



AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS

Tuesday, January 5, 2021

6:00 PM

IN AN EFFORT TO PREVENT THE SPREAD OF COVID-19 (CORONAVIRUS), AND IN ACCORDANCE WITH THE GOVERNOR'S EXECUTIVE ORDER N-29-20, THERE WILL BE NO PUBLIC LOCATION FOR ATTENDING THIS BOARD MEETING IN PERSON. MEMBERS OF THE PUBLIC MAY JOIN THE MEETING BY FOLLOWING THE INSTRUCTIONS BELOW:

Meeting Information

Meeting link: <https://sangorgoniomemorialhospital-ajd.my.webex.com/sangorgoniomemorialhospital-ajd.my/j.php?MTID=m27729e8909e4f85f2ffdc3c0158a0774>

Meeting number: 126 535 1120

Password: 1234

More ways to join

Join by video system

Dial [1265351120@webex.com](tel:1265351120)

You can also dial 173.243.2.68 and enter your meeting number.

Join by phone

+1-510-338-9438 USA Toll

Access code: 126 535 1120

Password: 1234

Emergency phone number if WebEx tech difficulties

951-846-2846

code: 3376#

THE TELEPHONES OF ALL MEMBERS OF THE PUBLIC LISTENING IN ON THIS MEETING MUST BE "MUTED".

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at (951) 769-2160. **Notification 48 hours prior to the meeting** will enable the Healthcare District to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].

TAB

I. Call to Order

D. Tankersley, Chair

II. Public Comment

Members of the public who wish to comment on any item on the agenda may speak during public comment or submit comments by emailing publiccomment@sgmh.org on or before 1:00 PM on Tuesday, January 5, 2021, which will become part of the board meeting record.

A five-minute limitation shall apply to each member of the public who wishes to address the Healthcare District Board of Directors on any matter under the subject jurisdiction of the Board. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff for future study, research, completion and/or future Board Action.) (PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.)

On behalf of the Healthcare District Board of Directors, we want you to know that the Board acknowledges the comments or concerns that you direct to this Board. While the Board may wish to occasionally respond immediately to questions or comments if appropriate, they often will instruct the Hospital CEO, or other Hospital Executive personnel, to do further research and report back to the Board prior to responding to any issues raised. If you have specific questions, you will receive a response either at the meeting or shortly thereafter. The Board wants to ensure that it is fully informed before responding, and so if your questions are not addressed during the meeting, this does not indicate a lack of interest on the Board’s part; a response will be forthcoming.

NOTE: ALL MEMBERS OF THE SAN GORGONIO MEMORIAL HOSPITAL BOARD OF DIRECTORS ARE INVITED PARTICIPANTS AND MAY ADDRESS THE SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT BOARD OF DIRECTORS AT ANY TIME DURING THIS MEETING.

OLD BUSINESS

- | | | | |
|------|---|-----|--------|
| III. | * Proposed Action - Approve Minutes | All | |
| | <ul style="list-style-type: none"> • December 1, 2020 regular meeting • December 29, 2020 special meeting | | A
B |

NEW BUSINESS

- | | | | |
|-------|--|---------------|------------|
| IV. | Healthcare District Board Chair monthly report | D. Tankersley | verbal |
| V. | * Proposed Action - Approve November 2020 Financial report
■ ROLL CALL

<ul style="list-style-type: none"> • Informational: Measure A Funds Report – November 2020 | M. Kammer | C

D |
| VI. | * Proposed Action – Approve Healthcare District Bylaws
(per bylaws Section 9, (b))
■ ROLL CALL | D. Tankersley | E |
| VII. | Reminder - All Healthcare District Board Members Annual Execution of Confidentiality and Nondisclosure Agreement | D. Tankersley | F |
| VIII. | Healthcare District Board Chair – Appoint 2021 Committee Members
(Copy of 2020 Committee members included as informational) | D. Tankersley | G |

IX. General Information

***** ITEMS FOR DISCUSSION/APPROVAL IN CLOSED SESSION**

D. Tankersley

- Proposed Action – Approve Medical Staff Credentialing
(Health & Safety Code §32155; and Evidence Code §1157)

X. **ADJOURN TO CLOSED SESSION**

RECONVENE TO OPEN SESSION

***** REPORT ON ACTIONS TAKEN DURING CLOSED SESSION**

D. Tankersley

XI. Future Agenda Items

XII. Adjournment

D. Tankersley

***Action Required**

In accordance with The Brown Act, *Section 54957.5*, all public records relating to an agenda item on this agenda are available for public inspection at the time the document is distributed to all, or a majority of all, members of the Board. Such records shall be available at the Healthcare District Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

I certify that on December 30, 2020 I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of San Geronio Memorial Healthcare District, and on the San Geronio Memorial Hospital website, said time being at least 72 hours in advance of the regular meeting of the Board of Directors
(*Government Code Section 54954.2*).

Executed at Banning, California on December 30, 2020



Ariel Whitley, Executive Assistant

TAB A

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT
BOARD OF DIRECTORS

December 1, 2020

The regular meeting of the Board of Directors of the San Gorgonio Memorial Healthcare District was held on Tuesday, December 1, 2020. In an effort to prevent the spread of COVID-19 (coronavirus), and in accordance with the Governor’s Executive Order N-29-20, there was no public location for attending this board meeting in person. Board members and members of the public participated via WebEx.

Members Present: Phillip Capobianco III, Joel Labha, Estelle Lewis, Ehren Ngo, Dennis Tankersley (Chair)

Absent: None

Required Hospital: Steve Barron (CEO), Pat Brown (CNO), Holly Yonemoto (CBDO), Annah Karam (CHRO), Karan Singh, MD (CQO), Margaret Kammer (Controller), Ariel Whitley (Executive Assistant)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
Call To Order	Chair Dennis Tankersley called the meeting to order at 6:20 pm.	
Public Comment	Members of the public who wished to comment on any item on the agenda were encouraged to submit comments by emailing publiccomment@sgmh.org prior to this meeting. No public comment emails were received.	
OLD BUSINESS		
Proposed Action - Approve Minutes November 3, 2020 regular meeting and November 17, 2020 special meeting	Chair Tankersley asked for any changes or corrections to the minutes of the November 3, 2020 regular meeting and the November 17, 2020 special meeting. There were none.	The minutes of the November 3, 2020 regular meeting and the November 17, 2020 special meeting will stand correct as presented.
NEW BUSINESS		

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP												
Healthcare District Board Chair Monthly report	Chair Tankersley reminded everyone to social distance and stay home if they are feeling ill.													
Proposed Action – Approve the October 2020 Financial Report	<p>Margaret Kammer reviewed the October 2020 Finance Report as included on the board tablets.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="418 642 1224 758"> <tr> <td>Capobianco</td> <td>Yes</td> <td>Labha</td> <td>Yes</td> </tr> <tr> <td>Lewis</td> <td>Yes</td> <td>Ngo</td> <td>Yes</td> </tr> <tr> <td>Tankersley</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	Capobianco	Yes	Labha	Yes	Lewis	Yes	Ngo	Yes	Tankersley	Yes	Motion carried.		M.S.C., (Labha/Ngo), the SGMHD Board of Directors approved the October 2020 Financial report as presented.
Capobianco	Yes	Labha	Yes											
Lewis	Yes	Ngo	Yes											
Tankersley	Yes	Motion carried.												
<ul style="list-style-type: none"> Informational - Measure A expenditures – October 2020 	Chair Tankersley noted that a copy of the Measure A funds and expenditures - October 2020 were included on the board tablets.													
For review – Healthcare District Bylaws	It was noted that the current Healthcare District Bylaws were include for review. They are scheduled for re-approval at the January 2021 board meeting in compliance with Section 9, (b) of the bylaws.													
Proposed Action – Approve FY20 Financial Audit	<p>Holly Yonemoto, CFO, introduced David Imus and Jeff Johnson of Wipfli, LLC. They presented a final copy of the FY20 Financial Audit ending June 30, 2020.</p> <p>It was noted that this approval was recommended by the Hospital Board.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="418 1486 1224 1602"> <tr> <td>Capobianco</td> <td>Yes</td> <td>Labha</td> <td>Yes</td> </tr> <tr> <td>Lewis</td> <td>Yes</td> <td>Ngo</td> <td>Yes</td> </tr> <tr> <td>Tankersley</td> <td>Yes</td> <td colspan="2">Motion carried.</td> </tr> </table>	Capobianco	Yes	Labha	Yes	Lewis	Yes	Ngo	Yes	Tankersley	Yes	Motion carried.		M.S.C., (Tankersley/Labha) the SGMHD Board of Directors approved the FY20 Financial Audit as presented.
Capobianco	Yes	Labha	Yes											
Lewis	Yes	Ngo	Yes											
Tankersley	Yes	Motion carried.												
2021 Slate of Officers	Chair Tankersley noted that a copy of the 2020 Slate of Officers was included on the Board tablets as informational.													
Proposed Action – Nominate/Approve 2021 Healthcare District Board Chair	<p>Dennis Tankersley was nominated as Healthcare District Board Chair.</p> <p>BOARD MEMBER ROLL CALL:</p>	M.S.C., (Labha/Ngo), the SGMHD Board of Directors approved Dennis												

