

FLORIDA HEALTH SCIENCES CENTER, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended September 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 183,039,845	(85,164,879)
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	87,463,425	77,336,298
Amortization of debt issue costs	338,790	201,535
Amortization of bond premiums	(513,915)	(696,576)
Noncash lease expense	26,715,253	24,154,509
Restricted contributions	(5,256,368)	(2,709,761)
Unrealized (gains) losses, net	(71,117,291)	171,070,934
Realized losses, net	10,692,140	16,632,872
Loss (gain) on joint ventures	1,902,182	(1,635,950)
Changes in operating assets and liabilities:		
Patient accounts receivable, net	(94,376,345)	(31,737,635)
Inventories	3,395,182	(4,892,783)
Prepaid expenses and other assets	(11,156,501)	(80,274,286)
Accounts payable and accrued expenses	(2,483,331)	81,759,565
Deferred revenue	(26,853)	(90,565,266)
Estimated third-party payor settlements	12,287,748	10,028,620
Other liabilities	(17,106,329)	(17,795,002)
Net cash provided by operating activities	<u>123,797,632</u>	<u>65,712,195</u>
Cash flows from investing activities:		
Purchases of property and equipment	(104,737,073)	(159,611,611)
Purchases of assets limited as to use	(704,113,359)	(722,705,847)
Proceeds from sales of assets limited as to use	656,719,490	954,792,864
(Purchases) sales of short-term investments, net	(2,035,119)	1,447,987
Proceeds from joint ventures	398,090	14,221,808
Purchases of other assets, net	—	(8,895)
Net cash (used in) provided by investing activities	<u>(153,767,971)</u>	<u>88,136,306</u>
Cash flows from financing activities:		
Proceeds from restricted contributions	5,256,368	2,709,761
Payments of debt issue costs	(407,846)	(1,178,293)
Proceeds from issuance of long-term debt	11,277,000	147,100,000
Payments on long-term debt and finance lease obligations	(12,216,971)	(98,132,776)
Gain on debt extinguishment	—	(3,557,881)
Net cash provided by financing activities	<u>3,908,551</u>	<u>46,940,811</u>
(Decrease) increase in cash and cash equivalents	(26,061,788)	200,789,312
Cash and cash equivalents at beginning of year	<u>484,179,133</u>	<u>283,389,821</u>
Cash and cash equivalents at end of year	\$ <u>458,117,345</u>	\$ <u>484,179,133</u>
Cash and cash equivalents	\$ 180,996,631	207,058,419
Cash included in assets limited as to use, less current portion	<u>277,120,714</u>	<u>277,120,714</u>
	\$ <u>458,117,345</u>	\$ <u>484,179,133</u>
Supplemental cash flow information:		
Cash paid for interest	\$ 31,908,671	28,623,752
Accounts payable for property and equipment purchases	4,997,776	5,281,058

