

**IJKG Opco, LLC**

**IJKG Opco, LLC- Bayonne Hospital Center**

**IJKG Propco, LLC**

**Bayonne Radonc Associates LLC**

**CONSOLIDATED**

**FINANCIAL STATEMENTS**

**DECEMBER 2022**

*\* New lease standard is not reflected on this version*

**IJKG Opco LLC d/b/a Bayonne Hospital Center****Balance Sheets - Consolidated***(in thousands)*

	<b>31-Dec 2022</b>	<b>31-Dec 2021</b>
<b>Assets</b>	<i>(Unaudited)</i>	<i>(Unaudited)</i>
<b>Current Assets:</b>		
Cash and cash equivalents - Unrestricted	187	5,769
Cash and cash equivalents - Restricted	8,101	26,771
Net Patient accounts receivable	36,977	26,487
Investments	1,074	1,074
Other receivables	0	0
Due From Related Party	14,278	26,453
Inventory & Other Assets	3,384	2,483
Prepaid expenses	305	1,736
<i>Total current assets</i>	<u>64,305</u>	<u>90,773</u>
Intangible Assets		-
Property and equipment, net	22,150	27,611
Total Assets, Deferred Cost & Equipment	<u>22,150</u>	<u>27,611</u>
<b>Total Assets</b>	<u><b>\$ 86,455</b></u>	<u><b>\$ 118,384</b></u>
 <b>Liabilities and Member's Equity</b>		
<b>Current Liabilities:</b>		
Current portion of Capitalized leases	4,203	5,712
Accounts payable and accrued expenses	21,038	11,756
Malpractice Reserve		-
Accrued Compensation	4,183	3,748
Benefits Payable-Current Portion		-
Due to Related Party		(0)
Loan Payable - MAPLE	10,068	10,068
Loan Payable - CAPITALA	3,002	-
Line of credit - CAPSOURCE		-
Deferred Revenue	299	15,016
Accrued interest payable		-
Due to Third Party-Current Portion	618	292
<i>Total current liabilities</i>	<u>43,411</u>	<u>46,592</u>
<b>Long Term Liabilities:</b>		
Capital Lease Payable, less current portion	15,784	19,789
Long Term Debt, less current portion		
Due to Third Party, less current portion	4,933	15,723
Benefits Payable, less current portion		
Long-term debt, less current portion		
<i>Total liabilities</i>	<u>64,128</u>	<u>82,104</u>
<b>Member's Equity:</b>		
Member's Equity (Net)	22,328	36,281
<i>Total Member's Equity</i>	<u>22,328</u>	<u>36,281</u>
<b>Total Liabilities and Member's Equity</b>	<u><b>\$ 86,455</b></u>	<u><b>\$ 118,384</b></u>

**JJKG OPCO, LLC d/b/a Bayonne Hospital Center**  
**Statement of Operations (unaudited)**  
(in thousands)

<b>Month ended December 31, 2022</b>						
<b>Actual</b>	<b>%</b>	<b>Budget</b>	<b>%</b>	<b>Variance</b>	<b>PY-2021</b>	<b>%</b>
13,906	92.72%	15,808	99.53%	(1,902)	9,040	87.12%
1,048	6.99%	37	0.23%	1,012	1,299	12.52%
44	0.29%	38	0.24%	6	38	0.36%
<b>14,998</b>	<b>100.00%</b>	<b>15,882</b>	<b>100.00%</b>	<b>(884)</b>	<b>10,377</b>	<b>100.00%</b>
5,588	37.26%	4,917	30.96%	(672)	5,765	55.56%
8,224	54.83%	6,959	43.82%	(1,265)	8,868	85.47%
965	6.43%	806	5.07%	(159)	369	3.55%
				-		
<b>14,777</b>	<b>98.53%</b>	<b>12,682</b>	<b>79.85%</b>	<b>(2,095)</b>	<b>15,002</b>	<b>144.58%</b>
221	1.47%	3,200	20.15%	(2,979)	(4,626)	-44.58%
1.47%					-44.58%	
-	0.00%	(40)	-0.25%	(40)	(817)	-7.87%
407	2.71%	369	2.32%	(38)	245	2.36%
605	4.03%	516	3.25%	(89)	470	4.53%
<b>1,011</b>	<b>6.74%</b>	<b>845</b>	<b>5.32%</b>	<b>(167)</b>	<b>(102)</b>	<b>-0.98%</b>
<b>(790)</b>	<b>-5.27%</b>	<b>2,355</b>	<b>14.83%</b>	<b>(3,146)</b>	<b>(4,524)</b>	<b>-43.60%</b>
	0.00%	-	0.00%	-		0.00%
-		-		-	-	
<b>(790)</b>	<b>-5.27%</b>	<b>2,355</b>	<b>14.83%</b>	<b>(3,146)</b>	<b>(4,524)</b>	<b>-43.60%</b>

