

VERDANT HEALTH COMMISSION  
PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON  
**BOARD OF COMMISSIONERS**

Special Meeting – Presentation of Superintendent’s Proposed 2024 Budget

AGENDA  
October 19, 2023  
6:00 p.m. to 8:00 p.m.

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The public can participate in person at the Verdant Community Wellness Center or join via Zoom by visiting <https://us02web.zoom.us/j/87264076569> Meeting ID: 872 6407 6569 or the call-in number is 253-215-8782.

	<u>Presenter</u>	<u>TIME</u>	<u>PAGE</u>
A. Call to Order	Commissioner Distelhorst	6:00pm	---
B. Land & Enslaved People’s Acknowledgment	Commissioner Distelhorst	6:00-6:03pm	2
C. Information: Budget Process Timeline and Strategic Framework	Riene Simpson	6:03-6:10pm	(refer to PowerPoint presentation)
D. Information: 2024 Proposed Operating and Capital Budget Presentation	Riene Simpson-Lisa Edwards	6:10-7:20pm	3-9
E. Public Comments	---	7:20-7:30pm	---
F. Commissioner Discussion and Recommendation to Advance for Board Approval by Resolution	---	7:30-8:00pm	---
G. Adjournment	---	8:00pm	---



## **– Land & Enslaved People’s Acknowledgment –**

Public Hospital District #2, Snohomish County (the Verdant Health Commission), recognizes that we live and work on the ancestral homelands and traditional territories of Indigenous peoples who have been here since time immemorial.

We also recognize that many enslaved and contracted peoples were forced to dedicate their work to the construction of what is now the South Snohomish County area.

In recognition that this land is colonized Indigenous territory that has been designated through slaves and hired labor, it is our collective responsibility to critically interrogate the stories and later lives of these people, and to honor, protect and sustain this land.

PHD#2 Snohomish County, dba Verdant Health Commission 2024 Superintendent's Proposed Budget-Detailed

