

**NOTICE AND AGENDA OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT**

**Thursday February 24, 2022
5:00 P.M. Closed Session
6:00 P.M. Open Session**

Mendocino Coast Health Care District is inviting you to a scheduled Zoom meeting.

**Topic: Mendocino Coast Health Care District Regular Board Meeting
Time: Feb 24, 2022 05:00 PM Pacific Time (US and Canada) Closed Session
Time: Feb 24, 2022 06:00 PM Pacific Time (US and Canada) Open Session**

Join Zoom Meeting

<https://us06web.zoom.us/j/82238573704?pwd=WG9ta2tTcnNnYjlxUUdjNXNzMjJGdz09>

Meeting ID: 822 3857 3704

Passcode: 978702

One tap mobile

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PLEASE TAKE NOTICE a Board of Directors meeting has been called for Thursday February 24, 2022 at 5:00 pm closed session and 6:00 p.m. open session. **This meeting will be held via Zoom Conference only in order to reduce the risk of spreading coronavirus (COVID-19) and pursuant to the Governor's Executive Orders N-25-20 and N-29-20.**

1. 5:00 P.M. CLOSED SESSION CALL TO ORDER AND ROLL CALL

1.1 Call to order and roll call

1.2 Approval of the agenda; Items to be removed from the agenda or changed should be done at this time.

2. PUBLIC COMMENTS ON CLOSED SESSION ITEMS

2.1 This portion of the meeting is reserved for persons desiring to address the Board of Directors on closed session agenda items. A three-minute limit is set for each speaker.

3. CLOSED SESSION ITEMS

3.1 Conference with Labor Negotiators. *Government Code § 54957.6*

Agency designated representative: Amy McColley, Chair.

Unrepresented employees: general and special legal counsel.

3.2 Public Employment. *Government Code § 54957*

Potential staff positions, including District Manager, Office Manager, Program Director, Special Projects Manager, Administrative Assistant, Clerk of the Board.

4. 6:00 P.M. OPEN SESSION CALL TO ORDER AND ROLL CALL

4.1 Call to order and roll call

4.2 Reporting out on closed session items

5. PUBLIC COMMENTS ON NON-AGENDA ITEMS

5.1 This portion of the meeting is reserved for persons desiring to address the Board of Directors on non-agenda issues. Please state your name for the record. A three-minute limit is set for each speaker on all items. The total time for public input on each item is limited to 20 minutes (Government Code 54952). The Brown Act does not permit the Board to act on any item that is not on the agenda.

6. INFORMATION/DISCUSSION/POSSIBLE ACTION ITEMS

6.1 **INFORMATION / POTENTIAL ACTION:** Presentation by Streamline concerning District website design management, and compliance. Discussion of potential engagement of Streamline by the District to provide website-related services. Consider action to authorize Chair and/or her designee to negotiate services agreement with Streamline. Consider adopting budget amendment to account for costs of services from Streamline.

Amy McColley, Chair

6.2 **INFORMATION – DISCUSSION ONLY:** Discussion of District policies and procedures concerning records retention, including meeting videos. Review memo from BB&K concerning deletion of District meeting videos and apparent alteration of District website.

Amy McColley, Chair

TAB 1 – Memo from BB&K

6.3 **INFORMATION – DISCUSSION ONLY:** Discussion of projects to review and revise District bylaws and policies and procedures manual and to adopt rules of parliamentary procedure, including scheduling future work session.

Norman de Vall, Vice Chair

6.4 **INFORMATION / POTENTIAL ACTION:** Discussion of tax oversight committee required by Measure C. Consider appointing additional member to create tax oversight committee along with District Treasurer.

John Redding, Treasurer

6.5 **INFORMATION – DISCUSSION ONLY:** Discussion of status of audit of FY 2020/2021.

Amy McColley, Chair

6.6 **INFORMATION / POTENTIAL ACTION:** Receive draft finance report, discuss potential revisions, and consider approving finance report, as revised.

John Redding, Treasurer

TAB 2 – Draft finance report

6.7 **INFORMATION / POTENTIAL ACTION:** Discussion of District property identified as surplus and/or obsolete by Adventist Health previously used in the hospital. Receive update about reclamation of property and the District's efforts to coordinate with Adventist Health concerning the removal, storage, or disposition of that property. Consider declaring surplus additional property identified as non-functioning or obsolete by Adventist Health.

Norman de Vall, Vice Chair

TAB 3– List of items considered surplus and/or obsolete by Adventist Health previously used in the hospital.

6.8 **INFORMATION / POTENTIAL ACTION:** Consider adopting resolution pursuant to AB 361 to permit the District to continue to hold remote meetings.

Amy McColley, Chair.

TAB 4 – Draft resolution

7. **ADDITIONAL PUBLIC COMMENTS**

7.1 This portion of the meeting is reserved for persons desiring to address the Board of Directors on non-agenda issues. Please state your name for the record. A three-minute limit is set for each speaker on all items. The total time for public input on each item is limited to 20 minutes (Government Code 54952). The Brown Act does not permit the Board to act on any item that is not on the agenda.