AGENDA ITEM	DISCUSSION				ACTION / FOLLOW-UP
	Capobianco	Yes	Labha	Yes	Tankersley as the 2021 Healthcare District Board Chair.
	Lewis	Yes	Ngo	Yes	
	Tankersley	Yes	Motion carried.		
Proposed Action – Nominate/Approve 2021 Healthcare District Board Vice Chair	Ehren Ngo was nominated as Healthcare District Board Vice Chair. BOARD MEMBER ROLL CALL:				M.S.C., (Tankersley/Labha), the SGMHD Board of Directors approved Ehren Ngo as the 2021 Healthcare District Board Vice Chair.
	Capobianco	Yes	Labha	Yes	
	Lewis	Yes	Ngo	Yes	
	Tankersley	Yes	Motion carried.		
Proposed Action – Nominate/Approve 2021 Healthcare District Board Secretary/Treasurer	Joel Labha was nominated as Healthcare District Board Secretary/Treasurer. BOARD MEMBER ROLL CALL:				M.S.C., (Tankersley/Lewis), the SGMHD Board of Directors approved Joel Labha as the 2021 Healthcare District Board Secretary/Treasurer.
	Capobianco	Yes	Labha	Yes	
	Lewis	Yes	Ngo	Yes	
	Tankersley	Yes	Motion carried.		
COMMITTEE REPORTS:					
Measure D Community Oversight Committee	Chair Tankersley reported that there was no quorum for the November 18, 2020, Measure D Community Oversight Committee meeting. This meeting will be rescheduled for a later date and time.				
Measure A Community Oversight Committee	Chair Tankersley reported that there was no quorum for the November 18, 2020, Measure A Community Oversight Committee meeting. This meeting will be rescheduled for a later date and time.				
General Information	None				
Adjourn to Closed Session	Chair Tankersley reported the items to be reviewed and discussed and/or acted upon during Closed Session will be: ➤ Proposed Action – Approve Medical Staff Credentialing				

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
	The meeting adjourned to Closed Session at 6:35 pm.	
Reconvene to Open Session	<p>The meeting reconvened to Open Session at 6:40 pm.</p> <p>At the request of Chair Tankersley, Ariel Whitley reported on the actions taken/ information received during closed session as follows:</p> <ul style="list-style-type: none"> ➤ Approved Medical Staff Credentialing 	
Future Agenda Items	None	
Adjournment	The meeting was adjourned at 6:40 pm.	

In accordance with The Brown Act, *Section 54957.5*, all reports and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Healthcare District Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Minutes respectfully submitted by Ariel Whitley, Executive Assistant

TAB B

SPECIAL MEETING OF THE
SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT
BOARD OF DIRECTORS

December 29, 2020

The special meeting of the Board of Directors of the San Gorgonio Memorial Healthcare District was held on Tuesday, December 29, 2020. In an effort to prevent the spread of COVID-19 (coronavirus), and in accordance with the Governor’s Executive Order N-29-20, there was no public location for attending this board meeting in person. Board members and members of the public participated via WebEx.

Members Present: Phillip Capobianco III, Joel Labha, Howard Katz, Ehren Ngo (Vice Chair)

Absent: Dennis Tankersley (Chair)

Required Hospital: Steve Barron (CEO), Holly Yonemoto (CBDO), Annah Karam (CHRO), Margaret Kammer (Controller), Ariel Whitley (Executive Assistant), Gary Hicks (G.L. Hicks Financial LLC), Brian Quint (Quint and Thimming LLP)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP												
Call To Order	Vice Chair, Ehren Ngo, called the meeting to order at 10:10 am.													
Public Comment	Members of the public who wished to comment on any item on the agenda were encouraged to submit comments by emailing publiccomment@sgmh.org prior to this meeting. No public comment emails were received.													
NEW BUSINESS														
Proposed Action – Adopt Resolution No. 2020-09 regarding approving the form and authorizing the execution and delivery of an Indenture of Trust and a Bond Purchase Agreement in connection with	Gary Hicks from G.L. Hicks Financial, LLC, reviewed Resolution No. 2020-09 regarding approving the form and authorizing the execution and delivery of an Indenture of Trust and a Bond Purchase Agreement in connection with the issuance, sale and delivery of San Gorgonio Memorial Healthcare District Revenue Bonds, Series 2021 and approving certain other actions as included in the board packets.	M.S.C., (Katz/Labha), the SGMHD Board of Directors adopted Resolution No. 2020-09 regarding approving the form and authorizing the execution and delivery of an Indenture of												
	BOARD MEMBER ROLL CALL:													
	<table border="1" style="width: 100%;"> <tr> <td>Capobianco</td> <td>No</td> <td>Katz</td> <td>Yes</td> </tr> <tr> <td>Labha</td> <td>Yes</td> <td>Ngo</td> <td>Yes</td> </tr> <tr> <td>Tankersley</td> <td>Absent</td> <td colspan="2">Motion carried.</td> </tr> </table>		Capobianco	No	Katz	Yes	Labha	Yes	Ngo	Yes	Tankersley	Absent	Motion carried.	
	Capobianco		No	Katz	Yes									
Labha	Yes	Ngo	Yes											
Tankersley	Absent	Motion carried.												

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP												
<p>the issuance, sale and delivery of San Gorgonio Memorial Healthcare District Revenue Bonds, Series 2021 and approving certain other actions.</p>		<p>Trust and a Bond Purchase Agreement in connection with the issuance, sale and delivery of San Gorgonio Memorial Healthcare District Revenue Bonds, Series 2021 and approving certain other actions as presented.</p>												
<p>Proposed Action – Adopt Resolution No. 2020-10 regarding approving the form and authorizing the execution and delivery of a Line of Credit Agreement with First Foundation Public Finance Trust, a Delaware Statutory Trust and a wholly-owned subsidiary of First Foundation Bank, and approving other actions.</p>	<p>Gary Hicks from G.L. Hicks Financial, LLC, reviewed Resolution No. 2020-10 regarding approving the form and authorizing the execution and delivery of a Line of Credit Agreement with First Foundation Public Finance Trust, a Delaware Statutory Trust and a wholly-owned subsidiary of First Foundation Bank, and approving other actions as included in the board packets.</p> <p>BOARD MEMBER ROLL CALL:</p> <table border="1" data-bbox="418 1228 1226 1344"> <tr> <td>Capobianco</td> <td>Yes</td> <td>Katz</td> <td>Yes</td> </tr> <tr> <td>Labha</td> <td>Yes</td> <td>Ngo</td> <td>Yes</td> </tr> <tr> <td>Tankersley</td> <td>Absent</td> <td colspan="2">Motion carried.</td> </tr> </table>	Capobianco	Yes	Katz	Yes	Labha	Yes	Ngo	Yes	Tankersley	Absent	Motion carried.		<p>M.S.C., (Labha/Katz), the SGMHD Board of Directors adopted Resolution No. 2020-10 regarding approving the form and authorizing the execution and delivery of a Line of Credit Agreement with First Foundation Public Finance Trust, a Delaware Statutory Trust and a wholly-owned subsidiary of First Foundation Bank, and approving other actions as presented.</p>
Capobianco	Yes	Katz	Yes											
Labha	Yes	Ngo	Yes											
Tankersley	Absent	Motion carried.												
<p>Adjournment</p>	<p>The meeting was adjourned at 10:43 am.</p>													

