



**QUARTERLY FINANCIAL INFORMATION**

**FOR THE THIRD QUARTER ENDED**

**January 31, 2022**

Memorial Healthcare System Disclosure Representative:

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Executive Vice President and Chief Financial Officer

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## **Important Information**

In accordance with undertakings of the South Broward Hospital District d/b/a Memorial Healthcare System (the “Issuer”), regarding secondary market disclosure made pursuant to SEC Rule 15c2-12(b)(5)(i), by various continuing disclosure certificates, attached is the quarterly financial information (hereinafter collectively called the “Fiscal Quarter Information”) and operating data for the Fiscal quarter ended January 31, 2022. All of the information provided herein is unaudited.

The provision of this information is not intended as an offer to sell any securities. It is provided solely to comply with the contractual undertakings made by the Issuer with respect to certain outstanding obligations of the Issuer, which contractual undertakings require the provision of limited financial information and operating data with respect to the Issuer. It is not intended to be and is not an update of all of the information included in the Issuer’s prior Official Statements. Other events may have occurred since the date of the Issuer’s prior Official Statements which might be material to investors in the Issuer’s bonds including, without limitation, changes in regulation of the healthcare industry and certain other risk factors. No representation is made as to whether any such other events have occurred with respect to the Issuer or its outstanding debt that might be material or important to owners of the Issuer’s outstanding debt. No representation is made as to the materiality or completeness of the Fiscal Quarter Information. No representation is made that the Fiscal Quarter Information is indicative of financial or operating results of the Issuer since the end of the last fiscal year or of future financial or operating results.

In connection with the sale of each bond issue, the Issuer delivered Official Statements. Capitalized terms used herein shall have the meanings ascribed to such terms in the applicable Official Statement.

This report may contain, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates and opinions, or that they will be realized. The information and any expression of opinion contained herein are subject to change without notice, and the delivery of this report will not, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or other matters described.

This report may contain additional information that is not required to be provided under the terms of the continuing disclosure undertakings entered into by the Issuer. Any such additional information is provided on a voluntary basis and may be excluded from future reports without notice.

### **Information about COVID Relief Funds**

As of January 31, 2022, the Issuer has received a total of \$188.8 million from the Public Health and Social Services Emergency Fund (the “Provider Relief Fund”) established under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), \$40.2 million of which was recognized in the twelve months ended April 30, 2020, \$143.0 million in the twelve months ended April 30, 2021, and \$5.6 million in the nine months ended January 31, 2022. Recipients of such funds agree to certain terms and conditions that require compliance with reporting requirements specified by the Secretary of the Department of Health and Human Services (“DHHS”). Among other things, health care providers that receive Provider Relief Fund payments in excess of their health care related expenses and lost revenues attributable to COVID-19 must repay the excess payments. DHHS guidance and/or clarifications concerning COVID-19 stimulus programs, including reporting, recordkeeping and repayment requirements, have been published and revised and may be further revised from time to time. The Issuer also recognized \$5.0 million in recoveries from business interruption insurance and \$4.4 million in other grants and reimbursements for the twelve months ended April 30, 2021. The COVID-19 relief funds recognized for the third quarter and nine months ended January 31, 2022 and 2021, are shown as part of non-operating revenue in the Statements of Revenue and Expenses and Changes in Net Position contained in this report.

The Issuer also received funding through the Accelerated and Advanced Payment Program from Medicare in the amount of approximately \$106.7 million. The program currently requires that Centers for Medicare and Medicaid recoup the accelerated payments by withholding future Medicare fee-for-service payments for claims, which began in April 2021. The remaining balance to recoup is included as a liability (with a corresponding amount included in current assets) in the Combined Balance Sheets contained in this report.

### **Directed Payment Program**

During the third quarter and nine months ended January 31, 2022, the Issuer recognized \$73.8 million of net patient service revenue under the Medicaid supplemental financing initiative called the Hospital Directed Payment Program (“DPP”) related to Rate Year 1 of DPP, fiscal year ending September 30, 2021 (the Florida Medicaid HMO rate plan fiscal year end). DPP is administered regionally and is intended to bridge the difference between Medicaid reimbursement rates and the costs of providing the care. Florida’s DPP provides a financial incentive for all hospitals to engage in quality initiatives with the Medicaid managed care plans in their region. Hospitals that participate in a DPP receive their DPP funding via their local Medicaid managed care plans. The DPP funds recognized for the third quarter and nine months ended January 31, 2022, are included under net patient service revenue in the Statements of Revenue and Expenses and Changes in Net Position contained in this report.

