2027 Budget Assumptions & Explanations

Lease rate increases, partially offset by terminated leases.
Projected increase based on historical collections; pending updated County estimates.

Includes prior-year merit adjustments and a 3.6% COLA effective July.
Increase primarily reflects higher salaries, payroll taxes, retirement contributions, and workers' compensation
Removal of $80,000 in construction support services, removal of Jacques consulting, partially offset by other
Adjusted based on 2026 actual expenditures.
Changes in software, vendor contracts, and reclassification of professional services.
Budget maintained to allow for anticipated expenses with one addition for District computer replacement.
Budget maintained for anticipated maintenance needs.
Adjusted based on 2026 actual expenditures and projected service costs. Reclass tower electric to CIP.
Increase reflects warehouse and storage rental adjustments.
Decrease reflects premiums lower than originally budgeted in 2026.
Decrease primarily reflects removal of tenant property taxes from the District's budget.

Changes due to asset additions, retirements, and assets becoming fully depreciated.
Increase based on projected GO bond tax collections.

Decrease reflects scheduled GO and revenue bond interest payments.
2027 budget reflects higher beginning investment balances and fewer anticipated CIP expenditures resulting in less investment withdrawals and higher projected interest income.
One-time property sale in 2026; no comparable revenue budgeted for 2027.
2026 amount pending reclassification to Other Operating Revenue.

TULARE LOCAL HEALTHCARE DISTRCT
BUDGET COMPARISON

	2026 Budgeted Amounts	2026 Annualized	2027 Budgeted Amounts	$ Inc/(Dec) Budget 2026 to Budget 2027	% Change Budget 2026 to Budget 2027	$ Inc/(Dec) 2026 Annualized to Budget 2027	% Change 2026 Annualized to Budget 2027
OPERATING REVENUE							
Rental Revenue	$ 3,049,752	$ 2,996,561	$ 3,117,773	$ 68,022	2%	$ 121,212	4%
Property Tax Revenue	$ 3,003,744	$ 3,003,746	$ 3,141,845	$ 138,101	5%	$ 138,098	5%
Other Operating Revenue	$ 1,200	$ 31,043	$ 1,200	$ -	0%	$ (29,843)	-96%
TOTAL REVENUE	**$ 6,054,696**	**$ 6,031,350**	**$ 6,260,818**	**$ 206,122**	**3.40%**	**$ 229,468**	**4%**
OPERATING EXPENSES							
Salaries & Wages	$ 566,455	$ 548,063	$ 604,600	$ 38,144	7%	$ 56,536	10%
Employee Benefits	$ 129,147	$ 130,540	$ 147,598	$ 18,451	14%	$ 17,059	13%
Professional Fees	$ 114,600	$ 33,291	$ 43,480	$ (71,120)	-62%	$ 10,189	31%
Legal Fees	$ 150,000	$ 135,150	$ 144,500	$ (5,500)	-4%	$ 9,350	7%
Purchased Services	$ 343,177	$ 303,335	$ 332,697	$ (10,480)	-3%	$ 29,362	10%
Supplies	$ 8,760	$ 7,850	$ 10,760	$ 2,000	23%	$ 2,910	37%
Repairs & Maintenance	$ 3,600	$ -	$ 3,600	$ -	0%	$ 3,600	N/A
Utilities & Phone	$ 38,984	$ 30,502	$ 22,093	$ (16,891)	-43%	$ (8,409)	-28%
Building & Equipment Rental	$ 102,324	$ 101,782	$ 106,586	$ 4,263	4%	$ 4,804	5%
Insurance	$ 266,726	$ 255,145	$ 251,128	$ (15,598)	-6%	$ (4,017)	-2%
Other Operating Expenses	$ 30,500	$ 14,894	$ 23,600	$ (6,900)	-23%	$ 8,706	58%
TOTAL EXPENSES BEFORE D&A	**$ 1,754,273**	**$ 1,560,552**	**$ 1,690,642**	**$ (63,631)**	**-4%**	**$ 130,090**	**8%**
EBITDA	**$ 4,300,422**	**$ 4,470,797**	**$ 4,570,176**	**$ 269,754**	**6%**	**$ 99,378**	**2%**
NON OPERATING REVENUE AND EXPENSES							
Depreciation Expense	$ (750,764)	$ (686,131)	$ (722,328)	$ 28,436	-4%	$ (36,197)	5%
GO Bond Revenue	$ 4,512,804	$ 4,512,800	$ 4,705,400	$ 192,596	4%	$ 192,600	4%
Bond-Related Amortization	$ 665,172	$ 662,741	$ 665,177	$ 4	0%	$ 2,435	0%
Bond Interest Expense	$ (3,118,332)	$ (3,118,333)	$ (3,003,431)	$ 114,901	-4%	$ 114,901	-4%
Investment Interest Income	$ 427,161	$ 841,905	$ 475,558	$ 48,398	11%	$ (366,347)	-44%
Gains/Losses on Sale of Property	$ -	$ 86,491	$ -	$ -		$ (86,491)	-100%
Extraordinary Revenue/Expenses	$ -	$ (157)	$ -	$ -		$ 157	-100%
TOTAL NON OPERATING	**$ 1,736,041**	**$ 2,299,316**	**$ 2,120,376**	**$ 384,335**	**22%**	**$ (178,941)**	**-8%**
INCREASE (DECREASE) IN NET POSITION	**$ 6,036,463**	**$ 6,770,114**	**$ 6,690,552**	**$ 654,088**	**11%**	**$ (79,562)**	**-1%**

