



CAMBRIA COMMUNITY HEALTHCARE DISTRICT

February 28, 2023

BOARD MEETING

The regular meeting of the Cambria Community Healthcare District will be held
February 28th, 2023, at 9:00 A.M.
Old Cambria Grammar School, 1350 Main Street Cambria, California.

Topic: Regular CCHD Board Meeting
Time: Feb 28, 2023 09:00 AM Pacific Time (US and Canada)

Join Zoom Meeting
<https://us02web.zoom.us/j/82377946353>

Meeting ID: 823 7794 6353
One tap mobile
+16699006833,,82377946353# US (San Jose)
+16694449171,,82377946353# US

Public comment is invited on any item.

The Cambria Community Healthcare District monthly agenda and minutes are available at the following website: www.cambria-healthcare.org. Packets are also available at the District Office is located at 2515 Main Street, Suite A, in Cambria during regular business hours. Any changes or additions to the agenda will be posted at the district office and on the district website.

Note that while board members will not engage in dialog with the public during the board meeting, individual members may choose to incorporate an answer to a question posted by the public during their discussion of an agenda item.

AGENDA

A. OPENING

1. Call to order
2. Pledge of Allegiance
3. Motion to adopt a Resolution to allow the board to conduct the board meeting within the AB316 guidelines
4. Establishment of a quorum

B. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

1. Members of the public wishing to address the Board on matters other than scheduled items may do so when recognized by the President. Presentations are limited to a maximum of three minutes per person.

C. CONSENT AGENDA

1. Approve Minutes from January 24th, 2023 Regular Board Meeting.

D. REPORTS

1. Administrators/ Operations Report: Tim Benes
2. Financial Review: Linda Hendy
3. Committee Reports
 - a. President’s Report: Cecilia Montalvo
 - b. Property & Facilities / Facility Project Ad-Hoc: Laurie Mileur
 - c. Healthcare Advocacy & Outreach: Dawn Kulesa
 - d. Finance: John Nilon, Linda Hendy
 - e. Grants: Laurie Mileur

E. REGULAR BUSINESS

1. Fiscal year 2021-2022 Audit - presented by Leslie Ward, LarsonCliftonAllen LLP
2. Mid-Year Budget Review 2022-2023
3. Board Committee - suggested name change for Grants Committee
4. Fundraising Strategies - presented by Juli Amodei

F. DECLARATION OF FUTURE AGENDA ITEMS

G. ADJOURNMENT

The next regular meeting of the Board of Directors of the Cambria Community Healthcare District will be held on March 28, 2023, at 9:00 A.M. at the Old Cambria Grammar School, 1350 Main Street Cambria, California

RESOLUTION NO. 36-23

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CAMBRIA
COMMUNITY HEALTHCARE DISTRICT PROCLAIMING A LOCAL EMERGENCY
PERSISTS, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY
THE GOVERNOR ISSUED ON MARCH 4, 2020, AND AUTHORIZING REMOTE
TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE
CAMBRIA COMMUNITY HEALTHCARE DISTRICT FOR THE PERIOD OF
FEBRUARY 28, 2023 TO MARCH 31, 2023 PURSUANT TO BROWN ACT PROVISIONS**

Recitals

WHEREAS, the Cambria Community Healthcare District ("District") is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Gov. Code, §§ 54950 – 54963), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provision for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the Board of Directors finds that the requisite conditions exist for the legislative bodies of the District to conduct remote teleconference meetings without compliance with paragraph (3) of subdivision (b) of section 54953; and

WHEREAS, emergency conditions exist in the District, specifically, the State of Emergency declared by Governor Newsom on March 4, 2020, due to COVID-19, and the

Proclamation of Local Emergency declared by the County of San Luis Obispo on March 13, 2020;
and

WHEREAS, on September 1, 2021, the San Luis Obispo County Health Officer issued Order Number 6 requiring face coverings in all public indoor settings attributable to the rise in SARS-CoV-2 Delta variant; and

WHEREAS, the Board of Directors does hereby find that the rise in SARS-CoV-2 Delta and Omicron variants have caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to affirm a local emergency exists and re-ratify the proclamation of state of emergency by the Governor of the State of California and the San Luis Obispo County Health Officer's Order Number 6; and

WHEREAS, as a consequence of the local emergency persisting, the Board of Directors does hereby find that the legislative bodies of the District shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall continue to comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS, the Board of Directors will ensure that the public has access to meetings and the opportunity to participate in meetings in the interest of transparency and as required by AB 361.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Directors of the Cambria Community Healthcare District, as follows:

1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.
2. Affirmation that Local Emergency Persists. The Board of Directors hereby considers the conditions of the state of emergency in the District and proclaims that a local emergency persists throughout the District, and COVID-19 has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District.
3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.
4. Remote Teleconference Meetings. The Administrator and Staff of the District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, continuing to conduct open and public

meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

- 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) March 31, 2022 or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

ADOPTED by the Board of Directors of the Cambria Community Healthcare District on January 24, 2023 by the following roll call votes:

AYES:
NOES:
ABSENT:
ABSTAINED:

President, Board of Directors of the
Cambria Community Healthcare District

ATTEST:

Administrator of the
Cambria Community Healthcare District



CAMBRIA COMMUNITY HEALTHCARE DISTRICT

JANUARY 24, 2023

REGULAR BOARD MEETING MINUTES

A) OPENING:

- 1) The meeting was called to order at 9:02 am.
- 2) The pledge of allegiance was led by Board President Cecilia Montalvo.
- 3) Board of Directors members Cecilia Montalvo, Laurie Mileur, Bruce Mumper and John Nilon were present. Board member Dawn Kulesa was present via Zoom. Also present were Director of Operations/Administrator Tim Benes, Director of Finance Linda Hendy and Office Manager Simone Rathbun.
- 4) Motion to adopt a Resolution to allow the board to conduct the board meeting within the AB316 guidelines was presented. Director Nilon motioned to approve, Director Mileur seconded, Board approved 5/0.

B) PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

One member of the public was present at the meeting and one member of the public was present via Zoom.

C) CONSENT AGENDA

The Minutes from the December 15, 2022 Regular Board Meeting were presented for review and approval. Director Nilon's position of Treasurer will be corrected to Head of Finance Committee. Motion to approve these corrected Minutes by Director Mumper, seconded by Director Mileur, Board approve 5/0.

D) REPORTS

- 1) Administrator/Operations Report: Statements of Work to request estimates for repairs required under the Fire Chief's report were distributed to Board members for review. Tim Benes recommends that Unit 16, which has extensive water damage, be stripped and sent off for auction. The District has continued to have challenges related to paramedic staffing.
- 2) Financial Review: A financial report was presented by Linda Hendy and variances to budget were discussed. GEMT reimbursement of approximately \$39,000 was received. Expenses are being kept in line. We are still waiting for the audit. Trust donations of \$33,539 have been received, and minus the mailing expense for the donation letter, the net benefit of the solicitation was \$30,470. The insurance claims that had been paid directly to patients were successfully recovered by Simone Rathbun.
- 3) Committee Reports
 - a) President's Report: President Montalvo stated that Senator John Laird's and Assemblyperson Dawn Addis' staff is to visit the CCHD facility next Monday.
 - b) Property & Facilities/Facility Project Ad-hoc: Director Mileur stated the committee did meet last week and reviewed the first inspection report. Don Sather and Tim Benes have

met with County personnel. Director Kulesa inquired if we had any restrictions or limitations on fundraising for facility improvement. Director Mileur added that money can be raised through charitable trust and that moving forward. Director Montalvo emphasized that the CCHD needs both a short term plan and a long term plan for its facilities.

- c) Healthcare Advocacy & Outreach: President Montalvo is to meet with Director Kulesa next week. Director Kulesa added that she invites any suggestions or comments.
- d) Finance: Director Nilon and Linda Hendy met and reviewed the financials.
- e) Grants: Director Mileur stated the committee did not meet, and refers to agenda item 5.

E) REGULAR BUSINESS

1. Reserve savings account – Linda proposes opening a savings account with Pacific Premier Bank for the purpose of separating the \$40,000 that was originally transferred from the trust account into the operating account. She would like it to be in reserve and to earn interest. It was proposed that two signatures be required for distribution. Director Nilon added that the value of this savings account on the District's balance sheet and would be put in the financial reports each month. Motioned to approve by Director Nilon, seconded by Director Mumper, Board approved 5/0.
2. Board Committee assignments – On the Finance Committee will be John Nilon and Bruce Mumper; Health Advocacy and Community Outreach - Director Kulesa and Director Mileur; Property and Facilities – Director Mileur and Director Mumper; and Grants will be Director Mileur and Director Nilon. The executive committee will consist of Board President Cecilia Montalvo and Board Vice Present Laurie Mileur. Motioned to approve by Director Nilon, seconded by Director Mileur, Board approved 5/0.
3. KPI Report – Tim presented KPI report consisting of 10 items; most being skills performed by EMTs and medics. He added that the entire County is now using Image Trend so moving forward data will be easier to obtain and present. No Board motion taken.
4. Cambria Fire Chief's Building report - Plumbing, electrical and structural deficiencies are all noted in the report. . A Statement of Work will be released for contractor estimates. The Board is to give feedback on the Statements of Work to Tim by Friday and contractors will be contacted.
5. FEMA/AFG Grant – Director Mileur stated that per the Bylaws, anytime a Grant is submitted the board members need to be made aware. A request for a Type III ambulance is to be submitted, as well as separate funding for radios. Should we be successfully funded, CCHD would need to contribute our portion which would be between \$20-30k for the both Grants. She added that once we receive delivery of the ambulance, the Cambria Community Council will be giving us \$20,800. The grant application will be submitted in February and hopefully we will hear back by September. Director Mumper motioned to approve submission of grant, John Nilon seconded, Board approved 5/0.

F) DECLARATION OF FUTURE AGENDA ITEMS

1. Audit
2. Strategic planning special meeting
3. Report on building options
4. Mid-year budget review

G) ADJOURNMENT

The meeting was adjourned at 10:38 am.

The next regular meeting of the Board of Directors of the Cambria Community Healthcare District will be held on February 28, 2023, at 9:00 am at the Old Cambria Grammar School, 1350 Main Street, Cambria, California.



Cambria Community Healthcare District

Administrator's Report

Board of Directors Meeting

February 28thth, 2023

COVID-19 Update – For the latest number please refer to the following website.

<https://www.recover slo.org/en/covid-19-vaccines-in-slo-county.aspx>

Ambulance Unit Performance/Maintenance – Several units required repairs this month. Unit 20 required new batteries totaling \$997.21. Unit 18 required repairs to the main belt in the engine. This occurred late at night and required the unit to be towed back to the station and then to a repair shop. The unit is back in service at this time. Unit 21 has no repairs.

Transport Activity Report - There has been an increase in total incidents and transports compared to the same time last year. There were 50 more incidents and 9 more calls requiring transport in January 2023 compared with January 2022.

Response Times and Delays – In January, 91.5% of calls were responded to within 10 minutes. There were 5 calls in which the response time was longer.

1/05/2023 There was a 5-minute delay over the 10-minute requirement. The crew was responding from Via Creek.

1/09/2023 There was a 3-minute delay over the 10-minute requirement. This call happened during the storm systems that caused damage to the Central Coast.

1/10/2023 There was a 2-minute delay over the 10-minute requirement. The crew was responding from Via Creek.

01/26/2023 There was a 5-minute delay over the 10-minute requirement. The crew listed this as distance, it was an early morning call. I have discussed the delay with the crew.

01/28/2023 There was a 2-minute delay over the 10-minute requirement. This was due to the location of the call from the station.

San Luis Ambulance Transports/Coverage - This month San Luis Ambulance did not respond to any calls in the CCHD service area. CCHD responded to twenty-two code 3 calls and 8 Code 2

calls inside the San Luis Ambulance area. Not all the calls responded to by CCHD staff were transports or billable dry runs.

CCHD crews were also asked to “move up and cover” the San Luis Ambulance service area 92 times in January.

Monterey County Calls - CCHD crews did not respond to any calls in Monterey County during the month of January. There had been several meetings related to the road closure and how to transport patients out of that area during the time that access was cut off to the north and south. As of February 9, Highway 1 is now open up to Ragged Point. Because the road is still closed to the north, CCHD is currently the only ALS agency that can reach the southern area of coastal Monterey County.

Station Repairs – In response to the Fire Chief report findings, requests for repair estimates have been issued for electrical, plumbing and construction. Items of deficiency noted in the report that can be corrected by staff are expected to be completed by the end of February. A new water leak was found outside. A minor repair was done, although the contractor noted that the plumbing along the exterior of the back of the station should be fully replaced.

Employees and Staffing

- a. COVID-19 - At the time of this report, we have three employees who have been out with Covid-19. All are expected to make a full recovery.
- b. Staffing –
 - The Director of Operations has been filling open shifts.
 - We have two new paramedics starting work in March.

Community Outreach – Announcements have been made for free classes offered to the public. We receive a request and scheduled AED training for the Joslyn Center. We have also been asked and agreed to be a part of the Every 15 Minutes Program at Coast Union High School. This is an educational program about drinking and driving. The following agencies are going to be a part of this event: Cambria Fire, CHP, Twin Cities Hospital, Cambria Towing, Chapel of the Roses (funeral home), and a hotel in Atascadero.

DISTRICT ACTIVITY REPORT PAGE 1

01/01/2023 through 01/31/2023

Incident Totals				Transport Totals			
	2023	2022	Change		2023	2022	Change
Dry Runs - w/Treatment	21	14	7	Local Patients	44	32	12
Dry Runs - CX Enroute	25	20	5	Non-Local Patients	14	17	-3
Total Dry Runs	46	34	12	Total Patients	58	49	9
Stand-bys	94	66	28	Medical Transports	53	46	7
Public Assists/Relations	1	0	1	Trauma Transports	5	3	2
Walk-in Public Relations	1	1	0	Traffic Accidents	1	0	1
Total Incidents	200	150	50	Total Transports	58	49	9

Hospital Destinations

	2023	2022	Change
French	21	16	5
Sierra Vista	29	33	-4
Twin Cities	8	0	8
Rendezvous w/Heli	0	0	0
Facility Not-Listed	0	0	0
Trauma Center (Sierra Vista)	2	1	1
STEMI Center (French)	1	1	0

Monterey County Responses

	2023	2022	Change
Medical Transports	0	1	-1
Trauma Transports	0	0	0
Dry Runs	0	1	-1
Stand-bys	0	0	0
Total Incidents	0	2	-2

**Year-to-Date Comparison
Ambulance Response Statistics
From January 2023 to January 31 2023**

	2023	2022	Change
Total Responses	200	150	50
Patients Transported	58	49	9
Total Dry Runs	46	34	12
Dry Runs - w/Treatment	21	14	7
Dry Runs - CX Enroute	25	20	5
Stand-bys	94	66	28
Total Monterey County Incidents	0	2	-2

DISTRICT ACTIVITY REPORT PAGE 2
01/01/2023 through 01/31/2023

San Luis Ambulance Activity

Code 8	=	13	
Code 11	=	0	
Code 2 calls	=	0	} (calls into CCHD response area)
Code 3 calls	=	0	
Total time SLAS covered CCHD area =			
		10 hrs	21 mins

Cambria Community Healthcare District Activity

Total time CCHD committed to other incidents (Month) =			
		132 hrs	21 mins
Code 8	=	88	
Code 11	=	4	
Code 2 calls	=	8	} (calls into SLAS response area)
Code 3 calls	=	22	
Total time CCHD covered SLAS area =			
		28 hrs	16 mins

Definitions:

Code 8 : Cover two areas

Example: -Code 8 Villa Creek means covering Morro Bay response area and Cambria response area

-Code 8 Hwy 46 Summit means covering Cambria response area and covering North County response area (i.e. Paso Robles, Templeton, Atascadero and outlying areas)

Code 11 : Covering one area

Example: -Code 11 Morro Bay means we are now only covering the Morro Bay response area (i.e. Cayucos, Morro Bay, Los Osos)

Code 2 : Non-Emergency Call

Code 3 : Emergency Call

Time-On-Task : TOT Refers to the amount of time committed to a call or task, more specifically, this is the amount of time a unit is unavailable to respond to a call in the District's response area only. Units may still be available for calls outside the District's response area during TOT periods depending on SLO County needs for mutual aid.