**South Broward Hospital District  
d/b/a Memorial Healthcare System**

**Combined Balance Sheets  
In Thousands**

	<b>January 31,</b>	
	2022	2021
<b>Assets and Deferred Outflows of Resources</b>		
Current assets:		
Cash and cash equivalents	\$ 142,754	\$ 564,175
Investments	2,502,038	2,030,648
Patient accounts receivable, net of estimated uncollectibles	264,053	254,859
Inventories	55,208	51,573
Other current assets	240,139	56,799
Restricted assets:		
Under indenture agreements for debt service	16,915	15,703
Total current assets	3,221,107	2,973,757
Noncurrent assets:		
Designated investments for employee disability	20,023	20,143
Investments restricted under self-insurance trust agreements	47,616	48,458
Under indenture - project funds	150,697	-
Capital assets, net	984,345	899,850
Other assets	28,264	29,835
Total assets	4,452,052	3,972,043
Deferred outflows of resources:		
Deferred outflows – pension related items	84,429	99,429
Loss on defeasance, net	17,619	18,893
Total deferred outflows of resources	102,048	118,322
Total assets and deferred outflows of resources	\$ 4,554,100	\$ 4,090,365
<b>Liabilities, Deferred Inflows of Resources and Net Position</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 111,902	\$ 81,809
Accrued compensation and payroll taxes	216,119	176,620
Estimated third-party payor settlements	61,226	60,958
Current installments of long-term debt	11,860	12,185
Current portion of estimated claims liability	23,012	26,439
Medicare advance payments	59,953	106,690
Other current liabilities	74,937	42,250
Total current liabilities	559,009	506,951
Long-term portion of estimated claims liability	34,958	32,909
Net pension liability	6,642	157,506
Other noncurrent liabilities	47,075	43,915
Long-term debt	907,663	663,470
Total liabilities	1,555,347	1,404,751
Deferred inflows – pension related items	155,118	46,519
Total deferred inflows of resources	155,118	46,519
Net position:		
Net investment in capital assets	209,875	241,637
Restricted	17,774	17,147
Unrestricted	2,615,986	2,380,311
Total net position	2,843,635	2,639,095
Total liabilities, deferred inflows of resources and net position	\$ 4,554,100	\$ 4,090,365

*Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.*

**South Broward Hospital District  
d/b/a Memorial Healthcare System**

**Statements of Revenue and Expenses and Changes in Net Position  
In Thousands**

	Third Quarter ended January 31,		Nine Months ended January 31,	
	2022	2021	2022	2021
Operating revenue:				
Net patient service revenue	\$ 696,777	\$ 572,471	\$ 1,909,886	\$ 1,573,674
Disproportionate share distributions	12,571	12,402	37,941	38,098
Other operating revenues	37,522	35,574	133,121	112,652
Total operating revenue	746,870	620,447	2,080,948	1,724,424
Operating expenses:				
Salaries and wages	339,804	290,959	962,249	839,297
Employee benefits	39,327	49,989	116,639	138,540
Professional fees	14,151	14,108	43,758	41,915
Supplies	138,080	123,696	406,729	341,630
Purchased services	80,205	42,491	217,972	127,294
Facilities	20,203	20,921	59,407	63,252
Depreciation and amortization	21,464	21,434	63,365	64,506
Other	26,666	22,510	85,264	72,654
Total operating expenses	679,900	586,108	1,955,383	1,689,088
Income from operations	66,970	34,339	125,565	35,336
Nonoperating revenues (expenses), net *	(29,977)	61,422	(37,649)	200,079
Excess of revenues over expenses **	36,993	95,761	87,916	235,415
Capital contributions and grants	19	-	403	25
Special items: proceeds from transfer of operations (1)	(32)	-	67,895	-
Increase in net position	36,980	95,761	156,214	235,440
Net position at the beginning of the period	2,806,655	2,543,334	2,687,421	2,403,655
Net position at the end of the period	\$ 2,843,635	\$ 2,639,095	\$ 2,843,635	\$ 2,639,095
Net Margin	5.0%	15.4%	4.2%	13.7%
* Includes as follows:				
Interest expense	\$ (10,371)	\$ (5,987)	\$ (22,876)	\$ (18,386)
COVID-19 relief funds	\$ 5,580	\$ 38,353	\$ 5,580	\$ 152,276

\*\* Previously called "Income (loss) before capital contributions and grants".

