



**FINANCIAL AND OPERATING INFORMATION**  
**FOR THE FIRST QUARTER ENDED**

**July 31, 2011**

Memorial Healthcare System Contact Information:

Matthew J. Muhart

Senior Vice President and Chief Financial Officer

3501 Johnson Street

Hollywood, Florida 33021

(954)265-2995

mmuhart@mhs.net

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

**Combined Balance Sheets**

	July 31,	
	2011	2010
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 128,225,000	\$ 168,946,000
Investments	809,653,000	789,467,000
Patient accounts receivable, net of estimated uncollectibles	191,140,000	115,482,000
Ad valorem taxes receivable	32,684,000	46,365,000
Inventories	25,270,000	22,703,000
Other current assets	25,410,000	22,426,000
Total current assets	1,212,382,000	1,165,389,000
Assets whose use is limited:		
By Board for capital improvements	89,041,000	89,392,000
By Board for employee disability	17,109,000	16,684,000
Under indenture agreement	9,031,000	9,050,000
Under indenture project funds	-	20,000
Under self-insurance trust agreements	52,924,000	51,786,000
Externally restricted by donors	2,006,000	7,781,000
Total assets whose use is limited	170,111,000	174,713,000
Capital assets, net	829,042,000	751,266,000
Deferred charges, net	7,378,000	7,904,000
Other assets	6,702,000	6,205,000
Total assets	\$ 2,225,615,000	\$ 2,105,477,000
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 136,291,000	\$ 124,163,000
Accrued compensation and payroll taxes	92,452,000	82,998,000
Estimated third-party payor settlements	14,716,000	17,597,000
Current installments of long-term debt	7,285,000	7,007,000
Current portion of capital lease obligations	1,785,000	1,722,000
Current portion of estimated claims liability	7,043,000	7,177,000
Other current liabilities	30,952,000	42,776,000
Total current liabilities	290,524,000	283,440,000
Long-term portion of estimated claims liability	39,739,000	45,824,000
Other noncurrent liabilities	69,662,000	64,683,000
Long-term portion of capital lease obligations	1,994,000	3,818,000
Long-term debt	545,867,000	552,425,000
Total liabilities	947,786,000	950,190,000
Net assets:		
Invested in capital assets, net of related debt	261,133,000	174,590,000
Restricted:		
For debt service	9,031,000	9,070,000
By donors	2,005,000	7,829,000
Under self-insurance trust agreements	52,924,000	51,786,000
Unrestricted	952,736,000	912,012,000
Total net assets	1,277,829,000	1,155,287,000
Total liabilities and net assets	\$ 2,225,615,000	\$ 2,105,477,000

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

**Statements of Revenue and Expenses**

	First Quarter ended July 31,	
	2011	2010
Revenue:		
Net patient service revenue	\$339,855,000	\$321,220,000
Other revenue	19,877,000	16,810,000
Total revenue	359,732,000	338,030,000
Expenses:		
Salaries and wages	170,171,000	160,936,000
Employee benefits	33,231,000	33,642,000
Professional fees	9,017,000	8,725,000
Supplies	65,051,000	62,720,000
Purchased services	22,655,000	20,920,000
Facilities	15,646,000	14,798,000
Depreciation and amortization	20,627,000	19,863,000
Other	13,454,000	14,758,000
Total expenses	349,852,000	336,362,000
Income from operations	9,880,000	1,668,000
Nonoperating gains, net	14,183,000	20,514,000
Excess of revenues and net nonoperating gains over expenses	\$24,063,000	\$22,182,000

*"Note: Included in nonoperating gains, net is interest expense in the amount of \$7,481,000 and \$4,659,000 for the quarters ended July 31, 2011 and 2010, respectively"*

