



**DESERT HEALTHCARE DISTRICT
BOARD MEETING
Board of Directors
May 28, 2024
5:30 P.M.**

University of California Palm Desert Campus
Building B, Rooms B114 & B117
75080 Frank Sinatra Drive
Palm Desert, CA 92211

This meeting is handicapped-accessible

In lieu of attending the meeting in person, members of the public can participate by webinar using the following link:

<https://us02web.zoom.us/j/88671987917?pwd=T29iRktlDZlRDM3lTbmJDWkFiMnVMdz09>

Password: 355860

Members of the public can also participate by telephone, using the following dial in information:

(669) 900-6833 or Toll Free (833) 548-0282

Webinar ID: 886 7198 7917

Password: 355860

You may also email ahayles@dhcd.org with your public comment no later than 4 p.m., Tuesday, 05/28

Page(s)	REVISED AGENDA	Item Type
	<i>Any item on the agenda may result in Board Action</i>	
	A. CALL TO ORDER – President PerezGil Roll Call Director Rogers, RN____Director De Lara____ Director Zendle, MD____Director Shorr____ Secretary Barraza____ Vice-President Zavala, PsyD____President PerezGil	
	B. PLEDGE OF ALLEGIANCE	
	C. REPORT AFTER CLOSED SESSION Counsel Scott will provide the Report After Closed Session Special Meeting of the Board, which adjourned immediately before the regularly scheduled Board of Directors meeting.	
1-3	D. APPROVAL OF AGENDA	
	E. PUBLIC COMMENT At this time, comments from the audience may be made on items <u>not</u> listed on the agenda that are of public interest and within the subject-matter jurisdiction of the District. The Board has a policy of limiting speakers to no more than three minutes. The Board cannot take action on items not listed on the agenda. Public input may be offered on agenda items when they come up for discussion and/or action.	



F. CONSENT AGENDA		Action
All Consent Agenda item(s) listed below are considered routine by the Board Directors and will be enacted by one motion. <u>There will be no separate discussion of items unless a Board member so requests, in which event the item(s) will be considered following approval of the Consent Agenda.</u>		
4-7	1. BOARD MINUTES	
8-9	a. Special Meeting of the Board – April 02, 2024	
10-11	b. Special Meeting of the Board – April 12, 2024	
12-15	c. Special Meeting of the Board – April 13, 2024	
16-18	d. Special Meeting of the Board – April 16, 2024	
19-29	e. Special Meeting of the Board – April 30, 2024	
	f. Board of Directors Meeting – April 23, 2024	
30-63	2. FINANCIALS	
64	a. March and April 2024 Financial Statements – F&A Approved May 15, 2024	
65-81	b. Increase FY23-24 Grant Budget from \$4,000,000 to \$5,000,000	
	c. FY2024-2025 Annual Budget	
82-83	3. MEMORANDUM OF UNDERSTANDING	
	a. Memorandum of Understanding for Operational Support between the District & Foundation – \$750,0000	
G. STRATEGIC GRANT FUNDING		ACTIONS
84-104	1. Grant # 1460 ABC Recovery Center: <i>Nursing Care and Prescription Medications</i> : \$150,134 – Strategic Plan Goal 2/Strategy 2.7	
105-121	2. Grant #1462 HARC: <i>2025 Coachella Valley Community Health Survey</i> : \$66,240 for two-year period – review and provide direction for moving forward – request is not aligned with the board-approved high priority strategic plan goals.	
H. REASSUMING OPERATIONAL RESPONSIBILITIES OF DESERT REGIONAL MEDICAL CENTER		Information
122-195	1. Gibbins Advisors – Presentation of Report on Reassuming Operational Responsibilities of Desert Regional Medical Center	
	2. Public Comments on Gibbins Advisors Report	
	3. Board Member Comments	
I. HOSPITAL LEASE NEGOTIATIONS		Discussion/ Possible Action
196-215	1. Introduction by Steve Hollis, Consultant, and Revised Proposal Presentation by Mike Maloney, Executive Vice-President of Corporate Development, Tenet Healthcare	
	2. Public Comments on Revised Tenet Proposal	
	3. Board Member Comments, Discussion, and Direction	
J. REPORTS		Information
216	1. Desert Regional Medical Center CEO Report – Michele Finney, CEO	
217	2. Desert Regional Medical Center Governing Board Meeting – President Evett PerezGil and Director Les Zendle, MD	



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| | 3. Desert Healthcare District CEO Report – Chris Christensen, Interim CEO | |
| 218-219 | a. Desert Physicians Medical Group (DPMG) Mobile Medical Trailer Ribbon Cutting Ceremony | |
| 220-221 | b. Environmental Health Initiative Data Walk – June 4 | |
| 222-247 | c. Palm Springs Wellness Park 10-Year Lease Renewal (Parkland Lease Agreement) | Action |
| 248-262 | d. 2024 Local Area Formation Commission Special District Selection Committee Ballot Run-Off | |
| 263-265 | e. CEO Engagements and District Media Visibility | |
| 266 | 4. Legal – Jeffrey G. Scott, Esq., Law Offices of Jeffrey G. Scott | |

K. COMMITTEE MEETINGS

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| | 1. PROGRAM COMMITTEE – Chair/President Evett PerezGil, Vice-President Carmina Zavala, PsyD, and Director Leticia De Lara | Information |
| 267-271 | a. Draft Meeting Minutes – May 14, 2024 | |
| 272-327 | b. Progress and Final Reports Update | |
| 328-329 | c. Grant Applications Status Report | |
| 330 | d. Grant Payment Schedule | |
| | 2. FINANCE, LEGAL, ADMINISTRATION & REAL ESTATE COMMITTEE – Chair/Treasurer Arthur Shorr, Vice-President Carmina Zavala, PsyD, and Director Leticia De Lara | Information |
| 331-335 | a. Draft Meeting Minutes – May 15, 2024 | |
| 336-338 | b. Service Contract – Hocker Productions – Environmental Health Summit – NTE \$40,000 | |
| 339-376 | c. Q4 2023 and Q1 2024 District and Retirement Protection Plan Portfolio Investments – Highmark Capital (Q4 2023) and PFM Asset Management (Q1 2024) | |

L. OLD BUSINESS

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| 377-382 | 1. Coachella Valley Association of Governments (CVAG) CV Link Project Q1 2024 Report | Information |
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M. NEW BUSINESS – PERSONNEL

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| 383-388 | 1. Consideration to approve the Chief Executive Officer Employment Agreement | Action |
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N. BOARD MEMBER COMMENTS

O. ADJOURNMENT

The undersigned certifies that a copy of this agenda was posted in the front entrance to the Desert Healthcare District offices located at 1140 North Indian Canyon Drive, Palm Springs, California, and the front entrance of the Desert Healthcare District office located at the Regional Access Project Foundation, 41550 Eclectic Street, Suite G100, Palm Desert California at least 72 hours prior to the meeting. If you have a disability or require a translator or accommodation to enable you to participate in this meeting, please email Andrea S. Hayles, Special Assistant to the CEO and Board Relations Officer at ahayles@dhcd.org or call (760) 567-0591 at least 72 hours prior to the meeting.

Andrea S. Hayles

Andrea S. Hayles, Board Relations Officer



DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
MEETING MINUTES
April 02, 2024

Directors Present	District Staff Present	Absent
President Evett PerezGil Vice-President Carmina Zavala, PsyD – Virtual Participation Kimberly Barraza, Secretary Treasurer Arthur Shorr Director Les Zendle, MD Director Leticia De Lara, MPA Director Carole Rogers, RN	Chris Christensen, CPA, Interim CEO Donna Craig, Chief Program Officer Alejandro Espinoza, MPH, Chief of Community Engagement Will Dean, Director of Communications and Marketing Andrea S. Hayles, MBA, Board Relations Officer Jeff Scott, Legal Counsel	

AGENDA ITEMS	DISCUSSION	ACTION
A. Call to Order	President PerezGil called the meeting to order at 6:05 p.m.	
Roll Call	The Clerk of the Board called the roll with all directors present.	
B. Pledge of Allegiance	President PerezGil led the Pledge of Allegiances.	
C. Approval of Agenda	President PerezGil asked for a motion to approve the agenda.	#24-17 MOTION WAS MADE by Director Zendle and seconded by Director Rogers to approve the agenda. Motion passed unanimously. AYES – 7 President PerezGil, Vice-President Zavala, Secretary Barraza, Director Shorr, Director Zendle, Director De Lara, Director Rogers NOES – 0 ABSENT – 0
D. Public Comment	Brad Anderson, Palm Desert Resident, provided remarks concerning Board members virtual participation.	
E. Information Community Forum on the Tenet Lease Negotiations		

**DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
MEETING MINUTES
April 02, 2024**

<p>1. Presentation of current status of negotiations of proposal from Tenet for a new Lease and Option to Purchase – Chris Christensen, Interim CEO</p> <p>2. Public input and comments</p> <p>3. Board discussion</p>	<p>President PerezGil presented opening remarks and welcomed the public.</p> <p>Chris Christensen, Interim CEO, provided a presentation on the status of the lease negotiations with background details and a timeline of the District, Tenet’s proposal, and the benefits, challenges, and alternatives between the District and Tenet Health.</p> <p>Public Comments:</p> <p>Jeffrey Kirkpatric, JFK Memorial Hospital Governing Board Member</p> <p>Jim Nindel, Desert Hot Springs Resident</p> <p>Phyllis Ritchie, MD, CEO and Founder of PS Test</p> <p>Megan Barajas, Regional Vice-President, Hospital Association of Southern California</p> <p>Jimmy Fish, Market CFO, Desert Care Network</p> <p>Fred Bell, Cathedral City Resident</p> <p>Diane Vines, CSUSB Palm Desert Campus, Director of the Street Medicine Program</p> <p>Scott Morey, Chief Nursing Officer, Desert Regional Medical Center</p> <p>Brad Anderson, Palm Desert Resident</p> <p>Cyd Greenhorn, RN, ICU, Desert Regional Medical Center</p>	
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**DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
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April 02, 2024**

	<p>Michael Greenhorn, RN, Desert Regional Medical Center</p> <p>Harriett Baron, Director of Development, Mizell Center</p> <p>Brandon Marley, President and CEO, Greater Coachella Valley Chamber of Commerce</p> <p>Dave Powell, Executive Director, Desert Business Association</p> <p>Ezra Kaufman, Palm Desert Resident</p> <p>Patrick Bastar, Coachella Valley Resident</p> <p>Shelley Kaplan, Cathedral City Resident, Board of Chamber of Commerce</p> <p>Karen Borja, Indio Resident</p> <p>The Board requested an elaboration on the timeline for reaching the ballot (first week of August for November 2024) if the voters do not approve, parallel with no agreement to ensure management of the hospital, gap in medical services, (contract consultants to advise the Board on the operations) state and federal level to transfer license certificates ahead of time.</p> <p>Thanked the public directing them to Tenet's offer and the District's counter offer.</p> <p>Ensuring minimal disruption to the care of patients, including the staff and residency program, addressing the seismic issues, increasing the District's grant program, DCN's support of the community and</p>	
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**DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
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	vice-versa, moving forward together with a compromise, the changes in healthcare delivery in 30-years, community health programs.	
F. Adjournment	President PerezGil adjourned the meeting at 7:42 p.m.	Audio recording available on the website at http://dhcd.org/Agendas-and-Documents

ATTEST: _____
Kimberly Barraza, Secretary, Board of Directors
Desert Healthcare District Board of Directors

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

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DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
MEETING MINUTES
April 12, 2024

Directors Present	District Staff Present	Absent
President Evett PerezGil Kimberly Barraza, Secretary Treasurer Arthur Shorr Director Les Zendle, MD Director Leticia De Lara, MPA Director Carole Rogers, RN	Jeff Scott, Legal Counsel	Vice-President Carmina Zavala, PsyD

AGENDA ITEMS	DISCUSSION	ACTION
A. Call to Order/Roll Call	President PerezGil called the meeting to order at 6:01 p.m. with all Directors present except Director Zavala.	
B. Approval of Agenda	President PerezGil asked for a motion to approve the agenda.	#24-18 MOTION WAS MADE by Director De Lara and seconded by Director Rogers to approve the agenda. Motion passed unanimously. AYES – 6 President PerezGil, Secretary Barraza, Director Shorr, Director Zendle, Director De Lara, Director Rogers NOES – 0 ABSENT – 1 Vice-President Zavala
C. Public Comment	There were no public comments.	
D. Convene to Closed Session of the Desert Healthcare District Board of Directors Meeting 1. Public Employee Appointment: Chief Executive Officer PURSUANT TO GOVERNMENT CODE 54957(b)(1)	President PerezGil convened to closed session of the Desert Healthcare District Board of Directors meeting.	
E. Reconvened to Open Session of the Desert Healthcare District Board of Directors Meeting	President PerezGil reconvened to open session of the Desert Healthcare District Board of Directors meeting at 7:45 p.m.	



**DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
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April 12, 2024**

F. Report After Closed Session	The Board in closed session continued the process of selecting a new CEO.	
G. Adjournment	President PerezGil adjourned the meeting at 7:45 p.m.	Audio recording available on the website at http://dhcd.org/Agendas-and-Documents

ATTEST: _____
Kimberly Barraza, Secretary, Board of Directors
Desert Healthcare District Board of Directors

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

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DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
MEETING MINUTES
April 13, 2024

Directors Present		District Staff Present	Absent
President Evett PerezGil Vice-President Carmina Zavala, PsyD Kimberly Barraza, Secretary Treasurer Arthur Shorr Director Les Zendle, MD Director Leticia De Lara, MPA Director Carole Rogers, RN		Jeff Scott, Legal Counsel	
AGENDA ITEMS	DISCUSSION	ACTION	
A. Call to Order/Roll Call	President PerezGil called the meeting to order at 8:41 a.m. with all Directors present except Director Zavala.		
B. Approval of Agenda	President PerezGil asked for a motion to approve the agenda.	#24-19 MOTION WAS MADE by Vice-President Zavala and seconded by Director Zendle to approve the agenda. Motion passed unanimously. AYES – 7 President PerezGil, Vice-President Zavala, Secretary Barraza, Director Shorr, Director Zendle, Director De Lara, Director Rogers NOES – 0 ABSENT – 0	
C. Public Comment	There were no public comments.		
D. Convene to Closed Session of the Desert Healthcare District Board of Directors Meeting 1. Public Employee Appointment: Chief Executive Officer PURSUANT TO GOVERNMENT CODE 54957(b)(1) 2. PURSUANT TO GOVERNMENT	President PerezGil convened to closed session of the Desert Healthcare District Board of Directors meeting at 8:42 p.m.		

**DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
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CODE 54956.95 (Liability Claim) Claimant: Conrado Barzaga Agency Claimed Against: Desert Healthcare District		
E. Reconvened to Open Session of the Desert Healthcare District Board of Directors Meeting	President PerezGil reconvened to open session of the Desert Healthcare District Board of Directors meeting at 12:59 p.m.	
F. Report After Closed Session	<p>The Board in closed session continued the process of selecting a new CEO.</p> <p>The Board also considered the claim of Conrado Bárzaga, MD, and directed Counsel to take appropriate action to reject the claim.</p>	
G. Adjournment	President PerezGil adjourned the meeting at 12:59 p.m.	<p>Audio recording available on the website at http://dhcd.org/Agendas-and-Documents</p>

ATTEST: _____
Kimberly Barraza, Secretary, Board of Directors
Desert Healthcare District Board of Directors

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



DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
MEETING MINUTES
April 16, 2024

Directors Present	District Staff Present	Absent
President Evett PerezGil Kimberly Barraza, Secretary Treasurer Arthur Shorr Director Les Zendle, MD Director Leticia De Lara, MPA Director Carole Rogers, RN	Chris Christensen, CPA, Interim CEO Andrea S. Hayles, MBA, Board Relations Officer Donna Craig, Chief Program Officer Alejandro Espinoza, MPH, Chief of Community Engagement Will Dean, Director of Communications and Marketing Jeff Scott, Legal Counsel	Vice-President Carmina Zavala, PsyD

AGENDA ITEMS	DISCUSSION	ACTION
A. Call to Order	President PerezGil called the meeting to order at 6:00 p.m.	
Roll Call	The Clerk of the Board called the roll with all directors present except Director Zavala	
B. Pledge of Allegiance	President PerezGil led the Pledge of Allegiances.	
C. Approval of Agenda	President PerezGil asked for a motion to approve the agenda.	#24-20 MOTION WAS MADE by Director Rogers and seconded by Director De Lara to approve the agenda. Motion passed unanimously. AYES – 6 President PerezGil, Secretary Barraza, Director Shorr, Director Zendle, Director De Lara, Director Rogers NOES – 0 ABSENT – 1 Vice-President Zavala
D. Public Comment	Brad Anderson, Rancho Mirage Resident, provided public comment related to the District's remote committee meetings.	
E. Information Community Forum on the Tenet Lease Negotiations		

**DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
MEETING MINUTES
April 16, 2024**

<p>1. Presentation</p>	<p>Director Barraza presented opening remarks welcoming the public and introduced Chris Christensen, Interim CEO, who provided a presentation on reassuming hospital operations and seeking an alternative hospital operator, the background and timeline of the district, Tenet’s proposal, the benefits, challenges, and alternatives.</p> <p>Public Comments:</p> <p>Ezra Kaufman, Palm Desert Resident (read into the record)</p> <p>Karen Faulis, CEO, JFK Memorial Hospital</p> <p>Stewart Fleishmann</p> <p>Michael Harbin, Indio Resident</p> <p>Corina Velasquez COO, DAP Health</p> <p>David Brinkman, CEO, DAP Health</p> <p>Lisa Ford, Coachella Valley Resident, JFK Hospital Employee</p> <p>Darla Burkett, Executive Director, CVRM</p> <p>Scott Wolf, Employee, Coachella Valley Rescue Mission</p> <p>Brad Anderson, Rancho Mirage Resident</p> <p>Elizabeth “Betty” Sassano, Indio Resident, Chair of the Governing Board JFK Medical Center</p> <p>Nedy Terrazas, Associate COO, DAP Health</p>	
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**DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
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April 16, 2024**

	<p>Roshan Patel, Coachella Valley Resident</p> <p>Gloria Fran, JFK Memorial Hospital Governing Board, Coachella Valley Resident</p> <p>Lisa Wilson, Chief Strategy Officer, JFK Memorial Hospital</p> <p>Vanessa Munoz, 24 Year Radiology Department Employee, JFK Memorial Hospital</p> <p>Megan Barajas, Hospital Association of Southern California</p> <p>The Board thanked the public for attending, discussed the Desert Sun editorial board recent article, determining the alternatives, advantages and disadvantages, the effects on the community without a rush to judgment, ensuring readiness, the timeline for the ballot measure, options if the District does not meet the August 9 deadline, minimal disruption of the services related to licenses, the consultant guiding the District and Board for operational aspects of the hospital, communicating their stance on the state level for any assistance concerning possible operations if an agreement is not reached, and if the voters do not approve the ballot measure.</p>	
F. Adjournment	President PerezGil adjourned the meeting at 7:35 p.m.	<i>Audio recording available on the website at</i>



**DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
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		http://dhcd.org/Agendas-and-Documents
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ATTEST: _____
Kimberly Barraza, Secretary, Board of Directors
Desert Healthcare District Board of Directors

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

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DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
MEETING MINUTES
April 30, 2024

Directors Present	District Staff Present	Absent
President Evett PerezGil Vice-President Carmina Zavala, PsyD – Virtual Participation Treasurer Arthur Shorr Director Les Zendle, MD Director Leticia De Lara, MPA Director Carole Rogers, RN	Chris Christensen, CPA, Interim CEO Donna Craig, Chief Program Officer Alejandro Espinoza, MPH, Chief of Community Engagement Will Dean, Director of Communications and Marketing Andrea S. Hayles, MBA, Board Relations Officer Jeff Scott, Legal Counsel	Kimberly Barraza, Secretary

AGENDA ITEMS	DISCUSSION	ACTION
A. Call to Order Roll Call	President PerezGil called the meeting to order at 6:00 p.m. The Clerk of the Board called the roll with all directors present except Directors Barraza and Zavala who joined the meeting at 6:05 p.m.	
B. Pledge of Allegiance	President PerezGil led the Pledge of Allegiances.	
C. Approval of Agenda	Jeff Scott, Legal Counsel, requested a motion pursuant to the Government Code for a closed session following the meeting for the recruitment of the CEO. President PerezGil asked for a motion to approve the agenda with the modifications to the agenda.	#24-32 MOTION WAS MADE by Director Rogers and seconded by Director Zendle to approve the agenda. Motion passed unanimously. AYES – 6 President PerezGil, Vice-President Zavala, Director Shorr, Director Zendle, Director De Lara, Director Rogers NOES – 0 ABSENT – 1 Director Barraza
D. Public Comment	Brad Anderson, Rancho Mirage Resident, provided public comment related to virtual meetings.	

**DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
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E. Information Community Forum on the Tenet Lease Negotiations	<p>President PerezGil presented opening remarks and welcomed the public.</p> <p>Chris Christensen, Interim CEO, provided a presentation on the status of the lease negotiations with background details and a timeline of the District, Tenet’s proposal, and the benefits, challenges, and alternatives. between the District and Tenet Health.</p> <p>Public Comments:</p> <p>Jenna LeComte-Hinley, Indio Resident and CEO of Health Assessment and Research for Communities (HARC)</p> <p>Carlotta Rinke, Borrego Health Board Member</p> <p>Carlotta Rinke, MD</p> <p>Ron Hare, MD</p> <p>Regina Epp, RN, Desert Regional Medical Center</p> <p>Gerald Sharon, Rev, Dr., Pastor, JFK Governing Board Member</p> <p>Joel Trambley, MD, Partner, Desert</p> <p>Lori Ruggiero, RN, ICU, Desert Regional Medical Center</p> <p>Megan Barajas, Regional Vice-President, Hospital Association of Southern California</p> <p>Cindy Schmall, CEO, Morongo Basin Healthcare District</p>	
1. Presentation of current status of negotiations of proposal from Tenet for a new Lease and Option to Purchase – Chris Christensen, Interim CEO		
2. Public input and comments		
3. Board discussion		



**DESERT HEALTHCARE DISTRICT
SPECIAL BOARD OF DIRECTORS MEETING MINUTES
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	<p>Brad Anderson, Rancho Mirage Resident</p> <p>Paul Lopez, MHA</p> <p>John Maldonado, Commissioner of Friday Night Lights Flag Football League</p> <p>Kelly Rogers, Indio Resident</p> <p>Ezra Kaufman, Palm Desert Resident</p> <p>Karina Quintanilla, Mayor of Palm Desert</p> <p>The Board reiterated to the public determining the most beneficial decision for the community concerning the lease negotiations.</p>	
F. Adjournment	President PerezGil adjourned the meeting at 7:42 p.m.	Audio recording available on the website at http://dhcd.org/Agendas-and-Documents

ATTEST: _____

Kimberly Barraza, Secretary, Board of Directors
Desert Healthcare District Board of Directors

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



**DESERT HEALTHCARE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
MEETING MINUTES
April 23, 2024**

Directors Present		District Staff Present	Absent
President Evett PerezGil Vice-President Carmina Zavala, PsyD Secretary Kimberly Barraza Director Les Zendle, MD Director Leticia De Lara, MPA Director Carole Rogers, RN		Chris Christensen, CPA, Interim CEO Donna Craig, Chief Program Officer Alejandro Espinoza, MPH, Chief of Community Engagement Will Dean, Director of Communications and Marketing Andrea S. Hayles, MBA, Board Relations Officer <u>Legal Counsel</u> Jeff Scott	Treasurer Arthur Shorr
AGENDA ITEMS	DISCUSSION	ACTION	
A. Call to Order Roll Call	President PerezGil called the meeting to order at 5:30 p.m. The Clerk of the Board called the roll with all directors present except Director Shorr and Vice-President Zavala who joined the meeting at 5:32 p.m.		
B. Pledge of Allegiance	President PerezGil led the pledge of allegiance.		
C. Approval of Agenda	President PerezGil asked for a motion to approve the agenda.	#24-21 MOTION WAS MADE by Director De Lara and seconded by Director Zendle to approve the agenda. Motion passed unanimously. AYES – 5 President PerezGil, Secretary Barraza, Director Zendle, Director De Lara, and Director Rogers NOES – 0 ABSENT – 2 Vice-President Zavala and Director Shorr	
D. Public Comment	There were no public comments.		
E. Consent Agenda			

**DESERT HEALTHCARE DISTRICT
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April 23, 2024**

<ol style="list-style-type: none"> 1. BOARD MINUTES <ol style="list-style-type: none"> a. Special Meeting of the Board – March 05, 2024 b. Special Meeting of the Board – March 11, 2024 c. Special Meeting of the Board – March 19, 2024 d. Special Meeting of the Board – March 20, 2024 e. Special Meeting of the Board – March 21, 2024 f. Board of Directors Meeting – March 26, 2024 2. AGREEMENTS <ol style="list-style-type: none"> a. Success for Nonprofits – Feasibility Study for Director of Development – NTE \$6,000 b. Coachella Valley Accounting & Auditing – \$6,500 per each small non-profit grantee audit 3. PERSONNEL <ol style="list-style-type: none"> a. Regional Government Services Human Resources Consulting Agreement – NTE \$40,000 4. LAS PALMAS MEDICAL PLAZA (LPMP) <ol style="list-style-type: none"> a. Lease Renewal – Desert Regional Medical Center – Suite 2E-107 – 5-year lease b. Security Agreement – Addendum #1 – Extension to May 31, 2025 c. Consulting Services Agreement – Van Surveying, Inc. – Flooding Surveying for Drainage Plan - \$13,200 	<p>President PerezGil asked for a motion to approve the consent agenda.</p>	<p>#24-22 MOTION WAS MADE by Director Rogers and seconded by Director De Lara to approve the consent agenda. Motion passed unanimously. AYES – 6 President PerezGil, Vice-President Zavala, Secretary Barraza, Director Zendle, Director De Lara, and Director Rogers NOES – 0 ABSENT – 1 Director Shorr</p>
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**DESERT HEALTHCARE DISTRICT
BOARD OF DIRECTORS MEETING MINUTES
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April 23, 2024**

<p>5. ENVIRONMENTAL HEALTH SYMPOSIUM</p> <p>a. Environmental Health Summit Project Budget</p> <p>i. \$75,000 Presenting Sponsorship Commitment from the Desert Healthcare District</p> <p>ii. Westin Service Agreement (incorporated in the Project Budget)</p>		
<p>F. Presentations</p> <p>1. Mariela Magana Ceballos, Student, Presentation on East Coachella Valley Senior Farmworker Health Needs Assessment</p>	<p>Mariela Magana Ceballos, a third-year medical resident, provided an overview of the East Coachella Valley Senior Farmwork Health Needs Assessment and introduced Ann Cheney, PhD, UCR School of Medicine, who presented background on the research and project summary. Mrs. Ceballos and Dr. Cheney highlighted the research design, aging farmworkers, available medical services, farmworker retirement plans, medical service gaps in the community, support needs in navigating the health system, medication, medical terminology, and proposed solutions.</p> <p>The Board inquired and discussed the farmworkers using the Coachella Valley Volunteers In Medicine Indio location instead of traveling outside the border to</p>	

**DESERT HEALTHCARE DISTRICT
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	<p>Mexicali, the barriers with Riverside County, the cultural differences and training for navigating the medical services using promotoras', the current clinic in the Oasis Thermal area, the possibility of District funding to assist, the numerous Coachella Valley-wide issues, such as evening clinics, contacting the Imperial Valley Healthcare District to assist in the area, and AB 3149 (Garcia) Promotores and Promotoras Advisory and Oversight Workgroup.</p>	
<p>G. Strategic Grant Funding</p> <p>1. Social Isolation and Loneliness "Building Connected Communities" Proposals:</p> <p>a. Grant #1432 Variety – the Children's Charity of the Desert Tent 66 – Outreach and Future Program Expansion – \$102,949</p>	<p>Chris Christensen, Interim CEO, provided background on the RFP release and process for the social isolation and loneliness "Building Connected Communities" and staff's recommendations for grant funding.</p> <p>President PerezGil inquired with the Board about any questions for the Variety the Children's Charity of the Desert Tent 66 grant request.</p> <p>There were no questions or comments.</p>	<p>#24-23 MOTION WAS MADE by Director Zendle and seconded by Director De Lara to approve Grant #1432 Variety – the Children's Charity of the Desert Tent 66 – Outreach and Future Program Expansion – \$102,949. Motion passed unanimously. AYES – 6 President PerezGil, Vice-President Zavala, Secretary Barraza, Director Zendle, Director De Lara, and Director Rogers NOES – 0 ABSENT – 1 Director Shorr</p>

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<p>b. Grant #1437 Youth Leadership Institute – Community Advocates for Resilient Emotional Safety (ECV CARES) – \$100,000</p>	<p>President PerezGil inquired with the Board about any questions for the Youth Leadership Institute – Community Advocates for Resilient Emotional Safety (ECV CARES) grant request.</p> <p>There were no questions or comments.</p>	<p>#24-24 MOTION WAS MADE by Director Zendle and seconded by Director Rogers to approve Grant #1437 Youth Leadership Institute – Community Advocates for Resilient Emotional Safety (ECV CARES) – \$100,000.</p> <p>Motion passed unanimously.</p> <p>AYES – 6 President PerezGil, Vice-President Zavala, Secretary Barraza, Director Zendle, Director De Lara, and Director Rogers</p> <p>NOES – 0</p> <p>ABSENT – 1 Director Shorr</p>
<p>c. Grant #1441 Desert AIDS Project, dba DAP Health – DAP Health Community Health Workers Build Community Connections – \$125,000</p>	<p>Vice-President Zavala recused herself from the matter as a DAP Health employee.</p> <p>President PerezGil inquired with the Board about any questions for the DAP Health – DAP Health Community Health Workers Build Community Connections grant request.</p> <p>There were no questions or comments.</p>	<p>#24-25 MOTION WAS MADE by Director Rogers and seconded by Director Zendle to approve Grant #1441 Desert AIDS Project, dba DAP Health – DAP Health Community Health Workers Build Community Connections – \$125,000.</p> <p>Motion passed unanimously.</p> <p>AYES – 5 President PerezGil, Secretary Barraza, Director Zendle, Director De Lara, and Director Rogers</p> <p>NOES – 0</p> <p>ABSENT – 1 Director Shorr</p> <p>RECUSAL – 1 Vice-President Zavala</p>
<p>d. Grant #1443 Voices for Children – Court Appointed Special Advocate (CASA) Program – \$60,000</p>	<p>President PerezGil inquired with the Board about any questions for the Voices for Children – Court Appointed Special Advocate (CASA) Program grant request.</p> <p>President & CEO, Jessica Muñoz, Voices for Children, provided an overview of the program and the specifics of</p>	<p>#24-26 MOTION WAS MADE by Director Rogers and seconded by Director De Lara to approve Grant #1443 Voices for Children – Court Appointed Special Advocate (CASA) Program – \$60,000.</p> <p>Motion passed unanimously.</p> <p>AYES – 6 President PerezGil, Vice-President Zavala, Secretary Barraza, Director Zendle, Director De Lara, and Director Rogers</p>

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<p>e. Grant #1445 Cove Communities Senior Association dba The Joslyn Center – Increasing Behavioral Health Access and Social Connectedness for Older Coachella Valley Adults – \$200,000</p>	<p>the grant funding's alignment with the court appointed special advocate program.</p> <p>President PerezGil inquired with the Board about any questions for the Cove Communities Senior Association dba The Joslyn Center – Increasing Behavioral Health Access and Social Connectedness for Older Coachella Valley Adults grant request.</p> <p>There were no questions or comments.</p>	<p>NOES – 0 ABSENT – 1 Director Shorr</p> <p>#24-27 MOTION WAS MADE by Director De Lara and seconded by Director Rogers to approve Grant #1445 Cove Communities Senior Association dba The Joslyn Center – Increasing Behavioral Health Access and Social Connectedness for Older Coachella Valley Adults – \$200,000. Motion passed unanimously. AYES – 6 President PerezGil, Vice-President Zavala, Secretary Barraza, Director Zendle, Director De Lara, and Director Rogers NOES – 0 ABSENT – 1 Director Shorr</p>
<p>f. Grant #1452 El Sol Neighborhood Educational Center – Coachella Valley Community Assistance, Resources, and Empowerment Services (CV-CARES) – \$200,000</p>	<p>President PerezGil inquired with the Board about any questions for the El Sol Neighborhood Educational Center – Coachella Valley Community Assistance, Resources, and Empowerment Services (CV-CARES) grant request.</p> <p>There were no questions or comments.</p>	<p>#24-28 MOTION WAS MADE by Director Barraza and seconded by Director Rogers to approve Grant #1452 El Sol Neighborhood Educational Center – Coachella Valley Community Assistance, Resources, and Empowerment Services (CV-CARES) – \$200,000. Motion passed unanimously. AYES – 6 President PerezGil, Vice-President Zavala, Secretary Barraza, Director Zendle, Director De Lara, and Director Rogers NOES – 0 ABSENT – 1 Director Shorr</p>
<p>g. Grant #1453 Vision y Compromiso – Cultivando Community Connections – \$199,914</p>	<p>President PerezGil inquired with the Board about any questions for the Vision y Compromiso – Cultivando Community Connections grant request.</p>	<p>#24-29 MOTION WAS MADE by Director Baraza and seconded by Vice-President Zavala to approve Grant #1453 Vision y Compromiso – Cultivando Community Connections – \$199,914.</p>

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<p>h. Grant #1455 Angel View Inc. – Outreach program to reduce social isolation and loneliness – \$86,250</p>	<p>There were no questions or comments.</p> <p>President PerezGil inquired with the Board about any questions for the Angel View Inc. – Outreach program to reduce social isolation and loneliness grant request.</p> <p>There were no questions or comments.</p>	<p>Motion passed unanimously. AYES – 6 President PerezGil, Vice-President Zavala, Secretary Barraza, Director Zendle, Director De Lara, and Director Rogers NOES – 0 ABSENT – 1 Director Shorr</p>
<p>2. Grant # 1434 Riverside University Health System – Public Health – Coachella Community Blue Zones Project: \$2,095,200 for 45 months – Program Committee Declination – Not in Alignment with the Board-Approved High Priority Strategic Plan Goals</p>	<p>Mr. Christensen provided background details on the Blue Zones project and the presentation to the board at the November 2023 meeting.</p> <p>The Board discussed funding low-priority grants, the staff's determination of strategic funding alignment, other agencies providing funding, no consideration of low-priority requests in the future and assessing low-priority grant requests.</p> <p>Staff described the board's decision and process at the strategic planning retreats and expending \$2M of the \$4M total fiscal year grant</p>	<p>#24-30 MOTION WAS MADE by Director Zendle and seconded by Director Rogers to approve Grant #1455 Angel View Inc. – Outreach program to reduce social isolation and loneliness – \$86,250. Motion passed unanimously. AYES – 6 President PerezGil, Vice-President Zavala, Secretary Barraza, Director Zendle, Director De Lara, and Director Rogers NOES – 0 ABSENT – 1 Director Shorr</p> <p>#24-31 MOTION WAS MADE by Director De Lara and seconded by Vice-President Zavala to accept the Program Committee's recommendation to decline Grant #1434 Riverside University Health System – Public Health – Coachella Community Blue Zones Project: \$2,095,200 for 45 months, encouraging RUHS to reapply in the future, an increase in funding from additional funders, and a reduced amount of the grant request that's more feasible for the District. Motion passed 5-1. AYES – 5 President PerezGil, Vice-President Zavala, Secretary Barraza, Director Zendle, and Director De Lara NOES – 1 Director Rogers</p>

