

DEL PUERTO HEALTH CARE DISTRICT

FY 2021-2022 Budget Narrative

INCOME [3.6% increase over FY2020-21 forecast with addition of P93 and LCSW]

- 401.010 **Ambulance:** 1,963 transports; additional day car P-93 scheduled 3 days per week
- 401.020 **Health Center:** 1 MD, 2 Mid-levels, 1 LCSW
- 403 **Adjustments:** percentage of projected income
- 405 **Bad Debt:** percentage of income
- 407 **Other Income:** BETA insurance dividend

EXPENSE [increase 3% over FY2020-21 forecast]

601 & 602 Personnel Cost (Salaries & Benefits)

Draft 2-updated after Draft 1 discussion	Dept	Wages	Taxes & Benefits	Total
	ADM	\$ 440,660	\$ 135,064	\$ 575,724
	HC (adding LCSW)	\$ 1,106,740	\$ 330,340	\$ 1,437,080
	PDA	\$ 1,237,832	\$ 281,080	\$ 1,518,912
	Total FY2021-22	\$ 2,785,232	\$ 746,484	\$ 3,531,716

- Administration – No changes in staffing; 3% increase potential merit/COLA increases.
- Ambulance – Includes hours for operating P93 three 12-hour shifts per week. Payroll increase reduced due to most employees at top pay level. 3% negotiated pay scale increase.
- Health Clinic – Includes addition LCSW, LCSW support person, Patient Engagement Specialist and two (2) back-office MA's. 2021 Minimum Wage increase.

603 Professional Fees

- Medical/Physician Services – One provider plus medical directorship fee
- Legal– \$15,000 for general counsel and litigation cost.
- Administrative Consultants – for other consulting services. \$1,500 for land use planning and 4,500 for cost report preparation.
- Accounting/Auditor - \$23,400 for auditing plus \$3,000 out of pocket and processing expenses.

604 Purchased Services

- Billing - \$8,200/month average for SEMSA. \$6,900/month for MedTech (plus \$7,500 annual cost for credentialing)
- Cleaning - \$4,000 monthly for janitorial services on all locations.
- IT Labor - \$4,800 monthly for IT services.
- Ambulance Dispatch– estimated \$6,250 month average to AMR; \$75,000 annual cost. Rate increase effective Aug. 2021.
- Other Services – cost for patient communication, waste disposal and record management are based on last year's actual.

605 **Supplies:** facility, printing, and office supplies are based on last year's spending.

606 **Utilities:** electricity, gas, telephone, cable, water, and garbage cost are based on last year's actuals.

607 **Rental and Lease:** storage, ADM copier lease and postage machine lease are based on current contract's rate.

608 **Insurance Coverages:** uses the following rate increase from last year's actual. All renewal quotes are not received yet upon drafting this budget.

- Workers Compensation – 5.5% increase due to payroll increase.
- Professional & General Liability – Health Entity Comprehensive Liability premium increase 5%.
- Directors and Officers increase 8%.
- Automobile increase 5%.
- Property & Equipment – estimated 10% increase.

609 **Maintenance & Repairs:** vehicle maintenance budget reduces to only \$10,000 due to newly purchase ambulances. Other equipment and building maintenance costs are based on last year's actual.

610 **Depreciation:** pre-calculated and estimated based on current Asset List per department. Not including new purchases.

611 Other Operating Expenses

- IT - Software/License – \$ 6,843 monthly minimum cost for Athena with an annual cost of \$82,116.
- Fuel – targeting a goal of 1,930 transports which an increase of 97 from FY19-20 transports. Budgeted \$45,000.
- Agency Provided Services – oversight and monitoring fees paid to Mountain Valley EMS Agency; average monthly is \$1,280, annual is \$15,360. And estimated 1% County fee for Tax money received, \$17,000.
- GEMT- Quality Assurance Fee – based on last year's average quarter payment of \$16,000, budgeted \$64,000.
- Collections Commission – average monthly of \$1,400 paid to Wakefield & Acclaim collection agencies, budgeted \$18,000.
- Other – budgeted based on last year's actual.

