



See a Social Security Number? Say Something!  
Report Privacy Problems to <https://public.resource.org/privacy>  
Or call the IRS Identity Theft Hotline at 1-800-908-4490



# Return of Organization Exempt From Income Tax

OMB No 1545-0047

**2012**

**Open to Public Inspection**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

Department of the Treasury  
Internal Revenue Service

**A For the 2012 calendar year, or tax year beginning** 1/1, 2012, and ending 12/31, 20 12

**B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Terminated  
 Amended return  
 Application pending

**C Name of organization** Elant Inc.  
 Doing Business As  
 Number and street (or P O box if mail is not delivered to street address) Room/suite  
**46 Harriman Drive**  
 City, town or post office, state, and ZIP code  
**Goshen, NY 10924**

**D Employer identification number**  
**13-4082972**

**E Telephone number**  
**845-360-1200**

**G Gross receipts \$** 6,194,433

**F Name and address of principal officer:** Todd A Whitney  
**46 Harriman Drive, Goshen, NY 10924**

**H(a)** Is this a group return for affiliates?  Yes  No  
**H(b)** Are all affiliates included?  Yes  No  
 If "No," attach a list (see instructions)

**H(c)** Group exemption number ▶

**I Tax-exempt status**  501(c)(3)  501(c) ( ) ◀ (insert no )  4947(a)(1) or  527

**J Website:** ▶ www.elant.org

**K Form of organization**  Corporation  Trust  Association  Other ▶

**L Year of formation** 2000

**M State of legal domicile** NY

Part I Summary			
Activities & Governance	1	Briefly describe the organization's mission or most significant activities: <u>To provide exceptional healthcare and quality of life through innovative programs to those we serve within our community.</u>	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	3	Number of voting members of the governing body (Part VI, line 1a)	3
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4
	5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	84
	6	Total number of volunteers (estimate if necessary)	6
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a
b	Net unrelated business taxable income from Form 990-T, line 34	7b	
Revenue	8	Contributions and grants (Part VIII, line 1h)	Prior Year: 11,766 Current Year: 6,301
	9	Program service revenue (Part VIII, line 2g)	6,292,665 6,176,192
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	1,268 11,940
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	6,305,699 6,194,433
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	
	14	Benefits paid to or for members (Part IX, column (A), line 4)	
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	3,839,035 3,277,970
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	
	b	Total fundraising expenses (Part IX, column (D), line 25)	
17	Other expenses (Part IX, column (A), lines 11a, 11b, 11c, 11d, 11e, 11f, 11g, 11h, 11i, 11j, 11k, 11l, 11m, 11n, 11o, 11p, 11q, 11r, 11s, 11t, 11u, 11v, 11w, 11x, 11y, 11z)	3,107,075 2,861,093	
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	6,946,110 6,139,063	
19	Revenue less expenses. Subtract line 18 from line 12	(640,411) 55,370	
Net Assets or Fund Balances	20	Total assets (Part X, line 16)	Beginning of Current Year: 6,488,541 End of Year: 7,146,458
	21	Total liabilities (Part X, line 26)	9,488,005 10,424,649
	22	Net assets or fund balances. Subtract line 21 from line 20	(2,999,464) (3,278,191)

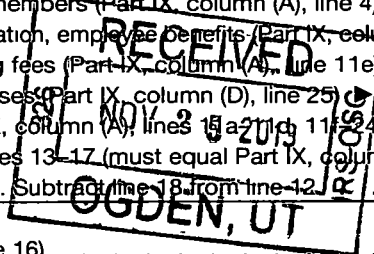
**Part II Signature Block**

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.

**Sign Here**  
 Signature of officer: *Todd A Whitney* Date: 11/15/13  
 Type or print name and title: **President & CEO**

**Paid Preparer Use Only**  
 Print/Type preparer's name: \_\_\_\_\_ Preparer's signature: \_\_\_\_\_ Date: \_\_\_\_\_ Check  if self-employed PTIN: \_\_\_\_\_  
 Firm's name: \_\_\_\_\_ Firm's EIN: \_\_\_\_\_  
 Firm's address: \_\_\_\_\_ Phone no: \_\_\_\_\_

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



SCANNED JAN 01 2014

617 10

**Part III Statement of Program Service Accomplishments**

Check if Schedule O contains a response to any question in this Part III

**1** Briefly describe the organization's mission:  
To provide exceptional healthcare and quality of life through innovative programs to those we serve within our community.

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?  Yes  No  
If "Yes," describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services?  Yes  No  
If "Yes," describe these changes on Schedule O.

**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 \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)  
To provide Administrative Services for affiliated non profit organization's which includes 6 SNF's with a total of 703 beds, as well as, a 116 bed Adult Home. We also support a 28 unit EHU, 2 Adult Day Programs, 1 Social Day Program, 2 Long Term Home Health Programs, a 148 Apartment Continuing Retirement Community, a Managed Home Care Program, and a Foster Grand Parent Program.

**4b** (Code: \_\_\_\_\_) (Expenses \$ \_\_\_\_\_ including grants of \$ \_\_\_\_\_) (Revenue \$ \_\_\_\_\_)

**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 ►

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A . . . . .</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>3</b> Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>5</b> Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>6</b> Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>7</b> Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>9</b> Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>10</b> Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V . . . . .</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>11</b> If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI . . . . .</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>b</b> Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>c</b> Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>d</b> Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX . . . . .</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X . . . . .</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>f</b> Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>12 a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII . . . . .</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional . . . . .</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>14 a</b> Did the organization maintain an office, employees, or agents outside of the United States?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>17</b> Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I (see instructions) . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>20 a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H . . . . .</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	<input type="checkbox"/>	<input type="checkbox"/>

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

	Yes	No
<b>21</b> Did the organization report more than \$5,000 of grants and other assistance to any government or organization in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> . . . . .		✓
<b>22</b> Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> . . . . .		✓
<b>23</b> 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> . . . . .	✓	
<b>24a</b> 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 25</i> . . . . .		✓
<b>24b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . . . .		
<b>24c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . . . .		
<b>24d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . . . .		
<b>25a</b> <b>Section 501(c)(3) and 501(c)(4) 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> . . . . .		✓
<b>25b</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> . . . . .		✓
<b>26</b> Was a loan to or by a current or former officer, director, trustee, key employee, highest compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i> . . . . .		✓
<b>27</b> 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> . . . . .		✓
<b>28</b> 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):		
<b>28a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		✓
<b>28b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> . . . . .		✓
<b>28c</b> 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> . . . . .		✓
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> . . . . .		✓
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> . . . . .		✓
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> . . . . .		✓
<b>32</b> 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> . . . . .		✓
<b>33</b> 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> . . . . .		✓
<b>34</b> 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> . . . . .	✓	
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)? . . . . .		✓
<b>35b</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> . . . . .		✓
<b>36</b> <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> . . . . .		✓
<b>37</b> 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> . . . . .		✓
<b>38</b> 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 . . . . .	✓	

**Part V Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response to any question in this Part V

		Yes	No
<b>1a</b>	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable . . . . .	<b>1a</b> 16	
<b>b</b>	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable . . . . .	<b>1b</b> 0	
<b>c</b>	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .	<b>1c</b> ✓	
<b>2a</b>	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	<b>2a</b> 84	
<b>b</b>	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions) . . . . .	<b>2b</b> ✓	
<b>3a</b>	Did the organization have unrelated business gross income of \$1,000 or more during the year? . . . . .	<b>3a</b>	✓
<b>b</b>	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O . . . . .	<b>3b</b>	
<b>4a</b>	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? . . . . .	<b>4a</b>	✓
<b>b</b>	If "Yes," enter the name of the foreign country: ▶ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
<b>5a</b>	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . . . .	<b>5a</b>	✓
<b>b</b>	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>	✓
<b>c</b>	If "Yes" to line 5a or 5b, did the organization file Form 8886-T? . . . . .	<b>5c</b>	
<b>6a</b>	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions? . . . . .	<b>6a</b>	✓
<b>b</b>	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .	<b>6b</b>	
<b>7</b>	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b>	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? . . . . .	<b>7a</b>	✓
<b>b</b>	If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .	<b>7b</b>	
<b>c</b>	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .	<b>7c</b>	✓
<b>d</b>	If "Yes," indicate the number of Forms 8282 filed during the year . . . . .	<b>7d</b>	
<b>e</b>	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7e</b>	✓
<b>f</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . . . .	<b>7f</b>	✓
<b>g</b>	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	<b>7g</b>	✓
<b>h</b>	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	<b>7h</b>	✓
<b>8</b>	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . .	<b>8</b>	✓
<b>9</b>	<b>Sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b>	Did the organization make any taxable distributions under section 4966? . . . . .	<b>9a</b>	✓
<b>b</b>	Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .	<b>9b</b>	✓
<b>10</b>	<b>Section 501(c)(7) organizations.</b> Enter:		
<b>a</b>	Initiation fees and capital contributions included on Part VIII, line 12 . . . . .	<b>10a</b>	
<b>b</b>	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities . . . . .	<b>10b</b>	
<b>11</b>	<b>Section 501(c)(12) organizations.</b> Enter:		
<b>a</b>	Gross income from members or shareholders . . . . .	<b>11a</b>	
<b>b</b>	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) . . . . .	<b>11b</b>	
<b>12a</b>	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>	
<b>b</b>	If "Yes," enter the amount of tax-exempt interest received or accrued during the year . . . . .	<b>12b</b>	
<b>13</b>	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>a</b>	Is the organization licensed to issue qualified health plans in more than one state? . . . . . <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.	<b>13a</b>	
<b>b</b>	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans . . . . .	<b>13b</b>	
<b>c</b>	Enter the amount of reserves on hand . . . . .	<b>13c</b>	
<b>14a</b>	Did the organization receive any payments for indoor tanning services during the tax year? . . . . .	<b>14a</b>	✓
<b>b</b>	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O . . . . .	<b>14b</b>	

