



**Regular Board of Directors Meeting
3615 E Las Posas Road, Suite 160 & 161
Camarillo, CA 93010
Tuesday, July 24, 2018
12:00 p.m.**

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2018 Board Meeting Calendar

January 23, 2018, 12:00 p.m.

February 27, 2018, 12:00 p.m.

March 27, 2018, 12:00 p.m.

April 24, 2018, 12:00 p.m.

May 29, 2018, 12:00 p.m.

June 12, 2018, 12:00 p.m. (Budget)

June 26, 2018, 12:00 p.m. (If Needed)

July 24, 2018, 12:00 p.m.

August – Dark

September 18, 2018, 12:00 p.m.

October 23, 2018, 12:00 p.m.

November - Dark

December 11, 2018, 8:30 a.m. (Board Work Study)

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AGENDA

July 24, 2018 - 12:00 P.M.

**Regular Meeting of the Board of Directors
3615 E. Las Posas Road, Suites 160 & 161, Camarillo, CA 93010**

Board of Directors

Rod Brown, MBA, President
Christopher Loh, M.D., Vice President
Richard Loft, M.D., Clerk of the Board
Mark Hiepler, Esq., Director
Tom Doria, M.D., Director

Staff

Kara Ralston, Chief Executive Officer
Sue Tatangelo, Chief Resource Officer
Sonia Amezcua, Chief Administrative Officer
Karen Valentine, Clerk to the Board
Renee Murphy, Accounting Manager

Participants

Rick Wood, CSDA Financial Services
Cindy Fanning, CPA, Fanning & Karrh

-
1. **Call to Order/Roll Call**
 2. **Pledge of Allegiance – Director Doria**
 3. **Amendments to the Agenda**
Requests to change the order of the agenda, delete, add any agenda item(s), or to remove any consent agenda items for discussion.
 4. **Public Comment – Ca. GC Section 54954.3;** The Board reserves this time to hear from the public. Please complete a Speaker Card and submit to the Clerk to the Board. Your name will be called in order of the agenda item, or in order of received general topic Speaker Cards. Comments regarding items not on the agenda can be heard only; items on the agenda can be discussed. Three minutes per speaker are available; multiple speakers on the same topic/agenda item will be limited to 20 minutes total.
 5. **Presentations –**
 6. **Discussion/Action Item: Consideration, Discussion and Decision:**

Consideration, discussion, and recommendation for approval of District Financial Reports and Disbursements for the period ending June 30, 2018. **(Please see Section 6-A)**

Suggested Motion: Vote to approve District Financial Reports and Disbursements for the period ending June 30, 2018.

Motion _____ Second _____ Abstain _____ Pass _____

Brown _____ Loh _____ Loft _____ Hiepler _____ Doria _____

7. **Consent Agenda** - Consent Agenda items are considered routine and are acted upon without discussion, with one motion. If discussion is requested, that item(s) will be removed from the Consent Agenda for discussion and voted on as a separate item. If no discussion is requested, the Board Chairperson may request a motion to approve as presented.

A. Approve the Minutes of the Regular Board Meeting of June 12, 2018.
(Please see Section 7-A)

B. Approve the Minutes of the Executive Committee Meeting of July 17, 2018.
(Please see Section 7-B)

Suggested Motion: Vote to approve Consent Calendar as presented.

Motion _____ Second _____ Abstain _____ Pass _____

Brown _____ Loh _____ Loft _____ Hiepler _____ Doria _____

8. **Discussion/Consideration/Action:**

A. **Review/ Discussion/ Action** – Consideration, discussion, and approval of the District’s financial audit report for fiscal year ending June 30, 2017, prepared and presented by Cindy Fanning, CPA, Fanning & Karrh. (Please see section 8-A)

Suggested Motion - Vote to approve the District’s financial audit report for fiscal year ending June 30, 2017, prepared and presented by Cindy Fanning, CPA, Fanning & Karrh.

Motion _____ Second _____ Abstain _____ Pass _____

Brown _____ Loh _____ Loft _____ Hiepler _____ Doria _____

B. **Review/ Discussion/ Action** – Consideration, discussion and recommendation for approval of District Resolution 18-06, amending the District’s Conflict of Interest Code. The Political Reform Act, Government Code §81000, et seq., requires state and local government agencies to adopt and promulgate conflict of interest codes, instructing public officials, governmental employees, and consultants what financial interests must be disclosed on Form 700, thus providing appropriate transparency as required under the Political Reform Act. Due to recent changes in the law, it is necessary for the District to amend its Conflict of Interest Code to include positions held by consultants.

It is the recommendation of Administration that the Board of Directors approve District Resolution 18-06, amending the District’s conflict of Interest Code. **Please see Section 8-B)**

Suggested Motion: Vote to amend and approve Camarillo Health Care District’s Conflict of Interest Code to reflect positions held by consultants.

Motion _____ Second _____ Abstain _____ Pass _____

Brown _____ Loh _____ Loft _____ Hiepler _____ Doria _____

C. Review/ Discussion/ Action – Consideration, discussion, and approval of the District’s response to the 2017-2018 Ventura County Grand Jury Report, “Independent Special Districts”.

Suggested Motion – Vote to approve the District’s response to the 2017/2018 Grand Jury Report, “Independent Special Districts”. **(Please see Section 8-C)**

Motion _____ Second _____ Abstain _____ Pass _____

Brown _____ Loh _____ Loft _____ Hiepler _____ Doria _____

D. Review/ Discussion/ Action - Consideration, discussion, and recommendation for approval of the revised Pay Schedule, Attachment B, determining the amount of compensation earnable pursuant to California Code of Regulations (CCR) Title 2, Section 570.5. **(Please see Section 8-D)**

Suggested Motion: Vote to approve the revised Pay Schedule, Attachment B, determining the amount of compensation earnable pursuant to California Code of Regulations (CCR), Title 2, Section 570.5.

Motion _____ Second _____ Abstain _____ Pass _____

Brown _____ Loh _____ Loft _____ Hiepler _____ Doria _____

9. CEO Report

10. Board Reports

11. Future Meeting and Events

- Finance Committee (Hiepler/Doria) Tuesday, July 31, 2018, 8:30 a.m.
- Board Meeting August Meeting Dark
- Executive Committee (Brown/Loh) Tuesday, September 11, 2018, 12:00 p.m.
- Board Meeting Tuesday, September 18, 2018, 12:00 p.m.
- Executive Committee (Brown/Loh) Tuesday, October 16, 2018, 12:00 p.m.
- Finance Committee (Hiepler/Doria) Tuesday, October 23, 2018, 11:00 a.m.
- Board Meeting Tuesday, October 23, 2018, 12:00 p.m.

Events

- 4th Annual Party for the Parks Pleasant Valley Recreation & Parks District Saturday, August 25, 2018; 5:30 p.m. Camarillo Grove Park, Camarillo
- State of the City Address Chamber of Commerce Thursday, September 6, 2018, 11:30 Camarillo Spanish Hills Country Club
- 25th Annual Fainer/Tauber Awards Ventura County Medical Resource Foundation Thursday, September 6, 2018 5:30 p.m. Lloyd Butler Estate, Oxnard, CA
- 14th Annual Spirit Awards Gala United Way of Ventura County Thursday, September 13, 2018 Padre Serra Center

12. **Adjournment** - Having no further business, this meeting is adjourned at _____p.m.

Action Items not appearing on the Agenda may be addressed on an emergency basis by a majority vote of the Board of Directors when need for action arises.

ADA compliance statement; In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Clerk to the Board of Directors, Karen Valentine, at (805) 482-9382. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

Note: This agenda was posted at the Camarillo Health Care District Administrative Office and on our website, www.camhealth.com, on Friday, July 20, 2018, at 4:00 p.m.

SECTION 6

ACTION ITEMS

**SECTION 6
FINANCIAL REPORTS
DISCUSSION AND CONSIDERATION OF FINANCIAL REPORTS AND
DISTRICT DISBURSEMENTS FOR PERIOD ENDING JUNE 30, 2018.**

JULY 24, 2018

**Camarillo Health Care District
Statements of Activities
Comparison to Budget for the
Twelve Months Ending June 30, 2018**

Preliminary

	Audited Actual 14 - 15	Audited Actual 15 - 16	Audited Actual 16 - 17	Current Year- to-Date	Budget to- date	Annual Budget	Y-T-D vs Annual Budget
REVENUES							
Tax revenue	\$ 2,244,695	\$ 2,375,896	\$ 2,490,350	\$ 2,636,217	\$ 2,546,160	\$ 2,546,160	103.54%
Program and facilities revenue	653,310	398,419	359,482	364,026	412,283	412,283	88.30%
Grants and agency funding	244,970	238,124	329,844	531,380	336,359	336,359	157.98%
Community Support and sponsorship	4,478	14,286	13,173	10,148	11,700	11,700	86.74%
Investment and interest income	144,126	155,200	161,872	178,157	158,000	158,000	112.76%
Other income	102,118	102,619	30,867	214,675	39,927	39,927	537.67%
Total Revenues	\$ 3,393,696	\$ 3,284,543	\$ 3,385,589	\$ 3,934,603	\$ 3,504,429	3,504,429	112.28%
EXPENSES							
Personnel cost							
Wages and salaries	1,569,500	1,347,709	1,392,944	1,458,930	1,591,704	1,591,704	91.66%
Payroll taxes	562,284	110,164	111,521	116,185	121,765	121,765	95.42%
Benefits		189,450	371,003	312,374	359,661	359,661	86.85%
OPEB		233,378	233,005	30,598	201,801	201,801	15.16%
Retirement UAL		29,064	38,046	50,594	52,456	52,456	96.45%
Total personnel cost	2,131,785	1,909,765	2,146,518	1,968,681	2,327,388	2,327,388	84.59%
Other expenses							
Contractors and professional fees	276,798	300,824	395,721	420,407	325,789	325,789	129.04%
Facilities and related	244,652	238,656	230,961	256,617	262,638	262,638	97.71%
Depreciation	191,015	175,355	164,193	156,337	156,523	156,523	99.88%
Program related expense	98,098	80,067	71,985	81,180	74,663	74,663	108.73%
Advertising and promotion	120,082	77,736	83,139	98,188	99,750	99,750	98.43%
Supplies and office expense	69,349	68,046	71,473	83,965	63,606	63,606	132.01%
Board and staff	110,252	61,358	76,237	68,808	103,455	103,455	66.51%
Community partnerships	-	2,500	2,200	1,000	2,500	2,500	40.00%

**Camarillo Health Care District
 Statements of Activities
 Comparison to Budget for the
 Twelve Months Ending June 30, 2018
 Preliminary**

	Audited Actual 14 - 15	Audited Actual 15 - 16	Audited Actual 16 - 17	Current Year- to-Date	Budget to- date	Annual Budget	Y-T-D vs Annual Budget
Combined other expenses	25,835	30,007	22,506	28,469	24,352	24,352	116.91%
Total other expenses	1,136,081	1,034,549	1,118,416	1,194,972	1,113,276	1,113,276	107.34%
Operations Net	125,831	340,229	120,655	770,949	63,766	63,766	1209.03%
Adjustments	(1,193,105)						
Total expenses	4,460,970	2,944,314	3,264,934	3,163,653	3,440,664	3,440,664	91.95%
Net position after adjustments	\$ (1,067,274)	\$ 340,229	\$ 120,655	\$ 770,949	\$ 63,765	\$ 63,766	1209.03%

Camarillo Health Care District
Statements of Net Assets
As of June 30, 2018
Preliminary

ASSETS	Jun 30, 2018	Jun 30, 2017
Current Assets:		
Cash and Checking Accounts	\$ 251,880	\$ 417,560
Investment Accounts	3,079,558	2,630,565
Tax, Grants and Accounts Receivable	212,501	143,799
Total Current Assets	<u>3,543,939</u>	<u>3,191,925</u>
Noncurrent Assets:		
Property, plant and equipment - net	1,392,054	1,511,144
IS equipment - net	32,482	14,575
Transportation vehicles - net	51,198	77,571
Prepays	(1,386)	4,402
Total Noncurrent Assets	<u>1,474,348</u>	<u>1,607,692</u>
Deferred Outflows of Resources	293,007	413,331
Total Assets	<u>\$ 5,311,295</u>	<u>\$ 5,212,947</u>
LIABILITIES AND NET ASSETS		
Current Liabilities:		
Accounts Payable	\$ 78,888	\$ 56,694
Construction Loan 2017	85,482	82,393
Employment costs	161,696	160,926
Scholarships	2,969	4,783
Deferred Revenue	14,367	5,400
Total Current Liabilities	<u>343,401</u>	<u>310,196</u>
Noncurrent Liabilities		
Construction Loan to 2021	276,166	361,648
Net Pension Liability GASB 68	1,203,554	1,203,554
Accrued OPEB liability GASB 75	910,173	384,083
Deferred Inflows of Resources	176,716	297,040
Total Noncurrent Liabilities	<u>2,566,608</u>	<u>2,246,325</u>
Net Assets:		
Unrestricted - prior	1,630,336	2,535,771
Unrestricted - current	770,949	120,655
Total Net Assets	<u>2,401,285</u>	<u>2,656,426</u>
Total Liabilities and Net Assets	<u>\$ 5,311,295</u>	<u>\$ 5,212,947</u>

Quick Ratio

Cash, Checking, Investment	9.70
3,331,438	

Current Ratio

Current Assets	10.32
3,543,939	

Camarillo Health Care District
Statements of Net Assets
As of June 30, 2018

Preliminary

ASSETS	Jun 30, 2018	Jun 30, 2017	Jun 30, 2016	Jun 30, 2015	Jun 30, 2014
Current Assets:					
Cash and Checking Accounts	\$ 251,880	\$ 417,560	\$ 123,499	\$ 262,085	\$ 169,974
Investment Accounts	3,079,558	2,630,565	2,488,969	1,574,491	1,328,511
Tax, Grants and Accounts Receivable	212,501	143,799	77,569	78,804	153,845
Total Current Assets	\$ 3,543,939	3,191,925	2,690,038	1,915,381	1,652,330
Noncurrent Assets:					
Property, plant and equipment - net	1,392,054	1,511,144	1,637,840	2,121,421	1,782,494
IS equipment - net	32,482	14,575	27,145	29,699	37,127
Transportation vehicles - net	51,198	77,571	103,945	153,142	188,105
Prepays	(1,386)	4,402	7,894	33,543	24,963
Total Noncurrent Assets	1,474,349	1,607,692	1,776,824	2,337,804	2,032,689
Deferred Outflows of Resources	293,007	413,331	264,803	112,553	
Total Assets	\$ 5,311,295	\$ 5,212,947	\$ 4,731,665	\$ 4,365,739	\$ 3,685,019
LIABILITIES AND NET ASSETS					
Current Liabilities:					
Accounts Payable	\$ 78,888	\$ 56,694	\$ 50,196	\$ 61,046	\$ 104,384
Construction Loan 2017	85,482	82,393	79,415	76,544	
Employment costs	161,696	160,926	146,648	130,771	131,233
Scholarships	2,969	4,783	13,271	10,492	10,582
Deferred Revenue	14,367	5,400	7,583	1,303	20,625
Total Current Liabilities	343,402	310,196	297,113	280,155	266,825

Camarillo Health Care District
Statements of Net Assets
As of June 30, 2018

	Jun 30, 2018	Jun 30, 2017	Jun 30, 2016	Jun 30, 2015	Jun 30, 2014
Noncurrent Liabilities					
Construction Loan to 2021	276,166	361,648	444,041	523,456	
Net Pension Liability GASB 68	1,203,554	1,203,554	821,635	959,515	
Accrued OPEB liability GASB 75	910,173	384,083	182,281	156,378	155,378
Deferred Inflows of Resources	176,716	297,040	450,825	250,690	
Total Noncurrent Liabilities	2,566,608	2,246,325	1,898,782	1,890,039	155,378
Net Assets:					
Unrestricted - prior	1,630,336	2,535,771	2,195,543	3,262,816	3,294,274
Unrestricted - current	770,949	120,655	340,228	(1,067,274)	(31,457)
Total Net Assets	2,401,285	2,656,426	2,535,771	2,195,542	3,262,817
Total Liabilities and Net Assets	\$ 5,311,295	\$ 5,212,947	\$ 4,731,665	\$ 4,365,739	\$ 3,685,019
Quick Ratio (Cash, Checking & Investment Accounts divided by Total Current Liabilities)	9.70	9.83	8.79	6.56	5.62
Current Ratio (Total Current Assets divided by Total Current Liabilities)	10.32	10.29	9.05	6.84	6.19

Quick Ratio - measures the dollar amount of liquid assets available for each dollar of current liabilities. Thus a quick ratio of 1.5 means that a company has \$1.50 of liquid assets available to cover each \$1 of current liabilities.

