



**ANNUAL AND QUARTERLY
FINANCIAL INFORMATION
FOR THE FOURTH QUARTER ENDED**

April 30, 2018

Memorial Healthcare System Disclosure Representative:

David M. Smith

Senior Vice President and Chief Financial Officer

3111 Stirling Road

Fort Lauderdale, Florida 33312

(954) 265-5696

DSmith@mhs.net

Important Information

In accordance with undertakings of the South Broward Hospital District (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 April 30, 2018. All of the information provided herein is unaudited.

The provision of this information is not intended as an offer to sell any security. It is being provided solely to comply with the contractual undertakings made by the Issuer with respect to certain outstanding obligations of the Issuer, which contractual undertaking 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 health care 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 quarterly information contained herein and no representation is made that such 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.

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

**Combined Balance Sheets
(In Thousands)**

	April 30,	
	2018	2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 526,318	\$ 424,558
Investments	1,375,980	1,410,330
Designated investments for capital improvements	2,462	461
Designated investments for employee disability	18,078	18,034
Patient accounts receivable, net of estimated uncollectibles	231,627	241,175
Ad valorem taxes receivable	114	110
Inventories	37,700	33,919
Other current assets	61,886	50,637
Total current assets	2,254,165	2,179,224
Non Current Assets		
Investments under self-insurance trust agreements	45,739	49,387
Restricted assets, net of current portion:		
Under indenture agreement	178,406	181,872
Under indenture - project funds	-	35,346
Total restricted assets	178,406	217,218
Capital assets, net	859,401	801,174
Other assets	38,091	32,474
Total assets	3,375,802	3,279,477
Unrealized pension contributions	38,343	37,295
Unrealized pension losses	31,426	42,758
Changes in pension assumptions	17,392	21,434
Loss on defeasance, net	22,397	23,671
Total deferred outflows	109,558	125,158
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued expenses	102,063	86,155
Accrued compensation and payroll taxes	163,555	149,115
Estimated third-party payor settlements	42,874	35,656
Current installments of long-term debt	11,060	10,285
Current portion of capital lease obligations	743	1,596
Current portion of estimated claims liability	18,045	15,111
Other current liabilities	29,212	33,053
Total current liabilities	367,552	330,971
Long-term portion of estimated claims liability	25,896	21,977
Net pension liability	194,714	219,139
Other noncurrent liabilities	46,512	48,049
Long-term portion of capital lease obligations	9	763
Long-term debt	752,751	765,559
Total liabilities	1,387,434	1,386,458
Changes in pension experience	1,788	1,310
Other deferred inflows	14,635	-
Total deferred inflows	16,423	1,310
Net position:		
Invested in capital assets	277,856	207,262
Restricted:		
For debt service	28,406	67,217
Unrestricted	1,775,241	1,742,388
Total net position	\$ 2,081,503	\$ 2,016,867

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

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

	Fourth Quarter ended April 30,		Twelve Months ended April 30,	
	2018	2017	2018	2017
Revenue:				
Net patient service revenue	\$466,975	\$461,477	\$1,893,089	\$1,853,614
Disproportionate share distributions	24,368	13,546	39,286	33,697
Other revenue	22,820	14,768	82,559	50,280
Total revenue	<u>514,163</u>	<u>489,791</u>	<u>2,014,934</u>	<u>1,937,591</u>
Expenses:				
Salaries and wages	244,762	233,362	955,765	902,337
Employee benefits	48,323	42,794	179,928	175,135
Professional fees	11,881	9,513	45,306	37,621
Supplies	93,421	87,230	384,040	336,623
Purchased services	31,857	28,984	119,635	113,702
Facilities	20,725	20,159	79,540	73,882
Depreciation and amortization	23,901	21,306	90,213	86,306
Other	16,992	15,000	81,781	74,624
Total expenses	<u>491,862</u>	<u>458,348</u>	<u>1,936,208</u>	<u>1,800,230</u>
Income (loss) from operations	22,301	31,443	78,726	137,361
Nonoperating gains (losses), net *	<u>(3,628)</u>	<u>12,325</u>	<u>(16,528)</u>	<u>(5,334)</u>
Income before capital contributions and grants	18,673	43,768	62,198	132,027
Capital contributions and grants	2,088	-	2,438	2,111
Increase in net position	<u>20,761</u>	<u>43,768</u>	<u>64,636</u>	<u>134,138</u>
Net position at the beginning of the period	<u>2,060,742</u>	<u>1,973,099</u>	<u>2,016,867</u>	<u>1,882,729</u>
Net position at the end of the period	<u><u>\$2,081,503</u></u>	<u><u>\$2,016,867</u></u>	<u><u>\$2,081,503</u></u>	<u><u>\$2,016,867</u></u>
Net margin	<u>3.6%</u>	<u>8.9%</u>	<u>3.1%</u>	<u>6.8%</u>
* Includes interest expense as follows:	<u><u>(\$8,033)</u></u>	<u><u>(\$6,852)</u></u>	<u><u>(\$31,671)</u></u>	<u><u>(\$33,007)</u></u>

