

AGENDA

EAST KERN HEALTH CARE DISTRICT BOARD OF DIRECTORS

SPECIAL MEETING

8101 Bay Ave. CALIFORNIA CITY

Our mission is to expend financial resources to help residents of the District satisfy their healthcare needs.

05/19/2021 5:00PM

Special Notice

Teleconference Accessibility

Pursuant to Executive Order N-29-20 issued by Governor Newsom in response to the COVID-19 outbreak and as a precaution to protect both staff, our constituents, and elected officials, the East Kern Health Care District will hold its board meeting via teleconference or the most rapid means of communication at the time. The public may participate in the teleconference by clicking on the link below:

<https://us02web.zoom.us/j/9571124702>

Meeting ID: 957 112 4702

Public comments may be made through teleconference when prompted by the President during the public comment period. Public comments may also be provided through email by emailing eastkernhealthcaredistrict@gmail.com during or prior to the meeting.

Please indicate comments on the subject line.

If you have difficulty connecting to the teleconference line, please call 669-900-6833 or email eastkernhealthcaredistrict@gmail.com

1. PLEDGE OF ALLEGIANCE

2. CALL TO ORDER

3. ROLL CALL

- 4.** Director R. Foley
Chair K. Macedonio
Director R. Macedonio
Director L. Patrick
Director L. Peralta

Staff Present: Alex Lemieux- Legal Counsel-by phone

David Aranda, BHI Consultant
Linda Cook, Consultant

5. APPROVAL OF AGENDA

Motion _____ Second _____

Action _____

ACTION ITEMS: NEW BUSINESS

- 6. DISCUSSION REGARDING NEW WEBSITE FOR EKHCD, ESTABLISHED WITH STREAMLINE.**
- 7. DISCUSSION REGARDING FINANCIAL REPORTS BROUGHT INTO BALANCE.**
- 8. DISCUSSION REGARDING DRAFT BUDGET FOR FISCAL YEAR 2022.**
- 9. DISCUSSION AND DIRECTION REGARDING MISSION, VISION AND DIRECTION OF THE EAST KERN HEALTH CARE DISTRICT.**

10. PUBLIC PRESENTATIONS:

This portion of the meeting is reserved for persons desiring to address the Board on any matter not on this agenda and over which the Board has jurisdiction. Please be advised that the Brown Act prohibits action on items that are not listed on the agenda. The board may set such items for consideration at some future Board meeting.

FUTURE AGENDA ITEMS:

Dir. R. Foley
Dir. K. Macedonio:
Dir. R. Macedonio:
Dir. L. Patrick:
Dir. L. Peralta

DIRECTORS COMMENTS FOR NON-AGENDA ITEMS:

Dir. R. Foley
Dir. K. Macedonio:
Dir. R. Macedonio:
Dir. L. Patrick:
Dir. L. Peralta

STAFF COMMENTS:

Linda Cook:

David Aranda:
Alex Lemieux:

ADJOURNMENT

Motion _____ Second _____ Time _____

NEXT REGULAR MEETING: June 1, 2021 5:00 pm. 8101 Bay Ave California City, CA

“Pursuant to Government Code Section 54954.2(a), any request for a disability-related modification or accommodation, including auxiliary aids or services, that is sought in order to participate in this agendaized public meeting should be directed to the District’s office at [\(760\) 373-2804](tel:7603732804) or Cell (661) 220-6100 at least 48 hours prior to said meeting.”
Agenda posted 04/30/2021

SUBJECT: Discussion regarding Website that has been established with Streamline.

