


PUBLIC HOSPITAL DISTRICT NO. 2 OF SNOHOMISH COUNTY, WASHINGTON

SPECIAL MEETING
May 1, 2014
Verdant Health Commission Board Room

Commissioners Present	Bob Knowles, President Deana Knutsen, Commissioner Fred Langer, Commissioner Karianna Wilson, Commissioner
Commissioners Excused	J. Bruce Williams, MD, Secretary
Staff	Carl Zapora George Kosovich Jennifer Piplic Lisa King Sue Waldin Karen Goto
Guests	Tanya Anderson, Consultant
Call to Order	The Special Meeting of the Board of Commissioners was called to order by President Knowles at 8:33 a.m.
Discuss 2014 Program Budget & Organizational Financial Forecasting	Commissioners discussed the current 2014 budget and reviewed four financial forecasting scenarios (E:24:14). Commissioners then set a goal of reaching \$40 million in reserves by 2020 and noted that adjustments in future years may be made as needed. An additional \$1 million will be proposed in the 2014 budget: \$900,000 will be allocated to external program grants and \$100,000 will be allocated to the Building Healthy Communities Fund.
Adjourn	The meeting was adjourned at 9:02 a.m.

Attest By:



President



Secretary



Public Hospital District 2, Snohomish County
2014 Budget

E: 2/4/14
5.1.2014

	A 2013 Actual	B 2014 Budget	C Adjustment	D 2014 Revised Budget	E Notes	
Income						
Operating Revenues						
1	5791 · Rental Income	10,390,858	8,206,093	1,282,162	9,488,255	Add Kruger Clinic & VV Leasehold Tax Income
2	5791 · Deferred Rental Income			2,203,526	2,203,526	Annual Adj for straight-line of Swedish Leases
3	5792 · Pavilion Ground Lease Income	46,707	46,707	0	46,707	
4	5793 · Other Operating Income	11,752	15,500	(6,577)	8,923	
5	Total Operating Revenues	10,449,317	8,268,300	3,479,112	11,747,412	
Expense						
Operating Expenses						
Salaries						
6	6010 · Salaries	504,001	567,649	0	567,649	
7	6011 · Payroll Tax Expense	34,061	42,769	(570)	42,199	3 months of reduced commissioner costs
8	6020 · Commissioners Wages	29,246	54,720	(7,500)	47,220	3 months of reduced commissioner costs
9	Total Salaries	567,308	665,138	(8,070)	657,067	
Benefits						
10	6111 · Accrued Vacation/Sick Leave	835	10,000	0	10,000	
11	6155 · Health Insurance	34,313	44,089	4,817	48,905	Pre Regence
12	6156 · Dental Insurance	3,571	4,565	(560)	4,005	Pre Regence
13	6160 · 401(a) Retirement Expense	30,373	34,059	0	34,059	
14	6190 · Other Employee Benefits	10,003	11,771	0	11,772	
15	6130 · Workers Comp Self Insurance	11,947	36,000	(18,000)	18,000	Over estimated State of WA
16	6131 · Workers Comp Service Fee	15,000	15,750	(375)	15,375	Per contract
17	6137 · Workers Comp - State fund	1,343	1,500	(31)	1,469	
18	Total Benefits	107,385	157,734	(14,148)	143,586	
Professional Services						
19	6210 · Professional Fees	10,877	10,000	0	10,000	
20	6220 · Kruger Clinic Property Management (New)			39,041	39,041	Kruger Clinic - Property Management Fees
21	6230 · Consulting	162,079	75,000	13,350	88,350	Increase due to HT work on Kruger
	6240 · Legal	54,153	75,000	0	75,000	
23	6250 · Accounting/Audit	40,202	65,000	(15,000)	50,000	SAO changed to two year audit
24	Total Professional Services	267,311	225,000	37,391	262,391	
Interest Expense						
26	6954 · 12 LTGO Interest Exp	181,195	175,700	(7,242)	168,458	Per schedule
27	6955 · 12 LTGO Bond Fees	599	-	0	-	
28	Total Interest Expense	181,795	175,700	(7,242)	168,458	
Other Amortization						
30	6969 · Amortization - 12 LTGO Bonds	14,988	14,988	(14,988)	-	Removed per GASB change
31	8969 · Amortization - 12 LTGO Premium	(62,030)	(62,030)	0	(62,030)	
32	Total Other Amortization	14,988	(47,042)	(14,988)	(62,030)	
Purchased Services						
33	6650 · Purchased Services	18,845	20,000	0	20,000	
34	6651 · Purchased Services Kruger Clinic (New)			74,597	74,597	Kruger Clinic - Security/Janitorial
35	6675 · Marketing/Advertising	46,029	15,000	0	15,000	
36	6675.1 · Sponsorships	25,000	25,000	0	25,000	
37	6675.2 · Newsletter		50,000	0	50,000	
38	6675.3 · Website		12,000	5,640	17,640	Add for Aukema ongoing maintenance of website
39	6697 · Network Hosting	602	600	9	609	
40	Total Purchased Services	90,475	122,600	80,246	202,846	
Supplies						
41	6300 · Supplies	2,997	6,000	0	6,000	
42	6460 · Postage	904	3,000	0	3,000	
43	6480 · Books and Publications	158	1,000	0	1,000	
44	Total Supplies	4,060	10,000	0	10,000	
Repairs and Maintenance						
45	6620 · Repairs		15,000	0	15,000	
46	6621 · Maintenance Contracts		6,000	0	6,000	
47	6622 · R&M Kruger Clinic (New)			133,914	133,914	Kruger Clinic - Maint & Personnel Maint
48	Total Repairs and Maintenance	-	21,000	133,914	154,914	
Insurance						
	6910 · Professional Insurance	12,130	15,017	16,860	31,878	Kruger Clinic - Insurance
50	6911 · Liability Claims Admin Fees	2,817	2,000	0	2,000	
51	Total Insurance	14,946	17,017	16,860	33,878	



