

PUBLIC NOTICE

CITY OF ALAMEDA HEALTH CARE DISTRICT BOARD OF DIRECTORS

MEETING AGENDA

Monday, August 21, 2017

OPEN SESSION: 5:30 P.M.

Location:

Alameda Hospital (Dal Cielo Conference Room)
2070 Clinton Avenue, Alameda, CA 94501

Office of the Clerk: (510) 814-4001

Members of the public who wish to comment on agenda items will be given an opportunity before or during the consideration of each agenda item. Those wishing to comment must complete a speaker card indicating the agenda item that they wish to address and present to the District Clerk. This will ensure your opportunity to speak. Please make your comments clear and concise, limiting your remarks to no more than three (3) minutes.

I. Call to Order

Michael Williams

II. Roll Call

Kristen Thorson

III. General Public Comments

IV. Regular Agenda

A. Alameda Health System and Alameda Hospital Updates

1) FY 2016-2017 Q4 / YTD AHS Financial Report

David Cox
Chief Financial Officer

- ✓ 2) Hospital CAO Report **ENCLOSURE (PAGES 4-24)**
a. Review and Approval of 2017-2018 Parcel Tax Budget from Alameda Health System

James E.T. Jackson, M.P.H.
Chief Administrative Officer

ACTION ITEM

3) Alameda Hospital Medical Staff Report

Elpido Magalong, MD
President, Medical Staff

B. District & Operational Updates

1) District Liaison Reports

INFORMATIONAL

- ✓ a. Alameda Health System Liaison Report **ENCLOSURE (PAGES 25-26)**

Tracy Jensen

b. Community Liaison Report

Dennis Popalardo

- c. Alameda Hospital Liaison Report Robert Deutsch, MD
 - ✓ i. Commercial Contracts Update (Anthem, Blue Cross and Blue Shield) **ENCLOSURE (PAGES 27-29)**
 - Resolution No. 2016-3
 - ✓ ii. Alameda Infusion Center **ENCLOSURE (PAGES 30-44)**
 - June 6, 2016 Minutes
 - June 28, 2016 Minutes
 - AHS Parcel Tax Historical view
 - ✓ iii. Alameda Primary Care Clinic **ENCLOSURE (PAGES 45-65)**
 - August 1, 2106 Minutes including handout from meeting
 - October 3, 2016 Minutes
- d. President's Report Michael Williams
 - i. Executive Director Search / District Staffing
- e. Other District Outreach Reports and Member Updates All
 - i. Accounting/Billing Practices Gayle Godfrey Codiga
- ✓ 2) Review of Current Meeting Schedule and Discussion on Changing the Frequency of Meetings **ENCLOSURE (PAGE 66)**
- ✓ 3) Overview of City of Alameda Health Care Corporation and Discussion on Potential Distribution of Funds **ENCLOSURE (PAGE 67)**
- ✓ 4) 2017-2018 Special Liability Insurance Policy (SLIP) Renewal Update **ENCLOSURE (PAGES 68-69)**
- ✓ 5) Jaber Property Maintenance & Capital Improvements Update **ENCLOSURE (PAGE 70)**
- 6) Acceptance of Minutes **ACTION ITEM**
 - ✓ a. February 13, 2017 **ENCLOSURE (PAGES 71-75)**
 - ✓ b. May 8, 2017 **ENCLOSURE (PAGES 76-79)**
 - ✓ c. June 5, 2017 **ENCLOSURE (PAGES 80-86)**
- 7) Acceptance of Financial Statements **ACTION ITEM** **ENCLOSURE (PAGES 87-108)**
 - ✓ a. April 2017 **(PAGES 88-94)**
 - ✓ b. May 2017 **(PAGES 95-101)**
 - ✓ c. June 2017 **(PAGES 102-108)**
- ✓ 8) Review of Analysis of Jaber Fund and Recommendation on Distribution from the Fund to Alameda Health System for Purchase of Capital Equipment for period ending June 30, 2016 **ACTION ITEM** **ENCLOSURE (PAGES 109-111)**

D. October 9, 2017 Agenda Preview

Kristen Thorson

INFORMATIONAL - SUBJECT TO CHANGE

Action Items

- 1) Acceptance of July & August 2017 Financials
- 2) Acceptance of Minutes
 - August 21, 2017

Informational Items

- 1) District Liaison Reports (AHS, Hospital and Community)
- 2) FY Q3 (Jan-Feb-Mar) AHS Reporting
 - Hospital/CAO, Finance, Quality, and Alameda Hospital Medical Staff Reports

V. General Public Comments

VI. Board Comment

VII. Adjournment

<p>Next Scheduled Meeting Dates (2nd Monday, every other month or as scheduled)</p> <p>October 9, 2016 December 11, 2017</p>	<p>Open Session 5:30 PM Dal Cielo Conference Room Alameda Hospital</p>
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Chief Administrative Officer Report

James E.T. Jackson, MPH
Chief Administrative Officer

City of Alameda Health Care District
Board of Directors Meeting
August 21, 2017

PROPOSED FY 2018 PARCEL TAX BUDGET

Joint Powers Agreement (JPA)

Overview

- The JPA authorizes the District to support the ongoing operation and capital needs of Alameda Hospital through the annual assessment and collection of its duly authorized parcel tax
- At least 60 days before the end of each FY AHS shall prepare & submit to District for its approval...a proposed spending plan for the parcel tax revenue for the next fiscal year
- AHS shall, on an ongoing basis propose revisions to the parcel tax budget to reflect material changes during the course of the fiscal year

Joint Powers Agreement (JPA)

Overview

- AHS agrees to make such capital commitments as AHS shall deem necessary, in its sole discretion to supplement the Parcel Tax Revenue
- AHS shall not be required to construct, or to make any capital commitments for the construction of a new acute care facility in compliance with the 2030 Seismic Requirements
- The manner & funding of such a facility shall be the subject of further negotiations beginning in the year 2020

Joint Powers Agreement (JPA)

Overview

- The parties shall establish a long-term capital reserve fund for meeting the ongoing capital needs of Alameda Hospital, including compliance with the 2030 Seismic Requirements which shall be funded solely by any Parcel Tax Revenue that exceeds the applicable Hospital Financial Requirements in a given year.

FYE June 30, 2015 Budget vs. Actual

	Budget	Actual	Variance	Var %
Parcel tax receipts	\$ 5,784,199	\$ 5,739,091	\$ (45,108)	-1%
District budget allocation	(613,527)	(403,705)	209,822	34%
Allocation to Alameda Health System	\$ 5,170,672	\$ 5,335,386	\$ 164,714	3%
AHS Uses of Funds				
Repayment of AHS Line of credit plus accrued interest	1,598,438	1,621,405	(22,967)	-1%
Repayment of AH Foundation Loan	405,000	405,000	-	0%
Accounts Payable Reduction	1,936,196	8,739,346	(6,803,150)	-351%
Facilities and IT Projects	231,038	231,038	-	0%
Capital Equipment	1,000,000	1,000,000	-	0%
Total AHS Uses of Funds	\$ 5,170,672	\$11,996,789	\$(6,826,117)	-132%
Net Surplus/(Deficit)	\$ -	\$(6,661,403)	\$(6,661,403)	-100%

FYE June 30, 2016 Budget vs. Actual

	Budget	Actual	Variance	Var %
Parcel tax receipts	\$ 6,003,078	\$ 5,741,472	\$ (261,606)	-4%
District budget allocation	(397,630)	(257,250)	140,380	35%
Allocation to Alameda Health System	\$ 5,605,448	\$ 5,484,222	\$ (121,226)	-2%
AHS Uses of Funds				
Accounts Payable Reduction	-	1,030,737	(1,030,737)	-100%
Facilities and IT Projects	2,870,000	3,791,248	(921,248)	-32%
Capital Equipment	2,000,000	1,261,875	738,125	37%
Long Term Capital Reserve	735,448	-	735,448	100%
Total AHS Uses of Funds	\$ 5,605,448	\$ 6,083,860	\$ (478,412)	-9%
Net Surplus/(Deficit)	\$ -	\$ (599,637)	\$ (599,637)	-100%

FYE June 30, 2017 Budget vs. Actual

	Budget	Actual	Variance	Var %
Parcel tax receipts	\$ 5,957,818	\$ 5,397,414	\$ (560,404)	-9%
District budget allocation	(611,998)	(290,337)	321,661	53%
Allocation to Alameda Health System	\$ 5,345,820	\$ 5,107,077	\$ (238,743)	-4%
AHS Uses of Funds				
Accounts Payable Reduction	-	40,654	(40,654)	-100%
Facilities and IT Projects	1,000,000	5,727,534	(4,727,534)	-473%
Capital Equipment	1,000,000	2,482,182	(1,482,182)	-148%
Alameda Hospital retrofit including kitchen	1,845,820	-	1,845,820	100%
Long Term Capital Reserve	1,000,000	-	1,000,000	100%
Program Development	500,000	-	500,000	100%
Total AHS Uses of Funds	\$ 5,345,820	\$ 8,250,370	\$(2,904,550)	-54%
Net Surplus/(Deficit)	\$ -	\$(3,143,293)	\$(3,143,293)	-100%

Proposed Fiscal 2018 Budget

1 Alameda Health District - Fiscal 2018 Budget Recommendation	Fiscal 2018 Proposal
2 Estimated parcel tax receipts	\$ 5,855,751
3 District budget allocation	456,395
4 Allocation to Alameda Health System	\$ 5,399,356
5	
6 AHS Anticipated Uses of Funds	
7 Repayment of AHS Line of credit plus accrued interest	
8 Repayment of AH Foundation Loan	
9 Accounts Payable Reduction	
10 Facilities and IT Projects	2,593,038
11 Capital Equipment	1,122,527
12 Alameda Hospital retrofit/kitchen upgrade	1,683,791
13 Long Term Capital Reserve	
14 Program Development	
15 Operating Support	
16 Total Anticipated Uses	\$ 5,399,356

FY 2018 Detail

- The following slide represents the detail of the planned or anticipated:
 - Capital Investments
 - Facilities or IT Projects
 - Seismic Retrofit
- The parcel tax will fund approximately 56% of the capital budget
- The remaining funding will come from AHS
- As needed, AHS may need to adjust capital projects / investments based on current or emergent needs at the facility.
- Periodic updates will be provided to the Board as to progress on the capital investments and any changes that may occur during the year

FY2018 Itemized Detail

Fiscal 2018 Proposal	Capital Equipment	Facilities and IT Projects	Retrofit	Grand Total
CT & X-Ray	\$2,000,000			\$2,000,000
Nurse call		700,000		700,000
CT		500,000		500,000
ER refresh		350,000		350,000
Boiler Retrofit		360,000		360,000
Kitchen upgrade to Park Ridge		300,000		300,000
Security cameras		260,000		260,000
Fire alarm replacement		250,000		250,000
Alameda Roof Replacement		1,000,000		1,000,000
Fire sprinkler replacement		500,000		500,000
Projects < \$50,000		400,000		400,000
Alameda Hospital retrofit/kitchen upgrade			3,000,000	3,000,000
Total	\$2,000,000	\$4,620,000	\$3,000,000	\$9,620,000
Pro-rated @56% for Parcel Tax	\$1,122,527	\$2,593,038	\$1,683,791	\$5,399,356

- Total anticipated / planned capital investments = \$9.6M
- Parcel tax will fund ~56% of total investments

Recommendation

- Propose approval of FY 2018 proposed parcel tax budget as presented.



Brand Conversion



Alameda Hospital

A member of Alameda Health System



**SAN LEANDRO
HOSPITAL**

A member of Alameda Health System



**FAIRMONT
HOSPITAL**

A member of Alameda Health System



**ALAMEDA
HEALTH SYSTEM**



Wellness

Eastmont | Hayward | Highland | Newark

A member of Alameda Health System

**JOHN
GEORGE**

PSYCHIATRIC HOSPITAL

A member of Alameda Health System

**HIGHLAND
HOSPITAL**

A member of Alameda Health System

New Naming Conversion



Alameda Hospital



A New Day In Health



Park Bridge
Rehabilitation and Wellness



South Shore
Rehabilitation and Wellness



Creedon Advanced
Wound Care



Highland Hospital



San Leandro
Hospital



OUR PEOPLE



Let's go for a **Walk**

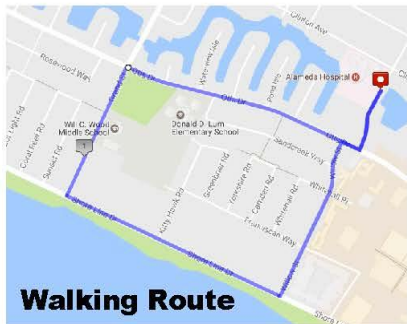
Join the Chief Administrative Officer,
James Jackson on a monthly walk.

Exercise, talk and enjoy the
beautiful Alameda weather!

Meet in the Hospital parking lot, main entrance.

Walk 1.8 miles | approx. 30-40 mins.

If it rains, walk is canceled.



TIME: 4:30 PM

Wednesday, May 17, 2017

Wednesday, June 21, 2017

Wednesday, July 19, 2017

Wednesday, August 16, 2017

Wednesday, September 20, 2017



APPENDIX

FY 2016

Itemized Detail

- Capital Equipment purchased
- Facilities and IT Projects Completed

FISCAL YEAR 2016	Amount
Capital Equipment	
Alaris Pump Replacement	\$ 1,522,881
Chemistry/Immuno Analyzers (2)	\$ 331,406
Replace Two Video Towers	\$ 297,132
Urology OR Equipment	\$ 283,714
AHD Materials Management Optimization	\$ 215,267
Ortho Large/Small Drill	\$ 116,352
LONG TERM CARE PATIENT BEDS	\$ 114,707
ED Gurney Replacements	\$ 99,142
Ortho Arthroscopy Equipment	\$ 84,037
Ortho Hana Table	\$ 83,314
Chiller compressor Replacement	\$ 71,175
Stryker ICU Bed Exchange & Purchase of Additional beds	\$ 70,013
MATTRESSES	\$ 68,886
ViewPoint 6 Expert	\$ 63,740
New Furniture	\$ 61,089
Eye YAG Lazer	\$ 53,900
Other-under \$50K	\$ 254,493
TOTAL Capital Equipment	\$ 3,791,248
Facilities and IT Projects	
Patient Floors Replacement & Painting	\$ 933,141
Construction to consolidate BABJ & general surgeon office	\$ 265,526
Replace Sanitary Sewer Line at Waters Edge	\$ 63,208
TOTAL Facilities and IT Projects	\$ 1,261,875

FY 2017 Itemized Detail

- Capital Equipment purchased
- Facilities and IT Projects Completed

FISCAL YEAR 2017	Amount
Capital Equipment	
End of Svc Replacement - AHD E.R.	\$ 364,570
End of Svc Replacement - AHD Telemetry	\$ 363,838
End of Svc Replacement - AHD Coronary Care	\$ 274,922
ECHO MACHINE - GE HEALTH VIVID CONSOLE PACKAGE AND SOFTWARE	\$ 232,705
SONOSITE	\$ 217,495
End of Svc Replacement - 77421	\$ 164,707
End of Svc Replacement - AHD Anesthesiology	\$ 133,753
HEMATOLOGY ANALYZERS	\$ 130,416
End of Svc Replacement - AHD Surgical Table	\$ 100,140
End of Svc Replacement - AHD Short Stay	\$ 92,013
AHD TELEMETRY REPLACEMENT	\$ 71,240
AHS ALAMEDA HOSPITAL, SURGERY & RECOVERY SRVS (END OF LIFE :)	\$ 63,466
End of Svc Replacement - AHD E.M.R.	\$ 58,533
Other-under \$50K	\$ 214,384
TOTAL Capital Equipment	\$ 2,482,182

Facilities and IT Projects	
STEAM BOILER AND DOMESTIC HOT WATER BOILERS	\$ 1,702,534
REPLACE ALAMEDA ROOF ON SOUTH BLDG (AND EAST BLDG)	\$ 1,574,986
AH PBX Replacement - \$563,451	\$ 563,451
ROOF REPLACEMENT - ALL LOCATIONS	\$ 244,924
AH Network Upgrade - \$235,073	\$ 235,073
ALAMEDA HOSPITAL RENOVATION	\$ 199,345
STERRAD 100NX STERILIZER SYSTEM	\$ 140,449
ALAMEDA ATS REPLACEMENT	\$ 138,430
B2 REFRESH FLOORING, PATCH & PAINT	\$ 122,076
ALAMEDA BED REPLACEMENT	\$ 115,922
COOLING TOWER UPGRADE	\$ 93,120
ALAMEDA/PARK BRIDGE BED REPLACEMENT	\$ 92,732
ALAMEDA HOSPITAL SURGERY DUCT UPGRADE	\$ 88,047
ALAMEDA HOSPITAL BOILER PROJECT PHASE 2	\$ 82,450
IATRIC SOFTWARE AND IMPLEMENTATION	\$ 79,135
Other-under \$50K	\$ 254,861
TOTAL Facilities and IT Projects	\$ 5,727,534

GRAND TOTAL FY2017

\$ 8,209,717

1 Alameda Health District - Fiscal 2018 Budget Recommendation	Fiscal 2015 Budget	Fiscal 2016 Budget	Fiscal 2017 Budget	Fiscal 2018 Proposal
2 Estimated parcel tax receipts	\$ 5,784,199	\$6,003,078	\$ 5,957,818	\$ 5,855,751
3 District budget allocation	(613,527)	(397,630)	(611,998)	(456,395)
4 Allocation to Alameda Health System	\$ 5,170,672	\$5,605,448	\$ 5,345,820	\$ 5,399,356
5				
6 AHS Anticipated Uses of Funds				
7 Repayment of AHS Line of credit plus accrued interest	1,598,438			
8 Repayment of AH Foundation Loan	405,000			
9 Accounts Payable Reduction	1,936,196			
10 Facilities and IT Projects	231,038	2,870,000	1,000,000	2,593,038
11 Capital Equipment	1,000,000	2,000,000	1,000,000	1,122,527
12 Alameda Hospital retrofit/kitchen upgrade			1,845,820	1,683,791
13 Long Term Capital Reserve		735,448	1,000,000	
14 Program Development			500,000	
15 Operating Support				
16 Total Anticipated Uses	\$ 5,170,672	\$5,605,448	\$ 5,345,820	\$ 5,399,356
17	-	-	-	-
18				
19 AHS Actual	Fiscal 2015 Actual	Fiscal 2016 Actual	Fiscal 2017 Actual	
20 Actual parcel tax receipts	\$ 5,739,091	\$5,741,472	\$ 5,397,414	
21 District budget allocation	(403,705)	(257,250)	(290,337)	
22 Allocation to Alameda Health System	\$ 5,335,386	\$5,484,222	\$ 5,107,077	
23				
24 AHS Actual Uses of Funds				
25 Repayment of AHS Line of credit plus accrued interest	1,621,405			
26 Repayment of AH Foundation Loan	405,000			
27 Accounts Payable Reduction	8,739,346	1,030,737	40,654	
28 Facilities and IT Projects	231,038	3,791,248	5,727,534	
29 Capital Equipment	1,000,000	1,261,875	2,482,182	
30 Alameda Hospital retrofit including kitchen				
31 Long Term Capital Reserve				
32 Program Development				
33 Operating Support				
34 Total Uses of Parcel Tax	\$ 11,996,789	\$6,083,860	\$ 8,250,370	
35 Actual Surplus/(Deficit)	\$ (6,661,403)	\$ (599,637)	\$ (3,143,293)	

CITY OF ALAMEDA HEALTH CARE DISTRICT

MEETING DATE: August 21, 2017
TO: City of Alameda Health Care District, Board of Directors
FROM: Tracy Jensen
SUBJECT: Alameda Health System Liaison Report

Board of Trustees Update

AHS Appointment: The Board of Supervisors is expected to make an appointment in September for the vacant seat. According to the agreement between the AHS trustees and the Board of Supervisors, the appointee will come from Supervisor Valle's southern Alameda County district.

System Update

EHR: The Board was advised that Epic Systems Corporation had been chosen as the lead vendor for the new system-wide Electronic Medical Record. Based on the review of their proposal and the results of hands-on demonstrations, System leadership will begin negotiations with Epic intended to secure a sustainable contract to present to the AHS Board for approval.

Alameda Primary Care: Dr. Jamaladdine, the AHS Chief Medical Officer, is soliciting primary care providers for the new practice. It should be noted that the current AHS primary care sites are clinic-based Federally Qualified Health Centers while the Alameda site will be a private practice model with increased access - similar to the Alameda Hospital primary care practice clinic that existed before our partnership with AHS.

Trauma Center: Highland Hospital is now the East Bay's first Level 1 Adult Trauma Center.

Budget Approved: The 2018 operating budget approved in June includes \$67 Million for Alameda Hospital. Alameda Hospital's budget does not include administrative and clinical support services provided offsite by Alameda Health System.

The 2018 parcel tax is included in the AHS budget, and allocated to Alameda Hospital as per the JPA. Below is a chart outlining the parcel tax allocation.