**DESERT HEALTHCARE DISTRICT
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	<p>budget. The Board engaged in a lengthy discussion about considering funding a low-priority grant request, not depleting resources from the high priorities, and the possibility of revisiting the matter after the November election related to the hospital lease negotiations.</p>	ABSENT – 1 Director Shorr
<p>H. Reports</p> <p>1. Desert Regional Medical Center CEO Report – Michele Finney, CEO</p> <p>2. Desert Regional Medical Center Governing Board Meeting – President Evett PerezGil and Director Les Zendle, MD</p>	<p>Linda Evans, Chief Strategy Officer, DCN, provided an overview of the Desert Regional Medical Center report in Michele Finney’s absence describing events, operations, quality, service/events, capital and construction projects highlighting the Advanced Perinatal Certification as the first hospital in the Inland Region to achieve the certification from The Joint Commission.</p> <p>There were no questions or comments.</p> <p>President PerezGil provided an overview of the April Governing Board meeting, as outlined in the report of the board meeting packet.</p> <p>There were no questions or comments.</p>	

**DESERT HEALTHCARE DISTRICT
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<p>3. Desert Healthcare District CEO Report – Chris Christensen, Interim CEO</p> <p>a. Letter of Support - AB 2757 (Garcia, Padilla) – Southeast California Economic Region – Designation and alignment of state and federal programs to benefit communities impacted by lithium and other mineral extraction and clean energy development.</p> <p>b. Remaining Hospital Lease Negotiations Informational Status Meeting – April 30 at the UCR Palm Desert Campus Auditorium</p> <p>c. Tudor Ranch Employee Wellness Event</p>	<p>Mr. Christensen described the District’s letter of support for AB 2757 with an inquiry from the board about the health aspects of the economic region.</p> <p>Mr. Christensen described the remaining community forum on the informational aspects of the hospital lease negotiations on April 30 at the UCR Palm Desert Auditorium.</p> <p>Alejandro Espinoza, Chief of Community Engagement, highlighted the Tudor Ranch Employee Wellness Event, with 80 participants, including several dental screenings, thanking the partners and collaborators.</p> <p>Bill VanHermert, Director of Institutional Giving, DAP Health, described the Borrego website rerouting to the DAP Health website and the organization's investments in the eastern Coachella Valley communities in response to the Board concerning the Borrego on the mobile medical unit.</p>	
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**DESERT HEALTHCARE DISTRICT
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<p>d. CEO Engagements and District Media Visibility</p> <p>4. Legal – Jeffrey G. Scott, Esq., Law Offices of Jeffrey G. Scott</p>	<p>Mr. Christensen described his CEO Engagements and the District Media Visibility</p> <p>There was no legal report at this time from counsel Jeff Scott.</p>	
<p>I. Committee Meetings –</p> <p>I.1. Program Committee Meeting</p> <p>a. Draft Meeting Minutes – April 09, 2024</p> <p>b. Progress and Final Reports Update</p> <p>c. Grant Applications and RFP Proposals Submitted and Under Review</p> <p>e. Grant Payment Schedule</p> <p>I.1.2. Finance, Legal, Administration, and Real Estate Committee</p> <p>a. Draft Meeting Minutes – April 10, 2024</p> <p>b. Las Palmas Medical Plaza Unit Rental Status</p> <p>c. Las Palmas Medical Plaza 2023 CAM Reconciliation</p> <p>d. Exempt Status from Single Audit Reporting for FY 2022-23</p>	<p>President PerezGil inquired with the Board concerning any questions about items a. – e. of the Program Committee meeting.</p> <p>The Board inquired about the declined social isolation and loneliness “Building Connected Communities” grant applications, with staff describing the lack of alignment and reminding the applicants of the rolling grant process.</p> <p>President PerezGil inquired about any questions concerning items a. – d. of the F&A Committee meeting.</p> <p>There were no questions or comments.</p>	
<p>J. Board Member Comments</p>	<p>As reported by Director Rogers, the Coachella Valley</p>	

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	<p>Association of Governments (CVAG) homeless committee did not meet in April, and the Lift to Rise report will be available at the May meeting. The medical mobile van at the Desert Hot Springs homeless hub has been successful with patient visits and residents while offering free barber services and clothing distribution.</p> <p>Vice-President Zavala described Psychology Week April 21-27 and the possibility of emphasizing the dates on the website.</p>	
K. Adjournment	President PerezGil adjourned the meeting at 6:54 p.m.	<p>Audio recording available on the website at http://dhcd.org/Agendas-and-Documents</p>

ATTEST: _____
 Kimberly Barraza, Secretary, Board of Directors
 Desert Healthcare District and Foundation

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

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MARCH/APRIL 2024 FINANCIAL STATEMENTS
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DESERT HEALTHCARE DISTRICT
YEAR TO DATE VARIANCE ANALYSIS
ACTUAL VS BUDGET
TEN MONTHS ENDED APRIL 30, 2024

Scope: \$25,000 Variance per Statement of Operations Summary				
	YTD		Over(Under)	
Account	Actual	Budget	Budget	Explanation
4000 - Income	\$ 8,682,690	\$ 5,128,510	\$ 3,554,180	Higher interest income and market fluctuations (net) from FRF investments \$2,224k; higher property tax revenues \$1,330k
4500 - LPMP	\$ 1,264,967	\$ 1,167,230	\$ 97,737	Higher CAM revenue \$215k; lower rent revenue \$117k
4501 - Misc Income	\$ 144,500	\$ 7,500	\$ 137,000	Higher misc income \$140k from Coachella Valley Resource Conservation District for 2nd Mobile Medical Unit
5000 - Direct Expenses	\$ 1,464,352	\$ 1,563,580	\$ (99,228)	Lower education expense \$63k; lower health insurance expense \$33k; higher wage related expenses \$13k; lower retirement expenses \$6k; lower board expenses \$8k; lower misc \$2k
6500 - Professional Fees Expense	\$ 863,925	\$ 1,380,380	\$ (516,455)	Lower Professional Services expense \$366k; lower PR/Communications expense \$130k; lower legal expense \$20k
7000 - Grants Expense	\$ 3,784,827	\$ 3,333,330	\$ 451,497	Budget of \$4 Million for fiscal year is amortized straight-line over 12-month fiscal year. As of April 30, 2024, there is \$215,173 remaining in the fiscal year grant budget, with a total of \$740,003 in unexpended grant funds.
Las Palmas Medical Plaza - Net	\$ 246,239	\$ 125,600	\$ 120,639	LPMP revenue higher \$98k; LPMP expenses lower \$23k

Desert Healthcare District
Profit & Loss Budget vs. Actual
July 2023 through April 2024

	MONTH			MONTH			TOTAL		
	Mar 24	Budget	\$ Over Budget	Apr 24	Budget	\$ Over Budget	Jul '23 - Apr 24	Budget	\$ Over Budget
Income									
4000 - Income	173,510	30,187	143,323	521,329	489,867	31,462	8,682,690	5,128,510	3,554,180
4500 - LPMP Income	194,797	116,723	78,074	123,287	116,723	6,564	1,264,967	1,167,230	97,737
4501 - Miscellaneous Income	0	750	(750)	0	750	(750)	144,500	7,500	137,000
Total Income	368,307	147,660	220,647	644,616	607,340	37,276	10,092,157	6,303,240	3,788,917
Expense									
5000 - Direct Expenses	188,569	156,358	32,211	121,707	156,358	(34,651)	1,464,352	1,563,580	(99,228)
6000 - General & Administrative Exp	47,431	52,110	(4,679)	47,372	52,110	(4,738)	514,558	521,100	(6,542)
6325 - CEO Discretionary Fund	1,000	4,167	(3,167)	2,200	9,167	(6,967)	50,857	46,670	4,187
6445 - LPMP Expenses	113,160	104,163	8,997	79,061	104,163	(25,102)	1,018,728	1,041,630	(22,902)
6500 - Professional Fees Expense	103,753	138,038	(34,285)	144,962	138,038	6,924	863,925	1,380,380	(516,455)
6600 - Mobile Medical Unit	0	0	0	0	0	0	2,073	0	2,073
6700 - Trust Expenses	5,458	6,542	(1,084)	5,458	6,542	(1,084)	66,380	65,420	960
Total Expense Before Grants	459,371	461,378	(2,007)	400,760	466,378	(65,618)	3,980,864	4,618,796	(637,932)
9000 - Other Income <expenses>	1,800	0	1,800	0	0	0	(965)	0	(965)
7000 - Grants Expense	10,000	333,333	(323,333)	1,084,113	333,333	750,780	3,784,827	3,333,330	451,497
Net Income	(99,264)	(647,051)	547,787	(840,257)	(192,371)	(647,886)	2,325,501	(1,648,886)	3,974,387

Desert Healthcare District
Profit & Loss Budget vs. Actual
July 2023 through April 2024

				MONTH			MONTH			TOTAL		
				Mar 24	Budget	\$ Over Budget	Apr 24	Budget	\$ Over Budget	Jul '23 - Apr 24	Budget	\$ Over Budget
Income												
4000 • Income												
	4010 • Property Tax Revenues			31,158	26,520	4,638	529,212	486,200	43,012	6,422,084	5,091,840	1,330,244
4200 • Interest Income												
	4220 • Interest Income (FRF)			3,422	85,000	(81,578)	192,770	85,000	107,770	1,108,362	850,000	258,362
	9999-1 • Unrealized gain(loss) on invest			136,930	(83,333)	220,263	(202,653)	(83,333)	(119,320)	1,132,244	(833,330)	1,965,574
	Total 4200 • Interest Income			140,352	1,667	138,685	(9,883)	1,667	(11,550)	2,240,606	16,670	2,223,936
4300 • DHC Recoveries												
				2,000	2,000	0	2,000	2,000	0	20,000	20,000	0
Total 4000 • Income				173,510	30,187	143,323	521,329	489,867	31,462	8,682,690	5,128,510	3,554,180
4500 • LPMP Income												
				194,797	116,723	78,074	123,287	116,723	6,564	1,264,967	1,167,230	97,737
4501 • Miscellaneous Income												
				0	750	(750)	0	750	(750)	144,500	7,500	137,000
Total Income				368,307	147,660	220,647	644,616	607,340	37,276	10,092,157	6,303,240	3,788,917
Expense												
5000 • Direct Expenses												
5100 • Administration Expense												
	5110 • Wages Expense			142,443	131,159	11,284	92,537	131,159	(38,622)	1,251,673	1,311,590	(59,917)
	5111 • Allocation to LPMP - Payroll			(6,539)	(6,539)	0	(6,539)	(6,539)	0	(65,390)	(65,390)	0
	5112 • Vacation/Sick/Holiday Expense			13,275	15,000	(1,725)	5,904	15,000	(9,096)	152,262	150,000	2,262
	5114 • Allocation to Foundation			(13,166)	(33,148)	19,982	(13,166)	(33,148)	19,982	(291,516)	(331,480)	39,964
	5119 • Allocation-FED FUNDS/CVHIP-DHCF			(5,649)	(17,071)	11,422	(4,103)	(17,071)	12,968	(127,997)	(170,710)	42,713
	5120 • Payroll Tax Expense			11,972	10,578	1,394	7,853	10,578	(2,725)	93,410	105,780	(12,370)
5130 • Health Insurance Expense												
	5131 • Premiums Expense			19,865	22,456	(2,591)	16,656	22,456	(5,800)	198,927	224,560	(25,633)
	5135 • Reimb./Co-Payments Expense			5,040	1,950	3,090	78	1,950	(1,872)	11,701	19,500	(7,799)
	Total 5130 • Health Insurance Expense			24,905	24,406	499	16,734	24,406	(7,672)	210,628	244,060	(33,432)
5140 • Workers Comp. Expense												
				446	585	(139)	438	585	(147)	5,577	5,850	(273)
5145 • Retirement Plan Expense												
				12,279	10,486	1,793	9,281	10,486	(1,205)	98,523	104,860	(6,337)
5160 • Education Expense												
				377	8,333	(7,956)	242	8,333	(8,091)	19,885	83,330	(63,445)
	Total 5100 • Administration Expense			180,343	143,789	36,554	109,181	143,789	(34,608)	1,347,055	1,437,890	(90,835)
5200 • Board Expenses												
	5210 • Healthcare Benefits Expense			1,690	4,188	(2,498)	1,690	4,188	(2,498)	49,068	41,880	7,188
	5230 • Meeting Expense			1,543	3,708	(2,165)	3,794	3,708	86	24,082	37,080	(12,998)
	5235 • Director Stipend Expense			4,862	3,465	1,397	3,473	3,465	8	35,700	34,650	1,050
	5240 • Catering Expense			0	1,000	(1,000)	1,622	1,000	622	5,389	10,000	(4,611)
	5250 • Mileage Reimbursement Expense			131	208	(77)	1,947	208	1,739	3,058	2,080	978
	Total 5200 • Board Expenses			8,226	12,569	(4,343)	12,526	12,569	(43)	117,297	125,690	(8,393)
Total 5000 • Direct Expenses				188,569	156,358	32,211	121,707	156,358	(34,651)	1,464,352	1,563,580	(99,228)

Desert Healthcare District
Profit & Loss Budget vs. Actual
July 2023 through April 2024

	MONTH			MONTH			TOTAL		
	Mar 24	Budget	\$ Over Budget	Apr 24	Budget	\$ Over Budget	Jul '23 - Apr 24	Budget	\$ Over Budget
6000 • General & Administrative Exp									
6110 • Payroll fees Expense	(56)	208	(264)	218	208	10	1,894	2,080	(186)
6120 • Bank and Investment Fees Exp	5,484	5,200	284	5,266	5,200	66	55,513	52,000	3,513
6125 • Depreciation Expense	2,297	2,000	297	2,297	2,000	297	20,391	20,000	391
6126 • Depreciation-Solar Parking lot	15,072	15,072	0	15,072	15,072	0	150,720	150,720	0
6127 • Depreciation - Autos	6,409	3,287	3,122	6,409	3,287	3,122	47,754	32,870	14,884
6130 • Dues and Membership Expense	8,263	5,385	2,878	3,025	5,385	(2,360)	36,367	53,850	(17,483)
6200 • Insurance Expense	4,133	4,950	(817)	4,183	4,950	(767)	41,954	49,500	(7,546)
6300 • Minor Equipment Expense	0	42	(42)	0	42	(42)	0	420	(420)
6305 • Auto Allowance & Mileage Exp	0	500	(500)	0	500	(500)	2,001	5,000	(2,999)
6306 • Staff- Auto Mileage reimb	757	625	132	447	625	(178)	4,819	6,250	(1,431)
6309 • Personnel Expense	0	375	(375)	0	375	(375)	0	3,750	(3,750)
6310 • Miscellaneous Expense	(4,460)	42	(4,502)	0	42	(42)	0	420	(420)
6311 • Cell Phone Expense	728	900	(172)	727	900	(173)	7,175	9,000	(1,825)
6312 • Wellness Park Expenses	0	83	(83)	346	83	263	1,035	830	205
6315 • Security Monitoring Expense	0	50	(50)	108	50	58	611	500	111
6340 • Postage Expense	200	333	(133)	19	333	(314)	1,675	3,330	(1,655)
6350 • Copier Rental/Fees Expense	377	500	(123)	377	500	(123)	3,885	5,000	(1,115)
6351 • Travel Expense	0	2,500	(2,500)	0	2,500	(2,500)	34,326	25,000	9,326
6352 • Meals & Entertainment Exp	343	2,417	(2,074)	733	2,417	(1,684)	11,580	24,170	(12,590)
6355 • Computer Services Expense	3,151	3,083	68	3,250	3,083	167	50,465	30,830	19,635
6360 • Supplies Expense	2,097	1,833	264	2,107	1,833	274	15,304	18,330	(3,026)
6380 • LAFCO Assessment Expense	180	208	(28)	180	208	(28)	1,800	2,080	(280)
6400 • East Valley Office	2,456	2,517	(61)	2,608	2,517	91	25,289	25,170	119
Total 6000 • General & Administrative Exp	47,431	52,110	(4,679)	47,372	52,110	(4,738)	514,558	521,100	(6,542)
6325 • CEO Discretionary Fund	1,000	4,167	(3,167)	2,200	9,167	(6,967)	50,857	46,670	4,187
6445 • LPMP Expenses	113,160	104,163	8,997	79,061	104,163	(25,102)	1,018,728	1,041,630	(22,902)
6500 • Professional Fees Expense									
6516 • Professional Services Expense	99,032	103,038	(4,006)	130,660	103,038	27,622	664,496	1,030,380	(365,884)
6520 • Annual Audit Fee Expense	1,441	1,458	(17)	1,441	1,458	(17)	14,410	14,580	(170)
6530 • PR/Communications/Website	5,010	20,542	(15,532)	3,906	20,542	(16,636)	75,505	205,420	(129,915)
6560 • Legal Expense	(1,730)	13,000	(14,730)	8,955	13,000	(4,045)	109,514	130,000	(20,486)
6561 • Payroll Preparation Fees	0			0			0		
Total 6500 • Professional Fees Expense	103,753	138,038	(34,285)	144,962	138,038	6,924	863,925	1,380,380	(516,455)
6600 • Mobile Medical Unit									
6605 • Mobile Medical Unit Expense	0	0	0	0	0	0	2,073	0	2,073
6700 • Trust Expenses									
6720 • Pension Plans Expense									
6721 • Legal Expense	0	167	(167)	0	167	(167)	0	1,670	(1,670)
6725 • RPP Pension Expense	5,000	5,000	0	5,000	5,000	0	50,000	50,000	0
6728 • Pension Audit Fee Expense	458	1,375	(917)	458	1,375	(917)	16,380	13,750	2,630
Total 6700 • Trust Expenses	5,458	6,542	(1,084)	5,458	6,542	(1,084)	66,380	65,420	960
Total Expense Before Grants	459,371	461,378	(2,007)	400,760	466,378	(65,618)	3,980,864	4,618,796	(637,932)
9000 • Other Income <expenses>	1,800	0	1,800	0	0	0	(965)	0	(965)
7000 • Grants Expense									
7010 • Major Grant Awards Expense	10,000	333,333	(323,333)	1,084,113	333,333	750,780	3,784,827	3,333,330	451,497
Net Income	(99,264)	(647,051)	547,787	(840,257)	(192,371)	(647,886)	2,325,501	(1,648,886)	3,974,387

Las Palmas Medical Plaza
Profit & Loss Budget vs. Actual
July 2023 through April 2024

	MONTH			MONTH			TOTAL		
	Mar 24	Budget	\$ Over Budget	Apr 24	Budget	\$ Over Budget	Jul '23 - Apr 24	Budget	\$ Over Budget
Income									
4500 - LPMP Income									
4505 - Rental Income	83,194	93,600	(10,406)	83,340	93,600	(10,260)	819,158	936,000	(116,842)
4510 - CAM Income	111,603	23,040	88,563	39,947	23,040	16,907	445,809	230,400	215,409
4513 - Misc. Income	0	83	(83)	0	83	(83)	0	830	(830)
Total 4500 - LPMP Income	194,797	116,723	78,074	123,287	116,723	6,564	1,264,967	1,167,230	97,737
Expense									
6445 - LPMP Expenses									
6420 - Insurance Expense	5,568	4,050	1,518	5,568	4,050	1,518	55,680	40,500	15,180
6425 - Building - Depreciation Expense	28,349	27,441	908	28,349	27,441	908	270,933	274,410	(3,477)
6426 - Tenant Improvements -Dep Exp	19,540	17,917	1,623	(678)	17,917	(18,595)	122,716	179,170	(56,454)
6427 - HVAC Maintenance Expense	2,518	1,333	1,185	3,210	1,333	1,877	14,626	13,330	1,296
6428 - Roof Repairs Expense	0	208	(208)	0	208	(208)	0	2,080	(2,080)
6431 - Building -Interior Expense	5,830	625	5,205	0	625	(625)	59,310	6,250	53,060
6432 - Plumbing -Interior Expense	0	833	(833)	0	833	(833)	15,885	8,330	7,555
6433 - Plumbing -Exterior Expense	0	208	(208)	0	208	(208)	435	2,080	(1,645)
6434 - Allocation Internal Prop. Mgmt	6,539	6,539	0	6,539	6,539	0	65,390	65,390	0
6435 - Bank Charges	(320)	42	(362)	403	42	361	278	420	(142)
6437 - Utilities -Vacant Units Expense	66	183	(117)	8	183	(175)	315	1,830	(1,515)
6439 - Deferred Maintenance Repairs Ex	0	1,833	(1,833)	0	1,833	(1,833)	16,820	18,330	(1,510)
6440 - Professional Fees Expense	11,485	11,485	0	11,485	11,485	0	114,850	114,850	0
6441 - Legal Expense	0	83	(83)	0	83	(83)	0	830	(830)
6458 - Elevators - R & M Expense	1,842	1,083	759	281	1,083	(802)	11,539	10,830	709
6460 - Exterminating Service Expense	8,775	1,000	7,775	625	1,000	(375)	11,600	10,000	1,600
6463 - Landscaping Expense	0	917	(917)	0	917	(917)	9,833	9,170	663
6467 - Lighting Expense	0	417	(417)	0	417	(417)	0	4,170	(4,170)
6468 - General Maintenance Expense	0	83	(83)	0	83	(83)	0	830	(830)
6471 - Marketing-Advertising	0	1,250	(1,250)	0	1,250	(1,250)	842	12,500	(11,658)
6475 - Property Taxes Expense	6,167	6,650	(483)	6,167	6,650	(483)	63,662	66,500	(2,838)
6476 - Signage Expense	0	625	(625)	0	625	(625)	401	6,250	(5,849)
6480 - Rubbish Removal Medical Waste E	1,222	1,500	(278)	1,222	1,500	(278)	12,304	15,000	(2,696)
6481 - Rubbish Removal Expense	2,234	2,900	(666)	2,234	2,900	(666)	27,117	29,000	(1,883)
6482 - Utilities/Electricity/Exterior	863	625	238	537	625	(88)	8,250	6,250	2,000
6484 - Utilities - Water (Exterior)	527	833	(306)	530	833	(303)	6,163	8,330	(2,167)
6485 - Security Expenses	11,955	13,333	(1,378)	12,405	13,333	(928)	121,350	133,330	(11,980)
6490 - Miscellaneous Expense	0	167	(167)	176	167	9	8,429	1,670	6,759
Total 6445 - LPMP Expenses	113,160	104,163	8,997	79,061	104,163	(25,102)	1,018,728	1,041,630	(22,902)
Net Income	81,637	12,560	69,077	44,226	12,560	31,666	246,239	125,600	120,639

Desert Healthcare District
Balance Sheet Previous Year Comparison
As of April 30, 2024

		Apr 30, 24	Apr 30, 23
ASSETS			
Current Assets			
Checking/Savings			
1000 · CHECKING CASH ACCOUNTS	3,864,581	1,317,084	
1100 · INVESTMENT ACCOUNTS	65,770,752	64,196,004	
Total Checking/Savings	69,635,333	65,513,088	
Total Accounts Receivable	45,982	66,134	
Other Current Assets			
1204.1 · Rent Receivable-Deferred COVID	13,170	47,795	
1270 · Prepaid Insurance -Ongoing	19,402	20,167	
1279 · Pre-Paid Fees	28,794	29,956	
Total Other Current Assets	61,366	97,918	
Total Current Assets	69,742,681	65,677,140	
Fixed Assets			
1300 · FIXED ASSETS	5,304,963	5,096,864	
1335-00 · ACC DEPR	(2,846,902)	(2,564,860)	
1400 · LPMP Assets	6,633,618	6,847,118	
Total Fixed Assets	9,091,679	9,379,122	
Other Assets			
1600 · RIGHT TO USE ASSETS	216,235	0	
1611 · RTU Accumulated Amortization	(22,178)	0	
1700 · OTHER ASSETS	3,688,380	3,489,745	
1800 · OTHER RECEIVABLES	3,048,911	0	
Total Other Assets	6,931,348	3,489,745	
TOTAL ASSETS	85,765,708	78,546,007	

Desert Healthcare District
Balance Sheet Previous Year Comparison
As of April 30, 2024

					Apr 30, 24	Apr 30, 23
LIABILITIES & EQUITY						
	Liabilities					
	Current Liabilities					
	Accounts Payable					
	2000 · Accounts Payable				3,697	44,724
	2001 · LPMP Accounts Payable				26,024	7,917
	Total Accounts Payable				29,721	52,641
	Other Current Liabilities					
	2002 · LPMP Property Taxes				(10,220)	(13,560)
	2003 · Prepaid Rents				21,291	0
	2131 · Grant Awards Payable				5,769,390	4,109,205
	2133 · Accrued Accounts Payable				229,550	272,883
	2141 · Accrued Vacation Time				88,450	104,476
	2188 · Current Portion - LTD				0	2,467
	2190 · Investment Fees Payable				14,941	4,131
	Total Other Current Liabilities				6,113,402	4,479,602
	Total Current Liabilities				6,143,123	4,532,243
	Long Term Liabilities					
	2171 · RPP-Deferred Inflows-Resources				564,584	492,802
	2172 · Lease - Deferred Inflows				2,982,703	0
	2280 · Long-Term Disability				0	2,981
	2281 · Grants Payable - Long-term				2,475,000	3,520,000
	2285 · Lease Payable				196,798	0
	2290 · LPMP Security Deposits				57,493	58,583
	Total Long Term Liabilities				6,276,578	4,074,366
	Total Liabilities				12,419,701	8,606,609
	Equity					
	3900 · *Retained Earnings				71,020,500	67,758,461
	Net Income				2,325,501	2,180,938
	Total Equity				73,346,001	69,939,399
	TOTAL LIABILITIES & EQUITY				85,765,708	78,546,007

Desert Healthcare District
Balance Sheet Previous Year Comparison
As of April 30, 2024

				Apr 30, 24	Apr 30, 23
ASSETS					
	Current Assets				
	Checking/Savings				
	1000 · CHECKING CASH ACCOUNTS				
		1012 · Union Bank Operating - 9356		0	1,249,393
		1016 · US Bank Operating - 5018		3,066,077	0
		1017 · US Bank Operating - 7455		250,000	0
		1044 · Las Palmas Medical Plaza - 1241		548,004	0
		1046 · Las Palmas Medical Plaza		0	67,191
		1047 · Petty Cash		500	500
		Total 1000 · CHECKING CASH ACCOUNTS		3,864,581	1,317,084
	1100 · INVESTMENT ACCOUNTS				
		1130 · Facility Replacement Fund		66,962,946	66,064,412
		1135 · Unrealized Gain(Loss) FRF		(1,192,194)	(1,868,408)
		Total 1100 · INVESTMENT ACCOUNTS		65,770,752	64,196,004
	Total Checking/Savings			69,635,333	65,513,088
	Total Accounts Receivable			45,982	66,134
	Other Current Assets				
		1204.1 · Rent Receivable-Deferred COVID		13,170	47,795
		1270 · Prepaid Insurance -Ongoing		19,402	20,167
		1279 · Pre-Paid Fees		28,794	29,956
		Total Other Current Assets		61,366	97,918
	Total Current Assets			69,742,681	65,677,140
	Fixed Assets				
	1300 · FIXED ASSETS				
		1310 · Computer Equipment		108,715	94,651
		1320 · Furniture and Fixtures		64,580	55,099
		1321 · Mobile Medical Unit		381,768	197,214
		1322 · Tenant Improvement - RAP #G100		32,794	32,794
		1325 · Offsite Improvements		300,849	300,849
		1331 · DRMC - Parking lot		4,416,257	4,416,257
		Total 1300 · FIXED ASSETS		5,304,963	5,096,864
	1335-00 · ACC DEPR				
		1335 · Accumulated Depreciation		(253,891)	(229,592)
		1337 · Accum Deprec- Solar Parking Lot		(2,291,116)	(2,110,251)
		1338 · Accum Deprec - LPMP Parking Lot		(231,132)	(208,582)
		1339 · Accum Deprec - Autos		(70,763)	(16,435)
		Total 1335-00 · ACC DEPR		(2,846,902)	(2,564,860)

Desert Healthcare District
Balance Sheet Previous Year Comparison
As of April 30, 2024

			Apr 30, 24	Apr 30, 23
		1400 · LPMP Assets		
		1401 · Building	8,705,680	8,705,680
		1402 · Land	2,165,300	2,165,300
		1403 · Tenant Improvements -New	2,322,346	2,275,966
		1404 · Tenant Improvements - CIP	129,550	129,550
		1406 · Building Improvements		
		1406.1 · LPMP-Replace Parking Lot	676,484	676,484
		1406.2 · Building Improvements-CIP	49,026	483,624
		1406 · Building Improvements - Other	2,776,742	2,153,527
		Total 1406 · Building Improvements	3,502,252	3,313,635
		1407 · Building Equipment Improvements	445,553	444,268
		1409 · Accumulated Depreciation		
		1410 · Accum. Depreciation	(8,397,458)	(8,100,166)
		1412 · T I Accumulated Dep.-New	(2,239,605)	(2,087,115)
		Total 1409 · Accumulated Depreciation	(10,637,063)	(10,187,281)
		Total 1400 · LPMP Assets	6,633,618	6,847,118
		Total Fixed Assets	9,091,679	9,379,122
		Other Assets		
		1600 · RIGHT TO USE ASSETS		
		1610 · Right to Use Asset	216,235	0
		1611 · RTU Accumulated Amortization	(22,178)	0
		1700 · OTHER ASSETS		
		1731 · Wellness Park	1,693,800	1,693,800
		1740 · RPP-Deferred Outflows-Resources	587,440	836,699
		1742 · RPP - Net Pension Asset	1,407,140	959,246
		Total 1700 · OTHER ASSETS	3,688,380	3,489,745
		1800 · OTHER RECEIVABLES		
		1810 · Lease Receivable	3,048,911	0
		Total Other Assets	6,931,348	3,489,745
		TOTAL ASSETS	85,765,708	78,546,007

Desert Healthcare District
Balance Sheet Previous Year Comparison
As of April 30, 2024

					Apr 30, 24	Apr 30, 23
LIABILITIES & EQUITY						
	Liabilities					
	Current Liabilities					
	Accounts Payable					
		2000 · Accounts Payable			3,697	44,724
		2001 · LPMP Accounts Payable			26,024	7,917
		Total Accounts Payable			29,721	52,641
	Other Current Liabilities					
		2002 · LPMP Property Taxes			(10,220)	(13,560)
		2003 · Prepaid Rents			21,291	0
		2131 · Grant Awards Payable			5,769,390	4,109,205
		2133 · Accrued Accounts Payable			229,550	272,883
		2141 · Accrued Vacation Time			88,450	104,476
		2188 · Current Portion - LTD			0	2,467
		2190 · Investment Fees Payable			14,941	4,131
		Total Other Current Liabilities			6,113,402	4,479,602
	Total Current Liabilities				6,143,123	4,532,243
	Long Term Liabilities					
		2171 · RPP-Deferred Inflows-Resources			564,584	492,802
		2172 · Lease - Deferred Inflows			2,982,703	0
		2280 · Long-Term Disability			0	2,981
		2281 · Grants Payable - Long-term			2,475,000	3,520,000
		2285 · Lease Payable			196,798	0
		2290 · LPMP Security Deposits			57,493	58,583
	Total Long Term Liabilities				6,276,578	4,074,366
	Total Liabilities				12,419,701	8,606,609
	Equity					
		3900 · *Retained Earnings			71,020,500	67,758,461
		Net Income			2,325,501	2,180,938
	Total Equity				73,346,001	69,939,399
	TOTAL LIABILITIES & EQUITY				85,765,708	78,546,007

Desert Healthcare District
A/R Aging Summary
As of April 30, 2024

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL	COMMENT
Desert Healthcare Foundation-	17,269	18,415	0	0	0	35,684	Due from Foundation
DPMG	0	74	0	0	0	74	Electricity Expense Reimbursement
Global Premier Fertility	0	2,732	0	0	0	2,732	Slow Pay 2023 Excess CAM Fees
Laboratory Corporation of America	0	3,762	0	0	0	3,762	Slow Pay 2023 Excess CAM Fees
Pathway Pharmaceuticals, Inc.	0	64	0	0	0	64	Slow Pay
Peter Jamieson, M.D.	0	1,000	0	0	0	1,000	Slow Pay 2023 Excess CAM Fees
Ramy Awad, M.D.	0	2,534	0	0	0	2,534	Slow Pay 2023 Excess CAM Fees
Steven Gundry, M.D.	0	133	0	0	0	133	Slow Pay
TOTAL	17,269	28,714	0	0	0	45,983	

Desert Healthcare District
Deposit Detail
March 2024

Type	Date	Name	Amount
Deposit	03/04/2024		2,000
		T-Mobile - Cell Tower Lease	(2,000)
TOTAL			(2,000)
Deposit	03/05/2024		752
		Riverside County Treasurer - Property Tax	(752)
TOTAL			(752)
Deposit	03/11/2024		26
Payment	03/11/2024	Carmina Zavala - Meal Reimbursement Over Policy Limits	(26)
TOTAL			(26)
Deposit	03/11/2024		4,074
		Riverside County Treasurer - Property Tax	(4,074)
TOTAL			(4,074)
Deposit	03/14/2024		26,331
		Riverside County Treasurer - Property Tax	(26,331)
TOTAL			(26,331)
Deposit	03/14/2024		256
		State Compensation Insurance Fund	(256)
TOTAL			(256)
Deposit	03/29/2024		226,151
Payment	03/29/2024	Desert Healthcare Foundation-	(226,151)
TOTAL			(226,151)
		TOTAL	259,590

Desert Healthcare District
Deposit Detail
April 2024

Type	Date	Name	Amount
Deposit	04/02/2024		2,000
		T-Mobile - Cell Tower Lease	(2,000)
TOTAL			(2,000)
Deposit	04/09/2024		650
		Principal Financial Group	(310)
		Refund of tickets for Police & Fire Appreciation Luncheon	(340)
TOTAL			(650)
Deposit	04/15/2024		529,212
		Riverside County Treasurer - Property Tax	(529,212)
TOTAL			(529,212)
		TOTAL	531,862

