	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*	*$ 3,912,098*	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	3,480,553	3,480,553 is updated estimate from Assessor
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	In 2026 = Caregiver work through OICF ($35,000), AWPHD Grants, MIH OICF Donation 2027 = Support of the Community Health Network through other districts/grants/donations
12		367.00.00.0003	North Sound ACH Grant	-		-	Full $93,000 paid out in 2025
13		367.00.00.0004	Dental Program Reimbursement from OICF	257,984	277,789	275,000	Reimbursement of Expenses: Added Dentures program in 2026
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	4,025,429	3,973,020	
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	77,939	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	-	-	-	

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	437,789	25,000	2026 - $215,000 so far this year was for A&D, $13,330 for Site Survey, $4,565 for Financing consultant, $9,000 for Geotech Assessment, and $6,500 for non-public financing consulting for a total of $249,000 towards Clinic Expansion work. $3,200 was for caregiver collaborative consulting (which is paid for out of grant/donations). 2027 - Communications Consultant ($5,000), placeholder for home health shortage area work and other items ($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		561.00.41.0071	District Dental Expenses	50,000	43,485	50,000	Ongoing Dental Support for Orcas Community Dental Clinic
49		561.00.41.0072	OICF Dental Expenses		-		Moved to grant based expenses
50		561.00.41.0149	Election Services	-	-	-	
51		561.00.41 Professional Services Total		1,879,431	1,828,060	1,861,653	
52	6541.00.	561.00.42.0010	Postage & Shipping	250	126	250	
53		561.00.42.0020	Telephone & Internet	2,245	2,127	2,357	Internet + Phone
54		561.00.42.0030	Website/Email Services	5,000	6,506	4,500	Streamline annual payment - Pre-paid for Doc Access for PDF accessibility in 2026 to support through 2027.
55		561.00.42 Communication Total		7,495	8,759	7,107	
56	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).
57		561.00.43.0020	Travel & Accommodations	4,500	-	8,600	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 ($1000)
58		561.00.43 Travel Total		12,500	9,252	17,000	
59	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.
60		561.00.45 Operating Rents & Leases Total		10,715	11,588	12,611	
61	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.
62		561.00.46.0003	Board & Officers Insurance	3,400	3,500	3,675	5% increase in 2026. Expect similar in 2027
63		561.00.46 Insurance Totals		24,759	25,159	30,467	
64	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.
65		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.
66		561.00.48.0010	Building General Maintenance & Repair	10,000	14,659	6,000	in 2026 - included the shower/water repair which was roughly 14000 Handyman Repairs ($6,000)
67		594.61.62.0000	Buildings & Structures (large expenses)	-	-	-	No Projects mentioned from Island Health

68		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.
69		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.
70		561.00.47- 48 Building Totals		56,188	60,552	53,731	
71	6541.00.	561.00.49.0000	Printing/Graphics	500	-	500	Cost for copies for large meetings
72		561.00.49.0001	Meeting Expenses	1,500	1,108	750	New Provider Meet & Greets
73		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.
74		561.00.49.0010	Dues & Subscriptions	3,500	3,500	3,500	Association of WA Public Hospital Districts annual dues.
75		561.00.49.0050	Miscellaneous Expense	30,000	1,704	30,000	Placeholder for unforeseen expenses in 2025
76		561.00.49.0060	OCRC Health Related Support	40,000	40,000	-	Move to grantmaking section
77		561.00.49.0090	Community Organization Grant Proposals Process	10,000	-		Move to separate section in 2027
78		561.00.49 Miscellaneous Total		85,700	46,512	34,950	
79	6541.00.	561.00.50.0001	OCRC Health Related Support			40,000	Move from Miscellaneous to Community Health/Primary care service expansion
80		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.
81		561.00.50.0003	OIPT Support		25,000	25,000	
82		561.00.50.0004	Primary Care Services Expansion	100,000	-	-	
83		561.00.50 Community Health & Primary Care Access Total		100,000	50,000	123,000	
84	6541.00.	561.00.51.0001	ACH Grant Health Network Expenses	80,000	60,000	-	
85		561.00.51.0002	OICF Dental Expenses	257,984	277,789	275,000	Expect Less than 2025, as many building projects/purchases were completed in 2025
86		561.00.51.0003	Community Health Network Pass-through funds			100,000	$60,637 expenses towards program manager wages, $13,000 towards consulting/facilitation, $5,000 for convenings and convening travel/stipend expenses
87		561.00.51 Grant Funded Expenses Total		337,984	337,789	375,000	
88	6541.00.	561.10.52.0001	Architecture & Design Fees			254,000	Bid Negotiation and Construction Support fees + $30,000 of add service expectations based on previous phases work.
89		561.10.52.0002	Construction Costs				
90		561.10.52.0003	Debt Financing Costs			85,000	Legal Counsel ($50,000), Financing Consutlant ($35,000)
91		561.10.52.0004	Non-public financing consulting costs			30,000	Consultants and Lobbyist to help with legislative asks, consultants to help with grant opportunities
92		561.10.52.0005	Quarterly Town Hall Expenses			1,200	$400 per town hall
93		561.00.52 Clinic Expansion Expenses Total		337,984	-	370,200	
94	6541.00.	561.10.49.0000	Property Tax Fees	120	316	120	
95		561.10.49 Property & Leasehold Tax Total		120	316	120	
96	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.
97	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.
98		591.61.71, 77, 78, 81 & 83 Bonds/Notes/Intergov't Loans Total		80,411	83,032	80,411	
99	6541.00.	594.61.64.0004	Clinic Equipment Purchase	15,000	-	15,000	
100		594.61.64 Machinery & Equipment Total		15,000	-	15,000	
101							
102			OPERATIONS SUMMARY				
103			Beginning Cash & Investments	*2,708,997*	*2,708,997*	*3,912,098*	
104			Total Revenue	*3,826,195*	*4,025,429*	*3,973,020*	
105			Total Expenses	*3,379,751*	*2,822,327*	*3,357,072*	
106			Excess Cash (Loss)	*446,444*	*1,203,102*	*615,948*	

