<u>11.30%</u>	<u>10.60%</u>
	100.00%	100.00%	100.00%
<hr/>			
Average Working Capital	\$176,078		
Average Net Assets	\$5,243,696		
Average Net Income (Loss)	\$578,330		
Average Occupancy	87.73%		

WHITE PLAINS CENTER FOR NURSING, LLC
BALANCE SHEET
December 31, 2015

ASSETS

CURRENT ASSETS:

Cash	\$	266,425
Accounts Receivable (Net)		2,630,993
Inventory		13,345
Prepaid Expenses		3,482
Exchanges		<u>3,193</u>

TOTAL CURRENT ASSETS \$ 2,917,438

FIXED ASSETS:

Leasehold Improvements		3,047,686
Furniture & Equipment		<u>430,476</u>
		3,478,162
Less: Accum. Depreciation & Amortization		<u>1,370,623</u>

TOTAL FIXED ASSETS 2,107,539

OTHER ASSETS:

Security Deposits		2,281
Goodwill (Net)		3,450,704
Intangible Assets (Net)		56,408
Loans Receivable - Related Parties		1,803,375
Patients' Trust Fund		<u>133,849</u>

TOTAL OTHER ASSETS 5,446,617

TOTAL ASSETS \$ 10,471,594

WHITE PLAINS CENTER FOR NURSING, LLC
BALANCE SHEET
December 31, 2015

LIABILITIES & EQUITY

CURRENT LIABILITIES:

Loan Payable	\$	182,523
Notes Payable		24,417
Equipment Obligations		20,352
Accounts Payable		1,178,137
Accrued Payroll		305,493
Accrued Expenses & Taxes		9,620
Due To Third Party Payors		<u>498,663</u>

TOTAL CURRENT LIABILITIES \$ 2,219,205

LONG TERM LIABILITIES:

Notes & Loans Payable	2,213,310
Equipment Obligations	58,141
Patients' Trust Fund Payable	<u>133,849</u>

TOTAL LONG TERM LIABILITIES 2,405,300

MEMBERS' EQUITY 5,847,089

TOTAL LIABILITIES & MEMBERS' EQUITY \$ 10,471,594

WHITE PLAINS CENTER FOR NURSING, LLC
STATEMENT OF OPERATIONS
For the year ended December 31, 2015

TOTAL REVENUE FROM PATIENTS: **\$ 10,480,127**

OPERATING EXPENSES:

Payroll	\$ 3,613,751
Employee Benefits	1,144,436
Professional Care	2,178,097
Dietary & Housekeeping	488,023
Plant & Maintenance	1,366,611
General & Administrative	<u>1,232,226</u>

TOTAL OPERATING EXPENSES **10,023,144**

OTHER INCOME **181,008**

NET INCOME **\$ 637,991**

WHITE PLAINS CENTER FOR NURSING, LLC
STATEMENT OF MEMBERS' EQUITY
For the year ended December 31, 2015

MEMBERS' EQUITY:

Balance as of Beginning of Period	\$ 5,209,098
Net Income for the Period	<u>637,991</u>
TOTAL MEMBERS' EQUITY - END OF PERIOD	<u><u>\$ 5,847,089</u></u>

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WHITE PLAINS CENTER FOR NURSING
BALANCE SHEET

For the Period Ended November 30, 2016

DESCRIPTION	AMOUNT
ASSETS:	
CURRENT ASSETS	
CASH & EQUIVALENTS	\$ 302,941
ACCOUNTS RECEIVABLE	3,198,489
INVENTORY	13,345
PREPAID EXPENSES	(85,874)
LOANS RECEIVABLE REL PARTIES	1,539,159
TOTAL CURRENT ASSETS	4,968,060
EQUIPMENT & OTHER ASSETS	
CAPITAL & LHI IMPROVEMENTS	3,589,895
FURNITURE & EQUIPMENT	464,755
ORGANIZATION COSTS	33,143
MORTGAGE COSTS	126,058
GOODWILL	3,450,704
TOTAL FIXED ASSETS	7,664,555
ACCUMULATED DEPRECIATION	1,730,066
NET UNDEPRECIATED VALUE	5,934,489
PATIENTS' TRUST FUND	214,617
OTHER ASSETS	186,686
SECURITY DEPOSITS	2,281
TOTAL EQUIPMENT & OTHER ASSETS	6,338,073
TOTAL ASSETS	\$ 11,306,133
LIABILITIES & EQUITY:	
CURRENT LIABILITIES	
ACCOUNTS PAYABLE	\$ 1,235,215
NOTES & LOANS PAYABLE	(724)
EQUIPMENT OBLIGATIONS	20,353
WITHHOLDING TAXES PAYABLE	264
ACCRUED PAYROLL	350,930
ACCRUED EXPENSES & TAXES	7,700
DUE TO THIRD PARTY PAYORS	498,663
EXCHANGES	295,209
LOANS PAYABLE - REL PARTIES	(161,785)
TOTAL CURRENT LIABILITIES	2,245,825
LONG TERM LIABILITIES	
NOTES & LOANS PAYABLE	2,250,695
EQUIPMENT OBLIGATIONS PAYABLE	32,851
PATIENTS' TRUST FUND PAYABLE	222,374
TOTAL LONG TERM LIABILITIES	2,505,920
EQUITY	
EQUITY	6,754,388
DISTRIBUTIONS or CONTRIBUTIONS	(200,000)
TOTAL EQUITY	6,554,388
TOTAL LIABILITIES & EQUITY	\$ 11,306,133

FOR INTERNAL MANAGEMENT PURPOSES ONLY

WHITE PLAINS CENTER FOR NURSING
 STATEMENT OF OPERATIONS
 EXECUTIVE SUMMARY

For the Period Ended November 30, 2016

01/01/15 11/30/15	DEPARTMENT	01/01/16		11/01/16		PPD		PPD		
		01/01/16	11/30/16	11/01/16	11/30/16	11/01/16	11/30/16	01/01/15	11/30/15	
\$ 9,922,518	TOTAL REVENUE	\$ 10,373,446	\$ 904,053	\$ 404.79	\$ 393.41	\$ 383.39			5.58*	
EXPENSES										
3,231,096	NURSING & MEDICAL	3,330,172	265,135	129.95	115.38	124.84			4.09*	
1,307,705	THERAPY & ANCILLARIES	1,461,909	138,635	57.05	60.33	50.53			12.90*	
220,830	SOCIAL SERVICE	226,680	20,683	8.85	9.00	8.53			3.67*	
136,834	LEISURE TIME ACTIVITIES	132,649	13,233	5.18	5.76	5.29			(2.10)*	
799,020	CLEANLINESS & SAFETY	811,209	75,562	31.65	32.88	30.87			2.53*	
707,895	FOOD & NUTRITION	707,585	67,449	27.61	29.35	27.35			0.95*	
1,362,333	GENERAL & ADMINISTRATION	1,514,250	130,079	59.09	56.61	52.64			12.25*	
949,433	PROPERTY	1,056,437	108,887	41.22	47.38	36.68			12.37*	
186,069	NON COMPARABLE	225,921	18,131	8.82	7.89	7.19			22.62*	
8,901,216	TOTAL EXPENSES	9,466,812	837,794	369.41	364.58	343.93			7.41*	
1,021,302	INCOME (LOSS) FROM OPERATIONS	906,634	66,259	35.38	28.83	39.46			(10.35)*	
0	LESS: BUSINESS TAXES	(662)	0	(0.03)	0.00	0.00			0.00*	
\$ 1,021,302	NET INCOME (LOSS)	\$ 907,296	\$ 66,259	\$ 35.40	\$ 28.83	\$ 39.46			(10.28)*	

