

**SOUTHEAST GEORGIA HEALTH SYSTEM  
BALANCE SHEET**

	2016	2017	Projected 2018	Budget 2019	Forecast 2020	Forecast 2021
<b>CURRENT ASSETS</b>						
Cash & Cash Equivalents	\$ 22,260,000	\$ 31,637,000	\$ 19,288,000	\$ 20,843,000	\$ 22,526,000	\$ 20,560,000
Accounts Receivable - Trade	66,126,000	62,894,000	66,628,000	66,193,000	65,213,000	63,866,000
Accounts Receivable - Other	995,000	6,238,000	2,848,000	2,905,000	2,963,000	3,022,000
Inventories	7,706,000	8,073,000	7,606,000	7,530,000	7,455,000	7,380,000
Revenue Bonds - Sinking	1,934,000	4,059,000	4,360,000	5,136,000	5,232,000	5,358,000
Other Current Assets	4,234,000	3,463,000	3,689,000	3,873,000	4,067,000	4,270,000
<b>TOTAL CURRENT ASSETS</b>	<b>103,255,000</b>	<b>116,364,000</b>	<b>104,419,000</b>	<b>106,480,000</b>	<b>107,456,000</b>	<b>104,456,000</b>
Revenue Bonds - Debt Service Reserve	1,680,000	1,680,000	15,403,000	10,259,000	5,115,000	1,680,000
Revenue Bonds - Construction Funds	576,000	-	97,726,000	77,726,000	32,726,000	2,726,000
Self insurance - Investments	5,175,000	6,675,000	6,011,000	5,951,000	6,060,000	6,167,000
Designated Cash & Investments	157,117,000	170,421,000	180,895,000	188,868,000	196,796,000	204,852,000
<b>TOTAL RESTRICTED ASSETS</b>	<b>164,548,000</b>	<b>178,776,000</b>	<b>300,035,000</b>	<b>282,804,000</b>	<b>240,697,000</b>	<b>215,425,000</b>
<b>NET PROPERTY, PLANT, AND EQUIPMENT</b>	<b>239,480,000</b>	<b>235,774,000</b>	<b>238,075,000</b>	<b>263,990,000</b>	<b>320,355,000</b>	<b>363,762,000</b>
Investment in Affiliates	-	-	-	-	-	-
Leverage Loan Receivable	9,785,000	9,785,000	9,785,000	9,785,000	-	-
Pension Assets in Excess of Obligation	-	-	-	-	-	-
Other Assets	101,000	101,000	101,000	103,000	105,000	107,000
	9,886,000	9,886,000	9,886,000	9,888,000	105,000	107,000
Deferred Outflow of Resources	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 517,169,000</b>	<b>\$ 540,800,000</b>	<b>\$ 652,415,000</b>	<b>\$ 663,162,000</b>	<b>\$ 668,613,000</b>	<b>\$ 683,750,000</b>
<b>CURRENT LIABILITIES:</b>						
Credit Line	-	-	-	-	-	-
Accounts Payable	12,366,000	15,770,000	14,873,000	14,407,000	14,750,000	14,591,000
Third Party Cost Settlement	5,086,000	2,889,000	3,063,000	2,910,000	2,765,000	2,627,000
Lease Obligations	1,491,000	1,408,000	53,000	-	-	-
Accrued Salaries and Compensated Absences	14,680,000	15,410,000	16,594,000	15,764,000	16,079,000	16,401,000
Accrued Malpractice	1,289,000	1,669,000	1,503,000	1,488,000	1,518,000	1,548,000
Estimated Claims Payable	5,325,000	3,650,000	3,175,000	3,303,000	3,369,000	3,436,000
Other Payables	2,915,000	4,116,000	3,359,000	3,426,000	3,495,000	3,565,000
Accrued Interest Payable	1,398,000	1,288,000	968,000	949,000	930,000	911,000
Current Portion of Long-term Obligations	1,521,000	4,445,000	5,557,000	5,582,000	5,736,000	5,929,000
Deferred Revenue	706,000	1,024,000	389,000	405,000	413,000	421,000
Intercompany Payables	-	-	-	-	-	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>46,777,000</b>	<b>51,669,000</b>	<b>49,534,000</b>	<b>48,234,000</b>	<b>49,055,000</b>	<b>49,429,000</b>
Long-term Obligations	168,041,000	162,049,000	273,374,000	267,792,000	262,056,000	256,127,000
Pension Assets in Excess of Obligation	(178,000)	119,000	119,000	119,000	119,000	-
Notes to Community Development Entities	13,824,000	13,824,000	13,824,000	13,824,000	-	-
Accrued Malpractice	3,881,000	5,006,000	4,508,000	4,463,000	4,542,000	4,619,000
<b>TOTAL LIABILITIES</b>	<b>185,568,000</b>	<b>180,998,000</b>	<b>341,359,000</b>	<b>334,432,000</b>	<b>315,772,000</b>	<b>310,175,000</b>
<b>FUND BALANCE</b>	<b>284,824,000</b>	<b>308,133,000</b>	<b>311,056,000</b>	<b>328,730,000</b>	<b>352,841,000</b>	<b>373,575,000</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 517,169,000</b>	<b>\$ 540,800,000</b>	<b>\$ 652,415,000</b>	<b>\$ 663,162,000</b>	<b>\$ 668,613,000</b>	<b>\$ 683,750,000</b>

