

**SHERMAN COUNTY HEALTH DISTRICT**  
**Budget Committee Meeting**  
**AGENDA May 14<sup>th</sup>, 2026**  
**Meeting Time: 5:30 PM**  
**Meeting Pursuant to ORS 440**

AGENDA ITEMS SUBJECT TO CHANGE

- A. Call to order
- B. Elect Budget Chairman and Secretary
- C. Read Budget Message
- D. Review Summary Sheets
- E. Approve the Permanent Tax Rate
- F. Approve 2026-2027 Proposed Budget to Budget Hearing
- G. Next meeting scheduled for May 21<sup>st</sup>, 2026, at 5:30 pm (if needed)
- H. Adjournment

\*NEXT MEETING DATE JUNE 11<sup>TH</sup>, 2026 - BUDGET HEARING/ REGULAR BOARD OF DIRECTORS MEETING @ 5:30PM\*



## **Budget Message**

To: Budget Committee Members of the Sherman County Health District

First of all, let me sincerely thank you for committing to serve on the committee. Your time and effort are greatly appreciated.

Acting upon the authority from the elected Board of Directors of the Sherman County Health District as their Budget Officer, I hereby present the proposed budget for the 2026-2027 fiscal year.

To the best of my knowledge, the proposed budget complies fully with all budget statutes (ORS 294.305), rules, and directives of the State of Oregon. I have prepared this budget in good faith with the information that I have on hand currently.

### **Overview**

The purpose of the Sherman County Health District and the Sherman County Medical Clinic is to provide responsive, preventative, high quality primary health care services to people without regard to social or economic status. The Sherman County Medical Clinic strives to be the healthcare provider of choice for primary and preventative services offering comprehensive care of exceptional quality for all people in Sherman County and the surrounding areas. The goal of the Budget Officer in creating this budget is to continue to fund existing service offerings and personnel costs and add services and personnel while working with \$1,629,573.00 in the General Funds. The Health District staff continually seeks opportunities to bring in additional revenue while keeping cost increases to a minimum.

### **Format**

The budget is prepared in accordance with the format prescribed by the Local Budget Laws for Health Districts (ORS 440) and is the same format that has been used for many years. The budget is prepared on a cash basis of accounting.

### **Funds**

The Health District Budget contains one (1) active fund: General Fund. In September 2017, the Sherman County Health District made a resolution (Resolution No. 9-14-2017) dissolving the Auxiliary Fund and integrating all funds into the General Fund.

All of the Clinic business is processed through the General Fund.



### **Preparation**

This budget has been prepared with the intent of providing the Health District with the highest level of quality services to assist the Clinic in providing the best possible healthcare services in the region. In January or February, the Board appoints a Budget Officer. Using Profit and Loss statements from beginning of year through February, March, and April, the Budget Officer compiles data focused on revenue and expenses to create the proposed budget.

### **Proposal**

As demonstrated by best practice, I always budget conservatively on revenues and high on expenditures to cover any unforeseen events. The proposed budget for the 2026-2027 fiscal year is \$1,626,375.00. The amount proposed for cash on hand is \$640,329.00. SIP Agreement revenues are expected to be significantly lower as the Klondike, Biglow, and Hay Canyon projects have ended. The Golden Hills project is the only current SIP program at a rate of \$23,205 through 2036.

Expected requirements include an 3.75% COLA increase for employees. Effective July 1, 2024, the District will fully cover the health insurance cost of each employee and their family. The District hired a new employee in January 2026 and staffing remains stable with 5 employees, 1 mid-level provider and a Medical Director. Building Remodel requirements have been increased this year due to the expected installation of a whole-clinic generator.

The Clinic has worked diligently to move away from the urgent care/walk-in model to a primary care family practice clinic. Moving to the primary care model allows for improved patient care and follow-up. The number of patients expected to be seen in 2025-2026 is expected to be lower than 2024-2025 and Medicaid reimbursement rates are expected to be considerably lower due to federal and state funding cuts.

### **Summary**

Looking to the 2026-2027 fiscal year, the District is hoping to increase patient encounters of chronic care management visits and offer more community-engagement opportunities, while maintaining high quality care for all our patients. The District is also looking forward to offering more medical services to meet the needs of our patients including a diabetic retina scanner.

