Municipal Secondary Market Disclosure
Information Cover Sheet

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories, and any applicable State Information Depository, whether the filing is voluntary or made pursuant to Securities and Exchange rule 15c2-12 or any analogous state statute.

See www.sec.gov/info/municipal/nrmsir.htm for the list of current NRMSIRs and SIDs.

If this filing relates to a Single Bond Issue:

Provide name of bond issue exactly as it appears on the cover of the Official Statement (please include name of state where the Issuer is located).

_____
_____
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Provide 9-digit CUSIP* numbers to which the information relates:

_____ _____ _____
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If this filing relates to all securities issued by the Issuer or all securities of a specific credit or issued under a single indenture:

Issuer's Name (please include name of state where issuer is located):
Abilene Health Facilities Development Corporation

Other Obligated Person's Name (if any): Sears Methodist Retirement System Obligated Group Project
(exactly as it appears on the Official Statement Cover)

Provide six-digit CUSIP* number(s) of Issuer: See Attached

***(Contact CUSIP's Municipal Disclosure Assistance Line at 212.438.6518 for assistance with obtaining the proper CUSIP numbers).**

Type of Filing:

(X) Electronic (number of pages attached) 31
( ) Paper (number of pages attached) _____
If information is also available on the Internet, give URL: _____

What type of information are you providing? (Check all that apply)

A. ( ) Annual Financial Information and Operating Data pursuant to Rule 15c2-12
(Financial information and operating data should not be filed with the MSRB)
Fiscal Year Covered: _____

B. ( ) Audited Financial Statements of CAFR pursuant to Rule 15c2-12
Fiscal Year Covered: _____

C. ( ) Notice of Material Event pursuant to Rule 15c2-12 (Check as appropriate)

1. **( ) Principal and interest payment delinquencies**
2. **( ) Non-payment related defaults**
3. **( ) Unscheduled draws on debt service reserves reflecting financial difficulties**
4. **( ) Unscheduled draws on credit enhancements reflecting financial difficulties**
5. **( ) Substitution of credit or liquidity providers, or their failure to perform**
6. **( ) Adverse tax opinions or events affecting the tax-exempt status of the security**
7. **( ) Modifications to the rights of security holders**
8. **( ) Bond calls**
9. **( ) Defeasances**
10. **( ) Release, substitution, or sale of property securing repayment of the securities**
11. **( ) Rating changes**

D. ( ) Notice of Failure to Provide Annual Financial Information as Required

E. (x) Other Secondary Market Information (specify): Obligated Group Continuing Disclosure for Quarter Ending December 31, 2013

I hereby represent that I am authorized by the issuer of obligor or its agent to distribute this information publicly:

Issuer Contact:
Name _____ **Title** _____
Employer _____
City _____ **State** _____ **Zip Code** _____
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Dissemination Agent Contact, if any:
Name _____ **Title** _____
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City _____ **State** _____ **Zip Code** _____
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Email Address _____ **Relationship to Issuer** _____

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Investor Relations Contact, if any:
Name _____ **Title** _____
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Sears Methodist Retirement System, Inc. - Obligated Group
Operating Results for the Twelve Months Ending (Unaudited)
December 31, 2013

Overall

Sears Methodist Retirement System, Inc. - **Obligated Group** recorded a net loss of $5,337,993 as compared to a net loss of $5,813,152 for the twelve months ended December 31, 2012 attributed to an increase in Operating Income of $1,113,489 and a decrease of $638,330 in Other Revenue and Expense primarily due to the $2.660m of debt cost written off in May 2013 for an overall increase of $475,159.

This change in Operating Income of $1,113,489 can be attributed primarily to the disposition and closure of SWTA and Community Services for a combined $771,551 improvement in 2013 improvement, $1,181,791 in SMRS corporate operations and an offsetting decrease in CCRC Operating Income primarily due to Accounting adjustments in Q3 2013.

The decrease in Other Revenue and Expense is the primarily the result of lower contributions of $180,988, workout-related cost of approximately $70,000 of cost related to the workout with some previously expenses being capitalized in Q2 2013 and approximately $190,000 of net additional proceeds received in Q1 2013 from the Sears Hospice sale. Income income was $253,652 lower in 2013 than in 2012.

The liquidity position of the Obligated Group and subsequent draws upon the Operating Reserve Fund in Q1 2014 will be addressed below.

Operating Income Overview

The following overview is a breakdown of Operating Income by operational category for both Continued and Discontinued Operations. Please note the reported Operating Expense includes Depreciation, Amortization and Interest Expense. The format has been modified to separate the Operating component from the Depreciation, Amortization, Interest Expense and Corporate Fee elimination.

The Continuing Operating categories are classified in the following manner:

- **CCRC Campuses**: CCRC Campus operations.
- **Corporate**: Corporate fees from entities outside of the Obligated Group and expenditures incurred for SMRS and Sears Methodist Foundation.

The Discontinued Operations are listed below:

- **Nursing Center Campuses**: Windcrest and Wesley Woods campuses sold in November 2011.
- **Community Services**: Operations related to Home Health, Hospice and Specialty Services which were completed divested in February 2012.
- **SWTA:** Sears Therapy Company was closed in December 2012 and replaced by an outside therapy company in January 2013.

The tables below provide the operational categories that comprise the annual results for the twelve months ending December 31, 2013 and 2012 rounded to the nearest $000s.

Operating Revenue	**FY2013**	**FY2012**	**Change**
CCRC	27,430	26,398	1,032
Corporate (Net of Corp Elim)	2,756	2,876	(120)
Continuing Operations	**30,186**	**29,274**	**912**
SWTA	0	1,474	(1,474)
Community Services	0	220	(220)
Total Operating Revenue	**30,186**	**30,968**	**(782)**

Operating Expense	**FY2013**	**FY2012**	**Change**
CCRC	22,356	20,561	(1,796)
Corporate	4,514	5,820	1,302
Continuing Operations	**26,875**	**26,381**	**(494)**
SWTA	(40)	2,205	2,245
Community Services	0	357	357
Discontinued Operations	**(40)**	**2,562**	**2,602**
Expense before Interest Exp Depr & Amort and Corp Elim	**26,835**	**28,943**	**2,108**
Depreciation & Amortization	3,166	3,158	(8)
Interest Expense	5,705	5,656	(49)
Corporate Elimination	(1,692)	(1,848)	(156)
Total Operating Expense	**34,014**	**35,909**	**1,895**

Operating Income/(Loss)	**FY2013**	**FY2012**	**Change**
CCRC	5,072	5,836	(764)
Corporate	(1,762)	(2,944)	1,182
Continuing Operations	**3,310**	**2,892**	**418**
SWTA	40	(732)	772
Community Services	0	(138)	138
Discontinued Operations	**40**	**(870)**	**910**
Income before Interest Exp Depr & Amort and Corp Elim	**3,350**	**2,024**	**1,326**
Depreciation & Amortization	3,166	3,158	(8)
Interest Expense	5,704	5,656	(48)
Corporate Elimination	(1,692)	(1,848)	(156)
Operating Income/(Loss)	**(3,828)**	**(4,942)**	**(1,114)**

Operating Revenue

Gross Operating Revenue for the total **Obligated Group** decreased $781,660 or 2.5% from 2012 to 2013. The primary driver for this decrease is the removal of Deferred Revenue of 90% entrance fee refund obligations in Q3 2013 due to new Accounting guidelines. The decrease of approximately $400,000 in Q4 2013 over Q4 2012 was the

result of lower census levels in Q4 2013 and $270,000 accounts receivable allowances established for several campuses.

Community Services and SWTA revenue decreased by $1,693,825 due to their dispositions in 2012. CCRC revenue increased by $1,032,164 due primarily to prior rate increases for private pay rates and higher Medicare census in 2013 and offset by the $300,000 Deferred Revenue adjustment in 2013.

Corporate revenues outside of the Obligated Group decreased $120,000 in 2013 with lower corporate overhead for SMRS in during the twelve month period of 2013.

Operating Expenses

Operating Expenses for the **Obligated Group** decreased by $1,895,149 or 5.3% from 2012 to 2013. Operating Expenses for Discontinued Operations for Community Services and SWTA decreased by $2,612,437 with no operations occurring in 2013.

CCRC Operating Expense increased by $1,796,312 with higher Medicare-related costs with 6 additional Medicare residents per day, an across the board wage increase of 3% across the system in January 2013 and the addition of new LCS services and fees that began in April 2013. The LCS expense for the CCRC campuses in Q2 and Q3 2013 was $301,911 for base fees, IT fees and related travel.

Corporate Expenses decreased by $1,301,791 with the continuation of staff reductions that started at the beginning of 2012 with an offset from the 3% wage increase implemented in January 2013. There was severance cost expensed in 2012 that were paid in 2013 that increased this amount for Q4 2012. The LCS expense related to corporate operations was $53,362. There were also approximately $40,000 of CEO-related compensation expense, severance and other bonuses paid in Q2 2013.

CCRC Operations

CCRC Operations consists of the following three campuses within the Obligated Group: Craig Methodist, Parks Methodist and Wesley Court. Please note that approximately $300,000 of Deferred Revenue on Entrance Fees was reversed in Q3 2013 due to the new Accounting guidance eliminating the amortization of 90% refundable entrance fees. This adjustment reflects a non-cash item that lowered the FY2013 revenue below.

The following operational performance for these campuses is for the twelve months ended December 31, 2013 and 2012, respectively, are provided below in $000s:

	FY2013	FY2012	Change
Operating Revenue	27,430	26,398	1,032
Operating Expense excl.Int & Depr	22,356	20,562	(1,796)
CCRC Operating Income	**5,074**	**5,836**	**(764)**
Excluding 90% Deferred Income	**5,074**	**5,205**	**(133)**
Overall Census	**592.7**	**598.3**	**(5.6)**
Medicare Revenue	**5,813**	**4,773**	**1,040**
Medicare Census	**37.0**	**30.5**	**6.5**
Medicare Daily Rate	**431**	**428**	**3**

The CCRC Operating Income level decreases are primarily the result of the new Deferred Revenue changes of $631,392 for 90% Deferred Income on entrance fees and lower census in Q3 and Q4 2013. The Operating Expense increase is the result of the 3% wage increase implemented in January 2013, the higher level of Medicare census in Q1 2013 and the expense associated with the new LCS contracts entered into in April 2013.

