

**DESERT HEALTHCARE DISTRICT**  
**Finance, Administration, Real Estate and Legal Committee Meeting**  
**October 11, 2011**

**A meeting of the Finance, Administration, Real Estate and Legal Committee of the Desert Healthcare District will be held at 3:00PM, October 11, 2011, in the conference room on the 2<sup>nd</sup> floor of the Jerry Stergios Building, 1140 N. Indian Canyon Drive, Palm Springs, California.**

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**AGENDA**

**I. CALL TO ORDER**

**II. APPROVAL OF AGENDA**

**III. PUBLIC COMMENT**

At this time, comments from the audience may be made on items not listed on the agenda that are of public interest and within the subject-matter jurisdiction of the District. The Committee has a policy of limiting speakers to not more than five minutes. The Committee cannot take action on items not listed on the agenda. Public input may be offered on an agenda item when it comes up for discussion and/or action.

**IV. APPROVAL OF MINUTES**

- a. Minutes – Meeting held September 13, 2011 – Pg 2-5

**V. CHIEF OPERATING OFFICER REPORT – Pg 6**

1. LPMP Leasing Update – Pg 7
2. Parking Lot G Payment Tracking Schedule by Vendor - Pg 8-9

**VI. FINANCE REPORTS**

1. District and LPMP Financial Statements – Pg 10-20
2. Accounts Receivable Aging Summary – Pg 21
3. District - Deposits – Pg 22
4. District - Property tax receipts – Pg 23
5. LPMP – Deposits - Pg 24-25
6. District - Warrants – Pg 26
7. Credit Card – Detail of expenditures – Pg 27
8. LPMP - Warrants – Pg 28-29
9. Retirement Protection Plan Update – Pg 30

**VII. OTHER MATTERS**

1. Grant Payments Schedule – Pg 31-32
2. Pending Grants and Grant Tracking to Strategic Plan – Pg 33-35
3. Medical Reimbursement Oversight Procedure Memo – Pg 36-37
4. Desert Hot Springs – Community Health and Wellness Center - Discussion

**VIII. ADJOURN OPEN SESSION FINANCE AND ADMINISTRATION MEETING**

**IX. RECONVENE TO CLOSED SESSION**

1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION: Title: General Counsel pursuant to Government Code Section 54957

**X. ADJOURNMENT OF CLOSED SESSION**

**XI REPORT AFTER CLOSED SESSION**

**XII RECONVENE TO OPEN SESSION**

**XIII. ADJOURNMENT**

**DESERT HEALTHCARE DISTRICT  
FINANCE, ADMINISTRATION, REAL ESTATE AND LEGAL COMMITTEE  
MEETING MINUTES  
September 13, 2011**

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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, 2<sup>nd</sup> Floor, Palm Springs, CA

Attendance:

Members

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

Staff

Kathy Greco, Chief Executive Officer  
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

Gary Dack, Lund & Guttry  
Jason Simpson, Assistant City Manager, City of Desert Hot Springs

**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 – July 12, 2011

**It was moved and seconded (Vice-President Hazen, Chairman Solomon) to approve the minutes of July 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, and Parking Lot G Payment Schedule.

Mr. Young reported that the Parking Lot was complete except for painting curbs red as required by the fire department. The parking lot should be open the week of September 19<sup>th</sup>.

### **FINANCE REPORTS**

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

**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 Warrants #11301, 11304, 11329, 11332 which were business related.**

### **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. Report on FYE 6/30/11 Financial Statement Audits of the Desert Healthcare District and Retirement Protection Plan.**

Mr. Dack presented the FY End 06/30/2011 audit results to the Committee. Mr. Dack reviewed the report thoroughly; there were no adjustments necessary to any of the District financials. Mr. Dack expressed his appreciation for the high quality of work by Mr. Young and the entire staff.

RPP Audit - The most significant activity for the RPP Plan was that it had a net increase of \$250,000. There were no adjustments necessary.

Vice-President Hazen inquired if it was possible to have a 3<sup>rd</sup> party oversight audit, on a regular basis, on the health benefits package. Staff will explore possibilities.

**It was moved and seconded (Vice President Hazen, Chairman Solomon) to approve the District and RPP FY End 06/30/11 audit report as presented by Mr. Dack. The Audit report will be presented by the F&A Committee to the Board of Directors at their September 27, 2011 meeting. Motion passed unanimously.**

#### **4. Desert Hot Springs - Community Health and Wellness Center**

The City of Desert Hot Springs is requesting funding for the construction of the DHS Community Health and Wellness Center. Ms. Greco reported that she reviewed the proposals that the DHS City Manager, Rick Daniels, presented at the board study session in August. She also met several times with Mr. Daniels and DHS elected officials, and now has 3 options for the District to consider for funding the wellness center.

1. Option 1 is the original proposal that Mr. Daniels presented at the study session, where the City of DHS owns/operates the center and the District would be asked to purchase city owned assets in the amount of \$4 million. All funds would be used for the construction of the center.

2. Option 2 adds exam rooms and a cardiac fitness room to the center which adds approximately \$1.5 million to the construction cost. The City of DHS would own/operate the center. In return for the \$4 million dollars the District would be asked to purchase city owned assets in that amount. The additional \$1.5 million would be requested to be a standalone grant.

3. Option 3 includes the original design plus the exam rooms and cardiac fitness center. However with this option, the DHCD would both own and operate the Health and Wellness Center. The District would receive a \$15 million asset for an approximate \$5 million contribution.

Ms. Greco reported that the estimated annual operating expenses would be approximately \$1.5 million. The DHCD would need to provide approximately \$700,000 annually for operating expenses, with other sources being the City of Desert Hot Springs, fundraising/grants and revenues from the center. Mr. Simpson from the City of Desert Hot Springs reported that the City would be providing \$250,000 annually for operations for 2 years.

Vice-President Hazen recommended that Staff provide additional information if forwarded to the Board for consideration:

1. An additional option where the District would own the asset and lease it back to the City of DHS (\$1/year) to provide the operations. This would give an option to board members who are comfortable with owning the capital asset but not with providing operations.
2. List potential partnerships with organizations that could provide all or a part of the operations such as the Desert Recreation District, City of Desert Hot Springs, DHCD, Palm Springs Unified School District or some combination.
3. What are the Boys & Girls Club's obligations and expectations.

**It was moved and seconded (Chairman Solomon, Vice-President Hazen) to recommend that Staff provide the 3 options as presented, along with any additional information suggested by the Committee, to the Board at the September 27, 2011 meeting for consideration and a vote on a path to proceed. Motion passed unanimously.**

Note: The F&A Committee meeting recessed from 3:26 pm to 3:41 pm to hold the Desert Healthcare Foundation F&A Committee Meeting in order to accommodate Mr. Dack's schedule.

**ADJOURNMENT**

The meeting was adjourned at 4:34 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*

DRAFT

# **Chief Operating Officer's Report**

**October 11, 2011**

## **Finance and Operations:**

Relocation of staff within the office is underway. Steve Brown, who has been promoted to Manager of Community Relations/Special Projects, in addition to his duties as Clerk of the Board, will be moving into the office located near Samantha Prior's office and Tricia Wheeler will be moving into the office located between the small conference room and the supply room. We believe these moves will benefit the District by improving the overall working efficiency of the office.

## **Las Palmas Medical Plaza - Property Management:**

### **Occupancy:**

See attached unit rental status report.

**98.3%** Occupied – **48,340** sq. ft. occupied and **860** sq. ft vacant. The Total rentable space is **49,200** sq. ft.

Total annual rent including CAM fees is approximately **\$1,385,000**.

### **Leasing Activity:**

No activity.

### **Parking Lot Project:**

Construction commenced March 14, 2011 and was opened for DRMC employee parking on September 19, 2011. The approximate cost of \$4.4M for the parking lot will provide a 3 for 1 reduction amounting to \$13.2M to the prepaid lease schedule between the District and Tenet leaving a balance of \$21.3M as 5/31/2012. In 2013 the prepaid lease schedule will increase by \$8.4M due to the percent refund increasing to 100% vs. 75% leaving a balance of \$29.7M as of 5/31/13. That amount will decrease annually through May 2023 by \$3.1M plus the value of the electricity supplied to the Cancer Center for which there will be a 3 for 1 reduction, estimated to be \$210K, to the prepaid lease schedule.

