

Cash Flow Overview FY2022

July 20th, 2022



Finances 101

- When revenues exceed expenses, the result is increased equity.
- When operating expense exceeds operating revenue, the result is negative cash which in turn is covered by equity.

Typical Business	
Total Operating Revenue	100.00
Operating Expense	75.00
Depreciation	5.00
Total Operating Expense	80.00
<u>Net Gain/(Loss)</u>	<u>20.00</u>
Non Cash Expense:	
Depreciation	5.00
<u>Cash from Operations</u>	<u>25.00</u>
Equity	+25.00

Finances 101 continued...

- Excess revenue over expense results in cash from operations which will be reinvested into the organization.
- When operating expense exceeds operating revenues, tax revenues cover the deficit.

Broward Health	
Total Operating Revenue	100.00
Operating Expense	115.00
Depreciation	5.00
Total Operating Expense	120.00
Net Gain/(Loss)	(20.00)
Tax Revenue	20.00
Adjusted Net Gain/(Loss)	0.00
Non Cash Expense:	
Depreciation	5.00
Cash from Operations	5.00

FY2019 - 2022 BUDGET and CASH FLOW

\$,millions

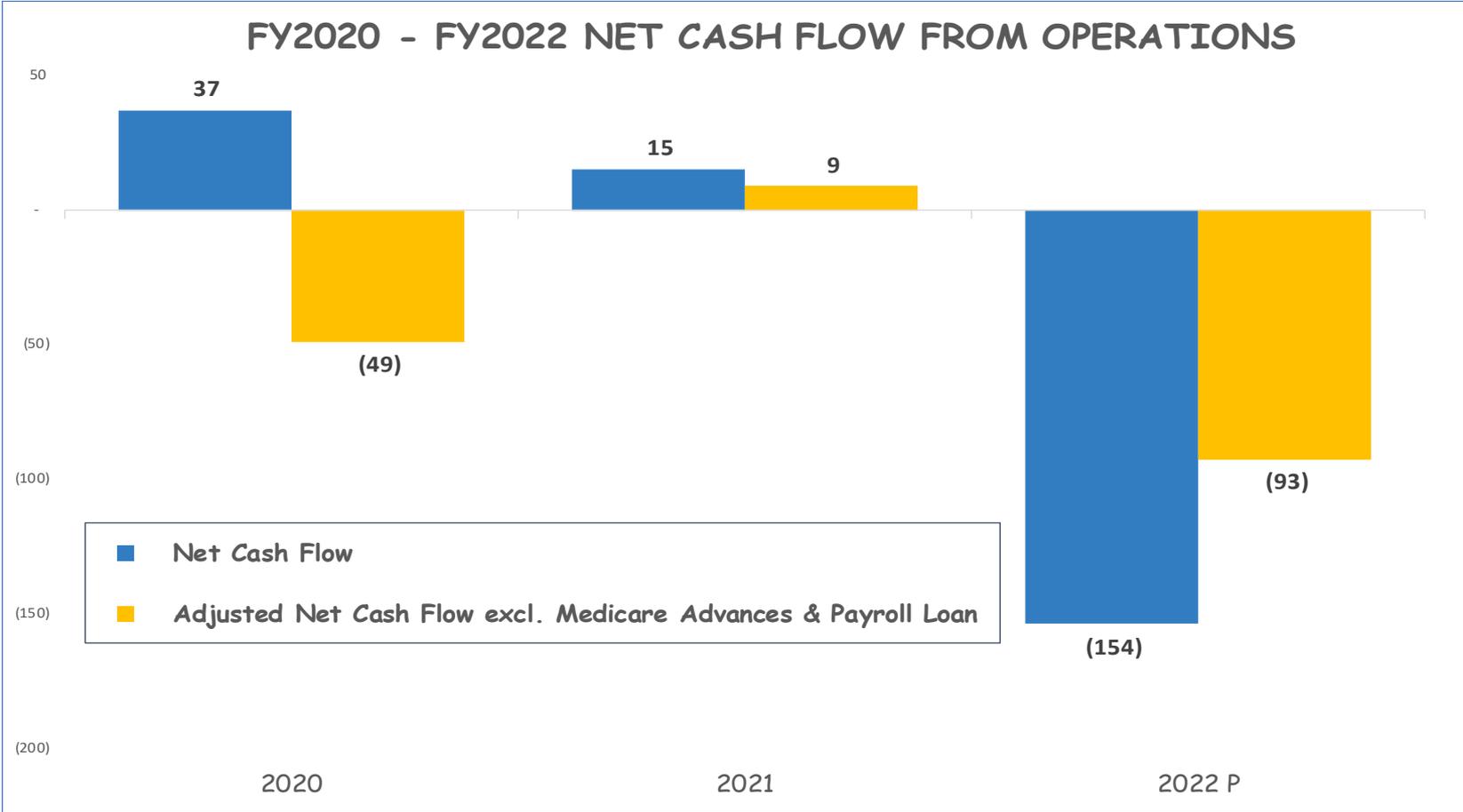
- Budget process does not allow for positive cash flow.
- Setting Capital Expenses = Depreciation does not capture Debt Service Payments.
- **Bottom Line results in Negative Cash Flow.**

