
PUBLIC NOTICE

Bloss Memorial Healthcare District, A Public Entity • 3605 Hospital Road, • Atwater, California 95301 •
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Date: November 21, 2018

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Bloss Memorial Healthcare District will hold their Finance Committee meeting on Wednesday November 28, 2018 at 1:30 pm in the Board Room at 3605 Hospital Road, Atwater, CA 95301.

Bloss Memorial Healthcare District will hold their **Board of Directors** meeting on Wednesday, November 28 at 2:00 pm in the Board Room at 3605 Hospital Road, Atwater, Ca 95301.

I, Fily Cale, posted a copy of the agenda of the Board of Directors of Bloss Memorial Healthcare District, said time being at least 24 hours in advance of the meeting of the Board of Directors.

**BLOSS MEMORIAL HEALTHCARE DISTRICT, A Public Entity (BMHD)
 BOARD OF DIRECTORS MEETING
 BOARD ROOM
 Wednesday, November 28, 2018
 2:00 pm**

AGENDA FOR PUBLIC SESSION

I. CALL TO ORDER

II. ROLL CALL

ACTION

EXHIBIT

III. APPROVAL OF AGENDA

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IV. PUBLIC COMMENTS

Comments can be made concerning any matter within the Board’s jurisdiction; but if the matter is not on the agenda, there will be no Board discussion of the issue. Anyone wishing to address the Board on any issue, please stand and approach the microphone.

V. APPROVAL OF MINUTES

A. October 25, 2018 Board of Directors Meeting

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B. November 1, 2018 Special Board of Directors Meeting

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VI. FINANCIAL REPORT

A. October 25, 2018 Finance Committee Minutes

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B. Chief Financial Officer Report

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C. October Payroll, Electronic Payments & Check Register

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VII. CHIEF EXECUTIVE OFFICER REPORT

VIII. OLD BUSINESS / REPORTS

A. Castle Family Health Centers, Inc Report

5

B. Bloss Board Member Report

C. Roof Update

IX. NEW BUSINESS

A. Movement of Goodwin Trust out of Wells Fargo Bank to LPL Financial

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B. Nomination of 2019 Slate of Officers

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X. AGENDA FOR CLOSED SESSION

Closed Session Items Pursuant the Brown Act will be:
 Section 54954.5(h) Report Involving Trade Secrets – Regarding New Services.
 Estimated date of public disclosure will be in 2018.
 Section 54954.5 (c); 54956.9 Conference with Legal Counsel for Initiation of Litigation.
 Section 1461 of the Health and Safety Code – Quality Management.
 Section 54957 Personnel Actions.

XI. NEXT MEETING DATE

XII. ADJOURNMENT

Assistance for those with disabilities: If you have a disability and need accommodation to participate in the meeting, please call Fily Cale at (209) 724-4102 or (209) 381-2000 extension 7000 for assistance so that any necessary arrangements may be made.

Any written materials relating to an agenda item to be discussed in open session of a regular meeting that is distributed within the 72 hours prior to the meeting is available for public inspection at the time the record is distributed to all, or a majority of all, members of the Board. These documents are available from the Executive Assistant in administration at 3605 Hospital Road, Suite F, Atwater, California 95301.

**BLOSS MEMORIAL HEALTHCARE DISTRICT (BMHD)
BOARD OF DIRECTORS MEETING
BOARD ROOM
Thursday, October 25, 2018
2:00 pm**

CALL TO ORDER

Kory Billings, Board Chair, called the meeting to order at 2:00 pm.

ROLL CALL

Board Members Present: Kory Billings, Chair; Al Peterson, Secretary / Treasurer; Lloyd Weaver, Board Member; Bob Boesch, Board Member and Glenn Arnold @ 2:47 pm

Others Present: Edward Lujano, CEO; Fily Cale, Executive Assistant; Dawnita Castle, CFO; Ralph Temple, Jr., Legal Counsel; Rick Ramirez, Maintenance Supervisor; Joe Bristo, Duro-Last and Peter Mojarras, CFHC COO @ 2:09 pm

Absent: None

APPROVAL OF AGENDA

A motion was made / seconded, (Lloyd Weaver / Alfonse Peterson) to approve the October 25, 2018 agenda with change. Motion carried.

PUBLIC COMMENTS

None.

APPROVAL OF MINUTES

A. September 27, 2018 Board of Directors Meeting, Exhibit 1

A motion was made / seconded, (Lloyd Weaver / Bob Boesch) to approve and accept the September 27, 2018 Board of Directors Meeting minutes as presented, Exhibit 1. Motion carried.

FINANCIAL REPORT

A. September 27, 2018 Finance Committee Meeting Minutes, Exhibit 2

A motion was made / seconded, (Lloyd Weaver / Alfonse Peterson) to accept the September 27, 2018 Finance Committee Meeting minutes as presented. Exhibit 2. Motion carried.

B. Chief Financial Officer Report, Exhibit 3

Dawnita Castle, CFO, reported that for September 2018, BMHD Operating Cash Balance was at \$3,169,573 and Days on Cash on Hand were at 676 days. This excludes \$158,984 payable to the dental surgery centers, this is patient income that was for the Dental Surgery Centers of America (DSCA) and is on the Balance Sheet, but was excluded.

