
PUBLIC NOTICE

Bloss Memorial Healthcare District, A Public Entity • 3605 Hospital Road, • Atwater, California 95301 •
(209) 381-2000 x 7002 • fax: (209) 722-9020

Date: June 18, 2021

Phone: (209) 724-4102

Fax: (209) 722-9020

Bloss Memorial Healthcare District will hold a their next Finance Committee meeting on Thursday, June 24, 2021 at 1:30 pm in the Board Room at 3605 Hospital Road, Atwater, Ca 95301.

Bloss Memorial Healthcare District will hold their next **Board of Directors** meeting on Thursday, June 24, 2021 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)
3605 Hospital Road, Atwater, CA 95301
BOARD OF DIRECTORS MEETING
BOARD ROOM
Thursday, June 24, 2021
2:00 pm

AGENDA FOR PUBLIC SESSION

I.	CALL TO ORDER		
II.	ROLL CALL		
		<u>ACTION</u>	<u>EXHIBIT</u>
III.	APPROVAL OF AGENDA	*	
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. Approval of May 27, 2021 Board of Directors Meeting	*	1
VI.	FINANCIAL REPORT		
	A. Approval of May 27, 2021 Finance Committee Meeting	*	2
	B. May Chief Financial Officer Report		3
	C. May Payroll, Electronic Payments & Check Register	*	4
VII.	CHIEF EXECUTIVE OFFICER REPORT		
	A. AAAHC Building Compliance Update		
VIII.	OLD BUSINESS		
	A. May Castle Family Health Centers, Inc Report		5
	B. Bloss Board Member Report		
	C. Approval of FYE 2022 Budget	*	6
IX.	NEW BUSINESS		
	A. Amendment 1 to Agreement for Purchase and Sale of Assets Related to CCDSC and Exhibits B and D	*	7
	B. Amendment 1 to Agreement for Purchase and Sale of Assets Related to CCDS and Exhibit B	*	8
	C. Amendment 1 to Supplement to Lease Exhibit B to Affiliation Agreement for Dental Services at Castle Site	*	9
X.	APPOINTMENTS / CEREMONIAL MATTERS	*	
XI.	AGENDA FOR CLOSED SESSION		

XII. NEXT MEETING DATE

XIII. 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 24 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, May 27, 2021
2:00 pm**

THIS MEETING WILL NOT BE PHYSICALLY OPEN TO THE PUBLIC

In order to minimize the spread of the COVID-19 virus, this meeting will be conducted pursuant to the provisions of the Governor's Executive Orders N-29-20, which suspended certain requirements of the Brown Act and will not physically be open to the public.

CALL TO ORDER

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

ROLL CALL

Board Members Present: Kory Billings, Chair, Zone 2; Zone 3 Vacant; Al Peterson, Treasurer, Zone 4 and Bob Boesch, Board Member, Zone 5

Others Present: Edward Lujano, CEO; Fily Cale, Executive Assistant; Dawnita Castle, CFO; Jenna Anderson, County Legal Counsel; David Thompson, DSCA; Michael Chai, ADHC; Nancy Agosto, ADHC and Peter Mojarras, CFHC COO

Absent: Vivian Passwaters, Board Secretary, Zone 1

APPROVAL OF AGENDA

A motion was made / seconded, (Bob Boesch / Alfonse Peterson) to approve and accept the May 27, 2021 agenda presented. Motion carried.

PUBLIC COMMENTS

None.

APPROVAL OF MINUTES

A. Approval of April 29, 2021 Board of Directors Meeting, Exhibit 1

A motion was made / seconded, (Alfonse Peterson / Bob Boesch) to approved and accept the April 29, 2021 Board of Directors Meeting minutes as presented, Exhibit 1. Motion carried.

FINANCIAL REPORT

A. Approval of April 29, 2021 Finance Committee Meeting, Exhibit 2

A motion was made / seconded, (Alfonse Peterson / Bob Boesch) to approved and accept the April 29, 2021 Finance Committee Meeting minutes as presented, Exhibit 1. Motion carried.

B. March Chief Financial Officer Report, Exhibit 3

Dawnita Castle reported that for April 2021, BMHD had a net gain before depreciation of \$668,853 compared to a net gain of \$670,544 last year. This net income after depreciation was a gain of \$609,289, this gain is due to BMHD receiving the Bloss Trust in the amount of \$572,954. This money was invested into the two investments that were approved last board meeting.

The expenses include \$10,564 of Sierra Kings cost and the Cash Balance increased to 1,110 days due to the Bloss Trust Fund. However, after sending the money to LPL the Cash on Hand will decrease.

A motion was made / seconded, (Alfonse Peterson / Bob Boesch) to approved and accept the April Chief Financial Officer Report, Exhibit 3. Motion carried.

C. April 2021 Payroll, Electronic Payments and Check Register, Exhibit 4

A motion was made / seconded, (Alfonse Peterson / Bob Boesch) to approve and accept the April 2021 Payroll in the amount of \$9,270.42, Accounts Payable in the amount of \$151,1349.05 for a Grant Total Disbursement of \$160,619.47, Exhibit 4. Motion carried.

CHIEF EXECUTIVE OFFICER REPORT

A. AAAHC Building Compliance Update

Edward Lujano, CEO, reported that the AAAHC building compliance for the surgery center has 3 remaining tasks. There was some delay on the insulation of the fire dampers and waiting for the fire doors and electrical system. They just submitted their bid, which he passed by Jenna Anderson, Legal Counsel for review. They will start the electrical layout. David Thompson is aware of the delays and he has reported this to the agencies and there is an approval for them to continue operating without any default.

Zurich the current property insurance will not renew BMHD as of July 1, 2021 due to the adverse loss. Edward Lujano contacted Pete Fluetsch in Merced and he sent it out to 5 carriers, of which all declined. Our current carrier sent it out to 14 carriers, 12 have declined and were waiting to heart from 2 more.

Leap Carpenter Kemp is also reaching out to their carriers.

BMHD may have a higher deductible for the property insurance due to the experience losses for a couple of years, he will keep the board posted.

The Strategic Planning Session will be on Friday, June 11, 2021 with Vickie Mulvaney-Trask from 10am to 4pm. She will also do a presentation at the June 24, 2021 board meeting. Jenna Anderson, Legal Counsel, stated that if any items from the Strategic Planning meeting need to have action taken on, it should be separately agendized at the Board meeting.

OLD BUSINESS / REPORTS

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

Peter Mojarras reported that CFHC continues to be active in the community with the vaccines with focus on the 12 to 15 year olds. An event was held at the Winton Middle School with 200 vaccines given and CFHC is doing a second dose at Buhach Colony High School. Another was done yesterday for 91 students at Mitchell Middle School. The focus is to get more people vaccinated and as a county about 31% have been fully vaccinated. The goal is 70% for herd immunity and this county has a long way to go and the national is 50% for fully vaccinated.

The Steering Health Committee has addressed concerns as to why people don't want to get vaccinated and how to overcome that. The State is going to do incentives for people to get vaccinated. The goal is to get 70%-80% of the State vaccinated.

Pfizer is the most given, Moderna second and J&J. The brief negative J&J publicity affected it but there is more movement now.

June 15, 2021 is the mandate change for masks, however, it will be the discretion of each entity to determine how they are going to operate. Some businesses may be optional for masks. CFHC will no longer require temperature checks and will streamline the questionnaire process and continue to look at opening the centers to get more patients in. CFHC is looking at the quality side and going through their database and call patients that are due for physicals, diabetic exams, eye exam, etc.

