

REGULAR MEETING AGENDA
THURSDAY, February 23, 2023
6:00 PM
REDWOOD ROOM, AHMC
700 RIVER DRIVE, FORT BRAGG, CA
<https://www.mchcd.org>

NOTICE OF REGULAR MEETING OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT

NOTICE IS HEREBY GIVEN in accordance with Section 54954 of the Government Code that a Regular Session of the Board of Directors of the Mendocino Coast Health Care District is called to be held February 23, 2023, at 6:00 p.m. in the Redwoods Room, Adventist Health Mendocino Coast Hospital, 700 River Drive, Fort Bragg, California.

In compliance with Government Code section 54954.2(a) the Mendocino Coast Health Care District will, on request, make agendas available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals who need this agenda in an alternative format or who need a disability-related modification or accommodation in order to participate in the meeting should contact the District at 707-937-3089 at least 72 hours prior to the meeting. The Board reserves the right to mute or remove a member of the public for inappropriate behavior which is disruptive.

This Board Meeting is being held in person. Meeting attendees may also join virtually using the Zoom link below. See Attachment A for other links and phone numbers to access this meeting.

<https://us02web.zoom.us/j/83810674285?pwd=czBIVXJJZ2QvdklKd2QvQnA0L1RVZz09>

Meeting ID: 838 1067 4285

Passcode: 777622

CONDUCT OF BUSINESS:

Call to Order: Lee Finney, Chair

Roll Call: Susan Savage, Secretary

APPROVAL OF AGENDA – Lee Finney, Chair

APPROVAL OF MINUTES – Susan Savage, Secretary

TAB 1

January 26, 2023, Regular Meeting Minutes

February 8, 2023 Special Meeting Minutes

BOARD AND COMMUNITY COMMENTS

Comments from the Board

Comments from the Community

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

REPORTS

Adventist Health Report – Judy Leach

Mendocino Healthcare Foundation Report – Terry Ramos

Measure C Report – Jim Hurst

TAB 2

***Discussion/Action* Appoint Dr. Diane Harris to Measure C Oversight Committee**

Treasurer’s Report – Jade Tippett

TAB 3

***Discussion/Action* Approve Transfer \$4,000,000 to AH for AH Accounts Receivable in MCHCD Accounts**

***Discussion/Action* Approve Transfer \$1,060,900 to AH January Lease Improvement payment**

***Discussion/Action* Transfer Measure Funds from Tax Account to Measure C Account**

Chair’s Report – Lee Finney

TAB 4

Report on Mailing Address Transfer to P.O. Box – Susan Savage

OLD BUSINESS

1. ***Discussion/Action* Untable Old Business 2-6**
2. ***Discussion/Action* Standing Committee assignments – Lee Finney - 5 minutes.**
 - a. Planning Committee
 - b. Finance Committee
3. ***Discussion/Action* Creation of Ad Hoc Committees – Lee Finney – 5 minutes**
 - a. Ad hoc By-Laws Committee
 - i. Update Policy Manual
 - b. Ad hoc District Office Committee
 - i. Research job description and hiring process for office manager

- 4. **Discussion/Action Board Meeting Location** – Lee Finney - 10 minutes
Consider alternative locations
- 5. **Discussion/Action Board Retreat** – Lee Finney - 10 minutes
Authorize engaging a consultant to facilitate retreat; consider location

NEW BUSINESS

- 1. **Discussion/Action Suspend By-Laws to Allow Reimbursement for Transition Expenses to Board Members Savage and Tippett** – Jade Tippett **TAB 5**
- 2. **Discussion/Action Request AH to Appoint Lee Finney to the AH Community Board** - Lee Finney – 5 minutes
- 3. **Discussion/Action Authorize Application for a MCHCD Credit Card** – Jade Tippett – 5 minutes

Comments from the Community

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the district has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

Comments from Board of Directors

Adjournment

Dated: February 20, 2023

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I hold the position of Secretary of the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the lobby entrance to The Mendocino Coast Healthcare District office at 775 River Dr. in Fort Bragg, adjacent to Adventist Heath Mendocino Coast hospital on February 20, 2023

Susan Savage, Secretary

Date

Appendix A

Join Zoom Meeting

<https://us02web.zoom.us/j/83810674285?pwd=czBIVXJJZ2QvdklKd2QvQnAOL1RVZz09>

Meeting ID: 838 1067 4285

Passcode: 777622

One tap mobile

+16699006833,,83810674285#,,,,*777622# US (San Jose)

+16694449171,,83810674285#,,,,*777622# US

Dial by your location

+1 669 900 6833 US (San Jose)

+1 669 444 9171 US

+1 719 359 4580 US

+1 253 205 0468 US

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 312 626 6799 US (Chicago)

+1 360 209 5623 US

+1 386 347 5053 US

+1 507 473 4847 US

+1 564 217 2000 US

+1 646 931 3860 US

+1 689 278 1000 US

+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington DC)

+1 305 224 1968 US

+1 309 205 3325 US

Meeting ID: 838 1067 4285

Passcode: 777622

Find your local number: <https://us02web.zoom.us/j/kw1k8a4bU>

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**MENDOCINO COAST HEALTHCARE DISTRICT BOARD REGULAR MEETING
MINUTES**

Members Present: Lee Finney, Paul Katzeff, Susan Savage, Sara Spring, Jade Tippet
Guests: Attorney Alexander Henson, Adventist Health representative Judy Leach, Mendocino Coast Healthcare Foundation representative Terry Ramos, Supervisor Ted Williams
Public Attendees: 2 persons from the public attended plus 11 persons via Zoom

DATE: January 26, 2023
TIME: 6:00 PM
PLACE: Thanksgiving Coffee
19100 South Harbor Dr.
Fort Bragg, CA

I. Call to Order – Lee

The meeting was called to order at 6:01 PM

II. Approval of Agenda – Lee

Moved by Sara, seconded by Susan to pull item #11 relating to 403 B accounts, as the report is not ready.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: YES
Jade: YES

Item #11 relating to 403 B accounts is removed.

Moved by Sara to pull item #2 relating to standing committees and add to item #4 relating to the audit. Motion died for lack of a second.

Moved by Sara to pull adoption of minutes. Motion died for lack of a second.

Moved by Sara to pull item # 1 relating to fiscal controls. Motion died for lack of a second.

Moved by Susan, seconded by Paul to approve the agenda as amended with item #11 removed.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: NO
Jade: YES

The agenda as amended was approved.

III. Approval of Minutes – Susan

Susan submitted a number of corrections to the posted draft minutes for the January 12 meeting that included spelling & date corrections, along with additions that were missed in the posted draft. After much discussion, it was moved by Paul, seconded by Jade to approve the minutes with those corrections.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: NO
Jade: YES

The minutes of the January 12 special meeting were approved as corrected. It was noted that adopted minutes can be amended as needed at subsequent meetings.

IV. Community Comments – Lee

Comments from the community were received concerning the format of minutes, the location of this meeting, and the arrangement for legal counsel.

V. Presentation by The Devenney Group – Scott McKey

The Board and public were updated on the status of the work Devenney is contracted to do dealing with seismic compliance and possible options for new construction. The timeframe for the next phase is approximately 3 months.

It was moved by Jade, seconded by Sara to authorize \$ 44,450 for additional expense for the Devenney Group to provide structural engineering for possible improvements to meet the 2030 seismic requirements, plus \$2945 for reimbursable expenses.

VOTE:

Lee: YES
Paul: ABSTAIN
Susan: YES
Sara: YES
Jade: YES

The expenditure is authorized.

