



**DESERT HEALTHCARE DISTRICT**  
**FINANCE, ADMINISTRATION, REAL ESTATE, LEGAL, AND COMMITTEE**  
**MEETING MINUTES**  
**June 14, 2022**

Directors Present	District Staff Present	Absent
Chair/Treasurer Arthur Shorr President Karen Borja Director Les Zendle, MD	Conrado E. Bázquez, MD, Chief Executive Officer Chris Christensen, Chief Administration Officer Eric Taylor, Accounting Manager Donna Craig, Chief Program Officer Alejandro Espinoza, Chief of Community Engagement Andrea S. Hayles, Board Relations Officer	

AGENDA ITEMS	DISCUSSION	ACTION
<b>I. Call to Order</b>	Chair Shorr called the meeting to order at 3:30 p.m.	
<b>II. Approval of Agenda</b>	Chair Shorr asked for a motion to approve the agenda.	<b>Moved and seconded by Director Zendle and President Borja to approve the agenda with the change. Motion passed unanimously.</b>
<b>III. Public Comment</b>	There was no public comment.	
<b>IV. Approval of Minutes</b> 1. <b>F&amp;A Minutes – Meeting May 10, 2022</b>	Chair Shorr motioned to approve the May 10, 2022, minutes.	<b>Moved and seconded by Director Zendle and President Borja to approve the May 10, 2022, meeting minutes. Motion passed unanimously.</b>
<b>V. CEO Report</b>	There was no CEO Report.	
<b>VI. Chief Administration Officer's Report</b>	Chris Christensen, CAO, described the completion of the interim audit fieldwork that includes test transactions, with no findings. The end-of-year fieldwork is scheduled at the beginning of August. The Las Palmas Medical Plaza remains at 97.9% occupied, with a suite recently vacated and a possible upcoming lease to occupy the vacant suite.	
<b>VII. Financial Reports</b> 1. <b>District and LPMP Financial Statements</b>	Chair Shorr reviewed the financials with the committee highlighting the year-to-date variance analysis. Chris	



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<p><b>2. Accounts Receivable Aging Summary</b></p> <p><b>3. District – Deposits</b></p> <p><b>4. District – Property Tax Receipts</b></p> <p><b>5. LPMP Deposits</b></p> <p><b>6. District – Check Register</b></p> <p><b>7. Credit Card – Detail of Expenditures</b></p> <p><b>8. LPMP – Check Register</b></p> <p><b>9. Retirement Protection Plan Update</b></p> <p><b>10. Grant Payment Schedule</b></p>	<p>Christensen, CAO, provided an overview of the grant expense line item, recommending carrying forward any remaining grant funds into the new fiscal year. The committee directed staff to present at the June Board meeting on the CEO Report an action item to carry forward the remaining grant funds into FY 22-23. Mr. Christensen noted that the Retirement Protection Plan is less one participant in the month of June.</p>	<p><b>Moved and seconded by President Borja and Director Zendle to approve the May 2022 financials – items 1-10 and to forward to the Board for approval.</b></p> <p><b>Motion passed unanimously.</b></p>
<p><b>VIII. Other Matters</b></p> <p><b>1. Consulting Services Agreement – Spitfire Strategies – Board Development – NTE \$45,000</b></p> <p><b>2. Amendment #3 - Kaufman Hall Associates May 20, 2021, Engagement Letter – Effective May-July 2022 - \$75,000 per month, plus expenses</b></p>	<p>Conrado Bárzaga, MD, CEO, described the agreement with Spitfire Strategies for board development workshops with the accompanying scope of work, which replaces the development efforts of Rauch Communications. The committee discussed a code of conduct for the board and staff for an upcoming workshop similar to the one adopted by the Association of California Healthcare Districts.</p> <p>Chair Shorr described the Kaufman Hall Associates engagement letter to continue the services suggesting accelerating the meetings to move forward with the goals.</p>	<p><b>Moved and seconded by Director Zendle and President Borja to approve the Consulting Services Agreement – Spitfire Strategies – Board Development – NTE \$45,000 and forward to the Board for approval.</b></p> <p><b>Motion passed unanimously.</b></p> <p><b>Moved and seconded by Director Zendle and President Borja to approve Amendment #3 - Kaufman Hall Associates May 20, 2021, Engagement Letter – Effective May-July 2022 - \$75,000 per month, plus expenses and forward to the Board for approval.</b></p> <p><b>Motion passed unanimously.</b></p>



