

MARIN HEALTHCARE DISTRICT

100-B Drake's Landing Road, Suite 250, Greenbrae, CA 94904

Telephone: 415-464-2090

Fax: 415-464-2094

Website: www.marinhealthcare.org

Email: info@marinhealthcare.org

BOARD OF DIRECTORS

FINANCE & AUDIT COMMITTEE

TUESDAY, SEPTEMBER 16, 2025 @ 5:30 P.M.

Committee:

Chair: Brian Su, MD

Member: Ann Sparkman, RN/BSN, JD

Staff: David Klein, MD, CEO

Eric Brettner, CFO

Liz Lasnier, Controller

Support: Tricia Lee, EA

Location:

Marin Healthcare District Office

100B Drakes Landing, Road Suite 250

Greenbrae, CA 94904

Guests: Debashis Chowdhury

Jason Levey

(Canterbury Consulting)

AGENDA

- | | | <u>TAB</u> |
|---|-------------------------|------------|
| 1. Call to Order / Approval of the Agenda (action) | Su | |
| 2. Approval of the Minutes of the MHD Finance & Audit Committee Meeting of July 28, 2025 (action) | Su | #1 |
| 3. Public Comment
<i>Any member of the audience may make statements regarding any item NOT on the agenda. Statements are limited to a maximum of three (3) minutes. Please state and spell your name if you wish it to be recorded in the minutes.</i> | Su | |
| 4. Review: MHD Corporate Investment Portfolio | Brettner/
Canterbury | #2 |
| 5. Estimate of Administrative Support Cost | Brettner | #3 |
| 6. District Financial Reports
A. July 2025 | Brettner | #4 |
| 7. Adjournment | Su | |

Next meeting: November 17, 2025

A copy of the agenda for the Meeting will be posted and distributed
at least seventy-two (72) hours prior to the meeting.

In compliance with the Americans with Disabilities Act, if you require accommodations to participate in a District meeting please contact the District office at 415-464-2090 at least 48 hours prior to the meeting.

Tab 1

MARIN HEALTHCARE DISTRICT

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**Board of Directors
Finance and Audit Committee
Monday, July 28, 2025 @ 5:30 pm
Marin Healthcare District Office**

MINUTES

1. Call to Order

Chair Su called the meeting to order at 5:30 pm.

2. Roll Call / Approval of Agenda / Approval of Minutes

Committee members present: Brian Su, MD (Chair); Ann Sparkman (Board Member);

Staff members present: Eric Brettner (CFO); Mary Hard (Dir System Budgeting & Reporting);

Liz Lasnier (Controller); Tricia Lee, (EA)

Guest Present: Brian Conner (Baker Tilly)

Approval of the Agenda: It was moved, seconded and carried to approve the agenda as presented.

Approval of the Minutes: It was moved, seconded and carried to approve the minutes of the meeting of the committee on May 28, 2025.

3. Public Comment

There was no public comment.

4. Marin Healthcare District: 2024 Report of Independent Auditors

Mr. Brian Conner of Baker Tilly presented the results of the independent audit of the District's financial statements for the year ended December 31, 2024. The audit resulted in an unmodified ("clean") opinion, indicating that the financial statements are fairly presented in accordance with generally accepted accounting principles (GAAP). There were no material audit adjustments or internal control issues identified.

Key areas of audit focus included tax revenues and receivables, as well as the recording of a FEMA grant totaling approximately \$317,000. Audit procedures confirmed that balances and controls remained consistent and reliable. There was a discussion on the reduced property tax assessment for the year, which the County attributed to sufficient reserves.

The auditors also confirmed that they conducted standard fraud risk interviews with District leadership and management. No concerns were noted.

There was no further discussion. **It was moved, seconded and carried to recommend the audit to the MHD Board of Directors for approval at their next Regular Meeting.**

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Board of Directors Finance and Audit Committee Monday, July 28, 2025 @ 5:30 pm Marin Healthcare District Office

MINUTES

5. Marin Healthcare District FY 2026 Operating Budget

Mr. Brettner presented the proposed FY 2026 Operating Budget. Key highlights included adjustments to investment income assumptions and classification updates for transparency. The Committee discussed the appropriate categorization of advertising and website maintenance expenses. It was agreed that advertising would be tracked separately and website maintenance reclassified under "Other."

The Committee also discussed the historical practice of the hospital covering half of the District's audit costs. As no documentation supporting this arrangement could be found, the Committee recommended reviewing the lease agreement and consulting legal counsel for clarification.

The Committee confirmed a change to maintain 3 months (approximately \$150,000) of operating reserves rather than 6 months, to allow for greater investment yield.

Dr. Su asked for a motion to recommend to the full Board the approval of the budget at the next regular meeting. It was moved, seconded, and carried to approve the FY 2026 Operating Budget with the recommended reclassifications and the understanding that audit cost-sharing will remain as is until further research is completed.

6. District Financial Reports

A. April

Mr. Brettner reported April reflected lower-than-expected investment income due to market performance. Some accruals for community education expenses were adjusted once actuals were received. Tax revenue was received from the County, reducing receivables and increasing the trust fund.

B. May

Mr. Brettner reported May investment income showed signs of recovery, coming in at a positive \$63,000 for the month. This brought year-to-date investment income to a positive \$63,000 as well. An unusual item on the expense side was a for BoardVantage licenses. There were no unusual items on the balance sheet in May, with routine accruals for tax revenue as expected.

C. June

Mr. Brettner reported strong investment income, including over \$100,000 in unrealized gains, bringing the year-to-date total to approximately \$271,000. No major expense variances were noted. Year-to-date, the District reported approximately \$350,000 in net income, significantly outperforming the budget projection.

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Board of Directors

Finance and Audit Committee

Monday, July 28, 2025 @ 5:30 pm

Marin Healthcare District Office

MINUTES

7. Adjournment

Chair Su adjourned the meeting at 6:43 pm.