8. **BOARD COMMENTS**

9. **ADJOURNMENT**

Dated: February 20, 2022

STATE OF CALIFORNIA
COUNTY OF MENDOCINO

I declare under penalty of perjury that I hold the position of Chair of the Mendocino Coast Health Care District Board of Directors; and that I caused this agenda to be posted on the District's notice board outside the Neva Canon Room and next to the entrance to the District's Offices at 775 River Drive, Fort Bragg, California on February 20, 2022.



Amy McColley, Chair of the MCHCD BOD

All disabled persons requesting disability-related modifications or accommodations, including auxiliary aids or service, may make such request in order to participate in a public meeting to Sara Spring, Secretary of the Board of Directors, at sspring@mcdh.org or 700 River Drive, Fort Bragg, CA 95437 no later than one working day prior to the meeting that such matter is included on the agenda.

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Bend OR
(541) 382-3011
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(760) 568-2611
Irvine
(949) 263-2600
Los Angeles
(213) 617-8100
Ontario
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Memorandum

VIA E-MAIL

To: Chair of the Board
Mendocino Coast Health Care District
File No.: 38128.00001

From: Best Best & Krieger LLP

Date: February 16, 2022

Re: Records Retention – Liability Issues and Sanctions Following an Agency
Censure

We have been asked to provide advice on potential liability issues regarding an alleged, purposeful destruction of Mendocino Coast Health Care District’s (“District”) Zoom meeting recordings. Additionally, we have been asked to provide advice regarding potential sanctions on the individual Board Member alleged to be responsible for those deletions.

QUESTIONS PRESENTED

1. What liability issues arise for, either for the individual board member, or the agency, for destruction of the District’s Zoom meeting recordings?
2. What options does the District have to impose sanctions on the individual Board Member?

SHORT ANSWER

1. If the Zoom recording of the District’s meetings were being kept for the purpose of transcribing minutes, they most likely qualify as an official District record. The District may not be liable for the destruction of the meeting recordings, however purposeful and willful destruction of a record is a crime that may raise criminal liability against the individual Board Member.

2. Although the Bylaws of the Board of Directors are silent on the issues of sanctions, the District is allowed under law to sanction individual Board Members for unacceptable behavior.

ANALYSIS

1. Destruction of District’s Brown Act Meeting Recordings

The District is organized under the provisions of the Local Healthcare District Law, Health and Safety Code section 32000, et seq. The District’s record retention requirements follow that of other special districts, under Government Code section 60200, et. seq. (Health & Safety Code § 32107).

While there is a requirement to retain minutes of District board meetings (Gov. Code § 60201(d)(3)), there is no statutory requirement to have a Zoom recording of the meeting. However, if the District did keep Zoom recordings for purposes of transcribing minutes, we look to whether those recordings should be classified as a public record for purposes of required retention or not. The Brown Act provides that any audio or video recording of an open and public meeting made by or at the direction of the local agency shall be subject to inspection pursuant to the California Public Records Act (“CPRA”), but, notwithstanding the CPRA, may be erased or destroyed 30 days after the recording. (Gov. Code, § 54953.5(b).)

If the District did not have access to the third party platform Zoom, and only used Zoom to televise District meetings, and never accessed or used the recordings for any purpose, it would be possible to make the argument that the Zoom recordings were not a public record, as the District did not have control over the recording(s). This would allow destruction of that recording following 30-days, as set forth under Gov. Code, § 54953.5(b). However, since the District used Zoom as the repository for District videos, and if one intent was to provide a recording of the meeting until the Board Secretary could use them to prepare the minutes, the Zoom recordings would constitute an official District record. As an official District record, the destruction would then be governed by Government Code section 60201. This code section allows an agency to adopt a record retention schedule for the destruction of District records. (See accompanying memorandum of even date herewith which discusses an agency’s record retention obligations).

Accidental destructions outside of an adopted record retention schedule presents very little liability, particularly with regard to records that are not related to litigation in which the public agency may be involved. When this happens, most often the public agency enacts additional or revised policies to ensure it does not happen again. However purposeful and willful destruction of a record is a crime. Government Code section 6200 provides that “[e]very officer having the custody of any record...is punishable by imprisonment...for two, three, or four years if, as to the whole or any part of the record...willfully does or permits any person to do any of the following...[d]estroy...” (Gov. Code, § 6200(b).)

Government Code section 6201 provides that “[e]very person not an officer... who is guilty of any of the acts specified... [in section 6200] is punishable by imprisonment... not exceeding one year, or by a fine not exceeding one thousand dollars (\$1,000), or both that fine and imprisonment.” (Gov. Code, § 6201.) In this particular case, liability of a particular board member would depend on whether the destruction of records were negligent or willful, and whether the board member had official custody of the record in question. In this case, we do not have sufficient information to provide guidance on whether there would be any liability. Notwithstanding the foregoing, regardless of the liability of the individual board member, it is unlikely that the District itself would face liability as the action was not within its control.

