

GROSSMONT HEALTHCARE DISTRICT
OPERATING BUDGET
For The Year Ending June 30, 2013



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EXECUTIVE SUMMARY

Enclosed is the budget for Grossmont Healthcare District (the "District") for the fiscal year ending June 30, 2013. This budget consists of revenues and six categories of expenses that are each supported by an individual schedule. The District's primary source of income is derived from *ad valorem* property taxes. The following are line-item descriptions for the District's revenue and expense categories.

REVENUES

Property taxes-general are received from the San Diego County Tax Collector's office. Projected revenue assumes a 0% change in property tax revenue from FY11/12 budget estimates. Anticipated annual income has been ratably spread for budget purposes.

Property taxes-Prop. G is received from the San Diego County Tax Collector's office. These property taxes resulted from the voter passage of Proposition G in June 2006. The fixed rate assessment of \$13.15 per \$100,000 of assessed value was changed to \$20.50 in August 2011 and is expected to remain unchanged until 2015 or 2016 to cover anticipated debt service on the remaining final bond issuance anticipated in 2014. The assessment is adopted each year in August by the Board until the bonds are paid in full. Projected revenue assumes a 0% change in property tax revenue from FY11/12 budget estimates.

Grant income represents miscellaneous grant income that may be received by the District from time to time.

Co-gen lease income represents payments from Grossmont Hospital received under a lease arrangement for a new state-of-the-art energy cogeneration facility.

Interest income-general represents investment earnings on the checking, money market and investment accounts of the District's general fund. Anticipated annual income is based on cash flow projections and has been ratably spread for budget purposes.

Interest income-bond funds represent investment earnings on the Prop. G debt service and building/project fund investment accounts. Anticipated annual income is based on cash flow projections and has been ratably spread for budget purposes.

EXPENSES

The budget includes six expense categories: administrative, community healthcare, non-operating, library operating, facility and Prop. G non-project expenses.

Administrative expenses include costs incurred for the day-to-day operations of the District.

Community healthcare expenses include community healthcare grants, support and related costs for programs.

Non-operating expenses include costs incurred for expenses not attributed to the District's day-to-day operations.

Library operating expenses include costs incurred to operate the District's health library.

Facility expenses include costs incurred for the operation and maintenance of all District facilities and land.

Prop. G non-project expenses include debt service and estimated administrative costs related to the bond financing for Proposition G funded improvements.

EXPENSES

Administrative Expenses

Salaries and stipends include salaries for the Chief Executive Officer, Chief Financial Officer, and Executive Assistant. The Chief Executive Officer, a contracted position, is assumed to be renewed for budget purposes. Stipends include payments to each board member in the amount of \$100 per meeting, not to exceed a five-hundred dollar maximum in any calendar month, as well as payments to their designees to attend meetings on behalf of the District.

Fringe benefits include the following:

- Payroll taxes related to budgeted salaries.
- Health and welfare premiums paid to Vision Service Plan, the Guardian dental plan, PERS for health and long-term disability insurance, respectively and PERS retirement contributions. Also included are health expenses for co-pays and deductible payments, as well as other post-employment reimbursements for retired employees.
- Workers' compensation insurance payments to State Compensation Insurance Fund based on salaries.
- Vacation pay and life insurance for employees.
- CalPERS Retiree Benefit Trust deposits.

Travel, seminars and workshops are expenses incurred by the Board of Directors and staff to attend conferences, seminars and workshops.

Dues, meetings, memberships and outreach are paid to community and professional membership organizations.

Annual independent audit consists of fees for required annual independent audits.

General Counsel Fees and General Counsel Fees-Proposition G Related are services provided by the Law Offices of Jeffrey G. Scott.

Board meeting expense includes costs incurred to hold public Board meetings.

Office supplies are for various items needed for the administration of the District.

Equipment rental includes various rent payments for storage space and equipment.

Advertising retainer fees are paid to Rick Griffin for professional services.

Advertising/publications costs are for brochures and marketing/public relations costs to advertise in various periodicals and produce related media.

General community support includes donations and general support to various community partners, agencies and nonprofit organizations.

Bond oversight committee expenses are costs related to providing support to the Proposition G Independent Citizens' Bond Oversight Committee. Most of the support will be provided by GAFCON.

