



## Public Disclosure for Tax-Exempt Organizations

Tax-exempt organizations are required to make a copy of their application for exemption and Form(s) 990 (and 990-T, if applicable) available for public inspection and to provide copies of such forms to individuals or organizations that request copies. Alternatively, the Internet may be used to make these documents available. (See the “Using the Internet” section which follows.) These rules apply to an organization’s Form(s) 990 (and 990-T, if applicable) for the last three years and to its application for exemption.<sup>1</sup> If the application was filed prior to July 15, 1987, disclosure is not required unless the organization had a copy of the application on July 15, 1987. An organization **may omit names and addresses of contributors from its return(s)**. Failure to comply with disclosure requirements can result in an enforcement action by the IRS.

While disclosure rules create an additional burden, they also provide an opportunity for your organization to showcase the community benefits that it provides. The rules also heighten the need to carefully review all responses, including narrative explanations, contained on your Form(s) 990/990-T before filing.

### *Where Must Information Be Provided?*

Generally, an organization must make its documents available for public inspection at any location where it has three or more employees. If the only services provided at the site are in furtherance of exempt purposes and the site does not serve as an office for management staff, the documents are not required to be made available there.

### *How Quickly Must Organizations Reply?*

Requests for copies can be made in person or in writing. When requests are made in person, the copies must generally be provided on the same business day. There are provisions for delays due to unusual circumstances. However, in no event may the period of delay exceed five business days. Unusual circumstances include times when those staff that are capable of fulfilling a request are absent.

### *Written Requests*

Requested copies generally must be mailed within 30 days from the date of the receipt of the written request. However, if the organization requires advance payment of a reasonable fee for copying and postage, it may provide the copies within 30 days from the date it receives payment rather than the date of the original request.

### *What Can an Organization Charge?*

You are currently allowed to charge a maximum fee of \$.20 cents per page in addition to actual postage costs.

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<sup>1</sup> Certain information within an application for exemption can be withheld from public inspection if public availability would adversely affect the organization, *e.g.*, information relating to a trade secret, patent, process, style of work or apparatus of the organization.

If any organization receives a written request for copies with no payment enclosed and the organization requires payment in advance, the organization must request payment within seven days from the date it received the request. An organization is required to accept a personal check for written requests if it does not accept payment by credit card. If an organization does not require prepayment and the requester does not enclose a prepayment with the request, the organization must receive consent from a requester before providing copies for which the fee charge for copying and postage would be in excess of \$20.

### ***Local or Subordinate Organizations***

A local or subordinate organization that is covered by a group exemption letter is given additional time for responding to some requests. If this type of organization receives a request made in person for inspection of its application for tax exemption, the local organization is required to acquire and make available the application for a group exemption letter filed by the central or parent organization within not more than two weeks. The same general rule would apply with respect to a local or subordinate organization that does not file its own Form(s) 990/990-T but is covered under a group return. Again, the local or subordinate organization must make the group return available for inspection within a reasonable period which is defined as not more than two weeks. If the group return includes separate schedules with respect to each local or subordinate organization, the local or subordinate organization may exclude or omit any schedules relating only to other organizations which are included in the group return.

If a request is made for a personal inspection to a local or subordinate organization, it has the option of mailing the return to the requester rather than allowing an inspection. However, if this is done, the local or subordinate organization may not charge for the copying of the document unless the requester consents to the charge. If a local or subordinate organization receives a request for copies, then it must comply with the rules stated previously.

### ***Using the Internet***

As an alternative to providing copies, an organization may provide access to its exemption application and Form(s) 990 (and 990-T, if applicable) through the Internet. The website must provide instructions for downloading the document(s). The information on the Internet must be in such a format that it may be accessed, downloaded, viewed or printed in the same format as the actual documents. An organization would need to make the web address available to the general public.

There is nothing that prevents others from posting your Forms 990, 990-T and exemption application on the Internet. Based on this fact and the potential strain on your organization's resources from providing copies, organizations should consider posting these documents on the Internet.

### ***What if the Requests Are a Form of Harassment?***

If an organization believes it is subject to a harassment campaign, it can file an application for a harassment determination with the Internal Revenue Service. This would allow the organization to suspend compliance with these requests. In addition, an organization may disregard requests for copies in excess of two per month or four per year made by a single individual or sent from a single address, without submitting an application for a harassment determination.

Please contact your BKD advisor if you have questions about these rules.

# Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Form **990**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

2014

Department of the Treasury  
Internal Revenue Service

▶ Do not enter Social Security numbers on this form as it may be made public.  
▶ Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**Open to Public Inspection**

**A** For the **2014** calendar year, or tax year beginning 10/01, 2014, and ending 09/30, 2015

<b>B</b>	Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <u>DAY KIMBALL HEALTHCARE, INC.</u>			<b>D</b> Employer identification number <u>06-0646599</u>	
		Doing Business As <u>DAY KIMBALL HOSPITAL</u>			<b>E</b> Telephone number <u>(860) 928-6541</u>	
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite <u>320 POMFRET STREET</u>				
		City or town, state or province, country, and ZIP or foreign postal code <u>PUTNAM, CT 06260</u>				
<b>F</b> Name and address of principal officer: <u>ROBERT SMANIK</u> <u>320 POMFRET STREET PUTNAM, CT 06260</u>			<b>G</b> Gross receipts \$ <u>120,075,645.</u>			
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			<b>H(a)</b> Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
<b>J</b> Website: ▶ <u>WWW.DAYKIMBALL.ORG</u>			<b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No			
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			<b>L</b> Year of formation: <u>1894</u> <b>M</b> State of legal domicile: <u>CT</u>			
<b>H(c)</b> Group exemption number ▶			If "No," attach a list. (see instructions)			

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b>	Briefly describe the organization's mission or most significant activities: <u>SHORT-TERM GENERAL CARE HOSPITAL PROVIDING HEALTHCARE NEEDS TO THE NORTHEASTERN CT COMMUNITY.</u>		
	<b>2</b>	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b>	Number of voting members of the governing body (Part VI, line 1a)	<b>3</b> 15.	
	<b>4</b>	Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b> 11.	
	<b>5</b>	Total number of individuals employed in calendar year 2014 (Part V, line 2a)	<b>5</b> 1,164.	
	<b>6</b>	Total number of volunteers (estimate if necessary)	<b>6</b> 235.	
	<b>7a</b>	Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b> 58.	
<b>7b</b>	Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b> 0		
<b>Revenue</b>			<b>Prior Year</b>	<b>Current Year</b>
	<b>8</b>	Contributions and grants (Part VIII, line 1h)	877,381.	3,314,937.
	<b>9</b>	Program service revenue (Part VIII, line 2g)	104,825,634.	112,736,285.
	<b>10</b>	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	76,213.	1,098,617.
	<b>11</b>	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	5,402,125.	-4,298.
	<b>12</b>	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	111,181,353.	117,145,541.
<b>Expenses</b>			<b>Prior Year</b>	<b>Current Year</b>
	<b>13</b>	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
	<b>14</b>	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	<b>15</b>	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	63,585,291.	62,561,210.
	<b>16a</b>	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	<b>b</b>	Total fundraising expenses (Part IX, column (D), line 25) ▶	0	0
<b>17</b>	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	45,480,203.	53,033,938.	
<b>18</b>	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	109,065,494.	115,595,148.	
<b>19</b>	Revenue less expenses. Subtract line 18 from line 12	2,115,859.	1,550,393.	
<b>Net Assets or Fund Balances</b>			<b>Beginning of Current Year</b>	<b>End of Year</b>
	<b>20</b>	Total assets (Part X, line 16)	95,892,459.	90,491,885.
	<b>21</b>	Total liabilities (Part X, line 26)	91,053,826.	101,117,744.
<b>22</b>	Net assets or fund balances. Subtract line 21 from line 20	4,838,633.	-10,625,859.	

**Part II Signature Block**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

<b>Sign Here</b>	<b>Signature of officer</b> _____	<b>Date</b> _____			
	<b>Type or print name and title</b> _____				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <u>BRIAN D TODD</u>	Preparer's signature _____	Date _____	Check <input type="checkbox"/> if self-employed	PTIN <u>P00422601</u>
	Firm's name ▶ <u>BKD, LLP</u>	Firm's EIN ▶ <u>44-0160260</u>		Phone no. <u>417 865-8701</u>	
	Firm's address ▶ <u>910 E ST LOUIS #200/PO BOX 1190 SPRINGFIELD, MO 65806-2523</u>				

May the IRS discuss this return with the preparer shown above? (see instructions)  Yes  No

**For Paperwork Reduction Act Notice, see the separate instructions.** Form **990** (2014)

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission:

THE MISSION OF DAY KIMBALL HOSPITAL IS TO MEET THE HEALTH NEEDS OF OUR COMMUNITY THROUGH OUR CORE VALUES OF CLINICAL QUALITY, CUSTOMER SERVICE, FISCAL RESPONSIBILITY AND LOCAL CONTROL.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code: ) (Expenses \$ 98,866,179. including grants of \$ ) (Revenue \$ 110,443,309. )

DAY KIMBALL HOSPITAL PROVIDES A COMPREHENSIVE HEALTHCARE SYSTEM OFFERING PRIMARY CARE AND A MULTITUDE OF MEDICAL AND SURGICAL SPECIALTIES ALONG WITH LEADING-EDGE TECHNOLOGY AND SOPHISTICATED DIAGNOSTICS. OUR SERVICE AREA INCLUDES NORTHEAST CONNECTICUT AS WELL AS NEARBY MASSACHUSETTS AND RHODE ISLAND COMMUNITIES. DAY KIMBALL HOSPITAL'S COMPREHENSIVE NETWORK OFFERS MORE THAN 1,000 EMPLOYEES INCLUDING MORE THAN 200 HIGHLY-SKILLED PHYSICIANS, SURGEONS AND SPECIALISTS.

4b (Code: ) (Expenses \$ 2,155,908. including grants of \$ ) (Revenue \$ 2,292,976. )

PHYSICIAN OFFICE PROVIDING PRIMARY CARE AND OUTPATIENT VISITS TO NORTHEASTERN CONNECTICUT COMMUNITIES.

4c (Code: ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d Other program services (Describe in Schedule O.)

(Expenses \$ including grants of \$ ) (Revenue \$ )

4e Total program service expenses 101,022,087.

Part IV Checklist of Required Schedules

Table with 3 columns: Question, Yes, No. Rows include questions 1 through 20b regarding organizational requirements and financial reporting.

**Part IV Checklist of Required Schedules (continued)**

		Yes	No
21	Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II.</i> . . . . .		X
22	Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III.</i> . . . . .		X
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J.</i> . . . . .	X	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a.</i> . . . . .	X	
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .		X
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .		X
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .		X
25a	<b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I.</i> . . . . .		X
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I.</i> . . . . .		X
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II.</i> . . . . .		X
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III.</i> . . . . .		X
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i> . . . . .		X
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV.</i> . . . . .		X
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV.</i> . . . . .		X
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M.</i> . . . . .		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M.</i> . . . . .		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I.</i> . . . . .		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II.</i> . . . . .		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I.</i> . . . . .	X	
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1.</i> . . . . .	X	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)? . . . . .	X	
b	If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2.</i> . . . . .	X	
36	<b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2.</i> . . . . .		X
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI.</i> . . . . .		X
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O. . . . .	X	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with columns for question numbers (1a-14b), Yes/No checkboxes, and numerical responses. Includes questions about Form 1096, Form W-2G, backup withholding, Form W-3, unrelated business gross income, foreign accounts, prohibited tax shelter transactions, and charitable contributions.

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (15), 1b (11), 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9.

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

Table with 3 columns: Question, Yes, No. Rows include: 10a, 10b, 11a, 11b, 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection.
19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, address, and telephone number of the person who possesses the organization's books and records:

PAUL A. BEAUDOIN 320 POMFRET STREET PUTNAM, CT 06260

860-928-6541



**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**

Check if Schedule O contains a response or note to any line in this Part VII.  X

**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) ATTY. WILLIAM ST. ONGE VICE CHAIRMAN	1.00 1.00	X		X				0	0	0
(2) GARFIELD DANENHOWER, MD DIRECTOR	1.00 0	X						0	0	0
(3) HADI BOZORGMANESH DIRECTOR	1.00 0	X						0	0	0
(4) JACK BURKE DIRECTOR	1.00 1.00	X						0	0	0
(5) JANICE THURLOW TREASURER	1.00 0	X		X				0	0	0
(6) MICHAEL BAUM, MD DIRECTOR	1.00 40.00	X						10,000.	334,349.	24,880.
(7) JOSEPH ADILETTA CHAIRMAN	1.00 1.00	X		X				0	0	0
(8) JOSEPH ALESSANDRO, DO DIRECTOR	1.00 2.00	X						50,968.	0	0
(9) JOSEPH BOTTA, MD ASST TREASURER/ASST SECRETARY	1.00 0	X		X				0	0	0
(10) KAREN COLE SECRETARY	1.00 0	X		X				0	0	0
(11) ROBERT E. SMANIK, FACHE PRESIDENT & CEO	40.00 2.00	X		X				482,259.	0	17,582.
(12) KEVIN JOHNSTON DIRECTOR BEGINNING 12/14	1.00 0	X						0	0	0
(13) SHAWN MCNERNEY DIRECTOR	1.00 1.00	X						0	0	0
(14) STEVEN SCHIMMEL, MD DIRECTOR	1.00 0	X						0	0	0

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
( 15) WILLIAM JOHNSON, MD PRESIDENT/MEDICAL STAFF	1.00 40.00	X		X				31,200.	216,835.	24,437.
( 16) JOHN GRAHAM, MD DIRECTOR ENDING 12/14	40.00 1.00	X						268,662.	0	418.
( 17) DONALD ST. ONGE COO/CNO	40.00 0			X				220,612.	0	25,828.
( 18) JOHN O'KEEFE VP OF PATIENT CARE SERVICES	40.00 0			X				164,287.	0	5,151.
( 19) SARA BRANDON VP MARKETING & COMMUNICATIONS	40.00 0			X				121,871.	0	13,505.
( 20) JOHN MODICA ICU PHYSICIAN	40.00 0					X		250,836.	0	20,191.
( 21) SARA JANE DE ASIS MENTAL HEALTH PHYSICIAN	40.00 0					X		249,374.	0	19,007.
( 22) RONALD GOBEIL BEHAVIORAL HEALTH PHY END 8/15	40.00 0					X		243,456.	0	9,761.
( 23) STEVEN BURKE CORPORATE CONTROLLER END 12/14	40.00 0					X		170,250.	0	17,265.
( 24) PATRICIA MCLAUGHLIN ER CLINICAL COORDINATOR	40.00 0					X		144,640.	0	6,632.
<b>1b Sub-total</b>								543,227.	334,349.	42,462.
<b>c Total from continuation sheets to Part VII, Section A</b>								1,865,188.	216,835.	142,195.
<b>d Total (add lines 1b and 1c)</b>								2,408,415.	551,184.	184,657.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **52**

	Yes	No
3 Did the organization list any <b>former</b> officer, director, or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

**Section B. Independent Contractors**

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
DOWNES CONSTRUCTION CO, LLC NEW BRITAIN, CT 06050	CONSTRUCTION SVCS	5,671,193.
EASTERN CT HEMA AND ONCOLOGY NORWICH, CT 06360	PHYSICIAN SERVICES	772,008.
ORTHOPEDIC ASSOC OF WINDHAM PUTNAM, CT 06260	PHYSICIAN SERVICES	502,218.
GLAZIER ASSOCIATES GLASTONBURY, CT 06033	CFO SERVICES	372,465.
N. EASTERN CARDIOLOGY ASSOC. PUTNAM, CT 06260	PHYSICIAN SERVICES	350,131.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **8**

**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII.

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1a</b> Federated campaigns . . . . .	<b>1a</b>						
	<b>b</b> Membership dues . . . . .	<b>1b</b>						
	<b>c</b> Fundraising events . . . . .	<b>1c</b>	261,996.					
	<b>d</b> Related organizations . . . . .	<b>1d</b>						
	<b>e</b> Government grants (contributions), . . . . .	<b>1e</b>	2,446,404.					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above . . . . .	<b>1f</b>	606,537.					
	<b>g</b> Noncash contributions included in lines 1a-1f: \$ . . . . .							
	<b>h Total.</b> Add lines 1a-1f . . . . . ▶			3,314,937.				
<b>Program Service Revenue</b>	<b>2a</b> <u>PATIENT SERVICE REVENUE</u>	<b>Business Code</b>	621110	110,443,309.	110,443,309.			
	<b>b</b> <u>CAFETERIA</u>		722514	654,610.	654,610.			
	<b>c</b> <u>PHARMACY</u>		446110	38,052.	38,052.			
	<b>d</b> <u>AFFILIATED ORGANIZATION RENT</u>		900099	567,555.	567,555.			
	<b>e</b> <u>OTHER</u>		900099	1,032,759.	1,032,759.			
	<b>f</b> All other program service revenue . . . . .							
	<b>g Total.</b> Add lines 2a-2f . . . . . ▶			112,736,285.				
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts). . . . . ▶			580,146.			580,146.	
	<b>4</b> Income from investment of tax-exempt bond proceeds . . . . . ▶			0				
	<b>5</b> Royalties . . . . . ▶			0				
	<b>6a</b> Gross rents . . . . .	(i) Real	186,254.					
		<b>b</b> Less: rental expenses . . . . .	(ii) Personal	165,435.				
		<b>c</b> Rental income or (loss) . . . . .		20,819.				
		<b>d</b> Net rental income or (loss) . . . . . ▶			20,819.			20,819.
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	3,147,643.	65,000.				
		<b>b</b> Less: cost or other basis and sales expenses . . . . .	(ii) Other	2,574,489.	119,683.			
		<b>c</b> Gain or (loss) . . . . .		573,154.	-54,683.			
		<b>d</b> Net gain or (loss) . . . . . ▶			518,471.			518,471.
	<b>8a</b> Gross income from fundraising events (not including \$ <u>261,996.</u> of contributions reported on line 1c). See Part IV, line 18 . . . . .	<b>a</b>	45,322.					
		<b>b</b> Less: direct expenses . . . . .	<b>b</b>	70,497.				
		<b>c</b> Net income or (loss) from fundraising events. . . . . ▶			-25,175.			-25,175.
	<b>9a</b> Gross income from gaming activities. See Part IV, line 19 . . . . .	<b>a</b>						
<b>b</b> Less: direct expenses . . . . .		<b>b</b>						
<b>c</b> Net income or (loss) from gaming activities. . . . . ▶				0			0	
<b>10a</b> Gross sales of inventory, less returns and allowances . . . . .	<b>a</b>							
	<b>b</b> Less: cost of goods sold . . . . .	<b>b</b>						
	<b>c</b> Net income or (loss) from sales of inventory. . . . . ▶			0			0	
<b>Miscellaneous Revenue</b>			<b>Business Code</b>					
<b>11a</b> <u>INVESTMENT IN PARTNERSHIP</u>		900099		58.		58.		
	<b>b</b> _____							
	<b>c</b> _____							
	<b>d</b> All other revenue . . . . .							
<b>e Total.</b> Add lines 11a-11d . . . . . ▶				58.				
<b>12 Total revenue.</b> See instructions . . . . . ▶				117,145,541.	112,736,285.	58.	1,094,261.	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