Las Palmas Medical Plaza												
Unit Rental Status												
As of October 1, 2011												
Unit	Tenant Name	Deposit	Lease Dates		Unit Sq Feet	Percent of Total	Monthly Current Rent	Yearly Rent	Rent Per Sq Foot	Monthly CAM	Total Monthly Rent	Total Annual Rent
			From	To								
1E, 106	Vacant				860	1.75%				\$ 0.60		
<b>Total - All units - 32 Tenants</b>		<b>\$67,732.59</b>			<b>49,200</b>	<b>100%</b>	<b>\$ 88,211.01</b>	<b>\$1,058,532.12</b>	<b>\$ 1.82</b>	<b>\$ 28,884.78</b>	<b>\$ 117,095.79</b>	<b>\$1,405,149.48</b>
Summary - All Units												
Occupied			48,340	98.3%								
Vacant			860	1.7%								
Total			49,200	100%								

Construction start date: 3/14/11

Completion date: 7/11/11

Revised date: 8/31/11

Total Project Budget: \$4,649,830

**Desert Healthcare District**  
**PARKING LOT G**  
**PAYMENTS TO-DATE AND ACCRUED**  
 As of September 6, 2011

Total Estimated Cost \$4.7 Million		MF	City PS	Law	Time Warner	Title	Earth Systems	MSA Staking	D. Sun	DLR	Verizon	Misc	Edison	DWA	Best Signs	Penta	Total
07/30/2010	City of Palm Springs		4,467														4,467
08/12/2010	Fontana, Michael	4,388															4,388
08/12/2010	Law Offices of Jeffrey G. Scott			3,150													3,150
08/12/2010	First American Title Company					1,000											1,000
08/17/2010	Earth Systems Southwest						5,000										5,000
08/17/2010	City of Palm Springs		1,551														1,551
08/31/2010	Law Offices of Jeffrey G. Scott			3,658													3,658
09/08/2010	The Desert Sun								746								746
09/08/2010	Fontana, Michael	2,295															2,295
09/30/2010	DLR Group									4,600							4,600
09/30/2010	DLR Group									4,600							4,600
09/30/2010	DLR Group									9,773							9,773
09/30/2010	Law Offices of Jeffrey G. Scott			840													840
10/07/2010	Fontana, Michael	3,173															3,173
10/12/2010	Earth Systems Southwest						4,950										4,950
10/19/2010	Verizon California Inc.										1,000						1,000
10/26/2010	First American Title Company					600											600
11/08/2010	All Valley Reprographics, LLC											66					66
11/08/2010	All Valley Reprographics, LLC											9					9
11/08/2010	All Valley Reprographics, LLC											122					122
11/08/2010	Law Offices of Jeffrey G. Scott			210													210
11/08/2010	Law Offices of Jeffrey G. Scott			648													648
11/08/2010	Fontana, Michael	3,173															3,173
12/06/2010	DLR Group									4,457							4,457
12/06/2010	DLR Group									13,294							13,294
12/07/2010	Fontana, Michael	3,558															3,558
12/30/2010	Fontana, Michael	5,130															5,130
01/07/2011	All Valley Reprographics, LLC												191				191
01/07/2011	Law Offices of Jeffrey G. Scott			980													980
01/25/2011	DLR Group									1,374							1,374
01/25/2011	DLR Group									37,297							37,297
01/31/2011	Law Offices of Jeffrey G. Scott			1,365													1,365
01/31/2010	Fontana, Michael	743															743
02/03/2011	Southern California Edison												66,843				66,843
02/03/2011	Southern California Edison												15,997				15,997
02/17/2011	Time Warner				2,783												2,783
02/17/2011	City of Palm Springs		48,539														48,539
02/22/2011	Verizon California Inc.										19,111						19,111
2/25/1011	City of Palm Springs		1,489														1,489
03/04/2011	Fontana, Michael	1,350															1,350
03/04/2011	Law Offices of Jeffrey G. Scott			945													945
03/28/2011	DLR Group										2,115						2,115
03/30/2011	Best Signs														733		733
04/05/2011	Law Offices of Jeffrey G. Scott			665													665
04/06/2011	Fontana, Michael	7,763															7,763
04/15/2011	Southern California Edison												(10,288)				(10,288)
04/26/2011	The PENTA Building Group															220,567	220,567
04/28/2011	MSA Consulting							4,920									4,920
05/02/2011	All Valley Reprographics, LLC											13					13
05/09/2011	Fontana, Michael	3,443															3,443
05/12/2011	DLR Group									6,630							6,630



**DESERT HEALTHCARE DISTRICT**  
**YEAR TO DATE VARIANCE ANALYSIS**  
**ACTUAL VS BUDGET**  
**THREE MONTHS ENDED SEPTEMBER 30, 2011**

**Scope: \$25,000 Variance per Statement of Operations Summary**

Account	YTD		Over(Under)	Explanation
	Actual	Budget	Budget	
4000 - Income	\$ 1,712,639	\$ 1,779,501	\$ (66,862)	Lower interest income - \$67K
7000 - Grants Expense	\$ 6,850,827	\$ 1,000,000	\$ 5,850,827	Higher \$ amount for approved grants - Primarily UCR SOM \$5M. Grant budget amortized on a straight line basis over the
999-1 Unrealized loss on invest	\$ 408,312	\$ 249,999	\$ 158,313	Continuing market price fluctuations for fixed income investments - Treasury's and Bonds
Las Palmas Medical Plaza - <b>Net</b>	\$ 143,958	\$ 128,204	\$ 15,754	Rental and CAM income on budget; Lower deferred maint expense \$6K; Various net lower expenses \$9K.

Desert Healthcare District  
**Cumulative Profit & Loss Budget vs. Actual**  
 July through September 2011

	MONTH			YTD		
	Sep 11	Budget	\$ Over Budget	Jul - Sep 11	Budget	\$ Over Budget
<b>Income</b>						
4000 · Income	395,583	593,167	(197,584)	1,712,639	1,779,501	(66,862)
4500 · LPMP Income	116,810	115,416	1,394	346,309	346,248	61
<b>Total Income</b>	<b>512,393</b>	<b>708,583</b>	<b>(196,190)</b>	<b>2,058,948</b>	<b>2,125,749</b>	<b>(66,801)</b>
<b>Expense</b>						
5000 · Direct Expenses	87,462	96,912	(9,450)	216,952	240,366	(23,414)
6000 · General & Administrative Exp	3,375	34,201	(30,826)	73,384	90,860	(17,476)
6325 · CEO Discretionary Fund	1,000	4,167	(3,167)	4,333	12,501	(8,168)
6445 · LPMP Expenses	67,715	72,098	(4,383)	202,351	218,044	(15,693)
6500 · Professional Fees Expense	9,916	7,659	2,257	20,755	22,977	(2,222)
6700 · Trust Expenses	74,177	73,554	623	220,116	220,662	(546)
7000 · Grants Expense	5,910,000	333,333	5,576,667	6,850,827	1,000,000	5,850,827
9999-1 · Unrealized gain/lost on invest	254,686	83,333	171,353	408,312	249,999	158,313
<b>Total Expense</b>	<b>6,408,332</b>	<b>705,257</b>	<b>5,703,074</b>	<b>7,997,031</b>	<b>2,055,409</b>	<b>5,941,622</b>
<b>Net Income (Loss)</b>	<b>(5,895,939)</b>	<b>3,326</b>	<b>(5,899,264)</b>	<b>(5,938,083)</b>	<b>70,340</b>	<b>(6,008,423)</b>

Desert Healthcare District  
**Cumulative Profit & Loss Budget vs. Actual**  
 July through September 2011

		MONTH			YTD		
		Sep 11	Budget	\$ Over Budget	Jul - Sep 11	Budget	\$ Over Budget
<b>Income</b>							
4000 · Income							
	4010 · Property Tax Revenues	375,000	375,000	-	1,125,000	1,125,000	-
4200 · Interest Income							
	4220 · Restricted Int. Income (FRF)	18,849	216,667	(197,818)	582,513	650,001	(67,489)
	4330 · Collection Agency Recoveries	214	333	(119)	852	999	(147)
	4350 · Rental - Airways	1,521	1,167	354	4,275	3,501	774
<b>Total 4000 · Income</b>		<b>395,583</b>	<b>593,167</b>	<b>(197,584)</b>	<b>1,712,639</b>	<b>1,779,501</b>	<b>(66,862)</b>
<b>Total 4500 · LPMP Income</b>		<b>116,810</b>	<b>115,416</b>	<b>1,394</b>	<b>346,309</b>	<b>346,248</b>	<b>61</b>
<b>Total Income</b>		<b>512,393</b>	<b>708,583</b>	<b>(196,190)</b>	<b>2,058,948</b>	<b>2,125,749</b>	<b>(66,801)</b>
<b>Expense</b>							
5000 · Direct Expenses							
5100 · Administration Expense							
	5110 · Wages Expense	57,417	64,994	(7,577)	130,223	151,654	(21,431)
	5111 · Allocation to LPMP - Payroll SP	(5,557)	(5,557)	-	(16,671)	(16,671)	-
	5112 · Vacation/Sick/Holiday Expense	6,515	3,231	3,284	19,265	9,693	9,572
	5120 · Payroll Tax Expense	4,410	4,615	(205)	10,835	10,767	68
5130 · Health Insurance Expense							
	5131 · Premiums Expense	9,854	10,078	(224)	28,653	30,234	(1,581)
	5135 · Reimb./Co-Payments Expense	392	1,733	(1,341)	2,796	5,199	(2,403)
<b>Total 5130 · Health Insurance Expense</b>		<b>10,245</b>	<b>11,811</b>	<b>(1,566)</b>	<b>31,449</b>	<b>35,433</b>	<b>(3,984)</b>
	5140 · Workers Comp. Expense	261	682	(421)	1,265	1,592	(327)
	5145 · Retirement Plan Expense	3,504	5,265	(1,761)	8,155	12,285	(4,130)
	5160 · Education Expense	768	667	101	3,423	2,001	1,422
<b>Total 5100 · Administration Expense</b>		<b>77,564</b>	<b>85,708</b>	<b>(8,144)</b>	<b>187,943</b>	<b>206,754</b>	<b>(18,811)</b>
5200 · Board Expenses							
5210 · Healthcare Benefits Expense							
	5211 · Health Insurance Expense	8,248	8,820	(572)	25,322	26,460	(1,138)
	5219 · Reimbursements/Co-Payments Exp	1,650	2,000	(350)	3,546	6,000	(2,454)
<b>Total 5210 · Healthcare Benefits Expense</b>		<b>9,898</b>	<b>10,820</b>	<b>(922)</b>	<b>28,868</b>	<b>32,460</b>	<b>(3,592)</b>
	5230 · Meeting Expense	-	100	(100)	-	300	(300)
	5240 · Catering Expense	-	67	(67)	-	201	(201)
	5250 · Mileage Reimbursement Expense	-	167	(167)	-	501	(501)
	5290 · Facsimile Expense	-	50	(50)	141	150	(9)
<b>Total 5200 · Board Expenses</b>		<b>9,898</b>	<b>11,204</b>	<b>(1,306)</b>	<b>29,009</b>	<b>33,612</b>	<b>(4,603)</b>
<b>Total 5000 · Direct Expenses</b>		<b>87,462</b>	<b>96,912</b>	<b>(9,450)</b>	<b>216,952</b>	<b>240,366</b>	<b>(23,414)</b>
6000 · General & Administrative Exp							