**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 to any question in this Part VI

**Section A. Governing Body and Management**

		Yes	No
<b>1a</b>	Enter the number of voting members of the governing body at the end of the tax year . . . . .	<b>16</b>	
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
<b>b</b>	Enter the number of voting members included in line 1a, above, who are independent . . . . .	<b>15</b>	
<b>2</b>	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .	<b>2</b>	<input checked="" type="checkbox"/>
<b>3</b>	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person? . . . . .	<b>3</b>	<input checked="" type="checkbox"/>
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? . . . . .	<b>4</b>	<input checked="" type="checkbox"/>
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets? . . . . .	<b>5</b>	<input checked="" type="checkbox"/>
<b>6</b>	Did the organization have members or stockholders? . . . . .	<b>6</b>	<input checked="" type="checkbox"/>
<b>7a</b>	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body? . . . . .	<b>7a</b>	<input checked="" type="checkbox"/>
<b>b</b>	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? . . . . .	<b>7b</b>	<input checked="" type="checkbox"/>
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b>	The governing body? . . . . .	<b>8a</b>	<input checked="" type="checkbox"/>
<b>b</b>	Each committee with authority to act on behalf of the governing body? . . . . .	<b>8b</b>	<input checked="" type="checkbox"/>
<b>9</b>	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .	<b>9</b>	<input checked="" type="checkbox"/>

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

		Yes	No
<b>10a</b>	Did the organization have local chapters, branches, or affiliates? . . . . .	<b>10a</b>	<input checked="" type="checkbox"/>
<b>b</b>	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes? . . . . .	<b>10b</b>	<input checked="" type="checkbox"/>
<b>11a</b>	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? . . . . .	<b>11a</b>	<input checked="" type="checkbox"/>
<b>b</b>	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b>	Did the organization have a written conflict of interest policy? If "No," go to line 13 . . . . .	<b>12a</b>	<input checked="" type="checkbox"/>
<b>b</b>	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .	<b>12b</b>	<input checked="" type="checkbox"/>
<b>c</b>	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done . . . . .	<b>12c</b>	<input checked="" type="checkbox"/>
<b>13</b>	Did the organization have a written whistleblower policy? . . . . .	<b>13</b>	<input checked="" type="checkbox"/>
<b>14</b>	Did the organization have a written document retention and destruction policy? . . . . .	<b>14</b>	<input checked="" type="checkbox"/>
<b>15</b>	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b>	The organization's CEO, Executive Director, or top management official . . . . .	<b>15a</b>	<input checked="" type="checkbox"/>
<b>b</b>	Other officers or key employees of the organization . . . . .	<b>15b</b>	<input checked="" type="checkbox"/>
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b>	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .	<b>16a</b>	<input checked="" type="checkbox"/>
<b>b</b>	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements? . . . . .	<b>16b</b>	

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed ► **NY**
- 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. Indicate how you made these available. Check all that apply.  
 Own website     Another's website     Upon request     Other (explain in Schedule O)
- 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, physical address, and telephone number of the person who possesses the books and records of the organization: ► **Robin Reynolds, Elant, Inc., 46 Harriman Drive, Goshen, NY 10924 (845) 360-1200**

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

Check if Schedule O contains a response to any question in this Part VII

**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) Donna Cornell Chairman of the Board		✓								
(2) Robert Scherreik Vice Chairman of the Board		✓								
(3) Stephen M Brown Treasurer		✓								
(4) Thomas McGorry Secretary		✓								
(5) Michael J DiTullo Board Member		✓								
(6) Paul S Ernenwein Esq Board Member		✓								
(7) Richard B Golden Esq Board Member		✓								
(8) John s Goodreds Board Member		✓								
(9) Kathleen Kazahoff Board Member		✓								
(10) James W Krueger Board Member		✓								
(11) John MacEnroe Board Member		✓								
(12) Michelle McDonald Board Member		✓								
(13) Joseph Minuta Board Member		✓								
(14) Linda Muller Board Member		✓								

**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) Kunwar Nagpal, DDS Board Member		<input checked="" type="checkbox"/>								
(16) Todd A Whitney President & CEO	40	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>			340,385	0	22,846	
(17) Sylvia McTigue Chief Administrative Officer	40				<input checked="" type="checkbox"/>		227,954	0	19,572	
(18) Christine Wise Vice President Placement Services	40				<input checked="" type="checkbox"/>		180,770	0	2,012	
(19) Mary Jo Jobity Acting CFO	40				<input checked="" type="checkbox"/>		173,679	0	1,628	
(20) Donna Frazier Corporate Director of Rehabilitation	40				<input checked="" type="checkbox"/>		134,420	0	5,531	
(21)										
(22)										
(23)										
(24)										
(25)										
<b>1b Sub-total</b>							<b>1,057,208</b>		<b>51,589</b>	
<b>c Total from continuation sheets to Part VII, Section A</b>										
<b>d Total (add lines 1b and 1c)</b>							<b>1,057,208</b>		<b>51,589</b>	

**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 **▶ 5**

	Yes	No
<b>3</b> 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>		<input checked="" type="checkbox"/>
<b>4</b> 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>	<input checked="" type="checkbox"/>	
<b>5</b> 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>		<input checked="" type="checkbox"/>

**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

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization **▶ 0**

**Part VIII Statement of Revenue**

Check if Schedule O contains a response to any question 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, 513, or 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>					
	<b>d</b> Related organizations . . . . .	<b>1d</b>					
	<b>e</b> Government grants (contributions)	<b>1e</b>					
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b>	6,301				
	<b>g</b> Noncash contributions included in lines 1a-1f \$						
	<b>h Total.</b> Add lines 1a-1f . . . . . ▶		6,301				
<b>Program Service Revenue</b>	<b>2a Service Fee Revenue</b> . . . . .	<b>Business Code</b> 541610	6,176,192	6,176,192			
	<b>b</b> . . . . .						
	<b>c</b> . . . . .						
	<b>d</b> . . . . .						
	<b>e</b> . . . . .						
	<b>f</b> All other program service revenue . . . . .						
	<b>g Total.</b> Add lines 2a-2f . . . . . ▶		6,176,192				
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) . . . . . ▶		11,940	11,940			
	<b>4</b> Income from investment of tax-exempt bond proceeds ▶						
	<b>5</b> Royalties . . . . . ▶						
	<b>6a</b> Gross rents . . . . .	(i) Real	(ii) Personal				
		<b>b</b> Less: rental expenses					
		<b>c</b> Rental income or (loss)					
		<b>d</b> Net rental income or (loss) . . . . . ▶					
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		<b>b</b> Less: cost or other basis and sales expenses . . . . .					
		<b>c</b> Gain or (loss) . . . . .					
		<b>d</b> Net gain or (loss) . . . . . ▶					
	<b>8a</b> Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 . . . . .	<b>a</b>					
		<b>b</b> Less: direct expenses . . . . .	<b>b</b>				
		<b>c</b> Net income or (loss) from fundraising events . . . . . ▶					
	<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 . . . . . ▶							
<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 . . . . . ▶						
<b>Miscellaneous Revenue</b>		<b>Business Code</b>					
<b>11a</b> . . . . .							
	<b>b</b> . . . . .						
	<b>c</b> . . . . .						
	<b>d</b> All other revenue . . . . .						
<b>e Total.</b> Add lines 11a-11d . . . . . ▶							
<b>12 Total revenue.</b> See instructions. . . . . ▶			6,194,433	6,188,132			