Check if Schedule O contains a response or note to any line in this Part IX

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 . . . . .	0			
2 Grants and other assistance to domestic individuals. See Part IV, line 22 . . . . .	0			
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16 . . . . .	0			
4 Benefits paid to or for members . . . . .	0			
5 Compensation of current officers, directors, trustees, and key employees . . . . .	1,436,780.	1,301,404.	135,376.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .	0			
7 Other salaries and wages . . . . .	45,220,833.	38,357,100.	6,863,733.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	4,743,956.	4,031,740.	712,216.	
9 Other employee benefits . . . . .	7,719,358.	6,562,543.	1,156,815.	
10 Payroll taxes . . . . .	3,440,283.	2,924,241.	516,042.	
11 Fees for services (non-employees):				
a Management . . . . .	0			
b Legal . . . . .	677,599.		677,599.	
c Accounting . . . . .	257,977.		257,977.	
d Lobbying . . . . .	21,623.		21,623.	
e Professional fundraising services. See Part IV, line 17.	0			
f Investment management fees . . . . .	131,272.		131,272.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.) . . . . .	9,318,841.	7,939,394.	1,379,447.	
12 Advertising and promotion . . . . .	209,651.	178,203.	31,448.	
13 Office expenses . . . . .	4,808,815.	4,087,495.	721,320.	
14 Information technology . . . . .	2,670,246.	2,269,709.	400,537.	
15 Royalties . . . . .	0			
16 Occupancy . . . . .	1,625,047.	1,381,290.	243,757.	
17 Travel . . . . .	320,138.	272,117.	48,021.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19 Conferences, conventions, and meetings . . . . .	24,152.	20,529.	3,623.	
20 Interest . . . . .	1,451,212.	1,451,212.		
21 Payments to affiliates . . . . .	0			
22 Depreciation, depletion, and amortization . . . . .	5,804,468.	4,933,798.	870,670.	
23 Insurance . . . . .	1,111,827.	945,053.	166,774.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>MEDICAL SUPPLIES &amp; DRUGS</u> . . . . .	14,265,647.	14,265,647.		
b <u>PROVIDER TAX</u> . . . . .	4,597,935.	4,597,935.		
c <u>BAD DEBT</u> . . . . .	4,172,085.	4,172,085.		
d <u>REPAIRS &amp; MAINTENANCE</u> . . . . .	1,233,578.	1,048,541.	185,037.	
e All other expenses . . . . .	331,825.	282,051.	49,774.	
<b>25 Total functional expenses.</b> Add lines 1 through 24e	115,595,148.	101,022,087.	14,573,061.	
<b>26 Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) . . . . .	0			

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing	4,419,679.	<b>1</b>	124,719.
	<b>2</b> Savings and temporary cash investments	4,775,518.	<b>2</b>	7,613,094.
	<b>3</b> Pledges and grants receivable, net	569,207.	<b>3</b>	237,961.
	<b>4</b> Accounts receivable, net	12,518,755.	<b>4</b>	10,634,409.
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	<b>5</b>	0
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions). Complete Part II of Schedule L	0	<b>6</b>	0
	<b>7</b> Notes and loans receivable, net	0	<b>7</b>	0
	<b>8</b> Inventories for sale or use	2,189,585.	<b>8</b>	2,081,986.
	<b>9</b> Prepaid expenses and deferred charges	360,982.	<b>9</b>	320,783.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	<b>10a</b> 122,302,432.		
	<b>b</b> Less: accumulated depreciation	<b>10b</b> 73,223,692.	48,182,812.	<b>10c</b> 49,078,740.
	<b>11</b> Investments - publicly traded securities	0	<b>11</b>	2,596,898.
	<b>12</b> Investments - other securities. See Part IV, line 11	21,084,302.	<b>12</b>	13,708,017.
	<b>13</b> Investments - program-related. See Part IV, line 11	-479,627.	<b>13</b>	0
	<b>14</b> Intangible assets	0	<b>14</b>	0
	<b>15</b> Other assets. See Part IV, line 11	2,271,246.	<b>15</b>	4,095,278.
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34)	95,892,459.	<b>16</b>	90,491,885.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses	19,569,488.	<b>17</b>	16,939,444.
	<b>18</b> Grants payable	0	<b>18</b>	0
	<b>19</b> Deferred revenue	0	<b>19</b>	0
	<b>20</b> Tax-exempt bond liabilities	31,428,396.	<b>20</b>	28,755,000.
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D	0	<b>21</b>	0
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	<b>22</b>	0
	<b>23</b> Secured mortgages and notes payable to unrelated third parties	1,070,205.	<b>23</b>	1,604,777.
	<b>24</b> Unsecured notes and loans payable to unrelated third parties	0	<b>24</b>	183,584.
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	38,985,737.	<b>25</b>	53,634,939.
	<b>26 Total liabilities.</b> Add lines 17 through 25	91,053,826.	<b>26</b>	101,117,744.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets	-2,707,529.	<b>27</b>	-17,585,755.
	<b>28</b> Temporarily restricted net assets	3,198,536.	<b>28</b>	2,893,106.
	<b>29</b> Permanently restricted net assets	4,347,626.	<b>29</b>	4,066,790.
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds		<b>32</b>	
	<b>33</b> Total net assets or fund balances	4,838,633.	<b>33</b>	-10,625,859.
	<b>34</b> Total liabilities and net assets/fund balances	95,892,459.	<b>34</b>	90,491,885.

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	117,145,541.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	115,595,148.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	1,550,393.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	4,838,633.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	-877,427.
<b>6</b>	Donated services and use of facilities	<b>6</b>	0
<b>7</b>	Investment expenses	<b>7</b>	0
<b>8</b>	Prior period adjustments	<b>8</b>	479,627.
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	-16,617,085.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	-10,625,859.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

- 1** Accounting method used to prepare the Form 990:  Cash  Accrual  Other \_\_\_\_\_  
 If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant? .....  
 If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- b** Were the organization's financial statements audited by an independent accountant? .....  
 If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:  
 Separate basis  Consolidated basis  Both consolidated and separate basis
- c** If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? .....
- b** If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.

	Yes	No
<b>2a</b>		X
<b>2b</b>	X	
<b>2c</b>	X	
<b>3a</b>	X	
<b>3b</b>	X	

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2014**

**Open to Public Inspection**

Name of the organization DAY KIMBALL HEALTHCARE, INC.	Employer identification number 06-0646599
--	--

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1  A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2  A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3  A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4  A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: \_\_\_\_\_
- 5  An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6  A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7  An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8  A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9  An organization that normally receives: (1) more than 33 1/3 % of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3 % of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10  An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11  An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g.
  - a  **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization. **You must complete Part IV, Sections A and B.**
  - b  **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s). **You must complete Part IV, Sections A and C.**
  - c  **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions). **You must complete Part IV, Sections A, D, and E.**
  - d  **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated. The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions). **You must complete Part IV, Sections A and D, and Part V.**
  - e  Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization.
  - f Enter the number of supported organizations . . . . .
  - g Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
(A)						
(B)						
(C)						
(D)						
(E)						
<b>Total</b>						

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2014

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Table with 7 columns: (a) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Tax revenues levied for the organization's benefit; 3 The value of services or facilities furnished by a governmental unit; 4 Total. Add lines 1 through 3; 5 The portion of total contributions by each person; 6 Public support. Subtract line 5 from line 4.

Section B. Total Support

Table with 7 columns: (a) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (f) Total. Rows include: 7 Amounts from line 4; 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 9 Net income from unrelated business activities; 10 Other income. Do not include gain or loss from the sale of capital assets; 11 Total support. Add lines 7 through 10; 12 Gross receipts from related activities; 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Line number, Description, and Percentage. Rows include: 14 Public support percentage for 2014; 15 Public support percentage from 2013 Schedule A; 16a 33 1/3% support test - 2014; b 33 1/3% support test - 2013; 17a 10%-facts-and-circumstances test - 2014; b 10%-facts-and-circumstances test - 2013; 18 Private foundation.



Part III Support Schedule for Organizations Described in Section 509(a)(2)
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II.
If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Table with 7 columns: (a) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (f) Total. Rows include: 1 Gifts, grants, contributions, and membership fees received; 2 Gross receipts from admissions, merchandise sold or services performed; 3 Gross receipts from activities that are not an unrelated trade or business; 4 Tax revenues levied for the organization's benefit; 5 The value of services or facilities furnished by a governmental unit; 6 Total; 7a Amounts included on lines 1, 2, and 3 received from disqualified persons; 7b Amounts included on lines 2 and 3 received from other than disqualified persons; 7c Add lines 7a and 7b; 8 Public support (Subtract line 7c from line 6).

Section B. Total Support

Table with 7 columns: (a) 2010, (b) 2011, (c) 2012, (d) 2013, (e) 2014, (f) Total. Rows include: 9 Amounts from line 6; 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources; 10b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975; 10c Add lines 10a and 10b; 11 Net income from unrelated business activities not included in line 10b; 12 Other income. Do not include gain or loss from the sale of capital assets; 13 Total support. (Add lines 9, 10c, 11, and 12.)

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here.

Section C. Computation of Public Support Percentage

Table with 3 columns: Description, 2014, 2013. Row 15: Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f)). Row 16: Public support percentage from 2013 Schedule A, Part III, line 15.

Section D. Computation of Investment Income Percentage

Table with 3 columns: Description, 2014, 2013. Row 17: Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f)). Row 18: Investment income percentage from 2013 Schedule A, Part III, line 17.

19a 33 1/3% support tests - 2014. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.

19b 33 1/3% support tests - 2013. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization.

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions.

**Part IV Supporting Organizations**

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b <b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c <b>Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations; (b) individuals that are part of the charitable class benefited by one or more of its supported organizations; or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer (b) below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

**Part IV Supporting Organizations** (continued)

	Yes	No
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?	<b>11 a</b>	
<b>b</b> A family member of a person described in (a) above?	<b>11 b</b>	
<b>c</b> A 35% controlled entity of a person described in (a) or (b) above? <i>If "Yes" to a, b, or c, provide detail in Part VI.</i>	<b>11 c</b>	

**Section B. Type I Supporting Organizations**

	Yes	No
<b>1</b> Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? <i>If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.</i>	<b>1</b>	
<b>2</b> Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? <i>If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.</i>	<b>2</b>	

**Section C. Type II Supporting Organizations**

	Yes	No
<b>1</b> Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? <i>If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).</i>	<b>1</b>	

**Section D. All Type III Supporting Organizations**

	Yes	No
<b>1</b> Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?	<b>1</b>	
<b>2</b> Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? <i>If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).</i>	<b>2</b>	
<b>3</b> By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? <i>If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.</i>	<b>3</b>	

**Section E. Type III Functionally-Integrated Supporting Organizations**

<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions):			
<b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.			
<b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.			
<b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).			
<b>2</b> Activities Test. Answer (a) and (b) below.		Yes	No
<b>a</b> Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? <i>If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.</i>	<b>2a</b>		
<b>b</b> Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? <i>If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.</i>	<b>2b</b>		
<b>3</b> Parent of Supported Organizations. Answer (a) and (b) below.			
<b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? <i>Provide details in Part VI.</i>	<b>3a</b>		
<b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? <i>If "Yes," describe in Part VI the role played by the organization in this regard.</i>	<b>3b</b>		

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

**1**  Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

<b>Section A - Adjusted Net Income</b>		(A) Prior Year	(B) Current Year (optional)
<b>1</b> Net short-term capital gain	<b>1</b>		
<b>2</b> Recoveries of prior-year distributions	<b>2</b>		
<b>3</b> Other gross income (see instructions)	<b>3</b>		
<b>4</b> Add lines 1 through 3	<b>4</b>		
<b>5</b> Depreciation and depletion	<b>5</b>		
<b>6</b> Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	<b>6</b>		
<b>7</b> Other expenses (see instructions)	<b>7</b>		
<b>8 Adjusted Net Income</b> (subtract lines 5, 6 and 7 from line 4)	<b>8</b>		

<b>Section B - Minimum Asset Amount</b>		(A) Prior Year	(B) Current Year (optional)
<b>1</b> Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):			
<b>a</b> Average monthly value of securities	<b>1a</b>		
<b>b</b> Average monthly cash balances	<b>1b</b>		
<b>c</b> Fair market value of other non-exempt-use assets	<b>1c</b>		
<b>d Total</b> (add lines 1a, 1b, and 1c)	<b>1d</b>		
<b>e Discount</b> claimed for blockage or other factors (explain in detail in <b>Part VI</b> ):			
<b>2</b> Acquisition indebtedness applicable to non-exempt-use assets	<b>2</b>		
<b>3</b> Subtract line 2 from line 1d	<b>3</b>		
<b>4</b> Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	<b>4</b>		
<b>5</b> Net value of non-exempt-use assets (subtract line 4 from line 3)	<b>5</b>		
<b>6</b> Multiply line 5 by .035	<b>6</b>		
<b>7</b> Recoveries of prior-year distributions	<b>7</b>		
<b>8 Minimum Asset Amount</b> (add line 7 to line 6)	<b>8</b>		

<b>Section C - Distributable Amount</b>			Current Year
<b>1</b> Adjusted net income for prior year (from Section A, line 8, Column A)	<b>1</b>		
<b>2</b> Enter 85% of line 1	<b>2</b>		
<b>3</b> Minimum asset amount for prior year (from Section B, line 8, Column A)	<b>3</b>		
<b>4</b> Enter greater of line 2 or line 3	<b>4</b>		
<b>5</b> Income tax imposed in prior year	<b>5</b>		
<b>6 Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	<b>6</b>		

**7**  Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations** (continued)

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 <b>Total annual distributions.</b> Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2014 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1 Distributable amount for 2014 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2014 (reasonable cause required-see instructions)			
3 Excess distributions carryover, if any, to 2014:			
a			
b			
c			
d			
e From 2013 . . . . .			
f <b>Total</b> of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2014 distributable amount			
i Carryover from 2009 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2014 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2014 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2014, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions).			
6 Remaining underdistributions for 2014. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
7 <b>Excess distributions carryover to 2015.</b> Add lines 3j and 4c.			
8 Breakdown of line 7:			
a			
b			
c			
d Excess from 2013 . . . . .			
e Excess from 2014 . . . . .			

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**Part VI** **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information. (See instructions).

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**Schedule of Contributors**

**2014**

▶ **Attach to Form 990, Form 990-EZ, or Form 990-PF.**  
 Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

<b>Name of the organization</b> DAY KIMBALL HEALTHCARE, INC.	<b>Employer identification number</b> 06-0646599
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**Organization type** (check one):

**Filers of:**

**Section:**

- Form 990 or 990-EZ  501(c)(3) (enter number) organization
- 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- 527 political organization
- Form 990-PF  501(c)(3) exempt private foundation
- 4947(a)(1) nonexempt charitable trust treated as a private foundation
- 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

**Note.** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

**General Rule**

- For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

**Special Rules**

- For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3 % support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000 or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year . . . . . ▶ \$ \_\_\_\_\_

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization DAY KIMBALL HEALTHCARE, INC.

Employer identification number  
06-0646599

**Part I** Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	----- ----- -----	\$ 2,163,395.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	----- ----- -----	\$ 233,195.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	----- ----- -----	\$ 49,814.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	----- ----- -----	\$ 47,546.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	----- ----- -----	\$ 105,212.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	----- ----- -----	\$ 127,763.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)



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**Part I** Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7		\$ 95,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
8		\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
9		\$ 30,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
10		\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
11		\$ 22,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
12		\$ 21,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization DAY KIMBALL HEALTHCARE, INC.

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**Part I** Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
13	----- ----- -----	\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
14	----- ----- -----	\$ 20,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
15	----- ----- -----	\$ 12,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
16	----- ----- -----	\$ 12,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
17	----- ----- -----	\$ 11,747.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
18	----- ----- -----	\$ 11,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization DAY KIMBALL HEALTHCARE, INC.

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**Part I** Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
19	----- ----- -----	\$ 10,900.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
20	----- ----- -----	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
21	----- ----- -----	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
22	----- ----- -----	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
23	----- ----- -----	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
24	----- ----- -----	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization DAY KIMBALL HEALTHCARE, INC.

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**Part I** Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
25	----- ----- -----	\$ 7,121.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
26	----- ----- -----	\$ 6,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
27	----- ----- -----	\$ 6,250.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
28	----- ----- -----	\$ 6,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
29	----- ----- -----	\$ 6,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
30	----- ----- -----	\$ 5,156.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization DAY KIMBALL HEALTHCARE, INC.

Employer identification number  
06-0646599

**Part I** Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
31	----- ----- -----	\$ ----- 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
32	----- ----- -----	\$ ----- 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
33	----- ----- -----	\$ ----- 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
34	----- ----- -----	\$ ----- 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
35	----- ----- -----	\$ ----- 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
36	----- ----- -----	\$ ----- 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization DAY KIMBALL HEALTHCARE, INC.

Employer identification number  
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**Part I** Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
37	----- ----- -----	\$ ----- 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
38	----- ----- -----	\$ ----- 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
39	----- ----- -----	\$ ----- 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization DAY KIMBALL HEALTHCARE, INC.

Employer identification number

06-0646599

**Part II** Noncash Property (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
-----	----- ----- -----	\$-----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
-----	----- ----- -----	\$-----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
-----	----- ----- -----	\$-----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
-----	----- ----- -----	\$-----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
-----	----- ----- -----	\$-----	-----
(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
-----	----- ----- -----	\$-----	-----

Name of organization DAY KIMBALL HEALTHCARE, INC.

Employer identification number  
06-0646599

**Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor.** Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of *exclusively* religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this information once. See instructions.) ▶ \$ \_\_\_\_\_  
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
----- ----- -----	----- ----- -----

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
----- ----- -----	----- ----- -----

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
----- ----- -----	----- ----- -----

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
-----	----- ----- -----	----- ----- -----	----- ----- -----

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	Relationship of transferor to transferee
----- ----- -----	----- ----- -----



**SCHEDULE C**  
**(Form 990 or 990-EZ)**

**Political Campaign and Lobbying Activities**

OMB No. 1545-0047

**2014**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

**For Organizations Exempt From Income Tax Under section 501(c) and section 527**  
 ▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**  
 ▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

**If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then**

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

**If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then**

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

**If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then**

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization DAY KIMBALL HEALTHCARE, INC.	Employer identification number 06-0646599
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**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures . . . . . ▶ \$ \_\_\_\_\_
- 3 Volunteer hours . . . . . \_\_\_\_\_

**Part I-B Complete if the organization is exempt under section 501(c)(3).**

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 . . . . . ▶ \$ \_\_\_\_\_
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 . . . . . ▶ \$ \_\_\_\_\_
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? . . . . .  Yes  No
- 4a Was a correction made? . . . . .  Yes  No
- b If "Yes," describe in Part IV.

**Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).**

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities . . . . . ▶ \$ \_\_\_\_\_
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities . . . . . ▶ \$ \_\_\_\_\_
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b . . . . . ▶ \$ \_\_\_\_\_
- 4 Did the filing organization file **Form 1120-POL** for this year? . . . . .  Yes  No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule C (Form 990 or 990-EZ) 2014

**Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

- A** Check  if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B** Check  if the filing organization checked box A and "limited control" provisions apply.

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals												
<b>1a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying) . . . . .														
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying) . . . . .														
<b>c</b> Total lobbying expenditures (add lines 1a and 1b) . . . . .														
<b>d</b> Other exempt purpose expenditures . . . . .														
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d) . . . . .														
<b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width: 70%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e.													
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.													
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.													
Over \$17,000,000	\$1,000,000.													
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f) . . . . .														
<b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0- . . . . .														
<b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0- . . . . .														
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? . . . . .		<input type="checkbox"/> Yes <input type="checkbox"/> No												

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.

See the separate instructions for lines 2a through 2f.)

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) Total
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column (e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

Table with columns (a) Yes/No and (b) Amount. Rows include: 1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation...; a Volunteers?; b Paid staff or management...; c Media advertisements?; d Mailings to members...; e Publications...; f Grants to other organizations...; g Direct contact with legislators...; h Rallies, demonstrations...; i Other activities?; j Total. Add lines 1c through 1i; 2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?; b If "Yes," enter the amount of any tax incurred under section 4912; c If "Yes," enter the amount of any tax incurred by organization managers under section 4912; d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

Table with columns Yes/No. Rows include: 1 Were substantially all (90% or more) dues received nondeductible by members?; 2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?; 3 Did the organization agree to carry over lobbying and political expenditures from the prior year?

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."

Table with columns 1-5. Rows include: 1 Dues, assessments and similar amounts from members; 2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid); a Current year; b Carryover from last year; c Total; 3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues; 4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?; 5 Taxable amount of lobbying and political expenditures (see instructions)

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

SCHEDULE C, PART II-B, LINE 1I

OTHER LOBBYING ACTIVITIES:

DAY KIMBALL HOSPITAL PAID LOBBYING EXPENSES TO THE CONNECTICUT HOSPITAL

ASSOCIATION IN THE AMOUNT OF \$21,623

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**Part IV** Supplemental Information *(continued)*

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SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No. 1545-0047

Complete if the organization answered "Yes" to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.

2014

Department of the Treasury Internal Revenue Service

Attach to Form 990.