CITY OF ALAMEDA HEALTH CARE DISTRICT

Alameda Health District - Fiscal 2018 Budget Recommendation

1	Fiscal 2015 Budget	Fiscal 2016 Budget	Fiscal 2017 Budget	Fiscal 2018 Proposal
2 Estimated parcel tax receipts	\$ 5,784,199	\$6,003,078	\$ 5,957,818	\$ 5,855,751
3 District budget allocation	(613,527)	(397,630)	(611,998)	(456,395)
4 Allocation to Alameda Health System	\$ 5,170,672	\$5,605,448	\$ 5,345,820	\$ 5,399,356
5				
6 AHS Anticipated Uses of Funds				
7 Repayment of AHS Line of credit plus accrued interest	1,598,438			
8 Repayment of AH Foundation Loan	405,000			
9 Accounts Payable Reduction	1,936,196			
10 Facilities and IT Projects	231,038	2,870,000	1,000,000	2,593,038
11 Capital Equipment	1,000,000	2,000,000	1,000,000	1,122,527
12 Alameda Hospital retrofit/kitchen upgrade			1,845,820	1,683,791
13 Long Term Capital Reserve		735,448	1,000,000	
14 Program Development			500,000	
15 Operating Support				
16 Total Anticipated Uses	\$ 5,170,672	\$5,605,448	\$ 5,345,820	\$ 5,399,356

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: August 21, 2017
TO: City of Alameda Health Care District, Board of Directors
FROM: Kristen Thorson, District Clerk
SUBJECT: Enclosures for Alameda Hospital Liaison Report

Director Deutsch has requested a copy of the Board resolution from June 28, 2016 for this agenda item.

- a. Alameda Hospital Liaison Report
 - i. Commercial Contracts Update (Anthem, Blue Cross and Blue Shield)
 - Resolution No. 2016-3

CITY OF ALAMEDA HEALTH CARE DISTRICT

RESOLUTION NO. 2016-3

BOARD OF DIRECTORS, CITY OF ALAMEDA HEALTH CARE DISTRICT

STATE OF CALIFORNIA

* * *

Whereas, many citizens of Alameda are long-term supporters of the hospital by virtue of their utilization of hospital services, volunteering their time and making charitable donations,

Whereas, all residents of Alameda support the operation of Alameda Hospital through an annual parcel tax and a countywide sales tax,

Whereas, many residents of Alameda, who have depended upon the hospital and its services are now unable to access healthcare in their community due to insurance contracting issues,

Whereas, many citizens of Alameda are now expressing anger and frustration that they cannot use, or believe they cannot use, Alameda Hospital services, because of insurance contracting issues,

Whereas, almost all Alameda physicians are now expressing anger and frustration that they must refer many patients off-island for necessary medical services because of insurance contracting issues,

Whereas, the future of Alameda Hospital is in jeopardy if an increasing number of Alameda residents cannot access medical services here because of insurance contracting issues,

Whereas, the City of Alameda Health Care District Board deplors this current state of affairs, wherein, some Alameda residents cannot use Alameda Hospital services because Alameda Health System has allowed insurance contracts to terminate with major insurance plans,

Whereas, the mission statement of the City of Alameda Healthcare District includes oversight of the operation of Alameda Hospital,

Whereas, the mission statement of Alameda Health System is "Caring, Healing, Teaching, Serving *All*,"

NOW, THEREFORE, BE IT RESOLVED :

The City of Alameda Health Care District requests the Chief Executive Officer of Alameda Health System to direct his administration to promptly re-establish insurance contracts with all commercial insurers that provide coverage to Alameda residents.

PASSED AND ADOPTED on June 28, 2016 by the following vote:

AYES: 4

NOES: 0

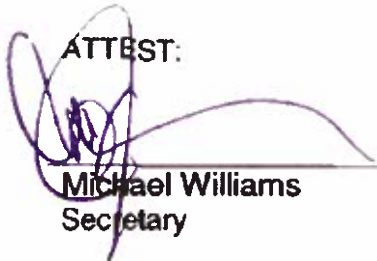
ABSTENTION: 1

ABSENT: 0

K.S. Duke

Kathryn Sáenz Duke
President

ATTEST:



Michael Williams
Secretary

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: August 21, 2017
TO: City of Alameda Health Care District, Board of Directors
FROM: Kristen Thorson, District Clerk
SUBJECT: Enclosures for Alameda Hospital Liaison Report

Director Deutsch has requested a copy of the 2016-2017 parcel tax budget listing finding for the infusion center start-up. I have also included the minutes that reference approval of the parcel tax budget.

- a. Alameda Hospital Liaison Report
 - ii. Alameda Infusion Center
 - June 6, 2016 Minutes
 - June 28, 2016 Minutes
 - AHS Parcel Tax Historical view

CITY OF ALAMEDA HEALTH CARE
DISTRICT

Minutes of the City of Alameda Health Care District Board of Directors
Open Session
Monday, June 6, 2016 Regular Meeting

Board Members Present		Legal Counsel Present	Excused / Absent
Robert Deutsch, MD Tracy Jensen Jim Meyers, DrPH	Kathryn Sáenz Duke Michael Williams	Thomas Driscoll, Esq.	
Submitted by: Kristen Thorson, District Clerk			

Topic	Discussion	Action / Follow-Up
I. Call to Order	The meeting was called to order at 5:38 p.m.	
II. Roll Call	Kristen Thorson called roll, noting a quorum of Directors was present.	
III. General Public Comments	None.	
IV. Regular Agenda		
A. Alameda Health System and Alameda Hospital Updates		
<p>1) FY Q3 Financial AHS Reporting (Jan-Feb-March & YTD)</p> <p>David Cox, Alameda Health System CFO, provided a financial presentation in addition to the update on the commercial insurance contract status that was provided in the board materials. Copies of the presentation are available from the Clerk and will be posted on the website.</p> <p>Director Deutsch expressed his concern over the continued delay in getting contracts with all commercial insurances and said that the impact is major for patients and residents of Alameda. He proposed adopting a resolution that urged AHS to settle contracts will all commercial insurers. He read the proposed resolution to the Board.</p> <p>Director Williams stated that he was not comfortable voting on the resolution as the resolution had not been made available to the public in advance of the meeting.</p> <p>Discussion on motion: Director Meyers noted that this subject was a big topic of conversation</p>		<p>Director Deutsch made a motion to adopt the resolution urging AHS to settle contracts with all commercial insurers and Director Meyers seconded. Discussion followed as noted to the left.</p> <p>Director Deutsch called the question.</p> <p>The motion did not pass with a vote of 1-4.</p>

Topic	Discussion	Action / Follow-Up
	<p>at the recent City of Alameda / District Liaison Committee and agreed with Director Williams on taking action without notice to the public. Director Jensen appreciated the resolution presented but wanted to hear more from AHS and the community and suggested a special meeting to discuss. Director Saenz Duke stated that she was not prepared to support the resolution at this time and commented that there were other ways to address the issue. Director Deutsch expressed his disappointment with the sense of the Board. Director Deutsch stated he would endorse a special meeting to discuss in more depth with community and AHS leadership including the CEO and CFO. Mr. Cox noted that public sentiment expressed directly to the payors would make an impact.</p> <p>2) FY Q3 Quality AHS Reporting (Jan-Feb-March & YTD)</p> <p>A revised quality score card was distributed to the Board. Eileen Pummer, Director of Quality reviewed the quality scorecard. Director Meyers noted 30-day readmission and the positive impact of the Community Paramedicine (CP) program in the City of Alameda. He requested additional information and updates at a future meeting. Ms. Panlasigui mentioned the CP program had received the Hospital Council Innovation Challenge Award and will be presenting at the annual Summit in Napa Valley in September.</p> <p>3) Alameda Hospital CAO Report</p> <p>Ms. Panlasigui reviewed her written report as distributed at the meeting and noted the following; a new COO has been selected for AHS, a new nurse grad program is being implemented at Alameda Hospital, union negotiations with California Nurses Association are progressing with hopes to get to wages increases soon, plans to share the AHS strategic plan and details of the strategic business units (SBU's) will be shared with the District Board at a future meeting.</p>	
B.	<p>Community Health, Safety and Wellness Focus Presentation</p> <p>Director Sáenz Duke noted that this would be a standing agenda items with presentations from local entities and organizations. There was no presentation at the meeting.</p>	No action taken.
C.	<p>District Updates & Operational Updates</p>	
	<p>1) Executive Director (ED) Search Update</p> <p>Director Sáenz Duke, Director Williams reviewed progress on the ED search. They introduced Don Whiteside from HFS consultants who gave an overview and findings of the interviews with the Board, community and leadership from the hospital. He noted three leadership models that could be explored for the Executive Director; 1) Full Time Employed, 2) contracted individual to start-up/re-build District, and 3) hire ED through management company. Next steps included conducting a Town Hall meeting gto get input form the</p>	No action taken.

Topic	Discussion	Action / Follow-Up
	<p>community on hiring an ED for the District, email survey to community stakeholders to get input and articles or guest editorials about the District and vision as a community based health care district. He said it was clear from his discussions there was a difference in the perceived and actual responsibilities of the District and Board. Mr. Whiteside stated that the District needed to clarify scope and trajectory in order to identify the appropriate leadership model that will be most effective for the District. Don Whiteside also noted that our District does not reflect - by agenda or content found in meeting minutes - content typical of community-based Districts. Our meetings are almost solely filled with hospital-related content. He suggested we consider a more separated presence from the hospital and suggested different meeting locations and much more of our District meetings focused on community-based issues.</p> <p>There was discussion from the Board on the possible roles and responsibility of the ED and timing of a public forum either in the next few months or after the November election.</p> <p>Mr. Whiteside will put is his comments into a written statement and send a written report to the Board of Directors.</p>	
<p>A short break was taken from 7:50 pm and the meeting was reconvened at 8:00 pm.</p>		
	<p>D. District Liaison Reports</p>	
	<p>1) Alameda Health System Liaison Report</p> <p>Director Jensen reviewed her written report as included in the materials.</p> <p>2) Community Health Liaison Report</p> <p>Director Meyers provided a verbal report noting that the City of Alameda / District Liaison Committee met and discussions at the meeting included relations with the VA, siesimic requirements for 2030 and how the VA may be a potential partner. He also mentioned attending a meeting recently on transportation demand management on the island.</p> <p>3) Alameda Hospital Liaison Report</p> <p>Director Deutsch did not have anything further to report.</p> <p>4) President's Report</p> <p>Director Saenz Duke informed the Board that she had recently met with Dave Brown from Supervisor Wilma Chan's office as well as Susan Davis from Alameda Unified School District.</p> <p>5) Other District Outreach Reports and Member Updates</p> <ul style="list-style-type: none"> • ACHD Annual Meeting Recap 	<p>No action taken.</p>

Topic	Discussion	Action / Follow-Up
	<p>Directors Meyers, Williams and Jensen provided a brief update on their attendance at the Association of California Health Care District's Annual Meeting. All felt that attending the meeting was worthwhile. Director Meyers noted that health care districts are increasingly under scrutiny in particular Eden Healthcare District in San Leandro.</p>	
E.	Consent Agenda	
	<ol style="list-style-type: none"> 1) Authorization to transfer April 2016 Parcel Tax Installment 2) Acceptance of February 8, 2016 Minutes 3) Acceptance of April 11, 2016 Minutes 4) Acceptance of March-April 2016 Financial Statements <p>Director Meyers noted a few grammatical edits to the minutes and would connect with the Clerk after the meeting with notes.</p> <p>Ms. Thorson reviewed the financial statements and answered questions from Director Jensen.</p>	<p>Director Jensen pulled item 4) from the consent agenda. Director Jensen made a motion to accept the remainder of the consent agenda and Director Williams seconded. The motion carried.</p> <p>Director Jensen made a motion to accept the March and April Financial Statements and Director Williams seconded. The motion carried.</p>
F.	Action Items	
	1) Adoption of Resolution to Levy Parcel Tax	<p>Director Jensen made a motion to adopt Resolution 2016-1 to levy the parcel tax for Fiscal Year 2016-2017 and Director Meyers seconded. The motion carried with one abstention (Deutsch)</p>
	2) Approval of Alameda County Mutual Certification and Indemnification Agreement	<p>Director Jensen made a motion to approve the Alameda County Mutual Certification and Indemnification Agreement and Director Williams seconded. The motion carried.</p>
	<p>3) Review and Approval of Fiscal Year 2016-2017 Operating Budget</p> <p>Ms. Thorson noted that on page 18 of the packet for the operating budget, the Total Expenses line item and Variance from 6/30/16 Budget should be \$667,668.</p>	<p>Director Deutsch made a motion to approve the Fiscal Year 2016-2017 District Operating Budget as presented and Director Meyers seconded. The motion carried.</p>

Topic	Discussion	Action / Follow-Up
	<p>4) Review and Approval of Fiscal Year 2016-2017 Parcel Tax Budget</p> <p>Ms. Panlasigui reviewed the parcel tax budget presented in the board packet. Director Deutsch requested that \$500,000 be allocated toward a Program Development line item. Ms. Panlasigui noted that she did not foresee an issue with this change but would need to bring back to AHS to review. Seismic Retrofit could be reduced to allocate the \$500,000 to Program Development. The Board inquired as to where the Long Term Capital Reserve funds are being held. Action was deferred to a special meeting.</p>	No action taken.
	<p>5) Approval to Engage TCA Partners for FYE June 30, 2016 Annual Audit</p>	Director Deutsch made a motion to approve engagement of TCA Partners for the FYE June 30, 2016 Annual audit and Director Jensen seconded. The motion carried.
	<p>6) Discussion and Decision of Lease at 888 Willow Street</p> <p>The Board agreed to remain in the location and make no changes.</p>	Director Meyers made a motion to continue the lease agreement as is at 888 Willow, Unit B and Director Williams seconded. The motion carried.
	<p>7) Adoption of Resolution for November 8, 2016 General Election</p> <p>Ms. Thorson noted one change on the Notice of General Election form, under incumbent name, "Appointed Yes/No" for Director Duke should read "NO". Correction will be made prior to sending to the Registrar of Voters.</p>	Director Deutsch made a motion to adopt Resolution 2016-2 and Director Meyers seconded. The motion carried with one abstention (Williams).
	<p>8) Authorization to Bind District Insurance Policies for Fiscal Year 2016-2017</p>	Director Meyers made a motion to authorize the President to bind District insurance policies for FY 2016-2017 and Director Deutsch seconded. The motion carried.
G.	August 1, 2016 Agenda Preview	
	<ol style="list-style-type: none"> 1) FY Q4 (April-May-June) AHS Reporting 2) Alameda Hospital CAO Report 3) Acceptance of June 6, 2016 Minutes 4) FYE June 30, 2016 Parcel Tax Expenditure Report 5) Community Health, Safety and Wellness Focus Presentation 	No action taken.

Topic	Discussion	Action / Follow-Up
V. General Public Comments None		No action taken.
VI. Board Comments None		No action taken.
VII. Adjournment	Being no further business the meeting was adjourned at 9:14 p.m.	

Attest:

Michael Williams
Secretary

CITY OF ALAMEDA HEALTH CARE
DISTRICT

Minutes of the City of Alameda Health Care District Board of Directors
Open Session
Monday, June 28, 2016 Special Meeting

Board Members Present		Legal Counsel Present	Excused / Absent
Robert Deutsch, MD Tracy Jensen Jim Meyers, DrPH	Kathryn Sáenz Duke Michael Williams	Thomas Driscoll, Esq.	
Submitted by: Kristen Thorson, District Clerk			

Topic	Discussion	Action / Follow-Up
I. Call to Order	The meeting was called to order at 5:35 p.m.	
II. Roll Call	Kristen Thorson called roll, noting a quorum of Directors was present.	
III. Regular Agenda		
A. Discussion in regards to Alameda Health System / Alameda Hospital Payor Contracting Status and Strategy		
1) Introduction Director Sáenz Duke made framing comments on the intent of the discussion at the meeting and process for public comment.		No action taken.
2) Board Comments Director Deutsch indicated that he would have additional comments later in the meeting regarding the resolution. He noted that over 300 citizens and 38 physicians had signed a petition requesting Alameda Health System to accept the latest/best offers from all the major health insurance plans so that patients who have those plans may resume using services of Alameda Hospital. He further stated that the volume of public at the meeting and those that signed the petition attest to the fact that the difficulty of accessing services at the hospital is important to the community, the insurance contracting issue is important to all and the hospital and facilities are important to the community. He thanked the public for coming to the meeting to show support and said he hoped to come to a resolution at the meeting regarding the insurance contracting. There were no other Board comments.		No action taken.

Topic	Discussion	Action / Follow-Up
	<p>3) AHS Updates on Payor Contracting Status and Strategy</p> <ul style="list-style-type: none"> Market Analytics <p>Delvecchio Finley, CEO, David Cox, CFO and Bonnie Panlasigui provided an update on the payor contracting status and strategy including some market analytics as outlined in the presentation. Mr. Finley stated that AHS shares the sentiment of the comments made. He commented on the many positive things that have been accomplished since the affiliation and the challenges faced with the insurance contracting and receiving appropriate reimbursement for services provided. He stated that the concern of the Board, providers and community is equally important to AHS.</p> <p>Mr. Cox noted from his presentation that the contracting strategy which seeks to align AH/AHS with payers who were willing to provide fair compensation for services has been very successful overall and AH and the community is benefitting from this in terms of financial stability, reinvestment in programs and services, facilities, equipment, human capital, and ensuring that all vendors are paid. He further stated that agreements with HealthNet, United, Kaiser, Canopy Health, and many other payers have been finalized and negotiations continue with Anthem, CIGNA, and Aetna, and Blue Shield. He outlined in detail updates relating to commercial plans, AHS strategic assessment relating to the hospital and payor contracting strategy noting that utilization by commercial payors has been declining, and AHS's commitment to contract negotiations and recommendations for outreach, communications to the community and ways the community can help. Copies of the presentation will be available from the Clerk and posted on the website.</p> <p>Ms. Panlasigui also provided an overview of the prompt pay/self pay policy available to patients. Copies of a letter that the community could send to health insurance plans encouraging those companies to contract with AHS and a non-participating health plan letter that provide information on assistance that was available from the hospital staff so that patients could continue to use hospital services while contracts were being negotiated was made available to the public.</p>	<p>No action taken.</p>
	<p>Director Deutsch requested an opportunity to respond to comments made by AHS leadership. He expressed concern over the contracting strategy and the fact that AHS has stated that they have been successful. He did not believe that the strategy could be called a success if the collateral damage is the community not being able to use the hospital and services. The rates from some plans were raised and those that did not raise the rates, AHS allowed the contracts to lapse and the detriment to the community. He felt that if money was not the object in the case of Anthem, then why not accept a rate and work out the contract later. In regards to Canopy Health, it does not exist yet and there is a long way to go to replace the other payors such as Anthem, Blue Cross. He commented that the fact that utilization has been reported to have declined may not be from the payors but due to the atrophy and closure of programs at</p>	

Topic	Discussion	Action / Follow-Up
	<p>the hospital such as the 1206 (b) clinic (primary care) and infusion center. In regards to the self-pay program, he said it was a good idea but it's not working. In summary, the contract strategy has been catastrophic and he is not optimistic that this issue will be resolved anytime soon unless the community or board takes action.</p>	
	<p>4) Public Comments</p> <p>The following people made public comments relating to Regular Agenda Item A. All expressed concern over the contracting issues at Alameda Hospital and the desire to continue using alameda hospital and its services.</p> <ul style="list-style-type: none"> • Trish Spencer • Marilyn Ezzy Ashcraft • Jim Oddie • Mike Carlson • Pauletta Chanco Lowery • Steve Lowery, MD • Stephen Van Meter, MD • Karen Herzog, MD • Adrien Abuyen • Kari Thompson • Claudine Dutaret, MD • Karen Rothblatt • David Maxey • Karen Guthrie • Don Coughlin 	<p>No action taken.</p>
	<p>Director Jensen requested to respond to comments made by the public. She commented that she was on the Board when the affiliation was negotiated and not everything was discussed in detail, including specific services. The goal of the affiliation was to keep the hospital open with emergency services. She stated that while not everything was discussed, the care has improved under the affiliation with AHS. She commented on nurses and staff that have gone without raises in many years and noted that progress has been made and will be made to bring salaries to market rates.</p> <p>Director Saenz Duke asked AHS about any factual information as to why the insurance companies were not present at the meeting. Mr. Cox responded that the insurance companies were aware of the meeting. He stated that it is not that there is a difference in agreement on terms but that the insurance companies have been busy and have not been able to meet with AHS. He asked the community for assistance in contacting the insurance companies to raise the profile.</p> <p>Director Meyers asked for the magnitude of difference in amounts that have been offered</p>	

