



**Finance & Audit Committee**  
**April 25, 2017**



Creating a healthier Marin together.

Telephone: 415-464-2090 / Fax: 415-464-2094

Website: [www.marinhealthcare.org](http://www.marinhealthcare.org) / Email: [info@marinhealthcare.org](mailto:info@marinhealthcare.org)

**Special Study Session of the Full Board meeting with the  
Finance & Audit Committee**

**April 25, 2017, 5:45PM – 6:30PM**

**Board of Directors:**

**Chair:** Ann Sparkman  
**Vice Chair:** Harris Simmonds, MD  
**Secretary:** Jennifer Hershon, RN, MSN (F&A Committee)  
**Directors:** Larry Bedard, MD (Chair, F&A Committee)  
Jennifer Rienks, PhD

**Staff:** Lee Domanico, CEO  
Jim McManus, CFO  
Don Bouey, Counsel  
Jean Noonan, Controller  
Michael Lighthawk, EA

**Location:**

MGH Finance Conference Room  
100B Drakes Landing Road, Suite 190  
Greenbrae, CA 94904

**5:30pm – Closed Session Agenda**

- I. **Call to Order** Bedard  
A. Approval of agenda  
B. Approval of minutes of previous Closed Session - January 31, 2017 (Action)
- II. **Trade Secrets** – Discussion involving trade secrets pursuant to Health & Safety Code Section 32106 concerning new programs, services or facilities.
- III. **Adjourn Closed Session** Bedard

**5:45pm – Open Session Agenda**

- I. **Call to Order** Bedard  
A. Roll Call  
B. Approval of Agenda (Action)  
C. Approval of Previous Minutes: January 31, 2017 (Action)  
D. General Public Comment  
*Any member of the public audience may make statements regarding any items NOT on the agenda. Statements are limited to a maximum of three (3) minutes. Please state your name if you wish to be recorded in the minutes.*
- II. **Finance**  
A. Approve Recommendation to Full Board on proposed District Bedard  
Operation of the MGH Breast Center, Under Arrangements Program (Action)  
B. Issuance of Remaining General Obligation Bonds Noonan  
C. Status of MGH 2.0 Noonan  
D. Financial Reports – Q1 2017 Noonan
- III. **Agenda Items for Next Meeting, May 30, 2017** Bedard  
A. 2016 Audited Financials Review (Draft) Action
- IV. **Adjournment** Bedard



**Minutes of  
January 31, 2017**



## Marin Healthcare District

100B Drakes Landing Road, Suite 250, Greenbrae, CA 94904

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### FINANCE AND AUDIT COMMITTEE

#### Regular Meeting

January 31, 2017, 6:00pm - 6:30pm

#### Attendance:

**Chair:** Jennifer Hershon  
**Member:** Jennifer Rienks  
**Staff:** Jean Noonan, Controller  
Mary Friedman, Director, Strategic Planning  
Michael Lighthawk, Executive Assistant

#### Location:

MHD Conference Room at Drakes Landing  
100B Drakes Landing Road, Suite 250  
Greenbrae, CA 94904

#### Minutes

- I. Call to Order** Hershon
- A. Roll Call – Chair Hershon called the roll. Quorum established.
  - B. Approval of Agenda – Agenda approved.
  - C. Approval of Minutes of Regular Meeting: November 29, 2016. Previous minutes approved.
  - D. General Public Comment – No public comment.
- II. Review / Approve Items Discussed in Closed Session (Action)** Hershon
- A. **Motion:** To recommend the MHD Board of Directors approve the Space Lease, Staffing Arrangement, and Administrative Consulting Services Agreements with Napa Urology Associates and Consultant Harjit Khaira as presented to the MHD Finance & Audit Committee.  
Member Rienks so moved. Seconded by Chair Hershon. Vote: all ayes. **Motion passes.**
  - B. **Motion:** To recommend the MHD Board of Directors approve the addition of Dr. Kenneth Tobin to the existing PSA with an income guarantee and recruitment incentive as presented to the MHD Finance & Audit Committee.  
Member Rienks so moved. Seconded by Chair Hershon. Vote: all ayes. **Motion passes.**
- III. Finance** Noonan
- A. Financial Report – December 31, 2016  
Ms. Noonan qualified the December 31<sup>st</sup> financials as pre-audit.

