

**BAY AREA HOSPITAL DISTRICT BOARD SPECIAL BOARD MEETING MINUTES FINANCIAL RECOVERY
October 4, 2023**

Hybrid-Administration Suite/TEAMS @ 12:02 pm

CALL TO ORDER

Mr. Brian Moore, CEO, called the Bay Area Hospital (BAH) District Board financial recovery meeting to order at 12:02 pm. The Finance Committee was also invited to this meeting as financial recovery activities are scheduled to be discussed.

BOARD ATTENDANCE

Chairperson Troy Cribbins; Patrice Parrott; Dr. Tom McAndrew, Barbara Taylor

FINANCE COMMITTEE ATTENDANCE

Linet Samson; Eric Farm

ABSENT

Carma Erickson-Hurt (excused)

STAFF ATTENDANCE

Brian Moore, CEO; Mary Lou Tate, CFO; Denise Bowers, EA (Executive Assistant)

LEGAL COUNSEL

None in attendance

PUBLIC ATTENDANCE AND INPUT

None in attendance

CHIEF EXECUTIVE OFFICER REPORT – Mr. Brian Moore, CEO

Loan Restructure Update

Mr. Moore reported that the loan documents are not yet ready; he has reached out to our bond counsel to re-activate the urgency to the completion of these documents. Mr. Moore projected that there may be the need to call a special board meeting to review and sign the documents, which we can do with 24-hour notice. Most documents are sitting with the bank for final review, and Mr. Moore stated that we have not yet heard a verbal confirmation from the bank that, "Yes, this is the final documentation" and this is what we are waiting for. We have not yet seen the Deed of Trust; the Master Trust Indenture is almost complete; tomorrow the bank will propose the language for the Term Loan Agreement at the meeting already scheduled.

ECG Status Update

As we move forward with analytics and plans with ECG, we have moved out of Phase 1 of their scope of work and have moved into Phase 2; Mr. Moore reports that we will move to a contingency agreement for the Phase 2 projects. Over the next few months, we will be reducing our expenses on the ECG engagement, working off the project list we have developed with them over time. Much more of the analytical work is being done by our staff and we are at a transitional point with ECG.

Financial Status Update – Ms. Mary Lou Tate

Cash projections for November predictions we will be within 1% of our projections. Looking back at cash projections that we provided the bank back on July 6, 2023, and we are within point one (.1%) percent of those projections. We are sitting on track for the cash base. September close will be out next week; we took a \$1M hit in investments and our rate continues to fall; however, we negotiated with the bank to make allowances for the rise/fall cadence of investments, which fluctuate as a matter of course. The CMS quarterly update –

payments to us have been paused, creating a 2-week cash delay in payments. The Advanced Health payment is being tracked weekly – there has been a slow conversion for fee-for-service from capitated, so, the cash has been coming in more slowly than expected. The Finance Division is watching these payments closely.

Legal Counsel Change/Update

Ingrid Brydolf, of Davis Wright Tremaine Law Firm, our legal counsel assisting us with Signet Health, is retiring. The work on Signet Health agreement has been transitioned to Caitlin Forsyth in Ms. Brydolf's firm. The redline of the contract has been sent to Ms. Forsyth and that contract should be complete by the year's end.

APU Update

Dr. Gerber will be stepping back from his role in the APU in January 2024. Robin Finney has resigned. Questions were asked and answered.

Taxing Bond Polling Project – Larry Tramutola


Larry Tramutola will be interviewing the board and other stakeholders before the end of this year to collect information to be used in developing a tax bond poll to go out to our voting community. There was some discussion of what the funds from a tax bond would be used for, for example, general operating support, general capital improvements. Our hospital serves this whole region; in the future there will be conversation with the board regarding what project resonates the most and aligns with the board's vision and work with management on implementation. There was a broad discussion.

Bay Area Cancer Center (BACC)

Mr. Moore shared the ongoing work to secure Dr. Anushi Bulumulle for BACC. We have communicated our best and final offer to her and today is the deadline for her to provide us with a firm answer. Mr. Moore shared that we are beginning talks with OHSU (Oregon Health & Science University) on a joint venture between them and BACC. More to come.

ADJOURNMENT

There being no further business, the District Board Financial Recovery meeting was adjourned at 12:33 pm.



Troy Cribbins, Board Chairperson

Date: 11/14/23



Patrice Parrott, Secretary

Date: 11/14/2023

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