



DeSoto Memorial Hospital

*2025 Budget
and 4 Year
Projection*

Desoto Memorial Hospital
Budget and 4 Year
Projections
FOR BUDGET 2025

| | Board Approved Budget FY 2024 | Actual YTD July 2024 FY 2024 | Projected September 2024 Based on July 2024 FY 2024 | Budget FY 2025 | Projection FY 2026 | Projection FY 2027 | Projection FY 2028 | Projection FY 2029 |
|--|----------------------------------|---------------------------------|--|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| REVENUE | | | | | | | | |
| Inpatient Hospital Revenues | \$31,424,066 | \$23,350,865 | \$27,150,865 | \$28,384,872 | \$29,674,964 | \$31,023,691 | \$32,433,718 | \$33,907,831 |
| Outpatient Hospital Revenues | \$145,794,603 | \$120,269,768 | \$140,269,768 | \$147,078,463 | \$154,520,633 | \$162,339,377 | \$170,553,749 | \$179,183,769 |
| Physician Fee Revenues | \$1,800,422 | \$1,808,448 | \$2,170,138 | \$2,279,947 | \$2,395,312 | \$2,516,515 | \$2,643,850 | \$2,777,629 |
| Clinic/DCSO Revenues | \$406,552 | \$374,630 | \$449,556 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Outpatient Service Revenue Outpatient Hospital, Physician, Clinic, and Other Outpatient | \$17,738,753 | \$16,281,133 | \$18,481,133 | \$19,397,243 | \$20,378,743 | \$21,409,908 | \$22,493,249 | \$23,631,407 |
| | \$165,740,329 | \$138,733,979 | \$161,370,595 | \$168,755,652 | \$177,294,688 | \$186,265,799 | \$195,690,848 | \$205,592,805 |
| Total Gross Revenue | \$197,164,395 | \$162,084,844 | \$188,521,460 | \$197,140,524 | \$206,969,652 | \$217,289,490 | \$228,124,567 | \$239,500,636 |
| Year to Year Growth | 6.1% | N/A | 1.1% | 4.6% | 5.0% | 5.0% | 5.0% | 5.0% |
| Year to Year Growth after price increase | 3.1% | N/A | -1.9% | 1.6% | 2.0% | 2.0% | 2.0% | 2.0% |
| DEDUCTIONS FROM REVENUE | | | | | | | | |
| Medicare & Medicaid Contractual Adj | \$109,262,747 | \$84,630,598 | \$97,934,150 | \$103,435,745 | \$108,592,894 | \$114,007,510 | \$119,692,461 | \$125,661,260 |
| Other Contractual Adjustments | \$26,815,617 | \$26,236,223 | \$30,515,444 | \$31,910,588 | \$33,501,602 | \$35,172,046 | \$36,925,889 | \$38,767,302 |
| Discounts & Adjustments | \$2,294,654 | \$1,208,683 | \$1,405,824 | \$1,470,097 | \$1,543,394 | \$1,620,350 | \$1,701,148 | \$1,785,980 |
| Provision for Uncollectible Accts | \$4,695,405 | \$4,435,475 | \$5,158,917 | \$5,394,779 | \$5,663,754 | \$5,946,158 | \$6,242,661 | \$6,553,969 |
| Indigent Care (Charity) | \$15,768,963 | \$14,472,283 | \$16,832,764 | \$17,602,346 | \$18,479,972 | \$19,401,413 | \$20,368,859 | \$21,384,609 |
| | \$22,759,022 | \$20,116,441 | \$23,397,504 | \$24,467,221 | \$25,687,120 | \$26,967,921 | \$28,312,668 | \$29,724,558 |
| Discounts, Bad Debt, and Charity | | | | | | | | |
| Discounts, Bad Debt, and Charity % of Gross Revenue | | 12.4% | 12.4% | 12.4% | 12.4% | 12.4% | 12.4% | 12.4% |
| Year to Year Growth | | | 5.4% | 4.6% | 5.0% | 5.0% | 5.0% | 5.0% |
| Contractual % of Gross Revenue | | 68.4% | 68.1% | 68.7% | 68.7% | 68.7% | 68.7% | 68.7% |
| Contractuals Year to Year Growth | | | 1.3% | 5.37% | 5.0% | 5.0% | 5.0% | 5.0% |
| Total Deductions From Revenue | \$158,837,386 | \$130,983,262 | \$151,847,099 | \$159,813,554 | \$167,781,616 | \$176,147,476 | \$184,931,018 | \$194,153,120 |
| Percent of Gross Revenue | | 80.8% | 80.5% | 81.1% | 81.1% | 81.1% | 81.1% | 81.1% |
| Year to Year Growth | | | 1.0% | 5.2% | 5.0% | 5.0% | 5.0% | 5.0% |
| NET DIRECT PATIENT REVENUE | \$38,327,009 | \$31,101,582 | \$36,674,361 | \$37,326,970 | \$39,188,036 | \$41,142,014 | \$43,193,549 | \$45,347,516 |
| Year to Year Growth | | | -2.9% | 1.8% | 5.0% | 5.0% | 5.0% | 5.0% |
| Net to Gross | 19.4% | 19.2% | 19.5% | 18.9% | 18.9% | 18.9% | 18.9% | 18.9% |
| LIP/DSPRO & Special Pymts | \$5,676,841 | \$4,833,286 | \$5,313,286 | \$5,200,000 | \$5,200,000 | \$5,200,000 | \$5,200,000 | \$5,200,000 |
| Year to Year Growth | | | 3.8% | -2.1% | 0.0% | 0.0% | 0.0% | 0.0% |
| Net to Gross | | 3.0% | 2.8% | 2.6% | 2.5% | 2.4% | 2.3% | 2.4% |
| NET PATIENT REVENUE | \$44,003,850 | \$35,934,868 | \$41,987,647 | \$42,526,970 | \$44,388,036 | \$46,342,014 | \$48,393,549 | \$50,547,516 |
| Year to Year Growth | 4.1% | | -2.1% | 1.3% | 4.4% | 4.4% | 4.4% | 4.5% |
| Net to Gross | 22.3% | 22.2% | 22.3% | 21.6% | 21.4% | 21.3% | 21.2% | 21.1% |

