

**MEASURE C OVERSIGHT COMMITTEE MEETING**

October 13, 2021

1. Call to Order
  - Chair Jim Hurst called the meeting to order at 4:30 pm
2. Roll Call
  - Present: Kathe Charters, Kay Handley, Jim Hurst, Steve Antler
  - Absent: Lea Christensen, Dennette Sawyer
  - There was a quorum
3. Community comments
  - None were made
4. Approval of Agenda
  - Steve Antler moves, Kathe Charters provides the second
  - All present voted “Yes”
5. Minutes from the last meeting
  - Tabled
6. Financial report by John Redding, Treasurer of the Board
  - Mr. Redding presented the report found in Appendix A.
  - The property taxes, both GO and Measure C, are received from the County and deposited in the “Deposit Account” at Tri-County bank. From there the money is transferred to a “Tax Revenue” account.
  - The money in the Tax Revenue account is used to fund the Capital Improvements Fund.
  - How much of this is Measure C funds vs. GO funds is subject to interpretation.

**Mr. Redding took the action to create a separate bank account for the Measure C revenues.**

A discussion ensued among the attendees.

- Mr. Hurst asked how the committee can provide proper oversight without tagging money as being from Measure C.
- Mr. Redding made the point that the committee is free to approve AH spending plans that exceed the amounts currently in the Capital Improvements Fund. The District will then allocate money for these projects from the Capital Improvements Fund as the money becomes available.
- Ms. Grinberg explained that the additional \$2M that the District to AH was prompted by the CMS putting the hospital “immediate jeopardy” prior to July 1 2020 when affiliation officially began. The money allowed AH, absent any money in the Capital Improvements Fund, to make the necessary repairs and modifications required by CMS.
- Ms. Charters correctly noted that the additional \$2M was not Measure C money.

- Mr. Hurst observed that the various amounts approved by the Measure C committee need to be accounted for in the committee's annual report.
- Ms. Handley asked that AH provide a progress report on the projects funded by the committee.
- Ms. Grinberg observed that in addition to progress reports on current project, it would be helpful to learn about AH's future needs.
- Ms. Handley expressed her disappointment that AH was not represented at this meeting to provide such information.
- Ms. Grinberg noted that Measure C money is not necessarily tied to funding hospital related expenses and asked the committee if it would be interested in funding other healthcare needs.

[Editor's note: Language of Measure C says, in part, *"To provide funding for maintaining emergency room services, attracting and retaining high quality doctors and nurses, maintaining ambulance and related 911 services and providing essential healthcare to residents of Mendocino County, with no proceeds used for administrators' salaries, benefits and pensions..."*]

- Ms. Handley indicated she shares the sentiment and asked if the District has a list of needs.
- Ms. Grinberg suggested that Measure C money could be used to recruit and retain primary care providers independent of AH.
- There was a discussion about spending money on the current hospital vs. a new hospital.
- Ms. Charters said that we need a hospital that meets the needs of the community here at home, so people won't seek health care elsewhere.
- Ms. Grinberg noted that the District will still need to ensure that the \$2M a year obligation is met with the help of Measure C money.
- Mr. Antler summarized the discussion as a question of whether or not to provide all the Measure C money to AH.

#### 7. Annual Report

- Ms. Handley asked who will prepare the committee's annual report
- Mr. Hurst noted that such a report was not prepared for the last fiscal year.
- No action was taken.

#### 8. Discussion of open seats

- Ms. Charters indicated that she will not be returning
- Mr. Antler indicated that he likely would likely return given a shift in focus of the committee to health care projects other than those related to AH.
- Mr. Hurst indicated he would like to return citing as a reason that there are a lot of balls up in the air at that this time.
- Ms. Grinberg asked that people not make any final decisions until the District could bring some potential projects back to the Committee.

9. Ms. Charters observed that she has been keeping tabs of Measure C revenues and expenses in a spreadsheet.

***Mr. Redding took the action to get the most recent data in order to make the spreadsheet current.***

*Editor's note: That information was subsequently provided and is included here as Appendix #2.*

10. Schedule for next meeting

- It was agreed that the next meeting would be November 15, 2021.
- Future meetings will be hybrid meetings
- The Redwoods Room was subsequently reserved for the upcoming meeting.

11. Mr. Hurst adjourned the meeting at 5:30 pm to the delight of all participants.

## Appendix A

1. The District has two property tax revenue streams:
  - A general obligation property tax passed when the District was formed
  - A \$96 parcel tax measure failed in 2005.
  - The District was in Chapter 9 from 2012-2014
  - Measure C was reached the required 2/3 majority plus 5 votes
2. Core bank accounts are with Tri County Bank
  - Deposit account – all tax receipts are deposited here
  - Tax Revenue account – Measure C taxes are deposited here after being transferred from the Deposit account
3. Tax receipts received in FY 2021

Month	Total Receipts	GO Property Tax	Measure C (net)
Nov. 2020	\$1,372,245	\$499,589	\$873,091
April 2021	\$923,624	\$320,497	\$603,127
Aug. 2021 (true up)	\$182,039	\$70,361	\$111,678
TOTAL	\$2,477,908	\$890,447	\$1,587,896

4. Prior Measure C receipts
  - July 2020                      \$1,680,234
  - May 2020                      \$612,726
  - Dec 2019                      \$886,840
  - Oct 2019                      \$80,738
  - TOTAL Prior                      \$3,260,538

TOTAL                      \$ 4,848,434 not including from July 2018 to Oct. 2019.

## Appendix B

### *Correspondence from John Redding, Board Treasurer, to the Committee*

The Tax Revenue bank account contains the revenues derived from the General Obligation property tax and the Measure C parcel tax. Money from this account is periodically transferred to the Capital Improvements Fund, the bank account that is used to pay for projects undertaken by AH with the approval of the Measure C Oversight Committee.

On 4/30/21, \$939,389 was transferred from the Tax Revenue account to the Capital Improvements account. This is broken down among projects as follows:

• Automatic Transfer Switch	\$314,126
• HVAC	\$135,692
• Deferred Maintenance	\$269,097
• Med Air Replacement	\$49,934
• Zoll Defibrillator	<u>\$170,540</u>
<b>Total</b>	<b>\$939,389</b>

*Source: Judy Hougland, Comptroller, AH*