(in millions)	FISCAL YEAR			
Budget	2019	2020	2021	2022
Total Operating Revenue	1,103	1,151	1,078	1,151
Operating Expenses	1,173	1,225	1,214	1,277
Depreciation	58	54	53	54
Total Operating Expenses	1,230	1,279	1,267	1,332
Net Gain/(Loss) Operations	(127)	(129)	(189)	(180)
Tax Revenue/Cares Act Funding	129	131	189	181
Adjusted Net Gain/(Loss) Operations	2	2	0	1
Non Cash Items				
Depreciation	58	54	53	54
¹ Capital Expenditures	(58)	(54)	(53)	(54)
Cash from Operations	2	2	0	1
Debt Service Payment	(21)	(21)	(21)	(21)
Adjusted Cash from Operations	(19)	(18)	(20)	(20)

Notes: (1) For budgeting purposes, annual capital spending is assumed equal to depreciation.

ANNUAL CASH FLOW: FY2020 - FY2022 (Preliminary)

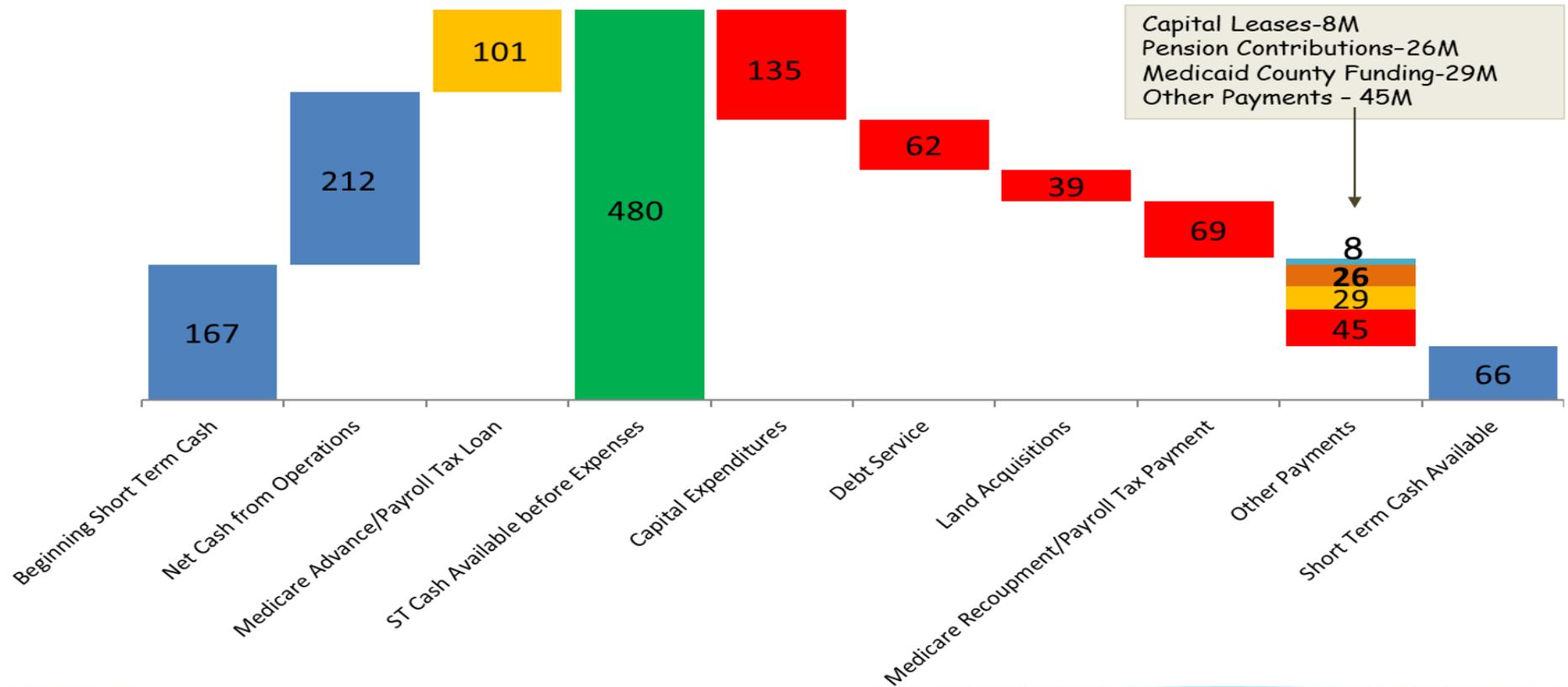
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FY2020 - FY2022 Cash Flow