In accordance with The Brown Act, *Section 54957.5*, all reports and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Healthcare District Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

TAB C



SAN GORGONIO
MEMORIAL HEALTHCARE
DISTRICT

November 2020 Unaudited Financial Report

FY 2021

Presented by:

M. Kammer

Page 1

**SAN GORGONIO MEMORIAL DISTRICT
BANNING, CALIFORNIA**

11/30/20

PAGE 2

FY 2021

	ACT CUR 11/30/20	BUD CUR 11/30/20	PRIOR YR 11/30/19	ACT YTD 11/30/20	BUD YTD 11/30/20	Prior YTD 11/30/19
Gross Patient Revenue						
Inpatient Routine Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Inpatient Ancillary Revenue	0	0	0	0	0	0
Outpatient Revenue	0	0	0	0	0	0
Long Term Care Revenue	0	0	0	0	0	0
Home Health Revenue	0	0	0	0	0	0
Total Gross Patient Revenue	0	0	0	0	0	0
Discounts and Allowances						
Discounts and Allowances	0	0	0	0	0	0
Bad Debt Expense (Governmental Provic	0	0	0	0	0	0
Prior Year Settlements	0	0	0	0	0	0
Charity Care	0	0	0	0	0	0
Total Deductions From Revenue	0	0	0	0	0	0
Net Patient Revenue	0	0	0	0	0	0
Other Operating Revenue						
Other Operating Revenue	\$0	\$2,833	\$0	0	14,167	0
Clinic Revenues	\$0	\$17,500	\$18,664	64,145	87,500	130,010
Tax Subsidies Measure D	\$188,750	\$208,333	\$175,000	943,750	1,041,667	875,000
Tax Subsidies Advelorum	\$113,740	\$120,833	\$105,000	38,730	604,167	525,000
Other Non-Operating Revenue - Grants	\$0	\$16,667	\$72,710	0	83,333	352,256
	302,490	366,167	371,374	1,046,625	1,830,833	1,882,266
EXPENSES						
Salaries and Wages	\$0	\$0	\$0	0	0	0
Fringe Benefits	\$0	\$0	\$0	0	0	0
Contract Labor	\$0	\$0	\$0	0	0	0
Physicians Fees	\$28,500	\$0	\$0	219,872	0	0
Purchased Services	\$7,529	\$35,433	\$99,474	221,736	177,167	185,634
Supply Expense	\$0	\$0	\$108	0	0	375
Utilities	\$35,645	\$1,917	\$4,981	42,137	9,583	14,989
Repairs and Maintenance	\$1,961	\$0	\$11,293	30,597	0	41,755
Insurance Expense	\$0	\$0	\$0	19	0	0
All Other Operating Expenses	\$0	\$9,599	\$78,145	(2,774)	47,996	87,628
IGT Expense	\$0	\$0	\$0	0	0	0
Leases and Rentals	\$0	\$0	\$0	0	0	0
Clinic Expenses	\$0	\$60,400	\$66,310	0	301,999	338,801
	73,635	107,349	260,310	511,587	536,745	669,181
EBIDA	228,855	258,818	111,064	535,038	1,294,088	1,213,085
Depreciation						
Depreciation	\$494,658	\$483,333	\$494,513	2,473,291	2,500,000	2,545,640
Interest Expense (Non-Governmental Pr						
Interest Expense (Non-Governmental Pr	\$767,775	\$465,290	\$397,880	1,905,141	1,955,560	1,997,931
	1,262,433	948,623	892,393	4,378,432	4,455,560	4,543,571
Contributions						
Contributions	\$77,288	\$16,667	\$0	105,838	83,333	50,524
Tax Subsidies for GO Bonds - M-A						
Tax Subsidies for GO Bonds - M-A	\$1,194,883	\$666,667	\$585,613	3,584,650	3,333,333	2,928,063
Total Non Operating Revenue/(Expens	1,272,171	683,333	585,613	3,690,488	3,416,667	2,978,587
NET INCOME	\$238,593	(\$6,472)	(\$195,717)	(\$152,906)	\$255,195	(\$351,899)

Balance Sheet - Assets

**SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT
BANNING, CALIFORNIA**

11/30/20

PAGE 3

	Current Month 11/30/2020	Prior Month 10/31/2020	ASSETS Positive/ (Negative) Variance	Percentage Variance	Prior Year 06/30/2019
ALL CASH (Healthcare System)	\$6,048,730	\$11,229,329			\$11,229,329
Current Assets -DISTRICT ONLY					
Cash and Cash Equivalents	\$2,940,688	\$3,192,784	(\$252,096)	-7.90%	\$3,109,902
Gross Patient Accounts Receivable	\$519,499	\$533,904	(\$14,405)	-2.70%	\$0
Less: Bad Debt and Allowance Reserve	(\$428,743)	(\$428,743)	\$0	0.00%	\$0
Net Patient Accounts Receivable	\$90,756	\$105,161	(\$14,405)	-13.70%	\$0
Interest Receivable	\$6,014,539	\$4,355,270	\$1,659,269	38.10%	\$566,680
Other Receivables	\$0	\$0	\$0	0.00%	\$0
Inventories	\$0	\$0	\$0	0.00%	\$0
Prepaid Expenses	\$116,700	\$72,875	\$43,825	60.14%	\$263,423
Due From Third Party Payers	\$0	\$0	\$0	0.00%	\$0
Due From Affiliates/Related Organization	\$0	\$0	\$0	0.00%	\$0
Other Current Assets	\$49,652	\$29,402	\$20,250	68.87%	\$0
Total Current Assets	9,212,335	7,755,492	1,456,843	18.78%	3,940,006
Assets Whose Use is Limited					
Cash			\$0	0.00%	
Investments	\$5,050,843	\$4,861,548	\$189,295	3.89%	\$8,854,421
Bond Reserve/Debt Retirement Fund	\$0	\$0	\$0	0.00%	\$0
Trustee Held Funds	\$0	\$0	\$0	0.00%	\$0
Funded Depreciation	\$0	\$0	\$0	0.00%	\$0
Board Designated Funds	\$0	\$0	\$0	0.00%	\$0
Other Limited Use Assets	\$0	\$0	\$0	0.00%	\$0
Total Limited Use Assets	5,050,843	4,861,548	189,295	3.89%	8,854,421
Property, Plant, and Equipment					
Land and Land Improvements	\$4,828,182	\$6,686,845	(\$1,858,663)	-27.80%	\$4,820,671
Building and Building Improvements	\$129,257,409	\$127,399,218	\$1,858,191	1.46%	\$129,283,884
Equipment	\$26,412,987	\$26,412,987	\$0	0.00%	\$25,586,875
Construction In Progress	\$124,244	\$8,399,129	(\$8,274,885)	-98.52%	\$8,390,249
Capitalized Interest	\$0	\$0	\$0	0.00%	\$0
Gross Property, Plant, and Equipment	\$160,622,822	\$168,898,179	(\$8,275,357)	-4.90%	\$168,081,679
Less: Accumulated Depreciation	(\$79,624,680)	(\$79,137,811)	(\$486,869)	0.62%	(\$71,114,751)
Net Property, Plant, and Equipment	80,998,142	89,760,368	(8,762,226)	-9.76%	96,966,928
Other Assets					
Unamortized Loan Costs	\$746,643	\$1,442,108	(\$695,465)	-48.23%	\$12,419,080
Assets Held for Future Use	\$0	\$0	\$0	0.00%	\$0
Investments in Subsidiary/Affiliated Org.	\$12,844,511	\$12,844,511	\$0	0.00%	\$0
Other	\$0	\$0	\$0	0.00%	\$0
Total Other Assets	13,591,154	14,286,619	(695,465)	-4.87%	12,419,080
TOTAL UNRESTRICTED ASSETS	108,852,474	116,664,027	(7,811,553)	-6.70%	122,180,435
Restricted Assets	0	0	0	0.00%	\$0
TOTAL ASSETS	108,852,474	116,664,027	(7,811,553)	-6.70%	\$122,180,435