Judy Leach will be the point of contact with Adventist Health for this project.

VI. Adventist Health Report – Judy Leach

Judy Leach provided an update on services provided.

VII. Mendocino Coast Healthcare Foundation – Terry Ramos

Terry Ramos provided an update on the purpose and activities of the Foundation in support of health care on the coast.

VIII. Measure C Report – Jim Hurst

A written report was submitted by Measure C Oversight Committee Chair Jim Hurst. Paul pointed out that the committee has 4 vacancies that should be filled. All are encouraged to think about individuals who might be willing to be appointed by the Board to this important committee.

IX. Treasurer Report – Jade

Jade reported on progress to create accurate reports of all transactions in all accounts administered by the Board. Bookkeeper Kristine McKee has recommended a P.O. Box to

ensure that mail for the District is timely received. A bill has been received from the IRS that is believed to be an error. Jade is working to resolve the issue. It was moved by Lee, seconded by Paul to accept the report.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: NO
Jade: YES

The report is accepted.

It was moved by Sara, seconded by Jade, to authorize Jade to set up automated payment of any bills at his discretion to minimize any late fees.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: YES
Jade: YES

Automatic payment is hereby authorized as appropriate.

Moved by Lee, seconded by Jade, to authorize attorney assistance with resolving the IRS error issue.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: NO
Jade: YES

Access to attorney assistance with the IRS issue if needed is approved.

X. Motion to Table – Jade

Jade moved, seconded by Lee to table all remaining items on the agenda.

VOTE:

Lee: YES
Paul: NO
Susan: NO
Sara: NO
Jade: YES

Motion failed.

XI. Fiscal Controls – Sara

Sara noted concerns about the draft policy on fiscal controls, to be discussed at a later meeting.

XII. Website manager – Sara

It was moved by Sara seconded by Lee to appoint Susan as the website manager.

VOTE:

Lee: YES

Paul: YES

Susan: YES

Sara: YES

Jade: YES

Susan is designated as the website manager.

XIII. Board Health Savings Account – Lee

There was discussion of administration of the health savings accounts for Board members. It was moved by Lee seconded by Jade for the treasurer to act as manager of these accounts to add and remove Board members as “employees”.

VOTE:

Lee: YES

Paul: YES

Susan: YES

Sara: YES

Jade: YES

Jade will check with Kristine to see if our bookkeeper is willing to help with this.

XIV. Motion to Table – Jade

It was moved by Jade, seconded by Lee to table all other items on the agenda.

VOTE:

Lee: YES

Paul: YES

Susan: YES

Sara: YES

Jade: YES

All remaining items on the agenda are tabled.

XV. Location & date of next meetings

Lee stated that a special meeting will be called within 2 weeks pending determining location and Board availability.

The next regular meeting will be on February 23 at 6:00 PM at the Redwood Room at the hospital.

XVI. Motion to Adjourn

Moved by Paul, seconded by Jade to adjourn.

VOTE:

Lee: YES

Paul: YES

Susan: YES

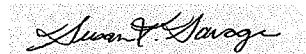
Sara: YES

Jade: YES

The meeting was adjourned at 10:04 PM.

I hereby certify that all the information contained in these minutes is true and correct.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Susan K. Savage", is enclosed within a rectangular, textured grey box.

Susan K Savage, Secretary

DRAFT

**MENDOCINO COAST HEALTHCARE DISTRICT BOARD SPECIAL MEETING
MINUTES**

Members Present: Lee Finney, Paul Katzeff, Susan Savage, Sara Spring, Jade Tippet

Guests: Attorney Alexander Henson, Supervisor Ted Williams

Public Attendees: 1 person from the public attended plus 12 persons via Zoom

DATE: February 8, 2023

TIME: 6:00 PM

PLACE: Redwood Room, Adventist Mendocino Coast Hospital
700 River Dr.
Fort Bragg, CA

Call to Order – Lee

The meeting was called to order at 6:01 PM

I. Approval of Agenda – Lee

Moved by Jade, seconded by Susan to approve the agenda. Sara challenged the agenda as the Zoom link was not included on page 1 of the agenda and therefore invalidated the meeting. Legal counsel confirmed that adequate public notice was given to the public in multiple places in the agenda and website. The chair ruled that including the link as Appendix A of the agenda, the physical posting of the link at the office window, and posting on the District website were adequate and proceeded with the meeting.

VOTE:

Lee: YES

Paul: YES

Susan: YES

Sara: NO

Jade: YES

The agenda was approved.

II. Board Comments - Lee

Board members offered information to share with the public.

III. Community Comments – Lee

Comments from the community were received concerning the location of the Zoom link on the published agenda, concerns about legal counsel, lack of prior availability of the treasurer's report, the location of tabbed documents in the agenda, lack of a consent calendar, and confusion over the start time of the meeting.

IV. Board Interim Counsel – Lee

Moved by Jade, seconded by Susan to approve the engagement agreement with Alexander T. Henson as Interim Counsel.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: NO
Jade: YES

The agreement with Mr. Henson as Interim Counsel was approved.

Moved by Susan, seconded by Paul to form an ad hoc committee ASAP to issue a Request For Proposal, research applicants, and make a recommendation to the full board for permanent counsel.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: YES
Jade: YES

Lee appointed Lee and Sara will serve on this ad hoc committee.

V. Fiscal Controls - Jade

Moved by Jade, seconded by Paul to establish a fiscal controls policy to govern authority to expend district funds.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: ABSTAIN
Jade: YES

The fiscal controls policy as distributed is adopted.

VI. Microsoft 365 - Lee

Jade moved, seconded by Paul to adopt a resolution naming Lee as the administrator of the MCHCD Microsoft 365 portal.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: NO
Jade: YES

Lee is designated as administrator for the District's Microsoft 365 portal.

VII. Audit – Jade

Moved by Sara, seconded by Jade to approve the engagement agreement with Dingus, Zarecor & Associates to perform a customary audit for 2021 and 2022.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: YES
Jade: YES

The engagement agreement with Dingus, Zarecor & Associates is approved.

Moved by Susan, seconded by Paul to create an ad hoc committee to complete the reconciliation process begun by the previous board to reconcile bank statements from July 1, 2020, with the Moss Adams report to rectify any incorrect dispositions of money in various accounts.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: YES
Jade: YES

Lee appointed Sara and Susan to serve on this committee. Jade will provide all bank statements as requested.

VIII. Motion to Table – Sara

Moved by Sara, seconded by Jade, to table items 5, 6, and 7 under Old Business pertaining to Standing Committees, Ad Hoc Committees, and Board Retreat.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: YES
Jade: YES

Items 5, 6, and 7 are tabled.

IX. Change of Mailing Address to a P.O. Box – Jade

Moved by Sara, seconded by Susan to establish a Mendocino Coast Healthcare District P.O. Box to help ensure District mail is timely received.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: YES
Jade: YES

A District P.O. Box will be arranged.

X. Agenda Packet Format - Susan

There was discussion about whether agenda packets with all relevant tabs should be posted and shared as 1 PDF document or as separate files. It was agreed, as suggested by the public, to post both individual documents and 1 complete file with all tabs and links to the referenced document.

XI. 516 Cypress Street Address Change Request – Jade

Moved by Jade, seconded by Susan to complete and submit the necessary form to the City of Fort Bragg to establish separate addresses for suites A and B at 516 Cypress Street as requested by Anchor QM. After discussion, the motion was withdrawn.

XII. Expanding the Number of Directors – Paul

Paul invited members of the Board to consider expanding the Board to include broader representation from various ethnic and cultural communities in the District.

