

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

MEMORANDUM

TO: MCHCD Board of Directors
FROM: Paul Garza, Jr.
DATE: January 8, 2026
SUBJECT: Monthly Report

Status of Our Health Care District

We are now fully compliant with HCAI (State Health Care Access and Information Department). We have submitted a plan for seismic retrofit, requested a three-year extension on retrofit completion, and have commenced the process of materials testing that is required. Further, pending audits which will be available very soon, we have requested reimbursement from HCAI that will be approximately \$550,000. Potentially, we could receive a total reimbursement of \$3.2 M from HCAI.

We also have also begun the process of obtaining permits for seismic retrofit construction.

There has been a very substantial amount of work done by our professional consultant team in the last five weeks to enable us to reach this point.

Rural Health Transition (RHT)

We continue to track the status of these funds. Richard Riter, CFO Adventist Health Care Network, will provide an update this evening.