CentraCare Health

Consolidated Financial Report
With Supplementary Information
With Independent Auditor's Reports Thereon
June 30, 2013 and 2012

McGladrey

Assurance ▪ Tax ▪ Consulting

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McGladrey

Independent Auditor's Report

To the Board of Directors
CentraCare Health
St. Cloud, Minnesota

Report on the Consolidated Financial Statements
We have audited the accompanying consolidated financial statements of CentraCare Health System (CentraCare), which comprise the consolidated balance sheet as of June 30, 2013, the related consolidated statements of operations and changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit 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 consolidated financial statements are free of material misstatement.

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

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

Opinion
In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of CentraCare as of June 30, 2013, and the results of its operations and changes in net assets, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

The consolidated financial statements of CentraCare as of and for the year ended June 30, 2012, were audited by other auditors, whose report, dated September 24, 2012, expressed an unmodified opinion on those consolidated financial statements.

McGladrey LLP

Minneapolis, Minnesota
October 8, 2013

CentraCare Health

Consolidated Balance Sheets
June 30, 2013 and 2012

Assets	**2013**	2012
Current Assets		
Cash and cash equivalents	**$ 89,050,874**	$ 63,881,561
Accounts receivable:		
Patients and residents, less allowance for uncollectible accounts of $15,014,000 in 2013 and $12,587,000 in 2012	**142,478,937**	102,840,080
Other receivables	**14,841,354**	9,162,290
Inventories	**13,218,656**	10,020,292
Prepaid expenses and other	**8,901,306**	6,806,547
Third-party payor settlements	**876,692**	85,000
Current portion of funds held by trustees under bond indentures	**70,884**	324,100
Total current assets	**269,438,703**	193,119,870
Assets Whose Use Is Limited		
Funds held by trustee under workers' compensation agreement	**3,200,657**	2,722,547
Funds held by trustee under bond indentures, net of current portion	**24,781,547**	33,504,247
Funds designated by Board for future property and equipment replacement and expansion	**416,197,629**	366,605,698
Total assets whose use is limited	**444,179,833**	402,832,492
Property and Equipment, net	**587,546,615**	513,619,540
Deferred Debt Acquisition Costs, net	**5,284,085**	7,100,289
Interest Rate Swap Instruments	**16,324**	1,516,157
Other Assets	**17,645,169**	18,649,287
Total assets	**$ 1,324,110,729**	$ 1,136,837,635

See Notes to Consolidated Financial Statements.

Liabilities and Net Assets	**2013**	2012
Current Liabilities		
Current maturities of long-term debt	**$ 13,231,747**	$ 10,798,073
Accounts payable	**31,208,598**	36,887,123
Third-party payor settlements	**2,990,997**	7,033,115
Accrued salaries and benefits	**89,226,258**	79,574,990
Accrued interest and other	**2,509,258**	2,244,119
Total current liabilities	**139,166,858**	136,537,420
Long-Term Liabilities		
Long-term debt	**415,964,609**	403,851,237
Interest rate and total return swap instruments	**27,736,770**	16,330,437
Accrued pension liability	**24,548,257**	34,710,151
Other liabilities	**21,688,728**	13,543,509
Total long-term liabilities	**489,938,364**	468,435,334
Total liabilities	**629,105,222**	604,972,754
Commitments and Contingencies		
Net Assets		
Unrestricted	**680,784,063**	519,579,922
Unrestricted—noncontrolling interest	**3,039,659**	-
Temporarily restricted	**10,911,675**	12,014,849
Permanently restricted	**270,110**	270,110
Total net assets	**695,005,507**	531,864,881
Total liabilities and net assets	**$ 1,324,110,729**	$ 1,136,837,635

CentraCare Health

Consolidated Statements of Operations and Changes in Net Assets
Years Ended June 30, 2013 and 2012

	2013	2012
Revenue:		
Patient and resident service revenue, net of contractual adjustments	**$ 912,958,701**	$ 842,520,105
Provision for bad debts	**(17,304,538)**	(16,747,262)
Net patient and resident service revenue	**895,654,163**	825,772,843
Other operating revenue	**42,494,271**	36,361,158
Total revenue	**938,148,434**	862,134,001
Expenses:		
Salaries and employee benefits	**560,640,146**	507,513,502
Supplies and other	**271,134,274**	256,302,236
Interest	**14,778,840**	11,982,441
Depreciation and amortization	**44,458,049**	36,292,214
Total expenses	**891,011,309**	812,090,393
Operating income	**47,137,125**	50,043,608
Nonoperating gains (losses):		
Investment income and gains, net	**39,223,342**	6,903,928
Gain (loss) on interest rate and total return swaps, net	**19,777,403**	(43,300,894)
Contributed net assets of affiliations	**44,626,143**	-
Loss on debt refinancing	**(1,866,670)**	-
Other gains (losses), net	**154,668**	(2,504,555)
Total nonoperating gains (losses), net	**101,914,886**	(38,901,521)
Revenue and gains in excess of expenses	**149,052,011**	11,142,087
Less revenues in excess of expenses attributable to noncontrolling interest	**3,039,659**	-
Revenue and gains in excess of expenses attributable to CentraCare	**146,012,352**	11,142,087
Other changes in unrestricted net assets:		
Net assets released from restrictions	**3,796,102**	3,143,132
Adjustment to the funded status of the pension plan	**11,661,154**	(35,523,835)
Other changes in unrestricted net assets, net	**(265,467)**	(11)
Increase (decrease) in unrestricted net assets	**161,204,141**	(21,238,627)
Temporarily restricted net assets:		
Contributions	**2,692,928**	2,562,402
Net assets released from restrictions	**(3,796,102)**	(3,143,132)
Decrease in temporarily restricted net assets	**(1,103,174)**	(580,730)
Increase (decrease) in net assets	**160,100,967**	(21,819,357)
Net assets at beginning of year, CentraCare	**531,864,881**	553,684,238
Net assets at end of year, CentraCare	**$ 691,965,848**	$ 531,864,881

See Notes to Consolidated Financial Statements.

CentraCare Health

Consolidated Statements of Cash Flows
Years Ended June 30, 2013 and 2012

	2013	2012
Cash Flows From Operating Activities		
Increase (decrease) in net assets	**$ 160,100,967**	$ (21,819,357)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities:		
Depreciation and amortization	**44,458,049**	36,324,975
Provision for bad debts	**17,304,538**	16,747,262
Contributed net assets of affiliations	**(41,614,261)**	-
Adjustment to the funded status of the pension plan	**(11,661,154)**	35,523,835
Loss on debt refinancing	**1,866,670**	-
Change in fair value of interest rate swaps, net	**(26,073,834)**	44,148,294
(Gain) loss from disposition of property and equipment	**(1,871,168)**	142,562
Restricted contributions	**(2,692,928)**	(2,562,402)
Changes in assets and liabilities:		
Accounts receivable from patients and residents	**(43,331,654)**	(19,945,396)
Other current assets and liabilities	**(8,560,589)**	2,089,763
Assets whose use is limited, including net realized and unrealized gains and losses	**(37,542,988)**	62,803,614
Accounts payable and other current liabilities	**(1,413,307)**	6,069,143
Other long-term assets and liabilities	**44,675,808**	(51,552,105)
Net cash provided by operating activities	**93,644,149**	107,970,188
Cash Flows From Investing Activities		
Purchases of property and equipment, net	**(73,439,577)**	(104,157,150)
Net cash from affiliations	**14,632,680**	-
Net cash used in investing activities	**(58,806,897)**	(104,157,150)
Cash Flows From Financing Activities		
Proceeds from long-term debt and lease transactions	**67,061,514**	43,223,227
Payments on defeasance of long-term debt	**(70,000,000)**	(31,445,000)
Debt issuance costs	**(134,750)**	(301,278)
Principal payments on long-term debt and capital leases	**(9,287,631)**	(8,108,063)
Restricted contributions	**2,692,928**	2,562,402
Net cash (used in) provided by financing activities	**(9,667,939)**	5,931,288
Net increase in cash and cash equivalents	**25,169,313**	9,744,326
Cash and Cash Equivalents at Beginning of Year	**63,881,561**	54,137,235
Cash and Cash Equivalents at End of Year	**$ 89,050,874**	$ 63,881,561
Supplemental Disclosures of Cash Flow Information		
Interest paid on long-term debt, leases and swap instruments	**$ 21,485,551**	$ 21,167,454
Net assets acquired:		
Fair value of assets acquired	**$ 82,032,809**	$ -
Fair value of liabilities assumed	**(37,406,666)**	-
Less: cash acquired	**(14,632,680)**	-
Net assets received through affiliations, net of cash acquired	**$ 29,993,463**	$ -

See Notes to Consolidated Financial Statements.

Note 1. Organization and Basis of Presentation

CentraCare Health System (CentraCare) was organized in 1995 for the purpose of creating an integrated, multi-organizational health care system. CentraCare strives to improve the quality and expand the clinical scope of, enhance access to, and assure affordability of health services for residents in the St. Cloud and central Minnesota area. Due to powers reserved by CentraCare relating to significant operational decisions of The Saint Cloud Hospital (the Corporation) and its right to the residual interest in the Corporation, CentraCare is considered to be the parent of the Corporation. The corporate members of the Corporation are two representatives of the Sisters of the Order of Saint Benedict, two representatives of the Diocese of St. Cloud, and four other corporate members appointed by the four representatives. The corporate members serve as representatives of the local Catholic Church of Saint Cloud.

