

County Council of Cuyahoga County, Ohio

Resolution No. R2019-0244

Sponsored by: Council President Brady on behalf of The MetroHealth System	A Resolution approving The MetroHealth System Year 2020 Budget, in accordance with Ohio Revised Code Section 339.06(D), with the understanding that the allocation of County funds to the System has been made through adoption of the 2020/2021 Biennial Operating Budget and Capital Improvements Program for 2020; and declaring the necessity that this Resolution become immediately effective.
--	---

WHEREAS, on October 23, 2019, The MetroHealth System Board of Trustees adopted Resolution 19326 approving a proposed budget for the 2020 fiscal year and authorizing submission of same to Cuyahoga County.

WHEREAS, The MetroHealth System submitted for approval The MetroHealth System Year 2020 Budget, in accordance with Ohio Revised Code Section 339.06(D), with the understanding that the allocation of County funds to the System has been made through adoption of the 2020/2021 Biennial Operating Budget and Capital Improvements Program for 2020; and

WHEREAS, that if the amount appropriated to the county hospital in the annual appropriation measure for the County for the ensuing fiscal year differs from the amount shown in the approved budget, the County may require the board of county hospital trustees to revise the hospital budget accordingly. The board of trustees shall not expend such funds until its budget for that calendar year is submitted and approved by the County; and

WHEREAS, it is further necessary that this Resolution become immediately effective in order that critical services provided by the Cuyahoga County can continue and to provide for the usual, daily operation of a County entity.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY COUNCIL OF CUYAHOGA COUNTY, OHIO:

SECTION 1. That the Cuyahoga County Council hereby approves The MetroHealth System Year 2020 Budget, in accordance with Ohio Revised Code Section 339.06(D), with the understanding that the allocation of County funds to the System has been made through adoption of the 2020/2021 Biennial Operating Budget and Capital Improvements Program for 2020.

SECTION 2. That the Clerk of Council be, and she is, hereby instructed to transmit a copy of this Resolution to the Director of the Office of Budget and Management; Akram Boutros, MD, FACHE, President and CEO, The MetroHealth System; and Craig Richmond, Executive Vice President and Chief Financial Officer, The MetroHealth System.

SECTION 3. It is necessary that this Resolution become immediately effective for the usual daily operation of the County and the reasons set forth in the preamble. Provided that this Resolution receives the affirmative vote of at least eight members of Council, it shall take effect and be in force immediately upon the earliest occurrence of any of the following: (1) its approval by the County Executive through signature, (2) the expiration of the time during which it may be disapproved by the County Executive under Section 3.10(6) of the Cuyahoga County Charter, or (3) its passage by at least eight members of Council after disapproval pursuant to Section 3.10(7) of the Cuyahoga County Charter. Otherwise, it shall take effect and be in force from and after the earliest period allowed by law.

SECTION 4. It is found and determined that all formal actions of this Council relating to the adoption of this Resolution were adopted in an open meeting of the Council, and that all deliberations of this Council and of any of its committees that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements, including Section 121.22 of the Ohio Revised Code.

On a motion by Mr. Schron, seconded by Mr. Brady, the foregoing Resolution was duly adopted.

Yeas: Conwell, Jones, Brown, Stephens, Simon, Baker, Miller, Tuma, Gallagher, Schron and Brady

Nays: None

County Council President Date

County Executive Date

Clerk of Council

Date

First Reading: November 12, 2019

Journal CC036
November 26, 2019

Approval of a proposed budget for the 2020 fiscal year and authorize the submission of the same to the government of Cuyahoga County, Ohio ("County")

RESOLUTION 19326

WHEREAS, the Board of Trustees of The MetroHealth System has been presented a recommendation for a proposed budget for the 2020 fiscal year and authorize the submission of the same to the government of Cuyahoga County, Ohio ("County"); and

WHEREAS, the Board's Finance Committee has reviewed this recommendation and now recommends its approval.

NOW, THEREFORE, BE IT RESOLVED, the Board of Trustees of The MetroHealth System hereby approve a proposed budget for the 2020 fiscal year and authorize the submission of the same to the government of Cuyahoga County, Ohio ("County").

The information to be submitted to the County is shown in Exhibits A and B.

