

Fiscal Year 2023-24 Proposed Budget

July 1, 2023 to June 30, 2024

MENDOCINO COAST HEALTH CARE DISTRICT

6/7/202



The Big Picture: Two Kinds Of Revenue

- Unrestricted Revenue
 - Can be spent on anything the District chooses.
 - For FY2023-24 \$1,061,500
- Restricted Revenue
 - · Measure C Funds
 - Can only be spent for qualifying costs specified in Measure C
 - For FY2023-24 \$1,570,000

MENDOCINO COAST HEALTH CARE DISTRICT

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Criteria for Measure C Funds

- Maintain local emergency room services;
- Attract and retain high quality doctors and nurses;
- Maintain local ambulance and related 911 services;
- Make critical repairs and upgrades to medical equipment and facilities:
- Maintain local surgical services;
- District expenditures are administrative and do not directly qualify for Measure C funds.

MENDOCINO COAST HEALTH CARE DISTRICT

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Fund-Based Budget

- Allows grouping revenue and expenditures by type, class or use.
- Each fund has its own beginning and ending balances.
- Seven Funds
- B. Measure C Restricted Fund
- C. Trailing Liability Fund Leftovers from Hospital Operations

A. General Fund – District Operations

- D. Debt Service Fund Bond and Loans
- E. AHMC Lease Fund
- F. Allysun Hundley-Ford Fund
- G. Capital Fund for Seismic Retrofit

MENDOCINO COAST HEALTH CARE DISTRICT

6/7/20

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Structural Deficit in District Budget

Annual Unrestricted Deficit				
Unrestricted Revenue	1,061,500			
Operating Expenses	(337,918)			
AHMC Lease	(486,417)			
Debt Service	(940,774)			
Trailing Liability	(23,865)			
Total Deficit	(727,474)			

Parentheses –
"(x)" indicate a
negative
number

MENDOCINO COAST HEALTH CARE DISTRICT

6/7/202

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A. General Fund: Revenue FYE2023 FYE2024 Budget Budget Actual (Est.) **Unrestricted Revenue** Property Taxes AB8, Etc. 960,000 915,108 958,165 Dividends and Interest 1,540 101,500 **Total Unrestricted Revenue** 1,061,500 915,108 959,705 MENDOCINO COAST HEALTH CARE DISTRICT 6/7/2023

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A. General Fund: Personnel

		FYE2024	FYE2024 FYE2023	
Personnel		Budget	Budget	Actual (Est.)
Salary and Wages		100,000	62,640	480
Benefits and Employe	r's Side	33,000	7,515	_
Board Health Reimbu	rsement Acc't	21,600	30,050	23,473
Total Personnel		154,600	100,205	23,953

MENDOCINO COAST HEALTH CARE DISTRICT

6/7/202

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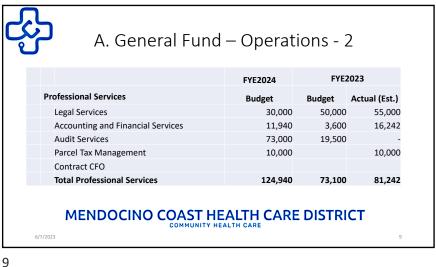
A. General Fund Operations- 1

	FYE2024	FYE2	.023	
Operating Expenditures	Budget	Budget	Actual (Est.)	
Publicity and Public Relations	6,000	-	246	
Board Travel and Training	1,000	1,000	421	
Utilities				
Phone/Internet	1,140	1,000	1,185	
Website Hosting	2,988	1,200	4,015	
Email/Cloud Storage	2,400	1,260	420	
Total Utilities	6,528	3,460	5,620	