The Corporation operates Saint Cloud Hospital, an acute care hospital (the Hospital), an extended care facility (Saint Benedict's Senior Community, Health Care & Housing for Older Adults), a retirement living facility (Benedict Village), and certain other health care operations.

CentraCare is the sole corporate member of CentraCare Health System—Melrose (CCHS—Melrose), CentraCare Health System—Long Prairie (CCHS—Long Prairie), CentraCare Health System—Sauk Centre (CCHS—Sauk Centre), CentraCare Health Foundation (the Foundation), and CentraCare Clinic (the Clinic). CentraCare also is the sole member shareholder of CentraCare Health—Monticello (CCH—Monticello), Central Minnesota Emergency Physicians (CMEP), CentraCare Pharmacy Services, Inc. (CentraCare Pharmacies), and CentraCare Surgery Center, LLC.

Effective December 1, 2012, CentraCare Health System—Sauk Centre executed a lease and affiliation agreement with the City of Sauk Centre to lease St. Michael's Hospital and its related operations in Sauk Centre, Minnesota. See Note 11, Affiliations, for further discussion.

Effective April 1, 2013, CentraCare Health—Monticello, a Minnesota Limited Liability Company, executed a lease and affiliation agreement with Monticello-Big Lake Community Hospital District to lease New River Medical Center and its related operations in Monticello, Minnesota. See Note 11, Affiliations, for further discussion.

Effective October 1, 2013, CentraCare and Paynesville Area Health Care System executed a lease and affiliation agreement and formed CentraCare Health—Paynesville, LLC, a Minnesota Limited Liability Company with CentraCare as its sole member.

CentraCare, the Corporation, the Clinic, CCHS—Melrose, CCHS—Long Prairie, CCHS—Sauk Centre, and the Foundation have been determined to qualify as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code. CCH—Monticello, as a disregarded LLC under IRS regulations, achieves tax-exempt treatment based on the exempt status of its parent, CentraCare Health System. At June 30, 2013, there were no uncertain tax positions.

Effective April 18, 2013, the CentraCare Board of Directors approved a new name for business purposes (branding and marketing), changing from CentraCare Health System to CentraCare Health. The legal names of the entities all remain the same.

Note 2. Summary of Significant Accounting Policies

Use of estimates: The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in these consolidated financial statements and accompanying notes. Although estimates are considered to be fairly stated at the time the estimates are made, actual results could differ from those estimates.

Principles of consolidation: The consolidated financial statements include the accounts of CentraCare and its wholly or majority-controlled affiliates and wholly or majority-owned subsidiaries, which include both tax-exempt and taxable entities. All significant inter-affiliate balances and transactions have been eliminated in consolidation.

Cash equivalents: Cash equivalents include highly liquid, undesignated investments with original maturities of three months or less when purchased. CentraCare has cash balances at financial institutions that may exceed federal depository insurance limits. To date, CentraCare has not experienced any losses on such accounts.

Inventories: Inventories consist of medical drugs and supplies and are recorded at the lower of cost, determined primarily on an average cost basis, or market value.

Assets whose use is limited: Assets whose use is limited include investments held by trustees under indenture agreements for construction and debt service payments, investments held by trustees in conjunction with a workers' compensation program, and investments designated by the Board of Directors (over which the Board of Directors retains control and may, at its discretion, subsequently use for other purposes) for future property and equipment replacement and expansion.

Investments in marketable equity and debt securities are carried at fair value and are classified as trading investments. Investment securities are exposed to various risks, such as interest rate, credit and overall market volatility.

CentraCare invests in alternative investment funds (the funds) that hold interests in real estate and diversified hedge funds, with CentraCare's fair market value being based on the fair value of the funds' underlying investments at year-end as reported by the investee fund or as adjusted by management, based on factors including considering contributions and withdrawals to the fund and monitoring unaudited interim reporting provided by the fund related to investment returns to calculate net asset value as of June 30. CentraCare classifies these funds as trading investments.

Certain interest earned on funds held by the bond trustee is reported as other operating revenue because the interest expense on the related bonds is reported as an operating expense. All other investment returns, including unrealized gains and losses on trading investments, are reported as nonoperating gains.

Realized gains and losses are included in nonoperating gains and are determined using the specific-identification method.

Derivative financial instruments: CentraCare uses certain derivatives to manage identified and approved risk exposures but not for speculative purposes.

Swap instruments are recognized as either assets or liabilities and are measured at fair value.

Note 2. Summary of Significant Accounting Policies (Continued)

CentraCare's derivative instruments are not designated as a hedge, as such changes in fair value of interest rate swaps, together with the related difference between interest received and interest paid, are recorded as nonoperating gains and losses.

Derivative transactions contain credit risk in the event the parties are unable to meet the terms of the contract, which is generally limited to the fair value due from counterparties on outstanding contracts. At June 30, 2013 and 2012, CentraCare's swap counterparties had a Standard & Poor's credit rating of A+ or above.

Property and equipment: Property and equipment are stated at cost, if purchased, or at fair market value on the date received, if donated or acquired through affiliation, less accumulated depreciation. Major renewals and improvements are charged to the property and equipment accounts and depreciated accordingly. Replacements, maintenance and repairs that do not improve or extend the lives of the assets are expensed currently. When items are disposed of, the cost and accumulated depreciation are eliminated from the accounts, and any gain or loss is recognized at that time. CentraCare depreciates property and equipment using the straight-line method. The estimated useful life is based on guidance provided by the American Hospital Association.

CentraCare periodically evaluates the carrying value of property, equipment and other long-lived assets. Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Capitalized interest: Interest cost incurred on borrowings designated for construction purposes, net of interest earned on such borrowed funds, is capitalized over the duration of the related construction projects. Imputed interest cost incurred on construction financed through internally generated funds or other borrowings is capitalized over the duration of the related construction projects. For the years ended June 30, 2013 and 2012, CentraCare capitalized interest totaling $495,000 and $3,830,000, respectively.

Long-term debt and deferred debt acquisition costs: Discounts and premiums on bonds, which are recorded as a reduction or addition, respectively, of long-term debt, are amortized over the life of the related indebtedness using the straight-line method. Deferred debt acquisition costs are amortized over the life of the related indebtedness using the effective-interest method.

Noncontrolling interest: CCH—Monticello has controlling interest in an operating entity. An unrelated entity owns a noncontrolling interest. A pro rata share of the income or losses and net assets applicable to these interests has been recognized in CentraCare's consolidated financial statements.

Net assets: Unrestricted net assets are used to account for all transactions related to patient care and other operating activities. Unrestricted net assets also include assets whose use is limited through designation by the Board of Directors and requirements of bond indentures. Temporarily restricted net assets are those assets whose use by CentraCare has been limited by donors or grantors to a specific purpose or time period. Permanently restricted net assets have been restricted by donors and are required to be maintained in perpetuity.

Donor-restricted gifts: Unconditional promises to give cash and other assets to CentraCare are reported at fair value at the date the promise is received. Conditional promises and indications of intentions to give are reported at fair value at the date the conditions are met.

Note 2. Summary of Significant Accounting Policies (Continued)

Receipts of unconditional promises to give with payments due in future periods are reported as temporarily restricted net assets, unless explicit donor stipulations or circumstances surrounding the receipt of a promise make clear that the donor intended it to be used to support activities of the current period. When a timing restriction expires, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations and changes in net assets as a change in unrestricted net assets. Donor-restricted contributions whose restrictions are met within the same year as received are included in nonoperating gains in the accompanying consolidated financial statements. Permanently restricted net assets are held in perpetuity.

CentraCare has received pledge contributions from various corporations, foundations and individuals. Pledge receivables, net of allowances, of $8,959,000 and $9,613,000 are included in other receivables (current portion) and other assets at June 30, 2013 and 2012, respectively. All pledges are expected to be collected within five years.

Net patient and resident service revenue: Net patient and resident service revenue consists of gross charges for patient services less deductions (contractual adjustments) on services provided to enrollees of Medicare, Medicaid, Blue Cross and other third-party payor programs. Contractual adjustments arising from various reimbursement arrangements with third-party payors are recognized on an estimated basis in the period in which the services are rendered. Certain reimbursement arrangements are subject to retroactive audit and adjustment. Differences between amounts originally recorded and finally settled are included in operations in the year in which the differences are known. Adjustments to revenue related to prior periods increased net patient and resident service revenue by approximately $1,980,000 and $7,500,000 for the years ended June 30, 2013 and 2012, respectively, which represented 0.2 percent and 0.8 percent, respectively, of annual net patient and resident service revenue. Included in the 2012 adjustments is approximately $4,800,000 related to a Medicare settlement for past underpayments in “rural floor” budget neutrality provisions.

