



P. O. Box 95
San Andreas, CA 95249
(209) 754-4468 Phone
(209) 754-2537 Fax

Finance Committee Meeting
October 11, 2017
9:30 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 September 6, 2017:

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

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

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

- Investments:
 - Investment Options:
 - Investment Policy:
- Reimbursement Policy:

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

- Projected Expenses:
- Real Estate – List of Renters and Leases:
- Financial Risk Assessment:
- County Controller Reports:
- Annual Financial Audit:

9. Comment and Future Agenda Items:

10. Next Meeting:

- The next regular meeting will be November 8, 2017

11. Adjournment: Action



Special Finance Committee Meeting

September 6, 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 9:30am

2. Roll Call:

Present for roll call was Treasurer, Ms. Atkinson, MSW and Secretary, 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 August 9, 2017

Ms. Radford moved to approve the Consent Agenda. Ms. Atkinson provided her second and the motion passed 2-0.

6. Controller's Report: Action

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

Mr. Krieg: Can't access the District's investment on-line. Staff will see how to accomplish that.

Mr. Krieg: Went over the draft financials as presented stating closing hasn't occurred yet so the financials don't reflect the closing figures but will give the Committee an idea of what to expect. Referring to the Statement of Revenues and expenses (line 15) beginning this fiscal year the MTMC has been reimbursing the District for all utility payments made on behalf of the Corp. Line 15 was changed from Payroll to read Salary and Benefits. Line 16: Rental repairs are budgeted to spread throughout the year. The roof was replaced at approx. \$15k. He is expecting the District to see (at time of closing) a profit of approx. \$39k before Grants and Sponsorships. The District will likely see another loss of \$525k in the Minority Interest Account.

Mr. Krieg: The District receives tax revenue in Jan. (55%) April (40%) and the remainder in August (5%).

Dr. Smart: Met with the County Controller-Auditor (Rebecca Callen) and learned the revenue amounts are up a bit this year however she does not expect it to continue.

Mr. Malcoun: Will update the list of items under Program & Events to reflect what the District is supporting this year.

Ms. Atkinson: Requested staff prepare a graph showing the Minority Interest amounts from 2010 at 6-month intervals.

Dr. Smart: In 2010, the MTMC became a CAH. Dignity came on board in 2012 and in July 2013 the 6th Amendment was signed.

Dr. Smart: Suggested Board members research other web page options while at the ACHD Conference. The web page needs to be updated and the current hourly upkeep costs seems high.

Mr. Krieg: Referred to an accounting policy calling for review of outstanding checks. Currently there are two. His department will monitor and report to the Committee. One check seems to be a duplicate payment and will be voided.

Mr. Garcia (Bank of Stockton): Any check over 6 months will be stale dated.

Ms. Radford moved to approve the Controller's reports. Ms. Atkinson provided her second and the motion passed 2-0.

7. Treasurer's Report:

- **Investments:**

Investments and banking are currently with Umpqua bank. The District has not received investment support from an Umpqua representative in almost a year. District Board members attending the ACHD conference in San Diego next week will query other HCDs to see who handles their investments and the level of satisfaction they have with that group.

- **Investment Policy:**

Ms. Atkinson: The Committee has already met with Bank of Stockton. She has done some research on LAIF and she plans to see what other Districts are doing at the ACHD conference. (Sept 12-14).

Ms. Atkinson: District Board members attending the ACHD conference in San Diego next week will query other HCDs about their investment policies. The District will request copies of other HCD policies to review before rewriting our policy.

Mr. Garcia: Most banks are required to provide a collateral dollar match equal to the investment. It's possible the District has met Umpqua's maximum dollar match.

- **Financial Risk Assessment:**

Ms. Atkinson: The District sent out an RFP and received 4 proposals for an assessment of the District's financial risk as it moves forward in negotiations and lease dissolution. Two applicants were interviewed and Susan Cosgrove, Healthcare Financial Consultants, of Oakland was selected by the Board at their August 30th meeting.

Dr. Smart: Susan Cosgrove started the project effective Sept. 5th and will visit the area on Sept. 15th to tour the MTMC, VS Clinic and the SA Clinic/MOB. Ms. Cosgrove will sign an NDA allowing her to obtain information from MTMC and the District. While in the area she will meet CEO, Bob Diehl which has agreed to an open-door policy so the assessment can be completed in a timely manner.

Ms. Atkinson: Ms. Cosgrove has excellent qualifications and can complete the assessment in 6-8 weeks.

- **MTMC Pharmacy Upgrade Project:**

Ms. Atkinson: The Corp. Board has approved making improvements to upgrade the pharmacy compounding areas (in the frog hall) at a cost of \$489,000. The District is being asked to approve this project so the District Board will meet today at 11am to consider the request.

