
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: November 22, 2017

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Bloss Memorial Healthcare District will hold their Finance Committee meeting on Thursday, November 30, 2017 at 2:00 pm in the Board Room at 3605 Hospital Road, Atwater, CA 95301.

The next Bloss Memorial Healthcare District **Board of Directors** meeting will be held Thursday, November 30, 2017 at 2:30 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 72 hours in advance of the meeting of the Board of Directors.

BLOSS MEMORIAL HEALTHCARE DISTRICT, A Public Entity (BMHD)
BOARD OF DIRECTORS MEETING
BOARD ROOM
Thursday, November 30, 2017
2:30 pm

AGENDA FOR PUBLIC SESSION

I. CALL TO ORDER

II. ROLL CALL

ACTION

EXHIBIT

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. October 19, 2017 CCDSC Advisory Committee Meeting – **Informational**

B. October 19, 2017 CCDSC Advisory Committee Meeting – **Informational**

C. October 20, 2017 Board of Directors Meeting * 1

VI. FINANCIAL REPORT

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C. October Payroll, Electronic Payments & Check Register * 4

VII. CHIEF EXECUTIVE OFFICER REPORT

VIII. OLD BUSINESS / REPORTS

A. Castle Family Health Centers, Inc Report 5

B. Bloss Board Member Report

IX. NEW BUSINESS

A. Provider Credentialing / Privileging *

B. Approval of CCDSC / CDSC Policies & Procedures *

C. CFHC Request for Additional Lease Space * 6

D. Children’s Dental Surgery Center Lease *

X. AGENDA FOR CLOSED SESSION

Closed Session Items Pursuant the Brown Act will be:
Section 54954.5(h) Report Involving Trade Secrets – Regarding New Services.
Estimated date of public disclosure will be in 2017.
Section 54954.5 (c); 54956.9 Conference with Legal Counsel for Initiation of
Litigation.

XI. NEXT MEETING DATE

XII. ADJOURNMENT

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

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

**BLOSS MEMORIAL HEALTHCARE DISTRICT, A Public Entity (BMHD)
CENTRAL CALIFORNIA DENTAL SURGERY CENTER (CCDSC)
Advisory Committee Meeting
Executive Conference Room
Thursday, October 19, 2017
10:00 am**

CALL TO ORDER

Edward Lujano called the meeting to order at 10:00 am.

ROLL CALL

Present: Edward Lujano, Bloss CEO; Fily Cale, Executive Assistant;
Dawnita Castle, CFO; Kory Billings, Committee Member and
Lloyd Weaver, Committee Member

Others Present: David Thompson, CCDSC

Absent: Kylene Powell, CCDSC Administrator

APPROVAL OF AGENDA

A motion was made / seconded, (Kory Billings / Lloyd Weaver) to approve the October 19, 2017 agenda as presented. Motion carried.

APPROVAL OF MINUTES

A. September 27, 2017 Meeting Minutes, Exhibit 1

A grammatical correction was made.

A motion was made /seconded, (Kory Billings / Lloyd Weaver) to approve the September 27, 2017 meeting minutes with grammatical correction, Exhibit 1. Motion carried.

FINANCIAL REPORT

A. September 2017 Financials, Exhibit 2

Dawnita Castle reported that CCDSC had a slight profit for September 2017, they ended the month treating 163 patients and had a net profit before overhead in the amount of \$13,878 and a net profit of \$7,894 after overhead expenses were allocated.

Although the revenue decreased by 2%, expenses decreased by 7% and the majority of that was in reduction of staff time. Also, the dental supplies had decreased especially with all of the natural disasters we had an IV shortage. She added several accruals to account for it as our cost has gone from \$1.25 to \$6.25 per IV solution.

We also had a worker's comp refund from Zenith Insurance which reduced the employee benefits.

Days in AR decreased from last month to 68 days.

A motion was made /seconded, (Kory Billings / Lloyd Weaver) to approve and accept the September 2017 Financials report, Exhibit 2. Motion carried.

ADMINISTRATOR REPORT

David Thompson reported that CCDSC had reached out to other providers for anesthesia because we have been short staffed. Dr. Croft, dental anesthetists has shown some interest and is working on obtaining his California license as he is out of Utah.

A new quality study on labor rates started in September so that we can enforce the labor rate changes in the October financials.

The Christmas Party will be held on Thursday, December 7, 2017.

David Thompson stated that currently Dr. Solomon is doing a fantastic job as Medical Director for both CCDSC / CDSC, but he doesn't practice and there is some merit to having a practicing doctor as medical director.

There is some discussion in having Christopher Chiu, DDS, who has taken over the anesthesia program after Dr. Marquez left asking him to step up to become the medical director. We would need to recommend and approve at the full board. He would like to do this as soon as we can because time is of the essence. He would like to make a recommendation now and have it rectified at the November board of directors meeting.

David Thompson is recommending that Christopher Chiu, DDS, will be the acting Medical Director for CCDS effective November 1, 2017 and the removal of Dr. Solomon from that position. This discussion will continue.

OLD BUSINESS

None

NEW BUSINESS

A. Policies & Procedures Recommendation, Exhibit 4

None

B. Credentialing Privileging Recommendation

None.

AGENDA FOR CLOSED SESSION

Section 1461 of the Health and Safety Code – Quality Management.

NEXT MEETING DATE

The next Advisory Committee meeting will be held Tuesday, November 16, 2017 at 10:00 am.

ADJOURNMENT

As there was no further business, the meeting adjourned into closed session at 10:21 am for the Quality Report under Section 1461 Quality Management.

