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Erie County Medical Center Corporation Operating and Capital Budgets

For the year ending 2021



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Management Discussion and Analysis

September 30, 2020

The 2021 Budget maintains a path along the ECMCC Strategic Plan while addressing short and long-term recovery efforts resulting from the COVID-19 Pandemic. ECMCC's long-term goals will continue to be measured through the achievement of the ECMCC mission: improving clinical quality, service excellence, and the continued provision of health services to the communities ECMCC serves with compassion, all of which will require a slow and steady recovery from the financial impacts seen during 2020 and 2021.

Management Discussion and Analysis

Given the additional preparedness costs and the time needed to recover, the 2021 goal is to improve operating results without sacrificing quality. The proposed 2021 operating budget reflects an operating loss of \$29 million, with the expectation of eliminating the loss by 2022. The proposed budget has been developed without compromising the following goals:

Budget Goals

- ✓ Maintain the highest quality of care provided
- ✓ Maintain critical services provided to the community
- ✓ Use a stepped approach to recovery with a reduction in net loss from 2020 in the wake of the Pandemic
- ✓ Maintain clinical preparedness for the Pandemic
- ✓ Stabilize cash flow
- ✓ Comply with applicable bond covenants
- ✓ Prepare the budget to accomplish the goals without significant job actions

Management Discussion and Analysis

Budgetary assumptions are a key component of the process that was followed in developing the Budget. The following summarizes management's perspective in the development of these assumptions

Activity Levels

The Budget has been prepared consistent with prior stable periods, with consideration given to the impacts of the Pandemic during 2020 and 2021. Further consideration was given to the changes internally related to recent trends in volume and activity, the opening of the newly constructed emergency department, changes in outpatient activity as a result of the Pandemic, changes in evidence based medicine supporting clinical practice utilization rates, changing regulations and payer payment policies, and other factors. Management believes that the levels of activity contained within the Budget are achievable.

Management Discussion and Analysis

Revenue and Reimbursement

Projected reimbursement from government payers is based on current regulations and, where Management has evaluated as probable, proposed regulations. Reimbursement from commercial payers is based on current contracts, or at rates that Management has evaluated as probable for contracts currently being negotiated. Increases in net revenue associated with revenue cycle improvement initiatives have also been incorporated at levels that Management believes are attainable. Other Operating Revenue has been budgeted based on historical experience while taking into account the impact of the discontinuation of the Delivery System Reform Incentive Payment program (DSRIP) and the Care Restructuring Enhancement Pilots program payments (CREPS). Disproportionate Share and UPL payments have been budgeted based on the most current information available to Management.

Management Discussion and Analysis

Operating Expenses

Projected operating expenses are budgeted based on the volume of anticipated activity, along with adjustments for salary rate increases consistent with collective bargaining agreements, estimated benefit cost increases, supply and other expense inflation rates as well as impacts of critical performance improvement initiatives. In addition, anticipated expenses relating to Pandemic preparedness efforts within supplies, staffing and other expenses have been included. Management believes that the expenses contained in the Budget are reasonable and attainable.

Non-Operating Revenue

Non-Operating Revenues have been budgeted consistent with the recent historical trends related to investment income.

Management Discussion and Analysis

Cash Flows

Cash Flows have been budgeted based on the results of operations, the continuation of ongoing investments in routine and non-routine capital assets, required principal payments on long-term debt and funding of employee benefit plans.

Range of Outcomes and Contingency Plans

Management has considered the sensitivity of each material assumption within the Budget. Management believes that the Budget is reasonably positioned within the range of potential outcomes and recognizes its responsibility for achieving these results. Given the uncertainty of certain material assumptions related to the Pandemic, future governmental reimbursement and benefit costs, Management acknowledges that it may have to adjust operationally during 2021.

