

FINANCE NOTES MARCH FY 17

Summary

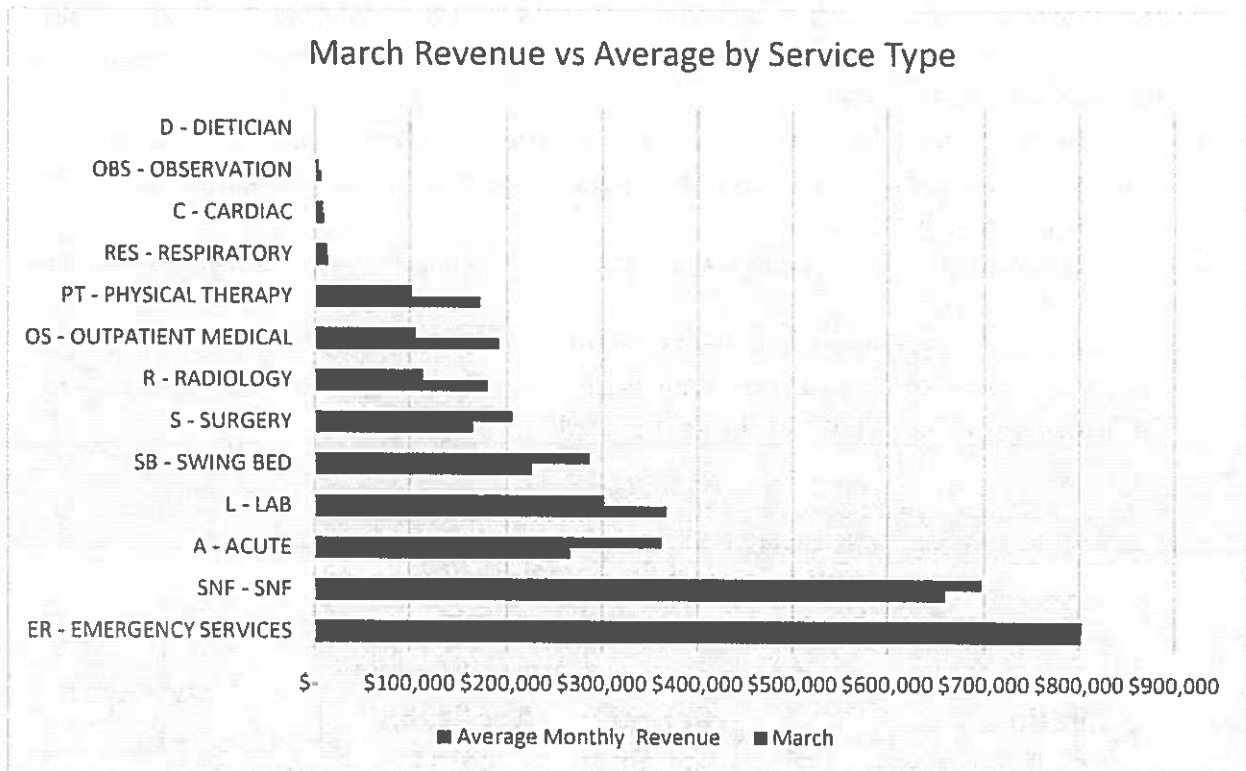
1. The FY 16 audit was finalized with a strong operational profit for a second year in a row. One of our auditors will present through a Web-Ex at the board meeting.
2. Our bond rating remained a BBB- which doesn't sound good but is impressive as they've really increased their scrutiny of rural hospitals in what they consider a limited tax base. I've attached the release for your review.
3. Still working with the bond attorney to get our issuance paperwork finalized for USDA. Given that it's a GO Bond and Revenue Bond refinances as well as new money it's a little more complex than a normal issuance.
4. With the construction design process and USDA review we hope to have financing done by late July.
5. I've added % of gross revenue collected as a metric. I'm pleasantly surprised to be at 60% as we usually are around 58% in past years. With declining SNF census I expected the collection % to fall in March as we collect 90% of charges from SNF.

Summary of Financial Ratios			
Ratio	Period	YTD or Average where Applicable	
Cash on Hand	91.33	52.21	Average
Net Income	273,694	3,074,638	YTD
Current Ratio	4.61		N/A
AR Days	56.87	59.44	Average
AP	764,681	645,971	Average
Daily Gross Revenue	98,805	100,153	Average
% of Gross Revenue Collected	61%	60%	YTD

Statistics

1. Acute Days are down by 17.61% compared to last year due to a shorter average length of stay.
2. Swing Days are up due to more patients with a longer length of stay.

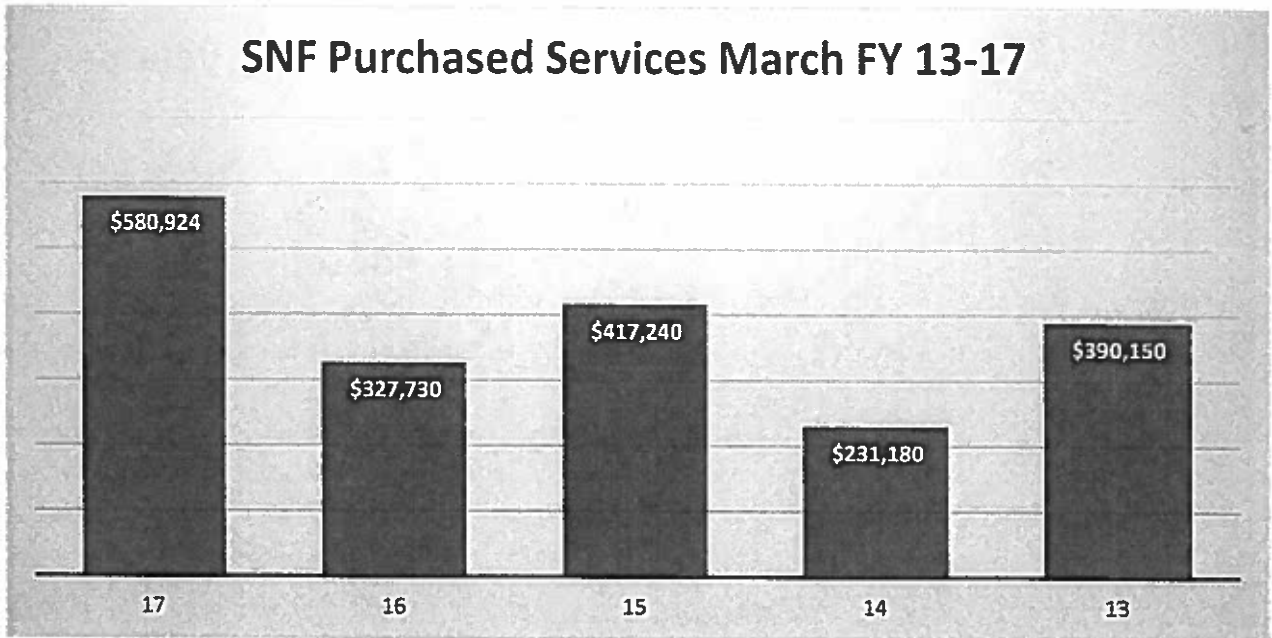
3. SNF Days are still ahead of last year but the census has been declining since this winter.
4. Ancillary Services are down across the board due to declining referrals.
5. I've changed the PT stats to reflect outpatient visits instead the charges that we used to report. A good portion of the charges are in Swing and don't represent the outpatient portion of the business. Since Swing is already tracked I separated it for a better reporting of performance. Compared to prior years.



Income Statement

1. YTD Revenue is up 2.22% which is mostly due to more SNF and Swing days.
2. Contractuals are lower than last year at this point due to the QAF and IGTs and having a better handle on them to be more accurate on a month to month basis vs a large adjustment at the end of the fiscal year to reduce contractuals.
3. Productive Salaries are only up by .11% partly due to the increased use of travelers in SNF (77% increase over last year) and other areas.