Occupancy and Payor Mix

The following tables present the occupancy percentages by unit type and for the overall Obligated Group for the twelve months ending December 31, 2013 and 2012.

Occupancy by Unit Type	FY2013	FY 2012
Nursing Centers-CCRCs	85.5%	87.1%
Assisted Living	89.3%	89.1%
Apartments	90.1%	93.4%
Homes	96.4%	94.8%
Total Census	90.1%	91.1%

The census percentages are higher in Skilled Nursing due to the lower number of units available in 2013 with the conversion of 14 Craig units and 5 Parks units to private rooms. For Executive Homes, final completion of the Wesley Court executive home expansion of 14 new homes increases the unit supply at the end of 2012. The overall unit count in 2013 was 658 units as compared to 671 units in Q1 2012.

The overall payor mix has presented decreased Private days with an increase in Medicare and Medicaid. This is the result of fewer private residents occupying SNF beds at the Parks and higher Medicare census in 2013.

The payor mix for the twelve months year to date is presented below:

Payor Mix (Resident Days)	FY2013	FY2012
Private Pay	81.8%	83.4%
Medicaid	12.0%	11.5%
Medicare	6.2%	5.1%
Total	100.0%	100.0%

The average Medicaid rate per day for the overall Obligated Group increased from $115 in 2012 to $118 in 2013. The average Medicare rate per day for all campuses increased from $427 in 2012 to $431 in 2013, an increase of $4 per day or 1%.

Effect on Debt Service Coverage

Under the new Obligated Group bond structure that closed on May 9, 2013, the annualized debt service for the Obligated Group is $5.875m. The Obligated Group will be required to maintain a historical annual debt service ratio of 1.10x under the new structure.

The Annualized Available Revenue and implied Debt Coverage based on the new bond structure for the Obligated Group are presented below for the twelve months ending December 31, 2013 in $000s:

	Actual	SMRS Budget
Net Change in Assets	**(5,338)**	**(1,182)**
Depreciation & Amortization	5,826	3,206
Interest Expense	5,704	5,380
Net Entry Fees	784	486
(Gain)/Loss & Property Retirement	(96)	0
Deferred Revenue	(412)	(832)
Available Revenue	**6,468**	**7,058**
Annualized Available Revenue	**6,468**	**7,058**
Maximum Annual Debt Service (1)	**5,875**	**5,900**
Debt Coverage Ratio	**1.10**	**1.20**
Debt Coverage Ratio excluding Workout cost of $70K and Sears Hospice net proceeds of $189K	**1.13**	**1.18**

The implementation of the LCS contract and coinciding retirement of former CEO during Q2 2013 has added nearly $500,000 of expense during 2013 for the Obligated Group. Several of the cost savings initiatives to be implemented by LCS were not implemented until Q4 2013 when new vendor's contracts were executed due to contractual termination clauses with vendors and the need for a transition process to make these changes.

Liquidity and Days Cash on Hand (DCOH)

As of December 31, 2013 SMRS Days cash on hand was 35 days with $2.957 million of total funds compared to 30 days at December 31, 2012. Average daily operating expense level for Days Cash on Hand is approximately $85,288 for 2013.

Days Cash on Hand is required to be at 40 days on December 31, 2013. The Operating Reserve fund is counted as Days Cash with an estimated 20 days of cash held in the fund. With the fund was included in the current calculation, the Days Cash level is below the 40 day threshold required at December 31, 2013.

The Days Cash level increased by approximately $1.350 million from November 2013 to December 2013 due to an increase in accounts payable in December 2013 of $550,000 and cash inflows from primarily SDI of around $800,000 due to accounts payable increases. The Operating Reserve is available for draws by Sears at any level under 30 days of cash excluding the Operating Reserve.

The overall cash position of the Obligated Group has been impacted by the inability to collect sufficient intercompany funds from several entities outside of the Obligated Group for shared services provided by SMRS and paid by SMRS. These entities are not generating sufficient cash to cover their portion of the shared services such as Corporate Staff and various Insurance programs. These operating cash deficits have primarily

been driven by lower census levels with SDI, higher contract nursing levels at our Big Spring campus and the inability to attract a higher payor mix at the Garrison.

Operating Reserve Fund Draws in Q1 2014

The increase in Days Cash from December 31, 2012 to December 31, 2013 can be attributed to the temporary increase in the Obligated Group accounts payable and intercompany funds primarily from SDI in December 2013. The cash levels within the Obligated Group and SMRS system declined significantly in January 2014 with the repayment of aged accounts payable and from increases in SMRS accounts receivable.

Due to the significant decline of cash in January 2014, Sears made draws upon the Operating Reserve Fund of approximately $474,000 in February 2014 and $250,000 in March 2014. The MTI sets forth repayment requirements for replenishment of the draws from the fund. Sears is working to ensure compliance with these requirements is achieved.

Accounting Adjustments: Deferred Entrance Fees

The accounting for deferred entrance fee amortization for refundable amounts has been modified starting in 2013 and will require a cumulative change in accounting principal for periods prior to 2013. The basis for the change is that refundable entrance fees with a defined refund amount cannot be amortized over the life of the resident as they once were. Please note that Sears did book entrance fee amortization during the first six months of 2013 for these type of refunds. This amortization will be adjusted in July 2013 and reversed for FY2013 retroactively.

Management Discussion

Life Care Services

On April 1, 2013, the Sears Obligated Group engaged Life Care Services (LCS) out of Des Moines, Iowa, to a Management Services agreement for a period of up to 5 years. This agreement coincided with the retirement of CEO Keith Perry. Under the agreement, Sears has hired Greg Williams, an LCS employee for over 15 years, as CEO of Sears Methodist Retirement System, Inc.

As part of the agreement, LCS will be responsible for the day to day operations of the Obligated Group campuses. LCS is compensated under a base fee and incentive fee structure. The base fee component was developed during the due diligence process by LCS after identification of cost improvements and process enhancements that will be implemented after the contract term begins. The incentive fee component is paid only if established operating cash flow benchmarks are exceeded.

In addition to the Obligated Group contract, LCS was engaged to manage the remainder of the SMRS system with the exception of the Sears captive insurance company (SWAC) and the Sears Methodist Foundation. The total LCS cost to the SMRS Obligated Group in 2013 was approximately $350,000.

LCS is in the process of implementing the following initiatives across the system including the Obligated Group:

- **Therapy Conversion:** Sears replaced the current therapy vendor with another vendor with a close affiliation with LCS. The new contracts will save Sears additional dollars with a $.01 to $.04 per minute reduction. The new contracts were entered into on September 1 for the Obligated Group campuses. With the recent lower census trends, the combined cost and revenue enhancement for this initiative are expected to be $30,000 for the Obligated Group and $90,000 for the entire SMRS system for FY2014.
- **Pharmacy Conversion:** Sears changed the pharmacy vendor in October 2013 with a new vendor for all campuses except for SDI and the Parks. The conversion occurred in October 2013 with current contract term ending on December 31, 2013. The expected annual cost savings for this initiative is $52,500 for the Obligated Group and $210,000 for the SMRS system.
- **Dietary:** LCS renegotiated the Sears food service agreements to take advantage of the CPS purchasing platform under LCS. The expected annual savings for this initiative are still be evaluated with a maximum potential of $215,000 for the SMRS system.
- **Staffing Efficiency:** LCS and Sears have implemented some staffing reductions since April 1, 2013. There are still other positions and processes that are being evaluated with additional reductions expected in FY2014. The initial cost of saving of approximately $750,000 has been offset by $120,000 to $180,000 of additional staff needed for the overall billing process.
- **Other Administrative Initiatives:** Sears is in the process of consolidating office space in Austin that will save between $80,000 to $90,000 annually. Additional consolidation in Abilene would save approximately $50,000 if a new tenant can be identified.

The LCS base fees for FY2014 are $591,000 for the Obligated Group and $1,100,000 for all other campuses within the SMRS system. Sears will continue to provide updates on the progress as we proceed in 2014.

The following items will be addressed in more detail below:

- Census trends
- Liquidity enhancement opportunities
- Medicaid and Medicare Rates
- Expansion Projects and Contributions

Census

Overall census for CCRC Campuses. CCRC census for SNF units has decreased over the same period. This trend is also occurring at our campuses outside of the Obligated Group.