2019-2022 Actual 2023-2024 Budget

10/12/2023

A	B	C	D	E	F	G	I	J	K	L
Line ref	Item	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2024 Budget	2024 Notes	2024 \$ Increase (Decr) from 2023 BUDGET	2024 % Increase (Decr) from 2023 BUDGET
1	Income-									
2	Operating Revenues									
3	5000 - Rental Income									
4	5200.1 - S/E Hospital Rental Income	9,211,952	9,488,311	9,772,960	10,066,149	10,368,133	10,678,176	includes 3% adjustment at 9/1/24	310,043	3.0%
5	5300 Kruger Clinic Rental Income									
6	5300.1 - Kruger Rent	878,323	906,827	970,727	948,331	976,121	995,242	2 suite vacancies; PSG 7/2/24 renewal completed early, rent reduction to meet market.; Swedish clinics 7.1.24 renewal in process: estimating flat.	19,121	2.0%
7	5300.2 - Kruger CAM Fees	379,238	386,748	430,484	755,756	677,991	758,255		80,264	11.8%
8	5300.3 - Kruger Excise Tax	40,595	40,899	52,765	43,532	71,780	43,660	lower in 2024 2023 estimated tax with CAM costs, not applicable. 2024 corrected	(28,120)	-39.2%
9	5300.4 - Kruger Storage	7,098	6,699	7,531	3,163	1,745	-		(1,745)	-100.0%
10	5300.5 Tenant Direct Bill				2,214		-			
11	5300 - Kruger Clinic Rental Income Total	1,305,253	1,341,173	1,461,508	1,752,995	1,727,637	1,797,157	2 vacancies, 4000 SF; 1 2024 renewal completed; 1 pending	69,520	4.0%
12										
13	5400 - Value Village Rental Income	331,377	328,759	-	14,000	-	-	unknown; not budgeted lot lease vacated 7/23		
14	5600 Pavilion Rental Income									
15	5600.1 - Ground Rent		55,965	55,965	55,965	55,965	55,965	flat year to year	-	0.0%
16	5600.3 - Ground Excise Tax		7,186	7,186	7,186	7,186	7,186		-	0.0%
17	5600 - Pavilion Rental Income Total	55,965	63,150	63,150	63,150	63,151	63,151		-	0.0%
18	5000 - Subtotal Rental Income	10,904,547	11,221,393	11,297,618	11,896,295	12,158,921	12,538,484		379,563	3.1%
19										
20	5791- GASB 87 Lease Revenue				(3,678,480)		-	not budgeted; year end accounting adjustment		
21	5700 - Deferred Rent Adjustments-NON CASH									
22	5795 - Def Rent Adj-Pavilion	(2,148)	(2,148)	(2,148)	-	(2,148)	-	eliminated with GASB 87	2,148	-100.0%
23	5798 - Def Rent - Swedish Hospital	860,470	584,111	299,462	-	(295,711)	-	eliminated with GASB 88	295,711	-100.0%
24	5799 - Def Rent Adj-Kruger Clinic	(13,771)	(43,714)	2,026	-	(64,629)	-	eliminated with GASB 89	64,629	-100.0%
25	5700 - Total Deferred and GASB Rent Adjustments	844,551	538,249	299,340	(3,678,480)	(362,488)	-		362,488	-100.0%
26	5800 - Class Registration & Others	36,228	1,163	95,843	188	-	-		-	
27	5900 - Grant Repayments				266,269	-	-	not budgeted	-	
28	Total Operating Income	11,785,326	11,760,804	11,692,802	8,484,271	11,796,433	12,538,484		742,051	6.3%
29	Expenses									
30	Programs									
31	6000-External									
32	6011 - Community Grants	6,562,902	6,241,688	7,169,318	8,845,163	8,100,000	8,200,000	2023 and 2024 per commissioners-2023 budget reallocation of \$100k to SD	100,000	1.2%
33	6012 - Building Healthy Communities	483,917	1,093,615	3,187,500	107,750	-	-		-	
34	6013 - Covid		885,633	970,510	386,916	-	-		-	
35	6014 - CHART	1,307	621	55,033	111,987	105,150	110,410	based on 2024 budget	5,260	5.0%
36	6015 - VOA 211	74,059	78,862	44,567	77,389	110,000	91,476	based on 2024 budget	(18,524)	-16.8%
37	6017 - Superintendent Discretionary	12,000			76,500	200,000	250,000	per commissioners 2023 reallocate \$100k from community grants-forecasted for 2023 \$200k	50,000	25.0%
38	Total 6000 - External Programs	7,134,186	8,300,420	11,426,927	9,605,705	8,515,150	8,651,886	x	136,736	1.6%

