

PUBLIC NOTICE

CITY OF ALAMEDA HEALTH CARE DISTRICT BOARD OF DIRECTORS

SPECIAL MEETING AGENDA

Monday, June 24, 2019

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

Location:

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

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. Conference with Legal Counsel pursuant to Govt Code Section 54956.9(d)(4) to discuss potential litigation (1 case) Govt code Section
54956.9(d)(4)

D. Evaluation of Executive Director

E. 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

VII. General Public Comments

VIII. Regular Agenda

A. Presentation on the City of Alameda Health Care District Website Tracy Brotze, West
Consulting

B. YTD AHS Reporting **INFORMATIONAL**

- ✓ 1) Alameda Health System / Alameda Hospital Update & Status of 2020 Alameda Hospital Seismic Project (ENCLOSURE (PAGES 4-23)) Luis Fonseca, COO
- 2) Alameda Hospital Medical Staff Update Joseph Marzouk, MD

C. District & Operational Updates **INFORMATIONAL**

- 1) District Liaison Reports
 - a. President's Report Michael Williams
 - b. Community Liaison Report Dennis Popalardo
 - c. Alameda Health System Board Liaison Report Tracy Jensen
 - d. Alameda Hospital Liaison Report Robert Deutsch
 - ✓ e. Executive Director Report and Board Updates (ENCLOSURE (PAGES 24-35-)) Debi Stebbins

D. Consent Agenda **ACTION ITEM**

- ✓ 1) Acceptance of Minutes of April 8, 2019 (ENCLOSURE (PAGES 36-43))

E. Action Items

- ✓ 1) Acceptance of Financial Statements, March and April, 2019 (ENCLOSURE (PAGES 44-57))

F. August 12, 2019 Agenda Preview

Debi Stebbins

INFORMATIONAL - SUBJECT TO CHANGE

Action Items

- 1) Acceptance of June 24, 2019 Minutes
- 2) Acceptance of Financial Statements: May and June, 2019

- 3) Review of Bank of Marin Loan
- 4) Review of Architectural Planning for 2030

Informational Items:

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

IX. General Public Comments

X. Board Comment

XI. Adjournment

<p>Next Scheduled Meeting Dates (2nd Monday, every other month or as scheduled) August 12, 2019</p>	<p>Open Session 5:30 PM Dal Cielo Conference Room Alameda Hospital</p>
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COO Report

City of Alameda Health Care District Board of Directors Report
June 24, 2019

Financial Report

April 2019

- Gross Patient Service Revenue (charges) over budget by \$11.6 million or 4.1% in April due to higher inpatient volume. Above budget YTD by 1.4%
- Net Patient Service Revenue (NPSR) under budget by \$1.3 million or 2.3% in the month. This variance is consistent with the \$27 to \$29 million annual variance expected for the year.
- Supplemental Revenue \$3.7 million or 11.1% over budget due to a \$3.0 million adjustment in the Waiver reserve. Above budget YTD by \$11.5 million or 3.5%.

	April 2019				Year-To-Date				FY 2018	
	Actual	Budget	Var	% Var	Actual	Budget	Var	% Var	YTD	% Var
Inpatient service revenue	\$ 180,179	\$ 167,178	\$ 13,002	7.8%	\$ 1,687,772	\$ 1,635,747	\$ 52,025	3.2%	\$ 1,605,236	5.1%
Outpatient service revenue	87,183	91,974	(4,791)	(5.2)%	896,007	924,947	(28,940)	(3.1)%	899,677	(0.4)%
Professional service revenue	29,363	25,974	3,389	13.0%	278,328	262,789	15,539	5.9%	239,970	16.0%
Gross patient service revenue	296,725	285,125	11,600	4.1%	2,862,107	2,823,483	38,624	1.4%	2,744,883	4.3%
Deductions from revenues	(245,632)	(232,104)	(13,528)	(5.8)%	(2,365,805)	(2,298,663)	(67,142)	(2.9)%	(2,280,197)	3.8%
Capitation and HPAC	3,443	2,803	640	22.8%	32,019	28,028	3,991	14.2%	27,787	15.2%
Net patient service revenue	54,536	55,824	(1,288)	(2.3)%	528,321	552,848	(24,527)	(4.4)%	492,473	7.3%
Medi-Cal Waiver	12,541	9,546	2,995	31.4%	103,693	95,459	8,234	8.6%	116,307	(10.8)%
Measure A, Parcel Tax, Other Support	9,942	10,025	(83)	(0.8)%	100,476	100,250	226	0.2%	98,487	2.0%
Supplemental Programs	11,588	11,187	401	3.6%	113,092	111,872	1,220	1.1%	122,512	(7.7)%
Grants & Research Protocol	1,108	652	457	70.0%	6,502	6,519	(16)	(0.3)%	9,078	(28.4)%
Other Operating Revenue	1,487	1,592	(106)	(6.6)%	16,792	15,924	868	5.5%	18,229	(7.9)%
Incentives	-	-	-	0.0%	949	-	949	100.0%	9	11059.8%
Supplemental revenue	36,666	33,002	3,664	11.1%	341,503	330,024	11,479	3.5%	364,621	(6.3)%
Net operating revenue	\$ 91,202	\$ 88,827	\$ 2,375	2.7%	\$ 869,824	\$ 882,872	\$ (13,048)	(1.5)%	\$ 857,095	1.5%
Collection % - NPSR	18.4%	19.6%	(1.2)%		18.5%	19.6%	(1.1)%		17.9%	6
Collection % - Total	30.7%	31.2%	(0.4)%		30.4%	31.3%	(0.9)%		31.2%	

- FTEs under budget by 139 FTEs or 3.2% in April, 208 FTEs or 4.7% YTD.
- Salary/Wages and Registry over budget by \$0.9 million or 1.8% in April, mainly due to increased staffing and overtime utilization to handle higher patient volume. YTD under budget by \$9.2 million or 2.1%.
- Purchased Services continues to be under budget by \$0.5 million in the month and \$5.6 million YTD. A YTD adjustment was processed to remove operating expenses as related to EPIC project to capital.

	April 2019				Year-To-Date				FY 2018	
	Actual	Budget	Var	% Var	Actual	Budget	Var	% Var	YTD	% Var
Salaries and wages	\$ 40,626	\$ 39,530	\$ 1,096	2.8%	\$ 413,937	\$ 417,500	\$ (3,563)	(0.9)%	\$ 406,001	2.0%
Registry	2,363	2,515	(152)	(6.0)%	20,832	26,512	(5,680)	(21.4)%	23,691	(12.1)%
Employee benefits	15,279	14,300	978	6.8%	148,187	148,420	(233)	(0.2)%	135,721	9.2%
Contracted physician services	7,956	7,521	434	5.8%	76,952	75,986	965	1.3%	74,465	3.3%
Purchased services	5,490	6,034	(544)	(9.0)%	54,932	60,486	(5,555)	(9.2)%	63,803	(13.9)%
Pharmaceuticals	3,038	2,538	500	19.7%	25,514	24,473	1,041	4.3%	26,356	(3.2)%
Medical Supplies	2,787	2,958	(172)	(5.8)%	30,764	29,329	1,435	4.9%	29,595	4.0%
Materials and supplies	1,530	1,602	(72)	(4.5)%	15,740	16,081	(342)	(2.1)%	17,991	(12.5)%
Outside medical services	602	356	247	69.4%	3,889	3,756	133	3.5%	3,902	(0.3)%
General & administrative expenses	1,222	1,739	(517)	(29.7)%	14,955	17,393	(2,438)	(14.0)%	16,757	(10.8)%
Repairs/maintenance/utilities	1,793	1,670	124	7.4%	17,847	16,696	1,151	6.9%	18,142	(1.6)%
Building/equipment leases & rentals	853	724	130	17.9%	7,470	7,238	233	3.2%	6,966	7.2%
Depreciation	1,410	1,277	133	10.4%	12,558	13,732	(1,174)	(8.5)%	13,011	(3.5)%
Total operating expense	\$ 84,949	\$ 82,763	\$ 2,186	2.6%	\$ 843,575	\$ 857,602	\$ (14,027)	(1.6)%	\$ 836,403	0.9%
Paid full time equivalents (FTE)	4,241	4,380	(139)	(3.2)%	4,256	4,464	(208)	(4.7)%	4,395	(3.2)%
Paid FTE's per adjusted occupied bed	4.2	4.4	(0.2)	(4.1)%	4.2	4.5	(0.3)	(6.2)%	4.5	(5.4)%
Worked Hours per APD	21.4	22.1	(0.7)	(3.2)%	20.8	22.4	(1.6)	(7.2)%	21.9	7(5.1)%
Compensation ratio	63.9%	63.4%	0.5%		67.0%	67.1%	(0.1)%		66.0%	

- Acute Patient Days above budget by 10% in April and YTD.
 - ALOS below budget by 9% and 6% YTD.
- Long Term Care Days at budget in April and 1% above YTD.
 - ALOS above budget by 50%, but below budget by 9% YTD.
- Emergency Visits above budget by 4% in April and YTD.
- Surgeries above budget in April by 22% and YTD by 5%. Mainly from Gynecology and Pain Management.

