

DATE: January 27, 2015

TO: Tahoe Forest Hospital District Board of Directors

FROM: Gerald Herrick, Chairman
Measure C Citizens Oversight Committee

SUBJECT: 2014 Citizens Oversight Committee Annual Report

It is the responsibility of the Citizens Oversight Committee (COC), per its Bylaws established by the Tahoe Forest Hospital District Board of Directors, to submit an annual report of its activities during the year which shall include the following information:

- A statement indicating whether the District is in compliance with the letter and intent of Measure C; and
- A summary of the Committee's proceedings and activities for the preceding year.

In an effort to fulfill these responsibilities, the COC receives regular updates from TFHD senior executives and the staff members managing the Measure C construction projects, as well as information of important changes in the health care industry related to Measure C activities.

The COC believes that the district is in compliance with the letter and intent of Measure C based on the detailed oversight exerted during the past year.

- The COC continues to meet quarterly.
- Elected officers for 2015 are, with approval on an exception to the by-laws from the District Board, Gerald Herrick, Chair and Paul Leyton, Vice-Chair
- Oversight includes monthly meetings of the Finance Sub-committee, chaired by Sherrin Fielder, to review the then-current Schedule of Values for projects and selected invoices with Rick McConn, Chief-Facilities Development. Mr. McConn is frequently asked to provide back-up documentation for large invoices, invoices from new vendors, plus a random selection of all invoices. While the Committee and Mr. McConn resolve many questions, Ms. Fielder has developed a detailed tracking system to insure answers are obtained for all invoices with questions. In addition, Ms. Fielder maintains a spreadsheet for total billings which indicates the committee has reviewed 42.7 percent of the total dollar value of all Measure C invoices. Ms. Fielder continues to be assisted by COC members Gary Boxeth and Gerald Herrick, however, all COC members rotate attendance at these meetings to keep up to date on this important financial review process.

- Paul Leyton is the Communications Chair and the Sub-committee includes Gerald Herrick and Gary Davis. The most recent objective of the Communications Sub-committee was to fulfill the bylaws' requirement to "...inform the public concerning the expenditure of bond revenues" by producing newspaper and online ads that would provide clear information to the community on the findings of the Citizens Oversight Committee while directing attention to the website to access the 2013 Annual Report . Two print ads were ultimately used in rotation along with online banner ads which ran in the Sierra Sun and Moonshine Ink in August and September 2014.

- Reports are provided at every meeting of progress and the status of every project being constructed with Measure C funds as well as updates on the Quarterly Facilities Development Plan.

- In addition to the regular reports, the COC requested the management and outside construction manager provide additional detailed cost information on the completed and remaining projects to date. Please see ATTACHMENT.

Finally, the COC wishes to thank the Board of Directors and the staff for their efforts to upgrade the medical service to the community through the Measure C Capital Program.

Respectfully,

Gerald Herrick,
COC Chairman

cc: COC Members