The meeting reconvened into public session at 10:34 am and adjourned. No action taken.

Respectfully Submitted,

Fily Cale
Executive Assistant

Kory Billings
Advisory Committee Chair

**BLOSS MEMORIAL HEALTHCARE DISTRICT, A Public Entity (BMHD)
U.S. DENTAL SURGERY
d/b/a CHILDREN'S DENTAL SURGERY CENTER (CDSC)
Advisory Committee Meeting
Executive Conference Room
Thursday, October 19, 2017
10:30 am**

PUBLIC COMMENTS

None.

CALL TO ORDER

Edward Lujano, Bloss CEO, called the meeting to order at 10:35 am.

ROLL CALL

Present: Edward Lujano, Bloss CEO; Fily Cale, Executive Assistant;
Dawnita Castle, CFO; Rosalie Heppner, Committee Member and
Glenn Arnold, Committee Member

Others Present: David Thompson, CDSC

Absent: Kylene Powell, CDSC Administrator

APPROVAL OF AGENDA

A motion was made / seconded, (Rosalie Heppner / Glenn Arnold) to approve the October 19, 2017 agenda as presented. Motion carried.

APPROVAL OF MINUTES

A. September 26, 2017 Meeting Minutes, Exhibit 1

A motion was made / seconded, (Glenn Arnold / Rosalie Heppner) to approve and accept the September 26, 2017 Meeting minutes as presented, Exhibit 1. Motion carried.

FINANCIAL REPORT

A. September 2017 Financials, Exhibit 2

Dawnita Castle reported that CDSC had treated 101 patients in September 2017 and recorded a net loss in the amount of \$83,562. The loss is due to the low patient volumes and revenue per case was \$1,390 and expense per case was \$2,226.

Operation cash balance is at \$422,000 and there is \$13,000 in Delta Dental checks that had been delivered to the post office box CDSC had in Turlock. This post office box has been closed and the post office returned the checks to Delta Dental. Delta Dental will issue new checks which will take approximately six weeks.

A motion was made / seconded, (Rosalie Heppner / Glenn Arnold) to approve and accept the September 2017 Financial Report as presented, Exhibit 2. Motion carried.

ADMINISTRATOR REPORT, EXHIBIT 3

David Thompson reported that for the month of September 2017, the annual fire inspection was completed successfully. They had two days with 8 or greater patients scheduled with no cancellations.

Dr. Croft is a dental anesthesiologist in Utah who is interested in joining CDSC. He is working on the credentialing process as he still needs his California license.

A new quality study for labor rates was implemented and we are trying get it to an average of \$200 per case for the variable employees. We should see the results in October as we used the September quality study.

We has not hear any current news on the 40% increase and this has still not been factored into the financials.

The Plan of Corrections from CMS was received in September and CDSC's deemed status has been restored.

The Christmas Party will be on Thursday, September 7, 2017.

OLD BUSINESS

None.

NEW BUSINESS

A. Policies & Procedures Recommendation, Exhibit 4

None.

B. Credentialing / Privileging Recommendation

None.

AGENDA FOR CLOSED SESSION

Section 1461 of the Health and Safety Code – Quality Management.

NEXT MEETING DATE

The next Advisory Committee Meeting will be held Thursday, November 16, 2017 at 10:30 a.m.

ADJOURNMENT

As there was no further business, the meeting adjourned into closed session at 10:44 am for the Quality Report under Section 1461 Quality Management.

The meeting reconvened into public session at 11:12 am and adjourned. No action taken.

Respectfully Submitted,

Rosalie Heppner
Advisory Committee Chair

Edward Lujano
Chief Executive Officer

**BLOSS MEMORIAL HEALTHCARE DISTRICT (BMHD)
BOARD OF DIRECTORS MEETING
BOARD ROOM
Friday, October 20, 2017
2:00 pm**

CALL TO ORDER

Rosalie Heppner, Board Chair, called the meeting to order at 2:01 pm.

ROLL CALL

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

Others Present: Edward Lujano, CEO; Fily Cale, Executive Assistant; Dawnita Castle, CFO; Ralph Temple, Jr., Legal Counsel; David Thompson, CCDSC/CDSC; Cora Gonzales, CFHC Board; Sonny Vasquez, CCDSC/CDSC; Sabrina Cooksey; Peter Mojarras, CFHC COO and Michael Murareb, ThiesenDueker / LPL Financial

Absent: None

APPROVAL OF AGENDA

A motion was made/seconded, (Lloyd Weaver / Glenn Arnold) to approve the October 20, 2017 agenda as presented. Motion carried.

PUBLIC COMMENTS

None.

APPROVAL OF MINUTES

- A. September 26, 2017 CCDSC Advisory Committee Meeting - **Informational**
- B. September 26, 2017 CDSC Advisory Committee Meeting – **Informational**
- C. September 28, 2017 Board of Directors Meeting, Exhibit 1

A grammatical correction was made to the September 28, 2017 Board of Directors meeting.

Lloyd Weaver stated that after Closed Session on September 28, 2017, they had directed the CEO to send a letter to LAFCO and this was not noted in the minutes. Fily Cale stated that this item had not been disclosed after Closed Session.

Ralph Temple, Legal Counsel, stated that during Executive Session at the September 28, 2017 he brought up the request that we had from LAFCO if there were any objections to their making a final

affirmative determination regarding a development down near Hwy 99 as our comments were solicited. That was discussed and the Board indicated they would write a letter as there was no objection to the project.

