

**APPROVED**  
**Eden Health District**  
**Fiscal Year 2023 Budget**

**Financial Highlights**

The budget is prepared to meet the goal of improving financial health and to plan for services to the community by providing community grants, communications, education, and other services as needed. In FY23 Eden Healthcare District (EHD) predicts a cash gain of \$1,420,218. The cash gain is estimated to be \$1,859,984 less than the estimated cash gain of \$3,280,202 for FY22. The higher gain in FY22 was primarily attributable to the award and receipt of \$1,250,663 from the California Special Districts Covid Relief Fund which is offset with election expense of \$500,000 in FY23. The remaining variance of \$109,321 is primarily attributable to higher rental and CAM revenue in FY23 by \$196,825, lower consulting expense by \$46,100 and lower interest on the Dublin building loan by \$20,993. These favorable variances were offset with higher community grants, grant administration and sponsorships by \$179,333, higher building operating expenses by \$150,961 and higher interest expense for the Sutter damages award by \$26,272. Details by building are below.

**Dublin Gateway**

Dublin Gateway contributed \$2,420,734 to the cash gain in FY23. The gain is \$71,750 higher than the estimated cash gain of \$2,348,984 for FY22. The higher gain is primarily attributable to an increase in rental revenue by \$112,557, an increase in CAM and PAMF's building 4050 reimbursements by \$54,164 and lower interest expense for the building's loan by \$20,994. These favorable variances were offset with higher repairs and maintenance by \$88,891, higher utilities by \$10,506 and higher management fees by \$8,057. The increase in rental revenue is due to annual increases from existing tenant leases. CAM and PAMF's building 4050 reimbursements are higher due to an increase in billable operating expense for FY23. Of the increase in repairs and maintenance, \$28,418 is due to an increase in valet parking expense. The medical building has experienced an increase in patient visits and another valet attendant was added in March 2022. The remaining variance is due to a general increase in supplies and labor by 10%. Utilities increased 5% and the increase in management fees is attributable to higher revenue in FY23.

**Eden Medical Building**

The Eden Medical Building (EMB) contributed \$695,178 to the cash gain in FY23. The gain is \$12,215 less than the estimated cash gain of \$707,393 for FY22. The reduction in the cash gain is due to a higher increase in expenses compared to income.

In FY23, rental revenue increased by \$8,141 and CAM reimbursements increased by \$21,964. The total increase was \$30,105 compared to an increase of \$42,711 in expense. Repairs and maintenance accounts for \$33,781 of the increase in expense. Of this amount, \$26,500 is due to the replacement of the buildings carpet in FY23. The remaining increase is attributable to a general increase of 4% for supplies and labor. The increase in CAM reimbursements is due to the increase in billable operating expense to the tenants.

The EMB has been fully occupied since October 2020 and is expected to see moderate revenue growth due to annual increases in the tenant leases. Two (2) of the existing tenant leases will be expiring in FY23. One tenants lease will expire on September 30, 2022, and the other on April 30, 2023. Both tenants have expressed a desire to renew their leases and the renewal assumptions for both tenants are included in the FY23 budget.

## **Community Services**

Community services expense is estimated to be \$418,100 in FY23 compared to \$235,882 for FY22. The increase of \$182,218 is primarily due to higher grants, grant administration and sponsorships awarded to the community. EHD's Covid-19 communication bulletins continue to provide valuable information to the District's community and the bulletin will continue in FY23 and the expense is expected to remain the same as FY22.

## **District Office**

The District Office expenses, increased \$487,718 in FY23. The increase is primarily due to election expense budgeted for \$500,000 and higher interest expense by \$26,272 for the Sutter damages award. These higher expenses are offset with lower consulting fees by \$46,100. In FY23, Eden Health District will have three (3) director seats available, and an election will be held in November 2022. The expense is expected to be a lower than past elections due to the Districts transition from county elections to district elections which occurred in FY22.