DRAFT

Tab 2



CanterburyConsulting

Investment Performance Review

Presentation To:

Marin Healthcare District

Presented By:

Canterbury Consulting
610 Newport Center Drive, Suite 500
Newport Beach, California 92660

Quarter Ending March 31, 2025

Quarter In Review

Second Quarter Commentary

- U.S. equity markets experienced heightened levels of volatility to start the quarter with a sharp sell-off amidst tariff threats, which quickly reversed following the announcement of a pause. Large-cap equities, represented by the S&P 500, rose 10.9%, led by the "Magnificent 7" rebounding 20.9%. In addition, mid-cap equities also performed favorably as the Russell 2500 returned 8.6% in the quarter, while small-cap represented by the Russell 2000 returned 8.5% over that same period.
- International developed and emerging markets equities slightly outperformed U.S. markets in the second quarter, likely driven by a continuously weakening dollar and increased international diversification as investors began shifting away from U.S. markets. The MSCI EAFE index, covering developed markets excluding the U.S. and Canada, posted a positive return of approximately 11.8%, while the MSCI EM index gained approximately 12.0% during the quarter.
- The U.S. Federal Reserve maintained its federal funds rate within the 4.25%–4.50% range at both FOMC meetings in the second quarter of 2025. Chair Powell emphasized policymakers' willingness to "wait and see" regarding the impact of tariffs on trade and inflation before looking to adjust policy stance. Rate cut expectations from the Federal Reserve continue to indicate two cuts in 2025, although there is significant disagreement amongst FOMC members given the economic uncertainty surrounding tariffs. Some economists cite the elevated Consumer Price Index results for June 2025 as evidence of the early effects of tariffs, particularly in apparel and household furnishings.
- Yields were notably volatile during the quarter, driven largely by uncertainty over trade policy and its potential inflationary effects. The yield curve normalized marginally over the quarter, with longer-term yields climbing on tariff-driven heightened inflation expectations and budget deficit concerns. Investment-grade (IG) and high-yield (HY) credit spreads widened early in the quarter but later rebounded, ultimately ending below their long-term median levels.

As of June 30, 2025

Returns through June 30, 2025

Index	QTD	YTD
Growth MSCI ACWI	11.53%	10.05%
Capital Preservation Bloomberg Global Aggregate	4.52%	7.27%
Inflation Protection Morningstar U.S. Real Asset*	2.14%	7.24%

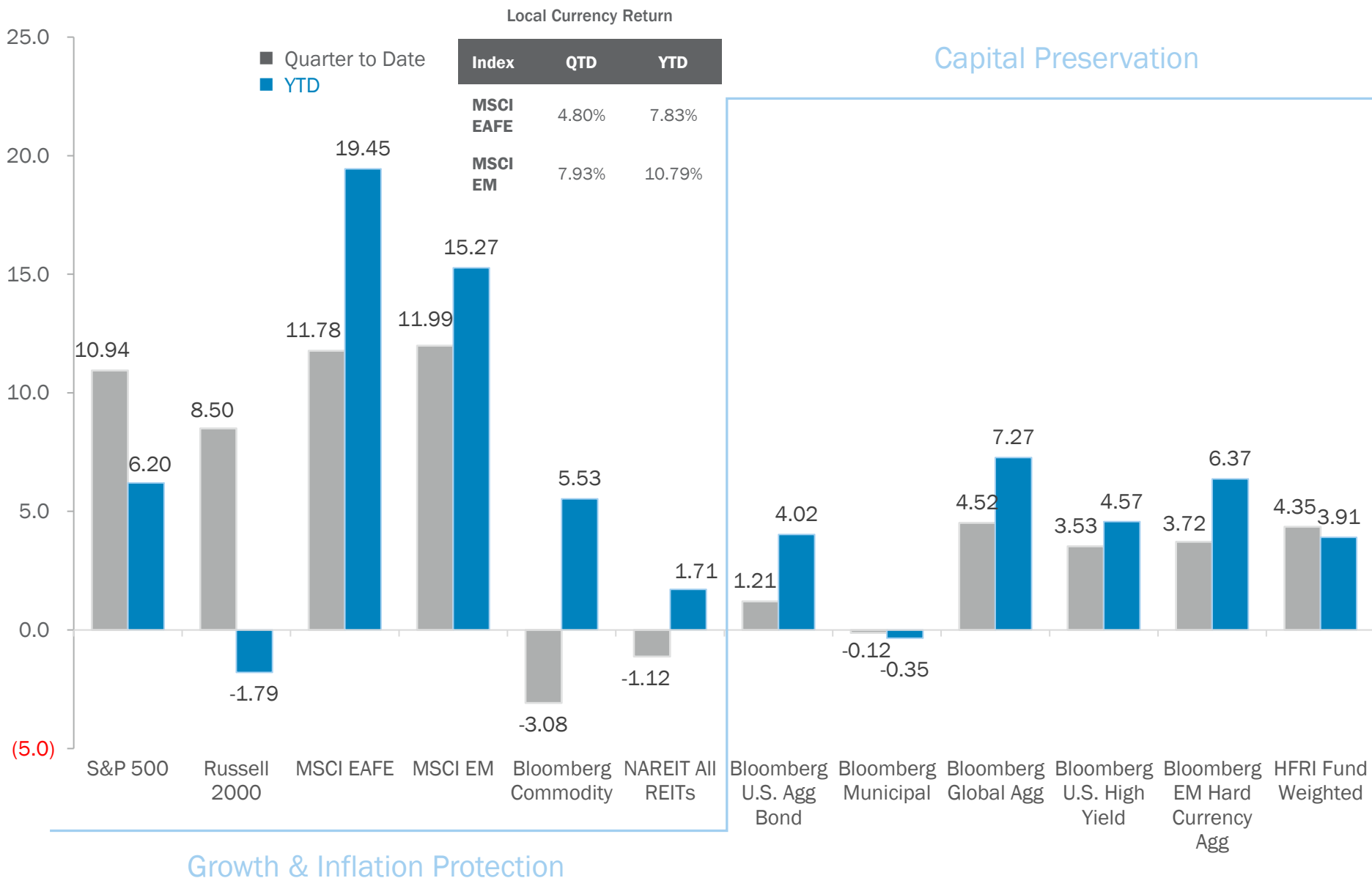
Sources: MSCI ACWI Index, MSCI ACWI ex-US Index, MSCI EAFE Index, MSCI EM Index, Federal Reserve Board of Governors, U.S. Bureau of Labor Statistics, Morningstar

[1] BofA IG & HY spreads data starting Jan 2006

*40% TIPS, 30% L/S Commodity, 15% REITs, 10% Global Nat. Resources, 5% MLPs

Index Returns (%)