Other expenses are payments made to miscellaneous vendors as needed.

Community Healthcare Expenses

Community healthcare grants and sponsorships represent the anticipated annual outlay by the District to fund specific approved grant proposals and events meeting pre-defined District criteria.

Grossmont Hospital Foundation represents committed funds for Grossmont Hospital or Foundation programs benefiting Grossmont Hospital.

Community healthcare scholarships represent the anticipated annual outlay by the District to fund specific approved scholarships.

Miscellaneous grant are healthcare grants the District may award from time to time.

Pre-award and post-award grant audits are for audit services of prospective and/or existing grant recipients.

Community health fairs and awards are open community events for public health education, information and recognition.

Non-operating Expenses

Election expense is based upon the estimates that are provided by the San Diego County Registrar's Office for scheduled general elections or special elections.

Legislative advocate services are provided by Randlett Nelson & Associates.

Other consultant expenses include fees paid to various other consultants.

LAFCO is the Local Agency Formation Commission cost for the fiscal year.

Co-gen equipment lease payments are for the lease financing of a state-of-the-art energy cogeneration facility to be built and used for Grossmont Hospital.

State budget contingency reserve represents anticipated State Prop 1A borrowing.

Contingency reserve is a Board designated cash set-aside for possible future contingencies.

Library Operating Expenses

Salaries include the Library Director and assistants.

Fringe benefits include the following:

- Payroll taxes related to budgeted salaries.
- Health and welfare premiums paid to Vision Service Plan, the Guardian Dental Plan. PERS for health and long-term disability insurance respectively, and PERS retirement contributions. Also included are health expenses for co-pays and deductibles and life insurance.

Technology maintenance is for all technology related service and maintenance.

Print resources are printed materials such as books and periodicals.

Electronic and A/V resources are media which is not traditionally printed such as videocassettes and DVD's.

Professional memberships, meetings, and travel are for library related expenses and travel for the Library Director and staff.

Equipment represents contracted rentals and small equipment purchases. The Library will be upgrading all computers during the fiscal year.

Supplies and miscellaneous represents items needed for day to day consumables.

Services represent contracted services on an as needed basis.

Facilities Expenses

Facilities consultant provides services for facilities maintenance and oversight.

Security includes costs for alarm monitoring and for providing security during business and non-business hours.

Communications includes costs for all communications related services.

Technology maintenance includes costs for maintenance and repair of technology equipment.

Landscape maintenance includes costs for landscaping services.

Janitorial includes costs for janitorial services.

Electricity and water/sewer includes related costs for consuming the utility.

Disposal services include costs for regular and special garbage disposal services.

Repairs and maintenance includes costs for routine maintenance and pest control.

Insurance includes directors/officers, property and liability coverage.

Capital asset purchases represent anticipated expenditures for movable equipment.

Depreciation expense represents the expensing of equipment, furniture and the facility over their useful lives.

Prop. G Non-project Expenses

Bond principal payments represent scheduled Proposition G bond principal payments scheduled annually each July 15th through 2037.

Bond interest payments represent scheduled Proposition G bond interest payments scheduled annually every January 15th and July 15th through 2037.

Legal fees represent costs for administering contracts and related matters for Proposition G related activities.

Facilities consultant fees relate to costs incurred for Proposition G related activities.

Other expenses will vary and are expected to consist of non-recurring expenses.

**GROSSMONT HEALTHCARE DISTRICT
BUDGETED STATEMENT OF REVENUES AND EXPENSES - CASH BASIS
FOR THE YEAR ENDING JUNE 30, 2013**