OTHER INCOME

- 701 **Tax Revenue:** budgeted at FYE 2021 totals
- 702 **Impact Mitigation Fees:** non-budgeted item
- 703 **Investment Income:** reduced interest rates
- 704 **Interest Expense:** based on amortization schedule for TCB and USDA loans
- 705 **Tenant Revenue:** C2, C3, C4 rented; plan to find tenant for C1

OTHER EXPENSE

- 802 **Keystone District Expenses:** based on prior year
- 810 **CAM Expenses Distribution = \$0.00 net**

**Del Puerto Health Care District
FY21-22 PROPOSED BUDGET DRAFT2**

	Actual		Actual		FY21-22 PROPOSED BUDGET						NOTES (Budget vs FY2020 Actual) %
	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - May 21	Forecast Jul '20 - Jun 21	00 Tax Revenue	Total 01 DPHCD	Total 02 Patterson District Ambulance	Total 03 Del Puerto Health Center	Total 06 Keystone Bldg C	TOTAL	
	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	
Ordinary Income/Expense											
Income											
401.000 · Gross Patient Service Revenue	10,042,332	10,618,426	10,161,748	11,045,440			8,892,390	2,632,800		11,525,190	9% #transport/visit increase goal
403.000 · Adjustments	(5,635,698)	(5,978,301)	(6,293,565)	(6,778,084)			(5,957,901)	(120,000)		(6,077,901)	2%
405.000 · Bad Debt	(436,828)	(835,442)	(747,552)	(801,653)			(764,746)	(20,000)		(784,746)	-6%
407.000 · Other Income	225,274	553,491	436,805	443,121		2,000	2,000	20,000		24,000	-96% No COVID/Telehealth Money
Total Income	4,195,080	4,358,173	3,557,436	3,908,824		2,000	2,171,743	2,512,800		4,686,543	
Gross Profit	4,195,080	4,358,173	3,557,436	3,908,824		2,000	2,171,743	2,512,800		4,686,543	8%
Expense											
601.000 · Salaries & Wages	2,233,087	2,456,430	2,263,139	2,482,388		440,660	1,237,832	1,106,740		2,785,232	13% new LCSW position
602.000 · Employee Benefits	495,802	677,101	618,682	684,917		135,064	281,080	330,340		746,484	10% new LCSW position
603.000 · Professional Fees	861,306	790,192	666,729	731,514		43,000	10,640	423,389		477,029	-40% 1 MD Medtech billing fee; No Intrado; Athena fee move to software exp
604.000 · Purchased Services	448,687	475,798	412,515	454,276		11,355	201,363	201,040		413,758	-13% (Other operating)
605.000 · Supplies	163,518	184,929	170,468	186,648		6,380	89,300	82,150		177,830	-4%
606.000 · Utilities	64,311	65,369	61,039	66,873		7,850	18,200	42,400		68,450	5%
607.000 · Rental and Lease	11,554	11,256	9,314	10,197		4,117	380	2,250		6,747	-40% No Copier Lease
608.000 · Insurance Coverages	375,847	304,576	300,992	328,248		40,516	185,153	119,631		345,300	13% Insurance rates increases
609.000 · Maintenance & Repairs	132,852	100,788	79,528	89,228		2,630	59,500	24,894		87,024	-14% Lesser # of Old vehicles
610.000 · Depreciation and Amortization	277,838	305,374	266,116	288,786		11,330	147,899	79,154	47,597	285,980	-6%
611.000 · Other operating expenses	261,822	299,595	309,964	345,087	17,000	47,192	179,393	119,086		362,671	21% Athena EHR software
Total Expense	5,326,623	5,671,408	5,158,486	5,668,162	17,000	750,094	2,410,740	2,531,074	47,597	5,756,505	2%
Net Ordinary Income	(1,131,543)	(1,313,235)	(1,601,050)	(1,759,338)	(17,000)	(748,094)	(238,997)	(18,274)	(47,597)	(1,069,962)	
Other Income/Expense											
Other Income											
701.000 · District Tax Revenues	1,542,585	1,662,831	1,511,524	1,637,220	1,385,200		240,700			1,625,900	-2%
702.000 · Impact Mitigation Fees	46,682										
703.000 · Investment Income	6,047	19,568	6,516	6,667		6,500				6,500	Low Interest on LAIF & No Interest on -67% Condemnation Money
704.000 · Interest Expense	(64,389)	(110,064)	(87,380)	(95,963)				(57,700)	(28,596)	(86,296)	-22% Partial Payment on TCB Loan
705.000 · Tenant Revenue	189,463	181,615	131,443	143,092				600	130,704	131,304	-28% No Tenant on C1
710.000 · Misc Other Income	574	8,314	12,408	12,408				5,500		5,500	-34% No grant on Frontier cost
Total Other Income	1,720,962	1,762,264	1,574,511	1,703,424	1,385,200	6,500	240,700	(51,600)	102,108	1,682,908	
Other Expense	65,102	13,761	8,779	9,467					12,307	12,307	-11% No Solix fee
Net Other Income	1,655,860	1,748,503	1,565,732	1,693,957	1,385,200	6,500	240,700	(51,600)	89,801	1,670,601	
Net Income	524,317	435,268	(35,318)	(65,381)	1,368,200	(741,594)	1,703	(69,874)	42,204	600,639	38%

