



**NOTICE AND AGENDA
PALM DRIVE HEALTH CARE DISTRICT**

**FINANCE COMMITTEE
Special Meeting**

OPEN SESSION 10:30 a.m.

April 4, 2017

Sonoma West Medical Center
Conference Room
501 Petaluma Avenue
Sebastopol, CA 95472
(707) 823-3586

Our Vision: Through engagement with our diverse West County population the district will promote improved health and well being.

Our Mission: Palm Drive Health Care District exists to deliver access to quality and compassionate health services responsive to the needs of our District.

Our Values: Integrity- Leadership – Caring - Perseverance

PLEASE TURN YOUR CELL PHONES OFF

CALL TO ORDER

ROLL CALL

APPROVAL OF AGENDA

PUBLIC COMMENTS

Comments from the audience will be accepted for items listed on the agenda. Questions may be referred to staff for response at a later time. Please limit your comments to 3 minutes.

CONSENT CALENDAR

- Approval of the Finance Committee Special Open Session Minutes of March 24, 2017 (Action)(G.Thomas)
- Approval of the Finance Committee Special Open Session Minutes of Mach 27, 2017 (Action)(G.Thomas)

DISCUSSION AND ACTION ITEMS

- 1. Presentation of Revised Draft Audit by JWT & Associates, LLP (Discussion)(J.Tucker)

- 2. Discussion and Potential Action Related to Next Steps in the (Action)(G. Thomas/A.
Brogan)
Audit Process.
 - Changes that need to be made to the audit
 - Reporting to the full Board

ADJOURNMENT

Palm Drive Health Care District
<p>Members of the public have the right to speak on any item on the published agenda. If you wish to speak at a regular meeting about a matter not on the published agenda, please make your comments during the portion of the meeting designated for <u>Public Comments</u>. Please limit your remarks to three minutes. Please note that, with some exceptions, the District Board does not engage in discussion or take action on non-agenized matters. However, the board may respond briefly to public comments, refer matters to staff, ask questions for clarification, or schedule matters for future agenda. Materials related to open session items on this agenda that are submitted to the Board or committee after distribution of the agenda packet are available for public inspection during normal business hours at 612 Petaluma Avenue, Sebastopol, CA.</p> <p>Consent Items: The Board agenda may include items on a consent calendar. Consent calendar items are routine matters or matters which have been reviewed by the board previously. These items may be approved by one motion without discussion unless a board member requests that the item be taken off the consent calendar. Items removed from the consent calendar will be taken up upon completion of action on the remainder of the items on the consent calendar.</p> <p>American Disability Act (ADA) The Sonoma West Medical Center complies with ADA (American Disabilities Act) requirements and upon request, will attempt to reasonably accommodate individuals with disabilities by making meeting material available in appropriate alternative formats (pursuant to Government Code Section 54953.2). Anyone requiring reasonable accommodation to participate in the meeting should contact Janet Harris, Administrative Assistant at (707) 823-3586.</p>

PALM DRIVE HEALTH CARE DISTRICT FINANCE COMMITTEE

Minutes

Purpose: Palm Drive Health Care District Special Open Session Finance Committee Meeting

Date/Time: March 24, 2017 10:00 a.m.

Location: Sonoma West Medical Center
Conference Room
501 Petaluma Avenue
Sebastopol, CA 95472

Call to Order by Director Thomas, Treasurer

ROLL CALL

Gail Thomas, PDHCD Board Treasurer

Jim Horn, PDHCD Board Member

Stewart Goldberg, Consultant

Jim Maresca, Consultant

Administrative Staff/Others Present

Alanna Brogan, PDHCD Executive Director

Chris Hnatiuk, via teleconference

David Taussig(at the end) via teleconference

APPROVAL OF THE AGENDA

Director Horn requested that the David Taussig report be moved ahead of the Budget Discussion which was agreed to by all.

PUBLIC COMMENTS

Public Comment was requested and it was agreed that comment would be taken item by item.

DISCUSSION/ ACTION ITEMS

1. Purpose of the Finance Committee

Director Thomas reviewed the Purpose/Charter of the Finance Committee as updated in the PDHCD Bylaws. Ms. Brogan stated that a binder would be put together for the committee that included the Bylaws, MSSA and any other items the committee may need for reference.

Director Horn requested that the MSSA be modified to include the changes that the Board approved last November.