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended September 30, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Cash flows from operating activities:		
(Decrease) increase in net assets	\$ (85,164,879)	182,102,143
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	77,336,298	65,483,836
Amortization of debt issue costs	201,535	656,357
Amortization of bond premiums	(696,576)	(3,416,771)
Non-cash lease expense	24,154,509	16,819,963
Restricted contributions	(2,709,761)	(1,442,861)
Unrealized losses (gains), net	171,070,934	(62,433,268)
Realized losses (gains), net	16,632,872	(11,156,246)
Gain on joint ventures	(1,635,950)	(2,219,305)
Changes in operating assets and liabilities:		
Patient accounts receivable, net	(31,737,635)	(57,052,187)
Inventories	(4,892,783)	(1,077,767)
Prepaid expenses and other assets	(80,274,286)	228,846
Accounts payable and accrued expenses	81,759,565	11,793,646
Deferred revenue	(90,565,266)	(38,851,651)
Estimated third-party payor settlements	10,028,620	34,728,229
Other liabilities	(17,795,002)	(12,485,035)
Net cash provided by operating activities	<u>65,712,195</u>	<u>121,677,929</u>
Cash flows from investing activities:		
Purchases of property and equipment	(159,611,611)	(109,022,026)
Purchases of assets limited as to use	(722,705,847)	(1,514,648,181)
Proceeds from sales of assets limited as to use	954,792,864	948,877,691
Changes in short-term investments, net	1,447,987	(45,184,736)
Proceeds from joint ventures	14,221,808	3,400,000
Purchases of other assets	(8,895)	(83,381)
Net cash used in investing activities	<u>88,136,306</u>	<u>(716,660,633)</u>
Cash flows from financing activities:		
Proceeds from restricted contributions	2,709,761	1,442,861
Payments of debt issue costs	(1,178,293)	(5,083,303)
Proceeds from issuance of long-term debt	147,100,000	612,483,539
Payments on long-term debt and finance lease obligations	(98,132,776)	(67,697,284)
Gain on debt extinguishment	(3,557,881)	—
Net cash provided by financing activities	<u>46,940,811</u>	<u>541,145,813</u>
Decrease in cash and cash equivalents	200,789,312	(53,836,891)
Cash and cash equivalents at beginning of year	<u>283,389,821</u>	<u>337,226,712</u>
Cash and cash equivalents at end of year	\$ <u>484,179,133</u>	\$ <u>283,389,821</u>
Cash and cash equivalents	\$ 207,058,419	235,018,216
Cash included in assets limited as to use, less current portion	277,120,714	48,371,605
	\$ <u>484,179,133</u>	\$ <u>283,389,821</u>
Supplemental cash flow information:		
Cash paid for interest	\$ 28,623,752	28,388,243
Accounts payable for property and equipment purchases	5,281,058	8,451,143

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended September 30, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Increase in net assets	\$ 182,102,143	146,532,464
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	65,483,836	66,143,722
Amortization of debt issue costs	656,357	161,805
Amortization of bond premiums	(3,416,771)	(661,355)
Non-cash lease expense	16,819,963	16,191,223
Restricted contributions	(1,442,861)	(3,651,625)
Unrealized gains, net	(62,433,268)	(43,737,037)
Realized gains, net	(11,156,246)	(8,087,369)
Gain on joint ventures	(2,219,305)	(1,301,812)
Pension-related changes other than net periodic pension cost	—	(1,959,116)
Changes in operating assets and liabilities:		
Patient accounts receivable, net	(57,052,187)	(10,767,865)
Inventories	(1,077,767)	(9,351,688)
Prepaid expenses and other assets	228,846	31,450,240
Accounts payable and accrued expenses	11,793,646	20,723,050
Deferred revenue	(38,851,651)	131,034,137
Estimated third-party payor settlements	34,728,229	13,451,087
Other liabilities	(12,485,035)	27,582,904
Net cash provided by operating activities	<u>121,677,929</u>	<u>373,752,765</u>
Cash flows from investing activities:		
Purchases of property and equipment	(109,022,026)	(73,856,512)
Purchases of assets limited as to use	(1,514,648,181)	(563,283,767)
Proceeds from sales of assets limited as to use	948,877,691	541,799,311
Purchases of short-term investments, net	(45,184,736)	(37,911)
Investment in joint venture	3,400,000	751,500
Purchases of other assets, net	(83,381)	(91,602)
Net cash used in investing activities	<u>(716,660,633)</u>	<u>(94,718,981)</u>
Cash flows from financing activities:		
Proceeds from restricted contributions	1,442,861	3,651,625
Payments of debt issue costs	(5,083,303)	—
Proceeds from issuance of long-term debt	612,483,539	—
Payments on long-term debt and finance lease obligations	(67,697,284)	(9,133,355)
Net cash provided by (used in) financing activities	<u>541,145,813</u>	<u>(5,481,730)</u>
(Decrease) increase in cash and cash equivalents	(53,836,891)	273,552,054
Cash and cash equivalents at beginning of year	<u>337,226,712</u>	<u>63,674,658</u>
Cash and cash equivalents at end of year	\$ <u>283,389,821</u>	\$ <u>337,226,712</u>
Cash and cash equivalents	\$ 235,018,216	311,842,636
Cash included in assets limited as to use, less current portion	<u>48,371,605</u>	<u>25,384,076</u>
	\$ <u>283,389,821</u>	\$ <u>337,226,712</u>
Supplemental cash flow information:		
Cash paid for interest	\$ 28,388,243	11,760,463
Accounts payable for property and equipment purchases	8,451,143	5,806,783

