### **PUBLIC NOTICE**

### CITY OF ALAMEDA HEALTH CARE DISTRICT BOARD OF DIRECTORS SPECIAL MEETING AGENDA

### Monday, February 11, 2019

CLOSED SESSION: 4:30 PM | OPEN SESSION: 5:30 P.M.

#### Location:

Closed Session	Open Session					
2 East Board Room	Dal Cielo Conference Room (Room A)					
Alameda	Hospital					
2070 Clinton Avenue	, Alameda, CA 94501					

#### Office of the Clerk: 510-473-0755

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.

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I. Call to Order (2 East Board Room)

Michael Williams

- II. Roll Call Debi Stebbins
- **III.** General Public Comments
- IV. Adjourn into Executive Closed Session (2 East Board Room)
- V. Closed Session Agenda
  - A. Call to Order
  - B. Report Involving Health Care District Trade Secrets

Health and Safety Code Section 32106

- C. Adjourn into Open Session
- VI. Reconvene to Public Session (Expected to start at 5:30 p.m. Dal Cielo Conference Room)
  - A. Announcements from Closed Session

Michael Williams

- VI. General Public Comments
- VII. Regular Agenda
  - A. YTD AHS Reporting INFORMATIONAL
    - 1) Alameda Health System / Alameda Hospital Update & Status of 2020 Alameda Hospital Seismic Project (pages 4-26)

Luis Fonseca, COO

2) Alameda Hospital Medical Staff Update

Joseph Marzouk, MD

### B. District & Operational Updates

District Liaison Reports
 INFORMATIONAL

a. President's Report

Michael Williams

b. Community Liaison Report

Dennis Popalardo

c. Alameda Health System Liaison Report
 Guest Presentation: Doug Biggs, Alameda Point
 Collaborative Project for Respite and Health Care for
 Homeless Seniors

Tracy Jensen

d. Alameda Hospital Liaison Report

Robert Deutsch

e. Executive Director Report and Board Updates

ENCLOSURE (PAGES 27-38)

**Debi Stebbins** 

- C. Consent Agenda **ACTION ITEM**
- ✓ 1) Acceptance of Minutes of December 10, 2018 (ENCLOSURE (PAGES 39-44))
- D. Action Items
  - 1) Acceptance of Financial Statements, November and December, 2018
- ✓ 2) Approval of True Up Transfer to Alameda Health System for FY 2018 ENCLOSURE (PAGES 45-47)
- √ 4) Recommendation on Distribution from Jaber Fund to Alameda Health System for purchase of Equipment for period ending June 30, 2018 ENCLOSURE (PAGES)
- √ 5) Request Change of Date for June, 2019 Board of Directors meeting CURRENT SCHEDULE
  ENCLOSED.
- E. April 8, 2019 Agenda Preview

**Debi Stebbins** 

**INFORMATIONAL - SUBJECT TO CHANGE** 

#### **Action Items**

- 1) Acceptance of February 11, 2019 Minutes
- 2) Acceptance of Financial Statements: January and February 2019

#### Informational Items:

1) YTD AHS Reporting (CAO/Hospital, Quality, Financial, Medical Staff Reports)

- IX. General Public Comments
- X. Board Comment
- XI. Adjournment

Next Scheduled

Meeting Dates
(2nd Monday, every other month or as scheduled)

April 8, 2019

Open Session
5:30 PM
Dal Cielo
Conference Room
Alameda Hospital



# February 2019



# December 2018 Financial Report





- December 2018 highlights
- Alameda Hospital Finances



# December 2018 Financial Report Volume Highlights

- Inpatient activity continues to be strong.
- Acute days 1.4% > budget in December, 4.7% > budget YTD;
- ALOS > budget 5.1% YTD.
- Post Acute days < budget 0.3% in December, 1.7% > budget YTD.
- Clinic Visits 10.9% < budget in December, 4.1% < budget YTD.</li>
- ER visits 12.0% < budget in December, 8% < budget YTD.</li>
- Physician wRVU's 2.3% < budget in December, 5.6 > budget YTD.

		December 2018			Year-To-Date				FY 2018	
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var	YTD	% Var
Acute discharges	1,496	1,530	(34)	(2.2)%	8,898	8,927	(29)	(0.3)%	9,167	(2.9)%
Acute patient days	8,844	8,719	125	1.4%	51,720	49,390	2,330	4.7%	49,727	4.0%
Acute average length of stay	5.9	5.7	0.2	3.7%	5.8	5.5	0.3	5.1%	5.4	7.2%
Acute average daily census	285	281	4	1.4%	281	268	13	4.9%	270	4.1%
Adjusted patient days (APD)	30,064	30,274	(210)	(0.7)%	185,219	180,494	4,725	2.6%	177,210	4.5%
Post acute discharges	82	74	8	10.8%	465	430	35	8.1%	357	30.3%
Post acute patient days	9,163	9,186	(23)	(0.3)%	55,879	54,958	921	1.7%	54,193	3.1%
Post acute average daily census	296	296	-	0.0%	304	299	5	1.7%	295	3.1%
Clinic Visits	24,754	27,776	(3,022)	(10.9)%	167,548	174,705	(7,157)	(4.1)%	168,625	(0.6)%
Visits per Clinic Day	1,179	1,323	(144)	(10.9)%	1,351	1,409	(58)	(4.1)%	1,360	(0.6)%
ER Visits	9,376	10,634	(1,258)	(12.0)%	58,708	63,993	(5,285)	(8.0)%	60,287	(3.0)%
Physician wRVUs	77,540	79,341	(1,801)	(2.3)%	502,500	476,046	26,454	5.6%	430,932	16.6%



# **December 2018 Financial Report Highlights**

- NPSR under budget by \$2.3 million, consistent with \$27-29 million annual shortfall.
- Supplemental Revenue \$1.6 million over budget.
- Expenses under budget by \$1.6 million only partially offsets revenue shortfall this month.
- Operating Income \$4.4 million under budget in December.
- EBIDA over budget by 0.4% in December, budget under YTD by 0.1% YTD
- Net Income over budget due to long term portion of Pension Expense.