SNF Purchased Services March FY 13-17



4. Supplies are up 10.71% and we looking at our vendor and GPO options in an effort to decrease spend.
5. Non-Operating Revenue is up due to the Prime Program which wasn't in place last year.
6. Net income is very strong due to Miscellaneous Payments Patient and Non Patient related (see Deposit tab). These programs help to bring providers closer to cost for providing care to Medi-Cal patients.

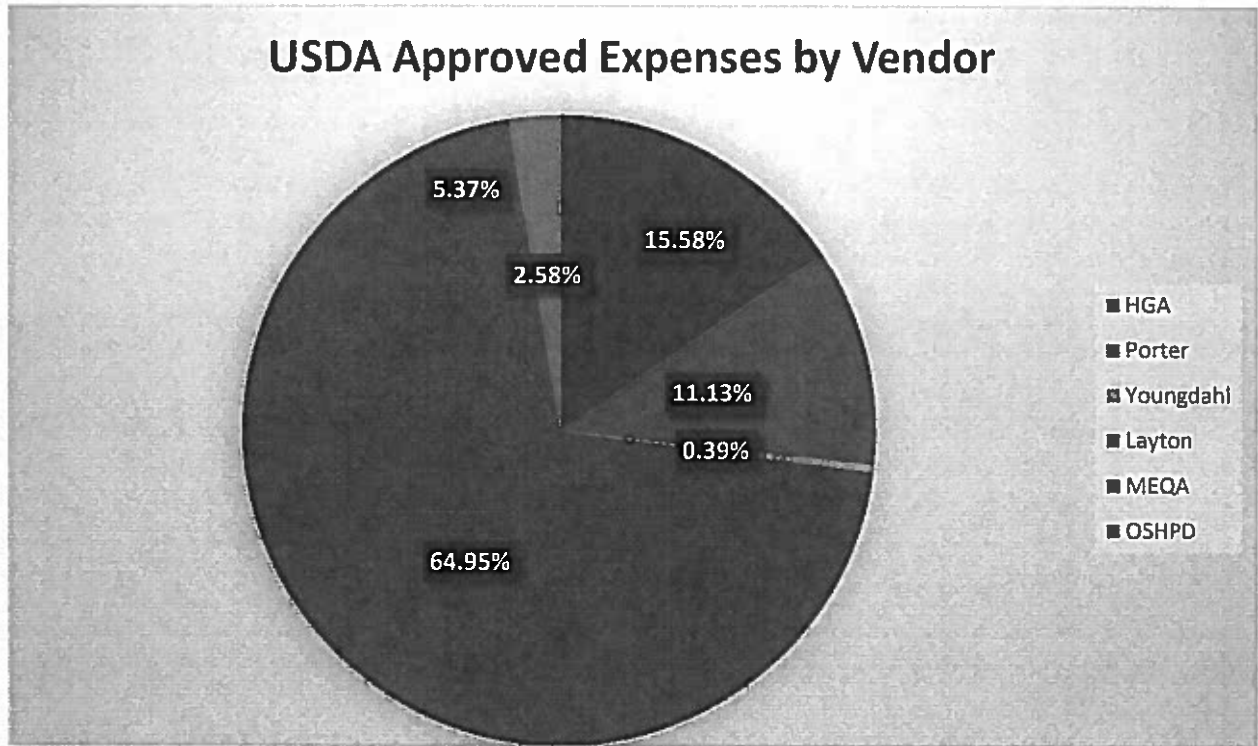
Balance Sheet

1. Construction is Progress increased as we proceed through construction design.

Hospital Expansion Project

Vendor	Amount
HGA	\$ 99,323
Porter	\$ 70,943
Youngdahl	\$ 2,500
Layton	\$ 414,055
MEQA	\$ 34,264
OSHPD	\$ 16,452
Total	\$ 637,537

USDA Approved Expenses by Vendor



- 2.
3. Accounts Payable increased to 764K as we booked 121K of approved invoices towards the project.
4. The Current Ratio dipped to 4.61 as AP and Accrued Payroll were higher in March.

Miscellaneous

1. Patient Payments were above the monthly goal.
2. AR Days are average for California CAH but I hope to get below 53 by the end of the fiscal year.
3. Our Payor Mix is heavily governmental dependent with over 80% of our revenue being driven by Medicare and Medi-Cal.

MONTHLY COLLECTIONS - OBLIGATIONS FISCAL YEAR 2016

2017

2016

	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	average beg balance
BEGINNING AP BALANCE	527,868.70	810,222.00	557,832.00	591,046.00	595,175.00	691,239.61	527,937.85	607,821.46	666,491.81	765,971.95			634,160.64
BEGINNING CREDIT LINE BALANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
CASH COLLECTIONS													YTD total
PATIENT PAYMENTS	1,806,490.48	1,651,767.47	1,974,628.45	1,851,149.13	1,780,383.29	1,828,309.48	1,874,504.56	1,689,841.39	1,835,623.31	0.00	0.00	0.00	16,292,696.56
COST REPORT SETTLEMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	124,388.00	0.00	0.00	0.00	0.00	124,388.00
DSH (Disproportionate Share)	229.00	11,746.00	0.00	16,771.00	27,949.00	306.00	22,384.00	0.00	0.00	0.00	0.00	0.00	79,385.00
OUTPATIENT SUPPLEMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	599,425.00	0.00	0.00	0.00	0.00	599,425.00
DPNF SUPPLEMENTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E.H.R. MCAL/MCARE INCENTIVES	0.00	0.00	0.00	93,471.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	93,471.28
PRIME	375,000.00	0.00	0.00	0.00	1,125,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,500,000.00
IGT	0.00	0.00	191,084.00	0.00	0.00	0.00	1,154,784.55	0.00	0.00	0.00	0.00	0.00	1,345,868.55
HOARF	0.00	27,854.38	0.00	0.00	33,528.24	0.00	1,269,333.08	462,362.80	0.00	0.00	0.00	0.00	1,793,078.50
TAXES	44,662.93	9,489.30	26,857.58	3,005.81	1,102.03	8,349.63	263,174.57	13,834.70	53,522.82	0.00	0.00	0.00	423,999.37
RENTS	2,232.00	2,232.00	2,232.00	2,232.00	2,232.00	2,232.00	2,232.00	2,232.00	2,232.00	0.00	0.00	0.00	20,088.00
VENDING / CAFETERIA	7,078.33	4,375.02	4,105.47	4,919.34	3,844.37	3,705.49	3,431.29	3,646.12	1,279.08	0.00	0.00	0.00	36,384.51
MISC (REBATES/REIMB ETC)	37,606.78	7,722.74	12,976.71	29,247.76	25,755.02	40,710.64	7,875.79	53,837.40	40,800.19	0.00	0.00	0.00	256,533.03
TOTAL COLLECTIONS	2,273,299.52	1,715,186.91	2,211,884.21	2,000,796.32	2,999,793.95	1,883,613.24	4,597,719.84	2,949,567.41	1,933,456.40	0.00	0.00	0.00	22,565,317.80
EXPENSES													YTD total
INCOME STATEMENT EXPENSES	1,969,989.51	1,684,329.66	1,879,461.61	1,861,548.00	1,865,337.71	1,725,612.00	1,886,686.00	1,589,361.35	1,801,293.39	0.00	0.00	0.00	16,263,619.23
ASSET EXPENSES	0.00	0.00	60,467.32	24,282.99	0.00	0.00	49,049.20	203,263.75	0.00	0.00	0.00	0.00	337,063.26
CIP EXPENSES	25,161.34	18,249.89	15,161.34	118,820.13	171,225.00	243,250.67	83,578.56	120,645.34	149,929.59	0.00	0.00	0.00	946,021.86
IGT EXPENSES	18,750.00	104,991.00	0.00	1,143,836.00	646,050.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,913,627.00
EMR LOAN	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E.H.R STAGE 1 REPAYMENT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2007 REVENUE BOND	40,763.71	40,763.71	40,763.71	40,763.71	40,763.71	40,581.92	40,581.92	40,581.92	40,581.92	0.00	0.00	0.00	366,146.23
MEDICARE/MCAL REPAYMENT PLANS	0.00	0.00	0.00	21,860.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,860.00
CHFFA	12,314.72	12,314.72	12,314.72	12,314.72	12,314.72	12,314.72	12,314.72	12,314.72	12,314.72	0.00	0.00	0.00	110,832.48
CAPITAL LEASES	11,504.15	11,504.15	11,504.15	11,504.15	11,504.15	11,504.15	11,504.15	11,504.15	11,504.15	0.00	0.00	0.00	103,537.35
PG & E RETROFIT PAYMENT	2,020.83	2,020.83	2,020.83	2,020.83	2,020.83	758.65	758.65	758.65	758.37	0.00	0.00	0.00	13,138.47
LINE OF CREDIT Prin/int Paymts	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL EXPENSES	2,080,504.26	1,874,173.96	2,021,693.68	3,236,950.53	2,749,216.12	2,034,022.11	2,084,473.20	1,978,429.88	2,016,382.14	0.00	0.00	0.00	20,075,845.88
collections less expenses	192,795.26	(158,987.05)	190,190.53	(1,236,154.21)	250,577.83	(150,408.87)	2,513,246.64	971,137.53	(82,925.74)	0.00	0.00	0.00	2,489,471.92
ENDING AP BALANCE	810,222.00	557,832.00	591,046.00	595,175.00	691,239.61	527,937.85	607,821.46	666,491.81	765,971.95				average ending balance
ENDING CREDIT LINE BALANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				645,970.85
													0.00