MENDOCINO COAST HEALTH CARE DISTRICT

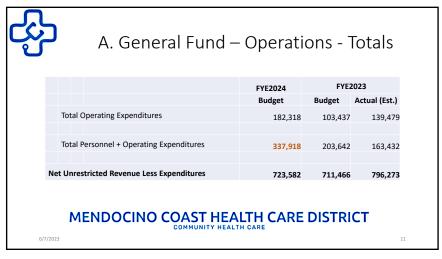
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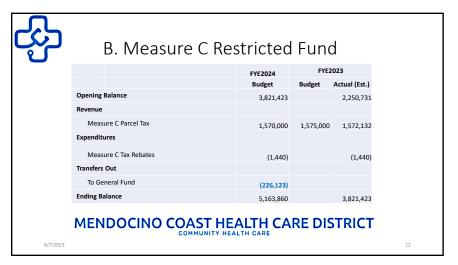
2 of 13



A. General Fund – Operations – 3 FYE2023 FYE2024 Budget Budget Actual (Est.) Bank Charges 10.800 19,200 Office Expenses 600 5,000 2,539 Association Membership 3,800 3,154 6,259 Insurance **Directors and Officers** 24,000 23,123 23,123 Workers Comp 1,250 1,250 Total Insurance 25.250 23,123 24,373 MENDOCINO COAST HEALTH CARE DISTRICT 6/7/2023

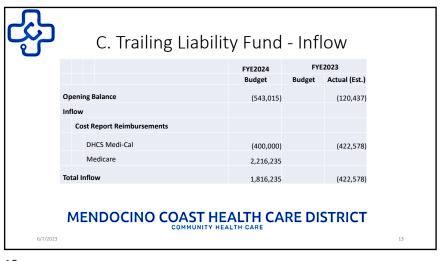
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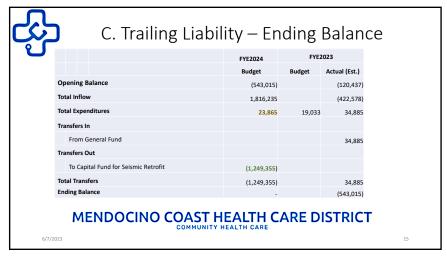
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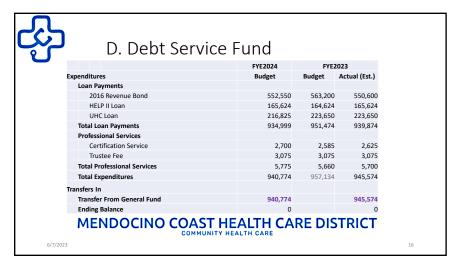
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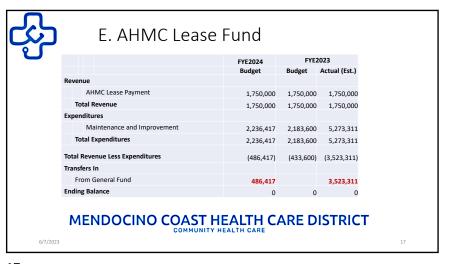


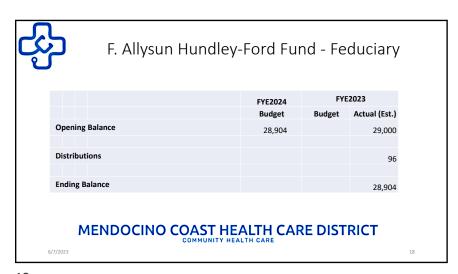
C. Trailing Liability – Expenditures FYE2023 FYE2024 **Budget** Budget Actual (Est.) **Expenditures** Tail Health Care Liability 11,225 10,393 10,393 Obsolete Property Storage 8,640 8,640 8,680 **EDD Unemployment** 4.000 6,516 Professional Services 9,295 **Total Expenditures** 23,865 19,033 34,885 MENDOCINO COAST HEALTH CARE DISTRICT 6/7/2023

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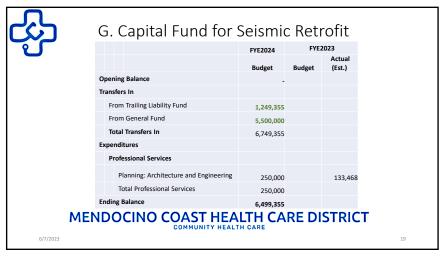


