

**DESERT HEALTHCARE DISTRICT
SPECIAL FINANCE, ADMINISTRATION, REAL ESTATE AND LEGAL COMMITTEE
MEETING MINUTES
May 10, 2016**

A Special 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

Mary Pannoni, Accounting/Admin Support

Steve Brown, Director of Community Relations/Clerk of the Board

Community Members

Arthur Shorr, Community Member

Sid Rubenstein, Community Member

Joseph Wild, Community Member

Richard Cagen, Community Member

Guest

None

CALL TO ORDER

The meeting was called to order at 1:30 p.m. by Chairman Matthews.

APPROVAL OF AGENDA

It was moved and seconded (Director Solomon, Member Shorr) to approve the agenda.

Motion passed unanimously.

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Member Cagen noted that a verb was missing on page 5 line 7 of the minutes.

It was moved and seconded (Member Cagen, Director Solomon) to approve the minutes of April 12, 2016 with the correction. Motion passed unanimously

CHIEF OPERATING OFFICER'S REPORT

The COO Report and the LPMP rental status were reviewed.
No action was taken.

FINANCIAL REPORTS

1. Financial Statements. The District's and LPMP financial statements for April 2016 were reviewed.
2. Accounts Receivable Aging Summary – Accounts Receivable detail was reviewed.
3. Deposits – District – The District's April 2016 deposit detail was reviewed.
4. Property Tax Receipts – property tax receipts were reviewed.
5. Deposits – LPMP – The LPMP's April 2016 deposit detail was reviewed.
6. DHCD Check Register – The April 2016 check register for the District was reviewed.
7. Credit Card – The April 2016 credit card expenditures were reviewed.
8. LPMP Check Register – The April 2016 check register for the LPMP was reviewed.
9. RPP Update

It was moved and seconded (Member Wild, Director Solomon) to approve the April 2016 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 9-29 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 30 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 Sub-Committee to do the same.

OTHER MATTERS

1. -2 Grant Payment Schedule

The grant payment schedule and Investment Reports 3/31/16 were reviewed.

It was moved and seconded (Director Solomon, Community Member Wild) to forward the grant payment schedule and Investment Reports 3/31/16 to the Board for review.
Motion passed unanimously.

3. LPMP Suite 1W 202-203 Lease – Dr. Himelman

Dr. Himelman has been a tenant since 1997 and would like to renew his lease for an additional 3 years. The lease agreement is the District's standard lease with standard terms.

It was moved and seconded (Member Wild, Member Rubenstein) to forward the lease renewal to the Board on the consent calendar for approval.
Motion passed unanimously

4 FY 2016-2017 Budget Review

Mr. Christensen reviewed the budget with the committee. The budget included a request to adjust the top of the salary range for the Director of Community Relations/Clerk of the Board from \$85,000 to \$95,000.

Chairman Mathews recommended that FY 2016-2017 Current Strategic Plan Goal #1 – Ensure access to high quality hospital care at Desert Regional Medical Center include an allocation of least \$500,000. The committee also recommended the accounts that are not currently being used and have "0" allocated, be removed from the budget.

Chairman Matthews also recommended that the RPP be placed on a future F&A Committee Meeting agenda for discussion of the liability, the cost and the process if the District would consider closing the retirement plan.

It was moved and seconded (Member Shorr, Director Solomon) to forward the FY 2016-2017 Budget to the Board for approval with the recommendations of the Committee.
Motion passed unanimously.

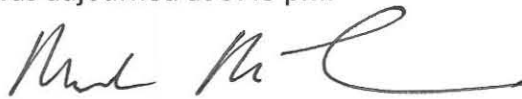
5. CEO Report – Social Media & Analytics

The Committee agreed to table this item until the next F&A Committee Meeting

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

Per Director Matthews Request

Desert HealthCare District funds utilized to pay The Desert HealthCare Foundation for grants outside the District Boundaries

DHCD's grant to DHCF for ACA funding around the valley.	\$650,000
DHCD grant to DHCF for RAP match.	\$195,000
DHCD's grant to DHCF for Mayor's Race	\$100,000
DHCD grant to DHCF for Alliance for a Healthier Gen.	\$900,000

Total Taxpayer Dollars awarded to DHCF for redistribution: \$1,845,000

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Desert Healthcare District Grants that do not primarily serve the people who live within the District and pay District Taxes

|                                                       |              |
|-------------------------------------------------------|--------------|
| DHCD's grant to El Sol (not in the district boundary) | \$314,000    |
| Grant #806 (Riverside County office on Aging)         | \$ 95,966    |
| DHCD's grant to CV Link                               | \$10,000,000 |

**Not including the CV Link, the total is; \$409,966**

**With CV Link, the total is; \$10,409,966**