

**LOWER FLORIDA KEYS HOSPITAL DISTRICT
NOTES ON FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2025**

STATEMENT OF FINANCIAL POSITION

1.) Operating account.

The cash on hand is \$2,035,871 at September 30, 2025.

2.) Investments

The market value of the District's investments increased by \$665,823 in the quarter ending 09/30/25. Interest, dividends, and capital gains are \$49,359 for the quarter and \$294,273 YTD. Realized loss is (\$10,018) for this quarter and the gain is \$1,311,054 YTD. Unrealized market gain for the quarter ending 09/30/25 is \$626,483 with a loss of (\$185,800) YTD.

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

Prepaid insurance at 09/30/25 is \$1,328. At 09/30/25 Palm Vista Nursing and Rehab has paid their land rent through October 2025.

4.) Other assets

Advanced rent receivable. Principal and interest were paid in full in late April. The balance owed is \$0.00.

5.) Fixed assets

Fixed assets net of depreciation are negligible.

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 is \$21,842 in accrued Administrative Services for July - September 2025.

7.) Net Income (Loss)

The positive change in net assets is due to the quarterly gain in market value of the District's investments.

STATEMENT OF REVENUES AND EXPENSES

1.) Investment income

In the quarter ending 09/30/25, dividends and capital gains distributions were \$49,359 and the unrealized market gain was \$626,483.

Total investment gain for the quarter was \$665,823 with a gain of \$1,419,528 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 over budget for the year. Quarter ending 09/30/25 actual at \$665,823; \$595,823 over the budgeted amount of \$70,000. YTD actual is \$1,419,528; \$1,139,528 over YTD budget amount of \$280,000.

2.) Rent

Actual \$63,803 slightly over budget of \$57,576 YTD due to CPI increase. Land rent is paid through October 2025.

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 (\$202,536). This variance is primarily from legal fees and audit expenses being over budget.

6.) Indigent Care Expense

Primary Care Clinic is under budget YTD by \$247,598.

7.) Deficit disbursements over receipts

The net is \$935,193 more than forecast because YTD investment dividends and capital gains are higher than budgeted and primary care clinic expenses coming in under budget.

THE LOWER FLORIDA KEYS HOSPITAL DISTRICT
STATEMENT OF FINANCIAL POSITION
September 30, 2025

ASSETS

Current assets:

Cash:	
Operating account	\$ 2,035,062
Petty cash	809
Total cash	<u>2,035,871</u>

Investments:

Investments -book value	11,922,359
Unrealized gain (loss)	1,410,137
Total investments at market value	<u>13,332,497</u>

Other current assets:

Rent and interest receivable	-
Accounts Receivable	(5,436)
Prepaid insurance	1,328
Total other current assets	<u>(4,108)</u>

Total current assets	<u>15,364,259</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>\$ 15,364,259</u></u>
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LIABILITIES & FUND EQUITY

Liabilities:

Accounts Payable	-
Due to Key West HMA Primary Care Clinic	-
Due to State of Florida	21,444
Accrued operating expenses	21,842
TOTAL CURRENT LIABILITIES	<u>43,286</u>

Long Term Liabilities:

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

TOTAL LIABILITIES	<u>43,286</u>
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Fund equity:

Fund balance	14,325,557
Net income (loss)	995,416

TOTAL FUND EQUITY	<u>15,320,973</u>
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TOTAL LIABILITIES AND FUND EQUITY	<u><u>\$ 15,364,259</u></u>
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**THE LOWER FLORIDA KEYS HOSPITAL DISTRICT
STATEMENT OF REVENUES AND EXPENSES
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2025**

	<u>JULY-SEPTEMBER</u>	<u>YTD 2025</u>
Operating expenses:		
Administrative services	105,279	263,839
Primary care clinic (physicians funding)	71,086	252,402
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Total operating expenses	176,364	516,241
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Income (loss) from operations	(176,364)	(516,241)
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Nonoperating revenues (expenses):		
Investment income (loss)	665,823	1,419,528
Land rent	16,308	63,803
Interest - KWHR deferred rent	-	58,199
Other nonoperating revenue	92	1,743
Custodial fees	(562)	(3,027)
Investment advisory fees	(7,367)	(28,588)
Nonoperating Revenue - Other (State of Florida)	-	-
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Net nonoperating revenues	674,295	1,511,657
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TOTAL EXCESS EXPENSES OVER REVENUE	<u><u>\$ 497,931</u></u>	<u><u>\$ 995,416</u></u>

THE LOWER FLORIDA KEYS HOSPITAL DISTRICT
SCHEDULE OF ADMINISTRATIVE EXPENSES
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 1925

	<u>JULY-SEPTEMBER</u>	<u>YTD 2025</u>
Accounting services	\$ 1,500	\$ 6,000
Administrative services	4,795	16,940
Advertising	159	308
Audit fees	19,750	32,500
Insurance	(97)	360
Legal fees	77,111	202,376
Meetings	1,409	3,664
Miscellaneous	52	316
Office supplies	600	1,006
Website	-	168
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Total Administrative Expenses	<u><u>\$ 105,279</u></u>	<u><u>\$ 263,639</u></u>

**LOWER FLORIDA KEYS HOSPITAL DISTRICT
ACTUAL AND BUDGET REVENUE AND EXPENSES
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2025**

	Actual 12 months 9/30/25	Budget 12 months 9/30/25	\$ Difference	% Difference	Budget 12 months 9/30/2025
REVENUE					
Dividends and capital gains distributions	1,419,528	280,000	1,139,528	407.0%	280,000
Land Rent (KWHRC)	63,803	57,576	6,227	10.8%	57,576
Interest and advanced rent (KWHRC)	58,199	205,349	(147,150)	-71.7%	205,349
TOTAL REVENUE	1,541,530	542,925	998,605	183.9%	542,925
Indigent care expense					
Primary care clinic	252,402	500,000	(247,598)	-49.5%	500,000
Total indigent care expenses	252,402	500,000	(247,598)	-49.5%	500,000
<u>Administrative expenses</u>					
Audit and consulting fees	32,500	17,700	(14,800)	-83.6%	17,700
Accounting services	6,000	6,000	-	0.0%	6,000
Legal fees	202,376	20,000	(182,376)	-911.9%	20,000
Investment advisory fees	28,588	30,000	1,412	4.7%	30,000
Custodial fees	3,027	2,800	(227)	-8.1%	2,800
Administrative services	16,940	14,400	(2,540)	-17.6%	14,400
Office supplies	1,006	200	(806)	-403.2%	200
Advertising	308	350	42	11.9%	350
Meeting Expense	3,864	-	(3,864)	-100.0%	-
Insurance	360	800	440	55.0%	800
Miscellaneous	316	500	184	36.9%	500
Website	168	168	-	0.0%	168
Total administrative expenses	295,454	92,918	(202,536)	-218.0%	92,918
TOTAL EXPENSES AND DISBURSEMENTS	547,857	592,918	45,061	7.6%	592,918
REVENUE OVER (UNDER) EXPENSES AND DISBURSEMENTS	993,673	(49,993)	1,043,666	na	(49,993)