

Municipal Secondary Market Disclosure Information Cover Sheet

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories, and any applicable State Information Depository, whether the filing is voluntary or made pursuant to Securities and Exchange Commission rule 15c2-12 or any analogous state statute.

See www.sec.gov/info/municipal/nrmsir.htm for list of current NRMSIRs and SIDs

IF THIS FILING RELATES TO A SINGLE BOND ISSUE:

Provide name of bond issue exactly as it appears on the cover of the Official Statement
(please include name of state where issuer is located):

\$17,860,000

Gaylord Hospital Finance Authority

Hospital Revenue and Refunding Bonds, Series 2004

Otsego Memorial Hospital Association Obligated Group

Provide nine-digit CUSIP* numbers if available, to which the information relates:

368177AB7

368177AC5

368177AD3

IF THIS FILING RELATES TO ALL SECURITIES ISSUED BY THE ISSUER OR ALL SECURITIES OF A SPECIFIC CREDIT OR ISSUED UNDER A SINGLE INDENTURE:

Issuer's Name (please include name of state where Issuer is located): _____

Other Obligated Person's Name (if any): _____

(Exactly as it appears on the Official Statement Cover)

Provide six-digit CUSIP* number(s), if available, of Issuer: _____

*(Contact CUSIP's Municipal Disclosure Assistance Line at 212.438.6518 for assistance with obtaining the proper CUSIP numbers.)

TYPE OF FILING:

Electronic (number of pages attached) 9 Paper (number of pages attached) _____

If information is also available on the Internet, give URL: www.firstriver.com

WHAT TYPE OF INFORMATION ARE YOU PROVIDING? (Check all that apply)

A. Annual Financial Information and Operating Data pursuant to Rule 15c2-12
(Financial information and operating data should not be filed with the MSRB.)

Fiscal Period Covered: _____

B. Audited Financial Statements or CAFR pursuant to Rule 15c2-12

Fiscal Period Covered: _____

C. Notice of a Material Event pursuant to Rule 15c2-12 (Check as appropriate)

- | | |
|--|--|
| 1. <input type="checkbox"/> Principal and interest payment delinquencies | 6. <input type="checkbox"/> Adverse tax opinions or events affecting the tax-exempt status of the security |
| 2. <input type="checkbox"/> Non-payment related defaults | 7. <input type="checkbox"/> Modifications to the rights of security holders |
| 3. <input type="checkbox"/> Unscheduled draws on debt service reserves reflecting financial difficulties | 8. <input type="checkbox"/> Bond calls |
| 4. <input type="checkbox"/> Unscheduled draws on credit enhancements reflecting financial difficulties | 9. <input type="checkbox"/> Defeasances |
| 5. <input type="checkbox"/> Substitution of credit or liquidity providers, or their failure to perform | 10. <input type="checkbox"/> Release, substitution, or sale of property securing repayment of the securities |
| | 11. <input type="checkbox"/> Rating changes |

D. Notice of Failure to Provide Annual Financial Information as Required

E. Quarterly or Monthly Financial Information and Operating Data
(Financial information and operating data should not be filed with the MSRB.)

Period Covered: January – July 2010 (FY2010M07)

F. Other Secondary Market Information (Specify): 13-Week Cash Flow Forecast and Assumptions as of August 29, 2010

I hereby represent that I am authorized by the issuer or obligor or its agent to distribute this information publicly:

Issuer Contact:

Name _____ Title _____
Employer _____
Address _____ City _____ State _____ Zip Code _____
Telephone _____ Fax _____
Email Address _____ Issuer Web Site Address _____

Dissemination Agent Contact, if any:

Name Shelley I. Aronson Title President
Employer First River Advisory I. L. C.
Address 2640 Override Drive City Ann Arbor State MI Zip Code 48104
Telephone (734) 761-3624 Fax (734) 761-3614
Email Address aronson@firstriver.com Relationship to Issuer Dissemination Agent

Obligor Contact, if any:

Name Thomas R. Lemon, FACHE Title Chief Executive Officer
Employer Otsego Memorial Hospital
Address 825 North Center Street City Gaylord State MI Zip Code 49735
Telephone (989) 731-2215 Fax (989) 731-2217
Email Address Tlemon@otsegomemorialhospital.org Obligor Web Site Address www.otsegomemorialhospital.org

Investor Relations Contact, if any:

Name _____ Title _____
Telephone _____ Email Address _____

OTSEGO MEMORIAL HOSPITAL ASSOCIATION

FINANCIAL STATEMENTS

FY2010M07

<i>Obligated Group Balance Sheet</i> (<i>\$000s omitted</i>)			
	<i>At July 31</i>		<i>At December 31</i>
	<i>2010</i>	<i>2010</i>	<i>2009</i>
	<i>Unaudited</i>	<i>Forecast Model</i>	<i>Audited</i>
Cash, Cash Equivalents and Short-Term Investments ¹	1,518	1,379	196
Net Patient Accounts Receivable	5,084	5,263	6,844
Current Assets Limited as to Use	0	0	638
Estimated Third-Party Payor Settlements	1,592	1,550	560
Prepaid Expenses and Other Current Assets	<u>1,990</u>	<u>1,434</u>	<u>1,984</u>
Total Current Assets	10,184	9,626	10,220
Investments ¹	1,003	2,506	4,942
Net Property and Equipment	26,799	26,770	27,684
Non-Current Assets Limited as to Use	1,744	1,373	1,658
Other Non-Current Assets	<u>1,652</u>	<u>1,494</u>	<u>1,570</u>
Total	41,383	41,769	46,073
Current Portion of Long-Term Debt	918	918	22,585
Short-Term Indebtedness	70	70	3,384
Accounts Payable	3,471	3,168	4,704
Estimated Third-Party Payor Settlements	0	0	0
Accrued Liabilities and Other	<u>2,069</u>	<u>2,574</u>	<u>2,695</u>
Total Current Liabilities	6,528	6,731	33,368
Long-Term Debt	21,145	21,295	0
Other Non-Current Liabilities	815	727	570
Net Assets	<u>12,895</u>	<u>13,015</u>	<u>12,136</u>
Total	41,383	41,769	46,073

¹ Corresponds to the definition of "Financial Assets" in the Master Indenture, and used in "Days' Cash on Hand" calculations

Obligated Group Statement of Operations
(\$000s omitted)

	<i>Seven Months Ended July 31</i>		
	<i>2010</i>	<i>2010</i>	<i>2009</i>
	<i>Actual</i>	<i>Forecast Model</i>	<i>Actual</i>
Gross Patient Service Revenue	61,539	62,142	58,305
Contractual Allowances and Other Deductions	<u>(24,887)</u>	<u>(24,948)</u>	<u>(23,295)</u>
Net Patient Service Revenue	36,652	37,193	35,010
Other Operating Revenue	<u>1,942</u>	<u>1,928</u>	<u>2,202</u>
Total Operating Revenue	38,594	39,121	37,213
Salaries and Wages	16,483	16,686	16,787
Employee Benefits	4,667	4,767	4,483
Supplies and Expenses	12,920	13,002	14,122
Depreciation Expense	1,144	1,145	1,153
Interest Expense	869	863	870
Provision for Uncollectible Accounts	<u>1,939</u>	<u>1,889</u>	<u>1,571</u>
Total Operating Expenses	38,022	38,352	38,987
Income from Operations	572	769	(1,774)
Net Nonoperating Revenue (Loss)	<u>187</u>	<u>111</u>	<u>115</u>
Excess of Revenue over Expenses	759	880	(1,659)

Obligated Group Statement of Cash Flows <i>(\$000s omitted)</i>		
	Seven Months Ended July 31	FY2009
	Unaudited	Audited
Operating Activities		
Cash Received from Patients and Third-Party Payors	36,473	62,316
Cash Paid to Suppliers and Employees	(39,085)	(66,095)
Investment Income Received	84	249
Interest Paid	(869)	(1,541)
Other Operating Receipts	1,013	1,050
Net Cash Provided (Used) by Operating Activities	(2,385)	(4,021)
Investing Activities		
Purchases of Property and Equipment	(260)	(549)
Proceeds from Disposal of Property and Equipment	-	5
(Purchases) of Investments	-	(2,383)
Sales and Maturities of Investments	-	4,295
Change in Assets Limited as to Use	4,490	-
Proceeds from Life Insurance Contracts	-	0
Net Distribution from Joint Ventures	-	<u>100</u>
Net Cash Provided (Used) by Investing Activities	4,230	1,468