Desert Healthcare District  
**Cumulative Profit & Loss Budget vs. Actual**  
 July through September 2011

		MONTH			YTD		
		Sep 11	Budget	\$ Over Budget	Jul - Sep 11	Budget	\$ Over Budget
	6105 · Advertising Expense	-	83	(83)	-	249	(249)
	6110 · Payroll fees Expense	119			298		
	6120 · Bank and Investment Fees Exp	(2,208)	10,667	(12,875)	20,067	32,001	(11,934)
	6125 · Depreciation Expense	1,199	1,417	(218)	3,597	4,251	(654)
	6126 · Depreciation-Solar Parking lot	(11,743)	11,743	(23,486)	11,743	23,486	(11,743)
	6130 · Dues and Membership Expense	1,370	2,083	(713)	4,970	6,249	(1,279)
	6220 · Ongoing Coverage Expense	690	1,000	(310)	3,910	3,000	910
	6300 · Minor Equipment Expense	-	83	(83)	-	249	(249)
	6305 · Auto Allowance & Mileage Exp	-	600	(600)	-	1,800	(1,800)
	6306 · Staff- Auto Mileage reimb	345	100	245	345	300	45
	6309 · Personnel Expense	738	21	717	1,573	63	1,510
	6310 · Miscellaneous Expense	-	29	(29)	-	87	(87)
	6311 · Cell Phone Expense	292	417	(125)	1,009	1,251	(242)
	6315 · Security Monitoring Expense	-	117	(117)	128	351	(223)
	6320 · Printing Expense	-	25	(25)	-	75	(75)
	Total 6340 · Postage Expense	231	250	(19)	737	750	(13)
	6350 · Copier Rental/Fees Expense	416	417	(1)	1,330	1,251	79
	6351 · Travel Expense	-	417	(417)	-	1,251	(1,251)
	6352 · Meals & Entertainment Exp	32	233	(201)	32	699	(667)
	6355 · Computer Services Expense	9,175	2,083	7,092	15,279	6,249	9,030
	6360 · Supplies Expense	1,495	583	912	5,367	1,749	3,618
	6380 · LAFCO Assessment Expense	625	833	(208)	1,875	2,499	(624)
	6410 · Public Relations Expense	600	1,000	(400)	1,125	3,000	(1,875)
	<b>Total 6000 · General &amp; Administrative Exp</b>	<b>3,375</b>	<b>34,201</b>	<b>(30,826)</b>	<b>73,384</b>	<b>90,860</b>	<b>(17,476)</b>
	6325 · CEO Discretionary Fund	1,000	4,167	(3,167)	4,333	12,501	(8,168)
	<b>Total 6445 · LPMP Expenses</b>	<b>67,715</b>	<b>72,098</b>	<b>(4,383)</b>	<b>202,351</b>	<b>218,044</b>	<b>(15,693)</b>
	6500 · Professional Fees Expense						
	6516 · Professional Services Expense	3,022	2,083	939	2,592	6,249	(3,657)
	6520 · Annual Audit Fee Expense	1,292	1,292	-	3,876	3,876	-
	6560 · Legal Expense	5,548	4,167	1,381	14,123	12,501	1,622
	6561 · Payroll Preparation Fees	-	117	(117)	0	351	(351)
	6500 · Professional Fees Expense - Other	55		55	165		165
	<b>Total 6500 · Professional Fees Expense</b>	<b>9,916</b>	<b>7,659</b>	<b>2,257</b>	<b>20,755</b>	<b>22,977</b>	<b>(2,222)</b>
	6700 · Trust Expenses						
	6711 · Disability Admin. Fee Expense	2,214	725	1,489	2,952	2,175	777
	6720 · Pension Plans Expense						
	6721 · Legal Expense	-	250	(250)	935	750	185
	6725 · Contributions	71,433	71,433	-	214,299	214,299	-

Desert Healthcare District  
**Cumulative Profit & Loss Budget vs. Actual**  
 July through September 2011

		MONTH			YTD		
		Sep 11	Budget	\$ Over Budget	Jul - Sep 11	Budget	\$ Over Budget
	6728 · Pension Audit Fee Expense	530	1,063	(533)	1,930	3,189	(1,259)
	<b>Total 6720 · Pension Plans Expense</b>	<b>71,963</b>	<b>72,746</b>	<b>(783)</b>	<b>217,164</b>	<b>218,238</b>	<b>(1,074)</b>
	<b>6800 · Workers Compensation Expense</b>						
	6810 · Administration Fees	-	83	(83)	-	249	(249)
	<b>Total 6800 · Workers Compensation Expense</b>	<b>-</b>	<b>83</b>	<b>(83)</b>	<b>-</b>	<b>249</b>	<b>(249)</b>
	<b>Total 6700 · Trust Expenses</b>	<b>74,177</b>	<b>73,554</b>	<b>623</b>	<b>220,116</b>	<b>220,662</b>	<b>(546)</b>
	<b>Total Expense before Grants/Unrealized Gains(Losses)</b>	<b>243,646</b>	<b>288,591</b>	<b>(44,945)</b>	<b>737,892</b>	<b>805,410</b>	<b>(67,518)</b>
	7010 · Major Grant Awards Expense	<b>5,910,000</b>	<b>333,333</b>	<b>5,576,667</b>	<b>6,850,827</b>	<b>1,000,000</b>	<b>5,850,827</b>
	9999-1 · Unrealized gain/lost on invest	254,686	83,333	171,353	408,312	249,999	158,313
	<b>Net Income</b>	<b>(5,895,939)</b>	<b>3,326</b>	<b>(5,899,264)</b>	<b>(5,938,083)</b>	<b>70,340</b>	<b>(6,008,423)</b>