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39	<b>6050 - Internal Programs</b>									
40	6051 · Conferences & Forums	39,263	150	-	-	-	-		-	
41	6053 · Nutrition & Food Security	79,463	42,596	47,573	82,867	96,350	110,350		14,000	14.5%
45	6055 · Multicultural Health Programs	49,817	44,500	60,509	37,116	43,950	38,700		(5,250)	-11.9%
63	6056 · Mental Health & Social Work	22,178	22,281	24,786	39,081	147,250	100,000		(47,250)	-32.1%
69	6058 - Partner Development & Education				16,500	20,000	15,000	2023 \$15k 2024 \$15k	(5,000)	-25.0%
70	<b>6059-Partner and Community Events-NEW GLA</b>						34,000	Consolidating all verdant hosted events to 6059 as program costs (int specific ed and trainings still under respective categories)	34,000	
71	<b>Total 6050 Internal Programs</b>	<b>190,721</b>	<b>109,527</b>	<b>132,867</b>	<b>175,564</b>	<b>307,550</b>	<b>298,050</b>	x	<b>(9,500)</b>	<b>-3.1%</b>
73										
74	<b>Total 6000 Program Expense</b>	<b>7,324,907</b>	<b>8,409,948</b>	<b>11,559,795</b>	<b>9,781,269</b>	<b>8,822,700</b>	<b>8,949,936</b>	x	<b>127,236</b>	<b>1.4%</b>
75	<b>6100 - Wages PR Taxes &amp; Benefits</b>									
76	6105 · Staff Wages	730,993	543,314	787,482	788,453	1,006,779	1,045,251	estimated average merit at 2%; COLA at 3% applied to 2023 salaries. Projecting fully staffed at 1/1/24 versus staffing and contracting v contracting-combine with GLA 6160 for comparatives	38,472	3.8%
77	6110 · Commissioners Wages	34,926	38,008	48,355	50,944	61,440	61,440	awaiting statute with increase	-	0.0%
78	6160- Contracted Staff				53,600	-	-	none anticipated; intend to be fully staffed by 1/1/23	-	
79	6115 · Payroll Tax Expense	56,033	44,171	88,339	67,948	86,656	94,627		7,971	9.2%
80	6120 - Payroll Tax Adjustments				(16,213)	-	-		-	
81	6165 Retention Cost				-	25,000	10,000	buffer for any potential recruitment or staffing job description realignments	(15,000)	-60.0%
82	6125 · Workers Comp	2,146	1,733	1,924	346	-	-		-	
83	6150 · Accrued Vacation	(21,961)	(28,657)	(6,807)	3,984	10,000	10,000		-	0.0%
84	6151 · Health Insurance	60,373	57,186	79,332	70,309	96,817	118,457	see also 6153--PEBB combines premiums covered under 6153 includes 1 proposed FTE and 10% increase	21,640	22.4%
85	6153 · Other Employee Insurance/Benefits	19,210	15,182	21,768	16,487	22,408	2,002		(20,406)	-91.1%
86	6155 · Pension and Match Expense	41,698	32,492	44,515	41,036	46,800	55,328		8,528	18.2%
87	<b>Total 6100 - Wages Pr Taxes &amp; Benefits</b>	<b>923,416</b>	<b>703,429</b>	<b>1,064,909</b>	<b>1,076,894</b>	<b>1,355,900</b>	<b>1,397,106</b>	x	<b>41,206</b>	<b>3.0%</b>
88	<b>6200 - Professional Services</b>									
89	6210 · Investment Advisory	108,849	110,062	111,322	108,932	108,000	116,085		8,085	7.5%
90	6220 · Property Management	38,880	51,673	124,646	135,661	89,945	94,742		4,797	5.3%
91	6225 - Property & Real Estate Other-NEW GLA						78,177	separating out; appraisals, enviro, tech services, commission from 6220 prop management	78,177	
92	6230 · HR and IT Services	111,499	100,384	93,614	94,456	93,000	95,000		2,000	2.2%
93	6240 · Legal	60,873	38,310	51,669	114,465	115,000	100,000		(15,000)	-13.0%
94	6250 · Accounting and Audit	48,402	345,375	144,489	234,935	75,000	65,000		(10,000)	-13.3%
95	6260 - Other Prof Consulting Services	5,052	25,093	93,009	89,015	33,000	30,000		(3,000)	-9.1%
96	<b>Total 6200 Professional Services</b>	<b>373,555</b>	<b>670,897</b>	<b>618,749</b>	<b>777,465</b>	<b>513,945</b>	<b>579,004</b>	x	<b>65,059</b>	<b>12.7%</b>
97	<b>6300 - Taxes and Licenses</b>									
98	6320 - Licenses and Registrations	154.00	170.10	212.20	1,218	500	500		-	0.0%
99	6330 - Leasehold Excise Tax	106,329	85,553	65,081	49,116	78,966	50,846	2023 estimated with CAM, on base only	(28,120)	-35.6%
100	6340 - WA B&O Tax	10,058	9,634	9,592	8,333	9,600	9,600		-	0.0%
101	<b>Total 6300 - Tax and Licenses</b>	<b>116,541</b>	<b>95,356</b>	<b>74,884</b>	<b>58,667</b>	<b>89,066</b>	<b>60,946</b>	x	<b>(28,120)</b>	<b>-31.6%</b>