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|--------------------------------|-------------------------------------|------------------------------------|--|---------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| OTHER OPERATING REVENUE | | | | | | | | |
| Pharmacy Outreach | - | - | - | - | - | - | - | - |
| Other Oper Revenue | \$150,000 | \$312,278 | \$315,278 | \$75,000 | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| Total Other Revenue | \$150,000 | \$312,278 | \$315,278 | \$75,000 | \$75,000 | \$75,000 | \$75,000 | \$75,000 |
| Year to Year Growth | -25.5% | | 36.8% | -76.2% | 0.0% | 0.0% | 0.0% | 0.0% |
| Total Operating Revenue | \$44,153,850 | \$36,247,146 | \$42,302,925 | \$42,601,970 | \$44,463,036 | \$46,417,014 | \$48,468,549 | \$50,622,516 |
| Year to Year Growth | 4.0% | | -1.9% | 0.7% | 4.4% | 4.4% | 4.4% | 4.4% |

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|---|----------------------------------|---------------------------------|--|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| EXPENSES | | | | | | | | |
| Salaries & Wages | \$19,236,746 | \$14,340,151 | \$17,140,151 | \$17,062,089 | \$18,007,530 | \$18,798,891 | \$19,629,762 | \$20,502,119 |
| Contract Labor | \$2,072,576 | \$1,589,724 | \$1,939,724 | \$1,895,788 | \$2,000,837 | \$2,088,766 | \$2,181,085 | \$2,278,013 |
| Labor Sub-total | \$21,309,322 | \$15,929,875 | \$19,079,875 | \$18,957,877 | \$20,008,366 | \$20,887,656 | \$21,810,847 | \$22,780,132 |
| Year to Year Growth | 0.6% | | -9.7% | -0.6% | 5.5% | 4.4% | 4.4% | 4.4% |
| Percent of Operating Revenue | 48.3% | 43.9% | 45.1% | 44.5% | 45.0% | 45.0% | 45.0% | 45.0% |
| Benefits | \$4,503,094 | \$3,439,756 | \$4,139,756 | \$4,260,197 | \$4,446,304 | \$4,641,701 | \$4,846,855 | \$5,062,252 |
| Year to Year Growth | 3.5% | | -1.6% | 2.9% | 4.4% | 4.4% | 4.4% | 4.4% |
| Compensation Sub-total | \$ 25,812,416 | \$ 19,369,631 | \$ 23,219,631 | \$ 23,218,073 | \$ 24,454,670 | \$ 25,529,358 | \$ 26,657,702 | \$ 27,842,384 |
| Year to Year Growth | 1.1% | | -8.3% | 0.0% | 5.3% | 4.4% | 4.4% | 4.4% |
| Percent of Operating Revenue | 58.5% | 53.4% | 54.9% | 54.5% | 55.0% | 55.0% | 55.0% | 55.0% |
| EXPENSES - cont. | | | | | | | | |
| Fees - Physician | \$2,663,478 | \$2,432,639 | \$2,912,639 | \$3,060,019 | \$3,214,855 | \$3,377,527 | \$3,548,430 | \$3,727,981 |
| Fees - Other | \$5,967,119 | \$5,244,826 | \$6,244,826 | \$6,560,814 | \$6,892,791 | \$7,241,567 | \$7,607,990 | \$7,992,954 |
