

SAN JUAN COUNTY PUBLIC HOSPITAL DISTRICT NO. 3 (Dba ORCAS ISLAND HEALTH CARE DISTRICT)					
PRELIMINARY 2023 DRAFT BUDGET CREATED 9-26-2022 updated 10-23-22					
(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	\$ 1,129,335	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	1,907,057	1,948,036	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.
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 CONFIRM: incl 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	-	See budget note OICF GiveOrcas + Possible OHCD Foundation
12	367.00.00.0002 Small Grant from Private Organization	-	4,000	-	None anticipated in 2023. May change to include Medicare pass thru from AWPFD. (Line 7) This was grant from AWPFD for Strategic Planning.
13	334.00.30.0000 State Grants	-	-	-	
14	REVENUE TOTAL (not including Beginning Cash)	1,904,082	1,932,000	1,961,773	
15			EXPENSES		
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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	20,000	Placeholder for grant writer, newsletter 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	1,090,648	
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	HT 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 11.7% 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	-	PERS is 10.25% of salary
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	613	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 RE: 2022, see note
38	561.00.31.0001 Supplies for Repairs and Maintenance	-	606	600	Building maintenance supplies @ Island Hdwr.
39	561.00.31.0010 Janitorial Supplies Only	100	60	100	Cleaning supplies for District Office.
40	561.00.31 Supplies Total	600	4,084	1,200	
41	561.00.35.0000 Small Tools & Equipment	100	85	300	Placeholder for any additional office needs Microwave
42	561.00.35 Small Tools & Equipment Total	100	85	300	
43	561.00.42.0010 Postage & Shipping	100	354	250	Placeholder for any mailings.
44	561.00.42.0020 Telephone & Internet	960	2,082	2,400	Internet (Rock Island) + Phone (T-Mobile)
45	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.
46	561.00.42 Communication Total	2,260	3,602	3,910	
47	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.
48	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.
49	561.00.43 Travel Total	3,350	46	33,500	
50	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.
51	561.00.45 Operating Rents & Leases Total	9,092	9,000	9,155	
52	561.00.46.0002 Building Property & Earthquake Insurance	11,318	11,318	13,000	Based on 10/2022 quote through CHUBB.
53	561.00.46.0003 Board & Officers Insurance	2,894	3,030	3,121	September 1st renewal; paid lump sum. Assumes a 5% increase.
54	561.00.46 Insurance Totals	14,212	14,348	16,121	
55	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)
56	561.00.47.0011 Utilities - District Office	1,020	1,437	1,368	OPALCO estimated at an average of \$114/mo.
57	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 (\$10k), restriping parking lot, handyman repairs. See note for updated breakdown.
58	594.61.62.0000 Buildings & Structures (large expenses)	-	-	-	Possible future building expansion.
59	561.00.48.0020 Building Landscaping	12,750	11,258	14,400	Accounts for an increase in hourly rate from \$45 to \$50/hr.
60	561.00.48.0030 Building Other	1,000	600	29,000	Misc. Architect fees (@ \$25K) & Capital Improvement plan (@\$3K).
61	561.00.48.0300 Equipment General Maintenance & Repair	48,000	28,800	48,000	Using current Preventive Maintenance costs, per inventory spread sheet. IH reviewing and will provide updates.
62	561.00.47- 48 Building Totals	83,210	74,341	247,240	
63	561.00.49.0000 Printing/Graphics	750	595	3,000	Cost for copies needed for large meetings or public hearings 4 newsletters /year.
64	561.00.49.0001 Meeting Expenses	500	300	500	Placeholder for meetings that include food and/or rental fee.
65	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.
66	561.00.49.0010 Dues & Subscriptions	1,250	1,543	1,500	Association of WA Public Hospital Districts annual dues.

67	561.00.49.0050	Miscellaneous Expense	35,000	21,050	15,000	Placeholder for unforeseen expenses in 2023.
68	561.00.49	Miscellaneous Total	37,840	23,712	20,340	
69	561.00.41.0149	Election Services	-	4,342	-	Elections occur in odd years but expense paid in even years. @ \$2500/commissioner elected.
70	561.00.51	Intergovernmental Services Total	-	4,342	-	
71	561.10.49.0000	Property Tax Fees	136	134	135	Exempt from Property Tax (fees only) - see Leasehold Tax
72	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
73	561., 589.	Property & Leasehold Tax Total	9,381	4,779	180	
74	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.
75	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.
76	591.61.71, 77, 78, 81 & 83	Bonds/Notes/Intergov't Loans Total	144,842	279,453	115,333	
77	594.61.64.0001	Computer Hardware	-	402	3,500	Replace Admin Asst surface Pro in 2023 and 1 Commissioner laptop plus second monitor for superintendent and assistant.
78	594.61.64.0002	Computer Software	650	390	650	Zoom & DocuSign annual subscriptions. Also includes Smartsheet.
79	594.61.64.0003	Furniture & Fixtures	-	-	500	Anticipate addition of 2nd work station.
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 (a 2022 purchase but likely to be billed in 2023) and furnishing 2 new exam rooms for \$17K.
81	594.61.64	Machinery & Equipment Total	10,650	6,792	34,650	
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84		REVENUE, EXPENSE, ENDING CASH, AND CLINIC EQUIPMENT SUMMARY				
84		Total Income	3,057,259	3,180,436	3,091,108	Includes Property Tax Revenue AND Beginning Cash.
85		Total Expenses	2,390,279	1,951,100	1,812,450	Includes cost of Debt Service. The difference between Total Income and Total Expenses becomes Ending Cash on Line 92.
86	508.80.00.0000	Ending Cash (not adjusted for reserve)	666,980	1,229,335	1,278,658	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)	566,980	1,129,335	1,178,658	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