Topic	Discussion	Action / Follow-Up
	<p>compared to other payors and rates that have been negotiated. Mr. Cox stated that there is no offer on the table and reiterated that the insurance companies have been busy and have not had time to meet with AHS. He said that we (as the community) to reach out to the plans to let them know the impact this is having.</p> <p>Director Deutsch stated that the community was being tripled taxed through, parcel tax, sales tax and through insurance premiums. He asked why AHS would not accept a lower rate or the same rate as before the contract lapsed. Director Deutsch noted that historically the Hospital has had contracts with every health plan because we felt that it was right to do even though it may have been a loss leader in order to serve the community. He stated that the strategy to let the contract lapse was a mistake because of the collateral damage to the community. The resolution asks AHS to fix the problem and accept the rates and the District and community will work with AHS to put pressure on the health plans.</p>	
<p>B. Action Items</p>		
	<p>1) Review and Discussion of Proposed Resolution by Robert Deutsch</p> <p>Director Deutsch presented the resolution noting that it was advisory in nature to Alameda Health System. The resolution was read in its entirety.</p> <p>Discussion #1 after motion made:</p> <p>Director Meyers noted the community and Board have expressed their concern, that help was needed from the community to make noise with the insurance companies and that we needed to make sure that we pay our nurses equal to the system. He also noted that he supported the resolution without the one (1) month deadline.</p> <p>Director Williams noted that it was good to hear from the community, the resolution was clearly advisory and that support the community was needed to in this process with health plans.</p> <p>Director Saenz Duke distributed suggested revisions to the resolution. Director Deutsch disagreed with the revisions.</p> <p>Mr. Finley noted that he and AHS leadership were listening intently and have heard the concerns of the Board and community. He reiterated comments from Mr. Cox that there is no offer on the table other than, in one case, a willingness to get to the System when they can. Taking the best lowest rate does have a ripple effect including impact on other payers and AHS is responding to many variables.</p> <p>Discussion #2</p> <p>Director Jensen confirmed the comments that there was no offer on the table to respond to and asked for senior AHS leaders to communicate regularly with the Board of Directors.</p> <p>Director Deutsch suggested that that AHS roll over the rates that were in place at the end of the</p>	<p>Director Deutsch made a motion to adopt the advisory resolution as presented. Director Meyers seconded the motion.</p> <p>Further discussion (#1) occurred including comments from all Directors and Delvecchio Finley, CEO as noted to the left.</p> <p>Motion did not pass with a 1-4 vote.</p> <p>Further discussion (#2) occurred.</p> <p>Director Williams made a motion to adopt the resolution striking the last three words of the resolution and Director Meyers seconded the motion.</p> <p>Director Jensen suggested the following edits to the resolution.</p> <p>Insert after 6th "Whereas" Whereas, the City of Alameda Health Care District Board deplores this current state of affairs, wherein, some Alameda</p>

Topic	Discussion	Action / Follow-Up										
	<p>year and renegotiate going forward. He stated that the tactic was not working and recommended a change in tactic.</p> <p>Director Meyers noted that he has heard the community and their concern and did not want to tie AHS's hands with any deadlines in the resolution and trusted leadership and AHS.</p> <p>Mr. Cox noted that staff and leadership are working hard to better communicate prompt pay policy to patients.</p> <p>Public Comment was provided by the following individuals during discussion of this action item:</p> <ul style="list-style-type: none"> • Carol Gerdes, MD • Jane Sullwold • April Fredian, MD • Rosemary McNally • Karen Rothblatt <p>The Board requested and update in 2 weeks on contracting status and AHS leadership agreed to the regular updates going forward.</p>	<p>residents cannot use Alameda Hospital services because Alameda Health System has allowed insurance contracts to terminate with major insurance plans,</p> <p>Change "Resolved" to the following:</p> <p>The City of Alameda Health Care District requests the Chief Executive Officer of Alameda Health System to direct his administration to promptly re-establish insurance contracts with all commercial insurers that provide coverage to Alameda residents.</p> <p>Director Williams accepted the amendment to his motion and Director Meyers seconded the amended motion. Motion carried with one abstention.</p>										
	<p>2) Review and Approval of the FY 2016-2017 Parcel Tax Budget</p> <p>Ms. Panlasigui presented the Parcel Tax budget for FY 2016-2017. Noting the requested change from the presented budget at the 6/3/16 meeting. \$500,000 was allocated to Program Development.</p> <p>Discussion occurred with Director Deutsch requesting \$800,000 in Program Development to support the community (primary care) clinic and infusion center. He also requested to delay approval of the budget as it was important to know if the additional funds could be made available in the parcel tax budget.</p> <table border="1" data-bbox="315 1266 1533 1477"> <thead> <tr> <th data-bbox="315 1266 819 1429">Alameda Health District - Fiscal 2016 Budget Recommendation</th> <th data-bbox="819 1266 1008 1429">Fiscal 2015 Budget</th> <th data-bbox="1008 1266 1197 1429">Fiscal 2016 Budget</th> <th data-bbox="1197 1266 1365 1429">6/3/2016 Fiscal 2017 Proposed</th> <th data-bbox="1365 1266 1533 1429">6/28/2016 Fiscal 2017 Proposed</th> </tr> </thead> <tbody> <tr> <td data-bbox="315 1429 819 1477">1 Estimated parcel tax receipts</td> <td data-bbox="819 1429 1008 1477">\$ 5,784,199</td> <td data-bbox="1008 1429 1197 1477">\$ 6,003,078</td> <td data-bbox="1197 1429 1365 1477">\$ 5,957,818</td> <td data-bbox="1365 1429 1533 1477">\$ 5,957,818</td> </tr> </tbody> </table>	Alameda Health District - Fiscal 2016 Budget Recommendation	Fiscal 2015 Budget	Fiscal 2016 Budget	6/3/2016 Fiscal 2017 Proposed	6/28/2016 Fiscal 2017 Proposed	1 Estimated parcel tax receipts	\$ 5,784,199	\$ 6,003,078	\$ 5,957,818	\$ 5,957,818	<p>Director Williams made a motion to approve the budget as presented. Director Jensen seconded the motion.</p> <p>Discussion occurred.</p> <p>The question was called and the motion carried 4-1.</p>
Alameda Health District - Fiscal 2016 Budget Recommendation	Fiscal 2015 Budget	Fiscal 2016 Budget	6/3/2016 Fiscal 2017 Proposed	6/28/2016 Fiscal 2017 Proposed								
1 Estimated parcel tax receipts	\$ 5,784,199	\$ 6,003,078	\$ 5,957,818	\$ 5,957,818								

Topic	Discussion					Action / Follow-Up
3	District budget allocation	613,527	397,630	611,998	611,998	
	Allocation to Alameda Health System	\$ 5,170,672	\$ 5,605,448	\$ 5,345,820	\$ 5,345,820	
	AHS Anticipated Uses of Funds					
4	Repayment of loan plus accrued interest	1,598,438	-	-	-	
5	Repayment of AH Foundation Loan	405,000	-	-	-	
6	Facilities Projects	231,038	2,870,000	1,000,000	1,000,000	
7	Capital Equipment	1,000,000	2,000,000	1,000,000	1,000,000	
8	Accounts Payable Reduction	1,936,196	-	-	-	
9	Seismic Retrofit	-	-	2,345,820	1,845,820	
10	Long Term Capital Reserve	-	735,448	1,000,000	1,000,000	
11	Program Development	-	-	-	500,000	
12	Operating Support	-	-	-	-	
13	Total Anticipated Uses	\$ 5,170,672	\$ 5,605,448	\$ 5,345,820	\$ 5,345,820	
C. District Updates & Operational Updates						
Ms. Thorson reminded the Board of the upcoming 4 th of July Parade and participation by Alameda Hospital/Alameda Health System and the District. She encouraged all to participate in the parade entry.						No action taken.
IV. General Public Comments						
There were no additional public comments						
V. Board Comments						
Director Williams thanked Director Deutsch and commented on an amazing meeting as an example of how the public process should work.						
VI. Adjournment						
Being no further business the meeting was adjourned at 8:43 p.m.						

Attest:

Michael Williams
Secretary

DRAFT

	Approval Date	2/2/2015	9/14/2016	6/28/2016
		Fiscal 2014-2015 Budget Approved	Fiscal 2015-2016 Budget Approved	Fiscal 2016-2017 Budget Approved
1	Estimated parcel tax receipts	\$ 5,784,199	\$ 5,830,966	\$ 5,957,818
2	District budget allocation	613,527	400,130	611,998
3	Allocation to Alameda Health System	\$ 5,170,672	\$ 5,430,836	\$ 5,345,820
AHS Anticipated Uses of Funds				
4	Repayment of loan plus accrued interest	1,598,438	-	-
5	Repayment of AH Foundation Loan	405,000	-	-
6	Facilities Projects	231,038	3,000,000	1,000,000
7	Capital Equipment	1,000,000	2,000,000	1,000,000
8	Accounts Payable Reduction	1,936,196	-	-
9	Seismic Retrofit	-	-	1,845,820
10	Long Term Capital Reserve	-	430,836	1,000,000
11	Program Development	-	-	500,000
12	Operating Support	-	-	-
13	Total Anticipated Uses	\$ 5,170,672	\$ 5,430,836	\$ 5,345,820
		\$ -	\$ -	\$ -

Prepared By: Kristen Thorson

Date: 8/1/16

Historical view - internal use.

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: August 21, 2017
TO: City of Alameda Health Care District, Board of Directors
FROM: Kristen Thorson, District Clerk
SUBJECT: Enclosures for Alameda Hospital Liaison Report

Director Deutsch has requested a copy of any minutes from 2016 that address the issue of re-establishing the primary care clinic.

- a. Alameda Hospital Liaison Report
 - iii. Alameda Primary Care Clinic
 - August 1, 2106 Minutes including handout from meeting
 - October 3, 2016 Minutes

CITY OF ALAMEDA HEALTH CARE DISTRICT

Minutes of the City of Alameda Health Care District Board of Directors
Open Session
Monday, August 1, 2016 Special Meeting

Board Members Present		Legal Counsel Present	Excused / Absent
Robert Deutsch, MD Tracy Jensen Jim Meyers, DrPH (via teleconference)	Kathryn Sáenz Duke Michael Williams	Thomas Driscoll, Esq.	
Submitted by: Kristen Thorson, District Clerk			

Topic	Discussion	Action / Follow-Up
I. Call to Order	The meeting was called to order at 5:35 p.m.	
II. Roll Call	Kristen Thorson called roll, noting a quorum of Directors was present with Director Meyers present via teleconference.	
III. Regular Agenda		
A. Community Health, Safety and Wellness Focus Presentation	Cindy Houts, Executive Director of the Alameda Food Bank provided an overview of the services provided and people served through the Alameda Food Bank. Ms. Houts distributed a handout that will be posted with the materials online.	No action taken.
B. Alameda Health System and Alameda Hospital Updates		
	<p>1) Follow-up from District Board Meeting on June 28, 2016</p> <p>Bonnie Panlasigui, CAO reviewed in detail the memo distributed in the packet on pages 3-5 that outlined follow-up from the June 28, 2016 special meeting. Items addressed included clarification on nurse retention, surgical volume, infusion center and the primary care practice in Alameda operated by AHS. She also noted that she will be meeting individually with each physician with assistance from the Finance division to review the status updates on contracting and the out of network options available at Alameda Hospital.</p> <p>In relation to the update on the primary care practice in Alameda, Director Deutsch inquired about the feasibility of an FQHC in Alameda. David Cox, CFO indicated that the process to open a FQHC is laborious and could take 6-12 months to develop. Alameda Health Partners is working on recruitment of a primary care physician to replace Dr. Jenna Brimmer who is no longer seeing</p>	No action taken.

Topic	Discussion	Action / Follow-Up
	<p>primary care patients. Director Deutsch noted a slight nuance that the patients were not Dr. Brimmer's patients and that the 1206(b) clinic was under operational control of Alameda Hospital the patients were actually patients of the clinic.</p>	
	<p>2) FYE June 30, 2016 Parcel Tax Expenditure Report</p> <p>Ms. Panlasigui reviewed in detail the parcel tax expenditures as outline in the table on page 6 of the packet.</p>	<p>No action taken.</p>
	<p>3) Anthem Follow-up</p> <p>Mr. Cox provided the following updates in additional to the written memo on page 7-8 of the packet.</p> <ul style="list-style-type: none"> • Anthem has requested AHS be patient. Anthem was invited to attend the Board meeting but were not in attendance. Anthem has stated that more staff will be in place in September to address backlog in contracting due to recent departures of contracting staff within Anthem. • Aetna has promised a proposal. • Canopy Health was up and running as of August 1, 2016 <p>Director Meyers inquired about Blue Shield and Mr. Cox responded that there was no activity. Director Meyers encouraged the Board to write letters to insurance companies. Director Meyers also inquired about how much of the contracting issues are due to the accountable care organization's. Mr. Cox noted that ACO's do play a role.</p> <p>Mr. Cox noted work continues to get the word out on the discount policy and noted that patients have been utilizing the program and that it does work..</p> <p>Mr. Cox noted year end financial results for Alameda Hospital with a close to 4.6 EBIDA compared to a -6 in the previous fiscal year. The hospital is doing well financially and AHS, in addition to support form the parcel tax, ias investing n capital and programs at the facility.</p> <p>Director Jensen requested data on who is coming to Alameda Hospital and utilizing services and how those numbers compare to prior years. Mr. Cox noted that Medicare was the largest payor volume. He also noted that gross revenue was up indicating that activity has also increased.</p> <p>Director Deutsch asked about the creation of the long term capital reserve fund and if those funds of \$1.4m that has been budgeted for over the last two fiscal years, were in a designated account. Mr. Cox replied that due to the System's relationship with Alameda County, a separate account cannot be set up and allocation of those funds would be in bookkeeping only. Director Deutsch noted that banks will want to see money when the time comes to invest in seismic capital for Alameda Hospital. Delvecchio Finley, CEO confirmed that AHS cannot set up a separate account as stated by Mr. Cox. He suggested that an Ad Hoc Committee be created sooner than later to begin discussion on seismic planning. Director Meyers agreed that a joint group should meet to discuss long term plans relating to seismic. He also noted that money should be set aside and some</p>	

Topic	Discussion	Action / Follow-Up
	<p>mechanism should be put in place to track funds year after year. He reference the City of Alameda Liaison Committee and discussion about long term planning and seismic that occurred at that meeting at the beginning of June.</p> <p>Mr. Finley introduced Luis Fonseca, the system's new Chief Operating Officer. Mr. Finley requested that Mr. Fonseca identify point people from AHS to have at the next meeting and begin meeting as early as next month.</p>	
C.	District Updates & Operational Updates	
	<p>1) Review of Approved Resolution: 2016-3</p> <p>Director Saenz Duke noted the final resolution approved at the June 28, 2016 meeting that was included in the packet. Ms. Thorson added that the final document was provided as information to the Board as during the meeting there was significant discussion and verbal edits made to the resolution that were ultimately approved.</p>	No action taken.
	2) District Liaison Reports	
	<p>a. Alameda Health System Liaison Report</p> <p>Director Jensen noted new AHS leaders recently hired, Luis Fonseca, COO (who was in attendance at the meeting) and Ghassan Jamaledine, MD, CMO. She also informed the Board that she would be attending the Hospital Council Summit in Napa in the fall at which the Community Paramedicine (CP) program will receive an innovation award. She thanked the Fire department and first responders in the City of Alameda for the work they do in the CP program.</p> <p>b. Community Health Liaison Report</p> <p>Director Meyers reviewed the memo included in the board packet noting that the start of community stakeholder groups was on hold until District staff were on board, he attended a meeting of the Social Services Human Relations Board to discuss the 2016 Community Needs Assessment Survey and opportunities for shared use of the survey, and that there would be short monthly community presentations to increase awareness of health and well issues and how the community responds to those issues in Alameda.</p> <p>c. Alameda Hospital Liaison Report</p> <p>Director Deutsch stated that there are a lot of issues going on at the hospital and restated the obvious as it relates to insurance contracts. He continues to believe that the community is being alienated and are not able to use services at the hospital despite efforts of AHS to provide programs to allow out of network use of the hospital. He stated he will continue to remind the community about the need for contracts with all commercial payors and will continue to remind AHS as to the importance of this issue. He noted that AHS is doing a fantastic job of moving the infusion program</p>	

Topic	Discussion	Action / Follow-Up
	<p>forward. He noted that while nursing staffing is still a problem, the new grad program and mentoring program are in place to help alleviate shortages and use of registry. He was glad to hear of the possibility of a Federally Qualified Health Clinic (FQHC) in Alameda.</p> <p>Director Meyers asked in the California Nurses Association contract had been settled and the response was no the contract had not been settled.</p> <p>There was discussion on the agreement from the June 28th meeting for AHS to provide the Board with updates every two weeks. Director Jensen noted that she did not need an update is the information was status quo. Director Meyers liked every two weeks and noted that knowing the most current information even it if was status quo would help in communication with the community and support AHS as well. Director Deutsch requested at least once a month. Mr. Finley stated that it would be a better cadence for AHS to move toward once a month updates to the Board. It was agreed to monthly updates that would be routed through the District Clerk to forward to the Board of Directors.</p> <p>d. President's Report</p> <p>Director Saenz Duke reviewed her written report included in the packet. She noted that was approached by the League of Women Voters about an opportunity to participate in a forum. Potential topics included, state of hospital/system, insurance issues, medical needs of the in an emergency situation and an annual update of "State of Health" of the District as required by law. Director Meyers noted that the District would not be able to do a "State of Health" presentation until full time District staff was in place. Director Williams stated that he thought it was a good opportunity to share with the community the new direction/vision of the Board, issues with the hospital. He also noted that there may not be time for a forum before the November Election. Director Deutsch noted that the Board could be speaking from divergent opinions. Director Williams said that the District should drive the presentation not the League of Women Voters.</p> <p>The Board discussed timing of a presentation or joint forum and determined that it would be best to schedule in early 2017.</p> <p>Director Duke proceeded with the next portion of her written report about staff support for the District. She stated that she and Director Jensen discussed with Mr. Finley about the possibility of AHS providing professional staff support to our District by direct funding from AHS, which we would use to select, hire and supervise staff who report directly to the District. Director Meyers voiced his concern over this discussion as the Board has voted, determined its mission is proceeding to hire staff through an approved budget. He felt that these conversations inferred that the option of what to do about staffing was still open for discussion. He stated that he was shocked to hear these conversations were occurring. Director Meyers requested a discussion at the next meeting that would include a summary of the decisions made to date and agreed upon timeline. He stated that we are our own District and need to have our own unique identity separate from the hospital and AHS. Director Saenz Duke noted Director Meyers comments. Director Williams concurred with Director Meyers and stated that the Board had agreed to a plan, are exploring that plan and are</p>	

Topic	Discussion	Action / Follow-Up
	<p>moving in the right direction. He stated that the subcommittee has looked at different employment models and agreed that the Board should discuss at the next meeting. Director Williams requested to see the scope of oversight of the District over Alameda Hospital. He recalled the mandate of the voters and the new direction represents a change from that mandate. Director Deutsch continued to state that as a community district, the District plays an important role in the hospital oversight and sustainability and goals should be similar to that of AHS. Director Deutsch noted that Eden Healthcare District has recently been under scrutiny for spending funds with little to show to the community. Director Deutsch agreed that the Board should re-visit this issue and fully flush out at the next meeting.</p> <p>Director Saenz Duke and Director Williams will be scheduling meeting with HFS to continue in the search for an Executive Director.</p> <p>e. Other District Outreach and Member Updates</p> <p>No other reports or updates were given.</p>	
D. Consent Agenda		
1) Acceptance of June 6, 2016 Meeting Minutes		
2) Acceptance of June 28, 2016 Special Meeting Minutes	<p>Director Deutsch stated that minutes from the last two meetings were redacted to a minimum and did not reflect what happened at the meeting. He disagreed with the minutes as presented. He requested that the District Clerk express the issues and viewpoints more thoroughly. He continued to state that with an Election in November, community may look at the minutes to determine how people stood on key issues.</p> <p>Director Saenz Duke stated that she had requested that the minutes be more concise and reflect the action taken at the meeting but agreed that there could be a balance.</p> <p>Director Meyers applauded the attempt to make the minutes more concise. He stated he was accustomed to seeing a draft of the minutes or brief summary shortly after a meeting giving time to the members of the Board and/or committee time to comment while the meeting is still fresh in everyone's mind. Director Meyers requested a specific change to the June 6, 2016 minutes under the report from Don Whiteside from HFS consultants.</p> <p>There was discussion on the process of reviewing the minutes and providing feedback to the Clerk on the minutes. Ms. Thorson suggested that she redraft the minutes based on the comments at the meeting and send out to the Board with a deadline of two weeks from the meeting.</p>	Director Deutsch requested to remove items 1 and 2 from the consent calendar for discussion.
3) Acceptance of Financial Statements: May/June 2016		Director Deutsch made a motion to accept the May and June 2016

Topic	Discussion	Action / Follow-Up
		Financial Statements as presented and Director Jensen seconded. Voting was taken by roll call. The motion carried.
E. Action Items		
	<p>1) Recommendation for Parcel Tax Consultant Services with SCI Consulting Group</p> <p>Director Deutsch and Ms. Thorson presented a recommendation to utilize SCI Consulting Group for the FY 2016-2017 parcel tax process. The cost of the engagement is \$9,800 for the fiscal year. Details of the services were outlined on the memo included in the packet. Director Deutsch noted that the services provided by SCI would be beneficial to the District. Mr. Driscoll requested one change to the agreement on page 2 of the agreement, 6. Indemnification, adding the following noted in red "...by willful misconduct or negligence of or by Consultant...."</p>	<p>Director Deutsch made a motion to enter into an agreement</p> <p>Voting was taken by roll call. The motion carried.</p>
F. October 3, 2016 Agenda Preview	<p>Ms. Thorson noted the following items for the October 3, 2016 Board meeting. Additional topics based on the discussion and request of the Board are listed below.</p> <ul style="list-style-type: none"> • Discussion of role of the District in the affiliation with Alameda Health System • Update on hiring of District Staff and review of decision made to date and timeline • Review of the scope of oversight of the District over Alameda Hospital • Utilization data on who is coming to Alameda Hospital and utilizing services and how those numbers compare to prior years • Ad hoc Seismic Planning Committee – Identification of key participants from AHS and District 	
	<ol style="list-style-type: none"> 1) Alameda Health System and Alameda Hospital Updates <ul style="list-style-type: none"> • FY Q4 (April-May-June) AHS Financial and Quality Reporting • Hospital CAO Report 2) Review and Approval of FYE Audit 3) Community Health, Safety and Wellness Focus Presentation 4) Review and Approval of Regular Meeting Calendar for CY 2017 	
IV. General Public Comments		

Topic	Discussion	Action / Follow-Up
None		
V. Board Comments None		
VI. Adjournment Being no further business the meeting was adjourned at 7:56 p.m.		

