DLN: 93493228027122

Form **990**

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury Internal Revenue Service

► The organization may have to use a copy of this return to satisfy state reporting requirements

Open to Public Inspection

OMB No 1545-0047

A Fo	rthe 2	2010 calendar year, or tax year beginning 10-01-2010 and ending 09-30-2011									
B Che	eck if ap	oplicable C Name of organization GARDEN CITY HOSPITAL		D Emp	loye	identification number					
Add	Iress cha	ange Doing Business As		38-1358390							
☐ Nar	ne chan	nge	E Telep	hon	e number						
┌ Inıt	ıal retur	Number and street (or P O box if mail is not delivered to street address)	(734	1)42	21-3300						
☐ Ter	mınated	6245 INKSTER ROAD	·	(, 5	.,						
┌ Am	ended n			G Gross	s rece	pts \$ 146,509,180					
☐ App	lication	GARDEN CITY, MI 48135 pending									
		F Name and address of principal officer	H(a) is this a	roun retur	n for af	filiates? Yes No					
		MR GARY LEY	1301130	gi oup recuir	1101 41	maces y res y res					
		6245 INKSTER ROAD GARDEN CITY, MI 48135	H(b) Are all a	ıffılıates ır	nclude	ed?					
		·				st (see instructions)					
I Ta:	x-exem	pt status	H(c) Group	exemp	cion	number 🗲					
J W	ebsite	:▶ WWW GCHOSP ORG									
K Forr	n of org	anization	L Year of form	nation 19	947	M State of legal domicile MI					
Pa	rt I	Summary									
క	(Briefly describe the organization's mission or most significant activities SARDEN CITY HOSPITAL IS COMMITTED TO PROVIDING HEALTH CARE TH WHOLE PERSON AND THE HEALTH STATUS OF THE COMMUNITY	HAT IMPROV	'ES THE	WE	LL BEING OF THE					
듄	_										
ē	_										
Activities & Governance	2 Check this box If the organization discontinued its operations or disposed of more than 25% of its net ass										
2 5	3 N	lumber of voting members of the governing body (Part VI, line 1a)			3	13					
<u>8</u>	4 N	4 Number of Independent voting members of the governing body (Part VI, line 1b)									
<u> </u>	5 ⊺	otal number of individuals employed in calendar year 2010 (Part V, line 2a) .		5	1,574						
Ş		otal number of volunteers (estimate if necessary)			6	172					
		otal unrelated business revenue from Part VIII, column (C), line 12			7a	· · · · ·					
	Ь	let unrelated business taxable income from Form 990-T, line 34			7b						
			Prior			Current Year					
a)	8	Contributions and grants (Part VIII, line 1h)		595	·						
e E	9	Program service revenue (Part VIII, line 2g)	13	39,813,		144,037,141					
Revenue	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)		2,084,		855,495 1,028,167					
	11 12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line	ther revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 1,24								
	12	12)	14	13,190,	765	146,021,198					
	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)			0	0					
	14	Benefits paid to or for members (Part IX, column (A), line 4)			0	0					
\$	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines $5-10$)	;	73,206,	928	71,171,617					
enses	16a	Professional fundraising fees (Part IX, column (A), line 11e)			0	0					
ਡੌ	ь	Total fundraising expenses (Part IX, column (D), line 25) \blacktriangleright^0									
_	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	73,543,	848	75,862,879						
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	14	16,750,	776	147,034,496					
	19	Revenue less expenses Subtract line 18 from line 12		-3,560,	011	-1,013,298					
Net Assets or Fund Balances			Beginning Ye		nt	End of Year					
SS e	20	Total assets (Part X, line 16)		00,665,	172	101,688,507					
A P	21	Total liabilities (Part X, line 26)	3	39,736,	490	94,375,188					
žĒ	22	Net assets or fund balances Subtract line 21 from line 20	:	10,928,	682	7,313,319					
Par	t II	Signature Block	·								
Unde	penalt	ties of perjury, I declare that I have examined this return, including acco									

knowledge and belief, it is true, correct, and complete. Declaration of preparer (othe knowledge.

Sign	Signature of officer										
Here	ere TIMOTHY M JODWAY VICE PRESIDENT & CFO										
	Print/Type preparer's name Joyce A Dulworth	Preparer's signature	Jovce A Dulw								
	preparer's name Joyce A Dulworth		Joyce A Dulw								
Paid	Firm's name • BKD LLP										
Preparer											
ricpuici	Firm's address 200 E Main St Suite 700										
Use Only											
	Fort Wayne, IN 46802										

May the IRS discuss this return with the preparer shown above? (see instruction

1 3ARI ERS		<u>\$</u>	4	4	₹ ,
Check if Schedule O contains a response to any question in this Part III	Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?	(Code) (Expenses \$ 134,197,097 including grants of \$) (Revenue \$) (4b (Code) (Expenses \$ Including grants of \$) (Revenue \$	4c (Code) (Expenses \$) (Revenue \$	4d Other program services (Describe in Schedule O) (Expenses \$ including grants of \$
NG OF THE WHOLE	Yes	143,532,491) VISITS, AND 80,000 OUTPATIEI OW COST SERVICES TO THE UNSELING			

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A^{\bullet}	1	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors (see instruction)? $f z$	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I^{\bullet}	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II \square	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 2	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9		No
10	Did the organization, directly or through a related organization, hold assets in term, permanent,or quasi- endowments? If "Yes," complete Schedule D, Part V	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VIII, VIII, IX, or X as applicable			
а	Did the organization report an amount for land, buildings, and equipment in Part X, line10? If "Yes," complete Schedule D, Part VI.	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.	11b		No
С	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.	11d	Yes	
е	Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X.	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional	12b	Yes	
	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV	14b	Yes	
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Parts II and IV	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $$5,000$ of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Parts III and IV.	16		No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	17		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	Yes	
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19		No
20a	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)	20b	Yes	

FUIIII	990 (2010)			Page •
Par	t IV Checklist of Required Schedules (continued)			
21	Did the organization report more than $$5,000$ of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1 ? If "Yes," complete Schedule I, Parts I and II	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b-24d and complete Schedule K. If "No," go to line 25	24a	Yes	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		No
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		No
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		No
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
а	A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part			
	IV	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b		No
C	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31		No
32	Schedule N, Part II	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Schedule R, Part I	33		No
34	Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	Yes	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35	Yes	
a	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 Yes \sumbox{V Yes} \sumbox{No}			
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

	2010)	· ·
Part V	Statements Regarding Other IRS Filings and Tax Compliance	

	Check if Schedule O contains a response to any question in this Part V		. [
			Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0 - if not applicable			
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable			
С	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable			
_	gaming (gambling) winnings to prize winners?	1c	Yes	
2a	Statements filed for the calendar year ending with or within the year covered by this			
b	return			
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)	2b	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the			
	year?	За	Yes	
	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a		No
b	If "Yes," enter the name of the foreign country 🕒			
	See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the	6a		No
b	organization solicit any contributions that were not tax deductible?	6b		
7	Organizations that may receive deductible contributions under section 170(c).			
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	Yes	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	Yes	
C	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		No
d	If "Yes," indicate the number of Forms 8282 filed during the year 7d			110
	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit			
-	contract?	7e		No
	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a	7h		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8		
9	Sponsoring organizations maintaining donor advised funds.			
а	Did the organization make any taxable distributions under section 4966?	9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b		
10	Section 501(c)(7) organizations. Enter			
a b	Initiation fees and capital contributions included on Part VIII, line 12 10a Gross receipts, included on Form 990, Part VIII, line 12, for public use of club 10b			
U	facilities			
11	Section 501(c)(12) organizations. Enter			
a	Gross income from members or shareholders			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)			
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year 12b			
13	Section 501(c)(29) qualified nonprofit health insurance issuers.			
а	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O	13a		
	Enterthe amount of many the agreement of the second of the			
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans			
c	Enter the amount of reserves on hand			
142	Did the organization receive any payments for indoor tanning services during the tax year?	14a		No
	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		

Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI										. ▽	•
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Section A.	Governing	Body and	Management
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			Yes	No				
1a	Enter the number of voting members of the governing body at the end of the tax year							
b	Enter the number of voting members included in line 1a, above, who are independent							
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2		No				
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?							
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?							
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .							
6	Does the organization have members or stockholders?	6		No				
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		No				
ь	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b		Νo				
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following							
а	The governing body?	8a	Yes					
b	Each committee with authority to act on behalf of the governing body?	8b	Yes					
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O							

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	10b		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
С	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c	Yes	
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
а	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b		Νo
	If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes	
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		No

Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed►MI
- 18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply

Own website Another's website V Upon request

- 19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization
 JANE HARDY
 6245 INKSTER ROAD

GARDEN CITY, MI 48135 (734) 458-4733 Form 990 (2010) Page **7**

Part VII Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and current key employees Enter -0 in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's current key employees, if any See instructions for definition of "key employee"
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization's former officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours	(C) Position (check all that apply)						(D) Reportable compensation from the	(E) Reportable compensation	(F) Estimated amount of other
	per week (describe hours for related organizations in Schedule O)	Individual trustee or director	Institutional Trustee	Officei	Former Highest compensated employee Key employee			organization (W- 2/1099-MISC)	from related organizations (W- 2/1099- MISC)	compensation from the organization and related organizations
(1) FOUAD ASHKAR TRUSTEE	1 0	Х						0	0	0
(2) LINDA BREAKIE TRUSTEE	1 0	Х						0	0	0
(3) RITA BRINCAT TRUSTEE	1 0	Х						0	0	0
(4) REUBEN ELIUK DO TRUSTEE	1 0	Х						0	215,112	21,560
(5) CONWAY JEFFRESS PHD TRUSTEE	1 0	Х						0	0	0
(6) VINCENT MARINO TRUSTEE	1 0	Х						0	0	0
(7) DENISE ORCHER TRUSTEE	1 0	Х						0	0	0
(8) JOHN O'SHEA TRUSTEE	1 0	Х						0	0	0
(9) JOYCE PAPPAS TRUSTEE	1 0	Х						0	0	0
(10) ANNE PAWLAK DO TRUSTEE	1 0	Х						0	0	0
(11) TROY SMITH DO TRUSTEE	1 0	Х						0	0	0
(12) EDMOND SWAD JR TRUSTEE	1 0	Х						0	0	0
(13) BRIAN SUSKO TRUSTEE	1 0	х						0	0	0
(14) GARY LEY PRESIDENT	40 0			х				353,631	0	27,346
(15) ART GREENLEE FORMER CAO - LEFT 11/2010	40 0			х				179,524	0	28,224
(16) GARY MOORMAN CHIEF MEDICAL OFFICER	40 0			х				235,324	0	19,798

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and Title	(B) Average hours		tion (that a	(che		II		(D) Reportable compensation from the	(E) Reportable compensation from related	(F) Estimated amount of other
	per week (describe hours for related organizations in Schedule O)	Individual trustee or director	Institutional Trustee	Officei	Key employee	Highest compensated employee	Former	organization (W- 2/1099-MISC)	organizations (W- 2/1099- MISC)	compensation from the organization and related organizations
(17) DEBBIE WILLIAMS CHIEF NURSING OFFICER	40 0			х				131,580	0	22,227
(18) TIM JODWAY CFO	40 0			Х				120,803	0	18,625
(19) KRISTEN WAARALA VP OF MEDICAL EDUCATION	40 0			х				173,500	0	25,566
(20) SHERYL PARKS PHYSICIAN	40 0					Х		440,916	0	30,063
(21) WANDA ELLIOTT CRNA	40 0					х		271,241	0	23,947
(22) INGRID WILSON-JOHNSON PHYSICIAN	40 0					х		287,490	0	27,324
(23) CHADI HADDAD PHYSICIAN	40 0					х		283,042	0	18,110
(24) RAINNA FURNARI-BRAZIL PHYSICIAN	40 0					Х		273,091	0	26,590
1b Sub-Total			_	<u>.</u>	_		-			
c Total from continuation sheets	to Part VII, Sec	tion A				 -				
d Total (add lines 1b and 1c) .							+	2,750,142	215,112	289,380
2 Total number of individuals (incli	udıng but not lın	nited to	thos	e lıs	ted	above)) who	received more tha	n	

\$100,000 in reportable compensation from the organization 45

			Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee			
	on line 1a? If "Yes," complete Schedule J for such individual	3		Νo
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule I for such			
	ındıvıdual	4	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for			
	services rendered to the organization? If "Yes," complete Schedule I for such person	5		No

Section B. Independent Contractors

Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

(A) Name and business address	(B) Description of services	(C) Compensation
Caretech Solutions Inc PO Box 674271 DETROIT, MI 48267	IT SUPPORT	3,622,169
Siemens Medical Solutions DEPT CH 14195 PALATINE, IL 60055	IT SUPPORT	1,507,870
SUPPLEMENTAL HEALTH CARE PO BOX 27124 SALT LAKE CITY, UT 84127	IMAGING SERVICES	1,148,546
ALLIANCE HNI 7647 COLLECTION CENTER DRIVE CHICAGO, IL 60693	IMAGING SERVICES	842,990
SODEXHO HEALTH CARE SERVICES MSC-410672 PO BOX 41500 NASHVILLE, TN 37241	BIO-MEDICAL SERVICES	770,398
2 Total number of independent contractors (including but not limited to those listed above) who received more than	

\$100,000 in compensation from the organization ► 110

Part \	7	Statement of Revenue	ue					 .
					(A)	(B)	(C)	(D)
					Total revenue	Related or exempt	business	Revenue
						function		excluded
						revenue		from tax
								under
								sections
								512,
								512, 513, or
								514
¥ ¥	1a	Federated campaigns	1a					
Contributions, gifts, grants and other similar amounts	b	Membership dues	. 1b					
≎≝	_	Fundraising events	. 1c	6,049				
£a		-						
ಲ್ಲಿ≣	d	Related organizations	. 1d	20,000				
띃등	е	Government grants (contributions)	1e					
± =	f	All other contributions, gifts, grants	, and 1f	74,346		! 		!
ĕĕ	_	sımılar amounts not ıncluded above	2					
₽ĕ	g	Noncash contributions included in li	nes 1a-1f \$					
င်း	h	Total. Add lines 1a-1f			100,395			
				Business Code				
ě	2a						1,007,861	
<u>ş</u>		PATIENT SERVICE		621400	140,863,496	139,855,635	1,007,801	
22	ь	RETAIL PHARMACY		446110	2,558,662	2,232,446	326,216	
35	С	HOME MEDICAL EQUIPMENT		621610	69,740	69,740		
<u>\$</u>	d	COMMUNITY SERVICE PROGRAMS		621400	545,243	545,243		
÷	е							
<u> </u>	f	All other program service rev	venue					
Program Serwce Revenue			_					
		Total. Add lines 2a-2f			144,037,141			
	3	Investment income (includin	•		505.255			606.266
		and other similar amounts)			686,266			686,266
	4	Income from investment of tax-ex-	empt bond proceeds		169,229			169,229
	5	Royalties	<u> </u>		0			
			(ı) Real	(II) Personal				
	6a	Gross Rents	674,713					
	ь	Less rental expenses	479,352					
	С	Rental income	195,361					
	4	or (loss) L Net rental income or (loss)			195,361			195,361
	_	Net rental income of (1033)		() O. + h				
	7a	Gross amount	(ı) Securities	(II) O ther				
	/a	from sales of						
		assets other than inventory						
	b	Less cost or						
		other basis and sales expenses						
		Gain or (loss)						
	d	Net gain or (loss)			0			
ψ.	8a	Gross income from fundraisii	ng events					
2		(not including						
υ ≥		\$6,049 of contributions reported on	line 1c)					
ď		See Part IV, line 18						
<u>.</u>			а	12,009				
Other Revenue	ь	Less direct expenses	ь	8,630				
U	С	Net income or (loss) from fur	ndraising events 🟲		3,379			3,379
	9a	Gross income from gaming a	ctivities See Part IV, line 19 . a					
	ь	Less direct expenses		ь				
		Net income or (loss) from ga			0			
	10a	Gross sales of inventory, les	S					
		returns and allowances .						
			a					
	b	Less cost of goods sold $oldsymbol{.}$. b					
	С	Net income or (loss) from sa	les of inventory 🟲		0			
		Miscellaneous Revenue		Business Code				
	11a	CAFETERIA		722100	461,313	461,313		
		ALL OTHER REVENUE		900099	368,114	368,114		
								
		All other revenue						
	e	Total. Add lines 11a-11d .			829,427			
	12	Total revenue. See Instruction	one 🕨					
	12	iotai ievenue. See Instructi	ons		146,021,198		1,334,077	1,054,235
						143,532,491	i	1