DESERT HEALTHCARE DISTRICT											
PROPERTY TAX RECEIPTS FY 2023 - 2024											
RECEIPTS - TEN MONTHS ENDED APRIL 30, 2024											
	FY 2022-2023 Projected/Actual						FY 2023-2024 Projected/Actual				
	Budget %	Budget \$	Act %	Actual Receipts	Variance		Budget %	Budget \$	Act %	Actual Receipts	Variance
July	0.0%	\$ -	0.0%	\$ 3,676	\$ 3,676		0.0%	\$ -	0.8%	\$ 70,152	\$ 70,152
Aug	0.0%	\$ -	2.2%	\$ 175,271	\$ 175,271		0.0%	\$ -	2.0%	\$ 180,642	\$ 180,642
Sep	0.0%	\$ -	0.0%	\$ 3,382	\$ 3,382		0.0%	\$ -	0.0%	\$ -	\$ -
Oct	2.6%	\$ 208,624	0.0%	\$ -	\$ (208,624)		2.6%	\$ 229,840	2.8%	\$ 248,614	\$ 18,774
Nov	0.4%	\$ 32,096	2.5%	\$ 198,217	\$ 166,121		0.4%	\$ 35,360	0.1%	\$ 10,535	\$ (24,825)
Dec	16.9%	\$ 1,356,056	18.2%	\$ 1,458,481	\$ 102,425		16.9%	\$ 1,493,960	19.2%	\$ 1,696,170	\$ 202,210
Jan	31.9%	\$ 2,559,656	40.6%	\$ 3,259,483	\$ 699,827		31.9%	\$ 2,819,960	42.1%	\$ 3,720,800	\$ 900,840
Feb	0.0%	\$ -	0.6%	\$ 46,002	\$ 46,002		0.0%	\$ -	1.0%	\$ 85,677	\$ 85,677
Mar	0.3%	\$ 24,072	1.1%	\$ 84,592	\$ 60,520		0.3%	\$ 26,520	0.4%	\$ 31,158	\$ 4,638
Apr	5.5%	\$ 441,320	6.4%	\$ 510,192	\$ 68,872		5.5%	\$ 486,200	6.0%	\$ 529,212	\$ 43,012
May	19.9%	\$ 1,596,776	48.4%	\$ 3,883,733	\$ 2,286,957		19.9%	\$ 1,759,160	0.0%		
June	22.5%	\$ 1,805,400	0.1%	\$ 5,841	\$ (1,799,559)		22.5%	\$ 1,989,000	0.0%		
Total	100%	\$ 8,024,000	120.0%	\$ 9,628,870	\$ 1,604,870		100.00%	\$ 8,840,000	74.4%	\$ 6,572,961	\$ 1,481,121

Las Palmas Medical Plaza
Deposit Detail - LPMP
March 2024

Type	Date	Name	Amount
Deposit	03/04/2024		5,778
Payment	03/04/2024	Coachella Valley Volunteers in Medicine-	(3,374)
Payment	03/04/2024	DPMG	(160)
Payment	03/04/2024	DPMG	(2,244)
TOTAL			(5,778)
Deposit	03/05/2024		7,053
Payment	03/05/2024	EyeCare Services Partners Management LLC	(7,053)
TOTAL			(7,053)
Deposit	03/06/2024		20,382
Payment	03/05/2024	Brad A. Wolfson, M.D.	(3,927)
Payment	03/05/2024	Cohen Musch Thomas Medical Group	(5,243)
Payment	03/05/2024	Cure Cardiovascular Consultants	(3,435)
Payment	03/05/2024	Palmtree Clinical Research	(7,777)
TOTAL			(20,382)
Deposit	03/11/2024		10,213
Payment	03/11/2024	Pathway Pharmaceuticals, Inc.	(2,716)
Payment	03/11/2024	Ramy Awad, M.D.	(3,871)
Payment	03/11/2024	Peter Jamieson, M.D.	(3,626)
TOTAL			(10,213)
Deposit	03/11/2024		4,144
Payment	03/11/2024	Desert Family Medical Center	(4,144)
TOTAL			(4,144)
Deposit	03/14/2024		4,589
Payment	03/14/2024	Global Premier Fertility	(4,589)
TOTAL			(4,589)

Las Palmas Medical Plaza
Deposit Detail - LPMP
March 2024

Type	Date	Name	Amount
Deposit	03/26/2024		52,111
Payment	03/26/2024	Steven Gundry, M.D.	(6,113)
Payment	03/26/2024	Desert Regional Medical Center	(6,177)
Payment	03/26/2024	Tenet HealthSystem Desert, Inc	(6,908)
Payment	03/26/2024	Tenet HealthSystem Desert, Inc.	(32,913)
TOTAL			(52,111)
Deposit	03/27/2024		4,478
		Quest Diagnostics Incorporated	(4,478)
TOTAL			(4,478)
Deposit	03/28/2024		2,782
		Desert Oasis Healthcare	(2,782)
TOTAL			(2,782)
Deposit	03/28/2024		5,414
Payment	03/28/2024	Aijaz Hashmi, M.D., Inc.	(3,302)
Payment	03/28/2024	Aijaz Hashmi, M.D., Inc.	(2,112)
TOTAL			(5,414)
		TOTAL	116,944

Las Palmas Medical Plaza
Deposit Detail - LPMP
April 2024

Type	Date	Name	Amount
Deposit	04/03/2024		2,490
Payment	04/03/2024	DPMG	(2,297)
Payment	04/03/2024	DPMG	(194)
TOTAL			(2,491)
Deposit	04/04/2024		2,910
Payment	04/04/2024	Quest Diagnostics Incorporated	(2,808)
Payment	04/04/2024	Quest Diagnostics Incorporated	(102)
TOTAL			(2,910)
Deposit	04/08/2024		57,159
Payment	04/08/2024	Howard Aaron Aronow, M.D.	(1,702)
Payment	04/08/2024	EyeCare Services Partners Management LLC	(7,364)
Payment	04/08/2024	EyeCare Services Partners Management LLC	(4,260)
Payment	04/08/2024	Laboratory Corporation of America	(5,632)
Payment	04/08/2024	Desert Oasis Healthcare	(1,751)
Payment	04/08/2024	Ramy Awad, M.D.	(3,963)
Payment	04/08/2024	Pathway Pharmaceuticals, Inc.	(2,716)
Payment	04/08/2024	Desert Regional Medical Center	(3,861)
Payment	04/08/2024	Tenet HealthSystem Desert, Inc	(4,275)
Payment	04/08/2024	Tenet HealthSystem Desert, Inc.	(21,635)
TOTAL			(57,159)
Deposit	04/08/2024		37,345
Payment	04/08/2024	Steven Gundry, M.D.	(3,645)
Payment	04/08/2024	Tenet HealthSystem Desert, Inc.	(33,700)
TOTAL			(37,345)
Deposit	04/08/2024		47
Payment	04/08/2024	DPMG	(47)
TOTAL			(47)

Las Palmas Medical Plaza
Deposit Detail - LPMP
April 2024

Type	Date	Name	Amount
Deposit	04/08/2024		5,563
Payment	04/08/2024	Coachella Valley Volunteers in Medicine-	(3,451)
Payment	04/09/2024	Coachella Valley Volunteers in Medicine-	(2,112)
TOTAL			(5,563)
Deposit	04/10/2024		30,163
Payment	04/08/2024	Brad A. Wolfson, M.D.	(4,006)
Payment	04/08/2024	Brad A. Wolfson, M.D.	(2,172)
Payment	04/08/2024	Cohen Musch Thomas Medical Group	(5,361)
Payment	04/08/2024	Cohen Musch Thomas Medical Group	(3,258)
Payment	04/08/2024	Cure Cardiovascular Consultants	(2,172)
Payment	04/08/2024	Palmtree Clinical Research	(7,962)
Payment	04/08/2024	Palmtree Clinical Research	(5,232)
TOTAL			(30,163)
Deposit	04/11/2024		8,887
Payment	04/11/2024	Global Premier Fertility	(4,689)
Payment	04/11/2024	Peter Jamieson, M.D.	(3,698)
Payment	04/11/2024	Peter Jamieson, M.D.	(500)
TOTAL			(8,887)
Deposit	04/11/2024		1,756
Payment	04/11/2024	Pathway Pharmaceuticals, Inc.	(1,756)
TOTAL			(1,756)
Deposit	04/12/2024		10,092
Payment	04/12/2024	Cure Cardiovascular Consultants	(3,417)
Payment	04/12/2024	Desert Family Medical Center	(4,233)
Payment	04/12/2024	Desert Family Medical Center	(2,442)
TOTAL			(10,092)

Las Palmas Medical Plaza
Deposit Detail - LPMP
April 2024

Type	Date	Name	Amount
Deposit	04/15/2024		282
Payment	04/15/2024	Howard Aaron Aronow, M.D.	(282)
TOTAL			(282)
Deposit	04/22/2024		6,113
		Steven Gundry, M.D.	(6,113)
TOTAL			(6,113)
Deposit	04/22/2024		3,302
		Aijaz Hashmi, M.D., Inc.	(3,302)
TOTAL			(3,302)
Deposit	04/25/2024		4,580
		Quest Diagnostics Incorporated	(4,580)
TOTAL			(4,580)
Deposit	04/30/2024		21,175
		Laboratory Corporation of America	(5,632)
		Howard Aaron Aronow, M.D.	(1,664)
Payment	04/30/2024	Desert Regional Medical Center	(6,318)
Payment	04/30/2024	Tenet HealthSystem Desert, Inc	(7,064)
Payment	04/30/2024	Peter Jamieson, M.D.	(1)
Payment	04/30/2024	Peter Jamieson, M.D.	(497)
TOTAL			(21,176)
		TOTAL	191,864

Desert Healthcare District
Check Register
As of March 31, 2024

Type	Date	Num	Name	Amount
1000 - CHECKING CASH ACCOUNTS				
1016 - US Bank Operating - 5018				
Liability Check	03/01/2024		QuickBooks Payroll Service	(457)
Liability Check	03/01/2024		QuickBooks Payroll Service	(47,419)
Liability Check	03/01/2024		QuickBooks Payroll Service	(12,957)
Bill Pmt -Check	03/05/2024	3099	Alianza Coachella Valley - Grant Payment	(22,500)
Bill Pmt -Check	03/05/2024	3100	Deveau Burr Group, LLC	(9,750)
Bill Pmt -Check	03/05/2024	3101	Leticia De Lara - Stipend	(695)
Bill Pmt -Check	03/05/2024	3102	OneFuture Coachella Valley - Grant Payment	(68,063)
Bill Pmt -Check	03/05/2024	3103	Sergio Rodriguez - Expense Reimbursement	(46)
Bill Pmt -Check	03/05/2024	3104	So.Cal Computer Shop	(810)
Bill Pmt -Check	03/05/2024	3105	TWC Consulting LLC	(6,833)
Bill Pmt -Check	03/05/2024	3106	Underground Service Alert of Southern Cal	(2)
Bill Pmt -Check	03/05/2024	3107	Youth Leadership Institute - Grant Payment	(11,250)
Bill Pmt -Check	03/07/2024	3108	California Consulting	(4,250)
Bill Pmt -Check	03/07/2024	3109	Desert Cancer Foundation - Grant Payment	(73,687)
Bill Pmt -Check	03/07/2024	3110	Galilee Center - Grant Payment	(22,500)
Bill Pmt -Check	03/07/2024	3111-VOID	Graphtek Interactive	0
Bill Pmt -Check	03/07/2024	3112	The Pink Journey Foundation - Grant Payment	(10,000)
Bill Pmt -Check	03/07/2024	3113	Graphtek Interactive	(900)
Check	03/07/2024	Auto Pay	Calif. Public Employees'Retirement System	(17,253)
Bill Pmt -Check	03/11/2024	3114	LoopUp LLC	(24)
Bill Pmt -Check	03/11/2024	3115	Rogers, Carole - Stipend	(579)
Bill Pmt -Check	03/11/2024	3116	Uken Report	(400)
Bill Pmt -Check	03/11/2024	3117	Xerox Financial Services	(377)
Bill Pmt -Check	03/11/2024	3118	AMS Tax Service, Inc.	(500)
Bill Pmt -Check	03/11/2024	3119	U.S. Bank	(4,435)
Bill Pmt -Check	03/12/2024	3120	Doris Perez Interpreting	(1,050)
Bill Pmt -Check	03/14/2024	3121	Magdalena Cleaning Services	(200)
Bill Pmt -Check	03/14/2024	3122	Purchase Power	(200)
Check	03/14/2024		Bank Service Charge	(484)
Liability Check	03/15/2024		QuickBooks Payroll Service	(232)
Liability Check	03/15/2024		QuickBooks Payroll Service	(47,672)
Bill Pmt -Check	03/18/2024	3123	Bob Murray & Associates	(7,788)
Bill Pmt -Check	03/18/2024	3124	Clear Impact	(6,600)
Bill Pmt -Check	03/18/2024	3125	Del Valle Informador Inc	(500)
Bill Pmt -Check	03/18/2024	3126	Principal Life Insurance Co.	(1,430)
Bill Pmt -Check	03/18/2024	3127	Probolsky Research	(44,900)
Bill Pmt -Check	03/18/2024	3128	Eric Taylor - Expense Reimbursement	(308)

Desert Healthcare District
Check Register
As of March 31, 2024

Type	Date	Num	Name	Amount
Bill Pmt -Check	03/18/2024	3129	CoPower Employers' Benefits Alliance	(1,110)
Bill Pmt -Check	03/19/2024	ACH 032124	Law Offices of Scott & Jackson	(8,888)
Bill Pmt -Check	03/20/2024	3130	City of Coachella	(1,000)
Bill Pmt -Check	03/20/2024	3131	DPMG Health - Grant Payment	(10,501)
Bill Pmt -Check	03/20/2024	3132	Palm Desert Chamber of Commerce	(300)
Bill Pmt -Check	03/20/2024	3133	Regional Access Project Foundation	(141)
Bill Pmt -Check	03/20/2024	3134	Steven Hollis - Consulting Services	(8,250)
Bill Pmt -Check	03/21/2024	3135	Larry L. Simon - Appraisal Services	(2,930)
Bill Pmt -Check	03/21/2024	3136	Spectrum (Time Warner)	(460)
Bill Pmt -Check	03/21/2024	3137	Organizacion en Ca. Lideres Campesinas - Grant Payment	(33,750)
Bill Pmt -Check	03/26/2024	3138	Calif. State University, San Bernardino - Grant Payment	(33,040)
Bill Pmt -Check	03/26/2024	3139	Evet PerezGil - Stipend & Health Premium Reimbursement	(1,026)
Bill Pmt -Check	03/26/2024	3140	Frazier Pest Control, Inc.	(33)
Bill Pmt -Check	03/26/2024	3141	Regional Access Project Foundation	(2,000)
Bill Pmt -Check	03/26/2024	3142	Shred-It	(135)
Bill Pmt -Check	03/26/2024	3143	So.Cal Computer Shop	(898)
Bill Pmt -Check	03/26/2024	3144	Top Shop	(80)
Bill Pmt -Check	03/26/2024	3145	Vision y Compromiso - Grant Payment	(33,750)
Bill Pmt -Check	03/26/2024	3146	State Compensation Insurance Fund	(438)
Bill Pmt -Check	03/26/2024	3147	Top Shop	(549)
Bill Pmt -Check	03/26/2024	3148	Coachella Valley Volunteers in Medicine - Grant Payment	(107,640)
Bill Pmt -Check	03/26/2024	3149	Galilee Center - Grant Payment	(60,377)
Bill Pmt -Check	03/27/2024	ACH 032824	Law Offices of Scott & Jackson	(9,383)
Bill Pmt -Check	03/28/2024	3150	Carmina Zavala - Stipend	(695)
Bill Pmt -Check	03/28/2024	3151	Visual Edge IT (Image Source)	(564)
Bill Pmt -Check	03/28/2024	3152	Zendle, Les - Stipend & Expense Reimbursement	(826)
Liability Check	03/29/2024		QuickBooks Payroll Service	(197)
Liability Check	03/29/2024		QuickBooks Payroll Service	(47,659)
TOTAL				(793,671)

Desert Healthcare District
Check Register
As of April 30, 2024

Type	Date	Num	Name	Amount
1000 - CHECKING CASH ACCOUNTS				
1016 - US Bank Operating - 5018				
Bill Pmt -Check	04/02/2024	3153	Boyd & Associates	(108)
Bill Pmt -Check	04/02/2024	3154	Donna Den Bleyker - Expense Reimbursement	(210)
Bill Pmt -Check	04/02/2024	3155	Ernest Enterprises	(448)
Bill Pmt -Check	04/02/2024	3156	Kimberly Barraza - Stipend	(926)
Bill Pmt -Check	04/02/2024	3157	Leticia De Lara - Stipend	(695)
Bill Pmt -Check	04/02/2024	3158	Lift To Rise - Grant Payment	(67,500)
Bill Pmt -Check	04/02/2024	3159	So.Cal Computer Shop	(810)
Bill Pmt -Check	04/02/2024	3160	Staples	(746)
Bill Pmt -Check	04/02/2024	3161	TWC Consulting LLC	(8,455)
Bill Pmt -Check	04/02/2024	3162	Underground Service Alert of Southern Cal	(2)
Bill Pmt -Check	04/02/2024	3163	Verizon Wireless	(846)
Bill Pmt -Check	04/04/2024	3164	Rancho Mirage Chamber of Commerce	(475)
Check	04/08/2024	Auto Pay	Calif. Public Employees'Retirement System	(14,983)
Bill Pmt -Check	04/09/2024	3165	AMS Tax Service, Inc.	(500)
Bill Pmt -Check	04/09/2024	3166	Andrea S. Hayles - Expense Reimbursement	(368)
Bill Pmt -Check	04/09/2024	3167	Deveau Burr Group, LLC	(9,500)
Bill Pmt -Check	04/09/2024	3168	Doris Perez Interpreting	(950)
Bill Pmt -Check	04/09/2024	3169	State Compensation Insurance Fund	(438)
Bill Pmt -Check	04/09/2024	3170	U.S. Bank	(7,233)
Bill Pmt -Check	04/09/2024	3171	Chmura Economics & Analytics, LLC	(6,708)
Bill Pmt -Check	04/09/2024	3172	Chris Christensen - Expense Reimbursement	(192)
Bill Pmt -Check	04/09/2024	3173	El Sol Neighborhood Educational Center - Grant Payment	(33,750)
Bill Pmt -Check	04/09/2024	3174	Graphtek Interactive	(1,200)
Bill Pmt -Check	04/09/2024	3175	Ready Refresh	(129)
Bill Pmt -Check	04/09/2024	3176	Rogers, Carole - Stipend	(579)
Bill Pmt -Check	04/09/2024	3177	Tri-Star Risk Management	(264)
Bill Pmt -Check	04/09/2024	3178	Xerox Financial Services	(377)
Liability Check	04/12/2024		QuickBooks Payroll Service	(262)
Liability Check	04/12/2024		QuickBooks Payroll Service	(47,261)
Check	04/12/2024		Bank Service Charge	(266)
Bill Pmt -Check	04/16/2024	3179	Andrea S. Hayles - Expense Reimbursement	(123)
Bill Pmt -Check	04/16/2024	3180	Bob Murray & Associates	(4,150)
Bill Pmt -Check	04/16/2024	3181	CoPower Employers' Benefits Alliance	(1,274)
Bill Pmt -Check	04/16/2024	3182	DPMG Health - Grant Payment	(29,031)
Bill Pmt -Check	04/16/2024	3183	Erica Huskey - Health Premium Reimbursement	(1,431)
Bill Pmt -Check	04/16/2024	3184	Gannett California LocalIQ	(2,566)
Bill Pmt -Check	04/16/2024	3185	LoopUp LLC	(24)

Desert Healthcare District
Check Register
As of April 30, 2024

Type	Date	Num	Name	Amount
Bill Pmt -Check	04/16/2024	3186	Regional Access Project Foundation	(93)
Bill Pmt -Check	04/16/2024	3187	Sergio Rodriguez - Expense Reimbursement	(23)
Bill Pmt -Check	04/16/2024	3188	Steven Hollis - Consulting Services	(12,746)
Bill Pmt -Check	04/16/2024	3189	The Bridge To Better	(280)
Bill Pmt -Check	04/16/2024	3190	Top Shop	(229)
Bill Pmt -Check	04/22/2024	3191	Alejandro Espinoza Santacruz - Expense Reimbursement	(421)
Bill Pmt -Check	04/22/2024	3192	Carmina Zavala - Stipend & Expense Reimbursement	(870)
Bill Pmt -Check	04/22/2024	3193	Cathedral City Senior Center	(500)
Bill Pmt -Check	04/22/2024	3194	Evelt PerezGil - Stipend & Health Premium Reimbursement	(1,026)
Bill Pmt -Check	04/22/2024	3195	Gibbins Advisors, LLC	(75,000)
Bill Pmt -Check	04/22/2024	3196	JFK Memorial Foundation	(1,200)
Bill Pmt -Check	04/22/2024	3197	Principal Life Insurance Co.	(1,758)
Bill Pmt -Check	04/22/2024	3198	Regional Access Project Foundation	(2,000)
Bill Pmt -Check	04/22/2024	3199	SDRMA	(50)
Bill Pmt -Check	04/22/2024	3200	Spectrum (Time Warner)	(460)
Bill Pmt -Check	04/22/2024	3201	Uken Report	(400)
Bill Pmt -Check	04/23/2024	3202	NPO Centric	(20,996)
Bill Pmt -Check	04/23/2024	3203	NPO Centric	(10,500)
Bill Pmt -Check	04/23/2024	3204	Shred-It	(136)
Bill Pmt -Check	04/23/2024	3205	Swarat Signs	(346)
Bill Pmt -Check	04/23/2024	3206	Frazier Pest Control, Inc.	(33)
Bill Pmt -Check	04/23/2024	3207	DAP Health - Grant Payment	(230,800)
Check	04/23/2024	Auto Pay	Principal Financial Group-	(1,197)
Check	04/23/2024	Auto Pay	Principal Financial Group-	(575)
Liability Check	04/26/2024		QuickBooks Payroll Service	(73)
Liability Check	04/26/2024		QuickBooks Payroll Service	(48,122)
Liability Check	04/26/2024		QuickBooks Payroll Service	(184)
Bill Pmt -Check	04/29/2024	ACH 050124	Law Offices of Scott & Jackson	(8,955)
Bill Pmt -Check	04/30/2024	3208	Cove Communities Senior Association - Grant Payment	(45,000)
Bill Pmt -Check	04/30/2024	3209	Dale Barnhart - Hospital Inspection Services	(575)
Bill Pmt -Check	04/30/2024	3210	Greater Coachella Valley Chamber of Commerce	(310)
Bill Pmt -Check	04/30/2024	3211	Habitat For Humanity, Inc. - Grant Payment	(10,000)
Bill Pmt -Check	04/30/2024	3212	Leticia De Lara - Stipend & Expense Reimbursement	(802)
Bill Pmt -Check	04/30/2024	3213	Reynaldo J. Carreón M.D. Foundation - Grant Payment	(5,000)
Bill Pmt -Check	04/30/2024	3214	Rogers, Carole - Expense Reimbursement	(1,551)
Bill Pmt -Check	04/30/2024	3215	So.Cal Computer Shop	(1,391)
Bill Pmt -Check	04/30/2024	3216	Variety of the Desert - Grant Payment	(23,163)
Bill Pmt -Check	04/30/2024	3217	Visual Edge IT (Image Source)	(714)
Bill Pmt -Check	04/30/2024	3218	Voices for Children - Grant Payment	(13,500)

Desert Healthcare District
Check Register
As of April 30, 2024

Type	Date	Num	Name	Amount
Bill Pmt -Check	04/30/2024	3219	Youth Leadership Institute - Grant Payment	(22,500)
Bill Pmt -Check	04/30/2024	3220	Magdalena Cleaning Services	(400)
TOTAL				(788,659)

Desert Healthcare District							
Details for Credit Card Expenditures							
Credit card purchases - February 2024 - Paid March 2024							
Number of credit cards held by District personnel -1							
Credit Card Limit - \$20,000 - Chris							
Credit Card Holders:							
Chris Christensen - Interim CEO/Chief Administration Officer							
Routine types of charges:							
Office Supplies, Dues for membership, Computer Supplies, Meals, Travel including airlines and Hotels, Catering, Supplies for BOD meetings, CEO Discretionary for small grant & gift items							
Statement							
Year	Month	Total	Expense	Amount	Purpose		Description
	Charged	Charges	Type				
		\$ -					
Chris' Statement:							
2024	February	\$ 4,435.35	District				
			GL	Dollar	Description		
			6530	\$ 14.99	The Desert Sun - marketing subscription		
			5230	\$ 720.00	2024 Special District Leadership Academy - April 14-17, 2024 - San Diego, CA - Vice-President Zavala		
			6352	\$ 56.14	Manhattan in the Desert meeting - Vice-President Zavala & Chris Christensen		
			1320	\$ 561.00	Budget Blinds - blind replacement in Palm Springs office		
			6355	\$ 264.23	Amazon - Carrying case & tripod for Owl 3 camera, replacement cable for portable speaker		
			6360	\$ 9.82	Amazon - replacement sink aerator for Palm Springs office kitchen (returned in March)		
			6355	\$ 254.94	Zoom webinar/audio conference expense		
			6352	\$ 58.02	LuLu Bistro meeting - Director Rogers & Chris Christensen (\$8.02 above policy limit reimbursed by Chris)		
			5230	\$ 300.00	Loma Linda Health - Big Hearts for Little Hearts Desert Guild Gala - 02/29/2024 - Director De Lara		
			1310	\$ 1,309.91	Amazon - Meeting Owl 3 camera		
			5230	\$ 97.38	Harvey Milk Diversity Breakfast 2024 - May 9, 2024 - Director Zendle		
			5160	\$ 97.38	Harvey Milk Diversity Breakfast 2024 - May 9, 2024 - Chris Christensen		
			6352	\$ 54.13	Pueblo Viejo meeting - Director Barraza & Chris Christensen (\$4.13 above policy limit reimbursed by Chris)		
			5230	\$ 28.52	Greater Coachella Valley Chamber of Commerce 8th Annual Taste of Indio - March 14, 2024 - Director De Lara		
			5230	\$ 97.38	Harvey Milk Diversity Breakfast 2024 - May 9, 2024 - Director De Lara		
			5230	\$ 300.00	Loma Linda Health - Big Hearts for Little Hearts Desert Guild Gala - 02/29/2024 - Director De Lara's +1		
			6360	\$ 36.72	Chamber of Commerce - 2024 HR Pamphlets		
			6352	\$ 174.79	El Pollo Loco - food for 2/29/24 staff meeting		
				\$ 4,435.35			

Desert Healthcare District							
Details for Credit Card Expenditures							
Credit card purchases - March 2024 - Paid April 2024							
Number of credit cards held by District personnel -1							
Credit Card Limit - \$20,000 - Chris							
Credit Card Holders:							
Chris Christensen - Interim CEO/Chief Administration Officer							
Routine types of charges:							
Office Supplies, Dues for membership, Computer Supplies, Meals, Travel including airlines and Hotels, Catering, Supplies for BOD meetings, CEO Discretionary for small grant & gift items							
Statement							
Month		Total		Expense			
Year	Charged	Charges		Type	Amount	Purpose	Description
		\$ -					
Chris' Statement:							
2024	March	\$ 7,233.41		District			
				GL	Dollar	Description	
				6360	\$ (9.82)	Amazon - return of replacement sink aerator for Palm Springs office kitchen	
				6530	\$ 14.99	The Desert Sun - marketing subscription	
				5230	\$ 1,421.41	Miracle Springs Resort & Spa - Room rental for Community Forum on 03/05/2024	
				6325	\$ 500.00	SAGE & Friends Bronze Sponsor for Palm Springs event on 03/24/2024	CEO Discretionary Fund
				6352	\$ 161.92	The Cheesecake Factory - Staff team building	
				5160	\$ 400.00	Peak Grantmaking - PEAK2024 Annual Convening (virtual) - 03/18/24 - Erica Huskey	
				5240	\$ 157.76	Jensen's - food for 03/11/24 Special BOD meeting	
				5230	\$ 92.55	Riverside County State of the Fourth District - 03/18/24 - Director Rogers	
				5240	\$ 248.49	Panera - food for 03/13/24 Environmental Health Symposium Committee meeting	
				5230	\$ 680.00	Palm Springs Chamber of Commerce Police & Fire Appreciation Luncheon - Director Zendle, Director De Lara, & Director Rogers +1	
				5160	\$ 85.00	Palm Springs Chamber of Commerce Police & Fire Appreciation Luncheon - Chris Christensen	
				6352	\$ 137.79	Aspen Mills - 03/14/24 meeting with OneFuture - Chris Christensen, Donna Craig, Meghan Kane, Kim McNulty + 3 staff	
				6355	\$ 254.94	Zoom webinar/audio conference expense	
				6360	\$ 58.41	Amazon - cables and adapters for Community Forums	
				5240	\$ 313.68	Subway - food for 03/19/24 Community Forum	
				5230	\$ 1,600.00	UCR Palm Desert - facility rental fees for 04/30/24 Community Forum	
				5240	\$ 279.00	Chipotle - food for 03/20/24 Special BOD meeting	
				5240	\$ 164.81	Doordash - food for 03/21/24 Special BOD meeting	
				6130	\$ 277.50	AICPA - CPA membership - Chris Christensen	
				5160	\$ 97.38	Harvey Milk Diversity Breakfast - 05/09/24 - Will Dean	
				5240	\$ 297.60	Olive Garden - food for 03/26/24 BOD meeting	
					\$ 7,233.41		

**Las Palmas Medical Plaza
Check Register - LPMP
As of March 31, 2024**

Type	Date	Num	Name	Amount
1000 - CHECKING CASH ACCOUNTS				
1044 - Las Palmas Medical Plaza - 1241				
Bill Pmt -Check	03/05/2024	10875	INPRO Construction Inc.	(11,485)
Bill Pmt -Check	03/05/2024	10876	Green Security Solutions	(11,955)
Bill Pmt -Check	03/07/2024	10877	Palm Springs Disposal Services Inc	(2,234)
Bill Pmt -Check	03/11/2024	10878	USA Live Bee Removal	(8,500)
Bill Pmt -Check	03/11/2024	10879	Stericycle, Inc.	(1,222)
Bill Pmt -Check	03/14/2024	10880	Frazier Pest Control, Inc.	(275)
Bill Pmt -Check	03/18/2024	10881	Frontier Communications	(282)
Bill Pmt -Check	03/18/2024	10882	Southern California Edison	(907)
Bill Pmt -Check	03/20/2024	10883	INPRO Construction Inc.	(1,880)
Bill Pmt -Check	03/20/2024	10884	INPRO Construction Inc.	(3,950)
Bill Pmt -Check	03/26/2024	10885	Amtech Elevator Services	(1,559)
Bill Pmt -Check	03/26/2024	10886	Desert Air Conditioning Inc.	(2,518)
Check	03/28/2024		Bank Service Charge	(596)
TOTAL				(47,363)

**Las Palmas Medical Plaza
Check Register - LPMP
As of April 30, 2024**

Type	Date	Num	Name	Amount
1000 - CHECKING CASH ACCOUNTS				
1044 - Las Palmas Medical Plaza - 1241				
Bill Pmt -Check	04/02/2024	10887	Desert Water Agency	(527)
Bill Pmt -Check	04/02/2024	10888	Green Security Solutions	(11,955)
Bill Pmt -Check	04/02/2024	10889	INPRO Construction Inc.	(11,485)
Bill Pmt -Check	04/09/2024	10890	AMS Connect	(450)
Bill Pmt -Check	04/09/2024	10891	Frazier Pest Control, Inc.	(275)
Bill Pmt -Check	04/09/2024	10892	Palm Springs Disposal Services Inc	(2,234)
Bill Pmt -Check	04/09/2024	10893	Southern California Edison	(74)
Bill Pmt -Check	04/16/2024	10894	Frontier Communications	(281)
Bill Pmt -Check	04/16/2024	10895	Southern California Edison	(475)
Bill Pmt -Check	04/16/2024	10896	Stericycle, Inc.	(1,222)
Bill Pmt -Check	04/16/2024	10897	DPMG Health	(13,200)
Bill Pmt -Check	04/16/2024	10898	INPRO Construction Inc.	(10,000)
Check	04/22/2024		Bank Service Charge	(880)
Bill Pmt -Check	04/30/2024	10899	Desert Air Conditioning Inc.	(2,518)
Bill Pmt -Check	04/30/2024	10900	Desert Water Agency	(530)
Bill Pmt -Check	04/30/2024	10901	Locks Around The Clock	(176)
Bill Pmt -Check	04/30/2024	10902	Desert Air Conditioning Inc.	(692)
TOTAL				(56,974)

Desert Healthcare District
CEO Discretionary Fund Detail
July 2023 through April 2024

Date	Name	Memo	Amount
6325 - CEO Discretionary Fund			
07/01/2023	California Forward	Knowledge level sponsorship for 2023 Economic Summit	5,000
08/04/2023	U.S. Bank	Planned Parenthood contribution to 60th Anniversary Cocktail Reception - September 23, 2023	5,000
08/11/2023	Blood Bank of San Bernardino	2023 Thanks4Giving Gala Table Sponsorship - Saturday November 11, 2023	3,500
08/15/2023	Coachella Valley Volunteers in Medicine	2023 VIMY Awards - Bronze Sponsorship	5,000
08/17/2023	UC Riverside Foundation	UCR SOM 2023 Gala and Education Building II Grand Opening - Silver Sponsorship	10,000
08/30/2023	Regional Access Project Foundation	Desert Fast Pitch 2023 Sponsorship	5,000
09/06/2023	Cathedral City Senior Center	Table Sponsor at November 13, 2023 Gala	5,000
10/10/2023	Alianza Nacional De Campesinas Inc.	Storm assistance to help Alianza Nacional de Campesinas purchase and distribute food & water after Tropical Storm Hillary	3,698
01/04/2024	U.S. Bank	OneFuture - The Future Is Ours - February 28, 2024 - Empowering Students Sponsor	2,575
01/31/2024	Alejandro Espinoza Santacruz - Expense Reimbursement	Purchased items for refugee children	1,604
02/01/2024	U.S. Bank	Joslyn Center - CEO Discretionary Fund donation	1,000
02/29/2024	The Bridge To Better	Airfare reimbursement donation for individual in need	280
03/20/2024	City of Coachella	City of Coachella Women's Summit Sponsorship	1,000
04/01/2024	U.S. Bank	SAGE & Friends Bronze Sponsor for Palm Springs event on 03/24/2024	500
04/18/2024	JFK Memorial Foundation	Ophelia Project Luncheon Sponsorship for April 25, 2024	1,200
04/18/2024	Cathedral City Senior Center	Donation for allowing the District to hold community meeting on April 2, 2024	500
			50,857
TOTAL			50,857



MEMORANDUM

DATE: May 15, 2024

TO: F&A Committee

RE: Retirement Protection Plan (RPP)

Current number of participants in Plan:

	<u>February</u>	<u>April</u>
Active – still employed by hospital	62	62
Vested – no longer employed by hospital	44	44
Former employees receiving annuity	<u>6</u>	<u>6</u>
Total	<u>112</u>	<u>112</u>

The outstanding liability for the RPP is approximately **\$2.5M** (Actives - \$1.4M and Vested - \$1.1M). US Bank investment account balance \$4.5M. Per the June 30, 2023, Actuarial Valuation, the RPP has an Overfunded Pension Asset of approximately **\$1.45M**.