A motion was made / seconded, (Kory Billings / Alfonse Peterson) to approve and accept the September 28, 2017 Board of Directors Meeting with grammatical correction, Exhibit 1. Motion carried.

Rosalie Heppner, Chair announced that we will move IX C Thiesendueker / LPL Financial Report under New Business at this time.

IX. C. Thiesendueker / LPL Financial Report

Michael Muhareb, Associate & LPL Financial Consultant reported that Thiesendueker has been the investment advisors on a two accounts for BMHD for about 18 months. He provided an update on our position. He will forward performance numbers electronically as he did not have them available at this time.

FINANCIAL REPORT

A. September 28, 2017 Finance Committee Meeting Minutes, Exhibit 2

A motion was made / seconded, (Glenn Arnold / Kory Billings) to accept the September 28, 2017 Finance Committee Meeting Minutes as presented. Exhibit 2. Motion carried.

B. Chief Financial Officer Report, Exhibit 3

Dawnita Castle, CFO, reported that in the month of September 2017, BMHD had recorded a net loss before depreciation in the amount of \$43,235 and including depreciation a net loss of \$103,015. The total loss includes a profit from CCDSC in the amount of \$13,878 a 65% profit loss from CDSC in the amount of \$54,315 and expenses from SKDSC in the amount of \$21,000.

Kory Billings commented that the Days Cash on Hand are dwindling down from 139 days to 143 days.

Dawnita Castle stated that this month, October she was able to pay back two payrolls from CDSC. There is a year's worth of payrolls and she was able to pay back two.

C. September 2017 Payroll, Electronic Payments and Check Register, Exhibit 4

A motion was made / seconded, (Alfonse Peterson / Lloyd Weaver) to approve and accept the September 2017 Payroll in the amount \$66,647.44 and Accounts Payable in the amount of \$365,040.51 for a total Disbursement of \$431,687.95, Exhibit 4. Motion carried.

CHIEF EXECUTIVE OFFICER'S REPORT

Edward Lujano, CFO, reported that we still have not heard on the retro (July 1st) payments from DHS for both CCDSC and CDSC. Once it is received it will improve the cash flow and bottom line.

Last month the board had requested that Sonny Vasquez, Marketing, to go out and meet with key centers for CDSC, as there had been 13 or 14 of our higher referring facilities. Sonny Vasquez forwarded a report to Edward Lujano, David Thompson and Kylee Powell. Our referring partners are still willing to refer to CDSC, but they are giving the patients the option of where they would like to go and they are choosing Salida over CDSC. Some offices have referral forms from Salida, which means that Salida is marketing to our community partners within the local area. We have had an 80% drop from some of the offices, this is patient drive not facility driven. Anything north of Sacramento is still being referred to CDSC.

CDSC numbers dropped in September, they scheduled 129 patients for September 2017 and completed 101 cases, compared to this time last September were they saw 209 patients. There were 178 referrals for the month compared to 203 the month before. As of yesterday CDSC was at 82 completed cases and they have six more days to go. They had 15 OR days compared to 19 they normally have because of the holiday and one provider was out for half of the month. Sonny Vasquez visited 146 offices inclusive of the one he had conversations with.

CCDSC scheduled 238 patients for September 2017 and completed 163 compared to one year ago where they were at 191. There was a decrease because we had providers go to CDSC due to needed coverage at CDSC. As of yesterday they are at 104 completed cases with 6 more days to go. CCDSC received 245 referrals for the month and Sonny Vasquez visited 127 offices and participated in a health fair with Human Services Department.

OLD BUSINESS / REPORTS

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

Peter Mojarras reported that the clinics continue to do well, with over 10,000 patients last month. As CFHC continues to grow we need to strengthen and position ourselves through patient visits. We are not grant funded and we don't foresee that in the next year. Next year the federal program will come and look at CFHC and on how they are performing.

Each month CFHC looks at productivity and quality of care, which means that as we provide good care and add more providers we need the allocation of space. The most critical part to sustain ourselves is through patient visits. We just hired an internist several weeks ago and several pediatricians are in the pipeline in discussion.

We have run into the challenge of space and are requesting additional space, although it means affecting MFA. They have a long standing relationship and provide OB services. We would also consider the negotiation of one hallway if that was an option. However, as CFHC we don't have another option. The Winton Clinic will take another year before it is completed.

Kory Billings commented that the Board has heard the request for space and at their last meeting they had requested additional information, which will be provided in Closed Session under Trade Secrets. This item will be placed on the November board agenda to be addressed in public.

B. Bloss Board Member Report

None.

NEW BUSINESS

A. Provider Credentialing / Privileging

None.

B. Approval of CCDSC / CDSC Policies & Procedures

None.

C. ThiesenDueker / LPL Financial Report

This item presented moved and reported under Section V of the agenda.

D. Approval of Draft FYE 2017 Audited Financial Statements, Exhibit 6

Dawnita Castle, CFO, reported that she had spoken to John Blomberg, CPA and he wanted the board of directors to know that the audit had gone very well with no significant adjustments. He felt that the Meditech system that we have is DOS based, old and outdated. He felt that we should upgrade in the future. Ralph Temple, Legal Counsel, confirmed that BMHD and CFHC share the Meditech system and what would happen if BMHD upgraded their system. Edward Lujano stated that it would be more cost effective to do this jointly and he is familiar with a few systems. Dawnita Castle will be attending a conference next week and she will be exposed to new vendors who carry these systems. Edward Lujano stated that Meditech interfaces with laboratory, materials management and runs all of the surgery centers' accounts. We would need a system to do all of it or have two separate systems.

