

SAN JUAN COUNTY PUBLIC HOSPITAL DISTRICT NO. 3 (DBA ORCAS ISLAND HEALTH CARE DISTRICT)						
PROPOSED 2023 DRAFT BUDGET						
BARS Number (subject to update prior to submission)	ITEM	2022 Budget, Per Resolution	2022 Forecast	2023 Draft Budget	Description	
1	308.80.00.0000	Beginning Cash	\$ 1,153,177	\$ 1,248,435	\$ 1,032,855	Estimated Beginning Cash for 2023 is Ending Cash as of 12-31-22
2			INCOME			
3	311.10.00.0000	Property Tax Revenue	1,901,902	1,901,812	1,648,036	The 2023 Property Tax is based on numbers provided by the Assessor in the 2023 Preliminary Assessment and represents the maximum the District could raise and represents a 1.0% increase over the 2022 Actual Levy, plus banked capacity and estimated NC less \$300k by Motion of the Board at the 10/25/22 meeting.
4	332.93.20.0000	Medicare Incentive Program	-	4,999	-	Eligible to receive as a member of AWAPHD associated with the work of the Accountable Communities of Health. This is not expected to continue in 2023.
5	337.00.00.0000	Miscellaneous Revenue	-	10,839	12,000	Discontinued in 2021. Rename Misc Revenue in 23. Includes reimbursement from IH for utilities.
6	337.00.00.6531	Reimbursed Expenses	250	-	-	Funds received as part of the interlocal joint purchasing items, includes shared software (Zoom, DocuSign). Arrangement discontinued in 2021.
7	337.20.00.0000	Leasehold Tax (to be received)	1,930	1,911	1,687	Applies in lieu of property tax when persons or businesses lease or occupy publicly-owned real or personal property. SJC unable to estimate how much will be collected on an annual basis.
8	337.40.00.0000	Timber Harvest Tax - Private Land	-	86	-	Replaces annual property tax on timber with an excise tax based on value of timber at the time of harvest. Applies to timber harvested from any private or public lands in WA. SJC unable to estimate how much will be collected so no amount has been budgeted.
9	369.91.00.0093	OPALCO Credits	-	2,972	-	These are credits associated with energy upgrades to building. None expected in 2023
10	362.00.00.0000	Rents and Leases	-	88	50	Added \$50 for building lease to IH. 5-year budget needs to be corrected as well.
11	367.00.00.0001	Donations from Private Sources	-	49	-	Placeholder line for possible grants and donations
12	367.00.00.0002	Small Grant from Private Organization	-	4,000	-	None anticipated in 2023. May change to include Medicare pass thru from AWP/PHD. (Line 7) This was grant from AWP/PHD for Strategic Planning.
13	334.00.30.0000	State Grants	-	-	-	
14	REVENUE TOTAL (not including Beginning Cash)		1,904,082	1,926,756	1,661,773	
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16			EXPENSES			
17	561.00.41.0003	Provider Subsidy - Island Hospital (IH) as of 4/1/21	1,835,243	1,293,202	1,022,000	Payment of \$511,000 to be paid 1/15/23, and second full payment due July 1, 2023 (\$511,000) for January through June 2023.
18	561.00.41.0020	Accounting Expenses	7,500	1,124	7,500	Accounting services to help with annual reporting & State financial audit, reserve and cash flow analysis. Also includes SJC fees to process warrants and payroll.
19	561.10.41.0002	State Audit Expenses	-	8,906	-	State accountability audits are conducted every 2-3 years. When revenues exceed \$2,000,000 we will need a state financial audit as well. Audit will be conducted in 2023 but billed in 2024 so we should not budget anything for 2023. 5 year projections should be adjusted accordingly.
20	561.00.41.0030	Legal Services	30,000	28,082	30,000	Placeholder for legal support associated with preparation of RFPs, review of policies, and other possible negotiations.
21	561.00.41.0040	Technology Services	3,950	6,659	4,148	Monthly cost of \$328.27 for NW Technology to support 7 licenses for Office 365, email, and document sharing and security.
22	561.00.41.0050	Independ. Contractor Agreements	35,000	34,795	30,000	Placeholder for grant writer, newsletter, space planner, graphic artist or other consultants.
23	561.00.41.0060	Promotion & Advertising	3,500	4,201	7,000	Assumes monthly advertising and public information articles in The Sounder. Also includes Legal Posting requirements for Public Hearing on Budget and Levy in November.
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25	561.00.41 Professional Services Total		1,915,193	1,376,970	1,100,648	
26	561.00.10.0001	Commissioners	4,608	7,040	7,000	Commissioners who don't have a salary waiver are eligible for a stipend of \$128/meeting and an annual maximum of \$12,288. Confirmed at least one Commissioner will take some of the stipend in 2023.