The payouts, excluding monthly annuity payments, made from the Plan for the ten months ended April 30, 2024, totaled **\$470K**. Monthly annuity payments (6 participants) total **\$903** per month.

DESERT HEALTHCARE DISTRICT							
OUTSTANDING GRANTS AND GRANT PAYMENT SCHEDULE							
April 30, 2024							
TWELVE MONTHS ENDING JUNE 30, 2024							
Grant ID Nos.	Name	Approved Grants - Prior Yrs	6/30/2023 Bal Fwd	Current Yr 2023-2024	Total Paid Prior Yrs July-June	Total Paid Current Yr July-June	Open BALANCE
2014-MOU-BOD-11/21/13	Memo of Understanding CVAG CV Link Support	\$ 10,000,000	\$ 3,320,000		\$ -		\$ 3,320,000
2022-1301-BOD-01-25-22	UCR Regents - Community Based Interventions to Mitigate Psychological Trauma - 1 Yr.	\$ 113,514	\$ 11,352		\$ 5,747		\$ 5,605
	Unexpended funds Grant #1301						\$ (5,605)
2022-1311-BOD-04-26-22	Desert Arc - Healthcare for Adults with Disabilities Project Employment of Nurses - 1 Yr.	\$ 102,741	\$ 10,275		\$ 10,275		\$ -
2022-1313-BOD-04-26-22	Angel View - Improving Access to Primary & Specialty Care Services for Children With Disabilities 1 Yr.	\$ 76,790	\$ 7,680		\$ 7,680		\$ -
2022-1314-BOD-05-24-22	Voices for Children - Court Appointed Special Advocate Program - 1 Yr.	\$ 60,000	\$ 6,000		\$ 6,000		\$ -
2022-1325-BOD-06-28-22	Vision Y Compromise - CVEC Unrestricted Grant Funds - 2 Yrs.	\$ 150,000	\$ 82,500		\$ 67,500		\$ 15,000
2022-1327-BOD-06-28-22	Youth Leadership Institute - Youth Voice in Mental Health - 2 Yrs.	\$ 50,000	\$ 27,500		\$ 22,500		\$ 5,000
2022-1328-BOD-06-28-22	El Sol - Expanding Access to Educational Resources for Promotoras - 2 Yrs.	\$ 150,000	\$ 82,500		\$ 67,500		\$ 15,000
2022-1331-BOD-06-28-22	Services - 2 Yrs.	\$ 50,000	\$ 27,500		\$ 22,500		\$ 5,000
2022-1324-BOD-07-26-22	Galilee Center - Our Lady of Guadalupe Shelter - 2 Yr.	\$ 100,000	\$ 55,000		\$ 45,000		\$ 10,000
2022-1332-BOD-07-26-22	Alianza CV - Expanding & Advancing Outreach Through Increasing Capacity Development - 2 Yrs.	\$ 100,000	\$ 55,000		\$ 22,500		\$ 32,500
2022-1329-BOD-09-27-22	DPMG - Mobile Medical Unit - 3 Yrs.	\$ 500,000	\$ 450,000		\$ 151,104		\$ 298,896
2022-1350-BOD-09-27-22	JFK Memorial Foundation - Behavioral Health Awareness & Education Program - 1 Yr.	\$ 57,541	\$ 5,755		\$ 5,755		\$ (0)
2022-1355-BOD-09-27-22	The Joslyn Center - The Joslyn Wellness Center - 1 Yr.	\$ 85,000	\$ 8,500		\$ 8,500		\$ 0
2022-1361-BOD-09-27-22	DAP Health - DAP Health Monkeypox Virus Response - 1 Yr.	\$ 586,727	\$ 340,654		\$ 7,659		\$ 332,995
	Unexpended funds Grant #1361						\$ (332,995)
2022-1356-BOD-10-25-22	Blood Bank of San Bernardino/Riverside Counties - Coachella Valley Therapeutic Apheresis Program - 1 Yr.	\$ 140,000	\$ 77,000		\$ 71,121		\$ 5,879
	Unexpended funds Grant #1356						\$ (5,879)
2022-1358-BOD-10-25-22	Foundation for Palm Springs Unified School District - School-Based Wellness Center Project - 1 Yr.	\$ 110,000	\$ 60,500		\$ -		\$ 60,500
2022-1362-BOD-10-25-22	Jewish Family Service of the Desert - Mental Health Counseling Services for Underserved - 2 Yrs.	\$ 160,000	\$ 124,000		\$ 72,000		\$ 52,000
2022-1326-BOD-12-20-22	TODEC - TODEC's Equity Program - 2 Yrs.	\$ 100,000	\$ 77,500		\$ 22,500		\$ 55,000
2022-1330-BOD-12-20-22	OneFuture Coachella Valley - Building a Healthcare Workforce Pipeline - 2 Yrs.	\$ 605,000	\$ 468,874		\$ 204,187		\$ 264,688
2022-1369-BOD-12-20-22	ABC Recovery Center - Cost of Caring Fund Project - 1 Yr.	\$ 332,561	\$ 257,735		\$ 257,735		\$ -
2023-1333-BOD-01-24-23	Organizacion en California de Lideres Campesinas - Healthcare Equity for ECV Farmworker Women - 2 Yrs.	\$ 150,000	\$ 116,250		\$ 67,500		\$ 48,750
2023-1363-BOD-01-24-23	Pegasus Riding Academy - Pegasus Equine Assisted Therapy - 1 Yr.	\$ 60,092	\$ 33,052		\$ 27,040		\$ 6,012
2023-1372-BOD-02-28-23	Reynaldo J. Carreon MD Foundation - Dr. Carreon Scholarship Program - 1 Yr.	\$ 50,000	\$ 27,500		\$ 27,500		\$ -
2023-1391-BOD-05-23-23	Lift To Rise - Driving Regional Economic Stability Through Collective Impact - 3 Yrs.	\$ 900,000	\$ 832,500		\$ 202,500		\$ 630,000
2023-1392-BOD-05-23-23	Galilee Center - Galilee Center Extended Shelter - 1 Yr.	\$ 268,342	\$ 207,965		\$ 181,131		\$ 26,834
2023-1393-BOD-06-27-23	DAP Health - DAP Health Expands Access to Healthcare - 1 Yr.	\$ 1,025,778	\$ 1,025,778		\$ 923,200		\$ 102,578
2023-1398-BOD-06-27-23	Desert Healthcare Foundation - Core Operating Support - 1 Yr.	\$ 750,000	\$ 750,000		\$ 750,000		\$ -
2023-BOD-06-27-23	Carry over of remaining Fiscal Year 2022/2023 Funds for Mobile Medical Unit Program*	\$ 395,524	\$ 395,524		\$ 395,524		\$ -
2023-1399-Mini-07-06-23	Theresa A. Mike Scholarship Foundation - Mini Grant			\$ 10,000		\$ 10,000	\$ -
2023-1401-Mini-07-07-23	Word of Life Fellowship Center - Mini Grant			\$ 10,000		\$ 10,000	\$ -
2023-1396-Mini-07-25-23	Boys & Girls Club of Coachella Valley - Mini Grant			\$ 10,000		\$ 10,000	\$ -
2023-1389-BOD-07-25-23	Step Up on Second Street - Step Up's ECM/LOS Programs in the Coachella Valley - 1 Yr.			\$ 64,401		\$ 28,980	\$ 35,421
2023-1394-BOD-07-25-23	CSU San Bernardino Palm Desert Campus Nursing Street Medicine Program - 1 Yr.			\$ 73,422		\$ 66,080	\$ 7,342
2023-1397-Mini-08-23-23	Well In The Desert - Mini Grant			\$ 10,000		\$ 10,000	\$ -
2023-1402-Mini-09-05-23	Ronnie's House for Hope - Mini Grant			\$ 10,000		\$ 10,000	\$ -
2023-1414-Mini-09-14-23	Desert Access and Mobility, Inc. - Mini Grant			\$ 10,000		\$ 10,000	\$ -
2023-1400-BOD-09-26-23	Desert Arc - Desert Arc Health Care Program - 1 Yr.			\$ 291,271		\$ 131,072	\$ 160,199
2023-1404-BOD-09-26-23	Martha's Village and Kitchen - Homeless Housing & Wrap-Around Services Expansion - 2 Yrs.			\$ 369,730		\$ 83,189	\$ 286,541
2023-1405-BOD-09-26-23	Variety Children's Charities of the Desert - Expansion of Core Programs & Services - 1Yr.			\$ 120,852		\$ 54,383	\$ 66,469
2023-1408-BOD-10-24-23	Coachella Valley Volunteers in Medicine - Ensuring Access to Healthcare - 1 Yr.			\$ 478,400		\$ 215,280	\$ 263,120
2023-1410-BOD-10-24-23	Alianza Nacional de Campesinas, Inc. - Coachella Valley Farmworkers Food Distribution - 1 Yr.			\$ 57,499		\$ 25,875	\$ 31,624
2023-1413-BOD-10-24-23	Voices for Children - Court Appointed Special Advocate Program - 1 Yr.			\$ 81,055		\$ 36,474	\$ 44,581
2023-1412-BOD-10-24-23	DPMG - DPMG Health Community Medicine - 2 Yrs.			\$ 1,057,396		\$ 100,000	\$ 957,396
2023-MOU-BOD-11-04-23	TODEC - Outreach & Linkage to Supportive Mental Health Services - Tropical Storm Hilary - 3 Mos.			\$ 40,000		\$ 40,000	\$ -
2023-MOU-BOD-11-04-23	Chance Initiative, Inc. - Outreach & Linkage to Supportive Services - Tropical Storm Hilary - 3 Mos.			\$ 10,000		\$ 10,000	\$ -
2023-1403-BOD-12-19-23	Vision To Learn - Palm Desert & Coachella Valley VTL Program - 1 Yr.			\$ 50,000		\$ 22,500	\$ 27,500
2023-1419-BOD-12-19-23	Blood Bank of San Bernardino/Riverside Counties - LifeStream's Attracting New Donors Initiative - 1 Yr.			\$ 104,650		\$ 47,092	\$ 57,558
2023-1420-BOD-12-19-23	Braille Institute of America - Low Vision Telehealth Services - 1Yr.			\$ 36,697		\$ 16,514	\$ 20,183
2023-1421-BOD-12-19-23	Olive Crest - General Support for Counseling & Mental Health Services to Vulnerable Children & Families - 2 Yrs.			\$ 359,594		\$ 80,908	\$ 278,686
2024-1430-Mini-02-08-24	Asthma & Allergy Foundation of America St. Louis Chapter - Asthma Newly Diagnosed Kit - 1 Yr.			\$ 10,000		\$ 10,000	\$ -
2024-1429-BOD-02-27-24	Desert Cancer Foundation - Patience Assistance Program & Community Outreach - 1 Yr.			\$ 163,750		\$ 73,687	\$ 90,063
2024-1456-Mini-03-06-24	The Pink Journey - Rolling with Hope - 1 Yr.			\$ 10,000		\$ 10,000	\$ -
2024-1432-BOD-04-23-24	Variety Children's Charities of the Desert - Outreach & Future Program Expansion - 2Yrs.			\$ 102,949		\$ 23,163	\$ 79,786
2024-1437-BOD-04-23-24	Youth Leadership Institute - Community Advocates for Resilient Emotional Safety - 2 Yrs.			\$ 100,000		\$ 22,500	\$ 77,500
2024-1441-BOD-04-23-24	DAP Health - DAP Health Community Health Workers Build Community Connections - 2 Yrs.			\$ 125,000		\$ -	\$ 125,000
2024-1443-BOD-04-23-24	Voices for Children - Court Appointed Special Advocate Program - 2 Yrs.			\$ 60,000		\$ 13,500	\$ 46,500
2024-1445-BOD-04-23-24	The Joslyn Center - Increasing Behavioral Health Access & Social Connectedness - 2 Yrs.			\$ 200,000		\$ 45,000	\$ 155,000
2024-1452-BOD-04-23-24	El Sol - Coachella Valley Community Assistance, Resources, & Empowerment Services - 2 Yrs.			\$ 200,000		\$ -	\$ 200,000
2024-1453-BOD-04-23-24	Vision y Compromiso - Cultivando Community Connections - 2 Yrs.			\$ 199,914		\$ -	\$ 199,914
2024-1455-BOD-04-23-24	Angel View - Outreach Program to Reduce Social Isolation & Loneliness - 2 Yrs.			\$ 86,250		\$ -	\$ 86,250
2024-1431-Mini-04-26-24	Habitat for Humanity - Housing Insecurity Prevention Program for Low Income Coachella Valley Residents - 1 Yr.			\$ 10,000		\$ 10,000	\$ -
TOTAL GRANTS		\$ 17,229,610	\$ 8,944,395	\$ 4,522,830	\$ 3,652,159	\$ 1,226,197	\$ 8,244,390
Amts available/remaining for Grant/Programs - FY 2023-24:							
Amount budgeted 2023-2024			\$ 4,000,000				4/30/2024
Amount granted YTD:			\$ (4,522,830)				
Financial Audits of Non-Profits: Organizational Assessments			\$ (2,000)			2131	\$ 5,769,390
Net adj - Grants not used: FY 22-23 Carryover Mobile Medical Unit Funds; 1361; 1301; 1356			\$ 740,003			2281	\$ 2,475,000
Matching external grant contributions			\$ -				
Balance available for Grants/Programs			\$ 215,173			Total	\$ 8,244,390
							(0)



Chief Administration Officer's Report

May 15, 2024

Las Palmas Medical Plaza - Property Management:

Occupancy:

See attached unit rental status report.

94.1% currently occupied –

Total annual rent including CAM fees is **\$1,488,881**.

Leasing Activity:

2 suites (1W-104, & 2W-103/104) are now vacant and available for lease. Rob Wenthold, our broker, will be showing the suites to prospective tenants.

Las Palmas Medical Plaza													
Unit Rental Status													
As of May 1, 2024													
Unit	Tenant Name	Deposit	Lease Dates		Term	Unit Sq Feet	Percent of Total	Monthly Rent	Annual Rent	Rent Per Sq Foot	Monthly CAM	Total Monthly Rent Inclg CAM	Total Annual Rent Inclg CAM
			From	To									
											\$ 0.86		
1W, 104	Vacant					1,024	2.07%						
2W, 103-104	Vacant					1,878	3.81%						
Total - Vacancies						2,902	5.88%						
Total Suites - 32 - 30 Suites Occupied		\$57,492.84				49,356	94.1%	\$ 84,126.38	\$1,009,516.56	\$ 1.81	\$ 39,947.00	\$ 124,073.38	\$ 1,488,880.56
			Summary - All Units										
			Occupied	46,454	94.1%								
			Vacant	2,902	5.9%								
			Pending	0	0.0%								
			Total	49,356	100%								



Date: May 28, 2024
To: Board of Directors
Subject: Consideration to approve increasing the FY23-24 Grant Budget from \$4,000,000 to \$5,000,000.

Staff Recommendation: Consideration to approve increasing the FY23-24 Grant Budget from \$4,000,000 to \$5,000,000.

Background:

- The District's annual grant budget has traditionally been \$4,000,000.
- During the pandemic years 2020-2021, the District & Foundation were primarily focused on external COVID-19 funding and less on the District's internal grant funding.
- In FY21-22, the District carried-over \$2,566,566 to FY22-23. During FY22-23, the District awarded grant funding of \$6,171,042, leaving \$395,524 to carry-over to FY23-24.
- As of 4/30/24, the District has awarded grant funding of \$4,522,830, including over \$1,000,000 to grantees who responded to the Social Isolation and Loneliness RFP.
- \$215,173 remains of unawarded grant funds for the remaining two months of the fiscal year.
- Staff is considering potential grant applications, including an MOU for funding of \$750,000 between the District and Foundation for operational support, to potentially award yet this fiscal year.
- Revenue for the fiscal year is anticipated to exceed budget by approximately 4,000,000.
- The proposed increase of \$1,000,000 to the grant budget will result in a projected net income of over \$4,000,000 for the year.
- Staff is also including \$5,000,000 grant budget in the proposed draft FY24-25 budget.
- At the May 15, 2024, Finance and Administration Committee meeting, the Committee recommended forwarding the item to the full Board for approval.
- Staff recommends approving the increase of the FY23-24 grant budget from \$4,000,000 to \$5,000,000 to allow for additional funding opportunities.

Fiscal Impact:

Increasing the FY23-24 District Grant Budget from \$4,000,000 to \$5,000,000. Presently, it is uncertain whether the grant program would be discontinued should the District reassume operational responsibilities of Desert Regional Medical Center.



Date: May 28, 2024
To: Board of Directors
Subject: FY 2024-2025 Annual Budget Review and Consideration of Approval

Staff Recommendation: Consideration to approve the FY 2024-2025 Annual Budget.

Information:
District

1. FY24 has been a good year. Property tax revenue has continued to increase above projections while administrative expenses were below. This combination provided the opportunity to request an increase in the grant budget of \$1,000,000.
2. The economy has not entered an anticipated recession and the interest rates have held steady a majority of the year. The stock and bond markets continue to be somewhat unstable and unpredictable going into FY25 as the potential for interest rate cuts may impact yield rates.
3. Property taxes are anticipated to remain high. Administrative expenses are anticipated to increase as open positions are filled, hospital lease negotiations continue, and potential election expenses related to 4 expiring Director terms.
4. The FY2024-2025 annual budget reflects the following highlights:
5. **4010 Property Tax Revenue** – budget reflects the projected FY2023-2024 receipts.
6. **4220 & 9999-1 Interest Income** – Net interest income will remain unpredictable with the bond market affected by inflation, and anticipated Fed interest rate adjustments.
7. **4505-4513 Las Palmas Medical Plaza Rent and CAM Revenue** –
 - Rental Income reflects an occupancy of 96-100%.
 - CAM Revenue includes a rate of \$.86 per square foot.
8. **5110 – Salaries and Wages** – increase includes an annual Merit increase of 5%.
9. **6516 – Professional Services** - \$1,490,000 includes \$1,000,000 for the continued work surrounding lease renewal negotiations for the Desert Regional Medical Center.
10. **7010 Grant-Making Budget*** – increased to \$5,000,000 for the fiscal year supported by the Board’s 5-year strategic plan.
*Presently, it is uncertain whether the grant program would be discontinued should the District reassume operational responsibilities of Desert Regional Medical Center.

Foundation

11. **4003 Grants Income** – includes remaining USAging grant funds of \$34,156, \$200,000 estimated other grants, and \$750,000 operating grant from DHCD.
12. **8015 & 8040 Investment Income** – The investments in the Foundation are subject to fluctuations in the stock market.

13. **5101 Salaries and Wages** - \$211,206 of salaries and wages expense is allocated to the Foundation from the District.
14. **5102** - \$100,000 is included for internal CVEC administrative expenses and \$200,000 to coordinate 4 quarterly Mobile Unit Events across the Coachella Valley.
15. **8051-8052 Grant Expenses** – \$1,710,000 anticipated grant expenses. The majority of these expenses are attributed to grants' revenue recognized in prior years as a result of the updated accounting standing for grant accounting for the Foundation.

The Finance & Administration Committee approved both the District and Foundation budgets and recommended forwarding to the Board for approval.

Fiscal Impact:

District – Net Income \$1,021,994

Foundation – Net Loss (\$1,004,404)

DESERT HEALTHCARE DISTRICT									
FY 2024 - 2025 BUDGET									
DRAFT				INDEX					
7/1/2024 - 6/30/2025									
PAGE									
2	ASSUMPTIONS								
4	CASHFLOW								
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6	STATEMENT OF INCOME AND EXPENSE - DHCD								
8	STATEMENT OF INCOME AND EXPENSE - LPMP								
9	STAFFING								
10	DIRECTORS AND EMPLOYEE EXPENSES								
11	PROGRAMS/GRANTS - SUMMARY - CASH FLOW - BY QUARTER								
12	PROGRAMS/GRANTS - CASH FLOW BY QUARTER								
13	BUDGET DETAIL								

DESERT HEALTHCARE DISTRICT			
FY 2024 - 2025 BUDGET			
ASSUMPTIONS - MAJOR LINE ITEMS GREATER THAN \$50,000			
7/1/2024 - 6/30/2025			
DRAFT			
		Preliminary	
G/L		Annual	
Account	Account	Projected	
Number	Description	Amount	Assumption
	REVENUES		
4010	Property Tax	\$ 10,170,245	Projected FY 2023-2024 Receipts
4220	Interest Income - FRF	\$ 1,280,000	Coupon Rate - 2.5%
9999-1	Unrealized Gain FRF	\$ (364,000)	Investment Portfolio's Unrealized Gains/(Losses)
		\$ 916,000	Net Interest Income
4501	Other Income	\$ 184,000	Environmental Health Summit Sponsorships & Land Lease
4505-4512	LPMP - Rental Income	\$ 1,041,032	Average \$84k Per Month
4509-11	LPMP - CAM Income	\$ 455,396	CAM Charges To Tenants To Cover Common Area Expenses - \$.86 Per Sq Ft.
	EXPENSES		
	Desert Healthcare District		
5110	Salary and Wages	\$ 1,535,938	See Directors and Employees Expenses for Details. Pg 10
5111	Allocation To LPMP - CAO(20%) & AM(25%) + OH	\$ (85,673)	Allocation of CAO and Accounting Manager to LPMP
5112	Vacation and Sick Pay Accrual	\$ 180,000	Accrual for Earned Vacation and Sick Pay
5114	Allocation to Foundation - All Staff	\$ (212,299)	District Staff Allocation of Payroll and Benefits to Foundation to Provide Services
5120	Payroll Taxes	\$ 123,997	Staff Payroll Taxes
5131	Benefit Premiums - Staff	\$ 282,632	See Directors and Employees Expenses for details. Pg 10
5145	Retirement Plan	\$ 133,851	Staff Retirement Plan - 8% Employer Contribution to 401(a) Plan
5160	Education/Conferences - Staff	\$ 89,000	Staff Conference Expense and Education Reimbursements
5270	Election Fees	\$ 250,000	Election Fees Charged by Riverside County - Four Directors & Potential Hospital Lease
6120	Bank & Investment Fees	\$ 62,400	Investment Fees
6125-6127	Depreciation	\$ 287,777	Office Equipment, Software and Parking Lot/Solar Panels, Autos depreciation
6130	Dues and Memberships	\$ 65,150	District/Foundation Memberships and Dues - Pg 13
6220	Ongoing Insurance Coverage	\$ 56,300	District/Foundation Insurance Coverage
6325	CEO Discretionary Fund	\$ 50,000	CEO Discretionary Fund Expenses
6355	Computer Services	\$ 63,860	Software and IT Support
6516	Professional Fees	\$ 1,490,000	Utilize Independent Contractors to Provide Professional Project Oversight Skills, Hospital Lease Consulting, Seismic Consulting, Board Workshops, and Other Professional Services
6530	PR/Communications/Website	\$ 411,500	Strategic Communications, Website Maintenance, Other Public Relations and Environmental Summit
6560	Legal - General	\$ 180,000	Legal Fees for Operational Coverage, Potential Litigation, and Policy Review
6725	RPP Contributions Accrual	\$ 60,000	Pension Expenses for Retirement Protection Plan
7010	Programs/Grants	\$ 5,000,000	See Programs/Grants Schedule - Pg 12
	Las Palmas Medical Plaza		
6420	Insurance	\$ 75,055	Insurance Coverage for Las Palmas Medical Plaza Property

DESERT HEALTHCARE DISTRICT			
FY 2024 - 2025 BUDGET			
ASSUMPTIONS - MAJOR LINE ITEMS GREATER THAN \$50,000			
7/1/2024 - 6/30/2025			
DRAFT			
		Preliminary	
G/L		Annual	
Account	Account	Projected	
Number	Description	Amount	Assumption
6425	Building Depreciation	\$ 321,468	40-Year Depreciation Period
6426	Tenant Improv - Amortization	\$ 211,560	Tenant Improvements Amortized Over Life of Each Tenant's Lease
6431	Building Interior	\$ 50,000	Repair Expenses to the Interior of the Las Palmas Medical Plaza Building
6434	Wage allocation for property management	\$ 85,673	Allocate Wages/Benefits for Property Management - % Salary and Benefits
6439	Deferred Maintenance		The tile in the walkways need clean-up - Options to overlay or clean-up are being considered
6440	Professional Fees Expense	\$ 142,670	Property Maintenance Company - Includes Prevailing Wage
6475	Property Taxes - Las Palmas	\$ 79,800	District Is Billed for the Property Tax and Incorporates the Tax in the CAM Based on Sq. Ft.of Suite
6485	Security	\$ 150,000	Security Coverage Via Blend of On-Site and Remote Coverage
	CASH FLOW		
	Cash Receipts:		
	Property Taxes	\$ 10,170,245	Projected FY 2023-2024 Receipts
	Interest - NET	\$ 916,000	Coupon Rate - 2.5% and Estimated Unrealized Gains/(Losses)
	LPMP	\$ 1,497,428	Rental and Common Area Maintenance
	Other Income	\$ 208,000	Airways Rental & Land Lease
	Due from DHCF - Expense Allocation	\$ 212,299	Allocation of District Staff Expense to Perform Foundation Business
	Cash Disbursements:		
	Operations	\$ 6,078,624	See Statement of Operations - Excludes Non-Cash Items i.e. Depreciation and Amortization
	Existing liabilities - Projected for Disbursement	\$ 100,000	Projected Liabilities as of 6/30/24 excluding grants
	Program/Grant Payments - Existing	\$ 5,764,578	See Program/Grants Cash Flow Statement. Pg 11
	Program/Grant Payments - New	\$ 5,000,000	See Programs/Grants Cash Flow Statement. Pg 11
	LPMP:		
	Normal recurring expenses	\$ 717,124	See Statement of Income and Expense - LPMP for details. Pg 8
	Building & Tenant Improvements	\$ 375,000	Tenants

DESERT HEALTHCARE DISTRICT						
CASH FLOW PROJECTION						
FY 2024 - 2025 BUDGET						
7/1/2024 - 6/30/2025						
DRAFT						
		Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total
Beginning Cash/Investment Balance:		\$ 68,926,420	\$ 65,080,707	\$ 63,913,446	\$ 65,210,516	\$ 68,926,420
Property Taxes		203,405	2,135,751	4,169,800	3,661,288	10,170,245
Interest		229,000	229,000	229,000	229,000	916,000
LPMP		374,357	374,357	374,357	374,357	1,497,428
Due from Desert Healthcare Foundation-Exp Allocation		53,075	53,075	53,075	53,075	212,299
Other Income - Cell Tower & Land Lease, Sponsorships, etc.		139,500	52,000	8,250	8,250	208,000
Total Receipts		999,337	2,844,183	4,834,482	4,325,970	13,003,972
Cash Disbursements:						
Ops-Net of Depreciation/Amortization/Grants		1,437,223	1,550,794	1,521,852	1,568,756	6,078,624
Existing Liabilities Excluding Grants		100,000	-	-	-	100,000
Existing Program and Grants Payments		1,762,296	930,120	485,029	2,587,134	5,764,578
New Programs and Grants Payments		1,250,000	1,250,000	1,250,000	1,250,000	5,000,000
Capital Equipment Requirements:						-
Computer/Office Furniture/Other		22,500	7,500	7,500	7,500	45,000
LPMP:						
Normal Recurring-Operations		179,281	179,281	179,281	179,281	717,124
Tenant/Building Improvements - Normal Recurring		93,750	93,750	93,750	93,750	375,000
Total Cash Disbursements		\$ 4,845,050	\$ 4,011,444	\$ 3,537,412	\$ 5,686,421	\$ 18,080,326
Ending Cash/Investment Balance		\$ 65,080,707	\$ 63,913,446	\$ 65,210,516	\$ 63,850,065	\$ 63,850,065

DESERT HEALTHCARE DISTRICT			
SUMMARY - BUDGET - FY 2024-2025			
DRAFT			
			Net Income
	Income	Expense	(Loss)
District Operations	\$ 11,294,245	\$ 10,411,305	\$ 882,940
LPMP Operations	\$ 1,497,428	\$ 1,358,374	\$ 139,054
Total	\$ 12,791,673	\$ 11,769,679	1,021,994

DESERT HEALTHCARE DISTRICT									
FY 2024 - 2025 BUDGET									
STATEMENT OF INCOME AND EXPENSE INCLUDING LPMP									
7/1/2024 - 6/30/2025									
DRAFT	Budget	Projected	Budget					Budget	Inc(Dec)
	Fiscal Yr.	6/30/24	VS					Fiscal Yr.	Budget
	FYE 6/30/24	Balance	Projected	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total	Vs Projected
									Prior Yr.
INCOME		-							
4010 · Property Tax Revenues	8,840,000	10,170,245	1,330,245	203,405	2,135,751	4,169,800	3,661,288	10,170,245	-
4220 · Unrestricted Interest Income - FRF	1,020,000	1,220,788	200,788	320,000	320,000	320,000	320,000	1,280,000	59,212
9999-1 · Unrealized Gain or (Loss) FRF	(1,000,000)	1,334,899	2,334,899	(91,000)	(91,000)	(91,000)	(91,000)	(364,000)	(1,698,899)
Net Investment Income - FRF	20,000	2,555,687	2,535,687	229,000	229,000	229,000	229,000	916,000	(1,639,687)
4350 · Rental - Airways	24,000	24,000	-	6,000	6,000	6,000	6,000	24,000	-
4505-4513 · LPMP - Rental/CAM Income	1,400,680	1,513,756	113,076	374,357	374,357	374,357	374,357	1,497,428	(16,328)
4501 · Other Income	9,000	146,750	137,750	133,500	46,000	2,250	2,250	184,000	37,250
Total Income	10,293,680	14,410,438	4,116,758	946,262	2,791,108	4,781,407	4,272,895	12,791,673	(1,618,765)
EXPENSES									
5110 · Salaries and Wages	1,573,905	1,471,136	(102,769)	321,663	424,180	361,198	428,897	1,535,938	64,802
5111-Alloc to LPMP-CC(17.5%)&ET(25%)+OH	(78,469)	(78,469)	0	(21,418)	(21,418)	(21,418)	(21,418)	(85,673)	(7,204)
5112 · Accrued Vacation/Sick/Holiday Expense	180,000	195,142	15,142	45,000	45,000	45,000	45,000	180,000	(15,142)
5114 · Allocation Foundation -PR & Benefits	(397,775)	(371,133)	26,642	(53,075)	(53,075)	(53,075)	(53,075)	(212,299)	158,834
5119 · Allocation to FND-CVEC & Federal Funds	(204,848)	(165,192)	39,656	-	-	-	-	-	165,192
5120 · Payroll Tax Expense	126,930	114,076	(12,854)	28,050	28,620	31,074	36,253	123,997	9,921
5131 · Benefit Premiums	269,470	225,770	(43,700)	65,784	69,951	73,449	73,449	282,632	56,862
5135 · Reimbursements/Co-Payments	23,400	15,498	(7,902)	5,400	5,400	5,400	5,400	21,600	6,102
5140 · Workers Comp	7,016	6,853	(163)	1,467	1,877	1,625	1,896	6,864	10
5145 · Retirement Plan Expense	125,832	118,989	(6,843)	29,700	35,605	30,846	37,700	133,851	14,862
5160 · Education/Conferences - Staff	100,000	26,191	(73,809)	22,250	22,250	22,250	22,250	89,000	62,809
5211 · Health Insurance-BOD	50,252	48,551	(1,701)	4,052	4,052	37,152	4,052	49,306	755
5230 · BOD Meeting/Conference Expense	44,500	27,051	(17,449)	11,125	11,125	11,125	11,125	44,500	17,449
5235- Director Stipend Expense	41,580	42,967	1,387	10,939	10,939	10,939	10,939	43,757	790
5240 · BOD Catering Expense	12,000	7,023	(4,977)	3,000	3,000	3,000	3,000	12,000	4,977
5250 · BOD Mileage Reimbursement	2,500	3,303	803	750	750	750	750	3,000	(303)
5270 · BOD Election Fees	-	-	-	62,500	62,500	62,500	62,500	250,000	250,000
6110 · Payroll Fees Expense	2,500	2,234	(266)	625	625	625	625	2,500	266
6120 · Bank and Investment Fees	62,400	66,997	4,597	15,600	15,600	15,600	15,600	62,400	(4,597)
6125 · Depreciation Expense	24,000	24,122	122	7,500	7,500	7,500	7,500	30,000	5,878
6126 · Depreciation - Solar Panels - Parking	180,864	180,864	0	45,216	45,216	45,216	45,216	180,864	(0)
6127 · Depreciation - Autos	39,443	55,127	15,684	19,228	19,228	19,228	19,228	76,913	21,786
6130 · Dues and Memberships	64,615	40,091	(24,524)	16,288	16,288	16,288	16,288	65,150	25,059
6220 · Ongoing Insurance Coverage	59,400	50,365	(9,035)	14,075	14,075	14,075	14,075	56,300	5,935
6300 · Minor Equipment	500	-	(500)	125	125	125	125	500	500
6305 · CEO Auto Allowance	6,000	3,000	(3,000)	1,500	1,500	1,500	1,500	6,000	3,000
6306-Staff Auto Mileage Reimbursement	7,500	6,829	(671)	1,875	1,875	1,875	1,875	7,500	671
6309 · Personnel Expense	4,500	400	(4,100)	1,125	1,125	1,125	1,125	4,500	4,100
6310 · Miscellaneous Expense	500	-	(500)	125	125	125	125	500	500
6311 · Cell Phone Expense	10,800	8,596	(2,204)	3,000	3,000	3,000	3,000	12,000	3,404
6312 · Wellness Park Expense	1,000	1,089	89	250	250	250	250	1,000	(89)
6315 · Security Monitoring Expense	600	671	71	150	150	150	150	600	(71)
6325 · CEO Discretionary Fund	65,000	65,000	(0)	12,500	12,500	12,500	12,500	50,000	(15,000)
6343 · Postage Expense	4,000	2,209	(1,791)	1,000	1,000	1,000	1,000	4,000	1,791