The reduction of \$46,100 in consulting expense was mainly due to the engagement of consultants in FY22 to assist the District in restructuring Eden Health Districts elections from county elections to district elections. The consultants' fees were \$31,000. The restructure is expected to result in a 50% savings in future election cost. Governmental consulting was engaged in FY21 to assist the Eden Health District in the possibility of obtaining taxing authority. These efforts continued into FY22 but was placed on hold in May 2022 and will be re-evaluated in the Fall of FY23. This accounts for the remaining \$15,000 of the consulting variance. The FY23 budget includes \$5,000 per month beginning October 2022 for either additional government consulting or any other consulting service the Board deems appropriate. Interest expense for the Sutter damages award is estimated to be higher by \$26,272 compared to FY22 and is due to the expectation that interest rates will rise in FY23. An additional variance of \$3,681 is due to higher salaries and benefits in FY23 for annual increases for staff.

There are no capital improvements planned for the Eden Medical Building in FY23. The Dublin Gateway building will have a new HVAC unit installed during FY23. The estimated cost for the HVAC system replacement is \$140,000. The 6-year capital plan is included in the budget package.

**Budget FY2023**  
**Consolidated Income Statement**

**EDEN HEALTH DISTRICT**  
**APPROVED**

	BUDGET Q1'FY23	BUDGET Q2'FY23	BUDGET Q3'FY23	BUDGET Q4'FY23	FY23 BUDGET Eden Health District	FY22 ESTIMATED ACTUALS Eden Health District	FY23 Budget vs FY22 Estimated Actual Fav/(Unfav)	
Rental income	\$ 862,516	\$ 875,542	\$ 877,842	\$ 875,480	\$ 3,491,379	\$ 3,370,682	\$ 120,697	(A)
CAM Reimbursement	389,931	392,843	392,843	392,843	1,568,459	1,509,576	58,883	(B)
PAMF's Bldg 4050 Reimb	92,505	92,505	92,505	92,505	370,018	352,773	17,245	(B)
Interest Income	19,650	19,650	19,650	19,650	78,600	70,327	8,273	
Other Income/Tenant Reimb	12,643	10,623	10,396	10,655	44,317	1,300,233	(1,255,916)	(C)
<b>Total Revenues</b>	<b>1,377,244</b>	<b>1,391,162</b>	<b>1,393,236</b>	<b>1,391,133</b>	<b>5,552,774</b>	<b>6,603,591</b>	<b>(1,050,816)</b>	
<b>Expenses</b>								
Salaries & Benefits	145,366	145,366	145,366	145,366	581,463	577,782	(3,681)	(D)
Consulting	2,000	11,500	16,500	17,000	47,000	93,100	46,100	(E)
Legal Fees	5,000	5,000	5,000	5,000	20,000	18,903	(1,097)	
Audit/Tax Preparation Fees	5,750	5,750	5,750	5,750	23,000	22,561	(439)	
Public Relations	201	201	201	201	804	800	(4)	
Management Fees	79,429	79,574	80,709	81,354	321,066	312,187	(8,879)	(A)
Community Education	16,650	16,650	16,650	18,150	68,100	44,215	(23,885)	
Utilities (Gas, Electric & Water)	80,208	66,508	63,432	67,514	277,662	262,604	(15,058)	(F)
Repairs & Maintenance	287,131	265,953	252,030	262,761	1,067,876	944,530	(123,346)	(G)
Investment Fees	4,500	4,500	4,500	4,500	18,000	18,585	585	
Insurance	18,253	18,253	18,627	18,623	73,756	70,078	(3,678)	
Purchased Services	13,398	13,398	14,498	13,398	54,692	54,517	(175)	
Other Direct Expense	24,606	24,626	25,557	28,852	103,641	96,422	(7,219)	(H)
Election Expense	125,000	125,000	125,000	125,000	500,000	-	(500,000)	(I)
Property Taxes	60,924	60,924	60,924	60,924	243,696	238,917	(4,779)	
Interest Expense	87,255	86,092	83,075	82,822	339,244	360,237	20,993	(J)
Sponsorships	8,500	-	8,000	33,500	50,000	25,000	(25,000)	
Mia's Dream	-	-	-	-	-	66,667	66,667	(K)
Grants to service providers	75,000	75,000	75,000	75,000	300,000	100,000	(200,000)	(K)
Sutter Interest	-	-	-	42,556	42,556	16,284	(26,272)	(L)
Amortization	35,602	35,307	35,304	35,319	141,532	145,415	3,883	(M)
Depreciation	446,711	439,105	438,279	438,280	1,762,375	1,803,514	41,139	(M)
<b>Total Expenses</b>	<b>1,521,483</b>	<b>1,478,707</b>	<b>1,474,402</b>	<b>1,561,870</b>	<b>6,036,463</b>	<b>5,272,318</b>	<b>(764,144)</b>	
<b>Net Profit/(Loss)</b>	<b>(\$144,239)</b>	<b>(\$87,545)</b>	<b>(\$81,167)</b>	<b>(\$170,739)</b>	<b>(\$483,689)</b>	<b>\$1,331,273</b>	<b>(\$1,814,962)</b>	
<b>Cash Basis Gain/(Loss)</b>	<b>338,074</b>	<b>\$386,867</b>	<b>\$392,416</b>	<b>\$302,860</b>	<b>\$1,420,218</b>	<b>3,280,202</b>	<b>(\$1,859,984)</b>	