Accounts receivable: Patient and resident accounts receivable are reduced by an allowance for uncollectible accounts. The provision for uncollectible accounts is based upon management’s assessment of expected net collections, considering historical net collection, 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 payor category. The results of this review are then used to make any modifications to the provision for uncollectible accounts to establish an appropriate allowance for uncollectible accounts. After satisfaction of amounts due from insurance, CentraCare follows established guidelines for placing certain past-due patient balances with collection agencies, subject to the terms of certain restrictions on collection efforts as determined by CentraCare.

Charity care: CentraCare provides care without charge or at amounts less than its established rates to patients who meet certain criteria under its charity care policy. Since CentraCare does not pursue collection of amounts due from patients who have been determined to qualify for its charity care program, these amounts are excluded from net patient and resident service revenue.

The cost of charity care provided was approximately $7,043,000 and $5,415,000 for the years ended June 30, 2013 and 2012, respectively. The cost of providing charity care is estimated by applying an overall cost-to-charge ratio to the charity charges incurred. The cost-to-charge ratio is calculated based on total operating expenses less adjustments, as defined by the Internal Revenue Service in the instructions for Form 990—Schedule H.

Note 2. Summary of Significant Accounting Policies (Continued)

Other revenue: Other revenue includes reimbursement of license fees and other expenses related to other organizations' use of CentraCare's electronic medical records system, food sales to employees and visitors, pharmacy and ancillary sales, and grant revenue. Other revenue includes $7,673,000 and $5,476,000 earned from the federally funded electronic health record incentive program (Medicare and Medicaid) for the years ended June 30, 2013 and 2012, respectively. Income from incentive payments are subject to retrospective adjustments, as the incentive payments are calculated using Medicare cost report data that is subject to audit. Additionally, CentraCare's compliance with the meaningful use criteria is subject to audit by the federal government.

Statements of operations and changes in net assets: The consolidated statements of operations and changes in net assets have been segregated into operating and nonoperating activities. Operating activities include all health care–related services. Nonoperating activities include primarily investment income, realized and unrealized investment gains and losses, gains and losses on interest rate and total return swaps, loss on debt refinancing, contributed net assets of affiliations, and unrestricted contributions net of related expenses of the Foundation. The results of operating and nonoperating activities are included in revenue and gains in excess of expenses.

Contributions of property and equipment, changes and adjustments in CentraCare's defined benefit plans, and net assets released from restrictions are presented as other changes in unrestricted net assets and excluded from revenue and gains in excess of expenses.

Business combinations: The fair values of the assets acquired and the liabilities assumed represent CentraCare's estimate of fair values at the acquisition date. CentraCare determines fair value through a combination of methods, which include outside valuations and appraisals, internal rate of return calculations, discounted cash flow models, and consideration of market conditions. Transaction and integration costs associated with business combinations are expensed as incurred. The results of the acquisitions are included in the accompanying consolidated statement of operations and changes in net assets from the respective acquisition dates forward.

Reclassifications: Certain reclassifications have been made to the 2012 consolidated financial statements to conform to the 2013 presentation. The reclassifications had no effect on the change in net assets or on total net assets as previously reported.

New accounting standards: During the year ended June 30, 2013, CentraCare adopted Accounting Standards Update (ASU) 2011-07, Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Care Entities. ASU 2011-07 requires health care entities to change the presentation of their statements of operations by reclassifying the provision for bad debts associated with patient service revenue from an operating expense to a deduction from patient service revenue (net of contractual allowances and discounts). In addition, enhanced disclosures are required related to the entity's policies for recognizing revenue and assessing bad debts. ASU 2011-07 did not have an impact on CentraCare's consolidated financial condition or results of operations.

Note 3. Net Patient and Resident Service Revenue and Contractual Agreements With Third-Party Payors

CentraCare has agreements with third-party payors that provide for payments to CentraCare at amounts different from its established rates. A summary of the payment arrangements with major third-party payors is as follows:

Medicare: Inpatient acute care services rendered at the Corporation to Medicare program beneficiaries and defined capital costs related to Medicare beneficiaries are paid at prospectively determined rates per discharge, which vary according to a patient classification system that is based on clinical, diagnostic and other factors. Certain outpatient services and defined capital costs related to Medicare beneficiaries are paid prospectively, while other outpatient services payments are based on fee schedules.

Certain hospital, clinic, and nursing home operations are reimbursed for cost-reimbursable items at a tentative rate, with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary. Medicare services rendered to clinic patients are paid at the Medicare Part B physician fee schedule rate.

Medicaid: Inpatient services rendered to Medicaid program beneficiaries who are not covered by Medicaid managed care are reimbursed at a prospectively determined per case or per diem rate. Outpatient services are reimbursed based on a state fee schedule.

Managed care payors: Payment arrangements are established under negotiated contracts and include reimbursement based on prospectively determined rates per discharge and daily rates, discounted charges, or per diem payments.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation. Compliance with such laws and regulations can be subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and exclusion from the Medicare and Medicaid programs. As a result, there is at least a reasonable possibility that recorded estimates could change by a material amount in the near term. CentraCare believes that it is in compliance with all applicable laws and regulations and is not aware of any pending or threatened investigations involving allegations of potential wrongdoing that would have a material effect on its consolidated financial statements.

As a service to the patient, CentraCare bills third-party payors directly and bills the patient when the patient’s liability is determined. Accounts receivable are reduced by an allowance for uncollectible accounts. CentraCare’s allowance for uncollectible accounts was 10.5% and 12.2% of accounts receivable at June 30, 2013 and 2012, respectively. The decrease in the allowance for uncollectible accounts as a percentage of accounts receivable was the result of positive trends experienced in the collection of patient accounts and the composition of accounts receivable at year-end. In addition, CentraCare’s write-offs were $14,229,000 and $13,093,000 for the years ended June 30, 2013 and 2012, respectively.

Note 3. Net Patient and Resident Service Revenue and Contractual Agreements With Third-Party Payors (Continued)

Gross patient and resident service charges at established rates less third-party payor contractual adjustments consisted of the following for the years ended June 30:

	2013	2012
Gross patient and resident service charges	$ 1,977,504,366	$ 1,799,908,835
Allowances for contractual adjustments	(1,064,545,665)	(957,388,730)
Patient and resident service revenue, net of contractual adjustments	912,958,701	842,520,105
Provision for bad debts	(17,304,538)	(16,747,262)
Net patient and resident service revenue	$ 895,654,163	$ 825,772,843

Patient and resident service revenue (before provision for bad debts) by payor for the years ended June 30 was as follows:

	2013	2012
Medicare	36%	36%
Medicaid	11%	11%
Blue Cross	21%	20%
Commercial insurance	23%	23%
Self-pay and other	9%	10%
	100%	100%

CentraCare grants credit without collateral to its patients, most of whom are insured under third-party payor agreements. The mix of receivables (before allowance for uncollectible accounts) from patients and other third-party payors was as follows at June 30:

	2013	2012
Medicare	33%	30%
Medicaid	11%	10%
Blue Cross	16%	15%
Commercial insurance	19%	23%
Self-pay and other	21%	22%
	100%	100%

Note 4. Assets Whose Use Is Limited

The carrying value of CentraCare's investment portfolio at June 30 is summarized as follows:

	2013	2012
Cash and cash equivalents	$ 4,267,562	$ 10,388,924
Commercial paper	3,580,726	1,384,713
Certificates of deposit	1,534,000	-
U.S. Treasury debt securities	1,424,473	1,024,275
U.S. government agency debt securities	11,434,065	18,914,150
Corporate debt securities	4,433,080	3,960,672
Fixed-income mutual funds	75,188,695	142,197,929
Asset-backed securities	2,649	2,463
Equity mutual funds	290,228,252	177,099,443
Marketable equity securities	16,500	16,500
Hedge funds of funds	37,897,634	35,198,404
Real estate partnership	14,243,081	12,969,119
	$ 444,250,717	$ 403,156,592

Investment gain (loss) and its classification in the consolidated statements of operations and changes in net assets for the years ended June 30 are summarized as follows:

	2013	2012
Interest and dividend income	$ 8,260,546	$ 8,640,199
Net realized gains	15,584,947	14,307,040
Net change in unrealized gains and losses	15,380,916	(16,043,139)
Investment gains, net	$ 39,226,409	$ 6,904,100
Other operating revenue	$ 3,067	$ 172
Nonoperating income and gains, net	39,223,342	6,903,928
Investment income and gains, net	$ 39,226,409	$ 6,904,100

Note 4. Assets Whose Use Is Limited (Continued)

The following tables disclose the fair value and redemption frequency for those assets whose fair value is estimated using the net asset value per share as of June 30, 2013 and 2012:

	2013—Fair Value Estimated Using Net Asset Value Per Share			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Hedge funds of funds (A)	$ 37,897,634	$ -	Quarterly	65 days
Real estate partnership (B)	14,243,081	-	Quarterly	60 days
	$ 52,140,715	$ -		

	2012—Fair Value Estimated Using Net Asset Value Per Share			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Hedge funds of funds (A)	$ 35,198,404	$ -	Annually	65 days
Real estate partnership (B)	12,969,119	-	Quarterly	60 days
	$ 48,167,523	$ -		

(A) The objective of the funds is to seek to achieve an attractive risk-adjusted return with moderate directional market exposure over a full market cycle. The funds utilize an absolute return strategy including equity hedge, relative value, event-driven and tactical strategies.