CFHC continues to expand their telemedicine program. There is a lot of advocacy at the State level to continue beyond 2021 the telephonic medical care and it be reimbursable. CMS or the State have to determine that it will be a reimbursable visit.

The dental clinic is moving fast and CFHC is excited to bring additional dental services to Atwater. It is projected to open July 1, 2021. Recruitment continues for 2 dentists.

CFCH is also looking at potentially doing home health visits as they work with other partners. There are elderly people that for various reasons cannot come into a health center. They are looking at remote patient monitoring for BP, diabetes check and weight which can be sent in through a remote electronic method to the health center. Or they send a team directly to that patient's home. This is being evaluated.

Peter Mojarras reported that CFHC had gone back and looked at data from the billing department for June 2020 through December 2020 and they had provide 873 sports physicals. CFHC's cost of supplies, equipment and staff time was \$85 per physical. They pay \$30 to CFHC as an average and for a period of time during sports physicals, CFHC does discount to \$25 but the average is \$30. This means that there is a balance of \$55 that the student and family is not paying.

Through BMHD support and the grant, 273 students were supported through the \$15,000, of that 873 students, BMHD was able to offset the difference of the \$55 per student and support 273 students. CFHC has become the primary location where students come for sports physicals, they have been turned away from many locations because of cost. Students are coming from Merced and Livingston for sports physicals. As more concussions are occurring with high school students as they are involved in sports activities and exams have to be thorough and this takes up provider time and they are charging more. Some facilities charge \$150.

Kory Billings mentioned that there should be a reimbursement from everybody's insurance that CFHC did bill. Peter Mojarras stated that billing has a report of everything, he had the report broken down by city, gender and age. The billing department also has the cost broken down and what was collected from the patients.

Kory Billings stated that the numbers are skewed because if you're not taking out what you're getting back as far as the reimbursement cost. Edward Lujano stated that this is not insurance billable. Kory Billings stated that for those insurances that cover sports physicals, CFHC should be billing for them. Peter Mojarras stated that not all insurances cover sports physicals and they are paying \$30 cash to CFHC. Kory Billings asked why, is CFHC not billing those that are covered, Peter Mojarras stated that unless it is a Medi-Cal well child visit, it is separate, sports physicals are not covered by that program. Sports physicals are not reimbursed by all insurances. Kory Billings stated that this should be calculated somewhere in the report. Peter Mojarras asked, if BMHD wants all of the financial report he does have it in his office. Kory Billings replied that if BMHD is going to give CFHC \$15,000 truly want to know who is benefitting, an email was sent to Peter Mojarras stating what BMHD wanted.

Dawnita Castle stated that there are individuals that say they don't have insurance and because they know CFHC offers sliding fee, a few may have been billed out and CFHC can get those numbers for BMHD. Kory Billings commented that would make sense as it would offset what CFHC has collected and how much financially the Board of Directors was able to do, this is what they need to see to be able to continue to be able to support CFHC, they need to see how far the board is going and that they are servicing the people within their jurisdiction with the funds.

Kory Billings asked that Peter Mojarras turn everything in to Fily Cale, Executive Assistant.

Bob Boesch asked if when a student comes in, does he say whether he has insurance or not. Peter Mojarras replied that they generally do not provide the information for insurance and CFHC accepts the sliding fee, which is the \$30. Bob Boesch asked that if they have insurance does CFHC bill the insurance company. Peter Mojarras replied that they will, but in the report it is 95% is sliding fee.

B. Bloss Board Member Report

None.

NEW BUSINESS

- A. Extension of Sublease with Castle Family Health Centers, Inc for August Chai Enterprises, LLC (Day Break ADHC), Exhibit 6

Peter Mojarras presented the request from CFHC to extend the Day Break ADHD lease at the Bloss Memorial Building through the end of the 2021, which will then be subleased to Michael Chai and Nancy Agosto for the program they currently have.

Jenna Anderson, Legal Counsel, stated that an amendment will need to be done as it has July 31st date. This is CFHCs lease and BMHD is not drafting or approving it, as the landlord BMHD would be giving the approval for CFHC to continue with a sublease. CFHC should be handling their documentation.

A motion was made / seconded, (Kory Billings / Alfonse Peterson) to approve the sublease extension between Castle Family Health Centers, Inc and August Chai Enterprises, LLC (Day Break ADHC), Exhibit 6. Motion carried.

B. Approval of FYE 2022 Budget, Exhibit 7

Kory Billings reported that the Finance Committee met on this earlier and the committee is recommending that the Board of Directors review the budget and have it placed on the June board agenda for board approval.

Dawnita Castle reported that she had taken out the gains and losses on the investments as this is a change in value and does not affect the bottom line. There are a few things that are coming into place, she added \$40,000 into liability insurance, \$100,000 into repairs and maintenance for building improvement and \$200,000 for depreciation knowing and that CFCH will release the space she increased that budget for the rental income. Knowing these expenses she only accrued \$35,000 for donations. BMHD is looking at a net income of \$94,520.

There is also \$100,000 that can be transferred into capital investments.

The budget is comparable to last year other than the gains and losses. It does affect the accrual basis, but not the cash basis and is conservative.

C. Discussion of 2020 Sports Physical Grant

This item was discussed under April Castle Family Health Centers, Inc Report.

AGENDA FOR CLOSED SESSION

None.

NEXT MEETING DATE

The next Board of Directors Meeting will be held on Thursday, June 24, 2021 at 2:00 p.m. in the Board Room.

The Strategic Planning meeting will be held on Friday, June 11, 2021 from 10am to 4pm.

ADJOURNMENT

As there was no further business, the meeting adjourned at 2:35 pm.

Respectfully Submitted,

Fily Cale
Executive Assistant

Vivian Passwaters
Board Secretary

**BLOSS MEMORIAL HEALTHCARE DISTRICT, A Public Entity (BMHD)
FINANCE COMMITTEE MEETING
BOARD ROOM
Thursday, May 27, 2021
1:30 p.m.**

THIS MEETING WILL NOT BE PHYSICALLY OPEN TO THE PUBLIC

In order to minimize the spread of the COVID-19 virus, this meeting will be conducted pursuant to the provisions of the Governor's Executive Orders N-29-20, which suspended certain requirements of the Brown Act and will not be physically open to the public.

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

Others Present: None

Absent: None

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, (Kory Billings / Edward Lujano) to approve the May, 2021 agenda as presented. Motion carried.

PUBLIC COMMENTS

None.

APPROVAL OF FINANCE COMMITTEE MINUTES

A. April 29, 2021 Finance Committee Meeting Minutes, Exhibit 1

A motion was made / seconded, (Kory Billings / Edward Lujano) to approve the April 29, 2021 Finance Committee meeting minutes with correction, Exhibit 1. Motion carried.

REVIEW OF FEBRUARY FINANCIAL STATEMENTS, EXHIBIT 2

Dawnita Castle, CFO, reported that BMHD did receive the trust fund money and that was invested into the two investment accounts, which was approved by the Board of Directors last meeting date.

For April, 2021, BMHD had a total net gain before depreciation of \$668,853 compared to this time last year \$670,544. Net income after depreciation was a gain of \$609,289 and recorded in Non-Operating Revenue was the grants funds totaling \$572,954.

The expenses do include \$10,564 of Sierra Kings cost. April Operating Cash Balance was at \$3,795,000 and Days on Hand did increase to 1,110 days. This has to do with the Trust Fund however this was issued out in May 2021 into the investments, this will go down next month.