- A) Revenue is higher in FY23 due to annual increases from existing tenants. Management fees increased accordingly.
- B) CAM and PAMF's building 4050 reimbursements increased due to an increase in billable buildings operating cost for FY23.
- C) Other income was higher in FY22 due to the receipt of \$1,250,663 from the California Special Districts Covid Relief Fund.
- D) Variance is due to annual increases for staff in FY23.
- E) Consulting expense was higher in FY22 primarily due to \$40K incurred for restructuring EHD's elections from County elections to District elections.
- F) Variance primarily due to an estimated increase in utility cost for FY23.
- G) Repairs and maintenance increased by 5%. The increase accounts for \$51.9K of the variance. Valet parking expense increased by \$26.2K for the Dublin building and new carpet expense increased \$26.5K for the Eden Medical building.
- H) Variance is primarily due to an increase in garbage expense and the addition of Dropbox electronic filing services in FY23.
- I) Variance due to an election in FY23.
- J) Decrease in interest expense is due to a higher portion of the loan payment applied toward principal in FY23.
- K) Grant expense is expected to increase in FY23.
- L) Variance due to lower rate on the 1-year treasury bill in 2022 compared to the estimated rate for 2023.
- M) Variance due to the retirement of fully amortized lease fees and depreciated capital assets.

DUBLIN GATEWAY  
APPROVED

	BUDGET Q1'FY23	BUDGET Q2'FY23	BUDGET Q3'FY23	BUDGET Q4'FY23	FY23 BUDGET Dublin Gateway	ESTIMATED FY22 ACTUALS Dublin Gateway	FY23 Budget vs FY22 Est Actual Fav/(Unfav)
<b>Revenues</b>							
Rental	\$675,056	\$687,370	\$689,662	\$694,091	\$2,746,178	\$2,633,621	\$112,557 (A)
CAM Reimbursement	301,140	301,140	301,140	301,140	1,204,559	1,167,640	36,919 (B)
PAMF's Bldg 4050 Reimb	92,505	92,505	92,505	92,505	370,018	352,773	17,245 (B)
Other Income/Tenant Reimb	12,643	10,623	10,396	10,655	44,317	42,770	1,547
<b>Total Revenues</b>	<b>\$1,081,344</b>	<b>\$1,091,637</b>	<b>\$1,093,703</b>	<b>\$1,098,390</b>	<b>\$4,365,074</b>	<b>\$4,196,804</b>	<b>\$168,270</b>
<b>Expenses</b>							
Management Fees	68,379	68,379	69,513	70,430	276,701	268,644	(8,057) (A)
Utilities	56,030	42,778	43,436	44,299	186,543	176,037	(10,506) (C)
Repairs & Maintenance	208,426	215,062	202,152	209,237	834,878	745,987	(88,891) (B)
Insurance	5,790	5,790	6,041	6,039	23,660	21,508	(2,152)
Other Direct Cost	9,259	9,259	9,661	11,439	39,618	36,490	(3,128)
Property Taxes	60,924	60,924	60,924	60,924	243,696	238,917	(4,779)
Interest Expense	87,255	86,092	83,075	82,822	339,244	360,237	20,993 (D)
Amortization	29,787	29,787	29,784	29,786	119,144	121,412	2,268 (E)
Depreciation	317,871	317,871	316,161	316,162	1,268,065	1,275,861	7,796 (E)
<b>Total Expenses</b>	<b>843,721</b>	<b>835,942</b>	<b>820,747</b>	<b>831,138</b>	<b>3,331,549</b>	<b>3,245,093</b>	<b>(86,456)</b>
<b>Net Profit/(Loss)</b>	<b>\$237,623</b>	<b>\$255,695</b>	<b>\$272,955</b>	<b>\$267,252</b>	<b>1,033,525</b>	<b>951,711</b>	<b>81,814</b>
<b>Cash Basis Gain/(Loss)</b>	<b>\$585,281</b>	<b>\$603,353</b>	<b>\$618,900</b>	<b>\$613,200</b>	<b>\$2,420,734</b>	<b>\$2,348,984</b>	<b>\$71,750</b>