(B) The purpose of the fund is to actively manage a core portfolio of primarily equity real estate investments in the United States. The fund's real return performance objective is to achieve at least a 5% real rate of return (inflation-adjusted return), before advisory fees, over any given three- to five-year period.

Note 5. Fair Value Measurements

Fair value is 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. The Fair Value Measurements and Disclosures section of the FASB's Accounting Standards Codification establishes a framework for measuring fair value. The framework consists of a three-level valuation hierarchy for fair value measurements based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1: Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2: Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Note 5. Fair Value Measurements (Continued)

A financial instrument's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following table presents the financial instruments carried at fair value as of June 30, 2013, by investment classification, analyzed by the fair value hierarchy:

	2013			
	Level 1	Level 2	Level 3	Total
Assets:				
Assets whose use is limited:				
Cash and cash equivalents	$ 3,474,475	$ 793,087	$ -	$ 4,267,562
Commercial paper	-	3,580,726	-	3,580,726
Certificates of deposit	-	1,534,000	-	1,534,000
U.S. Treasury debt securities	1,424,473	-	-	1,424,473
U.S. government agency debt securities	-	11,434,065	-	11,434,065
Corporate debt securities	-	4,064,395	368,685	4,433,080
Fixed-income mutual funds	75,188,695	-	-	75,188,695
Asset-backed securities	-	-	2,649	2,649
Equity mutual funds	290,228,252	-	-	290,228,252
Equity securities	-	-	16,500	16,500
Hedge funds of funds	-	-	37,897,634	37,897,634
Real estate partnership	-	-	14,243,081	14,243,081
	370,315,895	21,406,273	52,528,549	444,250,717
Interest rate swap instruments	-	16,324	-	16,324
Total assets	$ 370,315,895	$ 21,422,597	$ 52,528,549	$ 444,267,041
Liabilities:				
Interest rate swap instruments	$ -	$ 27,736,770	$ -	$ 27,736,770

Note 5. Fair Value Measurements (Continued)

The following table presents the financial instruments carried at fair value as of June 30, 2012, by investment classification, analyzed by the fair value hierarchy:

	2012			
	Level 1	Level 2	Level 3	Total
Assets:				
Assets whose use is limited:				
Cash and cash equivalents	$ 9,794,810	$ 594,114	$ -	$ 10,388,924
Commercial paper	-	1,384,713	-	1,384,713
U.S. Treasury debt securities	1,024,275	-	-	1,024,275
U.S. government agency debt securities	-	18,914,150	-	18,914,150
Corporate debt securities	-	3,650,053	310,619	3,960,672
Fixed-income mutual funds	142,197,929	-	-	142,197,929
Asset-backed securities	-	-	2,463	2,463
Equity mutual funds	177,099,443	-	-	177,099,443
Equity securities	-	-	16,500	16,500
Hedge funds of funds	-	-	35,198,404	35,198,404
Real estate partnership	-	-	12,969,119	12,969,119
	330,116,457	24,543,030	48,497,105	403,156,592
Interest rate swap instruments	-	1,516,157	-	1,516,157
Total assets	$ 330,116,457	$ 26,059,187	$ 48,497,105	$ 404,672,749
Liabilities:				
Interest rate and total return swap instruments	$ -	$ 16,330,437	$ -	$ 16,330,437

Following is a description of CentraCare's valuation methodologies for assets and liabilities measured at fair value.

Fair values for Level 1 securities are based upon quoted market prices.

Fair values for Level 2 assets are based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources, including market participants, dealers and brokers.

Fair values for Level 2 liabilities are based primarily on a discounted cash flow method. The valuations also reflect a credit spread adjustment to the London Interbank Offer Rate (LIBOR) discount curve in order to reflect the credit value adjustment for "nonperformance" risk. The credit spread adjustment is derived from other comparably rated entities' bonds priced in the market.

Fair values for Level 3 securities are based on net asset value, based on the fair value of the fund/partnership's underlying investments or nonbinding broker estimates of midmarket pricing information, as applicable.

Note 5. Fair Value Measurements (Continued)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. While CentraCare believes its valuation methods are appropriate and consistent with other market participants, the use of different methods or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The following table is a rollforward of the balance sheet amounts for financial instruments classified by CentraCare within Level 3 of the valuation hierarchy defined above:

	Corporate Debt Securities	Asset-Backed Securities	Equity Securities	Hedge Funds of Funds	Real Estate Partnership
Fair value at June 30, 2011	$ 526,861	$ 3,041	$ 16,500	$ 157,795	$ 11,666,091
Purchases, sales and maturities, net	(144,080)	(173)	-	35,000,000	-
Realized gains included in revenues and gains in excess of expenses and losses	82,986	-	-	-	-
Unrealized losses included in revenues and gains in excess of expenses and losses	(155,148)	(405)	-	40,609	1,303,028
Fair value at June 30, 2012	310,619	2,463	16,500	35,198,404	12,969,119
Purchases, sales and maturities, net	(97,166)	-	-	-	-
Realized gains included in revenues and gains in excess of expenses and losses	57,461	-	-	-	-
Unrealized gains included in revenues and gains in excess of expenses and losses	97,771	186	-	2,699,230	1,273,962
Fair value at June 30, 2013	$ 368,685	$ 2,649	$ 16,500	$ 37,897,634	$ 14,243,081
Change in unrealized gains (losses) related to financial instruments held at June 30, 2013	$ 33,019	$ (500)	$ -	$ 2,699,230	$ 1,273,962

At June 30, 2013 and 2012, the fair value of all financial instruments approximates carrying value, except for fixed-rate long-term debt, which had a fair value in excess of carrying value of approximately $14,766,000 and $14,109,000, respectively. The fair value of fixed-rate debt is estimated based on quoted market prices for similar issues (excluding the impact of third-party credit enhancements on Series 2008D bonds) or by discounting expected cash flows at the rates currently offered to CentraCare for debt of similar remaining maturities, as advised by investment bankers.

The carrying values of cash and cash equivalents, accounts receivable, other receivables, accounts payable and accrued expenses are reasonable estimates of their fair value due to the short-term nature of these financial instruments.

Note 6. Property and Equipment

Property and equipment at June 30 consisted of the following:

	2013	2012
Land	$ 24,281,064	$ 20,424,693
Buildings	622,426,745	555,834,887
Equipment	348,680,664	300,239,451
Construction in progress	5,666,806	13,531,735
	1,001,055,279	890,030,766
Accumulated depreciation and amortization	(413,508,664)	(376,411,226)
	$ 587,546,615	$ 513,619,540

Depreciation expense was $44,596,484 and $36,109,315 for the years ended June 30, 2013 and 2012, respectively, which includes amortization expense of assets under capital leases.

Assets recorded under capital leases at June 30, 2013 and 2012, totaled $4,159,203 and $3,056,519, respectively, net of accumulated amortization of $1,701,115 and $688,124 at June 30, 2013 and 2012, respectively.

Note 7. Long-Term Debt

Long-term debt at June 30, 2013 and 2012, consisted of the following:

	2013	2012
Obligated Group Debt		
Health Care Refunding Revenue Bonds, Series 2012, maturing through 2042, variable-rate interest at an average annual interest rate of 1.0% in 2013	$ 64,885,000	$ -
Health Care Revenue Bonds, Series 2011A, maturing through 2019, at an annual fixed interest rate of 2.1%	9,700,000	10,000,000
Health Care Refunding Revenue Bonds, Series 2011B, maturing through 2021, variable-rate interest at an average annual interest rate of 1.0% in 2013 and 2012	28,455,000	31,445,000
Health Care Revenue Bonds, Series 2010A, maturing through 2030, at annual fixed interest rates from 4.0% to 5.1% (net of unaccreted discount of $540,412 in 2013 and $573,000 in 2012)	147,874,588	149,147,000
Health Care Revenue Bonds, Series 2010B, maturing through 2020, at annual fixed interest rates from 3.0% to 5.0% (net of unamortized premium of $813,329 in 2013 and $936,871 in 2012)	19,503,329	22,721,871

Note 7. Long-Term Debt (Continued)

	2013	2012
Obligated Group Debt (Continued)		
Health Care Variable Rate Demand Revenue Bonds, Series 2009A, maturing through 2042, at an average annual interest rate of 0.14% in 2013 and 0.18% in 2012, and Health Care Revenue Bonds, Series 2008D, maturing through 2039, at annual fixed interest rates from 5.4% to 5.5% (net of unaccreted discount of $305,177 in 2013 and $315,761 in 2012)	128,119,499	128,108,915
Health Care Variable Rate Demand Revenue Bonds, Series 2008A and Series 2008C, maturing through 2042, at an average annual interest rate of 0.34% in 2013 and 0.18% in 2012	-	70,000,000
Non-Obligated Group Debt		
Gross Revenue Health Care Facilities Bonds, Series 2003C and Series 2009A (CCH—Monticello), maturing through 2023, at annual interest rates from 2.75% to 6.2%	16,085,633	-
General Obligation Crossover Refunding Bonds, Series 2005C (CCHS—Sauk Centre), maturing through 2034, at annual interest rates from 4.6% to 5.0%	10,239,352	-
Capital leases, due through fiscal year 2018	4,333,955	3,226,524
	429,196,356	414,649,310
Current portion of long-term debt included in current liabilities (net of unamortized premium of $80,372 in 2013 and 2012)	(10,810,497)	(8,376,823)
Portion of debt subject to short-term remarketing arrangements included in current liabilities	(2,421,250)	(2,421,250)
	$ 415,964,609	$ 403,851,237

The City of Saint Cloud, Minnesota, has issued the Obligated Group Revenue Bonds on behalf of the CentraCare Obligated Group (Obligated Group), which consists of the Corporation, CentraCare, CCHS—Melrose and CCHS—Long Prairie. The bonds are the sole obligation of the Obligated Group and are secured by unrestricted receivables and certain pass-through obligations.