#### Balance Sheet

Referring to the Balance Sheet, Ms. Noonan stated that Cash decreased by \$1.3M due to the timing of expenses and the inter-company reimbursements from the hospital. Tax Revenue Receivables of \$1.2M decreased from November due to a payment received from the county assessor for repayment of outstanding bond obligations.

In August of 2016, the hospital parking facility was transferred from Hospital Construction Costs to the District. The asset will be depreciated over 25 years.

The balance of the proceeds from the bonds issued in November 2015 of \$9.7M is reflected in the account "Assets limited to Use – Bond Funds" and are accrued expenses for District



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construction and clinic expenses. Hospital construction costs incurred to date are \$92.7M. The final portion of the asset purchase note payable to CAM (reimbursed by MGH) of \$200K was paid in December 2016.

### Income Statement

The Net District Operating Loss for the month was \$80,425 which was adverse to budget by \$33,598. Income included rental revenue from the hospital lease of \$42,542, interest income of \$48 and net unrealized investment gains of \$9,255. Expenses totaled \$132,270, including depreciation expense of \$111,370 which is above budget due to the parking garage placed into service in August.

### 1206B Clinics

Discussions ensued regarding higher Average Annual Investment per MD for the Marin Medical Group compared to other primary care physician clinics. Ms. Noonan will follow-up with more detail that may account for the wide variations between the Average Investments Per MD among the clinics.

#### B. Discuss Board Expenses

As a follow-up to a previous discussion, Ms. Noonan pointed out there was nearly \$21K in Board Expenses that included about \$10K in expenses for:

- Travel and expenses for AHA Leadership in San Diego
- Travel and expenses for ACHD in Monterey

The committee requested that more detail of the Board Expenses be presented at the next meeting as well as a preliminary review of the District's Travel Reimbursement Policy.

#### C. Discuss District participation on the MGH Investment Committee.

Ms. Noonan stated that after consideration of protocols, it would be appropriate for the Board Chair of the District to approach the CEO and Board Chair of the Hospital to discuss having a member of the District Board attend the MGH Investment Committee.

#### IV. **MGH Audit Committee Update**

Noonan

Ms. Noonan presented Moss Adams Internal Audit Report on Hospital Construction. Discussions ensued on various items within the report.

#### V. **Agenda Items for Next Meeting**

Hershon

- A. Detail on Board Expenses for 2016 (Noonan)
- B. Review of Travel Expenses Policy & Procedure (Bedard/Hershon)
- C. Discuss adding back "Management" Section to the F&A agenda (Bedard/Hershon)

#### VI. **Adjournment**

Hershon



# Status of MGH 2.0

# Bond Requisitions

- As of March 31, 2017, the project fund balance maintained at Bank of New York Mellon was \$70,676,897.73.
- To date, MHD has requested 35 requisitions of bond funds as follows:

Requisition	Date Paid	Hospital Replacement	West Wing Ready	Sitework	West Wing Renovation	Hillside Parking Structure	Total
1	12/18/2015	15,468,599.16	3,545,033.43	86,680.70	301,472.04	9,916,287.93	29,318,073.26
2	12/18/2015	6,829.40	45,407.40	-	-	1,342,439.02	1,394,675.82
3	12/31/2015	1,733,061.80	1,113,195.70	-	-	7,500.00	2,853,757.50
4	2/10/2016	4,301,014.57	1,210,694.71	-	-	2,581,072.52	8,092,781.80
5	2/25/2016	1,694,775.67	104,546.60	-	-	1,045,944.02	2,845,266.29
6	3/4/2016	135,293.86	665,495.00	-	-	36,085.91	836,874.77
7	3/14/2016	770,969.12	53,760.83	-	-	1,381,324.26	2,206,054.21
8	3/22/2016	550.00	-	-	-	-	550.00
9	4/6/2016	193,781.25	891,257.50	-	-	19,988.91	1,105,027.66
10	4/12/2016	569,216.35	111,563.39	-	-	1,572,180.96	2,252,960.70
11	4/25/2016	826,269.32	-	-	-	41,333.00	867,602.32
12	5/10/2016	616,625.10	718,475.00	-	-	805.00	1,335,905.10
13	5/24/2016	981,151.49	1,090,745.83	-	-	1,641,958.26	3,713,855.58
14	6/17/2016	318,748.31	98,805.24	-	3,700.00	152,128.52	573,382.07
15	6/21/2016	765,435.16	49,942.00	-	-	1,134,320.82	1,949,697.98
16	7/8/2016	287,438.39	862,449.00	-	-	10,719.41	1,160,606.80
17	7/29/2016	730,142.97	448,345.00	-	-	1,042,196.16	2,220,684.13
18	8/3/2016	833,704.70	-	-	-	26,435.00	860,139.70
19	8/26/2016	196,531.25	4,255.00	-	-	3,799.50	204,585.75
20	8/30/2016	644,231.81	19,913.22	-	-	1,176,595.98	1,840,741.01
21	9/13/2016	191,625.50	256,074.61	-	-	1,128.41	448,828.52
22	9/26/2016	2,741,092.61	517,823.00	-	-	112,488.32	3,371,403.93