<i>Obligated Group Statement of Cash Flows</i> <i>(\$000s omitted)</i>		
	<i>Seven Months Ended July 31</i>	<i>FY2009</i>
	<i>Unaudited</i>	<i>Audited</i>
Financing Activities		
Proceeds from Issuance of Debt Obligations	0	3,596
Principal Repayments on Debt Obligations	(522)	(2,087)
Proceeds from Restricted Contributions	<u>0</u>	<u>0</u>
Net Cash Provided (Used) by Financing Activities	(522)	1,509
Net Increase (Decrease) in Cash	1,323	(1,044)
Cash and Cash Equivalents – Beginning of Period	196	1,240
Cash and Cash Equivalents – End of Period	1,518	196

OTSEGO MEMORIAL HOSPITAL ASSOCIATION

SERVICE VOLUMES AND UTILIZATION

FY2010M07

<i>Historical Acute Care Utilization (excludes newborns)</i>			
	<i>Seven Months Ended July 31</i>		
	<i>2010</i>	<i>2010</i>	<i>2009</i>
	<i>Actual</i>	<i>Forecast Model</i>	<i>Actual</i>
Days in Period	212	212	212
Licensed Beds	46	46	46
Staffed Beds	39	39	39
Admissions	1,036	1,050	1,050
Patient Days	3,252	3,400	3,289
Births	142	143	165
Average Daily Census	15.3	16.0	15.5
Average Length of Stay	3.1	3.2	3.1
Occupancy Rate ¹ (%)	39.3	41.1	39.8

¹ Based on Staffed Beds

<i>McReynolds Hall (Skilled Nursing) Utilization</i>			
	<i>Seven Months Ended July 31</i>		
	<i>2010</i>	<i>2010</i>	<i>2009</i>
	<i>Actual</i>	<i>Forecast Model</i>	<i>Actual</i>
Days in Period	212	212	212
Licensed and Staffed Beds	34	34	34
Patient Days	6,269	6,351	6,362
Average Daily Census	29.6	30.0	30.0
Occupancy Rate	87.0	88.1	88.3

<i>Outpatient Volumes</i>				
		<i>Seven Months Ended July 31</i>		
		<i>2010</i>	<i>2010</i>	<i>2009</i>
		<i>Actual</i>	<i>Forecast Model</i>	<i>Actual</i>
ED Patients		7,623	7,430	7,609
MedCare Encounters		8,810	9,394	7,624
Employed Physician Encounters	OMH Medical Group	39,492	39,500	36,988
	Montmorency Clinic	5,139	5,198	4,853
	Orthopedic Surgeons	7,287	7,130	7,430
	Total	51,918	51,828	49,271
Outpatient Registrations		38,193	38,651	41,382

<i>Surgical and Other Procedures</i>				
		<i>Seven Months Ended July 31</i>		
		<i>2010</i>	<i>2010</i>	<i>2009</i>
		<i>Actual</i>	<i>Forecast Model</i>	<i>Actual</i>
Inpatient Surgeries		389	420	446
Outpatient	Surgeries	2,213	2,220	2,432
	Other Procedures	2,422	2,425	2,649
	Total Outpatient	4,635	4,645	5,081
Grand Total		5,024	5,065	5,527
Percent Outpatient		92.3%	91.7%	91.9%

<i>Ancillary Services</i> <i>(the Corporation no longer distinguishes between ancillary services provided to inpatients and outpatients in its record-keeping)</i>			
	<i>Seven Months Ended July 31</i>		
	<i>2010</i>	<i>2010</i>	<i>2009</i>
	<i>Actual</i>	<i>Forecast Model</i>	<i>Actual</i>
Laboratory Orders	156,575	156,756	139,228
Electrocardiology Procedures	4,500	4,472	4,628
General Radiology Examinations	11,830	11,994	12,155
Ultrasound Examinations	2,359	2,371	1,984
Mammography Examinations	1,503	1,452	1,580
Nuclear Medicine Examinations	1,307	1,112	1,353
CT Scan Examinations	3,824	3,840	3,878
MRI Examinations	1,667	1,640	1,620
Cardio-Pulmonary Procedures	15,823	16,294	16,421
Physical Therapy Procedures	15,142	14,766	17,742
Occupational Therapy Procedures	10,315	9,897	8,176
Cardiac Rehabilitation Visits	3,834	3,774	3,581

Otesago Memorial Hospital & Foundation
13 Week Cash Flow Forecast
Management Assumptions