The gains on investments was \$34,856 and looking at a total YTD net profit after depreciation of \$750,705 and this time last year, BMHD is up \$138,000 and lasts years YTD was \$611,849.

Kory Billings asked if the \$572,000 was taken out, were would BMHD be in comparison. Dawnita Castle replied that in comparison if this was taken out BMHD would have been up about \$200,000 and last year it would have been around \$100,000.

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

A. Recommendation of FYE 2022 Budget, Exhibit 3

Dawnita Castle commented that she did not do the gains or loss in investments as it is only a change in the value and does not affect the cash. It is a conservative budget, she did increase a couple of things were the Trust is calculated at \$472,000 which is the actual less \$100,000 to be safe.

She decreased the DSCA promissory note, as after reading the contract as of May 20, 2021 David Thompson will need to pay it back in full. She also did not include any interest.

She also increased the rent as CFCH will be renting the dental space at \$1.37 per square foot.

Purchased services were increased by \$100,000 for repairs and maintenance.

Increased depreciation by \$200,000 and an additional \$40,000 in liability insurance.

Net income of \$94,520 balance budget.

Kory Billings recommended doing a first reading at the regular board meeting, let everybody have an opportunity to review and do an approval at the next Board of Directors meeting.

A motion was made / seconded, (Kory Billings / Edward Lujano) to recommend to the full Board of Directors to review this month and place on the agenda for final approval next month, Exhibit 3. Motion carried.

WARRANTS AND PAYROLL

A. April 2021 Payroll, Electronic Payments & Check Register, Exhibit 4

A motion was made/seconded, (Edward Lujano / Kory Billings) to approve and accept the April 2021 Total Payroll in the amount \$9,270.42 and Total Accounts Payable in the amount of \$151,349.05 for a total Grand Total Disbursement of \$160,619.47, Exhibit 4. Motion carried.

OLD BUSINESS

None.

DISCUSSION

None.

AGENDA FOR CLOSED SESSION

None.

NEXT MEETING DATE/ADJOURNMENT

The next Finance Committee meeting will be held on Thursday, June 24, 2021 at 1:30 pm.

As there was no further business, the meeting adjourned at 1:41 p.m.

Respectfully Submitted,

Fily Cale
Executive Assistant

Alfonse Peterson
Committee Chair

MAY CHIEF FINANCIAL OFFICER REPORT

BMHD had a total net gain before depreciation of \$107,784 for the month compared to a net gain of \$61,530 last year. Net income after depreciation was a gain of \$47,874.

Expenses include \$10,564 of SKDSC costs.

The May 31, Operating Cash Balance was \$3,321,971 and Days Cash On Hand increased to 976 Days*. In April the DCH was 1,110 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 :

	May-21	May-20	VARIANCE *	%	Y-T-D May-21	Y-T-D May-20	Y-T-D VARIANCE *	Y-T-D %
Net Patient Revenue	0	0	0	NA	0	0	0	N/A
Other Operating Revenue	138	28	110	NA	17,530	111,739	(94,209)	-84.31%
Total Net Operating Revenue	138	28	110	NA	17,530	111,739	(94,209)	-84.31%
Operating Expenses Excluding Depreciation	105,488	89,828	(15,660)	-17.43%	1,135,906	1,129,391	(6,515)	-0.58%
Net Operating Income (Loss) Before Depreciation	(105,350)	(89,800)	(15,550)	-17.32%	(1,118,376)	(1,017,652)	(100,724)	-9.90%
Net Non Operating-Gains/Losses								
Gain/Loss on Investments	5,411	31,161	(25,750)	-82.64%	201,139	19,527	181,612	930.06%
Grant Donation Expense	0	0			(96,000)	(189,000)		
All Other Non-Operating Gains/Losses	207,723	120,169	(87,554)	-72.86%	2,465,935	2,439,432	26,503	1.09%
Total Net Non-Operating Income: Losses/Gains	213,134	151,330	(61,804)	-40.84%	2,571,074	2,269,959	301,115	13.27%
Total Net Income (Loss) Before Depreciation	107,784	61,530	46,254	75.17%	1,452,698	1,252,307	200,391	16.00%
Depreciation Expense	59,910	58,706	1,204	2.05%	654,120	637,634	16,486	2.59%
Net Income (Loss) After Depreciation	47,874	2,824	45,050	1595.25%	798,578	614,673	183,905	29.92%

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

Bloss Memorial HealthCare District
 Operations Summary Report
 Eleven Months Ending May 31, 2021

BMHD FULL TIME EQUIVALENTS SUMMARY :
 (See FTE report included in Financial Reports for detail)

	May-21	May-20	VARIANCE	%	Y-T-D May-21	Y-T-D May-20	Y-T-D VARIANCE *	Y-T-D %
EMPLOYEE FTE'S	1.00	1.00	0.00	0.00%	1.00	0.95	(0.05)	-5.26%
CONTRACT FTE'S	4.21	3.25	(0.96)	-29.54%	3.48	3.75	0.27	7.20%
TOTAL FTE'S	5.21	4.25	(0.96)	-22.59%	4.48	4.70	0.22	4.68%

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

Full Time Equivalent - Employees for the month are 0.00% the same as the prior year with 1.00 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
Administration	0.00	(0.05)	
All other departments < 1 fte var	0.00	0.00	Various departments less than 1 fte variance.
	0.00	(0.05)	Brackets () indicate a decrease (favorable) variance

BLOSS MEMORIAL HEALTHCARE DISTRICT, A PUBLIC ENTITY,
 DETAIL BALANCE SHEET
 PRIOR MONTH COMPARISON
 MAY 2021

	CURRENT MO. MAY 2021	PRIOR MONTH APR 2021	\$ CHANGE	% CHANGE	PRIOR YEAR MAY 2020
ASSETS					
CURRENT ASSETS					
CASH AND EQUIVALENTS					
CASH - GENERAL CHECKING	1,919,562	2,392,232	(472,670)	(19.76)%	1,291,534
CDSC CASH - NEW GENERAL CHK	197	222	(25)	(11.25)%	1,613
CDSC CASH - GENERAL CHECKING	13,940	11,176	2,765	24.74%	5,304
CCDS-GENERAL CHECKING	6,510	6,512	(2)	(0.03)%	2,155
CCDSC-GENERAL CHECKING	27,340	26,123	1,217	4.66%	17,163
CASH - PAYROLL ACCOUNT	8,699	8,699	0	0.00%	13,279
CASH - LAIF SAVINGS ACCOUNT	957,636	968,338	(10,702)	(1.11)%	1,098,290
LAIF - FUNDED DEPRECIATION	444,236	433,457	10,778	2.49%	302,590
CASH-BBVA MONEY MARKET ACCOUNT	510,210	510,210	0	0.00%	509,246
MARKETABLE SECURITIES CAP IMP	1,055,464	708,860	346,604	48.90%	580,955
MARKETABLE SECURITIES GRANTS	630,553	398,792	231,761	58.12%	320,364
TOTAL CASH AND EQUIVALENTS	5,574,346	5,464,621	109,726	2.01%	4,142,491
PATIENT ACCOUNTS RECEIVABLE					
ALLOWANCES					
TOTAL ALLOWANCES	0	0	0	0.00%	0
OTHER RECEIVABLES					
DSCA RECEIVABLE	10,750	10,750	0	0.00%	31,099
RENT RECEIVABLE	103,999	102,284	1,715	1.68%	17,189
PROPERTY TAX RECEIVABLE	0	129,420	(129,420)	(100.00)%	0
DSCA CAPTIAL NOTE RECEIVABLE	200,000	200,000	0	0.00%	200,000
DSCA ATWATER NOTE RECEIVABLE	1,750,000	1,750,000	0	0.00%	1,750,000
DSCA STOCKTON NOTE RECEIVABLE	200,000	200,000	0	0.00%	200,000
ALLOWANCES FOR OTHER RECEIVABLES					
NET OTHER ACCOUNTS RECEIVABLE	2,264,749	2,392,454	(127,705)	(5.34)%	2,198,288
INVENTORY					
PREPAID EXPENSES AND DEPOSITS					
PREPAID INSURANCE	3,047	6,095	(3,047)	(50.00)%	2,649
PREPAID EXPENSE - SYSTEM	417	417	0	(0.01)%	1,897