XIII. Disposal of Stored Medical Equipment - Sara

Moved by Jade seconded by Susan to authorize Sara to update the inventory of stored medical equipment, prepare a surplus property resolution, and to spend up to \$500 to complete this.

VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: YES
Jade: YES

Sara is authorized to update the inventory and spend up to \$500 on this project and may ask other Board members to assist.

XIV. Motion to Adjourn

Moved by Susan, seconded by Jade to adjourn.

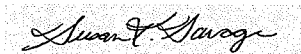
VOTE:

Lee: YES
Paul: YES
Susan: YES
Sara: YES
Jade: YES

The meeting was adjourned at 9:04 PM.

I hereby certify that all the information contained in these minutes is true and correct.

Respectfully submitted,



Susan K Savage, Secretary

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Here is the requested information.

I have been a practicing Family Physician for 40 years until I retired in 2020 including working at rural and urban health centers, plus other clinics. In Point Arena, I ran a solo practice for 10 years. My last job before retirement was working for Adventist Health in Fort Bragg building and maintaining a primary care practice.

During those years, I was in on discussions about buying new equipment including consideration of the price, versus the potential benefit to the office income stream, plus the patient care value. I was also in on discussions around building of a new office as well as the remodeling of two offices, plus living through the follow through of those discussions.

I also went on eight Rotary trips to central Mexico for project fairs. My role as the only physician on the trips was to evaluate medical related projects with an eye on the question of the cost of the projects/equipment versus the value to the community and enhanced patient care. I also looked into the questions of who would routine maintenance of the equipment, access replacement parts, and who would do timely repair of broken equipment.

Hopefully this information is helpful for you.

Diane Harris MD MPH FAFAP

Sent from my iPad
Doug Hammerstrom

**MEASURE C FUNDS
NET OF APPROVED ALLOCATIONS JANUARY 1, 2023**

	<u>Date</u>	<u>Gross Parcel Tax Receipts</u>	<u>Assess</u>	<u>Rebates</u>	<u>Net Parcel Tax Receipts</u>	<u>Capital Projects Approved</u>	<u>Balance</u>	
<u>2018</u>	10/15	100			100		100	
<u>2019</u>	1/14	965,606	(19,312)		946,294		946,394	
	2/28			(18,144)	(18,144)		928,250	
	4/3			(5,040)	(5,040)		923,210	
	4/17			(1,584)	(1,584)		921,626	
	4/26	667,146	(13,343)		653,803		1,575,429	
	5/8					(700,000)	875,429	Medtech upgrade
	5/30			(1,152)	(1,152)		874,277	
	6/7			(1,296)	(1,296)		872,981	FYE '19
	7/19			(4,608)	(4,608)		868,373	
	7/24			(288)	(288)		868,085	
	8/9			(1,296)	(1,296)		866,789	
	8/20	121,445	(2,429)		119,016		985,805	
	10/15					(56,088)	929,717	ED Flooring
						(24,650)	905,067	Nitrous manifold
	12/4			(864)	(864)		904,203	
	12/17	904,939	(18,099)		886,840		1,791,043	
	12/19			(576)	(576)		1,790,467	
<u>2020</u>	1/31					(136,568)	1,653,899	LOGIQ Ultrasound
	1/31					(314,564)	1,339,335	NCFHC
	1/31					(314,564)	1,024,771	ED
	1/31					(314,564)	710,207	Labor & Delivery
	5/31	625,231	(12,505)		612,726		1,322,933	Exclude 1,680,234 from Kathe Double counted?
	7/15			(3,168)	(3,168)		1,319,765	
	9/15	111,327	(2,267)		109,060		1,428,825	? Same fees as Aug '20
	12/17	890,906	(17,815)		873,091		2,301,916	
<u>2021</u>	2/18					(2,225,478)	76,438	Roof rep,HVAC,AmbInc,fire sprkl,surg waste*
	4/23	615,436	(12,309)		603,127		679,565	
	8/26	113,946	(2,267)		111,679		791,244	
	10/19			(5,040)	(5,040)		786,204	
<u>2022</u>	1/6	884,110	(17,682)		866,428		1,652,632	
	4/14	610,304	(12,206)		598,098		2,250,730	
	22-Aug	110,233					2,360,963	
	22-Dec	864,953					3,225,916	
CURRENT TOTALS		7,485,682	(130,234)	(43,056)	6,337,206	(4,086,476)	3,225,916	

Remaining Unallocated Measure C Funds **3,225,916**

Measure C Restricted Account Balance **1,464,513**
(as per John Redding as of 6/29/22)

Minimum true-up required to bring Measure C Funds up to unallocated balance as of 6/29/22. **1,761,403**

Measure C Tax Receipts and Deductions 2022

Date	Description	Amount
Tax Receipts		
4/14/2022	April Tax Distribution	610,303.68
8/19/2022	August "True-Up"	112,482.72
12/29/2022	December Distribution	882,604.08
	Total Gross Distribution	<u>1,605,390.48</u>
Deductions		
4/14/2022	Special Assessment Fee	12,206.07
8/19/2022	Special Assessment Fee	2,249.66
12/29/2022	Special Assessment Fee	17,652.10
2/3/2023	Special Assessment Corrections	720.00
12/19/2022	Eastshore Consulting	10,000.00
	Total Deductions	<u>42,827.83</u>
	Net Measure C Proceeds	<u>1,562,562.65</u>

January 17, 2023

TO: Mendocino Coast Health Care District Board of Directors (Board)
FROM: Jim Hurst, Chair of Measure C Oversight Committee
RE: Relationship between District Board and Measure C Committee

Measure C is the Mendocino Coast Health Care District Parcel tax that was approved with a 66.8% Majority vote on June 5, 2018. A two-thirds (66.67 percent) supermajority was required for approval. The Parcel Tax expires 2030.

Measure C's passage authorized the District to levy an annual parcel tax in the amount of \$144 per parcel for 12 years, beginning July 1, 2018, to fund healthcare facilities and services, raising an estimated \$1,700,000 annually after exemptions and consolidations. The Measure required the District Board to establish an independent taxpayer oversight committee to oversee that the revenues are spent in accordance with the criteria below. The Measure also required that the "proceeds of the healthcare parcel tax shall be deposited in a separate account created by the District. (see attached Text of Measure C)

CRITERIA FOR EXPENDITURE OF MEASURE C FUNDS

- Maintain local emergency room services;
- Attract and retain high quality doctors and nurses;
- Maintain local ambulance and related 911 services;
- Make critical repairs and upgrades to medical equipment and facilities;
- Maintain local surgical services; and
- Maintain local obstetric services.

THE MEASURE C COMMITTEE

In late 2018 and early 2019 the District adopted By Laws for the C Committee (attached), recruited, and appointed seven people to the Committee effective January 16, 2019. The original members were Steven Antler, Myra Beals, Robert Becker, Lea Christensen, Kathe Charter Jim Hurst, and Kitty Bruning. Four members were appointed to 4-year terms and 3 were appointed to 3-year terms.

Members have resigned and terms ended over the years. The District found it difficult to recruit new members, however, and in 2022 reduced the C Committee to 5 members. Except for Jim Hurst, all other terms of the C Committee members expired as of January 15. His term expires in 2026.

The District Board also adopted in June a policy regarding the relationship of the Measure C Funds to the Improvement Fund and the process required to use Measure C Funds for proposed improvements. That will be discussed further in the Lease Relationship Section of this report.

The C Committee is supposed to meet Quarterly in January, April, July, and October. It last met July 7, 2022. Initially Hospital District Staff in conjunction with the District Board would present a list of Capital Improvement projects to the C Committee to review for compliance with the Measure C Criteria. The Committee would meet and discuss with the Districts Financial Officer the list of projects and vote their approval of the qualifying projects.