The table below provides an Average Daily census for the Obligated Group broken down into two categories: (1) IL and AL units and SNF units for CCRC Campuses only and (2) CCRC campuses and Stand Alone Nursing Centers:

(1) CCRC Campuses

Period	IL and AL	SNF	Total
Q1 2011	391.1	203.9	595.0
Q2 2011	395.1	199.3	594.4
Q3 2011	400.5	203.5	604.0
Q4 2011	398.7	205.4	604.1
Q1 2012	404.7	197.8	602.5
Q2 2012	400.4	190.4	590.8
Q3 2012	401.5	188.0	589.5
Q4 2012	412.7	191.3	604.0
Q1 2013	407.5	192.0	599.5
Q2 2013	412.2	186.0	598.2
Q3 2013	404.0	186.6	590.6
Q4 2013	391.6	191.1	582.7

(2) All Obligated Group Campuses

Period	CCRC Campuses	Nursing Centers	Total
Q1 2011	595.0	202.4	797.4
Q2 2011	594.4	207.2	801.6
Q3 2011	604.0	213.3	817.3
Q4 2011	604.1	N/A	604.1
Q1 2012	602.5	N/A	602.5
Q2 2012	590.8	N/A	590.8
Q3 2012	589.5	N/A	589.5
Q4 2012	604.0	N/A	604.0
Q1 2013	599.5	N/A	599.5
Q2 2013	598.2	N/A	598.2
Q3 2013	590.6	N/A	590.6
Q4 2013	582.7	N/A	582.7

(3) SMRS Total Census

Period	Obligated Group	SDI Campuses	Meadowlake	Other SMRS Campuses	Total
Q1 2013	599.5	453.1	163.7	350.8	1567.1
Q2 2013	598.2	450.2	160.4	350.3	1559.1
Q3 2013	590.6	444.0	168.2	348.8	1551.5
Q4 2013	582.7	432.7	170.3	341.1	1526.8
Q1 2014 QTD	582.5	424.3	160.0	347.2	1514.0

A key issue with respect to the SMRS liquidity position is the gradual decline of census since Q1 2013. The overall decline from Q1 2013 to Q1 2014 is about 53 average daily residents, with 17 from the Obligated Group, 26 imposed by the VLB for the SDI campuses and 10 at Meadowlake. This census decline is equivalent to around $200,000 per month assuming a revenue level of $4,000 per resident per month.

Liquidity Enhancement Opportunities

Sears has implemented a process to improve liquidity within both the Obligated Group and the entire SMRS system. Sears has identified the following opportunities to free up cash from within the system:

- **Waco and Abilene land tracts**: Sears has listed for sale 5 acres of the 19 acres of Abilene land and the entire 62 acres of Waco land for a combined price of $2.7m. These land tracts serve as collateral under the TMF loan of $3.0m. Sears has a tentative agreement to sale the Waco land tract with an expected closing to occur by Q4 2014. Sears is constructing a new road adjacent to the Abilene land that may raise the current asking price. In addition, the new road will likely increase the valuation of the remaining 14 acres of Abilene land. The primary goal is to generate sufficient cash from these sales to pay off the remaining TMF loan balance. Annual debt service on the TMF loan ranges from $550,000 in FY2014 to nearly $800,000 in FY2016.
- **Refinancing of Non Obligated campuses**: Sears was unable to close the refinancing of two campuses outside the Obligated Group, the Garrison and Mesa Springs, outside the Obligated Group. Sears is working with Cain Brothers to determine the best course of action for refinancing each of these campuses.
- **General and Professional Liability Options:** Sears has reached a tentative agreement with CCIC on various proposals to restructure its General and Professional Liability programs. The proposed benefits of the restructuring is expected to lower premiums by over 30% and release approximately $600,000 of combined funds held by both CCIC And SWAC back to SMRS.
- **SDI Funds from 2013/2014 Contract Renewal:** SDI operates 3 homes for the Veterans Land Board in Texas. These operations have required funding from the system and the Obligated Group during 2013 primarily due to losses incurred at our Big Spring location. SDI received funds from VLB upon the contract renewal for the new annual contract. SDI did remit these retroactive funds back to the Obligated Group in December 2013 to cover a portion of the unreimbursed cost to the Obligated Group from SDI.

Medicaid and Medicare Rates

Medicare rates were revised effective October 2013 with an overall net increase to Sears of approximately 2%. Medicare rates were impacted by the US government sequestration process in which CMS imposed a 2% reduction in reimbursement rates on all Medicare A payments starting in April 2013. The rate increase in October 2013 is applied to our Medicare rates that include the impact of the 2% sequestration reduction.

The Medicaid rates were increased approximately 2% effective September 2013. It is possible that an additional rate increase will be implemented for September 2014.

Expansion Projects and Contributions

The Courtyards, the AL project at the Parks, consisting of 40 assisted living and 30 memory care units was opened in June 2013. Please note that this development does not require development funding from the Obligated Group and is established in a joint venture arrangement. Sears will be managing the AL project from its Texas Senior Management entity outside of the Obligated Group. Sears is currently evaluating its options in the potential acquisition of the AL project at some time in the latter part of 2014. The average census during December 2013 was 27 at the Courtyards.

Contribution levels for the Sears Methodist Foundation have been lower than previous years with the wind down of the Parks Capital Campaign and several fundraising events being moved to the end of 2012 and early 2013. Sears will begin a capital campaign at the Craig in early 2014 to help address the overall needs of the campus. The resolution to the debt restructuring issue will help Sears to solidify its ability to raise capital contributions going forward.

SEARS METHODIST RETIREMENT SYSTEM, INC.
OBLIGATED GROUP
DEBT SERVICE COVERAGE RATIO CALCULATION
As of December 31, 2013

	Actual (1)	Budget (2)
Changes in net assets	(5,337,993)	(1,182,468)
Add:		
Depreciation and amortization	5,826,021	3,206,458
Interest expense	5,704,463	5,380,000
Net Turnover Entry Fees Received	783,571	486,045
(Gains)/losses and Property Retirement Cost	(95,507)	-
Deduct:		
Amortization of deferred revenue	(412,141)	(832,397)
Available Revenues	6,468,414	7,057,638
Annualized Available Revenues	6,468,414	7,057,638
Maximum Annual Debt Service	5,875,983	5,900,000
Debt Service Coverage Ratio	1.10	1.20
Debt Service Coverage (Excluding workout cost and Hospice net proceeds)	1.07	1.20

Notes

(1) Includes $70,703 of workout cost expense from the closing of the 2013 refinancing.
Includes $189,455 of net proceeds related to final installment of Sears Hospice.

(2) This budget is based on original CLA forecast with annual Available Revenues of $7.058m for FY2013.

SEARS METHODIST RETIREMENT SYSTEM, INC.
OBLIGATED GROUP
DAYS CASH ON HAND
As of December 31, 2013

Operating Expenses	36,674,277
Less: Deprecation and Amortization	(5,826,021)
	30,848,256
Number of Days in Period	365
Daily Operating Expenses	84,516
Cash and Unrestricted Investments	1,207,804
Operating Reserve Fund (established in 2013 refinancing)	1,750,000
Cash and Unrestricted Investment including Operating Reserve Fund	2,957,804
Days Cash on Hand **	35

** Days Cash Increased from 19 days in November 2013 to 35 days by $1.350 million due to $504,000 of increases to Accounts Payable and Accrued Payroll along with $835,000 of Cash inflow from Non=Ogligated Group campuses due to increases in Accounts Payable within those entities.

The Accounts Payable balances across SMRS were reduced signficantly in January 2014, creating the need for an Operating Reserve Draw in February and March 2014.

SEARS METHODIST RETIREMENT SYSTEM, INC-OBLIGATED GROUP

COMBINING STATEMENT OF FINANCIAL POSITION - UNAUDITED

December 31, 2013

ASSETS	Sears Methodist Retirement System, Inc.	Sears Methodist Foundation	Sears Methodist Centers, Inc.	Sears Panhandle Retirement Corporation	Parks Methodist Retirement Village	Wesley Woods Alzheimer's Care Center	Subtotal Obligated Group	Eliminating Entries	Total Obligated Group
CURRENT ASSETS:									
Cash and cash equivalents	3,851,417	7,589,971	(1,285,426)	(2,969,708)	(6,962,335)	(5,820)	218,100	-	218,100
Accounts receivable	63,506	-	68,538	1,367,395	1,037,816	-	2,537,255	-	2,537,255
Accrued interest receivable	47,950	-	-	-	-	-	47,950	-	47,950
Due from other campuses	3,262,645	-	199,087	124	196,106	-	3,657,962	1,260,539	2,397,423
Pledges receivable	-	-	-	-	-	-	-	-	-
Notes receivable - current	-	-	-	-	-	-	-	-	-
Inventories	-	-	17,211	41,211	-	-	58,421	-	58,421
Other current assets	125,691	-	13,490	3,710	1,585	-	144,476	-	144,476
AWUIL - required for current liabilities	717,918	-	-	-	-	-	717,918	-	717,918
Total Current Assets	8,069,127	7,589,971	(987,099)	(1,557,269)	(5,726,828)	(5,820)	7,382,083	1,260,539	6,121,544
FIXED ASSETS:									
Buildings and improvements	162,066	-	34,008,408	37,445,234	14,772,070	-	86,387,779	-	86,387,779
Building equipment	-	-	-	-	-	-	-	-	-
Department equipment	1,781,100	-	1,516,726	4,500,563	2,020,663	-	9,819,053	-	9,819,053
Vehicles	-	-	323,970	225,767	83,579	-	633,317	-	633,317
Construction in progress	833,503	-	653	60,350	-	(0)	894,505	-	894,505
	2,776,669	-	35,849,759	42,231,915	16,876,312	(0)	97,734,655	-	97,734,655
Less accumulated depreciation	(1,736,692)	-	(8,471,826)	(18,120,602)	(7,019,754)	-	(35,348,874)	-	(35,348,874)
	1,039,978	-	27,377,932	24,111,313	9,856,558	(0)	62,385,780	-	62,385,780
Land	830,150	-	949,358	1,393,963	585,962	-	3,759,432	-	3,759,432
Net Fixed Assets	1,870,128	-	28,327,290	25,505,275	10,442,520	(0)	66,145,213	-	66,145,213