BLOSS MEMORIAL HEALTHCARE DISTRICT, A PUBLIC ENTITY.
 DETAIL BALANCE SHEET
 PRIOR MONTH COMPARISON
 MAY 2021

	CURRENT MO, MAY 2021	PRIOR MONTH APR 2021	\$ CHANGE	% CHANGE	PRIOR YEAR MAY 2020
PREPAID EXPENSE - MANUAL	12,144	14,149	(2,004)	(14.17)%	684
TOTAL PREPAID EXPENSES AND DEPOSITS	15,608	20,660	(5,052)	(24.45)%	5,231
TOTAL CURRENT ASSETS	7,854,704	7,877,734	(23,031)	(0.29)%	6,346,010
NON-CURRENT ASSETS					
PROPERTY, PLANT, AND EQUIPMENT					
LAND	2,205,996	2,205,996	0	0.00%	2,205,996
LAND IMPROVEMENTS	51,615	51,615	0	0.00%	51,615
BUILDING AND IMPROVEMENTS	21,865,059	21,837,665	27,394	0.13%	21,823,951
CASTLE BUILDING AND IMPROVEMEN	1,373,209	1,373,209	0	0.00%	1,353,689
SKDSC BUILDING AND IMPROVEMENT	20,705	20,705	0	0.00%	20,705
BLOSS REMODLE	832,986	832,986	0	0.00%	832,986
CASTLE REMODEL-EAST WING FY 03	126,551	126,551	0	0.00%	126,551
PRKNG LOT & IMPROVEMENTS	138,713	138,713	0	0.00%	138,713
EQUIPMENT - FIXED	1,268,247	1,268,247	0	0.00%	1,236,869
COMMUNICATION LINES FY 03	452,829	452,829	0	0.00%	452,829
SKDSC EQUIPMENT-FIXED	66,746	66,746	0	0.00%	66,746
LEASEHOLD IMPROVEMENTS	17,063	17,063	0	0.00%	17,063
SKDSC LEASEHOLD IMPROVEMENTS	90,895	90,895	0	0.00%	90,895
EQUIPMENT - MAJOR MOVABLE	4,645,885	4,645,885	0	0.00%	4,638,963
MEDITECH HARDWARE	223,353	223,353	0	0.00%	223,353
MEDITECH IMPLEMENTATION COSTS	222,216	222,216	0	0.00%	222,216
EQUIPMENT - MINOR	463,214	463,214	0	0.00%	456,194
MEDITECH SOFTWARE	277,372	277,372	0	0.00%	277,372
TOTAL PROPERTY PLANT AND EQUIPMENT	34,342,654	34,315,260	27,394	0.08%	34,236,707
ACCUMULATED DEPRECIATION					
ACCUM DEPREC - LAND IMPROVMNTS	(140,776)	(139,650)	(1,127)	0.81%	(127,256)
ACCUM DEPREC - BLDGS & IMPROV	(10,495,542)	(10,443,611)	(51,931)	0.50%	(9,877,045)
SKDSC DEPREC-BLDGS & IMPROV	(12,078)	(11,503)	(575)	5.00%	(5,176)
ACCUM DEPREC - FIXED EQUIP	(2,042,284)	(2,040,556)	(1,728)	0.08%	(2,021,544)
SKDSC ACCUM DEPREC-FIXED EQUIP	(3,039)	(2,938)	(101)	3.42%	(1,833)
ACCUM DEPREC - LEASEHOLD IMPRV	(71,722)	(70,606)	(1,116)	1.58%	(56,695)
SKDSCACCUM DEPREC-LEASH IMPROV	(38,821)	(38,579)	(242)	0.63%	(35,727)
ACCUM DEPREC - MAJOR MOVE EQPT	(4,514,380)	(4,511,289)	(3,091)	0.07%	(4,480,542)
ACCUM DEPREC - MINOR EQUIPMENT	(575,455)	(575,455)	0	0.00%	(575,455)
TOTAL ACCUMULATED DEPRECIATION	(17,894,096)	(17,834,186)	(59,910)	0.34%	(17,181,272)
NET PROPERTY, PLANT, AND EQUIPMENT	16,448,558	16,481,074	(32,517)	(0.20)%	17,055,435

BLOSS MEMORIAL HEALTHCARE DISTRICT, A PUBLIC ENTITY,
 DETAIL BALANCE SHEET
 PRIOR MONTH COMPARISON
 MAY 2021

	CURRENT MO. MAY 2021	PRIOR MONTH APR 2021	\$ CHANGE	% CHANGE	PRIOR YEAR MAY 2020
ASSETS LIMITED AS TO USE					
CASH - UNG GOODWIN TRUST	173,570	173,570	0	0.00%	141,439
TOTAL RESTRICTED ASSETS	173,570	173,570	0	0.00%	141,439
OTHER ASSETS					
TOTAL ASSETS LIMITED AS TO USE	16,622,128	16,654,645	(32,517)	(0.20)%	17,196,874
TOTAL ASSETS	24,476,831	24,532,379	(55,548)	(0.23)%	23,542,884
LIABILITIES AND FUND BALANCES					
CURRENT LIABILITIES					
ACCOUNTS PAYABLE					
ACCOUNTS PAYABLE - VENDORS	35,369	24,266	(11,103)	45.75%	20,407
ACCOUNTS PAYABLE - ACCRUALS	36,397	14,364	(22,034)	153.40%	23,332
ACCOUNTS PAYABLE - OTHER	110,987	260,971	149,984	(57.47)%	18,409
CASTLE INC PAYABLE	29,631	22,057	(7,574)	34.34%	18,176
DSCA PAYABLE	56,148	51,496	(4,652)	9.03%	23,371
TOTAL ACCOUNTS PAYABLE	268,531	373,153	104,622	(28.04)%	103,695
ACCRUED PAYROLL					
ACCRUED SALARY AND WAGES	4,167	4,167	0	0.00%	4,167
ACCRUED VACATION	17,698	16,897	(801)	4.74%	21,493
FICA PAYABLE	319	319	0	0.00%	319
PENSION PLAN ACCRUAL	4,400	4,000	(400)	10.00%	4,400
OTHER PAYROLL PAYABLES	94	94	0	0.00%	94
TOTAL ACCRUED PAYROLL	26,677	25,476	(1,201)	4.71%	30,472
OTHER CURRENT LIABILITIES					
INTERCORPORATE TRANSFERS					