	April	BUDGET	# VAR	% VAR	YTD	BUDGET	# VAR	% VAR	PYTD	% Var
INPATIENT VOLUMES										
Acute Discharges	240	197	43	22 %	2,218	1,929	289	15 %	2,008	10 %
Acute Patient Days	1,152	1,049	103	10 %	10,519	9,553	966	10 %	10,167	3 %
<i>Average daily census</i>	<i>38.4</i>	<i>35.0</i>	<i>3.4</i>	<i>10 %</i>	<i>34.6</i>	<i>31.4</i>	<i>3.2</i>	<i>10 %</i>	<i>33.4</i>	<i>4 %</i>
<i>Acute Length of Stay</i>	<i>4.8</i>	<i>5.3</i>	<i>(0.5)</i>	<i>(9)%</i>	<i>4.7</i>	<i>5.0</i>	<i>(0.3)</i>	<i>(6)%</i>	<i>5.1</i>	<i>(8)%</i>
Long Term Care Discharges	14	21	(7)	(33)%	220	197	23	12 %	215	2 %
Long Term Care Patient Days	5,208	5,209	(1)	0 %	52,854	52,259	595	1 %	52,496	1 %
<i>Average daily census</i>	<i>173.6</i>	<i>173.6</i>	<i>-</i>	<i>0 %</i>	<i>173.9</i>	<i>171.9</i>	<i>2.0</i>	<i>1 %</i>	<i>172.7</i>	<i>1 %</i>
<i>Long Term Length of Stay</i>	<i>372.0</i>	<i>248.0</i>	<i>124.0</i>	<i>50 %</i>	<i>240.2</i>	<i>265.3</i>	<i>(25.1)</i>	<i>(9)%</i>	<i>244.2</i>	<i>(2)%</i>
Total Urgent & Emergent	1,389	1,337	52	4 %	13,886	13,331	555	4 %	14,004	(1)%
Total Surgeries	227	186	41	22 %	1,938	1,847	91	5 %	1,834	6 %
Total Minutes	20,160	11,968	8,192	68 %	168,720	119,400	49,320	41 %	162,270	4 %

- Gross Patient Service Revenue above budget by 8.7% in the month, but at budget YTD.
- FTEs under budget by 15 FTEs or 2.5% in April and 3.8% YTD
- Salary/Wages and Registry expense over budget by \$249K or 5.0% in April, mainly due to overtime utilization to handle higher patient volume. YTD at budget compared to 3.8% variance in FTE's.
- Total Expenses over budget by 4.3% in April, but under budget by 1.1% YTD.
- Expense per APD over budget by \$28K or 3.7% in April, but under budget by 1.9%.

	April 2019				Year-To-Date				FY 2018	
	Actual	Budget	Var	% Var	Actual	Budget	Var	% Var	YTD	% Var
Inpatient service revenue	\$ 26,448	\$ 24,095	\$ 2,353	9.8%	\$ 234,082	\$ 230,605	\$ 3,476	1.5%	\$ 225,332	3.9%
Outpatient service revenue	12,682	11,909	773	6.5%	113,022	116,944	(3,923)	(3.4)%	110,840	2.0%
Gross Patient Service Revenue	39,130	36,004	3,126	8.7%	347,103	347,550	(447)	(0.1)%	336,197	3.2%
Salaries and wages	4,891	4,358	533	12.2%	48,742	45,372	3,370	7.4%	46,210	5.5%
Registry	308	593	(284)	(48.0)%	2,650	6,024	(3,374)	(56.0)%	5,534	(52.1)%
Purchased services	607	621	(14)	(2.3)%	6,070	6,119	(49)	(0.8)%	7,372	(17.7)%
Pharmaceuticals	235	208	27	12.9%	1,959	1,905	54	2.9%	2,582	(24.1)%
Medical Supplies	492	596	(104)	(17.4)%	4,563	5,905	(1,342)	(22.7)%	5,331	(14.4)%
Materials and supplies	216	197	18	9.3%	2,197	1,992	206	10.3%	2,715	(19.0)%
General & administrative expenses	20	40	(21)	(51.1)%	339	407	(68)	(16.7)%	326	4.2%
Repairs/maintenance/utilities	257	175	81	46.5%	2,011	1,751	260	14.8%	1,688	19.2%
Building/equipment leases & rentals	210	212	(2)	(1.0)%	2,182	2,116	66	3.1%	2,053	6.3%
Depreciation	194	122	73	59.7%	1,367	1,282	85	6.7%	1,339	2.1%
Total operating expense	7,429	7,123	307	4.3%	72,081	72,872	(791)	(1.1)%	75,149	(4.1)%
Expense per APD	\$ 790	\$ 762	\$ 28	3.7%	\$ 767	\$ 782	\$ (15)	(1.9)%	\$ 804	(4.6)%
Paid full time equivalents (FTE)	584	599	(15)	(2.5)%	581	604	(23)	(3.8)%	606	(4.2)%
Paid FTE's per AOB	1.86	1.92	(0.06)	(3.1)%	1.88	1.97	(0.09)	(4.6)%	1.97	(4.6)%
Worked hours per APD	9.51	9.73	(0.23)	(2.3)%	9.38	9.81	(0.44)	(4.4)%	9.68	(3.2)%

FY20 – Budget Update

June 2019

Patient Experience

Alameda Hospital

April 2019

H-CAHPS (YTD N=225)	FY19 GOAL	FY19 YTD April	YTD Last Month - March
Rate the Hospital 9-10	64.6	56.30	55.6
Nurses treat with courtesy/respect	81.8	74.90	74.3
Call button help soon as wanted it	56.4	53.20	52.6
Doctors treat with courtesy/respect	79	75.6	75.5
Courtesy of person cleaning room ^{^*}	90	82.8	82.70
Courtesy of person served food ^{^*}	91.8	NA	NA
Care Transition	47.6	43.9	43.9
Hosp staff took pref into account	NA	35.9	36.3
Good understanding managing health	NA	46.8	46.4
Understood purpose of taking meds	NA	49.1	49.1

Data Review

- *Rate the hospital* score increased YTD by 0.7
- Slight improvement in *doctor and nurse courtesy and respect*
- Slight improvement in *call button help, courtesy of person serving food, and courtesy of person cleaning room.*
- *Care transition* domain no change

Alameda Hospital

Inpatient April Comments

Rating	Comment
Positive	Everything was excellent. My stay was excellent.
Positive	Alameda Hospital is good.
Positive	My stay there and the entire staff was in excellent condition. Excellent attitudes.
Positive	I found my stay at Alameda Hospital very enjoyable. All the nurses were courteous. The food was all to my liking, but nothing could have..., but everything else was fine. That's the end of my comment.
Positive	I enjoy my stay in Alameda Hospital. I been taken care of, the nurse are very caring, also the doctor, and they attend to my needs. The food is good, and the nurses are very accommodating, and I would recommend to my family.
Negative	I would like to have had been able to have access to a doctor so I would've known what was going on with me. I, but I, didn't seem like anybody could actually get a hold of of a doctor for me because my doctors were actually at Highland Hospital, where I was transferred from, the emergency room there. I spent most of my time, before I left, waiting for some kind of information about what had happened with me. I never received any of it and that's why I left. It was kind of unfortunate. It made it very difficult to get care afterwards. It would've been nice if they, if they're going to transfer you from Highland, they should be able to transfer your medical records with you and you should have a doctor. Cause, I was there for three days and I didn't have a doctor, basically.

Alameda Hospital Inpatient April Comments

Rating	Comment
Mixed	One of the nurses, I can't remember his name off the top of my head, but he was rude. He wouldn't help me get to the bed, not the bedpan but the, I don't know what it's called. It's a chair with the toilet on it, and he wouldn't help me get to it at all. He was rude. He was cussing at my family members for sitting on the other bed. And I just, I had to talk to the nurse manager and tell him I didn't want him there, ever come in my room no more. Thank you.
Neutral	I was born at Alameda Hospital, 1944. A lot has changed since then. I will, hopefully I'll never have to ever go back to that hospital again. That's it.

