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		367.00.00.0004	Dental Program Reimbursement from OICF	257,984	277,789	275,000	Reimbursement of Expenses: Added Dentures program in 2026
13		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
14		REVENUE TOTAL (not including Beginning Cash)		3,826,195	4,025,429	3,973,020	
15							
16					EXPENSES		
17	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.
18		561.00.10.0002	Superintendent	182,539	182,538	190,571	FT Superintendent. Salary + estimated %4.4 COLA.
19		561.00.10.0003	Administration & Records Management Specialist	60,000	59,500	62,640	Been working close to 0.75 FTE in 2026, expected to continue with a %4.4 COLA
20		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.
21		561.00.10 Salary & Wages Total		342,367	279,275	292,611	
22	6541.00.	561.00.20.0001	FICA/Medicare/SS/PERS	18,554	18,325	21,283	7.65% of Base Compensation for employees
23		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
24		561.00.20.0006	Medical Insurance Premium/ Employee Benefits	52,325	52,325	42,092	Cost assoc w/PEBB
25		561.00.20.0009	Employment Security - Unemployment	1,455	1,455	1,669	.6% of salary
26		561.00.20.0010	DCP - Retirement Expense	7,276	5,379	8,346	3% match
27		561.00.20 Personnel Benefits Total		80,066	77,939	73,910	
28	6541.00.	561.00.31.0000	Office Supplies	500	460	500	Largely printer ink and misc. supplies
29		561.00.31.0001	Supplies for Repairs and Maintenance	600	-	600	Building maintenance supplies.
30		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)
31		561.00.31.0010	Janitorial Supplies Only	100	18	100	
32		561.00.31 Supplies Total		4,830	4,094	4,830	
33	6541.00.	561.00.35.0000	Small Tools & Equipment	200	-	200	
34		561.00.35.0001	Computer Hardware	4,000	-	4,000	Replacement of two surface laptops.
35		561.00.35.0002	Office Furniture & Fixtures	-	-	-	
36		561.00.35 Small Tools & Equipment Total		4,200	-	4,200	

37	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.
38		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)
39		561.00.41.0004	Clinic Staff Housing Support	50,000	-	50,000	Housing Support for Licensed Medical Staff at clinic
40		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
41		561.00.41.0005	Uncompensated Care Support	200,000		200,000	Risk of medicaid/ACA unenrollment in 2026, impacts to Orcas Clinic uncompensated care
42		561.00.41.0020	Accounting Expenses	5,000	4,344	5,000	Per diem support for accounting services
43		561.00.41.0030	Legal Services	30,000	41,056	40,000	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. Legal Contractual rates are raising roughly 10%
44		561.00.41.0040	Technology Services	4,431	1,386	4,585	Monthly cost of $363.85 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	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)
46		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)
47		561.00.41.0071	District Dental Expenses	50,000	43,485	50,000	Ongoing Dental Support for Orcas Community Dental Clinic
48		561.00.41.0072	OICF Dental Expenses		-		Moved to grant based expenses
49		561.00.41.0149	Election Services	-	-	-	
50		561.00.41 Professional Services Total		1,879,431	1,828,060	1,866,585	
51	6541.00.	561.00.42.0010	Postage & Shipping	250	126	250	
52		561.00.42.0020	Telephone & Internet	2,245	2,127	2,357	Internet + Phone
53		561.00.42.0030	Website/Email Services	5,000	6,506	4,636	Streamline annual payment - Pre-paid for Doc Access for PDF accessibility in 2026 to support through 2027.
54		561.00.42 Communication Total		7,495	8,759	7,243	
55	6541.00.	561.00.43.0010	Conferences and Training	8,000	5,759	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).
56		561.00.43.0020	Travel & Accommodations	4,500	3,493	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)
57		561.00.43 Travel Total		12,500	9,252	17,000	
58	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.
59		561.00.45 Operating Rents & Leases Total		10,715	11,588	12,611	
60	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.
61		561.00.46.0003	Board & Officers Insurance	3,400	3,500	3,675	5% increase in 2026. Expect similar in 2027
62		561.00.46 Insurance Totals		24,759	25,159	30,467	
63	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.
64		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.
65		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)
66		594.61.62.0000	Buildings & Structures (large expenses)	-	-	-	No Projects mentioned from Island Health

67		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.
68		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.
69		561.00.47- 48 Building Totals		56,188	60,552	53,731	
70	6541.00.	561.00.49.0000	Printing/Graphics	500	-	500	Cost for copies for large meetings
71		561.00.49.0001	Meeting Expenses	1,500	1,108	750	New Provider Meet & Greets
72		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.
73		561.00.49.0010	Dues & Subscriptions	3,500	3,500	3,500	Association of WA Public Hospital Districts annual dues.
74		561.00.49.0050	Miscellaneous Expense	30,000	1,704	30,000	Placeholder for unforeseen expenses in 2025
75		561.00.49.0060	OCRC Health Related Support	40,000	40,000	-	Move to grantmaking section
76		561.00.49.0090	Community Organization Grant Proposals Process	10,000	-		Move to separate section in 2027
77		561.00.49 Miscellaneous Total		85,700	46,512	34,950	
78	6541.00.	561.00.50.0001	OCRC Health Related Support			40,000	Ongoing Transportation/medical access support
79		561.00.50.0002	OCRC Community Health Worker Support			55,000	Half of request - Expectation that OCRC continue collaborative work and approaches to reimbursement.
80		561.00.50.0003	MIH Program		25,000	58,000	Expected contribution from district to MIH, potential to reduce with GiveOrcas grant dollars and other grants/etc.
81		561.00.50.0004	OIPT Support		25,000	25,000	
82		561.00.50.0005	Urgent and Emergency Projects	100,000	-	122,000	Future potential projectts utilizing grant application process, which will continue to be developed.
83		561.00.50 Community Health Grant Making		100,000	50,000	300,000	In PFM models, used $300,000 as community grantmaking support number
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			77,180	Finalizing construction documents, RFP prep assistance, Bid negotiation, Construction phase work.
89		561.10.52.0002	Permitting & Construction Prep			51,640	RFP Process, Permitting costs
90		561.10.52.0003	Construction			864,603	Primarily Site work
91		561.10.52.0004	Capital Planning			78,500	PFM Direct Financing issuance, Legal support, Lobbyists and grants consultants
92		561.10.52.0005	Contingency			53,596	5% total project cost contingency
93		561.00.52 Clinic Expansion Expenses Total		337,984	-	1,125,519	
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*	*4,294,189*	
106			Excess Cash (Loss)	*446,444*	*1,203,102*	*(321,169)*	