MONTEFIORE MEDICAL CENTER

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2012

MONTEFIORE MEDICAL CENTER

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	March 31 2012	December 31 2011
	(In Thousands)	
Assets		
Current assets:		
Cash and cash equivalents	$ 46,339	$ 26,855
Assets limited as to use - marketable securities	50,214	49,440
Receivables for patient care less allowances for doubtful accounts	179,133	161,779
Other receivables	59,786	49,784
Marketable and other securities, at market	803,894	775,680
Estimated insurance claims receivable	73,115	73,115
Other current assets	30,278	31,157
Total current assets	1,242,759	1,167,810
Assets limited as to use:		
Marketable and other securities :		
Sinking funds	65,378	64,257
Employee deferred compensation plan	13,143	12,154
Marketable and other securities externally designat	96,143	94,766
Malpractice insurance programs	5,212	19,421
Total assets limited as to use	179,876	190,598
Estimated insurance claims receivable - non current	414,320	414,320
Marketable securities held as collateral	6,040	6,040
Property, buildings and equipment at cost, net	742,840	738,541
Deferred financing costs and other non-current assets	117,737	114,049
Total assets	$ 2,703,572	$ 2,631,358

	March 31 2012	December 31 2011
	(In Thousands)	
Liabilities and net assets		
Current liabilities:		
Trade accounts payable	$ 71,590	$ 81,057
Other payables and accrued expenses	207,464	202,388
Accrued salaries, wages and related items	217,116	183,435
Estimated insurance claims liabilities	73,115	73,115
Current portion of long-term debt	37,953	39,356
Total current liabilities	607,238	579,351
Long-term debt, less current portion	545,909	550,610
Non-current defined benefit and postretirement health plan and insurance liabilities	223,717	236,114
Estimated insurance claims liabilities - non current	414,320	414,320
Employee deferred compensation	13,143	12,154
Other non-current liabilities	290,443	285,457
	1,487,532	1,498,655
Net assets:		
Unrestricted	511,470	455,208
Temporarily restricted	71,982	72,794
Permanently restricted	25,350	25,350
Total net assets	608,802	553,352
Total liabilities and net assets	$ 2,703,572	$ 2,631,358

MONTEFIORE MEDICAL CENTER

CONSOLIDATED STATEMENTS OF OPERATIONS
ACTUAL AND BUDGET COMPARED
YEAR-END FINANCIAL STATEMENT FORMAT
FOR THE THREE MONTHS ENDED MARCH 31, 2012

(In Thousands)

	YEAR TO DATE			
	ACTUAL	BUDGET	VARIANCE	%
Operating Revenue				
Inpatient	$ 378,894	$ 371,401	$ 7,493	2.0%
Outpatient	205,855	205,760	95	0.0%
Premium Revenue	138,903	137,827	1,076	0.8%
Net patient service revenue	723,652	714,988	8,664	1.2%
Grants and contracts	18,071	17,927	144	0.8%
Contributions	386	404	(18)	-4.5%
Other	23,919	24,821	(902)	-3.6%
Total operating revenue	766,028	758,140	7,888	1.0%
Operating Expenses				
Salaries and wages	338,414	341,663	3,249	1.0%
Employee benefits	112,908	113,320	412	0.4%
Supplies and other expenses	262,520	254,743	(7,777)	-3.1%
Depreciation and amortization	26,886	26,888	2	0.0%
Interest	6,787	7,008	221	3.2%
Total operating expenses	747,515	743,622	(3,893)	-0.5%
Income from operations before certain items	18,513	14,518	3,995	27.5%
Net realized and changes in unrealized gains on marketable and other securities	25,158	-	25,158	100.0%
Malpractice insurance program adjustments associated with investment gains	12,591	-	12,591	100.0%
Increase in unrestricted net assets	$ 56,262	$ 14,518	$ 41,744	287.5%

MONTEFIORE MEDICAL CENTER

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

	Unrestricted Net Assets	Temporarily Restricted Net Assets	Permanently Restricted Net Assets	Total Net Assets
		(In Thousands)		
Net assets at January 1, 2011	$ 422,410	$ 72,444	$ 25,350	$ 520,204
Increase in unrestricted net assets	32,798	-		32,798
Restricted gifts, bequests and similar items	-	8,595	-	8,595
Investment income	-	430	-	430
Net assets released from restrictions	-	(8,675)	-	(8,675)
	32,798	350	-	33,148
Net assets at December 31, 2011	455,208	72,794	25,350	553,352
Increase in unrestricted net assets	**56,262**	-	-	**56,262**
Restricted gifts, bequests and similar items	-	**195**	-	**195**
Investment income	-	**116**	-	**116**
Net assets released from restrictions	-	**(1,123)**	-	**(1,123)**
	56,262	**(812)**	-	**55,450**
Net assets at March 31, 2012	**$ 511,470**	**$ 71,982**	**$ 25,350**	**$ 608,802**

MONTEFIORE MEDICAL CENTER

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In Thousands)

	March 31 2012
Operating Activities	
Increase (decrease) in net assets:	
Unrestricted	$ 56,262
Temporarily restricted	(812)
Increase in net assets	55,450
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation and amortization	26,886
Net realized losses	803
Change in net unrealized (gains)	(25,961)
Equity earnings from investment in limited liability company	(3,273)
Amortization of long-term mortgage premium	(246)
Changes in operating assets and liabilities:	
Receivables for patient care	(17,354)
Net change in other operating assets and liabilities	12,968
Net cash provided by operating activities	49,273
Investing activities	
Acquisition of property, buildings and equipment, net	(30,823)
Increase in marketable and other securities, net	(3,057)
Decrease in assets limited to use marketable securities, net	9,949
Net cash used in investing activities	(23,931)
Financing activities	
Payments of long-term debt	(9,058)
Proceeds from long-term debt	3,200
Net cash used in financing activities	(5,858)
Net increase in cash and cash equivalents	19,484
Cash and cash equivalents at beginning of year	26,855
Cash and cash equivalents at end of the year	$ 46,339