Regulatory Budget Reporting Requirements

- All requirements have been met
 - NYCRR, Part 203, Chapter V, Title 2
 - This package communicates each of the 18 requirements
- New York State Office Of The State Comptroller
- Authority Budget Office
- PARIS submission and certification



Budget Process

- Executive Leadership Team (ELT) adopt budget schedule and goals
- Using both 2019 and 2020 (pre-COVID) year-to-date performance, the 2020 budget and known or anticipated budget variances, a baseline budget and financial projections were prepared
- ELT members meet with department managers to develop goals for operational performance
- ELT budget recommendation reviewed and approved by Finance Committee of ECMCC Board
- Budget recommendation reviewed and approved by ECMCC Board



Key Financial Ratios

	<u>2018</u>	<u>2019</u>	<u>Projected</u> <u>2020</u>	<u>Budget</u> <u>2021</u>
Operating Margin %	0.60%	0.04%	-14.55%	-4.28%
NYS PBC Average %	-4.5%	-1.9%		
Operating EBITDA %	6.0%	4.8%	-7.5%	2.5%
NYS PBC Average %	0.9%	4.0%		
FTE's	3,299	3,558	3,575	3,462
FTE's per Adjusted Occupied bed	3.92	3.65	3.84	3.24
Days Cash On Hand	112.1	119.0	96.8	70.4
NYS PBC Average	57.5	54.2		
Debt Service Coverage	1.7	2.2	0.9	1.1
NYS PBC Average	1.0	2.5		
Salaries, Wages & Benefits % of Revenue	62.5%	67.4%	75.5%	65.4%
Supply Expense % of Revenue	18.2%	17.9%	18.5%	17.0%
Benefit % of Salaries and Wages	38.0%	40.7%	41.3%	41.3%
Days In Accounts Receivable, net	61.5	58.2	58.1	58.1

Statements of Revenues and Expenses

(Thousands)

	<u>2019 Audited</u>		<u>2020 Projected</u>		<u>2021 Budget</u>		<u>Increase (Decrease)</u>	
	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>	<u>\$</u>	<u>%</u>
Net Patient Revenue	543,370	72.4%	512,024	100.0%	580,642	100.0%	68,618	13.4%
Disproportionate Share / IGT and UPL Payments	89,802	12.0%	86,172	16.8%	91,172	15.7%	5,000	5.8%
Other Operating Revenues	<u>117,679</u>	<u>15.7%</u>	<u>39,760</u>	<u>7.8%</u>	<u>16,340</u>	<u>2.8%</u>	<u>(23,420)</u>	<u>-58.9%</u>
Total Operating Revenues	<u>750,851</u>	<u>100.0%</u>	<u>637,956</u>	<u>124.6%</u>	<u>688,154</u>	<u>118.5%</u>	<u>50,198</u>	<u>7.9%</u>
Operating Expenses								
Salaries and Wages	259,844	34.6%	273,540	53.4%	269,012	46.3%	(4,528)	-1.7%
Employee Benefits	106,149	14.1%	112,940	22.1%	110,982	19.1%	(1,958)	-1.7%
Physician & Resident Fees	92,777	12.4%	96,503	18.8%	95,594	16.5%	(909)	-0.9%
Purchased Services	69,434	9.2%	68,410	13.4%	66,154	11.4%	(2,256)	-3.3%
Supplies	97,065	12.9%	94,794	18.5%	98,949	17.0%	4,155	4.4%
Other Expenses	89,474	11.9%	39,282	7.7%	30,145	5.2%	(9,137)	-23.3%
Depreciation	28,659	3.8%	34,261	6.7%	35,936	6.2%	1,675	4.9%
Interest	<u>7,135</u>	<u>1.0%</u>	<u>11,058</u>	<u>2.2%</u>	<u>10,811</u>	<u>1.9%</u>	<u>(247)</u>	<u>-2.2%</u>
Total Operating Expenses	<u>750,537</u>	<u>100.0%</u>	<u>730,788</u>	<u>142.7%</u>	<u>717,583</u>	<u>123.6%</u>	<u>(13,205)</u>	<u>-1.8%</u>
Operating Income	314	0.0%	(92,832)	-14.6%	(29,429)	-4.3%	63,403	-68.3%
CARES Act Funding Relief	<u>-</u>	<u>0.0%</u>	<u>52,157</u>	<u>8.2%</u>	<u>-</u>	<u>0.0%</u>	<u>(52,157)</u>	<u>-100.0%</u>
Income/(Loss) from Operations with CARES Act Relief	314	0.0%	(40,675)	-6.4%	(29,429)	-4.3%	11,246	-27.6%
Non Operating Revenues	<u>12,634</u>	<u>1.7%</u>	<u>3,998</u>	<u>0.6%</u>	<u>4,000</u>	<u>0.6%</u>	<u>2</u>	<u>0.1%</u>
Excess of Revenues Over Expenses	<u>12,948</u>	<u>1.7%</u>	<u>(36,677)</u>	<u>-5.7%</u>	<u>(25,429)</u>	<u>-3.7%</u>	<u>11,248</u>	<u>-30.7%</u>