\$,millions

Over a 3- year period, short term cash has deteriorated by \$101 million.



Notes:

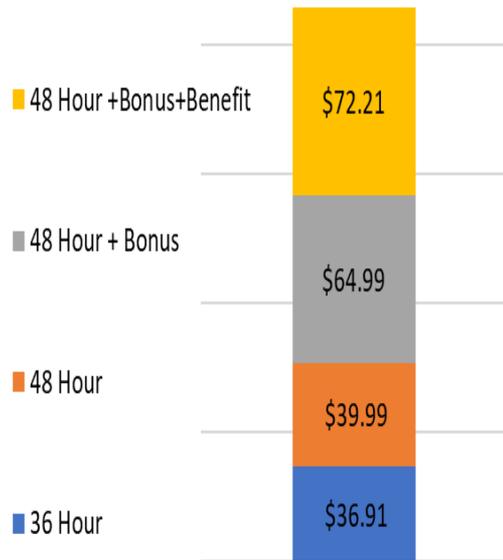
- Net Cash from Operations includes operating margin + tax revenues+ Cares Act+ noncash items e.g. depreciation.
- Other Payments include items such as prior year payments, pension contributions , medicaid county billing, capital leases.



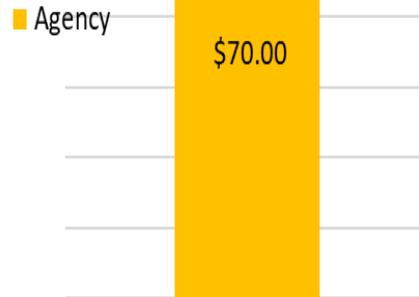
BROWARD HEALTH
A Passion for Caring

Broward Health Nurse Salary Review

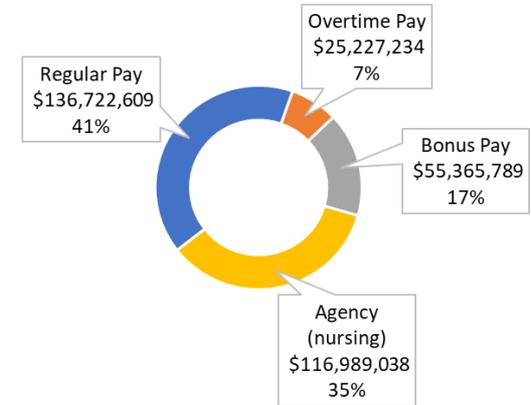
Broward Health's Nursing Pay Rates



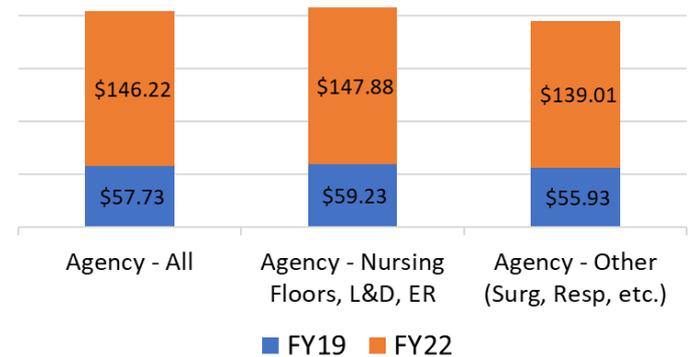
Agency Nursing Pay Rates



FY22 Total Medical Center Nursing Salaries Paid Dollars & %



Total Medical Center Agency Before Covid (FY19) vs With Covid (FY22)