Public Hospital District 2, Snohomish County
2014 Budget

		A	B	C	D	E
		2013	2014		2014	
		Actual	Budget	Adjustment	Revised Budget	Notes
Utilities						
52	6500 · Utilities Kruger Clinic (New)			113,391	113,391	Kruger Clinic - Utilities
53	6510 · Electricity	953	7,200	0	7,200	
54	6540 · Water/Sewer	272	2,640	0	2,640	
55	6550 · Garbage/Janitorial	3,783	2,750	0	2,750	
56	6560 · Natural Gas	1,062	2,400	0	2,400	
57	6570 · Telephone	2,834	3,600	0	3,600	
58	6575 · Internet	1,399	1,480	0	1,480	
59	6580 · Security Monitoring	-	-	0	-	
60	Total Utilities	10,302	20,070	113,391	133,461	
Taxes						
61	6820 · License and Tax			55	55	
62	6821 · Leasehold Taxes (New)			83,423	83,423	Kruger Clinic and Value Village Leasehold Tax
63	6825 · B&O Tax	10,879	10,061	0	10,061	
64	Total Taxes	10,879	10,061	83,478	93,539	
Other Expenses						
65	6000 · Rent Expense	35,960	15,225	21,315	36,540	Extend lease thru December
66	6451 · Computer Expenses	1,096	17,900	0	17,900	
67	6829 · Meals and Entertainment	2,832	3,600	0	3,600	
68	6830 · Dues and Subscriptions	4,965	10,000	0	10,000	
69	6840 · Travel and Meetings	3,875	10,000	0	10,000	
70	6841 · Commissioner Education	11,909	15,000	0	15,000	
71	6842 · Conference Expenses	5,337	7,500	0	7,500	
73	6990 · Miscellaneous Expense	51,395	5,000	0	5,000	
72	6992 · Other Kruger Clinic (New)		-	5,360	5,360	Kruger Clinic - Other
74	Total Other Expenses	117,368	84,225	26,675	110,900	
75	Total Operating Expense	1,386,817	1,461,503	411,445	1,909,010	
Programs						
	7100 · Community Programs-External (Grants)	2,883,020	4,187,500	0	4,187,500	TBD
77	7300 · Community Programs-Internal	239,020	250,000	0	250,000	TBD
78	7200 · Superintendent Discretionary Fund	1,607	237,500	0	237,500	TBD
79	7400 · One-time Events		75,000	0	75,000	TBD
80	7500 · Building Healthy Communities Fund		1,000,000	0	1,000,000	TBD
81	Total Program Expense	3,123,648	5,750,000	0	5,750,000	
82	Net Ordinary Income	5,938,852	1,056,797	3,081,563	4,088,402	
Non Operating Revenue (Expense)						
83	8030 · 2003 GO Tax Levy	11,161	-	974	974	Per county receipts
84	5020 · M&O Tax Levy	2,052,019	2,104,000	0	2,104,000	
85	5030 · Unrealized G/L on Investment	(1,944,581)	-	0	-	
86	5781 · Investment Income	1,030,727	1,104,000	(554,000)	550,000	Decrease due to Cash purchase of Kruger Clinic
87	4035 · M/CPE Payment	74,155	-	0	-	
88	5500 · Other Income (Expense)	(890,595)	420	304	724	PFD Copies
89	5996 · G/L on Extinguishment of Debt	(66,153)	(11,181)	11,181	-	Removed per GASB Change
90	Total Non Operating Revenue (Expense)	266,733	3,197,239	(541,541)	2,655,698	
91	Earnings before Depreciation	6,251,837	4,254,036	2,564,897	6,744,100	
Depreciation						
92	6710 · Depr - Land Improvements	81,590	80,887	0	80,887	
93	6720 · Depr - Building	1,237,546	1,203,740	370,101	1,573,840	Includes Kruger & Estimate of Wellness Center
94	6730 · Depr - Fixed Equipment	399,497	390,600	(7,130)	383,470	Includes surplusd Swedish Assets
95	6740 · Depr - Major Equipment	2,456,397	1,323,537	764	1,324,301	
96	6750 · Depr - Minor Equipment	24,428	21,976	(30)	21,946	
97	Total Depreciation	4,199,458	3,020,740	363,705	3,384,445	
98	Net Income - including depreciation	2,052,380	1,233,296	2,201,193	3,359,655	

