

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Statements of Operations and Changes in Unrestricted Net Assets

Years ended September 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Unrestricted revenues, gains, and other support:		
Net patient services revenue	\$ 965,754,486	878,193,124
Disproportionate share distributions	33,501,737	30,688,388
Other revenue	34,362,116	36,972,235
Total revenues, gains, and other support	<u>1,033,618,339</u>	<u>945,853,747</u>
Expenses:		
Salaries and benefits	432,772,100	393,125,207
Medical supplies	208,610,488	208,706,097
Purchased services	71,441,344	65,880,759
Provision for bad debts	63,989,505	58,504,564
Utilities and leases	20,854,018	21,614,540
Insurance	26,136,333	33,088,629
Depreciation and amortization	35,992,447	34,527,807
Professional fees	34,415,309	28,599,925
Interest	18,965,544	19,438,494
Other	75,827,278	63,672,254
Total expenses	<u>989,004,366</u>	<u>927,158,276</u>
Operating income	44,613,973	18,695,471
Nonoperating gains (losses):		
Investment income	24,724,813	19,924,209
Contributions	(2,800,000)	(300,000)
Total nonoperating gains	<u>21,924,813</u>	<u>19,624,209</u>
Revenues, gains, and other support over expenses	66,538,786	38,319,680
Other changes in net assets:		
Net assets released from restrictions used for property and equipment	16,605,196	16,410,429
Pension-related changes other than net periodic pension cost	(3,843,340)	(29,893,368)
Increase in unrestricted net assets	<u>\$ 79,300,642</u>	<u>24,836,741</u>

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Statements of Operations and Changes in Unrestricted Net Assets

Years ended September 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Unrestricted revenues, gains, and other support:		
Net patient services revenue	\$ 1,026,426,930	965,754,486
Disproportionate share distributions	29,841,124	33,501,737
Other revenue	27,677,531	34,362,116
	<u>1,083,945,585</u>	<u>1,033,618,339</u>
Expenses:		
Salaries and benefits	488,057,589	432,772,100
Medical supplies	221,305,646	208,610,488
Purchased services	82,698,848	71,441,344
Provision for bad debts	68,656,371	63,989,505
Utilities and leases	21,105,853	20,854,018
Insurance	23,845,399	26,136,333
Depreciation and amortization	36,816,557	35,992,447
Professional fees	39,261,520	34,415,309
Interest	18,541,482	18,965,544
Other	76,429,541	75,827,278
	<u>1,076,718,806</u>	<u>989,004,366</u>
Operating income	7,226,779	44,613,973
Nonoperating gains (losses):		
Investment income	6,614,222	24,724,813
Change in professional liability estimate	9,388,329	—
Contributions	(300,000)	(2,800,000)
	<u>15,702,551</u>	<u>21,924,813</u>
Revenues, gains, and other support over expenses	22,929,330	66,538,786
Other changes in net assets:		
Net assets released from restrictions used for property and equipment	5,083,163	16,605,196
Pension-related changes other than net periodic pension cost	(1,354,775)	(3,843,340)
Increase in unrestricted net assets	<u>\$ 26,657,718</u>	<u>79,300,642</u>

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Statements of Operations and Changes in Unrestricted Net Assets

