

**DESERT HEALTHCARE FOUNDATION
FINANCE AND ADMINISTRATION COMMITTEE
MEETING MINUTES
June 9, 2015**

A Meeting of the Finance and Administration Committee of the Desert Healthcare Foundation was held in the Arthur H. "Red" Motley Boardroom, Palm Springs, CA

Attendance:

Members

Mark Matthews – Chairman/Treasurer
Michael Solomon MD - Director

Staff

Kathy Greco, Chief Executive Officer
Donna Craig, Chief Grants Officer
Chris Christensen, Controller

Guests

None

CALL TO ORDER

The meeting was called to order at 4:04 pm by Chairman Matthews.

APPROVAL OF AGENDA

Chairman Matthews asked for a motion to approve the agenda.

It was moved and seconded (Director Solomon, Chairman Matthews) to approve the agenda. Motion passed unanimously.

PUBLIC COMMENTS

None

APPROVAL OF MINUTES

Submitted for approval:

1. May 12, 2015

FINANCE REPORTS

Submitted for approval:

1. May 2015
 - a. Financial Statements
 - b. Asset Allocation Schedule
 - c. Deposits
 - d. Check Register

- e. ACA Grants Schedule
- f. General Grants Schedule

It was moved and seconded (Director Solomon, Chairman Matthews) to approve the May 2015 Foundation Financial Reports with Director Solomon's following abstention:

"Director Solomon requested this be included in the minutes:

California Health & Safety Code Section 32121, subparagraph (j) tells the Board of Directors how it can spend taxpayer's money. This law requires us to *only* spend taxpayer's money on programs or purposes that are "for the benefit of the district and the people served by the district". This means we can only spend district money on programs that *primarily* serve the people who live within the district and pay district taxes.

With regard to pages 9 – 31 Of our packet, all money granted to the Desert Healthcare Foundation from the Desert Healthcare District, with the exception of those earmarked for the Hospital's collective fund, are therefore illegal.

These expenditures, which are listed in the Consent Agenda and the Grant Payments Schedule on page 32 of our Finance and Administration Sub Committee packet, are illegal because they are not "for the benefit of the district and the people served by the district" because they do not *primarily* serve or benefit the people who live within the Desert Healthcare District. Therefore by definition these expenditures are not only wrong but they are illegal. Our staff and our CEO should have never recommended them and our Attorney should be counseling us against them.

I Therefore I abstain from approving those specific items because they are illegal and would ask that my concerns be duly noted in the minutes of this meeting. I urge each of the members of this Board to do the same.

I also abstain from any and all financial action approval for any item in our packet regarding either the Healthcare District or the Healthcare Foundation and Borrego Health Systems. "

OTHER MATTERS

1. FY2015-2016 Draft 2 Preliminary Budget Review

Mr. Christensen reviewed the changes from the first draft:

- Removed \$200,000 revenue expected from next year's Mayor's Race
- Reduced the percentage of District staff time allocated to the work for the Foundation. There will be no new program in the Foundation.

The Committee thanked Staff for the fine work on the revised budget.

It was moved and seconded (Director Solomon, Chairman Matthews) to forward the revised Desert Healthcare Foundation Budget for FY 2015-2016 to the Board for approval.

Motion passed unanimously

2. CEO Report – No report was given

ADJOURNMENT

The meeting was adjourned at 4:11 pm



ATTEST: _____

Mark Matthews, Chairman Finance and Administration Committee/Treasurer
Desert Healthcare Foundation Board of Directors

Minutes respectfully submitted by Steve Brown, Clerk of the Board