	July	August	September	October	November	December	January	February	March	April	May	June	Total
REVENUES:													
Property taxes-general	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 5,565,900
Property taxes - debt service	743,750	743,750	743,750	743,750	743,750	743,750	743,750	743,750	743,750	743,750	743,750	743,750	8,925,000
Grant income	-	170,200	-	-	-	-	-	-	-	-	-	-	170,200
Co-gen lease income	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	2,201,522
Interest income - general	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	114,000
Interest income - bond funds	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	44,000	528,000
Total Revenues	1,444,535	1,614,735	1,444,535	1,444,535	1,444,535	1,444,535	1,444,535	1,444,535	1,444,535	1,444,535	1,444,535	1,444,535	17,504,622
EXPENSES:													
Administrative	112,955	112,955	139,955	112,955	112,955	112,955	112,955	112,955	112,955	112,955	112,955	112,955	1,392,440
Community healthcare	172,366	342,566	172,366	172,366	172,366	172,366	172,366	172,366	172,366	172,366	172,366	171,870	2,238,096
Non-operating	312,460	312,460	537,460	312,460	312,460	312,460	312,460	312,460	312,460	312,460	312,460	312,460	3,978,522
Library operating	29,429	29,429	29,429	29,429	29,429	29,429	29,429	29,429	29,429	29,429	29,429	29,429	353,148
Facility expenses	59,130	26,630	26,630	27,130	26,630	26,630	27,130	26,630	26,630	27,130	26,630	26,630	353,560
Prop. G non-project expenses	11,855,863	7,750	7,750	7,750	7,750	7,750	1,539,850	7,750	7,750	7,750	7,750	7,750	13,473,213
Total Expenses	12,546,203	831,790	913,590	662,090	661,590	661,590	2,194,190	661,590	661,590	662,090	661,590	661,074	21,778,979
NET INCOME	\$ (11,101,668)	\$ 782,945	\$ 530,945	\$ 782,445	\$ 782,945	\$ 782,945	\$ (749,655)	\$ 782,945	\$ 782,945	\$ 782,445	\$ 782,945	\$ 783,461	\$ (4,274,357)

**RECONCILIATION OF NON-CASH ADJUSTMENTS
FOR THE YEAR ENDING JUNE 30, 2013**

	July	August	September	October	November	December	January	February	March	April	May	June	Total
NET INCOME	\$ (11,101,668)	\$ 782,945	\$ 530,945	\$ 782,445	\$ 782,945	\$ 782,945	\$ (749,655)	\$ 782,945	\$ 782,945	\$ 782,445	\$ 782,945	\$ 783,461	\$ (4,274,357)
EXPENSES:													
Add-back depreciation	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	126,000
Add-back contingency reserve	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	1,500,000
Add-back debt service transfers	4,455,000	-	-	-	-	-	-	-	-	-	-	-	4,455,000
Total Expenses	4,590,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500	6,081,000
ADJUSTED NET INCOME	\$ (5,511,168)	\$ 918,445	\$ 666,445	\$ 917,945	\$ 918,445	\$ 918,445	\$ (614,155)	\$ 918,445	\$ 918,445	\$ 917,945	\$ 918,445	\$ 918,961	\$ 1,806,643

**GROSSMONT HEALTHCARE DISTRICT
SCHEDULE OF ADMINISTRATIVE EXPENSES - CASH BASIS
FOR THE YEAR ENDING JUNE 30, 2013**

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Administrative Expenses:													
Salaries & stipends	\$ 38,105	\$ 38,105	\$ 38,105	\$ 38,105	\$ 38,105	\$ 38,105	\$ 38,105	\$ 38,105	\$ 38,105	\$ 38,105	\$ 38,105	\$ 38,105	\$ 457,260
Fringe benefits and other post-employment	31,900	31,900	31,900	31,900	31,900	31,900	31,900	31,900	31,900	31,900	31,900	31,900	382,600
Travel, seminars and workshops	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Dues, meetings, memberships and outreach	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Annual independent audit	-	-	27,000	-	-	-	-	-	-	-	-	-	27,000
General Counsel-General Matters	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	90,000
General Counsel-Proposition G Related	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	84,000
Board meeting expenses	400	400	400	400	400	400	400	400	400	400	400	400	4,800
Office supplies	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Equipment rental	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	1,450	17,400
Advertising retainer fees	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	30,000
Advertising/publications	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	15,180
General community support	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	24,000
Bond oversight committee	8,335	8,335	8,335	8,335	8,335	8,335	8,335	8,335	8,335	8,335	8,335	8,315	100,000
Other	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000
Total Administrative Expenses	\$ 112,955	\$ 112,955	\$ 139,955	\$ 112,955	\$ 112,955	\$ 112,955	\$ 112,955	\$ 112,955	\$ 112,955	\$ 112,955	\$ 112,955	\$ 112,935	\$ 1,392,440

