

## Updated Proposed Planning and Capital Budget Fiscal Year 2023

Harris Health System Board of Trustees

August 25, 2022

## Statement of Revenues and Expenses

## **HARRISHEALTH** SYSTEM

FISCAL 2023 Proposed Planning Budget (in Millions)

			Actual Audited Financials FY 2022	Planning Budget incl. Correctional Health FY 2023		Updated Budget incl. Correctional Health FY 2023	
1	Revenue: Net Patient Service Revenue	<u> </u>	022.0	<b>.</b>	722 7	<u> </u>	722.7
1 2	Medicaid Supplemental Programs	\$	822.0 561.1	\$	723.7 614.3	\$	723.7 612.2
3	Other Operating Revenue		81.7		116.8		120.0
4	Total Operating Revenue		1,510.8		1,454.8		1,455.9
5	Net Ad Valorem Tax Revenue		814.8		838.2		1,065.9
6	Net Tobacco Settlement Revenue		13.3		13.3		13.3
7	Interest Income & Other		1.6		2.0		5.0
8	Total Nonoperating Revenue		829.7		853.4		1,084.1
9	Total Net Revenue	\$	2,340.4	\$	2,308.2	\$	2,540.1
3	Total Net Nevellae	<u>, ,                                   </u>	2,340.4	Ţ	2,308.2	7	2,340.1
	Expense:						
10	Salaries and Wages	\$	792.7	\$	863.2	\$	922.2
11	Employee Benefits		259.4	•	288.8		299.4
12	Total Labor Cost		1,052.1		1,152.0		1,221.6
13	Supplies		271.5		298.7		282.7
14	Physician Services		370.1		425.6		443.0
15	Purchased Services		280.6		293.2		292.3
16	Depreciation, Amortization & Interest		71.9		93.5		88.6
17	Total Operating Expense	\$	2,046.2	\$	2,262.9	\$	2,328.1
18	Operating Income (Loss)	\$	294.2	\$	45.4	\$	212.0
19	Subtotal Margin Before Strategic Expense		12.6%		2.0%		8.3%
	Impact of Identified Strategic Initiatives:						
20	Pillar 1 - Quality & Patient Safety				0.0		0.4
21	Pillar 2 - People				in baseline		in baseline
22	Pillar 3 - One Harris Health				0.0		5.4
23	Pillar 4 - Population Health Management				0.0		12.5
24	Pillar 5 - Infrastructure Optimization				0.0		9.7
25	Incremental Strategic Operating Expense				0.0		28.0
26	Combined Operating Income (Loss) Including Strategic Initiatives			\$	45.4	\$	184.0
27	Combined Total Margin				2.0%		7.2%

**Note:** Fiscal Year 2022 does not include Correctional Health. Budget projections for Correctional Health, included in the Fiscal Year 2023 Proposed Planning Budget, are pending Harris County approval.

## **Capital Budget Summary**



FISCAL 2023 Proposed Budget (in Millions)

	FY	FY 2023 Capital Budget	
Capital Category			
Facility Projects	\$	92,462,409	
Information Technology		18,833,214	
Medical Capital		41,245,518	
Other		7,527,510	
Emergency Capital		2,000,000	
Routine Capital Budget	\$	162,068,651	