



DESERT HEALTHCARE DISTRICT

DESERT HEALTHCARE DISTRICT

FINANCE, ADMINISTRATION, REAL ESTATE AND LEGAL COMMITTEE

MEETING MINUTES

July 10, 2018

Directors Present

Chair/Treasurer Mark Matthews
Director Jennifer Wortham, DrPH

District Staff Present

Chris Christensen, Interim CEO and CFO
Andrea S. Hayles, Clerk to the Board

Absent

Arthur Shorr,
Community
Member

<p>Directors Present</p> <p>Chair/Treasurer Mark Matthews Director Jennifer Wortham, DrPH</p>	<p>District Staff Present</p> <p>Chris Christensen, Interim CEO and CFO Andrea S. Hayles, Clerk to the Board</p>	<p>Absent</p> <p>Arthur Shorr, Community Member</p>
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AGENDA ITEMS

DISCUSSION

ACTION

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I. Call to Order	Chair Matthews called the meeting to order at 3:09 p.m.	
II. Approval of Agenda	Chair Matthews asked for a motion to approve the Agenda.	It was moved and seconded (Chair Matthews, Director Wortham) to approve the agenda. Motion passed unanimously.
III. Public Comment	No public comment.	
IV. Approval of Minutes	Chair Matthews asked for a motion to approve the minutes of June 12, 2018.	It was moved and seconded (Chair Matthews, Director Wortham) to approve the minutes. Motion passed unanimously.
V. CEO Report	None	
VI. Chief Financial Officer's Report 1. LPMP Leasing Update	VI.1. Chris Christensen, Interim CEO, provided an update on the Las Palmas Medical Plaza leases. Mr. Christensen also explained the upcoming	



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	financial audit the week of July 30.	
VII. Financial Reports	<p>VII.1.-10. The Financial Reports were reviewed with Chris Christensen, Interim CEO. Director Matthews requested for the record, Staff describe the variances for the line-item expenses. The Net Loss exceeding the budget for the year of \$647,000 is mostly a result of the cost of consultants Kaufman Hall and other entities for matters such as seismic, expansion, zoning, focus groups, and the Ad Hoc Committee on New Providers, Facilities, Programs, and Services. Mr. Christensen highlighted the property tax revenue exceeding the budget by \$250,000 indicating that the expenses are preliminary for the month.</p> <p>It was noted that the credit card expenditures would decrease with the departure of the prior CEO. Some personal expenses by the preceding CEO have been reimbursed to the District. Although there are itemizations of the credit card expense receipts, the receipts are not included in the monthly packet. Director Matthews requested a detailed listing of the credit card expenditures that consists of the description and attendees, if applicable.</p> <p>Mr. Christensen explained the challenges of obtaining receipts</p>	<p>It was moved and seconded (Chair Matthews, Director Wortham) to approve the Preliminary June 2018 District Financial Reports - Items 1-10 and to forward to the Board for approval.</p> <p>Motion passed unanimously.</p>



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	<p>from the prior CEO; therefore, a few are missing. Mr. Christensen explained that more employees are commencing retirement at Desert Regional Medical Center and there are sufficient funds in the investment account to cover the payments.</p>	
<p>VIII. Other Matters</p> <p>VIII.1. LPMP Lease Addendum #2 – Eyecare Services Partners</p> <p>VIII.2. LPMP Lease Dr. Awad – Suite 3W-105</p>	<p>VIII.1. Chris Christensen, Interim CEO, explained that Eyecare Services Partners, formerly Millauskas Eye Institute entered a new five-year lease commencing on March 1. Once a tenant enters a new lease, the District requires tenant improvements with the installation of fire sprinklers or other fire-related renovations. Given the extensive work, the tenant’s office will close for six weeks. Eyecare Services Partners requested an abatement for the rent portion only – not CAM’s and offered to extend the lease by one month at the end of the term.</p> <p>VIII.2. Chris Christensen, Interim CEO, described Dr. Awad’s current three-year lease of 1,000 sq. ft. and Dr. Awad’s request for a larger suite that is 1,500 sq. ft. The Tenant Improvements (TI) are extensive including the fire sprinklers. The TI costs are \$17.50 per sq. ft. - \$27,000. Dr. Awad will presently occupy both suites; however, Dr. Awad may choose to terminate the</p>	<p>It was moved and seconded (Chair Matthews, Director Wortham) to approve LPMP Lease Addendum #2 – Eyecare Services Partners and forward to the Board for approval. Motion passed unanimously.</p> <p>It was moved and seconded (Chair Matthews, Director Wortham) to approve LPMP Lease Dr. Awad – Suite 3W-105 and forward to the Board for approval. Motion passed unanimously.</p>



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<p>VIII.3. DHCD Retirement Plan (457b & 401a) – New Service Provider Proposal</p>	<p>current three-year lease with a 90-day notice for termination.</p> <p>VIII.3. Chris Christensen, Interim CEO, explained the Retirement Plan for Staff that was presented at the June meeting as a result of Principle eliminating the administrative portion. BCJ Financial Group presented the recommendation of Sunwest. Based on Staff concerns and suggestions, additional research was conducted on well-known organizations such as Vanguard. The costs are slightly higher, but the firm is recognized and renowned.</p>	<p>It was moved and seconded (Chair Matthews, Director Wortham) to approve DHCD Retirement Plan (457b & 401a) – New Service Provider Proposal for Vanguard and forward to the Board for approval. Motion passed unanimously.</p>
<p>VIII.4. Volunteer Community Committee Members</p>	<p>VIII.4. Chris Christensen, Interim CEO, described the current and past community volunteer members of the F&A Committee meeting, and the necessity for more volunteers. Director Matthews recommends considering recruits once the expansion passes the ballot.</p>	<p>It was moved and seconded (Chair Matthews, Director Wortham) to table the action until after the expansion. Motion passed unanimously.</p>
<p>IV. Adjournment</p>	<p>Chair Matthews adjourned the meeting at 3:36 p.m.</p>	<p>Audio recording available on the website at http://dhcd.org/Finance-and-Administration</p>

ATTEST: 
 Mark Matthews, Chair Finance & Administration Committee/Treasurer
 Desert Healthcare District Board of Directors

Minutes respectfully submitted by Andrea S. Hayles, Clerk of the Board