| Supplies | \$5,893,691 | \$4,391,992 | \$5,291,992 | \$5,571,758 | \$5,853,689 | \$6,149,886 | \$6,461,070 | \$6,788,001 |
| Rx Outreach Supplies | | | | | | | | |
| Utilities | \$1,103,665 | \$858,189 | \$1,038,189 | \$1,100,480 | \$1,166,509 | \$1,236,500 | \$1,310,690 | \$1,389,331 |
| Repairs and Maintenance | \$970,807 | \$660,318 | \$800,318 | \$832,651 | \$866,290 | \$901,288 | \$937,700 | \$975,583 |
| Rents and Leases | \$607,900 | \$353,652 | \$413,652 | \$421,925 | \$430,364 | \$438,971 | \$447,750 | \$456,705 |
| Insurance | \$666,347 | \$421,013 | \$571,013 | \$605,274 | \$641,590 | \$680,086 | \$720,891 | \$764,144 |
| Other Expenses | \$869,800 | \$713,142 | \$813,142 | \$829,405 | \$845,993 | \$862,913 | \$880,171 | \$897,774 |
| Physician Recruitment | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Marketing & Public Relations | \$43,405 | \$33,503 | \$37,503 | \$38,253 | \$39,018 | \$39,798 | \$40,594 | \$41,406 |
| Total Expenses | \$44,598,627 | \$34,478,905 | \$41,342,905 | \$42,238,653 | \$44,405,770 | \$46,457,893 | \$48,612,988 | \$50,876,263 |
| Year to Year Growth | 1.9% | N/A | -4.3% | 2.2% | 5.1% | 4.6% | 4.6% | 4.7% |
| Earnings Before Deprec, Int, and Tax | (\$444,777) | \$1,768,241 | \$960,020 | \$363,317 | \$57,266 | (\$40,879) | (\$144,440) | (\$253,748) |
| Year to Year Growth | -65.7% | | | -62.2% | -84.2% | -171.4% | 253.3% | 75.7% |
| EBDIT % (Approx cash inflow) | -1.01% | 4.88% | 2.27% | 0.85% | 0.13% | -0.09% | -0.30% | -0.50% |
| Capital Expenses: | | | | | | | | |
| Interest Expense | \$784,450 | \$912,518 | \$1,094,518 | \$1,006,957 | \$916,330 | \$833,861 | \$758,813 | \$690,520 |
| Trustee or Bond Fees | \$3,700 | \$779 | \$3,700 | \$3,700 | \$3,700 | \$3,700 | \$3,700 | \$3,700 |
| Depreciation & Amortization | \$2,678,421 | \$2,953,979 | \$3,563,979 | \$3,485,780 | \$3,376,633 | \$3,274,035 | \$3,177,593 | \$3,086,938 |
| Total Capital Expenses | \$3,466,571 | \$3,867,276 | \$4,662,197 | \$4,496,437 | \$4,296,664 | \$4,111,596 | \$3,940,106 | \$3,781,158 |
| Year to Year Growth | 4.2% | | -0.7% | -3.6% | -4.4% | -4.3% | -4.2% | -4.0% |
| OPERATING INCOME / (LOSS) | (\$3,911,348) | (\$2,099,035) | (\$3,702,177) | (\$4,133,119) | (\$4,239,398) | (\$4,152,475) | (\$4,084,546) | (\$4,034,905) |
| Op Income % | -8.9% | -5.8% | -8.8% | -9.7% | -9.5% | -8.9% | -8.4% | -8.0% |
| Year to Year Growth | 18.6% | | -20.8% | -10.9% | 1.7% | 6.2% | 5.8% | 5.4% |