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended September 30, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Cash flows from operating activities:		
Increase in net assets	\$ 146,532,464	57,729,475
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	66,143,722	63,895,223
Amortization of debt issue costs	161,805	163,091
Amortization of bond premiums	(661,355)	(669,735)
Non-cash lease expense	16,191,223	—
Restricted contributions	(3,651,625)	(1,228,754)
Unrealized gains, net	(43,737,037)	(23,289,314)
Realized gains, net	(8,087,369)	(3,287,809)
Gain on joint ventures	(1,301,812)	(1,161,484)
Pension-related changes other than net periodic pension cost	(1,959,116)	5,325,527
Changes in operating assets and liabilities:		
Patient accounts receivable, net	(10,767,865)	(25,148,757)
Inventories	(9,351,688)	(2,190,195)
Prepaid expenses and other assets	31,450,240	(19,627,859)
Accounts payable and accrued expenses	20,723,050	17,043,872
Deferred revenue	131,034,137	—
Estimated third-party payor settlements	13,451,087	9,635,482
Other liabilities	27,582,904	(7,145,507)
Net cash provided by operating activities	<u>373,752,765</u>	<u>70,043,256</u>
Cash flows from investing activities:		
Purchases of property and equipment	(73,856,512)	(71,975,268)
Purchases of assets limited as to use	(563,283,767)	(353,501,243)
Proceeds from sales of assets limited as to use	541,799,311	308,555,102
Investment in joint venture	751,500	(1,247,050)
Purchases of other assets, net	(129,513)	(43)
Net cash used in investing activities	<u>(94,718,981)</u>	<u>(118,168,502)</u>
Cash flows from financing activities:		
Proceeds from restricted contributions	3,651,625	1,228,754
Payments on long-term debt	(7,661,300)	(7,433,001)
Proceeds from capital leases	—	3,157,911
Payments on debt issuance, finance and capital lease obligations	(1,472,055)	(2,576,971)
Net cash used in financing activities	<u>(5,481,730)</u>	<u>(5,623,307)</u>
Increase (decrease) in cash and cash equivalents	273,552,054	(53,748,553)
Cash and cash equivalents at beginning of year	63,674,658	117,423,211
Cash and cash equivalents at end of year	<u>\$ 337,226,712</u>	<u>63,674,658</u>
Cash and cash equivalents	\$ 311,842,636	42,881,910
Cash included in assets limited as to use, less current portion	25,384,076	20,792,748
	<u>\$ 337,226,712</u>	<u>63,674,658</u>
Supplemental cash flow information:		
Cash paid for interest	\$ 11,760,463	12,762,490
Accounts payable for property and equipment purchases	5,806,783	3,720,051

