



P. O. Box 95
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Special Finance Committee Meeting
November 15, 2017
9:00 am
Mark Twain Medical Center Education Center - Classroom 5
San Andreas, CA

Agenda

Mark Twain Health Care District Mission Statement

“Through community collaboration, we serve as the stewards of a community health system that ensures our residents have the dignity of access to care that provides high quality, professional and compassionate health care”.

1. **Call to order:**
2. **Roll Call:**
3. **Approval of Agenda:** Action
4. **Public Comment On Matters Not Listed On The Agenda:**

The purpose of this section of the agenda is to allow comments and input from the public on matters within the jurisdiction of the Mark Twain Health Care District not listed on the Agenda. (The public may also comment on any item listed on the Agenda prior to Committee action on such item.) **Limit of 3 minutes per speaker.** The Committee appreciates your comments however it will not discuss and cannot act on items not on the agenda.

5. **Consent Agenda:** Action

All Consent items are considered routine and may be approved by the Committee without any discussion by a single roll-call vote. Any Board Member or member of the public may remove any item from the Consent list. If an item is removed, it will be discussed separately following approval of the remainder of the Consent items.

- Un-Approved Finance Committee Meeting Minutes for October 11, 2017:

6. Controller's Report: Action.....Mr. Krieg

- Financial Status, Trends, Long-Term Views and Cashflow:
 - September Financials Will Be Presented to The Committee:

7. Treasurer's Report:.....Ms. Atkinson

- Investments:
 - Investment Options:
 - Investment Policy:
- Reimbursement Policy:
- Auditor's Report:.....Rick Jackson

8. Executive Director's Report:.....Dr. Smart

- Pay MTMC Utility Payments Until Dissolution:
 - Credit Payments Toward Buyout of Assets at end of Lease:
- County Controller Reports:
- Valley Springs Clinic – Architect Cost Projections:

9. Comment and Future Agenda Items:

10. Next Meeting:

- Due to the holidays the next regular meeting will be Dec. 6, 2017:

11. Adjournment: Action



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Finance Committee Meeting
October 11, 2017
9:30 am
Mark Twain Medical Center Education Center - Classroom 5
San Andreas, CA

Un-Approved Minutes

Mark Twain Health Care District Mission Statement

“Through community collaboration, we serve as the stewards of a community health system that ensures our residents have the dignity of access to care that provides high quality, professional and compassionate health care”.

1. Call to order:

The meeting was called to order by Treasurer, Susan Atkinson at 9:32am.

2. Roll Call:

Present for roll call was Ms. Atkinson, MSW and Ms. Radford, FNP. Also present were staff, JR Krieg, Controller and Ken Malcoun, District Accountant.

3. Approval of Agenda: Action

Ms. Radford moved to approve the agenda. Ms. Atkinson seconded the motion and it passed 2-0.

4. Public Comment On Matters Not Listed On The Agenda:

Hearing none.

5. Consent Agenda: Action

- **Un-Approved Finance Committee Meeting Minutes for September 6, 2017:**

Mr. Krieg: Requested the Board make minor changes in the minutes to reflect the MTMC financials had not yet closed so the Committee was getting a financial draft.

Ms. Radford moved to approve the minutes as amended and Ms. Atkinson provided her second. The Motion passed 2-0.

Minutes – October 11, 2017 MTHCD Finance Committee Meeting – Approved _____

6. **Controller's Report:** **Action**.....Mr. Krieg

- **Financial Status, Trends, Long-Term Views and Cashflow:**
 - **August Financials Will Be Presented to The Committee:**

Mr. Krieg: The Valley Springs Project - Opinion of Probable Costs (OPC) is presented in the documents for Committee review. He then reviewed the Statement of Revenues and Expenses and actual and budget revenues are on track. He then answered questions about; (a) (line 9) which includes Archer Norris (legal firm); (b) (line 14) Election Costs which covers the Public Relations Firm of Paschal / Roth and to date nothing has been paid; (c) website costs are in Office Supplies and Expenses (line 23); (d) legal expenses were expected to increase. The budgeted amount is \$150k of which \$75k is expensed and \$75k is capital lease negotiations.