**Del Puerto Health Care District
FY21-22 Budget by Department - Draft2**

	Total 00 Tax Revenue	Total 01 DPHCD	Total 02 Patterson District Ambulance	Total 03 Del Puerto Health Center	Total 06 Keystone Bldg C	PROPOSED BUDGET Draft2
	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22
Ordinary Income/Expense						
Income						
401.000 · Gross Patient Service Revenue						
401.010 · AMB Ambulance Services			8,892,390			8,892,390
401.020 · Health Center Services						
Total 401.040 · HC Capitation Income				250,000		250,000
401.020 · Health Center Services				2,382,800		2,382,800
Total 401.000 · Gross Patient Service Revenue			8,892,390	2,632,800		11,525,190
403.000 · Adjustments						
Total 403.100 · Contractual Adjustments			(5,957,901)	(120,000)		(6,077,901)
Total 405.000 · Bad Debt			(764,746)	(20,000)		(784,746)
Total 407.000 · Other Income		2,000	2,000	20,000		24,000
Gross Profit		2,000	2,171,743	2,512,800		4,686,543
Expense						
Total 601.000 · Salaries & Wages		440,660	1,237,832	1,106,740		2,785,232
602.000 · Employee Benefits						
602.020 · Health Ins						
602.021 · Life Insurance and AD&D		933	2,719	3,376		7,028
602.022 · Dental Insurance		4,221	8,466	17,900		30,587
602.023 · Vision Insurance		749	1,564	3,098		5,411
602.024 · Medical Insurance		60,654	97,857	173,496		332,007
Total 602.020 · Health Ins		66,557	110,606	197,870		375,033
602.040 · Retirement						
602.041 · 414(h) Retirement Contribution		19,097	45,119	39,862		104,078
602.042 · 457(b) Company Match		13,479	26,135	12,295		51,909
Total 602.040 · Retirement		32,576	71,254	52,157		155,987
602.050 · Payroll Taxes						
602.051 · Social Security		27,417	75,723	60,903		164,043
602.052 · Medicare Tax		6,821	17,708	14,603		39,132
602.053 · CA UI & ETT		1,693	5,789	4,807		12,289
Total 602.050 · Payroll Taxes		35,931	99,220	80,313		215,464
Total 602.000 · Employee Benefits		135,064	281,080	330,340		746,484
603.000 · Professional Fees						
603.010 · Medical						
603.020 · Physician Services						
603.025 · Medical Directorship			6,360	99,640		106,000
603.020 · Physician Services				319,369		319,369
Total 603.020 · Physician Services			6,360	419,009		425,369
603.030 · Non Physician Providers						
603.037 · NPP Continuing Medical Educatio				3,380		3,380
Total 603.010 · Medical			6,360	422,389		428,749
603.040 · Legal & Attorney						
603.041 · General Counsel		14,500				14,500
603.043 · Labor-Management			780			780
Total 603.040 · Legal & Attorney		14,500	780			15,280
603.050 · Administrative Consultants		1,500				1,500
603.070 · Accountants						
603.051 · Financial Statements		27,000				27,000
603.052 · CMS / PPS / GEMT prep			3,500	1,000		4,500
Total 603.070 · Accountants		27,000	3,500	1,000		31,500
Total 603.000 · Professional Fees		43,000	10,640	423,389		477,029
604.000 · Purchased Services						
604.020 · Other Purchased Service						
604.030 · Health Screenings			3,000			3,000
604.050 · Billing			101,016	90,300		191,316
604.060 · Linen			11,735	2,700		14,435
604.070 · Security		1,000		300		1,300
604.080 · Cleaning		2,100		47,640		49,740
604.100 · IT - Labor		6,660	8,522	42,000		57,182
604.110 · Communication for Patients				6,000		6,000
604.120 · Medical Waste Disposal			1,890	6,300		8,190
604.130 · Records Management		1,595	200	5,800		7,595
604.140 · Ambulance Dispatch Services			75,000			75,000
Total 604.000 · Purchased Services		11,355	201,363	201,040		413,758
605.000 · Supplies						
605.020 · Operating Supplies						
605.021 · Printing & Copiers		2,770	900	1,600		5,270
605.022 · Office Supplies		1,985	400	2,200		4,585
605.023 · Facility Supplies		550	3,500	1,400		5,450
Total 605.020 · Operating Supplies		5,305	4,800	5,200		15,305