(1) Includes \$3.0M from the sale of the Issuer's Home Health business line, and \$64.9M from the conveyance of all the assets exclusively used in the Issuer's breast imaging centers to a joint vendor who will manage the Issuer's breast imaging and bone density business.

*Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.*

**South Broward Hospital District**  
**d/b/a Memorial Healthcare System**  
**Hospitals and Primary Care**  
**Combining Statement of Revenue and Expenses**  
**Quarter ended January 31, 2022**  
**(In Thousands)**

	<b>Memorial Regional Hospital</b>	<b>Memorial Regional Hospital South</b>	<b>Joe DiMaggio Children's Hospital</b>	<b>Memorial Hospital West</b>	<b>Memorial Hospital Pembroke</b>	<b>Memorial Hospital Miramar</b>	<b>Memorial Primary Care</b>	<b>Total Hospitals and Primary Care</b>
Operating revenue:								
Net patient service revenue	\$231,661	\$31,849	\$102,175	\$177,210	\$54,326	\$71,458	\$1,291	\$669,970
Disproportionate share distributions	6,996	875	112	2,482	1,520	586	-	12,571
Other operating revenues	2,058	374	465	1,351	234	181	2,110	6,773
Total operating revenue	<u>240,715</u>	<u>33,098</u>	<u>102,752</u>	<u>181,043</u>	<u>56,080</u>	<u>72,225</u>	<u>3,401</u>	<u>689,314</u>
Operating expenses:								
Salaries and wages	93,362	16,119	32,024	66,795	20,427	25,366	3,354	257,447
Employee benefits	10,116	1,966	3,889	7,678	2,366	2,886	478	29,379
Professional fees	3,454	269	1,130	4,035	1,314	1,408	310	11,920
Supplies	45,199	6,173	11,845	31,804	6,880	7,488	151	109,540
Purchased services	17,279	777	6,456	19,495	8,528	8,367	672	61,574
Facilities	5,588	1,113	1,892	3,517	2,128	1,683	399	16,320
Depreciation and amortization	5,237	1,186	2,138	4,659	898	1,725	4	15,847
Other	6,456	957	2,322	4,580	1,640	1,872	141	17,968
Intrasystem allocation	26,004	3,541	7,205	20,373	5,444	6,833	210	69,610
Total operating expenses	<u>212,695</u>	<u>32,101</u>	<u>68,901</u>	<u>162,936</u>	<u>49,625</u>	<u>57,628</u>	<u>5,719</u>	<u>589,605</u>
Income (loss) from operations	28,020	997	33,851	18,107	6,455	14,597	(2,318)	99,709
Nonoperating revenues (expenses), net	(2,440)	(132)	2,944	(3,378)	(69)	(958)	-	(4,033)
Excess (deficiency) of revenues over expenses	<u>\$25,580</u>	<u>\$865</u>	<u>\$36,795</u>	<u>\$14,729</u>	<u>\$6,386</u>	<u>\$13,639</u>	<u>(\$2,318)</u>	<u>\$95,676</u>

**South Broward Hospital District  
d/b/a Memorial Healthcare System  
Ancillary Services  
Combining Statement of Revenue and Expenses  
Quarter ended January 31, 2022  
(In Thousands)**

