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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

THE ORGANIZATION'S MISSION IS TO PROVIDE THE PEOPLE OF CENTRAL FLORIDA COMPASSIONATE, COMPREHENSIVE, AND COST EFFECTIVE BEHAVIORAL HEALTH CARE SERVICES THAT FOCUS ON INDIVIDUALIZED RECOVERY

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 \$ 19,829,977 including grants of \$ 12,138) (Revenue \$ 16,306,572)

INPATIENT PSYCHIATRIC SERVICES - 196 BEDS FOR ADULTS AND CHILDREN PROVIDING SHORT-TERM INPATIENT CRISIS THE ADULT CRISIS STABILIZATION UNITS SEEK TO REDUCE THE NEED FOR PSYCHIATRIC HOSPITALIZATION AMONG THOSE PEOPLE EXHIBITING ACUTE MENTAL HEALTH DISORDERS BY PROVIDING INTENSIVE CHEMOTHERAPEUTIC STABILIZATION WITH ONGOING MEDICAL ASSESSMENT AND CARE, EDUCATION, TRAINING AND SOCIAL INTERACTIONS FOR MORE THAN 8,000 CLIENTS

4b

(Code) (Expenses \$ 4,404,625 including grants of \$) (Revenue \$ 57,451)

CRISIS SUPPORT / EMERGENCY - VOLUNTARY WALK-IN ASSESSMENT CENTER AND A CENTRAL INVOLUNTARY BAKER ACT RECEIVING FACILITY FOR ORANGE COUNTY THE CENTER ASSISTED 13,000 CLIENTS

4c

(Code) (Expenses \$ 14,996,564 including grants of \$) (Revenue \$ 11,599,291)

OUTPATIENT SERVICES - SERVING BOTH ADULTS AND CHILDREN THROUGH CASE MANAGEMENT, MEDICATION CLINICS, INTERVENTION AND OUTREACH THERAPY, AND TWO COMMUNITY PHARMACIES

(Code) (Expenses \$ 3,362,690 including grants of \$) (Revenue \$ 18,474,517)

RESIDENTIAL SERVICES - LEVEL TWO AND THREE FACILITIES PROVIDING AN 18 BED GROUP HOME AND SUPERVISED APARTMENT FOR UP TO 52 RESIDENTS THE FACILITY OFFERS A FULL RANGE OF THERAPEUTIC & PSYCHO-EDUCATIONAL ACTIVITIES

4d

Other program services (Describe in Schedule O)

(Expenses \$ 3,362,690 including grants of \$) (Revenue \$ 18,474,517)

4e




















Total program service expenses

42,593,856

Form 990 (2012)

Part IV

Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A 	1 Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	No
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	No
5 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? If "Yes," complete Schedule C, Part III	5	No
6 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? If "Yes," complete Schedule D, Part I 	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II 	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III 	8	No
9 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? If "Yes," complete Schedule D, Part IV 	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V 	10	No
11 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		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI 	11a Yes	
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? If "Yes," complete Schedule D, Part VII 	11b Yes	
c 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? If "Yes," complete Schedule D, Part VIII 	11c	No
d 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? If "Yes," complete Schedule D, Part IX 	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X 	11e Yes	
f 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)? If "Yes," complete Schedule D, Part X 	11f	No
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII 	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional 	12b Yes	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
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? If "Yes," complete Schedule F, Parts I and IV	14b	No
15 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? If "Yes," complete Schedule F, Parts II and IV	15	No
16 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? If "Yes," complete Schedule F, Parts III and IV	16	No
17 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? If "Yes," complete Schedule G, Part I (see instructions) 	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II 	18 Yes	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III 	19	No
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H 	20a Yes	
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? 	20b Yes	

Part IV

Checklist of Required Schedules (continued)

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

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
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.	97	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	0	
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c	Yes
2a	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.	2a	946
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).		2b	Yes
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?		3a	No
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.		3b	
4a 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)?		4a	No
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.			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b	No
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		5c	
6a 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?		6a	No
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b	
7 Organizations that may receive deductible contributions under section 170(c).			
a 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?		7a	No
b If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year.		7d	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f	No
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		7g	
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8	
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?		9a	
b Did the organization make a distribution to a donor, donor advisor, or related person?		9b	
10 Section 501(c)(7) organizations. Enter			
a Initiation fees and capital contributions included on Part VIII, line 12.		10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		10b	
11 Section 501(c)(12) organizations. Enter			
a Gross income from members or shareholders.		11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		12b	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.		13a	
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.		13b	
c Enter the amount of reserves on hand.		13c	
14a Did the organization receive any payments for indoor tanning services during the tax year?		14a	No
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		14b	

Part VI

Governance, Management, and Disclosure

For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 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
1a	Enter the number of voting members of the governing body at the end of the tax year	13	
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			
1b	Enter the number of voting members included in line 1a, above, who are independent	13	
2	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?	2	No
3	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?	3	No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	No
5	Did the organization become aware during the year of a significant diversion of the organization's assets?	5	No
6	Did the organization have members or stockholders?	6	No
7a	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?	7a	No
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	8a	Yes
8b	Each committee with authority to act on behalf of the governing body?	8b	Yes
9	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	9	No

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

		Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a	No
10b	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?	10b	
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	Yes
11b	Describe in Schedule O the process, if any, used by the organization to review this Form 990		
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes
12c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes
13	Did the organization have a written whistleblower policy?	13	Yes
14	Did the organization have a written document retention and destruction policy?	14	Yes
15	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?		
15a	The organization's CEO, Executive Director, or top management official	15a	Yes
15b	Other officers or key employees of the organization	15b	No
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	No
16b	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?	16b	

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply. <input type="checkbox"/> Own website <input type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request <input type="checkbox"/> 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 CARLA CAPONI CFO 1800 MERCY DRIVE SUITE 302 ORLANDO, FL (407) 875-3700

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, or 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) LYN W CAPRAUN DIRECTOR	2 00	X						0	0	0
(2) DAVID CHRISTNER DIRECTOR	2 00	X						0	0	0
(3) ANDREW DAVIS PAST CHAIR	2 00 2 00	X						0	0	0
(4) JOE GALLAGHER DIRECTOR	2 00 2 00	X						0	0	0
(5) DR MIMI HULL DIRECTOR	2 00	X						0	0	0
(6) HORTENSE C JONES DIRECTOR	2 00	X						0	0	0
(7) MARY PEREZ DIRECTOR	2 00	X						0	0	0
(8) MICHELLE WARD DIRECTOR	2 00	X						0	0	0
(9) LIN WILENSKY DIRECTOR	2 00 2 00	X						0	0	0
(10) SERENA E FRANK CHAIR	2 00	X		X				0	0	0
(11) DAVID R HEFFERNAN VICE CHAIR/ASST SECRETARY	2 00	X		X				0	0	0
(12) CARLOS MORELL TREASURER	2 00	X		X				0	0	0
(13) MARK CADY SECRETARY	2 00	X		X				0	0	0
(14) ANNE MILLER DIRECTOR	2 00 2 00	X						0	0	0
(15) VICKI GARNER EXECUTIVE VP/OPERATIONS	36 00 4 00			X				132,484	0	28,984
(16) CARLA CAPONI EXECUTIVE VP / CFO	36 00 4 00			X				136,331	0	29,177
(17) JOHN G KASSAB PRESIDENT/CEO	36 00 4 00			X				214,346	0	33,277

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			
(18) PEG SEYKORA VICE PRESIDENT	40 00			X				101,150	0	20,460
(19) JESSE TAN PHYSICIAN	40 00					X		356,059	0	38,263
(20) SANTIAGO DE LOS ANGELES PHYSICIAN	40 00					X		282,748	0	34,597
(21) FLORO PORCIUNCULA PHYSICIAN	40 00					X		270,967	0	23,798
(22) BAO DUONG PHYSICIAN	40 00					X		232,452	0	11,623
(23) RIFFAT QURESHI PHYSICIAN	40 00					X		248,351	0	32,878
1b Sub-Total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)								1,974,888	0	253,057

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▶16

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

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
SANJEEV SINGH MD 7512 DR PHILLIPS BLVD SUITE 50 ORLANDO FL 32819	PHYSICIAN	457,699
MOHAMMAD Y BHAGHANI 8936 SOUTHERN BREEZE DRIVE ORLANDO FL 32836	PHYSICIAN	434,875
CENTER FOR DRUG FREE LIVING 5029 NORTH LANE ORLANDO FL 32808	SUBSTANCE ABUSE ASSESSMENT TEAM	307,593
CENTRAL FLORIDA GERIATRIC PO BOX 940578 MAITLAND FL 32794	PHYSICIANS GROUP	218,770
TRI-COUNTY PSYCHIATRIC ASSOCIATES PO BOX 940578 MAITLAND FL 32794	PHYSICIANS GROUP	214,280
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 ▶12		

Part VIII

Statement of Revenue

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

			(A)	(B)	(C)	(D)		
			Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514		
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . . .	1a	1,937				
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d					
	e	Government grants (contributions)	1e					
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	1,234				
	g	Noncash contributions included in lines 1a-1f \$						
	h	Total. Add lines 1a-1f		3,171				
Program Service Revenue	2a	CLIENT SERVICE FEES	Business Code 621400	43,725,181	43,725,181			
	b	HOSPITAL BED FEES	621400	2,148,551	2,148,551			
	c	TRANSPORTATION	621400	364,442	364,442			
	d							
	e							
	f	All other program service revenue						
	g	Total. Add lines 2a-2f		46,238,174				
	Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		354,962		354,962	
4		Income from investment of tax-exempt bond proceeds						
5		Royalties						
6a		Gross rents	(i) Real	(ii) Personal				
			450,529					
			b	Less rental expenses	0			
			c	Rental income or (loss)	450,529			
d		Net rental income or (loss)		450,529		450,529		
7a		Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
			434,063	3,300				
			b	Less cost or other basis and sales expenses	0	0		
			c	Gain or (loss)	434,063	3,300		
d		Net gain or (loss)		437,363		437,363		
8a		Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18	a	16,000				
			b	Less direct expenses	20,466			
			c	Net income or (loss) from fundraising events	-4,466		-4,466	
9a		Gross income from gaming activities See Part IV, line 19	a					
			b	Less direct expenses				
			c	Net income or (loss) from gaming activities				
10a		Gross sales of inventory, less returns and allowances	a					
	b		Less cost of goods sold					
	c		Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code						
11a	MISCELLEANOUS	900099	113,305	113,305				
b	AFFILIATE PASS-THROUGH INCOME	900099	55,557	55,557				
c	MANAGEMENT FEES	900099	30,795	30,795				
d	All other revenue							
e	Total. Add lines 11a-11d		199,657					
12	Total revenue. See Instructions		47,679,390	46,437,831	0	1,238,388		

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.	12,138	12,138		
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.	702,804		677,473	25,331
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.	23,453,126	22,347,607	1,039,131	66,388
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions).	764,895	682,219	79,357	3,319
9	Other employee benefits.	3,357,081	3,167,621	180,830	8,630
10	Payroll taxes.	1,805,801	1,676,563	122,818	6,420
11	Fees for services (non-employees):				
a	Management.				
b	Legal.	258,682	1,274	257,408	
c	Accounting.	47,638		47,638	
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).	3,044,909	2,976,127	68,782	
12	Advertising and promotion.	12,600	218	12,382	
13	Office expenses.	978,405	812,721	165,684	
14	Information technology.				
15	Royalties.				
16	Occupancy.	2,412,498	2,281,676	130,822	
17	Travel.	149,971	149,327	644	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials.				
19	Conferences, conventions, and meetings.	39,639	19,558	20,081	
20	Interest.	528,295	495,617	32,678	
21	Payments to affiliates.				
22	Depreciation, depletion, and amortization.	1,221,170	1,145,633	75,537	
23	Insurance.	549,926	511,907	38,019	
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	MEDICAL & PHARMACY EXP	4,309,678	4,309,458	220	
b	FOOD SERVICES	1,337,861	1,326,243	11,618	
c	SUPPLIES	792,786	527,059	265,727	
d	EMPLOYEE EXPENSE	132,061	320	131,741	
e	All other expenses	162,911	150,570	12,341	
25	Total functional expenses. Add lines 1 through 24e.	46,074,875	42,593,856	3,370,931	110,088
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)		(B)
				Beginning of year		End of year
Assets	1	Cash—non-interest-bearing		1,976,623	1	2,097,775
	2	Savings and temporary cash investments			2	
	3	Pledges and grants receivable, net			3	
	4	Accounts receivable, net		5,543,519	4	6,145,910
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	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			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		350,502	8	452,574
	9	Prepaid expenses and deferred charges		625,333	9	648,633
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a28,943,203			
	b	Less accumulated depreciation	10b13,626,924	15,708,407	10c	15,316,279
	11	Investments—publicly traded securities			11	
	12	Investments—other securities See Part IV, line 11		18,978,328	12	20,344,618
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		1,193,521	15	1,246,189
	16	Total assets. Add lines 1 through 15 (must equal line 34)		44,376,233	16	46,251,978
Liabilities	17	Accounts payable and accrued expenses		2,944,612	17	3,134,826
	18	Grants payable			18	
	19	Deferred revenue		14,851	19	387,614
	20	Tax-exempt bond liabilities		13,680,000	20	12,980,000
	21	Escrow or custodial account liability Complete Part IV of Schedule D			21	
	22	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			22	
	23	Secured mortgages and notes payable to unrelated third parties		602,895	23	637,369
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	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		2,452,108	25	2,307,235
	26	Total liabilities. Add lines 17 through 25		19,694,466	26	19,447,044
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets		24,524,215	27	26,659,501
	28	Temporarily restricted net assets		157,552	28	145,433
	29	Permanently restricted net assets			29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		24,681,767	33	26,804,934
	34	Total liabilities and net assets/fund balances		44,376,233	34	46,251,978

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	47,679,390
2	Total expenses (must equal Part IX, column (A), line 25)	2	46,074,875
3	Revenue less expenses Subtract line 2 from line 1	3	1,604,515
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	24,681,767
5	Net unrealized gains (losses) on investments	5	-191,455
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	710,107
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	26,804,934

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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 <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
2b	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 <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	Yes	
2c	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	Yes	
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?	Yes	
3b	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	

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization LAKESIDE BEHAVIORAL HEALTHCARE INC F/K/A LAKESIDE ALTERNATIVES INC	Employer identification number 59-2301233
---	--

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 33¹/₃% 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 33¹/₃% 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?

(ii)

A family member of a person described in (i) above?