DESERT HEALTHCARE DISTRICT									
FY 2024 - 2025 BUDGET									
STATEMENT OF INCOME AND EXPENSE INCLUDING LPMP									
7/1/2024 - 6/30/2025									
								Budget	Inc(Dec)
DRAFT	Budget	Projected	Budget					Fiscal Yr.	Budget
	Fiscal Yr.	6/30/24	VS					2024-2025	Vs Projected
	FYE 6/30/24	Balance	Projected	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total	Prior Yr.
6350 - Copier Rental/Fees	6,000	4,677	(1,323)	1,500	1,500	1,500	1,500	6,000	1,323
6351 - Travel Expense	30,000	39,769	9,769	7,500	7,500	7,500	7,500	30,000	(9,769)
6352 - Meals & Entertainment	29,000	14,464	(14,536)	8,500	8,500	8,500	8,500	34,000	19,536
6355 - Computer Services	37,000	62,955	25,955	15,965	15,965	15,965	15,965	63,860	905
6360 - Supplies	22,000	17,598	(4,402)	6,500	6,500	6,500	6,500	26,000	8,402
6380 - LAFCO Assessment	2,500	2,160	(340)	625	625	625	625	2,500	340
6405 - Office - Rent	25,200	24,000	(1,200)	6,300	6,300	6,300	6,300	25,200	1,200
6410 - Office - Utilities	5,000	6,241	1,241	1,845	1,845	1,845	1,845	7,380	1,139
6445 - Las Palmas Medical Plaza - Total	1,249,982	1,222,860	(27,122)	339,594	339,594	339,594	339,594	1,358,374	135,514
6516 - Professional Services	1,236,458	699,367	(537,091)	372,500	372,500	372,500	372,500	1,490,000	790,633
6520 - Annual Audit Fee	17,500	17,290	(210)	4,500	4,500	4,500	4,500	18,000	710
6530 - PR/Communications/Website	246,500	95,466	(151,034)	102,875	102,875	102,875	102,875	411,500	316,034
6560 - Legal Expense	156,000	136,558	(19,443)	45,000	45,000	45,000	45,000	180,000	43,443
6605 - Mobile Medical Unit Expense	-	2,073	2,073	1,250	1,250	1,250	1,250	5,000	2,928
6721 - Legal Expenses - Pension Plan	2,000	-	(2,000)	500	500	500	500	2,000	2,000
6725 - RPP Contributions Accrual	60,000	60,000	-	15,000	15,000	15,000	15,000	60,000	-
6728 - Pension Audit Fee	16,500	18,248	1,748	2,666	2,666	2,666	2,666	10,665	(7,583)
7010 - Programs/Grants*	4,000,000	5,000,000	1,000,000	1,250,000	1,250,000	1,250,000	1,250,000	5,000,000	(0)
9000 - Other Income <expenses>	-	965	965	-	-	-	-	-	(965)
Total Expenses	9,551,555	9,620,042	68,487	2,859,987	2,973,557	2,944,615	2,991,519	11,769,679	2,150,603
Net Income(Loss)	742,125	4,790,396	4,048,271	(1,913,725)	(182,449)	1,836,792	1,281,376	1,021,994	(3,769,368)
EBITA	1,530,725							1,788,435	
Cash Flow - Add back:									-
LPMP - Depreciation	544,293	454,915	(89,378)	160,312	160,312	160,312	160,312	641,250	186,335
6725 - RPP Contributions Accrual	60,000	60,000	-	15,000	15,000	15,000	15,000	60,000	-
Grants - Separate line item	4,000,000	5,000,000	1,000,000	1,250,000	1,250,000	1,250,000	1,250,000	5,000,000	(0)
District - Depreciation/Amortization	244,307	260,113	15,806	71,944	71,944	71,944	71,944	287,777	27,663
Payroll Foundation - Add Back	(602,623)	(536,325)	66,298	(53,075)	(53,075)	(53,075)	(53,075)	(212,299)	324,027
Payroll Allocation - LPMP-Add Back	(78,469)	(78,469)	0	(21,418)	(21,418)	(21,418)	(21,418)	(85,673)	(7,204)
Total	4,167,508	5,160,234	992,726	1,422,764	1,422,764	1,422,764	1,422,764	5,691,055	530,821
									-
District Including LPMP Net Cash Flow	5,384,047	4,459,808	(924,239)	1,437,223	1,550,794	1,521,852	1,568,756	6,078,624	1,619,781

LAS PALMAS MEDICAL PLAZA									
FY 2024 - 2025 BUDGET									
STATEMENT OF INCOME AND EXPENSE									
7/1/2024 - 6/30/2025									
								Budget	Inc(Dec)
DRAFT		Projected	Budget					Fiscal Year	Budget
	Budget	6/30/24	VS					2024-2025	Vs Projected
	FYE 6/30/24	Balance	Projected	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total	Prior Year
INCOME									
4505-4512 - LPMP - Rental Income	1,123,200	988,052	(135,148)	260,258	260,258	260,258	260,258	1,041,032	52,980
4510 - LPMP - CAM Income-Billed	276,480	525,704	249,224	113,849	113,849	113,849	113,849	455,396	(70,308)
4513 - LPMP - Misc Income	1,000	-	(1,000)	250	250	250	250	1,000	1,000
Total Income	1,400,680	1,513,756	113,076	374,357	374,357	374,357	374,357	1,497,428	(16,328)
EXPENSES									
6420 - Insurance	48,600	66,811	18,211	18,764	18,764	18,764	18,764	75,055	8,243
6424 - Parking Lot Replacement - Depreciation	22,549	22,549	0	5,637	5,637	5,637	5,637	22,549	(0)
6425 - Building - Depreciation Expense	306,744	305,245	(1,499)	80,367	80,367	80,367	80,367	321,468	16,224
6426 - Tenant Improvement - Depreciation	215,000	127,121	(87,879)	52,890	52,890	52,890	52,890	211,560	84,439
6427 - HVAC Maintenance	16,000	15,222	(778)	4,000	4,000	4,000	4,000	16,000	778
6428 - Roof Repairs	2,500	-	-	625	625	625	625	2,500	2,500
6431 - Building - Interior	7,500	79,080	71,580	12,500	12,500	12,500	12,500	50,000	(29,080)
6432 - Plumbing - Interior	10,000	21,180	11,180	5,000	5,000	5,000	5,000	20,000	(1,180)
6433 - Plumbing - Exterior	2,500	580	(1,920)	625	625	625	625	2,500	1,920
6434 - Allocation-Internal Property Management	78,469	78,469	0	21,418	21,418	21,418	21,418	85,673	7,204
6435 - Bank Charges	500	350	(150)	125	125	125	125	500	150
6437 - Utilities - Vacant Units	2,200	1,039	(1,161)	450	450	450	450	1,800	761
6439 - Deferred Maintenance Repairs	22,000	22,427	427	6,250	6,250	6,250	6,250	25,000	2,573
6440 - Professional Fees Expense	137,820	138,510	690	35,667	35,667	35,667	35,667	142,670	4,160
6441 - Legal	1,000	-	(1,000)	250	250	250	250	1,000	1,000
6458 - Elevators - Contract	13,000	14,490	1,490	3,250	3,250	3,250	3,250	13,000	(1,490)
6460 - Exterminating Services	12,000	14,633	2,633	3,750	3,750	3,750	3,750	15,000	367
6463 - Landscaping	11,000	14,833	3,833	3,750	3,750	3,750	3,750	15,000	167
6467 - Lighting	5,000	-	(5,000)	1,250	1,250	1,250	1,250	5,000	5,000
6468 - Maintenance General	1,000	-	(1,000)	250	250	250	250	1,000	1,000
6471 - Marketing	15,000	1,123	(13,877)	3,750	3,750	3,750	3,750	15,000	13,877
6475 - Property Taxes	79,800	76,658	(3,142)	19,950	19,950	19,950	19,950	79,800	3,142
6476 - Signage Expense	7,500	534	(6,966)	1,250	1,250	1,250	1,250	5,000	4,466
6480 - Rubbish Removal Medical Waste	18,000	14,778	(3,222)	4,250	4,250	4,250	4,250	17,000	2,222
6481 - Rubbish Removal	34,800	33,175	(1,625)	8,700	8,700	8,700	8,700	34,800	1,625
6482 - Utilities/Electricity/Exterior	7,500	10,284	2,784	2,625	2,625	2,625	2,625	10,500	216
6484 - Utilities - Water (Exterior)	10,000	7,510	(2,490)	2,250	2,250	2,250	2,250	9,000	1,490
6485 - Security	160,000	145,256	(14,744)	37,500	37,500	37,500	37,500	150,000	4,744
6490 - Miscellaneous	2,000	11,004	9,004	2,500	2,500	2,500	2,500	10,000	(1,004)
Total Expenses	1,249,982	1,222,860	(27,122)	339,594	339,594	339,594	339,594	1,358,374	135,514
Net Income	150,698	290,896	140,197	34,763	34,763	34,763	34,763	139,054	
Non-Cash and other items:									
Depreciation	544,293	454,915	(89,378)	138,894	138,894	138,894	138,894	555,577	
Total Depreciation/Payroll Allocation	622,762	533,384	(89,378)	160,312	160,312	160,312	160,312	641,250	
Net Cash Flow for Expenses	627,220	689,476	62,256	179,281	179,281	179,281	179,281	717,124	
Total Cash Provided	773,460	824,280	50,820					780,304	

DESERT HEALTHCARE DISTRICT							
STAFFING - BUDGET 2024-2025							
DRAFT			BOD Approved Salary Range	Approved Salary FY23-24	Proposed FY 24-25		
	FT	Job			Title Change	Salary Range	Salary
Job Title	PT	Status					
Current							
Chief Executive Officer	FT	Exempt	225,000 - 320,000				
Chief Administration Officer	FT	Exempt	175,000 - 255,000	\$ 235,667			
Chief Program Officer	FT	Exempt	130,000 - 185,000	\$ 170,034			
Chief of Community Engagement	FT	Exempt	110,000 - 170,000	\$ 158,248			
Director - Communications & Marketing	FT	Exempt	100,000 - 155,000	\$ 146,823		100,000 - 160,000	
Senior Program Officer - Public Health	FT	Exempt	90,000 - 125,000	\$ 116,594			
Special Assist to the CEO/Board Relations	FT	Non-Exempt	60,000 - 105,000	\$ 98,675		60,000 - 110,000	
Accounting Manager	FT	Non-Exempt	60,000 - 105,000	\$ 92,695			
Grants Manager	FT	Non-Exempt	60,000 - 100,000	\$ 80,747			
Program Assistant	FT	Non-Exempt	55,000 - 80,000	\$ 73,237			
Communications Assistant	FT	Non-Exempt	45,000 - 75,000	\$ 53,651			
Senior Development Officer	FT	Exempt	80,000 - 110,000		Director of Development	100,000 - 130,000	
Program Associate	FT	Non-Exempt	70,000 - 95,000	\$ 90,000			

DESERT HEALTHCARE DISTRICT														
DIRECTORS AND EMPLOYEE EXPENSES - BUDGET 2023-2024														
HEALTH AND OTHER HEALTH RELATED INCLUDING INSURANCE EXPENSES														
7/1/2024 - 6/30/2025														
DRAFT														
Employee	Job	FT		Annual			2024							Total
Name	Title	PT		Wage			July	Aug	Sep	QTR 1	QTR 2	QTR 3	QTR 4	Wages
# of Payrolls							2	2	2	6	7	6	7	26
Vacant	Chief Executive Officer	FT	*	\$ 272,500	26		\$ 20,962	\$ 20,962	\$ 20,962	\$ 62,885	\$ 73,365	\$ 62,885	\$ 73,365	\$ 272,500
Chris Christensen	Chief Administration Officer	FT	*	\$ 235,667	26		\$ 18,128	\$ 18,128	\$ 18,128	\$ 54,385	\$ 63,449	\$ 54,385	\$ 63,449	\$ 235,667
Donna Craig	Chief Program Officer	FT	*	\$ 170,034	26		\$ 13,080	\$ 13,080	\$ 13,080	\$ 39,239	\$ 45,778	\$ 39,239	\$ 45,778	\$ 170,034
Alejandro Espinoza	Chief of Community Engagement	FT	*	\$ 158,248	26		\$ 12,173	\$ 12,173	\$ 12,173	\$ 36,519	\$ 42,605	\$ 36,519	\$ 42,605	\$ 158,248
Will Dean	Director - Communications & Marketing	FT	*	\$ 146,823	26		\$ 11,294	\$ 11,294	\$ 11,294	\$ 33,882	\$ 39,529	\$ 33,882	\$ 39,529	\$ 146,823
Meghan Kane	Senior Program Officer - Public Health	FT	*	\$ 116,594	26		\$ 8,969	\$ 8,969	\$ 8,969	\$ 26,906	\$ 31,391	\$ 26,906	\$ 31,391	\$ 116,594
Andrea Hayles	Special Assist to the CEO/Board Relations	FT	*	\$ 98,675	26		\$ 7,590	\$ 7,590	\$ 7,590	\$ 22,771	\$ 26,566	\$ 22,771	\$ 26,566	\$ 98,675
Eric Taylor	Accounting Manager	FT	*	\$ 92,695	26		\$ 7,130	\$ 7,130	\$ 7,130	\$ 21,391	\$ 24,956	\$ 21,391	\$ 24,956	\$ 92,695
Erica Huskey	Grants Manager	FT	*	\$ 80,747	26		\$ 6,211	\$ 6,211	\$ 6,211	\$ 18,634	\$ 21,740	\$ 18,634	\$ 21,740	\$ 80,747
Sergio Rodriguez	Program Assistant	FT	*	\$ 73,237	26		\$ 5,634	\$ 5,634	\$ 5,634	\$ 16,901	\$ 19,718	\$ 16,901	\$ 19,718	\$ 73,237
Consuelo Marquez	Communications Assistant	FT	*	\$ 53,651	26		\$ 4,127	\$ 4,127	\$ 4,127	\$ 12,381	\$ 14,445	\$ 12,381	\$ 14,445	\$ 53,651
Vacant	Senior Development Officer	FT		\$ 110,000	26					\$ -	\$ 29,615	\$ 25,385	\$ 29,615	\$ 84,615
Vacant	Program Associate	FT		\$ 90,000	26		\$ 6,923	\$ 6,923	\$ 6,923	\$ 20,769	\$ 24,231	\$ 20,769	\$ 24,231	\$ 90,000
Merit 5% Increase	Effective 11/1/24						5.0%			\$ -	\$ 11,792	\$ 14,150	\$ 16,509	\$ 42,451
Total							\$ 122,221	\$ 122,221	\$ 122,221	\$ 366,663	\$ 469,180	\$ 406,198	\$ 473,897	\$ 1,715,938
													Less Vacation	\$ 1,535,938
													Total District & Taxes & Benefits	\$ 2,284,881
													Net District - Salaries	\$ 1,715,938
													Net District - Net of Taxes & Benefits	\$ 2,072,582
EMPLOYER														
FICA						6.2%	7,578	7,578	7,578	22,733	21,817	25,184	29,382	\$ 99,116
MEDICARE						1.45%	1,772	1,772	1,772	5,317	6,803	5,890	6,872	\$ 24,881
Total							\$ 9,350	\$ 9,350	\$ 9,350	\$ 28,050	\$ 28,620	\$ 31,074	\$ 36,253	\$ 123,997
BENEFITS - Excludes deductibles														
Health						7%	18,354	18,354	18,354	55,063	58,457	61,380	61,380	\$ 236,281
ST/LT Disability/Life						5%	2,065	2,065	2,065	6,195	6,711	7,046	7,046	\$ 26,998
Co-Power						5%	1,509	1,509	1,509	4,526	4,783	5,022	5,022	\$ 19,353
Total							\$ 21,928	\$ 21,928	\$ 21,928	\$ 65,784	\$ 69,951	\$ 73,449	\$ 73,449	\$ 282,632
Copays/Deductibles - Employees							1,800	1,800	1,800	5,400	5,400	5,400	5,400	\$ 21,600
Workers Comp						0%	489	489	489	1,467	1,877	1,625	1,896	\$ 6,864
401A Plan						8%	9,900	9,900	9,900	29,700	35,605	30,846	37,700	\$ 133,851
													Burden Rate>	33%
DIRECTORS														
Active Directors	Approved at May 22, 2018 BOD meeting													
Premiums - up to \$10,600/Director							1,351	1,351	1,351	4,052	4,052	37,152	4,052	\$ 49,306
Stipend - \$115.76/meeting - up to 6 meetings/month							3,646	3,646	3,646	10,939	10,939	10,939	10,939	\$ 43,757
Total							4,997	4,997	4,997	14,991	14,991	48,091	14,991	\$ 93,064

DESERT HEALTHCARE DISTRICT											
CASH FLOW - PROGRAM DEPARTMENT - BY QUARTER											
FY 2024 - 2025 BUDGET											
7/1/2024 - 6/30/2025											
DRAFT											
	Total										
	Open	2024 - 2025					2025 - 2026				
Existing Grants:	Amount	Qtr1	Qtr2	Qtr3	Qtr4	Total	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Total
Existing Approved - Grants	\$ 6,889,015	\$ 1,762,296	\$ 930,120	\$ 485,029	\$ 2,587,134	\$ 5,764,578	\$ 356,914	\$ 399,144	\$ 103,462	\$ 174,917	\$ 1,034,437
Community Investments - Grants & Programs From the 2021-2026 Strategic Plan Goals:											
HIGH PRIORITY GOALS											
Goal #2: Proactively Expand Community Access to Primary and Specialty Care Services											
Goal #3: Proactively Expand Community Access to Behavioral /Mental Health Services											
Goal #6: Be Responsive to and Supportive of Selected Community Initiatives That Enhance the Environment in the District's Service Area											
LOW PRIORITY GOALS											
Goal #1: Proactively Increase Financial Resources DHCD/F Can Apply to Support Community Health Needs											
Goal #4: Proactively Measure and Evaluate the Impact of DHCD/F-Funded Programs and Services on the Health of Community Residents											
Goal #5: Be Responsive to and Supportive of Selected Community Initiatives That Enhance the Economic Stability of the District Residents											
Goal #7: Be Responsive to and Supportive of Selected Community Initiatives That Enhance the General Education of the District's Residents											
	\$ 5,000,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
Total New Grants/Programs/capital project	\$ 5,000,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total all Grants/Programs	\$ 11,889,015	\$ 3,012,296	\$ 2,180,120	\$ 1,735,029	\$ 3,837,134	\$ 10,764,578	\$ 356,914	\$ 399,144	\$ 103,462	\$ 174,917	\$ 1,034,437

DESERT HEALTHCARE DISTRICT								
CASH FLOW - PROGRAM DEPARTMENT								
FY 2024 - 2025 BUDGET								
7/1/2024 - 6/30/2025								
DRAFT								
		Projected						
		6/30/24						
		Balance						Projected
								Balance
Existing Grants:	Name	Bal - Fwd	Qtr1	Qtr2	Qtr3	Qtr4	Total	6/30/2025
Grants:								
2014-MOU-BOD-11/21/13	Memo of Understanding CVAG CV Link Support	\$ 1,650,000	\$ -	\$ -	\$ -	\$ 1,650,000	\$ 1,650,000	\$ -
2022-1325-BOD-06-28-22	Vision Y Compromiso - CVEC Unrestricted Grant Funds - 2 Yrs.	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2022-1327-BOD-06-28-22	Youth Leadership Institute - Youth Voice in Mental Health - 2 Yrs.	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2022-1328-BOD-06-28-22	EI Sol - Expanding Access to Educational Resources for Promotoras - 2 Yrs.	\$ 15,000	\$ 15,000	\$ -	\$ -	\$ -	\$ 15,000	\$ -
2022-1331-BOD-06-28-22	Pueblo Unido - Improving Access to Behavioral Health Education and Prevention Services - 2 Yrs.	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ -
2022-1324-BOD-07-26-22	Gallilee Center - Our Lady of Guadalupe Shelter - 2 Yr.	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2022-1332-BOD-07-26-22	Alianza CV - Expanding and Advancing Outreach Through Increasing Capacity Development - 2 Yrs.	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000	\$ -
2022-1329-BOD-09-27-22	DPMG - Mobile Medical Unit - 3 Yrs.	\$ 248,898	\$ 49,998	\$ 49,998	\$ 49,998	\$ 49,998	\$ 199,992	\$ 48,906
2022-1358-BOD-10-25-22	Foundation for Palm Springs Unified School District - School-Based Wellness Center Project - 1 Yr.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022-1362-BOD-10-25-22	Jewish Family Service of the Desert - Mental Health Counseling Services for Underserved - 2 Yrs.	\$ 16,000	\$ -	\$ 16,000	\$ -	\$ -	\$ 16,000	\$ -
2022-1326-BOD-12-20-22	TODEC - TODEC's Equity Program - 2 Yrs.	\$ 32,500	\$ 22,500	\$ -	\$ 10,000	\$ -	\$ 32,500	\$ -
2022-1330-BOD-12-20-22	OneFuture Coachella Valley - Building a Healthcare Workforce Pipeline - 2 Yrs.	\$ 196,625	\$ 68,063	\$ 68,063	\$ 60,500	\$ -	\$ 196,625	\$ -
2023-1333-BOD-01-24-23	Organizacion en California de Lideres Campesinas - Healthcare Equity for ECV Farmworker Women - 2 Yrs.	\$ 48,750	\$ 33,750	\$ -	\$ 15,000	\$ -	\$ 48,750	\$ -
2023-1363-BOD-01-24-23	Pegasus Riding Academy - Pegasus Equine Assisted Therapy - 1 Yr.	\$ 6,012	\$ -	\$ -	\$ 6,012	\$ -	\$ 6,012	\$ -
2023-1372-BOD-02-28-23	Reynaldo J. Carreon MD Foundation - Dr. Carreon Scholarship Program - 1 Yr.	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ -
2023-1391-BOD-05-23-23	Lift To Rise - Driving Regional Economic Stability Through Collective Impact - 3 Yrs.	\$ 630,000	\$ 67,500	\$ 67,500	\$ 67,500	\$ 67,500	\$ 270,000	\$ 360,000
2023-1392-BOD-05-23-23	Gallilee Center - Gallilee Center Extended Shelter - 1 Yr.	\$ 26,834	\$ 26,834	\$ -	\$ -	\$ -	\$ 26,834	\$ -
2023-1393-BOD-06-27-23	DAP Health - DAP Health Expands Access to Healthcare - 1 Yr.	\$ 102,578	\$ 102,578	\$ -	\$ -	\$ -	\$ 102,578	\$ -
2023-1389-BOD-07-25-23	Step Up on Second Street - Step Up's ECM/LOS Programs in the Coachella Valley - 1 Yr.	\$ 6,441	\$ 6,441	\$ -	\$ -	\$ -	\$ 6,441	\$ -
2023-1394-BOD-07-25-23	CSU San Bernardino Palm Desert Campus Nursing Street Medicine Program - 1 Yr.	\$ 7,342	\$ 7,342	\$ -	\$ -	\$ -	\$ 7,342	\$ -
2023-1400-BOD-09-26-23	Desert Arc - Desert Arc Health Care Program - 1 Yr.	\$ 94,663	\$ 65,536	\$ 29,127	\$ -	\$ -	\$ 94,663	\$ -
2023-1404-BOD-09-26-23	Martha's Village and Kitchen - Homeless Housing and Wrap-Around Services Expansion - 2 Yrs.	\$ 203,352	\$ -	\$ 83,189	\$ -	\$ 83,189	\$ 166,378	\$ 36,974
2023-1405-BOD-09-26-23	Variety Children's Charities of the Desert - Expansion of Core Programs and Services - 1Yr.	\$ 12,086	\$ -	\$ 12,086	\$ -	\$ -	\$ 12,086	\$ -
2023-1408-BOD-10-24-23	Coachella Valley Volunteers In Medicine - Ensuring Access to Healthcare - 1 Yr.	\$ 155,480	\$ 107,640	\$ 47,840	\$ -	\$ -	\$ 155,480	\$ -
2023-1410-BOD-10-24-23	Alianza Nacional de Campesinas, Inc. - Coachella Valley Farmworkers Food Distribution - 1 Yr.	\$ 5,749	\$ -	\$ 5,749	\$ -	\$ -	\$ 5,749	\$ -
2023-1413-BOD-10-24-23	Voices for Children - Court Appointed Special Advocate Program - 1 Yr.	\$ 8,107	\$ -	\$ 8,107	\$ -	\$ -	\$ 8,107	\$ -
2023-1412-BOD-10-24-23	DPMG - DPMG Health Community Medicine - 2 Yrs.	\$ 850,996	\$ 159,600	\$ 159,600	\$ 159,600	\$ 159,600	\$ 638,400	\$ 212,596
2023-1403-BOD-12-19-23	Vision To Learn - Palm Desert and Coachella Valley VTL Program - 1 Yr.	\$ 27,500	\$ 22,500	\$ -	\$ 5,000	\$ -	\$ 27,500	\$ -
2023-1419-BOD-12-19-23	Blood Bank of San Bernardino/Riverside Counties - LifeStream's Attracting New Donors Initiative - 1 Yr.	\$ 57,558	\$ 47,092	\$ -	\$ 10,466	\$ -	\$ 57,558	\$ -
2023-1420-BOD-12-19-23	Braille Institute of America - Low Vision Telehealth Services - 1Yr.	\$ 20,183	\$ 16,514	\$ -	\$ 3,669	\$ -	\$ 20,183	\$ -
2023-1421-BOD-12-19-23	Olive Crest - General Support for Counseling and Mental Health Services to Vulnerable Children and Families - 2 Yrs.	\$ 278,686	\$ 80,908	\$ -	\$ 80,908	\$ -	\$ 161,816	\$ 116,870
2024-1429-BOD-02-27-24	Desert Cancer Foundation - Patience Assistance Program & Community Outreach - 1 Yr.	\$ 90,063	\$ -	\$ 73,687	\$ 16,376	\$ -	\$ 90,063	\$ -
2024-1432-BOD-04-23-24	Variety Children's Charities of the Desert - Outreach & Future Program Expansion - 2Yrs.	\$ 79,786	\$ -	\$ 23,163	\$ -	\$ 23,163	\$ 46,326	\$ 33,460
2024-1437-BOD-04-23-24	Youth Leadership Institute - Community Advocates for Resilient Emotional Safety - 2 Yrs.	\$ 77,500	\$ -	\$ 22,500	\$ -	\$ 22,500	\$ 45,000	\$ 32,500
2024-1441-BOD-04-23-24	DAP Health - DAP Health Community Health Workers Build Community Connections - 2 Yrs.	\$ 96,875	\$ -	\$ 28,125	\$ -	\$ 28,125	\$ 56,250	\$ 40,625
2024-1443-BOD-04-23-24	Voices for Children - Court Appointed Special Advocate Program - 2 Yrs.	\$ 46,500	\$ -	\$ 13,500	\$ -	\$ 13,500	\$ 27,000	\$ 19,500
2024-1445-BOD-04-23-24	The Joslyn Center - Increasing Behavioral Health Access & Social Connectedness - 2 Yrs.	\$ 155,000	\$ -	\$ 45,000	\$ -	\$ 45,000	\$ 90,000	\$ 65,000
2024-1452-BOD-04-23-24	EI Sol - Coachella Valley Community Assistance, Resources, & Empowerment Services - 2 Yrs.	\$ 155,000	\$ -	\$ 45,000	\$ -	\$ 45,000	\$ 90,000	\$ 65,000
2024-1453-BOD-04-23-24	Vision y Compromiso - Cultivando Community Connections - 2 Yrs.	\$ 154,934	\$ -	\$ 44,980	\$ -	\$ 44,980	\$ 89,960	\$ 64,974
2024-1455-BOD-04-23-24	Angel View - Outreach Program to Reduce Social Isolation & Loneliness - 2 Yrs.	\$ 66,844	\$ -	\$ 19,406	\$ -	\$ 19,406	\$ 38,812	\$ 28,032
New Grants		\$ 900,000	\$ 817,500	\$ 67,500	\$ -	\$ 15,000	\$ 900,000	\$ -
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Remaining Grant Budget	\$ 315,173	\$ -	\$ -	\$ -	\$ 315,173	\$ 315,173	\$ -
Grand Total - Existing grants		\$ 6,889,015	\$ 1,762,296	\$ 930,120	\$ 485,029	\$ 2,587,134	\$ 5,764,578	\$ 1,124,437
Community Investments - Grants & Programs From the 2021-2026 Strategic Plan Goals:								
HIGH PRIORITY GOALS								
Goal #2: Proactively Expand Community Access to Primary and Specialty Care Services								
Goal #3: Proactively Expand Community Access to Behavioral/Mental Health Services								
Goal #6: Be Responsive to and Supportive of Selected Community Initiatives That Enhance the Environment in the District's Service Area								
LOW PRIORITY GOALS								
Goal #1: Proactively Increase Financial Resources DHCD/F Can Apply to Support Community Health Needs								
Goal #4: Proactively Measure and Evaluate the Impact of DHCD/F-Funded Programs and Services on the Health of Community Residents								
Goal #5: Be Responsive to and Supportive of Selected Community Initiatives That Enhance the Economic Stability of the District Residents								
Goal #7: Be Responsive to and Supportive of Selected Community Initiatives That Enhance the General Education of the District's Residents								
		\$ 5,000,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 5,000,000	\$ -
Total Grants/Programs - New		\$ 5,000,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 1,250,000	\$ 5,000,000	\$ -
Grand Total - Grants/Programs		\$ 11,889,015	\$ 3,012,296	\$ 2,180,120	\$ 1,735,029	\$ 3,837,134	\$ 10,764,578	\$ 1,124,437

Desert Healthcare District					
2024-2025 Budget Detail					
DRAFT					
4010 - Property Tax Revenues					
	\$ 10,170,245	FY24 Projected Balance			
4220 - Unrestricted Interest Income - FRF					
	Coupon Rate of Approximately 2.5% Produces Less Interest Income				
4501 - Other Income					
	\$ 175,000	Estimated Environmental Summit Sponsorship Revenue			
9999-1					
	Projecting a mild conservative loss				
5160 - Education/Conference - Staff					
	\$ 30,000	Educational Seminars			
	\$ 30,000	Staff Education Reimbursement Program			
	\$ 10,000	ACHD Legislative Days, etc.			
	\$ 4,000	Clear Impact RBA training			
	\$ 15,000	Miscellaneous			
	\$ 89,000				
5230 - BOD meeting/conference expense					
	\$ 20,000	Ticket Policy (\$2,500 Per Director and CEO)			
	\$ 17,000	BOD Conference/Meeting Expense			
	\$ 7,500	Miscellaneous			
	\$ 44,500				
5270 - BOD Election Fees					
	\$ 175,000	FYE 2025 (November 2024 Election)			
	\$ 75,000	Lease Initiative (November 2024 Election)			
	\$ 250,000				
6130 - Dues & Memberships					
	\$ 12,000	ACHD Annual Membership			
	\$ 9,500	CSDA Annual Membership			
	\$ 6,600	Clear Impact			
	\$ 5,100	Southern California Grantmakers			
	\$ 5,000	Inland Empire Funder's Alliance			
	\$ 3,600	Clear Impact - COMPLYLES			
	\$ 3,600	GuideStar Pro			
	\$ 3,500	Grantmakers in Health			
	\$ 2,300	CPA Licenses & Associations			
	\$ 2,000	Peak Grantmaking			
	\$ 1,000	NetFile			
	\$ 600	American Public Health Association			
	\$ 350	Association of Fundraising Professionals			
	\$ 10,000	Other			
	\$ 65,150				

Desert Healthcare District					
2024-2025 Budget Detail					
DRAFT					
6305 - CEO Auto Allowance					
	\$ 6,000	CEO - \$500/month			
	<u>\$ 6,000</u>				
6311 - Cell Phone Expense					
	\$ 9,000	Current Bill			
	\$ 3,000	New Phones/Miscellaneous			
	<u>\$ 12,000</u>				
6325 - CEO Discretionary Fund					
	\$ 50,000	CEO Discretion			
6351 - Travel Expense					
	\$ 30,000	Travel for Staff and BOD To Conferences			
6352 - Meals & Entertainment Expense					
	\$ 20,000	Conferences/Lunch Engagements			
	\$ 9,000	Holiday Celebration			
	\$ 5,000	Other			
	<u>\$ 34,000</u>				
6355 - Computer Services					
	\$ 20,000	Agenda Software			
	\$ 12,000	IT Support			
	\$ 8,500	FOUNDANT - Grant Software			
	\$ 5,000	Trakstar Review Software			
	\$ 3,360	Internet Services			
	\$ 15,000	Other			
	<u>\$ 63,860</u>				
6360 - Supplies					
	\$ 22,000	Current			
	\$ 4,000	Additional Staff, etc.			
	<u>\$ 26,000</u>				
6380 - LAFCO Assessment					
	\$ 2,500				
6405 - Office - Rent					
	\$ 24,000	\$2,000/Month			
	\$ 1,200	Miscellaneous			
	<u>\$ 25,200</u>				
6410 - Office - Utilities					
	\$ 3,600	Electricity			
	\$ 2,400	Facility Cleaning			
	\$ 1,380	Internet Services			
	<u>\$ 7,380</u>				

Desert Healthcare District					
2024-2025 Budget Detail					
DRAFT					
6516 - Professional Fees					
	\$ 1,000,000	Facilities/Programs/Services/Lease/Seismic			
	\$ 200,000	NPO Centric - Capacity Building Agreement			
	\$ 115,000	DBG			
	\$ 80,000	CVEP Agreement			
	\$ 40,000	HR Consultant			
	\$ 20,000	NPO Centric - RBA Agreement			
	\$ 6,000	AMS Tax - Medical Reimbursement			
	\$ 4,000	Hospital Inspections - Dale Barnhart			
	\$ 25,000	Miscellaneous			
	\$ 1,490,000				
6530 - Communications/ Marketing/Website					
	\$ 175,000	Environmental Health Summit (offset by Sponsorship)			
	\$ 111,500	See Detail Below			
	\$ 75,000	Environmental Health Summit Sponsorship			
	\$ 10,000	Community Engagement			
	\$ 5,000	Website Maintenance			
	\$ 35,000	Other			
	\$ 411,500				
Communications and Marketing Detail					
	\$ 50,000	Visibility and Awareness			
	\$ 20,000	General Marketing (Includes Shirts/Caps)			
	\$ 15,050	Print Publication			
	\$ 13,250	Collateral Materials			
	\$ 12,000	Photography & Video			
	\$ 1,200	Social Media			
	\$ 111,500				
6728 - Pension Audit Fees					
	\$ 5,665	Moss, Levy, Hartzheim			
	\$ 5,000	Nyhart			
	\$ 10,665				
Cash Flow - District & LPMP Tenant/building Improvements					
	\$ 250,000	Estimated Tenant and Other Improvements			
	\$ 75,000	Landscape Grading - LPMP			
	\$ 50,000	Miscellaneous			
	\$ 375,000				



Date: May 28, 2024

To: Board of Directors

Subject: Consideration to approve a Memorandum of Understanding (MOU) from the District to the Foundation for Operating Support - \$750,000.

Staff Recommendation: Consideration to approve a Memorandum of Understanding (MOU) from the District to the Foundation for Operating Support - \$750,000.