Action Plan

Metrics with opportunity for improvement	Follow-Up Actions	Date of Completion	Identified Barriers/Challenges
<p>Rate the Hospital and key drivers</p> <p>(Courtesy and respect and call light responsiveness)</p>	<ul style="list-style-type: none"> • Active engagement and training of disciplines in GIFT and No Pass Zone (including FNS, EVS, therapy staff) • Use of HCAHPS data bi-monthly posted for staff discussion on units • In May start of Hourly Rounding skill validation and monitoring and utilization of No Pass Zone and GIFT for nursing staff • iRound refresher at AH for managers in nursing and Care Transitions in May • May Educational symposium at AH with section on Care Experience 	<p>ongoing</p> <p>June 1 2019</p> <p>May 30, 2019</p> <p>May 2019</p>	
<p>Care Transition domain-preferences taken into account in d/c planning</p>	<ul style="list-style-type: none"> • Care Transition Managers to recommit to iRounds to support PRIME - request to prioritize AH 	<p>ongoing</p>	
<p>Provider courtesy and respect</p>	<ul style="list-style-type: none"> • VP PCS sharing patient comments with providers 	<p>Ongoing</p>	

Facilities Update

June 2019

SB90 & Kitchen Relocation Project

- Project Summary
 - Four (4) main Elements

	Submission of Plans for Review	OSHPD Plans Approved
Make Ready Project 1 Occupational Therapy	5/2018	10/19/2018
Make Ready Project 2 EVS Relocation	6/2018	10/2/2018
Increment 1 (Seismic)	2/2018	5/18/2018
Increment 2 (Kitchen Relocation)	4/2018	4/8/2019

SB90 & Kitchen Relocation Project

- AB2190 Seismic Extension
 - Application Submitted 4/1/19
 - Application Approved 6/10/19 (see supplement attachment to this presentation)
 - Extends 2020 deadline to October 31, 2021
 - AHS is on target and tracking to meet deadlines and status reports as required under AB2190.

Facilities Projects

- Nurse Call Project
 - Expected to kick-off in June/July 2019
 - Infrastructure work first and then coordination in patient care areas.

Community Events



Caring for Our Community

Health and Wellness in our Community

- Alameda Hospital Foundation 5K/10K Run Walk, June 2, 2019
- 2019 Community Stroke Risk Assessments:
 - June 13, 2019, 9 am – 12 pm, Mastick Senior Center
 - September 6, 2019, 9 am – 12 pm, Harbor Bay Community Center
- Island Jam Street Festival, June 15, 2019
- Community Blood Drives
- City of Alameda July 4th Parade

QUESTIONS

CITY OF ALAMEDA HEALTH CARE DISTRICT

MEETING DATE: June 24, 2019
TO: City of Alameda Health Care District, Board of Directors
FROM: Debi Stebbins, Executive Director
SUBJECT: Executive Director Report

Participation in Alameda Hospital Entry in 4th of July Parade:

Louise Nakada has extended an invitation for District Board members and their families to participate in the upcoming 4th of July parade. If you are interesting in walking or riding the Alameda Hospital trolley, meet at either 8:45 am in the hospital parking lot behind Engineering or at 9:45 am on the parade route at the intersection of Lincoln & Oak. The parade starts promptly at 10 am; the hospital trolley is toward the front of the parade.

Kaufman Hall Leadership Conference:

I recently received an invitation to the annual Kaufman Hall Leadership Conference in Chicago in October 23-25. One of the sessions is on "Health care in 2030". The District has budgeted funds for education which could cover tuition and travel expenses. If you have not already done so, please let me know if you are interested in attending. There is a discounted early bird registration fee that is available for three more weeks.

City of Alameda Health Care District Branding and Website Development:

There will be a presentation on the design of the new District website at the June District Board meeting.

Relationship with AHS:

There have been significant developments in the relationship between AHS and the District since our last Board meeting.

First with regard to the seismic retrofit project, we have had no update on discussions with a new general contractor or project manager since AHS terminated its relationship with Webcor and Jtec. If the third iteration of obtaining estimates for the project takes as long as the first two, it will put us dangerously close to SB2190's requirement for start of construction no later than 4/1/2020.

At a joint City of Alameda – District Subcommittee, Mr. Fonseca indicated clearly for the first time that AHS management does not feel there is a need for either acute care

services or an emergency Department on the island. For this reason AHS would like to avoid the capital investment in the retrofit project. This news was met with consternation and significant discussion by Mayor Ashcraft, Councilman Oddie and the Deputy Fire Chief.

A series of documents summarizing recent communication that seems to threaten AHS commitment to the Alameda Hospital retrofit project is attached to this report:

- Letter from Joe DeVries, Chairman to AHS Board of Trustees to Mike Williams, President – COAHCD Board – the letter is dated May 7 but was not received until almost three weeks later.
- Response from Mike Williams to Joe DeVries dated June 10. No response has been received from AHS to date,
- Resolution passed by the AHS Board on May 23 which authorizes management to review any capital projects in progress (“including Alameda Hospital project” - *added as an amendment to the written resolution*). Mr. Williams made public comments at this Board meeting, reminding the AHS Board of their legal obligations under the JPA and highlighting the adverse impact of letting the acute care license lapse and emergency department close.
- Memorandum dated June 10, 2019 from CEO Delvecchio Finley to the AHS community outlining the catastrophic state of System financial performance and FY 2020 budget projections.

At the last AHS Finance Committee meeting (June 13,2019), management presented a revised budget in which the Total Income increased from the earlier Budget version from a loss of over \$100 million to a loss of \$47 million. The improvement was largely the result of proposed expense reductions, including elimination of over 81 FTE’s. The current budget projections still fall short of achieving the targeted EBIDA of 2.9% or about \$29 million. Therefore management introduced the concept of evaluating closure of certain services by mid FY 2020, including OB services at Highland, women’s outpatient clinic services and the Psychiatric Emergency Services for the entire County. Many members of the AHS Board expressed major concerns and it seems clear discussions of program closures will continue.

The newest version of the AHS budget also included a capital expenditure of \$12.8 million in FY 2020 and \$13.3 million in FY 2021 labeled “Alameda Hospital future Planning”. While these amounts add up to what would be close to the total cost of the retrofit, it is hard to assess how AHS plans to handle capital projects in progress based on the Board resolution passed on May 23.

We need to keep focus on AHS’ need to maintain on schedule for the completion of the Alameda Hospital retrofit and make sure the District project does get overshadowed by the magnitude of the overall financial challenges of the System.

Due to the very real concern based on the bias expressed by AHS management and the financial crisis facing the System, I believe this is the time to voice our concerns not just to the AHS Board but also to our elected officials. Toward this end, several members of the Board and I have met and presented briefing packets to officials at the City, County and State levels about our concerns.

Architectural Planning with Ratcliff Architects:

The Ad Hoc Planning Committee (Gayle Codiga, Bobby Deutsch, Debi Stebbins) have met two more times with Ratcliff to discuss planning for the 2030 seismic requirements. Our target has been to determine if acute, emergency and necessary ancillary services could be accommodated just in the South Wing, which, by and large, is compliant with 2030 standards. The initial results look promising. However, our attention has turned in recent weeks to focusing first on the current issues with AHS. We should have a detailed report on 2030 architectural planning at the August Board meeting.

May 7, 2019

Michael Williams, President, Board of Directors
City of Alameda Health Care District
2070 Clinton Avenue
Alameda CA 94501

Dear Chairman Williams:

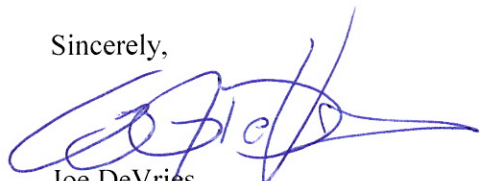
On Friday April 26, 2019, our Board met to discuss our strategic financial plans for the coming fiscal year and beyond. As you may have heard, Alameda Health System is facing a challenging financial future as it navigates a landscape of declining volumes in key areas, declining reimbursement for services to our indigent population, and increasing and more complex needs as “community” issues (e.g., housing/homelessness, limited mental health resources, etc.) complicate the health care delivery system.

The conclusion from the discussion amongst our Board was a need for more robust future planning in the context of the reality of our access to resources and continued focus on partnerships that permit our system to leverage opportunities throughout the community. Towards this end, I would like for our organizations to begin, at the governing board level, a discussion of revising our Joint Powers Agreement (JPA) to confront the present and future opportunities for health care services on the island. When first implemented, the JPA was focused on issues that were important, but subsequent developments make clear the need for further consideration.

It is our understanding that recent analysis of potential options for meeting the 2030 seismic requirements has not resulted in a viable plan for continued acute care operations at Alameda Hospital. The current JPA addressed the immediate need (in 2014) for continuing acute services provided by Alameda Hospital – we now must consider the best future use of Alameda Hospital. We are continuing with the commitment to prepare the Hospital to meet the 2020 seismic requirements, but in light of the limited value to be provided by those modifications, now is the time for our organizations to determine if there is a better, more sustainable course that could be supported by funds earmarked for that project.