Balance Sheet - Liabilities and Net Assets
SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT
BANNING, CALIFORNIA

11/30/20

PAGE 4

	Cur Month 11/30/2020	Prior Month 10/31/2020	Positive/ (Negative) Variance	Percentage Variance	Prior Year 06/30/2019
Current Liabilities					
Accounts Payable	\$183,086	\$369,195	(\$186,109)	-50.41%	\$89,989
Notes and Loans Payable	\$0	\$0	\$0	0.00%	\$0
Accounts Payable- Construction	\$0	\$0	\$0	0.00%	\$0
Accrued Payroll Taxes	\$0	\$0	\$0	0.00%	\$0
Accrued Benefits	\$0	\$0	\$0	0.00%	\$0
Accrued Pension Expense (Current Portion)	\$0	\$0	\$0	0.00%	\$0
Other Accrued Expenses	\$0	\$0	\$0	0.00%	\$0
Accrued GO Bond Interest Payable	\$1,967,304	\$1,176,854	\$790,450	67.17%	\$2,049,304
Property Tax Payable	\$0	\$0	\$0	0.00%	\$0
Due to Third Party Payers	\$0	\$0	\$0	0.00%	\$0
Advances From Third Party Payers	\$0	\$0	\$0	0.00%	\$0
Current Portion of LTD (Bonds/Mortgages)	\$2,335,000	\$2,335,000	\$0	0.00%	\$2,095,000
Current Portion of LTD (Leases)	\$0	\$0	\$0	0.00%	\$0
Other Current Liabilities	\$0	\$0	\$0	0.00%	\$0
Total Current Liabilities	4,485,390	3,881,049	(604,341)	-15.57%	4,234,293
Long Term Debt					
Bonds/Mortgages Payable	\$105,388,601	\$105,847,317	(\$458,716)	-0.43%	\$110,761,547
Leases Payable	\$0	\$0	\$0	0.00%	\$0
Current Portion	\$0	\$0	\$0	0.00%	\$0
Total Long Term Debt	105,388,601	105,847,317	(458,716)	-0.43%	110,761,547
Other Long Term Liabilities					
Deferred Revenue	\$0	\$0	\$0	0.00%	\$0
Accrued Pension Expense (Net of Currer	\$0	\$0	\$0	0.00%	\$0
Other	\$0	\$0	\$0	0.00%	\$0
Total Other Long Term Liabilities	0	0	0	0.00%	0
TOTAL LIABILITIES	109,873,991	109,728,366	(145,625)	-0.13%	114,995,840
Net Assets:					
Unrestricted Fund Balance	(\$868,611)	\$7,419,742	(\$8,288,353)	-111.71%	\$6,320,219
Temporarily Restricted Fund Balance	\$0	\$0	\$0	0.00%	\$0
Restricted Fund Balance	\$0	\$0	\$0	0.00%	\$0
Net Revenue/(Expenses)	(152,906)	(73,056)	(79,850)	109.30%	864,375
TOTAL NET ASSETS	(1,021,517)	7,346,686	8,368,203	113.90%	7,184,594
TOTAL LIABILITIES AND NET ASSETS	\$108,852,474	\$117,075,052	\$8,222,578	7.02%	\$122,180,435
	\$0.00	\$0.00			\$0.00

TAB D

San Geronio Memorial Healthcare District

Measure A analysis of Project Funds Paid by General Category

11/30/2020

	Measure A	Current Month-Measure A	District Funds
	<u>Project-to-Date</u>	<u>11/30/2020 UPDATE</u>	<u>11/30/2020 UPDATE</u>
Computer Equipment	\$ 5,311,028	\$ -	
Radiology Equipment	\$ 1,526,641	\$ -	
Legal/Regulatory/Bonds	\$ 3,143,910	\$ -	
Architectural (HDR)-ALL PHASE 1 PROJ	\$ 11,756,851	\$ -	
Construction Management-ALL PHASE 1	\$ 12,875,601	\$ -	
Contractors 1-A (HELIPAD/COOLING TOW	\$ 7,814,103	\$ -	
Other	\$ 3,021,460	\$ -	
Contractors 1-B (CENTRAL PLANT)	\$ 20,800,201	\$ -	
Contractors 1-C (ED/ICU)	\$ 28,157,355	\$ -	
Contractors 1-E Dietary Remodel	\$ 5,225,946	\$ -	
Contractors 1-Medley Project	\$ 4,796,620	\$ -	
Previous Expenditures for Measure A-Phase 1	\$ 104,429,717	\$ -	
Contractors, Architect, Mgmt - 2-A Patient Facility prior to 11/30/20	\$ 7,015,575		
Expenditures prior to 9/01/14 all phases	<u>\$ 111,445,293</u>		
Project expenditures using District Funds			
TCU Conversion 0001	\$0.00	\$0.00	\$ 108,612
Medical Records Conversion 0004	\$0.00	\$0.00	\$ 13,618
Pharmacy Conversion 0005	\$0.00	\$0.00	\$ 50,447
CIP Patient Care Facility-0008	\$0.00	\$0.00	\$ 2,100
Project Expenditures using Measure A funds			
TCU Conversion 0001	\$ 539,852.53	\$0.00	
Medical Records Conversion 0004	\$0.00	\$0.00	
Pharmacy Conversion 0005	\$0.00	\$0.00	
CIP Patient Care Facility-0008	\$1,338,416.28	\$8,880.00	\$0.00
OR Electrical Conversion	\$0.00	\$0.00	\$39,751.00
Other Construction Costs	\$150,247.92	\$0.00	
Other Non-Construction Costs	\$193,576.42	\$0.00	\$5,955.22
Total Expenditures	\$ 113,667,386	\$ 8,880	\$ 220,483

Measure A Project General Obligation Funds
Statement of Funds Flows

PROCEEDS SUMMARY:	
Initial Project Fund transfer from sale of General Obligation Bonds 2006 A to FSA	25,200,349
Initial Project Fund Transfer from sale of General Obligation Bonds 2006 B (08/08/	24,876,964.91
Initial Project Fund from sale of General Obligation Bonds 2006 C (08/14/2009)	57,800,000
Planholder Checks project to date and refunds for overpayments	24,072
HDR Returned payments	139,979
Initial Proceeds	108,041,365
Investment Income	
FSA Inc. (Series 2006 A)	1,762,060
BB&T GIC (Series 2008 B)	1,461,176
Bank of Hemet Series A	1,001
City National Money Market	81
GE Capital (Series 2009 C)	2,638,823
Security Bank Money Market	38,816
Interest Income SUBTOTAL	5,901,958
Total Proceeds Available for Measure A:	\$ 113,943,322

Projected Interest by end of Project>	5,912,351
Total Projected Proceeds Available for Measure A:	\$ 113,953,716