Background:

- The Foundation operates via shared District staff and separate operational expenses.
- The Foundation also supports projects and programs related to the CV Equity Collaborative, mobile medical unit public events, etc.
- The Foundation requires a separate source of revenue to support the functions of the Foundation.
- Since the Foundation supplements the work of the District, the District is able to provide operational support to the Foundation via an MOU reviewed and approved by the District's general counsel.
- At the May 15, 2024, Finance and Administration Committee meeting, the Committee recommended forwarding the MOU to the full Board for approval.
- Staff recommends approving the MOU between the District and Foundation to provide \$750,000 for operating support for the Foundation.

Fiscal Impact:

\$750,000 included in the revised increased FY23-24 District Grant Budget.

Memorandum of Understanding

This Memorandum of Understanding (MOU) sets forth the terms and conditions between the Desert Healthcare District (“DISTRICT”) a California health care district organized and operating pursuant to Health and Safety Code section 32000 et seq.), and the Desert Healthcare Foundation (“FOUNDATION”), a California 501(c)(3) nonprofit corporation related to financial support of the core operating expenses of the FOUNDATION.

Background

Over the years, the important work related to grants and programs of the FOUNDATION has increased. As part of this work, staff and other administrative expenses have been charged to and incurred by the Foundation without corresponding revenue. The FOUNDATION has been supporting these expenses from the investment resources of the FOUNDATION.

Purpose

The purpose of this MOU is to authorize the DISTRICT to provide necessary financial support to the FOUNDATION for core operating expenses and to assist in the ongoing services of the FOUNDATION in implementing future grants and programs.

Reporting

The Desert Healthcare District’s Chief Administration Officer and the Accounting Manager will evaluate adherence to this MOU. The evaluation will take place during the DISTRICT’s Fiscal Year 2025/2026 budget review process.

Funding

The DISTRICT agrees to provide \$750,000 to the FOUNDATION from the DISTRICT’s Fiscal Year 2024/2025 budget. All funds provided by the DISTRICT shall be utilized by the FOUNDATION in accordance with California law including all laws relating to expenditure of public funds.

Duration

This MOU shall expire on June 30, 2025.

Effective Date

The effective date of this MOU shall be May 28, 2024 upon approval by both parties.

“DISTRICT”:

Desert Healthcare District

By: _____

Evelt PerezGil, President

“FOUNDATION”:

Desert Healthcare Foundation

By _____

Chris Christensen, Interim CEO



Date: May 28, 2024

To: Board of Directors

Subject: Grant # 1460 ABC Recovery Center

Grant Request: Nursing Care and Prescription Medications

Amount Requested: \$150,134.00

Project Period: 06/01/2024 to 05/31/2025

Project Description and Use of District Funds:

ABC Recovery Center was founded to provide an environment for those with substance use disorders to achieve lifelong sobriety and re-enter the community as healthy and responsible individuals. ABC focuses on taking care of the whole client, meeting their physical addiction, as well as their mental and emotional needs. This level of care takes multi-disciplinary caregivers working in tandem with each other in order to provide the most successful outcomes. This whole person care is not fully reimbursed by Medi-Cal or STOP, which are two of the providers who comprise approximately 90 percent of their client population.

To help cover the expenses that are not reimbursable, ABC Recovery requests funding from the Desert Healthcare District to cover costs for nursing staff services provided to Coachella Valley clients and for prescription medication costs for Coachella Valley clients that are not reimbursed. The nursing program at ABC Recovery Center is a 24/7/365 enterprise. It consists of an Incidental Medical Services Manager, a compliance nurse assistant, and a team of medical assistants. ABC's nursing team members are assigned to each inpatient client so that the clients and nurses can develop a relationship, ensuring the client has greater surety, comfort, and confidence in their care. District funds will directly support the partial salaries and benefits of the Incidental Medical Services Manager, a Compliance Nurse Assistant, and five Medical Assistants. Additionally, a small portion of the ask is being allocated for prescription medications.



Strategic Plan Alignment:

Goal 2: Proactively expand community access to primary and specialty care services

Strategy 2.7 Increase equitable access to primary and specialty care services and resources in underserved communities in Coachella Valley (Priority: High)

Geographic Area(s) To Be Served:

All areas

Action by Program Committee: (Please select one)

- ✓ Full recommendation and forward to the Board for consideration with the Committee's recommendation that a grant amount of \$150,134.00 be approved.

Recommendation with modifications

Request for more information

Decline



Grant Application Summary

ABC Recovery Center, Grant # 1460

About the Organization

ABC Recovery Center
44359 Palm Street
Indio, CA 92201
760-342-6616

www.abcrecoverycenter.org

Tax ID #: 75-1006381

Primary Contact:

Maureen Girouard, Director Development and Communications
760-342-6616
mgirouard@abcrecoverycenter.org

Organization's Mission Statement and History

ABC Recovery Center was founded in 1963. Our mission: To provide an environment for those with substance use disorders to achieve lifelong sobriety and re-enter the community as healthy and responsible individuals. We have just celebrated our 60th anniversary of service and we will be breaking ground on a new facility in Spring/Summer of 2024. Construction will take about 18 - 24 months and we will then certify and furnish the new facility before moving in clients to be fully operational.

Organization Annual Budget: \$13,000,000.00

Project Information

Project Title: Nursing Care and Prescription Medications

Start Date: 06/01/2024 **End Date:** 05/31/2025

Total Project Budget: \$17,412,436.00

Requested Amount: \$150,134.00

Community Need for this Project in the Coachella Valley:

ABC Recovery Center's 'Community Need' reads much like our 2022 grant application, with more specificity provided for our nursing needs and non-reimbursable prescription needs. An ever-expanding need for services, like ours, is paramount in creating a healthy community for everyone. Within a few years, our expanded campus will allow us to care for 2500+ people a year, the majority of whom need safety-net services for populations that don't have personal resources to cover their care. We anticipate that our census will continue to grow throughout 2024, as none of the factors that contributed to its growth in 2023 are expected to be minimized.

As we've shared with you previously, taking care of the whole client, meeting their physical addiction as well as their mental and emotional needs takes multi-disciplinary caregivers working in tandem with each other in order to provide the most successful outcomes. This whole person care is not fully reimbursed by Medi-Cal or STOP, two of our providers who comprise approximately 90 percent of our client population. We ask Desert Healthcare District to assist with funding some of our operational medical services including our nursing services and prescription medications.

Addiction involves complex interactions among an individual's brain circuits, genetics, the environment, and the client's life experiences. Racism disproportionately shapes the environment and life experiences of Black, Hispanic/Latino, Asian, Pacific Islander, Native American, and other racially oppressed and disenfranchised people, adversely influencing both their risk of developing addiction and their access to evidence-based addiction treatment services. Most of ABC's clients are members of this disproportionately served population. Every client is screened for mental health conditions, social/cultural factors, and biological conditions that may contribute to their primary substance-use diagnosis.

Of the 21 million people in the U.S. with a substance use disorder, 8 million also live with a mental illness. In other words, it's not an exception when nearly one-third of those with substance abuse have a mental illness as well. ABC Recovery Center is a dual diagnosis (also known as co-occurring disorder) facility. Although these problems often occur together, this does not mean that one caused the other, even if one appeared first. Someone with a dual diagnosis needs to be treated for both conditions concurrently to have the greatest opportunity for wellness. ABC Recovery Center is the only option for the Medi-Cal population and justice referral population to be treated for dual diagnosis in the Coachella Valley. In July of 2023, Cal Matters reported that in just three years, between 2019 and 2021, California's opioid-related deaths spiked 121%, according to the state's health department. The vast majority of these deaths were linked to fentanyl, an extremely potent synthetic opioid. The city of Indio has one of the highest rates of fentanyl arrests and overdose rates in Riverside County. ABC Recovery Center is providing services to this significant bump in need. Desert Healthcare District funds would enable ABC Recovery Center to alleviate significant treatment costs while

enabling necessary budget relief.

Returning people who are without their addiction and who have been treated for mental health conditions, helps the community at large. Should this care not be available for this population, larger more costly outcomes for the entire community will be the result. From the Recovery Research Institute: the cost-to-benefit of early intervention is: Every \$1 in treatment saves \$4 in healthcare costs Every \$1 in treatment saves \$7 in law enforcement and other criminal justice costs.

Project Description and Use of District funds:

ABC Recovery Center anticipates utilizing DHD funding to cover costs for nursing staff services provided to Coachella Valley clients and for prescription medication costs for Coachella Valley clients that are not reimbursed.

The nursing program at ABC Recovery Center is a 24/7/365 enterprise. It consists of our Incidental Medical Services (IMS) Manager, a compliance nurse assistant, and a team of medical assistants, considered our nursing team, who care for each client at ABC. Our nursing team members are assigned to each inpatient client so that the clients and nurses can develop a relationship, ensuring the client has a greater surety, comfort, and confidence in their care. That said, clients can be helped 24 hours a day at the nurse's station that is centered in our in-patient housing. The nursing team provides prescriptions, takes vital signs, treats minor injuries, talks about medications and side effects, works with the IMS Manager and providers to identify efficacy and prescription dosage adjustments, and when necessary, make recommendations for clients to be seen at the ER or Urgent Care. The clients in detox are required to be monitored every 15-30 minutes on a continual basis should they experience any issues, have significant withdrawal symptoms, or have exigent needs for medical intervention.

Strategic Plan Alignment:

Goal 2: Proactively expand community access to primary and specialty care services

Strategy 2.7 Increase equitable access to primary and specialty care services and resources in underserved communities in Coachella Valley (Priority: High)

Project Deliverables and Evaluation

Deliverable #1: By May 31, 2025, ABC Recovery Center is projecting we will directly serve 856 Coachella Valley clients for addiction related services (based on 2023 calendar	Evaluation #1: ABC tracks payroll costs for our nursing team and will allocate those costs based on eligible
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<p>year data) who will have needs for nursing related medical care.</p> <p>The nursing program at ABC Recovery Center is a 24/7/365 enterprise. It consists of our Incidental Medical Services (IMS) Manager, a compliance nurse assistant, and a team of medical assistants, considered our nursing team, who care for each client at ABC. Our nursing team members are assigned to each inpatient client so that the clients and nurses can develop a relationship, ensuring the client has a greater surety, comfort, and confidence in their care. That said, clients can be helped 24 hours a day at the nurse's station that is centered in our in-patient housing. The nursing team provides prescriptions, takes vital signs, treats minor injuries, talks about medications and side effects, works with the IMS Manager and providers to identify efficacy and prescription dosage adjustments, and when necessary, make recommendations for clients to be seen at the ER or Urgent Care. The clients in detox are required to be monitored every 15-30 minutes on a continual basis should they experience any issues, have significant withdrawal symptoms, or have exigent needs for medical intervention.</p>	<p>clients from the Coachella Valley being served with DHD grant funds. Staffing that is allocated in the budget includes: an IMS Manager (1), nursing compliance assistant (1), and five (5) medical assistants who assist with providing nursing care services to our clients.</p>
<p>Deliverable #2:</p> <p>By May 31, 2025, ABC Recovery Center is projecting that we serve approximately 100 clients requiring prescription medications that will not be financially covered by the clients insurance coverage. We estimate that we will have to provide prescription medications to approximately 100 as they will not have the financial funds to cover the costs of their prescriptions. ABC Recovery Center will be able to utilize the funding from DHD to cover a percentage of these costs which are included in the project budget. ABC Recovery Center contracts with a Pharmacy to assist us with fulfilling the prescription needs of our clients. All prescriptions either denied or not cover by insurance coverage are invoiced to ABC Recovery Center on a monthly basis. This monthly invoice is</p>	<p>Evaluation #2:</p> <p>ABC will track the amount of unreimbursed prescription medications it provides to Coachella Valley eligible clients to be covered with the funding provided by DHD.</p>

itemized by client and will be utilized to allocate eligible Coachella Valley client costs to the DHD grant funds. Depending on the monthly invoice costs the amount allocated to the grant funding will fluctuate, and either be a portion of the invoice or be allocated to the entirety of the monthly invoice prescription costs until the funded has been exhausted with eligible costs.	
Deliverable #3:	Evaluation #3:
Deliverable #4:	Evaluation #4:

Project Demographic Information

Target Geographic Area(s) To Be Served:

All areas

Target Population Age Group:

18 to 24, 25 to 39, 40 to 54, 55 to 64, 65+

Target Population Ethnicity:

Hispanic/Latino (of any race), Not Hispanic or Latino (of any race)

Target Population Race:

American Indian and Alaska Native, Asian, Black or African American, Native Hawaiian and other Pacific Islander, White, Some other race

Additional Target Population Information:

Our population demographics have not changed in any remarkable way from our last application to this one. ABC Recovery Center will accept anyone who needs care regardless of their ability to pay, as long as they meet medical necessity. ABC Recovery Center takes the remarkable step to cover these healthcare costs for the client.

The 2019 survey conducted by DHD identified “vulnerable populations” under these categories: Spanish speaking, undocumented persons, persons experiencing homelessness, persons with a disability and LGBTQ+. ABC Recovery Center also recognizes the Medi-Cal and California Department of Corrections (CDCR) Specialized Treatment for Optimized Programs (STOP) populations as being particularly vulnerable. Across all of these segmented populations are the racial inequalities throughout our healthcare system. ABC Recovery Center serves those that other facilities won’t, believing it’s the extended impact of what wellness does for a community at large.

One of the questions on our intake survey is “are you homeless?” These surveys are input into the Riverside University Health System, Behavioral Health’s “ELMR” platform (Electronic Management of Records). Using this data we estimate that approximately 70% of our clients are homeless or at risk of being homeless. These clients may stay in our residential program for 60 days and can stay in our post treatment recovery residence housing for an additional 3 months through the SAPT block grant. Initial detox and treatment costs are not compensated (unless the client is covered through Medi-Cal, then a portion of the costs are covered). ABC Recovery Center is the only option for the Medi-Cal and justice referral populations to be treated for dual diagnosis in the Coachella Valley.

The LGBTQ+ often face social stigma, discrimination, and other challenges not encountered by people who identify as heterosexual. They also face a greater risk of harassment and violence. As a result of these and other stressors, sexual minorities are at an increased risk for various behavioral health issues. National surveys have estimated that anywhere from 2%–11% of Americans self- identify as LGBTQ+. ABC Recovery Center’s census is in sync with the estimates of the greater US population.

ABC serves STOP (Specialized Treatment for Optimized Programs) eligible clients who represents 12 percent of ABC Recovery Center’s service revenue. STOP provides comprehensive, evidence-based programming, and services to parolees released from correctional institutions during their transition into the community in order to support a successful reentry and reduce recidivism. Philanthropic support not only enables us to keep our doors open, it helps us care for clients at the lower end of the socio-economic spectrum who need our services desperately but cannot afford them. Philanthropy enables us to close our compensation gap and provide a significant safety net for anyone who needs us.

Capacity, Sustainability, and Partnerships

Organizational Capacity

Staff to assist with this project are members who already oversee the medical care and data collection of these cost centers. Additional staff could include, Program Director, Admissions Director, Quality staff and CFO for reporting purposes. the development director who would assess the data and ensure that the grant funding was being utilized in accordance with the funding intentions and creating a stewardship report for this purpose. Staffing to include: a Nurse Manager (1), nursing compliance (1), and medical assistants (9) Additional staff who assist with administrative support and other client needs: Quality Assurance staff, Finance staff, and Development Director Clinicians document services provided in KIPU, our Electronic Health Record (EHR) system. KIPU is utilized for all client documentation and demographic purposes, including prescribed and over the counter client medications, and treatment plans. KIPU demographics tracks levels of care and payor sources, which are utilized for census data, and accounting and billing purposes. KIPU reporting data generated by finance staff, is

pulled to identify quality and grant reporting data. This information is shared with the Development Director, for grant fund reporting requirements shared with the grantor.

Organizational Sustainability:

ABC Recovery Center does an extraordinary job of providing a significant safety net for those in need. If the underserved are not provided opportunities to have their significant healthcare needs addressed, the issues for this demographic exacerbate. It resolves itself in joblessness, homelessness, and more significant mental health conditions. Due to our \$27 million State grant award, we will be expanding our services, which allows us to address our community's needs, as well as assist us with focusing on the mission of our organization. ABC will begin our major expansion (ground- breaking is expected Spring/Summer 2024) which enables us to more than double our organization's capacity for inpatient services. At present we are licensed for 75 inpatients beds. Our expansion will allow an additional 120 beds, expanding our total capacity to 195 licensed beds, a 160% increase. This expansion will allow us to serve up to 1600 more individuals annually. Expanding our services is essential due to the rising urgent need in our community. Being able to have funding from local Stakeholders, assists us with budget relief for our current services, and helps us mitigate costs beyond the capital needs.

Partnerships/Collaborations:

NA

Diversity, Equity, Inclusion, and Belonging (DEI)

How does your organization address DEI in your policies, strategic plan, board and staff, etc.?

ABC Recovery Center shares Desert Healthcare District's ideals for diversity. Because of the clients we care for, we need to know that those who are fundamentally tasked with ensuring their care is unbiased and without judgement. Our board and leadership team are made up of diverse racial backgrounds and gender. In addition, we have representation from the LGBTQ+ community and those who have been in the justice system, as they can address from an empathetic lens how marginalized these communities are.

What barriers does your organization face when addressing DEI?

NA

Grant Budget

Section 1 - Operational Expenses				
Project Grant Budget				
Applicant:		ABC Recovery Center, Inc.		Nursing Care & Prescription Medications
OPERATIONAL EXPENSES		Total Project Budget	Funds From Other Sources Detail On Section 3	Amount Requested From DHCD/F
Total Staffing Expenses Detail on Section 2		6,411,614	6,283,366	\$ 128,247.92
Equipment (itemize)				
1	Equipment Expenses	\$ 53,806.00	\$ 53,806.00	\$ -
2			\$ -	\$ -
Supplies (itemize)				
1	Prescription Medications	\$ 5,000.00	\$ 2,697.22	\$ 2,302.78
2	All Other Supplies	\$ 51,739.00	\$ 51,739.00	\$ -
3		\$ -	\$ -	\$ -
Printing / Duplication		\$ -	\$ -	\$ -
Mailing / Postage		\$ 46,345.00	\$ 46,345.00	\$ -
Mileage (use current Federal mileage rate)		\$ -	\$ -	\$ -
Education / Training		\$ 32,561.00	\$ 32,561.00	\$ -
Other Direct Project Expenses Not Described Above (itemize)				
1	Professional Services	\$ 655,685.00	\$ 655,685.00	\$ -
2	Depreciation Expenses	\$ 340,551.00	\$ 340,551.00	\$ -
3	Program Expense	\$ 429,082.00	\$ 429,082.00	\$ -
4	Fundraising Fees	\$ 50,200.00	\$ 50,200.00	\$ -
5	Advertising and Promotion	\$ 32,401.00	\$ 32,401.00	\$ -
6	Repairs and Maintenance	\$ 149,032.00	\$ 149,032.00	\$ -
7		\$ -	\$ -	\$ -
* Items listed below are included for calculation of the total project budget only. For use of DHCD/F funds, these line items would be included in the allowable 15% indirect cost rate.				
Office / Rent / Mortgage*		\$ -	\$ -	\$ -
Telephone / Fax / Internet*		\$ 197,134.00	\$ 197,134.00	\$ -
Utilities*		\$ 382,546.00	\$ 382,546.00	\$ -
Insurance*		\$ 155,157.00	\$ 155,157.00	\$ -
Indirect Rate	<input checked="" type="checkbox"/> Check Box To Utilize Indirect Rate Up To 15%	Enter Rate	15.00%	\$ 19,582.61
Total Project Budget (Rounded up to nearest dollar)		\$ 9,012,436	\$ 8,862,303	\$ 150,134
Budget Narrative	<p>Prescription medications are for those clients that either do not have current prescription medical coverage, or are eligible for a sliding fee discount. ABC's Sliding Fee Discounts are based on the federal poverty and number of individuals in the household.</p> <p>Total organization expenses are an estimate and expected to fluctuate from actual. Any gap in funding is covered by operational reserves, additional grants coming available that helps alleviate operational funds, and actively working to cut costs where appropriate and able. Additionally, we created a new position, a care coordinator for our outpatient services, that we plan to use to support both our outpatient levels of care and our living programs. Given this is a new service line, we do not have a good idea of the revenue it may potentially bring in for us and is not included in our expected to receive revenues.</p>			

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Section 2 - Itemized Expenses					
Staff Salary Expenses		Annual Salary	% of Time Allocated to Project	Total Project Salary	Amount Requested from DHCD/F
Employee Position/Title					
1	IMS MANAGER	\$ 90,000	26%	23,400.00	\$ 23,400.00
2	NURSING COMPLIANCE ASSISTANT	\$ 67,704	26%	17,603.04	\$ 17,603.04
3	MEDICAL ASSISTANT	\$ 62,402	26%	16,224.52	\$ 16,224.52
4	MEDICAL ASSISTANT	\$ 54,600	26%	14,196.00	\$ 14,196.00
5	MEDICAL ASSISTANT	\$ 54,600	26%	14,196.00	\$ 14,196.00
6	MEDICAL ASSISTANT	\$ 49,920	26%	12,979.20	\$ 12,979.20
7	MEDICAL ASSISTANT	\$ 47,840	26%	12,438.40	\$ 12,438.40
8		\$ -	0%	-	\$ -
Enter Total Employee Benefits / Employer Taxes % (Proportional Fringe Costs and/Or Employer Taxes Based On % Of Time Allocated To Project)			15.50%	17,210.76	17,210.76
Total Will Populate In Total Staffing Expenses Section 1			Total >	\$ 128,247.92	\$ 128,247.92
Budget Narrative - Scope of Work	<p>Nursing and medical assistant staff support the incidental medical care of our inpatient clients. This includes the monitoring the self-administration of medications, generating detox treatment plans, documenting progress notes, completing discharge summaries, scheduling and coordinating client external medical appointments.</p> <p>IMS Manager's responsibility is to focus on the stabilization and management of psychological and physiological symptoms associated with withdrawal during the detoxification process in a substance abuse treatment facility. In addition, they are responsible for supervising and supporting all nursing staff.</p> <p>Nursing compliance position provides support to the nursing team, and focuses on striving for the highest standard of quality and safety in a substance abuse treatment program.</p>				
Budget Narrative - Employee Benefits	Employee benefits include: medical, dental, and vision expenses considered healthcare benefits, as well as short term disability and a small life insurance amount for all employees. Part time employees are not eligible for healthcare benefits, and therefore adjusts the total percentage amount for Employee Benefits lower than it would be for all full time employees.				
Professional Services / Consultant Expenses		Hourly Rate	Hours/Week	Total Project Fee	Amount Requested from DHCD/F
Company and Staff Title					
1	All Other Staff			6,283,366	
2					
Total Will Populate in Total Staffing Expenses Section 1			Total >	\$ 6,283,366	\$ -
Budget Narrative - Scope of Work	Not applicable				

Section 3 - Other Funding		
Funds From Other Sources (Actual Or Projected) SPECIFIC To This Project		
"Total Funding In Addition To DHCD/F Request" Below Should Match Or Exceed Value Listed In Section 1 for "Funds from Other Sources".		Amount
Fees expected to receive		8,152,506
Donations		\$ 5,000
Grants (List Organizations)		
1	Additional grant funds needed to address gap	\$ 700,000
2		
3		
8		
Fundraising (Describe Nature Of Fundraiser)		
1		
2		
3		
8		
Other Income, e.g., Bequests, Membership Dues, In-Kind Services, Investment Income, Fees From Other Agencies, Etc. (Itemize)		
1	MISCELLANEOUS	\$ 5,000.00
2		
3		
8		
Total Funding In Addition To DHCD/F Request		\$ 8,862,506
Budget Narrative	<p>Fees listed above include the estimated net amounts we actually expect to receive and be deposited into our bank account. This estimate does not include estimated gross amounts, contractual allowances, or uncollectable funds.</p> <p>In the grants section above, we are actively working on identifying funding sources to help us fund the current gap we have in our budget. Currently, we plan to address this gap in funding using operational reserves, additional awarded grants funds, and by actively working to cut costs where appropriate and able throughout the fiscal year.</p>	

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Full Grant Application Scoring



SCORING PARAMETERS

0 TO 1 POINTS	Does Not Meet Expectations
2 TO 3 POINTS	Needs Improvement
4 TO 5 POINTS	Meets or Exceeds Expectations

Total Points Possible = 50 points

Grant Information			
Grant Number:	Organization:	Project Title:	Funding Request:
1460	ABC Recovery Center	Nursing Care and Prescription Medications	\$150,134.00
Programmatic Scoring Review			
Community Need for the Project in Coachella Valley (5 points)		The applicant identifies and describes a specific need(s) for the project within the Coachella Valley by providing relevant, valid data that highlights the full scope of the need. The applicant clearly connects the community need to the project's targeted population.	
Reviewer 1 - Score: 4		Reviewer 1 - Score Explanation: Additional Coachella Valley data needed to highlight the operational impact of unreimbursed healthcare along with the ability to serve/expand services and resources with funding support.	
Reviewer 2 - Score: 5		Reviewer 2 - Score Explanation: The ABC Recovery Nursing Care and Prescription Medication grant proposal provided a detailed explanation of the community need, which highlights the gaps in coverage and reimbursements from MediCal or STOP for these two crucial elements of the whole person care model.	
Reviewer 3 - Score: 5		Reviewer 3 - Score Explanation: ABC Recovery Center is unique in the Coachella Valley as it is a dual diagnosis (also known as co-occurring disorder) facility. Someone with a dual diagnosis needs to be treated for both conditions to have the greatest opportunity for wellness. ABC Recovery Center is the only	

	option for the Medi-Cal population and justice referral population to be treated for dual diagnosis in the CV, thus serving and identifying a unique community need.
Project Description and Use of Funds (5 points)	The applicant describes the scope of the project and how the organization will utilize the Desert Healthcare District's funding. The applicant clearly states the approach they are going to take to meet the community's need and specifies how the success of this project directly relates to the District's mission and current Strategic Plan.
Reviewer 1 - Score: 3.5	Reviewer 1 - Score Explanation: ABC describes how funds will be utilized; however, they do not align it directly to the impact it will make on the growing community need.
Reviewer 2 - Score: 4	Reviewer 2 - Score Explanation: The grant proposal provided a detailed project description on the utilization and role of the nurses, and use of grant funds, which included the connection between the DHCD mission and the current strategic plan, however, details on the medications provided to the clients and their cost were not included.
Reviewer 3 - Score: 5	Reviewer 3 - Score Explanation: The District's funds will be utilized to cover costs for the nursing staff services and for prescription medication costs for CV clients that are not reimbursed.
Alignment to District Goals, Strategies, and Performance Measures (5 points)	The applicant effectively describes the alignment of the project to the Desert Healthcare District and Foundation 2021-2026 Strategic Plan goals, strategies and performance measures.
Reviewer 1 - Score: 5	Reviewer 1 - Score Explanation: Project directly aligns with one of the District's high priority strategic plan goals and strategies.
Reviewer 2 - Score: 5	Reviewer 2 - Score Explanation: The grant proposal aligns with the DHCD Strategic Plan goals and strategies, which is goal 2, along with strategy 2.7.
Reviewer 3 - Score: 4	Reviewer 3 - Score Explanation: The applicant clearly describes the project's alignment to the District's strategic plan, in particular Goal 2, Strategy 2.7

<p>Project Deliverables and Evaluation (5 points)</p>	<p>The applicant provides project deliverables that are specific, measurable, attainable, and time-bound. Project deliverables must align with at least one of the Desert Healthcare District and Foundation's 2021-2026 Strategic Plan goals and a related strategy/strategies. Additionally, applicant clearly demonstrates the alignment of their project deliverables to the appropriate performance measures, as outlined in the application instructions.</p> <p>Each evaluation corresponds to a project deliverable. The evaluation accurately measures the project's effectiveness, impact and includes appropriate qualitative and/or quantitative tracking methods. The evaluation section includes well-defined data reporting mechanisms and/or a clear and transparent narrative.</p> <ul style="list-style-type: none"> • Evaluation measures and methods are clear; the applicant defines how they envision success. • Evaluation is in alignment with the deliverables of the project. • Evaluation is in alignment with identified Desert Healthcare District and Foundation's 2021-2026 Strategic Plan goal(s), strategies, and performance measure(s). • An explanation is provided on how the data collected from the project will be utilized for future programming, partnerships, and/or funding.
<p><u>Reviewer 1 - Score:</u> 4</p>	<p><u>Reviewer 1 - Score Explanation:</u> Additional details, within the evaluation, would provide clarity on how ABC is measuring success and achieving the numbers outlined in the deliverables.</p>
<p><u>Reviewer 2 - Score:</u> 4</p>	<p><u>Reviewer 2 - Score Explanation:</u> The project deliverables and evaluation of the project were detailed and met the requirements for this section, however, it failed to describe how the data collected would be used in the future.</p>
<p><u>Reviewer 3 - Score:</u> 4</p>	<p><u>Reviewer 3 - Score Explanation:</u> The 2 deliverables identified are specific, measurable, attainable and timebound to the project's time line. Evaluation is clear and responds directly to the deliverable.</p>
<p>Organizational Capacity (5 points)</p>	<p>The applicant details their organization's capacity to meet the demands of this project including allocated staff time, internal expertise, organizational structure, etc. Applicant includes examples that demonstrate that the human resource allocation to this project is appropriate (internal staff expertise, use of external consultants, advisory committee, etc.). The applicant demonstrates reliability for this kind of work (strength, a history or track record of achievements, related mission, and letters of support).</p>

<u>Reviewer 1 - Score:</u> 4.5	<u>Reviewer 1 - Score Explanation:</u> Resource allocated to this project is explained highlighting the contributing staff members.
<u>Reviewer 2 - Score:</u> 5	<u>Reviewer 2 - Score Explanation:</u> ABC Recovery has a proven track record and has the organizational capacity to meet the project deliverables with existing medical staff who will support the nurses and dispensing of medication funded through this grant.
<u>Reviewer 3 - Score:</u> 5	<u>Reviewer 3 - Score Explanation:</u> The organization has the staff capacity with this project and are members who already oversee the medical care and data collection of these cost centers.
Organization Sustainability (5 Points)	The application highlights their organization's sustainability strategies around funding, staff recruitment/retention, effective collaboration and partnerships, thoughtful long-term planning, etc.
<u>Reviewer 1 - Score:</u> 4	<u>Reviewer 1 - Score Explanation:</u> Significant state funding is mentioned as it supports their expansion; however, there are no details discussing the long-term planning for staff recruitment/retention or how ABC will support a larger gap in unreimbursed care.
<u>Reviewer 2 - Score:</u> 5	<u>Reviewer 2 - Score Explanation:</u> ABC Recovery has a diverse funding strategy and partnerships to ensure they continue making an impact, which include a \$27 million dollar grant award that will allow ABC Recovery to increase their capacity and expand their services to District residents.
<u>Reviewer 3 - Score:</u> 4	<u>Reviewer 3 - Score Explanation:</u> ABC Recovery Center does an extraordinary job of providing a significant safety net for those in need with staff retention, reimbursements through government health providers, and they are the recipient of a \$27 million state grant specific to expanding their services.
Partnerships/Collaborations (5 Points)	The application demonstrates a collaborative process that includes multiple community partners involved in planning and implementation. Organizational partners are listed and each of their roles in the project are outlined. Letters of support and/or memorandums of understanding are included, as appropriate.
<u>Reviewer 1 - Score:</u> 5	<u>Reviewer 1 - Score Explanation:</u> Due to the complexity of the care provided at ABC, they do not partner with outside organizations which is why they listed N/A for this section.
<u>Reviewer 2 - Score:</u> 4	<u>Reviewer 2 - Score Explanation:</u> ABC Recovery's program is an internal program that does not require external partnerships.

<u>Reviewer 3 - Score:</u> 4	<u>Reviewer 3 - Score Explanation:</u> For this particular request, the organizations does not need to partner or collaborate with other organizations thus the reason for the N/A in their application.
Budget (5 points)	The budget is specific and reasonable, and all items align with the described project. The proposed budget is accurate, cost-effective, and linked to activities and deliverables. <ul style="list-style-type: none"> • There are no unexplained amounts. • The overall significance of the project, including the relationship between benefits and/or participants to the programmatic costs are reasonable. • All line items are identified clearly in the budget narrative. • The budget shows committed, in-kind, or other funds that have been identified, secured, and in place to support the project.
<u>Reviewer 1 - Score:</u> 4.5	<u>Reviewer 1 - Score Explanation:</u> Budget provides explanations for their amounts and includes narrative on the difficulty in estimating certain line items.
<u>Reviewer 2 - Score:</u> 5	<u>Reviewer 2 - Score Explanation:</u> The grant proposal budget is adequate and in line with the proposed deliverables.
<u>Reviewer 3 - Score:</u> 4	<u>Reviewer 3 - Score Explanation:</u> The budget is reasonable and covers specifically all line items requested.
Fiscal Scoring Review	
Fiduciary Compliance (5 Points)	The applicant demonstrates a financial history that shows a continuous cycle of fiduciary responsibility of the Board through unmodified audited financial statements produced in a timely fashion, positive cash flow at the end of each fiscal year, asset ratio meets required debt load, and the Board reviews financial statements regularly.
<u>Reviewer 1 - Score:</u> 4.5	<u>Reviewer 1 - Score Explanation:</u> Audited financial statements presented to and approved by Board. Assets are sufficient to address liabilities. While cash flow has been negative the last two audited years, FY23 was primarily due to noted operational gaps and disposal of assets/capital expenditures. The FY22 decrease was minimal with larger payment on long-term debt.
<u>Reviewer 2 - Score:</u> 5	<u>Reviewer 2 - Score Explanation:</u> The FY 06/30/23 audit report is unmodified. The Board of Directors accepted the audit report. Audit report Current Ratio is strong (14:1), which represents the grantee's ability to pay its short-term liabilities. The Net Assets increased by \$238k as of 06/30/23, with Total Net Assets of \$7.8M. Internal financial statements, as of 01/31/24, demonstrates an increase of \$982k. The Balance Sheet is in good order.