**South Broward Hospital District
d/b/a Memorial Healthcare System
Hospital and Physician Services
Combining Statement of Revenue and Expenses
Quarter ended April 30, 2018
(In Thousands)**

	Memorial Regional Hospital	Memorial Regional Hospital South	Joe DiMaggio Children's Hospital	Memorial Hospital West	Memorial Hospital Pembroke	Memorial Hospital Miramar	Memorial Physician Group	Total Hospitals and Physician Group
Revenue:								
Net patient service revenue	\$146,035	\$21,751	\$57,274	\$135,104	\$35,978	\$49,317	\$16,277	\$461,736
Disproportionate share distributions	12,322	2,519	745	4,565	3,421	779	-	24,351
Other revenue	2,995	379	261	1,163	165	239	794	5,996
Total revenue	<u>161,352</u>	<u>24,649</u>	<u>58,280</u>	<u>140,832</u>	<u>39,564</u>	<u>50,335</u>	<u>17,071</u>	<u>492,083</u>
Expenses:								
Salaries and wages	67,510	11,469	21,569	44,781	15,450	17,264	29,442	207,485
Employee benefits	14,526	2,165	5,284	9,749	3,454	3,763	3,420	42,361
Professional fees	3,305	366	690	2,393	973	909	10	8,646
Supplies	36,289	3,371	8,415	23,564	4,931	5,371	369	82,310
Purchased services	3,757	(448)	1,093	6,032	2,414	1,915	448	15,211
Facilities	4,977	1,380	1,767	3,194	2,402	1,579	1,708	17,007
Depreciation and amortization	6,125	1,425	2,651	3,723	1,016	1,739	931	17,610
Other	4,308	694	1,575	3,119	957	1,266	1,006	12,925
Intrasystem allocation	21,667	2,971	6,429	16,161	5,105	5,651	592	58,576
Total expenses	<u>162,464</u>	<u>23,393</u>	<u>49,473</u>	<u>112,716</u>	<u>36,702</u>	<u>39,457</u>	<u>37,926</u>	<u>462,131</u>
Income (loss) from operations	(1,112)	1,256	8,807	28,116	2,862	10,878	(20,855)	29,952
Nonoperating gains (losses), net	(2,078)	(196)	(872)	(1,046)	(101)	(484)	(21)	(4,798)
Excess (deficiency) of revenues and net nonoperating gains over expenses	<u>(\$3,190)</u>	<u>\$1,060</u>	<u>\$7,935</u>	<u>\$27,070</u>	<u>\$2,761</u>	<u>\$10,394</u>	<u>(\$20,876)</u>	<u>\$25,154</u>

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
Ancillary Services
Combining Statement of Revenue and Expenses
Quarter ended April 30, 2018
(In Thousands)**