As of June 30, 2025



Source: Morningstar

Year over Year Statistics¹

	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
S&P 500	3,100.29	4,297.50	3,785.38	4,450.38	5,460.48	6,204.95
S&P 500 EPS	158.51	157.33	217.99	226.09	228.01	254.29
P/E of S&P 500	21.27	29.75	18.60	21.34	25.59	24.40
P/E of MSCI EAFE	16.61	22.75	12.44	14.30	15.38	16.24
P/E of MSCI EM	15.80	19.21	11.75	12.86	15.35	15.06
S&P 500 Earnings Yield	4.70	3.36	5.38	4.69	3.91	3.80
Fed Funds Effective Rate	0.08	0.08	1.21	5.08	5.33	4.33
3 Month LIBOR	0.30	0.15	2.29	5.55	5.59	4.85
10 Year Treasury Yield	0.66	1.47	3.01	3.84	4.40	4.23
30 Year Mortgage Rate	3.27	3.13	5.83	7.15	7.26	6.80
Bloomberg U.S. Agg Yield	1.25	1.50	3.72	4.81	5.00	4.51
Bloomberg HY Spread	6.26	2.68	5.69	3.90	3.09	2.90
Gold (\$/oz)	1,780.96	1,770.11	1,807.27	1,919.35	2,326.75	3,303.14
WTI Crude Oil (\$/bbl)	39.27	73.47	105.76	70.64	81.54	65.11
Unemployment Rate	11.00	5.90	3.60	3.60	4.10	4.10
Headline CPI²	0.60	5.40	9.10	3.00	3.00	2.70
VIX Index	30.43	15.83	28.71	13.59	12.44	16.73

Forward Looking Forecasts

	Real GDP ³	CPI ³	Unemployment ³	10-Yr Treasury ³	S&P 500 EPS ⁴	Forward P/E ⁴	MSCI EAFE EPS ⁴	Forward P/E ⁴	MSCI EM EPS ⁴	Forward P/E ⁴
2025	1.5%	2.9%	4.3%	4.29%	\$274.32	22.62	\$170.39	15.58	\$92.68	13.19
2026	1.6%	2.8%	4.4%	4.13%	\$300.04	20.68	\$183.42	14.47	\$102.84	11.89

1) Sources: MSCI, FRED, SP Global

2) Values are carried forward from the most recent reported value (6/30/2025)

3) Forecasts are consensus opinions from forecasting agencies

4) Index Forecasts - Forward 12-month estimate, Forward 24-month estimate

Estimate calculated from quarter end (i.e. Jun. 30, 2025 – Jun. 30, 2026). Price in P/E ratio static as of quarter end.

Current U.S. Economic Conditions: Cautious

Contraction

U.S. GDP Growth

U.S. Unemployment

U.S. Credit Markets

Volatility (VIX): Above avg.

Yield Curve

Investor Sentiment: Below avg.

Normal Growth

U.S. GDP Growth

U.S. Unemployment: Below avg.

U.S. Credit Markets: Below avg.

Volatility (VIX)

Yield Curve: Above avg.

Investor Sentiment

Panic

U.S. GDP Growth: Sig. below avg.

U.S. Unemployment

U.S. Credit Markets

Volatility (VIX)

Yield Curve

Investor Sentiment

Manic Growth

U.S. GDP Growth

U.S. Unemployment

U.S. Credit Markets

Volatility (VIX)

