

WEST CUSTER COUNTY HOSPITAL DISTRICT

General Fund Budget

January 1, 2020 through December 31, 2020



S. Ann Evans, certify that this is a true and accurate copy of the adopted budget of the West Custer County Hospital District.

	2018 Actual	2019 Estimated	2020 Proposed	% Variance 2019-2020	\$\$ Variance 2019-2020
REVENUE					
Operating Revenues					
400 Clinic Revenue	937,370	968,982	1,099,440	13.46%	130,458
300 Lab Revenues	326,839	278,663	318,838	14.42%	40,175
420 Pharmacy Revenue	40,934	43,332	45,077	4.03%	1,745
450 Physical Therapy Revenue	330,156	329,297	350,701	6.50%	21,404
600 X-Ray Fees	23,827	24,298	28,585	17.65%	4,288
700 Optometry Revenues	14,769	10,826	10,175	-6.01%	(651)
Less Disallowed	(864,250)	(888,756)	(974,589)	9.66%	(85,833)
150 Ambulance Revenue	618,804	688,300	650,000	-5.56%	(38,300)
Less Disallowed	(373,970)	(431,936)	(362,700)	-16.03%	69,236
Net Operating Revenue	1,054,478	1,023,004	1,165,527	13.93%	142,522
Non-Operating Revenues					
General Property Tax	736,837	741,134	809,656	9.25%	68,522
Specific Ownership Tax	112,330	101,395	104,718	3.28%	3,323
Interest Earned	12,737	11,885	12,204	2.68%	319
Contrib & Donations - Noncapital	27,729	22,085	20,632	-6.58%	(1,452)
Supplies Sold	2,393	1,738	2,624	50.91%	885
Grants - Noncapital	12,223	8,184	68,255	734.01%	60,071
Rental Income	450	9,900	900	-90.91%	(9,000)
Other Non-Operating Revenue	92,770	91,212	79,899	-12.40%	(11,314)
Total Non-Operating Revenues	997,471	987,533	1,098,887	11.28%	111,354
Total Revenue	2,051,949	2,010,537	2,264,413	12.63%	253,876
EXPENDITURES					
100 Administrative	292,122	312,364	344,319	10.23%	31,955
150 Ambulance	571,209	624,738	742,220	18.81%	117,483
200 Central	165,490	185,896	175,357	-5.67%	(10,539)
300 Lab	103,754	101,843	100,243	-1.57%	(1,600)
350 Maintenance	65,610	64,901	72,286	11.38%	7,385
400 Medical	510,224	521,557	559,796	7.33%	38,239
420 Pharmacy	27,083	27,303	29,000	6.22%	1,697
450 Physical Therapy	122,882	123,968	129,605	4.55%	5,636
600 Xray	15,227	4,262	6,720	57.66%	2,458
700 Optometry	6,075	4,813	5,425	12.73%	613
990 Other Non-Operating Expenditures	42,123	47,206	49,466	4.79%	2,260
Total Expenditures	1,921,799	2,018,850	2,214,437	9.69%	195,587
Net Profit (Loss) Accrual Basis	130,151	(8,313)	49,976	-701.16%	58,290
Add Depreciation Expense	106,422	118,545	122,661	3.47%	4,116
Add Capital Asset Grants, Contrib & Donations	97,148	4,630	106,700	2204.72%	102,070
Deduct Capital Asset Expenditures	(125,399)	(115,098)	(168,700)	46.57%	(53,602)
Net Profit (Loss) Modified for Capital Items	208,322	(237)	110,638	-46848.81%	110,874
Beginning Unrestricted Fund Balance	471,004	580,490	580,253	-0.04%	(237)
Ending Unrestricted Fund Balance	580,490	580,253	690,891	19.07%	110,638

