



Consolidated Financial Statements
and Supplementary Information

Adventist Health System/West

Year Ended December 31, 2014
with Report of Independent Auditors

Audited Consolidated Financial Statements
and Supplementary Information

ADVENTIST HEALTH

December 31, 2014

Audited Consolidated Financial Statements

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Report of Independent Auditors

The Board of Directors
Adventist Health

We have audited the accompanying consolidated financial statements of Adventist Health (the “System”), which comprise the consolidated balance sheet as of December 31, 2014 and 2013, and the related consolidated statement of operations and changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Adventist Health at December 31, 2014 and 2013, and the consolidated results of its operations and changes in net assets, and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

March 31, 2015

CONSOLIDATED BALANCE SHEETS
(In thousands of dollars)

ADVENTIST HEALTH

	December 31	
	<u>2014</u>	<u>2013</u>
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 293,934	\$ 356,370
Marketable securities	93,113	26,914
Assets whose use is limited:		
Board-designated	62	81
Held by trustees	22,659	22,504
Donor-restricted	4,902	520
Patient accounts receivable, net of allowance for uncollectible accounts of approximately \$140,000 and \$114,000 at December 31, 2014 and 2013, respectively	440,374	384,931
Receivables from third-party payors	142,355	33,481
Other receivables	27,790	28,229
Inventories	47,409	46,205
Prepaid expenses and other current assets	28,884	31,227
TOTAL CURRENT ASSETS	<u>1,101,482</u>	<u>930,462</u>
OTHER ASSETS		
Notes receivable	24,463	24,143
Marketable securities	458,333	456,245
Assets whose use is limited:		
Board-designated	118,124	115,368
Held by trustees	233,627	263,651
Donor-restricted	20,532	20,251
Long-term investments	27,807	13,199
Deferred financing costs	7,505	7,917
Other long-term assets	60,699	58,422
TOTAL OTHER ASSETS	<u>951,090</u>	<u>959,196</u>
PROPERTY AND EQUIPMENT, net	<u>1,630,697</u>	<u>1,586,309</u>
TOTAL ASSETS	<u>\$ 3,683,269</u>	<u>\$ 3,475,967</u>

CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
(In thousands of dollars)

ADVENTIST HEALTH

	Year Ended December 31	
	<u>2014</u>	<u>2013</u>
UNRESTRICTED REVENUES, GAINS, AND SUPPORT		
Net patient service revenue	\$ 3,105,796	\$ 2,932,268
Less provision for bad debts	<u>122,969</u>	<u>137,890</u>
Net patient service revenue less provision for bad debts	2,982,827	2,794,378
Premium revenue	88,211	51,322
Other revenue	181,708	198,341
Net assets released from restrictions for operations	<u>10,117</u>	<u>8,058</u>
TOTAL UNRESTRICTED REVENUES, GAINS, AND SUPPORT	3,262,863	3,052,099
 EXPENSES		
Employee compensation	1,551,161	1,468,668
Professional fees	315,772	331,214
Supplies	440,336	419,304
Purchased services and other	651,089	598,596
Interest	34,123	34,588
Depreciation and amortization	<u>152,635</u>	<u>144,675</u>
TOTAL EXPENSES	<u>3,145,116</u>	<u>2,997,045</u>
EXCESS OF REVENUES OVER EXPENSES FROM CONTINUING OPERATIONS	\$ 117,747	\$ 55,054

	Year Ended December 31	
	<u>2014</u>	<u>2013</u>
UNRESTRICTED NET ASSETS		
Excess of revenues over expenses from continuing operations (from page 4)	\$ 117,747	\$ 55,054
Change in net unrealized gains and losses on other-than-trading securities	2,405	(11,411)
Donated property and equipment	1,146	950
Net assets released from restrictions for capital additions	<u>6,025</u>	<u>7,532</u>
INCREASE IN UNRESTRICTED NET ASSETS BEFORE DISCONTINUED OPERATIONS	127,323	52,125
Net loss from discontinued operations	<u>(926)</u>	<u>(615)</u>
INCREASE IN UNRESTRICTED NET ASSETS	<u>126,397</u>	<u>51,510</u>
TEMPORARILY RESTRICTED NET ASSETS		
Restricted gifts and grants	22,070	17,323
Net realized and unrealized gains on investments	82	211
Change in value of split-interest agreements	1,279	127
Net assets released from restrictions	<u>(16,142)</u>	<u>(15,590)</u>
INCREASE IN TEMPORARILY RESTRICTED NET ASSETS	<u>7,289</u>	<u>2,071</u>
PERMANENTLY RESTRICTED NET ASSETS		
Restricted gifts and grants	61	1
Net realized and unrealized losses on investments	<u>(3)</u>	<u>(15)</u>
INCREASE (DECREASE) IN PERMANENTLY RESTRICTED NET ASSETS	<u>58</u>	<u>(14)</u>
INCREASE IN NET ASSETS	133,744	53,567
NET ASSETS, BEGINNING OF YEAR	<u>1,581,710</u>	<u>1,528,143</u>
NET ASSETS, END OF YEAR	<u>\$ 1,715,454</u>	<u>\$ 1,581,710</u>

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands of dollars)

ADVENTIST HEALTH

	Year Ended December 31	
	<u>2014</u>	<u>2013</u>
OPERATING ACTIVITIES		
Change in net assets	\$ 133,744	\$ 53,567
Adjustments to reconcile increase in net assets to net cash provided by operating activities of continuing operations:		
Loss from discontinued operations	926	615
Depreciation and amortization	152,635	144,675
Amortization of deferred financing costs and premium, net	(629)	(1,001)
Provision for bad debts	122,969	137,890
Provision for loss on notes receivable	3,080	3,182
Net realized and unrealized gains on investments	(12,041)	(11,115)
Net loss on sale of property and equipment	1,365	363
Net changes in operating assets and liabilities:		
Increase in net patient accounts receivable	(178,412)	(160,475)
Increase in other assets	(5,036)	(3,530)
Increase in net receivables to third-party payors	(98,991)	(27,485)
Increase in other liabilities	45,777	57,425
NET CASH PROVIDED BY OPERATING ACTIVITIES OF CONTINUING OPERATIONS	<u>165,387</u>	<u>194,111</u>
INVESTING ACTIVITIES		
Purchases of property and equipment	(207,250)	(243,237)
Proceeds from sale of property and equipment	1,729	113
Issuance of notes receivable	(5,279)	(11,722)
Collections on notes receivable	3,281	2,592
Purchases of investments, net	(48,385)	(17,999)
NET CASH USED IN INVESTING ACTIVITIES OF CONTINUING OPERATIONS	<u>(255,904)</u>	<u>(270,253)</u>
FINANCING ACTIVITIES		
Proceeds from issuance of short-term financing	-	94,486
Payments on short-term financing	(16,498)	(105,767)
Proceeds from issuance of long-term debt	113,032	385,031
Payments on long-term debt	(66,842)	(248,871)
Expenditures for deferred financing costs	(125)	(2,553)
NET CASH PROVIDED BY FINANCING ACTIVITIES OF CONTINUING OPERATIONS	<u>29,567</u>	<u>122,326</u>
CASH USED IN DISCONTINUED OPERATIONS	<u>(1,486)</u>	<u>(1,071)</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(62,436)	45,113
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>356,370</u>	<u>311,257</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 293,934</u>	<u>\$ 356,370</u>

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(In thousands of dollars)

ADVENTIST HEALTH

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity and Principles of Consolidation – Adventist Health System/West (Adventist Health or the “System”) is a California not-for-profit religious corporation that controls and operates hospitals and other health care facilities in the Western United States. Many of the hospitals now controlled and operated by Adventist Health were formerly operated by various conferences of the Seventh-day Adventist Church (the “Church”). The obligations and liabilities of Adventist Health and its hospitals and other health care facilities are neither obligations nor liabilities of the Church or any of its other affiliated organizations.