SEARS METHODIST RETIREMENT SYSTEM, INC-OBLIGATED GROUP

COMBINING STATEMENT OF FINANCIAL POSITION - UNAUDITED

December 31, 2013

	Sears Methodist Retirement System, Inc.	Sears Methodist Foundation	Sears Methodist Centers, Inc.	Sears Panhandle Retirement Corporation	Parks Methodist Retirement Village	Wesley Woods Alzheimer's Care Center	Subtotal Obligated Group	Eliminating Entries	Total Obligated Group
ASSETS WHOSE USE IS LIMITED:									
By board for benevolent care needs	-	4,038,738	-	-	-	-	4,038,738	1,978,935	2,059,803
By donor for specific purposes	-	1,767,435	-	-	-	-	1,767,435	-	1,767,435
By board for other needs	-	421,641	-	-	-	-	421,641	-	421,641
By board for depreciation reserve	-	-	-	-	-	-	-	-	-
By board for expansion projects	-	426,986	-	-	-	-	10,510,330	-	10,510,330
Under indenture - held by trustee	10,083,344	-	-	-	-	-	-	-	-
By board for deferred compensation	-	-	-	-	-	-	-	-	-
By board for accelerated debt retirement	-	-	-	-	-	-	-	-	-
Reserve for replacements	-	-	-	-	-	-	-	-	-
Residual receipts reserve	-	-	-	-	-	-	-	-	-
Resident trust fund deposits	-	-	359,900	7,449	8,384	-	375,734	-	375,734
Less AWUIL- required for current liabilities	(717,918)	-	-	-	-	-	(717,918)	-	(717,918)
Total Assets Whose Use is Limited	9,365,426	6,654,800	359,900	7,449	8,384	-	16,395,960	1,978,935	14,417,025
OTHER ASSETS:									
Bond issue costs, net of amortization	2,469,193	-	-	-	-	-	2,469,193	-	2,469,193
Notes Receivable	0	923,517	-	-	-	-	923,518	-	923,518
Notes Receivable, net of current maturities	11,395,962	-	715,977	1,356,403	2,463,404	100	15,931,846	15,931,846	-
Investment in SMF	-	-	-	-	-	-	-	-	-
Investment in CCIC	681,937	-	-	-	-	-	681,937	-	681,937
Investment in SS@H	-	-	-	-	-	-	-	-	-
Investment in SWAC	300,000	-	-	-	-	-	300,000	-	300,000
Pledges receivable, net of current maturities	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	293,827	-	293,827	-	293,827
Total Other Assets	14,847,092	923,517	715,977	1,356,403	2,757,231	100	20,600,321	15,931,846	4,668,475
TOTAL ASSETS	34,151,773	15,168,289	28,416,069	25,311,859	7,481,307	(5,719)	110,523,577	19,171,320	91,352,257

SEARS METHODIST RETIREMENT SYSTEM, INC-OBLIGATED GROUP

COMBINING STATEMENT OF FINANCIAL POSITION - UNAUDITED

December 31, 2013

LIABILITIES AND NET ASSETS	Sears Methodist Retirement System, Inc.	Sears Methodist Foundation	Sears Methodist Centers, Inc.	Sears Panhandle Retirement Corporation	Parks Methodist Retirement Village	Wesley Woods Alzheimer's Care Center	Subtotal Obligated Group	Eliminating Entries	Total Obligated Group
CURRENT LIABILITIES:									
Current maturities of long-term debt	75,000	-	-	-	-	-	75,000	-	75,000
Current maturities of annuities payable	-	-	-	-	-	-	-	-	-
Current maturies of capital lease	-	-	-	-	-	-	-	-	-
Note payable	2,326,765	-	275,464	-	-	-	2,602,229	1,978,935	623,294
Accounts payable	1,039,057	17,066	182,805	487,908	601,117	242	2,328,195	-	2,328,195
Due to other campuses	499,833	-	1,005,401	-	(4,504)	19,158	1,519,888	1,260,539	259,349
Accrued payroll and related taxes	225,961	-	151,137	260,870	178,172	-	816,140	-	816,140
Accrued interest payable	690,865	-	-	-	-	-	690,865	-	690,865
Construction and retainage payable	-	-	-	-	-	-	-	-	-
Medical claims payable	325,149	-	-	-	80	-	325,229	-	325,229
Deferred revenue	91,666	-	342,180	204,510	-	-	638,357	-	638,357
Other current liabilities	54,374	-	57,408	17,979	40,874	-	170,635	-	170,635
Resident security deposits	-	-	145,312	67,325	27,984	-	240,621	-	240,621
Total Current Liabilities	5,328,671	17,066	2,159,707	1,038,592	843,724	19,400	9,407,159	3,239,474	6,167,685
LONG-TERM LIABILITIES:									
Bonds payable, less current maturities	95,475,000	-	-	-	-	-	95,475,000	-	95,475,000
Bond discount, net of accum. amort.	-	-	-	-	-	-	-	-	-
Notes/Leases Payable, net of current portion	2,746,958	-	-	-	-	-	2,746,958	-	2,746,958
Due to other campus	-	-	-	-	-	-	-	-	-
Deferred revenue - nonrefundable	-	-	603,064	388,053	180,665	-	1,171,781	-	1,171,781
Deferred revenue - refundable	-	-	10,260,021	7,917,791	3,616,342	-	21,794,154	-	21,794,154
Deferred compensation plan	210,741	-	-	-		-	210,741	-	210,741
Annuities and trust payable	-	107,786	-	-	-	-	107,786	-	107,786
Total Long-Term Liabilities	98,432,699	107,786	10,863,085	8,305,844	3,797,007	-	121,506,420	-	121,506,420
Total Liabilities	103,761,370	124,852	13,022,791	9,344,435	4,640,731	19,400	130,913,579	3,239,474	127,674,105

SEARS METHODIST RETIREMENT SYSTEM, INC-OBLIGATED GROUP

COMBINING STATEMENT OF FINANCIAL POSITION - UNAUDITED

December 31, 2013

	Sears Methodist Retirement System, Inc.	Sears Methodist Foundation	Sears Methodist Centers, Inc.	Sears Panhandle Retirement Corporation	Parks Methodist Retirement Village	Wesley Woods Alzheimer's Care Center	Subtotal Obligated Group	Eliminating Entries	Total Obligated Group
NET ASSETS:	-	-	-	-	-	-	-	-	-
Unrestricted	(69,609,597)	12,584,722	15,393,278	15,967,423	2,840,576	(25,119)	(22,848,717)	15,931,846	(38,780,563)
Temporarily restricted	-	691,280	-	-	-	-	691,280	-	691,280
Permanently restricted	-	1,767,435	-	-	-	-	1,767,435	-	1,767,435
Total Net Assets	(69,609,597)	15,043,437	15,393,278	15,967,423	2,840,576	(25,119)	(20,390,002)	15,931,846	(36,321,848)
TOTAL LIABILITIES AND NET ASSETS	34,151,773	15,168,289	28,416,069	25,311,859	7,481,307	(5,719)	110,523,577	19,171,320	91,352,257

SEARS METHODIST RETIREMENT SYSTEM, INC-OBLIGATED GROUP

COMBINING STATEMENT OF ACTIVITIES - UNAUDITED

For the Period Ending November 30, 2013

	Sears Methodist Retirement System, Inc.	Sears Methodist Foundation	Sears Methodist Centers, Inc.	Sears Panhandle Retirement Corporation	Parks Methodist Retirement Village	Wesley Woods Alzheimer's Care Center	Subtotal Obligated Group	Eliminating Entries	Total Obligated Group
UNRESTRICTED NET ASSETS:									
OPERATING REVENUE:									
Resident fees	-	-	7,173,835	8,524,959	3,057,515	-	18,756,309	-	18,756,309
Resident fees - charitable discounts	-	-	(329,032)	(168,270)	(31,160)	-	(528,463)	-	(528,463)
Resident fees - amort of deferred revenue	-	-	-	-	-	-	-	-	-
Medicaid	-	-	-	3,110,595	3,461,045	-	6,571,640	-	6,571,640
Medicaid - contractual allowance	-	-	-	(1,338,034)	(2,159,212)	-	(3,497,246)	-	(3,497,246)
Medicare	-	-	401,088	4,176,159	3,450,177	-	8,027,423	-	8,027,423
Medicare - contractual allowance	-	-	(83,672)	(1,370,824)	(760,322)	-	(2,214,818)	-	(2,214,818)
HUD	-	-	-	-	-	-	-	-	-
Fees	4,448,000	-	-	-	-	-	4,448,000	1,692,000	2,756,000
Other revenue	-	2,976	63,937	309,286	58,367	-	434,566	119,207	315,359
Total Operating Revenue	4,448,000	2,976	7,226,155	13,243,870	7,076,410	-	31,997,412	1,811,207	30,186,204
OPERATING EXPENSES:	-	-	-	-	-	-	-	-	-
Nursing	-	-	1,151,290	4,258,514	3,644,951	-	9,054,755	-	9,054,755
Activities	-	-	5,983	14,965	10,629	-	31,577	-	31,577
Environmental services	-	-	658,078	971,090	517,798	-	2,146,966	-	2,146,966
Utilities	61,742	-	447,205	551,196	311,648	-	1,371,791	-	1,371,791
Consultants	213,735	-	51,691	86,830	105,211	-	457,467	-	457,467
Specialty services	-	-	-	-	-	-	-	-	-
Pharmacy	-	-	-	-	-	-	-	-	-
Dietary	-	-	960,270	1,327,820	895,776	-	3,183,866	-	3,183,866
Social services	-	-	75,290	230,672	58,425	-	364,386	-	364,386
General and administrative	3,356,242	384,774	902,431	1,565,954	803,604	-	7,013,005	(1,692,000)	5,321,005
Development	-	-	-	-	-	-	-	-	-
Risk management and training	5,338	-	33,814	46,860	38,501	-	124,513	-	124,513
Marketing and admissions	140,599	-	128,890	255,208	134,582	-	659,280	-	659,280
Depreciation and amortization	2,875,625	-	1,050,959	1,282,873	616,564	-	5,826,021	-	5,826,021
Employee benefits and insurance	355,331	-	554,985	978,185	539,686	-	2,428,187	-	2,428,187
Total Operating Expenses	7,008,611	384,774	6,020,886	11,570,166	7,677,376	-	32,661,813	(1,692,000)	30,969,813
Excess (Deficiency) of Operating Revenue Over	-	-	-	-	-	-	-	-	-
Expenses	(2,560,611)	(381,798)	1,205,269	1,673,704	(600,966)	-	(664,402)	119,207	(783,609)