Current Ratio - shows how many times over the firm can pay its current debt obligations based on its assets.

Camarillo Health Care District

Check Register (Checks and EFTs of All Types)

Sorted by Check Vendor

June 2018 Checks/EFTs

Check Number	Date	EFT #/ Vendor	Name	Net Amount	Type	Timing
Cash Account #4 [Bank of the West General]						
66418	6/27/2018	ACORN	Acorn Newspapers	310.00	V	
66373	6/13/2018	ACQUA	Acqua Clear, Inc	578.18	V	QTRLY
66394	6/20/2018	ALLIANT	Alliant Insurance Services, Inc	1,289.00	V	ANNUAL
66395	6/20/2018	ANDERSON	Anderson Refrigeration dba	125.00	V	ANNUAL
66340	6/6/2018	ANDERSON B	Bradley Anderson	42.00	V	MO
66374	6/13/2018	ANDISITES	AndiSites, Inc	189.00	V	MO
66341	6/6/2018	ASLANIAN	Margaret Aslanian	35.00	F	
66375	6/13/2018	ASSISTED	Assisted Healthcare Services	420.00	V	
66342	6/6/2018	BANYAI	Danette Banyai	343.00	F	
66343	6/6/2018	BETA	Beta Healthcare Group	760.16	V	MO
66396	6/20/2018	BETA WC	Beta Healthcare Group	2,253.00	V	MO
66397	6/20/2018	BOSTON	Boston University	243.75	V	ANNUAL
66376	6/13/2018	BOTW	Bankcard Center	6,851.25	V	MO
66344	6/6/2018	BOWERS	Tracy Bowers	154.00	F	
66345	6/6/2018	BROWN	Rodger Brown	300.00	B	
66398	6/20/2018	BROWN	Rodger Brown	300.00	B	
66419	6/27/2018	BYRD	Byrd Locksmithing	87.35	V	
66346	6/6/2018	C3 INTEL	C3 Intelligence, Inc	116.00	V	
66377	6/13/2018	CALPERS	CaIPERS	500,000.00	V	
66378	6/13/2018	CAM CHAMBER	Camarillo Chamber of Com	475.00	V	ANNUAL
66347	6/6/2018	CMH	CMH Centers for Family Health	85.00	V	
66420	6/27/2018	COLANTUONO	Colantuono, Highsmith, Whatley, PC	380.00	V	
66379	6/13/2018	COLITTI	Sydney Colitti	90.36	EE	
66380	6/13/2018	COMFORT	Comfort Keepers dba	720.00	V	
66381	6/13/2018	CONEJO WINDO	Conejo Window Tinting	150.00	V	
66348	6/6/2018	CPI	CPI Solutions, Inc	20,427.25	V	IT PROJECTS
66421	6/27/2018	CPI	CPI Solutions, Inc	9,634.75	V	MO+COMPUTERS
66349	6/6/2018	CRADDOCK	Blair Craddock	64.64	EE	MILEAGE
66382	6/13/2018	CRADDOCK	Blair Craddock	162.39	EE	CONF REIMB
66422	6/27/2018	CRADDOCK	Blair Craddock	215.39	EE	CONF REIMB
66399	6/20/2018	CRAWFORD	Camille Crawford	10.00		Refund
66350	6/6/2018	CRAWFORD L	Lorenzo Crawford	138.60	F	
66423	6/27/2018	CSDA	CSDA Financial Serv	1,338.39	V	MO
66351	6/6/2018	DANDEKAR	Smita Dandekar	800.00	F	
66424	6/27/2018	DIAL	Dial Security	1,170.00	V	MO
66400	6/20/2018	DORIA	Thomas Doria, MD	100.00	B	
66352	6/6/2018	DOS CAMINOS	Dos Caminos Plaza	4,538.38	V	MO
66353	6/6/2018	DOSCAMSTORA	Dos Caminos Plaza, Inc	50.00	V	MO
66425	6/27/2018	FANNING	Fanning & Karrh, CPAs	12,474.18	V	
66401	6/20/2018	FERGUSON CAS	Ferguson, Case, Orr Paterson LLP	16,864.48	V	

Camarillo Health Care District

Check Register (Checks and EFTs of All Types)

Sorted by Check Vendor

June 2018 Checks/EFTs

Check Number	Date	EFT #/ Vendor	Name	Net Amount	Type	Timing
66354	6/6/2018	FREIE	Barbara Freie	35.00	F	
66383	6/13/2018	FRONTIER	Frontier Communications	126.98	V	
66355	6/6/2018	GUERRERO	Rubi Guerrero	62.13	EE	
66356	6/6/2018	HARTFORD	Hartford Life	1,029.67	V	MO
66384	6/13/2018	HARVEY	Lynette Harvey	191.30	EE	
66402	6/20/2018	HOME REMEDIE	Home Remedies dba	1,255.00	V	
66426	6/27/2018	HUFF	Susan Huff	50.00	F	
66403	6/20/2018	INSIGHT	Insight Envionmental, Inc	381.00	V	FLOOD
66404	6/20/2018	ITS	Integrated Telemanagement Services, Inc	817.84	V	MO
66357	6/6/2018	IVEY	Jane Ivey	84.00	F	
66427	6/27/2018	JONES	Lynn Jones	70.31	EE	
66385	6/13/2018	JORDANO'S	Jordano's Food Service	243.11	V	
66428	6/27/2018	JORDANO'S	Jordano's Food Service	143.70	V	
66358	6/6/2018	JTS	JTS Facility Services	1,851.00	V	MO
66405	6/20/2018	JTS	JTS Facility Services	40.00	V	QTRLY
66359	6/6/2018	LARSON	Usa Larson	800.00	F	
66386	6/13/2018	LEAF	Leaf	2,025.32	V	MO
66429	6/27/2018	LIGHTGABLER	LightGabler	330.00	V	
66360	6/6/2018	LOFT	Richard Loft, MD	100.00	B	
66406	6/20/2018	LOFT	Richard Loft, MD	100.00	B	
66361	6/6/2018	LOH	Christopher Loh, MD	200.00	B	
66407	6/20/2018	MASTERPAGES	Carrie Dittmar	160.00	V	
66430	6/27/2018	MASTERPAGES	Carrie Dittmar	1,800.00	V	
66362	6/6/2018	MEDITECH	Meditech Health Services	890.00	V	
66387	6/13/2018	MEDITECH	Meditech Health Services	435.00	V	
66408	6/20/2018	MEDITECH	Meditech Health Services	540.00	V	
66431	6/27/2018	MEDITECH	Meditech Health Services	310.00	V	
66363	6/6/2018	METLIFE	MetLife Small Business	834.86	V	MO
66432	6/27/2018	MEYERS	Meyers Nave	2,795.10	V	
66364	6/6/2018	MORAN	Carmen Moran	229.99	EE	
66433	6/27/2018	MUSTANG	Mustang Marketing dba	1,800.00	V	MO
66333	6/6/2018	n/a		Voided: Skipped		
66334	6/6/2018	n/a		Voided: Skipped		
66335	6/6/2018	n/a		Voided: Skipped		
66336	6/6/2018	n/a		Voided: Skipped		
66337	6/6/2018	n/a		Voided: Skipped		
66338	6/6/2018	n/a		Voided: Skipped		
66339	6/6/2018	n/a		Voided: Skipped		
66409	6/20/2018	NANASP	NANASP	185.00	V	ANNUAL
66434	6/27/2018	NUNN	Nunn Better, Inc	2,569.00	V	
66438	6/27/2018	NUNN	Nunn Better, Inc	1,210.00	V	
66365	6/6/2018	PARKER	Parker Mills LLP	150.00	V	
66410	6/20/2018	PETTY	Petty Cash - Administrat	174.05		

Camarillo Health Care District

Check Register (Checks and EFTs of All Types)

Sorted by Check Vendor

June 2018 Checks/EFTs

Check Number	Date	EFT #/ Vendor	Name	Net Amount	Type	Timing
66366	6/6/2018	SAFEWAY	Safeway Inc	166.58	V	
66411	6/20/2018	SAFEWAY	Safeway Inc	205.25	V	
66388	6/13/2018	SIEG	R.J. Sieg	60.00	V	
66435	6/27/2018	SO CA EDISON	Southern California Edison	2,065.14	V	MO
66389	6/13/2018	SO CA GAS	Southern California Gas	260.75	V	MO
66367	6/6/2018	STAFF	Staff Assistance, Inc	1,910.00	V	
66412	6/20/2018	STAPLES	Staples Business Advantage	5,161.01	V	
66413	6/20/2018	TNT	TNT Automotive	285.18	V	
66368	6/6/2018	TROPICAL	Tropical Car Wash	260.00	V	MO-MAY
66436	6/27/2018	TROPICAL	Tropical Car Wash	260.00	V	MO-JUNE
66437	6/27/2018	TURNER	Steve Turner	159.00	ADC REFUND	
66369	6/6/2018	TYRRELL	Amy Jo Tyrrell	283.50	F	
66414	6/20/2018	UMPQUA	Umpqua Bank	8,614.02	V	
66370	6/6/2018	US POST METR	United States Postal Svc	400.00	V	
66390	6/13/2018	USPOSTMASTER	U.S. Postmaster	6,915.80	V	
66415	6/20/2018	VALIC	VALIC	1,046.67	V	MO
66416	6/20/2018	VCAAA	VC Area Agency on Aging	3,500.00	V	Resource Ad
66371	6/6/2018	VISION	Vision Services Plan	176.50	V	MO
66391	6/13/2018	VOGUE	Vogue Sign Co	292.19	V	
66417	6/20/2018	VOYAGER	Voyager Fleet Systems Inc	963.70	V	MO
66392	6/13/2018	WYLY	Paulette Wyly	10.90	EE	
66393	6/13/2018	YOUNG	Jennifer Young	93.85	EE	
66372	6/6/2018	ZEPEDA	Monica Zepeda	149.87	EE	
				=====		
Cash account Total				641,544.77		
Report Total				641,544.77		

Type: Board (B), Employee (EE), Facilitator (F), Vendor (V)

Check Register Monthly Comparison

FY 2017/18

Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Mo. Avg (varies through year as amts added)
\$126,068	\$94,075	\$156,395	\$70,789	\$80,990	\$68,708	\$75,510	\$66,744	\$85,204	\$92,133	\$112,587	\$641,545	\$139,229
YTD Total											\$1,670,749	

Notes FY 17/18:

July '17 Annual insurances paid

Sept '17 ADC Construction Loan Pmt \$99K

May '18 HA Printing, BOTW \$10K, Legal \$24K, Audit \$8K

Jun '18 \$500K CERBT payment

FY 2016/17

Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Mo. Avg Final
\$119,589	\$75,637	\$161,344	\$82,485	\$56,719	\$73,483	\$92,351	\$74,497	\$80,681	\$113,184	\$67,454	\$82,254	\$89,973
YTD Total											\$1,079,678	

Notes FY 16/17:

July '16 Annual insurances paid, HA Printing

Sept '16 ADC Construction Loan Pmt \$99K

Apr '17 HA Printing, PPHM \$27,500 (one time)

NOTE: this is a comparison of checks only; does not include expenses such as OPEB accrual, salary/benefit expenses, UAL expense, depreciation; July and Aug of each year may or may not include month prior June expenses.

SECTION 7

CONSENT AGENDA

**APPROVAL OF MINUTES OF
THE REGULAR BOARD MEETING OF JUNE 12, 2018**

SECTION 7-A

JULY 24. 2018

MINUTES

JUNE 12, 2018

Regular Meeting of the Board of Directors

3615 E. Las Posas Road, Suites 160 & 161, Camarillo, CA 93010

Board of Directors - Present

Richard Loft, MD, Clerk of the Board
Mark Hiepler, ESQ, Director
Tom Doria, MD, Director

Staff - Present

Kara Ralston, Chief Executive Officer
Sue Tatangelo, Chief Resource Officer
Karen Valentine, Clerk to the Board
Renee Murphy, Accounting Manager

Participants - Present

Rick Wood, CDSA Financial Services

-
- 1. Call to Order and Roll Call** - The Regular Meeting of the Camarillo Health Care District Board of Directors was called to order on Tuesday, June 12, 2018, at 12:04 p.m., by Richard Loft, Clerk of the Board.
 - 2. Pledge of Allegiance** – Director Doria
 - 3. Amendments to The Agenda** – Agenda was corrected under Board of Directors to read Tom Doria, MD, Director, with Scott W. Packham being removed.
 - 4. Public Comment** – None
 - 5. Presentations** – None
 - 6. Discussion/Action Item -**

CEO Ralston presented the District’s Disbursements for the period ending May 31, 2018.

It was **MOVED** by Director Hiepler, **SECONDED** by Director Doria, and **MOTION PASSED** that the Board of Directors approve the District Disbursements for the period ending May 31, 2018.

Vote to Approve District Disbursements

For Period Ending May 31, 2018

Director Brown	Absent
Director Loh	Absent
Director Loft	Aye
Director Hiepler	Aye
Director Doria	Aye

7. **Consent Calendar** - It was **MOVED** by Director Doria, **SECONDED** by Director Hiepler, and **MOTION PASSED** that the Board of Directors approve the Consent Agenda as presented.

Vote to Approve Consent Calendar as Presented

Director Brown	Absent
Director Loh	Absent
Director Loft	Aye
Director Hiepler	Aye
Director Doria	Aye

8. **Discussion/Action Items**

- A. Review, discussion and consideration of the 2018/2019 Operating and Capital budgets. It was **MOVED** by Director Hiepler, **SECONDED** by Director Doria, and **MOTION PASSED** that the Board of Directors approve the 2018/2019 Operating and Capital Budgets as presented.

Vote to Approve Operating and Capital Budgets for 2018/2019 Fiscal Year.

Director Brown:	Absent
Director Loh:	Absent
Director Loft:	Aye
Director Hiepler:	Aye
Director Doria:	Aye

- B. It was **MOVED** by Director Doria, **SECONDED** by Director Hiepler, and **MOTION PASSED** to cancel the second reading of the 2018/2019 Operating and Capital Budgets, resulting in the June 26, 2018 Board of Directors Meeting being cancelled.

