
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: March 19, 2021

Phone: (209) 724-4102

Fax: (209) 722-9020

Bloss Memorial Healthcare District will hold their next Finance Committee meeting on Thursday, March 25, 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, March 25, 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, March 25, 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 February 25, 2021 Board of Directors Meeting	*	1
VI.	FINANCIAL REPORT		
	A. February Chief Financial Officer Report		2
	B. February Payroll, Electronic Payments & Check Register	*	3
VII.	CHIEF EXECUTIVE OFFICER REPORT		
	A. Dental Surgery Center Fire & Floor Restoration Update		
	B. Fire Panel Replacement Update		
VIII.	OLD BUSINESS		
	A. February Castle Family Health Centers, Inc Report		4
	B. Bloss Board Member Report		
	C. DSCA Amendment 1 to CCDSC Lease	*	5
IX.	NEW BUSINESS		
	A. 2021 Committee Assignments		
	B. CFHC Supplemental Lease Agreement for Castle Family Dental*		6
	C. Renewal of Castle Dental Group Lease (Dr. Bachour)	*	7
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.

Important Notice Regarding COVID-19 Based on guidelines from the California Department of Public Health and the California Governor's Office, in order to minimize the spread of the COVID-19, the Bloss Memorial Healthcare District Board of Directors meeting will be held via video conference. For the Board of Directors who wish to participate in person, social distancing will be observed. Members of the public may listen to the meeting and offer public comment telephonically by calling into (515) 604-9359 and entering Access Code 328959. Please turn your cell phone or other electronic device to non-audible mode or mute.

**BLOSS MEMORIAL HEALTHCARE DISTRICT (BMHD)
BOARD OF DIRECTORS MEETING
BOARD ROOM
Thursday, February 25, 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 2:04 pm.

ROLL CALL

Board Members Present: Vivian Passwaters, Board Member, Zone 1; Kory Billings, Chair, Zone 2; Zone 3 Vacant and Bob Boesch, Board Member, Zone 5

Others Present: Edward Lujano, CEO; Dawnita Castle, CFO; Jenna Anderson, County Legal Counsel; David Thompson, DSCA; Christina Ayala, CFHC Accounting / Payroll and Peter Mojarras, CFHC COO @ 2:20 pm

Absent: Al Peterson, Secretary / Treasurer, Zone 4 and Fily Cale, Executive Assistant

APPROVAL OF AGENDA

A motion was made / seconded, (Bob Boesch / Vivian Passwaters) to approve and accept the February 25, 2021 agenda as amended. Motion carried.

PUBLIC COMMENTS

None.

APPROVAL OF MINUTES

A. Approval of January 28, 2021 Board of Directors Meeting, Exhibit 1

A motion was made / seconded, (Bob Boesch / Vivian Passwaters) to approved and accept the January 28, 2021 Board of Directors Meeting minutes as presented, Exhibit 1. Motion carried.

FINANCIAL REPORT

A. January Chief Financial Officer Report, Exhibit 2

Dawnita Castle reported that for January 2021, BMHDs operating Cash Balance was a \$3,381,669 and Days Cash on Hand did increase to 1,047 days, in December 2020 it was 1,016. This increase has to do with property tax revenue received from Merced County in the amount of \$202,213 and a Belfor payment of \$100,000, which BMHD had previously received \$513,000 from the insurance company.

BMHD had a net gain before depreciation of \$55,622 compared to a net gain of \$74,005 last year. Net income after depreciation was a loss of \$3,857 which was due to the change in investments of \$2,200 and also grant donation expense in the amount of \$11,025.

For December 2020, Day Break ADHC delivered and prepared 518 meals for a cost of \$4,403 and for January 2021 they delivered 800 meals for a cost of \$6,800, it is averaging 50 meals per day, five days per week. Their contract will be done in March 2021 and if BMHD chooses to do this again, she would like to see a print out of the patients as a backup for accounting and grant reporting.

B. January 2021 Payroll, Electronic Payments and Check Register, Exhibit 4

A motion was made / seconded, (Kory Billings / Vivian Passwaters) to approve and accept the January 2021 Payroll in the amount of \$4,579.21, Accounts Payable in the amount of \$205,281.69 for a Grant Total Disbursement of \$209,860.90, Exhibit 4. Motion carried.

D. December Chief Financial Officer Report, Exhibit 3

Dawnita Castle, CFO, reported that for December 2020, BMHD had a net gain of \$93,429 before depreciation, this time last year, BMHD had a net gain of \$103,680. Net gain after depreciation was \$33,949. The expenses stay consistent at \$10,564 for Sierra Kings costs and December 31st Operating Cash Balance was at \$3,245,727 and did decrease slightly to 1,016 days compared to November.

E. December Payroll, Electronic Payments & Check Register, Exhibit 3

A motion was made / seconded, (Kory Billings / Vivian Passwaters) to approve and accept the November 2020 Payroll in the amount of \$13,901.88, Accounts Payable in the amount of \$98,242.04 for a Grant Total Disbursement of \$112,143.92, Exhibit 4. Motion carried.

CHIEF EXECUTIVE OFFICER REPORT

A. Dental Surgery Center Fire & Floor Restoration Update

Edward Lujano, CEO, reported the dental surgery center is about 95% complete, and they are seeing patients. The new lobby has yet to be finished along with a few cosmetic areas. They are waiting for the tops of cabinets and some countertops in the new reception area.

He sent David Thompson, DSCA President a courtesy letter to remind him that his note of \$2,150,000 is due May 31, 2021.

The quote for the roof leak on the air handlers at the Castle Site has been received from Billmans Roofing Company and it is \$19,520 to coat the three units on the east side of the building. These units are exposed and over the years the other coating has broken off due to weather deteriorating. This quote was passed by Jenna Anderson, Legal Counsel, and she is okay with it. It is below the CEO purchasing authority of \$25,000 and they are using prevailing wages based on their agreement.

B. Fire Panel Replacement Update

Edward Lujano stated that we're still waiting for approval on the permits to replace them, he is hopeful it will happen in mid-March.

After the board meeting we can go across the hall to the area that CFCH wants to put their new dental center. The estimated cost to renovate and remodel is about \$50,000 for the whole area. This includes knocking down some walls, interior flooring and some other minor areas.

Kory Billings asked if Edward Lujano is asking to have this item placed on the agenda for approval at the next meeting. Edward Lujano stated that the renovation would be piece mealed along the way, the cost would be coming through CFHC because maintenance would be doing the modifications.

