

Minutes

Point Roberts Public Hospital District

Friday November 12, 2021

Call to Order:

The meeting was called to order at 2:01 p.m. by Stephen Falk, Commissioner (via Zoom)

Attending:

Commissioners: Kandace Harper, Stephen Falk, Richard Dennis
Superintendent: Barbara Wayland
Financial Advisor: Paulette Ladner
Recording Secretary: Farrah Carsten

Introduction of Guests:

Alexandra Wiley, Sara Oggel

Business:

Discussion and Approval of 2022 PRPHD Budget and Levy Amount

2022 Budget - Discussion:

For reference on the budget sheet, the darker blue column represents 2021, the green column represents 2022 (if amounts are accepted), the light blue column represents 2021 extrapolated (what we know has been spent for $\frac{3}{4}$ of the current year per the county), the white column represents 2021 YE total extrapolated = what we know we received for $\frac{3}{4}$ of the year and decide what the amounts will probably be at the end of the 4th quarter.

Income:

#4040 – Other Tax Revenue: \$25.00 was budgeted because we haven't received much from this category in the past. This year we received a fair amount. This could be people's taxes that are finally getting paid, but it's a very uneven amount of money. The amount wasn't increased because it might still be \$25.00.

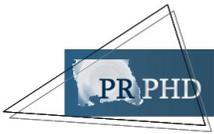
#4030 – Previous Year Tax Revenue: Represents the money that wraps around the end of the year because the taxes are being paid for the second half of this year by people that have just now paid them.

#4420 – Donations: Haven't received donations = 0

#4425 – Medicaid Transformation Project: Haven't received any monies for approximately 18 months = 0

#4400 – Other Revenue: Not sure what it represents.

#4440 – Interest Revenue: It was budgeted for quite a bit. It has gone down due to interest on accounts decreasing. It was kept in accordance to what we received this year.



#4450 – Rental Income: No funds being received in this category

The total we see coming in potentially for this upcoming year is the amount of money from the levy, and the best guess of what we see which is just under \$300k. To be exact = \$298,439.00

The taxing district shows the inflation percentage for 2022 will be 3.86%. The previous year's levy was \$277,525.89. We receive a refund \$1,045.31. Previous year's actual levy was \$278,571.20. That legal increase of 1% would equal \$280,301.15. The actual increase amount would be \$1,729.95 from the previous year.

Richard asked for clarification on the levy increases. Barbara read off the forms she had received from the county:

1% increase over previous years levy = \$280,301.15
Actual levy = \$1,729.95 (previous year levy + 1% which would be .62101%)

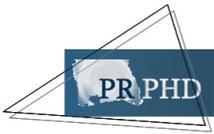
Richard asked why if the levy increase would equal \$280,301.15 then why is line #4020 (Current Year Tax Revenue) for 2022 at \$281,814.67

Per Stephen, Kathy Zegers explained there's a 1% increase, you can also choose to recapture the refund amount that Barbara mentioned, can add categories for new construction, change in valuation of certain properties. All three of those items could be added in to the 1% levy increase total, should you choose to add them in.

The previous years levy which equals \$147.89 was added in by Barbara, the county also sent her an amount for what the new construction tax portion would be. The amount of \$281.814.67 includes the levy, the refund and the potential new construction.

Expenses:

#5025 - Contingency Fund: \$10k for 2021 and will remain the same for 2022. The contingency fund was originally set up in the past due to an unforeseen event that happened and that could have potentially caused more expense. The decision was made by the commissioners to set up this fund. Originally it was set up by the commissioners to widen the clinic by 10 feet, but it wasn't used and is collecting interest. Per Stephen, the funds should be reflected on the budget even if it's allocated to the contingency fund or a construction fund.



Richard noted that current assets in checking and savings accounts, including the general fund investment, the general expense, the reserve fund investment, the capital fund = \$377,736.30 as of the Sept 30th balance sheet. He questioned why there is a need to add another \$10k to that. The budget could be amended if needed, if it's required. That can be done at any time and the Hospital District has the cash.

Stephen said we could choose to allocate the entire asset base in the budget. We would be allocating the incoming revenue for the coming year as well as that amount of \$370k that's sitting in various accounts. Call it a contingency fund, emergency fund, building fund, miscellaneous fund. The \$10k doesn't necessarily mean it will be added at the end of the year. It can be left as a placeholder or we can just remove it completely.

