

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION
(A Component Unit of The City of New York)

Management's Discussion and Analysis (Unaudited)

June 30, 2015 and 2014

Financial Analysis

Summary of Statements of Net Position

June 30, 2015, 2014, and 2013

(In thousands)

	2015	2014	2013
	Business-type	Business-type	Business-type
	Activities –	Activities –	Activities –
	HHC	HHC	HHC
	<u> </u>	<u> </u>	<u> </u>
Assets:			
Current assets	\$ 2,485,085	2,790,164	2,420,374
Capital assets, net	3,432,430	3,506,375	3,366,456
Other assets	118,444	131,927	169,524
	<u>6,035,959</u>	<u>6,428,466</u>	<u>5,956,354</u>
Deferred outflows:			
Unamortized refunding cost	15,349	18,240	22,437
Liabilities:			
Current liabilities	2,945,003	3,193,724	2,663,946
Other noncurrent liabilities	296,811	—	—
Long-term debt, net of current installments	882,848	941,289	1,003,650
Pension, net of current portion	2,334,651	2,045,366	2,734,690
Postemployment benefits obligation, other than pension, net of current portion	4,519,900	4,667,962	4,574,865
	<u>10,979,213</u>	<u>10,848,341</u>	<u>10,977,151</u>
Deferred inflows:			
Net differences between projected and actual earnings on pension plan investments	258,287	708,343	218,450
Net position:			
Net investment in capital assets	2,521,077	2,550,656	2,393,938
Restricted	149,231	150,112	146,786
Unrestricted	<u>(7,856,500)</u>	<u>(7,810,746)</u>	<u>(7,757,534)</u>
Total net deficit position	\$ <u><u>(5,186,192)</u></u>	<u><u>(5,109,978)</u></u>	<u><u>(5,216,810)</u></u>

See accompanying notes to management's discussion and analysis.

NEW YORK CITY HEALTH AND HOSPITALS CORPORATION
(A Component Unit of The City of New York)

Management's Discussion and Analysis (Unaudited)

June 30, 2015 and 2014

Financial Analysis

Summary of Statements of Revenue, Expenses, and Changes in Net Position

Years ended June 30, 2015, 2014, and 2013

(In thousands)

	2015	2014	2013
	Business-type	Business-type	Business-type
	Activities –	Activities –	Activities –
	HHC	HHC	HHC
	<u> </u>	<u> </u>	<u> </u>
Operating revenue:			
Net patient service revenue	\$ 5,729,197	5,653,009	5,233,985
Appropriations from (remittances to) City of New York, net	140,597	399,165	(583)
Grants revenue	526,673	285,763	566,019
Other revenue	61,264	51,110	45,915
	<u>6,457,731</u>	<u>6,389,047</u>	<u>5,845,336</u>
Operating expenses:			
Personal services, fringes benefits, and employer payroll taxes	3,423,547	3,305,159	3,160,507
Other than personal services	1,561,411	1,527,445	1,443,697
Pension	285,111	224,500	370,370
Postemployment benefits, other than pension	(40,299)	198,991	293,745
Affiliation contracted services	994,294	922,773	915,581
Depreciation	291,729	302,859	282,345
	<u>6,515,793</u>	<u>6,481,727</u>	<u>6,466,245</u>
Operating loss	(58,062)	(92,680)	(620,909)
Nonoperating expenses, net	<u>(125,067)</u>	<u>(114,392)</u>	<u>(107,252)</u>
Loss before other changes in net position	(183,129)	(207,072)	(728,161)
Other changes in net position:			
Capital contributions	106,915	313,904	395,178
(Decrease) increase in net position	(76,214)	106,832	(332,983)
Net position at beginning of year	<u>(5,109,978)</u>	<u>(5,216,810)</u>	<u>(4,883,827)</u>
Net position at end of year	<u>\$ (5,186,192)</u>	<u>(5,109,978)</u>	<u>(5,216,810)</u>

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