# Bond Requisitions

Requisition	Date Paid	Hospital Replacement	West Wing Make Ready	Sitework	West Wing Renovation	Hillside Parking Structure	Total
23	10/12/2016	272,501.29	35,879.36	-	-	-	308,380.65
24	10/25/2016	3,285,210.45	264,975.50	-	-	56,948.56	3,607,134.51
25	11/16/2016	129,385.50	53,795.97	-	-	3,333.91	186,515.38
26	11/18/2016	2,678,596.05	61,103.00	-	-	103,138.47	2,842,837.52
27	12/8/2016	315,307.37	-	-	-	1,243.73	316,551.10
28	12/23/2016	2,879,611.73	288,647.39	-	-	60,612.99	3,228,872.11
29	1/10/2017	118,025.00	12,000.00	-	-	-	130,025.00
30	1/18/2017	4,721,867.85	943,517.17	-	-	689,315.45	6,354,700.47
31	2/6/2017	279,749.25	-	-	-	-	279,749.25
32	2/15/2017	1,476,733.16	12,000.00	-	-	1,128.41	1,489,861.57
33	2/28/2017	4,044,452.65	243,338.87	-	-	161,485.75	4,449,277.27
34	3/21/2017	431,110.81	12,000.00	-	-	61,331.80	504,442.61
35	3/27/2017	6,082,790.94	94,981.00	-	-	88,492.52	6,266,264.46
<b>Total</b>		<b>60,722,429.44</b>	<b>13,830,020.72</b>	<b>86,680.70</b>	<b>305,172.04</b>	<b>24,473,763.50</b>	<b>99,418,066.40</b>



## MGH 2.0

- ✓ Total project cost is estimated at \$534,864,000.
- ✓ Additional funding from ongoing operations, philanthropic resources and revenue bonds (estimated in 2018) will be used to bridge the gap from \$394M to \$545M.
- ✓ As of March 31, 2017, \$113.5M in expenses have been incurred for MGH 2.0 as follows:

• Hospital Replacement	\$73.2M
• Hillside Parking Structure	\$25.1M
• West Wing Make Ready	\$14.3M
• West Wing Renovation	\$0.6M
• Site Work	\$0.3M
• Total	\$113.5M