Statements of Net Position

(Thousands)

	<u>2019 Audited</u>		<u>2020 Projected</u>		<u>2021 Budget</u>		<u>Increase (Decrease)</u>	
	\$	%	\$	%	\$	%	\$	%
Assets								
Current Assets								
Cash and Investments	23,896	2.6%	99,533	11.2%	49,359	6.0%	(50,174)	-50.4%
Patient Accounts Receivable, Net	86,572	9.3%	81,566	9.2%	92,509	11.3%	10,943	13.4%
Other Current Assets	<u>274,646</u>	<u>29.5%</u>	<u>162,971</u>	<u>18.4%</u>	<u>141,481</u>	<u>17.2%</u>	<u>(21,490)</u>	<u>-13.2%</u>
Total Current Assets	<u>385,114</u>	<u>41.4%</u>	<u>344,070</u>	<u>38.8%</u>	<u>283,349</u>	<u>34.5%</u>	<u>(60,721)</u>	<u>-17.6%</u>
Assets Whose Use Is Limited	81,425	8.8%	76,555	8.6%	74,799	9.1%	(1,756)	2.7%
Property and Equipment, Net	319,358	34.3%	320,250	36.1%	315,564	38.4%	(4,685)	-1.5%
Other Assets	<u>143,971</u>	<u>15.5%</u>	<u>145,602</u>	<u>16.4%</u>	<u>147,003</u>	<u>17.9%</u>	<u>1,401</u>	<u>1.0%</u>
Total Assets	<u>929,868</u>	<u>100.0%</u>	<u>886,477</u>	<u>100.0%</u>	<u>820,715</u>	<u>100.0%</u>	<u>(65,761)</u>	<u>-7.4%</u>
Liabilities and Net Assets								
Current Liabilities								
Current Portion of Long Term Debt	11,090	1.2%	11,046	1.2%	11,442	1.4%	396	3.6%
Accounts Payable, Third-Party & Accrued	235,555	25.3%	208,623	23.5%	176,065	21.5%	(32,558)	-15.6%
Total Current Liabilities	<u>246,645</u>	<u>26.5%</u>	<u>219,669</u>	<u>24.8%</u>	<u>187,507</u>	<u>22.8%</u>	<u>(32,162)</u>	<u>-14.6%</u>
Long Term Debt	236,779	25.5%	244,577	27.6%	227,913	27.8%	(16,664)	-6.8%
Deferred Inflows	98,402	10.6%	103,402	11.7%	108,402	13.2%	5,000	4.8%
Other Post Employment Benefits	399,980	43.0%	405,980	45.8%	408,980	49.8%	3,000	0.7%
Self Insurance Liabilities	<u>97,107</u>	<u>10.4%</u>	<u>98,569</u>	<u>11.1%</u>	<u>99,062</u>	<u>12.1%</u>	<u>493</u>	<u>0.5%</u>
Total Liabilities	<u>1,078,913</u>	<u>116.0%</u>	<u>1,072,197</u>	<u>121.0%</u>	<u>1,031,864</u>	<u>125.7%</u>	<u>(40,333)</u>	<u>-3.8%</u>
Net Position	<u>(149,044)</u>	<u>-16.0%</u>	<u>(185,720)</u>	<u>-21.0%</u>	<u>(211,149)</u>	<u>-25.7%</u>	<u>(25,429)</u>	<u>13.7%</u>
Total Liabilities and Net Assets	<u>929,869</u>	<u>100.0%</u>	<u>886,477</u>	<u>100.0%</u>	<u>820,715</u>	<u>100.0%</u>	<u>(65,762)</u>	<u>-7.4%</u>