The consolidated financial statements include the accounts of the following entities, which operate or previously operated under the business name of Adventist Health:

- Adventist Health (Corporate Office) - Roseville, California
- Adventist Health Physicians Network - Roseville, California
- Adventist Health Plan - Roseville, California
- Adventist Medical Center - Hanford, California
- Adventist Medical Center - Portland, Oregon
- Adventist Medical Center - Reedley, California
- Castle Medical Center - Kailua, Hawaii
- Central Valley General Hospital - Hanford, California
- Feather River Hospital - Paradise, California
- Glendale Adventist Medical Center - Glendale, California
- Howard Memorial Hospital - Willits, California
- St. Helena Hospital Clear Lake - Clearlake, California
- St. Helena Hospital Napa Valley - St. Helena, California
- San Joaquin Community Hospital - Bakersfield, California
- Simi Valley Hospital - Simi Valley, California
- Sonora Regional Medical Center - Sonora, California
- South Coast Medical Center - Roseville, California
- Southern California Medical Foundation - Roseville, California
- Tillamook Regional Medical Center - Tillamook, Oregon
- Ukiah Valley Medical Center - Ukiah, California
- Walla Walla General Hospital - Walla Walla, Washington
- Western Health Resources - Roseville, California
- White Memorial Medical Center - Los Angeles, California

The entities that are included in the consolidated financial statements are organized as not-for-profit corporations under the laws of the state in which they operate and most are tax-exempt organizations under §501(c)(3) of the Internal Revenue Code. The Board of Directors (the “Board”) of Adventist Health and/or Adventist Health management constitutes the membership and/or serves as the legal board of the individual hospital corporations. All material inter-company transactions have been eliminated in consolidation.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Cash and Cash Equivalents – Cash and cash equivalents consist primarily of unrestricted readily marketable securities with original maturities not in excess of three months when purchased and net deposits in demand accounts. Cash deposits are federally insured in limited amounts.

Inventories – Inventories are stated at the lower of cost or market as determined on a first-in, first-out basis.

Marketable Securities – Marketable securities, stated at fair value, consist primarily of United States (US) government treasury and agency securities and corporate notes, which are readily marketable and are designated as other-than-trading. Investment income or loss (including interest, dividends, and realized gains and losses on investments) is included in the excess of revenues over expenses from continuing operations unless the income or loss is restricted by donor or law. Unrealized gains and losses, calculated using the specific identification method, are excluded from the excess of revenues over expenses. Securities with remaining maturity dates of one year or less as of the balance sheet date are classified as current.

Assets Whose Use Is Limited – Certain System investments are limited as to use through Board resolution, provisions of contractual arrangements with third parties, terms of indentures, self-insurance trust arrangements, or donors who restrict the use of specific assets. The Board and certain hospital boards have resolved to fund the replacement and expansion of depreciable capital assets but may, at their discretion, use these funds for other purposes. Assets that are expected to be expended within one year are classified as current, including board-designated assets that are available and periodically borrowed for working capital needs.

Split-interest Agreements – The System is the trustee and beneficiary of various split-interest agreements. The carrying amounts of the System's split-interest assets are included with investments held by trustee and donor-restricted investments and include marketable securities and real estate. Trust assets are carried at fair value. Assets under split-interest agreements were \$25,731 and \$24,855 at December 31, 2014 and 2013, respectively. Trust obligations are reported in other noncurrent liabilities at their discounted estimated present value using actuarially-determined life expectancy tables. Discount rates range between approximately 6% to 10%. Liabilities under split-interest agreements were \$4,195 and \$5,348 at December 31, 2014 and 2013, respectively.

Goodwill – The System recorded goodwill of \$22,202 and \$16,884 at December 31, 2014 and 2013, respectively, which is included in other long-term assets with additions of \$5,318 and \$638 in 2014 and 2013, respectively.

Deferred Financing Costs – Direct financing costs are deferred and amortized over the life of the financings using the effective-interest method.

Property and Equipment – Property and equipment are reported on the basis of cost, except for donated items, which are recorded as an increase in unrestricted net assets based on fair market value at the date of the donation. During the period of construction, the System capitalizes expenditures that materially increase values, change capacities, extend useful lives, and interest costs net of earnings on invested bond proceeds. The System accrued obligations for property and equipment of \$3,283 and \$13,851 at December 31, 2014 and 2013, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Management periodically evaluates the carrying amounts of long-lived assets for possible impairment. The System estimates that it will recover the carrying value of its long-lived assets from future operations; however, considering the regulatory environment, competition, and other factors affecting the industry, there is at least a reasonable possibility this estimate might change in the near term. The effect of any change could be material.

Depreciation is computed using the straight-line method over the expected useful lives of the assets, which range from 3 to 40 years. Amortization of equipment under capital leases is included in depreciation expense.

Bond Discounts/Premiums – Bonds payable are included in long-term debt, net of unamortized original issue discounts or premiums. Such discounts or premiums are amortized using the effective interest method based on outstanding principal over the life of the bonds.

Other Noncurrent Liabilities – Other noncurrent liabilities are comprised primarily of accruals for workers' compensation claims, professional and general liability claims, deferred revenue, and long-term charitable gift annuity obligations.

Net Assets – All resources not restricted by donors are included in unrestricted net assets. Resources temporarily restricted by donors for specific operating purposes, or for a period of time greater than one year, are reported as temporarily restricted net assets. When the restrictions have been met, the temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated statements of operations and changes in net assets under unrestricted revenues, gains, and support. Resources restricted by donors for additions to property and equipment are initially reported as temporarily restricted net assets and are transferred to unrestricted net assets when expended. Resources restricted by donors for nonexpendable endowments are reported as permanently restricted net assets. Investment income from restricted net assets is classified as unrestricted, temporarily restricted, or permanently restricted based on the intent of the donor. Gifts of future interests are reported as temporarily restricted net assets. Gifts, grants, and bequests not restricted by donors are reported as other revenue.

Net Patient Service Revenue – Net patient service revenue is recognized when services are provided and reported at the estimated net realizable amounts from patients, third-party payors, and others, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered.

Charity Care – The System provides care without charge or at amounts less than its established rates to patients who meet certain criteria under its charity care policy. In assessing a patient's ability to pay, the System uses federal poverty income levels and evaluates the relationship between the charges and the patient's income. The System did not materially change its charity care policy during 2014. The estimated cost of charity care was \$24,982 and \$47,922 in 2014 and 2013, respectively. The costs were determined using cost-to-charge ratios.

Premium Revenue – The System has agreements with various Health Maintenance Organizations (HMOs) to provide medical services to subscribing participants. Under these agreements, the System receives monthly capitation payments based on the number of each HMO's covered participants, regardless of the services actually performed by the System.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Other Revenue – Other revenue is comprised primarily of rental income, retail pharmacy, investment income, electronic health record revenue and other miscellaneous income.

Electronic Health Record Revenue – The American Recovery and Reinvestment Act of 2009 included provisions for implementing health information technology under the Health Information Technology for Economic and Clinical Health Act (HITECH). The provisions were designed to increase the use of electronic health record (EHR) technology and establish the requirements for a Medicare and Medicaid incentive payment program beginning in 2011 for eligible providers that adopt and demonstrate meaningful use of certified EHR technology.

The System accounts for Medicare and Medicaid EHR incentive payments using the gain contingency method. Upon demonstration of compliance with the meaningful use criteria, the System recorded incentive revenues, included in other revenue, from Medicare of \$12,930 and \$17,996, and from Medicaid of \$8,951 and \$13,263 for the years ended December 31, 2014 and 2013, respectively. A portion of the income from Medicare incentive payments is subject to retrospective adjustment as the incentive payments are calculated using Medicare cost report data that is subject to audit. Additionally, System compliance with meaningful use criteria is subject to audit by the federal government, which could result in changes to amounts previously recorded.

Functional Expenses – Approximately 88% and 87% of total expenses reported in the accompanying consolidated financial statements relate to the provision of health care services in 2014 and 2013, respectively. The remaining expenses represent general and administrative support.

Advertising – The System expenses advertising costs as incurred. Advertising expense, included in purchased services and other expenses, was \$10,773 and \$10,309 in 2014 and 2013, respectively.

Intangible Assets – The System amortizes certain definite-lived intangible assets over their useful life. Amortization expense, included in depreciation and amortization, was \$2,935 and \$3,664 in 2014 and 2013, respectively.

Excess of Revenues Over Expenses – The consolidated statements of operations and changes in net assets include excess of revenues over expenses from continuing operations as a performance indicator. Changes in unrestricted net assets that are excluded from excess of revenues over expenses from continuing operations include unrealized gains and losses on investments in other-than-trading securities, contributions of long-lived assets, use of restricted funds for capital additions, and gains and losses from discontinued operations.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the US requires management to make estimates and assumptions that affect the reported amounts in the consolidated financial statements and the accompanying notes. Actual results could differ from these estimates.

Reclassification – Certain 2013 amounts have been reclassified to conform to the 2014 presentation. Intangible asset amortization of \$3,682 was reclassified from purchased services and other to a renamed depreciation and amortization line in the statement of operations. The statement of cash flows was also reclassified to reflect this change. The reclassification did not result in any changes in cash provided by operating activities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE B – FAIR VALUE OF FINANCIAL INSTRUMENTS

The System accounts for certain assets at fair value. A fair value hierarchy for valuation inputs has been established to prioritize the valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels determined by the lowest level input considered significant to the fair value measurement in its entirety. These levels are defined as:

Level 1: Quoted prices are available in active markets for identical assets as of the measurement date. Financial assets in Level 1 include US treasury securities, domestic and foreign equities, and exchange-traded mutual funds.