<b>YTD Ended December 31, 2022</b>							
<b>Actual</b>	<b>%</b>	<b>Budget</b>	<b>%</b>	<b>Variance</b>	<b>PY-2021</b>	<b>%</b>	
<b>Operating Revenues</b>							
Net patient service revenue	142,749	86.97%	159,880	97.91%	(17,131)	133,657	85.29%
Other operating revenue	20,900	12.73%	2,953	1.81%	17,947	22,540	14.38%
Charity Care	489	0.30%	452	0.28%	37	519	0.33%
<b>Total Revenues</b>	<b>164,138</b>	<b>100.00%</b>	<b>163,285</b>	<b>100.00%</b>	<b>853</b>	<b>156,716</b>	<b>100.00%</b>
<b>Operating Expenses</b>							
Salaries and wages	66,467	40.49%	57,734	35.36%	(8,733)	58,138	37.10%
Supplies/Other Expenses	90,535	55.16%	85,589	52.42%	(4,945)	88,132	56.24%
Employee benefits	10,362	6.31%	9,486	5.81%	(876)	7,597	4.85%
Provision for doubtful accounts					-		
<b>Total Operating Expenses before Int, Depr, Amort &amp; Lease</b>	<b>167,364</b>	<b>101.97%</b>	<b>152,809</b>	<b>93.58%</b>	<b>(14,554)</b>	<b>153,868</b>	<b>98.18%</b>
<b>Operating Income / (Loss) before Int, Depr, Amort &amp; Lease</b>	<b>(3,226)</b>	<b>-1.97%</b>	<b>10,475</b>	<b>6.42%</b>	<b>(13,701)</b>	<b>2,848</b>	<b>1.82%</b>
<b>Lease</b>							
Affiliated Interest Income (Expense)	(208)	-0.13%	(485)	-0.30%	(277)	(1,508)	-0.96%
Interest Expense	4,704	2.87%	4,431	2.71%	(273)	4,434	2.83%
Depreciation and Amortization	6,231	3.80%	6,193	3.79%	(38)	6,342	4.05%
<b>Total Int, Depr, Amort &amp; Lease</b>	<b>10,727</b>	<b>6.54%</b>	<b>10,139</b>	<b>6.21%</b>	<b>(589)</b>	<b>9,269</b>	<b>5.91%</b>
<b>Total Operating Income / (Loss)</b>	<b>(13,953)</b>	<b>-8.50%</b>	<b>337</b>	<b>0.21%</b>	<b>(14,290)</b>	<b>(6,421)</b>	<b>-4.10%</b>
<b>Minority Interest</b>							
<b>Total Minority Interest</b>		0.00%		0.00%	-		0.00%
	-		-	-	-		
<b>Net Income (Loss)</b>	<b>(13,953)</b>	<b>-8.50%</b>	<b>337</b>	<b>0.21%</b>	<b>(14,290)</b>	<b>(6,421)</b>	<b>-4.10%</b>

Note: Provision for Doubtful Accounts was included as an offset to revenue rather than as an expense.