She reviewed and discussed the audited financial statements with the Board of Directors.

A motion was made / seconded, (Glenn Arnold / Kory Billings) to accept the recommendation of the Finance Committee to approve and accept the Draft FYE 2017 Audited Financial Statements, Exhibit 6. Motion carried.

AGENDA FOR CLOSED SESSION

Ralph Temple, Legal Counsel, reported that there will be a discussion on long term planning and trade secrets pursuant to Section 54954.5(h) Involving Trade Secrets and joining will be David Thompson.

There will be a Performance Improvement report under Section 1461 of the Health and Safety Code – Quality Management.

NEXT MEETING DATE

The next Board of Directors Meeting will be held on Thursday, November 30, 2017 at 2:30 p.m. in the Board Room.

The Finance Committee will also meet on Thursday, November 30, 2017 at 2:00 p.m. in the Board Room.

ADJOURNMENT

As there was no further business, the meeting adjourned into closed session at 3:02 pm.

The meeting reconvened into public session at 4:03 pm. No action taken.

Kory Billings stated that there will be a Special Board meeting on November 16, 2017 starting at 9:00 am in conjunction with both the CCDSC and CDSC Advisory Committee meetings.

Respectfully Submitted,

Fily Cale
Executive Assistant

Alfonse Peterson
Board Secretary

**BLOSS MEMORIAL HEALTHCARE DISTRICT, A Public Entity (BMHD)
FINANCE COMMITTEE MEETING
BOARD ROOM
Friday, October 20, 2017
1:30 p.m.**

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

Others Present: Rosalie Heppner, Board Chair; Kory Billings, Board Vice Chair
and Dorothy Bizzini, Castle Board Chair

Absent: None

CALL TO ORDER

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

APPROVAL OF AGENDA

A motion was made/seconded, (Edward Lujano / Glenn Arnold) to approve the October 20, 2017 agenda as presented. Motion carried.

PUBLIC COMMENTS

None.

APPROVAL OF FINANCE COMMITTEE MINUTES

A. September 28, 2017 Finance Committee Minutes, Exhibit 1

A motion was made / seconded, (Glenn Arnold / Edward Lujano) to approve and accept the September 28, 2017 Finance Committee Minutes as presented, Exhibit 1. Motion carried.

REVIEW OF DISTRICT FINANCIAL STATEMENTS, EXHIBIT 2

Dawnita Castle, CFO, reported that BMHD had a total net loss before depreciation in the amount of \$43,235. It is a slight improvement from last month as in August BMHD recorded a net loss in the amount of \$70,125. Operating cash on hand was at 139 days.

A. Recommendation of FYE 2017 Audited Financials, Exhibit 2a

Dawnita Castle, CFO, reported that John Blomberg, CPA, had stated that there were no significant audit adjustments. Also, Meditech is DOS based and is somewhat outdated BMHD may want to someday update our accounting system. Dawnita Castle is looking for a complete accounting system from start to finish.

The financial statements were prepared and submitted with unqualified opinion from the auditor. Total operating revenues were \$3,828,388 and non-operating revenues were \$1,374,667. Ending the FY 2017 total revenues for BMHD were \$5,203,055 and total expenses were \$5,099,040 with depreciation expense of \$720,733 and this will end the FY 2017 with a net profit income in the amount of \$104,016 after depreciation. We excluded the depreciation expense and we are looking at an \$824,000 profit.

Last year BMHD had a loss of \$230,590.

A motion was made / seconded, (Edward Lujano / Glenn Arnold) to approve and accept the Review of District Financial Statements, Exhibit 2. And to recommend the approval of the FYE 2017 Audited Financials to the Board of Directors, Exhibit 2a. Motion carried.

CCDSC FINANCIAL REPORT, EXHIBIT 3

Dawnita Castle stated for September 2017, CCDSC had recorded a profit. CCDSC ended the month treating 163 patients and had a net profit before overhead in the amount of \$13,878 and a net profit \$7,894 after overhead.

SKDSC FINANCIAL REPORT, EXHIBIT 4

Dawnita Castel reported that SKDSC total expenses for September 2017 was \$21,370.

CDSC FINANCIAL REPORT, EXHIBIT 5

Dawnita Castle reported that for the month September 2017, CDSC treated 101 patients and recorded a net loss in the amount of \$83,562.

DENTAL CENTERS' COMPARISON, EXHIBIT 6

The Dental Center's Comparison report was reviewed and discussed.

Dawnita Castle reported that by the 12-month comparison, there is a profit of \$509,633 for CCDSC and a net loss of \$424,755 for CDSC.

A motion was made / seconded, (Glenn Arnold / Edward Lujano) to approve and accept the CCDSC Financial Report, Exhibit 3; SKDSC Financial Report, Exhibit 4; CDSC Financial Report, Exhibit 5 and Dental Centers' Comparison, Exhibit 6 as presented. Motion carried.

WARRANTS AND PAYROLL

A. September 2017 Payroll, Electronic Payments & Check Register, Exhibit 7

Dawnita Castle reported Kory Billings had questioned Tripp Security System last month and she has followed up on this. At one time there were 3 panic buttons, one in urgent care, castle dental and the business office, this is a BMHD expense at a cost of \$20.00 per month. Currently the only panic button that is working is in urgent care, the other 2 have been disconnected. We are not aware of who installed the panic buttons, they may have been installed when this site was a base hospital.

If the urgent care button is pushed it will be answered at Tripp Security and they will contact the police. We don't have a security guard on the weekends and this would be a positive tool to keep. The Tripp Security fee will default to CFHC.