Level 2: Pricing inputs are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Financial assets in this category generally include government agencies and municipal bonds, asset-backed securities, and corporate bonds.

Level 3: Pricing inputs are generally unobservable for the assets and include situations where there is little, if any, market activity for the investment. The System had no Level 3 investments at December 31, 2014 and 2013.

There were no transfers of financial assets between Level 1 and Level 2 of the fair value hierarchy.

The fair value of the System's financial assets, measured on a recurring basis at December 31, 2014, consists of the following:

	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Observable Inputs (Level 2)	Fair Value at December 31 2014
Cash and cash equivalents	\$ 406,538	\$ -	\$ 406,538
US government treasury obligations	60,736	-	60,736
US corporation and agency debentures	-	27,485	27,485
US agency mortgage-backed securities	-	45,349	45,349
Corporate debt securities	-	293,140	293,140
Municipal bonds	-	65,840	65,840
Mutual funds - fixed income	192,429	-	192,429
Mutual funds - equity	104,813	-	104,813
	<u>\$ 764,516</u>	<u>\$ 431,814</u>	<u>\$ 1,196,330</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE B – FAIR VALUE OF FINANCIAL INSTRUMENTS – Continued

The fair value of the System’s financial assets, measured on a recurring basis at December 31, 2013, consists of the following:

	Quoted Prices in Active Markets for Identical Instruments (Level 1)	Significant Observable Inputs (Level 2)	Fair Value at December 31 2013
Cash and cash equivalents	\$ 473,097	\$ -	\$ 473,097
US government treasury obligations	29,988	-	29,988
US corporation and agency debentures	-	36,057	36,057
US agency mortgage-backed securities	-	58,284	58,284
Corporate debt securities	-	290,144	290,144
Municipal bonds	-	70,980	70,980
Mutual funds - fixed income	162,644	-	162,644
Mutual funds - equity	93,583	-	93,583
	<u>\$ 759,312</u>	<u>\$ 455,465</u>	<u>\$ 1,214,777</u>

As of December 31, 2014 and 2013, the Level 2 instruments listed in the fair value hierarchy tables above use the following valuation techniques and inputs:

US Corporation and Agency Debentures: The fair value of investments in US corporation and agency debentures classified as Level 2 is primarily determined using consensus pricing methods of observable market-based data. Significant observable inputs include quotes, spreads, and data points for yield curves.

US Agency Mortgage-backed Securities: The fair value of US agency mortgage-backed securities classified as Level 2 is primarily determined using matrices. These matrices utilize observable market data of bonds with similar features, prepayment speeds, credit ratings, and discounted cash flows. Additionally, observed market movements, tranche cash flows and benchmark yields are incorporated in the pricing models.

Corporate Debt Securities: The fair value of investments in corporate debt securities classified as Level 2 is primarily determined using techniques that are consistent with the market approach. Significant observable inputs include reported trades, dealer quotes, security-specific characteristics, and multiple sources of spread data points in developing yield curves.

Municipal bonds: The fair value of municipal bonds classified as Level 2 is determined using a market approach. The inputs include yield benchmark curves, prepayment speeds, and observable market data such as institutional bids, dealer quotes, and two-sided markets.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE C – PATIENT ACCOUNTS RECEIVABLE

The System’s primary concentration of credit risk is patient accounts receivable, which consists of amounts owed by various governmental agencies, insurance companies and self-pay patients. The System manages its receivables by regularly reviewing its patient accounts and contracts and by providing appropriate allowance for contractual reimbursement, policy discounts, charity, and uncollectible amounts. These allowances are estimated based upon an evaluation of governmental reimbursements, negotiated contracts, and historical payments. The System’s reserve for self-pay patients, including allowance for uncollectible accounts, charity care, and self-pay discounts, was approximately 91% and 94% of self-pay accounts receivable at December 31, 2014 and 2013, respectively.

The following is a summary of significant concentrations of gross patient accounts receivable:

	December 31	
	2014	2013
Medicare	35%	31%
Medicaid	32	27
Other third-party payors	27	32
Self-pay	6	10
	<u>100%</u>	<u>100%</u>

NOTE D – ASSETS WHOSE USE IS LIMITED

The following is a summary of assets whose use is limited:

	December 31	
	2014	2013
Assets designated by the Board, primarily for property and equipment	\$ 118,186	\$ 115,449
Less portion reported as current	<u>(62)</u>	<u>(81)</u>
	<u>\$ 118,124</u>	<u>\$ 115,368</u>
Investments held by trustees for:		
Debt service	\$ 51,920	\$ 49,695
Future capital projects	35,865	93,944
Self-insurance programs	160,538	136,960
Charitable annuities and other	<u>7,963</u>	<u>5,556</u>
Total investments held by trustees	256,286	286,155
Less portion reported as current	<u>(22,659)</u>	<u>(22,504)</u>
	<u>\$ 233,627</u>	<u>\$ 263,651</u>
Donor-restricted investments for:		
Charitable trusts and life estate tenancies	\$ 17,319	\$ 17,157
Other purposes	<u>8,115</u>	<u>3,614</u>
Total donor-restricted investments	25,434	20,771
Less portion reported as current	<u>(4,902)</u>	<u>(520)</u>
	<u>\$ 20,532</u>	<u>\$ 20,251</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE E – INVESTMENTS

The following is a summary of investments classified by major type, which are included in the balance sheet under marketable securities, assets whose use is limited, and investments:

	December 31	
	<u>2014</u>	<u>2013</u>
Investments reported at fair value as determined by quoted market prices:		
Trustee-held cash and cash equivalents	\$ 112,604	\$ 116,727
US government treasury obligations	60,736	29,988
US corporation and agency debentures	27,485	36,057
US agency mortgage-backed securities	45,349	58,284
Corporate debt securities	293,140	290,144
Municipal bonds	65,840	70,980
Mutual funds - fixed income	192,429	162,644
Mutual funds - equity	<u>104,813</u>	<u>93,583</u>
	902,396	858,407
Commercial real estate	37,627	40,067
Other investments	<u>39,136</u>	<u>20,259</u>
	<u>\$ 979,159</u>	<u>\$ 918,733</u>

Commercial real estate investments are recorded at cost or fair market value if donated. These investments are periodically reviewed for impairment and written down if necessary. Other investments include joint ventures and partnerships and are recorded using the equity method of accounting.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE E – INVESTMENTS – Continued

Net realized investment income, including capital gains, interest, and dividend income, is reported as a component of other revenue and includes the following:

	Year Ended December 31	
	<u>2014</u>	<u>2013</u>
Investment earnings:		
Unrestricted and board-designated funds	\$ 21,853	\$ 20,487
Trustee-held funds:		
Bonds	1,851	2,002
Self-insurance programs	<u>7,921</u>	<u>1,667</u>
	<u>\$ 31,625</u>	<u>\$ 24,156</u>

For purposes of performance evaluation, management considers investment earnings on bond and self-insurance trustee-held funds to be components of operating income. These earnings are used to pay the operating expenses of interest and insurance.

Changes in net unrealized gains and losses on other-than-trading securities, reported at fair value, are separately disclosed in the consolidated statements of operations and changes in net assets. Unrealized gains and losses associated with these securities relate principally to market changes in interest rates for similar types of securities. Since the System has the intent and ability to hold these securities for the foreseeable future, and it is more likely than not that the System will not be required to sell the investments before their recovery, the declines are not reported as realized unless they are deemed to be other-than-temporary. In determining whether the losses are other-than-temporary, the System considers the length of time and extent to which the fair value has been less than cost or carrying value, the financial strength of the issuer, and the intent and ability of the System to retain the security for a period of time sufficient to allow for anticipated recovery or maturity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE F – PROPERTY AND EQUIPMENT

The following is a summary of property and equipment:

	December 31	
	<u>2014</u>	<u>2013</u>
Land and improvements	\$ 150,699	\$ 148,276
Buildings and improvements	1,857,382	1,772,936
Equipment	<u>921,842</u>	<u>854,722</u>
	2,929,923	2,775,934
Less accumulated depreciation	<u>(1,535,027)</u>	<u>(1,405,908)</u>
	1,394,896	1,370,026
Construction in progress	<u>235,801</u>	<u>216,283</u>
	<u>\$ 1,630,697</u>	<u>\$ 1,586,309</u>

The System has commitments to complete certain construction in progress projects in the amount of \$47,101 at December 31, 2014.