(iii)

A 35% controlled entity of a person described in (i) or (ii) above?
- h

☐

Provide the following information about the supported organization(s)

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

(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	
Total									

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
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3						
5 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)						
6 Public support. 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
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here ▶						

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

Part IIISupport 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
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	177,468	350,234	35,441	12,284	3,171	578,598
2 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	41,334,478	44,689,758	44,697,676	48,509,479	46,254,174	225,485,565
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5	41,511,946	45,039,992	44,733,117	48,521,763	46,257,345	226,064,163
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						0
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						0
c Add lines 7a and 7b						0
8 Public support (Subtract line 7c from line 6)						226,064,163

Section B. Total Support						
Calendar year (or fiscal year beginning in) ▶	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6	41,511,946	45,039,992	44,733,117	48,521,763	46,257,345	226,064,163
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	642,911	775,984	797,314	789,769	805,491	3,811,469
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b	642,911	775,984	797,314	789,769	805,491	3,811,469
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)	74,948	114,207	138,764	192,703	199,657	720,279
13 Total support. (Add lines 9, 10c, 11, and 12)	42,229,805	45,930,183	45,669,195	49,504,235	47,262,493	230,595,911
14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage			
15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	98 030 %	
16 Public support percentage from 2011 Schedule A, Part III, line 15	16	97 920 %	

Section D. Computation of Investment Income Percentage			
17	Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17	1 650 %
18	Investment income percentage from 2011 Schedule A, Part III, line 17	18	1 740 %
19a	33 1/3% support tests—2012. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization <input checked="" type="checkbox"/>		
b	33 1/3% support tests—2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization <input type="checkbox"/>		
20	Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions <input type="checkbox"/>		

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

Facts And Circumstances Test

Explanation

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization

LAKESIDE BEHAVIORAL HEALTHCARE INC
F/K/A LAKESIDE ALTERNATIVES INC

Employer identification number

59-2301233

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? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	
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? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>	

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

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

▶ \$ _____

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

Cat No 52283D

Schedule D (Form 990) 2012

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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
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	b (c)Two years back	(d)Three years back	(e)Four years back
1a	Beginning of year balance				
b	Contributions				
c	Net investment earnings, gains, and losses				
d	Grants or scholarships				
e	Other expenditures for facilities and programs				
f	Administrative expenses				
g	End of year balance				

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

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

(i) unrelated organizations

3a(i)

Yes

No

(ii) related organizations

3a(ii)

Yes

No

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b

Yes

No

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		2,969,585		2,969,585
b Buildings		22,403,590	11,503,942	10,899,648
c Leasehold improvements				
d Equipment		3,570,028	2,122,982	1,447,046
e Other				
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				15,316,279

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) MONEY MARKET MUTUAL FUNDS	523,031	F
(B) CERTIFICATES OF DEPOSIT	1,232,796	F
(C) EQUITIES	4,851,869	F
(D) FIXED INCOME	13,038,591	F
(E) REAL ESTATE	316,931	F
(F) TANGIBLE ASSETS	381,400	F
Total. (Column (b) must equal Form 990, Part X, col (B) line 12)	20,344,618	

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
Total. (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
Total. (Column (b) must equal Form 990, Part X, col.(B) line 15.)

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

1 (a) Description of liability	(b) Book value	
Federal income taxes		
ESTIMATED THIRD-PARTY PAYOR SETTLEMENT	1,164,342	
INTEREST RATE SWAP LIABILITY	1,142,893	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	2,307,235	

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

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return				
1	Total revenue, gains, and other support per audited financial statements	1		48,159,651
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12			
a	Net unrealized gains on investments	2a	-191,455	
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII)	2d	710,107	
e	Add lines 2a through 2d	2e		518,652
3	Subtract line 2e from line 1	3		47,640,999
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII)	4b	38,391	
c	Add lines 4a and 4b	4c		38,391
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5		47,679,390
Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return				
1	Total expenses and losses per audited financial statements	1		46,036,484
2	Amounts included on line 1 but not on Form 990, Part IX, line 25			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII)	2d		
e	Add lines 2a through 2d	2e		0
3	Subtract line 2e from line 1	3		46,036,484
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII)	4b	38,391	
c	Add lines 4a and 4b	4c		38,391
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5		46,074,875

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.

Identifier	Return Reference	Explanation
PART XI, LINE 2D - OTHER ADJUSTMENTS		CHANGE IN FV OF INTEREST RATE SWAPS 710,107
PART XI, LINE 4B - OTHER ADJUSTMENTS		GAIN ON DISPOSAL OF ASSETS 3,300 AFFILIATE PASS-THROUGH INCOME 55,557 FUNDRAISING EXPENSES - 20,466
PART XII, LINE 4B - OTHER ADJUSTMENTS		LOSS ON DISPOSAL OF ASSETS 3,300 AFFILIATE PASS-THOUGH INCOME 55,557 FUNDRAISING EXPENSES - 20,466

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

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		GOLF TOURNAMENT (event type)	MIAW LUNCH (event type)	(total number)	(add col (a) through col (c))
Revenue	1	Gross receipts	9,500	6,500	16,000
	2	Less Contributions . . .			
	3	Gross income (line 1 minus line 2)	9,500	6,500	16,000
Direct Expenses	4	Cash prizes			
	5	Noncash prizes . . .			
	6	Rent/facility costs . . .			
	7	Food and beverages .			
	8	Entertainment			
	9	Other direct expenses .	6,869	13,597	20,466
	10	Direct expense summary Add lines 4 through 9 in column (d) ▶			(20,466)
	11	Net income summary Combine line 3, column (d), and line 10 ▶			-4,466

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

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
Revenue	1	Gross revenue			
	2	Cash prizes			
Direct Expenses	3	Non-cash prizes			
	4	Rent/facility costs			
	5	Other direct expenses . . .			
	6	Volunteer labor	<div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div>	<div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div>	<div><input type="checkbox"/> Yes</div> <div><input type="checkbox"/> No</div>
	7	Direct expense summary Add lines 2 through 5 in column (d) ▶			
	8	Net gaming income summary Combine lines 1 and 7 in column (d) ▶			

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain _____

Does the organization operate gaming activities with nonmembers? ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in

a The organization's facility	13a	
b An outside facility	13b	

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name 

Address 

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization  \$ _____ and the amount of gaming revenue retained by the third party  \$ _____

c If "Yes," enter name and address of the third party

Name 

Address 

16 Gaming manager information

Name 

Gaming manager compensation  \$

Description of services provided 

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year  \$ _____

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

Identifier	Return Reference	Explanation
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SCHEDULE H
(Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
LAKESIDE BEHAVIORAL HEALTHCARE INC
F/K/A LAKESIDE ALTERNATIVES INC

Employer identification number
59-2301233

Part I

Financial Assistance and Certain Other Community Benefits at Cost

		Yes	No	
1a	Did the organization have a financial assistance policy during the tax year? If "No," skip to question 6a	1a	Yes	
b	If "Yes," was it a written policy?	1b	Yes	
2	If the organization had multiple hospital facilities, indicate which of the following best describes application of the financial assistance policy to its various hospital facilities during the tax year <input type="checkbox"/> Applied uniformly to all hospital facilities <input type="checkbox"/> Applied uniformly to most hospital facilities <input type="checkbox"/> Generally tailored to individual hospital facilities			
3	Answer the following based on the financial assistance eligibility criteria that applied to the largest number of the organization's patients during the tax year a Did the organization use Federal Poverty Guidelines (FPG) as a factor in determining eligibility for providing <i>free</i> care? If "Yes," indicate which of the following was the FPG family income limit for eligibility for <i>free</i> care <input type="checkbox"/> 100% <input checked="" type="checkbox"/> 150% <input type="checkbox"/> 200% <input type="checkbox"/> Other _____ % b Did the organization use FPG as a factor in determining eligibility for providing <i>discounted</i> care? If "Yes," indicate which of the following was the family income limit for eligibility for discounted care <input type="checkbox"/> 200% <input type="checkbox"/> 250% <input checked="" type="checkbox"/> 300% <input type="checkbox"/> 350% <input type="checkbox"/> 400% <input type="checkbox"/> Other _____ % c If the organization used factors other than FPG in determining eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization used an asset test or other threshold, regardless of income, as a factor in determining eligibility for free or discounted care 4 Did the organization's financial assistance policy that applied to the largest number of its patients during the tax year provide for free or discounted care to the "medically indigent"?	3a	Yes	
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	3b	Yes	
b	If "Yes," did the organization's financial assistance expenses exceed the budgeted amount?	4	Yes	
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligible for free or discounted care?	5a		No
6a	Did the organization prepare a community benefit report during the tax year?	5b		
b	If "Yes," did the organization make it available to the public?	5c		
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H	6a	Yes	
		6b	Yes	

7

Financial Assistance and Certain Other Community Benefits at Cost

Financial Assistance and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Financial Assistance at cost (from Worksheet 1)			18,669,884	14,714,442	3,955,442	8 580 %
b Medicaid (from Worksheet 3, column a)			2,116,368	1,299,631	816,737	1 770 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d Total Financial Assistance and Means-Tested Government Programs			20,786,252	16,014,073	4,772,179	10 350 %
Other Benefits						
e Community health improvement services and community benefit operations (from Worksheet 4)						
f Health professions education (from Worksheet 5)						
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j Total Other Benefits						
k Total . Add lines 7d and 7j			20,786,252	16,014,073	4,772,179	10 350 %

Part II

Community Building Activities

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

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

Part III

Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

1

Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No. 15?

1

No

2

Enter the amount of the organization's bad debt expense. Explain in Part VI the methodology used by the organization to estimate this amount.

2

12,194,450

3

Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's financial assistance policy. Explain in Part VI the methodology used by the organization to estimate this amount and the rationale, if any, for including this portion of bad debt as community benefit.

3

12,194,450

4

Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense or the page number on which this footnote is contained in the attached financial statements.

Section B. Medicare

5

Enter total revenue received from Medicare (including DSH and IME).

5

3,936,767

6

Enter Medicare allowable costs of care relating to payments on line 5.

6

2,995,310

7

Subtract line 6 from line 5. This is the surplus (or shortfall).

7

941,457

8

Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit. Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6. Check the box that describes the method used.

☒

Cost accounting system

☐

Cost to charge ratio

☐

Other

9a

Did the organization have a written debt collection policy during the tax year?

9a

Yes

b

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

9b

No

Part IV

Management Companies and Joint Ventures

(owned 10% or more by officers, directors, trustees, key employees, and physicians—see instructions)

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

Part V

Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest—see instructions)
How many hospital facilities did the organization operate during the tax year?
1

Name, address, and primary website address

		Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)	Facility reporting group
1	LAKESIDE BEHAVIORAL HEALTHCARE INC 1800 MERCY DRIVE SUITE 302 ORLANDO, FL 32808								X	PSYCHIATRIC CARE HOSPITAL	

Part V Facility Information (continued)

Section B. Facility Policies and Practices

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

LAKESIDE BEHAVIORAL HEALTHCARE INC

Name of hospital facility or facility reporting group

For single facility filers only: line Number of Hospital Facility (from Schedule H, Part V, Section A)

1

	Yes	No
Community Health Needs Assessment (Lines 1 through 8c are optional for tax years beginning on or before March 23, 2012)		
1 During the tax year or either of the two immediately preceding tax years, did the hospital facility conduct a community health needs assessment (CHNA)? If "No," skip to line 9 If "Yes," indicate what the CHNA report describes (check all that apply)	1	No
a <input type="checkbox"/> A definition of the community served by the hospital facility		
b <input type="checkbox"/> Demographics of the community		
c <input type="checkbox"/> Existing health care facilities and resources within the community that are available to respond to the health needs of the community		
d <input type="checkbox"/> How data was obtained		
e <input type="checkbox"/> The health needs of the community		
f <input type="checkbox"/> Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups		
g <input type="checkbox"/> The process for identifying and prioritizing community health needs and services to meet the community health needs		
h <input type="checkbox"/> The process for consulting with persons representing the community's interests		
i <input type="checkbox"/> Information gaps that limit the hospital facility's ability to assess the community's health needs		
j <input type="checkbox"/> Other (describe in Part VI)		
2 Indicate the tax year the hospital facility last conducted a CHNA 20 ____		
3 In conducting its most recent CHNA, did the hospital facility take into account input from representatives of the community served by the hospital facility, including those with special knowledge of or expertise in public health? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	3	
4 Was the hospital facility's CHNA conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	4	
5 Did the hospital facility make its CHNA report widely available to the public? If "Yes," indicate how the CHNA report was made widely available (check all that apply)	5	
a <input type="checkbox"/> Hospital facility's website		
b <input type="checkbox"/> Available upon request from the hospital facility		
c <input type="checkbox"/> Other (describe in Part VI)		
6 If the hospital facility addressed needs identified in its most recently conducted CHNA, indicate how (check all that apply to date)		
a <input type="checkbox"/> Adoption of an implementation strategy that addresses each of the community health needs identified through the CHNA		
b <input type="checkbox"/> Execution of the implementation strategy		
c <input type="checkbox"/> Participation in the development of a community-wide plan		
d <input type="checkbox"/> Participation in the execution of a community-wide plan		
e <input type="checkbox"/> Inclusion of a community benefit section in operational plans		
f <input type="checkbox"/> Adoption of a budget for provision of services that address the needs identified in the CHNA		
g <input type="checkbox"/> Prioritization of health needs in its community		
h <input type="checkbox"/> Prioritization of services that the hospital facility will undertake to meet health needs in its community		
i <input type="checkbox"/> Other (describe in Part VI)		
7 Did the hospital facility address all of the needs identified in its most recently conducted CHNA? If "No," explain in Part VI which needs it has not addressed and the reasons why it has not addressed such needs	7	
8a Did the organization incur an excise tax under section 4959 for the hospital facility's failure to conduct a CHNA as required by section 501(r)(3)?	8a	
b If "Yes" to line 8a, did the organization file Form 4720 to report the section 4959 excise tax?	8b	
c If "Yes" to line 8b, what is the total amount of section 4959 excise tax the organization reported on Form 4720 for all of its hospital facilities? \$_____		

Part V

Facility Information (continued)