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Increase in net assets	\$ 57,729,475	79,072,184
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	63,895,223	64,277,637
Amortization of debt issue costs	163,091	164,530
Amortization of bond premiums	(669,735)	(679,102)
Restricted contributions	(1,228,754)	(3,330,349)
Unrealized gains, net	(23,289,314)	(14,085,740)
Realized gains, net	(3,287,809)	(13,198,080)
(Gain) loss on joint ventures	(1,161,484)	2,217,621
Gain from pension curtailment	—	(11,327,598)
Pension-related changes other than net periodic pension cost	5,325,527	(8,564,140)
Changes in operating assets and liabilities:		
Patient accounts receivable, net	(25,148,757)	(18,216,629)
Inventories	(2,190,195)	855,989
Prepaid expenses and other assets	(19,627,859)	(7,008,143)
Accounts payable and accrued expenses	17,043,872	4,282,529
Estimated third-party payor settlements	9,635,482	(22,055,927)
Other liabilities	(7,145,507)	(351,147)
Net cash provided by operating activities	<u>70,043,256</u>	<u>52,053,635</u>
Cash flows from investing activities:		
Purchases of property and equipment	(71,975,268)	(50,032,931)
Purchases of assets limited as to use	(354,623,766)	(1,153,693,672)
Proceeds from sales of assets limited as to use	308,555,102	1,139,192,427
Increase in short-term investments, net	(43)	(5,038,424)
Investment in joint venture	(1,247,050)	(9,100,058)
Net cash used in investing activities	<u>(119,291,025)</u>	<u>(78,672,658)</u>
Cash flows from financing activities:		
Proceeds from restricted contributions	1,228,754	3,330,349
Payments on long-term debt	(7,433,001)	(7,231,899)
Proceeds from capital leases	3,157,911	—
Payments on capital lease obligations	(2,576,971)	(1,046,986)
Net cash used in financing activities	<u>(5,623,307)</u>	<u>(4,948,536)</u>
Decrease in cash and cash equivalents	(54,871,076)	(31,567,559)
Cash and cash equivalents at beginning of year	<u>97,752,986</u>	<u>129,320,545</u>
Cash and cash equivalents at end of year	<u>\$ 42,881,910</u>	<u>97,752,986</u>
Supplemental cash flow information:		
Cash paid for interest	\$ 12,762,490	12,885,866
Accounts payable for property and equipment purchases	3,720,051	2,265,791

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC. AND SUBSIDIARIES

Consolidated Statements of Cash Flows

Years ended September 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Increase in net assets	\$ 79,072,184	98,440,363
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	64,277,637	55,023,662
Amortization of debt issue costs	164,530	164,594
Amortization of bond premiums	(679,102)	(679,521)
Restricted contributions	(3,330,349)	(1,691,479)
Unrealized gains, net	(16,269,740)	(33,389,004)
Realized gains, net	(13,198,080)	(1,990,569)
Loss on joint ventures	2,217,621	2,137,972
Provision for bad debts	65,612,092	88,545,541
Gain from pension curtailment	(11,327,598)	—
Pension-related changes other than net periodic pension cost	(8,564,140)	(33,540,137)
Changes in operating assets and liabilities:		
Patient accounts receivable	(83,828,721)	(91,206,014)
Inventories	855,989	(1,879,105)
Prepaid expenses and other assets	(7,008,143)	(14,885,139)
Accounts payable	9,100,432	28,404,149
Accrued expenses	(4,817,903)	(4,062,810)
Estimated third-party payor settlements	(22,055,927)	(13,295,506)
Other liabilities	(351,147)	9,997,980
Net cash provided by operating activities	<u>49,869,635</u>	<u>86,094,977</u>
Cash flows from investing activities:		
Purchases of property and equipment	(50,032,931)	(87,362,047)
Purchases of assets limited as to use	(1,151,509,672)	(633,099,836)
Proceeds from sales of assets limited as to use	1,139,192,427	679,627,910
(Increase) decrease in short-term investments, net	(5,038,424)	29,973,751
Investment in joint venture	(9,100,058)	(11,787,270)
Net cash used in investing activities	<u>(76,488,658)</u>	<u>(22,647,492)</u>
Cash flows from financing activities:		
Proceeds from restricted contributions	3,330,349	1,691,479
Proceeds from capital lease	—	21,843,593
Payments on long-term debt	(7,231,899)	(8,528,200)
Payments on capital lease obligations	(1,046,986)	(412,548)
Net cash (used in) provided by financing activities	<u>(4,948,536)</u>	<u>14,594,324</u>
(Decrease) increase in cash and cash equivalents	(31,567,559)	78,041,809
Cash and cash equivalents at beginning of year	129,320,545	51,278,736
Cash and cash equivalents at end of year	\$ <u>97,752,986</u>	<u>129,320,545</u>
Supplemental cash flow information:		
Cash paid for interest	\$ 12,885,866	12,838,193
Accounts payable for property and equipment purchases	2,265,791	3,375,895

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See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Statements of Cash Flows