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do no	other organizations must complete column (A) but are not required to out of include amounts reported on lines 6b, o, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21	0			<u>'</u>
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	1,334,513		1,334,513	
6	Compensation not included above, to disqualified persons (as defined under section $4958(f)(1)$) and persons described in section $4958(c)(3)(B)$	0			
7	Other salaries and wages	54,094,278	53,306,808	787,470	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	1,421,569		1,421,569	
9	Other employee benefits	10,165,736	8,793,911	1,371,825	
10	Payroll taxes	4,155,521	4,015,397	140,124	
а	Fees for services (non-employees) Management	0			
b	Legal	273,468		273,468	
c	Accounting	217,072		217,072	
d	Lobbying	41,000		41,000	
e	Professional fundraising services See Part IV, line 17	0			
f	Investment management fees	0			
g	Other	10,162,695	8,604,798	1,557,897	
12	Advertising and promotion	1,264,213		1,264,213	
13	Office expenses	21,584,721	21,156,888	427,833	
14	Information technology	4,604,370	4,199,204	405,166	
15	Royalties	0			
16	Occupancy	1,560,085	1,274,094	285,991	
17	Travel	0			
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	110,552	100,858	9,694	
20	Interest	2,822,917	2,822,917		
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	8,600,758	5,849,132	2,751,626	
23 24	Insurance	0			
а	BAD DEBT	15,412,518	15,412,518		
b	REBILLABLE PROSTHESIS	5,338,567	5,338,567		
c	RESIDENTS & INTERNS MEALS	125,253	125,253		
d	EDUCATION REIMBURSE & STIPEND	112,906	112,906		
e	BLOOD COSTS	928,855	928,855		
f	All other expenses	2,702,929	2,154,991	547,938	
25	Total functional expenses. Add lines 1 through 24f	147,034,496	134,197,097	12,837,399	0
26	Joint costs. Check here ► if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation			Fo	rm 990 (2010)

	rt X	Balance Sheet					Page 11	
	ILΧ	Datatice Stieet			(A)		(B)	
					Beginning of year		End of year	
	1	Cash—non-interest-bearing			1,300	1	1,400	
	2	Savings and temporary cash investments			7,422,064	2	9,456,459	
	3	Pledges and grants receivable, net				3		
	4	Accounts receivable, net			10,136,078	4	12,636,948	
	5	Receivables from current and former officers, directors, trustee highest compensated employees. Complete Part II of	employees, and					
		Schedule L				5		
	6	Receivables from other disqualified persons (as defined under spersons described in section $4958(c)(3)(B)$, and contributing e sponsoring organizations of section $501(c)(9)$ voluntary emploorganizations (see instructions)	mploy	ers, and				
şts		Schedule L				6		
Assets	7	Notes and loans receivable, net				7		
Ą	8	Inventories for sale or use			1,414,910	8	1,502,858	
	9	Prepaid expenses and deferred charges			2,013,217	9	2,074,428	
	10a	Land, buildings, and equipment cost or other basis <i>Complete Part VI of Schedule D</i>	10a	135,457,564				
	ь	Less accumulated depreciation						
	11	Investments—publicly traded securities			21,637,707	11	19,297,426	
	12	Investments—other securities See Part IV, line 11				12		
	13	Investments—program-related See Part IV, line 11			13			
	14	Intangible assets			14			
	15	Other assets See Part IV, line 11		6,083,704	15	9,409,141		
	16	Total assets. Add lines 1 through 15 (must equal line 34) .		100,665,172	16	101,688,507		
-	17	Accounts payable and accrued expenses .	11,699,161	17	12,087,987			
	18	Grants payable			18			
	19	Deferred revenue				19		
	20	Tax-exempt bond liabilities			54,066,108	20	53,209,051	
Sə	21	Escrow or custodial account liability Complete Part IV of Schedu	le D			21		
Liabilities	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified	′					
77		persons Complete Part II of Schedule L				22		
	23	Secured mortgages and notes payable to unrelated third parties	s .	•		23		
	24	Unsecured notes and loans payable to unrelated third parties				24		
	25	Other liabilities Complete Part X of Schedule D			23,971,221	25	29,078,150	
	26	Total liabilities. Add lines 17 through 25			89,736,490	26	94,375,188	
es		Organizations that follow SFAS 117, check here ► ✓ and complete through 29, and lines 33 and 34.	plete	lines 27				
Balance	27	Unrestricted net assets			10,766,887	27	7,151,524	
हुन हो	28	Temporarily restricted net assets			161,795		161,795	
dE	29	Permanently restricted net assets			29	,		
Fund		Organizations that do not follow SFAS 117, check here ► allines 30 through 34.	nd cor	nplete				
9	30	Capital stock or trust principal, or current funds				30		
Į.	31	Paid-in or capital surplus, or land, building or equipment fund				31		
Assets	32	Retained earnings, endowment, accumulated income, or other fi		· · ·		32		
	33	Total net assets or fund balances			10,928,682	33	7,313,319	
Net	34	Total liabilities and net assets/fund balances			100,665,172	34	101,688,507	
	10,	. staasimtes and net assets/fund buildinets			150,000,172	J4	Form 990 (2010)	

Page **12**

Part	Reconcilliation of Net Assets		<u> </u>	
Ħ	Total revenue (must equal Part VIII, column (A), line 12)		146,0	146,021,198
7	Total expenses (must equal Part IX, column (A), line 25)		147,0	47,034,496
ю	Revenue less expenses Subtract line 2 from line 1		-1,0	,013,298
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))		10,92	28,682
Ŋ	Other changes in net assets or fund balances (explain in Schedule O)		-2,6	2,602,065
9	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column 6		7,31	13,319
Pal	Part X41 Financial Statements and Reporting Check if Schedule O contains a response to any question in this Part XII		<u> </u> .	
			Yes	N ₀
-	Accounting method used to prepare the Form 990 Cash VAccrual Cother			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? $. . $	2a		No
Φ	Were the organization's financial statements audited by an independent accountant?	2 b	Yes	
U	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes	
σ	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both a separate basis Vonsolidated basis Consolidated basis			
3a	ral award, was the organization required OMB Circular A-133?	39		o N

Form 990 (2010)

If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required **3b** audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . .

Ф

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury Internal Revenue Service

h

Name of the organization

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

Employer identification number

Inspection

MKD	LIN CIT	I HOSPITAL									
			8-1358390								
	rt I	Reason for Public Charity Status (All organizations must complete this part	.) See instruct	tions							
	organı —	zation is not a private foundation because it is (For lines 1 through 11, check only one box)									
1	Ŀ	A church, convention of churches, or association of churches described in section 170(b)(1)(A)(i).								
2		A school described in section 170(b)(1)(A)(ii). (Attach Schedule E)									
3	~	A hospital or a cooperative hospital service organization described in section 170(b)(1)(A)	(iii).								
4	Г	A medical research organization operated in conjunction with a hospital described in section hospital's name, city, and state	170(b)(1)(A)(iii). Enter	the						
5	Γ	An organization operated for the benefit of a college or university owned or operated by a go	vernmental unit	describe	d ın						
		section 170(b)(1)(A)(iv). (Complete Part II)									
6	Γ	A federal, state, or local government or governmental unit described in section 170(b)(1)(A)(v).								
7	Γ	An organization that normally receives a substantial part of its support from a governmental described in section 170(b)(1)(A)(vi) (Complete Part II)	l unit or from the	e general	public						
8	_	A community trust described in section 170(b)(1)(A)(vi) (Complete Part II)									
9	<u>'</u>		one momborehi	n food an	d aroc						
9	,	An organization that normally receives (1) more than 331/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 331/3% of									
		its support from gross investment income and unrelated business taxable income (less sections)									
		· · · · · · · · · · · · · · · · · · ·	,	ili busille	5565						
40	_	acquired by the organization after June 30, 1975 See section 509(a)(2). (Complete Part II	•								
10	<u> </u>	An organization organized and operated exclusively to test for public safety. See section 509									
11	,	An organization organized and operated exclusively for the benefit of, to perform the function one or more publicly supported organizations described in section 509(a)(1) or section 509 the box that describes the type of supporting organization and complete lines 11e through 1 a Type I b Type II c Type III - Functionally integrated	(a)(2) See sect .1h)(3).	Chec					
e	Γ	By checking this box, I certify that the organization is not controlled directly or indirectly by other than foundation managers and other than one or more publicly supported organizations section 509(a)(2)									
f		If the organization received a written determination from the IRS that it is a Type I, Type II check this box		porting oi	rganıza	ation,					
g		Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?		-							
		(i) a person who directly or indirectly controls, either alone or together with persons describ	ed in (ii)		Yes	No					
		and (III) below, the governing body of the the supported organization?		11g(i)							
		(ii) a family member of a person described in (i) above?		11g(ii)							

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) A mount of support
		instructions))	Yes	No	Yes	No	Yes	No	
Total									

(iii) a 35% controlled entity of a person described in (i) or (ii) above? Provide the following information about the supported organization(s)

11g(iii)

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1) (A)(vi)

(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

	under Part III. If the	organization f	alls to qualify t	inder the tests	listed below, ple	ease comp	ete Part III.)		
	ection A. Public Support endar year (or fiscal year beginning		1	T					
Cale	in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	0 (f) Total		
1	Gifts, grants, contributions, and								
	membership fees received (Do not								
	ınclude any "unusual								
_	grants ")								
2	Tax revenues levied for the organization's benefit and either								
	paid to or expended on its								
	behalf								
3	The value of services or facilities								
	furnished by a governmental unit to								
	the organization without charge								
	Total. Add lines 1 through 3								
5	The portion of total contributions								
	by each person (other than a								
	governmental unit or publicly supported organization) included on	,							
	line 1 that exceeds 2% of the								
	amount shown on line 11, column								
	(f)								
6	Public Support. Subtract line 5 from	1							
	line 4								
	ection B. Total Support endar year (or fiscal year beginning								
Cale	in)	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total		
7	A mounts from line 4								
8	Gross income from interest,								
	dividends, payments received on								
	securities loans, rents, royalties								
	and income from similar								
_	sources Net income from unrelated								
9	business activities, whether or								
	not the business is regularly								
	carried on								
10	Other income Do not include gain								
	or loss from the sale of capital								
	assets (Explain in Part IV)								
11	Total support (Add lines 7 through 10)								
12	Gross receipts from related activiti	es.etc (See inst	ructions)			12			
13	First Five Years If the Form 990 is		•	third fourth or	fifth tay year ac a		rganization		
13	check this box and stop here	ioi the organizati	on s mst, second	, tillia, louitii, oi	ilitii tax yeal as a .	301(0)(3) 01			
	•								
Se	ection C. Computation of Pub								
14	Public Support Percentage for 2010) (line 6 column i	(f) dıvıded by lıne	11 column (f))		14			
15	Public Support Percentage for 2009	15							
16a	33 1/3% support test—2010. If the	=		•	line 14 is 33 1/3%	or more, ch	_		
_	and stop here. The organization qua				Co. and line 1 Fig. 3	22 1/20/ 255	mara abaak thia		
D	33 1/3% support test—2009. If the box and stop here. The organization				oa, anu iine 15 is s	1/3%0 Or N	nore, check this		
17a	10%-facts-and-circumstances test-			-	ne 13.16a.or16b	and line 14			
	is 10% or more, and if the organiza								
	in Part IV how the organization mee								
_	organization						► □		
Ь	10%-facts-and-circumstances test-						ne		
	15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly								
	supported organization	tion meets the h	acts and Circuilis	tances test life	a organization qual	mes as a pu	▶□		
18	Private Foundation If the organizat	ion did not check	a box on line 13	, 16a, 16b, 17a c	or 17b, check this l	box and see			
	instructions			•			▶ □		

Pa	Support Schedule for (Complete only if you					failed to qualify	under
	Part II. If the organiza	ation fails to c	ualify under th	e tests listed be	elow, please co	mplete Part II.)
	ction A. Public Support						
Cale	ndar year (or fiscal year beginning	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
	in) ►	<u> </u>	+ ` ′	 ` 	` '	. ,	
1	Gifts, grants, contributions, and membership fees received (Do not						
	include any "unusual grants ")						
2	Gross receipts from admissions,			1			
_	merchandise sold or services						
	performed, or facilities furnished in						
	any activity that is related to the						
	organization's tax-exempt						
	purpose						
3	Gross receipts from activities that						
	are not an unrelated trade or						
	business under section 513						
4	Tax revenues levied for the						
	organization's benefit and either						
	paid to or expended on its						
_	behalf						
5	The value of services or facilities						
	furnished by a governmental unit to the organization without charge						
_	Total. Add lines 1 through 5						
6	Amounts included on lines 1, 2,			1			
/a	and 3 received from disqualified						
	persons						
h	Amounts included on lines 2 and 3			+			
	received from other than						
	disqualified persons that exceed						
	the greater of \$5,000 or 1% of the						
	amount on line 13 for the year						
c	Add lines 7a and 7b						
8	Public Support (Subtract line 7 c						
	from line 6)						
_Se	ction B. Total Support						
Cale	ndar year (or fiscal year beginning	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
	ın)		(-)	(3, 2333	(.,	(-,	(1)
9	A mounts from line 6						
10a	Gross income from interest,						
	dividends, payments received on						
	securities loans, rents, royalties						
	and income from similar						
	sources						
Ь	Unrelated business taxable income (less section 511 taxes)						
	from businesses acquired after						
	June 30, 1975						
С	Add lines 10a and 10b						
11	Net income from unrelated						
	business activities not included						
	in line 10b, whether or not the						
	business is regularly carried on						
12	Other income Do not include						
	gaın or loss from the sale of						
	capital assets (Explain in Part						
	IV)						
13	Total support (Add lines 9, 10c,						
4.4	11 and 12) First Five Years If the Form 990 is fo			though facults and	6.64h	 	2)
14	check this box and stop here	i tile organizati	ion's mist, second	, tillia, louitii, oi	ilitii tax year as o	sectionsol(c)(.	s) organization, ►
	check this box and stop here						-,
Se	ction C. Computation of Publi	c Support P	ercentage				
15	Public Support Percentage for 2010			13 column (f))		15	
	· · · · · · · · · · · · · · · · · · ·					 	
16	Public support percentage from 2009) Schedule A, P	art III, line 15			16	
Se	ction D. Computation of Inve						
17	Investment income percentage for 20	010 (line 10c co	olumn (f) dıvıded l	by line 13 column	n (f))	17	
18	Investment income percentage from	2009 Schedule	A, Part III, line 1	.7		18	
	•				lling 15 ig mare		d line 17 is ==+
таа	33 1/3% support tests—2010. If the					เกลก 33 1/3% and	inne 17 is not
	more than 33 1/3%, check this box a organization	nu scop nere. I	ne organization q	uannes as a publi	cry supported		▶ □
ь	33 1/3% support tests—2009. If the	organization di	d not check a boy	on line 14 or line	19a and line 1	5 is more than 33	- ,
	18 is not more than 33 1/3%, check	-			•		
20	Private Foundation If the organization						▶ □

Supplemental Information. Supplemental Information. Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

SCHEDULE C (Form 990 or 990-EZ)

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

DLN: 93493228027122

	1 2010					
	ment of the Treasury I Revenue Service		► Complete if the organizat ► Attach to Form 990 or Form 990-l			Open to Public Inspection
If th	e organization ar	swered "Ye	s," to Form 990, Part IV, Line 3, or	Form 990-EZ, Pa	rt V, line 46 (Political Can	
ther						
			mplete Parts I-A and B Do not complet		. De wet semmete Deut I D	
	ction 50 i(c) (otner ction 527 organiza		501(c)(3)) organizations Complete Pari	is FA and C below	Do not complete Part FB	
	-	•	s," to Form 990, Part IV, Line 4, or	Form 990-EZ, Pa	rt VI. line 47 (Lobbying A	ctivities), then
Se	ction 501(c)(3) org	janizations that	t have filed Form 5768 (election under	section 501(h)) Co	omplete Part II-A Do not con	nplete Part II-B
			t have NOT filed Form 5768 (election u			
	_		s," to Form 990, Part IV, Line 5 (Prezations, Complete Part III	oxy Tax) or Forn	n 990-EZ, Part V, line 35a	(Proxy Tax), then
	me of the organiza		zations Complete Part III		Employer ident	ification number
	RDEN CITY HOSPITAL					
000	t T. A. Commis	40 :6 4b0 0"	ganization is exempt under s		38-1358390	
Fall	Comple	te ii the or	ganization is exempt under s	section 501(c) or is a section 527	organization.
1	Provide a descri	ption of the or	ganızatıon's dırect and ındırect politic	al campaign activ	vities in Part IV	
2	Political expendi	tures			►	\$
3	Volunteer hours					-
Dar	t I-B Comple	te if the or	ganization is exempt under s	section 501(c)(3)	
1			e tax incurred by the organization und		<u>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u>	dr.
2		•	e tax incurred by organization manage		40EE 	→
		•	ection 4955 tax, did it file Form 472		4933	[≯]
3	-		ection 4955 tax, aid it life Form 472	o for this year?		
4a	Was a correction					☐ Yes ☐ No
b	If "Yes," describ		ganization is exempt under s	saction E01/a	\ aveant saction E01	(a)(3)
1			ended by the filing organization for se		-	(c)(s). ↑
2			organization's funds contributed to other	•		>
_	exempt funtion a				.	\$
3	•	•	tures Add lines 1 and 2 Enter here a	and on Form 1120)-POL, line 17b ►	\$
4			Form 1120-POL for this year?			☐ Yes ☐ No
5	organization mad amount of politic	de payments fal contribution	nd employer identification number (EI For each organization listed, enter the ns received that were promptly and di political action committee (PAC) If a	e amount paid fror rectly delivered t	n the filing organization's fo o a separate political organ	unds Also enter the nization, such as a
	(a) Name	2	(b) Address	(c) EIN	(d) A mount paid from filing organization's funds If none, enter -0-	(e) A mount of political contributions received and promptly and directly delivered to a separate political organization If none, enter - 0 -

Limits on Lobbying Expenditures	:			Carling (-)	
	:xpenditures nounts paid or incurred	<u>-</u>		(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying) 4 Total lobbying expenditures to influence a legislative body (direct lobbying)	o influence public opinion (grass roots lobbying)	bying)			
	(c)	, n	1		
_			<u> </u>		
e Total exempt purpose expenditures (add lines 1c and 1d)	c and 1d)				
f Lobbying nontaxable amount Enter the amount is columns	Enter the amount from the following table in both	ın both			
If the amount on line 1e, column (a) or (b) is: Not over \$500,000	The lobbying nontaxable amount is: 20% of the amount on line 1e	able amount is: ne te			
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	e excess over \$500,000			
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	excess over \$1,000,00	Го		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	excess over \$1,500,000			
Over \$17,000,000	\$1,000,000				
d Grassroots nontaxable amount (enter 25% of line 1f)	le 1f)				
	, er-0-		<u> </u>		
	er -0-		<u> </u>		
j If there is an amount other than zero on either line 1h or line 11, did the organization file Form 4720 reporting section 4911 tax for this year?	ne 1h or line 1ı, did the	organization file Fo	rm 4720 repo	ting	_ Yes
4-Year Averaging Period Under Section 501(h) (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)	4-Year Averaging Period Under Section 501(h) t made a section 501(h) election do not have to ow. See the instructions for lines 2a through 2f	Inder Section 5 ection do not h r lines 2a throu	01(h) ave to com igh 2f on pa	plete all of th age 4.)	e five
Lobbying Exp	Lobbying Expenditures During 4-Year Averaging Period	4-Year Averagi	ng Period		
Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots celling amount (150% of line 2d, column (e))					
and the second s					

	plete if the organization is exempt under section ${\sf 501(c)(3)}$ and has NOT filed Form ${\sf 57}$	
	on is exempt under sectior	1(h)).
0101/11 000	Complete if the organization	(election under section 501(h)).
	Part II-B	

		(a)		(p)	
		Yes	ĝ	Amount	
_	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, though the use of				
~	Volunteers?		° N		
Ф	Paid staff or management (include compensation in expenses reported on lines 1c through 11)?		٥N		
U	Media advertisements?		٥N		
P	Mailings to members, legislators, or the public?		٥N		
ø	Publications, or published or broadcast statements?		οN		
¥	Grants to other organizations for lobbying purposes?		٥N		
6	Direct contact with legislators, their staffs, government officials, or a legislative body?		o _N		
£	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No		
-	Other activities? If "Yes," describe in Part IV	Yes		41,000	
	Total lines 1c through 1:			41,000	
Za	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		°Z		
Ф	If "Yes," enter the amount of any tax incurred under section 4912				
U	If "Yes," enter the amount of any tax incurred by organization managers under section 4912				
P	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?		°N		
⁵ ar	Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(5), or section	501(c)	(2), o	r section	
	30T(C)(O)				

Yes Part II

2a

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- Were substantially all (90% or more) dues received nondeductible by members?
 - Did the organization make only in-house lobbying expenditures of \$2,000 or less?
- Did the organization agree to carryover lobbying and political expenditures from the prior year?

Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes". Part III-B

- Dues, assessments and similar amounts from members
- **2a** Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).
 - Current year
 - Carryover from last year e д
- Total v
- Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues ო

20 **2**p

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- If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year? 4
- Taxable amount of lobbying and political expenditures (see instructions) Ŋ

Supplemental Information Part IV

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 11 Also, complete this part for any additional information

Identifier	Return Reference	Explanation
LOBBYING EXPENSE	SCHEDULE C, PART II-B	LINE 11 GARDEN CITY HOSPITAL HIRES A LOBBYIST TO
		TRACK AND KEEP THEM INFORMED OF PERTINENT HEALTH
		CARE LEGISLATION DEVELOPMENTS
		Schedule C (Form 990 or 990EZ) 2010

efile GRAPHIC print - DO NOT PROCESS

As Filed Data -

DLN: 93493228027122

OMB No 1545-0047

SCHEDULE D

(Form 990)

Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

Department of the Treasury Inspection ► Attach to Form 990. ► See separate instructions. Name of the organization **Employer identification number** GARDEN CITY HOSPITAL 38-1358390 Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6. (a) Donor advised funds (b) Funds and other accounts Total number at end of year 1 2 Aggregate contributions to (during year) 3 Aggregate grants from (during year) 4 Aggregate value at end of year 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ┌ No Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose ☐ Yes conferring impermissible private benefit Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7. Purpose(s) of conservation easements held by the organization (check all that apply) Preservation of land for public use (e.g., recreation or pleasure) Preservation of an historically importantly land area Protection of natural habitat Preservation of a certified historic structure Preservation of open space Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year Held at the End of the Year Total number of conservation easements 2a Total acreage restricted by conservation easements 2b Number of conservation easements on a certified historic structure included in (a) 2c Number of conservation easements included in (c) acquired after 8/17/06 2d 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶_ Number of states where property subject to conservation easement is located Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year 🕨 \$ ___ Does each conservation easement reported on line 2(d) above satisfy the requirements of section ☐ Yes ☐ No 170(h)(4)(B)(ı) and 170(h)(4)(B)(ıı)? In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8. If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items (i) Revenues included in Form 990, Part VIII, line 1 (ii) Assets included in Form 990, Part X

If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the

Revenues included in Form 990, Part VIII, line 1

Assets included in Form 990, Part X

following amounts required to be reported under SFAS 116 relating to these items

Par	Organizations Maintaining Co	<u>llections of Art</u>	<u>, His</u>	tori	cal Tr	reasi	ures, or O	the	<u>r Similar</u>	<u>Ass</u>	<u>ets (ca</u>	<u>ontinued)</u>
3	Using the organization's accession and other items (check all that apply)	r records, check any	y of t	he foll	owing	that a	re a significa	ant u	se of its col	lectio	n	
а	Public exhibition		d	Γ	Loan	orexo	hange progi	rams				
b	Scholarly research		e	Γ	Othe	r						
c	Preservation for future generations											
4	Provide a description of the organization's co	ollections and expla	ın ho	w the	y furthe	er the	organızatıor	ı's ex	cempt purpo	se in		
5	During the year, did the organization solicit of assets to be sold to raise funds rather than t								nılar	Г	Yes	┌ No
Par	Escrow and Custodial Arrange Part IV, line 9, or reported an am	ements. Comple	ete ıf	the	organ	ızatıo			es" to For	n 99	0,	
1a	Is the organization an agent, trustee, custod included on Form 990, Part X?	ıan or other ınterme	diary	for c	ontribu	itions	or other ass	ets	not		Yes	┌ No
b	If "Yes," explain the arrangement in Part XIV	and complete the	follov	ving t	able		F					
										Amo	unt	
С	Beginning balance							1c				
d	Additions during the year							1d				
е	Distributions during the year							1e				
f	Ending balance							1f				
2a	Did the organization include an amount on Fo	orm 990, Part X, line	e 217	,						Г	Yes	┌ No
b	If "Yes," explain the arrangement in Part XIV	,										
Pa	rt V Endowment Funds. Complete											
	Danis and a second and a second	(a)Current Year	(b)Prior '	Year	(c)T	wo Years Back	(d)	Three Years Ba	ick (e) Four Y	ears Back
1a	Beginning of year balance							+		+		
b	Contributions							+		+		
C	Investment earnings or losses							+		+		
d e	Grants or scholarships Other expenditures for facilities									+		
_	and programs									\perp		
f	Administrative expenses											
g	End of year balance											
2	Provide the estimated percentage of the yea	r end balance held a	as									
а	Board designated or quasi-endowment 🕨											
b	Permanent endowment 🕨											
c	Term endowment ▶											
3a	Are there endowment funds not in the posses	ssion of the organiza	atıon	that a	are hele	d and	administere	d for	the			
	organization by								_		Yes	No
	(i) unrelated organizations		•			•		•		3a(i)		<u> </u>
	(ii) related organizations							•	· · ·	3a(ii)	<u>'</u>	<u> </u>
ь 4	Describe in Part XIV the intended uses of the					•		•	[3b		<u> </u>
_	t VI Investments—Land, Buildings					90 0	Part Y line	10				
	Threstments Land, bandings	s, and Equipme			Cost or		(b)Cost or o		(c) Accumul	atad T		
	Description of investment				s (invest		basis (othe	er)	depreciation		(d) Bo	ook value
	Land			-				,282		\longrightarrow		867,282
	Buildings		•	-			69,875	,655	33,16		3	36,713,024
	Leasehold improvements		•	-						0		
	Equipment		•	-			63,811		54,19			9,614,615
	Other	000 0==================================		\ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	10/-1	١		,061		8,135		114,926
ıota	I. Add lines 1a-1e (Column (d) should equal Fo	тті 990, Part X, colun	nn (B), IIne	IU(C).)			•	🕨		4	17,309,847

Part VIII Investments—Other Securities. S	ee Form 990, Part X, line 12	2.	
(a) Description of security or category	(b)Book value	(c) Method	of valuation ear market value
(including name of security) (1)Financial derivatives		Cost of end-of-y	ear market value
(2)Closely-held equity interests			
Other			
Total. (Column (b) should equal Form 990, Part X, col (B) line 12)	F		
Part VIII Investments—Program Related.	See Form 990, Part X, line :		
(a) Description of investment type	(b) Book value	(c) Method	of valuation ear market value
		Cost of chia of y	car market varae
Total. (Column (b) should equal Form 990, Part X, col (B) line 13) Part IX Other Assets. See Form 990, Part X			
	scription		(b) Book value
(1) DUE FROM RELATED PARTIES	,		1,879,040
(2) DEFERRED BOND COSTS			751,519
(3) INVESTMENT-MULTIPROV CAPTIVE			6,360,665
(4) INVESTMENT-GC HOME MED EQUIP			277,917
(5) INVESTMENT-MCHI			40,000
(6) INVESTMENT-PULSE			100,000
Total. (Column (b) should equal Form 990, Part X, col.(B) li	ne 15.)		9,409,141
Part X Other Liabilities. See Form 990, Pa			
1 (a) Description of Liability	(b) A mount		
Federal Income Taxes	0		
RESERVE FOR PROF LIAB CLAIMS	5,097,213		
PENSION LIABILITY	22,995,474		
OBLIGATIONS UNDER CAPITAL LEASE	577,210		
DUE TO 3RD PARTY PAYORS	408,253		
	<u> </u>		
	<u> </u>		
Total. (Column (b) should equal Form 990, Part X, col (B) line 25)	> 29,078,150		

otal revenue (Form 990, Part VIII, column (A), line 12)	1	146,021,198
otal expenses (Form 990 Part IX column (Δ.) line 25.)		
tal expenses (1 offir 550,1 are 1x, column (x), fine 25)	2	147,034,496
ccess or (deficit) for the year Subtract line 2 from line 1	3	-1,013,298
et unrealized gains (losses) on investments	4	
onated services and use of facilities	5	
vestment expenses	6	
rior period adjustments	7	
	8	-2,602,065
·	9	-2,602,065
	10	-3,615,363
	er R	eturn
	1	146,509,180
mounts included on line 1 but not on Form 990, Part VIII, line 12		
let unrealized gains on investments		
Oonated services and use of facilities		
Recoveries of prior year grants		
Other (Describe in Part XIV)		
Add lines 2a through 2d	2e	487,982
Subtract line 2e from line 1	3	146,021,198
mounts included on Form 990, Part VIII, line 12, but not on line 1		
nvestment expenses not included on Form 990, Part VIII, line 7b . 4a		
Other (Describe in Part XIV)		
	4 c	
	5	146,021,198
• • •	per	
· · · · · · · · · · · · · · · · · · ·	1	147,522,478
mounts included on line 1 but not on Form 990, Part IX, line 25		
rıor year adjustments		
ther losses		
Other (Describe in Part XIV)		
dd lines 2a through 2d	2e	487,982
ubtract line 2e from line 1	3	147,034,496
mounts included on Form 990, Part IX, line 25, but not on line 1:		
nvestment expenses not included on Form 990, Part VIII, line 7b 4a		
Other (Describe in Part XIV)		
dd lines 4a and 4b	4 c	
	5	147,034,496
Supplemental Information te this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Pa		
	Total revenue, gains, and other support per audited financial statements Amounts included on line 1 but not on Form 990, Part VIII, line 12 Net unrealized gains on investments Conated services and use of facilities Conated services and included on Form 990, Part VIII, line 12, but not on line 1 Conated services and 4b Conated services and 4b Conated services and losses per audited financial statements With Expenses of tale expenses and losses per audited financial statements Conated services and use of facilities Conated services Conated	sonated services and use of facilities vestment expenses for period adjustments ther (Describe in Part XIV) total adjustments (net) Add lines 4 - 8 vecess or (deficit) for the year per financial statements Combine lines 3 and 9 II Reconciliation of Revenue per Audited Financial Statements With Revenue per Rotal revenue, gains, and other support per audited financial statements let unrealized gains on investments conated services and use of facilities conated services in Part XIV) det unrealized gains on investments conated services and use of facilities conated services in Part XIV) det dilines 2a through 2d conated services not included on Form 990, Part VIII, line 12, but not on line 1 novestment expenses not included on Form 990, Part VIII, line 7b det lines 4a and 4b cotal Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12) 5 II Reconciliation of Expenses per Audited Financial Statements With Expenses per obtal expenses and losses per audited financial tatements conated services and use of facilities conated services and u

Identifier	Return Reference	Explanation
SCHEDULE D		MANAGEMENT HAS EVALUATED THEIR INCOME TAX POSITIONS UNDER THE GUIDANCE INCLUDED IN ASC 740 BASED ON THEIR REVIEW, MANAGEMENT HAS NOT IDENTIFIED ANY MATERIAL UNCERTAIN TAX POSITIONS TO BE RECORDED OR DISCLOSED IN THE FINANCIAL STATEMENTS PART XI, LINE 8 RESTRICTED CONTRIBUTIONS (87,319) PENSION ADJUSTMENT (2,185,678) TRANSFERS TO AFFILIATES (329,068) TOTAL (2,602,065) PART XII, LINE 2D & PART XIII, LINE 2D RENT EXPENSE 479,352 FUNDRAISING EXPENSE 8,630 TOTAL 487,982

DLN: 93493228027122

SCHEDULE F (Form 990)

Statement of Activities Outside the United States

► Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16. ▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

Inspection

Department of the Treasury Internal Revenue Service

Name of the organization GARDEN CITY HOSPITAL

Employer identification number 38-1358390 Part I General Information on Activities Outside the United States. Complete if the organization answered

	"Yes" to Form 990, Pa	rt IV, line 14b	·			
1	For grantmakers. Does the	organization n	naıntaın record	s to substantiate the	amount of the grants of	or
	assistance, the grantees' elig	aibility for the	grants or assis	stance, and the select	ion criteria used to awa	ırd
	the grants or assistance?		_			┌ Yes ┌ No
2	For grantmakers. Describe in Pa United States	art V the organiz	atıon's procedui	res for monitoring the us	e of grant funds outside th	ne
3	Activites per Region (Use Part	V ıf addıtıonal s	pace is needed)		
	(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region or independent contractors	(d) Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for region/investments in region
	Central America and the Caribbean	1	1	Program Services	CAPTIVE INSURANCE CO	1,577,336
	Central America and the	1	1	Program Services	CAPTIVE INSURANCE	2,727,427
	Carıbbean				co	
	-					
За	Sub-total	2	2			4,304,763
Ь	Total from continuation sheets to Part I					

Schedule F (Form 990) 2010

` ▲ :	(i) Method of valuation (book, FMV, appraisal, other)								
\$5,000	(h) Description of non-cash assistance								
received more than	(g) Amount of of non-cash assistance								
If no one recipient	(f) Manner of cash dısbursement								
000. Check this box	(e) Amount of cash grant								
Part IV, line 15, for any recipient who received more than \$5,000. Check this box if no one recipient received more than \$5,000	(d) Purpose of grant								
Part IV, line 15, for any recipient who recei Use Part V if additional space is needed.	(c) Region								
ne 15, for any if additional s	(b) IRS code section and EIN (if applicable)								
Part IV, lr Use Part V	(a) Name of organization								

Schedule F (Form 990) 2010

Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ▶

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Page 3

Schedule F (Form 990) 2010

Grants and Other Assistance to Individuals Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Use Part V if additional space is needed. Part III

(h) Method of valuation (book, FMV, appraisal, other)										Schedule F (Form 990) 2010
(g) Description of non-cash assistance										Schedu
(f) Amount of non-cash assistance										
(e) Manner of cash disbursement										
(d) Amount of cash grant										
(c) Number of recipients										
(b) Region										
(a) Type of grant or assistance										

Foreign Forms

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Yes

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> 0	Vas the organization a U S $$ transferor of property to a foreign corporation during the tax year? If "Yes," the	rganization may be required to file Form 926 (see instructions for Form 926)
	1 Was	oras

- > Yes Did the organization have an interest in a foreign trust during the tax year? If "Yes," the organization may be required to file Form 3520 and/or Form 3520-A. (see instructions for Forms 3520 and 3520-A) ~
- Yes > organization may be required to file Form 5471, Information Return of U.S. Persons with respect to Certain Foreign Did the organization have an ownership interest in a foreign corporation during the tax year? If "Yes," the Corporations. (see instructions for Form 5471) m
- Yes Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see instructions for Form 8621) Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? If "Yes," the organization may be required to file Form 8621, Return by a 4
- <u>></u> Yes Did the organization have an ownership interest in a foreign partnership during the tax year? If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with respect to Certain Foreign Partnerships. (see instructions for Form 8865) Ŋ
- Did the organization have any operations in or related to any boycotting countries during the tax year? If "Yes, the organization may be required to file Form 5713, International Boycott Report (see instructions for Form 5713). Ø

Schedule F (Form 990) 2010

Additional Data

Software ID:

Software Version:

EIN: 38-1358390

Name: GARDEN CITY HOSPITAL

Schedule F (Form 990) 2010

Supplemental Information Complete this part to provide the information (see instructions) required in Part I, line 2, and any additional information.