Open to Public Inspection

Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization

Employer identification number

DAY KIMBALL HEALTHCARE, INC.

06-0646599

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?, 6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?

Part II Conservation Easements.

Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

Table with 2 columns: Description, Held at the End of the Tax Year. Rows include: 1 Purpose(s) of conservation easements held by the organization (check all that apply), 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year., 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year, 4 Number of states where property subject to conservation easement is located, 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?, 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year, 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year, 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?, 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 2 columns: Description, Amount. Rows include: 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items., 1b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items: (i) Revenue included in Form 990, Part VIII, line 1, (ii) Assets included in Form 990, Part X., 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items: a Revenue included in Form 990, Part VIII, line 1, b Assets included in Form 990, Part X.

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule D (Form 990) 2014

JSA 4E1268 1.000

**Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets** (continued)

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a**  Public exhibition
  - b**  Scholarly research
  - c**  Preservation for future generations
  - d**  Loan or exchange programs
  - e**  Other \_\_\_\_\_
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?  Yes  No

**Part IV Escrow and Custodial Arrangements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?  Yes  No
- b** If "Yes," explain the arrangement in Part XIII and complete the following table:
- |  | Amount    |
|--|-----------|
| <b>c</b> Beginning balance             | <b>1c</b> |
| <b>d</b> Additions during the year     | <b>1d</b> |
| <b>e</b> Distributions during the year | <b>1e</b> |
| <b>f</b> Ending balance                | <b>1f</b> |
- 2a** Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No
- b** If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII.

**Part V Endowment Funds.** Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
<b>1a</b> Beginning of year balance	13,426,179.	15,007,697.	14,006,580.	11,061,361.	9,596,540.
<b>b</b> Contributions		1,543,560.	2,046,244.	1,960,237.	1,894,638.
<b>c</b> Net investment earnings, gains, and losses	187,403.	452,041.	1,177,981.	1,537,535.	-130,663.
<b>d</b> Grants or scholarships					
<b>e</b> Other expenditures for facilities and programs	3,920,227.	3,449,846.	2,779,816.	464,083.	529,839.
<b>f</b> Administrative expenses	124,735.	127,273.	112,027.	88,470.	75,932.
<b>g</b> End of year balance	9,568,620.	13,426,179.	14,338,962.	14,006,580.	10,754,744.

**2** Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a** Board designated or quasi-endowment  84.2700 %
  - b** Permanent endowment  3.3500 %
  - c** Temporarily restricted endowment  12.3800 %
- The percentages in lines 2a, 2b, and 2c should equal 100%.

**3a** Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
<b>(i)</b> unrelated organizations		X
<b>(ii)</b> related organizations		X
<b>b</b> If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?		

**4** Describe in Part XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
<b>1a</b> Land		3,488,121.		3,488,121.
<b>b</b> Buildings		80,268,261.	48,519,317.	31,748,944.
<b>c</b> Leasehold improvements				
<b>d</b> Equipment		33,879,681.	24,704,375.	9,175,306.
<b>e</b> Other		4,666,369.		4,666,369.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				49,078,740.

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives . . . . .		
(2) Closely-held equity interests . . . . .		
(3) Other		
(A) INVESTMENTS IN REAL ESTATE	208,883.	COST
(B) FUNDS HELD IN TRUST BY OTHERS	4,320,520.	FMV
(C) BOARD RESTRICTED ENDOWMNT FUND	7,994,266.	FMV
(D) DONOR RESTRICTED ENDOWMNT FUND	1,184,348.	FMV
(E)		
(F)		
(G)		
(H)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶	13,708,017.	

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) . . . . . ▶	

**Part X Other Liabilities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) PENSION LIABILITIES	49,175,366.
(3) DUE TO THIRD PARTY	4,459,573.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	53,634,939.

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

Table with 5 main rows and sub-rows (a-e) for adjustments. Total revenue reported as 117,145,541.

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

Table with 5 main rows and sub-rows (a-e) for adjustments. Total expenses reported as 115,595,148.

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

SEE PAGE 5



**Part XIII Supplemental Information** (continued)

SCHEDULE D, PART V, LINE 4

ENDOWMENT FUND:

THE HOSPITAL'S ENDOWMENT CONSISTS OF MULTIPLE FUNDS ESTABLISHED FOR A VARIETY OF PURPOSES INCLUDING CAPITAL EXPENDITURES, OPERATIONS, AND OTHER DONOR-SPECIFIED RESTRICTIONS.

SCHEDULE D, PART X, LINE 2

UNCERTAIN TAX POSITIONS:

MANAGEMENT HAS EVALUATED THEIR INCOME TAX POSITIONS UNDER THE GUIDANCE INCLUDED IN ASC 740. BASED ON THEIR REVIEW, MANAGEMENT HAS NOT IDENTIFIED ANY MATERIAL UNCERTAIN TAX POSITIONS TO BE RECORDED OR DISCLOSED IN THE FINANCIAL STATEMENTS.

SCHEDULE D, PART XI, LINE 2D

AMOUNTS INCLUDED ON LINE 1 BUT NOT ON FORM 990, PART VIII, LINE 12:

\$ 479,935 ASSETS RELEASED FROM RESTRICTIONS FOR OPERATIONS  
 (131,272) INVESTMENT MANAGEMENT FEES  
 (4,172,085) BAD DEBT  
 (6,467,809) TRANSFER TO AFFILIATE  
 (9,791,301) CHANGE IN DEFINED BENEFIT PLAN

-----  
 \$(20,082,532)

SCHEDULE D, PART XI, LINE 4B

AMOUNTS INCLUDED ON FORM 990, PART VIII, LINE 12, BUT NOT ON LINE 1:

\$ 251,644 TEMPORARILY RESTRICTED CONTRIBUTIONS  
 (165,435) RENT EXPENSE

**Part XIII** Supplemental Information (continued)

(70,497) FUNDRAISING EXPENSES

-----  
\$ 15,712

SCHEDULE D, PART XII, LINE 2D

AMOUNTS INCLUDED ON LINE 1, BUT NOT ON FORM 990, PART IX, LINE 25:

\$ 165,435 RENT EXPENSE  
70,497 FUNDRAISING EXPENSES

-----  
\$ 235,932

SCHEDULE D, PART XII, LINE 4B

AMOUNTS INCLUDED ON FORM 990, PART IX, LINE 25, BUT NOT ON LINE 1:

\$ 4,172,085 BAD DEBT

**SCHEDULE G**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

DAY KIMBALL HEALTHCARE, INC.

**Supplemental Information Regarding Fundraising or Gaming Activities**

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule G (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2014**

**Open to Public Inspection**

Employer identification number

06-0646599

**Part I**

**Fundraising Activities.** Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.
- a  Mail solicitations
  - b  Internet and email solicitations
  - c  Phone solicitations
  - d  In-person solicitations
  - e  Solicitation of non-government grants
  - f  Solicitation of government grants
  - g  Special fundraising events
- 2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?  Yes  No
- b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

	(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
			Yes	No			
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
<b>Total</b> .....							

- 3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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\_\_\_\_\_

\_\_\_\_\_

**Part II Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		GOLF CLASSIC (event type)	DEARY ROAD RAC (event type)	6. (total number)	(add col. (a) through col. (c))
Revenue	<b>1</b> Gross receipts . . . . .	104,953.	75,828.	126,537.	307,318.
	<b>2</b> Less: Contributions . . . . .	75,833.	68,248.	117,915.	261,996.
	<b>3</b> Gross income (line 1 minus line 2) . . . . .	29,120.	7,580.	8,622.	45,322.
Direct Expenses	<b>4</b> Cash prizes . . . . .	10,636.	1,652.		12,288.
	<b>5</b> Noncash prizes . . . . .	5,362.	8,800.	31.	14,193.
	<b>6</b> Rent/facility costs . . . . .	10,897.		1,986.	12,883.
	<b>7</b> Food and beverages . . . . .	13,565.		9,219.	22,784.
	<b>8</b> Entertainment . . . . .		1,727.		1,727.
	<b>9</b> Other direct expenses . . . . .	1,431.	236.	4,955.	6,622.
	<b>10</b> Direct expense summary. Add lines 4 through 9 in column (d) . . . . .				70,497.
	<b>11</b> Net income summary. Subtract line 10 from line 3, column (d) . . . . .				-25,175.

**Part III Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	<b>1</b> Gross revenue . . . . .				
Direct Expenses	<b>2</b> Cash prizes . . . . .				
	<b>3</b> Noncash prizes . . . . .				
	<b>4</b> Rent/facility costs . . . . .				
	<b>5</b> Other direct expenses . . . . .				
	<b>6</b> Volunteer labor . . . . .	<input type="checkbox"/> Yes _____% <input type="checkbox"/> No	<input type="checkbox"/> Yes _____% <input type="checkbox"/> No	<input type="checkbox"/> Yes _____% <input type="checkbox"/> No	
	<b>7</b> Direct expense summary. Add lines 2 through 5 in column (d) . . . . .				
	<b>8</b> Net gaming income summary. Subtract line 7 from line 1, column (d) . . . . .				

**9** Enter the state(s) in which the organization conducts gaming activities: \_\_\_\_\_  
**a** Is the organization licensed to conduct gaming activities in each of these states?  Yes  No  
**b** If "No," explain: \_\_\_\_\_

**10 a** Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?  Yes  No  
**b** If "Yes," explain: \_\_\_\_\_

- 11 Does the organization conduct gaming activities with nonmembers?  Yes  No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?  Yes  No
- 13 Indicate the percentage of gaming activity conducted in:
 

a The organization's facility	<b>13a</b>	%
b An outside facility	<b>13b</b>	%
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

- 15 a Does the organization have a contract with a third party from whom the organization receives gaming revenue?  Yes  No
- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ▶ \$ \_\_\_\_\_.
- c If "Yes," enter name and address of the third party:

Name ▶ \_\_\_\_\_

Address ▶ \_\_\_\_\_

16 Gaming manager information:

Name ▶ \_\_\_\_\_

Gaming manager compensation ▶ \$ \_\_\_\_\_

Description of services provided ▶ \_\_\_\_\_

- Director/officer
- Employee
- Independent contractor

17 Mandatory distributions:

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license?  Yes  No
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ \_\_\_\_\_

**Part IV Supplemental Information.** Provide the explanation required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information (see instructions).

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**SCHEDULE H  
(Form 990)**

**Hospitals**

OMB No. 1545-0047

**2014**

**Open to Public Inspection**

▶ **Complete if the organization answered "Yes" to Form 990, Part IV, question 20.**

▶ **Attach to Form 990.**

▶ **Information about Schedule H (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

Department of the Treasury  
Internal Revenue Service

Name of the organization

DAY KIMBALL HEALTHCARE, INC.

Employer identification number

06-0646599

**Part I Financial Assistance and Certain Other Community Benefits at Cost**

	Yes	No
<b>1a</b> Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a . . . . .	X	
<b>b</b> If "Yes," was it a written policy? . . . . .	X	
<b>2</b> If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year. <input checked="" type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities		
<b>3</b> Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year.		
<b>a</b> Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for free care: <input type="checkbox"/> 100% <input type="checkbox"/> 150% <input type="checkbox"/> 200% <input checked="" type="checkbox"/> Other <u>250.0000</u> %	X	
<b>b</b> Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care: . . . . . <input type="checkbox"/> 200% <input checked="" type="checkbox"/> 250% <input type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ %	X	
<b>c</b> If the organization used factors other than FPG in determining eligibility, describe in Part VI the criteria used for determining eligibility for free or discounted care. Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care.		
<b>4</b> Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"? . . . . .	X	
<b>5a</b> Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	X	
<b>b</b> If "Yes," did the organization's financial assistance expenses exceed the budgeted amount? . . . . .		X
<b>c</b> If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care? . . . . .		
<b>6a</b> Did the organization prepare a community benefit report during the tax year? . . . . .		X
<b>b</b> If "Yes," did the organization make it available to the public? . . . . .		

Complete the following table using the worksheets provided in the Schedule H instructions. Do not submit these worksheets with the Schedule H.

**7 Financial Assistance and Certain Other Community Benefits at Cost**

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
<b>a</b> Financial Assistance at cost (from Worksheet 1) . . . . .			211,548.		211,548.	.19
<b>b</b> Medicaid (from Worksheet 3, column a) . . . . .			28,335,533.	12,034,594.	16,300,939.	14.63
<b>c</b> Costs of other means-tested government programs (from Worksheet 3, column b) . . . . .			220,796.	183,997.	36,799.	.03
<b>d Total</b> Financial Assistance and Means-Tested Government Programs . . . . .			28,767,877.	12,218,591.	16,549,286.	14.85
<b>Other Benefits</b>						
<b>e</b> Community health improvement services and community benefit operations (from Worksheet 4) . . . . .			55,416.		55,416.	.05
<b>f</b> Health professions education (from Worksheet 5) . . . . .			96,630.		96,630.	.09
<b>g</b> Subsidized health services (from Worksheet 6) . . . . .			70,060.		70,060.	.06
<b>h</b> Research (from Worksheet 7)						
<b>i</b> Cash and in-kind contributions for community benefit (from Worksheet 8) . . . . .						
<b>j Total.</b> Other Benefits . . . . .			222,106.		222,106.	.20
<b>k Total.</b> Add lines 7d and 7j. . . . .			28,989,983.	12,218,591.	16,771,392.	15.05

**Part II Community Building Activities** Complete this table if the organization conducted any community building activities during the tax year, and describe in Part VI how its community building activities promoted the health of the communities it serves.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 Total						

**Part III Bad Debt, Medicare, & Collection Practices**

**Section A. Bad Debt Expense**

		Yes	No
1 Did the organization report bad debt expense in accordance with Healthcare Financial Management Association Statement No. 15? . . . . .	1	X	
2 Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount. . . . .	2		
3 Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit. . . . .	3		
4 Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.			

**Section B. Medicare**

5 Enter total revenue received from Medicare (including DSH and IME) . . . . .	5	27,263,195.
6 Enter Medicare allowable costs of care relating to payments on line 5 . . . . .	6	29,045,236.
7 Subtract line 6 from line 5. This is the surplus (or shortfall) . . . . .	7	-1,782,041.
8 Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used: <input type="checkbox"/> Cost accounting system <input checked="" type="checkbox"/> Cost to charge ratio <input type="checkbox"/> Other		

**Section C. Collection Practices**

9a Did the organization have a written debt collection policy during the tax year? . . . . .	9a	X	
b If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI . . . . .	9b	X	

**Part IV Management Companies and Joint Ventures** (owned 10% or more by officers, directors, trustees, key employees, and physicians - see instructions)

(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership %	(e) Physicians' profit % or stock ownership %
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				

**Part V Facility Information**

**Section A. Hospital Facilities**

(list in order of size, from largest to smallest - see instructions)

How many hospital facilities did the organization operate during the tax year? 1

Name, address, primary website address, and state license number (and if a group return, the name and EIN of the subordinate hospital organization that operates the hospital facility)

**1** DAY KIMBALL HEALTHCARE  
 320 POMFRET STREET  
 PUTNAM CT 06260  
 WWW.DAYKIMBALL.ORG  
 0043

Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (describe)	Facility reporting group
X	X					X			



Part V Facility Information (continued)

Section B. Facility Policies and Practices

(Complete a separate Section B for each of the hospital facilities or facility reporting groups listed in Part V, Section A)

Name of hospital facility or letter of facility reporting group DAY KIMBALL HEALTHCARE

Line number of hospital facility, or line numbers of hospital facilities in a facility reporting group (from Part V, Section A): 1

Community Health Needs Assessment

Table with 3 columns: Question, Yes, No. Rows include questions 1 through 12c regarding CHNA, implementation strategy, and excise tax.

**Part V Facility Information** (continued)

**Financial Assistance Policy (FAP)**

Name of hospital facility or letter of facility reporting group DAY KIMBALL HEALTHCARE

		Yes	No
Did the hospital facility have in place during the tax year a written financial assistance policy that:			
<b>13</b>	Explained eligibility criteria for financial assistance, and whether such assistance included free or discounted care? If "Yes," indicate the eligibility criteria explained in the FAP:	X	
<b>a</b>	<input checked="" type="checkbox"/> Federal poverty guidelines (FPG), with FPG family income limit for eligibility for free care of <u>250</u> % and FPG family income limit for eligibility for discounted care of <u>250</u> %		
<b>b</b>	<input type="checkbox"/> Income level other than FPG (describe in Section C)		
<b>c</b>	<input checked="" type="checkbox"/> Asset level		
<b>d</b>	<input checked="" type="checkbox"/> Medical indigency		
<b>e</b>	<input type="checkbox"/> Insurance status		
<b>f</b>	<input checked="" type="checkbox"/> Underinsurance status		
<b>g</b>	<input type="checkbox"/> Residency		
<b>h</b>	<input type="checkbox"/> Other (describe in Section C)		
<b>14</b>	Explained the basis for calculating amounts charged to patients? . . . . .	X	
<b>15</b>	Explained the method for applying for financial assistance? . . . . . If "Yes," indicate how the hospital facility's FAP or FAP application form (including accompanying instructions) explained the method for applying for financial assistance (check all that apply):	X	
<b>a</b>	<input checked="" type="checkbox"/> Described the information the hospital facility may require an individual to provide as part of his or her application		
<b>b</b>	<input checked="" type="checkbox"/> Described the supporting documentation the hospital facility may require an individual to submit as part of his or her application		
<b>c</b>	<input checked="" type="checkbox"/> Provided the contact information of hospital facility staff who can provide an individual with information about the FAP and FAP application process		
<b>d</b>	<input type="checkbox"/> Provided the contact information of nonprofit organizations or government agencies that may be sources of assistance with FAP applications		
<b>e</b>	<input type="checkbox"/> Other (describe in Section C)		
<b>16</b>	Included measures to publicize the policy within the community served by the hospital facility? . . . . . If "Yes," indicate how the hospital facility publicized the policy (check all that apply):	X	
<b>a</b>	<input checked="" type="checkbox"/> The FAP was widely available on a website (list url): <u>SEE PART V SECTION C</u>		
<b>b</b>	<input checked="" type="checkbox"/> The FAP application form was widely available on a website (list url): <u>SEE PART V SECTION C</u>		
<b>c</b>	<input checked="" type="checkbox"/> A plain language summary of the FAP was widely available on a website (list url): <u>SEE PART V SECTION C</u>		
<b>d</b>	<input checked="" type="checkbox"/> The FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
<b>e</b>	<input checked="" type="checkbox"/> The FAP application form was available upon request and without charge (in public locations in the hospital facility and by mail)		
<b>f</b>	<input checked="" type="checkbox"/> A plain language summary of the FAP was available upon request and without charge (in public locations in the hospital facility and by mail)		
<b>g</b>	<input type="checkbox"/> Notice of availability of the FAP was conspicuously displayed throughout the hospital facility		
<b>h</b>	<input type="checkbox"/> Notified members of the community who are most likely to require financial assistance about availability of the FAP		
<b>i</b>	<input type="checkbox"/> Other (describe in Section C)		
<b>Billing and Collections</b>			
<b>17</b>	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained all of the actions the hospital facility or other authorized party may take upon non-payment? . . . . .	X	
<b>18</b>	Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP:		
<b>a</b>	<input type="checkbox"/> Reporting to credit agency(ies)		
<b>b</b>	<input type="checkbox"/> Selling an individual's debt to another party		
<b>c</b>	<input type="checkbox"/> Actions that require a legal or judicial process		
<b>d</b>	<input type="checkbox"/> Other similar actions (describe in Section C)		
<b>e</b>	<input checked="" type="checkbox"/> None of these actions or other similar actions were permitted		

**Part V Facility Information** (continued)

Name of hospital facility or letter of facility reporting group DAY KIMBALL HEALTHCARE