**LAS PALMAS MEDICAL PLAZA**  
**Cumulative Profit & Loss Budget vs. Actual**  
 July through September 2011

	MONTH			YTD		
	Sep 11	Budget	\$ Over Budget	Jul - Sep 11	Budget	\$ Over Budget
<b>4500 · LPMP Income</b>						
4505 · Rental Income	86,563	86,250	313	259,330	258,750	580
4510 · CAM Income	28,366	28,833	(467)	85,097	86,499	(1,402)
4513 · Misc. Income	1,882	333	1,549	1,882	999	883
<b>Total 4500 · LPMP Income</b>	<b>116,810</b>	<b>115,416</b>	<b>1,394</b>	<b>346,309</b>	<b>346,248</b>	<b>61</b>
<b>6445 · LPMP Expenses</b>						
6420 · Insurance Expense	1,000	1,167	(167)	3,000	3,501	(501)
6425 · Building - Depreciation Expense	20,843	21,000	(157)	62,529	63,000	(471)
6426 · Tenant Improvements -Dep Exp	11,250	11,250	-	33,750	33,750	-
6427 · HVAC Maintenance Expense	394	1,500	(1,106)	3,154	4,500	(1,346)
6428 · Roof Repairs Expense	1,170	400	770	3,640	1,200	2,440
6429 · Building -Exterior Expense	-	833	(833)	542	2,499	(1,957)
6431 · Building -Interior Expense	345	417	(72)	470	1,251	(781)
6432 · Plumbing -Interior Expense	-	417	(417)	1,365	1,251	114
6433 · Plumbing -Exterior Expense	-	417	(417)	-	1,251	(1,251)
6434 · Allocation Internal Prop. Mgmt	5,557	5,557	-	16,671	16,671	-
6435 · Bank Charges	1,061	1,000	61	2,966	3,000	(34)
6436 · Window & Glass Cleaning Exp	-	-	-	-	750	(750)
6437 · Utilities -Vacant Units Expense	223	17	206	298	51	247
6439 · Deferred Maintenance Repairs Ex	-	2,083	(2,083)	-	6,249	(6,249)
6441 · Legal Expense	-	417	(417)	-	1,251	(1,251)
6457 · R&M Occupied Units	-	-	-	363	-	363
6458 · Elevators - R & M Expense	1,149	120	1,029	1,422	1,360	62
6460 · Exterminating Service Expense	170	208	(38)	339	624	(285)
6463 · Landscaping Expense	1,200	2,000	(800)	9,045	6,000	3,045
6467 · Lighting Expense	792	750	42	5,051	2,250	2,801
6468 · General Maintenance Expense	-	417	(417)	-	1,251	(1,251)
6470 · Maint. / Janitorial Service Exp	4,090	3,000	1,090	7,644	9,000	(1,356)
6473 · Parking Lot - Sweeping Expense	-	108	(108)	-	324	(324)
6474 · Parking Lot - Pressure Wash Exp	1,020	250	770	1,020	750	270
6475 · Property Taxes Expense	8,708	8,708	-	26,124	26,124	-
6476 · Signage Expense	-	125	(125)	474	375	99
6480 · Rubbish Removal Medical Waste E	475	625	(150)	1,425	1,875	(450)
6481 · Rubbish Removal Expense	1,876	2,083	(207)	3,752	6,249	(2,497)
6482 · Utilities/Electricity/Exterior	879	875	4	879	2,625	(1,746)
6484 · Utilities - Water (Exterior)	373	375	(2)	1,132	1,125	7
6485 · Security Expenses	5,140	5,896	(756)	15,296	17,688	(2,392)
6490 · Miscellaneous Expense	-	83	(83)	-	249	(249)
<b>Total 6445 · LPMP Expenses</b>	<b>67,715</b>	<b>72,098</b>	<b>(4,383)</b>	<b>202,351</b>	<b>218,044</b>	<b>(15,693)</b>
<b>Net Income</b>	<b>49,095</b>	<b>43,318</b>	<b>5,777</b>	<b>143,958</b>	<b>128,204</b>	<b>15,754</b>

**Desert Healthcare District**  
**Balance Sheet**  
As of September 30, 2011

			Sep 30, 11
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Checking/Savings</b>			
		1000 - CHECKING CASH ACCOUNTS	875,084
		1100 - INVESTMENT ACCOUNTS	58,254,211
		<b>Total Checking/Savings</b>	<b>59,129,294</b>
<b>Accounts Receivable</b>			
		1201 - Accounts Receivable	23,369
		<b>Total Accounts Receivable</b>	<b>23,369</b>
<b>Other Current Assets</b>			
		1270 - Prepaid Insurance -Ongoing	32,538
		1279 - Pre-Paid Fees	31,248
		1295 - Property Tax Receivable	735,111
		1502 - Due from L. Laferriere	621
		<b>Total Other Current Assets</b>	<b>799,517</b>
		<b>Total Current Assets</b>	<b>59,952,181</b>
<b>Fixed Assets</b>			
		1300 - FIXED ASSETS	3,946,921
		1335-00 - ACC DEPR	(188,651)
		1400 - LPMP Assets	7,327,149
		<b>Total Fixed Assets</b>	<b>11,085,419</b>
<b>Other Assets</b>			
		1700 - OTHER ASSETS	1,693,800
		<b>Total Other Assets</b>	<b>1,693,800</b>
		<b>TOTAL ASSETS</b>	<b>72,731,400</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
<b>Accounts Payable</b>			
		2000 - Accounts Payable	5,287
		2001 - LPMP Accounts Payable	2,418
		<b>Total Accounts Payable</b>	<b>7,705</b>
<b>Other Current Liabilities</b>			
		2002 - LPMP Property Taxes	28,843
		2101 - *Payroll Liabilities	6,608
		2131 - Grant Awards Payable	9,246,420
		2133 - Accrued Accounts Payable	269,643
		2141 - Accrued Vacation Time	25,306

**Desert Healthcare District**  
**Balance Sheet**  
As of September 30, 2011

			<b>Sep 30, 11</b>
		2142 · Accrued Sick Time	27,822
		2186 · Retired BOD Medical - Current	31,558
		2188 · Current Portion - LTD	60,000
		2190 · Investment Fees Payable	29,124
		<b>Total Other Current Liabilities</b>	<b>9,725,325</b>
		<b>Total Current Liabilities</b>	<b>9,733,031</b>
		<b>Long Term Liabilities</b>	
		2170 · RPP - Pension Liability	1,928,691
		2280 · Long-Term Disability	137,185
		2286 · Retirement BOD Medical Liabilit	170,245
		2290 · LPMP Security Deposits	67,733
		<b>Total Long Term Liabilities</b>	<b>2,303,854</b>
		<b>Total Liabilities</b>	<b>12,036,884</b>
		<b>Equity</b>	
		3900 · *Retained Earnings	66,632,599
		Net Income	(5,938,083)
		<b>Total Equity</b>	<b>60,694,516</b>
		<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>72,731,400</b>

**Desert Healthcare District**  
**Balance Sheet**  
As of September 30, 2011

			Sep 30, 11
<b>ASSETS</b>			
<b>Current Assets</b>			
<b>Checking/Savings</b>			
<b>1000 · CHECKING CASH ACCOUNTS</b>			
		1010 · Union Bank - Checking	836,379
		1046 · Las Palmas Medical Plaza	38,504
		1047 · Petty Cash	200
		<b>Total 1000 · CHECKING CASH ACCOUNTS</b>	<b>875,084</b>
<b>1100 · INVESTMENT ACCOUNTS</b>			
		1130 · Facility Replacement Fund	58,567,069
		1135 · Unrealized Gain FRF	(312,859)
		<b>Total 1100 · INVESTMENT ACCOUNTS</b>	<b>58,254,211</b>
		<b>Total Checking/Savings</b>	<b>59,129,294</b>
<b>Accounts Receivable</b>			
		<b>1201 · Accounts Receivable</b>	
		1204 · LPMP Accounts Receivable	21,119
		1205 · Misc. Accounts Receivable	2,250
		<b>Total 1201 · Accounts Receivable</b>	<b>23,369</b>
		<b>Total Accounts Receivable</b>	<b>23,369</b>
<b>Other Current Assets</b>			
		1270 · Prepaid Insurance -Ongoing	32,538
		1279 · Pre-Paid Fees	31,248
		1295 · Property Tax Receivable	735,111
		1502 · Due from L. Laferriere	621
		<b>Total Other Current Assets</b>	<b>799,517</b>
		<b>Total Current Assets</b>	<b>59,952,181</b>
<b>Fixed Assets</b>			
<b>1300 · FIXED ASSETS</b>			
		1310 · Computer Equipment	77,686
		1315 · Computer Software	62,081
		1320 · Furniture and Fixtures	24,547
		1325 · Offsite Improvements	300,849
		1331 · DRMC - Parking lot	3,481,758
		<b>Total 1300 · FIXED ASSETS</b>	<b>3,946,921</b>
<b>1335-00 · ACC DEPR</b>			
		1335 · Accumulated Depreciation	(136,392)
		1336 · Acc. Software Depreciation	(52,259)
		<b>Total 1335-00 · ACC DEPR</b>	<b>(188,651)</b>

**Desert Healthcare District**  
**Balance Sheet**  
As of September 30, 2011

			<b>Sep 30, 11</b>
<b>1400 · LPMP Assets</b>			
	1401 · Building		8,705,680
	1402 · Land		2,165,300
	1403 · Tenant Improvements -New		1,337,447
	1404 · Tenant Improvements -Existing		109,239
	1406 · Building Improvements		1,374,891
	1407 · Building Equipment Improvements		313,483
	1409 · Accumulated Depreciation		
	1410 · Accum. Depreciation		(5,329,304)
	1411 · T I Accumulated Dep.-Existing		(109,239)
	1412 · T I Accumulated Dep.-New		(1,228,604)
	1414 · Depreciation-Solar-Parking lot		(11,743)
	<b>Total 1409 · Accumulated Depreciation</b>		<b>(6,678,891)</b>
	<b>Total 1400 · LPMP Assets</b>		<b>7,327,149</b>
<b>Total Fixed Assets</b>			<b>11,085,419</b>
<b>Other Assets</b>			
<b>1700 · OTHER ASSETS</b>			
	1731 · Wellness Park		1,693,800
	<b>Total 1700 · OTHER ASSETS</b>		<b>1,693,800</b>
<b>Total Other Assets</b>			<b>1,693,800</b>
<b>TOTAL ASSETS</b>			<b>72,731,400</b>
<b>LIABILITIES &amp; EQUITY</b>			
<b>Liabilities</b>			
<b>Current Liabilities</b>			
	<b>Accounts Payable</b>		
	2000 · Accounts Payable		5,287
	2001 · LPMP Accounts Payable		2,418
	<b>Total Accounts Payable</b>		<b>7,705</b>
	<b>Other Current Liabilities</b>		
	2002 · LPMP Property Taxes		28,843
	2101 · *Payroll Liabilities		6,608
	2131 · Grant Awards Payable		9,246,420
	2133 · Accrued Accounts Payable		269,643
	2141 · Accrued Vacation Time		25,306
	2142 · Accrued Sick Time		27,822
	2186 · Retired BOD Medical - Current		31,558
	2188 · Current Portion - LTD		60,000
	2190 · Investment Fees Payable		29,124