Financial Assistance Policy		Yes	No
9 Did the hospital facility have in place during the tax year a written financial assistance policy that Explained eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?		9	Yes
10 Used federal poverty guidelines (FPG) to determine eligibility for providing <i>free</i> care? If "Yes," indicate the FPG family income limit for eligibility for free care <u>150 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		10	Yes
11 Used FPG to determine eligibility for providing <i>discounted</i> care? If "Yes," indicate the FPG family income limit for eligibility for discounted care <u>300 00000000000000</u> % If "No," explain in Part VI the criteria the hospital facility used		11	Yes
12 Explained the basis for calculating amounts charged to patients? If "Yes," indicate the factors used in determining such amounts (check all that apply)		12	Yes
a <input checked="" type="checkbox"/> Income level			
b <input type="checkbox"/> Asset level			
c <input type="checkbox"/> Medical indigency			
d <input type="checkbox"/> Insurance status			
e <input checked="" type="checkbox"/> Uninsured discount			
f <input type="checkbox"/> Medicaid/Medicare			
g <input type="checkbox"/> State regulation			
h <input type="checkbox"/> Other (describe in Part VI)			
13 Explained the method for applying for financial assistance?		13	Yes
14 Included measures to publicize the policy within the community served by the hospital facility? If "Yes," indicate how the hospital facility publicized the policy (check all that apply)		14	Yes
a <input type="checkbox"/> The policy was posted on the hospital facility's website			
b <input checked="" type="checkbox"/> The policy was attached to billing invoices			
c <input type="checkbox"/> The policy was posted in the hospital facility's emergency rooms or waiting rooms			
d <input type="checkbox"/> The policy was posted in the hospital facility's admissions offices			
e <input type="checkbox"/> The policy was provided, in writing, to patients on admission to the hospital facility			
f <input checked="" type="checkbox"/> The policy was available upon request			
g <input type="checkbox"/> Other (describe in Part VI)			
Billing and Collections			
15 Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?		15	No
16 Check all of the following actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
a <input type="checkbox"/> Reporting to credit agency			
b <input type="checkbox"/> Lawsuits			
c <input type="checkbox"/> Liens on residences			
d <input type="checkbox"/> Body attachments			
e <input type="checkbox"/> Other similar actions (describe in Part VI)			
17 Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP? If "Yes," check all actions in which the hospital facility or a third party engaged		17	No
a <input type="checkbox"/> Reporting to credit agency			
b <input type="checkbox"/> Lawsuits			
c <input type="checkbox"/> Liens on residences			
d <input type="checkbox"/> Body attachments			
e <input type="checkbox"/> Other similar actions (describe in Part VI)			

Part V

Facility Information (continued)

- 18
- Indicate which efforts the hospital facility made before initiating any of the actions listed in line 17 (check all that apply)
- a

☐

Notified individuals of the financial assistance policy on admission
- b

☐

Notified individuals of the financial assistance policy prior to discharge
- c

☐

Notified individuals of the financial assistance policy in communications with the patients regarding the patients' bills
- d

☐

Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy
- e

☐

Other (describe in Part VI)

Policy Relating to Emergency Medical Care

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

Charges to Individuals Eligible for Assistance under the FAP (FAP-Eligible Individuals)

20	Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care		
a	<input type="checkbox"/> The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged		
b	<input type="checkbox"/> The hospital facility used the average of its three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged		
c	<input checked="" type="checkbox"/> The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged		
d	<input type="checkbox"/> Other (describe in Part VI)		
21	During the tax year, did the hospital facility charge any FAP-eligible individuals to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care? If "Yes," explain in Part VI		No
22	During the tax year, did the hospital facility charge any FAP-eligible individuals an amount equal to the gross charge for any service provided to that individual? If "Yes," explain in Part VI		No

Part V

Facility Information (continued)

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

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

Name and address	Type of Facility (describe)
1	
2	
3	
4	
5	
6	
7	
8	
9	
10	

Part VI Supplemental Information

Complete this part to provide the following information

- 1
- Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, Part V, Section A, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22
- 2
- Needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any needs assessments reported in Part V, Section B
- 3
- Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy
- 4
- Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves
- 5
- Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)
- 6
- Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served
- 7
- State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report
- 8
- Facility reporting group(s).** If applicable, for each hospital facility in a facility reporting group provide the descriptions required for Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 10, 11, 12h, 14g, 16e, 17e, 18e, 19c, 19d, 20d, 21, and 22

Identifier	ReturnReference	Explanation
		PART II ANNUALLY, THE ORGANIZATION, THROUGH ITS AFFILIATE, LAKESIDE BEHAVIORAL HEALTHCARE FOUNDATION, INC , HOLDS A NUMBER OF COMMUNITY EVENTS AND FUNDRAISERS TO RAISE AWARENESS AND MONEY FOR MENTAL HEALTH PROGRAMS
		PART III, LINE 4 THE ORGANIZATION, BY POLICY, PROVIDES CARE TO ALL PERSONS IN NEED REGARDLESS OF ABILITY TO PAY GENERALLY, WHEN A CLIENT HAS NO THIRD-PARTY PAYOR SOURCE, THE FEES FOR SERVICES PROVIDED ULTIMATELY PROVE TO BE UNCOLLECTIBLE HOWEVER, IT IS DIFFICULT TO ESTABLISH ON CLIENT INTAKE WHETHER THE SERVICES PROVIDED WILL ULTIMATELY PROVE TO BE CHARITY CARE ACCORDINGLY, AN ALLOWANCE FOR DOUBTFUL ACCOUNTS/CHARITY CARE IS ESTABLISHED WITH THE CORRESPONDING CHARGE RECORDED TO NET CLIENT SERVICE REVENUE PART III, LINE 4 (CONTINUED) THE RESERVE METHOD OF ACCOUNTING IS USED TO COMPUTE THE COST OF BAD DEBT EXPENSE AS EXPLAINED ABOVE AND IN THE FINANCIAL STATEMENTS FOOTNOTES

Identifier	ReturnReference	Explanation
		PART III, LINE 8 THE SOURCE USED TO DETERMINE THE AMOUNT ON PART III LINE 6 WAS THE MEDICARE COST REPORTS
		PART VI, LINE 2 THE ORGANIZATION IS INVOLVED IN A VARIETY OF COLLABORATIONS WITH OTHER COMMUNITY PROVIDERS AND ORGANIZATIONS AS WELL AS THE STATE AND LOCAL GOVERNMENTS WITH THE GOAL OF ENHANCING, INCREASING AND IMPROVING THE BEHAVIORAL HEALTH SERVICES AVAILABLE TO OUR COMMUNITY

Identifier	ReturnReference	Explanation
		PART VI, LINE 3 INFORMATION ON SLIDING FEE SCHEDULES AND ENTITLEMENT SERVICES IS AVAILABLE TO ALL CLIENTS UPON ADMISSION TO THE ORGANIZATION'S SERVICES CLIENT FINANCIAL REPRESENTATIVES ARE AVAILABLE ON SITE TO MEET WITH AND DETERMINE A CLIENT'S ELIGIBILITY FOR VARIOUS GOVERNMENT ENTITLEMENTS AND LAKESIDE DISCOUNTS ALL CLIENTS RECEIVING INVOICES FOR SERVICES ARE ALSO PROVIDED THIS INFORMATION WITH THEIR INVOICE
		PART VI, LINE 4 THE ORGANIZATION PROVIDES COMMUNITY BASED BEHAVIORAL HEALTHCARE TO THE RESIDENTS OF ORANGE COUNTY, FLORIDA A LARGE MAJORITY OF THE CLIENTS SERVED HAVE SEVERE AND PERSISTENT MENTAL ILLNESS AND ARE BELOW THE FEDERAL POVERTY GUIDELINES

Identifier	ReturnReference	Explanation
		PART VI, LINE 5 THE ORGANIZATION HAS A COMMUNITY BOARD THAT IS COMMITTED TO EXPANDING THE ORGANZITION'S MENTAL HEALTH PROGRAMS AND CONTINUING IT'S MISSION BOARD MEMBERS ARE EXTREMELY ACTIVE IN THEIR INVOLVMENT AND ARE CONSTANTLY LOOKING FOR WAYS TO IMPROVE THE ORGANIZATION

Schedule J (Form 990) <div>Department of the Treasury Internal Revenue Service</div>	<div>Compensation Information</div> <div>For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees</div> <div>▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.</div> <div>▶ Attach to Form 990. ▶ See separate instructions.</div>	OMB No 1545-0047
		2012
		Open to Public Inspection

Name of the organization LAKESIDE BEHAVIORAL HEALTHCARE INC F/K/A LAKESIDE ALTERNATIVES INC	Employer identification number 59-2301233
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Part I	Questions Regarding Compensation		Yes	No
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			
	<div><input type="checkbox"/> First-class or charter travel</div> <div><input type="checkbox"/> Travel for companions</div> <div><input type="checkbox"/> Tax idemnification and gross-up payments</div> <div><input type="checkbox"/> Discretionary spending account</div>	<div><input type="checkbox"/> Housing allowance or residence for personal use</div> <div><input type="checkbox"/> Payments for business use of personal residence</div> <div><input type="checkbox"/> Health or social club dues or initiation fees</div> <div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div>		
b	If any of the boxes in 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	1b		
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?	2		
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			
	<div><input checked="" type="checkbox"/> Compensation committee</div> <div><input type="checkbox"/> Independent compensation consultant</div> <div><input checked="" type="checkbox"/> Form 990 of other organizations</div>	<div><input type="checkbox"/> Written employment contract</div> <div><input checked="" type="checkbox"/> Compensation survey or study</div> <div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div>		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	4a		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	5a		No
b	Any related organization?	5b		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	6a		No
b	Any related organization?	6b		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7		No
8	Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9		

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				
(1)VICKI GARNER EXECUTIVE VP/OPERATIONS	(i) (ii)	132,484 0	0 0	0 0	6,624 0	22,360 0	161,468 0	0 0
(2)CARLA CAPONI EXECUTIVE VP / CFO	(i) (ii)	136,331 0	0 0	0 0	6,817 0	22,360 0	165,508 0	0 0
(3)JOHN G KASSAB PRESIDENT/CEO	(i) (ii)	214,346 0	0 0	0 0	10,717 0	22,560 0	247,623 0	0 0
(4)JESSE TAN PHYSICIAN	(i) (ii)	356,059 0	0 0	0 0	17,803 0	20,460 0	394,322 0	0 0
(5)SANTIAGO DE LOS ANGELES PHYSICIAN	(i) (ii)	282,748 0	0 0	0 0	14,137 0	20,460 0	317,345 0	0 0
(6)FLORO PORCIUNCULA PHYSICIAN	(i) (ii)	270,967 0	0 0	0 0	13,548 0	10,250 0	294,765 0	0 0
(7)BAO DUONG PHYSICIAN	(i) (ii)	232,452 0	0 0	0 0	11,623 0	0 0	244,075 0	0 0
(8)RIFFAT QURESHI PHYSICIAN	(i) (ii)	248,351 0	0 0	0 0	12,418 0	20,460 0	281,229 0	0 0

Part III **Supplemental Information**

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

Identifier	Return Reference	Explanation
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Schedule K
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax Exempt Bonds

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2012

Open to Public Inspection

Name of the organization
LAKE SIDE BEHAVIORAL HEALTHCARE INC
F/K/A LAKE SIDE ALTERNATIVES INC

Employer identification number
59-2301233

Part I Bond Issues

(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	(g) Defeased		(h) On behalf of issuer		(i) Pool financing	
						Yes	No	Yes	No	Yes	No
A ORANGE COUNTY HEALTH FACILITIES AUTHORITY	52-1378595	6845035V3	07-15-2008	16,220,000	SEE SUPPLEMENTAL INFORMATION	X			X		X

Part II Proceeds

		A		B		C		D	
1	Amount of bonds retired	2,540,000							
2	Amount of bonds legally defeased	8,944,131							
3	Total proceeds of issue	16,220,000							
4	Gross proceeds in reserve funds	926,541							
5	Capitalized interest from proceeds								
6	Proceeds in refunding escrows								
7	Issuance costs from proceeds	260,989							
8	Credit enhancement from proceeds								
9	Working capital expenditures from proceeds	544,000							
10	Capital expenditures from proceeds	3,004,339							
11	Other spent proceeds								
12	Other unspent proceeds								
13	Year of substantial completion	2008							
		Yes	No	Yes	No	Yes	No	Yes	No
14	Were the bonds issued as part of a current refunding issue?	X							
15	Were the bonds issued as part of an advance refunding issue?		X						
16	Has the final allocation of proceeds been made?	X							
17	Does the organization maintain adequate books and records to support the final allocation of proceeds?	X							

Part III Private Business Use

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

Part III

Private Business Use (Continued)

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
3a	Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b	If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c	Are there any research agreements that may result in private business use of bond-financed property?		X						
d	If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4	Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government								
5	Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government								
6	Total of lines 4 and 5								
7	Does the bond issue meet the private security or payment test?		X						
8a	Has there been a sale or disposition of any of the bond financed property to a nongovernmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b	If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of								
c	If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9	Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?		X						

Part IV

Arbitrage

		A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
1	Has the issuer filed Form 8038-T?		X						
2	If "No" to line 1, did the following apply?								
a	Rebate not due yet?		X						
b	Exception to rebate?		X						
c	No rebate due?		X						
	If you checked "No rebate due" in line 2c, provide in Part VI the date the rebate computation was performed								
3	Is the bond issue a variable rate issue?	X							
4a	Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
b	Name of provider	NA							
c	Term of hedge								
d	Was the hedge superintegrated?		X						
e	Was a hedge terminated?		X						

Part IV

Arbitrage (Continued)

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

Part V

Procedures To Undertake Corrective Action

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

Part VI

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

Identifier	Return Reference	Explanation
SCHEDULE K, PART I(F)	PURPOSE OF SERIES 2008 BONDS	PROCEEDS OF THE ISSUANCE WERE USED FOR THE DEFEASANCE OF 1995 BONDS, TO PAY OFF FINANCIAL INSTITUTION TERM LOANS, THE FUNDING OF CERTAIN CAPITAL PROJECTS, AND TO PAY CERTAIN COSTS OF ISSUANCE