		Yes	No
<b>19</b>	Did the hospital facility or other authorized party perform any of the following actions during the tax year before making reasonable efforts to determine the individual's eligibility under the facility's FAP? . . . . . If "Yes," check all actions in which the hospital facility or a third party engaged:	X	
<b>a</b>	<input type="checkbox"/> Reporting to credit agency(ies)		
<b>b</b>	<input type="checkbox"/> Selling an individual's debt to another party		
<b>c</b>	<input type="checkbox"/> Actions that require a legal or judicial process		
<b>d</b>	<input type="checkbox"/> Other similar actions (describe in Section C)		
<b>20</b>	Indicate which efforts the hospital facility or other authorized party made before initiating any of the actions listed (whether or not checked) in line 19 (check all that apply):		
<b>a</b>	<input type="checkbox"/> Notified individuals of the financial assistance policy on admission		
<b>b</b>	<input checked="" type="checkbox"/> Notified individuals of the financial assistance policy prior to discharge		
<b>c</b>	<input checked="" type="checkbox"/> Notified individuals of the financial assistance policy in communications with the individuals regarding the individuals' bills		
<b>d</b>	<input checked="" type="checkbox"/> Documented its determination of whether individuals were eligible for financial assistance under the hospital facility's financial assistance policy		
<b>e</b>	<input type="checkbox"/> Other (describe in Section C)		
<b>f</b>	<input type="checkbox"/> None of these efforts were made		

**Policy Relating to Emergency Medical Care**

<b>21</b>	Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that required the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy? . . . . . If "No," indicate why:	X	
<b>a</b>	<input type="checkbox"/> The hospital facility did not provide care for any emergency medical conditions		
<b>b</b>	<input type="checkbox"/> The hospital facility's policy was not in writing		
<b>c</b>	<input type="checkbox"/> The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Section C)		
<b>d</b>	<input type="checkbox"/> Other (describe in Section C)		

**Charges to Individuals Eligible for Assistance Under the FAP (FAP-Eligible Individuals)**

<b>22</b>	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care.		
<b>a</b>	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
<b>b</b>	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
<b>c</b>	<input type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
<b>d</b>	<input checked="" type="checkbox"/> Other (describe in Section C)		
<b>23</b>	During the tax year, did the hospital facility charge any FAP-eligible individual to whom the hospital facility provided emergency or other medically necessary services more than the amounts generally billed to individuals who had insurance covering such care? . . . . . If "Yes," explain in Section C.		X
<b>24</b>	During the tax year, did the hospital facility charge any FAP-eligible individual an amount equal to the gross charge for any service provided to that individual? . . . . . If "Yes," explain in Section C.		X

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

SCHEDULE H, PART V, LINE 5

COMMUNITY INPUT:

DAY KIMBALL HOSPITAL ALONG WITH THE OTHER MEMBERS OF THE WINDHAM COUNTY HEALTHCARE CONSORTIUM (WINDHAM HOSPITAL, DAY KIMBALL HOSPITAL, NATCHAUG HOSPITAL, GENERATIONS FAMILY HEALTH CENTER, UNITED SERVICES, VNA EAST, NORTHEAST DISTRICT DEPARTMENT OF HEALTH AND COMMUNITY HEALTH RESOURCES (CHR)) UTILIZED THE CENTER FOR RESEARCH AND PUBLIC POLICY (CRPP), AN INDEPENDENT RESEARCH FIRM, TO CONDUCT A COMPREHENSIVE NEEDS ASSESSMENT UTILIZING FOCUS GROUPS AND PHONE SURVEYS OF COUNTY RESIDENTS ALONG WITH STATE AND FEDERAL DATA TO IDENTIFY AND PRIORITIZE THE HEALTHCARE NEEDS IN WINDHAM COUNTY. COUNTY RESIDENTS ALONG WITH STATE AND FEDERAL DATA TO IDENTIFY AND PRIORITIZE THE HEALTHCARE NEEDS IN WINDHAM COUNTY.

SCHEDULE H, PART V, LINE 6A

CHNA CONDUCTED WITH OTHER HOSPITALS:

DAY KIMBALL HOSPITAL CONDUCTED ITS NEEDS ASSESSMENT IN CONJUNCTION WITH THE WINDHAM COUNTY HEALTHCARE CONSORTIUM. THE MEMBERS OF THIS CONSORTIUM INCLUDE WINDHAM HOSPITAL, DAY KIMBALL HOSPITAL, NATCHAUG HOSPITAL, GENERATIONS FAMILY HEALTH CENTER, UNITED SERVICES, VNA EAST, NORTHEAST DISTRICT DEPARTMENT OF HEALTH AND COMMUNITY HEALTH RESOURCES (CHR). HEALTH RESOURCES (CHR).

SCHEDULE H, PART V, LINE 7A

CHNA AVAILABILITY:

THE ORGANIZATION'S CHNA REPORT WAS MADE AVAILABLE AT THE FOLLOWING URL:

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

HTTP://WWW.DAYKIMBALL.ORG/\_RESOURCES/COMMON/USERFILES/FILE/ABOUT/DAY-KIMBA

LL-HEALTHCARE-COMMUNITY-HEALTH-NEEDS-ASSESSMENT-STRATEGY\_2015.PDF

SCHEDULE H, PART V, LINE 10A

IMPLEMENTATION STRATEGY AVAILABILITY:

THE ORGANIZATION'S IMPLEMENTATION STRATEGY IS AVAILABLE AT THE FOLLOWING

URL:

HTTP://WWW.DAYKIMBALL.ORG/\_RESOURCES/COMMON/USERFILES/FILE/ABOUT/DAY-KIMBA

LL-HEALTHCARE-COMMUNITY-HEALTH-NEEDS-ASSESSMENT-STRATEGY\_2015.PDF

SCHEDULE H, PART V, LINE 11

ADDRESSING IDENTIFIED NEEDS:

MOST OF THE HEALTH NEEDS IDENTIFIED IN THE ASSESSMENT ARE ALREADY

ADDRESSED BY DAY KIMBALL HOSPITAL, EITHER BY DIRECT DELIVERY OF SERVICE

TO THE COMMUNITY OR THROUGH OUR COLLABORATIONS WITH SUCH ORGANIZATIONS AS

HEALTHQUEST. THESE INCLUDE SERVICES AND PROGRAMS SUCH AS:

- EXPANDING OF OUR INPATIENT AND OUTPATIENT BEHAVIORAL HEALTH SERVICES

- PARTNERING WITH WHOLESOME WAVE, WIC AND THE LOCAL FARMER'S MARKET TO

SUBSIDIZE MARKET COUPONS, DOUBLING THEIR VALUE, FOR FAMILIES WITH

CHILDREN

- WORKING WITH HEALTHQUEST AS AN ACTIVE MEMBER AND FUNDER ON SUCH

PROGRAMS AS FOLLOW THE FIFTY, HEART HEALTH PROGRAM FOR WOMEN AND WRITE

STEPS, AN ELEMENTARY SCHOOL-BASED WALKING AND WRITING PROGRAM TO IMPROVE

HEALTH (IN PARTICULAR OBESITY IN CHILDREN) AND EDUCATION

- BECOMING A SMOKE-FREE ORGANIZATION AND OFFERING SMOKING CESSATION

**Part V Facility Information** (continued)

**Section C. Supplemental Information for Part V, Section B.** Provide descriptions required for Part V, Section B, lines 2, 3j, 5, 6a, 6b, 7d, 11, 13b, 13h, 15e, 16i, 18d, 19d, 20e, 21c, 21d, 22d, 23, and 24. If applicable, provide separate descriptions for each hospital facility in a facility reporting group, designated by facility reporting group letter and hospital facility line number from Part V, Section A ("A, 1," "A, 4," "B, 2," "B, 3," etc.) and name of hospital facility.

CLASSES TO OUR EMPLOYEES AND CONTINUING TO OFFER CLASSES TO THE  
COMMUNITY

- OFFERING DIABETES CARE MANAGEMENT SERVICES IN ALL OUR PRIMARY CARE OFFICES
- IMPLEMENTING A SERIES OF COMMUNITY-BASED FLU SHOT CLINICS TO IMPROVE ACCESS
- EXPANDING OUR SLEEP LAB WITH IN-HOME TESTING NOW AVAILABLE
- CONDUCTING EDUCATIONAL SEMINARS ON COLON CANCER AND COLONOSCOPIES HOSTED BY OUR SPECIALTY TEAM OF PROVIDERS

SCHEDULE H, PART V, LINES 16A, 16B & 16C

FINANCIAL ASSISTANCE POLICY APPLICATION AVAILABILITY:

THE FINANCIAL ASSISTANCE POLICY APPLICATION IS AVAILABLE AT THE FOLLOWING  
URL:

[HTTP://WWW.DAYKIMBALL.ORG/RESOURCES/BILLING/DAY-KIMBALL-HOSPITAL-BILLING/FINANCIAL-SERVICES/#FINANCIAL-ASSISTANCE](http://WWW.DAYKIMBALL.ORG/RESOURCES/BILLING/DAY-KIMBALL-HOSPITAL-BILLING/FINANCIAL-SERVICES/#FINANCIAL-ASSISTANCE)

SCHEDULE H, PART V, LINE 22D

DETERMINATION OF MAXIMUM AMOUNTS CHARGED:

DAY KIMBALL HOSPITAL USES A COST-TO-CHARGE RATIO TO DETERMINE THE MAXIMUM AMOUNTS THAT CAN BE CHARGED TO FAP-ELIGIBLE INDIVIDUALS FOR EMERGENCY OR OTHER MEDICALLY NECESSARY CARE.

**Part V Facility Information** (continued)**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**  
(list in order of size, from largest to smallest)How many non-hospital health care facilities did the organization operate during the tax year? 14

Name and address	Type of Facility (describe)
<b>1</b> PLAINFIELD HEALTHCARE CENTER 31 DOW ROAD/12 LATHROP ROAD PLAINFIELD CT 06374	PRIMARY CARE; PEDIATRICS WOMEN'S HEALTH; LABORATORY DIAGNOSTIC IMAGING
<b>2</b> DANIELSON HEALTHCARE CENTER 55 GREEN HOLLOW ROAD DANIELSON CT 06239	DIAGNOSTIC IMAGING LABORATORY; PHYSICAL MEDICINE SERVICES
<b>3</b> DANIELSON MEDICAL ASSOCIATES 45 GREEN HOLLOW ROAD DANIELSON CT 06239	PRIMARY CARE SERVICES
<b>4</b> PUTNAM SURGICAL ASSOCIATES 346 POMFRET STREET PUTNAM CT 06260	CONSULTATIVE AND SURGICAL SERVICES
<b>5</b> WOODSTOCK MEDICAL ASSOCIATES 168 ROUTE 171 SOUTH WOODSTOCK CT 06267	PRIMARY CARE SERVICES
<b>6</b> NORTHEAST CONNECTICUT DERMATOLOGY 55 GREEN HOLLOW ROAD DANIELSON CT 06239	DERMATOLOGY SERVICES
<b>7</b> MRI KENNEDY DRIVE 39 KENNEDY DRIVE PUTNAM CT 06260	MRI SERVICES
<b>8</b> MEDICAL CENTER OF NORTHEAST CONNECTICUT 612 HARTFORD DRIVE DAYVILLE CT 06241	GERIATRICS; INTERNAL MEDICINE; PULMONOLOGY SERVICES
<b>9</b> POMFRET STREET FAMILY MEDICAL ASSOCIATES 235 POMFRET STREET PUTNAM CT 06260	PRIMARY CARE SERVICES
<b>10</b> THOMPSON HEALTHCARE CENTER 415 RIVERSIDE DRIVE NORTH GROSVENORDALE CT 06255	PEDIATRIC CENTER

Schedule H (Form 990) 2014

**Part V Facility Information** *(continued)*

**Section D. Other Health Care Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility**  
 (list in order of size, from largest to smallest)

How many non-hospital health care facilities did the organization operate during the tax year? \_\_\_\_\_

Name and address	Type of Facility (describe)
<b>1</b> CANTERBURY FAMILY MEDICAL ASSOCIATES 132 WESTMINSTER ROAD CANTERBURY CT 06331	PRIMARY CARE SERVICES
<b>2</b> THOMPSON FAMILY MEDICAL ASSOCIATES 415 RIVERSIDE DRIVE NORTH GROSVENORDALE CT 06255	PRIMARY CARE SERVICES
<b>3</b> DAYVILLE HEALTHCARE CENTER 11 DOG HILL ROAD DAYVILLE CT 06241	OB/GYN; DIABETES MANAGEMENT; GERIATRICS SERVICES
<b>4</b> PUTNAM HEALTHCARE CENTER 6-12 SOUTH MAIN STREET PUTNAM CT 06260	DURABLE MEDICAL EQUIPMENT SALES; PHYSICAL THERAPY, LAB DRAW
<b>5</b>	
<b>6</b>	
<b>7</b>	
<b>8</b>	
<b>9</b>	
<b>10</b>	



**Part VI Supplemental Information**

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

SCHEDULE H, PART I, LINES 3A, 3B & 3C

DETERMINING ELIGIBILITY FOR FREE & DISCOUNTED CARE:

TO QUALIFY FOR FREE CARE, AN INDIVIDUAL MUST MEET ALL OF THE CRITERIA:

- SINGLE ACCOUNT BALANCE OF \$250 OR GREATER OR ACCOUNTS SPANNING SIX MONTHS TOTALING \$500 OR GREATER (INDIVIDUAL) OR ACCOUNTS SPANNING SIX MONTHS TOTALING \$1000 OR GREATER FOR 2 OR MORE FAMILY MEMBERS (UNDER SAME GUARANTOR).
- ANNUAL INCOME IS LESS THAN 250% OF THE CURRENT FEDERAL INCOME POVERTY LEVEL (FPL).
- LIQUID ASSETS MUST NOT EXCEED \$100,000 (INCLUDES STOCKS, BONDS, CASH, 401K, IRA, CD, PROPERTY AND BUSINESS VALUE, AND RECREATIONAL VEHICLES).

TO QUALIFY FOR A 75% CHARITY CARE DISCOUNT, AN INDIVIDUAL MUST MEET ALL OF THE FOLLOWING CRITERIA:

- SINGLE ACCOUNT BALANCE OF \$250 OR GREATER OR ACCOUNTS SPANNING SIX MONTHS TOTALING \$500 OR GREATER (INDIVIDUAL) OR ACCOUNTS SPANNING SIX MONTHS TOTALING \$1000 OR GREATER FOR 2 OR MORE FAMILY MEMBERS (UNDER SAME GUARANTOR).

**Part VI Supplemental Information**

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
- 4 Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves.
- 5 Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e.g., open medical staff, community board, use of surplus funds, etc.).
- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

- ANNUAL INCOME IS LESS THAN 250% OF THE CURRENT FEDERAL INCOME POVERTY LEVEL (FPL).

- LIQUID ASSETS MUST NOT EXCEED \$100,000 INCLUDING (STOCKS, BONDS, CASH, 401, IRA, CD, PROPERTY AND BUSINESS VALUE AND RECREATIONAL VEHICLES).

- INSURED PATIENTS WHO HAVE NO ADDITIONAL COVERAGE (AND HAVE DOCUMENTATION THAT THEY HAVE EXHAUSTED THEIR INSURANCE) FOR THE REMAINDER OF THEIR PLAN YEAR WILL BE DEEMED "UNINSURED" UNDER SECTION A OF THIS POLICY. IF GRANTED CHARITY CARE, IT WILL BE ONE-TIME GRANTING.

SCHEDULE H, PART I, LINE 7

COSTING METHODOLOGY:

THE COSTING METHODOLOGY THAT WAS USED TO CALCULATE THE AMOUNTS REPORTED IN THE TABLE WAS DAY KIMBALL HOSPITAL'S COST-TO-CHARGE RATIO THAT WAS REPORTED IN THE FY2015 MEDICARE COST REPORT.

SCHEDULE H, PART I, LINE 7G

SUBSIDIZED SERVICES:

DAY KIMBALL HOSPITAL PARTNERS WITH NORTHEASTERN CONNECTICUT COUNCIL OF

**Part VI Supplemental Information**

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
- 3 Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy.
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- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

GOVERNMENTS (NECCOG) TO PROVIDE LOCAL PARAMEDIC INTERCEPT SERVICES. DAY KIMBALL HOSPITAL AND NECCOG AGREED THAT THE ABSENCE OF PARAMEDIC INTERCEPT SERVICES IN NORTHEASTERN CONNECTICUT, COMPRISED OF MANY RURAL TOWNS, WOULD CREATE A SIGNIFICANT DEFICIENCY IN THE AVAILABILITY AND ACCESSIBILITY OF MEDICAL SERVICES IN THE COMMUNITY. THE HOSPITAL PROVIDES CERTAIN MONETARY AND IN-KIND SERVICES FOR THE PROVISION OF PARAMEDIC INTERCEPT SERVICES.

SCHEDULE H, PART I, LINE 7, COLUMN F

PERCENT OF TOTAL EXPENSE:

TO ARRIVE AT THE PERCENT OF TOTAL EXPENSES, THE DENOMINATOR WHICH EQUALS TOTAL OPERATING EXPENSES PER PART IX, LINE 25, OF THE FORM 990 WAS REDUCED BY BAD DEBT EXPENSE OF \$4,172,085.

SCHEDULE H, PART III, SECTION A, LINE 2

BAD DEBT EXPENSE:

THE ORGANIZATION CALCULATED BAD DEBT EXPENSE USING THE AMOUNTS CALCULATED IN THE ORGANIZATION'S AUDITED FINANCIAL STATEMENTS.

**Part VI Supplemental Information**

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
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- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

SCHEDULE H, PART III, SECTION A, LINE 3

BAD DEBT EXPENSE ATTRIBUTABLE TO CHARITY CARE:

BAD DEBT ATTRIBUTABLE TO PATIENTS ELIGIBLE UNDER THE ORGANIZATION'S

CHARITY CARE POLICY WAS ESTIMATED USING THE PERCENTAGE OF THE POPULATION

THAT IS BELOW THE POVERTY LINE IN THE HOSPITAL'S SERVICE AREA.

SCHEDULE H, PART II, SECTION B, LINE 4

BAD DEBT EXPENSE FOOTNOTE:

PLEASE REFER TO THE ATTACHED AUDITED FINANCIAL STATEMENTS FOR NOTE 1 -

PATIENT ACCOUNTS RECEIVABLE AND CHARITY CARE.

SCHEDULE H, PART III, SECTION B, LINE 8

COMMUNITY BENEFIT RATIONALE:

THE SHORTFALL BETWEEN DAY KIMBALL HOSPITAL'S MEDICARE COSTS AND PAYMENTS

ARE CONSIDERED COMMUNITY BENEFIT BECAUSE THE SERVICES WERE PROVIDED BY

DAY KIMBALL HOSPITAL EVEN THOUGH THE COSTS WEREN'T COVERED OR REIMBURSED.

THE COSTING METHODOLOGY USED TO DETERMINE THE AMOUNT REPORTED ON LINE 6

WAS GROSS CHARGES REDUCED BY THE COST TO CHARGE RATIO THAT WAS REPORTED

**Part VI Supplemental Information**

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
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- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

IN THE FY2015 MEDICARE COST REPORT.

SCHEDULE H, PART III, SECTION B, LINE 9B

COLLECTION POLICY:

IT IS THE PHILOSOPHY AND POLICY OF DAY KIMBALL HOSPITAL THAT MEDICALLY NECESSARY HEALTH CARE SERVICES SHOULD BE AVAILABLE TO ALL INDIVIDUALS REGARDLESS OF THEIR ABILITY TO PAY. THE POLICY HAS BEEN WRITTEN IN ACCORDANCE WITH SECTION 9007 OF THE PATIENT PROTECTION AND AFFORDABLE CARE ACT (ACT), SIGNED INTO LAW ON MARCH 23, 2010, WHICH ADDS NEW SECTIONS 501(R) AND 4959 TO THE INTERNAL REVENUE CODE. SECTION 501(R) INCLUDES A SERIES OF SPECIFIC REQUIREMENTS FOR HOSPITALS TO RECEIVE AND MAINTAIN SECTION 501(C)(3) "TAX EXEMPT" STATUS.

SCHEDULE H, PART VI, LINE 2

NEEDS ASSESSMENT:

DAY KIMBALL HOSPITAL HAS RECENTLY COMPLETED A COMMUNITY NEEDS ASSESSMENT IN CONJUNCTION WITH THE WINDHAM COUNTY HEALTHCARE CONSORTIUM. THE CONSORTIUM UTILIZED A NATIONAL CONSULTING FIRM TO ASSIST

**Part VI Supplemental Information**

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
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- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

IN THE PROCESS OF IDENTIFYING SPECIFIC HEALTH CARE NEEDS IN WINDHAM COUNTY. FOCUS GROUPS, TELEPHONE SURVEYS AND STATE AND FEDERAL DATA WAS USED TO IDENTIFY THE SPECIFIC HEALTH CARE NEEDS DURING THIS ASSESSMENT.