**GROSSMONT HEALTHCARE DISTRICT
SCHEDULE OF COMMUNITY HEALTHCARE EXPENSES - CASH BASIS
FOR THE YEAR ENDING JUNE 30, 2013**

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Community Healthcare:													
Community healthcare grants & sponsorships	\$ 71,333	\$ 71,333	\$ 71,333	\$ 71,333	\$ 71,333	\$ 71,333	\$ 71,333	\$ 71,333	\$ 71,333	\$ 71,333	\$ 71,333	\$ 71,333	\$ 855,996
Grossmont Hospital Foundation	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,333	83,337	1,000,000
Community healthcare scholarships	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	144,000
Miscellaneous grants	-	170,200	-	-	-	-	-	-	-	-	-	-	170,200
Pre-award and post-award grant audits	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Community health fairs and awards	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,000	65,500
Total Community Healthcare	\$ 172,366	\$ 342,566	\$ 172,366	\$ 172,366	\$ 172,366	\$ 172,366	\$ 172,366	\$ 172,366	\$ 172,366	\$ 172,366	\$ 172,366	\$ 171,870	\$ 2,238,096

**GROSSMONT HEALTHCARE DISTRICT
SCHEDULE OF NON-OPERATING EXPENSES - CASH BASIS
FOR THE YEAR ENDING JUNE 30, 2013**

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Non-operating Expenses:													
Election expense	\$ -	\$ -	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 225,000
Legislative advocate	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	36,000
Other consultants	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	12,000
LAFCO	4,000	-	-	-	-	-	-	-	-	-	-	-	4,000
Co-gen equipment lease payments	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	2,201,522
State budget contingency reserve	-	-	-	-	-	-	-	-	-	-	-	-	-
Contingency reserve	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	1,500,000
Total Non-operating Expenses	\$ 316,460	\$ 312,460	\$ 537,460	\$ 312,460	\$ 312,460	\$ 312,460	\$ 312,460	\$ 312,460	\$ 312,460	\$ 312,460	\$ 312,460	\$ 312,460	\$ 3,978,522

**GROSSMONT HEALTHCARE DISTRICT
SCHEDULE OF LIBRARY OPERATING EXPENSES - CASH BASIS
FOR THE YEAR ENDING JUNE 30, 2013**

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Library Operating Expenses:													
Salaries	\$ 13,390	\$ 13,390	\$ 13,390	\$ 13,390	\$ 13,390	\$ 13,390	\$ 13,390	\$ 13,390	\$ 13,390	\$ 13,390	\$ 13,390	\$ 13,390	\$ 160,680
Fringe benefits	8,250	8,250	8,250	8,250	8,250	8,250	8,250	8,250	8,250	8,250	8,250	8,250	99,000
Technology maintenance	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Print resources	900	900	900	900	900	900	900	900	900	900	900	900	10,800
Electronic and AV resources	2,415	2,415	2,415	2,415	2,415	2,415	2,415	2,415	2,415	2,415	2,415	2,415	28,980
Professional memberships, meetings and travel	567	567	567	567	567	567	567	567	567	567	567	567	6,804
Equipment	798	798	798	798	798	798	798	798	798	798	798	798	9,576
Supplies & Miscellaneous	592	592	592	592	592	592	592	592	592	592	592	592	7,104
Services	1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	1,017	12,204
Total Library Operating Expenses	\$ 29,429	\$ 29,429	\$ 29,429	\$ 29,429	\$ 29,429	\$ 29,429	\$ 29,429	\$ 29,429	\$ 29,429	\$ 29,429	\$ 29,429	\$ 29,429	\$ 353,148