A motion was made/seconded, (Glenn Arnold / Edward Lujano) to approve and accept the September 2017 Total Payroll in the amount \$66,647.44 and Total Accounts Payable in the amount of \$365,040.51 for a total Grand Total Disbursement of \$431,687.95, Exhibit 7. Motion carried.

DISCUSSION

None.

AGENDA FOR CLOSED SESSION

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

NEXT MEETING DATE/ADJOURNMENT

The next Finance Committee meeting will be held on Thursday, November 30, 2017 at 2:00 pm.

As there was no further business, the meeting adjourned at 1:48 p.m.

Respectfully Submitted,

Fily Cale
Executive Assistant

Alfonse Peterson
Committee Chair

CHIEF FINANCIAL OFFICER REPORT

BMHD had a total net loss before depreciation of \$18,418 for the month compared to a net gain of \$17,806 last year. Expenses include \$21,358 of SKDSC costs.

The October 31, Operating Cash Balance was \$1,515,770 and Days Cash On Hand was 146 Days*. In September the DCH was 139 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.

Dental Surgery Center Summary :

	CCDSC	SKDSC	CDSC	COMBINED
Net Operating Revenue and Non-Operating	\$210,274	\$0	\$174,590	\$384,864
Operating Expenses	192,845	21,358	232,509	446,712
Net Income (Loss)	17,429	(21,358)	(57,918)	(61,848)
BMHCD % Share	100.00%	100.00%	65.00%	N/A
Bloss Share of Net Income (Loss)	\$17,429	(\$21,358)	(\$37,647)	(\$41,576)

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

	Oct-17	Oct-16	VARIANCE *	%	Y-T-D Oct-17	Y-T-D Oct-16	Y-T-D VARIANCE *	Y-T-D %
Net Patient Revenue	209,440	227,289	(17,849)	-7.85%	819,802	1,005,924	(186,122)	-18.50%
Other Operating Revenue	170	928	(758)	-81.66%	6,730	5,024	1,706	33.96%
Total Net Operating Revenue	209,610	228,217	(18,607)	-8.15%	826,532	1,010,948	(184,416)	-18.24%
Operating Expenses Excluding Depreciation	321,164	350,092	28,928	8.26%	1,338,313	1,499,720	161,407	10.76%
Net Operating Income (Loss) Before Depreciation	(111,554)	(121,875)	10,321	8.47%	(511,781)	(488,772)	(23,009)	-4.71%
Net Non Operating-Gains/Losses	1,864	(2,637)	4,501	N/A	11,766	3,818	7,948	208.17%
Gain/Loss on Investments	(37,647)	880	38,527	4378.07%	(201,461)	(48,211)	(153,250)	-317.87%
CDSC Gain/Losses	128,919	141,438	12,519	8.85%	512,256	583,584	(71,328)	-12.22%
All Other Non-Operating Gains/Losses	93,136	139,661	46,545	33.32%	322,561	539,191	(216,630)	-40.18%
Total Net Non-Operating Income: Losses/Gains	(18,418)	17,806	(36,224)	-203.44%	(189,220)	50,419	(239,639)	-475.30%
Total Net Income (Loss) Before Depreciation	59,509	59,441	68	0.11%	239,117	246,141	(7,024)	-2.85%
Depreciation Expense	(77,927)	(41,635)	(36,292)	87.17%	(428,337)	(195,722)	(232,615)	118.85%
Net Income (Loss) After Depreciation								

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

Bloss Memorial HealthCare District
 Operations Summary Report
 Four Months Ending October 31, 2017

Total CFHC Inc. encounters for the month are 10,560 compared to 10,827 last year, a 2.47% decrease.
 CCDSC cases for the month are 3.57 % less than last year.
 CDSC cases for the month are 49.79% less than last year.

Department	Oct-17	Oct-16	VARIANCE	%	Y-T-D Oct-17	Y-T-D Oct-16	VARIANCE *	%
Castle Clinic	3,969	3,700	269	7.27%	15,159	13,639	1,520	11.14%
Specialty Clinic	632	912	(280)	-30.70%	2,544	3,761	(1,217)	-32.36%
Bloss Clinic	819	1,141	(322)	-28.22%	3,376	4,045	(669)	-16.54%
Winton Clinic	736	786	(50)	-6.36%	3,076	2,837	239	8.42%
Urgent Care	328	425	(97)	-22.82%	1,100	2,227	(1,127)	-50.61%
Lab	1,810	1,674	136	8.12%	7,330	6,784	546	8.05%
Radiology	575	570	5	0.88%	2,116	2,147	(31)	-1.44%
Behavioral Health	222	222	0	0.00%	836	884	(48)	-5.43%
Adult Day Health Care	598	518	80	15.44%	2,226	2,026	200	9.87%
Optometry	561	552	9	1.63%	1,859	2,159	(300)	-13.90%
Ophthalmology	310	327	(17)	-5.20%	1,370	1,248	122	9.76%
TOTAL ENCOUNTERS	10,560	10,827	(267)	-2.47%	40,992	41,757	(765)	-1.83%

CASTLE NEW PATIENTS

Department	Oct-17	Oct-16	VARIANCE	%	Y-T-D Oct-17	Y-T-D Oct-16	VARIANCE *	%
Central California Dental Surgery Center	162	168	(6)	-3.57%	641	769	(128)	-16.64%
Childrens Surgery Center	118	235	(117)	-49.79%	441	882	(441)	-50.00%
Total Surgery Center Visits	280	403	(123)	-30.52%	1,082	1,651	(569)	-34.46%