MAYERS MEMORIAL HOSPITAL

Statistical Data

Fiscal Year Ending JUNE 30, 2017

COMPARISON TO ACTUAL

2017		2017		FYE 2017		FYE 2016			
MARCH	FEBRUARY			YTD	YTD			% Increase or Decrease	
Actual	Actual	Variance		Actual	Actual	Variance			
VOLUME:									
DISCHARGES									
20	19	1	Acute	218	189	29		15.32%	
5	13	(8)	Swing Bed	80	68	12		17.62%	
3	18	(15)	Skilled Nursing Care (DISCHG)	54	43	11		25.62%	
1	0	1	Observations	3	10	(7)		-70.01%	
PATIENT DAYS									
53	59	(6)	Acute	681	826	(145)		-17.61%	
80	120	(40)	Swing Bed	952	715	237		33.12%	
2113	2093	20	Skilled Nursing Care	20746	20,160	586		2.92%	
LENGTH OF STAY									
2.65	3.11	(0)	Acute	3.12	4.37	(1)		-28.51%	
16.00	9.23	7	Swing Bed	11.90	10.51	1		13.22%	
AVERAGE DAILY CENSUS									
1.71	2.11	(0)	Acute	2.49	3.00	(1)		-17.21%	
2.58	4.29	(2)	Swing Bed	3.47	2.60	1		33.62%	
68.16	74.75	(7)	Skilled Nursing Care	75.72	73.31	2		3.32%	
ANCILLARY SERVICES									
1	3	(2)	Surgery Inpatient Visits	20	27	(7)		-25.91%	
22	28	(6)	Surgery OP/ procedure visits	195	212	(17)		-8.01%	
349	300	49	Emergency Room Visits	3038	3,043	(5)		-.21%	
207	122	85	Outpatient Services Procedures	1054	1,194	(140)		-11.71%	
873	720	153	Laboratory Visits	7290	8,621	(1331)		-15.41%	
495	388	107	Radiology Procedures	3618	3,672	(54)		-1.51%	
21	44	(23)	Hospice Patient Days	671	1,291	(620)		-48.01%	
408	325	83	Physcial Therapy visits	2419	2,585	(166)		-6.41%	
259	248	11	Cardiac Rehab	2181	2,480	(299)		-12.11%	
14	16	(2)	Admissions from ER	176	163	13		8.02%	
9	10	(1)	Transfers from ER	78	116	(38)		-32.81%	
32	32	0	Ambulance Runs	327	335	(8)		-2.41%	
PRODUCTIVITY:									
Productive FTE's									
17.43	16.34		Nursing - Acute	16.03	15.35				
58.88	56.51		Long Term Care	55.39	58.31				
38.88	43.11		Ancillary	41.69	43.14				
72.50	77.43		Service	74.95	73.42				
187.69	193.39		Total Productive	188.06	190.22				
22.85	19.47		Non-Productive FTE's	22.77	21.01				
210.54	212.86		Paid FTE's	210.83	211.23				
PRODUCTIVE FTE PER ADJUSTED OCCUPIED BED									
2.64	2.70			2.80	2.88				

MAYERS MEMORIAL HOSPITAL

Statement of Revenue and Expenses

Fiscal Year Ending JUNE 30, 2017

COMPARISON TO ACTUAL

2017 MARCH ACTUAL	2016 MARCH ACTUAL	Variance	PATIENT REVENUE	FYE 2017 YTD ACTUAL	FYE 2016 YTD ACTUAL	Variance	Increase Decrease %
313,343	420,998	(107,656)	Acute	3,937,894	3,489,983	447,911	12.82%
662,969	753,190	(90,221)	Skilled Nursing	6,364,942	6,312,275	52,667	.82%
			Inpatient Ancillary				
179,615	253,666	(74,051)	Acute	2,441,255	2,518,467	(77,211)	-3.11%
12,712	2,446	10,266	Skilled Nursing	59,304	27,911	31,393	
1,168,638	1,430,300	(261,662)	Total Inpatient Revenue	12,803,395	12,348,635	454,760	3.72%
1,911,586	1,763,924	147,662	Total Outpatient Revenue	14,772,151	14,629,849	142,302	1.02%
3,080,224	3,194,224	(114,000)	Total Patient Revenue	27,575,547	26,978,484	597,062	2.22%
			DEDUCTIONS FROM REVENUE				
851,876	1,300,675	448,799	Contractuals - Care/Cal	6,835,288	8,326,214	1,490,926	
107,586	96,297	(11,289)	Contractuals - PPO	969,227	946,150	(23,076)	
0	15,013	15,013	Charity and Write Offs	42,452	94,706	52,254	
33,286	189,471	156,185	Admin Adjmts/Emp Discounts	457,842	695,001	237,159	
79,284	(42,444)	(121,727)	Provision for Bad Debts	767,041	265,410	(501,630)	
1,072,032	1,559,013	486,981	Total Deductions	9,071,851	10,327,482	1,255,632	
31,630	34,434	(2,804)	Other Operating Revenues	256,503	242,586	13,916	
2,039,822	1,669,645	370,177	Net Revenue	18,760,199	16,893,588	1,866,610	
			OPERATING EXPENSES				
773,715	802,037	28,322	Productive Salaries	6,874,642	6,864,531	(10,110)	-.11%
148,323	56,775	(91,548)	Non-Productive Salaries	896,989	795,028	(101,961)	-12.81%
179,761	214,967	35,206	Employee Benefits	1,967,788	1,919,318	(48,469)	-2.51%
236,441	198,093	(38,348)	Supplies	1,715,147	1,549,138	(166,008)	-10.71%
126,459	262,608	136,148	Professional Fees	1,321,340	1,433,721	112,381	7.82%
3,437	15,300	11,863	Acute/Swing Purchased Serv	54,565	108,530	53,965	49.72%
42,363	28,877	(13,486)	SNF Purchased Serv	580,924	327,730	(253,194)	-77.31%
131,072	205,976	74,904	Other Purchased Services	1,180,946	1,093,432	(87,515)	-8.01%
16,499	44,673	28,174	Repairs	288,614	319,380	30,766	9.62%
35,857	36,577	720	Utilities	382,494	356,448	(26,046)	-7.31%
13,243	15,560	2,317	Insurance	159,211	140,086	(19,125)	-13.71%
26,046	36,249	10,202	Other	371,985	324,568	(47,417)	-14.61%
126,251	113,843	(12,408)	Depreciation	1,015,853	1,021,307	5,454	.52%
0	0	0	Bond Repayment Insurance	0	0	0	
29,076	30,956	1,880	Bond Repayment Interest	265,041	299,400	34,359	11.52%
5,007	7,941	2,933	Interest	46,562	102,986	56,424	54.82%
39,002	6,185	(32,817)	Rental - Lease	106,384	89,555	(16,829)	-18.81%
1,932,552	2,076,615	144,064	Total Operating Expense	17,228,483	16,745,159	(483,325)	-2.91%
107,270	(406,970)	514,241	Income From Operations	1,531,715	148,429	1,383,286	
			NON-OPERATING REVENUE AND EXPENSE				
173,842	100,760	73,082	Non-Operating Revenue	1,609,606	1,095,464	514,142	
0	22	(22)	Interest Income	74	160	(86)	
7,418	7,418	0	Non-Operating Expense	66,758	66,759	1	
166,424	93,364	73,060	Total Non-Operating	1,542,922	1,028,864	514,058	
273,694	(313,607)	587,301	NET INCOME	3,074,638	1,177,294	1,897,344	