**IJKG OPCO LLC (CONSOLIDATED)**  
**STATEMENT OF CASH FLOWS (unaudited)**  
**As of December 31, 2022**  
(\$ thousands)

	MTD December-22 <u>IJKG Opco LLC</u>	YTD December-22 <u>IJKG Opco LLC</u>
<b>Cash Flows From Operating Activities:</b>		
Income/(loss) from operations	\$ (790)	\$ (13,953)
Adjustments to reconcile increase in net assets to cash provided by operating activities:		
Depreciation & Amortization	\$ 605	\$ 6,231
Prior Period Adjustments		
Gain on Sales		
Change in operating assets and liabilities:		
(Increase)/decrease in patient accounts receivable	\$ (1,719)	\$ (10,490)
(Increase)/decrease in other receivables	\$ -	\$ -
(Increase)/decrease in prepaid expenses and deposits	\$ 160	\$ 1,431
(Increase)/decrease in Due From Related Party (Other Receivable)	\$ 1,942	\$ 12,175
(Increase)/decrease in inventory and other assets	\$ (615)	\$ (901)
(Increase)/decrease in Deferred Charges	\$ -	\$ -
Increase/(decrease) in accounts payable, and other accrued expenses	\$ 1,475	\$ 9,282
Increase/(decrease) in Due to Related Party	\$ -	\$ -
Increase/(decrease) in Deferred Revenue	\$ (44)	\$ (14,717)
Increase/(decrease) in accrued compensation	\$ (367)	\$ 434
Increase/(decrease) in benefit payable	\$ -	\$ -
Increase/(decrease) in accrued interest payable	\$ -	\$ -
Increase/(decrease) in estimated third-party payer settlements	\$ (1,602)	\$ (10,464)
Increase/(decrease) in other liabilities (Malpractice)	\$ -	\$ -
<i>Net cash provided by/(used in) operating activities</i>	<u>\$ (955)</u>	<u>\$ (20,971)</u>
<b>Cash Flows From Investing Activities:</b>		
Acquisitions of JV	\$ -	\$ -
Intangible Assets	\$ -	\$ -
Gain on Sales	\$ -	\$ -
Acquisitions of property, plant, and equipment	\$ (29)	\$ (770)
<i>Net cash provided by/(used in) investing activities</i>	<u>\$ (29)</u>	<u>\$ (770)</u>
<b>Cash Flows From Financing Activities:</b>		
Capital Contributions	\$ -	\$ -
Proceeds from Financing, net of payments (Maple)	\$ -	\$ -
Proceeds from Financing, net of payments(B.Riley FBR)	\$ 1	\$ 3,002
Proceeds from line of credit, net of payments	\$ -	\$ -
Proceeds from long-term debt	\$ -	\$ -
Principal payments of long-term debt	\$ -	\$ -
Payment of Dividends	\$ -	\$ -
Repayment of capital lease obligation	\$ (420)	\$ (5,514)
<i>Net cash provided by/(used in) financing activities</i>	<u>\$ (419)</u>	<u>\$ (2,512)</u>
Net increase/(decrease) in cash and cash equivalents	\$ (1,402)	\$ (24,252)
Cash and cash equivalents at beginning of period	\$ 9,690	\$ 32,540
<b>Cash and cash equivalents at end of period</b>	<u><b>\$ 8,288</b></u>	<u><b>\$ 8,288</b></u>