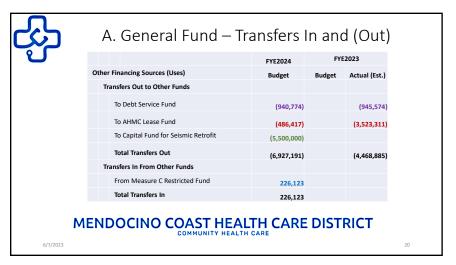






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A. General Fund – Balances

	FYE2024	FYE	2023
	Budget	Budget	Actual (Est.)
Elements of Beginning Balance			
Unrestricted Cash and Cash Equivalents*	2,851,622		
Savings (LAIF)	3,571,675		
IGT Loan Outstanding	876,316		
Total Beginning Balance	7,299,613		
Net Operating Revenue Less Expenditures	723,582		
Total Transfers Out	(6,927,191)		
Total Transfers In	226,123		
Ending Balance	1,322,127		
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MENDOCINO COAST HEALTH CARE DISTRICT

6/7/2022

6//2023



Ending Balance Summary

	Unrestricted Funds	Restricted Measure C
General Fund	1,322,127	
Capital Fund for Seismic Retrofit	6,499,355	
Measure C Restricted Fund		5,163,860
Totals	7,821,482	5,163,860

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Structural Deficit in District Budget

Annual Unrestricted Deficit				
Unrestricted Revenue	1,061,500			
Operating Expenses	(337,918)			
AHMC Lease	(486,417)			
Debt Service	(940,774)			
Trailing Liability	(23,865)			
Total Deficit	(727,474)			

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MENDOCINO COAST HEALTH CARE DISTRICT

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Measure C and the District Budget

- From the Measure C Criteria: "Make critical repairs and upgrades to medical equipment and facilities"
- The lease with Adventist Health requires the District pay Adventist Health \$2 Million + CPI annually, currently \$2.24 Million for Maintenance and Improvement of AHMC.
- In the last 3 years, the District has paid Adventist Health \$8.2 Million in Maintenance and Improvement , unfortunately, \$5.2 Million of that in the last 6 months.
- With Board (and Measure C Committee) approval, Maintenance and Improvement payments spent for Measure C qualifying expenses by AHMC may be reimbursed to the District from Measure C funds.

MENDOCINO COAST HEALTH CARE DISTRICT

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MCHCD FYE2024 Annual Budget - Draft

FYE2024

FYE2023

		1112024	
	Budget	Budget	Actual (Est.)
ral Fund	Type: Governmer	nt	
nrestricted Revenue			
Property Taxes AB8, Etc.	960,000	915,108	958,165
Dividends and Interest	101,500		1,540
Total Revenue	1,061,500	915,108	959,705
kpenditures			
Personnel			
Salary and Wages	100,000	62,640	480
Benefits and Employer's Side	33,000	7,515	-
Board Health Reimbursement Acc't	21,600	30,050	23,473
Total Personnel	154,600	100,205	23,953
Operating Expenditures			
Publicity and Public Relations	6,000	-	246
Board Travel and Training	1,000	1,000	421
Utilities			
Phone/Internet	1,140	1,000	1,185
Website Hosting	2,988	1,200	4,015
Email/Cloud Storage	2,400	1,260	420
Total Utilities	6,528	3,460	5,620
Professional Services			
Legal Services	30,000	50,000	55,000
Accounting and Financial Services	11,940	3,600	16,242
Audit Services	73,000	19,500	-
Parcel Tax Management	10,000		10,000
Contract CFO			
Total Professional Services	124,940	73,100	81,242
Bank Charges	10,800		19,200
Office Expenses	5,000	600	2,539
Association Membership	3,800	3,154	6,259
Insurance			
Directors and Officers	24,000	23,123	23,123
Workers Comp	1,250		1,250
Total Insurance	25,250	23,123	24,373
Total Operating Expenditures	183,318	103,437	139,479
Total Personnel + Operating Expenditures	337,918	203,642	163,432
et Unrestricted Revenue Less Expenditures	723,582	711,466	796,273