Jenna Anderson, Legal Counsel, stated that there needs to be an agreement to authorize use of the space which can be put on the agenda for the next meeting. This agreement should encompass what BMHD is going to be doing for the site and tenancy detailed out.

Bob Boesch asked if this would change CFHCs whole agreement on the lease by adding this new space. Jenna Anderson replied that BMHD could do it as a separate agreement or do it as an amendment to the agreement. Kory Billings is recommending doing it as a separate agreement as it would be easier.

OLD BUSINESS / REPORTS

A. January Castle Family Health Centers, Inc Report, Exhibit 4

Peter Mojarras, CFHC COO, reported that January patient encounters, which is a combination of telephonic visits, virtual visits, COVID testing and well visits has increase be 30%. As of February 23, 2021, between Castle and Winton sites, CFHC has tested 19,117 for COVID; 14,242 negative and 4,727 positive. All stake holders throughout the county have been meeting on how they'll deploy the vaccine, whether on site or mass vaccinations clinics.

He has been on calls to discuss the mass vaccination clinics, and has advised and recommended that it is looked at strategically and at some point come up with a centralized system to eliminate duplication of work.

CFHC has been able to vaccinate 1,884 people and the first dose of that has been 1,528 and second dose is 356. Pfizer shipment was received and CFHC is vaccinating today and tomorrow in the community. They are also partnering with the Atwater Elementary School District and Merced Union School District to vaccinate the educators. The Districts have been asked to identify their high risk staff members.

CFHC will be vaccinating today at Buhach High School followed up on Saturday from 9am to 5pm, which is open to the community. It is Tier 1A, which is health care workers and 65 years and older. We're moving into Tier 1B, which is part of the educators, food processing and / or agriculture workers.

The State of California made a change from how the allocation and whoever sees the vaccines has gone away from the local health jurisdiction, which is the local county office, will no longer be the recipient of the vaccines. The Governor's office and his leadership ship will go from the State direction to Blue Shield who will work directly with the entity provider and allocating the vaccines.

Kory Billings asked if when CFHC goes out to the farm labor camps are they looking at 65 and older or will they vaccinate the entire camp. Peter Mojarras replied that 70% will be for 65 and over and 30% for the Tier 1B, it's a guideline and suggestion. If you can't reach a 65 or older then you want to get in into the Tier 1B.

Kory Billings also asked if there had been a lot of resistance from staff or how what percentage of people declined. Peter Mojarras replied that at a State and local level they failed to educate and this has put people on the fence. It was a 50/50 at CFHC.

B. Bloss Board Member Report

Kory Billings mentioned that the Investment Committee scheduled for yesterday had been cancelled due to illness. It will be a zoom meeting with LPL Financial / ThieseDueker at a later date.

NEW BUSINESS

A. 2021 Committee Assignments

Kory Billings commented that as he and Alfonse Peterson are working on this, it will be postponed to the next meeting.

AGENDA FOR CLOSED SESSION

None.

NEXT MEETING DATE

The next Board of Directors Meeting will be held on Thursday, March 25, 2021 at 2:00 p.m. in the Board Room.

ADJOURNMENT

As there was no further business, the meeting adjourned at 2:33 pm.

Respectfully Submitted,

Fily Cale
Executive Assistant

Vivian Passwaters
Board Secretary

FEBRUARY CHIEF FINANCIAL OFFICER REPORT

BMHD had a total net gain before depreciation of \$69,110 for the month compared to a net gain of \$40,138 last year. Net income after depreciation was a gain of \$9,624.

Expenses include \$10,564 of SKDSC costs.

The February 28, Operating Cash Balance was \$3,204,073 and Days Cash On Hand decreased to 889 Days*. In January the DCH was 1,047 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 :

	Feb-21	Feb-20	VARIANCE *	%	Y-T-D Feb-21	Y-T-D Feb-20	Y-T-D VARIANCE *	Y-T-D %
Net Patient Revenue	0	0	0	NA	0	0	0	N/A
Other Operating Revenue	0	0	0	NA	17,335	110,918	(93,583)	-84.37%
Total Net Operating Revenue	0	0	0	NA	17,335	110,918	(93,583)	-84.37%
Operating Expenses Excluding Depreciation	100,876	92,804	(8,072)	-8.70%	817,882	826,113	8,231	1.00%
Net Operating Income (Loss) Before Depreciation	(100,876)	(92,804)	(8,072)	-8.70%	(800,547)	(715,195)	(85,352)	-11.95%
Net Non Operating-Gains/Losses								
Gain/Loss on Investments	12,490	(34,557)	47,047	-136.14%	155,739	17,332	138,407	798.56%
Grant Donation Expense	(6,800)	0			(11,203)	(85,000)		
All Other Non-Operating Gains/Losses	164,296	167,499	3,203	1.91%	1,274,241	1,345,976	(71,735)	-5.33%
Total Net Non-Operating Income: Losses/Gains	169,986	132,942	(37,044)	-27.86%	1,418,777	1,278,308	140,469	10.99%
Total Net Income (Loss) Before Depreciation	69,110	40,138	28,972	72.18%	618,230	563,113	55,117	9.79%
Depreciation Expense	59,486	58,435	1,051	1.80%	475,090	461,902	13,188	2.86%
Net Income (Loss) After Depreciation	9,624	(18,297)	27,921	-152.60%	143,140	101,211	41,929	41.43%

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

Bloss Memorial HealthCare District
 Operations Summary Report
 Eight Months Ending February 28, 2021

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

	Feb-21	Feb-20	VARIANCE	%	Y-T-D Feb-21	Y-T-D Feb-20	Y-T-D VARIANCE *	Y-T-D %
EMPLOYEE FTE'S	1.00	1.00	0.00	0.00%	1.00	0.93	(0.07)	-7.53%
CONTRACT FTE'S	3.45	3.51	0.06	1.71%	3.43	3.82	0.39	10.21%
TOTAL FTE'S	4.45	4.51	0.06	1.33%	4.43	4.75	0.32	6.74%

* 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 0.00 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	(0.07)	
All other departments < 1 fte var	0.00	0.00	Various departments less than 1 fte variance.
	0.00	(0.07)	Brackets () indicate a decrease (favorable) variance