2. Sanctions Arising from Destruction of Brown Act Recordings

A. General Authority to Censure; Due Process Required; Resulting Sanctions

A censure is generally understood to be “an official reprimand or condemnation; an authoritative expression of disapproval or blame.” (*Black's Law Dictionary* (10th ed. 2014).) A legislative body has authority to censure an individual elected Board member. (*Braun v. City of Taft* (1984) 154 Cal.App.3d 332, 347-348.) A censure is generally adopted by resolution and represents the opinion of the Board, but does not levy a fine, suspension, or other penalty. Further, “it is settled law that mere expression of opinion or severe criticism [i.e., censure] is not libelous, even though it adversely reflects on the fitness of an individual for public office.” (*Scott v. McDonnell Douglas Corp.* (1974) 37 Cal.App.3d 277, 290 (quoting *Yorty v. Chandler* (1970) 13 Cal.App.3d 467, 472-473).)

However, upon challenge, a court may remand a censure order back to the Board if the reasons supporting the censure are disproved. In *Braun*, the Taft City Council voted to censure a Councilmember for disclosing confidential employment documents to the press. The Councilmember challenged the censure, arguing that the disclosure was proper and within the public interest. The court agreed with the Councilmember, and since the censure was based in part on the Council’s determination that disclosure was improper, the Court sent the censure back to the Council for reconsideration. (*Braun*, 154 Cal.App.3d at 347-348.)

The subject of a proposed censure by the Board should always be afforded due process, including individual notice, a publicly noticed hearing, and an opportunity to respond on the record during that hearing. (*Little v. City of North Miami* (11th Cir. 1986) 805 F.2d 962, 969.) Thus, any recommendation made to consider censuring a Board member should be considered as part of a properly agendized discussion, and subsequent to that time, the terms of any resolution of censure should be publicly noticed before a formal vote, in line with the Brown Act. And in addition to those requirements, individual notice should be provided to the subject of the proposed motion.

Sanctions against an elected official are often enacted by a legislative body following a vote of censure. However, any sanctions against a Board member must not result in a constitutional abridgement of that individual’s role as an elected official. Specifically, elected Board members cannot be stripped of their rights to speak out during public meetings, and vote



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their conscience on items before the Board and within its jurisdiction. (*Blair v. Bethel Sch. Dist.* (2015) 608 F.3d 540, 545.) Any attempt to strip an elected Board member of their duly elected role on a legislative body would be “deleterious to democracy,” deemed to nullify a popular vote, and would raise First Amendment concerns. (*Id.*). However, a Board may take formal action via sanctions to, for example, remove a Board member from certain Board-approved leadership positions (such as serving as Board Vice President). (*Id.* at 544.) There are other recent examples of sanctions imposed that were found to be lawful against an elected official. A federal judge just recently dismissed a lawsuit by a school Board member who had sanctions imposed by the other members of the body. In *Jilanne Barto v. David Miyashiro, et al.*, Case No. 19-cv-2261-WQH-KSC, a federal judge dismissed a lawsuit by school Board member, Jill Barto who alleged that her fellow Board members and the school superintendent prevented her from directly contacting district employees, visiting district schools and events, attending conferences, setting the board agenda and serving on a board committee. The case is evidence that a wide array of sanctions are regularly used by local agencies in censure circumstances, and that they are lawful means for protecting the interests of the District and its employees.

C. District-specific Rules

The Bylaws of the Board of Directors of Mendocino Coast Health Care District adopted on November, 2020 do not provide any direction for censuring or sanctioning a Board Member. Therefore, the District would have to depend on applicable law.

CONCLUSION

The District likely has very little liability arising from the deletion of the Brown Act meeting recordings. However, the person that deleted the files may face criminal liability depending on the circumstances which gave rise to the deletion. The District is within its right to censure or sanction the person who intentionally deleted the files after the individual has been afforded the proper due process and opportunity to be heard. All such hearings must be held in a properly noticed and agendized open public meeting in accordance with the Brown Act.

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Highlighted items need to be discussed and reviewed with the board; clarity and revision maybe considered.

Amy McColley - Chair

Finance Report

January 2022

1. I have identified two irregularities that need to be fixed
 - a. There is no identifiable restricted Measure C account as required by the ballot language.
 - b. There is also no identifiable Restricted Capital Account as required by the Lease Agreement.
 - c. A listing of accounts at Tri County bank makes this clear.