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102	<b>6400 - Supplies &amp; All Other</b>										
103	6405 - Supplies - Office and Other	6,381	5,956	4,366	13,385	12,000	9,000		(3,000)	-25.0%	
104	6410 - Postage-general (non canopy)	30,684	45,608	31,393	1,712	2,250	1,500		(750)	-33.3%	
105	6415 - Dues and Memberships	8,699	7,206	10,881	12,594	12,000	12,000		-	0.0%	
106	6425 - Books and Publications	245	(37)	563	430	500	500		-	0.0%	
107	6440 - Travel and Meals								-		
108	6440.1 - Meals (Office)	4,804	276	657	4,001	4,000	4,000		-	0.0%	
109	6440.2 - Gas/Mileage				1,521	3,500	3,500		-	0.0%	
110	6440.3 - Lodging	8,943	180	751	152	2,500	2,500		-	0.0%	
111	6451 - Computer Equipment & Supplies	19,323	7,235	5,808	4,571	15,500	10,000	2023 replacements; less expense estimated for 2024	(5,500)	-35.5%	
112	6452 - Software Subscriptions, Network hosting				36,411	39,135	44,233		5,097	13.0%	
113	6470 - Worker's Comp Self Insurance	299	747	1,200	-	-	-	see new GLA's under other income exp	-		
114	6471 - Work Comp Service Admin Fee - E	17,594	17,963	18,683	-	-	-	see new GLA's under other income exp	-		
115	6480 - Rent Expense	32,112	33,024	16,716	-	-	-	see new GLA's under other income exp	-		
116	6488 - Miscellaneous				388			see new GLA's under other income exp	-		
117	6491 - Bank, Payroll Processing Fees	144		12,842	12,667	17,250	13,000	decreased over 2023 estimate	(4,250)	-24.6%	
118	<b>Total 6400 Supplies &amp; All Other</b>	<b>129,228</b>	<b>118,158</b>	<b>103,860</b>	<b>87,831</b>	<b>108,635</b>	<b>100,233</b>		<b>(8,403)</b>	<b>-7.7%</b>	
119	<b>6500 - Utilities</b>							Memo: Annualized estimate All services need review			
120	6510 - Electricity	100,974	95,121	96,413	97,545	102,361	101,798		93,992	(563)	-0.5%
121	6540 - Water/Sewer/Storm Drains	24,062	28,328	46,396	26,884	25,490	36,765		36,220	11,275	44.2%
122	6550 - Garbage	26,707	25,386	27,203	28,197	30,918	39,362		42,188	8,444	27.3%
123	6560 - Natural Gas	630	626	4,952	1,990	1,624	2,637		2,436	1,013	62.4%
124	6570 - Telephone/Internet	11,145	12,738	18,368	28,683	31,348	28,987	Service review planned for Dec 2023 to consolidate internet lines. Potential savings \$10k	(2,361)	-7.5%	
125	<b>Total 6500 - Utilities</b>	<b>163,518</b>	<b>162,199</b>	<b>193,333</b>	<b>183,299</b>	<b>191,741</b>	<b>209,549</b>		<b>17,808</b>	<b>9.3%</b>	
126	<b>6620 - Repairs and Maintenance</b>										
127											
128	6620.1 - Repairs and Maintenance	47,506	122,996	66,573	168,068	186,673	171,048	For general R&M including CPM and non capital repairs. Minimal for VV estimated; see capital budget for potential work VV	(15,625)	-8.4%	
129	6620.2 - Maintenance Contracts	42,120	22,473	64,127	47,020	49,017	57,618	HVAC, Alarms, Elevators,	8,601	17.5%	
130	6620.3 - Insurance - Property and Casualty	46,900	57,383	64,633	70,863	80,142	124,428	23/24 policy increase due to property revaluation (Kruger) \$38k plus 5% premium increase. Estimating 10% factor for 9.1.24 renewal	44,286	55.3%	
131	<b>Total 6600 - Repairs and Maintenance</b>	<b>136,526</b>	<b>202,852</b>	<b>195,333</b>	<b>285,950</b>	<b>315,832</b>	<b>353,094</b>		<b>37,262</b>	<b>11.8%</b>	
132	<b>6650 - Purchased Services</b>										
137	6650.3 - Janitorial	125,599	120,549	142,182	142,766	145,698	180,186	Janitorial and supplies has increased exponentially-extra visits in addition to base; 2024 going out to bid; considered public works; requires prevailing wage coordinating with JPC to go out to bid-Kruger is CAM	34,488	23.7%	
138	6650.4 - Landscaping	48,987	41,577	46,490	36,984	46,134	51,781	landscaping has increased exponentially 2024 going out to bid; have eliminated special installations etc., Kruger is CAM	5,647	12.2%	
139	6650.5 - Exterminator			2,564	2,859	2,500	3,000		500	20.0%	
140	6650.6 - Security Services	13,092	15,894	67,526	241,044	197,508	266,902	Includes \$50k for Kruger construction coverage non CAM) -NEW 2023/2024 patrols at WC and VV \$1000 per month each.	69,394	35.1%	
141	6650.7 - Purchased Services - All Other	72,124	23,485	41,327	14,503	1,000	-		(1,000)	-100.0%	
142	6650.9 - Parking Lot Maint				48,154		37,500	Sweeping, snow, ice-Kruger is CAM didn't budget separately in 2023	37,500		
143	xxxx Old GLA network services reclassified	17,744	17,692	2,523	-	-	-	reclassified 2022 forward see IT	-		
144	<b>Total 6650 - Purchased Services</b>	<b>302,585</b>	<b>221,508</b>	<b>303,427</b>	<b>486,311</b>	<b>392,840</b>	<b>539,368</b>		<b>539,368</b>	<b>146,528</b>	<b>37.3%</b>

