



North Sonoma County HealthCare District Regular Meeting of the Board of Directors

CALL TO ORDER

- a. The Board of Directors of the North Sonoma County Healthcare District met in person at 1381 University Avenue, Conf. Room 1, 2nd Floor, Healdsburg, CA and via Teams Teleconference. Chair, Hector Galvan called the meeting to order at 4:00 PM.
- b. Board Clerk, Juliana Dougan called the roll. The following Board members were present constituting a quorum:

Hector Galvan, Chair
Sue Campbell, Vice Chair
David Anderson, MD, Director – Arrived at 4:05 pm
Brian Callahan, Treasurer
Erin Gore, Secretary

Also present: **Richard Pio Roda, Esq.**, District Counsel
Juliana Dougan, Board Clerk

Guests: **Garry Olney**, CEO, Providence Northern California
Ben Sedillo, Consultant, Sonoma Allocations
Stan Sattler, Consultant, Bellehaven
Amy Ramirez, Executive Director, Healthcare Foundation
Jade Weymouth, La Familia Sana
Sue Labbe, Alliance

There were no public comments.

REGULAR BUSINESS

1. Consent Calendar

- November 20, 2025 Regular Meeting Agenda
- October 23, 2025 Regular Meeting Minutes
- October 31, 2025 Financial Statements
- APA Compliance Summary
- Redistricting Resolution

Chair Galvan asked if there were any comments on the items on the Consent Calendar. There were none.

Chair Galvan called for a motion. Director Campbell MOVED to approve the Consent Calendar. Director Gore SECONDED the motion. The roll call vote was as follows:

Vote: Anderson: Absent; Campbell: Y; Galvan: Y; Callahan: Y; Gore: Y. The motion was approved 4-0, 1 Absent.



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2. Discussion / Informational / Possible Action: Healdsburg Hospital Quarterly Operations and Capital Investment Report

Chair Galvan welcomed Mr. Garry Olney, CEO Northern California, Providence.

Mr. Olney provided a presentation to the Board that is incorporated herein. Mr. Ciesielski, the new CAO for Healdsburg Hospital, Providence, was unable to attend, but is expected to attend future quarterly updates.

Key takeaways from Mr. Olney's presentation include:

- Net operating revenue for November was approximately \$4.7M. The budget was \$5.7M, creating a variance of \$1M year to date.
- Total operating expenses was \$5M and actual operating expenses was approximately \$5M.
- Year to date expenses for Healdsburg Hospital was \$56M to a budget of \$61M. The entire Providence Northern California Health System shares certain expenses (including legal and IT). Healdsburg's share created a deficit for November of \$1M. Each facility's charge is based on their individual revenue stream.
- The overall Health System year to date reports a deficit of \$12M. This Health System reporting will be included going forward.
- Mr. Olney assured the Board that the revenue received from the parcel tax helps to support the emergency department and other areas of the Healdsburg Hospital which improved the financial reporting.
- Mr. Olney was asked about the discrepancy of what the Board understood the parcel tax revenue that was provided vs. what was reported. Mr. Olney will look into this discrepancy and report back to the Board, focusing on how the parcel tax revenue was posted in the report.
- Impacting revenue is the decrease in general and emergency room admissions, as well as in-patient and out-patient admissions. Additionally, more constituents are tied to Sutter or Kaiser. Mr. Olney encouraged the Board to promote Providence.
- The Board commented that Ms. Michelle Oxford was diligent in marketing Providence. Mr. Olney agreed and committed to assuring that her predecessor will continue these efforts.

Providence contracted with the All Access (public television) organization to broadcast to the local community highlighting the benefits of Healdsburg Hospital, including a critical care center. Mr. Olney asked the Board to provide feedback on the directions to be provided to All Access. Mr. Richard Pio Roda cautioned the Board that individual Board members should not share their feedback among more than one other Board member to assure compliance to the Brown Act. It was suggested that any comments be sent to the Board Clerk, Ms. Juliana Dougan, who in turn will forward the comments to Ms. Shiva O'Malley, Executive Assistant to Mr. Olney. The deadline for comments is December 28, 2025.

- Patient satisfaction numbers remain high (67.85%). Mr. Olney was asked how Healdsburg Hospital compares to other facilities in the area. **Mr. Olney will look into a comparison to**



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present to the Board in the next report.

- Emergency Department customer satisfaction is 81%.
- RN care was also rated high at 92.41%

Key takeaways regarding Capital Investment reporting:

- \$10M was committed to be invested in the Purchase Agreement. In the 2026 Budget, \$614K is dedicated toward this commitment.
- The requirement to make the Hospital seismically sound is still being debated by the Legislature.
- The status of the Med Gas project was contested. It was listed as completed when it was reported in a separate meeting as being on hold. Mr. Olney will confirm the status and correct it in the next report.