**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 to any question in this Part IX

**Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.**

	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,057,208		1,057,208	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	1,594,424		1,594,424	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	99,456		99,456	
9 Other employee benefits	272,803		272,803	
10 Payroll taxes	254,079		254,079	
11 Fees for services (non-employees):				
a Management				
b Legal	149,433		149,433	
c Accounting	8,319		8,319	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	88,782		88,782	
12 Advertising and promotion	56,098		56,098	
13 Office expenses	114,948		114,948	
14 Information technology	170,180		170,180	
15 Royalties				
16 Occupancy	56,205		56,205	
17 Travel	64,063		64,063	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	7,131		7,131	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	88,812		88,812	
23 Insurance	2,867		2,867	
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 Leases	17,051		17,051	
b Dues & Memberships	24,279		24,279	
c Microfiche Expense	49,943		49,943	
d Forgiveness of Bad Debt	1,890,946		1,890,946	
e All other expenses	72,036		72,036	
25 Total functional expenses. Add lines 1 through 24e	6,139,063		6,139,063	
26 Joint costs. 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)				

**Part X Balance Sheet**

Check if Schedule O contains a response to any question in this Part X

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash—non-interest-bearing . . . . .	5,374	<b>1</b>	144,023
	<b>2</b> Savings and temporary cash investments . . . . .		<b>2</b>	
	<b>3</b> Pledges and grants receivable, net . . . . .		<b>3</b>	
	<b>4</b> Accounts receivable, net . . . . .	80,699	<b>4</b>	128,224
	<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 . . . . .		<b>5</b>	
	<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 . . . . .		<b>6</b>	
	<b>7</b> Notes and loans receivable, net . . . . .		<b>7</b>	
	<b>8</b> Inventories for sale or use . . . . .		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges . . . . .	54,410	<b>9</b>	67,853
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	<b>10a</b> 995,304		
	<b>b</b> Less: accumulated depreciation . . . . .	<b>10b</b> 760,759	<b>10c</b> 123,949	234,545
	<b>11</b> Investments—publicly traded securities . . . . .		<b>11</b>	
	<b>12</b> Investments—other securities. See Part IV, line 11 . . . . .	26,620	<b>12</b>	30,909
	<b>13</b> Investments—program-related. See Part IV, line 11 . . . . .		<b>13</b>	
	<b>14</b> Intangible assets . . . . .		<b>14</b>	
	<b>15</b> Other assets. See Part IV, line 11 . . . . .	6,197,489	<b>15</b>	6,540,904
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) . . . . .	6,488,541	<b>16</b>	7,146,458	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses . . . . .	2,428,890	<b>17</b>	2,118,994
	<b>18</b> Grants payable . . . . .		<b>18</b>	
	<b>19</b> Deferred revenue . . . . .		<b>19</b>	
	<b>20</b> Tax-exempt bond liabilities . . . . .		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D . . . . .		<b>21</b>	
	<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 . . . . .		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties . . . . .		<b>24</b>	
	<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 . . . . .	7,059,115	<b>25</b>	8,305,655
	<b>26 Total liabilities.</b> Add lines 17 through 25 . . . . .	9,488,005	<b>26</b>	10,424,649
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets . . . . .	(2,999,464)	<b>27</b>	(3,278,191)
	<b>28</b> Temporarily restricted net assets . . . . .		<b>28</b>	
	<b>29</b> Permanently restricted net assets . . . . .		<b>29</b>	
	<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 . . . . .	(2,999,464)	<b>33</b>	(3,278,191)
<b>34</b> Total liabilities and net assets/fund balances . . . . .	6,488,541	<b>34</b>	7,146,458	

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response to any question in this Part XI

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	<b>6,194,433</b>
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	<b>6,139,063</b>
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	<b>55,370</b>
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	<b>(2,999,464)</b>
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	<b>(334,097)</b>
<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>	<b>(3,278,191)</b>

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response to any question 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>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>2b</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>2c</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<b>3a</b>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>3b</b>	<input type="checkbox"/>	<input type="checkbox"/>

**Public Charity Status and Public Support**

**2012**

**Open to Public Inspection**

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. ▶ See separate instructions.

Department of the Treasury  
Internal Revenue Service

Name of the organization <b>Elant, Inc.</b>	Employer identification number <b>13-4082972</b>
--	---

**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 that describes the type of supporting organization and complete lines 11e through 11h.
  - a  Type I    b  Type II    c  Type III—Functionally integrated    d  Type III—Non-functionally integrated
- e  By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
  - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization? 

	Yes	No
<b>11g(i)</b>		
  - (ii) A family member of a person described in (i) above? 

	Yes	No
<b>11g(ii)</b>		
  - (iii) A 35% controlled entity of a person described in (i) or (ii) above? 

	Yes	No
<b>11g(iii)</b>		
- h 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 in col. (i) listed in your governing document?		(v) Did you notify the organization in col. (i) of your support?		(vi) Is the organization in col. (i) organized in the U.S.?		(vii) Amount of monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
<b>Total</b>									

**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**

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") . . . . .						
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>4 Total.</b> Add lines 1 through 3 . . . . .						
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) . . . . .						
<b>6 Public support.</b> Subtract line 5 from line 4.						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>7</b> Amounts from line 4 . . . . .						
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .						
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on . . . . .						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
<b>11 Total support.</b> Add lines 7 through 10						
<b>12</b> Gross receipts from related activities, etc. (see instructions) . . . . .					<b>12</b>	
<b>13 First five years.</b> 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 <b>stop here</b> . . . . .						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f)) . . . . .	<b>14</b>	%
<b>15</b> Public support percentage from 2011 Schedule A, Part II, line 14 . . . . .	<b>15</b>	%
<b>16a 33 1/3% support test—2012.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . .	<input type="checkbox"/>	
<b>b 33 1/3% support test—2011.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization . . . . .	<input type="checkbox"/>	
<b>17a 10%-facts-and-circumstances test—2012.</b> If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . .	<input type="checkbox"/>	
<b>b 10%-facts-and-circumstances test—2011.</b> If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and <b>stop here.</b> Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization . . . . .	<input type="checkbox"/>	
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions . . . . .	<input type="checkbox"/>	

**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**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	0	1,647	7,419	11,766	6,301	27,133
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose . . . . .	6,173,162	5,780,658	5,475,783	6,304,431	6,176,192	29,910,226
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf . . . . .						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge . . . . .						
<b>6 Total.</b> Add lines 1 through 5 . . . . .	6,173,162	5,782,305	5,483,202	6,316,197	6,182,493	29,937,359
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons . . . . .						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year . . . . .						
<b>c</b> Add lines 7a and 7b . . . . .						
<b>8 Public support</b> (Subtract line 7c from line 6.) . . . . .						29,937,359

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
<b>9</b> Amounts from line 6 . . . . .	6,173,162	5,782,305	5,483,202	6,316,197	6,182,493	29,937,359
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources . . . . .	0	0	4,352	1,268	11,940	17,560
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 . . . . .						
<b>c</b> Add lines 10a and 10b . . . . .	0	0	4,352	1,268	11,940	17,560
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on . . . . .						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) . . . . .						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.) . . . . .	6,173,162	5,782,305	5,487,554	6,317,465	6,194,433	29,954,919
<b>14 First five years.</b> 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 <b>stop here</b> . . . . . ▶ <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f)) . . . . .	<b>15</b>	99.94 %
<b>16</b> Public support percentage from 2011 Schedule A, Part III, line 15 . . . . .	<b>16</b>	99.98 %

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f)) . . . . .	<b>17</b>	.06 %
<b>18</b> Investment income percentage from 2011 Schedule A, Part III, line 17 . . . . .	<b>18</b>	.02 %
<b>19a 33<sup>1</sup>/<sub>3</sub>% support tests—2012.</b> If the organization did not check the box on line 14, and line 15 is more than 33 <sup>1</sup> / <sub>3</sub> %, and line 17 is not more than 33 <sup>1</sup> / <sub>3</sub> %, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization . . . . . ▶ <input checked="" type="checkbox"/>		
<b>b 33<sup>1</sup>/<sub>3</sub>% support tests—2011.</b> If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 <sup>1</sup> / <sub>3</sub> %, and line 18 is not more than 33 <sup>1</sup> / <sub>3</sub> %, check this box and <b>stop here</b> . The organization qualifies as a publicly supported organization . . . . . ▶ <input type="checkbox"/>		
<b>20 Private foundation.</b> If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions . . . . . ▶ <input type="checkbox"/>		



**SCHEDULE D  
(Form 990)**

**Supplemental Financial Statements**

OMB No 1545-0047

**2012**

**Open to Public  
Inspection**

Department of the Treasury  
Internal Revenue Service  
Name of the organization

▶ **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.**  
▶ **Attach to Form 990. ▶ See separate instructions.**

Employer identification number

Elant Inc

13-4082972

**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.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year . . . . .		
2 Aggregate contributions to (during year) . . . . .		
3 Aggregate 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? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No		
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? . . . . . <input type="checkbox"/> Yes <input type="checkbox"/> No		

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).  
 Preservation of land for public use (e.g., recreation or education)  Preservation of an historically important land area  
 Protection of natural habitat  Preservation of a certified historic structure  
 Preservation of open space

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.