- A) Income is higher due to annual increases from existing tenants. Management fees increased accordingly.
- B) Repairs and maintenance expense expected to increase 5% in FY23. The increase accounts for \$42.6K of the variance.  
Valet parking expense increased by \$26.2K. CAM and PAMF's building 4050 reimbursements increase accordingly.
- C) Increase is primarily due to a 6% increase in utility cost for FY23.
- D) Decrease in interest expense is due to a higher portion of the loan payment applied toward principal in FY23,
- E) Variance due to the retirement of fully amortized lease fees and depreciated capital assets.

Budget FY2023  
Trended Income Statement

EDEN MEDICAL BUILDING  
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	BUDGET Q1'FY23	BUDGET Q2'FY23	BUDGET Q3'FY23	BUDGET Q4'FY23	FY23 BUDGET Eden Medical Bldg	ESTIMATED FY22 ACTUALS Eden Medical Bldg	FY23 Budget vs FY22 Estimated Actual Fav/(Unfav)	
<b>Revenues</b>								
Rental	\$187,460	\$188,172	\$188,180	\$181,390	\$745,202	\$737,061	\$8,141	(A)
CAM Reimbursement	88,791	91,703	91,703	91,703	363,900	341,936	21,964	(B)
Interest Income	150	150	150	150	600	208	392	
<b>Total Revenues</b>	<b>\$276,401</b>	<b>\$280,025</b>	<b>\$280,033</b>	<b>\$273,243</b>	<b>\$1,109,701</b>	<b>\$1,079,205</b>	<b>\$30,496</b>	
<b>Expenses</b>								
Management Fees	11,050	11,195	11,196	10,924	44,365	43,543	(822)	
Utilities	24,178	23,730	19,996	23,215	91,119	86,567	(4,552)	(C)
Repairs & Maintenance	77,250	49,586	48,323	52,069	227,228	193,447	(33,781)	(B)
Insurance	2,463	2,463	2,586	2,584	10,096	9,670	(426)	
Other Direct Cost	10,145	10,165	10,694	10,711	41,715	38,585	(3,130)	(D)
Amortization	5,815	5,520	5,520	5,533	22,388	24,003	1,615	
Depreciation	127,952	120,346	121,230	121,230	490,758	527,653	36,895	(E)
<b>Total Expenses</b>	<b>\$258,853</b>	<b>\$223,005</b>	<b>\$219,545</b>	<b>\$226,266</b>	<b>\$927,669</b>	<b>\$923,468</b>	<b>(\$4,201)</b>	
<b>Net Profit/(Loss)</b>	<b>\$17,548</b>	<b>\$57,020</b>	<b>\$60,488</b>	<b>\$46,977</b>	<b>\$182,032</b>	<b>\$155,737</b>	<b>\$26,295</b>	
<b>Cash Gain/(Loss)</b>	<b>\$151,315</b>	<b>\$182,886</b>	<b>\$187,238</b>	<b>\$173,740</b>	<b>\$695,178</b>	<b>\$707,393</b>	<b>(\$12,215)</b>	