Bloss Memorial Health Care District

October-17 Working Days 20 and 1 Holiday
 October-16 Working Days 21 and 1 Holiday

Bloss Memorial HealthCare District
 Operations Summary Report
 Four Months Ending October 31, 2017

BMHD FULL TIME EQUIVALENTS SUMMARY :

(See FTE report included in Financial Reports for detail)

	Oct-17	Oct-16	VARIANCE	%	Y-T-D Oct-17	Y-T-D Oct-16	Y-T-D VARIANCE *	Y-T-D %
EMPLOYEE FTE'S	12.56	13.06	0.50	3.83%	13.23	12.83	(0.40)	-3.12%
CONTRACT FTE'S	3.71	5.65	1.94	34.34%	4.25	5.48	1.23	22.45%
TOTAL FTE'S	16.27	18.71	2.44	13.04%	17.48	18.31	0.83	4.53%

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

Full Time Equivalent - Employees for the month are 3.83% less than the prior year with 0.50 less FTE'S

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

Department	Cur. Mo. Increase (DECREASE)	YTD Increase (DECREASE)	Reason
All other departments < 1 fte var	(0.50)	0.40	Various departments less than 1 fte variance.
	(0.50)	0.40	Brackets () indicate a decrease (favorable) variance

**OCTOBER 2017 PAYROLL, ELECTRONIC PAYMENTS
& CHECK REGISTER**

Bloss Memorial Healthcare District
Payroll, Accounts Payable and Funds Disbursements - Summary
Month of October-17

Payroll			<u>\$127,428.22</u>
Total Payroll			<u>\$127,428.22</u>

Accounts Payable:

A/P Checks	Bloss	<u>\$161,838.41</u>	<u>\$161,838.41</u>
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Auto Debits		\$151.33	
Electronic Payments to Castle on Payable		<u>\$33,941.38</u>	
Total Auto Debits and Electronic Transfers		<u>\$34,092.71</u>	<u>\$34,092.71</u>

Electronic Payments - ACH		<u>\$179,634.84</u>	<u>\$179,634.84</u>
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Total Accounts Payable			<u>\$375,565.96</u>
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Grand Total Disbursements			<u>\$502,994.18</u>
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BLOSS	Payroll Disbursements for		October-17
	Payroll dated		
	10/05/17	10/20/17	Total
Earnings			
Regular			-
Overtime			-
Vacation			-
Sick			-
Holiday			-
Salary	4,125.00	4,125.00	8,250.00
Double Time			-
Call In			-
On Call			-
Other			-
			-
CCDSC Surgery Center	26,363.62	26,948.44	53,312.06
CDSC Surgery Center	26,937.18	24,010.95	50,948.13
			-
Total	57,425.80	55,084.39	112,510.19
			-
Deductions			-
FICA (+)	4,374.16	4,194.99	8,569.15
Insurance (-)	(975.28)	(942.51)	(1,917.79)
Emp Deduction(-)/Reimb(+)	2,832.29	1,423.10	4,255.39
Christmas Fund (-)	(95.00)	3,470.00	3,375.00
Process Fee (+)	430.34	205.94	636.28
			-
Total	6,566.51	8,351.52	14,918.03
			-
			-
Net Payroll	\$ 63,992.31	\$ 63,435.91	127,428.22