**Desert Healthcare District**  
**Balance Sheet**  
As of September 30, 2011

		<b>Sep 30, 11</b>
	<b>Total Other Current Liabilities</b>	9,725,325
	<b>Total Current Liabilities</b>	9,733,031
	<b>Long Term Liabilities</b>	
	2170 · RPP - Pension Liability	1,928,691
	2280 · Long-Term Disability	137,185
	2286 · Retirement BOD Medical Liabilit	170,245
	2290 · LPMP Security Deposits	67,733
	<b>Total Long Term Liabilities</b>	2,303,854
	<b>Total Liabilities</b>	12,036,884
	<b>Equity</b>	
	3900 · *Retained Earnings	66,632,599
	Net Income	(5,938,083)
	<b>Total Equity</b>	60,694,516
	<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>72,731,400</b>

**Desert Healthcare District**  
**A/R Aging Summary**  
As of September 30, 2011

	<b>Current</b>	<b>1 - 30</b>	<b>31 - 60</b>	<b>61 - 90</b>	<b>&gt; 90</b>	<b>TOTAL</b>
<b>Boys &amp; Girls Club of Cathedral City</b>	-	-	2,688	-	-	2,688
<b>Hospice of the Desert Communities</b>	-	6,339	-	-	-	6,339
<b>Kenneth Russ, M.D.</b>	-	2,363	-	-	-	2,363
<b>Margaret Cooper-Vaughan, M.D.</b>	-	2,548	2,548	2,548	2,547	10,190
<b>Sovereign</b>	750	750	750	-	-	2,250
<b>Steven Gundry, M.D.</b>	-	-	-	-	193	193
<b>West Pacific Medical Lab</b>		(655)				(655)
<b>TOTAL</b>	<b>750</b>	<b>11,345</b>	<b>5,986</b>	<b>2,548</b>	<b>2,739</b>	<b>23,369</b>

**Desert Healthcare District**  
**Deposit Detail**  
September 2011

Type	Date	Name	Amount
<b>Deposit</b>	<b>09/15/2011</b>		<b>3,920</b>
		T-Mobile	(1,521)
		Valley Creditors Service	(89)
		City of Palm Springs	(1,882)
Payment	09/15/2011	Family YMCA of the Desert-	(428)
<b>TOTAL</b>			<b>(3,920)</b>
<b>Deposit</b>	<b>09/30/2011</b>		<b>124</b>
		California Business Bureau, Inc.	(124)
<b>TOTAL</b>			<b>(124)</b>
		Property tax receipts - EFT - Riverside Cty	140,404
		<b>Total deposits - Month of September</b>	<b>144,448</b>

DESERT HEALTHCARE DISTRICT											
PROPERTY TAX RECEIPTS FY 2011-2012											
RECEIPTS - TWELVE MONTHS ENDED JUNE 30, 2012											
	FY 2010-2011 - Actual					FY 2011-2012 Projected/Actual					
	Budget %	Budget \$	Act %	Actual Receipts	Variance	Budget %	Budget \$	Act %	Actual Receipts	Variance	
<b>July</b>	2.9%	\$ 136,300	2.2%	\$ 104,432	\$ (31,868)	2.3%	\$ 103,103	3.1%	\$ 139,548	\$ 36,445	
<b>Aug</b>	3.4%	\$ 159,800	3.1%	\$ 145,889	\$ (13,911)	3.2%	\$ 144,032	2.4%	\$ 109,938	\$ (34,094)	
<b>Sep</b>	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	3.1%	\$ 140,404	\$ 140,404	
<b>Oct</b>	3.2%	\$ 150,400	3.0%	\$ 142,852	\$ (7,548)	3.1%	\$ 141,033	0.0%	\$ -		
<b>Nov</b>	0.0%	\$ -	0.1%	\$ 5,778	\$ 5,778	0.1%	\$ 5,704	0.0%	\$ -		
<b>Dec</b>	21.2%	\$ 996,400	19.5%	\$ 918,116	\$ (78,284)	20.1%	\$ 906,427	0.0%	\$ -		
<b>Jan</b>	22.6%	\$ 1,062,200	24.5%	\$ 1,152,698	\$ 90,498	25.3%	\$ 1,138,022	0.0%	\$ -		
<b>Feb</b>	6.3%	\$ 296,100	3.4%	\$ 160,744	\$ (135,356)	3.5%	\$ 158,698	0.0%	\$ -		
<b>Mar</b>	0.0%	\$ -	0.0%	\$ -	\$ -	0.0%	\$ -	0.0%	\$ -		
<b>Apr</b>	7.0%	\$ 329,000	6.6%	\$ 308,317	\$ (20,683)	6.8%	\$ 304,391	0.0%	\$ -		
<b>May</b>	32.0%	\$ 1,504,000	33.1%	\$ 1,555,687	\$ 51,687	34.1%	\$ 1,535,881	0.0%	\$ -		
<b>June</b>	1.5%	\$ 70,500	1.4%	\$ 63,517	\$ (6,983)	1.4%	\$ 62,708	0.0%	\$ -		
<b>Total</b>	<b>100%</b>	<b>\$ 4,700,000</b>	<b>97.0%</b>	<b>\$ 4,558,031</b>	<b>\$ (146,669)</b>	<b>100%</b>	<b>\$ 4,500,000</b>	<b>8.7%</b>	<b>\$ 389,889</b>	<b>\$ 142,755</b>	

**Las Palmas Medical Plaza**  
**Deposit Detail**  
September 2011

	Type	Date	Name	Amount
	<b>Deposit</b>	<b>09/14/2011</b>		<b>14,807</b>
	Payment	09/13/2011	Derakhsh Fozouni, M.D.	-4,403
	Payment	09/13/2011	Derakhsh Fozouni, MD -	-2,353
	Payment	09/13/2011	Contour Dermatology & Cosmetic Surg	-5,402
	Payment	09/13/2011	Lynn W. Cooper, M.D.	-2,650
TOTAL				-14,807
	<b>Deposit</b>	<b>09/14/2011</b>		<b>10,542</b>
	Payment	09/12/2011	Howard Congress, M.D.	-1,880
	Payment	09/13/2011	Brian Cleary, M.D.	-2,460
	Payment	09/13/2011	Aijaz Hashmi, M.D., Inc.	-2,601
	Payment	09/13/2011	Brad A. Wolfson, M.D.	-3,600
TOTAL				-10,542
	<b>Deposit</b>	<b>09/14/2011</b>		<b>3,213</b>
	Payment	09/13/2011	Ronald Himmelman, M.D.	-3,213
TOTAL				-3,213
	<b>Deposit</b>	<b>09/15/2011</b>		<b>62,281</b>
	Payment	09/06/2011	Pathway Pharmaceuticals, Inc.	-2,441
	Payment	09/06/2011	Steven Gundry, M.D.	-5,192
	Payment	09/06/2011	Quest Diagnostics Incorporated	-5,915
	Payment	09/06/2011	Las Palmas OB GYN	-5,873
	Payment	09/06/2011	Cohen Musch Thomas Medical Group	-3,009
	Payment	09/06/2011	Desert Oasis Healthcare	-2,495
	Payment	09/06/2011	Laboratory Corporation of America	-5,399
	Payment	09/06/2011	LabWest Lease Administrator	-2,651
	Payment	09/09/2011	Hospice of the Desert Communities	-6,339
	Payment	09/12/2011	Desert Consultants Inc.-	-3,974
	Payment	09/12/2011	Milaskas Eye Institute Medical Group	-6,375
	Payment	09/15/2011	Desert Family Medical Center	-3,556
	Payment	09/15/2011	Jay Forgeron, RPT	-6,126
	Payment	09/15/2011	David Neumann, M.D.	-2,936
TOTAL				-62,281