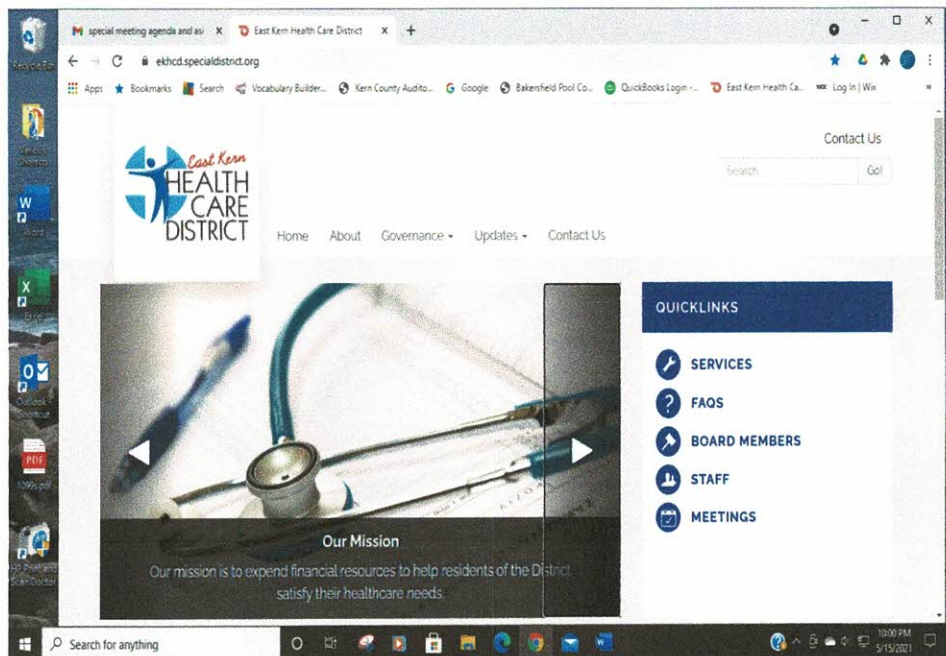
SUBMITTED BY: David Aranda, BHI Consulting

MEETING DATE: Special Projects Meeting: May 19, 2021

BACKGROUND: The Board agreed to move forward with Linda Cook working with Streamline in establishing a website that would assist the District in meeting all legal guidelines and in taking a step to better promote the District.

The Board President, at the May 4, 2021 Board Meeting, created an Ad Hoc Committee of Director Patrick and Director Foley.

This agenda item will give an opportunity for all to make comments about the Website that has been established.



RECOMMENDATION:

This is not an action item, but staff will note comments in preparation for future meetings and to meet the needs of the District in relation to the community.

SUBJECT: Discussion regarding the financials being placed in balance.

SUBMITTED BY: David Aranda, BHI Consulting

MEETING DATE: Special Projects Meeting: May 19, 2021

BACKGROUND: I believe that several Director's knew that the District was not in balance, despite the audit of 2019. This was a concern, and so Linda Cook has worked diligently on correcting this. You will note her report and the attachments show that she has corrected the problem and stated what needs to happen to continue to properly input financials in the future.

I am sure we would all like to thank Linda for this detective work that has benefited the District.

RECOMMENDATION:

None, unless the Board has some questions.

EKHCD Report #3

QuickBooks Online Findings Resolved:

There have been several issues with the QuickBooks Online Accounting System which were noted over the last three months:

- As you recall, there were several large Journal Entries hanging out there from long ago making the A/R look funky. I have attached an example of that, which would show up, whenever a report was ran in QuickBooks. In QuickBooks Online, if the right workflow is not followed, it leaves behind a mess in the A/R. There is an example on the spreadsheet provided to David. Unfortunately, these journal entries were done several years ago, and fixing that workflow now, was possible, but took a lot of diligence. What this meant for me, was spending several hours focusing on finding the initial journal entries that were created by CPA's, who meant well, but did not follow the correct workflow that anyone who uses QuickBooks Online **must** follow. These Journal Entries went all the way back to 2008, and one by one had to be pulled up, and linked to the correct Accounts Receivable customer. Many of them are already closed accounts in our eyes, or not an account at all, such as the account "CPA Adjustments", and the "Kern County Tax" account, which should not have been set up this way at all. Kern County Taxes are not a Sales customer for us. The taxes now flow directly into the Kern County Tax Asset account and show as an asset on our books from the moment the taxes are collected. The taxes are a deposit into our account, Fund# 42160, which is held by the County, but clearly belong to EKHCD, so it is listed on our books, then the transfers are done, as a transfer, not a deposit into our Mission Bank Checking account. *Please note, the auditors were cleaning up the balances on the General Ledger, so the end result looked good in their eyes, but was not cleaning up the A/R correctly. The end result was a bad reporting system.
- The second thing I cleared up this week is Bartz Altadonna A/R account. I have set up an asset for the flooring, as well as bringing all the rent postings up to date for Bartz Altadonna. I then, with that offset, applied the flooring charges to the rental amounts that were posted, and now their account is accurate, and the credit should be cleared

out in the next couple of months, and at that time, we will begin collecting rent from them.