FUND FLOWS:		
Total Measure A Funds Initial Proceeds (from above)		108,041,364.81
Add:	<u>Rate</u>	<u>Interest Income</u>
FSA Inc. (Series 2006 A), FY 07	5.27%	1,030,536.43
FSA Inc. (Series 2006 A), FY 08	5.27%	635,706.73
FSA Inc. (Series 2006 A), FY 09	5.27%	95,817.32
BB&T GIC (Series 2008 B) FY 09	4.94%	680,384
BB&T GIC (Series 2008 B) FY 10	4.94%	648,151
BB&T GIC (Series 2008 B) FY 11	4.94%	132,640
GE Capital (Series 2009 C) FY 10	1.75%	688,722
GE Capital (Series 2009 C) FY 11	1.75%	956,529
GE Capital (Series 2009 C) FY 12	1.75%	591,104.24
GE Capital (Series 2009 C) FY 13	1.75%	293,402.39
GE Capital (Series 2009 C) FY 14	1.75%	109,065.59
Bank of Hemet Series A		1,001
City National Money Market		81
Security Bank Construction funds		1,126
Security Bank Construction Money Market		37,690
Total Interest Income earned		\$ 5,901,958
Project Expenditures (from above)	\$	113,667,386
Total Consolidated Funds available:	\$	275,936.69
	spent to date	100%

MEASURE A BALANCES:		
	Balances as of 11/30/2020	
Bank of Hemet Series A	4310	-
Security Bank of California Construction Ft	1812	5,990
Security Bank of California Money Market	2509	269,947
Total Balances		\$ 275,937
	VARIANCE \$	(0.00)

TAB E

**AMENDED AND RESTATED BYLAWS
OF THE
SAN GORGONIO MEMORIAL
HEALTHCARE DISTRICT**

TABLE OF CONTENTS

ARTICLE I. PURPOSES _____ 1

Section 1. Specific Purposes. _____ 1

Section 2. Public Body. _____ 1

ARTICLE II. ORGANIZATION _____ 1

Section 1. Name. _____ 1

Section 2. Principle Office. _____ 1

Section 3. Board of Directors. _____ 1

Section 4. Seal. _____ 1

Section 5. District Service Area. _____ 2

ARTICLE III. BOARD OF DIRECTORS _____ 2

Section 1. Number and Qualification. _____ 2

Section 2. Term. _____ 2

Section 3. Electorate. _____ 2

Section 4. Successors. _____ 2

Section 5. Vacancies. _____ 2

Section 6. Quorum. _____ 2

Section 7. Agenda. _____ 2

Section 8. Regular Meetings _____ 2

Section 9. Organizational Meeting. _____ 2

Section 10. Special Meetings. _____ 2

Section 11. Management. _____ 2

Section 12. Sessions of Board Open to Public. _____ 3

Section 13. Adjournment. _____ 3

Section 14. Notice of Adjournment. _____ 3

Section 15. Compensation and Expenses. _____ 3

Section 16. Duties. _____ 3

ARTICLE IV. OFFICERS _____ 4

Section 1. Officers. _____ 4

Section 2. Duties of Officers. _____ 4

 (a) Chair. _____ 4

(b) Vice-Chair. _____	4
(c) Treasurer. _____	4
(d) Secretary. _____	4
ARTICLE V. MISCELLANEOUS _____	4
Section 1. Contracts and How Executed. _____	4
Section 2. Checks, Drafts, etc. _____	4
Section 3. Conflict of Interest and Employment Restriction. _____	4
(a) Prohibited Conflict of Interest. _____	4
(b) No Employment with District or Hospital. _____	4
(c) No Significant Financial Interest in Transaction or Contract. _____	5
(d) One Year Restriction. _____	5
(e) Compliance with District's Conflict of Interest Code. _____	5
ARTICLE VI. COMMITTEES _____	5
ARTICLE VII. CHIEF EXECUTIVE OFFICER _____	5
Section 1. Chief Executive Officer. _____	Error! Bookmark not defined.5
ARTICLE VIII. MEDICAL STAFF _____	665
Section 1. Medical Staff Organization. _____	665
Section 2. Allied Health Professionals. _____	6
Section 3. Nondiscrimination. _____	6
Section 4. Medical Staff Bylaws. _____	6
Section 5. Delegation of Authority. _____	6
Section 6. Medical Staff Appointment and Reappointment. _____	6
Section 7. Corrective Action, Hearings and Appeals. _____	7
Section 8. Medical Staff Communication. _____	7
Section 9. Medical Staff Membership and Clinical Privileges. _____	7
Section 10. Medical Records. _____	7
ARTICLE VIIIa. QUALITY OF PROFESSIONAL SERVICES _____	7
Section 1. Accountability. _____	7
Section 2. Professional Services. _____	8
ARTICLE IX. AMENDMENTS _____	8
ARTICLE X. CERTIFICATE OF SECRETARY _____	8

AMENDED AND RESTATED BYLAWS
OF THE
SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT

ARTICLE I. PURPOSES

Section 1. Specific Purposes. The purposes of this healthcare district shall be:

- (a) To establish and maintain a hospital for the care of persons suffering from illnesses or disabilities which require that the patients receive hospital care.
- (b) To carry on any activities related to health services which, in the opinion of the Board of Directors, may be justified by the facilities, personnel, funds or other requirements that are or can be made available.
- (c) To promote and carry on scientific research related to the care of the sick and injured insofar as, in the opinion of the Board of Directors, such research and education can be carried on in, or in connection with, the hospital.
- (d) To participate, so far as circumstances may warrant, in any activity designed and carried on to promote the general health of the community.

Section 2. Public Body. This district is organized as a public body. No part of its earnings will inure to the benefit of any member, director, officer or individual.

ARTICLE II. ORGANIZATION

Section 1. Name. The name of this healthcare district shall be "San Gorgonio Memorial Healthcare District".

Section 2. Principal Office. The function and governance of this District shall be conducted at the principal office of the San Gorgonio Memorial Hospital, which is located at the southeastern corner of Highland Springs Avenue and West Wilson Street in the City of Banning, in the County of Riverside, State of California or such other place or places in the District as the Board of Directors may from time to time designate.

Section 3. Board of Directors. The administrative powers of this District shall be vested in a Board of Directors of five members who have charge, control and management of the property, affairs and funds of the District and who have the power and authority to perform all acts and functions not inconsistent with these bylaws or with the Healthcare District Laws of the State of California.

Section 4. Seal. The District shall have a seal which shall be circular in form and have in the perimeter thereof the following inscription:

San Gorgonio Memorial Healthcare District

Organized October 9, 1947

California

Section 5. District Service Area. The District is entirely located in Riverside County and the State of California. Communities serviced are as follows: CALIMESA - CHERRY VALLEY - BANNING - BEAUMONT - CABAZON - WHITEWATER. The present boundary of San Gorgonio Memorial HealthCare District is as shown on attached map.

ARTICLE III. BOARD OF DIRECTORS

Section 1. Number and Qualification. There shall be five (5) directors of this District, each of whom shall be a registered voter residing in this District.

Section 2. Term. The term of each Director shall be four (4) years. These terms shall be staggered. In each year divisible by four, two (2) Directors shall be elected for four (4) year terms. In the other even years, three (3) Directors shall be elected for four (4) years.

Section 3. Electorate. Directors shall be elected by the qualified electors of the District. All registered voters residing in the District are qualified electors.

Section 4. Successors. Directors shall go out of office upon the election and qualification of their successors after each healthcare district general election in even numbered years, as provide by California Health and Safety Code Section 32100.

Section 5. Vacancies. A vacancy upon the Board can occur upon the happening of any of the events set forth in Government Code Section 1770. Any vacancy shall be filled in accordance with Section 1780 of the Government Code and in accordance with other applicable statutes. Any person appointed to fill such vacancy shall hold office for the unexpired term.

Section 6. Quorum. A quorum for the transaction of business at regular or special meetings shall consist of a majority of the members of the Board of Directors.

Section 7. Agenda. The agenda at any meeting of the Board of Directors shall be as required from time to time by the Local Healthcare District Law.

