

**LOWER FLORIDA KEYS HOSPITAL DISTRICT
NOTES ON FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDING JUNE 30, 2026**

STATEMENT OF FINANCIAL POSITION

1.) Operating account.

The cash on hand is \$70,444 at June 30, 2026.

2.) Investments

The market value of the District's investments increased by \$236,914 in the quarter ending 6/30/26. Interest, dividends, and capital gains are \$26,138 for the quarter and \$49,155 YTD. Realized gain/loss is \$231,056 for this quarter and the gain/loss is (\$142,110) YTD. Unrealized market gains were unchanged at 6/30/26.

3.) Accounts Receivable, prepaid expenses, rent and interest receivable.

Accounts receivable is \$5,582.82 at 6/30/26

4.) Other assets

None

5.) Fixed assets

None

6.) Liabilities

Payments Due to HMA for Primary Care Clinic are current.

Payment Due to State of Florida for receipt of payments in error is \$21,444.

There are \$51,255 of accrued Administrative Services for April - May 2026.

7.) Net Income (Loss)

The negative change in net assets is due primarily to legal and consulting fees as well as investment losses.

STATEMENT OF REVENUES AND EXPENSES

1.) Investment income

In the quarter ending 6/30/26, dividends were \$26,138 and the realized market gain was \$231,056.

Total investment gain for the quarter was \$257,193 with a loss of (\$92,956) for the fiscal year to date.

ACTUAL RECEIPTS AND DISBURSEMENTS AS COMPARED TO BUDGET

1.) Dividends and capital gains distributions.

Dividends and capital gains distributions actual is under budget for the year. Quarter ending 6/30/26 actual at (\$92,956); \$347,956 under the budgeted amount of \$255,000.

2.) Rent

Land rent is paid through May 2026.

3.) Advanced rent and interest.

Advanced rent and interest have been paid in full for the term of the agreement.

4.) Total administrative expenses

Actual ytd total administrative expenses showed a negative variance versus budget of (\$155,338). This variance is primarily from legal fees being over budget and professional fees being under budget.

6.) Indigent Care Expense

Primary Care Clinic is under budget YTD by \$248,198 We did not receive Clinic billing in the quarter ending 06/30/26.

7.) Deficit disbursements over receipts

The net deficit is (\$983,262). YTD investment dividends and capital gains are lower than budgeted and legal fee expenses are coming in over budget.

THE LOWER FLORIDA KEYS HOSPITAL DISTRICT
STATEMENT OF FINANCIAL POSITION
June 30, 2026

ASSETS

Current assets:

Cash:	
Operating account	\$ 70,289
Petty cash	156
Total cash	<u>70,444</u>

Investments:

Investments -book value	13,595,971
Unrealized gain (loss)	788,551
Total investments at market value	<u>14,384,522</u>

Other current assets:

Rent and interest receivable	-
Accounts Receivable	5,583
Prepaid insurance	-
Total other current assets	<u>5,583</u>

Total current assets	<u>14,460,550</u>
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Other assets:

Lease Receivable - ST	-
Lease Receivable - Ground Lease	-
Advanced rent receivable - KWHR	-
Interest receivable - advanced rent - KWHR	-
Total other assets	<u>-</u>

Property, plant and equipment, net of depreciation	<u>-</u>
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TOTAL ASSETS	<u><u>\$ 14,460,550</u></u>
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LIABILITIES & FUND EQUITY

Liabilities:

Accounts Payable	92,934.93
Unearned Rent	-
Due to State of Florida	21,440
Accrued operating expenses	9,150
TOTAL CURRENT LIABILITIES	<u>123,525</u>

Long Term Liabilities:

Deferred Inflows Ground Lease	-
Total Long Term Liabilities	<u>-</u>

TOTAL LIABILITIES	<u>123,525</u>
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Fund equity:

Fund balance	15,320,283
Net income (loss)	(983,262)