Vote to Cancel Second Reading of Operating and Capital Budgets for Fiscal Year 2018/2019 – Cancel June 26, 2018 Board Meeting

Director Brown:	Absent
Director Loh:	Absent
Director Loft:	Aye
Director Hiepler:	Aye
Director Doria:	Aye

9. None

10. **Board President's Report** – None

10. Having no further business, this meeting is adjourned at 1:28 p.m.

Richard Loft
Clerk of the Board

SECTION 7

CONSENT AGENDA

**APPROVAL OF THE MINUTES OF THE EXECUTIVE/AGENDA PLANNING
COMMITTEE MEETING OF JULY 17, 2018**

SECTION 7-B

JULY 24, 2018

MINUTES

July 17, 2018

Executive/Agenda Building Committee Meeting
Camarillo Health Care District Board of Directors
3639 E Las Posas Road, Suite 124, Camarillo, CA 93010

Board Members Present:

Rod Brown, MBA, President
Christopher Loh, MD, Vice President

Staff Present:

Kara Ralston, Chief Executive Officer
Karen Valentine, Clerk to the Board

-
1. **Call to Order** – The Executive Committee Meeting was called to order by Board President, Rod Brown, at 12:02 p.m.
 2. **Public Comment** – No Public Comment
 3. Reviewed the Minutes of the regularly scheduled Board Meeting of Tuesday, June 12, 2018.
 4. Reviewed the proposed Agenda for the regularly scheduled Board Meeting of Tuesday, July 24, 2018.
 5. Reviewed District Disbursements for period ending June 30, 2018.
 6. Reviewed the following Action Items:
 - 8A** – Review of audit report prepared by Cindy Fanning, CPA, of Fanning and Karrh. Cindy Fanning will present the report at the July 24, 2018 meeting of the Board of Directors.
 - 8B** – Reviewed District Resolution 18-06, amending Conflict of Interest Code, and supporting documents.
 - 8C** – Reviewed District response to 2017/2018 Ventura County Grand Jury Report titled “Independent Special Districts”.
 - 8D** – Reviewed the Revised Pay Schedule.
 7. Next Executive Committee Meeting is scheduled for September 11, 2018.
 8. Meeting adjourned at 12:53 p.m.

Rod Brown
President

SECTION 8

ACTION ITEMS

**SECTION 8-A
REVIEW/ DISCUSSION/ ACTION – CONSIDERATION, DISCUSSION, AND
APPROVAL OF THE DISTRICT’S FINANCIAL AUDIT REPORT FOR
FISCAL YEAR ENDING JUNE 30, 2017, PREPARED AND PRESENTED BY
CINDY FANNING, CPA, FANNING & KARRH.**

JULY 24, 2018

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CAMARILLO HEALTH CARE DISTRICT

For your health & wellness

BOARD OF DIRECTORS

Rodger Brown, MBA
President

Christopher Loh, MD
Vice President

Richard Loft, MD
Clerk of the Board

Mark Hiepler, Esq.
Director

Thomas Doria, MD
Director

June 25, 2018

Fanning & Karrh, CPAs
290 Maple Court, Suite 140
Ventura, CA 93003

This representation letter is provided in connection with your audit of the financial statements of Camarillo Health Care District, which comprise the statement of financial position as of June 30, 2017, and the respective changes in financial position and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of June 25, 2018, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated March 12, 2018, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the primary government.
- 3) We acknowledge our responsibility for 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) We believe that the actuarial assumptions and methods used to measure pension and OPEB liabilities and costs for financial accounting purposes are appropriate in the circumstances.
- 7) Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.



CAMARILLO HEALTH CARE DISTRICT

For your health & wellness

- 8) Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- 9) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the accounts.
- 10) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 11) Guarantees, whether written or oral, under which the District is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- 12) We have provided you with:
 - a) Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the Board of Directors or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 13) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 14) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 15) Except as made known to you, we have no knowledge of any fraud or suspected fraud that affects the District and involves—
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- 16) Except as made known to you, we have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements communicated by employees, former employees, regulators, or others.
- 17) We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
- 18) We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- 19) We have disclosed to you the identity of the District's related parties and all the related party relationships and transactions of which we are aware.

Government-specific

- 20) There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 21) We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.



CAMARILLO HEALTH CARE DISTRICT

For your health & wellness

- 22) The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- 23) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
- 24) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
- 25) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- 26) We have identified and disclosed to you all instances that have occurred or are likely to have occurred, of abuse that could be quantitatively or qualitatively material to the financial statements or other financial data significant to the audit objectives.
- 27) There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- 28) As part of your audit, you assisted with preparation of the financial statements and related notes. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- 29) The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 30) The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- 31) The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations.
- 32) The financial statements properly classify all funds and activities in accordance with [GASB Statement No. 34](#).
- 33) All funds that meet the quantitative criteria in [GASBS Nos. 34](#) and [37](#) for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- 34) Components of net position (net investment in capital assets; restricted; and unrestricted) are properly classified and, if applicable, approved.
- 35) Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
- 36) Provisions for uncollectible receivables have been properly identified and recorded.
- 37) Expenses have been appropriately classified in or allocated to functions and programs in the statement of revenues, expenses and changes in net position have been made on a reasonable basis.
- 38) Revenues are appropriately classified in the statement of revenues, expenses and changes in net position within operating revenues and non-operating revenues.



CAMARILLO HEALTH CARE DISTRICT

For your health & wellness

- 39) Deposits and investment securities and derivative instruments are properly classified as to risk and are properly disclosed.
- 40) Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
- 41) We have appropriately disclosed the District's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- 42) We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

Signature: _____

Signature: _____

Title: _____

Title: _____

CAMARILLO HEALTH CARE DISTRICT

Financial Statements for the Years
Ended June 30, 2017 and 2016 and
Independent Auditor's Report

Fanning & Karrh

Certified Public Accountants

A Professional Corporation

CAMARILLO HEALTH CARE DISTRICT
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CAMARILLO HEALTH CARE DISTRICT
Governing Board of Directors and Management
June 30, 2017

Name	Position
Governing Board of Directors:	
Rodger Brown, MBA	President
Christopher Loh, MD	Vice President
Richard Loft, MD	Clerk of the Board
Mark O. Hiepler, Esq	Director
Thomas Doria, MD	Director
Management:	
Kara Ralston	Chief Executive Officer
Sue Tatangelo	Chief Resource Officer
Sonia Amezcua	Chief Administrative Officer

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Camarillo Health Care District:

We have audited the accompanying financial statements of Camarillo Health Care District (District) as of and for the year ended June 30, 2017, 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.

Auditor's 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, and State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit 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 entity'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 purposes of expressing an opinion on the effectiveness of the entity'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 Camarillo Health Care District as of June 30, 2017 and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

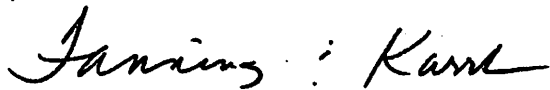
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7 and the Schedules of Proportionate Share of the Net Pension Liability and of Contributions for the Cost Sharing Defined Benefit Pension Plan on page 25 and the Schedule of Funding Progress for Other Post Employee Benefit Plan on page 26 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.

Comparative Financial Statements

The financial statements of Camarillo Health Care District as of June 30, 2016 were audited by other auditors whose report dated January 24, 2017, expressed an unmodified opinion on those statements.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2018, on our consideration of the Camarillo Health Care 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 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 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 Camarillo Health Care District's internal control over financial reporting and compliance.



Ventura, California
June 25, 2018

CAMARILLO HEALTH CARE DISTRICT
Management's Discussion and Analysis
June 30, 2017

This discussion and analysis of the Camarillo Health Care District's ("District") financial performance during the stated period provides an overview of the District's operational activities that had an impact on the financial performance of the District.

This report consists of a series of financial statements with accompanying notes. The Statements of Net Position reflects the financial position of the District at June 30, 2017 and 2016. The Statements of Revenues, Expenses and Changes in Net Position provide the results from operations through the fiscal years ended June 30, 2017 and 2016, and reflect how the operating results for the fiscal years affected the Statements of Net Position.

The District uses a single enterprise fund for accounting and reporting the results of all operations. The statements referenced above include all assets and liabilities using the accrual basis of accounting, which is similar to accounting used by most private-sector companies. Accrual of current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The notes that follow the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

CAMARILLO HEALTH CARE DISTRICT
Management's Discussion and Analysis
June 30, 2017

The District is operated and reported as a single enterprise fund; there are no subsidiary fund statements presented as part of this report. The following is a summary of the net assets of the District and the change in those net assets from the prior fiscal year.

<u>Assets</u>	<u>2017</u>	<u>2016</u>
Current Assets	\$3,191,542	\$2,684,662
Restricted Assets	4,783	13,271
Capital Assets	1,603,290	1,768,930
Total Assets	\$4,799,615	\$4,466,863
<u>Deferred Outflows of Resources</u>	<u>\$ 293,007</u>	<u>\$ 264,803</u>
Total Assets and Deferred	\$5,092,622	\$ 4,731,666
<u>Liabilities</u>		
Current Liabilities	\$ 310,195	\$ 297,113
Long-Term Liabilities	1,949,285	1,447,957
Total Liabilities	\$2,259,480	\$1,745,070
Deferred Inflows of Resources	\$ 176,716	\$ 450,825
<u>Net Position</u>	<u>\$2,656,426</u>	<u>\$2,535,771</u>
Total Liabilities, Deferred and Net Position	\$5,092,622	\$4,731,666

The asset value of the District increased 7%, as follows:

- Current assets increased by 18.88% from the prior year reflecting less use of funds for operating expenses due to operating efficiencies.
- A decrease in capital assets of 9.36% reflects the depreciation of various assets.
- An increase in current liabilities of 4.4% reflects an increase in accrued operating expenses that were paid subsequent to year end.
- An increase in long-term liabilities of 34.62% reflects an increased accrued liability for unfunded healthcare cost and pensions, offset by current year debt repayment.
- An increase in net assets reflects the net income from operations of \$120,655.

CAMARILLO HEALTH CARE DISTRICT
Management's Discussion and Analysis
June 30, 2017

<u>Operating Revenues</u>	<u>2017</u>	<u>2016</u>
Program Revenues	\$416,551	\$449,177
Operating Grants	234,874	152,807
Bequest Distribution - Care-A-Van	147,622	148,479
<u>Other Operating Revenue</u>	<u>34,869</u>	<u>47,868</u>
Total Operating Revenues	\$833,916	\$798,331

<u>Non-Operating Revenues (Expenses)</u>		
Property Taxes	\$2,490,350	\$2,375,896
Investment Income	14,250	6,714
Other Non-Operating Revenue	32,777	80,022
Gain (Loss) on Sale of Assets	(1,448)	23,580
<u>Interest Expense</u>	<u>(17,396)</u>	<u>(20,347)</u>
Total Non-Operating Revenues	\$2,518,533	\$2,465,865

<u>Program Expenses</u>		
Salaries, wages and benefits	\$1,658,223	\$1,575,007
Professional fees	226,748	211,567
Depreciation	125,874	135,390
<u>Combined other</u>	<u>417,620</u>	<u>395,299</u>
Total Program Expenses	\$2,428,465	\$2,317,263

<u>Administration Expenses</u>	<u>\$ 803,329</u>	<u>\$ 606,704</u>
--------------------------------	-------------------	-------------------

-
- Total Operating Revenues reflect an increase of 4.46%, primarily due to receiving three grants we did not have the prior year.
 - Total Non-Operating Revenues have increased by 2.14%, primarily due to an increase in property tax revenue and an increase in contributions and investment income.
 - Total Program Expenses increased by 4.80% due primarily to additional employees in an expanded program, legal fees and additional advertising.
 - Administration Expenses have increased by 32.41%, due primarily to increases in net pension liability and professional fees – primarily legal.

CAMARILLO HEALTH CARE DISTRICT
Management's Discussion and Analysis
June 30, 2017

Actual Results Compared to Budget

The Board of Directors adopts an annual budget in June for the following fiscal year, beginning on July 1. Performance to budget is monitored by the Board throughout the year. Following is a summary of actual results in comparison to budget (on a budgetary basis).

	<u>Actual</u>	<u>Budget</u>
Total Operating Revenues	\$ 833,916	\$ 936,913
Less: Expenses		
Salaries and Benefits	(2,146,518)	(2,189,335)
Other Operating Expenses	<u>(954,223)</u>	<u>(1,017,846)</u>
Net Operating Loss	(\$2,266,825)	(\$2,270,268)
Non-Operating Revenues		
Property Taxes	\$2,490,350	\$2,472,000
Investment Income	14,250	4,000
Other Non-Operating Revenue	<u>47,073</u>	<u>43,027</u>
Total Non-Operating Revenues	\$2,551,673	\$2,519,027
<u>Less Depreciation</u>	<u>(\$164,193)</u>	<u>(\$162,159)</u>
<u>Change in Net Assets</u>	<u>\$120,655</u>	<u>\$86,600</u>

Requests for information:

This report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report should be addressed to the CEO, Camarillo Health Care District, 3639 East Las Posas Road, Suite 117, Camarillo, CA 93010.

CAMARILLO HEALTH CARE DISTRICT
 STATEMENTS OF NET POSITION
 June 30, 2017 and 2016

ASSETS	NOTES	2017	2016
CURRENT ASSETS			
Cash and cash equivalents	2	\$ 3,043,341	\$ 2,599,198
Receivables:			
Accounts		764	1,655
Property taxes		87,119	45,667
Grants and other reimbursements		50,549	27,554
Interest		5,367	2,694
Prepaid expenses		4,402	7,894
Total current assets		<u>3,191,542</u>	<u>2,684,662</u>
RESTRICTED ASSETS - cash and cash equivalents	2	<u>4,783</u>	<u>13,271</u>
CAPITAL ASSETS, net of accumulated depreciation	3	<u>1,603,290</u>	<u>1,768,930</u>
TOTAL ASSETS		<u>4,799,615</u>	<u>4,466,863</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	7	<u>293,007</u>	<u>264,803</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable		56,693	50,196
Accrued expenses		148,437	131,926
Accrued interest payable		12,489	14,722
Deferred revenue	4	10,183	20,854
Current portion of long-term debt	6	<u>82,393</u>	<u>79,415</u>
Total current liabilities		<u>310,195</u>	<u>297,113</u>
LONG-TERM LIABILITIES			
Long-term debt, net of current portion	6	361,648	444,041
Other post employment benefits	8	384,083	182,281
Net pension liability	7	<u>1,203,554</u>	<u>821,635</u>
Total long-term liabilities		<u>1,949,285</u>	<u>1,447,957</u>
TOTAL LIABILITIES		<u>2,259,480</u>	<u>1,745,070</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	7	<u>176,716</u>	<u>450,825</u>
NET POSITION			
Net investment in capital assets		1,159,249	1,245,474
Unrestricted net position		<u>1,497,177</u>	<u>1,290,297</u>
TOTAL NET POSITION		<u>\$ 2,656,426</u>	<u>\$ 2,535,771</u>

The notes to the financial statements are an integral part of this statement.