Statements of Cash Flow

(Thousands)

	Audited <u>2019</u>	Projected <u>2020</u>	Budget <u>2021</u>	<u>Increase (Decrease)</u>	
					<u>%</u>
Cash Flows From Operating Activities					
Excess of Revenues Over Expenses	12,948	(36,676)	(25,429)	11,247	-31%
Depreciation & Amortization	28,659	34,261	35,936	1,675	5%
(Increase) Decrease in Patient Accounts Receivable, Net	2,715	5,006	(10,943)	(15,949)	-319%
(Increase) Decrease in Current and Other Assets	(9,793)	110,045	20,089	(89,956)	-82%
Increase (Decrease) in Accounts Payable, Third-Party & Accrued	75,350	(26,932)	(32,558)	(5,626)	21%
Increase (Decrease) in Deferred In-Flows	(19,006)	5,000	5,000	-	0%
Increase (Decrease) in Self Insurance Liabilities	(6,589)	7,462	3,493	(3,969)	-53%
Net Cash Provided By (Used In) Operating Activities	<u>84,284</u>	<u>98,166</u>	<u>(4,412)</u>	<u>(102,578)</u>	<u>-104%</u>
Cash Flows From Investing Activities					
(Increase) Decrease in Assets Whose Use is Limited	13,673	4,870	1,756	(3,114)	-64%
Cash Flows From Financing Activities					
Additions to Property and Equipment	(83,681)	(35,153)	(31,250)	3,903	-11%
Changes in Long Term Debt	(9,456)	(7,754)	(16,268)	(8,514)	110%
Net Cash (Used In) Financing Activities	<u>(93,137)</u>	<u>(42,907)</u>	<u>(47,518)</u>	<u>(4,611)</u>	<u>11%</u>
Net Increase (Decrease) in Cash and Investments	4,820	75,637	(50,174)	(125,811)	-166%
Cash and Investments, Beginning	<u>19,076</u>	<u>23,896</u>	<u>99,533</u>	<u>75,637</u>	<u>317%</u>
Cash and Investments, Ending	<u>23,896</u>	<u>99,533</u>	<u>49,359</u>	<u>(50,174)</u>	<u>-50%</u>

Operating Performance Reconciliation

(Thousands)

	<u>Increase /</u> <u>(Decrease)</u>
2020 Budgeted Income from Operations	1,000
Operating Revenues	
Net Patient Service Revenue	(8,694)
Disproportionate Share, IGT and UPLI	14,775
Other Operating Revenue	<u>(34,768)</u>
Total Operating Revenues	<u>(28,687)</u>
Operating Expenses	
Salaries and Benefits	(5,003)
Physician Fees and Professional Services	6,872
Supplies	9,481
Other Expenses	(10,202)
Depreciation and Amortization	1,088
Interest	<u>(494)</u>
Total Operating Expenses	<u>1,742</u>
2021 Budgeted Loss from Operations	<u>(29,429)</u>

Principal Budget Assumptions

- Volume
- Patient Revenue and Reimbursement
- IGT / UPL Payments
- Other Revenues
- Staffing Costs / Vacancy Management
- Other Expenses
- Cash Flows