		December 2018				Year-To-Date				
	<u> Actual</u>	Budget	Variance	% Var	<u> Actual</u>	Budget	Variance	% Var	YTD	% Var
Net patient service revenue	\$ 53,097	\$ 55,434	\$ (2,337)	(4.2)%	\$ 315,406	\$ 328,914	\$ (13,508)	(4.1)%	\$ 301,958	4.5%
Supplemental revenue	<u>31,44</u> 3	33, <u>00</u> 2	(1, <u>559</u> )	(4.7 <u>)</u> %	<u>200,43</u> 5	198, <u>01</u> 5	2, <u>42</u> 1	1. <u>2</u> %	<u>198,35</u> 4	1. <u>0</u> %
Net operating revenue	84,540	88,436	(3,897)	(4.4)%	515,842	526,929	(11,087)	(2.1)%	500,312	3.1%
Operating expense	<u>84,37</u> 3	88, <u>72</u> 8	(4, <u>355</u> )	(4.9 <u>)</u> %	<u>501,85</u> 8	517, <u>55</u> 4	(15, <u>696</u> )	(3.0 <u>)</u> %	<u>495,13</u> 1	1. <u>4</u> %
Operating Income	167	(292)	459	157.1%	13,983	9,375	4,609	49.2%	5,181	169.9%
Other non-operating activity	(3,162)	(4, <u>159</u> )	<u>99</u> 6	(271.0)%	(23,176)	(24 <u>,927</u> )	1, <u>75</u> 1	(164.1)%	(24,873)	6. <u>8</u> %
Net Income	\$ (2,996)	\$ (4, <u>450</u> )	\$ 1, <u>45</u> 5	32. <u>7</u> %	\$ (9,192)	\$ (15,552)	\$ 6,360	40.9%	\$ (19,693)	53.3%
Operating Margin	0.2%	(0.3)%	0.5%		2.7%	1.8%	0.9%		1.0%	
EBIDA Margin	1.7%	1.3%	0.4%		3.3%	3.4%	(0.1)%		2.7%	
Net Operating Revenue per APD	2,812	2,921	(109)	(3.7)%	2,785	2,919	(134)	(4.6)%	2,823	(1.4)%
Expense per APD	2,806	2,931	(124)	(4.2)%	2,710	2,867	(158)	(5.5)%	2,794	(3.0)%
Operating Income per APD	6	(10)	15	(157.6)%	76	52	24	45.4%	29	158.3%



### **December 2018 Financial Report Revenue Highlights**

- Gross Patient Service Revenue was consistent with activity for the month.
- YTD Gross Revenue 6.1% above prior year. Professional 30.2% above prior year.
- NPSR 4.5% above prior year.
- Supplemental revenue \$2.4 mil over budget from County Capital Cost Reimb FY16.

		Decembe	<u>er 201</u> 8			Year-To-	Date		FY 2018	
	<u> Actual</u>	Budget	Variance	% Var	<u> Actual</u>	Budget	Variance	% Var	YTD	% Var
Inpatient service revenue	\$ 165,162	\$ 166,560	\$ (1,397)	(0.8)%	\$ 992,674	\$ 969,295	\$ 23,378	2.4%	\$ 944,641	5.1%
Outpatient service revenue	84,554	88,817	(4,263)	(4.8)%	547,544	548,778	(1,233)	(0.2)%	536,706	2.0%
Professional service revenue	<u>26,03</u> 2	26, <u>24</u> 0	( <u>207</u> )	(0.8 <u>)</u> %	<u>168,55</u> 6	158 <u>,54</u> 5	10, <u>01</u> 1	6. <u>3</u> %	<u>129,50</u> 9	30. <u>2</u> %
Gross patient service revenue	275,749	281,617	(5,867)	(2.1)%	1,708,773	1,676,618	32,156	1.9%	1,610,856	6.1%
Deductions from revenues	(225,996)	(228,985)	2,990	1.3%	(1,412,019)	(1,364,520)	(47,498)	(3.5)%	(1,325,496)	6.5%
Capitation - HPAC	<u>3,34</u> 3	2, <u>80</u> 3	<u>54</u> 0	19. <u>3</u> %	<u>18,65</u> 2	16 <u>,81</u> 7	1, <u>83</u> 5	10. <u>9</u> %	<u>16,59</u> 8	12. <u>4</u> %
Net patient service revenue	<u>53,09</u> 7	55, <u>43</u> 4	(2, <u>337</u> )	(4.2)%	<u>315,40</u> 6	328, <u>91</u> 4	(13 <u>,508</u> )	(4.1)%	<u>301,95</u> 8	4. <u>5</u> %
Medi-Cal Waiver	9,541	9,546	(5)	(0.1)%	57,246	57,276	(30)	(0.1)%	62,300	(8.1)%
Measure A, Parcel Tax, Other Support	9,942	10,025	(83)	(0.8)%	59,650	60,150	(500)	(0.8)%	59,454	0.3%
Supplemental Programs	8,673	11,187	(2,514)	(22.5)%	68,916	67,123	1,793	2.7%	60,715	13.5%
Grants & Research Protocol	528	652	(124)	(19.0)%	3,149	3,911	(762)	(19.5)%	4,694	(32.9)%
Other Operating Revenue	1,967	1,592	374	23.5%	10,526	9,554	971	10.2%	11,190	(5.9)%
Incentives	<u>79</u> 3	-	<u>79</u> 3	100. <u>0</u> %	<u>94</u> 9	-	<u>94</u> 9	100. <u>0</u> %		<u>100.0</u> %
Supplemental revenue	<u>31,44</u> 3	33, <u>00</u> 2	(1, <u>559</u> )	(4.7)%	<u>200,</u> 435	198, <u>01</u> 5	2, <u>42</u> 1	1. <u>2</u> %	<u>198,35</u> 4	1. <u>0</u> %
Net operating revenue	<u>\$ 84,54</u> 0	\$ 88, <u>43</u> 6	\$ (3, <u>897</u> )	(4.4)%	\$ 515,842	\$ 526,929	\$ (11,087)	(2.1)%	\$ 500,312	3.1%
Collection % - NPSR	19.3%	19.7%	(0.4)%		18.5%	19.6%	(1.2)%		18.7%	
Collection % - Total	30.7%	31.4%	(0.7)%		30.2%	31.4%	(1.2)%		31.1%	



Paid FTE's per adjusted occupied bed

Worked Hours per APD

Compensation ratio

# December 2018 Financial Report Expense Highlights

- FTEs under budget by 301 FTEs or 6.6% in December, 189 FTEs or 4.2% YTD
- Labor Expense including registry & benefits over budget \$2.5 million or 4.0% in December,
   \$10.5 Million or 2.9% YTD
- Would have expected Labor Expense to be more consistent with FTE variance.