Program Payout Forecast

	A	B	C	D
		Budget 2014	Budget 2015	Budget 2016
	7100 . Grants			
1	Committed	\$ 3,924,103	\$ 2,835,712	\$ 2,868,988
2	Likely to Reapply (75% of total)	\$ 194,963	\$ 749,940	\$ 1,483,897
3	Not Committed (Available to Spend)	\$ 263,397	\$ -	
4	Total Grants	\$ 4,382,463	\$ 3,585,652	\$ 4,352,885
	7300 . Internal Programs			
5	Committed	\$ 106,370	\$ -	
6	Not Committed (Available to Spend)	\$ 143,630	\$ 250,000	\$ 250,000
7	Total Internal Programs	\$ 250,000	\$ 250,000	\$ 250,000
	7200 . Discretionary			
8	Committed	\$ 7,000	\$ -	
9	Not Committed (Available to Spend)	\$ 230,500	\$ -	
10	Total Discretionary Programs	\$ 237,500	\$ 237,500	\$ 237,500
	7500 . Building Healthy Communities Fund			
11	Committed	\$ 1,099,858	\$ 1,372,666	\$ 1,390,666
12	Not Committed (Available to Spend)	\$ (99,858)	\$ -	
13	Total BHCF Programs	\$ 1,000,000	\$ 1,372,666	\$ 1,390,666
	7400 . One time Events			
14	Committed	\$ 40,735	\$ -	
15	Not Committed (Available to Spend)	\$ 34,265	\$ -	
16	Total One Time Events Programs	\$ 75,000	\$ 75,000	\$ 75,000
17	TOTAL	\$ 5,750,000	\$ 5,520,818	\$ 6,306,051