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145	<b>6670 - Marketing General</b>									
146	6670.1 - Sponsorships	875	1,000	7,542	11,900	15,000	16,000		1,000	6.7%
147	6670.2 - Printing general	28,625	32,159	13,556	2,353	1,000	5,000		4,000	400.0%
148	6670.3 - Canopy Production and Mailing				74,249	33,000	56,000	2 semiannual productions ~\$28k each including postage costs-	23,000	69.7%
149	6670.4 - Website Design & Maintenance	2,357	1,240	1,550	2,536	2,000	16,000	overhaul of website	14,000	700.0%
150	6670.5 - Special Events		97	-	9,232	8,000	-	Moved to new Line under programs see 6059	(8,000)	-100.0%
151	6670.6 - Advertising, Social Media	5,363	3,676	5,123	3,772	7,500	6,000		(1,500)	-20.0%
152	6670.8 - Branded Merchandise				5,353	4,000	6,000		2,000	50.0%
153	6670.9 - Marketing - All Other	1,704	11,871	8,234	779	1,500	2,500		1,000	66.7%
154	<b>Total 6670 - Marketing General</b>	<b>38,924</b>	<b>50,044</b>	<b>36,005</b>	<b>110,173</b>	<b>72,000</b>	<b>107,500</b>	Note non internal Verdant hosted events are consolidated now under programs	<b>35,500</b>	<b>49.3%</b>
155	<b>6680 - Professional Development</b>									
156	6680.1 - PD - Verdant training				7,090	-	1,200		1,200	
157	6680.2 - PD - Employee Stipend				2,641	15,000	14,000		(1,000)	-6.7%
158	6680.3 - PD - Commissioners Education	21,856	3,737		1,882	10,000	10,000		-	0.0%
159	6680.4 - PD - Professional Development Other	7,929	3,255	13,204	891	-	-		-	
160	<b>Total 6680 - Professional Development</b>	<b>29,784</b>	<b>6,992</b>	<b>13,204</b>	<b>12,504</b>	<b>25,000</b>	<b>25,200</b>		<b>200</b>	<b>0.8%</b>
161										
162	<b>6690-Election Fee</b>				178,277	(12,529)	180,000		(180,000)	-100.0%
163										
164	<b>6999 Contingency</b>	-	-	-	-	100,000	125,000	To cover unanticipated variances in major categories	25,000	25.0%
165	<b>Subtotal Operating Expenses</b>	<b>2,214,077</b>	<b>2,231,435</b>	<b>2,781,980</b>	<b>3,066,566</b>	<b>3,344,959</b>	<b>3,496,999</b>	<b>3,496,999</b>	<b>152,040</b>	<b>4.5%</b>
166										
167	<b>Subtotal Program and Operating Expenses</b>	<b>9,538,984</b>	<b>10,641,382</b>	<b>14,341,775</b>	<b>12,847,835</b>	<b>12,167,659</b>	<b>12,446,935</b>	<b>12,446,935</b>	<b>279,276</b>	<b>2.3%</b>
168										
169	<b>6700 - Depreciation</b>									
170	6710 - Depr - Land Improvements	9,041	9,041	9,041	13,587	29,246	8,445		(20,801)	-71.1%
171	6720 - Depr - Building	1,270,264	1,180,098	1,091,009	1,037,934	935,898	934,764		(1,134)	-0.1%