Page 5

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DLN: 93493228027122

OMB No 1545-0047

SCHEDULE G (Form 990 or 990-EZ)

Fundraising or Gaming Activities Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19,

Inspection

Department of the Treasury Internal Revenue Service

or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

Supplemental Information Regarding

Attach to Form 990 or Form 990-EZ. F See separate instructions. **Employer identification number** Name of the organization GARDEN CITY HOSPITAL 38-1358390 Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Indicate whether the organization raised funds through any of the following activities Check all that apply Mail solicitations e Solicitation of non-government grants Internet and e-mail solicitations Solicitation of government grants Phone solicitations Special fundraising events In-person solicitations Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization Form 990-EZ filers are not required to complete this table (i) Name and address of (ii) Activity (iii) Did (iv) Gross receipts (v) A mount paid to (vi) A mount paid to individual fundraiser have from activity (or retained by) (or retained by) or entity (fundraiser) custody or fundraiser listed in organization control of col (i) contributions? Yes No List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

Pai	t II	Fundraising Events. Com more than \$15,000 on Form	plete if the organizati 990-EZ, line 6a, List	on answered "Yes" to events with gross rece	Form 990, Part IV, lii eipts greater than \$5.	ne 18, or reported .000.
		, , , , , , , , , , , , , , , , , , , ,	(a) Event #1	(b) Event #2	(c) Other Events	(d) Total Events
			CARDIAC REHAB		0	(Add col (a) through col (c))
			(event type)	(event type)	(total number)	
en en	1	Gross receipts	18,058	3		18,058
Revenue	2	Less Charitable contributions	6,049	9		6,049
	3	Gross income (line 1 minus line 2)	12,009	9		12,009
	4	Cash prizes				
9 8	5	Non-cash prizes				
ē	6	Rent/facility costs	3,500			3,500
Direct Expenses	7	Food and beverages				
Teg	8	Entertainment				
Δ	9	Other direct expenses .	5,130			5,130
	10	Direct expense summary Add line	-	• •		8,630
	11	Net income summary Combine lii	nes 3 and 10 in column (d)		3,379
Par	t III	Gaming. Complete if the or \$15,000 on Form 990-EZ, lir		"Yes" to Form 990, Pa	rt IV, line 19, or repo	orted more than
Φ		- 	(a) Bingo	(b) Pull tabs/Instant	(c) Other gaming	(d) Total gaming
Revenue				bingo/progressive bingo		(Add col (a) through col (c))
	1	Gross revenue				
se Se	2 (Cash prizes				
Direct Expenses	3	Non-cash prizes				
ற் ந	4	Rent/facility costs				
₽ B	5	Other direct expenses				
	6	Volunteer labor	│ Yes <u>%</u> │ No	┌ Yes <u>%</u>	☐ Yes% ☐ No	
	7	Direct expense summary Add lines	s 2 through 5 ın column (d)	🕨	
	8	Net gaming income summary Com	bine lines 1 and 7 in colu	ımn (d)		
9	Ente	er the state(s) in which the organiza	tion operates gaming ac	tivities		
a b		ne organization licensed to operate lo," Explain				
	If"Y	e any of the organization's gaming l es," Explain				

	Explanation	ReturnReference	Identifier	iL
ees)	Complete this part to provide additional information for responses to question on Schedule Ginstructions.)	provide additional information for i	Part IV Complete this part to instructions.)	9
	ט טנוופן באבוווער טושמווובמנוטווט טו אףפוור	Enter the amount of distributions required under state law distributed to other exempt organizations of spent in the organization's own exempt activities during the tax year 🕨 🛊		•
T Yes T No				-
	tions from the gaming proceeds to	Mandatory distributions Is the organization required under state law to make charitable distributions from the gaming proceeds to		a
	Independent contractor	F Employee	Director/officer	1
		•	Description of services provided	
		v	Gaming manager compensation 🖣	
			Name 🖣	
			Gaming manager information	9
			Address 🔽	
			Name 🖣	
		S	If "Yes," enter name and addres	U
		ned by the third party 🏲 \$	amount of gaming revenue retained by the third party 🟲	
	₩.	ning revenue received by t	If "Yes," enter the amount of	Р
L	organization receives gaming	ntract with a third party from who	Does the organization have a	5a
			Address 📭	
			Name 📭	
	ion's gaming/special events books and	Provide the name and address of the person who prepares the organization's gaming/special events books and records	Provide the name and address o records	4
	13b		• An outside facility • • •	Р
		ming activity operated in	Indicate the percentage of ga The organization's facility	ω. _e
· T Yes T No		le gaming?	formed to administer charitable	
	oer of a partnership or other entity	beneficiary or trustee of a trust or a member of a partnership or other entity	Is the organization a grantor, be	7
· T Yes T No		Does the organization operate gaming activities with nonmembers $^{\circ}$	Does the organization operate g	Η.

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DLN: 93493228027122

SCHEDULE H (Form 990)

Department of the Treasury Internal Revenue Service

Hospitals

► Complete if the organization answered "Yes" to Form 990, Part IV, question 20. ► Attach to Form 990. ► See separate instructions. OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization
GARDEN CITY HOSPITAL

Employer identification number
38-1358390

Pa	art I Financial Assist	tance and C	ertain Oth	er Community Be	nefits at Cost				
								Yes	No
1a	Did the organization have a	finnancial assi	stance policy	during the tax year?	If "No," skip to questio	n 6a .	1a	Yes	
b	If "Yes," is it a written polic	•					1b	Yes	
2	If the organization has mult assistance policy to its vari	ıple hospıtals, ı ıous hospıtal fa	indicate whic cilities durin	h of the following best g the tax year	describes application of	of the financial			
	Applied uniformly to all Generally tailored to ind		ls	Applied uniformly	to most hospitals				
3	Answer the following based organization's patients duri	on the the finar	ncıal assısta	nce eligibility criteria t	hat applied to the large	st number of the			
а	Does the organization use Fincome individuals? If "Yes	ederal Poverty	Guidelines (3a	Yes	
	Г 100% Г 150°	_		Other	<u>%</u>	,	3a	165	
b	Does the organization use F					dıvıduals? If	3b		No
	Г 200% Г 250°	" Г зо	о% Г	350%	00% Г Other_	<u>%</u>			
С	If the organization does not determining eligibility for fre test or other threshold, rega	ee or discounte	d care Inclu	de in the description w	hether the organization				
4	Did the organization's financ provide for free or discounte					uring the tax year	4	Yes	
5a	Did the organization budget amou	ints for free or disc	ounted care pro	ovided under its financial as	sistance policy during the ta	cyear?	5a	Yes	
b	If "Yes," did the organizatio		•		-		5b		No
С	If "Yes" to line 5b, as a rest care to a patient who was el	igibile for free o	or discounted	icare?		or discounted	5с		
6a	Does the organization prepared as a second prepared			ort during the tax			6a	Yes	
6b	If "Yes," did the organizatio			ublic?			6b		No
	Complete the following table worksheets with the Schedu		ksheets prov	ided in the Schedule H	Instructions Do not s	ubmit these			
7	Financial Assistance and	Certain Other	Community I	Benefits at Cost					
	Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community b expense	enefit	(f) Perototal ex	
а	Financial Assistance at cost (from Worksheets 1 and 2)			154,979		15	4,979	0	120 %
b	Unreimbursed Medicaid (from			25,697,333			0,736		310 %
С	Worksheet 3, column a) Unrembursed costs—other means-tested government programs (from Worksheet 3, column b)			23,097,333	21,330,397	4,30	0,730		310 %
d	Total Financial Assistance and Means-Tested Government Programs			25,852,312	21,336,597	4,51	5,715	3	430 %
e	Other Benefits Community health improvement services and community benefit operations (from (Worksheet 4)			524,860		52	4,860	0	400 %
f	Health professions education (from Worksheet 5)			6,270,181	6,168,837		1,344	n	080 %
g	Subsidized health services								
h	(from Worksheet 6) Research (from Worksheet 7)			464,817	298,352	16	6,465	0	130 %
	Cash and in-kind contributions to community groups (from Worksheet 8)			49,390			9,390		040 %
-	Total Other Benefits Total Add lines 7d and 7j			7,309,248 33,161,560	6,467,189 27,803,786		2,059 7,774		650 % 080 %
•••		1		22,101,300	21,000,100	1,23	.,.,.	- 7	300 /0

of the communities	(a) Number of activities or	(b) Persons served (optional)	(c) Total community building expense		rect off: revenue		(e) Net communit building expense		(f) Pero total ex	
	programs (optional)									
Physical improvements and housing										
2 Economic development			25,704				25,	704	0	020 %
Community support			1,210				14,	210		
Environmental improvements										
Leadership development and training										
for community members Coalition building			15,000				15.	000		010 %
Community health improvement			,							
advocacy Workforce development								\dashv		
Other										
Total			41,914				54,	914	0	030 (
art IIII Bad Debt, Medica	re, & Collec	tion Practic	es							
ction A. Bad Debt Expense									Yes	No
Did the organization report ba	d debt expense	e in accordance	e with Heathcare Fina	ancıal M	anage	ment A	ssociation			"
Statement No 15? Enter the amount of the organ					2		6 242 251	1	Yes	
Enter the amount of the organ			•	•			6,342,251			
attributable to patients eligibl				licy .	3		3,266,259			
Down down Down With the book of	Ll C L L . L .	.							ı	ı
Provide in Part VI the text of In addition, describe the cost		-								
rationale for including a portion	on of bad debt a	mounts as con	nmunity benefit	·						
tion B. Medicare										
Enter total revenue received f			•		5		71,768,832			
Enter Medicare allowable cos					6		60,430,074			
Subtract line 6 from line 5 Th Describe in Part VI the exten		•			7		11,338,758			
Also describe in Part VI the c Check the box that describes	osting method	ology or source								
Cost accounting system	r c∘	st to charge ra	tio Γ	Other						
ction C. Collection Practices										
Does the organization have a	written debt co	llection policy	?					9a	Yes	
b If "Yes," does the organizatio patients who are known to qua								9b	Yes	
art IV Management Com				iibe iii r	ait VI				1.00	
(a) Name of entity	T) Description of p	rımary (c) Organi		(d) Officers, directors,		e) Physic	
		activity of entit	Y I	orofit % o ownersh			trustees, or key mployees' profit % stock ownership%		ofit % or ownershi	
GCH HOME MEDICAL LLC	PROVIDE MEDIC	CAL EQUIPMENT		Ş	50 000 G	6	0 %			0 %
						+		+		
						-		-		
						\perp				
								\perp		
								+		
						+		+		
						+				
								-		
						+		-		
	1					1		1		
	+					_		+		

I (Form 990) 2010	Facility Information
Schedule H	Part V

	T		T							
		×			×		×	×	GARDEN CITY HOSPITAL 6245 INKSTER ROAD	н
Other (Describe)									Name and address	Name
				spital			eurgical			
		ı	cility	ss hos	spital	spital	lical &	spital	How many hospital facilities did the organization operate during the tax year?	How m the tax
	er	our8	h fac	acce	g ho:	's ho	med	d ho		n
	R-oth	7 –24 l	esear	ritical	eachir	hildren	enera	icense	Section A. nospital racinities (list in order of size, measured by total revenue per facility, from Jaroet to emallect)	(list in
	E	E	F		Т		G	L		

Part V Facility Information (continued)	
Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Re (list in order of size, measured by total revenue per facility, from largest to smallest)	ensed, Registered, or Similarly Recognized as a Hospital Facility per facility, from largest to smallest)
How many non-hospital facilities did the organization operate during the tax year?_	the tax year?
Name and address	Type of Facility (Describe)
-	
1	
2	
8	
4	
9	
9	
8	
6	
10	

Schedule H (Form 990) 2010

art VI Supplemental Information

Complete this part to provide the following information

- Required descriptions. Provide the description required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1], 3, 4, 5c, 61, 7, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21
- **Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B 2
- **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy m
- **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves 4
- other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or board, use of surplus funds, etc) Ы
- **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served 9
- State filing of community benefit report. If applicable, identify all states with which the organization, or a related organization, files a community benefit report ^

Identifier	ReturnReference	Explanation
PART III	LINE 4A	The organization's audited financial statements do not contain a footnote that describes bad debt expense Bad debt is classified as an operating expense This treatment is consistent with the HFMA principles and practices Board statement NO 15 and with the AICPA Audit and Accounting Guide for Health Care Organizations LINE 4B An aggregate cost to charge ratio was used to provide bad debt at cost for Line 2 LINE 7 The organization has a Medicare surplus for the year and believes this is reasonable given that Medicare revenue also assists the organization cover the costs associated with treating patients who should be eligible under Medicare In many situations, a patient's charges are recorded to bad debts when the patient does not complete the process of qualifying under Medicaid LINE 8A USED COST TO CHARGE RATIO ON WORKSHEET 2 LINE 9B Patients known to qualify for charty care of financial assistance are not sent to an
		collection agency. The organization repeatedly offers patients access to financial help during their hospital stay and after, as well as with each billing notice (information is printed directly on the patient bill.)

Identifier	ReturnReference	Explanation
NEEDS ASSESSMENT		A needs assessment of the GARDEN CITY HOSPITAL (GCH)
		was performed by GCH staff and included review of community
		health reports and national community surveys The
		assessment looked at the GCH community's demographic,
		socioeconomic, health status and chronic disease profiles In
		addition, the hospital and physicians identify community needs
		based on admission/discharge and other hospital data Based
		on this data and information, the hospital assesses and
		continually responds to changing community needs

Identifier	ReturnReference	Explanation
PATIENT EDUCATION OF		All uninsured patients that are admitted to the hospital as
ELIGIBILIT FOR ASSISTANCE		Inpatients are screened and interviewed for Medicald eligibility by a third party vendor. Uninsured patients seen in the
		Emergency Department are contacted by phone after the visit
		and screened for Medicaid eligibility If the patients are not
		Medicaid eligible, they are given information regarding the
		hospital's Charity Care Program Patient billing statements
		contain information on the guidelines and how to obtain a
		charity care application

Identifier	ReturnReference	Explanation
COMMUNITY INFORMATION		GCH serves approximately one-fourth of the population residing in Wayne County The population has a unique mix of
		minorities who reside in specific districts of the community
		Unemployment is higher than the national average The
		percentage of uninsured is higher than Michigan's average. The
		population is older than the average for both the nation and for
		Michigan, the percentage of children under 18 is less than 16
		percent, compared to the national average of 18 percent Heart
		disease and cancer are the leading causes of death

Identifier	ReturnReference	Explanation
PROMOTION OF COMMUNITY		The hospital operates an emergency room open to all persons
HEALIH		regardless of ability to pay I he hospital participates in
		Medicald, Medicare and other government sponsored nealth
		programs The hospital has an open medical staff with
		privileges available to all qualified in the area. The majority of
		the governing body consists of independent persons
		representative of the community served by the hospital The
		hospital serves as a clinical experience for a large number of
		residents In addition, students in other health care professions
		such as nursing, pharmacy, dietary, and emergency technicians
		are trained here

Explanation	MICHIGAN
ReturnReference	990 SCHEDULE H, PART VI
Identifier	STATE FILING OF COMMUNITY BENEFIT REPORT

Schedule H (Form 990) 2010

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DLN: 93493228027122

Schedule J

(Form 990)

Department of the Treasury

Internal Revenue Service

Compensation Information For certain Officers, Directors, Trustees, Key Employees, and Highest

Compensated Employees ► Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

Inspection

	me of the organization RDEN CITY HOSPITAL			Employer identification	on nur	nber	
GAF	RDEN CITT HOSPITAL			38-1358390			
Pa	rt I Questions Regarding Compensation						
						Yes	No
1a	Check the appropriate box(es) if the organization prov 990, Part VII, Section A, line 1a Complete Part III t						
	First-class or charter travel	\sqcap	Housing allowance or residence for	personal use			
	Travel for companions	\Box	Payments for business use of perso	onal residence			
	Tax idemnification and gross-up payments	\vdash	Health or social club dues or initiat	ion fees			
	Discretionary spending account	Γ	Personal services (e g , maid, chau	ffeur, chef)			
b	If any of the boxes in line 1a are checked, did the org reimbursement orprovision of all the expenses descri				1b		
2	Did the organization require substantiation prior to re officers, directors, trustees, and the CEO/Executive I				2		
3	Indicate which, if any, of the following the organization organization's CEO/Executive Director Check all tha		y	2			
	✓ Independent compensation consultant	, -	Written employment contract Compensation survey or study				
	Form 990 of other organizations		Approval by the board or compensa	tion committee			
	1 orm 550 or other organizations	,	Approval by the board of compense	cion committee			
4	During the year, did any person listed in Form 990, Peor a related organization	art V I	I, Section A, line 1a with respect to t	he filing organization			
а	Receive a severance payment or change-of-control p	aymer	nt from the organization or a related o	rganization?	4a	Yes	
b	Participate in, or receive payment from, a supplement	al nor	nqualified retirement plan?		4b		No
c	Participate in, or receive payment from, an equity-bas	sed co	ompensation arrangement?		4c		No
	If "Yes" to any of lines 4a-c, list the persons and pro-	vide th	he applicable amounts for each item i	n Part III			
5	Only 501(c)(3) and 501(c)(4) organizations only must For persons listed in form 990, Part VII, Section A, li compensation contingent on the revenues of		-	ny			
а	The organization?				5a		No
b	Any related organization?				5b		No
	If "Yes," to line 5a or 5b, describe in Part III						
6	For persons listed in form 990, Part VII, Section A, li compensation contingent on the net earnings of	ne 1a	, did the organization pay or accrue a	ny			
а	The organization?				6a		No
b	Any related organization?				6b		No
	If "Yes," to line 6a or 6b, describe in Part III						
7	For persons listed in Form 990, Part VII, Section A, I payments not described in lines 5 and 6? If "Yes," de			n-fixed	7		No
8	Were any amounts reported in Form 990, Part VII, pa subject to the initial contract exception described in		·				
	ın Part III	-	,		8		No
9	If "Yes" to line 8, did the organization also follow the section 53 4958-6(c)?	rebutt	able presumption procedure describe	ed in Regulations	9		

Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed. Part II

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(I)-(III) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name		(B) Breakdown of \	(B) Breakdown of W-2 and/or 1099-MIS	SC compensation	(C) Retirement and	able	(E) Total of columns	(F) Compensation
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	other deferred compensation	benefits	(B)(ı)-(D)	reported in prior Form 990 or Form 990-EZ
(1) GARY LEY	(E)	353,631	0	0	0 22'2	19,996	380,977 0	0
(2) ART GREENLEE	(E)	179,524	0	0	5,386	22,838	207,748	0
(3) GARY MOORMAN	(E)	235,324	0	0	0 090'2	12,738	255,122	0
(4) DEBBIE WILLIAMS	(E)	131,580	0	0	3,947	18,280	153,807	0
(5) SHERYL PARKS	(E)	440,916	0	0	0 28'2	22,713	470,979 0	0
(6) WANDA ELLIOTT	(E)	271,241	0	0	0 22'2	16,597	295,188 0	0
(7) INGRID WILSON- JOHNSON	(E)	287,490	0	0	7,350	19,974	314,814	0
(8) CHADI HADDAD	(E)	283,042	0	0	7,350	10,760	301,152	0
(9) RAINNA FURNARI- BRAZIL	(E)	273,091	0	0	7,350	19,240	299,681	0
(10) REUBEN ELIUK DO	(E)	0 215,112	0	0	0 28'4	0 14,210	0 236,672	0
(11)KRISTEN WAARALA	(E)	003,871	0	0	5,205	20,361	199,066	0
(12)								
(13)								
(14)								
(15)								
(16)								

Schedule J (Form 990) 2010

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8 Also complete this part for any additional information

Explanation :	ART GREENLEE RECEIVED A SERVERANCE PACKAGE FROM GARDEN CITY HOSPITAL STARTING NOVEMBER 2010
Return Reference	
Identifier	LINE 4A

Schedule J (Form 990) 2010

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Schedule K

(Form 990)

Department of the Treasury
Internal Revenue Service
Name of the organization
GARDEN CITY HOSPITAL

Supplemental Information on Tax Exempt Bonds

Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Schedule O (Form 990).
 Attach to Form 990.

