

Tulare Local Healthcare District – Budget Considerations

PROFIT AND LOSS BUDGET – DISTRICT

Operating Revenue

Revenues overall are expected to remain the same.

3% increase for all tenants. VA lease (\$187,000) terminates 6/2024 and no rental income for that property is budgeted in FY 25.

Property Tax – 4% increase.

Other Operating Revenue – Overall decrease of 92%. \$100K restitution received in FY 24 & decrease in unclaimed property claims scheduled to be paid in FY 24, neither of which will be received in FY 25.

Operating Expenses

Expenses budgeted to increase over FY24.

- Salaries & Benefits
 - Annual COLA 3%.
 - Annual \$50 bonus in December
 - Allocate support costs to EVO.
 - Addition of two staff positions: Construction manager and administrative support. \$150,000 +/-
- Professional Fees – Slight Decrease.
- Legal – Slight Increase
- Purchased Services – Increase due to reclassified amount from other operating expense and removal of construction inventory.
- Repairs & Maintenance – Decrease due to the VA lease termination.
- Insurance – The District does not have the actual premiums for FY25 and has budgeted for 10% increases over current rates.
- Other – Decreased 37%. Due to reclassified amounts to purchased services.

PROFIT AND LOSS BUDGET – EVOLUTIONS

Operating Revenue

- Budgeting revenue to increase.

Operating Expenses

- Salaries & Benefits –
 - Overall increase in salaries; Corresponding 31% increase in benefits due to 4 current employees becoming FT and an allocation of District salaries to Evolutions.
 - Standard 3% COLA starting in July (\$29K)
 - Allocation of District salaries and benefit expense to EVO
 - Increased hours for Group X
 - Increased hours/ rates for housekeeping lead, childcare supervisor, and operations supervisor
 - Annual \$50 bonuses in December (\$3K)
- Purchased Services – Includes cost to transition to new software.
- Repairs & Maintenance – Increased 20%. Anticipated larger increase in supply costs due to supply chain and more repairs.
- Utilities & Solar – Decrease in electricity expense with solar.
- Marketing – Budgeted decreased due to a change in member management software.
- Bond Interest – 12 months of revenue bond interest.
- Insurance – We do not have actual premiums for FY25. We have budgeted for 10% increases.