

## KEY 2026 BUDGET ASSUMPTIONS – HAMLET HOUSE AS OF 9/12/25.

CPI National AUGUST 2025: All items = 2.9%.

	EXPLANATION	2025 Assumptions or Forecast Total as of Aug 31, 2025	2026 First draft	NOTES
RENT: Beds	6 MR beds and 2 Medicaid beds.	6 MR beds start at \$8250/mo. 2 Medicaid at their rates.	6 MR beds start at \$8350/mo. 2 Medicaid.	1 Medicaid bed at \$171.19/DAY (family \$862/mo.) 1 Medicaid bed at \$155.33/DAY (family \$478.22/mo.).
RENT INCOME: OCCUPANCY	Methodology: Total annual rent for all beds is computed at 100% occupancy. Then the occupancy percentage is applied to the total rent.	92%	92%	<b>92%</b> = one MR bed empty about 5 months <b>95%</b> = one MR bed empty about 3 months <b>97%</b> = one MR bed empty about 2 months
RENT INCREASE	Market Rate (MR) has no percentage limit on increase.	JUNE 1: \$8,350	JUNE 1: ???	All 6 MR beds have this increase. None for Medicaid beds.
HOSPITAL DISTRICT SUBSIDY	Up to \$50,000 for Medicaid beds. Not shown in budget.	Began	Continues	
RESTRICTED DONATIONS	Only those donations restricted to Hamlet House.	\$1k	\$1k	Have Hospital District money.
PAYROLL	<b>The largest expense (72%).</b> Basing on most recent Gusto figures in QuickBooks, averaged.	\$524k	CPI Increase?	
PROFESSIONAL SERVICES	Includes nursing care \$500/mo., cleaning, electronic records, Gusto fees, accounting, computer. Etc.	\$20k	Anticipated needs	2025 included Inspection \$795.
HEALTH INSURANCE	LOHO pays 70% of premium.	\$12k	Est 8% increase	Difficult to estimate cost since varies by number of employees using it.
GENERAL INSURANCE		\$10.3k	Est 8% increase	Need agent advice on likely increase.
FOOD		Food \$13k	CPI increase	
SUPPLIES- General	General Supplies are mostly medical and care supplies.	\$11.3k	CPI increase	
UTILITIES	Includes Electricity, Internet, Propane, TV, Sewer, Telephone, Trash, Water. Each utility separately projected	\$24k	CPI increases and/or last year % increase	Amounts affected by both rates and usage. Generally assumed usage will not change.
OTHER EXPENSES	General Inflation rate to use for inflating some items.	3% used in budget	CPI increase	
MAINTENANCE-ANNUAL	Annual repairs and replacements only. Common rule for annual maintenance is 1% Rule: need to spend 1% of facility value.	Bldg.: \$23k Grounds: \$4k	Bldg.: same Grounds: same	Some required by state.
REIMBURSEMENT	LOHO paying for some shared support services.	\$12,000	\$12,000	