Section 8. Regular Meetings. The Board of Directors shall hold regular meetings at such times as may be prescribed from time to time by resolution of the Board of Directors, but not less than ten times annually. Such meetings shall be held on the campus of the San Gorgonio Memorial Hospital or at such other place within the boundaries of the District as may be designated from time to time by the Healthcare District Board of Directors.

Section 9. Organizational Meeting.

- (a) At the first meeting following a regular hospital election, the Board of Directors shall meet for the purpose of organization, including election of officers, committee assignments and the transaction of other necessary business.
- (b) At the regular meeting in January, the Board of Directors shall meet for the purpose of reviewing the Bylaws and updating them as necessary.

Section 10. Special Meetings. Special meetings of the Board may be called by the Chair, or shall be called at the written request of three members of the Board. Written notice of special meetings shall be mailed from a point within the District to each member of the Board at least forty-eight hours before the date of such special meeting. This notice shall state the business to be conducted and no business other than that stated in the notice shall be conducted at such special meeting.

Section 11. Management. . Subject to the limitations of the Local Healthcare District Law, or as the same may hereafter be amended, and subject to the duties of Directors as prescribed by these bylaws, it is the responsibility of the Board of Directors to ensure that any hospital operated by the District is properly managed in accordance with the Health and Safety Code and applicable regulations promulgated thereunder, and to establish policy, maintain quality patient care, and provide for institutional management and planning. The Board of Directors may provide for the management and operation of its hospital

by an independent management company (“Manager”) which shall assist the Board of Directors in its duties and responsibilities.

Section 12. Sessions of Board Open to Public. All of the sessions of the Board of Directors, whether regular or special, shall be open to the public, except as authorized by Government Codes 54950 et seq., Health and Safety Code Sections 32106 and 32155, and such additional statutory authority as may exist from time to time relating to public meetings of local health care districts.

Section 13. Adjournment. A quorum of the Directors may adjourn any Directors meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum those present at any directors meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

Section 14. Notice of Adjournment. Notice of the time and place of holding an adjourned meeting shall be given to absent directors.

Section 15. Compensation and Expenses. The members of the District Board of Directors are entitled to receive amounts per meeting as provided by California Administrative Codes. Such amounts shall not be mandatory and Board Members choosing not to accept compensation may do so. Additionally, each Board member is also entitled to receive reimbursement for expenses incurred in conjunction with educational seminars.

Section 16. Duties. The Board of Directors has the responsibility to establish policy for San Gorgonio Memorial Hospital (the “Hospital”) and its business, including, but not limited, to all matters pertaining to the quality of care rendered within the Hospital. The Board of Directors shall exercise this authority in conformity with applicable laws, regulations, and accreditation requirements. In furtherance of the foregoing, the role of the Board of Directors shall be as follows:

- (a) Establish policy for the operation, maintenance and development of the Hospital and its business, including, but not limited to assuring the quality of care within the Hospital.
- (b) Provide for the appointment of a competent and experienced Chief Executive Officer who shall be its direct representative in the management of the Hospital.
- (c) On an annual basis, review the performance of the Chief Executive Officer, unless such Chief Executive Officer is an employee of a Manager for the Hospital, in which case it will review the performance of the Manager.
- (d) Approve an annual operating budget and capital expenditures.
- (e) Approve the strategic plan on an annual basis.
- (f) Review and approve periodic financial statements and other financial matters of the Hospital.
- (g) Assure that adequate revenues are retained by the Hospital and spent appropriately.
- (h) Review and act on financing arrangements recommended by the Chief Executive Officer for the Hospital.
- (i) Review these Bylaws, the Medical Staff Bylaws, and all committees as needed, and approve needed changes.
- (j) Review and, when appropriate, approve policies and procedures to promote care, treatment, and rehabilitation of patients.
- (k) Review and revise, as appropriate, all department and service policies and procedures when warranted and ensure that the Medical Staff participates, as appropriate.
- (l) Act as the final decision-making authority with respect to all matters pertaining to credentialing and privileges. Upon the recommendation and advice of the Medical Staff, the Board shall appoint members of

the Medical Staff and grant such privileges as may, in their judgment, be warranted by the experience and training of the applicant.

ARTICLE IV. OFFICERS

Section 1. Officers. The officers of the Board of Directors shall be a Chair, a Vice Chair, a Secretary, a Treasurer and such other officers as the Board of Directors may authorize. They shall hold office for a period of one year or until their successor shall have been duly elected and qualified. All officers, agents and employees shall be bonded in such amounts as may be determined from time to time by the District Board of Directors.

Section 2. Duties of Officers.

- (a) **Chair.** The Chair shall call and preside at all meetings and shall be ex-officio, a member of all committees.
- (b) **Vice Chair.** The Vice Chair shall act as Chair, in the absence of the Chair and when so acting shall have all the power and authority of the Chair.
- (c) **Treasurer.** The Treasurer's duties shall correspond with those delineated in Section 32127 of the Health and Safety Code of the State of California or as the same may hereafter be amended.
- (d) **Secretary.** The Secretary shall: (i) act as or cause to be provided a Secretary of the Board, (ii) act as or cause to be provided a custodian of all records and reports of the District and of the Board (iii) be responsible for or cause to be maintained the keeping and reporting of adequate records of all transactions and of the minutes of all meetings of the Board of Directors. The Secretary shall also be responsible for causing the copying and forwarding to the County Clerk of the disclosure forms required to be filed with the Secretary under the California Political Reform Act.

ARTICLE V. MISCELLANEOUS

Section 1. Contracts and How Executed. Except as otherwise provided by these bylaws, the Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the District, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors no officer, agent or employee shall have any power or authority to bind the District by any contract or engagement or to pledge its credit or render it liable for any purpose or to any amount.

Section 2. Checks, Drafts, etc. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the District, shall be signed or endorsed by such person or persons and in the manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 3. Conflict of Interest and Employment Restriction.

(a) **Prohibited Conflict of Interest.** Members of the Board of Directors shall not have a prohibited conflict of interest and may not make, participate in making, or in any way use or attempt to use his or her official position to influence a District decision when he or she knows or has reason to know he or she has a disqualifying financial interest. A disqualifying conflict of interest arises when a Director, or his or her immediate family, can reasonably foresee a direct and material monetary gain or suffer any direct and material monetary loss as a result of his or her official activity or on any financial interest described by Title 2 of the California Code of Regulations §18700. A disqualifying conflict does not exist if, as a member of a business profession, occupation or group, a Director accrues no greater of a benefit or detriment than any other Director. As may be permitted by Government Code Sections 1091-1091.5, if a member of the Board of Directors has a disqualifying conflict of interest with certain matters before the Board, such Member shall recuse himself/herself from any discussion on the matter as well as any vote on the matter.

(b) **No Employment with District or Hospital.** An employee of the District or the Hospital shall not be sworn into office as an elected or appointed member of the Board unless the elected or appointed member resigns as an employee. If

the elected or appointed member does not resign, the employment shall be deemed automatically terminated upon his or her being sworn into office.

(c) No Significant Financial Interest in Transaction or Contract. An elected or appointed member of the Board of Directors shall not be sworn into office as long as the member has a significant financial interest in a pending transaction or existing contractual arrangement with the District or the Hospital. A significant financial interest exists where the Director, or his or her immediate family, has a direct and material monetary gain or would suffer direct and material monetary loss as a result of the transaction or contractual arrangement with the District, including any financial interest described by Title 2 of the California Code of Regulations §18700.

(d) One Year Restriction. A former member of the Board of Directors may not be hired by the District in the capacity of an employee, or have a significant financial interest in any transaction or contractual arrangement with the District for one (1) year after the former member has ceased to be a Director. This prohibition shall not apply to any Director who was at the inception of his or her term of office an employee, or had a significant financial interest with the District and terminated such employment status or such significant financial interest upon the commencement of his or her term.