Dr. Smart: Provided the history for the Corp. Board needing District approval. The 6th Amendment to the Lease (July 2013) Section 4.4 (a) requires the District's approval regarding any project with an economic life exceeding the term of the Lease by more than 5 years and having a net book value at the end of the Lease term of \$100,000. This portion of the Lease has not been adhered to in the past. This \$489,000 project has a consequence on the District in two ways; (1) if the Board approves the project half of the \$489,000 will be taken from the District's Minority Interest Account; (2) at the end of the lease the District is obligated to buy back tenant improvements as stated above.

8. Executive Director's Report:

- **Update on Search for Auditor Firm:**

Dr. Smart: The District will be using the current auditor and will do the search for 2018. Staff will coordinate a time when Rick Jackson can attend a Board meeting.

- **Update on Meeting with Rebecca Callen, County Auditor-Controller**

Dr. Smart: Met with the Calaveras Controller-Auditor and learned the District is required to file audit reports. She had two so staff has forwarded more recent audit reports to her. She also updated her files to include current District contact information so the District can receive monthly reports from her office.

- **Update on Lease Renewals:**

- **Stockton Cardiology and Multi-Specialty Clinic MOB's**

Dr. Smart: Renewal of the 2 sub-leases have been completed; (1) Stockton Cardiology for 3 years at 2% increase; (2) Multi-Specialty Clinic for 5 years at 3%. Copies of the leases will be forwarded to Mr. Krieg.

9. Comments and Future Agenda Items:

Ms. Radford: Requested the reimbursement policy be brought to the Oct. Finance Committee meeting for discussion and review.

10. Next Meeting:

- The next regular meeting will be October 11, 2017

11. Adjournment: Action

Ms. Radford moved to adjourn the meeting at 10:49am. Ms. Atkinson provided her second and the motion passed 2-0.

POLICY NO. 15 REMUNERATION AND REIMBURSEMENT. The members of the Board of Directors shall serve without compensation, except that each shall be allowed his or her actual and necessary traveling and incidental expenses incurred in the performance of official business of the District as approved by the Board of Directors. The Executive Director shall process and distributes reimbursements as requested on not less than a quarterly basis.

Notwithstanding the foregoing, the Board of Directors, by resolution adopted by a majority vote of the members of the District Board, may authorize payment for attending meetings in the amount permitted by the Local Health Care District Law of California (Health and Safety Code § 32103).



Rebecca Callen
Auditor-Controller
(209) 754-6343

891 Mountain Ranch Rd.
San Andreas, CA 95249
FAX (209) 754-6888

MEMORANDUM

TO: Special Districts
FROM: Rebecca Callen, Auditor-Controller
DATE: Thursday, September 14, 2017
SUBJ: July 2017 is closed

A handwritten signature in black ink, appearing to read "Rebecca Callen", is written over the "FROM" and "DATE" lines of the memorandum.

July 2017 is finally closed. Fund balances and prior year reserves have also been rolled forward. Please review them and submit any changes to my office with your budget submissions.

- If you have not done so, please be sure to send in your signature authorization form if you are relying on my office to pay your bills, process budget transfers, etc. All districts must have a current fiscal year signature authorization form.
- I will need imprest cash statements (or memo that states that you have none) to ensure that our county records are in line with your outside bank accounts or petty cash storage.
- Final Budget instruction packets will be going out along with this memo.

Should you have any questions, feel free to contact me directly.

**County of Calaveras
General Ledger Summary
Balance Sheet Accounts
As of 7/31/2017**

Fund 2720 Mark Twain Hospital

<u>Object Code</u>	<u>Object Description</u>	<u>Balance</u>
<u>Assets</u>		
1006	Cash in Treasury	68,162.66
1007	Outstanding Checks	(67,901.46)
Total Assets		\$261.20
 <u>Liabilities</u>		
Total Liabilities		\$0.00
 <u>Fund Balance</u>		
3002	Fund Bal Unreserv/Undesign	68,162.66
Total Fund Balance		\$68,162.66
Year-to-Date Revenues		\$0.00
Year-to-Date Expenditures		\$67,901.46
Year-to-Date Transfers In		\$0.00
Year-to-Date Transfers Out		\$0.00
Year-to-Date Clearing Accounts		\$0.00
Total Fund Equity		\$261.20
Total Liabilities and Fund Equity		\$261.20

