

BLOSS MEMORIAL HEALTHCARE DISTRICT
FY 2021 BUDGET

The 2021 Budget Reports attached include both the Summary and Detail Formats.

The FY 2021 Budget reflects a projected accrual Net Profit of \$67,217, which includes Net Non-Operating Revenue of \$2,626,343.

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

Total Non-Operating Revenues

Bloss Trust calculated at \$485,000 reflecting the anticipated Year End Distributions for FY 2021. Bloss Trust Revenue is budgeted at actual receipts less \$100,000 of FY 2020, expected to be conservative with the impact on the market due to Covid 19.

Property Tax Revenue is budgeted at the actual receipts of FY 2020 to reflect the tax income earned paid to Bloss Memorial Healthcare District from Merced County for \$393,253.

Interest Income estimated at \$138,122 for Promissory Notes and Working Capital Loan totaling \$2,150,000 at 6.0% simple interest. The agreement is between Bloss and DSCA.

Bloss Memorial Health Care District are property owners 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 \$1,459,105.

Total operating expense is estimated at \$2,220,790 for the operations of the two facilities located at the Bloss and Castle site. Total operating expense includes half of the rental costs for Sierra Kings located at 145 S. Newmark Avenue, Parlier, California. Dental Surgery Centers of America has signed a Commercial Sublease Agreement and will reimburse Bloss half of the facility Rent. DSCA is responsible for Utilities, Alarm, Phone, Yard Maintenance, Bio Hazzard, Technology, Real Property Taxes, Personal Property taxes and Building Maintenance. These items have been exclude from the Bloss budget.

Operating Expenses

Salaries and Benefits

Total Salaries and Benefits includes the annual increase in compensation and corresponding benefits to obtain Executive Services for \$138,528.

Professional Fees

Professional Fees total is \$53,309 for Legal Fees, Auditing, and Other Contacted Services, which include accounting services provided by Castle Family Health Centers, Inc.

Supplies

The supply expense estimate is for office supplies used for monthly board meetings and minor 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 for \$600,964. These services include pest control, housekeeping, security services, monitoring, lawn care and building repairs and maintenance services.

Depreciation

Depreciation Expense projected on the schedule of existing Assets. Additional depreciation expense of \$200,000 was included in Buildings and Improvements for repairs of the two sites located at Bloss and Castle.

Utilities

Operating expense is budgeted in utilities for electricity, gas, water, garbage, and sewer totaling \$387,452.

Other Operating

Other operating expense budget is for facility liability insurance, Telephone, Training, and other expense.

Non-Operating Expense

Donations in grants for \$107,000 to assist partnering healthcare organizations in providing medical programs to the community.

Transfer to On-Going Capital Expenditures

Transfer to On-Going Capital Expenditures are funds for \$100,000 in unforeseen repairs for the two properties owned by Bloss Memorial Health Care District.

SUMMARY

Bloss Memorial Healthcare District, A Public Entity

FY 21 BUDGET

NET PATIENT REVENUE	<u>0</u>
OTHER REVENUE	<u>0</u>
TOTAL NET OPERATING REVENUE	<u>0</u>
OPERATING EXPENSES	
SALARIES AND WAGES	111,804
EMPLOYEE BENEFITS	26,724
PROFESSIONAL FEES	53,309
SUPPLIES	4,421
PURCHASED SERVICES	600,964
DEPRECIATION	837,634
RENTS AND LEASES	117,492
UTILITIES	387,452
INSURANCE	65,000
OTHER EXPENSE	15,990
TOTAL OPERATING EXPENSE	<u>2,220,790</u>
NET INCOME FROM OPERATIONS	-2,220,790
NON-OPERATING REVENUE	2,626,343
NON-OPERATING EXPENSE	238,336
NET NON-OPERATING INCOME	<u>2,388,007</u>
TRANSFERS FOR CAPITAL EXPENDITURES	<u>100,000</u>
NET INCOME	<u><u>67,217</u></u>

DETAILED
Bloss Memorial Healthcare District, A Public Entity

FY 21 BUDGET

REVENUES

NET PATIENT REVENUE	0
MISC OTHER OPERATING REVENUE	0
TOTAL OTHER OPERATING REVENUE	0
TOTAL NET OPERATING REVENUE	0

EXPENSES

SALARIES

MANAGEMENT AND SUPERVISION	102,000
VACATION EXPENSE	9,804

TOTAL SALARIES **111,804**

BENEFITS

FICA	8,076
UNEMPLOYMENT INSURANCE	2,604
PENSION PLAN	15,100
WORKERS COMP	944

TOTAL BENEFITS **26,724**

TOTAL SALARIES AND BENEFITS **138,528**

PROFESSIONAL FEES

CONSULTING & MANAGEMENT	2,787
LEGAL	27,158
ACCOUNTING/AUDIT	10,000
OTHER CONTRACTED SERVICE	13,364

TOTAL PROFESSIONAL FEES **53,309**

SUPPLIES

FOOD	180
OFFICE SUPPLIES	762

OTHER MINOR EQUIPMENT	290
OTHER NON-MEDICAL SUPPLIES	3,031
FREIGHT ON PURCHASES	128
	<u>30</u>

TOTAL SUPPLIES **4,421**

PURCHASED SERVICES

REPAIRS AND MAINTENANCE	135,286
MANAGEMENT SERVICES	8,900
OTHER PURCHASED SERVICES	<u>456,778</u>

TOTAL PURCHASED SERVICES **600,964**

DEPRECIATION

DEPREC-LAND & IMPROVEMENT	8,616
DEPREC-BUILDINGS & IMPROVEMENT	773,424
DEPREC-LEASEHOLD IMPROVEMENT	16,140
DEPREC-EQUIPMENT	<u>39,454</u>

TOTAL DEPRECIATION **837,634**

RENTS AND LEASES

RENTAL - BUILDING SIERRA KINGS	<u>117,492</u>
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TOTAL RENTS AND LEASES **117,492**

UTILITIES

ELECTRICITY	291,149
NATURAL GAS	31,574
WATER	24,310
UTILITIES - OTHER	<u>40,419</u>

TOTAL UTILITIES **387,452**

OTHER OPERATING EXPENSES

INSURANCE	65,000
TAX AND LICENSE	6,670
TRAINING	500
TELEPHONE	2,890
SUBSCRIPTIONS & DUES	4,139

OTHER EXPENSE	1,791
TOTAL OTHER OPERATING EXPENSE	80,990
TOTAL OPERATING EXPENSE	2,220,790
NET INCOME FROM OPERATIONS	(2,220,790)
NON-OPERATING REVENUES	
BLOSS TRUST	485,000
GAIN ON INVESTMENTS	150,863
INTEREST INCOME	138,122
PROPERTY TAX REVENUE	393,253
RENTAL INCOME	1,459,105
TOTAL NON-OPERATING REVENUE	2,626,343
NON-OPERATING EXPENSE	
DONATIONS	107,000
LOSS ON MARKETABLE SECURITY	131,336
TOTAL NON-OPERATING EXPENSE	238,336
NET NON-OPERATING INCOME	2,388,007
TRANSFERS FOR CAPITAL EXPENDITURES	100,000
NET INCOME (LOSS)	67,217