Years ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Unrestricted revenues, gains, and other support:		
Patient service revenue (net of contractual allowances and discounts)	\$ 970,317,559	1,026,426,930
Provision for bad debts	<u>(48,661,315)</u>	<u>(68,656,371)</u>
Net patient services revenue less provision for bad debts	921,656,244	957,770,559
Disproportionate share distributions	26,121,039	29,841,124
Other revenue	<u>40,352,902</u>	<u>27,677,531</u>
Total unrestricted revenues, gains, and other support	<u>988,130,185</u>	<u>1,015,289,214</u>
Expenses:		
Salaries and benefits	480,497,523	488,057,589
Medical supplies	208,511,053	221,305,646
Purchased services	72,365,891	82,698,848
Utilities and leases	20,747,108	21,105,853
Insurance	25,067,922	23,845,399
Depreciation and amortization	43,508,694	36,816,557
Professional fees	33,923,642	39,261,520
Interest	19,154,570	18,541,482
Other	<u>72,936,519</u>	<u>76,429,541</u>
Total expenses	<u>976,712,922</u>	<u>1,008,062,435</u>
Operating income	<u>11,417,263</u>	<u>7,226,779</u>
Nonoperating gains (losses):		
Investment return	36,849,631	6,614,222
Change in professional liability estimate	—	9,388,329
Contributions	<u>(75,000)</u>	<u>(300,000)</u>
Total nonoperating gains	<u>36,774,631</u>	<u>15,702,551</u>
Revenues, gains, and other support over expenses	48,191,894	22,929,330
Other changes in net assets:		
Net assets released from restrictions used for property and equipment	3,214,168	5,083,163
Pension-related changes other than net periodic pension cost	<u>(529,766)</u>	<u>(1,354,775)</u>
Increase in unrestricted net assets	<u>\$ 50,876,296</u>	<u>26,657,718</u>

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Statements of Operations and Changes in Unrestricted Net Assets

Years ended September 30, 2013 and 2012

	<u>2013</u>	<u>2012</u>
Unrestricted revenues, gains, and other support:		
Patient service revenue (net of contractual allowances and discounts)	\$ 1,032,349,371	970,317,559
Provision for bad debts	<u>(77,459,331)</u>	<u>(48,661,315)</u>
Net patient services revenue less provision for bad debts	954,890,040	921,656,244
Disproportionate share distributions	23,637,250	26,121,039
Other revenue	<u>40,685,133</u>	<u>40,352,902</u>
Total unrestricted revenues, gains, and other support	<u>1,019,212,423</u>	<u>988,130,185</u>
Expenses:		
Salaries and benefits	482,254,873	480,497,523
Medical supplies	218,842,109	208,511,053
Purchased services	75,831,959	72,365,891
Utilities and leases	20,394,701	20,747,108
Insurance	18,578,309	25,067,922
Depreciation and amortization	42,700,335	43,508,694
Professional fees	32,452,548	33,923,642
Interest	18,829,853	19,154,570
Other	<u>76,538,479</u>	<u>72,936,519</u>
Total expenses	<u>986,423,166</u>	<u>976,712,922</u>
Operating income	<u>32,789,257</u>	<u>11,417,263</u>
Nonoperating gains (losses):		
Investment return	42,966,485	36,849,631
Loss on extinguishment of debt	(6,792,087)	—
Contributions	<u>(300,000)</u>	<u>(75,000)</u>
Total nonoperating gains	<u>35,874,398</u>	<u>36,774,631</u>
Revenues, gains, and other support over expenses	68,663,655	48,191,894
Other changes in net assets:		
Net assets released from restrictions used for property and equipment	4,277,067	3,214,168
Pension-related changes other than net periodic pension cost	<u>78,600,330</u>	<u>(529,766)</u>
Increase in unrestricted net assets	<u>\$ 151,541,052</u>	<u>50,876,296</u>

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Statements of Operations and Changes in Unrestricted Net Assets