	FYE2024	FYE2	023
	Budget	Budget	Actual (Est.)
Other Financing Sources (Uses)			
Transfers Out to Other Funds			
To Trailing Liability Fund			(34,885)
To Debt Service Fund	(940,774)		(945,574)
To AHMC Lease Fund	(486,417)		(3,523,311)
To Capital Fund for Seismic Retrofit	(5,500,000)		
Total Transfers Out	(6,927,191)		(4,503,770)
Transfers In From Other Funds			
From Measure C Restricted Fund	226,123		
Total Transfers In	226,123		
Balances			
Elements of Beginning Balance			
Unrestricted Cash and Cash Equivalents*	2,851,622		
Savings (LAIF)	3,571,675		
IGT Loan Outstanding	876,316		
Total Beginning Balance	7,299,613		
Net Operating Revenue Less Expenditures	723,582		
Total Transfers Out	(6,927,191)		
Total Transfers In	226,123		
Ending Balance	1,322,127		
sure C Restricted Fund	Type: Restricted		
Opening Balance	3,821,423		2,250,731
Revenue			
Measure C Parcel Tax	1,570,000	1,575,000	1,572,132
xpenditures			
Measure C Tax Rebates	(1,440)		(1,440)
ransfers Out	-		
To General Fund	(226,123)		
10 deficial i ana	(220,220,		
Ending Balance	5,163,860		3,821,423
		(?)	3,821,423
Ending Balance	5,163,860	(?)	3,821,423
ing Liability Fund Opening Balance	5,163,860 Type: Proprietary	(?)	
ing Liability Fund	5,163,860 Type: Proprietary	(?)	
ing Liability Fund Dpening Balance nflow	5,163,860 Type: Proprietary (543,015)	(?)	(120,437)
ing Liability Fund Dpening Balance nflow Cost Report Reimbursements	5,163,860 Type: Proprietary (543,015) (400,000)	(?)	
ing Liability Fund Dpening Balance nflow Cost Report Reimbursements DHCS Medi-Cal	5,163,860 Type: Proprietary (543,015) (400,000) 2,216,235	(?)	(120,437) (422,578)
ing Liability Fund Dening Balance Inflow Cost Report Reimbursements DHCS Medi-Cal Medicare Total Inflow	5,163,860 Type: Proprietary (543,015) (400,000)	(?)	(120,437)
ing Liability Fund Dpening Balance Inflow Cost Report Reimbursements DHCS Medi-Cal Medicare Total Inflow Expenditures	5,163,860 Type: Proprietary (543,015) (400,000) 2,216,235 1,816,235		(120,437) (422,578) (422,578)
ing Liability Fund Dening Balance Inflow Cost Report Reimbursements DHCS Medi-Cal Medicare Total Inflow Expenditures Tail Health Care Liability	5,163,860 Type: Proprietary (543,015) (400,000) 2,216,235 1,816,235 11,225	10,393	(120,437) (422,578) (422,578) 10,393
ing Liability Fund Dening Balance Inflow Cost Report Reimbursements DHCS Medi-Cal Medicare Iotal Inflow Expenditures Tail Health Care Liability Obsolete Property Storage	5,163,860 Type: Proprietary (543,015) (400,000) 2,216,235 1,816,235 11,225 8,640		(120,437) (422,578) (422,578) 10,393 8,680
ing Liability Fund Dpening Balance Inflow Cost Report Reimbursements DHCS Medi-Cal Medicare Total Inflow Expenditures Tail Health Care Liability Obsolete Property Storage EDD Unemployment	5,163,860 Type: Proprietary (543,015) (400,000) 2,216,235 1,816,235 11,225	10,393	(422,578) (422,578) (422,578) 10,393 8,680 6,516
ing Liability Fund Dening Balance Inflow Cost Report Reimbursements DHCS Medi-Cal Medicare Iotal Inflow Expenditures Tail Health Care Liability Obsolete Property Storage	5,163,860 Type: Proprietary (543,015) (400,000) 2,216,235 1,816,235 11,225 8,640	10,393	(120,437) (422,578) (422,578) 10,393 8,680