Broward Health Capital FY2023

CAPITAL EXPENDITURE CATEGORY	FY2023 TOTAL ASK
TOTAL FY2023 ROLLOVER CASH FLOW	41,408,238
TOTAL BASE CAPITAL CASH FLOW	41,410,321
ROLLOVER & BASE CAP SUBTOTAL	82,818,559
TOTAL TIER 1 HKS PROJECTS / JCI CONTRACT CASH FLOW	14,002,792
TOTAL TIER 1 MUST-DO'S & STANDARDIZATIONS CASH FLOW	12,018,986
TIER 1 PROJECTS SUBTOTAL	26,021,777
TOTAL MOB FACILITY CONDITION & CAP IMPROVEMENTS	1,470,000
TOTAL AMB/CHS CASH FLOW	5,182,804
TOTAL BHMC CASH FLOW	15,895,796
TOTAL BHCS CASH FLOW	6,785,487
TOTAL BHIP CASH FLOW	2,800,124
TOTAL BHN CASH FLOW	6,322,136
REGIONAL CAPEX SUBTOTAL	36,986,347
TOTAL RADIOLOGY EQUIPMENT SCHEDULE	35,010,349
TOTAL BIOMED EQUIPMENT REPLACEMENT PLAN	3,000,000
BIOMED EQUIPMENT SUBTOTAL	38,010,349
GRAND TOTAL	185,307,033

Broward Health 5-Year Capital Plan

CAPITAL EXPENDITURE CATEGORY	FY2023 TOTAL ASK	FY2024 TOTAL ASK	FY2025 TOTAL ASK	FY2026 TOTAL ASK	FY2027 TOTAL ASK	5-YEAR GRAND TOTAL
TOTAL FY2023 ROLLOVER CASH FLOW	41,408,238	5,960,000	-	-	-	47,368,238
TOTAL BASE CAPITAL CASH FLOW	41,410,321	19,929,925	21,804,925	22,754,925	23,704,925	129,605,021
ROLLOVER & BASE CAP SUBTOTAL	82,818,559	25,889,925	21,804,925	22,754,925	23,704,925	176,973,259
TOTAL TIER 1 HKS PROJECTS / JCI CONTRACT CASH FLOW	14,002,792	11,688,476	8,897,136	-	-	34,588,403
TOTAL TIER 1 MUST-DO'S & STANDARDIZATIONS CASH FLOW	12,018,986	15,315,542	6,362,144	5,170,000	2,670,000	41,536,672
TIER 1 PROJECTS SUBTOTAL	26,021,777	27,004,018	15,259,279	5,170,000	2,670,000	76,125,075
TOTAL MOB FACILITY CONDITION & CAP IMPROVEMENTS	1,470,000	1,147,500	977,500	382,500	242,500	4,220,000
TOTAL AMB/CHS CASH FLOW	5,182,804	10,572,504	5,816,525	674,933	674,933	22,921,699
TOTAL BHMC CASH FLOW	15,895,796	12,603,390	10,987,661	3,224,337	2,519,442	45,230,626
TOTAL BHCS CASH FLOW	6,785,487	16,585,391	13,029,247	1,206,578	1,206,578	38,813,281
TOTAL BHIP CASH FLOW	2,800,124	3,481,680	1,038,356	1,038,356	1,038,356	9,396,872
TOTAL BHN CASH FLOW	6,322,136	2,437,083	5,546,288	3,737,026	1,217,348	19,259,880
REGIONAL CAPEX SUBTOTAL	36,986,347	45,680,047	36,418,076	9,881,230	6,656,657	135,622,358
TOTAL RADIOLOGY EQUIPMENT SCHEDULE	35,010,349	35,010,349	35,010,349	3,820,766	15,744,352	124,596,164
TOTAL BIOMED EQUIPMENT REPLACEMENT PLAN	2,918,120	2,918,120	1,413,962	1,413,962	5,532,712	14,196,876
BIOMED EQUIPMENT SUBTOTAL	37,928,469	37,928,469	36,424,311	5,234,728	21,277,065	138,793,041
GRAND TOTAL, less Land and MP	185,225,153	137,649,959	110,884,091	43,423,383	54,551,147	531,733,733
TOTAL LAND ACQUISITION CASH FLOW	16,965,000	-	-	-	-	16,965,000
TOTAL MASTER PLAN CASH FLOW	7,388,149	17,239,014	-	-	-	24,627,163
GRAND TOTAL	209,578,302	154,888,973	110,884,091	43,423,383	54,551,147	573,325,896

The 5-year plan is aligned with the 10-year master plan supporting approximately \$1.3B in capital needs including tier 3 projects listed below:

- BHIP Surgery Renovations - \$25M
- BHN Patient Tower - \$75M
- BHMC Master Plan – TBD
- BH Weston 1st Floor Multi-Specialty Renovation - \$6M