

Strategic Plan Development for Use of FRHD Financial Resources

1. District resources available for allocation:

Source	Projected Amount	Notes
Property Tax Revenue	\$2 million per year	Ongoing
LAIF Account	\$1,296,73	Interest generation/finite resource
CalTRUST	\$7,171,728	Interest generation/finite resource
Urgent Care Building Sale	\$650,000	Finite resource

2. Categories of expenditures

Category	2019-20 Allocation	Notes
Health District Operational Costs (salaries, et.al.)	\$611,000	Increase for receptionist services was added after the adoption of the budget.
Health and Wellness Center Planning, Construction and Furnishings		
Health and Wellness Center Operational Costs (salaries, custodial, landscaping, et.al.)		
Community Investment Fund		
FRHD funded programs		
Community Contract Partners	\$ 1,193,000	
NCFD JPA/Urgent Care	\$ 206,000	
Multiyear annual and deferred facility maintenance/improvement plan		
Reserve for economic uncertainties		

3. Assumptions:

- a. Property tax revenue could be affected by the COVID 19 disruption. Perhaps using a 10% reduction for 2020-21 and 2021-22 budget planning would be prudent.
- b. LAIF and CalTrust will take a hit in 2020-21 and 2021-22. Amount TBD.
- c. Funding for the operational costs of the East Mission Property and program delivery will impact the balance of the District investment accounts assuming the District chooses to continue funding community contract partners, NCFD JPA's and Urgent Care services.
- d. Consideration will be given to revenue stream opportunities in the planning of the East Mission property.
- e. Employee compensation will continue to increase due to annual COLA salary increases and added positions in response to staffing the East Mission property.

- f. The principal in the investment funds will dwindle with the planning, construction and furnishing of the East Mission property. The district will have to make some choices about the remaining principle and the ongoing tax revenue to set levels of funding in a reasonable/proportional manner for community partners, JPA's, Urgent Care services, and no-charge offerings at the East Mission facility.

4. Questions that need answering before a strategic, multi-year budget can be developed:

Question	Where it should be pondered and recommendation forwarded to the Board	Projected Board meeting for recommendation
What is the projected cost of East Mission Road planning process?	Facilities	June 2020
What is the projected cost of construction and furnishing the East Mission Road property?	Facilities Strategic Planning	January 2021
Should the proceeds of the Urgent Care building purchase remain liquid in an interest earning account such as a CD to fund near term East Mission Road property development processes or placed in an investment fund?	Finance	June 2020
Should LAIF or CalTRUST be the source of liquid equity to fund the construction of the East Mission property?	Finance	June 2020
What level of on-going funding should be allocated to community contract partners?	Strategic planning	January 2021
What are the projected operational costs of the East Mission project?	Strategic planning Finance	January 2021
What are the projected costs of program offerings at the East Mission facility?	Strategic planning Finance	January 2021