

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

**COMMITTEE DAY**

**AGENDA**

*July 20, 2017*

*10:15 a.m.*

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

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

Gary Kalkut, M.D., Vice Chair

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

**Acute Care Services – Construction**

**Exhibit # 1**

	<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
1.	171176 C	NYU Hospitals Center (New York County)
2.	171326 C	St. Francis Hospital (Nassau County)

**Residential Health Care Facilities – Construction**

**Exhibit # 2**

	<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
1.	171289 C	Albany County Nursing Home (Albany County)

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

**Ambulatory Surgery Centers - Establish/Construct**

**Exhibit # 3**

	<b><u>Number</u></b>	<b><u>Applicant/Facility</u></b>
1.	162026 B	Manhattan RSC, LLC d/b/a Manhattan Reproductive Surgery Center (New York County)
2.	162088 E	Day-OP Center of Long Island, Inc. (Nassau County)
3.	162581 E	SCOB, LLC d/b/a SurgiCare of Brooklyn (Kings County)
4.	171220 E	Fifth Avenue Surgery Center (New York County)

- 5. 171282 B Dutchess Ambulatory Surgical Center  
(Dutchess County)
- 6. 171310 E Queens Boulevard ASC, LLC  
(Queens County)

**Residential Health Care Facilities - Establish/Construct**

**Exhibit # 4**

<u>Number</u>	<u>Applicant/Facility</u>
1. 162541 E	Nyack Operating LLC d/b/a Nyack Ridge Rehabilitation and Nursing Center (Rockland County)
2. 171227 E	104 Old Niagara Road Operating Company, LLC d/b/a Elderwood at Lockport (Niagara County)
3. 171342 E	112 Ski Bowl Road Operating Company, LLC d/b/a Elderwood at North Creek (Warren County)
4. 171229 E	ILF Operating, LLC d/b/a Elm Manor Nursing and Rehabilitation Center (Ontario County)
5. 171231 E	LFG Operating, LLC d/b/a Wedgewood Nursing and Rehabilitation Center (Monroe County)
6. 171239 E	Somers Operating, LLC d/b/a Somers Rehabilitation & Nursing Center (Westchester County)

**Certified Home Health Agencies - Establish/Construct**

**Exhibit # 5**

<u>Number</u>	<u>Applicant/Facility</u>
1. 171315 E	Jamaica Acquisition III, LLC d/b/a Hillside Certified Home Health Agency (Queens County)

**C. Home Health Agency Licensures**

**Home Health Agency Licensures**

**Exhibit # 6**

**New LHCSAs**

2100 L	Sterling Care Homecare Services LLC (Bronx and Westchester Counties)
2198 L	Divine Home Care Agency, Inc. (Bronx, Queens, Kings, Richmond, New York and Nassau Counties)

- 2214 L            You First Home Care LLC  
(Kings, New York, Queens, Bronx, and Richmond  
Counties)
- 2326 L            Miracle Home Care Agency Inc.  
(Kings, Richmond, Queens, Bronx, New York and  
Nassau Counties)
- 2346 L            Seaside Home Care, Inc.  
(Bronx, Queens, New York, Richmond, Kings and  
Westchester Counties)
- 2364 L            One Caring Place Plus, Inc.  
(Oneida and Herkimer Counties)
- 2379 L            Care One Licensed Home Care Agency, Inc.  
(Bronx, Queens, Kings, Richmond, New York and  
Nassau Counties)
- 2416 L            Silver Home Care Services, Inc.  
(Richmond, Queens, New York, Bronx, Kings, and  
Westchester Counties)
- 2440 L            Good Shepherd Personal Care Inc.  
(Nassau, Suffolk and Queens Counties)
- 2446 L            Focus Care Group, Inc.  
(Westchester and Bronx Counties)
- 2494 L            Sequoia Home Care, Inc. d/b/a Senior Helpers  
(Nassau and Suffolk Counties)
- 2498 L            Aldon Magloire and Tami N. Johnson  
d/b/a First Choice-Home Health Care  
(Nassau, Suffolk and Queens Counties)
- 2502 L            Kind Loyal Service RN Healthcare Services PLLC  
(Westchester County)
- 2513 L            Kingsbridge Home Healthcare Services Corp.  
(Kings, New York, Queens, Richmond, Bronx and  
Westchester Counties)
- 2518 L            Lavena Home Health Inc.  
(Queens, Bronx, Kings, Richmond, New York, and  
Nassau Counties)
- 2520 L            Greater New York Health Care, Inc.  
d/b/a Loving Home Care Hewlett  
(Nassau, Orange, Westchester, Suffolk, Putnam, Queens,  
Rockland and Dutchess Counties)

- 2522 L Alastar Family & Senior In-Home Care, LLC  
(Westchester and Bronx Counties)
- 2524 L Diva Multicare Services, Inc.  
(Queens, Bronx, Kings, Richmond, New York and Nassau Counties)
- 2526 L ACME Home Care, Inc.  
(Bronx, Kings, New York, Richmond, and Queens Counties)
- 2536 L Choose Home Care, Inc.  
(Bronx, Queens, Kings, Richmond, New York and Westchester Counties)
- 2550 L ATD Home Health Agency Inc.  
(Queens, Bronx, Kings, Richmond, New York and Nassau Counties)
- 2551 L Divine Mercy Tender Loving Care (DMTLC), LLC d/b/a  
Acti-Kare Responsive In-Home Care  
(Queens Counties)
- 2553 L MDB Home Care, LLC  
(Bronx, Queens, Kings, Richmond, New York and Westchester Counties)
- 2565 L No One Left Out Services Inc.  
(Suffolk, Nassau, Westchester, Putnam, and Rockland Counties)
- 2570 L CarePark Home Care LLC  
(Bronx, Kings, New York and Queens Counties)
- 2593 L Autumn Hills Home Care, LLC  
(Nassau, Suffolk, Westchester and Queens)
- 2603 L Seniors First Inc. d/b/a Home Instead Senior Care  
(Suffolk County)
- 2619 L 1<sup>st</sup> Help HomeCare Inc.  
(Kings, New York, Queens, Richmond, Bronx, and Nassau Counties)
- 2622 L Medi One Home Care Inc  
(Rockland, Westchester and Orange Counties)
- 2627 L Argent Home Care Inc.  
(Westchester, Nassau, Rockland, Suffolk, Putnam and Bronx Counties)
- 2629 L Luba's Homecare Inc.  
(Kings, Bronx, Queens, Richmond, New York and Westchester Counties)

2637 L	NoLimits NYC, Corp. (Bronx, Queens, Kings, Richmond, New York and Westchester Counties)
2641 L	Baychester Services LLC d/b/a Regeis@Home (Bronx, Queens, Kings, Richmond, New York and Westchester Counties)
2642 L	Surrogate Family Care, LLC (Nassau, Suffolk, and Queens Counties)
2646 L	Spring Home Health Services, LLC (Queens, Bronx, Kings, Richmond, New York and Nassau Counties)
2647 L	Senior Assist Home Care LLC (Kings, Richmond, Queens, Bronx, New York and Nassau Counties)
151341	Chai Homecare LLC (Bronx, Queens, Kings, Richmond, New York, and Nassau Counties)
152066	All Purpose Care LLC (Bronx, New York, Queens, and Westchester Counties)
152179	GWS Home Care LLC d/b/a Right at Home (New York County)

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

<u>Number</u>	<u>Applicant/Facility</u>
162319	Trustees of the Eastern Star Hall and Home of the State of New York d/b/a Easter Star Home Care (Oneida and Herkimer Counties)
162327	The Church Aid of the Protestant Episcopal Church in the Town of Saratoga Springs, Inc. d/b/a Home of the Good Shepherd Licensed Home Care (Saratoga County)

**Changes of Ownership**

<u>Number</u>	<u>Applicant/Facility</u>
162065	Mavencare (NY) Inc. (New York, Queens, Bronx, Richmond, Kings and Nassau Counties)
162244	Seniorcare HHA Inc. (Nassau and Queens Counties)

162509 Eva Homecare Agency, Inc.  
(Bronx, Queens, Kings, Richmond, New York and  
Nassau Counties)

171256 BE Home Care, LLC d/b/a Central Home Care  
(Bronx, New York, Kings, Queens, Nassau and  
Richmond Counties)

**D. Certificates**

**Exhibit # 7**

**Certificate of Dissolution**

Applicant

Resurrection Ministries of New York

**Restated Certificate of Incorporation**

Applicant

Mercy Hospital Foundation, Inc.

**Certificate of Assumed Name**

Applicant

Hudson Valley Regional Community Health Centers – Dutchess

Hudson Valley Regional Community Health Centers – Putnam

**Certificate of Amendment of the Certificate of Incorporation**

Applicant

Chase Memorial Nursing Home Company, Inc.

The Center for Discovery, Inc.

**NYU Hospitals Center**  
**Consolidated Balance Sheet**  
**August 31, 2016**

<i>(in thousands)</i>	<b>2016</b>
<b>Assets</b>	
Current assets	
Cash and cash equivalents	\$ 174,414
Marketable securities	3,790
Assets limited as to use	6,141
Assets limited as to use - board designated	20,001
Patient accounts receivable, less allowances for uncollectable (2016 – \$109,341)	478,671
Contributions receivable	30,724
Insurance receivables - billed	60,907
Inventories	48,158
Other current assets	86,776
Total current assets	<u>909,582</u>
Marketable securities, less current portion	22,664
Assets limited as to use, less current portion	489,421
Assets limited as to use - board designated, less current portion	770,874
Contributions receivable, less current portion	98,624
Other assets	110,782
Due from related organizations	9,500
Disaster recovery receivable	44,681
Property, plant and equipment, net	2,867,965
Total assets	<u>\$ 5,324,093</u>
<b>Liabilities and Net Assets</b>	
Current liabilities	
Current portion of long-term debt	\$ 50,584
Accounts payable and accrued expenses	209,116
Accrued salaries and related liabilities	128,262
Accrued interest payable	10,897
Current portion of accrued postretirement liabilities	1,956
Deferred revenue - disaster recovery	84,430
Deferred revenue - other	59,057
Due to related organizations	25,086
Other current liabilities	41,811
Total current liabilities	<u>611,199</u>
Long-term debt, less current portion	1,620,123
Outstanding losses and loss adjustment expenses	386,903
Accrued pension liabilities	360,540
Accrued postretirement liabilities, less current portion	77,548
Other liabilities	222,460
Total liabilities	<u>3,278,773</u>
Net assets	
Unrestricted	1,645,814
Temporarily restricted	386,458
Permanently restricted	13,048
Total net assets	<u>2,045,320</u>
Total liabilities and net assets	<u>\$ 5,324,093</u>

**NYU Hospitals Center**  
**Consolidated Statement of Operations**  
**Year Ended August 31, 2016**

<i>(in thousands)</i>	<b>2016</b>
<b>Operating revenue</b>	
Net patient service revenue (less provision for bad debts of \$35,157)	\$ 3,322,215
Premiums earned	65,864
Contributions	5,456
Endowment distribution and return on short-term investments	36,269
Disaster recovery reimbursement	3,215
Other revenue	135,577
Net assets released from restrictions for operating purposes	13,525
Total operating revenue	<u>3,582,121</u>
<b>Operating expenses</b>	
Salaries and wages	1,131,480
Employee benefits	412,094
Supplies and other	1,555,335
Depreciation and amortization	145,121
Interest	59,701
Total operating expenses	<u>3,303,731</u>
Gain from operations	278,390
<b>Other items</b>	
Gain on disposals of property, plant and equipment	236
Loss on extinguishment	(25,512)
Disaster recovery reimbursement for capital	2,435
Investment return in excess of endowment distribution, net	23,105
Mission based payment to NYUSoM	(50,000)
Excess of revenue over expenses	<u>228,654</u>
<b>Other changes in unrestricted net assets</b>	
Changes in pension and postretirement obligations	(111,162)
Equity transfers from related organizations, net	13,137
Net assets released from restrictions for capital purposes	7,756
Net assets released from restrictions for hazard mitigation	70,130
Net increase in unrestricted net assets	<u>\$ 208,515</u>

**CATHOLIC HEALTH SERVICES OF LONG ISLAND**

Consolidated Balance Sheets

December 31, 2016 and 2015

(In thousands)

<b>Assets</b>	<b>2016</b>	<b>2015</b>
Current assets:		
Cash and cash equivalents	\$ 207,674	182,292
Investments	529,122	447,226
Assets limited or restricted as to use	23,979	21,231
Patient accounts receivable, less allowance for uncollectible accounts of \$47,987 in 2016 and \$53,542 in 2015	287,063	243,237
Contributions receivable, net	3,752	3,523
Other receivables	26,875	37,747
Inventories	30,508	28,583
Prepaid expenses and other	22,059	14,816
Total current assets	<u>1,131,032</u>	<u>978,655</u>
Assets limited or restricted as to use:		
Board designated and other	79,156	76,350
Donor-restricted funds	43,103	32,302
Funded depreciation	294,683	259,231
Trustee held and other agreements	150,122	152,616
Captive assets	86,449	73,478
Total assets limited or restricted as to use	<u>653,513</u>	<u>593,977</u>
Less assets limited or restricted as to use and required for current liabilities	<u>23,979</u>	<u>21,231</u>
Total assets limited or restricted as to use, net	629,534	572,746
Contributions receivable, net of current portion	9,414	9,807
Other assets, net	29,502	32,949
Insurance claims receivable	171,252	166,799
Property, plant, and equipment, net	791,081	794,941
Total assets	<u>\$ 2,761,815</u>	<u>2,555,897</u>

<b>Liabilities and Net Assets</b>	<u>2016</u>	<u>2015</u>
Current liabilities:		
Current portion of long-term debt	\$ 34,809	31,039
Accounts payable and accrued expenses	198,944	169,131
Accrued salaries, related withholdings, and benefits	154,773	137,504
Current portion of other self-insured liabilities	32,607	30,081
Current portion of estimated third-party payor liabilities	63,084	54,861
Other liabilities	<u>19,837</u>	<u>22,652</u>
Total current liabilities	504,054	445,268
Long-term debt, net of current portion	468,967	502,857
Estimated third-party payor liabilities, net of current portion	34,788	34,569
Other self-insured liabilities, net of current portion	126,872	128,459
Estimated malpractice liabilities	250,855	218,048
Other long-term liabilities	<u>60,787</u>	<u>64,152</u>
Total liabilities	<u>1,446,323</u>	<u>1,393,353</u>
Net assets:		
Unrestricted:		
Catholic Health Services of Long Island	1,257,471	1,115,242
Noncontrolling interests	<u>1,752</u>	<u>1,670</u>
Total unrestricted	1,259,223	1,116,912
Temporarily restricted	52,204	41,567
Permanently restricted	<u>4,065</u>	<u>4,065</u>
Total net assets	1,315,492	1,162,544
Commitments and contingencies		
Total liabilities and net assets	<u>\$ 2,761,815</u>	<u>2,555,897</u>

**CATHOLIC HEALTH SERVICES OF LONG ISLAND**

Consolidated Statements of Operations

Years ended December 31, 2016 and 2015

(In thousands)

	<u>2016</u>	<u>2015</u>
Unrestricted revenues, gains, and other support:		
Net patient services revenue before bad debts	\$ 2,405,949	2,176,185
Provision for bad debts, net	<u>(37,747)</u>	<u>(43,548)</u>
Net patient services revenue	2,368,202	2,132,637
Investment income, net	20,589	16,996
Contributions, net	14,053	3,452
Other revenue	118,445	123,986
Gain on sale of properties, net	—	52,626
Net assets released from restrictions used for operations	<u>2,142</u>	<u>1,314</u>
Total revenues, gains, and other support	<u>2,523,431</u>	<u>2,331,011</u>
Expenses:		
Salaries	1,219,029	1,140,542
Employee benefits	378,309	346,407
Supplies and other expenses	635,972	597,723
Insurance	59,127	39,560
Depreciation, amortization, and impairment	101,465	99,497
Interest	<u>19,936</u>	<u>21,107</u>
Total expenses	<u>2,413,838</u>	<u>2,244,836</u>
Operating income before nonoperating gains (losses)	109,593	86,175
Nonoperating gains (losses):		
Net unrealized gains (losses) on investments	29,385	(19,924)
Other nonoperating gains (losses), net	957	(2,729)
Income attributable to noncontrolling interests	<u>(1,250)</u>	<u>(748)</u>
Excess of revenues, gains, and other support over expenses	138,685	62,774
Other changes in unrestricted net assets:		
Postretirement benefit plan changes other than net periodic benefit cost	825	243
Net assets released from restrictions used for purchases of property, plant, and equipment	2,408	8,433
Grant income for purchases of property, plant, and equipment	<u>311</u>	<u>1,962</u>
Increase in unrestricted net assets	<u>\$ 142,229</u>	<u>73,412</u>

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Balance Sheet

December 31, 2016

(In thousands)

Assets	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and eliminating entries	Obligated Group subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
<b>Current assets:</b>												
Cash and cash equivalents	\$ 40,658	27,433	2,488	7,473	6,130	84,182	—	84,182	9,221	35,651	40,124	14,319
Investments	65,875	309,553	—	533	—	375,961	—	375,961	—	51,190	—	72,130
Assets limited or restricted as to use	—	1,751	900	—	—	2,651	—	2,651	—	21,328	—	—
Patient accounts receivable, net	80,002	97,445	26,937	22,439	28,702	255,525	—	255,525	13,271	—	—	—
Contributions receivable, net	—	—	—	—	41	41	—	41	—	—	—	—
Other receivables	2,782	8,307	1,342	943	694	14,078	—	14,078	22	5	243	110
Inventories	6,646	11,023	2,983	3,843	3,853	28,358	—	28,358	1,755	—	—	—
Prepaid expenses and other	6,038	7,015	2,203	1,782	2,658	19,706	—	19,706	775	120	3,684	3,224
Due from related parties	4,521	25,640	2,648	13,066	839	46,714	(21,906)	24,808	209	16,050	21,174	54,883
<b>Total current assets</b>	<b>206,532</b>	<b>488,167</b>	<b>39,501</b>	<b>50,079</b>	<b>42,937</b>	<b>827,216</b>	<b>(21,906)</b>	<b>805,310</b>	<b>25,253</b>	<b>126,344</b>	<b>65,225</b>	<b>144,666</b>
<b>Assets limited or restricted as to use:</b>												
Board designated and other	43,929	5,453	7,110	—	—	56,492	—	56,492	—	4,822	—	—
Donor-restricted funds	4,719	2,686	2,525	2,423	851	13,204	—	13,204	439	447	—	—
Funded depreciation	—	285,728	—	—	7,516	293,244	—	293,244	—	—	—	—
Trustee held and other	11,089	5,552	5,412	456	44,433	66,942	—	66,942	263	81,066	1,652	—
Captive assets	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total assets limited or restricted as to use</b>	<b>59,737</b>	<b>299,419</b>	<b>15,047</b>	<b>2,879</b>	<b>52,800</b>	<b>429,882</b>	<b>—</b>	<b>429,882</b>	<b>702</b>	<b>86,335</b>	<b>1,652</b>	<b>—</b>
<b>Less assets limited or restricted as to use and required for current liabilities</b>	<b>—</b>	<b>1,751</b>	<b>900</b>	<b>—</b>	<b>—</b>	<b>2,651</b>	<b>—</b>	<b>2,651</b>	<b>—</b>	<b>21,328</b>	<b>—</b>	<b>—</b>
<b>Total assets limited or restricted as to use, net</b>	<b>59,737</b>	<b>297,668</b>	<b>14,147</b>	<b>2,879</b>	<b>52,800</b>	<b>427,231</b>	<b>—</b>	<b>427,231</b>	<b>702</b>	<b>65,007</b>	<b>1,652</b>	<b>—</b>
<b>Due from related parties, net of current portion</b>	<b>38,811</b>	<b>34,479</b>	<b>10,135</b>	<b>8,223</b>	<b>—</b>	<b>91,448</b>	<b>(4,081)</b>	<b>87,367</b>	<b>—</b>	<b>27,364</b>	<b>44,301</b>	<b>—</b>
Contributions receivable, net of current portion	—	—	—	8	—	8	—	8	—	—	—	—
Other investments, at cost	—	—	—	—	—	—	—	—	—	2,250	—	—
Other assets, net	1,221	13,907	—	113	70	15,311	—	15,311	80	11,806	—	—
Insurance claims receivable	81,333	43,752	51,069	31,324	32,767	240,245	—	240,245	10,694	—	—	7,806
Property, plant, and equipment, net	166,667	267,043	97,460	54,515	75,733	661,418	—	661,418	31,215	61	54,082	—
<b>Total assets</b>	<b>\$ 554,101</b>	<b>1,145,018</b>	<b>212,312</b>	<b>147,141</b>	<b>204,307</b>	<b>2,262,877</b>	<b>(25,987)</b>	<b>2,236,890</b>	<b>67,954</b>	<b>232,932</b>	<b>165,260</b>	<b>152,272</b>

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Balance Sheet

December 31, 2016

(In thousands)

Assets	St. Francis Hospital Foundation	St. Francis Research and Educational Corporation	Catholic Home Care & Hospice	Maryhaven	Our Lady of Consolation	Other entities	Subtotal	Consolidating and eliminating entries	CHS consolidated total
<b>Current assets:</b>									
Cash and cash equivalents	\$ 5,251	64	23,013	5,645	4,054	469	221,993	(14,319)	207,674
Investments	97,543	—	49	1,801	2,578	—	601,252	(72,130)	529,122
Assets limited or restricted as to use	—	—	—	—	—	—	23,979	—	23,979
Patient accounts receivable, net	—	—	10,350	—	7,917	—	287,063	—	287,063
Contributions receivable, net	3,711	—	—	—	—	—	3,752	—	3,752
Other receivables	—	803	—	11,220	83	311	26,875	—	26,875
Inventories	—	—	—	325	70	—	30,508	—	30,508
Prepaid expenses and other	—	—	450	1,227	716	1	29,903	(7,844)	22,059
Due from related parties	—	2,497	3,115	931	1,225	633	127,525	(127,525)	—
<b>Total current assets</b>	<b>106,505</b>	<b>3,364</b>	<b>36,977</b>	<b>21,149</b>	<b>16,643</b>	<b>1,414</b>	<b>1,352,850</b>	<b>(221,818)</b>	<b>1,131,032</b>
<b>Assets limited or restricted as to use:</b>									
Board designated and other	17,167	—	—	675	—	—	79,156	—	79,156
Donor-restricted funds	27,478	—	597	—	938	—	43,103	—	43,103
Funded depreciation	—	—	—	439	1,000	—	294,683	—	294,683
Trustee held and other	—	—	9	137	53	—	150,122	—	150,122
Captive assets	—	—	—	—	—	—	—	86,449	86,449
<b>Total assets limited or restricted as to use</b>	<b>44,645</b>	<b>—</b>	<b>606</b>	<b>1,251</b>	<b>1,991</b>	<b>—</b>	<b>567,064</b>	<b>86,449</b>	<b>653,513</b>
<b>Less assets limited or restricted as to use and required for current liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>23,979</b>	<b>—</b>	<b>23,979</b>
<b>Total assets limited or restricted as to use, net</b>	<b>44,645</b>	<b>—</b>	<b>606</b>	<b>1,251</b>	<b>1,991</b>	<b>—</b>	<b>543,085</b>	<b>86,449</b>	<b>629,534</b>
Due from related parties, net of current portion	—	—	—	—	—	—	159,032	(159,032)	—
Contributions receivable, net of current portion	9,406	—	—	—	—	—	9,414	—	9,414
Other investments, at cost	—	—	—	—	—	—	2,250	(2,250)	—
Other assets, net	—	—	548	1,627	5	15	29,502	—	29,502
Insurance claims receivable	—	—	666	3,998	3,063	—	266,272	(95,020)	171,252
Property, plant, and equipment, net	—	7,406	4,477	15,652	16,334	436	791,081	—	791,081
<b>Total assets</b>	<b>\$ 160,556</b>	<b>10,770</b>	<b>43,274</b>	<b>43,677</b>	<b>38,036</b>	<b>1,865</b>	<b>3,153,486</b>	<b>(391,671)</b>	<b>2,761,815</b>

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Balance Sheet

December 31, 2016

(In thousands)

Liabilities and Net Assets	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and eliminating entries	Obligated Group Subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
<b>Current liabilities:</b>												
Current portion of long-term debt	\$ 1,026	3,651	1,901	1,438	3,018	11,034	—	11,034	950	6,075	15,225	—
Accounts payable and accrued expenses	40,704	59,237	12,176	14,151	18,302	144,570	—	144,570	8,120	13,523	25,223	871
Accrued salaries, related withholdings, and benefits	33,804	53,380	8,126	16,138	15,127	126,575	—	126,575	4,834	2,786	9,408	—
Current portion of other self-insured liabilities	7,506	9,658	2,769	3,448	4,221	27,602	—	27,602	260	—	1,606	—
Current portion of estimated third-party payor liabilities	18,085	22,114	6,503	4,394	7,744	58,840	—	58,840	1,952	—	—	—
Due to related parties	18,702	14,713	5,689	5,642	20,019	64,765	(33,001)	31,764	4,286	7,028	27,553	23,111
Other liabilities	—	—	—	—	—	—	—	—	—	14,709	—	—
<b>Total current liabilities</b>	<b>119,827</b>	<b>162,753</b>	<b>37,164</b>	<b>45,211</b>	<b>68,431</b>	<b>433,386</b>	<b>(33,001)</b>	<b>400,385</b>	<b>20,402</b>	<b>44,121</b>	<b>79,013</b>	<b>23,982</b>
Long-term debt, net of current portion	75,302	165,478	48,489	54,059	61,054	404,392	—	404,392	12,429	20,869	15,484	—
Estimated third-party payor liabilities, net of current portion	8,167	7,337	1,995	2,215	13,960	33,674	—	33,674	1,114	—	—	—
Other self-insured liabilities, net of current portion	38,107	23,245	13,580	15,867	20,306	111,105	—	111,105	1,874	—	—	4,764
Estimated malpractice liabilities	84,668	38,182	52,651	29,362	33,692	238,575	—	238,575	14,011	—	—	90,256
Other long-term liabilities	9,833	16,166	2,312	1,453	2,371	32,135	—	32,135	263	19,958	4,323	—
Due to related parties, net of current portion	—	—	21,235	17,423	24,317	62,975	(8,822)	54,153	11,700	86,435	—	—
<b>Total liabilities</b>	<b>335,904</b>	<b>413,161</b>	<b>177,426</b>	<b>165,610</b>	<b>224,141</b>	<b>1,316,242</b>	<b>(41,823)</b>	<b>1,274,419</b>	<b>61,793</b>	<b>171,383</b>	<b>98,820</b>	<b>119,002</b>
<b>Net assets (deficit):</b>												
Unrestricted:												
Attributable to CHS	212,230	729,169	32,361	(20,900)	(20,726)	932,134	15,836	947,970	5,722	61,168	66,440	31,020
Attributable to noncontrolling interests	1,248	—	—	—	—	1,248	—	1,248	—	—	—	—
<b>Total unrestricted</b>	<b>213,478</b>	<b>729,169</b>	<b>32,361</b>	<b>(20,900)</b>	<b>(20,726)</b>	<b>933,382</b>	<b>15,836</b>	<b>949,218</b>	<b>5,722</b>	<b>61,168</b>	<b>66,440</b>	<b>31,020</b>
Temporarily restricted	4,719	2,686	2,525	1,655	892	12,477	—	12,477	439	381	—	—
Permanently restricted	—	—	—	776	—	776	—	776	—	—	—	—
Capital stock and paid-in capital	—	—	—	—	—	—	—	—	—	—	—	2,250
<b>Total net assets (deficit)</b>	<b>218,197</b>	<b>731,855</b>	<b>34,886</b>	<b>(18,469)</b>	<b>(19,834)</b>	<b>946,635</b>	<b>15,836</b>	<b>962,471</b>	<b>6,161</b>	<b>61,549</b>	<b>66,440</b>	<b>33,270</b>
<b>Commitments and contingencies</b>												
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 554,101</b>	<b>1,145,016</b>	<b>212,312</b>	<b>147,141</b>	<b>204,307</b>	<b>2,262,877</b>	<b>(25,987)</b>	<b>2,236,890</b>	<b>67,954</b>	<b>232,932</b>	<b>165,260</b>	<b>152,272</b>