For September 2018, BMHD recorded total revenues in the amount of \$166,039 and total expenses in the amount of \$184,859. Total BMHD expenses include \$21,750 of SKDSC expenses and \$44,156 of depreciation expense. Depreciation expense has gone down because of the sale of the dental surgery centers and CCDSC fixed assets are no longer depreciating on the Balance Sheet.

BMHD had a total net gain before depreciation in the amount of \$25,337 and a net loss in the amount of \$18,819 after depreciation expense.

Ralph Temple, Legal Counsel, asked what category the rent comes in. Dawnita Castle confirmed that it is under Non Operating Revenue. Taxes and Trust is also under Non Operating Revenue. Lloyd Weaver confirmed that Full Time Equivalent Employees is for Edward Lujano only. Contract employees are Dawnita Castle, CFO; Sabrina Cooksey, HR and Fily Cale, Executive Assistant and Maintenance for building maintenance.

C. September 2018 Payroll, Electronic Payments and Check Register, Exhibit 4

A motion was made / seconded, (Alfonse Peterson / Lloyd Weaver) to approve and accept the September 2018 Payroll in the amount \$7,527.65 and Accounts Payable in the amount of \$481,978.42 for a total Disbursement of \$489,506.07, Exhibit 4. Motion carried.

Dawnita Castle reported that \$308,763.58 on the disbursements was patient payments that were paid to DSCA. Ralph Temple asked if BMHD on a positive cash flow basis given its employees and rent. Edward Lujano stated that this will come under New Business, we have a cash flow of \$3,169,537.

CHIEF EXECUTIVE OFFICER REPORT

Edward Lujano, CEO, reported that he was at Parlier earlier this month. The facility needs some cleaning up, but it is not horrible. Half of the lights work the other half was powered by the generator that was sold. He took David Thompson, DSCA, and this will be discussed further in Closed Session.

New carpeting has been installed in the Board room and administration reception area. The hallways and entries have also been re-tiled. Edward Lujano thanked Rick Ramirez and his staff for all of the work and BMHD for replacing them.

Edward Lujano stated that the Roof RFPs had gone out. Two weeks ago the prospective bidders did a walk through at the Castle and Bloss sites. The deadline to submit their bids was at noon today. He has asked Joe Bristow from Duro-Last to provide a report on their materials that will be used for the roof projects. Joe Bristow along with Rick Ramirez were also part of the walk through with the bidders.

Jos Bristow reported that he was called out to the building to take a look and evaluate the roof system, which is an old built up tar and gravel and its failing. He has been roofing for over 40 years and before joining Duro-Last Manufacturing his contracting firm was one of the bigger contracting firms that handled Duro-Last in this area. They offer warranties for anything that gets damaged inside of this building and the warranting period is 20-years.

Edward Lujano stated that Duro-Last was recommended by our consultant, The Neenan Company, which is how we contacted Joe Bristow.

Joe Bristow provided a report on the specs for the roof project at Castle and Bloss sites. This was reviewed and discussed with the Board of Directors.

Kory Billings stated that we may need to hold a special board meeting just to talk roofing because of the time frame.

Ralph Temple asked if there was any information on loans, Dawnita Castle stated that the only loan that was offered to BMHD was only \$500,000 from BBVA at 5 years with 5.5%. Edward Lujano attended a conference recently and was able to obtain information on the HELP II Loan and she will reach out to them.

Edward Lujano stated that the City of Atwater did their annual walk-through of the surgery center. They reported that there was no ADA compliance with the exit signs and Braille needed to be added; door knobs need to be replaced with levers; additional exit signs need to be added and one of the restrooms was not ADA compliant. Rick Ramirez, Maintenance Supervisor has been working on some of these issues. Ralph Temple, Legal Counsel, stated that BMHD is essentially grandfathered, you can exist under the old rules as long as you don't do anything to the building, then as soon as you go in for a building permit they're going to say that you need to bring everything up to date. We will need to get a building permit for the roof. We need to look at the doors that the public uses and start with those door knobs.

OLD BUSINESS / REPORTS

A. Castle Family Health Centers, Inc Report, Exhibit 5

Peter Mojarras, CFHC, COO, thanked the board for considering to look at the opportunity for improvements to the roof. It has been challenging for the years with pails to collect water and a collapse at the Bloss site last year. He also thanked the board for the floor work.

He also thank BMHD for sponsoring the Dental Panoramic X-ray machine for the Winton Clinic. And he mentioned that there were still "leaves" available for sponsorship at the Winton Clinic.

CFHC has hired a family practice physician and she will begin in the middle of January 2019. She is currently supervising 3rd year resident physicians where she is currently working. Several specialists will also be on site tomorrow, one is an endocrinologist and the other is an OB-GYN.

CFHC is also working on expanding our mobile medical services in the community with the local schools, Eileen Colburn and Bellevue. Along with Atwater and Merced school districts including Atwater and Buhach High Schools.

CFHC also has the mobile medical unit going out to the surrounding areas outside of Atwater, this gives us great exposure. The Bi-national Health Fair was held in Los Banos and we took the mobile unit to that event.

Along CFHC will notify BMHD of any future opportunities for grants.

He also thanked BMDH for their partnership and opportunities that they have sponsored.