Scenario 1: Program Expenses building to \$10M by 2020

PRIORITY: PROGRAM EXPENSES

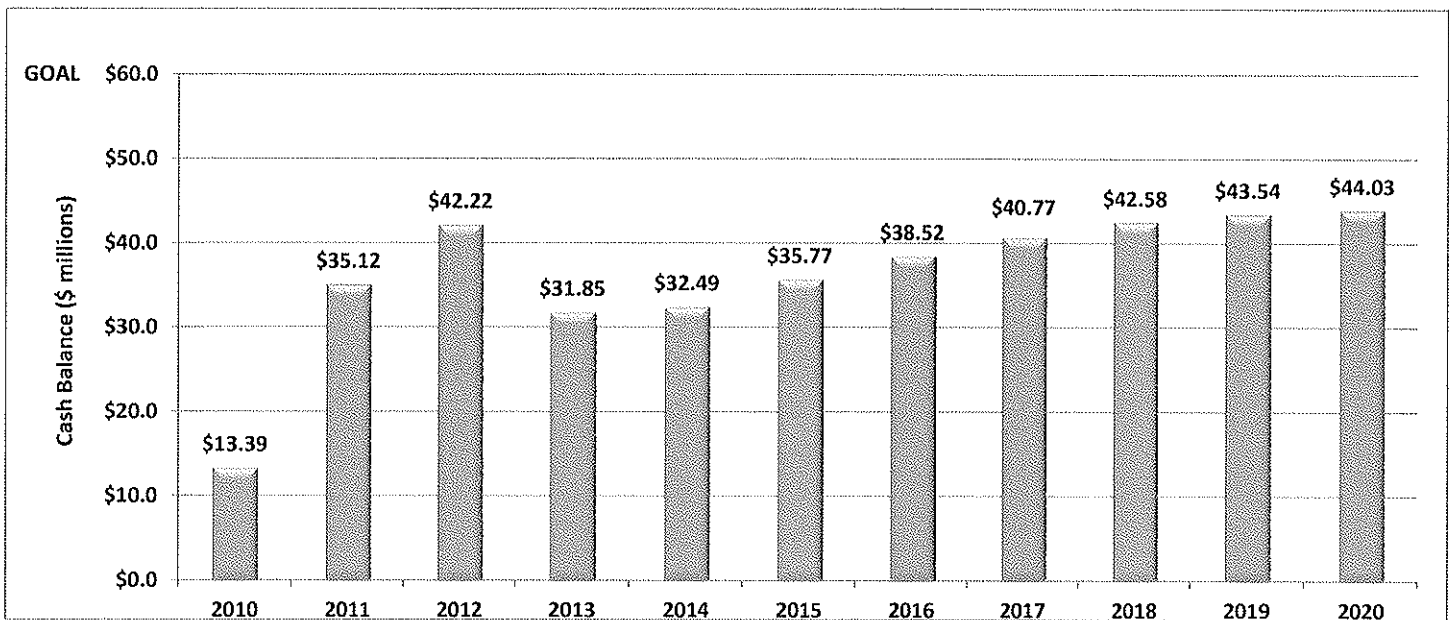
\$ Millions	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue											
1 Lease Income	\$2.50	\$7.59	\$7.82	\$8.07	\$9.58	\$9.87	\$10.13	\$10.41	\$10.77	\$10.71	\$11.05
2 Investment Earnings	\$0.22	\$1.07	\$1.68	\$1.03	\$0.58	\$0.59	\$0.60	\$0.61	\$0.62	\$0.63	\$0.65
3 Levy	\$1.40	\$3.20	\$2.04	\$2.06	\$2.10	\$2.11	\$2.11	\$2.12	\$2.12	\$2.13	\$2.13
4 Total Revenue	\$4.12	\$11.85	\$11.53	\$11.17	\$12.26	\$12.56	\$12.85	\$13.14	\$13.52	\$13.47	\$13.82
Expenses											
5 Operating Expenses	\$0.76	\$1.30	\$1.19	\$1.34	\$1.90	\$1.96	\$2.02	\$2.08	\$2.14	\$2.21	\$2.27
6 Program Expenses	\$0.00	\$0.30	\$1.87	\$3.12	\$5.75	\$6.46	\$7.17	\$7.88	\$8.58	\$9.29	\$10.00
7 Total Expenses	\$0.76	\$1.59	\$3.06	\$4.47	\$7.65	\$8.42	\$9.19	\$9.96	\$10.73	\$11.50	\$12.27
8 Hospital Legacy	\$13.04	\$13.63	\$0.01	-\$0.44	-\$0.14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9 Bond Payments	-\$3.02	-\$2.16	-\$1.38	-\$0.72	-\$0.75	-\$0.77	-\$0.81	-\$0.84	-\$0.88	-\$0.92	-\$0.96
10 Capital Outlay	\$0.00	\$0.00	\$0.00	-\$15.91	-\$3.08	-\$0.10	-\$0.10	-\$0.10	-\$0.10	-\$0.10	-\$0.10
11 Net Cash Flow	\$13.39	\$21.73	\$7.10	-\$10.36	\$0.64	\$3.28	\$2.75	\$2.25	\$1.81	\$0.96	\$0.49
12 Beginning Cash Balance*	\$0.00	\$13.39	\$35.12	\$42.22	\$31.85	\$32.49	\$35.77	\$38.52	\$40.77	\$42.58	\$43.54
13 Net Cash Flow	\$13.39	\$21.73	\$7.10	-\$10.36	\$0.64	\$3.28	\$2.75	\$2.25	\$1.81	\$0.96	\$0.49
14 Ending Cash Balance*	\$13.39	\$35.12	\$42.22	\$31.85	\$32.49	\$35.77	\$38.52	\$40.77	\$42.58	\$43.54	\$44.03
15 Days Cash on Hand	20.1	52.7	63.3	47.8	48.7	53.7	57.8	61.2	63.9	65.3	66.0

Assumptions	
Operating Expense Growth Rate	3%
Earnings on Investment Portfolio	2%

Assumes 3% increase on Kruger Clinic for NW Derm & PSG space (2016-2020)