I anticipate our Board convening an ad hoc committee to review the current and future state of the JPA and we would welcome the opportunity to work collaboratively with your Board on this important issue.

Sincerely,



Joe DeVries
President, Alameda Health System Board of Trustees

CITY OF ALAMEDA HEALTH CARE DISTRICT

June 3, 2019

Mr. Joe DeVries
1411 East 31st Street
Oakland, CA 94602

Dear Mr. DeVries:

We are in receipt of your May 7, 2019 letter, although we just received it earlier this week. Of course we are willing to participate in high level meetings, but more will be needed. In fact, recognizing the importance of the 2020 seismic upgrades, we have been trying to engage in discussions with AHS for a couple of years without success.

A year ago, your counsel asked to meet with our counsel, but his only request was that the District give up on its contractual right to those upgrades. Our counsel responded that before any revisions to the JPA could even be considered, the parties needed to undertake some serious short-, mid- and long term analysis and planning. We never heard another word from you or your counsel. So last year, the District engaged Kaufman Hall to assist us in that effort. After initially agreeing to participate, AHS administration refused to participate in evaluating a scenario that would optimize the use of Alameda Hospital as a part of the AHS system.

Your letter conveys your “understanding” that our work with Kaufman Hall did not yield ‘a viable plan for acute care operations at Alameda Hospital.’ That is not correct. There are scenarios for continued acute care operations on the island, but besides needing a viable partner going forward, we also need the continuation of the general acute care license that AHS’ recalcitrant behavior is endangering. As any healthcare professional knows, it is far preferable to work from the strength of an active general acute care license, then to try to license a new facility from scratch. Loss of that license would not only have draconian implications for the people of Alameda (loss of license means loss of emergency department), but AHS, while arguing to save capital dollars in the short term, would lose the extremely preferential reimbursement rates it receives for the two distinct part skilled nursing facilities located Alameda (estimated at \$10 million per year for AHS). Those two facilities are considered to be a “distinct part” of Alameda Hospital, and that distinct part status will cease without an active general acute care license. If that license goes away, so do those the distinct part rates. The financial implications of such a loss are worth serious analysis.

In the meantime, the clock is ticking with regard to AHS’ ability to timely comply with its contractual obligations within the confines of the recently enacted extension of the deadline for seismic compliance. Under the terms of the Joint Powers Agreement (“JPA”) between the District and AHS, dated November 26, 2013, specifically, but not limited to, paragraphs 1.1(n), and 2.1.

“AHS shall initiate and thereafter oversee and implement . . . the process of completing seismic upgrades required at Alameda Hospital for compliance with the seismic requirements established by the State of California for the year 2013 (as the same have been and may be extended with respect to Alameda Hospital) (the “2013 Seismic Requirements”). . . .”

Letter to Mr. Joe DeVries (page 2)

Under current law, those seismic upgrade requirements must be completed by July 1, 2022. However, in order to avail itself of that extension, the law requires that **“the owner shall submit a construction schedule, obtain a building permit, and begin construction by April 1, 2020.”** AHS has informed the District of two things: 1) that it has failed to engage the services of a contractor to do that work, and 2) that AHS has come to the conclusion that the City of Alameda does not need either an emergency room or acute care beds.

This is contrary to the JPA. The JPA also provides that:

4.1. Reserved Rights. AHS hereby agrees that, throughout the term of this Agreement, District shall have the following rights and privileges (collectively, the “Reserved Rights”), which shall be binding contractual obligations of AHS:

(b) AHS shall not reduce the number of Alameda Hospital's licensed beds for acute inpatient services to less than fifty (50) or close Alameda Hospital's Basic Level Emergency Department, in either case, without the prior written consent of District.

If the required seismic upgrades are not undertaken and completed in a timely manner by AHS, pursuant to the JPA as described above, Alameda Hospital will lose its license to provide general acute care services - which is to say it will have zero licensed beds. And without licensed acute care beds, it will be legally unable to provide the necessary, life-saving services of an Emergency Department.

At present, the Alameda Fire Department reports that fully half of the 2000 annual ambulance calls it receives result in patients being admitted to Alameda Hospital's Emergency Department. If that service closes, those ambulances will be required to drive substantially greater distances, off the island of Alameda, posing significant risks to patients and imposing a dramatic new burden on the Fire Department. And if an earthquake were to close the bridge and tunnel connections between Alameda and Oakland, the impact on injured Alamedans could be devastating.

The District has been attempting to engage with AHS for the last two years in an effort to address these concerns, but those efforts have been rebuffed with stony silence, until receipt of your letter. We agree that a Joint Task Force is necessary, but **immediate** action by AHS is required to preserve the license for Alameda Hospital. The District has engaged special counsel to explore all of its legal options with respect to the JPA, but we would prefer to reach an amicable resolution. In addition to the proposed Joint Task Force, we are hereby invoking section 8.2 of the JPA, which mandates informal discussions regarding AHS' breach of the JPA with regards to the 2013 Seismic Requirements, within thirty (30) days following the date of this letter. In order to make the most efficient use of both the District's and AHS' resources, we propose that the meeting of the Task Force be deemed to constitute the informal discussion required under the dispute resolution provisions of the JPA.

Ultimately, AHS needs to decide whether it is going to live up to its contractual obligations to the District and the taxpayers of the city of Alameda, or face significant legal consequences of its breach of the JPA and its obligations as set forth above.

I look forward to working with you and AHS to resolve these very serious matters.

Sincerely,

Michael Williams
President, Board of Directors

May 16, 2019

TO: Board of Trustees

FROM: General Counsel

SUBJECT: **Agenda Item:** E4 (Consent Agenda)

Meeting Date: May 23, 2019

Item Description: **Approval of the Ratification of Executive Committee Approval of Resolution 2019-0005 Establishing System Fiscal Priorities and Strategy.**

BOARD ACTION: **Adopt Resolution 2019-0005 Establishing System Fiscal Priorities and Strategy**

Background

On May 9, 2019 the Executive Committee convened and approved for ratification by the full Board of Trustees Resolution 2019-005 Establishing System Fiscal Priorities and Strategy.

Recommendation

Approve a motion to ratify Resolution 2019-005 Establishing System Fiscal Priorities and Strategy.

Prior Board Action: At the April 26, 2019 Board meeting, the Board authorized the Executive Committee to consider and adopt a resolution reflecting budget policy/strategy principles decided by the Board.

Board Action Requested: Approve Resolution 2019-005.

Fiscal Impact: TBD.

Budgeted/Authorized: n/a.

Estimated Cost Savings: n/a

Strategic Plan Pillar: Sustainability



BOARD OF TRUSTEES

RESOLUTION NO. 2019-005

A Resolution of the Alameda Health System Board Establishing System Fiscal Priorities and Strategy

WHEREAS, the Alameda Health System (“AHS”), a public hospital authority, has the mission of “Caring, Healing, Teaching, Serving All”; and

WHEREAS, consistent with its agreement with the County of Alameda, AHS is committed to adopting a budget that provides for sufficient margin to meet debt repayment obligations and to generate funds for capital needs; and

WHEREAS, historically, supplemental funding and reimbursement constitutes approximately one third of AHS operating revenue; and

WHEREAS, since 2005 AHS has participated in Section 1115 reimbursement programs (“Waiver”) that have provided a significant portion of AHS’s supplemental funding/reimbursement; and

WHEREAS, in 2020, the Waiver programs are expected to end and AHS will be required, through the normal reconciliation process with federal, state and local governments, to reimburse Waiver funds received in prior years; and

WHEREAS, there is a substantial negative impact of these developments on AHS’s ability to continue operations, to meet its obligations to repay advances received from Alameda County, and to continue capital improvements essential to the future viability of delivery of healthcare services to the residents of Alameda County; and

WHEREAS, AHS is committed to necessary cost containment and expense reduction to conform expenses to available revenue; and

WHEREAS, the Board of Trustees is committed to avoiding the reduction of any services provided by the organization or limiting resources available to patients and community members served by AHS.

NOW, THEREFORE BE IT RESOLVED THAT, the AHS Board of Trustees sets forth the following priorities and goals for adopting a budget for FY2019-2020:

- Clinical services will not be reduced or eliminated except as a last resort.
- New capital projects will be deferred and in progress capital projects will be subject to further review to establish the degree of need. Projects that do not support the critical clinical needs of the System will be deferred or cancelled.
- Staff is authorized to implement temporary personnel expense reduction programs (i.e., wage freeze, furlough, etc.).
- Staff will continue other expense reduction and revenue enhancement opportunities.
- Staff is authorized to develop a budget resulting in an EBIDA margin of not less than 1.48%.
- The Board calls upon partner organizations (labor and business partners) to work with AHS to facilitate expense reduction and cost containment.