A list of prospective candidates for the role of Executive Director of Operations will be compiled early 2026. There will be a review/interview committee assembled which will involve Board members from NSCHD and Healthy Petaluma.

Mr. Olney confirmed that \$200K is budgeted for grant-giving in 2026.

The Board requested an updated organizational chart. Mr. Olney will provide it.

Providence continues to strive to increase available cash across all their facilities. Additionally, physician recruitment measures have improved across all Providence facilities.

Mr. Olney was asked his thoughts on the impact of changes to the Affordable Care Act. Mr. Olney will be prepared to show an analysis of the impact on the Hospital. **Mr. Olney has a slide prepared that he has shared with other Boards that he can share with the NSCHD Board.**

Discussion continued on information received that Providence would assist with supporting the Healthcare Foundation with a CFO. Additional discussions on this regard will continue between Providence and the Foundation. **Mr. Olney will provide an update on the discussions with the Foundation to the Board.**

The Board thanked Mr. Olney for his presentation.

3. Healthcare Foundation Presentation

The Board welcomed Ms. Amy Ramirez, Ms. Jade Weymouth and Ms. Sue Labbe.

Ms. Ramirez was asked about her perception of Mr. Olney's presentation. Ms. Ramirez indicated that she had met with the Providence CFO yesterday (December 17), who informed Ms. Ramirez that she has no additional capacity to assist the Foundation. **Ms. Ramirez will follow up with Mr. Olney to determine if there are other opportunities.**



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Ms. Ramirez shared her presentation which was structured to provide the Board an update on the North Sonoma County Coalition.

Key takeaways from the presentation are as follows:

- The Northern Sonoma County Coalition was formed in January of 2025, which included a \$100K contribution from the District.
- The Coalition is made up of six organizations: Alexander Valley Healthcare, La Familia Sana, Corazon, Botanical Bus, Alliance Medical Center and Reach for Home. Each are enrolled in the Foundation.
- CalAIM is a program through Medi-Cal to manage billable health services such as case management, housing navigation, rental assistance, deposit assistance, food distribution, medical case management. These programs are now reimbursable through Medi-Cal.
- Launching the CalAIM program for these organizations include learning new software, assuring HIPAA compliance, staff training and billing insurance.
- Besides the \$100K from the District, additional grant funding came from the Community Foundation (\$30K) and Medtronic (\$10K). This funding allowed the Foundation to launch CalAIM for all six organizations. These six organizations have already started receiving funds from the CalAIM program.
- One of the goals for 2026 is to be a shared referral platform where organizations are on the same software and have information to all healthcare providers/services. This plan will be facilitated by a third party, to be hired.
- Sutter became aware of the Coalition recently and feels that the program should be expanded throughout the County. Sutter suggested applying for a \$250K grant, which the Foundation did. A decision should be made by the end of the year.
- The Foundation hopes that the District would continue their \$100K investment in 2026. The hope is to provide each of the six organizations with \$50K each in 2026.
- Lastly, the Foundation received a grant to support a bilingual free senior transportation program in Cloverdale which will commence in 2026.

The Board asked if a press release will be issued. Ms. Ramirez indicated that one has been prepared. Director Gore suggested that Chair Galvan can provide a short statement to accompany the press release. **Director Gore will assist in drafting the statement which will outline the District's support of the Foundation and CalAIM.**

Director Gore asked Ms. Ramirez if they have reached out to Heartizens. They have not yet, but will reach out to them. The Board congratulated the Foundation on their strong work on the CalAIM program.

Based on Mr. Olney's presentation tonight, the Foundation will submit a grant to Providence.

The Board thanked Ms. Ramirez for her presentation.

4. Discussion / Informational / Action: NSCHD Financial Portfolio Review



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Ben Sedillo, Consultant, Sonoma Allocations and Mr. Stan Sattler, Consultant, Bellehaven presented the District's Financial Portfolio Review.

Key takeaways from the Review include:

- The Board has an investment policy statement that dictates what the consultants can and cannot do within the investment strategy. The purpose is to protect the funds for the District and ensure there's liquidity.
- The three priorities that are followed, which are in compliance with California law, are: safety of principle, liquidity and return. The main focus is safety of principle – locking into conservative type of investments.
- These investments have staggered dates of maturity – five years.
- The District began 2020 with a goal of providing grants for the next 30 years, the life span of the Providence APA.
- The District has committed to granting \$180K for 2026.
- For the years 2027-2050, the District is committing at least \$100K per year. The current Investment Portfolio totals \$4.2M. Starting in year 11, the District will be receiving income in the amount of \$250K – transferred from Providence.
- Expenses have been calculated on the 2025 Budget. A linear analysis of investment performance was reviewed. Additionally, a Monte Carlo simulation, was also run, using 1000 hypothetical market simulations over the lifespan of the District, there is a 99% probability that the District will meet their goal of providing \$180K in 2026 and \$100K in subsequent years.
- Additional analyses were run where more pressure was put on the portfolio, and taking into account the flexibility of inflation, the District may want to consider increasing the annual grant funding from \$100K to \$140K. Pulling the amount down to \$120K is easily achievable, however, \$130K or 135K would also be achievable.
- Mr. Sattler presented that the yield on the portfolio is 4.3% which is down from 4.35%, which is still a very good yield. Based on the breakdown of the bonds held currently, there may be an additional reduction to 4%.
- From the inception of the portfolio, it is up 12 ½%, cumulatively. The portfolio naturally goes down as it is meant to do.
- With the volatility of the market, it is hard to anticipate exactly how things will look going forward.
- This portfolio was not designed to take risk in shareholder driven stocks, but rather conservatively watch slow and steady growth.