**Financial Report
Board of Directors Meeting
February 28, 2023**

Staff Report: Linda Hendy, Director of Finance

Reporting financial performance updated for the month and fiscal year to date as of January 31, 2023

Income Statement:

January 2023 Monthly/Year-To-Date vs Budget

○ **Income:**

- January ambulance billing was above budget due to a higher number of transports. Year-to-date ambulance income is favorable to budget by \$189,747.
 - Ambulance Transport activity **58 vs 44** budgeted.
- General and Special Assessment tax deposit was received in January bringing the total year-to-date to \$839,301, favorable to budget by \$32,477.
- Other Income: In the month of January no transports were provided to Monterey County due to the current closure of highway one, a result of several hillside slides during the recent storms.

Donation income is budgeted at \$10,000 in January and a total of \$30,000 for fiscal year 2022-23. Donations revenue is received from community donations each year through the CCHD 501c3 trust account then transferred to the Districts operating account to cover Board approved equipment purchases and/or unexpected facility expenses. As of January, the 501c3 Trust account bank balance is \$37,772, with no transfer activity to the operating account.

○ **Expense:**

Total expenses in January were \$23,209 unfavorable to budget. Total expenses for the fiscal year-to-date period are unfavorable to budget by \$77,217.

- Payroll Expenses: In the month of January staff continue to provide shift coverage for an employee out on leave and two additional open full-time positions resulting in overtime pay for coverage therefore increasing payroll cost.

Accrual account reconciliations for both CalPERS pension and CalPERS unfunded liability are complete resulting in an update to pension expense and unfunded liability expense. Combined accounts totals are unfavorable to budget by \$5,844.

- Operating Expenses: The District will continue to see a monthly savings of \$2,500 for accounting fees as we have concluded our contract with contractor and have brought accounting in-house.

Audit fees have increased over budgeted amounts by \$15,480 year-to-date, the increase was due to additional account reconciliations provided outside the scope of work. Fiscal year 2020-21 is now complete and staff will begin work on closing 2021-22.

Payroll service fees were above budget amount by \$394 this is due to additional cost for the preparation of employee W-2's for 2022.

Facility maintenance expense included the cost to replace employee washing machine, shed, used office desks and plumbing repairs.

The District received a refund for overpayment to Liability insurance in the amount of \$1,084.

Computer supplies were over budget in the amount of \$3,795 a combination of expenses include computer repairs, parts, annual subscription renewals for Adobe, GoDaddy and new QuickBooks subscription.

- Fleet Expenses: Unit 18 and Unit 20 had unexpected repair cost resulting in a combined unfavorable amount of \$4,367 over budget. Expenses include towing, new brakes, belt, batteries, starter and headlight replacement, oil change, purchase of mobile microphone.
- Other Expenses: The District paid the 2022 QAF fourth quarter report fee. The current 2022-23 budget did not include the income or expense for the participation in GEMT (Ground Emergency Medical Transportation) reimbursement program through the California Department of Health Care Services.

○ **Net Income:**

January financials reflect a positive net income for the month of \$301,094, mainly attributed to receiving tax revenues. On a year-to-date basis, there is a total favorable variance of \$261,346.

Audit Update:

2020-21 Audit is complete

CCHD Trust Account:

In the month of January, the Trust received \$4,564 from Community donations bringing the account balance to \$37,772.

Department Update:

Successfully closed fiscal year 2020-2021 in accounting system.

Submitted the required California Special District Transaction Report for fiscal year 2021-2022.

Updated payroll procedures and worked with payroll company to update codes for new year 2023.

Cambria Community Healthcare District
 Summary of Revenues and Expenses
 January 2023 and Year to Date July-January 2023

	January Actual	January Budget	Variance	July-January YTD Actual	July-January YTD Budget	Variance
<u>Ambulance Revenue</u>						
Ambulance Billings	338,088	269,255	68,834	2,121,788	1,874,223	247,565
Prior Year Income	-	-	-	-	-	-
Total Ambulance Income	338,088	269,255	68,834	2,121,788	1,874,223	247,565
Insurance Adjustments/Contra	(251,031)	(199,921)	(51,109)	(1,421,550)	(1,391,610)	(29,940)
Sent to Collections	-	-	-	(20,964)	(8,000)	(12,964)
Bad Debt	-	-	-	(20,915)	(6,000)	(14,915)
Ambulance Income	87,058	69,333	17,725	658,359	468,612	189,747
<u>Tax Income</u>						
General Tax	213,915	23,820	190,095	411,941	380,829	31,111
Special Assessment Tax	191,468	30,242	161,225	427,360	425,994	1,366
Total Tax Income	405,383	54,062	351,320	839,301	806,823	32,477
<u>Other Income</u>						
Monterey Contract	-	3,000	(3,000)	30,000	21,000	9,000
Rental Income	-	300	(300)	600	900	(300)
Misc. Income	-	100	(100)	471	700	(229)
GEMT Reimbursement	-	-	-	39,865	-	39,865
Bad Debt Recovery	329	900	(571)	1,626	6,300	(4,674)
Grant Income	-	-	-	76,190	-	76,190
Interest Income	295	-	295	657	-	657
Donations	100	10,000	(9,900)	100	20,000	(19,900)
Donations -Amb. Procurement	-	-	-	-	-	-
Total Other Income	725	14,300	(13,575)	149,509	48,900	100,609
Total Income	493,165	137,695	355,470	1,647,169	1,324,336	322,833
<u>Payroll Expenses</u>						
Administration	23,387	20,375	(3,012)	148,893	136,625	(12,268)
Full Time Employees	55,163	54,002	(1,162)	321,028	378,011	56,982
Part Time Employees	24,214	22,908	(1,306)	189,461	160,359	(29,103)
Payroll Tax Expense	4,575	2,907	(1,668)	29,824	20,349	(9,475)
Employee Medical/Dental	13,761	13,350	(411)	102,422	93,450	(8,972)
PERS Pension Expense	16,619	10,898	(5,720)	72,102	76,289	4,186
PERS - Unfunded Liability	13,793	12,360	(1,433)	96,550	86,520	(10,030)
Uniforms	728	500	(228)	5,229	3,500	(1,729)
Workers Comp. Insurance	(966)	-	966	35,961	37,797	1,836
Retiree Health	8,378	7,315	(1,063)	52,625	51,205	(1,420)
Total Payroll Expense	159,652	144,615	(15,037)	1,054,096	1,044,103	(9,993)
<u>Operating Expenses</u>						
Contacted Services	-	-	-	-	-	-
Accounting	-	2,500	2,500	13,240	17,500	4,260
Audit Fees	-	3,000	3,000	18,480	3,000	(15,480)
Billing Services	-	600	600	4,792	4,200	(592)
Other	800	850	50	8,498	9,400	902
Payroll Services	894	500	(394)	4,151	3,500	(651)
Total Contracted Services	1,694	7,450	5,756	49,162	37,600	(11,562)

Cambria Community Healthcare District
Summary of Revenues and Expenses
January 2023 and Year to Date July-January 2023

	January Actual	January Budget	Variance	July-January YTD Actual	July-January YTD Budget	Variance
Dues and Subscriptions	-	-	-	402	-	(402)
Education/Travel/Mileage	986	500	(486)	3,458	3,500	42
Facility Maintenance	2,461	1,500	(961)	7,334	10,500	3,166
Legal	-	1,500	1,500	5,126	10,500	5,374
Liability Insurance	(1,084)	-	1,084	42,152	42,420	268
License/Permits	200	500	300	14,571	3,500	(11,071)
Office and Computer Supplies	4,995	1,200	(3,795)	17,283	8,400	(8,883)
Storage	240	240	-	720	720	-
Training	-	50	50	512	350	(162)
Utilities	2,730	1,600	(1,130)	16,697	11,200	(5,497)
Total Operating Expenses	12,222	14,540	2,318	157,418	128,690	(28,728)
Fleet Expenses						
Communication Equipment	841	-	(841)	841	-	(841)
Fuel	2,741	3,000	259	22,592	21,000	(1,592)
Unit - 18	2,808	500	(2,308)	8,230	3,500	(4,730)
Unit - 20	2,259	200	(2,059)	3,555	1,400	(2,155)
Unit - 21	-	500	500	2,221	3,500	1,279
Interest Expense	-	-	-	769	1,543	775
Medical Supplies/Equipment	5,328	5,000	(328)	33,219	35,000	1,781
Total Fleet Expenses	13,977	9,200	(4,777)	71,427	65,943	(5,484)
Total Operating Expenses	26,199	23,740	(2,459)	228,845	194,633	(34,212)
Other Expenses						
Bank and Credit Card Charges	186	200	14	1,596	1,400	(196)
Bond Expense	-	-	-	16,216	-	(16,216)
Contingency/Outreach/Public Ed.	1,300	100	(1,200)	12,879	700	(12,179)
Equipment	-	-	-	-	-	-
Miscellaneous	-	100	100	495	700	205
QAF Fee	4,627	-	(4,627)	4,627	-	(4,627)
Sales Tax	107	107	-	750	750	-
Total Other Expenses	6,220	507	(5,712)	36,562	3,550	(33,012)
Total Expenses	192,071	168,862	(23,209)	1,319,504	1,242,287	(77,217)
Net Operating Income	301,094	(31,167)	332,261	327,665	82,049	245,616
Other Income/Expense						
Grant /Equipment Procurement	-	-	-	(76,190)	-	(76,190)
Covid Relief	-	-	-	91,920	-	91,920
Total Other Income	-	-	-	15,730	-	15,730
Net Income	301,094	(31,167)	332,261	343,395	82,049	261,346

**Cambria Community Healthcare District
Summary of Revenues and Expenses
Mid-Year Update 2022-2023**

	July-January YTD Actual	February - June Projected	Mid-Year Total Projected	2022-2023 YTD Budget	Variance
<u>Ambulance Revenue</u>					
Ambulance Billings	2,121,788	1,473,540	3,595,327	3,357,762	237,565
Prior Year Income		-	-	-	-
Total Ambulance Income	2,121,788	1,473,540	3,595,327	3,357,762	237,565
Insurance Adjustments/Contra	(1,421,550)	(1,119,891)	(2,541,441)	(2,493,138)	(48,303)
Sent to Collections	(20,964)	(14,000)	(34,964)	(16,000)	(18,964)
Bad Debt	(20,915)	(11,000)	(31,915)	(12,000)	(19,915)
Ambulance Income	658,359	328,649	987,008	836,624	150,384
<u>Tax Income</u>					
General Tax	411,941	214,083	626,024	600,453	25,570
Special Assessment Tax	427,360	201,740	629,100	631,555	(2,455)
Total Tax Income	839,301	415,823	1,255,124	1,232,008	23,116
<u>Other Income</u>					
Monterey Contract	30,000	13,500	43,500	36,000	7,500
Rental Income	600	300	900	1,200	(300)
Misc. Income	471	5,400	5,871	1,200	4,671
GEMT Reimbursement	39,865	-	39,865	-	39,865
Bad Debt Recovery	1,626	4,500	6,126	10,800	(4,674)
Grant Income	76,190	-	76,190	-	76,190
Interest Income	657	632	1,289	632	657
Donations	100	-	100	30,000	(29,900)
Donations -Amb. Procurement	-	-	-	-	-
Total Other Income	149,509	24,332	173,841	79,832	94,009
		-			
Total Income	1,647,169	768,804	2,415,973	2,148,464	267,509
<u>Payroll Expenses</u>					
Administration	148,893	103,375	252,268	240,000	(12,268)
Full Time Employees	321,028	270,008	591,036	648,018	56,982
Part Time Employees	189,461	114,542	304,003	274,901	(29,103)
Payroll Tax Expense	29,824	14,535	44,359	34,884	(9,475)
Employee Medical/Dental	102,422	68,807	171,229	160,200	(11,029)
PERS Pension Expense	72,102	55,000	127,102	130,780	3,678
PERS - Unfunded Liability	96,550	68,965	165,515	148,320	(17,195)
Uniforms	5,229	1,500	6,729	6,000	(729)
Workers Comp. Insurance	35,961	-	35,961	37,797	1,836
Retiree Health	52,625	41,891	94,516	87,780	(6,736)
Total Payroll Expense	1,054,096	738,622	1,792,718	1,768,680	(24,039)
<u>Operating Expenses</u>					
Contacted Services	-	-	-	-	-
Accounting	13,240	-	13,240	30,000	16,760
Audit Fees	18,480	13,000	31,480	18,000	(13,480)
Billing Services	4,792	3,000	7,792	7,200	(592)
Other	8,498	4,250	12,748	13,650	902
Payroll Services	4,151	2,500	6,651	6,000	(651)
Total Contracted Services	49,162	22,750	71,912	74,850	2,938

**Cambria Community Healthcare District
Summary of Revenues and Expenses
Mid-Year Update 2022-2023**

	July-January	February - June	Mid-Year	2022-2023	Variance
	YTD Actual	Projected	Total Projected	YTD Budget	
Dues and Subscriptions	402	-	402	-	(402)
Education/Travel/Mileage	3,458	2,500	5,958	6,000	42
Facility Maintenance	7,334	7,500	14,834	18,000	3,166
Legal	5,126	7,500	12,626	18,000	5,374
Liability Insurance	42,152	-	42,152	42,420	268
License/Permits	14,571	2,500	17,071	6,000	(11,071)
Office and Computer Supplies	17,283	6,000	23,283	14,400	(8,883)
Storage	720	240	960	960	-
Training	512	250	762	600	(162)
Utilities	16,697	11,500	28,197	19,200	(8,997)
Total Operating Expenses	157,418	60,740	218,158	200,430	(17,728)
Fleet Expenses					
Communication Equipment	841	-	841	-	(841)
Fuel	22,592	15,000	37,592	36,000	(1,592)
Unit - 18	8,230	2,500	10,730	6,000	(4,730)
Unit - 20	3,555	1,000	4,555	2,400	(2,155)
Unit - 21	2,221	2,500	4,721	6,000	1,279
Interest Expense	769	-	769	1,543	775
Medical Supplies/Equipment	33,219	25,000	58,219	60,000	1,781
Total Fleet Expenses	71,427	46,000	117,427	111,943	(5,484)
Total Operating Expenses	228,845	106,740	335,585	312,373	(23,212)
Other Expenses					
Bank and Credit Card Charges	1,596	1,000	2,596	2,400	(196)
Bond Expense	16,216	-	16,216	-	(16,216)
Contingency/Outreach/Public Ed.	12,879	500	13,379	1,200	(12,179)
Equipment	-	-	-	-	-
Miscellaneous	495	12,500	12,995	13,200	205
QAF Fee	4,627	4,500	9,127	-	(9,127)
Sales Tax	750	536	1,286	1,286	-
Total Other Expenses	36,562	19,036	55,598	18,086	(37,512)
Total Expenses	1,319,504	864,398	2,183,902	2,099,139	(84,763)
Net Operating Income	327,665	(95,594)	232,072	49,325	182,746
Other Income/Expense					
Grant /Equipment Procurement	(76,190)	-	(76,190)	-	(76,190)
Covid Relief	91,920	-	91,920	-	91,920
Total Other Income	15,730	-	15,730	-	15,730
Net Income	343,395	(95,594)	247,801	49,325	198,476

Cambria Community Healthcare District Monthly Banking Financial Report

JANUARY 2023

Pacific Premier Bank Operating Account

Beginning Balance	\$	299,683.57
Beginning balance includes \$40,000 transfer from Trust Acct (for future ambulance procurement)		
Income		441,630.04
Tax Income		-
CalPERS Health Premium		-
Less Checking Expenses		(191,640.05)
Bank Fee(s)		(4.05)
Ending Balance		<u>\$ 549,669.51</u>

Local Agency Investment Fund Account

Operating Reserves

Beginning Balance	\$	56,565.03
Transfer from Operating Account		-
Interest		295.49
Ending Balance		<u>\$ 56,860.52</u>

ALL ACCOUNTS TOTAL

\$ 606,530.03

PPB Trust Account

Beginning Balance	\$	33,318.17
Deposit		4,563.81
Bank fee (paper statement)		(2.00)
Withdrawal (Qgiv)		(107.61)
Ending Balance		<u><u>\$ 37,772.37</u></u>

Accounts Prior Year Total Comparison (Not including Trust Account)

JANUARY	2023	\$	606,530.03
JANUARY	2022	\$	<u>623,475.35</u>
Difference		\$	<u>(16,945.32)</u>