Years ended September 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Cash flows from operating activities:		
Increase in net assets	\$ 98,440,363	69,705,085
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	55,023,662	47,784,366
Amortization of debt issue costs	164,594	171,571
Amortization of bond premiums	(679,521)	(721,680)
Amortization of capital lease	(412,548)	—
Loss on early extinguishment of debt	—	(1,805,935)
Restricted contributions	(1,691,479)	(414,065)
Unrealized gains/losses, net	(33,389,004)	20,336,977
Realized gains, net	(1,990,569)	(50,160,420)
Loss on joint ventures	2,137,972	1,985,644
Provision for bad debts	88,545,541	79,988,176
Pension-related changes other than net periodic pension cost	(33,540,137)	12,089,506
Changes in operating assets and liabilities:		
Patient accounts receivable	(91,206,014)	(86,980,262)
Inventories	(1,879,105)	(1,925,621)
Prepaid expenses and other assets	(14,885,139)	(28,963,678)
Accounts payable	28,404,149	(19,331,706)
Accrued expenses	(4,062,810)	6,108,544
Estimated third-party payor settlements	(13,295,506)	(12,389,963)
Other liabilities	9,997,980	(28,847,001)
Net cash provided by operating activities	<u>85,682,429</u>	<u>6,629,538</u>
Cash flows from investing activities:		
Purchases of property and equipment	(87,362,047)	(78,327,599)
Decrease (increase) in assets limited as to use	46,528,074	(14,795,448)
Decrease in short-term investments, net	29,973,751	1,896
Investment in joint venture	(11,787,270)	(1,025,000)
Repayment of loan to joint venture	—	484,911
Net cash used in investing activities	<u>(22,647,492)</u>	<u>(93,661,240)</u>
Cash flows from financing activities:		
Proceeds from restricted contributions	1,691,479	414,065
Proceeds from issuance of long-term debt	—	183,387,500
Proceeds from capital lease	21,843,593	—
Payments on long-term debt	(8,528,200)	(184,329,000)
Payment of debt issuance costs	—	(835,117)
Net cash provided by (used in) financing activities	<u>15,006,872</u>	<u>(1,362,552)</u>
Increase (decrease) in cash and cash equivalents	78,041,809	(88,394,254)
Cash and cash equivalents at beginning of year	<u>51,278,736</u>	<u>139,672,990</u>
Cash and cash equivalents at end of year	\$ <u>129,320,545</u>	\$ <u>51,278,736</u>
Supplemental cash flow information:		
Cash paid for interest	\$ 12,838,193	17,293,745
Accounts payable for property and equipment purchases	3,375,895	14,642,978

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Statements of Cash Flows

Years ended September 30, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Cash flows from operating activities:		
Increase in net assets	\$ 69,705,085	31,699,761
Adjustments to reconcile increase in net assets to net cash provided by operating activities:		
Depreciation and amortization	47,784,366	45,840,411
Amortization of debt issue costs	171,571	246,711
Amortization of bond premiums	(721,680)	(1,061,343)
Loss on early extinguishment of debt	(1,805,935)	—
Restricted contributions	(414,065)	(628,763)
Unrealized losses, net	20,336,977	19,685,549
Realized gains, net	(50,160,420)	(6,201,116)
Loss on joint ventures	1,985,644	810,700
Provision for bad debts	79,988,176	82,789,099
Pension-related changes other than net periodic pension cost	12,089,506	16,236,535
Changes in operating assets and liabilities:		
Patient accounts receivable	(86,980,262)	(78,815,207)
Inventories	(1,925,621)	(2,403,595)
Prepaid expenses and other assets	(28,792,107)	13,286,753
Accounts payable	(19,331,706)	2,427,702
Accrued expenses	6,108,544	6,072,459
Estimated third-party payor settlements	(12,389,963)	(6,290,536)
Other liabilities	(29,018,572)	5,701,006
Net cash provided by operating activities	<u>6,629,538</u>	<u>129,396,126</u>
Cash flows from investing activities:		
Purchases of property and equipment	(78,327,599)	(73,131,910)
Decrease (increase) in assets limited as to use	(14,795,448)	3,124,108
Decrease (increase) in short-term investments, net	1,896	26,953
Decrease (increase) in investment in joint venture	(1,025,000)	(3,474,800)
Loan to joint venture	—	(1,200,000)
Repayment of loan to joint venture	484,911	—
Net cash used in investing activities	<u>(93,661,240)</u>	<u>(74,655,649)</u>
Cash flows from financing activities:		
Proceeds from restricted contributions	414,065	628,763
Proceeds from issuance of long-term debt	183,387,500	
Payments on long-term debt	(184,329,000)	(6,214,538)
Payment of debt issuance costs	(835,117)	—
Net cash used in financing activities	<u>(1,362,552)</u>	<u>(5,585,775)</u>
Increase (decrease) in cash and cash equivalents	(88,394,254)	49,154,702
Cash and cash equivalents at beginning of year	<u>139,672,990</u>	<u>90,518,288</u>
Cash and cash equivalents at end of year	\$ <u>51,278,736</u>	\$ <u>139,672,990</u>
Supplemental cash flow information:		
Cash paid for interest	\$ 17,293,745	17,408,937
Accounts payable for property and equipment purchases	14,642,978	13,185,938