RUN DATE: 06/17/21
 RUN TIME: 0754
 RUN USER: DAMEDA

Castle Family Health Centers GL **LIVE**

PAGE 4

BLOSS MEMORIAL HEALTHCARE DISTRICT, A PUBLIC ENTITY,
 DETAIL BALANCE SHEET
 PRIOR MONTH COMPARISON
 MAY 2021

	CURRENT MO. MAY 2021	PRIOR MONTH APR 2021	\$ CHANGE	% CHANGE	PRIOR YEAR MAY 2020
TOTAL CURRENT LIABILITIES	295,208	398,630	103,421	(25.94)%	134,167
LONG TERM LIABILITIES					
SBA PPE FUND	0	0	0	0.00%	16,358
TOTAL LONG TERM LIABILITIES	0	0	0	0.00%	16,358
TOTAL LIABILITIES	295,208	398,630	103,421	(25.94)%	150,524
FUND BALANCES					
UNG GOODWIN TRUST	173,570	173,570	0	0.00%	141,439
TOTAL RESTRICTED FUND BALANCE	173,570	173,570	0	0.00%	141,439
UNRESTRICTED FUND BALANCE					
CAPITAL - BMHCD	2,890,630	2,890,630	0	0.00%	2,317,403
DONATED CAPITAL	20,318,844	20,318,844	0	0.00%	20,318,844
CURRENT YR NET INCOME (LOSS)	798,578	750,705	(47,874)	6.38%	614,673
TOTAL FUND BALANCE	24,181,623	24,133,749	(47,874)	0.20%	23,392,360
TOTAL LIABILITIES AND FUND BALANCES	24,476,831	24,532,379	55,548	(0.23)%	23,542,884

BLOSS MEMORIAL HEALTHCARE DISTRICT
SUMMARY INCOME STATEMENT
PRIOR YEAR COMPARISON
MAY 2021

	MAY 2021 ACTUAL	MAY 2020 ACTUAL	\$ VARIANCE	% VARIANCE	MAY 2021 YTD. ACTUAL	MAY 2020 YTD. ACTUAL	\$ VARIANCE	% VARIANCE
PATIENT SERVICES REVENUE								
DEDUCTIONS FROM REVENUE								
TOTAL DEDUCTIONS FROM REVENUE	0	0	0.00	0%	0	0	0	0.00%
NET PATIENT REVENUE	0	0	0.00	0%	0	0	0	0.00%
OTHER REVENUE	138	28	110.02	392%	111,739	111,739	(94,209)	(84.31)%
TOTAL NET OPERATING REVENUE	138	28	110.02	392%	111,739	111,739	(94,209)	(84.31)%
OPERATING EXPENSES								
SALARIES AND WAGES	9,134	6,497	(2,637.02)	(41)%	73,723	73,723	(25,601)	(34.73)%
EMPLOYEE BENEFITS	1,543	531	(1,011.92)	(191)%	17,666	17,666	(1,101)	(6.23)%
PROFESSIONAL FEES	4,407	1,740	(2,666.74)	(153)%	22,747	22,747	(78,77)%	(78.77)%
SUPPLIES	334	370	36.55	10%	9,671	9,671	(1,996)	(20.64)%
PURCHASED SERVICES	47,897	35,672	(12,225.63)	(34)%	479,735	479,735	(32,905)	(6.86)%
DEPRECIATION	59,910	58,706	(1,204.92)	(2)%	637,634	637,634	(16,486)	(2.59)%
RENTS AND LEASES	9,647	9,599	(47.99)	(1)%	106,065	106,065	9,072	7.88%
UTILITIES	28,548	29,664	1,115.76	4%	350,290	350,290	50,324	14.37%
INSURANCE	3,358	4,635	1,276.58	28%	56,143	56,143	19,092	34.01%
OTHER EXPENSES	620	1,121	501.11	45%	4,282	4,282	(5,481)	(128.00)%
TOTAL OPERATING EXPENSE	165,398	148,534	(16,864.22)	(11)%	1,790,026	1,767,025	(23,001)	(1.30)%
NET INCOME FROM OPERATIONS	(165,260)	(148,506)	(16,754.20)	11%	(1,655,286)	(1,655,286)	(117,210)	7.08%
NON-OPERATING REVENUE	213,134	201,330	11,803.99	6%	2,701,806	2,501,296	200,511	8.02%
NON-OPERATING EXPENSE	0	50,000	50,000.00	100%	130,732	231,336	100,604	43.49%
NET NON-OPERATING INCOME	213,134	151,330	61,803.99	41%	2,571,074	2,269,959	301,115	13.27%
NET INCOME	47,874	2,824	45,049.79	1,595%	798,578	614,673	183,905	29.92%

NOTE: UNFAVORABLE VARIANCES ARE SHOWN IN PARENTHESES

MAY PAYROLL, ELECTRONIC PAYMENTS
& CHECK REGISTER

Bloss Memorial Healthcare District
Payroll, Accounts Payable and Funds Disbursements - Summary
Month of May-21

Payroll			\$9,158.42
Total Payroll			<u><u>\$9,158.42</u></u>

Accounts Payable:

A/P Checks	Bloss	<u>\$972,778.07</u>	<u>\$972,778.07</u>
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BLOSS

Auto Debits		<u>\$58.65</u>	
Total Auto Debits and Electronic Transfers		<u>\$58.65</u>	<u>\$58.65</u>

Electronic Payments - ACH		<u>\$0.00</u>	<u>\$0.00</u>
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Total Accounts Payable			<u><u>\$972,836.72</u></u>
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Grand Total Disbursements			<u><u>\$981,995.14</u></u>
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BLOSS	Payroll Disbursements for		May-21
	Payroll dated		
Earnings	05/05/21	05/20/21	Total
Regular	-	-	-
Overtime			-
Vacation	-		-
Sick			-
Holiday			-
Salary	4,166.67	4,166.67	8,333.34
Double Time			-
Call In			-
On Call			-
Other			-
			-
Total	4,166.67	4,166.67	8,333.34
			-
Deductions			-
FICA (+)	318.75	318.75	637.50
Insurance (-)			-
Emp Deduction(-)/Reimb(+)			-
Christmas Fund (-)			-
Process Fee (+)	93.79	93.79	187.58
			-
Total	412.54	412.54	825.08
			-
			-
Net Payroll	\$ 4,579.21	\$ 4,579.21	9,158.42