SCHEDULE H, PART VI, LINE 3

PATIENT EDUCATION OF ELIGIBILITY FOR ASSISTANCE:

ALL PATIENTS WHO ARE UNINSURED ARE REFERRED TO THE FINANCIAL COUNSELING DEPARTMENT; INPATIENTS ARE ALL VISITED BY A FINANCIAL COUNSELOR (OR GIVEN A FINANCIAL COUNSELING PACKET) PRIOR TO DISCHARGE WITH ALL OF THE AVAILABLE PROGRAMS THAT ARE AVAILABLE THROUGH OUR FINANCIAL ASSISTANCE (CHARITY CARE) POLICY. ANY SCHEDULED PATIENTS WHO ARE UNINSURED ARE CALLED BY THE FINANCIAL COUNSELORS IN ADVANCE TO PROVIDE ALL OF THE OPTIONS INCLUDING SCREENING FOR MEDICAID ASSISTANCE, CHARITY CARE, AS WELL AS SEVERAL OTHER LOCAL FUNDING SOURCES THAT THEY MAY QUALIFY FOR. ALL PATIENT STATEMENTS HAVE INFORMATION ABOUT OUR CHARITY CARE POLICY AS WELL AS A DOWNLOADABLE CHARITY CARE APPLICATION. ALL OF OUR THIRD PARTY VENDORS, INCLUDING OUR BAD DEBT AGENCIES AND OUR LONG TERM PATIENT FINANCING PROGRAM THROUGH CAREPAYMENT ALSO PROVIDE OUR CHARITY CARE

**Part VI Supplemental Information**

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
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- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

POLICY TO PATIENTS UPON REQUEST. OUR FINANCIAL ASSISTANCE GUIDELINES ARE ALSO POSTED IN ALL PATIENT REGISTRATION AREAS OF THE HOSPITAL.

SCHEDULE H, PART VI, LINE 4

COMMUNITY INFORMATION:

DAY KIMBALL HOSPITAL'S PRIMARY SERVICE AREA CONSISTS OF 13 TOWNS IN THE NORTHEASTERN CORNER OF CONNECTICUT AS WELL AS BORDERING MASSACHUSETTS AND RHODE ISLAND TOWNS. DAY KIMBALL'S SERVICE AREA IS OVER 438 SQUARE MILES AND CONTAINS APPROXIMATELY 117,604 IN WINDHAM COUNTY. THE POPULATION RANGES FROM LONG-TERM, MULTI-GENERATIONAL FAMILIES TO NEWLY IMMIGRATED RESIDENTS FROM URBAN AREAS. ACCORDING TO THE 2010 CENSUS, 11.7% OF THE POPULATION IS UNDER POVERTY LEVEL AND 14.3% ARE OVER AGE 65. THERE IS A WIDE RANGE OF SOCIO-ECONOMIC FACTORS INCLUDING VERY HIGH INCOME TO POVERTY; ADVANCED EDUCATION TO INCOMPLETE HIGH SCHOOL. THE MEDIAN HOUSEHOLD INCOME IN 2010 IN WINDHAM COUNTY WAS \$58,489 (THE LOWEST INCOME OF ANY COUNTY IN THE STATE OF CONNECTICUT), WHILE THE STATE MEDIAN WAS \$69,519. ACCORDING TO THE HEALTHY CONNECTICUT 2020 STATE HEALTH ASSESSMENT THAT WAS RELEASED IN MARCH 2014 THE LEADING CAUSES OF DEATH IN

**Part VI Supplemental Information**

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
- 2 Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any CHNAs reported in Part V, Section B.
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- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

CONNECTICUT ARE HEART DISEASE AND CANCER.

SCHEDULE H, PART VI, LINE 5

PROMOTION OF COMMUNITY HEALTH:

THE MISSION OF DAY KIMBALL HOSPITAL IS TO MEET THE HEALTH NEEDS OF OUR COMMUNITY THROUGH OUR CORE VALUES OF CLINICAL QUALITY, CUSTOMER SERVICE, FISCAL RESPONSIBILITY AND LOCAL CONTROL. DAY KIMBALL HOSPITAL IS GOVERNED BY A BOARD OF DIRECTORS COMPRISED OF COMMUNITY MEMBERS AND PHYSICIANS. THE MEDICAL STAFF IS OPEN TO ALL PHYSICIANS IN THE COMMUNITY WHO MEET MEMBERSHIP AND CLINICAL PRIVILEGE REQUIREMENTS. INPATIENT, OUTPATIENT AND EMERGENCY SERVICES THAT ARE MEDICALLY NECESSARY ARE PROVIDED TO ALL PATIENTS REGARDLESS OF THEIR ABILITY TO PAY.

SCHEDULE H, PART VI, LINE 6

AFFILIATE STRUCTURE:

DAY KIMBALL HOSPITAL HAS A RELATIONSHIP WITH UMASS MEMORIAL MEDICAL CENTER AS ITS TERTIARY CARE SITE. WHEN PATIENTS' CARE REQUIRES SPECIALIZED TREATMENTS, DAY KIMBALL COLLABORATES WITH PROMINENT MEDICAL



**Part VI Supplemental Information**

Provide the following information.

- 1 Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7; Part II and Part III, lines 2, 3, 4, 8 and 9b.
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- 6 Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served.
- 7 State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report.

CENTERS TO PROVIDE THE CARE THEY NEED. FOR INSTANCE, DAY KIMBALL PARTNERS WITH UMASS MEMORIAL MEDICAL CENTER IN WORCESTER, MA FOR CARDIAC CARE AND HAS DEVELOPED A SYSTEMATIC APPROACH TO STABILIZING AND TRANSPORTING HEART ATTACK PATIENTS TO UMASS FOR FURTHER TREATMENT.

**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

DAY KIMBALL HEALTHCARE, INC.

**Compensation Information**

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.

▶ Attach to Form 990.

▶ Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2014**

**Open to Public  
Inspection**

Employer identification number

06-0646599

**Part I Questions Regarding Compensation**

**1a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- |  |  |
|--|--|
| <input type="checkbox"/> First-class or charter travel             | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input type="checkbox"/> Travel for companions                     | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees   |
| <input type="checkbox"/> Discretionary spending account            | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a?

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.

- |   |   |
|---|---|
| <input type="checkbox"/> Compensation committee                         | <input checked="" type="checkbox"/> Written employment contract                     |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input type="checkbox"/> Compensation survey or study                               |
| <input type="checkbox"/> Form 990 of other organizations                | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment? **4a**  **4a**  **4a**
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? **4b**  **4b**  **4b**
- c** Participate in, or receive payment from, an equity-based compensation arrangement? **4c**  **4c**  **4c**
- If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization? **5a**  **5a**  **5a**
- b** Any related organization? **5b**  **5b**  **5b**
- If "Yes" to line 5a or 5b, describe in Part III.

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization? **6a**  **6a**  **6a**
- b** Any related organization? **6b**  **6b**  **6b**
- If "Yes" to line 6a or 6b, describe in Part III.

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III **7**  **7**  **7**

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III **8**  **8**  **8**

**9** If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? **9**  **9**  **9**

	Yes	No
<b>1a</b>		
<b>1b</b>		
<b>2</b>		
<b>3</b>		
<b>4a</b>		<input checked="" type="checkbox"/>
<b>4b</b>	<input checked="" type="checkbox"/>	
<b>4c</b>		<input checked="" type="checkbox"/>
<b>5a</b>		<input checked="" type="checkbox"/>
<b>5b</b>		<input checked="" type="checkbox"/>
<b>6a</b>		<input checked="" type="checkbox"/>
<b>6b</b>		<input checked="" type="checkbox"/>
<b>7</b>	<input checked="" type="checkbox"/>	
<b>8</b>		<input checked="" type="checkbox"/>
<b>9</b>		

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2014

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
1 MICHAEL BAUM, MD DIRECTOR	(i)	10,000.	0	0	0	0	10,000.	0
	(ii)	253,059.	81,290.	0	7,800.	17,080.	359,229.	0
2 ROBERT E. SMANIK, FACHE PRESIDENT & CEO	(i)	399,128.	12,000.	71,131.	7,500.	10,082.	499,841.	58,095.
	(ii)	0	0	0	0	0	0	0
3 WILLIAM JOHNSON, MD PRESIDENT/MEDICAL STAFF	(i)	31,200.	0	0	0	0	31,200.	0
	(ii)	202,533.	14,302.	0	6,130.	18,307.	241,272.	0
4 DONALD ST. ONGE COO/CNO	(i)	220,612.	0	0	6,816.	19,012.	246,440.	0
	(ii)	0	0	0	0	0	0	0
5 JOHN O'KEEFE VP OF PATIENT CARE SERVICES	(i)	161,043.	0	3,244.	4,929.	222.	169,438.	0
	(ii)	0	0	0	0	0	0	0
6 JOHN MODICA ICU PHYSICIAN	(i)	151,258.	99,578.	0	4,131.	16,060.	271,027.	0
	(ii)	0	0	0	0	0	0	0
7 SARA JANE DE ASIS MENTAL HEALTH PHYSICIAN	(i)	215,171.	34,203.	0	0	19,007.	268,381.	0
	(ii)	0	0	0	0	0	0	0
8 RONALD GOBEIL BEHAVIORAL HEALTH PHY END 8/15	(i)	240,956.	2,500.	0	0	9,761.	253,217.	0
	(ii)	0	0	0	0	0	0	0
9 STEVEN BURKE CORPORATE CONTROLLER END 12/14	(i)	159,323.	0	10,927.	0	17,265.	187,515.	0
	(ii)	0	0	0	0	0	0	0
10 PATRICIA MCLAUGHLIN ER CLINICAL COORDINATOR	(i)	143,977.	663.	0	4,482.	2,150.	151,272.	0
	(ii)	0	0	0	0	0	0	0
11 JOHN GRAHAM, MD DIRECTOR ENDING 12/14	(i)	268,662.	0	0	0	418.	269,080.	0
	(ii)	0	0	0	0	0	0	0
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

SCHEDULE J, PART I, LINE 4B

SUPPLEMENTAL NONQUALIFIED RETIREMENT PLAN:

ROBERT SMANIK PARTICIPATES IN A 457(F) NONQUALIFIED RETIREMENT PLAN WITH DAY KIMBALL HOSPITAL.

SMANIK RECEIVED A 457(F) DISTRIBUTION OF \$58,095, WHICH HAS BEEN REPORTED AS DEFERRED COMPENSATION ON A PRIOR FORM 990.

SCHEDULE J, PART I, LINE 7

NON-FIXED PAYMENTS:

BONUSES AWARDED DURING THE YEAR WERE EITHER STIPENDS FOR AN INDIVIDUAL SERVING AS A DEPARTMENT OR COMMITTEE CHAIRPERSON OR INCENTIVE PAYMENTS FOR RVU'S WORKED.

**SCHEDULE K  
(Form 990)**

**Supplemental Information on Tax-Exempt Bonds**

**2014**

**Open to Public  
Inspection**

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.**

▶ **Attach to Form 990.**

▶ **Information about Schedule K (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

Department of the Treasury  
Internal Revenue Service

Name of the organization  
DAY KIMBALL HEALTHCARE, INC.

Employer identification number  
06-0646599

**Part I Bond Issues**

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
						Yes	No	Yes	No	Yes	No
A STATE OF CONNECTICUT HEALTH & ED FAC AUTHORITY	06-0806186	20774YPC5	06/06/2013	30,330,000.	REFUNDING & ER DEPT EXP & RENOV		X		X		X
B											
C											
D											

**Part II Proceeds**

	A		B		C		D	
1 Amount of bonds retired								
2 Amount of bonds legally defeased								
3 Total proceeds of issue		30,330,000.						
4 Gross proceeds in reserve funds		2,340,522.						
5 Capitalized interest from proceeds		1,170,295.						
6 Proceeds in refunding escrows		15,485,409.						
7 Issuance costs from proceeds		606,600.						
8 Credit enhancement from proceeds								
9 Working capital expenditures from proceeds								
10 Capital expenditures from proceeds		10,723,350.						
11 Other spent proceeds		3,824.						
12 Other unspent proceeds								
13 Year of substantial completion		2014						
	Yes	No	Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?	X							
15 Were the bonds issued as part of an advance refunding issue?		X						
16 Has the final allocation of proceeds been made?	X							
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

**Part III Private Business Use**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?		X						
2 Are there any lease arrangements that may result in private business use of bond-financed property?		X						

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Part III Private Business Use (Continued)

GROUP 1

Table with 9 rows and 8 columns (A, B, C, D). Rows include questions about management contracts, research agreements, and bond-financed property usage.

Part IV Arbitrage

Table with 10 rows and 8 columns (A, B, C, D). Rows include questions about Form 8038-T, arbitrage rebates, and bond issue characteristics.

**Part IV Arbitrage (Continued)**

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)? . . . . .		X						
b Name of provider . . . . .								
c Term of GIC . . . . .								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied? . . . . .								
6 Were any gross proceeds invested beyond an available temporary period? . . . . .		X						
7 Has the organization established written procedures to monitor the requirements of section 148? . . . . .	X							

**Part V Procedures To Undertake Corrective Action**

Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation is not available under applicable regulations?	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
	X							

**Part VI Supplemental Information.** Provide additional information for responses to questions on Schedule K (see instructions).

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**Part VI** **Supplemental Information.** Provide additional information for responses to questions on Schedule K (see instructions) *(Continued)*

SCHEDULE K, PART I(F)

DESCRIPTION OF PURPOSE:

CURRENT REFUNDING AND EMERGENCY DEPARTMENT EXPANSION AND RENOVATION.



**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

DAY KIMBALL HEALTHCARE, INC.

**Supplemental Information to Form 990 or 990-EZ**

**Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.  
▶ Attach to Form 990 or 990-EZ.**

OMB No. 1545-0047

**2014**

**Open to Public  
Inspection**

Employer identification number

06-0646599

FORM 990, PART VI, SECTION A, LINE 3

MANAGEMENT DUTIES:

DURING FY 15, DAY KIMBALL HOSPITAL CONTRACTED WITH GLAZIER ASSOCIATES TO PROVIDE FULL SERVICE FINANCIAL MANAGEMENT TO THE HOSPITAL IN THE ABSENCE OF A CHIEF FINANCIAL OFFICER. THE SERVICES PROVIDED WERE TYPICAL OF THOSE A CHIEF FINANCIAL OFFICER WOULD PROVIDE. GLAZIER ASSOCIATES WAS USED TO PROVIDE THESE SERVICES WHILE A SEARCH FOR A PERMANENT CHIEF FINANCIAL OFFICER WAS TAKING PLACE.

FORM 990, PART VI, SECTION A, LINE 7A

POWER TO ELECT THE GOVERNING BODY:

THE HOSPITAL HAS MORE THAN 400 CORPORATORS WHO ARE DEDICATED TO THE HOSPITAL'S MISSION. CORPORATORS ARE INDIVIDUALS INTERESTED IN THE PURPOSES OF THE HOSPITAL AND REPRESENT THE COMMUNITIES SERVED. CORPORATORS HAVE THE RIGHT TO PARTICIPATE IN THE ELECTION OF DIRECTORS AND OFFICERS.

FORM 990, PART VI, SECTION B, LINE 11B

REVIEW OF FORM 990:

FORM 990 IS REVIEWED BY PAUL A. BEAUDOIN, CFO, PRIOR TO FILING. A COPY OF THE 990 IS MADE AVAILABLE TO ALL BOARD MEMBERS AT THEIR REQUEST.

FORM 990, PART VI, SECTION B, LINE 12C

CONFLICT OF INTEREST POLICY:

Name of the organization DAY KIMBALL HEALTHCARE, INC.	Employer identification number 06-0646599
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THE ORGANIZATION REGULARLY AND CONSISTENTLY MONITORS AND ENFORCES COMPLIANCE WITH THE CONFLICT OF INTEREST POLICY BY REQUIRING BOARD MEMBERS, ADMINISTRATION, THE MEDICAL STAFF, AND ALL OTHER EMPLOYEES TO FILL OUT A CONFLICT OF INTEREST DISCLOSURE FORM ANNUALLY.

IF ANY CHANGE IN THE FORM ARISES THROUGHOUT THE YEAR, IT IS REQUIRED TO BE REPORTED PROMPTLY TO THE CHAIR OF THE BOARD OF DIRECTORS OR THE PRESIDENT OF DAY KIMBALL HOSPITAL.

IN THE EVENT A POTENTIAL CONFLICT OF INTEREST HAS A DIRECT IMPLICATION FOR PATIENT CARE, THE INSTITUTION MAY CONVENE AN ETHICS COMMITTEE MEETING TO ASSIST IN THE RESOLUTION OF THE ISSUE.

IF AN ACTUAL OR POTENTIAL CONFLICT OF INTEREST IS DISCLOSED, THE AFFECTED EMPLOYEE WILL REFRAIN FROM FURTHER PARTICIPATION IN MATTERS TO WHICH THE CONFLICT RELATES UNTIL THE QUESTION OF CONFLICT HAS BEEN RESOLVED.

FORM 990, PART VI, SECTION B, LINES 15A & 15B  
COMPENSATION OF TOP MANAGEMENT:

DAY KIMBALL HOSPITAL PARTNERS WITH AN EXTERNAL CONSULTANT TO ANALYZE ALL LEVELS OF COMPENSATION WITHIN THE ORGANIZATION. THIS ENABLES US TO ENSURE THAT THERE IS A SOLID FRAMEWORK TO MAKE EFFECTIVE, CONSISTENT, STRATEGIC AND OPERATIONAL COMPENSATION DECISIONS THAT IMPACT OUR EMPLOYEES FOR THE SUPPORT THEY PROVIDE TO THE OVERALL MISSION AND STRATEGY OF DAY KIMBALL HOSPITAL. ANY CHANGES THAT INVOLVE SIGNIFICANT FINANCIAL ADJUSTMENTS ARE PRESENTED TO THE BOARD OF DIRECTORS FOR APPROVAL.

Name of the organization DAY KIMBALL HEALTHCARE, INC.	Employer identification number 06-0646599
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FORM 990, PART VI, SECTION C, LINE 19

DOCUMENT DISCLOSURE:

THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST.

FORM 990, PART VII, SECTION A

COMPENSATION OF BOARD OF DIRECTORS:

NO BOARD MEMBERS RECEIVE COMPENSATION FOR THEIR DUTIES AS DIRECTORS.

DIRECTORS WITH COMPENSATION LISTED ON PART VII ARE EITHER EMPLOYEES OF THE FILING ORGANIZATION, OR EMPLOYEES AND/OR INDEPENDENT CONTRACTORS OF A RELATED ORGANIZATION, DAY KIMBALL MEDICAL GROUP. THEY ARE COMPENSATED FOR THEIR DUTIES IN THAT CAPACITY.

FORM 990, PART XI, LINE 9

CHANGES IN NET ASSETS:

\$ (6,467,809) TRANSFER TO AFFILIATE

(9,791,301) CHANGE IN DEFINED BENEFIT PENSION PLAN

(357,975) CHANGE IN INTEREST IN BENEFICIAL TRUST

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\$(16,617,085)

FORM 990, PART XII, LINE 2C

RESPONSIBILITY FOR OVERSIGHT OF AUDIT:

THE FINANCE COMMITTEE OF THE BOARD HAS THE RESPONSIBILITY FOR THE SELECTION OF INDEPENDENT ACCOUNTANTS AND OVERSIGHT OF THE AUDIT OF THE

Name of the organization DAY KIMBALL HEALTHCARE, INC.	Employer identification number 06-0646599
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ORGANIZATION'S FINANCIAL STATEMENTS.

**SCHEDULE R  
(Form 990)**

**Related Organizations and Unrelated Partnerships**

OMB No. 1545-0047

**2014**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990.

▶ Information about Schedule R (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization

DAY KIMBALL HEALTHCARE, INC.