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

	CURRENT MO: FEB 2021	PRIOR MONTH JAN 2021	\$ CHANGE	% CHANGE	PRIOR YEAR FEB 2020
ASSETS					
CURRENT ASSETS					
CASH AND EQUIVALENTS					
CASH - GENERAL CHECKING	1,801,213	1,978,886	(177,673)	(8.98)%	1,473,116
CDSC CASH - NEW GENERAL CHK	272	297	(25)	(8.41)%	1,784
CDSC CASH - GENERAL CHECKING	9,540	8,648	892	10.32%	5,869
CCDS-GENERAL CHECKING	4,179	3,464	715	20.65%	5,135
CCDSC-GENERAL CHECKING	21,824	21,824	0	0.00%	43,770
CASH - PAYROLL ACCOUNT	8,699	8,699	0	0.00%	1,500
CASH - LAIF SAVINGS ACCOUNT	1,039,716	1,046,551	(6,835)	(0.65)%	271,300
LAIF - FUNDED DEPRECIATION	361,907	354,996	6,911	1.95%	229,405
CASH-BBVA MONEY MARKET ACCOUNT	510,185	510,162	24	0.00%	507,614
MARKETABLE SECURITIES CAP IMP	684,899	677,361	7,538	1.11%	581,087
MARKETABLE SECURITIES GRANTS	382,764	377,812	4,952	1.31%	318,037
TOTAL CASH AND EQUIVALENTS	4,825,199	4,988,700	(163,501)	(3.28)%	3,438,617
PATIENT ACCOUNTS RECEIVABLE					
ALLOWANCES					
TOTAL ALLOWANCES	0	0	0	0.00%	0
OTHER RECEIVABLES					
DSCA RECEIVABLE	10,750	10,750	0	0.00%	26,137
RENT RECEIVABLE	103,999	102,284	1,715	1.68%	9,517
GRANTS RECEIVABLE	0	0	0	0.00%	40,000
PROPERTY TAX RECEIVABLE	54,146	22,101	32,045	144.99%	32,045
CFHC INC RECEIVABLE	9,125	996	8,130	816.56%	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	0	0	0	0.00%	0
NET OTHER ACCOUNTS RECEIVABLE	2,328,020	2,286,131	41,890	1.83%	2,257,699
INVENTORY					
PREPAID EXPENSES AND DEPOSITS					

RUN DATE: 03/16/21
 RUN TIME: 1611
 RUN USER: DAMEDA

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

	CURRENT MO. FEB 2021	PRIOR MONTH JAN 2021	\$ CHANGE	% CHANGE	PRIOR YEAR FEB 2020
PREPAID INSURANCE	12,189	15,237	(3,047)	(20.00)%	10,598
PREPAID EXPENSE - SYSTEM	417	417	0	0.00%	1,897
PREPAID EXPENSE - MANUAL	2,947	3,684	(737)	(20.00)%	2,735
TOTAL PREPAID EXPENSES AND DEPOSITS	15,553	19,337	(3,784)	(19.57)%	15,230
TOTAL CURRENT ASSETS	7,168,773	7,294,168	(125,395)	(1.72)%	5,711,546
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	21,834,199	21,826,025	8,174	0.04%	21,788,050
CASTLE BUILDING AND IMPROVEMENT	1,353,689	1,353,689	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%	81,980
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	34,292,274	34,284,100	8,174	0.02%	34,191,891
ACCUMULATED DEPRECIATION					
ACCUM DEPREC - LAND IMPROVMENTS	(137,396)	(136,269)	(1,127)	0.83%	(123,875)
ACCUM DEPREC - BLDGS & IMPROV	(10,340,450)	(10,288,943)	(51,507)	0.50%	(9,723,206)
SKDSC DEPREC-BLDGS & IMPROV	(10,353)	(9,777)	(575)	5.88%	(3,451)
ACCUM DEPREC - FIXED EQUIP	(2,037,099)	(2,035,371)	(1,728)	0.08%	(2,015,915)
SKDSC ACCUM DEPREC-FIXED EQUIP	(2,737)	(2,637)	(101)	3.81%	(1,532)
ACCUM DEPREC - LEASEHOLD IMPRV	(68,374)	(67,259)	(1,116)	1.66%	(52,916)
SKDSCACCUM DEPREC-LEASH IMPROV	(38,096)	(37,854)	(242)	0.64%	(34,652)
ACCUM DEPREC - MAJOR MOVE EQPT	(4,505,107)	(4,502,016)	(3,091)	0.07%	(4,474,539)
ACCUM DEPREC - MINOR EQUIPMENT	(575,455)	(575,455)	0	0.00%	(575,455)
TOTAL ACCUMULATED DEPRECIATION	(17,715,067)	(17,655,580)	(59,486)	0.34%	(17,005,540)

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

	CURRENT MO. FEB 2021	PRIOR MONTH JAN 2021	\$ CHANGE	% CHANGE	PRIOR YEAR FEB 2020
NET PROPERTY, PLANT, AND EQUIPMENT	16,577,207	16,628,520	(51,313)	(0.31)%	17,186,350
ASSETS LIMITED AS TO USE					
CASH - UNG GOODWIN TRUST	173,570	173,570	0	0.00%	177,377
TOTAL RESTRICTED ASSETS	173,570	173,570	0	0.00%	177,377
OTHER ASSETS					
TOTAL ASSETS LIMITED AS TO USE	16,750,777	16,802,090	(51,313)	(0.31)%	17,363,727
TOTAL ASSETS	23,919,550	24,096,257	(176,708)	(0.73)%	23,075,273
LIABILITIES AND FUND BALANCES					
CURRENT LIABILITIES					
ACCOUNTS PAYABLE					
ACCOUNTS PAYABLE - VENDORS	34,476	12,948	(21,528)	166.26%	28,639
ACCOUNTS PAYABLE - ACCRUALS	11,657	17,629	5,972	(33.88)%	17,033
ACCOUNTS PAYABLE - OTHER	256,771	458,636	201,865	(44.01)%	23,173
CASTLE INC PAYABLE	24,109	21,738	(2,371)	10.91%	18,974
DSCA PAYABLE	43,278	41,696	(1,582)	3.79%	37,839
TOTAL ACCOUNTS PAYABLE	370,291	552,647	182,357	(33.00)%	125,658
ACCRUED PAYROLL					
ACCRUED SALARY AND WAGES	4,167	8,975	4,808	(53.57)%	4,167
ACCRUED VACATION	15,295	14,494	(801)	5.53%	27,001
FICA PAYABLE	319	687	368	(53.57)%	319
PENSION PLAN ACCRUAL	3,200	2,800	(400)	14.29%	3,200
OTHER PAYROLL PAYABLES	94	94	0	0.00%	94
TOTAL ACCRUED PAYROLL	23,074	27,049	3,975	(14.69)%	34,780
OTHER CURRENT LIABILITIES					
INTERCORPORATE TRANSFERS					