	MARCH 2017	FEBRUARY 2017
CURRENT ASSETS		
Cash (General/Payroll/Petty Cash)	331,439	115,147
Reserve Cash (unrestricted)	4,987,771	5,257,771
Reserve Cash (restricted) - construction acct	2,500	2,500
Accounts Receivable	5,789,455	5,789,321
County Treasury receivable	92,383	82,210
Less: Reserve for Uncollectibles	(722,200)	(688,695)
Reserve for Medicare/Medi-Cal	(1,489,390)	(1,609,631)
Inventories	401,237	407,969
Accounts Receivable - Other	970,066	907,537
Prepaid Expenses	370,952	312,760
Medicare/Medi-Cal Settlement	1,082,445	964,745
TOTAL CURRENT ASSETS	11,816,658	11,541,634
PROPERTY, PLANT AND EQUIPMENT		
Land	753,510	753,510
Building and Fixed Equipment	11,467,558	11,467,558
Equipment	11,146,648	11,146,648
Construction in Progress	5,030,778	4,880,848
Less: Reserve for Depreciation	(18,914,099)	(18,804,425)
TOTAL PROPERTY, PLANT AND EQUIPMENT	9,484,395	9,444,139
OTHER ASSETS (includes 2007 Bond / AP Bond / G.O. BOND)		
Bond Indenture agreement - held by trustee	384,075	343,372
Bond Reserve Funds held by trustee	528,318	528,140
Unamortized Bond Issue Cost	(24,467)	(21,749)
Unamortized Bond Discount	(8,947)	(9,266)
Unamortized Cost of Bond Defeasance	75,595	80,614
AP Bond - issue / discount / cost	(0)	(0)
G.O. Bond - issue / discount / cost	305,943	305,943
TOTAL OTHER ASSETS	1,260,517	1,227,053
TOTAL ASSETS	22,561,570	22,212,826
CURRENT LIABILITIES		
Accounts Payable	764,681	655,862
Accrued Payroll	318,596	254,399
Accrued Payroll Taxes	(66,152)	40,204
Accrued Vacation & Holiday	475,855	473,864
Accrued Health Insurance	32,376	31,614
Accrued Interest	452,752	408,215
Accrued Audit Fees	0	0
Grants Received	0	0
Line of Credit	0	0
PGE Retrofit payback	0	0
ICE Technology	0	0
E.H.R.	0	0
E.H.R. contingency/deferred revenue	623,082	654,268
CHAFFA	145,033	144,672
PRIME PLAN	0	0
HQAF	0	0
IGT (TRAD/PHP)	0	0
Current Portion of Long Term Debt (2007 Bond)	440,000	440,000
Current Portion of Medicare/Medi-Cal Settlement	0	0
TOTAL CURRENT LIABILITIES	3,186,222	3,103,097
LONG-TERM DEBT		
Revenue Bonds (2007 Bond / AP Bond / G.O. Bond)		
2007 Revenue Bond	1,285,000	1,285,000
AP Bond	1,765,000	1,765,000
G.O. Bond	5,710,822	5,710,822
Notes Payable	0	0
Capital Leases / Settlement pymt		
Leases	110,554	112,375
E.H.R.	0	0
CHAFFA	12,284	24,536
Medicare 2015	377,035	377,035
Medicare 2010	0	0
Medi-Cal 2009	0	0
DPNF (medi-cal 2013)	0	0
PGE Retrofit Payback	0	0
Less: Current Maturities	(440,000)	(440,000)
TOTAL LONG-TERM DEBT	8,820,695	8,834,769
FUND EQUITY	10,554,653	10,274,960
TOTAL LIABILITIES AND FUND BALANCE	22,561,570	22,212,826
CURRENT RATIO:	4.61	4.71

MAYERS MEMORIAL HOSPITAL
SUMMARY OF SERVICES - DEPOSITS - REFUNDS
 - Fiscal Year 2017

DATE:	REVENUE / SERVICES	AVERAGE DAILY REVENUE	TOTAL DEPOSITS	RESERVE DEPOSITS	MISC. PAYMENTS	MISC. PYMTS PT RELATED	PATIENT PAYMENTS	ADJUSTMENTS & WRITE-OFFS	REFUNDS
July 31, 2016	2,665,795.35	85,993.40	2,273,299.52	0.00	423,773.47	229.00	1,794,676.21	1,203,319.88	1,364.12
August 31, 2016	3,670,842.59	118,414.28	1,715,186.91	0.00	9,489.30	39,600.38	1,666,097.23	1,192,773.91	663.01
September 30, 2016	2,997,780.36	99,926.01	2,211,884.21	0.00	217,941.58	0.00	1,993,942.63	1,652,034.05	5,191.17
October 31, 2016	2,878,099.95	92,841.93	2,000,796.32	0.00	25,886.72	110,242.28	1,864,667.32	963,959.06	7,318.54
November 30, 2016	2,914,493.71	97,149.79	2,999,793.95	0.00	1,126,102.03	61,477.24	1,812,214.68	1,236,414.61	65,871.55
December 31, 2016	3,109,045.89	100,291.80	1,883,613.24	0.00	49,648.75	306.00	1,833,658.49	1,586,144.50	733.53
January 30, 2017	3,127,164.49	100,876.27	4,597,719.84	0.00	271,815.21	2,446,501.63	1,879,403.00	1,101,002.91	40,719.72
February 28, 2017	2,998,218.43	107,079.23	2,949,567.41	0.00	13,834.70	1,186,175.80	1,749,556.91	1,569,518.99	34,579.29
March 31, 2017	3,062,980.01	98,805.81	1,933,456.40	0.00	67,750.78	0.00	1,865,705.62	1,280,991.30	27,905.32
April 30, 2017	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
May 31, 2017	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
June 30, 2017	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
YTD TOTAL	27,424,420.78	100,153.17	22,565,317.80	0.00	2,206,242.54	3,844,532.33	16,459,922.09	11,786,159.21	184,346.25