- Spent some time reconciling individual account balances, to make sure there are no further mis-coded items hanging out there, and that what you see on the reports has an explanation. Looked closely at the A/P account and the balances in there.

Exhibit "A" Before Cleanup

A/R Aging Detail

As of December 31, 2021

Date	Transaction Type	Num	Customer	Due Date	Amount	Open Balance
91 or more days past due						
06/30/2008	Journal Entry	AUDIT 4b	Kern Cty Taxes	06/30/2008	-361.80	-361.80
06/30/2008	Journal Entry	AUDIT 8	T.J. Sri, M.D.	06/30/2008	5,400.00	5,400.00
06/30/2009	Journal Entry	Audit 11A	Kern Cty Taxes	06/30/2009	-1,962.37	-1,962.37
06/30/2009	Journal Entry	Audit 2	Kern Cty Taxes	06/30/2009	9,485.96	5,646.95
06/30/2009	Journal Entry	Audit 11	T.J. Sri, M.D.	06/30/2009	10,800.00	10,800.00
06/30/2010	Journal Entry	Audit 10	Kern Cty Taxes	06/30/2010	-9,485.96	-9,485.96
06/30/2010	Journal Entry	Audit 12	T.J. Sri, M.D.	06/30/2010	21,600.00	21,600.00
12/01/2013	Invoice	346	Cal City Clinic	12/01/2013	1,600.00	800.00
01/01/2014	Invoice	349	Cal City Clinic	01/01/2014	1,600.00	1,600.00
02/01/2014	Invoice	353	Cal City Clinic	02/01/2014	1,600.00	1,600.00
03/01/2014	Invoice	356	Cal City Clinic	03/01/2014	1,600.00	1,600.00
04/01/2014	Invoice	358	Cal City Clinic	04/01/2014	1,600.00	1,600.00
05/01/2014	Invoice	360	Cal City Clinic	05/01/2014	1,600.00	1,600.00
06/01/2014	Invoice	362	Cal City Clinic	06/01/2014	1,600.00	1,600.00
07/01/2014	Invoice	365	Cal City Clinic	07/01/2014	1,600.00	1,600.00
08/01/2014	Invoice	367	Cal City Clinic	08/01/2014	1,600.00	1,600.00
09/01/2014	Invoice	372	Cal City Clinic	09/01/2014	1,600.00	1,600.00
10/01/2014	Invoice	374	Cal City Clinic	10/01/2014	1,600.00	1,600.00
11/01/2014	Invoice	392	Cal City Clinic	11/01/2014	1,600.00	1,600.00
12/01/2014	Invoice	394	Cal City Clinic	12/01/2014	1,600.00	1,600.00
01/01/2015	Invoice	396	Cal City Clinic	01/01/2015	1,600.00	1,600.00