2016 E038 CAP ON ADMIN EXP
 12.82* IS 15% YOUR PCTG IS 13.52*

25,881 NUMBER OF PATIENT DAYS 2,298
 77 AVERAGE NUMBER OF PATIENTS 76

FOR INTERNAL MANAGEMENT PURPOSES ONLY

Sensitized by holding Utilization at the 11/30/16 Level Allowing Budgeted Payor Mix

162192 Optima Care White Plains

88	Beds
32,120	Max Days
28,009	11/30/16 Occup
87.20%	11/30/16 Occup. %

Budget Sensitivity Year 1

Payor:	% Util by payor (Budgeted)	Revised Budgeted Days	Per Diem*	Revised Revenues
Medicaid	0.653	18,295	\$270.41	\$4,947,151
Medicare	0.246	6,885	\$594.99	\$4,096,506
Commercial	0.023	653	\$274.56	\$179,288
Private Pay	<u>0.078</u>	<u>2,176</u>	\$648.26	<u>\$1,410,614</u>
	1.000	28,009		

Total Revenues (held to 09/28/16 utilization):	\$10,633,559
Total Revenues as budgeted for first year	<u>\$11,864,236</u>
Increase (Decrease) in Budgeted Revenues:	(\$1,230,677)

Budgeted Cost Year 1 \$10,626,874

Budgeted Net Income Year 1 \$1,237,362

Sensitized Year 1 Net Income **\$6,685**

Incremental Loss per Sensitized Budget (\$1,230,677)

* Budgeted Year One rates are based on applicants submitted budget.

BFA Attachment

CON# 162463

Financial Summary - Cayuga Ridge Extended Care

	FISCAL PERIOD ENDED		
	<u>12/31/14</u>	<u>12/31/15</u>	<u>Draft</u> <u>11/30/16</u>
ASSETS - CURRENT	\$2,563,000	\$1,703,000	\$1,535,354
ASSETS - FIXED AND OTHER	442,000	1,258,000	1,910,557
LIABILITIES - CURRENT	3,577,000	5,003,000	5,319,808
LIABILITIES - LONG-TERM	52,000	74,000	236,032
EQUITY	(\$624,000)	(\$2,116,000)	(\$2,109,929)
<hr/>			
INCOME	\$12,075,000	\$10,059,000	\$9,382,796
EXPENSE	<u>11,750,000</u>	<u>11,553,000</u>	<u>9,376,941</u>
NET INCOME	\$325,000	(\$1,494,000)	\$5,855
<hr/>			
NUMBER OF BEDS	160	160	160
PERCENT OF OCCUPANCY (DAYS)	92.5%	81.2%	85.36%
<hr/>			
Medicaid	84.5%	85.1%	80.35%
Medicare	7.5%	7.1%	7.43%
Private Pay/Other	7.5%	7.7%	12.22%

CON 162463-Cayuga Ridge Extended Care

BFA Attachment

Elcor Nursing and Rehabilitation Center (305 beds)

<u>Chemung County</u>	<u>2014</u>	<u>2015</u>	<u>draft 11/30/16</u>
Current Assets	\$6,281,000	\$7,247,000	\$7,748,063
Fixed Assets/Other Assets	<u>2,853,000</u>	<u>3,086,000</u>	<u>3,295,844</u>
Total Assets	\$9,134,000	\$10,333,000	\$11,043,907
Current Liabilities	1,663,000	1,485,000	1,747,946
Long Term Liabilities	<u>1,304,000</u>	<u>1,187,000</u>	<u>1,188,870</u>
Total Liabilities	2,967,000	2,672,000	2,936,816
Net Assets	\$6,167,000	\$7,661,000	\$8,107,091
Working Capital Position	\$4,618,000	\$5,762,000	\$6,000,117
Operating Revenues	\$25,341,000	\$26,869,000	\$22,610,853
Operating Expenses	<u>22,957,000</u>	<u>23,876,000</u>	<u>20,616,344</u>
Operating Net Income	\$2,384,000	\$2,993,000	\$1,994,509
Shalom Braunstein-20%			
Brenda Bertram-9.99%			
Esther Maneia-9.99%			

CAYUGA RIDGE, LLC
Doing Business As
CAYUGA NURSING AND REHABILITATION CENTER

Pro Forma Balance Sheet (AS OF APPROVAL DATE)

	<u>Operating Co.</u>
Cash and Cash Equivalents	\$ 587,297
Accounts Receivable	1,277,102
Prepaid Expenses and Other	96,406
Total Current Assets	<u>\$ 1,960,805</u>
Property and Equipment	\$ 19,557,194
Resident Funds Held in Trust	<u>\$ 67,459</u>
TOTAL ASSETS	<u>\$ 21,585,458</u>
Accounts Payable	\$ 1,837,531
Accrued Compensation	280,543
Due to Related Parties	2,843,774
Total Current Liabilities	<u>\$ 4,961,848</u>
Long Term Debt **	<u>\$ 13,553,183</u>
Resident Funds Held in Trust	<u>\$ 63,272</u>
TOTAL LIABILITIES	<u>\$ 18,578,303</u>
Members' Equity	\$ 3,007,154
TOTAL LIABILITIES AND MEMBERS' EQUITY	<u>\$ 21,585,458</u>

* Includes \$1,534,668 of Property and Equipment currently on the facility's books, plus the Property and Equipment to be added to the balance sheet as a result of this project.

** Includes \$36,288 of Long Term Debt currently on the facility's books, plus \$13,516,895 in Long Term Debt that will be incurred as a result of this project.

Cayuga Ridge Extended Care

Budget Sensitivity

<u>Payor</u>	<u>Payor Mix as of 12/31/16</u>	<u>Revised Budgeted Days</u>	<u>Per Diem</u>	<u>Revised Revenues</u>
Medicaid	0.80470	39,858	\$202.81	\$8,083,519
Medicare	0.07390	3,660	\$427.78	1,565,821
Private Pay	0.12140	6,013	\$275.52	1,656,719
	1.00000	49,531		
Assessments				<u>489,047</u>
Total Revenues based on current utilization				\$11,795,106
Total Inpatient Revenues as budgeted for first year				<u>11,687,630</u>
Increase in Budgeted Revenues				\$107,476

Note: Medicaid rate is based on 2016 initial rate plus the capital add-on from this project.