Yield Curve

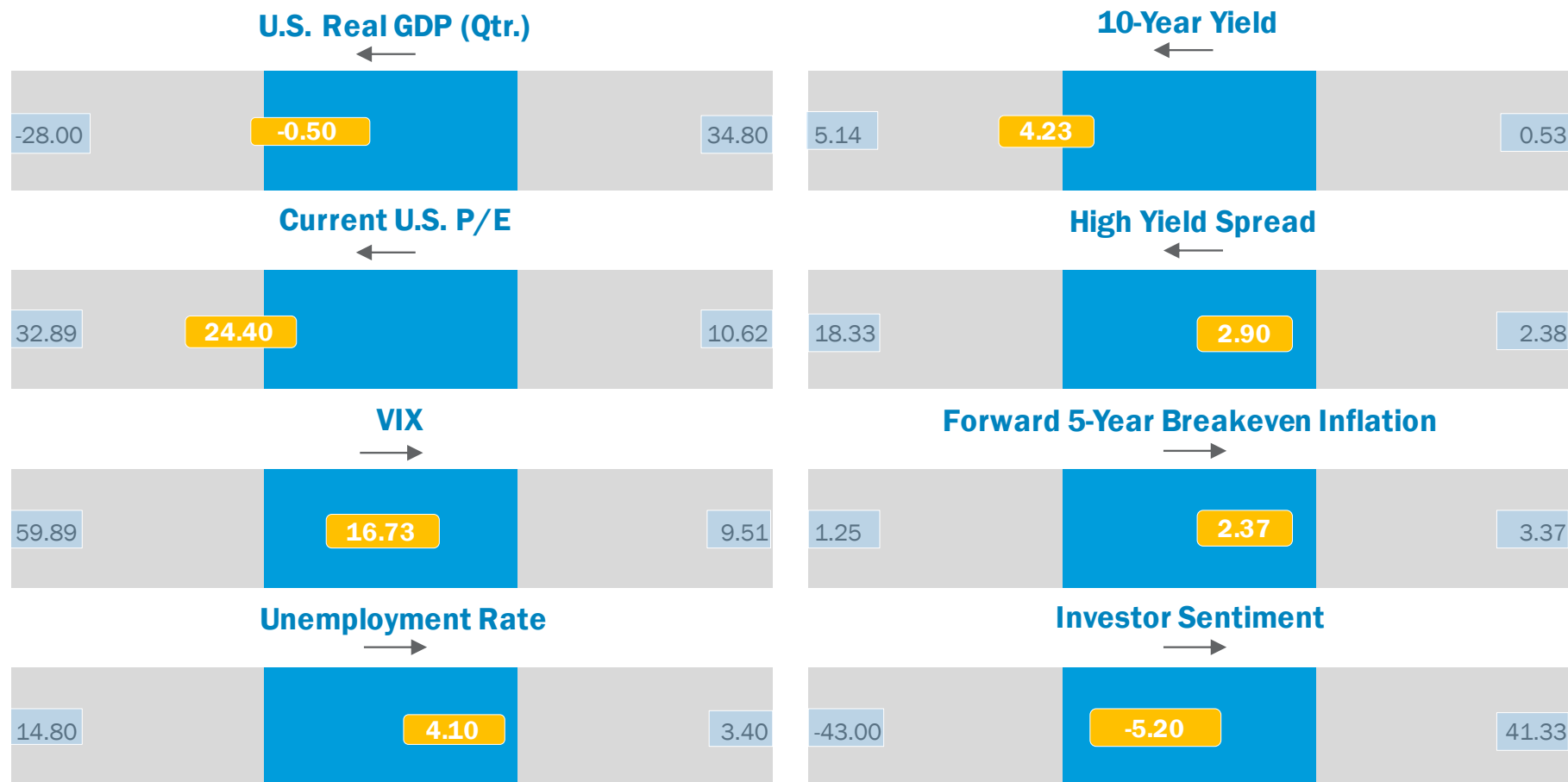
Investor Sentiment

Metrics	Quarter avg.	10-year avg.
U.S. GDP Growth: Prior quarter U.S. Real GDP versus the 10 year U.S. Real GDP average*	-0.5%	2.5%
U.S. Unemployment: Quarter avg. unemployment rate versus the 10 year average	4.1%	4.6%
U.S. Credit Markets: Quarter avg. Barclays US Corporate HY Average OAS versus the 10 year average	329	411
Volatility (VIX): Quarter avg. VIX average versus the 10 year VIX average	20.0	18.6
Yield Curve: Quarter avg. 30-year yield minus the quarter avg. 2-year yield versus the 10 year average	105 bps	86 bps
Investor Sentiment: Quarterly Sentiment spread versus the 10 year average spread. Spread measured by difference between Bull Sentiment Index and Bear Sentiment Index.	-16.0	-0.6