DLN: 93493228027122

OMB No 1545-0047

Open to Public

Employer identification number

38-1358390

Part I	Part I Bond Issues											-
	(a) Issuer Name	(b) Issuer EIN	# disno (>)	(d) Date Issued (e) Issue Price	(e) Issue Price	(f) Description of Purpose	(g) Defeased	ased	(h) On Behalf of Issuer		(i) Pool financing	
							Yes	№	Yes No	Yes	Š	1
GCH FI HOSPI A 2007A	GCH FINANCE AUTHORITY HOSPITAL BONDS SERIES 2007A	38-6004685	365128AH0	03-15-2007	46,689,664	46,689,664 FINANCE FACILITIES & SURGERY CENTE		×	×		×	1
Part I	Part III Proceeds											Г

Pa	Part III Proceeds				
		4	8	o	D
Ħ	A mount of bonds retired		0		
7	Amount of bonds legally defeased				
ю	Total proceeds of issue	49,689,664	54		
4	Gross proceeds in reserve funds	2,236,979	6.2		
2	Capıtalızed ınterest from proceeds				
9	Proceeds in refunding escrow				

/	issualice costs itolii proceeus	287,857	
8	Credit enhancement from proceeds		
6	Working capital expenditures from proceeds	43,864,828	
10	10 Capital expenditures from proceeds	30,848,786	
11	11 O ther spent proceeds		
12	12 Other unspent proceeds		

		Yes	No	Yes	No	Yes	No	Yes	No
14	14 Were the bonds issued as part of a current refunding issue?	×							
15	15 Were the bonds issued as part of an advance refunding issue?	×							
16	16 Has the final allocation of proceeds been made?	×							
17	17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	×							
Par	Partitii Private Business Use				•		•		

;	

		Yes	2	Yes	2	Yes	2	Yes	ž
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?								
7	Are there any lease arrangements that may result in private business use of bondfinanced property?								
F0.	For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.	Ca	Cat No 50193E				Schedule K	Schedule K (Form 990) 2010	010

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Yes

Δ

8

⋖

2008

Year of substantial completion

13

Page 2

Schedule K (Form 990) 2010

Partill Private Business Use (Continued)

			۷		8			ر د		۵	
			Yes	9	Yes	2	Yes	2	Yes	2	
39	Are there any management or service contracts that may result in private business use?	usiness									
Ф	Are there any research agreements that may result in private business use of bond- financed property?	of bond-									
U	Does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts or research agreements relating to the financed property?	el to review e financed									
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government	entities									
lo	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government	a result of section									
9	Total of lines 4 and 5										_
7	Has the organization adopted management practices and procedures to ensure the post-issuance compliance of its tax-exempt bond liabilities?	ure the									
Par	Part IV Arbitrage					- -					, ,
		∢			8		٥		۵		
=	Has a Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate, been filed with respect to the bond issue?	Yes	<u>۶</u> ×	Yes	2	Yes		2	Yes	2	
7	Is the bond issue a variable rate issue?		×								_
, g	Has the organization or the governmental issuer entered into a hedge with respect to the bond issue?		×								1
Ф	Name of provider										
v	Term of hedge										_
ا ت	Was the hedge superintegrated?		×								
Ø	Was a hedge terminated?		×								
4	Were gross proceeds invested in a GIC?		×								
Ф	Name of provider										
ں	Term of GIC										
P	Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?										
20	Were any gross proceeds invested beyond an available temporary period?		×								
9	Did the bond issue qualify for an exception to rebate?		×								
Δ	Part V Supplemental Information										1

Complete this part to provide additional information for responses to questions on Schedule K (see instructions)

Explanation		
Return Reference		
Identifier		

Schedule K (Form 990) 2010

DLN: 93493228027122 As Filed Data efile GRAPHIC print - DO NOT PROCESS

SCHEDULE 0

(Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information. ► Attach to Form 990 or 990-EZ.

2010

OMB No 1545-0047

Open to Public Inspection

Name of the organization GARDEN CITY HOSPITAL

Employer identification number 38-1358390

ldentifier	Return Reference	Explanation
POLICIES	SECTION A	LINE 1B REUBEN ELIUK DO IS A PAID EMPLOYEE OF GARDEN CITY HOSPITAL SECTION B LINE 11B THE ORGANIZATIONS FINANCE DEPARTMENT ACCUMULATES INFORMATION AND DATA NECESSARY TO COMPLETE THE FORM 990 AUDITED FINANCIAL DATA AND BOARD APPROVED POLICIES AND PROCEDURES ARE USED AS INPUT TO COMPLETE THE FORM A DRAFT RETURN IS REPARED AND REVIEWED BY THE ORGANIZATIONS INDEPENDENT OUTSIDE ACCOUNTANTS THE FINANCE STAFF REVIEWS THE FORM 990 PRIOR TO FILING WITH THE IRS AN LECTRONIC COPY OF FORM 990 IS PROVIDED TO EACH BOARD MEMBER PRIOR TO FILING WITH THE IRS LINE 12C EACH MONTH THE BOARD MEMBERS ASK THE GROUP IF THERE ARE AND TAKE APPROPRIATE ACTION IF NECESSARY DELIBERATIONS AND DECISIONS ARE MADE AT THE BOARD LEVEL TO DETERMINE WHETHER OR NOT A CONFLICT SITE BOARD OF TRUSTIES BNGAGES AN OUTSIDE CONSULTING FIRM TO SURVEY THE MARKET FOR APPROPRIATE PLANS AND LEVELS OF COMPENSATION APPROPRIATE PLANS AND LEVELS OF COMPENSATION APPROPRIATE PLANS AND COMPENSATION APPROPRIATE PLANS AND COMPENSATION APPROPRIATE PLANS AND COMPENSATION APPROPRIATE PLANS AND COMPENSATION PLAN IS SENT TO THE COMPENSATION PLAN IS SENT TO THE COMPENSATION PLAN TO THE BOARD FOR FINAL APPROVAL ALL BOARD MEMBERS INVOLVED IN THIS PROCESS ARE INDEPENDENT MEMBERS

ldentifier	Return Reference	Explanation
DISCLOSURE PART VI SECTION	O	LINE 19 THE ORGANIZATION DOES NOT MAKE ITS GOVERNING DOCUMENTS OR CONFLICT OF INTEREST POLICY AVAILABLE TO THE GENERAL PUBLIC ALL INQUIRIES FOR COPIES OF FINANCIALS STATEMENTS ARE DIRECTED TO THE THIRD PARTY WEBSITE PART XI LINE 5 RESTRICTED CONTRIBUTIONS (87,319) PENSION ADJUSTMENT (2,185,678) TRANSFERS TO/FROM AFFILIATES (329,068) TOTAL (2,602,065)

efile GRAPHIC print - DO NOT PROCESS	DO NOT PROCESS As Filed Data					DLN: 9349	DLN: 93493228027122
SCHEDULE R	Related	Organizations and Unrelated Partnerships	and Unrelated	d Partnership	SC	OMBNG	OMB No 1545-0047
(Form 990)	• Complete if the o	 Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37 Attach to Form 990. 	es" to Form 990, Par F See separate in	t IV, line 33, 34, 35, structions.	, 36, or 37.		2010
Department of the Treasury Internal Revenue Service						Open Ins	Open to Public Inspection
Name of the organization GARDEN CITY HOSPITAL					Employer iden	Employer identification number	
Part I Identificatio	1 38-1358. Identification of Disregarded Entities (Complete If the organization answered "Yes" on Form 990, Part IV, line 33.)	ete if the organization	n answered "Yes"	on Form 990, Par	38-1358390 t IV, line 33.)		
Name, address, a	(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity	
Part II Identificatio	Identification of Related Tax-Exempt Organizations (Complete of the organization answered "Yes" on Form 990, Part IV, line or more related tax-exempt organizations during the tax year.)	zations (Complete ıf .he tax year.)	f the organization	answered "Yes" c	on Form 990, Part	t IV, line 34 becaus	34 because it had one
Name, address, and t	(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	Section 512(b)(13) controlled organization Yes No
(1) GARDEN CITY HOSPITAL FOUNDATION	DATION						
6245 INKSTER ROAD		-UNDRAISING	M	501(C)(3)	111	GC HOSPITAL	
GARDEN CITY, MI 48135 38-2645157							
(2) UNITED HOME HEALTH SERVICES	ES						
6245 INKSTER ROAD		номе неагтн	IΜ	501(C)(3)	11	GC HOSPITAL	
GARDEN CITY, MI 48135 38-2453621							
(3) GARDEN NURSING CENTER							
6245 N INKSTER ROAD		DISSOLVING	MI	501(C)(3)	6	GC HOSPITAL	
GARDEN CITY, MI 48135 38-2410850							
For Privacy Act and Paperwor	For Privacy Act and Paperwork Reduction Act Notice, see the Instruction	ons for Form 990.	Cat No 50135Y	1357		Schedule R (F	Schedule R (Form 990) 2010

Identification of Related Organizations Taxable as a Partnership (Complete of the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.) Part III

(k) Percentage ownership					
(j) General or managing partner?	Yes No				
(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	^				
(h) Disproprtionate allocations?	s No				
(g) Disp Share of end-of-year allo	Yes				
(f) Share of total income					
(e) Predominant income (related, unrelated, excluded from tax under sections 512- 514)					
(d) Direct controlling entity					
(c) Legal domicile (state or foreign country)					
(b) Primary activity					
(a) Name, address, and EIN of related organization					

Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.) Part IV

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entry (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) AMERIGARD DEVELOPMENT 6245 INKSTER ROAD GARDEN CITY, MI48135 38-2695779	PHYSICIAN OFF	MI	NA	C CORP	6,187,323	2,149,489	100 000 %
(2) AMERIGARD DIAGNOSTIC CENTER 6245 INKSTER ROAD GARDEN CITY, MI48135 38-3162092	DIAGNOSTIC TE	IM	NA	C CORP	827,913	305,277	100 000 %
(3) GCH ASSURANCE COMPANY LTD PO BOX 1159 KY-1102 GRAND CAYMAN, CAYMAN ISLANDS CJ 98-0608598	INSURANCE	CJ	NA	C CORP	3,177,760	12,694,587	100 000 %
						Schedule R (I	Schedule R (Form 990) 2010

Schedule R (Form 990) 2010				Δ.	Page 3
PartiV Transactions With Related Organizations (Complete of the organization answered "Yes"	on Form 990, Par	Part IV, line 34, 35, 3	35A, or 36.)		
Note. Complete line 1 if any entity is listed in Parts II, III or IV				Yes	S No
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?	tions listed in Parts	: 11-1V?		-	
			19	-	<u>s</u>
b Gift, grant, or capital contribution to other organization(s)			<u> </u>	\rightarrow	s
$oldsymbol{c}$ Gift, grant, or capital contribution from other organization(s)			<u> </u>	1c Yes	s
d Loans or loan guarantees to or for other organization(s)			10	1d	No.
e Loans or loan guarantees by other organization(s)			16	1e	Š
f Sale of assets to other organization(s)			<u># </u>	<u></u>	2
g Purchase of assets from other organization(s)			<u> </u>	1g	2
h Exchange of assets			#	_	8
i Lease of facilities, equipment, or other assets to other organization(s)			 	ii Yes	S
in a contract of the second of			Ŧ	Vos	
			<u>7 ∓</u>	+	Ž
R relibilitative of services of membership of fundrating solicitations for other organization(s)			<u> </u>	Yes	+
ר בווסווומווכ סו זכן אוכביז סו ווופווומפוזוווף סו ימוומומיזווון אינויים על סרווכן ס			<u> </u>	٠,	
_			<u> </u>		_
n Sharing of paid employees			1	In Yes	s l
			Ç	-	Ž
o Keimbursement paid to other organization for expenses			<u> </u>	+	+
p Reimbursement paid by other organization for expenses			<u>ii </u>	1p Yes	<u>s</u>
			<u> </u> -	-	2
			<u> </u>	<u>ا</u>	<u>}</u> ;
r Other transfer of cash or property from other organization(s)			I]		2
2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds	ding covered relation	onships and transact	on thresholds		
(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved	nining ar	mount
(1)					
See Additional Data Table					
(2)					
(3)					
(4)					
(5)					
(9)					
			Schedule R (Form 990) 2010	rm 990) 2010

Part VI Unrelated Organizations Taxable as a Partnership (Complete of the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships

Schedule R (Form 990) 2010

Part VII Supplemen

Supplemental InformationComplete this part to provide additional information for responses to questions on Schedule R (see instructions)

	Schedule R (Form 990) 2010
Explanation	
Return Reference	
Identifier	

Return to Form

Additional Data

Software ID:

Software Version:

EIN: 38-1358390
Name: GARDEN CITY HOSPITAL

Form 990, Schedule R, Part V - Transactions With Related Organizations

	(a) Name of other organization	(b) Transaction type(a-r)	(c) A mount Involved (\$)	(d) Method of determining amount involved
(1)	AMERIGARD DEVELOPMENT CORPORATION	۷	52,506	
(2)	AMERIGARD DEVELOPMENT CORPORATION	В	340,000	
(3)	AMERIGARD DEVELOPMENT CORPORATION	П	143,402	
(4)	AMERIGARD DEVELOPMENT CORPORATION	Z	81,000	
(2)	UNITED HOME HEALTH SERVICES	Z	23,000	
(9)	AMERIGARD DEVELOPMENT CORPORATION	Ь	2,085,000	
<u>E</u>	GARDEN CITY HOSPITAL FOUNDATION	۵.	000'59	

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TY 2010 Earnings and Profits Other Adjustments Statement

Name: GARDEN CITY HOSPITAL

Description	Amount
RELATED PARTY LOSS RESERVES & CLAIMS PAID	2,555,148

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TY 2010 Earnings and Profits Other Adjustments Statement

Name: GARDEN CITY HOSPITAL

Description	Amount
RELATED PARTY LOSS RESERVES AND CLAIMS PAID	1,153,906

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TY 2010 Earnings and Profits Other Adjustments Statement

Name: GARDEN CITY HOSPITAL

Description	Amount
RELATED PARTY PREMIUMS	3,077,417
UNREALIZED GAIN ON INVESTMENT	22,358

DLN: 93493228027122	
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TY 2010 Earnings and Profits Other Adjustments Statement

Name: GARDEN CITY HOSPITAL

Description	Amount
UNREALIZED GAIN ON INVESTMENT	394,733

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TY 2010 Itemized Other Current Liabilities Schedule

Name: GARDEN CITY HOSPITAL

Corporation Name	Corporation EIN	Description	Beginning Amount	Ending Amount
		UNEARNED PREMIUMS	2,304,313	2,325,688

DLN: 93493228027122 As Filed Data efile GRAPHIC print - DO NOT PROCESS

TY 2010 Itemized Other Assets Schedule

Name: GARDEN CITY HOSPITAL

DLN: 93493228027122 As Filed Data efile GRAPHIC print - DO NOT PROCESS

TY 2010 Itemized Other Current Assets Schedule

Name: GARDEN CITY HOSPITAL

Corporation Name	Corporation EIN	Other Current Assets Description	Beginning Amount	Ending Amount
		PREMIUMS RECEIVABLE	2,381,859	2,540,503
		PREPAID REINSURANCE	471,593	371,250
		PREPAID EXPENSES	37,199	28,441
		ACCRUED INTEREST	45,020	38,731
		OUTSTANDING LOSSES RECOVERABLE	1,077,211	1,354,575

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TY 2010 Other Deductions Schedule

Name: GARDEN CITY HOSPITAL

Description	Foreign Amount (should only be used when attached to 5471 Schedule C Line 16)	Amount
LOSSES & LOSS ADJUSTMENTS EXPENSE		2,555,148
MANAGEMENT FEE		63,144
REGISTERED OFFICE FEE		2,700
ACTUARIAL FEES		30'00
SECRETARIAL AND LEGAL FEES		18,872
AUDIT FEES		14,360
TRAVEL & MEETING EXPENSES		10,768
BANK CHARGES		1,812
TAX CONSULTING EXPENSE		8,138
GOVERNMENT FEE		11,402
INVESTMENT MANAGEMENT FEE		11,083

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TY 2010 Itemized Other Investments Schedule

Name: GARDEN CITY HOSPITAL

Corporation Name Corporation EIN	Corporation EIN	Other Investments Description	Beginning Amount	Ending Amount
		GOVERNMENT OBLIGATIONS	2,910,933	4,302,704
		GOVERNMENT AGENCY OBLIGATIONS	3,103,065	721'22'7
		CORPORATE OBLIGATIONS	0	011'09
		EQUITIES	0	156,298
		OTHER FIXED INCOME	0	598′95′

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TY 2010 Itemized Other Liabilities Schedule

Name: GARDEN CITY HOSPITAL

Corporation Name	Corporation EIN	Other Liabilities Description	Beginning Amount	Ending Amount
		PROVISION FOR LOSSES/PREMIUM ADJ	7,929,463	10,242,398

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TY 2010 Other Income Statement

Name: GARDEN CITY HOSPITAL

Amount
Foreign Amount
Description

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TY 2010 Paid-In or Capital Surplus Reconciliation Statement

Name: GARDEN CITY HOSPITAL EIN: 38-1358390

Description	Beginning Amount	Ending Amount
PAID IN CAPITAL	100,000	100'000

Accountants' Reports and Consolidated Financial Statements

September 30, 2011 and 2010



September 30, 2011 and 2010

Contents

Independent Accountants' Report	1
Consolidated Financial Statements	
Balance Sheets	2
Statements of Operations and Changes in Net Assets	3
Statements of Cash Flows	4
Notes to Financial Statements	5
Independent Accountants' Report on Supplementary Information	25
Supplementary Information	
Consolidating Balance Sheet	26
Consolidating Statement of Operations and Changes in Net Assets	27



Independent Accountants' Report

Board of Trustees Garden City Hospital and Subsidiaries Garden City, Michigan

We have audited the accompanying consolidated balance sheets of Garden City Hospital and Subsidiaries (Corporation) as of September 30, 2011 and 2010, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Corporation's management. 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 of America. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Garden City Hospital and Subsidiaries as of September 30, 2011 and 2010, and the results of its operations, the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America