I hereby certify under penalty of perjury that the President of the Board of Trustees was duly authorized to execute this document on behalf of Alameda Health System by majority of vote of the Board on May 23 and that a copy has been delivered to the President.

ATTEST:

Ronna Jojola Gonsalves
Clerk of the Board of Trustees

Date: _____

APPROVED AS TO FORM:

M. D. Moye
General Counsel

Date

THE FOREGOING Resolution was **PASSED** and **ADOPTED** by the Alameda Health System Board of Trustees this 23rd day of May, to wit:

President, Board of Trustees
Alameda Health System



1411 East 31st Street
Oakland, CA 94602

June 10, 2019

To: Alameda Health System
From: Delvecchio Finley, Chief Executive Officer
Re: AHS Fiscal Year 2020 Budget Status

As we reach the end of our fiscal year, I want to thank you for your steadfast commitment to provide the best possible healthcare services to our patients and our broader community. No matter what role you play in our organization, collectively you continue to inspire the awe and gratitude of our leaders and our Board for the amazing work you do, often in the most challenging of circumstances. Entering fiscal year 2020, most if not all of you are aware that AHS is facing extraordinary shifts in our fiscal landscape that threatens the future sustainability of our system and the services we provide. It's abundantly clear to us that changes must occur if we want to achieve our mission of Caring, Healing, Teaching and Serving All.

If you've attended our recent employee forums or any of our Board of Trustees meetings you know that we are facing a projected FY20 budget deficit of \$66 million as of last month. Medi-Cal's inadequate reimbursements and cuts to Disproportionate Share Hospital (DSH) payments, threatened changes in the 340B drug program and the expiration of the Medi-Cal 2020 waiver have pushed us to a structural "cliff" that must be addressed now. These challenges face all public health systems in California and across the country.

These changes pose a greater threat to Alameda Health System as they are exacerbated by other financial burdens we already bear with Alameda County including repayment of structural debt that has existed since our inception, pension costs, and no general fund support from the county that is normally available to other comprehensive public health systems like AHS. You have all done a tremendous job to drive efficiencies and productivity improvements throughout the system that has resulted in substantial cost savings for the organization while maintaining standards of care. It is clear that we alone cannot close the projected gap.

Despite our aggressive efforts to reduce expenses by nearly \$15M in FY19, the rising costs of wages, pharmaceuticals, and other operating expenses will further outpace revenue growth in the foreseeable future unless there are significant changes in Medi-Cal rates and the financial structural relationship between Alameda Health System and the County of Alameda.

While no final decisions have been made, without additional local support our Board is faced with only the tough choices to honor AHS's obligations to the County to produce a balanced budget, which includes continuing to meet AHS's debt payment to the County, through a combination of cutting wages and/or benefits, reducing or even eliminating vital community services, and even closing facilities. These services include- psychiatry emergency services, outpatient primary and specialty clinic sites, and women's services. Decisions of this magnitude portend a potential tragedy to our local community. The Board will be considering these service eliminations for the FY20 budget to take effect as of January 2020 if we are unable to secure additional financial support from our funding partners.

We firmly believe our budget is a tool by which we meet our mission which is our ultimate goal. We and our Board are working hard with the County and community stakeholders to find creative and constructive solutions to these budgetary challenges. AHS and each of you plays an essential role in providing health care to some of our most vulnerable residents and as we navigate through these challenging times I urge each of you to keep our vision at the forefront. We are working to be the advocates for you and our patients who deserve equitable opportunities to attain health and access to high-quality healthcare services. I know that our Board and the County Supervisors welcome your voices as providers and caregivers as well.

Thank you for your work thus far in helping us be good stewards of the limited invaluable resources we have to serve our community. I believe that we will not only get through this as we always have done before, but that we continue to become more effective and efficient care partners for our community and one another. During this challenging time I ask that keep doing what you have always done, to provide excellent care to our community and to ensure that you take care of yourself. I will be keeping you updated as I know more.

Open Session

Monday, April 8, 2019 Regular Meeting

Board Members Present				Legal Counsel Present	Excused / Absent
Gayle Godfrey Codiga	Dennis Popalardo			Tom Driscoll	
Robert Deutsch, MD	Michael Williams				
Tracy Jensen					
		Submitted by: Debi Stebbins, Executive Director			
Topic	Discussion			Action / Follow-Up	
I. Call to Order	The meeting was called to order at 5:30 p.m.				
II. Roll Call	Roll, had been called prior to the start of the closed session. A quorum of Directors was present.				
III. Report from Closed Session	President Williams noted that there were no actions taken in Closed Session.				
IV. General Public Comments	There were no comments from the general public.				
VI.	Regular Agenda				
A.	YTD AHS Reporting				
1)	Alameda Health System Liaison Report 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.				No action taken.

AHS management is working on the FY 2020 budget for the System which currently shows a \$100 M gap between the target EBIDA. This is the topic of discussion with the entire management team and will be reviewed at a special Board retreat on April 26, 2019. The plan is to present a final budget to the AHS Finance Committee and AHS Board in May.

HCAHPS Scores:

Mr. Fonseca presented the most recent patient experience scores which overall declined slightly from FY 2018 and from system goals.

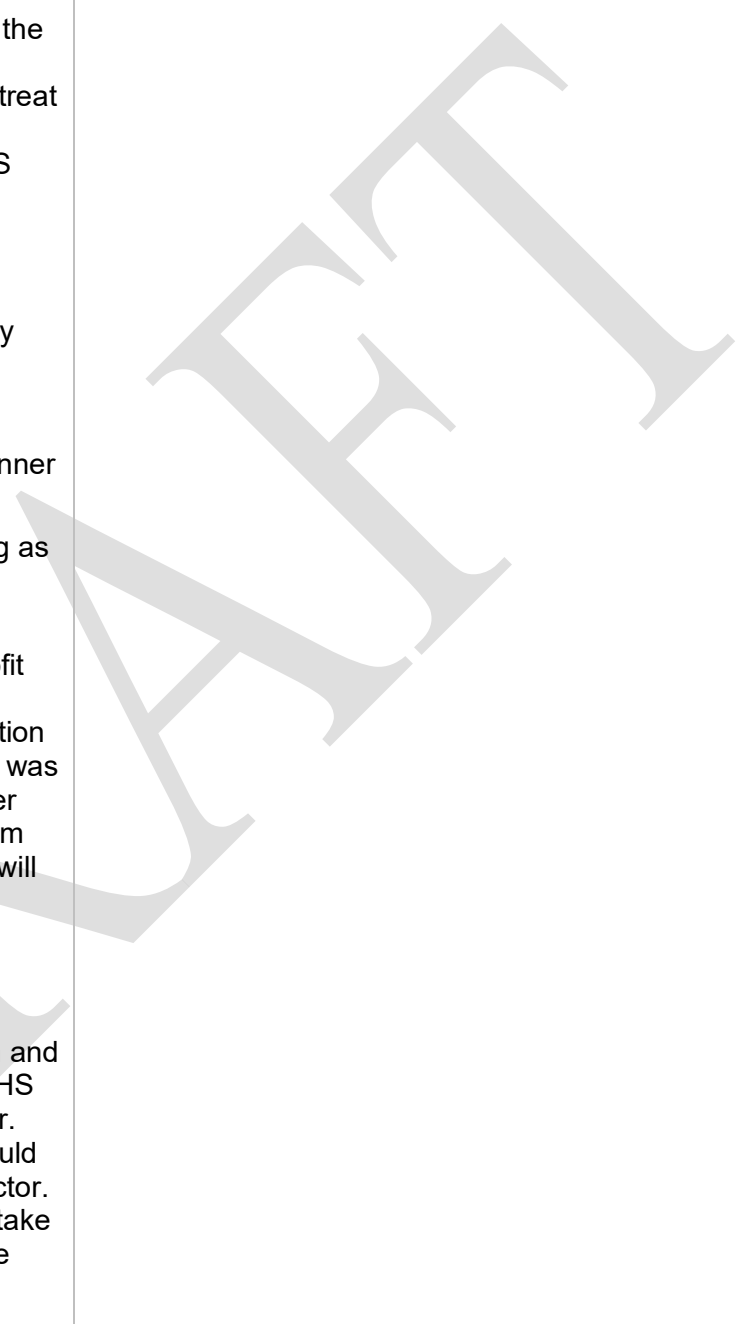
Seismic and Facility Updates:

Construction and installation of the new CT scanner is complete.