Attest:

Michael Williams
Secretary

DRAFT



Alameda Hospital

A member of Alameda Health System

MEMORANDUM

2070 Clinton Avenue
Alameda, CA 94501

TO: City of Alameda Health Care District Board

FROM: Bonnie Panlasigui, FACHE
Chief Administrative Officer

DATE: July 15, 2016

SUBJECT: Follow-up from District Board Meeting on 6/28/16

To keep you informed of the facts, as a follow-up from the special Alameda Health Care District Board meeting on June 28, 2016, there were several statements made that I would like to offer some clarification to and to help decrease unnecessary and damaging rumors that could result from the discussions. Although the public comments were overwhelmingly positive to support the future of Alameda Hospital, your support in spreading the accurate information will be helpful.

Statement: Staffing: “In the last year, 75 nurses have left Alameda Hospital voluntarily.”

Fact: In the last year, of our 200 nurses total, only 27 nurses have left Alameda Hospital voluntarily. The average percent per quarter of nursing turnover is 5%, which is far below the state and national average of nursing turnover at a hospital of 17%. We have hired a total of 33 nurses in the past year and have just interviewed a total of 40 nurses for 11 new grad nursing positions. There is a robust new grad training program being put into place with our tenured nurses helping as preceptors with a stipend.

Statement: Surgery Volume: “Surgeries are being canceled on a daily basis because we are out of network.”

Fact: From Jan-May 2015, there were a total of 26 Blue Cross PPO, 11 Blue Shield PPO and 5 Aetna PPO outpatient surgeries performed. From Jan-May 2016, there were a total of 11 Blue Cross PPO and 3 BS PPO outpatient surgeries, which resulted in only a difference of 28 total outpatient surgeries of patients with the insurance plans we are negotiating. Of the 42 surgeries performed Jan-May 2015, we collected \$11,600.28 from the insurance companies compared to a total of \$52,751.94 collected from the insurance companies for the 14 surgeries performed Jan-May 2016. *The majority of our surgeries are still from the Medicare population and those surgeries are continuing to be scheduled and performed.* Below is a chart that summarizes the total outpatient and inpatient surgical procedures by service line comparing year over year volume.

Service Line	Outpatient Surgeries			Inpatient Surgeries		
	Jan-May 2015	Jan-May 2016	Variance	Jan-May 2015	Jan-May 2016	Variance
GI	51	25	(26)	99	83	(16)
General Surgery	62	31	(31)	66	64	(2)
GYN	111	69	(42)	12	7	(5)
Ortho	64	49	(15)	59	59	0
Ophthalmology	373	332	(41)	N/A	N/A	
HGH Pain Management	145	133	(12)	N/A	N/A	
Total Surgeries	806	639	(167)	236	213	(23)
	26% under PY in OP surgeries			10% under PY in IP surgeries		

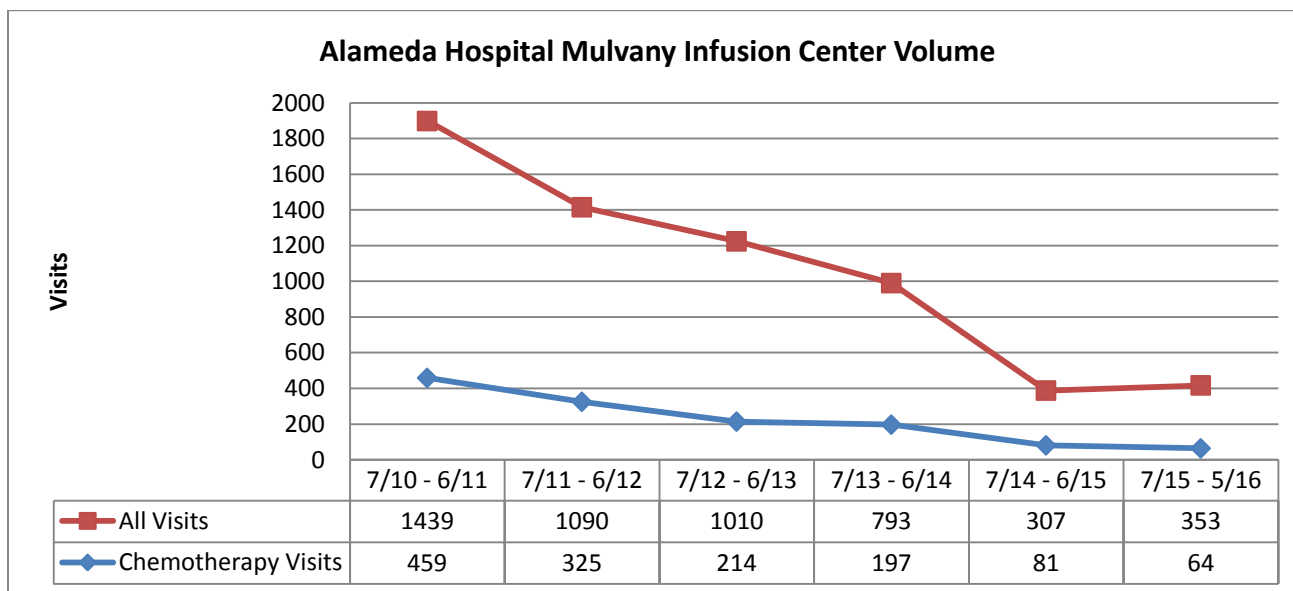
Statement: Cancer Services: “The Infusion Center is closed.”

Fact: The infusion center is located in the 2 South wing of Alameda Hospital and is still open and operational with two rooms and four infusion chairs. The nurses who staff the infusion center work in other areas of our hospital and float to the infusion center during the hours when patients are scheduled, which is typically for a 4 hour period three or four times a week. The types of infusion performed include some chemo, injections for MS patients, checking of PICC lines and blood transfusions.

From Jan-May 2016, there have been 167 total infusion center visits compared to 118 visits Jan-May 2015. In total, the volume is similar to the prior year. According to the graph below, the volume declined starting January 2013 due to Affinity HMO directing their patients to the Oakland non-hospital clinic setting. In the past year, the Oakland infusion center clinic has closed and those patients are being directed to the Sutter Comprehensive Cancer Center in Berkeley. Several patients from Alameda have stated they would return to Alameda for their chemotherapy treatment to stay close to home and to be in a more personable setting. We also have support from our referring physicians.

The key subject matter experts have met and discussed the next steps moving forward which includes building out a pharmacy compounding room to mix the chemotherapy drugs as our current pharmacy does not have the space or capability to be approved by the State of California Board of Pharmacy.

- The design team will be assessing the size of the room needed to meet regulatory standards based on predicted volume of approximately 25 visits a day. The architect design team will then provide a quote.
- The potential location for the pharmacy compounding room would be the old c-section OR suite in the 2S wing.
- Staffing will be developed with the business plan that will include a manager, pharmacist, biller, nurse practitioner and nurses to staff up to four hours a day seven days a week.
- The 340b drug pricing is being finalized with the pharmacy team at the system level and will be in place for all outpatient visits.
- Upon approval of staffing and the designated space with estimated cost to build out and return on investment, the 2S wing will be refreshed aesthetically and valet parking will be in place for all patients.



Statement: Community Primary Care: “The primary care clinic is closed.”

Primary care: The remaining visits in the primary care clinic were very few, approximately 10 patients a week with clinic held one day a week. We realize the need to expand the primary care clinic and are taking steps to recruit additional primary care physician providers through Alameda Health Partners to serve the Medi-cal population for patients that may not have access to other physicians in Alameda. The remaining patients will continue to be seen by a temporary physician we will provide at the 815 Atlantic Ave location until permanent plans are made. The lease at the old Bay Area Bone and Joint Center is still in place and could be the potential location of the primary care clinic.

CITY OF ALAMEDA HEALTH CARE
DISTRICT

Minutes of the City of Alameda Health Care District Board of Directors
Open Session
Monday, October 3, 2016 Meeting

Board Members Present		Legal Counsel Present	Excused / Absent
Robert Deutsch, MD Tracy Jensen	Jim Meyers, DrPH Kathryn Sáenz Duke	Thomas Driscoll, Esq.	Michael Williams
Submitted by: Kristen Thorson, District Clerk			

Topic	Discussion	Action / Follow-Up
I. Call to Order	The meeting was called to order at 5:35 p.m.	
II. Roll Call	Kristen Thorson called roll, noting a quorum of Directors was present with Director Williams being absent from the meeting.	
III. Regular Agenda		
A. Community Health, Safety and Wellness Focus Presentation	<ul style="list-style-type: none"> • Alameda Family Services <ul style="list-style-type: none"> - Lynne Moore-Kerr, Head Start/Early Head Start Director - Daniel Javes, Health and Family Services Manager <p>Alameda Family Services provided an overview of their organization and services provided in the community. Director Jensen inquired how the organizations could better partner in the future as it was her desire to do more with AFS in the future. Ms. Moore-Kerr expressed a desire to partner with the District, Alameda Hospital and AHS outside of special events such as the annual health fair. Director Meyers was impressed and most interested in adverse childhood events and the impact on kids and how it relates to veterans and PTSD. He continued to state that most recently there was a event in Oakland that discussed the connection with adverse childhood events and recognizing symptoms children early on in the school system. He asked if AFS worked closely with the school district. Ms. Moore-Kerr stated that they do not work as closely as they would like to but have a close association with the kindergarten teachers when they are transitioning children from Head Start to the school system. A copy of the presentation can be found on the website.</p>	No action taken.
<p>President Duke, Director Deutsch, Director Meyers, Director Jensen and the District Clerk, Kristen Thorson, all recognized and thanked Bonnie Panlasigui for her work, leadership she has provided to the Alameda Hospital and commented on her caring nature and connections to employees, visitors, patients and families over the past 2 years. Ms. Panlasigui would be leaving the organization in October and this was her last Board meeting.</p>		

Topic	Discussion	Action / Follow-Up
B.	Alameda Health System and Alameda Hospital Updates	
	<p>FY 2015-2016 (Q4, April-May-June) AHS Quality Dashboard</p> <p>Eileen Pummer, Director of Quality Programs from Alameda Health System reviewed the quality dashboard as presented in the packet. Director Meyers noted that every indicator has improved since 2015 and thanked Bonnie and the staff for the work being done.</p>	No action taken.
	<p>FY 2015-2016 (Q4, April-May-June) AHS Financial Report</p> <ul style="list-style-type: none"> • Patient Utilization Data FY Comparison • Alameda Hospital's EBIDA, Operating Margin and AHS Overhead Allocation Analysis • Insurance Contracting Update <p>David Cox, Chief Financial Officer reviewed the following items in a presentation that is available on the website.</p> <ul style="list-style-type: none"> • System Financial Performance – August 2016 YTD • Alameda Hospital Performance – FY 2016 – Unaudited <ul style="list-style-type: none"> ○ Income Statement ○ Patient Activity ○ Payer Mix • Contracting Status (verbal) <p>The following was noted as updates to the contracting issue for Alameda Hospital. AHS is now in discussions with all major plans with the objective to obtain fair market rates. Timing remains uncertain. A dedicated primary care network to support Alameda Hospital continues to be a major issue brought up by the insurance plans which is being discussed with the Alameda Health Partners (AHP) Board. AHP is the physician organization for AHS. Mr. Cox assured the Board and community that their voices have been heard and AHS understands the importance of this issue. Director Deutsch expressed the importance of this issue to the community and to the hospital. Director Deutsch stated that the prompt pay policy was not working well and Mr. Cox asked Director Deutsch to send him examples to look into.</p> <p>Alameda Hospital's EBIDA, Operating Margin and AHS Overhead Allocation Analysis was reviewed with Director Meyers noting the three data points over time since the affiliation in May 2014. Director Meyers noted that he and Director Williams have discussed in previous meetings the types of reports from AHS that are relevant to this type of Board and the role of the Board. The analysis provides a clearer picture and important for the Board to track. He had no further comments but stated that it may influence discussion on agenda items later on in the meeting. Understanding these metrics will help the Board in communicating with the community about how the parcel tax dollars are being used and the overall performance of the hospital.</p>	No action taken.

Topic	Discussion	Action / Follow-Up
	<p>Hospital CAO Report</p> <p>Ms. Panlasigui thanked the Board for their support and stated that the frontline staff is responsible to improvements in quality indicators and commended the team at Alameda Hospital. Ms. Panlasigui reviewed her CAO report as presented in the board materials.</p>	No action taken
C.	District Updates & Operational Updates	
	<p>1) District Liaison Reports</p> <p>The order of the agenda was changed to the following order, AHS liaison Report, Community Health Liaison Report, Presidents Report and Hospital Liaison Report.</p>	
	<p>Alameda Health System Liaison Report</p> <p>Director Jensen reported on her written report in the board packet. Including new AHS Board appointments, Waters Edge name change, legislation and the Hospital Council Summit. The Pending appointments have been approved and will go to the Alameda County Board of Supervisors for appointment. The District Clerk will forward the new AHS organization chart to the Board of Directors as it was not included in the materials and noted in the memo. She introduced James E.T. Jackson who will be the new Chief Administrative Officer (CAO) for Alameda Hospital. He also is the CAO for San Leandro Hospital. Mr. Jackson provided a brief background and informed the Board that he would be on campus every day. Ms. Jensen echoed Bonnie's comments relating to the promotion of Richard Espinoza to CAO of Post Acute Care. He will oversee all of the system's post acute care service line, including Alameda Hospital's post acute care units (South Shore, Park Bridge and the subacute unit) and Fairmont Hospital.</p>	No action taken.
	<p>Community Health Liaison Report</p> <p>Director Meyers noted from his report that he is eager to move forward as required by healthcare district law. Stakeholder meetings are on hold until a full time clerk and part time Executive Director are on Board. He informed the Board that he had a great conversation with Jim Franz, the City of Alameda Community Development & Resiliency Coordinator regarding a community health needs assessment that will be implemented in 2017. Director Jensen suggested that Mr. Franz come and share information with the District regarding the survey and other work being done through his department and the City of Alameda.</p>	No action taken.
	<p>President's Report</p> <p>President Saenz Duke reviewed her written report. President Saenz Duke provided an election update noting that with only two candidates filing for the two open positions, incumbents Director Williams and Director Saenz Duke, will not appear on the ballot in November, 2016.</p> <p>She noted that there would be a roundtable discussion organized by the Little Hoover Commission who is reviewing special districts in California. The District submitted a response to an inquiry by the Association of California Healthcare Districts which is included in the materials. The roundtable</p>	No action taken.

Topic	Discussion	Action / Follow-Up
	discussion will be held on November 16, 2016. Prior to moving on to updates on the Executive Director Search in her report and as agendized, Director Deutsch provided the Hospital Liaison Report.	
	a. Review and Approval of Community Survey Discussion occurred below in Section 2).	No action taken.
	Alameda Hospital Liaison Report Director Deutsch provided a verbal report noting that that an agreement had been reached with Californian Nurses Association which will increase salaries, increase morale and assist with recruitment and retention in Nursing. The infusion center expansion is moving forward. Progress is being made by AHP on a primary care clinic potentially designated as a FQHC clinic. He reported that the Chief Medical Officer is looking at issues with transfers from Alameda Hospital to Highland when a higher level of care is needed. Urology coverage has been a issue at Alameda Hospital and AHP is looking at possible solutions sand has a commitment to cover these types of specialties. Director Deutsch noted that he was pleased with the progress on many of these issues made over a short period of time.	No action taken.
	b. Other District Outreach Reports and Member Updates President Saenz Duke added that she has been on communication with the League of Women Voters and a potential joint presentation. Due to scheduling, the next available time slot will be summer, 2017.	No action taken.
	2) Review and Discussion of Decision Points for Vision and District Staffing President Saenz Duke noted that this agenda item ties into the last portion of the President's report. President Duke requested a discussion of the Board regarding the next steps in the Executive Director search and the proposed draft community survey included in the materials. She also noted that the annual community health fair was scheduled for October 16, 2016 and there is an opportunity for the Board to have a presence at the health fair and possible distribution of the survey at the same time. She asked the Board if they wished to discuss the survey or move to discuss Review and Discussion of Decision Points for Vision and District Staffing. Director Meyers commented on the collection of data as presented and thanked staff for the work done in gathering the information. He commented on the length of time it has taken in regards to the Vision and district Staffing and that without the additional support, the District cannot do the things the Board has approved moving forward with. Director Meyers stated that he was in favor of getting community input but now feels that the Board needs to take action on what California State law requires healthcare district to do and what has been agreed through the Vision and Mission statement. He feels strongly that the Board should move forward and take action in regards to personnel. The point of collecting the data was to show that work and discussion that has occurred. He noted that he has received positive feedback about the Vision and staffing model. Director	

Topic	Discussion	Action / Follow-Up
	<p>Meyers referenced the health and safety code and the ballot measure that has declared what the District should be doing along with what the district has approved in the Vision and mission statement. He continued to say that City leaders such as Jim Franz and Mayor Trish Spencer want to see the District get the stakeholders together to begin to address issues in the community and to find the voice of the underserved through stakeholder meetings. He stated that there is nothing in the Vision about programs; it only references being the lead agent and bring stakeholders together in the community. In regards to the survey, he is involved with the transportation Commission and has learned that the Commission has a process for distributing surveys to the broader community as opposed to list-serves and suggested working with the Commission on what their process is for the District's survey.</p> <p>Director Saenz Duke noted that HFS Consultant, Don Whiteside was present and the report given at a previous meeting has been included on the Board packet for reference. She asked Mr. Whiteside to comment on some of the comments made by Director Meyers and the process to date.</p> <p>Mr. Whiteside agreed with the summary provided by Director Meyers and agreed the Board should move forward with the search and hiring of personnel. He further stated that the more feedback from the community is essential. He suggested that the Board move concurrently with survey and talent acquisition of an Executive Director and district support staff. He stated that it would take an executive action by the Board on what the employment model for the executive director would be and recommended (as stated in the handout) either a management agreement or interim agreement with someone. He stated that the Board is in a position to move forward as the November election has been determined (no change in directors) and the mission has been approved.</p> <p>Director Deutsch stated that he had a very different view from Director Meyers. He stated that he has seen no evidence that the community wants to embark on this new vision and that the citizens of Alameda did not agree to it even though the Board approved the new Vision. He stated that he understands that the Board has agreed to the Vision. He continued to say that the Board has a responsibility to the electorate and the role of the Board under the JPA which includes receiving reports from AHS and to remind AHS and the community of the need for the hospital. He did not want to underestimate what the community voted for in 2002. Public health programs in Alameda would-be very valuable to the community but the community has not agreed to tax itself for such programs. He expressed concern over use of district resources for projects and programs in the community outside of the hospital operations without significant input or vote from the community or a real objective survey. Director Deutsch stated that the proposed survey was misleading. He proposed the question of "Do you want district funds, which are currently obtained through the parcel tax, to be spent on community programs other than for the exclusive use for Alameda hospital through Alameda health System?" As for secretarial support, the JPA calls for AHS to</p>	