The non-obligated group debt is that related to non-obligated group members of which interest and principal payments are assumed through lease and affiliation agreements with those entities. CentraCare has entered into a guarantee agreement on the existing lease agreement for CCHS—Sauk Centre. This guarantee and its respective value are limited to the payment of all rent and other sums payable under the terms of the lease. CentraCare has made no payments under this guarantee, and expectation of future payment is deemed remote.

Note 7. Long-Term Debt (Continued)

In September 2012, with the issuance of Series 2012 bonds, CentraCare refunded the Series 2008A and Series 2008C bonds and terminated the related standby bond purchase agreements. In conjunction with the issuance of Series 2012 bonds, CentraCare entered into a variable-rate direct purchase agreement with a financial institution for $64,885,000 that will expire in September 2019. Principal payments on the Series 2012 bonds would be due in their entirety at expiration unless CentraCare renews the direct purchase agreement or enters into a direct purchase agreement with another financial institution. CentraCare has continued to disclose the aggregate maturities in accordance with their original loan agreement and respective principal payment schedule.

In December 2011, CentraCare issued $10,000,000 of Health Care Revenue Bonds, Series 2011A, to finance a portion of the costs of construction of an administrative services building to be located at the Plaza campus. CentraCare also issued $31,445,000 of Health Care Revenue Refunding Bonds, Series 2011B, to current refund the outstanding Series 1993 bonds. In January 2012, CentraCare redeemed the Series 1993 bonds with an outstanding par amount totaling $31,445,000. The Series 2011A and 2011B bond agreements are direct purchase agreements with a financial institution.

In connection with the Series 2009A Variable Rate Demand Revenue Bonds, CentraCare is supported by a letter of credit with an expiration date of August 2014. Under the terms of the agreement, the bank would acquire the outstanding amount of the 2009A Variable Rate Revenue Bonds ($48,425,000 at June 30, 2013) if tendered by the investors and not remarketed by the remarketing agent. In the event that the bank purchased bonds under the letter of credit, the bonds will become bank bonds payable in equal quarterly installments over a five-year amortization period. Bank bonds can be retired at par at any time during the amortization period. The letter of credit had an annual commitment fee rate of 0.85 percent and an annual remarketing agent fee of 0.08 percent for the year ended June 30, 2013, and annual commitment fee rates ranging from 0.775 percent to 1.20 percent and an annual remarketing agent fee ranging from 0.08 percent to 0.10 percent for the year ended June 30, 2012.

Aggregate maturities and sinking fund requirements of long-term debt, excluding maturities of the standby bond purchase agreements and letters of credit if the Series 2009A bonds are not remarketed, for each of the next five years are as follows:

Years Ending June 30,	
2014	$ 10,939,555
2015	11,350,666
2016	11,595,413
2017	11,722,061
2018	11,718,007

Note 7. Long-Term Debt (Continued)

CentraCare employs interest rate–related derivative instruments to manage its exposure to interest cost on its variable-rate debt instruments and its exposure to changes in the fair value changes on its fixed-rate debt due to changes in interest rates. CentraCare does not enter into derivative instruments for any purpose other than risk management purposes. The derivative financial instruments expose CentraCare to counterparty credit risk and market risk. Counterparty credit risk is the failure of the counterparty to perform under the terms of the derivative contracts. When the fair value of the derivative contract is posititive, the counterparty owes CentraCare, which creates counterparty credit risk for CentraCare. When the fair value of a derivative contract is negative, CentraCare owes the counterparty and therefore does not possess counterparty credit risk. The market risk associated with interest rate changes is managed by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken. Management also mitigates risk through periodic reviews of CentraCare's derivative positions in the context of its total blended cost of capital.

Note 8. Interest Rate and Total Return Swap Instruments

The following is a summary of the outstanding positions under these interest rate swap agreements at June 30, 2013.

Instrument Type	Bond Series	Notional Amount	Maturity Date	Interest Rate Paid	Interest Rate Received
Interest rate swap	2008	$ 120,000,000	May 1, 2042	3.184%	68% of 1-month LIBOR
Interest rate swap	2008	80,000,000	May 3, 2039	3.710%	68% of 1-month LIBOR
Interest rate swap	2011B	28,445,000	October 1, 2023	3.659%	70% of 1-month LIBOR
Interest rate swap (Basis rate)	2010	75,000,000	May 1, 2030	SIFMA (Securities Industry and Financial Markets Association)	67% of 3-month LIBOR + 0.5461%
Interest rate swap (Basis rate)	2010	75,000,000	May 1, 2030	SIFMA	67% of 3-month LIBOR + 0.54%

The derivative instruments identified in the table above are not integrated with the underlying debt and, as such, are not hedge transactions as defined by accounting standards.

Note 8. Interest Rate and Total Return Swap Instruments (Continued)

The fair value of derivative instruments on a gross basis is as follows at June 30:

	Consolidated Balance Sheet Location	2013	2012
Derivatives	Interest rate swaps—asset	$ 16,324	$ 1,516,157
Derivatives	Interest rate and total return swaps—liability	-	267,378
Derivatives	Interest rate and total return swaps—liability	(48,181,440)	(76,022,484)
Collateral posted for derivatives	Interest rate and total return swaps—liability	20,444,670	59,424,669
		$ (27,720,446)	$ (14,814,280)

The effect of derivative instruments on the consolidated statements of operations and changes in net assets is as follows:

Derivatives Not Designated as Hedging Instruments	Consolidated Statement of Operations and Changes in Net Assets Location	Amount of (Loss) Gain on Derivatives Recognized in Revenue and Gains in Excess of Expenses and Losses, Years Ended June 30 2013	2012
Realized losses on derivatives	Gain (loss) on interest rate swaps, net	$ (6,296,431)	$ (4,801,879)
Unrealized gains (losses) on derivatives	Gain (loss) on interest rate swaps, net	26,073,834	(38,499,015)
		$ 19,777,403	$ (43,300,894)

CentraCare's derivative instruments include certain collateralization requirements based on the market value of these transactions. The amount required for collateral is determined daily based on the current market value of the derivative instruments and compared to the predetermined collateral threshold. The aggregate fair value of all derivative instruments at June 30, 2013 and 2012, is a liability position of $48,165,116 and $74,238,949, respectively. CentraCare posted collateral of $20,444,670 and $59,424,669 at June 30, 2013 and 2012, respectively, which collateralizes CentraCare's liability positions on certain derivative instruments. CentraCare offsets fair value amounts recognized for the derivative instruments and fair value amounts recognized for the right to reclaim cash collateral (a receivable) based on the terms of the master netting agreement with the counterparties.

Note 9. Pension Plans

The Corporation participates in a noncontributory defined benefit plan sponsored by the Sisters of the Order of Saint Benedict; the Hospital; and Saint Benedict's Senior Community, Health Care & Housing for Older Adults. In addition, CentraCare sponsors two smaller defined benefit plans. Effective June 30, 2003, the defined benefit plans were frozen.

The Corporation's plans cover substantially all employees who attained age 21 and worked for at least one year with 1,000 hours or more of annual service prior to curtailment of the plans. Benefits are based on each employee's years of service and compensation.

Note 9. Pension Plans (Continued)

CentraCare's funding policy is to contribute annually at least the amount necessary to prevent a deficiency in the accounts using a calculation of the normal cost plus a 10-year amortization of the unfunded actuarial accrued liability, with interest, to the end of the plan. The normal cost is the portion of the present value of benefits that is allocated to the current year.

CentraCare's Investment Committee approves the investment policy and asset allocation of the pension plan. The Investment Committee's activities are supported by an independent investment manager. The investment policy covers responsibilities of the investment manager, investment objectives, asset allocation targets, and asset guidelines (including permissible and nonpermissible holdings). The Investment Committee reviews asset allocations quarterly to determine if the current structure is appropriate and whether any changes are necessary.

The current target allocation and the actual asset allocation as of June 30 are as follows:

	Asset Allocation Target	2013	2012
Equity securities	43%	44%	43%
Fixed-income securities	51%	49%	50%
Real estate partnerships	6%	7%	6%
Cash	0%	0%	1%
	100%	100%	100%

The plan's investments in alternative investments are similar to those described in Note 5.