Kory Billings provided a donation for the Winton Clinic and commented that as CFHC continues to collect funds and as they are not a foundation, this may be were BMHD can step in and help bring some of those funds in so that they are tax deductible for people who want to make them. If BMHD can hold the account for CFHC maybe people can make a taxable donation for the use of CFHC and funnel through BMHD.

Lloyd Weaver stated that he had noticed a decrease in Day Break attendance and Winton Clinic was also down. Peter Mojarras replied that part is due to our bus is being repaired and will fluctuate with referrals coming in. Our marketing individual is aggressively marketing. We had lost one of our Winton providers and were using a locum agency provide another provider.

Ralph Temple asked when CFHC was opening the Winton Clinic, Edward Lujano replied that we will open in March 2019. We are actively recruiting for additional staff including 5 dental applications. Peter Mojarras stated that CFHC ranks high for the loan repayment program for dental services.

B. Bloss Board Member Report

Kory Billings reported that an Investment Committee meeting was held on October 24, 2018 with LPL Financial. Things have remained even with our small investment and saw a little increase in the larger one. One is at \$108,000 and the other is at \$257,000. They will not be making any changes to current investment policy and LPL was very pleased with the direction that BMHD has given them within our investment policy.

The Investment Committee did discuss the potential of taking the Goodwin funds out of Wells Fargo Bank and placing them in LPL. This will be on the November agenda for an open discussion.

Kory Billings, Board Chair appointed Alfonse Peterson and Lloyd Weaver to the Nominating Committee for the 2019 Slate of Officers.

NEW BUSINESS

A. Approval of FYE 2018 Audit, Exhibit 6

Dawnita Castle, CFO, reported that the audit had been updated to reflect that on pages 3 and 19 the correction was in discussing the 2 dental surgery centers. Of the sale of the 2 dental surgery centers, BMHD made a profit of \$1,060,524 and with that CCDSC had a profit of \$1,851,149 and a loss with CDSC in the amount of \$790,624. The auditor did have to do a reclassification as she was slightly off on the loss for CDSC.

John Blomberg & Accountancy prepared the audit. They have the accounting department download all of the GL accounts and he is looking for anything that is material over \$20,000. The auditor researches these and looks for material errors either by fraud or human error. She requested that he really review the profit and loss on the 2 dental surgery centers as she was new to this.

On the Balance Sheet the total current assets did decrease by \$1,650,000 and it is due to some sales of assets for the surgery centers. And in Non Current Asset you will see \$2,150,000 which is the note payable to DSCA for the note receivable with 6% annualized interest. On Capital Assets, the net depreciation did decrease with the sale of the dental surgery center equipment in the amount of \$751,000. Total current liabilities did increase by \$192 and that is due to those last amounts for CDSC.

For the month of June we have a statement that shows an excess of \$1,328,529 and this includes total operating and non-operating revenues of \$5,950,064 and expenses of \$4,621,535. Net patient revenues and expense decrease with the sale of the surgery centers and in Non Operating Revenue there is a gain in sale of the two dental surgery centers, which is called Sell of Assets in the amount of \$1,060,524 that consists of a gain from CCDSC in the amount of \$1,851,149 and a net loss of CDSC in the amount of \$790,624.

A motion was made /seconded, (Alfonse Peterson / Glenn Arnold) to approve the FYE 2018 audit, Exhibit 2a. Motion carried.

B. Cash Flow Projections for Monthly Revenues & Payments, Exhibit 7

Dawnita Castle presented a Cash Flow Projections for monthly revenues and payments. She started with the month of October with \$3,169,537 which is the ending cash balance for September 30, 2018.

The Operating Revenue is the cash flows that BMHD receives, which includes interest income, property tax and collection of rents.

Under, General & Administrative includes salaries and wages, employee benefits, professional fees, supplies, purchased services, rents and leases Sierra Kings, utilities, insurances and other expenses possible loan payment.

This was reviewed and discussed with the Board of Directors. Kory Billings commented that this is a great tool for the board to continue to look at, where they are and what their investment could potentially be.

This is a planning item, not an action item.

AGENDA FOR CLOSED SESSION

Edward Lujano, CEO will have discussion on the Parlier project under Section 54954.5(h) Report Involving Trade Secret – Regarding New Services.

Ralph Temple, Legal Counsel, will have a brief report on 2 legal cases, Lemas and Rodriguez-Avila.

And a brief report on malpractice insurance, under Section 54954.5 (c); 54956.9 Conference with Legal Counsel for Initiation of Litigation.

Kory Billings report that a brief discussion on personnel under Section 54957 Personnel Actions.

NEXT MEETING DATE

The next Board of Directors Meeting will be held on Wednesday, November 28, 2018 at 2:00 p.m. in the Board Room.

The Finance Committee will also meet on Wednesday, November 28, 2018 at 1:30 p.m. in the Board Room.

ADJOURNMENT

As there was no further business, the meeting adjourned into Closed Session at 2:38 pm.

The meeting reconvened into public session at 4:05pm and adjourned. No action taken.

Respectfully Submitted,

Fily Cale
Executive Assistant

Kory Billings
Board Chair

**BLOSS MEMORIAL HEALTHCARE DISTRICT (BMHD)
SPECIAL BOARD OF DIRECTORS MEETING
Executive Conference Room
Thursday, November 1, 2018
10:00 am**

CALL TO ORDER

Kory Billings, Chair, called the meeting to order at 10:00 am.