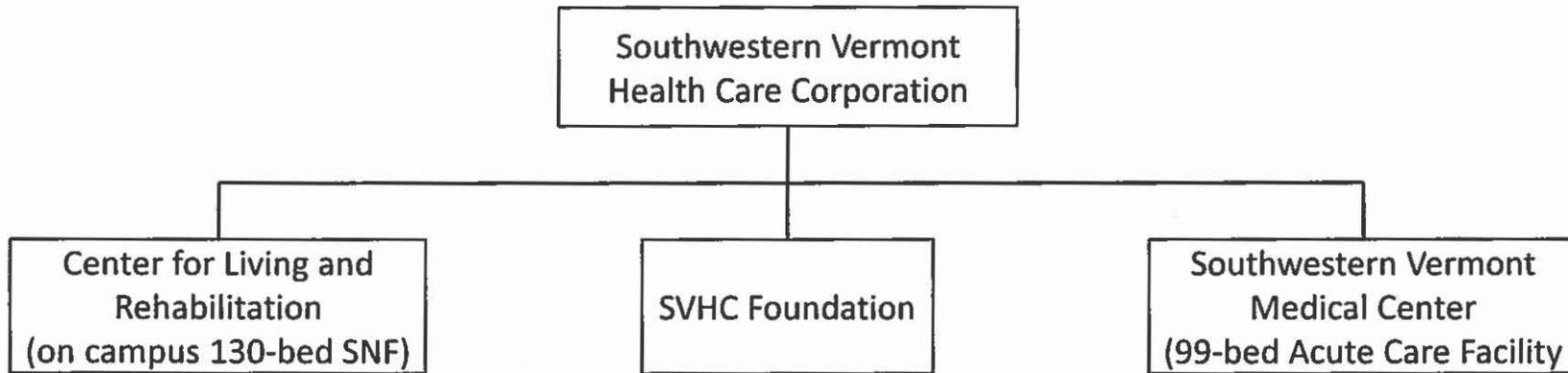
144 beds x 365 days= 52,560

12/31/16 days= 49,531/52,560=94.24%

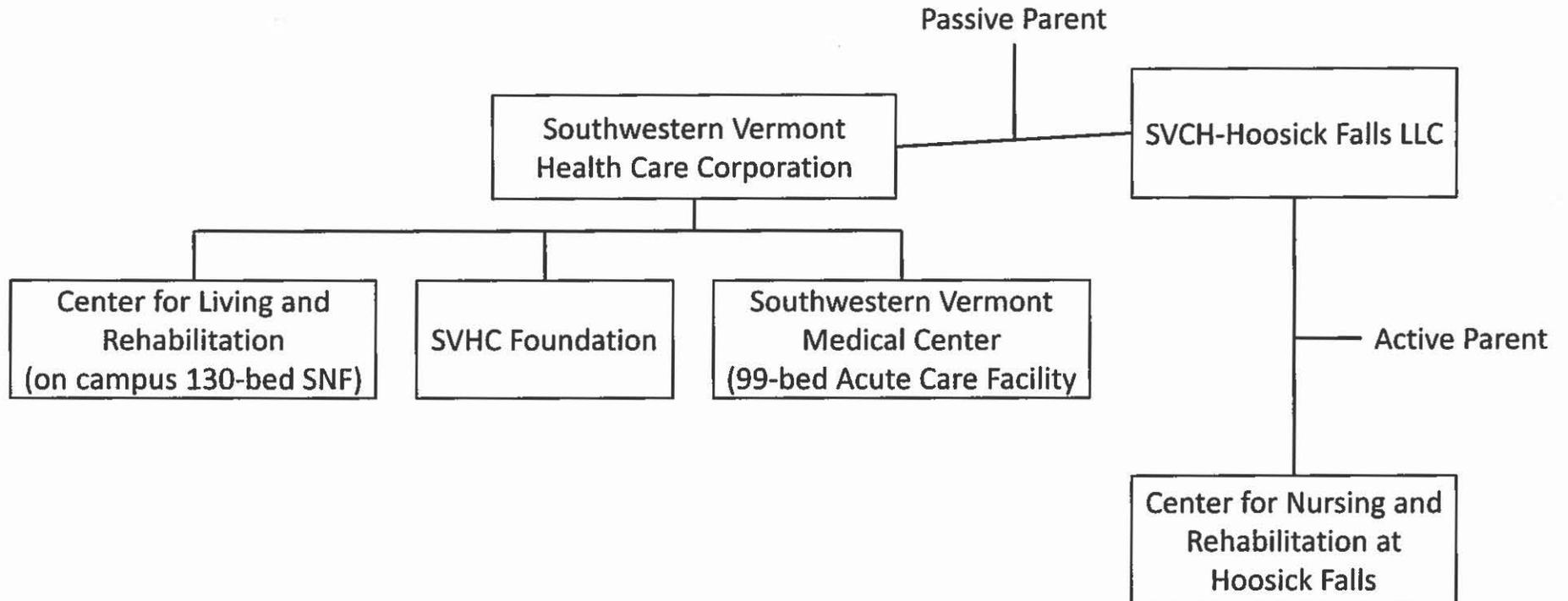
Cayuga Ridge Extended Care-162463

<u>Month</u>	<u>Medicaid</u>	<u>Medicare</u>	<u>Private</u>	<u>Commercial</u>	<u>Total</u>	<u>% Occupancy</u>
January	3372	382	333	96	4183	
February	3228	322	270	109	3929	
March	3475	202	326	250	4253	
April	3403	284	300	321	4308	
May	3477	434	256	139	4306	
June	3318	336	350	91	4095	
July	3404	297	458	97	4256	
August	3382	326	455	84	4247	
September	3171	288	407	94	3960	
October	3334	237	398	203	4172	
November	<u>3090</u>	<u>282</u>	<u>412</u>	<u>125</u>	<u>3909</u>	
Totals	36654	3390	3965	1609	45618	0.8536
Utilization	0.8035	0.0743	0.0869	0.0353	1.0000	
December	<u>3206</u>	<u>271</u>	<u>352</u>	<u>84</u>	<u>3913</u>	
Total 2016 days	39860	3661	4317	1693	49531	0.8458
Utilization	0.8047	0.0739	0.0872	0.0342	1.0000	

Before



After



**Hoosick Falls Health Center, Inc., d/b/a
The Center for Nursing and Rehabilitation at
Hoosick Falls and Subsidiary**

**Consolidated Statement of Financial Position
December 31, 2015**

ASSETS

Current Assets

Cash and cash equivalents	\$ 172,617
Investments	48,149
Assets whose use is limited	173,049
Accounts receivable, net	625,034
Due from third-party payors	104,918
Inventory	53,269
Prepaid expenses and other current assets	23,543
Restricted cash - residents' funds	<u>28,962</u>

Total Current Assets 1,229,541

Land, building and equipment, net	2,342,330
Beneficial interest in trust	60,910
Deferred financing costs, net	18,852
Other long-term assets	<u>32,900</u>

\$ 3,684,533

LIABILITIES AND NET ASSETS

Current Liabilities

Current portion of long-term debt	\$ 361,204
Accounts payable	355,806
Accrued expenses	150,654
Due to third-party payors	330,998
Funds held for residents	<u>28,962</u>

Total Current Liabilities 1,227,624

Long-term debt, net of current portion	1,073,086
Obligation under interest rate swap agreement	87,594
Other long-term liabilities	<u>32,900</u>

Total Liabilities 2,421,204

Net Assets

Unrestricted	1,171,154
Permanently restricted	<u>92,175</u>

Total net assets 1,263,329

\$ 3,684,533

Hoosick Falls Health Center, Inc., d/b/a
The Center for Nursing and Rehabilitation at
Hoosick Falls and Subsidiary

Consolidated Statement of Operations and Changes in Net Assets
Year Ended December 31, 2015