Employer identification number

06-0646599

**Part I Identification of Disregarded Entities** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) PHYSICIAN SERVICES OF NORTHEAST CT 26-2565797 45 GREEN HOLLOW ROAD DANIELSON, CT 06239	PHYSICIAN SVC	CT	0	0	DK HLTHCR
(2)					
(3)					
(4)					
(5)					
(6)					

**Part II Identification of Related Tax-Exempt Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) DAY KIMBALL HOMEMAKERS 06-1136893 320 POMFRET STREET PUTNAM, CT 06260	HOMEMAKERS	CT	501(C)(3)	9	DK HLTHCR	X	
(2) DAY KIMBALL MEDICAL GROUP, INC. 45-4077626 320 POMFRET STREET PUTNAM, CT 06260	PHYS SERVICES	CT	501(C)(3)	9	DK HLTHCR	X	
(3)							
(4)							
(5)							
(6)							
(7)							

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2014

**Part III Identification of Related Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1)												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
(1)									
(2)									
(3)									
(4)									
(5)									
(6)									
(7)									

**Part V Transactions With Related Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
<b>1</b> During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
<b>a</b> Receipt of <b>(i)</b> interest, <b>(ii)</b> annuities, <b>(iii)</b> royalties, or <b>(iv)</b> rent from a controlled entity . . . . .		X
<b>b</b> Gift, grant, or capital contribution to related organization(s) . . . . .		X
<b>c</b> Gift, grant, or capital contribution from related organization(s) . . . . .		X
<b>d</b> Loans or loan guarantees to or for related organization(s) . . . . .	X	
<b>e</b> Loans or loan guarantees by related organization(s) . . . . .		X
<b>f</b> Dividends from related organization(s) . . . . .		X
<b>g</b> Sale of assets to related organization(s) . . . . .		X
<b>h</b> Purchase of assets from related organization(s) . . . . .		X
<b>i</b> Exchange of assets with related organization(s) . . . . .		X
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) . . . . .		X
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) . . . . .	X	
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) . . . . .		X
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) . . . . .		X
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) . . . . .		X
<b>o</b> Sharing of paid employees with related organization(s) . . . . .		X
<b>p</b> Reimbursement paid to related organization(s) for expenses . . . . .		X
<b>q</b> Reimbursement paid by related organization(s) for expenses . . . . .	X	
<b>r</b> Other transfer of cash or property to related organization(s) . . . . .	X	
<b>s</b> Other transfer of cash or property from related organization(s) . . . . .		X

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) DAY KIMBALL MEDICAL GROUP, INC.	D	3,273,689.	COST
(2) DAY KIMBALL MEDICAL GROUP, INC.	K	567,555.	COST
(3) DAY KIMBALL MEDICAL GROUP, INC.	R	6,467,809.	COST
(4)			
(5)			
(6)			

**Part VI** Unrelated Organizations Taxable as a Partnership Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V - UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	
(1)													
(2)													
(3)													
(4)													
(5)													
(6)													
(7)													
(8)													
(9)													
(10)													
(11)													
(12)													
(13)													
(14)													
(15)													
(16)													



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**Part VII** **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

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# **Day Kimball Healthcare, Inc. d/b/a Day Kimball Hospital**

## **Independent Auditor's Report and Consolidated Financial Statements**

**September 30, 2015 and 2014**

---

**Day Kimball Healthcare, Inc.**  
**d/b/a Day Kimball Hospital**  
**September 30, 2015 and 2014**

**Contents**

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**Consolidated Financial Statements**

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Statements of Operations..... 4  
Statements of Changes in Net Assets ..... 5  
Statements of Cash Flows..... 6  
Notes to Financial Statements ..... 7

**Supplementary Information**

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## Independent Auditor's Report

Board of Directors  
Day Kimball Healthcare, Inc.  
d/b/a Day Kimball Hospital  
Putnam, Connecticut

We have audited the accompanying consolidated financial statements of Day Kimball Healthcare, Inc., d/b/a Day Kimball Hospital (the "Organization"), which comprise the consolidated balance sheet as of September 30, 2015 and the related consolidated statements of operations, changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements.

### ***Management's Responsibility for the Consolidated Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Day Kimball Healthcare, Inc., d/b/a Day Kimball Hospital, as of September 30, 2015, and the results of its operations, the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

***Prior Year Audited by Other Auditors***

The 2014 financial statements were audited by other auditors and their report thereon, dated January 16, 2015, expressed an unmodified opinion, and included an emphasis of matter paragraph regarding the Organization's ability to continue as a going concern.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the consolidated financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*BKD, LLP*

Springfield, Missouri  
May 19, 2016

**Day Kimball Healthcare, Inc.**  
**d/b/a Day Kimball Hospital**  
**Consolidated Balance Sheets**  
**September 30, 2015 and 2014**

**Assets**

	<b>2015</b>	<b>2014</b>
<b>Current Assets</b>		
Cash and cash equivalents	\$ 4,911,198	\$ 7,060,282
Short-term investments	2,841,383	3,023,883
Assets limited as to use - current	2,715,707	988,196
Patient accounts receivable, net of allowance: 2015 - \$4,404,250, 2014 - \$3,400,739	12,502,951	14,709,950
Other receivables	2,072,231	1,264,550
Estimated amounts due from third-party payers	1,352,274	-
Supplies, prepaid expenses and other	2,498,339	2,751,354
Total current assets	28,894,083	29,798,215
<b>Assets Limited As To Use</b>		
Internally designated	8,384,272	10,555,721
Externally restricted by donors	1,952,406	2,301,251
Held by trustee	2,715,707	3,329,007
	13,052,385	16,185,979
Less amount required to meet current obligations	2,715,707	988,196
	10,336,678	15,197,783
<b>Property and Equipment, Net</b>	49,364,234	48,567,028
<b>Other Assets</b>		
Beneficial interest in trusts	4,209,026	4,675,704
Deferred financing costs	1,224,804	1,274,535
Other	405,303	432,422
	5,839,133	6,382,661
Total assets	\$ 94,434,128	\$ 99,945,687

## Liabilities and Net Assets

	<u>2015</u>	<u>2014</u>
<b>Current Liabilities</b>		
Line of credit	\$ 750,400	\$ 1,070,205
Current maturities of long-term debt	1,473,425	1,866,750
Accounts payable	10,081,033	12,344,179
Accrued payroll and benefits payable	7,123,695	7,524,759
Accrued expenses	2,342,959	2,663,660
Estimated amounts due to third-party payers	<u>4,459,573</u>	<u>734,249</u>
Total current liabilities	26,231,085	26,203,802
<b>Accrued Pension Liability</b>	49,175,366	38,251,488
<b>Long-Term Debt</b>	<u>28,319,536</u>	<u>29,561,646</u>
Total liabilities	<u>103,725,987</u>	<u>94,016,936</u>
<b>Net Assets</b>		
Unrestricted	(16,251,755)	(1,617,411)
Temporarily restricted	2,893,106	3,198,536
Permanently restricted	<u>4,066,790</u>	<u>4,347,626</u>
Total net assets	<u>(9,291,859)</u>	<u>5,928,751</u>
Total liabilities and net assets	<u>\$ 94,434,128</u>	<u>\$ 99,945,687</u>

**Day Kimball Healthcare, Inc.**  
**d/b/a Day Kimball Hospital**  
**Consolidated Statements of Operations**  
**Years Ended September 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>Unrestricted Revenues, Gains and Other Support</b>		
Patient service revenue (net of contractual discounts and allowances)	\$ 131,737,653	\$ 135,598,827
Provision for uncollectible accounts	<u>(4,514,145)</u>	<u>(3,589,475)</u>
Net patient service revenue less provision for uncollectible accounts	127,223,508	132,009,352
Other	4,490,229	6,873,070
Net assets released from restrictions used for operations	<u>279,620</u>	<u>542,491</u>
Total unrestricted revenues, gains and other support	<u>131,993,357</u>	<u>139,424,913</u>
<b>Expenses and Losses</b>		
Salaries and wages	65,526,421	69,892,689
Employee benefits	19,190,492	20,762,808
Professional fees	12,205,957	12,883,126
Supplies and other	35,322,779	35,468,286
Depreciation and amortization	5,898,547	5,278,929
Interest	<u>1,451,212</u>	<u>1,343,831</u>
Total expenses and losses	<u>139,595,408</u>	<u>145,629,669</u>
<b>Operating Loss</b>	<u>(7,602,051)</u>	<u>(6,204,756)</u>
<b>Other Income</b>		
Investment return	1,022,028	589,402
Contributions received	<u>258,802</u>	<u>215,734</u>
Total other income	<u>1,280,830</u>	<u>805,136</u>
<b>Deficiency of Revenues Over Expenses</b>	(6,321,221)	(5,399,620)
Change in defined benefit pension plan gains and losses	(9,791,301)	(6,094,072)
Change in unrealized gains (losses) on investments	(877,427)	470,390
Contributions and grants for the acquisition of property and equipment	2,155,290	-
Net assets released from restrictions used for acquisition of property and equipment	<u>200,315</u>	<u>1,313,374</u>
<b>Decrease in Unrestricted Net Assets</b>	<u><u>\$ (14,634,344)</u></u>	<u><u>\$ (9,709,928)</u></u>



**Day Kimball Healthcare, Inc.**  
**d/b/a Day Kimball Hospital**  
**Consolidated Statements of Changes in Net Assets**  
**Years Ended September 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>Unrestricted Net Assets</b>		
Deficiency of revenues over expenses	\$ (6,321,221)	\$ (5,399,620)
Change in defined benefit pension plan gains and losses	(9,791,301)	(6,094,072)
Investment return - change in unrealized gains (losses) on investments	(877,427)	470,390
Contributions and grants for the acquisition of property and equipment	2,155,290	-
Net assets released from restrictions used for acquisition of property and equipment	200,315	1,313,374
Decrease in unrestricted net assets	(14,634,344)	(9,709,928)
<b>Temporarily Restricted Net Assets</b>		
Contributions received	251,644	230,186
Change in beneficial interest in trust	(77,139)	95,016
Net assets released from restrictions	(479,935)	(1,855,865)
Decrease in temporarily restricted net assets	(305,430)	(1,530,663)
<b>Permanently Restricted Net Assets</b>		
Change in beneficial interest in perpetual trusts	(280,836)	41,939
Increase (decrease) in permanently restricted net assets	(280,836)	41,939
<b>Change in Net Assets</b>	(15,220,610)	(11,198,652)
<b>Net Assets, Beginning of Year</b>	5,928,751	17,127,403
<b>Net Assets, End of Year</b>	\$ (9,291,859)	\$ 5,928,751

**Day Kimball Healthcare, Inc.**  
**d/b/a Day Kimball Hospital**  
**Consolidated Statements of Cash Flows**  
**Years Ended September 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>Operating Activities</b>		
Change in net assets	\$ (15,220,610)	\$ (11,198,652)
Items not requiring (providing) cash		
Depreciation and amortization	5,898,547	5,278,929
Net (gain) loss on investments	304,273	(235,139)
Change in beneficial interest in perpetual trust	357,975	(136,955)
Change in defined benefit pension plans	9,791,301	6,094,072
Contributions for acquisition of property and equipment	(2,155,290)	-
Restricted contributions received	(251,644)	(230,186)
Changes in		
Patient accounts receivable, net	2,206,999	263,405
Estimated amounts due from and to third-party payers	2,373,050	(333,258)
Accounts payable and accrued expenses	139,433	4,761,672
Other assets and liabilities	(1,276,431)	764,854
	<u>2,167,603</u>	<u>5,028,742</u>
Net cash provided by operating activities		
<b>Investing Activities</b>		
Proceeds from disposition of investments	3,147,643	7,469,463
Purchase of property and equipment	(7,916,024)	(10,728,063)
	<u>(4,768,381)</u>	<u>(3,258,600)</u>
Net cash used in investing activities		
<b>Financing Activities</b>		
Proceeds from restricted contributions	2,406,934	230,186
Proceeds from line of credit	150,000	-
Payments on line of credit	(469,805)	(426,404)
Proceeds from issuance of long-term debt	240,490	1,150,000
Principal payments on long-term debt	(1,875,925)	(2,049,932)
	<u>451,694</u>	<u>(1,096,150)</u>
Net cash provided by (used in) financing activities		
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	(2,149,084)	673,992
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>7,060,282</u>	<u>6,386,290</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 4,911,198</u>	<u>\$ 7,060,282</u>
<b>Supplemental Cash Flows Information</b>		
Interest paid	\$ 1,719,656	\$ 1,343,831
Property and equipment acquired in accounts payable	\$ 1,400,124	\$ 130,122

**Day Kimball Healthcare, Inc.**  
**d/b/a Day Kimball Hospital**  
**Notes to Consolidated Financial Statements**  
**September 30, 2015 and 2014**

**Note 1: Nature of Operations and Summary of Significant Accounting Policies**

***Nature of Operations***

Day Kimball Healthcare, Inc., d/b/a Day Kimball Hospital, (DKH) is a not-for-profit corporation organized to coordinate and manage the integration of the delivery of healthcare services to the northeastern Connecticut area.

***Principles of Consolidation***

The consolidated financial statements include the accounts of DKH, d/b/a Day Kimball Hospital (Hospital), Day Kimball Medical Group (DKMG), Day Kimball Homemakers (Homemakers) and Physician Services of Northeast Connecticut, LLC (Physician Services). All material intercompany accounts and transactions have been eliminated in consolidation.

The Hospital provides inpatient, outpatient and emergency care services for residents of northeastern Connecticut. DKMG was established during 2012, and in 2013, substantially all of the primary care and surgical services operations within Physician Services and the Hospital were transferred to DKMG. Homemakers provide homemaker and chore companion services to residents of northeastern Connecticut. Physician Services provided primary care and surgical services in northeastern Connecticut. During 2014, Physician Services transferred any remaining balances to the Hospital.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

***Cash and Cash Equivalents***

DKH considers all liquid investments with original maturities of three months or less to be cash equivalents. At September 30, 2015 and 2014, cash equivalents consisted primarily of money market accounts with brokers.

At September 30, 2015 and 2014, DKH's cash accounts exceeded federally insured limits by approximately \$4,417,000 and \$4,924,000, respectively.

**Day Kimball Healthcare, Inc.**  
**d/b/a Day Kimball Hospital**  
**Notes to Consolidated Financial Statements**  
**September 30, 2015 and 2014**

***Investments and Investment Return***

Investments in equity securities having a readily determinable fair value and all debt securities are carried at fair value. Other investments are valued at the lower of cost (or fair value at time of donation, if acquired by contribution) or fair value. Investments in private equity funds and hedge funds are recorded at net asset value (NAV), as a practical expedient, to determine fair value of the investments. Investment return includes dividend, interest and other investment income; realized and unrealized gains and losses on investments carried at fair value; and realized gains and losses on other investments.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in unrestricted net assets (deficit). Other investment return is reflected in the statements of operations and changes in net assets (deficit) as unrestricted or temporarily restricted based upon the existence and nature of any donor or legally imposed restrictions.

***Assets Limited As To Use***

Assets limited as to use include (1) assets set aside by the Board of Directors for future capital improvements over which the Board retains control and may at its discretion subsequently use for other purposes, (2) assets externally restricted by donors and (3) assets held by trustees. Amounts required to meet current liabilities of DKH are included in current assets.

***Patient Accounts Receivable***

Accounts receivable are reduced by an allowance for uncollectible accounts. In evaluating the collectability of accounts receivable, DKH analyzes its past history and identifies trends for each of its major payer sources of revenue to estimate the appropriate allowance for uncollectible accounts and provision for uncollectible accounts. Management regularly reviews data about these major payer sources of revenue in evaluating the sufficiency of the allowance for uncollectible accounts.

For receivables associated with services provided to patients who have third-party coverage, DKH analyzes contractually due amounts and provides an allowance for uncollectible accounts and a provision for uncollectible accounts, if necessary (for example, for expected uncollectible deductibles and copayments on accounts for which the third-party payer has not yet paid, or for payers who are known to be having financial difficulties that make the realization of amounts due unlikely).

**Day Kimball Healthcare, Inc.**  
**d/b/a Day Kimball Hospital**  
**Notes to Consolidated Financial Statements**  
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For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), DKH records a significant provision for uncollectible accounts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated or provided by policy) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for uncollectible accounts.

DKH's allowance for uncollectible accounts for self-pay patients decreased from 63% of self-pay accounts receivable at September 30, 2014, to 61% of self-pay accounts receivable at September 30, 2015. In addition, DKH's write-offs increased approximately \$500,000 from approximately \$3,000,000 for the year ended September 30, 2014, to approximately \$3,500,000 for the year ended September 30, 2015. Allowance for uncollectible accounts activity for 2015 and 2014 is shown in the following table:

	<b>2015</b>	<b>2014</b>
Balance, beginning of year	\$ 3,400,739	\$ 2,861,516
Provision for year	4,514,145	3,589,475
Accounts charged off during year	(3,510,634)	(3,050,252)
Balance, end of year	\$ 4,404,250	\$ 3,400,739

***Other Receivables***

Other receivables are stated at their outstanding principal amount, net of allowance for uncollectible notes. DKH provides an allowance for uncollectible notes, which is based upon a review of outstanding receivables, historical collection information and existing economic conditions. Notes are written off based on individual credit evaluation and specific circumstances of the borrower.

***Supplies***

DKH states supply inventories at the lower of cost, determined using the first-in, first-out method, or market.

***Property and Equipment***

Property and equipment acquisitions are recorded at cost and are depreciated on a straight-line basis over the estimated useful life of each asset. Assets under capital lease obligations and leasehold improvements are depreciated over the shorter of the lease term or their respective estimated useful lives.

**Day Kimball Healthcare, Inc.**  
**d/b/a Day Kimball Hospital**  
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The estimated useful lives for each major depreciable classification of property and equipment are as follows:

Buildings and improvements	10 - 40 years
Leasehold improvements	10 - 30 years
Equipment	3 - 10 years

Donations of property and equipment are reported at fair value as an increase in unrestricted net assets unless use of the assets is restricted by the donor. Monetary gifts that must be used to acquire property and equipment are reported as restricted support. The expiration of such restrictions is reported as an increase in unrestricted net assets when the donated asset is placed in service.

DKH capitalizes interest cost as a component of construction in progress, based on interest costs of borrowing specifically for the project, net of interest earned on investments acquired with the proceeds of the borrowing. Total interest capitalized and incurred was:

	<b>2015</b>	<b>2014</b>
Interest capitalized	\$ 621,396	\$ 745,675
Interest charged to expense	1,451,212	1,343,831
Total interest incurred	<u>\$ 2,072,608</u>	<u>\$ 2,089,506</u>

***Long-Lived Asset Impairment***

DKH evaluates the recoverability of the carrying value of long-lived assets whenever events or circumstances indicate the carrying amount may not be recoverable. If a long-lived asset is tested for recoverability and the undiscounted estimated future cash flows expected to result from the use and eventual disposition of the asset is less than the carrying amount of the asset, the asset cost is adjusted to fair value and an impairment loss is recognized as the amount by which the carrying amount of a long-lived asset exceeds its fair value.

No asset impairment was recognized during the years ended September 30, 2015 and 2014.

***Deferred Financing Costs***

Deferred financing costs represent costs incurred in connection with the issuance of long-term debt. Such costs are being amortized over the term of the respective debt using the effective interest method.

**Day Kimball Healthcare, Inc.**  
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***Temporarily and Permanently Restricted Net Assets***

Temporarily restricted net assets are those whose use by DKH has been limited by donors to a specific time period or purpose. Permanently restricted net assets have been restricted by donors to be maintained by DKH in perpetuity.

***Net Patient Service Revenue***

DKH has agreements with third-party payers that provide for payments to DKH at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered and includes estimated retroactive revenue adjustments. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such estimated amounts are revised in future periods as adjustments become known.

***Charity Care***

DKH provides charity care to patients who are unable to pay for services. The amount of charity care is included in net patient service revenue and is not separately classified from the provision for uncollectible accounts.

***Contributions***

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are initially reported at fair value determined using the discounted present value of estimated future cash flows technique. The resulting discount is amortized using the level-yield method and is reported as contribution revenue.

Gifts received with donor stipulations are reported as either temporarily or permanently restricted support. When a donor restriction expires, that is, when a time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified and reported as unrestricted net assets. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions. Conditional contributions are reported as liabilities until the condition is eliminated or the contributed assets are returned to the donor.

***Professional Liability Claims***

DKH recognizes an accrual for claim liabilities based on estimated ultimate losses and costs associated with settling claims and a receivable to reflect the estimated insurance recoveries, if any. Professional liability claims are described more fully in *Note 7*.