RUN DATE: 05/28/21
 RUN TIME: 1459
 RUN USER: COOKS

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

C
 FROM 05/01/21 TO 05/28/21

DATE	CHECK NUM	VENDOR NUM	VENDOR NAME	STATUS	STATUS DATE	AMOUNT	
						ISSUED/ CLEARED	VOIDED/ UNCLAIMED
05/06/21	039127	B0109	KORY BILLINGS	ISSUED	05/06/21	300.00	
05/06/21	039128	B0300	CED - MERCED	ISSUED	05/06/21	270.63	
05/06/21	039129	B0289	CHEMSEARCHFE	ISSUED	05/06/21	532.94	
05/06/21	039130	B0134	CITY OF ATWATER PAYMENT CENTER	ISSUED	05/06/21	195.00	
05/06/21	039131	B0016	GUARDCO SECURITY SERVICES	ISSUED	05/06/21	13067.45	
05/06/21	039132	B0225	HOFFMAN SECURITY	ISSUED	05/06/21	652.90	
05/06/21	039133	K0003	M-D VENTURES	ISSUED	05/06/21	19293.64	
05/06/21	039134	B0017	MERCED COUNTY - CASTLE AIRPORT	ISSUED	05/06/21	2677.02	
05/06/21	039135	B0212	JAVIER L. MENDOZA	ISSUED	05/06/21	2775.00	
			REMITTED TO: NATURAL GARDENS				
05/06/21	039136	B0218	JOHN P. NIEMOTKA	ISSUED	05/06/21	400.00	
			REMITTED TO: OCTANE ADVERTISING & DESIGN				
05/06/21	039137	B0064	PETERSON, ALFONSE	ISSUED	05/06/21	300.00	
05/06/21	039138	B0014	PG&E (4705482162-5)	ISSUED	05/06/21	3766.03	
05/06/21	039139	B0260	ROBERT F. BOESCH	ISSUED	05/06/21	100.00	
05/06/21	039140	B0282	VIVIAN M PASSWATERS	ISSUED	05/06/21	100.00	
05/06/21	039141	B0013	WEST COAST GAS CO, INC.	ISSUED	05/06/21	1352.36	
05/10/21	039142	B0232	LPL FINANCIAL	ISSUED	05/10/21	343772.00	
			REMITTED TO: LPL FINANCIAL				
05/10/21	039143	B0232	LPL FINANCIAL	ISSUED	05/10/21	229182.00	
			REMITTED TO: LPL FINANCIAL				
05/13/21	039144	B0072	BETA HEALTHCARE GROUP	ISSUED	05/13/21	416.63	
05/21/21	039145	B0275	BELFOR USA GROUP, INC.	ISSUED	05/21/21	313699.93	
05/21/21	039146	B0054	CASTLE FAMILY HEALTH CENTERS, INC.	ISSUED	05/21/21	22057.23	
05/21/21	039147	B0027	CITY OF ATWATER PAYMENT CENTER	ISSUED	05/21/21	1080.36	
05/21/21	039148	B0134	CITY OF ATWATER PAYMENT CENTER	ISSUED	05/21/21	654.34	
05/21/21	039149	B0132	CLARK PEST CONTROL	ISSUED	05/21/21	795.00	
05/21/21	039150	B0253	JOHNSON CONTROLS FIRE PROTECTION LP	ISSUED	05/21/21	987.13	
05/21/21	039151	B0025	MERCED IRRIGATION DISTRICT	ISSUED	05/21/21	339.16	
05/21/21	039152	B0026	MERCED IRRIGATION DISTRICT	ISSUED	05/21/21	13999.35	
05/21/21	039153	B0032	GRAINGER INDUSTRIAL SUPPLY	ISSUED	05/21/21	11.97	
TOTAL \$						972778.07	

Bloss Memorial Healthcare District
May-21

Bloss Electronic Transfers

Bloss Auto Debits

Bank Fees - Bloss

	58.65
Total	<u><u>58.65</u></u>

Total	<u><u>0.00</u></u>
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Grand Total	<u><u>58.65</u></u>
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MAY CASTLE FAMILY HEALTH CENTERS, INC REPORT

Castle Family Health Centers Inc
 Operations Summary Report
 Eleven Months Ending May 31, 2021

Total encounters for the month are 11,022 compared to 8,854 last year 24.49% increase.

Department	May-21	May-20	VARIANCE	%	Y-T-D May-21	Y-T-D May-20	Y-T-D VARIANCE *	Y-T-D %
Castle Clinic	4,236	3,318	918	27.67%	61,440	49,408	12,032	24.35%
Specialty Clinic	980	927	53	5.72%	11,689	11,297	392	3.47%
Bloss Clinic	778	753	25	3.32%	9,480	8,767	713	8.13%
Winton Clinic	1,066	997	69	6.92%	12,322	11,958	364	3.04%
Urgent Care	531	178	353	198.31%	12,438	3,565	8,873	248.89%
Lab	1,851	1,557	294	18.88%	31,180	20,776	10,404	50.08%
Radiology	662	337	325	96.44%	6,902	6,839	63	0.92%
Behavioral Health	214	306	(92)	-30.07%	3,331	2,050	1,281	62.49%
Adult Day Health Care	0	0	0		0	4,638	(4,638)	-100.00%
Optometry	371	229	142	62.01%	4,886	3,408	1,478	43.37%
Winton Dental	333	252	81	32.14%	5,359	4,309	1,050	24.37%
TOTAL ENCOUNTERS	11,022	8,854	2,168	24.49%	159,027	127,015	32,012	25.20%

May-21 Working Days 20 and 1 Holiday
 May-20 Working Days 20 and 1 Holiday

NEW PATIENTS	May-21	May-20	VARIANCE *	%	Y-T-D May-21	Y-T-D May-20	Y-T-D VARIANCE *	Y-T-D %
	578	285	293	102.81%	13,586	5,045	8,541	169.30%

APPROVAL OF FYE 2022 BUDGET

BLOSS MEMORIAL HEALTHCARE DISTRICT
FY 2022 BUDGET

The 2022 Budget Reports attached include both the Summary and Detail Formats.

The FY 2022 Budget reflects a projected accrual Net Profit of \$113,100, which includes Net Non-Operating Revenue of \$2,611,934.

An overview of Budget Development and significant changes is as follows:

Total Non-Operating Revenues

Bloss Trust calculated at \$472,954 reflecting the anticipated Year End Distributions for FY 2022. Bloss Trust Revenue is budgeted at actual receipts less \$100,000 of FY 2021, expected to be conservative with the impact on the market due to recovery from the pandemic.

Property Tax Revenue is budgeted at the actual receipts of FY 2021 to reflect the tax income earned paid to Bloss Memorial Healthcare District from Merced County for \$418,356.

Interest Income estimated at \$120,456. This includes an extension of the DSCA Promissory Notes and Working Capital Loan totaling \$2,150,000 at 6.0% simple interest. The Promissory Note states the full amount of principal and accrued interest shall be paid in full by May 31, 2022.

Bloss Memorial Health Care District are property owners to two facilities located in Atwater, California. Rental Income is calculated with the current lease agreements with the annual 2% increase. Castle Family Health Centers is leasing an additional 3,936 square feet commencing July 1, 2021 at \$1.37 per square foot. Rental Income is budgeted at \$1,600,168.

Total operating expense is estimated at \$2,263,834 for the operations of the two facilities located at the Bloss and Castle site. Total operating expense includes half of the rental costs for Sierra Kings located at 145 S. Newmark Avenue, Parlier, California. Dental Surgery Centers of America has signed a Commercial Sublease Agreement and will reimburse Bloss half of the facility Rent. DSCA is responsible for Utilities, Alarm, Phone, Yard Maintenance, Bio Hazzard, Technology, Real Property Taxes, Personal Property taxes and Building Maintenance. These items have been exclude from the Bloss budget.

Operating Expenses

Salaries and Benefits

Total Salaries and Benefits includes the annual increase in compensation and corresponding benefits to obtain Executive Services for \$132,767.

Professional Fees

Professional Fees total is \$100,556 for Contracted service for Physician, Medical Therapist, Legal Fees, Auditing, and Other Contacted Services, which include accounting services and building maintenance provided by Castle Family Health Centers, Inc. Additional \$25,000 is budgeted in Physician & Medical Therapist to provide medical services to the citizens in the surrounding area.

Supplies

The supply expense estimate is for office supplies used for monthly board meetings and minor building maintenance supplies for the two facilities located at Bloss and Castle.

Purchased Services

The majority of expense in purchased services consists of Other Purchased Services for \$637,637. These services include pest control, housekeeping, security services, monitoring, and lawn care. Included in purchased services is building repairs and maintenance services. Additional \$50,000 has been budgeted with expected repairs needed for the two facilities.

