

BLOSS MEMORIAL HEALTHCARE DISTRICT
FY 2019 BUDGET

The 2019 Budget Reports are attached and include both the Summary and Detail Formats, Sierra Kings Dental Surgery Center Summary Format, and Bloss Capital Expenditures.

The FY 2019 Budget reflects a projected accrual Net Profit of \$77,906, which includes Other Operating Revenue of \$87,153 and a Net Non-Operating Revenue of \$2,184,527.

An overview of Budget Development and significant changes is as follows:

Total Net Operating Revenue

No Patient Revenue is expected with the sale of the two Surgery Centers, effective June 1, 2018. According to the Sales Agreement Bloss Memorial District will receive any outstanding accounts receivable due to Children's Dental Surgery Center and Central California Dental Surgery Center through May 31, 2018.

Other Revenue includes an estimated \$87,153 for Special Dividends from Beta liability insurance and Bad Debt Collections for accounts outstanding over 90 days that 100% Allowance has been applied.

Total Non-Operating Revenues

Bloss Trust is calculated at \$565,000 reflecting the anticipated Year End Distributions for FY 2019. Bloss Trust Revenue is budgeted at actual receipts of FY 2018, expected to be conservative.

Property Tax Revenue is budgeted at the actual receipts of FY 2018 to reflect the tax income earned paid to Bloss Memorial Healthcare District from Merced County in the amount of \$346,565.

Bloss Memorial Health Care District are landlords to two facilities located in Atwater, California. Rental Income is calculated with the current lease agreements with the annual 2% increase and is budgeted at \$1,242,702.

Total operating expense is estimated at \$2,176,107 for the operations of the two facilities located at the Bloss and Castle site. Total operating expense includes facility costs of Sierra Kings with an annual budgeted amount of \$244,988.

Operating Expenses

Salaries and Benefits

Total Salaries and Benefits includes the annual increase in compensation and corresponding benefits to obtain Executive Services in the amount of \$135,222.

Professional Fees

Professional Fees total is \$92,057 for Legal Fees, Auditing, and Other Contacted Services which include maintenance services provided by Castle Family Health Centers.

Supplies

The supply expense estimate is for office supplies used for monthly board meetings and building maintenance supplies for the two facilities located at Bloss and Castle.

Purchased Services

The majority of expense in purchased services consists of Other Purchased Services in the amount of \$328,477. These services include pest control, housekeeping, security services, monitoring, and lawn care.

Depreciation

Depreciation Expense is projected on the schedule of existing Assets with the exclusion of CCDSC assets. Additional depreciation expense was included in Buildings and Improvements for roof repairs of the two sites located at Bloss and Castle.

Utilities

The majority of operating expense is budgeted in utilities for electricity, gas, water, garbage, and sewer totaling \$463,239.

Other Operating

Other operating expense budget is for facility liability insurance and property taxes for the Sierra Kings facility paid to the property owner of MD Ventures.

Capital Expenditures

Capital Expenditures estimates are included for FY 2019. The budget totaling \$701,629 for roofing repairs at Castle and Bloss sites.

Capital Funds include the Capital Improvements Investment at the current value as of May 2018 of \$253,587 less interest earned. Funded Depreciation is at current value as of May 2018 of \$156,937 both totaling \$410,524 invested for capital improvements.

APPROVAL OF FY 2019 BUDGET

BLOSS MEMORIAL HEALTHCARE DISTRICT
FY 2019 BUDGET

The 2019 Budget Reports are attached and include both the Summary and Detail Formats, Sierra Kings Dental Surgery Center Summary Format, and Bloss Capital Expenditures.

The FY 2019 Budget reflects a projected accrual Net Profit of \$305,906, which includes Other Operating Revenue of \$315,153 and a Net Non-Operating Revenue of \$2,166,860.

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SUMMARY**Bloss Memorial Healthcare District, A Public Entity****FY 19 BUDGET**

NET PATIENT REVENUE	<u>0</u>
OTHER REVENUE	<u>87,153</u>
TOTAL NET OPERATING REVENUE	<u>87,153</u>
OPERATING EXPENSES	
SALARIES AND WAGES	119,474
EMPLOYEE BENEFITS	15,748
PROFESSIONAL FEES	92,057
SUPPLIES	9,519
PURCHASED SERVICES	395,303
DEPRECIATION	738,271
RENTS AND LEASES	230,365
UTILITIES	463,239
INSURANCE	97,830
OTHER EXPENSE	<u>14,301</u>
TOTAL OPERATING EXPENSE	<u>2,176,107</u>
NET INCOME FROM OPERATIONS	-2,088,954
NON-OPERATING REVENUE	2,184,527
NON-OPERATING EXPENSE	<u>17,667</u>
NET NON-OPERATING INCOME	<u>2,166,860</u>
NET INCOME	<u>77,906</u>