# Project Funds Expended

Spec Section Name	2010	2011	2012	2013	2014	2015	2016	03/31/17	Total
<b>Hillside Parking Structure</b>									
1.00000 Property Acquisition	-	-	-	-	-	-	-	-	-
2.00000 Design	-	-	245,778	47,074	656,553	432,935	297,956	-	1,680,296
3.00000 Permits & Fees	-	-	-	-	20,802	438,599	145,657	(21,412)	583,646
4.00000 Construction	-	-	-	-	-	12,223,999	10,251,147	22,000	22,497,146
5.00000 Owner Purchased FF&E	-	-	-	-	-	-	163,853	182,000	345,853
6.00000 Major Medical Equipment	-	-	-	-	-	-	-	-	-
7.00000 Data / Communications	-	-	-	-	-	12,217	59,699	-	71,916
<b>A Total Hillside Parking Structure Costs</b>	-	-	<b>245,778</b>	<b>47,074</b>	<b>677,355</b>	<b>13,107,750</b>	<b>10,918,312</b>	<b>182,588</b>	<b>25,178,857</b>
<b>B Stework Project</b>									
1.00000 Property Acquisition	-	-	-	-	-	-	-	-	-
2.00000 Design	-	79,624	-	183,393	-	-	-	-	263,017
3.00000 Permits & Fees	-	-	-	-	-	-	-	-	-
4.00000 Construction	-	-	-	-	-	-	-	-	-
5.00000 Owner Purchased FF&E	-	-	-	-	-	-	-	-	-
6.00000 Major Medical Equipment	-	-	-	-	-	-	-	-	-
7.00000 Data / Communications	-	-	-	-	-	-	-	-	-
<b>B Total Stework Project Costs</b>	-	<b>79,624</b>	-	<b>183,393</b>	-	-	-	-	<b>263,017</b>
<b>C Hospital Replacement Building Project</b>									
1.00000 Property Acquisition	-	-	-	-	-	-	-	-	-
2.00000 Design	5,307,908	1,562,490	878,666	682,814	4,705,174	12,550,989	6,159,089	400,000	32,247,131
3.00000 Permits & Fees	-	-	-	-	-	2,863,363	1,391,745	1,768,218	6,023,326
4.00000 Construction	-	-	-	-	-	99,878	19,509,752	14,438,832	34,048,461
5.00000 Owner Purchased FF&E	-	-	-	-	-	-	8,177	-	8,177
6.00000 Major Medical Equipment	-	-	-	-	-	-	614,415	177,000	791,415
7.00000 Data / Communications	-	-	-	-	-	6,132	-	62,360	68,492
<b>C Total Hospital Replacement Building Project Costs</b>	<b>5,307,908</b>	<b>1,562,490</b>	<b>878,666</b>	<b>682,814</b>	<b>4,705,174</b>	<b>15,520,362</b>	<b>27,683,178</b>	<b>16,846,410</b>	<b>73,187,003</b>
<b>D West Wing Make Ready Project</b>									
1.00000 Property Acquisition	-	-	-	-	-	-	-	-	-
2.00000 Design	-	178,616	18	24,093	438,524	1,930,128	470,949	90,000	3,132,327
3.00000 Permits & Fees	-	-	-	-	-	100,718	356,214	-	456,931
4.00000 Construction	-	-	-	-	-	3,375,173	6,920,092	400,000	10,695,265
5.00000 Owner Purchased FF&E	-	-	-	-	-	-	-	-	-
6.00000 Major Medical Equipment	-	-	-	-	-	-	-	-	-
7.00000 Data / Communications	-	-	-	-	-	337	432	-	769
<b>D Total West Wing Make Ready Project Costs</b>	-	<b>178,616</b>	<b>18</b>	<b>24,093</b>	<b>438,524</b>	<b>5,406,355</b>	<b>7,747,686</b>	<b>490,000</b>	<b>14,285,291</b>
<b>E West Wing Renovation</b>									
Design	-	-	-	-	-	-	-	-	-
Permit	-	296,623	-	-	-	301,472	3,700	-	601,795
Construction	-	-	-	-	-	-	-	-	-
<b>E Total West Wing Renovation Costs</b>	-	<b>296,623</b>	-	-	-	<b>301,472</b>	<b>3,700</b>	-	<b>601,795</b>
<b>F Total Project Costs</b>	<b>5,307,908</b>	<b>2,117,353</b>	<b>1,124,462</b>	<b>937,373</b>	<b>5,821,053</b>	<b>34,335,939</b>	<b>46,352,875</b>	<b>17,518,998</b>	<b>113,515,963</b>



