



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

Tuesday, August 28, 2018, 5:30pm

Members:

Chair:

Larry Bedard, MD

Members:

Jennifer Rienks, PhD

Staff:

Jim McManus, CFO

Mark Zielazinski, CITIO

Jean Noonan, Controller

Michael Lighthawk, EA

Location:

MHD Conference Room

100B Drakes Landing Road, Suite 250

Greenbrae, CA 94904

REGULAR MEETING MINUTES

I. **Call to Order** – Chair Bedard called the regular meeting to order at 5:40pm.

A. Roll Call

▪ Members Present: Larry Bedard, MD; Jennifer Rienks, PhD.

▪ Staff Present: Jim McManus, Jean Noonan, Mark Zielazinski, Michael Lighthawk.

B. Approval of Closed Session Agenda: **Agenda approved.**

C. Approval of Regular Meeting Agenda: **Agenda approved.**

D. Approval of Minutes of Regular Meeting of June 26, 2018: **Minutes Approved.**

E. General Public Comment – No Public.

I. **Review / Recommend Approval of Items Discussed in Closed Session (Action)** **Recommend approval by the BOD.**

Motion: To recommend the MHD Board of Directors approve the Under Arrangements Agreement for Outpatient Diagnostic Services related to Men's Health and Urology Clinic.

So moved by Member Rienks. Chair Bedard seconded. Vote: All Ayes. **Motion passed.**

II. **Finance**

A. Financial Report – July 31, 2018

Balance Sheet - Jim McManus reported Cash and Cash Equivalents of \$2.7M which fluctuates period to period depending on what the District needs to pay to the hospital based on the amount of funding to the Clinics. Intercompany Receivables is the activity of the Clinics.

We now have construction costs associated with the hospital replacement project and have spent \$207M to date. The first tranche of \$170M from the GO Bonds has been spent and we are now into the second tranche of \$224M.

MGH 2.0 is considered 45% complete and the two towers are expected to be watertight by the end of the year. We are still making up the 45 days lost in rain delays and the steel fabrication error aided by the implementation of a 2nd shift which was approved by the County. The expenses associated with the 2nd shift is being picked up by McCarthy while they resolve the steel fabrication errors with the sub-contractor.

A copy of the agenda for the Regular Meeting will be posted and distributed
at least seventy-two (72) hours prior to the meeting.

American Sign Language Interpreters may be requested by calling (415) 927-5755 (voice)
or (415) 927-5759 (facsimile) at least 48 hours in advance of this meeting.



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

Accrued expenses include costs of operations with the clinics and outstanding payments on MGH 2.0. At the end of July, the District had Total Net Assets \$36.3M and Total Liabilities and Net Assets of \$474M.

Income Statement – The District had a Net Operating Income of -\$98.5M. This is largely because of depreciation and when depreciation is added back, the District's cash flow is positive. YTD Net District Operating Income is a positive \$216K. Clinic support required \$1.5M which is paid by MGH. Clinic support YTD vs. budget is positive at \$609K.

1206(b) Clinics – The three clinics needing the most support in July were CAM (\$88K); Urology (\$27K) and; Vascular Surgery (\$270K).

B. Review and Approve District Policy Updates

1. Travel Expense Reimbursement Policy

Jim McManus presented the updated policy for approval noting that there are no changes to the Staff & Director Expense Report form. Expenses for spouse or companion travel was discussed and is not reimbursable according to the policy. It is up to the individual staff or director to indicate on applicable receipts that only half of the cost is reimbursable when a spouse or companion attends a meal or function. Additionally, alcohol is not reimbursable.

Motion: Recommend the MHD Board of Directors approve the updated MHD Travel Reimbursement Policy as presented to the Finance and Audit Committee.

So moved by Chair Bedard. Seconded by Member Rienks. All ayes. **Motion passes.**

2. Financial Procedures & Internal Controls

Jim pointed out that updates to this policy had to do with the incorporation of the clinic practices into MGH Finance for payroll and accounts payable services as well as allowing for current technology in the policy (imaging and scanning).

Motion: Recommend the MHD Board of Directors approve the updated MHD Financial Procedures & Internal Controls policy as presented to the Finance and Audit Committee.

So moved by Director Rienks. Seconded by Chair Bedard. All ayes. **Motion passes.**

III. Agenda Items for Next Meeting – No agenda items for the next meeting were identified.

IV. Adjournment – Chair Bedard adjourned at 6:16pm.