	FYE2024	FYI	2023
	Budget	Budget	Actual (Est.)
From General Fund			34,885
Transfers Out			
To Capital Fund for Seismic Retrofit	(1,249,355)		
Total Transfers	(1,249,355)		34,885
Ending Balance	-		(543,015)

t Service Fund	Type: Debt Service		
Opening Balance			
Outstanding Principals			
2016 Revenue Bond	(2,875,000)		(3,295,000)
HELP II Loan	(798,034)		(934,325)
United Health Care Loan	(210,000)		(420,000)
Total Opening Balance	(3,883,034)		(4,649,325)
Expenditures			
Loan Payments			
2016 Revenue Bond			
Principal	435,000		420,000
Interest	117,550	563,200	130,600
HELP II Loan			
Principal	151,034		148,045
Interest	14,591	164,624	17,579
UHC Loan			
Principal	210,000		210,000
Interest	6,825	223,650	13,650
Total Loan Payments	934,999	951,474	939,874
Professional Services			
Certification Service	2,700	2,585	2,625
Trustee Fee	3,075	3,075	3,075
Total Professional Services	5,775	5,660	5,700
Total Expenditures	940,774	957,134	945,574
Transfers In			
Transfer From General Fund	940,774		945,574
Current Year Ending Balance	-		-
Outstanding Principals			
2016 Revenue Bond	(2,440,000)		(2,875,000)
HELP II Loan	(647,000)		(786,280)
United Health Care Loan	-		(210,000)
Total Ending Balance	(3,087,000)		(3,871,280)

	FYE2024	FYE2	023	
	Budget	Budget	Actual (Est.)	
IMC Lease Fund	Type: Proprietary			
Revenue				
AHMC Lease Payment	1,750,000	1,750,000	1,750,000	
Total Revenue	1,750,000	1,750,000	1,750,000	
Expenditures				
Maintenance and Improvement	2,236,417	2,183,600	5,273,311	
Total Expenditures	2,236,417	2,183,600	5,273,311	
Total Revenue Less Expenditures	(486,417)	(433,600)	(3,523,311)	
Transfers In				
From General Fund	486,417	433,600	3,523,311	
Ending Balance	(0)	-	-	
lysun Hundley-Ford Fund	Type: Feduciary			
Opening Balance	28,904		29,000	
Distributions			96	
Ending Balance			28,904	
pital Fund For Seismic Retrofit				
Opening Balance	-			
Transfers In				
From Trailing Liability Fund	1,249,355			
From General Fund	5,500,000			
Total Transfers In	6,749,355			
Expenditures				
Professional Services				
Planning: Architecture and Engineering	250,000		133,468	
T . I	250.000			
Total Professional Services	250,000			

FYE2024 FYE2023

Budget Actual (Est.) **Budget**

2,851,622.16

Miscellanious Calculations and Notes

URESTRICTED CASH AND CASH EQUIVALENTS as of 5/31/2023 unless otherwise noted

Other wise noted			
BofA xx155	732,422.50 SF	Bay Area CPI	
BofA AP xx268	174,273.90	Jun-21	2.30%
BofA HH AP xx743	36,469.40	Jun-22	4.40%
BofA HH PR xx680	21,663.14	Apr-23	4.70%
BofA Master xx2631	384,115.36		
BofA Payroll xx282	6,238.47		
SBMC Core xxxxx660 (4/28)	13,886.35		
SBMC Gift Mem xxx686 (4/28)	0.64		
SBMC HH xxx678 (4/28)	73,929.14		
SBMC xx378 (4/28)	30,073.46		
TRIC Deposit Account 7219	433,204.74		
TRIC District AP -Checking (7244)	189,036.66		
TRIC Measure C Restricted Fund - 5258	3,624,022.97		
TRIC Property Tax Revenue Account 5861	1,350,586.94		
Total Verified Bank Accounts	\$ 7,069,923.67		
Adjustments			
Restricted Measure C Current Balance	3,821,423.00		
Adventist Health AR in District Accounts	324,670.00		
June Regular and Customary Expenses	72,208.51		
Total Adjustments	4,218,301.51		