	Memorial Manor Nursing Home	Memorial Home Health	So Brow Community Health Svcs	Outpatient Pharmacy Services	Urgent Care Centers	Memorial Corporate Services*	Total Hospitals and Physician Group	Memorial Healthcare System
Revenue:								
Net patient service revenue	\$2,506	\$1,717	\$554	\$199	\$259	\$4	\$461,736	\$466,975
Disproportionate share distributions	-	-	-	-	-	17	24,351	24,368
Other revenue	13	-	2,423	7,516	-	6,872	5,996	22,820
Total revenue	<u>2,519</u>	<u>1,717</u>	<u>2,977</u>	<u>7,715</u>	<u>259</u>	<u>6,893</u>	<u>492,083</u>	<u>514,163</u>
Expenses:								
Salaries and wages	2,318	1,377	2,877	1,637	267	28,801	207,485	244,762
Employee benefits	573	290	583	192	30	4,294	42,361	48,323
Professional fees	32	-	410	180	4	2,609	8,646	11,881
Supplies	434	44	140	8,776	24	1,693	82,310	93,421
Purchased services	279	68	1,105	190	11	14,993	15,211	31,857
Facilities	125	30	323	78	33	3,129	17,007	20,725
Depreciation and amortization	95	7	6	10	26	6,147	17,610	23,901
Other	85	92	85	24	7	3,774	12,925	16,992
Intrasystem allocation	149	61	187	96	9	(59,078)	58,576	-
Total expenses	<u>4,090</u>	<u>1,969</u>	<u>5,716</u>	<u>11,183</u>	<u>411</u>	<u>6,362</u>	<u>462,131</u>	<u>491,862</u>
Income (loss) from operations	(1,571)	(252)	(2,739)	(3,468)	(152)	531	29,952	22,301
Nonoperating gains (losses), net	(1)	1	-	-	-	1,170	(4,798)	(3,628)
Excess (deficiency) of revenues and net nonoperating gains over expenses	<u>(\$1,572)</u>	<u>(\$251)</u>	<u>(\$2,739)</u>	<u>(\$3,468)</u>	<u>(\$152)</u>	<u>\$1,701</u>	<u>\$25,154</u>	<u>\$18,673</u>

* Includes: MHS Division, Memorial Retail Stores, Property Management, Memorial Health Network, Graduate Medical Education, and Eliminations

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**South Broward Hospital District
d/b/a Memorial Healthcare System
Hospital and Physician Services
Combining Statement of Revenue and Expenses
Quarter ended April 30, 2017
(In Thousands)**

	Memorial Regional Hospital	Memorial Regional Hospital South	Joe DiMaggio Children's Hospital	Memorial Hospital West	Memorial Hospital Pembroke	Memorial Hospital Miramar	Memorial Physician Group	Total Hospitals and Physician Group
Revenue:								
Net patient service revenue	\$157,968	\$21,287	\$60,736	\$120,884	\$35,427	\$46,499	\$13,864	\$456,665
Disproportionate share distributions	8,216	815	570	1,112	2,458	276	-	13,447
Other revenue	3,934	321	276	741	163	229	1,823	7,487
Total revenue	<u>170,118</u>	<u>22,423</u>	<u>61,582</u>	<u>122,737</u>	<u>38,048</u>	<u>47,004</u>	<u>15,687</u>	<u>477,599</u>
Expenses:								
Salaries and wages	66,072	11,382	21,002	41,580	15,529	16,760	25,336	197,661
Employee benefits	13,709	1,774	3,715	7,973	3,017	3,188	2,815	36,191
Professional fees	2,708	205	838	1,339	779	743	(59)	6,553
Supplies	37,101	3,187	9,159	20,781	5,342	5,284	574	81,428
Purchased services	3,461	(81)	1,385	3,882	2,559	1,643	564	13,413
Facilities	6,050	998	1,577	2,642	2,196	1,512	1,631	16,606
Depreciation and amortization	5,215	1,253	2,744	3,498	1,046	1,721	745	16,222
Other	3,164	734	830	1,506	841	(13)	902	7,964
Intrasystem allocation	22,947	3,264	7,871	17,773	5,711	5,619	829	64,014
Total expenses	<u>160,427</u>	<u>22,716</u>	<u>49,121</u>	<u>100,974</u>	<u>37,020</u>	<u>36,457</u>	<u>33,337</u>	<u>440,052</u>
Income (loss) from operations	9,691	(293)	12,461	21,763	1,028	10,547	(17,650)	37,547
Nonoperating gains (losses), net	(362)	(115)	(919)	(555)	(28)	2	(31)	(2,008)
Excess (deficiency) of revenues and net nonoperating gains over expenses	<u>\$9,329</u>	<u>(\$408)</u>	<u>\$11,542</u>	<u>\$21,208</u>	<u>\$1,000</u>	<u>\$10,549</u>	<u>(\$17,681)</u>	<u>\$35,539</u>