UNRESTRICTED NET ASSETS

Operating Revenue	
Net patient service revenue	\$ 6,093,293
Investment income	139,481
Other revenue	9,447
Total Operating Revenue	<u>6,242,221</u>
Operating Expenses	
Salaries	3,461,421
Employee benefits	856,673
Contracted services, supplies and other expenses	1,373,862
Depreciation and amortization	313,062
Interest	176,083
Provision for bad debts	225,595
New York State cash receipts assessment	286,329
Total Operating Expenses	<u>6,693,025</u>
Deficiency of Operating Revenue Over Operating Expenses	<u>(450,804)</u>
Nonoperating Revenue (Expense)	
General contributions	34,737
Special events revenue, net of direct participant benefits of \$3,214	11,966
Unrealized loss on investments	(143,989)
Total Nonoperating Revenue (Expense)	<u>(97,286)</u>
Change in Net Assets Before Gain on Interest Rate Swap Agreement	(548,090)
Gain on interest rate swap	<u>55,129</u>
Change in Unrestricted Net Assets	(492,961)
UNRESTRICTED NET ASSETS	
Unrestricted net assets, beginning of year	<u>1,684,115</u>
Unrestricted net assets, end of year	1,171,154
PERMANENTLY RESTRICTED NET ASSETS	
Contribution	65,062
Change in market value of beneficial interest in trust	<u>(4,152)</u>
Change in Permanently Restricted Net Assets	60,910
Permanently restricted net assets, beginning of year	<u>31,265</u>
Permanently restricted net assets, end of year	<u>92,175</u>
Change in Net Assets	(432,051)
NET ASSETS	
Beginning of year	<u>1,695,380</u>
End of year	<u>\$ 1,263,329</u>

**Hoosick Falls Health Center
Balance Sheets**

	<i>Balances as of</i>			
	<u>December 31, 2016</u>	<u>November, 2016</u>	<u>31-Oct-16</u>	<u>Dec. 31, 2015</u>
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
Assets				
<i>Current Assets</i>				
Cash and cash equivalents	\$60,334	\$57,298	\$83,857	\$142,858
Patient accounts receivable, net	763,165	788,398	746,768	625,034
Other receivables	12,754	12,305	12,444	4,197
Due from third parties	12,386	4,111	32,888	104,918
Inventories and supplies	42,861	43,716	48,136	53,269
Prepaid expenses and other current assets	28,548	34,163	37,500	47,797
<i>Total current assets</i>	<u>920,048</u>	<u>939,991</u>	<u>961,593</u>	<u>978,073</u>
<i>Assets whose use is limited</i>				
Internally designated	184,438	179,912	179,752	173,049
Externally designated				
<i>Total assets whose use is limited</i>	<u>184,438</u>	<u>179,912</u>	<u>179,752</u>	<u>173,049</u>
<i>Property, plant and equipment, at cost</i>				
Less: accumulated depreciation	8,085,223	8,080,381	8,077,301	7,955,664
<i>Net property, plant and equipment</i>	<u>5,867,580</u>	<u>5,849,603</u>	<u>5,828,657</u>	<u>5,613,334</u>
<i>Due from affiliates</i>				
<i>Other assets</i>				
Other assets	141,793	143,947	136,178	112,662
<i>Total other assets</i>	<u>141,793</u>	<u>143,947</u>	<u>136,178</u>	<u>112,662</u>
Total assets	<u>3,463,922</u>	<u>\$3,437,370</u>	<u>\$3,508,960</u>	<u>\$3,606,114</u>
Liabilities and Net (Deficit) Assets				
<i>Current liabilities</i>				
Current maturities of long-term debt	421,204	361,204	361,204	\$361,204
Accounts payable	324,706	688,920	685,703	355,806
Accrued salaries, wages and benefits	191,701	228,014	198,997	150,654
Earned benefit payable				
Other current liabilities	28,254	28,254	28,254	28,962
Current portion of estimate 3rd party settlements	183,416	159,193	156,700	330,998
<i>Total current liabilities</i>	<u>1,149,281</u>	<u>1,465,586</u>	<u>1,430,858</u>	<u>1,227,624</u>
<i>Long-term debt</i>				
Assets retirement and pension liabilities	1,273,617	946,517	1,012,449	1,073,086
Due to affiliate, net	84,763	84,728	84,701	103,871
Other liabilities	76,655	120,494	120,494	120,494
<i>Total liabilities</i>	<u>2,584,316</u>	<u>205,222</u>	<u>2,571,455</u>	<u>2,525,075</u>
<i>Net assets</i>				
Unrestricted	818,696	851,430	912,702	1,020,129
Temporarily restricted				
Permanently restricted	60,910	60,910	60,910	60,910
<i>Total net assets</i>	<u>879,606</u>	<u>918,317</u>	<u>937,504</u>	<u>1,081,039</u>
Total liabilities and net assets	<u>\$3,463,922</u>	<u>\$3,437,370</u>	<u>\$3,508,960</u>	<u>\$3,606,114</u>

Hoosick Falls Health Center
Statement of Operations and Changes in Net Assets
For the Twelve Months Ending 12/31/2016

<u>Month of December</u>			<u>For the Twelve Months Ending 12/31/2016</u>				
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Prior year</u>	
\$499,174	\$540,498	(\$41,324)					
0	(5,583)	5,583					
499,174	534,915	(35,741)					
650	994	(344)					
499,824	535,909	(36,085)					
320,005	300,995	(19,010)					
58,610	73,376	14,766					
50,913	50,391	(522)					
60,439	60,809	370					
24,204	24,211	7					
18,456	25,486	7,030					
14,804	6,644	(8,160)					
547,431	541,912	(5,519)					
(47,607)	(6,003)	(41,604)					
8,801							
4,223	362	3,861					
20	754	(734)					
13,044	1,116	3,127					
(34,563)	(\$4,887)	(\$38,477)					
1,828							
851,430							
<u>\$818,695</u>							
			<u>Operating revenues</u>				
			Net patient service revenues	\$6,063,774	\$6,317,758	(\$253,984)	\$6,093,293
			Less: Provision for bad debts	(59,217)	(67,000)	7,783	(225,595)
			Net patient service revenue less provision for bad debts	6,004,557	6,250,758	(246,201)	5,867,698
			Other operating revenues	14,347	71,566	(57,219)	9,447
			Total operating revenues, net of provision for bad debts	6,018,904	6,322,324	(303,420)	5,877,145
			<u>Operating expenses</u>				
			Salaries and wages	3,622,547	3,571,680	(50,867)	3,498,391
			Employee benefits	797,794	866,300	68,506	856,673
			Supply expenses	636,292	592,014	(44,278)	582,095
			Purchase services, utilities, insurance and other	767,604	782,259	14,655	753,776
			Provider tax	262,311	290,000	27,689	286,329
			Depreciation and amortization	259,989	305,743	45,754	313,062
			Interest	87,564	78,440	(9,124)	176,083
			Total operating expenses	6,434,101	6,486,436	52,335	6,466,409
			Income (loss) from operations	(415,197)	(164,112)	(251,085)	(589,264)
			<u>Non operating gains (expenses)</u>				
			Gain on Interest Rate Swap Agreement	43,837			55,129
			Investment income and returns	12,395	4,402	7,993	(9,605)
			Contributions	157,527	113,802	43,725	168,402
			Net non operating gain	213,759	118,204	51,718	213,926
			Excess (deficit) of revenues over expenses	(201,438)	(\$45,908)	(\$199,367)	(\$375,338)
			Other changes in net assets	5			
			Unrestricted net assets at beginning of period	1,020,129			
			Unrestricted net assets at end of the period	<u>\$818,696</u>			

Southwestern Vermont Health Care Corporation
Consolidating Schedule – Balance Sheet Information
September 30, 2016