CAMARILLO HEALTH CARE DISTRICT
 STATEMENTS OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
 For the Years Ended June 30, 2017 and 2016

	NOTES	<u>2017</u>	<u>2016</u>
OPERATING REVENUES			
Program revenue		\$ 416,551	\$ 449,177
Operating grants	11	234,874	152,807
Distribution from Ventura County Community Foundation	10	147,622	148,479
Other operating revenues		<u>34,869</u>	<u>47,868</u>
TOTAL OPERATING REVENUES		<u>833,916</u>	<u>798,331</u>
OPERATING EXPENSES			
Program Expenses:			
Salaries, wages and benefits		1,658,223	1,575,007
Professional fees		226,748	211,567
Postage and printing		96,379	84,656
Supplies and activities		50,287	63,154
Dues and subscriptions		17,733	13,146
Continuing education - staff		17,617	13,533
Depreciation		125,874	135,390
Insurance		29,753	18,428
Advertising and promotion		13,297	14,810
Utilities and telephone		92,026	95,204
Repairs and maintenance		55,293	46,599
Other		<u>45,235</u>	<u>45,769</u>
Total program expenses		<u>2,428,465</u>	<u>2,317,263</u>
Administration Expenses:			
Salaries, wages and benefits		488,295	334,757
Professional fees		167,862	108,280
Postage and printing		549	1,051
Supplies and activities		6,373	13,099
Dues and subscriptions		17,357	4,046
Continuing education - staff		18,291	9,616
Depreciation		38,318	39,965
Insurance		1,944	24,565
Board expenses		26,803	38,210
Utilities and telephone		16,883	16,284
Repairs and maintenance		5,384	5,180
Other		<u>15,270</u>	<u>11,651</u>
Total administration expenses		<u>803,329</u>	<u>606,704</u>
TOTAL OPERATING EXPENSES		<u>3,231,794</u>	<u>2,923,967</u>
OPERATING LOSS		<u>(2,397,878)</u>	<u>(2,125,636)</u>

CAMARILLO HEALTH CARE DISTRICT
 STATEMENTS OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION - concluded
 For the Years Ended June 30, 2017 and 2016

	NOTES	<u>2017</u>	<u>2016</u>
NON-OPERATING REVENUES AND EXPENSES			
Property taxes		2,490,350	2,375,896
Donations		8,012	61,864
Investment income		14,250	6,714
Other non-operating revenue		24,765	18,158
(Loss) gain on disposal of capital assets		(1,448)	23,580
Interest expense		<u>(17,396)</u>	<u>(20,347)</u>
TOTAL NON-OPERATING REVENUES AND EXPENSES		<u>2,518,533</u>	<u>2,465,865</u>
CHANGE IN NET POSITION		120,655	340,229
NET POSITION - Beginning of year		<u>2,535,771</u>	<u>2,195,542</u>
NET POSITION - End of year		<u>\$ 2,656,426</u>	<u>\$ 2,535,771</u>

The notes to the financial statements are an integral part of this statement.

CAMARILLO HEALTH CARE DISTRICT
 STATEMENTS OF CASH FLOWS
 For the Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from user charges	\$ 406,771	\$ 463,402
Operating grant revenue received	211,879	147,683
Distribution from Ventura County Community Foundation	147,622	148,479
Other operating receipts	34,869	47,868
Cash payments to employees	(1,848,599)	(1,973,856)
Cash payments for operating expenses	<u>(911,095)</u>	<u>(806,020)</u>
NET CASH USED FOR OPERATING ACTIVITIES	<u>(1,958,553)</u>	<u>(1,972,444)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income	11,577	4,020
Other non-operating income	<u>32,777</u>	<u>80,022</u>
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>44,354</u>	<u>84,042</u>
CASH FLOWS FROM CAPITAL ACTIVITIES		
Purchase of capital assets	-	(38,055)
Proceeds from sale of capital assets	-	421,611
Interest payments on long-term debt	(19,629)	(22,500)
Repayment of long-term debt	<u>(79,415)</u>	<u>(76,544)</u>
NET CASH USED FOR CAPITAL ACTIVITIES	<u>(99,044)</u>	<u>284,512</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Property taxes collected	<u>2,448,898</u>	<u>2,379,782</u>
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>2,448,898</u>	<u>2,379,782</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	435,655	775,892
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>2,612,469</u>	<u>1,836,577</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 3,048,124</u>	<u>\$ 2,612,469</u>

CAMARILLO HEALTH CARE DISTRICT
 STATEMENTS OF CASH FLOWS - concluded
 For the Years Ended June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating loss	\$ (2,397,878)	\$ (2,125,636)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation	164,192	175,355
Changes in assets, deferred outflows, liabilities, and deferred outflows:		
Accounts receivable	891	3,973
Grants and other reimbursements	(22,995)	(5,124)
Other receivables	-	1,193
Prepaid expenses	3,492	25,649
Deferred outflows of resources	(28,204)	(152,250)
Accounts payable	6,497	(10,851)
Accrued expenses	16,511	18,030
Other post employment benefits	201,802	25,903
Deferred revenue	(10,671)	9,059
Net pension liability	381,919	(137,880)
Deferred inflows of resources	<u>(274,109)</u>	<u>200,135</u>
NET CASH USED FOR OPERATING ACTIVITIES	<u>\$ (1,958,553)</u>	<u>\$ (1,972,444)</u>
 SUPPLEMENTAL DISCLOSURE OF NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
None	<u>\$ -</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of this statement.

CAMARILLO HEALTH CARE DISTRICT

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization – Camarillo Health Care District (District) is a political subdivision of the State of California, classified as a public not-for-profit local government special district. The District encompasses the greater Camarillo area which includes Somis, the Las Posas Valley and a portion of the Santa Rosa Valley. The District's overall goal is to provide quality health and wellness related services to meet the needs of all District residents. The District's five-member Board of Directors comprises representatives who are elected at large and serve four year terms.

Reporting Entity – The District's reporting entity includes all significant operation and revenue sources which the District Board of Directors exercises oversight responsibility. Oversight responsibility is determined on the basis of selection of the governing board, designation of management, ability to significantly influence operations, accountability for fiscal matters, and the scope of public service. There are no component units included within the reporting unit.

Basis of Accounting – The Camarillo Health Care District is accounted for as a proprietary fund in accordance with generally accepted accounting principles as applied to governmental units. Proprietary funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises – where the expenses, including depreciation, of providing goods or services to the general public are recovered through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, and other purposes. Because the District is accounted for as a proprietary fund, the District uses the economic resources measurement focus and the accrual basis of accounting is used for financial statement reporting purposes. Revenues are recognized when they are earned, and expenses are recognized when they are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the Statement of Net Position. Net position is segregated into investment in capital assets and unrestricted.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing goods and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District are program fees charged to clients for services and grants received from other governmental agencies and private enterprises for operating purposes. Operating expenses include the cost of providing services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Principles of Presentation – The accompanying financial statements are presented utilizing the accrual method of accounting.

Use of Estimates – The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Significant estimates used in preparing these financial statements include:

- Depreciation expense
- Compensated absences
- Allowance for uncollectible receivables
- Investments
- Accrual of net pension liability
- Accrual of other post employment benefits

Cash and Cash Equivalents – For the purpose of the Statement of Cash Flows, the District considers all highly liquid investments with original maturities of 90 days or less to be cash and cash equivalents. The District considers funds in the Local Agency Investment Fund and the Ventura County Treasury Fund to be cash equivalents.

Investments – Investments are carried at fair value.

The District's Investment Policy authorizes investments in obligations of the U. S. Treasury, U. S. Agencies, certificates of deposit, money market checking accounts, the Local Agency Investment Fund and the Ventura County Treasury Fund.

Capital Assets – Capital assets that are acquired and/or constructed are capitalized at historical cost. District policy has set the capitalization threshold for reporting capital assets at \$1,000. Depreciation is calculated using the straight-line or accelerated methods of depreciation over the estimated useful lives of the assets ranging from one to thirty-nine years.

Compensated Absences – The District accrues the estimated obligation for vacation pay as earned. Sick leave is not included in the accrual as the District does not pay for unused sick leave upon employee termination.

Deferred Outflows of Resources and Deferred Inflows of Resources – Deferred outflows of resources is a consumption of net position by the District that is applicable to a future period and deferred inflows of resources is an acquisition of net position by the District that is applicable to a future reporting period. Both deferred outflows and inflows are reported in the Statements of Net Position, but are not recognized in the financial statements as revenue and expenses until the period(s) to which they relate. Deferred outflows of resources and deferred inflows of resources are related to pensions.

Pensions – For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) cost-sharing multiple-employer defined benefit 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 plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Net Position – Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources on the financial statements. Net position is classified in the following categories:

- Net investment in capital assets – This category includes capital assets, net of accumulated depreciation and reduced by any outstanding debt related to the acquisition, construction or improvement of those assets.
- Restricted – This category consists of net position with legal limitations imposed on their use by external restrictions by other governments, creditors, grantors, contributors, laws or regulations, or through constitutional provision, or enabling legislation. As of June 30, 2017 and 2016, the District did not have restricted net position.
- Unrestricted net position – This category consists of all other net position that does not meet the definition of restrict or invested in capital assets.

Budgets – The District annually adopts a budget prior to and for the upcoming fiscal year, which includes anticipated expenditures and their means of financing. Once adopted, the budget as approved is subject to amendment as considered necessary.

Property Taxes – Tax revenues are received by the District pursuant to its status as a political subdivision of the State of California.

Reclassifications – Certain reclassifications have been made to the prior year financial statements in order to conform to the presentation of the current year financial statements for comparative purposes. There is no material effect on the financial statements.

2. DEPOSITS AND INVESTMENTS

The District's carrying value of deposits was \$786,584 and \$462,413 at June 30, 2017 and 2016, respectively. The corresponding bank balances were \$798,593 and \$473,138, respectively. Of the bank balances, \$500,000 and \$383,070 was covered by Federal deposit insurance at June 30, 2017 and 2016, respectively. The California Government Code requires all financial institutions to secure a local government agency's deposits by pledging governmental securities as collateral. The market value of pledged securities must equal 110% of an agency's deposits. California law also allows financial institutions to secure an agency's deposits by pledging first trust deed mortgage notes having a value of 150% of an agency's total deposits, and collateral is considered to be held in the name of the District. All cash held by financial institutions is, therefore, entirely insured or collateralized.

At June 30, the District had the following investments (all of which are considered cash equivalents):

	<u>2017</u>	<u>2016</u>
State of California Local Agency Investment Fund	\$ 2,256,333	\$ 2,144,991
Ventura County Treasury Investment Fund	<u>4,052</u>	<u>3,910</u>
Total	<u>\$ 2,260,385</u>	<u>\$ 2,148,901</u>

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is managed by the Local Agency Investment Advisory Board, which consists of 5 members, in accordance with State Statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares. The fair value of the District's investment in this pool is reported at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio. The share value of the District's investment in LAIF is \$2,253,943 and \$2,143,660 at June 30, 2017 and 2016, respectively.

The County of Ventura Treasurer maintains a cash investment pool for all funds of the County and other agencies for which the County treasury is the depository. Interest earned on the pooled funds is allocated and credited to these funds quarterly. Interest is apportioned to the District based on the average daily balances on deposit with the County Treasurer. Investment earnings are accrued at year-end. The County Treasurer invests District funds in accordance with the County's investment policy as approved by the Treasury Oversight Committee and the County Board of Supervisors. The policy emphasizes safety, liquidity, and yield and follows the "prudent investor rule". The County Treasurer is authorized by Government Code Section to invest in U.S. Government Treasury and Agency Securities, certain commercial paper, bankers' acceptances, corporate bonds and notes, repurchase agreements and the State of California Local Agency Investment Fund. The fair value of the District's investment in the pool approximates cost.

To address credit risk, the District invests its funds in accordance with state statutes and the District's investment policy. The criteria for selecting investments are, in order of priority, (1) safety – consideration of the potential loss of principal or interest, (2) liquidity – the ability to have funds available at any moment in time with a minimal potential loss and (3) yield – the optimum rate of return while preserving capital.

Restricted assets of \$4,783 and \$13,271 as of June 30, 2017 and 2016, respectively, are amounts received that are designated for program scholarship awards.

3. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

	<u>June 30, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2017</u>
Capital assets being depreciated:				
Buildings and building improvements	\$ 3,129,358	\$ -	\$ -	\$ 3,129,358
IS equipment	226,300	-	(64,381)	161,919
Equipment and furnishings	258,597	-	(26,209)	232,388
Transportation vehicles	<u>263,737</u>	<u>-</u>	<u>-</u>	<u>263,737</u>
Total capital assets	3,877,992	-	(90,590)	3,787,402
Less accumulated depreciation	<u>(2,109,062)</u>	<u>(164,193)</u>	<u>89,143</u>	<u>(2,184,112)</u>
Total capital assets, net	<u>\$ 1,768,930</u>	<u>\$ (164,193)</u>	<u>\$ (1,447)</u>	<u>\$ 1,603,290</u>

Capital assets activity for the year ended June 30, 2016 was as follows:

	<u>June 30, 2015</u>	<u>Increases</u>	<u>Decreases</u>	<u>June 30, 2016</u>
Capital assets being depreciated:				
Buildings and building improvements	\$ 3,665,822	\$ 20,341	\$ (556,805)	\$ 3,129,358
IS equipment	218,116	8,184	-	226,300
Equipment and furnishings	266,494	1,697	(9,594)	258,597
Transportation vehicles	<u>349,636</u>	<u>7,834</u>	<u>(93,733)</u>	<u>263,737</u>
Total capital assets	4,500,068	38,056	(660,132)	3,877,992
Less accumulated depreciation	<u>(2,195,807)</u>	<u>(175,355)</u>	<u>262,100</u>	<u>(2,109,062)</u>
Total capital assets, net	<u>\$ 2,304,261</u>	<u>\$ (137,299)</u>	<u>\$ (398,032)</u>	<u>\$ 1,768,930</u>

4. DEFERRED REVENUE

Deferred scholarship revenue is comprised of undisbursed donations received by the District that are designated by donors for specific internal scholarship use. The District records the restricted donations as deferred revenue until the restrictions are satisfied, at which time the donation is recorded as revenue.

5. LINE OF CREDIT

The District has a line of credit with a bank secured by inventory, chattel paper, account, equipment and general intangibles. The line of credit has a maximum borrowing amount of \$300,000, bears interest at .9% over the lender's base rate (Bank of the West prime rate), but not less than 4%. The line of credit does not have a maturity date. There were no borrowings on the line of credit during the years ended June 30, 2017 and 2016. There was no interest expense associated with the line of credit during 2017 or 2016.

6. LONG-TERM DEBT

The following is a summary of changes in long-term debt for the year ended June 30, 2017:

	<u>Balance June 30, 2016</u>	<u>Retirement</u>	<u>Balance June 30, 2017</u>	<u>Current</u>	<u>Long-term</u>
Installment Sale Agreement	<u>\$ 523,456</u>	<u>\$ (79,415)</u>	<u>\$ 444,041</u>	<u>\$ 82,393</u>	<u>\$ 361,648</u>

The following is a summary of changes in long-term debt for the year ended June 30, 2016:

	<u>Balance June 30, 2015</u>	<u>Retirement</u>	<u>Balance June 30, 2016</u>	<u>Current</u>	<u>Long-term</u>
Installment Sale Agreement	\$ 600,000	\$ (76,544)	\$ 523,456	\$ 79,415	\$ 444,041

The District entered into an installment sale agreement on September 1, 2014, with the Municipal Finance Corporation, to finance the renovation of the Adult Day Care Center. The District received \$600,000 under the agreement, which is to be repaid over a seven year period, including interest at 3.75%. The District's net revenue, as defined by the installment agreement, is pledged for the payment of the installment payment. The installment sale agreement was assigned to Citizens Business Bank on September 26, 2014.

Future debt service payments through maturity are as follows:

<u>Fiscal Year Ending June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 82,393	\$ 14,334	\$ 96,727
2019	85,482	11,158	96,640
2020	88,688	7,862	96,550
2021	92,014	4,443	96,457
2022	95,464	895	96,359
	<u>\$ 444,041</u>	<u>\$ 38,692</u>	<u>\$ 482,733</u>

7. DEFINED BENEFIT PENSION PLAN

A. General Information about the Pension Plan

Plan Descriptions, Benefits Provided and Employees Covered – All qualified permanent and probationary employees are eligible to participate in the District's Miscellaneous Employee Pension Plan (Plan). The Plan is a cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and Local Government resolution. The Plan provides retirement, death and disability benefits to plan members and beneficiaries. The benefit provisions of the plan's employees are established by statute. A full description regarding number of employees covered, benefit provisions, assumptions, and membership information for the Plan is listed in the District's June 30, 2015 Annual Valuation Report. This report and CalPERS audited financial statements are publicly available reports that can be found on CalPERS website.