PAYOR MIX - YTD % OF REVENUE

	MARCH	FEB	JAN	3 MONTH AVERAGE
MEDICARE	39.74%	41.54%	47.14%	42.81%
MEDI - CAL	41.18%	36.66%	36.76%	38.20%
THIRD PARTY	15.53%	14.67%	13.32%	14.51%
PRIVATE	3.55%	7.13%	2.78%	4.49%

ACCOUNTS RECEIVABLE AGING

	MARCH \$ OUTSTANDING	MARCH DAYS OUT	FEBRUARY DAYS OUT	JANUARY DAYS OUT
MEDICARE	1,473,131.01	33.68	42.60	43.25
MEDI - CAL	1,969,286.41	50.49	44.61	52.42
THIRD PARTY	1,322,878.79	89.37	80.61	86.67
PRIVATE	1,040,739.52	228.80	217.56	256.50
LTC ONLY (INCLUDE)	1,694,610.33	80.49	63.77	68.06
OVERALL	5,806,035.73	56.87	56.59	60.36

MAYERS MEMORIAL HOSPITAL
2016-2017 OPERATING ACTUAL

due to computer being down some of July is in Aug

YEAR TO DATE
 6/30/2017 3/31/2016
 ACTUAL ACTUAL

	AUG	SEPT	OCT	NOV	DEC	Jan-17	FEB	MAR	APR	MAY	JUN	ACTUAL	ACTUAL
Operating Revenue:													
Routine	405,133	517,477	316,395	404,141	477,924	604,838	428,369	313,343	0	0	0	3,937,894	3,489,983
Acute	763,719	756,179	718,360	740,180	709,408	632,388	653,687	662,969	0	0	0	6,364,942	6,312,275
SNF													
Ancillary	219,129	346,598	373,670	259,379	225,164	347,641	228,421	179,615	0	0	0	2,441,255	2,518,467
Acute	5,425	6,298	6,979	2,891	5,451	2,535	6,827	12,712	0	0	0	59,304	27,911
SNF	1,287,615	2,060,994	1,597,685	1,493,017	1,701,634	1,557,413	1,693,832	1,911,586	0	0	0	14,772,151	14,629,849
Outpatient	2,681,020	3,687,546	3,013,089	2,899,608	3,124,316	3,144,815	3,011,136	3,080,224	0	0	0	27,575,547	26,976,484
Less Deductions:													
Contractuals - Care/Cal	745,681	989,200	1,012,799	536,850	954,695	333,629	627,928	851,876	0	0	0	6,835,288	8,326,214
Contractuals - PPO	81,962	68,102	144,118	108,885	83,638	93,296	166,950	107,586	0	0	0	969,227	946,150
Charity Care & Write off	0	75	7,994	6,173	14,460	11,104	2,646	0	0	0	0	42,452	94,706
Other Contractual write offs	12,528	7,064	108,507	62,754	132,307	35,239	49,973	33,286	0	0	0	457,842	695,001
Provision For Bad Debts	86,953	146,392	(15,009)	81,761	123,486	5,966	210,876	79,284	0	0	0	767,041	265,410
Total Deductions	927,124	1,210,833	1,258,410	796,422	1,308,597	479,234	1,058,272	1,072,032	0	0	0	9,071,851	10,327,482
Other Revenue	38,805	13,989	8,610	21,912	52,231	4,287	53,780	31,630	0	0	0	256,503	242,586
Net Revenue	1,792,701	2,490,702	1,763,289	2,125,097	1,867,950	2,669,878	2,006,643	2,039,822	0	0	0	18,780,199	16,893,588
Operating Expenses:													
Salaries - Productive	769,962	819,448	738,270	768,445	776,331	785,116	732,767	773,715	0	0	0	6,874,642	6,864,531
Salaries - Non-productive	92,369	77,138	109,946	109,369	78,703	181,042	5,272	148,323	0	0	0	896,989	795,028
Employee Benefits	225,346	187,209	251,213	242,180	215,877	200,374	239,835	179,761	0	0	0	1,967,778	1,919,318
Supplies	170,995	206,551	200,185	194,479	185,644	214,264	236,441	236,441	0	0	0	1,715,147	1,549,138
Professional Fees	186,592	140,521	155,728	154,797	138,705	137,012	141,323	126,459	0	0	0	1,321,340	1,433,721
Acute/Swing/OB Purchased Serv	15,117	4,264	4,999	4,855	3,942	3,665	9,066	4,343	0	0	0	54,565	108,530
SNF Purchased Services	56,797	31,251	109,687	82,417	86,536	50,222	41,104	42,363	0	0	0	580,924	327,730
Other Purchased Services	200,331	116,882	110,615	137,333	76,108	139,137	164,986	131,072	0	0	0	1,180,946	1,093,432
Repairs & Maintenance	25,838	33,555	33,555	31,196	63,116	18,495	39,150	16,499	0	0	0	288,614	319,380
Utilities	50,703	45,853	43,708	41,078	44,859	46,052	38,140	35,857	0	0	0	382,494	356,448
Insurance	30,934	5,559	18,246	18,188	18,246	18,246	18,246	13,243	0	0	0	159,211	140,086
Other Expense	45,280	28,532	49,901	46,167	42,785	43,266	55,205	26,046	0	0	0	371,985	324,568
Depreciation	108,490	108,096	108,802	109,349	109,220	109,796	126,500	126,251	0	0	0	1,015,853	1,021,307
Bond Repayment Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0
Bond Repayment Interest	29,626	29,615	40,776	29,584	29,486	29,423	29,068	29,076	0	0	0	276,222	299,400
Interest	9,075	9,104	(8,929)	5,596	5,057	4,809	571	5,007	0	0	0	35,381	102,986
Rent/Lease Equipment	4,302	23,333	15,104	12,828	10,160	7,629	(10,568)	39,002	0	0	0	106,384	89,555
Total Operating Expense	2,021,746	1,866,912	1,979,335	1,976,493	1,839,879	2,001,291	1,744,930	1,932,552	0	0	0	17,228,473	16,745,159
Net Operating Rev over Expense	(229,044)	623,790	(216,046)	148,604	28,072	668,587	261,714	107,270	0	0	0	1,531,725	148,429
Non-Operating Revenue:													
Non-operating Revenue	163,724	159,614	169,458	292,124	160,202	159,112	172,068	173,842	0	0	0	1,609,606	1,095,464
Interest Income	37	37	0	0	0	0	0	0	0	0	0	74	160
Other non-operating Expense	7,418	7,418	7,418	7,418	7,418	7,418	7,418	7,418	0	0	0	66,758	66,759
Total Non-Operating Revenue	156,344	152,233	162,040	284,706	152,784	151,694	164,651	166,424	0	0	0	1,542,922	1,028,664
Net Revenue over Expense	(72,701)	776,024	(54,006)	433,311	180,855	820,281	426,365	273,694	0	0	0	3,074,648	1,177,294
DAYS CASH ON HAND	43.96	38.34	41.41	26.15	26.62	70.41	92.96	91.33	#DIV/0!	#DIV/0!	#DIV/0!		
AVERAGE YTD	43.96	41.15	41.24	37.47	35.87	40.81	49.38	52.21	#DIV/0!	#DIV/0!	#DIV/0!		