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Balance Sheet

December 31, 2016

(In thousands)

Liabilities and Net Assets	St. Francis Hospital Foundation	St. Francis Research and Educational Corporation	Catholic Home Care & Hospice	Maryhaven	Our Lady of Consolation	Other entities	Subtotal	Consolidating and eliminating entries	CHS consolidated total
<b>Current liabilities:</b>									
Current portion of long-term debt	\$ —	—	—	1,003	522	—	34,809	—	34,809
Accounts payable and accrued expenses	434	66	6,500	2,475	3,331	1,820	206,933	(7,989)	198,944
Accrued salaries, related withholdings, and benefits	—	—	5,202	2,700	3,270	—	154,773	—	154,773
Current portion of other self-insured liabilities	—	—	886	1,631	622	—	32,607	—	32,607
Current portion of estimated third-party payor liabilities	—	—	169	(598)	2,721	—	63,084	—	63,084
Due to related parties	2,706	161	5,033	3,512	6,560	1,296	113,010	(113,010)	—
Other liabilities	—	1,301	—	3,827	—	—	19,837	—	19,837
<b>Total current liabilities</b>	<b>3,140</b>	<b>1,528</b>	<b>17,790</b>	<b>14,550</b>	<b>17,026</b>	<b>3,116</b>	<b>625,053</b>	<b>(120,999)</b>	<b>504,054</b>
Long-term debt, net of current portion	—	—	—	2,194	13,599	—	468,967	—	468,967
Estimated third-party payor liabilities, net of current portion	—	—	—	—	—	—	34,788	—	34,788
Other self-insured liabilities, net of current portion	—	—	—	6,188	2,941	—	126,872	—	126,872
Estimated malpractice liabilities	—	—	666	333	2,034	—	345,875	(95,020)	250,855
Other long-term liabilities	—	—	9	4,046	53	—	60,787	—	60,787
Due to related parties, net of current portion	—	—	22,479	1,965	—	—	176,732	(176,732)	—
<b>Total liabilities</b>	<b>3,140</b>	<b>1,528</b>	<b>40,944</b>	<b>29,276</b>	<b>35,653</b>	<b>3,116</b>	<b>1,839,074</b>	<b>(392,751)</b>	<b>1,446,323</b>
<b>Net assets (deficit):</b>									
Unrestricted:									
Attributable to CHS	116,755	9,242	1,733	14,401	1,445	(2,935)	1,252,961	4,510	1,257,471
Attributable to noncontrolling interests	—	—	—	—	—	504	1,752	—	1,752
<b>Total unrestricted</b>	<b>116,755</b>	<b>9,242</b>	<b>1,733</b>	<b>14,401</b>	<b>1,445</b>	<b>(2,431)</b>	<b>1,254,713</b>	<b>4,510</b>	<b>1,259,223</b>
Temporarily restricted	37,539	—	430	—	938	—	52,204	—	52,204
Permanently restricted	3,122	—	167	—	—	—	4,065	—	4,065
Capital stock and paid-in capital	—	—	—	—	—	1,180	3,430	(3,430)	—
<b>Total net assets (deficit)</b>	<b>157,416</b>	<b>9,242</b>	<b>2,330</b>	<b>14,401</b>	<b>2,383</b>	<b>(1,251)</b>	<b>1,314,412</b>	<b>1,080</b>	<b>1,315,492</b>
<b>Commitments and contingencies</b>									
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 160,556</b>	<b>10,770</b>	<b>43,274</b>	<b>43,677</b>	<b>38,036</b>	<b>1,865</b>	<b>3,153,486</b>	<b>(391,671)</b>	<b>2,761,815</b>

See accompanying independent auditors' report.

**St. Francis Hospital Consolidated**  
**Consolidated Statements of Operations**  
December 31, 2016  
(In thousands)

Month end December					Twelve months ended December					
2016 Actual	2016 Budget	Budget Variances	2015 Actual	Increase/ (Decrease)		2016 Actual	2016 Budget	Budget Variances	2015 Actual	Increase/ (Decrease)
					Unrestricted revenues, gains, and other support:					
64,331	57,309	7,022	52,329	12,002	Net patient service revenue	729,737	682,684	47,053	630,545	99,192
(381)	(382)	1	(1,658)	1,277	Provision for bad debts, net	(4,604)	(4,590)	(14)	(7,290)	2,596
63,950	56,927	7,023	50,671	13,279	Net patient service revenue less provision for bad debts	725,133	678,094	47,039	623,345	101,788
824	1,919	(1,095)	2,837	(2,013)	Other Revenue	11,696	13,298	(1,602)	11,531	165
-	-	-	-	-	Unrestricted contributions	-	-	-	1	(1)
102	42	60	3	99	Net assets released from restrictions used for operations	651	500	151	15	636
64,876	58,888	5,988	53,511	11,365	Total revenues, gains, and other support	737,480	691,892	45,588	634,892	102,588
					Expenses:					
26,434	25,996	(438)	25,014	1,420	Salaries	312,595	308,662	(3,933)	284,815	27,780
11,157	6,376	(4,781)	8,210	2,947	Employee benefits	82,969	76,392	(6,577)	70,891	12,078
14,838	15,781	943	14,359	479	Supplies and other expenses	197,550	190,178	(7,372)	178,244	19,306
909	942	33	(866)	1,775	Insurance	10,517	11,063	546	8,324	2,193
1,691	2,284	593	2,179	(488)	Depreciation and amortization	24,274	27,368	3,094	25,977	(1,703)
361	368	7	374	(13)	Interest	4,403	4,420	17	4,546	(143)
622	3,684	3,062	1,986	(1,364)	Finance and technology services	40,290	44,210	3,920	33,554	6,736
(50)	759	809	(500)	450	CHSLI corporate office allocation	8,300	9,109	809	7,518	782
55,962	56,190	228	50,756	5,206	Total expenses	680,898	671,402	(9,496)	613,869	67,029
8,914	2,698	6,216	2,755	6,159	Operating income	56,582	20,490	36,092	21,023	35,559
					Nonoperating gains (losses):					
3,457	625	2,832	3,078	379	Investment income	12,329	7,500	4,829	10,524	1,805
1,909	-	1,909	(10,691)	12,600	Change in unrealized gains (losses) on trading investments, net	20,861	-	20,861	(12,534)	33,395
-	-	-	-	-	Loss on debt extinguishment	-	-	-	-	-
-	-	-	-	-	Other nonoperating gains	-	-	-	-	-
14,280	3,323	10,957	(4,858)	19,138	Excess (deficiency) of revenues, gains, and other support over expenses	89,772	27,990	61,782	19,013	70,759
					Other changes in unrestricted net assets:					
515	-	515	(469)	984	Postretirement benefit plan changes other than net periodic benefit cost	515	-	515	(469)	984
-	-	-	-	-	Net assets released from restrictions for purchase of property and equipment	47	-	47	59	(12)
7	-	7	257	(250)	Grant income for purchases of property and equipment	40	-	40	292	(252)
(1,962)	(1,314)	(648)	(402)	(1,560)	Transfers (to) from related parties:	(16,418)	(15,769)	(649)	(8,437)	(7,981)
1,689	458	1,231	4,292	(2,603)	CHS Services/CHSLI	2,478	5,500	(3,022)	15,171	(12,693)
-	-	-	-	-	St. Francis Hospital Foundation	-	-	-	-	-
-	-	-	-	-	St. Francis Research & Education Corp	-	-	-	-	-
-	-	-	-	-	Other Related Party Transfers	-	-	-	-	-
14,529	2,467	12,062	(1,180)	15,709	Increase (decrease) in unrestricted net assets	76,434	17,721	58,713	25,629	50,805

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Statement of Operations

Year ended December 31, 2016

(In thousands)

	St. Francis Hospital Foundation	St. Francis Research and Educational Corporation	Catholic Home Care & Hospice	Maryhaven	Our Lady of Consolation	Other entities	Subtotal	Consolidating and eliminating entries	CHS consolidated total
Unrestricted revenues, gains, and other support:									
Net patient service revenues before bad debts	\$ —	—	101,606	—	56,956	—	2,406,259	(310)	2,405,949
Provision for bad debts, net	—	—	(117)	—	(597)	—	(37,747)	—	(37,747)
Net patient services revenue	—	—	101,489	—	56,359	—	2,368,512	(310)	2,368,202
Investment income, net	2,472	—	43	(181)	27	—	21,084	(495)	20,589
Contributions, net	12,761	—	426	286	27	—	14,053	—	14,053
Other revenue	—	3,744	1,191	83,807	201	3,334	320,090	(201,645)	118,445
Net assets released from restrictions used for operations	818	—	46	—	27	—	2,142	—	2,142
Total revenues, gains, and other support	16,051	3,744	103,195	83,912	56,641	3,334	2,725,881	(202,450)	2,523,431
Expenses:									
Salaries	724	4,740	55,405	46,532	29,578	—	1,219,029	—	1,219,029
Employee benefits	210	909	20,308	22,573	12,663	6	378,309	—	378,309
Supplies and other expenses	537	1,272	18,462	12,888	10,559	6,298	643,019	(7,047)	635,972
Insurance	—	41	384	1,025	1,192	5	86,195	(27,068)	59,127
Depreciation, amortization, and impairment	—	1,560	761	1,775	1,275	10	101,465	—	101,465
Interest	—	—	1	170	633	—	20,431	(495)	19,936
CHS Services, Inc.	—	—	1,101	674	867	—	137,673	(137,673)	—
CHS corporate office allocation	—	—	341	267	241	—	27,921	(27,921)	—
Total expenses	1,471	8,522	96,763	85,904	57,008	6,319	2,614,042	(200,204)	2,413,838
Operating income (loss) before nonoperating gains (losses)	14,580	(4,778)	6,432	(1,992)	(367)	(2,985)	111,839	(2,246)	109,593
Nonoperating gains (losses):									
Change in unrealized gains (losses) on trading investments, net	4,334	—	—	(2)	(20)	—	29,385	—	29,385
Other nonoperating gains (losses), net	—	—	2	1,238	—	—	957	—	957
Income attributable to noncontrolling interests	—	—	—	—	—	116	(1,250)	—	(1,250)
Excess (deficiency) of revenues, gains, and other support over expenses	18,914	(4,778)	6,434	(756)	(387)	(2,869)	140,931	(2,246)	138,685
Other changes in benefit plan unrestricted net assets:									
Postretirement changes other than net periodic benefit cost	—	—	—	—	—	—	825	—	825
Net assets released from restrictions for purchase of property, plant, and equipment	1,817	—	—	—	—	—	2,408	—	2,408
Grant income for purchases of property, plant, and equipment	—	—	—	50	—	—	311	—	311
Transfer (to) from Catholic Health Services of Long Island	—	—	(17)	7,780	(38)	—	(34,073)	34,073	—
Transfer (to) from CHS Services, Inc.	—	—	(259)	(31)	(148)	3,621	31,897	(31,897)	—
Transfers (to) from related parties	(6,735)	4,258	—	—	—	—	—	—	—
Increase (decrease) in unrestricted net assets	\$ 13,996	(520)	6,158	7,043	(573)	752	142,299	(70)	142,229

See accompanying independent auditors' report.

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Balance Sheet

December 31, 2015

(In thousands)

Assets	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and eliminating entries	Obligated Group subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
<b>Current assets:</b>												
Cash and cash equivalents	\$ 34,257	29,318	6,465	5,015	13,607	88,662	—	88,662	5,421	31,375	32,402	14,318
Investments	40,225	261,540	—	490	642	302,897	—	302,897	—	44,316	—	59,160
Assets limited or restricted as to use	—	1,790	875	—	—	2,665	—	2,665	—	18,566	—	—
Patient accounts receivable, net	69,679	68,904	24,734	24,222	25,023	212,562	—	212,562	11,298	—	—	—
Contributions receivable, net	—	—	—	—	—	—	—	—	—	—	—	—
Other receivables	4,941	10,164	1,989	2,065	2,064	21,223	—	21,223	1,639	2,872	419	—
Inventories	6,881	9,605	2,908	3,697	3,410	26,501	—	26,501	1,595	—	—	—
Prepaid expenses and other	4,213	3,973	1,714	1,425	2,065	13,390	—	13,390	580	91	2,922	3,341
Due from related parties	2,326	30,019	637	1,626	2,048	36,658	(13,840)	22,818	192	17,953	20,959	43,844
<b>Total current assets</b>	<b>162,522</b>	<b>415,313</b>	<b>39,322</b>	<b>38,542</b>	<b>48,859</b>	<b>704,558</b>	<b>(13,840)</b>	<b>690,718</b>	<b>20,725</b>	<b>115,173</b>	<b>56,702</b>	<b>120,663</b>
<b>Assets limited or restricted as to use:</b>												
Board designated and other	43,679	5,157	6,994	—	—	55,830	—	55,830	1,277	4,931	—	—
Donor-restricted funds	3,587	3,246	2,136	2,266	870	12,105	—	12,105	495	425	—	—
Funded depreciation	104	250,288	—	—	7,401	257,793	—	257,793	—	—	—	—
Trustee held and other	10,478	5,219	5,457	352	41,514	63,020	—	63,020	260	85,740	3,463	—
Captive assets	—	—	—	—	—	—	—	—	—	—	—	—
<b>Total assets limited or restricted as to use</b>	<b>57,848</b>	<b>263,910</b>	<b>14,587</b>	<b>2,618</b>	<b>49,785</b>	<b>388,748</b>	<b>—</b>	<b>388,748</b>	<b>2,032</b>	<b>91,096</b>	<b>3,463</b>	<b>—</b>
<b>Less assets limited or restricted as to use and required for current liabilities</b>	<b>—</b>	<b>1,790</b>	<b>875</b>	<b>—</b>	<b>—</b>	<b>2,665</b>	<b>—</b>	<b>2,665</b>	<b>—</b>	<b>18,566</b>	<b>—</b>	<b>—</b>
<b>Total assets limited or restricted as to use, net</b>	<b>57,848</b>	<b>262,120</b>	<b>13,712</b>	<b>2,618</b>	<b>49,785</b>	<b>386,083</b>	<b>—</b>	<b>386,083</b>	<b>2,032</b>	<b>72,530</b>	<b>3,463</b>	<b>—</b>
Due from related parties, net of current portion	40,557	35,099	9,836	8,942	—	94,434	(4,081)	90,353	—	28,034	46,089	—
Contributions receivable, net of current portion	—	—	—	16	—	16	—	16	—	—	—	—
Other investments, at cost	—	—	—	—	—	—	—	—	—	2,250	—	—
Other assets, net	1,446	13,764	—	112	89	15,411	—	15,411	85	15,016	—	—
Insurance claims receivable	78,083	31,216	42,413	34,102	28,872	214,686	—	214,686	8,959	—	—	6,035
Property, plant, and equipment, net	172,877	255,668	99,970	59,958	70,142	658,615	—	658,615	30,230	80	63,692	—
<b>Total assets</b>	<b>\$ 513,333</b>	<b>1,013,160</b>	<b>205,253</b>	<b>144,290</b>	<b>197,747</b>	<b>2,073,803</b>	<b>(17,921)</b>	<b>2,055,882</b>	<b>62,031</b>	<b>233,083</b>	<b>169,946</b>	<b>126,698</b>

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Balance Sheet

December 31, 2015

(In thousands)

Assets	St. Francis Hospital Foundation	St. Francis Research and Educational Corporation	Catholic Home Care & Hospice	Maryhaven	Our Lady of Consolation	Other entities	Subtotal	Consolidating and eliminating entries	CHS consolidated total
<b>Current assets:</b>									
Cash and cash equivalents	\$ 915	139	15,966	3,745	3,134	371	196,448	(14,156)	182,292
Investments	95,748	—	40	1,654	2,571	—	506,386	(59,160)	447,226
Assets limited or restricted as to use	—	—	—	—	—	—	21,231	—	21,231
Patient accounts receivable, net	—	—	11,782	—	7,595	—	243,237	—	243,237
Contributions receivable, net	3,523	—	—	—	—	—	3,523	—	3,523
Other receivables	—	452	533	10,052	—	557	37,747	—	37,747
Inventories	—	—	—	436	51	—	28,583	—	28,583
Prepaid expenses and other	—	—	460	1,112	764	—	22,660	(7,844)	14,816
Due from related parties	—	3,989	2,373	644	1,437	451	114,660	(114,660)	—
<b>Total current assets</b>	<b>100,186</b>	<b>4,580</b>	<b>31,154</b>	<b>17,643</b>	<b>15,552</b>	<b>1,379</b>	<b>1,174,475</b>	<b>(195,820)</b>	<b>978,655</b>
<b>Assets limited or restricted as to use:</b>									
Board designated and other	14,312	—	—	—	—	—	76,350	—	76,350
Donor-restricted funds	17,820	—	539	—	918	—	32,302	—	32,302
Funded depreciation	—	—	—	438	1,000	—	259,231	—	259,231
Trustee held and other	—	—	—	133	—	—	152,616	—	152,616
Captive assets	—	—	—	—	—	—	—	73,478	73,478
<b>Total assets limited or restricted as to use</b>	<b>32,132</b>	<b>—</b>	<b>539</b>	<b>571</b>	<b>1,918</b>	<b>—</b>	<b>520,499</b>	<b>73,478</b>	<b>593,977</b>
<b>Less assets limited or restricted as to use and required for current liabilities</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>21,231</b>	<b>—</b>	<b>21,231</b>
<b>Total assets limited or restricted as to use, net</b>	<b>32,132</b>	<b>—</b>	<b>539</b>	<b>571</b>	<b>1,918</b>	<b>—</b>	<b>499,268</b>	<b>73,478</b>	<b>572,746</b>
Due from related parties, net of current portion	—	—	—	—	—	—	164,476	(164,476)	—
Contributions receivable, net of current portion	9,791	—	—	—	—	—	9,807	—	9,807
Other investments, at cost	—	—	—	—	—	—	2,250	(2,250)	—
Other assets, net	—	—	15	2,224	5	193	32,949	—	32,949
Insurance claims receivable	—	—	374	3,952	2,051	—	236,057	(69,258)	166,799
Property, plant, and equipment, net	—	7,997	4,680	12,682	16,900	65	794,941	—	794,941
<b>Total assets</b>	<b>\$ 142,109</b>	<b>12,577</b>	<b>36,762</b>	<b>37,072</b>	<b>36,426</b>	<b>1,637</b>	<b>2,914,223</b>	<b>(358,326)</b>	<b>2,555,897</b>

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Balance Sheet

December 31, 2015

(In thousands)

Liabilities and Net Assets	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and eliminating entries	Obligated Group Subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
<b>Current liabilities:</b>												
Current portion of long-term debt	\$ 881	3,257	1,834	1,243	2,046	9,261	—	9,261	950	5,087	14,941	—
Accounts payable and accrued expenses	38,818	44,303	11,791	11,250	12,955	119,117	—	119,117	7,447	12,122	23,045	413
Accrued salaries, related withholdings, and benefits	31,579	45,797	7,284	14,086	14,255	113,001	—	113,001	4,392	2,326	7,330	—
Current portion of other self-insured liabilities	8,967	5,632	2,301	3,449	4,558	24,907	—	24,907	662	—	1,228	—
Current portion of estimated third-party payor liabilities	17,766	15,562	3,154	7,840	7,800	52,122	—	52,122	1,535	—	—	—
Due to related parties	17,728	2,599	4,773	5,373	16,813	47,286	(24,935)	22,351	4,232	8,833	20,727	22,568
Other liabilities	—	—	—	—	—	—	—	—	—	12,618	58	—
<b>Total current liabilities</b>	<b>115,739</b>	<b>117,150</b>	<b>31,137</b>	<b>43,241</b>	<b>58,427</b>	<b>365,694</b>	<b>(24,935)</b>	<b>340,759</b>	<b>19,218</b>	<b>40,966</b>	<b>67,329</b>	<b>22,981</b>
Long-term debt, net of current portion	78,217	170,209	50,057	56,450	64,023	418,956	—	418,956	13,379	24,787	30,671	—
Estimated third-party payor liabilities, net of current portion	8,931	6,653	2,888	1,124	13,815	33,411	—	33,411	1,158	—	—	—
Other self-insured liabilities, net of current portion	38,189	23,247	13,433	17,340	22,004	114,213	—	114,213	—	—	—	4,204
Estimated malpractice liabilities	81,423	23,672	42,971	31,624	29,067	208,757	—	208,757	11,913	—	—	65,054
Other long-term liabilities	10,767	17,335	2,890	1,774	3,042	35,808	—	35,808	260	19,111	4,589	—
Due to related parties, net of current portion	—	—	21,235	13,275	30,069	64,579	(8,822)	55,757	11,700	89,421	—	—
<b>Total liabilities</b>	<b>333,268</b>	<b>358,268</b>	<b>164,611</b>	<b>164,828</b>	<b>220,447</b>	<b>1,241,418</b>	<b>(33,757)</b>	<b>1,207,661</b>	<b>57,828</b>	<b>174,305</b>	<b>102,569</b>	<b>92,239</b>
<b>Net assets (deficit):</b>												
Unrestricted:												
Attributable to CHS	175,430	651,668	38,506	(22,820)	(23,570)	819,214	15,836	835,050	3,908	58,353	67,357	32,209
Attributable to noncontrolling interests	1,050	—	—	—	—	1,050	—	1,050	—	—	—	—
<b>Total unrestricted</b>	<b>176,480</b>	<b>651,668</b>	<b>38,506</b>	<b>(22,820)</b>	<b>(23,570)</b>	<b>820,264</b>	<b>15,836</b>	<b>836,100</b>	<b>3,908</b>	<b>58,353</b>	<b>67,357</b>	<b>32,209</b>
Temporarily restricted	3,587	3,246	2,136	1,509	870	11,345	—	11,345	485	425	—	—
Permanently restricted	—	—	—	776	—	776	—	776	—	—	—	—
Capital stock and paid-in capital	—	—	—	—	—	—	—	—	—	—	—	2,250
<b>Total net assets (deficit)</b>	<b>180,067</b>	<b>654,914</b>	<b>40,642</b>	<b>(20,538)</b>	<b>(22,700)</b>	<b>832,385</b>	<b>15,836</b>	<b>848,221</b>	<b>4,403</b>	<b>58,778</b>	<b>67,357</b>	<b>34,459</b>
<b>Commitments and contingencies</b>												
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 513,333</b>	<b>1,013,180</b>	<b>205,253</b>	<b>144,290</b>	<b>197,747</b>	<b>2,073,803</b>	<b>(17,921)</b>	<b>2,055,882</b>	<b>62,031</b>	<b>233,083</b>	<b>169,946</b>	<b>126,698</b>

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Balance Sheet

December 31, 2015

(In thousands)

Liabilities and Net Assets	St. Francis Hospital Foundation	St. Francis Research and Educational Corporation	Catholic Home Care & Hospice	Maryhaven	Our Lady of Consolation	Other entities	Subtotal	Consolidating and eliminating entries	CHS consolidated total
<b>Current liabilities:</b>									
Current portion of long-term debt	\$ —	—	—	446	354	—	31,039	—	31,039
Accounts payable and accrued expenses	342	8	7,263	1,989	2,935	2,511	177,192	(8,061)	169,131
Accrued salaries, related withholdings, and benefits	—	—	4,674	2,779	3,002	—	137,504	—	137,504
Current portion of other self-insured liabilities	—	—	1,034	1,792	458	—	30,081	—	30,081
Current portion of estimated third-party payor liabilities	—	—	45	(1,323)	2,482	—	54,861	—	54,861
Due to related parties	7,691	1,635	4,511	694	6,017	1,013	100,272	(100,272)	—
Other liabilities	183	1,172	—	8,621	—	—	22,652	—	22,652
<b>Total current liabilities</b>	<b>8,216</b>	<b>2,815</b>	<b>17,527</b>	<b>14,998</b>	<b>15,248</b>	<b>3,524</b>	<b>553,601</b>	<b>(108,333)</b>	<b>445,268</b>
Long-term debt, net of current portion	—	—	—	879	14,185	—	502,857	—	502,857
Estimated third-party payor liabilities, net of current portion	—	—	—	—	—	—	34,569	—	34,569
Other self-insured liabilities, net of current portion	—	—	—	7,006	3,036	—	128,459	—	128,459
Estimated malpractice liabilities	—	—	374	187	1,021	—	287,306	(69,258)	218,048
Other long-term liabilities	—	—	268	4,116	—	—	64,152	—	64,152
Due to related parties, net of current portion	—	—	22,479	2,528	—	—	181,885	(181,885)	—
<b>Total liabilities</b>	<b>8,216</b>	<b>2,815</b>	<b>40,648</b>	<b>29,714</b>	<b>33,490</b>	<b>3,524</b>	<b>1,752,829</b>	<b>(359,476)</b>	<b>1,393,353</b>
<b>Net assets (deficit):</b>									
Unrestricted:									
Attributable to CHS	102,759	9,762	(4,425)	7,358	2,018	(3,687)	1,110,662	4,580	1,115,242
Attributable to noncontrolling interests	—	—	—	—	—	620	1,670	—	1,670
<b>Total unrestricted</b>	<b>102,759</b>	<b>9,762</b>	<b>(4,425)</b>	<b>7,358</b>	<b>2,018</b>	<b>(3,067)</b>	<b>1,112,332</b>	<b>4,580</b>	<b>1,116,912</b>
Temporarily restricted	28,012	—	372	—	918	—	41,567	—	41,567
Permanently restricted	3,122	—	167	—	—	—	4,065	—	4,065
Capital stock and paid-in capital	—	—	—	—	—	1,180	3,430	(3,430)	—
<b>Total net assets (deficit)</b>	<b>133,893</b>	<b>9,762</b>	<b>(3,886)</b>	<b>7,358</b>	<b>2,936</b>	<b>(1,887)</b>	<b>1,161,394</b>	<b>1,150</b>	<b>1,162,544</b>
<b>Commitments and contingencies</b>									
<b>Total liabilities and net assets (deficit)</b>	<b>\$ 142,109</b>	<b>12,577</b>	<b>36,762</b>	<b>37,072</b>	<b>36,426</b>	<b>1,637</b>	<b>2,914,223</b>	<b>(358,326)</b>	<b>2,555,897</b>

See accompanying independent auditors' report.