	Actual	1	2	3	4	5	6	7	8	9	10	11	12	13	Total
Starting	8/29/10	9/5/10	9/12/10	9/19/10	9/26/10	10/3/10	10/10/10	10/17/10	10/24/10	10/31/10	11/7/10	11/14/10	11/21/10	11/28/10	13 Week
Ending	9/5/10	9/12/10	9/19/10	9/26/10	10/3/10	10/10/10	10/17/10	10/24/10	10/31/10	11/7/10	11/14/10	11/21/10	11/28/10	12/5/10	Total
Opening Operating Cash Balance	1,078,545	428,312	1,077,006	223,964	411,526	0	790,979	123,179	597,952	27,708	967,655	514,669	1,044,438	297,010	428,312
Cash Receipts:															
Blue Cross - BIP - Weekly	234,900	234,900	234,900	234,900	324,700	259,900	259,900	259,900	259,900	259,900	259,900	259,900	259,900	259,900	3,368,600
Medicare - PIP - Bi - Weekly	0	206,174	0	206,174	0	206,174	0	206,174	0	206,174	0	206,174	0	206,174	1,443,218
Medicaid - MIP - Bi - Monthly	0	62,555	0	62,555	0	62,555	0	62,555	0	62,555	0	62,555	0	62,555	375,330
Medicaid - CIP - Bi-Weekly	0	1,000	0	1,000	0	1,000	0	1,000	0	1,000	0	1,000	0	1,000	6,000
Commercial	285,772	255,084	204,068	255,084	255,084	255,084	255,084	255,084	255,084	255,084	255,084	255,084	255,084	255,084	3,265,080
Medicare Part B & Outpat pay	128,078	142,757	144,206	142,757	142,757	142,757	142,757	142,757	142,757	142,757	142,757	142,757	142,757	142,757	1,827,293
PMB & Clinic	302,712	199,647	199,647	199,647	199,647	199,647	199,647	199,647	199,647	199,647	199,647	199,647	199,647	199,647	2,555,460
Self Pay & Other	63,339	69,185	55,348	69,185	69,185	69,185	69,185	69,185	69,185	69,185	69,185	69,185	69,185	69,185	885,573
Medicaid Other	(5,716)	39,812	31,850	39,812	39,812	39,812	39,812	39,812	39,812	39,812	39,812	39,812	39,812	39,812	509,997
Medicaid QAAP	0	0	0	0	35,666	0	35,666	0	35,666	0	35,666	0	35,666	0	335,593
Dividend Distribution	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers from Foundation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfers from QAAP Account	0	0	0	0	74,857	0	74,857	0	74,857	0	74,857	0	74,857	0	74,857
Transfers from Funded Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
PY cost report settlements	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	10,331	38,858	34,326	38,858	47,658	47,658	47,658	47,658	47,658	47,658	47,658	47,658	47,658	47,658	688,624
Total Cash Receipts	1,039,616	1,186,418	897,971	1,186,418	1,217,258	1,255,864	1,077,599	1,220,218	1,077,599	1,275,884	1,351,860	1,240,218	1,097,599	1,240,218	15,335,146
Cash Disbursements:															
Operating supplies	12,899	17,052	17,052	17,052	17,052	17,052	17,052	17,052	17,052	17,052	17,052	17,052	17,052	17,052	221,676
Medical Supplies & Pharmacy	247,533	136,462	231,462	136,462	136,462	136,462	136,462	136,462	136,462	136,462	136,462	136,462	136,462	136,462	2,344,006
Purchased Services	87,796	41,038	41,038	41,038	41,038	41,038	41,038	41,038	41,038	41,038	41,038	41,038	41,038	41,038	646,160
Professional Fees	10,002	10,774	13,774	10,774	10,774	10,774	10,774	10,774	10,774	10,774	10,774	10,774	10,774	10,774	149,062
Facilities	64,542	82,527	97,060	82,527	82,527	82,527	82,527	82,527	82,527	82,527	82,527	82,527	82,527	82,527	1,061,992
Insurance	10,938	64,584	0	137,053	14,991	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	345,851
Other expenses	72,972	22,912	22,912	22,912	22,912	22,912	22,912	22,912	22,912	22,912	22,912	22,912	22,912	22,912	297,856
Payroll & Employee Taxes	1,164,680	0	1,167,480	0	1,167,480	0	1,167,480	0	1,167,480	0	1,167,480	0	1,167,480	0	7,004,940
Equipment Lease	0	23,414	0	23,414	0	23,414	0	23,414	0	23,414	0	23,414	0	23,414	70,282
5/3 Bond Principal & Interest	0	84,347	0	84,347	0	84,347	0	84,347	0	84,347	0	84,347	0	84,347	252,663
Wells Fargo Bond Interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	286,237