Assumes Value Village does not renew after 2018

Assumes \$100k per year reserve from 2015 to 2020 for capital improvements



TOTAL PROGRAM SPENDING 2014 - 2020

\$55.13

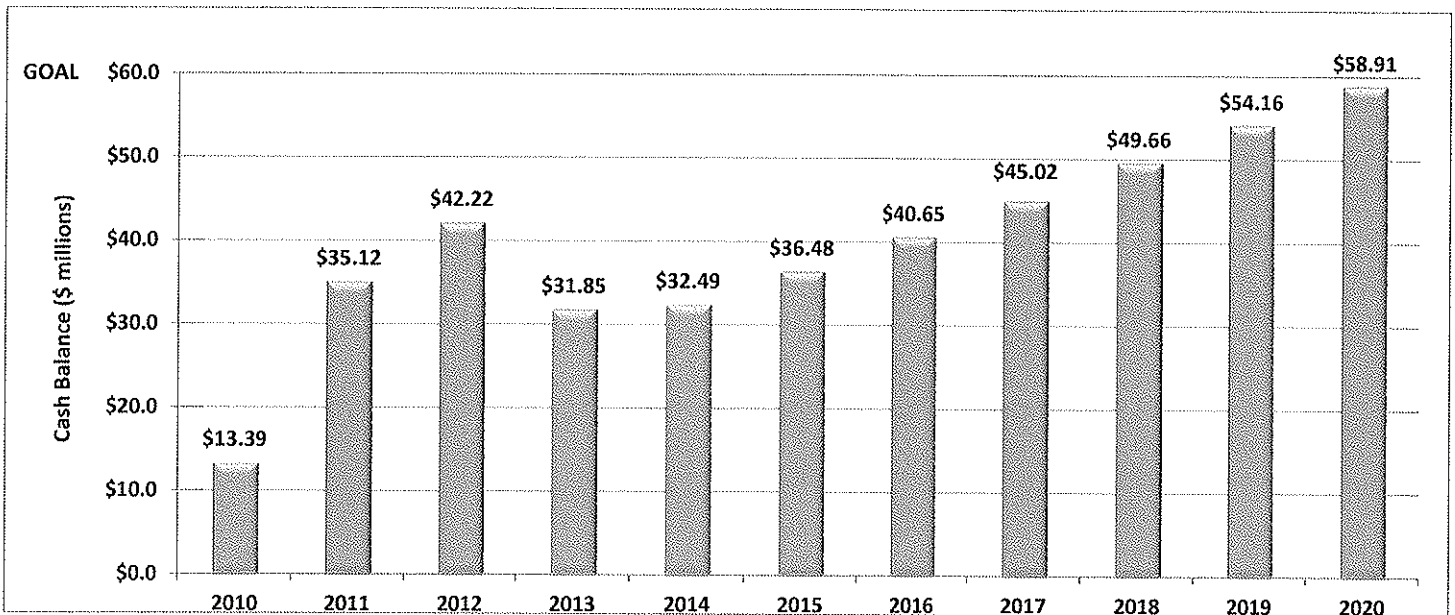
Scenario 2: Program Expenses at \$5.75M 2014 thru 2020

PRIORITY: CASH RESERVES

\$ Millions	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue											
1 Lease Income	\$2.50	\$7.59	\$7.82	\$8.07	\$9.58	\$9.87	\$10.13	\$10.41	\$10.77	\$10.71	\$11.05
2 Investment Earnings	\$0.22	\$1.07	\$1.68	\$1.03	\$0.58	\$0.59	\$0.60	\$0.61	\$0.62	\$0.63	\$0.65
3 Levy	\$1.40	\$3.20	\$2.04	\$2.06	\$2.10	\$2.11	\$2.11	\$2.12	\$2.12	\$2.13	\$2.13
4 Total Revenue	\$4.12	\$11.85	\$11.53	\$11.17	\$12.26	\$12.56	\$12.85	\$13.14	\$13.52	\$13.47	\$13.82
Expenses											
5 Operating Expenses	\$0.76	\$1.30	\$1.19	\$1.34	\$1.90	\$1.96	\$2.02	\$2.08	\$2.14	\$2.21	\$2.27
6 Program Expenses	\$0.00	\$0.30	\$1.87	\$3.12	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75	\$5.75
7 Total Expenses	\$0.76	\$1.59	\$3.06	\$4.47	\$7.65	\$7.71	\$7.77	\$7.83	\$7.89	\$7.96	\$8.02
8 Hospital Legacy	\$13.04	\$13.63	\$0.01	-\$0.44	-\$0.14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9 Bond Payments	-\$3.02	-\$2.16	-\$1.38	-\$0.72	-\$0.75	-\$0.77	-\$0.81	-\$0.84	-\$0.88	-\$0.92	-\$0.96
10 Capital Outlay	\$0.00	\$0.00	\$0.00	-\$15.91	-\$3.08	-\$0.10	-\$0.10	-\$0.10	-\$0.10	-\$0.10	-\$0.10
11 Net Cash Flow	\$13.39	\$21.73	\$7.10	-\$10.36	\$0.64	\$3.98	\$4.17	\$4.37	\$4.65	\$4.50	\$4.74
12 Beginning Cash Balance*	\$0.00	\$13.39	\$35.12	\$42.22	\$31.85	\$32.49	\$36.48	\$40.65	\$45.02	\$49.66	\$54.16
13 Net Cash Flow	\$13.39	\$21.73	\$7.10	-\$10.36	\$0.64	\$3.98	\$4.17	\$4.37	\$4.65	\$4.50	\$4.74
14 Ending Cash Balance*	\$13.39	\$35.12	\$42.22	\$31.85	\$32.49	\$36.48	\$40.65	\$45.02	\$49.66	\$54.16	\$58.91
15 Days Cash on Hand	20.1	52.7	63.3	47.8	48.7	54.7	61.0	67.5	74.5	81.2	88.4