Measure C requires the District to issue an annual report on the amount of funds collected, expenditure of the funds and the status of any project or program to be funded. The C Committee formerly approved this report. The Annual Report is required to be submitted to the District Board within sixty days of the closed of each fiscal year.

After the merger with Adventist the process became disjointed as the District Board did not have staff to prepare a proposal for Measure C funds. Adventist would submit a list to the District Board which would then come to the C Committee for discussion. Some projects met Measure C Criteria and others did not. Adventist would modify their proposals and the C Committee would vote their approval.

On February 18, 2021, the C Committee approved \$2,225,478 in projects. In June Adventist 2021 asked for a reallocation of those funds which were approved by the C Committee at their July 7, 2022 meeting. The C Committee has not received a followup report as to the expenditure of these funds.

The Committee abides by the "Brown Act" and the Bylaws adopted by the Board. Regular meetings are held quarterly. Special Meetings are scheduled as necessary.

PARCEL TAX RECEIPTS

Parcel Tax Revenues are received by the District in August (the true up of the previous year); December (first payment for current fiscal year); and April (second payment for current fiscal year). The County deducts a fee for processing the parcel tax. Parcel tax funds are deposited in a Tri County bank account entitled "Measure "C" Restricted Fund."

Exemptions to the Parcel tax are allowed for "contiguous residential parcels. Some nonprofit owned parcels can be legally exempted and assessor parcels, consolidated for mapping purposes which are essentially a single parcel, receive only a single parcel tax charge. Approved exemptions and consolidation continue from year to year unless the property is sold. Initially the exemptions and consolidations reduced the annual parcel tax revenue \$157,824 and have totaled an additional \$43,056 since then.

The Parcel Tax Net Revenue, after fees and exemptions (rebates), received by the district from January 2019 to April 2022 totals \$6,337,206. The Committee has approved Measure "C" qualifying expenditures of \$4,086,476 through February 2021. The unallocated Measure C funds totaled \$2,250,730 through April 14, 2022. Based on past history I would estimate that the District received True Up Parcel Tax funds of \$100,000 + in August 2022, and \$900,000 in December, 2022. Unallocated funds should now total about \$3,250,000 and be on deposit in the Tri County Bank account entitled "Measure C Restricted Fund."

LEASE REQUIREMENTS WITH ADVENTIST HEALTH

In accordance with Section 7.1 of the Lease Agreement entered into by the District and Adventist Health Network, the District makes two equal deposits annually (July 1 and January 1) into a restricted account at Tri County Bank entitled "Improvement Fund." The initial amount was \$2,000,000.

The amount is escalated by the lesser of the CPI or 3%. The escalation is cumulative from year to year. For Fiscal Year 2023 the amount of deposits was estimated by the district to be \$2.06 million.

These deposits can be made from either the Tax Revenue Account which holds the property tax revenue; the Restricted Measure C Fund; or other fund sources such as the Lease Payments made by Adventist Health to the District.

The District Board has the final discretion on how much of each revenue source to use. However, prior to transferring funds from the Measure C Account, the Measure C Committee and the District Board must issue a finding that the funded projects are compliant with the Measure C ballot language, (criteria).

I would recommend that the Board obtain a copy of the policy titled "Relationship to Improvement Fund.

Respectively submitted,

Jim Hurst

Jim Hurst, Chair

Measure C Oversight Committee

COPY

MENDOCINO COUNTY AUDITOR CLAIM

FY 21-22 38% Teeter Distribution

Vendor No: 7794 **Batch #** _____

Vendor: Mendocino Coast Hospital **Control #** _____

700 River Drive

Fort Bragg CA 95437 **Check #** _____

Date Paid: APR 14 2022

Total Claim: 922,492.34	Approved for Payment: Chamise Cubisson, Acting Auditor-Controller <i>by Darlene Betts</i> For questions contact: Darlene Betts, 707-234-6874
--------------------------------	--

<u>Fund-Acct No.</u>	<u>Description:</u>	<u>Amount:</u>
	Current Secured	324,394.73
	Current Unsecured	-
	Prior Secured	-
	Prior Unsecured	-
	SB813 Supplemental	-
	HOPTR	-
	Highway Property Rental	-
	Timber Tax	-
	FBRDA Residual ROPS B	-
	Prop 1-A Reimbursement	-
	Spec Assmt - Measure C	610,303.68
	Less Spec Assmt Fee	(12,206.07)
2110-760134	Total	922,492.34

MENDOCINO COUNTY AUDITOR CLAIM

FY 21-22 7% Teeter Distribution

Vendor No: 7794 Batch # 9302

Vendor: Mendocino Coast Hospital Control # 111054388
 700 River Drive

Fort Bragg CA 95437 Check # _____

Date Paid: 8/19/2022

Total Claim: 184,284.89	Approved for Payment: Chamise Cubisson, Auditor-Controller/TTC <i>Darlene Betts</i> For questions contact: Darlene Betts, 707-234-6874
--------------------------------	--

<u>Fund-Acct No.</u>	<u>Description:</u>	<u>Amount:</u>
	Current Secured	62,051.87
	Current Unsecured	151.21
	Prior Secured	-
	Prior Unsecured	1,678.98
	SB813 Supplemental	-
	HOPTR	3,136.35
	Highway Property Rental	-
	Timber Tax	4,947.82
	FBRDA Residual ROPS A	2,085.60
	Prop 1-A Reimbursement	-
	Spec Assmt - Measure C	112,482.72
	Less Spec Assmt Fee	(2,249.66)
2110-760134	Total	184,284.89

Deposited 1/30/23
 Tri-County TX 5861

MENDOCINO COUNTY AUDITOR CLAIM

FY 22-23 55% Teeter Distribution

Vendor No: 7794	Batch # <u>747</u>
Vendor: Mendocino Coast Hospital 700 River Drive Fort Bragg CA 95437	Control # <u>111055078</u>
	Check # _____
	Date Paid: <u>12/29/2022</u>

Total Claim: 1,355,609.01	Approved for Payment: Chamise Cubisson, Auditor-Controller/TTC <i>Darlene Betts</i> For questions contact: Darlene Betts, 707-234-6874
----------------------------------	--

<u>Fund-Acct No.</u>	<u>Description:</u>	<u>Amount:</u>
	Current Secured	490,656.31
	Current Unsecured	-
	Prior Secured	-
	Prior Unsecured	-
	SB813 Supplemental	-
	HOPTR	-
	Highway Property Rental	-
	Timber Tax	-
	FBRDA Residual ROPS A	-
	Prop 1-A Reimbursement	-
	Spec Assmt - Measure C	882,604.80
	Less Spec Assmt Fee	(17,652.10)
		-
2110-760134	Total	1,355,609.01