**SOUTHEAST GEORGIA HEALTH SYSTEM  
STATEMENT OF REVENUES AND EXPENSES**

	2016	2017	Projected 2018	%	Budget 2019	%	Forecast 2020	%	Forecast 2021	%
<b>GROSS PATIENT REVENUE</b>										
Room Accomation	\$ 100,876,000	\$ 106,917,000	\$ 114,332,000	6.9	\$ 122,245,000	6.9	\$ 125,551,000	2.7	\$ 128,410,000	2.3
I/P Ancillary Revenue	261,078,000	271,769,000	293,115,000	7.9	311,150,000	6.2	320,388,000	3.0	328,349,000	2.5
Total Inpatient Revenue	361,954,000	378,686,000	407,447,000	7.6	433,395,000	6.4	445,939,000	2.9	456,759,000	2.4
Total Outpatient Revenue	515,509,000	528,494,000	544,044,000	2.9	588,144,000	8.1	603,571,000	2.6	617,953,000	2.4
Total Patient Revenue	877,463,000	907,180,000	951,491,000	4.9	1,021,539,000	7.4	1,049,510,000	2.7	1,074,712,000	2.4
<b>REVENUE DEDUCTIONS</b>										
Medicare & Medicaid	344,870,000	355,304,000	375,815,000	5.8	415,629,000	10.6	427,131,000	2.8	437,469,000	2.4
Charity Care	14,928,000	22,825,000	35,814,000	56.9	44,052,000	23.0	45,263,000	2.7	46,386,000	2.5
Other Revenue Deductions	98,060,000	104,365,000	108,148,000	3.6	113,180,000	4.7	116,177,000	2.6	118,905,000	2.3
Bad Debts	52,070,000	49,290,000	47,570,000	(3.5)	46,005,000	(3.3)	46,977,000	2.1	48,111,000	2.4
Total Revenue Deductions	509,728,000	531,784,000	567,347,000	6.7	618,866,000	9.1	635,548,000	2.7	650,871,000	2.4
<b>NET OPERATING REVENUE</b>	367,735,000	375,396,000	384,144,000	2.3	402,673,000	4.8	413,962,000	2.8	423,841,000	2.4
Other Operating Revenue	5,771,000	4,862,000	3,686,000	(24.2)	3,746,000	1.6	4,195,000	12.0	4,249,000	1.3
<b>TOTAL OPERATING REVENUE</b>	373,506,000	380,258,000	387,830,000	2.0	406,419,000	4.8	418,157,000	2.9	428,090,000	2.4
<b>EXPENSES</b>										
Wages	145,200,000	151,798,000	161,553,000	6.4	170,793,000	5.7	175,064,000	2.5	179,460,000	2.5
Benefits	39,233,000	35,043,000	40,713,000	16.2	43,098,000	5.9	43,959,000	2.0	44,838,000	2.0
Contract Labor	13,646,000	19,299,000	18,895,000	(2.1)	10,415,000	(44.9)	10,470,000	0.5	10,531,000	0.5
Supplies	45,144,000	42,865,000	42,607,000	(0.6)	42,430,000	(0.4)	43,061,000	1.5	43,699,000	1.5
Drugs & IV's	28,582,000	31,535,000	33,980,000	7.8	35,754,000	5.2	36,814,000	3.0	37,576,000	2.1
Physician Fees	5,072,000	6,141,000	8,951,000	45.8	8,500,000	(5.0)	8,792,000	3.4	9,136,000	3.9
Professional Fees	5,272,000	4,583,000	5,410,000	18.0	5,378,000	(0.6)	5,486,000	2.0	5,596,000	2.0