Activity Summary

JANUARY 2023

AgencyName	PrimaryPayerClasses	PrimaryPayerName	TripCount	Gross Charges	Contract Allow	Net Charges	Payments	Write Off's	Refunds	Balance
Cambria Community Healthcare District	MEDI-CAL/CENCAL	CENCAL HEALTH	5	\$23,027.50	(\$7,894.00)	\$15,133.50	(\$364.00)	\$0.00	\$0.00	\$14,769.50
		California Medicaid - Medi-Cal	1	\$5,375.00	\$0.00	\$5,375.00	\$0.00	\$0.00	\$0.00	\$5,375.00
		Central California Alliance for Health	0	\$0.00	(\$7,117.01)	(\$7,117.01)	(\$346.68)	\$0.00	\$0.00	(\$7,463.69)
		Totals	6	\$28,402.50	(\$15,011.01)	\$13,391.49	(\$710.68)	\$0.00	\$0.00	\$12,680.81
	MEDICARE	CA Medicare Part B South (J1 - PGBA)	37	\$194,173.77	(\$136,982.49)	\$57,191.28	(\$22,578.95)	(\$1,413.00)	\$0.00	\$33,199.33
		Railroad Medicare	2	\$11,665.00	\$0.00	\$11,665.00	\$0.00	\$0.00	\$0.00	\$11,665.00
		Totals	39	\$205,838.77	(\$136,982.49)	\$68,856.28	(\$22,578.95)	(\$1,413.00)	\$0.00	\$44,864.33
	OTHER	AETNA MEDICARE	1	\$5,882.00	(\$19,851.60)	(\$13,969.60)	(\$682.05)	\$0.00	\$0.00	(\$14,651.65)
		ALIGNMENT HEALTHCARE ATTN: CLAIMS	0	\$0.00	(\$625.00)	(\$625.00)	(\$75.00)	\$0.00	\$0.00	(\$700.00)
		ALLIANZ GLOBAL ASSISTANCE	0	\$0.00	\$0.00	\$0.00	\$0.00	\$6,647.00	\$0.00	\$6,647.00
		APWU UNITEDHEALTHCARE	1	\$5,097.50	\$0.00	\$5,097.50	\$0.00	\$0.00	\$0.00	\$5,097.50
		Aetna	0	\$0.00	(\$9,852.00)	(\$9,852.00)	(\$4,018.00)	\$0.00	\$0.00	(\$13,870.00)
		Anthem Blue Cross (California)	4	\$24,120.00	(\$1,141.00)	\$22,979.00	(\$11,367.39)	\$3,478.46	\$0.00	\$15,090.07
		BLUE SHIELD OF CA - 65 PLUS	2	\$11,812.50	(\$4,794.75)	\$7,017.75	(\$777.75)	\$0.00	\$0.00	\$6,240.00
		Blue Cross Blue Shield of South Carolina - Federal Employee Program (FEP)	1	\$5,885.00	(\$625.00)	\$5,260.00	(\$10,798.00)	\$0.00	\$0.00	(\$5,538.00)
		Blue Shield of California	2	\$8,790.00	(\$625.00)	\$8,165.00	(\$6,900.03)	(\$2,177.95)	\$0.00	(\$912.98)
		CIGNA	1	\$700.00	(\$5,317.48)	(\$4,617.48)	\$0.00	\$0.00	\$0.00	(\$4,617.48)
		Coastal Communities Physician Network	3	\$15,902.50	(\$12,994.34)	\$2,908.16	(\$2,802.66)	\$0.00	(\$843.00)	(\$737.50)
		Health Net Medi-Cal	0	\$0.00	(\$5,222.40)	(\$5,222.40)	(\$224.60)	\$0.00	\$0.00	(\$5,447.00)
		Kaiser Foundation Health Plan of Northern CA Region	1	\$700.00	(\$9,291.05)	(\$8,591.05)	(\$7,526.95)	\$0.00	\$0.00	(\$16,118.00)
		Kaiser Foundation Health Plan of Southern CA Region	0	\$0.00	\$0.00	\$0.00	(\$250.00)	\$0.00	\$0.00	(\$250.00)
		Moonstone Hotel Properties	0	\$75.00	\$0.00	\$75.00	\$0.00	\$0.00	\$0.00	\$75.00
		SCAN HEALTH CLAIMS DEPT.	0	\$0.00	(\$625.00)	(\$625.00)	\$0.00	\$0.00	\$0.00	(\$625.00)
		STATE COMPENSATION INSURANCE FUND	1	\$700.00	\$0.00	\$700.00	\$0.00	\$0.00	\$0.00	\$700.00
		TRICARE WEST	2	\$10,897.50	\$0.00	\$10,897.50	\$0.00	\$0.00	\$0.00	\$10,897.50
		UnitedHealthcare	0	\$0.00	(\$3,125.00)	(\$3,125.00)	\$0.00	\$0.00	\$0.00	(\$3,125.00)
		UnitedHealthcare Medicare Solutions / UnitedHealthcare MedicareDirect	0	\$0.00	(\$12,435.73)	(\$12,435.73)	(\$2,369.27)	\$0.00	\$0.00	(\$14,805.00)
		VETERANS ADM - COMMUNITY CARE	1	\$5,652.50	\$0.00	\$5,652.50	(\$5,421.57)	\$64.57	\$0.00	\$295.50
		Totals	20	\$96,214.50	(\$86,525.35)	\$9,689.15	(\$53,213.27)	\$8,012.08	(\$843.00)	(\$36,355.04)
		SELF PAY	SELF PAY	6	\$9,822.50	(\$1,250.00)	\$8,572.50	\$0.00	\$0.00	\$0.00
	Totals		6	\$9,822.50	(\$1,250.00)	\$8,572.50	\$0.00	\$0.00	\$0.00	\$8,572.50
	Totals	Totals	71	\$340,278.27	(\$239,768.85)	\$100,509.42	(\$76,502.90)	\$6,599.08	(\$843.00)	\$29,762.60
	Totals	Totals	Totals	71	\$340,278.27	(\$239,768.85)	\$100,509.42	(\$76,502.90)	\$6,599.08	(\$843.00)

Aging By DOS Detail with Summary JANUARY 2023

	Sum(Age 0_30)	Sum(Age 31_60)	Sum(Age 61_90)	Sum(Age 91_120)	Sum(AgeOver120)	Sum(Net Balance)
Cambria Community Healthcare District						
AETNA MEDICARE Totals	\$4,222.50	\$0.00	\$0.00	\$0.00	24,730.85	\$28,953.35
ALLIANZ GLOBAL ASSISTANCE Totals	\$0.00	\$0.00	\$0.00	\$0.00	13,420.00	\$13,420.00
Allstate - Except New Jersey Totals	\$0.00	\$0.00	\$200.00	\$0.00	0.00	\$200.00
Anthem Blue Cross (California) Totals	\$25,425.42	\$185.97	\$0.00	\$0.00	5,375.00	\$30,986.39
APWU UNITEDHEALTHCARE Totals	\$5,097.50	\$0.00	\$0.00	\$0.00	0.00	\$5,097.50
ASPIRE HEALTH PLAN Totals	\$0.00	\$0.00	\$0.00	\$0.00	5,735.00	\$5,735.00
BLUE SHIELD Totals	\$0.00	\$0.00	\$0.00	\$340.84	0.00	\$340.84
BLUE SHIELD OF CA - 65 PLUS Totals	\$6,240.00	\$0.00	\$0.00	\$0.00	0.00	\$6,240.00
Blue Shield of California Totals	\$4,994.84	\$0.00	\$0.00	\$0.00	0.00	\$4,994.84
California Medicaid - Medi-Cal Totals	\$5,375.00	\$0.00	\$0.00	\$0.00	10,040.00	\$15,415.00
CA Medicare Part B South (J1 - PGBA) Totals	\$97,550.00	\$0.00	\$7,426.24	\$0.00	5,607.50	\$110,583.74
CENCAL HEALTH Totals	\$23,179.18	\$120.16	\$0.00	\$0.00	0.00	\$23,299.34
CIGNA Totals	\$0.00	\$625.00	\$0.00	\$0.00	8,754.00	\$9,379.00
Coastal Communities Physician Network Totals	\$15,902.50	\$0.00	\$0.00	\$0.00	0.00	\$15,902.50
DELTA HEALTH SYSTEMS Totals	\$368.31	\$0.00	\$0.00	\$0.00	0.00	\$368.31
GLOBAL EXCEL Totals	\$0.00	\$0.00	\$0.00	\$0.00	5,431.00	\$5,431.00
Health Net Medi-Cal Totals	\$341.53	\$0.00	\$0.00	\$0.00	0.00	\$341.53
HEALTHPLAN SERVICES/PHCS Totals	\$0.00	\$0.00	\$0.00	\$0.00	4,863.00	\$4,863.00
Kaiser Foundation Health Plan of Northern CA Region Totals	\$700.00	\$0.00	\$0.00	\$0.00	0.00	\$700.00
MEDICAID OUT OF STATE Totals	\$0.00	\$0.00	\$5,261.00	\$0.00	0.00	\$5,261.00
Moonstone Hotel Properties Totals	\$0.00	\$0.00	\$0.00	\$700.00	0.00	\$700.00
NATIONWIDE INS. ATTN: CLAIMS Totals	\$0.00	\$0.00	\$0.00	\$0.00	5,213.00	\$5,213.00
Railroad Medicare Totals	\$11,665.00	\$0.00	\$0.00	\$0.00	0.00	\$11,665.00
SELF PAY Totals	\$12,394.17	\$2,456.40	\$8,709.57	\$13,468.12	25,391.25	\$62,419.51
SILVERSUMMIT HEALTH Totals	\$0.00	\$0.00	\$0.00	\$0.00	5,549.00	\$5,549.00
STATE COMPENSATION INSURANCE FUND Totals	\$700.00	\$0.00	\$0.00	\$0.00	0.00	\$700.00

	Sum(Age 0_30)	Sum(Age 31_60)	Sum(Age 61_90)	Sum(Age 91_120)	Sum(AgeOver120)	Sum(Net Balance)
TRICARE WEST Totals	\$10,897.50	\$0.00	\$0.00	\$0.00	0.00	\$10,897.50
UHC/BIND BENEFITS Totals	\$0.00	\$0.00	\$0.00	\$0.00	6,647.00	\$6,647.00
UnitedHealthcare Totals	\$0.00	\$625.00	\$0.00	\$0.00	5,363.00	\$5,988.00
VETERANS ADM - COMMUNITY CARE Totals	\$5,652.50	\$0.00	\$0.00	\$0.00	0.00	\$5,652.50
WEB-TPA TRANSAMERICA LIFE Totals	\$163.88	\$0.00	\$0.00	\$0.00	0.00	\$163.88
Cambria Community Healthcare District Totals	\$230,869.83	\$4,012.53	\$21,596.81	\$14,508.96	132,119.60	\$403,107.73
Totals	\$230,869.83	\$4,012.53	\$21,596.81	\$14,508.96	132,119.60	\$403,107.73



CAMBRIA COMMUNITY HEALTHCARE DISTRICT

TO: Board of Directors E01

FROM: Linda Hendy, Director of Finance

PRESENTED BY: Leslie Ward, CliftonLarsonAllen LLP

DATE: February 28, 2023

AGENDA DESCRIPTION: Fiscal Year 2020-2021 Audit

RECOMMENDATION:

- Review and receive the following:
 - Audited financial statements for fiscal year ended June 30, 2021
 - Report to Management

POLICY IMPLICATIONS: California Government Code Section 26909 requires an annual audit of the District.

FISCAL IMPACT: The District's change in net position was (\$279,012) as of June 30, 2021. This was a decrease of (\$106,041) from prior year.

DISCUSSION: District staff entered into an agreement with CliftonLarsonAllen LLP to audit the District's financial statements for fiscal year ended June 30, 2021. The audit found the financial statements to present fairly, in all material respects, the financial position of the District, as of June 30, 2021, in accordance with accounting principles generally accepted in the United States of America.

Accounting principles require that the a management's discussion and analysis along with historical pension/postemployment benefit information be presented to supplement the basic financial statements.

The Annual Financial Report is divided into three basic sections:

1. **Introductory section**
2. **Financial section including:**
 - a. Independent Auditor's Report
 - b. Management's Discussion and Analysis
 - c. Basic Financial Statements
 - d. Required Supplementary Information
3. **Findings and Responses**

ATTACHMENTS: CCHD Audited Financial Report for the fiscal year ended June 30, 2023

CAMBRIA COMMUNITY HEALTHCARE DISTRICT

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2021

*Draft - Preliminary Only
For Discussion Purposes Only
Subject to Change
Not to be Reproduced*

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Cambria Community Healthcare District
Cambria, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Cambria Community Healthcare District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District, as of June 30, 2021, and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis beginning on page 4, and the historical pension and postemployment benefits information on pages 33 to 36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT DATE on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

Glendora, California
REPORT DATE

BOARD OF DIRECTORS AND ADMINISTRATION

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**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
BOARD OF DIRECTORS AND ADMINISTRATION
JUNE 30, 2021**

<u>Director</u>	<u>Position</u>	<u>Term Expires</u>
Igor "Igg" Fedoroff	President	December 2022
Bill Rice	Vice President	December 2022
Laurie Mileur	Secretary	December 2022
Cecilia Montalvo	Director	December 2022
Diane Kubat	Director	December 2022
Mike McDonough	Administrator	Resigned 2022

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

As management of the Cambria Community Healthcare District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with the District's financial statements, which immediately follow this section.

Audited Financial Statements

The District's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide an opinion as to whether the financial statements of the District for the fiscal year-end June 30, 2021 are free from material misstatement. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2021 are fairly presented in all material respects in accordance with the generally accepted accounting principles in the United States of America. The independent auditors' report is located on page 1, in the financial section of this report.

Introduction and Background

The Cambria Community Healthcare District (the District), was organized in 1947, under the authority of section 3200, et. seq., of the Health and Safety Code of the State of California. The District formation was approved by the local voting constituency and was authorized by the San Luis Obispo County Board of Supervisors with the objective to attract healthcare providers to locate their practice to the community.

Medical offices were leased by the District from a private party and in turn were rented (at a nominal amount) to a physician. The District took over operation of the ambulance services from the Cambria Chamber of Commerce, using volunteers via a telephone call list for emergency response. The ambulance was located in a shed behind the old Bank of America building.

The District built its own "clinic" to provide medical offices that could be leased to a physician at a nominal rate. This building was completed on land donated by the Soto Family at its present location on Main Street. The District also began to purchase medical equipment for the physicians use.

The District is a public, tax and fee supported special district in San Luis Obispo County, California. The District provides advance life support ambulance services for the area, which includes the communities of Cambria, Harmony, San Simeon, and outlying areas north to the Monterey County line. Under an agreement with the County of Monterey, the District also provides ambulance service in the Monterey County Coast zone.

In addition to ambulance service, the District owns a professional medical building, a portion of which is leased to a healthcare organization. The District's mission is to improve the health of district residents by providing emergency services, enhancing access to care, and promoting wellness. The District is governed by a five-member Board of Directors. The Administrator manages the day-to-day operations of the District in accordance with the policies and procedures established by the Board of Directors. The Board of Directors meets each month. Meetings are publicly noticed and citizens are encouraged to attend.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Financial Highlights

- Total assets increased as of June 30, 2021 by \$65,540 compared to 2020 and consisted of cash, accounts receivable, and capital assets.
- Total liabilities increased as of June 30, 2021 by \$794,437 compared to 2020, and this increase mainly consist of noncurrent liabilities including OBEB, net pension, long-term debt, and the recording of compensated absences.
- Revenues of \$1,890,426 were \$158,087 or 9.1%, more than prior year revenues. Operating revenues increased by \$23,465; nonoperating revenues increased by \$134,622.
- Expenses of \$2,169,438 were \$52,406, or 2.4% more than prior year.
- Aggregate net pension liabilities are \$1,808,233, and net other postemployment benefits liabilities are \$3,238,665.

Financial Management and Control

The District is responsible for establishing and maintaining an internal control structure designed to ensure that assets are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for preparation of financial statements in conformity with US generally accepted accounting principles (US GAAP).

CliftonLarsonAllen LLP, Certified Public Accountants, performs an independent audit examination of the financial statements in accordance with generally accepted auditing standards (GAAS).