**Las Palmas Medical Plaza  
Deposit Detail  
September 2011**

	Type	Date	Name	Amount
	<b>Deposit</b>	<b>09/23/2011</b>		<b>3,523</b>
	Payment	09/22/2011	Williams Medical Group Incorp.	-3,523
TOTAL				-3,523
	<b>Deposit</b>	<b>09/23/2011</b>		<b>1,501</b>
	Payment	09/22/2011	Brian Wexler, Ph.D.	-1,501
TOTAL				-1,501
	<b>Deposit</b>	<b>09/30/2011</b>		<b>11,562</b>
	Payment	09/20/2011	Advance Medical Analysis, LLC	-1,590
	Payment	09/20/2011	Advance Medical Analysis, LLC	-1,614
	Payment	09/22/2011	Bobby Bhasker-Rao	-3,950
	Payment	09/22/2011	Peter Jamieson, M.D.	-2,908
	Payment	09/27/2011	Ramy Awad, M.D.	-1,500
TOTAL				-11,562
	<b>Deposit</b>	<b>09/30/2011</b>		<b>5,470</b>
	Payment	09/30/2011	Pacific Sleep Medicine Services Inc	-5,470
TOTAL				-5,470
			<b>Grand Total</b>	<b>112,899</b>

**Desert Healthcare District**  
**Warrant Report**  
As of September 30, 2011

Type	Date	Num	Name	Amount
<b>1000 - CHECKING CASH ACCOUNTS</b>				
<b>1010 - Union Bank - Checking</b>				
Liability Check	09/01/2011		QuickBooks Payroll Service	(14,325)
Liability Check	09/01/2011		QuickBooks Payroll Service	(5,403)
Bill Pmt -Check	09/07/2011	11368	Anthem Blue Cross	(105)
Bill Pmt -Check	09/07/2011	11369	Arrowhead	(42)
Bill Pmt -Check	09/07/2011	11370	Brian Wachs, CPA	(500)
Bill Pmt -Check	09/07/2011	11371	Bridges of Hope	(5,000)
Bill Pmt -Check	09/07/2011	11372	Desert Water Agency	(1,180)
Bill Pmt -Check	09/07/2011	11373	First Bankcard	(1,928)
Bill Pmt -Check	09/07/2011	11374	La Salle Lighting Services	Void
Bill Pmt -Check	09/07/2011	11375	Law Offices of Jeffrey G. Scott	Void
Bill Pmt -Check	09/07/2011	11376	Lund & Guttry LLP	(1,500)
Bill Pmt -Check	09/07/2011	11377	Orkin Inc.	(55)
Bill Pmt -Check	09/07/2011	11378	Peter Young-	(84)
Bill Pmt -Check	09/07/2011	11379	Purchase Power	(200)
Bill Pmt -Check	09/07/2011	11380	Samantha Prior	(143)
Bill Pmt -Check	09/07/2011	11381	Sedgwick CMS	(738)
Bill Pmt -Check	09/07/2011	11382	Shred-It	(60)
Bill Pmt -Check	09/07/2011	11383	Staples Credit Plan	(260)
Bill Pmt -Check	09/07/2011	11384	State Compensation Insurance Fund	(1,004)
Bill Pmt -Check	09/07/2011	11385	Steve Brown	(62)
Bill Pmt -Check	09/07/2011	11386	The Epler Company	(4,918)
Bill Pmt -Check	09/07/2011	11387	Unified Office Services, Inc.	(1,160)
Bill Pmt -Check	09/07/2011	11388	UPS	(6)
Bill Pmt -Check	09/07/2011	11389	Verizon	(47)
Bill Pmt -Check	09/07/2011	11390	Verizon Wireless	(5,962)
Bill Pmt -Check	09/07/2011	11391	Xerox Corp	(416)
Bill Pmt -Check	09/07/2011	11392	First Bankcard	(32)
Bill Pmt -Check	09/07/2011	11393	UPS	(18)
Bill Pmt -Check	09/07/2011	11394	Law Offices of Jeffrey G. Scott	(5,548)
Liability Check	09/13/2011	11395	AXA Equitable Retirement Services	(2,649)
Bill Pmt -Check	09/13/2011	11396	Blood Bank of San Bernardino	(56,250)
Bill Pmt -Check	09/13/2011	11397	Cielo Vista Charter	(13,854)
Bill Pmt -Check	09/13/2011	11398	Desert Cancer Foundation	(20,000)
Bill Pmt -Check	09/13/2011	11399	Desert Women for Equality	(7,650)
Bill Pmt -Check	09/13/2011	11400	Fontana, Michael	(6,691)
Bill Pmt -Check	09/13/2011	11401	Prime Timer of the Desert Foundation	(5,000)
Bill Pmt -Check	09/13/2011	11402	Sedgwick CMS	(738)

**Desert Healthcare District  
Warrant Report  
As of September 30, 2011**

Bill Pmt -Check	09/13/2011	11403	The PENTA Building Group	(108,152)
Bill Pmt -Check	09/13/2011	11404	Unified Office Services, Inc.	(382)
Bill Pmt -Check	09/13/2011	11405	William Walsh	(738)
Bill Pmt -Check	09/13/2011	11406	Calif. Public Employees'Retirement System	(16,449)
Liability Check	09/15/2011		QuickBooks Payroll Service	(14,256)
Liability Check	09/15/2011		QuickBooks Payroll Service	(5,403)
Liability Check	09/27/2011	11407	AXA Equitable Retirement Services	(2,649)
Bill Pmt -Check	09/27/2011	11408	Angel View Crippled Children's Foundation	(29,700)
Bill Pmt -Check	09/27/2011	11409	Arrowhead	(42)
Bill Pmt -Check	09/27/2011	11410	CoPower Employers' Benefits Alliance	(2,260)
Bill Pmt -Check	09/27/2011	11411	Desert Arc	(2,907)
Bill Pmt -Check	09/27/2011	11412	Desert Women for Equality	(9,850)
Bill Pmt -Check	09/27/2011	11413	Donna Craig	(51)
Bill Pmt -Check	09/27/2011	11414	E-Works	(30)
Bill Pmt -Check	09/27/2011	11415	Ernest Enterprises	(20)
Bill Pmt -Check	09/27/2011	11416	Hidden Harvest Corporation	(45,559)
Bill Pmt -Check	09/27/2011	11417	Lund & Guttry LLP	(500)
Bill Pmt -Check	09/27/2011	11418	Microedge, LLC	(1,200)
Bill Pmt -Check	09/27/2011	11419	Peter Young-	(120)
Bill Pmt -Check	09/27/2011	11420	Principal Life Insurance Co.	(552)
Bill Pmt -Check	09/27/2011	11421	Purchase Power	(225)
Bill Pmt -Check	09/27/2011	11422	Sam's Club	(88)
Bill Pmt -Check	09/27/2011	11423	Sedgwick CMS	(738)
Bill Pmt -Check	09/27/2011	11424	SkyRiver Communications, Inc.	(799)
Bill Pmt -Check	09/27/2011	11425	State Compensation Insurance Fund	(261)
Bill Pmt -Check	09/27/2011	11426	Steve Brown	(89)
Bill Pmt -Check	09/27/2011	11427	The Well in the Desert	(5,000)
Bill Pmt -Check	09/27/2011	11428	Unified Office Services, Inc.	(571)
Bill Pmt -Check	09/27/2011	11429	UPS	(6)
Bill Pmt -Check	09/27/2011	11430	Verizon Wireless	(492)
Bill Pmt -Check	09/27/2011	11431	Desert Women for Equality	(1,000)
Bill Pmt -Check	09/27/2011	11432	Lund & Guttry LLP	(2,500)
Bill Pmt -Check	09/27/2011	11433	Microedge, LLC	(6,654)
Liability Check	09/29/2011		QuickBooks Payroll Service	(14,256)
Liability Check	09/29/2011		QuickBooks Payroll Service	(5,403)
Check	09/30/2011		Bank fees	(393)
<b>TOTAL</b>				<b>(442,819)</b>



Desert Healthcare District  
**Warrant Report-Las Palmas Medical Plaza**  
As of September 30, 2011

Type	Date	Num	Name	Amount
<b>1000 - CHECKING CASH ACCOUNTS</b>				
<b>1046 - Las Palmas Medical Plaza</b>				
Bill Pmt -Check	09/07/2011	8352	Christal Cleaning Connection	(1,900)
Bill Pmt -Check	09/07/2011	8353	Desert Air Conditioning Inc.	(494)
Bill Pmt -Check	09/07/2011	8354	Desert Solar & Construction	(125)
Bill Pmt -Check	09/07/2011	8355	Desert Water Agency	(359)
Bill Pmt -Check	09/07/2011	8356	Imperial Security	(2,508)
Bill Pmt -Check	09/07/2011	8357	Inpro Construction	(722)
Bill Pmt -Check	09/07/2011	8358	La Salle Lighting Services	(70)
Bill Pmt -Check	09/07/2011	8359	Orkin Inc.	(170)
Bill Pmt -Check	09/07/2011	8360	Palm Springs Digestive Diease Medical	(6,456)
Bill Pmt -Check	09/07/2011	8361	Palm Springs Disposal Services Inc	(1,876)
Bill Pmt -Check	09/07/2011	8362	Pinnacle Landscaping Company	(1,200)
Bill Pmt -Check	09/07/2011	8363	Southern California Edison	(1,103)
Bill Pmt -Check	09/07/2011	8364	La Salle Lighting Services	(435)
Bill Pmt -Check	09/13/2011	8365	Christal Cleaning Connection	(1,900)
Bill Pmt -Check	09/13/2011	8366	Imperial Security	(1,254)
Bill Pmt -Check	09/13/2011	8367	Waste Stream Solutions California	(475)
Bill Pmt -Check	09/27/2011	8368	Amtech Elevator Services	(1,012)
Bill Pmt -Check	09/27/2011	8369	Desert Air Conditioning Inc.	(79)
Bill Pmt -Check	09/27/2011	8370	Desert Oasis Healthcare-	(1,500)
Bill Pmt -Check	09/27/2011	8371	Imperial Security	(2,633)
Bill Pmt -Check	09/27/2011	8372	Inpro Construction	(2,825)
Bill Pmt -Check	09/27/2011	8373	Verizon	(137)
Check	09/30/2011		Bank and lease payment fees - Credit Cards	(1,061)
<b>TOTAL</b>				<b>(30,294)</b>