Topic	Discussion	Action / Follow-Up
	<p>provide that support. As far as a Executive Director (ED), he feels that the citizens have not voiced their input on hiring of an ED. He said that he has voiced his opinion in regards to this at prior meetings and does not feel that the board should move forward.</p> <p>Director Jensen stated that she agreed with a lot of the comments made by Director Deutsch and expressed some concerns about the Vision 2015 and direction. She that she looked forward to discussion on the proposed survey. She stated that she has spent time reviewing healthcare districts and district that have been the focus of review for potentially not following what they are supposed to be doing under the law. She commented on similarities and differences with some Districts such as Petaluma and Sequoia. She wants to see the Board develop relationships with other community organizations. She stated that she was unsure of the role for the Executive Director. She continued to state that the community needs to support the role of the Executive Director She noted that the Board should spend time to identify the role of the current District Clerk, Ms. Thorson. She wants to ensure that there is an expectation to fill the role of liaison between Alameda Health System and the District either by the role of Ms. Thorson or a similar position.</p> <p>Director Meyers noted that Alameda County LAFCo approved the formation of the health Care District in 2002 by the levy of \$298 per parcel tax. In the LAFCo document and in the ballot measure, it states that we were to follow the Health and Safety Code as defined under healthcare district law by doing the following: A district that transfers its assets to another corporation shall act as an advocate for the community and the district shall annually report to the community on the progress made in identifying the gaps in health and well being in the community. He restated that despite hearing from Director Deutsch and others about using parcel tax dollars to fund public health programs, nothing has been said or approved in the Vision about programs; it only references being the lead agent and bring stakeholders together in the community. Director Meyers noted that the District has the sole responsibility of the overall health of the community. He continued to state that we are local, we are responsive, we were started by residents, voted by residents, serve upon the election of residents; we operate in service of resident's. all of our residents who don't use this facility and who don't have a voice. We are who we serve. We are uniquely positioned to know those who are suffering n our community. Community members entrust the District with the parcel tax dollars. He stated that when the board discussed Vision there were two bubbles and we are not losing the first bubble (hospital), what we are doing is our job which is the responsibility of the health and well being of the community, which has not been done since 2002. We don't need a large staff, but we need staff. He felt that the community supports having the District own staff that does not report to AHS. The other bubble is community health and well being of the community which the District will work collaboratively with AHS to address. Mr. Meyers referenced his support of around 7,500 votes from the community when he was elected on the basis that he would address these areas while he served on the Board.</p>	

Topic	Discussion	Action / Follow-Up
	<p>Director Jensen stated that she agreed that it was important to address the items noted by Director Meyers including the overall health needs of the community as well as oversight of the JPA with AHS. Director Jensen stated that she is not ready to hire an Executive Director at this time. She did feel that the District needed to understand the overall health of the community and this survey or report could be accomplished through the use of a consultant instead of an Executive Director and before hiring an Executive Director. We are equipped and can make decisions but propose an alternative to seek more input and understand the overall health of the community and what the gaps in coverage are before hiring an Executive Director. The report she is referring to is the saem report that Director Meyers has been referencing from healthcare district law.</p> <p>Director Meyers noted that he was happy to vote again on the Vision that was approved 5-0. He wants to move forward. If someone wants to make a motion to do something else, make a motion to do something else.</p> <p>Director Deutsch stated that he did not believe that we needed another layer of an Executive Director to be the “hub” in the community to do these activities. AHS should be and is addressing the community health needs and public health of the community. He agreed that we need secretarial support. The parcel tax was voted on to support the hospital and using it in other ways such as an Executive Director that does not directly support Alameda Hospital is a misuse of funds. He stated that he believes that there is enough to do with informing AHS and the public about issues with the Hospital. He suggested that the Board not move forward without public input and would be happy to make a motion.</p> <p>President Saenz Duke asked about moving forward with the survey in the next few months and the draft that was presented in the materials. She wanted to find common ground and understand how we could move forward and agreement on the path laid out by the consultant with a survey.</p> <p>Director Deutsch stated that he was not asked for input and felt that the survey was misleading. He did not believe the proposed survey would provide the feedback the Board is looking for. There has been a lot of discussion and doubts raised in meetings regarding the direction under the Vision 2015, despite a 5-0 vote. Director Deutsch said that the survey should ask one question: Do you want the District to continue to do what the it has been doing or do you want the District to hire staff begin to do something very different relating to community health independent of Alameda Health System and independent of the hospital?</p> <p>President Saenz Duke asked for the motion. After further thought and several iterations, Director Deutsch made a motion..</p> <p><u>DISCUSSION ON MOTION</u></p>	<p>Director Deutsch made a motion to not proceed with the hiring of an Executive Director unless the Board has evidence that a significant portion of the taxpaying Alameda community wants the District to spend their fund on projects and programs other than those that are directly related to Alameda Hospital.</p> <p>Director Jensen seconded the motion.</p> <p>Discussion occurred as noted to the left. After discussion ended, Director Meyers called the question.</p>

Topic	Discussion	Action / Follow-Up
	<p>Director Meyers stated that he did not know what projects or programs were being discussed. He did not agree with the motion. He continued to state that he needs staff support to do his work and all of the functions of the Board. We are being asked to be a District without staff. The role of the District goes beyond the four walls of the hospital. He stated again that there is no plan to do projects and programs.</p> <p>President Saenz Duke stated prior to the affiliation the District has a team of support and now has no staff support of our own. She felt it is necessary to have support for the District. She also pointed out the two articles she has written relating to the changes happening in healthcare and that healthcare extends beyond the four walls of the hospital. She feels that it is the Board responsibility of the Board to look at these issues.</p> <p>Director Deutsch suggested that AHS fund the staff support in concept and per the JPA. The focus of the Board should be support district clerk support from AHS. He suggested that the Board move forward with a 0.5 FTE clerk dedicated to the District operations which would be non-controversial.</p> <p>Director Saenz Duke Requested legal counsel to site the section in the JPA refers to the support of the District Clerk by Alameda Health System.</p>	<p>The Clerk re-read the motion to which Director Deutsch revised the motion:</p> <p>Director Deutsch made a motion to not go forward with the hiring an Executive Director unless and until the Board has evidence from the electorship/voters of that they want the District to proceed with programs other than what has been done up until now which is to use all fund for the operations of Alameda hospital.</p> <p>No further discussion.</p>
	<p>The meeting paused for a break at 7:57 PM. The meeting reconvened at 8:06 PM.</p>	<p>The vote was a tie 2 in favor (Deutsch/Jensen) – 2 against (Saenz Duke/Meyers).</p>
	<p>Discussion continued. Director Deutsch agreed that population health is beyond the 4 walls of a hospital and that it is AHS is committed to population health. He reiterated that he feels that staff support in the form of a 0.5 FTE clerk is needed.</p> <p>Director Jensen noted that the insurance contracting issues remains an important issue for the Board and community. She is confident that the meeting with community input moved AHS to make it more of a priority. She feels that progress and input can be obtained without the support of an Executive Director.</p> <p>The District Clerk read the section of the JPA: Article 4, District Reserved Rights; Remedies, Section 4.1. Reserved Rights, g) AHS shall make available on a regular and mutually agreeable basis meeting rooms and support personnel (including, without limitation, an individual to serve as "Clerk of the District") required for the conduct of District business.</p> <p>Discussion on the funding of a 05. FTE clerk ensued and Director Meyers stopped the discussion and noted that the funding has already been approved under the District's operating budget for the current fiscal year. He stated that the District has already had that discussion and a decision has been made.</p>	

Topic	Discussion	Action / Follow-Up
	<p>Director Jensen noted that there was a 2-2 vote and that we should move forward with hiring an executive director based on prior decisions by the Board and looked to President Saenz Duke for direction on how to proceed forward.</p> <p>Director Saenz Duke commented and referred back to the survey, timeline and plan identified by HFS Consultants. She asked if the survey should be revisited when Director Williams is present and look at what would need to be in a community survey</p> <p>Director Deutsch proposed the following question for the survey. Would you support using parcel tax funds in order to hire staff to enable such a broadening of the District mission or do you believe that parcel tax funds should be used exclusively for the projects and programs at Alameda Hospital? Yes, I believe the District should hire staff to enable a broadening of the District Mission to include public health projects in Alameda. No, I believe that parcel tax funds should be used exclusively for the projects and programs at Alameda Hospital.</p> <p>President Saenz Duke asked the Board again if they wanted to continue discussion on what type of questions to put in a community Survey</p> <p>Director Meyers noted that the question was whether the Board supports the expanded vision as approved or the board does not now support this vision. He stated that there is a democratic process and the Board is not following the approved decision or timeline. Director Meyers stated that we have a responsibility under California law. There was disagreement between Director Deutsch and Director Meyers regarding whether the District was doing its job under healthcare law. Director Meyers noted that he felt that Director Williams would agree that the Board's oversight is not as important as the focus has been for the Board. Director Meyers stated that he feels that the District needs its own staff that does not report to AHS.</p> <p>Director Jensen did not agree that we are mandated to have staff and that we can carry out our mission in different ways. Director Meyers stated he is tired of waiting to move forward. He wants an Executive Director that works independently, for the Board and who will go out and gather data for the board to fulfill its responsibilities.</p> <p><u>DISCUSSION ON THE MOTION</u></p>	<p>Director Jensen made a motion to defer hiring an Executive Director until 2017 and then discuss the issue in 2017. Director Deutsch seconded the motion.</p> <p>Director Meyers called the question.</p> <p>The vote was a tie 2 in favor (Deutsch/Jensen) – 2 against (Saenz Duke/Meyers).</p>

Topic	Discussion	Action / Follow-Up
	<p>Director Jensen stated she would like the input of Director Williams but is not comfortable moving forward with hiring of an Executive Director until 2017 and defer discussion of hiring a ED until 2017.</p> <p>President Saenz Duke noted that she would like to have Director Williams in on the discussion of next steps of hiring an Executive Director. As head of the search committee, President Saenz Duke will move forward with the process and involve Director Williams.</p>	
E. Consent Agenda		A motion was made to approve the consent calendar as approved. The motion was seconded and the motion carried with one abstention (Meyers).
	Acceptance of June 6, 2016 Meeting Minutes	
	Acceptance of June 28, 2016 Special Meeting Minutes	
	Acceptance of August 1, 2016 Meeting Minutes	
	Acceptance of Financial Statements: July/August 2016	
F. Action Items		
	<p>1) Adoption of Meeting Schedule for Calendar Year 2017 Ms. Thorson reviewed the proposed calendar as included in the board materials. The meetings were moved to the second Monday of the month and the Board will meet every other month.</p>	Director Jensen made a motion to approve the meeting schedule and Director Deutsch seconded. The motion carried.
	<p>2) Review and Approval of FYE June 30, 2016 Audit Ms. Thorson reviewed the annual audit as presented in the board materials.</p>	Director Jensen made a motion to accept the FYE June 30, 2016 Financial Audit and Director Deutsch seconded. The motion carried.
	<p>3) Review and Approval of Creating an Ad Hoc Committee and Charter on Alameda Hospital Facilities & Seismic Planning</p>	Action item was deferred until the December, 2016 meeting due to the absence of Director Williams.
G. December 12, 2016 Agenda Preview		
	1) Executive Director Search / District Staffing Update	
IV. General Public Comments		
None		

Topic	Discussion	Action / Follow-Up
V. Board Comments None		
VI. Adjournment	Being no further business the meeting was adjourned at 8:42 p.m.	

Attest:

Michael Williams
Secretary

CITY OF ALAMEDA HEALTH CARE DISTRICT

MEETING DATE: August 21, 2017

TO: City of Alameda Health Care District, Board of Directors

FROM: Kristen Thorson, District Clerk

SUBJECT: Review of Current Meeting Schedule and Discussion on Changing the Frequency of Meetings

Director Popalardo has requested that the District Board review the current meeting schedule and frequency and discuss the possibility of changing the meetings to monthly instead of bimonthly.

Background / Discussion

The District Board currently meets on the 2nd Monday of the month or as needed. Meeting dates have been sent through the end of 2017. Approval of the annual calendar usually occurs in October of each year.

Changing to monthly meetings would be determined by Board member availability and conference room availability at Alameda Hospital.

Major Approval Items Key Business Milestones	
2016	
December 12, 2016	<ul style="list-style-type: none"> • FY Q1 (Jul-Aug-Sep) AHS Reporting
2017	
February 13, 2017	<ul style="list-style-type: none"> • FY Q2 (Oct-Nov-Dec) AHS Reporting
April 10, 2017	<ul style="list-style-type: none"> • Review and Approval FY 2017-2018 Budget • Review Annual Audit Engagement
June 12, 2017	<ul style="list-style-type: none"> • Adoption of Parcel Tax Levy Resolution • Review and Approval of 2017-2018 Parcel Tax Budget • Review and Approval of Mutual Certification and Indemnification Agreement • Review and Approval of FY 2017-2018 Insurance Renewals • FY Q3 (Jan-Feb-Mar) AHS Reporting
August 14, 2017	<ul style="list-style-type: none"> • Q4 (Apr-May-Jun) AHS Reporting
October 9, 2017	<ul style="list-style-type: none"> • Review and Approval of FYE Annual Audit • Review of Calendar Year 2018 Meeting Calendar
December 11, 2017	<ul style="list-style-type: none"> • FY Q1 (Jul-Aug-Sep) AHS Reporting

CITY OF ALAMEDA HEALTH CARE DISTRICT

MEETING DATE: August 21, 2017

TO: City of Alameda Health Care District, Board of Directors

FROM: Kristen Thorson, District Clerk

SUBJECT: Overview of City of Alameda Health Care Corporation and Discussion on Potential Distribution of Funds

Background and Discussion

President Williams has asked for an overview of the City of Alameda Health Care Corporation and Director Popalardo has requested discussion on potential disposition or distribution of the funds associated with the Health Care Corp ("Corporation").

Per the bylaws (attached in their entirety), Corporation is formed exclusively for charitable purposes. In the context of this general purpose, the Corporation shall take whatever actions are necessary and related to the promotion of the health care of the residents of Alameda, California, including, but not limited to, promoting, procuring and extending financial aid toward the operation, maintenance and modernization of Alameda Hospital or any other health care facility located in Alameda, California.

The trustees of the corporation are the members of the City of Alameda Health Care District Board of Directors.

The Corporation is the same 501(c)(3) that operated both Alameda Hospital (prior to November 2002) and CW&S Investment Company (CW&S was dissolved in 2014).

The Corporation has assets consisting of \$30,172.40 in a money market account with the Bank of Marin.

Maintaining the corporation requires minimal effort with only an annual filing required to the IRS and Secretary of State.

Director Popalardo has requested a discussion of the Board of Directors regarding the possibility of donating a portion or all of the assets.

CITY OF ALAMEDA HEALTH CARE DISTRICT

DATE: August 21, 2017
TO: City of Alameda Health Care District, Board of Directors
FROM: Kristen Thorson, District Clerk
SUBJECT: 2017-2018 Special Liability Insurance Policy (SLIP) Renewal Update

The Special Liability Insurance Policy (SLIP) for the District is scheduled to renew on September 29, 2017 for a one year term. SLIP covers the following: General Liability, Public Officials Errors and Omissions (D&O) and Non-Owned and Hired Automobile Liability.

Alliant Insurance Services, Inc. (Broker of Record) has sent the SLIP program out to market this year. This is something they do every few years to make sure you are receiving the best service, coverage and pricing possible for this particular coverage. After an examination of the marketplace and the options available, Alliant has elected to move SLIP to Great American Insurance Company (previously with Associated Industries Insurance Company). Alliant has worked with Great American for many years on other policies/programs and have been very pleased with the results. Alliant feels this change will continue to help us provide the insurance solutions you need at a competitive price.

Alliant does not anticipate any changes to the policy form at this time. Should there be any change; the District would be notified as soon as possible. Alliant is currently working with Great American to secure the formal renewal terms and pricing. At this time, the expectation for formal quotes is around the end of August- beginning of September.

The District, through the FY 2017-2018 Operating Budget has an approved \$15,500 for the D&O Insurance renewal. Alliant is anticipating a not to exceed amount of 5% over prior year actual premium. It is the hope that the premium will remain at least flat over prior year. Once final renewal documents are received, President Williams will review, sign and payment will be issued.

Analysis of budget to actual is shown below for reference.

	Budget FYE 6/30/2018	Actual FYE 6/30/2018	Variance	
Crime (ACIP)	1,275	1,200	75	
D&O (SLIP)	15,500	*15,603	(103)	*Estimated, 5% over PY premium
Property (HARPP)	25,000	24,369	631	
Total	41,775	41,169	606	

Coverage limits per prior year are noted below and are not anticipated to change.

CITY OF ALAMEDA HEALTH CARE DISTRICT

COVERAGE: Manuscript Liability Form on an Occurrence Basis. Coverage included for:

<small>(Coverage applies only where checked)</small>	LIMIT
Maximum Per Occurrence Limit for all Coverages Combined	\$5,000,000

		LIMIT		DED/SIR
X	Personal Injury (Including Bodily Injury and Property Damage)	\$5,000,000		\$10,000
	Broadcasters Liability			
	Educators Legal Liability			

X	Public Officials Errors and Omissions	\$5,000,000		\$10,000
	Nonprofit Directors and Officers Liability			
	Employment Practices Liability			
X	Nose Coverage	\$5,000,000	Retro Date: 07/01/2004	\$10,000

	Owned Automobile Liability			
	Uninsured Motorist Coverage			
X	Non-Owned and Hired Automobile Liability	\$5,000,000		\$10,000

	Annual Aggregate Limits	LIMIT
X	Products / Completed Operations	\$5,000,000
X	Public Officials Errors and Omissions	\$5,000,000
	Nonprofit Directors and Officers Liability	
	Employment Practices Liability	

CITY OF ALAMEDA HEALTH CARE DISTRICT

MEETING DATE: August 21, 2017
TO: City of Alameda Health Care District, Board of Directors
FROM: Kristen Thorson, District Clerk
SUBJECT: Jaber Property Maintenance & Capital Improvements Update

Complete inspections were completed at the end of April 2017 on the Jaber Properties. The goal of the inspections / assessments was to determine the long term capital needs and the amount of revenue, if needed, to reserve.

The inspection resulted in standard findings for the age of the two properties under HVAC, roof, plumbing, pest, and general contractor type work. One of the main components is roof repair and replacement for the apartment buildings.

The inspection reports have been thoroughly reviewed by the Clerk, President Williams and Director Godfrey Codiga. Drysdale Property Management has also received and reviewed a copy of the reports. I met recently with Drysdale and we are currently in the process of obtaining quotes for the recommended work as a result of the inspections. Drysdale will be getting two (2) competitive quotes for the high priority work that needs to be completed. Once quotes have been received and reviewed, vendors will be selected to complete the work. As of this time, there is not a complete estimate for the repairs.

As of 7/31/17 (as stated in the memo on the potential distribution from the Jaber Fund to AHS), the bank balance is \$764,186.17. If the 20% maximum amount of distribution was approved for FY 2015 and FY 2015, there would be over \$500,000 available to fund repairs to the properties. The cash assets plus the monthly revenue stream will ensure that the funds will be available to complete the work.

We will be working with Drysdale closely to review the quotes, complete the repairs and to continue to address ongoing maintenance of the properties.

CITY OF ALAMEDA HEALTH CARE
DISTRICT

Minutes of the City of Alameda Health Care District Board of Directors
Open Session
Monday, February 13, 2017 | Regular Meeting

Board Members Present		Legal Counsel Present	Excused / Absent
Robert Deutsch, MD Tracy Jensen	Kathryn Sáenz Duke	Thomas Driscoll, Esq.	Michael Williams Jim Meyers, DrPH
Submitted by: Kristen Thorson, District Clerk			

Topic	Discussion	Action / Follow-Up
I. Call to Order	The meeting was called to order at 5:32 PM	
II. Roll Call	Kristen Thorson called roll, noting a quorum of Directors was present.	
III. General Public Comments	None	
IV. Regular Agenda		
A. Alameda Health System and Alameda Hospital Updates		
1) FY 2016-2017 (Q2, October-November-December) AHS Financial Report		
	<ul style="list-style-type: none"> Insurance Contracting Update <p>David Cox, CFO for Alameda Health System (AHS) reviewed the presentation that was included in the Board materials. The Presentation included commercial market share data that showed a decline over the years even prior to the affiliation and a growing market share in Medi-Cal. He noted that the prompt pay program is not working and that he has poled community physicians and they do not recommend their out of network patients coming to Alameda Hospital because of the obstacle that the prompt pay program presents. There was continued discussion relating to the volumes, lack of major commercial contracts and the importance of having commercial contracts in the City of Alameda. The presentation included updates on the commercial contracts.</p>	
2) Hospital CAO Report	James Jackson, CAO of Alameda Hospital reviewed the CAO report that was distributed at the meeting. Copies will be available and posted online.	