172	6730 - Depr - Fixed Equipment	349,506	330,977	178,812	149,413	97,815	85,731		(12,083)	-12.4%
173	6740 - Depr - Major Equipment	118,339	78,253	73,661	63,636	198,294	32,556		(165,738)	-83.6%
174	6750 - Depr - Minor Equipment	8,818	9,717	22,569	18,372	23,978	6,053		(17,925)	-74.8%
175	<b>Subtotal 6700 - Depreciation</b>	<b>1,755,967</b>	<b>1,608,085</b>	<b>1,375,091</b>	<b>1,282,941</b>	<b>1,285,230</b>	<b>1,067,548</b>		<b>(217,681)</b>	<b>-16.9%</b>
176	<b>6790 - Amortization NON CASH</b>									
177	6792 - TI Amortization	79,277	85,000	89,088	81,419	60,431	60,431	Kruger only-suite TI	-	0.0%
178	<b>6790 - subtotal Amortization</b>	<b>79,277</b>	<b>85,000</b>	<b>89,088</b>	<b>81,419</b>	<b>60,431</b>	<b>60,431</b>		-	0.0%
179	<b>Total 6700 - Depreciation &amp; Amortization</b>	<b>1,835,244</b>	<b>1,693,085</b>	<b>1,464,179</b>	<b>1,364,360</b>	<b>1,345,661</b>	<b>1,127,979</b>	<b>1,127,979</b>	<b>(217,681)</b>	<b>-16.2%</b>
180										
181	<b>Program, Operating, Deprac &amp; Amortiza Expenses</b>	<b>11,374,228</b>	<b>12,334,468</b>	<b>15,805,953</b>	<b>14,212,195</b>	<b>13,513,320</b>	<b>13,574,915</b>	<b>13,574,915</b>	<b>61,595</b>	<b>0.5%</b>
182										
183										
184	<b>Net Operating Income (Loss)</b>	<b>411,098</b>	<b>(573,663)</b>	<b>(4,113,152)</b>	<b>(5,727,924)</b>	<b>(1,716,887)</b>	<b>(1,036,431)</b>	<b>(1,036,431)</b>	<b>680,456</b>	<b>-39.6%</b>
185	<b>Non Operating Revenue-</b>	<b>x</b>	<b>x</b>	<b>x</b>						
186	<b>8000 - Other Income</b>									
187	8001 - MI/CPE Payments	(65,626)							-	
188	8002 - Other Income	83,931	362,693	10,414	25,516	-	-	not budgeted; variable 2020 lease buy out VV	-	
189	8004 - Gains/Loss on Disposal			(1,012)					-	
190	8009 - IAWPHD			7,660					-	
191	8xxx Se SI Reimbursements		(39)		45,432			2022 large co insurance reimbursement	-	
192	<b>Total 8000 - Other Income</b>	<b>18,305</b>	<b>362,654</b>	<b>17,062</b>	<b>70,947</b>	<b>-</b>	<b>-</b>		-	
197	<b>8050 - Levy Income</b>									
198	8050.1 - M&O Tax Levy	2,367,485	2,406,732	2,466,426	2,502,246	2,580,000	2,627,000	based on levy letter 1% increase with new construction and refunds	47,000	1.8%
199	8050.2 - 2003 GO Tax Levy	(67)	26	-	1,781				-	
200	<b>Total 8050 - Levy Income (M&amp;O) (G&amp;O)</b>	<b>2,367,417</b>	<b>2,406,758</b>	<b>2,466,426</b>	<b>2,504,026</b>	<b>2,580,000</b>	<b>2,627,000</b>		<b>47,000</b>	<b>1.8%</b>

