



DESERT HEALTHCARE DISTRICT
FINANCE, ADMINISTRATION, REAL ESTATE, LEGAL, AND COMMITTEE
MEETING MINUTES
January 11, 2022

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

AGENDA ITEMS	DISCUSSION	ACTION
I. Call to Order	Chair Shorr called the meeting to order at 3:31 p.m.	
II. Approval of Agenda	Chair Shorr asked for a motion to approve the agenda.	Moved and seconded by Director Zendle and Director De Lara agenda. Motion passed unanimously.
III. Public Comment	There was no public comment.	
IV. Approval of Minutes 1. F&A Minutes – Meeting December 07, 2022	Chair Shorr motioned to approve the December 07, 2021, minutes with the following modifications: - Areas that staff or legal “contact” each director (pg. 2) -Modify decided to “consider” (pg. 3) -Change no transactions to “unauthorized transactions” (pg. 4) -Amend from community members to grantees (pg. 8)	Moved and seconded by President De Lara and Director Zendle to approve the December 07, 2021, meeting minutes with the changes as illustrated. Motion passed unanimously.
V. Chief Administration Officer’s Report	Chris Christensen, CAO, explained that the CalPERS medical insurance plan transitioned from the PERS Choice to the PERS Platinum plan. The new 10% coinsurance benefit is 90/10 versus 80/20 with the same provider network. The out-of-pocket expense for the coinsurance payments in the old plan, such as the employee versus the family was \$3k before the	



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	<p>coinsurance was met, and 100% after, with the new plan offering \$2k for employees, and \$4k for families – a benefit to district employees. A 13.4% premium increase to the budget line item will continue to be lower than budget due to staffing vacancies and having budgeted for full family benefits. During the budgeting process, other plans will be evaluated and forwarded to the board with additional options.</p> <p>The last two years Lund & Guttry, CPA accounting firm, has performed the district’s annual audit; however, Mr. Gary Dack, Partner, who directed the district’s audit is retiring. The audit function will transition to a new organization named CV Accounting and Auditing Firm in February 2022, with Mr. Dack working with CV Accounting during his 2–3-year transition period with the same staff, and Shannon Maidment, the audit partner. Staff will provide engagement letters for the new firm at the February committee meeting for consideration of approval. It was noted that the District’s FY 21 State Controllers Report, which is due by January 31, as well as the Foundation’s Form 990, will be completed prior to January 31.</p> <p>Two vacancies currently remain at the Las Palmas Medical Plaza</p>	
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	with one unit of interest thus far in January.	
VI. Financial Reports 1. District and LPMP Financial Statements 2. Accounts Receivable Aging Summary 3. District – Deposits 4. District – Property Tax Receipts 5. LPMP Deposits 6. District – Check Register 7. Credit Card – Detail of Expenditures 8. LPMP – Check Register 9. Retirement Protection Plan Update 10. Grant Payment Schedule	<p>Chair Shorr reviewed the financial reports with the committee. The committee inquired and discussed the Profit & Loss Budget vs. Actual line item 5112 with the vacation over budget by \$7k due to less vacation related to remote work and the last week of the year treated as holidays, similar to line item 5160 – education expense related to educational conferences and continuing education. Line item 5115 – Nutrition Education and Obesity Prevention Branch (NEOPB) is under budget due to the program cancellation, and item 5119 DHCF is over budget due to the allocation for Foundation programs, including the CV Equity Collaborative.</p> <p>Chair Shorr noted that the highlighted section on the grants payment schedule is related to the \$1.8M forwarded from the prior year and reduced by \$330k for current year awards as illustrated in the current year column.</p>	<p>Moved and seconded by Director Zendle and Director De Lara to approve the November and December 2021 District Financial Reports - Items 1-10 and to forward to the Board for approval. Motion passed unanimously.</p>
VII. Other Matters 1. Simpson, Gumpertz, & Heger (SGH), Inc. engagement of the seismic non-structural engineering evaluation report	<p>Chris Christensen, CAO, described the discussions with Kaufman Hall and the joint meeting with Simpson, Gumpertz, & Heger (SGH) to obtain an update on the</p>	



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	<p>nonstructural requirements since the last seismic estimate in 2019, highlighting the separate work from the seismic structural competent. The nonstructural evaluation is related to securing plumbing or items for fire prevention, flooding during an earthquake, which is essential for all the buildings. The timeline for January 2024 requires a nonstructural engineering report, further informing the committee that staff will provide an engagement or proposal for approval of the work with additional discussions with Kaufman Hall and the ad hoc committee. Additionally, the completion of the construction documentation is due by January 2026 with completion of the building permits by January 2028.</p> <p>In the last assessment, the fee for the nonstructural assessment is \$3M, requesting that the engineering firm issue a proposal for the work and update the assessment for any changes to the work, such as building codes with a timeframe for completion up to 18 months affecting permits and other documents.</p> <p>Chair Shorr inquired about the RFP to assist with the strategic direction associated with a timeline of remediation with the committee further</p>	
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	<p>discussing a review of the 2019 scope of work by SGH, which includes structural and nonstructural terms, the timeline, and legislation with a possible study session of the board of directors.</p>	
<p>VIII. Adjournment</p>	<p>Director Shorr adjourned the meeting at 4:22 p.m.</p>	<p>Audio recording available on the website at http://dhcd.org/Agendas-and-Documents</p>

DocuSigned by:

 ATTEST: _____
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 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