Exhibit A Continued

Date	Transaction Type	Num	Customer	Due Date	Amount	Open Balance
02/01/2015	Invoice	398	Cal City Clinic	02/01/2015	1,600.00	1,600.00
03/01/2015	Invoice	400	Cal City Clinic	03/01/2015	1,600.00	1,600.00
04/01/2015	Invoice	409	Cal City Clinic	04/01/2015	1,600.00	1,600.00
06/30/2015	Journal Entry	BCEB15-05	CPA Adjustment	06/30/2015	-99,459.00	-99,459.00
06/30/2015	Journal Entry	BCEB15-09	CPA Adjustment	06/30/2015	-49,400.00	-49,400.00
06/30/2015	Journal Entry	BCEB15-11	CPA Adjustment	06/30/2015	1,200.00	1,200.00
06/30/2015	Journal Entry	BCEB15-10	CPA Adjustment	06/30/2015	10,850.00	10,850.00
03/02/2016	Payment	Voucher# V011390932	Kern Cty Taxes	03/02/2016	-27,430.98	-27,430.98
03/25/2016	Payment	Voucher#V011393285	Kern Cty Taxes	03/25/2016	-3,827.75	-3,827.75
04/22/2016	Payment	V011395886	Kern Cty Taxes	04/22/2016	-7,192.46	-7,192.46
04/28/2016	Payment	V011396676	Kern Cty Taxes	04/28/2016	-53,582.21	-53,582.21
05/27/2016	Payment	V011399347	Kern Cty Taxes	05/27/2016	-5,141.58	-5,141.58
06/20/2016	Payment	V011401355	Kern Cty Taxes	06/20/2016	-716.06	-716.06
06/23/2016	Payment	V011402333	Kern Cty Taxes	06/23/2016	-20,982.48	-20,982.48
07/28/2016	Payment	V011404698	Kern Cty Taxes	07/28/2016	-852.68	-852.68
09/07/2016	Payment	V011408058	Kern Cty Taxes	09/07/2016	-242.80	-242.80
09/26/2016	Payment	V011409696	Kern Cty Taxes	09/26/2016	-11,555.64	-11,555.64
10/25/2016	Payment	V011413084	Kern Cty Taxes	10/25/2016	-1,184.78	-1,184.78
12/06/2016	Payment	V011416308	Kern Cty Taxes	12/06/2016	-9,086.75	-9,086.75
12/16/2016	Payment	V011417867	Kern Cty Taxes	12/16/2016	-19,268.55	-19,268.55
12/30/2016	Payment	V011418986	Kern Cty Taxes	12/30/2016	-47,998.45	-47,998.45
01/17/2017	Payment	vo11420488	Kern Cty Taxes	01/17/2017	-3,270.87	-3,270.87
02/28/2017	Payment	V011424280	Kern Cty Taxes	02/28/2017	-22,733.94	-22,733.94
03/16/2017	Payment	V011426209	Kern Cty Taxes	03/16/2017	-2,419.22	-2,419.22

Exhibit A Continued

Date	Transaction Type	Num	Customer	Due Date	Amount	Open Balance
04/11/2017	Payment	VO11428482	Kern City Taxes	04/11/2017	-10,784.44	-10,784.44
04/27/2017	Payment	VO1011430074	Kern City Taxes	04/27/2017	-44,551.56	-44,551.56
05/16/2017	Payment	V011431766	Kern City Taxes	05/16/2017	-3,322.05	-3,322.05
06/08/2017	Payment	V0114343061	Kern City Taxes	06/08/2017	-827.33	-827.33
06/26/2017	Payment	V011436116	Kern City Taxes	06/26/2017	-21,274.67	-21,274.67
06/30/2017	Journal Entry	BCEB-17-07	CPA Adjustment	06/30/2017	-70,333.00	-6,134.00
06/30/2017	Journal Entry	BCEB-17-03	CPA Adjustment	06/30/2017	1,468.00	1,468.00
06/30/2017	Journal Entry	BCEB-17-01B	CPA Adjustment	06/30/2017	102,394.00	102,394.00
06/30/2017	Journal Entry	BCEB-17-01A	CPA Adjustment	06/30/2017	110,663.00	110,663.00
06/30/2017	Journal Entry	BCEB-17-05	CPA Adjustment	06/30/2017	197,946.00	197,946.00
07/01/2017	Journal Entry	BCEB15-12	T.J. Sri, M.D.	07/01/2017	-37,800.00	-37,800.00
07/01/2017	Journal Entry	BCEB15-13	CPA Adjustment	07/01/2017	37,800.00	37,800.00
09/07/2017	Invoice	2016-767	Cal City Clinic	09/21/2017	1,600.00	1,600.00
10/04/2017	Invoice	2016-770	Cal City Clinic	10/16/2017	1,600.00	1,600.00
04/02/2018	Invoice	2016-800	Cal City Clinic	04/16/2018	1,600.00	333.00
05/03/2018	Invoice	2016-805	Cal City Clinic	05/17/2018	1,600.00	1,600.00
06/30/2019	Journal Entry	9-2019	CPA Adjustment	06/30/2019	-14,799.00	-13,799.32
06/30/2019	Journal Entry	9-2019	Kern City Taxes	06/30/2019	-651.25	-651.25
11/01/2020	Invoice	2016-979	Adventist Health- Modular Unit	12/01/2020	738.97	738.97
12/01/2020	Invoice	2016-985	Adventist Health- Modular Unit	12/31/2020	738.97	738.97
01/01/2021	Invoice	2016-990	Adventist Health- Modular Unit	01/31/2021	738.97	738.97