The System is in the process of developing internal use software for clinical operations. Depreciation expense for the software totaled \$15,267 and \$11,746 in 2014 and 2013, respectively. Amounts capitalized are included in property and equipment as follows:

	December 31	
	<u>2014</u>	<u>2013</u>
Equipment	\$ 183,623	\$ 155,198
Less accumulated depreciation	<u>(83,590)</u>	<u>(68,323)</u>
	100,033	86,875
Construction in progress	<u>16,441</u>	<u>22,420</u>
	<u>\$ 116,474</u>	<u>\$ 109,295</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE G – LONG-TERM DEBT

A master note under the master bond indenture provides security for substantially all long-term debt. Under the terms of the master bond indenture, substantially all System consolidated entities are jointly and severally obligated for the payments to be made under the master note. In addition, security is provided by a combination of bond insurance, funds held in trust of \$51,920, and bank letters of credit aggregating to \$86,762 at December 31, 2014. Bonds are not secured by any property of the System.

The System is obligated under variable rate demand instruments, which are subject to certain market risks. The letters of credit, which the System intends to renew on a long-term basis, expire between 2017 and 2020 with the arrangements converting any unpaid amounts to term loans due within three years after conversion. The term loans would bear interest based on prime or the London Interbank Offered Rate (LIBOR). Long-term debt has been issued primarily on a tax-exempt basis.

The fair value of the System's long-term debt, including current maturities, is estimated based on quoted market prices for the same or similar issues or on the current rates offered to the System for debt of the same remaining maturities. The carrying amount and fair value of long-term debt at December 31, 2014, was \$1,235,159 and \$1,256,231, respectively. At December 31, 2013, the carrying amount and fair value of long-term debt was \$1,189,635 and \$1,142,143, respectively. Based on the inputs and valuation techniques, the fair value of long-term debt is classified as Level 2 within the fair value hierarchy.

Certain financing agreements impose limitations on the issuance of new debt by the System and require it to maintain specified financial ratios.

Interest paid, net of amounts capitalized, totaled \$34,369 and \$33,020 in 2014 and 2013, respectively. Interest capitalized totaled \$6,678 and \$4,673 in 2014 and 2013, respectively.

The System recorded operating lease expense amounting to \$43,152 and \$40,356 in 2014 and 2013, respectively.

In February 2014, the System obtained a \$50,000 revolving bank line of credit, with interest based on LIBOR. The line of credit provides for loans and the issuance of standby letters of credit, and the System may repay principal amounts and reborrow them. The line of credit is available until January 31, 2019. The System had borrowings against the line of credit of \$49,432 at December 31, 2014, which are included as long-term notes payable with varying rates in the following table.

The System was in compliance with their debt covenants at December 31, 2014.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE G – LONG-TERM DEBT – Continued

The following is a summary of long-term debt and capital lease obligations:

	December 31	
	<u>2014</u>	<u>2013</u>
Long-term bonds payable, with fixed rates currently ranging from 3.00% to 5.75%, payable in installments through 2043	\$ 775,900	\$ 788,555
Long-term bonds payable, with rates that vary with market conditions, payable in installments through 2041	267,640	271,015
Long-term notes payable, with rates that vary with market conditions, payable in installments through 2027	173,098	110,287
Net unamortized original issue premium	<u>18,262</u>	<u>19,429</u>
Capital lease obligations	<u>1,234,900</u> 259	<u>1,189,286</u> 349
Less current maturities	<u>1,235,159</u> <u>(20,412)</u>	<u>1,189,635</u> <u>(20,457)</u>
	<u>\$ 1,214,747</u>	<u>\$ 1,169,178</u>

Scheduled maturities of long-term debt, capital lease obligations, and minimum lease payments on noncancelable operating leases with initial terms in excess of one year are as follows for the year ended December 31, 2014:

	<u>Long-term Debt and Capital Leases</u>	<u>Operating Leases</u>
2015	\$ 20,412	\$ 29,077
2016	41,455	21,321
2017	101,340	16,641
2018	21,728	11,969
2019	71,789	8,067
Thereafter	<u>960,173</u>	<u>33,211</u>
	<u>\$ 1,216,897</u>	<u>\$ 120,286</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE H – RESTRICTED NET ASSETS

Net assets are restricted for the following purposes:

	December 31	
	<u>2014</u>	<u>2013</u>
Temporarily restricted:		
Equipment and buildings	\$ 30,294	\$ 30,547
Patient care, education, research, and other	21,670	18,043
Time-restricted trusts held for unrestricted purposes	<u>11,725</u>	<u>7,810</u>
	<u>\$ 63,689</u>	<u>\$ 56,400</u>
Permanently restricted - Endowments	<u>\$ 5,880</u>	<u>\$ 5,822</u>

NOTE I – PATIENT SERVICE REVENUE

Patient service revenue after contractual allowances and discounts and before provisions for bad debts, by major payor sources, was as follows:

	Year Ended December 31	
	<u>2014</u>	<u>2013</u>
Medicare	\$ 1,165,778	\$ 1,099,254
Medicaid	723,260	587,436
Others	<u>1,216,758</u>	<u>1,245,578</u>
Net patient service revenue	<u>\$ 3,105,796</u>	<u>\$ 2,932,268</u>

The System has agreements with third-party payors that provide for payments to the System at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, fee schedules, and per diem payments. The health care industry is subject to complex laws and regulations of federal, state and local governments. Compliance with such laws and regulations can be subject to future government review and interpretation as well as regulatory actions unknown or unasserted at this time. These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, government health care program participation requirements, reimbursement laws and regulations, anti-kickback and anti-referral laws and false claims prohibitions, and in the case of tax-exempt hospitals, the requirements of tax-exemption. In recent years, government activity has increased with respect to investigations and allegations concerning possible violations of reimbursement, false claims, anti-kickback and anti-referral statutes and regulations by health care providers. The System operates a compliance program, which reviews compliance with government health care program requirements and investigates allegations of non-compliance received from internal and external sources. From time to time findings may result in repayment of monies previously received from government payors and/or commercial payors, and payment of penalties. As a result, there is at least a reasonable possibility that the recorded estimates may change by a material amount in the near term.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE I – PATIENT SERVICE REVENUE – Continued

Differences between original estimates and subsequent revisions are recognized in the period in which the revisions are made. Subsequent revisions compared favorably to original estimates by approximately \$26,370 and \$32,275 for the years ended December 31, 2014 and 2013, respectively.

The System recorded revenue from state programs for serving a disproportionate share of Medicaid and low-income patients in the amount of \$41,187 and \$38,775 in 2014 and 2013, respectively, including final settlements on prior years.

In October 2013, the state of California enacted a 36-month quality assurance fee program covering the period of January 1, 2014 through December 31, 2016. In 2014, the System recorded \$214,712 in patient service revenue and \$112,686 in other expenses related to the 36-month program with an increase to the excess of revenues over expenses from continuing operations of \$102,026. All of the revenue recorded is included in receivables from third-party payors. Expenses consist of \$104,873 in quality assurance fees paid or payable to the state and \$7,813 in payments to the California Health Foundation Trust for redistribution to hospitals that would otherwise incur a net loss from the 36-month program.

In September 2011, the state of California enacted a 30-month quality assurance fee program covering the period of July 1, 2011 through December 31, 2013. In 2014, the System recorded \$11,048 in patient service revenue and \$6,920 in other expenses related to the 30-month program with an increase to the excess of revenues over expenses from continuing operations of \$4,128. All of the revenue recorded is included in receivables from third-party payors. Expenses consist of \$6,474 in quality assurance fees paid or payable to the state and \$446 in payments to the California Health Foundation Trust for redistribution to hospitals that would otherwise incur a net loss from the 30-month program.

In 2013, the System recorded \$211,594 in patient service revenue and \$129,248 in other expenses related to the 30-month program with an increase to the excess of revenues over expenses from continuing operations of \$82,346. Of the total revenue recorded, \$203,959 had been received as of December 31, 2013, and the remaining \$7,635 is included in receivables from third-party payors. Expenses consist of \$122,236 in quality assurance fees paid or payable to the state and \$7,012 in payments to the California Health Foundation Trust for redistribution to hospitals that would otherwise incur a net loss from the 30-month program.