4.7

22.7

70.3%

4.4

20.6

70.6%

(0.3)

(2.1)

0.3%

(6.0)%

(9.2)%

4.3

20.6

67.5%

4.6

22.5

68.0%

(0.3)

(1.9)

(0.6)%

(6.6)%

(8.4)%

(6.8)%

(7.1)%

22<sub>4</sub>2<sub>7</sub> 67.6%

Worked Hours per APD below budget;

YID all Expenses	<ul> <li>YTD all Expenses under budget.</li> </ul>								FY 2018	
		December	<u>r 201</u> 8	=		Year-To-Date				
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var	YTD	% Var
Salaries and wages	\$ 42,851	\$ 44,162	\$ (1,311)	(3.0)%	\$ 248,717	\$ 252,188	\$ (3,471)	(1.4)%	\$ 242,974	2.4%
Registry	2,044	2,559	(515)	(20.1)%	11,978	16,493	(4,515)	(27.4)%	16,502	(27.4)%
Employee benefits	14,748	15,409	(661)	(4.3)%	87,342	89,849	(2,508)	(2.8)%	78,527	11.2%
Contracted physician services	6,913	7,589	(676)	(8.9)%	45,819	45,813	6	0.0%	43,942	4.3%
Purchased services	5,314	6,091	(777)	(12.8)%	33,153	36,197	(3,044)	(8.4)%	35,665	(7.0)%
Pharmaceuticals	2,447	2,491	(43)	(1.7)%	14,152	14,272	(120)	(0.8)%	14,805	(4.4)%
Medical Supplies	3,360	2,863	498	17.4%	18,231	17,525	706	4.0%	17,792	2.5%
Materials and supplies	1,824	1,604	220	13.7%	9,773	9,546	226	2.4%	10,662	(8.3)%
Outside medical services	301	386	(85)	(22.0)%	2,182	2,293	(111)	(4.8)%	2,050	6.5%
General & administrative expenses	1,344	1,739	(395)	(22.7)%	8,729	10,437	(1,708)	(16.4)%	9,673	(9.8)%
Repairs/maintenance/utilities	1,446	1,670	(223)	(13.4)%	10,385	10,018	368	3.7%	10,579	(1.8)%
Building/equipment leases & rentals	557	724	(166)	(23.0)%	3,902	4,343	(440)	(10.1)%	3,997	(2.4)%
Depreciation	<u>1,22</u> 2	1, <u>44</u> 2	( <u>220</u> )	(15.3)%	<u>7,</u> 496	8, <u>58</u> 1	(1, <u>084</u> )	(12.6)%	7 <u>,</u> 965	(5.9 <u>)</u> %
Total operating expense	<u>\$ 84,37</u> 3	\$ 88, <u>72</u> 8	\$ (4, <u>355</u> )	(4.9)%	\$ 501,858	\$ 517,554	\$ (15,696)	(3.0)%	\$ 495,131	1.4%
Paid full time equivalents (FTE)	4,236	4,537	(301)	(6.6)%	4,273	4,462	(189)	(4.2)%	4,394	(2.8)%



# **December 2018 Financial Report Alameda Hospital Volumes**

- Inpatient activity continues to be strong.
- Acute days 5% > budget in December, 10% > budget YTD;
- ALOS at budget YTD.
- Long Term Care days > budget 1% in December, 1% > budget YTD.
- ER visits 3% < budget in December, 2% > budget YTD.
- Surgeries 11% < budget in December, 1% < budget YTD</li>
- Surgery Minutes 28% > budget in December, 30% > budget YTD

	December	BUDGET	# VAR	% VAR	YTD	BUDGET	# VAR	% VAR	PYTD	% Var
Acute Discharges	224	194	30	15 %	1,242	1,134	108	10 %	1,175	6 %
Acute Patient Days	1,120	1,067	53	5 %	5,874	5,338	536	10 %	5,520	6 %
Average daily census	36.1	34.4	1.7	5 %	31.9	29.0	2.9	10 %	30.0	6 %
Acute Length of Stay	5.0	5.5	(0.5)	(9)%	4.7	4.7	0.0	0 %	4.7	0 %
Long Term Care Discharges	21	21	-	0 %	137	109	28	26 %	111	23 %
Long Term Care Patient Days	5,354	5,281	73	1 %	31,842	31,600	242	1 %	31,862	0 %
Average daily census	172.7	170.4	2.3	1 %	173.1	171.7	1.4	1 %	173.2	0 %
Long Term Length of Stay	255.0	251.5	3.5	1 %	232.4	289.9	(57.5)	) (20)%	287.0	(19)%
Total Urgent & Emergent	1,336	1,378	(42)	(3)%	8,147	7,950	197	2 %	8,050	1 %
Total Surgeries	187	209	(22)	(11)%	1,111	1,121	(10)	) (1)%	1,134	(2)%
Total Minutes	15,240	11,879	3,361	28 %	95,520	73,217	22,303	30 %	74,277	29 %



# **December 2018 Financial Report Alameda Hospital Expenses**

- FTEs under budget by 34 FTEs or 5.5% in December, 18 FTEs or 3.0% YTD
- Labor/Registry Expense over budget \$124K or 2.2% in December, under budget by \$180K or 0.6% YTD
- Total Expenses over budget by 1.2% in December, under budget by 2.4% YTD.
- Expense per APD over budget \$8K or 1% in December, under budget by \$28K or 3.6%
- Would have expected Labor Expense to be more consistent with FTE variance.
- Worked Hours per APD below budget

		December 2018			Year-To-Date				FY 2018	
	Actual	Budget	Variance	<u>% V</u> ar	Actual	Budget	Variance	<u>% Va</u> r	YTD	% Var
Salaries and wages	5,470	5,029	(441)	(8.8)%	28,743	26,805	(1,938)	(7.2)%	26,688	(7.7)%
Registry	270	587	316	53.9%	1,563	3,681	2,118	57.5%	3,714	57.9%
Purchased services	555	604	49	8.1%	3,720	3,650	(70)	(1.9)%	4,184	11.1%
Pharmaceuticals	206	206	0	0.1%	1,071	1,089	18	1.7%	1,482	27.7%
Medical Supplies	520	597	77	12.9%	2,748	3,525	777	22.0%	3,231	14.9%
Materials and supplies	270	195	(75)	(38.6)%		1,195	(157)	(13.1)%	1,439	6.1%
General & administrative expenses	79	40	(39)	(96.4)%		246	79	32.0%	116	(44.5)%
Repairs/maintenance/utilities	225	175	(49)	(28.2)%		1,051	24	2.2%	1,044	1.6%
Building/equipment leases & rentals	144	212	67	31.8%	1,089	1,270	181	14.2%	1,288	15.5%
Depreciation	<u>12</u> 9	<u>13</u> 1	2	1. <u>2</u> %	<u>78</u> 4	<u>77</u> 7	( <u>8</u> )	(1.0)%	769	(2.0)%
Total operating expense	<u>7,86</u> 9	7, <u>77</u> 6	( <u>93</u> )	(1.2)%	<u>42,26</u> 5	43, <u>28</u> 9	1, <u>02</u> 4	2. <u>4</u> %	43,955	3.8%
*Excludes Benefits Expenses										
Expense per APD	\$ 833	\$ 825	\$ (8)	(1.0)%	\$ 748	\$ 776	\$ 28	3.6%	\$ 777	(3.8)%
Paid full time equivalents (FTE)	593	627	34	5.5%	579	597	18	3.0%	601	3.7%
Paid FTE's per AOB	1.94	2.06	0.12	5.8%	1.89	1.97	0.08	4.1%	1.96	13.6%
Worked hours per APD	9.33	10.04	0.70	7.0%	9.29	9.79	0.50	5.1%	9.60	3.2%