	Held at the End of the Tax Year
a Total number of conservation easements . . . . .	2a
b Total acreage restricted by conservation easements . . . . .	2b
c Number of conservation easements on a certified historic structure included in (a) . . . . .	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register . . . . .	2d

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? . . . . .  Yes  No

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)? . . . . .  Yes  No

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.

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.

b 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) Revenues 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 Revenues included in Form 990, Part VIII, line 1 . . . . . ▶ \$ \_\_\_\_\_

b Assets included in Form 990, Part X . . . . . ▶ \$ \_\_\_\_\_

**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 |
|---|--------|
| c Beginning balance . . . . .             | 1c     |
| d Additions during the year . . . . .     | 1d     |
| e Distributions during the year . . . . . | 1e     |
| f Ending balance . . . . .                | 1f     |
- 2a Did the organization include an amount on Form 990, Part X, line 21?  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
1a Beginning of year balance . . . . .	672,737	662,520	612,541	507,817	754,176
b Contributions . . . . .	13,970	17,432	50	1,650	22,813
c Net investment earnings, gains, and losses . . . . .	28,286	13,961	12,109	12,368	12,790
d Grants or scholarships . . . . .					
e Other expenditures for facilities and programs . . . . .	(45,769)	10,776	(41,433)	(93,703)	228,906
f Administrative expenses . . . . .	12,971	10,400	3,613	2,997	53,056
g End of year balance . . . . .	747,791	672,737	662,520	612,541	507,817

- 2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:
- a Board designated or quasi-endowment ▶ \_\_\_\_\_ %
  - b Permanent endowment ▶ 100%
  - c Temporarily restricted endowment ▶ \_\_\_\_\_ %
- 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                                  |
|---------------------------------------|-------------------------------------|-------------------------------------|
| (i) unrelated organizations . . . . . | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (ii) related organizations . . . . .  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
- 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.** 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
1a Land . . . . .				
b Buildings . . . . .				
c Leasehold improvements . . . . .				
d Equipment . . . . .		995,304	760,759	234,545
e Other . . . . .				
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).) ▶				234,545

**Part VII Investments—Other Securities.** 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) . . . . .		
(B) . . . . .		
(C) . . . . .		
(D) . . . . .		
(E) . . . . .		
(F) . . . . .		
(G) . . . . .		
(H) . . . . .		
(I) . . . . .		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII Investments—Program Related.** See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) . . . . .		
(2) . . . . .		
(3) . . . . .		
(4) . . . . .		
(5) . . . . .		
(6) . . . . .		
(7) . . . . .		
(8) . . . . .		
(9) . . . . .		
(10) . . . . .		
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) <b>Due from affiliates</b>	<b>6,540,904</b>
(2) . . . . .	
(3) . . . . .	
(4) . . . . .	
(5) . . . . .	
(6) . . . . .	
(7) . . . . .	
(8) . . . . .	
(9) . . . . .	
(10) . . . . .	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	<b>6,540,904</b>

**Part X Other Liabilities.** See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) <b>Due to affiliates</b>	<b>6,120,149</b>
(3) <b>Capital lease obligations</b>	<b>107,763</b>
(4) <b>Pension liability</b>	<b>2,053,568</b>
(5) <b>Loans payable</b>	<b>24,175</b>
(6) . . . . .	
(7) . . . . .	
(8) . . . . .	
(9) . . . . .	
(10) . . . . .	
(11) . . . . .	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	<b>8,305,655</b>

2. FIN 48 (ASC 740) Footnote. 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 . . . . .

<b>Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return</b>			
<b>1</b>	Total revenue, gains, and other support per audited financial statements . . . . .	<b>1</b>	<b>6,194,433</b>
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
<b>a</b>	Net unrealized gains on investments . . . . .	<b>2a</b>	
<b>b</b>	Donated services and use of facilities . . . . .	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.) . . . . .	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	<b>6,194,433</b>
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII.) . . . . .	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	
<b>5</b>	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.) . . . . .	<b>5</b>	<b>6,194,433</b>

<b>Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return</b>			
<b>1</b>	Total expenses and losses per audited financial statements . . . . .	<b>1</b>	<b>6,139,063</b>
<b>2</b>	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
<b>a</b>	Donated services and use of facilities . . . . .	<b>2a</b>	
<b>b</b>	Prior year adjustments . . . . .	<b>2b</b>	
<b>c</b>	Other losses . . . . .	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.) . . . . .	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b> . . . . .	<b>2e</b>	
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b> . . . . .	<b>3</b>	<b>6,139,063</b>
<b>4</b>	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b . . . . .	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII.) . . . . .	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b> . . . . .	<b>4c</b>	
<b>5</b>	Total expenses. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 18.) . . . . .	<b>5</b>	<b>6,139,063</b>

**Part XIII Supplemental Information**

Complete this part to 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.

Schedule D, Part V, Line 4 - The general endowment is to provide funds for capital and other corporate purposes for the Elant entities

subject to the approval of the Foundation board.

-----

-----

-----

-----

-----

-----

-----

-----

-----

-----



**SCHEDULE J  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**Compensation Information**  
For certain Officers, Directors, Trustees, Key Employees, and Highest  
Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990,  
Part IV, line 23.  
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

**2012**

**Open to Public  
Inspection**

Employer identification number

13-4082972

Elant Inc

**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 checked="" 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 . . . . .

	Yes	No
<b>1b</b>		✓
<b>2</b>	✓	
<b>4a</b>		✓
<b>4b</b>		✓
<b>4c</b>		✓
<b>5a</b>		✓
<b>5b</b>		✓
<b>6a</b>		✓
<b>6b</b>		✓
<b>7</b>		✓
<b>8</b>		✓
<b>9</b>		

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and 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 checked="" type="checkbox"/> Compensation committee              | <input type="checkbox"/> Written employment contract                                |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" 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? . . . . .
- b** Participate in, or receive payment from, a supplemental nonqualified retirement plan? . . . . .
- c** Participate in, or receive payment from, an equity-based compensation arrangement? . . . . .

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) and 501(c)(4) 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? . . . . .
  - b** Any related organization? . . . . .
- 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? . . . . .
  - b** Any related organization? . . . . .
- 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 . . . . .

**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 . . . . .

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

**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 reported as deferred in prior Form 990
	(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation	(iv) Other reportable compensation				
1 Todd A Whitney, President&CEO	(i) 340,385		(iii) 10,423			12,423	363,231	346,380
2 Sylvia McTigue, Chief Administrative Officer	(i) 227,954					19,572	247,526	139,326
3 Christine Wise, VP Placement Management	(i) 180,770					2,012	182,782	177,256
4 Mary Jo Jobity, Acting CFO	(i) 173,679					1,628	175,307	155,752
5 Donna Frazier, Corporate Director of Rehabilitation	(i) 134,420					5,531	139,951	
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								



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

Department of the Treasury  
Internal Revenue Service

**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

**2012**

**Open to Public  
Inspection**

Name of the organization

Elant Inc.

Employer identification number

13-4082972

Form 990, Part VI, Section A, Line 6 - Elant Inc has 16 board members.

Form 990, Part VI, Section A, Line 7a - The board members may elect members to the governing body.

Form 990, Part VI, Section A, Line 7b - The decisions of the governing body are subject to the approval of the board members.

Form 990, Part VI, Section B, Line 11b - The 990s are prepared and available for review at a board meeting.

Form 990, Part VI, Section B, Line 12c - Every year Elant Inc files a new Conflict of Interest form which is then reviewed by the  
Compliance Officer.

Form 990, Part VI, Section B, Line 15b - Elant Inc has a separate compensation committee that engages outside consultants to  
prepare salary comparisons. This report is submitted to the Board of Directors. The board reviews and a decision is made on salary  
levels for these positions.

Form 990, Part VI, Section C, Line 19 - Elant Inc makes its governing documents, conflict of interest policy, and financial statements  
available to the public on request.