The following is a summary of the change in projected benefit obligation and change in plan assets for the years ended June 30:

	2013	2012
Change in projected benefit obligation:		
Projected benefit obligation at beginning of year	$ 158,141,191	$ 125,910,024
Interest cost	6,036,593	6,806,085
Actuarial (gain) loss	(4,697,327)	32,447,083
Benefits paid	(6,441,320)	(7,022,001)
Projected benefit obligation at end of year	153,039,137	158,141,191
Change in plan assets:		
Fair value of plan assets at beginning of year	122,942,742	123,691,752
Employer contributions	24,393	208,672
Actual gain on plan assets	11,485,534	6,064,319
Benefits paid	(6,441,320)	(7,022,001)
Fair value of plan assets at end of year	128,011,349	122,942,742
Funded status of the plan (underfunded)	$ (25,027,788)	$ (35,198,449)

Accumulated benefit obligation at June 30, 2013 and 2012, was $153,039,137 and $158,141,191, respectively.

Note 9. Pension Plans (Continued)

Changes in plan assets and benefit obligations recognized in unrestricted net assets during the years ended June 30 consist of the following:

	2013	2012
Actuarial (gain) loss	$ (6,907,419)	$ 36,274,100
Amortization of actuarial loss, net	(4,753,735)	(750,265)
Total	$ (11,661,154)	$ 35,523,835

At June 30, 2013 and 2012, actuarial losses of $50,981,664 and $62,642,819, respectively, which have not been recognized in the net periodic pension (benefit) cost, are included in unrestricted net assets.

Actuarial losses (gains) included in unrestricted net assets and expected to be recognized in net periodic pension (benefit) cost during the year ending June 30, 2014, are $4,542,000. Unrecognized actuarial gains (losses) are amortized as a component of net periodic pension (benefit) cost, only if the gains (losses) exceed 10 percent of the greater of the projected benefit obligation or the market-related value of plan assets.

Net periodic pension benefit consisted of the following for the years ended June 30:

	2013	2012
Interest cost	$ 6,036,593	$ 6,806,085
Expected return on plan assets	(9,275,443)	(9,891,336)
Amortization of unrecognized net actuarial loss	4,753,735	750,265
Net periodic pension cost (benefit)	$ 1,514,885	$ (2,334,986)

Weighted-average assumptions for the years ended June 30 were as follows:

	2013	2012
Discount rate at beginning of year (used to determine net periodic benefit cost)	3.91%	5.47%
Discount rate at end of year (used to determine benefit plan obligation)	4.51%	3.91%
Expected long-term return on plan assets	7.80%	7.80%

The overall weighted-average return on plan assets is determined by applying management's judgment to the results of computer modeling, historical trends, and benchmarking data. During the year ending June 30, 2014, CentraCare expects to make contributions to the plan of $452,000.

Note 9. Pension Plans (Continued)

The following benefits, which reflect expected future service, are expected to be paid:

Years Ending June 30,	
2014	$ 6,873,000
2015	6,923,000
2016	7,162,000
2017	7,863,000
2018	8,084,000
2019–2023	44,192,000

The plan assets measured at fair value on a recurring basis were recorded using the fair value hierarchy at June 30, 2013, as follows:

	2013			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 557,731	$ -	$ -	$ 557,731
Corporate debt securities	-	-	200,325	200,325
Fixed-income mutual funds	62,555,633	-	-	62,555,633
Asset-backed securities	-	-	1,426	1,426
Equity mutual funds	56,094,338	-	-	56,094,338
Real estate partnership	-	-	8,601,896	8,601,896
Total plan assets	$ 119,207,702	$ -	$ 8,803,647	$ 128,011,349

The plan assets measured at fair value on a recurring basis were recorded using the fair value hierarchy at June 30, 2012, as follows:

	2012			
	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 752,861	$ -	$ -	$ 752,861
Corporate debt securities	-	-	168,941	168,941
Fixed-income mutual funds	61,644,661	-	-	61,644,661
Asset-backed securities	-	-	1,326	1,326
Equity mutual funds	52,537,315	-	-	52,537,315
Real estate partnership	-	-	7,837,638	7,837,638
Total plan assets	$ 114,934,837	$ -	$ 8,007,905	$ 122,942,742

Fair value methodologies for Level 1 and Level 2 investments are consistent with the inputs described in Note 5. Fair values for Level 3 corporate debt securities and asset-backed securities are based on nonbinding broker estimates of midmarket pricing information. The remaining Level 3 investments, real estate partnerships, represent the plan's ownership interest in the net asset value (NAV) of the respective partnerships and are classified as such based on redemption frequency and notice period characteristics as detailed in Note 5. Valuations provided by the respective investments' management consider variables such as the financial performance of underlying investments, recent sales prices of underlying investments, real estate appraisals, and other pertinent information. In addition, actual market exchanges at period-end provide additional observable market inputs of the exit price.

Note 9. Pension Plans (Continued)

The following table is a rollforward of the real estate partnership assets classified within Level 3 of the pension plan asset valuation hierarchy:

Fair value at June 30, 2011	$ 7,057,739
Actual gain on plan assets	779,899
Fair value at June 30, 2012	7,837,638
Actual gain on plan assets	764,258
Fair value at June 30, 2013	$ 8,601,896

Other assets classified within Level 3 of the pension plan valuation hierarchy had limited activity.

CentraCare sponsors a defined contribution retirement plan that covers substantially all employees. Contributions are based on a percentage of eligible employees' salaries. In addition, CentraCare sponsors a defined contribution savings plan, whereby employees can contribute a portion of their salaries as savings. Under this plan, CentraCare will match 50 percent of the initial 3 percent of contributions made by employees. Total amounts expensed for all defined contribution plans were $23,135,834 and $21,039,698 for the years ended June 30, 2013 and 2012, respectively.

Note 10. Commitments and Contingencies

At June 30, 2013, CentraCare had commitments of approximately $21,500,000 to complete projects relating to capital construction.

CentraCare has operating leases for occupancy space and computer, medical, communications and other equipment. Rental expense associated with the operating leases was $8,494,082 and $7,959,818 for the years ended June 30, 2013 and 2012, respectively.

Future minimum lease payments on operating leases in effect on June 30, 2013, for each of the next five years are as follows:

Years Ending June 30,	
2014	$ 7,163,763
2015	4,054,533
2016	2,342,896
2017	1,684,449
2018	1,252,438
	$ 16,498,079

CentraCare is insured with external carriers for professional liability claims on a claims-made basis and for general liability and workers' compensation on an occurrence basis. Under the professional liability and workers' compensation policies, CentraCare has self-insured deductible amounts. If claims-made policies presently in force are not renewed or replaced with equivalent insurance, claims asserted after the end of the policy term will be uninsured.

Note 10. Commitments and Contingencies (Continued)

CentraCare is self-insured for employee health claims with stop-loss coverage above certain limits. At June 30, 2013 and 2012, CentraCare had estimated a liability for claims incurred that have not yet been reported based on historical claims experience, which were $5,255,966 and $4,166,636, respectively. These benefits are reported as salaries and employee benefits on the consolidated statements of operations and changes in net assets.

CentraCare is a party in various legal proceedings and potential claims arising in the ordinary course of business. Although the outcome of these lawsuits cannot be predicted with certainty, management believes the ultimate disposition of such matters will not have a material adverse effect on CentraCare's consolidated financial condition or operations.

Note 11. Affiliations

Effective December 1, 2012, CCHS—Sauk Centre executed a lease and affiliation agreement with the City of Sauk Centre to lease St. Michael's Hospital and its related operations. Effective April 1, 2013, CCH—Monticello, a Minnesota Limited Liability Company, executed a lease and affiliation agreement with Monticello-Big Lake Community Hospital District to lease New River Medical Center and its related operations in Monticello, Minnesota. The affiliations further CentraCare's strategy to grow health care services and expand its regional network within these areas. Under the terms of the affiliations, CentraCare now controls substantially all the assets, liabilities and operations of these facilities, and the employees (including employed physicians) became those of the respective subsidiaries. In accordance with accounting standards, these transactions are accounted for as business acquisitions. The operating results of CCHS—Sauk Centre and CCH—Monticello have been included in the consolidated financial statements since the respective dates of affiliation.

Following is a summary of the fair values of assets and liabilities reported in the consolidated balance sheet at the time of affiliations:

Cash	$ 14,632,680
Patient accounts receivable	13,611,741
Investments	3,297,921
Other assets, net	7,290,467
Land, buildings and equipment	43,200,000
Current liabilities	(3,234,319)
Working capital loan	(6,732,992)
Long-term liabilities	(27,439,355)
	44,626,143
Less noncontrolling interest	3,011,882
Total contributed net assets of affiliations	$ 41,614,261

Note 11. Affiliations (Continued)

The following table presents financial information attributable to CCHS—Sauk Centre and CCH—Monticello since the affiliation dates that is included in the consolidated financial statements for the period ended June 30, 2013:

Total revenue	$ 29,195,264
Excess of revenue over expenses	766,247
Changes in unrestricted net assets	620,739
Changes in temporarily restricted net assets	-
Changes in permanently restricted net assets	-

The following table presents unaudited consolidated pro forma financial information for the years ended June 30, 2013 and 2012, as if the closing of the affiliations had occurred on July 1, 2011:

	2013	2012
Total revenue	$ 994,373,861	$ 943,687,732
Revenues and gains in excess of expenses	107,527,907	6,859,416
Changes in unrestricted net assets	122,966,179	(25,423,862)
Changes in temporarily restricted net assets	(951,649)	(580,730)
Changes in permanently restricted net assets	-	-

The unaudited consolidated pro forma financial information is not necessarily indicative of the results of operations that would have occurred if the affiliation had been completed on the date indicated, nor is it indicative of future operating results.

