

**DESERT HEALTHCARE DISTRICT
FINANCE, ADMINISTRATION, REAL ESTATE AND LEGAL COMMITTEE
MEETING MINUTES
May 14, 2013**

A Meeting of the Finance, Administration, Real Estate and Legal Committee of the Desert Healthcare District was held in the Desert Healthcare District Conference Room, 2nd Floor, Palm Springs, CA

Attendance:

Members

Michael Solomon, M.D. – Chairman/Treasurer
Kay Hazen, Vice-President/Member (By Telephone)

Staff

Kathy Greco, Chief Executive Officer
Peter Young, Chief Operating Officer
Steve Brown, Clerk to the Board

Guests

None

CALL TO ORDER

The meeting was called to order at 3:00 pm by Chairman Solomon.

APPROVAL OF AGENDA

It was moved and seconded (Vice-President Hazen, Chairman Solomon) to approve the agenda. Motion passed unanimously.

PUBLIC COMMENTS

None

APPROVAL OF MINUTES

Submitted for approval:

1. Minutes – March 12, 2013

It was moved and seconded (Vice-President Hazen, Chairman Solomon) to accept the minutes of March 12, 2013. Motion passed unanimously.

CHIEF OPERATING OFFICER'S REPORT

The report was reviewed in conjunction with the Las Palmas Medical Plaza (LPMP) report. Mr. Young provided an update on the negotiations with the DRMC and the Tenet Foundation for 13,000 square feet of space for the UCR School of Medicine primary care practice. DRMC just expressed to the District that they really don't need all that square footage at the same time. Vice-President Hazen commented that DRMC probably realized that 13,000 square feet has a cost from day one.

Mr. Young verified that the draft budget included \$1,114,520 for the 13,000 square feet at a cap of \$85 per sq. ft. He also verified that \$590,000 in the budget is all for the repaving of the parking lot.

Vice-President Hazen advised Ms. Greco that DRMC, Tenet Foundation and UCR School of Medicine need to work this out among themselves. The Committee suggested to Ms. Greco to try and negotiate the best rental rate and to discourage phasing into the 13,000 sq. ft.

FINANCE REPORTS

- 1. Financial Statements** - The District's and LPMP financial statements for April 2013 were reviewed.
- 2. Accounts Receivable Aging Summary** – the District's April 2013 Accounts Receivable detail was reviewed.
- 3. Deposits - District**– the District's April 2013 deposit detail was reviewed.
- 4. Property Tax Receipts** – The April 2013 property tax receipts were reviewed.
- 5. Deposits - LPMP** – The LPMP's April 2013 deposit detail was reviewed.
- 6. Warrants** – The April 2013 warrant register for the District was reviewed.
- 7. Credit Card** – The April 2013 credit card expenditures were reviewed.
- 8. Warrant - LPMP** – The April 2013 warrant register for the LPMP was reviewed.
- 9. Retirement Protection Plan Update** – The retirement protection plan update was reviewed.

It was moved and seconded (Vice-President Hazen, Chairman Solomon) to approve the District Finance Reports. Motion passed unanimously.

OTHER MATTERS

1. Grants Payments Schedule

This schedule was reviewed.

2. HighMark Quarterly Investment Report

Mr. Young reported that HighMark will be present at the May board meeting. The Committee deferred any review and questions until then.

3. Review of Preliminary Budget for FYE 6/30/2014

Vice-President Hazen asked if the 5% pool for merit increases (page 38) included the CEO. Mr. Young responded that the all five salaries, including the CEO salary were totaled and the \$25,194 pool was 5% of the total salaries. Mr. Young also clarified that the health benefits, premiums and co-pays, (page 38) are the amounts approved by the Board last September.

Responding to Vice-President Hazen, Mr. Young explained that the projected revenue is \$8.8 million with the projected spending of \$8.6 million, which is reinvested back into the local community. Also, the \$4.5 million grant budget includes the \$1 million Avery Trust endowment which was booked in this current fiscal year but anticipated to be allocated in FY 2013-14.

It was moved and seconded (Chairman Solomon, Vice-President Hazen) to bring to the Board the Preliminary FY 2013-2014 Draft Budget for review and approval. Motion passed unanimously.

4. CEO Evaluation and Contract Renewal – Process and Timing

Chairman Solomon suggested giving the evaluation form to the Board at the May 28th board meeting, where they can discuss and suggest any recommended changes. They can also select the due date for the evaluations which will go the F&A Chairman to compile the results. Ms. Greco reported that to help the Board with her evaluation she would be providing the accomplishments for the past year and a summary of where the District is with the strategic plan.

2. CEO Report

Desert Hot Springs Community Health & Wellness Center

1. The Desert Recreation District has signed an agreement to operate the aquatic center. It will be opening on June 5th with a grand opening (free swim day for residents) on June 8th.
2. The Health Center should be opening in mid-June.

Borrego Community Health Foundation's new clinic is well under construction, expected to open around November 2013.

In response to Vice-President Hazen, Ms. Greco reported that the Desert Hot Springs Health & Wellness Foundation Board was not a part of the law suit involving the pool contractor and the general contractor.

ADJOURNMENT

The meeting was adjourned at 3:55 p.m.

ATTEST: 

Michael Solomon M.D., Chairman, Finance and Administration Committee
Treasurer, Desert Healthcare District Board of Directors

Minutes respectfully submitted by Steve Brown, Clerk to the Board