*U.S. GDP Growth is the current, end of previous quarter reading

Global Positioning Indicators

As of June 30, 2025



Current

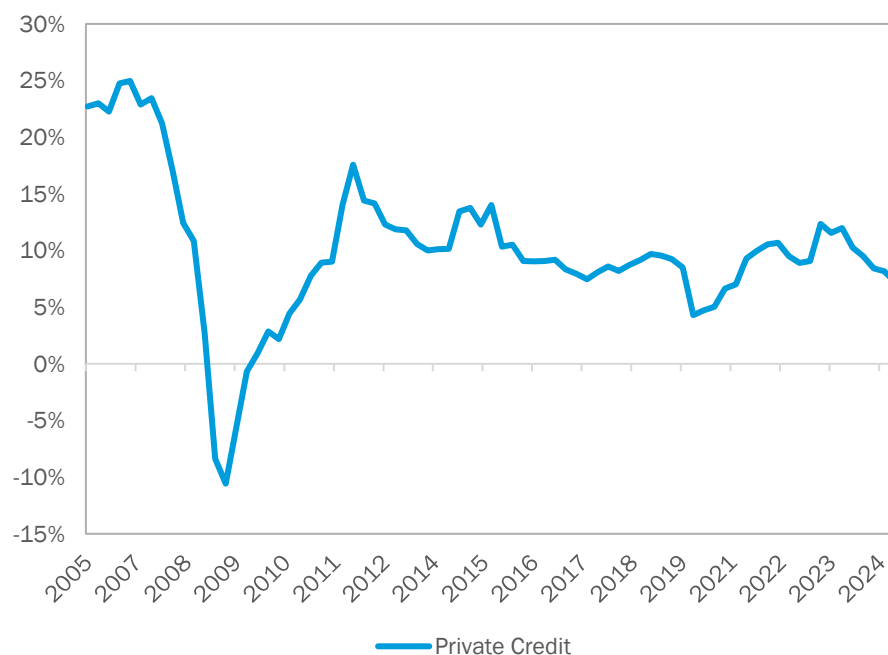
+/- 1 Standard Deviation From the Mean

20-Year High and Low

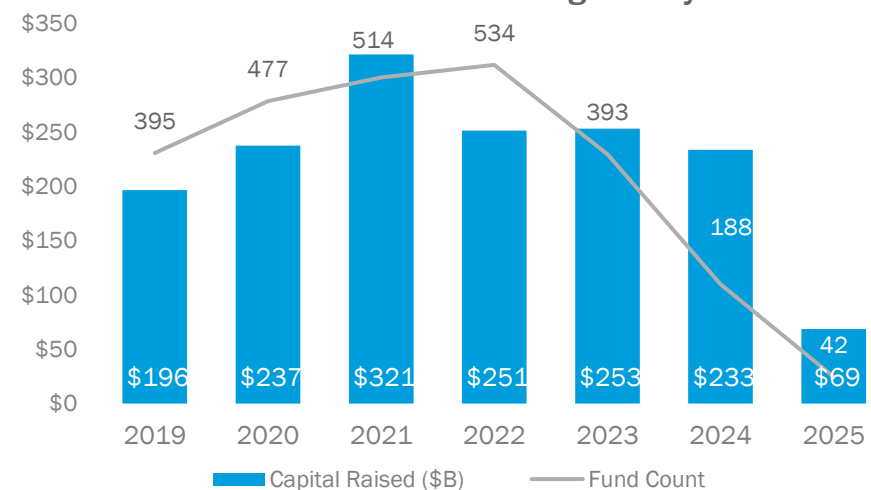
Sources: FRED, MSCI, SP Global

Market Environment

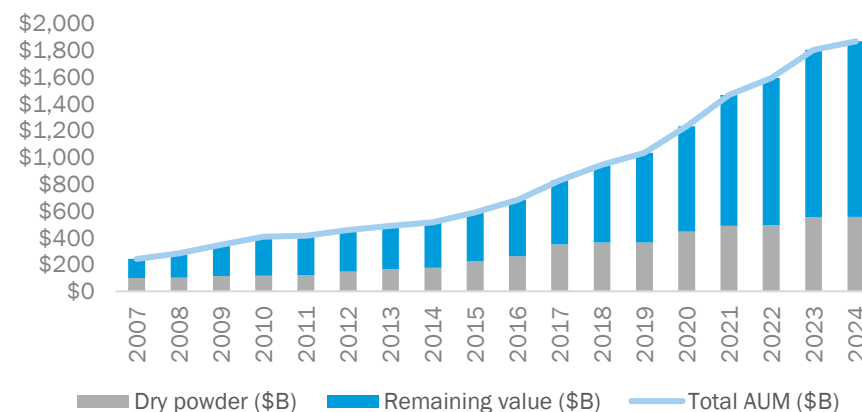
Private Credit Rolling 3-Year IRR¹



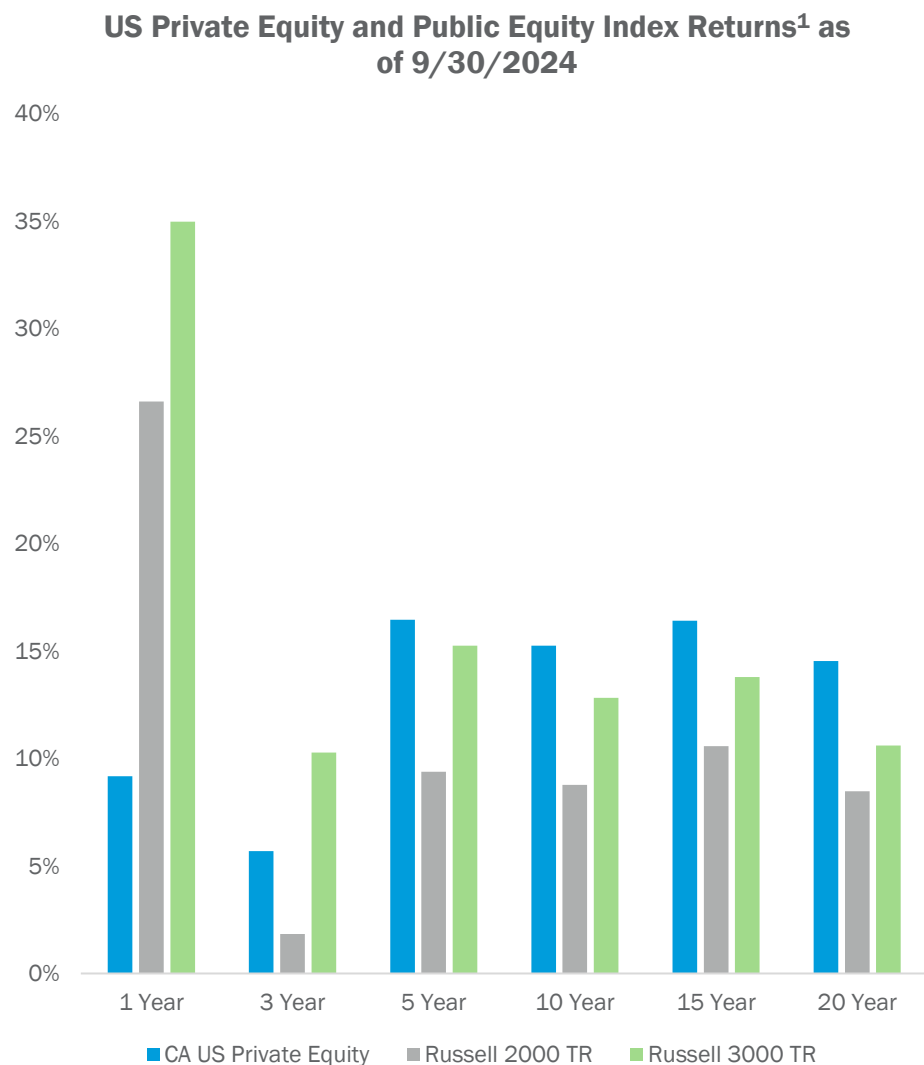
Private Credit Fundraising Activity²



Size of Market³

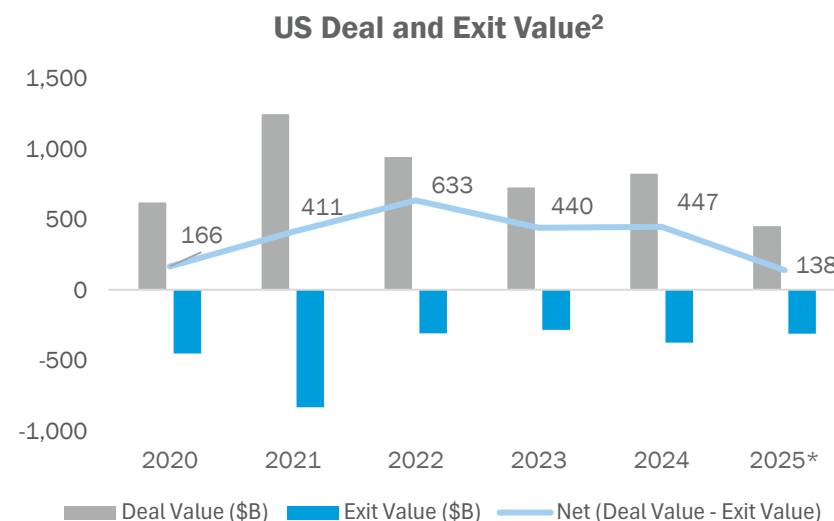
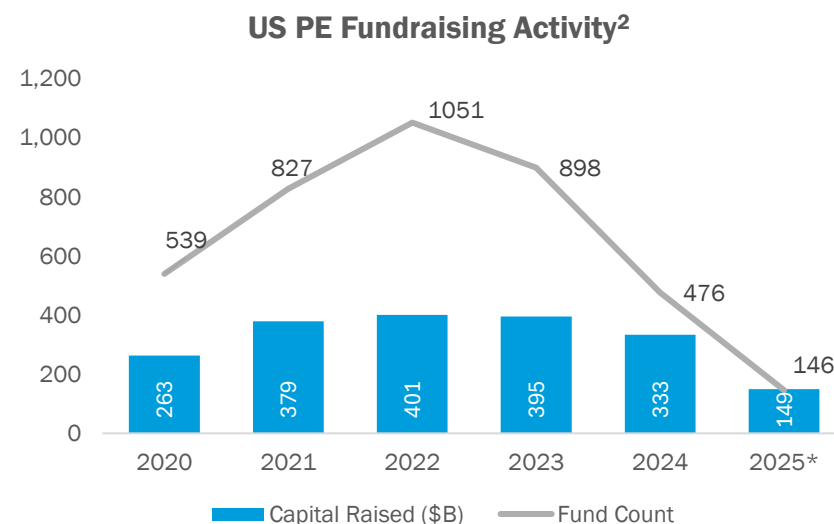


Historical Returns



Historical Returns

Market Environment





Executive Summary

Portfolio Review – June 30, 2025

- During the second quarter, the Total Fund Composite was up 2.6%, outperforming the Policy Index that was up 2.1% over the same period.