Years ended September 30, 2014 and 2013

	2014	2013
Unrestricted revenues, gains, and other support:		
Patient service revenue (net of contractual allowances and discounts)	\$ 1,068,768,027	1,032,349,371
Provision for bad debts	<u>(59,273,583)</u>	<u>(77,459,331)</u>
Net patient services revenue less provision for bad debts	1,009,494,444	954,890,040
Disproportionate share distributions	23,643,730	23,637,250
Other revenue	<u>47,070,338</u>	<u>40,685,133</u>
Total unrestricted revenues, gains, and other support	<u>1,080,208,512</u>	<u>1,019,212,423</u>
Expenses:		
Salaries and benefits	490,538,942	482,254,873
Medical supplies	234,371,525	218,842,109
Purchased services	90,468,848	75,831,959
Utilities and leases	20,586,848	20,394,701
Insurance	17,517,582	18,578,309
Depreciation and amortization	43,148,593	42,700,335
Professional fees	32,989,876	32,452,548
Interest	16,336,401	18,829,853
Other	<u>83,212,088</u>	<u>76,538,479</u>
Total expenses	<u>1,029,170,703</u>	<u>986,423,166</u>
Operating income	<u>51,037,809</u>	<u>32,789,257</u>
Nonoperating gains (losses):		
Investment return	36,314,322	42,966,485
Other	<u>4,122,732</u>	<u>(7,092,087)</u>
Total nonoperating gains	<u>40,437,054</u>	<u>35,874,398</u>
Revenues, gains, and other support over expenses	91,474,863	68,663,655
Other changes in net assets:		
Net assets released from restrictions used for property and equipment	3,178,175	4,277,067
Pension-related changes other than net periodic pension cost	<u>(5,292,412)</u>	<u>78,600,330</u>
Increase in unrestricted net assets	<u>\$ 89,360,626</u>	<u>151,541,052</u>

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Statements of Operations and Changes in Unrestricted Net Assets

Years ended September 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Unrestricted revenues, gains, and other support:		
Patient service revenue (net of contractual allowances and discounts)	\$ 1,210,770,300	1,175,157,790
Provision for bad debts	<u>(79,988,176)</u>	<u>(82,789,099)</u>
Net patient services revenue less provision for bad debts	1,130,782,124	1,092,368,691
Disproportionate share distributions	22,263,355	26,271,432
Other revenue	<u>59,704,765</u>	<u>51,032,464</u>
Total unrestricted revenues, gains, and other support	<u>1,212,750,244</u>	<u>1,169,672,587</u>
Expenses:		
Salaries and benefits	554,960,748	528,283,908
Medical supplies	259,228,650	255,566,713
Purchased services	109,664,704	103,323,786
Utilities and leases	23,946,339	24,230,740
Insurance	23,425,089	25,691,909
Depreciation and amortization	47,784,366	45,840,411
Professional fees	38,059,628	32,176,113
Interest	13,099,475	16,496,022
Other	<u>98,771,319</u>	<u>93,679,361</u>
Total expenses	<u>1,168,940,318</u>	<u>1,125,288,963</u>
Operating income	<u>43,809,926</u>	<u>44,383,624</u>
Nonoperating gains (losses):		
Investment return	43,372,043	3,042,278
Other	<u>(7,108,752)</u>	<u>(1,110,700)</u>
Total nonoperating gains	<u>36,263,291</u>	<u>1,931,578</u>
Revenues, gains, and other support over expenses	80,073,217	46,315,202
Other changes in net assets:		
Net assets released from restrictions used for property and equipment and other property transfers	1,326,505	1,857,593
Pension-related changes other than net periodic pension cost	<u>(12,089,506)</u>	<u>(16,236,535)</u>
Increase in unrestricted net assets	<u>\$ 69,310,216</u>	<u>31,936,260</u>

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Balance Sheets

September 30, 2017 and 2016

Assets	2017	2016
Current assets:		
Cash and cash equivalents	\$ 129,320,545	51,278,736
Short-term investments	99,030	30,072,781
Current portion of assets limited as to use	4,585,787	5,841,688
Patient accounts receivable, net of allowance for uncollectible accounts of approximately \$144,267,000 in 2017 and \$146,055,000 in 2016	126,713,524	124,053,051
Inventories	26,762,117	24,883,012
Prepaid expenses and other current assets	66,337,512	54,648,271
Total current assets	353,818,515	290,777,539
Assets limited as to use, less current portion	745,368,255	755,260,855
Property and equipment, net	546,374,339	516,807,744
Investments in joint ventures	12,171,497	2,522,199
Other assets	8,675,516	6,083,723
	\$ 1,666,408,122	1,571,452,060
Liabilities and Net Assets		
Current liabilities:		
Accounts payable	\$ 119,583,521	94,555,267
Accrued expenses	110,319,237	114,382,047
Current installments of long-term debt	7,911,002	9,207,721
Current installment of obligations under capital lease	867,650	—
Estimated third-party payor settlements	58,927,767	72,223,273
Total current liabilities	297,609,177	290,368,308
Long-term debt, excluding current installments	365,498,949	373,245,357
Obligations under capital lease, excluding current installments	20,563,395	—
Other liabilities	74,985,093	98,527,250
Total liabilities	758,656,614	762,140,915
Net assets:		
Unrestricted	890,156,316	792,802,912
Temporarily restricted	16,675,998	15,592,702
Permanently restricted	919,194	915,531
Total net assets	907,751,508	809,311,145
	\$ 1,666,408,122	1,571,452,060