Assumptions	
Operating Expense Growth Rate	3%
Earnings on Investment Portfolio	2%

Assumes 3% increase on Kruger Clinic for NW Derm & PSG space (2016-2020)
 Assumes Value Village does not renew after 2018
 Assumes \$100k per year reserve from 2015 to 2020 for capital improvements



TOTAL PROGRAM SPENDING 2014 - 2020

\$40.25

Scenario 3: Program Expenses at \$6.75M in 2014 increase by \$500k thru 2020

PRIORITY: PROGRAM EXPENSES

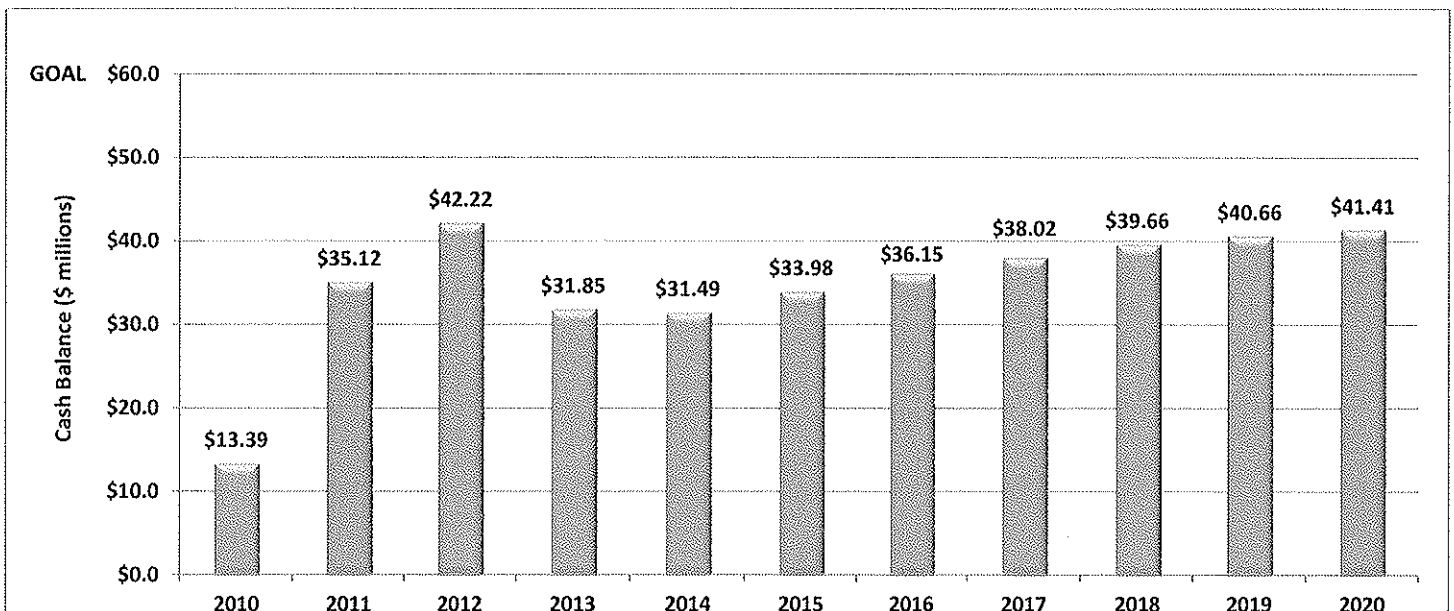
\$ Millions	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue											
1 Lease Income	\$2.50	\$7.59	\$7.82	\$8.07	\$9.58	\$9.87	\$10.13	\$10.41	\$10.77	\$10.71	\$11.05
2 Investment Earnings	\$0.22	\$1.07	\$1.68	\$1.03	\$0.58	\$0.59	\$0.60	\$0.61	\$0.62	\$0.63	\$0.65
3 Levy	\$1.40	\$3.20	\$2.04	\$2.06	\$2.10	\$2.11	\$2.11	\$2.12	\$2.12	\$2.13	\$2.13
4 Total Revenue	\$4.12	\$11.85	\$11.53	\$11.17	\$12.26	\$12.56	\$12.85	\$13.14	\$13.52	\$13.47	\$13.82
Expenses											
5 Operating Expenses	\$0.76	\$1.30	\$1.19	\$1.34	\$1.90	\$1.96	\$2.02	\$2.08	\$2.14	\$2.21	\$2.27
6 Program Expenses	\$0.00	\$0.30	\$1.87	\$3.12	\$6.75	\$7.25	\$7.75	\$8.25	\$8.75	\$9.25	\$9.75
7 Total Expenses	\$0.76	\$1.59	\$3.06	\$4.47	\$8.65	\$9.21	\$9.77	\$10.33	\$10.89	\$11.46	\$12.02
8 Hospital Legacy	\$13.04	\$13.63	\$0.01	-\$0.44	-\$0.14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9 Bond Payments	-\$3.02	-\$2.16	-\$1.38	-\$0.72	-\$0.75	-\$0.77	-\$0.81	-\$0.84	-\$0.88	-\$0.92	-\$0.96
10 Capital Outlay	\$0.00	\$0.00	\$0.00	-\$15.91	-\$3.08	-\$0.10	-\$0.10	-\$0.10	-\$0.10	-\$0.10	-\$0.10
11 Net Cash Flow	\$13.39	\$21.73	\$7.10	-\$10.36	-\$0.36	\$2.48	\$2.17	\$1.87	\$1.65	\$1.00	\$0.74
12 Beginning Cash Balance*	\$0.00	\$13.39	\$35.12	\$42.22	\$31.85	\$31.49	\$33.98	\$36.15	\$38.02	\$39.66	\$40.66
13 Net Cash Flow	\$13.39	\$21.73	\$7.10	-\$10.36	-\$0.36	\$2.48	\$2.17	\$1.87	\$1.65	\$1.00	\$0.74
14 Ending Cash Balance*	\$13.39	\$35.12	\$42.22	\$31.85	\$31.49	\$33.98	\$36.15	\$38.02	\$39.66	\$40.66	\$41.41
15 Days Cash on Hand	20.1	52.7	63.3	47.8	47.2	51.0	54.2	57.0	59.5	61.0	62.1