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 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 LAKESIDE BEHAVIORAL HEALTHCARE INC F/K/A LAKESIDE ALTERNATIVES INC	Employer identification number 59-2301233
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Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION B, LINE 11	
	FORM 990, PART VI, SECTION B, LINE 12C	THE ORGANIZATION'S CONFLICT-OF-INTEREST POLICY COVERS ALL MEMBERS OF THE BOARD OF DIRECTOR S, OFFICERS, ALL LEVELS OF STAFF, CONTRACT AND SUB-CONTRACT EMPLOYEES AND PRACTITIONERS, I NTERNs AND VOLUNTEERS, AND ANY OTHER INDIVIDUAL WITH FIDUCIARY RESPONSIBILITY TO THE ORGAN IZATION MEMBERS OF THE GOVERNING BOARD ARE REQUIRED TO COMPLETE AND SIGN A CONFLICT OF IN TEREST AND RELATED PARTY STATEMENT UPON APPOINTMENT AND EVER YEAR THEREAFTER STAFF MEMBER S, CONTRACT AND SUB-CONTRACT EMPLOYEES AND PRACTITIONERS, INTERNS AND VOLUNTEERS, AND VEND ORS AND SUPPLIERS WILL COMPLETE AND SIGN REQUIRED STATEMENTS UPON EMPLOYMENT THE BOARD CH AIRMAN, PRESIDENT/CEO, AND THOSE IN SUPERVISORY CAPACITIES WILL REVIEW THE DECISION MAKING PROCESS AND ASSURE IMPARTIALITY THE FULL BOARD WILL MAINTAIN FINAL AUTHORITY ON EXCLUDIN G BOARD MEMBERS FROM THE DECISION MAKING PROCESS AND ASSURE IMPARTIALITY THE PRESIDENT/CE O WILL MAINTAIN FINAL AUTHORITY ON EXCLUDING ALL OTHERS COVERED BY THE POLICY FROM THE DEC ISION MAKING PROCESS DUE TO REAL OR POTENTIAL CONFLICTS OF INTEREST WHENEVER A CONFLICT I S NOTED, THE INDIVIDUAL, THEIR SUPERVISOR OR THE COMPANY DESIGNEE MUST NOTIFY THE PRESIDEN T/CEO ANY INDIVIDUAL INVOLVED IN A REAL OR POTENTIAL CONFLICT OF INTEREST WILL AVOID INVO LVEMENT IN THE DECISION MAKING PROCESS, HOWEVER, THE INDIVIDUAL MAY DISCLOSE ANY KNOWN FAC TS INDICATING WHY THE PROPOSED TRANSACTION IS NOT IN THE BEST INTEREST OF THE CORPORATION
	FORM 990, PART VI, SECTION B, LINE 15A	THE ORGANIZATION UTILIZES A COMPENSATION COMMITTEE ALL MEMBERS OF THE COMMITTEE ARE INDEP ENDENT WITH REGARD TO COMPENSATION DECISIONS THE COMMITTEE REVIEWS 990'S OF OTHER COMPARA BLE ORGANIZATIONS, PARTICIPATES IN AND UTILIZES A MENTAL HEALTH CORPORATIONS OF AMERICA SA LARY SURVEY, AND REQUIRES APPROVAL BY THE BOARD OF DIRECTORS FOR ALL COMPENSATION DECISION S
	FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST AT THEIR LOCATION OF BUSINESS OR THROUGH E-MAIL CORRESPONDENCE
CHANGES IN NET ASSETS OR FUND BALANCES	FORM 990, PART XI, LINE 9	CHANGE IN FV OF INTEREST RATE SWAPS 710,107
OVERSIGHT OF AUDIT AND SELECTION OF INDEPENDENT ACCOUNTANT	FORM 990, PART XII, LINE 2C	THE FINANCE COMMITTEE IS RESPONSIBLE FOR THE SELECTION, MONITORING AND EVALUATION OF AN IN DEPENDENT AUDIT FIRM AND OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS THERE WAS NO CHANGE IN THIS PROCESS FROM THE PRIOR YEAR

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

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

Name of the organization
LAKESIDE BEHAVIORAL HEALTHCARE INC
F/K/A LAKESIDE ALTERNATIVES INC

Employer identification number

59-2301233

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

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) LAKESIDE BEHAVIORAL HEALTHCARE FOUNDATION INC 1800 MERCY DRIVE SUITE 302 ORLANDO, FL 32808 59-3425984	PROMOTE DEVELOPMENT AND ADVANCEMENT OF LAKESIDE BEHAVIORAL HEALTHCARE, INC	FL	501(C)(3)	LINE 11A, I	LAKESIDE BEHAVIORAL HEALTHCARE INC	Yes	
(2) LAKESIDE PLACE INC 1800 MERCY DRIVE SUITE 302 ORLANDO, FL 32808 59-3627035	PROVIDE HOUSING AND SERVICES TO LOW-INCOME PERSONS WITH DISABILITIES	FL	501(C)(3)	LINE 9	LAKESIDE BEHAVIORAL HEALTHCARE INC	Yes	

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	

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

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?

- a** Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)

- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)
- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)

- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses

- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

	Yes	No
1a		No
1b		No
1c		No
1d	Yes	
1e		No
1f		No
1g		No
1h		No
1i		No
1j		No
1k		No
1l	Yes	
1m		No
1n		No
1o		No
1p		No
1q		No
1r		No
1s	Yes	

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

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.

[illegible]

Software ID:
Software Version:
EIN: 59-2301233
Name: LAKESIDE BEHAVIORAL HEALTHCARE INC
F/K/A LAKESIDE ALTERNATIVES INC

Part VII Supplemental Information

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

Identifier	Return Reference	Explanation	
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**LAKESIDE BEHAVIORAL HEALTHCARE, INC.
AND AFFILIATES**

**COMBINED FINANCIAL STATEMENTS
AND SUPPLEMENTAL INFORMATION**

Years Ended June 30, 2013 and 2012

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LOVELACE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of
Lakeside Behavioral Healthcare, Inc. and Affiliates
Orlando, Florida

We have audited the accompanying combined balance sheets of Lakeside Behavioral Healthcare, Inc. and Affiliates (the "Organization") as of June 30, 2013 and 2012, and the related combined statements of operations and changes in net assets, and cash flows for the years then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 combined 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 combined financial statements.

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

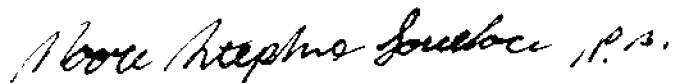
To the Board of Directors of
Lakeside Behavioral Healthcare, Inc. and Affiliates

Opinion

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of the Organization as of June 30, 2013 and 2012, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2013 on our consideration of the Organization's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.



MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
November 13, 2013

LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

COMBINED BALANCE SHEETS

June 30, 2013 and 2012

ASSETS		2013	2012
CURRENT ASSETS			
Cash and cash equivalents	\$	2,164,789	\$ 2,037,320
Short-term investments		1,146,961	3,362,187
Current portion of assets whose use is limited		11,232	18,087
Accounts receivable - net		6,147,152	5,543,978
Pharmacy inventory		452,574	350,502
Other current assets		758,134	718,722
TOTAL CURRENT ASSETS		10,680,842	12,030,796
INVESTMENTS - DESIGNATED FOR CAPITAL REPLACEMENT		20,000,636	16,369,335
ASSETS WHOSE USE IS LIMITED		36,955	37,751
PROPERTY, BUILDINGS, AND EQUIPMENT, NET		16,359,160	16,786,674
DEFERRED FINANCING COSTS - NET		150,983	161,768
OTHER ASSETS		65,313	65,063
TOTAL ASSETS		\$ 47,293,889	\$ 45,451,387
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES			
Current portion of long-term debt	\$	700,000	\$ 670,000
Accounts payable and accrued expenses		859,632	886,062
Accrued salaries and benefits		1,339,815	1,156,586
Accrued compensated absences		935,379	901,964
Resident security deposits		3,694	3,394
Deferred revenue		78,077	14,851
TOTAL CURRENT LIABILITIES		3,916,597	3,632,857
INTEREST RATE SWAP LIABILITY		1,142,893	1,853,000
RESERVE FOR THIRD-PARTY PAYOR SETTLEMENTS		1,164,342	599,108
DEFERRED REVENUE		309,537	-
LONG-TERM DEBT, NET OF CURRENT PORTION AND UNAMORTIZED DISCOUNT		12,917,369	13,612,895
TOTAL LIABILITIES		19,450,738	19,697,860
COMMITMENTS AND CONTINGENCIES			
NET ASSETS			
Unrestricted		26,335,418	24,233,675
Temporarily restricted		1,507,733	1,519,852
TOTAL NET ASSETS		27,843,151	25,753,527
TOTAL LIABILITIES AND NET ASSETS		\$ 47,293,889	\$ 45,451,387

The accompanying notes are an integral part of the combined financial statements

LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

COMBINED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

Years Ended June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
UNRESTRICTED REVENUES AND SUPPORT		
Net client service revenue	\$ 25,723,058	\$ 27,441,659
Grant and contract revenues	20,150,674	20,686,656
Rental and other income	1,022,894	1,029,736
Investment income	871,936	601,808
Contributions and donations	14,015	53,246
Net assets released from restriction	12,119	12,119
	<u>47,794,696</u>	<u>49,825,224</u>
TOTAL UNRESTRICTED REVENUES AND SUPPORT	47,794,696	49,825,224
EXPENSES		
Salaries	24,155,930	22,661,039
Employee benefits	5,927,777	5,704,389
Professional fees	3,359,678	3,932,846
Medical and pharmacy	4,321,915	4,758,058
Building occupancy	2,786,339	2,843,861
Food services	1,337,861	1,335,490
Depreciation and amortization	1,257,056	1,266,087
Operating supplies	1,132,109	1,048,283
Other	817,957	886,964
Interest	529,403	570,100
Insurance	557,336	551,612
	<u>46,183,361</u>	<u>45,558,729</u>
TOTAL EXPENSES	46,183,361	45,558,729
INCOME FROM OPERATIONS	1,611,335	4,266,495
OTHER GAINS (LOSSES)		
Change in fair value of interest rate swaps	710,107	(1,028,000)
Change in unrealized gain/loss on investments	(219,699)	(392,246)
	<u>490,408</u>	<u>(1,420,246)</u>
TOTAL OTHER GAINS (LOSSES)	490,408	(1,420,246)
INCREASE IN UNRESTRICTED NET ASSETS	2,101,743	2,846,249
TEMPORARILY RESTRICTED NET ASSETS		
Net assets released from restrictions	(12,119)	(12,119)
	<u>2,089,624</u>	<u>2,834,130</u>
INCREASE IN NET ASSETS	2,089,624	2,834,130
NET ASSETS - BEGINNING OF YEAR	<u>25,753,527</u>	<u>22,919,397</u>
NET ASSETS - END OF YEAR	<u>\$ 27,843,151</u>	<u>\$ 25,753,527</u>

The accompanying notes are an integral part of the combined financial statements

LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

COMBINED STATEMENTS OF CASH FLOWS

Years Ended June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	\$ 2,089,624	\$ 2,834,130
Adjustments to reconcile increase in net assets to net cash provided by operating activities		
Depreciation and amortization	1,257,056	1,266,087
Change in fair value of interest rate swaps	(710,107)	1,028,000
Change in unrealized gain/loss on investments	219,699	392,246
(Gain) loss on disposal of fixed assets	(3,000)	46,675
Changes in operating assets and liabilities		
Accounts receivable	(603,174)	(902,542)
Pharmacy inventory	(102,072)	(42,022)
Other assets	(39,698)	(341,691)
Accounts payable and accrued expenses	(26,430)	(318,123)
Accrued salaries and benefits	183,229	37,266
Accrued compensated absences	33,415	105,289
Reserve for third-party payor settlements	565,234	(150,892)
Deferred revenue	372,763	(509,507)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>3,236,539</u>	<u>3,444,916</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Change in investments, net	(1,635,774)	(4,236,674)
Change in assets whose use is limited, net	7,987	(17,441)
Acquisition of property, buildings, and equipment, net	(811,283)	(702,752)
NET CASH USED IN INVESTING ACTIVITIES	<u>(2,439,070)</u>	<u>(4,956,867)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES		
Repayments of borrowings	(670,000)	(658,873)
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>127,469</u>	<u>(2,170,824)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>2,037,320</u>	<u>4,208,144</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>\$ 2,164,789</u>	<u>\$ 2,037,320</u>

The accompanying notes are an integral part of the combined financial statements

**LAKE SIDE BEHAVIORAL HEALTHCARE, INC.
AND AFFILIATES**

NOTES TO COMBINED FINANCIAL STATEMENTS

Years Ended June 30, 2013 and 2012

NOTE 1 - NATURE OF ORGANIZATION AND BASIS OF PRESENTATION

These combined financial statements include Lakeside Behavioral Healthcare, Inc. ("LBHI"), Lakeside Behavioral Healthcare Foundation, Inc. (the "Foundation"), and Lakeside Place, Inc. ("Lakeside Place"). The three entities are governed by separate Boards of Directors which include certain common members. Collectively, LBHI, the Foundation, and Lakeside Place are referred to herein as the Organization.

The Organization is a nonprofit, behavioral healthcare system providing clinical, rehabilitative, and residential services. Its mission is to provide to the people of Central Florida compassionate, comprehensive, and cost-effective behavioral healthcare services that focus on individualized recovery. The Organization operated the following programs and services in furtherance of its mission during the years ended June 30, 2013 and 2012:

- Assessment and screening services
- Medicare-certified specialty hospital unit
- Adult and children's crisis stabilization units (CSU)
- Short-term residential units
- Multi-level residential treatment facilities
- Medication clinic and community pharmacy
- Adult and children's outpatient therapeutic and case management services
- Lakeside Place, a residential facility for persons with disabilities

In addition to the programs it provides, LBH also leases facilities to other organizations engaged in providing healthcare and social services.

Lakeside Place owns and operates an 18-unit residential facility for persons with disabilities. Financing for the construction of the building was obtained from the U.S. Department of Housing and Urban Development ("HUD"). LBHI is the sole member of Lakeside Place.

The Foundation is a charitable foundation established for the purpose of providing financial support to LBH.

All significant inter-organization accounts and transactions have been eliminated.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

In the presentation of functional expenses (see Note 9), the Organization allocates its costs based on hours worked, square footage, specific identification, and other rational methods.

Cash and Cash Equivalents

The Organization considers all unrestricted, highly liquid investments with a maturity of three months or less when purchased, except those classified as assets whose use is limited and investments, to be cash equivalents.

Accounts Receivable

The Organization records accounts receivable at the estimated amounts receivable from clients, residents, third-party payors, and others at the time services or occupancy rights are provided. The Organization provides an allowance for doubtful accounts based upon the age of the receivable, historical collection experience, and client-specific credit evaluations. The Organization, by policy, provides care to all persons in need regardless of ability to pay. Generally, when a client has no third-party payor source, the fees for services provided ultimately prove to be uncollectible. However, it is difficult to establish on client intake whether the services provided will ultimately prove to be charity care. Accordingly, an allowance for doubtful accounts/charity care is established, with the corresponding charge recorded to net client service revenue. The allowance for doubtful accounts/charity care at June 30, 2013 and 2012 was approximately \$8,781,000 and \$6,795,000, respectively.

