

UConn HEALTH


June 26, 2024

TO: Members of the Board of Trustees

FROM: Andrew C. Agwunobi, MD, MBA
EVP for Health Affairs
Chief Executive Officer for UConn Health



Jeffrey P. Geoghegan, CPA
Executive Vice President for Finance and Chief Financial Officer



RE: Fiscal Year 2025 Spending Plan for UConn Health

RECOMMENDATION:

That the Board of Trustees approve a spending plan for Fiscal Year 2025 of \$1,653.8 million for UConn Health.

RESOLUTION:

“Be it resolved that the Board of Trustees approve the Fiscal Year 2025 spending plan of \$1,653.8 million for UConn Health.”

BACKGROUND:

The FY 25 spending plan includes \$1,652.2 million of revenue, including estimated state support of \$198.8 million, to cover \$1,653.8 million in expenses.

The General Assembly has approved an FY25 budget that includes a block grant of \$118.2 million. It also includes additional one-time state operating support of \$75.5 million and \$5.1 million of fringe support for UConn Health. We are grateful to the Governor and General Assembly for their continued support of UConn Health.

UConn Health will continue to manage its budget closely monitoring State support, clinical volume and operating costs. We will also continue to focus on providing excellent patient care, protecting academic excellence, and supporting the research mission.

FY25 Proposed Spending Plan

UConn Health Center	FY25 Budget	Primary FIP	Secondary Mid Year FIP	FY25 Revised Budget	FY24 Forecast	Variance	% Variance
State Support Salary	118.2			118.2	111.6	6.6	5.9%
Additional State Support	65.5		10.0	75.5	86.5	(11.0)	(12.7%)
State Support Fringe	5.1			5.1	0.7	4.4	100.0%
Total State Support	\$ 188.8		\$ 10.0	\$ 198.8	\$ 198.8	\$ (0.0)	(0.0%)
Tuition and Fees	34.2			34.2	33.8	0.4	1.2%
Grants & Contracts	119.2			119.2	121.6	(2.4)	(2.0%)
Interns/Residents	90.2			90.2	82.8	7.4	9.0%
Net Patient Revenue	999.4	4.0		1003.4	944.0	59.3	6.3%
Other Revenue	206.4			206.4	203.1	3.3	1.6%
Total Revenues	\$ 1,638.2	\$ 4.0	\$ 10.0	\$ 1,652.2	\$ 1,584.1	\$ 68.1	4.3%
Salaries & Wages	644.2	(4.2)		640.0	600.9	39.1	6.5%
Fringe Benefits	168.3	(1.3)		166.9	154.7	12.2	7.9%
Temporary/Contractual Support	159.2			159.2	158.7	0.5	0.3%
Drugs/Medical Supplies	332.0			332.0	306.3	25.7	8.4%
Resident and Fellow house staff	77.5			77.5	68.4	9.1	13.3%
Utilities	14.8			14.8	13.5	1.2	9.1%
Interest Expense on Debt Service	8.0			8.0	8.0	0.1	0.8%
Purchased Services	149.9	(4.5)		145.4	134.8	10.5	7.8%
Other Expenses	79.0			79.0	91.8	(12.7)	(13.9%)
Capital Projects/Debt Payments	30.9			30.9	36.9	(6.0)	(16.3%)
Total Expenses	\$ 1,663.8	\$ (10.0)	-	\$ 1,653.8	\$ 1,574.0	\$ 79.8	5.1%
Prior Year Unrestricted Fund Balance	\$.0		\$ 1.6	\$ 1.6	\$.0	\$ 1.6	
Net Income/(Loss)	\$ (25.6)	\$ 14.0	\$ 11.6	\$ (.0)	\$ 10.1	\$ (10.1)	
Non-operating pension/retirement costs				\$ 196.6	\$ 211.4	\$ (14.8)	(7.0%)