Insurance	4,636,000	4,349,000	3,804,000	(12.5)	4,077,000	7.2	4,191,000	2.8	4,309,000	2.8
Utilities	4,949,000	5,330,000	5,432,000	1.9	5,410,000	(0.4)	5,518,000	2.0	5,628,000	2.0
Outside Services	29,891,000	29,622,000	33,034,000	11.5	30,807,000	(6.7)	31,421,000	2.0	32,048,000	2.0
Depreciation & Amortization	20,485,000	20,132,000	20,308,000	0.9	20,532,000	1.1	21,489,000	4.7	22,492,000	4.7
Provider Tax	5,231,000	5,127,000	5,403,000	5.4	4,843,000	(10.4)	4,935,000	1.9	5,028,000	1.9
Other Expense	9,742,000	9,709,000	9,555,000	(1.6)	9,543,000	(0.1)	9,820,000	2.9	10,050,000	2.3
Interest Expense	4,835,000	4,978,000	5,104,000	2.5	4,881,000	(4.4)	4,887,000	0.1	4,893,000	0.1
Total Operating Expenses	361,918,000	370,511,000	394,749,000	6.5	396,461,000	0.4	405,907,000	2.4	415,284,000	2.3
<b>EXCESS REVENUE OVER EXPENSE FROM OPERATIONS</b>	11,588,000	9,747,000	(6,919,000)	(171.0)	9,958,000	(243.9)	12,250,000	23.0	12,806,000	4.5
<i>Operating Margin</i>	3.2%	2.6%	-1.8%		2.5%		3.0%		3.0%	
<b>NON-OPERATING REVENUE (Expenses)</b>										
Investment Income	4,536,000	3,963,000	4,343,000	9.6	4,013,000	(7.6)	4,093,000	2.0	4,175,000	2.0
Debt Issuance Expense	-	-	-	-	-	-	-	-	-	-
Realized Market Gains (Losses)	2,150,000	(625,000)	(384,000)	(38.6)	1,020,000	(365.6)	1,031,000	1.1	1,042,000	1.1
Unrealized Market Gains (Losses)	(10,908,000)	11,422,000	8,133,000	(28.8)	2,880,000	(64.6)	2,913,000	1.1	2,946,000	1.1
Investment Income Total	(4,222,000)	14,760,000	12,092,000		7,913,000		8,037,000		8,163,000	
Restricted Income for Capital	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Revenue/(Expense)	530,000	142,000	1,420,000	900.0	1,440,000	1.4	5,508,000	0.0	1,498,000	0.0
Minority Interest	(890,000)	(1,340,000)	(1,560,000)	16.4	(1,637,000)	4.9	(1,685,000)	2.9	(1,734,000)	2.9
<b>TOTAL NON-OPERATING REVENUE (Expenses)</b>	(4,582,000)	13,562,000	11,952,000	(11.9)	7,716,000	(35.4)	11,860,000	53.7	7,927,000	(33.2)
Income From Camden Campus	-	-	-	-	-	-	-	-	-	-
Income From CHS!	-	-	-	-	-	-	-	-	-	-
Income From SCC-St. Marys	-	-	-	-	-	-	-	-	-	-
Income From SCC-Brunswick	-	-	-	-	-	-	-	-	-	-
Income From Foundation	-	-	-	-	-	-	-	-	-	-
Income From QALICB	-	-	-	-	-	-	-	-	-	-
<b>EXCESS REVENUE OVER EXPENSE Total Margin</b>	\$ 7,006,000 1.9%	\$ 23,309,000 6.2%	\$ 5,033,000 7.3%	232.7	\$ 17,674,000 4.4%	251.2	\$ 24,110,000 5.8%	36.4	\$ 20,733,000 4.9%	(14.0)

