

**SAN JUAN COUNTY PUBLIC HOSPITAL DISTRICT NO. 3 (DbA ORCAS ISLAND HEALTH CARE DISTRICT)**

Inflation rate

0.03

2024 BUDGET						
BARS Number (subject to update prior to submission)	ITEM	2025 Budget, Per Resolution	2025 Forecast	2026 Draft Budget	Description	Significant Increases
1	6541.00. 308.80.00.0000	<i>Beginning Cash &amp; Investment Balances</i>	\$ 921,433	\$ 999,118	\$ 1,046,927	Estimated Beginning Cash for 2026 is Ending Cash as of 12-31-25
2		<b>INCOME</b>				
3	6541.00. 311.10.00.0000	Property Tax Revenue	1,999,910	1,954,289	3,422,844	Preliminary 1,468,554.21
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	10,000	10,000	-	DOH Dental Grant Program Evaluation Funds
6	337.00.00.0000	Miscellaneous Revenue	11,814	9,845	10,140	Reimbursement from IH for utilities.
7	337.20.00.0000	Leasehold Tax (to be received)	1,586	1,728	1,745	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	-	209	-	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	-	145		
11	367.00.00.0002	Small Grant from Private Organization	-	150		
12		North Sound ACH Grant		50,000	43,000	2nd payment of the \$93,000 expected
13		Dental Program Reimbursement from OICF	287,000	257,984	257,984	Reimbursement of Expenses
14	389.60.00.0000	Investment Interest LGIP	35,706	73,731	80,432	Balance of Cash on hand and reserve fund balances at beginning of year multiplied by 4% interest
15		<b>REVENUE TOTAL (not including Beginning Cash)</b>	<b>2,356,066</b>	<b>2,368,132</b>	<b>3,826,195</b>	
16						
17		<b>EXPENSES</b>				
18	6541.00. 561.00.10.0001	Commissioners	46,368	27,209	30,912	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	173,016	177,740	182,539	FT Superintendent. Salary + estimated %2.7 COLA.
20	561.00.10.0003	Administration & Records Management Specialist	43,490	51,021	60,000	Job title change to add more administrative responsibility to Ellen's role - 0.625 FTE expected, but with flexibility to move to 0.75 FTE if more accounting and administrative support needed
21		Strategic Project Manager			68,916	0.25 FTE starting, up to 0.5 FTE of Project Management - \$47.50 hrly w/cola increase in Sept 2026, split benefits w/ Community Health Network. INCL. Cost of Benefits & Taxes
22	561.00.10	<b>Salary &amp; Wages Total</b>	<b>262,874</b>	<b>255,970</b>	<b>342,367</b>	
23	6541.00. 561.00.20.0001	FICA/Medicare/SS/PERS	16,563	18,325	18,554	7.65% of Base Compensation for employees
24	561.00.20.0002	Dept of Labor & Industries -Worker's Comp	1,700	777	455	\$0.13/hr for office staff and \$2.22/hr for maintenance handyman staff
25	561.00.20.0006	Medical Insurance Premium/ Employee Benefits	23,928	30,338	52,325	Cost assoc w/PEBB
26	561.00.20.0009	Employment Security - Unemployment	1,299	512	1,455	.6% of salary
27		DCP - Retirement Expense			7,276	3% match
28	561.00.20	<b>Personnel Benefits Total</b>	<b>43,490</b>	<b>49,951</b>	<b>80,066</b>	
29	6541.00. 561.00.31.0000	Office Supplies	500	376	500	Largely printer ink and misc. supplies
30	561.00.31.0001	Supplies for Repairs and Maintenance	600	250	600	Building maintenance supplies.
31	561.00.31.0002	Computer and Online Software	3,600	3,694	3,630	Zoom (\$150) & Adobe monthly fee (\$50/month), Quickbooks monthly fee (\$240/month)
32	561.00.31.0010	Janitorial Supplies Only	100	117	100	
33	561.00.31	<b>Supplies Total</b>	<b>4,800</b>	<b>4,437</b>	<b>4,830</b>	
34	6541.00. 561.00.35.0000	Small Tools & Equipment	200	-	200	
35	561.00.35.0001	Computer Hardware	3,000	3,816	4,000	Replacement of two surface laptops.
36	561.00.35.0002	Office Furniture & Fixtures	-	-	-	
37	561.00.35	<b>Small Tools &amp; Equipment Total</b>	<b>3,200</b>	<b>3,816</b>	<b>4,200</b>	