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC. AND SUBSIDIARIES

Consolidated Statements of Operations and Changes in Unrestricted Net Assets

Years ended September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Unrestricted revenues, gains, and other support:		
Patient service revenue (net of contractual allowances and discounts)	\$ 1,301,306,643	1,269,681,792
Provision for bad debts	<u>(65,612,091)</u>	<u>(88,545,541)</u>
Net patient service revenue less provision for bad debts	1,235,694,552	1,181,136,251
Disproportionate share distributions	7,828,194	6,924,409
Other revenue	<u>81,869,709</u>	<u>69,433,727</u>
Total unrestricted revenues, gains, and other support	<u>1,325,392,455</u>	<u>1,257,494,387</u>
Expenses:		
Salaries and benefits	609,752,445	592,332,652
Medical supplies	303,717,624	270,869,205
Purchased services	124,695,710	118,728,148
Utilities and leases	26,288,664	26,113,678
Insurance	30,734,031	21,454,694
Depreciation and amortization	64,277,637	55,023,662
Professional fees	37,735,070	35,352,876
Interest	12,851,412	12,773,628
Other	<u>101,770,767</u>	<u>102,073,910</u>
Total expenses	<u>1,311,823,360</u>	<u>1,234,722,453</u>
Operating income	<u>13,569,095</u>	<u>22,771,934</u>
Nonoperating gains (losses):		
Investment return	45,645,609	43,589,620
Gain from pension curtailment	11,327,598	—
Other	<u>(4,173,291)</u>	<u>(3,437,972)</u>
Total nonoperating gains	<u>52,799,916</u>	<u>40,151,648</u>
Revenues, gains, and other support over expenses	66,369,011	62,923,582
Other changes in net assets:		
Net assets released from restrictions used for property and equipment and other property transfers	3,294,200	889,685
Pension-related changes other than net periodic pension cost	<u>8,564,140</u>	<u>33,540,137</u>
Increase in unrestricted net assets	<u>\$ 78,227,351</u>	<u>97,353,404</u>

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC. AND SUBSIDIARIES

Consolidated Statements of Operations and Changes in Net Assets

Years ended September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Revenues, gains, and other support:		
Net patient service revenue	\$ 1,345,855,745	1,235,980,134
Disproportionate share distributions	6,199,803	7,828,194
Other revenue	95,131,384	81,869,709
	<u>1,447,186,932</u>	<u>1,325,678,037</u>
Expenses:		
Salaries and benefits	667,981,507	609,752,445
Medical supplies	325,934,536	303,717,624
Other	215,143,126	194,630,114
Purchased services	148,026,989	124,695,710
Depreciation and amortization	63,895,223	64,277,637
Interest	12,720,954	12,851,412
	<u>1,433,702,335</u>	<u>1,309,924,942</u>
Operating income	<u>13,484,597</u>	<u>15,753,095</u>
Nonoperating gains (losses):		
Investment return, net	45,667,832	43,461,609
Gain from pension curtailment	—	11,327,598
Other	32,665	(4,173,291)
	<u>45,700,497</u>	<u>50,615,916</u>
Revenues, gains, and other support over expenses	\$ <u>59,185,094</u>	<u>66,369,011</u>