Basic Financial Statements

Overview of the Financial Statements

The discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise of three components: 1) statement of net position, 2) statement of revenues, expenses, and change in net position, and 3) statement of cash flow. This report also contains other supplementary information and statistical information in addition to the basic financial statements themselves.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner like a private-sector business.

The *statement of net position* presents information on all assets and deferred outflows, and liabilities and deferred inflows, with the difference representing net position. Assets and liabilities are classified as current or noncurrent. Changes within the year in total net position as presented on the statement of net position are based on the activity presented on the statement of revenues, expenses, and change in net position.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

The *statement of revenues, expenses, and change in net position* presents information showing total revenues versus total expenses and how net position changed during the fiscal year. All revenues earned and expenses incurred during the year are required to be classified as either "operating" or "nonoperating." For the current year, all expenses incurred are considered to be operating. All revenues and expenses are recognized as soon as the underlying event occurs, regardless of timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in the disbursement or collection of cash during future fiscal years (e.g., the expense associated with changes in claim liability involving cash transactions beyond the date of the financial statements).

The *statement of cash flows* presents the changes in the cash and cash equivalents during the fiscal year. This statement is prepared using the direct method of cash flow. The statement breaks the sources and uses of cash and cash equivalents into three categories:

1. Operating activities 2. Financing activities 3. Investing activities

The routine activities appear in the operating activities, while investment and nonoperating activities comprise the investing activities. Financing activities represent property taxes and special assessments as well as loan activity and purchases of capital assets.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes describe the nature of the operations and significant accounting policies as well as clarify unique financial information.

Condensed Statements of Net Position

	2021	2020	Change
Assets:			
Current and Other Assets	\$ 505,740	\$ 569,012	\$ (63,272)
Capital Assets - Noncurrent	355,808	226,996	128,812
Total Assets	861,548	796,008	65,540
Deferred Outflows of Resources:			
Deferred Amount Pension and OPEB	606,935	369,741	237,194
Total Deferred Outflows	606,935	369,741	237,194
Liabilities:			
Current Liabilities	98,430	70,980	27,450
Noncurrent Liabilities	5,251,714	4,484,727	766,987
Total Liabilities	5,350,144	4,555,707	794,437
Deferred Inflows of Resources:			
Deferred Amount Pension and OPEB	1,024,320	1,237,011	(212,691)
Total Deferred Inflows	1,024,320	1,237,011	(212,691)
Net Position:			
Net Investment in Capital Assets	132,095	77,411	54,684
Unrestricted	(5,038,076)	(4,704,380)	(333,696)
Total Net Position	\$ (4,905,981)	\$ (4,626,969)	\$ (279,012)

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

The assets increased by \$65,540 primarily due to the increase in cash and capital assets offset by a decrease in accounts receivable. Total liabilities increased by \$794,437 primarily due to the increases in non-current liabilities, OPEB obligations, and net pension liability.

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of the District were exceeded by liabilities and deferred inflows in the amount of \$4,905,981. See Note 9 to the accompanying financial statements for a discussion of management's plan to address the District's net deficit.

The composition of the District's capital assets is fully described and disclosed in Note 3 of the footnotes to the financial statements.

The composition of the District's long-term debt is fully described and disclosed in the Note 4 of the footnotes to financial statements.

Condensed Statements of Revenues, Expenses, and Change in Net Position

	2021	2020	Change
Operating Revenues	\$ 639,336	\$ 615,871	\$ 23,465
Nonoperating Revenues, Net	1,251,090	1,116,468	134,622
Total Revenues	<u>1,890,426</u>	<u>1,732,339</u>	158,087
 Total Operating Expenses	 <u>2,169,438</u>	 <u>2,117,392</u>	 <u>52,046</u>
 Change in Net Position	 (279,012)	 (385,053)	 106,041
 Net Position - Beginning of Year	 <u>(4,626,969)</u>	 <u>(4,241,916)</u>	 <u>(385,053)</u>
 Net Position - End of Year	 <u>\$ (4,905,981)</u>	 <u>\$ (4,626,969)</u>	 <u>\$ (279,012)</u>

As of June 30, 2021, the District's total operating expenses exceeded its total revenues, resulting in a decrease in net position of \$279,012. Revenues from operating and nonoperating sources increased by \$158,087 and operating expenses increased by \$52,046 when compared to the prior year.

Operating Revenues:

Operating revenues for the District increased by \$23,465 primarily due to the increases in service revenue. The increase is attributed to higher insurance reimbursements and not an increase in transports for 2020-21. Projections for a larger increase were not realized due to a major road closure of Highway 1, a scenic roadway that brings millions of tourists through Cambria and San Luis Obispo County.

Nonoperating Revenues:

Nonoperating revenues increased \$134,622 when compared to prior year. Nonoperating revenues consist primarily of property taxes and special assessments from the County of San Luis Obispo. In addition, the District records rental income and other income netted with interest expenses from nonoperating sources.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Operating Expenses:

Operating expenses consist of costs incurred in connection with the ambulance operations of the District, primarily consisting of payroll and benefit related expenses. The District also incurs general and administrative expenses related to the operations of the District Offices. Operating expenses increased by \$52,046 in 2021 when compared to 2020. The District continues to feel the effects of the Covid-19 pandemic, as an example, in 2021 medical supply cost increased by \$10,467. Additionally, depreciation of fixed assets and bad debt expense attributed to the increase for 2021.

Description of Facts or Conditions that are expected to have a Significant Effect on Financial Position or Results of Operations

Management and the Board is unaware of any facts or conditions which could have a significant impact on the District's current financial position or foreseeable operating results other than is described below.

During fiscal year ended June 30, 2021, the District recorded operating expenses in excess of operating revenues, property tax, and special assessment revenues which resulted in a net operating deficit for the year. Throughout the year the Board of Directors for the District took corrective action to address prior year auditor findings, as a result operating expenses such as professional services and contract accounting services increased along with reconciliation of bad debt expense for fiscal year ended June 30, 2021. In 2022, the District has promoted the Director of Operations to the Administrator position and has hired a Director of Finance. The new hire of the Director of Finance will provide a full-time accounting professional in-house employee to regularly reconcile all accounts and decrease the need for outside contractor services which will continue to generate cost savings to the District.

The District continues a steady recovery from the financial impact of the COVID-19 pandemic to ambulance revenue. While the reduction in ambulance transports negatively impacted ambulance revenues in fiscal years 2020 and 2021 the District has continued to implement additional cost controls and expense reductions. As a result, the District was able to maintain positive cash flow for the year. In fiscal year 2022 the District identified the need for repair or replacement of their 65-year-old facility. The District placed Bond Measure G-22 on the November 2022 ballot which would have funded the replacement of the facility. The Measure did not receive the required 2/3 voter majority approval, as a result, the District is currently seeking other funding sources in order to move forward with temporary repairs or replacement of current facility.

Contacting the District Financial Management

The financial report contained herein is designed to provide a general overview of the finances, activities, and operations of the District. To obtain additional information, please feel free to contact the Cambria Community Healthcare District at (805) 927-8304.

FINANCIAL SECTION

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**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021**

CURRENT ASSETS

Cash and Cash Equivalents	\$ 409,261
Accounts Receivable, Net of Allowance of \$55,674	96,479
Total Current Assets	505,740

NONCURRENT ASSETS

Capital Assets:	
Nondepreciable	5,063
Depreciable - Net of Accumulated Depreciation	350,745
Total Noncurrent Assets	355,808

Total Assets 861,548

DEFERRED OUTFLOWS OF RESOURCES

Deferred Outflows - Pensions	258,042
Deferred Outflows - Other Postemployment Benefits	348,893
Total Deferred Outflows of Resources	606,935

CURRENT LIABILITIES

Accounts Payable	486
Accrued Payroll	20,247
Current Portion - Compensated Absences	4,671
Current Portion - Long-Term Debt	73,026
Total Current Liabilities	98,430

NONCURRENT LIABILITIES

Long-Term Liabilities - Compensated Absences	54,129
Long-Term Debt	150,687
OPEB Liability	3,238,665
Net Pension Liability	1,808,233
Total Noncurrent Liabilities	5,251,714

Total Liabilities 5,350,144

DEFERRED INFLOWS OF RESOURCES

Deferred Inflows - Pensions	262,876
Deferred Inflows - OPEB	761,444
Total Deferred Inflows of Resources	1,024,320

NET DEFICIT

Net Investment in Capital Assets	132,095
Unrestricted	(5,038,076)
Total Net Deficit	\$ (4,905,981)

See accompanying Notes to Financial Statements.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
YEAR ENDED JUNE 30, 2021**

OPERATING REVENUES

Ambulance Charges	\$ 601,961
Monterey Contract	37,375
Total Operating Revenues	639,336

OPERATING EXPENSES

Salaries and Wages	949,449
Payroll Benefits	667,491
Workers' Compensation Insurance	50,416
Professional Services	77,138
Contract Services	41,089
Depreciation	88,964
Medical Supplies and Equipment	51,310
Bad Debt Expense	57,130
Repairs and Maintenance	26,697
Insurance	38,496
Fuel and Oil	16,218
Payroll Taxes	19,451
Utilities	17,646
Licenses and Permits	13,795
Office and Computer Supplies	16,224
Uniform Expense	20,765
Education and Travel	6,782
Miscellaneous Expense	383
Election Expense	8,826
Training	1,168
Total Operating Expenses	2,169,438

OPERATING LOSS

(1,530,102)

NONOPERATING REVENUES (EXPENSES)

Property Taxes and Special Assessment Taxes	1,137,182
Rental Income	60,191
Other Nonoperating Revenues	70,891
Other Income (Expense)	239
Interest Expense	(17,413)
Total Nonoperating Revenues (Expenses)	1,251,090

CHANGE IN NET POSITION

(279,012)

Net Deficit – Beginning of Year

(4,626,969)

NET DEFICIT- END OF YEAR

\$ (4,905,981)

See accompanying Notes to Financial Statements.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from Customer and Users	\$ 709,122
Payments to Employees	(1,347,510)
Payments to Vendors and Suppliers	(467,211)
Net Cash Used by Operating Activities	<u>(1,105,599)</u>

CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES

Property Taxes Received	<u>1,137,182</u>
Net Cash Provided by Noncapital Financing Activities	1,137,182

CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES

Purchases of Capital Assets	(83,613)
Loss from Sale of Capital Assets	2,813
Payments on Long-Term Debt	(60,187)
Net Cash Used by Capital and Financing Activities	<u>(140,987)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Rental and Other Investment Income Received	<u>115,918</u>
Net Cash Provided by Investing Activities	<u>115,918</u>

NET INCREASE IN CASH AND CASH EQUIVALENTS

6,514

Cash and Cash Equivalents - Beginning of Year

402,747

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 409,261

RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES

Net Operating Loss	\$ (1,530,102)
Adjustments to Reconcile Net Operating Loss to Net Cash Used by Operating Activities:	
Depreciation	88,964
(Increase) Decrease in Assets and Deferred Outflows:	
Accounts Receivable	69,786
Deferred Outflows	(237,194)
Increase (Decrease) in Liabilities and Deferred Inflows:	
Accounts Payable	(3,677)
Accrued Payroll	2,419
Compensated Absences	54,129
OPEB Liability	499,173
Pension Liability	163,594
Deferred Inflows	(212,691)
Total Adjustments	<u>424,503</u>
Net Cash Used by Operating Activities	<u><u>\$ (1,105,599)</u></u>

See accompanying Notes to Financial Statements.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Operations of the Reporting Entity

The Cambria Community Healthcare District (the District), was organized in 1947, under the authority of section 3200, et. seq., of the Health and Safety Code of the state of California. The District is a public, tax and fee supported special district in the county of San Luis Obispo, California. The District provides advance support ambulance service for the area, which includes the communities of Cambria, Harmony, San Simeon, and outlying areas north to the Monterey County line. Under an agreement with the County of Monterey, the District also provides ambulance service in the Monterey County Coast zone.

In addition to ambulance service, the District owns a professional medical building, a portion of which is leased to healthcare organizations. The District's mission is to improve the health of district residents by providing emergency services, enhancing access to care, and promoting wellness. The District is governed by a five-member board of directors. The Administrator manages the day-to-day operations of the District in accordance with the policies and procedures established by the board of directors. The board of directors meets each month. Meetings are publicly noticed and citizens are encouraged to attend.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

An annual budget is approved by the board of directors.

Basis of Preparation

The District's basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP), as prescribed by the Governmental Accounting Standards Board (GASB). The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District solely operates as a special-purpose government which means it is only engaged in business-type activities; accordingly, activities are reported in the District's enterprise fund.

Basis of Accounting

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to private business. The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, special tax assessments, grants, and charitable contributions. On an accrual basis, revenues from property taxes and special tax assessments are recognized in the fiscal year for which the taxes and assessments are levied; revenue from grants is recognized in the fiscal year in which all eligible requirements have been satisfied; and revenue from investments is recognized when earned.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Fund Accounting

The accounts of The District are organized on the basis of an enterprise fund, the operations of which are accounted for with a set of self-balancing accounts that comprise its assets, liabilities, net position, revenues, and expenditures in addition to deferred outflows and inflows of resources. District resources are allocated to and accounted for based upon the purpose for which they are spent and the means by which spending activities are controlled. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment In Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents net position of the District, not restricted for any project or other purpose.

The District considers restricted amounts to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted net position are available.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, as prescribed by the GASB and the AICPA, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the District considers cash to be cash and cash equivalents with original maturities of three months or less.

Receivables

Receivables are generally recorded when the amount is earned and can be estimated. Receivables include amounts due from recipients of ambulance services and certain tax levies. All receivables are current and, therefore, due within one year. Receivables are reported at their net realizable value. The District also provides for Medicare and Medi-Cal contractual allowances. The amount recorded is believed to be fully collectible by the District, so no allowance for doubtful accounts has been recorded.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Capital Assets

Acquisitions of property, plant, and equipment are recorded at cost and are depreciated on a straight-line basis over their estimated useful lives ranging from five to forty years. Donated capital assets are recorded at their acquisition value on the date received. The District maintains a capitalization threshold of \$500. Amounts under the threshold are expensed to repairs and maintenance.

Property Taxes and Assessments

The Property taxes in the state of California are administered for all local agencies at the county level, and consist of secured, unsecured, and utility tax rolls. The following is a summary of major policies and practices relating to property taxes:

Property Valuations

Property valuations are established by the Assessor of the County of San Luis Obispo for the secured and unsecured property tax rolls; the utility property tax roll is valued by the State Board of Equalization. Under the provisions of Article XIII A of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978), properties are assessed at 100% of full value. From the base assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations and is subject to annual reappraisal.

Tax Collections

Tax collections are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments: the first is due on November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payments.

Tax Levy Apportionments

Due to the nature of the District-wide maximum levy, it is not possible to identify general purpose tax rates for specific entities. Under State legislation adopted subsequent to the passage of Proposition 13, apportionments to local agencies are made by the County Auditor-Controller based primarily on the ratio that each agency represented of the total District-wide levy for the three years prior to fiscal year 1979. There has been no change to prevailing legislation as of June 30, 2021.

Property Tax Administration Fees

The state of California FY 90-91 Budget Act, authorized Counties to collect an administrative fee for collection and distribution of property taxes. Property taxes are recorded as net of administrative fees withheld during the fiscal year.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Property Taxes and Assessments (Continued)

Tax Levies – are limited to 1% of full value which results in a tax rate of \$1.00 per \$100 assessed valuation, under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation.

Tax Levy Dates – are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

Special Assessment

The District passed a special assessment on November 5, 1985, of \$4.00 flat rate per unimproved parcel and \$7.00 flat rate for improved parcel per year on all real property (except for federal, state, or local government agencies) within the boundaries of the District for periodic and equipment replacement. On November 8, 1994, the voters approved an increase to the special assessment, raising the unimproved parcel fee to \$7.00 and improved parcel fee to \$20.00 to upgrade general operations. On November 7, 2006, the voters approved another increase to the special assessment, raising the unimproved parcel fee to \$25 and improved parcel fee to \$85 to improve paramedic staffing and upgrade general operations, annually adjusted by the change in the Consumer Price Index for the Greater Los Angeles Area.

Annual Appropriations Limit

The District is exempt from the annual appropriations limit required by Senate Bill 813 (Chapter 1025, Statutes of 1987), in accordance with California Constitution Article XIII B. This exemption is based on the voters of the District approving an additional assessment subsequent to the passage of Proposition 13.