RUN DATE: 03/16/21
 RUN TIME: 1611
 RUN USER: DAMEDA

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

	CURRENT MO: FEB 2021	PRIOR MONTH JAN 2021	\$ CHANGE	% CHANGE	PRIOR YEAR FEB 2020
TOTAL CURRENT LIABILITIES	393,365	579,696	186,331	(32.14)%	160,438
LONG TERM LIABILITIES					
TOTAL LIABILITIES	393,365	579,696	186,331	(32.14)%	160,438
FUND BALANCES					
UNG GOODWIN TRUST	173,570	173,570	0	0.00%	177,377
TOTAL RESTRICTED FUND BALANCE	173,570	173,570	0	0.00%	177,377
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)	143,140	133,517	(9,624)	7.21%	101,211
TOTAL FUND BALANCE	23,526,185	23,516,561	(9,624)	0.04%	22,914,835
TOTAL LIABILITIES AND FUND BALANCES	23,919,550	24,096,257	176,708	(0.73)%	23,075,273

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

	FEB 2021 ACTUAL	FEB 2020 ACTUAL	\$ VARIANCE	% VARIANCE	FEB 2021 YTD ACTUAL	FEB 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	0	0	0.00	0%	17,335	110,918	(93,583)	(84.37)%
TOTAL NET OPERATING REVENUE	0	0	0.00	0%	17,335	110,918	(93,583)	(84.37)%
OPERATING EXPENSES								
SALARIES AND WAGES	9,134	6,497	(2,637.02)	(41)%	71,921	54,231	(17,690)	(32.62)%
EMPLOYEE BENEFITS	1,543	531	(1,011.92)	(191)%	14,137	16,072	1,935	12.04%
PROFESSIONAL FEES	3,345	499	(2,846.23)	(571)%	29,248	19,123	(10,125)	(52.95)%
SUPPLIES	383	1,597	1,213.49	76%	6,334	4,597	(1,737)	(37.79)%
PURCHASED SERVICES	48,954	38,988	(9,965.68)	(26)%	362,560	355,366	(7,194)	(2.02)%
DEPRECIATION	59,486	58,435	(1,050.82)	(2)%	475,090	461,902	(13,188)	(2.86)%
RENTS AND LEASES	9,647	9,599	(47.99)	(1)%	77,173	76,742	(431)	(0.56)%
UTILITIES	23,893	30,012	6,119.37	20%	221,819	257,263	35,444	13.78%
INSURANCE	3,358	4,453	1,094.58	25%	26,975	40,873	13,898	34.00%
OTHER EXPENSES	619	628	9.21	2%	7,714	1,845	(5,869)	(318.05)%
TOTAL OPERATING EXPENSE	160,362	151,239	(9,123.01)	(6)%	1,292,972	1,288,015	(4,957)	(0.38)%
NET INCOME FROM OPERATIONS	(160,362)	(151,239)	(9,123.01)	6%	(1,275,637)	(1,177,096)	(98,540)	8.37%
NON-OPERATING REVENUE	176,786	167,498	9,287.13	6%	1,536,712	1,315,463	221,249	16.82%
NON-OPERATING EXPENSE	6,800	34,557	27,756.47	80%	117,935	37,156	(80,780)	(217.41)%
NET NON-OPERATING INCOME	169,986	132,942	37,043.60	28%	1,418,777	1,278,308	140,469	10.99%
NET INCOME	9,624	(18,297)	27,920.59	(153)%	143,140	101,211	41,929	41.43%

NOTE: UNFAVORABLE VARIANCES ARE SHOWN IN PARENTHESIS

FEBRUARY PAYROLL, ELECTRONIC PAYMENTS
& CHECK REGISTER

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

Payroll			\$14,334.23
Total Payroll			<u><u>\$14,334.23</u></u>
Accounts Payable:			
A/P Checks	Bloss	<u>\$304,358.97</u>	<u>\$304,358.97</u>
BLOSS			
Auto Debits		\$57.75	
Electronic Payments to CALPERS		\$0.00	
Electronic Payment for PPP Loan & Interest		\$0.00	
Electronic Payments to DSCA		\$0.00	
Total Auto Debits and Electronic Transfers		<u>\$57.75</u>	<u>\$57.75</u>
Electronic Payments - ACH		<u>\$0.00</u>	<u>\$0.00</u>
Total Accounts Payable			<u><u>\$304,416.72</u></u>
Grand Total Disbursements			<u><u>\$318,750.95</u></u>

BLOSS	Payroll Disbursements for		February-21
	Payroll dated		
Earnings	02/05/21	02/20/21	Total
Regular	-	-	-
Overtime			-
Vacation	4,808.00		4,808.00
Sick			-
Holiday			-
Salary	4,166.67	4,166.67	8,333.34
Double Time			-
Call In			-
On Call			-
Other			-
			-
Total	8,974.67	4,166.67	13,141.34
			-
Deductions			-
FICA (+)	686.56	318.75	1,005.31
Insurance (-)			-
Emp Deduction(-)/Reimb(+)			-
Christmas Fund (-)			-
Process Fee (+)	93.79	93.79	187.58
			-
Total	780.35	412.54	1,192.89
			-
			-
Net Payroll	\$ 9,755.02	\$ 4,579.21	14,334.23

