



Tulare Local Healthcare District

Fiscal Year 2023-2024 Recommended Budget Revisions

Insurance Expense

The final insurance proposals were received after the budget was completed and approved. The District expense is under budget each month by \$4,284 and the Evolutions expense is over budget every month by \$1,007. We recommend a revision to adjust our budgeted insurance expense to match the actual expense.

Adventist Health Hospital Lease Revenue

There was an adjustment made to correct the CPI increase early in FY 24. The actual revenue received is approximately \$7,900 under the budgeted amount. We recommend a budget revision to match the actual amount we receive.

EVO Electricity Expense/ Solar Savings/ Interest Expense

Our solar project did not go live at the originally scheduled date. We recommend a deferral of the budgeted savings of \$14,000/month to start Feb 2024. Regular electricity expenses are also much higher than budgeted amounts due to rate increases and usage. We recommend increasing the budget to ensure our variances are closer to actual.

Our recommendation further seeks to make balancing adjustments to bring the year-to-date budget in line with the actuals and then to proceed with the newly aligned run rate.