FLORIDA HEALTH SCIENCES CENTER, INC. AND SUBSIDIARIES

Consolidated Statements of Operations and Changes in Net Assets

Years ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues, gains, and other support:		
Net patient service revenue	\$ 1,423,257,682	1,345,855,745
Disproportionate share distributions	6,486,338	6,199,803
Other revenue	<u>161,057,349</u>	<u>95,131,384</u>
Total revenues, gains, and other support	<u>1,590,801,369</u>	<u>1,447,186,932</u>
Expenses:		
Salaries and benefits	704,032,589	667,981,507
Medical supplies	353,440,617	325,934,536
Other	223,965,807	215,143,126
Purchased services	172,881,603	148,026,989
Depreciation and amortization	66,143,722	63,895,223
Interest	<u>11,760,463</u>	<u>12,720,954</u>
Total expenses	<u>1,532,224,801</u>	<u>1,433,702,335</u>
Operating income	<u>58,576,568</u>	<u>13,484,597</u>
Nonoperating gains:		
Investment return, net	65,007,150	45,667,832
Gain from pension termination	5,872,988	—
Other	<u>957,917</u>	<u>32,665</u>
Total nonoperating gains, net	<u>71,838,055</u>	<u>45,700,497</u>
Revenues, gains, and other support over expenses	\$ <u>130,414,623</u>	<u>59,185,094</u>

FLORIDA HEALTH SCIENCES CENTER, INC. AND SUBSIDIARIES

Consolidated Statements of Operations and Changes in Net Assets

Years ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Revenues, gains, and other support:		
Net patient service revenue	\$ 1,634,557,080	1,423,257,682
Disproportionate share distributions	5,819,666	6,486,338
Other revenue	<u>200,210,633</u>	<u>161,057,349</u>
Total revenues, gains, and other support	<u>1,840,587,379</u>	<u>1,590,801,369</u>
Expenses:		
Salaries and benefits	771,934,950	704,032,589
Medical supplies	455,390,558	353,440,617
Other	236,446,381	223,965,807
Purchased services	202,496,895	172,881,603
Depreciation and amortization	65,483,836	66,143,722
Interest	<u>28,388,243</u>	<u>11,760,463</u>
Total expenses	<u>1,760,140,863</u>	<u>1,532,224,801</u>
Operating income	<u>80,446,516</u>	<u>58,576,568</u>
Nonoperating gains:		
Investment return, net	92,025,485	65,007,150
Gain from pension termination	—	5,872,988
Other	<u>3,703,261</u>	<u>957,917</u>
Total nonoperating gains, net	<u>95,728,746</u>	<u>71,838,055</u>
Revenues, gains, and other support over expenses	<u>\$ 176,175,262</u>	<u>130,414,623</u>

FLORIDA HEALTH SCIENCES CENTER, INC. AND SUBSIDIARIES

Consolidated Statements of Operations and Changes in Net Assets

Years ended September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Revenues, gains, and other support:		
Net patient service revenue	\$ 1,903,293,011	1,634,557,080
Disproportionate share distributions	7,274,426	5,819,666
Other revenue	<u>239,947,482</u>	<u>200,210,633</u>
Total revenues, gains, and other support	<u>2,150,514,919</u>	<u>1,840,587,379</u>
Expenses:		
Salaries and benefits	939,251,175	771,934,950
Medical supplies	518,492,056	455,390,558
Other	289,252,540	236,446,381
Purchased services	293,301,330	202,496,895
Depreciation and amortization	77,336,298	65,483,836
Interest	<u>28,623,752</u>	<u>28,388,243</u>
Total expenses	<u>2,146,257,151</u>	<u>1,760,140,863</u>
Operating income	<u>4,257,768</u>	<u>80,446,516</u>
Nonoperating gains (losses):		
Investment return, net	(149,485,091)	92,025,485
Other, net	<u>33,684,893</u>	<u>3,703,261</u>
Total nonoperating gains (losses), net	<u>(115,800,198)</u>	<u>95,728,746</u>
Revenues, gains, and other support (under) over expenses	\$ <u>(111,542,430)</u>	<u>176,175,262</u>