RUN DATE: 02/26/21
 RUN TIME: 1607
 RUN USER: COOKS

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

C
 FROM 02/01/21 TO 02/28/21

DATE	CHECK NUM	VENDOR NUM	VENDOR NAME	STATUS	STATUS DATE	AMOUNT	
						ISSUED/ CLEARED	VOIDED/ UNCLAIMED
02/04/21	039029	B0109	KORY BILLINGS	ISSUED	02/04/21	100.00	
02/04/21	039030	B0032	GRAINGER INDUSTRIAL SUPPLY	ISSUED	02/04/21	380.14	
02/04/21	039031	B0016	GUARDCO SECURITY SERVICES	ISSUED	02/04/21	12536.15	
02/04/21	039032	B0030	HD SUPPLY FACILITIES MAINTENANCE	ISSUED	02/04/21	4241.76	
02/04/21	039033	B0225	HOFFMAN SECURITY	ISSUED	02/04/21	652.90	
02/04/21	039034	K0003	M-D VENTURES	ISSUED	02/04/21	19293.64	
02/04/21	039035	B0017	MERCED COUNTY - CASTLE AIRPORT	ISSUED	02/04/21	1945.73	
02/04/21	039036	B0064	PETERSON, ALFONSE	ISSUED	02/04/21	100.00	
02/04/21	039037	B0014	PG&E (4705482162-5)	ISSUED	02/04/21	5058.55	
02/04/21	039038	B0260	ROBERT F. BOESCH	ISSUED	02/04/21	100.00	
02/04/21	039039	B0282	VIVIAN M PASSWATERS	ISSUED	02/04/21	100.00	
02/04/21	039040	B0056	CARDMEMBER SERVICE-XXXXXXXXXX9140	ISSUED	02/04/21	995.58	
02/11/21	039041	B0297	BILLMANS COOL ROOFING COMPANY, INC	ISSUED	02/11/21	320.00	
02/11/21	039042	B0132	CLARK PEST CONTROL	ISSUED	02/11/21	299.00	
02/11/21	039043	B0293	TALX CORPORATION	ISSUED	02/11/21	264.00	
02/11/21	039044	B0030	HD SUPPLY FACILITIES MAINTENANCE	ISSUED	02/11/21	4288.04	
02/11/21	039045	B0218	JOHN P. NIEMOTKA	ISSUED	02/11/21	400.00	
			REMITTED TO: OCTANE ADVERTISING & DESIGN				
02/11/21	039046	B0013	WEST COAST GAS CO, INC.	ISSUED	02/11/21	4907.41	
02/17/21	039047	B0275	BELFOR USA GROUP, INC.	ISSUED	02/17/21	200000.00	
02/18/21	039048	B0296	AUGUST CHAI ENTERPRISES, LLC	ISSUED	02/18/21	6800.00	
02/18/21	039049	B0072	BETA HEALTHCARE GROUP	ISSUED	02/18/21	416.67	
02/18/21	039050	B0054	CASTLE FAMILY HEALTH CENTERS, INC.	ISSUED	02/18/21	21738.30	
02/18/21	039051	B0289	CHEMSEARCHFE	ISSUED	02/18/21	532.94	
02/18/21	039052	B0132	CLARK PEST CONTROL	ISSUED	02/18/21	480.00	
02/18/21	039053	B0030	HD SUPPLY FACILITIES MAINTENANCE	ISSUED	02/18/21	2113.02	
02/18/21	039054	B0133	MERCED COMMERCIAL SWEEPING	ISSUED	02/18/21	240.00	
02/18/21	039055	B0025	MERCED IRRIGATION DISTRICT	ISSUED	02/18/21	279.82	
02/18/21	039056	B0026	MERCED IRRIGATION DISTRICT	ISSUED	02/18/21	12441.78	
02/25/21	039057	B0129	CALIFORNIA BOILER, INC.	ISSUED	02/25/21	1200.00	
02/25/21	039058	B0027	CITY OF ATWATER PAYMENT CENTER	ISSUED	02/25/21	1078.31	
02/25/21	039059	B0134	CITY OF ATWATER PAYMENT CENTER	ISSUED	02/25/21	654.34	
02/25/21	039060	B0032	GRAINGER INDUSTRIAL SUPPLY	ISSUED	02/25/21	400.89	
					TOTAL \$	304358.97	

Bloss Memorial Healthcare District
February-21

Bloss Electronic Transfers

Bloss Auto Debits

Bank Fees - Bloss

57.75
57.75

Total

Electronic Payments to CALPERS

0.00

Electronic Payment to DSCA

0.00

Total

0.00

Grand Total

57.75

FEBRUARY CASTLE FAMILY HEALTH CENTERS, INC
REPORT

Castle Family Health Centers Inc
 Operations Summary Report
 Eight Months Ending February 28, 2021

Total encounters for the month are 12,290 compared to 12,080 last year 1.74% increase.

Department	Feb-21	Feb-20	VARIANCE	%	Y-T-D Feb-21	Y-T-D Feb-20	Y-T-D VARIANCE*	Y-T-D %
Castle Clinic	5,122	4,524	598	13.22%	46,751	37,621	9,130	24.27%
Specialty Clinic	904	1,010	(106)	-10.50%	8,549	8,508	41	0.48%
Bloss Clinic	903	831	72	8.66%	6,827	6,386	441	6.91%
Winton Clinic	1,044	1,296	(252)	-19.44%	8,628	8,891	(263)	-2.96%
Urgent Care	690	446	244	54.71%	10,694	2,841	7,853	276.42%
Lab	1,874	1,866	8	0.43%	24,717	16,073	8,644	53.78%
Radiology	637	731	(94)	-12.86%	4,681	5,673	(992)	-17.49%
Behavioral Health	224	134	90	67.16%	2,539	1,294	1,245	96.21%
Adult Day Health Care	0	498	(498)	-100.00%	0	4,402	(4,402)	-100.00%
Optometry	349	365	(16)	-4.38%	3,488	2,772	716	25.83%
Winton Dental	543	379	164	43.27%	3,843	3,411	432	12.66%
TOTAL ENCOUNTERS	12,290	12,080	210	1.74%	120,717	97,872	22,845	23.34%

February-21 Working Days 19 and 1 Holiday
 February-20 Working Days 19 and 1 Holiday

NEW PATIENTS	Feb-21	Feb-20	VARIANCE*	%	Y-T-D Feb-21	Y-T-D Feb-20	Y-T-D VARIANCE*	Y-T-D %
	1,164	551	613	111.25%	10,655	4,041	6,614	163.67%

DSCA Amendment to CCDSC Lease

**AMENDMENT 1
TO LEASE BETWEEN BLOSS MEMORIAL HEALTHCARE DISTRICT
AND DENTAL SURGERY CENTERS OF AMERICA**

THIS AMENDMENT TO THE LEASE AGREEMENT (“Amendment 1”) is made by and between Bloss Memorial Healthcare District, a public entity, herein called “Lessor”, located at 3605 Hospital Road, Suite “F”, Atwater, CA 9531 and DENTAL SURGERY CENTERS OF AMERICA, a California Corporation, herein called “Lessee”, located at 3605 Hospital Road, Suite “H”, Atwater, CA 95301.

This Amendment is hereby annexed to and made a part of the printed part of the Lease Agreement to which it is attached, or modifies the existing Lease 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 Lease Agreement and any previous amendments, the provision of this Lease 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.

MODIFICATIONS:

Section 1, entitled “Lease of Premises” is amended as follows:

As of April 1, 2021 Lessor leases to Lessee, and Lessee leases from Lessor, certain real property, including specified portions of the facility thereon located at Suite H, 3605 Hospital Road, Atwater, CA 95301 (the “Premises”), more particularly described in Exhibit “A”, a copy of which is attached hereto and included herein by reference. Said premises includes approximately 8,148 square feet in area.