TOTAL FUND EQUITY	<u>14,337,021</u>
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TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$ 14,460,546</u></u>
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THE LOWER FLORIDA KEYS HOSPITAL DISTRICT
STATEMENT OF REVENUES AND EXPENSES
FOR THE SIX MONTHS ENDING JUNE 30, 2026

	<u>APRIL-JUNE</u>	<u>YTD 2026</u>
Operating expenses:		
Administrative services	316,914	797,277
Primary care clinic (physicians funding)	-	126,802
Total operating expenses	316,914	924,078
Income (loss) from operations	(316,914)	(924,078)
Nonoperating revenues (expenses):		
Investment income (loss)	13,086	(92,956)
Land rent	16,748	49,365
Interest - KWHR deferred rent	-	-
Other nonoperating revenue	-	-
Custodial fees	(1,202)	(2,943)
Investment advisory fees	(144)	(12,650)
Nonoperating Revenue - Other (State of Florida)	-	-
Net nonoperating revenues	28,489	(59,184)
TOTAL EXCESS EXPENSES OVER REVENUE	\$ (288,426)	\$ (983,262)

THE LOWER FLORIDA KEYS HOSPITAL DISTRICT
SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE SIX MONTHS ENDING JUNE 30, 2026

	<u>APRIL-JUNE</u>	<u>YTD 2026</u>
Accounting services	\$ 1,500	\$ 5,000
Administrative services	5,645	15,983
Advertising	130	528
Audit fees	8,200	15,000
Insurance	356	1,684
Legal fees	233,041	619,200
Professional Fees: Rural Consultant	63,833	129,923
Meetings	3,749	8,771
Miscellaneous	250	480
Office supplies	211	708
Website	-	-
Total Administrative Expenses	<u>\$ 316,914</u>	<u>\$ 797,277</u>

**LOWER FLORIDA KEYS HOSPITAL DISTRICT
ACTUAL AND BUDGET REVENUE AND EXPENSES
FOR THE SIX MONTHS ENDING JUNE 30, 2026**

	Actual 9 months 6/30/26	Budget 9 months 6/30/26	\$ Difference	% Difference	Budget 12 months 9/30/2026
REVENUE					
Dividends and capital gains distributions	(92,956)	255,000	(347,956)	-136.5%	340,000
Land Rent (KWHRC)	49,365	48,924	441	0.9%	65,232
Interest and advanced rent (KWHRC)	-	-	-	0.0%	-
TOTAL REVENUE	(43,591)	303,924	(347,515)	-114.3%	405,232
Indigent & primary care expense	126,802	375,000	(248,198)	-66.2%	500,000
Total indigent & primary care expenses	126,802	375,000	(248,198)	-66.2%	500,000
<u>Administrative expenses</u>					
Audit and consulting fees	15,000	24,375	9,375	38.5%	32,500
Accounting services	5,000	5,400	400	7.4%	7,200
Legal fees	619,200	210,000	(409,200)	-194.9%	280,000
Professional Fees: Rural Consultant	129,923	375,000	245,077	65.4%	500,000
Investment advisory fees	12,650	22,500	9,850	43.8%	30,000
Custodial fees	2,943	2,100	(843)	-40.2%	2,800
Administrative services	15,983	13,500	(2,483)	-18.4%	18,000
Office supplies	708	150	(558)	-371.8%	200
Advertising	528	300	(228)	-76.2%	400
Meeting Expense	8,771	3,000	(5,771)	-192.4%	4,000
Insurance	1,684	630	(1,054)	-167.3%	840
Miscellaneous	480	450	(30)	-6.7%	600
Website	-	126	126	100.0%	168
Total administrative expenses	812,869	657,531	(155,338)	-23.6%	876,708
TOTAL EXPENSES AND DISBURSEMENTS	939,671	1,032,531	92,860	9.0%	1,376,708
REVENUE OVER (UNDER) EXPENSES AND DISBURSEMENTS	(983,262)	(728,607)	(254,655)	na	(971,476)