Orcas Island Health Care District - Cash Flow Model
Scenario B-2: $6.5 million total project cost; $150,000 annual misc spending

	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total
Growth Rate:		1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	1.80%	
Existing Levy	*$2,035,774*	*$2,072,418*	*$2,109,721*	*$2,147,696*	*$2,186,355*	*$2,225,709*	*$2,265,772*	*$2,306,556*	*$2,348,074*	*$2,390,339*	*$22,088,414*
Lid Lift	*1,379,907*	*1,404,745*	*1,430,031*	*1,455,771*	*1,481,975*	*1,508,651*	*1,535,807*	*1,563,451*	*1,591,593*	*1,620,242*	*14,972,174*
	$3,415,681	*$3,477,163*	*$3,539,752*	*$3,603,468*	*$3,668,330*	*$3,734,360*	*$3,801,579*	*$3,870,007*	*$3,939,667*	*$4,010,581*	*$37,060,588*
Growth Rate:		5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	
Operations											
IH - Provider Subsidy	($1,320,000)	($1,386,000)	($1,455,300)	($1,528,065)	($1,604,468)	($1,684,692)	($1,768,926)	($1,857,373)	($1,950,241)	($2,047,753)	($16,602,818)
Misc	($150,000)	($157,500)	($165,375)	($173,644)	($182,326)	($191,442)	($201,014)	($211,065)	($221,618)	($232,699)	($1,886,684)
Provider Support	(230,000)	(241,500)	(253,575)	(266,254)	(279,566)	(293,545)	(308,222)	(323,633)	(339,815)	(356,805)	(2,892,915)
WaFd 2018 Bond	(80,355)	(77,678)									(158,033)
District Operations	(713,000)	(797,460)	(837,333)	(879,200)	(923,160)	(969,318)	(1,017,783)	(1,068,673)	(1,122,106)	(1,178,212)	(9,506,244)
Total	($2,493,355)	($2,660,138)	($2,711,583)	($2,847,162)	($2,989,520)	($3,138,996)	($3,295,946)	($3,460,743)	($3,633,781)	($3,815,470)	($31,046,694)
evy Available After Operations	$922,326	$817,026	$828,169	$756,306	$678,810	$595,364	$505,632	$409,264	$305,887	$195,112	$6,013,894
Investment Rate:	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	
Capital											
Beginning Balance	$2,050,000	$2,398,842	$531,262	$511,745	$1,176,334	$1,424,071	$1,595,573	$1,681,775	$1,672,940	$1,558,608	
Plus: Interest Earnings	76,516	50,395	17,939	29,033	44,724	51,935	56,367	57,698	55,579	49,639	489,826
s: Current Year Tax Revenues	922,326	817,026	828,169	756,306	678,810	595,364	505,632	409,264	305,887	195,112	6,013,894
Plus: Bond Draws(1)	0	200,000	2,140,000	0							2,340,000
Plus: Philanthropy	0	0	0	0	0	0	0	0	0	0	0
Less: Construction Costs	(650,000)	(2,925,000)	(2,925,000)	0							(6,500,000)
Less: Debt Service	0	(10,000)	(80,625)	(120,750)	(475,797)	(475,797)	(475,797)	(475,797)	(475,797)	(475,797)	(3,066,158)
Ending Balance	$2,398,842	$531,262	$511,745	$1,176,334	$1,424,071	$1,595,573	$1,681,775	$1,672,940	$1,558,608	$1,327,562	

(1) Excludes assumed issuance costs of $75,000 drawn 12/1/26