27	561.00.10.0002	Superintendent	115,000	92,027	160,000	Reflects FT Superintendent @ 160K/yr.
28	561.00.10.0003	Other Staff/Contracted Support	3,000	21,392	31,200	includes possible 0.5 FTE Admin Asst @ \$31,200.
29	561.00.10 Salary & Wages Total		122,608	120,459	198,200	
30	561.00.20.0001	FICA/Medicare/SS/PERS	1,667	7,803	14,627	In 2023 7.65% of Base Compensation for employees
31	561.00.20.0002	Dept of Labor & Industries -Worker's Comp	1,668	571	2,772	1.45% of Base Compensation
32	561.00.20.0003	Retirement	11,788	3,703	-	
33	561.00.20.0006	Medical Insurance Premium/ Employee Benefits	15,456	14,939	23,283	Cost assoc w/PEBB
34	561.00.20.0009	Employment Security - Unemployment	813	265	991	.5% of salary
35	561.00.20.0010	Deferred Compensation	5,750	1,807	-	
36	561.00.20 Personnel Benefits Total		36,942	29,088	41,673	
37	561.00.31.0000	Office Supplies	500	3,418	500	Largely printer ink and misc. supplies 2022 included strategic plan expenses
38	561.00.31.0001	Supplies for Repairs and Maintenance	-	606	600	Building maintenance supplies @ Island Hdware.
39	561.00.31.0002	Computer and Online Software	100	92,027	650	Zoom & DocuSign annual subscriptions. Also includes Smartsheet.
40	561.00.31.0010	Janitorial Supplies Only	100	60	100	Cleaning supplies for District Office.
41	561.00.31 Supplies Total		700	96,111	1,850	
42	561.00.35.0000	Small Tools & Equipment	100	85	300	Placeholder for any additional office needs Microwave
43	561.00.35.0001	Computer Hardware	1,200	7,803	3,500	Replace Admin Asst surface Pro in 2023 and 1 Commissioner laptop plus second monitor for superintendent and assistant.
44	561.00.35.0002	Office Furniture & Fixtures	-	-	500	Anticipate addition of 2nd work station.
45	561.00.35 Small Tools & Equipment Total		100	85	4,300	
46	561.00.42.0010	Postage & Shipping	100	354	250	Placeholder for any mailings.
47	561.00.42.0020	Telephone & Internet	960	2,082	2,400	Internet (Rock Island) + Phone (T-Mobile)
48	561.00.42.0030	Website/Email Services	1,200	1,166	1,260	Website Manager & hosting @ \$1,200/year, paid annually. Email support provided in NW Technology shown on Line 24.
49	561.00.42 Communication Total		2,260	3,602	3,910	
50	561.00.43.0010	Conferences and Training	1,400	46	1,500	Registration fees for Annual Superintendent conference and Rural Hospital Leadership Conference for Superintendent and two Commissioners.
51	561.00.43.0020	Travel & Accommodations	1,950	-	32,000	Hotel and other expenses associated with the annual AWAPHD Superintendent Training & Rural Hospital Leadership Conferences, budgeted for two Commissioners and Superintendent. TBD as events were previously cancelled. Incl 30k relocation reimbursement placeholder for Superintendent.
52	561.00.43 Travel Total		3,350	46	33,500	
53	561.00.45.0000	Operating Rentals and Leases	9,092	9,000	9,155	District Office lease effective March 2021 through March 2026. Rent is \$750/month not including OPALCO. Also includes annual PO Box rental @ \$155/year.
54	561.00.45 Operating Rents & Leases Total		9,092	9,000	9,155	
55	561.00.46.0002	Building Property & Earthquake Insurance	11,318	11,318	18,000	Based on 10/25/2022 quote through CHUBB.
56	561.00.46.0003	Board & Officers Insurance	2,894	3,030	3,121	September 1st renewal, paid lump sum. Assumes a 5% increase.
57	561.00.46 Insurance Totals		14,212	14,348	21,121	
58	561.00.47.0010	Utilities - Building (EWUA, ESWD, OPALCO)	10,440	10,139	11,672	Based on most recent 3 months, estimates for 2022 are: OPALCO (\$650) , ESWD (\$113), EWUA (\$130) = 900/mo.update x 12, alarm monitoring (\$56)
59	561.00.47.0011	Utilities - District Office	1,020	1,437	1,368	OPALCO estimated at an average of \$114/mo.