**IJKG OPCO LLC**  
**December 2022 Expense Comparison**  
December 2022 vs. December 2022 Budget

Type	Dec-22 <u>ACTUAL</u>	Dec-22 <u>BUDGET</u>	Dec-22 <u>VARIANCE</u>	Dec-22 <u>YTD ACTUAL</u>	Dec-22 <u>YTD BUDGET</u>	Dec-22 <u>YTD VARIANCE</u>
Salaries and Wages	4,357,588	4,438,210	80,622	52,331,410	52,256,345	75,065
Contract Labor	1,230,881	478,650	(752,231)	14,135,264	5,477,389	8,657,875
<b>Salaries, Wages and Contract Labor</b>	<b>5,588,469</b>	<b>4,916,860</b>	<b>(671,609)</b>	<b>66,466,674</b>	<b>57,733,734</b>	<b>8,732,940</b>
Policy Fringe Benefits	530,011	387,806	(142,205)	5,576,822	4,566,103	1,010,719
Taxes	434,548	417,864	(16,683)	4,785,477	4,920,016	(134,539)
<b>Total Fringe Benefits</b>	<b>964,559</b>	<b>805,670</b>	<b>(158,889)</b>	<b>10,362,300</b>	<b>9,486,119</b>	<b>(876,180)</b>
Consulting Fees/Purch Services	893,779	982,302	88,522	10,419,054	12,202,719	1,783,665
Billing Fees-Ensemble	377,756	294,430	(83,327)	4,109,945	4,260,870	150,925
Physician Related	378,600	248,340	(130,260)	4,028,839	2,980,086	(1,048,753)
Physician Related-Quality	1,361,529	1,278,868	(82,661)	14,448,422	16,903,442	2,455,020
Property Taxes	94,885	98,911	4,026	1,141,030	1,186,933	45,903
Medical Surgical Supplies	2,575,130	1,701,358	(873,772)	29,817,583	20,416,294	(9,401,289)
Liability and W/C Insurance	337,651	290,404	(47,247)	3,099,632	3,237,694	138,062
Rent, Maintenance, Repairs	336,226	382,625	46,400	4,663,465	4,591,502	(71,963)
Utilities	224,615	181,366	(43,249)	2,855,306	2,135,440	(719,866)
Pharmaceuticals	457,217	365,116	(92,101)	2,782,594	4,417,569	1,634,974
Management Fee	786,256	791,642	5,386	10,451,746	9,499,698	(952,047)
All Other Supply	400,599	344,098	(56,502)	2,716,954	3,757,253	1,040,300
<b>Total Supplies and Other</b>	<b>8,224,243</b>	<b>6,959,459</b>	<b>(1,264,784)</b>	<b>90,534,569</b>	<b>85,589,499</b>	<b>(4,945,070)</b>
Affiliated Interest (Income) Expense	-	(40,408)	(40,408)	(207,654)	(484,896)	(277,243)
Interest	406,747	369,230	(37,517)	4,704,264	4,430,764	(273,500)
Depreciation	604,652	516,055	(88,597)	6,230,793	6,192,660	(38,133)
Lease, Interest, Depreciation	1,011,400	844,877	(166,522)	10,727,404	10,138,528	(588,876)
<b>Grand Total</b>	<b>15,788,671</b>	<b>13,526,866</b>	<b>(2,261,804)</b>	<b>178,090,947</b>	<b>162,947,880</b>	<b>(15,143,067)</b>