December 28, 2011

BKD,LLP



Consolidated Balance Sheets September 30, 2011 and 2010

	2011	2010
Assets		
Current Assets Cash and cash equivalents	\$ 5,725,684	\$ 2,931,686
Accounts receivable, net of allowance, 2011 - \$15,027,000, 2010	ψ 5,725,00 1	ψ 2,731,000
- \$11,914,000	13,579,923	11,052,852
Inventories	1,502,857	1,414,910
Prepaid expenses and other assets	4,222,755	4,035,661
Total current assets	25,031,219	19,435,109
Assets Whose Use is Limited	33,041,106	33,932,820
Property and Equipment, net	48,483,470	52,832,982
Other Assets		
Deferred bond issuance costs	751,519	798,534
Investment in multi-provider captive insurance company	2,960,734	3,605,150
Other	417,917	254,284
Total other assets	4,130,170	4,657,968
Total assets	\$ <u>110,685,965</u>	\$ <u>110,858,879</u>
Liabilities and Net Assets		
Current Liabilities		
Current portion of obligations under capital leases	\$ 533,226	\$ 492,114
Current portion of long-term debt	986,525	894,157
Accounts payable and other accrued expenses	7,352,332	7,017,718
Accrued benefits payable	5,336,088	5,343,894
Estimated amounts due to third-party payers	408,253	146,294
Total current liabilities	14,616,424	13,894,177
Other Liabilities		
Reserve for professional liability claims	12,029,024	10,330,440
Pension liability	22,995,474	20,387,913
Long-term obligations under capital leases	240,590	585,066
Long-term debt	52,457,779	<u>53,171,951</u>
Total other liabilities	87,722,867	84,475,370
Total liabilities	102,339,291	98,369,547
Net Assets		
Unrestricted	7,864,329	11,989,548
Temporarily restricted	482,345	499,784
Total net assets	8,346,674	12,489,332
Total liabilities and net assets	\$ <u>110,685,965</u>	\$ <u>110,858,879</u>

Consolidated Statements of Operations and Changes in Net Assets Years Ended September 30, 2011 and 2010

	2011	2010
W I I D		
Unrestricted Revenue and Other Support	ф 150 50 5 001	(h. 146.410.140
Net patient service revenue	\$ 150.597.821	\$ 146,410,140
Investment income	989,369	2,407,849
Other revenue	6,231,224	6,267,320
Total unrestricted revenue and other support	157,818,414	155,085,309
Expenses		
Salaries and wages	62,189,471	64,523,991
Employee benefits	17,149,490	16,225,820
Professional fees	2,583,738	2,568,636
Supplies	25,434,287	26,374,842
Utilities	2,234,233	2,210,587
Purchased services	11,353,806	11,018,157
Other	10,778,890	10,148,422
Insurance	3,646,854	4,146,958
Interest	2,823,500	2,890,094
Depreciation and amortization	5,990,827	6,288,254
Provision for uncollectible accounts	15,595,863	13,418,653
Total expenses	159,780,959	159,814,414
Deficiency of Revenue Over Expenses	(1,962,545)	(4,729,105)
Change in defined benefit pension plan losses	(2,185,679)	(5,369,311)
Other	23,005	23,049
Decrease in unrestricted net assets	(4,125,219)	(10,075,367)
Temporarily Restricted Net Assets		
Contributions	74,008	84,134
Net assets released from restrictions	(91,447)	(35,655)
Increase (decrease) in temporarily restricted net assets	(17,439)	48,479
Decrease in Net Assets	(4,142,658)	(10,026,888)
Net Assets, Beginning of Year	12,489,332	22,516,220
Net Assets, End of Year	\$ <u>8,346,674</u>	\$ <u>12,489,332</u>

Consolidated Statements of Cash Flows Years Ended September 30, 2011 and 2010

		2011		2010
Operating Activities				
Decrease in net assets	\$	(4 142 658)	\$	(10,026,888)
Items not requiring operating cash flows	Ψ	(1.112.050)	Ψ	(10.020.000)
Depreciation and amortization		5,990,827		6,288,254
Provision for uncollectible accounts		15,595,863		13,418,653
Change in investment in multi-provider captive		10,000		10,110,000
insurance company		644,416		1,378,496
Change in defined benefit pension plan losses		2,185,679		5,369,311
Changes in assets and liabilities				
Accounts receivable		(18,122,934)		(14,227,313)
Estimated amounts due to third-party payers		261,959		(134,807)
Inventories, prepaid expenses and other assets		(233,041)		577,843
Investments in trading securities		656,158		(4,881,893)
Accounts payable and other accrued expenses		192,120		(1.044.463)
Accrued benefits payable		(7,806)		404.990
Reserve for professional liability claims		1,698,584		3,673,830
Pension liability	_	421,882	_	363,756
Net cash provided by operating activities	_	5,141,049	_	1,159,769
Investing Activities				
Additions to property and equipment		(1,006,867)		(4,423,664)
Decrease in bond proceeds designated for capital projects		193,556		169,407
Investment in joint ventures	_	(163,633)	_	(89,284)
Net cash used in investing activities	_	(976,944)	_	(4,343,541)
Financing Activities				
Payments on capital leases		(496,150)		(443,609)
Payments on long-term debt	_	(873,957)	_	(794,853)
Net cash used in financing activities	_	(1,370,107)	_	(1,238,462)
Increase (Decrease) in Cash and Cash Equivalents		2.793.998		(4.422.234)
Cash and Cash Equivalents, Beginning of Year	_	2,931,686	_	7,353,920
Cash and Cash Equivalents, End of Year	\$_	5,725,684	\$_	2,931,686
Supplemental Cash Flows Information Cash paid during the year for interest Property and equipment acquired through issuance of	\$	2.827.524	\$	2.893.797
capital lease and long-term debt Property and equipment in accounts payable		444,939 142,494		_
Property and equipment in accounts payable		142,494		

Notes to Consolidated Financial Statements September 30, 2011 and 2010

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

Garden City Hospital (Corporation), a Michigan nonprofit organization, is the parent corporation of GCH Assurance Company Limited, Amerigard Development, Inc., United Home Health Services, Inc., Garden City Hospital Foundation (Foundation), Amerigard Diagnostic Centre and Advance Nursing Center, Inc. The Corporation is committed to providing health care that improves the well being of the whole person and the health status of the community at large through the provision of comprehensive health care services, osteopathic medical education and health care related programs. Services provided include emergency services, inpatient services and outpatient services.

The consolidated financial statements include the accounts of the Corporation and the above subsidiaries, all of which are wholly owned Significant intercompany balances and transactions have been eliminated

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates

Cash and Cash Equivalents

The Corporation considers all liquid investments with original maturities of three months or less, excluding amounts whose use is limited by other arrangements and under trust agreements, to be cash equivalents. At September 30, 2011 and 2010, cash equivalents consisted primarily of money market accounts and a certificate of deposit

Effective July 21, 2010, the FDIC's insurance limits were permanently increased to \$250,000. At September 30, 2011, the Corporation's interest-bearing cash accounts exceeded federally insured limits by approximately \$200,000.

Pursuant to legislation enacted in 2010, the FDIC will fully insure all noninterest-bearing transaction accounts through December 31, 2012, at all FDIC-insured institutions

Investments and Investment Return

Investments in equity securities having a readily determinable fair value and in all debt securities are carried at fair value. Other investments are valued at fair value. Investment return includes dividend, interest and other investment income and realized and unrealized gains and losses on investments carried at fair values.

The Corporation has designated its entire investment portfolio as trading, with unrealized gains and losses included in the deficiency of revenue over expenses. Investment income (including realized

Notes to Consolidated Financial Statements September 30, 2011 and 2010

and unrealized gains and losses on investments, interest and dividends) is reported as operating gains (losses) unless the income is restricted by donor or law

Assets Whose Use is Limited

Assets whose use is limited include (1) assets held by trustees under bond indenture agreements. (2) assets restricted by donors. (3) assets set aside by the Board of Trustees for future capital improvements over which the Board retains control and may at its discretion subsequently use for other purposes and (4) deposits held by the Corporation's multi-provider captive insurance company. Amounts required to meet current liabilities of the Corporation are included in current assets

Assets whose use is limited are comprised substantially of cash and cash equivalents, marketable securities, and debt securities and are stated at fair value

Inventories

Inventories, which consist principally of medical supplies, are valued at the lower of cost or market. Cost is determined based on the first-in, first-out method

Property and Equipment

Property and equipment acquisitions are recorded at cost and are depreciated using the straight-line method over the estimated useful life of each asset. Assets under capital lease obligations and leasehold improvements are depreciated over the shorter of the lease term or their respective estimated useful lives.

The estimated useful lives for each major depreciable classification of property and equipment are as follows

Land improvements	2-25 years
Buildings and fixed equipment	3-50 years
Furniture and equipment	3-20 years

Donations of property and equipment are reported at fair value as an increase in unrestricted net assets unless use of the assets is restricted by the donor. Monetary gifts that must be used to acquire property and equipment are reported as restricted support. The expiration of such restrictions is reported as an increase in unrestricted net assets when the donated asset is placed in service.

Long-Lived Asset Impairment

The Corporation evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimate future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

Notes to Consolidated Financial Statements September 30, 2011 and 2010

No asset impairment was recognized during the years ended September 30, 2011 and 2010

Deferred Bond Issuance Costs

Bond issue costs and unamortized bond discounts are amortized using the bonds outstanding method over the terms of the bonds

Temporarily Restricted Net Assets

Temporarily restricted net assets are those whose use by the Corporation has been limited by donors to a specific time period or purpose

Net Patient Service Revenue and Patient Accounts Receivable

Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payers. Estimated settlements are recorded in the period the related services are rendered and adjusted in future periods as final settlements are determined. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. Management believes that adequate provision has been made in the financial statements for any adjustments that may result from final settlements.

The majority of the Corporation's services are reimbursed under fixed price provision of third-party payment programs (primarily Medicare, Medicaid and Blue Cross). During 2011 and 2010, 51% and 52% of net patient service revenue was received from Medicare, 9% and 8% was received from Medicaid and 22% and 21% was received from Blue Cross programs, respectively. Under these provisions, payment rates for patient care are determined prospectively on various bases, and the Corporation's revenue is limited to such amounts. Payments are also received for the Corporation has entered into agreements with commercial insurance carriers, certain health maintenance organizations and preferred provider organizations. The basis for payment under these agreements includes prospectively determined per diem rates and discounts from established charges.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Management believes that it is in compliance with such laws and regulations. Compliance with such laws and regulations is subject to government review and interpretation as well as significant regulatory actions, including fines, penalties and possible exclusion from the Medicare and Medicaid programs.

The provision for uncollectible accounts is based upon management's assessment of historical and expected net collections considering business and economic conditions, trends in health care coverage and other collection indicators. Periodically throughout the year, management assesses the adequacy of the allowance for uncollectible accounts based upon historical write off experience by payer category. The results of this review are then used to make any modification to the provisions for uncollectible accounts to establish an appropriate allowance for uncollectible receivables. After satisfaction of amounts due from insurance, the Corporation follows established guidelines for placing certain past due patient balances with collection agencies.

Notes to Consolidated Financial Statements September 30, 2011 and 2010

Charity Care

The Corporation provides health care services to patients regardless of their ability to pay. The Corporation provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. Because the Corporation does not pursue collection of amounts determined to qualify as charity care, they are not reported as revenue.

The amount of charity care provided, based on charges, was \$727,291 and \$1,196,778 for the years ended September 30, 2011 and 2010, respectively

Estimated Professional Liability Claims

An annual estimated provision is accrued for the self-insured portion of professional liability claims and includes an estimate of the ultimate costs for both reported claims and claims incurred but not reported

Income Taxes

The Corporation, Foundation, United Home Health Services, Inc. and Advance Nursing Center have been determined by the Internal Revenue Service to be organizations as described under Internal Revenue Code Section 501(c)(3) and as such, are exempt from federal income taxes under Code Section 501(a)

Amerigard Development. Inc and Amerigard Diagnostic Centre are subject to corporate income taxes. These entities had approximately \$20,000,000 and \$20,500,000 at December 31, 2011 and 2010, respectively, in tax net loss carry forwards expiring from 2012 to 2027. The deferred asset resulting from the cumulative losses have been entirely offset by a valuation allowance since it is more likely than not that the asset will not be realized. This is the only temporary difference related to these entities. As a result, no current or deferred income tax expense or benefit has been recognized in 2011 or 2010.

The Corporation is unaware of any tax positions, for which it is reasonably possible, that the total of unrecognized tax positions will significantly increase or decrease within the next year

The entities file tax returns in the U S federal jurisdiction. With a few exceptions, the entities are no longer subject to U S federal examinations by tax authorities for years before 2007.

The Corporation recognizes interest and penalties on income taxes as a component of income tax expense

Deficiency of Revenue Over Expenses

The statements of operations include deficiency of revenue over expenses. Changes in unrestricted net assets which are excluded from deficiency of revenue over expenses, consistent with industry practice, includes changes in defined benefit pension plan gains and losses

Notes to Consolidated Financial Statements September 30, 2011 and 2010

Self Insurance

The Corporation has elected to self-insure certain costs related to employee health and accident benefit programs. Costs resulting from noninsured losses are charged to income when incurred. The Corporation has purchased insurance that limits its exposure to \$150,000 per individual claim.

Reclassifications

Certain reclassifications have been made to the 2010 consolidated financial statements to conform to the 2011 financial statement presentation. These reclassifications had no effect on the change in net assets

Note 2: Net Patient Service Revenue

Net patient service revenue consists of the following

	2011	2010
Gross patient service charges Provisions for contractual and other adjustments	\$ 334,193,930 (183,596,109)	\$ 329.973.985 (183,563,845)
Net patient service revenue	\$ <u>150,597,821</u>	\$ <u>146,410,140</u>

A major portion of the Corporation's gross charges (approximately \$270,035,000 in 2011 and \$270,648,000 in 2010) was provided to patients under health benefit contracts with third-party payers (Medicare, Medicaid and Blue Cross Blue Shield of Michigan)

The 2011 and 2010 net patient service revenue increased approximately \$436,000 and \$1,555,000, respectively, due to changes in previously estimated amounts based on additional information

Note 3: Concentration of Credit Risk

The Corporation grants credit without collateral to its patients, most of whom are area residents and are insured under third-party payer agreements. The mix of net receivables from patients and third-party payers as follows

	2011	2010
Medicare	19%	23%
Medicaid	13	16
Blue Cross Blue Shield of Michigan	3	10
Other	65	51
	<u>100</u> %	<u>100</u> %

Notes to Consolidated Financial Statements September 30, 2011 and 2010

Note 4: Other Revenue

Other revenue consists of the following

		2011		2010
Retail pharmacy revenue	\$	2,558,662	\$	2,513,854
Physician insurance premiums		639,503		756,698
Medical office building rental income		674,713		642,816
Cafeteria and coffee shop income		461,313		522,796
Physician billings		532,387		301,664
Net assets released from restriction for operations		91,447		35,655
Other	_	1,273,199	_	1,493,837
	\$	6,231,224	\$	6,267,320

Note 5: Cash and Cash Equivalents, Investments and Investment Return

Cash and cash equivalents and investments are summarized as follows

	 2011		2010
Cash Money market funds Certificates of deposit United States government obligations Foreign obligations Asset and mortgage-backed GSE securities Corporate bonds Common stocks Mutual funds	\$ 5,449,505 2,089,419 704,532 18,099,905 130,665 4,639,090 3,036,034 3,070,000 1,462,140	\$	2.653.867 1.728.607 684.670 17.642.516 164.452 5.962.903 2.208.894 3.606.515 2.084.582
	\$ 38,681,290	\$_	36,737,006
Investment return is summarized as follows	 2011		2010
Interest, dividends and realized gains Unrealized gains on trading securities	\$ 988,849 520	\$ _	1,489,686 918,163
Total investment gain included in operating income	\$ 989,369	\$_	2,407,849

Notes to Consolidated Financial Statements September 30, 2011 and 2010

Investment return, including unrealized gains and losses, on cash investments, professional liability funds, funds designated for capital improvements and funds held in trust under bond agreements is included in operating income

The Corporation invests in various financial instruments, which are publicly traded. Financial instruments are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the value of investments will occur in the near term, and that such changes could materially affect the amounts reported in the statements of operations and changes in net assets

Note 6: Disclosures About Fair Value of Assets and Liabilities

ASC Topic 820, Fair Value Measurements, defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Topic 820 also specifies a fair value hierarchy which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The standard describes three levels of inputs that may be used to measure fair value.

- Level 1 Quoted prices in active markets for identical assets or liabilities
- Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- **Level 3** Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Following is a description of the inputs and valuation methodologies used for assets measured at fair value on a recurring basis and recognized in the accompanying balance sheets, as well as the general classification of such assets pursuant to the valuation hierarchy. The Corporation has no liabilities measured at fair value on a recurring basis

Cash Equivalents and Investments

Where quoted market prices are available in an active market, these assets are classified within Level 1 of the valuation hierarchy. Level 1 assets include money market mutual funds, common stocks and mutual funds. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. For these investments, the inputs used by the pricing service to determine fair value may include one, or a combination of, observable inputs such as a benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data market research publications and are classified within Level 2 of the valuation hierarchy. These Level 2 assets include investments in United States government obligations, foreign obligations, asset and mortgage-backed GSE securities and corporate bonds. In certain cases where Level 1 or Level 2 inputs are not available, these assets are classified within Level 3 of the hierarchy. There are no Level 3 assets.