60	561.00.48.0010	Building General Maintenance & Repair	10,000	22,107	142,800	FY 2023 budget includes: 90% of \$45K for exam room remodel, + possible agreement to pay portion of \$25K for increased clinic storage, \$1,000 HVAC maintenance, \$2,000 for new water heater; Alarm Monitoring (1,200) and Pest (1,100) contracts. Estimate for: generator replacement, road repair (\$25k), restriping parking lot, handyman repairs. See note for updated breakdown.
61	594.61.62.0000	Buildings & Structures (large expenses)	-	-	-	Possible future building expansion.
62	561.00.48.0020	Building Landscaping	12,750	11,258	14,400	Accounts for an increase in hourly rate from \$45 to \$50/hr.
63	561.00.48.0030	Building Other	1,000	600	4,000	Capital Improvement plan @ \$3K.
64	561.00.48.0300	Equipment General Maintenance & Repair	48,000	28,800	49,000	Includes generator annual maintenance. Using current Preventive Maintenance costs, per inventory spread sheet. IH reviewing and will provide updates.
65	561.00.47- 48 Building Totals		83,210	74,341	223,240	

66	561.00.49.0000	Printing/Graphics	750	595	3,000	Cost for copies needed for large meetings or public hearings.4 newsletters /year.
67	561.00.49.0001	Meeting Expenses	500	300	500	Placeholder for meetings that include food and/or rental fee.
68	561.00.49.0002	Bank Service Charge (fiscal agent fee)	340	224	340	US Bank fiscal agent fee is \$170 each for the Note and Bond, paid annually in October to US Bank.
69	561.00.49.0010	Dues & Subscriptions	1,250	1,543	1,500	Association of WA Public Hospital Districts annual dues.
70	561.00.49.0050	Miscellaneous Expense	35,000	21,050	172,000	Placeholder for unforeseen expenses in 2023. incl HT AA @\$31,200, clinic wish list @100k.
71	561.00.49	Miscellaneous Total	37,840	23,712	177,340	
72	561.00.41.0149	Election Services	-	4,342	-	Elections occur in odd years but expense paid in even years.@ \$2500/commissioner elected.
73	561.00.51	Intergovernmental Services Total	-	4,342	-	
74	561.10.49.0000	Property Tax Fees	136	134	135	Exempt from Property Tax (fees only) - see Leasehold Tax
75	589.30.00.0000	Leasehold Tax (to be paid)	9,245	4,645	45	No change in rent calculation proposed for 2023. Adjusted as per DOR filings. Rent charged is now \$50/year
76	561., 589.	Property & Leasehold Tax Total	9,381	4,779	180	
77	592.61.83.2037	Interest Payment - WA Fed GO Bond	19,842	154,453	15,333	Interest payments due May and November 1st. Payments based on amortization schedule set in 2021 - 2027.
78	591.61.77.0001	Principal Payment - WA Fed GO Bond	125,000	125,000	100,000	Principal payments made annually on Nov 1st. Based on amortization schedule set in 2021 to be paid in full 11/1/2027.
79	591.61.71, 77, 78, 81 & 83	Bonds/Notes/Intergov't Loans Total	144,842	279,453	115,333	
80	594.61.64.0004	Clinic Equipment Purchase	10,000	6,000	30,000	Placeholder pending equipment replacement list from IH, New procedure chair @ \$9K (likely to be billed in 2023) and furnishing 2 new exam rooms for \$17K.
81	594.61.64	Machinery & Equipment Total	10,000	6,000	30,000	
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84		Total Income	3,057,259	3,175,197	2,694,628	Includes Property Tax Revenue AND Beginning Cash.
85		Total Expenses	2,389,729	2,042,336	1,960,450	Includes cost of Debt Service. The difference between Total Income and Total Expenses becomes Ending Cash on Line 86.
86	508.80.00.0000	Ending Cash (not adjusted for reserve)	667,530	1,132,855	734,178	Ending cash is the only source of funds to support District expenditures for the first part of the fiscal year until Property Tax Revenue is received in April and then again in October.
87	508.80.00.0000	Ending Cash (adjusted for reserve)	567,530	1,032,855	634,178	Beginning with the 2019 budget development process, the Board established a required annual reserve funding level of \$100,000 ("the required minimum level") and has directed this amount be appropriated to the Reserve Fund. The target fund balance for the Reserve Fund is equal to the greater of the forecasted need or 30% of the prior years' general fund income, exclusive of debt funding. The budget assumes a \$50,000 semi-annual allocation to the Reserve Fund in May and November. As of 12/31/22 the Reserve Fund balance will be \$643,868, or 22% of 2021 Property Tax Revenue