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

**Combining Statement of Revenue and Expenses  
Quarter ended July 31, 2011**

	<b>Memorial Regional Hospital</b>	<b>Memorial Hospital West</b>	<b>Memorial Hospital Pembroke</b>	<b>Memorial Hospital Miramar</b>	<b>Memorial Manor Nursing Home</b>	<b>Memorial Home Health</b>	<b>Memorial Primary Care Centers</b>	<b>Memorial Physician Division</b>	<b>Memorial Corporate Services</b>	<b>Memorial Healthcare System</b>
Revenue:										
Net patient service revenue	\$171,690,000	\$96,185,000	\$27,039,000	\$36,533,000	\$2,276,000	\$1,257,000	\$73,000	\$4,802,000	-	\$339,855,000
Other revenue	8,247,000	2,023,000	917,000	1,231,000	89,000	-	1,890,000	142,000	\$5,338,000	19,877,000
<b>Total revenue</b>	<b>179,937,000</b>	<b>98,208,000</b>	<b>27,956,000</b>	<b>37,764,000</b>	<b>2,365,000</b>	<b>1,257,000</b>	<b>1,963,000</b>	<b>4,944,000</b>	<b>5,338,000</b>	<b>359,732,000</b>
Expenses:										
Salaries and wages	75,232,000	34,146,000	12,534,000	14,562,000	2,004,000	1,003,000	2,272,000	8,812,000	19,606,000	170,171,000
Employee benefits	15,254,000	6,556,000	2,533,000	2,726,000	453,000	193,000	304,000	877,000	4,335,000	33,231,000
Professional fees	3,364,000	842,000	684,000	519,000	35,000	-	1,797,000	268,000	1,508,000	9,017,000
Supplies	36,499,000	16,958,000	4,366,000	5,143,000	494,000	47,000	680,000	170,000	694,000	65,051,000
Purchased services	4,770,000	3,482,000	1,874,000	1,676,000	197,000	57,000	726,000	177,000	9,696,000	22,655,000
Facilities	6,127,000	2,559,000	2,319,000	1,340,000	87,000	46,000	101,000	465,000	2,602,000	15,646,000
Depreciation and amortization	9,048,000	4,448,000	964,000	2,004,000	72,000	-	5,000	69,000	4,017,000	20,627,000
Other	5,991,000	2,999,000	1,035,000	1,081,000	121,000	19,000	126,000	270,000	1,812,000	13,454,000
Intrasystem allocation	23,814,000	12,353,000	3,190,000	2,824,000	354,000	192,000	1,083,000	139,000	(43,949,000)	-
<b>Total expenses</b>	<b>180,099,000</b>	<b>84,343,000</b>	<b>29,499,000</b>	<b>31,875,000</b>	<b>3,817,000</b>	<b>1,557,000</b>	<b>7,094,000</b>	<b>11,247,000</b>	<b>321,000</b>	<b>349,852,000</b>
Income (loss) from operations	(162,000)	13,865,000	(1,543,000)	5,889,000	(1,452,000)	(300,000)	(5,131,000)	(6,303,000)	5,017,000	9,880,000
Nonoperating gains (losses), net	(1,034,000)	(1,347,000)	(84,000)	(1,297,000)	615,000	1,000	5,131,000	-	12,198,000	14,183,000
<b>Excess (deficiency) of revenues and net nonoperating gains over expenses</b>	<b>(\$1,196,000)</b>	<b>\$12,518,000</b>	<b>(\$1,627,000)</b>	<b>\$4,592,000</b>	<b>(\$837,000)</b>	<b>(\$299,000)</b>	<b>-</b>	<b>(\$6,303,000)</b>	<b>\$17,215,000</b>	<b>\$24,063,000</b>