Assets

	SVHC	SVMC	Foundation	Obligated Group Eliminations	Obligated Group Total	MAHC	SVHCA	SVHCE	Eliminations	Consolidated
Current Assets										
Cash and cash equivalents	\$ 94,516	\$ 17,335,233	\$ 170,457	\$ -	\$ 17,600,206	\$ 319,566	\$ 110,570	\$ 3,154	\$ -	\$ 18,033,496
Patient accounts receivable, net of allowance - \$8,915,000	-	15,048,792	-	-	15,048,792	1,587,008	-	-	-	16,635,800
Other receivables	74,302	733,128	29,036	-	836,466	-	13,806	-	-	850,272
Supplies	-	2,526,983	-	-	2,526,983	33,644	20,673	-	-	2,581,300
Prepaid expenses and other	9,446	942,934	2,513	-	954,893	17,884	-	-	-	972,777
Total current assets	<u>178,264</u>	<u>36,587,070</u>	<u>202,006</u>	<u>-</u>	<u>36,967,340</u>	<u>1,958,102</u>	<u>145,049</u>	<u>3,154</u>	<u>-</u>	<u>39,073,645</u>
Assets Limited As To Use										
Internally designated	56,996,697	5,969,875	3,963,106	(5,969,875)	60,959,803	1,212,870	-	-	(1,212,870)	60,959,803
Externally restricted	61,392	102,281	11,149,797	-	11,313,470	-	-	-	-	11,313,470
	<u>57,058,089</u>	<u>6,072,156</u>	<u>15,112,903</u>	<u>(5,969,875)</u>	<u>72,273,273</u>	<u>1,212,870</u>	<u>-</u>	<u>-</u>	<u>(1,212,870)</u>	<u>72,273,273</u>
Property and Equipment, At Cost										
Land and land improvements	1,070,774	3,220,566	-	-	4,291,340	109,451	-	-	-	4,400,791
Buildings and leasehold improvements	12,569,301	40,692,639	-	-	53,261,940	7,703,531	-	1,100	-	60,966,571
Equipment	881,937	85,981,678	6,997	-	86,870,612	2,589,995	11,912	62,093	-	89,534,612
Construction in progress	54,376	254,541	-	-	308,917	-	-	-	-	308,917
	<u>14,576,388</u>	<u>130,149,424</u>	<u>6,997</u>	<u>-</u>	<u>144,732,809</u>	<u>10,402,977</u>	<u>11,912</u>	<u>63,193</u>	<u>-</u>	<u>155,210,891</u>
Less accumulated depreciation	8,723,286	95,095,919	233	-	103,819,438	7,577,007	11,912	61,535	-	111,469,892
	<u>5,853,102</u>	<u>35,053,505</u>	<u>6,764</u>	<u>-</u>	<u>40,913,371</u>	<u>2,825,970</u>	<u>-</u>	<u>1,658</u>	<u>-</u>	<u>43,740,999</u>
Due from Affiliates	<u>1,238,519</u>	<u>3,470,203</u>	<u>-</u>	<u>(2,461,772)</u>	<u>2,246,950</u>	<u>2,688</u>	<u>364,141</u>	<u>-</u>	<u>(2,613,779)</u>	<u>-</u>
Other Assets										
Beneficial interest in perpetual trust	-	-	2,059,766	-	2,059,766	-	-	-	-	2,059,766
Deferred compensation plan assets	854,920	-	-	-	854,920	-	-	-	-	854,920
Other	183,533	-	232,990	-	416,523	-	-	-	-	416,523
	<u>1,038,453</u>	<u>-</u>	<u>2,292,756</u>	<u>-</u>	<u>3,331,209</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,331,209</u>
Total assets	<u>\$ 65,366,427</u>	<u>\$ 81,182,934</u>	<u>\$ 17,614,429</u>	<u>\$ (8,431,647)</u>	<u>\$ 155,732,143</u>	<u>\$ 5,999,630</u>	<u>\$ 509,190</u>	<u>\$ 4,812</u>	<u>\$ (3,826,649)</u>	<u>\$ 158,419,126</u>

Southwestern Vermont Health Care Corporation
Consolidating Schedule – Balance Sheet Information
September 30, 2016

Liabilities and Net Assets

	SVHC	SVMC	Foundation	Obligated Group Eliminations	Obligated Group Total	MAHC	SVHCA	SVHCE	Eliminations	Consolidated
Current Liabilities										
Current maturities of long-term debt	\$ -	\$ 448,392	\$ -	\$ -	\$ 448,392	\$ -	\$ -	\$ -	\$ -	\$ 448,392
Accounts payable	164,936	7,293,542	46,092	-	7,504,570	327,081	13,869	-	-	7,845,520
Accrued expenses	58,293	13,407,035	127,118	-	13,592,446	549,902	-	-	-	14,142,348
Estimated amounts due to third-party payers	-	3,542,995	-	-	3,542,995	-	-	-	-	3,542,995
Estimated self-insurance costs	41,374	681,345	-	-	722,719	49,730	-	-	-	772,449
Other	116,324	48,898	-	-	165,222	48,785	6,545	254	-	220,806
Total current liabilities	380,927	25,422,207	173,210	-	25,976,344	975,498	20,414	254	-	26,972,510
Long-Term Debt	-	10,328,151	-	-	10,328,151	-	-	-	-	10,328,151
Asset Retirement Obligations	-	1,180,362	-	-	1,180,362	-	-	-	-	1,180,362
Accrued Pension Liabilities	361,350	23,832,262	-	-	24,193,612	1,312,631	-	-	-	25,506,243
Deferred Compensation	850,443	-	-	-	850,443	-	-	-	-	850,443
Due To Affiliates	9,584,775	-	426,570	(8,431,647)	1,579,698	1,911,733	7,239	327,979	(3,826,649)	-
Interest Rate Swap Agreement	-	1,892,230	-	-	1,892,230	-	-	-	-	1,892,230
Other Liabilities	646,137	381,429	59,761	-	1,087,327	-	-	-	-	1,087,327
Total liabilities	11,823,632	63,036,641	659,541	(8,431,647)	67,088,167	4,199,862	27,653	328,233	(3,826,649)	67,817,266
Net Assets										
Unrestricted	53,542,795	18,146,293	3,512,322	-	75,201,410	1,799,768	481,537	(323,421)	-	77,159,294
Temporarily restricted	-	-	2,381,434	-	2,381,434	-	-	-	-	2,381,434
Permanently restricted	-	-	11,061,132	-	11,061,132	-	-	-	-	11,061,132
Total net assets	53,542,795	18,146,293	16,954,888	-	88,643,976	1,799,768	481,537	(323,421)	-	90,601,860
Total liabilities and net assets	\$ 65,366,427	\$ 81,182,934	\$ 17,614,429	\$ (8,431,647)	\$ 155,732,143	\$ 5,999,630	\$ 509,190	\$ 4,812	\$ (3,826,649)	\$ 158,419,126

Southwestern Vermont Health Care Corporation
Consolidating Schedule – Statement of Operations Information
Year Ended September 30, 2016