CATHOLIC HEALTH SERVICES OF LONG ISLAND

Consolidating Schedule – Statement of Operations

Year ended December 31, 2015

(In thousands)

	Good Samaritan Hospital	St. Francis Hospital	Mercy Medical Center	St. Charles Hospital	St. Catherine Medical Center & Subsidiaries	Subtotal	Consolidating and eliminating entries	Obligated Group Subtotal	St. Joseph Hospital	CHSLI	CHS Services	RVC Insurance Company, Inc.
Unrestricted revenues, gains, and other support:												
Net patient service revenues before bad debts	\$ 624,544	630,545	213,164	223,967	225,741	1,917,961	—	1,917,961	103,952	—	—	—
Provision for bad debts, net	(17,835)	(7,200)	(6,401)	(4,328)	(5,017)	(40,781)	—	(40,781)	(1,258)	—	—	—
Net patient services revenue	606,709	623,345	206,763	219,639	220,724	1,877,180	—	1,877,180	102,694	—	—	—
Investment income, net	1,994	10,524	143	80	266	13,007	—	13,007	31	1,274	1	1,068
Contributions, net	419	1	63	143	8	634	—	634	1	—	11	—
Other revenue	23,917	11,548	5,744	4,648	7,177	53,034	(14,855)	38,179	1,485	31,603	126,441	27,138
Gain on sale of properties, net	—	—	1,552	—	49,679	51,231	—	51,231	—	—	—	—
Net assets released from restrictions used for operations	195	15	61	158	104	533	—	533	—	86	—	—
Total revenues, gains, and other support	633,234	645,433	214,326	224,668	277,958	1,995,619	(14,855)	1,980,764	104,211	32,963	126,453	28,206
Expenses:												
Salaries	276,508	284,815	96,833	115,086	103,708	876,950	—	876,950	47,386	8,071	73,100	—
Employee benefits	83,811	70,891	28,974	30,363	37,863	251,902	—	251,902	17,646	2,121	23,278	—
Supplies and other expenses	169,204	178,261	45,059	49,662	57,527	499,713	(14,725)	484,988	29,069	13,624	28,747	1,247
Insurance	16,957	8,324	8,206	5,275	5,792	44,554	—	44,554	3,597	11	227	15,919
Depreciation, amortization, and impairment	22,008	25,977	9,128	7,554	7,794	72,461	—	72,461	2,844	888	17,774	—
Interest	490	4,546	379	1,739	4,614	11,768	—	11,768	198	7,862	1,051	—
CHS Services, Inc.	37,058	33,554	16,095	14,180	14,940	115,827	—	115,827	7,218	—	—	—
CHS corporate office allocation	7,916	7,518	2,897	2,605	3,119	24,055	—	24,055	1,448	—	—	—
Total expenses	613,952	613,886	207,571	226,464	235,357	1,897,230	(14,725)	1,882,505	109,406	32,577	144,177	17,166
Operating income (loss) before nonoperating gains (losses)	19,282	31,547	6,755	(1,796)	42,601	98,389	(130)	98,259	(5,195)	386	(17,724)	11,040
Nonoperating (losses) gains:												
Change in unrealized losses on trading investments, net	(2,103)	(12,534)	(48)	(7)	(91)	(14,783)	—	(14,783)	—	(1,208)	—	(1,296)
Other nonoperating gains (losses), net	—	—	—	33	(2,624)	(2,591)	—	(2,591)	—	—	(138)	—
Income attributable to noncontrolling interests	(811)	—	—	—	—	(811)	—	(811)	—	—	—	—
Excess (deficiency) of revenues, gains, and other support over expenses	16,368	19,013	6,707	(1,770)	39,886	80,204	(130)	80,074	(5,195)	(822)	(17,862)	9,744
Other changes in benefit plan unrestricted net assets:												
Postretirement changes other than net periodic benefit cost	287	(469)	(15)	112	328	243	—	243	—	—	—	—
Net assets released from restrictions for purchase of property, plant, and equipment	832	59	405	223	181	1,700	—	1,700	169	—	—	—
Grant income for purchases of property, plant, and equipment	318	292	443	208	260	1,521	—	1,521	69	—	—	—
Transfer (to) from Catholic Health Services of Long Island	246	95	378	405	6,238	7,362	—	7,362	7,337	(21,262)	(5,000)	—
Transfer (to) from CHS Services, Inc.	(8,968)	(8,531)	(3,271)	(2,893)	(3,253)	(26,914)	—	(26,914)	(1,631)	5,000	28,658	—
Transfers (to) from related parties	(38)	15,170	—	—	38	15,170	—	15,170	—	—	—	—
Increase (decrease) in unrestricted net assets	\$ 9,047	25,629	4,647	(3,715)	43,678	79,286	(130)	79,156	749	(17,084)	5,796	9,744

**CATHOLIC HEALTH SERVICES OF LONG ISLAND**

Consolidating Schedule – Statement of Operations

Year ended December 31, 2015

(In thousands)

	St. Francis Hospital Foundation	St. Francis Research and Educational Corporation	Catholic Home Care & Hospice	Maryhaven	Our Lady of Consolation	Other entities	Subtotal	Consolidating and eliminating entries	CHS consolidated total
Unrestricted revenues, gains, and other support:									
Net patient service revenues before bad debts	\$ —	—	100,776	—	53,913	—	2,176,602	(417)	2,176,185
Provision for bad debts, net	—	—	(969)	—	(540)	—	(43,548)	—	(43,548)
Net patient services revenue	—	—	99,807	—	53,373	—	2,133,054	(417)	2,132,637
Investment income, net	2,046	—	11	53	101	—	17,592	(596)	16,996
Contributions, net	2,171	—	304	321	10	—	3,452	—	3,452
Other revenue	—	4,050	251	80,556	192	829	310,724	(186,738)	123,986
Gain on sale of properties, net	—	—	1,395	—	—	—	52,626	—	52,626
Net assets released from restrictions used for operations	547	—	106	—	42	—	1,314	—	1,314
Total revenues, gains, and other support	4,764	4,050	101,874	80,930	53,718	829	2,518,762	(187,751)	2,331,011
Expenses:									
Salaries	634	4,694	53,406	45,871	28,588	1,842	1,140,542	—	1,140,542
Employee benefits	184	900	18,939	21,801	9,602	34	346,407	—	346,407
Supplies and other expenses	583	1,319	21,771	12,866	10,251	184	604,649	(6,926)	597,723
Insurance	—	41	497	774	996	82	66,698	(27,138)	39,560
Depreciation, amortization, and impairment	—	1,313	1,130	1,789	1,295	2	99,497	—	99,497
Interest	—	—	7	174	643	—	21,703	(596)	21,107
CHS Services, Inc.	—	—	1,168	689	886	—	125,788	(125,788)	—
CHS corporate office allocation	—	—	369	240	217	—	26,329	(26,329)	—
Total expenses	1,401	8,267	97,287	84,204	52,479	2,144	2,431,613	(186,777)	2,244,836
Operating income (loss) before nonoperating gains (losses)	3,363	(4,217)	4,587	(3,274)	1,239	(1,315)	87,149	(974)	86,175
Nonoperating (losses) gains:									
Change in unrealized losses on trading investments, net	(2,589)	—	—	(17)	(31)	—	(19,924)	—	(19,924)
Other nonoperating gains (losses), net	—	—	—	—	—	—	(2,729)	—	(2,729)
Income attributable to noncontrolling interests	—	—	—	—	—	63	(748)	—	(748)
Excess (deficiency) of revenues, gains, and other support over expenses	774	(4,217)	4,587	(3,291)	1,208	(1,252)	63,748	(974)	62,774
Other changes in benefit plan unrestricted net assets:									
Postretirement changes other than net periodic benefit cost	—	—	—	—	—	—	243	—	243
Net assets released from restrictions for purchase of property, plant, and equipment	6,564	—	—	—	—	—	8,433	—	8,433
Grant income for purchases of property, plant, and equipment	—	—	—	235	137	—	1,962	—	1,962
Transfer (to) from Catholic Health Services of Long Island	—	—	(15)	5,270	205	129	(5,974)	5,974	—
Transfer (to) from CHS Services, Inc.	—	—	(38)	(39)	(36)	—	5,000	(5,000)	—
Transfers (to) from related parties	(19,546)	4,376	—	—	—	—	—	—	—
Increase (decrease) in unrestricted net assets	\$ (12,208)	159	4,534	2,175	1,514	(1,123)	73,412	—	73,412

See accompanying independent auditors' report.

**St. Francis Hospital**  
**Consolidated Comparative Balance Sheets**  
(\$ In thousands)

<u>ASSETS</u>	<u>2/28/17</u>	<u>12/31/16</u>	<u>LIABILITIES AND NET ASSETS</u>	<u>2/28/17</u>	<u>12/31/16</u>
Current assets:			Current liabilities:		
Cash and cash equivalents	\$ 27,513	\$ 27,433	Current portion of long-term debt	\$ 3,651	\$ 3,651
Investments	315,743	309,553	Accounts payable and accrued expenses	41,559	55,637
Assets whose use is limited - current	-	1,751	Accrued salaries, related withholdings, and benefits	59,806	53,381
Patient accounts receivable (Less allowance for uncollectible of \$6,195 (2017) and \$5,625 (2016))	99,836	97,445	Current portion of other self-insured liabilities	8,672	9,658
Other Receivables	12,233	8,307	Current portion of estimated third party payor and other liabilities, net	22,490	22,114
Inventories	11,038	11,023	Current portion of estimated malpractice liabilities	-	-
Prepaid expenses and other current assets	9,271	7,015	Due to related parties, net	16,073	14,713
Due from related parties	12,959	25,631	Due to affiliates	-	-
	<u>488,593</u>	<u>488,158</u>		<u>152,251</u>	<u>159,154</u>
Total current assets			Total current liabilities		
Assets whose use is limited:			Long-term debt, net of current portion	100,633	100,713
Board designated investments	5,621	5,453	Estimated third party payor and other liabilities, net of current portion	7,275	7,337
Restricted funds	2,724	2,686	Other self-insured liabilities, net of current portion	23,245	23,245
Funded Depreciation	302,383	285,728	Estimated malpractice liabilities, net of current portion	38,233	38,182
Trustee held and other agreements	3,773	3,773	Other long-term liabilities, net of current portion	19,828	19,756
Bond Indenture	28	1,779		<u>341,465</u>	<u>348,387</u>
Total assets whose use is limited	<u>314,529</u>	<u>299,419</u>	Total Liabilities		
Less assets limited as to use and required for current liabilities	-	(1,751)			
	<u>314,529</u>	<u>297,668</u>	Net Assets:		
Due from related parties, net of current portion	672	672	Unrestricted	781,733	760,127
Due from affiliates	582	601	Temporarily restricted	2,724	2,686
Long-term investments, net of current portion	-	-		<u>784,457</u>	<u>762,813</u>
Other Assets	13,306	13,306	Total net assets		
Insurance Claims Receivable	43,752	43,752		<u>\$ 1,125,922</u>	<u>\$ 1,111,200</u>
Property and equipment, net	264,488	267,043	Total liabilities and net assets		
	<u>\$ 1,125,922</u>	<u>\$ 1,111,200</u>			
Total assets					

St. Francis Hospital (hospital only)  
Consolidated Statements of Operations  
February 28, 2017  
(In thousands)

Month end February					Two months ended February					
2017 Actual	2017 Budget	Budget Variances	2016 Actual	Increase/ (Decrease)		2017 Actual	2017 Budget	Budget Variances	2016 Actual	Increase/ (Decrease)
					Unrestricted revenues, gains, and other support:					
50,027	55,031	(5,004)	50,578	(551)	Net patient service revenue	108,622	112,004	(3,382)	102,125	6,497
(372)	(372)	-	(361)	(11)	Provision for bad debts, net	(760)	(760)	-	(750)	(10)
49,655	54,659	(5,004)	50,217	(562)	Net patient service revenue less provision for bad debts	107,862	111,244	(3,382)	101,375	6,487
1,900	1,124	776	688	1,212	Other Revenue	2,877	2,247	630	1,382	1,495
-	-	-	-	-	Unrestricted contributions	-	-	-	-	-
18	16	2	3	15	Net assets released from restrictions used for operations	40	33	7	10	30
51,573	55,799	(4,226)	50,908	665	Total revenues, gains, and other support	110,779	113,524	(2,745)	102,767	8,012
					Expenses:					
18,218	18,198	(20)	19,611	(1,393)	Salaries	37,980	37,878	(102)	40,771	(2,791)
4,914	5,241	327	5,502	(588)	Employee benefits	10,375	10,663	288	11,456	(1,081)
14,428	15,391	963	14,012	416	Supplies and other expenses	29,830	31,374	1,544	28,231	1,599
664	717	53	663	1	Insurance	1,314	1,434	120	1,295	19
1,951	2,172	221	2,002	(51)	Depreciation and amortization	3,893	4,344	451	3,985	(92)
360	356	(4)	373	(13)	Interest	721	712	(9)	746	(25)
4,226	4,226	-	3,684	542	Finance and technology services	8,453	8,453	-	7,368	1,085
712	712	-	759	(47)	CHSLI corporate office allocation	1,425	1,425	-	1,518	(93)
45,473	47,013	1,540	46,606	(1,133)	Total expenses	93,991	96,283	2,292	95,370	(1,379)
6,100	8,786	(2,686)	4,302	1,798	Operating income (prior to effect of PC expenses)	16,788	17,241	(453)	7,397	9,391
(1,664)	(1,842)	178	51	(1,715)	PC contracted management fee expenses	(3,592)	(3,826)	234	51	(3,643)
4,436	6,944	(2,508)	4,353	83	Operating income	13,196	13,415	(219)	7,448	5,748
					Nonoperating gains (losses):					
663	713	(50)	304	359	Investment income	1,205	1,425	(220)	789	416
10,521	-	10,521	(295)	10,816	Change in unrealized gains (losses) on trading investments, net	17,548	-	17,548	(13,689)	31,237
-	-	-	-	-	Loss on debt extinguishment	-	-	-	-	-
-	-	-	-	-	Other nonoperating gains	-	-	-	-	-
15,620	7,657	7,963	4,362	11,258	Excess (Deficiency) of revenues, gains, and other support over expenses	31,949	14,840	17,109	(5,452)	37,401
					Other changes in unrestricted net assets:					
-	-	-	-	-	Postretirement benefit plan changes other than net periodic benefit cost	-	-	-	-	-
-	6	(6)	-	-	Net assets released from restrictions for purchase of property and equipment	-	11	(11)	-	-
-	-	-	10	(10)	Grant income for purchases of property and equipment	-	-	-	10	(10)
(1,295)	(1,295)	-	(1,314)	19	Transfers (to) from related parties:	(2,589)	(2,589)	-	(2,628)	39
42	736	(694)	44	(2)	CHS Services/CHSLI	52	1,472	(1,420)	137	(85)
-	-	-	-	-	St. Francis Hospital Foundation	-	-	-	-	-
(3,555)	(3,723)	168	(2,314)	(1,241)	St. Francis Research & Education Corp	-	-	-	-	-
-	-	-	-	-	St. Francis Hospital P.C. Practices	(7,806)	(7,663)	(143)	(4,673)	(3,133)
-	-	-	-	-	Other Related Party Transfers	-	-	-	-	-
10,812	3,381	7,431	788	10,024	Increase (Decrease) in unrestricted net assets	21,606	6,071	15,535	(12,606)	34,212

CON# 171289  
Financial Summary- Albany County Nursing Home

	FISCAL PERIOD ENDED		
	<u>12/31/14</u>	<u>12/31/15</u>	Draft <u>12/31/16</u>
ASSETS - CURRENT	\$14,104,152	\$5,852,532	\$10,856,959
ASSETS - FIXED AND OTHER	3,709,920	5,017,342	5,991,230
LIABILITIES - CURRENT	5,980,584	9,289,715	14,343,471
LIABILITIES - LONG-TERM	<u>30,122,225</u>	<u>31,347,166</u>	<u>28,682,321</u>
EQUITY	(\$18,288,737)	(\$29,767,007)	(\$26,177,603)
<hr/>			
INCOME	\$15,149,747	\$14,979,651	\$17,291,012
EXPENSE	<u>29,506,573</u>	<u>27,956,167</u>	<u>27,298,767</u>
NET INCOME	(\$14,356,826)	(\$12,976,516)	(\$10,007,755)
<hr/>			
NUMBER OF BEDS	250	250	250
PERCENT OF OCCUPANCY (DAYS)	88.50%	88.00%	88.53%
<hr/>			
Medicaid	86.60%	85.10%	78.10%
Medicare	3.20%	4.20%	3.90%
Private Pay/Other	10.20%	10.70%	18.00%

ALBANY COUNTY NURSING HOME

**STATEMENT OF NET POSITION - UNAUDITED SCHEDULE  
DECEMBER 31, 2016**

**ASSETS AND DEFERRED OUTFLOWS**

<b>CURRENT ASSETS</b>	<b>2016</b>
Cash	\$ 1,844,654
Custodial accounts	63,400
Accounts receivable - resident, net	3,690,948
Inter-governmental transfer	4,708,141
Due from County	56,440
Inventories	91,833
Prepaid expenses	134,307
Workers' compensation reserve	267,235
<b>TOTAL CURRENT ASSETS</b>	<b>10,856,959</b>
<b>CAPITAL ASSETS, net</b>	<b>4,343,887</b>
<b>DEFERRED OUTFLOWS</b>	<b>1,647,343</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$16,848,189</b>

**LIABILITIES. DEFERRED INFLOWS. AND NET POSITION**

<b>CURRENT LIABILITIES</b>	
Bonds payable, current installments	\$ 20,544
Accounts payable	1,054,981
Accrued payroll and related liabilities	1,073,330
Due to County	6,066,529
Due to employees' retirement system	1,271,305
Third-party settlements	1,437,383
Custodial accounts	63,400
Bond anticipation notes payable	3,356,000
<b>TOTAL CURRENT LIABILITIES</b>	<b>14,343,471</b>
<b>NONCURRENT LIABILITIES</b>	
Bonds payable, less current installments	288,516
Due to employees' retirement system	2,512,486
Net pension liability	1,828,100
Other postemployment benefits	26,557,937
<b>TOTAL LIABILITIES</b>	<b>45,530,510</b>
<b>DEFERRED INFLOWS</b>	<b>160,127</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	
<b>NET POSITION</b>	
Invested in capital assets, net of related debt	1,559,742
Unrestricted, net deficit	(30 190)
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION</b>	<b>\$16,848,189</b>

**ALBANY COUNTY NURSING HOME**

**STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION -**  
**UNAUDITED SCHEDULE**  
**DECEMBER 31, 2016**

<b>OPERATING REVENUES</b>	<b><u>2016</u></b>
Net resident service revenues	\$ 17,281,257
Other	<u>9,755</u>
<b>TOTAL OPERATING REVENUES</b>	<b><u>17,291,012</u></b>
<b>OPERATING EXPENSES</b>	
Nursing	4,688,246
Nursing administration	1,293,823
Other medical services	2,169,294
Dietary	2,121,568
Plant operations and maintenance	1,093,877
Housekeeping	668,654
Laundry and linen	458,622
Fiscal services	754,761
Administration	1,453,646
Employee benefits	9,912,665
Employee benefits, other postemployment benefits	-
New York State assessment	1,031,899
County cost allocations	1,289,277
Depreciation	362,434
Interest	-
<b>TOTAL OPERATING EXPENSES</b>	<b><u>27,298,767</u></b>
<b>OPERATING LOSS</b>	<b>(10,007,755)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Inter-governmental transfer funds	10,872,043
Refund of inter-governmental transfer funds	-
Interest income	7,800
Other	<u>52,471</u>
<b>NET LOSS BEFORE COUNTY SUBSIDY</b>	<b>924,559</b>
<b>COUNTY SUBSIDY</b>	<b><u>-</u></b>
<b>CHANGES IN NET POSITION</b>	<b>924,559</b>
<b>NET DEFICIT, BEGINNING OF YEAR</b>	<b><u>(29,767,007)</u></b>
<b>NET DEFICIT, END OF YEAR</b>	<b><u>\$(28,842,448)</u></b>

**Albany County Nursing Home**

**BFA Attachment B  
CON# 121789**

Budget Sensitivity

<u>Payor</u>	<u>Utilization as of 6/30/2017</u>	<u>Budgeted Days</u>	<u>Per Diem</u>	<u>Revised Revenues</u>
Medicaid	68.06%	52,118	\$294.17	\$15,331,642
Medicare	3.15%	2,412	\$450.00	1,085,479
Commercial	25.41%	19,458	\$294.17	5,724,023
Private Pay	<u>3.38%</u>	<u>2,588</u>	\$500.00	<u>1,294,151</u>
	100.00%	76,577		
Total Revenues annualized excluding assessment revenues				\$23,435,296
Total Inpatient Revenues as budgeted for first year				<u>30,059,200</u>
Decrease in first year budgeted revenues				(\$6,623,904)

Total patient days as of June 30, 2017= 37,973/45,250=83.92% x 91,250=76,577 days annualized.

Pro Forma Balance Sheet of Manhattan RSC, LLC d/b/a Manhattan  
Reproductive Surgery Center

ASSETS

Cash	
Leasehold Improvements	\$2,512,080
Movable Equipment	\$986,328
Organization Expenses	\$784,000
Security Deposit	\$680,355
TOTAL ASSETS	\$4,962,763

Liabilities and Member Equity

LIABILITIES

Leasehold Improvement Loan	\$2,000,000
Equipment Loan	\$800,000

TOTAL LIABILITIES \$2,800,000

MEMBER EQUITY	\$1,482,408
Landlord Infusion	\$680,355
TOTAL LIABILITIES AND MEMBER EQUITY	\$4,962,763

<b>Doctors Admitting Privileges</b>	
<u>Doctors Name</u>	<u>Facility</u>
Dr. George Kofinas	The NYP Brooklyn Methodist Hospital
Dr. Alexander Kofinas	The NYP Brooklyn Methodist Hospital
Dr. Melissa Montes	The NYP Brooklyn Methodist Hospital
Dr. Levica Narine	The NYP Brooklyn Methodist Hospital
Dr. Eli Serur	The Brooklyn Hospital Center
Dr. Mark Pillitteri	The Good Samaritan Hospital Center in West Islip, NY
Dr. James Reilly	Richmond University Medical Center in Staten Island, NY
Dr. Gary Fiasconaro	The NYP Brooklyn Methodist Hospital
Dr. Peter Brzechffa	The NYP Brooklyn Methodist Hospital
Dr. Michael Schirripa	Staten Island University Hospital
Dr. Santo Fiasconaro	The NYP Brooklyn Methodist Hospital

**Day-Op Center of Long Island, Inc.**

	<u>1/1/17 - 4/30/17</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$1,329,922	\$1,186,192	\$721,705
Non-Current Assets	<u>31,038</u>	<u>31,038</u>	<u>1,298,227</u>
Total Assets	\$1,360,960	\$1,217,230	\$2,019,932
Current Liabilities	2,489,978	2,037,866	424,679
Long Term Liabilities	<u>17,925</u>	<u>13,261</u>	<u>2,644,007</u>
Total Liabilities	2,507,903	2,051,127	3,068,686
Net Assets	(\$1,146,943)	(\$833,897)	(\$1,048,754)
Working Capital Position	(\$1,160,056)	(\$851,674)	\$297,026
Operating Revenues	\$953,813	\$3,578,036	\$4,071,244
Operating Expenses	<u>1,479,243</u>	<u>4,414,677</u>	<u>4,232,296</u>
Operating Net Income	(\$525,430)	(\$836,641)	(\$161,052)

## Day-Op Center of Long Island, Inc.

## Pro Forma Balance Sheet

<b>ASSETS</b>	
<b>Current assets</b>	
Cash and cash equivalents	\$ 1,394,014
Accounts receivable, net	504,231
Total current assets	<u>1,898,245</u>
Property and Equipment, Net	<u>985,448</u>
<b>Other Assets</b>	
Due from Related Party	312,779
<b>Total Assets</b>	<b><u>\$ 3,196,472</u></b>
<b>LIABILITIES AND STOCKHOLDER'S DEFICIT</b>	
<b>Current liabilities</b>	
Accounts payable and accrued liabilities	\$ 207,696
Current portion of capital lease obligation	216,983
Total current liabilities	<u>424,679</u>
<b>Long-Time Liabilities</b>	
Due to Related Party	612,966
Capital Lease Obligation, Net of current portion	<u>2,031,041</u>
<b>Total Liabilities</b>	<b><u>\$ 3,068,686</u></b>
<b>STOCKHOLDER'S DEFICIT</b>	
Common Stock, \$0 Par Value; 200 Shares authorized, issued and outstanding	-
Additional Paid-In Capital	13,643,843
Accumulated Deficit	<u>(13,516,057)</u>
Total Stockholder's Deficit	<u>127,786</u>
	<b><u>\$3,196,472</u></b>

PLEASE NOTE: To the extent that there are any working capital needs resulting from this project, David Cooper, M.D. (Dr. Cooper) will personally fund these needs. Based on Dr. Cooper's Schedule 2B, he has \$31,180,608 in liquid assets, which are available for cash flow purposes.

