

Memorial Health System Enterprise

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All Funds Summary

All Funds	Source of Funds	2019 Actual	2020 Original Budget	* 2020 Amended Budget	2021 Budget	2021 Budget - * 2020 Amended Budget
	Memorial Enterprise	\$4,381,510	\$5,687,012	\$5,687,012	\$5,659,212	(\$27,800)
Total	\$4,381,510	\$5,687,012	\$5,687,012	\$5,659,212	(\$27,800)	
Uses of Funds						
Memorial Enterprise	\$4,381,510	\$5,687,012	\$5,687,012	\$5,659,212	(\$27,800)	
Total	\$4,381,510	\$5,687,012	\$5,687,012	\$5,659,212	(\$27,800)	

* 2020 Amended Budget as of 8/31/2020, which may include budget reductions due to the economic shutdown and revenue loss as a result of the COVID-19 pandemic

Significant Changes vs. 2020

- Decrease of \$27,800 in projected interest revenue and corresponding investment fees, to be incurred by the Memorial Health System Fund

Memorial Health System Enterprise

Beginning in 1949, the City of Colorado Springs owned and operated Memorial Health System, dedicated to being a regional leader in providing high quality healthcare services to all citizens.

Upon careful consideration, City Council considered the option of leasing the assets of Memorial Health System to an outside independent operator to ensure the best possible healthcare for the entire community. The Memorial Health System Task Force, created by City Council, recommended that City Council select the University of Colorado Health System as the exclusive bidder to be considered for this strategic partnership.

On August 28, 2012, voters approved the proposed operating lease agreement and the integration and affiliation agreement with the University of Colorado Health System. The transaction was finalized on October 1, 2012.

The Memorial Health System Enterprise remains primarily as a leasing entity. The Memorial Health System Enterprise collects lease payments and continues to incur expenditures related to excluded liabilities, such as the run-out on medical claims and workers' compensation claims incurred prior to October 1, 2012.

The sections below provide a summary of the Budget, changes that occurred after the budget was implemented for 2020, and changes occurring as part of the 2021 Memorial Health System Enterprise budget.

Memorial Health System Fund: Summary and Funding Changes

Memorial Health System Enterprise Fund	Source of Funds	2018 Actual	2019 Actual	2020 Original Budget	* 2020 Amended Budget	2021 Budget	2021 Budget - * 2020 Amended Budget	
	Rental	\$2,957,492	\$2,874,404	\$5,612,112	\$5,612,112	\$5,612,112	\$0	
	Interest	52,510	61,798	74,900	74,900	47,100	(27,800)	
	Miscellaneous	54,456	61,217	0	0	0	0	
	MHS UCH Margin Share	675,475	1,384,091	0	0	0	0	
	Total	\$3,739,933	\$4,381,510	\$5,687,012	\$5,687,012	\$5,659,212	(\$27,800)	
	Use of Funds	2018 Actual	2019 Actual	2020 Original Budget	* 2020 Amended Budget	2021 Budget	2021 Budget - * 2020 Amended Budget	
	Salary/Benefits/Pensions	\$0	\$78,255	\$0	\$0	\$0	\$0	
	Operating	3,739,933	4,303,255	5,687,012	5,687,012	5,659,212	(27,800)	
Total	\$3,739,933	\$4,381,510	\$5,687,012	\$5,687,012	\$5,659,212	(\$27,800)		
Funds in excess of operational needs will be transferred to the Foundation per the Funds Management Agreement.								

Funding Changes	During 2020	* 2020 Amended - 2020 Original Budget
	None	\$0
	Total During 2020	\$0
For 2021	2021 Budget - * 2020 Amended Budget	
Operating		
Net decrease in projected operating costs	(27,800)	
Total Operating	(\$27,800)	
Total For 2021	(\$27,800)	

* 2020 Amended Budget as of 8/31/2020, which may include budget reductions due to the economic shutdown and revenue loss as a result of the COVID-19 pandemic

City of Colorado Springs Budget Detail Report

430 - MEMORIAL HEALTH SYSTEM FUND

Acct # - Description	2018 Actual	2019 Actual	2020 Original Budget	* 2020 Amended Budget	2021 Budget	2021 Budget - * 2020 Amended Budget
Salaries/Benefits/Pensions						
51299 - SALARIES REIMBURSEMENTS	0	78,255	0	0	0	0
Salaries/Benefits/Pensions Total	0	78,255	0	0	0	0
Operating						
52568 - BANK AND INVESTMENT FEES	2,584	1,373	8,300	8,300	5,181	(3,119)
52575 - SERVICES	6,500	0	32,000	32,000	32,000	0
52576 - AUDIT SERVICES	0	1,809	0	0	0	0
65051 - ADM FEE	550	0	0	0	0	0
65127 - CLAIMS AND DAMAGES MEMORIAL	12,734	19,022	14,000	14,000	14,000	0
65150 - LEGAL DEFENSE	109,689	113,100	160,000	160,000	160,000	0
65181 - RESIDUAL EQUITY TRANSFER OUT	3,616,582	4,172,339	5,472,712	5,472,712	5,448,031	(24,681)
65210 - ADJUST RESERVE	(8,706)	(4,388)	0	0	0	0
Operating Total	3,739,933	4,303,255	5,687,012	5,687,012	5,659,212	(27,800)
Grand Total	3,739,933	4,381,510	5,687,012	5,687,012	5,659,212	(27,800)
Revenue						
40113 - MISCELLANEOUS	5,437	6,752	0	0	0	0
43180 - GAIN LOSS INV MKT VALUE	42,495	51,211	0	0	0	0
44030 - ACCT REC COLLECTION	6,524	3,254	0	0	0	0
45905 - RENTAL INCOME	2,957,492	2,874,404	5,612,112	5,612,112	5,612,112	0
46025 - INTEREST	52,510	61,798	74,900	74,900	47,100	(27,800)
46040 - MHS UCH MARGIN SHARE	675,475	1,384,091	0	0	0	0
Total Revenue	3,739,933	4,381,510	5,687,012	5,687,012	5,659,212	(27,800)

* 2020 Amended Budget as of 8/31/2020, which may include budget reductions due to the economic shutdown and revenue loss as a result of the COVID-19 pandemic