SEARS METHODIST RETIREMENT SYSTEM, INC-OBLIGATED GROUP

COMBINING STATEMENT OF ACTIVITIES - UNAUDITED

For the Period Ending November 30, 2013

	Sears Methodist Retirement System, Inc.	Sears Methodist Foundation	Sears Methodist Centers, Inc.	Sears Panhandle Retirement Corporation	Parks Methodist Retirement Village	Wesley Woods Alzheimer's Care Center	Subtotal Obligated Group	Eliminating Entries	Total Obligated Group
Other Revenue (Expenses):	-	-	-	-	-	-	-	-	-
Contributions, net of fund raising exp	-	653,031	350	-	-	-	653,381	-	653,381
Contributions, nonrefundable amort	-	412,141	-	-	-	-	412,141	-	412,141
Grant revenue - net of expenses	248,565	-	-	-	-	-	248,565	-	248,565
Interest income	110,167	6,999	(424)	1,527	(719)	-	117,550	-	117,550
Change in SMF Investment	252,120	-	(19,780)	2,076	44,294	-	278,709	278,709	0
Realized gains/(losses) on investments	-	-	-	-	-	-	-	-	-
Unrealized gains/(losses) on investments	(75,464)	10,287	-	-	-	0	(65,177)	-	(65,177)
Gain/(Loss) on Sale of Asset	(32)	-	184,332	-	(2,871)	(20,744)	160,685	-	160,685
Gain/(Loss) on Early Extinguishment of Debt	-	-	-	-	-	-	-	-	-
Debt Service	5,900,000	-	(1,800,000)	(3,500,000)	(600,000)	-	-	-	-
Distribution to facilities	-	(215,411)	-	-	-	-	(215,411)	(215,411)	-
Interest expense	(5,656,654)	(40,265)	(1,729)	(2,532)	(3,284)	-	(5,704,463)	-	(5,704,463)
Transfers from Foundation	7,507	-	15,680	64,790	8,228	-	96,204	96,204	-
Other revenue (expenses)	(339,099)	(50)	(19,834)	(1,568)	(16,513)	-	(377,064)	-	(377,064)
Total Other Revenue (Expenses)	447,109	826,732	(1,641,405)	(3,435,708)	(570,866)	(20,744)	(4,394,882)	159,502	(4,554,384)
CHANGE IN UNRESTRICTED NET ASSETS	(2,113,502)	444,934	(436,136)	(1,762,004)	(1,171,832)	(20,744)	(5,059,284)	278,709	(5,337,993)
CHANGE IN TEMP RESTRICTED NET ASSETS	-	-	-	-	-	-	-	-	-
CHANGE IN PERM RESTRICTED NET ASSETS	-	-	-	-	-	-	-	-	-
CHANGE IN NET ASSETS BEFORE TAX	(2,113,502)	444,934	(436,136)	(1,762,004)	(1,171,832)	(20,744)	(5,059,284)	278,709	(5,337,993)
INCOME TAX (EXPENSE)/BENEFIT	-	-	-	-	-	-	-	-	-
CHANGE IN NET ASSETS AFTER TAX	(2,113,502)	444,934	(436,136)	(1,762,004)	(1,171,832)	(20,744)	(5,059,284)	278,709	(5,337,993)
NET ASSETS AT BEGINNING OF YEAR	(67,496,095)	14,598,504	15,829,413	17,729,427	4,012,408	(4,375)	(15,330,718)	15,653,137	(30,983,855)
TRANSFERS	-	-	-	-	-	-	-	-	-
NET ASSETS AT MONTH END	(69,609,597)	15,043,438	15,393,277	15,967,423	2,840,576	(25,119)	(20,390,001)	(15,931,846)	(36,321,848)

SEARS METHODIST RETIREMENT SYSTEM, INC. - OBLIGATED GROUP

COMBINING STATEMENT OF ACTIVITIES - UNAUDITED COMPARISON

For the period ending December 31, 2013

	For the month ending December 31		Inc/(Dec)	Inc/(Dec)	Year to Date Ending December 31		Inc/(Dec)	Inc/(Dec)
	Actual-2013	Actual-2012	$	%	Actual-2013	Actual-2012	$	%
UNRESTRICTED NET ASSETS:								
OPERATING REVENUE:								
Resident fees	1,419,939	1,223,906	196,034	16.0%	18,756,309	19,634,278	(877,969)	-4.5%
Resident fees - charitable discounts	(53,148)	(47,731)	(5,417)	-11.3%	(528,463)	(614,855)	86,392	14.1%
Resident fees - amortization of entrance fees	-	153,485	(153,485)	-100.0%	-	631,392	(631,392)	-100.0%
Medicaid	233,302	240,480	(7,178)	-3.0%	3,074,394	2,879,366	195,028	6.8%
Medicare	428,904	320,031	108,874	34.0%	5,812,605	4,993,357	819,248	16.4%
Fees	229,667	223,000	6,667	3.0%	2,756,000	2,876,000	(120,000)	-4.2%
Other revenue	(127,527)	51,976	(179,502)	-345.4%	315,359	568,327	(252,968)	-44.5%
Total Operating Revenue	2,131,137	2,165,145	(34,008)	-1.6%	30,186,204	30,967,865	(781,660)	-2.5%
OPERATING EXPENSES:								
Nursing	723,454	840,983	(117,530)	-14.0%	9,054,755	9,360,950	(306,195)	-3.3%
Activities (reclass to Social services)	6,194	23,976	(17,782)	-74.2%	31,577	252,796	(221,219)	-87.5%
Environmental services	188,320	202,545	(14,225)	-7.0%	2,146,966	2,261,139	(114,174)	-5.0%
Utilities	122,951	96,789	26,162	27.0%	1,371,791	1,366,884	4,906	0.4%
Consultants	51,407	13,121	38,287	291.8%	457,467	225,169	232,298	103.2%
Specialty services	-	-	-	0.0%	-	-	-	0.0%
Pharmacy	-	-	-	0.0%	-	-	-	0.0%
Dietary	295,313	260,901	34,413	13.2%	3,183,866	2,970,624	213,242	7.2%
Social services (reclass from Activities)	27,981	8,860	19,121	215.8%	364,386	139,065	225,322	162.0%
General and administrative	529,746	624,419	(94,673)	-15.2%	5,321,005	6,378,690	(1,057,685)	-16.6%
Development	-	-	-	0.0%	-	-	-	0.0%
Risk management and training	8,315	11,616	(3,301)	-28.4%	124,513	147,599	(23,086)	-15.6%
Marketing and admissions	44,034	56,554	(12,520)	-22.1%	659,280	906,546	(247,267)	-27.3%
Interest expense	474,876	493,896	(19,021)	-3.9%	5,704,463	5,655,817	48,646	0.9%
Depreciation and amortization (May 2013 debt cost reclass)	333,563	266,667	66,896	25.1%	3,165,805	3,157,774	8,031	0.3%
Employee benefits and insurance	110,789	287,478	(176,689)	-61.5%	2,428,187	3,086,154	(657,967)	-21.3%
Total Operating Expenses	2,916,944	3,187,805	(270,862)	-8.5%	34,014,061	35,909,210	(1,895,149)	-5.3%
Operating Income (Loss)	(785,806)	(1,022,660)	236,854	23.2%	(3,827,856)	(4,941,345)	1,113,489	22.5%

SEARS METHODIST RETIREMENT SYSTEM, INC. - OBLIGATED GROUP

COMBINING STATEMENT OF ACTIVITIES - UNAUDITED COMPARISON

For the period ending December 31, 2013

	For the month ending December 31		Inc/(Dec)	Inc/(Dec)	Year to Date Ending December 31		Inc/(Dec)	Inc/(Dec)
	Actual-2013	Actual-2012	$	%	Actual-2013	Actual-2012	$	%
Other Revenue (Expenses):								
Contributions, net of fund raising expenses	137,897	190,561	(52,665)	-27.6%	653,381	834,369	(180,988)	-21.7%
Contributions, nonrefundable amortization	19,198	(74,424)	93,622	125.8%	412,141	233,952	178,189	76.2%
Grant revenue - net of expenses	-	15,107	(15,107)	-100.0%	248,565	180,358	68,206	37.8%
Interest income	16,642	29,828	(13,186)	-44.2%	117,550	371,202	(253,652)	-68.3%
Realized gains (losses) on investments	(523)	(85,038)	84,515	99.4%	160,685	(457,588)	618,273	135%
Unrealized gains (losses) on investments	(40,074)	(1,971,695)	1,931,622	98.0%	(65,177)	(1,948,988)	1,883,810	96.7%
Other revenue (expense) (May 2013 debt cost reclass)	10,467	(104,288)	114,755	110.0%	(3,037,280)	(85,113)	(2,952,168)	-3468.5%
Total Other Revenue (Expenses)	143,606	(1,999,949)	2,143,556	107.2%	(1,510,137)	(871,807)	(638,330)	-73.2%
CHANGE IN UNRESTRICTED NET ASSETS	(642,200)	(3,022,609)	2,380,409	78.8%	(5,337,993)	(5,813,152)	475,159	8.2%
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	-	-	-	0.0%	-	-	-	0.0%
CHANGE IN PERMANENTLY RESTRICTED NET ASSETS	-	-	-	0.0%	-	-	-	0.0%
CHANGE IN NET ASSETS	(642,200)	(3,022,609)	2,380,409	78.8%	(5,337,993)	(5,813,152)	475,159	8.2%
NET ASSETS AT BEGINNING OF PERIOD	(35,679,648)	2,018,188			(30,983,855)	4,808,731		
TRANSFERS	-	(8,582,650)			-	(8,582,650)		
NET ASSETS AT END OF PERIOD	(36,321,848)	(9,587,071)			(36,321,848)	(9,587,071)		