Topic	Discussion	Action / Follow-Up
3)	<p>FY 2016-2017 (Q2, October-November-December) AHS Quality Dashboard</p> <p>Eileen Pummer, AHS Director of Quality Programs reviewed the dashboard as presented and informed the Board that a new dashboard is being developed that will focus on the Acute Care Strategic Business Unit (SBU).</p>	
4)	<p>Alameda Hospital Medical Staff Report</p> <p>Dr. Elpido Magalong reported that credentialing processes are being aligned across the system. He noted three areas of concern that the medical staff hope for resolution on in the very near future; 1) Commercial contracts, 2) CT scanner, and 3) Urology Coverage. Mr. Jackson noted that work is being completed to assess the CT Scanner and look at preventative maintenance plan to keep the machine in good working order until such time a replacement can be purchased and installed.</p>	
B. District & Operational Updates		
1)	<p>Review and Discussion of City of Alameda - Community Needs Assessment Survey with Jim Franz</p> <p>Mr. Franz, Community Development and Resiliency Coordinator for the City of Alameda reviewed a draft Community Needs Assessment Survey to seek input from the Board that could benefit the mission of the District going forward. Mr. Franz noted that current suggestions from other groups included adding more questions on disability and transportation. Director Deutsch suggested questions on healthcare facilities, including primary care clinics and public health programs such as smoking cessation. It was suggested to add hospital facilities to questions #22. Director Jensen suggested a general question of "Does your family have insurance through employer, retirement, ACA plan, etc." President Saenz Duke commented on questions related to housing. Mr. Franz thanked the Board for their input.</p>	
2)	<p>District Liaison Reports</p>	
a.	<p>Alameda Health System Liaison Report</p> <p>Director Jensen reviewed her report that was included in the packet. She also informed the Board about recent efforts by AHS to support immigration and will send out flyer to the Board of Directors.</p>	
b.	<p>Alameda Hospital Liaison Report</p> <p>a. Report on Ad Hoc Hospital Facilities and Seismic Planning Committee</p> <p>Director Deutsch noted that he attended an AHS Board of trustees meeting and spoke on the</p>	

Topic	Discussion	Action / Follow-Up
	<p>importance of having the commercial contracts at Alameda Hospital. The Board assured that AHS was pursuing all commercial contracts.</p> <p>He also noted that he met with AHS leadership to review the RFP for seismic evaluation of all facilities within the System.</p>	
	<p>c. President's Report</p> <p>President Saenz Duke reported that the Alameda Hospital Foundation meeting on April 20, 2017. Director Jensen and Director Deutsch will plan to attend the meeting.</p>	
	<p>d. Other District Outreach Reports and Member Updates</p> <p>No additional reports.</p>	
<p>3)</p>	<p>Analysis of Jaber Will and Use of Funds</p> <p>Tom Driscoll reviewed the slide presentation outlining the details and history of the Jaber Will and use of funds. Copies of the presentation will be made available and posted online.</p>	
<p>4)</p>	<p>LAFCo and Ballot Language Analysis on Use of Parcel Tax Funds</p> <p>Tom Driscoll reviewed the slide presentation outlining the details of the LAFCo formation language and Ballot Language regarding the use of the parcel tax funds</p> <p>Copies of the presentation will be made available and posted online.</p>	
<p>5)</p>	<p>Overview of Loan with Bank of Marin</p> <p>Ms. Thorson reviewed the memorandum included in the materials regarding the loan with the Bank of Marin. The Board requested to look at options with the assistance of the financial consultant and make a recommendation to the Board regarding the loan.</p>	
<p>6)</p>	<p>Annual Report of Parcel Tax Uses by Alameda Health System - Fiscal Year 2015-2016</p> <p>Ms. Thorson reviewed the report of actual uses of the parcel tax for fiscal year 2014-2015, 2015-2016 and current. The report also identified specific capital equipment, facilities projects and investments made to Alameda Hospital by AHS. Director Deutsch noted that \$17M above the parcel tax was invested in Alameda Hospital.</p>	
<p>7)</p>	<p>Executive Director Search / District Staffing Update</p>	
	<p>a. Report from Ad Hoc Committee Advisory Committee for Executive Director Search</p>	

Topic	Discussion	Action / Follow-Up
C. Action Items		
1)	Acceptance of December 12, 2016 Meeting Minutes	Director Jensen made a motion to accept the minutes with minor edits. Director Deutsch seconded, motion carried (3-0).
2)	Acceptance of Financial Statements: November/December 2016	
3)	Approval of December 2016 Parcel Tax Installment Transfer to Alameda Health System	Director Jensen made a motion to approve the December 2016 parcel tax installment transfer to AHS. . Director Deutsch seconded, motion carried (3-0).
4)	Review and Approval of Expenditure of Funds for Services to Assess Long Term Capital Investments for Jaber Properties	Director Deutsch made a motion to approve the expenditure of funds to assess the Jaber properties. Director Jensen seconded, motion carried (3-0).
5)	Approval to Bind General and Excess Property Insurance for Jaber Properties for renewal year 3/19/17 to 3/19/18	Director Deutsch made a motion to bind the general and excess liability property insurance for the Jaber properties. Director Jensen seconded, motion carried (3-0).
D. April 10, 2017 Agenda Preview	The proposed agenda was reviewed as identified below. Other agenda items may be added or as needed.	
1)	Executive Director Search / District Staffing Update	
2)	Review and Approval of FY 2017-2018 Operating Budget	
3)	Approval of FY 2015-2016 Parcel Tax True Up Transfer to Alameda Health System	
4)	Closed Session – Discussion on Trade Secrets	

Topic	Discussion	Action / Follow-Up
E.	June 12, 2017 Agenda Preview	
	1) Adoption of Parcel Tax Levy Resolution	
	2) Review and Approval of 2017-2018 Parcel Tax Budget	
	3) Review and Approval of Mutual Certification and Indemnification Agreement	
	4) Review and Approval of FY 2017-2018 Insurance Renewals	
	5) FY Q3 (Jan-Feb-Mar) AHS Reporting	
V. General Public Comments Tony Corica, commented on Agenda item B.4 and the LAFCo language and election to form the District in 2002.		
VI. Board Comments		None
VII. Adjournment Being no further business the meeting was adjourned at 1:07 p.m.		

Approved: _____

Board Members Present		Legal Counsel Present	Excused / Absent				
Robert Deutsch, MD Gayle Godfrey Codiga Tracy Jensen	Dennis Popalardo Michael Williams	Thomas Driscoll, Esq.					
Submitted by: Kristen Thorson, District Clerk							
Topic	Discussion	Action / Follow-Up					
I. Call to Order	The meeting was called to order at 5:31 p.m.						
II. Roll Call	Kristen Thorson called roll, noting a quorum of Directors was present.						
III. General Public Comments	None						
IV. Regular Agenda							
A. Action Items							
1)	<p>Annual Election of Officers and Appointment to Liaison Positions</p> <p>Director Williams and Director Godfrey Codiga both expressed interest in the office of president. Each had an opportunity to express their interest and qualifications for the position. Motion was made as indicated to the right. (#1)</p> <p>After discussion on the remaining offices of the Board, a motion was made to approve a slate of officers as indicated to the right (#2).</p> <p>Nominations for the AHS Liaison, Alameda Hospital liaison and Community Health liaison positions and were made as indicated to the right (#3, #4, #5)</p> <p>There was interest by Director Deutsch and Director Popalardo for the 2nd Representative on the City of Alameda Liaison Committee. Each expressed their interest and qualifications for the position. A motion was made as indicated to the right (#6)</p> <p>Final Officers and Liaison Positions listed below.</p> <table border="1" data-bbox="310 1399 1430 1464"> <thead> <tr> <th>Office/Liaison Position</th> <th>Board Member</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Office/Liaison Position	Board Member			<p>#1 Director Jensen made a motion to nominate Director Williams to the office of President. Director Popalardo seconded the motion. Motion carried.</p> <p>#2 Director Jensen made the following nominations: Deutsch – 1st Vice President Godfrey Codiga – 2nd Vice President Jensen – Secretary Popalardo – Treasurer</p> <p>Director Popalardo seconded the motion. Motion carried.</p> <p>#3 Director Williams made a motion to</p>	
Office/Liaison Position	Board Member						

President Representative #1 to City of Alameda Liaison Committee	Michael Williams
1 st Vice President	Robert Deutsch
2 nd Vice President	Gayle Godfrey Codiga
Secretary	Tracy Jensen
Treasurer	Dennis Popalardo
Alameda Health System Liaison	Tracy Jensen
Community Health Liaison	Dennis Popalardo
Alameda Hospital Liaison	Robert Deutsch, MD
Representative #2 on City of Alameda Liaison Committee	Robert Deutsch, MD

nominate Tracy Jensen as the AHS Liaison. Director Popalardo seconded, motion carried.

#4 Director Godfrey Codiga made a motion to nominate Director Deutsch as the Alameda Hospital Liaison. Director Jensen seconded, motion carried.

#5 Director made a motion to nominate Director Popalardo as the Community Health Liaison. Director ___ seconded, motion carried.

For the 2nd representative on the City of Alameda Liaison Committee voting occurred for the two interested Directors (Deutsch, Popalardo).

	Deutsch	Popalardo
Jensen	X	
Godfrey Codiga	X	
Williams		X
Deutsch	X	
Popalardo		X

Director made a motion to accept voting and appoint Director Deutsch to the 2nd representative on the City of Alameda Liaison Committee. Director Codiga seconded, motion carried.

- 2) Acceptance of Financial Statements: January – March 2017
The Clerk noted that beginning in April the financial statements will have a new look as the Jaber revenues and expenses will be separated out to clearly identify between the District and Jaber activity.

Director Jensen made a motion to accept the minutes and Director Godfrey Codiga seconded the motion. Motion carried.

- 3) Approval of FY 2014-2015 Parcel Tax True-Up Transfer to Alameda Health System
Director Godfrey Codiga requested to defer the action item until the next meeting so she

Director Godfrey Codiga made a motion approve the tru-up transfer for

	could speak with AHS leadership regarding concerns she had. However, after further discussion and clarification, the board took action.	FY 2014-2015 in the amount of \$151,223. Director Deutsch seconded, motion carried.
4)	Approval of April 2017 Parcel Tax Installment Transfer to Alameda Health System Director Godfrey Codiga requested to defer the action item until the next meeting so she could speak with AHS leadership regarding concerns she had.	Director Godfrey Codiga made a motion to move this action item to the June 5, 2017 meeting. Director Jensen seconded, motion carried.
5)	Review and Approval of FY 2017-2018 Operating Budget The Clerk reviewed in detail the proposed operating budget as outlined in the board materials. There are separate budgets for District operations and the Jaber properties which is different than from prior years. One correction was made on page 22 of the packet under the variance from FY17 budget to FY18 budget. Number should be (192,708) instead of 29,432.	Director Godfrey Codiga made a motion to approve the operating budget for Fiscal Year 2017-2018 with correction. Director Jensen seconded, motion carried.
6)	Adoption of Parcel Tax Levy Resolution 2017-1	Director Godfrey Codiga made a motion to adopt the Parcel Tax Resolution 2017-1. Director Jensen seconded the motion, motion carried with Director Deutsch recusing himself from the vote.
7)	Authorization to Execute Mutual Certification and Indemnification Agreement	Director Jensen made a motion to authorize legal counsel to execute Mutual Certification and Indemnification Agreement. Director Popalardo seconded the motion. Motion carried.
8)	Authority to Vote at of the Alameda County Chapter of the California Special District Association (CSDA)	Director Deutsch made a motion to authorize the President or designee to vote at CSDA, Alameda County Chapter meetings. Director Jensen seconded the motion. Motion carried.
9)	Review and Discussion of Executive Director Search and District Staffing including Decision on Next Steps	No action taken
B. June 5, 2017 Agenda Preview INFORMATIONAL - SUBJECT TO CHANGE		
The proposed agenda was reviewed as identified below. Additional items as discussed in the meeting will also be added which include the items below. Other agenda items may be added or		No Action Taken.

as needed.		
<ul style="list-style-type: none"> Approval of April 2017 Parcel Tax Installment Transfer to Alameda Health System 		
Action Items		
1)	Review and Approval of FY 2017-2018 Insurance Renewals (Property, Crime, Directors and Officers)	
2)	Review of Jaber Property Inspection Results and Recommendation on Reserve for Capital Needs	
3)	Review of Analysis of Jaber Fund Recommendation on Distribution from the Fund to Alameda Health System for Purchase of Capital Equipment	
4)	Approval of FY 2015-2016 Parcel Tax True Up Transfer to Alameda Health System	
5)	Review and Approval of 2017-2018 Parcel Tax Budget from Alameda Health System	
Informational Items		
1)	Community Health, Safety and Wellness Focus Presentation	
	<ul style="list-style-type: none"> Subject to be determined 	
2)	District Liaison Reports (AHS, Hospital and Community)	
3)	FY Q3 (Jan-Feb-Mar) AHS Reporting	
V. General Public Comments		
No public comments.		
VI. Board Comments		
None.		
VII. Adjournment		
Being no further business the meeting was adjourned at 7:06 p.m.		

Approved: _____

Board Members Present		Legal Counsel Present	Excused / Absent
Robert Deutsch, MD Gayle Godfrey Codiga Tracy Jensen	Dennis Popalardo Michael Williams	Thomas Driscoll, Esq.	
Submitted by: Kristen Thorson, District Clerk			
Topic	Discussion	Action / Follow-Up	
I. Call to Order	The meeting was called to order at 5:34 p.m.		
II. Roll Call	Kristen Thorson called roll, noting a quorum of Directors was present.		
III. General Public Comments	None		
President Williams announced there was an agenda change and that the Review and Approval of the Parcel Tax Budget would be deferred as the budget was not available.			
IV. Regular Agenda			
A. Alameda Health System and Alameda Hospital Updates			
1)	<p>FY 2016-2017 Q3 / YTD AHS Financial Reporting</p> <ul style="list-style-type: none"> Insurance Contracting Update <p>David Cox, CFO from Alameda Health System provided an update noting that revenues were strong but expenses were over budget. Patient Activity was flat overall with Alameda volumes good and expected to achieve objectives for the year. He updated the Board on the Line of Credit with Alameda County stating that the LOC needs to be kept within a certain limit. Supplemental funding expected to be received at the end of June will keep AHS within the limit however there is a short period where the LOC will not be within the limits. Alameda Alliance has agreed to provide a large advance to AHS to cover a very short term until the supplemental funding is received. The Budget process is in progress and will be going back to the Board of Trustees for review on Thursday, June 8, 2017. He informed the Board that the Aetna contract had been signed last week and Blue Shield is expected to be signed shortly. AHS has had little progress with Anthem. Anthem has suggested that AHS make a lower offer to which AHS is not willing to do. Mr. Cox also</p>	No action taken.	

	<p>informed the board on the Canopy Health contract with serves the University of California employees. This is a small – medium group product that is expected to bring additional volume to AHS.</p> <p>Director Jensen asked for confirmation that Anthem was the last outstanding contract. Mr. Cox confirmed.</p> <p>Director Popalardo inquired about some additional details of Canopy Health. He also asked about next steps with Anthem. Mr. Cox stated that AHS is evaluating how to respond to Anthem and that it is hard to predict when resolution will occur.</p> <p>Director Deutsch expressed that Anthem (“Blue Cross”) is the largest commercial plan that exceeds the sum of all other plans. He stated that it not having a contract is a deficit to serve the community. He continued to state that Canopy has potential but there is no volume now. Mr. Cox replied that the strategy is long term.</p> <p>The conversation continued regarding next steps and strategy with Anthem, including what has been done to encourage Anthem to negotiate with AHS, =like letters from elected officials and community members.</p> <p>Director Deutsch stated that the self-pay / out of network program implemented by AHS to allow Anthem members or any non contracted payor members to use the facility does not work. He brought up the expansion of Primary Care (PCP) on the island. Director Jensen informed the Board that PCP expansion was under discussion at the CEO/Board of Trustee level and was requested to be in the budget for FY 2017-2018. Director Deutsch asked if it would be an FQHC clinic, to which Mr. Cox replied no. Mr. Cox further stated that primary care was included in the budget for AHS.</p>	
<p>2)</p>	<p>Hospital CAO Report</p> <ul style="list-style-type: none"> • Quality Report <p>Eileen Pummer reviewed the template for a new Acute Care Strategic Business Unit (SBU) dashboard that was included in the materials. The dashboard cascades down from the True North Metrics for the system.</p> <ul style="list-style-type: none"> • Hospital Operations Update <p>Mr. Jackson reviewed the CAO report that was distributed at the meeting highlighting patient volumes, financial metrics, HCAHPS (patient experience) scores, the FACES for the Future Coalition internship program. Questions were asked about how alameda hospital compares with other hospitals. Mr. Jackson replied that there is opportunity for improvement. The right leadership is in place at this time to effectuate change needed to improve scores and to hardwire best practices and rounding by staff. One challenge is staffing and use of registry or travelers as it is hard to train travelers and hardwire the best practice when their assignment is 13 weeks or less. We are working to hire staff and reduce use of registry/travelers.</p> <ul style="list-style-type: none"> • Current Seismic Project Updates <p>James E.T. Jackson, CAO for Alameda Hospital reviewed the handout regarding the</p>	<p>No action taken.</p>

	current state of seismic work at Alameda Hospital. Director Codiga asked if the 2020 work would help get us to 2030 and hopped that architects were looking at ways to build retrofit to 2030. Mr. Jackson stated that the plan call for building to 2020 and not to 2030.	
3)	<p>Alameda Hospital Medical Staff Report</p> <p>Elpido Magolong, MD, the Alameda Hospital Medical Staff President gave a brief report on the Medical Staff of the hospital noting the following key items. From March – May, there have been 11 initial appointment, 19 reappointments, 16 voluntary resignations and 10 applications in progress for the following specialties; pathology, Podiatry, Psychology and Radiology. Credentialing process is being aligned across the system as many providers provide care at several of the hospital locations. He noted that the hospital is 100% compliant in Stroke Core Measures and 86.9% complaint for the tobacco core measures set. Physician order sets are being reviewed and revised to meet requirements of cores measures. He noted some operational challenges that the Medical Staff is working with leadership to resolve including, specialty coverage (GI, Podiatry and urology), cardiology coverage (recently resolved) and primary care. Dr. Magalong stated that there is representation from the Medical Staff (from AHS Core, Highland, Fairmont and John George) on the Board of Trustees and that there have been ongoing discussions about physician representation from the community based hospitals (San Leandro and Alameda Hospitals).</p>	No action taken.
B.	District & Operational Updates	No action taken.
1)	<p>District Liaison Reports</p> <p>a. Alameda Health System Liaison Report</p> <p>Director Jensen announced that AHS was evaluating vendors for the EMR system, including Cerner and EPIC. An announcement was expected in august on the preferred vendor. She asked that the clerk provide a link to the Board to access the AHS Board of Trustees agenda and meeting materials.</p> <p>b. Community Liaison Report</p> <p>Director Popalardo informed the Board that he connected with Meals on Wheels recently and was able to connect her with Hospital personnel to ensure that information was available to discharge planners regarding the services of Meals on Wheels.</p> <p>c. Alameda Hospital Liaison Report</p> <p>Director Deutsch discussed the backgorudn on the infusion center and that it was shut down in 2015 for financial reasons and has been limited by staffing and space. He said that there was good initial work but limited progress recently. He requested that AHS ensure that this program is budgeted and that funds had been earmarked and budgeted but not spent.</p> <ul style="list-style-type: none"> • Report on Ad Hoc Hospital Facilities and Seismic Planning Committee • Discussion on the Issue of Long Term Planning for Alameda Hospital 	

	<p>Replacement by the year 2030</p> <p>Director Deutsch reported that next steps on the long term planning for 2030 were dependent on the report from the vendor that was selected to conduct a system-wide seismic assessment of all AHS facilities. Director Godfrey Codiga expressed interest in joining Director Deutsch on the Ad Hoc Hospital Facilities and Seismic Planning Committee. Director Jensen stated that it was important to start now with discussion and planning.</p> <p>d. President's Report</p> <p>Director Williams reported on the recent CSDA, Alameda County Chapter meeting and said that bylaws for the Chapter were revised at the meeting.</p> <p>e. Other District Outreach Reports and Member Updates</p> <p>No other updates provided.</p>	
2)	<p>Association of California Health Care Districts Annual Meeting, September 12-14, 2017</p> <p>The memo was reviewed and there was discussion on attendance at the AHCD annual meeting. Director Jensen and Director Godfrey Codiga expressed interest in going. Arrangements will be made for the two members to attend.</p>	No action taken.
3)	<p>Executive Director Search / district Staffing Update</p> <p>President Williams stated that he believes there is a need for an executive director to step in to make decisions on such things as the jabber properties, seismic discussions, and to assist in representing the district in the community. He would like to connect with HFS consultants and request a proposal for a contracted Executive Director through their firm.</p> <p>Director Deutsch said he opposed the Executive Director position. Director Williams restated that the position could be part time through HFS and would help with jobs/activities on a temporary basis.</p> <p>Director Popalardo supported moving forward with HFS to provide a proposal.</p> <p>Director Godfrey Codiga said she did not have an opinion at this point but thought that the position would require a different set of abilities, including moving things forward with AHS, seismic planning and community outreach.</p> <p>Director Deutsch restated his thoughts on an executive director and said it was premature to hire one at this time.</p> <p>Director Jensen reported that a group of community stakeholders had met to gain their input on hiring of an Executive Director and perhaps it would be good to bring that group back together. The Clerk will work to schedule a meeting in August.</p>	No action taken.
C. Action Items		
1)	Acceptance of Minutes	
	a. March 8, 2017	Director Jensen made a motion to accept the minutes and Director

		Deutsch seconded the motion. Motion carried, 2 Ayes and 3 abstentions (Williams, Popalardo, Godfrey Codiga)
	b. April 24, 2017	Director Jensen made a motion to accept the minutes and Director Deutsch seconded the motion. Motion carried, 3 Ayes and 2 abstentions (Popalardo, Godfrey Codiga)
	c. May 3, 2017	Director Jensen made a motion to accept the minutes and Director Williams seconded the motion. Motion carried.
2)	Acceptance of Financial Statements: April 2017 There was a question regarding the April year-to-date District Tax Revenues. It appeared there was an error in the statement. The Clerk will follow-up with the financial consultant to verify the information and report back to the Board.	Item deferred until next meeting.
3)	Approval of FY 2015-2016 Parcel Tax True-Up Transfer to Alameda Health System	Director Jensen made a motion to approve the Parcel Tax True-Up Transfer in the amount of \$36,973. Director Popalardo seconded the motion. Motion carried.
4)	Approval of April 2017 Parcel Tax Installment Transfer to Alameda Health System	Director Jensen made a motion to approve the Parcel Tax Installment Transfer in the amount of \$2,158,816. Director Popalardo seconded the motion. Motion carried.
5)	Review and Authorization to Bind Crime Insurance Policy for FY 2017-2019 Director Godfrey Codiga inquired if the Health Care Corporation was also covered under the District's insurance policies. The Clerk will verify with insurance broker and report back to the Board.	Director Godfrey Codiga made a motion to authorize the President to Bind the Crime Insurance. Director Jensen seconded the motion. Motion carried.
6)	Review and Authorization to Bind Property Insurance Policy for FY 2017-2018 Director Godfrey Codiga inquired what the insurance broker fee is on the property insurance policy. The Clerk will verify with insurance broker and report back to the Board.	Director Godfrey Codiga made a motion to authorize the President to Bind property insurance. Director Popalardo seconded the motion.