The Plan's provisions and benefits in effect at June 30, 2017, are summarized as follows:

	<u>Prior to January 1, 2013</u>	<u>On or after January 1, 2013</u>
Hire date		
Benefit formula	2% @ 60	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	60	62
Required employee contribution rates	7.000%	6.250%
Required employer contribution rates	7.612%	6.555%

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 rate. The Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year. The District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

Beginning for the year ended June 30, 2016, CalPERS collected employer contributions towards unfunded liability as a dollar amount instead of the prior method of a contribution rate. The pool's unfunded liability is allocated to each individual plan based on the plan's total liability rather than by plan individual payroll. The District's unfunded liability payment for the year ended June 30, 2017 was \$38,046.

For the year ended June 30, 2017, the contributions recognized by the plan from the employer were as follows:

Contributions - employer	\$	129,993
Contributions - employee	\$	85,503

B. Pension Liabilities, Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2017, the District's reported net liability for its proportionate share of the net pension liability was \$1,203,554.

The District's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. 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.

The District's proportionate share of the net pension liability as of June 30, 2015 and 2016 was as follows:

Proportion - June 30, 2015	0.02995%
Proportion - June 30, 2016	0.03465%
Change - Increase (Decrease)	0.00470%

For the year ended June 30, 2017, the District recognized pension expense of \$210,422. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 91,947	\$ -
Net differences between projected and actual earnings on plan investments	197,058	-
Difference between expected and actual experiences	4,002	917
Changes in assumptions	-	37,862
Differences between actual contributions and proportionate share of contributions	-	52,813
Change in employer's proportion	<u>-</u>	<u>85,124</u>
Total	<u>\$ 293,007</u>	<u>\$ 176,716</u>

The \$91,947 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 year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ending June 30:	Deferred Outflows (Inflows) of Resources, Net
2017	\$ (41,620)
2018	(37,860)
2019	52,783
2020	51,041
Total	<u>\$ 24,344</u>

Actuarial Methods and Assumptions - For the measurement period ended June 30, 2016 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2015 total pension liability determined in the June 30, 2015 actuarial accounting valuation. The June 30, 2016 total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Projected Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.50%
Mortality	Derived using CalPERS Membership Data
Post Retirement Benefit Increases	COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 3.75% thereafter

The underlying mortality assumption and all other actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study can be found on the CalPERS' website under Forms and Publications.

Discount Rate – The discount rate used to measure the total pension liability was 7.65%. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65% discount rate is deemed adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.65% is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained from the CalPERS' website under the GASB 68 section.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of 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. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11–60 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 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 equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+ (b)
Global Equity	51.0%	5.25%	5.71%
Global Debt Securities	20.0%	0.99%	2.43%
Inflation Assets	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	1.0%	-0.55%	-1.05%

(a) An expected inflation of 2.5% used for this period

(b) An expected inflation of 3.0% used for this period

Amortization of Deferred Outflows and Deferred Inflows of Resources – Under GASB 68, actuarial gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflow and deferred inflows of resources related to pension and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining services lifetime (EARSL) of all members that are provided with pensions (active, inactive, and retired) as of the beginning of the measurement period

The net difference between projected and actual investment earnings on pension 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 net difference between projected and actual investment earnings on pension plan investments at the measurement date is to be amortized over the remaining four-year period. The net difference between projected and actual investment earnings on pension plan investments in the schedule of collective pension amounts represents the unamortized balance relating to the current measurement period and the prior measurement period on a net basis.

Deferred outflows of resources and deferred inflows of resources relating to differences between expected and actual experience, changes of assumptions and employer-specific amounts should be amortized over EARSL of members provided with pensions through the plan.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.65%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.65%) or 1 percentage point higher (8.65%) higher than the current year:

	1% Decrease 6.65%	Current Discount Rate 7.65%	1% Increase 8.65%
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District's proportionate share of the net pension liability

	\$ 2,032,966	\$ 1,203,544	\$ 518,086
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Pension Plan Fiduciary Net Position – The plan's fiduciary net position disclosed in the District's GASB 68 accounting valuation report may differ from the plan assets reported in the District's funding actuarial valuation report due to several reasons. For the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance and OPEB expense included in fiduciary net position. These amounts are excluded for rate setting purposes in the District's funding actuarial valuation. Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

C. Payable to the Pension Plan

At June 30, 2017, the District reported a payable of \$3,364 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2017.

8. OTHER POST EMPLOYMENT BENEFITS

Plan Description – The District administers a single-employer defined benefit healthcare plan (Plan). The Plan provides lifetime post-employment medical insurance to eligible retirees and their spouses through the California Public Employees Retirement System. Annually, the District establishes a maximum monthly premium that the District will contribute to the cost of current-year medical insurance premiums. For calendar year 2017 and 2016, the maximum monthly contribution by the District was \$790 per retiree. The Plan does not issue a publicly available financial report.

Funding Policy – The District's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. During the year ended June 30, 2011, the District entered into an agreement and election to prefund OPEB through CalPERS in the California Employer's Retiree Benefit Trust Program (CERBT). During the years ended June 30, 2017 and 2016, the District chose to contribute \$0 and \$175,901, respectively, in cash to the CERBT. The other post-employment benefits that are due to retirees during the fiscal year are funded and expensed on a pay-as-you-go basis. The District will pay 100% of the cost of the post-employment benefit plan.

Annual OPEB Cost and Net OPEB Obligation – The following table shows the components of the District's annual OPEB expense for the year ended June 30, 2017 and 2016, the amount actually contributed to the Plan, and the changes in the District's net OPEB obligation:

	2017	2016
Annual Required Contribution (ARC)	\$ 176,798	\$ 175,901
Interest on net OPEB obligation	15,125	11,337
Adjustment to ARC	9,879	14,566
Annual OPEB cost	201,802	201,804
Contribution made to Plan during fiscal year	-	(175,901)
Increase in Net OPEB obligation	201,802	25,903
OPEB payable - beginning of year	182,281	156,378
OPEB payable - end of year	\$ 384,083	\$ 182,281

The District's annual OPEB cost, the percentage of annual cost contributed to the plan, and the net OPEB obligation for the years ended June 30, 2017, 2016 and 2015 are shown in the following table.

Fiscal Year Ended	Annual OPEB Cost (AOC)	Percentage of ACO Contributed	Net OPEB Obligation
6/30/2015	\$ 145,999	99.72%	\$ 156,378
6/30/2016	\$ 201,804	87.16%	\$ 182,281
6/30/2017	\$ 201,802	0.00%	\$ 384,083

Funded Status and Funding Progress – The most recent actuarial report for the District's OPEB Plan was prepared as of July 1, 2015. As of this point in time, the actuarial accrued liability for benefits was \$1,798,158 and the actuarial value of investments was \$670,469, resulting in an unfunded actuarial accrued liability of \$1,127,689 and a funded ratio of 37.29%. The annual covered payroll was \$1,409,091 and the ratio of the unfunded actuarial accrued liability to covered payroll was 80.03%.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, is intended to present multiyear trend information about whether the actuarial value of plans assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions – Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and the pattern of sharing of costs between the employer and plan members to that point. Consistent with the long-term perspective of actuarial calculations, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities for benefits.

The following is a summary of the actuarial assumptions and methods:

Valuation date	June 30, 2015
Actuarial cost method	Entry age normal cost method
Amortization method	Level percent of payroll amortization
Remaining amortization period	30 Years as of the valuation date
Asset valuation method	5 Year smoothed market
Actuarial assumptions:	
Investment rate of return	7.10%
Projected salary increase	2.75%
Inflation – discount rate	2.75%

9. RISK MANAGEMENT

The District is exposed to potential losses from claims arising from its business operations including, torts, theft, errors and omissions, injuries to employees, and natural disasters. The District maintains insurance coverage through independent carriers for property and equipment and employee dishonesty. There have been no significant reductions in insured coverage.

The District participates in the workers' compensation program organized by the Association of California Hospital Districts, Inc., ALPHA Fund Joint Powers Agreement (ALPHA). ALPHA is a Joint Powers Authority (JPA) which is comprised of 56 participants organized pursuant to the California Government Code. The purpose of the JPA is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage, whereby the risk of loss is mitigated by the public entity pool. The Fund currently has \$1,000,000 of workers' compensation coverage. The JPA is not a component unit of the District for financial purposes, as explained below.

ALPHA provides workers' compensation insurance for the District. Periodic deposits paid by each participant for the workers' compensation joint protection are computed based on independent actuarial computations taking into account factors such as the participants' number of employees, types of employees, annual budget, all relevant loss experience and rates established through the California Inspection Ratings Bureau. The Fund may assess the participants in order to eliminate any deficiency in the fund balance of the Fund.

Under the terms of the JPA, withdrawing or terminated member districts owe their pro-rata share of the fund deficiency. A withdrawing or terminated member district's pro-rata share contributions are based on its total contributions during its membership in the Fund as a percentage of the total contributions by all member districts during the same period.

The District also participates in the Beta Healthcare Group Joint Powers Agreement (BETA). BETA is a Joint Powers Authority (JPA) which is comprised of local health care districts, counties, other governmental entities and qualified nonprofits which operate hospitals, clinics and other health-related facilities and is organized pursuant to the California Government Code. The purpose of the JPA is to arrange and administer programs of insurance for the pooling of self-insured losses and to purchase excess insurance coverage, whereby the risk of loss is mitigated by the public entity pool. BETA currently has \$5,000,000 of auto liability, \$5,000,000 of comprehensive liability and \$1,000,000 of directors, officers and trustee liability coverage.

BETA provides automobile, comprehensive liability and directors' and officers' liability insurance for the District. Periodic deposits paid by each participant for the insurance joint protection are computed based on individual coverage contracts.

10. DISTRIBUTIONS FROM VENTURA COUNTY COMMUNITY FOUNDATION

In 2006, the District was named as a beneficiary recipient of a permanent endowment now managed by the Ventura County Community Foundation (VCCF). The District has a current beneficial interest of 100%. However, VCCF has variance power which allows the Foundation to modify the donor's stipulations under certain rare circumstances and as the Foundation monitors the changing needs of the community.

Each year, VCCF distributes a portion of the earnings based on its distribution policies, which are subject to change based on VCCF's investment management performance. The amounts received in 2017 and 2016, were \$147,622 and \$148,479 respectively. The distribution amounts are to be used only for the Care-a-Van service in Camarillo. At June 30, 2017 and 2016, the market value of the fund held by VCCF on behalf of the District was \$2,921,373 and \$2,755,920, respectively

11. GRANTS

The District is the recipient of grants from government agencies and the private sector. The grants received for the year ended June 30, 2017 are:

<u>Funding Source</u>	<u>Program</u>	<u>Purpose</u>	<u>Amount</u>
Ventura County Area Agency on Aging (VCAAA)	Wellness & Caregiver Center	Caregiver Support	\$ 45,005
Ventura County Area Agency on Aging (VCAAA)	Senior Lunch Program	Senior Meals	87,934
Ventura County Area Agency on Aging (VCAAA)	Wellness & Caregiver Center	Senior Helpline	50,000
Arthur N. Rupe Foundation	Wellness & Caregiver Center	Caregiver Support	35,000
Dignity Health / Brain Injury Center of Ventura County	Care Management	Home Care Support	10,935
National Association of Nutrition and Aging Services Program	Senior Lunch Program	Senior Meals	1,000
The Scan Foundation	Wellness & Caregiver Center	Community of Constituents	5,000
Total Grant Funds			<u>\$ 234,874</u>

12. CONTINGENCY

During the year ended June 30, 2015, the District made a claim against one of its vendors for reimbursement of fees. In January 2016, an arbitration panel awarded the District a judgement in the amount of \$172,410. The defendant filed a counterclaim against the District for additional fees in the amount of \$100,000. The counterclaim was dismissed in February 2017. The defendant has filed an appeal which is currently pending in the Court of Appeal. Management believes, that based on the advice of the District's legal counsel, the lawsuit could result in the recovery of money by the District. However, the ultimate outcome of the litigation cannot be determined and no amount has been recognized for possible collection of any claims asserted in the litigation.

During the year ended June 30, 2017, the District filed a lawsuit against its former Chief Executive Officer for breach of fiduciary duty in connection with the fees paid the vendor discussed in the preceding paragraph. The District alleged that the former Chief Executive Officer failed to disclose a relationship with the vendor and approved unnecessary and false invoices. In March 2018, the claim was settled in binding arbitration with a settlement to the District in the amount of \$173,000. The settlement was paid to the District in May 2018 and the arbitration and lawsuit were subsequently dismissed.

13. UPCOMING GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENTS

GASB 75 – Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This Statement establishes the standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense for postemployment benefits other than pensions. This Statement is effective for fiscal years beginning after June 15, 2017.

14. SUBSEQUENT EVENTS

The District has evaluated subsequent events through June 25, 2018, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

CAMARILLO HEALTH CARE DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 California Public Employees' Retirement System
 June 30, 2017 and 2016
 Last 10 years *

Schedule of Proportionate Share of the Net Pension Liability

Year Ended *	Proportion of the Net Pension Liability	Proportionate Share (Amount) of Net Pension Liability	Actual Covered Member Payroll	Net Pension Liability as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
6/30/15	0.01542%	\$ 959,515	\$ 1,457,087	65.85%	87.79%
6/30/16	0.02995%	\$ 821,635	\$ 1,372,378	59.87%	83.66%
6/30/17	0.03465%	\$ 1,203,554	\$ 1,288,882	93.38%	80.46%

* The data provided in the schedule is based as of the measurement date of CalPERS net pension liability, which is as of the beginning of the District's fiscal year.

Schedule of Contributions

Year Ending	Statutorily Required Contributions	Actual Employer Contributions	Contribution Excess/ (Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
6/30/14	\$ 122,887	\$ 122,887	\$ -	\$ 1,457,087	8.43%
6/30/15	\$ 122,375	\$ 122,375	\$ -	\$ 1,372,978	8.91%
6/30/16	\$ 82,913	\$ 82,913	\$ -	\$ 1,288,882	6.43%
6/30/17	\$ 92,770	\$ 92,770	\$ -	\$ 1,267,253	7.32%

These schedules are intended to show information for ten years. Additional years will be displayed as they become available.

CAMARILLO HEALTH CARE DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 Other Postemployment Benefits Plan
 June 30, 2017 and 2016

Schedule of Funding Progress

Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b - a) / c
6/30/2011	\$ 92,308	\$ 910,096	\$ 817,788	10.14%	\$ 1,436,477	56.93%
6/30/2013	\$ 316,585	\$ 1,078,857	\$ 762,272	29.34%	\$ 1,371,151	55.59%
6/30/2015	\$ 670,469	\$ 1,798,158	\$ 1,127,689	37.29%	\$ 1,409,091	80.03%

OTHER REPORT



**INDEPENDENT AUDITOR'S 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**

To the Board of Directors of
Camarillo Health Care District:

We have audited, in accordance with the 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 Camarillo Health Care District as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Camarillo Health Care District's basic financial statements, and have issued our report thereon dated June 25, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Camarillo Health Care 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Camarillo Health Care District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Camarillo Health Care 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 entity's 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Camarillo Health Care 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*.

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 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.

Jannings : Kamm

Ventura, California
June 25, 2018

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SECTION 8

ACTION ITEMS

SECTION 8-B

IT IS THE RECOMMENDATION OF ADMINISTRATION THAT THE BOARD OF DIRECTORS APPROVE DISTRICT RESOLUTION 18-06, AMENDING THE DISTRICT'S CONFLICT OF INTEREST CODE.