CAPEX	0	22,107	0	22,107	0	22,107	0	22,107	0	22,107	0	22,107	0	22,107	72,619
Additional Professional Fees	11,887	0	11,900	0	11,900	0	11,900	0	11,900	0	11,900	0	11,900	0	71,400
Health Insurance	0	22,500	324,102	0	22,500	200,386	0	22,500	200,386	0	22,500	200,386	0	22,500	792,374
Funded Depreciation	25,000	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	325,000
Forbearance Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	50,000
QAAP Taxes	0	0	0	67,000	0	67,000	0	67,000	0	67,000	167,100	0	0	0	388,732
Prior Year's Potential Medicare Settlement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	57,000
Bank Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	24,000
Other	0	7,507	8,406	11,270	8,115	8,448	8,107	8,107	8,107	8,107	8,548	7,852	7,852	6,207	162,932
Total Cash Disbursements	1,689,649	597,724	1,751,013	998,856	1,628,782	464,906	1,745,399	775,445	1,617,845	335,937	1,814,947	710,449	1,845,027	398,553	14,624,782
Operating Cash Flow	(650,233)	648,695	(653,042)	187,563	(411,526)	790,978	(667,800)	444,773	(540,244)	939,947	(452,966)	528,770	(747,428)	841,665	710,364
Ending Operating Cash Balance	428,312	1,077,006	223,964	411,526	0	790,979	123,179	597,952	27,708	967,655	514,669	1,044,438	297,010	1,138,676	1,138,676
QAAP Cash Balance - PNC	317,386	326,266	363,536	363,536	288,679	288,679	333,679	333,679	333,679	425,579	462,829	462,829	462,829	462,829	462,829
Total Operating + QAAP Cash Balance	745,698	1,403,293	587,500	745,063	288,680	1,079,658	458,858	901,631	351,388	1,301,334	940,248	1,507,268	759,840	1,501,505	1,601,505
Additional Cash Balances															
Funded Depreciation	1,033,669	1,033,669	1,033,669	1,133,669	1,133,669	1,133,669	1,233,669	1,233,669	1,233,669	1,258,669	1,258,669	1,308,669	1,308,669	1,358,669	1,358,669
Foundation Cash	275,381	280,381	285,381	290,381	295,381	300,381	305,381	310,381	315,381	320,381	325,381	330,381	335,381	340,381	340,381
Foundation Investments	956,950	956,950	956,950	956,950	956,950	956,950	956,950	956,950	956,950	956,950	956,950	956,950	956,950	956,950	956,950
Total Other Fund Balances	2,266,000	2,296,000	2,326,000	2,356,000	2,386,000	2,416,000	2,446,000	2,476,000	2,506,000	2,536,000	2,566,000	2,596,000	2,626,000	2,656,000	2,656,000
Total Cash	3,011,698	3,699,293	2,913,500	3,131,063	2,674,680	3,485,658	2,902,658	3,377,631	2,867,368	3,837,334	3,506,248	4,103,268	3,385,840	4,257,505	4,257,505
Short-Term Debt - Margin Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Cash less Short-Term Debt	3,011,698	3,699,293	2,913,500	3,131,063	2,674,680	3,485,658	2,902,658	3,377,631	2,867,368	3,837,334	3,506,248	4,103,268	3,385,840	4,257,505	4,257,505
Cumulative Average Daily Cash Expenses	174,046	174,046	176,285	176,285	173,854	173,854	174,372	174,372	171,893	171,893	172,314	172,314	171,510	171,510	160,712
Days on Hand	21	21	18	18	20	20	19	19	22	22	24	24	25	25	26

Note: Float
Total Cash in Bank less ST Debt plus float
3,483,774
Cash in Bank - Operating
900,388

Otsego Memorial Hospital & Foundation

13 Week Cash Flow Forecast

Assumptions and detailed additions/deletions
as of August 29, 2010

Cash Receipts:	
Medicare - PIP - Bi - Weekly	Revised bi-weekly PIP payment rate effective WE 8-29; a reduction of \$12,577 per payment is expected
Blue Cross Repayment of Advance	Repayment of BCBS advance is expected to be paid in full WE 9-26 with offset of lump sum due to OMH.
Miscellaneous	2009 charge capture review receipts in WE 8-29 total \$767. \$348,538 has been received to date.
Cash Disbursements:	
Blue Cross premiums	4th quarter monthly premiums are \$200,378 beginning October.