Date	Transaction Type	Num	Customer	Due Date	Amount	Open Balance
01/21/2021	Invoice	2016-994	Adventist Health- Modular Unit	02/20/2021	738.97	738.97
04/01/2021	Invoice	2016-1011	T.Rifenberg	04/01/2021	150.00	150.00
04/01/2021	Invoice	2016-1008	Adventist Health	04/12/2021	998.00	998.00
04/01/2021	Invoice	2016-1009	Adventist Health- Modular Unit	05/01/2021	738.97	738.97
04/01/2021	Invoice	2016-1012	Westpoint Physical Therapy	05/01/2021	900.00	900.00
04/01/2021	Invoice	2016-1010	T.J. Sri, M.D.	05/01/2021	1,600.00	1,600.00
Total for 91 or more days past due					\$ -51,949,82	\$7,342,85
TOTAL					\$ -51,949,82	\$7,342,85

Exhibit B Corrected
AIR

A/R Aging Detail

As of May 15, 2021

Date	Transaction Type	Num	Customer	Due Date	Amount	Open Balance
91 or more days past due						
03/04/2020	Journal Entry	9-2040	Bartz Altadonna Community Health Center	03/04/2020	-12,500.00	-2,937.50
Total for 91 or more days past due					\$ -12,500.00	\$ -2,937.50
Current						
05/01/2021	Invoice	2016-1017	Westpoint Physical Therapy	05/25/2021	900.00	900.00
Total for Current					\$900.00	\$900.00
TOTAL					\$ -11,600.00	\$ -2,037.50

Sales by Customer Summary

April 2021

	Total
Adventist Health	998.00
Adventist Health- Modular Unit	738.97
Bartz Altadonna Community Health Center	937.50
T.J. Sri, M.D.	1,600.00
T.Rifenberg	150.00
Westpoint Physical Therapy	900.00
TOTAL	\$5,324.47

EAST KERN HEALTH CARE DISTRICT

TRANSACTION LIST BY CUSTOMER

January 1 - October 15, 2019

DATE	TRANSACTION TYPE	NUM	POSTING	MEMO/DESCRIPTION	ACCOUNT	AMOUNT
Adventist Health						\$19,960.00
Kern Cty Taxes						\$256,127.94
T.J. Sri, M.D.						\$32,000.00
T.Rifenberg						
01/03/2019	Pledge	016-860	Yes		1200 Accounts Receivable	150.00
01/08/2019	Payment	k#1068	Yes		1135 Mission Bank Checking	150.00
02/01/2019	Pledge	016-865	Yes		1200 Accounts Receivable	150.00
02/11/2019	Payment	ck#1069	Yes		1135 Mission Bank Checking	150.00
03/01/2019	Pledge	2016-871	Yes		1200 Accounts Receivable	150.00
03/11/2019	Payment	ck#1070	Yes		1135 Mission Bank Checking	150.00
04/01/2019	Pledge	016-875	Yes		1200 Accounts Receivable	150.00
05/01/2019	Pledge	2016-882	Yes		1200 Accounts Receivable	150.00
05/06/2019	Payment	ck\$1071	Yes		6398 Bank of Sierra	150.00
06/01/2019	Pledge	2016-886	Yes		1200 Accounts Receivable	150.00
06/03/2019	Payment	ck#1072	Yes		1135 Mission Bank Checking	150.00
06/13/2019	Payment	ck#1073	Yes		6398 Bank of Sierra	150.00
07/01/2019	Pledge	2016-893	Yes		1200 Accounts Receivable	150.00
07/15/2019	Payment	ck#1074	Yes		1135 Mission Bank Checking	150.00
08/01/2019	Pledge	2016-895	Yes		1200 Accounts Receivable	150.00
08/01/2019	Payment	ck#1074	Yes		1135 Mission Bank Checking	150.00
09/01/2019	Pledge	2016-904	Yes		1200 Accounts Receivable	150.00
09/11/2019	Payment	ck#1076	Yes		6398 Bank of Sierra	150.00
10/01/2019	Pledge	2016-909	Yes		1200 Accounts Receivable	150.00
10/08/2019	Payment	ck#1077	Yes		6398 Bank of Sierra	150.00
Total for T.Rifenberg						\$3,000.00
Westpoint Physical Therapy						\$18,000.00