TULARE LOCAL HEALTHCARE DISTRICT
2027 DRAFT BUDGET

DESCRIPTION	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTALS
OPERATING REVENUE													
Rental Revenue	$ 257,860	$ 257,860	$ 257,909	$ 257,941	$ 257,941	$ 257,941	$ 258,163	$ 258,216	$ 258,216	$ 265,242	$ 265,242	$ 265,242	$ 3,117,773
Property Tax Revenue	$ 261,820	$ 261,820	$ 261,820	$ 261,820	$ 261,820	$ 261,820	$ 261,820	$ 261,820	$ 261,820	$ 261,820	$ 261,820	$ 261,820	$ 3,141,845
Other Operating Revenue	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 100	$ 1,200
TOTAL OPERATING REVENUE	**$ 519,781**	**$ 519,781**	**$ 519,829**	**$ 519,861**	**$ 519,861**	**$ 519,861**	**$ 520,083**	**$ 520,137**	**$ 520,137**	**$ 527,163**	**$ 527,163**	**$ 527,163**	**$ 6,260,818**
OPERATING EXPENSES													
Salaries & Wages	$ 47,517	$ 45,017	$ 52,519	$ 50,018	$ 47,517	$ 50,018	$ 51,999	$ 51,999	$ 51,999	$ 49,408	$ 51,999	$ 54,590	$ 604,600
Employee Benefits	$ 13,031	$ 11,287	$ 12,585	$ 12,070	$ 11,555	$ 12,070	$ 12,500	$ 12,500	$ 12,500	$ 11,967	$ 12,500	$ 13,033	$ 147,598
Consulting Fees	$ 2,890	$ 990	$ 14,990	$ 9,890	$ 990	$ 1,990	$ 2,890	$ 990	$ 1,990	$ 2,890	$ 990	$ 1,990	$ 43,480
Legal Fees	$ 12,125	$ 12,000	$ 12,000	$ 12,125	$ 12,000	$ 12,000	$ 12,125	$ 12,000	$ 12,000	$ 12,125	$ 12,000	$ 12,000	$ 144,500
Purchased Services	$ 27,876	$ 27,111	$ 27,111	$ 30,361	$ 27,111	$ 27,118	$ 28,288	$ 27,198	$ 27,198	$ 28,933	$ 27,198	$ 27,194	$ 332,697
Supplies	$ 730	$ 730	$ 730	$ 730	$ 730	$ 2,730	$ 730	$ 730	$ 730	$ 730	$ 730	$ 730	$ 10,760
Repairs & Maintenance	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 300	$ 3,600
Utilities & Phone	$ 1,561	$ 1,561	$ 1,561	$ 1,561	$ 1,561	$ 1,561	$ 2,122	$ 2,122	$ 2,122	$ 2,122	$ 2,122	$ 2,122	$ 22,093
Building & Equipment Rental	$ 8,764	$ 8,764	$ 8,764	$ 8,906	$ 8,906	$ 8,906	$ 8,906	$ 8,934	$ 8,934	$ 8,934	$ 8,934	$ 8,934	$ 106,586