# Patient Experience HCAHPS

January 2019





### **Defining Patient Experience**

"The sum of all interactions shaped by an organization's culture that influence patient perceptions across the continuum of care"

The Beryl Institute

Every touch point....every interaction





# Press Ganey Data: Primary Drivers for Overall Hospital Rating are:

### Key Drivers

- Nursing courtesy and respect
- Doctors courtesy and respect
- Cleaning staff and FNS courtesy and respect
- Responsiveness to call lights





### **Alameda Hospital HCAHPS**

	FY19 GOAL	FY19 YTD*	FY18
H-CAHPS (YTD N=98)			Baseline
Rate the Hospital 9-10	64.6	57.3	63.7
Nurses treat with courtesy/respect	81.8	80.50	81.3
Call button help soon as wanted it	56.4	57.6	54.8
Doctors treat with courtesy/respect	79	75.4	77.3
Courtesy of person cleaning room^*	90	83.80	85.4
Courtesy of person served food^*	91.8	88.10	86.9
Care Transition	47.6	44.5	48.5
Hosp staff took pref into account	NA	35.9	41.2
Good understanding managing health	NA	47.0	48.7
Understood purpose of taking meds	NA	50.6	55.8





### What Are We Doing?

- Education
  - 5 sessions in December for Nurse Leaders
  - January sessions to other disciplines (PT, RT, Dietary)
- Cascade results to staff
  - Daily Huddles to engage staff. What is working?
- Hourly rounding
  - Evidence shows hourly rounding increases the patient experience.
- No Pass Zone
- GIFT education
  - Replacing AIDET (Acknowledge, Introduce, Duration, Explain, Thank you)





### **GIFT**

G	Greet	Example- hello, good day, etc.
1	Introduce	Name, title and dept
F	For (there for)	What you are there FOR – what, how long, why
T	Thank	Thank you. Anything else I can do for you



# **Facilities Update**



### **Facilities Update**

### CT Scanner

- Scope
  - Installation of scanner, imaging room improvements to meet current California building codes
- Budget
  - Construction –\$632,075
  - Equipment \$737,000 (\$230,000 funded by Jaber Properties funds)
  - Total Project cost \$1,369,075
- Current Project Status
  - Construction continues
  - CT delivered 2/5/19!
- Project Schedule
  - Construction started on 11/12/19
  - Construction complete anticipated March 2019
  - Begin to see patients March 2019 after OSHPD and CDPH approval



### **Facilities Update**

### **CT Scanner**







### SB90 & Kitchen Relocation Project

- Project Summary
  - Four (4) main Elements
    - Make Ready Project 1 OT Relocation OHSPD Approved
    - Make Ready Project 2 EVS Relocation OHSPD Approved
    - Increment 1 SPC (Seismic Upgrade) OHSPD Approved
    - Increment 2 Kitchen Relocation
      - There have been additional Fire/Life Safety comments that the Design Team is actively working with OSHPD to resolve.
      - Anticipated Approval March 2019
- Project Summary & Updates
  - RFP Process Completed October 2018
  - BOT Approval of CM at Risk November 2018
    - Webcor selected as CM at Risk for Preconsturction and Contrcition phases

### SB90 & Kitchen Relocation Project

- Project Summary and Updates continued
  - Project—Design Team and Webcor active in preconstruction phase
    - Weekly meetings have started
    - Good progress and collaboration
- Upcoming Milestones
  - AB2190 Extension Application Due 4/1/19
    - Actively preparing application in coordination with Project— Design Team and Webcor
  - Prepare and present GMP (Gross Maximum Price) for construction to Board of Trustees
    - March/April 2019

# **Upcoming Community Events**





### **Health and Wellness in our Community**

- 2019 Community Stroke Risk Assessments:
  - March 22, 2019, 9 am 12 pm, Alameda Hospital
  - June 13, 2019, 9 am 12 pm, Mastick Senior Center
  - September 6, 2019, 9 am − 12 pm, Harbor Bay Community Center
- Chamber of Commerce After Hours Evening Mixer, May 8, 2019
- Park Street Spring Festival, May 11, 2019
- Stroke Center Reunion, May 2019
- Island Jam Street Festival, June 15, 2019
- Community Blood Drives



## **Conclusion**



### CITY OF ALAMEDA HEALTH CARE DISTRICT

February 11, 2019

Memorandum to: Board of Directors

City of Alameda Health Care District

From: Deborah E. Stebbins

**Executive Director** 

SUBJECT: EXECUTIVE DIRECTOR REPORT

Website Development:

I have followed up on the request from the Board of Directors to explore the development of an independent website for the District. As you know, our meeting agendas and materials as well as video tapes of District Board meeting are posted within the AHS website. The System has been diligent about posting District material but it would be difficult for the public to access the information unless they knew exactly where to look even with the help of google.

While it appeared there might be an opportunity to develop a joint website with the Alameda Hospital Foundation, the Foundation Board decided they wanted to develop their own very simple website. I researched about three different options for a website designer, one of which did a lot of work for other Hospital Districts. I found that firm to be focused just on the legal requirements for public notices and other postings that Districts must provide.

I am recommending that the District engage West Advertising, a local Alameda firm that has been in business for over 25 years and designed the platform for the old Alameda Hospital Website. West also provided the design for newsletters and other collateral material so they know the organization very well.

West would provide a brand identity package for the District communications including logo exploration in black and white and color as well as recommendations for a color scheme and font use. The package would be a one-time fee of \$1800.

The cost of website development would be a one time fee of \$6560. This would include content and images for 6 main navigable pages: Home, Board of Directors, Meetings, District Documents/Resources, News & Events, Contact. There would be a public inquiry portal and e-mail sign up forms.

