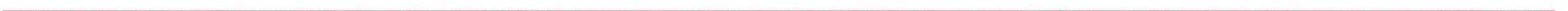
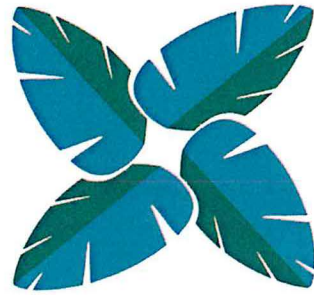


**Central Florida Health**



## CENTRAL FLORIDA HEALTH, INC. (Consolidated LPMC, TVRH, Alliance Labs, Venture, SCMD, Foundations and Parent)

## BALANCE SHEETS

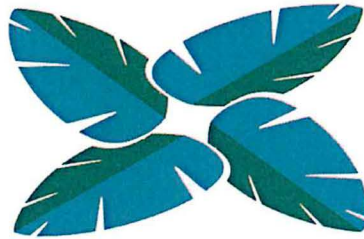
June 30, 2017 (Fiscal Year 2017)

	FY2017 June 30, 2017	FY2016 June 30, 2016
<b>Current Assets:</b>		
Cash	\$ 74,891,634	\$ 72,451,317
Accounts Receivable (Net)	48,103,765	53,004,213
Inventory, Prepaids, Current Assets Limited as to use & Other Rec	27,009,100	25,390,575
Total Current Assets	150,004,498	150,846,105
<b>Net Property, Plant and Equipment</b>	261,326,647	258,589,007
<b>Other Assets:</b>		
Investments	175,386,375	164,545,931
Investments in Unconsolidated Affiliates	29,497,414	32,249,034
Total Assets Limited as to use	6,946,102	6,353,674
Other Assets	7,448,516	7,825,295
Total Other Assets	219,278,408	210,973,935
<b>TOTAL ASSETS</b>	<b>\$ 630,609,553</b>	<b>\$ 620,409,047</b>
<b>Current Liabilities:</b>		
Accounts Payable & Accrued Expenses	\$ 47,852,265	\$ 58,756,107
Current Portion of Long-Term Debt	9,292,402	3,360,036
Total Current Liabilities	57,144,667	62,116,143
<b>Long-Term Debt:</b>		
Bond Debt	174,034,127	182,426,360
Other Long-Term Liabilities	34,322,081	34,316,042
Total Long-Term Liabilities	208,356,208	216,742,402
<b>Fund Balances:</b>		
Net From Prior Years	335,926,271	323,912,223
Temporarily Rest.	895,856	884,943
Permanently Rest. - Endow. Funds	1,183,235	1,183,235
Current Year Excess/(Deficit) of Revenue over Exp.	27,103,316	15,570,102
Total Fund Balance	365,108,678	341,550,502
<b>TOTAL LIABILITIES and FUND BALANCE</b>	<b>\$ 630,609,553</b>	<b>\$ 620,409,047</b>

**Consolidated**  
Results of Operations  
For the Twelve Months Ended June 30, 2017  
(In Thousands)

	FY2017 YTD <u>Actual</u>	FY2017 YTD <u>Budget</u>	FY2016 YTD <u>Actual</u>
INPATIENT REVENUE	1,006,291	1,026,240	1,021,029
OUTPATIENT REVENUE	686,768	675,630	672,533
<b>GROSS PATIENT REVENUE</b>	<b>1,693,059</b>	<b>1,701,870</b>	<b>1,693,561</b>
DEDUCTIONS FROM REVENUE	1,229,680	1,295,443	1,234,719
BAD DEBT DEDUCTIONS	28,819	295	19,964
CHARITY/INDIGENT CARE	35,743	0	46,094
<b>TOTAL DEDUCTIONS</b>	<b>1,294,242</b>	<b>1,295,737</b>	<b>1,300,777</b>
<b>NET PATIENT REVENUE</b>	<b>398,817</b>	<b>406,133</b>	<b>392,784</b>
PCR	23.74%	23.62%	22.94%
OTHER OPERATING REVENUE	15,922	13,571	15,136
<b>TOTAL NET OPERATING REVENUE</b>	<b>414,740</b>	<b>419,704</b>	<b>407,920</b>
SALARIES	161,982	158,980	153,123
EMPLOYEE BENEFITS	38,686	37,169	36,161
PURCHASED SERVICES	27,808	28,697	28,788
PROFESSIONAL FEES	13,385	12,742	13,418
SUPPLIES	77,025	80,699	77,978
PHARMACEUTICALS	22,130	21,366	21,492
LEASES AND RENTALS	4,297	4,613	4,122
REPAIRS AND MAINTENANCE	8,067	7,953	7,594
UTILITIES AND TELEPHONES	6,722	6,844	6,535
INSURANCE EXPENSE	3,252	6,421	2,771
OTHER EXPENSES	9,947	8,966	9,442
INTEREST EXPENSE	6,092	6,306	5,746
DEPRECIATION	25,942	26,148	27,631
<b>TOTAL EXPENSES</b>	<b>405,336</b>	<b>406,904</b>	<b>394,802</b>
<b>INCOME FROM OPERATIONS</b>	<b>9,403</b>	<b>12,800</b>	<b>13,118</b>
REALIZED GAIN/LOSSES - INVESTMENTS	1,531	530	459
INTEREST INCOME	3,038	2,849	3,008
REALIZED GAIN/LOSSES - OTHER	2,740	2,568	3,159
<b>NET INCOME (LOSS) BEFORE SWAP AND UNREALIZED GAINS/LOSSES</b>	<b>16,712</b>	<b>18,747</b>	<b>19,745</b>
INTEREST RATE SWAP	4,145	(3,897)	(3,554)
UNREALIZED GAINS/LOSSES - INVESTMENTS	6,236	(5,825)	(621)
<b>NET INCOME (LOSS) AFTER SWAP AND UNREALIZED GAINS/LOSSES</b>	<b>27,094</b>	<b>9,025</b>	<b>15,570</b>

## The Obligated Group



*LRMC, TVRH AND CFH ARE THE CURRENT MEMBERS OF THE OBLIGATED GROUP. THEY ARE JOINTLY AND SEVERALLY LIABLE UNDER THE MASTER INDENTURE. FOR THE TWELVE MONTHS ENDED JUNE 30, 2017 AND 2016, THE MEMBERS OF THE OBLIGATED GROUP CONTRIBUTED 97.0% AND 97.2% OF THE CONSOLIDATED NET OPERATING REVENUES AND APPROXIMATELY 97.5% AND 95.8%, RESPECTIVELY OF THE CONSOLIDATED NET ASSETS AS REPORTED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CFH.*

**THE OBLIGATED GROUP**  
**BALANCE SHEETS**  
June 30, 2017 (Fiscal Year 2017)

	<u>LRMC</u>	<u>TVRH</u>	<u>CFH</u>	<u>Elimination</u>	<u>Obligated Group</u>
<b><u>Current Assets:</u></b>					
Cash	\$ 55,486,963	\$ 13,304,687	\$ 1,138,426	\$ -	\$ 69,930,077
Accounts Receivable (Net)	25,679,429	20,811,408	-	-	46,490,838
Inventory, Prepaids, & Other Rec.	13,035,850	13,845,200	-	-	26,881,049
Total Current Assets	94,202,242	47,961,295	1,138,426	-	143,301,963
<b><u>Net Property, Plant and Equipment</u></b>	98,133,002	160,579,738	806,972	-	259,519,712
<b><u>Other Assets:</u></b>					
Investments	156,904,177	15,296,132	-	-	172,200,310
Investments in Unconsolidated Affiliates	24,260,810	5,771	5,400,061	-	29,666,641
Total Assets Limited as to use	5,058,292	-	-	-	5,058,292
Other Assets	(30,971,409)	7,009,074	12,698	26,695,719	2,733,384
Total Other Assets	155,251,870	22,310,977	5,412,759	26,695,719	209,658,626
<b>TOTAL ASSETS</b>	<b>\$ 347,587,114</b>	<b>\$ 230,852,011</b>	<b>\$ 7,358,157</b>	<b>\$ 26,695,719</b>	<b>\$ 612,480,302</b>
<b><u>Current Liabilities:</u></b>					
Accounts Payable & Accrued Expenses	\$ 30,534,401	\$ (22,201,399)	\$ 3,136,731	\$ 28,631,941	\$ 40,101,674
Current Portion of Long-Term Debt	7,742,402	1,550,000	-	-	9,292,402
Total Current Liabilities	38,276,802	(20,651,399)	3,136,731	28,631,941	49,394,075
<b><u>Long-Term Debt:</u></b>					
Bond Debt	36,891,231	137,142,896	-	-	174,034,127
Other Long-Term Liabilities	21,502,277	12,819,804	-	-	34,322,081
Total Long-Term Liabilities	58,393,508	149,962,700	-	-	208,356,208
<b><u>Fund Balances:</u></b>					
Net From Prior Years	230,230,676	96,526,922	3,973,811	(1,936,222)	328,795,187
Temporarily Rest. - TVRH Expansion	-	-	-	-	-
Permanently Rest. - Endow. Funds	-	-	-	-	-
Other Changes in Net Assets	-	-	-	-	-
Current Year Excess of Revenue over Exp.	20,686,128	5,013,788	247,615	-	25,947,530
Total Fund Balance	250,916,804	101,540,710	4,221,426	(1,936,222)	354,742,717
<b>TOTAL LIABILITIES and FUND BALANCE</b>	<b>\$ 347,587,114</b>	<b>\$ 230,852,011</b>	<b>\$ 7,358,157</b>	<b>\$ 26,695,719</b>	<b>\$ 612,493,001</b>

**Central Florida Health**  
**Obligated Group**  
**Results of Operations**  
**For the Twelve Months Ended June 30, 2017**  
**(In Thousands)**

	<u>LRMC</u>	<u>TVRH</u>	<u>Obligated Group</u>
INPATIENT REVENUE	509,161	497,130	1,006,291
OUTPATIENT REVENUE	371,654	280,432	652,086
<b>GROSS PATIENT REVENUE</b>	<b>880,814</b>	<b>777,563</b>	<b>1,658,377</b>
DEDUCTIONS FROM REVENUE	620,918	578,371	1,199,288
CHARITY/INDIGENT CARE	17,395	11,422	28,817
BAD DEBT DEDUCTIONS	23,892	11,851	35,743
<b>NET PATIENT REVENUE</b>	<b>218,610</b>	<b>175,918</b>	<b>394,528</b>
OTHER OPERATING REVENUE	4,225	3,718	7,943
<b>TOTAL NET OPERATING REVENUE</b>	<b>222,835</b>	<b>179,636</b>	<b>402,471</b>
SALARIES	86,964	71,062	158,026
EMPLOYEE BENEFITS	20,720	17,021	37,741
PURCHASED SERVICES	15,757	11,547	27,304
PROFESSIONAL FEES	7,494	5,496	12,990
SUPPLIES	42,844	32,092	74,936
PHARMACEUTICALS	13,099	9,089	22,188
LEASES AND RENTALS	1,508	1,861	3,369
REPAIRS AND MAINTENANCE	4,001	3,133	7,134
UTILITIES AND TELEPHONES	3,662	2,890	6,551
INSURANCE EXPENSE	1,729	1,429	3,157
OTHER EXPENSES	5,012	3,973	8,985
INTEREST EXPENSE	1,364	4,727	6,091
DEPRECIATION	11,972	13,436	25,408
<b>TOTAL EXPENSES</b>	<b>216,125</b>	<b>177,755</b>	<b>393,880</b>
<b>INCOME FROM OPERATIONS</b>	<b>6,710</b>	<b>1,881</b>	<b>8,590</b>
REALIZED GAIN/LOSSES - INVESTMENTS	1,377	(37)	1,340
INTEREST INCOME	2,795	190	2,986
REALIZED GAIN/LOSSES - OTHER	2,135	225	2,360
<b>NET INCOME (LOSS) BEFORE SWAP AND UNREALIZED GAINS/LOSSES</b>	<b>13,017</b>	<b>2,260</b>	<b>15,277</b>
INTEREST RATE SWAP	1,301	2,845	4,145
UNREALIZED GAINS/LOSSES - INVESTMENTS	6,369	(91)	6,278
<b>NET INCOME (LOSS) AFTER SWAP AND UNREALIZED GAINS/LOSSES</b>	<b>20,686</b>	<b>5,014</b>	<b>25,700</b>

**Central Florida Health**  
**Operating Statistics**  
**For the Twelve Months Ended June 30, 2017**

	<b>FY2017</b>	<b>FY2016</b>
Acute Admissions - Acute & Rehab	28,435	29,671
Avg Daily Census - Acute & Rehab	399.3	417.3
Occupancy % *	66.0%	69.0%
CMI Adjusted Avg LOS - Acute	3.19	3.24
ED Visits	84,564	89,255
Outpatient Registrations	50,183	53,098
Surgeries (excludes Endoscopy)	14,884	15,529

\* Excludes Observations

**Central Florida Health  
Obligated Group  
Statistical Summary  
For the Twelve Months Ended June 30, 2017**

	<b>FY2017</b>	<b>FY2016</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>
<b><u>Obligated Group Gross Revenue by Financial Class:</u></b>		
Medicare	74.8%	73.7%
Medicaid	7.2%	7.3%
Blue Cross	8.0%	7.8%
Commercial	3.9%	4.3%
HMO	1.8%	1.8%
Worker's Comp.	0.2%	0.3%
Self Pay	4.2%	4.8%
<b>Total Revenues</b>	<b>100.0%</b>	<b>100.0%</b>



**CFH CONSOLIDATED  
BENCHMARK COMPARISONS  
FOR THE TWELVE MONTHS ENDED JUNE 30, 2017 (Fiscal Year 2017 - YTD)**

	FY 2017 Actual	Current Rating		<u>Bond Covenants</u>
		S&P A	Moody's A2	
MADS Coverage	3.5	4.6	4.9	> 1.15 x
* Debt to Capitalization	34.1%	29.1%	32.8%	< 65%
* Days Cash on Hand	239.8	248.1	228.3	> 90 days

\* Calculations not a filing requirement, informational only