Volume Summary

	2019	2020	2021	Increase (Decrease)	
	<u>Actual</u>	<u>Projection</u>	<u>Budget</u>	<u>21 - 20</u>	<u>%</u>
Discharges					
Acute	13,354	12,709	13,411	702	5.5%
Other	<u>6,642</u>	<u>6,169</u>	<u>6,590</u>	<u>421</u>	<u>6.8%</u>
Total	<u><u>19,996</u></u>	<u><u>18,878</u></u>	<u><u>20,001</u></u>	<u><u>1,123</u></u>	<u><u>5.9%</u></u>
Average Length of Stay					
Acute	6.5	6.9	6.5	(0.4)	-5.8%
Other	<u>10.2</u>	<u>10.4</u>	<u>10.2</u>	<u>(0.2)</u>	<u>-2.0%</u>
Total	<u><u>7.8</u></u>	<u><u>8.0</u></u>	<u><u>7.7</u></u>	<u><u>(0.3)</u></u>	<u><u>-3.8%</u></u>
Observation Cases	3,550	2,569	2,774	205	8.0%
Outpatient Visits	<u>305,022</u>	<u>288,761</u>	<u>303,356</u>	<u>14,595</u>	<u>5.1%</u>
Clinics	130,097	136,258	133,609	(2,649)	-1.9%
Behavioral Health	39,719	40,701	40,516	(185)	-0.5%
Chemical Dependency	39,689	33,539	35,201	1,662	5.0%
Dialysis	27,549	27,686	31,359	3,673	13.3%
Other	67,968	50,577	62,671	12,094	23.9%
Surgical Cases					
Inpatient	6,254	5,529	6,163	634	11.5%
Outpatient	<u>7,556</u>	<u>6,586</u>	<u>7,512</u>	<u>926</u>	<u>14.1%</u>
Total	<u><u>13,810</u></u>	<u><u>12,115</u></u>	<u><u>13,675</u></u>	<u><u>1,560</u></u>	<u><u>12.9%</u></u>
Case Mix Index - Acute	<u>1.95</u>	<u>1.90</u>	<u>1.92</u>	<u>0</u>	<u>1.1%</u>
Emergency Visits	57,262	53,997	58,345	4,348	8.1%
CPEP Visits	12,130	11,628	12,250	622	5.3%
Terrace View ADC	379.0	377.3	378.0	0.7	0.2%

Revenue

- Payer rate increase net of 2% (before cuts)
- Acute – IP Discharges return to 2019 levels
 - Opening of 12z1 MICU and realignment of CTU
 - Expansion of 8z3 from 10 to 20 beds
 - 8 bed dedicated observation unit (old ED) with expansion to 16
- Outpatient volume slight declines from 2019 levels
- IGT – Consistent with current year assumptions
- Revenue cycle process improvements within clinical documentation, professional billing, denials and bad debt expense



IGT and UPL Revenue (Accrual Basis Revenue)

	<u>Budget 2020</u>	<u>Projected 2020</u>	<u>Budget 2021</u>
DSH	61,616	71,391	76,391
UPL	14,781	14,781	14,781
Total	<u>76,397</u>	<u>86,172</u>	<u>91,172</u>

Expenses

- Salaries
 - Decrease in FTE's to 3,462 (3,574 - YTD August) through vacancy management
 - Contracted union wage and step adjustments total an average of 3.0%
 - Non-Union wage adjustments total 2.0%
- Benefits
 - Increased health insurance, workers compensation and unemployment related costs
 - Pension expense and post-retiree health expense included at current run rate

Expenses (cont'd)

- Physician & Residents
 - Increases in anticipated contractual obligations to meet additional volume and contractual rate increases
 - Improved economics of GPPC physician practices and total cost
- Contractual Fees/Purchased Services
 - Reduction in consulting, purchased service contracts and certain sponsorships
- Supplies
 - COVID Supply cost increases – PPE, lab testing, pharmacy inflation, 90 day supply inventory
 - Inflationary increases offset by targeted savings initiatives
- Depreciation and Interest
 - Increased overall depreciation and interest costs – project completion and debt service on bonds

Cash Flow Assumptions

- Net decrease in cash of \$50.1 Million
 - Net loss & Medicare Advance payback
 - 96.8 days cash reduced to 70.4 days cash
- Days in accounts receivable remaining consistent at 58.1 days
- Consistent other net working capital accounts
- Routine capital budget spend of \$5.0 Million in addition to project spending of \$20 Million



Performance Improvement Opportunities

- Accelerating Excellence operational improvements
- Insurance plan payer relationship & improved governance
- Continued growth strategies including continuum of care management
- Length of stay management
- Vacancy management
- Continued infrastructure planning and investment in population health strategies

Emerging Issues and Risk Areas

- Federal and NYS legislative and funding uncertainty
- COVID-19 impact uncertainty
- Inpatient volume sensitivity / insurance plan uncertainty
- Operating performance improvements
- Pension expense and contribution changes
- Management of supply chain improvements
- GASB 87 – accounting for leases
- GASB 91 – conduit debt obligations
- GASB 94 – Public-private partnerships