## MEMORANDUM

DATE: October 11, 2011

TO: Finance and Administration Committee

FROM: Peter Young

RE: Retirement Protection Plan (RPP)

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Current number of participants in Plan:

Active – still employed by hospital	198
Vested – no longer employed by hospital	86
Former employees receiving annuity	<u>34</u>
Total	<u><b>322</b></u>

The outstanding liability for the RPP is approximately **\$7.3M** (Actives - \$5.6M and Vested - \$1.7M) vs. an investment portfolio valued at approximately **\$3.3M**.

The payouts, excluding monthly annuity payments, made from the Plan for the three **(3) months ended September 30, 2011**, totaled **\$126K**. Monthly annuity payments (34 participants) total **\$6.3K** per month.

DESERT HEALTHCARE DISTRICT							
OUTSTANDING GRANTS AND GRANT PAYMENT SCHEDULE							
As of 10/31/2011							
TWELVE MONTHS ENDED JUNE 30, 2012							
Grant ID Nos.	Name	Original Open Grant Amt	Grant Amt 2011-2012	7/1/2011 Bal Fwd/New	Actual Oct	Total Paid July-June	Open BALANCE
<b>Grants:</b>							
2009-370-BOD 4/28/09	HARC Inc.	\$ 600,000		\$ 120,000		\$ 110,000	\$ 10,000
2009-481-BOD 9/22/09	CVEP	\$ 311,552		\$ 31,156		\$ -	\$ 31,156
2009-489-BOD 10/27/09	Desert Community College District	\$ 79,050		\$ 7,906		\$ 7,906	\$ -
2009-488-BOD 10/27/09	Alzheimer's Association Extension 4/30/11	\$ 71,000		\$ 23,075		\$ 5,670	\$ 17,405
	Adjustment - Grant not fully utilized					\$ 17,405	\$ (17,405)
2009-495-BOD 10/27/09	Pathways to Success	\$ 105,000		\$ 10,500		\$ -	\$ 10,500
2009-505-BOD 10/27/09	RAP TAP - Technical Assistance Prog	\$ 72,500		\$ 44,425		\$ -	\$ 44,425
2009-502-BOD 11/24/09	Desert Arc	\$ 68,544		\$ 28,117		\$ 9,721	\$ 18,396
2010-518-BOD 1/26/10	Shelter From the Storm	\$ 56,250		\$ 30,939		\$ 8,437	\$ 22,502
2010-551-BOD 4/27/10	ACT for MS - Enhanced Strength Training	\$ 134,580		\$ 13,458		\$ 8,948	\$ 4,510
	Adjustment - Grant not fully utilized					\$ 4,510	\$ (4,510)
2010-560-BOD 4/27/10	HEALNet - RAP to administer prog - 2 yr	\$ 343,363		\$ 111,593		\$ -	\$ 111,593
2010-562-BOD 5/25/10	Jewish Family Serv of the San Diego - Housing	\$ 40,198		\$ 4,020		\$ 4,020	\$ -
2010-569-BOD 6/22/10	Christopher's Clubhouse - Support radKIDS	\$ 8,620		\$ 862		\$ -	\$ 862
7/26/2005 - Agreement	Housing Authority - Riverside Cty - DHS Land	\$ 1,000,000		\$ 1,000,000		\$ -	\$ 1,000,000
2011-572-BOD 7/27/10	Angel View - 2 yr pilot project - Servi-employees	\$ 132,000		\$ 72,600		\$ 29,700	\$ 42,900
2011-582-BOD 7/27/10	Ramon Alternative Ctr - Improving health	\$ 28,225		\$ 2,823		\$ -	\$ 2,823
	Adjustment - Grant not fully utilized					\$ 2,823	\$ (2,823)
2011-596-BOD 9/28/10	Desert Cancer Foundation - Assistance Project	\$ 200,000		\$ 20,000		\$ 20,000	\$ -
2011-581-BOD 9/28/10	Visiting Nurses - Point of Care Technology	\$ 116,623		\$ 11,623	\$ 11,623	\$ 11,623	\$ -
2011-607-BOD 10/26/10	YMCA - Y Be Fit - ASES Afterschool Program	\$ 25,861		\$ 2,586		\$ -	\$ 2,586
	Adjustment - Grant not fully utilized					\$ 2,586	\$ (2,586)
2011-608-BOD 10/26/10	Cielo Vista Charter School - Healthy Lifestyles	\$ 259,726		\$ 60,036		\$ 13,854	\$ 46,182
2011-619-BOD 11/23/10	Pegasus Riding Academy - Riding for Recovery	\$ 56,128		\$ 18,241	\$ 12,629	\$ 12,629	\$ 5,612
2011-624-BOD 12/21/10	PSUSD - Nutrition Ed & Physical Act - 3.5Yrs	\$ 803,626		\$ 700,303		\$ -	\$ 700,303
2011-625-BOD 12/21/10	Stroke Recovery Center - Core Op Support - 2Yrs	\$ 369,066		\$ 286,026		\$ 83,040	\$ 202,986
2011-630-BOD 1/25/11	LifeStream Blood Bank - Rare Blood Expansion	\$ 250,000		\$ 137,500		\$ 56,250	\$ 81,250
2011-632-BOD 1/25/11	Jewish Family Serv of the Desert - KidsFirst	\$ 44,905		\$ 24,698		\$ 10,104	\$ 14,594
2011-640-BOD 3/22/11	Desert Women for Equality - Mammogram Prog	\$ 80,000		\$ 72,400		\$ 26,000	\$ 46,400
2011-643-BOD 3/22/11	CVEP Pathways to Success - Scholarships	\$ 212,500		\$ 4,250		\$ -	\$ 4,250
2011-652-BOD 4/26/11	CSUSB - CVHC - Physical Fitness program	\$ 33,234		\$ 18,279	\$ 14,955	\$ 14,955	\$ 3,324
2011-664-BOD 6/28/11	Luci Curci Cancer Center - Exercise Program	\$ 15,993		\$ 15,993		\$ 3,599	\$ 12,395
2011-660-BOD 6/28/11	Stroke Recovery Center - Kitchen Equipment	\$ 10,772		\$ 10,772		\$ 10,772	\$ -
2011-662-BOD 6/28/11	CVAG - Desert Resource Center Nurse	\$ 141,326		\$ 141,326		\$ 31,799	\$ 109,528
2011-636-BOD 7/26/11	Hidden Harvest - Fresh and Healthy Eating		\$ 202,482			\$ 45,559	\$ 156,924
2011-667-BOD 7/26/11	FIND - Admin - Healthy Emergency Food		\$ 72,763			\$ 16,372	\$ 56,391
2011-671-BOD 7/26/11	Mizell Senior Center - Meals on Wheels		\$ 175,068			\$ 39,391	\$ 135,678
2011-668-BOD 7/26/11	CSUSB - BSN Nursing Program-3 yrs		\$ 300,000			\$ -	\$ 300,000
2011-669-BOD 7/26/11	Desert Aids Project - Electronic Records 2 yrs		\$ 151,439			\$ 34,074	\$ 117,365
2011-677-BOD 7/26/11	United Cerebral Palsy - Community Integration		\$ 28,000			\$ 6,300	\$ 21,700
2011-693-BOD 8/23/11	Well in the Desert - Annual food grant - payable Qtrly		\$ 20,000			\$ 5,000	\$ 15,000
2011-691-BOD 9/27/11	Desert Cancer Foundation - Assist Project - 2 yrs		\$ 660,000			\$ -	\$ 660,000
2011-692-BOD 9/27/11	Family Services of the Desert - Mental Health - 2 yrs		\$ 225,000		\$ 50,625	\$ 50,625	\$ 174,375
2011-694-BOD 9/27/11	UCR Med School - Resident Prog/AccessHealth 5 yrs		\$ 5,000,000			\$ -	\$ 5,000,000
2011-695-BOD 8/23/11	Safehouse of the Desert-Annual food grant payable qtrly		\$ 14,000		\$ 3,500	\$ 3,500	\$ 10,500