JULY 24, 2018

RESOLUTION NO. 18-06

AMENDMENT OF DISTRICT'S CONFLICT OF INTEREST CODE

*Resolution of the Board of Directors
Camarillo Health Care District
Ventura County, California*

WHEREAS, the Political Reform Act, Government Code section 81000 et seq. requires local government agencies to adopt and promulgate Conflict of Interest Codes, and

WHEREAS, the Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regulations, § 18730) which contains the terms of a standard Conflict of Interest Code, which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings; and

WHEREAS, the terms of California Code of Regulations, Title 2, Section 18730, and any amendment to it duly adopted by the Fair Political Practices Commission, are hereby incorporated by reference as the Conflict of Interest Code for the Camarillo Health Care District, and along with the attached Exhibit A, which designates positions requiring disclosure and Exhibit B, which sets forth disclosure categories for each designated position, constitute the Conflict of Interest of the Camarillo Health Care District. Persons holding positions designated in Exhibit A shall file Form 700 Statements of Economic Interests with the filing Officer specified for that position in Exhibit A; and

WHEREAS, in preparing the Form 700, designated filers need only disclose those financial interests falling within the disclosure categories designated for that filer's position as stated in Exhibits A and B.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Camarillo Health Care District hereby approves and adopts the "Conflict of Interest Code for the Camarillo Health Care District, County of Ventura, State of California" presented to the Board and attached to this Resolution.

ADOPTED, SIGNED, AND APPROVED this 24th day of July 2018.

Rod Brown, President
Board of Directors
Camarillo Health Care District

Attest: _____
Richard Loft, Clerk of the Board
Board of Directors
Camarillo Health Care District

STATE OF CALIFORNIA)

COUNTY OF VENTURA) ss

I, **Richard Loft**, Clerk of the Board of Directors of the Camarillo Health Care District

DO HEREBY CERTIFY that the foregoing Resolution 18-06 was duly adopted by the Board of Directors of said District at a Regular Meeting held on the 24th day of July 2018, and it was adopted by the following vote:

AYES: _____

NAYS: _____

ABSENT: _____

Richard Loft, Clerk of the Board
Board of Directors
Camarillo Health Care District

**2018 CONFLICT OF INTEREST CODE
Camarillo Health Care District**

The Political Reform Act, Government Code section 81000 et seq., requires local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code Regs., § 18730) which contains the terms of a standard Conflict of Interest Code, which may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act after public notice and hearings.

The terms of California Code of Regulations, Title 2, Section 18730, and any amendment to it duly adopted by the Fair Political Practices Commission, are hereby incorporated by reference as the Conflict of Interest Code for the [*Camarillo Health Care District*], and along with the attached Exhibit A, which designates positions requiring disclosure and Exhibit B, which sets forth disclosure categories for each designated position, constitute the Conflict of Interest Code of the [*Camarillo Health Care District*]. Persons holding positions designated in Exhibit A shall file Form 700 Statements of Economic Interests with the Filing Officer specified for that position in Exhibit A.

IN PREPARING THE FORM 700, DESIGNATED FILERS NEED ONLY DISCLOSE THOSE FINANCIAL INTERESTS FALLING WITHIN THE DISCLOSURE CATEGORIES DESIGNATED FOR THAT FILER'S POSITION AS STATED IN EXHIBITS A AND B.

APPROVED AND ADOPTED this 24th day of July 2018:

By: _____
Print Name: Rod Brown
Title: President, Board of Directors

EXHIBIT A – DESIGNATED POSITIONS AND FILING OFFICERS

# of POSITIONS	POSITION TITLE	DISCLOSURE CATEGORIES (From Exhibit B)	FILING OFFICER (Designate County Clerk of Board [COB] or Local Agency's Clerk [AC])
5	Director	1	COB
1	Chief Executive Officer	1	COB
Consultants ¹			
1	General Counsel	1	COB
1	Financial Services	1	COB

¹ The disclosure, if any, required of a consultant will be determined on a case-by-case basis by the head of the agency or designee. The determination of whether a consultant has disclosure requirements should be made in writing on a Fair Political Practices Commission Form 805. The determination should include a description of the consultant's duties and based upon that description, a statement of the extent, if any, of the disclosure requirements. Each Form 805 is a public record and should be retained for public inspection either in the same manner and location as the Conflict of Interest Code, or with appropriate documentation at the location where the Conflict of Interest Code is maintained, cross-referencing to the Form 805.

EXHIBIT B – DISCLOSURE CATEGORIES

The terms *italicized* below have specific meaning under the Political Reform Act. In addition, the financial interests of a spouse, domestic partner and dependent children of the public official holding the designated position may require reporting. Consult the instructions and reference pamphlet of the Form 700 for explanation.

Category 1 – BROADEST DISCLOSURE

[SEE FORM 700 SCHEDULES A-1, A-2, B, C, D and E]

- (1) All sources of *income, gifts, loans and travel payments*;
- (2) All *interests in real property*; and
- (3) All *investments and business positions in business entities*.

Category 2 – REAL PROPERTY

[SEE FORM 700 SCHEDULE B]

All *interests in real property*, including *interests in real property* held by *business entities* and trusts in which the public official holds a business position or has an *investment* or other financial interest.

Category 3 – LAND DEVELOPMENT, CONSTRUCTION AND TRANSACTION

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All *investments, business positions* and sources of *income, gifts, loans and travel payments*, from sources which engage in land development, construction, or real property acquisition or sale.

Category 4 – PROCUREMENT

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All *investments, business positions* and sources of *income, gifts, loans and travel payments*, from sources which provide services, supplies, materials, machinery or equipment which the designated position procures or assists in procuring on behalf of their agency or department.

Category 5 – REGULATION AND PERMITTING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All *investments, business positions* and sources of *income, gifts, loans and travel payments*, from sources which are subject to the regulatory, permitting or licensing authority of, or have an application or license pending before, the designated position's agency or department.

Category 6 – FUNDING

[SEE FORM 700 SCHEDULES A-1, A-2, C, D and E]

All *investments, business positions* and sources of *income, gifts, loans and travel payments*, from sources which receive grants or other funding from or through the designated position's agency or department.

**ADDENDUM DESIGNATING OFFICIALS WHO
MANAGE PUBLIC INVESTMENTS**

Pursuant to Government Code section 87200 et seq., certain city and county officials, as well as all “other officials who manage public investments,” are required to disclose their economic interests in accordance with the Political Reform Act. This Addendum provides the relevant definitions for determining which public officials qualify as “other officials who manage public investments,” designates the agency’s positions which qualify as such, and states the Filing Officer for each designated position.

APPLICABLE DEFINITIONS

As set forth in 2 California Code of Regulations section 18701, the following definitions apply for the purposes of Government Code section 87200:

(1) “Other public officials who manage public investments” means:

(A) Members of boards and commissions, including pension and retirement boards or commissions, or of committees thereof, who exercise responsibility for the management of public investments;

(B) High-level officers and employees of public agencies who exercise primary responsibility for the management of public investments, such as chief or principal investment officers or chief financial managers. This category shall not include officers and employees who work under the supervision of the chief or principal investment officers or the chief financial managers; and

(C) Individuals who, pursuant to a contract with a state or local government agency, perform the same or substantially all the same functions that would otherwise be performed by the public officials described in subdivision (1)(B) above.

(2) “Public investments” means the investment of public moneys in real estate, securities, or other economic interests for the production of revenue or other financial return.

(3) “Public moneys” means all moneys belonging to, received by, or held by, the state, or any city, county, town, district, or public agency therein, or by an officer thereof acting in his or her official capacity, and includes the proceeds of all bonds and other evidences of indebtedness, trust funds held by public pension and retirement systems, deferred compensation funds held for investment by public agencies, and public moneys held by a financial institution under a trust indenture to which a public agency is a party.

(4) “Management of public investments” means the following non-ministerial functions: directing the investment of public moneys; formulating or approving investment policies; approving or establishing guidelines for asset allocations; or approving investment transactions.

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SECTION 8

ACTION ITEMS

**SECTION 8-C
REVIEW/ DISCUSSION/ ACTION – CONSIDERATION, DISCUSSION, AND
APPROVAL OF THE DISTRICT’S RESPONSE TO THE 2017-2018
VENTURA COUNTY GRAND JURY REPORT,
“INDEPENDENT SPECIAL DISTRICTS”.**

JULY 24, 2018

May 10, 2018

Confidential

Kara Ralston, CEO
Camarillo Health Care District

The Ventura County Grand Jury has completed the attached report titled ‘Independent Special Districts.’ This copy of the report is being provided to you two days in advance of its public release, as required by California Penal Code §933.05 (f), which states:

A grand jury shall provide to the affected agency a copy of the portion of the grand jury report relating to that person or entity two working days prior to its public release and after the approval of the presiding judge. No officer, agency, department, or governing body of a public agency shall disclose any contents of the report prior to the public release of the final report.

Please check the last page of text of the report for the timing of your response, if any, as required by the Penal Code. Section 933.05 of the Penal Code is attached for your reference. Also attached is a form for your responses to Grand Jury findings/conclusions and recommendations.

Please keep in mind that this report must be kept confidential until its public release by the Grand Jury. The Report and your response letter is in attached files in this email.

Respectfully,

Andrew Ludlum, Foreperson
2017-2018 Ventura County Grand Jury

Ventura County Grand Jury 2017 - 2018



Final Report

Independent Special Districts

April 26, 2018

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Independent Special Districts

Summary

The 2017-2018 Ventura County Grand Jury (Grand Jury) investigated Ventura County (County) independent special districts as to their transparency and public accountability.

In May 2000, the State of California (State) watchdog group the Little Hoover Commission found that independent special districts often lack the kind of oversight and citizen involvement necessary to promote their efficient operation and evolution.

The Grand Jury found five independent special districts have not held public competitive elections since 1970. One special district has not held a competitive election since 1960. The Grand Jury recommends independent special district boards discontinue the practice of appointing new board members a few months prior to a public election. These newly appointed board members become incumbents in uncontested elections that are never held.

The Grand Jury concluded no independent special district in the County has made its reserve policies and practices available on its website. The absence of publicly available reserve policies and practices does not serve the public interest. The Grand Jury recommends that all independent special districts have a published policy for reserve funds, including the size and purpose of reserves and how they are invested. These policies should be readily available for public review.

The Grand Jury found six independent special districts in the County did not have websites. The Grand Jury recommends all independent special districts have websites informing the public about the policies, practices, and mission of the district.

Background

There are more than 4,000 special districts in California (State), including more than 2,000 independent special districts. They were created to meet unique local needs and conditions that did not neatly fit into the normal boundaries of cities and counties. Many of these, such as water districts, school districts, sanitary districts, and conservation districts, span across county and/or city boundaries.

It was understood that these services should be paid for and administered by the populations they serve. It was intended that these special districts would not compete for revenue collected specifically for city and/or county services, but rather have their own local tax bases. It is believed that direct elections of governing boards by the populations served within these unique boundaries will lead to more accountability and transparency by these special districts.

In 2000 the Little Hoover Commission found that California's special districts often amounted to a poorly overseen and largely invisible governing sector serving residents who know little about the districts or what they pay in taxes to sustain them. (Ref-01)

In 2017 the Little Hoover Commission affirmed that independent special districts are "independent" from other governments. These districts often have no direct oversight other than by the people they serve. Independent special district boards of directors are either elected directly by the people or appointed by other local officials. These districts are not accountable to the appointing board, nor does the appointing board have any oversight responsibility for the operation of the independent special district. (Ref-04)

Special districts generate revenue from several sources including property taxes, special assessments, and fees. Statewide, special districts employ more than 90,000 people. California independent special districts accounted for more than \$52 billion in revenue in 2016. In fiscal year 2015-2016, the 50 independent special districts in the County accounted for \$334 million in revenues and taxes and had \$324 million in expenditures. (Ref-04, Att-01)

Independent special districts come under the auspices of Local Agency Formation Commissions, which have the responsibility for establishing service area boundaries. Under State law, Ventura Local Agency Formation Commission (LAFCO) is responsible for spheres of influence, incorporations, annexations, reorganizations, and other changes of organization. (Ref-06)

Although LAFCO plays an important role in boundary maintenance and adjustment for independent special districts, it generally chooses not to exercise its authority over the operations of the special districts.

Methodology

- The Grand Jury sent out questionnaires to County independent special districts with no websites.
- The Grand Jury examined data from the State Controller on independent special districts in the County.
- The Grand Jury reviewed the websites of all independent special districts in the County under the jurisdiction of LAFCO.
- The Grand Jury investigated financial reserve policies.
- The Grand Jury investigated financial reserve best practices as described by the Little Hoover Commission reports and the California Special District Association recommendations.
- The Grand Jury reviewed all board election results for independent special districts under LAFCO jurisdiction.
- The Grand Jury conducted internet research and reviewed the report by the 1998-1999 Ventura County Grand Jury.
- The Grand Jury reviewed Little Hoover Commission reports of independent special districts.
- The Grand Jury interviewed witnesses about independent special districts in the County.

Facts

FA-01. Five independent special districts have never held public competitive governing board elections since at least 1970.

Historically, when a vacancy occurs on the district's board, or when a board member resigns near the end of his or her term, the board appoints a successor to serve out the remainder of the term. The newly appointed board member then becomes the incumbent, with all advantages of incumbency. If no one other than the newly appointed incumbent runs for the vacated office, the incumbent is then appointed and no election is held.

The following independent special districts have held no recorded public competitive board member elections since their formation:

- Ojai Water Conservation District
- Oxnard Drainage District No. 1
- Oxnard Drainage District No. 2
- Pleasant Valley County Water District
- Saticoy Sanitary District

(Ref-07)

FA-02. Five independent special district boards are not elected by the public but appointed by local elected officials who have no further authority over them.

- Bardsdale Cemetery District
- Ranch Simi Cemetery District
- Fox Canyon Groundwater Management Agency
- Piru Public Cemetery District
- Ventura Port District

(Ref-07)

FA-03. Seventeen independent special districts have not held public competitive board elections since the year indicated:

- Hidden Valley Municipal Water District – 1960
- Montalvo Community Services District – 1994
- Camrosa Water District – 2006
- Meiners Oaks Water District – 2008
- Triunfo County Sanitation District – 2010
- Fillmore-Piru Memorial District – 2010
- Rancho Simi Recreation and Park District – 2012
- Blanchard/Santa Paula Library District – 2012

- Bell Canyon Community Services District – 2014
- Camarillo Health Care District – 2014
- Conejo Recreation & Park District – 2014
- United Water Conservation District – 2014
- Pleasant Valley Recreation and Park District – 2014
- Channel Islands Beach Community Services District – 2016
- Calleguas Municipal Water District – 2016
- Casitas Municipal Water District – 2016
- Ojai Valley Sanitary District – 2016

(Ref-07)

FA-04. There are no reserve policies or practices listed on the websites of all County independent special districts under the jurisdiction of LAFCO. Many independent special districts list their reserves in their financial reports. The Little Hoover Commission stated that hundreds of independent special districts have banked multimillion-dollar reserves that are unpublicized and unnoticed in regional or statewide infrastructure planning. (Ref-01)

FA-05. State law mandates four requirements for any local agency with a website:

- Agendas must be posted 72 hours before a meeting occurs.
- Annual compensation reports, or a link to the State Controller’s website that contains the report, must be posted.
- Financial transaction reports, or a link to the State Controller’s website that contains the report, must be posted.
- Enterprise system catalogs must be posted.

(Ref-04)

FA-06. According to the Little Hoover Commission, it is important for independent special districts to communicate to their public in order to know which districts receive their property tax dollars, how to participate in their district’s public processes, and how to pick the best board members to run their districts from an often-obscure list of potential candidates. Recent technological developments have allowed many independent special districts to use websites to accomplish this. (Ref-04)

FA-07. Six independent special districts in the County do not provide public access to a website.