Assumptions	
Operating Expense Growth Rate	3%
Earnings on Investment Portfolio	2%

Assumes 3% increase on Kruger Clinic for NW Derm & PSG space (2016-2020)

Assumes Value Village does not renew after 2018

Assumes \$100k per year reserve from 2015 to 2020 for capital improvements



TOTAL PROGRAM SPENDING 2014 - 2020

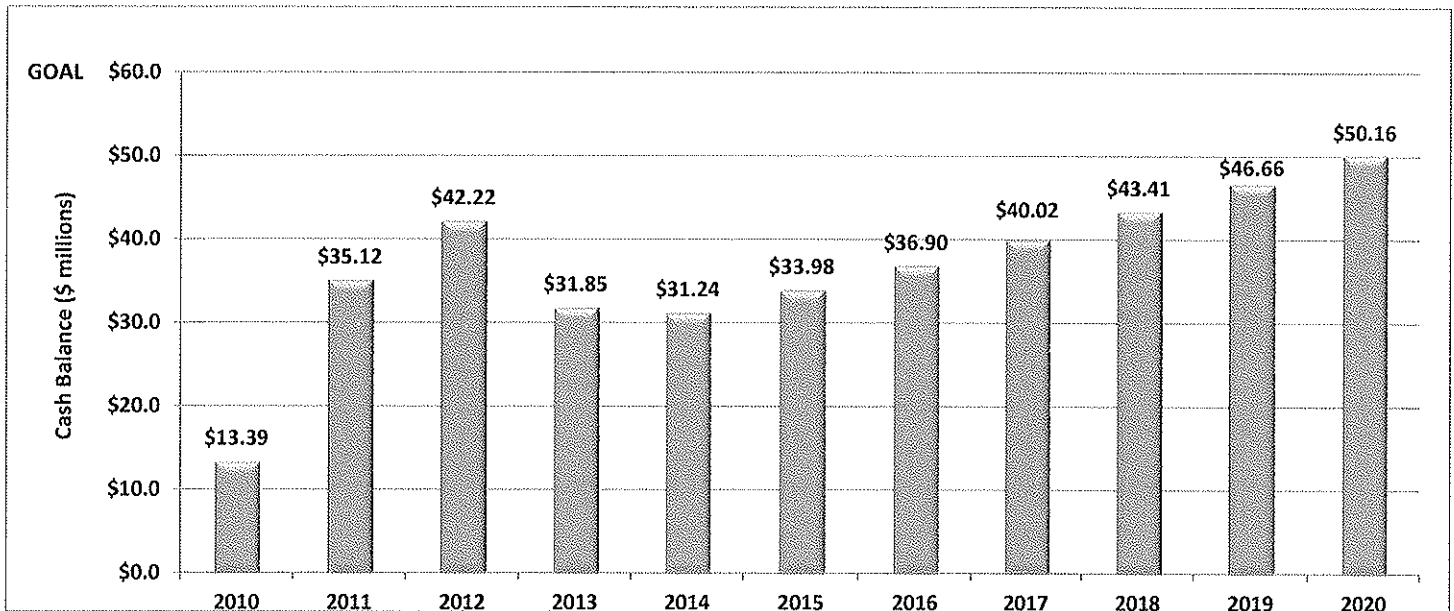
\$57.75

Scenario 4: Program Expenses at \$7M 2014 thru 2020
PRIORITY: COMBINED PROGRAM EXPENSES & CASH RESERVES

\$ Millions	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenue											
1 Lease Income	\$2.50	\$7.59	\$7.82	\$8.07	\$9.58	\$9.87	\$10.13	\$10.41	\$10.77	\$10.71	\$11.05
2 Investment Earnings	\$0.22	\$1.07	\$1.68	\$1.03	\$0.58	\$0.59	\$0.60	\$0.61	\$0.62	\$0.63	\$0.65
3 Levy	\$1.40	\$3.20	\$2.04	\$2.06	\$2.10	\$2.11	\$2.11	\$2.12	\$2.12	\$2.13	\$2.13
4 Total Revenue	\$4.12	\$11.85	\$11.53	\$11.17	\$12.26	\$12.56	\$12.85	\$13.14	\$13.52	\$13.47	\$13.82
Expenses											
5 Operating Expenses	\$0.76	\$1.30	\$1.19	\$1.34	\$1.90	\$1.96	\$2.02	\$2.08	\$2.14	\$2.21	\$2.27
6 Program Expenses	\$0.00	\$0.30	\$1.87	\$3.12	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00