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

**Combining Statement of Revenue and Expenses  
Quarter ended July 31, 2010**

	<b>Memorial Regional Hospital</b>	<b>Memorial Hospital West</b>	<b>Memorial Hospital Pembroke</b>	<b>Memorial Hospital Miramar</b>	<b>Memorial Manor Nursing Home</b>	<b>Memorial Home Health</b>	<b>Memorial Primary Care Centers</b>	<b>Memorial Physician Division</b>	<b>Memorial Corporate Services</b>	<b>Memorial Healthcare System</b>
<b>Revenue:</b>										
Net patient service revenue	\$164,437,000	\$88,664,000	\$25,190,000	\$34,975,000	\$2,191,000	\$1,198,000	\$202,000	\$4,363,000	-	\$321,220,000
Other revenue	8,067,000	2,205,000	506,000	295,000	340,000	-	1,865,000	92,000	\$3,440,000	16,810,000
<b>Total revenue</b>	<b>172,504,000</b>	<b>90,869,000</b>	<b>25,696,000</b>	<b>35,270,000</b>	<b>2,531,000</b>	<b>1,198,000</b>	<b>2,067,000</b>	<b>4,455,000</b>	<b>3,440,000</b>	<b>338,030,000</b>
<b>Expenses:</b>										
Salaries and wages	71,875,000	33,094,000	12,274,000	13,595,000	1,997,000	918,000	2,134,000	6,914,000	18,135,000	160,936,000
Employee benefits	15,643,000	6,889,000	2,663,000	2,770,000	495,000	208,000	345,000	698,000	3,931,000	33,642,000
Professional fees	2,622,000	556,000	382,000	356,000	27,000	1,000	3,105,000	193,000	1,483,000	8,725,000
Supplies	35,498,000	15,978,000	4,240,000	4,825,000	590,000	40,000	871,000	94,000	584,000	62,720,000
Purchased services	4,017,000	3,302,000	2,045,000	1,695,000	206,000	86,000	758,000	137,000	8,674,000	20,920,000
Facilities	5,469,000	2,329,000	2,555,000	1,339,000	88,000	41,000	126,000	474,000	2,377,000	14,798,000
Depreciation and amortization	8,914,000	3,999,000	940,000	1,923,000	75,000	-	5,000	69,000	3,938,000	19,863,000
Other	6,497,000	3,227,000	1,227,000	1,277,000	196,000	17,000	148,000	375,000	1,794,000	14,758,000
Intrasystem allocation	22,208,000	11,098,000	2,895,000	2,566,000	322,000	174,000	943,000	159,000	(40,365,000)	-
<b>Total expenses</b>	<b>172,743,000</b>	<b>80,472,000</b>	<b>29,221,000</b>	<b>30,346,000</b>	<b>3,996,000</b>	<b>1,485,000</b>	<b>8,435,000</b>	<b>9,113,000</b>	<b>551,000</b>	<b>336,362,000</b>
Income (loss) from operations	(239,000)	10,397,000	(3,525,000)	4,924,000	(1,465,000)	(287,000)	(6,368,000)	(4,658,000)	2,889,000	1,668,000
Nonoperating gains (losses), net	(519,000)	(1,375,000)	(58,000)	(1,262,000)	57,000	73,000	6,368,000	1,000	17,229,000	20,514,000
<b>Excess (deficiency) of revenues and net nonoperating gains over expenses</b>	<b>(\$758,000)</b>	<b>\$9,022,000</b>	<b>(\$3,583,000)</b>	<b>\$3,662,000</b>	<b>(\$1,408,000)</b>	<b>(\$214,000)</b>	<b>-</b>	<b>(\$4,657,000)</b>	<b>\$20,118,000</b>	<b>\$22,182,000</b>

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

**Operating Statistics**

		First Quarter ended July 31,	
		2011	2010
Admissions		18,362	19,233
Observation Discharges		8,338	7,881
Total		26,700	27,114
Patient days	(1)	90,911	90,375
Observation days		12,184	9,969
Total		103,095	100,344
Length of stay	(1)	4.95	4.70
Average daily census	(2)	1,121	1,091
Licensed beds		1,791	1,776
Percent of occupancy	(2)	62.6%	61.4%
Outpatient visits	(3)	130,845	127,885
Emergency room visits		83,965	84,284

(1) Inpatients only.

(2) Combined inpatient and observation patients.

(3) Hospital activity only.