Account Number	Current Balance
Number of Accounts: 8	\$14,318,684.08
*7207 Improvements Fund	\$2,060,000.00
*7219 Deposit Account	\$9,106,874.03
*7232 Hospital Payroll	\$0.00
*7244 Hospital AP	\$214,138.13
*7256 Home Health Payroll	\$0.00
*7888 Home Health AP	\$0.00
*3827 HELP II	\$0.00
*5861 TAX REVENUE ACCOUNT	\$2,937,671.92

- d. I set in motion an effort to create these accounts but am unable to complete it in the absence of the full cooperation of relevant Board members.
2. At its own request, AH is sharing the District's Deposit Account since July 1, 2020. Payments to AH from CMS and insurance companies are deposited here and comingled with previous District funds. The amounts due to AH are determined by the Comptroller and a transfer is approved by the Treasurer or Board Chair. This practice should now cease. The District could surrender the account to AH but only after it has been audited to see how much of the District's money is in it. My estimation is at least \$5.7M which is the amount of CARES funding the District has received.
3. I have been working with the Measure C committee to back-cast how much Measure C money has been expended and determine the current balance.
4. The District was not able to comply with bond covenants because AH would not release our financial data despite repeated requests. AH appears at last to be working on finding a solution but it is too late.
 - a. FY21 audit was not been completed as required on Sept. 1, 2021 (60 days after the close of the FY). This is the second year in a row this happened and for the same reason, failure of AH to disclose our financial data as required by the Lease Agreement.
 - b. Disclosure requirements for the HELP II and Revenue bonds were not met.
 - c. Consequences of these failures to comply are unknown but potentially serious.

Finance Report

5. Recent major expenditures and receipts

- a. At the end of December, I deposited \$1,030,000 into the Improvements Fund as required by the Lease Agreement. The current balance of that fund is \$2,060,000.
- b. *Pending:* AH owes the District \$875,000 per the Lease Agreement
- c. *Pending:* The County of Mendocino has not disbursed the District's share of property taxes and the Measure C parcel tax revenues. My estimate is that the Measure C receipts will be \$873,000 and the property tax receipts will be \$591,000.
- d. *Pending:* Repayment of \$1,300,000 of CARES funds
- e. *Pending:* Cost Report adjustment ~\$1,100,000
- f. *Pending:* Inter Governmental Transfer payment ~\$500,000

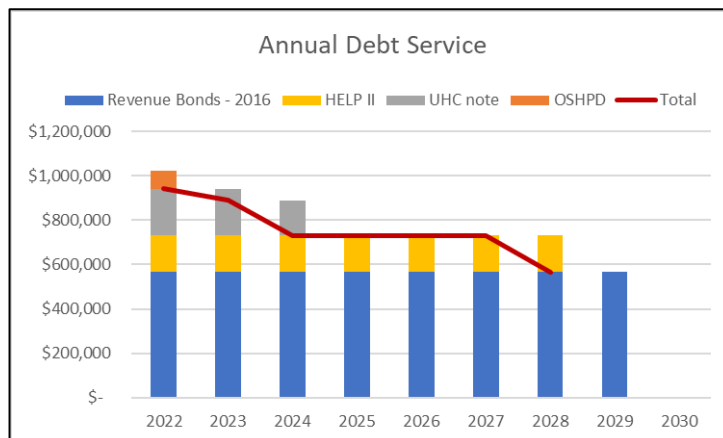
6. Information on the District's long-term debt

As of Jan. 1 2022				
Name of Loan	HELP II	OSHPD	UHC note	Revenue Bonds - 2016
Lender	CA Financing Authority	Cal Mortgage	United Health Care	Bond holders
Date of loan	9/1/2017	3/31/2015	4/25/2014	2/1/2017
Loan Amount	\$ 1,500,000	\$ 1,005,805	\$ 2,100,000	\$ 5,745,000
Interest rate	2.00%	5.00%	3.25%	3%, then 5% in 2025
Term in years	10	7	10	
Monthly Payment	\$ 13,802	\$ 27,672		
Annual Payment			\$ 210,000	\$ 565,000
Outstanding Balance 6/30/2021	\$ 1,091,667	\$ 154,345	\$ 630,000	\$ 3,705,000
Outstanding Balance 12/31/2021	\$ 1,019,471	\$ 51,451	\$ 630,000	\$ 3,705,000
Date of last payment	12/1/2028	3/1/2022	4/25/2024	6/30/2029