Pro Forma Balance Sheet

<b>ASSETS:</b>	
Cash	\$1,461,064
Equipment	<u>250,000</u>
<b>TOTAL ASSETS</b>	<b>\$1,711,064</b>
<b>LIABILITIES</b>	<b>\$0</b>
<b>NET ASSETS</b>	<b>\$1,711,064</b>

AMBULATORY SURGERY CENTER OF BROOKLYN, LLC

BALANCE SHEET

DECEMBER 31, 2015

(See Accountants' Compilation Report)

ASSETS

**Current Assets:**

Accounts receivable	\$ 763,000
Employee receivables	82,351
Medical supplies inventory	140,000
Medical instruments inventory	<u>120,000</u>

**Total Current Assets** \$1,105,351

**Property and Equipment:**

Land	6,000
Medical equipment	2,565,110
Surgical equipment and instruments	94,869
Office equipment	214,575
Leasehold improvements	<u>536,873</u>
	3,417,427
Less: Accumulated depreciation	<u>2,675,002</u>

**Total Property and Equipment** 742,425

**Other Assets:**

Ambulatory surgical license	3,162,000
Closing costs - net of amortization of \$8,813	187
Security deposit - Con Edison	<u>15,940</u>

**Total Other Assets** 3,178,127

**Total Assets** \$5,025,903

AMBULATORY SURGERY CENTER OF BROOKLYN, LLC  
BALANCE SHEET  
DECEMBER 31, 2015  
(See Accountants' Compilation Report)

LIABILITIES AND MEMBERS' EQUITY

**Current Liabilities:**

Accounts payable and accrued expenses	\$ 603,318
Bank loan	940,935
Loans payable - current portion	730,479
Loans payable - Terry Lazar	<u>1,065,495</u>

**Total Current Liabilities** \$3,340,227

**Long-Term Liabilities:**

Loans payable - long-term portion	<u>1,568,740</u>
-----------------------------------	------------------

**Total Liabilities** 4,908,967

**Members' Equity**

116,936

**Total Liabilities and Members' Equity** \$5,025,903

**AMBULATORY SURGERY CENTER OF BROOKLYN, LLC**  
**STATEMENT OF OPERATIONS AND MEMBERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**  
**(See Accountants' Compilation Report)**

<b>Operating Revenues:</b>		
Medical income		\$2,442,877
<b>Operating Expenses:</b>		
Salaries, compensation and payroll taxes	\$1,456,157	
Patient care	978,716	
Marketing	10,274	
Facilities expense	131,779	
Equipment rentals and leases	122,168	
General and administrative	<u>365,637</u>	
<b>Total Operating Expenses</b>		<u>3,064,731</u>
<b>Loss from Operations</b>		(621,854)
<b>Other Income</b>		<u>81,348</u>
<b>Loss before Depreciation and Amortization</b>		(540,506)
Depreciation and amortization		<u>132,216</u>
<b>Net Loss</b>		<u>\$ (672,722)</u>
<b>Members' Equity - January 1, 2015</b>		\$ 861,887
<b>Net Loss</b>		(672,722)
<b>Capital Contributions</b>		<u>104,061</u>
<b>Distributions</b>		<u>(176,290)</u>
<b>Members' Equity - December 31, 2015</b>		<u>\$ 116,936</u>

See accompanying notes to financial statements.

**AMBULATORY SURGERY CENTER OF BROOKLYN, LLC**

**BALANCE SHEET**

**DECEMBER 31, 2016**

**(See Accountants' Compilation Report)**

**ASSETS**

**Current Assets:**

Accounts receivable	\$ 231,556
Employee receivables	82,351
Medical supplies inventory	140,000
Medical instruments inventory	<u>120,000</u>

**Total Current Assets** \$ 573,907

**Property and Equipment:**

Land	6,000
Medical equipment	2,497,206
Surgical equipment and instruments	94,869
Office equipment	214,575
Leasehold improvements	<u>536,873</u>
	<u>3,349,523</u>
Less: Accumulated depreciation	<u>2,703,970</u>

**Total Property and Equipment** 645,553

**Other Assets:**

Ambulatory surgical license	3,162,000
Security deposit - Con Edison	<u>15,940</u>

**Total Other Assets** 3,177,940

**Total Assets** \$4,397,400

**AMBULATORY SURGERY CENTER OF BROOKLYN, LLC**  
**BALANCE SHEET**  
**DECEMBER 31, 2016**  
**(See Accountants' Compilation Report)**

**LIABILITIES AND MEMBERS' EQUITY**

<b>Current Liabilities:</b>	
Accounts payable and accrued expenses	\$ 665,313
Bank loan	940,935
Loans payable - current portion	895,713
Loans payable - Terry Lazar	<u>1,375,050</u>
<b>Total Current Liabilities</b>	<b>\$3,877,011</b>
<b>Long-Term Liabilities:</b>	
Loans payable - long-term portion	<u>1,568,740</u>
<b>Total Liabilities</b>	<b>5,445,751</b>
<b>Members' Equity</b>	<b><u>(1,048,351)</u></b>
<b>Total Liabilities and Members' Equity</b>	<b><u>\$4,397,400</u></b>

**AMBULATORY SURGERY CENTER OF BROOKLYN, LLC**  
**STATEMENT OF OPERATIONS AND MEMBERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**  
**(See Accountants' Compilation Report)**

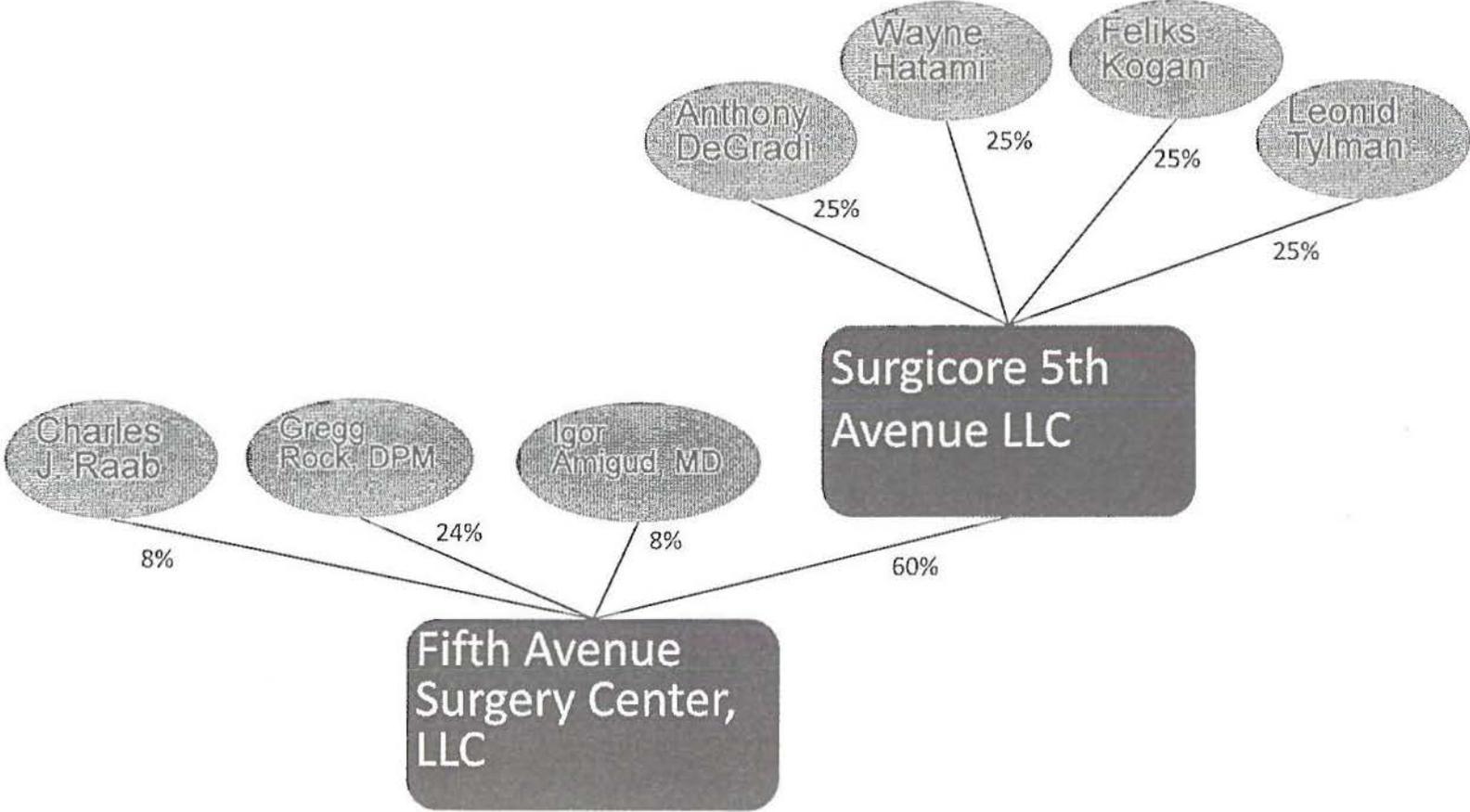
<b>Operating Revenues:</b>		
Medical income		\$ 755,741
<b>Operating Expenses:</b>		
Salaries, compensation and payroll taxes	\$ 1,003,430	
Patient care	452,640	
Marketing	300	
Facilities expense	124,203	
Equipment rentals and leases	15,000	
General and administrative	226,036	
<b>Total Operating Expenses</b>		<u>1,821,609</u>
<b>Loss from Operations</b>		(1,065,868)
<b>Other Income</b>		<u>30,204</u>
<b>Loss before Depreciation and Amortization</b>		(1,035,664)
Depreciation and amortization		<u>73,655</u>
<b>Net Loss</b>		<u><u>\$(1,109,319)</u></u>
<b>Members' Equity - January 1, 2016</b>		\$ 116,936
<b>Net Loss</b>		(1,109,319)
<b>Capital Contributions</b>		37,328
<b>Distributions</b>		<u>(93,296)</u>
<b>Members' Equity - December 31, 2016</b>		<u><u>\$(1,048,351)</u></u>

**EXHIBIT A**

**MEMBERS AND SALE INTERESTS**

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

# Post-Closing Membership



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

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

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

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ASSETS

CURRENT ASSETS

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

FIXED ASSETS - AT COST - (NOTE A)

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

FIFTH AVENUE SURGERY CENTER, LLC

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

DECEMBER 31, 2015

LIABILITIES & MEMBERS' CAPITAL

CURRENT LIABILITIES

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

LONG-TERM LIABILITIES

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

COMMITMENTS & CONTINGENCIES - (Note G)

MEMBERS' CAPITAL - (Note A)

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

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

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

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

BFA Attachment E  
CON 171220

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

Unaudited

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

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

Unaudited

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

BFA Attachment E  
 (Cont'd) CON 171220

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

Unaudited

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

BFA Attachment E  
 (Cont'd) CON 171220

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

Unaudited

**FIFTH AVENUE SURGERY CENTER**

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

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

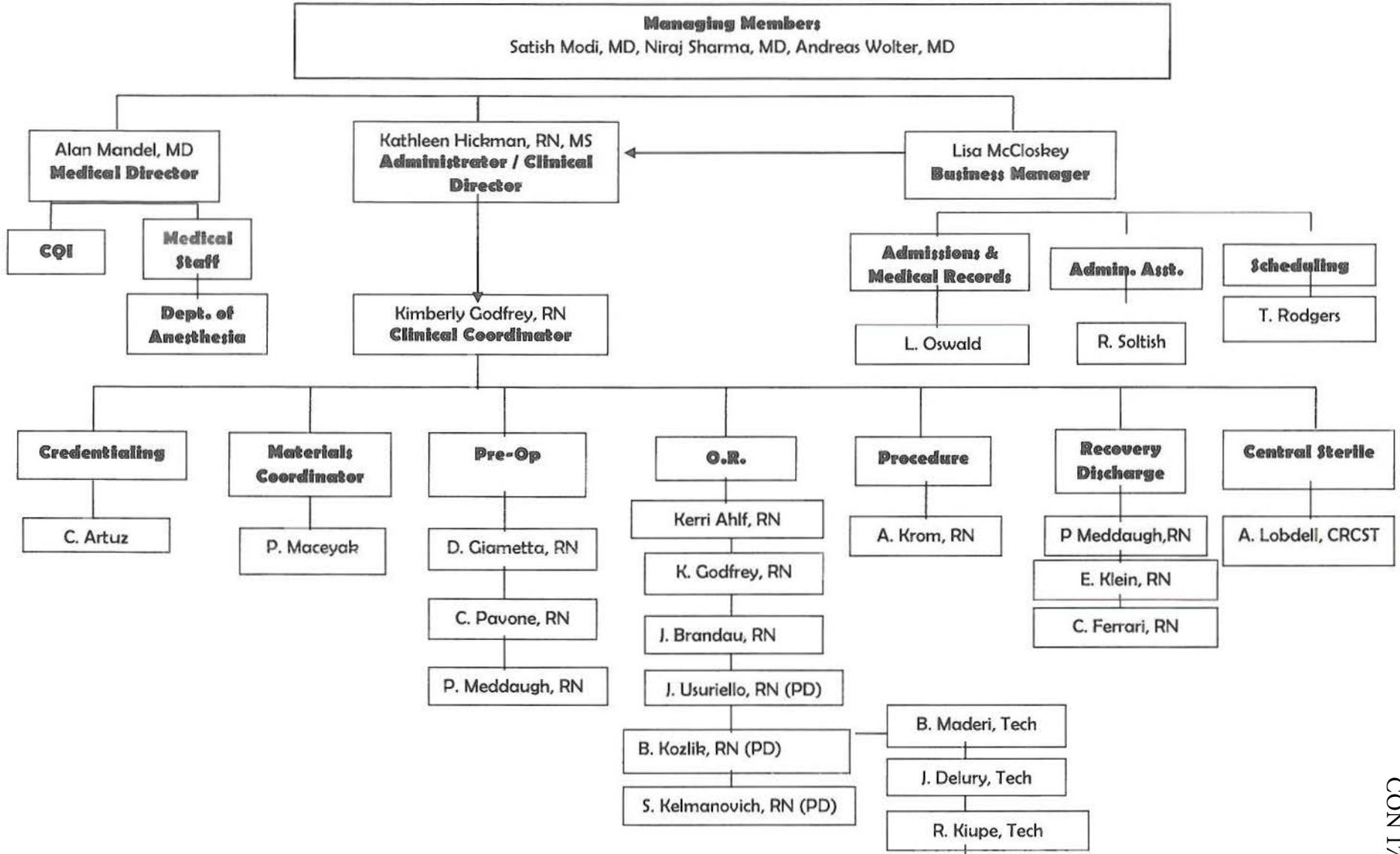
The balance sheet is based on the June 30, 2016 balance sheet for the Center. It includes the payoff of the loans payable to the departing member physicians in the amount of \$40,232, the reduction in members' equity of \$524,269 as a result of these member physicians leaving the Center and it also reflects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

**DASC: Membership List**

<b>Member</b>	<b>Current Membership Interest/Percentage Ownership</b>	<b>Proposed Membership Interest/Percentage Ownership</b>
Satish Modi, MD	25%	7.1%
Niraj Sharma, MD	25%	7.1%
Andreas Wolter, MD	25%	7.1%
Ameet Goyal, MD	25%	7.1%
Evan Goldfischer, MD		7.1%
Scott Kahn, MD		7.1%
Daniel Katz, MD		7.1%
Jason Krumholtz, MD		7.1%
Walter Parker, MD		7.1%
Paul Pietrow, MD		7.1%
Jaspreet Singh, DO		7.1%
Michael Solliday, MD		7.1%
Naeem Rahman, MD		7.1%
Praneeth Vemulapalli, MD		7.1%
Total	100%	100%
Transfer of Ownership		71.4%

# Dutchess Ambulatory Surgical Center, LLC

2017



**Dutchess Ambulatory Surgical Center, LLC**

BFA Attachment D  
CON 171282

Balance Sheets

	<u>December 31,</u>	
	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	\$ 39,672	\$ 144,816
Patient accounts receivable, net of reserves for contractual allowances and uncollectible accounts and the estimated cost of collections	212,816	196,328
Other receivables	13,210	11,500
Medical supplies inventory	18,100	16,200
Prepaid expenses	50,556	52,424
Total current assets	<u>334,354</u>	<u>421,268</u>
<b>EQUIPMENT, FURNITURE AND FIXTURES, AND LEASEHOLD IMPROVEMENTS, net</b>		
Computer equipment	21,507	21,507
Medical and related equipment	1,694,693	1,422,578
Leasehold improvements	858,874	858,874
Furniture and fixtures	18,590	18,590
	<u>2,593,664</u>	<u>2,321,549</u>
Less accumulated depreciation	<u>2,033,217</u>	<u>1,878,762</u>
	<u>560,447</u>	<u>442,787</u>
	<u><b>\$ 894,801</b></u>	<u><b>\$ 864,055</b></u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Current installments of long-term debt	\$ 127,403	\$ 119,023
Accounts payable and accrued expenses	77,523	36,043
Total current liabilities	<u>204,926</u>	<u>155,066</u>
<b>LONG-TERM DEBT, less current installments</b>	256,382	399,181
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>MEMBERS' EQUITY</b>	<u>433,493</u>	<u>309,808</u>
	<u><b>\$ 894,801</b></u>	<u><b>\$ 864,055</b></u>

**Dutchess Ambulatory Surgical Center, LLC**

Statements of Operations and Members' Equity

	<b>Years Ended December 31,</b>	
	<b>2016</b>	<b>2015</b>
<b>REVENUE, net of contractual allowances, bad debts, and patient refunds</b>	<b>\$ 2,685,937</b>	<b>\$ 2,278,078</b>
<b>OPERATING EXPENSES</b>		
Personnel, including related taxes and benefits	1,239,797	1,260,339
Facilities and equipment	502,124	453,946
Medical supplies	660,421	479,237
General and administrative	196,807	122,611
	<u>2,599,149</u>	<u>2,316,133</u>
<b>Operating income (loss)</b>	<b>86,788</b>	<b>(38,055)</b>
<b>INTEREST EXPENSE</b>	<u>13,103</u>	<u>11,759</u>
<b>Net income (loss)</b>	<b>73,685</b>	<b>(49,814)</b>
<b>MEMBERS' EQUITY, beginning of year</b>	309,808	239,622
Capital contributions from existing members	50,000	150,000
Distributions to members	<u>-</u>	<u>(30,000)</u>
<b>MEMBERS' EQUITY, end of year</b>	<b><u>\$ 433,493</u></b>	<b><u>\$ 309,808</u></b>

# DUTCHESS AMBULATORY SURGICAL CENTER, LLC

## Internal Balance Sheet, April 2017

April 2017

### ASSETS

Current Assets:		
Cash in Bank - Chase frmr Bank of NY	\$236,794.40	
	-----	
TOTAL Current Assets		\$236,794.40
Fixed Assets:		
Equipment	1,697,562.49	
Computer Equipment	21,506.57	
Furniture & Fixtures	18,589.84	
Leasehold Improvements	907,741.58	
Accumulated Depreciation	(2,113,385.15)	
	-----	
TOTAL Fixed Assets		532,015.33
Other Assets:		
Accumulated Amortization	5,392.00	
Negative Section 754 Asset	(18,720.00)	
	-----	
TOTAL Other Assets		(13,328.00)
		-----
TOTAL ASSETS		\$755,481.73
		=====

### LIABILITIES

Current Liabilities:		
Accounts Payable	\$271,047.79	
Loan/Note Payable, Chase Bank, buyoutx11	206,456.77	
Cap Lease Alcon Cent & ORA	147,037.00	
	-----	
TOTAL Current Liabilities		\$624,541.56
		-----
TOTAL LIABILITIES		624,541.56

### EQUITY

Buy-in, Capital Contributions	0.00	
Capital	90,585.51	
Year-to-Date Earnings	40,354.66	
	-----	
TOTAL EQUITY		130,940.17
		-----
TOTAL LIABILITIES & EQUITY		\$755,481.73
		=====

# DUTCHESS AMBULATORY SURGICAL

BFA Attachment E  
(Cont'd) CON 171282

## Income Statement

	1 Month Ended April 30, 2017		4 Months Ended April 30, 2017	
Income				
Income	\$221,491.81	101.9%	\$945,862.41	100.8%
TOTAL Income	221,491.81	101.9%	945,862.41	100.8%
Adjustments				
Refunds	(4,232.54)	-1.9%	(7,714.05)	-0.8%
TOTAL Adjustments	(4,232.54)	-1.9%	(7,714.05)	-0.8%
NET REVENUE	217,259.27	100.0%	938,148.36	100.0%
Expenses				
Salaries	72,240.61	33.3%	284,768.84	30.4%
Payroll Taxes & benefits	5,215.72	2.4%	24,484.14	2.6%
Real Estate Taxes	4,292.59	2.0%	17,168.71	1.8%
Advertising/Promotion	156.30	0.1%	625.20	0.1%
Recruiting	0.00	0.0%	318.00	0.0%
Bank Fees	357.80	0.2%	1,801.06	0.2%
Computer Support	149.00	0.1%	3,319.59	0.4%
Cleaning Service/Supplies	1,292.09	0.6%	5,168.36	0.6%
Consultant's Fees	7,472.85	3.4%	21,839.94	2.3%
Billing Services	7,000.00	3.2%	28,000.00	3.0%
Dues & Publications	299.00	0.1%	827.00	0.1%
Employee Recertifications	165.00	0.1%	165.00	0.0%
Employee Ent./100% deductible	204.09	0.1%	1,292.93	0.1%
Employee Health Insurance	16,721.06	7.7%	50,706.56	5.4%
WC and Liability Insurance	1,816.62	0.8%	7,149.88	0.8%
Disability Insurance	(51.99)	0.0%	764.71	0.1%
Liability Insurance	0.00	0.0%	5,443.59	0.6%
Employer portion: 401K plan	2,417.88	1.1%	9,985.03	1.1%
Equipment Repair & Maintenance	4,815.83	2.2%	20,478.64	2.2%
Legal & Accounting	(4,734.00)	-2.2%	39,271.00	4.2%
Medical Drugs	33,787.57	15.6%	72,013.13	7.7%
Medical Supplies	32,777.14	15.1%	225,739.67	24.1%
Medical Gases	296.64	0.1%	1,546.06	0.2%
Miscellaneous Expense	0.00	0.0%	1,900.00	0.2%
Paychex Expense	268.61	0.1%	1,401.26	0.1%
Protection Expense	74.61	0.0%	298.44	0.0%
Rent Expense	9,700.14	4.5%	38,800.56	4.1%
Repairs & Maintenance	67.03	0.0%	380.50	0.0%
Return on Deposited Item	0.00	0.0%	40.34	0.0%
Rubbish Removal	778.07	0.4%	3,112.28	0.3%
Snow Removal/Mowing	0.00	0.0%	4,036.31	0.4%
Office Expense	328.13	0.2%	2,067.90	0.2%
Credentialing Expense	(117.75)	-0.1%	(4,781.71)	-0.5%
Postage/Shipping	338.96	0.2%	819.91	0.1%
Radiation Monitoring	190.00	0.1%	362.75	0.0%

# DUTCHESS AMBULATORY SURGICAL

## Income Statement

BFA Attachment E  
(Cont'd) CON 171282

	1 Month Ended April 30, 2017		4 Months Ended April 30, 2017	
	-----	-----	-----	-----
Office Supplies	918.03	0.4%	2,713.10	0.3%
Telephone Expense	294.79	0.1%	1,169.34	0.1%
Transcription Expense	347.88	0.2%	986.78	0.1%
Utilities Expense	3,448.57	1.6%	14,308.97	1.5%
Uniforms/Linen Rental Expense	2,015.42	0.9%	7,324.58	0.8%
<b>TOTAL Expenses</b>	<b>205,344.29</b>	<b>94.5%</b>	<b>897,818.35</b>	<b>95.7%</b>
<b>OPERATING PROFIT</b>	<b>11,914.98</b>	<b>5.5%</b>	<b>40,330.01</b>	<b>4.3%</b>
<b>Other Income &amp; Expenses</b>				
Miscellaneous Income	89.16	0.0%	2,076.91	0.2%
Interest Expense	(503.58)	-0.2%	(2,052.26)	-0.2%
<b>TOTAL Other Income &amp; Expenses</b>	<b>(414.42)</b>	<b>-0.2%</b>	<b>24.65</b>	<b>0.0%</b>
<b>PROFIT BEFORE TAXES</b>	<b>11,500.56</b>	<b>5.3%</b>	<b>40,354.66</b>	<b>4.3%</b>
<b>NET PROFIT</b>	<b>\$11,500.56</b>	<b>5.3%</b>	<b>\$40,354.66</b>	<b>4.3%</b>

Dutchess Ambulatory Surgical Center, LLC

	Compiled Balance Sheet December 31, 2016	Change in Ownership Adjustments	Pro Forma Balance Sheet
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash	\$ 39,700	\$ 400,000	\$ 439,700
Patient accounts receivable, net of reserves for contractual allowances and uncollectible accounts and the estimated cost of collections	212,800	-	212,800
Other receivables	13,200	-	13,200
Medical supplies inventory	18,100	-	18,100
Prepaid expenses	50,600	-	50,600
Total current assets	<u>334,400</u>	<u>400,000</u>	<u>734,400</u>
<b>EQUIPMENT, FURNITURE AND FIXTURES, AND LEASEHOLD IMPROVEMENTS, net</b>			
Computer equipment	21,500	-	21,500
Medical and related equipment	1,694,700	-	1,694,700
Leasehold improvements	858,900	-	858,900
Furniture and fixtures	18,600	-	18,600
	<u>2,593,700</u>	<u>-</u>	<u>2,593,700</u>
Less accumulated depreciation	<u>2,033,200</u>	<u>-</u>	<u>2,033,200</u>
	<u>560,500</u>	<u>-</u>	<u>560,500</u>
	<u><b>\$ 894,900</b></u>	<u><b>\$ 400,000</b></u>	<u><b>\$ 1,294,900</b></u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Current installments of long-term debt	\$ 127,400	\$ -	\$ 127,400
Accounts payable and accrued expenses	77,500	-	77,500
Total current liabilities	<u>204,900</u>	<u>-</u>	<u>204,900</u>
<b>LONG-TERM DEBT, less current installments</b>	256,400	-	256,400
<b>MEMBERS' EQUITY</b>	<u>433,600</u>	<u>400,000</u>	<u>833,600</u>
	<u><b>\$ 894,900</b></u>	<u><b>\$ 400,000</b></u>	<u><b>\$ 1,294,900</b></u>

Only change on day 1 = capital contribution at \$40,000.00/member x 10 members. Capital contribution will increase cash & members' equity. Capital contribution from new partner(s) will be earmarked for expansion related expenses.