WEST CUSTER COUNTY HOSPITAL DISTRICT

January 1, 2020 through December 31, 2020

SUPPLEMENTAL STATEMENTS

	2018	2019	2020	% Variance	\$\$ Variance
CAPITAL ASSET BUDGET	Actual	Estimated	Proposed	2019-2020	2019-2020
Capital Asset Funding From Outside Sources					
Grants - Capital	97,148	3,195	102,000	3092.49%	98,805
Contrib & Donations - Capital	-	1,435	4,700	227.61%	3,265
Total Capital Asset Funding From Outside Sources	97,148	4,630	106,700	2204.72%	102,070
Capital Asset Expenditures					
100 Administrative	-	-	-		
150 Ambulance	114,797	7,760	112,000	1343.38%	104,240
200 Central	6,800	99,140	3,500	-96.47%	(95,640)
300 Lab	-	-	-	#DIV/0!	-
350 Maintenance	2,986	7,384	12,500	69.28%	5,116
400 Medical	-	814	16,200	1889.73%	15,386
420 Pharmacy	-	-	-	#DIV/0!	-
450 Physical Therapy	816	-	2,000	#DIV/0!	2,000
600 Xray	-	-	22,500	#DIV/0!	22,500
700 Optometry	-	-	-	#DIV/0!	-
Total Capital Asset Expenditures	125,399	115,098	168,700	46.57%	53,602
Capital Asset Funding From Outside Sources Over (Under) Capital Asset Expenditures	(28,251)	(110,468)	(62,000)	-43.88%	48,468
RESTRICTED FUND BALANCES					
Beginning Restricted Fund Balance					
Emergency Reserve	52,000	52,000	54,000	3.85%	2,000
Other Unexpended Restricted	1,188	1,194	-	-100.00%	(1,194)
Ending Restricted Fund Balance	53,188	53,194	54,000	1.52%	806
Ending Restricted Fund Balance					
Emergency Reserve	52,000	54,000	56,000	3.70%	2,000
Other Unexpended Restricted	1,194	-	-	#DIV/0!	-
Ending Restricted Fund Balance	53,194	54,000	56,000	3.70%	2,000

2020

BUDGET MESSAGE

WEST CUSTER COUNTY HOSPITAL DISTRICT

West Custer County Hospital District (WCCHD) is a federally licensed independent Rural Health Center providing health-care services for citizens of Custer County and surrounding communities. The clinic is located at 704 Edwards Avenue, Westcliffe, Colorado, 81252. WCCHD is a Governmental Agency formed as a Special District in the State of Colorado and financially supported with local taxes.

The clinic employs primary care providers to deliver preventative, chronic, and acute care to the patients. Additional services that are provided at least two days a week at the Custer County Clinic include laboratory services, physical therapy, X-ray, and other health services. Specialty healthcare services that are provided on a periodic basis include ophthalmology and orthopedic health services.

The WCCHD also operates Custer County Ambulance Service, also known as Custer County EMS, and provides 24 hour emergency care utilizing a contracted emergency medical director and a team of EMT's and paramedics.

The WCCHD has been actively pursuing a partnership with Heart of the Rockies Regional Medical Center to become a provider based rural health center. It is anticipated that this type of partnership will have positive financial and economical benefits to the clinic facility through increased reimbursement rates and clinical support and oversight as well as increased salaries and benefits for the staff. This will benefit the community by potentially providing more stability of staff, the finances needed to hire a full-time medical doctor, increased access to specialty care and long-term stability for medical care to the community. The goal is to finalize this partnership in 2020. However, to present a budget that could reflect the financial impact of that partnership in 2020 is not attainable at this time. Therefore, the 2020 budget is presented using normal historical operating processes. Should the partnership occur in 2020, an amended 2020 budget will be presented if necessary.

The West Custer County Hospital District uses the modified accrual basis of accounting.

Descriptions of the important features of the budget are listed below:

REVENUES:

Clinic Revenue is fees charged for services provided by the clinic.

Lab Revenue is fees charged for lab services.

Pharmacy Revenue is fees charged for pharmacy services.

Physical Therapy Revenue is fees charged for physical therapy services.

X Ray Revenue is fees charged for x-rays.

Optometry Revenue is fees charged for optometry services, performed by the contracted optometrist.

Ambulance Revenue is those fees charged for services provided by the ambulance corps.

Less Disallowed is a contra-revenue account to estimate the contractual write-down of patient fees required by Medicaid, Medicare and Insurance companies.

General Property Tax is the money collected from the mill levy and includes both Custer and Fremont Counties.

Specific Ownership Tax is tax revenue collected by the counties on specific purchases and distributed based upon assigned mill levies. Budget is based on prior year experience of the Hospital District for tax collected and received from Fremont and Custer Counties.

Interest Earned is an estimate of possible earnings from funds deposited in banks from checking and savings accounts.

Contributions & Donations – Non Capital is an estimate of possible earnings from donors. These funds may be restricted or unrestricted in nature. Any funds received that are restricted for capital purchases are disclosed in the capital budget section.