**Del Puerto Health Care District
FY21-22 Budget by Department - Draft2**

	Total 00 Tax Revenue	Total 01 DPHCD	Total 02 Patterson District Ambulance	Total 03 Del Puerto Health Center	Total 06 Keystone Bldg C	PROPOSED BUDGET Draft2
	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22
605.030 · Postage/Shipping		650	500	400		1,550
605.040 · Medical Consumable						
605.042 · Oxygen			5,000			5,000
605.043 · Medical Supplies						
605.044 · Medical Supplies - COVID			5,900	9,600		15,500
605.045 · IV Therapy			9,825			9,825
605.046 · Diagnostic			9,825	9,600		19,425
605.047 · Infection Control			1,000			1,000
605.048 · Patient Transport			8,850			8,850
605.043 · Medical Supplies			23,600	19,800		43,400
Total 605.043 · Medical Supplies			59,000	39,000		98,000
Total 605.040 · Medical Consumable			64,000	39,000		103,000
605.050 · Pharmaceutical						
605.060 · Vaccines						
605.061 · HPV				5,550		5,550
605.062 · Pneumonia Vaccines				6,000		6,000
605.063 · Pediarix				1,000		1,000
605.064 · Flu Vaccines				12,000		12,000
605.065 · MMR				1,000		1,000
605.066 · Varivax				1,500		1,500
605.067 · Menactra				2,000		2,000
605.060 · Vaccines				5,500		5,500
Total 605.060 · Vaccines				34,550		34,550
605.050 · Pharmaceutical			10,000	2,000		12,000
Total 605.050 · Pharmaceutical			10,000	36,550		46,550
605.080 · Small Tools & Minor Equipment						
605.081 · Minor Medical Equipment			5,000	800		5,800
605.080 · Small Tools & Minor Equipment		425	5,000	200		5,625
Total 605.080 · Small Tools & Minor Equipment		425	10,000	1,000		11,425
Total 605.000 · Supplies		6,380	89,300	82,150		177,830
606.000 · Utilities						
606.010 · Elect/Gas		1,285	4,500	13,500		19,285
606.020 · Phones						
606.021 · Mobile Phones		600	3,000	1,200		4,800
606.020 · Phones		3,725	5,000	16,500		25,225
Total 606.020 · Phones		4,325	8,000	17,700		30,025
606.030 · DSL - Digital Subscriber Line		390	1,200	3,500		5,090
606.040 · Cable TV				1,200		1,200
606.050 · Water/Garbage		1,850	4,500	6,500		12,850
Total 606.000 · Utilities		7,850	18,200	42,400		68,450
607.000 · Rental and Lease						
607.010 · Building						
607.011 · Storage		2,743		2,250		4,993
Total 607.010 · Building		2,743		2,250		4,993
607.020 · Equipment Leased						
607.021 · Copier Lease		1,137	380			1,517
607.020 · Equipment Leased		237				237
Total 607.020 · Equipment Leased		1,374	380			1,754
Total 607.000 · Rental and Lease		4,117	380	2,250		6,747
608.000 · Insurance Coverages						
608.010 · Workers' Compensation						
608.010 · Workers' Compensation		5,267	52,460	12,231		69,958
Total 608.010 · Workers' Compensation		5,267	52,460	12,231		69,958
608.020 · Auto Liability & PhysicalDamage			21,287			21,287
608.030 · Property & Equipment		2,769	2,769	2,769		8,307
608.040 · Liability-not medical related						
608.042 · Directors & Officers		25,648				25,648
608.040 · Liability-not medical related		6,832	2,127	2,127		11,086
Total 608.040 · Liability-not medical related		32,480	2,127	2,127		36,734
608.050 · Health Entity Liability			106,510	102,504		209,014
Total 608.000 · Insurance Coverages		40,516	185,153	119,631		345,300
609.000 · Maintenance & Repairs						
609.010 · Buildings						
609.011 · Other Maint		2,400	3,500	720		6,620
609.012 · HVAC		200	500	2,000		2,700
609.013 · Plumbing				300		300
609.014 · Structure & Roof				150		150
609.015 · Electric		30	500			530
Total 609.010 · Buildings		2,630	4,500	3,170		10,300
609.020 · Business Park Assoc Fees				17,224		17,224