	SVHC	SVMC	Foundation	Obligated Group Eliminations	Obligated Group Total	MAHC	SVHCA	SVHCE	Eliminations	Consolidated
Unrestricted Revenues, Gains and Other Support										
Net patient service revenue	\$ -	\$ 156,523,909	\$ -	\$ (16,631)	\$ 156,507,278	\$ 11,665,127	\$ -	\$ -	\$ (72,255)	\$ 168,100,150
Provision for uncollectible accounts	-	(4,601,465)	-	-	(4,601,465)	(150,425)	-	-	-	(4,751,890)
Net patient service revenue less provision for uncollectible accounts	-	151,922,444	-	(16,631)	151,905,813	11,514,702	-	-	(72,255)	163,348,260
Other	2,589,939	2,730,799	-	(1,538,495)	3,782,243	3,842	331,924	-	(117,573)	4,000,436
Net assets released from restrictions used for operations	-	-	667,962	-	667,962	-	-	-	-	667,962
Total unrestricted revenues, gains and other support	2,589,939	154,653,243	667,962	(1,555,126)	156,356,018	11,518,544	331,924	-	(189,828)	168,016,658
Expenses and Losses										
Salaries and wages	391,376	45,051,988	748,951	-	46,192,315	6,489,228	89,315	-	-	52,770,858
Employee benefits	116,012	11,836,102	165,857	-	12,117,971	1,568,543	38,612	-	-	13,725,126
Purchased services	-	38,597,084	313,050	-	38,910,134	1,125,541	113,877	-	(189,827)	39,959,725
Supplies and other	1,665,859	47,787,407	771,698	(2,058,390)	48,166,574	2,062,849	106,543	430	(9,857)	50,326,539
Depreciation and amortization	532,496	5,550,511	233	-	6,083,240	282,357	844	479	-	6,366,920
Interest	-	531,342	-	-	531,342	15	-	-	-	531,357
Total expenses and losses	2,705,743	149,354,434	1,999,789	(2,058,390)	152,001,576	11,528,533	349,191	909	(199,684)	163,680,525
Operating Income (Loss)	(115,804)	5,298,809	(1,331,827)	503,264	4,354,442	(9,989)	(17,267)	(909)	9,856	4,336,133
Other Income (Expense)										
Investment return	4,162,296	456,159	1,484,549	-	6,103,004	60,268	31,889	-	-	6,195,161
Change in fair value of interest rate swap agreement	-	(340,504)	-	-	(340,504)	-	-	-	-	(340,504)
Contributions	-	503,264	533,059	(503,264)	533,059	4,188	9,693	-	(9,856)	537,084
Total other income (expense)	4,162,296	618,919	2,017,608	(503,264)	6,295,559	64,456	41,582	-	(9,856)	6,391,741
Excess (Deficiency) of Revenues Over Expenses	4,046,492	5,917,728	685,781	-	10,650,001	54,467	24,315	(909)	-	10,727,874
Net assets released from restriction used for purchase of property and equipment	-	-	353,541	-	353,541	-	-	-	-	353,541
Defined benefit pension costs										
Net loss arising during the period	(102,270)	(6,743,187)	-	-	(6,845,457)	(371,390)	-	-	-	(7,216,847)
Amortization of net loss included in net periodic pension cost	16,532	1,090,334	-	-	1,106,866	60,053	-	-	-	1,166,919
Transfer (to) from affiliates, net	84,896	2,525,416	(2,610,312)	-	-	-	-	-	-	-
Increase (Decrease) in Unrestricted Net Assets	\$ 4,045,650	\$ 2,790,291	\$ (1,570,990)	\$ -	\$ 5,264,951	\$ (256,870)	\$ 24,315	\$ (909)	\$ -	\$ 5,031,487

**Southwestern Vermont Health Care
Consolidated Balance Sheets**

	<i>Balances as of</i>		
	<u>Dec. 31, 2016</u> <i>Unaudited</i>	<u>Nov. 30, 2016</u> <i>Unaudited</i>	<u>Sep. 30, 2016</u> <i>Audited</i>
<u>Assets</u>			
<i>Current Assets</i>			
Cash and cash equivalents	\$8,071,929	\$10,875,624	\$18,033,493
Patient accounts receivable, net	15,621,387	16,364,588	16,635,798
Other receivables	681,746	627,743	850,271
Inventories and supplies	2,548,149	2,568,916	2,581,301
Prepaid expenses and other current assets	1,546,966	1,783,278	972,777
<i>Total current assets</i>	<u>28,470,157</u>	<u>32,220,149</u>	<u>39,073,640</u>
<i>Assets whose use is limited</i>			
Internally designated	60,248,748	59,900,643	60,959,802
Externally designated	11,596,640	11,443,164	11,313,469
<i>Total assets whose use is limited</i>	<u>71,845,388</u>	<u>71,343,807</u>	<u>72,273,271</u>
<i>Property, plant and equipment, at cost</i>			
Less: accumulated depreciation	159,158,113	157,422,994	155,210,891
<i>Net property, plant and equipment</i>	<u>113,164,762</u>	<u>112,594,526</u>	<u>111,469,894</u>
<i>Net property, plant and equipment</i>	<u>45,993,351</u>	<u>44,828,468</u>	<u>43,740,997</u>
<i>Due from affiliates</i>			
<i>Other assets</i>			
Beneficial interest in perpetual	2,060,337	2,019,467	2,059,765
Deferred compensation plan	827,683	845,297	854,920
Other	527,263	525,861	416,535
<i>Total other assets</i>	<u>3,415,283</u>	<u>3,390,625</u>	<u>3,331,220</u>
Total assets	<u>\$149,724,179</u>	<u>\$151,783,049</u>	<u>\$158,419,128</u>
<u>Liabilities and Net (Deficit) Assets</u>			
<i>Current liabilities</i>			
Current maturities of long-term debt	\$448,392	\$448,392	\$448,392
Accounts payable	7,470,866	8,590,751	8,111,799
Accrued salaries, wages and benefits	3,209,299	4,761,633	3,698,249
Earned benefit payable	2,062,222	1,982,147	1,935,328
Other current liabilities	6,229,777	6,000,616	12,772,196
<i>Total current liabilities</i>	<u>19,420,556</u>	<u>21,783,539</u>	<u>26,965,964</u>
<i>Long-term debt</i>			
Asset retirement obligations	10,037,317	10,062,631	10,328,151
Accrued pension liabilities	1,183,966	1,182,765	1,180,363
Interest rate swap agreement	20,000,000	24,594,009	25,506,243
Other liabilities	1,277,382	1,383,855	1,892,230
<i>Total liabilities</i>	<u>1,931,746</u>	<u>1,941,653</u>	<u>1,944,314</u>
<i>Total liabilities</i>	<u>53,850,967</u>	<u>60,948,452</u>	<u>67,817,265</u>
<i>Net assets</i>			
Unrestricted	82,098,750	77,255,809	77,159,298
Temporarily restricted	2,712,759	2,557,954	2,381,433
Permanently restricted	11,061,703	11,020,834	11,061,132
<i>Total net assets</i>	<u>95,873,212</u>	<u>90,834,597</u>	<u>90,601,863</u>
Total liabilities and net assets	<u>\$149,724,179</u>	<u>\$151,783,049</u>	<u>\$158,419,128</u>