NOTE J – RETIREMENT PLAN

Most of the System's operating entities participate in a single defined contribution plan (the "Plan"). The Plan is exempt from the Employee Retirement Income Security Act of 1974. The Plan provides, among other things, that the employer will contribute 3% of wages plus additional amounts for employees earning more than the Social Security wage base capped by the IRS compensation limit for the Plan year. Additionally, the Plan provides that the employer will match 50% of the employee's contributions up to 4% of the contributing employee's wages. Substantially all full-time employees who are at least 18 years of age are eligible for coverage in the Plan. The cost to the System for the Plan is included in employee compensation in the amount of \$41,656 and \$35,671 for the years ended December 31, 2014 and 2013, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE K – SELF-INSURANCE LIABILITY PROGRAMS

The System has established a separate self-insured revocable trust (the “System Trust”) that covers the System’s facilities for professional and general liability claims up to \$7,500 per occurrence and \$22,500 in aggregate. The System contracts with Adhealth, Limited (Adhealth), a Bermuda company, to provide excess coverage for professional and general liability claims that exceed the self-insured revocable trust limits. Adhealth provided excess coverage with aggregate and per claim limits of \$107,500 for professional and general liability claims, and additional limits of \$25,000 for general liability claims for the years ended December 31, 2014 and 2013. Adhealth has purchased reinsurance through commercial insurers for 100% of the excess limits of coverage.

Claim liabilities (reserves) for future losses and related loss adjustment expenses for professional liability claims have been determined by an actuary at the present value of future claim payments using a 2% and 3% discount rate for program years 2014 and 2013, respectively. Such claim reserves are based on the best data available to the System; however, these estimates are subject to a significant degree of inherent variability. Accordingly, there is at least a reasonable possibility that a material change to the estimated reserves will occur in the near term. The System Trust’s accrued liability for professional and general liability claims is included in the consolidated balance sheets in the amount of \$143,261 and \$127,185 at December 31, 2014 and 2013, respectively.

The System has a 50% ownership position in Adhealth at December 31, 2014 and 2013, and accounts for its investment using the equity method of accounting. The System provides funding to Adhealth based on Adhealth’s cost of acquiring commercial insurance. The funding contributions are reflected as an expense in the consolidated statements of operations and changes in net assets.

The System maintains a self-insured workers’ compensation plan to pay for the cost of workers’ compensation claims. The System has entered into an excess insurance agreement with an insurance company to limit its losses on claims. The cost of workers’ compensation claims is accrued using actuarially determined estimates that are based on historical factors. Such claim reserves are based on the best data available to the System; however, these estimates are subject to a significant degree of inherent variability. Accordingly, there is at least a reasonable possibility that a material change to the estimated reserves will occur in the near term.

Workers’ compensation claim liabilities have been determined by an actuary at the present value of future claim payments using a 2% and 3% discount rate for program years 2014 and 2013, respectively. The System’s accrued liability for workers’ compensation claims is recorded in the consolidated balance sheets in the amount of \$81,042 and \$71,270 at December 31, 2014 and 2013, respectively.

NOTE L – RELATED-PARTY TRANSACTIONS

The System had transactions with organizations that are considered related parties. The amounts receivable from related parties are reported in the accompanying consolidated financial statements as other receivables of \$4,808 and \$5,019 and notes receivable of \$16,000 and \$15,423 at December 31, 2014 and 2013, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE M – COMMITMENTS AND CONTINGENCIES

Certain member organizations are involved in litigation and investigations arising in the ordinary course of business. In addition, the Department of Health and Human Services' OIG is investigating whether certain member organizations have submitted false claims to the Medicare and Medicaid programs or have violated other laws. Submission of false claims or violation of other laws can result in substantial civil and/or criminal penalties and fines, including treble damages and/or possible debarment from future participation in such programs. The System is cooperating in these investigations. Although management does not believe these matters will have a material adverse effect on the System's consolidated financial position, there can be no assurance that this will be the case.

The System extended lines of credit primarily to physicians totaling \$1,951 and \$2,483 at December 31, 2014 and 2013, respectively.

NOTE N – FEMA FINANCIAL GRANTS

Several of the System's hospitals are located in areas of frequent earthquake activity and have sustained damage from earthquakes in the past. Three System hospitals received \$156,150 of grant funds from the Federal Emergency Management Agency (FEMA) for repair of damage and seismic structural upgrades and all of these funds were recorded in the accompanying financial statements in years prior to 2014.

FEMA grant funds received for capitalized expenditures are accounted for as an exchange transaction and are reported as deferred revenue. Deferred revenue of \$98,412 and \$104,095 at December 31, 2014 and 2013, respectively, is recorded as other noncurrent liabilities. After completion of a project, the related deferred revenue is amortized over the expected useful life of the asset and recorded as other revenue. Amortization of deferred revenue totaled \$5,683 and \$5,753 for the years ended December 31, 2014 and 2013, respectively.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS – Continued
(In thousands of dollars)

ADVENTIST HEALTH

NOTE O – NEW ACCOUNTING PRONOUNCEMENTS

In May 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers*, to clarify the principles for recognizing revenue and to improve financial reporting by creating common revenue recognition guidance for GAAP and International Financial Reporting Standards. The core principle of the guidance in ASU 2014-09 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Management is evaluating the potential impact of this guidance, which will be effective in 2017.

In February 2013, the FASB issued ASU No. 2013-04, *Liabilities: Obligations Resulting from Joint and Several Liability Arrangements for Which the Total Amount of the Obligation Is Fixed at the Reporting Date*, which requires an entity to measure obligations resulting from joint and several liability arrangements for which the total amount of the obligation within the scope of the guidance is fixed at the reporting date. The ASU also requires that the nature of the obligation be disclosed. The guidance was effective for fiscal year 2014, and it did not have a material impact on the System's consolidated financial statements.

NOTE P – SUBSEQUENT EVENTS

On December 31, 2014, Adventist Health entered into an Affiliation Agreement with Lodi Health. Lodi Health is a private not-for-profit community-based organization that includes Lodi Memorial Hospital. The transaction is expected to close in May 2015.

In June 2012, Howard Memorial Hospital (HMH) entered into a design/build contract for the construction of a new, replacement hospital in Willits, California. The project was scheduled to be completed prior to December 31, 2014, which is the expiration date of HMH's seismic waiver compliance requirement for its existing facility. In September 2014, HMH determined that the project would not be completed until May 2015. On January 5, 2015, the California Assembly introduced Assembly Bill 81, which, if approved, will extend HMH's seismic waiver compliance requirement to September 1, 2015.

The System has evaluated subsequent events and disclosed all material events through March 31, 2015, the date the accompanying consolidated financial statements were issued.



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Report of Independent Auditors on Supplementary Information

The Board of Directors
Adventist Health

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying consolidating financial statement schedules are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Ernst & Young LLP

March 31, 2015

CONSOLIDATING BALANCE SHEET

(In thousands of dollars)

ADVENTIST HEALTH

December 31, 2014

	Consolidated Balances	Adjustments and Eliminations	Adventist Health Corporate Office	Adventist Health Physicians Network	Adventist Health Plan	Adventist Medical Center (Hanford)	Adventist Medical Center (Portland)	Adventist Medical Center (Reedley)	Castle Medical Center	Central Valley General Hospital	Feather River Hospital
ASSETS											
CURRENT ASSETS											
Cash and cash equivalents	\$ 293,934	\$ (745,057)	\$ 292,729	\$ 2,548	\$ 761	\$ 5,939	\$ 93,528	\$ 157	\$ 67,845	\$ 57,757	\$ 7,187
Marketable securities	93,113	87,763	-	-	306	-	-	-	409	-	-
Assets whose use is limited:											
Board-designated	62	(113,751)	1,091	-	-	-	4,021	-	902	-	44
Held by trustees	22,659	(11,282)	21,253	-	4	1,021	378	287	772	645	317
Donor-restricted	4,902	-	-	-	-	-	-	-	-	-	-
Patient accounts receivable, net of allowance for uncollectible accounts	440,374	(25,013)	-	8,495	-	29,534	38,489	12,163	18,226	14,228	20,077
Receivables from third-party payors	142,355	(18,071)	-	-	-	20,362	8,230	17,785	2,658	9,741	25,195
Other receivables	27,790	(48,366)	11,547	5,350	-	10,201	5,195	440	986	11,085	1,797
Intra-system financing receivables	-	(15,497)	15,334	-	-	-	-	-	10	-	-
Inventories	47,409	-	-	97	-	3,912	4,051	360	2,202	198	2,899
Prepaid expenses and other current assets	28,884	-	12,568	139	3	1,428	1,816	381	1,369	286	1,560
TOTAL CURRENT ASSETS	1,101,482	(889,274)	354,522	16,629	1,074	72,397	155,708	31,573	95,379	93,940	59,076
OTHER ASSETS											
Intra-system financing receivables	-	(909,396)	822,934	-	-	14,498	6,249	-	130	8,469	4,123
Notes receivable	24,463	(248)	18,466	5,000	-	27	1	13	-	7	-
Marketable securities	458,333	437,776	16,802	-	-	-	-	-	-	-	-
Assets whose use is limited:											
Board-designated	118,124	117,807	-	-	-	-	-	-	-	-	317
Held by trustees	233,627	15,432	190,450	-	-	4,627	843	-	7,417	1,254	2,508
Donor-restricted	20,532	-	-	-	-	-	234	-	5,105	-	1,031
Long-term investments	27,807	(1,600)	23,198	-	-	2,370	229	-	777	-	-
Deferred financing costs	7,505	-	7,505	-	-	-	-	-	-	-	-
Other long-term assets	60,699	24,724	9,296	49	-	433	2,589	8,402	209	1,360	-
TOTAL OTHER ASSETS	951,090	(315,505)	1,088,651	5,049	-	21,955	10,145	8,415	13,638	11,090	7,979
PROPERTY AND EQUIPMENT											
Land and improvements	150,699	-	6,567	-	-	7,134	18,943	366	12,872	2,349	14,265
Buildings and improvements	1,857,382	-	8,291	-	-	178,631	187,905	3,940	115,787	14,674	89,513
Equipment	921,842	-	231,752	-	-	57,183	93,072	8,953	37,019	10,403	36,420
	2,929,923	-	246,610	-	-	242,948	299,920	13,259	165,678	27,426	140,198
Less accumulated depreciation	(1,535,027)	-	(120,636)	-	-	(106,110)	(179,947)	(4,539)	(94,204)	(16,239)	(74,788)
	1,394,896	-	125,974	-	-	136,838	119,973	8,720	71,474	11,187	65,410
Construction in progress	235,801	-	19,315	-	-	27,430	681	4,939	10,695	4,497	703
PROPERTY AND EQUIPMENT, net	1,630,697	-	145,289	-	-	164,268	120,654	13,659	82,169	15,684	66,113
TOTAL ASSETS	\$ 3,683,269	\$ (1,204,779)	\$ 1,588,462	\$ 21,678	\$ 1,074	\$ 258,620	\$ 286,507	\$ 53,647	\$ 191,186	\$ 120,714	\$ 133,168