Significant  
Increases

1,468,554.21

8,979

68,916

21,988

7,276

38	6541.00.	561.10.41.0002	State Audit Expenses	-	11,128	-	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	1,022,000	1,022,000	1,200,000	Payment of \$600,000 to be paid January 2026, and second full payment due July 2026 (\$600,000)
40		561.00.41.0004	Clinic Staff Housing Support	-	-	50,000	Housing Support for Licensed Medical Staff at clinic
41		561.00.41.0005	Locums Staffing Support			99,000	
42		561.00.41.0020	Accounting Expenses	10,310	12,631	5,000	Per diem support for accounting services, support for financial audit
43		561.00.41.0030	Legal Services	56,250	54,733	30,000	2025 included contract negotiations, levy, policies review, and dental program work. Will likely not need as much assistance in 2026, although will need support for capital planning, facilities, and starting new programs.
44		561.00.41.0040	Technology Services	8,711	4,315	4,431	Monthly cost of \$328.27 for NW Technology to support 7 licenses for Office 365, email, and document sharing and security. + 5% increase
45		561.00.41.0050	Independ. Contractor Agreements	160,000	84,667	165,000	Architecture & Capital Planning consultant fees (\$75,000), consulting fees for dental including Katie Raebels time for cost report, and RHC structure development(\$30,000), Communications Consultant (\$10,000), lobbyists (\$30,000) and placeholder (\$20,000)
46		561.00.41.0060	Promotion & Advertising	8,000	7,272	6,000	\$700 fee for semi-annual Island Sounder articles (\$1400), written by Chris. After-hours advertising expenses (\$4,000)
47		561.00.41.0070	DOH Dental Grant Expenses	10,000	-	-	
48		561.00.41.0071	District Dental Expenses	50,000	44,968	50,000	Recommendation to continue supporting dental in 2026. Lobbyists are recommending a Proviso to the legislators to support this program in 2026.
49		561.00.41.0072	OICF Dental Expenses	287,000	257,984	-	Moved to grand based expenses
50		561.00.41.0149	Election Services	50,000	34,000	-	
51		561.00.41	Professional Services Total	1,662,271	1,533,697	1,609,431	
52	6541.00.	561.00.42.0010	Postage & Shipping	250	104	250	
53		561.00.42.0020	Telephone & Internet	2,400	2,186	2,245	Internet + Phone
54		561.00.42.0030	Website/Email Services	4,888	3,899	5,000	Streamline increased \$1000 per year from 2024 - 2025, could expect something similar especially as they add the ADA compliance piece to their platform.
55		561.00.42	Communication Total	7,538	6,189	7,495	
56	6541.00.	561.00.43.0010	Conferences and Training	9,500	5,039	8,000	Registration fees for AWPDP Conference for Superintendent and two Commissioners (\$1500), Registration for professional conference for Superintendent (\$2500), Superintendent executive coaching (\$3000), and Admin Assistant trainings (\$1000).
57		561.00.43.0020	Travel & Accommodations	4,500	1,539	4,500	Hotel and other expenses associated with the annual AWPDP Conference (\$2000), Hotel & other expenses for Superintendent public health or primary care conference (\$2000), other travel for AWPDP, North Sound ACH and other local region conferences and trainings (\$500)
58		561.00.43	Travel Total	14,000	6,578	12,500	
59	6541.00.	561.00.45.0000	Operating Rentals and Leases	21,614	10,583	10,715	District Office lease through March 2026. Based on similar searches for office space for the dental clinic, we do not expect a significant change in price if we were to move, but may want to build in a small buffer.  2025 Rent is \$871/month or \$2615/quarter, rate increased 3% in 2025, expect similar increase in 2026. Expected monthly rate of \$871/month or \$2615/quarter. Also includes annual PO Box rental @ \$155/year.
60		561.00.45	Operating Rents & Leases Total	21,614	10,583	10,715	
61	6541.00.	561.00.46.0002	Building Property & Earthquake Insurance	21,359	21,359	21,359	TBD - we added the dental clinic for this past year, so the price will definitely change. Should have this invoice in end of August/early September.
62		561.00.46.0003	Board & Officers Insurance	3,473	3,340	3,400	1.8% increase in 2025, fair to expect a similar interest in 2026.
63		561.00.46	Insurance Totals	24,831	24,699	24,759	
64	6541.00.	561.00.47.0010	Utilities - Building (EWUA, ESWD, OPALCO)	11,814	12,317	13,549	Running about 10% above budget as of June 2025, expect a 10% increase in 2026 as well?
65		561.00.47.0011	Utilities - District Office	1,512	1,632	1,795	Running about 10% above budget as of June 2025, expect a 10% increase in 2026 as well?
66		561.00.48.0010	Building General Maintenance & Repair	11,000	4,571	10,000	Door for lab, Handyman Repairs (\$6,000)
67		594.61.62.0000	Buildings & Structures (large expenses)	108,000	108,000	-	No Projects mentioned from Island Health
68		561.00.48.0020	Building Landscaping	7,054	5,541	7,244	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.