The future of the Sherman County Health District continues to be very bright, and I am confident that we will all continue to uphold the vision of being “the provider of choice for primary care preventative services offering comprehensive care of exceptional quality for all people in Sherman County and the surrounding areas.”

Respectfully submitted,  
Caitlin Blagg  
District Administrator



Budget Message

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**Estimation of Taxes to be received 2026-2027:**

\$1,407,371,657 → 2025-2026 assessed value  
X                   .03 → 3% allowed increase  
-----  
\$42,221,149.71

\$1,407,371,657  
+ \$ 42,221,149.71  
-----  
\$ 1,449,592,806.71 → 2026-2027 estimated assessed value  
X                   .0004780 → Permanent Rate  
-----  
\$692,905.36 → Taxes (amount rate would raise)  
-                   \$20,770.07 → Measure 5 compression loss/taxes not to be received  
-----  
\$672,135.29 → Estimated to receive this about in taxes for 2026-2027  
-                   20%  
-----  
\$537,708

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\*\*Due to continued instability in unknown revenues for windmill projects coming out of SIP funding, we will be estimating 20% under what the estimated amount to receive would be.

<b>FORM LB-20</b>		<b>RESOURCES</b> Sherman County Health District General Fund						
Historical Data			Adopted by Governing Body Yr:25-26	RESOURCE DESCRIPTION	Budget for Next Year Yr: 2026-2027			
Actual		Proposed By Budget Officer			Approved By Budget Committee	Adopted By Governing Body		
Second Preceding Year Yr:23-24	First Preceding Year Yr: 24-25							
1	398,738	600,504	611,841	Available cash on hand* (cash basis) or	640,329			1
2				Net working capital (accrual basis)				2
3				Previously levied taxes estimated to be received				3
4	26,020	29,490	20,168	Interest	25,106			4
5				Transferred IN, from other funds				5
6				<b>OTHER RESOURCES</b>				6
7	207,131	201,102	200,936	Clinic Income	188,251			7
8	44,349	55,668	48,000	Rent	29,268			8
9				Donations				9
10	7,119	31,656	5,404	Pharmacy	3,564			10
11	29,297	16,095	23,205	Community Service Fees/ SIP Agreement	23,205			11
12	5,126	995	1,200	Miscellaneous Income	1,000			12
13	95,036	90,124	90,736	PCPCH Dollars	73,218			13
14		2,500		SDAO Grant	2,500			14
15		10,000		Grants	100,000			15
21	4,308	4,836	4,200	Other Grants/Reimbursements	5,424			21
22								22
23								23
24								24
25								25
26								26
27								27
28	817,124	1,042,970	1,005,690	Total resources, except taxes to be levied	1,091,865	0	0	28
29			372,900	Taxes estimated to be received	537,708			29
30	587,367	537,353		Taxes collected in year levied				30
<b>31</b>	<b>1,404,491</b>	<b>1,580,323</b>	<b>1,378,590</b>	<b>TOTAL RESOURCES</b>	<b>1,629,573</b>	<b>0</b>	<b>0</b>	<b>31</b>
				*Includes ending balance from prior year				
	0	(3)	0	Amount to balance	0	0	0	

Line	Budget Dollars	Explanation			
1	640,329	Available cash on hand (from previous year audit)			
3	0	Previously levied taxes estimated to be received			
4	25,106	Interest Income			
	157,282	EHR Payments			
	11,298	Capitation			
	9,671	Managed Care Reimbursement (Wrap Reports)			
	7,500	Medicare Settlement (Cost Report)			
	2,500	Clinic Income Other			
	188,251				
7	188,251	Clinic Income			
8	29,268	Rental Income			
9	0	Donation Income			
10	3,564	Pharmacy Income			
11	23,205	Community Service Fees/ SIP Agreement			
12	1,000	Miscellaneous Income			
15	73,218	PCPCH Funds			
21	107,924	Grant Funding Total			
29	537,708	Estimated property taxes to be received	\$179,232	for 09-10	
	1,629,573		\$181,195	for 10-11	
		County Taxes	\$183,582	for 11-12	
		\$1,407,371,657.00	\$189,280	for 12-13	
		x .03	\$190,880	for 13-14	
		\$42,221,149.71	\$194,954	for 14-15	
			\$206,208	for 15-16	
		\$1,407,371,657.00	\$209,050	for 16-17	
		\$42,221,149.71	\$208,432	for 17-18	
		\$1,449,592,806.71	\$217,206	for 18-19	
		x .0004780	\$219,143	for 19-20	
		\$692,905.36	\$232,684	for 20-21	
		(\$20,770.07)	\$233,098	for 21-22	
		\$672,135.29 TOTAL	\$274,526	for 22-23	
			\$308,183	for 23-24	
		\$672,135 Last year budgeted amount	\$339,000	for 24-25	
		20% minus	\$372,900	for 25-26	
		\$537,708	\$537,708	for 26-27	