A	B	C	D	E	F	G	I	J	K	L
Line ref	Item	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Budget	2024 Budget	2024 Notes	2024 \$ Increase (Decr) from 2023 BUDGET	2024 % Increase (Decr) from 2023 BUDGET
201	<b>8070 - Investment Income</b>									
202	8071 - Investment Income - OP	1,198,424	676,700	388,905	485,717	1,200,000	1,200,000	conservative estimate, P&R, reserve adj for construction costs	-	0.0%
203	8072 - Realized Gain (Loss)	575,453	998,788	(96,896)	(112,026)			1,450,425	-	
204	8073 - Unrealized Gain (Loss)-NON CASH	52,712	167,895	(606,471)	(1,605,817)				-	
205	<b>Total 8070 - Investment Income</b>	<b>1,826,588</b>	<b>1,843,383</b>	<b>(314,462)</b>	<b>(1,232,126)</b>	<b>1,200,000</b>	<b>1,200,000</b>		-	<b>0.0%</b>
206										
207	<b>GASB Lease Interest Income</b>				7,912,777	-		not budgeted; recorded at YE; accounting entry only	-	
208										
209	<b>Total 8000 Non Operating Revenue</b>	<b>4,212,311</b>	<b>4,612,795</b>	<b>2,169,025</b>	<b>9,255,624</b>	<b>3,780,000</b>	<b>3,827,000</b>		<b>47,000</b>	<b>1.2%</b>
210	<b>Non Operating Expenses-</b>									
211	<b>8900 Bond Expenses</b>									
212	8901 - 95 Interest Expense		26,263		-	-	-	NA 2024	-	
213	8902 - 12 LTGO Interest Expense	53,813			-	-	-		-	
214	8903 - 12 LTGO Bond Fees				-	-	-		-	
215	8905 - Amort - 2012 LTGO Premium	(62,030)	(56,860)		-	-	-		-	
216	<b>Total Bond Expense</b>	<b>(8,217)</b>	<b>(30,597)</b>					NA 2024	-	
217	<b>8940 - Self Insured Worker's Comp</b>									
218	8941 - L&I SI Claims and Pension Costs		(1,528)		67,683	15,000	15,000	set 2024 = to 2023; 2 claimants active	-	0.0%
219	8942 - L&I SI Quarterly Reports	29,037	23,140	51,983	8,321	1,182	1,182		-	0.0%
220	8943 - L&I SI Administrative Fees				14,175	10,000	10,000		-	0.0%
221	<b>Total L&amp;I SI Expenses</b>	<b>29,037</b>	<b>21,612</b>	<b>51,983</b>	<b>90,179</b>	<b>26,182</b>	<b>26,182</b>		-	<b>0.0%</b>
222	<b>Total 8900 Non Operating Expense</b>	<b>20,820</b>	<b>(8,985)</b>	<b>51,983</b>	<b>90,179</b>	<b>26,182</b>	<b>26,182</b>		-	<b>0.0%</b>
223										
224	<b>Net Income (Loss)</b>	<b>4,602,589</b>	<b>4,048,116</b>	<b>(1,996,110)</b>	<b>3,437,521</b>	<b>2,036,931</b>	<b>2,764,387</b>	2,764,387	<b>727,456</b>	<b>35.7%</b>