Form 990, Part XI, Line 9 - Pension related changes other than net periodic pension cost (\$334,097)



**SCHEDULE R  
(Form 990)**

Department of the Treasury  
Internal Revenue Service  
Name of the organization

**Related Organizations and Unrelated Partnerships**

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.  
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

**2012**

**Open to Public  
Inspection**

Employer identification number  
13-4082972

**Part I Identification of Disregarded Entities** (Complete if the organization answered "Yes" to 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) .....					
(2) .....					
(3) .....					
(4) .....					
(5) .....					
(6) .....					

**Part II Identification of Related Tax-Exempt Organizations** (Complete if the organization answered "Yes" to 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) Elant at Goshen, Inc. (13-3193355) 46 Harriman Drive, Goshen, NY 10924	SNF, Adult Home	NY	501(c)(3)		9 N/A		✓
(2) Glen Arden, Inc. (06-1368298) 46 Harriman Drive, Goshen, NY 10924	ILU, SNF, EHU	NY	501(c)(3)		9 N/A		✓
(3) Elant Choice, Inc. (13-3934289) 46 Harriman Drive, Goshen, NY 10924	Managed Care	NY	501(c)(3)		9 N/A		✓
(4) Elant at Brandywine, Inc. (30-0282166) 46 Harriman Drive, Goshen, NY 10924	SNF	NY	501(c)(3)		9 N/A		✓
(5) Elant Foundation, Inc. (06-1276072) 46 Harriman Drive, Goshen, NY 10924	Fundraising	NY	501(c)(3)		9 N/A		✓
(6) Elant at Newburgh, Inc. dba Elant at Meadow Hill (22-3763629) 46 Harriman Drive, Goshen, NY 10924	SNF	NY	501(c)(3)		9 N/A		✓
(7) Elant at Fishkill, Inc. (05-0625882) 446 Harriman Drive, Goshen, NY 10924	SNF	NY	501(c)(3)		9 N/A		✓

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

Cat. No. 50135Y

Schedule R (Form 990) 2012

**Part III Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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" to 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" to 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.

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

**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 other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) Elant at Goshen	q	1,458,110	
(2) Glen Arden	q	584,448	
(3) Elant Choice	p	628,531	
(4) Elant at Brandywine	q	412,589	
(5) Elant Foundation	q	88,027	
(6) Elant at Newburgh dba Elant at Meadow Hill	q	1,191,838	

**Part VI** **Unrelated Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" to 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 section 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) .....													



**Part V** Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

	(a) Name of other organization	(b) Transaction type (a-t)	(c) Amount involved
(7)	Elant Choice	S	506,153
(8)	Elant Foundation	S	74,747
(9)	Elant at Newburgh dba Elant at Meadow Hill	S	2,253,382
(10)	Elant at Fishkill	S	2,330,928
(11)			
(12)			
(13)			
(14)			
(15)			
(16)			
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			



**Part V** Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

	(a) Name of other organization	(b) Transaction type (a-f)	(c) Amount involved
(7)	Elant at Fishkill	q	1,192,719
(8)	Elant at Goshen	i	1,295,676
(9)	Glen Arden	i	609,386
(10)	Elant Choice	i	1,144,652
(11)	Elant at Brandywine	i	608,940
(12)	Elant at Newburgh dba Elant at Meadow Hill	i	1,176,744
(13)	Elant at Fishkill	i	1,680,540
(14)	Elant at Goshen	e	2,566,500
(15)	Glen Arden	d	845,500
(16)	Elant Choice	e	376,000
(17)	Elant at Brandywine	d	1,997,000
(18)	Elant at Newburgh dba Elant at Meadow Hill	e	416,500
(19)	Elant at Fishkill	e	532,000
(20)	Elant at Goshen	r	1,800,000
(21)	Glen Arden	s	1,300,000
(22)	Elant at Brandywine	s	2,631,986
(23)	Elant at Goshen	s	2,422,898
(24)	Glen Arden	s	194,768



**Elant, Inc. and Subsidiary**  
Consolidated Financial Statements  
December 31, 2012 and 2011

**Independent Auditors' Report****Board of Directors  
Elant, Inc. and Subsidiary**

We have audited the accompanying consolidated financial statements of Elant, Inc and Subsidiary ("Elant"), which comprise the consolidated statements of financial position as of December 31, 2012 and 2011, and the related consolidated statements of operations and changes in net asset deficiency and cash flows for the years then ended, and the related notes to the consolidated statements.

***Management's Responsibility for the 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.

***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits 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 of 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 auditors' 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 consolidated financial position of Elant, Inc and Subsidiary as of December 31, 2012 and 2011, and the changes in their net asset deficiency and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

O'CONNOR DAVIES, LLP

500 Mamaroneck Avenue, Suite 301, Harrison, NY 10528 | Tel. 914.381 8900 | Fax: 914.381 8910 | [www.odpkf.com](http://www.odpkf.com)

***Report on Supplemental Information***

Our audit's were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental schedules on pages 16 and 17 are presented for purposes of additional analysis and are not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*O'Connor Davies, LLP*

Harrison, New York  
November 6, 2013

**Elant, Inc. and Subsidiary**  
**Consolidated Statements of Financial Position**

	December 31,	
	2012	2011
<b>ASSETS</b>		
Cash and cash equivalents	\$ 225,453	\$ 7,859
Accounts receivable	128,224	80,699
Investments	30,909	26,620
Prepaid expenses and other assets	67,853	56,231
Due from affiliates	2,025,279	1,606,732
Acquisition, development and construction costs	4,250,000	4,434,578
Fixed and movable equipment, net	234,545	123,949
	\$ 6,962,263	\$ 6,336,668
 <b>LIABILITIES AND NET ASSET DEFICIENCY</b>		
Liabilities		
Accounts payable	\$ 333,623	\$ 273,725
Accrued expenses	218,487	212,958
Accrued salaries and related benefits	1,570,284	1,942,205
Due to affiliates	2,278,897	1,712,126
Capital lease obligation	107,763	-
Pension liability	2,053,568	1,415,065
Loans payable	3,533,469	3,607,623
Total Liabilities	10,096,091	9,163,702
Unrestricted net asset deficiency	(3,133,828)	(2,827,034)
	\$ 6,962,263	\$ 6,336,668

See notes to consolidated financial statements

**Elant, Inc. and Subsidiary**

Consolidated Statements of Operations and Changes in Net Asset Deficiency

	<u>Year Ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
<b>OPERATING REVENUE</b>		
Service fees	\$ 6,205,753	\$ 6,309,077
Donations	6,301	11,766
Investment income	9,401	1,750
Total Operating Revenue	<u>6,221,455</u>	<u>6,322,593</u>
<b>OPERATING EXPENSES</b>		
Salaries	2,651,631	3,085,329
Employee benefits	626,342	753,706
Supplies and other expenses	888,661	745,138
Interest	134,221	168,229
Depreciation	88,812	59,886
Reserve for uncollectible receivables from affiliate	-	709,867
Total Operating Expenses	<u>4,389,667</u>	<u>5,522,155</u>
Excess of Revenue over Expenses from Operations	1,831,788	800,438
<b>OTHER CHANGES IN NET ASSET DEFICIENCY</b>		
Unrealized gain (loss) on investments	2,539	(482)
Recovery of administrative service charges from affiliate previously forgiven	392,000	-
Loan forgiveness to/from affiliates, net	(2,014,446)	(1,340,000)
Write off of previously capitalized development costs	(184,578)	-
Pension-related changes other than net periodic pension cost	(334,097)	256,087
Total Other Changes in Net Asset Deficiency	<u>(2,138,582)</u>	<u>(1,084,395)</u>
Change in Net Asset Deficiency	(306,794)	(283,957)
<b>NET ASSET DEFICIENCY</b>		
Beginning of year	<u>(2,827,034)</u>	<u>(2,543,077)</u>
End of year	<u>\$ (3,133,828)</u>	<u>\$ (2,827,034)</u>