ROLL CALL

Board Members Present: Chair; Kory Billings, Chair; Glenn Arnold, Vice Chair; Al Peterson, Secretary / Treasurer and Lloyd Weaver, Board Member

Others Present: Edward Lujano, Chief Executive Officer; Dawnita Castle, CFO, Ralph Temple, Legal Counsel and Joe Bristow, Duro-Last

Absent: Bob Boesch, Board Member and Fily Cale, Executive Assistant

APPROVAL OF AGENDA

A motion was made / seconded, (Alfonse Peterson / Lloyd Weaver) to approve the November 1, 2018 Board Agenda as presented. Motion carried.

PUBLIC COMMENTS

None

NEW BUSINESS

- a. Selection / Approval RFP Bids for Roof at 3605 Hospital Road, Exhibit 1

Kory Billings, Board Chair introduced Joe Bristow representative from the primary contractor for the materials for a potential new roof Duro-Last Manufacturing. He has also assisted Edward Lujano in the bidding process.

We have 3 potential bids with multiple ways to break it down, Cool Roofing, Platinum Roofing and Barth Roofing with the potential of doing all 3 areas, deck A,B and C or the necessity of just doing A, B, and holding C off until another time. Specifically just talking about this facility at this point in time.

A motion was made / seconded, (Alfonse Peterson / Lloyd Weaver) that BMHD only look at Decks A and B and postpone Deck C. Motion carried.

Kory Billings, Board Chair commented that BMHD is looking at Decks A and B from Cool Roofing Systems, Inc, Platinum Roofing and Barth Roofing Co. There is a significant difference in pricing between the 3. BMHD was informed that Cool Roofing Systems had revised some clerical errors, but not pricing on their bid and Platinum Roofing has an incorrect bond date and a late documentation coming in, but Barth Roofing received everything in time.

Lloyd Weaver stated that one reason for not doing Deck C at this time was that it still has the life of 4-5 years as appraised. Ralph Temple, Legal Counsel, stated that as previously mentioned, should BMHD elect to do solar, this would be the ideal place for it. You can do the roof along with the solar at a later point.

Cool Roofing Systems is \$1,292,870, Platinum Roofing is \$1,307,739 and Barth Roofing is \$1,407,446 which means that Cool Roofing Systems is the low bid for Decks A and B.

Cool Roofing Systems will take 4 months, Platinum Roofing will get it done by the end of January 2019 and Barth Roofing will get it down in the middle of March 2019.

Lloyd Weaver stated that on the contractors' warranty, two have one a two year and one a five year. What is the value? Joe Bristow replied that they require a contractor maintains the warranty for the workmanship for two years only. If there is a problem Duro-Last will be handling it not the roofing contractor.

Ralph Temple, Legal Counsel, stated that each of the contractors have indicated a schedule of payment, which the Board has to consider. We would need to make sure that what BMHD is billed for has been done. Joe Bristow stated that he would be able to take a look at this during his inspections.

Joe Bristow mentioned that until the roof is torn off we won't know if there is any rust on the galvanized metal or standing water. An owner should plan on a 10% to 20% contingency. Joe Bristow stated that based on his analysis the section to the south has 2 roofs on it and this section only has one. The area with the 2 roofs may have residuals of small amounts of rust, especially in the heat areas, such as where the boiler room is.

Dawnita Castle, CFO, stated that there is a State HELP II Loan that she has looked into and has an application. It would be for \$1.5M at 2% interest. She is unaware of how long the process will be, but will contact them.

Joe Bristow stated that Cool Roofing is an Elite roofing contractor, they have laid more squares successfully with a GPA of 97, which is above average. They all had nice grade levels and they all know what they are doing.

Dawnita Castle, CFO, stated that there is \$3M in the bank, she will pursue the State HELP II Loan, which is at 2% and the other option received for any funds was \$500,000 from BBVA at 6%. Ralph Temple asked when the annual Bloss Trust payment was due. She replied that it is usually issued out in February / March.

Edward Lujano stated that the water heater has also gone out and we are having it replaced. It is a 100 gallon commercial gas tank and will cost around \$10,000.

Glenn Arnold stated that it seems that BMHD is in good enough shape to go ahead and do this before we get any more damage inside the building from leaks and such.

Joe Bristow commented that from the specs and the bids he sees, every one of the contractors he knows, know what is going on.

A motion was made / seconded, (Glenn Arnold / Alfonse Peterson) to proceed with Cool Roofing Systems for the Castle Site Roof, Decks A and B, Exhibit 1. Motion carried.

b. Selection / Approval RFP Bids for Roof at 1251 Grove Avenue, Exhibit 2

Kory Billings, Board Chair, stated that BMHD had received 5 bids ranging from \$52,000 to \$185,000. Some of these contractors have been eliminated because they did not follow specs. It has been recommended that BMHD consider the potential of also eliminating Cool Roofing Systems as BMHD wants to go with 2 separate contractors so that they can be doing work simultaneously.

