

**DESERT HEALTHCARE DISTRICT
FINANCE, ADMINISTRATION, REAL ESTATE AND LEGAL COMMITTEE
MEETING MINUTES
December 8, 2015**

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

Mark Matthews – Chairman/Treasurer
Michael Solomon – Director

Staff

Kathy Greco, Chief Executive Officer
Chris Christensen, CFO/COO
Donna Craig, Chief Grants Officer
Steve Brown, Director of Community Relations/Clerk of the Board

Guest

None

CALL TO ORDER

The meeting was called to order at 3:10 p.m. by Chairman Matthews.

APPROVAL OF AGENDA

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

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Submitted for approval:

1. Minutes – November 10, 2015

It was moved and seconded (Director Solomon, Chairman Matthews) to approve the minutes of November 10, 2015. Motion passed unanimously.

CHIEF OPERATING OFFICER'S REPORT

Sedgwick - the third administrator for the Long Term Disability claims for the former hospital employees sent notice of termination of services effective December 31, 2016. The reason for the termination is only one claim remains as of November the claim expiration date is September 2023.

Staff recommends taking on this additional responsibility of managing the remaining claim internally when the Third Party Administrator terminates the service. The Committee members agreed with staff's recommendation.

Staff has selected a final candidate to fill the Accounting/Administrative Support position. If all references and background checks comes back positive, the position will start by or before January 4, 2016.

1. LPMP Leasing Update

The Lease for the 2300 sq.ft. with DRMC in off to Tenet Corp for execution. Staff was hoping that the lease would begin this month, but it will start in January 2016.

Chairman Matthews asked about the space DRMC would like for the residency program.

Mr. Christensen reported that he sent the proposal to the DRMC COO, Mr. Patterson, who responded that DRMC will have an answer before the end of the year. Mr. Patterson understood that if DRMC does not respond within 30 days, the District will have the ability to show the suite to other potential clients.

FINANCIAL REPORTS

1. Financial Statements. The District's and LPMP financial statements for November 2015 were reviewed.

2. Accounts Receivable Aging Summary – Accounts Receivable detail was reviewed.

3. Deposits – District – The District's November 2015 deposit detail was reviewed.

4. Property Tax Receipts – property tax receipts were reviewed.

5. Deposits – LPMP – The LPMP's November 2015 deposit detail was reviewed.

6. DHCD Check Register – The November 2015 check register for the District was reviewed.

7. Credit Card – The November 2015 credit card expenditures were reviewed.

8. LPMP Check Register – The November 2015 check register for the LPMP was reviewed.

9. RPP Update

There were no questions or comments.

It was moved and seconded (Director Solomon, Chairman Matthews) to approve the November 2015 District Finance Reports and forward to the Board for approval with the following abstention by Director Solomon:

“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 7-27 in 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 FINANCIALS section of our agenda and on the Grant Payment Schedule which can be found on page 29 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 granting money to Borrego Health Systems. "

OTHER MATTERS

1. Grant Payment Schedule

No questions or comments.

2. DHCD Social Media Guidelines

At the October board meeting the Board approved the contract with Burke Consulting for the strategic communication plan, which included social media . When the F&A Committee recommended that the contract be forwarded to the Board for approval, the F&A Committee requested to see the social media guidelines after the legal counsel review. The Committee reviewed the red-lined copy of the guidelines from legal counsel and accepted all their recommendations.

3. Wellness Park Sign Quotes

Swarat Signs, the original creator of all of the Wellness Park signs, was asked to view the condition of all of the signs in the Wellness Park It was determined that the 32 "Healing & Fragrance Garden" signs were damaged and faded by water spray and the other signs, being over 8 years old, were in need of repair.

A quote from Swarat Signs to refurbish or redo the Wellness Park signs for \$8,092.75.

The Committee asked staff to work with the City of Palm Springs to try and adjust the watering at the park in order to extend the life of the signs.

In order to mitigate future sign damage, staff will reach out to the City of Palm Springs (who manages the entire Park except for the Healing & Fragrance Garden) to address our concerns. The Healing & Fragrance Garden, under a separate maintenance contract with the District, will be reevaluated for a new maintenance contractor, due to additional issues.

It was moved and seconded (Director Solomon, Chairman Matthews) to forward the Swarat Sign Proposal to the Board for approval. Motion passed unanimously.

4. Investment Portfolio Summary

The Committee reviewed the summary and asked Mr. Christensen to see if the Retirement Plan investments could be more health conscious rather than investing in McDonalds or Coca-Cola.

Mr. Christensen will bring the information to the December board meeting.

5. CEO Report

Ms. Greco reported that the UCRSOM residents will begin the "Street Care" health services for the homeless as well as opening a part-time Free Clinic for medical attention that cannot be conducted in the streets. The program will begin by passing out care packs for 500 homeless individuals which will include a pair of white socks and a pullover hooded sweatshirt provided by the District.

ADJOURNMENT

The meeting was adjourned at 3:43 pm.

ATTEST: 

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

Minutes respectfully submitted by Steve Brown, Clerk to the Board