Pharmaceutical Inventory

Purchased pharmacy drugs are recorded in inventory at the lower of cost, determined using the first-in, first-out method, or market value. LBH is the recipient of significant quantities of pharmacy drugs from donors who specify that they be dispensed only to specific clients. LBH has no discretion to dispense these drugs to other than the specified beneficiary clients. LBH does not record contribution income or related expenses for these transactions where it operates only as an agent between the donor and the specified beneficiary. LBH received pharmaceuticals valued at approximately \$1,882,000 and \$2,126,000 from these donors during the fiscal years ended June 30, 2013 and 2012, respectively.

Assets Whose Use Is Limited

Assets whose use is limited includes amounts set aside under provisions of borrowing and contractual arrangements. A detail of the amounts comprising assets whose use is limited is presented in Note 3 of these combined financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments are reported on the combined balance sheets at fair value. Fair value is determined using the quoted closing or latest bid prices. Realized gains and losses are calculated based on proceeds received, less carrying value. The carrying value of securities sold is based on the specific-identification method. Changes in net unrealized gains and losses are reported in the combined statements of operations and changes in net assets and represent the change in the fair value of investments during the year.

Property, Buildings, and Equipment

Property, buildings, and equipment with an acquisition value in excess of \$1,000 are recorded at cost or, if donated, at fair market value at the date of donation. Depreciation is provided over the estimated useful life of each class of depreciable asset and is computed using the straight-line method using estimated lives ranging from 3-40 years.

Deferred Financing Costs

Deferred financing costs of approximately \$205,000 in the combined balance sheets are presented net of accumulated amortization of approximately \$54,000 and \$43,000 at June 30, 2013 and 2012, respectively. Amortization expense relating to deferred financing costs amounted to approximately \$11,000 for each of the years ended June 30, 2013 and 2012.

Client Service Revenue

LBH has agreements with third-party payors that provide for payments to LBH at amounts different from established rates. Payment arrangements include reimbursed costs, discounted charges, and per diem payments. Client service revenue is reported at the estimated net realizable amounts from residents, clients, third-party payors, and others for services rendered. Revenue under third-party payor agreements is subject to audit and retroactive adjustment. Provisions for estimated third-party payor settlements are included in the period the related services are rendered. Differences between the estimated amounts accrued and interim and final settlements are reported in operations in the year of settlement.

Charity care services are provided to clients who qualify under the criteria established by the State Substance Abuse and Mental Health contract. The value of charity care is determined by the excess of allowable state earnings over the amount reimbursed by the state contract, other federal awards, Medicaid, and local match. Such amounts are not reported as gross revenue. The charges foregone for services and supplies furnished under the Organization's charity care methodology for the years ended June 30, 2013 and 2012, were approximately \$4,142,000 and \$3,886,000, respectively.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contributions and Donations

Contributions are recorded at their estimated fair values on the date of receipt.

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Gifts of cash and other assets received with donor stipulations that limit the use of the donated assets are reported as a restricted contribution. When a restriction ends, or the purpose of the restriction is accomplished, restricted net assets are reclassified to unrestricted net assets and are reported in the statements of operations and changes in net assets as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted contributions in that period.

LBH received a contribution of two houses with a fair value of approximately \$182,000 during the year ended June 30, 2010. These houses were recorded as temporarily restricted contributions due to donor-imposed stipulations and must be used pursuant to the Organization's mission for a minimum of 15 years. LBH will recognize 1/15th, or approximately \$12,000 per year, as temporarily restricted net assets released from restriction subsequent to the year ended June 30, 2010 to account for the passage of time in accordance with the contribution agreements.

Individuals volunteer their time and effort in support of the Organization and its mission. When the Organization would ordinarily have had to pay for these services and there is an objectively determinable basis for measuring the cost that would have been paid, the Organization records the value of the volunteered services as support and expense in the period the services were provided. Otherwise, the volunteered services are not recorded. There were no volunteer services recorded during the fiscal years ended June 30, 2013 and 2012.

Fundraising costs amounted to approximately \$20,000 and \$23,000 for the fiscal years ended June 30, 2013 and 2012, respectively.

Grant and Contract Revenues

Revenues under grants and contracts are recognized as expenditures are incurred or services are provided, as defined in the contract or grant agreement.

Deferred Revenue

Funding received in advance of the services being rendered is classified as deferred revenue. These amounts were approximately \$21,000 and \$15,000 at June 30, 2013 and 2012, respectively.

The Organization periodically receives grants from the Florida Department of Transportation (the "Department") to purchase buses for use in its programs. Under the terms of the grants, the Department records and maintains a lien on the bus titles until they have reached their useful life. When the useful life requirement is met, the Department will fund replacement buses or transfer title to the Organization.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Revenue (Continued)

Accordingly, grant revenue is being recognized over the vehicle's useful life of five years. Grant revenue recognized in 2013 and 2012 totaled approximately \$19,000 and \$-0-, respectively. Remaining deferred revenue related to the Department grants approximated \$367,000 and \$-0- at June 30, 2013 and 2012, respectively.

Income Taxes

LBHI, Lakeside Place, and the Foundation have each been recognized by the Internal Revenue Service as tax-exempt organizations under Section 501(c)(3) of the Internal Revenue Code. Accordingly, income earned in furtherance of their tax-exempt purposes is exempt from federal and state income taxes. Income from certain of LBHI's rental activities may be deemed unrelated to its tax-exempt purpose and, therefore, may be taxable. As of June 30, 2013, with certain exceptions, the Organization is no longer subject to income tax examinations by the U.S. federal taxing authorities for any tax years prior to the most recent three years.

Net Assets

Unrestricted net assets of the Organization include funds designated by the Board of Directors for a future program. Furthermore, unrestricted net assets include amounts designated for capital replacement. The composition of unrestricted net assets at June 30, 2013 and 2012, is as follows:

Designation Classification	<u>2013</u>	<u>2012</u>
Unrestricted net assets – undesignated	\$ 6,207,167	\$ 7,731,667
Unrestricted net assets – designated for capital replacement	20,000,636	16,369,335
Unrestricted net assets – board designated	<u>127,615</u>	<u>132,673</u>
	<u>\$ 26,335,418</u>	<u>\$ 24,233,675</u>

Temporarily restricted net assets are subject to donor-imposed restrictions that expire upon the passage of time or once specific actions are undertaken by the Organization. These net assets are released and reclassified to unrestricted net assets from which they are expended.

Reclassifications

Certain reclassifications have been made to the 2012 combined financial statements to conform to the 2013 presentation. Such reclassifications had no effect on the change in net assets for the year ended June 30, 2012.

Subsequent Events

In preparing the combined financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through November 13, 2013, the date the combined financial statements were issued.

NOTE 3 - ASSETS WHOSE USE IS LIMITED

The composition of assets limited as to use at June 30, 2013 and 2012 is presented in the following table:

	2013	2012
Cash and cash equivalents		
Health insurance imprest reserve	\$ 7,502	\$ 14,693
Resident security deposits	3,730	3,394
HUD replacement reserves	<u>36,955</u>	<u>37,751</u>
Total assets whose use is limited	<u>\$ 48,187</u>	<u>\$ 55,838</u>

Fair value approximates cost for these assets.

NOTE 4 - INVESTMENTS

The composition of investments at June 30, 2013 and 2012 is as follows:

	2013	
	Fair Value	Cost
Money market mutual funds	\$ 558,197	\$ 558,197
Certificates of deposit	1,320,293	1,315,977
Equities	5,229,168	4,693,962
Fixed income	13,296,398	13,554,663
Other mutual funds	<u>743,541</u>	<u>886,469</u>
	21,147,597	\$ 21,009,268
Less current portion	<u>(1,146,961)</u>	
Total long-term portion	<u>\$ 20,000,636</u>	

	2012	
	Fair Value	Cost
Money market mutual funds	\$ 5,257,722	\$ 5,257,722
Certificates of deposit	1,563,257	1,561,972
Equities	3,250,505	2,904,227
Fixed income	9,320,144	9,297,596
Other mutual funds	<u>339,894</u>	<u>351,977</u>
	19,731,522	\$ 19,373,494
Less current portion	<u>(3,362,187)</u>	
Total long-term portion	<u>\$ 16,369,335</u>	

The fair value of financial instruments is based upon three levels of valuation techniques. Level 1 valuation techniques use unadjusted quoted prices in active markets for identical assets or liabilities. The Level 2 valuation technique is used for quoted prices of similar assets or liabilities, or when quoted prices are in markets that are not active. Level 3 is utilized when no observable data or little market activity is available.

NOTE 4 - INVESTMENTS (Continued)

As of June 30, 2013 and 2012, equity and fixed income securities, exchange-traded certificates of deposit, and real other mutual funds are valued at the closing price reported on the most active market on which the individual securities are traded (Level 1).

The interest rate swaps are valued based on quoted data from the counterparty or swap consultant, derived with mathematical approximations of indirectly observable market data (Level 2). It is impracticable to determine the fair value of the Organization's variable rate debt because of the credit enhancement.

The following summarizes investment income for the years ended June 30, 2013 and 2012:

	2013	2012
Interest income	\$ 371,908	\$ 375,604
Net realized gains/losses	<u>500,028</u>	<u>226,204</u>
	<u>\$ 871,936</u>	<u>\$ 601,808</u>

NOTE 5 - PROPERTY, BUILDINGS, AND EQUIPMENT

Property, buildings, and equipment are comprised of the following at June 30, 2013 and 2012:

	2013	2012
Land	\$ 3,069,559	\$ 3,069,559
Buildings and improvements	23,623,645	23,458,624
Furniture and equipment	2,665,232	2,510,177
Vehicles	948,658	799,994
	<u>30,307,094</u>	<u>29,838,354</u>
Accumulated depreciation	<u>(13,975,172)</u>	<u>(13,051,680)</u>
	16,331,922	16,786,674
Construction in progress	<u>27,238</u>	<u>-</u>
Net property and equipment	<u>\$ 16,359,160</u>	<u>\$ 16,786,674</u>

Depreciation expense was approximately \$1,242,000 and \$1,251,000 for the years ended June 30, 2013 and 2012, respectively. Construction in progress consists primarily of costs associated with various unit renovations and other improvements (see Note 8).

During 2013, the Organization received and recognized a gain of \$3,000, which is recorded in other expense in the combined statement of operations and changes in net assets, on disposal of fully depreciated equipment with a combined cost and accumulated depreciation of approximately \$318,000. During 2012, the Organization disposed of assets with a combined cost of approximately \$3,913,000 and accumulated depreciation of approximately \$3,866,000, resulting in a loss on disposal of approximately \$47,000.

NOTE 6 - BORROWING ARRANGEMENTS

Bonds

In July 2008, LBH issued Orange County Health Facilities Authority, Health Facility Variable Revenue and Refunding Bonds ("Series 2008 Bonds"), in the amount of \$16,220,000. Proceeds of the issuance were used for the defeasance of bonds, to pay off financial institution term loans, the funding of certain capital projects, and to pay certain costs of issuance.

The Series 2008 Bonds are due annually on July 1 through July 2027 and accrue interest at a variable rate determined weekly by the remarketing agent. The Indenture of Trust includes provisions for periodically adjusting the interest rate on the Series 2008 Bonds

The Series 2008 Bonds are collateralized by an irrevocable letter of credit issued by a financial institution. The letter of credit expires on July 15, 2014 and is collateralized by net revenues and certain property. The letter of credit has certain financial and non-financial covenants, which include, among other things, that LBH maintain minimum debt service coverage and liquid assets to funded debt ratios. As of June 30, 2013, LBH is in compliance with its debt service coverage ratio and liquid assets to funded debt ratios

LBH's borrowing arrangements consisted of the following at June 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Series 2008 Bonds, variable rate (45% and 70% at June 30, 2013, and 2012, respectively), with interest payable monthly, plus annual principal payments beginning in July 2009	\$ 13,680,000	\$ 14,350,000
Less current portion of long-term debt	(700,000)	(670,000)
Less unamortized bond discount	(62,631)	(67,105)
Total long-term debt	\$ 12,917,369	\$ 13,612,895

Aggregate maturities of long-term debt in each of the next five years and thereafter are approximately as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2014	\$ 700,000
2015	730,000
2016	765,000
2017	795,000
2018	835,000
Thereafter	9,855,000
Total	\$ 13,680,000

Cash paid for interest for the years ended June 30, 2013 and 2012, was approximately \$530,000 and \$570,000, respectively. There was no interest capitalized in connection with construction projects during the years ended June 30, 2013 and 2012.

NOTE 6 - BORROWING ARRANGEMENTS (Continued)

Capital Advance

The Organization entered into a capital advance agreement under the HUD Section 811 program to finance the construction of the Lakeside Place apartment building. The capital advance bears no interest and is not required to be repaid so long as the housing remains available to eligible, low-to-moderate income households for a period of 40 years. The capital advance is secured by a mortgage, which is collateralized by real property and equipment. The capital advance has been recorded at its original value of \$1,362,300. Because management intends to maintain Lakeside Place in accordance with the capital advance agreement, the capital advance is presented in the combined financial statements as a temporarily restricted net asset. The capital advance will be released from restriction upon completion of the 40-year period.

NOTE 7 - INTEREST RATE SWAP AGREEMENTS

LBH entered into a swap agreement, effective August 2008 ("August Swap"), to hedge against increases in short-term interest rates. The August Swap fixes the rate of interest that LBH pays on its Series 2008 Bonds at 3.49% and receives interest at 67% of LIBOR. The August Swap has certain cancellation options and will expire in July 2027. The notional amounts on the August Swap were \$6,720,000 and \$7,102,500 at June 30, 2013 and 2012, respectively. The fair value of the August Swap resulted in liabilities of approximately \$863,000 and \$1,240,000 at June 30, 2013 and 2012, respectively.

LBH also entered into a swap agreement, effective December 2008 ("December Swap"), to hedge against increases in short-term interest rates. The December Swap fixes the rate of interest that LBH pays on its Series 2008 Bonds at 2.18% and receives interest at 67% of LIBOR. The December Swap has certain cancellation options and will expire in July 2027. The notional amount on the December Swap was \$6,960,000 and \$7,247,500 at June 30, 2013 and 2012, respectively. The fair value of the December Swap resulted in liabilities of approximately \$280,000 and \$613,000 at June 30, 2013 and 2012, respectively.