**Day Kimball Healthcare, Inc.**  
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***Income Taxes***

The Hospital, DKMG and Homemakers are exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of state law. However, the Hospital, DKMG and Homemakers are subject to federal income tax on any unrelated business taxable income.

The Hospital, DKMG and Homemakers file tax returns in the U.S. federal jurisdiction. With a few exceptions, they are no longer subject to U.S. federal examinations by tax authorities for years before 2012.

***Deficiency of Revenues Over Expenses***

The consolidated statements of operations include deficiency of revenues over expenses. Changes in unrestricted net assets which are excluded from deficiency of revenues over expenses, consistent with industry practice, include unrealized gains and losses on investments other than trading securities, changes in defined benefit pension costs and contributions of long-lived assets (including assets acquired using contributions which by donor restriction were to be used for the purpose of acquiring such assets).

***Estimated Self-Insurance Costs***

DKH maintains estimated reserves for self-insurance costs for employee health insurance and workers' compensation insurance. These reserves include an estimate of the ultimate costs for both reported claims and claims incurred but not reported.

***Transfers Between Fair Value Hierarchy Levels***

Transfers in and out of Level 1 (quoted market prices), Level 2 (other significant observable inputs) and Level 3 (significant unobservable inputs) are recognized on the actual transfer date.

***Electronic Health Records Incentive Program***

The Electronic Health Records Incentive Program, enacted as part of the *American Recovery and Reinvestment Act of 2009*, provides for one-time incentive payments under both the Medicare and Medicaid programs to eligible hospitals that demonstrate meaningful use of certified electronic health records technology (EHR). Payments under the Medicare program are generally made for up to four years based on a statutory formula. Payments under the Medicaid program are generally made for up to four years based upon a statutory formula, as determined by the state, which is approved by the Centers for Medicare and Medicaid Services. Payment under both programs are contingent on the hospital continuing to meet escalating meaningful use criteria and any other specific requirements that are applicable for the reporting period. The final amount for any payment year is determined based upon an audit by the fiscal intermediary. Events could occur that would cause the final amounts to differ materially from the initial payments under the program.



**Day Kimball Healthcare, Inc.**  
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DKH recognizes revenue ratably over the reporting period starting at the point when management is reasonably assured it will meet all of the meaningful use objectives and any other specific grant requirements applicable for the reporting period.

DKH has recorded revenue of approximately \$437,000 and \$1,078,000, for the years ended September 30, 2015 and 2014, respectively, which is included in other revenue within operating revenues in the consolidated statement of operations.

***Reclassifications***

Certain reclassifications have been made to the 2014 consolidated financial statements to conform to the 2015 consolidated financial statement presentation. These reclassifications had no effect on the change in net assets.

***Subsequent Events***

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the consolidated financial statements were available to be issued.

**Note 2: Net Patient Service Revenue**

DKH recognizes patient service revenue associated with services provided to patients who have third-party payer coverage on the basis of contractual rates for the services rendered. For uninsured patients that do not qualify for charity care, DKH recognizes revenue on the basis of its standard rates for services provided. On the basis of historical experience, a significant portion of DKH's uninsured patients will be unable or unwilling to pay for the services provided. Thus, DKH records a significant provision for uncollectible accounts related to uninsured patients in the period the services are provided. This provision for uncollectible accounts is presented on the consolidated statement of operations as a component of net patient service revenue.

DKH has agreements with third-party payers that provide for payments to DKH at amounts different from its established rates. These payment arrangements include:

*Medicare.* Inpatient acute care services and substantially all outpatient services rendered to Medicare program beneficiaries are paid at prospectively determined rates. These rates vary according to a patient classification system that is based on clinical, diagnostic and other factors. DKH is reimbursed for certain services at tentative rates with final settlement determined after submission of annual cost reports by DKH and audits thereof by the Medicare administrative contractor.

**Day Kimball Healthcare, Inc.**  
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*Medicaid.* Inpatient and outpatient services rendered to Medicaid program beneficiaries are reimbursed under prospectively determined rates. DKH is reimbursed at tentative rates with final settlement determined after submission of annual cost reports by DKH and audits thereof by the Medicaid administrative contractor.

Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

DKH has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to DKH under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

Patient service revenue, net of contractual allowances and discounts (but before the provision for uncollectible accounts), recognized in the years ended September 30, 2015 and 2014, was approximately:

	<b>2015</b>	<b>2014</b>
Medicare	\$ 45,307,524	\$ 46,888,752
Medicaid	19,677,509	19,208,910
Blue Cross	28,399,637	32,200,119
Other third-party payers	37,322,621	37,138,719
Patients	1,030,362	162,327
	<u>\$ 131,737,653</u>	<u>\$ 135,598,827</u>

**Day Kimball Healthcare, Inc.**  
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**Note 3: Concentrations of Credit Risk**

DKH grants credit without collateral to its patients, most of whom are area residents and are insured under third-party payer agreements. The mix of receivables from patients and third-party payers at September 30, 2015 and 2014, was:

	<b>2015</b>	<b>2014</b>
Medicare	34%	32%
Medicaid	15%	21%
Blue Cross	15%	12%
Other third-party payers	24%	21%
Patients	12%	14%
	<u>100%</u>	<u>100%</u>

**Note 4: Investments and Investment Return**

Investments at September 30 include:

	<b>2015</b>	<b>2014</b>
Cash and cash equivalents	\$ 4,118,256	\$ 4,845,378
Fixed income and fixed income mutual funds	4,602,283	6,054,541
Equity securities and equity mutual funds	6,083,799	7,164,726
Alternative investments	1,089,430	1,145,217
	<u>\$ 15,893,768</u>	<u>\$ 19,209,862</u>

Investments are included on the consolidated balance sheet as follows:

	<b>2015</b>	<b>2014</b>
Short-term investments	\$ 2,841,383	\$ 3,023,883
Assets limited as to use		
Internally designated	8,384,272	10,555,721
Externally restricted by donors	1,952,406	2,301,251
Held by trustee	2,715,707	3,329,007
	<u>\$ 15,893,768</u>	<u>\$ 19,209,862</u>

**Day Kimball Healthcare, Inc.**  
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Total investment return is comprised of the following:

	<b>2015</b>	<b>2014</b>
Interest and dividend income	\$ 335,910	\$ 240,615
Distributions from beneficial interest in trusts	112,964	113,648
Realized gains on sales of securities	573,154	235,139
Net unrealized gains (losses) on trading securities	(877,427)	470,390
	<u>\$ 144,601</u>	<u>\$ 1,059,792</u>

Total investment return is reflected in the statements of operations and changes in net assets as follows:

	<b>2015</b>	<b>2014</b>
Unrestricted net assets		
Other nonoperating revenue		
Investment return	\$ 1,022,028	\$ 589,402
Change in unrealized gains and losses on investments	(877,427)	470,390
	<u>\$ 144,601</u>	<u>\$ 1,059,792</u>

Certain investments in fixed income and equity securities are reported in the consolidated financial statements at an amount less than their historical cost. Total fair value of these investments at September 30, 2015 and 2014, was \$6,934,297 and \$7,041,323, which is approximately 44% and 37%, respectively, of DKH's investment portfolio. These declines primarily resulted from increases in market interest rates, failure of certain investments to maintain consistent credit quality ratings, and changes in the market's perception of the current risks or failure to meet projected earnings targets.

Management believes the declines in fair value for these securities are temporary. Should the impairment of any of these securities become other than temporary, the cost basis of the investment will be reduced and the resulting loss recognized in net income in the period the other-than-temporary impairment is identified.

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The following table shows DKH's investments' gross unrealized losses and fair value, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position at September 30, 2015 and 2014:

	Less than 12 Months		12 Months or More		Total	
	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
<b>September 30, 2015</b>						
Fixed income	\$ 1,047,865	\$ (177,846)	\$ 720,917	\$ (189,575)	\$ 1,768,782	\$ (367,421)
Equity securities	<u>2,836,530</u>	<u>(132,230)</u>	<u>2,328,985</u>	<u>(195,887)</u>	<u>5,165,515</u>	<u>(328,117)</u>
Total temporarily impaired securities	<u>\$ 3,884,395</u>	<u>\$ (310,076)</u>	<u>\$ 3,049,902</u>	<u>\$ (385,462)</u>	<u>\$ 6,934,297</u>	<u>\$ (695,538)</u>
<b>September 30, 2014</b>						
Fixed income	\$ 2,987,493	\$ 57,940	\$ 323,838	\$ 20,258	\$ 3,311,331	\$ 78,198
Equity securities	<u>3,405,172</u>	<u>176,907</u>	<u>324,820</u>	<u>60,566</u>	<u>3,729,992</u>	<u>237,473</u>
Total temporarily impaired securities	<u>\$ 6,392,665</u>	<u>\$ 234,847</u>	<u>\$ 648,658</u>	<u>\$ 80,824</u>	<u>\$ 7,041,323</u>	<u>\$ 315,671</u>

**Alternative Investments**

The fair value of alternative investments has been estimated using the net asset value per share of the investments. Alternative investments held at September 30, 2015, consist of the following:

Real Estate Investment Trust (A)	\$ 525,075
Private Debt Securities (B)	170,388
Private Equity (C)	393,967

- (A) This category includes a real estate investment trust, investing in real estate markets across the globe with a focus on the United States. There is a quarterly redemption plan. The value is based on the most recent appraisal which was performed as of December 31, 2014.
- (B) This category includes a fund that invests primarily in debt and income-oriented equity of private U.S. energy and power companies. There is a quarterly tender offer, subject to suspension or termination at any time.
- (C) This category includes a globally diversified buyout fund of private investments. The fund as a redemption policy of 5% of the fund subject to board approval and portfolio liquidity.

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***Other-than-Temporary Impairment***

Upon acquisition of a security, DKH decides whether it is within the scope of the accounting guidance for beneficial interests in securitized financial assets or will be evaluated for impairment under the accounting guidance for investments in debt and equity securities.

DKH routinely conducts periodic reviews to identify and evaluate each investment security to determine whether an other-than-temporary impairment has occurred. Economic models are used to determine whether an other-than-temporary impairment has occurred on these securities. While all securities are considered, the securities primarily impacted by other-than-temporary impairment testing are debt securities. For each security in the investment portfolio (including but not limited to those whose fair value is less than their amortized cost basis), an extensive, regular review is conducted to determine if an other-than-temporary impairment has occurred.

**Note 5: Property and Equipment**

Property and equipment consists of the following at September 30, 2015 and 2014:

	<b>2015</b>	<b>2014</b>
Land and land improvements	\$ 3,488,121	\$ 3,516,235
Buildings and building improvements	80,366,512	68,749,731
Equipment	34,385,075	35,775,693
Construction in progress	4,666,369	12,879,531
	<u>122,906,077</u>	<u>120,921,190</u>
Less accumulated depreciation	<u>73,541,843</u>	<u>72,354,162</u>
	<u>\$ 49,364,234</u>	<u>\$ 48,567,028</u>

At September 30, 2015, construction in progress represents costs incurred in connection with the construction of various additions and alterations to DKH's facilities and equipment. The total cost to complete the projects is \$2,081,586 and is being funded through contributions, externally restricted investments, and internally designated investments.

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**Note 6: Beneficial Interest in Trusts**

DKH is an income beneficiary of several trusts controlled by unrelated third-party trustees. Income is distributed in accordance with the individual trust documents. The estimated value of the expected future cash flows is \$4,209,026 and \$4,675,704, which represents DKH's share of the fair value of the trust assets at September 30, 2015 and 2014, respectively. Trust income distributed to DKH for the years ended September 30, 2015 and 2014, was \$112,964 and \$113,648, respectively, and is recorded as investment return.

**Note 7: Medical Malpractice Claims**

DKH purchases medical malpractice insurance under a claims-made policy on a fixed premium basis. As of September 30, 2015 DKH was covered by a professional liability policy with individual claim limits of \$1,000,000 for each occurrence and \$5,000,000 annual aggregate.

Based upon DKH's claims experience, an accrual had been made for DKHs' estimated medical malpractice costs, including costs associated with litigating or settling claims, under its malpractice insurance policy, amounting to approximately \$100,000 and \$680,000 as of September 30, 2015 and 2014, respectively. It is reasonably possible that this estimate could change materially in the near term.

**Note 8: Line of Credit**

DKH has available a \$1,250,400 line of credit. Borrowings are secured by certain inventory, accounts receivable, equipment and general intangibles. The interest rate at September 30, 2015 and 2014, was 4.25%. The line of credit matures annually on December 31. The line is partially used as a letter of credit of \$500,000 to secure self-insurance obligations related to DKH's workers compensation plan. The outstanding balance on the line of credit is \$750,400 and \$1,070,205 as of September 30, 2015 and 2014, respectively.

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**Note 9: Long-Term Debt**

	<u>2015</u>	<u>2014</u>
Series 2013 Bonds (A)	\$ 28,755,000	\$ 29,560,000
Note payable (B)	136,448	167,717
Note payable (C)	47,136	638,718
Capital lease obligations (D)	854,377	1,061,961
	<u>29,792,961</u>	<u>31,428,396</u>
Less current maturities	<u>1,473,425</u>	<u>1,866,750</u>
	<u>\$ 28,319,536</u>	<u>\$ 29,561,646</u>

(A) On June 1, 2013 the State of Connecticut Health and Educational Facilities Authority (the “Authority”) issued \$30,300,000 of fixed rate revenue bonds to the Hospital, DKMG and Homemakers (collectively the “Obligated Group”) for the primary purpose of financing an emergency department expansion and the facility renovation project as well as refinance the Hospital’s existing bonds and bank debt. The bonds are fixed rate revenue bonds with interest rates ranging from 4.625% to 5.875%. The bonds mature at various dates between July 1, 2023 and July 1, 2043. The bonds contain certain covenants including maintaining a minimum amount of days cash on hand and debt service coverage ratio. The bonds are secured by the gross revenues of DKH.

DKH failed the days cash on hand requirement at September 30, 2015. The next measurement date was March 31, 2016, which originally DKH would not have met. In April 2016, DKH executed an amendment to the loan agreement, which reduced the March 31, 2016, requirement, of which DKH met. The amendment also reduced the requirement at September 30, 2016, and March 31, 2017.

(B) On March 6, 2013, the Hospital entered into an interest free \$204,670 conservation loan with the Connecticut Hospital Association Trust to pay for the cost of various energy conservation improvements. The loan calls for 84 equal monthly principal payments of approximately \$2,483.

(C) On November 1, 2013, DKH entered into a note payable with a vendor for \$1,150,000, which matures October 1, 2015, and accrues interest at an annual rate of 7%. The balance on this note is \$47,136 as of September 30, 2015.

(D) At varying rates of interest ranging from 3.00% to 7.25%. The agreements mature between March 2016 and August 2021.



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Aggregate annual maturities of long-term debt and capital lease obligations at September 30, 2015, are:

2016	\$ 1,473,425
2017	1,348,494
2018	1,352,015
2019	1,305,672
2020	1,321,320
Thereafter	<u>22,992,035</u>
	<u><u>\$ 29,792,961</u></u>

Property and equipment include the following under capital lease:

	<u>2015</u>	<u>2014</u>
Equipment	\$ 1,697,053	\$ 1,456,562
Less accumulated depreciation	<u>577,169</u>	<u>190,095</u>
	<u><u>\$ 1,119,884</u></u>	<u><u>\$ 1,266,468</u></u>

**Note 10: Temporarily and Permanently Restricted Net Assets**

Temporarily restricted net assets are restricted for the following purposes at September 30:

	<u>2015</u>	<u>2014</u>
Beneficial interest in trust	\$ 1,632,170	\$ 1,817,426
Capital improvements and health care services	<u>1,260,936</u>	<u>1,381,110</u>
Total	<u><u>\$ 2,893,106</u></u>	<u><u>\$ 3,198,536</u></u>

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Permanently restricted net assets are restricted for the following purposes at September 30:

	<b>2015</b>	<b>2014</b>
Beneficial interest in trusts	\$ 2,576,856	\$ 2,858,278
Investments to be held in perpetuity	<u>1,489,934</u>	<u>1,489,348</u>
Total	<u>\$ 4,066,790</u>	<u>\$ 4,347,626</u>

The beneficial interest in trust included in temporarily restricted net assets is restricted to support capital purchases. The income from the investments held in perpetual is available to support health care services.

**Note 11: Charity Care**

The costs of charity care provided under DKH's charity care policy were approximately \$209,000 and \$253,000 for 2015 and 2014, respectively. The cost of charity care is estimated by applying the ratio of cost to gross charges to the gross uncompensated care charges.

**Note 12: Functional Expenses**

DKH provides health care services to residents within its geographic area. Expenses related to providing these services are as follows:

	<b>2015</b>	<b>2014</b>
Health care services	\$ 118,797,816	\$ 122,680,692
General and administrative	<u>20,797,592</u>	<u>22,948,977</u>
	<u>\$ 139,595,408</u>	<u>\$ 145,629,669</u>

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**Note 13: Pension Plans**

***Defined Benefit Plan***

DKH has a defined benefit pension plan covering all employees who meet the eligibility requirements. DKH's funding policy is to make the minimum annual contribution that is required by applicable regulations, plus such amounts as DKH may determine to be appropriate from time to time. The Hospital expects to contribute \$3,004,675 to the plan in 2016.

Effective January 1, 2006, DKH amended the plan to exclude all new hires after December 31, 2005. Effective September 30, 2008, the plan was frozen and the participants are no longer accruing benefits.

DKH uses a September 30 measurement date for the plan. Information about the plan's funded status follows:

Liabilities recognized in the consolidated balance sheets:

	<b>2015</b>	<b>2014</b>
Benefit obligation	\$ (118,269,066)	\$ (111,042,177)
Fair value of plan assets	<u>69,093,700</u>	<u>72,790,689</u>
Funded status	<u>\$ (49,175,366)</u>	<u>\$ (38,251,488)</u>
Noncurrent liabilities	<u>\$ 49,175,366</u>	<u>\$ 38,251,488</u>

Amounts not yet recognized as components of net periodic benefit cost consist of:

	<b>2015</b>	<b>2014</b>
Net loss	<u>\$ (53,834,378)</u>	<u>\$ (44,043,077)</u>

The projected benefit obligation equaled the accumulated benefit obligation for the plan at September 30, 2015 and 2014, respectively.

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Other significant balances and costs are:

	<b>2015</b>	<b>2014</b>
Employer contributions	\$ 2,999,687	\$ 2,101,428
Benefits paid	\$ 4,687,354	\$ 4,391,614
Net periodic benefit costs	\$ 4,132,264	\$ 3,177,428

Other changes in plan assets and benefit obligations recognized outside of deficiency of revenues over expenses:

	<b>2015</b>	<b>2014</b>
Net loss	<u>\$ (9,791,301)</u>	<u>\$ (6,094,072)</u>

Significant assumptions include:

	<b>2015</b>	<b>2014</b>
Discount rate	4.15%	4.10%

Weighted average assumptions used to determine benefit costs:

	<b>2015</b>	<b>2014</b>
Discount rate	4.15%	4.10%
Expected long-term return on assets	7.00%	7.00%

DKH estimated the long-term rate of return on plan assets based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publicly available information.

The asset mix was determined by evaluating the expected return against the plan's long-term objectives. Performance is monitored and the portfolio is rebalanced back to target levels to ensure the targets are within range. The investment policy describes which securities are allowed in the portfolios and the financial objectives of the plan.

***Pension Plan Assets***

Following is a description of the valuation methodologies used for pension plan assets measured at fair value on a recurring basis and recognized in the accompanying balance sheets, as well as the general classification of pension plan assets pursuant to the valuation hierarchy.

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Where quoted market prices are available in an active market, plan assets are classified within Level 1 of the valuation hierarchy. Level 1 plan assets include mutual funds and cash equivalents. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics or discounted cash flows. Level 2 securities include corporate bonds. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. Level 3 securities include pooled separate accounts which are valued based on the fair value of the underlying mutual fund in a publicly traded market adjusted to arrive at the net asset value of each pooled separate account. The property pooled separate account is valued based on the estimated fair value of the underlying real estate using discounted cash flow valuation models that utilize public real estate market data inputs such as transaction prices, market rents, vacancy levels, leasing absorption, market cap rates and discount rates. In addition, each property is appraised annually by an independent appraiser.

