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Finance Report for Laguna Honda Hospital Joint Conference Committee  
October 13, 2020

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## **Budget and Finance**

### **Budget Report**

The FY 2020-21 budget has been delayed due to the COVID-19 emergency crisis and is now finalized by Board of Supervisors' approval.

The hospital's proposed budget shows a net **\$14.9 million** increase in revenue over last year. The revenue changes consist of the following:

- \$10.3 million patient revenue increase mainly due to a projected 2% increase in Medi-Cal Reimbursement rates
- \$4.6 million FEMA reimbursement for COVID related expenses

The proposed budget also includes an expenditure increase of **\$8.6 million** over last year, including the following:

- \$2.1 million in personnel expenses (mainly from labor MOU COLA and the new initiatives for Pharmacy and Quality Management)
- (\$0.9) million in non-personnel, including one time materials and supplies savings
- (\$3.5) million in capital projects
- \$1.6 million in work orders due to performing departmental COLA
- \$9.3 million in COVID related expenses

The budget reflects a net increase of **\$6.3 million** in general fund subsidy.

### **Salary Variance Report**

Salary variance reporting is not yet available due to budget delay and will be included in the next reporting period.