(e) Compliance with District's Conflict of Interest Code. Members of the Board of Directors shall comply with the District's Conflict of Interest Code, as it may be amended or supplemented from time to time, applicable provisions of the Political Reform Act, Government Code Section 81000, et seq. Government Code Section 1090 et seq. and other policies adopted by the Board, including but not limited to confidentiality and conflict of interest policies. As required by the foregoing laws, Board members shall file an FPPC Form 700 with the District within 30 days of taking office, annually, and within 30 days of leaving office.

ARTICLE VI. COMMITTEES

The Committees of the Board shall be standing or special. The Chair of each Committee must be a member of the Board of Directors. All Committee appointments shall be made by the Chair of the Board of Directors.

All Standing Committees shall meet annually, unless the specific description of a Standing Committee specifies a different frequency of meeting, or except as a different frequency of meeting is set by the Board of Directors.

Ad hoc committees may be appointed by the Chair with the concurrence of the majority of the Board and in such numbers and for such special tasks as circumstances warrant. Such special Committees shall limit their activities to the accomplishment of the task for which created and appointed, and shall have no power to act except such as is specifically conferred by action of the Board. Upon completion of the tasks for which appointed, each such special committee shall stand discharged.

All appointments to committees shall terminate with the reorganization of the Board of Directors at the organizational meeting held following regular district elections or upon the special election or appointment of any new Board member(s).

ARTICLE VII. CHIEF EXECUTIVE OFFICER

The Board of Directors may employ or arrange as part of the services provided by a Manager an experienced Chief Executive Officer ("CEO") approved by the Board of Directors. The CEO shall be the direct executive representative in the management of the Hospital and shall supervise, direct, and control the activities, affairs, and officers of the Hospital. This CEO shall have the necessary authority and shall be held responsible for the administration of the Hospital in all its activities and departments, subject only to such policies as may be adopted, and such orders as may be issued by the Board of Directors or by any of its officers or committees to which it has delegated power for such action. The CEO shall act as the duly authorized administrative representative of the Board of Directors in all matters concerning the Hospital and shall have such other powers and duties as the Board of Directors of these Bylaws may prescribe.

ARTICLE VIII. MEDICAL STAFF

Section 1. Medical Staff Organization. The Board of Directors shall serve as the Governing Body of San Gorgonio Memorial Hospital, and shall cause to be created a self-governing medical staff, to be known as the Medical Staff of San Gorgonio Memorial Hospital. The Medical Staff shall be comprised of all duly licensed physicians and surgeons, podiatrists, dentists, and clinical psychologists who are privileged to attend patients at the Hospital. Membership in this Medical Staff shall be a prerequisite to the exercise of clinical privileges in the Hospital, except as otherwise specifically provided in the San Gorgonio Memorial Hospital Medical Staff Bylaws.

Section 2. Allied Health Professionals. Allied Health Professionals shall not be eligible for Medical Staff membership but may be granted appropriate practice privileges if they meet the eligibility criteria adopted by the Medical Staff and approved by the Board of Directors, as may be set forth in the San Gorgonio Memorial Hospital Medical Staff Bylaws or other Medical Staff or Hospital documents.

Section 3. Nondiscrimination. No applicant to the Medical Staff shall be denied Medical Staff membership on the basis of sex, race, creed, color or national origin, or on the basis of any other criterion lacking professional justification. The Hospital shall not discriminate with respect to staff privileges or the provision of professional services against a licensed clinical psychologist within the scope of his/her licensure, or against a licensed physician and surgeon or podiatrist on the basis of whether the physician and surgeon or podiatrist holds an M.D., D.O. or D.P.M. degree.

Section 4. Medical Staff Bylaws. The Medical Staff shall propose and adopt bylaws, rules, and regulations, which shall be known as the San Gorgonio Memorial Hospital Medical Staff Bylaws ("Medical Staff Bylaws"), and which shall be effective when approved by the Board of Directors. Approval shall not be unreasonably withheld. The Medical Staff Bylaws shall include provisions required by law and regulation, including as required by California Health & Safety Code section 32128, and shall state the purposes, functions and policies by which the Medical Staff exercises its responsibilities. The Medical Staff shall be organized in accordance with the Medical Staff Bylaws, and shall govern its own affairs, elect its own officers, and conduct meetings in accordance with the Medical Staff Bylaws.

The Medical Staff shall have the initial responsibility to formulate, adopt and recommend Medical Staff Bylaws to the Board of Directors, and amendments thereto as necessary from time to time. The Board of Directors may request that the Medical Staff adopt specific amendments to the Medical Staff Bylaws, but may not unilaterally amend the Medical Staff Bylaws.

Section 5. Delegation of Authority. The Board of Directors hereby delegates to the Medical Staff the responsibility and authority to investigate and evaluate all matters relating to Medical Staff membership status, clinical privileges, and corrective action, and shall require that the Medical Staff adopt and forward to it specific written recommendations with appropriate supporting documentation that will allow the Board of Directors to take informed action on Medical Staff matters.

If the Medical Staff fails to investigate or take disciplinary action contrary to the weight of evidence, the Board of Directors may, in a manner provided by the Medical Staff Bylaws, direct the Medical Staff to initiate investigation or disciplinary action, but only after consultation with the Medical Staff. The Board of Directors' request for Medical Staff action shall be in writing and shall set forth the basis for the request. If the Medical Staff fails to take action in response to the Board of Directors' directive, the Board of Directors may take corrective action, provided it has first given written notice to the Medical Staff and provided the Board of Directors' action is in accord with the Medical Staff Bylaws.

When no person authorized under the Medical Staff Bylaws is available to summarily suspend or restrict clinical privileges, the Board of Directors, or its designee, may immediately suspend a practitioner's clinical privileges if a failure to summarily suspend those privileges is likely to result in imminent danger to the health of any individual, provided the Board of Directors has, before the suspension, made reasonable attempts to contact the persons authorized by the Medical Staff Bylaws to suspend or restrict privileges. A suspension by the Board of Directors which has not been ratified by the Medical Staff within two working days, excluding weekends and holidays, after the suspension shall terminate automatically.

Section 6. Medical Staff Appointment and Reappointment. The Medical Staff Bylaws shall establish controls to ensure the achievement and maintenance of high standards of professional ethical practices including a provision that all members of the Medical Staff be required to demonstrate their ability to perform surgical and/or other procedures competently

and to the satisfaction of an appropriate committee or committees of the Medical Staff, at the time of original application for appointment to the staff and at least every two years thereafter.

The Medical Staff Bylaws shall specify eligibility for Medical Staff membership and the procedure by which establishment of professional privileges is determined. Medical Staff members shall be appointed initially and reappointed for no more than two years per appointment term. At a minimum, applications for membership shall include complete information regarding the applicant's education, licensure, practice, previous hospital experience, and any unfavorable history regarding licensure or privileges. This information shall be verified by the appropriate individual on behalf of the Medical Staff. The applicant shall agree in writing to follow the Medical Staff Bylaws, and these Bylaws as applicable, and all other policies of the Hospital, upon appointment.

The Medical Staff Bylaws shall provide that all applications be reviewed by the Medical Staff, or a committee or committees thereof, and that the Medical Staff study the qualifications of all applicants in the establishment of professional privileges. Selection shall be based on individual character, competence, training, experience, and judgment. Applications for appointments to the Medical Staff shall be considered in a timely and good faith manner. The Medical Staff shall submit to the Board of Directors recommendations regarding each application.

Final action on all matters relating to Medical Staff membership status, clinical privileges, and corrective action shall be taken by the Board of Directors after considering Medical Staff recommendations, or as otherwise provided in the Medical Staff Bylaws. Medical Staff recommendations shall be considered by the Board, but shall not be binding upon the Board.