PHD#2 Snohomish County, dba Verdant Health Commission-2024 Superintendents Proposed Budget-Summary View

2021-2022 Actual -2023-2024 Budget							
A	B	C	D	E	F	G	H
Line Ref	Item	2021 Actual	2022 Actual	2023 Budget	2024 Budget	2024 \$ Increase (Decrease) over 2023 Budget	2024 % Increase (Decrease) over 2023 Budget
1	<b>Revenue-</b>						
2	<b>Operating Revenue-</b>						
3	Rental Income-Gross	11,297,618	11,896,295	12,158,921	12,538,484	379,563	3.1%
4	Deferred Rent Adjustments	299,340		(362,488)	-	362,488	-100.0%
5	GASB 87 Lease Revenue Adjustments		(3,678,480)	-	-	-	
6	Other Operating (grant rpmts)	95,843	266,457		-	-	
7	<b>Operating Revenue-net of deferred rent and GASB 87 Adjustments</b>	<b>11,692,801</b>	<b>8,484,271</b>	<b>11,796,433</b>	<b>12,538,484</b>	<b>742,051</b>	<b>6.3%</b>
8	<b>Non Operating Revenue-</b>						
9	Levy-Note 3	2,466,426	2,504,026	2,580,000	2,627,000	47,000	1.8%
10	Self Insured Co Insurance reimb		45,432	-	-	-	
11	Investment Interest	388,905	485,717	1,200,000	1,200,000	-	0.0%
12	Realized Gain (Loss)-Note 1	(96,896)	(112,026)	-	-	-	
13	Unrealized Gain (Loss) -Note 1	(606,471)	(1,605,817)	-	-	-	
14	Interest-GASB 97-Lease Commitments		7,912,777	-	-	-	
15	Other Misc	17,062	25515.78	-	-	-	
16	<b>Non Operating Revenue-Levy, Investments, Interest GASB 87</b>	<b>2,169,026</b>	<b>9,255,624</b>	<b>3,780,000</b>	<b>3,827,000</b>	<b>47,000</b>	<b>1.2%</b>
17							
18	<b>Total Revenue all Sources</b>	<b>13,861,827</b>	<b>17,739,896</b>	<b>15,576,433</b>	<b>16,365,484</b>	<b>789,051</b>	<b>5.1%</b>
19							
20	<b>Expenses-</b>						
21	<b>Program-External and Internal Operating</b>	<b>11,523,795</b>	<b>9,781,269</b>	<b>8,822,700</b>	<b>8,949,936</b>	<b>127,236</b>	<b>1.4%</b>
22							
23	Salaries and Benefits	1,064,909	1,076,894	1,355,900	1,397,106	41,206	3.0%
24	Professional Services	618,749	777,465	513,945	579,004	65,059	12.7%
25	Taxes and Licenses	74,884	58,667	89,066	60,946	(28,120)	-31.6%
26	Supplies	103,860	87,831	108,635	100,233	(8,403)	-7.7%
27	Utilities	229,333	183,299	191,741	209,549	17,808	9.3%
28	Repairs Maintenance and Insurance	195,333	285,950	315,832	353,094	37,262	11.8%
29	Janitorial, Landscape, Security,	303,427	486,311	392,840	539,368	146,528	37.3%
30	Election Costs	178,277	(12,529)	180,000	-	(180,000)	-100.0%
31	Marketing	36,005	110,173	72,000	107,500	35,500	49.3%
32	Professional Development	13,204	12,504	25,000	25,200	200	0.8%
33	Contingency (exp in natural GLAO)	-	-	100,000	125,000	25,000	25.0%
34	<b>Operating Expenses before depreciation</b>	<b>2,817,981</b>	<b>3,066,566</b>	<b>3,344,959</b>	<b>3,496,999</b>	<b>152,040</b>	<b>4.5%</b>
35	Depreciation & Amortization	1,464,179	1,364,360	1,345,661	1,127,979	(217,681)	-16.2%
36	Stevens Hospital Self Funded L&I expenses	51,983	90,179	26,182	26,182	-	0.0%
37	<b>Subtotal Operating, Depreciation, L&amp;I Expenses</b>	<b>4,334,143</b>	<b>4,521,106</b>	<b>4,716,802</b>	<b>4,651,161</b>	<b>(65,641)</b>	<b>-1.4%</b>
38	<b>Total Program and Operating Expenses</b>	<b>15,857,938</b>	<b>14,302,374</b>	<b>13,539,502</b>	<b>13,601,097</b>	<b>61,595</b>	<b>0.5%</b>
39							
40	<b>Net Income (Loss)</b>	<b>(1,996,111)</b>	<b>3,437,521</b>	<b>2,036,931</b>	<b>2,764,387</b>	<b>727,456</b>	<b>35.7%</b>
	Reserve at 20% of hospital revenue			2,073,626	2,135,635		



**PHD#2 Snohomish County, dba Verdant Health Commission  
2024 Superintendent's Proposed Capital Budget**

Line Ref	Property and Item	Cost	Total	Reference
1				
2	<b>Kruger/Langer Clinic-</b>			
3	Kruger/Langer Clinic as approved by finance with contingencies & tax	8,476,676		As approved by board of commissioners 8/23/23
4	Less Estimated payments by 12/31/2023	(539,640)		
5				
6				
7				
8				
9	<b>Subtotal Kruger Capital Expenditures</b>		<b>7,937,036</b>	
10				
11	<b>Verdant Community Wellness Center-</b>			
12	Front Office Remodel	50,000		to support front office coverage
13	Exterior Stucco Repair-East Side of Building	30,000		deferred from 2023
14				
15				
16	<b>Subtotal Wellness Center Capital Expenditures</b>		<b>80,000</b>	
17				
18	<b>Value Village Property-</b>			
19	Potential Building Rehabilitation/Razing-Estimate	200,000		awaiting bids at 10/11/2023
20				
21				
22				
23	<b>Subtotal Value Village Property</b>		<b>200,000</b>	
24				
25	<b>Total Capital Budget</b>		<b>8,217,036</b>	