- A) Income is higher due to annual increases from existing tenants.
- B) Repairs and maintenance expense expected to increase 4% in FY23. Additionally, new carpet will be installed for \$26.5K. CAM reimbursements increase accordingly.
- C) Variance due to an estimated 5% increase in utility costs.
- D) Variance is primarily due to an increase in gargage expense for FY23.
- E) Variance due to the retirement of fully depreciated building and tenant improvements in FY23.

**Budget FY2023**  
**Trended Income Statement**

**COMMUNITY SERVICES**  
**APPROVED**

	BUDGET Q1'FY23	BUDGET Q2'FY23	BUDGET Q3'FY23	BUDGET Q4'FY23	FY23 BUDGET Community Services	ESTIMATED FY22 ACTUALS Community Services	FY23 Budget vs FY22 Estimated Actual Fav/(Unfav)
<b>Expenses</b>							
Consulting	5,250	5,250	5,250	5,250	21,000	0	(21,000) <b>(A)</b>
Community Education	11,400	11,400	11,400	12,900	47,100	44,215	(2,885)
Sponsorships	8,500	0	8,000	33,500	50,000	25,000	(25,000)
Mia's Dream	0	0	0	0	0	66,667	66,667
Grants to service providers	75,000	75,000	75,000	75,000	300,000	100,000	(200,000) <b>(B)</b>
<b>Total Expenses</b>	100,150	91,650	99,650	126,650	418,100	235,882	(182,218)
<b>Total Expense</b>	<u><u>(\$100,150)</u></u>	<u><u>(\$91,650)</u></u>	<u><u>(\$99,650)</u></u>	<u><u>(\$126,650)</u></u>	<u><u>(\$418,100)</u></u>	<u><u>(\$235,882)</u></u>	<u><u>(\$182,218)</u></u>
<b>Cash Basis Gain/(Loss)</b>	<u><u>(\$100,150)</u></u>	<u><u>(\$91,650)</u></u>	<u><u>(\$99,650)</u></u>	<u><u>(\$126,650)</u></u>	<u><u>(\$418,100)</u></u>	<u><u>(\$235,882)</u></u>	<u><u>(\$182,218)</u></u>

A) Increase in expense due to grant administration expense provided by Diana Doyle.

B) Grant expense is expected to increase in FY23.

**Budget FY2023**  
**Trended Income Statement**

**DISTRICT OFFICE**  
**APPROVED**

	BUDGET Q1'FY23	BUDGET Q2'FY23	BUDGET Q3'FY23	BUDGET Q4'FY23	FY23 BUDGET District Office	ESTIMATD FY22 ACTUALS District Office	FY23 Budget vs FY22 Estimated Actual Fav/(Unfav)	
<b>Revenue</b>								
Interest Income	\$19,500	\$19,500	\$19,500	\$19,500	\$78,000	\$70,119	\$7,881	(A)
Other Income	0	0	0	0	0	1,257,463	(1,257,463)	(B)
<b>Total Revenue</b>	<u>\$19,500</u>	<u>\$19,500</u>	<u>\$19,500</u>	<u>\$19,500</u>	<u>\$78,000</u>	<u>\$1,327,582</u>	<u>(\$1,249,582)</u>	
<b>Expenses</b>								
Salaries & Benefits	145,366	145,366	145,366	145,366	581,463	577,782	(3,681)	(C)
Consulting	2,000	11,500	16,500	17,000	47,000	93,100	46,100	(D)
Legal Fees	5,000	5,000	5,000	5,000	20,000	18,903	(1,097)	
Audit Fees/Tax preparation	5,750	5,750	5,750	5,750	23,000	22,561	(439)	
Public Relations	201	201	201	201	804	800	(4)	
Repairs & Maintenance	1,455	1,305	1,555	1,455	5,770	5,096	(674)	
Investment Fees	4,500	4,500	4,500	4,500	18,000	18,585	585	
Directors and Officers Ins	10,000	10,000	10,000	10,000	40,000	38,900	(1,100)	
Purchased Services	13,398	13,398	14,498	13,398	54,692	54,517	(175)	
Other Direct Cost	5,202	5,202	5,202	6,702	22,308	21,347	(961)	
Election Expense	125,000	125,000	125,000	125,000	500,000	0	(500,000)	(E)
Sutter Interest	0	0	0	42,556	42,556	16,284	(26,272)	(F)
Depreciation	888	888	888	888	3,552	3,552	0	
<b>Total Expenses</b>	<u>318,760</u>	<u>328,110</u>	<u>334,460</u>	<u>377,816</u>	<u>1,359,145</u>	<u>871,427</u>	<u>(487,718)</u>	
<b>Cash Basis Gain/(Loss)</b>	<u><b>(\$298,372)</b></u>	<u><b>(\$307,722)</b></u>	<u><b>(\$314,072)</b></u>	<u><b>(\$357,428)</b></u>	<u><b>(\$1,277,593)</b></u>	<u><b>\$459,707</b></u>	<u><b>(1,737,300)</b></u>	