QUEENS BOULEVARD ASC, LLC  
d/b/a QUEENS BOULEVARD ENDOSCOPY CENTER  
(A Limited Liability Company)

BALANCE SHEETS

December 31, 2016 and 2015

	<u>ASSETS</u>	
	<u>2016</u>	<u>2015</u>
<b>CURRENT ASSETS</b>		
Cash	\$ 3,814	\$ 24,209
Accounts Receivable - Net	3,768,590	2,778,166
Prepaid Expenses and Other Current Assets	<u>50,879</u>	<u>79,045</u>
<b>TOTAL CURRENT ASSETS</b>	<u>3,823,283</u>	<u>2,881,420</u>
<b>LEASEHOLD IMPROVEMENTS AND EQUIPMENT- NET</b>	<u>1,968,259</u>	<u>2,453,119</u>
<b>TOTAL ASSETS</b>	<u>\$ 5,791,542</u>	<u>\$ 5,334,539</u>
	<u>LIABILITIES AND MEMBERS' EQUITY</u>	
<b>CURRENT LIABILITIES</b>		
Accounts Payable	\$ 102,634	\$ 286,822
Accrued Expenses and Payroll Payable	703,626	703,571
Current Portion of Capital Lease /	205,606	189,285
Current Portion of Long-Term Debt	<u>759,002</u>	<u>1,295,465</u>
<b>TOTAL CURRENT LIABILITIES</b>	<u>1,770,868</u>	<u>2,475,143</u>
<b>LONG-TERM LIABILITIES</b>		
Capital Lease Payable, Less Current Portion	54,114	259,720
Long-Term Debt, Less Current Portion	<u>912,561</u>	<u>1,069,673</u>
<b>TOTAL LONG-TERM LIABILITIES</b>	<u>966,675</u>	<u>1,329,393</u>
<b>TOTAL LIABILITIES</b>	<u>2,737,543</u>	<u>3,804,536</u>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>MEMBERS' EQUITY</b>	<u>3,053,999</u>	<u>1,530,003</u>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY</b>	<u>\$ 5,791,542</u>	<u>\$ 5,334,539</u>

QUEENS BOULEVARD ASC, LLC  
d/b/a QUEENS BOULEVARD ENDOSCOPY CENTER  
(A Limited Liability Company)

STATEMENTS OF INCOME AND MEMBERS' EQUITY

For the Years Ended December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
<b>PATIENT SERVICE REVENUES</b>	<u>\$ 9,399,519</u>	<u>\$ 7,716,813</u>
<b>OPERATING EXPENSES</b>		
General and Administrative Expenses	884,626	767,293
Facility Costs (	261,726	286,944
Property Costs	1,194,148	1,214,318
Medical and Related Expenses	715,545	517,893
Salaries and Professional Services	1,940,025	1,865,900
Employee Benefits	<u>183,376</u>	<u>185,169</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>5,179,446</u>	<u>4,837,517</u>
<b>NET INCOME BEFORE NYC UNINCORPORATED BUSINESS TAXES</b>	4,220,073	2,879,296
<b>NYC UNINCORPORATED BUSINESS TAXES</b>	<u>106,072</u>	<u>106,265</u>
<b>NET INCOME</b>	4,114,001	2,773,031
<b>MEMBERS' EQUITY - BEGINNING OF YEAR</b>	1,530,003	859,304
<b>MEMBERS' CONTRIBUTIONS</b>	-	47,668
<b>MEMBERS' DISTRIBUTIONS</b>	<u>(2,590,005)</u>	<u>(2,150,000)</u>
<b>MEMBERS' EQUITY - END OF YEAR</b>	<u>\$ 3,053,999</u>	<u>\$ 1,530,003</u>

**Queens Boulevard GI LLC**  
**Balance Sheet**  
As of April 30, 2017

9:32 AM  
05/02/2017  
Accrual Basis  
Apr 30, 17

**ASSETS**

**Current Assets**

**Checking/Savings**

JP Morgan Chase

110,456.59

**Total Checking/Savings**

110,456.59

**Accounts Receivable**

200.00 · Accounts Receivables

1,932,704.29

**Total Accounts Receivable**

1,932,704.29

**Other Current Assets**

210.00 · Prepaid Exp and OCA

87,068.81

290.00 · Investments

-835.39

**Total Other Current Assets**

86,233.42

**Total Current Assets**

2,128,394.30

**Fixed Assets**

300.00 · Prop & Eqmmt, Net Eqmmt

1,459,226.78

310.00 · Leasahold Improvements

1,946,478.23

320.00 · Software cost

138,452.62

321.00 · Computer Equipment

240,983.33

330.00 · Accumulated Depreciation

-1,956,163.86

**Total Fixed Assets**

1,828,977.30

**Other Assets**

350.00 · Developmental Stage Expenses

245,289.46

**Total Other Assets**

245,289.46

**TOTAL ASSETS**

4,203,661.06

**LIABILITIES & EQUITY**

**Liabilities**

**Current Liabilities**

**Accounts Payable**

400.00 · Accounts Payable

87,674.41

**Total Accounts Payable**

87,674.41

**Credit Cards**

Chase Mastercard

2,108.57

**Total Credit Cards**

2,108.57

	<u>Apr 30, 17</u>
<b>Other Current Liabilities</b>	
730.02 · credit card	-7,917.49
401.00 · Accrued Expenses	<u>703,571.10</u>
<b>Total Other Current Liabilities</b>	<u>695,653.61</u>
<b>Total Current Liabilities</b>	785,436.59
<b>Long Term Liabilities</b>	
360.00 · Long Term Liability	449,005.31
410.00 · Lines of Credit	<u>1,485,878.32</u>
<b>Total Long Term Liabilities</b>	<u>1,934,883.63</u>
<b>Total Liabilities</b>	<u>2,720,320.22</u>
<b>Total Equity</b>	<u>1,483,340.84</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>4,203,661.06</u></u>

**Queens Boulevard GI LLC**  
**Profit & Loss**  
January through April 2017

9:31 AM  
05/02/2017  
Accrual Basis  
Jan - Apr 17

**Ordinary Income/Expense**

**Income**

500.00 · Revenue

2,763,787.34

**Total Income**

2,763,787.34

**Gross Profit**

2,763,787.34

**Expense**

600.00 · Drugs & Medical Supplies

162,567.48

701.50 · Anesthesia Staffing Costs

305,419.79

700.00 · Payroll and Benefits

497,825.86

710.00 · Occupancy

143,131.21

720.00 · Revenue Cycle Management

118,660.94

730.00 · General and Administrative

80,601.28

732.15 · Taxes

41,284.00

740.00 · Professional Fees

82,814.84

**Total Expense**

1,432,305.40

**Net Ordinary Income**

1,331,481.94

**Other income/Expense**

**Other Expense**

910.00 · Interest Expense

29,021.14

911.00 · Eqpmnt Maintenance Agr

88,310.53

915.00 · Depreciation & Amortization

77,751.75

**Total Other Expense**

195,083.42

**Net Other Income**

-195,083.42

**Net Income**

1,136,398.52

**Nyack Manor Nursing Home**

	<u>2017 - Thru</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
	<u>3/31/17</u>			
Current Assets	\$2,182,872	\$2,440,830	\$2,474,488	\$2,638,208
Non-Current Assets	<u>728,688</u>	<u>1,651,939</u>	<u>1,620,998</u>	<u>1,271,318</u>
Total Assets	\$2,911,560	\$4,092,769	\$4,095,486	\$3,909,526
Current Liabilities	1,846,441	1,893,884	2,179,564	2,248,033
Long Term Liabilities	<u>83,337</u>	<u>1,254,905</u>	<u>931,181</u>	<u>642,604</u>
Total Liabilities	1,929,778	3,148,789	3,110,745	2,890,637
Net Assets	\$981,782	\$943,980	\$984,741	\$1,018,889
Working Capital Position	\$336,431	\$546,946	\$294,924	\$390,175
Operating Revenues	\$3,599,034	\$15,044,120	\$15,035,168	\$14,699,111
Operating Expenses	<u>3,560,461</u>	<u>15,061,393</u>	<u>15,070,593</u>	<u>14,691,995</u>
Operating Net Income	\$38,573	(\$17,273)	(\$35,425)	\$7,116
Number of Beds	160	160	160	160
Percent Occupancy	N/A	N/A	88.6%	87.7%
Medicaid	N/A	N/A	81.3%	76.5%
Medicare	N/A	N/A	13.4%	15.7%
Private Pay and other	N/A	N/A	5.3%	7.8%

**River Ridge Center**

	<u>1/1/17-3/31/17</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$1,995,555	\$2,185,397	\$1,963,944
Non-Current Assets	<u>2,183,046</u>	<u>2,171,329</u>	<u>2,142,551</u>
Total Assets	\$4,178,601	\$4,356,726	\$4,106,495
Current Liabilities	558,968	744,276	1,021,961
Long Term Liabilities	<u>1,236,128</u>	<u>1,230,328</u>	<u>1,704,714</u>
Total Liabilities	1,795,096	1,974,604	2,726,675
Net Assets	\$2,383,505	\$2,382,122	\$1,379,820
Working Capital Position	\$1,436,587	\$1,441,121	\$941,983
Operating Revenues	\$2,631,420	\$11,527,861	\$10,587,599
Operating Expenses	<u>2,530,040</u>	<u>10,025,559</u>	<u>9,676,015</u>
Operating Net Income	\$101,380	\$1,502,302	\$911,584

**Ownership Interest****% owned**

<u>Ownership Interest</u>	<u>% owned</u>
Daniel Hirsch	10%
Michael Braunstein	25%
Edward Braunstein	25%
Benjamin Einhorn	25%

**The Grand Pavilion at Rockville Center**

	<u>1/1/17-3/31/17</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$4,661,649	\$4,158,758	\$3,152,464
Non-Current Assets	<u>12,180,844</u>	<u>12,009,737</u>	<u>10,998,700</u>
Total Assets	\$16,842,493	\$16,168,495	\$14,151,164
Current Liabilities	1,815,346	2,314,284	2,864,782
Long Term Liabilities	<u>1,913,030</u>	<u>1,420,043</u>	<u>974,305</u>
Total Liabilities	3,728,376	3,734,327	3,839,087
Net Assets	\$13,114,117	\$12,434,168	\$10,312,077
Working Capital Position	\$2,846,303	\$1,844,474	\$287,682
Operating Revenues	\$5,902,666	\$23,027,160	\$20,323,415
Operating Expenses	<u>5,053,586</u>	<u>20,086,984</u>	<u>19,717,747</u>
Operating Net Income	\$849,080	\$2,940,176	\$605,668

**Ownership Interest****% owned**

<u>Ownership Interest</u>	<u>% owned</u>
Benjamin Einhorn	7%

**Corlandt Healthcare**

	<u>1/1/17-3/31/17</u>	<u>2016</u>	<u>2015</u>
Current Assets	\$3,256,643	\$3,351,697	\$2,901,126
Non-Current Assets	<u>5,803,228</u>	<u>6,150,856</u>	<u>6,396,900</u>
Total Assets	\$9,059,871	\$9,502,553	\$9,298,026
Current Liabilities	1,879,420	2,189,558	2,878,465
Long Term Liabilities	<u>3,586,286</u>	<u>3,900,963</u>	<u>4,147,541</u>
Total Liabilities	5,465,706	6,090,521	7,026,006
Net Assets	\$3,594,165	\$3,412,032	\$2,272,020
Working Capital Position	\$1,377,223	\$1,162,139	\$22,661
Operating Revenues	\$4,322,708	\$17,191,719	\$16,397,644
Operating Expenses	<u>3,933,567</u>	<u>15,061,707</u>	<u>14,471,989</u>
Operating Net Income	\$389,141	\$2,130,012	\$1,925,655

**Ownership Interest****% owned**

Benjamin Einhorn	5%
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**NYACK OPERATING LLC**  
**PROFORMA BALANCE SHEET**

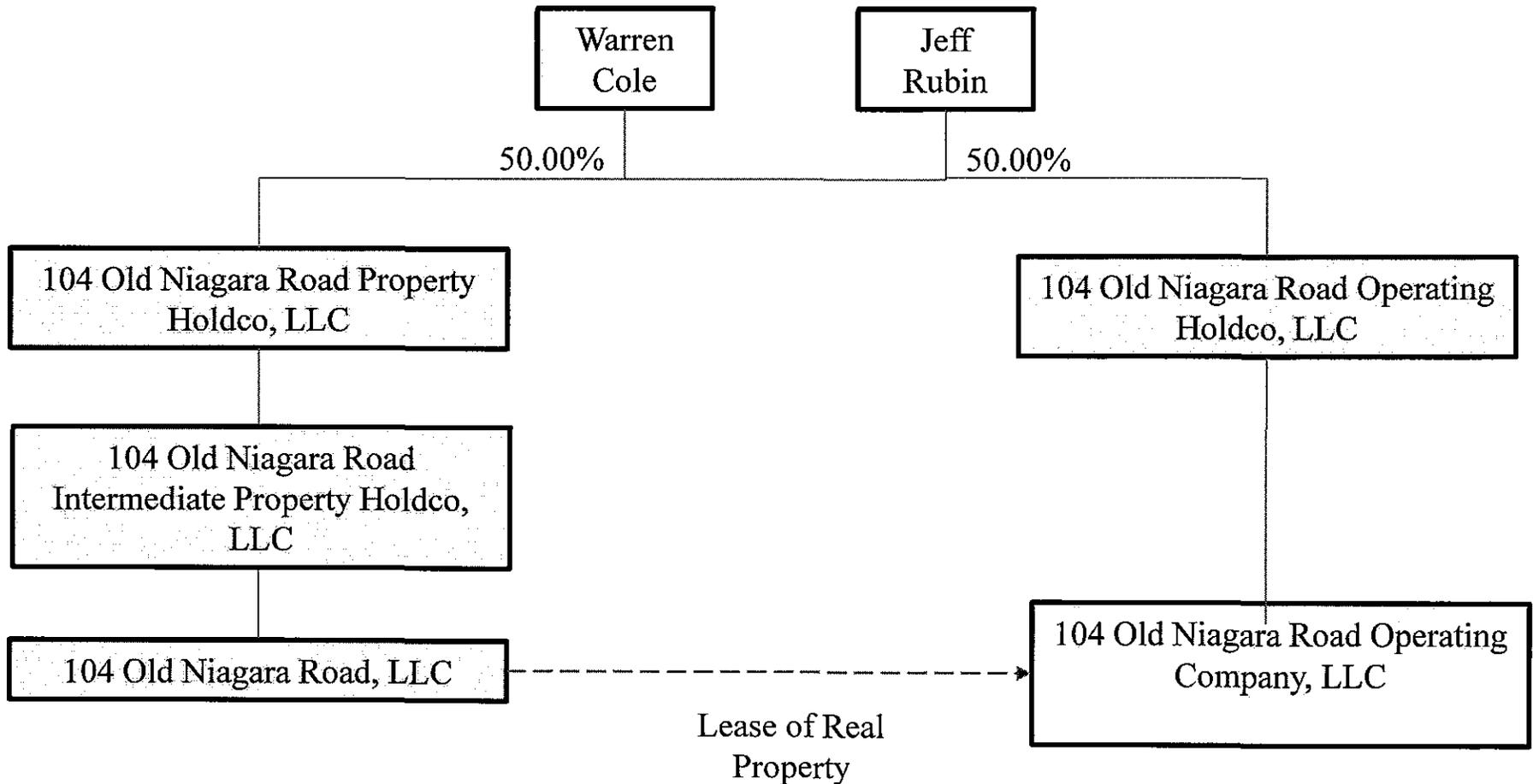
**ASSETS**

	<b>Nyack Operating LLC</b>
<b>Current Assets</b>	
Cash & Cash Equivalents	
Inventory	
<b>Total Current Assets</b>	
<b>Non Current Assets</b>	
Resident Funds	110,000
Other Assets	2,029,600
Fixed Assets - Net	
<b>Total Non Current Assets</b>	<u>2,225,000</u>
<b>Total Assets</b>	<b>\$ 153,200</b>

**LIABILITIES AND MEMBERS' EQUITY**

<b>Liabilities</b>	
Current Portion-Due to Former Owner	\$ 250,000
Long Term Debt, Current Portion	229,844
<b>Total current liabilities</b>	
<b>Long term Liabilities</b>	
Resident Funds	110,000
Due to Former Owner, Net of Current Portion	750,000
Long Term Debt, Net of Current Portion	1,070,156
<b>Total Long-term Liabilities</b>	1,930,156
<b>Total Liabilities</b>	2,410,000
<b>Members' Equity</b>	
<b>Total Liabilities and Members' Equity</b>	<b>\$ 5,153,200</b>

# Elderwood at Lockport



Elderwood at Lockport  
126-Bed Residential Health Care Facility  
PRO FORMA BALANCE SHEET

Project # 171227  
BFA Attachment C

ASSETS

Current Assets

Cash -Working Capital \$2,065,863

Non-Current Assets

Equipment \$400,000

Other Assets (Goodwill) \$1,600,000

Total Assets \$4,065,863

Liabilities and Equity

LIABILITIES

Current Liabilities

Current portion of working capital loan \$190,425

Long-Term Liabilities

Working Capital Loan \$842,506

Total Liabilities \$1,032,931

MEMBER EQUITY

\$3,032,932

TOTAL LIABILITIES AND MEMBER EQUITY

\$4,065,863

104 Old Niagara Road, LLC  
PRO FORMA BALANCE SHEET

ASSETS

Property, Plant & Equipment	<u>\$8,000,000</u>
Total Assets	<u>\$8,000,000</u>

Liabilities and Equity

LIABILITIES

Current Liabilities

Current portion of mortgage loan	<u>\$602,178</u>
----------------------------------	------------------

Long-Term Liabilities

Mortgage loan	<u>\$7,397,822</u>
---------------	--------------------

MEMBER EQUITY

\$0

TOTAL LIABILITIES AND MEMBER EQUITY	<u>\$8,000,000</u>
-------------------------------------	--------------------

Odd Fellow and Rebekah Rehabilitation and Health Care Center, Inc.				
	2016 Internal	2015	2014	2013
ASSETS - CURRENT	\$3,129,561	\$3,351,791	\$3,443,693	\$3,802,251
ASSETS - FIXED AND OTHER	\$8,240,244	\$8,443,082	\$8,951,874	\$9,254,238
TOTAL ASSETS	\$11,369,805	\$11,794,873	\$12,395,567	\$13,056,489
LIABILITIES - CURRENT	\$2,119,678	\$1,780,324	\$1,824,677	\$1,708,621
LIABILITIES - LONG-TERM	\$4,701,572	\$5,185,124	\$6,174,907	\$7,166,896
TOTAL LIABILITIES	\$6,821,250	\$6,965,448	\$7,999,584	\$8,875,517
WORKING CAPITAL	\$1,009,883	\$1,571,467	\$1,619,016	\$2,093,630
INCOME	\$11,343,565	\$11,538,917	\$10,938,661	\$11,307,513
EXPENSE	\$11,584,919	\$11,100,440	\$10,851,424	\$10,589,559
NET INCOME	(\$241,354)	\$438,477	\$87,237	\$717,954
NET ASSET POSITION	\$4,548,555	\$4,829,425	\$4,395,983	\$4,180,972

<u>Operator</u>	<u>Name of the facility</u>	<u>Beds</u>	<u>County</u>	<u>Warren Cole</u>	<u>Jeffery Rubin</u>
225 Bennett Road Operating Company, LLC	Elderwood at Cheektowaga	172	Erie	50%	50%
2850 Grand Island Boulevard Operating Company, LLC	Elderwood at Grand Island	90	Erie	50%	50%
5775 Maelou Drive Operating Company, LLC	Elderwood at Hamburg	166	Erie	50%	50%
1818 Como Park Boulevard Operating Company, LLC	Elderwood at Lancaster	96	Erie	50%	50%
4800 Bear Road Operating Company, LLC	Elderwood at Liverpool	160	Onondaga	50%	50%
37 North Chemung Street Operating Company, LLC	Elderwood at Waverly	200	Tioga	50%	50%
2600 Niagara Falls Boulevard Operating Company, LLC	Elderwood at Wheatfield	123	Niagara	50%	50%
200 Bassett Road Operating Company, LLC	Elderwood at Williamsville	200	Erie	50%	50%
4459 Bailey Avenue Operating Company, LLC	Elderwood at Amherst	92	Erie	50%	50%
1 Bethesda Drive Operating Company, LLC	Elderwood at Hornell	112	Steuben	50%	50%
Below facilities not included in financial summary					
185 Old Military Road Operating Company, LLC **	Elderwood of Uihlein at Lake Placid	156	Essex	50%	50%
170 West Avenue Operating Company, LLC ***	Elderwood of Lakeside at Brockport	120	Monroe	50%	50%
1019 Wicker Street Operating Company, LLC ****	Elderwood at Ticonderoga	84	Essex	50%	50%
(** as of 10/4/16)					
(***) CON 162120 )					
(**** CON 162229)					

## Affiliated Nursing Homes (Page 1)

225 Bennett Road Operating Company, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$3,162,505	\$3,105,747	\$2,937,781
Fixed Assets	\$23,131,061	\$23,752,507	\$23,805,542
Total Assets	\$26,293,566	\$26,858,254	\$26,743,323
Current Liabilities	\$3,699,111	\$4,314,702	\$3,551,841
Long Term Liabilities	\$18,081,961	\$18,794,020	\$19,411,207
Total Liabilities	\$21,781,072	\$23,108,722	\$22,963,048
Net Assets	\$4,512,494	\$3,749,532	\$3,780,275
Working Capital Position	-\$536,606	-\$1,208,955	-\$614,060
Revenue	\$18,807,424	\$17,848,188	\$17,509,079
Expenses	\$18,105,368	\$17,878,931	\$17,349,934
Net Income	\$702,056	-\$30,743	\$159,145

2850 Grand Island Boulevard Operating Company, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$1,643,909	\$1,431,993	\$1,096,221
Fixed Assets	\$7,808,307	\$7,233,126	\$7,217,025
Total Assets	\$9,452,216	\$8,665,119	\$8,313,246
Current Liabilities	\$1,869,963	\$2,269,381	\$1,839,434
Long Term Liabilities	\$5,948,622	\$6,163,167	\$6,345,960
Total Liabilities	\$7,818,585	\$8,432,548	\$8,185,394
Net Assets	\$1,633,631	\$232,571	\$127,852
Working Capital Position	-\$226,054	-\$837,388	-\$743,213
Revenue	\$9,041,579	\$8,746,108	\$8,104,689
Expenses	\$9,588,992	\$8,641,389	\$8,366,588
Net Income	-\$547,413	\$104,719	-\$261,899

5775 Maelou Drive Operating Company, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$3,078,771	\$2,643,992	\$2,677,518
Fixed Assets	\$13,859,658	\$13,632,206	\$13,474,561
Total Assets	\$16,938,429	\$16,276,198	\$16,152,079
Current Liabilities	\$2,828,750	\$3,238,595	\$3,386,941
Long Term Liabilities	\$11,243,369	\$11,678,410	\$11,901,030
Total Liabilities	\$14,072,119	\$14,917,005	\$15,287,971
Net Assets	\$2,866,310	\$1,359,193	\$864,108
Working Capital Position	\$250,021	-\$594,603	-\$709,423
Revenue	\$18,367,154	\$17,643,056	\$16,834,428
Expenses	\$16,860,037	\$17,147,971	\$16,460,867
Net Income	\$1,507,117	\$495,085	\$373,561

## Affiliated Nursing Homes (Page 2)

1818 Como Park Boulevard Operating Company, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$1,209,744	\$2,057,239	\$1,776,551
Fixed Assets	\$4,272,764	\$3,723,268	\$3,255,138
Total Assets	\$5,482,508	\$5,780,507	\$5,031,689
Current Liabilities	\$1,202,896	\$1,263,294	\$1,143,632
Long Term Liabilities	\$2,730,553	\$2,711,781	\$2,775,101
Total Liabilities	\$3,933,449	\$3,975,075	\$3,918,733
Net Assets	\$1,549,059	\$1,805,432	\$1,112,956
Working Capital Position	\$6,848	\$793,945	\$632,919
Revenue	\$9,659,315	\$9,612,556	\$9,157,188
Expenses	\$9,279,448	\$8,920,080	\$8,232,168
Net Income	\$379,867	\$692,476	\$925,020

4800 Bear Road Operating Company, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$6,278,603	\$15,457,229	\$4,036,797
Fixed Assets	\$10,231,212	\$6,601,259	\$6,348,601
Total Assets	\$16,509,815	\$22,058,488	\$10,385,398
Current Liabilities	\$2,741,502	\$2,301,078	\$2,161,108
Long Term Liabilities	\$10,542,653	\$10,871,234	\$1,401,919
Total Liabilities	\$13,284,155	\$13,172,312	\$3,563,027
Net Assets	\$3,225,660	\$8,886,176	\$6,822,371
Working Capital Position	\$3,537,101	\$13,156,151	\$1,875,689
Revenue	\$18,639,353	\$18,533,684	\$18,554,625
Expenses	\$16,940,202	\$16,399,065	\$16,539,034
Net Income	\$1,699,151	\$2,134,619	\$2,015,591