See notes to consolidated financial statements

**Elant, Inc. and Subsidiary**  
Consolidated Statements of Cash Flows

	Year Ended December 31,	
	2012	2011
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (306,794)	\$ (283,957)
Adjustments to reconcile change in net assets to net cash from operating activities		
Depreciation	88,812	59,886
Unrealized (gain) loss on investments	(2,539)	482
Loan forgiveness to/from affiliate	2,014,446	1,340,000
Write off of previously capitalized development costs	184,578	-
Reserve for uncollectible receivables from affiliate	-	709,867
Pension benefit costs	334,097	(256,087)
Net changes in operating assets and liabilities		
Accounts receivable	(47,525)	(30,453)
Prepaid expenses and other assets	(11,622)	(17,332)
Due to/from affiliates, net	(2,914,724)	(2,020,836)
Accounts payable and accrued expenses	65,429	131,653
Accrued salaries and related benefits	(371,921)	392,403
Funded status of pension plan	304,406	(567,513)
	<u>(663,357)</u>	<u>(541,887)</u>
Net Cash from Operating Activities		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of investments	(1,750)	(1,750)
Acquisition of fixed and movable equipment	(73,387)	(22,895)
	<u>(75,137)</u>	<u>(24,645)</u>
Net Cash from Investing Activities		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Due to/from affiliates, net	1,048,500	691,500
Proceeds from loans payable	20,631	-
Repayment of capital lease	(18,258)	-
Repayment of loans payable	(94,785)	(127,049)
	<u>956,088</u>	<u>564,451</u>
Net Cash from Financing Activities		
Net Change in Cash and Cash Equivalents	217,594	(2,081)
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	7,859	\$ 9,940
End of year	<u>\$ 225,453</u>	<u>\$ 7,859</u>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Cash paid during the year for interest	\$ 127,089	\$ 168,229
Non-Cash Financing Activities		
Purchase of equipment with capital lease	(126,021)	-

See notes to consolidated financial statements

## **Elant, Inc. and Subsidiary**

### **Notes to Consolidated Financial Statements December 31, 2012 and 2011**

#### **1. Organization**

Elant, Inc. ("Elant"), established January 1, 2001, provides administrative services which include human resources, information systems, marketing and finance and administration to its affiliated healthcare organizations. Elant is located in Goshen, New York, and is incorporated under the State of New York not-for-profit corporation law and is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Lifestyle Concepts, LLC ("Lifestyle"), a wholly owned subsidiary of Elant, Inc., which was established in November 2000, acquires and develops housing and healthcare facilities. In addition, Lifestyle provides proprietary management service and consulting agreements to explore alternative healthcare service arrangements.

Elant and Lifestyle share certain common board members with Glen Arden, Inc. ("Glen Arden"), Elant at Goshen ("Goshen"), Elant Choice, Inc. ("Choice"), Elant at Brandywine, Inc. ("Brandywine"), Elant Foundation, Inc. ("Foundation"), Elant at Fishkill, Inc. ("Fishkill") and Elant at Newburgh, Inc. d/b/a Elant at Meadow Hill ("Meadow Hill"). Collectively these entities are known as the Elant affiliates in these financial statements. The financial statements of the affiliated organizations are not included in these consolidated financial statements because they are not controlled by Elant and Elant does not have an economic or financial interest in them.

#### **2. Summary of Significant Accounting Policies**

##### ***Basis of Presentation and Use of Estimates***

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which requires management to make estimates and assumptions that affect the reported amounts of the consolidated assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly actual results could differ from those estimates.

Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of Elant and changes therein are classified and reported as unrestricted net assets, temporarily restricted net assets and permanently restricted net assets. Contributions restricted for Elant's operating programs whose restrictions are met in the same reporting period are reported as unrestricted.

##### ***Principles of Consolidation***

These consolidated financial statements include the accounts of Elant and its wholly-owned subsidiary, Lifestyle, a New York Limited Liability Company. All material intercompany accounts and transactions have been eliminated in consolidation.

##### ***Cash and Cash Equivalents***

Cash and cash equivalents include investments in highly liquid debt instruments with maturity dates of three months or less at the time of purchase. Cash balances with financial institutions at times may exceed federally insured limits.

## **Elant, Inc. and Subsidiary**

Notes to Consolidated Financial Statements  
December 31, 2012 and 2011

### **2. Summary of Significant Accounting Policies *(continued)***

#### ***Allowance for Uncollectible Receivables***

An allowance for uncollectible receivables is estimated based on a combination of write-off history, aging analysis and any specific known troubled accounts. At December 31, 2012 and 2011, management has concluded that an allowance is not required.

#### ***Fair Value Measurements***

Elant follows U.S. GAAP guidance on Fair Value Measurements which defines fair value and establishes a fair value hierarchy organized into three levels based upon input assumptions used in pricing assets. Level 1 inputs have the highest reliability and are related to assets with unadjusted quoted prices in active markets. Level 2 inputs relate to assets with other than quoted prices in active markets which may include quoted prices for similar assets or liabilities or other inputs which can be corroborated by observable market data. Level 3 inputs are unobservable inputs and are used to the extent that observable inputs do not exist.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

#### ***Investment Income Recognition***

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date. Realized and unrealized gains and losses are included in the determination of the change in net assets.

#### ***Acquisition, Development and Construction Costs***

Costs incurred in the acquisition and development of housing and healthcare facilities including engineering, architectural and construction costs as well as interest and real estate taxes are capitalized. When the property is acquired, acquisition and development costs are reclassified and included in the cost of the property acquired and sold to a newly formed operating entity. If it becomes probable that the property will not be acquired, the capitalized costs are charged to expense.

#### ***Fixed and Movable Equipment***

Fixed and movable equipment are carried at cost and those acquired by gifts are capitalized at appraised or fair value established at date of contribution. The carrying amounts of assets and the related accumulated depreciation are removed from the accounts when such assets are disposed of and any resulting gain or loss is included in operations. Depreciation of property, plant and equipment used in operations is computed using the straight-line method over the estimated useful lives of the assets. Estimated useful lives range from three to fifteen years.

## Elant, Inc. and Subsidiary

Notes to Consolidated Financial Statements  
December 31, 2012 and 2011

### 2. Summary of Significant Accounting Policies *(continued)*

#### ***Operating Measure***

Elant has elected to present an operating measure in its consolidated statements of operations and changes in net asset deficiency. Accordingly, items affecting operations are segregated from those not affecting operations. Items that are not part of operations include unrealized gains and losses on investments, recovery of administrative service charges previously forgiven, loan forgiveness to/from affiliates, write off of previously capitalized development cost and pension liability adjustments, not yet included in net periodic cost.

#### ***Advertising Costs***

Advertising costs are expensed as incurred. For the years ending December 31, 2012 and 2011 advertising costs were \$38,782 and \$28,441.

#### ***Asset Impairment***

Elant evaluates its long-lived assets for impairment on an annual basis or whenever events or changes in circumstances would indicate that the carrying value of assets may not be recoverable. Long-lived assets would be deemed to be impaired if the forecast of undiscounted future net cash flows is less than the carrying value of the assets. During 2012, Elant recognized an impairment loss of approximately \$185,000 on the Elant Place project, which is more fully discussed in Note 10. There were no impairment losses recognized in 2011.

#### ***Accounting for Uncertainty in Income Taxes***

Elant and Lifestyles recognize the effects of income tax positions only if they are more likely than not to be sustained. Management has determined that Elant and Lifestyles had no uncertain tax positions that would require financial statement recognition and/or disclosure. Elant and Lifestyle are no longer subject to examinations by applicable taxing jurisdictions for periods prior to 2009.

#### ***Subsequent Events Evaluation by Management***

Management has evaluated subsequent events for disclosure and/or recognition in the consolidated financial statements through the date that the consolidated financial statements were available to be issued, which date is November 6, 2013.

### 3. Fixed and Movable Equipment, Net

Fixed and movable equipment, net consists of the following at December 31:

	<u>2012</u>	<u>2011</u>
Fixed equipment	\$ 900,335	\$ 721,558
Movable equipment	<u>94,969</u>	<u>74,338</u>
	995,304	795,896
Accumulated depreciation	<u>(760,759)</u>	<u>(671,947)</u>
	<u>\$ 234,545</u>	<u>\$ 123,949</u>

## Elant, Inc. and Subsidiary

### Notes to Consolidated Financial Statements December 31, 2012 and 2011

#### 4. Investments

The following are major categories of investments and those measured at fair value on a recurring basis categorized by the fair value hierarchy as of December 31:

Level 2 (Significant Observable Inputs)	2012	2011
U.S. Government bonds	\$ 25,870	\$ 23,331
Total Investments at Fair Value	25,870	23,331
Cash equivalents	5,039	3,289
Total Investments	\$ 30,909	\$ 26,620

Investment income consists of the following for the years ended December 31, 2012 and 2011:

	2012	2011
Investment income	\$ 9,401	\$ 1,750
Unrealized gain (loss)	2,539	(482)
	\$ 11,940	\$ 1,268

#### 5. Capital Lease

During 2012, Elant entered into a capital lease agreement to finance the purchase of equipment. The term of the lease is 30 months with a maturity date of January 2015. The cost of this equipment of \$151,021 and accumulated depreciation of \$25,170 are included in equipment on the consolidated statements of financial position at December 31, 2012. Monthly payments of principal and interest are \$4,945 with an interest rate of 13%.