Section 4, entitled “Rent” is amended as follows:

As of April 1, 2021 Lessee agrees to pay to Lessor as and for rent the sum of Sixteen Thousand Eight Hundred Sixty Six Dollars and Thirty Six Cents (\$16,866.36) per month (\$2.07 price per square foot). Rent shall be payable in advance on or before the 5th of each month. Late payments of rent are subject to a fee of 1% of monthly rent per month. Effective on the annual anniversary date of each year during the term of this lease, and any extensions thereof, rent shall be increased for cost of living adjustment in the amount of 2.5 percent (2.5%).

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

Bloss Memorial Healthcare District
Edward H. Lujano
Chief Executive Officer

Date

Dental Surgery Centers of America
David Thompson, President / CEO

Date

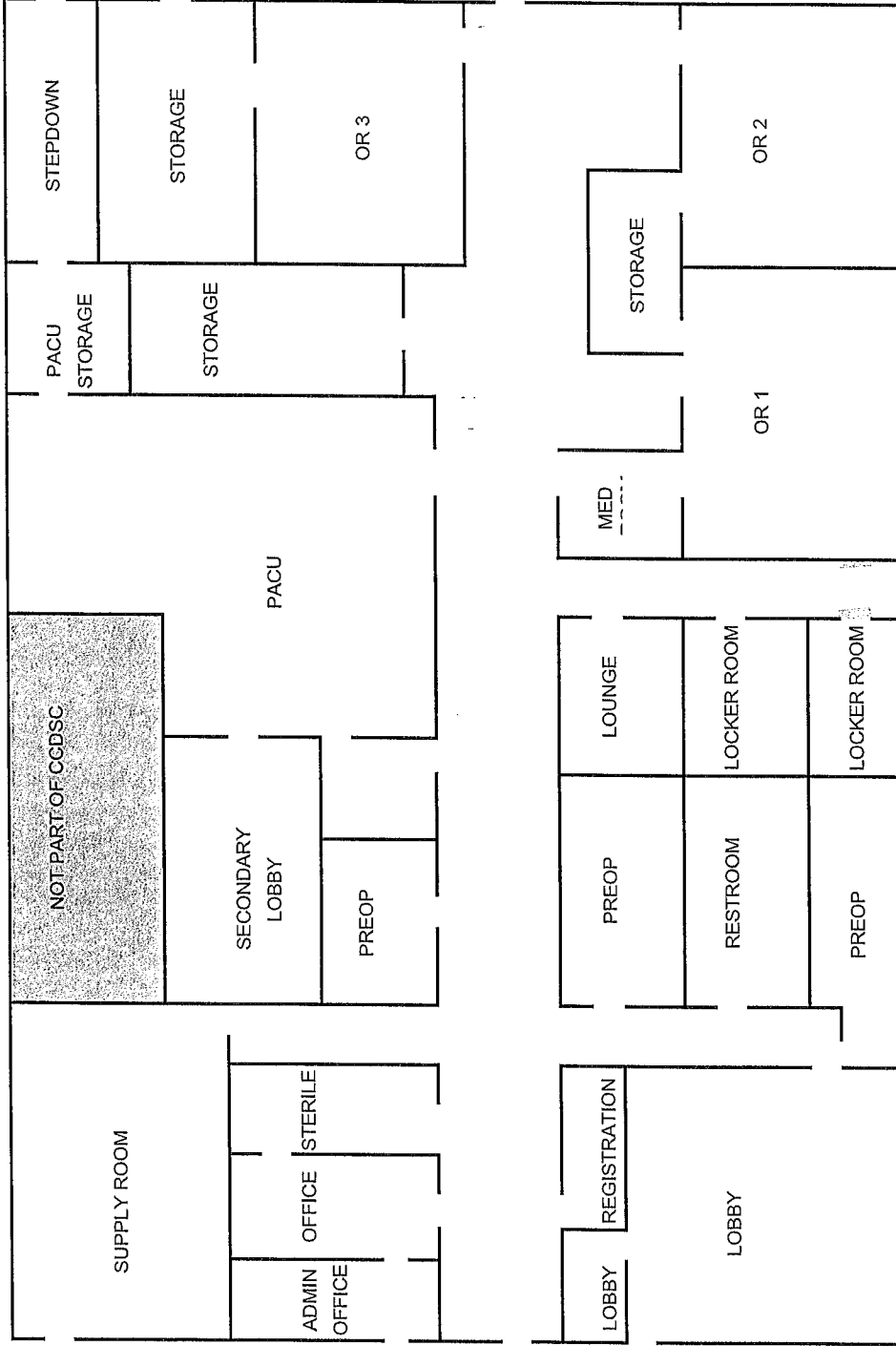
EXHIBIT "A"

DESCRIPTION OF PREMISES

1) Description

Map of Area (attached)

CENTRAL CALIFORNIA DENTAL SURGERY CENTER



Rev. 4/2021

CFHC Supplemental Lease Agreement for Castle Family Dental

SUPPLEMENT TO LEASE
EXHIBIT "D" TO AFFILIATION AGREEMENT

BLOSS MEMORIAL HEALTHCARE DISTRICT, a public entity, and CASTLE FAMILY HEALTH CENTERS, INC., a California Corporation, do hereby supplement their Lease Agreement for premises located at Castle as follows:

Commencing July 1, 2021, CASTLE FAMILY HEALTH CENTES, INC shall lease an additional three thousand nine hundred thirty six square feet (3,936) (\$1.19 per square foot) from BLOSS MEMORIAL HEALTHCARE DISTRICT. Rent shall be in the sum of Four Thousand Six Hundred Eighty Three Dollars and Eighty Four Cents (\$4,683.84) per month. 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 HEATH CENTERS, INC will be responsible to furnish said area with equipment to provide dental care.

WHEREAS, said Lease became operative on July 1, 2010, with an initial term of five (5) years expiring on June 30, 2015; and

WHEREAS, CASTLE has exercised its option to extend the Lease from July 1, 2020, and ending on June 30, 2025.

NOW, THEREFORE, it is mutually agreed that the Lease between the parties has been extended to June 30, 2025, for a total of 75,881 square feet at the Castle premises (which includes this new leased space) and 9,790 square feet at the Grove Avenue premises.

This extension shall be subject to all other terms and conditions as set forth in the original LEASE AGREEMENT (Exhibit B to affiliation agreement).