Performance Review

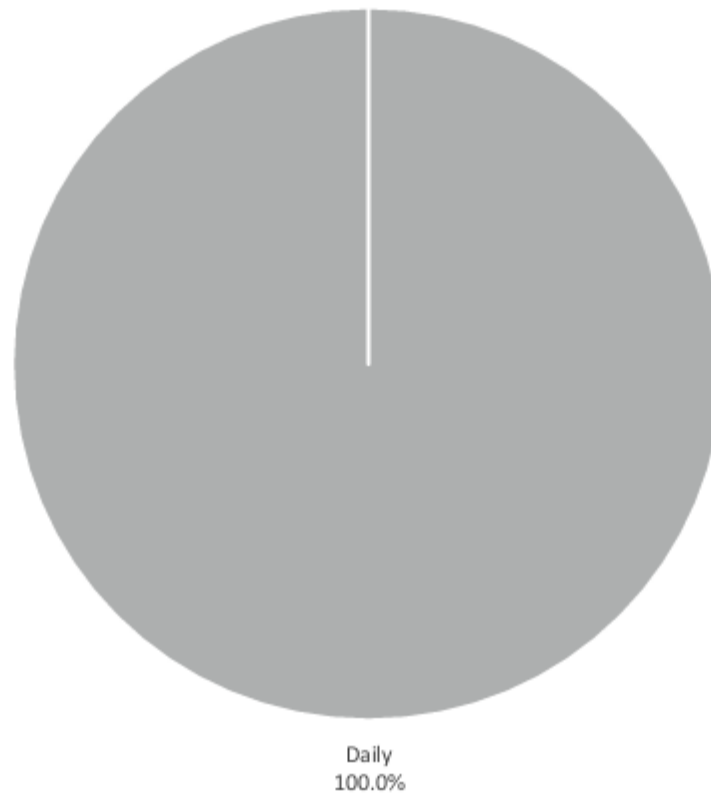
- U.S. equities rebounded in the second quarter, recovering from a weak start in the first quarter. The S&P 500 was up 10.9% for the period, supported by strong corporate earnings, easing recession fears, and the Fed signaling potential rate cuts by year-end. Large-cap tech stocks led the recovery while gains broadened across sectors as the quarter progressed. Small caps were up for the quarter but were still negative for the YTD period. For the quarter, the U.S. equity segment in the portfolio was up 5.0% in the portfolio.
- Non-U.S. equities posted solid gains in the second quarter, supported by a weaker U.S. Dollar and improving macroeconomic conditions across Europe and Asia. Emerging markets, particularly in Asia, saw strong gains. Although geopolitical tensions in the Middle East briefly introduced volatility, including a short-lived spike in oil prices, global equity markets remained largely resilient. The MSCI ACWI ex U.S. index rose 6.0% in local currency terms and 12.0% in USD terms. For the quarter, the non-U.S. equity segment was up 3.6% in the portfolio.
- Fixed income markets were positive in the second quarter, supported by interest rates that remained relatively unchanged and accommodative credit conditions. Investor expectations for rate cuts later in the year helped stabilize long-term yields, while tighter credit spreads reflected investor confidence in the economic outlook. Active managers found opportunities in corporate and securitized debt to do better than the broad US Aggregate benchmark. For the quarter, the fixed income segment returned 1.4%.

Compliance

- As of June 30, 2025, the portfolio targets were in line with the ranges stated in the IPS.

Liquidity

- The portfolio contains a blend of public equity and fixed income mutual funds which both provide daily liquidity.



Marin Health District

— Within the portfolio, \$730,000 was allocated amongst the portfolio in accordance with the targets.

	Allocation			Net-of-Fees Performance (%)							
	Market Value \$	%	Policy(%)	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	Since Inception	Inception Date
District Corporate	\$4,843,297	100.0	100.0	4.7	6.0	9.2	4.8	1.0	2.1	2.1	May 2016
Policy Index (District Corporate) ¹				3.2	5.5	8.2	5.2	0.2	1.6	1.3	
Global Equity Composite	\$2,010,695	41.5	20.0	11.0	9.7	15.2	-	-	-	20.0	Dec 2023
MSCI AC World Index (Net)				11.5	10.0	16.2	17.3	13.7	10.8	21.2	
US Equity Composite	\$1,312,885	27.1	13.0	10.2	4.8	13.1	-	-	-	20.8	Dec 2023
Russell 3000 Index				11.0	5.8	15.3	19.1	16.0	13.6	22.5	
Vanguard S&P 500	\$1,111,949	23.0	-	10.9	6.2	15.1	-	-	-	23.0	Dec 2023
S&P 500 Index (Net)				10.8	6.0	14.7	19.2	16.1	13.8	22.5	
Brown Advisory Small Value	\$98,529	2.0	-	1.8	(4.6)	3.9	-	-	-	10.5	Dec 2023
Russell 2000 Value Index				5.0	(3.2)	5.5	7.5	12.5	4.8	10.8	
WCM Small Growth	\$102,407	2.1	-	9.8	(3.1)	0.0	-	-	-	6.9	Dec 2023
Russell 2000 Growth Index				12.0	(0.5)	9.7	12.4	7.4	5.7	17.1	
Non-US Equity Composite	\$697,810	14.4	7.0	12.4	19.3	18.4	-	-	-	18.4	Dec 2023
MSCI AC World ex USA (Net)				12.0	17.9	17.7	14.0	10.1	6.6	18.4	
Dodge & Cox International	\$348,703	7.2	-	11.6	22.4	23.1	-	-	-	19.7	Dec 2023
MSCI AC World ex USA (Net)				12.0	17.9	17.7	14.0	10.1	6.6	18.4	
American Funds EuroPacific Growth	\$349,106	7.2	-	13.2	16.2	13.8	-	-	-	17.0	Dec 2023
MSCI AC World ex USA (Net)				12.0	17.9	17.7	14.0	10.1	6.6	18.4	
Fixed Income Composite	\$2,830,362	58.4	80.0	1.4	3.9	6.7	3.5	0.2	1.6	1.7	May 2016
Blmbg. U.S. Aggregate Index				1.2	4.0	6.1	2.5	(0.7)	1.8	1.5	
CCI Core Bond	\$1,307,329	27.0	-	1.5	4.5	6.8	3.1	(0.3)	2.5	2.1	May 2016
Blmbg. U.S. Aggregate Index				1.2	4.0	6.1	2.5	(0.7)	1.8	1.5	
Payden Limited Maturity	\$797,113	16.5	-	1.3	2.6	5.8	5.5	-	-	3.4	Sep 2020
90 Day U.S. Treasury Bill				1.0	2.1	4.7	4.6	2.8	2.5	2.9	
DoubleLine Total Return	\$725,920	15.0	-	1.3	4.5	7.4	-	-	-	4.5	May 2023
Blmbg. U.S. Aggregate Index				1.2	4.0	6.1	2.5	(0.7)	1.8	3.3	

CCI Core Bond track record includes history for the MetWest Total Return mutual fund prior to the funding of the co-mingled fund in March 2020.