### Executive Director Report, page 2

Although the District has an existing URL of coahcd.org which is also used for your District e-mail, I am recommending we secure a new URL which is more descriptive and user friendly. West would help us identify that. URL's usually can be purchased for \$15-20. West would also host the website platform, as they do for several other clients for \$240 per year. There is ample consulting expenses budgeted in our FY 2019 budget to cover all these fees.

Effective with this Board meeting, I am also making sure all public District meetings are listed in the Local Happenings section of *The Alameda Sun*.

### Parcel Tax Report:

Attached to this report for your information is a document prepared by SCI Consulting Group which they prepare and file annually on behalf of the District in accordance with the Local Agency Parcel Tax and Bond Accountability. SCI has performed this service for the District for the last several years. The information is provided just for you information.

Distributions of Parcel Tax Revenue to Alameda Health System:

Under the Action Items section of the February 11 agenda are recommendations for three types of distribution of parcel tax revenue to AHS in accordance with the affiliation JPA:

- 1. True up of the Distribution for the year ending June 30, 2018.
- 2. Recommended Distribution of a portion of the December 2018 parcel tax revenue
- 3. Distribution of Jaber revenue in accordance with both the Jaber will and the JPA agreement.

### CITY OF ALAMEDA HEALTH CARE DISTRICT MEASURE A PARCEL TAX

### **PARCEL TAX REPORT**

FISCAL YEAR 2017-18

Pursuant to the Government Code Sections 50075 of the California Constitution

PARCEL TAX LEVY ADMINISTRATOR:

### **SCI**ConsultingGroup

4745 Mangels Boulevard Fairfield, California 94534 Phone 707.430.4300 Fax 707.430.4319 www.sci-cg.com (THIS PAGE INTENTIONALLY LEFT BLANK)

### CITY OF ALAMEDA HEALTH CARE DISTRICT

#### **DISTRICT BOARD**

Michael Williams, President
Robert Deutsch, M.D., First Vice-President/Alameda Hospital Liaison
Gayle Godfrey Codiga, Second Vice-President
Dennis Popalardo, Treasurer/Community Health Liaison
Tracy Jensen, Secretary/Alameda Health System Liaison

### DISTRICT CLERK

Debi Stebbins

#### PARCEL TAX LEVY ADMINISTRATOR

**SCI Consulting Group** 



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#### INTRODUCTION

On April 9, 2002, registered voters in the City of Alameda Health Care District ("District") voted to support a proposed parcel tax measure ("Measure A") for the purpose of repaying the outstanding hospital indebtedness, defraying ongoing hospital general operating and capital improvement expenses. Voters approved the measure by a margin of 68.6% in favor of levying the parcel tax, beginning in Fiscal Year 2002-03, with no proposed expiration date.

Pursuant to the Local Agency Parcel Tax and Bond Accountability Act (Government Code § 50075.3.), this Parcel Tax Report ("Report") summarizes the amount of funded collected and expended for fiscal year 2017-18, administrative procedures related to the parcel tax levies and exemptions and other important information.

For fiscal year 2017-18, there were 21,170 parcels in the District, of which 1,167 were taxexempt parcels and 20,003 were taxable parcels. The actual parcel tax revenue submitted for inclusion on the property tax bills for fiscal year 2017-18 was \$5,960,894. The following tables summarize the parcel tax collections and expenditures for fiscal year 2017-18.



The actual parcel tax revenue and expenditures are summarized in Figure 1.

FIGURE 1 – MEASURE A: ACTUAL AND PROJECTED REVENUE AND EXPENDITURES

	Actual FY 2017-18	Projected Budget FY 2018-19
Parcel tax receipts	\$ 5,957,020	\$ 5,997,250
District budget allocation	(\$101,269)	(\$101,953)
Allocation to Alameda Health System	\$ 5,855,751	\$ 5,895,297
AHS Uses of Funds Accounts Payable Reduction		
Facilities and IT Projects	1,122,527	
Capital Equipment	2,593,038	
Alameda Hospital retrofit including kitchen	1,683,791	
Long Term Capital Reserve		
Program Development		
Operating Support		4,759,913
Total AHS Uses of Funds	\$ 5,399,356	\$ 4,759,913
Net Surplus/(Deficit)	\$ 456,395	\$ 1,135,384

Specific details for the administration of the tax are included in the Measure A ballot. The following narrative provides an overview of the major elements of this administration.

#### **GENERAL ADMINISTRATIVE REQUIREMENTS**

The special tax levies are calculated for all parcels on the new fiscal year's assessor roll. This roll includes all parcels that are in existence prior to January 1 of the previous fiscal year. After the special tax levies have been computed, the levy data must be filed with the County Auditor prior to August 10 of each year for inclusion on property tax bills.

After submission of the parcel tax levies, the final levies should be confirmed with the County Auditor prior to the preparation of tax bills, which typically occurs in October. The special tax is collected in two equal installments on the tax bills that are due on December 10 and April 10.

#### **BASIS OF TAX**

The tax shall be levied on all Parcels of Taxable Real Property in the District, as defined below, on the following basis:

Not to exceed Two Hundred Ninety-Eight Dollars (\$298.00) per parcel.

"Parcel of Taxable Real Property" is defined as any unit of real property in the District that receives a separate tax bill for ad valorem property taxes from the County of Alameda County Treasurer-Tax Collector's Office, as applicable depending on parcel location. All property that is otherwise exempt from or upon which no ad valorem property taxes are levied in any year shall also be exempt from the special tax in such year.

#### TAX EXEMPT PROPERTY

Property that is exempt from regular ad valorem property taxation shall not be subject to the Special Tax. Examples of such parcels are churches, condominium complex common areas, and publicly owned or government parcels, as well as zero value parcels.

#### **USE OF PROCEEDS**

All proceeds of the tax levied and imposed shall be accounted for and paid into a special account designated for use of specific programs and services defined by Measure A, pursuant to Government Code Section 50075.1(b) and (c).

Each year there will be a public accounting of the use of funds during the past year, as required by Government Code Section 50075.3, and approval of the use of funds for the next year, including review by the City of Alameda Health Care District Board ("Board").



#### **DELINQUENCY PROCEDURES**

The District participates in the Teeter Plan with the County of Alameda whereby the County pays all delinquent parcel taxes to the District and in return the Counties institute collection proceedings and, when collected, keep all delinquent payments with interest and penalties. This plan allows the District to maintain reliable parcel tax revenues and reduces the cost of collection.

