

**APPROVED BY BOARD
JUNE 26, 2014**

**PENINSULA HEALTH CARE DISTRICT
Operating Budget 2014-2015**

FUNDS RECEIVED & USED ANNUALLY (Summary)

| | Revised 06/18/2014 | | |
|---|------------------------------|-------------------------|----------------------------|
| | July 2013 - June 2014 | | July 2014-June 2015 |
| | Budget | Estimated Actual | Proposed Budget |
| FUNDS RECEIVED | | | |
| Tax Contributions | 4,600,000 | 4,987,812 | 4,750,000 |
| Rental Income | 2,241,386 | 2,253,124 | 2,245,000 |
| Investment Income | 318,500 | 589,228 | 508,500 |
| Other | 5,000 | 11,209 | 5,000 |
| TOTAL FUNDS RECEIVED | 7,164,886 | 7,841,373 | 7,508,500 |
| FUNDS USED FOR OPERATIONS | | | |
| Community Health Investments | 2,150,000 | 2,142,048 | 2,000,000 |
| Administrative & Overhead | 424,350 | 415,797 | 445,500 |
| Outside Services & Communications | 353,750 | 320,387 | 330,000 |
| Other Expenses, Services & Fees (Misc.) | 137,400 | 123,077 | 319,850 |
| Real Estate Expenses | 165,500 | 155,283 | 110,510 |
| TOTAL FUNDS USED FOR OPERATIONS | 3,231,000 | 3,156,592 | 3,205,860 |
| NET ADDITION TO BOARD RESERVES FROM OPERATIONS | 3,933,886 | 4,684,781 | 4,302,640 |
| FUNDS USED FOR APPROVED PROJECTS | | | |
| ACE Program | 2,300,000 | 2,300,000 | 0 |
| Healthy Schools Initiative | 1,650,000 | 1,278,700 | 1,700,000 |
| Apple Tree Dental | | 649,359 | 1,350,641 |
| TOTAL FUNDS FOR PROJECTS | 3,950,000 | 4,228,059 | 3,050,641 |
| NET ADDITION (REDUCTION) OF BOARD RESERVES | (16,114) | 456,722 | 1,251,999 |

Targets set by Board Finance Policy

Budget Results

| | Achieved | Target | Budget |
|--|-----------------|------------------------------|--|
| 1) EBIDA margin of 12% or higher [Budgeted revenue X (1-12%) + depreciation = Total Expense Budget] | Achieved | <\$6,722,480 | \$6,256,501 |
| 2) Excess margin of 7% or higher [Budgeted revenue X (1 minus 7%) = Total Expense Budget] | Achieved | <\$6,982,905 | \$6,256,501 |
| 3) Days Cash on Hand 265 days or greater [Operating Exp. only: \$3,205,860 ÷ 365 = \$8,783 X 265 = \$2,327,542] [Total Expense: \$6,256,501 ÷ 365 = \$17,141 X 265 = \$4,542,391] | Exceeded | \$ 2,327,542 \$ 4,542,391 | \$26M Unrestricted Cash \$26M Unrestricted Cash |
| 4) Debt service coverage ratio 2.0 times or above - a) Debt service covenant for The Trousdale kicks in 6/30/16 b) \$44M total reserves minus (\$15M equity commitment for the Trousdale + \$3M in Torrey Pines per loan agreement) = \$26M | N/A | | N/A |