	<b>Memorial Manor Nursing Home</b>	<b>Memorial Physician Group</b>	<b>Outpatient Pharmacy Services</b>	<b>Urgent Care Centers</b>	<b>Memorial Corporate Services*</b>	<b>Total Hospitals and Primary Care</b>	<b>Memorial Healthcare System</b>
Operating revenue:							
Net patient service revenue	\$3,037	\$22,304	\$374	\$943	\$149	\$669,970	\$696,777
Disproportionate share distributions	-	-	-	-	-	12,571	12,571
Other operating revenues	5	4,088	21,408	-	5,248	6,773	37,522
Total operating revenue	<u>3,042</u>	<u>26,392</u>	<u>21,782</u>	<u>943</u>	<u>5,397</u>	<u>689,314</u>	<u>746,870</u>
Operating expenses:							
Salaries and wages	2,832	39,375	2,696	664	36,790	257,447	339,804
Employee benefits	356	3,629	315	66	5,582	29,379	39,327
Professional fees	16	13	53	9	2,140	11,920	14,151
Supplies	463	2,762	23,757	46	1,512	109,540	138,080
Purchased services	261	838	147	76	17,309	61,574	80,205
Facilities	163	2,210	238	87	1,185	16,320	20,203
Depreciation and amortization	90	916	191	73	4,347	15,847	21,464
Other	115	1,023	77	31	7,452	17,968	26,666
Intrasystem allocation	179	933	277	29	(71,028)	69,610	-
Total operating expenses	<u>4,475</u>	<u>51,699</u>	<u>27,751</u>	<u>1,081</u>	<u>5,289</u>	<u>589,605</u>	<u>679,900</u>
Income (loss) from operations	(1,433)	(25,307)	(5,969)	(138)	108	99,709	66,970
Nonoperating (expenses), net	(1)	(21)	-	-	(25,922)	(4,033)	(29,977)
Excess (deficiency) of revenues over expenses	<u>(\$1,434)</u>	<u>(\$25,328)</u>	<u>(\$5,969)</u>	<u>(\$138)</u>	<u>(\$25,814)</u>	<u>\$95,676</u>	<u>\$36,993</u>

\* Includes: MHS Division, Memorial Retail Stores, Property Management, Memorial Health Network, Joe DiMaggio Children's Health Outpatient Surgery Center (ceased operations in October 2021 and officially closed on January 31, 2022), Broward Guardian, Memorial Home Health Services (ceased operations September 1, 2021), Memorial Health Assurance (organized on July 29, 2021), and Eliminations.

**South Broward Hospital District**  
**d/b/a Memorial Healthcare System**  
**Hospitals and Primary Care**  
**Combining Statement of Revenue and Expenses**  
**Quarter ended January 31, 2021**  
**(In Thousands)**

	<b>Memorial Regional Hospital</b>	<b>Memorial Regional Hospital South</b>	<b>Joe DiMaggio Children's Hospital</b>	<b>Memorial Hospital West</b>	<b>Memorial Hospital Pembroke</b>	<b>Memorial Hospital Miramar</b>	<b>Memorial Primary Care</b>	<b>Total Hospitals and Primary Care</b>
Operating revenue:								
Net patient service revenue	\$189,560	\$28,157	\$56,133	\$165,730	\$45,111	\$62,512	\$1,163	\$548,366
Disproportionate share distributions	6,846	968	249	2,289	1,487	563	-	12,402
Other operating revenues	1,966	609	550	975	240	149	1,946	6,435
Total operating revenue	198,372	29,734	56,932	168,994	46,838	63,224	3,109	567,203
Operating expenses:								
Salaries and wages	80,631	13,612	25,429	54,829	17,649	19,902	3,048	215,100
Employee benefits	13,559	2,613	4,677	9,981	2,945	3,729	714	38,218
Professional fees	3,707	286	1,061	3,414	868	1,333	406	11,075
Supplies	42,134	4,719	8,716	30,635	6,728	7,724	179	100,835
Purchased services	6,244	(951)	1,534	8,704	4,387	4,997	965	25,880
Facilities	5,595	1,437	1,872	3,396	2,447	1,655	375	16,777
Depreciation and amortization	5,070	1,097	2,322	4,343	812	1,672	4	15,320
Other	5,128	943	1,357	4,083	1,374	1,565	149	14,599
Intrasystem allocation	22,884	3,209	6,547	18,462	5,352	5,850	201	62,505
Total operating expenses	184,952	26,965	53,515	137,847	42,562	48,427	6,041	500,309
Income (loss) from operations	13,420	2,769	3,417	31,147	4,276	14,797	(2,932)	66,894
Nonoperating revenues, net	7,420	763	2,638	6,954	4,113	6304	-	28,192
Excess (deficiency) of revenues over expenses	\$20,840	\$3,532	\$6,055	\$38,101	\$8,389	\$21,101	(\$2,932)	\$95,086



**South Broward Hospital District  
d/b/a Memorial Healthcare System  
Ancillary Services  
Combining Statement of Revenue and Expenses  
Quarter ended January 31, 2021  
(In Thousands)**

