



Finance Committee Meeting
August 9, 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 July 12, 2017

6. Presentation – Bank of Stockton

- Eric Daegling, VP, Business Banking Center Manager:

7. Controller’s Report: Action.....Mr. Krieg

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

8. Treasurer’s Report:.....Ms. Atkinson

- Investments and Banking:
 - Discussion Regarding Possible Changes:.....Ms. Atkinson
- Local Agency Investment Fund (LAIF).

9. Executive Director’s Report:.....Dr. Smart

- RFP - Financial Risk Assessment of the District:
 - Consideration to Hire Consulting Firm: Action
- Update on Valley Springs Project:
- Update on Search for Auditor Firm:
- Update on Meeting with Rebecca Callen, County Auditor-Controller
- Update on Lease Renewals:
 - Stockton Cardiology and Multi-Specialty Clinic MOB’s

10. New Business:

- Review Investment Policy No. 22.3 Annually: Action.....Ms. Atkinson

11. Comment and Future Agenda Items:

12. Next Meeting:

- The next regular meeting would be September 13, 2017 however will need to be changed to September 6, 2017.

13. Adjournment: Action



Finance Committee Meeting

July 12, 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 9:33am.

2. Roll Call:

Present for roll call was Treasurer, Ms. Atkinson, MSW, and Secretary, Ms. Radford, FNP. Also present were 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 June 8, 2017

Ms. Radford moved to approve the consent agenda. Ms. Atkinson provide her second and the motion passed 2-0.

6. Controller's Report: Action

- **Financial Status, Trends, Long-Term Views and Cashflow:**

○ **June Financials Will Be Presented to The Committee:**

Mr. Krieg: The District can expect the June revenue to end at approx. \$124k with year to date slightly more than \$1.4 million. The June Expenses should end about \$43.5k with a year to date of approx. \$1.1million. The investment income for June is \$4,102. where as last year it was \$3,833.

Mr. Krieg: In closing out the fiscal year the revenue is about equal with the budget and expenses are below budget.

Mr. Krieg: His office detected an error (approx. \$44k) in the Depreciation and Amortization Schedule. There needs to be an adjustment for this year and maybe for prior year(s). He will discuss with Rick Jackson, Auditor with JWT & Associates, LLP on how to adjust so the audit report will match. The last audit report didn't reflect the error.

Ms. Atkinson: Requested Accounting Staff consider the frequency of changing auditors and to put it on the next agenda for discussion.

Ms. Atkinson: Requested Staff contact the Assessor's Office for an email or letter to detail the refund due the District for having to pay taxes when the District is tax exempt. A prior explanation from the Assessor's Office stated they had up to 4 years to correct the rolls that would trigger a refund to the District. The delay in declaring the parcels tax exempt is because the Butte Fire adjustments took precedence.

Mr. Krieg: Expects to close the June books on Thursday. He also mentioned the utility costs were 42.5% of the District tax revenue noting next year this percentage will not be reported since all utility expenses will be reimbursed by the MTMC.

Dr. Smart: Stockton Cardiology is considering a 5-yr lease renewal and will take it to their Board on July 25th. He is also in negotiations to renew the GI clinic lease which has been renamed to the Multi-Specialty Clinic.

Mr. Krieg: Recommends the District use the Simplified Cash Flow report in their packet materials because it is user-friendly.

○ **Budget Balance Sheet Will be Presented to The Committee:**

The Accounting Dept.: Presented the Budget Balance Sheet to the Committee as a tool. It will be included in the monthly packet materials. Note number 4 on the schedule was requested to satisfy a USDA loan condition.

7. Treasurer's Report:

Ms. Atkinson: Thanked the Accounting Dept. for all their budget assistance during the budget process. She would like to look at new investment partner options since Umpqua is not responsive.

Dr. Smart: Prior history was all the money was at Umpqua with no return. A past president suggested the funds be moved to Evan Hershey to manage. When Mr. Hershey moved to another firm the District's account was sent to Portland. The investment is currently under-performing, there is no local representation or customer service.

Mr. Krieg: Suggests keeping the audit on an annual basis but to consider another auditing firm because it has been some time since the firm was changed. The prior ED didn't change the firm because he wanted to keep a firm that has District experience.

Dr. Smart: Will research possible auditing firms. He'll also reach out to ACHD and CSDA for suggestions.

Ms. Mills: From her CCWD experience allow several months to get a firm in place.

8. Executive Director's Report:

- **County Auditor - Controller Memo of 3-30-2017:**

Dr. Smart: Will be setting an appointment to meet with Rebecca Callen, County Auditor / Controller. She sent the District a memo that sounds like the District could move from annual audits to semi-annual.

- **Budget Variations:**

Dr. Smart: Anticipates legal amounts will exceed the budgeted amount. The legal firm of Archer Norris Professional Law Corp. hourly rate is \$100-150. If more specialized legal service is needed that firm will be Pillsbury Winthrop Shaw Pittman LLP with an hourly rate of \$700-750.

- **Update on Valley Springs Project:**

Dr. Smart: To service the USDA loan it would take \$35k/month. He and Bob Diehl, MTMC, CEO will be discussing an increase in the letter of commitment. Because of various risks involved in current and future projects he sees the need for a risk assessment consultant to be hired. He will research and bring his findings back to the Committee in Aug.

9. New Business:

- **Investments and Banking:**

Discussion Regarding Possible Changes:

Ms. Atkinson: Plans to review the District's investment policy and report back. The group would like to work with a local firm. Ms. Mills (audience) suggested the Board consider working with Local Agency Investment Fund (LAIF). CCWD finds LAIF to be helpful. (Aug Agenda).

Dr. Smart: Suggest the Finance Committee review investments annually.

10. Comment and Future Agenda Items:

Hearing none.

11. Next Meeting:

- o August 9, 2017

The next meeting will be on the (usual) second Wednesday which is August 9th at 9:30am even though the Board meeting will be pushed to August 30th.

12. Adjournment: Action

Ms. Radford moved to adjourn the meeting at 11:26am. Ms. Atkinson provided a second and the meeting was adjourned.

Peggy Stout

From: Isabel Moncada <IMoncada@co.calaveras.ca.us>
Sent: Friday, July 21, 2017 1:01 PM
To: pstout@marktwainhealthcaredistrict.org
Subject: Roll Corrections

Hi Peggy,

Per our discussion I wanted to follow up via email, the correction to the roll notice is to let you know that there have been changes to your parcels. As you know, they are now tax exempt. Having said that, the auditor will be processing the roll corrections and should you be eligible for a refund for taxes you paid prior to changing to tax exempt status, you will receive one. Unfortunately I don't have a time frame to provide you with, however checks typically arrive after notices are sent. For specifics on that feel free to contact the auditor.

Have a great weekend.

Regards,

Isabel Moncada | Assessment Technician I



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