**MAYERS MEMORIAL HOSPITAL
2015-2016 OPERATING ACTUAL**

	July-15	AUG	SEPT	OCT	NOV	DEC	Jan-16	FEB	MAR	APR	MAY	JUN	6/30/2016 TOTAL	3/31/2017
Operating Revenue:														
Routine														
Acute	255,282	477,691	381,896	420,966	181,147	431,870	467,358	452,776	420,998	564,897	456,194	374,239	4,887,313	3,489,983
SNF	666,004	652,916	667,314	717,588	697,924	716,137	725,622	715,580	753,190	744,979	759,598	725,222	8,542,074	6,312,275
Ancillary														
Acute	202,324	349,617	329,735	243,281	179,170	319,417	299,841	341,416	253,666	609,880	111,393	268,656	3,508,395	2,518,467
SNF	7,037	1,710	981	2,439	9,879	1,210	1,115	1,096	2,446	7,030	6,100	7,347	48,388	27,911
Outpatient	1,580,476	1,748,517	1,717,425	1,604,510	1,465,249	1,541,612	1,341,631	1,866,506	1,763,924	1,633,750	1,656,275	1,898,333	19,818,207	14,629,849
Other Contractual write offs	2,711,122	3,230,450	3,097,350	2,988,783	2,533,369	3,010,246	2,835,568	3,377,373	3,194,224	3,560,536	2,991,560	3,273,796	36,804,376	26,978,484
Total Deductions	(870,274)	(1,177,866)	(1,022,105)	(857,661)	(926,556)	(1,332,453)	(1,213,646)	(1,367,909)	(1,559,013)	(1,428,191)	(1,051,923)	(1,175,618)	(13,983,214)	(10,327,482)
Other Revenue	22,634	31,788	22,615	40,055	45,011	8,783	19,407	17,859	34,434	11,869	42,481	8,674	305,610	242,586
Net Revenue	1,863,483	2,084,372	2,097,860	2,171,178	1,651,823	1,686,576	1,641,328	2,027,323	1,669,645	2,144,215	1,982,118	2,106,851	23,126,772	16,893,588
Operating Expenses:														
Salaries - Productive	792,543	778,693	721,738	771,588	739,153	740,245	777,706	740,828	802,037	790,898	790,174	734,893	9,180,496	6,864,531
Salaries - Non-productive	92,397	71,939	88,311	110,130	88,089	105,813	96,047	85,528	56,775	106,895	66,214	88,528	1,056,665	795,028
Employee Benefits	201,844	212,633	221,535	223,952	205,126	214,271	218,672	206,317	214,967	254,160	214,988	227,585	2,616,051	1,919,318
Supplies	142,003	183,066	160,902	171,520	105,149	210,994	170,965	206,446	198,093	168,265	227,633	174,986	2,120,023	1,549,138
Professional Fees	162,028	157,444	146,989	160,657	166,479	169,186	156,709	51,622	262,608	169,762	162,523	153,856	1,919,863	1,433,721
Acute/Swing/OB Purchased Ser	26,855	28,668	12,673	3,452	6,774	6,353	818	7,636	15,300	29,848	19,622	36,685	194,684	108,530
SNF Purchased Services	64,929	70,007	53,176	42,626	16,716	14,391	9,642	27,367	28,877	75,281	16,048	116,833	479,811	327,730
Other Purchased Services	68,970	112,167	133,666	108,153	120,484	104,201	116,680	123,134	205,976	129,935	114,838	115,852	1,454,052	1,093,432
Repairs & Maintenance	32,441	31,615	31,438	49,430	26,832	34,009	28,459	40,482	44,673	17,561	42,801	28,963	408,705	319,380
Utilities	47,586	46,147	44,146	37,958	29,577	38,331	38,938	37,189	36,577	34,877	36,149	33,365	460,839	356,448
Insurance	15,608	15,560	15,560	15,560	15,560	15,560	15,560	15,560	15,560	5,206	25,914	15,827	187,032	140,086
Other Expense	29,751	24,641	42,936	36,797	22,709	27,428	35,676	68,381	36,249	31,882	44,602	43,141	444,192	324,568
Depreciation	114,087	113,900	112,614	113,322	113,399	113,399	113,399	113,345	113,843	113,363	113,247	112,288	1,360,206	1,021,307
Bond Repayment Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bond Repayment Interest	31,422	39,908	35,339	34,622	31,085	31,084	31,045	33,939	30,956	30,929	30,920	29,537	390,787	299,400
Interest	16,675	4,990	7,682	30,124	9,584	6,691	6,811	12,488	7,941	7,850	9,532	9,133	129,500	102,986
Rent/Lease Equipment	11,131	11,046	13,328	3,841	5,108	15,778	19,892	3,246	6,185	4,347	7,236	5,794	106,931	89,555
Total Operating Expense	1,850,270	1,902,422	1,842,034	1,913,733	1,701,823	1,847,734	1,837,019	1,773,507	2,076,615	1,971,057	1,922,434	1,871,185	22,509,835	16,745,159
Net Operating Rev over Expense	13,213	181,950	255,827	257,445	(50,000)	(161,159)	(195,691)	253,815	(406,970)	173,157	59,684	235,666	616,937	148,429
Non-Operating Revenue:														
Non-operating Revenue	90,253	83,164	84,843	221,211	222,041	98,594	97,299	97,299	100,760	179,866	341,874	457,641	2,074,844	1,095,464
Interest Income	0	3	5	20	31	30	30	19	22	30	38	39	268	160
Other non-operating Expense	7,418	7,418	7,418	7,418	7,418	7,418	7,418	7,418	7,418	7,418	7,418	7,418	89,012	66,759
Total Non-Operating Revenue	82,836	75,750	77,430	213,813	214,655	91,206	89,911	89,900	93,364	172,479	334,494	450,263	1,986,100	1,028,864
Net Revenue over Expense	96,049	257,700	333,257	471,258	164,655	(69,952)	(105,781)	343,715	(313,607)	345,636	394,178	685,929	2,603,037	1,177,284
YTD	96,049	353,748	687,005	1,158,263	1,322,918	1,252,966	1,147,185	1,490,900	1,177,294	1,522,930	1,917,108	2,603,037	2,603,037	1,177,284