Supplies Sold is estimated revenue for miscellaneous items distributed to patients such as crutches or braces.

Grants – Non Capital is an estimate of any grants that the WCCHD believes they will receive in the budget year. Any grant funds received that are restricted for capital purchases are disclosed in the capital budget section.

Rental Income is from any space within the clinic that is rented out to others, such as the orthopedic health office.

Other Non- Operating Revenue includes any other sources of income that may be received, such as from the Medicare Cost Report or Medicare/Medicaid Incentive Programs.

OPERATING EXPENDITURES:

Administration includes full time wages for the Administrator, Financial Officer, Receptionist, Healthcare Coordinator, and Office Manager. It also includes FICA benefits, workers compensation, unemployment and medical insurance benefits for the benefited administration staff. Office supplies, legal, info tech, and marketing are also included in this category.

Ambulance expenses include payments to ambulance personnel and their respective payroll taxes and insurance benefit costs along with an allocation of ambulance administrative oversight. Operating and maintenance and repair supplies and insurance on the ambulance vehicles are also included here. Utilities and telephone expenses are for the ambulance barn. Professional fees are for the outside billing service software, contracting billing services and the contracted Emergency Medical Director.

Bad debts are an estimate of the amount of ambulance fees charged that may be uncollectible during the year. Other insurance costs include errors and omissions coverage for the board, professional liability and fire and property coverage. A portion of the annual audit fee is also allocated.

Central is service and supply expenses and includes general costs incurred in clinic operations. Operating supplies include postage and printing and copy supplies. Repair and maintenance costs are for office machines. Telephone includes the maintenance on the phone equipment and phone charges. Professional services are items budgeted for the annual audit, collections costs, legal and accounting fees, and the outside clinic billing service. Insurance and bonding includes errors and omissions coverage for the board, professional liability and fire and property coverage on WCCHD property. Bad debts are an estimate of the amount of clinic fees charged and unpaid that may be turned into bad debt during the year.

Lab expenses include lab tech salaries along with the related payroll taxes. Lab also includes the equipment and supplies necessary to provide and maintain lab services to the patients of the clinic. Professional services for lab include costs incurred to ensure the lab maintains its required certifications.

Maintenance expenses include wages for janitorial and maintenance personnel and related payroll taxes, cleaning supplies, building repair and maintenance supplies and building utilities.

Medical expenses are those related to treating patients at the clinic. Salaries include the Medical Director, nurse practitioners, nurses, and medical assistant and are included in this category. It also includes FICA benefits, unemployment and medical insurance benefits for those that receive benefits. Operating supplies are used in treating and providing service to patients. Insurance expenses provide malpractice coverage for the medical staff.

Pharmacy expenses are the costs for purchasing and delivering necessary pharmacy supplies provided to patients.

Physical Therapy expense includes salaries for three part-time physical therapists and one part-time office assistance along with their related payroll taxes. Operating supplies are those supplies necessary for therapy services and also any related licenses, training and marketing.

X-Ray expenses are made up of operating costs and repair and maintenance inspections. It also includes the wages and payroll taxes for part-time X-Ray Technician personnel.

Optometry expenses are made up of the amount of contract labor paid to an outside optometrist for services rendered.

Other Non Operating expense includes other expenses such as staff meetings or other staff miscellaneous expenses. Other non-operating also includes county treasurer collection fees assessed from the collection and distribution of general property tax.

Depreciation expense is also included in each service area that has a depreciable item.

FUND BALANCES:

Beginning Unrestricted Fund Balance is estimated unrestricted cash to be carried forward from the previous fiscal year.

Ending Unrestricted Fund Balance is estimated unrestricted cash to be carried forward into the next fiscal year.

Beginning Restricted Fund Balance is estimated restricted cash that was reserved for government mandated emergency reserves and any other restricted funds that had been received in prior fiscal periods but not yet expended.

Ending Restricted Fund Balance is estimated restricted cash that is reserved for government mandated emergency reserves and any other restricted funds that had been received in current and/or prior fiscal periods but not yet expended.

CAPITAL BUDGET:

The WCCHD capital budget assumes that any capital asset funding not met by outside funding sources will be funded thru net revenues. This budget also assumes there will be no unexpended restricted capital funding sources.

Contributions & Donations- Capital revenue is an estimate of possible earnings from donors for capital purchases.