DESERT HEALTHCARE DISTRICT							
OUTSTANDING GRANTS AND GRANT PAYMENT SCHEDULE							
As of 10/31/2011							
TWELVE MONTHS ENDED JUNE 30, 2012							
Grant ID Nos.	Name	Original Open Grant Amt	Grant Amt 2011-2012	7/1/2011 Bal Fwd/New	Actual Oct	Total Paid July-June	Open BALANCE
						\$ -	\$ -
<b>TOTAL GRANTS</b>		\$ 5,670,642	\$ 6,848,752	\$ 3,025,507	\$ 93,332	\$ 707,169	\$ 9,167,090
<b>Amts available/remaining for Grant/Programs - FY 2011-12:</b>							
<b>Amount budgeted 2011-2012</b>			\$ 4,000,000				
<b>Amount granted through October 31, 2011 Exclg UCR:</b>			\$ (1,848,752)				
Food Distribution Program - Expensed to A/C 7010:							
Various food grants 7/1/11 -6/30/12		\$ (50,000)	\$ (50,000)				
Net adjustments - Various - See #582, 551,488, old grant 270 \$5908.26		\$ 33,761	\$ 33,761				
<b>Balance available for Grants/Programs</b>			\$ 2,135,009				

**DESERT HEALTHCARE DISTRICT  
FY 10-12 STRATEGIC PLAN TRACKING WITH PROJECTIONS**

	BUDGET	SPENT	PROJ
<b>Total Grant Budget</b>	\$ 4,000,000	\$ 6,814,752	\$ 71,505
<b>GOAL #1: PROMOTE HEALTHY BEHAVIORS THROUGHOUT THE DISTRICT</b>	\$ 2,650,000	\$ 1,064,439	\$ -
Remaining	\$ 1,585,561		
<b>Objectives:</b>			
<b>1.1 Develop and implement programs to decrease the number of overweight and obese District residents</b>	\$ 250,000	\$ -	\$ -
1.1.A. Fund programs to reduce and prevent obesity and increase knowledge and awareness about health, weight			
1.1.B. Collaborate with and support other agencies, funders and foundations			
<b>1.2 Promote, develop and implement health related sustainability activities and practices</b>	\$ 100,000	\$ 151,439	\$ -
1.2.A. Participate in regional and local activities that improve the health of residents and communities			
1.2.B. Fund programs that support health related sustainability activities and practices			
1.2.C. Incorporate sustainability considerations into the future design, procurement, leasing, construction, maintenance and management of District owned property			
1.2.D. Continually improve knowledge about sustainability through education and training and through opportunities to actively engage in developing agency capability in this area			
<i>669 - Desert AIDS Project - Electronic Records Management</i>		\$ 151,439	
<b>1.3 Utilize grantmaking to improve the health of District residents</b>	\$ 2,300,000	\$ 913,000	\$ -
1.3.A. Fund programs that support the goals of Healthy People 2010/2020:			
1.3.B. Fund programs that comply with District Grant Guidelines			
<i>677 - UCPIE</i>		\$ 28,000	
<i>691 - Desert Cancer Foundation - Integrated Healthcare Assistance Program - 2 years</i>		\$ 660,000	
<i>692 - Family Services of the Desert - Mental Health Services</i>		\$ 225,000	

**DESERT HEALTHCARE DISTRICT  
FY 10-12 STRATEGIC PLAN TRACKING WITH PROJECTIONS**

	BUDGET	SPENT	PROJ
<b>GOAL #2: FACILITATE ACCESS &amp; AVAILABILITY TO HEALTHCARE SERVICES FOR DISTRICT RESIDENTS</b>	<b>\$ 1,200,000</b>	<b>\$ 5,750,313</b>	<b>\$ 71,505</b>
<i>Remaining</i>	\$ (4,550,313)		
<b>Objectives:</b>			
<b>2.1 Support efforts to alleviate local healthcare workforce shortage</b>	\$ 350,000	<b>\$ 5,300,000</b>	<b>\$ -</b>
2.1.A. Fund projects related to healthcare workforce development			
668 - CSUSB Palm Desert Campus - BSN Nursing Program		\$ 300,000	
694 - UCR School of Medicine		\$ 5,000,000	
<b>2.2 Increase awareness of existing behavioral health services in the District</b>	\$ 100,000	<b>\$ -</b>	<b>\$ -</b>
2.2.A. Fund project for continuing data collection & reporting of available behavioral health resources			
<b>2.3 Collaborate with Desert Regional Medical Center to facilitate access to health care</b>	\$ -	<b>\$ -</b>	
2.3.A. Monitor local market need for medical office space			
2.3.B. Assess feasibility and funding options for expanding on-campus parking facilities			
<b>2.4 Address Food Insecurity and Hunger Relief within the District</b>	\$ 250,000	<b>\$ 450,313</b>	<b>\$ 71,505</b>
2.4.A. Assess options and potential solutions to alleviate Food Insecurity and Hunger Relief			
2.4.B. Continue Year Round Food Assistance Program			
671 - Mizell Senior Center - Meals on Wheels		\$ 175,068	
P - Bridges of Hope - Operation Food Bag			<b>\$ 50,000</b>
667 - FIND Food Bank - Portion of administrative costs to support all District agencies		\$ 72,763	
636 - Hidden Harvest - Fresh and Healthy		\$ 202,482	
P - Well in the Desert - Kitchen Equipment			<b>\$ 21,505</b>
<b>2.5 Access to Healthcare in Underserved Areas</b>	\$ 500,000	<b>\$ -</b>	

**DESERT HEALTHCARE DISTRICT  
FY 10-12 STRATEGIC PLAN TRACKING WITH PROJECTIONS**

	<b>BUDGET</b>	<b>SPENT</b>	<b>PROJ</b>
<b>GOAL #3: DEVELOP AND SUPPORT INNOVATIVE HEALTHCARE SOLUTIONS</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ -</b>
Remaining	\$ 150,000		
<b>Objectives:</b>			
<b>3.1 Create a promising practices incubator and support network to develop promising and/or innovative community based health care initiatives</b>	\$ 25,000	\$ -	\$ -
3.1.A. Promote and fund promising community based health care initiatives			
<b>3.2 Promote access to needed prescription medication for at-risk District residents</b>	\$ 100,000	\$ -	
3.2.A. Fund a prescription medication program(s)			
<b>3.3 Ensure all District residents have access to immunizations against communicable diseases</b>	\$ 25,000	\$ -	
3.3.A. Fund immunization program(s)			



## MEMORANDUM

DATE: September 21, 2011

TO: Finance and Administration Committee

FROM: Peter Young, COO

RE: Oversight of the reimbursement procedure for Medical, Dental and Vision Co-pay and Deductibles

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Director Hazen, during the September 13, 2011 Finance and Administration meeting, stated her concern about oversight for the current procedure of reimbursing the directors and employees of the District for their medical, dental, vision and pharmacy co-pays and deductibles. Director Hazen inquired of staff the possibility of having a third party routinely review the disbursement of funds to insure that the disbursements are in compliance with the District's reimbursement policy.

I'm addressing Director Hazen's concern by first describing the current reimbursement and payment for services rendered policy that is in-place as follows:

I. District hired Brian Wach's, CPA, acting as the third party payer for the plans, to manage the director/employee reimbursement and payment of provider invoices effective May 1, 2007. His firm's responsibility is to review each request by:

a. **Medical** – Verifying that a explanation of benefits from Anthem Blue Cross indicating that the medical services provided are a **covered benefit** and are within the Plan's limits is attached to each request for either the medical reimbursement directly to the employee for the co-pay and deductible or for the provider invoice submitted by the employee for payment to the medical provider.

b. **Dental** - A dental benefits statement indicating the services provided are a covered benefit, not to exceed \$1,500 per plan year for dental reimbursement.

c. **Vision** - A paid invoice from the vision provider indicating that VSP paid for the covered benefits for which the co-pay and deductible is outstanding.

d. **Pharmacy** - Receipts indicating that insurer, Medco, covered the cost of the prescription excluding the co-pay amount. Mail-order co-pays must be evidenced by a Medco statement indicating the amount of the co-pay.

e. **Questions concerning reimbursement requests** – Brian Wachs, CPA was instructed to contact the District's Chief Operating Officer or legal counsel if questions arise concerning reimbursement or provider payment requests.

## **II. District staff has oversight responsibility as follows:**

a. To reconcile the checks issued by Brian Wachs, CPA to the District bank statement and to distribute the charges to the proper accounts for directors, staff and retired directors.

b. Staff receives from Brian Wachs, CPA a listing by date of the total disbursements made on behalf of each director and staff and it is staff's responsibility to question any unusual large disbursement amounts.

In the opinion of District staff the current system of oversight works very well. This opinion can be supported by an actual example of an attempt that took place in the latter part of last year to request payment and reimbursement for procedures performed that did not comply with the District's reimbursement policy. Brian Wach's office contacted the District's Chief Operating Officer regarding the questionable reimbursement requests and the District's legal counsel was involved in reviewing the charges. The matter was resolved in a closed session meeting of the District's board of directors.

Oversight continues on a daily basis. The District's Chief Operating Officer continues to be contacted by Brian Wach's office to clarify or resolve reimbursement and payment issues.