**GROSSMONT HEALTHCARE DISTRICT
SCHEDULE OF FACILITIES EXPENSES - CASH BASIS
FOR THE YEAR ENDING JUNE 30, 2013**

	July	August	September	October	November	December	January	February	March	April	May	June	Total
Facility Expenses:													
Facility consultant fees	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 1,250	\$ 15,000
Security	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Communications	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000
Technology maintenance	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	1,250	15,000
Landscape maintenance	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	18,000
Janitorial	2,000	1,500	1,500	2,000	1,500	1,500	2,000	1,500	1,500	2,000	1,500	1,500	20,000
Electricity	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	2,250	27,000
Water/sewer	900	900	900	900	900	900	900	900	900	900	900	900	10,800
Disposal services	230	230	230	230	230	230	230	230	230	230	230	230	2,760
Repairs and maintenance	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	54,000
Insurance	32,000	-	-	-	-	-	-	-	-	-	-	-	32,000
Capital asset purchases	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Facility Expenses	\$ 59,130	\$ 26,630	\$ 26,630	\$ 27,130	\$ 26,630	\$ 26,630	\$ 27,130	\$ 26,630	\$ 26,630	\$ 27,130	\$ 26,630	\$ 26,630	\$ 353,560

GROSSMONT HEALTHCARE DISTRICT
SCHEDULE OF PROPOSITION G EXPENSES-CASH BASIS
FOR THE YEAR ENDING JUNE 30, 2013

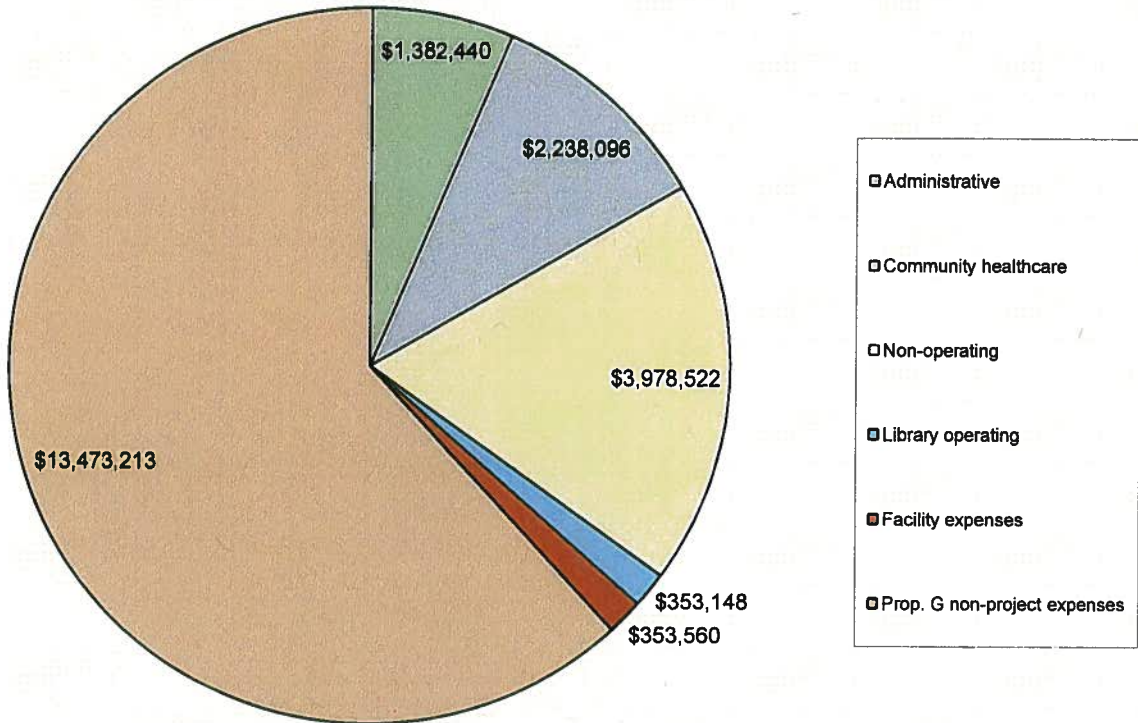
	July	August	September	October	November	December	January	February	March	April	May	June	Total
Bond principal payments	\$ 565,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 565,000
Bond interest payments	11,283,113	-	-	-	-	-	1,532,100	-	-	-	-	-	12,815,213
Legal fees, net of reimbursements	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	84,000
Facilities consultant fees	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Other	250	250	250	250	250	250	250	250	250	250	250	250	3,000
Total Prop. G Non-project expenses:	\$ 11,855,863	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	\$ 1,539,850	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	\$ 13,473,213