- Richard said the commissioners should come back to this because of the need to match the total income to total expenses on our budget. For example, if we decide to decrease the amount of the revenues, we will need to shave something from the expenses.

#5410 – Wages: Amount was adjusted due to Superintendent's hours increasing also added a provision for a \$1/hr increase for a possible raise.

#5635 – SUTA, L&I: (Workman's Comp & FICA) The county bills us directly for this.

#5620 – Recognition Costs: Staff appreciation dinners or in this year's case as last years, gift baskets will be given out due to Covid.

#5610 – Accounting: Paulette's wages are based on the 10 hrs per month she works for the District. A provision of a \$1/hr raise was factored in case she raised her rates.

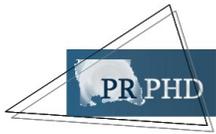
#5611 - Audits: Covers the audits the State/County charges us to do that happens periodically.

#5615 – Advertising: Covers what the Hospital District advertises for, not what SuperTrack advertises.

#5685 - Liability Insurance: Not sure what it will be for the liability provider, especially if we change providers in 2022. But it covers all 3 policies.

#5720 - Legal Expense: Haven't had to use it due to the pandemic. In the past it was used for legal advice based on certain District policy issues and consulting fees.

#5750 - Election Expense: We can shave this off since there isn't an upcoming election.



#5760 - Rent: This is based on the bill we have from last year. Last year it was 1.4%, 1.5% is being factored in for 2022.

#5765 - Repair & Maintenance: This covers the copier that the District is still responsible for.

- Richard brought up equipment that belongs to the District versus what belongs to SuperTrack. He wants this item highlighted to discuss again.

#5775 - Web Host & Computer Backup: GoDaddy is hosting our website. The computer backup is Carbonite that auto backups the District owned computers so that data is not lost.

#5800 – Dues/Licenses: WA Association of Public Hospital Districts & Hospital Association

#5810 – Cleaning Supplies: Heather supplies her own cleaning materials however there could come a time when we would have to provide our own. Or we may have to replace pieces of equipment for mopping the place, etc.

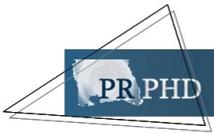
#5830 – Computer Software Subscriptions: Microsoft 365, Anti-Virus

Richard's highlights:

- **#5765 - Repair & Maintenance:** Would like to see this number cut back by \$1k and bring it to \$550
- **#5025 - Contingency Fund:** If the commissioners agreed to freeze the revenues at last year's levy amount, it would reduce total revenue by approximately \$3,200 and we could take \$1k off the repair & maintenance and \$2k off the contingency fund, giving the District a balanced budget.

Levy Increase:

Stephen agrees with moving the \$1k from Repairs & Maintenance and moving it to the Contingency fund to have it balance out. He doesn't see any advantage for the public or the District to not maintain growing and increasing our reserves. The District is not making huge increases and is being prudent with the money being received. Should the District lose the current location and need to rent or build something else, we would have to borrow money which would cost us far more. Or should SuperTrack leave and no one else comes forward and we find ourselves having to operate the clinic ourselves, it would be wise to have continue, maintain and slightly expand our reserves. Stephen favors the levy increase.



Kandace agrees with Stephen to keep the budget as it is except the \$1k being removed from repairs & maintenance (she was indifferent to it), but she agrees to keep the levy funding. Expense wise, building wise, or if SuperTrack were to pull out of Point Roberts in the future.

Richard proposed a \$0 increase in the rate, he noted that three statewide taxes were repealed by voters in the last election. It's been a tough time with the pandemic. He feels it would be a good measure to communicate to the community that we are going to hold the line here and not do an increase.

Motion: Resolution 2021-02 - Approval of 1% levy increase for 2022
2-1 in favor of approval. Richard voted against.

Motion carried

Motion: Resolution 2021-01 - Approval of 2022 Budget
2-1 in favor of approval. Richard voted against.

Motion carried

Next Regular Meeting: Wednesday December 8th, 2021 @ 7:00 pm via ZOOM

Meeting adjourned: 3:13 p.m.

Minutes approved verbally at the following month's ZOOM meeting

Stephen Falk

Kandace Harper

Richard Dennis

Farrah Carsten