Deferred Outflows and Inflow of Resources

Deferred Outflows – Pensions

The deferred outflows of resources related to pensions resulted from District contributions to employee pension plans subsequent to the measurement date of the actuarial valuations for the pension plans, the effect of changes in proportion, and the difference between expected and actual experience. The deferred outflows-pensions will be deferred and amortized as detailed in Note 6 to the financial statements.

Deferred Inflows – Pensions

Deferred inflows of resources represent an acquisition of net position by the District that is applicable to a future period. The deferred inflows of resources related to pensions results from the difference between the estimated and actual return on pension plan investments, the effect of the changes in proportion and changes in assumptions, and the difference between expected and actual experience. These amounts are deferred and amortized as detailed in Note 6 to the financial statements.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Deferred Outflows and Inflow of Resources (Continued)

Deferred Outflows – Other Postemployment Benefits Other than Pensions (OPEB)

The District also recorded deferred outflows of resources related to its (OPEB) obligation that resulted from District contributions to the plan subsequent to the measurement date of the actuarial valuations for the healthcare plan and to differences between expected and actual plan experience.

Deferred Inflows – Other Postemployment Benefits Other than Pensions (OPEB)

The District also recorded deferred inflows of resources related to its (OPEB). The deferred inflows of resources related to OPEB results from the effect of the changes in assumptions. These amounts are deferred and amortized as detailed in Note 5 to the financial statements.

Postemployment Benefits Other than Pensions (OPEB)

The District participates in an Agent Multiple-Employer defined benefit postemployment healthcare plan. For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense information about the fiduciary net position of the District Retiree Benefits Plan (the Plan), and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Net Pension Liability

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the California Public Employees' Retirement System (CalPERS) miscellaneous and safety plans (Plans), and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value.

Risks and Uncertainties

The World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the District, COVID-19 impacted various parts of its 2020 operations and financial results including but not limited to decreased revenues or losses from collections, increased payroll costs, or possible losses of tax assessments or special assessments. Management believes the District is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated at this time.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Subsequent Events

In preparing these financial statements, management has evaluated events and transactions for potential recognition or disclosure through REPORT DATE the date the financial statements were available for issuance.

NOTE 2 DEPOSITS AND INVESTMENTS

On June 30, 2021, the District had the following cash and investments on hand:

Cash in Bank Accounts	\$	312,927
Local Agency Investment Fund		96,334
Total Cash and Investments	<u>\$</u>	<u>409,261</u>

Cash and investments listed above, are presented on the accompanying basic financial statements as cash and cash equivalents of \$409,261.

Investments Authorized by the California Government Code and the District's Investment Policy

The table shown herein identifies the investment types that are authorized by the District in accordance with the California Government Code. The table also identifies certain provisions of the California Government Code that address interest rate, credit risk and concentration of credit risk.

<u>Authorized Maximum Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 Years	None	None
U'S Treasury Obligations	5 Years	None	None
U.S Agency Securities	5 Years	None	None
Banker's Acceptance	180 Days	40%	30%
Commercial Paper	270 Days	25%	10%
Negotiable Certificates of Deposit	5 Years	30%	None
Repurchase Agreements	1 Year	None	None
Reverse Repurchase Agreements	92 Days	20% of Base Value	None
Medium-Term Notes	5 Years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 Years	20%	None
County Pooled Investment Fund	N/A	None	None
California Local Agency Investments Fund (LAIF)	N/A	None	None
JPA Pools (Other Investment Pools)	N/A	None	None

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Investment Valuation

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that the GASB requires or permits in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. As of June 30, 2021, the District had investments in the Local Agency Investment Fund; however, that external pool is not subject to fair value measurements under the fair value hierarchy as described above.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits.

The California Government Code requires that a financial institution secure deposit made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. Of the bank balances, up to \$250,000 as of June 30, 2021, is federally insured and the remaining balance is collateralized in accordance with the Code; however, the collateralized securities are not held in the District's name.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-leader) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Code and the District's investment policy contain legal and policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as the Local Agency Investment Fund).

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the state of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio).

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 DEPOSITS AND INVESTMENTS (CONTINUED)

Investment in State Investment Pool (continued)

The fund currently yields approximately 1.008297%. LAIF is currently unrated and has an average life of 291 days. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF is not subject to categorization to indicate the level of custodial credit risk assumed by the District at year-end.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio matures or comes close to maturity evenly over time as necessary to provide cash flow requirements and liquidity needed for operations. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is not presented as LAIF is not subject to this type of categorization.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF is currently not rated.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of total District investments.

NOTE 3 CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2021, was as follows:

	Balance at July 1, 2020	Additions	Deletions/ Transfers	Balance at June 30, 2021
Nondepreciable Assets:				
Land	\$ 5,063	\$ -	\$ -	\$ 5,063
Total Nondepreciable Assets	5,063	-	-	5,063
Depreciable Assets:				
Buildings and Improvements	171,849	-	(19,342)	152,507
Ambulance and Vehicles	468,745	31,662	(220,332)	280,075
Furniture and Fixtures	20,378	3,565	(19,648)	4,295
Equipment	285,799	185,362	(256,572)	214,589
Total Depreciable Capital Assets	946,771	220,589	(515,894)	651,466
Accumulated Depreciation	(724,838)	(88,964)	513,081	(300,721)
Total Depreciable Assets, Net	221,933	131,625	(2,813)	350,745
Total Capital Assets, Net	\$ 226,996	\$ 131,625	\$ (2,813)	\$ 355,808

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 LONG-TERM DEBT

During fiscal year 2016, the District entered into a loan agreement to purchase an ambulance and certain operating equipment. The loan carries interest at 3.25% compounded quarterly. The term of the loan is six years with quarterly payments of \$7,983, commencing on October 31, 2016. The loan matures on July 31, 2022, when all remaining principal and interest on the loan is due.

During fiscal year 2020, the District entered into another loan agreement to purchase an ambulance. The loan carries interest at 3.5% compounded quarterly. The term of the loan is five years with quarterly payments of \$5,035, commencing on November 28, 2019. The loan matures on August 28, 2024, when all remaining principal and interest on the loan is due.

Future payments of long-term debt in connection with the loan agreement are as follows:

<u>Year Ended June 30,</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 49,219	\$ 2,854
2023	26,775	1,349
2024	19,537	604
2025	4,992	44
Total	100,523	4,851
Current Portion	(49,219)	(2,854)
Total	<u>\$ 51,304</u>	<u>\$ 1,997</u>

During the fiscal year 2021, the District entered into a noncancelable long-term lease agreement to acquire certain capital equipment. The following presents future minimum lease payments as of June 30, 2021.

<u>Year Ended June 30,</u>	<u>Amount</u>
2022	\$ 23,807
2023	23,807
2024	23,807
2025	23,807
2026	42,843
Total Minimum Lease Payments	138,071
Amount Representing Interest	(14,881)
Present Value of future minimum lease payments	123,190
Less amount due in one year	(23,807)
Total	<u>\$ 99,383</u>

Leased equipment under capital lease in capital assets at June 30, 2021:

Equipment	\$ 136,976
Less: Accumulated Depreciation	(15,981)
Leased Equipment, Net	<u>\$ 120,995</u>

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 4 LONG-TERM DEBT (CONTINUED)

The following is a summary of long-term debt activity as of June 30, 2021:

	June 30, 2020	Additions	Payments	June 30, 2021	Due Within One Year
Compensated Absences	\$ -	\$ 58,800	\$ -	\$ 58,800	\$ 4,671
Notes Payable	149,585	-	49,062	100,523	49,219
Capital Lease Obligations	-	136,975	13,785	123,190	23,807
Subtotal	<u>149,585</u>	<u>136,975</u>	<u>62,847</u>	<u>223,713</u>	<u>73,026</u>
Total	<u>\$ 149,585</u>	<u>\$ 195,775</u>	<u>\$ 62,847</u>	<u>\$ 282,513</u>	<u>\$ 77,697</u>

NOTE 5 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description and Benefits

The District provides other postemployment benefits (OPEB) under a multiemployer plan to qualified employees who retire from the District and meet the District's vesting requirements. Qualified employees with five years of service who retire from the District and have reached the minimum age of 50 are eligible. The District offers postemployment medical and dental benefits to retired employees who satisfy the eligibility rules. Benefits continue for the lifetime of the retiree with survivor benefits extended to surviving spouses. Benefit provisions are established through negotiations between the District and the bargaining union representing District employees.

The District participates in the CalPERS health program for medical coverage. Dental coverage is provided through Principal. CalPERS issues publicly available reports that include a full description of the benefit programs that can be found on the CalPERS website <https://www.calpers.ca.gov>.

Participant Type	Number of Participants
Inactive Participants Currently Receiving Benefits	2
Inactive Participants Entitled to but not yet Receiving Benefit Payments	-
Active Employees	9
Total	<u>11</u>

Funding Policy

The Districts' required contribution is based on projected pay-as-you-go basis. For the fiscal year ended June 30, 2021, the District contributed \$68,556 to the plan including the implicit rate subsidy

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

Net OPEB Liability (Asset)

The table herein shows the components of the net OPEB liability of the District:

	Balance June 30, 2021
Total OPEB Liability	\$ 3,238,665
Plan Fiduciary Net Position	-
District's Net OPEB Liability (Asset)	\$ 3,238,665

Plan Fiduciary Net Position as a Percentage of the
Total OPEB Liability (Asset) 0.00%

Actuarial Methods and Assumptions

The District's net OPEB liability was measured as of June 30, 2021 using the alternative measurement method, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021. Standard actuarial update procedures were used to project/discount from the valuation to the measurement date. Liabilities in this report were calculated as of the valuation date.

The total OPEB liability was determined by an actuarial valuation as of June 30, 2021, using the actuarial assumptions shown herein, applied to all periods included in the measurement, unless otherwise specified.

Actuarial Methods and Assumptions

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Inflation	3.00%
Salary Increases	3.00%
Investment Rate of Return	2.45%
Health Care Trend Rate	5.90% for 2020, 5.80% for 2021, 5.70% for 2022, and decreasing 0.10% per year to an ultimate rate of 5.00% for 2029 and later years.

Mortality rates were based on the 2014 rates used by CalPERS for the pension valuations. Discount rate is based on a blend of the long-term expected rate of return on OPEB plan investments – to the extent that the OPEB plan's fiduciary net position (if any) is projected to be sufficient to make projected benefit payments and assets are expected to be invested using a strategy to achieve that return. A yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher is used – to the extent that the other conditions are not met.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

Actuarial Methods and Assumptions (Continued)

Since the last measurement date, the assumptions for salary remained unchanged at 3.0%, the investment rate of return remained unchanged at 4.0%, and the healthcare trend rate increased to 6.0% from 5.0%. The inflation rate used was 3.0% for both measurement dates.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Assets) (a) - (b)
Balances at June 30, 2020	\$ 2,739,492	\$ -	\$ 2,739,492
Changes for the Year:			
Service Cost	150,519	-	150,519
Interest	89,393	-	89,393
Difference Between Expected and Actual Experience	327,817	-	327,817
Changes in Assumptions or Other Inputs	-	-	-
Net Investment Income	-	-	-
Benefit Payments	(68,556)	(68,556)	(137,112)
Contributions - Employer	-	68,556	68,556
Administrative Expense	-	-	-
Net Changes	<u>499,173</u>	<u>-</u>	<u>499,173</u>
Balances at June 30, 2020	<u>\$ 3,238,665</u>	<u>\$ -</u>	<u>\$ 3,238,665</u>

The following presents the District's net OPEB liability calculated using the discount rate of 3.13%, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1% point lower (2.13%) or 1% point higher (4.13%) than the current rate:

Discount Rate	Net OPEB Liability (Asset)
1% Decrease (1.45%)	\$ 3,832,129
Current Discount Rate (2.45%)	3,238,665
1% Increase (3.45%)	2,773,843

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 5 OTHER POSTEMPLOYMENT HEALTHCARE BENEFITS (CONTINUED)

Changes in the Net OPEB Liability (Continued)

The following presents the District's net OPEB liability calculated using the current healthcare cost trend rate of 6.0%, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% point lower (5.0%) or 1% point higher (7.0%) than the current rate:

<u>Healthcare Trend Rate</u>	<u>Net OPEB Liability (Asset)</u>
1% Decrease (4.90% for 2020, 4.00% Ultimate, 3.00% at Medicare Ages)	\$ 2,345,720
Current Trend Rate (5.90% for 2020, 5.00% Ultimate, 4.00% at Medicare Ages)	2,739,492
1% Increase (6.90% for 2020, 6.00% Ultimate, 5.00% at Medicare Ages)	3,237,553

OPEB Expense

For the year ended June 30, 2021, the District recognized OPEB expense of \$39,547. As of June 30, 2021, the District reported deferred outflows and inflow of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Contribution to OPEB Plan After Measurement Date	\$ 68,556	\$ -
Differences Between Expected and Actual Experience in the Measurement of the TOL	-	600,021
Changes in Assumptions	280,337	161,423
Total	<u>\$ 348,893</u>	<u>\$ 761,444</u>

As of June 30, 2020 and 2019, employer OPEB contributions of \$68,556 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2021.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended June 30,</u>	<u>Amortization</u>
2022	\$ (161,029)
2023	(161,029)
2024	(161,029)
2025	1,980
2026	-
Total	<u>\$ (481,107)</u>

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 6 PENSION PLAN – CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM (CALPERS)

California Public Employees’ Retirement System (CalPERS) which covers substantially all regular full-time employees of the District, acts as a common investment and administrative agent for participating public entities within the state of California and reports information to the District in accordance with reporting standards established by the GASB.

As of June 30, 2021, the District’s proportionate share of the net pension liability, pension expense and deferred inflow of resources for the above plan and a deferred outflow of resources as shown herein.

<u>Pension Plan</u> CalPERS	Proportionate Share of Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Proportionate Share of Pension Expense
	\$ 1,808,233	\$ 348,893	\$ 761,444	\$ 318,712

Plan Description

Qualified employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Plan under the California Public Employees’ Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The Public Agency Cost-Sharing Multiple-Employer Plan is comprised of a Miscellaneous Risk Pool and a Safety Risk Pool. Individual employers may sponsor more than one Miscellaneous or Safety plan. The District sponsors one Miscellaneous Risk pool plan and one Safety Risk pool plan, and the information presented herein represents the allocated pension amounts for the District’s plan (the Plan). The Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees’ Retirement Law.

Benefits Provided

The Plan provides service retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of service credit, a benefit factor, and the member’s final compensation. Members hired by the district with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. Members hired on or after January 1, 2013, with five years of total service are eligible to retire at age 52 with statutorily reduced benefits. All members are eligible for employment-related disability benefits regardless of length of service and nonduty disability benefits after four years of service. Disability benefits are determined in the same manner as retirement benefits but are payable immediately without an actuarial reduction. The Post-Retirement Death Benefit is a one-time payment made to a retiree’s designated survivor or estate upon the retiree’s death. The Basic Death Benefit is paid to any member’s beneficiary if the member dies while actively employed.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 6 PENSION PLAN – CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM
(CALPERS) (CONTINUED)**

Benefits Provided (Continued)

An employee’s eligible survivor may receive the 1957 Survivor Benefit if the member dies while actively employed, is at least age 50 (or 52 for members hired on or after January 1, 2013), and has at least five years of credited service. The cost-of-living adjustments for the Plan are applied as specified by the Public Employees’ Retirement Law.

The Plan provisions and benefits in effect at June 30, 2021, are summarized herein.

	<u>Miscellaneous Risk Pool</u>	
	Prior to 1/1/2013	On or after 1/1/2013
Hire Date	1/1/2013	1/1/2013
Benefit Formula	2% at 55	2% at 62
Benefit Vesting Schedule	5 Years of Service	5 Years of Service
Benefit Payments	Monthly for Life	Monthly for Life
Retirement Age	50-62	52-67
Monthly Benefits, as a % of Eligible Compensation	1.426%-2.418%	1.0%-2.5%
Required Employee Contribution Rate	7%	6.25%
Required Employer Contribution Rate	10.484%	7.732%

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Total plan contributions are determined annually through the CalPERS annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The contribution rates are expressed as a percentage of annual payroll. The contribution rates for the plan for the year ended June 30, 2021, are presented above and the total District contributions were \$68,556.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions**

As of June 30, 2021 the District reported net pension liabilities for its proportionate share of the Safety and Miscellaneous Risk Pools net pension liability totaling \$1,644,639. The net pension liability was measured as of June 30, 2019. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2021, the District’s proportion was 0.0029% and 0.0245% for the Safety and Miscellaneous Risk Pools, respectively.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 6 PENSION PLAN – CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM
(CALPERS) (CONTINUED)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions (Continued)**

For the year ended June 30, 2021, the District recognized net pension expense of \$314,687. The pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions, or methods and plan benefits.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the sources shown herein.