SEARS METHODIST RETIREMENT SYSTEM, INC. - OBLIGATED GROUP

COMBINING STATEMENT OF ACTIVITIES - UNAUDITED COMPARISON

For the period ending December 31, 2013

	For the month ending December 31		Inc/(Dec)	Inc/(Dec)	Year to Date Ending December 31		Inc/(Dec)	Inc/(Dec)
	Actual-2013	Actual-2012	$	%	Actual-2013	Actual-2012	$	%
FINANCIAL DATA:								
Total Resident Days - Apartments	5,766	5,766	-		67,890	68,076	(186)	
Resident Days Rented - Apartments	4,883	5,443	(560)		61,201	63,565	(2,364)	
Resident Days Vacant - Apartments	883	323	560		6,689	4,511	2,178	
Occupancy % - Apartments	84.7%	94.4%	-9.71%		90.1%	93.4%	-3.23%	
Total Resident Days - Assisted Living	2,542	2,542	-		29,930	30,012	(82)	
Resident Days Rented - Assisted Living	2,219	2,339	(120)		26,724	26,740	(16)	
Resident Days Vacant - Assisted Living	323	203	120		3,206	3,272	(66)	
Occupancy % - Assisted Living	87.3%	92.0%	-4.72%		89.3%	89.1%	0.19%	
Total Resident Days - All Homes	5,239	5,239	-		61,685	61,035	650	
Resident Days Rented - All Homes	5,084	5,053	31		59,438	57,858	1,580	
Resident Days Vacant - All Homes	155	186	(31)		2,247	3,177	(930)	
Occupancy % - All Homes	97.0%	96.4%	0.59%		96.4%	94.8%	1.56%	
Total Resident Days - Nursing Center	6,851	6,851	-		80,665	80,612	53	
Resident Days Rented - Nursing Center	5,894	5,823	71		68,969	70,225	(1,256)	
Resident Days Vacant - Nursing Center	957	1,028	(71)		11,696	10,387	1,309	
Occupancy % - Nursing Center	86.0%	85.0%	1.04%		85.5%	87.1%	-1.61%	
Total Resident Days	20,398	20,398	-		240,170	239,735	435	
Total Resident Days Rented	18,080	18,658	(578)		216,332	218,388	(2,056)	
Total Resident Days Vacant	2,318	1,740	578		23,838	21,347	2,491	
Total Occupancy %	88.6%	91.5%	-2.83%		90.1%	91.1%	-1.0%	

SEARS METHODIST RETIREMENT SYSTEM, INC. - OBLIGATED GROUP

COMBINING STATEMENT OF ACTIVITIES - UNAUDITED COMPARISON

For the period ending December 31, 2013

	For the month ending December 31		Inc/(Dec)	Inc/(Dec)	Year to Date Ending December 31		Inc/(Dec)	Inc/(Dec)
	Actual-2013	Budget-2013	$	%	Actual-2013	Budget-2013	$	%
UNRESTRICTED NET ASSETS:								
OPERATING REVENUE:								
Resident fees	1,419,939	1,678,085	(258,145)	-15.4%	18,756,309	19,791,551	(1,035,241)	-5.2%
Resident fees - charitable discounts	(53,148)	(57,385)	4,236	7.4%	(528,463)	(687,578)	159,115	23.1%
Resident fees - amortization of entrance fees	-	43,854	(43,854)	-100.0%	-	602,789	(602,789)	-100.0%
Medicaid	233,302	232,042	1,260	0.5%	3,074,394	2,732,129	342,265	12.5%
Medicare	428,904	449,098	(20,193)	-4.5%	5,812,605	5,287,731	524,874	9.9%
Fees	229,667	223,500	6,167	2.8%	2,756,000	2,682,000	74,000	2.8%
Other revenue	(127,527)	70,834	(198,360)	-280.0%	315,359	843,932	(528,573)	-62.6%
Total Operating Revenue	2,131,137	2,640,028	(508,890)	-19.3%	30,186,204	31,252,554	(1,066,350)	-3.4%
OPERATING EXPENSES:								
Nursing	723,454	709,308	14,146	2.0%	9,054,755	8,232,860	821,895	10.0%
Activities (reclass to Social services)	6,194	22,936	(16,742)	-73.0%	31,577	270,585	(239,008)	-88.3%
Environmental services	188,320	217,471	(29,151)	-13.4%	2,146,966	2,539,619	(392,653)	-15.5%
Utilities	122,951	117,325	5,626	4.8%	1,371,791	1,433,890	(62,099)	-4.3%
Consultants	51,407	42,783	8,624	20.2%	457,467	512,784	(55,317)	-10.8%
Specialty services	-	-	-	0.0%	-	-	-	0.0%
Pharmacy	-	-	-	0.0%	-	-	-	0.0%
Dietary	295,313	272,495	22,818	8.4%	3,183,866	3,165,339	18,527	0.6%
Social services (reclass from Activities)	27,981	10,400	17,581	169.1%	364,386	122,506	241,880	197.4%
General and administrative	529,746	451,728	78,018	17.3%	5,321,005	5,526,176	(205,171)	-3.7%
Development	-	18,000	(18,000)	-100.0%	-	36,000	(36,000)	-100.0%
Risk management and training	8,315	14,386	(6,071)	-42.2%	124,513	172,301	(47,788)	-27.7%
Marketing and admissions	44,034	40,014	4,020	10.0%	659,280	475,372	183,908	38.7%
Interest expense	474,876	448,334	26,542	5.9%	5,704,463	5,380,000	324,463	6.0%
Depreciation and amortization	333,563	267,205	66,358	24.8%	3,165,805	3,206,458	(40,653)	-1.3%
Employee benefits and insurance	110,789	243,728	(132,939)	-54.5%	2,428,187	2,949,360	(521,173)	-17.7%
Total Operating Expenses	2,916,944	2,876,113	40,830	1.4%	34,014,061	34,023,250	(9,189)	0.0%
Operating Income (Loss)	(785,806)	(236,086)	(549,721)	-232.8%	(3,827,856)	(2,770,696)	(1,057,160)	-38.2%

SEARS METHODIST RETIREMENT SYSTEM, INC. - OBLIGATED GROUP

COMBINING STATEMENT OF ACTIVITIES - UNAUDITED COMPARISON

For the period ending December 31, 2013

	For the month ending December 31		Inc/(Dec)	Inc/(Dec)	Year to Date Ending December 31		Inc/(Dec)	Inc/(Dec)
	Actual-2013	Budget-2013	$	%	Actual-2013	Budget-2013	$	%
Other Revenue (Expenses):								
Contributions, net of fund raising expenses	137,897	75,246	62,651	83.3%	653,381	898,321	(244,940)	-27.3%
Contributions, nonrefundable amortization	19,198	25,512	(6,314)	-24.8%	412,141	229,608	182,533	79.5%
Grant revenue - net of expenses	-	18,750	(18,750)	-100.0%	248,565	225,000	23,565	10.5%
Interest income	16,642	25,233	(8,591)	-34.0%	117,550	300,600	(183,051)	-60.9%
Realized gains (losses) on investments	(523)	-	(523)	0.0%	160,685	-	160,685	0%
Unrealized gains (losses) on investments	(40,074)	-	(40,074)	0.0%	(65,177)	-	(65,177)	0.0%
Other revenue (expense)	10,467	(5,442)	15,909	292.3%	(3,037,280)	(65,300)	(2,971,980)	-4551.3%
Total Other Revenue (Expenses)	143,606	139,299	4,307	3.1%	(1,510,137)	1,588,229	(3,098,365)	-195.1%
CHANGE IN UNRESTRICTED NET ASSETS	(642,200)	(96,786)	(545,414)	-563.5%	(5,337,993)	(1,182,468)	(4,155,526)	-351.4%
CHANGE IN TEMPORARILY RESTRICTED NET ASSETS	-	-	-	0.0%	-	-	-	0.0%
CHANGE IN PERMANENTLY RESTRICTED NET ASSETS	-	-	-	0.0%	-	-	-	0.0%
CHANGE IN NET ASSETS	(642,200)	(96,786)	(545,414)	-563.5%	(5,337,993)	(1,182,468)	(4,155,526)	-351.4%
NET ASSETS AT BEGINNING OF PERIOD	(35,679,648)	(32,094,632)			(30,983,855)	(31,008,950)		
TRANSFERS	-	-			-	-		
NET ASSETS AT END OF PERIOD	(36,321,848)	(32,191,418)			(36,321,848)	(32,191,418)		

SEARS METHODIST RETIREMENT SYSTEM, INC. - OBLIGATED GROUP

COMBINING STATEMENT OF ACTIVITIES - UNAUDITED COMPARISON

For the period ending December 31, 2013

	For the month ending December 31		Inc/(Dec)	Inc/(Dec)	Year to Date Ending December 31		Inc/(Dec)	Inc/(Dec)
	Actual-2013	Budget-2013	$	%	Actual-2013	Budget-2013	$	%
FINANCIAL DATA:								
Total Resident Days - Apartments	5,580	5,580	-		62,124	62,124	-	
Resident Days Rented - Apartments	4,726	5,220	(494)		56,318	58,115	(1,797)	
Resident Days Vacant - Apartments	854	360	494		5,806	4,009	1,797	
Occupancy % - Apartments	84.7%	93.5%	-8.85%		90.7%	93.5%	-2.89%	
Total Resident Days - Assisted Living	2,460	2,460	-		27,388	27,388	-	
Resident Days Rented - Assisted Living	2,111	2,279	(168)		24,505	25,375	(870)	
Resident Days Vacant - Assisted Living	349	181	168		2,883	2,013	870	
Occupancy % - Assisted Living	85.8%	92.7%	-6.84%		89.5%	92.7%	-3.18%	
Total Resident Days - All Homes	5,070	5,070	-		56,446	56,446	-	
Resident Days Rented - All Homes	4,948	4,801	147		54,354	53,455	899	
Resident Days Vacant - All Homes	122	269	(147)		2,092	2,991	(899)	
Occupancy % - All Homes	97.6%	94.7%	2.89%		96.3%	94.7%	1.59%	
Total Resident Days - Nursing Center	6,630	6,630	-		73,814	73,814	-	
Resident Days Rented - Nursing Center	5,781	5,862	(81)		63,075	65,263	(2,188)	
Resident Days Vacant - Nursing Center	849	768	81		10,739	8,551	2,188	
Occupancy % - Nursing Center	87.2%	88.4%	-1.22%		85.5%	88.4%	-2.96%	
Total Resident Days	19,740	19,740	-		219,772	219,772	-	
Total Resident Days Rented	17,566	18,163	(597)		198,252	202,209	(3,957)	
Total Resident Days Vacant	2,174	1,577	597		21,520	17,563	3,957	
Total Occupancy %	89.0%	92.0%	-3.02%		90.2%	92.0%	-1.8%	

