



Marin Healthcare District

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

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

Website: www.marinhealthcare.org / Email: info@marinhealthcare.org

FINANCE AND AUDIT COMMITTEE

Regular Meeting

July 25, 2017, 5:45pm

Members:

Chair:

Larry Bedard, MD

Members:

Jennifer Hershon, RN, MSN

Staff:

James McManus, CFO

Jean Noonan, Controller

Mary Friedman, Director

Michael Lighthawk, Executive Assistant

Location:

MHD Conference Room at Drakes Landing

100B Drakes Landing Road, Suite 250

Greenbrae, CA 94904

REGULAR MEETING MINUTES

- I. **Call to Order** - Chair Bedard called the regular meeting of the Finance & Audit Committee to order at 5:45pm.
- A. Roll Call – Chair Bedard and Member Hershon present.
 - B. Approval of Agenda – **Agenda approved.**
 - C. Approval of Minutes of Regular Meeting: May 30, 2017. **Minutes approved.**
 - D. Approval of Closed Session Minutes of May 30, 2017. **Minutes approved.**
 - E. General Public Comment - No public.

II. **Review / Recommend Approval of Items Discussed in Closed Session (Action)**

Motion: To recommend the MHD Board of Directors approve the recruitment incentives and income guarantee for Dr. Ramon Partida for Cardiology Services in the District's 1206(b) Cardiology Clinics and compensation for Medical Director Services for the Structural Heart Program.

Member Hershon so moved. Seconded by Chair Bedard. Vote: All ayes. **Motion passed.**

III. **Finance**

- A. Financial Report – June 30, 2017

Ms. Noonan referred to page 9, Balance Sheet. Hospital construction costs continue to increase as expected. The "Assets Limited to Use" category are the bond funds used to pay down construction costs. In Liabilities, "Accrued Expenses" went up \$2.2M which is the accrual of the invoices related to construction.

Income Statement - Rental Revenue from the lease of hospital facilities (\$42,542.) and Investment Earnings (\$3697.) were the sole sources of income for the District in June. Ms. Noonan noted that Investment Earnings are not budgeted because of fluctuations throughout the year.



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1206(b) Clinics – Marin Medical Group is in a transition period due to one physician taking more time off while a new physician is ramping up and an older physician is scaling back to retire. The Clinic Committee is looking at the situation closely in order to ascertain what opportunities are available to get the practice back to budget.

Cardiovascular Associates of Marin (CAM) – CAM's Revenue and productivity is lower this year as expenses and staff salaries continue to run high. Further discussions ensued on new TAVR programs. Mr. McManus commented on the TAVR program and the stringent qualifications for that program. The new physician at CAM will be responsible for developing the TAVR program there.

Further discussions ensued regarding Clinic variances in Urology, Rheumatology, and Vascular Surgery.

B. G.O. Bond Financing Plan

Mr. McManus stated that Jenna Magan of Orrick will do close to the exact same presentation to the MHD Board of Directors on August 8th and she did on October 13, 2015. Staff has completed the due diligence in gathering the required bond documents and uploaded to Orrick's Drop Box. Next week, Lee Domanico and Jim McManus will be presenting to Moody's and Fitch rating agencies. The District is on track for the issuance of the remainder of the GO Bonds (\$224M).

IV. Agenda Items for Next Meeting

Bedard

V. Adjournment

Bedard