	Allocation			Net-of-Fees Performance (%)							
	Market Value \$	%	Policy(%)	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	Since Inception	Inception Date
Cash Composite	\$2,241	0.0	0.0	0.1	0.1	0.2	-	-	-	0.4	Feb 2023
90 Day U.S. Treasury Bill				1.0	2.1	4.7	4.6	2.8	2.5	5.0	
Cash	\$2,241	0.0	-	0.1	0.1	0.2	-	-	-	0.4	Feb 2023

CCI Core Bond track record includes history for the MetWest Total Return mutual fund prior to the funding of the co-mingled fund in March 2020.
⁴Russell 3000 Index: 11.00%, MSCI AC World ex USA (Net): 9.00%, Blmbg. U.S. Aggregate Index: 80.00%

Consulting Team

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Information Disclaimer

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Canterbury has exercised all reasonable professional care in preparing this report. However, we cannot ensure the accuracy of all the information contained in each investment value and performance measurement. Additionally, as clients may have investments with different managers, including managers not recommended by Canterbury, Canterbury is not involved in determining and/or reporting those values and therefore there may be a risk that the reproduction of these values on the Investment Performance Review could be inaccurate. Canterbury shall not be liable to customers or anyone else for inaccuracy, inauthenticity of information, errors, or omission of content contained herein. Regardless of the cause of such inaccuracy, inauthenticity, error, or omission, in no event shall Canterbury be liable for related or consequential damages.

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Please contact us at 949-721-9580 with any questions regarding the measurement, calculations, underlying custodial accounts, or any other information related to this report.

Information Disclaimer (cont'd)

The report contains information specific to the client, including investment as well as non-investment assets that are structured per the client's directive. The report provides information on assets that are tracked by Canterbury as well as personal assets, based on client request, that are designated and tracked by the client. In many cases the latter are distinguished as client designated assets. While not comprehensive, the following provides some guidance on the parameters of the reporting:

- **Client Designated Assets** – assets that are made solely by the client outside of their engagement with Canterbury. Information on these assets is derived from client designated resources, such as the client's accountant, tax attorney, the client themselves, etc. "Personal Use assets" may include real estate, art, vehicles, etc, the value of which is gathered from the client. These may not be investment assets and there is no expectation that these assets can be monetized for the value shown in the report. Personal assets and client designated assets that are not tracked in Canterbury's performance system are not included in the calculation of composite investment performance
- **Sourcing of Information:** Canterbury relies on custodians and administrators, third party record keepers and other sources that it deems reliable for data that is used to report performance in this report. Client designated assets are reported based on sources designated by the client but not validated by Canterbury. Canterbury will not be held liable for the accuracy of any information gathered for reporting purpose.
- **Periodicity of reporting:** While the performance update is as of the end of a month as shown, the updated performance and market value information is available at varying intervals for different kinds of investments. Private funds are often reported on a quarterly basis and at a lag given the timing of the availability of information. Direct investments are updated infrequently, on an ad hoc basis and dependent on transaction activity.
- **Dollar Gains:** Any information on dollar gains or losses for individual investments should be seen in light of the beginning value of the investment. The gain in performance may be small if the dollars gained or lost are small in relation to the size of the asset.
- **Projections:** Exhibits showing cashflow forecasts or projections are based on models that rely on assumptions related to timing and size of capital calls, spending, contributions, distributions, possible gains over time based on the historical patterns of similar investments in the asset class. These are for illustrative purposes only and are not to be relied on for accuracy. There is no guarantee that actual future cash flow will match those shown. Forecasted liquidity schedule shown are for illustrative purpose and may assume no change in market value in the future. There is no guarantee that future values will be as shown in the tables.

Tab 3



Comparison of Estimated Administrative Costs vs. Cap

Finance & Audit Committee

8/25/2025

Comparison of Estimated Administrative Services Costs vs. Contractual Cap

CY 2025

Direct Staff Costs	382,367
Direct Staff Benefits	107,560
Total Direct Staff Costs	<u>489,926</u>
Indirect Support (HR, IT, Facilities, Security, etc) @ 10% of Direct Staff	48,993
District office rent	177,000
Less rent for hospital use in excess of time allocated to District	<u>(10,142)</u>
	166,858
Consulting Costs (50% audit, Canterbury)	35,800
Meeting Costs	
Food	4,200
Audio/Visual/Zoom	24,780
IT systems (Financial, Network, Email, Phones, Copier, etc)	20,000
Total Estimated Admin Cost	<u><u>770,557</u></u>
District Lease Admin Services Base Cost Cap	509,000
CPI (1/1/13 - 12/31/24)	<u>137.1%</u>
CY 2025 Admin Services Cost Cap	<u><u>697,585</u></u>



Thank you



Tab 4



To: MHD Finance and Audit Committee
From: Eric Brettner, CFO *EB*
Re: July 2025 Financial Report
Date: August 20, 2025

I. General Comments

These financial statements contain, in summary format, the balance sheet and income statement.

II. Income Statement and Budget

The District's net operating surplus for the month was \$38,973 which was favorable to budget by \$11,132. The favorable variance is primarily driven by the \$8,964 favorable variance to budget for investment earnings and the \$3,880 favorable variance to budget for dues expense. Rental revenue from the hospital lease was \$55,577 in July. Investment earnings were comprised of \$21,622 dividend and interest income, \$4,043 in realized gains, and a \$1,093 decrease in the value of investments. The District incurred total operating expenses of \$41,175 which was favorable to budget by \$2,168. The expense variance is driven by the \$3,880 favorable variance to budget for dues stemming from a vendor refund; offset by the \$1,989 unfavorable variance to budget for other expenses. All other variances net out. Depreciation expense was \$985,388 in July. Bond Related Revenues and Expenses included \$1,157,784 of accrued tax revenues less bond fund earnings, and \$1,182,539 of bond interest expense.