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Statements of Cash Flows
Years ended September 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
Cash flows from operating activities:		
Increase in net assets	\$ 89,396,858	150,826,737
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	43,148,593	42,700,335
Amortization of debt issue costs	265,366	2,204,432
Restricted contributions	(1,870,721)	(2,392,325)
Unrealized losses (gains), net	4,901,801	(22,233,096)
Realized gains	(28,500,305)	(10,279,743)
Provision for bad debts	59,273,583	77,459,331
Pension-related changes other than net periodic pension cost	5,292,413	(78,600,330)
Changes in operating assets and liabilities:		
Patient accounts receivable	(40,108,138)	(80,444,021)
Inventories	(386,004)	447,530
Prepaid expenses and other current assets	(29,942,383)	7,291,013
Accounts payable	17,324,155	5,257,474
Accrued expenses	9,562,740	(1,837,916)
Estimated third-party payor settlements	6,831,828	14,399,425
Other liabilities	(12,948,134)	12,443,797
Net cash provided by operating activities	<u>122,241,652</u>	<u>117,242,643</u>
Cash flows from investing activities:		
Purchases of property and equipment	(40,453,843)	(34,684,741)
Increase in assets limited as to use	(61,980,412)	(107,112,664)
(Increase) decrease in short-term investments, net	(22,053,194)	103,730
Net cash used in investing activities	<u>(124,487,449)</u>	<u>(141,693,675)</u>
Cash flows from financing activities:		
Proceeds from restricted contributions	1,870,721	2,392,325
Proceeds from issuance of long-term debt	—	216,412,697
Payments on long-term debt	(2,990,771)	(188,048,005)
Payments of debt issue costs	(143,436)	(2,129,701)
Net cash (used in) provided by financing activities	<u>(1,263,486)</u>	<u>28,627,316</u>
(Decrease) increase in cash and cash equivalents	(3,509,283)	4,176,284
Cash and cash equivalents at beginning of year	<u>94,027,571</u>	<u>89,851,287</u>
Cash and cash equivalents at end of year	\$ <u>90,518,288</u>	\$ <u>94,027,571</u>
Supplemental cash flow information:		
Cash paid for interest	\$ 16,310,430	19,813,027
Accounts payable for property and equipment purchases	10,775,672	3,807,748