**Del Puerto Health Care District
FY21-22 Budget by Department - Draft2**

	Total 00 Tax Revenue	Total 01 DPHCD	Total 02 Patterson District Ambulance	Total 03 Del Puerto Health Center	Total 06 Keystone Bldg C	PROPOSED BUDGET Draft2
	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22
609.030 · Equipment M&R			12,000	4,500		16,500
609.040 · Vehicle M&R						
609.041 · Tires & Wheels			5,000			5,000
609.042 · Engine & Drive Train			2,000			2,000
609.043 · Body Work			2,000			2,000
609.044 · Vehicle AC			4,000			4,000
609.045 · General Vehicle M&R			20,000			20,000
Total 609.040 · Vehicle M&R			33,000			33,000
609.050 · Uniforms			10,000			10,000
Total 609.000 · Maintenance & Repairs		2,630	59,500	24,894		87,024
610.000 · Depreciation and Amortization						
610.010 · Depreciation Expense - District		11,330				11,330
610.020 · Depreciation Expense - Amb			147,899			147,899
610.030 · Depreciation Expense - HC				79,154		79,154
610.040 · Depreciation Expense-Keystone C					47,597	47,597
Total 610.000 · Depreciation and Amortization		11,330	147,899	79,154	47,597	285,980
611.000 · Other operating expenses						
611.020 · Provider Licensing & Privileges				1,800		1,800
611.030 · I.T.						
611.040 · IT - Equipment		600	1,300	1,000		2,900
611.051 · HR mgmt solution		1,037	3,168	2,500		6,705
611.050 · IT- Software/License		12,831	13,800	85,200		111,831
Total 611.050 · IT- Software/License		13,868	16,968	87,700		118,536
Total 611.030 · I.T.		14,468	18,268	88,700		121,436
611.060 · Fuel Auto			45,000			45,000
611.070 · Fees						
611.072 · Bank Service Charge		150		120		270
611.073 · Credit Card Transaction Fees			3,200	2,100		5,300
611.074 · Agency Provided Services	17,000		17,000	800		34,800
611.075 · GEMT-Quality Assurance Fee			64,000			64,000
611.076 · Collections Commission			18,000	1,100		19,100
611.077 · Other Fees		500	650			1,150
Total 611.070 · Fees	17,000	650	102,850	4,120		124,620
611.080 · Recruitment costs		225	1,000	500		1,725
611.090 · Dues / Subscriptions						
611.091 · Associations		13,293	2,275	3,800		19,368
611.092 · Information		456				456
Total 611.090 · Dues / Subscriptions		13,749	2,275	3,800		19,824
611.100 · Training and Education						
611.101 · In-House Training		500	2,500	2,000		5,000
611.102 · Conference Fees		4,900	1,600	1,500		8,000
611.103 · Airfare		3,200	800	400		4,400