III. Balance Sheet

Assets

Cash at July 31, 2025 of \$993,881 increased by \$108,727. The increase was due to the transfer of rent payments for two months from MGH, offset by supplier invoice payments. The investment account balances of \$4,867,869 increased by \$24,572 from the prior month. Tax revenue receivables are \$9,756,336 and represent amounts due from the County of Marin. The payments received from the County are deposited directly into the bond fund accounts. Other receivables are \$0.

The tax payments received from the County, together with the balance of the proceeds from the bonds issued in November 2015 and September 2017, net of issuance costs, are reflected in the account "Assets Limited to Use – Interest & Sinking Funds". These funds total \$9,816,059 at July 31, 2025 to be used for bond principal and interest payments. \$68,618 of tax revenue was received from the County in July 2025.

**Liabilities and Net Assets**

Interest payable of \$7,583,450 increased by \$1,263,908 from the prior month due to the accrual of interest. Accrued expenses of \$181,799 are primarily comprised of accruals for rents, audit fees, legal fees, dues, and community education.

Related party payables of \$80,745 includes \$42,953 due to the Hospital for rents, \$20,380 for community education, \$6,754 for advertising, \$5,161 for dues, and \$3,432 in bank fees, and \$2,065 for purchased services (other).

Bonds payable are separated into current (principal due within one year) and non-current (due in greater than one year). The current payable amount of \$1,570,000 is due in August 2025. Bond Premium represents payments by bond purchasers greater than the face amount of the bond because the stated interest rate of the bonds was higher than the market rate at the date of issuance. The premium is amortized over the life of the bonds as a reduction to interest expense. The net assets of the District are \$23,387,812.

Income Statement - MHD

Company Marin Healthcare District
Period 2025 - P07 Jul
Plan Structure MarinHealth Financial
Budget
Plan Name FY2025

Ledger Account	Current Period Unrestricted	Current Period Budget	Variance	Current Period YTD Actuals	Current Period YTD	Variance
Rental Revenue	14,632	14,659	(27)	102,427	101,468	958
Investment Earnings	24,572	15,607	8,964	296,021	109,252	186,769
Other Revenue	40,944	40,918	26	286,609	287,568	(959)
Total Revenue	80,148	71,184	8,964	685,057	498,288	186,769
Legal Fees	1,844	3,333	(1,490)	12,906	23,333	(10,427)
Accounting Fees	2,292	2,438	(146)	16,042	17,063	(1,021)
Board Compensation	945	1,000	(55)	5,145	7,000	(1,855)
Consulting Fees	0	0	0	0	0	0
Election Fees	0	0	0	0	0	0
Charitable Contributions	0	0	0	0	0	0
Community Education	7,400	7,405	(5)	42,580	51,837	(9,257)
Dues	(2,880)	1,000	(3,880)	7,459	7,000	459
Advertising	2,251	833	1,418	15,760	5,833	9,927
Other Expenses	4,323	2,333	1,989	20,559	16,333	4,226
MHMH Program Support	8,333	8,333	(0)	58,333	58,333	(0)
MGH Program Support	16,667	16,667	0	116,667	116,667	0
Total Expense	41,175	43,343	(2,168)	295,451	303,400	(7,949)
Net Operating Income (Loss) Before Depreciation, Bond Related Revenue and Expense, and Other Non Operating Expenses	38,973	27,841	11,132	389,606	194,888	194,718
Depreciation Expense	985,388	989,896	4,508	6,897,718	6,929,275	31,557
Net Operating Income (Loss) Before Bond Related Revenue and Expense and Other Non Operating Expenses	(946,415)	(962,055)	15,640	(6,508,112)	(6,734,387)	226,275
Tax Revenue	1,190,018	1,190,018	0	8,398,553	8,330,129	(68,424)
Bond Revenue	32,234	6,230	(26,004)	182,304	43,609	(138,695)
Bond Interest	(1,182,539)	(1,180,359)	2,180	(8,277,776)	(8,262,513)	15,263
Net Income (Loss)	(906,702)	(946,166)	39,464	(6,205,031)	(6,623,162)	418,131

Balance Sheet - MHDCompany
PeriodMarin Healthcare District
2025 - P07 Jul

Ledger Account	2025 - P07 Jul	2025 - P06 Jun	Change	2024 - P12 Dec
ASSETS				
Current Assets				
Cash and Cash Equivalents	993,881	885,154	108,727	1,198,857
Short-Term Investments	4,867,869	4,843,297	24,572	3,849,775
Tax Revenue	9,756,336	8,634,936	1,121,400	7,499,401
Other Receivables	(41,666)	13,910	(55,576)	213,268
Prepaid Expenses	3,496	(350)	3,845	5,794
Other Current Assets	(105)	(105)	0	0
Current Assets	15,579,811	14,376,843	1,202,968	12,767,095
Property, plant, and equipment, net	387,298,696	388,284,084	(985,388)	394,196,414
Assets Limited To Use - Interest & Sinking Funds	9,816,059	9,715,207	100,852	11,075,588
Lease Receivable	10,989,350	10,989,350	0	10,989,350
Deposits	36,000	36,000	0	36,000
Other Non-Current Assets	0	0	0	0
Noncurrent Assets	408,140,105	409,024,641	(884,536)	416,297,352
Total Assets	423,719,916	423,401,484	318,432	429,064,447
LIABILITIES AND NET ASSETS				
Accounts Payable	26,945	1,000	(25,945)	1,000
Interest Payable	7,583,450	6,319,542	(1,263,908)	6,319,542
Accrued Expenses	181,799	164,938	(16,860)	41,359
Current Maturities of Operating Lease Liabilities	9,915,340	9,915,340	0	9,915,340
Current Maturities of Long-Term Debt	1,570,000	1,570,000	0	1,570,000
Line of Credit	0	0	0	0
Other Current Liabilities	0	0	0	0
Total Current Liabilities	19,277,533	17,970,820	(1,306,713)	17,847,240
Bonds Payable	360,970,000	360,970,000	0	360,970,000
Bond Premium	20,084,781	20,166,150	81,369	20,654,363
Long Term Debt, Net of Current Maturities	0	0	0	0
Other Noncurrent Liabilities	0	0	0	0
Total Noncurrent Liabilities	381,054,781	381,136,150	81,369	381,624,363
Total Liabilities	400,332,314	399,106,970	(1,225,344)	399,471,603
NET ASSETS				
Net Assets	23,387,812	24,294,515	906,702	29,592,844
Total Net Assets	23,387,812	24,294,515	906,702	29,592,844
Total Liabilities and Net Assets	423,720,126	423,401,484	(318,642)	429,064,447