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Statements of Cash Flows

Years ended September 30, 2013 and 2012

	2013	2012
Cash flows from operating activities:		
Increase in net assets	\$ 150,826,737	49,491,651
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	42,700,335	43,508,694
Amortization of debt issue costs	2,204,432	206,851
Restricted contributions	(2,392,325)	(1,148,818)
Unrealized gains, net	(22,233,096)	(23,051,906)
Realized gains	(10,279,743)	(3,915,528)
Provision for bad debts	77,459,331	48,661,315
Pension-related changes other than net periodic pension cost	(78,600,330)	529,766
Changes in operating assets and liabilities:		
Patient accounts receivable	(80,444,021)	(61,114,611)
Inventories	447,530	(1,398,372)
Prepaid expenses and other current assets	7,291,013	14,699,364
Accounts payable	5,257,474	5,494,289
Accrued expenses	(1,837,916)	2,959,527
Estimated third-party payor settlements	14,399,425	9,805,439
Other liabilities	12,443,797	1,225,742
Net cash provided by operating activities	117,242,643	85,953,403
Cash flows from investing activities:		
Purchases of property and equipment	(34,684,741)	(49,433,448)
Increase in assets limited as to use	(107,112,664)	(51,536)
Decrease in short-term investments, net	103,730	24,975,767
Net cash used in investing activities	(141,693,675)	(24,509,217)
Cash flows from financing activities:		
Proceeds from restricted contributions	2,392,326	1,148,818
Proceeds from issuance of long-term debt	216,412,697	5,875,741
Payments on long-term debt and capital leases	(188,048,006)	(7,426,799)
Payments of debt issue costs	(2,129,701)	(15,000)
Net cash provided by (used in) financing activities	28,627,316	(417,240)
Increase in cash and cash equivalents	4,176,284	61,026,946
Cash and cash equivalents at beginning of year	89,851,287	28,824,341
Cash and cash equivalents at end of year	\$ 94,027,571	89,851,287
Supplemental cash flow information:		
Cash paid for interest	\$ 19,813,027	19,272,898
Accounts payable for property and equipment purchases	3,807,748	6,653,887

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Statements of Cash Flows

Years ended September 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Cash flows from operating activities:		
Increase in net assets	\$ 49,491,651	22,807,333
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	43,508,694	36,816,557
Amortization of debt issue costs	206,851	213,621
Restricted contributions	(1,148,818)	(2,435,345)
Unrealized losses (gains), net	(23,051,906)	18,355,659
Realized gains	(3,915,528)	(12,198,011)
Provision for bad debts	48,661,315	68,656,371
Pension-related changes other than net periodic pension cost	529,766	1,354,775
Changes in operating assets and liabilities:		
Patient accounts receivable	(61,114,611)	(84,237,875)
Inventories	(1,398,372)	4,998,547
Prepaid expenses and other current assets	14,699,364	(1,547,649)
Accounts payable	5,494,289	(11,646,062)
Accrued expenses	2,959,527	7,857,875
Estimated third-party payor settlements	9,805,439	15,505,047
Other liabilities	1,225,742	(11,794,295)
Net cash provided by operating activities	<u>85,953,403</u>	<u>52,706,548</u>
Cash flows from investing activities:		
Purchases of property and equipment	(49,433,448)	(70,069,513)
Increase in assets limited as to use	(51,536)	(10,289,194)
Decrease (increase) in investments	24,975,767	(25,296)
Net cash used in investing activities	<u>(24,509,217)</u>	<u>(80,384,003)</u>
Cash flows from financing activities:		
Proceeds from restricted contributions	1,148,818	2,435,345
Proceeds from issuance of long-term debt	5,875,741	—
Payments on long-term debt and capital leases	(7,426,799)	(5,626,651)
Payments of debt issue costs	(15,000)	—
Net cash used in financing activities	<u>(417,240)</u>	<u>(3,191,306)</u>
Increase (decrease) in cash and cash equivalents	61,026,946	(30,868,761)
Cash and cash equivalents at beginning of year	<u>28,824,341</u>	<u>59,693,102</u>
Cash and cash equivalents at end of year	\$ <u><u>89,851,287</u></u>	\$ <u><u>28,824,341</u></u>
Supplemental cash flow information:		
Cash paid for interest	\$ 19,272,898	18,658,308
Accounts payable for property and equipment purchases	6,997,327	2,578,062