Ms. Atkinson: There will be expenses for Community Grants and Sponsorships next month. In Feb. of 2018 applicants can apply for grants and sponsorships.

Mr. Krieg: When MTMC accounts close there will be a few more adjustments. The MTMC transferred \$5million to correct their negative cash. With that transfer there will be less investment income earned but it will have no effect on the Minority Interest Account. The Minority Interest Graphs will be adjusted after MTMC closes and become part of the District's Financial pkt for the Regular Board Meeting on Oct. 25, 2017.

Mr. Krieg: Reflecting in the Simplified Cash Flow report that \$7,877 was reimbursement for property taxes paid prior to Calaveras County declaring the District property tax exempt. The property was purchased in Nov. 2015. The Calaveras Assessor's office was delayed in making the adjustment due to the consequence of the Butte Fire.

Dr. Smart: Will provide updated information for the OPC statement to reflect the correct square footage.

7. **Treasurer's Report:**

- **Investments:**
 - **Investment Options:**
 - **Investment Policy:**

Ms. Atkinson: Reported her findings from the ACHD Conference (Sept 12-14) wherein some districts; don't know how investment funds were treated at their district; many other districts had no funds to invest and others used such firms as NY Life, Edward Jones, LAIF, Morgan Stanley etc. She will be contacting districts like ours to see what they have for an investment policy. After collecting their sample policies, the Committee will be working on developing a policy to take to the Board for consideration. Her LAIF findings are; very little return, offer no risk but have immediate access.

Ms. Radford: Discovered many of the districts at the ACHD Conference are health care districts (HCD) and have no hospital. Some had their hospital go under so run a community based program. She indicated they were still considering what the Bank of Stockton might have to offer.

Dr. Smart: We'll likely become a community based district. He suggested all the District's assets were on the table and the Committee needs to project out short term and long term when considering investment options.

- **Reimbursement Policy:**

Ms. Atkinson: Has collected sample reimbursement policies for the Committee to review.

8. Executive Director's Report:

- **Projected Expenses:**

Dr. Smart: Listed the following as projected District expenses; Quorum \$58,500; HFS \$23k (+/-); New HFS fair market value assessment (price TBD) with no budget. The attorneys will manage the assessment and the District will pay for it; Susan Cosgrove of Healthcare Financial Consultants \$42k (+/-) with no budget; the USDA loan requires a Valley Springs Feasibility Study (\$5-10k). It will determine the financial aspects of clinic operations. Ms. Cosgrove may be doing the feasibility study.

- **Real Estate – List of Renters and Leases:**

Mr. Krieg: His staff will add an information box to the List of Renters and Leases Statement so staff can follow the expiration dates and timing for the annual CPI increases to the sub leases.

- **Financial Risk Assessment:**

Dr. Smart: Learned Ms. Cosgrove could access data from the "black box" provided by Dignity. He expects her findings to be available by the end of Oct.

- **County Controller Reports:**

Dr. Smart: Reviewed the Calaveras County Controller's Reports and asked Mr. Krieg to do the same and report back the difference in the tax revenue of \$67,901 and \$73k (+/-) listed on the District financials.

- **Annual Financial Audit:**

Dr. Smart: Rick Jackson, CPA of JWT & Associates, LLP is in the District today and tomorrow to gather audit materials. Mr. Jackson plans to have his report to the Committee by the Nov. 8th meeting and to attend the Nov. 29th Board meeting. The Committee is still considering doing an RFP in Jan. to start a selection process for a new audit firm.

9. Comment and Future Agenda Items:

Hearing none.

10. Next Meeting:

- **The next regular meeting will be November 8, 2017:**

Dr. Smart: Expects the Committee will need additional time to review the annual financial audit at the Nov. 8th meeting so he suggested a start time of 9:00am. The Committee agreed to start the Nov. 8 meeting at 9:00am instead of 9:30am.

11. Adjournment: Action

Ms. Radford moved to adjourn the meeting at 10:48am. Ms. Atkinson provided her second and the motion passed 2-0.