Sears Methodist Retirement System
Census Summary: Operating Budget Comparison
December 2013

TOTAL CENSUS			SNF				Overall Census		
	IL	AL	Private	Medicaid	Medicare	Total	Actual	Budget	Variance
Craig	154.0	35.1	42.8	38.1	15.3	96.2	285.2	294.5	(9.3)
Parks	53.0	18.0	17.0	29.9	17.5	64.3	135.3	150.0	(14.7)
Wesley Court	114.5	18.5	27.2	-	2.5	29.7	162.7	171.6	(8.9)
Total-Obligated Group	**321.5**	**71.6**	**87.0**	**68.0**	**35.2**	**190.1**	**583.2**	**616.1**	**(32.8)**
Mesa Springs	53.0	-	20.5	23.9	14.7	59.2	112.2	124.0	(11.8)
Garrison	0.9	-	38.3	37.5	20.8	96.6	97.5	101.4	(3.9)
Total-Non Obligated Group	**53.9**	**-**	**58.8**	**61.5**	**35.5**	**155.8**	**209.6**	**225.4**	**(15.8)**
SDI-Big Spring	-	-	102.5	24.7	0.8	128.0	128.0	152.0	(24.0)
SDI-El Paso	-	-	104.3	41.3	5.5	151.1	151.1	154.5	(3.4)
SDI-McAllen	-	-	88.5	49.9	8.9	147.3	147.3	153.0	(5.7)
Total-SDI	**-**	**-**	**295.4**	**115.8**	**15.2**	**426.4**	**426.4**	**459.5**	**(33.1)**
Meadowlake	101.6	46.7	7.6	-	11.1	18.6	167.0	187.3	(20.3)
Canyons	91.4	-	-	-	-	-	91.4	105.0	(13.6)
Desert Haven	40.0	-	-	-	-	-	40.0	39.0	1.0
Total-SMRS	**608.4**	**118.3**	**448.7**	**245.2**	**97.0**	**790.9**	**1,517.6**	**1,632.2**	**(114.6)**

TOTAL CENSUS	6 Month Trended Census						Current Month		
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Units	Occ %	Vacant
Craig **	292.6	294.2	285.8	278.2	283.1	285.2	319	89.4%	33.8
Parks **	133.5	131.3	128.6	137.5	136.7	135.3	163	83.0%	27.7
Wesley Court	168.2	169.5	167.7	163.7	165.8	162.7	176	92.5%	13.3
Total-Obligated Group	**594.4**	**595.0**	**582.1**	**579.4**	**585.5**	**583.2**	**658**	**88.6%**	**74.8**
Mesa Springs	122.9	120.1	122.1	119.4	114.2	112.2	135	83.1%	22.8
Garrison **	96.6	96.6	96.4	94.7	96.6	97.5	107	91.1%	9.5
Total-Non Obligated Group	**219.5**	**216.7**	**218.5**	**214.1**	**210.8**	**209.6**	**242**	**86.6%**	**32.4**
SDI-Big Spring	142.6	142.6	139.1	135.1	133.0	128.0	144	88.9%	16.0
SDI-El Paso	153.0	155.4	157.6	156.5	153.6	151.1	160	94.4%	8.9
SDI-McAllen	150.5	145.5	145.6	147.7	145.9	147.3	160	92.1%	12.7
Total-SDI	**446.1**	**443.6**	**442.3**	**439.4**	**432.5**	**426.4**	**464**	**91.9%**	**37.6**
Meadowlake	163.5	166.3	174.9	173.0	170.9	167.0	197	84.8%	30.0
Canyons	93.3	92.6	90.5	90.9	86.3	91.4	111	82.4%	19.6
Desert Haven	36.9	38.3	40.0	40.0	40.0	40.0	40	100.0%	-
Total-SMRS	**1,553.6**	**1,552.5**	**1,548.2**	**1,536.8**	**1,525.9**	**1,517.6**	**1,712**	**88.6%**	**194.4**

MEDICARE CENSUS	6 Month Trended Census						Current Month		
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Actual	Budget	Variance
Craig	20.2	18.8	16.2	14.5	18.2	15.3	15.3	16.0	(0.7)
Parks	15.2	14.7	12.6	22.3	20.7	17.5	17.5	15.0	2.5
Wesley Court	1.8	2.3	2.1	1.8	1.8	2.5	2.5	4.0	(1.5)
Total-Obligated Group	**37.2**	**35.8**	**30.9**	**38.6**	**40.7**	**35.2**	**35.2**	**35.0**	**0.2**
Meadowlake	10.2	8.7	13.4	10.3	10.9	11.1	11.1	20.0	(8.9)
Mesa Springs	19.9	18.3	18.4	15.5	13.1	14.7	14.7	14.4	0.3
Garrison	23.4	26.0	25.3	22.7	23.9	20.8	20.8	24.3	(3.5)
							-		
SDI-Big Spring	1.3	1.4	1.6	0.8	0.5	0.8	0.8	6.0	(5.2)
SDI-El Paso	10.5	8.9	8.9	6.6	3.8	5.5	5.5	10.0	(4.5)
SDI-McAllen	11.1	10.8	10.8	10.2	10.4	8.9	8.9	9.0	(0.1)
Total-SDI	**22.9**	**21.1**	**21.2**	**17.6**	**14.7**	**15.2**	**15.2**	**25.0**	**(9.8)**
Total-SMRS	**113.6**	**109.9**	**109.3**	**104.7**	**103.3**	**97.0**	**97.0**	**118.7**	**(21.7)**

Sears Methodist Retirement System
Census Summary: Board Budget Comparison
December 2013

TOTAL CENSUS			SNF				Overall Census		
	IL	AL	Private	Medicaid	Medicare	Total	Actual	Budget	Variance
Craig	154.0	35.1	42.8	38.1	15.3	96.2	285.2	291.0	(5.8)
Parks	53.0	18.0	17.0	29.9	17.5	64.3	135.3	144.8	(9.5)
Wesley Court	114.5	18.5	27.2	-	2.5	29.7	162.7	169.6	(6.8)
Total-Obligated Group	**321.5**	**71.6**	**87.0**	**68.0**	**35.2**	**190.1**	**583.2**	**605.4**	**(22.2)**
Mesa Springs	53.0	-	20.5	23.9	14.7	59.2	112.2	122.2	(10.0)
Garrison	0.9	-	38.3	37.5	20.8	96.6	97.5	101.4	(3.9)
Total-Non Obligated Group	**53.9**	**-**	**58.8**	**61.5**	**35.5**	**155.8**	**209.6**	**223.6**	**(14.0)**
SDI-Big Spring	-	-	102.5	24.7	0.8	128.0	128.0	152.0	(24.0)
SDI-El Paso	-	-	104.3	41.3	5.5	151.1	151.1	154.5	(3.4)
SDI-McAllen	-	-	88.5	49.9	8.9	147.3	147.3	153.0	(5.7)
Total-SDI	**-**	**-**	**295.4**	**115.8**	**15.2**	**426.4**	**426.4**	**459.5**	**(33.1)**
Meadowlake	101.6	46.7	7.6	-	11.1	18.6	167.0	187.3	(20.3)
Canyons	91.4	-	-	-	-	-	91.4	105.0	(13.6)
Desert Haven	40.0	-	-	-	-	-	40.0	39.0	1.0
Total-SMRS	**608.4**	**118.3**	**448.7**	**245.2**	**97.0**	**790.9**	**1,517.6**	**1,619.8**	**(102.2)**

TOTAL CENSUS	6 Month Trended Census						Current Month		
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Units	Occ %	Vacant
Craig **	292.6	294.2	285.8	278.2	283.1	285.2	319	89.4%	33.8
Parks **	133.5	131.3	128.6	137.5	136.7	135.3	163	83.0%	27.7
Wesley Court	168.2	169.5	167.7	163.7	165.8	162.7	176	92.5%	13.3
Total-Obligated Group	**594.4**	**595.0**	**582.1**	**579.4**	**585.5**	**583.2**	**658**	**88.6%**	**74.8**
Mesa Springs	122.9	120.1	122.1	119.4	114.2	112.2	135	83.1%	22.8
Garrison **	96.6	96.6	96.4	94.7	96.6	97.5	107	91.1%	9.5
Total-Non Obligated Group	**219.5**	**216.7**	**218.5**	**214.1**	**210.8**	**209.6**	**242**	**86.6%**	**32.4**
SDI-Big Spring	142.6	142.6	139.1	135.1	133.0	128.0	144	88.9%	16.0
SDI-El Paso	153.0	155.4	157.6	156.5	153.6	151.1	160	94.4%	8.9
SDI-McAllen	150.5	145.5	145.6	147.7	145.9	147.3	160	92.1%	12.7
Total-SDI	**446.1**	**443.6**	**442.3**	**439.4**	**432.5**	**426.4**	**464**	**91.9%**	**37.6**
Meadowlake	163.5	166.3	174.9	173.0	170.9	167.0	197	84.8%	30.0
Canyons	93.3	92.6	90.5	90.9	86.3	91.4	111	82.4%	19.6
Desert Haven	36.9	38.3	40.0	40.0	40.0	40.0	40	100.0%	-
Total-SMRS	**1,553.6**	**1,552.5**	**1,548.2**	**1,536.8**	**1,525.9**	**1,517.6**	**1,712**	**88.6%**	**194.4**