Deposited 1/30/23
 T.C. - Comba #45861

TAB 4
OFFICIAL RECORD OF RECEIPT AND USES OF FUNDS

Date	Gross Parcel Tax		Net Parcel Tax		Capital Improv.	Balance
	Receipts	Fees	Receipts	Rebates		
2018						
10/15	100		100			100
2019						
1/14	965,606	(19,312)	946,294			946,394
2/28				(18,144)		928,250
4/3				(5,040)		923,210
4/17				(1,584)		921,626
4/26	667,146	(13,343)	653,803			1,575,429
5/8					(700,000)	875,429 Medtech upgrade
5/30				(1,152)		874,277
6/7				(1,296)		872,981 FYE '19
7/19				(4,608)		868,373
7/24				(288)		868,085
8/9				(1,296)		866,789
8/20	121,445	(2,429)	119,016			985,805
10/15					(56,088)	929,717 ED Flooring
					(24,650)	905,067 Nitrous manifold
12/4				(864)		904,203
12/17	904,939	(18,099)	886,840			1,791,043
12/19				(576) (34,848)		1,790,467
2020						
1/31					(136,568)	1,653,899 LOGIQ Ultrasound
1/31					(314,564)	1,339,335 NCFHC
1/31					(314,564)	1,024,771 ED
1/31					(314,564)	710,207 Labor & Delivery
5/31	625,231	(12,505)	612,726			1,322,933 Exclude 1,680,234 from Kathe
6/30						1,322,933 FYE '20
7/15				(3,168)		1,319,765
9/15	111,327	(2,267)	109,060			1,428,825 ? Same fees as Aug '20
12/17	890,906	(17,815)	873,091			2,301,916
2021						
2/18					(2,225,478)	76,438 Roof rep,HVAC,AmbInc,fire sprkl,surg waste*
4/23	615,436	(12,309)	603,127			679,565
6/30						679,565 FYE '21
8/26	113,946	(2,267)	111,679			791,244
10/19				(5,040)		786,204
2022						
1/6	884,110	(17,682)	866,428			1,652,632
4/14	610,304	(12,206)	598,098			2,250,730
CURRENT TOTALS	6,510,496	(130,234)	6,380,262	(43,056)	(4,086,476)	2,250,730

Capital Expenditures paid from Measure C Funds to date: 1,860,998
 Funds spent for 2/18/21 approvals after reallocation: 2,032,473
Total Expenditures to Date: 3,893,471

Balance after actual capital funds expended including reallocated project funds: **2,443,735**

*Status of Approvals 2/21	Spent as of 3/31/22		
Roof Repair	935,000	375,997	559,003
HVAC--Kit/ED	960,000	-	960,000
Ambulance	260,000	180,774	79,226
Fire Sprinkler	28,575	35,502	(6,927)
Surg Waste Device	41,903	41,903	-
		634,176	

Continues

omit

Check – Redding’s Version

	NET RECEIPTS	FEEs	GROSS RECEIPTS		
Apr-22	\$ 598,097.61	\$ 12,206.07	\$ 610,303.68		
Jan-22	\$ 866,427.41	\$ 17,682.00	\$ 884,109.41		
Aug-21	\$ 111,678.36	\$ 2,267.00	\$ 113,945.36		
Apr-21	\$ 603,127.12	\$ 12,309.00	\$ 615,436.12	Adjusted Net Revenue	\$ 6,335,321.36
Dec-21	\$ 873,091.15	\$ 17,815.00	\$ 890,906.15	Funds Expended	\$ 3,882,785.00
Aug-20	\$ 109,060.36	\$ 2,267.00	\$ 111,327.36	Balance	\$ 2,452,536.36
May-20	\$ 612,726.11	\$ 12,505.00	\$ 625,231.11	Bank	\$ 1,464,512.84
Dec-19	\$ 886,840.42	\$ 18,099.00	\$ 904,939.42	True Up	\$ 988,023.52
Aug-19	\$ 119,016.00	\$ 2,428.90	\$ 121,444.90		
Apr-19	\$ 653,803.00	\$ 13,342.92	\$ 667,145.92		
Jan-19	\$ 946,294.00	\$ 19,312.12	\$ 965,606.12		
	\$ 100.00				
Jul-18	Goes into effect				
TOTAL NET	\$ 6,380,261.54	\$130,234.01	\$ 6,510,395.55		
REBATES	\$ (44,928.00)				
BANK FEES	\$ (12.18)				
ADJ. NET	\$ 6,335,321.36				

Mendocino Coast Healthcare District Measure C Taxpayer Oversight Committee

Bylaws

Preamble

In accordance with Measure "C" parcel tax of the Mendocino Coast Healthcare District ("District"), passed by the voters on June 5, 2018, the Mendocino Coast Healthcare District Board of Directors ("Board") has established a Measure "C" Taxpayer Oversight Committee ("Committee") which shall have the duties and rights set forth in these Bylaws.

Name, Purpose, and Duties

Name

The name of this committee shall be the "Mendocino Coast Healthcare District Measure "C" Taxpayer Oversight Committee" hereinafter referred to as the "Committee."

1. Purpose

The Committee shall review proposed spending of Measure C funds and make recommendations to the Board about whether the proposed spending is consistent with the purposes set forth in Measure C. The Committee shall review and report on the expenditure of Measure "C" revenues to verify said revenues are expended solely to *attract and retain high quality doctors/nurses, maintain local emergency room, obstetric, surgical, ambulance and related 911 services, and make critical repairs and upgrades to medical equipment/facilities.*

The Board reserves the exclusive power and responsibility for the expenditure of all Measure "C" revenues.

2. Duties

Committee members shall be expected to attend its regularly scheduled meetings, review all pertinent information provided to the Committee, and abide by the provisions of the *Ralph M. Brown Act* (the "Brown Act") (Gov. Code § 54950 *et seq.*) and all rules of conduct established in these Bylaws. In furtherance of its purpose the Committee may engage in the following activities:

- A. Receive and review the District's budgets to verify that parcel tax is planned to be expended in accordance with the purposes set forth in the ballot language of Measure "C" as approved by the voters.
- B. Receive and review all pertinent expenditure reports produced by the District to verify that parcel tax revenue was expended in accordance with the purposes set forth in the ballot language of Measure "C" as approved by the voters.
- C. Prepare and present to the Board, in open session, in December of each year or whatever month is otherwise deemed appropriate by the Committee and Board., an annual written report beginning with the 2018-19 fiscal year and continuing through fiscal year 2029-2030 ("Annual Report") which will include:
 - i. A statement indicating whether the District's parcel tax revenue expenditures for the preceding year were made in accordance with the stated purposes of Measure "C".

- ii. A summary of the Committee's proceedings for the preceding year.
- D. Prepare and provide other reports and input to the Board on Measure C parcel tax expenditures' compliance, to the extent practicable and the Committee deems necessary.

3. Committee Composition

- A. The Committee shall consist of seven voting members.

Eligibility

- A. The Committee shall be comprised of individuals who are at least 18 years of age and who live within the boundaries of the District.
- B. No employee, official, vendor, contractor, or consultant of the District shall be appointed to the Committee.
- C. In appointing members to the Committee the Board should make an effort to have as much geographic and demographic representation on the Committee as possible.

Conflict of Interest

- A. Members of the Committee are not subject to the Political Reform Act (Gov. Code §§ 81000 *et seq.*), and are not required to complete Form 700.
- B. Pursuant to the prohibitions contained in Article 4 (commencing with Section 1090) of Division 4 of Title 1 of the Government Code ("Article 4") and Article 4.7 (commencing with Section 1125) of Division 4 of Title 1 of the Government Code ("Article 4.7") are applicable to members of the Committee. Accordingly:
 - i. Members of the Committee shall not be financially interested in any contract made by them in their official capacities or by the Committee, nor shall they be purchasers at any sale or vendors at any purchase made by them in their official capacity, all as prohibited by Article 4; and
 - ii. Members of the Committee shall not engage in any employment, activity, or enterprise for compensation which is inconsistent, incompatible, in conflict with, or inimical to duties as a member of the Committee or with the duties, functions, or responsibilities of the Committee or the District. A member of the Committee shall not perform any work, service, or counsel for compensation where any part of his or her efforts will be subject to approval by any other officer, employee, board, or commission of the District's Board, except as permitted under Article 4.7.