2. Discussion and Action on a Standard Meeting Time

Regular meetings were approved by all for the third Monday of the Month at 1:30 p.m.

3. Discussion and Potential Action on the Budget

- **Review Current Cash Budget**
- **Consider an Accrual Budget**
- **Next Steps on Revising and Implementing the Budget.**

The cash budget was reviewed and it was agreed that an Accrual Budget for the rest of the physical year will be taken to the Board in addition to the Financial Statements. After further discussion it was decided to present to the Board the Cash Flow projection through December. Footnotes would be made concerning the bankruptcy plan, refinancing or not refinancing bond indebtedness. There will be a footnote in June regarding the potential need to return approximately \$300,000 to the detached petitioners. December review would be adjusted to reflect the approximate amount the District will receive in property tax considering the decrease due to the detachment.

Ms. Brogan announced some other items that needed to be included in the budget giving estimates of \$9,500 for Taussig & Associates, \$29,000-35,000 hospital appraisal, with \$15,000 up front, HFS - \$1,000-2,000, an unknown amount for due diligence and \$8,500 for JWT that had been budgeted.

In addition Huron Consulting has a \$20,000 retainer that was paid during the hospital closing that can be returned if we close the letter of engagement. All agreed to close the letter of engagement.

All agreed to send out the \$15,000 retained for the hospital appraiser.

4. Discussion, Consideration and Possible Action on Adding Temporary, Per Diem or Part Time Secretarial Staff to the District Budget.

Ms. Brogan stated that this would be 8 hours a month for help with the various items including the Finance Committee minutes. The consensus was for Alanna to come back with more information to the committee concerning what the clerk is currently doing before approving. Mr. Maresca stated that this is in the scope of Ms. Brogan's position to allow without committee approval.

5. Update and Discussion on David Taussig Progress in Completing Calculations for Detached School Districts Parcel Taxes.

Mr. Hnatiuk, reviewed the handout of the Summary Memorandum recommending option #2 as being the most appropriate based on the LAFCO directive.

After further discussion it was decided that another model would be presented that would also include the CMS amount owed with the realization that this is a working document and the bankruptcy settlement when reached will be an addition. Legal counsel will also be asked to advise refund consideration for the four months of this year.

ADJOURNEMENT

There being no further business the meeting was adjourned.

Respectively Submitted

Janet Harris
Clerk of the Board
Palm Drive Health Care District

PALM DRIVE HEALTH CARE DISTRICT FINANCE COMMITTEE

Minutes

Purpose: Palm Drive Health Care District Special Open Session Finance Committee Meeting

Date/Time: March 27, 2017 10:00 a.m.

Location: Sonoma West Medical Center
Conference Room
501 Petaluma Avenue
Sebastopol, CA 95472

CALL TO ORDER Director Thomas Treasurer 10:05 a.m.

ROLL CALL

Gail Thomas, PDHCD Board Treasurer	Present
Jim Horn, PDHCD Board Member	Present
Stewart Goldberg, Consultant	Present
Jim Maresca, Consultant	Absent

Administrative Staff/Others Present

Alanna Brogan, PDHCD Executive Director
William Arnone, Legal Counsel
Geni Houston, Elephant Ear
Jerrall Tucker, JWT & Associates

APPROVAL OF THE AGENDA

Director Horn moved to approve the agenda, which was seconded by Director Thomas.

PUBLIC COMMENTS

No public members were present when the meeting began.

DISCUSSION/ ACTION ITEMS

1. Presentation on Draft Audit by JWT & Associates, LLP

Mr. Tucker reviewed the draft audit, a combination of District and SWMC financials, due to special District law, and health care in accordance to governmental accounting standards (GASB). This is a combined audit treating PDCHD and SWMC as component units per GASB rules.

Discussion ensued as to why the financials were combined and not separate the District financials from the SWMC financials or to leave as is and expand and add notes to further explain.

It was agreed that more clarification was needed in some of the notes. The committee is to have all edits to Gail by Wednesday and she will combine and forward to Mr. Arnone by Wednesday afternoon.

If all have been reviewed by counsel and the Audit has been updated, the committee will then meet to review the revised audit at a Special Finance Committee meeting on Tuesday April 4th at 10:30 am.

ADJOURNMENT

There being no further business the meeting was adjourned at 12:19 p.m.

Respectfully submitted
Janet Harris
Clerk of the Board
Palm Drive Health Care District.