Future lease payments at December 31 are due as follows:

	Total Payments	Interest	Principal
2013	\$ 59,342	\$ 11,268	\$ 48,074
2014	59,342	4,597	54,745
2015	4,945	1	4,944
	\$ 123,629	\$ 15,866	\$ 107,763

## Elant, Inc. and Subsidiary

### Notes to Consolidated Financial Statements December 31, 2012 and 2011

#### 6. Loans Payable

Lifestyle has a construction loan from a bank outstanding at December 31, 2012 and 2011. Proceeds from the loan were used for the Elant Place project. The site development and construction loans provide for monthly interest payments at prime plus 1.25% through their original maturity date on September 1, 2012, at which time Lifestyles refinanced the loans. The new agreements call for combined monthly principal payments of \$14,683 plus interest at prime plus 1.25% through the new maturity date of September 1, 2017, at which time the balance of all principal and interest is due. The principal balance outstanding on the site development and construction loans as of December 31, 2012 and 2011 was \$3,509,294 and \$3,593,437. This obligation is secured by the land and all improvements. Elant, Inc. has entered into an agreement with the bank to guarantee up to \$1.2 million of Lifestyle's obligation.

Elant has a \$32,700 loan payable which bears interest at 9.19% per annum. The note provides for monthly payments of principal and interest of \$684 through its maturity in October 2013. The principal balance outstanding as of December 31, 2012 and 2011 was \$6,982 and \$14,186.

In February 2012, Elant, Inc purchased a new vehicle in the amount of \$20,631. The loan calls for monthly principal payments of \$344 through the loan's maturity date on February 27, 2017. The balance at December 31, 2012 was \$17,193.

The maturities of loans payable for each of the next five years are payable as follows:

2013	\$ 187,352
2014	180,322
2015	180,322
2016	180,322
2017	<u>2,805,151</u>
	<u>\$ 3,533,469</u>

#### 7. Operating Leases

Elant has various operating leases expiring through 2015. Total rental expense under operating leases for the years ended December 31, 2012 and 2011 aggregated approximately \$21,000 and \$23,000.

The minimum annual lease payments as of December 31, 2012 are as follows:

2013	\$ 4,632
2014	4,632
2015	<u>4,632</u>
	<u>\$ 13,896</u>

## Elant, Inc. and Subsidiary

### Notes to Consolidated Financial Statements December 31, 2012 and 2011

#### 8. Related Party Transactions

Elant receives a monthly fee for services which include human resources, information systems, marketing and development and finance and administration. Periodically, Elant may provide services to or purchase services (from) other affiliated organizations as well as provide advances to other affiliates.

During 2012 and 2011, the management of Elant forgave administrative service charges and cash advances incurred on behalf of Brandywine in the amount of approximately \$2,514,000 and \$1,748,000. In 2012, Elant forgave administrative service charges and cash advances paid on behalf of Glen Arden in the amount of \$1,300,000.

During 2012, the management of Elant reinstated and collected Choice's 2009 administrative costs in the amount of \$392,000. Elant had forgiven these charges in 2009.

During 2012, the management of Elant at Goshen forgave advances of \$1,800,000. During 2011, the management of Elant at Fishkill forgave advances \$408,000. Also, during 2011, the management of Elant reserved \$709,867 for uncollectible receivables from Brandywine. This amount has not been forgiven and is still payable.

In 2011, Elant entered into an equipment lease agreement with Brandywine. The lease provides for 9% interest and extends 60 months from the first payment in January 2012. In October 2012, Elant entered into an additional equipment lease agreement with Brandywine. The lease provides for 9% interest and extends 60 months from the first payment in November 2012. The balance outstanding as of December 31, 2012 and 2011 was \$128,224 and \$80,699 and is included in accounts receivable in the consolidated statements of financial position.

Elant's transactions and balance due (to) from affiliates, are summarized as follows:

	Glen		Choice	Brandywine	Foundation	Meadow		Total
	Goshen	Arden				Hill	Fishkill	
Balance, January 1, 2011	\$ (91,146)	\$ (1,894,949)	\$ (108,825)	\$ 2,862,894	\$ 2,268	\$ 144,420	\$ (299,525)	\$ 615,137
<b>2011 Activity</b>								
Provided (purchased) services	\$ 1,426,538	\$ 890,378	\$ (32,382)	\$ 266,749	\$ 37,360	\$ 1,421,629	\$ 573,479	\$ 4,583,751
Management fees	1,445,340	580,956	519,849	711,108	-	1,194,665	1,859,631	6,311,549
Cash advances to (from) affiliates	(801,000)	121,000	(30,000)	603,500	-	(197,000)	(388,000)	(691,500)
Loan forgiveness	-	-	-	(1,748,000)	-	-	408,000	(1,340,000)
Reserve for uncollectible receivables from affiliate	-	-	-	(709,867)	-	-	-	(709,867)
Payments to (from) affiliates	(2,789,409)	(187,791)	(345,324)	(414,301)	(40,415)	(2,532,383)	(2,564,841)	(8,874,464)
Balance, December 31, 2011	\$ (809,677)	\$ (490,406)	\$ 3,318	\$ 1,572,083	\$ (787)	\$ 31,331	\$ (411,256)	\$ (105,394)
<b>2012 Activity</b>								
Provided (purchased) services	\$ 1,458,110	\$ 584,448	\$ (628,531)	\$ 412,589	\$ 88,027	\$ 1,191,838	\$ 1,192,719	\$ 4,299,200
Management fees	1,295,676	609,386	752,652	608,940	-	1,176,744	1,680,540	6,123,938
Cash advances to (from) affiliates	(2,566,500)	845,500	(376,000)	1,997,000	-	(416,500)	(532,000)	(1,048,500)
Loan forgiveness	1,800,000	(1,300,000)	-	(2,514,446)	-	-	-	(2,014,446)
Other Change	-	-	392,000	-	-	-	-	392,000
Payments to (from) affiliates	(2,422,898)	(194,768)	(506,153)	(117,540)	(74,747)	(2,253,382)	(2,330,928)	(7,900,416)
Balance, December 31, 2012	\$ (1,245,289)	\$ 54,160	\$ (362,714)	\$ 1,958,626	\$ 12,493	\$ (269,969)	\$ (400,925)	\$ (253,618)

## Elant, Inc. and Subsidiary

### Notes to Consolidated Financial Statements December 31, 2012 and 2011

#### 9. Defined Benefit Pension Plan

Elant Inc.'s employees participate in the Elant Inc. Employee Retirement Plan (the "Plan") which is a noncontributory defined benefit plan. The Plan's benefits are based on a percentage of compensation for the years of service provided by employees. Elant's funding policy is to make contributions to the Plan equivalent to the amount necessary to meet the minimum funding requirements of the Employee's Retirement Income Security Act of 1974 ("ERISA"). The assets of the Plan are available to satisfy all obligations of the Plan and all affiliated organizations are jointly responsible for the Plan.

The Plan allocates Plan assets and liabilities to the separate Elant affiliated organizations. Pension expense and contributions by Elant Inc. are based upon amounts specified by Elant, which approximate the percentage of Elant Inc. employees using the Plan. Elant uses a December 31 measurement date for the Plan.

In 2009, the Plan was amended so that no employee hired on or after December 1, 2009 by Elant, Inc. or any affiliated employer be permitted to become an active participant and accrue benefits under the Plan. During 2011, the Plan was amended such that current participants ceased to earn benefits under the Plan.

Information as of and for the years ended December 31, regarding the Plan and the portion attributed to Elant Inc. follows:

	Elant Inc		Plan	
	2012	2011	2012	2011
Projected benefit obligation	\$ 5,341,465	\$ 4,663,631	\$ 14,557,791	\$ 12,528,799
Fair value of Plan assets	<u>3,287,897</u>	<u>3,248,566</u>	<u>8,960,937</u>	<u>8,161,571</u>
Funded Status	<u>\$ (2,053,568)</u>	<u>\$ (1,415,065)</u>	<u>\$ (5,596,854)</u>	<u>\$ (4,367,228)</u>
Accumulated benefit obligation	\$ 5,341,465	\$ 4,663,631	\$ 14,557,791	\$ 12,528,799
Net pension cost recognized in statement of activities	85,002	156,822	228,608	354,979
Curtailment loss included in net pension cost	-	17,486	-	45,470
Amortization of amounts previously not recognized as a component of net periodic cost	85,002	119,866	302,994	301,146
Accrued pension cost recognized in statement of financial position	2,053,568	1,415,065	5,596,854	4,367,228
Employer contributions to Plan during the year	113,369	385,571	305,218	968,694
Benefits paid during the year	138,072	102,092	371,721	262,207

Employer contributions expected to be paid during the year ending December 31, 2012 approximate \$195,000 of which the portion attributed to Elant Inc. is \$72,000.