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 FOR BUDGET 2025

| | Board Approved Budget FY 2024 | Actual YTD July 2024 FY 2024 | Projected September 2024 Based on July 2024 FY 2024 | Budget FY 2025 | Projection FY 2026 | Projection FY 2027 | Projection FY 2028 | Projection FY 2029 |
|--|----------------------------------|---------------------------------|---|----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| OTHER INCOME | | | | | | | | |
| Investment Income | \$55,797 | \$96,760 | \$118,760 | \$165,000 | \$187,500 | \$210,000 | \$232,500 | \$255,000 |
| C19 Prov Relief Funds/Payroll Protection Loan Forgiveness | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local/State/Federal Award Grants | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 | \$50,000 |
| Gifts, Grants, Sales Tax Income | \$2,616,564 | \$2,882,399 | \$3,382,399.00 | \$2,693,120 | \$2,720,051 | \$2,747,252 | \$2,774,724 | \$2,802,471 |
| Rental Income | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Non-oper Income | \$67,738 | \$15,402 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 | \$25,000 |
| Total Other Income (Exp) | \$2,790,099 | \$3,044,561 | \$3,576,159 | \$2,933,120 | \$2,982,551 | \$3,032,252 | \$3,082,224 | \$3,132,471 |
| Year to Year Growth | 4.2% | | 36.3% | -18.0% | 1.7% | 1.7% | 1.6% | 1.6% |
| NET INCOME/(LOSS) | (\$1,121,250) | \$945,526 | (\$126,018) | (\$1,200,000) | (\$1,256,847) | (\$1,120,223) | (\$1,002,322) | (\$902,434) |
| Net Income % | -2.5% | 2.6% | -0.3% | -2.8% | -2.8% | -2.4% | -2.1% | -1.8% |

Desoto Memorial Hospital
STATEMENT OF REVENUE AND EXPENSES
BUDGET 2025

| | Board Approved Budget | Projected September 2024 Based on July 2024 | Budget | |
|-------------------------------------|--------------------------|--|----------------------|--------------------|
| | FY 2024 | FY 2024 | FY 2025 | Change |
| REVENUE | | | | |
| Inpatient Hospital Revenues | \$31,424,066 | \$27,150,865 | \$28,384,872 | \$1,234,007 |
| Outpatient Hospital Revenues | \$145,794,603 | \$140,269,768 | \$147,078,463 | \$6,808,695 |
| Physician Fee Revenues | \$1,800,422 | \$2,170,138 | \$2,279,947 | \$109,809 |
| Clinic/DCSO Revenues | \$406,552 | \$449,556 | \$0 | (\$449,556) |
| Other Outpatient Service Revenue | \$17,738,753 | \$18,481,133 | \$19,397,243 | \$916,110 |
| Total Gross Revenue | \$197,164,395 | \$188,521,460 | \$197,140,524 | \$8,619,064 |
| DEDUCTIONS FROM REVENUE | | | | |
| Medicare & Medicaid Contractual Adj | \$109,262,747 | \$97,934,150 | \$103,435,745 | \$5,501,594 |
| Other Contractual Adjustments | \$26,815,617 | \$1,405,824 | \$1,470,097 | \$64,273 |
| Discounts & Adjustments | \$2,294,654 | \$30,515,444 | \$31,910,588 | \$1,395,144 |
| Provision for Uncollectible Accts | \$4,695,405 | \$16,832,764 | \$17,602,346 | \$769,582 |
| Indigent Care (Charity) | \$15,768,963 | \$5,158,917 | \$5,394,779 | \$235,862 |
| Total Deductions From Revenue | \$158,837,386 | \$151,847,099 | \$159,813,554 | \$7,966,455 |
| NET DIRECT PATIENT REVENUE | \$38,327,009 | \$36,674,361 | \$37,326,970 | \$652,609 |
| LIP/DSPRO & Special Pymts | \$ 5,676,841 | \$ 5,313,286 | \$ 5,200,000 | (\$113,286) |
| NET PATIENT REVENUE | \$44,003,850 | \$41,987,647 | \$42,526,970 | \$539,323 |
| OTHER OPERATING REVENUE | | | | |
| Pharmacy Outreach | | | | |
| Other Oper Revenue | \$150,000 | \$315,278 | \$75,000 | (\$240,278) |
| Total Other Revenue | \$150,000 | \$315,278 | \$75,000 | (\$240,278) |
| Total Operating Revenue | \$44,153,850 | \$42,302,925 | \$42,601,970 | \$299,045 |