RUN DATE: 11/01/17
 RUN TIME: 1218
 RUN USER: COOKS

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

C
 FROM 10/01/17 TO 10/31/17

DATE	CHECK NUM	VENDOR NUM	VENDOR NAME	STATUS	STATUS DATE	AMOUNT	
						ISSUED/ CLEARED	VOIDED/ UNCLAIMED
10/05/17	037448	B0197	MASS MUTUAL	ISSUED	10/05/17	35838.16	
10/05/17	037449	B0060	GLENN ARNOLD	VOIDED	10/09/17		300.00
			REMITTED TO: ARNOLD, GLENN				
			COMMENT: VOID BY MISTAKE, REPRINT. MC.				
10/05/17	037450	B0223	BEVERLY YI ZHANG HONG	ISSUED	10/05/17	2038.60	
10/05/17	037451	B0109	KORY BILLINGS	ISSUED	10/05/17	200.00	
10/05/17	037452	B0054	CASTLE FAMILY HEALTH CENTERS, INC.	ISSUED	10/05/17	6200.00	
10/05/17	037453	B0153	GEIL ENTERPRISES INC.	ISSUED	10/05/17	2948.40	
10/05/17	037454	B0032	GRAINGER INDUSTRIAL SUPPLY	ISSUED	10/05/17	430.34	
10/05/17	037455	B0016	GUARDCO SECURITY SERVICES	ISSUED	10/05/17	9225.00	
10/05/17	037456	B0043	INSIGHT EMPLOYEE ASSISTANCE PRGRM	ISSUED	10/05/17	58.86	
10/05/17	037457	B0059	LLOYD WEAVER	ISSUED	10/05/17	200.00	
10/05/17	037458	K0003	M-D VENTURES	ISSUED	10/05/17	19007.11	
10/05/17	037459	B0017	MERCED COUNTY - CASTLE AIRPORT	ISSUED	10/05/17	7098.72	
10/05/17	037460	B0133	MERCED/MODESTO COMMERCIAL SWEEPERS	ISSUED	10/05/17	240.00	
10/05/17	037461	B0064	PETERSON, ALFONSE	ISSUED	10/05/17	200.00	
10/05/17	037462	B0018	PG&E (0665563335-9)	ISSUED	10/05/17	15.63	
10/05/17	037463	B0019	PG&E (1832229927-4)	ISSUED	10/05/17	9.03	
10/05/17	037464	B0014	PG&E (4705482162-5)	ISSUED	10/05/17	6258.34	
10/05/17	037465	K0044	PG&E (8300477674-2)	ISSUED	10/05/17	167.90	
10/05/17	037466	B0042	RALPH TEMPLE	ISSUED	10/05/17	1530.00	
10/05/17	037467	B0061	ROSALIE HEPPNER	ISSUED	10/05/17	200.00	
10/05/17	037468	K0057	SOCAL GAS (090 828 6930 7)	ISSUED	10/05/17	15.78	
10/05/17	037469	B0235	STANTON E. SCHULER	ISSUED	10/05/17	2230.80	
10/05/17	037470	B0102	THE HARTFORD	ISSUED	10/05/17	232.40	
10/05/17	037471	B0013	WEST COAST GAS CO, INC.	ISSUED	10/05/17	2865.69	
10/05/17	037472	B0056	CARDMEMBER SERVICE-4798510044719140	ISSUED	10/05/17	2.00	
10/05/17	037473	B0015	WINTON, WATER & SANITARY DISTRICT	ISSUED	10/05/17	72.80	
10/10/17	037474	B0060	GLENN ARNOLD	ISSUED	10/10/17	300.00	
			REMITTED TO: ARNOLD, GLENN				
10/10/17	037475	B0072	BETA HEALTHCARE GROUP	ISSUED	10/10/17	2846.42	
10/10/17	037476	K0035	CITY OF PARLIER	ISSUED	10/10/17	228.00	
10/10/17	037477	B0148	DMV RENEWAL	ISSUED	10/10/17	20.00	
			REMITTED TO: DMV				
10/10/17	037478	B0032	GRAINGER INDUSTRIAL SUPPLY	ISSUED	10/10/17	0.03	
10/10/17	037479	B0225	HOFFMAN SECURITY	ISSUED	10/10/17	558.00	
10/10/17	037480	K0034	JOE S RODRIGUEZ	ISSUED	10/10/17	375.00	
10/10/17	037481	B0239	MODERN AIR MECHANICAL	ISSUED	10/10/17	327.00	
10/10/17	037482	B0218	JOHN P. NIEMOTKA	ISSUED	10/10/17	400.00	
			REMITTED TO: OCTANE ADVERTISING & DESIGN				
10/10/17	037483	B0200	UPS	ISSUED	10/10/17	37.16	
10/16/17	037484	B0216	BLOMBERG & GRIFFIN ACCOUNTANCY	ISSUED	10/16/17	6950.00	
10/16/17	037485	B0052	BLUE SHIELD OF CALIFORNIA	ISSUED	10/16/17	205.89	
10/16/17	037486	B0159	CAHHS	ISSUED	10/16/17	264.00	
10/16/17	037487	B0226	NONSTOP ADMIN. & INS. SRVCS, INC.	ISSUED	10/16/17	8880.00	
10/19/17	037488	B0026	MERCED IRRIGATION DISTRICT	ISSUED	10/19/17	28157.19	
10/19/17	037489	B0027	CITY OF ATWATER (010448-000)	ISSUED	10/19/17	794.37	

RUN DATE: 11/01/17
 RUN TIME: 1218
 RUN USER: COOKS

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

C
 FROM 10/01/17 TO 10/31/17

DATE	CHECK NUM	VENDOR NUM	VENDOR NAME	STATUS	STATUS DATE	AMOUNT	
						ISSUED/ CLEARED	VOIDED/ UNCLAIMED
10/19/17	037490	B0134	CITY OF ATWATER (020161-000)	ISSUED	10/19/17	654.34	
10/19/17	037491	B0132	CLARK PEST CONTROL	ISSUED	10/19/17	299.00	
10/19/17	037492	B0025	MERCED IRRIGATION DISTRICT	ISSUED	10/19/17	319.59	
10/19/17	037495	B0223	BEVERLY YI ZHANG HONG	ISSUED	10/24/17	4938.20	
10/24/17	037493	B0199	ANTHEM BLUE CROSS L AND H	ISSUED	10/24/17	1733.20	
10/24/17	037494	B0060	GLENN ARNOLD	ISSUED	10/24/17	300.00	
			REMITTED TO: ARNOLD, GLENN				
10/24/17	037496	B0109	KORY BILLINGS	ISSUED	10/24/17	200.00	
10/24/17	037497	B0052	BLUE SHIELD OF CALIFORNIA	ISSUED	10/24/17	205.89	
10/24/17	037498	B0037	CARDMEMBER SERVICE-4798510044371793	ISSUED	10/24/17	1286.12	
10/24/17	037499	B0032	GRAINGER INDUSTRIAL SUPPLY	ISSUED	10/24/17	125.45	
10/24/17	037500	B0038	KINGS VIEW WEC	ISSUED	10/24/17	3518.00	
10/24/17	037501	B0059	LLOYD WEAVER	ISSUED	10/24/17	200.00	
10/24/17	037502	B0064	PETERSON, ALFONSE	ISSUED	10/24/17	200.00	
10/24/17	037503	B0007	RON GRISSOM	ISSUED	10/24/17	30.00	
10/24/17	037504	B0061	ROSALIE HEPPNER	ISSUED	10/24/17	200.00	
TOTAL \$						161838.41	300.00