37 North Chemung Street Operating Company, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$3,629,591	\$4,449,701	\$2,828,853
Fixed Assets	\$11,834,513	\$10,452,456	\$8,535,106
Total Assets	\$15,464,104	\$14,902,157	\$11,363,959
Current Liabilities	\$2,959,964	\$4,201,348	\$9,610,837
Long Term Liabilities	\$9,392,223	\$9,736,955	\$1,576,012
Total Liabilities	\$12,352,187	\$13,938,303	\$11,186,849
Net Assets	\$3,111,917	\$963,854	\$177,110
Working Capital Position	\$669,627	\$248,353	-\$6,781,984
Revenue	\$19,385,859	\$18,369,640	\$18,058,332
Expenses	\$19,313,076	\$17,582,896	\$17,646,746
Net Income	\$72,783	\$786,744	\$411,586

### Affiliated Nursing Homes (Page 3)

2600 Niagara Falls Boulevard Operating Company, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$4,142,348	\$4,560,467	\$2,827,071
Fixed Assets	\$9,288,647	\$9,456,269	\$9,701,534
Total Assets	\$13,430,995	\$14,016,736	\$12,528,605
Current Liabilities	\$9,714,435	\$2,622,815	\$2,015,760
Long Term Liabilities	\$1,620,593	\$8,993,131	\$9,052,194
Total Liabilities	\$11,335,028	\$11,615,946	\$11,067,954
Net Assets	\$2,095,967	\$2,400,790	\$1,460,651
Working Capital Position	-\$5,572,087	\$1,937,652	\$811,311
Revenue	\$13,663,336	\$13,045,550	\$12,575,204
Expenses	\$12,654,902	\$12,105,411	\$11,703,506
Net Income	\$1,008,434	\$940,139	\$871,698

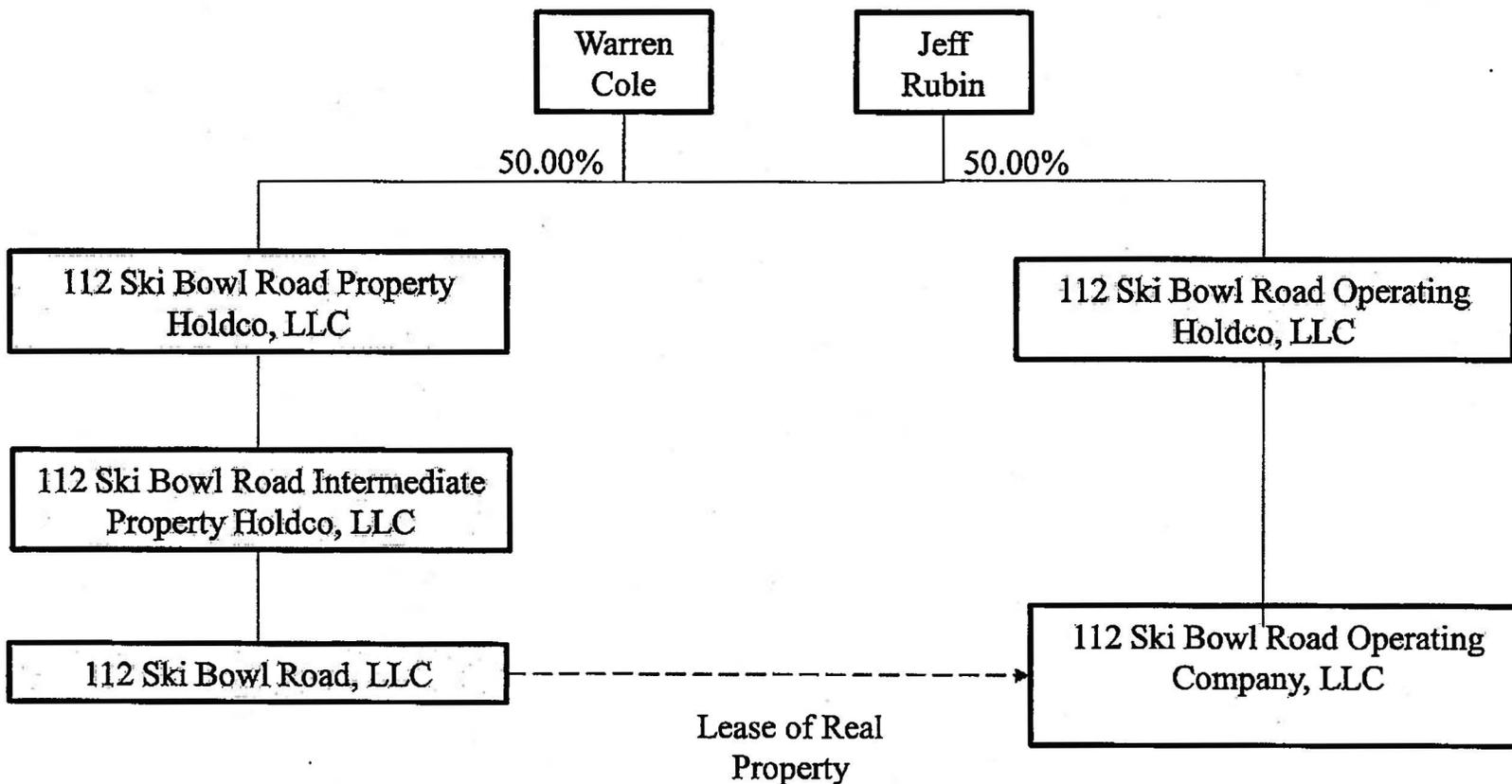
200 Bassett Road Operating Company, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$4,542,089	\$3,925,583	\$2,943,310
Fixed Assets	\$18,275,781	\$18,301,562	\$18,580,294
Total Assets	\$22,817,870	\$22,227,145	\$21,523,604
Current Liabilities	\$4,077,705	\$3,344,493	\$3,419,471
Long Term Liabilities	\$14,290,738	\$14,897,908	\$15,337,983
Total Liabilities	\$18,368,443	\$18,242,401	\$18,757,454
Net Assets	\$4,449,427	\$3,984,744	\$2,766,150
Working Capital Position	\$464,384	\$581,090	-\$476,161
Revenue	\$23,234,594	\$21,672,885	\$21,039,947
Expenses	\$21,741,139	\$20,454,291	\$20,178,213
Net Income	\$1,493,455	\$1,218,594	\$861,734

4459 Bailey Avenue Operating Company, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$1,745,684	\$2,386,929	\$1,872,703
Fixed Assets	\$11,289,559	\$10,566,510	\$10,870,623
Total Assets	\$13,035,243	\$12,953,439	\$12,743,326
Current Liabilities	\$1,410,961	\$1,527,171	\$1,498,055
Long Term Liabilities	\$7,985,918	\$8,198,912	\$8,473,053
Total Liabilities	\$9,396,879	\$9,726,083	\$9,971,108
Net Assets	\$3,638,364	\$3,227,356	\$2,772,218
Working Capital Position	\$334,723	\$859,758	\$374,648
Revenue	\$10,742,489	\$10,010,939	\$9,745,049
Expenses	\$10,121,701	\$9,555,801	\$8,990,360
Net Income	\$620,788	\$455,138	\$754,689

## Affiliated Nursing Homes (Page 4)

1 Bethesda Drive Operating Company, LLC	<u>12/31/2016</u>
Current Assets	\$2,414,648
Fixed Assets	\$6,186,104
Total Assets	\$8,600,752
Current Liabilities	\$2,207,618
Long Term Liabilities	\$4,525,895
Total Liabilities	\$6,733,513
Net Assets	\$1,867,239
Working Capital Position	\$207,030
Revenue	\$7,465,084
Expenses	\$7,411,481
Net Income	\$53,603

# Elderwood at North Creek



112 Ski Bowl Operating Company, LLC

Current Real Property Owners

Proposed Real Property Owners

Adirondack Tri-County Nursing  
and Rehabilitation Center, Inc.

100%

112 Ski Bowl Road, LLC

Warren Cole

50%

Jeffrey Rubin, D.D.S.

50%

112 Ski Bowl Road Intermediate Property Holdco, LLC

100%

Warren Cole

50%

Jeffrey Rubin, D.D.S.

50%

112 Ski Bowl Road Property Holdco, LLC

100%

Warren Cole

50%

Jeffrey Rubin, D.D.S.

50%

**ELDERWOOD AT NORTH CREEK**  
**82-BED RESIDENTIAL HEALTH CARE FACILITY**

**PRO FORMA BALANCE SHEET**

**ASSETS**

**Current Assets**

Cash - Working Capital \$1,372,702  
Additional Cash - Member Equity \$2,627,299

**Total Current Assets** \$4,000,000

**Non-Current Assets**

Equipment, Furniture, Fixtures \$520,000

**Total Non-Current Assets** \$520,000

**Other Assets**

Goodwill \$392,621

**Total Other Assets** \$392,621

**TOTAL ASSETS** \$4,912,621

**LIABILITIES AND EQUITY**

**LIABILITIES**

**Current Liabilities**

PTO \$209,447  
Medicaid Payable \$486,543

**Total Current Liabilities** \$695,990

**Long-Term Liabilities**

Vehicle Debt \$3,420

**Total Long-Term Liabilities** \$3,420

**MEMBER EQUITY**

Member Capital \$4,213,211

**Total Member Equity** \$4,213,211

**TOTAL LIABILITIES AND  
MEMBER EQUITY** \$4,912,621

**112 SKI BOWL ROAD, LLC**

**PRO FORMA BALANCE SHEET**

**ASSETS**

Property, Plant & Equipment \$2,185,857

**TOTAL ASSETS** **\$2,185,857**

**LIABILITIES AND EQUITY**

**LIABILITIES**

**Long-Term Liabilities**

Mortgage Loan \$2,185,857

**Total Long-Term Liabilities** **\$2,185,857**

**MEMBERS' EQUITY**

Members' Capital \$0

**Total Members' Equity** **\$0**

**TOTAL LIABILITIES AND  
MEMBERS' EQUITY** **\$2,185,857**

**Financial Summary**

**Adirondack Tri-County Nursing and Rehabilitation Center, Inc.**

FISCAL PERIOD ENDED	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
ASSETS - CURRENT	\$1,130,329	\$1,352,150	\$1,337,197
ASSETS - FIXED AND OTHER	\$2,203,134	\$2,177,483	\$2,489,755
LIABILITIES - CURRENT	\$1,039,342	\$1,388,959	\$1,840,260
LIABILITIES - LONG-TERM	<u>\$2,487,032</u>	<u>\$2,769,164</u>	<u>\$3,184,734</u>
EQUITY	-\$192,911	-\$628,490	-\$1,198,042
<hr/>			
INCOME	\$5,520,090	\$6,710,209	\$7,651,628
EXPENSE	<u>\$5,871,214</u>	<u>\$6,140,657</u>	<u>\$6,711,808</u>
NET INCOME	-\$351,124	\$569,552	\$939,820
<hr/>			
NUMBER OF BEDS	82	82	82
PERCENT OF OCCUPANCY (DAYS)	0.00%	85.49%	93.46%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	#DIV/0!	80.78%	81.48%
MEDICARE	#DIV/0!	6.66%	6.24%
PRIVATE/OTHER	#DIV/0!	12.56%	12.28%
<hr/>			

**ADIRONDACK TRI-COUNTY NURSING  
AND REHABILITATION CENTER, INC.**

**Statement of Financial Position  
December 31, 2015  
(With Comparative Totals for 2014)**

	Unrestricted	Temporarily Restricted	2015 Total	2014 Total
<b><u>Assets</u></b>				
Current assets:				
Cash and cash equivalents	\$ 180,290	\$ 66,716	\$ 247,006	\$ 256,267
Patient accounts receivable, net	419,214	-	419,214	434,100
Grant and other receivables	409,315	-	409,315	404,928
Due from third party payor, current	199,840	-	199,840	147,946
Supplies	32,839	-	32,839	40,662
Prepaid expenses	43,936	-	43,936	53,294
Total current assets	<u>1,285,434</u>	<u>66,716</u>	<u>1,352,150</u>	<u>1,337,197</u>
Beneficial interest in trust fund	70,754	-	70,754	72,543
Due from third party payor, long-term	299,759	-	299,759	400,000
Property, plant and equipment, net	1,678,766	-	1,678,766	1,872,918
Refinancing costs, net of accumulated amortization	68,496	-	68,496	79,034
Resident funds	59,708	-	59,708	65,260
	<u>2,177,483</u>	<u>-</u>	<u>2,177,483</u>	<u>2,489,755</u>
Total assets	<u>\$ 3,462,917</u>	<u>\$ 66,716</u>	<u>\$ 3,529,633</u>	<u>\$ 3,826,952</u>
<b><u>Liabilities and Net Assets</u></b>				
Current liabilities:				
Current portion of long-term debt	\$ 424,080	\$ -	\$ 424,080	\$ 393,099
Due to related party	300,000	-	300,000	-
Accounts payable	196,108	-	196,108	968,489
Due to third party payor	78,691	-	78,691	88,875
Accrued expenses	390,080	-	390,080	389,797
Total current liabilities	<u>1,388,959</u>	<u>-</u>	<u>1,388,959</u>	<u>1,840,260</u>
Long-term liabilities:				
Long-term debt, net of current portion	2,709,456	-	2,709,456	3,119,474
Resident funds	59,708	-	59,708	65,260
Total long-term liabilities	<u>2,769,164</u>	<u>-</u>	<u>2,769,164</u>	<u>3,184,734</u>
Net assets (deficit):				
Unrestricted	(695,206)	-	(695,206)	(1,263,508)
Temporarily restricted	-	66,716	66,716	65,466
Total net assets (deficit)	<u>(695,206)</u>	<u>66,716</u>	<u>(628,490)</u>	<u>(1,198,042)</u>
Total liabilities and net assets	<u>\$ 3,462,917</u>	<u>\$ 66,716</u>	<u>\$ 3,529,633</u>	<u>\$ 3,826,952</u>

**ADIRONDACK TRI-COUNTY NURSING  
AND REHABILITATION CENTER, INC.**

**Statement of Activities  
Year Ended December 31, 2015  
(With Comparative Totals for 2014)**

	Unrestricted	Temporarily Restricted	2015 Total	2014 Total
<b>Operating revenues, gains and other support:</b>				
Net patient service revenue	\$ 5,504,241	\$ -	\$ 5,504,241	\$ 6,772,193
Investment income	57	50	107	-
Contributions	39,928	4,350	44,278	39,027
Rental income	29,800	-	29,800	29,800
Other revenue	6,462	-	6,462	23,915
<b>Total operating revenues, gains     and other support</b>	<b>5,580,488</b>	<b>4,400</b>	<b>5,584,888</b>	<b>6,864,935</b>
<b>Operating expenses:</b>				
Nursing services	1,708,204	-	1,708,204	1,947,702
Ancillary services	1,066,054	-	1,066,054	1,207,347
Dietary services	542,967	-	542,967	555,264
Housekeeping	195,979	-	195,979	203,839
Laundry services	121,288	-	121,288	132,267
Maintenance	380,646	-	380,646	441,045
Administrative and fiscal services	618,921	-	618,921	529,313
Employee benefits	693,734	-	693,734	804,910
Interest expense	182,503	-	182,503	200,903
New York State tax assessment	279,144	-	279,144	280,344
Depreciation and amortization	299,979	-	299,979	319,934
Equipment rental	10,278	-	10,278	8,507
Provision for bad debts	40,960	-	40,960	80,433
<b>Total operating expenses</b>	<b>6,140,657</b>	<b>-</b>	<b>6,140,657</b>	<b>6,711,808</b>
<b>(Loss) income from operations</b>	<b>(560,169)</b>	<b>4,400</b>	<b>(555,769)</b>	<b>153,127</b>
<b>Non-operating revenue:</b>				
Change in value of interest in beneficial trust	1,812	-	1,812	225
Vital Access Provider grant	808,902	-	808,902	786,468
Forgiveness of debt	314,607	-	314,607	-
<b>Increase in net assets</b>	<b>565,152</b>	<b>4,400</b>	<b>569,552</b>	<b>939,820</b>
<b>Net assets (deficit), beginning</b>	<b>(1,263,508)</b>	<b>65,466</b>	<b>(1,198,042)</b>	<b>(2,137,862)</b>
<b>Net assets released from restrictions</b>	<b>3,150</b>	<b>(3,150)</b>	<b>-</b>	<b>-</b>
<b>Net assets (deficit), ending</b>	<b>\$ (695,206)</b>	<b>\$ 66,716</b>	<b>\$ (628,490)</b>	<b>\$ (1,198,042)</b>

<u>Operator</u>	<u>Name of the facility</u>	<u>Beds</u>	<u>County</u>	<u>Warren Cole</u>	<u>Jeffery Rubin</u>
225 Bennett Road Operating Company, LLC	Elderwood at Cheektowaga	172	Erie	50%	50%
2850 Grand Island Boulevard Operating Company, LLC	Elderwood at Grand Island	90	Erie	50%	50%
5775 Maelou Drive Operating Company, LLC	Elderwood at Hamburg	166	Erie	50%	50%
1818 Como Park Boulevard Operating Company, LLC	Elderwood at Lancaster	96	Erie	50%	50%
4800 Bear Road Operating Company, LLC	Elderwood at Liverpool	160	Onondaga	50%	50%
37 North Chemung Street Operating Company, LLC	Elderwood at Waverly	200	Tioga	50%	50%
2600 Niagara Falls Boulevard Operating Company, LLC	Elderwood at Wheatfield	123	Niagara	50%	50%
200 Bassett Road Operating Company, LLC	Elderwood at Williamsville	200	Erie	50%	50%
4459 Bailey Avenue Operating Company, LLC	Elderwood at Amherst	92	Erie	50%	50%
1 Bethesda Drive Operating Company, LLC	Elderwood at Hornell	112	Steuben	50%	50%
Below facilities not included in financial summary					
185 Old Military Road Operating Company, LLC **	Elderwood of Uihlein at Lake Placid	156	Essex	50%	50%
170 West Avenue Operating Company, LLC ***	Elderwood of Lakeside at Brockport	120	Monroe	50%	50%
1019 Wicker Street Operating Company, LLC ****	Elderwood at Ticonderoga	84	Essex	50%	50%
(** as of 10/4/16)					
(***) CON 162120 )					
(**** CON 162229)					

## Affiliated Nursing Homes (Page 1)

225 Bennett Road Operating Company, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$3,162,505	\$3,105,747	\$2,937,781
Fixed Assets	\$23,131,061	\$23,752,507	\$23,805,542
Total Assets	\$26,293,566	\$26,858,254	\$26,743,323
Current Liabilities	\$3,699,111	\$4,314,702	\$3,551,841
Long Term Liabilities	\$18,081,961	\$18,794,020	\$19,411,207
Total Liabilities	\$21,781,072	\$23,108,722	\$22,963,048
Net Assets	\$4,512,494	\$3,749,532	\$3,780,275
Working Capital Position	-\$536,606	-\$1,208,955	-\$614,060
Revenue	\$18,807,424	\$17,848,188	\$17,509,079
Expenses	\$18,105,368	\$17,878,931	\$17,349,934
Net Income	\$702,056	-\$30,743	\$159,145
2850 Grand Island Boulevard Operating Company, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$1,643,909	\$1,431,993	\$1,096,221
Fixed Assets	\$7,808,307	\$7,233,126	\$7,217,025
Total Assets	\$9,452,216	\$8,665,119	\$8,313,246
Current Liabilities	\$1,869,963	\$2,269,381	\$1,839,434
Long Term Liabilities	\$5,948,622	\$6,163,167	\$6,345,960
Total Liabilities	\$7,818,585	\$8,432,548	\$8,185,394
Net Assets	\$1,633,631	\$232,571	\$127,852
Working Capital Position	-\$226,054	-\$837,388	-\$743,213
Revenue	\$9,041,579	\$8,746,108	\$8,104,689
Expenses	\$9,588,992	\$8,641,389	\$8,366,588
Net Income	-\$547,413	\$104,719	-\$261,899
5775 Maelou Drive Operating Company, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$3,078,771	\$2,643,992	\$2,677,518
Fixed Assets	\$13,859,658	\$13,632,206	\$13,474,561
Total Assets	\$16,938,429	\$16,276,198	\$16,152,079
Current Liabilities	\$2,828,750	\$3,238,595	\$3,386,941
Long Term Liabilities	\$11,243,369	\$11,678,410	\$11,901,030
Total Liabilities	\$14,072,119	\$14,917,005	\$15,287,971
Net Assets	\$2,866,310	\$1,359,193	\$864,108
Working Capital Position	\$250,021	-\$594,603	-\$709,423
Revenue	\$18,367,154	\$17,643,056	\$16,834,428
Expenses	\$16,860,037	\$17,147,971	\$16,460,867
Net Income	\$1,507,117	\$495,085	\$373,561

## Affiliated Nursing Homes (Page 2)

## 1818 Como Park Boulevard Operating Company, LLC

	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$1,209,744	\$2,057,239	\$1,776,551
Fixed Assets	\$4,272,764	\$3,723,268	\$3,255,138
Total Assets	\$5,482,508	\$5,780,507	\$5,031,689
Current Liabilities	\$1,202,896	\$1,263,294	\$1,143,632
Long Term Liabilities	\$2,730,553	\$2,711,781	\$2,775,101
Total Liabilities	\$3,933,449	\$3,975,075	\$3,918,733
Net Assets	\$1,549,059	\$1,805,432	\$1,112,956
Working Capital Position	\$6,848	\$793,945	\$632,919
Revenue	\$9,659,315	\$9,612,556	\$9,157,188
Expenses	\$9,279,448	\$8,920,080	\$8,232,168
Net Income	\$379,867	\$692,476	\$925,020

## 4800 Bear Road Operating Company, LLC

	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$6,278,603	\$15,457,229	\$4,036,797
Fixed Assets	\$10,231,212	\$6,601,259	\$6,348,601
Total Assets	\$16,509,815	\$22,058,488	\$10,385,398
Current Liabilities	\$2,741,502	\$2,301,078	\$2,161,108
Long Term Liabilities	\$10,542,653	\$10,871,234	\$1,401,919
Total Liabilities	\$13,284,155	\$13,172,312	\$3,563,027
Net Assets	\$3,225,660	\$8,886,176	\$6,822,371
Working Capital Position	\$3,537,101	\$13,156,151	\$1,875,689
Revenue	\$18,639,353	\$18,533,684	\$18,554,625
Expenses	\$16,940,202	\$16,399,065	\$16,539,034
Net Income	\$1,699,151	\$2,134,619	\$2,015,591

## 37 North Chemung Street Operating Company, LLC

	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$3,629,591	\$4,449,701	\$2,828,853
Fixed Assets	\$11,834,513	\$10,452,456	\$8,535,106
Total Assets	\$15,464,104	\$14,902,157	\$11,363,959
Current Liabilities	\$2,959,964	\$4,201,348	\$9,610,837
Long Term Liabilities	\$9,392,223	\$9,736,955	\$1,576,012
Total Liabilities	\$12,352,187	\$13,938,303	\$11,186,849
Net Assets	\$3,111,917	\$963,854	\$177,110
Working Capital Position	\$669,627	\$248,353	-\$6,781,984
Revenue	\$19,385,859	\$18,369,640	\$18,058,332
Expenses	\$19,313,076	\$17,582,896	\$17,646,746
Net Income	\$72,783	\$786,744	\$411,586

## Affiliated Nursing Homes (Page 3)

## 2600 Niagara Falls Boulevard Operating Company, LLC

	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$4,142,348	\$4,560,467	\$2,827,071
Fixed Assets	\$9,288,647	\$9,456,269	\$9,701,534
Total Assets	\$13,430,995	\$14,016,736	\$12,528,605
Current Liabilities	\$9,714,435	\$2,622,815	\$2,015,760
Long Term Liabilities	\$1,620,593	\$8,993,131	\$9,052,194
Total Liabilities	\$11,335,028	\$11,615,946	\$11,067,954
Net Assets	\$2,095,967	\$2,400,790	\$1,460,651
Working Capital Position	-\$5,572,087	\$1,937,652	\$811,311
Revenue	\$13,663,336	\$13,045,550	\$12,575,204
Expenses	\$12,654,902	\$12,105,411	\$11,703,506
Net Income	\$1,008,434	\$940,139	\$871,698

## 200 Bassett Road Operating Company, LLC

	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$4,542,089	\$3,925,583	\$2,943,310
Fixed Assets	\$18,275,781	\$18,301,562	\$18,580,294
Total Assets	\$22,817,870	\$22,227,145	\$21,523,604
Current Liabilities	\$4,077,705	\$3,344,493	\$3,419,471
Long Term Liabilities	\$14,290,738	\$14,897,908	\$15,337,983
Total Liabilities	\$18,368,443	\$18,242,401	\$18,757,454
Net Assets	\$4,449,427	\$3,984,744	\$2,766,150
Working Capital Position	\$464,384	\$581,090	-\$476,161
Revenue	\$23,234,594	\$21,672,885	\$21,039,947
Expenses	\$21,741,139	\$20,454,291	\$20,178,213
Net Income	\$1,493,455	\$1,218,594	\$861,734

## 4459 Bailey Avenue Operating Company, LLC

	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$1,745,684	\$2,386,929	\$1,872,703
Fixed Assets	\$11,289,559	\$10,566,510	\$10,870,623
Total Assets	\$13,035,243	\$12,953,439	\$12,743,326
Current Liabilities	\$1,410,961	\$1,527,171	\$1,498,055
Long Term Liabilities	\$7,985,918	\$8,198,912	\$8,473,053
Total Liabilities	\$9,396,879	\$9,726,083	\$9,971,108
Net Assets	\$3,638,364	\$3,227,356	\$2,772,218
Working Capital Position	\$334,723	\$859,758	\$374,648
Revenue	\$10,742,489	\$10,010,939	\$9,745,049
Expenses	\$10,121,701	\$9,555,801	\$8,990,360
Net Income	\$620,788	\$455,138	\$754,689

## Affiliated Nursing Homes (Page 4)

1 Bethesda Drive Operating Company, LLC	<u>12/31/2016</u>	<u>0</u>	<u>0</u>
Current Assets	\$2,414,648	-	-
Fixed Assets	\$6,186,104	-	-
Total Assets	\$8,600,752	-	-
Current Liabilities	\$2,207,618	-	-
Long Term Liabilities	\$4,525,895	-	-
Total Liabilities	\$6,733,513	-	-
Net Assets	\$1,867,239	-	-
Working Capital Position	\$207,030	-	-
Revenue	\$7,465,084	-	-
Expenses	\$7,411,481	-	-
Net Income	\$53,603	-	-