Ralph Temple, Legal Counsel, commented that the bids received would indicate Platinum Roofing came in at \$52,553, Barth Roofing is at \$69,732 and Cool Roofing Systems is at \$79,670. The other two, Tru-Tech Roofing and CRC Roofing, which have been eliminated for not following spec.

Lloyd Weaver asked how many squares are at the Bloss site roof. Joe Bristow stated that on the flat area there is approximately about 6,900 square feet and 69 squares. Some of the areas he noticed when walking the building was outside of the flat area. This means that there is tile issues and through his discovery Cook Roofing Systems and Barth Roofing do tile repairs and Platinum Roofing doesn't.

Ralph Temple, Legal Counsel, stated that the low bid from Platinum Roofing covers only the areas specified to be fixed. The Board is aware there could be tile work that's necessary which would have to go under some separate contract. Joe Bristow is recommending that the maintenance department go on site on a rainy day and find all of the leaks and mark them. Show a particular roofer and he fixes that area.

Edward Lujano stated that by installing the other sections A, B, C and D, is there a threat of them breaking some of the tile around them. Joe Bristow replied that this is the newer section and has newer tile which is readily available. If they break it, they replace it for free.

There is a mandatory on both the Castle and Bloss sites, that a contractor goes inside the building and outside the building and denotes anything that is existing. This is a requirement that was put in to protect BMHD.

Edward Lujano asked if we knew anything about the skylights. Joe Bristow stated that the contractors addendum signed include a full replacement.

Ralph Temple confirmed that we would need to add another 10% contingency.

A motion was made / second, (Lloyd Weaver / Alfonse Peterson) that BMHD awards the contract to Platinum Roofing for the amount of \$52,553 for the Bloss Site Roof, Exhibit 2. Motion carried.

AGENDA FOR CLOSED SESSION

None.

NEXT MEETING DATE

The next Board of Directors Meeting will be held Wednesday, November 28, 2018 at 2:00 p.m. in the Board Room.

ADJOURNMENT

As there was no further business the meeting adjourned at 11:15 am.

Respectfully Submitted,

Alfonse Peterson
Board Secretary

**BLOSS MEMORIAL HEALTHCARE DISTRICT, A Public Entity (BMHD)
FINANCE COMMITTEE MEETING
BOARD ROOM
Thursday, October 25, 2018
1:30 p.m.**

Committee: Edward Lujano, CEO; Dawnita Castle, Chief Financial Officer;
Fily Cale, Executive Assistant; Alfonse Peterson, Committee Chair
and Kory Billings, Board Chair

Others Present: None

Absent: Glenn Arnold, Committee Member

CALL TO ORDER

Alfonse Peterson, Committee Chair, called the meeting to order at 1:30 p.m. in the Board Room.

APPROVAL OF AGENDA

A motion was made/seconded, (Edward Lujano / Kory Billings) to approve the October 25, 2018 agenda as presented. Motion carried.

PUBLIC COMMENTS

None.

APPROVAL OF FINANCE COMMITTEE MINUTES

A. September 27, 2018 Finance Committee Minutes, Exhibit 1

A motion was made / seconded, (Kory Billings / Edward Lujano) to approve and accept the September 27, 2018 Finance Committee Minutes as presented, Exhibit 1. Motion carried.

REVIEW OF DISTRICT FINANCIAL STATEMENTS, EXHIBIT 2

Dawnita Castle, CFO, report that the BMHD statements for September 2018 operating cash balance was at \$3,169,573 and Days Cash On Hand were at 676 days, this did exclude \$158,000 that was payable to the dental surgery centers. It is on the Cash Balance sheet, but she does exclude that amount so that BMHD knows exactly how much money BMHD has.

During the month of September 2018 BMHD recorded total revenues in the amount of \$166,039 and total expenses, excluding depreciation in the amount of \$140,703. The depreciation expense

for September 2018 was \$44,156. BMHD had a total net gain before depreciation of \$25,337 and a net loss of \$18,819 after depreciation.

A motion was made / seconded, (Kory Billings / Edward Lujano) to approve and accept Review of District Financial Statements, Exhibit 2. Motion carried.

A. Recommendation of FYE 2018 Audit, Exhibit 2a

Dawnita Castle, CFO, reported that the audit had been updated to reflect that on pages 3 and 19 the correction was in discussing the 2 dental surgery centers. Of the sale of the 2 dental surgery centers, BMHD made a profit of \$1,060,524 and with that CCDSC had a profit of \$1,851,149 and a loss with CDSC in the amount of \$790,624. The auditor did have to do a reclassification as she was slightly off on the loss for CDSC.

John Blomberg & Accountancy prepared the audit. They have the accounting department download all of the GL accounts and he is looking for anything that is material over \$20,000. The auditor researches these and looks for material errors either by fraud or human error. She requested that he really review the profit and loss on the 2 dental surgery centers as she was new to this.

For the month of June we have a statement that shows an excess of \$1,328,529 and this includes total operating and non-operating revenues of \$5,950,064 and expenses of \$4,621,535.

Kory Billings asked how the auditor chooses \$20,000. Dawnita Castle replied that this is normal auditor practice. They take \$20,000, or some auditors will take \$10,000 and review certain accounts to tie to that amount.

A motion was made /seconded, (Kory Billings / Edward Lujano) to recommend the audit for approval to the full board, Exhibit 2a. Motion carried.