Insurance	$ 20,627	$ 20,627	$ 20,627	$ 20,627	$ 20,627	$ 20,627	$ 21,228	$ 21,228	$ 21,228	$ 21,228	$ 21,228	$ 21,228	$ 251,128
Other Operating Expenses	$ 400	$ 400	$ 5,400	$ 400	$ 400	$ 400	$ 400	$ 7,400	$ 400	$ 4,200	$ 400	$ 3,400	$ 23,600
TOTAL OPERATING EXPENSES BEFORE D&A	**$ 135,821**	**$ 128,786**	**$ 156,586**	**$ 146,987**	**$ 131,697**	**$ 137,719**	**$ 141,487**	**$ 145,400**	**$ 139,400**	**$ 142,836**	**$ 138,400**	**$ 145,520**	**$ 1,690,642**
EBITDA	**$ 383,959**	**$ 390,995**	**$ 363,243**	**$ 372,874**	**$ 388,164**	**$ 382,142**	**$ 378,596**	**$ 374,736**	**$ 380,736**	**$ 384,326**	**$ 388,762**	**$ 381,642**	**$ 4,570,176**
NON OPERATING REVENUES AND EXPENSES													
Depreciation Expense	$ (59,417)	$ (59,417)	$ (58,945)	$ (58,945)	$ (60,927)	$ (60,927)	$ (60,298)	$ (60,298)	$ (61,102)	$ (61,102)	$ (60,475)	$ (60,475)	$ (722,328)
GO Bond Revenue	$ 392,117	$ 392,117	$ 392,117	$ 392,117	$ 392,117	$ 392,117	$ 392,117	$ 392,117	$ 392,117	$ 392,117	$ 392,117	$ 392,117	$ 4,705,400
Bond-Related Amortization	$ 55,431	$ 55,431	$ 55,431	$ 55,431	$ 55,431	$ 55,431	$ 55,431	$ 55,431	$ 55,431	$ 55,431	$ 55,431	$ 55,431	$ 665,177
Bond Interest Expense	$ (250,286)	$ (250,286)	$ (250,286)	$ (250,286)	$ (250,286)	$ (250,286)	$ (250,286)	$ (250,286)	$ (250,286)	$ (250,286)	$ (250,286)	$ (250,286)	$ (3,003,431)
Investment Interest Income	$ 56,353	$ 53,368	$ 55,553	$ 51,194	$ 52,782	$ 41,549	$ 37,909	$ 39,023	$ 27,035	$ 23,149	$ 24,264	$ 13,378	$ 475,558
TOTAL NON OPERATING REVENUE & EXPENSES	**$ 194,198**	**$ 191,213**	**$ 193,871**	**$ 189,511**	**$ 189,118**	**$ 177,884**	**$ 174,873**	**$ 175,988**	**$ 163,195**	**$ 159,309**	**$ 161,051**	**$ 150,165**	**$ 2,120,376**
INCREASE/(DECREASE) IN NET POSITION	**$ 578,158**	**$ 582,207**	**$ 557,114**	**$ 562,384**	**$ 577,282**	**$ 560,026**	**$ 553,469**	**$ 550,724**	**$ 543,931**	**$ 543,636**	**$ 549,813**	**$ 531,808**	**$ 6,690,552**