



**UNIVERSITY HOSPITAL**  
Newark, New Jersey

# Financial Statements December 31, 2018

**HEALTHCARE FINANCE**

**UNIVERSITY HOSPITAL**  
(A Component Unit of the State of New Jersey)

Statement of Net Position

(in thousands)

Assets	UH 31-Dec-18 Unaudited	UH 30-Jun-18 Unaudited	Increase/(Decrease)
Current assets:			
Cash (note 3)	\$ 64,801	\$62,566	\$2,235
Restricted investments (note 7)	6,032	6,032	-
Patient accounts receivable, net (note 5)	82,531	80,997	1,534
Due from State of New Jersey	8,782	9,613	(831)
Supplies	19,200	17,934	1,266
Grants receivable	4,469	4,123	346
Other current assets	29,145	35,438	(6,293)
Total current assets	<u>214,960</u>	<u>216,703</u>	<u>(1,743)</u>
Noncurrent assets:			
Restricted investments, net (notes 7 and 8)	85,738	89,090	(3,352)
Prepaid bond insurance	15,849	16,143	(294)
Capital assets, net (notes 6 and 8)	202,610	204,040	(1,430)
Total noncurrent assets	<u>304,197</u>	<u>309,273</u>	<u>(5,076)</u>
Total assets	519,157	525,976	(6,819)
<b>Deferred Outflows of Resources</b>			
Change in pension plan assumptions and deferred contributions (note 10)	<u>150,913</u>	<u>173,011</u>	<u>(22,098)</u>
	<u>670,070</u>	<u>698,987</u>	<u>(28,917)</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable and accrued expenses	30,300	35,612	(5,312)
Accrued salaries and related payroll taxes	11,691	17,839	(6,148)
Accrued vacation and sick pay	13,791	11,991	1,800
Due to Rutgers University (note 9)	39,408	33,997	5,411
Current portion of accrued claims liability (note 11)	5,209	5,209	-
Estimated third-party payor settlements, net (note 11)	533	661	(128)
Current portion of long-term debt and capital lease obligation (note 8)	305	353	(48)
Other current liabilities	4,794	625	4,169
Total current liabilities	<u>106,031</u>	<u>106,287</u>	<u>(256)</u>
Noncurrent liabilities:			
Accrued claims liability, net of current portion (note 11)	18,657	18,657	-
Capital lease obligation, net of current portion (note 8)	73,579	73,589	(10)
Long-term debt (note 8)	268,642	269,120	(478)
Pension liability (note 10)	546,354	541,572	4,782
Total noncurrent liabilities	<u>907,232</u>	<u>902,938</u>	<u>4,294</u>
Total liabilities	<u>1,013,263</u>	<u>1,009,225</u>	<u>4,038</u>
<b>Deferred Inflows of Resources</b>			
Net difference between projected and actual earnings on pension plan investments	<u>76,791</u>	<u>76,673</u>	<u>118</u>
	<u>76,791</u>	<u>76,673</u>	<u>118</u>
<b>Net Position</b>			
Net investment in capital assets	22,224	23,655	(1,431)
Restricted for debt service	6,032	6,032	-
Unrestricted	(448,240)	(416,598)	(31,642)
Total net position	<u>(419,984)</u>	<u>(386,911)</u>	<u>(33,073)</u>
Total liabilities and net position	<u>\$ 670,070</u>	<u>698,987</u>	<u>(28,917)</u>

See accompanying notes to financial statements.

**UNIVERSITY HOSPITAL**  
(A Component Unit of the State of New Jersey)

Statement of Revenue, Expenses and Changes in Net Position  
(in thousands)

	Business Type Activities - UH Year Ended <u>December 31, 2018</u>	Business Type Activities - UH Year Ended <u>December 31, 2017</u>	<u>Increase/(Decrease)</u>
<b>Operating revenue:</b>			
Net patient service revenue	\$ 262,838	\$ 258,676	\$ 4,162
Grants revenue	2,980	1,902	1,078
Other revenue	12,132	8,891	3,241
<b>Total operating revenue</b>	<u>277,950</u>	<u>269,469</u>	<u>8,481</u>
<b>Operating expenses:</b>			
Personal services	134,871	130,168	4,703
Contracted Physicians and resident fees	42,387	40,122	2,265
Finges benefit	53,666	50,600	3,066
Pension	27,000	36,000	(9,000)
Supplies and other expenses	110,261	108,868	1,393
Depreciation	11,483	11,174	309
<b>Total operating expenses</b>	<u>379,668</u>	<u>376,932</u>	<u>2,736</u>
<b>Operating loss</b>	(101,718)	(107,463)	5,745
<b>Nonoperating income (expense):</b>			
Appropriations from State of New Jersey	72,242	70,519	1,723
Interest Income	841	420	421
Interest expense	(7,813)	(7,590)	(223)
<b>Loss before other changes in net position</b>	<u>(36,448)</u>	<u>(44,114)</u>	<u>7,666</u>
<b>Other changes in net position:</b>			
Capital contributions funded by grantors and donors	3,375	464	2,911
<b>Decrease in net position</b>	(33,073)	(43,650)	10,577
Net position at beginning of year	(386,911)	(326,361)	(60,550)
<b>Net position at end of year</b>	<u>\$ (419,984)</u>	<u>\$ (370,011)</u>	<u>\$ (49,973)</u>