7. Repayment Schedule

Note: All long-term debt will be extinguished by 2030

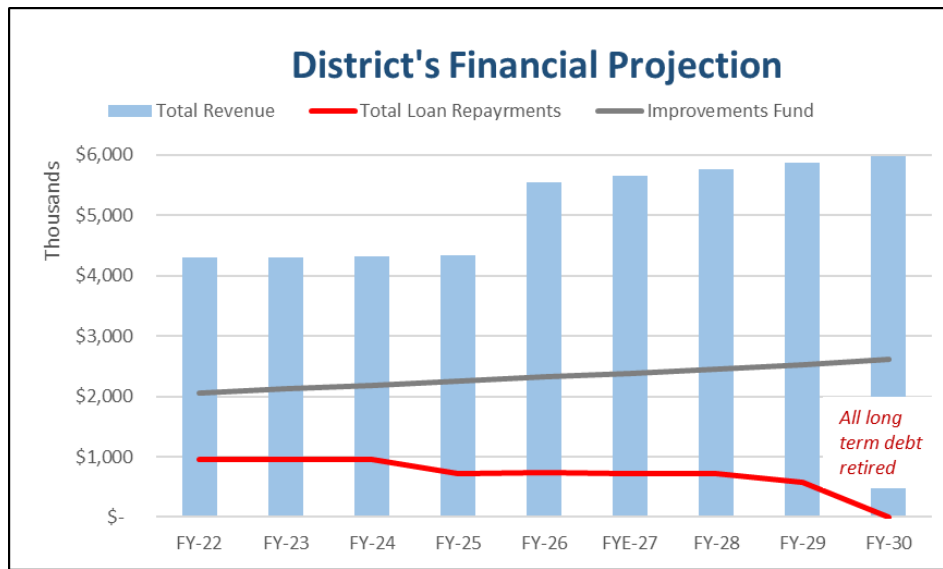
	Monthly	Annual	2022	2023	2024	2025	2026	2027	2028	2029	2030
OSHPD	\$ 27,672	\$ 83,016	\$ 83,016								
UHC note		\$ 210,000	\$ 210,000	\$ 210,000	\$ 157,500						
HELP II	\$ 13,802	\$ 165,624	\$ 165,624	\$ 165,624	\$ 165,624	\$ 165,624	\$ 165,624	\$ 165,624	\$ 165,624		
Revenue Bonds - 2016		\$ 565,000	\$ 565,000	\$ 565,000	\$ 565,000	\$ 565,000	\$ 565,000	\$ 565,000	\$ 565,000	\$ 565,000	
			\$1,023,640	\$940,624	\$888,124	\$730,624	\$730,624	\$730,624	\$730,624	\$565,000	



Finance Report

8. Long term receipts

The District has three revenue sources all of which are very predictable. These sources are the Measure C parcel tax (through 2030), a property tax approved by the voters when the District was formed (in perpetuity), and the Lease Payment from AH. This leads to the following financial projection.



9. Current Accounts Projection for the 2H FY22.

Current Assets		2H FY22	Current Liabilities	
Unrestricted Cash Assets				
LAIF	\$	3,473,565	Accounts Payable	
Tri-County (estimated)	\$	5,734,896	AH payable for ongoing maintenance	\$ 1,030,000
SBMC (estimated)	\$	353,168	Refund CARES funding	\$ 1,300,000
Bank of America (estimated)	\$	174,274	Current liabilities	
TOTAL	\$	9,735,903	Help II	\$ 82,812
Accounts Receivable				
CMS cost report adjustment	\$	1,100,000	Cal Mortgage	\$ 51,451
Inter Governmental Transfer (estimate)	\$	500,000	UHC note	\$ 105,000
Lease Payment	\$	875,000	Revenue Bonds - 2016	\$ 282,500
GO property tax receipts	\$	412,500	TOTAL CURRENT LIABILITIES	\$ 2,851,763
Measure C receipts	\$	800,000	NET CURRENT CASH POSITION	\$ 10,571,640
TOTAL	\$	3,687,500		
TOTAL CURRENT ASSETS	\$	13,423,403		
Restricted Funds				
Measure C (estimated)	\$	-		
Improvements Fund	\$	2,060,000		
Restricted Capital Fund (for future facilities)	\$	-		
TOTAL	\$	5,303,934		

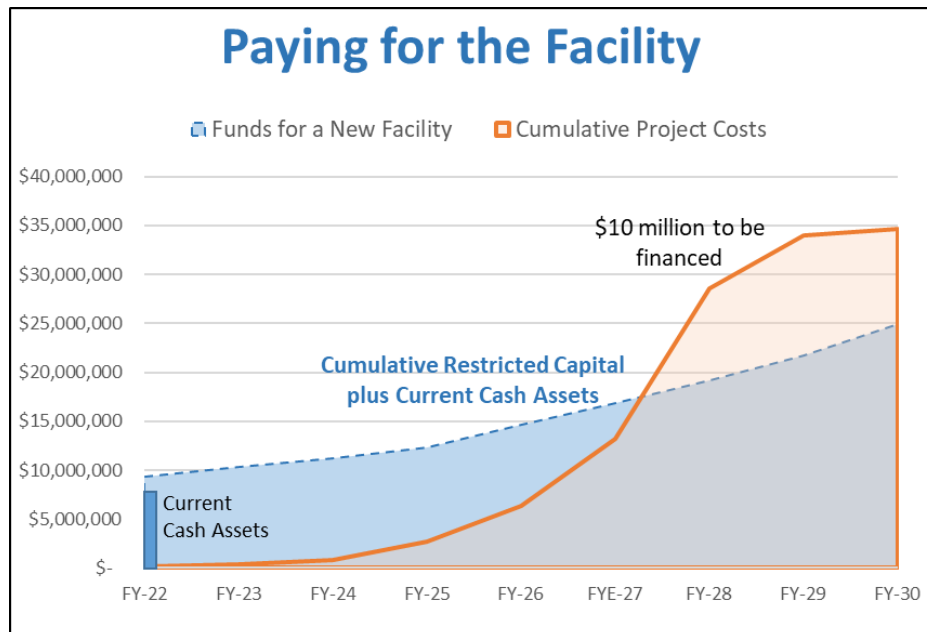
Notes: I calculate that the Measure C balance is \$230,000 but I need to get the agreement of the Oversight Committee. I calculate that the balance of the Restricted Capital Account is \$ \$1,533,087. As soon as these accounts are created, I would fund them with money from the Deposit Account at Tri-County bank.