178,000  
50,000  
99,000

69		561.00.48.0300	Equipment General Maintenance & Repair	23,600	21,797	23,600	\$2,000 for HVAC maintenance. \$800 for Generator Servicing. \$5200 Quarterly Xray maintenance.		
70		561.00.47- 48	<b>Building Totals</b>	162,980	153,858	56,188			
71	6541.00.	561.00.49.0000	Printing/Graphics	1,000	223	500	Cost for copies for large meetings		
72		561.00.49.0001	Meeting Expenses	1,500	-	1,500	New Provider Meet & Greet		
73		561.00.49.0002	Bank Service Charge (fiscal agent fee)	200	283	200	US Bank fiscal agent fee is \$200 for the bond. Fee for payroll bank account.		
74		561.00.49.0010	Dues & Subscriptions	3,200	3,500	3,500	Association of WA Public Hospital Districts annual dues.		
75		561.00.49.0050	Miscellaneous Expense	30,000	12,500	30,000	Placeholder for unforeseen expenses in 2025		
76		561.00.49.0060	OCRC Health Related Support	40,000	22,416	40,000	Request from OCRC to continue support in 2026		
77		561.00.49.0070	Community Health Project Management	30,000	15,098		Move to employed position in 2026		
78		561.00.49	<b>Miscellaneous Total</b>	105,900	54,021	75,700			
79	6541	561.00.50.0004	Primary Care Services Expansion - Mobile Mammography/colonoscopy or health education classes			10,000	No Financial Investment required, just coordination with Mobile company	10,000	
80		561.00.50.0005	Primary Care Services Expansion - MIH Program & Community Based Care Coordination Development			175,000	1.0 FTE equivalent RN MIH Care Coordinator, EMT Stipends for home visits, Referral system platform development, ongoing workgroup support, and other recommended workgroup projects	175,000	
81		561.00.50.0006	Primary Care Services Expansion - Sustaining Long-term Care			10,000	Support Medicaid Beds/Training	10,000	
82		561.00.50.0007	SJC Community Health Network Support			15,000	Would like to expect each hospital district to support \$30,000 per year to ensure collaboration and project management (support starting in July 2026)	15,000	
83		561.00.50	<b>Community Health &amp; Primary Care Access Total</b>	-	-	210,000		644,158	
84	6541.00.	561.00.51.0001	ACH Grant Health Network Expenses	-	13,000	80,000	\$60,637 expenses towards program manager wages, \$13,000 towards consulting/facilitation, \$5,000 for convenings and convening travel/stipend expenses		
85		561.00.51.0002	OICF Dental Expenses			257,984	Expect Less than 2025, as many building projects/purchases were completed in 2025		
86		561.00.51	<b>Grant Funded Expenses Total</b>	-	13,000	337,984			
87	6541.00.	561.10.49.0000	Property Tax Fees	120	124	120			
88		561.10.49	<b>Property &amp; Leasehold Tax Total</b>	120	124	120			
89	6541.00.	592.61.83.2037	Interest Payment - WA Fed GO Bond	8,032	8,032	5,411	Interest payments due May and November 1st. Payments based on amortization schedule.		
90	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.		
91		591.61.71, 77, 78, 81 & 83	<b>Bonds/Notes/Intergov't Loans Total</b>	83,032	83,032	80,411			
92	6541.00.	594.61.64.0004	Clinic Equipment Purchase	10,000	20,368	20,000	1 New Exam Table (\$7,000), negative air space systems for 2 rooms (\$10,000), other items TBD		
93		594.61.64	<b>Machinery &amp; Equipment Total</b>	10,000	20,368	20,000			
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<b>OPERATIONS SUMMARY</b>									
96			<b>Total Revenue</b>			3,826,195			
97			<b>Total Expenses</b>			2,876,767		979,783	
98			<b>Excess Cash (Loss)</b>			949,428			
99									
100									
101									
<b>CASH FLOW SUMMARY (Suggest this is a new tab)</b>									
102				Starting Balance	Additions	Outflows	Ending Balance		
103			Contingency Reserve accounts	650,000	100,000	-	750,000		
104			Capital Reserve accounts	214,000	731,000		945,000		
105			Primary Care Reserve accounts	-			-		
106			Operating accounts	995,895	-		995,895	<<< Would sugg	
107			<b>Total Cash &amp; Investments</b>	1,859,895	831,000	-	2,690,895		
108			Excess Cash		118,428				
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111									
112									
113									
<b>REVENUE, EXPENSE, ENDING CASH, RESERVES SUMMARY</b>									
114	6541.00.	308.80.00.0000	Beginning Cash		58,919	106,728			
115			<b>Beginning Cash &amp; Investment Balances</b>	921,433	999,118	1,046,927			
116			<b>Total Income</b>	2,356,066	2,368,132	3,826,195			
117			<b>Total Expenses</b>	2,406,649	2,220,323	2,876,767	Includes cost of Debt Service. The difference between Total Income and Total Expenses becomes Ending Cash on Line 86.		

118			<b>Ending Cash (not adjusted for reserve)</b>	870,849	1,146,927	1,996,355	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.
119			<b>Transfers to Reserves</b>	100,000	100,000	800,000	Transfer to reserves for Facilities Expansion (\$800,000) & Primary Care Services Expansion reserve (TBD?)
120			<b>Ending Cash, &amp; Investments</b>	770,849	1,046,927	1,196,355	
121			<i>Ending Cash, Investment &amp; Reserves</i>	1,785,300	2,010,794	2,960,222	

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123  
124  
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<b>OIHCD Account Balances</b>			
6541 Cash		58,919	58,919
6541 Investment		936,976	936,976