Section 7. Corrective Action, Hearings and Appeals. When an appointment is denied or not renewed or when privileges have been proposed to be reduced, altered, suspended, or terminated, the applicant or Medical Staff member shall have the procedural rights, if applicable, set forth in the Medical Staff Bylaws. With respect to hearings and appeals, inasmuch as Article IX of the Medical Staff Bylaws provides for procedure for hearing and appeals, Article IX of the Medical Staff Bylaws is hereby adopted and by reference incorporated herein as though fully set forth, including any amendments to Article IX as may be made from time to time.

Section 8. Medical Staff Communication. Communication between the Medical Staff and the Board of Directors is facilitated by the attendance of the Chief of the Medical Staff, or his/her designee, at the regular monthly meetings of the Board of Directors. A member of the Medical Staff who is an elected member of the Board shall not represent the Medical Staff. Communication between the Board of Directors and the Chief of the Medical Staff, or his/her designee, shall include discussion of matters related to the quality of medical care provided to patients of the Hospital, and shall allow for the Chief of the Medical Staff, or his/her designee, on behalf of the Medical Staff, to participate in the development of Hospital policy.

Section 9. Medical Staff Membership and Clinical Privileges. Each member of the Medical Staff shall have the authority and responsibility for the care of his/her patients, subject to such limitations as contained in these Bylaws, the Medical Staff Bylaws, Rules, policies and procedures, and other Medical Staff documents, and as attached to his/her appointment. Each member of the Medical Staff shall be required to obtain and maintain malpractice insurance as specified in the Medical Staff Bylaws.

Section 10. Medical Records. All members of the Medical Staff shall be responsible for accurate and complete documentation of the care they provide, so that accurate and complete medical records are prepared and maintained for all patients.

ARTICLE VIIIa. QUALITY OF PROFESSIONAL SERVICES

Section 1. Accountability. The Board of Directors is legally responsible for the conduct of the Hospital, and the Medical Staff shall be accountable to the Board of Directors for the quality of professional services provided to patients. To fulfill its responsibilities, the Board of Directors assures:

(a) Every patient is under the care of a duly licensed doctor of medicine or osteopathy, doctor of podiatric medicine, doctor of dental surgery or dental medicine, or clinical psychologist; provided, however, that a doctor of medicine or osteopathy is responsible for the care of each patient with respect to any medical or psychiatric problem that is not specifically within the scope of practice of a doctor of dental surgery, dental medicine, podiatric medicine, or clinical psychologist.

(b) Patients are admitted to the Hospital only on the recommendation of a licensed practitioner permitted by the State to admit patients to a hospital.

(c) Services performed under a contract are provided in a safe and effective manner.

(d) Financial oversight and provision of management and administrative assistance, as well as appropriate physical resources and personnel, to meet the needs of patients and support and facilitate the ongoing operations of the Hospital.

(e) It participates in planning to meet the health needs of the community.

(f) All reasonable steps are taken to conform to all applicable federal, state and local laws and regulations, including those relating to licensure, fire inspection and other safety measures.

(g) Such other support as the Board of Directors deems necessary for the preservation and improvement of the quality, safety, and efficiency of patient care.

Section 2. Professional Services. The Medical Staff shall be self-governing with respect to the professional work performed in the Hospital, and the Medical Staff or one or more committees thereof shall meet periodically to review and analyze at regular intervals the clinical experience of the members of the Medical Staff. Patient medical records shall be the basis for such review and analysis. The Medical Staff shall provide periodic reports to the Board of Directors regarding its review and evaluation of the care provided at the Hospital, including documentation necessary for the Board of Directors to take informed action as appropriate.

ARTICLE IX. AMENDMENTS

The Bylaws may be amended at a regular or special meeting by affirmative vote of a majority of all members of the District Board of Directors.

ARTICLE X. CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT, and that the above Amended and Restated Bylaws, consisting of 129 pages, including this page, are the Bylaws of the San Gorgonio Memorial Healthcare District as adopted by the Healthcare District's Board of Directors on January 5, 2021 ~~June 22, 2020~~ and that they have not been amended or modified since that date.

Executed on _____, 20210 at Banning, California.

Joel Labha ~~Lynn Baldi~~, Secretary/Treasurer

TAB F

CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

HEALTHCARE DISTRICT BOARD

This Confidentiality and Nondisclosure Agreement (“Agreement”) is entered into on _____, _____ between San Geronio Memorial Healthcare District (“District”) and _____ an individual (“Director”). The District and Director are each a “Party” and sometimes collectively referred to herein as the “Parties”.

RECITALS

A. Director has been elected/appointed as a director of District’s board of directors (“Board of Directors”) wherein Director will have access to certain business information, including, but not limited to, financial information exchanged in closed door sessions of the Board of Directors (“Confidential Information”).

B. Director desires to assure District that the Confidential Information will not be disclosed to other individuals or entities, except as expressly authorized by this Agreement.

NOW, THEREFORE, the Parties hereby agree as follows:

OPERATIVE PROVISIONS

1. Acknowledgment. The Parties acknowledge and understand that the Confidential Information contains sensitive and private information, some of which may constitute trade secrets of District.

2. Restriction on Use. The Parties agree that only management level employees and professional advisors of District (collectively “Authorized Persons”), shall have access to the Confidential Information and that each Party shall cause any such Authorized Persons having access to the Confidential Information to sign an agreement substantially in the form of this Agreement, in which said Authorized Person agrees to be bound by terms and provisions substantially identical to those set forth in this Agreement.

3. Restriction on Disclosure. Each Party further agrees on behalf of itself and any Authorized Persons, that it shall hold, maintain and protect the confidential nature of the Confidential Information and shall not disclose the existence or contents of the Confidential Information to any person or entity, except as expressly authorized by this Agreement.

4. Exceptions to Restriction on Disclosure. Nothing contained in this Agreement shall prevent or be interpreted as preventing either Party or the Authorized Persons from disclosing the Confidential Information under the following circumstances:

- (a) Where written consent is provided by the non-disclosing Party; and
- (b) Where disclosure of the Confidential Information is required by subpoena or other process of law; provided the subpoenaed Party or the Authorized Persons, as the case may be,

shall promptly notify the non-subpoenaed Party of the receipt of said process so as to allow the non-subpoenaed Party every opportunity to resist the subpoena, service of process or court order.

5. No Rights in Confidential Information. No rights or licenses in the Confidential Information, expressed or implied, are granted to Committee Member as a result of this Agreement.

6. Survival. Director's obligations with respect to the Confidential Information shall survive any expiration, termination or cancellation of this Agreement and continue to bind Director.

7. Governing Law. This Agreement shall be governed by the laws of the State of California.

8. Remedies. Committee Member acknowledges that money damages alone would not be a sufficient remedy for its breach of this Agreement. In addition to all other remedies, District shall be entitled to specific performance and injunctive or equitable relief to remedy a breach. Director agrees to waive any requirement for the securing or posting of a bond in connection with such remedy. Director agrees to be fully responsible for its breach of any provision of this Agreement.

9. Entire Agreement. This Agreement constitutes the entire agreement and understanding of the Parties with respect to the subject matter herein and supersede all prior agreements and understandings, whether oral or written.

10. Severability. Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

IN WITNESS WHEREOF, this Agreement has been executed as of the day and year first above written.

DIRECTOR:

By: _____
(signature)

Name: _____
(name printed)

TAB G

San Geronio Memorial Healthcare District Board

2020 Committee Assignments

Measure A Community Oversight Committee

~~Lynn Bogh Baldi (C)~~
Phillip Capobianco
Vicki Grunewald
~~Donna Lester~~
Estelle Lewis
Ron Rader
~~Lanny Swerdlow~~
Brian Sylva
Dennis Tankersley (C)

Measure D Community Oversight Committee

~~Lynn Bogh Baldi (C)~~
Phillip Capobianco
Amy Herr
~~Peg Monahan~~
~~Lanny Swerdlow~~
Brian Sylva
Dennis Tankersley (C)
Jim Walling

Note: (C) indicates Committee Chair