**GROSSMONT HEALTHCARE DISTRICT
SCHEDULE OF FULL-TIME EMPLOYEES
FOR THE YEAR ENDED JUNE 30, 2013**

<u>Full-Time Positions</u>	<u>Full-Time Equivalents</u>	<u>Budgeted Amount</u>	<u>Charged To</u>
Chief Executive Officer	1.00		Administration
Chief Financial Officer	1.00		Administration
Executive Assistant	1.00		Administration
Administration Sub-total		<u>\$ 412,205</u>	
Library Director	1.00		Library Operations
Full-time Library Assistant	1.00		Library Operations
Part-time Library Assistants	1.00		Library Operations
Library Sub-total		<u>\$ 160,680</u>	
Total Full-time Positions	<u>6.00</u>	<u>\$ 572,885</u>	

Note: Excludes Board Salaries and Designee Stipends

**Grossmont Healthcare District
Fiscal Year 2012 - 2013
Budget**



<u>Budget Classification</u>	<u>Total</u>
Administrative	\$ 1,382,440
Community healthcare	2,238,096
Non-operating	3,978,522
Library operating	353,148
Facility expenses	353,560
Prop. G non-project expenses	13,473,213
	<u>\$ 21,778,979</u>

GROSSMONT HEALTHCARE DISTRICT
BUDGETED STATEMENT OF REVENUES AND EXPENSES - GENERAL FUND - CASH BASIS
FOR THE YEAR ENDING JUNE 30, 2013

	July	August	September	October	November	December	January	February	March	April	May	June	Total
REVENUES:													
Property taxes-general	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 463,825	\$ 5,565,900
Grant income	-	170,200	-	-	-	-	-	-	-	-	-	-	170,200
Co-gen lease income	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	183,460	2,201,520
Interest income - general	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	9,500	114,000
Total Revenues	656,785	826,985	656,785	656,785	656,785	656,785	656,785	656,785	656,785	656,785	656,785	656,785	8,051,620
EXPENSES:													
Administrative	112,955	112,955	139,955	112,955	112,955	112,955	112,955	112,955	112,955	112,955	112,955	112,955	1,382,440
Community healthcare	172,366	342,566	172,366	172,366	172,366	172,366	172,366	172,366	172,366	172,366	172,366	171,870	2,238,096
Non-operating	316,460	312,460	537,460	312,460	312,460	312,460	312,460	312,460	312,460	312,460	312,460	312,460	3,978,522
Library operating	29,429	29,429	29,429	29,429	29,429	29,429	29,429	29,429	29,429	29,429	29,429	29,429	353,148
Facility expenses	59,130	26,630	26,630	27,130	26,630	26,630	27,130	26,630	26,630	27,130	26,630	26,630	353,560
Total Expenses	690,340	824,040	905,840	654,340	653,840	653,840	654,340	653,840	653,840	654,340	653,840	653,324	8,305,786
NET INCOME	\$ (33,555)	\$ 2,945	\$ (249,055)	\$ 2,445	\$ 2,945	\$ 2,945	\$ 2,445	\$ 2,945	\$ 2,945	\$ 2,445	\$ 2,945	\$ 3,461	\$ (254,146)

RECONCILIATION OF NON-CASH ADJUSTMENTS
FOR THE YEAR ENDING JUNE 30, 2013

	July	August	September	October	November	December	January	February	March	April	May	June	Total
NET INCOME	\$ (33,555)	\$ 2,945	\$ (249,055)	\$ 2,445	\$ 2,945	\$ 2,945	\$ 2,445	\$ 2,945	\$ 2,945	\$ 2,445	\$ 2,945	\$ 3,461	\$ (254,146)
EXPENSES:													
Add-back depreciation	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	10,500	126,000
Add-back contingency reserve	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	1,500,000
Total Expenses	135,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500	135,500	1,626,000
ADJUSTED NET INCOME	\$ 101,945	\$ 138,445	\$ (113,555)	\$ 137,945	\$ 138,445	\$ 138,445	\$ 137,945	\$ 138,445	\$ 138,445	\$ 137,945	\$ 138,445	\$ 138,961	\$ 1,371,854