SKDSC FINANCIAL REPORT, EXHIBIT 3

Dawnita Castle reported that SKDSC had a \$21,750 loss for September 2018.

A motion was made / seconded, (Kory Billings / Edward Lujano) to approve and accept SKDSC Financial Report, Exhibit 3. Motion carried.

Edward Lujano visited SKDSC and there is some neglect on the grounds, he reached out to the gardener and he will fix some broken sprinklers. He also took David Thompson to visit the site for a potential opportunity and this will be discussed in closed session.

WARRANTS AND PAYROLL

A. September 2018 Payroll, Electronic Payments & Check Register, Exhibit 4

Dawnita Castle commented that on the auto debits, \$308,736 payable to Dental Surgery Centers of America (DSCA) which are their patient payments. This money was not BMHD's but was issued out of the cash accrual. Everything that is being issued out is shown on the disbursement report.

A motion was made/seconded, (Kory Billings / Edward Lujano) to approve and accept the September 2018 Total Payroll in the amount \$7,527.65 and Total Accounts Payable in the amount of \$481,978.42 for a total Grand Total Disbursement of \$489,506.07, Exhibit 4. Motion carried.

Kory Billings asked of the \$489,506.07 what of that is still going to the dental surgery centers. Dawnita Castle replied that the \$308,736 was what BMHD had issued out during the month of September and DSCA had an outstanding balance of \$158,000 that had hit at the end for both dental surgery centers issued out in October.

DISCUSSION

None.

AGENDA FOR CLOSED SESSION

There was no Closed Session item(s) for discussion.

NEXT MEETING DATE/ADJOURNMENT

The next Finance Committee meeting will be held on Wednesday, November 28, 2018 at 1:30 pm.

As there was no further business, the meeting adjourned at 1:40 p.m.

Respectfully Submitted,

Fily Cale
Executive Assistant

Alfonse Peterson
Committee Chair

**CHIEF FINANCIAL OFFICER REPORT
& CHECK REGISTER**

BMHD had a total net gain before depreciation of \$3,704 for the month compared to a net loss of \$18,418 last year. Expenses include \$21,384 of SKDSC costs.

The October 31, Operating Cash Balance was \$3,306,778 and Days Cash On Hand was 676 Days*. In September the DCH was 676 Days.

* Days Cash on Hand (DCH) = Operating Cash / Average Daily Expense (excluding depreciation). DCH indicates Bloss's ability to cover operating expenses. The Benchmark for Health Centers is a minimum of 90 Days.

A summary comparison of operations for the month and the prior year is as follows :

	Oct-18	Oct-17	VARIANCE *	%	Y-T-D Oct-18	Y-T-D Oct-17	Y-T-D VARIANCE *	Y-T-D %
Net Patient Revenue	0	209,440	(209,440)	-100.00%	(44,688)	819,802	(864,490)	-105.45%
Other Operating Revenue	21,277	170	21,107	12386.50%	(28,479)	6,730	(35,209)	-523.17%
Total Net Operating Revenue	21,277	209,611	(188,334)	-89.85%	(73,168)	826,532	(899,700)	-108.85%
Operating Expenses Excluding Depreciation	139,636	321,164	181,528	56.52%	599,785	1,338,313	738,528	55.18%
Net Operating Income (Loss) Before Depreciation	(118,359)	(111,553)	(6,806)	-6.10%	(672,953)	(511,781)	(161,172)	-31.49%
Net Non Operating-Gains/Losses								
Gain/Loss on Investments	(18,821)	1,864	(20,685)	-1109.71%	(11,357)	11,766	(23,123)	-196.52%
CDSC Gain/Losses	0	(37,647)	(37,647)	100.00%	0	(201,461)	201,461	100.00%
All Other Non-Operating Gains/Losses	140,884	128,918	(11,966)	-9.28%	614,888	512,256	102,632	20.04%
Total Net Non-Operating Income: Losses/Gains	122,063	93,135	(28,928)	-31.06%	603,531	322,561	280,970	87.11%
Total Net Income (Loss) Before Depreciation	3,704	(18,418)	22,122	-120.11%	(69,422)	(189,220)	119,798	-63.31%
Depreciation Expense	53,349	59,509	(6,160)	-10.35%	216,474	239,117	(22,643)	-9.47%
Net Income (Loss) After Depreciation	(49,645)	(77,927)	28,282	-36.29%	(285,896)	(428,337)	142,441	-33.25%

* Note: unfavorable variances are indicated by parenthesis (-).

Bloss Memorial HealthCare District
 Operations Summary Report
 Four Months Ending October 31, 2018

BMHD FULL TIME EQUIVALENTS SUMMARY :

(See FTE report included in Financial Reports for detail)

	Oct-18	Oct-17	VARIANCE	%	Y-T-D Oct-18	Y-T-D Oct-17	Y-T-D VARIANCE *	Y-T-D %
EMPLOYEE FTE'S	0.30	12.56	12.26	97.61%	0.48	13.23	12.75	96.37%
CONTRACT FTE'S	4.30	3.71	(0.59)	-15.90%	4.00	4.25	0.25	5.88%
TOTAL FTE'S	4.60	16.27	11.67	71.73%	4.48	17.48	13.00	74.37%

* Note: unfavorable variances above are indicated by parenthesis ().