**County of Calaveras
Budget and Actuals by Budget Class**

As of 7/31/2017

Fiscal Year: 2017

	Budget Version-	Budget	Encumbrance	Y-T-D Actuals	Balance	% Remaining
Org Key:	27200010					
	Mark Twain Hospital					
<u>Taxes</u>						
4010	Current Secured Taxes	0.00	0.00	0.00	0.00	0.00 %
4013	SB2557 Reduction	0.00	0.00	0.00	0.00	0.00 %
4015	Unitary Taxes	0.00	0.00	0.00	0.00	0.00 %
4017	Suppl Current Secured Taxes	0.00	0.00	0.00	0.00	0.00 %
4020	Current Unsecured Taxes	0.00	0.00	0.00	0.00	0.00 %
4027	Suppl Current Unsecured Taxes	0.00	0.00	0.00	0.00	0.00 %
4040	Prior Unsecured Taxes	0.00	0.00	0.00	0.00	0.00 %
Total Taxes		0.00	0.00	0.00	0.00	0.00
<u>Revenue From Use of Money/ Property</u>						
4300	Interest	0.00	0.00	0.00	0.00	0.00 %
Total Revenue From Use of Money/ Propert		0.00	0.00	0.00	0.00	0.00
<u>Intergovernmental Revenue- State</u>						
4463	State Homeowners Prop Tax Rel	0.00	0.00	0.00	0.00	0.00 %
4465	State Timber Tax	0.00	0.00	0.00	0.00	0.00 %
4580	State Other Aid	0.00	0.00	0.00	0.00	0.00 %
Total Intergovernmental Revenue- State		0.00	0.00	0.00	0.00	0.00
<u>Misc. Revenue</u>						
4724	Other Miscellaneous Revenue	0.00	0.00	0.00	0.00	0.00 %
Total Misc. Revenue		0.00	0.00	0.00	0.00	0.00
	Total Revenue	0.00	0.00	0.00	0.00	
<u>Services and Supplies</u>						
5411	Special Department Expense	0.00	0.00	67,901.46	(67,901.46)	0.00 %
Total Services and Supplies		0.00	0.00	67,901.46	(67,901.46)	0.00
	Total Expenses	0.00	0.00	67,901.46	(67,901.46)	
	Total Revenue	0.00	0.00	0.00	0.00	
	Total Expenses	0.00	0.00	67,901.46	(67,901.46)	
Key Total for	27200010	0.00	0.00	(67,901.46)	67,901.46	

**County of Calaveras
Budget and Actuals by Budget Class**

As of 7/31/2017

Fiscal Year: 2017

Budget Version-		Budget	Encumbrance	Y-T-D Actuals	Balance	% Remaining
Org Key:	41100010	San Andreas 69 Sewer Bond				
<u>Revenue From Use of Money/ Property</u>						
4300	Interest	0.00	0.00	0.00	0.00	0.00 %
Total Revenue From Use of Money/ Propert		0.00	0.00	0.00	0.00	0.00
Total Revenue		0.00	0.00	0.00	0.00	
Total Revenue		0.00	0.00	0.00	0.00	
Total Expenses		0.00	0.00	0.00	0.00	
Key Total for	41100010	0.00	0.00	0.00	0.00	

**County of Calaveras
Detail Activity Report**

As of 7/31/2017

Fiscal Year: 2017 - 2018

Dept. Head: 19 - District

Org Key: 27200000 - Mark Twain Hosp Admin

		Status	Budget	Encumbrance	Y-T-D Actuals	Balance	Percent Remaining
27200000	Mark Twain Hosp Admin	Budget Balance (includes activity below)					
3002	Fund Bal Unreserv/Undesign		0.00	0.00	68,162.66	(68,162.66)	0.00 %
07/01/2017	BALANCE FORWARD	JE	JEYE16036	JBFFYB2017E /	N/A..N/A	-68,162.66	
				Total of Transactions For: 3002		-68,162.66	
	Net - Mark Twain Hosp Admin		\$0.00	\$0.00	68,162.66	\$0.00	0.00 %
27200010	Mark Twain Hospital	Budget Balance (includes activity below)					
4010	Current Secured Taxes		0.00	0.00	0.00	0.00	0.00 %
4013	SB2557 Reduction		0.00	0.00	0.00	0.00	0.00 %
4015	Unitary Taxes		0.00	0.00	0.00	0.00	0.00 %
4017	Suppl Current Secured Taxes		0.00	0.00	0.00	0.00	0.00 %
4020	Current Unsecured Taxes		0.00	0.00	0.00	0.00	0.00 %
4027	Suppl Current Unsecured Taxes		0.00	0.00	0.00	0.00	0.00 %
4040	Prior Unsecured Taxes		0.00	0.00	0.00	0.00	0.00 %
4300	Interest		0.00	0.00	0.00	0.00	0.00 %
4463	State Homeowners Prop Tax Rel		0.00	0.00	0.00	0.00	0.00 %
4465	State Timber Tax		0.00	0.00	0.00	0.00	0.00 %
4580	State Other Aid		0.00	0.00	0.00	0.00	0.00 %
4724	Other Miscellaneous Revenue		0.00	0.00	0.00	0.00	0.00 %

**County of Calaveras
Detail Activity Report**

As of 7/31/2017

Fiscal Year: 2017 - 2018

Dept. Head: 19 - District

Org Key: 27200010 - Mark Twain Hospital

		Status	Budget	Encumbrance	Y-T-D Actuals	Balance	Percent Remaining
5411	Special Department Expense		0.00	0.00	67,901.46	(67,901.46)	0.00 %
07/24/2017	MARK TWAIN HEAL 2016-17	OH	030072117N	O072417A	/	W006413	67,901.46
					Total of Transactions For: 5411	67,901.46	
Net - Mark Twain Hospital			\$0.00	\$0.00	-67,901.46	\$67,901.46	0.00 %