	<b>Memorial Manor Nursing Home</b>	<b>Memorial Physician Group</b>	<b>Outpatient Pharmacy Services</b>	<b>Urgent Care Centers</b>	<b>Memorial Corporate Services*</b>	<b>Total Hospitals and Primary Care</b>	<b>Memorial Healthcare System</b>
Operating revenue:							
Net patient service revenue	\$2,379	\$19,157	\$330	\$849	\$1,390	\$548,366	\$572,471
Disproportionate share distributions	-	-	-	-	-	12,402	12,402
Other operating revenues	4	3,253	16,780	-	9,102	6,435	35,574
Total operating revenue	<u>2,383</u>	<u>22,410</u>	<u>17,110</u>	<u>849</u>	<u>10,492</u>	<u>567,203</u>	<u>620,447</u>
Operating expenses:							
Salaries and wages	2,357	35,444	2,399	576	35,083	215,100	290,959
Employee benefits	524	4,057	350	83	6,757	38,218	49,989
Professional fees	26	3	-	9	2,995	11,075	14,108
Supplies	428	2,222	18,692	29	1,490	100,835	123,696
Purchased services	292	420	159	194	15,546	25,880	42,491
Facilities	126	2,234	201	80	1,503	16,777	20,921
Depreciation and amortization	90	1,002	204	82	4,736	15,320	21,434
Other	127	954	65	23	6,742	14,599	22,510
Intrasystem allocation	169	748	212	25	(63,659)	62,505	-
Total operating expenses	<u>4,139</u>	<u>47,084</u>	<u>22,282</u>	<u>1,101</u>	<u>11,193</u>	<u>500,309</u>	<u>586,108</u>
Income (loss) from operations	(1,756)	(24,674)	(5,172)	(252)	(701)	66,894	34,339
Nonoperating revenues, net	123	1,212	1	1	31,893	28,192	61,422
Excess (deficiency) of revenues over expenses	<u>(\$1,633)</u>	<u>(\$23,462)</u>	<u>(\$5,171)</u>	<u>(\$251)</u>	<u>\$31,192</u>	<u>\$95,086</u>	<u>\$95,761</u>

\* Includes: MHS Division, Memorial Retail Stores, Property Management, Memorial Health Network, Joe DiMaggio Children's Health Outpatient Surgery Center, Broward Guardian, Memorial Home Health Services, and Eliminations.

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**South Broward Hospital District  
d/b/a Memorial Healthcare System  
Hospital and Primary Care  
Combining Statement of Revenue and Expenses  
Nine Months ended January 31, 2022  
(In Thousands)**

	<b>Memorial Regional Hospital</b>	<b>Memorial Regional Hospital South</b>	<b>Joe DiMaggio Children's Hospital</b>	<b>Memorial Hospital West</b>	<b>Memorial Hospital Pembroke</b>	<b>Memorial Hospital Miramar</b>	<b>Memorial Primary Care</b>	<b>Total Hospitals and Primary Care</b>
Operating revenue:								
Net patient service revenue	\$633,169	\$85,658	\$230,364	\$513,850	\$156,065	\$206,043	\$3,820	\$1,828,969
Disproportionate share distributions	21,048	2,715	434	7,379	4,596	1,769	-	37,941
Other operating revenues	7,264	999	1,641	4,333	1,001	679	10,642	26,559
Total operating revenue	<u>661,481</u>	<u>89,372</u>	<u>232,439</u>	<u>525,562</u>	<u>161,662</u>	<u>208,491</u>	<u>14,462</u>	<u>1,893,469</u>
Operating expenses:								
Salaries and wages	263,265	45,733	91,185	186,268	57,173	70,205	9,317	723,146
Employee benefits	31,259	5,999	11,930	22,887	7,048	8,723	1,515	89,361
Professional fees	10,314	868	3,174	12,382	3,617	3,911	1,037	35,303
Supplies	136,240	16,582	32,466	94,684	22,313	24,184	368	326,837
Purchased services	47,357	994	12,198	53,635	25,760	25,380	1,973	167,297
Facilities	15,920	3,263	5,603	9,724	6,869	5,061	1,052	47,492
Depreciation and amortization	15,407	3,444	6,495	13,543	2,545	5,046	11	46,491
Other	17,699	2,552	5,834	13,498	4,514	5,221	1,080	50,398
Intrasystem allocation	72,836	9,885	20,132	57,143	15,252	19,169	559	194,976
Total operating expenses	<u>610,297</u>	<u>89,320</u>	<u>189,017</u>	<u>463,764</u>	<u>145,091</u>	<u>166,900</u>	<u>16,912</u>	<u>1,681,301</u>
Income (loss) from operations	51,184	52	43,422	61,798	16,571	41,591	(2,450)	212,168
Nonoperating revenues (expenses), net	(6,628)	(434)	1,929	(7,787)	(270)	(1,834)	-	(15,024)
Excess (deficiency) of revenues over expenses	<u>\$44,556</u>	<u>(\$382)</u>	<u>\$45,351</u>	<u>\$54,011</u>	<u>\$16,301</u>	<u>\$39,757</u>	<u>(\$2,450)</u>	<u>\$197,144</u>