LBH recorded liabilities of approximately \$1,143,000 and \$1,853,000, representing the amount it would have to pay to terminate the swap agreements at June 30, 2013 and 2012, respectively. Any payments made or received under the swap agreements are reflected as a decrease or increase in interest expense. The change in fair value of the swap agreements is reflected in the combined statements of operations and changes in net assets as change in fair value of interest rate swaps of approximately \$710,000 and (\$1,028,000) for the years ended June 30, 2013 and 2012, respectively. As of June 30, 2013, the Organization is exposed to the risk of counterparty nonperformance in the amount of the swap agreements' fair value; however, counterparty nonperformance is not anticipated.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Concentrations and Credit Risk

LBH receives most of its revenues from the Medicaid and Medicare programs, the Substance Abuse and Mental Health ("SAMH") program administered by the Florida Department of Children and Families, and from various contracts with Orange County. Governmental funding for healthcare programs is subject to statutory and regulatory changes, administrative rulings, interpretations of policy, intermediary determinations, and governmental funding restrictions, all of which may materially affect program reimbursement to service providers like LBH. Changes in the reimbursement policies of the programs, as a result of legislative and regulatory actions, could adversely affect LBH's revenues.

The following tables provide a detail of LBH's revenues for the years ended June 30, 2013 and 2012 by payor source

Net client service revenue for the years ended June 30, 2013 and 2012 was comprised of the following:

	2013	2012
Medicaid	\$ 2,171,655	\$ 2,098,384
Medicare	5,950,322	7,442,026
Managed care	16,334,181	17,091,349
Clients and other third-party payors	1,266,900	809,900
	<u>\$ 25,723,058</u>	<u>\$ 27,441,659</u>

Grant and contract revenues for the years ended June 30, 2013 and 2012 were comprised of the following:

	2013	2012
Florida Department of Children and Families (passed through Central Florida Cares Health System, Inc.)	\$ 11,102,945	\$ 11,483,842
Orange County	5,856,526	5,756,650
Others	3,191,203	3,446,164
	<u>\$ 20,150,674</u>	<u>\$ 20,686,656</u>

Financial instruments which potentially subject LBH to concentrations of credit risk consist principally of cash and cash equivalents, investments deposited in financial institutions in excess of federally insured limits, assets whose use is limited, interest rate swaps, and accounts receivable. No credit-related losses have been incurred, or are expected, related to deposits in financial institutions. Management believes that the concentrations of credit risk with respect to accounts receivable from the Medicaid and Medicare programs is mitigated by the taxing authority of the governmental entities funding the programs.

NOTE 8 - COMMITMENTS AND CONTINGENCIES *(Continued)*

Professional Liability Claims

LBH has purchased a commercial general and professional liability policy based on occurrence. LBH is subject to various general liability and medical malpractice claims arising in the course of its operations. These claims are in various stages of litigation and the outcomes are not predictable with certainty. These matters are subject to many uncertainties and it is possible that ultimate losses could exceed insurance coverage amounts. Such losses, in the event of an unfavorable outcome in these matters, could result in a material adverse effect on LBH's financial position.

Employee Benefit Plan

LBH has a 403(b) defined-contribution pension plan (the "Plan"), which covers substantially all of its employees. The Plan includes vesting provisions on employer contributions, which require participants hired to be employed for two years to achieve 25% vesting, three years for 50% vesting, four years for 75% vesting, and five years for full vesting. Employer contributions are made at the discretion of management, subject to the approval of the Board of Directors, and net of non-vested forfeitures, and amounted to approximately \$822,000 and \$668,000 for the years ended June 30, 2013 and 2012, respectively.

Regulatory Reviews and Settlements

LBH maintains various licenses and accreditations issued by regulatory agencies and other bodies. The regulatory agencies and certain third-party payors make periodic reviews of LBH's compliance with laws and regulations resulting from its licensure and participation in various Substance Abuse and Mental Health, Medicaid, Medicare, Agency for Health Care Administration, and other programs. Management has recorded a provision for estimated regulatory settlements related to these reviews. The laws and regulations governing these programs are complex and are subject to interpretation, and noncompliance can result in significant regulatory action, including fines, penalties, and exclusion from the programs.

Leases

The Organization has entered into a leasing arrangement with a third party to lease approximately 19,000 square feet of its facility at Mercy Drive. The lease was entered into in July 2008 for five years, and in June 2013 was renewed for an additional five years, expiring in June 2018. The lease calls for the payment of base rent, which increases 2% on each anniversary date. Base rent at inception was \$255,180, and the Organization recognized approximately \$299,000 and \$287,000 in rental income for the years ended June 30, 2013 and 2012, respectively.

NOTE 8 - COMMITMENTS AND CONTINGENCIES (Continued)**Leases (Continued)**

The Organization also has entered into a leasing arrangement with another third party to lease its facilities on West Kennedy Boulevard. The lease was entered into in September 2007 and expires in September 2017. The lease calls for the payment of base rent of \$114,491, which increases 3% on each anniversary date. In addition, an amendment calls for the payment of \$500 a month for parking. During the years ended June 30, 2013 and 2012, the Organization recorded approximately \$138,000 and \$135,000, respectively.

Minimum rents expected to be received during the next five years are approximately as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2014	\$ 446,000
2015	458,000
2016	469,000
2017	478,000
2018	369,000
Total	<u>\$ 2,220,000</u>

NOTE 9 - FUNCTIONAL EXPENSES

Operating expenses for the years ended June 30, 2013 and 2012 are summarized on a functional basis, as follows:

	<u>2013</u>	<u>2012</u>
Program services		
Inpatient services	\$ 16,720,378	\$ 15,945,388
Outpatient services	8,141,403	8,041,899
Pharmacy	3,602,793	3,756,335
Crisis support emergency	3,860,547	3,720,861
Residential services	1,291,146	1,390,174
I ACT	965,520	1,037,484
Other	1,239,765	1,197,818
Transportation	773,547	753,224
Total program services	<u>36,595,099</u>	<u>35,843,183</u>
Supporting services	5,805,390	6,148,124
Administrative services	3,635,995	3,435,804
Total LBH expenses	<u>46,036,484</u>	<u>45,427,111</u>
Foundation and Lakeside Place expenses	122,115	148,815
Eliminations	<u>24,762</u>	<u>(17,197)</u>
Total expenses	<u>\$ 46,183,361</u>	<u>\$ 45,558,729</u>

NOTE 10 - MERGER

During July 2013, the Organization became a participant in a three-way merger with Seminole Behavioral Healthcare and The Center for Drug Free Living. The combined entity has been named Aspire Health Partners ("Aspire"). The merger is intended to leverage the strengths of each organization and enable the creation of a model of care that reduces redundancy of services, enables development of new programs, and makes the most efficient use of available resources.

No consideration was exchanged among the merged entities, and the boards of directors of the respective organizations were combined to form a new governing board of Aspire. Aspire is currently evaluating information related to amounts recognized for each major class of assets, liabilities, and each class of net assets as of the merger date, as well as the financial policies and disclosures of the new organization.

SUPPLEMENTAL INFORMATION



LOVELACE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON SUPPLEMENTAL INFORMATION

To the Board of Directors of
Lakeside Behavioral Healthcare, Inc. and Affiliates
Orlando, Florida

We have audited the combined financial statements of Lakeside Behavioral Healthcare, Inc. and Affiliates as of and for the years ended June 30, 2013 and 2012, and our report thereon dated November 13, 2013, which contained an unmodified opinion on those combined financial statements, appears on pages 1 and 2. Our audits were performed for the purpose of forming an opinion on the combined financial statements as a whole. The supplemental combining information appearing on pages 20 through 25 is not a required part of the combined financial statements. The schedule of expenditures of federal awards for the year ended June 30, 2013, appearing on pages 31 and 32 is presented for the purpose of additional analysis, as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the combined 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 combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined 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 combined financial statements as a whole.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
November 13, 2013

LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

COMBINING BALANCE SHEETS

June 30, 2013

	Lakeside Behavioral Healthcare, Inc	Lakeside Behavioral Healthcare Foundation, Inc	Lakeside Place, Inc	Eliminations	Combined
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 2,097,775	\$ 66,652	\$ 362	\$ -	\$ 2,164,789
Short-term investments	1,058,338	88,623	-	-	1,146,961
Current portion of assets whose use is limited	7,502	-	3,730	-	11,232
Accounts receivable - net	6,145,910	-	1,212	-	6,147,152
Pharmacy inventory	152,574	-	-	-	152,574
Other current assets	758,134	-	-	-	758,134
TOTAL CURRENT ASSETS	10,520,233	155,275	5,334	-	10,680,842
INVESTMENTS - DESIGNATED FOR CAPITAL REPLACEMENT	19,286,280	714,356	-	-	20,000,636
ASSETS WHOSE USE IS LIMITED	-	-	36,955	-	36,955
DUE FROM AFFILIATES	41,783	-	-	(44,783)	-
INTEREST IN NET ASSETS OF FOUNDATION	869,107	-	-	(869,107)	-
PROPERTY, BUILDINGS, AND EQUIPMENT, NET	15,316,279	-	1,042,881	-	16,359,160
DEFERRED FINANCING COSTS, NET	150,983	-	-	-	150,983
OTHER ASSETS	64,313	-	1,000	-	65,313
TOTAL ASSETS	\$ 46,251,978	\$ 869,631	\$ 1,086,170	\$ (913,890)	\$ 47,293,889
LIABILITIES AND NET ASSETS (DEFICIT)					
CURRENT LIABILITIES					
Current portion of long-term debt	\$ 700,000	\$ -	\$ -	\$ -	\$ 700,000
Accounts payable and accrued expenses	859,632	-	-	-	859,632
Accrued salaries and benefits	1,339,815	-	-	-	1,339,815
Accrued compensated absences	935,379	-	-	-	935,379
Resident security deposits	-	-	3,694	-	3,694
Deferred revenue	78,077	-	-	-	78,077
TOTAL CURRENT LIABILITIES	3,912,903	-	3,694	-	3,916,597
INTEREST RATE SWAP LIABILITY	1,142,893	-	-	-	1,142,893
RESERVE FOR THIRD PARTY PAYOR SETTLEMENTS	1,161,342	-	-	-	1,161,342
DUE TO AFFILIATES	-	524	47,953	(44,783)	-
DEFERRED REVENUE	309,537	-	-	-	309,537
LONG-TERM DEBT - NET OF CURRENT PORTION AND UNAMORTIZED DISCOUNT	12,917,369	-	-	-	12,917,369
TOTAL LIABILITIES	19,441,041	524	47,953	(44,783)	19,450,738
COMMITMENTS AND CONTINGENCIES					
NET ASSETS (DEFICIT)					
Unrestricted	26,659,501	869,107	(324,083)	(869,107)	26,335,418
Temporarily restricted	145,433	-	1,362,300	-	1,507,733
TOTAL NET ASSETS (DEFICIT)	26,804,934	869,107	1,038,217	(869,107)	27,843,151
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	\$ 46,251,978	\$ 869,631	\$ 1,086,170	\$ (913,890)	\$ 47,293,889

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LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

COMBINING BALANCE SHEETS (Continued)

June 30, 2012

	Lakeside Behavioral Healthcare Inc	Lakeside Behavioral Healthcare Foundation, Inc	Lakeside Place Inc	Eliminations	Combined
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 1,976,623	\$ 60,197	\$ 200	\$ -	\$ 2,037,020
Short-term investments	3,274,689	87,498	-	-	3,362,187
Current portion of assets whose use is limited	14,693	-	3,391	-	18,084
Accounts receivable, net	5,543,519	-	459	-	5,543,978
Pharmacy inventory	350,502	-	-	-	350,502
Other current assets	718,722	-	-	-	718,722
TOTAL CURRENT ASSETS	11,878,748	147,695	1,053		12,030,496
INVESTMENTS DESIGNATED FOR CAPITAL REPLACEMENT	15,703,639	665,696	-		16,369,335
ASSETS WHOSE USE IS LIMITED	-	-	37,751	-	37,751
DUE FROM AFFILIATES	46,058	-	-	(46,058)	-
INTEREST IN NET ASSETS OF FOUNDATION	813,550	-	-	(813,550)	-
PROPERTY, BUILDINGS AND EQUIPMENT, NET	15,708,407	-	1,078,267	-	16,786,674
DEFERRED FINANCING COSTS, NET	161,768	-	-	-	161,768
OTHER ASSETS	61,063	-	1,000	-	65,063
TOTAL ASSETS	\$ 44,376,233	\$ 813,691	\$ 1,121,071	\$ (859,608)	\$ 45,451,387
LIABILITIES AND NET ASSETS (DEFICIT)					
CURRENT LIABILITIES					
Current portion of long-term debt	\$ 670,000	\$ -	\$ -	\$ -	\$ 670,000
Accounts payable and accrued expenses	886,062	-	-	-	886,062
Accrued salaries and benefits	1,156,586	-	-	-	1,156,586
Accrued compensated absences	901,964	-	-	-	901,964
Resident security deposits	-	-	3,394	-	3,394
Deferred revenue	14,851	-	-	-	14,851
TOTAL CURRENT LIABILITIES	3,629,463		3,394	-	3,632,857
INTEREST RATE SWAP LIABILITY	1,853,000	-	-	-	1,853,000
RESERVE FOR THIRD-PARTY PAYOR SETTLEMENTS	599,108	-	-	-	599,108
DUE TO AFFILIATES	-	141	45,917	(46,058)	-
LONG-TERM DEBT, NET OF CURRENT PORTION AND UNAMORTIZED DISCOUNT	13,612,895	-	-	-	13,612,895
TOTAL LIABILITIES	19,691,466	141	49,311	(46,058)	19,697,860
COMMITMENTS AND CONTINGENCIES					
NET ASSETS (DEFICIT)					
Unrestricted	24,524,215	813,550	(290,510)	(813,550)	24,233,675
Temporarily restricted	157,552	-	1,362,300	-	1,519,852
TOTAL NET ASSETS (DEFICIT)	24,681,767	813,550	1,071,790	(813,550)	25,753,577
TOTAL LIABILITIES AND NET ASSETS (DEFICIT)	\$ 44,376,233	\$ 813,691	\$ 1,121,071	\$ (859,608)	\$ 45,451,387

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LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES
COMBINING STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS

Year Ended June 30, 2013

	Lakeside Behavioral Healthcare, Inc	Lakeside Behavioral Healthcare Foundation, Inc	Lakeside Place, Inc	Eliminations	Combined
UNRESTRICTED REVENUES AND SUPPORT					
Net client service revenue	\$ 25,723,058	\$ -	\$ -	\$ -	\$ 25,723,058
Grant and contract revenues	20,150,671	-	-	-	20,150,671
Rental and other income	975,012	-	78,617	(30,795)	1,022,894
Investment income	789,024	82,903	9	-	871,936
Contributions and donations	15,290	10,844	-	-	26,134
TOTAL UNRESTRICTED REVENUES AND SUPPORT	47,653,118	93,747	78,676	(30,795)	47,794,696
EXPENSES					
Salaries	24,155,930	-	-	-	24,155,930
Employee benefits	5,927,777	-	-	-	5,927,777
Professional fees	3,351,229	-	21,260	(12,811)	3,359,678
Medical and pharmacy	4,321,915	-	-	-	4,321,915
Building occupancy	2,759,654	-	44,669	(17,981)	2,786,339
Food services	1,337,861	-	-	-	1,337,861
Depreciation and amortization	1,221,171	-	35,885	-	1,257,056
Operating supplies	1,132,109	-	-	-	1,132,109
Other	806,174	9,946	1,837	-	817,957
Interest	528,295	-	1,108	-	529,403
Insurance	549,926	-	7,410	-	557,336
Change in net assets of Foundation	(55,557)	-	-	55,557	-
TOTAL EXPENSES	46,036,481	9,946	112,169	24,762	46,183,361
NET INCOME (LOSS) FROM OPERATIONS	1,616,637	83,801	(33,493)	(55,557)	1,611,335
OTHER GAINS (LOSSES)					
Change in fair value of interest rate swaps	710,107	-	-	-	710,107
Change in unrealized gain/loss on investments	(191,455)	(28,244)	-	-	(219,699)
TOTAL OTHER GAINS (LOSSES)	518,652	(28,244)	-	-	490,408
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	2,135,286	55,557	(33,493)	(55,557)	2,101,743
NET ASSETS RELEASED FROM RESTRICTIONS	(12,119)	-	-	-	(12,119)
INCREASE (DECREASE) IN NET ASSETS	2,123,167	55,557	(33,493)	(55,557)	2,089,624
NET ASSETS - BEGINNING OF YEAR	24,681,767	813,550	1,071,760	(813,550)	25,753,527
NET ASSETS - END OF YEAR	\$ 26,804,934	\$ 869,107	\$ 1,038,267	\$ (869,107)	\$ 27,843,151

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LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

COMBINING STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS (Continued)

Year Ended June 30, 2012

	Lakeside Behavioral Healthcare, Inc.	Lakeside Behavioral Healthcare Foundation Inc.	Lakeside Place, Inc.	Eliminations	Combined
UNRESTRICTED REVENUES AND SUPPORT					
Net client service revenue	\$ 27,141,659	\$ -	\$ -	\$ -	\$ 27,141,659
Grant and contract revenues	20,686,656	-	-	-	20,686,656
Rental and other income	993,581	-	70,254	(34,099)	1,029,736
Investment income	553,413	18,319	16	-	601,808
Contributions and donations	21,403	10,962	-	-	65,365
TOTAL UNRESTRICTED REVENUES AND SUPPORT	49,699,742	89,311	70,270	(34,099)	49,825,224
EXPENSES					
Salaries	22,661,039	-	-	-	22,661,039
Employee benefits	5,704,389	-	-	-	5,704,389
Professional fees	3,926,788	-	17,221	(11,163)	3,932,846
Medical and pharmacy	4,758,058	-	-	-	4,758,058
Building occupancy	2,818,803	-	17,994	(22,936)	2,813,861
Food services	1,335,490	-	-	-	1,335,490
Depreciation and amortization	1,230,319	-	35,738	-	1,266,087
Operating supplies	1,018,283	-	-	-	1,018,283
Other	817,620	37,892	1,452	-	886,964
Interest	568,997	-	1,108	-	570,100
Insurance	544,707	-	7,410	-	551,612
Change in net assets of Foundation	(16,902)	-	-	16,902	-
TOTAL EXPENSES	45,427,111	37,892	110,923	(17,197)	45,558,729
NET INCOME (LOSS) FROM OPERATIONS	4,272,631	51,419	(40,653)	(16,902)	4,266,495
OTHER GAINS (LOSSES)					
Change in fair value of interest rate swaps	(1,028,000)	-	-	-	(1,028,000)
Change in unrealized gain/loss on investments	(357,129)	(34,517)	-	-	(392,216)
TOTAL OTHER GAINS (LOSSES)	(1,385,729)	(34,517)	-	-	(1,420,216)
INCREASE (DECREASE) IN UNRESTRICTED NET ASSETS	2,886,902	16,902	(40,653)	(16,902)	2,846,249
NET ASSETS RELEASED FROM RESTRICTIONS	(12,119)	-	-	-	(12,119)
INCREASE (DECREASE) IN NET ASSETS	2,874,783	16,902	(40,653)	(16,902)	2,834,130
NET ASSETS - BEGINNING OF YEAR	21,806,984	796,648	1,112,413	(796,648)	22,919,397
NET ASSETS - END OF YEAR	\$ 24,681,767	\$ 813,550	\$ 1,071,760	\$ (813,550)	\$ 25,753,527

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LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

COMBINING STATEMENTS OF CASH FLOWS

Year Ended June 30, 2013

	Lakeside Behavioral Healthcare Inc.	Lakeside Behavioral Healthcare Foundation Inc.	Lakeside Place, Inc.	Eliminations	Combined
CASH FLOWS FROM OPERATING ACTIVITIES					
Increase (decrease) in net assets	\$ 2,123,167	\$ 55,557	\$ (33,513)	\$ (55,557)	\$ 1,089,614
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities					
Depreciation and amortization	1,221,171	-	35,885	-	1,257,056
Change in fair value of interest rate swaps	(710,107)	-	-	-	(710,107)
Change in unrealized gain/loss on investments	191,455	28,211	-	-	219,666
(Gain)/loss on disposal of fixed assets	(3,000)	-	-	-	(3,000)
Changes in operating assets and liabilities					
Accounts receivable	(602,391)	-	(783)	-	(603,174)
Pharmacy inventory	(102,072)	-	-	-	(102,072)
Amounts due from (to) affiliates	1,275	383	(1,658)	-	-
Other assets	(39,662)	-	(36)	-	(39,698)
Accounts payable and accrued expenses	(26,430)	-	-	-	(26,430)
Accrued salaries and benefits	183,229	-	-	-	183,229
Accrued compensated absences	33,415	-	-	-	33,415
Reserve for third-party payor settlements	565,234	-	-	-	565,234
Deferred revenues	372,763	-	-	-	372,763
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	3,208,017	84,181	(135)	(55,557)	3,236,539
CASH FLOWS FROM INVESTING ACTIVITIES					
Change in investments, net	(1,613,307)	(78,029)	-	55,557	(1,635,779)
Change in assets whose use is limited, net	7,191	-	796	-	7,987
Acquisition of property, buildings and equipment, net	(810,784)	-	(199)	-	(811,983)
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	(2,416,895)	(78,029)	297	55,557	(2,439,070)
CASH FLOWS USED IN FINANCING ACTIVITIES					
Repayments of borrowings	(670,000)	-	-	-	(670,000)
NET INCREASE IN CASH AND CASH EQUIVALENTS	121,152	6,155	162	-	127,469
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	1,976,623	60,497	200	-	2,037,320
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 2,097,775	\$ 66,652	\$ 362	\$ -	\$ 2,164,789

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LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

COMBINING STATEMENTS OF CASH FLOWS (Continued)

Year Ended June 30, 2012

	Lakeside Behavioral Healthcare, Inc	Lakeside Behavioral Healthcare Foundation Inc	Lakeside Place, Inc	Eliminations	Combined
CASH FLOWS FROM OPERATING ACTIVITIES					
Increase (decrease) in net assets	\$ 2,874,783	\$ 16,902	\$ (40,653)	\$ (16,902)	\$ 2,834,130
Adjustments to reconcile increase (decrease) in net assets to net cash provided by operating activities					
Depreciation and amortization	1,230,349	-	35,738	-	1,266,087
Change in fair value of interest rate swaps	1,028,000	-	-	-	1,028,000
Change in unrealized gain/loss on investments	357,779	34,517	-	-	392,246
(Gain)/loss on disposal of fixed assets	46,675	-	-	-	46,675
Changes in operating assets and liabilities					
Accounts receivable	(905,437)	3,187	(292)	-	(902,542)
Pharmacy inventory	(42,022)	-	-	-	(42,022)
Amounts due from (to) affiliates	(11,236)	(676)	11,912	-	-
Other assets	(311,693)	-	2	-	(341,691)
Accounts payable and accrued expenses	(318,123)	-	-	-	(318,123)
Accrued salaries and benefits	37,266	-	-	-	37,266
Accrued compensated absences	105,289	-	-	-	105,289
Reserve for third-party payor settlements	(150,892)	-	-	-	(150,892)
Deferred revenues	(509,507)	-	-	-	(509,507)
NET CASH PROVIDED BY OPERATING ACTIVITIES	3,401,181	53,930	6,707	(16,902)	3,444,916
CASH FLOWS FROM INVESTING ACTIVITIES					
Change in investments, net	(4,209,372)	(11,204)	-	16,902	(4,236,674)
Change in assets whose use is limited, net	(12,906)	-	(1,535)	-	(17,111)
Acquisition of property, buildings and equipment, net	(700,483)	-	(2,269)	-	(702,752)
NET CASH USED IN INVESTING ACTIVITIES	(4,922,761)	(41,204)	(6,804)	16,902	(4,956,867)
CASH FLOWS USED IN FINANCING ACTIVITIES					
Repayments of borrowings	(658,873)	-	-	-	(658,873)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(2,180,453)	9,726	(97)	-	(2,170,824)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	4,157,076	50,771	297	-	4,208,144
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 1,976,623	\$ 60,497	\$ 200	\$ -	\$ 2,037,320

See Report of Independent Certified Public Accountants
on Supplemental Information

SUBSTANCE ABUSE & MENTAL HEALTH SERVICES
ACTUAL COST CENTER REVENUE AND EXPENSES

AGENCY Lakeside Behavioral Healthcare, Inc

CONTRACT # GH121 and GH122 PERIOD FROM 1/1/2012 TO 6/30/2013

PART I ACTUAL FUNDING SOURCES & REVENUES

FUNDING SOURCES & REVENUES	STATE-DESIGNATED SAMH COST CENTERS										
	STATE SAMH-FUNDED COST CENTERS										
	STATE-DESIGNATED SAMH COST CENTERS										
	Crisis Support / Emer	CCSU	FACT	FACT	FACT	CCST	Medical Svcs	Short Term Residential	Room & Board Level II	Room & Board Level III	Total for State SAMH-Funded Cost Centers (C + D + E)
A	B _{1A}	B _{1B}	B _{1C}	B _{1D}	B _{1E}	B _{1F}	B _{1G}	B _{1H}	B _{1I}	B _{1J}	Total for Non-State Funded SAMH Cost Centers (D+E)
IA. TOTAL STATE SAMH FUNDING											
(1) Federal State Contract	\$ 217,283	\$ 2,797,653	\$ 9,353	\$ 55,658	\$ 197,886	\$ 1,779,348	\$ 2,819,712	\$ -	\$ 559,577	\$ 10,721,770	\$ -
(2) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(3) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(4) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(5) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(6) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(7) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(8) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(9) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(10) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(11) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(12) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(13) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(14) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(15) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(16) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(17) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(18) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(19) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(20) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(21) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(22) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(23) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(24) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(25) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(26) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(27) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(28) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(29) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(30) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(31) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(32) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(33) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(34) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(35) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(36) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(37) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(38) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(39) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(40) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(41) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(42) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(43) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(44) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(45) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(46) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(47) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(48) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(49) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(50) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(51) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(52) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(53) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(54) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(55) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(56) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(57) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(58) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(59) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(60) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(61) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(62) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(63) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(64) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(65) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(66) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(67) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(68) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(69) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(70) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(71) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(72) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(73) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(74) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(75) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(76) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(77) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(78) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(79) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(80) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(81) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(82) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(83) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(84) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(85) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(86) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(87) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(88) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(89) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(90) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(91) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(92) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(93) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(94) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(95) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(96) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(97) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(98) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(99) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
(100) Other State Contract Funding	-	-	-	-	-	-	-	-	-	-	-
TOT OTHER GOVT FUNDING =	989,085	1,653,040	(145)	(145)	232,235	69,320	1,988,273	-	5,542,500	2,685,161	8,227,670
IC. ALL OTHER REVENUES											
(1) 1st & 2nd Party Payments	15,562	9,750	2,800	-	-	40,360	9,714	146,925	224,52	274,420	468,075
(2) 3rd Party Payments (except Medicaid)	43,286	999,200	779,41	-	274,000	1,056,481	775,80	4,182,900	6,535,770	10,728,334	8,301,340
(3) Medicaid	-	-	(73)	-	-	38,547	-	39,374	116,434	756,808	4,995,54
(4) Contributions and Donations	-	-	-	-	260	-	-	-	250	-	4,066
(5) Other	-	1,902,770	-	500	-	-	245,781	-	2,149,05	10,800	1,672,139
(6) Other	-	-	-	-	-	-	-	-	-	-	-
TOT ALL OTHER REVENUES =	43,286	2,917,622	364,847	1,213	274,233	1,335,368	1,030,670	146,925	6,604,722	8,539,486	15,174,278
TOTAL PROJECTED FUNDING =	\$ 3,250,574	\$ 5,278,315	\$ 914,751	\$ 55,013	\$ 1,704,375	\$ 2,865,562	\$ 5,638,069	\$ 7,46,522	\$ 23,250,176	\$ 1,127,537	\$ 34,474,833
TOTAL PROJECTED FUNDING =	\$ 3,250,574	\$ 5,278,315	\$ 914,751	\$ 55,013	\$ 1,704,375	\$ 2,865,562	\$ 5,638,069	\$ 7,46,522	\$ 23,250,176	\$ 1,127,537	\$ 34,474,833
TOTAL PROJECTED FUNDING =	\$ 3,250,574	\$ 5,278,315	\$ 914,751	\$ 55,013	\$ 1,704,375	\$ 2,865,562	\$ 5,638,069	\$ 7,46,522	\$ 23,250,176	\$ 1,127,537	\$ 34,474,833
TOTAL PROJECTED FUNDING =	\$ 3,250,574	\$ 5,278,315	\$ 914,751	\$ 55,013	\$ 1,704,375	\$ 2,865,562	\$ 5,638,069	\$ 7,46,522	\$ 23,250,176	\$ 1,127,537	\$ 34,474,833

SUBSTANCE ABUSE & MENTAL HEALTH SERVICES
ACTUAL COST CENTER REVENUE AND EXPENSES (CONTINUED)

AGENCY: Inside Behavioral Health Care Inc.