		Motion carried.
7)	Review and Approval of 2017-2018 Parcel Tax Budget from Alameda Health System	Item deferred to next meeting.
D. August 14, 2017 Agenda Preview		
<p>The proposed agenda was reviewed as identified below. Additional items as discussed in the meeting will also be added which include the items below. Other agenda items may be added or as needed.</p> <ul style="list-style-type: none"> • Review and Approval of 2017-2018 Parcel Tax Budget from Alameda Health System • Overview and Discussion on the City of Alameda Health Care Corporation • Acceptance of April Financial Statements 		No Action Taken.
1)	Acceptance of May & June 2017 Financials	
2)	Acceptance of Minutes <ul style="list-style-type: none"> • February 13, 2017 • May 8, 2017 • June 5, 2017 	
3)	Review of Jaber Property Inspection Results and Recommendation on Reserve for Capital Needs	
4)	Review of Analysis of Jaber Fund Recommendation on Distribution from the Fund to Alameda Health System for Purchase of Capital Equipment for period June 30, 2015 to June 30, 2016	
Informational Items		
1)	Discussion regarding City of Alameda Health Care Corporation	
2)	Community Health, Safety and Wellness Focus Presentation <ul style="list-style-type: none"> • Subject to be determined 	
3)	District Liaison Reports (AHS, Hospital and Community)	
4)	FY Q3 (Jan-Feb-Mar) AHS Reporting <ul style="list-style-type: none"> • Hospital/CAO, Finance, Quality, and Alameda Hospital Medical Staff Reports 	
V. General Public Comments		
No public comments.		

VI. Board Comments

None.

VII. Adjournment

Being no further business the meeting was adjourned at 7:50 p.m.

Approved: _____

DRAFT

CITY OF ALAMEDA HEALTH CARE DISTRICT

MEETING DATE: August 21, 2017
TO: City of Alameda Health Care District, Board of Directors
FROM: Kristen Thorson, District Clerk
SUBJECT: Acceptance of Financial Statements

Action

Acceptance of April, May, June 2017 Financial Statements

Discussion Highlights

As a reminder the financial statement format has been revised. Pages 1-2 represent the consolidated financial performance (Balance Sheet, Statements of Revenues, Expenses and Changes in Net Position and Statements of Cash Flows). Pages 3–5 represent the split between District, Jaber and consolidated (“as of” or shaded column) financial performance. This new format will allow the Board to better understand the financial performance of both the District’s financials and the Jaber financials.

The consolidated financials on pages 1-3 show a comparison of Actual (prior fiscal year and YTD) to YTD Budget for the Statements of Revenues, Expenses and Changes in Net Position and Statement of Cash Flows. A variance percentage is shown from actual compared to budget. Some expense categories will show greater variances (positive and negative) on a month to month basis because the budget is spread evenly over the fiscal year.

For the month of April, there was an error in a formula on the year-to-date District Tax Revenues in which the amount was overstated at \$6,834,890. The formula has been corrected and the correct number is \$5,527,390 which is reflected in the attached financial statements.

Cash and Cash Equivalents decreased from May to June due to the parcel tax transfere to Alameda Health System.

YTD June 30, 2017 expenses were under budget by \$245,746 (not including depreciation). Total Revenues were above budget by \$68,000 which can be attributed in part to the collection of the possessory interest bills.

Requests for additional information or clarification on the Financial Statements can be brought to the District Clerk and a response will be coordinated through the District’s financial consultant.

CITY OF ALAMEDA HEALTH CARE DISTRICT

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD APRIL 30, 2017

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District 6/30/2016	Jaber 6/30/2016	As of 6/30/2016	District 4/30/2017	Jaber 4/30/2017	As of 4/30/2017
Assets						
<u>Current assets:</u>						
Cash and cash equivalents	\$ 471,592	\$ -	\$ 471,592	\$ 3,063,938	\$ -	\$ 3,063,938
Grant and other receivables	293,921	-	293,921	-	-	-
Prepaid expenses and deposits	19,710	-	19,710	15,997	4,078	20,075
Total current assets	785,223	-	785,223	3,079,935	4,078	3,084,013
Due To Due From	(287,050)	287,050	-	(192,243)	192,243	-
Assets limited as to use	-	328,241	328,241	-	537,854	537,854
Capital Assets, net of accumulated depreciation	2,458,223	1,077,500	3,535,723	2,152,370	1,046,333	3,198,703
	2,956,396	1,692,791	4,649,187	5,040,061	1,780,509	6,820,570
Other Assets	14,192	-	14,192	12,325	-	12,325
Total assets	\$ 2,970,589	\$ 1,692,791	\$ 4,663,380	\$ 5,052,386	\$ 1,780,509	\$ 6,832,895
Liabilities and Net Position						
<u>Current liabilities:</u>						
Current maturities of debt borrowings	\$ 28,405	\$ -	\$ 28,405	\$ 29,804	\$ -	\$ 29,804
Accounts payable and accrued expenses	8,700	-	8,700	9,700	-	9,700
Total current liabilities	37,105	-	37,105	39,504	-	39,504
Debt borrowings net of current maturities	1,003,450	-	1,003,450	978,454	-	978,454
Total liabilities	1,040,555	-	1,040,555	1,017,958	-	1,017,958
Net position:						
Invested in capital assets, net of related debt	2,458,223	1,077,500	3,535,723	2,149,253	1,049,450	3,198,703
Restricted, by contributors	-	328,241	328,241	-	481,054	481,054
Unrestricted (deficit)	(241,139)	-	(241,139)	2,135,179	-	2,135,179
Total net position (deficit)	2,217,084	1,405,741	3,622,825	4,284,432	1,530,504	5,814,937
Total liabilities and net position	\$ 3,257,639	\$ 1,405,741	\$ 4,663,380	\$ 5,302,391	\$ 1,530,504	\$ 6,832,895

Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District 6/30/2016	Jaber 6/30/2016	Actual YTD 6/30/2016	District 4/30/2017	Jaber 4/30/2017	Actual YTD 4/30/2017
Revenues and other support						
District Tax Revenues	\$ 5,778,442	\$ -	\$ 5,778,442	\$ 5,527,390	\$ -	\$ 5,527,390
Rents	-	181,283	181,283	-	153,799	153,799
Other revenues	289,969	-	289,969	11	-	11
Total revenues	6,068,411	181,283	6,249,693	5,527,402	153,799	5,681,200
Expenses						
Salaries, wage and benefits	-	-	-	-	-	-
Professional fees	73,220	9,016	82,236	82,229	7,587	89,816
Supplies	3,960	-	3,960	2,983	-	2,983
Purchased services	-	-	-	2,450	-	2,450
Repairs and maintenance	-	12,972	12,972	-	16,914	16,914
Rents	24,835	-	24,835	21,263	-	21,263
Insurance	70,476	4,997	75,474	47,136	816	47,951
Depreciation and amortization	369,265	37,400	406,665	307,721	31,167	338,887
Interest	50,541	-	50,541	40,970	-	40,970
Travel, meeting and conferences	1,527	-	1,527	260	-	260
Other expenses	5,751	966	6,716	6,003	1,055	7,059
Total expenses	599,575	65,351	664,925	511,015	57,538	568,554
Operating gains	5,468,836	115,932	5,584,768	5,016,387	96,261	5,112,647
Transfers	(5,484,222)	-	(5,484,222)	(2,911,287)	-	(2,911,287)
Increase in net position	(15,387)	115,932	100,546	2,105,100	96,261	2,201,360
Net position at <i>beginning of the year</i>	2,211,482	1,325,860	3,537,342	2,196,096	1,441,791	3,637,888
Net position at the <i>end of the period</i>	\$ 2,196,096	\$ 1,441,791	\$ 3,637,888	\$ 4,301,195	\$ 1,538,052	\$ 5,839,248

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District 6/30/2016	Jaber 6/30/2016	Actual YTD 6/30/2016	District 4/30/2017	Jaber 4/30/2017	Actual YTD 4/30/2017
Increase in net position	\$ (15,387)	\$ 115,932	\$ 100,546	\$ 2,105,100	\$ 96,261	\$ 2,201,360
Add Non Cash items						
Depreciation	369,265	37,400	406,665	307,721	31,167	338,887
Changes in operating assets and liabilities						
Grant and other receivables	(2,067)	-	(2,067)	293,921	-	293,922
Prepaid expenses and deposits	68,365	-	68,365	3,713	(4,078)	(365)
Due To Due From	72,483	(72,483)	-	(94,807)	94,807	-
Accounts payable and accrued expenses	3,046	-	3,047	1,000	-	1,000
Net Cash provided(used) by operating activities	495,704	80,849	576,555	2,616,648	218,156	2,834,804
Cash flows from investing activities						
Acquisition of Property Plant and Equipment	(289,966)	0	(289,966)	0	0	0
Changes in assets limited to use	-	(72,935)	(72,937)	-	(209,613)	(209,613)
Net Cash used in investing activities	(289,966)	(72,935)	(362,903)	0	(209,613)	(209,613)
Cash flows from financing activities						
Principal payments on debt borrowings	(26,940)	-	(26,940)	(23,597)	-	(23,597)
Net cash used by financing activities	(26,940)	-	(26,940)	(23,597)	-	(23,597)
Net change in cash and cash equivalents	178,799	7,914	186,712	2,593,051	8,543	2,601,595
Cash at the beginning of the year	292,794	-	299,943	471,593	7,914	486,654
Cash at the end of the period	\$ 471,593	\$ 7,914	\$ 486,654	\$ 3,064,644	\$ 16,457	\$ 3,088,249

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT

	As of <u>6/30/2016</u>	As of <u>4/30/2017</u>
Assets		
<u>Current assets:</u>		
Cash and cash equivalents	\$ 471,592	\$ 3,063,938
Grant and other receivables	293,921	-
Prepaid expenses and deposits	19,710	20,075
Total current assets	<u>785,223</u>	<u>3,084,013</u>
Assets limited as to use	328,241	537,854
Capital Assets, net of accumulated depreciation	<u>3,535,723</u>	<u>3,198,703</u>
	4,649,187	6,820,570
Other Assets	14,192	12,325
Total assets	<u>\$ 4,663,380</u>	<u>\$ 6,832,895</u>
 Liabilities and Net Position		
<u>Current liabilities:</u>		
Current maturities of debt borrowings	\$ 28,405	\$ 29,804
Accounts payable and accrued expenses	8,700	9,700
Total current liabilities	<u>37,105</u>	<u>39,504</u>
Debt borrowings net of current maturities	<u>1,003,450</u>	<u>978,454</u>
Total liabilities	<u>1,040,555</u>	<u>1,017,958</u>
 Net position:		
Invested in capital assets, net of related debt	3,535,723	3,198,703
Restricted, by contributors	328,241	481,054
Unrestricted (deficit)	<u>(241,139)</u>	<u>2,135,179</u>
Total net position (deficit)	<u>3,622,825</u>	<u>5,814,937</u>
Total liabilities and net position	<u>\$ 4,663,380</u>	<u>\$ 6,832,895</u>

Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD 6/30/2016	Actual YTD 4/30/2017	Budget YTD 4/30/2017	Variance	
Revenues and other support					
District Tax Revenues	\$ 5,778,442	\$ 5,527,390	\$ 4,813,638	(713,752)	-15%
Rents	181,283	153,799	151,210	(2,589)	-2%
Other revenues	289,969	11	-	(11)	
Total revenues	6,249,693	5,681,200	4,964,848	(716,352)	
Expenses					
Salaries, wage and benefits	-	-	79,167	79,167	100%
Professional fees	82,236	89,816	85,750	(4,066)	-5%
Supplies	3,960	2,983	3,917	933	24%
Purchased services	-	2,450	3,000	550	18%
Repairs and maintenance	12,972	16,914	17,500	586	3%
Rents	24,835	21,263	21,090	(173)	-1%
Insurance	75,474	47,951	41,667	(6,285)	-15%
Depreciation and amortization	406,665	338,887	377,750	38,863	
Interest	50,541	40,970	40,896	(74)	0%
Travel, meeting and conferences	1,527	260	9,167	8,907	97%
Other expenses	6,716	7,059	102,917	95,858	93%
Total expenses	664,925	568,554	782,819	214,266	
Operating gains	5,584,768	5,112,647	4,182,029	(930,618)	-22%
Transfers	(5,484,222)	(2,911,287)	(4,148,408)		
Increase in net position	100,546	2,201,360	33,622		
Net position at <i>beginning of the year</i>	3,537,342	3,637,888	3,637,888		
Net position at the <i>end of the period</i>	\$ 3,637,888	\$ 5,839,248	\$ 3,671,510		

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD 6/30/2016	Actual YTD 4/30/2017	Budget YTD 4/30/2017
Increase in net position	\$ 100,546	\$ 2,201,360	\$ 33,621
Add Non Cash items			
Depreciation	406,665	338,887	377,750
Changes in operating assets and liabilities			
Grant and other receivables	(2,067)	293,922	-
Prepaid expenses and deposits	68,365	(365)	-
Accounts payable and accrued expenses	3,047	1,000	-
Net Cash provided(used) by operating activities	576,555	2,834,804	411,371
Cash flows from investing activities			
Acquisition of Property Plant and Equipment	(289,966)	0	(2,083)
Changes in assets limited to use	(72,937)	(209,613)	-
Net Cash used in investing activities	(362,903)	(209,613)	(2,083)
Cash flows from financing activities			
Principal payments on debt borrowings	(26,940)	(23,597)	(23,671)
Net cash used by financing activities	(26,940)	(23,597)	(23,671)
Net change in cash and cash equivalents	186,712	2,601,595	385,617
Cash at the beginning of the year	299,943	486,654	299,943
Cash at the end of the period	<u>\$ 486,654</u>	<u>\$ 3,088,249</u>	<u>\$ 685,560</u>

CITY OF ALAMEDA HEALTH CARE DISTRICT

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD MAY 31, 2017

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT

	As of <u>6/30/2016</u>	As of <u>5/31/2017</u>
Assets		
<u>Current assets:</u>		
Cash and cash equivalents	\$ 471,592	\$ 2,713,054
Grant and other receivables	293,921	-
Prepaid expenses and deposits	19,710	14,582
Total current assets	<u>785,223</u>	<u>2,727,636</u>
Assets limited as to use	328,241	750,359
Capital Assets, net of accumulated depreciation	<u>3,535,723</u>	<u>3,165,001</u>
	4,649,187	6,642,996
Other Assets	14,192	12,138
Total assets	<u>\$ 4,663,380</u>	<u>\$ 6,655,134</u>
 Liabilities and Net Position		
<u>Current liabilities:</u>		
Current maturities of debt borrowings	\$ 28,405	\$ 29,804
Accounts payable and accrued expenses	8,700	10,700
Total current liabilities	<u>37,105</u>	<u>40,504</u>
Debt borrowings net of current maturities	<u>1,003,450</u>	<u>975,989</u>
Total liabilities	1,040,555	1,016,492
 Net position:		
Invested in capital assets, net of related debt	3,535,723	1,115,992
Restricted, by contributors	328,241	1,786,309
Unrestricted (deficit)	<u>(241,139)</u>	<u>2,736,340</u>
Total net position (deficit)	<u>3,622,825</u>	<u>5,638,642</u>
 Total liabilities and net position	 <u>\$ 4,663,380</u>	 <u>\$ 6,655,134</u>

Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD 6/30/2016	Actual YTD 5/31/2017	Budget YTD 5/31/2017	Variance	
Revenues and other support					
District Tax Revenues	\$ 5,778,442	\$ 5,548,307	\$ 5,295,002	(253,305)	-5%
Rents	181,283	168,547	166,331	(2,216)	-1%
Other revenues	289,969	13	-	(13)	
Total revenues	6,249,693	5,716,867	5,461,333	(255,534)	
Expenses					
Salaries, wage and benefits	-	-	87,083	87,083	100%
Professional fees	82,236	98,851	94,325	(4,526)	-5%
Supplies	3,960	3,493	4,308	815	19%
Purchased services	-	3,350	3,300	(50)	-2%
Repairs and maintenance	12,972	21,113	19,250	(1,863)	-10%
Rents	24,835	23,448	23,199	(249)	-1%
Utilities	7,914	9,524	9,570	46	0%
Insurance	75,474	53,444	45,833	(7,611)	-17%
Depreciation and amortization	406,665	372,776	415,525	42,749	
Interest	50,541	44,961	44,985	24	0%
Travel, meeting and conferences	1,527	260	10,083	9,824	97%
Other expenses	6,716	7,320	113,208	105,888	94%
Total expenses	672,839	638,541	870,671	232,130	
Operating gains	5,576,854	5,078,326	4,590,662	(487,664)	-11%
Transfers	(5,484,222)	(3,062,510)	(4,563,248)		
Increase in net position	92,632	2,015,816	27,414		
Net position at <i>beginning of the year</i>	3,530,194	3,622,825	3,622,825		
Net position at the <i>end of the period</i>	\$ 3,622,825	\$ 5,638,641	\$ 3,650,239		

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD <u>6/30/2016</u>	Actual YTD <u>5/31/2017</u>	Budget YTD <u>5/31/2017</u>
Increase in net position	\$ 92,632	\$ 2,015,816	\$ 27,414
Add Non Cash items			
Depreciation	406,665	372,776	415,525
Changes in operating assets and liabilities			
Grant and other receivables	(2,067)	293,922	-
Prepaid expenses and deposits	68,365	5,128	-
Accounts payable and accrued expenses	3,047	2,000	-
Net Cash provided(used) by operating activities	<u>568,641</u>	<u>2,689,642</u>	<u>442,939</u>
Cash flows from investing activities			
Acquisition of Property Plant and Equipment	(289,966)	(0)	(2,292)
Changes in assets limited to use	(72,937)	(422,118)	-
Net Cash used in investing activities	<u>(362,903)</u>	<u>(422,118)</u>	<u>(2,292)</u>
Cash flows from financing activities			
Principal payments on debt borrowings	(26,940)	(26,063)	(26,038)
Net cash used by financing activities	<u>(26,940)</u>	<u>(26,063)</u>	<u>(26,038)</u>
Net change in cash and cash equivalents	178,798	2,241,462	414,609
Cash at the beginning of the year	292,794	471,592	292,794
Cash at the end of the period	<u>\$ 471,592</u>	<u>\$ 2,713,054</u>	<u>\$ 707,403</u>