The sign-off and approval by OSHPD is pending as is licensing approval by CDPH. The target for seeing patients is early April, 2019.

The project to complete the SB 90 seismic retrofit requirements has now received all OSHPD approvals. AHS has also submitted the application to OSHPD for the extension under SB2190 that was due April 1, 2019. If an organization goes longer than 12 months without starting construction from the date of receipt of a State permit, the permit will expire.

Management had hoped to present a contract proposal for a guaranteed maximum price with Webcor in April but the prices submitted were substantially more than expected by the system and seemingly out of line with the scope of work. AHS is hoping to resolve this issue soon with Webcor. Worst case if the pricing cannot be resolved would be to establish a relationship with a new contractor. However, Mr. Fonseca stated they still hope to take the project for approval to the May AHS Finance committee.



	<p>There was extensive discussion and questions from the District Board. Mr. Fonseca stated it is still the AHS deadline to start this project no later than December 2019 with completion of construction by December 2020.</p> <p>Mr. Popalardo asked whether the financial information for Alameda Hospital included both acute care and long term care. Mr. Fonseca replied that the expenses do include both; however, there are not revenue data for Alameda Hospital because supplemental revenue is not allocated to the facilities.</p> <p>Mr. Fonseca also gave updates on recent community events in Alameda and on the status of labor negotiations with the registered nurses bargaining units at Alameda and San Leandro.</p> <p>.</p>		
<p>2)</p>	<p>Medical Staff Report:</p> <p>Dr. Joseph Marzouk reported that the medical staff has developed new policies and procedures for the use of the surgical residents from UCSF who will rotate through the Alameda Hospital OR. The residents will at all times be under the supervision of attending surgeons.</p> <p>The medical staff is still facing a challenge of securing specialist coverage in the areas of cardiology and GI.</p> <p>There is a joint group from AH and Highland working on the issues of streamlining transfers from Highland to Alameda Hospital. There is also a group working on increasing staffing and compensation for the AIM hospitalists who have been impacted by the increased inpatient census as a result of Highland transfers.</p>		<p>No action taken.</p>

	Dr. Marzouk noted that the transfers should be facilitated by a common medical record once EPIC is installed.		
B.	District and Operational Updates		
1)	District Liaison Repots		
	<p>a. President's Report</p> <p>President Williams reported that there was an Ad Hoc District – City Liaison Committee on February 25 with the Mayor, Acting City Manager and Fire Chief. AHS reported that Alameda Hospital will be able to receive 5150 patients for which the Emergency Department will have enhanced psychiatric coverage.</p> <p>He reported that he and Debi Stebbins had met recently with Mr. Finley and Mr. Fonseca about the AHS commitment to the 2020 seismic project.</p> <p>Mr. Williams indicated that he, Director Jensen and Ms. Stebbins attended a symposium on development projects in Alameda that was sponsored by the Chamber of Commerce.</p>		No action taken.
	<p>b. Community Liaison Report</p> <p>No report</p>		No action She taken.
	<p>c. Alameda Health System Liaison Report</p> <p>Director Jensen provided an update as liaison to the AHS Board of Trustees. She reported that the System has been experiencing significant difficulty in achieving EBIDA targets in the FY 2020 budget.</p>		No action taken.

	<p>This is expected to be the featured topic at a AHS Board retreat in late April.</p> <p>She and Ms. Stebbins met recently with Joe DeVries, chair of the AHS Board of Trustees, to review the terms of the 2013 JPA and express their concern about AHS failing to honor their commitments under the contract.</p>		
	<p>d. Alameda Hospital Liaison Report</p> <p>Director Deutsch updated the Board on the status of daily transfers from Highland to the Emergency Department at Alameda Hospital. There have been a minimum of 3 to maximum of 6 transfers per day with the average length of stay of 4.5 days. This results in an average census at any given time of 16 inpatients from Highland in Alameda Hospital.</p> <p>There is a transfer center staffed at AHS which is intended to ensure no unstable patients are transferred and that transfers occur as early in the day as possible to facilitate medical coverage at Alameda Hospital.</p>		<p>No action taken.</p>
	<p>e. Executive Director Report</p> <p>Mrs. Stebbins indicated that the District was sponsoring a table at the upcoming AHS Gala.</p> <p>She updated the Board on the status of independent website development for the District and presented two potential new logos for the District. The Board unanimously preferred the logo that echoed the portholes on the top of the original hospital building.</p> <p>Ms. Stebbins reviewed a letter dated March 8, 2019 sent to Mr. Finley and Mr. Fonseca from Director Williams and herself that outlined the District expectations that AHS comply with the terms of the</p>		<p>No action taken.</p>

	JPA in regard to the completion of the SB90 (SB2190) seismic requirements.		
C. Consent Agenda			
1)	Acceptance of Minutes of February 11, 2019		<p>There was a recommendation to modify the draft minutes to remove the sentence “ Director Williams, Popalardo and Jensen indicated their support of (Measure A)” since it could be misconstrued that the entire District Board had acted upon an endorsement of the measure.</p> <p>With that amendment, a motion was made, seconded and carried unanimously to approve the minutes of the board meeting of February 11, 2019.</p>
D. Action Items			
1)	Acceptance of Financial Statements for January and February 2019		<p>A motion was made, seconded and carried unanimously to approve the Financial Statements for January and February 2019.</p>

2)	<p>Approval of Distribution from the Jaber fund to Alameda Health System in the amount of \$77,308 for the purchase of capital equipment for Alameda Hospital for the period ending June 30, 2018.</p> <p>The Jaber Estate bequest provides that the Jaber fund shall be used for the purchase of capital equipment directly related to the diagnosis and treatment of patients at Alameda Hospital. The Jaber will also stipulates that a maximum of 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. This amount would be \$77,308 for the fiscal year ending June 30, 2018.</p>		<p>A motion was made, seconded and carries to authorize distribution from the Jaber account for use of purchase of capital expenses relating to purchase of a Thunderbolt Analyzer, Stago STA Compact Max and Alcon Centurion.</p>
5)	<p>Discussion of Change of Date for June, 2019 District Board meeting</p> <p>At the request of the Executive Director, the scheduled meeting for June, 2019 was changed from June 10, 2019 to June 17, 2019.</p>		<p>It was moved, seconded and carried to change the date of the June, 2019 District Board meeting to June 17, 2019.</p>
E. June, 2019 Agenda Preview			
Action Items			
1)	Acceptance of April 8, 2019 Minutes		
2)	Acceptance of Financial Statements: March and April, 2019		

	There was a suggestion that in addition to the items listed above, the following items be added to the June agenda: preview of new brand identity and website and preliminary review of FY 2020 budget. Status of Jaber loan		
Information Items:			No action taken.
1)	YTD AHS Reporting (CAO/Hospital, Quality, Financial, Medical Staff Reports)		
V. General Public Comments			None
VI. Board Comments			None
VII. Adjournment	There being no further business, the meeting was adjourned at 7:45 pm		

Approved: _____

CITY OF ALAMEDA HEALTH CARE DISTRICT

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD

March 1 -31, 2019

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT

	As of <u>6/30/2018</u>	As of <u>3/31/2019</u>
Assets		
<u>Current assets:</u>		
Cash and cash equivalents	\$ 1,008,285	\$ 542,804
Grant and other receivables	298,045	1,276,259
Prepaid expenses and deposits	34,364	28,298
Total current assets	<u>1,340,694</u>	<u>1,847,361</u>
Assets limited as to use	557,671	680,491
Capital Assets, net of accumulated depreciation	<u>3,030,118</u>	<u>2,844,435</u>
	4,928,483	5,372,288
Other Assets	9,711	8,030
Total assets	<u>\$ 4,938,194</u>	<u>\$ 5,380,318</u>
 Liabilities and Net Position		
<u>Current liabilities:</u>		
Current maturities of debt borrowings	\$ 31,271	\$ 31,271
Accounts payable and accrued expenses	16,000	22,115
Total current liabilities	<u>47,271</u>	<u>53,386</u>
Debt borrowings net of current maturities	<u>939,726</u>	<u>918,152</u>
Total liabilities	986,997	971,538
 Net position:		
Total net position (deficit)	<u>3,951,197</u>	<u>4,408,780</u>
Total liabilities and net position	<u>\$ 4,938,194</u>	<u>\$ 5,380,318</u>

Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD 6/30/2018	Actual YTD 3/31/2019	Budget YTD 3/31/2019	Variance	
Revenues and other support					
District Tax Revenues	\$ 5,920,695	\$ 4,218,000	\$ 4,421,473	203,473	5%
Rents	204,791	150,773	161,215	10,441	6%
Other revenues	6	-	1,875	1,875	
Total revenues	6,125,491	4,368,773	4,584,563	215,789	
Expenses					
Professional fees - executive director	-	102,675	86,250	(16,425)	-19%
Professional fees	96,006	283,510	405,263	121,753	30%
Supplies	2,646	6,065	6,825	760	11%
Purchased services	6,471	3,500	3,375	(125)	-4%
Repairs and maintenance	19,076	7,858	23,250	15,392	66%
Rents	26,478	20,537	20,391	(146)	-1%
Utilities	10,459	8,655	9,660	1,005	10%
Insurance	47,368	36,338	35,483	(855)	-2%
Depreciation and amortization	249,818	187,363	303,318	115,955	
Interest	47,945	40,130	33,594	(6,536)	-19%
Travel, meeting and conferences	1,500	18	11,250	11,233	100%
Other expenses	9,399	17,262	243,525	226,263	93%
Total expenses	517,167	713,911	1,182,184	468,273	
Operating gains	5,608,325	3,654,863	3,402,379	(252,484)	-7%
Transfers	(5,508,076)	(3,197,280)	(3,733,567)		
Increase in net position	100,249	457,583	(331,188)		
Net position at <i>beginning of the year</i>	3,850,948	3,951,197	3,951,197		
Net position at the <i>end of the period</i>	\$ 3,951,197	\$ 4,408,780	\$ 3,620,009		

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD 6/30/2018	Actual YTD 3/31/2019
Increase in net position	\$ 100,249	\$ 457,583
Add Non Cash items		
Depreciation	249,818	187,363
Changes in operating assets and liabilities		
Grant and other receivables	(2,265)	(978,214)
Prepaid expenses and deposits	333	6,066
Accounts payable and accrued expenses	14,036	6,115
Accrued payroll and related liabilities	-	-
Net Cash provided(used) by operating activities	362,171	(321,086)
Cash flows from investing activities		
Changes in assets limited to use	196,742	(122,820)
Net Cash used in investing activities	196,742	(122,820)
Cash flows from financing activities		
Principal payments on debt borrowings	(32,331)	(21,574)
Net cash used by financing activities	(32,331)	(21,574)
Net change in cash and cash equivalents	526,581	(465,481)
Cash at the beginning of the year	481,704	1,008,285
Cash at the end of the period	\$ 1,008,285	\$ 542,804

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District 6/30/2018	Jaber 6/30/2018	As of 6/30/2018	District 3/31/2019	Jaber 3/31/2019	As of 3/31/2019
Assets						
<u>Current assets:</u>						
Cash and cash equivalents	\$ 1,008,285	\$ -	\$ 1,008,285	\$ 542,804	\$ -	\$ 542,804
Grant and other receivables	298,045	0	298,045	1,276,259	0	1,276,259
Prepaid expenses and deposits	31,101	3,263	34,364	28,298	(0)	28,298
Total current assets	1,337,432	3,263	1,340,694	1,847,361	(0)	1,847,361
Due To Due From	9,374	(9,374)	0	9,374	(9,374)	0
Assets limited as to use	0	557,671	557,671	0	680,491	680,491
Capital Assets, net of accumulated depreciation	1,522,518	1,507,600	3,030,118	1,364,884	1,479,551	2,844,435
	2,869,324	2,059,160	4,928,483	3,221,619	2,150,668	5,372,288
Other Assets	9,711	0	9,711	8,030	0	8,030
Total assets	2,879,034	2,059,160	4,938,194	3,229,650	2,150,668	5,380,318
Liabilities and Net Position						
<u>Current liabilities:</u>						
Current maturities of debt borrowings	32,449	0	32,449	31,271	0	31,271
Accounts payable and accrued expenses	16,000	0	16,000	22,115	0	22,115
Total current liabilities	47,271	0	47,271	53,386	0	53,386
Debt borrowings net of current maturities	938,548	0	938,548	918,152	0	918,152
Total liabilities	986,997	0	986,997	971,538	0	971,538
Net position:						
Total net position (deficit)	1,892,036	2,059,160	3,951,197	2,258,112	2,150,668	4,408,780
Total liabilities and net position	\$2,879,034	\$2,059,160	\$4,938,194	\$3,229,650	\$2,150,668	\$5,380,318

Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District	Jaber	Actual	District	Jaber	Actual
	6/30/2018	6/30/2018	YTD 6/30/2018	3/31/2019	3/31/2019	YTD 3/31/2019
Revenues and other support						
District Tax Revenues	5,920,695	0	5,920,695	4,218,000	0	4,218,000
Rents	0	204,791	204,791	0	150,773	150,773
Other revenues	6	0	6	0	0	0
Total revenues	5,920,701	204,791	6,125,491	4,218,000	150,773	4,368,773
Expenses						
Professional fees - executive director	0	0	0	102,675	0	102,675
Professional fees	86,369	9,638	96,006	276,290	7,220	283,510
Supplies	2,646	0	2,646	6,065	0	6,065
Purchased services	6,471	0	6,471	3,500	0	3,500
Repairs and maintenance	0	19,076	19,076	0	7,858	7,858
Rents	26,478	0	26,478	20,537	0	20,537
Utilities	620	9,840	10,459	1,029	7,626	8,655
Insurance	42,474	4,894	47,368	33,075	3,263	36,338
Depreciation and amortization	212,418	37,400	249,818	159,313	28,050	187,363
Interest	47,945	0	47,945	40,130	0	40,130
Travel, meeting and conferences	1,500	0	1,500	18	0	18
Other expenses	4,052	5,348	9,399	12,014	5,248	17,263
Total expenses	430,971	86,195	517,167	654,645	59,265	713,912
Operating gains	5,489,730	118,595	5,608,325	3,563,355	91,508	3,654,862
Transfers	(5,150,445)	(357,631)	(5,508,076)	(3,197,280)	0	(3,197,280)
Increase in net position	339,285	(239,036)	100,249	366,075	91,508	457,582
Net position at <i>beginning of the year</i>	1,552,752	2,298,196	3,850,948	1,892,037	2,059,160	3,951,197
Net position at the <i>end of the period</i>	1,892,037	2,059,160	3,951,197	2,258,112	2,150,668	4,408,779

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District	Jaber	Actual	District	Jaber	Actual
	6/30/2018	6/30/2018	YTD 6/30/2018	3/31/2019	3/31/2019	YTD 3/31/2019
Increase in net position	339,285	(239,036)	100,249	366,075	91,508	457,582
Add Non Cash items						
Depreciation	212,418	37,400	249,818	159,313	28,050	187,363
Changes in operating assets and liabilities						
Grant and other receivables	(2,265)	0	(2,265)	(978,214)	0	(978,212)
Prepaid expenses and deposits	333	0	333	2,803	3,263	6,066
Due To Due From	(4,894)	4,894	0	0	0	0
Accounts payable and accrued expenses	14,037	0	14,036	6,115	0	6,115
Net Cash provided(used) by operating activities	558,913	(196,741)	362,171	(443,907)	122,821	(321,085)
Cash flows from investing activities						
Acquisition of Property Plant and Equipment	0	0	(0)	1	(1)	0
Changes in assets limited to use	0	196,742	196,742	0	(122,820)	(122,820)
Net Cash used in investing activities	0	196,742	196,742	1	(122,821)	(122,820)
Cash flows from financing activities						
Principal payments on debt borrowings	(32,331)	0	(32,331)	(21,574)	0	(21,574)
Net cash used by financing activities	(32,331)	0	(32,331)	(21,574)	0	(21,574)
Net change in cash and cash equivalents	526,582	0	526,581	(465,481)	(0)	(465,480)
Cash at the beginning of the year	481,704	(0)	481,704	1,008,285	0	1,008,285
Cash at the end of the period	1,008,285	0	1,008,285	542,804	0	542,804

CITY OF ALAMEDA HEALTH CARE DISTRICT

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD

April 1-30, 2019

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT

	As of <u>6/30/2018</u>	As of <u>4/30/2019</u>
Assets		
<u>Current assets:</u>		
Cash and cash equivalents	\$ 1,008,285	\$ 3,005,061
Grant and other receivables	298,045	(0)
Prepaid expenses and deposits	34,364	30,810
Total current assets	<u>1,340,694</u>	<u>3,035,871</u>
Assets limited as to use	557,671	695,749
Capital Assets, net of accumulated depreciation	<u>3,030,118</u>	<u>2,823,804</u>
	4,928,483	6,555,424
Other Assets	9,711	7,843
Total assets	<u>\$ 4,938,194</u>	<u>\$ 6,563,267</u>
Liabilities and Net Position		
<u>Current liabilities:</u>		
Current maturities of debt borrowings	\$ 31,271	\$ 31,271
Accounts payable and accrued expenses	<u>16,000</u>	<u>23,415</u>
Total current liabilities	47,271	54,686
Debt borrowings net of current maturities	<u>939,726</u>	<u>915,657</u>
Total liabilities	986,997	970,343
Net position:		
Total net position (deficit)	<u>3,951,197</u>	<u>5,592,924</u>
Total liabilities and net position	<u>\$ 4,938,194</u>	<u>\$ 6,563,267</u>

Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD 6/30/2018	Actual YTD 4/30/2019	Budget YTD 4/30/2019	Variance	
Revenues and other support					
District Tax Revenues	\$ 5,920,695	\$ 5,601,599	\$ 4,912,748	(688,852)	-14%
Rents	204,791	167,695	179,128	11,433	6%
Other revenues	6	-	2,083	2,083	
Total revenues	6,125,491	5,769,294	5,093,958	(675,336)	
Expenses					
Professional fees - executive director	-	112,258	95,833	(16,425)	-17%
Professional fees	96,006	290,347	450,292	159,945	36%
Supplies	2,646	6,668	7,583	915	12%
Purchased services	6,471	3,950	3,750	(200)	-5%
Repairs and maintenance	19,076	8,696	25,833	17,137	66%
Rents	26,478	20,537	22,657	2,120	9%
Utilities	10,459	8,983	10,733	1,751	16%
Insurance	47,368	39,059	39,426	366	1%
Depreciation and amortization	249,818	208,182	337,020	128,838	
Interest	47,945	44,491	37,327	(7,164)	-19%
Travel, meeting and conferences	1,500	18	12,500	12,483	100%
Other expenses	9,399	187,099	270,583	83,484	31%
Total expenses	517,167	930,287	1,313,538	383,251	
Operating gains	5,608,325	4,839,007	3,780,421	(1,058,586)	-28%
Transfers	(5,508,076)	(3,197,280)	(4,148,408)		
Increase in net position	100,249	1,641,727	(367,987)		
Net position at <i>beginning of the year</i>	3,850,948	3,951,197	3,951,197		
Net position at the <i>end of the period</i>	\$ 3,951,197	\$ 5,592,925	\$ 3,583,211		

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	Actual YTD 6/30/2018	Actual YTD 4/30/2019
Increase in net position	\$ 100,249	\$ 1,641,727
Add Non Cash items		
Depreciation	249,818	208,182
Changes in operating assets and liabilities		
Grant and other receivables	(2,265)	298,045
Prepaid expenses and deposits	333	3,554
Accounts payable and accrued expenses	14,036	7,415
Accrued payroll and related liabilities	-	-
Net Cash provided(used) by operating activities	362,171	2,158,924
Cash flows from investing activities		
Changes in assets limited to use	196,742	(138,078)
Net Cash used in investing activities	196,742	(138,078)
Cash flows from financing activities		
Principal payments on debt borrowings	(32,331)	(24,069)
Net cash used by financing activities	(32,331)	(24,069)
Net change in cash and cash equivalents	526,581	1,996,776
Cash at the beginning of the year	481,704	1,008,285
Cash at the end of the period	\$ 1,008,285	\$ 3,005,061

Balance Sheets

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District 6/30/2018	Jaber 6/30/2018	As of 6/30/2018	District 4/30/2019	Jaber 4/30/2019	As of 4/30/2019
Assets						
<u>Current assets:</u>						
Cash and cash equivalents	\$ 1,008,285	\$ -	\$ 1,008,285	\$ 3,005,061	\$ -	\$ 3,005,061
Grant and other receivables	298,045	0	298,045	(0)	0	(0)
Prepaid expenses and deposits	31,101	3,263	34,364	30,810	(0)	30,810
Total current assets	1,337,432	3,263	1,340,694	3,035,871	(0)	3,035,871
Due To Due From	9,374	(9,374)	0	9,374	(9,374)	0
Assets limited as to use	0	557,671	557,671	0	695,749	695,749
Capital Assets, net of accumulated depreciation	1,522,518	1,507,600	3,030,118	1,347,371	1,476,433	2,823,804
	2,869,324	2,059,160	4,928,483	4,392,616	2,162,808	6,555,424
Other Assets	9,711	0	9,711	7,843	0	7,843
Total assets	2,879,034	2,059,160	4,938,194	4,400,459	2,162,808	6,563,267
Liabilities and Net Position						
<u>Current liabilities:</u>						
Current maturities of debt borrowings	32,449	0	32,449	31,271	0	31,271
Accounts payable and accrued expenses	16,000	0	16,000	23,415	0	23,415
Total current liabilities	47,271	0	47,271	54,686	0	54,686
Debt borrowings net of current maturities	938,548	0	938,548	915,657	0	915,657
Total liabilities	986,997	0	986,997	970,343	0	970,343
Net position:						
Total net position (deficit)	1,892,036	2,059,160	3,951,197	3,430,116	2,162,808	5,592,924
Total liabilities and net position	\$2,879,034	\$2,059,160	\$4,938,194	\$4,400,459	\$2,162,808	\$6,563,267

Statements of Revenues, Expenses and Changes in Net Position

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District	Jaber	Actual	District	Jaber	Actual
	6/30/2018	6/30/2018	YTD 6/30/2018	4/30/2019	4/30/2019	YTD 4/30/2019
Revenues and other support						
District Tax Revenues	5,920,695	0	5,920,695	5,601,599	0	5,601,599
Rents	0	204,791	204,791	0	167,695	167,695
Other revenues	6	0	6	0	0	0
Total revenues	5,920,701	204,791	6,125,491	5,601,599	167,695	5,769,294
Expenses						
Professional fees - executive director	0	0	0	112,258	0	112,258
Professional fees	86,369	9,638	96,006	282,282	8,065	290,347
Supplies	2,646	0	2,646	6,668	0	6,668
Purchased services	6,471	0	6,471	3,950	0	3,950
Repairs and maintenance	0	19,076	19,076	0	8,696	8,696
Rents	26,478	0	26,478	20,537	0	20,537
Utilities	620	9,840	10,459	1,056	7,927	8,983
Insurance	42,474	4,894	47,368	35,797	3,263	39,059
Depreciation and amortization	212,418	37,400	249,818	177,015	31,167	208,182
Interest	47,945	0	47,945	44,491	0	44,491
Travel, meeting and conferences	1,500	0	1,500	18	0	18
Other expenses	4,052	5,348	9,399	182,169	4,930	187,100
Total expenses	430,971	86,195	517,167	866,240	64,047	930,287
Operating gains	5,489,730	118,595	5,608,325	4,735,359	103,648	4,839,007
Transfers	(5,150,445)	(357,631)	(5,508,076)	(3,197,280)	0	(3,197,280)
Increase in net position	339,285	(239,036)	100,249	1,538,079	103,648	1,641,727
Net position at <i>beginning of the year</i>	1,552,752	2,298,196	3,850,948	1,892,037	2,059,160	3,951,197
Net position at the <i>end of the period</i>	1,892,037	2,059,160	3,951,197	3,430,116	2,162,808	5,592,924

Statements of Cash Flows

CITY OF ALAMEDA HEALTHCARE DISTRICT

	District	Jaber	Actual	District	Jaber	Actual
	6/30/2018	6/30/2018	YTD 6/30/2018	4/30/2019	4/30/2019	YTD 4/30/2019
Increase in net position	339,285	(239,036)	100,249	1,538,079	103,648	1,641,727
Add Non Cash items						
Depreciation	212,418	37,400	249,818	177,015	31,167	208,182
Changes in operating assets and liabilities						
Grant and other receivables	(2,265)	0	(2,265)	298,045	0	298,045
Prepaid expenses and deposits	333	0	333	292	3,263	3,554
Due To Due From	(4,894)	4,894	0	0	0	0
Accounts payable and accrued expenses	14,037	0	14,036	7,415	0	7,415
Net Cash provided(used) by operating activities	558,913	(196,741)	362,171	2,020,846	138,077	2,158,923
Cash flows from investing activities						
Acquisition of Property Plant and Equipment	0	0	(0)	0	0	0
Changes in assets limited to use	0	196,742	196,742	0	(138,077)	(138,077)
Net Cash used in investing activities	0	196,742	196,742	0	(138,077)	(138,077)
Cash flows from financing activities						
Principal payments on debt borrowings	(32,331)	0	(32,331)	(24,069)	0	(24,069)
Net cash used by financing activities	(32,331)	0	(32,331)	(24,069)	0	(24,069)
Net change in cash and cash equivalents	526,582	0	526,581	1,996,776	0	1,996,776
Cash at the beginning of the year	481,704	(0)	481,704	1,008,285	0	1,008,285
Cash at the end of the period	1,008,285	0	1,008,285	3,005,061	0	3,005,061