Finance Report

10. Paying for a new facility

- a. A portion of the costs can be financed
- b. By the end of the decade, the District will have predictable revenues and no debt so a very good credit rating is likely.
- c. Repayment of a \$10.0M loan for construction of a 10-room hospital with a 10-year term at 3% would be \$1.1M a year compared to \$1.0M in property tax and a potential \$2.0M Lease Payment.
- d. Loan amounts and annual repayments for an Outpatient Pavilion and a 25-bed hospital are given in the table below. Please note we do not have an estimate for the cost of an Outpatient Pavilion so a conservative guess is made here.
- e. Extension of Measure C or replacement may be needed but otherwise no new taxes would be required.
- f. Community fundraising would provide valuable assistance
- g. Re-purposing of the existing hospital (e.g., to a Skilled Nursing Facility or medical residential community) should be part of the long-term plan. Cost estimates and a plan for a funding mechanism should be prepared.

Option	10 beds	Outpatient	25 beds
Cost	\$ 35,000,000	\$ 45,000,000	\$ 65,000,000
Loan amount	\$ 10,000,000	\$ 20,000,000	\$ 40,000,000
Annual payment	\$ (1,172,305)	\$ (2,344,610)	\$ (4,689,220)
Property Tax	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Lease Payment	\$ 2,000,000	\$ 2,000,000	\$ 3,000,000
Measure C	\$ -	\$ -	\$ 1,600,000
Net	\$ 1,827,695	\$ 655,390	\$ 910,780



Finance Report



11. District Budget for FY22 – as adopted in June of 2021

Please see the table below. Note that this is not the same as the Board budget which is developed and tracked separately.

This budget does not need updating because actuals are tracking budget closely.

Jan. 17, 2022 Cash Flow by Month	CY 2021						CY 2022					
	FY2022											
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
Receipts												
AH Lease Payment	\$ 875,000						\$ 875,000					
Measure C		\$ 111,678			\$ 873,091					\$ 603,127		
District Tax Receipts		\$ 70,361			\$ 590,813					\$ 295,406		
Tax Subsidies for GO Bonds												
LAIF Dividends	\$ 2,823	\$ 2,823	\$ 2,823	\$ 2,823	\$ 2,823	\$ 2,823	\$ 2,823	\$ 2,823	\$ 2,823	\$ 2,823	\$ 2,823	\$ 2,823
TOTAL PER MONTH	\$ 877,823	\$ 184,862	\$ 2,823	\$ 2,823	\$ 1,466,727	\$ 2,823	\$ 877,823	\$ 2,823	\$ 2,823	\$ 901,357	\$ 2,823	\$ 2,823
Outlays												
Improvements Fund	\$ 1,030,000						\$ 1,030,000					
Revenue Bonds- Refinanced 2016	\$ 47,125	\$ 47,125	\$ 47,125	\$ 47,125	\$ 47,125	\$ 47,125	\$ 47,125	\$ 47,125	\$ 47,125	\$ 47,125	\$ 47,125	\$ 47,125
Cal Mortgage Line of Credit	\$ 17,149	\$ 17,149	\$ 17,149	\$ 17,149	\$ 17,149	\$ 17,149	\$ 17,149	\$ 17,149	\$ 17,149	paid in full	\$ -	\$ -
HELP II Loan	\$ 13,802	\$ 13,802	\$ 13,802	\$ 13,802	\$ 13,802	\$ 13,802	\$ 13,802	\$ 13,802	\$ 13,802	\$ 13,802	\$ 13,802	\$ 13,802
UHC of California	\$ 19,206	\$ 19,206	\$ 19,206	\$ 19,206	\$ 19,206	\$ 19,206	\$ 19,206	\$ 19,206	\$ 19,206	\$ 19,206	\$ 19,206	\$ 19,206
Board Budget Allocation	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833
TOTAL PER MONTH	\$ 1,148,116	\$ 118,116	\$ 118,116	\$ 118,116	\$ 118,116	\$ 118,116	\$ 1,148,116	\$ 118,116	\$ 118,116	\$ 100,967	\$ 100,967	\$ 100,967
NET CASH FLOW	\$ (270,293)	\$ 66,746	\$ (115,293)	\$ (115,293)	\$ 1,348,611	\$ (115,293)	\$ (270,293)	\$ (115,293)	\$ (115,293)	\$ 800,390	\$ (98,143)	\$ (98,143) ¹
Cumulative Restricted Capital Fund	\$ 360,383	\$ 427,129	\$ 311,837	\$ 196,544	\$ 1,545,155	\$ 1,429,862	\$ 1,159,569	\$ 1,044,276	\$ 928,984	\$ 1,729,374	\$ 1,631,230	\$ 1,533,087

