

**ERIE COUNTY MEDICAL CENTER CORPORATION**  
**STATEMENTS OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS**  
 For the Years Ended December 31,  
 (000's omitted)

	<b>2008</b>	<b>2007</b>
Operating revenue:		
Net patient service revenue	\$ 352,357	\$ 337,775
Intergovernmental transfer revenue – net	42,102	11,035
Other operating revenue	16,487	18,506
Total operating revenue	410,946	367,316
Operating expenses:		
Salaries, wages and fringe benefits	210,788	185,024
Other professional and temporary services	71,299	63,311
Supplies	54,789	52,953
Utilities and telephone	10,675	9,376
Other operating expenses	9,939	7,703
Services purchased from Erie County	1,521	1,816
Provision for bad debts	19,630	19,072
Depreciation and amortization	12,513	11,691
Interest expense	5,562	5,562
Total operating expenses	396,716	356,508
Operating income	14,230	10,808
Non-operating revenue (expense):		
Investment income (loss)	(7,706)	6,411
Erie County contribution – operations	5,562	14,000
Net non-operating revenue	(2,144)	20,411
Excess of revenues over expenses before capital grants and contributions	12,086	31,219
Capital contributions – Erie County	1,696	6,698
Change in net assets	13,782	37,917
Net assets – beginning of year	103,701	65,784
Net assets – end of year	\$ 117,483	\$ 103,701

**I-3.) Assets and Liabilities** for Fiscal Year End including the Status of Reserve, Depreciation, Special or Other Funds and including the Receipts and Payments of these Funds

ERIE COUNTY MEDICAL CENTER CORPORATION

STATEMENTS OF NET ASSETS  
December 31,  
(000's omitted)

ASSETS	2008	2007
Current assets:		
Cash and cash equivalents	\$ 57,464	\$ 30,600
Investments	68,001	72,326
Assets whose use is limited	20,639	10,791
Patient accounts receivable, net of estimated uncollectibles of \$23,269 in 2008 and \$25,950 in 2007	44,432	46,170
Due from Erie County	1,864	2,860
Capital appropriations due from Erie County	1,451	1,955
Other receivables	20,134	9,854
Inventories	4,192	4,985
Prepays and other	1,669	1,315
Total current assets	<u>219,846</u>	<u>180,856</u>
Non-current assets:		
Other receivable	13,346	-
Other assets	384	307
Assets whose use is limited	40,759	54,016
Land improvements, buildings and equipment – net	73,845	74,925
Deferred financing costs, net	2,649	2,753
Total non-current assets	<u>130,983</u>	<u>132,001</u>
Total	<u>\$ 350,829</u>	<u>\$ 312,857</u>
<b>LIABILITIES AND NET ASSETS</b>		
Current liabilities:		
Accounts payable	\$ 19,905	\$ 17,442
Due to Erie County	5,310	4,055
Accrued salaries, wages and payroll taxes	12,926	7,948
Accrued vacation, sick pay and retirement benefits	18,475	18,107
Accrued other liabilities	10,279	9,590
Funds held in custody for others	1,072	989
Current portion of long-term debt	2,070	-
Interest payable	929	929
Estimated third-party payor settlements	17,732	23,110
Total current liabilities	<u>88,698</u>	<u>82,170</u>
Non-current liabilities:		
Long-term debt	99,305	101,375
Self-insured obligations	45,343	25,611
Total non-current liabilities	<u>144,648</u>	<u>126,986</u>
Total liabilities	<u>233,346</u>	<u>209,156</u>
Net assets:		
Invested in capital assets, net of related debt	(7,030)	(5,951)
Restricted:		
For debt service	10,112	9,593
Expendable for capital	14,795	28,111
Unrestricted	99,606	71,948
Total net assets	<u>117,483</u>	<u>103,701</u>
Total	<u>\$ 350,829</u>	<u>\$ 312,857</u>

**I-4.) Schedule of Bonds and Notes Outstanding at Fiscal Year End**, together with Statement of the Amounts Redeemed and Incurred during such Fiscal Year as part of a Schedule of Debt Issuance including Date of Issuance, Term, Amount, Interest Rate, Means of Repayment, Refinancings, Calls, Refundings, Defeasements and Interest Rate Exchange or