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**South Broward Hospital District
d/b/a Memorial Healthcare System
Ancillary Services
Combining Statement of Revenue and Expenses
Quarter ended April 30, 2017
(In Thousands)**

	Memorial Manor Nursing Home	Memorial Home Health	So Brow Community Health Svcs	Outpatient Pharmacy Services	Urgent Care Centers	Memorial Corporate Services*	Total Hospitals and Physician Group	Memorial Healthcare System
Revenue:								
Net patient service revenue	\$2,297	\$1,603	\$792	\$116	-	\$4	\$456,665	\$461,477
Disproportionate share distributions	-	-	-	-	-	99	13,447	13,546
Other revenue	11	-	2,732	1,505	-	3,033	7,487	14,768
Total revenue	<u>2,308</u>	<u>1,603</u>	<u>3,524</u>	<u>1,621</u>	<u>-</u>	<u>3,136</u>	<u>477,599</u>	<u>489,791</u>
Expenses:								
Salaries and wages	2,279	1,334	3,102	324	35	28,627	197,661	233,362
Employee benefits	508	254	474	22	3	5,342	36,191	42,794
Professional fees	25	-	541	-	-	2,394	6,553	9,513
Supplies	438	35	893	2,747	-	1,689	81,428	87,230
Purchased services	304	86	1,103	89	-	13,989	13,413	28,984
Facilities	124	26	296	2	-	3,105	16,606	20,159
Depreciation and amortization	86	9	8	-	-	4,981	16,222	21,306
Other	88	85	99	18	-	6,746	7,964	15,000
Intrasystem allocation	198	69	253	-	-	(64,534)	64,014	-
Total expenses	<u>4,050</u>	<u>1,898</u>	<u>6,769</u>	<u>3,202</u>	<u>38</u>	<u>2,339</u>	<u>440,052</u>	<u>458,348</u>
Income (loss) from operations	(1,742)	(295)	(3,245)	(1,581)	(38)	797	37,547	31,443
Nonoperating gains (losses), net	(1)	-	1	-	-	14,333	(2,008)	12,325
Excess (deficiency) of revenues and net nonoperating gains over expenses	<u>(\$1,743)</u>	<u>(\$295)</u>	<u>(\$3,244)</u>	<u>(\$1,581)</u>	<u>(\$38)</u>	<u>\$15,130</u>	<u>\$35,539</u>	<u>\$43,768</u>

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**South Broward Hospital District
d/b/a Memorial Healthcare System
Hospital and Physician Services
Combining Statement of Revenue and Expenses
Twelve Months ended April 30, 2018
(In Thousands)**

	Memorial Regional Hospital	Memorial Regional Hospital South	Joe DiMaggio Children's Hospital	Memorial Hospital West	Memorial Hospital Pembroke	Memorial Hospital Miramar	Memorial Physician Group	Total Hospitals and Physician Group
Revenue:								
Net patient service revenue	\$625,931	\$84,871	\$245,033	\$522,728	\$141,333	\$190,045	\$63,710	\$1,873,651
Disproportionate share distributions	19,504	3,505	797	8,137	5,746	1,274	-	38,963
Other revenue	9,970	1,349	1,187	3,392	692	987	3,466	21,043
Total revenue	<u>655,405</u>	<u>89,725</u>	<u>247,017</u>	<u>534,257</u>	<u>147,771</u>	<u>192,306</u>	<u>67,176</u>	<u>1,933,657</u>
Expenses:								
Salaries and wages	268,371	44,754	84,962	174,382	62,309	68,206	111,897	814,881
Employee benefits	54,268	8,408	18,315	35,565	12,669	14,081	11,222	154,528
Professional fees	13,465	1,105	2,818	8,996	3,719	3,533	42	33,678
Supplies	151,732	12,970	36,687	94,392	21,908	22,248	2,116	342,053
Purchased services	14,329	(993)	4,654	20,606	9,278	7,205	1,935	57,014
Facilities	20,796	4,552	6,819	11,242	9,344	5,994	6,527	65,274
Depreciation and amortization	23,405	5,547	10,286	14,039	4,007	6,790	3,213	67,287
Other	19,716	2,749	6,700	13,603	4,069	4,780	3,949	55,566
Intrasystem allocation	85,757	11,696	25,435	64,303	20,350	22,560	2,475	232,576
Total expenses	<u>651,839</u>	<u>90,788</u>	<u>196,676</u>	<u>437,128</u>	<u>147,653</u>	<u>155,397</u>	<u>143,376</u>	<u>1,822,857</u>
Income (loss) from operations	3,566	(1,063)	50,341	97,129	118	36,909	(76,200)	110,800
Nonoperating gains (losses), net	<u>(8,008)</u>	<u>(779)</u>	<u>(3,497)</u>	<u>(3,946)</u>	<u>(406)</u>	<u>(1,942)</u>	<u>(92)</u>	<u>(18,670)</u>
Excess (deficiency) of revenues and net nonoperating gains over expenses	<u>(\$4,442)</u>	<u>(\$1,842)</u>	<u>\$46,844</u>	<u>\$93,183</u>	<u>(\$288)</u>	<u>\$34,967</u>	<u>(\$76,292)</u>	<u>\$92,130</u>