Bloss Memorial Healthcare District
October-17

Bloss Electronic Transfers

Bloss Auto Debits

Bank Fees	151.33
Total	<u><u>151.33</u></u>

Electronic Payments to Castle on Payabl	33,941.38
Total	<u><u>33,941.38</u></u>

Grand Total	<u><u>34,092.71</u></u>
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RUN DATE: 11/01/17
 RUN TIME: 1157
 RUN USER: COOKS

Castle Family Health Centers AP **LIVE**
 ELECTRONIC PAYMENT NUMBER LIST

C
 FROM D111987 TO D112528

PMT NUM	DATE	VENDOR NUM	VENDOR NAME	STATUS	STATUS DATE	AMOUNT	
						ISSUED	VOIDED
D111991	10/04/17	B0149	SUNG Y. CHO DDS, INC.	DIRECTD	10/04/17	18808.75	
D111992	10/04/17	B0178	CHRISTOPHER CHIU, D.D.S., INC.	DIRECTD	10/04/17	15960.00	
D111993	10/04/17	B0213	WONIL EDWARD JUNG DDS, INC.	DIRECTD	10/04/17	4600.00	
D111994	10/04/17	B0219	KAREN ANN DROSDIK	DIRECTD	10/04/17	9591.00	
D111995	10/04/17	B0221	CHRISTINA BAEK, DDS, PC	DIRECTD	10/04/17	13500.00	
D111996	10/04/17	B0222	FUTURE HEALTH SERVICES, LLC	DIRECTD	10/04/17	7500.00	
D111997	10/04/17	B0224	PERRY SOLOMON	DIRECTD	10/04/17	5000.00	
D112387	10/19/17	B0149	SUNG Y. CHO DDS, INC.	DIRECTD	10/19/17	14926.50	
D112388	10/19/17	B0178	CHRISTOPHER CHIU, D.D.S., INC.	DIRECTD	10/19/17	18344.75	
D112389	10/19/17	B0213	WONIL EDWARD JUNG DDS, INC.	DIRECTD	10/19/17	9000.00	
D112390	10/19/17	B0219	KAREN ANN DROSDIK	DIRECTD	10/19/17	8858.94	
D112391	10/19/17	B0221	CHRISTINA BAEK, DDS, PC	DIRECTD	10/19/17	11100.00	
D112392	10/19/17	B0222	FUTURE HEALTH SERVICES, LLC	DIRECTD	10/19/17	7500.00	
D112528	10/31/17	C0001	OMNI MEDICAL PROPERTIES	DIRECTD	10/31/17	34944.90	
TOTAL \$						179634.84	

CASTLE FAMILY HEALTH CENTERS, INC REPORT

Castle Family Health Centers Inc
 Operations Summary Report
 Four Months Ending October 31, 2017

Total encounters for the month are 10,560 compared to 10,827 last year, a 2.47% decrease.

Department	Oct-17	Oct-16	VARIANCE	%	Y-T-D Oct-17	Y-T-D Oct-16	Y-T-D VARIANCE *	Y-T-D %
Castle Clinic	3,969	3,700	269	7.27%	15,159	13,639	1,520	11.14%
Specialty Clinic	632	912	(280)	-30.70%	2,544	3,761	(1,217)	-32.36%
Bloss Clinic	819	1,141	(322)	-28.22%	3,376	4,045	(669)	-16.54%
Winton Clinic	736	786	(50)	-6.36%	3,076	2,837	239	8.42%
Urgent Care	328	425	(97)	-22.82%	1,100	2,227	(1,127)	-50.61%
Lab	1,810	1,674	136	8.12%	7,330	6,784	546	8.05%
Radiology	575	570	5	0.88%	2,116	2,147	(31)	-1.44%
Behavioral Health	222	222	0	0.00%	836	884	(48)	-5.43%
Adult Day Health Care	598	518	80	15.44%	2,226	2,026	200	9.87%
Optometry	561	552	9	1.63%	1,859	2,159	(300)	-13.90%
Ophthalmology	310	327	(17)	-5.20%	1,370	1,248	122	9.78%
TOTAL ENCOUNTERS	10,560	10,827	(267)	-2.47%	40,992	41,757	(765)	-1.83%

October-17 Working Days 20 and 1 Holiday
 October-16 Working Days 21 and 1 Holiday

NEW PATIENTS	Oct-17	Oct-16	VARIANCE *	%	Y-T-D Oct-17	Y-T-D Oct-16	Y-T-D VARIANCE *	Y-T-D %
	377	299	78	26.09%	1,892	1,310	582	44.43%

CFHC REQUEST FOR ADDITIONAL LEASE SPACE



Castle Family
Health Centers, Inc.

To: The Bloss Board of Directors

Fm: The Castle Board of Directors, Dorothy Bizzini, Chairperson

Date: September 11, 2017

Re: Follow-up from joint dinner meeting

On behalf of the Castle Board of Directors and myself, we want to thank the Bloss Board for hosting the joint meeting/dinner on August 31, 2017. All our board members found it very beneficial to be able to engage and discuss the future for both organizations.

Castle is fortunate that over the last 7 years since we became our own entity, we have had nothing but growth in programs and patients. Our leadership team has been successful in recruiting new providers which has allowed Castle to stay in a growth pattern.

As many of our board members discussed with you at our joint meeting, we are requesting that Bloss look at the need for clinical space at the Castle and Bloss sites. Our current need is to add an additional 6-9 exam rooms at the Castle site. Castle is prepared to match the rent being paid by any current tenant that may be vacated.

Castle values the relationship with Bloss and hopes that Bloss will be able to assist Castle with our growth needs and future expansion opportunities. We look forward to hearing back from the Bloss board on our requests.