**South Broward Hospital District**  
**d/b/a Memorial Healthcare System**  
**Ancillary Services**  
**Combining Statement of Revenue and Expenses**  
**Nine Months ended January 31, 2022**  
**(In Thousands)**

	<b>Memorial Manor Nursing Home</b>	<b>Memorial Physician Group</b>	<b>Outpatient Pharmacy Services</b>	<b>Urgent Care Centers</b>	<b>Memorial Corporate Services*</b>	<b>Total Hospitals and Primary Care</b>	<b>Memorial Healthcare System</b>
Operating revenue:							
Net patient service revenue	\$8,798	\$66,737	\$1,050	\$2,692	\$1,640	\$1,828,969	\$1,909,886
Disproportionate share distributions	-	-	-	-	-	37,941	37,941
Other operating revenues	15	12,826	63,702	35	29,984	26,559	133,121
Total operating revenue	<u>8,813</u>	<u>79,563</u>	<u>64,752</u>	<u>2,727</u>	<u>31,624</u>	<u>1,893,469</u>	<u>2,080,948</u>
Operating expenses:							
Salaries and wages	7,870	114,653	7,953	1,834	106,793	723,146	962,249
Employee benefits	1,078	9,932	1,010	200	15,058	89,361	116,639
Professional fees	80	17	73	30	8,255	35,303	43,758
Supplies	1,430	7,814	65,908	116	4,624	326,837	406,729
Purchased services	716	2,398	259	213	47,089	167,297	217,972
Facilities	433	6,619	701	259	3,903	47,492	59,407
Depreciation and amortization	271	2,798	594	220	12,991	46,491	63,365
Other	337	3,457	169	112	30,791	50,398	85,264
Intrasystem allocation	475	2,330	764	77	(198,622)	194,976	-
Total operating expenses	<u>12,690</u>	<u>150,018</u>	<u>77,431</u>	<u>3,061</u>	<u>30,882</u>	<u>1,681,301</u>	<u>1,955,383</u>
Income (loss) from operations	(3,877)	(70,455)	(12,679)	(334)	742	212,168	125,565
Nonoperating (expenses), net	(2)	(58)	-	-	(22,565)	(15,024)	(37,649)
Excess (deficiency) of revenues over expenses	<u>(\$3,879)</u>	<u>(\$70,513)</u>	<u>(\$12,679)</u>	<u>(\$334)</u>	<u>(\$21,823)</u>	<u>\$197,144</u>	<u>\$87,916</u>

\* Includes: MHS Division, Memorial Retail Stores, Property Management, Memorial Health Network, Joe DiMaggio Children's Health Outpatient Surgery Center (ceased operations in October 2021 and officially closed on January 31, 2022), Broward Guardian, Memorial Home Health Services (ceased operations September 1, 2021), Memorial Health Assurance (organized on July 29, 2021), and Eliminations.

**South Broward Hospital District**  
**d/b/a Memorial Healthcare System**  
**Hospital and Primary Care**  
**Combining Statement of Revenue and Expenses**  
**Nine Months ended January 31, 2021**  
**(In Thousands)**