See accompanying auditors' report on supplementary information.

Glendale Adventist Medical Center	Howard Memorial Hospital	St. Helena Hospital Clear Lake	St. Helena Hospital Napa Valley	San Joaquin Community Hospital	Simi Valley Hospital	Sonora Regional Medical Center	South Coast Medical Center	Southern California Medical Foundation	Tillamook Regional Medical Center	Ukiah Valley Medical Center	Walla Walla General Hospital	Western Health Resources	White Memorial Medical Center
\$ 36,713	\$ 19,297	\$ 725	\$ 3,037	\$ 42,670	\$ 4,042	\$ 60,446	\$ -	\$ -	\$ 21,538	\$ 35,096	\$ 1,211	\$ 25	\$ 285,740
1,194	-	-	-	-	-	-	-	-	-	-	-	-	3,441
1,178	-	-	-	-	-	-	-	-	-	-	-	-	106,577
2,293	137	240	1,120	952	618	997	-	-	293	674	-	870	1,070
-	-	-	4,900	-	-	-	-	-	-	2	-	-	-
75,832	7,211	12,215	32,897	55,223	16,847	27,384	-	-	10,158	13,366	7,557	13,427	52,058
8,916	3,980	12,182	1,042	-	-	9,567	-	-	864	16,438	693	-	22,773
3,533	1,538	1,053	9,830	3,555	2,067	1,252	-	-	289	1,528	274	94	4,542
23	-	-	-	-	105	25	-	-	-	-	-	-	-
5,269	631	712	3,861	6,192	2,719	3,321	-	-	1,060	2,076	1,871	-	5,978
2,191	320	245	1,161	648	326	836	53	-	441	1,273	589	148	1,103
137,142	33,114	27,372	57,848	109,240	26,724	103,828	53	-	34,643	70,453	12,195	14,564	483,282
9,500	181	247	4,506	4,994	13,875	518	-	-	-	19,083	-	-	89
-	-	6	143	-	225	137	-	-	581	-	105	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	3,755
-	-	-	-	-	-	-	-	-	-	-	-	-	-
2,076	590	592	413	352	1,403	424	-	-	54	2,379	-	-	2,813
252	-	-	13,796	-	-	-	-	-	-	114	-	-	-
-	-	-	-	-	2,333	-	-	-	-	500	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	-
6,665	-	262	585	2,013	1,949	434	-	-	-	136	-	850	743
18,493	771	1,107	19,443	7,359	19,785	1,513	-	-	635	22,212	105	850	7,400
7,790	16	10,246	17,129	11,861	12,453	12,100	-	-	2,540	2,374	2,470	-	9,224
389,967	3,167	26,491	118,014	146,544	130,924	62,859	-	-	25,421	25,630	45,134	-	284,490
84,598	11,202	14,514	56,480	79,928	29,919	37,661	-	-	12,548	19,737	19,402	272	80,779
482,355	14,385	51,251	191,623	238,333	173,296	112,620	-	-	40,509	47,741	67,006	272	374,493
(256,866)	(12,137)	(25,346)	(119,005)	(105,958)	(69,468)	(60,593)	-	-	(27,750)	(33,737)	(35,977)	(189)	(191,538)
225,489	2,248	25,905	72,618	132,375	103,828	52,027	-	-	12,759	14,004	31,029	83	182,955
9,171	54,362	3,614	21,892	30,941	30,955	1,742	-	-	43	11,380	959	-	2,482
234,660	56,610	29,519	94,510	163,316	134,783	53,769	-	-	12,802	25,384	31,988	83	185,437
\$ 390,295	\$ 90,495	\$ 57,998	\$ 171,801	\$ 279,915	\$ 181,292	\$ 159,110	\$ 53	\$ -	\$ 48,080	\$ 118,049	\$ 44,288	\$ 15,497	\$ 676,119

CONSOLIDATING BALANCE SHEET – Continued
(In thousands of dollars)

ADVENTIST HEALTH

December 31, 2014

	Consolidated Balances	Adjustments and Eliminations	Adventist Health Corporate Office	Adventist Health Physicians Network	Adventist Health Plan	Adventist Medical Center (Hanford)	Adventist Medical Center (Portland)	Adventist Medical Center (Reedley)	Castle Medical Center	Central Valley General Hospital	Feather River Hospital
LIABILITIES AND NET ASSETS											
CURRENT LIABILITIES											
Bank checks outstanding, less cash on deposit	\$ -	\$ (4,430)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 834	\$ -	\$ -	\$ -
Accounts payable	123,563	(49,785)	31,545	13,791	-	9,792	6,442	10,766	7,911	6,105	4,525
Accrued compensation and related payables	192,069	(23,252)	99,553	1,097	19	7,026	10,944	1,593	6,597	2,771	6,328
Accrued interest	12,290	(1,769)	14,039	-	-	-	-	-	1	-	-
Liabilities to third-party payors	38,411	(18,071)	-	-	-	1,405	338	430	-	1,669	-
Other current liabilities	31,440	(23,466)	30,798	1,000	-	22	4,258	-	1,544	99	419
Short-term financing	-	(226,852)	-	-	-	-	-	29,334	-	-	-
Current maturities of long-term debt	20,412	(15,656)	18,202	-	-	2,662	-	185	378	-	1,198
TOTAL CURRENT LIABILITIES	418,185	(363,281)	194,137	15,888	19	20,907	21,982	43,142	16,431	10,644	12,470
LONG-TERM DEBT, net of current maturities	1,214,747	(909,625)	1,189,945	5,000	1,200	155,518	66,535	21,169	1,114	33	73,735
OTHER NONCURRENT LIABILITIES	334,883	23,163	148,385	13	8	6,379	1,479	94	5,491	2,576	3,418
TOTAL LIABILITIES	1,967,815	(1,249,743)	1,532,467	20,901	1,227	182,804	89,996	64,405	23,036	13,253	89,623
NET ASSETS											
Unrestricted	1,645,885	44,964	55,946	777	(153)	73,778	192,338	(10,759)	163,648	107,369	42,140
Temporarily restricted	63,689	-	49	-	-	2,038	1,606	1	3,856	92	1,405
Permanently restricted	5,880	-	-	-	-	-	2,567	-	646	-	-
TOTAL NET ASSETS	1,715,454	44,964	55,995	777	(153)	75,816	196,511	(10,758)	168,150	107,461	43,545
TOTAL LIABILITIES AND NET ASSETS	\$ 3,683,269	\$ (1,204,779)	\$ 1,588,462	\$ 21,678	\$ 1,074	\$ 258,620	\$ 286,507	\$ 53,647	\$ 191,186	\$ 120,714	\$ 133,168

See accompanying auditors' report on supplementary information.