MEDICARE CENSUS	6 Month Trended Census						Current Month		
	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Actual	Budget	Variance
Craig	20.2	18.8	16.2	14.5	18.2	15.3	15.3	16.0	(0.7)
Parks	15.2	14.7	12.6	22.3	20.7	17.5	17.5	15.0	2.5
Wesley Court	1.8	2.3	2.1	1.8	1.8	2.5	2.5	4.0	(1.5)
Total-Obligated Group	**37.2**	**35.8**	**30.9**	**38.6**	**40.7**	**35.2**	**35.2**	**35.0**	**0.2**
Meadowlake	10.2	8.7	13.4	10.3	10.9	11.1	11.1	20.0	(8.9)
Mesa Springs	19.9	18.3	18.4	15.5	13.1	14.7	14.7	13.6	1.1
Garrison	23.4	26.0	25.3	22.7	23.9	20.8	20.8	24.3	(3.5)
							-		
SDI-Big Spring	1.3	1.4	1.6	0.8	0.5	0.8	0.8	3.0	(2.2)
SDI-El Paso	10.5	8.9	8.9	6.6	3.8	5.5	5.5	9.4	(3.9)
SDI-McAllen	11.1	10.8	10.8	10.2	10.4	8.9	8.9	7.2	1.7
Total-SDI	**22.9**	**21.1**	**21.2**	**17.6**	**14.7**	**15.2**	**15.2**	**19.6**	**(4.4)**
Total-SMRS	**113.6**	**109.9**	**109.3**	**104.7**	**103.3**	**97.0**	**97.0**	**112.5**	**(15.5)**

SEARS METHODIST RETIREMENT SYSTEM, INC.-OBLIGATED GROUP
BED COMPLEMENT AND UTILIZATION RATE

The bed complement and occupancy rate for facilities owned by the Obligated Group are:

			2013	2012	2011	2010	2009
	Level	Total Units	Occupancy %	Occupancy %	Occupancy %	Occupancy %	Occupancy %
Sears Methodist Center (2)	Cottage	20	N/A	N/A	N/A	N/A	97.9%
	AL	77	N/A	N/A	N/A	N/A	68.3%
	Nursing	117	N/A	N/A	N/A	N/A	77.1%
Windcrest Alzheimer's Care Center (4)	Nursing	120	N/A	N/A	87.7%	91.4%	94.6%
The Canyons Retirement Community (1)	IL	109	N/A	N/A	N/A	N/A	N/A
Craig Retirement Community (5)	Cottage	65	96.5%	96.5%	98.2%	97.5%	96.9%
	AL	40	88.6%	81.8%	87.4%	88.0%	93.2%
	IL	108	87.4%	88.9%	90.8%	80.7%	82.9%
	Nursing	106	89.6%	85.0%	89.0%	93.2%	95.8%
Parks Methodist Retirement Community	IL	55	94.7%	91.9%	82.8%	75.1%	88.1%
	Nursing	85	75.7%	81.6%	74.6%	81.8%	88.0%
	AL	23	83.9%	94.5%	96.3%	97.5%	95.4%
Wesley Woods Alzheimer's Care Center (4)	Nursing	120	N/A	N/A	85.5%	82.3%	83.3%
Wesley Court Methodist Retirement Community (3)	Cottage	49	98.1%	97.8%	95.8%	98.6%	96.3%
	AL	19	97.2%	97.8%	94.6%	98.6%	96.4%
	IL	78	93.9%	99.6%	98.9%	95.8%	95.6%
	Nursing	30	98.9%	96.9%	97.4%	95.3%	96.6%
Obligated Group Total	**CCRCs**	**658**	**90.1%**	**90.5%**	**90.4%**	**89.2%**	**92.0%**
	Nursing	**240**	**N/A**	**N/A**	**86.6%**	**86.9%**	**89.0%**
	SMC	**215**	**N/A**	**N/A**	**N/A**	**N/A**	**82.5%**
	Total		**90.1%**	**90.5%**	**89.2%**	**88.6%**	**89.4%**

Obligated Group Classifications

CCRCs: Craig at 319 units, Wesley Court 162 to 176 units and Parks from 168 to 163 units; 658 total; 659 average for FY2012

Nursing: Wesley Woods at 120 units and Windcrest at 120 units with both sold in Novmeber 2011

SMC: 215 units and sold in July 2009

IL - Independent Living Apartments

AL - Assisted Living

(1) On April 1, 2008 CRC was sold to Canyons Senior Living LP as a part of a tax credit renovation transaction. 2008 census is through March 31, 2008.

(2) Sold July 31, 2009. In 2003 a number of Assisted Living units were removed from service while being renovated and enlarged. The total number of units decreased from 86 to 77 with the new units becoming available for service in January 2004. As of January 1, 2005, six nursing rooms were converted from semi-private to private thereby decreasing the total number of nursing beds from 123 to 117.

(3) 3 Executive Homes opened in July 2011, 2 opened in September 2011 and 3 in late 2011 from the new expansion at Wesley Court There have been 5 opened in 2012 with 2 homes occupied in November 2012

(4) Sold on November 1, 2011.

(5) Craig reconfiguration of a 30 bed SNF wing started in May 2012 with complete closure of wing and reopened in October 2012 a 16 bed all private wing. Craig has a 90 bed capacity from May to September 2012 which is reflected in the occupancy percentage for this period. This will increase to 106 beds in October 2012.

SEARS METHODIST RETIREMENT SYSTEM, INC.-OBLIGATED GROUP

SOURCES OF REVENUE

The System's operations are supported by fees from residents as well as Medicaid and Medicare. The table indicates the number and percentage of resident days which fall into the private pay, Medicaid and Medicare funding categories, for the following periods:

		2013		2012		2011		2010		2009	
	Payor	**Percent**	**Resident Days**	**Percent**	**Resident Days**	**Percent**	**Resident Days**	**Percent**	**Resident Days**	**Percent**	**Resident Days**
Sears Methodist Center (2)	Medicare	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7.3%	2,505
	Private	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	62.2%	21,238
	Medicaid	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30.5%	10,385
	Total	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**100%**	**34,128**
Windcrest Alzheimer's Care Center (3)	Private	N/A	N/A	N/A	N/A	59.8%	18,249	57.0%	23,931	64.8%	26,747
	Medicaid	N/A	N/A	N/A	N/A	38.0%	13,013	40.7%	15,200	35.2%	14,545
	Medicare	N/A	N/A	N/A	N/A	2.2%	744	2.3%	914		
	Total	**N/A**	**N/A**	**N/A**	**N/A**	**100%**	**32,006**	**100%**	**40.045**	**100%**	**41.292**
The Canyons Retirement Community (1)	Private	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Craig Retirement Community	Private	79.3%	83,212	82.1%	84,759	82.0%	90,786	81.9%	89,060	83.9%	93,320
	Medicaid	14.1%	14,846	13.5%	13,937	13.4%	15,104	13.6%	14,597	12.2%	13,545
	Medicare	6.6%	6,897	4.4%	4,495	4.6%	4,936	4.5%	4,954	3.9%	4,386
	Total	**100%**	**104,955**	**100%**	**103,191**	**100%**	**110,826**	**100%**	**108,611**	**100%**	**111,251**
Parks Methodist Retirement Village	Medicare	12.0%	5,944	9.0%	4,790	7.7%	4,401	8.9%	3,872	7.4%	4,022
	Private	65.5%	32,448	69.9%	36,926	66.3%	33,226	67.5%	33,223	67.7%	36,974
	Medicaid	22.5%	11,134	21.1%	11,143	26.0%	11,599	23.6%	13,037	24.9%	13,594
	Total	**100%**	**49,526**	**100%**	**52,859**	**100%**	**49,226**	**100%**	**50,132**	**100%**	**54,590**
Wesley Woods Alzheimer's Care Center (3)	Private	N/A	N/A	N/A	N/A	54.2%	15,554	49.9%	19,551	56.3%	20,545
	Medicaid	N/A	N/A	N/A	N/A	42.4%	14,666	47.0%	15,267	42.7%	15,609
	Medicare	N/A	N/A	N/A	N/A	3.4%	966	3.1%	1,233	1.0%	351
	Total	**N/A**	**N/A**	**N/A**	**N/A**	**100%**	**31,186**	**100%**	**36,051**	**100%**	**36,505**
Wesley Court Methodist Retirement Community	Private	98.9%	61,191	97.0%	60,464	96.0%	57,601	98.1%	54,888	95.6%	54,265
	Medicare	1.1%	660	3.0%	1,874	4.0%	1,136	1.9%	2,271	4.4%	2,522
	Total	**100%**	**61,851**	**100%**	**62,338**	**100%**	**58,737**	**100%**	**57,159**	**100%**	**56,787**
Obligated Group Total	**Private**	**81.8%**	**176,851**	**83.4%**	**182,149**	**76.4%**	**215,416**	**75.6%**	**220,653**	**75.7%**	**253,089**
	Medicaid	**12.0%**	**25,980**	**11.5%**	**25,080**	**19.3%**	**54,382**	**19.9%**	**58,101**	**20.2%**	**67,678**
	Medicare	**6.2%**	**13,501**	**5.1%**	**11,159**	**4.3%**	**12,183**	**4.5%**	**13,244**	**4.1%**	**13,786**
	Total	**100%**	**216,332**	**100%**	**218,388**	**100%**	**281,981**	**100%**	**291,998**	**100%**	**334,553**

(1) Sold April 1, 2008
(2) Sold July 31, 2009
(3) Sold November 1, 2011