BE IT FURTHER RESOLVED, the Chief Executive Officer and President, or his designee, are hereby authorized to take necessary actions consistent with this resolution.

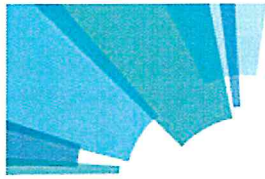
AYES: Ms. Anderson, Ms. Dee, Mr. Hurwitz, Mr. McDonald, Mr. Monnolly, Mr. Moreno, Mr. Moss, Dr. Silvers, Ms. Whiting

NAYS: None

ABSENT: Mr. Hairston

ABSTAINED: None

DATE: October 23, 2019



2020 Operating Budget

(in \$000s)

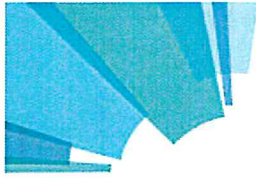
Exhibit A

	2018 Actual	2019 Forecast	Low	2020 ¹ Target	High
Net Patient Revenue	\$1,029,168	\$1,067,867	\$ 1,086,208	\$ 1,095,208	\$ 1,095,208
Other Revenue	151,538	171,479	198,763	198,763	218,763
County Funding	32,400	32,400	32,400	32,400	32,400
Total Revenue	1,213,106	1,271,746	1,317,371	1,326,371	1,346,371
Salaries and Benefits	758,370	796,705	821,331	821,331	821,331
Department Expenses	341,081	358,694	376,436	372,436	372,436
General Expenses	65,935	66,936	76,467	76,467	76,467
Total Expenses	1,165,386	1,222,335	1,274,234	1,270,234	1,270,234
Adjusted Operating Income (Loss)²	\$ 47,720	\$ 49,411	\$ 43,137	\$ 56,137	\$ 76,137

(1) For comparative purposes the presentation of the 2020 Targets exclude the impact of GASB 87 Leases, and GASB 89 Capitalized Interest.

(2) The presentation of adjusted operating income (excludes non-recurring items, GASB 68 Pension and GASB 75 OPEB) as we measure it for management purposes enhances the understanding of our results of operations by highlighting the results from ongoing operations and the underlying profitability factors of our business.

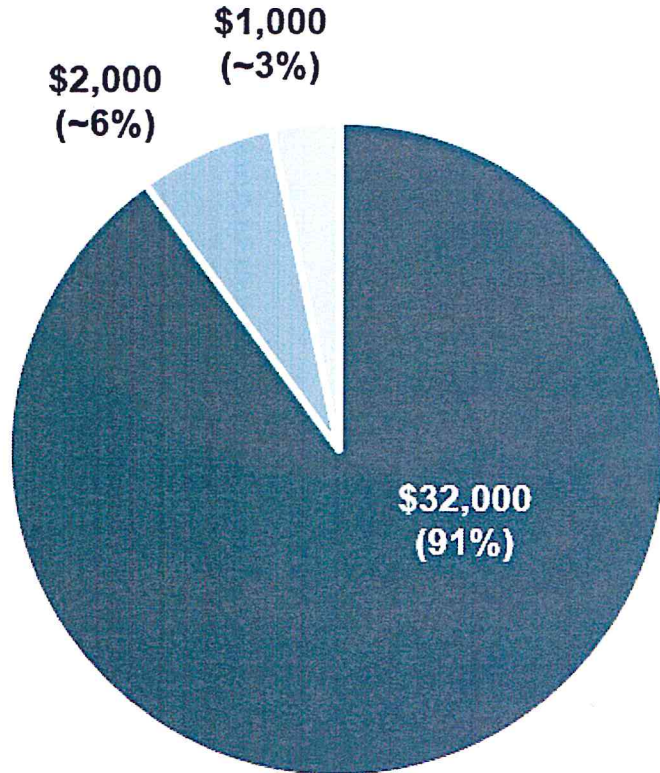




2020 “Core” Capital Budget

(in \$000s)

Exhibit B



Routine/Required/Strategic	\$ 32,000
Contingency	2,000
Minor	<u>1,000</u>
Total	\$ 35,000

Note: 2020 “Core” Capital is funded from operating cash flow for the ongoing operations of MetroHealth. The Campus Transformation project is funded from the Series 2017 Bond issuance.