Full Time Equivalent - Employees for the month are 97.61% less than the prior year with 12.26 less FTE'S

The major (>1 fte) Total Employee FTE increases for the month are comprised primarily of the following :

Department	Cur. Mo. Increase (DECREASE)	YTD Increase (DECREASE)	Reason
CCDSC	12.26	12.93	Less Department
All other departments < 1 fte var	0.00	(0.18)	Various departments less than 1 fte variance.
	12.26	12.75	Brackets () indicate a decrease (favorable) variance

OCTOBER PAYROLL, ELECTRONIC PAYMENTS
& CHECK REGISTER

Bloss Memorial Healthcare District
 Payroll, Accounts Payable and Funds Disbursements - Summary
 Month of October-18

Payroll			\$17,093.73
Total Payroll			<u><u>\$17,093.73</u></u>

Accounts Payable:

A/P Checks	Bloss	\$141,879.36	\$141,879.36
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BLOSS

Auto Debits	\$105.82	
Electronic Payments to Castle on Payable	\$26,233.25	
Electronic Payments to DSCA	\$584,645.15	
Total Auto Debits and Electronic Transfers	<u>\$610,984.22</u>	

**Central California Dental Surgery Center
 Auto Debits - Old Account**

Bank Fees	13.35	
Total Auto Debits and Electronic Transfers	<u>13.35</u>	\$610,997.57

Electronic Payments - ACH	<u>\$0.00</u>	\$0.00
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Total Accounts Payable			<u><u>\$752,876.93</u></u>
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Grand Total Disbursements			<u><u>\$769,970.66</u></u>
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BLOSS	Payroll Disbursements for		October-18
	Payroll dated		
	10/05/18	10/20/18	Total
Earnings			
Regular			-
Overtime			-
Vacation			-
Sick			-
Holiday			-
Salary	4,333.33	4,333.33	8,666.66
Double Time			-
Call In			-
On Call			-
Other			-
Dental Surgery Centers - Marketing	1,277.50	1,610.00	2,887.50
CFHC - Marketing	1,277.50	1,610.00	2,887.50
			-
Total	6,888.33	7,553.33	14,441.66
			-
Deductions			-
FICA (+)	526.96	577.83	1,104.79
Insurance (-)	(91.97)	(91.97)	(183.94)
Emp Deduction(-)/Reimb(+)	734.12	-	734.12
Christmas Fund (-)			-
Process Fee (+)	599.97	397.13	997.10
			-
Total	1,769.08	882.99	2,652.07
			-
			-
Net Payroll	\$ 8,657.41	\$ 8,436.32	17,093.73

