



Legislation Text

File #: 23-361, **Version:** 4

Ordinance 23-56 repealing Ordinance No. 23-46 and Approving a Supplemental Appropriation to the Memorial Health System Enterprise Fund in the amount of \$1,465,848 for monies due to UCH-MHS for the periodic reconciliation with UC Health

Presenter:

Charae McDaniel, Chief Financial Officer

Summary:

On August 22, 2023, Council approved Ordinance 23-46, however, in Section 1 of Ordinance 23-46, the payee of the reconciliation transfer payment was misstated. Ordinance 23-46 must be repealed so that this corrected supplemental appropriation ordinance may be approved. The contents of the prior memo and this memo are identical, as all of the information was stated correctly in the prior memo.

The attached ordinance is to increase the 2023 Memorial Health System Enterprise Fund budget and to appropriate monies in the amount of \$1,465,848 to pay monies to the UCH-MHS as a result of a recent periodic reconciliation. The source of funds is unrestricted fund balance.

According to the lease, Schedule 3.6.8 Obligations and Liabilities Related to Third-Party Payors, the Parties agreed to reconcile UCH-MHS net actual receivables received and liabilities paid out to the amount accrued in the Memorial Health System financial statements on the effective date of the lease. UCH-MHS and the City have met periodically and agreed to reconciliations.

As some third-party cost reports remain open, UCH-MHS and the City will again reconcile when those have finally settled.

Background:

N/A

Previous Council Action:

The City Council has approved supplemental appropriations for the reconciliation process in 2016, 2017, and most recently in February 2021.

Financial Implications:

The City will pay funds to UCH-MHS in the amount of \$1,465,848 in 2023. This amount will reduce amounts to be transferred to the Colorado Springs Health Foundation in 2023. The City maintains the Funds Administration Target for the Memorial Health System Enterprise of \$2,500,000.

City Council Appointed Board/Commission/Committee Recommendation:

The City Council Budget Committee reviewed this item at the July 11, 2023 meeting. The

reconciliation process was discussed, and how it impacts the MHS fund. The City's Chief Financial Officer had a follow-up discussion with Councilmember Donelson to provide clarification regarding the reconciliation process.

Stakeholder Process:

N/A

Alternatives:

N/A

Proposed Motion:

Move approval of Ordinance No. 23-56 repealing Ordinance No. 23-46 and Approving a Supplemental Appropriation to the Memorial Health System Enterprise Fund in the amount of \$1,465,848 for monies due to UCH-MHS for the periodic reconciliation with UC Health.

Supplemental Appropriation to the Memorial Health System Enterprise Fund in the amount of \$1,465,848 for monies due to UCH-MHS for the periodic reconciliation with UC Health