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions Subsequent to the Measurement Date	\$ 76,889	\$ -
Effect of Changes in Assumptions	-	5,967
Difference Between Actual and Expected Experience	125,205	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	36,921	-
Effect of Change in Proportion	19,027	107,124
Differences Between Contributions and Proportionate Share of Contributions	-	149,785
Total	<u>\$ 258,042</u>	<u>\$ 262,876</u>

The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

The net differences between projected and actual earnings on plan investments is amortized over a five-year period on a straight-line basis. One-fifth is recognized in pension expense during the measurement period and the remaining amount is deferred and will be amortized over the remaining four-year period. The remaining net differences between projected and actual earnings on plan investments shown above represents the unamortized balance relating to the current measurement period and the prior measurement period on a net basis.

All other deferred inflows or resources and deferred outflows of resources are amortized over the expected average remaining service life (EARSL) of the plan participants. The EARSL for the Miscellaneous Plan for the June 30, 2021 measurement date is 3.9 years.

The first year of amortization is recognized in pension expense for the year the gain or loss occurs. The remaining amounts are deferred and will be amortized over the remaining periods not to exceed 3.9 years.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 6 PENSION PLAN – CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM
(CALPERS) (CONTINUED)**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions (Continued)**

The deferred inflows of resources and outflows of resources will be recognized in pension expense as shown herein.

<u>Year Ended June 30,</u>	<u>Amortization</u>
2021	\$ 37,131
2022	(38,874)
2023	(55,604)
2024	(24,376)
Total	<u>\$ (81,723)</u>

Actuarial Methods and Assumptions

Total pension liability for the Plan was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2018 and rolling forward the total pension liability to June 30, 2019. The financial reporting actuarial valuation as of June 30, 2018 used the methods and assumptions herein, applied to all prior periods included in the measurement.

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2019	June 30, 2019
Measurement Date	June 30, 2020	June 30, 2020
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.75%	2.75%
Salary Increases	Varies by Entry Age and Service	Varies by Entry Age and Service
Investment Rate of Return	7.0% Net Pension Plan Investment and Administrative Expenses; Includes Inflation	7.0% Net Pension Plan Investment and Administrative Expenses; Includes Inflation
Mortality	Derived Using CalPERS' Membership Data for all Funds (1)	Derived using CalPERS' Membership Data for all Funds (1)
Post-Retirement Benefit Increase	Contract COLA up to 2.75% Until Purchasing Power Protection Allowance Floor on Purchasing Power Applies; 2.75% Thereafter	Contract COLA up to 2.75% Until Purchasing Power Protection Allowance Floor on Purchasing Power Applies; 2.75% Thereafter

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 6 PENSION PLAN – CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM
(CALPERS) (CONTINUED)**

Actuarial Methods and Assumptions (Continued)

Preretirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed the contributions from plan members and employers will be made at statutory contribution rates. Based on these assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine total pension liability.

CalPERS continues the Asset Liability Management (ALM) process to expand its review of assets and liabilities to ensure financial risks to the System are better understood, communicated, and mitigated. To establish appropriate levels of risk. ALM is focused on investment and actuarial policies. These policies include key decision factors and intend to drive optimum asset allocations, while stabilizing employer contribution rates, and the volatility of those rates year to year. Additionally, in order to better manage risks arising from terminating agencies, CalPERS has enhanced its oversight of contracting public agencies’ financial health through its development of a standardized review criteria. These improvements include streamlining the collection and termination process to reduce the timeframe, accelerating notifications to the Board and members, and adopting a risk oversight process to improve early detection of financial hardship issues.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 6 PENSION PLAN – CALIFORNIA PUBLIC EMPLOYEES’ RETIREMENT SYSTEM
(CALPERS) (CONTINUED)**

Discount Rate (Continued)

The expected real rates of return by asset class are as followed:

Asset Class	New Strategic Allocation	Long-term Expected Real Rate of Return	Long-term Expected Real Rate of Return
Global Equity	50.00 %	4.80 %	5.98 %
Global Fixed Income	28.00	1.00	2.62
Inflation Sensitive	-	0.77	1.81
Private Equity	8.00	6.30	7.23
Real Estate	13.00	3.75	4.93
Liquidity	1.00	-	(0.92)

The following presents the District’s proportionate share of the net pension liability calculated using the current discount rate as well as what the net pension liability would be if it were calculated using a discount rate that is 1% lower or higher than the current rate as shown herein.

	1% Decrease 6.15%	Discount Rate 7.15%	1% Increase 8.15%
District's Proportionate Share of the Net Pension Liability:			
Miscellaneous	\$ 201,592	\$ 130,078	\$ 71,001
Safety	2,495,051	1,678,155	1,041,847
Total	<u>\$ 2,696,643</u>	<u>\$ 1,808,233</u>	<u>\$ 1,112,848</u>

Plan Fiduciary Net Position

Detailed information about CalPERS Miscellaneous Risk Plan fiduciary net position is available in a separate comprehensive annual financial report. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, CA 95814.

NOTE 7 RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District, as a member of the Special District Risk Management Authority (SDRMA), has purchased various insurance policies to manage the potential liabilities that may occur from the previously named sources. SDRMA is an intergovernmental risk sharing joint powers authority, created pursuant to California Government Code Sections 6500 et Seq. SDRMA's purpose is to arrange and administer programs of self-insured losses and to purchase excess insurance coverage.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 RISK MANAGEMENT (CONTINUED)

At June 30, 2021, the District participated in the liability and property programs of the SDRMA as follows: general and auto liability, public officials' and employees' errors and omissions and employment practices liability; total risk financing limits of \$2.5 million, combined single limit at \$2.5 million per occurrence, subject to the following deductibles: 1) \$500 per occurrence for third-party general liability property damage, 2) \$1,000 per occurrence for third-party auto liability property damage, and 3) 50% co-insurance of cost expended by SDRMA, in excess of \$10,000 up to \$50,000, per occurrence, for employment related claims. However, 100% of the obligation is waived if certain criteria are met, as provided in the Memorandum of Coverage's. As respects, any employment practices claim or suit arising in whole or in part out of any action involving discipline, demotion, reassignment, or termination of any employee, leased worker, temporary worker, volunteer, or any worker who participates in an internship or training program which may lead to employment with the Member: (1) SDRMA shall be responsible for the first \$10,000 of loss, and (2) as to amounts expended for a loss in excess of \$10,000 up to \$110,000, such losses will be shared between SDRMA (50%) and the Member (50%) such that the Member will be responsible for up to but not in excess of \$50,000.

- Employee dishonesty coverage of \$1,000,000 per loss includes public employee dishonesty, forgery or alteration and theft, disappearance, and destruction coverage.
- Property loss is paid at the replacement cost for property on file, if replaced within three years after the loss, otherwise paid on an actual cash value (ACV) basis, to a combined (pool limit) total of \$1 billion per occurrence, subject to a \$1,000 deductible per occurrence.
- Boiler and machinery coverage is for the replacement cost up to \$100 million per (pool limit) occurrence, subject to \$1,000 deductible. Public officials' personal liability is up to \$500,000 each occurrence, with an annual aggregate of \$500,000 per each elected/appointed official to which this coverage applies, subject to the terms, conditions and exclusions as provided in the Memorandum of Coverage, deductible of \$500 per claim.
- Comprehensive and collision on selected vehicles, with deductibles of \$250/\$500 or \$500/\$1,000 as elected; ACV limits.

The District maintains workers compensation coverage and employer's liability coverage in accordance with statutory requirements of the state of California. Statutory limits per occurrence for workers' compensation and \$5.0 million for employers' liability coverage, subject to the terms, conditions, and exclusions as provided in the Memorandum of Coverage.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 8 OPERATING LEASE AGREEMENTS

The District currently is party to two leases wherein it leases a portion of existing office space and parking space to local organizations. The leases are operated month-to-month and can be terminated by either party with a 30-day written notice. In connection with these leases, the District recognized \$60,191 as rental income.

NOTE 9 ACCUMULATED NET DEFICIT AND MANAGEMENT PLANS

In fiscal year 2021, the District experienced a total decrease in net position of \$279,012. This decrease has increased the accumulated net deficit to \$4,905,981 at June 30, 2021. As of that date, current assets exceeded current liabilities by \$353,1810. Prior to fiscal 2019, the District experienced substantial negative net cash flow from operations which resulted in a sustained draw down of the District's available cash reserves.

In the fiscal year 2018, management and the board of directors implemented a strategic deployment plan to maximize the potential for emergency response based on the highest probability for 911 requests for service, and at the same time reduce unnecessary payroll expenses was fully implemented. The reduction to payroll expenses was realized and in the current year, the District continues to experience positive cash flow.

The District is operating with a net deficit and continues to see the net deficit increase. The significant expenses of the District are payroll and benefit related expenses. The primary increase in expenses and resulting increase in net deficit is the recognition of net pension liability and OPEB liability and recognition of their related expenses as required by the Governmental Accounting Standards Board.

REQUIRED SUPPLEMENTARY INFORMATION

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**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY –
OTHER POSTEMPLOYMENT BENEFITS OBLIGATION
JUNE 30, 2021**

	2018	2019	2020	2021
Total OPEB Liability:				
Service Cost	\$ 355,185	\$ 365,841	\$ 139,691	\$ 150,519
Interest	92,171	104,446	129,180	89,393
Difference Between Expected and Actual Experience	-	-	(963,671)	-
Changes of Assumptions	-	(322,844)	33,431	327,817
Benefit Payments	(54,570)	(55,769)	(55,424)	(68,556)
Net Change in Total OPEB Liability	392,786	91,674	(716,793)	499,173
Total OPEB Liability - Beginning	2,971,825	3,364,611	3,456,285	2,739,492
Total OPEB Liability - Ending (a)	3,364,611	3,456,285	2,739,492	3,238,665
Plan Fiduciary Net Position:				
Contributions - Employer	54,570	55,769	55,424	68,556
Net Investment Income	-	-	-	-
Benefit Payments	(54,570)	(55,769)	(55,424)	(68,556)
Administrative Expense	-	-	-	-
Net Change in Plan Fiduciary Net Position	-	-	-	-
Plan Fiduciary Net Position - Beginning	-	-	-	-
Plan Fiduciary Net Position - Ending (b)	-	-	-	-
Net OPEB Liability (Asset) - Ending (a) - (b)	<u>\$ 3,364,611</u>	<u>\$ 3,456,285</u>	<u>\$ 2,739,492</u>	<u>\$ 3,238,665</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	-	-	-	-
Covered Payroll	\$ 905,129	\$ 923,563	\$ 826,535	\$ 823,816
Net OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll	371.73 %	374.23 %	331.44 %	393.13 %

Note: Accounting standards require presentation of 10 years of information in this schedule is not required to be presented retroactively. Years will be added to this schedule as data becomes available.

See accompanying Notes to the Required Supplementary Information.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
SCHEDULE OF POSTEMPLOYMENT HEALTHCARE BENEFIT CONTRIBUTIONS –
OTHER POSTEMPLOYMENT BENEFITS OBLIGATION
JUNE 30, 2021**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
OPEB Contributions:				
Actuarially Determined Contribution (ADC)	\$ 54,570	\$ 55,769	\$ 55,424	\$ 68,556
Contributions in Relation to the ADC	<u>54,570</u>	<u>55,769</u>	<u>55,424</u>	<u>68,556</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$ 905,129	\$ 923,563	\$ 826,535	\$ 823,816
Contributions as a Percentage of Covered-Employee Payroll	6.03 %	6.04 %	6.71 %	8.32 %

(1) The District did not calculate an ADC. The District contributes on a pay-as-you-go method assumed to be an amount sufficient to fully fund the obligation over a period not to exceed 30 years.

Note: Accounting standards require presentation of 10 years of information in this schedule is not required to be presented retroactively. Years will be added to this schedule as data becomes available.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2021**

	2015	2016	2017	2018	2019	2020	2021
District's Proportion of the Net Pension Liability	0.01786%	0.01741%	0.01669%	0.01577%	0.01503%	0.01605%	0.01765%
District's Proportionate Share of the Net Pension Liability	\$ 1,111,455	\$ 1,194,756	\$ 1,444,091	\$ 1,564,188	\$ 1,448,721	\$ 1,644,639	\$ 1,808,233
District's Covered Payroll Reported as of the Previous Fiscal Year to Align with the Measurement Date of the Net Pension Liability	\$ 752,508	\$ 894,213	\$ 955,565	\$ 951,188	\$ 905,129	\$ 923,563	\$ 830,041
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	147.70 %	133.61 %	151.12 %	164.45 %	160.06 %	178.08 %	217.85 %
Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82 %	78.40 %	74.07 %	73.31 %	75.26%	75.26%	75.10%

Note: Accounting standards require presentation of 10 years of information in this schedule is not required to be presented retroactively. Years will be added to this schedule as data becomes available.

The amounts for covered payroll are reported as of the previous fiscal year to align with the measurement date of the net pension liability.

See accompanying Notes to the Required Supplementary Information.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
JUNE 30, 2021**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Contractually Required Contribution	\$ 167,727	\$ 180,930	\$ 195,492	\$ 130,863	\$ 82,840	\$ 68,150	\$ 62,173
Contribution in Relation to the Contractually Required Contribution	<u>(167,727)</u>	<u>(180,930)</u>	<u>(195,492)</u>	<u>(130,863)</u>	<u>(82,840)</u>	<u>(68,150)</u>	<u>(62,173)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 894,213	\$ 955,565	\$ 951,188	\$ 905,129	\$ 923,563	\$ 823,817	\$ 830,041
Contributions as a Percentage of Covered Payroll	18.76 %	18.93 %	20.55 %	14.46 %	8.97 %	8.27 %	7.49 %

Note: Accounting standards require presentation of 10 years of information in this schedule is not required to be presented retroactively. Years will be added to this schedule as data becomes available.

See accompanying Notes to the Required Supplementary Information.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021**

NOTE 1 PURPOSE OF SCHEDULES

Schedule of Changes in Net OPEB Liability

The schedule is intended to show the funded status of the District's actuarially determined liability for postemployment benefits other than pensions. In the future, as data becomes available, 10 years of information will be presented.

Schedule of Postemployment Healthcare Contributions

The schedule presents information on the District's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution. In the future, as data becomes available, 10 years of information will be presented.

Schedule of District's Proportionate Share of the Net Pension Liability

The schedule presents information on the District's proportionate share of the net pension liability, the plans' fiduciary net position, and when applicable, the state's proportionate share of the net pension liability associated with the District. In the future, as data becomes available, 10 years of information will be presented.

Schedule of District's Pension Contributions

The schedule presents information on the District's required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution. In the future, as data becomes available, 10 years of information will be presented.

OTHER INDEPENDENT AUDITORS' REPORT

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Directors
Cambria Community Healthcare District
Cambria, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Cambria Community Healthcare District (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated REPORT DATE.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency or a combination of deficiencies in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control described in the accompanying schedule of findings and responses as items 2021-001 and 2021-002 that we consider to be material weaknesses.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

District’ Response to the Findings

The District’s response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The District’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

Glendora, California
REPORT DATE

FINDINGS AND RESPONSES

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**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2021**

NOTE: The findings and recommendations listed below include details about the criteria or specific requirements, the condition, the effect, and the cause.

2021-001 ACCOUNTS RECEIVABLE AND RESERVE FOR DOUBTFUL ACCOUNTS

Original Finding: 2019-002

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Repeat of Prior Year Finding: Yes

Finding: The accounts receivable balance and revenue reported from the District internal billing system were not reconciled to the general ledger. The reserve for doubtful accounts was not properly estimated and recorded. Accounts receivable were not properly adjusted for bad debt write off. The adjustment to reconcile the revenue and accounts receivable, and to correct the reserve for doubtful accounts resulted in an audit adjustment to correct a material understatement of bad debt expense and to record a material adjustment to correct overstated accounts receivable.