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

RENEWAL OF CASTLE DENTAL GROUP LEASE
(Dr. Bachour)

**AMENDED CASTLE DENTAL GROUP
MOUNZER BACHOUR, DDS**

BLOSS MEMORIAL HEALTHCARE DISTRICT, a public entity, hereinafter called "LESSOR", hereby leases to CASTLE DENTAL GROUP, hereinafter called "LESSEE" certain real property and improvements, herein called "Premises on the following terms and conditions:

1. **Premises:** That certain real property and improvements known as CASTLE DENTAL GROUP, located at 3605 Hospital Road, Suite A, Atwater, California consisting of 5,107 square feet, and identified in a diagram of the premises attached hereto and incorporated herein as Exhibit "1".

2. **Term:** The term of this Lease shall be for a period of five (5) years commencing July 1, 2021 and ending on June 30, 2026.

3. **Rent:** LESSEE shall pay to LESSOR the sum of EIGHT THOUSAND FIVE HUNDRED TWENTY-EIGHT (\$8,528) per month for rent at a square footage cost of One Dollar Sixty-Seven Cents (\$1.67 a sq. foot for 5,107 sq. feet), which includes housekeeping and utilities commencing July 1, 2021, payable on or before the first day of each month, in advance. In the event any installment of rent is not paid by the 5th day of each month, LESSEE shall pay a late fee of Sixty-Five Dollars (\$65.00) as additional rent.

?
1.5%
==

LESSEE, with thirty (30) day notice to LESSOR, shall have the option of providing its housekeeping and janitorial services, at LESSEE's expense. LESSEE's rent shall then be reduce by the amount of twenty-one cents (\$.21) per square foot per month on the first of the month following said notice.

On July 1st of each year of the Term, commencing July 1, 2021, the base rent will be adjusted annually by reference to the Consumer's Price Index (CPI) Wholesale All Commodities, San Francisco Area, as determined by the U.S. Department of Labor.

The obligation of LESSEE to pay the rent and all other amounts payable by LESSEE to LESSOR hereunder when due shall be without abatement, deduction, or set off and, except as otherwise provided herein, LESSEE hereby waives all rights now and hereafter conferred by law to quit, terminate or surrender this lease or the premises, or any part thereof, and to receive any abatement, suspension, deferment, or reduction of or relief from, the rent under Section 1932 and subsection 1933(4) of the California Civil Code, any amendment thereof or any law of similar import which may hereafter be enacted.

If this Lease shall terminate and LESSEE is not in default at that time, LESSOR shall promptly return to LESSEE all prepaid and unearned rent.

4. **Use of Premises:** The primary use of the premises shall be a Dental Clinic and offices which shall be open to the public.

5. **Utilities:** LESSOR shall provide utilities to LESSEE for the Dental Clinic space, including gas, electric (heating and air conditioning) water, sewer, and garbage disposal.

The parties understand and agree that the Leased premises comprise a portion of Castle Facility and utility services are furnished to the entire facility without separate metering. The normal hours of operation for Castle Facility are from 8:00 a.m. to 8:00 p.m., Monday through Friday, when normal heating and air conditioning is furnished.

Garbage and waste disposal services furnished by LESSOR but does not include disposal of Bio-Hazardous waste or Hazardous Chemical waste, which is the sole responsibility of the LESSEE.

6. **Early Termination of Lease:** LESSEE shall have the right to early termination of this lease upon six (6) months prior written notice to LESSOR in the event of death, disability, or loss of LESSEE'S dental license or Insolvency of LESSEE.

7. **Housekeeping and Janitorial Services:** Unless LESSEE elects to provide its housekeeping and janitorial services, as provided in paragraph 3, supra, LESSOR shall be responsible for routine janitorial services consistent with those services furnished to other demised premises within the Castle Facility. LESSEE is responsible for payment of specialized services outside of routine services, including but not limited to disposal of hazardous waste, floor waxing, window washing, and relocation of equipment for cleaning.

8. **Parking:** LESSEE shall have the right of use of the common parking lot adjacent to the premises for the use of LESSEE's employees and patients.

9. **Name:** LESSEE, at LESSEE's option, shall be entitled to use the name Castle Dental Group at the leased premises.

10. **Signs:** LESSOR shall maintain existing signs for Castle Dental Group. If the LESSEE changes the name of the dental clinic LESSEE shall be solely responsible to furnish the necessary signs for the dental clinic.

11. **Payment of Taxes:** LESSOR shall be responsible for and pay all real property taxes and /or assessments levied against the premises to the extent that LESSOR as a charitable, tax exempt public entity is required by law.

LESSEE shall pay, before they become delinquent, all taxes and assessments imposed on any personal property or trade fixtures or equipment belonging to LESSEE and located on the premises.

12. **Insurance:** LESSEE shall, prior to the commencement of the term, secure from a good and responsible company or companies doing insurance business in the State of California, shall maintain during the entire term of this Lease, premises liability of not less than One Million Dollars (\$1,000,000.00) in the event of bodily injury or death to any one or more persons in any one accident and not less than One Hundred Thousand Dollars (\$100,000.00) for property damage.

a. **Subrogation Waiver:** LESSOR and LESSEE agree that, in the event of loss due to any of the perils which shall be provided by insurance, each party shall look solely to its insurance for recovery. LESSOR and LESSEE hereby grant to each other,

on behalf of any insurer providing insurance to either of them with respect to the premises, a waiver of any right of subrogation which any insurer of one party may acquire against the other by virtue of payment of any loss under such insurance.

b. **Proof of Coverage:** On securing insurance coverage as hereinabove set forth, LESSEE shall give LESSOR written notice thereof and LESSOR shall be provided not less than thirty (30) days prior notice of any cancellation of LESSEE's insurance policy on the premises or its contents.

c. **Destruction:** In the event the premises is destroyed or so severely damaged by fire or other disaster as to render the premises unusable, neither LESSOR nor LESSEE shall have any obligation to rebuild the premises. LESSOR may elect either to (i) cancel this lease, or (ii) repair or rebuild the premises within three (3) months; in the latter event, this Lease shall continue, but the rent shall abate during the time the premises are unusable by the tenant by reason of the damage.