Note 12. Functional Expenses

CentraCare provides general health care services to residents within its geographic location. Expenses related to providing these services included in the consolidated statements of operations and changes in net assets for the years ended June 30 are as follows:

	2013	2012
Health care services	$ 768,631,861	$ 717,299,797
General and administrative	122,379,448	94,790,596
	$ 891,011,309	$ 812,090,393

Note 13. Subsequent Events

CentraCare evaluated events and transactions occurring subsequent to June 30, 2013, through October 8, 2013, the date of issuance of the consolidated financial statements. During this period, there were no subsequent events, other than those described in Note 1, requiring recognition or disclosure in the consolidated financial statements.

Supplementary Information

McGladrey

Independent Auditor's Report on the Supplementary Information

To the Board of Directors
CentraCare Health
St. Cloud, Minnesota

We have audited the consolidated financial statements of CentraCare Health System as of and for the year ended June 30, 2013, and have issued our report thereon dated October 8, 2013, which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole.

The accompanying consolidating information is presented for purposed of additional analysis rather than to present the financial position, results of operations, and cash flows of the individual companies and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements, or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

McGladrey LLP

Minneapolis, Minnesota
October 8, 2013

CentraCare Health

Consolidating Balance Sheet
June 30, 2013

Assets	Saint Cloud Hospital	St. Benedict's Senior Community	CentraCare Corporate	CCHS— Melrose	CCHS— Long Prairie	Eliminations	Total Obligated Group
Current Assets							
Cash and cash equivalents	$ 48,476,840	$ 2,065,524	$ 2,553,441	$ 3,253,544	$ 3,281,076	$ -	$ 59,630,425
Accounts receivable:							
Patients and residents, net	96,188,587	1,667,998	736,707	3,287,331	3,499,783	-	105,380,406
Other receivables	1,437,483	329,523	2,123,947	127,043	27,925	(1,700,075)	2,345,846
Inventories	7,233,778	-	578,342	551,465	300,224	-	8,663,809
Prepaid expenses and other	6,208,381	175,542	562,339	286,858	168,171	-	7,401,291
Third-party payor settlements	-	-	-	259,031	286,200	-	545,231
Current portion of funds held by trustees under bond indentures	70,884	-	-	-	-	-	70,884
Total current assets	159,615,953	4,238,587	6,554,776	7,765,272	7,563,379	(1,700,075)	184,037,892
Assets Whose Use Is Limited							
Funds held by trustee under workers' compensation agreement	3,200,657	-	-	-	-	-	3,200,657
Funds held by trustee under bond indentures, net of current portion	9,176,467	-	12,046,298	-	-	-	21,222,765
Funds designated by Board for future property and equipment replacement and expansion	332,036,432	23,326,972	3,336,186	19,725,761	5,255,135	-	383,680,486
Total assets whose use is limited	344,413,556	23,326,972	15,382,484	19,725,761	5,255,135	-	408,103,908
Property and Equipment, net	445,673,181	24,659,398	44,965,760	14,110,190	7,630,294		537,038,823
Deferred Debt Acquisition Costs, net	4,668,088	97,418	303,708	-	-	-	5,069,214
Due From Affiliated Organizations	12,748,629	144,917	(289,881)	-	-	(11,601,666)	1,001,999
Interest Rate Swap Instruments	16,324	-	-	-	-	-	16,324
Other Assets	3,093,644	-	7,152,858	589,088	496,856	-	11,332,446
Total assets	$ 970,229,375	$ 52,467,292	$ 74,069,705	$ 42,190,311	$ 20,945,664	$ (13,301,741)	$1,146,600,606

(Continued)

CentraCare Clinic	CCH—Monticello	CCHS—Sauk Centre	Central MN Emergency Physicians	CentraCare Surgery Center LLC	CentraCare Pharmacies	CentraCare Health Foundation	Eliminations	CentraCare Health
$ 12,691,533	$ 10,694,889	$ 3,168,658	$ 801,622	$ 248,633	$ 875,063	$ 940,051	$ -	$ 89,050,874
12,746,373	14,145,924	7,259,288	1,466,564	648,356	832,026	-	-	142,478,937
6,360,950	1,137,613	69,394	350,114	-	65,599	11,410,876	(6,899,038)	14,841,354
1,273,346	1,071,368	268,929	-	437,643	1,503,561	-	-	13,218,656
456,811	767,491	85,177	144,462	32,747	13,327	-	-	8,901,306
-	101,461	230,000	-	-	-	-	-	876,692
-	-	-	-	-	-	-	-	70,884
33,529,013	27,918,746	11,081,446	2,762,762	1,367,379	3,289,576	12,350,927	(6,899,038)	269,438,703
-	-	-	-	-	-	-	-	3,200,657
-	3,558,782	-	-	-	-	-	-	24,781,547
-	-	-	-	-	-	32,517,143	-	416,197,629
-	3,558,782	-	-	-	-	32,517,143	-	444,179,833
3,884,066	32,196,865	12,793,831	-	1,464,259	51,836	116,935	-	587,546,615
-	214,871	-	-	-	-	-	-	5,284,085
-	-	-	-	-	-	-	(1,001,999)	-
-	-	-	-	-	-	-	-	16,324
2,784,662	1,304,758	550,170	750,000	-	260,397	1,045,836	(383,100)	17,645,169
$ 40,197,741	$ 65,194,022	$ 24,425,447	$ 3,512,762	$ 2,831,638	$ 3,601,809	$ 46,030,841	$ (8,284,137)	$1,324,110,729

CentraCare Health

Consolidating Balance Sheet (Continued)
June 30, 2013

Liabilities and Net Assets	Saint Cloud Hospital	St. Benedict's Senior Community	CentraCare Corporate	CCHS—Melrose	CCHS—Long Prairie	Eliminations	Total Obligated Group
Current Liabilities							
Current maturities of long-term debt	$ 10,953,790	$ 598,696	$ 196,245	$ 122,407	$ -	$ (349,280)	$ 11,521,858
Accounts payable	26,000,702	945,351	2,076,627	1,293,107	818,825	(1,574,633)	29,559,979
Third-party payor settlements	2,029,752	16,730	-	-	205,000	-	2,251,482
Accrued salaries and benefits	42,703,329	1,989,242	17,017,073	1,637,475	1,694,000	-	65,041,119
Accrued interest and other	2,203,931	39,217	-	-	-	(27,763)	2,215,385
Total current liabilities	83,891,504	3,589,236	19,289,945	3,052,989	2,717,825	(1,951,676)	110,589,823
Long-Term Liabilities							
Long-term debt	350,261,867	17,929,520	29,866,664	1,947,912	2,590,297	(11,700,065)	390,896,195
Interest rate and total return swap instruments	27,416,580	320,190	-	-	-	-	27,736,770
Accrued pension liability	23,929,522	432,584	186,151	-	-	-	24,548,257
Other liabilities	4,937,153	19,100	2,972,556	1,329,500	107,939	-	9,366,248
Total long-term liabilities	406,545,122	18,701,394	33,025,371	3,277,412	2,698,236	(11,700,065)	452,547,470
Total liabilities	490,436,626	22,290,630	52,315,316	6,330,401	5,416,061	(13,651,741)	563,137,293
Net Assets							
Unrestricted	479,792,749	30,168,445	21,754,389	35,853,883	15,502,347	350,000	583,421,813
Unrestricted—noncontrolling interest	-	-	-	-	-	-	-
Temporarily restricted	-	8,217	-	6,027	27,256	-	41,500
Permanently restricted	-	-	-	-	-	-	-
Total net assets	479,792,749	30,176,662	21,754,389	35,859,910	15,529,603	350,000	583,463,313
Total liabilities and net assets	$ 970,229,375	$ 52,467,292	$ 74,069,705	$ 42,190,311	$ 20,945,664	$ (13,301,741)	$1,146,600,606