7 Total Expenses	\$0.76	\$1.59	\$3.06	\$4.47	\$8.90	\$8.96	\$9.02	\$9.08	\$9.14	\$9.21	\$9.27
8 Hospital Legacy	\$13.04	\$13.63	\$0.01	-\$0.44	-\$0.14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9 Bond Payments	-\$3.02	-\$2.16	-\$1.38	-\$0.72	-\$0.75	-\$0.77	-\$0.81	-\$0.84	-\$0.88	-\$0.92	-\$0.96
10 Capital Outlay	\$0.00	\$0.00	\$0.00	-\$15.91	-\$3.08	-\$0.10	-\$0.10	-\$0.10	-\$0.10	-\$0.10	-\$0.10
11 Net Cash Flow	\$13.39	\$21.73	\$7.10	-\$10.36	-\$0.61	\$2.73	\$2.92	\$3.12	\$3.40	\$3.25	\$3.49
12 Beginning Cash Balance*	\$0.00	\$13.39	\$35.12	\$42.22	\$31.85	\$31.24	\$33.98	\$36.90	\$40.02	\$43.41	\$46.66
13 Net Cash Flow	\$13.39	\$21.73	\$7.10	-\$10.36	-\$0.61	\$2.73	\$2.92	\$3.12	\$3.40	\$3.25	\$3.49
14 Ending Cash Balance*	\$13.39	\$35.12	\$42.22	\$31.85	\$31.24	\$33.98	\$36.90	\$40.02	\$43.41	\$46.66	\$50.16
15 Days Cash on Hand	20.1	52.7	63.3	47.8	46.9	51.0	55.3	60.0	65.1	70.0	75.2

Assumptions	
Operating Expense Growth Rate	3%
Earnings on Investment Portfolio	2%

Assumes 3% increase on Kruger Clinic for NW Derm & PSG space (2016-2020)
 Assumes Value Village does not renew after 2018
 Assumes \$100k per year reserve from 2015 to 2020 for capital improvements



TOTAL PROGRAM SPENDING 2014 - 2020

\$49.00