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| | SAN JUAN COUNTY PUBLIC HOSPITAL DISTRICT NO. 3 (Dba ORCAS ISLAND HEALTH CARE DISTRICT) | | | | | | |
| | 2027 Budget | | | | | | |
| | BARS Number (subject to update prior to submission) | | ITEM | 2026 Budget, Per Resolution | 2026 Forecast | 2027 Proposed Budget | Description |
| 1 | 6541.00. | 308.80.00.0000 | *Beginning Cash & Investment Balances* | *$ 2,708,997* | *$ 2,708,997* | *$ 3,750,426* | Estimated Beginning Cash for 2027 is Ending Cash as of 12-31-26 |
| 2 | INCOME | | | | | | |
| 3 | 6541.00. | 311.10.00.0000 | Property Tax Revenue | 3,422,844 | 3,401,616 | 3,474,186 | |
| 4 | | 332.93.20.0000 | Medicare Incentive Program | *10,000* | 10,000 | 10,000 | AWPHD stipend for participating Hospital Districts. Will continue as same amount for expected future |
| 5 | | 334.00.30.0000 | State Grants | - | - | - | |
| 6 | | 337.00.00.0000 | Miscellaneous Revenue | *10,140* | 10,186 | 11,154 | Reimbursement from IH for utilities. |
| 7 | | 337.20.00.0000 | Leasehold Tax (to be received) | 1,745 | 2,726 | 1,762 | 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. Previous year + 1% |
| 8 | | 337.40.00.0000 | Timber Harvest Tax - Private Land | - | 61 | - | 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 | | 362.00.00.0000 | Rents and Leases | *50* | 50 | 50 | Island Health rent payment for clinic building |
| 10 | | 367.00.00.0001 | Donations from Private Sources | | - | | |
| 11 | | 367.00.00.0002 | Small Grant from Private Organization | | 210,000 | 100,000 | Caregiver work through OICF ($35,000), AWPHD Grants, MIH OICF Donation |
| 12 | | 367.00.00.0003 | North Sound ACH Grant | - | 50,000 | - | Full $93,000 paid out in 2025 |
| 13 | | 367.00.00.0004 | Dental Program Reimbursement from OICF | 257,984 | 330,129 | 275,000 | Reimbursement of Expenses |
| 14 | | 389.60.00.0000 | Investment Interest LGIP | *80,432* | 113,000 | 94,500 | Balance of Cash on hand and reserve fund balances (averaging $2.5M) at beginning of year multipled by 3.78% interest |
| 15 | | REVENUE TOTAL (not including Beginning Cash) | | 3,826,195 | 4,127,768 | 3,966,653 | |
| 16 | | | | | | | |
| 17 | EXPENSES | | | | | | |
| 18 | 6541.00. | 561.00.10.0001 | Commissioners | 30,912 | 18,837 | 14,400 | Commissioners who don't have a salary waiver are eligible for a stipend of $161/meeting and an annual maximum of $15,456. Confirmed three commissioners waived stipend. |
| 19 | | 561.00.10.0002 | Superintendent | 182,539 | 182,538 | 190,753 | FT Superintendent. Salary + estimated %4.5 COLA. |
| 20 | | 561.00.10.0003 | Administration & Records Management Specialist | 60,000 | 59,500 | 62,700 | Been working close to 0.75 FTE in 2026, expected to continue with a %4.5 COLA |
| 21 | | 561.00.10.0005 | Strategic Project Manager | 68,916 | 18,400 | 25,000 | 0.25 FTE Salary, $50 hrly based on cola increase in Sept 2026, split benefits w/ Community Health Network. 1/3 of benefits covered by district, 2/3 covered by network. |
| 22 | | 561.00.10 Salary & Wages Total | | 342,367 | 279,275 | 292,853 | |
| 23 | 6541.00. | 561.00.20.0001 | FICA/Medicare/SS/PERS | 18,554 | 18,325 | 21,302 | 7.65% of Base Compensation for employees |
| 24 | | 561.00.20.0002 | Dept of Labor & Industries -Worker's Comp | 455 | 455 | 520 | $0.13/hr for office staff and $2.22/hr for maintenance handyman staff |
| 25 | | 561.00.20.0006 | Medical Insurance Premium/ Employee Benefits | 52,325 | 52,325 | 42,092 | Cost assoc w/PEBB |
| 26 | | 561.00.20.0009 | Employment Security - Unemployment | 1,455 | 1,455 | 1,671 | .6% of salary |