<u>Glendale Adventist Medical Center</u>	<u>Howard Memorial Hospital</u>	<u>St. Helena Hospital Clear Lake</u>	<u>St. Helena Hospital Napa Valley</u>	<u>San Joaquin Community Hospital</u>	<u>Simi Valley Hospital</u>	<u>Sonora Regional Medical Center</u>	<u>South Coast Medical Center</u>	<u>Southern California Medical Foundation</u>	<u>Tillamook Regional Medical Center</u>	<u>Ukiah Valley Medical Center</u>	<u>Walla Walla General Hospital</u>	<u>Western Health Resources</u>	<u>White Memorial Medical Center</u>
\$ -	\$ -	\$ 1	\$ 1,459	\$ -	\$ 875	\$ -	\$ -	\$ -	\$ -	\$ 904	\$ -	\$ 357	\$ -
13,011	4,356	2,385	7,119	13,292	5,468	5,980	-	-	2,262	9,716	1,342	813	16,727
16,009	1,907	2,464	7,355	11,863	5,994	8,016	192	-	3,154	4,134	2,038	2,457	13,810
-	-	-	19	-	-	-	-	-	-	-	-	-	-
-	1,775	4,006	-	9,293	1,888	-	28	-	-	-	-	-	35,650
1,010	-	18	213	107	74	457	231	-	8	782	127	12	13,727
-	-	4,213	39,915	-	73,427	-	33,269	-	-	-	36,632	10,062	-
3,145	-	643	1,562	1,844	2,632	2,160	-	-	-	771	686	-	-
<u>33,175</u>	<u>8,038</u>	<u>13,730</u>	<u>57,642</u>	<u>36,399</u>	<u>90,358</u>	<u>16,613</u>	<u>33,720</u>	<u>-</u>	<u>5,424</u>	<u>16,307</u>	<u>40,825</u>	<u>13,701</u>	<u>79,914</u>
165,990	25,000	61,440	60,107	76,637	123,343	38,174	-	-	-	37,918	20,664	850	-
38,962	535	1,644	3,014	2,722	15,998	5,906	4,423	-	364	3,438	-	1,837	65,034
<u>238,127</u>	<u>33,573</u>	<u>76,814</u>	<u>120,763</u>	<u>115,758</u>	<u>229,699</u>	<u>60,693</u>	<u>38,143</u>	<u>-</u>	<u>5,788</u>	<u>57,663</u>	<u>61,489</u>	<u>16,388</u>	<u>144,948</u>
147,544	56,867	(19,150)	17,685	161,771	(51,585)	96,441	(38,090)	-	40,967	56,672	(17,840)	(896)	525,451
4,322	55	334	30,994	2,386	3,178	1,976	-	-	1,325	3,708	639	5	5,720
302	-	-	2,359	-	-	-	-	-	-	6	-	-	-
<u>152,168</u>	<u>56,922</u>	<u>(18,816)</u>	<u>51,038</u>	<u>164,157</u>	<u>(48,407)</u>	<u>98,417</u>	<u>(38,090)</u>	<u>-</u>	<u>42,292</u>	<u>60,386</u>	<u>(17,201)</u>	<u>(891)</u>	<u>531,171</u>
<u>\$ 390,295</u>	<u>\$ 90,495</u>	<u>\$ 57,998</u>	<u>\$ 171,801</u>	<u>\$ 279,915</u>	<u>\$ 181,292</u>	<u>\$ 159,110</u>	<u>\$ 53</u>	<u>\$ -</u>	<u>\$ 48,080</u>	<u>\$ 118,049</u>	<u>\$ 44,288</u>	<u>\$ 15,497</u>	<u>\$ 676,119</u>

CONSOLIDATING STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

(In thousands of dollars)

ADVENTIST HEALTH

Year Ended December 31, 2014

	Consolidated Balances	Adjustments and Eliminations	Adventist Health Corporate Office	Adventist Health Physicians Network	Adventist Health Plan	Adventist Medical Center (Hanford)	Adventist Medical Center (Portland)	Adventist Medical Center (Reedley)	Castle Medical Center	Central Valley General Hospital	Feather River Hospital
UNRESTRICTED REVENUES, GAINS, AND SUPPORT											
Gross patient charges:											
Inpatient daily hospital charges	\$ 2,357,061	\$ -	\$ -	\$ -	\$ -	\$ 96,144	\$ 115,654	\$ 14,527	\$ 82,725	\$ 17,900	\$ 91,613
Inpatient ancillary charges	4,562,248	-	-	-	-	239,754	253,081	22,447	155,566	19,277	345,118
Outpatient ancillary charges	5,014,788	(10)	-	-	-	562,499	351,773	101,288	166,127	23,406	580,693
Other patient charges	733,209	-	-	109,671	-	2,730	104,188	20,819	10,809	61,164	82,311
Gross patient charges	12,667,306	(10)	-	109,671	-	901,127	824,696	159,081	415,227	121,747	1,099,735
Less provision for contractual adjustments	9,561,510	111,013	-	67,276	-	658,879	516,482	92,083	264,478	17,946	903,396
Net patient service revenue	3,105,796	(111,023)	-	42,395	-	242,248	308,214	66,998	150,749	103,801	196,339
Less provision for bad debts	122,969	-	-	387	-	20,079	4,503	12,829	3,004	1,228	5,127
Net patient service revenue less provision for bad debts	2,982,827	(111,023)	-	42,008	-	222,169	303,711	54,169	147,745	102,573	191,212
Premium revenue	88,211	-	3,027	3,786	-	-	30,326	103	-	762	-
Other revenue	181,708	(252,254)	243,897	33,397	12	7,767	17,600	2,201	12,846	5,743	13,227
Net assets released from restrictions for operations	10,117	-	-	-	-	114	1,009	19	1,221	78	165
TOTAL UNRESTRICTED REVENUES, GAINS, AND SUPPORT	3,262,863	(363,277)	246,924	79,191	12	230,050	352,646	56,492	161,812	109,156	204,604
EXPENSES											
Employee compensation	1,551,161	(113,013)	132,411	19,492	682	104,146	180,649	28,078	74,079	45,634	96,971
Professional fees	315,772	(58)	29,750	36,693	798	17,986	14,650	9,795	7,676	18,556	18,611
Supplies	440,336	(211)	(12,861)	6,351	14	32,832	44,621	4,784	27,350	6,629	29,999
Purchased services and other	651,089	(244,383)	85,529	16,060	264	42,491	92,935	10,650	31,807	26,857	39,797
Interest	34,123	(5,612)	8,503	44	8	5,360	2,770	1,252	236	3	2,305
Depreciation and amortization	152,635	-	24,559	286	-	13,139	11,556	1,742	6,658	1,730	7,115
TOTAL EXPENSES	3,145,116	(363,277)	267,891	78,926	1,766	215,954	347,181	56,301	147,806	99,409	194,798
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES FROM CONTINUING OPERATIONS	\$ 117,747	\$ -	\$ (20,967)	\$ 265	\$ (1,754)	\$ 14,096	\$ 5,465	\$ 191	\$ 14,006	\$ 9,747	\$ 9,806

Glendale Adventist Medical Center	Howard Memorial Hospital	St. Helena Hospital Clear Lake	St. Helena Hospital Napa Valley	San Joaquin Community Hospital	Simi Valley Hospital	Sonora Regional Medical Center	South Coast Medical Center	Southern California Medical Foundation	Tillamook Regional Medical Center	Ukiah Valley Medical Center	Walla Walla General Hospital	Western Health Resources	White Memorial Medical Center
\$ 496,233	\$ 20,490	\$ 34,808	\$ 198,512	\$ 358,052	\$ 109,279	\$ 103,544	\$ -	\$ -	\$ 7,951	\$ 54,778	\$ 13,760	\$ -	\$ 541,091
965,162	52,084	27,423	400,138	709,887	199,714	248,545	-	-	8,628	84,465	23,799	-	807,160
554,904	60,387	129,884	304,376	518,266	215,718	417,707	-	-	70,680	232,962	86,403	-	637,725
36,986	-	23,277	18,818	31,549	2,597	76,686	-	-	15,986	45,309	21,310	62,157	6,842
2,053,285	132,961	215,392	921,844	1,617,754	527,308	846,482	-	-	103,245	417,514	145,272	62,157	1,992,818
1,651,866	83,067	141,946	719,599	1,243,621	393,284	614,500	-	-	39,564	300,884	93,798	19,527	1,628,301
401,419	49,894	73,446	202,245	374,133	134,024	231,982	-	-	63,681	116,630	51,474	42,630	364,517
14,906	1,680	4,122	5,388	13,080	6,288	8,172	-	-	1,089	5,359	1,797	392	13,539
386,513	48,214	69,324	196,857	361,053	127,736	223,810	-	-	62,592	111,271	49,677	42,238	350,978
-	1,100	1,737	1,689	-	-	-	-	-	-	21,570	15	-	24,096
17,092	1,463	2,402	8,507	8,088	4,238	11,636	-	-	1,920	4,629	6,164	56	31,077
770	24	242	1,488	493	62	430	-	-	693	42	94	1	3,172
404,375	50,801	73,705	208,541	369,634	132,036	235,876	-	-	65,205	137,512	55,950	42,295	409,323
186,404	23,425	33,660	88,795	163,200	65,748	103,613	-	-	35,113	53,546	34,792	35,205	158,531
17,480	4,348	10,887	19,509	21,976	3,204	27,489	-	-	7,525	18,320	2,284	2,225	26,068
55,591	6,306	4,543	39,547	62,406	14,519	35,734	-	-	7,409	14,136	7,624	1,202	51,811
118,917	9,798	15,843	56,674	80,189	36,203	39,893	-	-	11,218	34,029	13,425	5,286	127,607
6,257	-	1,374	2,636	2,199	2,356	1,707	-	-	-	639	1,601	466	19
20,152	1,196	2,388	8,748	15,283	6,455	5,986	-	-	2,481	1,731	2,528	18	18,884
404,801	45,073	68,695	215,909	345,253	128,485	214,422	-	-	63,746	122,401	62,254	44,402	382,920
\$ (426)	\$ 5,728	\$ 5,010	\$ (7,368)	\$ 24,381	\$ 3,551	\$ 21,454	\$ -	\$ -	\$ 1,459	\$ 15,111	\$ (6,304)	\$ (2,107)	\$ 26,403