Financial Stability (5 Points)	Funding sources for operations and programs are from multiple sources and are driven by a strategic plan for stability for both short- and long-term growth. If a strategic plan does not exist, other documentation is presented to identify future sources of funding. The requested grant amount is reasonable in comparison to the overall organizational budget.
Reviewer 1 - Score: 4.5	Reviewer 1 - Score Explanation: Funding is from multiple sources with grant amount reasonable in comparison to overall budget. The strategic plan lists short-term funding plans, Indio campus expansion, and future expansion into additional areas. Project budget lists potential need for additional funds to address projected operational gap.
Reviewer 2 - Score: 5	Reviewer 2 - Score Explanation: Grantee demonstrates a sound financial position and is supported by a strategic plan. Grantee has additional resources for this project of approximately \$9M. The District's grant of \$150k is well supported by potential other resources

TOTAL SCORES - PROGRAMMATIC		TOTAL SCORES - FISCAL	
REVIEWER 1	34.5/40 POINTS = 86.25%	REVIEWER 1	9/10 POINTS = 90%
REVIEWER 2	37/40 POINTS = 92.50%	REVIEWER 2	10/10 POINTS = 100%
REVIEWER 3	35/40 POINTS = 87.50%	AVERAGE	9.5 POINTS = 95%
AVERAGE	35.5 POINTS = 89%		

Average Total Score: 45 / 50 = 90 %

Grant #1460

EXHIBIT B

PAYMENT SCHEDULES, REQUIREMENTS & DELIVERABLES

<u>Project Title</u>	<u>Start/End</u>
Nursing Care and Prescription Medications	6/01/2024 5/31/2025

PAYMENTS:

(2) Payments: \$67,560
10% Retention: \$15,014

Total request amount: \$ 150,134.00

GRANT AND PAYMENT SCHEDULE REQUIREMENTS:

Scheduled Date	Grant Requirements for Payment	Payment
6/01/2024	Signed Agreement submitted & accepted.	Advance of \$67,560 for time period 6/01/2024 – 11/30/2024
1/01/2025	1st six-month (6/01/2024 – 11/30/2024) progress report, budget reports and receipts submitted & accepted	Advance of \$67,560 for time period 12/01/2024 – 5/31/2025
7/01/2025	2nd six-month (12/01/2024 – 5/31/2025) progress report, budget reports and receipts submitted & accepted	\$0
7/15/2025	Final report (6/01/2024 – 5/31/2025) and final budget report submitted & accepted	\$15,014 (10% retention)

TOTAL GRANT AMOUNT: \$ 150,134.

DELIVERABLES:

Project Deliverables and Evaluation

<p>Deliverable #1: By May 31, 2025, ABC Recovery Center is projecting we will directly serve 856 Coachella Valley clients for addiction related services (based on 2023 calendar year data) who will have needs for nursing related medical care.</p> <p>The nursing program at ABC Recovery Center is a 24/7/365 enterprise. It consists of our Incidental Medical Services (IMS) Manager, a compliance nurse assistant, and a team of medical assistants, considered our nursing team, who care for each client at ABC. Our nursing team members are assigned to each inpatient client so that the clients and nurses can develop a relationship, ensuring the client has a greater surety, comfort, and confidence in their care. That said, clients can be helped 24 hours a day at the nurse's station that is centered in our in-patient housing. The nursing team provides prescriptions, takes vital signs, treats minor injuries, talks about medications and side effects, works with the IMS Manager and providers to identify efficacy and prescription dosage adjustments, and when necessary, make recommendations for clients to be seen at the ER or Urgent Care. The clients in detox are required to be monitored every 15-30 minutes on a continual basis should they experience any issues, have significant withdrawal symptoms, or have exigent needs for medical intervention.</p>	<p>Evaluation #1: ABC tracks payroll costs for our nursing team and will allocate those costs based on eligible clients from the Coachella Valley being served with DHD grant funds. Staffing that is allocated in the budget includes: an IMS Manager (1), nursing compliance assistant (1), and five (5) medical assistants who assist with providing nursing care services to our clients.</p>
<p>Deliverable #2: By May 31, 2025, ABC Recovery Center is projecting that we serve approximately 100 clients requiring prescription medications that will not be financially covered by the clients insurance coverage. We estimate that we will have to provide prescription medications to approximately 100 as they will not have the financial funds to cover the costs of their prescriptions. ABC Recovery Center will be able to utilize the funding from DHD to cover a percentage of these costs which are included in the project budget. ABC Recovery Center contracts with a Pharmacy to assist us with fulfilling the prescription needs of our clients. All prescriptions either</p>	<p>Evaluation #2: ABC will track the amount of unreimbursed prescription medications it provides to Coachella Valley eligible clients to be covered with the funding provided by DHD.</p>

denied or not cover by insurance coverage are invoiced to ABC Recovery Center on a monthly basis. This monthly invoice is itemized by client and will be utilized to allocate eligible Coachella Valley client costs to the DHD grant funds. Depending on the monthly invoice costs the amount allocated to the grant funding will fluctuate, and either be a portion of the invoice or be allocated to the entirety of the monthly invoice prescription costs until the funded has been exhausted with eligible costs.	
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The Desert Healthcare District has implemented Results-Based Accountability (RBA) into their grantmaking process to streamline reporting and offer a straightforward approach to effectively measuring program-level performance.

Strategic Plan Alignment:

Goal 2: Proactively expand community access to primary and specialty care services

Strategy 2.7: Increase equitable access to primary and specialty care services and resources in underserved communities in Coachella Valley (Priority: High)

You have selected Strategy 2.7.

Your project deliverables need to capture the following performance measures.

- # of clients who were directly connected to a primary or specialty care service provider



Date: May 28, 2024

To: Board of Directors

Subject: Review, discuss, and give direction/action on a grant application that does not fit in Strategic Plan goals 2, 3, or 6 (specifically strategies 6.1 and 6.2).

Background:

- The Desert Healthcare District's 5 year (2021-2026) strategic plan was approved in October 2021.
- The plan contained seven goals, two of which were internal (Goals # 1 & 4) with the balance of the five as funding goals.
- Along with individual strategies embedded in the goals, the board of directors approved priorities for each goal and strategy: high priority, moderate priority, and low priority.
- In November and December 2023, the board revisited the strategic plan and revised the following:
 - Remove the labels of "moderate" and "low" priorities from goals and strategies.
 - Prioritizing (high) improving access to primary healthcare and specialty care (goal #2); improving access to behavioral/mental healthcare services (goal #3); and environmental health (goal #6, strategies 6.1 and 6.2).
- These goals and strategies are being considered when reviewing new grant applications that are received during the remainder of this fiscal year and through 2026.
- ***The following guidance was provided on grant funding allocation:***
 - ***".... When grant requests are received that do not fit in goals 2 and 3 or strategies 6.1 and 6.2 District management will review the request and provide to the Program Committee a list of the applications that are outside of those areas. For each of those listed applications, the Program Committee will make a recommendation to the full board of directors whether to proceed with the grant application process".***

Action required:

Program Committee was to review and give recommendation to the full board on whether to proceed with the following grant application: # 1462 HARC: 2025 Coachella Valley Community Health Survey: \$66,240 for a two-year term, commencing 7/1/2024 through 6/30/2026.



Project Description: \$66,240 is requested by HARC, Inc. for the 2025 CV Community Health Survey for two years, to specifically cover post-incentives for an estimated 2,880 survey participants residents in the Coachella Valley. “These incentives [**\$20 Visa cards to up to 3,600 survey completers**] will increase the quality and representativeness of the data while also giving back to the community.”

Staff reviewed and brought the following assessment to the May 14, 2024 Program Committee meeting for their review and recommendation:

Strategic Plan Alignment: The request does **not** align with the board-approved high priority goals 2,3, and strategies 6.1 and 6.2.

Although the goals chosen by HARC are Goal 2 (proactively expand community access to primary and specialty care services) and Goal 3 (proactively expand community access to behavioral/mental health services), their project focuses on collecting data to measure and better understand our strategies through the distribution of incentives for survey completion. However, our strategies are written to support organizations providing direct impact.

Use of Funds:

- District funds (\$66240) would be used to give each survey participant a \$20 Visa card as a post-incentive (with fees, the cost to HARC is \$23) and these requested funds will cover the cost of 2,880 post -incentives (a 12% response rate) as a token of gratitude for their time.

Program Committee Review and Recommendation:

The directors of the Program Committee approved a motion to forward to the full board to direct **staff to proceed with the full due diligence application review process.**

Fiscal Impact: FY 2023-2024 grant budget



Grant Application Summary

HARC, Inc., Grant # 1462

About the Organization

HARC, Inc.
41550 Eclectic Street
Palm Desert, CA 92260
760-404-1945

<https://HARCdata.org/>

Tax ID #: 20-5719074

Primary Contact:

Jenna LeComte-Hinely, Chief Executive Officer
7604041945
jlecomte-hinely@HARCdata.org

Organization's Mission Statement and History

Mission Statement: HARC, Inc. (Health Assessment and Research for Communities) is a nonprofit that advances quality of life by helping community leaders use objective research and analysis to turn data into action.

History: Riverside County is an immense geographic region, bigger than some U.S. states. We are blessed with a wealth of useful county-level data that can be used to assess needs, identify disparities, set goals for improvement, and measure progress. However, county-level data often does not tell the story of the more rural Coachella Valley region in Eastern Riverside County, as it is skewed by the much larger urban population in Western Riverside County. Community-based organizations needed reliable sub-county-level data to do their best work, and in 2006, under the umbrella of Desert Healthcare District, HARC was formed to provide that data.

Thus, HARC began conducting a population-level health survey of the Coachella Valley in 2007. The survey is repeated every three years to provide fresh data and allow us to assess trends and changes over time. The content of the survey is community-driven, to ensure the data is useful to local changemakers. The survey content shifts slightly each cycle to cover emerging topics of interest (e.g., legalized marijuana use, COVID-19,

etc.). Data is provided back to the community free of charge.

To date, HARC has successfully conducted the triennial survey six times: 2007, 2010, 2013, 2016, 2019, and 2022. This grant proposal seeks support for the seventh iteration of the survey, for the 2025 Coachella Valley Health Survey.

In addition, in 2009 HARC began to expand our services to offer consulting services to other agencies. We found that many agencies—especially small nonprofits—want to be evidence-based and data-driven, but they lack the funds to have a dedicated research/data-focused staff member. HARC has become the source of this knowledge that local nonprofits can partner with to better understand our community needs. HARC now provides these services to between 20 and 30 clients per year, with the specifics of each project varying based on client needs. All projects are consistent with our mission of using data to uplift community health, wellness, and quality of life. Our clients are nonprofits, healthcare agencies, government agencies, and other organizations that are striving to improve quality of life in our communities.

Organization Annual Budget: \$1,304,795.00

Project Information

Project Title: 2025 Coachella Valley Community Health Survey

Start Date: 07/01/2024 **End Date:** 06/30/2026

Total Project Budget: \$255,000.00

Requested Amount: \$66,240.00

Community Need for this Project in the Coachella Valley:

According to the Census Bureau, nearly 2,500,000 people call Riverside County home. Thus, it is easy to see why the unique needs of the Coachella Valley—home to less than 500,000 people—are often masked when looking at county-level data.

But our sub-county-level data on the Coachella Valley demonstrates multiple ways in which we are unique. For example, data from the 2022 California Health Interview Survey (CHIS) shows that approximately 10.8% of adults in Riverside County are lesbian, gay, bisexual, or another non-heterosexual sexual orientation. But our 2022 Coachella Valley Community Health Survey demonstrates that in the Coachella Valley, this rate is 21.0%—nearly twice the rate of Riverside County. Another example is that 12.1% of Riverside County adults have been diagnosed with diabetes, compared to 18.6% of Coachella Valley adults (2022 CHIS and our 2022 Coachella Valley Community Health Survey data, respectively). This data suggests a higher need for diabetes treatment, prevention, and intervention for our community. Our Coachella Valley residents differ from the overall county in many other measures, such as age,

poverty, income, veteran status, general health status, health insurance, frequency of healthcare check-ups, frequency of dental visits, tobacco use, number of sexual partners, impact of COVID-19 on work, and asthma diagnoses among children, among others (2022 CHIS and our 2022 Coachella Valley Community Health Survey data).

Our data helps to illustrate the unique needs of Coachella Valley residents in many domains, including healthcare access and utilization, food security, major disease, mental health, and much more. HARC's Coachella Valley Community Health Survey is the only source of Coachella Valley-level data for these important indicators. Keeping this data current, valid, and freely available to the public is critically important because, as KFF so eloquently states, "Data are a cornerstone for efforts to address disparities and advance health equity" (<https://www.kff.org/policy-watch/advancing-health-equity-requires-more-better-data/>).

HARC's Coachella Valley Community Health Survey is used by hundreds of local organizations to uplift health, wellness, and quality of life in the Coachella Valley community. Our data provides a roadmap to addressing health equity in the region and understanding how our community shifts and changes over time. It is an essential component required for community improvement; as Steve Killelea once wrote, "It is also very difficult to understand the effectiveness of our actions without measurements." HARC's triennial survey measurement data is indispensable for the future of health improvement in our region.

Project Description and Use of District funds:

INTRODUCTION

HARC is requesting funding from DHCD/F for the 2025 Coachella Valley Community Health Survey, specifically to cover post-incentives for an estimated 2,880 survey participants residing in the Coachella Valley. These incentives will increase the quality and representativeness of the data while also giving back to the residents.

The topics covered by the survey are driven by community input, including healthcare access and utilization, mental health, major disease, health behaviors, socioeconomic needs, air quality, and much more. The survey also includes a robust demographics section that ensures HARC can run in-depth analyses to identify health disparities, especially among at-risk, underserved groups. The ability to examine the data by different demographic/geographic groups enables us to advance health equity in the region by shining a light on issues that disproportionately affect subsets of our population.

METHODS

The 2025 survey will be modified from previous cycles to remove less relevant topics and add new relevant topics. The bulk of the questions will remain the same to allow us

to explore trends over time. The revised survey and proposed methods will be submitted to an Institutional Review Board (IRB) to protect the rights and welfare of our community participants.

To gather data, HARC will utilize a random sample address-based methodology, in which randomly selected households will be invited to participate in the survey. Each mailing will be provided in English and Spanish and will contain information about why the survey is important and a notice that participants will receive a \$20 Visa card “post-incentive” as a thank you for their time. Each mailing will also include a \$2 bill “pre-incentive” that is theirs to keep whether they take the survey or not.

Pre- and post-incentives are effective at increasing response rates and improving the quality and diversity of the finished data while financially strengthening individuals in the community. Based on previous projects, we expect to have a response rate of between 10% and 15%, producing between 2,400 and 3,600 completed surveys.

Each survey participant will receive a \$20 Visa card as a post-incentive (with fees, the cost to HARC is \$23); as previously mentioned, we’re requesting that DHCD cover the cost of 2,880 post-incentives (a 12% response rate). Note that only one survey per household is allowed. All participants will be DHCD/F residents.

Data will be weighted to ensure that smaller sub-groups are properly represented in the data and to correct for skewed data. This weighted data will then represent not only the thousands of people who completed the survey, but all residents of the Coachella Valley.

HARC will analyze the weighted data and produce a written easy-to-read report that summarizes the data in tables, charts, maps, and other visual aids. The quantitative data will be presented alongside anonymized quotes in the participants’ own words that will bring numbers to life using the voices of our community.

The report will also feature “Local Spotlights” throughout, which highlight the work that our partners are doing to improve health and quality of life in the region. These “Local Spotlights” ensure that the report isn’t simply a statement of what needs exist but also illustrates the work being done locally to address these important matters.

Once HARC has completed the Executive Report, HARC will host a data release event, where HARC will present the highlights of the findings from the survey, answer questions, and demonstrate how to access the report for free. After the data release event, a PDF version of the report will be available for free to download on HARC’s website, and HARC will dedicate staff time to disseminating the data (e.g., running custom analyses, presenting to special interest groups, producing data briefs, etc.).

As with our six previous iterations of the survey, we anticipate that this information will be used by a wide range of organizations, including healthcare providers, community-based organizations, local government, educational institutions, and more. Previous data users have used the information contained in these surveys to prioritize local needs, to design programs and services to address those needs, and to justify funding requests to provide those services. Previous iterations of this survey have been used to bring in more than \$20 million in funding to support important programs like meal delivery for homebound low-income seniors, mental healthcare for children, transportation for people with disabilities, and free HIV testing for all.

HARC's data is used by many Desert Healthcare District/Foundation grantees, including Boys & Girls Clubs of Coachella Valley, Cathedral City Senior Center, City of Palm Springs, Coachella Valley Volunteers in Medicine, DAP Health, Desert Care Network, Desert Sands Unified School District, Eisenhower Health, Innercare, Regional Access Project Foundation, Riverside County Latino Commission on Drug and Alcohol Abuse, Olive Crest, OneFuture Coachella Valley, and Variety of the Desert, among others.

ALIGNMENT

HARC's survey is closely aligned with DHCD/F's mission and Strategic Plan, as our data will help track the progress of DHCD/F's initiatives and identify areas of needed investment.

In alignment with Goal 2, HARC's data has been used to recruit physicians (including specialty care providers) and to educate providers about their potential patient population, allowing them to provide more tailored, culturally competent care. Further, our data can be used to track and increase healthcare access (Strategies 2.1, 2.2, 2.3, and 2.4), as it will include information on primary care checkups, usual source of health care, and preventative health screenings. All this data can be compared to past years to measure progress and identify emerging areas of need. The survey data is also relevant to many of the public health initiatives listed in Strategy 2.6, as the survey will include local data on COVID-19, obesity, and sexual health. In addition, because data on disease diagnoses and health care access can be examined by demographics, the survey will also help identify the most needed services for underserved communities (Strategy 2.7).

In alignment with Goal 3, HARC's data has been used to support mental health care expansion in the valley; for example, JFS of the Desert used our data to obtain funding to provide free mental health services for children for many years. Survey data will be useful to track changes in mental health care access (Strategies 3.1, 3.2, 3.3, 3.4, and 3.7), since our report will include timely data on mental health treatment, unmet mental health needs, and mental health diagnoses. All these measures can be analyzed by demographics (race, income, etc.) to better support mental health initiatives targeting underserved populations.

Strategic Plan Alignment:

Goal 2: Proactively expand community access to primary and specialty care services

Goal 3: Proactively expand community access to behavioral/mental health services

Strategy:

Project Deliverables and Evaluation

<p>Deliverable #1: By January 2025, the Coachella Valley Community Health Survey will be revised and will be ready to launch data collection.</p>	<p>Evaluation #1: The paper survey will be revised, translated into Spanish, and provided to Ace Printing in preparation for the mailing; the online survey will be programmed and tested and ready for data collection. Ace Printing will have purchased the mailing list of 24,000 randomly selected residential households across the Coachella Valley and will be prepared to print and mail the survey invitations. Completion of all these steps by January 2025 will constitute success of the deliverable.</p>
<p>Deliverable #2: By July 2025, data will have been collected from at least 2,880 Coachella Valley residents, all of whom will have received a \$20 Visa card as a token of gratitude for their time.</p>	<p>Evaluation #2: HARC will have data from at least 2,880 Coachella Valley residents—including paper surveys that HARC staff will enter into the online database as well as online surveys—as measured via HARC’s account on the online survey platform Sogolytics as well as the presence of paper surveys delivered by the post office via HARC’s business reply mail account. The post-incentives will have been purchased by HARC via Perfect Gift and mailed to the completers by Ace Printing, as documented via Ace Printing’s records and HARC’s records. Post-incentives will be mailed out in weekly batches. All these tasks will be recorded and verified, and completion by July 2025 will constitute success of the deliverable.</p>

Deliverable #3: By February 2026, the results of the 2025 Coachella Valley Community Health Survey will be released to the public and will be freely available on HARC's website.	Evaluation #3: The Executive Report will be available for download on HARC's website, including a brief survey to collect information from people who download it so that HARC can track who is using the data. This data-user survey will allow us to determine the number and kind of organizations that access the report. Completion of these tasks by February 2026 will constitute success of the deliverable.
Deliverable #4:	Evaluation #4:

Project Demographic Information

Target Geographic Area(s) To Be Served:

All areas

Target Population Age Group:

0 to 5, 6 to 17, 18 to 24, 25 to 39, 40 to 54, 55 to 64, 65+

Target Population Ethnicity:

Hispanic/Latino (of any race), Not Hispanic or Latino (of any race)

Target Population Race:

American Indian and Alaska Native, Asian, Black or African American, Native Hawaiian and other Pacific Islander, White, Some other race

Additional Target Population Information:

The Coachella Valley is home to more than 430,000 residents. Nearly half (45%) are Hispanic/Latino. Approximately 20% of local adults live in households that fall at or below the federal poverty line. Some of the wealthiest individuals in California have homes in the Coachella Valley (namely in the cities of Indian Wells, Rancho Mirage, and Palm Springs), just a few miles from the very low-income unincorporated areas surrounding the Salton Sea, which is home to migrant farmworkers.

We have a large lesbian, gay, bisexual population; approximately 21% of local adults identify their sexual orientation as lesbian, gay, bisexual, or other. In addition, about one in ten local adults are veterans of the U.S. armed forces.

The majority of local children (78%) are Hispanic/Latino. Approximately 31% of local children live below the poverty line, and another 38% live just above the poverty line

(below 200% of the federal poverty line); as such, poverty is a major issue among our local children.

Because HARC's proposed project involves a random sample of the Coachella Valley, our data will capture important insights from all of these populations.

Capacity, Sustainability, and Partnerships

Organizational Capacity

HARC has conducted this survey six times; the 2025 survey will be our seventh. We are fortunate to have staff with lengthy tenures at HARC; all but two of our seven staff members have been through this triennial survey process before.

Our staff members are also highly educated and trained in research methods and statistical analyses; for example, we have three staff members with PhDs assigned to the project. Our staff members combined have more than 50 years of research experience.

We are capable of translating our surveys into Spanish in-house; we have two staff members who are fluent in Spanish and thus can translate and back-translate to ensure accuracy. Our two Spanish-speaking staff members have translated dozens of surveys over the years and are familiar with health and wellness-related terminology.

HARC will utilize long-time partner and local business Ace Printing to provide the printing and mailing services. We have worked with Ace Printing on more than a dozen surveys over the years and are highly satisfied with their services.

We have allocated staff time to the project in accordance with the necessary skills and experience of the team members; staff time allocated to the project ranges from .05 FTE to .20 FTE over the next two years.

In addition to the triennial survey, we regularly conduct community health surveys for our various clients across Riverside County and beyond as a part of our day-to-day work. For example, in partnership with RUHS – Public Health we have conducted several countywide needs assessment surveys related to COVID-19, including one in 2021 with a sample size of over 9,000 and another in 2022 with a sample size of over 6,000 participants. Both of these were weighted, analyzed, and reported in ways that are quite similar to the triennial Coachella Valley Community Health Survey. Both of these surveys utilized pre-incentives and post-incentives (e.g., a \$2 bill pre-incentive, a \$25 Visa gift card post-incentive, etc.), to great success.

We've recently done several widespread random sample surveys, including one on asthma symptoms among children living around the Salton Sea, another on mental health in Blythe, and another on community assets and needs across the five

supervisory districts of Riverside County for First 5 Riverside. Each of these has also involved survey incentive distribution (similar to the project proposed here), as we have discovered it is highly effective in obtaining important information from the community, especially low-income communities of color.

Organizational Sustainability:

Over the past five years, HARC has shifted from a revenue-generation model that focused on grants and contributions to a revenue-generation model focused on fee-for-service consulting. As a result, our organization's annual revenue has doubled in the past five years, now breaking the \$1M mark. We believe that this is a more sustainable revenue-generation model, as it is less susceptible to the changing priorities of grantors. This approach has allowed us to grow in size from five full-time staff members before the pandemic to seven full-time staff members now.

Our current funding model has allowed us to build a strong team of experienced researchers (critical to carrying out the survey project), which is due to the sustained funding from our client services. We have several large-scale repeat clients that are essential to our financial sustainability, including RUHS – Public Health, County of San Diego, and UC Riverside. Providing stellar services and cultivating relationships with clients is key to our sustainability—the majority of our clients are repeat clients or clients that have been referred by existing clients. High client satisfaction and word of mouth are critically important to our business model.

While each of our client projects are individually self-sustaining, we rely on grants and contributions to fund the Coachella Valley Community Health Survey, as this data is made freely available to all without charge. In recent years, we have made efforts to reduce the cost of the triennial survey out of deference to our funders, including switching to a mailed methodology instead of a telephone survey and limiting the number of questions on the survey; however, as illustrated in the budget, the cost of the project is still over a quarter of a million dollars to complete. We are fortunate that many local entities see the value of the survey and contribute to making it freely available to all, as illustrated in Section 3 of the budget. It takes a village to fund a project that provides data for that entire village.

We are currently engaged in strategic planning with our Board Members, which we aim to complete by September 2024. The strategic planning process, led by veteran planner John Epps, will focus on sustainability and growth for HARC moving forward.

Staff retention is a key aspect of our current strategic plan, and we anticipate that it will be a key aspect of our next strategic plan as well. As such, we strive to offer competitive salaries and benefits (including 401k matching, health/dental/life/vision insurance for staff members and their families, professional development stipends, increasing levels of PTO based on tenure, etc.). Our flexplace/flextime policies are very popular; we

operate a results-only work environment that staff have expressed appreciation for. On average, our full-time staff have been with HARC for more than six years (including the two new positions we were able to add since the pandemic, due to expansion of projects). Multiple staff members have been with HARC for more than 11 years.

Partnerships/Collaborations:

HARC's Coachella Valley Community Health Survey helps all local agencies who are striving to uplift our Coachella Valley community. As such, this is inherently a collaborative process.

We will consult with our data users and funders to get their input on survey revisions (e.g., what new survey questions to add). We will also ask our partners to assist us in publicizing the survey—in our experience, people are more likely to take the survey if they hear about it from trusted messengers. As such, having our partners raise awareness that the survey is occurring, that it is legitimate, and that it is helpful for the Coachella Valley is critically important to increasing the response rate. Local leaders will be asked to share this message on social media and in their newsletters and will be provided with flyers and graphics they can use for those purposes.

All of these partners will be invited to our data release event to share the survey's final results upon the project's completion. We want to ensure that anyone who can benefit from the data knows that it exists and knows how to access it.

A partial list of the organization/entities that use our data include: Alzheimer's Association of the Coachella Valley, Asthma and Allergy Foundation of America, Boys & Girls Club of Cathedral City, Boys & Girls Club of Palm Springs, Boys & Girls Clubs of Coachella Valley, California Baptist University, Caregiving for Seniors, Cathedral City Senior Center, Coachella Valley Unified School District, Coachella Valley Volunteers in Medicine, College of the Desert, Communities for a New California Education Fund, Congressional Hispanic Caucus Institute, DAP Health, Desert Care Network, Desert Oasis Healthcare, Desert Recreation District, Desert Sands Unified School District, Eisenhower Health, FIND Food Bank, First 5 Riverside, Friends of the Desert Mountains, Hope Through Housing Foundation, Inland Empire Community Foundation, Inland Empire Health Plan, Innercare, Joslyn Senior Center, Mama's House, Mizell Senior Center, Olive Crest, OneFuture Coachella Valley, Palm Springs Dance Project, Palm Springs Unified School District, Raices Cultura, Regional Access Project Foundation, Riverside County Latino Commission on Drug and Alcohol Abuse, Senior Advocates of the Desert, Shay's Warriors Life After Cancer, The LGBTQ Community Center of the Desert, The Living Desert Zoo and Gardens, UC Riverside, and We Are One United, among others.

We will also be inviting our numerous clients to access and leverage our data, including American Lung Association, Another Way, Betty Ford Center, Coachella Valley

Association of Governments, Coachella Valley Economic Partnership, Jewish Family Service of the Desert, Kaiser Permanente, Riverside University Health System – Public Health, Variety—The Children’s Charity of the Desert, and Youth Leadership Initiative, among others.

Many who use and leverage our data have found success for their organization in generating funding for community resources and programs. The more we can partner and spread the word about our data and the findings, the better it is for our community now and in the future.

Diversity, Equity, Inclusion, and Belonging (DEI)

How does your organization address DEI in your policies, strategic plan, board and staff, etc.?

HARC is extremely proud of how well our Board and staff reflect the Inland Empire community where we all live, work, and play. We promote the need for representation and other DEI principles not only internally but also among other professionals and community partners.

Our Board of Directors is more than half (57%) Black, Indigenous, People of Color (BIPOC), and more than half (67%) are female. Our Board Members range in age from 40s to 70s, and they represent diverse fields, including economic development, education, public policy, and health, all with a strong emphasis on community engagement. All were invited to be Board Members because they are actively working to improve quality of life in the Inland Empire.

Regarding the staff, three out of seven (43%) are BIPOC. The majority of our staff (71%) were born and raised in the Inland Empire. We are privileged to employ many locals who left the Inland Empire to obtain their graduate degrees but came back to the region to uplift the community that uplifted them.

Ages of our staff members range from early 20s to 50s, and we regularly mentor interns who are in college in their late teens. Educational attainment among our staff ranges from high school diplomas to doctorates, and nearly all are first-generation college graduates. Our staff includes individuals who are neurodivergent and those with chronic mental illness. This is possible because of our workplace flexibility and an open and accepting company culture.

In terms of activities, HARC is a member of the Data Equity Center at the University of California, Los Angeles, where we provide technical assistance to organizations who wish to promote data equity. As such, HARC regularly promotes best practices in data equity when working with clients (e.g., advocating that all clients use best practice measures of sexual orientation and gender identity (SOGI) on all surveys, etc.).

HARC is also the only non-academic affiliated member of the Center for Health Disparities Research at the University of California, Riverside. Our work at the Center for Health Disparities strives to make academic research better informed by community needs and priorities (and, at the same time, to make academic processes more

accessible to the communities served).

HARC was the co-lead of the “health” track of the Inland Empire Roadmap for Inclusion, Sustainability, and Equity (IE RISE) for Community Well-Being, along with TruEvolution and Community Health Action Network. As such, we helped to bring input from multiple nonprofit agencies together to form a vision for what health would look like in the Inland Empire in 2030. In addition, HARC regularly publishes reports related to equity, such as our recent “Environmental Justice in the Coachella Valley” report or the “Roadmap to Resilience in the Inland Empire” report. We believe strongly in promoting DEI principles not only internally but also in our profession and our wider community.

What barriers does your organization face when addressing DEI?

As national data has shown time and time again, BIPOC are underrepresented in advanced degree programs. Given the work that HARC performs, it is important that most of our staff have graduate degrees so that they have the training in statistics and research methods that are required to be a researcher. As such, the lack of diversity among people with advanced degrees limits the diversity of our pool of potential staff members. We have been fortunate to have many local pipeline programs that have served us well in this aspect, but it remains an issue.

Additionally, with a small staff (currently seven full-time employees), the change of a single staff member can drastically shift the demographics of the organization.

We are also striving to make our research results more accessible to Spanish-speaking members of the community. For example, we have added the capacity to provide simultaneous Spanish interpretation for project-specific Community Advisory Board meetings and we regularly give community presentations on data results in Spanish. Despite these efforts, language remains a barrier to having our data be readily accessible, especially considering the time to translate lengthy reports (sometimes over a hundred pages in length).

One of the main barriers we face to true inclusivity is a budgetary one. For example, to be truly inclusive, we would like to offer American Sign Language (ASL) interpretation at all events. However, that is an expense that we can’t often afford to cover.

Grant Budget

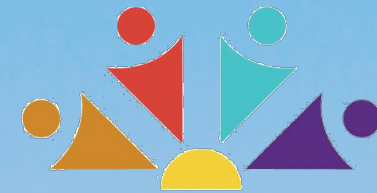
Project Grant Budget				
Applicant:		HARC, Inc. 2025 Coachella Valley Community Health Survey		
OPERATIONAL EXPENSES		Total Project Budget	Funds From Other Sources <small>Detail On Section 3</small>	Amount Requested From DHCD/F
Total Staffing Expenses <small>Detail on Section 2</small>		\$ 140,575.00	\$ 140,575.00	\$ -
Equipment (itemize)				
1			\$ -	
2			\$ -	
3			\$ -	
4			\$ -	
Supplies (itemize)				
1			\$ -	
2			\$ -	
3			\$ -	
4			\$ -	
Printing / Duplication			\$ -	
Mailing / Postage		\$ 2,730.00	\$ 2,730.00	
Mileage (use current Federal mileage rate)			\$ -	
Education / Training			\$ -	
Other Direct Project Expenses Not Described Above (itemize)				
1	\$2 pre-incentives x 24,000 invitations	\$ 48,000.00	\$ 48,000.00	
2	\$20 Visa card post-incentives (cost to us is \$23 with fees) to up to 3,600 completers	\$ 82,800.00	\$ 16,560.00	\$ 66,240.00
3			\$ -	
4			\$ -	
<p>* Items listed below are included for calculation of the total project budget only. For use of DHCD/F funds, these line items would be included in the allowable 15% indirect cost rate.</p>				
Office / Rent / Mortgage*			\$ -	\$ -
Telephone / Fax / Internet*			\$ -	\$ -
Utilities*			\$ -	\$ -
Insurance*			\$ -	\$ -
Indirect Rate		<input checked="" type="checkbox"/> Check Box To Utilize Indirect Rate Up To 15%		\$ -
Total Project Budget (Rounded up to nearest dollar)		\$ 274,105	\$ 207,865	\$ 66,240
Budget Narrative	<p>HARC has a Business Reply Mail (BRM) license with the post office, so that we are charged only for the paper surveys that are returned (not the postage on all envelopes that are sent out). Currently, the cost per returned paper survey is approximately \$1.75 each; we estimate we will receive approximately 1,560 completed paper surveys for a total of \$2,730.</p> <p>Incentives are critically important to increasing the response rate and increasing the sample size, especially among low-income populations. As such, we will be including a \$2 bill in each survey invite that is theirs to keep whether or not they take the survey. Since we will be mailing out 24,000 invitations, that equates to \$48,000.</p> <p>All who complete the survey will be provided with a \$20 Visa card (purchased by HARC from Perfect Gift, cost to us with fees is \$23 each). We estimate that we will may get up to 3,600 completes (a 15% response rate), so this equates to \$82,800. We are requesting that DHCD/F cover the cost of the post-incentives for 2,880 participants (a 12% response rate) for a total of \$66,240. Note that all potential survey completers are DHCD/F residents.</p>			

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Staff Salary Expenses		Annual Salary	% of Time Allocated to Project	Total Project Salary	Amount Requested from DHCD/F
Employee Position/Title					
1	Chief Executive Officer	\$ 165,000.00	10%	16,500.00	\$ -
2	Director of Research	\$ 141,856.00	5%	7,092.80	\$ -
3	Senior Research Associate	\$ 86,600.00	20%	17,320.00	\$ -
4	Research Associate	\$ 81,744.00	5%	4,087.20	\$ -
5	Research Assistant	\$ 52,000.00	5%	2,600.00	\$ -
6	Administrative Manager	\$ 89,440.00	5%	4,472.00	\$ -
7	Data Entry Specialist	\$ 48,672.00	15%	7,300.80	\$ -
Enter Total Employee Benefits / Employer Taxes % (Proportional Fringe Costs and/OR Employer Taxes Based On % Of Time Allocated To Project)			25.00%	14,843.20	-
Total Will Populate In Total Staffing Expenses Section 1			Total >	\$ 74,216.00	\$ -
Budget Narrative - Scope of Work	The CEO will oversee the project, coordinate with Ace Printing, revise the survey, purchase the pre-incentives and post-incentives, track data collection, write pieces of the report, create tables/charts/other visual aids, design the covers, review report pieces, present the data to the public. The Director of Research will assist in writing the report, creating tables/charts/other visual aids to enhance understanding of the narrative of the report, design the covers, design the client services pages, review report pieces. The Senior Research Associate will revise the survey, program the survey, create and submit the IRB proposal, coordinate with the IRB, coordinate with Ace Printing, track data collection, coordinate post-incentive distribution with Ace Printing, clean and download the data, work with the statistician to weight the data, analyze the data, write pieces of the report, create tables/charts/other visual aids, review report pieces, compile "Local Spotlights" for the report, The Research Associate will translate the survey into Spanish, revise the survey, conduct the survey as a phone interview if requested, write pieces of the report, create tables/charts/other visual aids, review report pieces. The Research Assistant will back-translate the survey and check the Spanish translation, program the survey into Sogolytics, conduct the survey as a phone interview if requested, write pieces of the report, create tables/charts/other visual aids, review report pieces, plan and execute the data release event. The Administrative Manager will coordinate purchases, track spending, keep receipts, assist with grant reporting, pay invoices, design the covers, review the report, assemble the funder recognition pages. The Data Entry Specialist will gather returned surveys from the post office, track survey completion, enter data from paper surveys into the online Sogolytics program.				
Budget Narrative - Employee Benefits	HARC offers the following benefits: paid time off, 401k (including matching), health/dental/life/vision insurance for staff members and family members, stipend for cell phone/home internet, professional development stipend. Also included are payroll fees, payroll taxes, workers' compensation, etc. Overall, the amount spent on these items is approximately 25% of all salaries.				
Professional Services / Consultant Expenses		Hourly Rate	Hours/Week	Total Project Fee	Amount Requested from DHCD/F
Company and Staff Title					
1	Heartland IRB			\$ 950.00	\$ -
2	Ace Printing			\$ 58,909.00	\$ -
3	Statistician - Brian Kriz			\$ 6,500.00	\$ -
4					
Total Will Populate in Total Staffing Expenses Section 1			Total >	\$ 66,359.00	\$ -
Budget Narrative - Scope of Work	Heartland IRB will provide the Institutional Review Board (IRB) oversight necessary to protect the rights and privacy of participants. Ace Printing will provide four main services: 1) printing and mailing survey invitations (single page flyers that encourage people to go online to take the survey) to 12,000 households; 2) printing and mailing paper surveys to 12,000 households; 3) printing, stuffing, and mailing post-incentives to up to 3,360 completers; and 4) printing 250 Executive Reports for funders. Brian Kriz will weight the data to represent the Coachella Valley community (weighting targets provided by HARC staff).				