Regular and Customary Monthly Expenditures

*Net Unrestricted Cash & Cash Equivalents July 1 (Est.)

g,,,								
BNY Mellon	2016 Rev. Bon	51,691.19						
K McKee	Payroll	245.00						
MCN	775 River	84.21						
Mendo Litho	Copy (Est.)	250.00						
Beta Health Care	Tail Liability	866.09						
K McKee	Accounting	750.00						
Pelican Storage	Surplus Storag	720.00						
Bank Charges		1,800.00						
CHFFA	HELP II Loan	13,802.02						
Streamline	Web Hosting	200.00						
P&A Group	Board HRA	1,800.00						
	Total	72,208.51						

MCHCD FYE2024 Annual Budget - Columnar Summary - Draft

			General Fund	Measure C Restricted Fund	Trailing Liability Fund	Debt Service Fund	AHMC Lease Fund	Allysun Ford- Hundley Fund	Capital Fund For Seismic Retrofit	Totals
Beginnin	g Balar	nce								
		alance Unrestricted	7,299,613		(543,015)			28,904		6,785,502
Begir	nning B	alance Restricted		3,821,423						3,821,423
Revenue										
	stricte									
	ax Rev		960,000							960,000
		ds and Interest	101,500							101,500
		ayments					1,750,000			1,750,000
	ricted									
	ax Rev			1,570,000						1,570,000
R	Rebates	i		(1,440)						(1,440)
Reim	burser	nents								
N	let Reir	mbursements			1,816,235					1,816,235
Total	l Reven	ue & Inflow	1,061,500	1,568,560	1,816,235	-	1,750,000	-	-	6,196,295
Expendit	ures									
Perso	onnel									
Т	otal Pe	rsonnel	154,600							154,600
E	DD - Tr	ailing Liability			4,000					4,000
Oper	ating									
P	ublicity	and Public Relations	6,000							6,000
В	Board Travel and Training		1,000							1,000
U	Utilities		6,528							6,528
P	Professional Services		124,940		-	5,775			250,000	380,715
В	Bank Charges		10,800							10,800
C	Office Expenses		5,000							5,000
S	torage				8,640					8,640
Α	Associat	ion Membership	3,800							3,800
Ir	nsuran	ce .	25,250		11,225					36,475
Debt	Service	е								
Р	rincipa	I + Interest Payments				934,999				934,999
Lease	e									•
N	√ainter	nance and Improvement Fund					2,236,417			2,236,417
		ditures	337,918	-	23,865	940,774	2,236,417	-	250,000	3,788,974
					,					· · ·
Transfers	s									
	sfers In	(Out)	(6,701,068)	(226,123)	(1,249,355)	940,774	486,417		6,749,355	-
		. ,	, , ,/	, -,	, , -,,				,	
Ending B	alance	s								
	Ending Balance Unrestricted		1,322,127		-	(0)	(0)		6,499,355	7,821,482
_	Ending Balance Restricted		,,	5,163,860		(5)	(5)		.,,	5,163,860
_	Ending Balance Feduciary			3,222,200				28,904		28,904

FULL TEXT OF MEASURE C

MENDOCINO COAST HEALTH CARE DISTRICT HEALTHCARE FUNDING MEASURE C

INTRODUCTION AND PURPOSE

To provide funding for maintaining emergency room services, attracting and retaining high quality doctors and nurses, maintaining ambulance and related 911 services and providing essential healthcare to residents of Mendocino County, with no proceeds used for administrators' salaries, benefits and pensions, the Mendocino Coast Health Care District ("District") proposes a healthcare parcel tax for a period of twelve years starting on July 1, 2018 at a rate of \$144 per parcel per year, and to implement accountability measures, including independent taxpayer oversight, to ensure the funds are used to help:

- Maintain local emergency room services;
- Attract and retain high quality doctors and nurses;
- · Maintain local ambulance and related 911 services:
- Make critical repairs and upgrades to medical equipment and facilities;
- · Maintain local surgical services; and
- · Maintain local obstetric services.