#### APPEALS AND INTERPRETATIONS

Any property owner who feels that the special tax levied on the subject property is in error as a result of incorrect information being used to apply the foregoing method of Measure A, may file a written appeal with the Board or his or her designee. Any such appeal is limited to correction no later than one year after the date the tax was paid. Upon the filing of any such appeal, the Board or his or her designee will promptly review the appeal and any information provided by the property owner. If the Board or his or her designee finds that the special tax should be modified, the appropriate changes shall be made to the tax roll. If any such changes are approved after the tax roll has been filed with the County for collection, the Board or his or her designee is authorized to refund to the property owner the amount of any approved reduction. The decision of the District Board shall be final.



# EXHIBIT A -SPECIAL TAX ROLL (FY 2017-18)

The tax roll listing the fiscal year 2017-18 Parcel Tax for all Assessors' Parcels of land within the boundaries of the District is filed with the District. Each lot or parcel listed on the Tax Roll is shown and illustrated on the latest County Assessor records and these records are, by reference made part of this report. These records shall govern for all details concerning the description of the lots or parcels.

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## CITY OF ALAMEDA HEALTH CARE DISTRICT

## **Minutes of the City of Alameda Health Care District Board of Directors**

Open Session

Monday, December 10, 2018 | Regular Meeting

Board	d Members	Present			Legal Counsel Present	Excused / Absent
Gayle	Godfrey (	Codiga		Dennis Popalardo		
Robe	rt Deutsch	, MD		Michael Williams		
Tracy	Jensen					
Subm	nitted by: D	ebi Stebbins, Executive Direct	or			
Topic			Discuss	ion		Action / Follow-Up
I.	Call to C	rder	The me	eting was called to orde	at 5:30 p.m.	
II.	Roll Call		Debi St	ebbins called roll, noting	a quorum of Directors wa	as present.
III.	Report for	rom Closed Session	Preside	nt Williams noted that th	ere were no actions taker	n in Closed Session.
IV.	General	Public Comments	None.		<i>•</i>	
VI.	Regular	Agenda				
	A. YTC	AHS Reporting				
	1)	Alameda Health System Liais	son Repo	rt		No action taken.
	Luis Fonseca, COO for Alameda Health System provided a power point report on AHS operations, a copy of which was posted on-line with the agenda.					
	In September, 2018 acute patient days exceeded budget, although ED visits and clinic visits were below budget. Post-acute days were right on budget. Net patient revenue continued to be below budget and is expected to remain so for the rest of the fiscal year due to a budgeting error.				budget. Net patient	
		Management has responded far has been able to offset the compared to a budget of 4.5.	e revenue			

In September, operating expenses for AHS were \$2.5 favorable to budget.

At Alameda Hospital, census was on target with ALOS exceeding budget levels slightly. While salaries and wages exceeded budget, registry use and expenses has declined.

As a part of his presentation, Mr. Fonseca highlighted the negative credit balance AHS maintains with the County. While this balance is currently well under the maximum allowable \$180 million, he noted that next year AHS may come dangerously close to hitting the maximum allowable due to investments being made in capital projects in the System

#### Alameda Hospital Financial Analysis:

Mr. Fonseca reviewed the analysis of the financial performance of Alameda Hospital that had recently been presented to the AHS Finance Committee and Board. He noted that the Finance Committee of AHS had requested this analysis since they had observed a decline in the financial performance of Alameda Hospital and in light of the significant investments being made due to the required seismic retrofit and kitchen relocation

Mr. Fonseca indicated since he assumed responsibility for reporting to the District Board after James Jackson left, he has not included supplemental revenue or overhead expenses in his monthly financial reports. The reports provided at today's meeting do show a allocation of supplementals and support services (or corporate overhead) prepared by the Interim CFO based on the 2017 cost report.

Mr. Fonseca explained that the AHS Finance Committee does not routinely receive a breakdown of financial performance by hospital or business unit within AHS. A detailed spreadsheet was inadvertently distributed to the Committee by the Finance Department in March 2018 which contributed to the Committee's concerns about Alameda Hospital and prompted a "deeper dive' analysis by the Interim CFO.

The September 2018 financial analysis shows net patient revenue for Alameda Hospital of \$83.5 million before supplemental revenue and \$106 after supplemental revenue, \$102 in direct expenses and a contribution margin of \$4.2 million.

The corporate overhead or support services for AHS that are allocated to Alameda Hospital are 13.8% of total AHS overhead. This includes a portion of the unfunded pension liabilities for AHS as a whole. After overhead allocations, but before supplemental revenue allocation, the financial analysis shows a loss of \$55 million for Alameda Hospital. After the allocation of supplemental revenue, the loss is \$21 million.

There was an extensive discussion of the fact that prior to the affiliation Alameda Hospital lost about \$2.3 million in 2013 (after the parcel tax) and now appears to be

	losing \$21 million. The major reason for the decline seems to be the allocation of a significant amount of AHS overhead. In the event Alameda Hospital became a freestanding entity, some of that overhead but not all would go away. Several members of the Board of Directors voiced concern about the overall impression created by the financial analysis that Alameda Hospital was a financial drain on the AHS system, when in fact there was a contribution margin of \$4.2 million Seismic and Facility Updates:	
	Mr. Fonseca gave an update on the 2020 seismic upgrade project. AHS received two responses out of 17 requests for proposal to contractors and Webcor was selected as the general contractor for the pre-construction phase of the project. Some of the drawings are being re-done due to code changes and will be presented to OSHPD for final review. During the next three months, Webcor will due a pre-construction review of the project and submit a guaranteed maximum price in approximately February 2019. The project is still expected to be completed by June 2020.	
2)	Medical Staff Report:  Due to the absence of Dr. Magalong, there was no report given from the Alameda Hospital Medical Staff	No action taken.
B. Dist	rict and Operational Updates	
1)	District Liaison Repots	
	a. President's Report	No action taken.
	President Williams reported the annual annual Alameda Hospital Foundation Gala was held in early November and honored long-time physician leader, Dr. Eric Otani.	
	b. Community Liaison Report	No action taken.
	Director Popalardo reported that he and Debi Stebbins have met to discuss the possible composition of a community Advisory Board for the District. He stated this group could be very important as the Board addresses the issues of what will happen with the configuration of health care in Alameda after 2030. He asked for recommended names from Board members, He also recommended that the	