4. Term of Service

- A. Committee members serve without compensation.
- B. Terms of Appointed Committee members shall be staggered. Three members shall serve for the first three years, and four members shall serve for the first four. Subsequent members shall serve four year terms, except those appointed to replace vacancies.

- C. The Committee will terminate following the submission of the final Annual Report in December of 2030 (or whatever month is otherwise deemed appropriate by the Committee and the Board for presentation of the Committee's final Annual Report).

5. Replacing a Committee Member

- A. If a Committee position becomes vacant, the Board shall appoint a replacement as soon as practicable.
- B. Unless failure to act results in the inability to meet a Committee quorum, if six months or less remain of the unexpired four-year term, the Board may choose to leave that position vacant for the remainder of the term.
- C. A replacement Committee member may be appointed by the Board if one or more of the following events occur:
 - 1. The Committee member submits a written resignation to the Board, with a copy to the Committee Chair;
 - 2. The Board removes a member for cause, including non-attendance at meetings violating these Bylaws, and/or violating the District's adopted norms.
- D. Committee members appointed to fill vacant, unexpired terms may apply and shall be eligible for reappointment to a succeeding full four-year term.
- E. Members whose term has expired may continue to serve on the Committee until a successor has been appointed.

6. Committee Officers

Officers of the Committee shall be a Chair, and a Vice-Chair. The Healthcare District CFO shall serve as non-voting Secretary to the Committee.

7. Elections

At the first meeting of each fiscal year, the Committee shall place into nomination and elect a Chair and a Vice-Chair.

8. Term of Office

Officers shall be elected for a one-year term and shall not be term-limited except for the limit on the terms of Committee members set forth in Section 4(B) above.

9. Duties of the Chair

- A. The Chair shall call Committee meetings.
- B. The Chair shall, in consultation with District staff and with input from the Committee, establish the agenda for each Committee meeting.
- C. The Chair shall preside over each Committee meeting, following the adopted Rules of Procedure.

- D. The Chair or his/her Committee-approved designee shall serve as spokesperson for the Committee in all representations of the Committee to the public, the Board, and the media.

10. Duties of the Vice-Chair

The Vice-Chair shall perform each of the duties of the Chair as necessary in the absence of the Chair.

11. Duties of the District-Designated Secretary

- A. Subject to review by the Chair before publishing, the District-designated Secretary shall provide oversight in the preparation, recording, and distribution by District-provided support of the following documents in accordance with the Brown Act:
- Committee meeting agendas;
 - All reports, materials, and meeting packets as required by or addressed to the Committee;
 - The minutes of Committee meetings;
 - All written material submitted by the public during Committee meetings;
 - All official correspondence addressed to the Committee;
 - Reports adopted by the Committee;
 - Committee attendance records.
- B. The District-designated Secretary shall take and record roll at the beginning of each Committee meeting to determine the existence of a quorum. If a quorum ceases to exist during a meeting, the District-designated Secretary shall immediately inform the Chair.

12. Succession

The Vice-Chair will accede to Chair when a vacancy occurs in that office. In the event of a vacancy in the office of Vice-Chair, the position will be filled by election, agendized at its next regular Committee meeting.

13. Meetings

- A. All Committee meetings subject to the Brown Act will be held in a fully-accessible District facility.
- B. The Committee shall meet quarterly each fiscal year. Special meetings can be scheduled as necessary.
- C. To the extent practicable, the Committee, with the support of the District-designated Secretary and Clerk of the Board, shall publicize and promote its meetings to attempt to invite as much public participation as can reasonably be expected.
- D. Committee members shall be available to attend Board of Directors meetings when reports relating to Measure "C" are presented.

14. Agendas

- A. The Committee will take public comment at the beginning of each meeting.
- B. Agendas for regular Committee meetings will be prepared by its Chair, in consultation with District staff and with input from the committee. All documents applicable to agenda items shall be distributed at least three days in advance of meetings.
- C. Any member of the Committee may submit a request for placing an item on a future agenda.
- D. Agendas may include a consent calendar for routine, non-controversial items. These items must be clearly identified on published agendas. Any member of the Committee or public may request at the meeting that an item be added to the consent calendar or be pulled for discussion.
- E. After roll-call and the establishment of a quorum, meetings will begin with a consent calendar if appropriate.

15. Quorum

Actions may be undertaken at a meeting only if half-plus-one of Committee members in office as defined by Section 3(A) are present.

16. Committee Voting

Unless otherwise specified in these Bylaws an agenda item may be approved by a simple majority of Committee members in attendance, a quorum being present. Members must be present to vote.

17. Rules of Procedure

Meetings shall be conducted with courtesy and decorum and in accordance with Robert's Rules of Order.

18. California's Open Meeting Law

All meetings of the Committee shall be open to the public and shall be noticed and conducted in strict compliance with the Brown Act.

19. Public Participation

Any member of the public present at a meeting may address the Committee during the period designated for public comment. The Chair may, at his/her discretion, choose in advance to place an equal time limit on all speakers.

20. Minutes

Minutes of Committee proceedings and all documents received and reports issued shall be a matter of public record, and the District shall make them available on the District's website. The District shall provide secretarial/clerical services to assist the Committee Chair in preparation, distribution, and posting of minutes for all Committee meetings. Minutes published before adoption by the Committee shall always be labeled "Draft Minutes."

21. Attendance

Regular attendance at Committee meetings is a fundamental obligation of every member of the Committee. Absences are disruptive to Committee activity and representation. Failure to attend two

consecutive meetings without acceptable reason announced in advance shall constitute due cause for member removal.

- A. Members anticipating an absence must call or email the Committee Chair or District-designated Secretary no later than 24 hours before the scheduled meeting.
- B. Committee attendance reports will be distributed annually and upon request by the Chair.

22. Committee Reports

- A. With the assistance of the District-designated Secretary, the Committee may prepare regular reports on its activities and, to the extent practicable, publicize and promote such reports. The Annual Report shall be issued and presented to the Board for each fiscal year. All Committee reports shall be made available on the District's website.
- B. Any such reports, written and/or oral, that represent the Committee's position must proceed from Committee review, be duly approved as to substance by an affirmative vote of a majority of the members present at a Committee meeting, a quorum being present, and be faithfully articulated to the public only by the Committee Chair or an approved designee.
- C. Any member of the Committee may speak as an individual on parcel tax issues but must clearly state for the record that such statements are their own personal views which do not necessarily represent those of the Committee or the District.

23. Amendment of Bylaws

Any amendment to these Bylaws shall be approved by a majority vote of the Board.

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Mendocino Coast Health Care District

Treasurer's Report

Thursday, February 23, 2023

General Notes:

1. The major goal of the last month has been to gain access to the District's bank accounts. At this point, we have complete access to the Tri-Counties Bank accounts and viewing access to the Bank of America accounts. Hopefully, by next week, we will have full access to the Bank of America accounts. The paperwork drill has been extensive.
2. Nothing seems to come easy. Tri-Counties refused to accept deposit of the \$1.3 Million Mendocino County check because it was written to Mendocino Coast District Hospital. I had to file a new W-9 with the County, deliver the offending checks and wait for replacements before depositing the tax money. There is a significant amount of "identity management" still to do, formalizing the transition of the District from being the hospital operator to being a Health Care District.
3. Fortunately, I have to thank Kira Rafanan at Adventist Health Mendocino Coast for producing the IRS form 1094C that I was able to use to refute the IRS bill of \$286,000 mentioned last month.
4. Now there is a new bill from the California Department of Health Care Services for \$418,000, for, I assume, MediCal overpayments. I have some inquiries in on that one, and we may need to hire a consultant to try to get those numbers reduced.
5. The bulk of this report will be a Budget vs. Actual study I undertook, which is not totally complete, but I feel at this point, I need to report out what I have found. The findings are concerning.