**SOUTHEAST GEORGIA HEALTH SYSTEM  
SUMMARY STATEMENT OF CASH FLOW**

	<u>Projected 2018</u>	<u>Budget 2019</u>	<u>Forecast 2020</u>	<u>Forecast 2021</u>
Excess of Revenue Over Expense				
From Operations, net of Interest Expense	\$ (6,919,000)	\$ 9,958,000	\$ 12,250,000	\$ 12,806,000
Depreciation & Amortization	<u>20,308,000</u>	<u>20,532,000</u>	<u>21,489,000</u>	<u>22,492,000</u>
<b>Cash Flow From Operations</b>	<b>\$ 13,389,000</b>	<b>\$ 30,490,000</b>	<b>\$ 33,739,000</b>	<b>\$ 35,298,000</b>
Investing Activities:				
Other Income, Including Dividends & Interest	4,343,000	4,013,000	4,093,000	4,175,000
Gain/(Loss) From Investments:				
Realized	(384,000)	1,020,000	1,031,000	1,042,000
Unrealized	8,133,000	2,880,000	2,913,000	2,946,000
Other (Increases)/Decreases in Unrestricted Investments	<u>(9,810,000)</u>	<u>(7,913,000)</u>	<u>(8,037,000)</u>	<u>(8,163,000)</u>
<b>Cash Flow From Investing Activity</b>				
<i>(Note: Preservation of Principal and Reinvestment of Earnings Results in No Change in Operating Cash)</i>	<u>2,282,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital Related Activities:				
Purchase of Capital Assets				
Funded From Operations	(22,609,000)	(17,373,000)	(32,854,000)	(35,899,000)
Funded From Bond/Lease/Loan Funding	106,800,000	(29,074,000)	(45,000,000)	(30,000,000)
Issuance of Long-Term Debt/Capital Leases	97,726,000	-	-	-
Repayment of Long-Term Debt/Lease Obligations	(4,282,000)	(5,610,000)	(19,406,000)	(5,736,000)
Decrease/(Increase) in Bond Funds	<u>(91,096,000)</u>	<u>24,368,000</u>	<u>50,048,000</u>	<u>33,309,000</u>
<b>Cash Used in Capital Related Activity</b>	<b>86,539,000</b>	<b>(27,689,000)</b>	<b>(47,212,000)</b>	<b>(38,326,000)</b>
Working Capital:				
Decrease/(Increase) in Accounts Receivable	(3,734,000)	435,000	980,000	1,347,000
Increase/(Decrease) in Line of Credit	-	-	-	-
Increase/(Decrease) in Malpractice and Claims Payable	(1,139,000)	68,000	175,000	174,000
Increase/(Decrease) in Interest Payable	(320,000)	(19,000)	(19,000)	(19,000)
Other Changes	<u>(109,366,000)</u>	<u>(1,730,000)</u>	<u>14,020,000</u>	<u>(440,000)</u>
<b>Cash Provided By/(Used in) Working Capital Changes</b>	<b>(114,559,000)</b>	<b>(1,246,000)</b>	<b>15,156,000</b>	<b>1,062,000</b>
<b>Net Increase Decrease in Cash and Equivalents</b>	<b>(12,349,000)</b>	<b>1,555,000</b>	<b>1,683,000</b>	<b>(1,966,000)</b>
Cash and Equivalents at Beginning of Year	<u>31,637,000</u>	<u>19,288,000</u>	<u>20,843,000</u>	<u>22,526,000</u>
<b>Cash and Equivalents at End of Period</b>	<b>\$ 19,288,000</b>	<b>\$ 20,843,000</b>	<b>\$ 22,526,000</b>	<b>\$ 20,560,000</b>