MAYERS MEMORIAL HOSPITAL DISTRICT
 FINANCIAL SNAPSHOT
 MONTH ENDED MARCH 31, 2017

FISCAL 2017

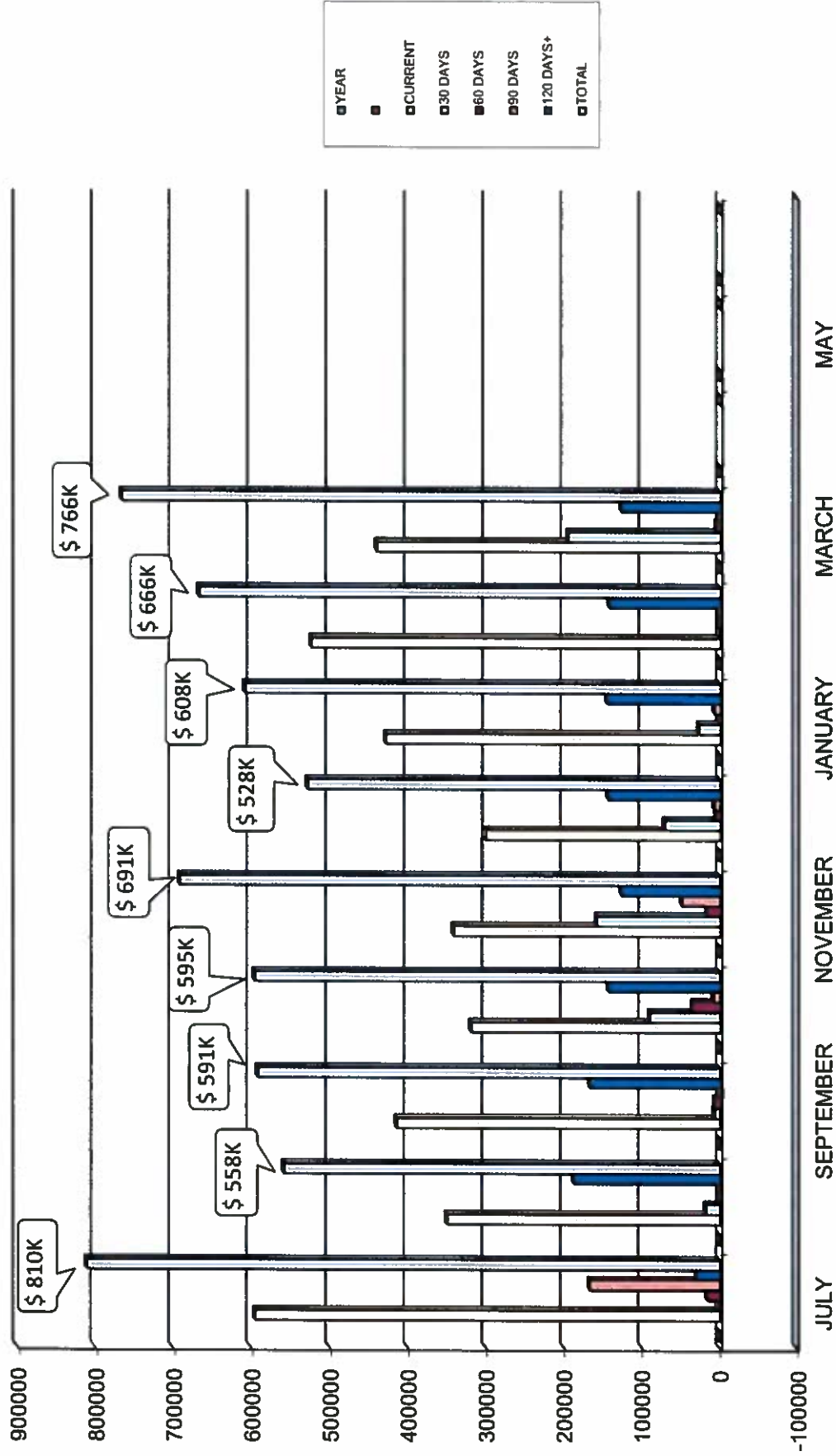
FINANCIAL DATA ACROSS ENTIRE ENTERPRISE
 ACTUAL YTD MARCH 17 ACTUAL YTD MARCH 16 VARIANCE\$ VARIANCE %

	MARCH 17	MARCH 16	Variance\$	Variance %
Inpatient Revenue				
Acute/OB/Swing	\$ 3,937,894	\$ 3,489,983	447,910.84	13%
SNF	\$ 6,364,942	\$ 6,312,275	52,667.14	1%
Inpatient Ancillary Revenue				
Acute/OB/Swing	2,441,255	2,518,467	(77,211.09)	-3%
SNF	59,304	27,911	31,393.37	112%
Outpatient Revenue	14,772,151	14,629,849	142,301.99	1%
Total Gross Revenue	\$ 27,575,547	\$ 26,978,484	597,062.25	2%

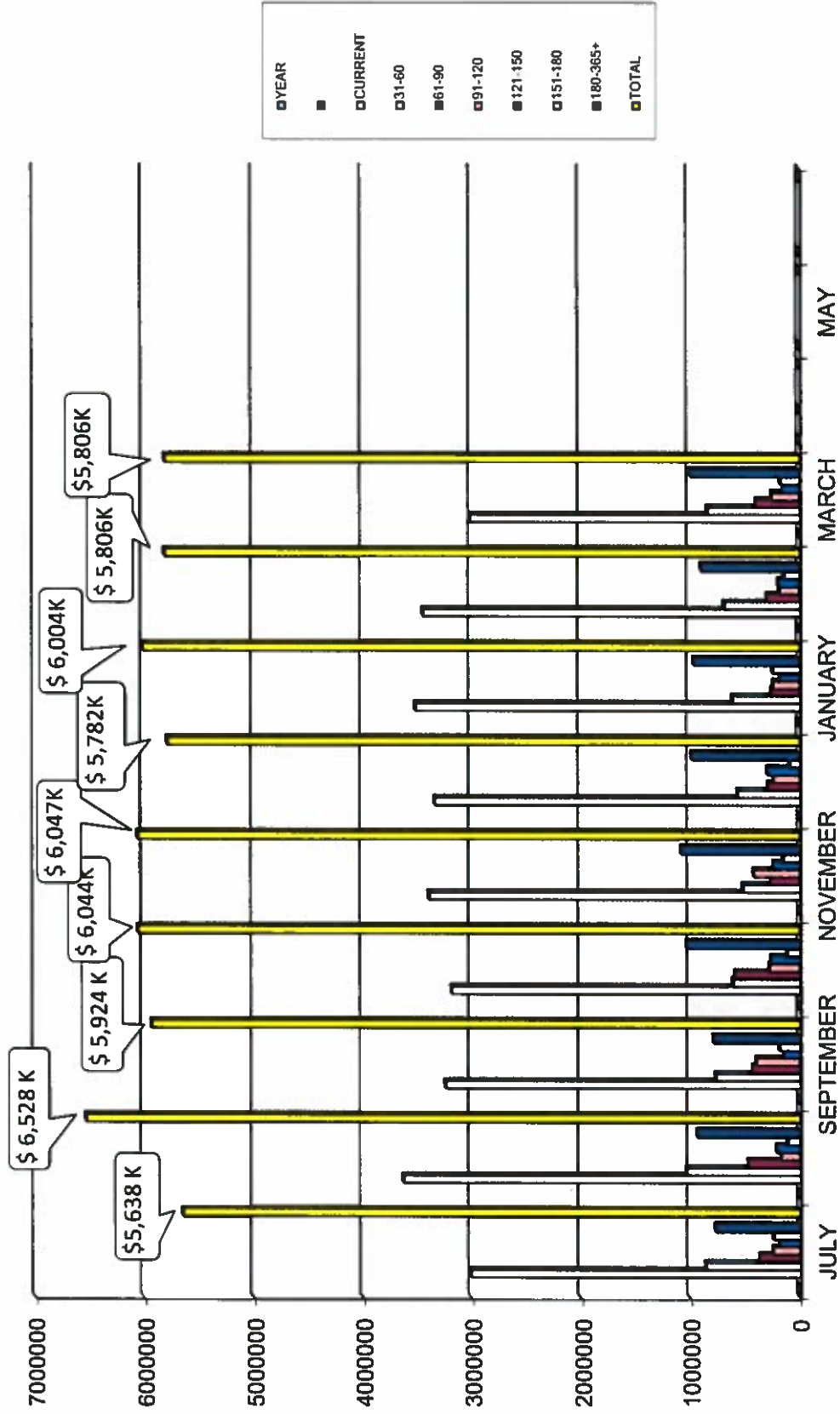
ACTUAL YTD MARCH 17 ACTUAL YTD MARCH 16 VARIANCE VARIANCE %

	MARCH 17	MARCH 16	Variance	Variance %
Statistics				
Patient Days	22379	21701	678	3.1%
Outpatient Services	1,054	1194	(140)	-12%
Labs	7,290	8621	(1,331)	-15%
Imaging	3,618	3672	(54)	-1%
Hospice	671	1291	(620)	-48%
Ambulance	327	335	(8)	-2%
PT	8453	8132	321	4%