DETAILED

Bloss Memorial Healthcare District, A Public Entity

FY 19 BUDGET

REVENUES

NET PATIENT REVENUE	0
MISC OTHER OPERATING	1,528
BAD DEBT RECOVERY	85,625
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TOTAL OTHER OPERATING REVENUE	87,153
TOTAL NET OPERATING REVENUE	87,153
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EXPENSES

SALARIES

MANAGEMENT AND SUPERVISION	109,000
VACATION EXPENSE	10,474
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TOTAL SALARIES	119,474

BENEFITS

FICA	8,720
UNEMPLOYMENT INSURANCE	3,600
HEALTH INSURANCE	1,100
WORKERS COMPENSATION	2,328
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TOTAL BENEFITS	15,748

TOTAL SALARIES AND BENEFITS **135,222**

PROFESSIONAL FEES

CONSULTING & MANAGEMENT	9,600
LEGAL	35,589
ACCOUNTING/AUDIT	16,000
OTHER CONTRACTED SERVICE	30,868
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TOTAL PROFESSIONAL FEES	92,057

SUPPLIES

FOOD	991
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CLEANING SUPPLIES	100
OFFICE SUPPLIES	1,310
OTHER MINOR EQUIPMENT	621
OTHER NON-MEDICAL SUPPLIES	5,498
FREIGHT ON PURCHASES	324
SALES TAX AND VARIANCE	675
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TOTAL SUPPLIES	9,519
PURCHASED SERVICES	
REPAIRS AND MAINTENANCE	59,626
MANAGEMENT SERVICES	7,200
OTHER PURCHASED SERVICES	328,477
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TOTAL PURCHASED SERVICES	395,303
DEPRECIATION	
DEPREC-LAND & IMPROVEMENTS	5,652
DEPREC-BUILDINGS & IMPROVEMENT	632,155
DEPREC-LEASEHOLD IMPROVEMENT	10,416
DEPREC-EQUIPMENT	90,048
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TOTAL DEPRECIATION	738,271
RENTS AND LEASES	
RENTAL - BUILDING SIERRA KINGS	230,365
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TOTAL RENTS AND LEASES	230,365
UTILITIES	
ELECTRICITY	340,888
NATURAL GAS	47,646
WATER	39,257
UTILITIES - OTHER	35,448
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TOTAL UTILITIES	463,239
OTHER OPERATING EXPENSES	
INSURANCE	97,830
TAX AND LICENSE	14,301
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TOTAL OTHER OPERATING EXPENSE	112,131

TOTAL OPERATING EXPENSE	2,176,107
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NET INCOME FROM OPERATIONS	(2,088,954)
NON-OPERATING REVENUES	
BLOSS TRUST	565,000
GAIN ON INVESTMENTS	30,260
PROPERTY TAX REVENUE	346,565
RENTAL INCOME	1,242,702
TOTAL NON-OPERATING REVENUE	2,184,527
NON-OPERATING EXPENSE	
LOSS ON MARKETABLE SECURITY	17,667
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TOTAL NON-OPERATING EXPENSE	17,667
NET NON-OPERATING INCOME	2,166,860
NET INCOME (LOSS)	77,906
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SUMMARY

SIERRA KINGS DENTAL SURGERY CENTER

FY 19 BUDGET

NET PATIENT REVENUE 0

OTHER REVENUE 0

TOTAL NET OPERATING REVENUE 0

OPERATING EXPENSES

PURCHASED SERVICES 3,750

DEPRECIATION 4,620

RENTS AND LEASES 230,365

UTILITIES 4,786

OTHER EXPENSE 1,467

TOTAL OPERATING EXPENSE **244,988**

NET INCOME FROM OPERATIONS **-244,988**

NET INCOME **-244,988**

BLOSS MEMORIAL HEALTHCARE DISTRICT
CAPITAL EXPENDITURES
FY 2019 BUDGET

LEVEL OF PRIORITY

FIRST PRIORITY HIGH

ITEM	LOCATION	QUOTE
ROOFING	CASTLE BUILDING	658,799

LEVEL OF PRIORITY

SECOND PRIORITY HIGH

ITEM	LOCATION	QUOTE
ROOFING	BLOSS BUILDING	42,830

TOTAL CAPTIAL EXPENDITURES \$701,629

FUNDS FOR CAPITAL EXPENDITURES

CAPITAL IMPROVEMENTS INVESTMENTS 253,587

FUNDED DEPRECIATION 156,937

TOTAL OF FUND ACCOUNTS \$410,524