Finance Report

12. Actual vs Budget for July 1 to Jan. 17

- a. To date actual costs are well under budget and it is likely to remain that way until the end of the fiscal year (June 30).
- b. Primary reason is legal and staff costs are much smaller.
- c. Unbudgeted items are \$20,500 but less than the contingency of \$26,000.
- d. The significant cost of the CARES audit preparation is non-recurring (\$23,500).
- e. The District will no longer need to submit a Cost Report to CMS (\$15,000)

	Budgeted	Actual	
	FY2022	FY2022	
Cash Flow by Month	July	July	
Receipts			
Allocation from District's Net Cash Flow	\$ 250,000	\$ 250,000	\$ -
Dividend from LAIF investments	\$ 5,445	\$ 5,000	\$ (445)
Total Receipts	\$ 255,445	\$ 255,000	\$ (445)
Expenses			
Open Management Position(s)	\$ 80,000	\$ 7,421	\$ (72,579)
Contributions to HSA	\$ 25,200	\$ 14,918	\$ (10,282)
Financial Services K. McKee & Co.	\$ 3,500	\$ 1,326	\$ (2,174)
Legal Services	\$ 63,000	\$ 38,598	\$ (24,402)
DZA audits	\$ 27,000	\$ 9,600	\$ (17,400)
Beta Insurance	\$ 22,871	\$ 27,966	\$ 5,095
Property Tax Administrative Services	\$ 16,680	\$ 16,680	\$ -
Utilities	\$ 7,000	\$ -	\$ (7,000)
Property Insurance for 775 River Drive	\$ 2,000	\$ -	\$ (2,000)
Office Expenses	\$ 350		\$ (350)
Phone and Internet	\$ 700		\$ (700)
Hospital Anniversary activities	\$ 5,000	\$ 4,677	\$ (323)
Refurbishment of Neva Canon Room	\$ 15,000	\$ 95	\$ (14,905)
Potential New Programs	\$ 20,000	\$ -	\$ (20,000)
CARES Audit	\$ 23,500	\$ 23,500	\$ -
Other (including memberships)	\$ -	\$ -	\$ -
Sum of Expenses	\$ 311,801	\$ 144,781	\$ (167,020)
Contingency	\$ 26,014	\$ -	\$ (26,014)
WorkTerra	\$ -	\$ 2,500	\$ 2,500
Cost Report	\$ -	\$ 14,918	\$ 14,918
BYN Mellon	\$ -	\$ 3,075	\$ 3,075
Net Operating Balance	\$ (82,370)	\$ 110,219	\$ 192,589
Cash Flow	\$ (56,356)	\$ 89,726	\$ 146,082

Note: Restoration of the Neva Cannon room was budgeted and approved. A new floor was ordered and the restroom was fixed. The installation of the floor is expected to take place in early February. I have tried unsuccessfully to reach the Floor Company to confirm this.

Finance Report

13. Proposed Board Budget for the rest of the year.

Cash Flow by Month	CY 2022					
	FY2022					
	Jan.	Feb.	Mar.	Apr.	May	June
Receipts						
Allocation from District's Net Cash Flow	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833	\$ 20,833
Dividend from LAIF investments	\$ 1,274	\$ 1,274	\$ 1,274	\$ 1,274	\$ 1,274	\$ 1,274
Total Receipts	\$ 22,107	\$ 22,107	\$ 22,107	\$ 22,107	\$ 22,107	\$ 22,107
Expenses						
Open Management Position(s)	\$ 6,667	\$ 6,667	\$ 6,667	\$ 6,667	\$ 6,667	\$ 6,667
Contributions to HSA	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800	\$ 1,800
Financial Services K. McKee & Co.	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Legal Services	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000	\$ 9,000
DZA audits		\$ 10,000				
D&O Insurance						
Healthcare Entity Comprehensive Liability						
Property Tax Administrative Services						
Utilities	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500
Property Insurance for 775 River Drive	\$ 2,000					
Office Expenses	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50	\$ 50
Phone and Internet	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100	\$ 100
Hospital Anniversary activities						
Refurbishment of Neva Canon Room		\$ 15,000				
Potential New Programs		\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000
CARES Audit						
Other (including memberships)						
Sum of Expenses	\$ 20,617	\$ 47,617	\$ 22,617	\$ 22,617	\$ 22,617	\$ 22,617
Contingency	\$ 2,062	\$ 4,762	\$ 2,262	\$ 2,262	\$ 2,262	\$ 2,262
Net Operating Balance	\$ (571)	\$ (30,271)	\$ (2,771)	\$ (2,771)	\$ (2,771)	\$ (2,771)
Cumulative Cash Flow	\$ 89,155	\$ 58,884	\$ 56,112	\$ 53,341	\$ 50,570	\$ 47,798