611.104 · Hotel & Meal		6,400	1,600	800		8,800
Total 611.100 · Training and Education		15,000	6,500	4,700		26,200
611.110 · Business Travel & Mileage		1,000		8,270		9,270
611.120 · Marketing/PR						
611.121 · Brochures				300		300
611.124 · Ads		1,000	250	360		1,610
611.125 · Other Marketing Exp		600		756		1,356
611.126 · Events			250	30		280
Total 611.120 · Marketing/PR		1,600	500	1,446		3,546
611.130 · Property Taxes Paid				4,400		4,400
611.140 · Meals and Recognition						
611.141 · Meals			1,500	700		2,200
611.142 · Recognition		500	500	650		1,650
Total 611.140 · Meals and Recognition		500	2,000	1,350		3,850
611.150 · Miscellaneous						
611.160 · Community Education						
611.161 · Community CPR Classes			1,000			1,000
Total 611.160 · Community Education			1,000			1,000
Total 611.000 · Other operating expenses	17,000	47,192	179,393	119,086		362,671
Total Expense	17,000	750,094	2,410,740	2,531,074	47,597	5,756,505
Net Ordinary Income	(17,000)	(748,094)	(238,997)	(18,274)	(47,597)	(1,069,962)
Other Income/Expense						
Other Income						
701.000 · District Tax Revenues						
701.010 · Property Tax -Secured/ Unsecure	1,385,200					1,385,200
701.020 · Direct Assessment-Amb Svcs Fund			240,700			240,700
Total 701.000 · District Tax Revenues	1,385,200		240,700			1,625,900
703.000 · Investment Income		6,500				6,500

**Del Puerto Health Care District
FY21-22 Budget by Department - Draft2**

	Total 00 Tax Revenue	Total 01 DPHCD	Total 02 Patterson District Ambulance	Total 03 Del Puerto Health Center	Total 06 Keystone Bldg C	PROPOSED BUDGET Draft2
	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22
704.020 · Interest Expense - Keystone C					(28,596)	(28,596)
704.000 · Interest Expense				(57,700)		(57,700)
Total 704.000 · Interest Expense				(57,700)	(28,596)	(86,296)
705.000 · Tenant Revenue						
705.020 · HC Tenant Income				600		600
705.030 · Keystone Tenant Income					130,704	130,704
710.000 · Misc Other Income						
710.020 · Non-Guaranteed Grant Revenue				5,500		5,500
Total Other Income	1,385,200	6,500	240,700	(51,600)	102,108	1,682,908
Other Expense						
Total 802.000 · Keystone District Expense					12,307	12,307
Total Other Expense					12,307	12,307
Net Other Income	1,385,200	6,500	240,700	(51,600)	89,801	1,670,601
Net Income	1,368,200	(741,594)	1,703	(69,874)	42,204	600,639