A) Interest income is higher due to a higher investment value in FY23 compared to FY22.

B) Other income in FY22 was from the award and receipt of funds from the California Special Districts Covid Relief Fund.

C) Variance is due to annual increases for staff in FY23.

D) Consulting expense was higher in FY22 due to \$31K incurred for restructuring the District elections from county elections to district elections and higher fees for government consulting provided by Lighthouse by \$15K.

E) Variance due to an election for board members in FY23.

F) Variance due to lower rate on the 1-year treasury bill in 2022 compared to the estimated rate for 2023.

	Capital Forecast by Building						
<b>DUBLIN GATEWAY</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Dublin Gateway</b>
Roof Replacement & Safety Measures						472,000	472,000
HVAC Replacement	140,000	37,180		37,180		22,180	236,540
Building			56,250	56,250	56,250	56,250	225,000
Painting - Interior Corridors (Common Areas)		36,200					36,200
Painting - Exterior				175,000			175,000
Parking lot- Asphalt Reseal/Repairs				70,000			70,000
Elevator				7,000			7,000
Card Access System Upgrade/Replace		8,000					8,000
Electric Vehicle Charging Stations			100,000				100,000
<b>Total Dublin Gateway</b>	<b>\$ 140,000</b>	<b>\$ 81,380</b>	<b>\$ 156,250</b>	<b>\$ 345,430</b>	<b>\$ 56,250</b>	<b>\$ 550,430</b>	<b>\$ 1,329,740</b>
<b>EDEN MEDICAL BUILDING</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Eden Medical Building</b>
Building Envelope Repairs					15,000		15,000
Parking lot- Asphalt Reseal/Repairs				20,000			20,000
Painting - Interior Corridors (Common Areas)		38,000					38,000
Painting - Exterior			100,000				100,000
Electric Vehicle Charging Stations				60,000			60,000
<b>Total Eden Medical Building</b>	<b>\$ -</b>	<b>\$ 38,000</b>	<b>\$ 100,000</b>	<b>\$ 80,000</b>	<b>\$ 15,000</b>	<b>\$ -</b>	<b>\$ 233,000</b>
Note: Due to the age of the Eden Medical Building no capital expenditures are anticipated for mechanical, plumbing, HVAC or roofing.							
<b>CONSOLIDATED CAPITAL NEEDS</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Eden Health Distict</b>
<b>Dublin Gateway</b>	140,000	81,380	156,250	345,430	56,250	550,430	1,329,740
<b>Eden Medical Building</b>	0	38,000	100,000	80,000	15,000	0	233,000
<b>Total Capital Expense</b>	<b>\$ 140,000</b>	<b>\$ 119,380</b>	<b>\$ 256,250</b>	<b>\$ 425,430</b>	<b>\$ 71,250</b>	<b>\$ 550,430</b>	<b>\$ 1,562,740</b>