Notes to Consolidated Financial Statements September 30, 2011 and 2010

The following table summarizes the Corporation's assets measured at fair value on a recurring basis as of September 30, 2011 and 2010, aggregated by the level in the fair value hierarchy defined above

	2011							
		Fair Value Measurement Using					sing	
			Qu	oted Prices				
				in Active				
				larkets for	S	ignificant		
				Identical		Other		ignificant
		air Value at		ssets and	0	bservable	Un	observable
	Se	ptember 30,		_iabilities		Inputs		Inputs
		2011		(Level 1)	- ((Level 2)		(Level 3)
Money market funds	\$	2,089,419	\$	2,089,419	\$	_	\$	_
United States government								
obligations		18,099,905				18,099,905		
Foreign obligations		130,665		_		130,665		
Asset and mortgage-								
backed GSE								
securities		4,639,090				4,639,090		
Corporate bonds		3,036,034				3,036,034		
Common stocks								
Consumer								
discretionary		196,801		196,801		_		
Consumer staples		755,967		755,967				
Financial services		464,909		464,909				
Healthcare		260,192		260,192				
Industrial		291,266		291,266				
Information								
technology		246,508		246,508				
Materials		121,524		121,524				
Telecommunications		544,335		544,335				
Utilities		188,498		188,498				
Mutual funds		1,462,140		1,462,140				

Notes to Consolidated Financial Statements September 30, 2011 and 2010

				20	10			
		Fair Value Measurement Using						
			Qu	oted Prices				
				in Active				
			M	arkets for	9	Significant		
				Identical		Other	(Significant
		ir Value at		ssets and	C)bservable	Uı	nobservable
	Se _l	otember 30,		₋iabilities		Inputs		Inputs
		2010		(Level 1)		(Level 2)		(Level 3)
Money market funds	\$	1,728,607	\$	1,728,607	\$		\$	_
United States government	Ψ	1,,20,00,	Ψ	1,,20,00,	Ψ		Ψ	
obligations		17,642,516				17,642,516		
Foreign obligations		164,452				164,452		_
Asset and mortgage-backed								
GSE securities		5,962,903				5,962,903		_
Corporate bonds		2,208,894				2,208,894		_
Common stocks		3,606,515		3,606,515		_		_
Mutual funds		2,084,582		2,084,582		_		_

The following methods were used to estimate the fair value of all other financial instruments recognized in the accompanying consolidated balance sheets at amounts other than fair value. Further evaluation of the fair value of these financial assets and liabilities utilizing the methods described below did not result in a significant difference from the carrying amount, thus the carrying amount is a reasonable estimate of fair value for all financial assets and liabilities.

Cash and Cash Equivalents

The carrying amount approximates fair value

Long-Term Debt

The fair value of the Corporation's long-term debt (excluding capital leases) was \$41,736,580 and \$41,748,924, at September 30, 2011 and 2010, respectively, with carrying values of \$53,444,305 and \$54,066,108, respectively. Fair value of debt is estimated by a commercial evaluation service used by many financial institutions which integrates its own modeling techniques with market information, credit quality information, perceived market movements, news and other relevant information

Notes to Consolidated Financial Statements September 30, 2011 and 2010

Note 7: Assets Whose Use is Limited

Assets whose use is limited consists of the following

		2011		2010
Board designated for capital improvements Funds held for professional liability losses Bond proceeds held by trustee for debt service	\$	19,297,426 7,691,881 4,947,531	\$	21,637,707 6,059,018 4,936,013
Bond proceeds held by trustee for capital projects		193,570		387,126
Certificate of deposit securing workers compensation payments		428,353		413,172
Temporarily restricted investments		396,845		372,284
Pledges receivable	_	85,500	_	127,500
	\$_	33,041,106	\$_	33,932,820

Note 8: Property and Equipment

Property and equipment and related accumulated depreciation consists of the following

	2011	2010
Land and land improvements Buildings and fixed equipment Furniture and equipment Construction in progress	\$ 1.975,064 80,841,021 57,254,878 570,534	\$ 1,922,354 80,764,568 56,088,407 278,880
Less accumulated depreciation	140,641,497 (92,158,027) \$_48,483,470	139.054.209 (86.221.227) \$_52,832,982

Note 9: Professional Liability

The Corporation holds 50% of the outstanding shares in Medilink Insurance Company Ltd (Medilink), a Cayman Island captive insurance company, which was organized to provide primary comprehensive hospital liability insurance for a group of osteopathic hospitals. The investment is recorded on the equity method of accounting and the net carrying value of the Corporation's interest was \$3,002,262 and \$3,679,706 at September 30, 2011 and 2010, respectively. Premiums under the retrospectively rated claims policy are determined based on the ultimate cost of the experience to date of the group of hospitals. During 2011 and 2010, the Corporation received retrospective premium refunds of \$1,690,544 and \$3,476,497, respectively. As a result of all members except the Corporation terminating their participation in Medilink Insurance Company. Ltd., effective July 1, 2008, the Board elected to dissolve the company upon resolution of all outstanding claims. The premiums paid to Medilink are offset against the estimated liability for losses insured by Medilink prior to July 1, 2008, to determine the equity interest in Medilink

Notes to Consolidated Financial Statements September 30, 2011 and 2010

Effective July 1, 2008, the Corporation formed GCH Assurance Company, Ltd., a Cayman Island captive insurance company, organized to provide primary comprehensive hospital liability insurance for the Corporation and certain participating medical staff. The captive insurance company is included in the consolidated balance sheets, statements of operations and changes in net assets and cash flows. Premiums under the retrospectively rated claims policy are determined based on the ultimate cost of the experience to date of the Corporation and participating physicians.

The Corporation estimates a range of loss for professional liability claims based on its own experience. This estimate includes a reserve for known claims and unreported incidents. The Corporation has accrued a present value of what it believes to be the most likely amount of the loss in the range, with all estimates discounted at 4.9% and 5.5% per annum at September 30, 2011 and 2010, respectively.

The Corporation has accrued its best estimate of the ultimate cost to settle such claims, however, actual losses may differ from the amount accrued. It is reasonably possible that this estimate could change materially in the near term. Approximately \$1.870,000 and \$2,196,000 was included in insurance expense for professional liability for the years ended September 30, 2011 and 2010, respectively.

Activity in the Corporation's accrued medical malpractice claims liability during 2011 and 2010 is summarized as follows

		2011		2010
Balance, beginning of year Current year claims incurred and changes in estimates	\$	10.330.440	\$	6,656,610
for claims incurred in prior years Claims and expenses paid	_	3,082,146 (1,383,562)	_	5,121,398 (1,447,568)
Balance, end of year	\$_	12,029,024	\$_	10,330,440

Note 10: Long-Term Debt

	2011	2010
Garden City Hospital Finance Authority Revenue and Refunding Bonds – Series 2007A Revenue Bonds – Series 1998A	\$ 46.870.000 6.200.000	0 7.040.000
Other	374,30	<u>4</u> <u>156,108</u>
Less current portion	53.444.30- (986.52	
	\$ <u>52,457,77</u>	<u>9</u> \$ <u>53,171,951</u>

The Corporation is the sole member of the Garden City Hospital Obligated Group (Obligated Group) The Bonds are secured by a security interest in certain tangible and intangible property of the Corporation

Notes to Consolidated Financial Statements September 30, 2011 and 2010

In March 2007, the Obligated Group issued Garden City Hospital Finance Authority Hospital Revenue and Refunding Bonds Series 2007A, subject to redemption in amounts ranging from \$1,325,000 in 2018 to \$3,475,000 in 2038. The bonds bear interest at rates ranging from 4 875% to 5 000%. The proceeds from the Series 2007A Bonds were used to refund Series 1996 Bonds, advance refund a portion of the Series 1998 Bonds and provide funding for certain hospital capital projects.

In 1998, the Obligated Group issued Garden City Hospital Finance Authority Hospital Revenue and Refunding Bonds Series 1998A During 2007, the Obligated Group advance refunded \$9,135,000 of Series 1998A Bonds The remaining redemption amounts range from \$885,000 in 2012 to \$1,225,000 in 2017 and bear interest at 5 750%

The Garden City Hospital Finance Authority Revenue Bond Series 1998A and the Revenue and Refunding Bonds Series 2007A contain certain restrictive covenants. The Corporation believes that the Obligated Group is in compliance with the covenants at September 30, 2011

The aggregate maturities of long-term debt for years subsequent to September 30, 2011, are as follows

2012	\$ 986.52	5
2013	1,023,08	5
2014	1,067,46	2
2015	1,100,72	0
2016	1,163,50	2
Thereafter	48,103,01	0
	\$53,444,30	4

Note 11: Lease Commitments

The Corporation has commitments under various capitalized leases as follows

2012	\$ 566,639
2013	130,863
2014	45,297
2015	45,297
2016	 42,678
	830,774
Less amounts representing interest	 (56,958)
Mınımum lease payments	\$ 773,816

Equipment relating to the capitalized lease obligations is included in property and equipment. The capitalized cost of this equipment was approximately \$2,429,000 and \$2,268,000 at September 30, 2011 and 2010, and accumulated amortization was approximately \$1,514,000 and \$1,100,000 at September 30, 2011 and 2010, respectively

Notes to Consolidated Financial Statements September 30, 2011 and 2010

The following is a schedule, by years, of future minimum rental payments required under operating leases that have initial or remaining noncancellable lease terms in excess of one year as of September 20, 2011

Year ending September 30

2012	\$ 1,986,18	33
2013	1,498,28	34
2014	661.53	37
2015	200,96	50
2016	200,96	50
Thereafter	186,08	<u>33</u>
	\$ <u>4,734,00</u>	<u>)7</u>

Total rental expense attributable to operating leases amounted to approximately \$3,141,000 and \$3,427,000 for the years ended September 30, 2011 and 2010, respectively

Note 12: Functional Expenses

The Corporation fulfills the health care requirements of residents within the community it serves by providing an array of health care services. Expenses, related to providing these services, classified by function, are as follows

		2011		2010
Health care services General and administrative Provision for uncollectible accounts Depreciation and amortization Interest	\$	93.094.409 42.276.360 15.595.863 5.990.827 2.823.500	\$	97.338.794 39.878.619 13.418.653 6.288.254 2.890.094
interest	- \$_	159,780,959	- \$_	159,814,414

Note 13: Pension Plan

The Corporation has a qualified defined benefit pension plan covering substantially all eligible employees hired prior to January 1, 2003, as defined by the Employee Retirement Income Security Act of 1974 (ERISA). The benefits are based on years of service and employee compensation. The Corporation's funding policy is to contribute annually an amount necessary to a trust to meet or exceed the minimum funding requirements of ERISA. Contributions are intended to provide for benefits attributed to service rendered through May 15, 2004.

Effective May 5, 2003, the Corporation froze the benefits for employees at the compensation levels in effect at December 31, 2002, and effective May 15, 2004, the benefits under the defined benefit plan were frozen

Notes to Consolidated Financial Statements September 30, 2011 and 2010

During 2003, the Corporation instituted a defined contribution plan covering most of its employees Employees who meet eligibility requirements specified by the plan may contribute to the plan. The Corporation may make contributions to eligible employees at its discretion. Expense under the defined contribution plan was approximately \$1,412,000 and \$1,494,000 for the years ended September 30, 2011 and 2010, respectively.

The Corporation recognizes the funded status (ie), the difference between the fair value of plan assets and the projected benefit obligations) of its pension plan in the consolidated balance sheets. Actuarial gains and losses that arise and are not recognized as net periodic pension cost in the same periods will be recognized as a component of unrestricted net assets. The amounts included in unrestricted net assets will be subsequently recognized as net periodic pension cost pursuant to the Corporation's accounting policy for amortizing such amounts. The amounts will be subsequently recognized as a component of net periodic pension cost.

In 2010, the Corporation changed its method of amortization of actuarial gains and losses to a period over the estimated remaining life expectancy of plan participants (approximately 29 years) from the estimated remaining service period (approximately seven years), which it believes is a preferable method due to better matching of the period of amortization with the period of required future funding. The change has been accounted for as a change in accounting estimate, and has no effect on periods prior to 2010. For 2010, the effect of this change in method reduced employee benefit expense and the deficiency of revenue over expenses by \$1,179,000, increased the change in defined benefit pension plan gains and losses by the same amount, and had no effect on change in net assets

The following table provides a reconciliation of the changes in the benefit obligation and fair value of plan assets for the years ended September 30, 2011 and 2010, and a statement of the funded status as of September 30, 2011 and 2010

	2011	2010
Reconciliation of benefit obligation		
Benefit obligation at the beginning of year	\$ 64,406,389	\$ 57,418,375
Interest cost	3,138,214	3,098,512
Actuarial loss	674,697	6,433,024
Benefits paid	(3,472,068)	(2,543,522)
Benefit obligation at the end of year	64,747,232	64,406,389
Reconciliation of fair value of plan assets		
Fair value of plan assets at beginning of year	44,018,476	42,763,529
Actual return on plan assets	1,294,858	3,948,902
Plan expenses	(89,508)	(150,433)
Benefit paid	(3,472,068)	(2,543,522)
Fair value of plan assets at end of year	41,751,758	44,018,476
Funded status at September 30	\$ <u>(22,995,474</u>)	\$ <u>(20,387,913)</u>

Notes to Consolidated Financial Statements September 30, 2011 and 2010

The change in the actuarial loss for the years ended September 30, 2011 and 2010, is attributable to the change in the discount rate utilized to determine the benefit obligation amount

Liabilities recognized in the balance sheets are as follows

	2011	2010
Noncurrent liabilities	\$ <u>(22,995,474)</u>	\$ <u>(20,387,913)</u>

Information for pension plans with an accumulated benefit obligation in excess of plan assets

	2011	2010
Projected benefit obligation	\$ <u>64,747,232</u>	\$ <u>64,406,389</u>
Accumulated benefit obligation	\$ <u>64,747,232</u>	\$ <u>64,406,389</u>
Fair value of plan assets	\$ <u>41,751,758</u>	\$ <u>44,018,476</u>

A summary of the components of net pension expense are as follows

	2011	2010
Interest cost	\$ 3,138,214	\$ 3,098,512
Expected return on plan assets	(3.611.294	4) (3,506,761)
Plan expenses	89,508	3 150,433
Amortization of actuarial loss	805,454	621,572
Net defined benefit pension expense	421.882	2 363,756
Defined contribution plan expense	1,411,569	1,494,217
Net pension expense	\$ <u>1,833,451</u>	<u> 1,857,973</u>

The unrecognized net actuarial loss included in unrestricted net assets at September 30, 2011 and 2010, is \$31,604,310 and \$29,418,631, respectively

Changes in plan assets and obligations recognized in unrestricted net assets during the year ended September 30, 2011 and 2010, include

		2010	
Current year actuarial loss Amortization of unrecognized actuarial loss	\$ 	2,991,133 \$ (805,454)	5,990,883 (621,572)
Change in unrecognized net loss	\$	2,185,679 \$	5,369,311

Notes to Consolidated Financial Statements September 30, 2011 and 2010

The unrecognized net loss included in unrestricted net assets and expected to the recognized in net periodic pension cost during fiscal year ended September 30, 2012, is approximately \$650,000

The assumptions used to determine the benefit obligations at September 30 are set forth below

	2011	2010
Weighted-average discount rate	4 90%	4 99%
Measurement date	September 30	September 30

The assumptions used to determine the net periodic benefit cost for the years ended September 30 are as follows

	2011	2010
Weighted-average discount rate Weighted-average expected long-term rate of return on	4 99%	5 55%
plan assets	8 50	8 50

Expected Rate of Return

The expected long-term rate of return on plan assets is based on historical and projected rates of return for current and planned asset categories in the plan's investment portfolio. Assumed projected rates of return for each asset category were selected after analyzing historical experience and future expectations of the returns and volatility for assets of that category using benchmark rates. Based on the target asset allocation among the asset categories, the overall expected rate of return for the portfolio was developed and adjusted for historical and expected experience of active portfolio management results compared to benchmark returns and for the effect of expenses paid from plan assets

Pension Plan Assets

A description of the valuation methodologies used for assets measured at fair value on a recurring basis is discussed in Note 6. For the pension plan assets, Level 1 assets include money market mutual funds. American Depository Receipts, foreign stocks, common stocks and mutual funds. Level 2 for which quoted market prices are not available include investments in U. S. Government obligations, mortgage-backed GSE securities, collateralized mortgage obligations, asset-backed GSE securities, foreign securities. U. S. agency securities, corporate bonds and annuities. There are no Level 3 assets

Notes to Consolidated Financial Statements September 30, 2011 and 2010

The fair values of the Corporation's pension plan assets at September 30, 2011 and 2010, by asset class are as follows

			2011						
			Fair Value Measurements Using						
	-	Гotal Fair Value	·	oted Prices in Active larkets for Identical Assets (Level 1)	Ok	gnificant Other oservable Inputs Level 2)	Und	ignificant observable Inputs Level 3)	
N	db.	((127	d5	// L 2 = /	Ф		db.		
Money market funds	\$	664,256	\$	664,256	\$		\$		
U S Government		6 7 96 33 0				(70(320			
obligations		6,786,230				6,786,230			
Mortgage-backed GSE securities		2,457,988				2,457,988			
		2,437,988				2,437,988			
Collateralized mortgage obligations		7,537,835				7,537,835			
Asset-backed GSE		1,551,655				1,331,033			
securities		237,244				237,244			
Foreign securities		648,797				648,797			
United States agencies		040,777				040,777			
securities		274,767				274,767			
American Depository		271.707				2711707			
Receipts		366,539		366,539				_	
Foreign stocks		469,069		469,069					
Corporate bonds		3,854,702		_		3,854,702			
Common stocks									
Consumer									
discretionary		1,983,863		1,983,863				_	
Consumer staples		1,937,609		1,937,609		_		_	
Energy		485,462		485,462					
Financial services		1,480,088		1,480,088					
Healthcare		1,457,290		1,457,290					
Industrial		1,396,049		1,396,049					
Information									
technology		2,246,890		2,246,890					
Materials		406,767		406,767		_		_	
Telecommunications		59,202		59,202		_			
Mutual funds		5,637,269		5,637,269					
Annuities		1,363,842				1,363,842			

Notes to Consolidated Financial Statements September 30, 2011 and 2010

	10							
	Fair Value Measurements Using							
		Total Fair Value	N	oted Prices in Active larkets for ntical Assets (Level 1)	Ob	gnificant Other servable Inputs ∟evel 2)	Un	ignificant observable Inputs (Level 3)
Money market funds	\$	1,386,807	\$	1,386,807	\$	_	\$	_
U S Government obligations		5,667,240		_		5,667,240		_
Mortgage-backed GSE						2,923,796		
securities Collateralized mortgage		2,923,796				2,923,190		
obligations Asset-backed GSE		9,235,886				9,235,886		
securities		238,912		_		238,912		_
Foreign securities		594,911				594,911		
United States agencies securities		767,869		_		767,869		_
American Depository								
Receipts		325,271		325,271		_		_
Foreign stocks		206,122		206,122				_
Corporate bonds		3,902,320		_		3,902,320		
Common stocks		11,809,368		11,809,368				
Mutual funds		5,786,292		5,786,292		_		
Annuities		1,173,682		_		1,173,682		_

Plan assets are held by a bank-administered trust fund, which invests the plan assets in accordance with the provisions of the plan agreement. The plan agreements permit investment in common stocks, corporate bonds and debentures, U.S. government securities, and other specified investments, based on certain target allocation percentages. The weighted-average asset allocation for the Corporation's pension plan at the end of fiscal 2011 and 2010, and the target allocation for fiscal 2012, by asset category, is as follows.