Board Tasks

1. Accept this Treasurer's Report
2. Authorize the transfer of:
 - a. \$4,000,000 from Bank of America account xxx1263 to Adventist Health as AH Accounts Receivable deposited in MCHCD Accounts
 - b. \$1,060,900 from Bank of America account xxx3743 to Adventist Health as the January Maintenance and Improvement payment under the Lease.

Presented by Jade Tippett, Treasurer

Mendocino Coast Health Care District
Statement of Financial Position
As of February 18, 2023

	Total
ASSETS	
Current Assets	
Bank Accounts	
CASH AND CASH EQUIVALENTS	
BofA xx155 ¹	2,456,899.00
BofA AP xx268	174,273.90
BofA HH AP xx743	1,099,109.00
BofA HH PR xx680	21,663.14
BofA Master xx263 ²	4,037,524.00
BofA Payroll xx282	6,238.47
SBMC Core xxxxx660	13,947.48
SBMC Gift Mem xxx686	0.00
SBMC HH xxx678	73,913.84
TRIC Deposit Account 7219	1,262,482.00
TRIC District AP -Checking (7244)	190,283.05
TRIC CIF - Restricted Account 7207	0.00
TRIC Measure C Restricted Fund - 5258	1,464,512.84
TRIC Property Tax Revenue Account 5861	2,575,334.00
Total Verified Bank Accounts	\$ 13,376,180.72
Total Cash	\$ 13,376,180.72
Other Assets	
Local Agency Investment Fund (LAIF)	3,519,951.00
Storage Deposit	1,606.00
Sun Life of Canada 962 shares	47,186.10
Total Other Assets	\$ 3,568,743.10
Accounts Receivable	
Adventist Health Lease Payment	\$ 875,000.00
Total Accounts Receivable	\$ 875,000.00
TOTAL ASSETS	\$ 17,819,923.82

LIABILITIES**Liabilities****Current Liabilities****Accounts Payable**

AHMC Maintenance and Improvement Due January 1, 2023	1,060,900.00
AHMC Accounts Receivable Claim as of January 1, 2023	6,115,981.73
CA Dept. Health Care Services Refund Claim²	408,013.00
Operations Accounts Payable (A/P)	554.00

Total Accounts Payable \$ 7,585,448.73

Other Liabilities

CARES Act Refund	\$ 1,300,000.00
United Health Care Loan	420,000.00

Total Other Liabilities \$ 1,720,000.00

Total Current Liabilities \$ 9,305,448.73

Long-Term Liabilities

2016 Refunding Bonds	3,251,216.69
CAL Mortgage Loan	0.00
HELP II Loan 21192275	858,405.30

Total Long-Term Liabilities \$ 4,109,621.99

Total Liabilities \$ 13,415,070.72

NET ASSETS MINUS LIABILITIES \$ 4,404,853.10

EQUITY

Net Capital Assets - FY2020 Audit (DZA)* 14,549,614.00

TOTAL EQUITY \$ 14,549,614.00

NET WORTH \$ 18,954,467.10

NOTES:

¹ This amount was shown as estimate of \$7.5M by KMC and \$10M by former Treasurer John Redding. This is the actual amount confirmed by Bank of America.

² This account is primarily if not totally composed of payments to AHMC for services by insurance companies, etc. which will be passed through to AH.

³ This involves four different claims and was dated February 8, 2023. I am surmising that these concern overpayments that the Department of Health Services is seeking to claw back. I have sent DHCS an inquiry as to the times of service and times of payment to parse whether these belong to the District or AHMC. In the normal course of health care business, the hospital or provider would have an employee or consultant on retainer to negotiate claims of this sort. I will be researching whether we can hire someone to reduce this amount.

⁴ This represents the value of land and improvements owned by the District. This figure comes from the 2019-2020 DZA Audit Capital assets, net of accumulated depreciation.

Disclaimer: This statement was not subjected to an audit, review, or compilation and may contain errors and omissions. The sole purpose of this document is to acquaint the Governing Board of the general status of the District's finances.

Prepared by J. Tippett, Treasurer

Budget Based Progression from July 1, 2020 to Present

Date	Source/Payee	Debit	Credit	Balance	Notes
6/30/2020	Beginning Balance - Unrestricted		8,314,306	8,314,306	From DZA 2020 Audit Cash and Cash Equivalents ¹
	Beginning Balance - Restricted		675,316	8,989,622	From DZA 2020 Audit (Measure C?) ¹
	Beginning Balance - LAIF		3,456,956	12,446,578	From DZA 2020 Audit ¹
	AH Lease Payment		775,000	13,221,578	
	AH Emergency Repairs ²	600,000		12,621,578	Balance of \$600K of the \$2M due before hand-over + \$1M every 6 months
	AH Maint & Improv	1,000,000		11,621,578	
	Mendocino County			11,621,578	
1/1/2021	AH Lease Payment		280,000	11,901,578	True-Up on AB-8 Apportionment and Measure C
	AH Maint & Improv	1,000,000	775,000	12,676,578	
	Mendocino County			11,676,578	
5/1/2021	Mendocino County		1,355,000	13,031,578	First payment on AB-8 Apportionment and Measure C
	Mendocino County		900,000	13,931,578	Second Payment AB-8 Apportionment and Measure C
6/30/2021	MCHCD Debt Payments Annualized ³	952,470		12,979,108	
	MCHCD Operating Budget 2021	250,000		12,729,108	
7/1/2021	AH Lease Payment		775,000	13,504,108	
	AH Maint & Improv	1,030,000		12,474,108	
8/15/2021	Mendocino County		185,000	12,659,108	True-Up on AB-8 Apportionment and Measure C
1/1/2022	AH Lease Payment		775,000	13,434,108	
	AH Maint & Improv	1,030,000		12,404,108	
	Mendocino County			12,404,108	
5/1/2022	Mendocino County		1,355,000	13,759,108	First payment on AB-8 Apportionment and Measure C
6/30/2022	MCHCD Debt Payments Annualized ³	952,470	900,000	14,659,108	Second Payment AB-8 Apportionment and Measure C
	MCHCD Operating Budget 2022	250,000		13,706,638	
7/1/2022	AH Lease Payment		775,000	13,456,638	
	AH Maint & Improv	1,060,900		14,231,638	
8/15/2022	Mendocino County		185,000	13,170,738	True-Up on AB-8 Apportionment and Measure C
1/1/2023	AH Lease Payment		1,300,000	13,355,738	True-Up on AB-8 Apportionment and Measure C
	AH Maint & Improv			13,355,738	\$775,000 Not received yet
	Mendocino County			13,355,738	\$1,060,900 Not paid yet
2/1/2023	MCHCD Debt Payments to 2/1/23 ³	555,607.50		14,655,738	
	MCHCD Operating Budget 2023-7mos	145,833		14,100,131	
				13,954,297	
				13,954,297	

¹ These figures taken from the DZA FY2020 Audit. For purposes of estimation, I deliberately excluded from this progression the accounts payable from the 2020 Audit (\$11,073,937) and the Accounts Receivable (\$11,561,692) as essentially a wash. At some point in time, AH purchased the residual AR from MCHCD for a fixed sum. I am still seeking documentation of the date and amount for that exchange.

² My memory has it, and former Board member Norman DeValle confirmed it, that about \$1.4M of \$2M Emergency Repairs payment was paid prior to June 30, 2020.