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**South Broward Hospital District
d/b/a Memorial Healthcare System
Ancillary Services
Combining Statement of Revenue and Expenses
Twelve Months ended April 30, 2018
(In Thousands)**

	Memorial Manor Nursing Home	Memorial Home Health	So Brow Community Health Svcs	Outpatient Pharmacy Services	Urgent Care Centers	Memorial Corporate Services*	Total Hospitals and Physician Group	Memorial Healthcare System
Revenue:								
Net patient service revenue	\$10,083	\$6,132	\$2,140	\$675	\$392	\$16	\$1,873,651	\$1,893,089
Disproportionate share distributions	-	-	-	-	-	323	38,963	39,286
Other revenue	40	-	9,548	27,072	-	24,856	21,043	82,559
Total revenue	10,123	6,132	11,688	27,747	392	25,195	1,933,657	2,014,934
Expenses:								
Salaries and wages	9,232	5,066	10,701	5,354	532	109,999	814,881	955,765
Employee benefits	2,125	1,000	1,981	637	57	19,600	154,528	179,928
Professional fees	100	1	1,812	819	4	8,892	33,678	45,306
Supplies	1,729	160	586	34,193	49	5,270	342,053	384,040
Purchased services	1,139	250	4,027	651	26	56,528	57,014	119,635
Facilities	508	110	1,280	217	56	12,095	65,274	79,540
Depreciation and amortization	375	28	31	14	35	22,443	67,287	90,213
Other	316	330	398	121	13	25,037	55,566	81,781
Intrasystem allocation	594	244	743	366	35	(234,558)	232,576	-
Total expenses	16,118	7,189	21,559	42,372	807	25,306	1,822,857	1,936,208
Income (loss) from operations	(5,995)	(1,057)	(9,872)	(14,626)	(415)	(109)	110,800	78,726
Nonoperating gains (losses), net	(3)	-	-	-	-	2,145	(18,670)	(16,528)
Excess (deficiency) of revenues and net nonoperating gains over expenses	(\$5,998)	(\$1,057)	(\$9,872)	(\$14,626)	(\$415)	\$2,036	\$92,130	\$62,198

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**South Broward Hospital District
d/b/a Memorial Healthcare System
Hospital and Physician Services
Combining Statement of Revenue and Expenses
Twelve Months ended April 30, 2017
(In Thousands)**