**SOUTHEAST GEORGIA HEALTH SYSTEM  
CONSOLIDATED OPERATING STATISTICS COMPARISONS**

	2016	2017	Projected 2018	%	Budget 2019	%	Forecast 2020	%	Forecast 2021	%
<b>ACUTE</b>										
Admissions	12,987	13,511	14,078	4.2	14,212	0.9	14,320	0.8	14,422	0.7
Days	61,261	65,312	69,665	6.7	70,463	1.1	69,858	(0.9)	69,610	(0.4)
Average Length of Stay	4.72	4.83	4.95	2.4	4.96	0.2	4.88	(1.6)	4.83	(1.1)
Total Admissions	12,987	13,511	14,078	4.2	14,212	0.9	14,320	0.8	14,422	0.7
Total Patient Days	61,261	65,312	69,665	6.7	70,463	1.1	69,858	(0.9)	69,610	(0.4)
Average Length of Stay	4.72	4.83	4.95		4.96		4.88		4.83	
Average Daily Census (Excluding Newborns and Nursing Home)	167.8	178.9	190.9	6.7	193.0	1.1	190.9	(1.1)	190.7	(0.1)
Total Observation Cases	2,026	2,159	2,141	(0.8)	2,162	1.0	2,188	1.2	2,213	1.2
Total Observation Days	3,479	3,566	3,456	(3.1)	3,490	1.0	3,545	1.6	3,601	1.6
<b>RESIDENT CARE CENTERS</b>										
Admissions	647	579	529	(8.6)	634	19.8	642	1.2	645	0.5
Hold Days	630	1,026	1,118	9.0	1,130	1.0	1,167	3.3	1,170	0.3
Nursing Home Days	85,348	86,057	81,338	(5.5)	91,800	12.9	92,806	1.1	93,149	0.4
<b>NEWBORNS</b>										
Births	2,030	1,904	1,966	3.2	1,985	1.0	2,001	0.8	2,017	0.8
Days	4,606	4,238	4,387	3.5	4,431	1.0	4,453	0.5	4,475	0.5
Average Length of Stay	2.27	2.23	2.23	0.3	2.23	-	2.23	(0.3)	2.22	(0.3)
Case Mix Index (Acute only)	1.5140	1.5240	1.5238	-	1.5857	4.1	1.5895	0.2	1.5933	0.2
Acute Occupancy Rate	57.9%	61.9%	66.0%	6.7	66.8%	1.1	69.9%	4.7	69.9%	(0.1)
Cath Lab Procedures	2,024	2,052	2,096	2.2	2,128	1.5	2,160	1.5	2,190	1.4
<b>Surgeries (1)</b>										
Total Inpatient	3,519	3,521	3,685	4.7	3,730	1.2	3,767	1.0	3,821	1.4
Outpatient	4,440	4,818	4,853	0.7	4,940	1.8	4,992	1.1	5,040	1.0
Outpatient Care Center	3,441	3,176	3,194	0.6	3,290	3.0	3,340	1.5	3,390	1.5
Endoscopy	2,988	3,403	3,247	(4.6)	3,280	1.0	3,316	1.1	3,357	1.3
SGHS Endoscopy Center	2,920	2,829	2,675	(5.5)	2,702	1.0	2,730	1.1	2,758	1.0
Total Outpatient	13,789	14,226	13,969	(1.8)	14,211	1.7	14,378	1.2	14,545	1.2
Total Surgeries	17,308	17,747	17,654	(0.5)	17,941	1.6	18,145	1.1	18,366	1.2