RUN DATE: 10/30/18
 RUN TIME: 1648
 RUN USER: COOKS

Castle Family Health Centers AP **LIVE**
 CHECK REGISTER BY DATE

C
 FROM 10/01/18 TO 10/31/18

DATE	CHECK NUM	VENDOR NUM	VENDOR NAME	STATUS	STATUS DATE	AMOUNT	
						ISSUED/ CLEARED	VOIDED/ UNCLAIMED
10/04/18	038073	B0054	CASTLE FAMILY HEALTH CENTERS, INC.	ISSUED	10/04/18	20000.00	
10/04/18	038074	B0060	GLENN ARNOLD	ISSUED	10/04/18	200.00	
			REMITTED TO: ARNOLD, GLENN				
10/04/18	038075	B0109	KORY BILLINGS	ISSUED	10/04/18	200.00	
10/04/18	038076	B0054	CASTLE FAMILY HEALTH CENTERS, INC.	ISSUED	10/04/18	6835.00	
10/04/18	038077	B0132	CLARK PEST CONTROL	ISSUED	10/04/18	1415.00	
10/04/18	038078	B0016	GUARDCO SECURITY SERVICES	ISSUED	10/04/18	9754.25	
10/04/18	038079	B0225	HOFFMAN SECURITY	ISSUED	10/04/18	577.90	
10/04/18	038080	B0059	LLOYD WEAVER	ISSUED	10/04/18	100.00	
10/04/18	038081	K0003	M-D VENTURES	ISSUED	10/04/18	19102.14	
10/04/18	038082	B0017	MERCED COUNTY - CASTLE AIRPORT	ISSUED	10/04/18	4941.45	
10/04/18	038083	B0014	PG&E (4705482162-5)	ISSUED	10/04/18	5643.50	
10/04/18	038084	B0130	RPC FRESNO, INC.	ISSUED	10/04/18	2895.00	
10/04/18	038085	B0102	THE HARTFORD	ISSUED	10/04/18	14.50	
10/04/18	038086	B0056	CARDMEMBER SERVICE-XXXXXXXXXX9140	ISSUED	10/04/18	1500.00	
10/10/18	038087	B0262	UNITED FLOOR COVERING - CARPET ONE	ISSUED	10/10/18	904.71	
10/11/18	038088	B0159	CAHHS	ISSUED	10/11/18	264.00	
10/11/18	038089	B0030	HD SUPPLY FACILITIES MAINTENANCE	ISSUED	10/11/18	227.26	
10/11/18	038090	K0034	JOE S RODRIGUEZ	ISSUED	10/11/18	449.84	
10/11/18	038091	B0218	JOHN P. NIEMOTKA	ISSUED	10/11/18	400.00	
			REMITTED TO: OCTANE ADVERTISING & DESIGN				
10/11/18	038092	B0042	RALPH TEMPLE	ISSUED	10/11/18	1440.00	
10/11/18	038093	B0261	THE NEENAN COMPANY, LLLP	ISSUED	10/11/18	736.00	
10/11/18	038094	B0013	WEST COAST GAS CO, INC.	ISSUED	10/11/18	1635.29	
10/11/18	038095	B0015	WINTON, WATER & SANITARY DISTRICT	ISSUED	10/11/18	72.80	
10/16/18	038096	B0111	JAMES G PARKER, INS ASSOC	ISSUED	10/16/18	21000.00	
10/19/18	038097	B0026	MERCED IRRIGATION DISTRICT	ISSUED	10/19/18	27290.49	
10/19/18	038098	B0216	BLOMBERG & GRIFFIN ACCOUNTANCY	ISSUED	10/19/18	6750.00	
10/19/18	038099	B0027	CITY OF ATWATER (010448-000)	ISSUED	10/19/18	816.94	
10/19/18	038100	B0134	CITY OF ATWATER (020161-000)	ISSUED	10/19/18	654.34	
10/19/18	038101	K0035	CITY OF PARLIER	ISSUED	10/19/18	214.50	
10/19/18	038102	B0030	HD SUPPLY FACILITIES MAINTENANCE	ISSUED	10/19/18	3068.18	
10/19/18	038103	B0025	MERCED IRRIGATION DISTRICT	ISSUED	10/19/18	326.74	
10/19/18	038104	B0226	NONSTOP ADMIN. & INS. SRVCS, INC.	ISSUED	10/19/18	821.00	
10/19/18	038105	B0218	JOHN P. NIEMOTKA	ISSUED	10/19/18	405.00	
			REMITTED TO: OCTANE ADVERTISING & DESIGN				
10/19/18	038106	K0057	SOCAL GAS (090 828 6930 7)	ISSUED	10/19/18	14.79	
10/26/18	038107	B0132	CLARK PEST CONTROL	ISSUED	10/26/18	78.00	
10/26/18	038108	B0241	HIGGS, FLETCHER & MACK LLP	ISSUED	10/26/18	60.00	
10/26/18	038109	B0133	MERCED/MODESTO COMMERCIAL SWEEPERS	ISSUED	10/26/18	240.00	
10/26/18	038110	B0091	OFFICE DEPOT	ISSUED	10/26/18	96.71	
			REMITTED TO: OFFICE DEPOT (32544746)				
10/26/18	038111	B0021	PG&E (1384254881-3)	ISSUED	10/26/18	436.20	
10/26/18	038112	B0020	PG&E (1873896591-4)	ISSUED	10/26/18	297.83	
TOTAL \$						141879.36	

Bloss Memorial Healthcare District
September-18

Bloss Electronic Transfers

Bloss Auto Debits

Bank Fees - CCDSC OLD ACCT	13.35
Bank Fees - Bloss	105.82
Total	<u>119.17</u>

Electronic Payments to Castle on Payable	26,233.25
Electronic Payment to DSCA	584,645.15
Electronic Transfer to LAIF	0.00
Total	<u>610,878.40</u>

Grand Total	<u>610,997.57</u>
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CASTLE FAMILY HEALTH CENTERS, INC REPORT

Castle Family Health Centers Inc
 Operations Summary Report
 Four Months Ending October 31, 2018

Total encounters for the month are 12,203 compared to 10,560 last year 13.85% increase.

Department	Oct-18	Oct-17	VARIANCE	%	Y-T-D Oct-18	Y-T-D Oct-17	Y-T-D VARIANCE *	Y-T-D %
Castle Clinic	4,898	3,969	929	23.41%	17,472	15,159	2,313	15.26%
Specialty Clinic	618	632	(14)	-2.22%	2,350	2,544	(194)	-7.63%
Bloss Clinic	1,042	819	223	27.23%	4,117	3,376	741	21.95%
Winton Clinic	754	736	18	2.45%	2,459	3,076	(617)	-20.06%
Urgent Care	315	328	(13)	-3.96%	1,176	1,100	76	6.91%
Lab	2,171	1,810	361	19.94%	7,938	7,330	608	8.29%
Radiology	736	575	161	28.00%	2,518	2,116	402	19.00%
Behavioral Health	215	222	(7)	-3.15%	758	836	(78)	-9.33%
Adult Day Health Care	477	598	(121)	-20.23%	1,735	2,226	(491)	-22.06%
Optometry	434	561	(127)	-22.64%	1,363	1,859	(496)	-26.68%
Ophthalmology	363	310	53	17.10%	1,431	1,370	61	4.45%
TOTAL ENCOUNTERS	12,023	10,560	1,463	13.85%	43,317	40,992	2,325	5.67%

Oct-18 Working Days 21 and 1 Holiday
 Oct-17 Working Days 20 and 1 Holiday

NEW PATIENTS	Oct-18	Oct-17	VARIANCE *	%	Y-T-D Oct-18	Y-T-D Oct-17	Y-T-D VARIANCE *	Y-T-D %
	407	377	30	7.96%	1,618	1,892	(274)	-14.48%