	Memorial Regional Hospital	Memorial Regional Hospital South	Joe DiMaggio Children's Hospital	Memorial Hospital West	Memorial Hospital Pembroke	Memorial Hospital Miramar	Memorial Physician Group	Total Hospitals and Physician Group
Revenue:								
Net patient service revenue	\$628,077	\$81,998	\$243,402	\$504,729	\$134,355	\$183,876	\$57,643	\$1,834,080
Disproportionate share distributions	25,127	2,824	2,551	205	2,684	(416)	-	32,975
Other revenue	15,435	1,368	1,108	3,608	1,013	1,201	3,929	27,662
Total revenue	<u>668,639</u>	<u>86,190</u>	<u>247,061</u>	<u>508,542</u>	<u>138,052</u>	<u>184,661</u>	<u>61,572</u>	<u>1,894,717</u>
Expenses:								
Salaries and wages	260,218	42,940	82,093	165,078	59,777	65,300	96,916	772,322
Employee benefits	54,167	7,472	15,941	32,831	12,269	13,052	10,470	146,202
Professional fees	11,030	860	3,020	5,838	3,022	2,716	(277)	26,209
Supplies	147,516	12,203	33,723	81,824	19,611	21,274	2,042	318,193
Purchased services	16,113	(355)	4,601	16,086	9,205	6,611	2,169	54,430
Facilities	20,374	4,004	5,664	9,951	8,584	5,752	5,847	60,176
Depreciation and amortization	20,641	5,642	10,960	13,919	4,123	6,596	2,532	64,413
Other	19,608	2,510	6,625	11,251	3,755	3,733	3,576	51,058
Intrasystem allocation	83,973	11,964	29,396	66,418	20,203	21,734	2,935	236,623
Total expenses	<u>633,640</u>	<u>87,240</u>	<u>192,023</u>	<u>403,196</u>	<u>140,549</u>	<u>146,768</u>	<u>126,210</u>	<u>1,729,626</u>
Income (loss) from operations	34,999	(1,050)	55,038	105,346	(2,497)	37,893	(64,638)	165,091
Nonoperating gains (losses), net	(8,618)	(802)	(3,585)	(5,522)	(433)	(2,119)	(131)	(21,210)
Excess (deficiency) of revenues and net nonoperating gains over expenses	<u>\$26,381</u>	<u>(\$1,852)</u>	<u>\$51,453</u>	<u>\$99,824</u>	<u>(\$2,930)</u>	<u>\$35,774</u>	<u>(\$64,769)</u>	<u>\$143,881</u>

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
Ancillary Services
Combining Statement of Revenue and Expenses
Twelve Months ended April 30, 2017
(In Thousands)**

	Memorial Manor Nursing Home	Memorial Home Health	So Brow Community Health Svcs	Outpatient Pharmacy Services	Urgent Care Centers	Memorial Corporate Services*	Total Hospitals and Physician Group	Memorial Healthcare System
Revenue:								
Net patient service revenue	\$9,910	\$5,676	\$2,944	\$847	-	\$157	\$1,834,080	\$1,853,614
Disproportionate share distributions	-	-	-	-	-	722	32,975	33,697
Other revenue	44	-	8,628	2,688	-	11,258	27,662	50,280
Total revenue	<u>9,954</u>	<u>5,676</u>	<u>11,572</u>	<u>3,535</u>	<u>-</u>	<u>12,137</u>	<u>1,894,717</u>	<u>1,937,591</u>
Expenses:								
Salaries and wages	8,911	4,995	11,277	798	54	103,980	772,322	902,337
Employee benefits	2,093	1,042	1,850	48	4	23,896	146,202	175,135
Professional fees	101	1	2,748	-	-	8,562	26,209	37,621
Supplies	1,761	224	2,681	8,817	-	4,947	318,193	336,623
Purchased services	1,197	308	4,905	412	-	52,450	54,430	113,702
Facilities	378	135	1,197	2	-	11,994	60,176	73,882
Depreciation and amortization	313	26	36	-	-	21,518	64,413	86,306
Other	317	331	416	63	8	22,431	51,058	74,624
Intrasystem allocation	745	259	904	-	-	(238,531)	236,623	-
Total expenses	<u>15,816</u>	<u>7,321</u>	<u>26,014</u>	<u>10,140</u>	<u>66</u>	<u>11,247</u>	<u>1,729,626</u>	<u>1,800,230</u>
Income (loss) from operations	(5,862)	(1,645)	(14,442)	(6,605)	(66)	890	165,091	137,361
Nonoperating gains (losses), net	(4)	-	5	-	-	15,875	(21,210)	(5,334)
Excess (deficiency) of revenues and net nonoperating gains over expenses	<u>(\$5,866)</u>	<u>(\$1,645)</u>	<u>(\$14,437)</u>	<u>(\$6,605)</u>	<u>(\$66)</u>	<u>\$16,765</u>	<u>\$143,881</u>	<u>\$132,027</u>

* Includes: MHS Division, Memorial Retail Stores, Property Management, Memorial Health Network, Graduate Medical Education, and Eliminations
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.