³ Debt Payments:

	Monthly	Annual
Revenue Bonds Refinanced 2016	46,933	563,196
Help II Loan (+\$690 late fee)	13,802	165,624
United Health Care of California		223,650
Total		952,470

MCHCD Cash Analysis

As Of 2/14/2023

Bank	Number	Description	Balance	AH AR Use?	Notes
Tri-Counties					
	7207	Improvements Fund	-	NO	Closed 12/15/22
	7219	Deposit	1,262,482.00	Yes	
	7244	Hospital AP	190,283.05	No	Bill payment account
	5861	Tax Revenue	2,575,334.02	No	
	5258	Measure C Restricted	1,464,512.84	No	
	5271	Restricted Capital Fund	-	No	
Bank of America					
	1263	MCHD	4,011,643.00	Yes	Blue Shield - 4 ACH deposits per day
	1268	MCHD Accounts Payable	174,273.90	No	No transactions
	7680	MCHD Home Health	21,663.14	No	No Transactions
	1282	MCHD Payroll	6,238.47	No	No Transactions
	3743	Mendocino Coast Home Health	1,100,277.62	Yes	Ended in September
	0155	Master	2,456,954.29	Yes	Noridian/Medicare (Occasional)
		Total Cash in Banks	13,263,662.33		
Local Agency Investment Fund		Total Cash Position	3,519,951.91		
		Less AH Claim for AR	(6,115,981.73)		Note:
					Bank balances are actual as of 2/14
		Net Cash Position	10,667,632.51		
		Progressed Summary Estimate	13,954,297.17		
		Difference	(3,286,664.66)		

Mendocino Coast Health Care District
doing business as Mendocino Coast District Hospital
Statements of Net Position
June 30, 2020 and 2019

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2020	2019
<i>Current assets</i>		
Cash and cash equivalents	\$ 8,314,306	\$ 2,038,841
Cash and cash equivalents restricted as to use	675,316	754,868
Receivables:		
Patient accounts	5,526,900	4,832,481
Estimated third-party payor settlements	5,104,908	3,976,836
Other	758,803	1,133,896
Taxes	171,081	192,601
Inventories	1,013,423	839,076
Prepaid expenses	371,230	470,323
Total current assets	21,935,967	14,238,922
<i>Noncurrent assets</i>		
Investments limited as to use in local agency investment fund	3,456,956	4,376,979
Cash and cash equivalents restricted as to use, less current portion	407,350	407,350
Capital assets, net	14,549,614	14,554,638
Total noncurrent assets	18,413,920	19,338,967
<i>Deferred outflows of resources, bond refunding</i>	422,501	471,251
Total assets and deferred outflows of resources	\$ 40,772,388	\$ 34,049,140

See accompanying notes to basic financial statements.

Mendocino Coast Health Care District
doing business as Mendocino Coast District Hospital
Statements of Net Position (Continued)
June 30, 2020 and 2019

LIABILITIES AND NET POSITION	2020	2019
<i>Current liabilities</i>		
Accounts payable	\$ 3,834,011	\$ 4,511,676
Accrued compensation and related liabilities	3,009,765	3,191,861
Unearned CARES Act Provider Relief Fund	5,811,277	-
Estimated third-party payor settlements	2,272,136	1,618,185
Accrued interest	874,424	1,011,655
Current maturities of long-term debt	1,083,601	1,492,204
Total current liabilities	16,885,214	11,825,581
Long-term debt, less current maturities	10,333,471	11,486,879
Total liabilities	27,218,685	23,312,460
<i>Net position</i>		
Net investment in capital assets	3,520,619	2,274,461
Restricted for debt service and reserve	1,082,666	1,162,218
Unrestricted	8,950,418	7,300,001
Total net position	13,553,703	10,736,680
Total liabilities and net position	\$ 40,772,388	\$ 34,049,140

See accompanying notes to basic financial statements

Mendocino Coast Health Care District Warrant List

January 26, 2023 - February 23

Payee	For	Date Last Paid	Amount
Automated Payments			
BNY Mellon -	Revenue Bond	2/1/2023	46,933.33
Bank of America	Analysis Charge	1/31/2023	1,903.98
Mendocino Community Network	Fusion Service 775	2/1/2022	131.77
Pelican Storage	Surplus Storage	2/20/2023	720.00
Mendocino Community Network	Hospice?	2/13/2023	132.47
Past Payments			
		Date Paid	Amount
Mendocino County Auditor	Election Cost	2/10/2023	30,578.33
Beta Health Care Group	Insurance	2/10/2023	866.09
Willdan Financial Services	Bond Management	2/10/2023	250.00
* California Health Facilities Finance	Help II Loan	2/10/2023	14,492.12
* California Health Facilities Finance	Help II Loan	2/10/2023	13,802.02
Best, Best & Kreiger	Legal	2/10/2023	5,110.00
California Special Districts Assoc.	Consulting	2/10/2023	3,581.00
Streamline	Web Hosting	2/10/2023	200.00
Petrak & Assoc.	CMS Billing Consult.	2/10/2023	357.50
Melio	Payment Service	2/10/2023	4.50
Payments Due			
		Due Date	Amount
AHMC Maintenance and Improvement		1/30/2023	1,060,900.00
** Department of Health Care Services	MediCal Reimburse	3/5/2023	257,983.94
** Department of Health Care Services	MediCal Reimburse	3/5/2023	306.47
** Department of Health Care Services	MediCal Reimburse	3/5/2023	85,140.59
** Department of Health Care Services	MediCal Reimburse	3/5/2023	74,581.92
Susan Savage	P.O. Box	2/13/2023	354.00
Streamline	Web Hosting	2/1/1931	200.00

* In the process of automating the Help II Loan payments to avoid late fees.

** These appear to be reimbursement invoices for overpayments having to do with MediCal. No supporting information came with the demand letters. I have reached out to DHCS for dates of service and dates of payment. I also reached out to Petrak & Associates who specialize in reducing these kinds of reimbursement

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Chair's Report – February 23, 2023

- Followed up with Assemblymember Jim Wood's staff to advocate for MCHCD inclusion in deferral of 2030 seismic compliance requirements in potential legislation.
- Met with Mary Kate McKenna and Terry Ramos of the Mendocino Coast Healthcare Foundation.
- Began regular monthly meetings with AH Coast Hospital Director, Judy Leach.
- Attending Health Care Roundtable at AH on February 23, 2023
- Recruited Dr. Diane Harris as candidate for appointment to the Measure C Oversight Committee.
- Researched the Small and Rural Hospital Relief Program grants for analyzing seismic retrofit needs
- Responding to CPRA requests.
- Coordinated between Scott MacKey of the Devenney Group and AH Facilities Manager to arrange structural engineer visit to AHMC. Consulting with Scott MacKey regarding completion of Devenney report and need for cost estimator.

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Request for Reimbursement of Expenses Incurred by Board Members to Accomplish the Transition to the New Board and In Person Meetings

Board Member	Date	Payee	For	Amount
Jade Tippett	12/21/22	Rackspace	Office 365	\$126.00
	1/12/23	Mendo Litho	Agenda Docs	33.64
	1/26/23	Mendo Litho	Agenda Docs	15.02
	2/15/23	Mendo Mill	Office Keys	13.02
		Total Jade Tippett		187.68
Susan Savage	2/6/23	Mendo Litho	Agendas	58.79
	2/7/23	Mendo Litho	Agenda Docs	3.27
		Total Susan Savage		62.06
		Grand Total		249.74

Submitted to the Board by Jade Tippett, Treasurer