



**DESERT HEALTHCARE DISTRICT**  
**FINANCE, ADMINISTRATION, REAL ESTATE, LEGAL, AND COMMITTEE**  
**MEETING MINUTES**  
**February 08, 2022**

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

| AGENDA ITEMS   | DISCUSSION   | ACTION  |
|--|--|---|
| <b>I. Call to Order</b>  | Chair Shorr called the meeting to order at 3:31 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 agenda. Motion passed unanimously.</b>   |
| <b>III. Public Comment</b>   | There was no public comment.   |   |
| <b>IV. Approval of Minutes</b><br>1. <b>F&amp;A Minutes – Meeting January 11, 2022</b> | Chair Shorr motioned to approve the January 11, 2022, minutes.   | <b>Moved and seconded by Director Zendle and President Borja to approve the January 11, 2022, meeting minutes. Motion passed unanimously.</b> |
| <b>V. Chief Administration Officer's Report</b>  | Chris Christensen, CAO, explained at the January committee meeting the transition of Lund & Guttry, LLP to a new organization – Coachella Valley Accounting and Auditing that will be presented in Other Matters to approve the transition and letters of engagement.<br><br>The Las Palmas Medical Plaza is 97.4% occupied with one vacant suite and the anticipation of 100% occupancy in the near future. |   |
| <b>VI. CEO Report</b>  | Conrado Bázquez, CEO, explained that related to the Foundation, staff is working to finalize a contract with the   |   |



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|  | <p>Riverside County Health Systems (RUHS) on a \$90k allocation of additional funding for the Coachella Valley Equity Collaborative.</p>  |  |
| <p><b>VII. Financial Reports</b></p> <ol style="list-style-type: none"> <li><b>1. District and LPMP Financial Statements</b></li> <li><b>2. Accounts Receivable Aging Summary</b></li> <li><b>3. District – Deposits</b></li> <li><b>4. District – Property Tax Receipts</b></li> <li><b>5. LPMP Deposits</b></li> <li><b>6. District – Check Register</b></li> <li><b>7. Credit Card – Detail of Expenditures</b></li> <li><b>8. LPMP – Check Register</b></li> <li><b>9. Retirement Protection Plan Update</b></li> <li><b>10. Grant Payment Schedule</b></li> </ol> | <p>Chair Shorr reviewed the January 2022 financial reports with the committee. Chris Christensen, CAO, explained that the most recent property tax receipt is 8% higher than last year due to the increase in real estate value. Investment income is negative due to bond performance. Mr. Christensen provided an overview of the A/R Aging Summary describing the Sovereign account that is traditionally in arrears, but in the past few months, the account is one month ahead of the scheduled payments. Chair Shorr discussed the Check Register, Credit Card Expenditures, and Retirement Protection Plan with the committee. Mr. Christensen described the Grant Payment Schedule \$1.8M reserved/unused funding carried forward from last year for newly awarded grants. \$521k in grant funds has been awarded since January 31, 2022, reducing the \$1.8M of reserved grants, resulting in \$1.3M remaining unused grant funding. Therefore, with the remaining \$1.3M, and the \$4M budgeted for 2021-2022, \$5.3M is available for grant funding.</p> | <p><b>Moved and seconded by Director Zendle and President Borja to approve the January 2022 financials – items 1-10 and to forward to the Board for approval. Motion passed unanimously.</b></p> |



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| <b>VIII. Other Matters</b>  |  |   |
|---|--|---|
| <p><b>1. LPMP – Lease Extension Addendum #3 – Eyecare Services Partners Management LLP</b></p>  | <p>Chris Christensen, CAO, described the 2018 lease renewal expiring in 2023 with two optional 5-year extensions continuing to 2028 with an addendum to extend the lease. There are no tenant improvement requests, but the district will pay the 4% broker commission absent of the tenant improvements that the committee would normally consider for approval. Mr. Christensen also explained a broker is used by Eyecare Services Partners Management, which is a substantially large national organization.</p> | <p><b>Moved and seconded by Director Zendle and President Borja to approve the LPMP – Lease Extension Addendum #3 – Eyecare Services Partners Management LLP and forward to the Board for approval. Motion passed unanimously.</b></p>  |
| <p><b>2. Lund &amp; Guttry, LLP, Certified Public Accountants – Disengagement Letter Effective Immediately – District, Foundation, and Retirement Protection Plan</b></p>   | <p>Chris Christensen, CAO, explained that as the district’s financial auditors for the past 2 years, Lund &amp; Guttry is splitting-off to Coachella Valley Accounting and Auditing. The staff at Lund &amp; Guttry will transition to the new organization, including Mr. Gary Dack, CPA, Partner, who will eventually retire in a few years. Shannon Maidment, CPA, Partner, will also accompany Mr. Dack and the staff to Coachella Valley Accounting and Auditing.</p>   | <p><b>Moved and seconded by Director Zendle and President Borja to approve and consent to the transition from Lund &amp; Guttry, LLP, Certified Public Accountants to Coachella Valley Accounting and Auditing (CV A&amp;A) – Effective February 1, 2022. Motion passed unanimously.</b></p>    |
| <p><b>3. Consideration to approve and consent to the transition from Lund &amp; Guttry, LLP, Certified Public Accountants to Coachella Valley Accounting and Auditing (CV A&amp;A) – Effective February 1, 2022</b></p> | <p>In addition to the transition and disengagement letters to Coachella Valley Accounting and Auditing, Mr. Christensen</p>  | <p><b>Moved and seconded by Director Zendle and President Borja to approve and consent to the Letters of Engagement with Coachella Valley Accounting and Auditing (CV A&amp;A) for the District, Foundation, and Retirement Protection Plan for FY2022-2023. Motion passed unanimously.</b></p> |
| <p><b>4. Consideration to approve and consent</b></p>   |  |   |



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| <p><b>to the Letters of Engagement with Coachella Valley Accounting and Auditing (CV A&amp;A) for the District, Foundation, and Retirement Protection Plan for FY2022-2023</b></p> | <p>also provided details on the engagement letter.</p>   |   |
| <p><b>IV. Adjournment</b></p>  | <p>Director Shorr adjourned the meeting at 4:08 p.m.</p> | <p><b>Audio recording available on the website at <a href="http://dhcd.org/Agendas-and-Documents">http://dhcd.org/Agendas-and-Documents</a></b></p> |

DocuSigned by:  
  
 ATTEST: \_\_\_\_\_  
 Arthur Shorr, Treasurer/Chair, Board of Director  
 Finance & Administration Committee Member  
 Desert Healthcare District Board of Directors

*Minutes respectfully submitted by Andrea S. Hayles, Clerk of the Board*