2021 Capital Budget Summary

- \$20 Million construction projects
 - \$10 Million from bond funds
 - \$10 Million from internal funds
- \$5.0 Million routine capital spend

5 Year Financial Projections

- Phase into a breakeven operating margin
- Reimbursement rate increases consistent with 2021 budget
- IGT/UPL at current projections
- Salary expense consistent with current collective bargaining agreements
- Benefits % of salary expense increase due to actuarial estimates
- Supply and other expense inflation consistent with current trend
- Achievement of operational improvement goals and/or reduced COVID related costs



Statements of Revenues and Expenses – Projected

(Thousands)

	Audited <u>2019</u>	Projected <u>2020</u>	Budget <u>2021</u>	<u>2022</u>	<u>2023</u>	Projected <u>2024</u>	<u>2025</u>	<u>2026</u>
Operating Revenues								
Net Patient Service Revenue	543,370	512,024	580,642	591,673	602,756	613,937	625,216	636,595
Disproportionate Share, IGT and UPL Revenue	89,802	86,172	91,172	91,172	91,172	91,172	91,172	91,172
Other Operating Revenue	<u>117,679</u>	<u>39,760</u>	<u>16,340</u>	<u>16,503</u>	<u>16,668</u>	<u>16,835</u>	<u>17,003</u>	<u>17,174</u>
Total Operating Revenues	<u>750,851</u>	<u>637,956</u>	<u>688,154</u>	<u>699,349</u>	<u>710,597</u>	<u>721,944</u>	<u>733,391</u>	<u>744,941</u>
Operating Expenses								
Salaries and Benefits	365,993	386,480	379,994	391,164	401,661	412,439	423,506	434,870
Physician Fees and Professional Services	162,211	164,912	161,748	164,799	167,917	171,103	174,358	177,684
Supplies	97,065	94,794	98,949	100,787	102,647	104,533	106,446	108,386
Other Expenses	89,474	39,282	30,145	31,363	32,630	33,948	35,320	36,747
Depreciation and Amortization	28,659	34,261	35,936	33,060	31,263	31,858	33,592	35,720
Interest	<u>7,135</u>	<u>11,058</u>	<u>10,811</u>	<u>10,164</u>	<u>9,535</u>	<u>8,883</u>	<u>8,516</u>	<u>7,900</u>
Total Operating Expenses	<u>750,537</u>	<u>730,787</u>	<u>717,583</u>	<u>731,337</u>	<u>745,653</u>	<u>762,764</u>	<u>781,738</u>	<u>801,306</u>
	314	(92,831)	(29,429)	(31,989)	(35,056)	(40,820)	(48,347)	(56,365)
Performance Improvement Initiatives	-	-	-	32,289	35,406	41,220	48,797	56,865
Income/(Loss) from Operations	314	(92,831)	(29,429)	300	350	400	450	500
CARES Act Funding Relief	-	<u>52,157</u>	-	-	-	-	-	-
Income/(Loss) from Operations with CARES Act Relief	314	(40,674)	(29,429)	300	350	400	450	500
Non Operating Revenues & Capital Contributions	<u>12,634</u>	<u>3,998</u>	<u>4,000</u>	<u>1,862</u>	<u>1,853</u>	<u>1,812</u>	<u>1,816</u>	<u>1,816</u>
Excess of Revenues Over Expenses	<u>12,948</u>	<u>(36,676)</u>	<u>(25,429)</u>	<u>2,162</u>	<u>2,203</u>	<u>2,212</u>	<u>2,266</u>	<u>2,316</u>

Statements of Financial Position – Projected

(Thousands)