Executive Director explore posting information about future meetings of the District Board and other related activities on the Alameda Sun website.	
c. Alameda Health System Liaison Report  Director Jensen provided an update as liaison to the AHS Board of Trustees. She introduced the newly appointed Vice President of Patient Care Services at Alameda and San Leandro hospitals, Ronica Shelton, RN, BSN.	No action taken.
d. Alameda Hospital Liaison Report i. Ad Hoc Seismic and Facilities Planning Committee  Director Deutsch stated that the committee continues to look at options for 2030 and beyond including whether to rebuild or upgrade based on the analysis. The Committee will meet every 2 months to monitor progress on 2020 work and discuss future planning for the District relating to 2030 seismic requirements.  Dr. Deutsch also indicated that the in-coming President of the Alameda Hospital medical staff is Joseph Marzouk, MD.	No action taken.
e. Executive Director Report  We are exploring the possibility of creating a new website for the District which would be shared with the Alameda Hospital Foundation. The Foundation currently has a website which, like the District, is embedded in the AHS website and would like to see theirs separated as well.  The Kaufman Hall interviews are proceeding on schedule. AHS leadership has remained committed to not presenting data about service line data at other facilities, namely mostly at Highland, that might have enabled provision of a third scenario wherein Alameda might provide capacity for additional volume referred from the system. AHS leadership believes that some of the volume currently referred to Alameda Hospital may decline in the future as efforts to facilitate discharges at Highland are more successful. o exchange more data about volume by service line in other parts of the AHS system in order to address Scenario Two of the KH project — namely, an evaluation of a scenario for use of Alameda Hospital which would optimize AHS achievement of their strategic objectives. AHS is now concerned about this	No action taken.

		aspect of the study since it is the District, not AHS, that commissioned the Kaufman Hall study.	
C.	Con	sent Agenda	
	1)	Acceptance of Minutes of October 22, 2018	A motion was made, seconded and carried unanimously to approve the Consent Agenda.
	Δcti	ion Items	
D.	ACII		
	1)	Acceptance of Financial Statements for July, August, September and October 2018	A motion was made, seconded and carried unanimously to approve the Financial Statements for July, August, September and October 2018
	2)	Acceptance of FY 2018 Audit	A motion was made, seconded and carried to accepted the FY 2018 Audit.
	3)	Review and Approval of the FY ending June 30, 2019 Parcel Tax Spending Budget from Alameda Hospital.  Mr. Fonseca presented the anticipated use of parcel tax proceeds (\$4,759,913) net after the budgeted District operating budget of \$1,135,384 will be directed to operating support of Alameda Hospital	A motion was made, seconded and carried to accept the proposed parcel tax spending plan for Alameda Hospital for the period ending June 30, 2019.
		4) Review and Approval to Amend Appendix to District conflict of Interest Stalement	A motion was made, seconded and carried to accept the proposed amendment to the Conflict of Interest Statement

	sub	mit conflict of interest stater	the Executive Director to those officers required to ments and to replace "CEO" with "President" of the d to Manage Public Investments	
	E. Apr	il, 2019 Agenda Preview		
	Acti	on Items	No action taken.	
	1)	Acceptance of February 1	1, 2019 Minutes	
	2)	Acceptance of Financial S		
	Info	rmation Items		No action taken.
	1)	YTD AHS Reporting (CAC Reports)	D/Hospital, Quality, Financial, Medical Staff	
V.	General	<b>Public Comments</b>	None	
VI.	Board C	Comments	None	
VII.	Adjourn	ment	There being no further business, the meeting was adjou	irned at 7:45 pm

Approved:	

#### CITY OF ALAMEDA HEALTH CARE DISTRICT

**MEETING DATE:** February 11, 2019

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

**FROM:** Deborah E. Stebbins, Executive Director

**SUBJECT:** Approval of FY 2017-2018 Parcel Tax True-Up Transfer to

Alameda Health System

#### <u>Action</u>

Recommendation to transfer the \$1,059,328 for Fiscal Year 2017-2018 as the parcel tax true-up transfer to Alameda Health System.

### **Background**

The attached document outlines an analysis of fiscal period July 1, 2017 to June 30, 2018. As a reminder, the true-up transfer will be recommended after the end of the fiscal year and after the annual audit is complete.

Total parcel tax revenue collected for the period was \$5,920,695, a slight increase over the prior year. This number is reduced by the total District expenses for FY 2018, adjusted for depreciation (a non-cash item) and adding back the principal payment on the loan maintained by the District for a net available for transfer to AHS of \$5,699,698, a 1.6 % increase over the prior year distribution. Prior transfers to AHS for the year made in February and April totaled \$4,610,370, leaving the remaining \$1,059,328 for transfer to AHS under the terms of the JPA agreement.

## City of Alameda Health Care District Analysis of Asset Transfer True-Up for FY 2018

Purpose: To evaluate the past fiscal period July to June and true up the amounts transferred to the Alameda Hospital System based on terms of the agreements.

					6/30/2018	6/30/2017	
Actual Property Ta	axes Received for t	the period 7/1 to 6/	30:				
	8/2/2017	10,489.60		10,489.60			
	8/15/2017	30,396.00		30,396.00			
	9/1/2017	3,754.80		3,754.80			
	10/16/2017	1,966.80		1,966.80			
	11/15/2017	736.04		736.04			
	12/14/2017	2,980,447.00	(49,820.65)	2,930,626.35			
	4/7/2018	1,958,153.68	(49,820.65)	1,908,333.03			
	5/24/2018	724,248.62		724,248.62			
	5/16/2018	12,098.80		12,098.80			
	8/30/2018	298,044.70		298,044.70			
Actual Property Ta	axes Received for t	the period 7/1 to 6/	30:			•	
					5,920,695	5,844,087	1.31%
Interest income					6	14	
Non-Cash Equity a Total District Revenue	=	d to capital assets			5,920,700	5,844,101	
Less Non Cash Iter	ms				-	-	
	A	djusted Revenue			5,920,700	5,844,101	
Non-labor cash ex	penses of the dist	rict			430,971	458,565	
Less depreciation	and amortization				(212,418)	(222,869)	
	Λ	djusted Expenses			218,553	235,696	
Capital Outlays of	7						
Capital Outlays of	the District	,			-	-	
Principal Payment	the District	,			- 32,449	- 28,405	
•	the District t on Mortgage	ubtotal Adjusted O	utlays		32,449 251,003	28,405 264,102	-4.96%

## City of Alameda Health Care District Analysis of Asset Transfer True-Up for FY 2018

Actual	<b>Transfers</b>	for the	neriod
Actual	1101131613	TOT LITE	Dellou

Actual Hunslers for the period	2/7/2018 4/15/2018	(2,702,037) (1,908,333)	(2,702,037) (1,908,333)	
Sub total outlays and trans	efers		(4,610,370) (4,610,370)	(5,579,999) (5,579,999)
Residual balance due to JPA (from	JPA)		1,059,328	(0)

City of Alameda Healthcare District Analysis of Jaber Property Potential Distribution Plan FYE 6/30/18