ACCOUNTS PAYABLE



ACCOUNTS RECEIVABLE



ACCOUNTS RECEIVABLE

MONTH	YEAR	CURRENT	31-60	61-90	91-120	121-150	151-180	180-365+	TOTAL
JULY	2016	2,996,859.84	853,270.84	361,844.17	238,852.52	180,128.70	241,326.65	765,678.61	5,637,961.33
AUGUST	2016	3,620,170.40	1,026,120.30	465,967.97	166,533.75	209,232.62	112,043.06	927,717.55	6,527,785.65
SEPTEMBER	2016	3,232,850.55	762,178.62	425,306.04	393,478.23	140,349.76	187,076.53	782,817.29	5,924,057.02
OCTOBER	2016	3,178,489.21	606,944.80	585,159.68	276,118.16	256,730.62	115,850.79	1,024,526.24	6,043,819.50
NOVEMBER	2016	3,387,066.36	518,889.16	260,900.58	415,875.27	236,335.01	151,212.87	1,076,517.33	6,046,796.58
DECEMBER	2016	3,332,454.43	563,586.28	283,771.77	235,162.20	292,658.95	94,051.94	980,422.00	5,782,107.57
JANUARY	2017	3,514,524.90	610,816.76	256,098.77	238,160.58	176,123.49	249,262.60	958,950.11	6,003,937.21
FEBRUARY	2017	3,441,969.39	682,688.03	288,155.46	177,066.14	186,648.73	141,186.04	888,188.10	5,805,901.89
MARCH	2017	3,007,352.77	837,129.56	393,462.92	251,278.66	150,034.97	175,851.62	990,925.23	5,806,035.73
APRIL	2017								0.00
MAY	2017								0.00
JUNE	2017								0.00

ACCOUNTS PAYABLE (includes accrued payables)

MONTH	YEAR	CURRENT	30 DAYS	60 DAYS	90 DAYS	120 DAYS+	TOTAL
JULY	2016	594,652.03	2,787.43	16,034.05	167,156.41	29,592.08	810,222.00
AUGUST	2016	349,878.88	18,274.09	2,408.13	0.00	187,270.90	557,832.00
SEPTEMBER	2016	414,085.48	6,857.05	6,140.31	(3,040.44)	167,003.60	591,046.00
OCTOBER	2016	318,825.29	90,458.24	34,832.29	8,104.85	142,954.33	595,175.00
NOVEMBER	2016	341,233.55	158,525.40	16,255.52	49,106.31	126,118.83	691,239.61
DECEMBER	2016	300,989.34	71,033.05	5,026.38	7,129.33	143,759.75	527,937.85
JANUARY	2017	427,956.41	27,503.06	0.00	7,129.33	145,232.66	607,821.46
FEBRUARY	2017	523,310.07	690.00	105.65	24.10	142,361.99	666,491.81
MARCH	2017	439,664.26	195,201.31	4,464.00	0.00	126,642.38	765,971.95
APRIL	2017						0.00
MAY	2017						0.00
JUNE	2017						0.00

FITCH AFFIRMS MAYERS MEMORIAL HOSPITAL DISTRICT, CA GOS AT 'BBB-'; OUTLOOK STABLE

Fitch Ratings-San Francisco-13 April 2017: Fitch Ratings has affirmed the 'BBB-' rating on the approximately \$5 million of Mayers Memorial Hospital District, CA (MMHD) general obligation (GO) bonds, 2010 election, 2011 series A. The bonds have been removed from Rating Watch Evolving.

The Rating Outlook is Stable.

In addition, Fitch has assigned MMHD an Issuer Default Rating (IDR) of 'BBB-'.

SECURITY

The bonds are general obligations of the district, supported by an unlimited ad valorem tax pledge on all taxable property in the district.

KEY RATING DRIVERS

IMPROVED FINANCIAL PROFILE: MMHD's financial profile has improved significantly since fiscal 2015 (June 30 year-end) due to strategic growth initiatives to enhance services and drive volume growth as well as additional supplemental reimbursement. MMHD also benefits from its status as a critical access hospital, providing favorable Medicare reimbursement.

STRONG MARKET SHARE: MMHD maintains strong market share, and its nearest competitor is 70 miles away. The district is geographically large but sparsely populated, with economic concentration in natural resources including timber and energy production, food processing and other land-based enterprises.

ADDITIONAL DEBT PLANS: MMHD plans to close on a \$22.8 million USDA financing in the next few months to fund the costs of a state-mandated seismic improvement project and refinance \$6.5 million of outstanding debt.

NO TAXING MARGIN: Fitch views MMHD as having no taxing margin to generate additional funds from tax revenue for operations or debt service within their own control since this would require voter approval.

RATING SENSITIVITIES

SUSTAINED FINANCIAL PROFILE: The recently improved financial performance would need to be sustained to support the planned additional debt. A reversal in financial performance would likely lead to negative rating action.

CREDIT PROFILE

Mayers Memorial Hospital District spans the upper northeast corner of Shasta County, CA approximately 70 miles northeast of Redding, with portions in adjoining Modoc and Lassen Counties. The district has a population of approximately 14,000 and encompasses 8,000 square miles, an area larger than several states. The district operates a 22-bed critical access hospital and a long-term care facility with 99 skilled nursing beds.

IMPROVED FINANCIAL PERFORMANCE

With a new strategic direction led by a CEO that started in August 2015, various initiatives to enhance services and grow volume as well as cost containment measures have resulted in a significant improvement in financial performance. In addition, MMHD has benefited from additional supplemental reimbursement available through various programs. Recent service expansion includes ambulatory growth in its service area and expanding physical therapy and wound care programs.

Operating EBITDA margin was 15.9% through the seven months ended Jan. 31, 2017 compared to 16.9% in fiscal 2016, 19.1% in fiscal 2015 and 9.1% in fiscal 2014. Days cash on hand has improved to 71.5 at Jan. 31, 2017 from 9.9 days at fiscal year-end 2015. Debt service coverage is strong (on pro forma MADS of \$1.2 million) at 4.5x through the seven months ended Jan. 31, 2017, 4.2x in fiscal 2016 and 4.2x in fiscal 2015.

INCREASED BORROWING PLANNED

MMHD plans to close on a USDA financing in the next few months, which will total \$22.8 million and \$6.5 million will refinance outstanding debt. The new money will fund the construction cost of a new ER, lab, and radiology, which is currently in non-seismic compliance space. The bonds will be secured by the property tax levy.

The remaining outstanding debt will be approximately \$500,000 of series 2011A GO bonds (capital appreciation bonds) and \$1.3 million of revenue bonds outstanding that will mature in June 2019.

MADS on the pro forma debt profile is expected to total \$1.2 million and pro forma cash to debt will be weak at 17%.

LIMITED ECONOMY

The district's tax base is largely rural and agricultural in nature, with most of the top taxpayers in the timber, food processing, agricultural and recreational industries. The district receives two types of property tax; a fixed share of the 1% countywide tax on all taxable property within its boundaries, and an unlimited ad valorem tax on all taxable property within the district sufficient to pay voter approved debt service. Total tax revenue in fiscal 2016 was \$1.1 million, the majority of which is for GO debt service.

VARIATION FROM PUBLISHED CRITERIA

The analysis supporting the 'BBB-' IDR includes a variation from the U.S. Nonprofit Hospitals and Health Systems Rating Criteria. Enhanced analysis under the variation relates to the assessment of the benefits and risks of supplemental tax revenues available to the healthcare provider. This evaluation is supported by Fitch's new 'U.S. Tax-Supported Rating Criteria' dated April 21, 2016 that includes refinements to the analysis of both tax revenue volatility, through the new Fitch Analytical Sensitivity Tool (FAST), and the value of taxing capacity relative to the issuer's potential revenue stress in a downturn.

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Applicable Criteria

Revenue-Supported Rating Criteria (pub. 16 Jun 2014)

<https://www.fitchratings.com/site/re/750012>

U.S. Nonprofit Hospitals and Health Systems Rating Criteria (pub. 09 Jun 2015)

<https://www.fitchratings.com/site/re/866807>

U.S. Tax-Supported Rating Criteria (pub. 18 Apr 2016)

<https://www.fitchratings.com/site/re/879478>

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