Project # 171229  
BFA Attachment B

ILF Operating LLC  
d/b/a Elm Manor Care and Rehabilitation Center

<u>Prior Real Property Owners</u>	
Individuals	%
Robert W. Hurlbut	50%
Jay B. Birnbaum	50%

<u>ILF Realty, LLC</u>	
Member	%
Girogio Mayer	45%
Larry Goldfarb	45%
Aryeh P Grinspan	10%

ILF Operating LLC  
Doing Business As  
Elm Manor Care and Rehabilitation Center

Project # 171229  
BFA Attachment C

Pro Forma Balance Sheets (AS OF APPROVAL DATE)

	<u>Operating Co.</u>	<u>Realty Co.</u>
Cash and Cash Equivalents	\$ 743,806	-
Prepaid Expenses and Other	75,803	-
<b>TOTAL CURRENT ASSETS:</b>	<b>\$ 819,609</b>	<b>\$ -</b>
Property, Plant & Equipment	461,763	1,350,000
Other Assets	362,434	-
<b>TOTAL LONG TERM ASSETS:</b>	<b>\$ 824,197</b>	<b>\$ 1,350,000</b>
<b>TOTAL ASSETS</b>	<b>\$ 1,643,806</b>	<b>\$ 1,350,000</b>
Mortgages Payable	\$ 675,000	\$ 1,350,000
Working Capital Loan	371,903	-
<b>TOTAL LONG TERM LIABILITIES:</b>	<b>\$ 1,046,903</b>	<b>\$ 1,350,000</b>
<b>TOTAL LIABILITIES:</b>	<b>\$ 1,046,903</b>	<b>\$ 1,350,000</b>
<b>MEMBERS' EQUITY:</b>	<b>596,903</b>	<b>-</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY:</b>	<b>\$ 1,643,806</b>	<b>\$ 1,350,000</b>

**Financial Summary**

**Elm Manor Nursing Home, Inc**

FISCAL PERIOD ENDED	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
ASSETS - CURRENT	\$923,256	\$924,665	\$764,000
ASSETS - FIXED AND OTHER	\$896,107	\$956,939	\$947,000
LIABILITIES - CURRENT	\$343,517	\$381,943	\$314,000
LIABILITIES - LONG-TERM	<u>\$46,222</u>	<u>\$177,386</u>	<u>\$661,000</u>
EQUITY	\$1,429,624	\$1,322,275	\$736,000

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INCOME	\$4,069,100	\$4,586,738	\$4,333,000
EXPENSE	<u>\$3,941,751</u>	<u>\$3,990,348</u>	<u>\$4,069,000</u>
NET INCOME	\$127,349	\$596,390	\$264,000

---

NUMBER OF BEDS	46	46	46
PERCENT OF OCCUPANCY (DAYS)	86.60%	85.15%	86.56%

---

PERCENT OCCUPANCY (DAYS):			
MEDICAID	72.40%	66.11%	56.82%
MEDICARE	8.76%	7.84%	26.55%
PRIVATE/OTHER	18.84%	26.05%	16.63%

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Sources: 12/31/16 and 2015 certified financial statements; and Cost Report: 2014

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

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 207,033	\$ 453,595
Accounts receivable - net	644,571	357,735
Prepaid expenses and other current assets	41,546	45,300
Third party settlements	<u>30,106</u>	<u>68,035</u>
Total current assets	<u>923,256</u>	<u>924,665</u>
<b>Property and Equipment - Net</b>	<u>594,186</u>	<u>654,907</u>
<b>Other Assets</b>		
Funds held in trust by related party	295,626	294,933
Resident funds held in trust	<u>6,295</u>	<u>7,099</u>
Total other assets	<u>301,921</u>	<u>302,032</u>
<b>Total Assets</b>	<u>\$ 1,819,363</u>	<u>\$ 1,881,604</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 170,047	\$ 134,596
Accrued expenses	149,295	166,162
Unearned resident care revenues	1,277	12,693
Cash held by Elm Manor Nursing Home, Inc. on behalf of H&B Land Company	<u>22,898</u>	<u>68,492</u>
Total current liabilities	<u>343,517</u>	<u>381,943</u>
<b>Long-Term Liabilities</b>		
Due to related party - Wedgewood Nursing Home, Inc.	-	87,624
Due to related parties	-	43,491
Third party settlements	39,927	39,172
Resident funds held in trust	<u>6,295</u>	<u>7,099</u>
Total long-term liabilities	<u>46,222</u>	<u>177,386</u>
<b>Total Liabilities</b>	<u>389,739</u>	<u>559,329</u>
<b>Stockholders' Equity</b>		
Common stock, no par value, 200 shares authorized, issued and outstanding	64,000	64,000
Retained earnings	<u>1,365,624</u>	<u>1,258,275</u>
Total stockholders' equity	<u>1,429,624</u>	<u>1,322,275</u>
<b>Total Liabilities and Stockholders' Equity</b>	<u>\$ 1,819,363</u>	<u>\$ 1,881,604</u>

**ELM MANOR NURSING HOME, INC.**  
**Statements of Operations**  
**For the Years Ended December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Revenues</b>		
Resident care revenue	\$ 4,033,542	\$ 4,267,524
Retroactive third party adjustment	97,670	362,889
Bad debt expense	<u>(62,112)</u>	<u>(43,675)</u>
Total revenues	<u>4,069,100</u>	<u>4,586,738</u>
<b>Operating Expenses</b>		
Nursing services	1,331,913	1,257,538
Other professional services	723,862	812,418
Administrative services	660,264	687,018
Dietary services	358,067	362,573
Plant operations and maintenance	204,311	207,420
Building rents	138,000	138,000
New York State assessment	168,443	163,031
Depreciation	90,340	101,160
Housekeeping services	102,554	102,225
Recreational services	91,802	91,931
Laundry and linen	73,258	64,896
Interest	<u>164</u>	<u>4,248</u>
Total operating expenses	<u>3,942,978</u>	<u>3,992,458</u>
<b>Income from Operations</b>	126,122	594,280
<b>Other Income</b>		
Miscellaneous income	<u>2,227</u>	<u>3,110</u>
<b>Income Before Provision for Income Taxes</b>	128,349	597,390
<b>Provision for Income Taxes</b>	<u>(1,000)</u>	<u>(1,000)</u>
<b>Net Income</b>	<u>\$ 127,349</u>	<u>\$ 596,390</u>



## Affiliated Nursing Homes

Gold Crest Care Center, Inc	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$3,107,430	\$1,743,147	\$532,469
Fixed Assets	\$14,303,610	\$15,191,042	\$15,519,739
Total Assets	\$17,411,040	\$16,934,189	\$16,052,208
Current Liabilities	\$13,611,473	\$4,500,302	\$4,400,188
Long Term Liabilities	\$712,199	\$10,601,354	\$11,327,072
Total Liabilities	\$14,323,672	\$15,101,656	\$15,727,260
Net Assets	\$3,087,368	\$1,832,533	\$324,948
Working Capital Position	-\$10,504,043	-\$2,757,155	-\$3,867,719
Revenue	\$19,191,514	\$18,759,370	\$16,849,243
Expenses	\$15,974,884	\$16,231,172	\$16,284,664
Net Income	\$3,216,630	\$2,528,198	\$564,579
Sunnyside Care Center, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$3,504,435	\$2,251,820	\$1,990,803
Fixed Assets	\$1,618,042	\$1,735,144	\$1,885,735
Total Assets	\$5,122,477	\$3,986,964	\$3,876,538
Current Liabilities	\$1,795,733	\$1,633,458	\$1,354,341
Long Term Liabilities	\$2,802,337	\$2,988,665	\$3,273,215
Total Liabilities	\$4,598,070	\$4,622,123	\$4,627,556
Net Assets	\$524,407	-\$635,159	-\$751,018
Working Capital Position	\$1,708,702	\$618,362	\$636,462
Revenue	\$7,414,206	\$7,033,006	\$6,516,765
Expenses	\$6,484,534	\$6,752,643	\$6,944,944
Net Income	\$929,672	\$280,363	-\$428,179
Wellsville Manor, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$4,587,803	\$3,443,615	\$3,550,937
Fixed Assets	\$3,389,671	\$3,008,455	\$2,884,665
Total Assets	\$7,977,474	\$6,452,070	\$6,435,602
Current Liabilities	\$2,015,887	\$1,797,136	\$1,633,925
Long Term Liabilities	\$3,392,754	\$3,269,823	\$3,545,022
Total Liabilities	\$5,408,641	\$5,066,959	\$5,178,947
Net Assets	\$2,568,833	\$1,385,111	\$1,256,655
Working Capital Position	\$2,571,916	\$1,646,479	\$1,917,012
Revenue	\$9,154,992	\$8,048,742	\$8,160,580
Expenses	\$7,848,834	\$7,615,704	\$7,792,408
Net Income	\$1,306,158	\$433,038	\$368,172

## Affiliated Nursing Homes (Page 2)

Valley View Manor, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$2,561,666	\$1,667,332	\$1,245,513
Fixed Assets	\$2,015,071	\$2,152,306	\$2,348,317
Total Assets	\$4,576,737	\$3,819,638	\$3,593,830
Current Liabilities	\$1,793,815	\$1,781,350	\$1,683,112
Long Term Liabilities	\$2,014,310	\$2,154,076	\$2,337,533
Total Liabilities	\$3,808,125	\$3,935,426	\$4,020,645
Net Assets	\$768,612	-\$115,788	-\$426,815
Working Capital Position	\$767,851	-\$114,018	-\$437,599
Revenue	\$6,329,951	\$6,264,190	\$5,673,026
Expenses	\$5,810,055	\$5,926,163	\$5,741,863
Net Income	\$519,896	\$338,027	-\$68,837

Bethany Operating Company, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$3,045,811	\$1,592,873	\$1,611,791
Fixed Assets	\$2,139,973	\$2,245,126	\$2,417,694
Total Assets	\$5,185,784	\$3,837,999	\$4,029,485
Current Liabilities	\$2,120,866	\$2,041,825	\$2,026,111
Long Term Liabilities	\$2,597,526	\$2,836,812	\$3,154,188
Total Liabilities	\$4,718,392	\$4,878,637	\$5,180,299
Net Assets	\$467,392	-\$1,040,638	-\$1,150,814
Working Capital Position	\$924,945	-\$448,952	-\$414,320
Revenue	\$9,487,848	\$8,397,839	\$8,276,129
Expenses	\$7,898,075	\$8,184,714	\$8,539,543
Net Income	\$1,589,773	\$213,125	-\$263,414

Fieldston Lodge Care Center, LLC	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$4,578,111	\$1,522,839	\$2,322,965
Fixed Assets	\$6,651,554	\$7,593,750	\$7,831,516
Total Assets	\$11,229,665	\$9,116,589	\$10,154,481
Current Liabilities	\$3,400,735	\$4,521,651	\$5,536,521
Long Term Liabilities	\$510,704	\$470,192	\$553,615
Total Liabilities	\$3,911,439	\$4,991,843	\$6,090,136
Net Assets	\$7,318,226	\$4,124,746	\$4,064,345
Working Capital Position	\$1,177,376	-\$2,998,812	-\$3,213,556
Revenue	\$24,689,457	\$20,484,896	\$19,594,891
Expenses	\$21,189,608	\$20,134,583	\$19,605,502
Net Income	\$3,499,849	\$350,313	-\$10,611

## Affiliated Nursing Homes (Page 3)

Oakwood Operating Company, LLC	<u>9/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$6,249,385	\$4,131,587	\$5,743,297
Fixed Assets	\$10,937,528	\$10,776,580	\$10,614,539
Total Assets	\$17,186,913	\$14,908,167	\$16,357,836
Current Liabilities	\$9,077,114	\$9,919,449	\$10,592,537
Long Term Liabilities	\$1,144,170	\$1,623,840	\$2,923,512
Total Liabilities	\$10,221,284	\$11,543,289	\$13,516,049
Net Assets	\$6,965,629	\$3,364,878	\$2,841,787
Working Capital Position	-\$2,827,729	-\$5,787,862	-\$4,849,240
Revenue	\$28,340,882	\$33,481,660	\$33,161,147
Expenses	\$23,975,934	\$32,970,697	\$32,765,989
Net Income	\$4,364,948	\$510,963	\$395,158

**Damitz Prop Inc.**  
**Balance Sheet**  
**As of December 31, 2016**

**Assets**

<b>Current Assets</b>	
Cash	\$298,381.20
Accounts Receivable	\$2,856.51
<b>Total Current Assets</b>	<b>\$301,237.71</b>
<b>Long-Term Assets</b>	
Real Property	\$1,500,000.00
<b>Total Long-Term Assets</b>	<b>\$1,500,000.00</b>
<b>Total Assets</b>	<b>\$1,801,237.71</b>

**Liabilities**

<b>Current Liabilities</b>	
Accounts Payable	\$2,248.67
<b>Total Current Liabilities</b>	<b>\$2,248.67</b>
<b>Long-Term Liabilities</b>	
Mortgage Payable	\$998,559.18
<b>Total Long-Term Liabilities</b>	<b>\$998,559.18</b>
<b>Total Liabilities</b>	<b>\$1,000,807.85</b>

**Equity**

<b>Total Owner's Equity</b>	<b>\$800,429.86</b>
<b>Total Liabilities and Owner's Equity</b>	<b>\$1,801,237.71</b>

**Damitz Prop Inc.**  
**2015/2016 Income Statement**

	2015	2016
<b>RENTAL INCOME</b>	<b>\$ 126,103.00</b>	<b>\$ 116,480.97</b>
Repairs and Maintenance	\$ 13,326.04	\$ 15,157.86
Utilities	\$ 9,170.04	\$ 9,033.29
Insurance	\$ 3,141.24	\$ 643.54
Management	\$ 13,172.80	\$ 17,056.06
Professional Fees	\$ 2,250.00	\$ 10,467.82
Property Taxes	\$ 7,595.92	\$ 6,223.00
<b>TOTAL EXPENSES</b>	<b>\$ 48,656.04</b>	<b>\$ 58,581.57</b>
<b>Gross Operating Income (before mortgage)</b>	<b>\$ 77,446.96</b>	<b>\$ 57,899.40</b>
Mortgage Interest	\$ 40,090.32	\$ 37,203.81
<b>Net Operating Income (after interest)</b>	<b>\$ 37,356.64</b>	<b>\$ 20,695.59</b>



SIGNATURE BANK

## Activity - Deposit Accounts

Report created: 05/24/2017 11:40:05 AM (ET)  
 Account: 026013576 • \*3567 • Checking • DAMITZ PROP INC • Available \$598,298.82  
 Date range: 5/11/2017 to 5/24/2017  
 Transaction types: All transactions  
 Detail option: Includes transaction detail

**026013576 • \*3567 • Checking • DAMITZ PROP INC • Available \$598,298.82**

Post Date	Reference	Additional Reference	Description	Debit	Credit	Calculated Balance
05/23/2017	679	679	CHECK PAID	\$528.04		\$598,298.82
05/22/2017	671	671	CHECK PAID	\$8,944.39		\$598,826.86
05/18/2017			DEPOSIT		\$600,000.00	\$607,771.25
05/17/2017	674	674	CHECK PAID	\$258.34		\$7,771.25
05/17/2017			REMOTE CAPTURE		\$258.34	\$8,029.59
05/15/2017			DEPOSIT		\$1,440.00	\$7,771.25
05/24/2017	Totals			\$9,730.77	\$601,698.34	

Project # 171231  
BFA Attachment B

LFG Operating LLC  
d/b/a Wedgewood Care and Rehabilitation Center

<u>Prior Real Property Owners</u>	
Individual	%
Robert W. Hurlbut	50%
Jay B. Birnbaum	50%

<u>LFG II Realty, LLC</u>	
Member	%
Girogio Mayer	45%
Larry Goldfarb	45%
Aryeh P Grinspan	10%

LFG Operating LLC  
Doing Business As  
Wedgewood Care And Rehabilitation Center

Project # 171231  
BFA Attachment C

Pro Forma Balance Sheets (AS OF APPROVAL DATE)

	<u>Operating Co.</u>	<u>Realty Co.</u>
<b><u>ASSETS:</u></b>		
Cash and Cash Equivalents	\$ 431,660	\$ -
Prepaid Expenses and Other *	53,556	-
		-
<b>TOTAL CURRENT ASSETS:</b>	<b>\$ 485,216</b>	<b>\$ -</b>
Property, Plant & Equipment *	342,056	600,000
Other Assets	4,388	
<b>TOTAL LONG TERM ASSETS:</b>	<b>\$ 346,444</b>	<b>\$ 600,000</b>
<b>TOTAL ASSETS</b>	<b>\$ 831,660</b>	<b>\$ -</b>
<b><u>LIABILITIES:</u></b>		
Mortgage Payable	\$ 300,000	\$ 600,000
Working Capital Loan	215,830	
<b>TOTAL LONG TERM LIABILITIES:</b>	<b>\$ 515,830</b>	<b>\$ 600,000</b>
<b>TOTAL LIABILITIES:</b>	<b>\$ 515,830</b>	<b>\$ 600,000</b>
<b>MEMBERS' EQUITY:</b>	<b>315,830</b>	<b>-</b>
<b>TOTAL LIABILITIES AND MEMBERS' EQUITY:</b>	<b>\$ 831,660</b>	<b>\$ 600,000</b>

\* Based on 2015 Cost Report

**Financial Summary**

**Wedgewood Nursing Home, Inc**

FISCAL PERIOD ENDED	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
ASSETS - CURRENT	\$444,312	\$451,761	\$572,000
ASSETS - FIXED AND OTHER	\$150,670	\$239,990	\$597,000
LIABILITIES - CURRENT	\$226,077	\$189,710	\$332,000
LIABILITIES - LONG-TERM	<u>\$12,815</u>	<u>\$12,141</u>	<u>\$90,000</u>
EQUITY	\$356,090	\$489,900	\$747,000
<hr/>			
INCOME	\$2,533,605	\$2,527,316	\$2,379,000
EXPENSE	<u>\$2,577,415</u>	<u>\$2,511,506</u>	<u>\$2,386,000</u>
NET INCOME	(\$43,810)	\$15,810	(\$7,000)
<hr/>			
NUMBER OF BEDS	29	29	29
PERCENT OF OCCUPANCY (DAYS)	94.89%	95.17%	93.47%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	70.06%	64.26%	67.43%
MEDICARE	2.35%	3.62%	4.41%
PRIVATE/OTHER	27.59%	32.11%	28.16%

Sources: 12/31/16 and 2015-certified financial statements; and Cost Report: 2014

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

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 85,531	\$ 147,581
Accounts receivable - net	269,779	222,678
Prepaid expenses and other current assets	31,936	34,841
Third party settlements	<u>57,066</u>	<u>46,661</u>
Total current assets	<u>444,312</u>	<u>451,761</u>
<b>Property and Equipment - Net</b>	<u>142,580</u>	<u>144,950</u>
<b>Other Assets</b>		
Due from related party - Elm Manor Nursing Home, Inc.	-	87,624
Resident funds held in trust	<u>8,090</u>	<u>7,416</u>
Total other assets	<u>8,090</u>	<u>95,040</u>
<b>Total Assets</b>	<b>\$ <u>594,982</u></b>	<b>\$ <u>691,751</u></b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 102,961	\$ 91,320
Accrued expenses	108,054	93,214
Unearned resident care revenues	<u>15,062</u>	<u>5,176</u>
Total current liabilities	<u>226,077</u>	<u>189,710</u>
<b>Long-Term Liabilities</b>		
Third party settlements	4,725	4,725
Resident funds held in trust	<u>8,090</u>	<u>7,416</u>
Total long-term liabilities	<u>12,815</u>	<u>12,141</u>
<b>Total Liabilities</b>	<u>238,892</u>	<u>201,851</u>
<b>Stockholders' Equity</b>		
Common stock, no par value, 200 shares authorized, issued and outstanding	5,000	5,000
Retained earnings	<u>351,090</u>	<u>484,900</u>
Total stockholders' equity	<u>356,090</u>	<u>489,900</u>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ <u>594,982</u></b>	<b>\$ <u>691,751</u></b>

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

	<u>2016</u>	<u>2015</u>
<b>Revenues</b>		
Resident care revenue	\$ 2,474,475	\$ 2,511,228
Retroactive third party adjustment	97,255	57,433
Advanced training initiative revenue	24,150	-
Bad debt expense	<u>(62,275)</u>	<u>(41,345)</u>
Total revenues	<u>2,533,605</u>	<u>2,527,316</u>
<b>Operating Expenses</b>		
Nursing services	1,139,174	1,045,771
Administrative services	458,119	460,169
Other professional services	249,662	295,250
Dietary services	263,795	252,724
New York State assessment	137,955	122,883
Plant operations and maintenance	96,831	117,858
Laundry and linen	51,850	57,988
Recreational services	56,947	52,431
Housekeeping services	60,298	45,134
Depreciation	34,295	31,452
Building rents	29,000	29,000
Interest	<u>104</u>	<u>109</u>
Total operating expenses	<u>2,578,030</u>	<u>2,510,769</u>
<b>Income (Loss) from Operations</b>	(44,425)	16,547
<b>Other Income</b>		
Miscellaneous income	<u>1,615</u>	<u>263</u>
<b>Income (Loss) Before Provision for Income Taxes</b>	(42,810)	16,810
<b>Provision for Income Taxes</b>	<u>(1,000)</u>	<u>(1,000)</u>
<b>Net Income (Loss)</b>	<u>\$ (43,810)</u>	<u>\$ 15,810</u>



## Affiliated Nursing Homes

Project # 171231

BFA Attachment E Cont

	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Gold Crest Care Center, Inc			
Current Assets	\$3,107,430	\$1,743,147	\$532,469
Fixed Assets	\$14,303,610	\$15,191,042	\$15,519,739
Total Assets	\$17,411,040	\$16,934,189	\$16,052,208
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Revenue	\$19,191,514	\$18,759,370	\$16,849,243
Expenses	\$15,974,884	\$16,231,172	\$16,284,664
Net Income	\$3,216,630	\$2,528,198	\$564,579

	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Sunnyside Care Center, LLC			
Current Assets	\$3,504,435	\$2,251,820	\$1,990,803
Fixed Assets	\$1,618,042	\$1,735,144	\$1,885,735
Total Assets	\$5,122,477	\$3,986,964	\$3,876,538
Current Liabilities	\$1,795,733	\$1,633,458	\$1,354,341
Long Term Liabilities	\$2,802,337	\$2,988,665	\$3,273,215
Total Liabilities	\$4,598,070	\$4,622,123	\$4,627,556
Net Assets	\$524,407	-\$635,159	-\$751,018
Working Capital Position	\$1,708,702	\$618,362	\$636,462
Revenue	\$7,414,206	\$7,033,006	\$6,516,765
Expenses	\$6,484,534	\$6,752,643	\$6,944,944
Net Income	\$929,672	\$280,363	-\$428,179

	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Wellsville Manor, LLC			
Current Assets	\$4,587,803	\$3,443,615	\$3,550,937
Fixed Assets	\$3,389,671	\$3,008,455	\$2,884,665
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Long Term Liabilities	\$3,392,754	\$3,269,823	\$3,545,022
Total Liabilities	\$5,408,641	\$5,066,959	\$5,178,947
Net Assets	\$2,568,833	\$1,385,111	\$1,256,655
Working Capital Position	\$2,571,916	\$1,646,479	\$1,917,012
Revenue	\$9,154,992	\$8,048,742	\$8,160,580
Expenses	\$7,848,834	\$7,615,704	\$7,792,408
Net Income	\$1,306,158	\$433,038	\$368,172

Affiliated Nursing Homes (Page 2)

Project # 171231

BFA Attachment E Cont

	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Valley View Manor, LLC			
Current Assets	\$2,561,666	\$1,667,332	\$1,245,513
Fixed Assets	\$2,015,071	\$2,152,306	\$2,348,317
Total Assets	\$4,576,737	\$3,819,638	\$3,593,830
Current Liabilities	\$1,793,815	\$1,781,350	\$1,683,112
Long Term Liabilities	\$2,014,310	\$2,154,076	\$2,337,533
Total Liabilities	\$3,808,125	\$3,935,426	\$4,020,645
Net Assets	\$768,612	-\$115,788	-\$426,815
Working Capital Position	\$767,851	-\$114,018	-\$437,599
Revenue	\$6,329,951	\$6,264,190	\$5,673,026
Expenses	\$5,810,055	\$5,926,163	\$5,741,863
Net Income	\$519,896	\$338,027	-\$68,837

	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Bethany Operating Company, LLC			
Current Assets	\$3,045,811	\$1,592,873	\$1,611,791
Fixed Assets	\$2,139,973	\$2,245,126	\$2,417,694
Total Assets	\$5,185,784	\$3,837,999	\$4,029,485
Current Liabilities	\$2,120,866	\$2,041,825	\$2,026,111
Long Term Liabilities	\$2,597,526	\$2,836,812	\$3,154,188
Total Liabilities	\$4,718,392	\$4,878,637	\$5,180,299
Net Assets	\$467,392	-\$1,040,638	-\$1,150,814
Working Capital Position	\$924,945	-\$448,952	-\$414,320
Revenue	\$9,487,848	\$8,397,839	\$8,276,129
Expenses	\$7,898,075	\$8,184,714	\$8,539,543
Net Income	\$1,589,773	\$213,125	-\$263,414

	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Fieldston Lodge Care Center, LLC			
Current Assets	\$4,578,111	\$1,522,839	\$2,322,965
Fixed Assets	\$6,651,554	\$7,593,750	\$7,831,516
Total Assets	\$11,229,665	\$9,116,589	\$10,154,481
Current Liabilities	\$3,400,735	\$4,521,651	\$5,536,521
Long Term Liabilities	\$510,704	\$470,192	\$553,615
Total Liabilities	\$3,911,439	\$4,991,843	\$6,090,136
Net Assets	\$7,318,226	\$4,124,746	\$4,064,345
Working Capital Position	\$1,177,376	-\$2,998,812	-\$3,213,556
Revenue	\$24,689,457	\$20,484,896	\$19,594,891
Expenses	\$21,189,608	\$20,134,583	\$19,605,502
Net Income	\$3,499,849	\$350,313	-\$10,611

# Affiliated Nursing Homes (Page 3)

Project # 171231

BFA Attachment E Cont

Oakwood Operating Company, LLC	<u>9/30/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
Current Assets	\$6,249,385	\$4,131,587	\$5,743,297
Fixed Assets	\$10,937,528	\$10,776,580	\$10,614,539
Total Assets	\$17,186,913	\$14,908,167	\$16,357,836
Current Liabilities	\$9,077,114	\$9,919,449	\$10,592,537
Long Term Liabilities	\$1,144,170	\$1,623,840	\$2,923,512
Total Liabilities	\$10,221,284	\$11,543,289	\$13,516,049
Net Assets	\$6,965,629	\$3,364,878	\$2,841,787
Working Capital Position	-\$2,827,729	-\$5,787,862	-\$4,849,240
Revenue	\$28,340,882	\$33,481,660	\$33,161,147
Expenses	\$23,975,934	\$32,970,697	\$32,765,989
Net Income	\$4,364,948	\$510,963	\$395,158

**Gykem Realty Inc.**  
**Balance Sheet as of December 31, 2016**

**Assets**

<b>Current Assets</b>	
Cash	\$292,483.44
Accounts Receivable	\$5,949.71
Loans Receivable	\$50,000.00
<b>Total Current Assets</b>	<b>\$348,433.15</b>
<b>Long-Term Assets</b>	
Real Property	\$3,200,000.00
<b>Total Long-Term Assets</b>	<b>\$3,200,000.00</b>
<b>Total Assets</b>	<b>\$3,548,433.15</b>

**Liabilities**

<b>Current Liabilities</b>	
Accounts Payable	\$45,933.82
<b>Total Current Liabilities</b>	<b>\$45,933.82</b>
<b>Long-Term Liabilities</b>	
Mortgage Payable	\$1,488,094.17
<b>Total Long-Term Liabilities</b>	<b>\$1,488,094.17</b>
<b>Total Liabilities</b>	<b>\$1,534,027.99</b>

**Equity**

<b>Total Owner's Equity</b>	<b>\$2,014,405.16</b>
<b>Total Liabilities and Owner's Equity</b>	<b>\$3,548,433.15</b>

**Gykem Realty Inc.**  
**2015/2016 Income Statement**

Project # 171231  
BFA Attachment F cont

	2015	2016
<b>RENTAL INCOME</b>	<b>\$ 261,940.64</b>	<b>\$ 272,497.56</b>
Repairs and Maintenance	\$ 20,231.52	\$ 11,517.16
Utilities	\$ 8,204.44	\$ 7,744.29
Insurance	\$ 4,913.28	\$ 8,366.66
Management	\$ 22,891.46	\$ 28,174.02
Professional Fees	\$ 4,475.00	\$ 14,528.66
Property Taxes	\$ 16,310.22	\$ 10,889.00
<b>TOTAL EXPENSES</b>	<b>\$ 77,025.92</b>	<b>\$ 81,219.79</b>
<b>Gross Operating Income (before mortgage)</b>	<b>\$ 184,914.72</b>	<b>\$ 191,277.77</b>
Mortgage Interest	\$ 55,038.13	\$ 47,686.54
<b>Net Operating Income (after interest)</b>	<b>\$ 129,876.59</b>	<b>\$ 143,591.23</b>



Company: GYKEM REALTY INC

## Account Summary

Information valid as of Monday, May 22, 2017 at 11:47 AM EST. Get the latest balances.