| 27 | | 561.00.20.0010 | DCP - Retirement Expense | 7,276 | 5,379 | 8,354 | 3% match |
| 28 | | 561.00.20 Personnel Benefits Total | | 80,066 | 49,951 | 73,938 | |
| 29 | 6541.00. | 561.00.31.0000 | Office Supplies | 500 | 460 | 500 | Largely printer ink and misc. supplies |
| 30 | | 561.00.31.0001 | Supplies for Repairs and Maintenance | 600 | - | 600 | Building maintenance supplies. |
| 31 | | 561.00.31.0002 | Computer and Online Software | 3,630 | 3,616 | 3,630 | Zoom ($150) & Adobe monthly fee ($50/month), Quickbooks monthly fee ($240/month) |
| 32 | | 561.00.31.0010 | Janitorial Supplies Only | 100 | 18 | 100 | |
| 33 | | 561.00.31 Supplies Total | | 4,830 | 4,094 | 4,830 | |
| 34 | 6541.00. | 561.00.35.0000 | Small Tools & Equipment | 200 | - | 200 | |
| 35 | | 561.00.35.0001 | Computer Hardware | 4,000 | - | 4,000 | Replacement of two surface laptops. |
| 36 | | 561.00.35.0002 | Office Furniture & Fixtures | - | - | - | |

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| 37 | | 561.00.35 Small Tools & Equipment Total | | 4,200 | - | 4,200 | |
| 38 | 6541.00. | 561.10.41.0002 | State Audit Expenses | - | - | 22,000 | State accountability audits are conducted every 3 years. Audit conducted in 2024 for 2021-2023. Annual Financial Audit will be required starting in 2027, based on increase to $3M threshold for annual financial audit. |
| 39 | | 561.00.41.0003 | Provider Subsidy - Island Hospital (IH) as of 01/01/26 | 1,300,000 | 1,300,000 | 1,365,000 | Payment of $650,000 to be paid January 2026, and second full payment due July 2026 ($650,000) |
| 40 | | 561.00.41.0004 | Clinic Staff Housing Support | 50,000 | - | 50,000 | Housing Support for Licensed Medical Staff at clinic |
| 41 | | 561.00.41.0005 | Locums Staffing Support | 99,000 | | 99,000 | In the event of lack of clinical providers at clinic, OIHCD will cover difference in salaries to contract locums to provide clinical services |
| 42 | | 561.00.41.0005 | Uncompensated Care Support | 200,000 | | 200,000 | Risk of medicaid/ACA unenrollment in 2026, impacts to Orcas Clinic uncompensated care |
| 43 | | 561.00.41.0020 | Accounting Expenses | 5,000 | 4,344 | 5,000 | Per diem support for accounting services |
| 44 | | 561.00.41.0030 | Legal Services | 30,000 | 41,056 | 35,000 | 2026 included Inter-local agreements, contracts with OIPT, and review of contracts for clinic expansion. I would expect similar levels of legal resources needed in 2027. |
| 45 | | 561.00.41.0040 | Technology Services | 4,431 | 1,386 | 4,653 | Monthly cost of $328.27 for NW Technology to support 7 licenses for Office 365, email, and document sharing and security. + 5% increase |
| 46 | | 561.00.41.0050 | Independ. Contractor Agreements | 135,000 | 277,789 | 25,000 | Communications Consultant ($5,000), and placeholder ($20,000) |
| 47 | | 561.00.41.0060 | Promotion & Advertising | 6,000 | - | 6,000 | $700 fee for semi-annual Island Sounder articles ($1400), written by Chris. After-hours advertising expenses ($4,000) |
| 48 | | 561.00.41.0070 | DOH Dental Grant Expenses | - | - | - | |
| 49 | | 561.00.41.0071 | District Dental Expenses | 50,000 | 43,485 | 50,000 | Recommendation to continue supporting dental in 2026, Lobbyists are recommending a Proviso to the legislators to support this program in 2026. |
| 50 | | 561.00.41.0072 | OICF Dental Expenses | | - | | Moved to grant based expenses |
| 51 | | 561.00.41.0149 | Election Services | - | - | - | |
| 52 | | 561.00.41 Professional Services Total | | 1,879,431 | 1,668,060 | 1,861,653 | |