**December 2022 Actual vs. December 2021 Actual**

Variance-Type	Dec-22 <u>ACTUAL</u>	Dec-21 <u>ACTUAL</u>	2022 vs 2021 <u>VARIANCE</u>	Dec-22 <u>ytd ACTUAL</u>	Dec-21 <u>ytd ACTUAL</u>	2022 vs 2021 <u>Variance</u>
Salaries and Wages	4,357,588	5,011,376	(653,789)	52,331,410	52,113,562	217,848
Contract Labor	1,230,881	753,941	476,940	14,135,264	6,024,613	8,110,651
<b>Salaries, Wages and Contract Labor</b>	<b>5,588,469</b>	<b>5,765,317</b>	<b>(176,848)</b>	<b>66,466,674</b>	<b>58,138,175</b>	<b>8,328,499</b>
Policy Fringe Benefits	530,011	465,866	64,145	5,576,822	3,435,567	2,141,255
Taxes	434,548	(97,066)	531,613	4,785,477	4,161,477	624,000
<b>Total Fringe Benefits</b>	<b>964,559</b>	<b>368,801</b>	<b>595,758</b>	<b>10,362,300</b>	<b>7,597,044</b>	<b>2,765,255</b>
Consulting Fees/Purch Services	893,779	2,104,408	(1,210,629)	10,419,054	15,285,161	(4,866,107)
Billing Fees-Ensemble	377,756	431,831	(54,075)	4,109,945	4,338,960	(229,015)
Physician Related	378,600	312,033	66,567	4,028,839	3,230,441	798,398
Physician Related-Quality	1,361,529	219,028	1,142,501	14,448,422	15,727,127	(1,278,705)
Property Taxes	94,885	18,814	76,071	1,141,030	1,046,025	95,005
Medical Surgical Supplies	2,575,130	1,784,650	790,480	29,817,583	19,866,845	9,950,738
Liability and W/C Insurance	337,651	477,835	(140,184)	3,099,632	3,372,266	(272,634)
Rent, Maintenance, Repairs	336,226	515,621	(179,396)	4,663,465	4,672,411	(8,946)
Utilities	224,615	164,533	60,083	2,855,306	2,334,016	521,290
Pharmaceuticals	457,217	1,315,345	(858,129)	2,782,594	5,528,532	(2,745,938)
Management Fee	786,256	850,116	(63,860)	10,451,746	10,281,968	169,777
All Other Supply	400,599	674,129	(273,530)	2,716,954	2,448,620	268,333
<b>Total Supplies and Other</b>	<b>8,224,243</b>	<b>8,868,343</b>	<b>(644,100)</b>	<b>90,534,569</b>	<b>88,132,372</b>	<b>2,402,198</b>
Affiliated Interest (Income) Expense	-	(816,825)	816,825	(207,654)	(1,507,598)	1,299,945
Interest	406,747	245,063	161,684	4,704,264	4,434,457	269,807
Depreciation	604,652	469,786	134,866	6,230,793	6,342,426	(111,633)
Lease, Interest, Depreciation	1,011,400	(101,976)	1,113,375	10,727,404	9,269,285	1,458,119
<b>Grand Total</b>	<b>15,788,671</b>	<b>14,900,485</b>	<b>888,186</b>	<b>178,090,947</b>	<b>163,136,876</b>	<b>14,954,070</b>

**Bayonne Medical Center**  
**Statistics by Service and Payor**  
**December-22**

December	December	December	December	December
Month	Month	Month	Month	Month
2022	2022	2022	2021	2021
Actual	Budget	Variance	Actual	Variance
357	507	(150)	348	9
357	507	(150)	348	9
357	507	(150)	348	9
32	35	(3)	27	5
		-		-
<b>389</b>	<b>542</b>	<b>(153)</b>	<b>375</b>	<b>14</b>

2,482	2,677	(195)	1,907	575
2,482	2,677	(195)	1,907	575
2,482	2,677	(195)	1,907	575
292	273	19	209	83
		-		-
<b>2,774</b>	<b>2,950</b>	<b>(176)</b>	<b>2,116</b>	<b>658</b>

6.95	5.28	1.67	5.48	1.47
-	-	-	-	-
-	-	-	-	-
6.95	5.28	1.67	5.48	1.47
9.13	7.80	1.33	7.74	1.38
		-		-
7.13	5.44	1.69	5.64	1.49

143	209	(66)	147	(4)
89	127	(38)	83	6
36	47	(11)	31	5
9	8	1	-	9
9	7	2	-	9
4	4	-	-	4
16	30	(14)	27	(11)
13	6	7	4	9
58	83	(25)	65	(7)
12	21	(9)	18	(6)
<b>389</b>	<b>542</b>	<b>(153)</b>	<b>375</b>	<b>14</b>
97%	96%		95%	
60%	62%		61%	
19%	18%		15%	
18%	16%		18%	
3%	4%		5%	