- Fillmore-Piru Memorial District
- Hidden Valley Municipal Water District
- Oxnard Drainage District No. 1
- Oxnard Drainage District No. 2

- Piru Public Cemetery District
- Pleasant Valley County Water District

FA-08. The State Controller recommends the following key components for a website:

- Name, location, contact information, services provided
- Governance structure of the district, including election information and the process for constituents to run for board positions
- Compensation details: total staff compensation, including salary, pensions, and benefits, or a link to this information on the State Controller’s website
- Budget, including annual revenues and the sources of such revenues, fees, property taxes and other assessments, bond debt, expenditures, and reserve amounts
- Reserve fund policy
- Geographic area served
- Most recent Municipal Service Review, most recent annual financial report provided to the State Controller’s office, or a link to this information on the State Controller’s website
- Link to the Local Agency Formation Commission and any State agency providing oversight

(Ref-04, Ref-07)

Conclusions

C-01. The Grand Jury concluded there is a lack of transparency and accountability when there is:

- An absence of competitive elections
- No general publication of elections other than in County election materials
- An election giving the electoral advantage of incumbency to a person who has been appointed solely to fill out the remaining months of another’s term

The Grand Jury concluded that these practices, while legal under present election codes, are not conducive to the best interest of the public or the interest of the special districts themselves. (FA-01, FA-03)

C-02. The Grand Jury concluded that the absence of publicly available reserve policies and practices does not serve the public interest. (FA-04, FA-08)

C-03. The Grand Jury concluded the independent special districts should better articulate the need for and the size of their reserves by adopting explicit

policies for reserve funds. These policies should be readily available for public review. (FA-04, FA-08)

- C-04.** The Grand Jury concluded that the absence of websites or the lack of public information on existing websites defining the policies, practices, and missions of independent special districts is not in the public interest nor does it promote public accountability. (FA-01, FA-02, FA-04, FA-05)

Recommendations

- R-01.** The Grand Jury recommends all independent special districts in the County reach out and communicate with the public on opportunities to serve on boards. Elections should be broadly publicized, along with a description of the nature and mission of the districts. (C-01, C-04)
- R-02.** The Grand Jury recommends independent special district boards discontinue the practice of appointing new board members a few months prior to a public election, giving incumbent status to a virtually new board member. (C-01)
- R-03.** The Grand Jury recommends that all independent special districts have a published policy for reserve funds, including the size and purpose of reserves and how they are invested. These policies should be readily available for public review. (C-02, C-03, C-04)
- R-04.** The Grand Jury recommends every independent special district in the County have a website.

Key components should include:

- Name, location, contact information, and services provided
- Governance structure of the district, including election information and the process for constituents to run for board positions
- Compensation details including staff salaries, pensions, and benefits, or a link to this information on the State Controller's website
- Annual revenues and the sources of such revenues, including fees, property taxes and other assessments, bond debt, expenditures, and reserve amounts
- Reserve fund policy
- Geographic area served
- Most recent Municipal Service Review, and the most recent annual financial report provided to the State Controller or a link to this information on the State Controller's website
- Link to LAFCO

(C-02, C-03)

Responses

Responses Required From:

Ojai Water Conservation District (C-01, C-04, R-01, R-02, R-03, R-04)
Oxnard Drainage District No. 1 (C-01, C-04, R-01, R-02, R-03, R-04)
Oxnard Drainage District No. 2 (C-01, C-04, R-01, R-02, R-03, R-04)
Pleasant Valley County Water District (C-01, C-04, R-01, R-02, R-03, R-04)
Saticoy Sanitary District (C-01, C-04, R-01, R-02, R-03, R-04)
Bardsdale Cemetery District (C-01, R-04)
Rancho Simi Cemetery District (C-01, R-04)
Fox Canyon Groundwater Management Agency (C-01, R-04)
Piru Public Cemetery District (C-01, R-04)
Ventura Port District (C-01, R-04)
Hidden Valley Municipal Water District (C-02, C-03, R-04)
Montalvo Community Services District (C-02, C-03, R-04)
Camrosa Water District (C-02, C-03, R-04)
Meiners Oaks Water District (C-02, C-03, R-04)
Triunfo County Sanitation District (C-02, C-03, R-04)
Fillmore-Piru Memorial District (C-02, C-03, R-04)
Rancho Simi Recreation and Park District (C-02, C-03, R-04)
Blanchard/Santa Paula Library District (C-02, C-03, R-04)
Bell Canyon Community Services District (C-02, C-03, R-04)
Camarillo Health Care District (C-02, C-03, R-04)
Conejo Recreation & Park District (C-02, C-03, R-04)
United Water Conservation District (C-02, C-03, R-04)
Pleasant Valley Recreation and Park District (C-02, C-03, R-04)
Channel Islands Beach Community Services District (C-02, C-03, R-04)
Calleguas Municipal Water District (C-02, C-03, R-04)
Casitas Municipal Water District (C-02, C-03, R-04)
Ojai Valley Sanitary District (C-02, C-03, R-04)

Requested From:

Ventura Local Agency Formation Commission
(C-01, C-02, C-03, C-04, R-01, R-02, R-03, R-04)

References

- Ref-01.** Little Hoover Commission, Special Districts: Relics of the Past or Resources for the Future?, May 2000.pg.i.
<http://www.lhc.ca.gov/report/special-districts-relics-past-or-resources-future>
Accessed April 12, 2018
- Ref-02.** California State Controller's Office, Counties Financial Data.,https://counties.bythenumbers.sco.ca.gov/#!/year/2016/revenue/0/entity_name?vis=barChart

Accessed April 11, 2018

Ref-03. California State Controller's Office, Counties Financial Data, https://counties.bythenumbers.sco.ca.gov/#!/year/2016/operating/0/entity_name?vis=barChart

Accessed April 11, 2018

Ref-04. Little Hoover Commission, Special Districts: Improving Oversight and Transparency, Report pg.5,#239,August 2017
http://www.lhc.ca.gov/sites/lhc.ca.gov/files/Reports/239/Report_239.pdf

Accessed April 11, 2018

Ref-05. 1998-1999 Ventura County Grand Jury, Special Districts: Final Report:
<https://www.ventura.org/grand-jury/>

Accessed April 11, 2018

Ref-06. Ventura Local Area Formation Commission Website,
<http://www.ventura.lafco.ca.gov>

Accessed April 11, 2018

Ref-07. Jason Quinlin, Ventura County Election Division, October 18, 2017.
<http://www.lhc.ca.gov/sites/lhc.ca.gov/files/Reports/239/Report>

Accessed April 11, 2018

Ref-08. Pedro Nava, Letter from the Chair, Little Hoover Commission,
<http://www.lhc.ca.gov/sites/lhc.ca.gov/files/Reports/239/Report.pdf>

Accessed April 11, 2018

Ref-09. "Guidelines for Reserves for Special Districts", 2nd. Edition, California Special District Association <https://www.csda.net/home>

Accessed April 11, 2018

Attachments

Att-01. California State Controller's Chart of Ventura County Special District Revenues by Special District

Att-02. State Controller's Office Data, Special Districts Financial Transactions Report: Fiscal Year 2013-14 Ventura County List of Independent Special Districts

Glossary

TERM

DEFINITION

Commission

Little Hoover Commission

County

Ventura County

Grand Jury

2017-2018 Ventura Grand Jury

LAFCO

Local Area Formation Commission

State

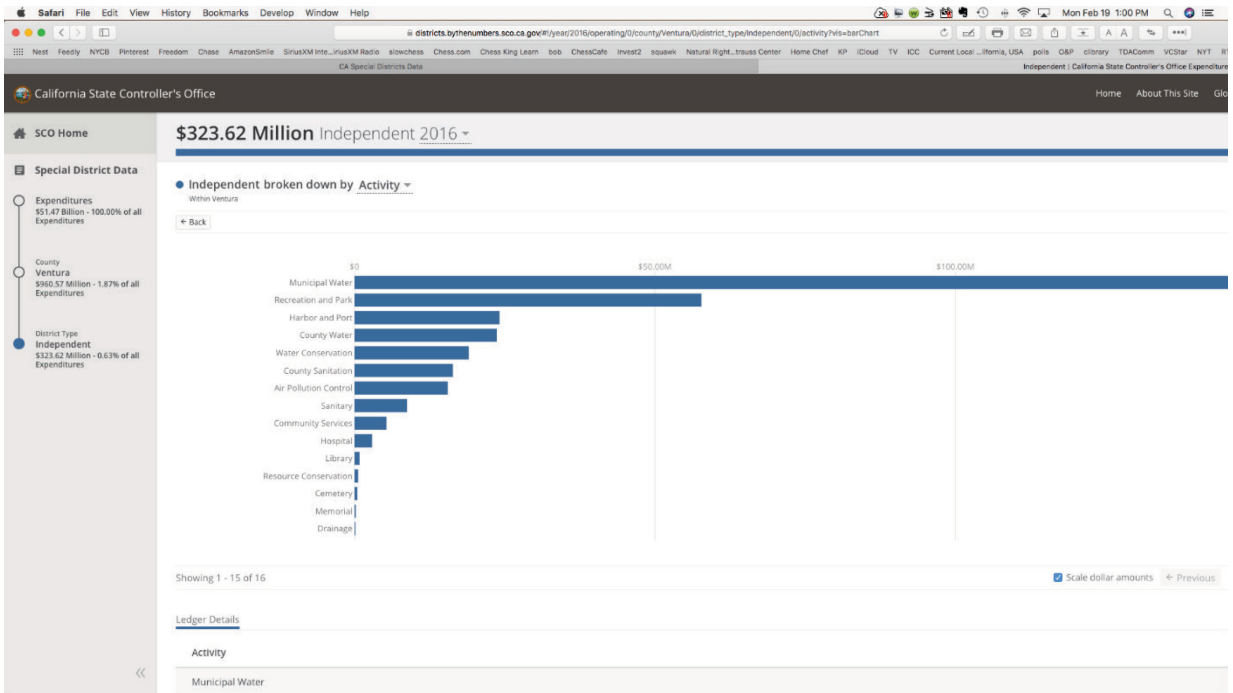
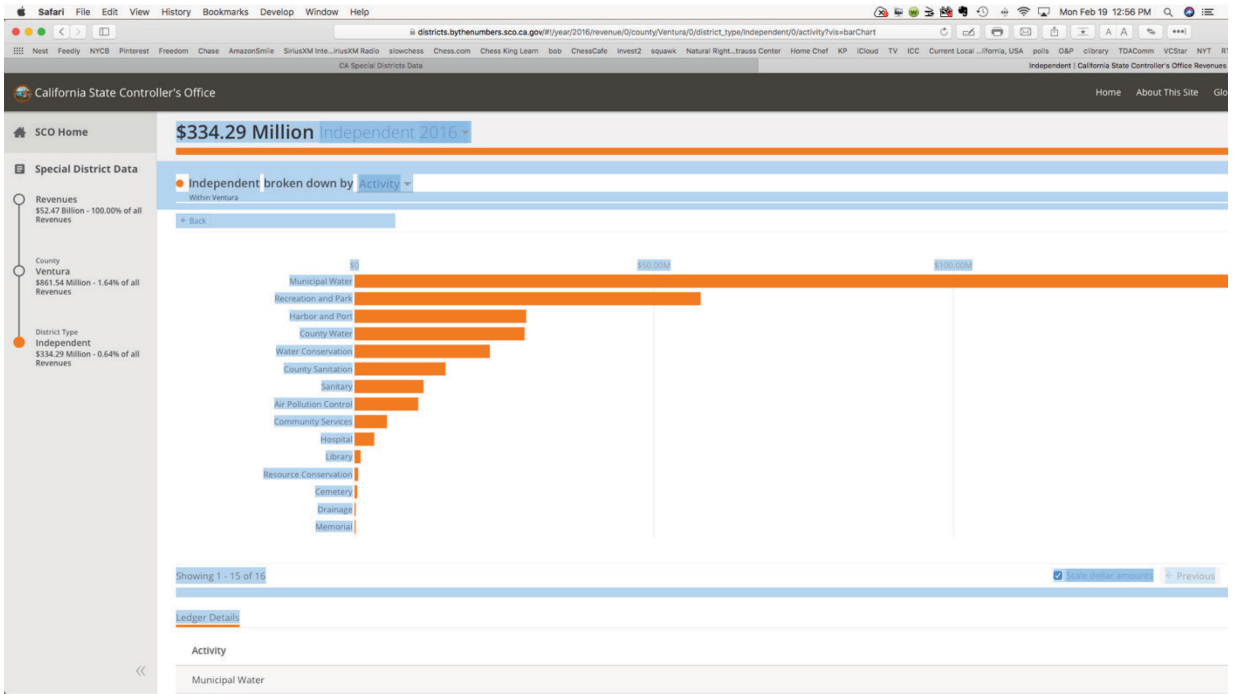
State of California

Ventura

City of San Buenaventura

Attachment 01

California State Controller's Chart of Ventura County Special District Revenues by Special District



Attachment 02

**State Controller's Office Data
Special Districts Financial Transactions Report
Fiscal Year 2013-14
Ventura County List of Independent Special Districts**

SCO_LAFCO FY 2014 Page 74 of 77 07/29/15 California State Controller's Office List includes only independent special districts

Ventura Bardsdale Cemetery District Cemetery - 178,310 2,829
Ventura Beach Erosion Authority For Clean Oceans and Nourishment Resource Conservation - 103,516 103,208
Ventura Bell Canyon Community Services District Waste Disposal Enterprise - 464,992 - 4,043
Ventura Black Gold Cooperative Library System Library Services - 1,356,114 -
Ventura Blanchard/Santa Paula Public Library District Library Services - 929,989 119,150
Ventura Calleguas Municipal Water District Water Enterprise 147,829,496 7,895,811 - 288,173
Ventura Camrosa Water District Waste Disposal Enterprise 3,140,580 47,319 -
Ventura Camrosa Water District Water Enterprise 15,709,479 1,492,882 - 4,405
Ventura Casitas Municipal Water Water Enterprise 14,923,271 3,100,620 - 76,841
Ventura Channel Islands Beach Community Services District Waste Disposal Enterprise 2,361,577 9,223 -
Ventura Channel Islands Beach Community Services District Water Enterprise 1,689,332 61,632 -
Ventura Coastal Schools Employee Benefits Organization Self Insurance - - 44,458,554 -
Ventura Conejo Recreation and Park District Recreation and Park - - 22,706,394 3,049,907
Ventura Conejo Valley Open Space Conservation Agency Resource Conservation - - 1,268,900 1,188,474
Ventura El Rancho Simi Cemetery District Cemetery - 145,921 544
Ventura Fillmore-Piru Memorial District Memorial - - 201,247 178
Ventura Fox Canyon Groundwater Management Agency Water Enterprise - 1,304,731 -
Ventura Gold Coast Transit Transit Enterprise 18,531,482 - 14,557,083
Ventura Hidden Valley Municipal Water District Water Enterprise - 8,115 -
Ventura Meiners Oaks County Water District Water Enterprise 1,294,909 130,556 - 1,074
Ventura Montalvo Community Services District Waste Disposal Enterprise 397,066 276,058 - 2,376
Ventura Ojai Basin Groundwater Management Agency Water Enterprise 86,045 567 -
Ventura Ojai Valley Sanitary District (Ventura) Waste Disposal Enterprise 8,261,529 935,280 - 5,170
Ventura Ojai Water Conservation District Flood Control and Water Conservation - 8,013 70
Ventura Oxnard Drainage District No. 1 (Ventura) Drainage and Drainage Maintenance - 48,241 -
Ventura Oxnard Drainage District No. 2 (Ventura) Drainage and Drainage Maintenance - 163,234 -
Ventura Oxnard Harbor District Harbor and Port Enterprise 14,045,832 248,034 -
Ventura Piru Cemetery District Cemetery - 44,491 423
Ventura Pleasant Valley County Water District Water Enterprise 3,610,070 409,349 - 24,875
Ventura Pleasant Valley Recreation and Park District Recreation and Park - 7,921,243 153,761
Ventura Port Hueneme Water Agency Water Enterprise 4,480,306 48,197 -
Ventura Rancho Simi Recreation and Park District Recreation and Park - 21,109,995 1,332,246
Ventura Saticoy Sanitary District (Ventura) Waste Disposal Enterprise 403,743 42,638 - 320
Ventura Teen Center Services Authority Recreation and Park - 204,298 -
Ventura Triunfo County Sanitation District (Ventura) Waste Disposal Enterprise 9,669,902 26,272 -
Ventura Triunfo County Sanitation District (Ventura) Water Enterprise 6,592,267 153,881 -
Ventura United Water Conservation District Flood Control and Water Conservation - 14,691,843 197,963
Ventura United Water Conservation District Recreation and Park -- 109,068 -
Ventura United Water Conservation District Water Enterprise 8,105,955 1,502,683 -
Ventura Ventura County Air Pollution Control Air Pollution Control - 11,336,081 8,033,315
Ventura Ventura County Fast Action School Transit (VCFASST) Governmental Services - 114,876 114,724
Ventura Ventura County Regional Energy Alliance (VCREA) Governmental Services - 221,994 -
Ventura Ventura County Resource Conservation Resource Conservation - 654,147 636,162
Ventura Ventura County Schools Business Services Governmental Services - 1,021,705 -
Ventura Ventura County Schools Self-Funding Authority Self Insurance - 24,367,649 -
Ventura Ventura County Transportation Commission Transit Enterprise 9,117,919 - 6,843,264
Ventura Ventura Port District Harbor and Port Enterprise 7,144,257 3,021,873 - 1,949,287
Ventura Ventura Region Sanitation District Waste Disposal Enterprise 20,033,901 473,154 -
Ventura Ventura River County Water District Water Enterprise 2,088,552 35,136 - 272



CAMARILLO HEALTH CARE DISTRICT

For your health & wellness

July 24, 2018

Ventura County Grand Jury
Presiding Judge, Superior Court of California
County of Ventura
800 S. Victoria Avenue
Ventura, CA 93009

Dear Judge;

Enclosed please find a copy of the Camarillo Health Care District's formal response as requested by the Ventura County Grand Jury (VCGJ), regarding the report titled "*Independent Special Districts April 26, 2018*".