Recommendation: Establish a system of consistent monthly reconciliation of revenue billed from the District billing system and the detailed accounts receivable to the general ledger. Implement a consistent method to evaluate the collectability of accounts and adjust appropriately to ensure accounts receivable are reported at their net realizable value.

Management's Response: In 2020, the District upgraded to a new ambulance billing and accounting systems, the new billing system prepares and generates invoices for ambulance services providing standard pre-established rates, invoices are then recorded into the accounting system. When payments are received, they are recorded in the billing system, deposited and recorded to ambulance income, and adjustment made to contra account to state the net realizable value in the accounting system. During the fourth quarter of the fiscal year, the District developed a procedure to track gross receipts, contra adjustments and confirmed net realizable value to assist with evaluating a percentage factor that will be used for a monthly reconciliation to the accounts receivable account. Additionally, outstanding invoices are monitored and actively pursued for collections on a weekly basis, this will help to ensure that any bad debt is properly recorded and the balance for allowance for doubtful accounts is adequacy recorded.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED JUNE 30, 2021**

2021-002 CLOSING PROCESS AND RECONCILIATIONS

Original Finding: 2019-001

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Repeat of Prior Year Finding: Yes

Finding: Our audit procedures revealed the lack of a systematic method to ensure complete monthly closing procedures take place and reconciliations are performed. This resulted in material errors in recording of capital assets and related lease obligation as well as multiple accruals and understated assets and expenses.

A lack of specific closing procedures and multiple accounts that are not regularly reconciled may ultimately cause significant errors in the financial records and statements as well as allow possible irregularities, including fraud, to exist and continue without notice.

Recommendation: Establish a system of consistent monthly reconciliations and closing procedures in order to provide more accurate financial statements. We strongly recommend the District establish more effective review and reconciliation policies and procedures as a customary part of the accounting process. This would involve monthly reconciliations of all accounts, making adjustments throughout the year that have typically been made at year-end only, and performing more frequent reviews of the general ledger throughout the year.

Management's Response: During the fiscal year ended June 30, 2021, the District took corrective action to address prior year auditor finding 2019-001. A monthly closing procedure was created with assigned tasks to District Administrator, Accounting Contractor, and Office Manager. Several of the assigned tasks were implemented including a monthly aging accounts receivable reconciliation, accounts payable and loan payable reconciliation, and monthly detailed financial review with staff and Board member. While successful with closing procedures listed above, the District was unable to complete all tasks assigned on a regular basis due to a turn over with key management. In 2022, the District has promoted the Director of Operations to the Administrator position and has hired a Director of Finance. The new hire of the Director of Finance will provide a full-time accounting professional in-house employee to regularly reconcile all accounts and correct deficiencies noted in finding.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
STATUS OF PRIOR YEAR FINDINGS AND RESPONSES
YEAR ENDED JUNE 30, 2021**

2020-001 ACCOUNTS RECEIVABLE AND RESERVE FOR DOUBTFUL ACCOUNTS

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Repeat of Prior Year Finding: Yes

Finding: The accounts receivable balance and revenue reported from the District internal billing system was not reconciled to the general ledger. The reserve for doubtful accounts was not being properly estimated and recorded. Accounts receivable were not properly adjusted for bad debt write off. The adjustment to reconcile the revenue and accounts receivable, and to correct the reserve for doubtful accounts resulted in an audit adjustment to correct a material understatement of bad debt expense and to record a material estimate for allowance for uncollectible accounts.

Recommendation: Establish a system of consistent monthly reconciliation of revenue billed from the District billing system and the detailed accounts receivable to the general ledger. Implement a consistent method to evaluate the collectability of accounts and adjust appropriately to ensure accounts receivable are reported at their net realizable value.

Current Year Status: Not yet implemented. See Finding 2021-001.

**CAMBRIA COMMUNITY HEALTHCARE DISTRICT
STATUS OF PRIOR YEAR FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED JUNE 30, 2021**

2019-001 CLOSING PROCESS AND RECONCILIATIONS

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Repeat of Prior Year Finding: Yes

Finding: Our audit procedures revealed the lack of a systematic method to ensure complete monthly closing procedures take place and reconciliations are performed. A lack of specific closing procedures and multiple accounts that are not regularly reconciled may ultimately cause significant errors in the financial records and statements as well as allow possible irregularities, including fraud, to exist and continue without notice.

Recommendation: Establish a system of consistent monthly reconciliations and closing procedures in order to provide more accurate financial statements. We strongly recommend the District establish more effective review and reconciliation policies and procedures as a customary part of the accounting process. This would involve monthly reconciliations of all accounts, making adjustments throughout the year that have typically been made at year-end only, and performing more frequent reviews of the general ledger throughout the year.

Current Year Status: Not yet implemented. See Finding 2021-002.



**Financial Report
Board of Directors Meeting
February 28, 2023**

Staff Report: Linda Hendy, Director of Finance E02

Subject: Fiscal Year 2022-23 Mid-Year Budget Review

Recommendation / Proposed Motion

Recommendation: Receive revenue and expenditure projections for Fiscal Year 2022-23 as compared to 2022-23 Budget and 2022-23 Actual (Attachment 1).

Fiscal Implications / Budget Status

The 2022/23 budget shows operating revenues (\$2,148,464) exceeding operating expenditures (\$2,099,139) by \$49,325. The 2022/23 projections show operating and other income revenues (\$2,431,703) exceeding operating expenditures (\$2,183,902) by \$247,801.

Discussion

The 2022-23 projections are calculated by adding the first seven months of the fiscal year (July-January) actual revenues and expenditures to the projected revenues and expenditures for the second five months. These projections are based on current and prior year trends and are adjusted by expected seasonal timing differences. This discussion item will compare the total year projections with the approved budget.

Following is an analysis of the total projected revenue, and projected expenditures, compared to the Budget for Fiscal Year 2022-23 and 2022-23 Actuals. This analysis is done at a summary level (by budget category).

REVENUE ANALYSIS

- Ambulance Revenue is projected to be \$150,384 above budget. The net increase is attributed to an increase in transports resulting in additional billing for services provided. In comparison to prior year 2021-22 the District has invoiced a combined insurance billing of 87 additional claims.
- General and Special Assessment tax is projected to be above budget by \$23,116. In January of each year the District receives an updated estimate from the County of San Luis Obispo updating the projected revenues the District will receive.
- Other Income:
 - The Monterey service contract is projected to be above budget in the amount of \$7,500. The first six months of this fiscal year the District provided additional transports therefore increasing our revenue. However, in the month of January no transports were provided to Monterey County due to the current closure of Highway 1, a result of several hillside slides during the recent storms. Caltrans has since reopened a portion of Highway 1 and the District will resume providing back up transports.
 - Misc. Income is projected to be \$4,671 above budget. In February the District anticipates receiving \$5,000 for participating in the Diablo Canyon 2022 Medical Management of Radiation Accidents Training and Drill.
 - The current 2022-23 budget did not include the income or expense for the participation in GEMT (Ground Emergency Medical Transportation) reimbursement program through the California Department of Health Care Services. The District received \$39,865 for the 2019-20 report.

- The District received a FEMA grant reimbursement in the amount of \$76,190 for prior ambulance procurement. The expense was recognized in 2020.
- Donation income is budgeted at \$30,000 for fiscal year 2022-23. Donations revenue is received from community donations each year through the CCHD 501c3 trust account then transferred to the Districts operating account to cover Board approved equipment purchases and/or unexpected facility expenses. As of January, the 501c3 Trust account bank balance is \$37,772, with no transfer activity to the operating account.

OPERATING EXPENDITURE ANALYSIS

Total operating expenditures (\$2,175,402) are projected above budget in the amount of \$76,263

- Payroll Expenses: Payroll expenditures are projected to be above budget by \$24,039
 - Staff have provided shift coverage for an employee out on leave and two additional open full-time positions resulting in overtime pay for coverage therefore increasing payroll cost. With the hiring of two new full-time employees and the return of employee out on leave, the District anticipates being fully staffed with regular full-time employees by March 2023.
 - Accrual account reconciliations for both CalPERS pension and CalPERS unfunded liability are complete resulting in an update to pension expense and unfunded liability expense. Combined accounts totals are unfavorable to budget by \$17,195.
 - In January CalPERS healthcare premiums increased for employees and retirees, to offset the increase the current employee MOU required employees to increase their cost share to 20%.
- Operating Expenses:
 - The District will have a decrease in the amount of \$16,760 for accounting fees as we have concluded our contract with contractor and have brought accounting in-house.
 - Audit fees are projected over budget by \$13,480. Projected expense includes the completion of our 2020-21 audit and future work on our 2021-22 audit.
 - Payroll service fees are projected above budget amount by \$651 this is due to additional cost for the preparation of employee W-2's for 2022.
 - Facility maintenance expense is currently in line with budget and does not include building repair/replacement projected cost.
 - Office and Computer supplies are projected to be above budget in the amount of \$8,883 expenditures include a combination of computer repairs, parts, annual subscription renewals for Adobe, GoDaddy, new QuickBooks subscription and office supplies.
 - Utilities have continued to increase and are projected over budget in the amount of \$8,997.
- Fleet Expenses: Projections indicate expenses above budget in the amount of \$5,484. Expenditures include unexpected repair cost to Unit 18 and Unit 20 and additional expenditures including towing, new brakes, belt, batteries, starter and headlight replacement, oil change, purchase of mobile microphone. Fuel cost have increased due to the higher gas pricing and additional transports.

- Other Expenses:
 - Bond expenditures in 2022 totaled \$16,216, expenses included marketing efforts, legal cost and voter opinion survey, conducted by outside agency.
 - Contingency/Outreach/Public Education expenditures are projected to be above budget in the amount of \$12,179. Expenses include a new District website with Streamline and community outreach promotional items.
 - Year-to-date and projected expenditures include the GEMT program cost including the 2022 QAF fourth quarter report fee and projected 2023 first quarter report fee.


Net Income:

Projected revenues and expenses reflect a positive net income of \$198,476 above budget, mainly attributed to increased Ambulance billing, tax receipts, GEMT program reimbursement and Covid-19 relief funds received.

Conclusion


While the District projections indicate a net income above projected budget the District is faced with substantial expenditures related to the emergency repair of the facilities and the temporary relocation of crews, equipment and administrative staff to a new location while repairs are made. Funding of the required repairs will be discussed including funding options and cash flow considerations.




Mid-Year Budget Review

Cambria Community Healthcare District
Update February 28, 2023



The 2022-23 projections are calculated by adding the first seven months of the fiscal year (July-January) actual revenues and expenditures to the projected revenues and expenditures for the second five months.

Projections are based on current and prior year trends and are adjusted by expected seasonal timing differences.

Today's review will compare the total year projections with the approved budget and provide explanations on variances (increases/decreases).

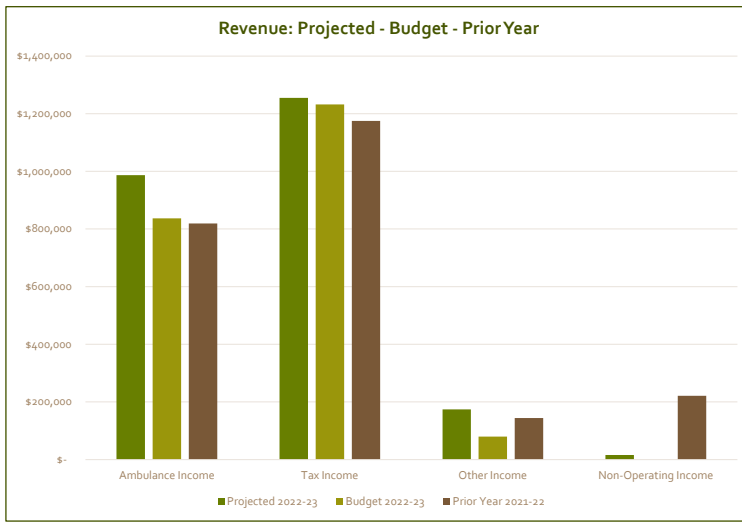
2022/23 Mid-Year Budget Projections

EX G J HW##### FD WHJ R U \	5355256# SUR MHFWHG	5355256# EX G J HW	EX G J HW# Y D U I D Q F H
Operating Revenue	\$2,415,973	\$2,148,464	\$267,509
Other-Operating Revenue	\$15,730	\$0	\$15,730
Operating Expense	(\$2,183,902)	(\$2,099,139)	(\$84,763)
Net Income	\$247,801	\$49,325	\$198,476

3

Cambria Community Healthcare District

Continues to see a steady growth in revenues to support emergency services provided to the Community



4 Add a footer

Revenue Analysis

Ambulance Revenue: \$150,384 above budget

- The net increase is attributed to an increase in transports resulting in additional billing for services provided. In comparison to prior year 2021-22 the District has invoiced a combined insurance billing of 87 additional claims.

General and Special Assessment Tax : \$23,116 above budget

- In January of each year the District receives an updated estimate from the County of San Luis Obispo updating the projected revenues the District will receive.

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Revenue Analysis continued

Other Income:

- The Monterey service contract is projected to be above budget in the amount of \$7,500. The first six months of this fiscal year the District provided additional transports therefore increasing our revenue. However, in the month of January no transports were provided to Monterey County due to the current closure of Highway 1, a result of several hillside slides during the recent storms. Caltrans has since reopened a portion of Highway 1 and the District will resume providing back up transports.
- Misc. Income is projected to be \$4,671 above budget. In February the District anticipates receiving \$5,000 for participating in the Diablo Canyon 2022 Medical Management of Radiation Accidents Training and Drill.

6

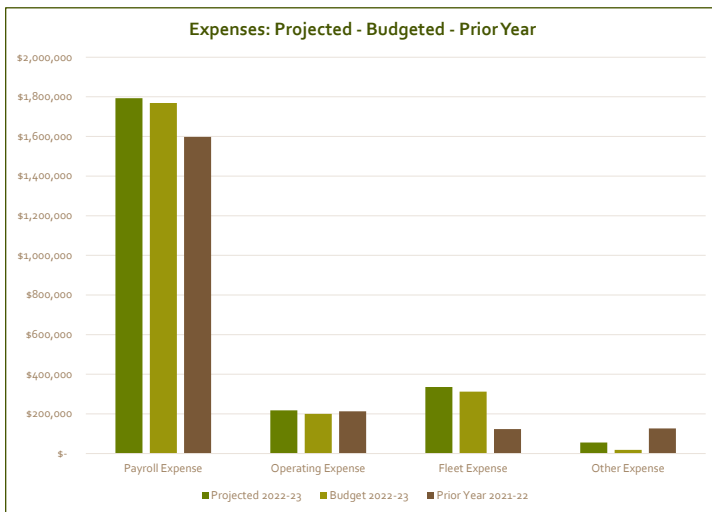
Revenue Analysis continued

Other Income:

- The current 2022-23 budget did not include the income or expense for the participation in GEMT (Ground Emergency Medical Transportation) reimbursement program through the California Department of Health Care Services. The District received \$39,865 for the 2019-20 report.
- The District received a FEMA grant reimbursement in the amount of \$76,190 for prior ambulance procurement. The expense was recognized in 2020.
- Donation income is budgeted at \$30,000 for fiscal year 2022-23. Donation revenue is received from community donations each year through the CCHD 501c3 trust account then transferred to the Districts operating account to cover Board approved equipment purchases and/or unexpected facility expenses. As of January, the 501c3 Trust account bank balance is \$37,772, with no transfer activity to the operating account.

Cambria Community Healthcare District - Expenditures

Anticipated cost increases are in line with budgeted amounts and consistent to prior year expenditures



Operating Expenditure Analysis

Payroll Expenses: \$24,039 above budget

- Staff have provided shift coverage for an employee out on leave and two additional open full-time positions resulting in overtime pay for coverage therefore increasing payroll cost. With the hiring of two new full-time employees and the return of employee out on leave, the District anticipates being fully staffed with regular full-time employees by March 2023.
- Accrual account reconciliations for both CalPERS pension and CalPERS unfunded liability are complete resulting in an update to pension expense and unfunded liability expense. Combined accounts totals are unfavorable to budget by \$17,195.
- In January CalPERS healthcare premiums increased for employees and retirees, to offset the increase the current employee MOU required employees to increase their cost share to 20%.