The fair values of DKH's pension plan assets at September 30, 2015 and 2014, by asset class are as follows:

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>September 30, 2015</b>				
Cash and cash equivalents	\$ 92,649	\$ 92,649	\$ -	\$ -
Mutual funds - domestic stock	29,247,614	29,247,614	-	-
Mutual funds - international stock	14,978,583	14,978,583	-	-
Mutual funds - bonds	829,121	829,121	-	-
Corporate bonds	10,802,662	-	10,802,662	-
Pooled, common and collective funds	13,143,071	-	3,864,087	9,278,984
<b>September 30, 2014</b>				
Cash and cash equivalents	\$ 203,030	\$ 203,030	\$ -	\$ -
Mutual funds - domestic stock	34,751,946	34,751,946	-	-
Mutual funds - international stock	12,352,464	12,352,464	-	-
Mutual funds - bonds	1,124,176	1,124,176	-	-
Corporate bonds	10,840,643	-	10,840,643	-
Pooled, common and collective funds	13,518,430	-	3,427,612	10,090,818

The level 3 investments had a net decrease of \$811,834 and \$1,186,835 for 2015 and 2014, respectively, due to net sales of the investments.

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The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid as of September 30, 2015:

2016	\$ 5,020,000
2017	5,355,000
2018	5,678,000
2019	6,002,000
2020	6,349,000
2021-2024	<u>34,906,000</u>
	<u>\$ 63,310,000</u>

***Defined Contribution Plan***

DKH has a defined contribution plan covering substantially all employees. Effective January 1, 2014, DKH will contribute up to 3% of eligible employees gross earnings. Pension expense was approximately \$896,000 and \$1,150,000 for 2015 and 2014, respectively.

**Note 14: Disclosures About Fair Value of Assets and Liabilities**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1**      Quoted prices in active markets for identical assets or liabilities.
- Level 2**      Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3**      Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities.

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***Recurring Measurements***

The following table presents the fair value measurements of assets recognized in the accompanying consolidated balance sheets measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at September 30, 2015 and 2014.

	Fair Value	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<b>September 30, 2015</b>				
Cash and cash equivalents	\$ 4,118,256	\$ 4,118,256	\$ -	\$ -
Fixed income and fixed income mutual funds	4,602,283	4,602,283	-	-
Equity securities and equity mutual funds	6,083,799	6,083,799	-	-
Alternative investments	1,089,430	-	1,089,430	-
Beneficial interest in trusts	4,209,026	-	-	4,209,026
<b>September 30, 2014</b>				
Cash and cash equivalents	\$ 4,845,378	\$ 4,845,378	\$ -	\$ -
Fixed income and fixed income mutual funds	6,054,541	6,054,541	-	-
Equity securities and equity mutual funds	7,164,726	7,164,726	-	-
Alternative investments	1,145,217	-	1,145,217	-
Beneficial interest in trusts	4,675,704	-	-	4,675,704

Following is a description of the valuation methodologies and inputs used for assets and liabilities measured at fair value on a recurring basis and recognized in the accompanying consolidated balance sheets, as well as the general classification of such assets and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended September 30, 2015 and 2014. For assets classified within Level 3 of the fair value hierarchy, the process used to develop the reported fair value is described below.

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***Cash Equivalents and Investments***

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using quoted prices of securities with similar characteristics or independent asset pricing services and pricing models, the inputs of which are market-based or independently sourced market parameters, including, but not limited to, yield curves, interest rates, volatilities, prepayments, defaults, cumulative loss projections and cash flows. Such securities are classified in Level 2 of the valuation hierarchy. In certain cases where Level 1 or Level 2 inputs are not available, securities are classified within Level 3 of the hierarchy. DKH has no Level 3 investments.

***Beneficial Interest in Perpetual Trusts***

Fair value is estimated at the present value of the future distributions expected to be received over the term of the agreement. Due to the nature of the valuation inputs, the interest is classified within Level 3 of the hierarchy.

***Level 3 Reconciliation***

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying consolidated balance sheets using significant unobservable (Level 3) inputs:

	<b>Beneficial Interest in Trusts</b>	
	<b>2015</b>	<b>2014</b>
Balance, October 1	\$ 4,675,704	\$ 4,538,749
Change in fair value of interest in trusts	(353,714)	250,578
Distributions	(112,964)	(113,623)
Balance, September 30	<u>\$ 4,209,026</u>	<u>\$ 4,675,704</u>



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	2015	2014
Total gains or losses for the year included in change in net assets attributable to the change in unrealized gains or losses related to assets still held at the reporting date reported in the consolidated statements of operations as a component of excess of revenues over expenses	<u>\$ (353,714)</u>	<u>\$ 250,578</u>

**Note 15: The Fair Value Option**

As permitted by Topic 825, DKH elected to measure alternative investments at fair value. Management has elected the fair value option for this item because it more accurately reflects the portfolio returns and financial position of DKH. Total alternative investments at September 30, 2015 and 2014 are \$1,089,430 and \$1,145,217, respectively.

Change in fair value for items in which the fair value option has been elected are reported as investment return in other income (expense) in the financial statements. The fair value of these investments decreased by \$55,787 in 2015 and increased by \$14,428 in 2014.

**Note 16: Asset Retirement Obligation**

Accounting principles generally accepted in the United States of America require that an asset retirement obligation (ARO) associated with the retirement of a tangible long-lived asset be recognized as a liability in the period in which it is incurred or becomes determinable even when the timing and/or method of settlement may be conditional on a future event. At September 30, 2015 and 2014, DKH had an asset retirement obligation (ARO) related to asbestos remediation in accordance with state regulations. Environmental regulations exist in Connecticut that require that DKH handle and dispose of asbestos in a special manner if a building undergoes major renovations or is demolished. A liability of \$440,565 and \$399,918 had been recorded as of September 30, 2015 and 2014, respectively.

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**Note 17: Significant Estimates and Concentrations**

Accounting principles generally accepted in the United States of America require disclosure of certain significant estimates and current vulnerability due to certain concentrations. Those matters include the following:

***Allowance for Net Patient Service Revenue Adjustments***

Estimates of allowances for adjustments included in net patient service revenue are described in *Notes 1* and *2*.

***Professional Liability Claims***

Estimates related to the accrual for professional liability claims and related insurance receivable are described in *Note 7*.

***Investments***

DKH invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the accompanying balance sheets.

***Self-Insurance***

Estimates related to the accrual for employee health care benefits and workers' compensation claims are described in *Note 1*. DKH accrues a liability for self-insured amounts by charging the statement of operations for certain known claims and reasonable estimates for incurred but not reported claims based on claims experience. The amount of actual losses incurred could differ materially from these estimates in the near term.

***Asset Retirement Obligation***

As discussed in *Note 16*, DKH has recorded a liability for its conditional asset retirement obligation related to asbestos.

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***Pension Benefit Obligation***

DKH has a noncontributory defined benefit pension whereby it agrees to provide certain postretirement benefits to eligible employees. The benefit obligation is the actuarial present value of all benefits attributed to services rendered prior to the valuation date. It is reasonably possible that events could occur that would change the estimated amount of this liability materially in the near term.

***Litigation***

In the normal course of business, DKH is from time to time subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by DKH's commercial insurance policies; for example, allegations regarding employment practices or performance of contracts. DKH evaluates such allegations by conducting investigations to determine the validity of each potential claim. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

## **Supplementary Information**

**Day Kimball Healthcare, Inc.**  
**d/b/a Day Kimball Hospital**  
**Consolidating Schedule – Balance Sheet Information**  
**September 30, 2015**

**Assets**

	<b>Day Kimball Hospital</b>	<b>Day Kimball Medical Group, Inc.</b>	<b>Day Kimball Homemakers, Inc.</b>	<b>Eliminations</b>	<b>Total</b>
<b>Current Assets</b>					
Cash and cash equivalents	\$ 3,619,557	\$ 360,594	\$ 931,047	\$ -	\$ 4,911,198
Short-term investments	2,841,383	-	-	-	2,841,383
Assets limited as to use - current	2,715,707	-	-	-	2,715,707
Patient accounts receivable, net of allowance	10,634,409	1,621,414	247,128	-	12,502,951
Other receivables	1,671,235	402,865	-	(1,869)	2,072,231
Estimated amounts due from third-party payers	1,352,274	-	-	-	1,352,274
Supplies, prepaid expenses and other	2,402,769	71,484	24,086	-	2,498,339
Total current assets	<u>25,237,334</u>	<u>2,456,357</u>	<u>1,202,261</u>	<u>(1,869)</u>	<u>28,894,083</u>
<b>Assets Limited As To Use</b>					
Internally designated	8,384,272	-	-	-	8,384,272
Externally restricted by donors	1,952,406	-	-	-	1,952,406
Held by trustee	2,715,707	-	-	-	2,715,707
	<u>13,052,385</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,052,385</u>
Less amount required to meet current obligations	2,715,707	-	-	-	2,715,707
	<u>10,336,678</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,336,678</u>
<b>Property and Equipment, Net</b>	<u>49,078,740</u>	<u>169,628</u>	<u>115,866</u>	<u>-</u>	<u>49,364,234</u>
<b>Other Assets</b>					
Beneficial interest in trusts	4,209,026	-	-	-	4,209,026
Deferred financing costs	1,224,804	-	-	-	1,224,804
Other	405,303	-	-	-	405,303
	<u>5,839,133</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,839,133</u>
Total assets	<u>\$ 90,491,885</u>	<u>\$ 2,625,985</u>	<u>\$ 1,318,127</u>	<u>\$ (1,869)</u>	<u>\$ 94,434,128</u>

**Day Kimball Healthcare, Inc.**  
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**Consolidating Schedule – Balance Sheet Information**  
**September 30, 2015**

**Liabilities and Net Assets**

	<b>Day Kimball Hospital</b>	<b>Day Kimball Medical Group, Inc.</b>	<b>Day Kimball Homemakers, Inc.</b>	<b>Eliminations</b>	<b>Total</b>
<b>Current Liabilities</b>					
Line of credit	\$ 750,400	\$ -	\$ -	\$ -	\$ 750,400
Current maturities of long-term debt	1,473,425	-	-	-	1,473,425
Accounts payable	9,450,701	529,915	102,286	(1,869)	10,081,033
Accrued payroll and benefits payable	5,209,480	1,914,215	-	-	7,123,695
Accrued expenses	2,279,263	63,696	-	-	2,342,959
Estimated amounts due to third-party payers	4,459,573	-	-	-	4,459,573
	<u>23,622,842</u>	<u>2,507,826</u>	<u>102,286</u>	<u>(1,869)</u>	<u>26,231,085</u>
<b>Total current liabilities</b>	23,622,842	2,507,826	102,286	(1,869)	26,231,085
<b>Accrued Pension Liability</b>	49,175,366	-	-	-	49,175,366
<b>Long-Term Debt</b>	<u>28,319,536</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,319,536</u>
<b>Total liabilities</b>	<u>101,117,744</u>	<u>2,507,826</u>	<u>102,286</u>	<u>(1,869)</u>	<u>103,725,987</u>
<b>Net Assets</b>					
Unrestricted	(17,585,755)	118,159	1,215,841	-	(16,251,755)
Temporarily restricted	2,893,106	-	-	-	2,893,106
Permanently restricted	4,066,790	-	-	-	4,066,790
<b>Total net assets</b>	<u>(10,625,859)</u>	<u>118,159</u>	<u>1,215,841</u>	<u>-</u>	<u>(9,291,859)</u>
<b>Total liabilities and net assets</b>	<u>\$ 90,491,885</u>	<u>\$ 2,625,985</u>	<u>\$ 1,318,127</u>	<u>\$ (1,869)</u>	<u>\$ 94,434,128</u>

**Day Kimball Healthcare, Inc.**  
**d/b/a Day Kimball Hospital**  
**Consolidating Schedule – Statement of Operations Information**  
**Year Ended September 30, 2015**

	Day Kimball Hospital	Day Kimball Medical Group, Inc.	Day Kimball Homemakers, Inc.	Total
<b>Unrestricted Revenues, Gains and Other Support</b>				
Patient service revenue (net of contractual discounts and allowances)	\$ 110,443,309	\$ 19,152,588	\$ 2,141,756	\$ 131,737,653
Provision for uncollectible accounts	(4,172,085)	(330,300)	(11,760)	(4,514,145)
Net patient service revenue less provision for provision for uncollectible accounts	106,271,224	18,822,288	2,129,996	127,223,508
Other	3,119,128	1,219,453	151,648	4,490,229
Net assets released from restrictions used for operations	279,620	-	-	279,620
Total unrestricted revenues, gains and other support	<u>109,669,972</u>	<u>20,041,741</u>	<u>2,281,644</u>	<u>131,993,357</u>
<b>Expenses and Losses</b>				
Salaries and wages	46,570,692	17,204,234	1,751,495	65,526,421
Employee benefits	15,990,518	3,031,233	168,741	19,190,492
Professional fees	10,276,040	1,913,839	16,078	12,205,957
Supplies and other	31,434,793	3,694,240	193,746	35,322,779
Depreciation and amortization	5,804,468	68,218	25,861	5,898,547
Interest	1,451,212	-	-	1,451,212
Total expenses	<u>111,527,723</u>	<u>25,911,764</u>	<u>2,155,921</u>	<u>139,595,408</u>
<b>Operating Income (Loss)</b>	<u>(1,857,751)</u>	<u>(5,870,023)</u>	<u>125,723</u>	<u>(7,602,051)</u>
<b>Other Income</b>				
Investment return	1,022,028	-	-	1,022,028
Contributions received	258,802	-	-	258,802
Total other income (expense)	<u>1,280,830</u>	<u>-</u>	<u>-</u>	<u>1,280,830</u>
<b>Excess (Deficiency) of Revenues Over Expenses</b>	(576,921)	(5,870,023)	125,723	(6,321,221)
Change in defined benefit pension plan gains and losses	(9,791,301)	-	-	(9,791,301)
Change in unrealized losses on investments	(877,427)	-	-	(877,427)
Contributions and grants for the acquisition of property and equipment	2,155,290	-	-	2,155,290
Net assets released from restrictions used for acquisition of property and equipment	200,315	-	-	200,315
Transfer from (to) affiliates	(6,467,809)	6,467,809	-	-
<b>Increase (Decrease) in Unrestricted Net Assets</b>	<u>\$ (15,357,853)</u>	<u>\$ 597,786</u>	<u>\$ 125,723</u>	<u>\$ (14,634,344)</u>

Exempt Organization Business Income Tax Return (and proxy tax under section 6033(e))

For calendar year 2014 or other tax year beginning 10/01, 2014, and ending 09/30, 2015.

2014

Department of the Treasury Internal Revenue Service

Information about Form 990-T and its instructions is available at www.irs.gov/form990t. Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for 501(c)(3) Organizations Only

Form 990-T header section including: A Check box if address changed; B Exempt under section 501(c)(3); C Book value of all assets at end of year; D Employer identification number; E Unrelated business activity codes; F Group exemption number; G Check organization type.

Form 990-T middle section including: H Describe the organization's primary unrelated business activity; I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group?; J The books are in care of.

Table for Part I: Unrelated Trade or Business Income. Columns: (A) Income, (B) Expenses, (C) Net. Rows 1a-13 including Gross receipts or sales, Cost of goods sold, Capital gain net income, etc.

Table for Part II: Deductions Not Taken Elsewhere. Rows 14-34 including Compensation of officers, directors, and trustees; Salaries and wages; Repairs and maintenance; Depreciation; etc.



Part III Tax Computation

Table with 3 columns: Description, Amount, and Line Number. Rows include: 35 Organizations Taxable as Corporations, 36 Trusts Taxable at Trust Rates, 37 Proxy tax, 38 Alternative minimum tax, 39 Total.

Part IV Tax and Payments

Table with 3 columns: Description, Amount, and Line Number. Rows include: 40 Foreign tax credit, 41 Subtract line 40e from line 39, 42 Other taxes, 43 Total tax, 44 Payments, 45 Total payments, 46 Estimated tax penalty, 47 Tax due, 48 Overpayment, 49 Enter the amount of line 48 you want.

Part V Statements Regarding Certain Activities and Other Information (see instructions)

Table with 3 columns: Question, Yes, No. Rows include: 1 At any time during the 2014 calendar year, did the organization have an interest in or a signature or other authority over a financial account... 2 During the tax year, did the organization receive a distribution from... 3 Enter the amount of tax-exempt interest received or accrued during the tax year.

Schedule A - Cost of Goods Sold. Enter method of inventory valuation

Table with 3 columns: Description, Amount, and Line Number. Rows include: 1 Inventory at beginning of year, 2 Purchases, 3 Cost of labor, 4a Additional section 263A costs, 4b Other costs, 5 Total, 6 Inventory at end of year, 7 Cost of goods sold, 8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature and Preparer Information section. Includes fields for Signature of officer, Date, Title, Print/Type preparer's name, Preparer's signature, Date, Firm's name, Firm's address, Firm's EIN, and Phone no.

May the IRS discuss this return with the preparer shown below (see instructions)? [X] Yes [ ] No

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions)

1. Description of property

Table with 1 column for description of property, rows (1) through (4).

2. Rent received or accrued

Table with 3 columns: (a) From personal property, (b) From real and personal property, and 3(a) Deductions directly connected with the income. Rows (1) through (4) and a Total row.

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A).

(b) Total deductions. Enter here and on page 1, Part I, line 6, column (B).

Schedule E - Unrelated Debt-Financed Income (see instructions)

Table with 5 columns: 1. Description of debt-financed property, 2. Gross income from or allocable to debt-financed property, 3. Deductions directly connected with or allocable to debt-financed property (a) Straight line depreciation, (b) Other deductions, 4. Amount of average acquisition debt, 5. Average adjusted basis, 6. Column 4 divided by column 5, 7. Gross income reportable, 8. Allocable deductions. Includes a Totals row and instructions for entering values on page 1.

Total dividends-received deductions included in column 8

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

Table for Exempt Controlled Organizations with 6 columns: 1. Name of controlled organization, 2. Employer identification number, 3. Net unrelated income (loss), 4. Total of specified payments made, 5. Part of column 4 that is included in the controlling organization's gross income, 6. Deductions directly connected with income in column 5. Rows (1) through (4).

Nonexempt Controlled Organizations

Table for Nonexempt Controlled Organizations with 5 columns: 7. Taxable Income, 8. Net unrelated income (loss), 9. Total of specified payments made, 10. Part of column 9 that is included in the controlling organization's gross income, 11. Deductions directly connected with income in column 10. Includes instructions for adding columns 5 and 10, and 6 and 11.

Totals

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization (see instructions)

Table with 5 columns: 1. Description of income, 2. Amount of income, 3. Deductions directly connected, 4. Set-asides, 5. Total deductions and set-asides. Includes rows (1)-(4) and a Totals row.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income (see instructions)

Table with 7 columns: 1. Description of exploited activity, 2. Gross unrelated business income, 3. Expenses directly connected, 4. Net income (loss), 5. Gross income from activity, 6. Expenses attributable, 7. Excess exempt expenses. Includes rows (1)-(4) and a Totals row.

Schedule J - Advertising Income (see instructions)

Part I Income From Periodicals Reported on a Consolidated Basis

Table with 7 columns: 1. Name of periodical, 2. Gross advertising income, 3. Direct advertising costs, 4. Advertising gain or (loss), 5. Circulation income, 6. Readership costs, 7. Excess readership costs. Includes rows (1)-(4) and a Totals row.

Part II Income From Periodicals Reported on a Separate Basis (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

Table with 7 columns: 1. Name of periodical, 2. Gross advertising income, 3. Direct advertising costs, 4. Advertising gain or (loss), 5. Circulation income, 6. Readership costs, 7. Excess readership costs. Includes rows (1)-(4) and a Totals row.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

Table with 4 columns: 1. Name, 2. Title, 3. Percent of time devoted to business, 4. Compensation attributable to unrelated business. Includes rows (1)-(4) and a Total row.

ATTACHMENT 1

FORM 990T - LINE 5 -INCOME (LOSS) FROM PARTNERSHIPS

PARTNERS GROUP PRIVATE EQUITY, LLC	58.
INCOME (LOSS) FROM PARTNERSHIPS	<u>58.</u>