**Southwestern Vermont Health Care
Consolidated
Statement of Operations and Changes in Net Assets**

<u>Month of December</u>			<u>Three months ended December 31, 2016</u>				
<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>Prior year</u>	
\$13,689,870	\$13,982,149	(\$292,279)					
269,771	429,833	(160,062)					
13,420,099	13,552,316	(132,217)					
477,757	364,980	112,777					
13,897,856	13,917,296	(19,440)					
4,603,180	4,629,710	26,530					
1,227,432	1,331,498	104,066					
2,094,500	2,031,058	(63,442)					
4,556,485	4,462,319	(94,166)					
813,985	799,430	(14,555)					
570,680	575,808	5,128					
44,700	43,491	(1,209)					
13,910,962	13,873,314	(37,648)					
(13,106)	43,982	(57,088)					
(13,106)	43,982	(57,088)					
470,433	281,088	189,345					
106,473		106,473					
136,250	55,414	80,836					
713,156	336,502	376,654					
700,050	\$380,484	\$319,566					
4,142,891							
77,255,809							
\$82,098,750							
			Operating Revenues				
			Net patient service revenues	\$40,321,789	\$41,544,406	(\$1,222,617)	\$40,855,094
			Less: Provision for uncollectible accounts	882,056	1,287,526	(425,470)	1,116,914
			Net patient service revenue less provision for uncollectible accounts	39,459,733	40,256,880	(797,147)	39,738,180
			Other operating revenues	1,403,103	1,094,937	308,166	1,076,212
			Total operating revenues	40,862,836	41,351,817	(488,981)	40,814,392
			Operating expenses				
			Salaries and wages	13,602,475	13,718,209	115,734	13,127,165
			Employee benefits	3,367,809	3,987,437	619,628	4,085,985
			Supply expenses	6,023,176	5,794,636	(228,540)	5,466,666
			Purchase services, utilities, insurance and other	13,031,317	13,233,480	202,163	13,064,646
			Provider tax	2,441,955	2,395,883	(46,072)	2,262,486
			Depreciation and amortization	1,715,471	1,725,335	9,864	1,699,410
			Interest	128,809	130,473	1,664	133,333
			Total operating expenses	40,311,012	40,985,453	674,441	39,839,691
			Income (loss) before non-recurring transactions and performance improvement costs	551,824	366,364	185,460	974,701
			Add: Prior Year Medicare Settlement				2,008,512
			Less: Performance improvement costs				495,200
			Income (loss) from operations	551,824	366,364	185,460	2,488,013
			Non operating gains (expenses)				
			Investment return	(621,848)	843,270	(1,465,118)	1,208,843
			Change in fair value of interest rate swap agreement	614,848		614,848	95,889
			Contributions	204,737	166,238	38,499	186,971
			Net non operating gains (expenses)	197,737	1,009,508	(811,771)	1,491,703
			Excess (deficit) of revenues over expenses	749,561	\$1,375,872	(\$626,311)	\$3,979,716
			Other changes in net assets	4,189,891			
			Unrestricted net assets at beginning of period	77,159,298			
			Unrestricted net assets at end of the period	\$82,098,750			

**Centers for Living and Rehabilitation
Balance Sheets**

	<i>Balances as of</i>		
	<u>Jan. 31, 2017</u> <i>Unaudited</i>	<u>Dec. 31, 2016</u> <i>Unaudited</i>	<u>Sep. 30, 2016</u> <i>Audited</i>
<u>Assets</u>			
<i>Current Assets</i>			
Cash and cash equivalents	\$341,941	\$147,956	\$319,566
Patient accounts receivable, net	1,573,774	1,462,017	1,587,007
Other receivables			
Inventories and supplies	34,385	35,397	33,644
Prepaid expenses and other current assets	59,482	70,333	17,884
<i>Total current assets</i>	<u>2,009,582</u>	<u>1,715,703</u>	<u>1,958,101</u>
<i>Assets whose use is limited</i>			
Internally designated	1,184,582	1,184,979	1,212,870
Externally designated			
<i>Total assets whose use is limited</i>	<u>1,184,582</u>	<u>1,184,979</u>	<u>1,212,870</u>
<i>Property, plant and equipment, at cost</i>			
	10,489,338	10,476,397	10,402,976
Less: accumulated depreciation	7,673,576	7,649,373	7,577,007
<i>Net property, plant and equipment</i>	<u>2,815,762</u>	<u>2,827,024</u>	<u>2,825,969</u>
<i>Due from affiliates</i>	<u>524</u>	<u>3,303</u>	<u>2,688</u>
<i>Other assets</i>			
Other assets			
<i>Total other assets</i>	<u> </u>	<u> </u>	<u> </u>
<i>Total assets</i>	<u>\$6,010,450</u>	<u>\$5,731,009</u>	<u>\$5,999,628</u>
<u>Liabilities and Net (Deficit) Assets</u>			
<i>Current liabilities</i>			
Current maturities of long-term debt			
Accounts payable	195,703	172,025	327,081
Accrued salaries, wages and benefits	264,953	288,956	353,311
Earned benefit payable	203,368	205,848	196,590
Other current liabilities	85,005	81,304	98,517
Current portion of estimate 3rd party settlements			
<i>Total current liabilities</i>	<u>749,029</u>	<u>748,133</u>	<u>975,499</u>
<i>Long-term debt</i>			
Assets retirement and pension liabilities	1,005,790	1,029,262	1,312,630
Due to affiliate, net	2,284,676	1,992,091	1,911,733
Other liabilities			
<i>Total liabilities</i>	<u>4,039,495</u>	<u>3,769,486</u>	<u>4,199,862</u>
<i>Net assets</i>			
Unrestricted	1,970,955	1,961,523	1,799,766
Temporarily restricted			
Permanently restricted			
<i>Total net assets</i>	<u>1,970,955</u>	<u>1,961,523</u>	<u>1,799,766</u>
<i>Total liabilities and net assets</i>	<u>\$6,010,450</u>	<u>\$5,731,009</u>	<u>\$5,999,628</u>

Centers for Living and Rehabilitation
Statement of Operations and Changes in Net Assets
For the four months ended January 31, 2017

<i>Month of January</i>		
<i>Actual</i>	<i>Budget</i>	<i>Variance</i>
\$1,122,497	\$1,031,943	\$90,554
41,800	12,500	(29,300)
1,080,697	1,019,443	61,254
267	314	(47)
<u>1,080,964</u>	<u>1,019,757</u>	<u>61,207</u>
587,752	575,912	(11,840)
176,170	165,510	(10,660)
49,761	55,296	5,535
180,476	144,702	(35,774)
53,295	53,295	0
24,204	23,551	(653)
0	0	0
<u>1,071,658</u>	<u>1,018,266</u>	<u>(53,392)</u>
<u>9,306</u>	<u>1,491</u>	<u>7,815</u>
(398)	1,434	(1,832)
524	583	(59)
<u>126</u>	<u>2,017</u>	<u>(1,891)</u>
<u>9,432</u>	<u>\$3,508</u>	<u>\$5,924</u>
<u>1,961,523</u>		
<u>\$1,970,955</u>		

Operating revenues

Net patient service revenues	
Less: Provision for bad debts	
<i>Net patient service revenue less provision for bad debts</i>	
Other operating revenues	
Total operating revenues, net of provision for bad debts	

Operating expenses

Salaries and wages	
Employee benefits	
Supply expenses	
Purchase services, utilities, insurance and other	
Provider tax	
Depreciation and amortization	
Interest	
Total operating expenses	
Income (loss) from operations	

Non operating gains (expenses)

Investment income and returns	
Contributions	
Net non operating gain	
Excess (deficit) of revenues over expenses	

Other changes in net assets	
Unrestricted net assets at beginning of period	
Unrestricted net assets at end of the period	