9

Operating Expenditure Analysis continued

Operating Expenses:

- The District will have a decrease in the amount of \$16,760 for accounting fees as we have concluded our contract with contractor and have brought accounting in-house.
- Audit fees are projected over budget by \$13,480. Projected expense includes the completion of our 2020-21 audit and future work on our 2021-22 audit.
- Payroll service fees are projected above budget amount by \$651 this is due to additional cost for the preparation of employee W-2's for 2022.
- Facility maintenance expense is currently in line with budget and does not include building repair/replacement projected cost.
- Office and Computer supplies are projected to be above budget in the amount of \$8,883 expenditures include a combination of computer repairs, parts, annual subscription renewals for Adobe, GoDaddy, new QuickBooks subscription and office supplies.
- Utilities have continued to increase and are projected over budget in the amount of \$8,997.

10

Operating Expenditure Analysis continued

Fleet Expenses:

- Projections indicate expenses above budget in the amount of \$5,484. Expenditures include unexpected repair cost to Unit 18 and Unit 20 and additional expenditures including towing, new brakes, belt, batteries, starter and headlight replacement, oil change, purchase of mobile microphone. Fuel cost have increased due to the higher gas pricing and additional transports.

Other Expenses:

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11

Net Income:

Projected revenues and expenses reflect a positive net income of \$198,476 above budget, mainly attributed to increased Ambulance billing, tax receipts, GEMT program reimbursement and Covid-19 relief funds received.

Conclusion:

While the District projections indicate a net income above projected budget the District is faced with substantial expenditures related to the emergency repair of the facilities and the temporary relocation of crews, equipment and administrative staff to a new location while repairs are made. Funding of the required repairs will be discussed including funding options and cash flow considerations.



12



CAMBRIA COMMUNITY HEALTHCARE DISTRICT

TO: Board of Directors E03

FROM: Laurie Mileur, PhD and John Nilon

DATE: February 28, 2023

AGENDA DESCRIPTION: Request to change name of current Grants Committee to Development Committee

RECOMMENDATION: Approve motion authorizing committee name change.

FISCAL IMPACT: None at this time.

DISCUSSION: The Grants Committee seeks to expand its role through the inclusion of development activities including a community campaign with a primary goal of increasing private and public donations to the CCHD 501 (c) 3 Trust. Changing the name from Grants to Development will reflect this Committee's expanded role.

ATTACHMENTS: None at this time.

BOARD ACTION:

Date of Vote: February 28, 2023

UNANIMOUS: ___

MONTALVO___MILEUR___NILON___MUMPER___KULESA___



CAMBRIA COMMUNITY HEALTHCARE DISTRICT

TO: Board of Directors E05

FROM: Laurie Mileur PHD

DATE: February 28, 2023

AGENDA DESCRIPTION: Presentation by Juli Amodei

RECOMMENDATION: Hear presentation from Juli Amodei regarding community outreach related to CCHD facility needs.

FISCAL IMPACT: TBA

ATTACHMENTS: None at this time.

BOARD ACTION:

Date of Vote: February 28, 2023

UNANIMOUS: ___

MONTALVO ___ MILEUR ___ NILON ___ MUMPER ___ KULESA ___

Cambria Community Healthcare District

Transaction Detail by Account

January 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
11200 PP (5645) Operating					
01/04/2023	Expense		Payroll People		-52,208.10
01/05/2023	Expense				-1,957.32
01/05/2023	Expense				-759.65
01/05/2023	Bill Payment (Check)	2335	Coastal Copy	Acct# CC45	-184.90
01/05/2023	Expense				-4,616.46
01/05/2023	Bill Payment (Check)	2346	Streamline	Invoice# 8A432981-0005	-200.00
01/05/2023	Bill Payment (Check)	2339	Payment Resolution Services	PRS Acct# 6272425	-223.76
01/05/2023	Bill Payment (Check)	2338	Mission Country Disposal	Acct# 4130-8101951	-226.84
01/05/2023	Bill Payment (Check)	2345	SEIU Local 620	Union dues, Check date 01/05/2023	-244.24
01/05/2023	Bill Payment (Check)	2336	Graybar Financial Services	Contract# 100-5910031-001	-163.24
01/05/2023	Bill Payment (Check)	2343	Pitney Bowes	Lease invoice# 3105898749	-119.58
01/05/2023	Bill Payment (Check)	2334	BoundTree Medical	Acct# 106918	-63.15
01/05/2023	Bill Payment (Check)	2342	PG&E - ending 810-8	Acct# 5179258810-8	-36.91
01/05/2023	Bill Payment (Check)	2347	Templeton Uniforms, LLC	Rcpt# 150762	-23.16
01/05/2023	Bill Payment (Check)	2341	PG&E - ending 135-3	Acct# 4378486135-3	-10.19
01/05/2023	Bill Payment (Check)	2340	PG&E - #A ending 348-9	Acct# 9976402348-9	-1,101.08
01/05/2023	Bill Payment (Check)	2344	Robert W Sayers	January 2023 Invoices	-760.70
01/05/2023	Bill Payment (Check)	2337	Life Assist	Invoice# 1280581	-529.46
01/05/2023	Bill Payment (Check)	2333	Antonio Mercado	December yard work and trash removal	-350.00
01/06/2023	Expense		CalPERS Fiscal Services Division	CalPERS Member Contribution -457 Benes 12.16.-12.31.22	-25.00
01/06/2023	Expense		CalPERS Fiscal Services Division		-760.72
01/06/2023	Expense		CalPERS Fiscal Services Division		-1,886.79
01/06/2023	Expense		CalPERS Fiscal Services Division		-3,195.15
01/10/2023	Expense		WORLDPAY CC		-172.93
01/11/2023	Bill Payment (Check)	2351	Kitzman Water (Culligan)	Acct# 190231	-63.00
01/11/2023	Bill Payment (Check)	2350	Cambria Hardware Center	Acct# 205	-110.95
01/11/2023	Bill Payment (Check)	2356	Templeton Uniforms, LLC	Rcpt# 150866	-125.48
01/11/2023	Bill Payment (Check)	2357	BoundTree Medical	Acct# 106918	-195.99
01/11/2023	Bill Payment (Check)	2353	MP Cloud Technologies	Invoice# 6097	-599.00
01/11/2023	Bill Payment (Check)	2348	Ameritas Life Insurance Corp.	Policy# 58022	-1,034.48
01/11/2023	Bill Payment (Check)	2349	BoundTree Medical	Acct# 106918	-1,782.19
01/11/2023	Bill Payment (Check)	2354	Porteous Management Group	Space #5	-240.00
01/11/2023	Bill Payment (Check)	2352	MEDSTOP Urgent Care	Invoice #23547	-200.00
01/11/2023	Bill Payment (Check)	2355	SpectrumVoIP	Acct# 8059278304	-20.75
01/12/2023	Expense		CalPERS Fiscal Services Division		-15,627.25
01/19/2023	Bill Payment (Check)	2361	Cambria Services District	Invoice# 06-30-2020	-519.18
01/19/2023	Bill Payment (Check)	2366	SEIU Local 620	Union dues, Check date 01/20/2023	-244.24
01/19/2023	Bill Payment (Check)	2367	Streamline	Invoice# 8A432981-0004	-200.00
01/19/2023	Bill Payment (Check)	2360	Cambria Business Center	Annual PO Box renewal	-110.00
01/19/2023	Bill Payment (Check)	2358	Airgas West	Invoice# 9994126678	-677.72
01/19/2023	Bill Payment (Check)	2362	Coast Electronics	Account# 10002631 old invoices	-841.44
01/19/2023	Bill Payment (Check)	2359	BoundTree Medical	Acct#106918 Inv#84809998	-1,297.75
01/19/2023	Bill Payment (Check)	2371	Zoll Medical Corp.	Invoice# 90070875	-2,091.08
01/19/2023	Bill Payment (Check)	2369	US Bank Card	#4246 0445 5565 3652	-3,806.95
01/19/2023	Bill Payment (Check)	2365	Potter Plumbing	Invoice# 9506	-203.00
01/19/2023	Bill Payment (Check)	2370	Verizon Wireless	Acct# 271000184-00002	-357.20
01/19/2023	Bill Payment (Check)	2363	Coastal Communities Physician Network	CLM# 20221019921544800014	-843.00
01/19/2023	Expense		Payroll People		-46,502.72
01/19/2023	Bill Payment (Check)	2364	Life Assist	Invoice# 1264214	-422.66
01/19/2023	Bill Payment (Check)	2368	Templeton Uniforms, LLC	Rcpt# 151064	-318.49
01/23/2023	Bill Payment (Check)	2376	Department of Health Care Services	GEM0223V316 Q1 2022	-4,626.72
01/23/2023	Bill Payment (Check)	2375	Denise Codding	February 2023 health premium	-556.74
01/23/2023	Bill Payment (Check)	2380	Joseph Guthrie	Education reimbursement	-302.00
01/23/2023	Bill Payment (Check)	2374	Danny Takaoka	February 2023 Health premium	-2,110.78

Cambria Community Healthcare District

Transaction Detail by Account

January 2023

DATE	TRANSACTION TYPE	NUM	NAME	MEMO/DESCRIPTION	AMOUNT
01/23/2023	Bill Payment (Check)	2373	Daniel Cariaga	February 2023 Health premium	-1,147.86
01/23/2023	Bill Payment (Check)	2377	Donald Melendy	February 2023 Health premium	-1,147.86
01/23/2023	Bill Payment (Check)	2378	Heidi Holmes-Nagy	February 2023 Health premium	-1,113.49
01/23/2023	Bill Payment (Check)	2372	Charter Communications	Acct# 824510113 0094588	-425.96
01/23/2023	Bill Payment (Check)	2381	Templeton Uniforms, LLC	Rcpt# 151193	-62.74
01/23/2023	Bill Payment (Check)	2379	John Lisberg	Purchase reimbursement	-30.43
01/23/2023	Expense				-3,862.13
01/23/2023	Expense				-1,886.79
01/23/2023	Expense				-856.34
01/23/2023	Expense				-25.00
01/26/2023	Bill Payment (Check)	2387	William Avery & Associates, Inc.	Invoice# 3517	-800.00
01/26/2023	Bill Payment (Check)	2389	Johnboy's Towing	Invoice# 23-02284	-568.75
01/26/2023	Bill Payment (Check)	2382	Aflac	Acct# XG624	-33.80
01/26/2023	Bill Payment (Check)	2385	Templeton Uniforms, LLC	Rcpt# 151364	-135.11
01/26/2023	Bill Payment (Check)	2386	Wells Fargo Vendor Financial Services	Cust# 1051980762	-191.98
01/26/2023	Bill Payment (Check)	2384	Mutual of Omaha	Group ID# G000BZ6W	-204.00
01/26/2023	Bill Payment (Check)	2383	Johnboy's Towing	Invoice# 23-02285	-262.50
01/26/2023	Bill Payment (Check)	2388	Johnboy's Towing	Invoice# 22-01907	-437.50
01/31/2023	Expense		Pacific Premier Bank		-2.75
01/31/2023	Expense		CalPERS Fiscal Services Division		-138.42
01/31/2023	Expense		CalPERS Fiscal Services Division		-320.42
01/31/2023	Expense		CalPERS Fiscal Services Division		-490.00
01/31/2023	Expense		CalPERS Fiscal Services Division		-1,376.58
01/31/2023	Expense		CalPERS Fiscal Services Division		-11,467.50
01/31/2023	Expense		Pacific Premier Bank		-1.30
Total for 11200 PP (5645) Operating					\$ -182,839.30



1240 E. Locust Street, Suite 203, Ontario, CA 91761

**Purchase Agreement
Crestline CCL150 Type III Ambulance
Ford E350 Gas Chassis**

February 23, 2023

Purchaser:
Cambria Community Healthcare District
2535 Main Street
Cambria, CA 93428

Seller:
RedSky Emergency Vehicles
1240 E. Locust Street, Suite 203
Ontario, CA 91761

Seller agrees to sell to Purchaser **one (1) Crestline Type III Ambulance, Model CCL150, on a Ford E350 4x2 van cutaway**, per the attached spec summary, along with equipment and extended warranty plans listed below.

DELIVERY: Estimated delivery is in the first quarter of 2025 for order placed by March 30, 2023. **Delivery terms are FOB Cambria, California.** The Seller shall not be liable for failure to deliver or for any delay in delivering the motor vehicles covered by this agreement where such failure or delay is due, in whole or in part, to any cause beyond the control or without the fault or negligence of the Seller. Delays from the chassis manufacturer may result in extended delivery time, as will changes to this contract once the order has been placed with Demers Ambulance. Additions or deletions may be made if the vehicle has not passed that point in production at the time of change.

PURCHASE PRICE: The Purchaser hereby purchases and agrees to pay for said emergency vehicle, equipment, and taxes the total sum of **two hundred eighty-two thousand one hundred six US Dollars and 72 US Cents (\$282,106.72)** as detailed below. This purchase price is subject to adjustment downward should there be any pricing reductions announced by the manufacturer prior to delivery. The purchase price is not subject to upward adjustment except as outlined elsewhere in this agreement in relation to the chassis and Stryker equipment.

Pricing

Description	Unit Price
One (1) CCL150 Type III Ambulance, Ford E350, per the attached summary specifications	\$228,815.00*
Stryker PowerPRO XT Cot, Model 6506, mid-configuration	\$29,250.00**
Ford PremiumCARE Extended Warranty (5 years / 100,000 miles / 4,000 engine hours)	\$4,960.00
Sub-Total	\$263,025.00
Sales Tax, 7.25%, Cambria, San Luis Obispo County	\$19,069.32
California Tire Fee, \$1.75 / Tire	<u>\$12.25</u>
Total	\$282,106.72

**Pricing does not include a Ford FIN code discount, as they have not been released for 2024 model year chassis. Please note that if the chassis price from Ford changes, the change will be passed on dollar-for-dollar in the final invoice. **Please note that the price quoted is current Stryker retail price. If the price increases prior to delivery, the Stryker current retail price at time of delivery will apply.*

DESIGN CHANGES BY THE MANUFACTURER: The Manufacturer has reserved the right to change the design of any new motor vehicle, chassis, accessories, or parts of new vehicles at any time without notice and without obligation to make the same or any similar changes upon any motor vehicle, chassis, accessories, or parts of vehicles previously purchased by or shipped to seller or being manufactured or sold in accordance with Seller's orders. In the event of any such change by the manufacturer, Seller shall have no obligation to Purchaser to make this same or any similar

1240 E. Locust Street, Suite 203, Ontario, CA 91761

change in any motor vehicle, chassis, accessories, or parts of the vehicle covered by this agreement either before or after delivery to Purchaser.

FUTURE CHANGES: Various state or federal regulatory agencies (e.g. KKK, DOT, EPA) may require changes to the Specifications and or the Product and in any such event any resulting cost increases incurred to comply therewith will be added to the Purchase Price to be paid by the Customer. To the extent practical, RedSky EV will document and itemize any such price increases for the Customer.


EXECUTION OF OTHER DOCUMENTS: The Purchaser, before or at the time of delivery of the motor vehicle covered by this agreement will execute such other forms of agreement or documents as may be required by the terms and conditions of payment indicated on the front of this order or as required by law.

STANDARD WARRANTIES: Purchaser accepts vehicle "AS IS". No representation has been made by Seller except as herein stated and no warranties, expressed or implied, may arise except from this writing. All warranties are issued by the chassis manufacturer, the ambulance builder, and component parts suppliers. The Seller shall have no liability with respect to warranties issued by the chassis manufacturer, the ambulance builder, and component parts suppliers. That being said, the Seller is happy to provide warranty service and general service and repairs to the Purchaser as needed.

PAYMENT TERMS: Payment shall be made directly to RedSky Emergency Vehicles. Due at time of delivery. Proof of insurance and approved financing or payment will be required to execute this agreement.

SALES & USE TAXES: The price for the motor vehicle specified in this agreement does not include Use Taxes (Federal, State, or Local) unless expressly stated. Purchaser assumes and agrees to pay, unless prohibited by law, and such Use, or Occupational Taxes imposed on or applicable to the transaction covered by this agreement, regardless of which party may have primary tax liability.

Signed:



Kirsten Skyba
VP – Operations & Customer Service
RedSky Emergency Vehicles

Timothy Benes
Director of Operations
Cambrian Community Healthcare District

Date: _____