| 53 | 6541.00. | 561.00.42.0010 | Postage & Shipping | 250 | 126 | 250 | |
| 54 | | 561.00.42.0020 | Telephone & Internet | 2,245 | 2,127 | 2,357 | Internet + Phone |
| 55 | | 561.00.42.0030 | Website/Email Services | 5,000 | 6,506 | - | Pre-paid for Streamline and Doc Access for PDF accessibility support through 2027. |
| 56 | | 561.00.42 Communication Total | | 7,495 | 8,759 | 2,607 | |
| 57 | 6541.00. | 561.00.43.0010 | Conferences and Training | 8,000 | 9,252 | 8,400 | Registration fees for AWPHD Conference for Superintendent and two Commissioners ($2400), Registration for professional conference for Superintendent ($2500), Project Manager Conference Registration ($2500), and Admin Assistant trainings ($1000). |
| 58 | | 561.00.43.0020 | Travel & Accommodations | 4,500 | - | 8,100 | Hotel and other expenses associated with the annual AWPHD Conference ($3600), Hotel & other expenses for Superintendent public health or primary care conference ($2000), Hotel & other expenses for Project Manager conference ($2000), other travel for AWPHD, North Sound ACH and other local region conferences and trainings ($500) |
| 59 | | 561.00.43 Travel Total | | 12,500 | 9,252 | 16,500 | |
| 60 | 6541.00. | 561.00.45.0000 | Operating Rentals and Leases | 10,715 | 11,588 | 12,611 | 2026 Rent is $2980/quarter. Rent increases based on CPI, which is 4.5% as of June 2026. Also includes annual PO Box rental @ $155/year. |
| 61 | | 561.00.45 Operating Rents & Leases Total | | 10,715 | 11,588 | 12,611 | |
| 62 | 6541.00. | 561.00.46.0002 | Building Property & Earthquake Insurance | 21,359 | 21,659 | 26,792 | 10% increase 2023-2024, 12% increase 2024-2025. Don't have rates yet for 2026, will have in Aug/Sept but expect similar increase in 2027. |
| 63 | | 561.00.46.0003 | Board & Officers Insurance | 3,400 | 3,500 | 3,675 | 5% increase in 2026. Expect similar in 2027 |
| 64 | | 561.00.46 Insurance Totals | | 24,759 | 25,159 | 30,467 | |
| 65 | 6541.00. | 561.00.47.0010 | Utilities - Building (EWUA, ESWD, OPALCO) | 13,549 | 12,478 | 13,549 | at 58% of budget as of end of August, so expect that total costs are 86% of expected budget by end of year. |
| 66 | | 561.00.47.0011 | Utilities - District Office | 1,795 | 1,599 | 1,795 | at 58% of budget as of end of August, so expect that total costs are 86% of expected budget by end of year. |
| 67 | | 561.00.48.0010 | Building General Maintenance & Repair | 10,000 | 14,659 | 6,000 | Handyman Repairs ($6,000) |
| 68 | | 594.61.62.0000 | Buildings & Structures (large expenses) | - | - | - | No Projects mentioned from Island Health |
| 69 | | 561.00.48.0020 | Building Landscaping | 7,244 | 7,244 | 7,607 | 6 months of the year require 1x visit, 6 months require 2x visits. Additionally, they do a quarterly extra maintenance costs $400. May expect some cost of living adjustment. |
| 70 | | 561.00.48.0300 | Equipment General Maintenance & Repair | 23,600 | 24,572 | 24,780 | $2,000 for HVAC maintenance. $800 for Generator Servicing. $5200 Quarterly Xray maintenance. |

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| 71 | | 561.00.47- 48 Building Totals | | 56,188 | 60,552 | 53,731 | |
| 72 | 6541.00. | 561.00.49.0000 | Printing/Graphics | 500 | - | 500 | Cost for copies for large meetings |
| 73 | | 561.00.49.0001 | Meeting Expenses | 1,500 | 1,108 | 750 | New Provider Meet & Greets |
| 74 | | 561.00.49.0002 | Bank Service Charge (fiscal agent fee) | 200 | 200 | 200 | US Bank fiscal agent fee is $200 for the bond. Fee for payroll bank account. |