	Target	Percentage of Plan Assets September 30		
	Allocation	2011	2010	
Equity securities	35 0%	29 4%	28 0%	
Debt securities	65 0	65 7	66 2	
Other	00	49	5 8	
Total	<u> 100 0</u> %	<u>100 0</u> %	<u>100 0</u> %	

Investment Strategy

The plan's asset allocation and investment strategy are designed to earn superior returns on plan assets consistent with a reasonable and prudent level of risk. Investments are diversified across

Notes to Consolidated Financial Statements September 30, 2011 and 2010

classes, sectors and manager style to minimize the risk of large losses. The Corporation uses investment management specializing in each asset category and where appropriate, provides the investment manager with specific guidelines which include allowable and/or prohibited investment types. The Corporation regularly monitors manager performance and compliance with investment guidelines.

Expected Cash Flows

Information about the expected cash flows for the pension plans follows

	Pension Benefits		
Expected employer contributions 2012	\$	1,064,833	
Expected benefit payments			
2012		2,606,157	
2013		2,783,034	
2014		2,944,738	
2015		3,155,605	
2016		3,304,347	
2017 - 2021		18,919,996	

The contribution amounts above include amounts paid to the trust. The benefit payment amounts above also reflect the total benefits expected to be paid from the trust.

Note 14: Significant Estimates and Concentrations

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerabilities due to certain concentrations. Those matters include the following

Allowance for Net Patient Service Revenue Adjustments

Estimates of allowances for adjustments included in net patient service revenue are described in Notes 1 and 2

Commitments

The Corporation has outstanding commitments with certain companies for the construction of buildings and implementation of an electronic medical records system totaling approximately \$4,600,000 at September 30, 2011

Professional Liability Claims

Estimates related to the accrual for professional liability claims are described in Notes 1 and 9

Notes to Consolidated Financial Statements September 30, 2011 and 2010

Litigation

In the normal course of business, the Corporation is, from time to time, subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by the Corporation's self-insurance program (discussed elsewhere in these notes) or by commercial insurance, for example, allegations regarding employment practices or performance of contracts. The Corporation evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of counsel, management records an estimate of the amount of ultimate expected loss, if any, for each of these matters. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

Pension Obligations

The Corporation has a noncontributory defined benefit pension plan whereby it agrees to provide certain postretirement benefits to eligible employees. The benefit obligation is the actuarial present value of all benefits attributed to service rendered prior to the valuation date based on the projected unit credit cost method. It is reasonably possible that events could occur that would change the estimated amount of this liability materially in the near term.

Current Economic Conditions

The current protracted economic decline continues to present hospitals with difficult circumstances and challenges, which in some cases have resulted in large and unanticipated declines in the fair value of investments and other assets, large declines in contributions, constraints on liquidity and difficulty obtaining financing. The consolidated financial statements have been prepared using values and information currently available to the Corporation.

Current economic conditions, including the high unemployment rate, have made it difficult for certain patients to pay for services rendered. As employers make adjustments to health insurance plans or more patients become unemployed, services provided to self-pay and other payers may significantly impact net patient service revenue and provision for uncollectible accounts, which could have an adverse impact on the Corporation's future operating results. Further, the effect of economic conditions on the State of Michigan may have an adverse effect on cash flows related to the Medicaid program.

Given the volatility of current economic conditions, the values of assets and liabilities recorded in the financial statements could change rapidly, resulting in material future adjustments in investment values (including defined benefit pension plan investments) and allowances for accounts receivable that could negatively impact the Corporation's ability to meet debt covenants or maintain sufficient liquidity

Note 15: Subsequent Event

Subsequent events have been evaluated through the date of the Independent Accountants' Report, which is the date the consolidated financial statements were issued





Independent Accountants' Report on Supplementary Information

Board of Trustees Garden City Hospital and Subsidiaries Garden City, Michigan

Our audits were conducted for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The accompanying supplementary consolidating information is presented for purposes of additional analysis of the basic consolidated financial statements rather than to present the financial position, results of operations and changes in net assets of the individual companies, and is not a required part of the basic consolidated financial statements. The consolidating information has been subjected to the procedures applied in the audits of the basic consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic consolidated financial statements taken as a whole

Fort Wayne, Indiana

BKD, LLP

December 28, 2011



Consolidating Balance Sheet September 30, 2011

	Consolidation Consolidated Adjustments		Garden City Hospital	GCH Assurance Company Limited	
eets					
Current Assets					
Cash and cash equivalents	\$ 5 725 684	s —	\$ 3 735 933	\$ 707.937	
Accounts receivable	13 579 923	_	12 636 948	_	
Inventories	1 502 857	_	1 502 857	_	
Prepaid expenses and other assets	4,222,755	41,413	2,074,426	1,938,425	
Total current assets	25,031,219	41,413	<u> 19,950,164</u>	2,646,362	
Assets Whose Use is Limited	33,041,106		25,003,628	7 691 881	
Due From Related Parties	0	(2.145,158)	1 879 041	_	
Property and Equipment, net	48 483 470	_	47 309 849	_	
Troper ; and Equipment, see			17,5-2,0-13		
Other Assets					
Deferred bond issuance costs	751 519	_	751 519	_	
Investment in multi-provider captive	2.060.721	. 2. 200 021 .	£ 360 665		
insurance company Other	2 960 734 417,917	(3 399 931)	6 360 665 417,917		
Viller	<u> </u>		<u> </u>		
Total other assets	4,130,170	(3,399,931)	7,530,101		
Total assets	\$ <u>110,685,965</u>	\$ <u>(5,503,676)</u>	\$ <u>101,672,783</u>	\$ 10,338,243	
oilities and Net Assets Current Liabilities	\$ <u>110,685,965</u>	\$ <u>(5,503,676)</u>	\$ <u>101,672,783</u>	\$ <u>10,338,243</u>	
collities and Net Assets Current Liabilities Current portion of obligations under capital					
Current Liabilities Current portion of obligations under capital leases	\$ 110,685,965 \$ 533 226 986 525	\$ <u>(5,503,676)</u> \$	\$ 101,672,783 \$ 492.278 952.606	\$10,338,243	
collities and Net Assets Current Liabilities Current portion of obligations under capital	\$ 533 226		\$ 492.278		
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses	\$ 533 226 986 525 7 352 332		\$ 492 278 952 606 7 201 387		
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable	\$ 533 226 986 525		\$ 492.278 952.606	\$	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable Estimated amounts due to third-party	\$ 533 226 986 525 7 352 332 5 336 088		\$ 492 278 952 606 7 201 387 4 886 602	s	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable	\$ 533 226 986 525 7 352 332		\$ 492 278 952 606 7 201 387	s	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable Estimated amounts due to third-party	\$ 533 226 986 525 7 352 332 5 336 088		\$ 492 278 952 606 7 201 387 4 886 602	s	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable Estimated amounts due to third-party payers Total current liabilities	\$ 533 226 986 525 7 352 332 5 336 088 408 253		\$ 492 278 952 606 7 201 387 4 886 602 408 253	\$ 6 501 	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts pavable and other accrued expenses Accrued benefits pavable Estimated amounts due to third-party pavers	\$ 533 226 986 525 7 352 332 5 336 088 408 253		\$ 492 278 952 606 7 201 387 4 886 602 408 253	\$ 6 501 	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable Estimated amounts due to third-party payers Total current liabilities Other Liabilities	\$ 533 226 986 525 7 352 332 5 336 088 408 253 14 616 424	s	\$ 492 278 952 606 7 201 387 4 886 602 408 253 13 941 126	\$ 6 501	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable Estimated amounts due to third-party payers Total current liabilities Reserve for professional liability claims Pension liability Due to related parties	\$ 533 226 986 525 7 352 332 5 336 088 408 253 14 616 424 12 029 024 22 995 474 0	s	\$ 492 278 952 606 7 201 387 4 886 602 408 253 13 941 126 5 097 213 22 995 474	\$ 6 501	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable Estimated amounts due to third-party payers Total current liabilities Reserve for professional liability claims Pension liability Due to related parties Long-term obligations under capital leases	\$ 533 226 986 525 7 352 332 5 336 088 408 253 14 616 424 12 029 024 22 995 474 0 240 590	(3 279 931)	\$ 492 278 952 606 7 201 387 4 886 602 408 253 13 941 126 5 097 213 22 995 474 84 932	\$ 6 501	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable Estimated amounts due to third-party payers Total current liabilities Reserve for professional liability claims Pension liability Due to related parties	\$ 533 226 986 525 7 352 332 5 336 088 408 253 14 616 424 12 029 024 22 995 474 0	(3 279 931)	\$ 492 278 952 606 7 201 387 4 886 602 408 253 13 941 126 5 097 213 22 995 474	\$ 6 501	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable Estimated amounts due to third-party payers Total current liabilities Reserve for professional liability claims Pension liability Due to related parties Long-term obligations under capital leases	\$ 533 226 986 525 7 352 332 5 336 088 408 253 14 616 424 12 029 024 22 995 474 0 240 590	(3 279 931)	\$ 492 278 952 606 7 201 387 4 886 602 408 253 13 941 126 5 097 213 22 995 474 84 932	\$ 6 501	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable Estimated amounts due to third-party payers Total current habilities Reserve for professional hability claims Pension hability Due to related parties Long-term obligations under capital leases Long-term debt	\$ 533 226 986 525 7 352 332 5 336 088 408 253 14 616 424 12 029 024 22 995 474 0 240 590 52 457 779	(3 279 931)	\$ 492 278 952 606 7 201 387 4 886 602 408 253 13 941 126 5 097 213 22 995 474 84 932 52 236 444	\$	
Current Labilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable Estimated amounts due to third-party payers Total current liabilities Reserve for professional liability claims Pension liability Due to related parties Long-term obligations under capital leases Long-term debt Total other liabilities	\$ 533 226 986 525 7 352 332 5 336 088 408 253 14 616 424 12 029 024 22 995 474 0 240 590 52 457 779 87 722 867	(3 279 931) (2 103 745) (2 103 766)	\$ 492 278 952 606 7 201 387 4 886 602 408 253 13 941 126 5 097 213 22 995 474 	\$	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable Estimated amounts due to third-party payers Total current habilities Reserve for professional hability claims Pension hability Due to related parties Long-term obligations under capital leases Long-term debt Total other habilities Total habilities Total liabilities	\$ 533 226 986 525 7 352 332 5 336 088 408 253 14 616 424 12 029 024 22 995 474 0 240 590 52 457 779 87 722 867 102 339 291	\$	\$ 492 278 952 606 7 201 387 4 886 602 408 253 13 941 126 5 097 213 22 995 474 84 932 52 256 444 80 434 063 94 375 189	\$ 6 501	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts pavable and other accrued expenses Accrued benefits pavable Estimated amounts due to third-party pavers Total current habilities Reserve for professional hability claims Pension hability Due to related parties Long-term obligations under capital leases Long-term debt Total other habilities Total other habilities Total other habilities Total liabilities Net Assets Unrestricted (deficit)	\$ 533 226 986 525 7 352 332 5 336 088 408 253 14 616 424 12 029 024 22 995 474 0 240 590 52 457 779 87 722 867 102 339 291 7 864 329	\$	\$ 492 278 952 606 7 201 387 4886 602 408 253 13 941 126 5 097 213 22 995 474 84 932 52 236 444 80 434 063 94 375 189 7 160 846	\$ 6 501 6 501 6 501 6 501 10 211 742 10 211 742 10 218 243 120 000	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts payable and other accrued expenses Accrued benefits payable Estimated amounts due to third-party payers Total current habilities Reserve for professional hability claims Pension hability Due to related parties Long-term obligations under capital leases Long-term debt Total other habilities Total habilities Total liabilities	\$ 533 226 986 525 7 352 332 5 336 088 408 253 14 616 424 12 029 024 22 995 474 0 240 590 52 457 779 87 722 867 102 339 291	\$	\$ 492 278 952 606 7 201 387 4 886 602 408 253 13 941 126 5 097 213 22 995 474 84 932 52 256 444 80 434 063 94 375 189	\$	
Current Liabilities Current portion of obligations under capital leases Current portion of long-term debt Accounts pavable and other accrued expenses Accrued benefits pavable Estimated amounts due to third-party pavers Total current habilities Reserve for professional hability claims Pension hability Due to related parties Long-term obligations under capital leases Long-term debt Total other habilities Total other habilities Total other habilities Total liabilities Net Assets Unrestricted (deficit)	\$ 533 226 986 525 7 352 332 5 336 088 408 253 14 616 424 12 029 024 22 995 474 0 240 590 52 457 779 87 722 867 102 339 291 7 864 329	\$	\$ 492 278 952 606 7 201 387 4886 602 408 253 13 941 126 5 097 213 22 995 474 84 932 52 236 444 80 434 063 94 375 189 7 160 846	\$ 6 501 6 501 6 501 10 211 742 10 211 742 10 218 243	

Amerigard Development		United Home Health Services		Garden City Hospital Foundation		Amerigard Diagnostic Centre		Advance Nursing Center	
\$ 531 1. 396 5-		479 877 405 180	\$	117 880	\$	137 205 141 255	\$	15 723	
115,6	23	<u>47,572</u>		<u></u>		5 296		<u></u>	
1.043.29	<u></u>	932,629		117,880		283,756		15,723	
	=			345,597					
<u> </u>				266,117					
1,106,19	97	44,233		1 670		21,521			
	_	_		_		_		_	
	_	_		_		_		_	
- <u>-</u>	-								
\$	<u> </u>	976,862	\$	731,264	\$	305,277	\$	15,723	
\$ 33 1. 33 9	19	7 817 —	\$	Ξ	\$		\$	_	
86 7. 249 3.		24 672 194 980		1 075		33 020 4 073		_	
<u> </u>	=			<u></u>	_	<u> </u>			
403.10	<u></u>	227,469		1,075		37,093		<u> </u>	
	_	_		_		_		_	
855 1		5 103		_		1 243 482		_	
155 6. 201.3.		<u></u>		<u></u>		<u></u>		<u></u>	
1,212,1	53	5,103				1,243,482			
1,615,3		232,572		1,075		1,280,575			
534 1	76 =	744 290 —		384 592 345 597	_	(975 298) —		15 723 —	
534,1	<u></u>	744,290		730,189		(975,298)		15,723	
\$	<u>89</u> \$	976,862	s	731,264	s	305,277	\$	15,723	

Consolidating Statement of Operations and Changes in Net Assets Year Ended September 30, 2011

	Compositedated	Consolidation	Candan Chullannial	GCH Assurance Company
	Consolidated	Adjustments	Garden City Hospital	Limited
Unrestricted Revenue and Other Support				
Net patient service revenue	\$ 150 597 821	s —	\$ 140 863 560	s —
Investment income	989 369	_	855 495	126 866
Other revenue	6,231,224	(1.942.914)	4,715,975	2,582,417
Total unrestricted revenue				
and other support	157,818,414	(1,942,914)	146,435,030	2,709,283
Expenses				
Salaries and wages	62 189 471	_	55 336 645	_
Employee benefits	17 149 490	_	15 834 971	_
Professional fees	2 583 738	_	2 409 054	_
Supplies	25 434 287	_	24 923 478	_
Utilities	2 234 233	_	2 039 437	_
Purchased services	11 353 806	_	10 542 030	_
Other	10 778 890	_	9 600 866	154 135
Insurance	3 646 854	(1 942 914)	2 751 626	2 555 148
Interest	2 823 500	_	2 822 917	_
Depreciation and amortization	5 990 827	_	5 849 132	_
Provisions for uncollectible accounts	15,595,863		15,412,518	
Total expenses	159,780,959	(1,942,914)	147,522,674	2,709,283
Excess (Deficiency) of Revenue Over				
Expenses	(1 962 545)	_	(1 087 644)	_
Change in defined benefit plan losses	(2 185 679)	_	(2 185 679)	_
Other	23 005	_	12 074	_
Transfer to from affiliate			(340,000)	
Increase (decrease) in unrestricted net				
assets	(4,125,219)		(3,601,249)	
Temporarily Restricted Net Assets				
Contributions	74 008	_	62 272	_
Net assets released from restrictions	(91,447)		(87,319)	<u> </u>
Increase (decrease) in				
temporarily restricted net				
assets	(17,439)		(25,047)	<u></u>
Increase (Decrease) in Net Assets	(4 142 658)	_	(3 626 296)	_
Net Assets Beginning of Year	12 489 332	(120,000)	10 923 890	120 000
Net Assets End of Year	\$ <u>8,346,674</u>	\$ <u>(120,000</u>)	\$ <u>7,297,594</u>	\$ <u>120,000</u>

Amerigard Development		merigard United Home Health velopment Services			Garden City Hospital Foundation		Amerigard Diagnostic Centre		Advance Nursing Center	
\$	5 148 230	\$	3 758 161	\$		\$	827 870	\$	_	
_	507,285		12,026		356,435					
	- /		2.77. 107		262.442		227.27			
_	5,655,515		3,770,187		363,443		827,870			
	4 232 590 747 446		2 412 950 528 532		30 861 2 355		176 425 36 186		_	
	23 918		10 143		1 231				_	
							139 392		_	
	400 443		76 269		3 846		30 251		_	
	112 926		64 673				17 197		_	
	245 755		183 645		57 350		325 026		_	
	546 581		332 495		51 177		93 636		_	
	217 493		62 362		_		3 139		_	
	61		522		_		_		_	
	89 309		45 120		463		6 803		_	
_	156,883		15,581				10,881			
_	6,773,405		3,732,292		147,283		838,936			
	(1 117 890)		37 895		216 160		(11 066)		_	
	_		_		_		_		_	
	_		_		_		_		10 931	
_	340,000									
_	(777.890)		37,895		216,160		(11.066)		10.931	
	_		_		11 736		_		_	
-			<u> </u>		(4,128)				<u> </u>	
					7 600					
_			<u> </u>		7,608					
	(777-890)		374 895		223 768		(11 066)		10 931	
_	1,312,066		706,395		506,421		(964,232)		4,792	
\$_	534,176	s	744,290	s	730,189	s	(975,298)	s	15,723	