<i>Four months ended January 31, 2017</i>			
<i>Actual</i>	<i>Budget</i>	<i>Variance</i>	<i>Prior year</i>
\$4,036,524	\$4,094,484	(\$57,960)	\$3,884,002
69,300	50,000	(19,300)	47,546
3,967,224	4,044,484	(77,260)	3,836,456
2,036	1,255	781	846
<u>3,969,260</u>	<u>4,045,739</u>	<u>(76,479)</u>	<u>3,837,302</u>
2,272,349	2,285,055	12,706	2,201,388
564,789	660,642	95,853	630,296
205,356	221,179	15,823	199,475
631,631	578,823	(52,808)	580,482
213,180	213,180	0	213,180
96,569	94,202	(2,367)	93,693
0	0	0	15
<u>3,983,874</u>	<u>4,053,081</u>	<u>69,207</u>	<u>3,918,529</u>
<u>(14,614)</u>	<u>(7,342)</u>	<u>(7,272)</u>	<u>(81,227)</u>
(28,288)	5,734	(34,022)	4,495
1,139	2,333	(1,194)	809
<u>(27,149)</u>	<u>8,067</u>	<u>(35,216)</u>	<u>5,304</u>
<u>(41,763)</u>	<u>\$725</u>	<u>(\$42,488)</u>	<u>(\$75,923)</u>
212,952			
1,799,766			
<u>\$1,970,955</u>			

The Center for Nursing & Rehabilitation at Hoosick Falls

Budget Sensitivity

<u>Payor</u>	<u>Payor Mix as of 12/31/16</u>	<u>Revised Budgeted Days</u>	<u>Per Diem</u>	<u>Revised Revenues</u>
Medicaid	75.43%	18,938	\$188.73	\$3,574,169
Medicare	11.36%	2,853	\$447.57	1,276,917
Commercial	5.15%	1,293	\$263.64	340,887
Private Pay	<u>8.06%</u>	<u>2,023</u>	\$307.51	<u>622,093</u>
	100.00%	25,107		

Total Revenues based on current utilization \$5,814,065

Total Inpatient Revenues as budgeted for first year 6,579,653

Decrease in Budgeted Revenues (\$765,588)

Note: Medicaid rate is based on 2017 initial rate

Revised budgeted Days based on 12/31/2016 is 83.66%

**Pro-Forma Balance Sheet
HILLSIDE MANOR CHHA**

Assets

DESCRIPTION	Date of Opening
CURRENT ASSETS	
Cash - on Hand or In Bank	\$1,917,000
Short Term Investments	
Prepaid Expenses	\$9,500
Accounts Receivable, Net of Allowance	\$0
Total Current Assets	\$1,926,500
Other Assets	
Total Other Assets	\$0
Property and Equipment	
Land	
Building & Building Improvements - Net	
Construction In Progress	
Furniture & Equipment - Net	\$15,000
Construction In Progress	
Total Other Assets	\$15,000
Total Assets	\$1,941,500

Liabilities and Net Worth

DESCRIPTION	Date of Opening
CURRENT LIABILITIES	
Accounts Payable	\$0
Notes and Loans Payable	
Total Current Liabilities	\$0
Non-Current Liabilities	
Notes and Loans Payable	\$0
Amounts Due to Affiliates	
Total Non-Current Liabilities	\$0
Total Liabilities	\$0
NET ASSETS	
Capital	\$1,941,500
Total Net Worth	\$1,941,500
Total Liabilities and Net Worth	\$1,941,500

3:03 PM

Hillside Manor Rehab and Extended Care Center, LLC CHHA

Balance Sheet

As of November 30, 2016

03/07/17

Accrual Basis

	<u>Nov 30, 16</u>
ASSETS	
Current Assets	
Checking/Savings	
Chase - Operating	28,963.30
Total Checking/Savings	<u>28,963.30</u>
Other Current Assets	
A/R - Allscripts	470,736.55
Total Other Current Assets	<u>470,736.55</u>
Total Current Assets	<u>499,699.85</u>
Fixed Assets	
Computers and Equipment	74,552.74
Total Fixed Assets	<u>74,552.74</u>
TOTAL ASSETS	<u><u>574,252.59</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	216,917.42
Total Accounts Payable	<u>216,917.42</u>
Other Current Liabilities	
Due To Cassena Care	12,741.69
Due to Hillside	-82,146.76
Due to Jamaica Acquisition III	350,000.00
Total Other Current Liabilities	<u>280,594.93</u>
Total Current Liabilities	<u>497,512.35</u>
Total Liabilities	497,512.35
Equity	
Net Income	76,740.24
Total Equity	<u>76,740.24</u>
TOTAL LIABILITIES & EQUITY	<u><u>574,252.59</u></u>

3:02 PM

Hillside Manor Rehab and Extended Care Center, LLC CHHA

Profit & Loss

03/07/17

January through November 2016

Accrual Basis

	<u>Jan - Nov 16</u>
Ordinary Income/Expense	
Income	
Revenue	
AARP - United Healthcare	5,927.54
Aetna Better Health	330.00
HealthFirst	198.00
Humana Medicare Advantage	7,303.36
Medicaid-NY EPS	63,677.11
Medicare PPS	526,681.66
United Healthcare Medicare Adva	92,081.60
Total Revenue	<u>696,199.27</u>
Total Income	696,199.27
Cost of Goods Sold	
Cost of Goods Sold	
Direct Care	
Agency	
HHA	102,695.00
OT	23,675.00
PCA	228.00
PCW	114.00
PT	60,970.00
SLP	87.50
Total Agency	<u>187,769.50</u>
Field Staff	
RN - Fee for Service	53,680.00
RN - Full Time	45,404.20
RN - On call	12,000.00
Social Worker - Fee for Service	926.42
Total Field Staff	<u>112,010.62</u>
Total Direct Care	<u>299,780.12</u>
Total Cost of Goods Sold	<u>299,780.12</u>
Total COGS	<u>299,780.12</u>
Gross Profit	396,419.15
Expense	
Employee Benefits	
FICA Expense	14,989.43
Health Insurance Expense	8,918.27
Worker's Compensation Expense	11,070.63
Total Employee Benefits	<u>34,978.33</u>
General Overhead	
Cash Assessment Expense	790.00
Computer and Internet Expenses	18,966.93
Continuing Education	725.00
Contracted Services	
Agency	
File Clerk	2,820.00
Office Coordinator	14,619.00
Total Agency	<u>17,439.00</u>
Billing	37,765.52
Consulting	82,668.64
Medicare Billing	129.00
Purchasing	385.00
Total Contracted Services	<u>138,387.16</u>

3:02 PM

Hillside Manor Rehab and Extended Care Center, LLC CHHA

03/07/17

Profit & Loss

Accrual Basis

January through November 2016

	<u>Jan - Nov 16</u>
Medical Supplies	938.37
Office Salaries	
Biller	11,229.71
Director of Intake	39,423.14
Director of Patient Services	36,538.52
Intake Manager	5,288.50
Office Manager	14,761.19
Quality and Performance Manager	14,580.92
	<hr/>
Total Office Salaries	121,821.98
Office Supplies	3,041.34
Postage Expense	29.80
	<hr/>
Total General Overhead	284,700.58
	<hr/>
Total Expense	319,678.91
	<hr/>
Net Ordinary Income	76,740.24
	<hr/>
Net Income	<u>76,740.24</u>