| 75 | | 561.00.49.0010 | Dues & Subscriptions | 3,500 | 3,500 | 3,500 | Association of WA Public Hospital Districts annual dues. |
| 76 | | 561.00.49.0050 | Miscellaneous Expense | 30,000 | 1,704 | 30,000 | Placeholder for unforeseen expenses in 2025 |
| 77 | | 561.00.49.0060 | OCRC Health Related Support | 40,000 | 40,000 | - | Move to grantmaking section |
| 78 | | 561.00.49.0090 | Community Organization Grant Proposals Process | 10,000 | - | | Move to separate section in 2027 |
| 79 | | 561.00.49 Miscellaneous Total | | 85,700 | 46,512 | 34,950 | |
| 80 | 6541.00. | 561.00.50.0001 | OCRC Health Related Support | | | 40,000 | Move from Miscellaneous to Community Health/Primary care service expansion |
| 81 | | 561.00.50.0002 | MIH Program | | 25,000 | 58,000 | Expected contribution from district to MIH, potential to reduce with GiveOrcas grant dollars and other grants/etc. |
| 82 | | 561.00.50.0003 | OIPT Support | | 25,000 | 25,000 | |
| 83 | | 561.00.50.0004 | Primary Care Services Expansion | 100,000 | - | - | |
| 84 | | 561.00.50 Community Health & Primary Care Access Total | | 100,000 | 50,000 | 123,000 | |
| 85 | 6541.00. | 561.00.51.0001 | ACH Grant Health Network Expenses | 80,000 | 60,000 | 80,000 | $60,637 expenses towards program manager wages, $13,000 towards consulting/facilitation, $5,000 for convenings and convening travel/stipend expenses |
| 86 | | 561.00.51.0002 | OICF Dental Expenses | 257,984 | 277,789 | 257,984 | Expect Less than 2025, as many building projects/purchases were completed in 2025 |
| 87 | | 561.00.51.0003 | Community Health Network Pass-through funds | | | 100,000 | |
| 88 | | 561.00.51 Grant Funded Expenses Total | | 337,984 | 337,789 | 437,984 | |
| 89 | 6541.00. | 561.10.52.0001 | Architecture & Design Fees | | 410,000 | 254,000 | Bid Negotiation and Construction Support fees + $30,000 of add service expectations based on previous phases work. |
| 90 | | 561.10.52.0002 | Construction Costs | | | | |
| 91 | | 561.10.52.0003 | Debt Financing Costs | | 12,000 | 85,000 | Legal Counsel ($50,000), Financing Consultant ($35,000), |
| 92 | | 561.10.52.0004 | Non-public financing consulting costs | | 30,000 | 30,000 | Lobbyist to help with legislative asks, consultants to help with grant opportunities |
| 93 | | 561.10.52.0005 | Quarterly Town Hall Expenses | | | 1,200 | $400 per town hall |
| 94 | | 561.00.52 Clinic Expansion Expenses Total | | 337,984 | 452,000 | 370,200 | |
| 95 | 6541.00. | 561.10.49.0000 | Property Tax Fees | 120 | 316 | 120 | |
| 96 | | 561.10.49 Property & Leasehold Tax Total | | 120 | 316 | 120 | |
| 97 | 6541.00. | 592.61.83.2037 | Interest Payment - WA Fed GO Bond | 5,411 | 8,032 | 5,411 | **Interest** payments due May and November 1st. Payments based on amortization schedule. |
| 98 | 6541.00. | 591.61.77.0001 | Principal Payment - WA Fed GO Bond | 75,000 | 75,000 | 75,000 | **Principal** payments made annually on Nov 1st. Based on amortization schedule set in 2021 to be paid in full 11/1/2027. |
| 99 | | 591.61.71, 77, 78, 81 & 83 Bonds/Notes/Intergov't Loans Total | | 80,411 | 83,032 | 80,411 | |
| 100 | 6541.00. | 594.61.64.0004 | Clinic Equipment Purchase | 15,000 | - | - | |
| 101 | | 594.61.64 Machinery & Equipment Total | | 15,000 | - | - | |
| 102 | | | | | | | |
| 103 | | | OPERATIONS SUMMARY | | | | |
| 104 | | | Beginning Cash & Investments | | *2,708,997* | *3,750,426* | |
| 105 | | | Total Revenue | *3,826,195* | *4,127,768* | *3,966,653* | |
| 106 | | | Total Expenses | *3,379,751* | *3,086,339* | *3,400,056* | |
| 107 | | | Excess Cash (Loss) | *446,444* | *1,041,429* | *566,597* | |