Desoto Memorial Hospital
STATEMENT OF REVENUE AND EXPENSES
BUDGET 2025

| | Board Approved Budget | Projected September 2024 Based on July 2024 | Budget | Change |
|---|--------------------------|--|----------------------|----------------------|
| | FY 2024 | FY 2024 | FY 2025 | |
| EXPENSES | | | | |
| Salaries & Wages | \$19,236,746 | \$17,140,151 | \$17,062,089 | (\$78,062) |
| Labor Sub-total | \$21,309,322 | \$19,079,875 | \$18,957,877 | (\$121,998) |
| Benefits | \$4,503,094 | \$4,139,756 | \$4,260,197 | \$120,441 |
| Compensation Sub-total | \$25,812,416 | \$23,219,631 | \$23,218,073 | (\$1,558) |
| EXPENSES - cont. | | | | |
| Fees - Physician | \$2,663,478 | \$2,912,639 | \$3,060,019 | \$147,380 |
| Fees - Other | \$5,967,119 | \$6,244,826 | \$6,560,814 | \$315,988 |
| Supplies | \$5,893,691 | \$5,291,992 | \$5,571,758 | \$279,766 |
| Rx Outreach Supplies | \$0 | | \$0 | #VALUE! |
| Utilities | \$1,103,665 | \$1,038,189 | \$1,100,480 | \$62,291 |
| Repairs and Maintenance | \$970,807 | \$800,318 | \$832,651 | \$32,333 |
| Rents and Leases | \$607,900 | \$413,652 | \$421,925 | \$8,273 |
| Insurance | \$666,347 | \$571,013 | \$605,274 | \$34,261 |
| Other Expenses | \$869,800 | \$813,142 | \$829,405 | \$16,263 |
| Physician Recruitment | | | | |
| Marketing & Public Relations | \$43,405 | \$37,503 | \$38,253 | \$750 |
| Total Expenses | \$44,598,627 | \$41,342,905 | \$42,238,653 | \$895,748 |
| Earnings Before Deprec, Int, and Tax | (\$444,777) | \$960,020 | \$363,317 | (\$596,703) |
| Capital Expenses: | | | | |
| Interest Expense | \$784,450 | \$1,094,518 | \$1,006,957 | (\$87,561) |
| Trustee or Bond Fees | \$3,700 | \$3,700 | \$3,700 | \$0 |
| Depreciation & Amortization | \$2,678,421 | \$3,563,979 | \$3,485,780 | (\$78,199) |
| Total Capital Expenses | \$3,466,571 | \$4,662,197 | \$4,496,437 | (\$165,760) |
| OPERATING INCOME / (LOSS) | (\$3,911,348) | (\$3,702,177) | (\$4,133,119) | (\$430,942) |
| OTHER INCOME | | | | |
| Investment Income | \$55,797 | \$118,760 | \$165,000 | \$46,240 |
| C19 Prov Relief Funds/Payroll Protection Lr | \$0 | \$0 | \$0 | \$0 |
| Local/State/Federal Award Grants | \$50,000 | \$50,000 | \$50,000 | \$0 |
| Gifts, Grants, Sales Tax Income | \$2,616,564 | \$3,382,399 | \$2,693,120 | (\$689,279) |
| Rental Income | \$0 | \$0 | \$0 | \$0 |
| Other Non-oper Income | \$67,738 | \$25,000 | \$25,000 | \$0 |
| Total Other Income (Exp) | \$2,790,099 | \$3,576,159 | \$2,933,120 | (\$643,039) |
| NET INCOME/(LOSS) | (\$1,121,250) | (\$126,018) | (\$1,200,000) | (\$1,073,981) |