	<b>Memorial Regional Hospital</b>	<b>Memorial Regional Hospital South</b>	<b>Joe DiMaggio Children's Hospital</b>	<b>Memorial Hospital West</b>	<b>Memorial Hospital Pembroke</b>	<b>Memorial Hospital Miramar</b>	<b>Memorial Primary Care</b>	<b>Total Hospitals and Primary Care</b>
Operating revenue:								
Net patient service revenue	\$532,411	\$74,100	\$161,850	\$452,709	\$119,829	\$164,787	\$3,281	\$1,508,967
Disproportionate share distributions	21,026	3,019	803	6,897	4,577	1,776	-	38,098
Other operating revenues	7,184	1,477	1,634	3,272	599	628	9,226	24,020
<b>Total operating revenue</b>	<b>560,621</b>	<b>78,596</b>	<b>164,287</b>	<b>462,878</b>	<b>125,005</b>	<b>167,191</b>	<b>12,507</b>	<b>1,571,085</b>
Operating expenses:								
Salaries and wages	233,631	38,011	73,843	159,023	51,045	56,548	8,880	620,981
Employee benefits	38,319	7,088	13,047	27,328	8,041	10,142	1,864	105,829
Professional fees	10,702	844	2,873	10,477	3,128	3,985	1,169	33,178
Supplies	118,642	13,416	24,664	86,039	16,678	19,430	313	279,182
Purchased services	20,563	(2,461)	4,798	26,982	13,642	13,776	2,721	80,021
Facilities	17,226	3,674	6,257	10,463	7,357	5,118	929	51,024
Depreciation and amortization	15,256	3,246	6,883	13,264	2,485	5,059	11	46,204
Other	15,542	2,521	4,550	12,372	3,821	4,553	654	44,013
Intrasystem allocation	67,744	9,376	19,362	54,635	15,820	17,269	574	184,780
<b>Total operating expenses</b>	<b>537,625</b>	<b>75,715</b>	<b>156,277</b>	<b>400,583</b>	<b>122,017</b>	<b>135,880</b>	<b>17,115</b>	<b>1,445,212</b>
Income (loss) from operations	22,996	2,881	8,010	62,295	2,988	31,311	(4,608)	125,873
Nonoperating revenues, net	41,621	9,093	12,073	31,572	14,032	16,715	1	125,107
<b>Excess (deficiency) of revenues over expenses</b>	<b>\$64,617</b>	<b>\$11,974</b>	<b>\$20,083</b>	<b>\$93,867</b>	<b>\$17,020</b>	<b>\$48,026</b>	<b>(\$4,607)</b>	<b>\$250,980</b>

**South Broward Hospital District  
d/b/a Memorial Healthcare System  
Ancillary Services  
Combining Statement of Revenue and Expenses  
Nine Months ended January 31, 2021  
(In Thousands)**

	<b>Memorial Manor Nursing Home</b>	<b>Memorial Physician Group</b>	<b>Outpatient Pharmacy Services</b>	<b>Urgent Care Centers</b>	<b>Memorial Corporate Services*</b>	<b>Total Hospitals and Primary Care</b>	<b>Memorial Healthcare System</b>
Operating revenue:							
Net patient service revenue	\$6,701	\$51,569	\$848	\$1,751	\$3,838	\$1,508,967	\$1,573,674
Disproportionate share distributions	-	-	-	-	-	38,098	38,098
Other operating revenues	30	9,773	47,700	8	31,121	24,020	112,652
Total operating revenue	<u>6,731</u>	<u>61,342</u>	<u>48,548</u>	<u>1,759</u>	<u>34,959</u>	<u>1,571,085</u>	<u>1,724,424</u>
Operating expenses:							
Salaries and wages	6,490	102,688	6,787	1,660	100,691	620,981	839,297
Employee benefits	1,451	10,429	984	221	19,626	105,829	138,540
Professional fees	72	9	14,00	20	8,622	33,178	41,915
Supplies	1,144	5,656	50,061	77	5,510	279,182	341,630
Purchased services	735	1,195	782	282	44,279	80,021	127,294
Facilities	311	6,622	585	245	4,465	51,024	63,252
Depreciation and amortization	266	3,052	619	247	14,118	46,204	64,506
Other	270	3,062	167	85	25,057	44,013	72,654
Intrasystem allocation	478	2,155	633	71	(188,117)	184,780	-
Total operating expenses	<u>11,217</u>	<u>134,868</u>	<u>60,632</u>	<u>2,908</u>	<u>34,251</u>	<u>1,445,212</u>	<u>1,689,088</u>
Income (loss) from operations	(4,486)	(73,526)	(12,084)	(1,149)	708	125,873	35,336
Nonoperating revenues (expenses), net	656	6,886	-	(1)	67,431	125,107	200,079
Excess (deficiency) of revenues over expenses	<u>(\$3,830)</u>	<u>(\$66,640)</u>	<u>(\$12,084)</u>	<u>(\$1,150)</u>	<u>\$68,139</u>	<u>\$250,980</u>	<u>\$235,415</u>

\* Includes: MHS Division, Memorial Retail Stores, Property Management, Memorial Health Network, Joe DiMaggio Children's Health Outpatient Surgery Center, Broward Guardian, Memorial Home Health Services, and Eliminations.

*Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the total reported results of operations.*