# Projected Costs 2017-2020

Spec Section Name	2017	2018	2019	2020	9/30/21	Total Budget Remaining	Total
<b>Hillside Parking Structure</b>							
1.00000 Property Acquisition	-	-	-	-	-	-	1,680,296
2.00000 Design	-	-	-	-	-	-	583,646
3.00000 Permits & Fees	-	-	-	-	-	-	22,497,146
4.00000 Construction	-	-	-	-	-	-	345,853
5.00000 Owner Purchased FF&E	-	-	-	-	-	-	-
6.00000 Major Medical Equipment	-	-	-	-	-	-	-
7.00000 Data / Communications	-	-	-	-	-	-	-
<b>A Total Hillside Parking Structure Costs</b>	-	-	-	-	-	-	<b>25,178,857</b>
<b>B Sitework Project</b>							
1.00000 Property Acquisition	-	-	-	-	-	-	-
2.00000 Design	43,192	586,857	420,934	-	-	1,050,983	1,314,000
3.00000 Permits & Fees	-	401,143	300,857	-	-	702,000	702,000
4.00000 Construction	-	5,328,682	3,916,318	-	-	9,245,000	9,245,000
5.00000 Owner Purchased FF&E	-	-	-	-	-	-	-
6.00000 Major Medical Equipment	-	-	-	-	-	-	-
7.00000 Data / Communications	-	57,143	42,857	-	-	100,000	100,000
<b>B Total Sitework Project Costs</b>	<b>43,192</b>	<b>6,373,825</b>	<b>4,680,966</b>	-	-	<b>11,097,983</b>	<b>11,361,000</b>
<b>C Hospital Replacement Building Project</b>							
1.00000 Property Acquisition	-	-	-	-	-	-	-
2.00000 Design	675,000	900,000	900,000	225,000	-	2,700,000	34,947,131
3.00000 Permits & Fees	2,224,962	2,966,615	1,898,959	-	-	7,090,536	13,113,862
4.00000 Construction	70,695,208	160,605,224	77,734,476	3,128,572	-	312,163,480	346,211,941
5.00000 Owner Purchased FF&E	1,934,688	6,750,290	-	-	-	8,684,978	8,684,978
6.00000 Major Medical Equipment	3,095,138	15,951,863	12,698,000	-	-	31,745,001	32,536,416
7.00000 Data / Communications	648,360	4,524,376	2,054,735	-	-	7,227,471	7,295,963
<b>C Total Hospital Replacement Building Project Costs</b>	<b>79,273,356</b>	<b>191,698,368</b>	<b>95,286,170</b>	<b>3,353,572</b>	-	<b>369,611,466</b>	<b>442,798,468</b>
<b>D West Wing Make Ready Project</b>							
1.00000 Property Acquisition	-	-	-	-	-	-	-
2.00000 Design	60,000	-	-	-	-	60,000	3,192,327
3.00000 Permits & Fees	-	-	-	-	-	-	456,931
4.00000 Construction	2,150,000	-	-	-	-	2,150,000	12,845,265
5.00000 Owner Purchased FF&E	-	-	-	-	-	-	-
6.00000 Major Medical Equipment	-	-	-	-	-	-	-
7.00000 Data / Communications	-	-	-	-	-	-	-
<b>D Total West Wing Make Ready Project Costs</b>	<b>2,210,000</b>	-	-	-	-	<b>2,210,000</b>	<b>16,495,291</b>
<b>E West Wing Renovation</b>							
1.00000 Design	-	317,440	2,515,499	536,966	-	3,369,905	3,971,700
2.00000 Permit	-	-	1,198,253	793,012	124,736	2,116,001	2,116,001
3.00000 Construction	-	79,350	2,813,718	20,885,337	9,125,595	32,904,000	32,904,000
4.00000 Owner Purchased FF&E	-	396,790	6,527,470	22,215,315	9,250,331	38,389,906	38,991,701
5.00000 Major Medical Equipment	-	-	-	-	-	-	-
6.00000 Data / Communications	-	-	-	-	-	-	-
<b>E Total West Wing Renovation Costs</b>	-	<b>811,526,548</b>	<b>106,494,606</b>	<b>25,568,887</b>	<b>9,250,331</b>	<b>421,309,354</b>	<b>534,825,317</b>
<b>F Total Project Costs</b>	<b>81,526,548</b>	<b>198,468,983</b>	<b>106,494,606</b>	<b>25,568,887</b>	<b>9,250,331</b>	<b>421,309,354</b>	<b>534,825,317</b>





**Financial Report**  
**March 31, 2016**



**To: MHD Finance Committee**  
**From: Jim McManus, CFO**  
**Re: March 2017 Financial Report**  
**Date: April 19, 2017**

**I. General Comments**

These financial statements contain, in summary format, the balance sheet and net support to the District Clinics. The Clinics, as of March 31, 2017 are comprised of 15 locations and 58 practitioners, and are reported as one combined unit.