FORM LB-30		REQUIREMENTS SUMMARY Sherman County Health District General Fund				
Historical Data			REQUIREMENTS DESCRIPTION	Budget for Next Year Yr: 2026-2027		
Actual		Adopted by Governing Body Yr:25-26		Proposed By Budget Officer	Approved By Budget Committee	Adopted By Governing Body
Second Preceding Year Yr: 23-24	First Preceding Year Yr: 24-25					
PERSONAL SERVICES						
1	437,113	464,842	578,489	Employee Wages and Salaries	608,109	1
2	99,447	173,321	324,244	Employee Insurance & Benefits	302,065	2
3	32,522	34,858	46,351	Payroll Taxes	48,718	3
4	0	0	16,436	Unemployment Insurance	17,280	4
5	0	0	30,000	Unemployment Insurance to former Employee	30,000	5
6	569,082	673,021	995,520	<b>TOTAL PERSONAL SERVICES</b>	<b>1,006,172</b>	<b>0</b>
MATERIALS AND SERVICES						
7	21,000	23,625	31,950	Supervising Physician	31,950	7
8	35,714	38,893	46,570	Administration and Audit	86,085	8
9	5,832	5,317	6,468	Education and Training	20,620	9
10	19,479	21,680	24,045	Utilities	29,099	10
11	33,142	43,626	46,695	Medical Supply	46,025	11
12	7,385	32,515	5,404	Pharmacy	3,486	12
13	17,425	20,180	25,301	Clinic Insurance and Legal Fees	25,650	13
14	5,814	11,885	14,609	Building Supply and Maintenance	13,665	14
15	21,237	41,823	44,724	Computer Equipment and Technology	95,002	15
16	14,401	12,870	24,240	EHR and Billing Services and HIPAA Compliance	28,524	16
17	1,041	1,073	1,200	Property Taxes	1,392	17
18	182,470	253,487	271,206	<b>TOTAL MATERIALS AND SERVICES</b>	<b>381,498</b>	<b>0</b>
19	751,552	926,508	1,266,726	<b>HEALTH SERVICES: Total of Personal Services &amp; Materials and services</b>	<b>1,387,670</b>	<b>0</b>
CAPITAL OUTLAY						
20	2,754	0	10,000	Medical Equipment	20,000	20
21	17,925	0	10,000	Office Equipment	50,000	21
22	14,958	0	35,000	Buildings Remodel	80,000	22
23	35,637	0	55,000	<b>TOTAL CAPITAL OUTLAY</b>	<b>150,000</b>	<b>0</b>
DEBT SERVICE						
24	9,151	8,723	8,536	Debt Service - Interest (2013-2014 and after)	8,164	24
25	7,649	8,077	8,264	Debt Service - Principal	8,636	25
27	16,800	16,800	16,800	<b>TOTAL DEBT SERVICE</b>	<b>16,800</b>	<b>0</b>
TRANSFERRED TO OTHER FUNDS						
28						28
29						29
30						30
31	0	0	0	<b>TOTAL TRANSFERS</b>		31
32				Reserved for Future Expenditure	0	0
33			40,064	<b>OPERATING CONTINGENCY</b>	75,103	33
34	600,502	637,018		Ending balance (prior years)		34
35				<b>UNAPPROPRIATED ENDING FUND BALANCE</b>		35
36	1,404,491	1,580,326	1,378,590	<b>TOTAL REQUIREMENTS</b>	<b>1,629,573</b>	<b>0</b>
	0	(3)	0	Amount to balance	0	0