Depreciation

Depreciation Expense projected on the schedule of existing Assets. Additional depreciation expense of \$200,000 was included in Buildings and Improvements for major repair costs of the two sites located at Bloss and Castle.

Utilities

Operating expense is budgeted in utilities for electricity, gas, water, garbage, and sewer totaling \$336,996.

Other Operating

Other operating expense budget is for facility liability insurance, Telephone, Training, and other expense. Due to recent incidents liability insurance has been increased by and additional \$40,000.

Non-Operating Expense

Donations in grants for \$35,000 to assist partnering healthcare organizations in providing medical programs to the community.

Transfer to On-Going Capital Expenditures

Transfer to On-Going Capital Expenditures are funds for \$200,000 in unforeseen repairs for the two properties owned by Bloss Memorial Health Care District.

SUMMARY

Bloss Memorial Healthcare District, A Public Entity

FY 22 BUDGET

NET PATIENT REVENUE	<u>0</u>
OTHER REVENUE	<u>0</u>
TOTAL NET OPERATING REVENUE	<u>0</u>
OPERATING EXPENSES	
SALARIES AND WAGES	111,808
EMPLOYEE BENEFITS	20,959
PROFESSIONAL FEES	100,556
SUPPLIES	15,687
PURCHASED SERVICES	637,637
DEPRECIATION	812,861
RENTS AND LEASES	115,764
UTILITIES	336,996
INSURANCE	100,000
OTHER EXPENSE	11,566
TOTAL OPERATING EXPENSE	<u>2,263,834</u>
NET INCOME FROM OPERATIONS	-2,263,834
NON-OPERATING REVENUE	2,611,934
NON-OPERATING EXPENSE	35,000
NET NON-OPERATING INCOME	<u>2,576,934</u>
TRANSFERS FOR CAPITAL EXPENDITURES	<u>200,000</u>
NET INCOME	<u><u>113,100</u></u>

DETAILED

Loss Memorial Healthcare District, A Public Entity

FY 22 BUDGET

REVENUES

PATIENT REVENUE	0
NON-OPERATING REVENUE	0
OPERATING REVENUE	<u>0</u>
NON-OPERATING REVENUE	0
NET OPERATING REVENUE	<u>0</u>

EXPENSES

ADMINISTRATIVE SALARIES	
MANAGEMENT AND SUPERVISION	102,000
OPERATION EXPENSE	<u>9,808</u>
TOTAL SALARIES	111,808

BENEFITS

EMPLOYMENT INSURANCE	8,421
HEALTH INSURANCE	4,964
PENSION PLAN	1,200
WORKERS COMP	5,412
	<u>962</u>
TOTAL BENEFITS	20,959
TOTAL SALARIES AND BENEFITS	132,767

PROFESSIONAL FEES

PHYSICIAN	25,000
DIAGNOSTIC THERAPIST & OTHER	25,000
CONSULTING & MANAGEMENT	8,878
LEGAL	12,410
ACCOUNTING/AUDIT	16,000
OTHER CONTRACTED SERVICE	<u>13,268</u>
TOTAL PROFESSIONAL FEES	100,556

TRAINING	200
TELEPHONE	2,855
SUBSCRIPTIONS & DUES	6,620
OTHER EXPENSE	953
	<hr/>
TOTAL OTHER OPERATING EXPENSE	111,566
TOTAL OPERATING EXPENSE	2,263,834
	<hr/> <hr/>
NET INCOME FROM OPERATIONS	(2,263,834)
NON-OPERATING REVENUES	
BLOSS TRUST	472,954
INTEREST INCOME	120,456
PROPERTY TAX REVENUE	418,356
RENTAL INCOME	1,600,168
TOTAL NON-OPERATING REVENUE	2,611,934
NON-OPERATING EXPENSE	
DONATIONS	35,000
	<hr/>
TOTAL NON-OPERATING EXPENSE	35,000
NET NON-OPERATING INCOME	2,576,934
TRANSFERS FOR CAPITAL EXPENDITURES	200,000
	<hr/> <hr/>
NET INCOME (LOSS)	113,100
	<hr/> <hr/>

AMENDMENT 1 TO AGREEMENT FOR PURCHASE AND
SALE OF ASSETS RELATED TO CCDSC AND
EXHIBITS B AND D

(Extension of Existing Agreement)

**AMENDMENT 1 TO AGREEMENT
FOR PURCHASE AND SALE OF ASSETS**

THIS Amendment to the Agreement for Purchase and Sale of Assets (“Agreement”) is executed by and between Bloss Memorial Healthcare District, a California public entity, ("Seller"), and Dental Surgery Centers of America, a California corporation (“Buyer”) related to the Central California Dental Surgery Center (“CCCDSC”) located at 3605 Hospital Road, Atwater, California 95301.

This Amendment is hereby annexed to and made a part of the printed part of the Agreement to which it is attached, or modifies the existing Agreement between the parties. In each instance in which the provisions of this Amendment shall contradict or be inconsistent with the provisions of the printed portion of the original Agreement and any previous amendments, the provision of this Amendment shall prevail and govern and the contradicted or inconsistent provisions shall be deemed amended accordingly. Both parties agree that there is new and adequate consideration for this Amendment.

This Amendment shall be deemed to have been duly approved when executed by both parties to the original Agreement.

MODIFICATIONS:

- 1). Section 2.2, entitled "Promissory Note", is amended to add as follows and Exhibit “B” is hereby replaced in its entirety:

The promissory note in favor of Seller, and in the form of Exhibit “B” hereto, the terms of which are incorporated herein by this reference, shall be for principal in the amount of One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000.00), with simple interest at Six Percent (6.0%), payable in Forty-Eight (48) monthly installments in the amount of \$8,750.00, representing interest only, the last such payment to come with a balloon payment of \$1,750,000.00.

- 2). Section 2.5, entitled "Working Capital Loan", is amended to add as follows and Exhibit “D” is hereby replaced in its entirety:

Seller shall loan to Buyer upon Closing the sum of Two Hundred Thousand Dollars (\$200,000.00) to use a working capital, such loan to accrue simple interest at Six Percent (6.0%), and such loan together with any accrued, but unpaid, interest, to be paid in full by May 31, 2022; provided, however, that Buyer shall make at least one payment per year in the interim. This loan shall be documented by execution of a promissory note in the form of Exhibit “D” hereto.

Except as herein modified, all terms and conditions in said Agreement as heretofore approved remain unchanged and in full force and effect.

By: _____
David Thompson
President/CEO
Dental Surgery Centers of America

By: _____
Edward H. Lujano, Ph.D.
Chief Executive Officer
Bloss Memorial Healthcare District

Dated: _____

Dated: _____

EXHIBIT "B"

PROMISSORY NOTE

\$1,750,000.00

Atwater, California
May 31, 2021

In the installments described below, for value received, the undersigned ("Borrower") promises to pay Bloss Memorial Healthcare District, a California public entity ("Seller"), or its order, at Bloss Memorial Healthcare District, 3605 Hospital Road, Atwater, California 95301, or any other place designated in a writing submitted by Seller to Borrower, the principal sum of One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000.00), with interest from May 31, 2018 on unpaid principal at the rate of Six Percent (6.0%) per annum. Principal and interest shall be payable in lawful money of the United States of America, and in Forty-Eight (48) monthly installments in the amount of \$8,750.00, representing interest only, the last such payment to come with a balloon payment of \$1,750,000.00 representing principal. The first payment under this note shall be due June 30, 2018 and the remaining installments on the last day of the month. The full amount of principal and accrued interest shall be paid in full by May 31, 2022.

