



Special Finance Committee Meeting

June 8, 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 May 10, 2017

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

- Financial Status, Trends, Long-Term Views and Cashflow:
 - May Financials Will be Presented to the Committee:

7. **Treasurer's Report:**.....Ms. Radford

- **Recommendation to Board for 2017-2018 (Draft) Budget:** Action:

8. **New Business:**

- **Update on Valley Springs Project:**
 - " The USDA Letter of Conditions" for the loan to build the Valley Springs Clinic details financial contributions to the project to be paid by others. In those contributions Mark Twain Medical Center, tenant, is obligated (and has agreed) to pay \$1,200,000 at the end of the construction for IT infrastructure and furniture. In the event that Mark Twain Health Care District decides to own/operate the clinic, would we be positioned to pay the \$1,200,000 toward the end of 2018?"

9. **Comment and Future Agenda Items:**

10. **Next Meeting:**

- July 12, 2017

11. **Adjournment:**



Finance Committee Meeting

May 10, 2017

9:30 am

**Mark Twain Medical Center Education Center - Classroom 5
San Andreas, CA**

Unapproved 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, Ann Radford at 9:34 am

2. Roll Call:

Present for roll call was Ms. Radford, FNP and Ms. Atkinson, MSW. Also present were JR Krieg, Controller; Ken Malcoun, District Accountant and Larry Blitz, Interim Ex. Dir.

3. Approval of Agenda: Action

Ms. Atkinson and Ms. Radford approved of the agenda by a 2-0 vote.

There was discussion about MTMC employees taking “furlough days”. It was explained the Department Heads decide when their staff should “flex off” based on volume i.e. census is down at the hospital. The employee can then take PTO time (if they have it) to avoid a loss in pay.

4. Public Comment on Matters not Listed on the Agenda:

Hearing none.

5. Consent Agenda: Action

- Un-Approved Finance Committee Meeting Minutes for April 5, 2017

Ms. Atkinson and Ms. Reed unanimously approved the Consent Agenda.

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

- Financial Status, Trends, Long-Term Views and Cashflow:
 - April Financials Will be Presented to the Committee:
 - Discussion: For Consistency - How to Allocate Expenses or Capitalize:

Mr. Krieg: Reviewed the draft financials and answered questions stating (line 11) Management Consulting Fees are for the Interim Ex. Dir., (line 9) are Legal Fees currently for Archer Norris and (line 12) Operational Consulting Fees reflect USDA Consultant Gary Hicks. CPPA Utility costs (line 14) will end in June when MTMC will begin reimbursing the District for those costs.

Mr. Krieg: The MTMC books will close today. One can expect a big loss in operations. The Minority Interest will likely be down \$500k instead of the budgeted \$139k loss.

Mr. Blitz: Met with CEO, Bob Diehl and CFO, Chris Roberts and learned of the (+/-) \$4.5million loss. The clinics reflected (+/-) \$3million of that loss. They are considering the engagement of Steve Rousso of HFS/Wipfli as a clinic consultant.

7. **Investment Report:**

Mr. Blitz: Noted the investments are flat and that (Oregon based) Jeff Kantor, Sr. V P, Umpqua Investments has been invited to attend a future meeting.

8. **Executive Director Report:**

- **Present 2017-2018 Draft Budget:**

Mr. Blitz: In review of the draft 2017-2018 budget stated it is pretty much the same as the previous year with a few exceptions i.e. Management Consulting Fees will go down early in the budget year when a permanent executive director is hired. Some items in the miscellaneous group will be categorized. He sees a positive of (+/-) \$716k and recommends the Community Grants be increased from \$170,000.00 to \$400,000.00 for the new budget year.

Ms. Radford and Ms. Atkinson: Directed Mr. Blitz to increase the Community Grants line item from \$170,000.00 (+/-) to \$200,000.00 and the remainder be earmarked for unknown expenses that may arise from a change in the lease or building the VS Clinic.

- **Update on Valley Springs Project:**

Ms. Radford: Building the VS Clinic has a lot of future unknown costs so supports earmarking funds not specific to items directed by the Board.

- **Grant Coordination With Foundation:**

Mr. Blitz: Had a meeting with Julie Eckardt-Cantrall CPO, MTMC Foundation and learned the Foundation will not be supporting any future MTHCD Golden Health Awards. She then requested the District support a planning grant for some worthwhile project such as a mobile van. The Committee suggested the CPO send a letter of request to the District President.

9. Comment and Future Agenda Items:

Mr. Blitz: Is still working on getting seismic information from Chris Roberts, CFO but understands there is no concern into 2030.

The Ad Hoc Community Grant Committee will be meeting to review/update Policy 23. The Committee plans to bring a recommendation to the June 21st Board meeting.

10. Next Meeting:

- Since the June Board meeting has been pushed to June 21, 2017 the Finance Committee meeting will be Thursday, June 8, 2017.

11. Adjournment:

Ms. Atkinson moved and Ms. Radford approved to adjourn the meeting at 11:13am.