It is important to note a clarification to VCGJ's stated FA-03, which states: "*Seventeen independent special districts have not held public competitive board elections since the year indicated...[Camarillo Health Care District, 2014]*". The clarification is as follows:

As part of the election process the Camarillo Health Care District (District) Board adopted Resolution 14-09 on May 27, 2014, stating "*the governing body of the Camarillo Health Care District hereby orders an election be called and consolidated with any and all elections also called to be held on November 4, 2014 insofar as said elections are to be held in the same territory or in territory that is in part the same as the territory of the Camarillo Health Care District, and requests the Ventura County Board of Supervisors to order such consolidation under current Elections Code Section 10401 and 10403...*".

With regard to the requested response to C-02, C-03 and R-04, please see attached. The District remains available to you on this matter.

Respectfully,

Rodger Brown, MBA
President, Board of Directors

BOARD OF DIRECTORS

Rodger Brown, MBA
President

Christopher Loh, MD
Vice President

Richard Loft, MD
Clerk of the Board

Mark Hiepler, Esq.
Director

Thomas Doria, MD
Director

Response to Grand Jury Report Form

Report Title: Independent Special Districts

Report Date: April 26, 2018

Response by: Camarillo Health Care District Board of Directors Title: Board of Directors

FINDINGS / CONCLUSIONS

- I (we) agree with the findings / conclusions numbered:
- I (we) disagree wholly or partially with the Findings / Conclusions numbered:
C-02, C-03; see attached
(Attach a statement specifying any portions of the Findings / Conclusions that are disputed; include an explanation of the reasons.)

RECOMMENDATIONS

- Recommendations numbered **R-04; see attached** have been implemented.
(Attach a summary describing the implemented actions and date completed.)
- Recommendations number _____ have not yet been implemented, but will be implemented in the future.
(Attach a time frame for the implementation.)
- Recommendations numbered _____ require further analysis.
- Recommendations numbered _____ will not be implemented because they are not warranted or are not reasonable.

Date: July 24, 2018

Signed: _____

Number of pages attached: _____



Rodger Brown, MBA
President

Christopher Loh, MD
Vice President

Richard Loft, MD
Clerk of the Board

Mark Hiepler, Esq.
Director

Thomas Doria, MD
Director

ATTACHMENT

GRAND JURY REPORT "Independent Special Districts April, 26, 2018"

Conclusions

C-02: *"The Grand Jury concluded that the absence of publicly available reserve policies and practices does not serve the public interest. (FA-01, FA-03)*

Disagree: The District's website offers a wide variety of public information, including finances, audit, budgets, board packets, agendas, minutes, and more. Reserve Policy #1150 has been included in the website. See C-03.

C-03: *"The Grand Jury concluded that independent special districts should better articulate the need for and the size of their reserves by adopting explicit policies for reserve funds. These policies should be readily available for public review. (FA-04, FA-08)"*

Disagree: The District Board approved Reserve Policy 1150 on November 14, 2017, establishing the following goals, as well as establishing annual goal minimums and fund maximum limits:
(excerpt) POLICY TITLE:Reserve Policy, POLICY NUMBER: 1150

Purpose: The Camarillo Health Care District (District) shall maintain reserve funds from existing unrestricted funds as designated by the District's Reserve Policy. This policy establishes the procedure and level of reserve funding to achieve the following goals:

- Fund replacement and major repairs for District physical assets
- Fund replacement and upgrades of IT performance systems, hardware and software
- Fund designated projects/programs, or other special uses, requiring additional monetary support
- Fund capital improvements
- Maintain standard operational sustainability in periods of economic uncertainty

Public documents remain readily available for review.

Recommendations

R-04: *"The Grand Jury recommends every independent special district in the County have a website. Key components should include:*

- *Name, location, contact information, and services provided*
- *Governance structure of the district, including election information and the process for constituents to run for board positions*

- *Compensation details including staff salaries, pensions, and benefits, or a link to this information on the State Controller's website*
- *Annual revenues and the sources of such revenues, including fees, property taxes and other assessments, bond debt, expenditures, and reserve amounts*
- *Reserve fund policy*
- *Geographic area served*
- *Most recent Municipal Service Review, and the most recent annual financial report provided to the State Controller or a link to this information on the State controller's website*
- *Link to LAFCO"*

Agree: The Camarillo Health Care District (District) agrees and provides a broad variety of information on the existing website. In late 2017, the District began developing an enhanced website and anticipates its release in Fall 2018.

With regard to Key Components as identified by the Grand Jury, the following indicates where this information may be found on the District's existing website:

Name, location, contact information, and services provided: provided on the home page, "About" and "Programs & Services"

Governance structure of the district, including election information and the process for constituents to run for board positions: provided on "About", under "Board of Directors"

Compensation details including staff salaries, pensions, and benefits, or a link to this information on the State Controller's website: The District's website includes a link to the State Controller's website.

Annual revenues and the sources of such revenues, including fees, property taxes and other assessments, bond debt, expenditures, and reserve amounts: The District's website includes the approved annual budget.

Reserve fund policy: The District has a Reserve Policy which was included on the Budget tab of the website.

Geographic area served: The District's website includes a boundary map in the "Mission & History" tab.

Most recent Municipal Service Review, and the most recent annual financial report provided to the State Controller or a link to this information on the State Controller's website: A link to the Municipal Service Review page of the Ventura County LAFCO website, and a link to the State's Controller's website for the Financial Transaction Report, will be added to the District's website in response to the Grand Jury recommendation.

Link to LAFCO: A link to the Ventura County LAFCO website will be added to the District's website.

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SECTION 8

ACTION ITEMS

**SECTION 8-D
REVIEW/ DISCUSSION/ ACTION - CONSIDERATION, DISCUSSION, AND
RECOMMENDATION FOR APPROVAL OF THE REVISED PAY SCHEDULE,
ATTACHMENT B, DETERMINING THE AMOUNT OF COMPENSATION
EARNABLE PURSUANT TO CALIFORNIA CODE OF REGULATIONS (CCR)
TITLE 2, SECTION 570.5.**

JULY 24, 2018

Camarillo Health Care District
Pay Schedule -effective July 24, 2018

Classification	Time Base	Minimum	Maximum
Officers			
Chief Executive Officer	Annual	\$ 151,840.00	\$ 224,952.00
Chief Resource Officer	Annual	\$ 74,880.00	\$ 128,419.00
Chief Administrative Officer	Annual	\$ 74,880.00	\$ 128,419.00
Clinical Services Officer	Annual	\$ 74,880.00	\$ 128,419.00
Directors			
Program & Operations Director	Annual	\$ 70,000.00	\$ 126,105.00
Clinical Services Director	Annual	\$ 70,000.00	\$ 126,105.00
Care Services Director	Annual	\$ 70,000.00	\$ 126,105.00
Adult Day Center Director	Annual	\$ 52,000.00	\$ 72,072.00
Wellness & Caregiver Center Director	Annual	\$ 52,000.00	\$ 72,072.00
Managers			
Accounting Manager	Hourly	\$ 18.00	\$ 31.50
Adult Day Center Manager	Annual	\$ 43,680.00	\$ 63,336.00
Care Transitions Manager	Annual	\$ 43,680.00	\$ 63,336.00
Community Affairs Manager	Hourly	\$ 18.00	\$ 31.50
Community Education Manager	Hourly	\$ 18.00	\$ 31.50
Community Outreach Manager	Hourly	\$ 18.00	\$ 31.50
Community Services Manager	Annual	\$ 39,520.00	\$ 65,520.00
Health Promotion Manager	Annual	\$ 39,520.00	\$ 65,520.00
Senior Support Manager	Annual	\$ 39,520.00	\$ 61,152.00
Wellness & Caregiver Center Manager	Annual	\$ 43,680.00	\$ 63,336.00
Coordinators			
Adult Day Center Coordinator	Hourly	\$ 17.00	\$ 26.25
Care Coordinator	Hourly	\$ 17.00	\$ 26.25
*Facilities Coordinator	Hourly	\$ 17.00	\$ 26.25
Health Promotion Coordinator	Hourly	\$ 17.00	\$ 26.25
Senior Nutrition Coordinator	Hourly	\$ 17.00	\$ 26.25
Transportation Coordinator	Hourly	\$ 17.00	\$ 26.25
Assistants & all other positions			
Accounting Assistant	Hourly	\$ 14.00	\$ 21.00
Activity Leader I	Hourly	\$ 13.00	\$ 18.90
Activity Leader I (On-Call)	Hourly	\$ 13.00	\$ 18.90
Activity Leader II	Hourly	\$ 13.50	\$ 19.42
Administrative Assistant	Hourly	\$ 13.00	\$ 18.90
Administrative Assistant, HR	Hourly	\$ 18.00	\$ 27.16
Health Promotion Coach	Hourly	\$ 18.00	\$ 24.45
Driver	Hourly	\$ 15.00	\$ 18.90
Driver (On-Call)	Hourly	\$ 15.00	\$ 18.90
Executive Assistant	Hourly	\$ 18.00	\$ 27.30
Resource Specialist	Hourly	\$ 13.00	\$ 18.90
Senior Nutrition Assistant	Hourly	\$ 13.00	\$ 18.90

*New Position

SECTION 9

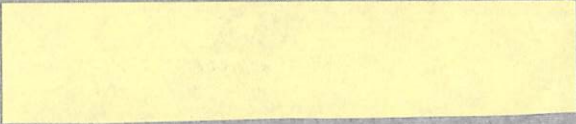
CEO REPORT

JULY 24, 2018

To Mary Ann, Janet, Mary,
Angel + Crystal:

We're "nuts"
about you!



Kathy



**YOURS IS BEING
AWESOME.**



THANKS!

Your program is the best
I've come across! Thank
you for your professional
and compassionate care for
my father. 
Wishing you all the very
best, Kathy 



Camarillo Medical Supply Project

Wheelchairs, walkers, shower chairs
and more...

Camarillo Medical Supply Project redistributes durable medical equipment and other healthcare products to anyone for FREE!

Pam Dougherty, Project Manager

Open: Monday - Friday, 9 am to 4 pm

Location: 291 Anacapa Drive, Camarillo CA

805-491-1028—[Find us on Facebook](#)

camarillomedsupplyproject.com

medsupplycam@cam-umc.org

Please visit us if you need: wheelchairs, walkers, shower chairs, disposable care products and more.

Donations always needed:

- Wheelchairs, walkers, bedside commodes, shower chairs...
- Adult diapers/incontinence products
- Nutritional supplements (within expiration only)
- **No** large items - beds, mattresses, etc.

The Camarillo Med Supply Project is a service of Camarillo United Methodist Church, part of the global United Methodist church.

ALL ARE WELCOME!

4th annual

Party for the Parks

Provided by:
The Pleasant Valley
Recreation & Parks
Foundation Board

Party for the Parks

DATE Saturday, August 25

TIME 5:30PM cocktails & live music
6:30PM Dinner

COST \$100 Early Bird (until July 31st)
\$150 Ticket (after July 31st)

PLACE Camarillo Grove Park
6968 E. Camarillo Springs Rd, Camarillo

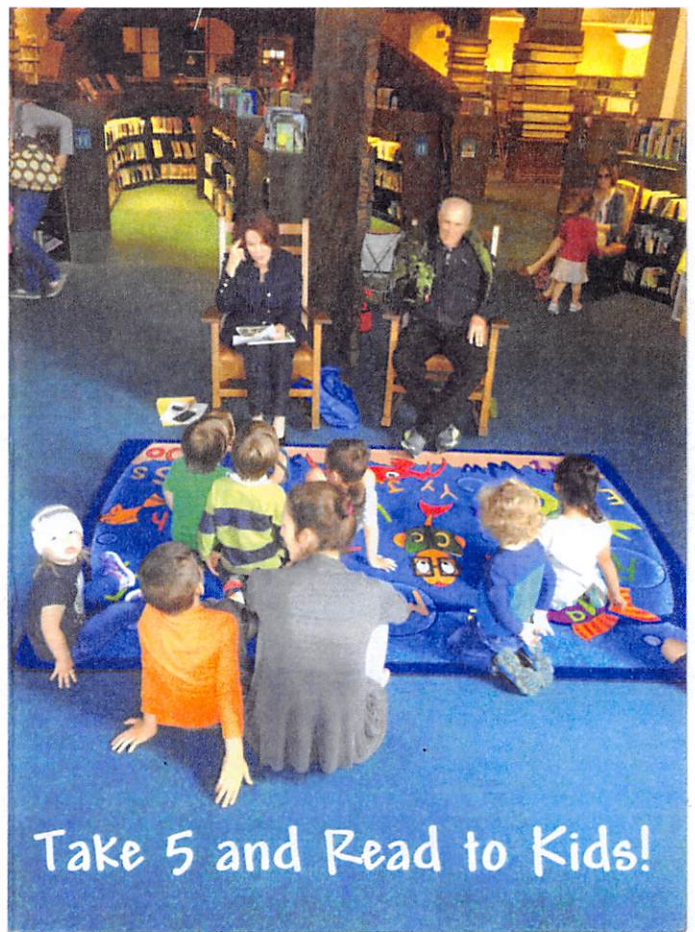
HOST Foundation for Pleasant Valley
Recreation and Park

ATTIRE Boots, Jeans & colorful!
(event to be held outdoors)

RSVP www.pvrpfoundation.org ¹⁰⁰

RECEIVED
JUN 29 2018
BY: _____

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Take 5 and Read to Kids!



Because of YOU, we read and donated books to 1,200 local children during our annual TAKE 5 and READ to KIDS event!

Thank you for supporting early literacy and positively impacting the lives of Ventura County's next generation of readers.

Petra + Lauren

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SECTION 10

BOARD PRESIDENT'S REPORTS

JULY 24, 2018