CONTRACT #: GH021 and GH122

PERIOD FROM: 01/01/2012 TO: 06/30/2013

PART II: ACTUAL EXPENSES

STATE-DESIGNATED SAMH COST CENTERS																*except IC & ID			
EXPENSE CATEGORIES	STATE SAMH-FUNDED COST CENTERS																		
	A	B _{1a}	B _{1b}	B _{1c}	B _{1d}	FACT Incidental Funds	CCST	Medical Sys	Show Term Residential	Room & Board Level II	Room & Board Level III	Total for State SAMH-Funded Cost Centers	Total for Non- State-Funded SAMH Cost Centers	Total for All State- Designated SAMH Cost Centers	Non-SAMH Cost Center		Other Support Costs (Fringe)	Adminis- tration	Total Expenses
																			(F+G+...+I)
IIA. PERSONNEL EXPENSES																			
(1) Salaries	\$ 2,388,989	\$ 2,720,549	\$ 905,926	\$ 665,740	\$ -	\$ 533,035	\$ 374,584	\$ 2,657,050	\$ -	\$ 203,635	\$ 1,860,330	\$ 3,346,633	\$ 5,206,724	\$ 3,351,435	\$ 3,807,046	\$ 1,908,322	\$ -	\$ 24,155,630	
(2) Fr. & Benf'n	634,731	535,910	242,634	124,703	-	254,633	235,164	578,071	-	64,571	2,772,857	786,610	3,559,457	805,235	1,398,434	404,360	-	5,927,777	
TOTAL PERSONNEL EXPENSES =	3,023,690	3,256,459	1,148,560	790,443	-	787,668	609,748	3,235,121	-	268,206	4,633,187	4,133,243	8,866,181	4,156,670	5,205,480	1,312,680	-	33,083,407	
IIB. OTHER EXPENSES																			
(1) Building Occupancy	203,612	444,252	48,514	53,252	-	273,570	105,877	335,348	-	290,355	1,879,680	509,011	2,388,761	770,356	624,157	87,488	-	3,950,525	
(2) Professional Services	2,663	17,289	27,673	255	-	7,339	5,620	7,156	-	55	347,764	1,222,492	1,570,758	60,374	89,374	273,828	-	3,075,872	
(3) Travel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(4) Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(5) Food Services	78,788	375,926	87,890	2,511	-	115	276	425,839	-	949	942,315	65,811	1,009,126	372,294	351,671	11,618	-	537,961	
(6) Medical and Pharmacy	48,615	332,765	74,481	-	-	2,440	325.2	388,904	-	1,212	1,343,330	2,627,924	3,780,263	575,886	3,985	220,	-	432,915	
(7) Subcontracted Services	335,557	-	-	-	-	-	-	-	-	-	-	-	335,557	-	-	-	-	-	
(8) Insurance	52,617	76,667	18,420	24,840	-	24,149	27,670	60,561	-	5,431	289,856	84,326	374,182	12,777	14,004	-	-	549,926	
(9) Other Paid	33,603	82,454	25,514	8,770	-	38,315	20,963	70,787	-	4,422	305,045	70,663	395,708	99,879	32,678	-	-	528,285	
(10) Operating Supplies & Expenses	64,252	31,740	5,850	17,340	-	3,590	5,570	28,047	-	3,759	82,284	61,325	243,609	166,875	325,294	395,391	-	1,321,109	
(11) Other	14,151	29,038	8,032	5,710	-	46,794	25,737	25,737	-	12,569	85,223	72,442	257,693	203,389	18,584	240,587	-	756,617	
(12) Donated Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL OTHER EXPENSES =	939,548	1,483,761	275,822	89,895	56,391	350,980	513,276	1,565,455	-	389,721	5,642,033	4,715,615	10,357,678	3,272,379	4,030,232	292,798	-	5,932,777	
TOTAL PERSONNEL & OTHER EXP =	3,963,238	4,740,220	1,424,382	880,338	112,781	1,138,648	1,123,024	4,800,576	-	657,927	10,275,220	8,848,858	18,715,361	7,429,059	9,235,714	3,529,170	-	48,308,484	
IIC. DISTRIBUTED INDIRECT COSTS																			
(1) Other Support Costs (Op-oi a)	544,078	905,572	335,825	38,192	-	259,032	318,000	858,840	-	219,535	3,590,000	527,427	4,578,428	1,285,964	15,935,214	-	-	-	133,922
(2) Administration	367,472	466,093	169,198	51,440	-	42,633	230,430	457,518	-	37,237	583,021	685,200	2,650,230	985,779	15,935,093	-	-	-	(3,835,093)
TOTAL DISTRIBUTED INDIRECT COSTS =	911,550	1,371,665	505,023	89,632	-	299,665	548,430	1,316,358	-	256,772	4,173,021	1,212,627	7,228,658	2,271,743	15,950,307	-	-	-	(3,669,171)
TOTAL PROJECTED OPER. EXPENSES =	4,874,788	6,111,885	2,029,405	979,970	112,781	1,438,313	1,671,454	6,116,934	-	914,699	14,448,241	10,061,485	25,943,979	9,741,802	20,186,021	-	-	-	50,868,481
IIE. TOTAL SAMH LINES OF CREDIT EQUIVALENT =																			
																			-

See Report of Revenue & Certified Public Accountant
for Supplemental Information

LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

SCHEDULE OF STATE EARNINGS

Year Ended June 30, 2013

1	Total Expenditures	\$ 46,036,484
2	Less Other State and Federal Funds	(4,658,721)
3	Less Non-Match SAMH Funds	(4,894,493)
4	Less Unallowable Costs (65E-14, F.A.C.)	(10,204,615)
5	Less Unallowable Patient Fees	<u>-</u>
6	Net Allowable Expenditures (Sum of lines 1, 2, 3, 4 and 5)	<u><u>\$ 26,278,655</u></u>
7	Maximum Available Earnings (Line 6 times 75%)	\$ 19,708,991
8	Amount of State Funds Requiring Match	<u>(1,942,522)</u>
9	Excess Match	<u><u>\$ 17,766,469</u></u>

See Report of Independent Certified Public Accountants
on Supplemental Information

LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

SCHEDULE OF BED-DAY AVAILABILITY PAYMENTS

Fiscal Year Ended June 30, 2013

Program	Cost Center	State Contracted Rate	Total Units of Service Provided	Service Paid for by 3rd Party Contracts, Local Govt. or Other State Agencies	Maximum # of Units Eligible for Payment by Department	Amounts Paid for Services by the Department	Maximum \$ Value of Units in Column F	Amount Owed to Department (G-H or \$0, whichever is greater)
A	B	C	D	E	(D-E) F	G	(F x C) H	I
Children's MH	Crisis Stabilization Unit	\$ 309.64	7,296	1,987	\$ 309	\$ 540,709	\$ 1,643,879	\$ -
Adult MH	Crisis Stabilization Unit	\$ 293.74	20,808	12,605	8,203	\$ 2,197,506	\$ 2,409,549	-
Adult MH	Short-Term Residential Treatment	\$ 253.33	21,540	9,514	12,026	\$ 2,807,506	\$ 3,046,547	-
Total Amount Owed to Department=								\$ -

Note: All cost centers are paid based upon "Bed-Day Availability."

See Report of Independent Certified Public Accountants
on Supplemental Information

LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

SCHEDULE OF RELATED-PARTY TRANSACTION ADJUSTMENTS

Fiscal Year Ended June 30, 2013

	Related Party	Allocation of Related-Party Transactions Adjustment State-Designated Cost Centers			
		1	2	3	TOTAL
Revenues From Grantee					
Rent	\$ -	\$ -	\$ -	\$ -	\$ -
Services	-	-	-	-	-
Interest	-	-	-	-	-
Other	-	-	-	-	-
Total Revenues From Grantee	-	-	-	-	-
Expenses Associated with Grantee Transactions					
Personnel Services	-	-	-	-	-
Depreciation	-	-	-	-	-
Interest	-	-	-	-	-
Other	-	-	-	-	-
Total Associated Expenses	-	-	-	-	-
Related-Party Transaction Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -

Note: Related-party transactions appear to be at or below current market cost.

LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2013

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Federal CFDA Number	Contract / Grant Number	Federal Expenditures Recognized
FEDERAL AWARDS			
U.S. Department of Housing and Urban Development			
Supportive Housing for Persons with Disabilities	14.181	N/A	\$ 1,362,300
Section 8 Housing Assistance Payments Program - Special Allocations	14.195	FI 29-Q991-004	11,611
Pass-through			
Homeless Services Network of Central Florida, Inc.			
SHIP Grant	11.235	11.0083B4H070800	171,949
Total U.S. Department of Housing and Urban Development			1,578,890
U.S. Department of Justice			
Pass-through			
Orange County, Florida			
DJMH Collaboration	16.745	2010 MO BX 0025	66,459
STOP Violence Against Women Formula Program	16.588	N/A	18,978
Total U.S. Department of Justice			115,437
U.S. Department of Transportation			
Pass-through			
Florida Department of Transportation			
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20.513	FI -16-0037	343,930
Total U.S. Department of Transportation			343,930
U.S. Department of Education Rehabilitation Services Administration			
Pass-through			
Florida Department of Labor and Employment Security			
ARRA - Division of Vocational Rehabilitation	84.390	VI468	2,107
Total U.S. Department of Education Rehabilitation Services Administration			2,107
U.S. Department of Health and Human Services			
Substance Abuse and Mental Health Services Administration (SAMHSA)			
Pass-through			
Orange County, Florida			
Wraparound	93.104	5U79SM059038-02	165,044
Florida Department of Children and Families			
Projects for Assistance in Transition from Homelessness	93.150	GH121/LBM14	452,226
Lakeside Primary and Behavioral Healthcare Integration	93.213	5H79SM059716-02	473,637
Pass-through			
Grand Avenue Economic Community Development Corp			
Project Pathlight	93.243	11M795M059094-01	93,522
Subtotal			567,159
Florida Department of Children and Families			
Social Services Block Grant	93.667	GH121/LBM14	115,678
Orange County Healthy Start	93.991	COSDR	94,161
Block Grants For Community Mental Health	93.958	GH121/LBM14/BE14/EDR15	687,793
Total U.S. Department of Health and Human Services			2,082,061
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 4,122,425

See Report of Independent Certified Public Accountants
on Supplemental Information

LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)

Year Ended June 30, 2013

NOTE 1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Lakeside Behavioral Healthcare, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICY

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the principles contained in OMB Circular A-122, "Cost Principles for Non-profit Organizations," wherein certain types of expenditures are not allowable or limited as to reimbursement.

NOTE 3 - OTHER STATE FINANCIAL ASSISTANCE RECEIVED

The Organization received funding from the State of Florida Department of Children and Families that were not subject to Section 215.97, Florida Statutes as follows:

State of Florida Department of Children and Families	Agency or Pass-Through Number	Current Year Expenditure
A. Matching Funds for Federal Programs:		
State Matching Funds - 93.958 Block Grants for Community Mental Health Services	GH1121/LBM14	\$ 9,307,265
Total State Funds Awarded for Matching		<u>\$ 9,307,265</u>

See Report of Independent Certified Public Accountants
on Supplemental Information



LOVELACE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors of
Lakeside Behavioral Healthcare, Inc. and Affiliates
Orlando, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the combined financial statements of Lakeside Behavioral Healthcare, Inc. and Affiliates (the "Organization") which comprise the combined balance sheet as of June 30, 2013, and the related combined statements of operations and changes in net assets, and cash flows for the year then ended, and the related notes to the combined financial statements, and have issued our report thereon dated November 13, 2013.

Internal Control over Financial Reporting

In planning and performing our audit of the combined financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the combined financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's combined financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be material weakness or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

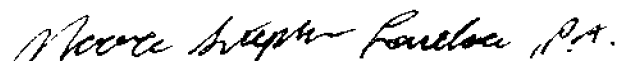
To the Board of Directors of
Lakeside Behavioral Healthcare, Inc. and Affiliates

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's combined financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of combined financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
November 13, 2013



LOVELACE, P.A.
CERTIFIED PUBLIC ACCOUNTANTS

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A
DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

To the Board of Directors of
Lakeside Behavioral Healthcare, Inc. and Affiliates
Orlando, Florida

Report on Compliance for Each Major Federal Program

We have audited the compliance of Lakeside Behavioral Healthcare, Inc. and Affiliates (the "Organization") with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") Circular A-133, *Compliance Supplement*, that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its major federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on the Organization's compliance for each of the Organization's major federal programs based on our audit of the types of compliance requirements referred to above.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program. An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Organization's compliance with those requirements.

To the Board of Directors of
Lakeside Behavioral Healthcare, Inc. and Affiliates

Opinion on Each Major Federal Program

In our opinion, the Organization complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013

Report on Internal Control over Compliance

Management of the Organization is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered the Organization's internal control over compliance with the types of compliance requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
November 13, 2013

LAKESIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2013

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unmodified		
Internal control over financial reporting			
Material weakness(es) identified?	_____ Yes	<u> X </u> No	
Significant deficiency(ies) identified?	_____ Yes	<u> X </u> None Reported	
Noncompliance material to financial statements noted	_____ Yes	<u> X </u> No	

Federal Awards

Internal control over major federal programs			
Material weakness(es) identified?	_____ Yes	<u> X </u> No	
Significant deficiency(ies) identified?	_____ Yes	<u> X </u> None Reported	
Type of auditor's report issued on compliance for major federal programs	Unmodified		
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)	_____ Yes	<u> X </u> No	

LAKE SIDE BEHAVIORAL HEALTHCARE, INC. AND AFFILIATES

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)

Year Ended June 30, 2013

SECTION I - SUMMARY OF AUDITOR'S RESULTS (Continued)

Federal Awards (Continued)

Identification of major federal programs

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number(s)</u>
Supportive Housing for Persons with Disabilities	14 181
Capital Assistance Program for Elderly Persons and Persons with Disabilities	20 513
Block Grants For Community Mental Health	93 958

Dollar threshold used to distinguish between Type A and
Type B programs for federal awards

\$ 300,000

Auditee qualified as low-risk auditee pursuant to
OMB Circular A-133?

X Yes No

SECTION II - FINANCIAL STATEMENT FINDINGS

Prior Year Comments: No findings were reported

Current Year Comments: No findings were reported

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Prior Year Comments: No findings were reported

Current Year Comments: No findings were reported