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The Board thanked Mr. Sedillo and Mr. Sattler for their presentation. In summary the two consultants recommended raising the yearly grant funding to \$130K starting in 2027.

Director Callahan was asked how long the parcel tax funds are held prior to distributing to Providence, and if the interest on those funds can be used. In response, Director Callahan stated that the funds are not held for long and the interest received is minimal.

The next Portfolio Review will be in six months' time – June Board meeting. The Finance Committee will meet outside the Board.

5. Discussion / Informational: Planned Parenthood Presentation – This presentation has been postponed to a future meeting.

6. Discussion / Informational: 2026 Budget

The 2026 Budget is not finalized yet and is intended to be voted upon in January.

A few items that needed highlighting:

- Some components of our budget weren't outlined in the draft Budget provided in the Board packet, such as the bond principle that we pay every year out of the parcel tax.
- The parcel tax revenue will have a slight increase coming in 2026, but basically will be the same \$3.5M that was received in 2025.
- The non-operating revenues received from the Schwab portfolio is currently \$207K.
- Further discussions need to occur with the CPA to categorize income vs. cash available.
- Operating expenses remain relatively the same.
- Omitting the annual audit may be an opportunity but needs to be discussed by the Board of Supervisors.
- Additionally, Director Callahan is looking at other CPA firms.
- Grants line item has increased to \$180K.
- Legal fees line item has increased in case redistricting needs to be addressed.
- Administrative costs were increased for the potential purchase of a District laptop and cellphone.
- Board Effect to lapse when the current subscription ends in March, saving \$9K.
- The Board will also be transitioning to Zoom.
- The Board is encouraged to submit their stipend forms on time.
- A revised Budget will be distributed as soon as possible.

7. Discussion / Informational: Hospital Matters



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- **Community Board Meetings**

Director Campbell reported that a one-page document regarding the All Access program contracted by Providence will be distributed by Ms. Dougan for everyone's individual feedback. Ms. Dougan will provide the feedback to Ms. O'Malley. The deadline to provide feedback is December 28, 2025.

Mr. Pio Roda cautioned the Board not to share comments between each other to protect from the Brown Act.

- **Quality Committee**

The Board discussed the recent restructuring underway with Providence, including the departure of Melanie Eller, Quality Director.

- **Community Benefit Committee**

Director Gore and Director Campbell recently met with the Providence Community Benefit team to discuss the Community Benefit Committee.

Currently the NSCHD Board does not advise on how the grants are chosen except through our participant on the Community Benefit Committee. Director Gore reviewed a list of non-profits, which was made part of the Board packet, that will be invited to apply for the grants. If any Director would like to add to the list, please let Director Gore know. **Food to Fight Hunger should be Farm to Fight Hunger.** The revised list will be shared with the Benefit Committee.

With the understanding that Providence will grant \$200K to Healdsburg this year, it is hoped that grantees are not just focused on Petaluma and Santa Rosa, but also North Sonoma County. Director Gore hopes that the Community Benefit Committee works through the Healthcare Foundation to identify applicants.

- **Philanthropy Board**

There was nothing new to report.

8. Discussion / Possible Action: Regarding District Housekeeping

Future Agenda Items

- Swearing in Board Officers for 2026 (January)
- Budget Discussion (January)
- Planned Parenthood Presentation (February)
- Healthcare Foundation Grant Recommendations (January)
- Providence Community Benefits Committee (January)
- Closed Session – Staff Performance Review (January)

9. Legal Report



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Mr. Pio Roda reported that he is preparing a memo on some new training requirements, SB827 that will apply to the Board. It's some changes to AB1234, the ethics training. Once he completes the memo, he will send it to the Board hopefully by the end of the year.

10. Share other meetings attended by Board Members

Narcan distribution continues in North Sonoma County. Director Anderson reported that distribution recently was provided to the local casino. Additionally, Cloverdale distribution has increased.

11. Consideration of Materials Disseminated by Board Members.

No additional materials were shared.

12. Chair Galvan adjourned the meeting at 6:02 PM.