**II. FY 2017 Income Statement and Budget**

The Net District Operating Loss for the month was \$90,862 which was favorable to budget by \$38,062. Income included rental revenue from the hospital lease of \$42,542, interest income and net unrealized investment gains of 6,609. The District incurred total expenses of \$140,014, including depreciation expense of \$111,370 which is lower than budgeted due to additional hospital construction assets expected to be completed within the year. Expenses also included \$16,667 for the Behavioral Health program support, \$7,854 relating to Legal Fees, \$1,667 in Accounting fees, \$1,000 in dues, and \$956 in Board compensation and expenses.

Clinic losses for the month were \$1,036,913 (\$289,325 unfavorable to budget) and were reimbursed by MGH.

**III. Balance Sheet**

**Assets**

Cash at March 31, 2017 of \$4,160,214 increased by \$892,520 due to increased cash collections from the clinics related to bonus incentives received, as well as timing of expenses and reimbursements. Accounts receivable increased by \$27,686 from February relating to billing and collection activity for the clinics.

Intercompany Receivables of \$908,498 represent amounts due from MGH for Clinic reimbursements.

In August 2016, the hospital parking facility was completed and placed into service. The cost of the garage was transferred from Hospital Construction Costs to Parking Garage. The asset is being depreciated over a period of 25 years.

Deposits and Retainers include a \$1,000,000 retainer paid to Marin Medical Practice Concepts (MMPC) of which \$500,000 was transferred in April 2012 and the remainder in October 2016 for operating expenses of the Clinics.

Intangible Assets represent the Cardiovascular Associates of Marin (CAM) asset purchase price that was deemed to be for medical records and other intangibles (\$185,844 and \$675,660 respectively). These balances are reduced each month by amortization over a period of 15 years.



The balance of the proceeds from the bonds issued in November 2015 (\$74,565,772) is reflected in the account "Assets Limited to Use – Bond Funds". Hospital Construction Costs incurred to date are \$111,194,728.

**Liabilities and Net Assets**

Accounts Payable of \$4,063,961 and Accrued Expenses of \$6,487,173 are comprised of invoices payable and accruals for District, construction, and clinic expenses.

Bonds payable are separated into current (principal due within one year) and non-current (due in greater than one year). Bond Premium represents payments by bond purchasers greater than the face amount of the bond because the stated interest rate of the bonds was higher than the market rate at the date of issuance. The premium is amortized over the life of the bonds as a reduction to interest expense.

The net assets of the District are \$30,231,901.

Marin Healthcare District  
Balance Sheet  
March 31, 2017

	3/31/2017	2/28/2017	Change	12/31/2016
<b>Assets</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	4,160,214	3,267,694	892,520	2,803,128
Net Patient Accounts Receivable	3,124,595	3,096,909	27,686	2,298,670
Other Receivables	72,172	104,017	(31,845)	141,958
Intercompany Receivables	908,498	1,139,788	(231,290)	1,142,733
Inventories	15,692	15,692	-	15,692
Tax Revenues Receivable	6,419,098	6,444,405	(25,307)	6,554,218
Prepaid Expenses	28,786	73,668	(44,882)	51,252
<b>Total Current Assets</b>	<b>14,729,055</b>	<b>14,142,173</b>	<b>586,882</b>	<b>13,007,651</b>
Property, plant, and equipment, net	5,379,201	5,414,301	(35,101)	5,417,320
Parking Garage, net	24,081,923	24,164,396	(82,472)	24,329,340
Hospital Construction Costs	87,112,805	81,320,273	5,792,532	68,351,311
Intangible Assets, net	557,997	562,767	(4,770)	572,307
Assets Limited To Use - Bond Funds	74,565,772	81,280,823	(6,715,051)	96,885,786
Notes Receivable	197,542	201,726	(4,184)	210,037
Deposits & Retainers	1,072,633	1,072,633	-	1,072,633
<b>Total Non-Current Assets</b>	<b>192,967,873</b>	<b>194,016,919</b>	<b>(1,049,046)</b>	<b>196,838,734</b>
<b>Total Assets</b>	<b>207,696,928</b>	<b>208,159,092</b>	<b>(462,164)</b>	<b>209,846,385</b>
<b>Liabilities and Net assets</b>				
<b>Current Liabilities</b>				
Accounts Payable	4,063,961	3,814,017	249,944	2,475,914
Accrued Expenses	6,487,173	7,052,125	(564,952)	9,808,707
Intercompany Payables	1,150,000	1,166,667	(16,667)	1,200,000
Current Bond Maturities	2,645,000	2,645,000	-	2,645,000
Current Maturities of Long-Term Obligations	-	-	-	-
<b>Total Current Liabilities</b>	<b>14,346,134</b>	<b>14,677,809</b>	<b>(331,675)</b>	<b>16,129,621</b>
Bonds Payable	154,740,000	154,740,000	-	154,740,000
Bond Premium	8,279,332	8,304,046	(24,714)	8,353,475
Long-Term Obligations, Less Current Maturities	99,561	102,391	(2,830)	78,044
<b>Total Liabilities</b>	<b>177,465,027</b>	<b>177,824,246</b>	<b>(359,219)</b>	<b>179,301,140</b>
<b>Net Assets</b>				
Net Assets - Beginning Balance	30,545,246	30,545,246	-	25,781,263
Net (Income)/Loss	(313,345)	(210,400)	(102,945)	4,763,982
<b>Total Net Assets</b>	<b>30,231,901</b>	<b>30,334,846</b>	<b>(102,945)</b>	<b>30,545,245</b>
<b>Total Liabilities and Net Assets</b>	<b>207,696,928</b>	<b>208,159,092</b>	<b>(462,164)</b>	<b>209,846,385</b>