914	1,129	(215)	887	27
783	718	65	488	295
266	251	15	154	112
39	41	(2)	-	39
52	49	3	-	52
10	14	(4)	-	10
63	128	(65)	143	(80)
134	55	79	65	69
467	442	25	286	181
46	123	(77)	93	(47)
<b>2,774</b>	<b>2,950</b>	<b>(176)</b>	<b>2,116</b>	<b>658</b>
98%	96%		96%	
61%	63%		65%	
16%	16%		14%	
22%	17%		17%	
2%	4%		4%	

1,914	2,017	(103)	2,412	(498)
371	371	-	346	25
128	161	(33)	138	(10)
685	-	685	681	4

**Discharges by Service**

December	December	December	December	December
YTD	YTD	YTD	YTD	YTD
2022	2022	2022	2021	2021
Actual	Budget	Variance	Actual	Variance
3,773	5,212	(1,439)	4,007	(234)
3,773	5,212	(1,439)	4,007	(234)
3,773	5,212	(1,439)	4,007	(234)
365	498	(133)	434	(69)
-	-	-	129	(129)
<b>4,138</b>	<b>5,710</b>	<b>(1,572)</b>	<b>4,570</b>	<b>(432)</b>

**Patient Days by Service**

21,364	27,824	(6,460)	21,556	(192)
21,364	27,824	(6,460)	21,556	(192)
21,364	27,824	(6,460)	21,556	(192)
2,802	3,918	(1,116)	3,284	(482)
-	-	-	929	(929)
<b>24,166</b>	<b>31,742</b>	<b>(7,576)</b>	<b>25,769</b>	<b>(1,603)</b>

**ALOS by Service**

5.66	5.34	0.32	5.38	0.28
-	-	-	-	-
-	-	-	-	-
5.66	5.34	0.32	5.38	0.28
7.68	7.87	(0.19)	7.57	0.11
-	-	-	7.20	(7.20)
5.84	5.56	0.28	5.64	0.20

**Discharges by Payor Group**

1,516	2,144	(628)	1,722	(206)
927	1,245	(318)	937	(10)
368	541	(173)	424	(56)
55	55	-	-	55
60	52	8	-	60
41	45	(4)	-	41
229	396	(167)	395	(166)
76	61	15	74	2
689	917	(228)	804	(115)
177	254	(77)	214	(37)
<b>4,138</b>	<b>5,710</b>	<b>(1,572)</b>	<b>4,570</b>	<b>(432)</b>
% of Discharges (Excl.Sp/Charity)	96%	96%	95%	
% of Discharges (Medicare/Medicare HMO)	59%	59%	58%	
% of Discharges (Horizon/Comm/Man Care)	18%	19%	18%	
% of Discharges (Medicaid/Medicaid HMO)	18%	17%	19%	
% of Discharges (SP/Charity)	4%	4%	5%	

**Patient Days by payor Group**

8,950	11,771	(2,821)	9,548	(598)
6,100	7,202	(1,102)	5,686	414
1,845	2,936	(1,091)	2,302	(457)
336	286	50	-	336
345	367	(22)	-	345
168	179	(11)	-	168
843	1,800	(957)	1,970	(1,127)
723	519	204	625	98
3,984	5,119	(1,135)	4,433	(449)
872	1,563	(691)	1,205	(333)
<b>24,166</b>	<b>31,742</b>	<b>(7,576)</b>	<b>25,769</b>	<b>(1,603)</b>
% of Days (Excl.Sp/Charity)	96%	95%	95%	
% of Days (Medicare/Medicare HMO)	62%	60%	59%	
% of Days (Horizon/Comm/Man Care)	15%	18%	17%	
% of Discharges (Medicaid/Medicaid HMO)	19%	18%	20%	
% of Days (SP/Charity)	4%	5%	5%	

ER Visits	21,859	16,041	5,818	21,466	393
ER Admits	3,935	3,935	-	4,179	(244)
Observation	1,750	1,835	(85)	1,690	60
FTE	671	-	671	674	(3)