**SOUTHEAST GEORGIA HEALTH SYSTEM  
CONSOLIDATED OPERATING STATISTICS COMPARISONS**

	2016	2017	Projected 2018	%	Budget 2019	%	Forecast 2020	%	Forecast 2021	%
Emergency Visits	85,879	84,066	85,345	1.5	87,052	2.0	88,046	1.1	89,054	1.1
Other Outpatient (1) Based on patients	237,374	238,349	238,082	(0.1)	240,463	1.0	244,438	1.7	248,486	1.7
Cooperative Healthcare Services Outpatient Services	402,314	422,489	437,363	3.5	455,922	4.2	458,202	0.5	460,493	0.5
Adjusted Patient Days	148,638	156,574	162,685	3.9	166,086	2.1	164,410	(1.0)	163,786	(0.4)
Gross Revenue per Adj Pt Day	\$ 5,908	\$ 5,798	\$ 5,849	0.9	\$ 6,151	5.2	\$ 6,384	3.8	\$ 6,562	2.8
Net Revenue per Adj Pt Day(Includes Bad Debt)	\$ 2,479	\$ 2,402	\$ 2,361	(1.7)	\$ 2,424	2.7	\$ 2,518	3.9	\$ 2,588	2.8
Expense per Adj Pt Day(Excludes Bad Debt)	\$ 2,435	\$ 2,366	\$ 2,426	2.5	\$ 2,387	(1.6)	\$ 2,469	3.4	\$ 2,536	2.7
Total FTE's	2,389	2,495	2,612	4.7	2,657	1.7	2,664	0.2	2,665	-
FTE per Adj Occ Bed	5.88	5.82	5.88	1.0	5.84	(0.6)	5.93	1.5	5.94	0.1
Days Cash on Hand (Incl. Self Ins. Funds)	197.8	217.4	202.7	(6.8)	209.4	3.3	214.0	2.2	215.2	0.6
Days Cash on Hand (Incl. Construction funds & Debt Service)	202.3	223.4	316.1	41.5	299.8	(5.1)	254.9	(15.0)	224.3	(12.0)
Net Days in A/R (Rev. Net of Bad Debt)										
Hospitals	68.5	64.9	67.0	3.2	62.0	(7.4)	59.3	(4.4)	56.8	(4.2)
Total System	65.8	61.2	64.7	5.9	60.0	(7.3)	57.5	(4.2)	55.0	(4.3)

**Southeast Georgia Health System  
Patient Accounts Receivable Summary  
for the periods ended April 30, 2018, 2019, 2020 and 2021**

	Net Accounts Receivable	Net Patient Revenue	Days	Net Days In A/R Based on Net Revenue Only
<b>April 30, 2018</b>				
SGHS - Brunswick Campus	\$ 49,369,000	\$ 263,445,000	365	68.4
SGHS - Camden Campus	8,532,000	48,966,000	365	63.6
Acute Care Hospital Total	57,472,000	311,787,000	365	67.0
SCC- Brunswick	1,978,000	14,944,000	365	48.3
SCC - St. Marys	493,000	5,636,000	365	31.9
Cooperative Healthcare Services, Inc.	8,185,000	51,777,000	365	57.7
	<u>\$ 68,128,000</u>	<u>\$ 384,144,000</u>	365	<u>64.7</u>
<b>April 30, 2019</b>				
SGHS - Brunswick Campus	\$ 48,070,000	\$ 274,579,000	365	63.9
SGHS - Camden Campus	8,079,000	51,462,000	365	57.3
Acute Care Hospital Total	55,617,000	325,292,000	365	62.0
SCC - Brunswick	1,582,000	15,358,000	365	37.6
SCC - St. Marys	526,000	6,332,000	365	30.3
Cooperative Healthcare Services, Inc.	8,468,000	55,691,000	365	55.5
	<u>\$ 66,193,000</u>	<u>\$ 402,673,000</u>	365	<u>60.0</u>
<b>April 30, 2020</b>				
SGHS - Brunswick Campus	\$ 47,255,000	\$ 282,606,000	366	61.2
SGHS - Camden Campus	7,997,000	52,833,000	366	55.4
Acute Care Hospital Total	54,485,000	334,690,000	366	59.3
SCC- Brunswick	1,534,000	15,514,000	366	36.2
SCC - St. Marys	541,000	6,388,000	366	31.0
Cooperative Healthcare Services, Inc.	8,653,000	57,370,000	366	55.2
	<u>\$ 65,213,000</u>	<u>\$ 413,962,000</u>	366	<u>57.5</u>
<b>April 30, 2021</b>				
SGHS - Brunswick Campus	\$ 46,283,000	\$ 289,764,000	365	58.3
SGHS - Camden Campus	7,924,000	54,163,000	365	53.4
Acute Care Hospital Total	53,234,000	343,178,000	365	56.8
SCC- Brunswick	1,483,000	15,692,000	365	34.5
SCC - St. Marys	538,000	6,444,000	365	30.5
Cooperative Healthcare Services, Inc.	8,611,000	58,527,000	365	53.7
	<u>\$ 63,866,000</u>	<u>\$ 423,841,000</u>	365	<u>55.0</u>