## Deposit Accounts

Description	Type	Account Number	Current Balance	Ledger Balance	Available Balance	Collected Balance	More
Business Checking	Business Checking	80963	433,630.98	433,630.98	332,634.92	332,634.92	
Business Checking	Business Checking	80996	26,108.23	26,108.23	26,108.23	26,108.23	
<b>Totals</b>			<b>459,739.21</b>	<b>459,739.21</b>		<b>358,743.15</b>	

## Loan Accounts

Description	Account Number	Note Number	Interest Rate	Outstanding Principal	Payment Due Date	Payment Amount Due	More
CRE TERM LOAN ADJUSTABLE	5521		3.375	1,475,739.00	06/01/2017	7,580.66	

Investors Bank

**Current and Proposed Owners of the Real Property**

<u>Current Owners</u>		<u>Proposed Owners</u>	
Somers Manor Nursing Home, Inc.		Somers Property, LLC	
<u>Members:</u>		<u>Members:</u>	
Arnold Putterman	40.00%	Mark Friedman	42.50%
David Putterman	30.00%	Neal Einhorn	42.50%
Judith Lewis	30.00%	Yossie Zucker	5.00%
		Steven Sax	4.00%
		Akiva Rudner	4.00%
		Eli Schwartz	2.00%

**Somers Manor Nursing Home, Inc.**  
**Consolidated Financial Summary**

FISCAL PERIOD ENDED	<u>12/31/2016</u>	<u>12/31/2015</u>	<u>12/31/2014</u>
ASSETS - CURRENT	\$8,020,652	\$6,966,408	\$6,942,864
ASSETS - FIXED AND OTHER	14,116,144	15,661,742	16,491,869
LIABILITIES - CURRENT	6,961,236	6,035,252	5,595,592
LIABILITIES - LONG-TERM	<u>18,043,112</u>	<u>18,809,287</u>	<u>20,303,468</u>
EQUITY	(\$2,867,552)	(\$2,216,389)	(\$2,464,327)
<hr/>			
INCOME	\$33,611,886	\$32,159,495	\$30,209,026
EXPENSE	<u>34,191,981</u>	<u>31,907,042</u>	<u>31,051,507</u>
NET INCOME	(\$580,095)	\$252,453	(\$842,481)
<hr/>			
NUMBER OF BEDS	300	300	300
PERCENT OF OCCUPANCY (DAYS)	90.15%	85.64%	85.54%
<hr/>			
PERCENT OCCUPANCY (DAYS):			
MEDICAID	67.64%	62.29%	63.97%
MEDICARE	12.87%	11.78%	11.06%
PRIVATE/OTHER	9.64%	11.57%	10.50%
<hr/>			
Average Working Capital	\$1,112,615		
Average Net Assets	(\$2,516,089)		
Average Net Income (Loss)	(\$390,041)		
Average Occupancy	87%		

**SOMERS MANOR NURSING HOME, INC.**  
**D/B/A SOMERS MANOR REHABILITATION AND NURSING CENTER**  
**Consolidated Balance Sheets**  
**December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,753,944	\$ 2,319,764
Accounts receivable - net	5,015,875	3,643,025
Due from third party payors	365,952	156,154
Restricted escrow funds - current portion	409,482	365,328
Prepaid expenses and other current assets	<u>475,399</u>	<u>487,137</u>
<b>Total current assets</b>	<u>18,020,652</u>	<u>6,966,408</u>
<b>Property and Equipment - Net</b>	<u>332,304</u>	<u>14,474,900</u>
<b>Other Assets</b>		
Restricted escrow funds	468,213	542,865
Due from third-party payors		300,381
Resident funds held in trust	<u>315,627</u>	<u>343,596</u>
<b>Total other assets</b>	<u>783,840</u>	<u>1,186,842</u>
<b>Total Assets</b>	<u>\$ 22,136,796</u>	<u>\$ 22,281,150</u>
<b>LIABILITIES AND DEFICIT</b>		
<b>Current Liabilities</b>		
Mortgage payable - current portion	\$ 1,242,012	\$ 1,204,149
Accounts payable	3,531,289	3,507,388
Accrued expenses	2,083,935	1,219,715
Due to related party	<u>104,000</u>	<u>104,000</u>
<b>Total current liabilities</b>	<u>6,961,236</u>	<u>6,035,252</u>
<b>Long-Term Liabilities</b>		
Mortgage payable - net of current portion	17,238,312	18,465,691
Due to third-party payors	<u>489,173</u>	
Resident funds held in trust	315,627	343,596
<b>Total long-term liabilities</b>	<u>18,043,112</u>	<u>18,809,287</u>
<b>Total Liabilities</b>	<u>25,004,348</u>	<u>24,844,539</u>
<b>Deficit</b>		
Common stock, no par value, 200 shares authorized issued and outstanding	64,680	64,680
Additional paid-in capital	2,299,029	2,476,029
Deficit	<u>(5,683,654)</u>	<u>(1,098,948)</u>
<b>Total stockholders' deficit - Somers Manor Nursing Home, Inc.</b>	<u>(3,319,945)</u>	<u>(2,558,239)</u>
Noncontrolling interest in variable interest entity	452,393	341,850
<b>Total deficit</b>	<u>(2,867,552)</u>	<u>(2,216,389)</u>
<b>Total Liabilities and Deficit</b>	<u>\$ 22,136,796</u>	<u>\$ 22,628,150</u>

**SOMERS MANOR NURSING HOME, INC.**  
**D/B/A SOMERS MANOR REHABILITATION AND NURSING CENTER**  
**Consolidated Statements of Operations**  
**For the Years Ended December 31, 2016 and 2015**

	<u>2016</u>	<u>2015</u>
<b>Revenues</b>		
Resident care revenues	\$ 35,179,054	\$ 32,771,409
Bad debt expense	<u>(1,732,555)</u>	<u>(820,679)</u>
Total resident care revenues	<u>33,446,499</u>	<u>31,950,730</u>
<b>Operating Expenses</b>		
Nursing services	13,323,527	12,214,579
Other professional services	3,258,762	2,592,938
Dietary services	3,962,128	3,745,724
General services	4,959,177	4,949,982
Administrative services	4,802,178	4,368,974
Depreciation	1,757,920	1,780,558
New York State assessment	1,514,713	1,426,130
Other bad debt expense	-	177,871
Interest expense	613,576	650,286
Total operating expenses	<u>34,191,981</u>	<u>31,907,042</u>
<b>Income (Loss) from Operations</b>	(745,482)	43,688
<b>Other Income</b>	<u>275,930</u>	<u>208,765</u>
<b>Income (Loss) Before Provision for Income Taxes</b>	(469,552)	252,453
<b>Provision for Income Taxes</b>	<u>4,611</u>	<u>4,515</u>
<b>Net Income (Loss)</b>	(474,163)	247,938
<b>Net Loss (Income) Attributable to Noncontrolling Interest</b>	<u>(110,543)</u>	<u>92,340</u>
<b>Net Income (Loss) Attributable to Somers Manor Nursing Home, Inc.</b>	<u>\$ (584,706)</u>	<u>\$ 340,278</u>

**SOMERS OPERATING, LLC**  
**PROFORMA BALANCE SHEET**  
**January 1, 2018**

Project# 171239  
BFA Attachment-E

**ASSETS**

	<u>Somers</u> <u>Operating, LLC</u>
<b>Current Assets</b>	
Cash & Cash Equivalents	\$ 1,992,912
Account Receivable	<u>8,511,929</u>
<b>Total Current Assets</b>	8,504,841
<b>Non Current Assets</b>	
Resident Funds	315,827
Fixed Assets - Net	<u>700,000</u>
<b>Total Non Current Assets</b>	<u>1,015,827</u>
<b>Total Assets</b>	<u>\$ 9,520,468</u>

**LIABILITIES AND MEMBERS' EQUITY**

<b>Liabilities</b>	
Accounts payable	\$ 3,112,551
Long Term Debt, Current Portion	<u>172,619</u>
<b>Total current liabilities</b>	<u>3,285,170</u>
<b>Long term Liabilities</b>	
Resident Funds	315,827
Long Term Debt, Net of Current Portion	<u>824,612</u>
<b>Total Long-term Liabilities</b>	<u>1,140,239</u>
<b>Total Liabilities</b>	4,425,409
<b>Members' Equity</b>	<u>5,095,059</u>
<b>Total Liabilities and Members' Equity</b>	<u>\$ 9,520,468</u>

**Somers Realty  
 Balance Sheet  
 As of Change of Ownership Date**

	<u>Realty</u>
<b>Current Assets</b>	
Cash & Cash Equivalents	\$ 1,000
Escrow: R/E and Insurance*	250,000
Escrow: Repair Reserve*	105,000
Prepaid Interest @ Closing*	<u>211,275</u>
<b>Total Current Assets</b>	<b>567,275</b>
Property & Equipment, Net	46,950,000
Intangible Assets- Mortgage Costs*	350,000
<b>Total Assets</b>	<b><u>\$ 47,867,275</u></b>
<b>Current Liabilities</b>	
Current Portion of Long Term Debt	\$
Current Portion of Promissory Note	<u>                    </u>
<b>Total Current Liabilities</b>	
Long Term Debt	37,005,000
Promissory Note	5,250,000
Due to Members**	916,275
<b>Total Liabilities</b>	<b><u>43,171,275</u></b>
Members' Equity	4,696,000
<b>Total Liabilities &amp; Members' Equity</b>	<b><u>\$ 47,867,275</u></b>

\* Estimated amounts to be reconciled at closing

\*\* Due to Members corresponds to Escrow Contributions and Mortgage Costs paid at closing

**Somers Operating, LLC  
 Somers Rehabilitation & Nursing Center  
 Proposed Members' interest in affiliated RHCFS**

Facility	EFF Date	Devorah Friedman	Sharon Einhorn	Steven Sax	Akiva Rudner	Eliezer Schwartz	Yossie Zucker
The Grand Pavilion For Rehab	Aug-12	35%	35%				5%
Ramapo Center for Rehab	Jul-12	8.50%	8.50%				2%
The Riverside	Aug-13	9.50%	9.50%				2%
Sans Souci Rehab & Nursing	Oct-09	2%					
St. James Rehab & Healthcare	Aug-12	25%	25%	3%	1%		3%
The Phonix Rehab & Nursing	Jan-15	40%	40%				
Dumont Center of Rehab	Aug-10	11%	9.50%				
Bellhaven Center for Rehab	Mar-10	14%	13%				
Cortlandt Healthcare	Mar-14	36.50%	36.50%	1%		2%	2%
The Emerald Peek Rehab & Nursing	Mar-16	42.50%	42.50%	2%	2%		2%
Crown Center for Nursing & Rehab	Jul-16	2.50%	2.50%				
The Enclave at Port Chester	Jul-16	44%	44%	2%	2%	5%	2%
The Chateau at Brooklyn	Feb-17	43%	43%	2%	2%	5%	2%

**Somers Operating, LLC**  
Proposed members' affiliated RHCf Ownership interest & Financial Summary

**The Grand Pavillion for Rehab & Nursing**

	<u>2016-Internal</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$4,220,695	\$5,473,926	\$3,107,629
Non-Current Assets	<u>12,237,482</u>	<u>18,099,626</u>	<u>17,751,461</u>
Total Assets	\$16,458,177	\$23,573,552	\$20,859,090
Current Liabilities	1,695,263	3,353,506	7,551,454
Long Term Liabilities	<u>2,047,878</u>	<u>18,070,893</u>	<u>12,150,589</u>
Total Liabilities	3,743,141	21,424,399	19,702,043
Net Assets	\$12,715,036	\$2,149,153	\$1,157,047
Working Capital Position	\$2,525,432	\$2,120,420	(\$4,443,825)
Operating Revenues	\$23,133,882	\$20,331,557	\$17,996,604
Operating Expenses	<u>19,652,924</u>	<u>18,364,445</u>	<u>16,880,078</u>
Operating Net Income	\$3,480,958	\$1,967,112	\$1,116,526

**Rampo Manor Nursing Center**

	<u>Internal</u> <u>2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$6,941,199	\$7,134,249	\$7,755,036
Non-Current Assets	<u>28,233,889</u>	<u>25,046,647</u>	<u>22,563,844</u>
Total Assets	\$35,175,088	\$32,180,896	\$30,318,880
Current Liabilities	5,431,741	4,690,728	3,790,377
Long Term Liabilities	<u>24,537,779</u>	<u>23,740,159</u>	<u>22,956,632</u>
Total Liabilities	29,969,520	28,430,887	26,747,009
Net Assets	\$5,205,568	\$3,750,009	\$3,571,871
Working Capital Position	\$1,509,458	\$2,443,521	\$3,964,659
Operating Revenues	\$25,058,518	\$23,654,667	\$25,553,578
Operating Expenses	<u>23,613,959</u>	<u>22,622,229</u>	<u>23,442,909</u>
Operating Net Income	\$1,444,559	\$1,032,438	\$2,110,669

**The Riverside**

	<u>Operation only</u> <u>internal</u> <u>2016</u>	<u>Consolidated</u> <u>2015</u>	<u>Consolidated</u> <u>2014</u>
Current Assets	\$15,105,404	\$17,419,178	\$12,755,097
Non-Current Assets	<u>19,677,085</u>	<u>87,638,507</u>	<u>90,425,688</u>
Total Assets	\$34,782,489	\$105,057,685	\$103,180,785
Current Liabilities	7,030,887	13,721,823	11,511,728
Long Term Liabilities	<u>1,499,140</u>	<u>79,731,099</u>	<u>65,577,987</u>
Total Liabilities	8,530,027	93,452,922	77,089,715
Net Assets	\$26,252,462	\$11,604,763	\$26,091,070
Working Capital Position	\$8,074,517	\$3,697,355	\$1,243,369
Operating Revenues	\$75,821,811	\$69,182,781	\$66,957,849
Operating Expenses	<u>67,268,736</u>	<u>66,281,729</u>	<u>58,898,643</u>
Operating Net Income	\$8,553,075	\$2,901,052	\$8,059,206

**Project# 171239**  
**BFA Attachment-G**  
**Cont**

**Sans Souci Rehab & Nursing Center**

	<b>Internal</b>		
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
Current Assets	\$6,753,191	\$2,863,299	\$3,321,959
Non-Current Assets	<u>2,654,590</u>	<u>6,453,987</u>	<u>3,210,194</u>
Total Assets	\$9,407,781	\$9,317,286	\$6,532,153
Current Liabilities	1,679,900	2,680,480	2,515,477
Long Term Liabilities	<u>88,746</u>	<u>415,692</u>	<u>434,191</u>
Total Liabilities	1,768,646	3,096,172	2,949,668
Net Assets	\$7,639,135	\$6,221,114	\$3,582,485
Working Capital Position	\$5,073,291	\$182,819	\$806,482
Operating Revenues	\$17,327,209	\$17,242,949	\$15,727,086
Operating Expenses	<u>14,571,138</u>	<u>14,092,320</u>	<u>13,350,853</u>
Operating Net Income	\$2,756,071	\$3,150,629	\$2,376,233

**St. James Rehab & Healthcare Center**

	<b>internal</b>		
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
Current Assets	\$7,023,350	\$7,052,683	\$5,767,044
Non-Current Assets	<u>6,142,719</u>	<u>26,381,423</u>	<u>26,063,938</u>
Total Assets	\$13,166,069	\$33,434,106	\$31,830,982
Current Liabilities	3,459,995	3,960,066	3,988,529
Long Term Liabilities	<u>1,654,401</u>	<u>23,432,622</u>	<u>23,787,213</u>
Total Liabilities	5,114,396	27,392,688	27,775,742
Net Assets	\$8,051,673	\$6,041,418	\$4,055,240
Working Capital Position	\$3,563,355	\$3,092,617	\$1,778,515
Operating Revenues	\$33,589,156	\$31,758,921	\$30,114,485
Operating Expenses	<u>30,400,076</u>	<u>27,472,743</u>	<u>25,064,056</u>
Operating Net Income	\$3,189,080	\$4,286,178	\$5,050,429

**The Phoenix Rehab & Nursing Center**

**Acquired 01/15**

	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
Current Assets	\$9,492,997	\$7,628,928	
Non-Current Assets	<u>61,591,466</u>	<u>60,145,114</u>	
Total Assets	\$71,084,463	\$67,774,042	\$0
Current Liabilities	7,824,508	6,948,089	
Long Term Liabilities	<u>48,511,616</u>	<u>50,179,100</u>	
Total Liabilities	56,336,124	57,127,189	0
Net Assets	\$14,748,339	\$10,646,853	\$0
Working Capital Position	\$1,668,489	\$680,839	\$0
Operating Revenues	\$48,843,334	\$42,109,158	
Operating Expenses	<u>43,598,952</u>	<u>39,360,319</u>	
Operating Net Income	\$5,244,382	\$2,748,839	\$0

**Dumont Center for Rehab & Nursing**

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$5,887,227	\$4,803,325	\$4,374,303
Non-Current Assets	<u>3,556,760</u>	<u>3,557,260</u>	<u>3,622,365</u>
Total Assets	\$9,443,987	\$8,360,585	\$7,996,668
Current Liabilities	3,575,556	4,174,732	5,310,330
Long Term Liabilities	<u>135,622</u>	<u>487,658</u>	<u>505,514</u>
Total Liabilities	3,711,178	4,662,390	5,815,844
Net Assets	\$5,732,809	\$3,698,195	\$2,180,824
Working Capital Position	\$2,311,671	\$628,593	(\$936,027)
Operating Revenues	\$24,241,988	\$25,392,270	\$23,920,180
Operating Expenses	<u>19,889,303</u>	<u>23,169,899</u>	<u>21,868,761</u>
Operating Net Income	\$4,352,685	\$2,222,371	\$2,051,419

**Bellhaven Center for Rehabilitation & Nursing Care**

	Internal <u>2016</u>	<u>2015</u>	<u>2014</u>
Current Assets	\$5,189,909	\$2,962,248	\$3,522,425
Non-Current Assets	<u>4,900,265</u>	<u>4,891,005</u>	<u>4,735,085</u>
Total Assets	\$10,090,174	\$7,853,253	\$8,257,510
Current Liabilities	3,875,511	2,920,139	3,075,974
Long Term Liabilities	<u>1,197,709</u>	<u>2,246,842</u>	<u>2,716,001</u>
Total Liabilities	5,073,220	5,166,981	5,791,975
Net Assets	\$5,016,954	\$2,686,272	\$2,465,535
Working Capital Position	\$1,314,398	\$42,109	\$446,451
Operating Revenues	\$27,277,883	\$26,118,966	\$25,417,453
Operating Expenses	<u>23,597,031</u>	<u>24,298,229</u>	<u>23,436,173</u>
Operating Net Income	\$3,680,852	\$1,820,737	\$1,981,280

**Cortlandt Healthcare**

	Internal <u>2016</u>	<u>2015</u>	Acquired 03/2014 <u>2014</u>
Current Assets	\$3,163,956	\$2,901,126	\$2,631,131
Non-Current Assets	<u>5,770,237</u>	<u>6,396,900</u>	<u>4,460,214</u>
Total Assets	\$8,934,193	\$9,298,026	\$7,091,345
Current Liabilities	1,787,247	2,878,465	2,117,657
Long Term Liabilities	<u>3,701,922</u>	<u>4,147,541</u>	<u>4,377,323</u>
Total Liabilities	5,489,169	7,026,006	6,494,980
Net Assets	\$3,445,024	\$2,272,020	\$596,365
Working Capital Position	\$1,376,709	\$22,661	\$513,474
Operating Revenues	\$17,223,893	\$16,397,644	\$12,607,887
Operating Expenses	<u>15,057,888</u>	<u>14,471,989</u>	<u>12,676,837</u>
Operating Net Income	\$2,166,005	\$1,925,655	(\$68,950)

Hillside Manor Rehab and Extended Care Center, LLC CHHA  
**Profit & Loss**  
 January through December 2016

	<u>Jan - Dec 16</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>Revenue</b>	
<b>Allscripts</b>	
AARP - United Healthcare	5,927.54
Aetna Better Health	330.00
HealthFirst	198.00
Humana Medicare Advantage	8,028.59
Medicaid-NY EPS	95,691.92
Medicare PPS	719,998.78
United Healthcare Medicare Adva	109,447.73
<b>Total Allscripts</b>	<u>939,622.54</u>
<b>Total Revenue</b>	<u>939,622.54</u>
<b>Total Income</b>	939,622.54
<b>Cost of Goods Sold</b>	
<b>Cost of Goods Sold</b>	
<b>Direct Care</b>	
<b>Agency</b>	
HHA	146,209.75
OT	30,675.00
PCA	228.00
PCW	114.00
PT	86,638.75
SLP	87.50
<b>Total Agency</b>	<u>263,953.00</u>
<b>Field Staff</b>	
RN - Fee for Service	62,673.75
RN - Full Time	77,821.16
RN - On call	13,400.00
Social Worker - Fee for Service	1,977.84
<b>Total Field Staff</b>	<u>155,672.75</u>
<b>Total Direct Care</b>	<u>419,625.75</u>
<b>Total Cost of Goods Sold</b>	<u>419,625.75</u>
<b>Total COGS</b>	<u>419,625.75</u>
<b>Gross Profit</b>	<u>519,996.79</u>
<b>Expense</b>	
<b>Employee Benefits</b>	
FICA Expense	21,953.13
Health Insurance Expense	9,995.20
Worker's Compensation Expense	16,213.76
<b>Total Employee Benefits</b>	<u>48,162.09</u>
<b>General Overhead</b>	
Advertising and Marketing	100.81
Business Licenses and Permits	2,000.00
Cash Assessment Expense	1,140.00
Computer and Internet Expenses	25,824.13
Continuing Education	725.00
Contracted Services	
Agency	
File Clerk	2,820.00
Office Coordinator	17,424.00
<b>Total Agency</b>	<u>20,244.00</u>

**Hillside Manor Rehab and Extended Care Center, LLC CHHA**  
**Profit & Loss**  
**January through December 2016**

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	<u>Jan - Dec 16</u>
Billing	57,222.51
Consulting	99,335.30
HHA Exchange	1,000.00
Medicare Billing	129.00
Purchasing	455.00
<b>Total Contracted Services</b>	<b>178,385.81</b>
IT Consulting Expense	69,230.88
Medical Supplies	938.37
Office Salaries	
Biller	14,914.86
Director of Intake	51,442.39
Director of Patient Services	50,961.61
Intake Manager	10,577.00
Office Manager	18,938.13
Operations Supervisor	2,596.17
Quality and Performance Manager	19,758.44
<b>Total Office Salaries</b>	<b>169,188.60</b>
Office Supplies	3,596.85
Postage Expense	29.80
Travel Expenses	1,463.81
<b>Total General Overhead</b>	<b>452,624.06</b>
<b>Total Expense</b>	<b>500,786.15</b>
<b>Net Ordinary Income</b>	<b>19,210.64</b>
<b>Net Income</b>	<b>19,210.64</b>

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Pro Forma Balance Sheet

ASSETS:

Cash	\$2,787,094
Accounts Receivable	215,000
Property Plant and Equipment	12,742
Goodwill	<u>487,258</u>
TOTAL ASSETS	\$3,502,094

LIABILITIES:

Accounts Payable	<u>\$90,000</u>
TOTAL LIABILITIES	\$90,000

MEMBERS EQUITY	\$3,412,094
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