

May 29, 2020

FOR IMMEDIATE RELEASE

CONTACT: Foreperson, Anida Margolis

Tel: 805-477-1600

Email: Anida.Margolis@ventura.org

Ventura County Civil Grand Jury Announces Release of Report on the Financial Relationship between Ventura County Medical Center and the Ventura County General Fund

The 2019-2020 Ventura County Civil Grand Jury conducted an investigation concerning the basis for certain cash advances from the Ventura County General Fund (General Fund) to the Ventura County Medical Center (Medical Center), operating as an enterprise fund of Ventura County (County), and the current status of the outstanding balance of those advances.

The County Board of Supervisors, when discussing the outstanding balance of the advances, consistently refers to them as "loans." The Grand Jury concluded the description of the outstanding balance of those advances as "loans" did not accurately represent the nature of the advances to an enterprise fund. The main basis for this determination is that there is not an absolute requirement of repayment of these funds. Rather, repayment of any of these funds is expected when available cash is in excess of that needed for operations. The Grand Jury recommends the County Board of Supervisors refrain from referring to these advances as "loans."

In August of 2019, representatives of the Medical Center and the Ventura County Auditor-Controller's Office made differing public statements regarding the projected fiscal year financial performance of the Medical Center. No prior consultation occurred between representatives of the Medical Center and the Ventura County Auditor-Controller's Office before these statements were made. The Grand Jury found that the County does not have a policy requiring or recommending such consultation.

The Grand Jury concluded inconsistent representations from different County agencies regarding the Medical Center's financial performance in the same time frame leads to public confusion.

The Grand Jury recommends the County Board of Supervisors develop a written policy/procedure requiring an enterprise fund, like the Medical Center, to consult with the Ventura County Auditor-Controller's Office before the publication of any projected financial performance.



Grand Jury
800 South Victoria Avenue
Ventura, CA 93009
(805) 477-1600
Fax: (805) 658-4523

grandjury.countyofventura.org

The Grand Jury concluded the underlying factor for advances to the Medical Center from the General Fund is the delay in receipt of monies owed to the Medical Center from the

State of California. These monies come through certain Medi-Cal incentive pool and waiver programs.

The Grand Jury commends the staff of the Medical Center for their diligent pursuit of payments owed from the State of California under these Medi-Cal incentive programs, which when received will greatly reduce the amount owed to the General Fund.

The public is invited to review the entire report. It can be accessed at www.ventura.org/grand-jury; click on the Annual Reports tab in "Fiscal Year 2019-2020."

#