Shows how QB was set up incorrectly showing invoices as "Pledge"

SUBJECT: Discussion regarding the draft budget for the fiscal year 2022.

SUBMITTED BY: David Aranda, BHI Consultant

MEETING DATE: Special Projects Meeting: May 19, 2021

BACKGROUND: This agenda item is simply an opportunity for the board to ask questions and become more familiar with the existing district's financial overview as broken down by income and expenses and the various chart of accounts.

RECOMMENDATION:

Please ask questions so that, as board members, you are comfortable with understanding the where and why's of the budget.

EAST KERN HEALTH CARE DISTRICT

Budget

Revenue:	Annual
4010 Property Tax Revenues	\$200,000.00
4030 Lease Income	\$70,000.00
Other Misc Income	\$10,000.00
Total Revenue:	\$280,000.00

Expenses:	Annual
Payroll Expenses:	
6286 Professional Fees:Consulting-BHI	\$18,000.00
6289 Prof Fees:Consulting-Linda Cook	\$20,000.00
6282 Prof Fees:Consult-Shawn Sprague	\$4,200.00
6283 Prof Fees:Prof Services Accounting	\$1,500.00
Auditing Expense	\$11,000.00
6155 Directors Fees	\$18,000.00
	<u>\$72,700.00</u>

6160 Dues and Subscriptions	\$1,000.00
6280 Professional Fees:Legal Fees	\$11,000.00
6170 Groundskeeper	
6190 Insurance:Work Comp	\$5,000.00
6180 Insurance (Prop/Liab)	\$10,000.00
6350 Conference and Travel	\$5,000.00
6300 Repairs & Maintenance Bay Ave	\$2,000.00
6310 R & M- North Loop Bldg	\$5,000.00
Utilities:	
6400 Utilities: Gas Bay Ave	\$3,000.00
6400 Utilities: Electric Bay Ave	\$6,000.00
6410 Utilities:Water Bay Ave	\$8,000.00
6340 Utilities:Telephone	\$2,100.00
6420 Utilities:Trash	\$6,500.00
6243 Modular Unit Rental	\$8,400.00
6330 R & M Alarm Monitoring-Bay Ave	\$1,500.00
6550 Office Expenses:Office Supplies	\$3,000.00
	<u>\$77,500.00</u>
Total Expenses:	\$150,200.00

Net Profit	\$129,800.00
6561 Payroll Expenses:Payroll EDD Taxes	
4035 Cancer Fund Income	
7010 Cancer Fund Awards	
TOTAL	

SUBJECT: Discussion and direction regarding the mission, vision and direction of the East Kern Health Care District

SUBMITTED BY: David Aranda, BHI Consultant

PRESENTED BY: Brent Ives, BHI President

MEETING DATE: Special Projects Meeting: May 19, 2021

BACKGROUND: We are finally in a position, to start getting to the most important aspect of our roles, who we are, why we are here and what can do for the community.

We have attached the current Mission statement and I want to pass along to each Director what a conversation with Dillion, Legislative Director for CSDA has to say about Health Care Districts that do not operate hospitals.

“The District must show a public benefit other than being a landlord”.

I believe all Directors are in agreement with at and so Brent Ives will lead all of us through the process of getting to a place that the District can shine as a leader in health issues for the Eastern Kern County area.

RECOMMENDATION:

Let’s all get involved!