

**DESERT HEALTHCARE DISTRICT
FINANCE, ADMINISTRATION, REAL ESTATE AND LEGAL COMMITTEE
MEETING MINUTES
May 10, 2011**

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

Michael Solomon, M.D. – Chairman/Treasurer
Kay Hazen – Vice President/Member

Staff

Peter Young, Chief Operating Officer
Donna Craig, Chief Program Officer
Tricia Wheeler, Program Manager
Samantha Prior, Operations Support Manager
Steve Brown, Executive Administrative Assistant

Guests

None

CALL TO ORDER

The meeting was called to order at 3:01 p.m. by Chairman Solomon.

APPROVAL OF AGENDA

Chairman Solomon asked for a motion to approve the agenda.

It was moved and seconded (Vice-President Hazen, Chairman Solomon) to approve the agenda. Motion passed unanimously.

PUBLIC COMMENTS

None

APPROVAL OF MINUTES

Submitted for approval:

1. Minutes – April 12, 2011

It was moved and seconded (Vice-President Hazen, Chairman Solomon) to approve the minutes of April 12, 2011. Motion passed unanimously.

CHIEF OPERATING OFFICER'S REPORT

The report was reviewed in conjunction with the Las Palmas Medical Plaza report, Parking Lot G Update, Parking Lot G Payment Schedule and the Staff Action List.

In reviewing the Parking Lot G Potential Change Order Log, Chairman Solomon asked about item #4, Barrier Gates for an estimated cost of \$15,552. Mr. Young responded that the gates were not included in the bidding process, because it was noted on the plans that the gates would be provided by the Owner. However, Mr. Young will not approve this change order and it will be the financial responsibility of Desert Regional Medical Center if they desire to install barrier gates.

Vice-President Hazen questioned item #3 on that same log, for solar panel changes in the amount of \$92,000. Mr. Young responded this was not a potential change order but the responsibility of the general contractor.

FINANCE REPORTS

- 1. Financial Statements** - The District's and LPMP financial statements for April 2011 were reviewed.
- 2. Accounts Receivable Aging Summary** – the District's April 2011 Accounts Receivable detail was reviewed.
- 3. Deposits - District**– the District's April 2011 deposit detail was reviewed.
- 4. Property Tax Receipts** – The April 2011 property tax receipts were reviewed.
- 5. Deposits - LPMP** – The LPMP's April 2011 deposit detail was reviewed.
- 6. Warrants** – The April 2011 warrant register for the District was reviewed.
- 7. Credit Card** – The April 2011 credit card expenditures were reviewed.
- 8. Warrant - LPMP** – The April 2011 warrant register for the LPMP was reviewed.
- 9. Retirement Protection Plan Update** – The retirement protection plan update was reviewed.

It was moved and seconded (Vice-President Hazen, Chairman Solomon) to approve the District Finance Reports. Motion passed unanimously with Vice-President Hazen abstaining on Warrant #11120.

OTHER MATTERS

- 1. Grants Payments Schedule** – The grants payments schedule was reviewed.
- 2. Pending Grants Under Review/Discussions with Community-Based Organizations and Pending Grant and Grant Tracking to Strategic Plan.** This schedule was reviewed.
- 3. Riverside County – DHS Family Medical Care Facility – Update**

Mr. Young reported that Tom Freeman, representative for Riverside County EDA, subsequent to the board meeting had a telephone conversation with President Matthews. Mr. Freeman coordinated a date for a meeting with Vice-President Hazen who would only meet if Dr. Solomon and District Staff were present. However Chairman Solomon and Staff were not available. Mr. Freeman was invited by email to attend or teleconference in for the F&A Committee meeting, but did not respond. Chairman Solomon will contact President Matthews to determine the role of the F&A Committee with this matter.

4. Update on CEO Search – Director Solomon to report

Mr. Brown reported that a Special Board Meeting has been scheduled for May 24th, 11:30am – 2:00pm to review the applications. A Special Board Meeting will be scheduled in June for the interviews.

5. Review of District’s FYE 6/30/12 Draft of Financial Budget

Mr. Young reviewed the schedules for the preliminary budget as presented in the packet. Responses to questions asked by the F&A Committee included:

- Salary increase projections for FY 2011-12 are estimated as a pool at 8%.
- Deferred maintenance and the possible 4-5 a/c unit replacements for Las Palmas Medical Plaza are included in the \$180,000 line item.
- Approximately \$3,600,000 interest income and LPMP net income is projected for the next fiscal year.
- \$4,000,000 is budgeted for grants and programs. The Program Department based the amount on the Strategic Plan, Goals & Objectives, which is subject to change when the plan and objectives are updated later this year.

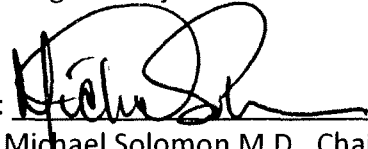
Vice-President Hazen requested a schedule that shows the revenues and expenditures for the last 5 years to look at any possible trends.

The Committee directed Staff to bring the FYE 6/30/12 Draft Financial Budget forward to the Board at the next scheduled meeting.

ADJOURNMENT

The meeting was adjourned at 3:48 p.m.

ATTEST:



Michael Solomon M.D., Chairman, Finance and Administration Committee
Treasurer, Desert Healthcare District Board of Directors

Minutes respectfully submitted by Steve Brown, Executive Administrative Assistant