

MENDOCINO COAST HEALTH CARE DISTRICT
775 RIVER DRIVE, FORT BRAGG 95437

MEMORANDUM

TO: MCHCD Board of Directors

FROM: Paul Garza, Jr.

DATE: September 26, 2024

SUBJECT: Monthly Report

MENDOCINO COAST HEALTHCARE FOUNDATION

Congratulations to Chair Terry Ramos, Vice-Chair Charlene McAllister and the other members of the Board of Directors of our Healthcare Foundation on the recent, very successful WineSong Celebration. It was an excellent event and while final accounting has not been completed at the time of this writing, I have been informed that the expected net is somewhere between \$250K and \$300K.

LEGISLATION

Regrettably, Senate Bill 1432 was vetoed by Governor Newsom. AB 869 authored by our Assembly Member Jim Wood, however, is on the Governor's desk for signature. Most observers are hopeful that it will be signed. This legislation would provide an additional three years to complete seismic retrofits and will provide some additional relief to rural hospitals. On tonight's agenda we have a proposed letter of support to the Governor urging his signature on this important legislation. We encourage all of you to submit letters and/or email messages to the Governor supporting this important legislation. Contact information and a sample letter are available on our website.

MEASURE C

Because there has been concern expressed about the Measure C Parcel Tax, I have directed staff to open a new account with Tri-Counties Bank. Henceforth, Measure C incremental payments will be deposited in that account. It will be easier for the public to see these funds as a line item. We are committed to ensuring these funds are used appropriately and for the purposes designated by the voters.

It is important, however, to remember that this parcel tax provides less than \$1.6M per year to the District. For perspective, since affiliation in July 2020, a little less than \$6.3M has been received. Additionally, over the next five years (when Measure C expires), we can expect less than \$8M from the parcel tax. While it is an important source of funding for our hospital, it represents less than 1/5 of the District's expected revenue over the next five years and will never be adequate to meet the needs for maintenance and improvements at our Hospital.

CHAIR'S ADVISORY GROUP – HOSPITAL 2030

These meetings continue to be highly productive in exploring options for a future hospital. We have reviewed a prior model developed by our architectural firm in 2022, the potential to add an ambulatory/outpatient surgical center, or an augmented version of what is called a Micro Hospital, and various combinations of the above.

Meanwhile, Adventist Health is working to define more completely a business model that they believe will be sustainable in our community without comprising high quality services. Going forward, it is important for our community to understand that it will take a great deal more than the currently available tax dollars to build/renew/modernize/improve our hospital so that it can continue to effectively serve our community. It will take any grant funding we identify and attract from the government, from established philanthropic non-government organizations, and the efforts of our Mendocino Coast Healthcare Foundation.

ELECTION OF BOARD MEMBERS

I encourage all of our citizens to attend the League of Women Voters Candidate Forum for our MCHCD Candidates on October 2 at 6 PM at the Town Hall in Fort Bragg. The District is supporting the event by paying the rental for the facility.