The proceeds of the healthcare parcel tax shall be deposited into a separate account created by the District.

DEFINITION OF "PARCEL"

For purposes for the healthcare parcel tax, the term "Parcel" means any parcel of land which lies wholly or partially within the boundaries of the Mendocino Coast Health Care District, that receives a separate tax bill for *ad valorem* property taxes from the Mendocino County Assessor/Tax Collector, as applicable. All property that is otherwise exempt from or upon which are levied no *ad valorem* property taxes in any year shall also be exempt from the healthcare parcel tax in such year.

For purposes of this healthcare parcel tax, any such "Parcels" which are (i) contiguous, and (ii) used solely for owner-occupied, single-family residential purposes, and (iii) held under identical ownership may, by submitting to the District an application of the owners thereof by June 15 of any year, be treated as a single "parcel" for purposes of the levy of the healthcare parcel tax.

REDUCTION IN TAX IF RESULT IS LESS OTHER GOVERNEMENT SUPPORT

The collection of the healthcare parcel tax is not intended to decrease or offset any increase in local, state or federal government revenue sources that would otherwise be available to the District during the period of the healthcare parcel tax. In the event that the levy and collection does have such an effect, the District may cease the levy or shall reduce the healthcare parcel tax to the extent that such action would restore the amount of the decrease or offset in other revenues.

ACCOUNTABILITY MEASURES

The following accountability measures, among others, shall apply to the healthcare parcel tax: (a) the specific purposes of the healthcare parcel tax shall be those purposes identified above; (b) the proceeds of the healthcare parcel tax shall be applied only to those specific purposes identified above; (c) a separate, special account shall be created into which the proceeds of the healthcare parcel tax must be deposited; and (d) an annual written report shall be made to the Board of Directors of the District showing (i) the amount of funds collected and expended from the proceeds of the healthcare parcel tax and (ii) the status of any projects or programs required or authorized to be funded from the proceeds of the healthcare parcel tax, as identified above. In addition to the accountability measures required by law, if any, the District will establish an independent

FULL TEXT OF MEASURE C – continued

taxpayer oversight committee to provide oversight as to the expenditure of healthcare parcel tax revenues.

s/Steve Lund
President, Board of Directors
Mendocino Coast Health Care District

ATTEST: s/ Peter Glusker, MD, Ph.D Secretary, Board of Directors Mendocino Coast Health Care District

IMPARTIAL ANALYSIS MEASURE C

A Measure by the Mendocino Coast Healthcare District to Levy a Healthcare Parcel Tax for Emergency Room and Other Health Care Services

This Measure was placed on the ballot by the Mendocino Coast Health Care District's ("District") Board of Directors to seek voter approval to create a special tax of \$144.00 per parcel for each parcel of taxable real property within the District each year for a period of twelve (12) years, beginning July 1, 2018. The District estimates that the annual parcel tax revenues will be \$1.7 million dollars.

"Parcel" means any parcel of land which lies wholly or partially within the boundaries of the District.

The purpose of the parcel tax is to provide funding to help maintain local emergency room services, attract and retain high quality doctors and nurses, maintain local ambulance and related 911 services, make critical repairs and upgrades to medical equipment and facilities, maintain local surgical services, and maintain local obstetric services. The revenue raised by the special tax may only be used for those purposes described in the full text of the measure ("Full Text") and cannot be used for administrators' salaries, benefits or pensions. These special tax revenues will be deposited in a separate account to be used only for the purposes described above.

The District is required by law to issue an annual report on the amount of funds collected, expenditure of the funds, and the status of any project or program to be funded as described in the Full Text. The District will establish an independent taxpayer oversight committee to oversee the expenditure of healthcare parcel tax revenues.

This measure was placed on the ballot by the District.

This measure must be adopted by two-thirds (2/3) of the voters.

A "YES" vote would authorize the levy of the parcel tax.

A "NO" vote would not authorize the levy of the parcel tax.

DATED: March 19, 2018

s/Katharine L. Elliott County Counsel