John Redding
Treasurer, Board of Directors
Mendocino Coast Health Care District

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MCHCD Equipment updated 2 15/22	# of Units	Dept.	Status
AMX 4 Plus (portable X-ray)	1	DI	Outdated
Carestream Laser Imager	1	DI	Non-functioning
Carestream CR975 VIDEO IMAGE PROCESSOR	1	DI	Non-functioning
OEC 9600ESP (FLUOROSCOPIC UNIT, PORTABLE) paired with old C arm (#5)	1	DI	Non-functioning
C arm	1	DI	Outdated
Various roll stands		DI	
1900RC Tables, Examination, SMITH & NEPHEW KINETEC SA DIV SMITH & NEPHEW PLC	1	Surgery	Outdated
SIEMENS HEALTHCARE USA SEQUOIA 512 (ULTRASOUND)	1	Di	Non-functioning
Medrad MRI patient monitor.		DI	EOS/EOL
Toshiba America Medical Systems Inc APLIO MX (Ultrasound System)	1	DI	
Philips HeartSmart AEDs	3	NCFHC	No longer needed
Craftsman Tool Chest (some w/ IV poles attached)	5		No longer needed
Striker XT Manual Gurneys	2	Ambulance	Outdated
Wireless microphones	8	MCDH BOD	Not needed
8 Channel receivers for wireless mic	2	MCDH BOD	Not needed
Receiver/Mixer	1	MCDH BOD	Not needed
Rubbermaid cart	1	MCDH BOD	Not needed
Polycome	1	MCDH BOD	Not needed
Dual handset wireless system (2 mics, 1 receiver)	1	MCDH BOD	Not needed
Microphone system in briefcase	1	MCDH BOD	Not needed
Wireless lapel mc,	1	MCDH BOD	Not needed
Valleylab Force 2 ESU	2	Surgery	End of life/can't get parts
Health-O-meter Pro Plus	1	Outpatient	Broken/Unfixable
Sechrist Infant Ventilator Model 100B	1	RT	End of life
Oxygen Concentrator	1	RT	End of life
Mini-Torr patient vital signs	4	MedSurg	End of life
Traction Unit	1	Physical Therapy	End of life
Gomco Model 300 - Portable Suctions	4		No longer needed/obsolete
File cabinets	7-10	HP	No longer needed
Automatic Transfer Switch and flatbed trailer	1	Facilities	No longer needed
Phones	200	IT	
Computers (hard drives removed)	170	IT	
Medical Carts	20	IT	

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RESOLUTION NO. 2021 - _____

**RESOLUTION OF THE MENDOCINO COAST HEALTH CARE DISTRICT
MAKING THE LEGALLY REQUIRED FINDINGS TO CONTINUE TO
AUTHORIZE THE CONDUCT OF REMOTE “TELEPHONIC”
MEETINGS DURING THE STATE OF EMERGENCY**

WHEREAS, on March 4, 2020, pursuant to California Gov. Code Section 8625, the Governor declared a state of emergency; and

WHEREAS, on September 17, 2021, Governor Newsom signed AB 361, which bill went into immediate effect as urgency legislation; and

WHEREAS, AB 361 added subsection (e) to Gov. Code Section 54953 to authorize legislative bodies to conduct remote meetings provided the legislative body makes specified findings; and

WHEREAS, as of November 1, 2021, the COVID-19 pandemic has killed more than 72,140 Californians; and

WHEREAS, social distancing measures decrease the chance of spread of COVID-19; and

WHEREAS, this legislative body previously adopted a resolution to authorize this legislative body to conduct remote “telephonic” meetings; and

WHEREAS, Government Code 54953(e)(3) authorizes this legislative body to continue to conduct remote “telephonic” meetings provided that it has timely made the findings specified therein;

NOW, THEREFORE, IT IS RESOLVED by the Mendocino Coast Health Care District as follows:

1. This legislative body declares that it has reconsidered the circumstances of the state of emergency declared by the Governor and at least one of the following is true: (a) the state of emergency continues to directly impact the ability of the members of this legislative body to meet safely in person; and/or (2) state or local officials continue to impose or recommend measures to promote social distancing.

The above and foregoing Resolution was introduced by Board Member _____, seconded by Board member _____, and passed and adopted at a regular meeting of the Mendocino Coast Health Care District held on the 24th day of February, 2022, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED: