

Anne Arundel Health System, Inc. and Subsidiaries
Consolidated Balance Sheet

	March 31, 2017	June 30, 2016
Assets		
Current Assets:		
Cash and cash equivalent	\$ 84,915,000	\$ 77,674,000
Short-term investments	8,106,000	3,796,000
Current portion of assets whose use is limited	7,483,000	14,371,000
Patient receivables, less allowance for uncollectible accounts	76,044,000	70,639,000
Current portion of pledges receivable, net	928,000	1,296,000
Inventories	8,347,000	8,935,000
Prepaid expenses and other current assets	15,360,000	8,214,000
Total current assets	201,183,000	184,925,000
Property and equipment	844,112,000	833,945,000
Less accumulated depreciation and amortization	(410,673,000)	(389,611,000)
Net property and equipment	433,439,000	444,334,000
Other assets:		
Investments	272,405,000	246,824,000
Investments in joint ventures	9,194,000	8,717,000
Pledges receivable, net of current portion and net of allowance for uncollectable pledges	4,030,000	5,037,000
Assets whose use is limited	48,655,000	50,442,000
Deferred debt issue costs, net of accumulated amortization	3,482,000	4,370,000
Restricted collateral for interest rate swap contract	50,042,000	69,336,000
Other assets	23,686,000	18,033,000
Total assets	\$ 1,046,116,000	\$ 1,032,018,000
Liabilities and net assets		
Current liabilities:		
Accounts payable	\$ 8,667,000	\$ 19,011,000
Accrued salaries, wages, and benefits	33,131,000	27,285,000
Other accrued expenses	27,688,000	24,655,000
Current portion of long-term debt	9,711,000	15,974,000
Advances from third-party payors	19,361,000	22,001,000
Total current liabilities	98,558,000	108,926,000
Long-term debt, less current portion and unamortized original issue premium	393,916,000	396,776,000
Interest rate swap contracts	69,625,000	99,585,000
Accrued pension liability	23,488,000	31,468,000
Other long-term liabilities	20,609,000	19,667,000
Total liabilities	606,196,000	656,422,000
Net assets:		
Unrestricted	415,364,000	351,518,000
Temporarily restricted	13,816,000	13,028,000
Permanently restricted	10,740,000	11,050,000
Total net assets	439,920,000	375,596,000
Total liabilities and net assets	\$ 1,046,116,000	\$ 1,032,018,000

Anne Arundel Health System, Inc. and Subsidiaries
Consolidated Statement of Revenues and Expenses
For the Nine Months Ending March 31, 2017 and 2016

	2017	2016
Net Patient Service Revenue	\$ 496,756,120	\$ 474,075,934
Other Operating Revenue	22,133,940	21,953,055
Total Operating Revenue	\$ 518,890,060	\$ 496,028,990
<i>Operating Expense:</i>		
Salaries and wages	\$ 236,092,193	\$ 216,827,350
Employee benefits	38,160,114	33,996,499
Supplies	112,136,786	102,268,925
Purchased Services	90,302,640	86,934,837
Depreciation and amortization	26,866,050	26,599,534
Interest	10,225,705	9,947,025
Total Operating Expenses	\$ 513,783,488	\$ 476,574,170
Operating Income (Loss)	\$ 5,106,572	\$ 19,454,820
<i>Non Operating Income:</i>		
Investment Income (Loss), Net	\$ 18,844,658	\$ 10,225,638
Income (Loss) from Joint Venture and Other, Net	(281,774)	2,721,900
Realized Gains (Losses) on Interest Rate Swaps, Net	(4,584,241)	-
Change in Unrealized Gains (Losses) on Trading Securities, Net	12,435,246	(4,738,530)
Mark-to-Market for Contracts Under SFAS 133	29,959,956	3,362,671
Net Non Operating Income	\$ 56,373,845	\$ (12,042,856)
Excess (Deficit) of Revenues Over Expenses	\$ 61,480,417	\$ 7,411,964