**Marin Healthcare District  
Income Statement - Actual vs. Budget  
For the Month Ended March 31, 2017**

	March Month-to-Date			March Year-to-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Rental Revenue	\$42,542	\$42,500	\$42	\$127,625	\$127,500	\$125
Other Revenue	0	0	0	0	0	0
Investment Earnings	6,609	250	6,359	24,470	750	23,720
<b>Total Income</b>	<b>49,152</b>	<b>42,750</b>	<b>6,402</b>	<b>152,095</b>	<b>128,250</b>	<b>23,845</b>
Legal Fees	7,854	3,333	(4,521)	11,634	10,000	(1,634)
Accounting Fees	1,667	1,667	0	5,833	5,000	(833)
Board Compensation	700	1,017	317	2,300	3,050	750
Board Expenses	256	2,083	1,827	3,574	6,250	2,676
Depreciation Expense	111,370	142,907	31,537	334,109	428,721	94,612
Consulting Fees	0	0	0	0	0	0
Charitable Contributions	0	500	500	0	1,000	1,000
Community Education	500	2,500	2,000	31,359	7,500	(23,859)
Dues	1,000	1,000	0	3,000	3,000	0
MGH Program Support	16,667	16,667	0	50,000	50,000	0
Advertising	0	0	0	11,565	0	(11,565)
<b>Total Expense</b>	<b>140,014</b>	<b>171,674</b>	<b>31,660</b>	<b>453,374</b>	<b>514,521</b>	<b>61,147</b>
<b>Net District Operating Income</b>	<b>(90,862)</b>	<b>(128,924)</b>	<b>38,062</b>	<b>(301,279)</b>	<b>(386,271)</b>	<b>84,992</b>
<b>Non-Operating Income/Expense</b>						
<b>Clinic Activity</b>						
Net Loss From Clinics	(1,036,913)	(747,588)	(289,325)	(2,389,270)	(2,237,433)	(151,837)
MGH Clinic Reimbursement	1,036,913	747,588	289,325	2,389,270	2,237,433	151,837
<b>Net Clinic Activity</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Bond-Related Revenue/Expense</b>						
Tax Revenue	0	0	0	0	0	0
Bond Fund Earnings (transferred to construction in progress)	(12,082)	0	(12,082)	(12,082)	0	(12,082)
Bond Issuance Costs	0	0	0	0	0	0
<b>Net Income/(Loss)</b>	<b>(\$102,944)</b>	<b>(\$128,924)</b>	<b>\$25,980</b>	<b>(\$313,361)</b>	<b>(\$386,271)</b>	<b>\$72,910</b>



Marin Healthcare District  
1206b Clinics  
Summary of Profit & Loss - Accrual Basis  
For the Three Months Ended March 31, 2017