Whether or not suit is filed, Borrower agrees to pay all reasonable attorneys' fees, costs of collection, costs, and expenses incurred by Seller in connection with the enforcement of collection of this Note. Borrower further agrees to pay all costs of suit and the sum adjudged as attorneys' fees in any action to enforce payment of this Note.

Dated: May 31, 2021

Borrower

Dental Surgery Centers of
America, a California corporation

By: _____
David Thompson
President/CEO

EXHIBIT "D"

PROMISSORY NOTE

\$200,000.00

Atwater, California
June 9, 2021

For value received, the undersigned ("Borrower") promises to pay to Bloss Memorial Healthcare District, a California public entity ("Seller"), or its order, at Bloss Memorial Healthcare District, 3605 Hospital Road, Atwater, California 95301, or any other place designated in a writing submitted by Seller to Borrower, the principal sum of Two Hundred Thousand Dollars (\$200,000.00), with interest from May 31, 2018, on unpaid principal at the rate of Six Percent (6.0%) annum. The full amount of principal and accrued interest shall be paid in full by May 31, 2022; provided, however that Buyer shall make at least one payment per year in the interim.

Whether or not suit is filed, Borrower agrees to pay all reasonable attorneys' fees, costs of collection, costs, and expenses incurred by Seller in connection with the enforcement or collection of this Note. Borrower further agrees to pay all costs of suit and the sum adjudged as attorneys' fees in any action to enforce payment of this Note or any part of it.

Dated: June 9, 2021

Borrower

Dental Surgery Centers of
America, a California corporation

By: _____
David Thompson
President/CEO

AMENDMENT 1 TO AGREEMENT FOR PURCHASE AND
SALE OF ASSETS RELATED TO CDSC AND
EXHIBIT B

(Extension of Existing Agreement)

**AMENDMENT 1 TO AGREEMENT
FOR PURCHASE AND SALE OF ASSETS**

THIS Amendment to the Agreement for Purchase and Sale of Assets ("Agreement") is executed by and between Bloss Memorial Healthcare District, a California public entity, ("Seller"), and Dental Surgery Centers of America, a California corporation ("Buyer") related to the Children's Dental Surgery Center ("CDSC" located at 1523 East March Lane, Stockton, California 95210.

This Amendment is hereby annexed to and made a part of the printed part of the Agreement to which it is attached, or modifies the existing Agreement between the parties. In each instance in which the provisions of this Amendment shall contradict or be inconsistent with the provisions of the printed portion of the original Agreement and any previous amendments, the provision of this Amendment shall prevail and govern and the contradicted or inconsistent provisions shall be deemed amended accordingly. Both parties agree that there is new and adequate consideration for this Amendment.

This Amendment shall be deemed to have been duly approved when executed by both parties to the original Agreement.

MODIFICATIONS:

- 1). Section 2.2, entitled "Promissory Note", is amended to add as follows and Exhibit "B" is hereby replaced in its entirety:

The promissory note in favor of Seller, and in the form of Exhibit "B" hereto, the terms of which are incorporated herein by this reference, shall be for principal in the amount of Two Hundred Thousand Dollars (\$200,000.00), with simple interest at Six Percent (6.0%), payable in Forty-Eight (48) monthly installments in the amount of \$1,000.00, representing interest only, the last such payment to come with a balloon payment of \$200,000.00.

Except as herein modified, all terms and conditions in said Agreement as heretofore approved remain unchanged and in full force and effect.

By: _____
David Thompson
President/CEO
Dental Surgery Centers of America

By: _____
Edward H. Lujano, Ph.D.
Chief Executive Officer
Bloss Memorial Healthcare District

Dated: _____

Dated: _____

EXHIBIT "B"

PROMISSORY NOTE

\$200,000.00

Atwater, California
June 9, 2021

In the installments described below, for value received, the undersigned ("Borrower") promises to pay Bloss/US Dental, a California general partnership ("Seller"), or its order, at Bloss Memorial Healthcare District, 3605 Hospital Road, Atwater, California 95301, or any other place designated in a writing submitted by Seller to Borrower, the principal sum of Two Hundred Thousand Dollars (\$200,000.00), with interest from May 31, 2018 on unpaid principal at the rate of Six Percent (6.0%) per annum. Principal and interest shall be payable in lawful money of the United States of America, and in Forty-Eight (48) monthly installments in the amount of \$1,000.00, representing interest only, the last such payment to come with a balloon payment of \$200,000.00 representing principal. The first payment under this note shall be due June 30, 2018 and the remaining installments on the last day of the month. The full amount of principal and accrued interest shall be paid in full by May 31, 2022.

Whether or not suit is filed, Borrower agrees to pay all reasonable attorneys' fees, costs of collection, costs, and expenses incurred by Seller in connection with the enforcement of collection of this Note. Borrower further agrees to pay all costs of suit and the sum adjudged as attorneys' fees in any action to enforce payment of this Note.

Dated: June 9, 2021

Borrower

Dental Surgery Centers of
America, a California corporation

By: _____
David Thompson
President/CEO

AMENDMENT 1 TO SUPPLEMENT TO LEASE EXHIBIT B TO
AFFILIATION AGREEMENT FOR DENTAL SERVICES AT
CASTLE SITE

**AMENDMENT 1 TO SUPPLEMENT TO LEASE
EXHIBIT "D" TO AFFILIATION AGREEMENT**

THIS Amendment to the Supplement to Lease Exhibit "D" to the Affiliation Agreement ("Agreement") is executed by and between Bloss Memorial Healthcare District, a California public entity and Castle Family Health Centers, Inc., a California Corporation, related to the additional three thousand nine hundred thirty six square feet (3,936) of rental space by Castle Family Health Centers, Inc.

This Amendment is hereby annexed to and made a part of the printed part of the Agreement to which it is attached, or modifies the existing Agreement between the parties. In each instance in which the provisions of this Amendment shall contradict or be inconsistent with the provisions of the printed portion of the original Agreement and any previous amendments, the provision of this Amendment shall prevail and govern and the contradicted or inconsistent provisions shall be deemed amended accordingly. Both parties agree that there is new and adequate consideration for this Amendment.

This Amendment shall be deemed to have been duly approved when executed by both parties to the original Agreement.

MODIFICATIONS:

- 1). The first paragraph of the "Supplement to Lease Exhibit "D" to Affiliation Agreement" is amended to read as follows:

Commencing August 1, 2021, CASTLE FAMILY HEALTH CENTERS, INC shall lease an additional three thousand nine hundred thirty-six square feet (3,936) (\$1.37 per square foot) from BLOSS MEMORIAL HEALTHCARE DISTRICT. Rent shall be in the sum of Five Thousand Three Hundred Ninety-Two Dollars and Thirty-Two Cents (\$5,392.32). This additional space will be used to provide dental services by CASTLE FAMILY HEALTH CENTERS, INC. BLOSS MEMORIAL HEALTHCARE DISTRICT will remodel the requested area to accommodate this new line of service and CASTLE FAMILY HEALTH CENTERS, INC. will be responsible to furnish said area with equipment to provide dental care.

Except as herein modified, all terms and conditions in said Agreement as heretofore approved remain unchanged and in full force and effect.

Dated: _____

Dated: _____

BLOSS MEMORIAL
HEALTHCARE DISTRICT

CASTLE FAMILY HEALTH CENTERS, INC

By: _____
Kory Billings, Chair
Board of Directors

By: _____
Dorothy Bizzini, Chair
Board of Directors