	Audited 2019	Projected 2020	Budget 2021	2022	2023	Projected 2024	2025	2026
ASSETS								
Current Assets								
Cash & Investments	23,896	99,533	49,359	50,872	50,422	50,625	50,856	51,439
Patient Accounts Receivable	86,572	81,566	92,509	92,632	90,970	89,667	91,320	92,973
Other Current Assets	274,646	162,971	141,481	131,167	133,456	135,495	96,787	100,998
Total Current Assets	385,114	344,070	283,350	274,671	274,848	275,788	238,963	245,410
Assets Whose Use Is Limited	81,425	76,555	74,799	72,646	70,399	70,411	70,207	70,087
Property and Equipment	319,358	320,250	315,564	305,504	299,241	292,384	283,791	273,072
Other Assets	143,971	145,602	147,003	150,452	154,073	158,169	162,340	166,890
Total Assets	929,869	886,477	820,715	803,273	798,561	796,751	755,301	755,458
LIABILITIES AND NET ASSETS								
Current Liabilities								
Current Portion of Long Term Debt	11,090	11,046	11,442	11,860	12,290	12,735	13,197	13,675
Accounts Payable, Third-Party & Accrued	235,555	208,623	176,065	164,743	165,832	167,757	129,766	131,797
Total Current Liabilities	246,645	219,669	187,507	176,603	178,122	180,492	142,963	145,472
Long Term Debt	236,779	244,577	227,913	210,718	193,786	178,894	164,205	151,032
Deferred Inflows	98,402	103,402	108,402	113,402	118,402	123,402	128,402	133,402
Other Post Employment Benefits	399,980	405,980	408,980	411,980	414,980	417,980	420,980	423,980
Self Insurance Reserves	97,107	98,569	99,062	99,557	100,055	100,555	101,058	101,563
Total Liabilities	1,078,913	1,072,197	1,031,864	1,012,260	1,005,345	1,001,323	957,608	955,449
Net Position	(149,044)	(185,720)	(211,149)	(208,987)	(206,784)	(204,572)	(202,306)	(199,990)
Total Liabilities and Net Assets	929,869	886,477	820,715	803,273	798,561	796,751	755,301	755,458

Statements of Cash Flow - Projected

(Thousands)

	Audited <u>2019</u>	Projected <u>2020</u>	Budget <u>2021</u>	<u>2022</u>	<u>2023</u>	Projected <u>2024</u>	<u>2025</u>	<u>2026</u>
Cash Flows From Operating Activities								
Excess of Revenues Over Expenses	12,948	(36,676)	(25,429)	2,162	2,203	2,212	2,266	2,316
Depreciation & Amortization	28,659	34,261	35,936	33,060	31,263	31,858	33,592	35,720
(Increase) Decrease in Patient Accounts Receivable, Net	2,715	5,006	(10,943)	(123)	1,662	1,303	(1,653)	(1,653)
(Increase) Decrease in Current and Other Assets	(9,793)	110,045	20,089	6,865	(5,910)	(6,135)	34,537	(8,760)
Increase (Decrease) in Accounts Payable, Third-Party & Accrued	75,350	(26,932)	(32,558)	(11,323)	1,089	1,924	(37,991)	2,031
Increase (Decrease) in Deferred In Flows	(19,006)	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Increase (Decrease) in Self Insurance Liabilities	(6,589)	7,462	3,493	3,495	3,498	3,500	3,503	3,505
Net Cash Provided By (Used In) Operating Activities	84,284	98,166	(4,412)	39,137	38,805	39,662	39,254	38,158
Cash Flows From Investing Activities	13,673	4,870	1,756	2,153	2,247	(12)	204	120
Cash Flows From Financing Activities								
Additions to Property and Equipment	(83,681)	(35,153)	(31,250)	(23,000)	(25,000)	(25,000)	(25,000)	(25,000)
Changes in Long Term Debt	(9,456)	7,754	(16,268)	(16,777)	(16,502)	(14,447)	(14,227)	(12,695)
Net Cash (Used In) Financing Activities	(93,137)	(27,399)	(47,518)	(39,777)	(41,502)	(39,447)	(39,227)	(37,695)
Net Increase (Decrease) in Cash and Investments	4,820	75,637	(50,174)	1,513	(450)	203	231	583
Cash and Investments, Beginning	19,076	23,896	99,533	49,359	50,872	50,422	50,625	50,856
Cash and Investments, Ending	23,896	99,533	49,359	50,872	50,422	50,625	50,856	51,439