Grants - Capital revenue is an estimate of any grants that the District believes they will receive in the budget year that are restricted for capital purchases.

Capital Expenditures are the gross amount of funds needed by area to purchase depreciable items.

RESOLUTION # 2020-1
RESOLUTION TO ADOPT BUDGET

A resolution summarizing expenditures and revenues for each fund and a budget for the West Custer County Hospital District, Colorado, for the calendar year beginning on the first day of January 2020 and ending on the last day of December 2020.

WHEREAS, the Board of Directors of the West Custer County Hospital District has appointed Lisa Drew, Budget Officer, to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, Theresa Kennedy, Finance Manager, has submitted a proposed budget to this governing body on October 14, 2019, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held October 31, 2019, and interested taxpayers were given the opportunity to file or register any objections to said budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues to that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WEST CUSTER COUNTY HOSPITAL DISTRICT, COLORADO:

Section 1. That estimated expenditures for each fund are as follows:

General Fund – Operating Expenses	\$2,214,437
General Fund – Capital Expenses	\$62,000
Restricted Fund – Capital Expenses	\$106,700

Section 2. That estimated revenues for each fund are as follows:

General Fund	
From unappropriated surplus	\$662,053
From sources other than general property tax	\$1,454,757
From the general property tax	\$809,656
Restricted Fund-Capital	
From Restricted Grants, Contrib And Donations - Capital	\$106,700

Section 3. That the budget as submitted, amended, and hereinabove summarized by fund, hereby is approved and adopted as the budget of the West Custer County Hospital District for the year stated above.

Section 4. That the budget hereby approved and adopted shall be signed by the Treasurer and Chairman of the Board and made part of the public records of the District.

ADOPTED, this 31st day of October, A.D., 2019.

ATTEST:



Robert Tobin, Chairman of the Board



S. Ann Evans, Treasurer

BUDGET RESOLUTION # 2020-2
RESOLUTION TO SET MILL LEVIES

A resolution levying general property taxes for the year 2020, to help defray the costs of government for the West Custer County Hospital District, Colorado for the 2020 budget year.

WHEREAS, the Board of Directors of the West Custer County Hospital District has adopted the annual budget in accordance with Local Government Budget Law on October 31, 2019, and;

WHEREAS, the amount of money necessary to balance the budget for general operating and debt service expenses is \$809,656, and;

WHEREAS, the 2019 valuation for assessment for the West Custer County Hospital District as certified by the Custer County Assessor is \$101,868,100 and as certified by the Fremont County Assessor is \$516,304

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE DIRECTORS OF THE WEST CUSTER COUNTY HOSPITAL DISTRICT, COLORADO:

Section 1. That for the purpose of meeting all general operating expenses of the West Custer County Hospital District during the 2020 budget year, there is hereby levied a tax of 7.908 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2020.

Section 2. That the Secretary is hereby authorized and directed to immediately certify to the Colorado Commissioners of Custer County and Fremont County, Colorado, the mill levies for the West Custer County Hospital District as hereinabove determined and set.

ADOPTED, this 31st day of October A.D., 2019

ATTEST:



Robert Tobin, Chairman of the Board



S. Ann Evans, Treasurer

BUDGET RESOLUTION # 2020-3
RESOLUTION TO APPROPRIATE SUMS OF MONEY

A resolution appropriating sums of money to the various funds and spending agencies, in the amounts and for the purpose as set forth below, for the West Custer County Hospital District, Colorado, for the 2020 budget year.

WHEREAS, the Board of Directors has adopted the annual budget in accordance with the Local Government Budget Law, on October 31, 2019, and;

WHEREAS, the Board of Directors has made provision therein for revenues in the amount equal to or greater than the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purpose described below, so as not to impair the operations of the District.

NOW, THEREFORE, be it resolved by the Board of the Directors of the West Custer County Hospital District, Colorado:

Section 1. That the following sums are hereby appropriated from the revenue of each fund, to each fund and for the purposes stated;


General Fund – Operating Expenses	\$2,214,437
General Fund – Capital Expenses	<u>\$ 62,000</u>
Total General Fund	<u>\$2,276,437</u>
Restricted Fund – Capital Expenses	<u>\$ 106,700</u>
Total Restricted Fund – Capital	<u>\$ 106,700</u>

ADOPTED THIS, 31st day of October, A.D., 2019

ATTEST:



Robert Tobin, Chairman of the Board



S. Ann Evans, Treasurer