12. **Alterations and Repairs:**

a. **Condition and premises:** LESSEE accepts the premises, as well as the improvements and the appurtenant facilities, in their present condition and stipulates with LESSOR that the premises, as well as the improvements and appurtenant facilities, are in good, clean, safe, and tenantable condition as of the start of the term. LESSEE further agrees with and represents to LESSOR that said premises have been inspected by LESSEE and that it has been assured by means independent of LESSOR or any agent of LESSOR of the truth of all facts material to this Lease and that said premises are being leased by LESSEE as a result of its inspection and investigation and not as a result of any representations made by LESSOR or any agent of LESSOR.

b. **Maintenance by LESSOR:** LESSOR shall, at its own cost and expense, keep in good condition and repair the exterior roof, exterior walls (excluding window glass), structural supports, foundation of premises, drainage, interior wall delivery and plumbing for air pressure, vacuum, oxygen and nitrous oxide, unless prevented by causes not the fault of LESSOR, to make the needed repairs. LESSOR shall promptly be reimbursed by LESSEE for the full cost of any repairs made pursuant to this section required because of the negligence or other fault, other than normal and proper use, of LESSEE or its employees or agents or sublessees, if any.

c. **Maintenance by LESSEE:** Except as otherwise expressly provided in Paragraph 12b, LESSEE shall, at its own cost and expense keep and maintain all portions of the premises, as well as all improvements on the premises and all facilities appurtenant to the premises, in good order and repair and in as safe and clean a condition as they were when received by LESSEE from LESSOR, reasonable wear and tear excepted.

d. **Alterations and Liens:** LESSEE shall not make nor permit any other person to make any alternations to the premises nor any improvement thereon or facility appurtenant here to without the prior written consent of LESSOR. LESSEE shall keep the premises free and clear from any and all liens, claims, and demands for work performed, materials furnished, or operations conducted on the premises at the instance or request of LESSEE. Furthermore, any and all alternations, additions, improvements, and fixtures, except furniture and trade fixtures, made or placed, in or on the premises by

LESSEE or any other personal shall, on expiration or sooner termination of this Lease, become the property of LESSOR and remain on the premises.

e. **Inspection by LESSOR:** LESSEE shall permit LESSOR or LESSOR's agents, representatives, or employees to enter the premises at all reasonable times, upon reasonable notice, for the purpose of inspecting the premises to determine whether LESSEE is complying with the terms of this Lease and for the purpose of doing other lawful acts that may be necessary to protect LESSOR's interest in the premises under his Lease or to perform LESSOR's duties under this lease.

f. **Surrender of Premises:** On expiration or sooner termination of this Lease, or any extensions or renewals of this Lease, LESSEE shall promptly surrender and deliver the premises to LESSOR in as good condition as they are now at the date of this Lease, reasonable wear and tear and repairs herein required to be made by LESSOR excepted.

g. Maintenance by LESSOR, as hereinabove set forth in paragraph 12c does not include maintenance or repairs of medical, dental, or computer equipment, or dental chairs.

13. **Assignment and Subletting:** LESSEE may not assign this Lease nor sublease any part of the premises without the prior written consent of LESSOR, which consent shall not be unreasonably withheld.

14. **LESSOR's Remedies:** If LESSEE breaches this Lease and abandons the property before the end of the term, or if their right to possession is terminated by LESSOR because of LESSEE's breach of this Lease, then, LESSOR, at its option, may terminate this Lease. On such termination, LESSOR may pursue any remedy allowed at law or equity, and, in any action to recover damages, may recover from LESSEE:

a. The worth at the time of award of the unpaid rent which has been earned at the time of termination;

b. The worth at the time of award of the amount by which the unpaid rent which has been earned after termination until the time of award exceeds the amount of such rental loss that LESSEE proves could have been reasonably avoided;

c. The worth at the time of award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of such rental loss for such period that LESSEE proves could be reasonably avoided; and

d. Any other amount necessary to compensate LESSOR for all the detriment proximately caused by LESSEE's failure to perform its obligation under this Lease or which, in the ordinary course of things, would be likely to result therefrom. Alternatively, LESSOR may sue to recover rent as it may become due.

16. **Insolvency of LESSEE:** In the event LESSEE becomes insolvent, or substantially all of its assets come into the hands of any duly designated liquidator however named, or a petition for relief under the Bankruptcy Law is filed by or against the LESSEE, or a receiver or trustee is appointed in any suit or proceedings brought by or

against the LESSEE, except a receiver or trustee appointed at the instance of the LESSOR, or if an attachment or execution shall be issued and levied against the property of the LESSEE and the same be not fully released within thirty (30) days, then, in each and every case, the LESSOR may terminate this Lease forthwith, and may retake immediate possession of the leased premises.

17. **Notices:** All notices to be given to the LESSEE may be given in writing personally or by depositing the same in the United States mail, postage prepaid, and addressed to the LESSEE at the leased premises, whether or not the LESSEE had departed from, abandoned or vacated the leased premises. All notices to be given to the LESSOR may be given in writing personally, or by depositing the same in the United States mail, postage prepaid, and addressed to the parties to this Lease as follows:

LESSOR: 3605 Hospital Road, Suite F
Atwater, CA 95301-5173

LESSEE: 3605 Hospital Road, Suite A
Atwater, CA 95301

Notices shall be deemed to be given when delivered personally or, when mailed, two days following the date of mailing.

18. **Attorney's Fees:** If either party employ an attorney to commence any action in any court to enforce a material provision of this Lease, or any part thereof, the prevailing party shall recover its reasonable attorney's fees, expert witness fees, and costs incurred.

19. **Venue:** Venue of any court action herein shall be in the County of Merced, State of California.

20. **Liens, Nuisances:** LESSEE agrees to keep the premises free and clear of and from any and all liens and encumbrances. LESSEE shall not create nor maintain a public or private nuisance or disturb the quiet enjoyment of the other LESSEES of LESSOR, nor violate any state or local law nor ordinance with respect to the use of the premises, nor put the premises to any use which shall cause an increase in fire insurance rates.

21. **Holding Over:** Any holding over after the expiration of said term, with the consent of LESSOR, shall be construed to be a tenancy from month to month, at the rental equal to the amount paid for the last month of the term, and shall otherwise be on the same terms and conditions of this Lease. No holding over shall be construed as a renewal or extension of this Lease.

22. **Miscellaneous:** All of the terms, covenants, and conditions of this Lease shall extend to and be binding upon the heirs, successors, assigns, and personal representatives of all of the parties hereto. Time shall be of the essence in this Lease, and the waiver by LESSOR of any performance of a condition or covenant by LESSEE shall not be construed as a subsequent waiver of performance of the same or any other covenant or condition. No modification or change in the provisions of this Lease shall be

effective unless the agreement or such modification or change shall be in writing and signed by the parties hereto.

LESSOR

BLOSS MEMORIAL HEALTHCARE DISTRICT

Dated: 3/16, 2021

By 
Edward H. Lujano, CEO

LESSEE

CASTLE DENTAL GROUP

Dated: 3/16/, 2021

By 
Mounzer Bachour, DDS

GUARANTEE

If LESSEE is a corporation, I/We individually guarantee performance of all terms of this Lease by it.
