

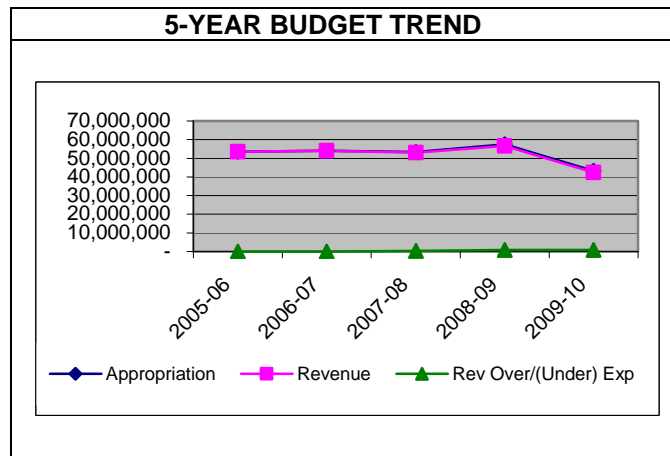
Medical Center Lease Payments

DESCRIPTION OF MAJOR SERVICES

This budget unit finances the cost of long-term lease payments to the Inland Empire Public Facilities Corporation for the Arrowhead Regional Medical Center (ARMC) facility. Funding sources include state revenues from the SB 1732 – Construction Renovation/Reimbursement Program that provides supplemental reimbursement for construction, renovation, or replacement of medical facilities or fixed equipment, operating transfers from ARMC representing Medicare and fee for service revenues, and operating transfers from the general fund backed by Health Realignment revenues and tobacco settlement proceeds.

There is no staffing associated with this budget unit.

BUDGET HISTORY



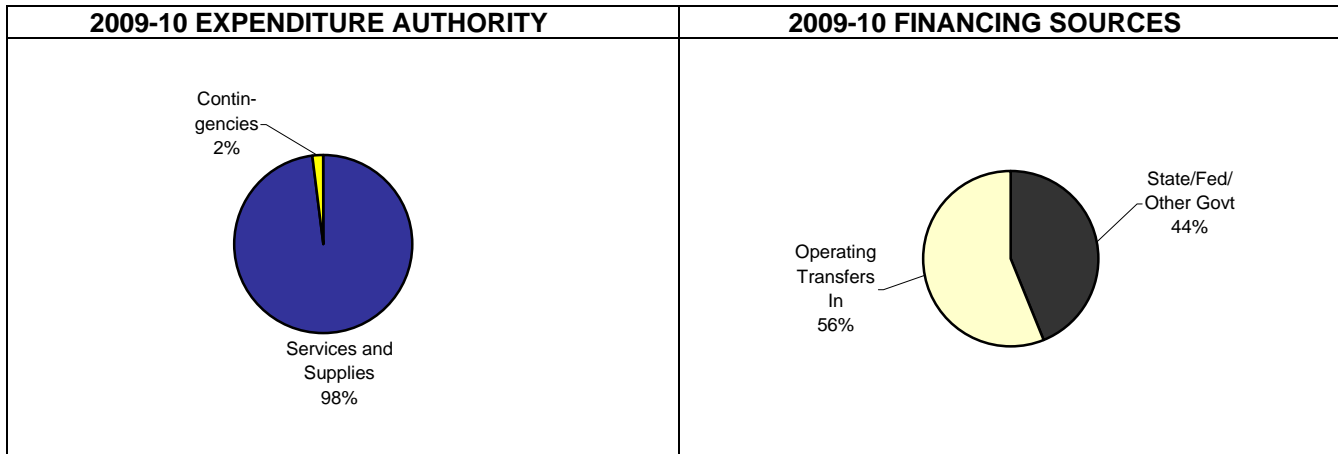
PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Estimate
Appropriation	53,485,019	52,143,704	51,876,528	57,492,452	46,830,020
Departmental Revenue	53,485,019	52,554,589	52,267,464	56,690,631	46,830,020
Rev Over/(Under) Exp	-	410,885	390,936	801,821	-

Estimated appropriation for 2008-09 is less than modified budget primarily as a result of the final maturity of the 1997 Medical Center equipment bonds, and their associated fees.



ANALYSIS OF PROPOSED BUDGET



GROUP: Health Care
 DEPARTMENT: Health Care Administration
 FUND: Medical Center Lease Payments

BUDGET UNIT: EMD JPL
 FUNCTION: General
 ACTIVITY: Property Management

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Estimate		2008-09 Final Budget	2009-10 Proposed Budget	Change From 2008-09 Final Budget
Appropriation								
Services and Supplies	53,485,019	52,143,704	51,876,528	46,830,020		56,690,631	42,416,443	(14,274,188)
Contingencies	-	-	-	-		801,821	801,821	-
Total Appropriation	53,485,019	52,143,704	51,876,528	46,830,020		57,492,452	43,218,264	(14,274,188)
Departmental Revenue								
State, Fed or Gov't Aid	21,521,301	26,594,189	23,429,578	19,522,036		19,522,036	18,606,384	(915,652)
Other Revenue	-	-	-	1,220,226		-	-	-
Total Revenue	21,521,301	26,594,189	23,429,578	20,742,262		19,522,036	18,606,384	(915,652)
Operating Transfers In	31,963,718	25,960,400	28,837,886	26,087,758		37,168,595	23,810,059	(13,358,536)
Total Financing Sources	53,485,019	52,554,589	52,267,464	46,830,020		56,690,631	42,416,443	(14,274,188)
Rev Over/(Under) Exp	-	410,885	390,936	-		(801,821)	(801,821)	-

Services and supplies of \$42,416,443 reflect lease payments and associated fees.

Contingencies of \$801,821 reflect total monies set aside as a result of interest rate swap agreements, and are retained to offset the county's share of any future increases in debt service caused by the swap agreement.

State aid revenue of \$18,606,384 is decreased by \$915,652 due to a decrease in SB 1732 reimbursement resulting from the final maturity of the 1997 Medical Center equipment bonds. A portion of the medical center lease payments is reimbursed by the state through the Construction Renovation/Reimbursement Program (SB 1732). The amount reimbursed by the state depends on the allowable lease payments multiplied by a rate that is calculated by the state every year. The rate fluctuates up or down based on the actual Medi-Cal inpatient days paid to Arrowhead Regional Medical Center.

Operating transfers in of \$23,810,059 are funded by \$10.7 million of Tobacco Master Settlement Agreement monies and \$5.1 million of Health Realignment. The remaining \$8.0 million represents revenues anticipated to be generated by Arrowhead Regional Medical Center and transferred to finance the remaining debt service lease payment.

