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August 14, 2017

Digital Assurance Certification, L.L.C  
Orlando, Florida

RE: Officers Certificate for CareAlliance Health Services  
d/b/a Roper St. Francis Healthcare

Relating to the required Quarterly Filing

Issues Including:


South Carolina Jobs-Economic Development Authority, Lease Revenue Bonds (SPE Fayssoux Properties, LLC Project), \$84,235,000 consisting of Series 2016A, \$61,265,000 [CUSIPs 83704AAB8, 83704AAC6, 83704AAD4, 83704AAE2, 83704AAF9, 83704AAA0]; and Taxable Series 2016B, \$22,970,000 [CUSIPs 83704AAG7, 83704AAH5, 83704AAJ1, 83704AAK8, 83704AAL6, 83704AAM4, 8704AAN2, 83704AAP7];

Dated: July 27, 2016

I hereby certify that the "Financial Statements\_Interim 063017" file filed on August 14, 2017, constitutes the quarterly financial information required by the Continuing Disclosure Agreement. I further certify that the information complies with the Continuing Disclosure Agreement and the Rule as required. DAC shall be entitled to rely on this certificate.

If you have further questions about this matter please do not hesitate to call.

Sincerely,

  
Bret D. Johnson  
CFO & Senior Vice President  
Roper St. Francis Healthcare

**CAREALLIANCE HEALTH SERVICES**  
**(d/b/a Roper St. Francis Healthcare)**

Unaudited

CONSOLIDATED BALANCE SHEETS  
As of June 30, 2017 and 2016

	June 2017	June 2016
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 41,954,000	\$ 46,590,000
Patent accounts receivable--net	134,188,000	122,923,000
Other receivables	11,469,000	7,713,000
Short term investments	9,801,000	9,801,000
Inventories	13,470,000	12,573,000
Prepaid expenses and other	17,631,000	18,522,000
Total current assets	228,513,000	218,122,000
LONG-TERM INVESTMENTS	153,134,000	149,991,000
ASSETS LIMITED AS TO USE	96,363,000	1,501,000
PROPERTY AND EQUIPMENT--NET	597,850,000	576,585,000
OTHER ASSETS	52,273,000	47,119,000
<b>TOTAL</b>	<b>\$ 1,128,133,000</b>	<b>\$ 993,318,000</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Current portion of long-term debt	\$ 64,895,000	\$ 21,137,000
Accounts payable	58,714,000	63,574,000
Accrued expenses	79,175,000	70,185,000
Accrued contribution payable to members-current portion	9,528,000	14,800,000
Total current liabilities	212,312,000	169,696,000
LONG-TERM DEBT--Net	443,597,000	340,886,000
OTHER LIABILITIES	93,314,000	107,765,000
Total liabilities	749,223,000	618,347,000
<b>NET ASSETS:</b>		
Unrestricted		
CareAlliance Health Services	349,396,000	349,627,000
Noncontrolling interests in Lowcountry Surgery Center LLC	112,000	155,000
Noncontrolling interests in RSFH-ATI Physical Therapy LLC	3,853,000	2,037,000
Total unrestricted net assets	353,361,000	351,819,000
Temporarily restricted net assets	16,907,000	14,726,000
Permanently restricted net assets	8,642,000	8,426,000
Total net assets	378,910,000	374,971,000
<b>TOTAL</b>	<b>\$ 1,128,133,000</b>	<b>\$ 993,318,000</b>

Note: In January, RSF re-established third party reserves that were absorbed in 2016 as a result of an \$8 million out-of-period Medicaid DSH settlement pertaining to year 2013.