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<p><b>3. Addendum #3 - Magdalena Martinez HR Consultant - \$927/month</b></p>	<p>Chair Shorr described the 12 month extension of the HR consultant agreement.</p>	<p><b>Moved and seconded by Director Zendle and President Borja to approve Addendum #3 - Magdalena Martinez HR Consultant - \$927/month and forward to the Board for approval. Motion passed unanimously.</b></p>
<p><b>4. LPMP – Suite 2W-101 - Dr. Wolfson Lease Renewal – 3 Years</b></p> <p><b>5. LPMP – Suite 3W-103 - Dr. Gundry Lease Renewal – 3 Years</b></p>	<p>Chris Christensen, CAO, described the lease for Dr. Wolfson expiring July 31, 2022, a 3-year lease renewal with annual increases of 3%, net revenue from rent and CAM is \$132k for the life of the lease, a 9% tenant improvement allowance, and a net lease income of \$120k. Dr. Gundry’s lease expires July 31, 2022, a 3-year lease renewal with two (2) one (1) year optional terms, a 3% increase, and a \$9/per sq. ft. tenant improvement allowance.</p> <p>The committee discussed if a 3% increase is marketable in the current economic environment and exploring an updated rent study.</p>	<p><b>Moved and seconded by Chair Shorr and President Borja to approve LPMP – Suite 2W-101 - Dr. Wolfson Lease Renewal – 3 Years and Suite 3W-103 - Dr. Gundry Lease Renewal – 3 Years and forward to the Board for approval. Motion passed unanimously.</b></p>
<p><b>6. Policies -</b></p> <p><b>a. Policy #FIN-02 – Authorized Check Signers, Signers, Dollar Limits, and Transfer of Funds</b></p> <p><b>b. Policy #FIN-03 – Investment Policy</b></p> <p><b>c. Resolution No. 22-13 – FY22-23 Statement of Investment Policy</b></p> <p><b>d. Policy #FIN-05 – Credit Card Usage</b></p>	<p>Chris Christensen, CAO, described the modifications to Policy #FIN-02 that include authorized check signers to a minimum of four (4) board members and the addition of language to the transfer of funds. Policy #FIN-03 – investment policy has minor changes with the resolution to accompany the policy for FY 2022-2023 with minor adjustments described on the</p>	<p><b>Moved and seconded by Director Zendle and President Borja to approve Policy #FIN-02 – Authorized Check Signers, Signers, Dollar Limits, and Transfer of Funds; Policy #FIN-03 – Investment Policy Resolution No. 22-13 – FY22-23 Statement of Investment Policy; and Policy #FIN-05 – Credit Card Usage and forward to the Board for approval. Motion passed unanimously.</b></p>



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	credit card usage policy. Mr. Christensen noted that the policies committee will likewise review the changes to the policies.	
<b>IX. Adjournment</b>	Chair Shorr adjourned the meeting at 4:26 p.m.	<b>Audio recording available on the website at <a href="http://dhcd.org/Agendas-and-Documents">http://dhcd.org/Agendas-and-Documents</a></b>

DocuSigned by:

*Arthur Shorr*

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ATTEST: \_\_\_\_\_

Arthur Shorr, Treasurer/Chair, Board of Directors  
Finance & Administration Committee Member  
Desert Healthcare District Board of Directors

*Minutes respectfully submitted by Andrea S. Hayles, Board Relations Officer*