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Statements of Cash Flows
Years ended September 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
Cash flows from operating activities:		
Change in net assets	\$ 22,807,333	64,505,392
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	36,816,557	35,992,447
Amortization of debt issue costs	213,621	260,890
Restricted contributions	(2,435,345)	(13,963,469)
Unrealized losses (gains), net	18,355,659	(12,655,061)
Realized gains	(12,198,011)	(4,536,379)
Provision for bad debts	68,656,371	63,989,505
Pension-related changes other than net periodic pension cost	1,354,775	3,843,340
Changes in operating assets and liabilities:		
Patient accounts receivable	(84,237,875)	(55,245,731)
Inventories	4,998,547	(5,891,772)
Prepaid expenses and other current assets	(1,587,649)	3,215,623
Accounts payable	(11,646,062)	832,846
Accrued expenses	7,857,875	(4,778,070)
Estimated third-party payor settlements	15,505,047	1,108,123
Other liabilities	(11,754,295)	21,360,834
Net cash provided by operating activities	<u>52,706,548</u>	<u>98,038,518</u>
Cash flows from investing activities:		
Purchases of property and equipment	(70,069,513)	(52,783,474)
Increase in assets limited as to use	(10,289,194)	(70,982,481)
Decrease (increase) in investments	(25,296)	59,801
Net cash used in investing activities	<u>(80,384,003)</u>	<u>(123,706,154)</u>
Cash flows from financing activities:		
Proceeds from restricted contributions	2,435,345	13,963,469
Proceeds from 606 Kennedy financing	—	4,275,000
Payments on long-term debt and capital leases	(5,626,651)	(5,675,162)
Net cash (used in) provided by financing activities	<u>(3,191,306)</u>	<u>12,563,307</u>
Decrease in cash and cash equivalents	(30,868,761)	(13,104,329)
Cash and cash equivalents at beginning of year	<u>59,693,102</u>	<u>72,797,431</u>
Cash and cash equivalents at end of year	\$ <u>28,824,341</u>	\$ <u>59,693,102</u>
Supplemental cash flow information:		
Cash paid for interest	\$ 18,658,308	19,050,019
Accounts payable for property and equipment purchases	2,578,062	7,777,001

See accompanying notes to consolidated financial statements.

FLORIDA HEALTH SCIENCES CENTER, INC.

Consolidated Statements of Cash Flows

Years ended September 30, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Cash flows from operating activities:		
Change in net assets	\$ 64,505,392	10,461,389
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	35,992,447	34,527,807
Amortization of debt issue costs	260,890	268,723
Restricted contributions	(13,963,469)	(3,979,268)
Unrealized gains, net	(12,655,061)	(22,032,426)
Realized (gains) losses	(4,536,379)	7,249,101
Provision for bad debts	63,989,505	58,504,564
Pension-related changes other than net periodic pension cost	3,843,340	29,893,368
Changes in operating assets and liabilities:		
Patient accounts receivable	(55,245,731)	(88,277,662)
Inventories	(5,891,772)	253,845
Prepaid expenses and other current assets	3,215,623	(12,776,614)
Accounts payable	832,846	(1,328,003)
Accrued expenses	(4,778,070)	15,171,448
Estimated third-party payor settlements	1,108,123	21,072,405
Other liabilities	21,360,834	10,186,003
Net cash provided by operating activities	<u>98,038,518</u>	<u>59,194,680</u>
Cash flows from investing activities:		
Purchases of property and equipment	(52,783,474)	(31,714,114)
Increase in assets limited as to use	(70,982,481)	(9,925,861)
Decrease (increase) in investments	59,801	(185,105)
Net cash used in investing activities	<u>(123,706,154)</u>	<u>(41,825,080)</u>
Cash flows from financing activities:		
Proceeds from restricted contributions	13,963,469	3,979,268
Proceeds from 606 Kennedy financing	4,275,000	—
Payments on long-term debt and capital leases	(5,675,162)	(7,471,873)
Net cash provided by (used in) financing activities	<u>12,563,307</u>	<u>(3,492,605)</u>
(Decrease) increase in cash and cash equivalents	(13,104,329)	13,876,995
Cash and cash equivalents at beginning of year	<u>72,797,431</u>	<u>58,920,436</u>
Cash and cash equivalents at end of year	\$ <u>59,693,102</u>	<u>72,797,431</u>
Supplemental cash flow information:		
Cash paid for interest	\$ 19,050,019	19,546,044
Acquisition of property and equipment through capital leases	—	254,266
Accounts payable for property and equipment purchases	7,777,001	4,493,283

See accompanying notes to consolidated financial statements.