Managed Clinics	# MD/NP	# Of Months	Current Month			Monthly Invest/MD	Year to Date			Avg. Annual Invest/MD
			Actual	Budget	Variance		Actual	Budget	Variance	
San Rafael Medical Center	1.00	3.00	9,321	(2,642)	11,963	9,321	3,629	(7,926)	11,555	14,515
North Marin Internal (Novato)	5.00	3.00	(54,092)	(10,699)	(43,393)	(10,818)	(111,534)	(33,256)	(78,278)	(89,227)
Marin Medical Group (MMG)	3.50	3.00	(54,497)	(41,876)	(12,621)	(15,570)	(175,449)	(125,628)	(49,821)	(200,513)
El-Ghoneimy	2.00	3.00	(5,973)	(2,972)	(3,001)	(2,987)	(25,508)	(8,916)	(16,592)	(51,015)
Tamalpais Internal Medicine (TIM)	3.00	3.00	(17,742)	(6,085)	(11,657)	(5,914)	(26,299)	(18,255)	(8,044)	(35,065)
Cardiology Associates (CAM)	15.88	3.00	(578,176)	(423,868)	(154,308)	(36,421)	(1,467,178)	(1,271,840)	(195,338)	(369,683)
Urology	4.00	3.00	(88,984)	(54,940)	(34,044)	(22,246)	(62,715)	(148,076)	85,361	(62,715)
Vascular Surgery	4.00	3.00	(93,365)	(90,365)	(3,000)	(23,341)	(260,866)	(271,453)	10,587	(260,866)
Marin Endocrine	3.50	3.00	(46,015)	(30,526)	(15,489)	(13,147)	(145,998)	(85,614)	(60,384)	(166,854)
2 Bon Air - Rheumatology/Chase	3.00	3.00	(4,982)	7,039	(12,021)	(1,661)	56,461	42,109	14,352	75,281
Murphy	3.20	3.00	(6,076)	(7,324)	1,248	(1,899)	(17,179)	(21,972)	4,793	(21,473)
Novato Medical Office	0.00	3.00	(36,821)	(20,970)	(15,851)		(96,266)	(99,526)	3,260	
<b>Totals</b>	<b>48.08</b>		<b>(\$977,403)</b>	<b>(\$685,228)</b>	<b>(\$292,175)</b>		<b>(\$2,328,901)</b>	<b>(\$2,050,353)</b>	<b>(\$278,548)</b>	
Palliative Care	1.00	3.00	(\$7,749)	(\$8,183)	\$434	(7,749)	(\$29,368)	(\$24,549)	(\$4,819)	(\$117,472)
Clinic Administration	0.00	3.00	(\$33,290)	(\$22,722)	(\$10,568)		(\$44,334)	(\$68,166)	\$23,832	
<b>Self - Managed Clinics</b>	<b># MD/NP</b>	<b># Of Months</b>	<b>Current Month</b>			<b>Monthly Invest/MD</b>	<b>Year to Date</b>			<b>Avg. Annual Invest/MD</b>
			<b>Actual</b>	<b>Budget</b>	<b>Variance</b>		<b>Actual</b>	<b>Budget</b>	<b>Variance</b>	
West Marin Medical Center (Pt. Reyes)	3.50	3.00	(9,063)	(8,928)	(135)	(2,590)	(28,666)	(26,784)	(1,882)	(32,761)
Soluna Health	0.00	0.00	(42)	0	(42)		(127)	0	(127)	
<b>Totals</b>	<b>3.50</b>		<b>(\$9,105)</b>	<b>(\$8,928)</b>	<b>(\$177)</b>		<b>(\$28,793)</b>	<b>(\$26,784)</b>	<b>(\$2,009)</b>	
<b>Totals Before Behavioral Health</b>	<b>52.58</b>		<b>(\$1,027,548)</b>	<b>(\$725,061)</b>	<b>(\$302,487)</b>		<b>(\$2,431,396)</b>	<b>(\$2,169,852)</b>	<b>(\$261,544)</b>	
Behavioral Health (Note 1)	5.00	3.00	(\$9,366)	(\$22,527)	\$13,161	(\$1,873)	\$42,126	(\$67,581)	\$109,707	\$33,701
<b>Total All Clinics</b>	<b>57.58</b>		<b>(\$1,036,913)</b>	<b>(\$747,588)</b>	<b>(\$289,325)</b>		<b>(\$2,389,270)</b>	<b>(\$2,237,433)</b>	<b>(\$151,837)</b>	

Note 1 - Up to \$200K of Behavioral Health Clinic losses is included in the Program Support payments by the District to MGH