



## Monterey County Board of Supervisors

### Board Order

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1st Floor  
Salinas, CA 93901  
831.755.5066  
www.co.monterey.ca.us

A motion was made by Supervisor John M. Phillips, seconded by Supervisor Mary L. Adams to:

#### **Adopt Resolution No.: 21-078**

- a. Authorize and direct the Auditor-Controller to amend the FY 2020-21 adopted budget to increase appropriations in the Building Improvement and Replacement sub-fund (478-BIR-CAO047-1050-8539) by \$11,810,000 to allow for an operating transfer out to Natividad to reimburse Natividad for the purchase of the Seaside Family Health Center located at 1156 Fremont Boulevard in Seaside, financed by \$11,810,000 in unrestricted net position (4/5ths vote required); and
- b. Authorize and direct the Auditor-Controller to transfer \$11,810,000 from the Building Improvement and Replacement sub-fund (478-BIR-CAO047-1050-8539) to Natividad (451-NMC001-9600-8142) (4/5ths vote required).

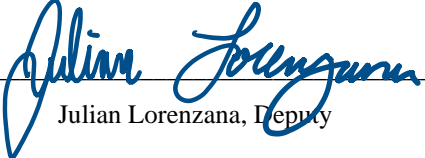
PASSED AND ADOPTED on this 16<sup>th</sup> day of March 2021, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams  
NOES: None  
ABSENT: None  
(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting March 16, 2021.

Dated: March 23, 2021  
File ID: RES 21-054  
Agenda Item No.: 23

Valerie Ralph, Clerk of the Board of Supervisors  
County of Monterey, State of California

  
Julian Lorenzana, Deputy

*Before the Board of Supervisors in and for the  
County of Monterey, State of California*

**Resolution No.: 21-078**

Adopt a Resolution authorizing and directing the Auditor-Controller to:

- a. Amend the FY 2020-21 adopted budget to increase appropriations in the Building Improvement and Replacement sub-fund (478-BIR-CAO047- 1050-8539) by \$11,810,000 to allow for an operating transfer out to Natividad to reimburse Natividad for the purchase of the Seaside Family Health Center located at 1156 Fremont Boulevard in Seaside, financed by \$11,810,000 in unrestricted net position (4/5ths vote required); and )
- b. Transfer \$11,810,000 from the Building Improvement and Replacement sub-fund (478-BIR- CAO047-1050-8539) to Natividad (451-NMC001- 9600-8142) (4/5ths vote required)..... )

**WHEREAS**, in Fiscal Year 2019-20, the Board authorized the purchase of the 18,500 square-foot clinic building located at 1156 Fremont Boulevard in Seaside. The County purchased the Seaside Clinic from Montage Health, a California nonprofit for public benefit corporation, for \$11,810,000 for its continued use as the Health Department's Seaside Family Health Center. The Health Department did not have the financing resources to purchase the Seaside Clinic. Financing for the clinic came from Natividad's enterprise fund. Natividad provided the cash for the purchase with the expectation that Natividad and the Health Department would operate the Seaside Clinic similarly to the Laurel Clinics. The Health Department operates its Laurel Clinics on Natividad managed property and buildings. It reimburses Natividad based on a pro-rated building use allocation; and

**WHEREAS**, upon acquiring the Seaside Clinic, the County recorded the asset in the General Fund's balance sheet as the intention from inception was for the building to be a Health Department asset. The County's countywide cost allocation plan (COWCAP) allocates a building depreciation cost to departments based on capitalized buildings. Through discussion with the County Administrative Office and the Office of the Auditor-Controller, the Health Department confirmed that it would be overpaying for the Seaside Clinic if it entered into a loan agreement with Natividad and paid for the building depreciation cost through the COWCAP; and

**WHEREAS**, the County Administrative Office recommends that funds from the Resource Planning Fund (Building Improvement and Replacement sub-fund) are used to reimburse Natividad. The Health Department will repay the Building Improvement and Replacement sub-fund through the COWCAP building depreciation charge.

**NOW, THEREFORE, BE IT RESOLVED THAT**, the Board of Supervisors does hereby:

- a. Authorize and direct the Auditor-Controller to amend the FY 2020-21 adopted budget to increase appropriations in the Building Improvement and Replacement sub-fund (478-BIR-CAO047-1050-8539) by \$11,810,000 to allow for an operating transfer out to Natividad to reimburse Natividad for the purchase of the Seaside Family Health Center located at 1156 Fremont Boulevard in Seaside, financed by \$11,810,000 in unrestricted net position (4/5ths vote); and
- b. Authorize and direct the Auditor-Controller to transfer \$11,810,000 from the Building Improvement and Replacement sub-fund (478-BIR-CAO047-1050-8539) to Natividad (451-NMC001-9600-8142) (4/5ths vote).

**PASSED AND ADOPTED** on this 16<sup>th</sup> day of March 2021, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Askew and Adams

NOES: None

ABSENT: None

(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting March 16, 2021.

Dated: March 23, 2021

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Valerie Ralph, Clerk of the Board of Supervisors  
County of Monterey, State of California



Julian Lorenzana, Deputy