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District 6/30/2016	Jaber 6/30/2016	As of 6/30/2016	District 5/31/2017	Jaber 5/31/2017	As of 5/31/2017
Assets						
<u>Current assets:</u>						
Cash and cash equivalents	\$ 471,592	\$ -	\$ 471,592	\$ 2,713,054	\$ -	\$ 2,713,054
Grant and other receivables	293,921	-	293,921	-	-	-
Prepaid expenses and deposits	19,710	-	19,710	10,912	3,671	14,582
Total current assets	785,223	-	785,223	2,723,966	3,671	2,727,636
Due To Due From	(287,050)	287,050	-	10,936	(10,936)	-
Assets limited as to use	-	328,241	328,241	-	750,359	750,359
Capital Assets, net of accumulated depreciation	2,458,223	1,077,500	3,535,723	2,121,784	1,043,217	3,165,001
	2,956,396	1,692,791	4,649,187	4,856,686	1,786,309	6,642,996
Other Assets	14,192	-	14,192	12,138	-	12,138
Total assets	\$ 2,970,589	\$ 1,692,791	\$ 4,663,380	\$ 4,868,825	\$ 1,786,309	\$ 6,655,134
Liabilities and Net Position						
<u>Current liabilities:</u>						
Current maturities of debt borrowings	\$ 28,405	\$ -	\$ 28,405	\$ 29,804	\$ -	\$ 29,804
Accounts payable and accrued expenses	8,700	-	8,700	10,700	-	10,700
Total current liabilities	37,105	-	37,105	40,504	-	40,504
Debt borrowings net of current maturities	1,003,450	-	1,003,450	975,989	-	975,989
Total liabilities	1,040,555	-	1,040,555	1,016,492	-	1,016,492
Net position:						
Invested in capital assets, net of related debt	2,458,223	1,077,500	3,535,723	1,115,992	-	1,115,992
Restricted, by contributors	-	328,241	328,241	-	1,786,309	1,786,309
Unrestricted (deficit)	(241,139)	-	(241,139)	2,736,340	-	2,736,340
Total net position (deficit)	2,217,084	1,405,741	3,622,825	3,852,332	1,786,309	5,638,642
Total liabilities and net position	\$ 3,257,639	\$ 1,405,741	\$ 4,663,380	\$ 4,868,825	\$ 1,786,309	\$ 6,655,134

Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District 6/30/2016	Jaber 6/30/2016	Actual YTD 6/30/2016	District 5/31/2017	Jaber 5/31/2017	Actual YTD 5/31/2017
Revenues and other support						
District Tax Revenues	\$ 5,778,442	\$ -	\$ 5,778,442	\$ 5,548,307	\$ -	\$ 5,548,307
Rents	-	181,283	181,283	-	168,547	168,547
Other revenues	289,969	-	289,969	13	-	13
Total revenues	6,068,411	181,283	6,249,693	5,548,320	168,547	5,716,867
Expenses						
Salaries, wage and benefits	-	-	-	-	-	-
Professional fees	73,220	9,016	82,236	90,554	8,297	98,851
Supplies	3,960	-	3,960	3,493	-	3,493
Purchased services	-	-	-	3,350	-	3,350
Repairs and maintenance	-	12,972	12,972	-	21,113	21,113
Rents	24,835	-	24,835	23,448	-	23,448
Utilities	-	7,914	7,914	728	8,796	9,524
Insurance	70,476	4,997	75,474	52,221	1,224	53,444
Depreciation and amortization	369,265	37,400	406,665	338,493	34,283	372,776
Interest	50,541	-	50,541	44,961	-	44,961
Travel, meeting and conferences	1,527	-	1,527	260	-	260
Other expenses	5,751	966	6,716	6,003	1,316	7,320
Total expenses	599,575	73,265	672,839	563,511	75,029	638,541
Operating gains	5,468,836	108,017	5,576,854	4,984,809	93,518	5,078,326
Transfers	(5,484,222)	-	(5,484,222)	(3,062,510)	-	(3,062,510)
Increase in net position	(15,387)	108,017	92,632	1,922,298	93,518	2,015,816
Net position at <i>beginning of the year</i>	2,210,495	1,319,699	3,530,194	2,195,108	1,427,716	3,622,825
Net position at the <i>end of the period</i>	\$ 2,195,108	\$ 1,427,716	\$ 3,622,825	\$ 4,117,407	\$ 1,521,234	\$ 5,638,641

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District 6/30/2016	Jaber 6/30/2016	Actual YTD 6/30/2016	District 5/31/2017	Jaber 5/31/2017	Actual YTD 5/31/2017
Increase in net position	\$ (15,387)	\$ 108,017	\$ 92,632	\$ 1,922,298	\$ 93,518	\$ 2,015,816
Add Non Cash items						
Depreciation	369,265	37,400	406,665	338,493	34,283	372,776
Changes in operating assets and liabilities						
Grant and other receivables	(2,067)	-	(2,067)	293,921	-	293,922
Prepaid expenses and deposits	68,365	-	68,365	8,798	(3,671)	5,128
Due To Due From	72,483	(72,483)	-	(297,986)	297,986	-
Accounts payable and accrued expenses	3,046	-	3,047	2,000	-	2,000
Net Cash provided(used) by operating activities	495,704	72,934	568,641	2,267,525	422,118	2,689,642
Cash flows from investing activities						
Acquisition of Property Plant and Equipment	(289,966)	0	(289,966)	(0)	(0)	(0)
Changes in assets limited to use	-	(72,935)	(72,937)	-	(422,118)	(422,118)
Net Cash used in investing activities	(289,966)	(72,935)	(362,903)	(0)	(422,118)	(422,118)
Cash flows from financing activities						
Principal payments on debt borrowings	(26,940)	-	(26,940)	(26,063)	-	(26,063)
Net cash used by financing activities	(26,940)	-	(26,940)	(26,063)	-	(26,063)
Net change in cash and cash equivalents	178,799	(0)	178,798	2,241,462	(0)	2,241,462
Cash at the beginning of the year	292,794	-	292,794	471,593	(0)	471,592
Cash at the end of the period	\$ 471,593	\$ (0)	\$ 471,592	\$ 2,713,055	\$ (0)	\$ 2,713,054

CITY OF ALAMEDA HEALTH CARE DISTRICT

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD JUNE 30, 2017

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT

	As of	As of
	<u>6/30/2016</u>	<u>6/30/2017</u>

Assets

Current assets:

Cash and cash equivalents	\$ 471,592	\$ 481,704
Grant and other receivables	293,921	294,610
Prepaid expenses and deposits	19,710	34,697
Total current assets	<u>785,223</u>	<u>811,011</u>

Assets limited as to use	328,241	754,413
Capital Assets, net of accumulated depreciation	<u>3,535,723</u>	<u>3,131,299</u>
	4,649,187	4,696,723
Other Assets	<u>14,192</u>	<u>11,952</u>
Total assets	<u>\$ 4,663,380</u>	<u>\$ 4,708,674</u>

Liabilities and Net Position

Current liabilities:

Current maturities of debt borrowings	\$ 28,405	\$ 29,804
Accounts payable and accrued expenses	8,700	11,700
Total current liabilities	<u>37,105</u>	<u>41,504</u>

Debt borrowings net of current maturities	<u>1,003,450</u>	<u>973,525</u>
Total liabilities	1,040,555	1,015,028

Net position:

Invested in capital assets, net of related debt	1,426,368	1,087,871
Restricted, by contributors	1,692,791	1,793,296
Unrestricted (deficit)	503,666	812,479
Total net position (deficit)	<u>3,622,825</u>	<u>3,693,646</u>

Total liabilities and net position	<u>\$ 4,663,380</u>	<u>\$ 4,708,674</u>
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Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD 6/30/2016	Actual YTD 6/30/2017	Budget YTD 6/30/2017	Variance	
Revenues and other support					
District Tax Revenues	\$ 5,778,442	\$ 5,842,917	\$ 5,776,366	(66,551)	-1%
Rents	181,283	183,188	181,452	(1,736)	-1%
Other revenues	289,969	14	-	(14)	
Total revenues	6,249,693	6,026,119	5,957,818	(68,301)	
Expenses					
Salaries, wage and benefits	-	-	95,000	95,000	100%
Professional fees	82,236	106,622	102,900	(3,722)	-4%
Supplies	3,960	4,150	4,700	550	12%
Purchased services	-	5,600	3,600	(2,000)	-56%
Repairs and maintenance	12,972	22,247	21,000	(1,247)	-6%
Rents	24,835	25,634	25,308	(326)	-1%
Utilities	7,914	10,038	10,440	402	4%
Insurance	75,474	57,699	50,000	(7,699)	-15%
Depreciation and amortization	406,665	406,665	453,300	46,635	
Interest	50,541	48,954	49,075	121	0%
Travel, meeting and conferences	1,527	260	11,000	10,740	98%
Other expenses	6,716	9,134	123,500	114,366	93%
Total expenses	672,839	697,001	949,823	252,822	
Operating gains	5,576,854	5,329,117	5,007,995	(321,122)	-6%
Transfers	(5,484,222)	(5,258,297)	(4,978,089)		
Increase in net position	92,632	70,820	29,906		
Net position at <i>beginning of the year</i>	3,530,194	3,622,825	3,622,825		
Net position at the <i>end of the period</i>	\$ 3,622,825	\$ 3,693,646	\$ 3,652,731		

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD 6/30/2016	Actual YTD 6/30/2017	Budget YTD 6/30/2017
Increase in net position	\$ 92,632	\$ 70,820	\$ 29,906
Add Non Cash items			
Depreciation	406,665	406,665	453,300
Changes in operating assets and liabilities			
Grant and other receivables	(2,067)	(687)	-
Prepaid expenses and deposits	68,365	(14,987)	-
Accounts payable and accrued expenses	3,047	3,000	-
Net Cash provided(used) by operating activities	568,641	464,811	483,206
Cash flows from investing activities			
Acquisition of Property Plant and Equipment	(289,966)	(0)	(2,500)
Changes in assets limited to use	(72,937)	(426,172)	-
Net Cash used in investing activities	(362,903)	(426,172)	(2,500)
Cash flows from financing activities			
Principal payments on debt borrowings	(26,940)	(28,527)	(28,405)
Net cash used by financing activities	(26,940)	(28,527)	(28,405)
Net change in cash and cash equivalents	178,798	10,112	452,301
Cash at the beginning of the year	292,794	471,592	292,794
Cash at the end of the period	<u>\$ 471,592</u>	<u>\$ 481,704</u>	<u>\$ 745,095</u>

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District 6/30/2016	Jaber 6/30/2016	As of 6/30/2016	District 6/30/2017	Jaber 6/30/2017	As of 6/30/2017
Assets						
<u>Current assets:</u>						
Cash and cash equivalents	\$ 471,592	\$ -	\$ 471,592	\$ 481,704	\$ -	\$ 481,704
Grant and other receivables	293,921	-	293,921	294,610	-	294,610
Prepaid expenses and deposits	19,710	-	19,710	31,434	3,263	34,697
Total current assets	785,223	-	785,223	807,748	3,263	811,011
Due To Due From	(287,050)	287,050	-	4,480	(4,480)	-
Assets limited as to use	-	328,241	328,241	-	754,413	754,413
Capital Assets, net of accumulated depreciation	2,458,223	1,077,500	3,535,723	2,091,199	1,040,100	3,131,299
	2,956,396	1,692,791	4,649,187	2,903,427	1,793,296	4,696,723
Other Assets	14,192	-	14,192	11,952	-	11,952
Total assets	\$ 2,970,589	\$ 1,692,791	\$ 4,663,380	\$ 2,915,378	\$ 1,793,296	\$ 4,708,674
Liabilities and Net Position						
<u>Current liabilities:</u>						
Current maturities of debt borrowings	\$ 28,405	\$ -	\$ 28,405	\$ 29,804	\$ -	\$ 29,804
Accounts payable and accrued expenses	8,700	-	8,700	11,700	-	11,700
Total current liabilities	37,105	-	37,105	41,504	-	41,504
Debt borrowings net of current maturities	1,003,450	-	1,003,450	973,525	-	973,525
Total liabilities	1,040,555	-	1,040,555	1,015,028	-	1,015,028
Net position:						
Invested in capital assets, net of related debt	1,426,368	-	1,426,368	1,087,871	-	1,087,871
Restricted, by contributors	-	1,692,791	1,692,791	-	1,793,296	1,793,296
Unrestricted (deficit)	503,666	-	503,666	812,479	-	812,479
Total net position (deficit)	1,930,034	1,692,791	3,622,825	1,900,350	1,793,296	3,693,646
Total liabilities and net position	\$ 2,970,589	\$ 1,692,791	\$ 4,663,380	\$ 2,915,378	\$ 1,793,296	\$ 4,708,674

Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Budget			Actual			
	FYE	District	Jaber	YTD	District	Jaber	YTD
	6/30/2017	6/30/2016	6/30/2016	6/30/2016	6/30/2017	6/30/2017	6/30/2017
Revenues and other support							
District Tax Revenues	5,776,366	\$ 5,778,442	\$ -	\$ 5,778,442	\$ 5,842,917	\$ -	\$ 5,842,917
Rents	181,452	-	181,283	181,283	380	182,808	183,188
Other revenues	-	24,897	265,072	289,969	14	-	14
Total revenues	5,957,818	5,803,338	446,355	6,249,693	5,843,311	182,808	6,026,119
Expenses							
Salaries, wage and benefits	95,000	-	-	-	-	-	-
Professional fees	102,900	73,220	9,016	82,236	96,906	9,716	106,622
Supplies	4,700	3,960	-	3,960	4,150	-	4,150
Purchased services	3,600	-	-	-	5,600	-	5,600
Repairs and maintenance	21,000	-	12,972	12,972	-	22,247	22,247
Rents	25,308	24,835	-	24,835	25,634	-	25,634
Utilities	50,000	-	7,914	7,914	1,144	8,893	10,038
Insurance	50,000	70,476	4,997	75,474	56,068	1,631	57,699
Depreciation and amortization	453,300	369,265	37,400	406,665	369,265	37,400	406,665
Interest	49,075	50,541	-	50,541	48,954	-	48,954
Travel, meeting and conferences	11,000	1,527	-	1,527	260	-	260
Other expenses	123,500	5,751	966	6,716	6,718	2,416	9,134
Total expenses	989,383	599,575	73,265	672,839	614,697	82,303	697,001
Operating gains	4,968,435	5,203,763	373,090	5,576,854	5,228,613	100,505	5,329,117
Transfers	(4,978,089)	(5,484,222)	-	(5,484,222)	(5,258,297)	-	(5,258,297)
Increase in net position	(9,654)	(280,459)	373,090	92,632	(29,684)	100,505	70,820
Net position at <i>beginning of the year</i>	3,622,825	2,210,495	1,319,699	3,530,194	1,930,036	1,692,788	3,622,825
Net position at the <i>end of the period</i>	\$3,613,171	\$ 1,930,036	\$ 1,692,788	\$ 3,622,825	\$ 1,900,352	\$ 1,793,293	\$ 3,693,646

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District		Jaber		Actual		Actual	
	6/30/2016	6/30/2016	6/30/2016	6/30/2016	6/30/2017	6/30/2017	6/30/2017	6/30/2017
Increase in net position	\$ (9,654)	\$ (280,459)	\$ 373,090	\$ 92,632	\$ (29,684)	\$ 100,505	\$ 70,820	
Add Non Cash items								
Depreciation	453,300	369,265	37,400	406,665	369,265	37,400	406,665	
Changes in operating assets and liabilities								
Grant and other receivables	-	(2,067)	-	(2,067)	(688)	-	(687)	
Prepaid expenses and deposits	-	68,365	-	68,365	(11,724)	(3,263)	(14,987)	
Due To Due From	-	72,483	(72,483)	-	(291,530)	291,530	-	
Accounts payable and accrued expenses	-	3,046	-	3,047	3,000	-	3,000	
Net Cash provided(used) by operating activities	443,646	230,632	338,007	568,641	38,639	426,172	464,811	
Cash flows from investing activities								
Acquisition of Property Plant and Equipment	(2,500)	(24,894)	(265,072)	(289,966)	-	-	(0)	
Changes in assets limited to use	-	-	(72,935)	(72,937)	-	(426,172)	(426,172)	
Net Cash used in investing activities	(2,500)	(24,894)	(338,007)	(362,903)	-	(426,172)	(426,172)	
Cash flows from financing activities								
Principal payments on debt borrowings	(28,405)	(26,940)	-	(26,940)	(28,527)	-	(28,527)	
Net cash used by financing activities	(28,405)	(26,940)	-	(26,940)	(28,527)	-	(28,527)	
Net change in cash and cash equivalents	412,741	178,798	(0)	178,798	10,112	-	10,112	
Cash at the beginning of the year	292,794	292,794	-	292,794	471,592	(0)	471,592	
Cash at the end of the period	705,535	\$ 471,592	\$ (0)	\$ 471,592	\$ 481,704	\$ (0)	\$ 481,704	

CITY OF ALAMEDA HEALTH CARE DISTRICT

MEETING DATE: August 21, 2017

TO: City of Alameda Health Care District, Board of Directors

FROM: Kristen Thorson, District Clerk

SUBJECT: Review of Analysis of Jaber Fund and Recommendation on Distribution from the Fund to Alameda Health System for Purchase of Capital Equipment for period ending June 30, 2016

Action

Approval of a distribution from the Jaber Fund to Alameda Health System for purchase of capital equipment for Alameda Hospital for the period ending June 30, 2016. Amount to be determined by the Board of Directors based on Information provided in this memorandum.

Background and Discussion

Ms. Alice Jaber established her Trust in 1992, naming Alameda Hospital as a major beneficiary. Upon her death, and pursuant to the terms of the Trust, certain Trust assets were distributed to the City of Alameda Health Care District, as the successor-in-interest to Alameda Hospital (the nonprofit corporation) in appreciation of the care given by Alameda Hospital. Among the assets are two parcels of real property located in the City of Alameda.

- 1359 Pearl Street, an apartment complex with seven 2-bedroom units and one 3-bedroom unit
- 2711 Encinal Street, a retail storefront

There are two governing documents that provide restrictions on how the funds can be distributed and for what purpose - the Jaber Will and the JPA Side Letter agreement with Alameda Health System (AHS).

1. The Jaber Estate bequest provides that: "The Fund shall be used for the purchase of capital equipment directly related to the diagnosis and treatment of patients at Alameda Hospital. Such equipment includes, but is not limited to, machinery and equipment listed below and similar machinery and equipment. This list is given not to limit the types of equipment that I would hope to make available to patients at Alameda Hospital: Diagnostic imaging machinery; surgical equipment, including equipment for the treatment of eye disease; patient monitoring equipment for critical care."

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2. The JPA Side Letter agreement with Alameda Health System states: “Jaber Properties. District owns two parcels of real property, located at 2711 Encinal Avenue and 1359 Pearl Street (the “Jaber Properties”), that are unrelated to the day-to-day operation of Alameda Hospital. For the avoidance of doubt, the Parties agree that the Jaber Properties shall not be included on Schedule 2.2 to the Agreement, and, therefore, pursuant to Section 2.2 of the Agreement, District shall promptly pay all tenant rents, proceeds, awards, revenues, and other consideration of whatever form or nature from any and all sources received by District from or attributable to the Jaber Properties (the “Jaber Revenues”) to AHS and such Jaber Revenues shall be included in the definition of “Parcel Tax Revenue” (in addition to all other revenues not set forth on Schedule 2.2 to the Agreement) for the purposes of Section 2.2 of the Agreement. .”

The Jaber Will stipulates that the maximum that may be withdrawn from the Jaber Fund on an annual basis is twenty percent (20%) of the sum of the net income earned during the prior fiscal year plus the value of the principal of the Fund valued as of the last day of the prior fiscal year. There have been no annual distributions from the fund since 2012 which is the same time as the Loan with the Bank of Marin was secured by the two properties.

With the appropriate accounting of the Jaber properties revenues and expenses now in place and up to date, the Board can approve a distribution amount for fiscal year ending June 30, 2016. I have provided a range of potential distributions including the maximum of 20% of the fund. The table below also lists the matching cash balance in the Jaber bank account for each potential distribution. This is important to note as it will be important in the upcoming capital improvement plans for the properties as a result of the recent inspections in June 2017.

Review of the annual distribution from the fund will occur after the end of the fiscal year and upon completion of the annual audit.

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Potential Distribution Plan

	6/30/2015	6/30/2016
Rents	172,112	181,283
Expenses	(86,026)	(73,265)
Gains/(Losses)	86,086	108,017
Cash Assets	255,304	328,241
Due From District	214,567	287,050
Prepaid	-	-
Liabilities	-	-
Balance of the Cash Fund	469,871	615,291
Adjustments (retro application of funding)*		(111,191)
	469,871	504,100
20% of Net Rental Income	17,217	21,603
20% of the cash fund	93,974	100,820
Limit of Contribution	111,191	122,423

*Assumption that District Board will approve the 20% maximum distribution for FYE 2015 which carries over to FYE 2016 calculation.

Percentage	Amount of Distribution	Available Funds in Bank after Distribution
20% (Max)	\$233,615	\$530,571
15%	\$198,573	\$565,614
10%	\$178,715	\$585,471
5%	\$169,780	\$594,407

Based on maximum of 20% of the total for FYE 2015 and FYE 2016 of \$233,615.

Bank Cash Balance as on 7/31/17 is \$764,186.17