**CAREALLIANCE HEALTH SERVICES**  
**(d/b/a Roper St. Francis Healthcare)**

**Unaudited**

CONSOLIDATED STATEMENT OF OPERATIONS  
For the Six Months Ended June 30, 2017 and 2016

	June 2017	June 2016
UNRESTRICTED REVENUES:		
Net patient service revenue (net of contractual allowances and discounts)	\$ 457,032,000	\$ 444,233,000
Provision for bad debt	(18,114,000)	(16,906,000)
Net patient service revenue	438,918,000	427,327,000
Other operating revenue	10,116,000	9,213,000
Total unrestricted revenues	449,034,000	436,540,000
EXPENSES:		
Salaries and employee benefits	244,610,000	230,751,000
Supplies	86,401,000	82,300,000
Purchased services	51,515,000	44,448,000
Other expenses	37,033,000	38,880,000
Depreciation and amortization	31,486,000	29,394,000
Interest expense	6,546,000	4,562,000
Total operating expenses	457,591,000	430,335,000
OPERATING (LOSS) INCOME	(8,557,000)	6,205,000
NONOPERATING (LOSSES) GAINS:		
Investment gains --- net	11,621,000	3,039,000
Change in fair value of interest rate swaps	1,681,000	(9,829,000)
Loss on extinguishment of debt	-	-
Other --- net	(1,046,000)	(2,397,000)
EXCESS OF REVENUE OVER EXPENSES	\$ 3,699,000	\$ (2,982,000)

Note: In January, RSF re-established third party reserves that were absorbed in 2016 as a result of an \$8 million out-of-period Medicaid DSH settlement pertaining to year 2013.

# CAREALLIANCE HEALTH SERVICES

(d/b/a Roper St. Francis Healthcare)

Unaudited

## CONSOLIDATED STATEMENTS OF CASH FLOW

For the Six Months Ended June 30, 2017 and 2016

	June 2017	June 2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Increase in net assets	\$ 6,705,000	\$ (192,000)
<i>Adjustments to reconcile change in net assets to net cash provided by operating activities:</i>		
Depreciation	31,486,000	29,187,000
Amortization		207,000
Amortization of bond issuance costs	184,000	-
Amortization of bond discount	25,000	-
Amortization of bond premium	-	-
Contribution from member & others for acquisitions of property & equipment	-	(20,000)
Provision for uncollectible accounts	18,114,000	16,906,000
Realized and unrealized gains on investments and interest rate swap, net	(11,376,000)	7,538,000
Loss on property and equipment disposals	(504,000)	983,000
(Gain)/Loss on extinguishment of debt	-	-
Non-controlling interest in joint venture	-	(673,000)
<i>Changes in operating assets and liabilities</i>		
Accounts receivable	(25,699,000)	(28,091,000)
Inventories	40,000	(394,000)
Prepaid expenses and other assets	(3,999,000)	(7,252,000)
Accounts payable, accrued expenses, & other liabilities	3,901,000	11,927,000
<b>Net cash provided by operating activities</b>	<b>18,877,000</b>	<b>30,126,000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of investments and assets limited as to use	(8,340,000)	(11,548,000)
Sales of investments and assets limited as to use	19,663,000	17,377,000
Acquisitions	-	(1,248,000)
Purchases of property and equipment	(36,294,000)	(38,180,000)
Cash proceeds from sales of property and equipment	2,425,000	82,000
<b>Net cash used in investing activities</b>	<b>(22,546,000)</b>	<b>(33,517,000)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from issuance of long-term debt	48,817,000	26,000,000
Principal payments on long-term debt and capital lease obligations	(48,890,000)	(4,151,000)
Debt issuance costs	(23,000)	(12,000)
Contribution paid to members	-	-
Contribution from member for acquisitions of property & equipment	-	20,000
Other	(1,723,000)	(3,485,000)
<b>Net cash used in financing activities</b>	<b>(1,819,000)</b>	<b>18,372,000</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>(5,488,000)</b>	<b>14,981,000</b>
<b>CASH AND CASH EQUIVALENTS - Beginning of period</b>	<b>47,442,000</b>	<b>31,609,000</b>
<b>CASH AND CASH EQUIVALENTS - End of period</b>	<b>\$ 41,954,000</b>	<b>\$ 46,590,000</b>