CentraCare Clinic	CCH— Monticello	CCHS— Sauk Centre	Central MN Emergency Physicians	CentraCare Surgery Center LLC	CentraCare Pharmacies	CentraCare Health Foundation	Eliminations	CentraCare Health
$ -	$ 1,634,889	$ 75,000	$ -	$ -	$ -	$ -	$ -	$ 13,231,747
2,982,003	2,042,444	1,977,477	71,142	161,413	329,674	1,800,186	(7,715,720)	31,208,598
-	739,515	-	-	-	-	-	-	2,990,997
18,208,268	3,086,668	906,551	1,583,789	112,045	287,818	-	-	89,226,258
-	62,535	231,338	-	-	-	-	-	2,509,258
21,190,271	7,566,051	3,190,366	1,654,931	273,458	617,492	1,800,186	(7,715,720)	139,166,858
-	14,723,353	10,345,061	-	-	185,317	-	(185,317)	415,964,609
-	-	-	-	-	-	-	-	27,736,770
-	-	-	-	-	-	-	-	24,548,257
2,340,523	1,786,987	6,732,992	855,000	-	-	606,978	-	21,688,728
2,340,523	16,510,340	17,078,053	855,000	-	185,317	606,978	(185,317)	489,938,364
23,530,794	24,076,391	20,268,419	2,509,931	273,458	802,809	2,407,164	(7,901,037)	629,105,222
16,666,947	38,077,972	4,157,028	1,002,831	2,558,180	2,799,000	31,783,303	316,989	680,784,063
-	3,039,659	-	-	-	-	-	-	3,039,659
-	-	-	-	-	-	11,570,264	(700,089)	10,911,675
-	-	-	-	-	-	270,110	-	270,110
16,666,947	41,117,631	4,157,028	1,002,831	2,558,180	2,799,000	43,623,677	(383,100)	695,005,507
$ 40,197,741	$ 65,194,022	$ 24,425,447	$ 3,512,762	$ 2,831,638	$ 3,601,809	$ 46,030,841	$ (8,284,137)	$1,324,110,729

CentraCare Health

Consolidating Statement of Operations and Changes in Net Assets
Year Ended June 30, 2013

.

	Saint Cloud Hospital	St. Benedict's Senior Community	CentraCare Corporate	CCHS— Melrose	CCHS— Long Prairie	Eliminations	Total Obligated Group
Revenue:							
Patient and resident service revenue, net of contractual adjustments	$ 654,879,867	$ 26,548,491	$ 25,170,126	$ 27,606,332	$ 24,088,775	$ (15,630,796)	$ 742,662,795
Provision for bad debts	(11,118,779)	(100,345)	(60,813)	(386,658)	(694,271)	-	(12,360,866)
Net patient and resident service revenue	643,761,088	26,448,146	25,109,313	27,219,674	23,394,504	(15,630,796)	730,301,929
Other operating revenue	23,198,869	958,892	28,614,122	1,819,333	1,464,752	(24,772,352)	31,283,616
Total revenue	666,959,957	27,407,038	53,723,435	29,039,007	24,859,256	(40,403,148)	761,585,545
Expenses:							
Salaries and employee benefits	340,959,364	15,768,805	33,810,968	15,059,954	15,476,248	(12,128,459)	408,946,880
Supplies and other	220,421,840	7,094,347	28,051,445	7,936,541	6,970,928	(28,274,689)	242,200,412
Interest	12,220,142	810,173	1,540,821	120,619	147,186	(594,795)	14,244,146
Depreciation and amortization	35,557,814	1,773,606	2,162,979	1,427,154	761,892	-	41,683,445
Total expenses	609,159,160	25,446,931	65,566,213	24,544,268	23,356,254	(40,997,943)	707,074,883
Operating income (loss)	57,800,797	1,960,107	(11,842,778)	4,494,739	1,503,002	594,795	54,510,662
Nonoperating gains (losses):							
Investment income and gains, net	31,412,207	2,114,756	886,668	1,675,739	569,713	(594,795)	36,064,288
Gain (loss) on interest rate swaps, net	19,763,492	13,911	-	-	-	-	19,777,403
Contributed net assets of affiliations	-	-	-	-	-	-	-
Loss on debt refinancing	(1,866,670)	-	-	-	-	-	(1,866,670)
Other gains (losses), net	1,683,268	(71,523)	534,454	13,871	(40,871)	-	2,119,199
Total nonoperating gains (losses), net	50,992,297	2,057,144	1,421,122	1,689,610	528,842	(594,795)	56,094,220
Revenue and gains in excess of expenses	108,793,094	4,017,251	(10,421,656)	6,184,349	2,031,844	-	110,604,882
Less revenues in excess of expenses attributable to noncontrolling interest	-	-	-	-	-	-	-
Revenue and gains in excess of expenses attributable to CentraCare	108,793,094	4,017,251	(10,421,656)	6,184,349	2,031,844	-	110,604,882
Other changes in unrestricted net assets:							
Net assets released from restrictions	-	641	-	-	-	-	641
Adjustments to the funded status of the pension plan	11,246,520	344,627	70,007	-	-	-	11,661,154
Net transfers (to) from affiliated organizations	(23,125,000)	(1,003,000)	9,824,665	(966,000)	(856,000)	-	(16,125,335)
Other changes in unrestricted net assets, net	2,426,675	70,207	246,752	-	123,500	-	2,867,134
Increase (decrease) in unrestricted net assets	99,341,289	3,429,726	(280,232)	5,218,349	1,299,344	-	109,008,476
Temporarily restricted net assets:							
Contributions	-	12	-	-	3,329	-	3,341
Net assets released from restrictions	-	(641)	-	-	-	-	(641)
Increase (decrease) in temporarily restricted net assets	-	(629)	-	-	3,329	-	2,700
Increase (decrease) in net assets	99,341,289	3,429,097	(280,232)	5,218,349	1,302,673	-	109,011,176
Net assets at beginning of year, CentraCare	380,451,460	26,747,565	22,034,621	30,641,561	14,226,930	350,000	474,452,137
Net assets at end of year, CentraCare	$ 479,792,749	$ 30,176,662	$ 21,754,389	$ 35,859,910	$ 15,529,603	$ 350,000	$ 583,463,313

CentraCare Clinic	Three Months Ended 6/30/13 CCH— Monticello	Seven Months Ended 6/30/13 CCHS— Sauk Centre	Central MN Emergency Physicians	CentraCare Surgery Center LLC	CentraCare Pharmacies	CentraCare Health Foundation	Eliminations	CentraCare Health
$128,865,164	$ 14,027,112	$ 15,214,262	$ 11,506,306	$ 5,378,971	$ -	$ -	$ (4,695,909)	$ 912,958,701
(2,269,592)	(641,912)	(396,928)	(1,570,363)	(64,877)	-	-	-	(17,304,538)
126,595,572	13,385,200	14,817,334	9,935,943	5,314,094	-	-	(4,695,909)	895,654,163
29,223,093	578,584	414,146	482,937	548	2,578,359	-	(22,067,012)	42,494,271
155,818,665	13,963,784	15,231,480	10,418,880	5,314,642	2,578,359	-	(26,762,921)	938,148,434
123,651,381	7,666,475	8,580,545	9,349,777	2,530,760	2,618,969	-	(2,704,641)	560,640,146
41,228,665	6,205,745	4,372,292	1,030,618	2,451,859	408,122	-	(26,763,439)	271,134,274
-	197,810	336,883	-	-	11,514	-	(11,513)	14,778,840
842,271	956,277	481,063	-	468,448	26,545	-	-	44,458,049
165,722,317	15,026,307	13,770,783	10,380,395	5,451,067	3,065,150	-	(29,479,593)	891,011,309
(9,903,652)	(1,062,523)	1,460,697	38,485	(136,425)	(486,791)	-	2,716,672	47,137,125
60,839	22,843	5,105	1,514	-	34,084	3,046,182	(11,513)	39,223,342
-	-	-	-	-	-	-	-	19,777,403
-	42,257,309	2,368,834	-	-	-	-	-	44,626,143
-	-	-	-	-	-	-	-	(1,866,670)
-	146,485	221,417	1	-	204,740	(4,787,257)	2,250,083	154,668
60,839	42,426,637	2,595,356	1,515	-	238,824	(1,741,075)	2,238,570	101,914,886
(9,842,813)	41,364,114	4,056,053	40,000	(136,425)	(247,967)	(1,741,075)	4,955,242	149,052,011
-	3,039,659	-	-	-	-	-	-	3,039,659
(9,842,813)	38,324,455	4,056,053	40,000	(136,425)	(247,967)	(1,741,075)	4,955,242	146,012,352
-	-	-	-	-	-	6,036,593	(2,241,132)	3,796,102
-	-	-	-	-	-	-	-	11,661,154
14,555,247	483,569	-	-	425,169	661,350	-	-	-
-	(730,052)	100,975	-	-	-	-	(2,503,524)	(265,467)
4,712,434	38,077,972	4,157,028	40,000	288,744	413,383	4,295,518	210,586	161,204,141
-	-	-	-	-	-	5,141,305	(2,451,718)	2,692,928
-	-	-	-	-	-	(6,036,593)	2,241,132	(3,796,102)
-	-	-	-	-	-	(895,288)	(210,586)	(1,103,174)
4,712,434	38,077,972	4,157,028	40,000	288,744	413,383	3,400,230	-	160,100,967
11,954,513	-	-	962,831	2,269,436	2,385,617	40,223,447	(383,100)	531,864,881
$ 16,666,947	$ 38,077,972	$ 4,157,028	$ 1,002,831	$ 2,558,180	$ 2,799,000	$ 43,623,677	$ (383,100)	$ 691,965,848