CONSOLIDATING STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS – Continued

(In thousands of dollars)

ADVENTIST HEALTH

Year Ended December 31, 2014

	Consolidated Balances	Adjustments and Eliminations	Adventist Health Corporate Office	Adventist Health Physicians Network	Adventist Health Plan	Adventist Medical Center (Hanford)	Adventist Medical Center (Portland)	Adventist Medical Center (Reedley)	Castle Medical Center	Central Valley General Hospital	Feather River Hospital
UNRESTRICTED NET ASSETS											
Excess (deficiency) of revenues over expenses from continuing operations	\$ 117,747	\$ -	\$ (20,967)	\$ 265	\$ (1,754)	\$ 14,096	\$ 5,465	\$ 191	\$ 14,006	\$ 9,747	\$ 9,806
Change in net unrealized gains and losses on other-than-trading securities	2,405	1,952	-	-	-	-	-	-	260	-	-
Donated property and equipment	1,146	-	-	-	-	-	-	-	-	-	-
Net assets released from restrictions for capital additions	6,025	-	-	-	-	520	-	-	869	-	358
Transfers from (to) related parties	-	-	66,649	(11)	-	(5,850)	(5,190)	(3,729)	(1,623)	(2,456)	(3,436)
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS BEFORE DISCONTINUED OPERATIONS	127,323	1,952	45,682	254	(1,754)	8,766	275	(3,538)	13,512	7,291	6,728
Net loss from discontinued operations	(926)	-	-	-	-	-	-	-	-	-	-
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	126,397	1,952	45,682	254	(1,754)	8,766	275	(3,538)	13,512	7,291	6,728
TEMPORARILY RESTRICTED NET ASSETS											
Restricted gifts and grants	22,070	-	49	-	-	484	707	19	975	10	414
Net realized and unrealized gains on investments	82	-	-	-	-	-	81	-	-	-	-
Change in value of split-interest agreements	1,279	-	-	-	-	-	8	-	1,266	-	-
Net assets released from restrictions	(16,142)	-	-	-	-	(634)	(1,009)	(19)	(2,090)	(78)	(523)
INCREASE (DECREASE) IN TEMPORARILY RESTRICTED NET ASSETS	7,289	-	49	-	-	(150)	(213)	-	151	(68)	(109)
PERMANENTLY RESTRICTED NET ASSETS											
Restricted gifts and grants	61	-	-	-	-	-	61	-	-	-	-
Net realized and unrealized gains (losses) on investments	(3)	-	-	-	-	-	-	-	-	-	-
INCREASE (DECREASE) IN PERMANENTLY RESTRICTED NET ASSETS	58	-	-	-	-	-	61	-	-	-	-
INCREASE (DECREASE) IN NET ASSETS	133,744	1,952	45,731	254	(1,754)	8,616	123	(3,538)	13,663	7,223	6,619
NET ASSETS, BEGINNING OF YEAR	1,581,710	43,012	10,264	523	1,601	67,200	196,388	(7,220)	154,487	100,238	36,926
NET ASSETS, END OF YEAR	\$ 1,715,454	\$ 44,964	\$ 55,995	\$ 777	\$ (153)	\$ 75,816	\$ 196,511	\$ (10,758)	\$ 168,150	\$ 107,461	\$ 43,545

See accompanying auditors' report on supplementary information.

Glendale Adventist Medical Center	Howard Memorial Hospital	St. Helena Hospital Clear Lake	St. Helena Hospital Napa Valley	San Joaquin Community Hospital	Simi Valley Hospital	Sonora Regional Medical Center	South Coast Medical Center	Southern California Medical Foundation	Tillamook Regional Medical Center	Ukiah Valley Medical Center	Walla Walla General Hospital	Western Health Resources	White Memorial Medical Center
\$ (426)	\$ 5,728	\$ 5,010	\$ (7,368)	\$ 24,381	\$ 3,551	\$ 21,454	\$ -	\$ -	\$ 1,459	\$ 15,111	\$ (6,304)	\$ (2,107)	\$ 26,403
-	-	-	-	-	-	-	193	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-	-	1,146
1,791	-	(214)	-	2,001	-	38	-	-	-	-	662	-	-
<u>(10,536)</u>	<u>(482)</u>	<u>(2,626)</u>	<u>(5,767)</u>	<u>(3,176)</u>	<u>(3,610)</u>	<u>(2,999)</u>	<u>-</u>	<u>-</u>	<u>(382)</u>	<u>(3,121)</u>	<u>(1,563)</u>	<u>(7)</u>	<u>(10,085)</u>
(9,171)	5,246	2,170	(13,135)	23,206	(59)	18,493	193	-	1,077	11,990	(7,205)	(2,114)	17,464
-	-	-	-	-	-	-	(347)	(579)	-	-	-	-	-
<u>(9,171)</u>	<u>5,246</u>	<u>2,170</u>	<u>(13,135)</u>	<u>23,206</u>	<u>(59)</u>	<u>18,493</u>	<u>(154)</u>	<u>(579)</u>	<u>1,077</u>	<u>11,990</u>	<u>(7,205)</u>	<u>(2,114)</u>	<u>17,464</u>
1,682	(1)	372	9,211	1,063	410	1,390	-	-	188	1,378	124	1	3,594
-	-	-	-	-	-	-	-	-	-	1	-	-	-
-	-	-	5	-	-	-	-	-	-	-	-	-	-
<u>(2,561)</u>	<u>(24)</u>	<u>(28)</u>	<u>(1,488)</u>	<u>(2,494)</u>	<u>(62)</u>	<u>(468)</u>	<u>-</u>	<u>-</u>	<u>(693)</u>	<u>(42)</u>	<u>(756)</u>	<u>(1)</u>	<u>(3,172)</u>
<u>(879)</u>	<u>(25)</u>	<u>344</u>	<u>7,728</u>	<u>(1,431)</u>	<u>348</u>	<u>922</u>	<u>-</u>	<u>-</u>	<u>(505)</u>	<u>1,337</u>	<u>(632)</u>	<u>-</u>	<u>422</u>
-	-	-	-	-	-	-	-	-	-	-	-	-	-
<u>7</u>	<u>-</u>	<u>-</u>	<u>(10)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>7</u>	<u>-</u>	<u>-</u>	<u>(10)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
(10,043)	5,221	2,514	(5,417)	21,775	289	19,415	(154)	(579)	572	13,327	(7,837)	(2,114)	17,886
<u>162,211</u>	<u>51,701</u>	<u>(21,330)</u>	<u>56,455</u>	<u>142,382</u>	<u>(48,696)</u>	<u>79,002</u>	<u>(37,936)</u>	<u>579</u>	<u>41,720</u>	<u>47,059</u>	<u>(9,364)</u>	<u>1,223</u>	<u>513,285</u>
<u>\$ 152,168</u>	<u>\$ 56,922</u>	<u>\$ (18,816)</u>	<u>\$ 51,038</u>	<u>\$ 164,157</u>	<u>\$ (48,407)</u>	<u>\$ 98,417</u>	<u>\$ (38,090)</u>	<u>\$ -</u>	<u>\$ 42,292</u>	<u>\$ 60,386</u>	<u>\$ (17,201)</u>	<u>\$ (891)</u>	<u>\$ 531,171</u>