The following table reflects the amounts recognized as changes in unrestricted net assets arising from the Plan at December 31, 2012 and 2011 that have not yet been recognized in net periodic pension cost and the portion of such amounts that are expected to be recognized in net periodic pension cost during the year ending December 31, 2012.

## Elant, Inc. and Subsidiary

### Notes to Consolidated Financial Statements December 31, 2012 and 2011

#### 9. Defined Benefit Pension Plan *(continued)*

	2012		2011		2013	
	Elant Inc	Plan	Elant Inc	Plan	Elant Inc	Plan
Unrecognized actuarial loss (gain)	\$ 2,191,132	\$ 5,971,775	\$ 1,857,035	\$ 4,665,541	\$ (149,871)	\$ (408,460)

The following are weighted-average assumptions used to determine benefit obligations and net periodic benefit cost as of and for the years ended December 31:

	Elant Inc				Plan			
	Benefit Obligation		Periodic Benefit Cost		Benefit Obligation		Periodic Benefit Cost	
	2012	2011	2012	2011	2012	2011	2012	2011
Discount rate	4.33%	5.09%	5.09%	5.51%	4.33%	5.09%	5.09%	5.51%
Rate of compensation increase	0.00%	0.00%	3.00%	3.80%	0.00%	0.00%	3.00%	3.80%
Expected long-term return on plan assets			8.50%	8.50%			8.50%	8.50%

The following table shows estimated future benefit payments expected to be paid from the Plan for each of the years in the period ended December 31 and for the subsequent five years in the aggregate:

	Elant Inc.	Plan
2013	\$ 150,124	\$ 404,165
2014	168,947	454,841
2015	183,245	493,334
2016	198,327	533,939
2017	210,003	565,372
2018 to 2022	1,396,265	3,759,049

The expected long-term return on Plan assets assumption is based on a periodic review and modeling of the asset allocation and liability structure over a long-term horizon. Expectations of returns for each asset class are the most important of the assumptions used in the review and modeling and are based on comprehensive reviews of historical data and economic/financial market theory. The expected long-term rate of return on assets was selected from within the reasonable range of rates determined by (a) historical rates of returns, net of inflation, for the asset classes covered by the investment policy, and (b) projections of inflation over the long-term period during which benefits are payable to Plan participants.

#### ***Plan Assets***

Elant's overall investment strategy is to achieve a mix of approximately 60% to 70% in equities and 30% to 40% in fixed income securities. The target allocations for Plan assets are 65% equity securities and 35% corporate bonds and government and agency obligations. Equity securities primarily include investments in common stock and mutual funds. Fixed income securities include corporate bonds of companies from diversified industries and U.S. Treasuries.

**Elant, Inc. and Subsidiary**

Notes to Consolidated Financial Statements  
December 31, 2012 and 2011

**9. Defined Benefit Pension Plan (continued)**

The fair values of the Plan assets at December 31, by asset category categorized according to the fair value hierarchy for those investments measured at fair value, are as follows:

Asset Category	December 31, 2012		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)
Marketable securities by industry			
Technology	\$ 1,083,229	\$ 1,083,229	\$ -
Services	673,062	673,062	-
Healthcare	948,073	948,073	-
Oil and gas	693,014	693,014	-
Financial	529,744	529,744	-
Industrial goods	486,901	486,901	-
Consumer goods	224,499	224,499	-
Conglomerates	193,520	193,520	-
Equity mutual funds			
International	419,089	419,089	-
Domestic growth and income	285,744	285,744	-
Corporate bonds	2,439,540	-	2,439,540
Government securities			
State and local government	379,032	-	379,032
Total	8,355,447	<u>\$ 5,536,875</u>	<u>\$ 2,818,572</u>
Cash	605,490		
Total	<u>\$ 8,960,937</u>		

**Elant, Inc. and Subsidiary**

Notes to Consolidated Financial Statements  
December 31, 2012 and 2011

**9. Defined Benefit Pension Plan (continued)**

December 31, 2011			
Asset Category	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)
Marketable securities by industry:			
Technology	\$ 991,603	\$ 991,603	\$ -
Services	711,254	711,254	-
Healthcare	719,374	719,374	-
Oil and gas	509,343	509,343	-
Financial	329,862	329,862	-
Industrial goods	425,515	425,515	-
Consumer goods	215,712	215,712	-
Conglomerates	165,940	165,940	-
Equity mutual funds			
International	307,240	307,240	-
Domestic growth and income	274,092	274,092	-
Corporate bonds	2,317,873	-	2,317,873
Government securities			
State and local government	602,117	-	602,117
Total	7,569,925	<u>\$ 4,649,935</u>	<u>\$ 2,919,990</u>
Cash	591,646		
Total	<u>\$ 8,161,571</u>		

**10. Asset Impairment**

In 2012, Elant recognized an impairment in the value of its Elant Place project due to the decline in the real estate market. The services of an appraiser were used to determine fair market value. The impairment charges of approximately \$185,000 represents the difference between the fair value of the asset and its carrying value and is included as a write off of previously capitalized development costs in the consolidated statements of operations and changes in net asset deficiency.

\*\*\*\*\*

**Elant, Inc. and Subsidiary**

Supplemental Information  
December 31, 2012 and 2011



**Elant, Inc. and Subsidiary**

Consolidating Schedules of Operations and Change in Net Asset Deficiency

	Year Ended December 31,			Year Ended December 31,				
	2012			2011				
	Elant, Inc.	Lifestyle Concepts, LLC	Eliminations	Total	Elant, Inc.	Lifestyle Concepts, LLC	Eliminations	Total
<b>OPERATING REVENUE</b>								
Service fees	\$ 6,176,192	\$ 29,561	-	\$ 6,205,753	\$ 6,292,665	\$ 16,412	\$ -	\$ 6,309,077
Donations	6,301	-	-	6,301	11,766	-	-	11,766
Investment income	9,401	-	-	9,401	1,750	-	-	1,750
Total Operating Revenue	<u>6,191,894</u>	<u>29,561</u>	-	<u>6,221,455</u>	<u>6,306,181</u>	<u>16,412</u>	-	<u>6,322,593</u>
<b>OPERATING EXPENSES</b>								
Salaries	2,651,631	-	-	2,651,631	3,085,329	-	-	3,085,329
Employee benefits	626,342	-	-	626,342	753,706	-	-	753,706
Supplies and other expenses	874,200	14,461	-	888,661	706,841	38,297	-	745,138
Interest	7,132	127,089	-	134,221	1,625	166,604	-	168,229
Depreciation	88,812	-	-	88,812	59,886	-	-	59,886
Reserve for uncollectible receivables from affiliate	-	-	-	-	709,867	-	-	709,867
Total Operating Expenses	<u>4,248,117</u>	<u>141,550</u>	-	<u>4,389,667</u>	<u>5,317,254</u>	<u>204,901</u>	-	<u>5,522,155</u>
Excess (Deficiency) of Revenue Over Expenses from Operations	1,943,777	(111,989)	-	1,831,788	988,927	(188,489)	-	800,438
<b>OTHER CHANGES IN NET ASSET DEFICIENCY</b>								
Unrealized gain (loss) on investments	2,539	-	-	2,539	(482)	-	-	(482)
Recovery of administrative service charges to affiliate previously forgiven	392,000	-	-	392,000	-	-	-	-
Loan forgiveness to affiliate	(2,282,946)	-	268,500	(2,014,446)	(1,628,856)	-	288,856	(1,340,000)
Loan forgiveness by affiliate	-	268,500	(268,500)	-	288,856	(288,856)	-	-
Write off of previously capitalized development costs	-	(184,578)	-	(184,578)	-	-	-	-
Pension-related changes other than net periodic pension cost	(334,097)	-	-	(334,097)	256,087	-	-	256,087
Total Other Changes in Net Assets Deficiency	<u>(2,222,504)</u>	<u>83,922</u>	-	<u>(2,138,582)</u>	<u>(1,373,251)</u>	<u>288,856</u>	-	<u>(1,084,395)</u>
Change in Net Assets (Deficiency)	(278,727)	(28,067)	-	(306,794)	(384,324)	100,367	-	(283,957)
<b>NET ASSETS (DEFICIENCY)</b>								
Beginning of year	(2,999,454)	172,430	-	(2,827,024)	(2,615,140)	72,063	-	(2,543,077)
End of year	<u>(3,278,191)</u>	<u>144,363</u>	\$ -	<u>(3,133,828)</u>	<u>(2,999,464)</u>	<u>172,430</u>	\$ -	<u>(2,827,034)</u>