		6/30/2015		6/30/2016	6/30/2017	6/30/2018	
Rents		172,112		181,283	182,808	204,791	
Expenses		(86,026)		(73,265)	(82,302)	(86,195)	
Gains/(Losses)		86,086		108,017	100,505	118,595	
Cash Assets		\$ 255,304	\$	328,241	754,413	557,671	
Due From District		214,567	•	287,050	(4,480)	(9,374)	
Prepaid		-		-	3,263	3,263	
Liabilities		-		-	-	-	
Balance of the Cash Fund		\$ 469,871	\$	615,291	\$ 753,196	\$ 551,560	
Adjustments(retro application of funding)			\$ (	(111,191)	(233,614)	(283,614)	
		\$ 469,871	\$	504,100	\$ 519,582	\$ 267,946	
	20% of Not Pontal Income	¢ 17 217	Φ	21 602	¢ 20.101	¢ 22.710	
	20% of Net Rental Income	\$ 17,217	\$	21,603	\$ 20,101	\$ 23,719	
	20% of the cash fund	93,974	\$ 	100,820	103,916	53,589	
		•	\$ 	•			
Contribution for 2015 & 2016	20% of the cash fund	93,974	\$ 	100,820	103,916	53,589	(283,614)
Contribution for 2015 & 2016 Contribution for 2017	20% of the cash fund Limit of Contribution	93,974 111,191	\$ 	100,820 122,423	103,916 124,017	53,589	(283,614) (74,017)

T

**MEETING DATE:** February 11, 2019

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

**FROM:** Deborah E. Stebbins, Executive Director

**SUBJECT:** Recommendation and Approval of December 2018 Parcel Tax

Installment Transfer to Alameda Health System

### **Action**

Recommendation to transfer the December 2018 parcel tax installment to Alameda Health System in the amount of \$ 2,137,952 via wire transfer.

#### **Background**

The December 2018 parcel tax remittance of \$2,937,952. was received on December 13, 2018. I am recommending that the District hold back \$800,000 to fund the remaining fiscal year expenses of the District. This hold-back represents estimates of the balance of the District budgeted expenses for FY 2019 that have yet to be incurred. The total District budgeted expenses were \$1,135,384, a number that exceeded prior years due to strategic planning consultants expenses and election fees. Year-to-date expenses through December 311, 2018 are \$310,349; however we have not yet been assessed an election fee and some consultant expenses have yet to been incurred.

With this hold-back of the December installment, 100% of the April Installment will be available to be transferred to AHS. This leaves the District with sufficient cash flow for the remainder of the fiscal year. Funds not used from the District's operating budget will be trued up after the end of the fiscal year and after the annual audit and then transferred to Alameda Health System per the normal procedure.

Cash Flow Projections - General Operating Account

Bank Balance as of 12/31/18	3,948,009
December Install Transfer - Proposed for 2/11/19 BOD MTG	(2,137,952)
Available Balance after transfer - General Operating Account	1,810,057
Operating Budget	1,135,384
YTD Expenses 12/31/18	310,349
(Variance)	825,035

As a reminder, parcel tax installments are received in April, August (\$200,000 – \$300,000) and December of each fiscal year. Each transfer to Alameda Health System requires approval by the District Board.

**MEETING DATE:** February 11, 2019

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

**FROM:** Deborah E. Stebbins, Executive Director

**SUBJECT:** Recommendation on Distribution from the Jaber Fund to Alameda

Health System for Purchase of Capital Equipment for period ending

June 30, 2018

#### <u>Action</u>

Approval of a distribution from the Jaber Fund to Alameda Health System in the amount of \$77,308 for purchase of capital equipment for Alameda Hospital for the period ending June 30, 2018.

### 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-ininterest 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 3bedroom 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."
- 2. The JPA Side Letter agreement with Alameda Health System states: "<u>Jaber</u> Properties. District owns two parcels of real property, located at 2711 Encinal

Avenue and 1359 Pearl Street (the "<u>Jaber Properties</u>"), 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 "<u>Jaber Revenues</u>") 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. The District has authorized the following distributions to Alameda Health System in the past from the Jaber Fund

Contribution for 2015 and 2016	Made 10/9/17	\$283,614	
Contribution for 2017	Made 12/20/17	\$ 74,017	
Recommended Contribution for 2018		\$77,308	

As a reminder, review of the annual distribution from the fund occurs after the end of the fiscal year and upon completion of the annual audit. A detailed summary of the basis for the recommendations is shown on the table below.

Potential Distribution Plan							
FYE 6/30/18							
		6/30/2015	6/30/2016	6/30/2017	6/30/2018		
Rents		172,112	181,283	182,808	204,791		
Expenses		(86,026)	(73,265)	(82,302)	(86,195)		
Gains/(Losses)		86,086	108,017	100,505	118,595		
Cash Assets		\$ 255,304	\$ 328,241	754,413	557,671		
Due From District		214,567	287,050	(4,480)	(9,374)		
Prepaid		-	-	3,263	3,263		
Liabilities		-	-	-	-		
Balance of the Cash Fund		\$ 469,871	\$ 615,291	\$ 753,196	\$ 551,560		
Adjustments(retro application of funding)			\$ (111,191)	(233,614)	(283,614)		
		\$ 469,871	\$ 504,100	\$ 519,582	\$ 267,946		
	20% of Net Rental Income	\$ 17,217	\$ 21,603	\$ 20,101	\$ 23,719		
	20% of the cash fund	93,974	100,820	103,916	53,589		
	Limit of Contribution	111,191	122,423	124,017	77,308		
Contribution for 2015 & 2016	Made on 10/9/17	(111,191)	(122,423)	(50,000)		(283,614)	
Contribution for 2017	Made on 12/20/17			(74,017)		(74,017)	
Contribution for 2018	Recommended 2/11/19				(77,308)	(77,308)	

## CITY OF ALAMEDA HEALTH CARE DISTRICT

Memorandum to: City of Alameda Health Care District

**Board of Directors** 

From: Debi Stebbins

**Executive Director** 

RE: Proposed Schedule for Board of Directors Meetings

2018 - 2019

In keeping with our practice of scheduling meetings on the 2<sup>nd</sup> Monday of alternating months, the following is the current schedule for meetings in the balance of 2018 and in 2019.

Monday, December 20, 2018

Monday, February 11, 2019

Monday, April 8, 2019

Monday, June 10, 2019

Monday, August 12, 2019

Monday, October 14, 2019

Monday, December 9, 2019

I am requesting that the June meeting be pushed back to Monday, June 17, 2019 and will query Board members on their availability for the changed date.