Funds From Other Sources (Actual Or Projected) SPECIFIC To This Project		
"Total Funding In Addition To DHCD/F Request" Below Should Match Or Exceed Value Listed In Section 1 for "Funds from Other Sources".		Amount
Fees		
Donations		
Grants (List Organizations)		
1	Henry Guenther Foundation	\$ 25,000.00
2	San Manuel Cares	\$ 12,000.00
3	Western Wind Foundation	\$ 10,000.00
4	Anderson Children's Foundation	\$ 13,000.00
5	City of Palm Desert	\$ 10,000.00
6	Regional Access Project Foundation*	\$ 10,000.00
7	Riverside County 4th District CID Funds*	\$ 5,000.00
8	Auen Foundation*	\$ 15,000.00
9	Grace Helen Spearman Foundation*	\$ 5,000.00
Fundraising (Describe Nature Of Fundraiser)		
1		
2		
Other Income, e.g., Bequests, Membership Dues, In-Kind Services, Investment Income, Fees From Other Agencies, Etc. (Itemize)		
1	Request for contribution: City of Palm Springs	\$ 5,000.00
2	Request for contribution: City of Cathedral City	\$ 5,000.00
3	Request for contribution: City of Coachella	\$ 5,000.00
4	Request for contribution: City of La Quinta	\$ 5,000.00
5	Request for contribution: City of Desert Hot Springs	\$ 5,000.00
6	Request for contribution: City of Indian Wells	\$ 5,000.00
7	Request for contribution: City of Rancho Mirage	\$ 5,000.00
8	Request for contribution: Desert Care Network	\$ 30,000.00
9	Request for contribution: Eisenhower Health	\$ 30,000.00
10	Request for contribution: IEHP	\$ 10,000.00
Total Funding In Addition To DHCD/F Request		\$ 210,000.00
Budget Narrative	Grants with an asterisk indicate planned submissions that will be completed by the end of June 2024. Grants without an asterisk have already been submitted. All "requests for contributions" listed here will be requested before December 2024. All but two of the requests for contribution (Indian Wells and Rancho Mirage) have supported the survey in previous cycles and thus have a strong chance of success.	

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DESERT HEALTHCARE
DISTRICT & FOUNDATION

Summary Presentation for the Board Meeting: May 28, 2024

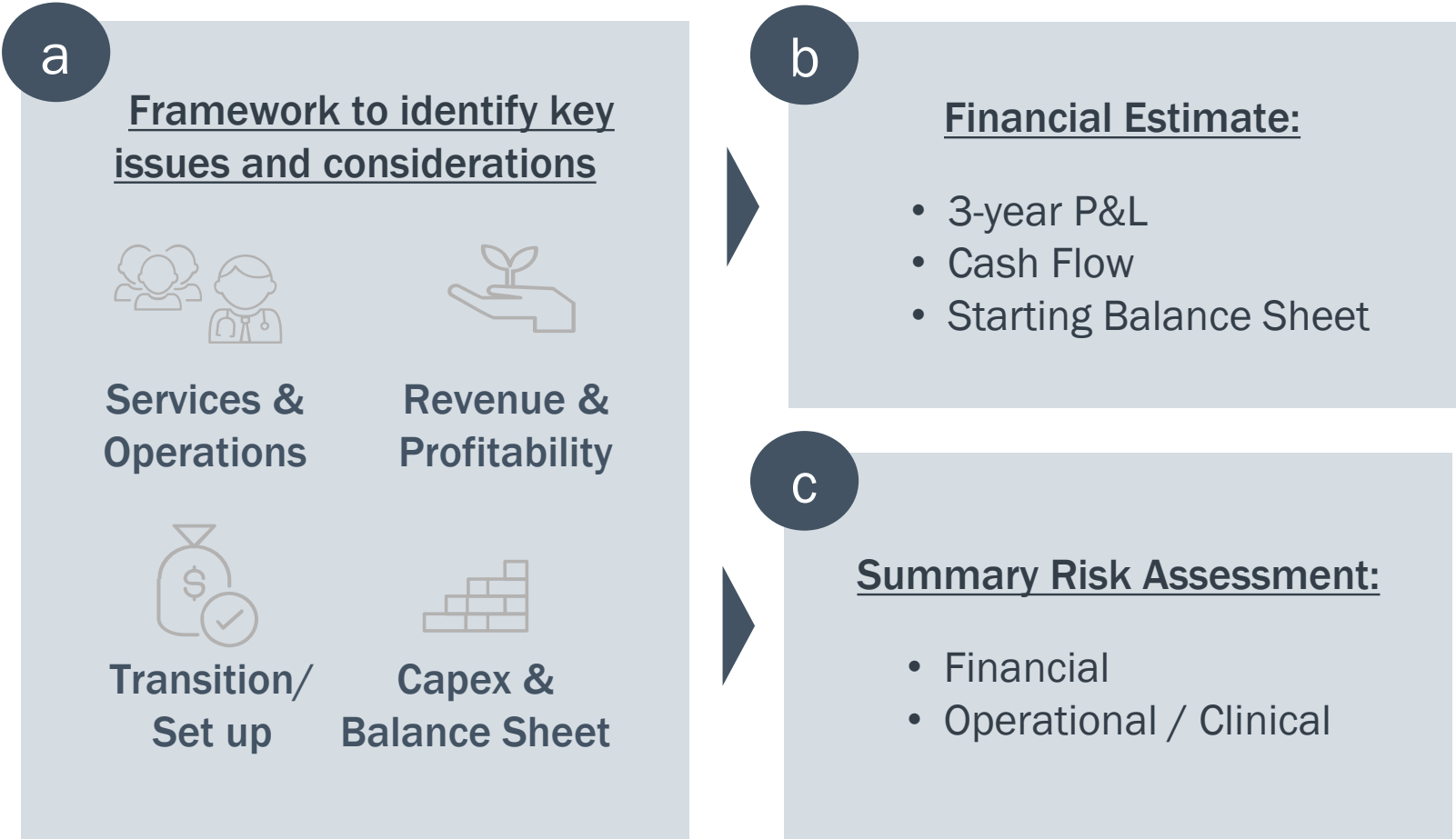
AN EVALUATION OF THE POTENTIAL IMPACT OF DESERT HEALTHCARE DISTRICT ("DISTRICT") ASSUMING OPERATIONAL CONTROL OF ITS HOSPITAL IN 2027

AS OF APRIL 19, 2024

OUR APPROACH | BUILDING A COMPLETE PICTURE OF POTENTIAL IMPACT



We used a framework complemented by a financial model and risk assessment to provide a comprehensive evaluation



OUR APPROACH | FRAMEWORK FOR OUR EVALUATION

Each aspect of this framework is addressed in our report.



Services & Operations

Clinical service portfolio & care quality (incl. Desert Care Network)	Physician Groups, affiliations & partnerships	Management, Staffing and Culture	Policies & procedures	Records storage & access
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Revenue & Profitability

Population & Demographic	National Provider Identifier (NPI) & Licensing	Payor & Vendor Contracts	Benchmark relevant peer group profitability	Tax impacts and revenue sources
			Appendix II	



Transition/ Set up

Working Capital	Movable Equipment, supplies & inventories	IT & Systems	Corporate Services	Professional support services
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Capex & Balance Sheet

Capital reserves	Debt	Seismic upgrade	Holding period	Transition Timeline
Appendix III	Appendix III			

SUMMARY OF KEY FINDINGS



1. Substantial upfront capital, estimated to be at least \$219 million, would be required for the District to safely assume operational control of the Hospital in 2027.

DRMC Balance Sheet Analysis (Excluding existing Desert Healthcare District balance sheet balances)* (\$ Millions)		Beginning Balance sheet at 1/1/27	Assumption
Current Assets			
Cash and cash equivalents	\$	105.0	60 Days Cash on Hand
Cash - General Reserves		-	Assume \$0 to start
Cash - Reserve for collections delay		67.5	January and February 2027* estimated expenses less: accrued payroll and accrued expeness
Cash - Reserve for start up costs		16.0	Estimated Start Up IT, Staffing, and Professional Support Services
Cash - Reserve for cap-ex spend		2.8	Two month's* estimated cap-ex spend
Cash - Reserve for qtrly. seismic upgrades		-	\$222M 2022 estimate assumed to be paid via General Obligation bonds, not by the Hospital
Accounts receivable		-	Assume \$0 to start
Allowances for uncollectible accts		-	Assume \$0 to start
Inventory		-	Negotiating item; Assume receive from Lessee at end of lease
Prepaid expenses		-	Negotiating item; Assume receive from Lessee at end of lease
Other current assets		-	Assume \$0 to start
Total current assets		191.2	SUM
Non-current Assets			
Total Fixed Assets		28.1	Estimated 2027 book value of Autos, Major Movable Equipment, HIT assets, Minor Movable Equipment, net of depreciation
Other Assets		-	Assume \$0 to start
Total Non-current Assets		28.1	
Total Assets		\$ 219.4	SUM



2. It is not certain that The District would have access to the capital needed upfront.
3. The conversion to a District-owned (non-profit) standalone hospital may be expected to have a **material impact on DRMC's profitability** due to factors like reduced bargaining power with vendors and payors, smaller scale, and different strategic priorities and culture.



4. **Potential for significant operational and strategic disruption.** It could be 7+ years from now until the Hospital is stabilized with a long-term operator.
5. **Execution risk in the Handover is high:** Extracting DRMC from a 30-year history with Tenet, including unwinding its administrative integration with Tenet's corporate systems and processes is a complex undertaking.
6. **Successfully assuming operational control of the Hospital would be a complex, multi-year process, needing to commence as soon as a decision is made.** It would likely require the focus of the District board for the foreseeable future.

EXECUTIVE SUMMARY



Significant financial, operational and clinical risks* could cause serious disruption to the Hospital if they materialize

	Risk description (before mitigating actions)	Likelihood	Severity
FINANCIAL RISKS			
1	Profitability Decline: Potential significant decline in profitability in conversion to District-owned standalone.	Almost certain	Extreme
2	Under-capitalized: Risk that the District is unable to obtain necessary upfront financing (or underestimates capital needs) and has inadequate financial reserves to cover required expenditure for Handover/transition.	Possible/Likely	Extreme
3	Over-levered: Capital needed to fund the transition would result in a debt load on the Hospital which may be challenging to service given risk of lower profitability. Leverage may be problematic even excluding new bonds that would be required to fund the \$222m seismic upgrade.	Possible/Likely	Extreme
4	Cash Flow (RCM): Risk that revenue cycle management (RCM) services may not stay with Conifer if a deal cannot be reached, resulting in new revenue cycle processes which may impact cash flow.	Possible	Major
5	Cash Flow (Reimbursement pre-requisites): Delays in payment pre-conditions such as licensing, NPI, change of ownership and set up of provider agreements may result delayed payments of claims.	Possible	Major
6	Labor Collective Bargaining Agreements: Renegotiations may have a negative financial impact on the Hospital	Possible	Moderate/Major
7	Revenue dilution: Risk of significant revenue loss driven by potential decline in patient volume and/or case mix due to Desert Care Network exit and/or payor mix degradation.	Possible	Major
8	Seismic Upgrade: Risk that voters do not approve general obligation bonds (tax-supported) to fund seismic upgrade	Possible	Extreme

	Risk description (before mitigating actions)	Likelihood	Severity
OPERATIONAL/CLINICAL RISKS			
9	Administration Disruption: Changed administrative team, structure and systems, including new corporate services may cause operational disruption. Staying with Vizient would mitigate some risks. Challenge recruiting ELT given long term uncertainty.	Likely	Range from Minor to Major
10	Vendor/Payor Negotiation: Challenges in renegotiating contracts and agreements with payor and vendors previously managed at a network level by Tenet. Reduced bargaining power. Potential to lose clout with counterparties.	Likely	Major
11	Patient volumes/pathways: Possible fracturing of primary care and specialist referral base, outpatient access and capability. May result in lower volumes at DRMC.	Possible	Moderate
12	Service level decline: Limited investment in strategic service development over an extended timeframe (5-6 yrs) which could result in clinical services falling behind the market.	Likely	Moderate
13	Culture: While there are possible benefits from the change of ownership, a cultural shift has the potential to cause confusion and tension among the workforce.	Possible	Moderate/Major
14	Change fatigue: Having ownership Handover in 2027 plus starting construction for seismic upgrade in same year. Risk of disruption to patient care and staff discontent.	Possible	Major
15	Transition Services Agreement: Tenet is not believed to be obligated to enter into a TSA with the District. The absence of a TSA would increase execution risk in the transition.	Possible	Moderate

Risk Assessment Rating System:

Likelihood	Description*	Severity	Description*
Almost Certain	Estimate >80% probability	Extreme	May ultimately cause existential threat
Likely	Estimate <80% probability	Major	Disruption that may take months/years to fix
Possible	Estimate <50% probability	Moderate	Disruption that may take days/months to fix
Unlikely	Estimate <20% probability	Minor	Minimal disruption
Rare	Estimate <5% probability	Insignificant	Barely noticeable impact

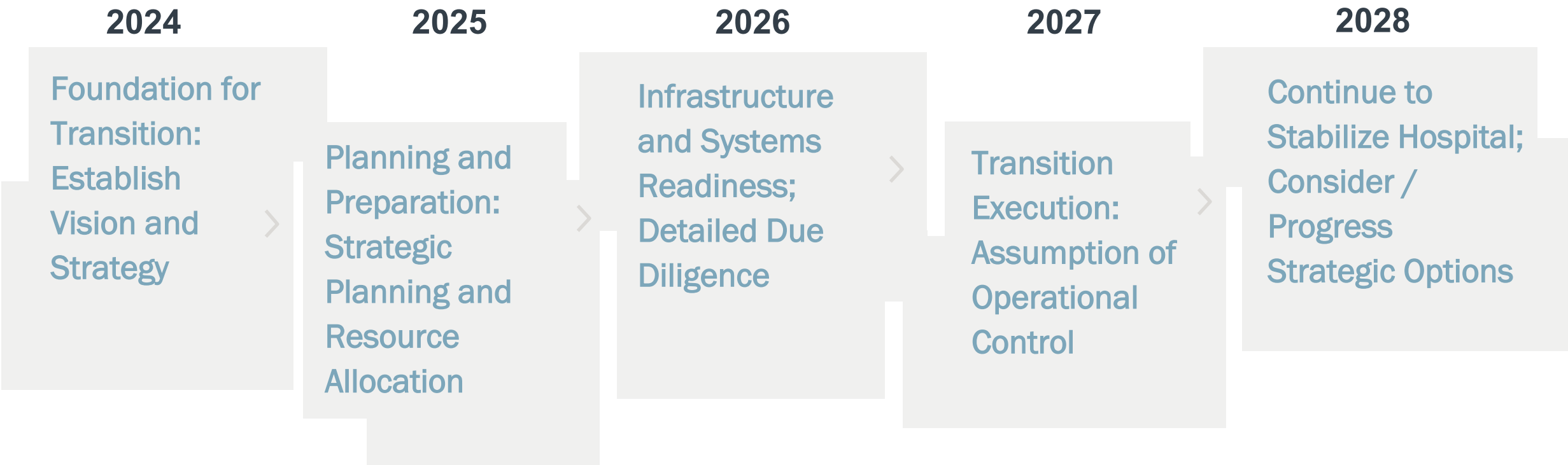
* This is not an exhaustive list of all potential risks, but a summary of key risks included in our evaluation. Estimates around impact and likelihood are high level assumptions based on current information and belief of Gibbins Advisors.

EXECUTIVE SUMMARY



Transition Timeline: Successfully assuming operational control of the Hospital would be a multi-year process.

Outline of a potential timeline (subject to change):



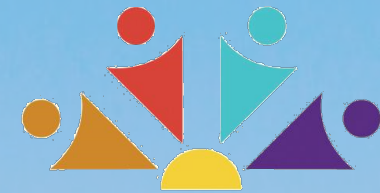
Questions?

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DESERT HEALTHCARE
DISTRICT & FOUNDATION

AN EVALUATION OF THE POTENTIAL IMPACT OF DESERT HEALTHCARE DISTRICT ("DISTRICT") ASSUMING OPERATIONAL CONTROL OF ITS HOSPITAL IN 2027

AS OF APRIL 19, 2024

DISCLAIMER



Issues considered

The issues considered during this evaluation have been specifically limited to the scope set out in the engagement letter effective February 29, 2024.

Sources of information

The information used to conduct our evaluation has primarily been obtained from publicly available information, such as:

- Centers for Medicare & Medicaid Services (CMS) cost reports submitted by hospital providers to Healthcare Cost Report Information System (HCRIS) (extracted and reported using HMP metrics www.hmpmetrics.com)
- S&P bond ratings for non-profit hospitals as of December 31, 2023
- Financial statements of health districts with outstanding bond debt
- Internet research

We received the following information from the District:

- Independent appraisal report by VMG Health dated June 2, 2023
- Hospital Lease Agreement between the District and Tenet dated as of May 30, 1997
- Simpson Gumpertz & Heger Inc. Phase 1 construction Cost estimate report (related to seismic upgrade compliance) dated August 2, 2022
- Tenet proposal presentation dated August 29, 2023

In addition, we had discussions with District management and its advisors. We have relied on the representations of these parties to develop some of the key assumptions underpinning our evaluation.

For the avoidance of doubt, we did not speak with current (Tenet) management of Desert Regional Medical Center (“DRMC” or the “Hospital”) or obtain information from Tenet since it was not within the scope of work required by the District.

The statements and opinions in this report are given in good faith. In the preparation of this report, we have relied upon the accuracy and completeness of information available.

Scope and limitations

This report has been prepared by Gibbins Advisors with care and diligence. However, our work did not include the procedures necessary to conduct an audit or enable us to express an opinion as to whether the financial information contained in this report present a true and fair view in accordance with applicable accounting standards and accordingly, no such opinion is expressed.

The forecast information and the assumptions upon which the forecasts are made, including financing and access to capital, are based on available information and, insofar as the assumptions relate to the future or may be affected by unforeseen events, we can express no opinion on how closely the forecasts will respond to actual results. While we have developed the assumptions underlying the forecast information, we do not provide any form of assurance on these forecasts or assumptions and our comments are based on our evaluation. Actual financial results and the experience of the District may differ materially from what we have described or projected in this evaluation.

We have sought to evaluate key risks and issues however we have not provided an exhaustive list. Other risks and/or issues not listed in our evaluation may materialize and have a material impact on the District and/or the Hospital.

We have no responsibility to update this report for events or circumstances occurring after the date of this report, apart from any subsequent client arrangement.

The report and findings herein have been prepared based on a relatively short engagement to evaluate the high-level impact of the potential scenario whereby the District would take operational control of the Hospital upon expiration of the current lease in 2027. Should it transpire that the District and Tenet do not reach agreement on renewal terms for the lease, a more detailed evaluation will need to be undertaken together with appropriate legal and financial advice to develop more accurate estimates and tactical plans.

Any advice arising from this engagement has been provided in our capacity as consultants.

Non-Reliance

This report has been prepared solely for the use of the client for a specific purpose and must not be relied upon by any other party without our prior consent.



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 - II. Non-Profit Standalone Peer Group Hospitals
 - III. Benchmarking Hospital Districts with BBB- credit rating
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1. EXECUTIVE SUMMARY

OVERVIEW OF OUR KEY FINDINGS

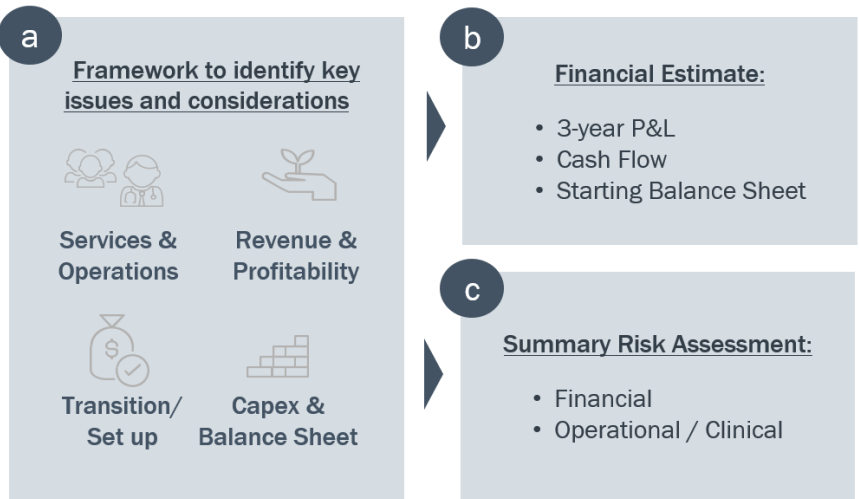
EXECUTIVE SUMMARY



We developed a framework, a financial estimate and a summary risk assessment to conduct our evaluation

Overview of Our Approach

- Desert Healthcare District (“District”) engaged Gibbins Advisors to conduct a high-level evaluation of the potential impact should the District assume operational control of Desert Regional Medical Center (“DRMC” or “Hospital”) in 2027, upon expiration of the Tenet Healthcare (“Tenet”) lease. This prospective transfer of control is referred to as the “Handover” in our report.
- Our work was primarily limited to utilizing publicly available information. We did not have access to DRMC’s current management, so we have made high-level assumptions to supplement for information limitations.
- A key underlying assumption (agreed with the District) is that the District would assume operating control of the Hospital for 3 years while it identifies a replacement long-term operator for DRMC.
- We conducted our evaluation using three internally-generated tools: (1) a framework to identify issues and considerations, (2) a financial estimate (high level financial model) and (3) a summary risk assessment.



Summary of Key Findings (“in a nutshell”):

- Substantial upfront capital, estimated to be at least \$219 million**, would be required for the District to safely assume operational control of the Hospital in 2027.
- Access to the required upfront capital is uncertain:** The availability of debt financing is not assured given the collateral available at Handover, and at its current expenditure run-rate the District would not have adequate cash reserves to fund the transition without debt. It is **possible the District would need to limit issuing grants in the years leading up to Handover** to accumulate enough cash to safely fund the transition of the Hospital until sufficient debt financing becomes available.
- If DRMC transitions to a standalone District-owned hospital, **its profitability is expected to decrease in line with the performance of similar standalone non-profit hospitals**, due to factors like reduced bargaining power with vendors and payors, smaller scale, and different strategic priorities and culture.
- Potential for significant operational and strategic disruption** from instability created by the prospective transition of DRMC from Tenet to the District in 2027 with a subsequent transition to a replacement long-term operator in the years that follow. **It could be 7+ years from now until the Hospital is stabilized with a long-term operator.**
 - » E.g., Recruiting leadership and physicians, making long term deals with providers and developing services in an uncertain environment would be challenging.*
- Execution risk in the Handover is high:** Extracting DRMC from a 30-year history with Tenet, including unwinding its administrative integration with Tenet’s corporate systems and processes is a complex undertaking. Risks can be somewhat mitigated with strong planning, retention of experts and agreeing a Transition Services Agreement with Tenet, but even despite good planning, risks remain.
- Successfully assuming operational control of the Hospital would be a complex, multi-year process**, needing to commence as soon as a decision is made. It would likely require the focus of the District board for the foreseeable future.

EXECUTIVE SUMMARY



Clinical risks in the transition are expected to be well-managed, but service levels may be impacted over time

Key Issues and Considerations:

Our report includes a description of many important issues the District needs to consider, and we have broken the issues across two time horizons:

- Pre-Handover and Year 1 (transition)
- Years 2-3

Highlights of each aspect of the framework are provided below.



Services & Operations



Revenue & Profitability



Transition/
Set up



Capex & Balance Sheet



Services & Operations

Clinical Service Portfolio

- In the transition of hospital control from Tenet to the District, we assume the District would aim to **maintain existing services initially to ensure continuity of patient care**. However, Tenet's potential lack of investment in the years prior to the Handover might alter service levels. Additionally, as Tenet owns other hospitals in the Desert Care Network (“DCN”), changes in DRMC's status within the network could impact its clinical strategy and hence the range of services offered to the local community.
- Transitioning control poses risks such as provider and staff loss. It would require renegotiation of provider contracts and transfer of specialized equipment.
- Potential limited investment in strategic service development from both Tenet and the District across a five to six-year period (i.e., 2024 to 2029) **could lead to service levels falling behind the market**.

Care Quality

- To safely manage the transition, **the District would develop robust operational plans to assure patient continuity**. Nursing and support staffing levels would be expected to continue during the transition, with active physician privileges transferred to minimize disruption “at the bedside”. New contracts with outsourced clinical service providers would need to be negotiated well in advance of Handover to provide time to source alternatives if agreements cannot be reached. Administrative aspects need detailed planning to minimize disruptions to care delivery processes.
- New payor contracts may impact patient access and cost responsibility.
- Changes in referral patterns may occur over time with DRMC leaving the Desert Care Network, influenced by physician preferences and system interoperability.
- Tenet has a quality improvement program for the Hospital. To the extent it is supported by Tenet corporate resources, the District would need to source alternatives which could be either directly recruited or outsourced.

(Continued on following page)

EXECUTIVE SUMMARY



Retaining key clinical providers and recruiting a strong executive leadership team would be critical to a smooth transition

Physician Groups, Affiliations and Partnerships

- **Physician/Provider Retention:** Maintaining key physicians and provider partnerships during the transition is crucial for care continuity. The District would need to establish new contracts with existing groups and providers. Early engagement and open communication would be important to foster their support.
- **Physician/Provider Recruitment:** The District would need to develop or outsource physician recruitment expertise, facing potential challenges in recruiting due to uncertainty over the hospital's long-term operator. However, its nonprofit status may attract a broader pool of physicians supportive of the District's mission.
- **Physician/Provider Succession Planning:** With Tenet likely not focused on succession planning before its departure in 2027, the District must evaluate potential gaps and take proactive steps to ensure continuous service coverage post-Handover.
- **Legal & Regulatory Compliance:** The District would require expert legal advice to ensure ongoing compliance with complex laws and regulations related to physician partnerships, affiliations, and contractual agreements, including Stark Law and Anti-Kickback Statutes.
- **Physician Practice Subsidy:** Certain physician practice operations, requiring substantial financial subsidy, contribute to the Hospital's operations but are not reflected in its financial statements. The District would likely need to provide a similar subsidy to maintain, stabilize, and grow clinical services.
- **Professional Liability Insurance:** Tenet professional liability insurance is likely on a "claims made" basis. The District would need to arrange coverage for dates prior to Handover. Similar issues would arise for tail coverage after a 3-year hold period.

Management and Culture

- **Executive Leadership Team ("ELT"):** Options for appointing the ELT include recruiting individuals or engaging a management company. Recruiting individuals may face challenges due to long term operator uncertainty, but some current ELT members may wish to continue. Engaging a management company offers expertise, access to talent, infrastructure, and flexibility, but may be more costly and reduce direct control compared to the direct recruitment option.
- **Outsourced Management by an Affiliate:** Partnering with an affiliate organization for management, either for specialized services or the entire hospital, is another option for the District to consider, but it would typically involve a long-term contract.
- **Culture and Team Alignment:** Transitioning to a nonprofit organization would require aligning values and priorities between the District and the Hospital. While many would be supportive of the ownership change, there is risk of confusion and potential disruption as that shift is operationalized.

Staffing

- **Staffing Levels:** Nursing and support staffing levels would be expected to continue during the transition. However, conversion to a District-owned standalone hospital may lead to increased staffing levels based on analysis of peer hospitals.¹ Benefits and compensation structures would replace Tenet's plans, potentially impacting cost.
- **Employee Representatives / Labor Unions:** Proactive engagement with employee representatives is advised, including early discussions on any applicable collective bargaining agreements to ensure a smooth transition.
- **Staffing – Retention & Recruitment:** Identifying and retaining key personnel is crucial, possibly through retention incentives. Effective communication about changes is essential. The District would need to transition or develop a recruitment system.
- **Staffing - Benefits and Compensation:** Tenet benefit plans and compensation structures would be replaced, which may attract additional cost.

¹ - Benchmarking financial and operational metrics of Non-Profit Standalone Peer Group hospitals (see Appendix II)

EXECUTIVE SUMMARY



Robust planning would be required to minimize disruption to day-to-day operations and cash flow

Staffing (continued)

- **Staffing - On-boarding, Training and Development:** The District would need to source replacement training materials if Tenet's programs are unavailable.
- **Staffing - Compliance and Regulatory Requirements:** Acquiring expertise in compliance matters is crucial due to the heavily regulated nature of healthcare in California. This includes nurse to patient ratios, licensure, labor laws, and provider credentialing.
- **Staffing - Agency Contracts:** New contracts with staffing agencies would be necessary.

Policies & Procedures

- It's uncertain whether policies and procedures will be part of "books and records" or "Termination Assets" transferred to the District at the end of Tenet's lease. To the extent possible, we expect most day-to-day operational policies would transition from Tenet, at least at first, to minimize disruption.
- Corporate and governance aspects, like Delegations of Authority, would need to align with the District's strategy and risk tolerance.
- External support may be necessary to expedite the establishment of policies and procedures and ensure successful surveys by accrediting agencies like The Joint Commission.

Records Storage and Access

- **Medical Records:** Patient records are expected to be transferred to the District per the Tenet Lease. Legacy paper charts not converted to electronic form will likely be assigned to the District.
- **Most administrative and financial records** are assumed to be part of the "books and records" transferred to the District, though some records may be restricted. We do not expect proprietary items such as contracts to be transferred to the District.



Revenue & Profitability

Population & Demographic

- **Population changes¹:** In 2018 the District boundaries were changed, doubling the population and changing the demographic served. The District now serves a more diverse population, with over 50% identifying as Latino and including low-income and remote residents. The estimated population of Coachella Valley will be ~476,000 in 2025 representing a compound annual growth rate of ~2.0% since 2019.
- **Projected Hospital Volume Growth:** Several variables influence healthcare volume projections, including population changes, care delivery trends favoring outpatient or community-based settings, competition, and payor mix. Simplifying assumptions have been made in estimating activity and revenue growth for the Financial Estimate (section 4).

National Provider Identifier ("NPI") & Licensing

- **Licensing & Credentialing:** Per the Tenet Lease, Tenet is required to co-operate in the transfer and assignment of licenses, permits and contracts. Deciding whether to apply for a new National Provider Identifier (NPI) and Centers for Medicare & Medicaid Services (CMS) Provider Number or transition the Tenet IDs is crucial, necessitating discussions with relevant entities as early as possible. The process for Change of Ownership should begin several months before Handover to minimize cash flow risk to the District. Accreditation is not automatically transferred, requiring prompt notification to The Joint Commission for assessment.
- **Billing & Collections:** Payors may require re-enrollment or re-credentialing under new ownership, leading to temporary payment delays or denials. Administrative changes can increase billing errors or denials, while changing bank accounts can result in payment delays or errors needing resolution from the prior owner. This increases cash flow risk.

EXECUTIVE SUMMARY



The conversion to a non-profit standalone hospital is expected to have a material impact on DRMC's profitability

Payor & Vendor Contracts

- **Reduced Negotiating Power:** As a standalone hospital, DRMC may experience diminished bargaining power compared to being part of a larger national system, potentially leading to less favorable rates with payers and vendors. Negotiating new contracts and managing the administrative burden would be significant challenges.

Benchmark relevant peer group profitability

- In evaluating the financial implications of DRMC converting from a large for-profit hospital system to a standalone District-owned hospital, a relevant peer group of Non-profit Standalone Peer Hospitals was identified.
- The peer hospitals share characteristics including size, location, type, ownership, and standalone status. On average, these hospitals have exhibited poorer financial performance compared to DRMC across various metrics (see Appendix II).
- Should DRMC convert to a standalone District-owned hospital, it is reasonable to anticipate that its **profitability would decline to align more closely with peer performance**. Factors contributing to this decline include reduced bargaining power with payors and vendors, lower economies of scale, changed cost structures, and differences in strategic priorities and culture.

Tax impacts and revenue sources

Transitioning to District ownership from for-profit offers tax advantages (e.g., exemptions from income tax), potential government grants, and fundraising opportunities, providing financial benefits and revenue sources. However, we note that on average over the last five years, none of the peer hospitals with these nonprofit benefits outperformed DRMC's profitability (see Appendix II).

To the extent Tenet pays property taxes on the personal property it owns at DRMC (we note it does not own the Hospital facility), the municipality and local economy would be impacted by a loss of those taxes. State and Federal income tax revenues would also be impacted.



Transition / Set up

Working Capital

- While it would be assumed that Tenet would retain its balance sheet assets and liabilities at the point of Handover, the District would need to carefully plan for working capital funding to cover operating expenses, purchase supplies, manage upfront transition costs, and fund essential maintenance (see section 4).
- In the months and years prior to Handover, the District would have to engage management and professionals to properly plan for a smooth transition and invest in start-up IT capital expenditures. We estimate \$10.6 million would be incurred pre-Handover, though for ease of modeling we have included all start-up and transition costs in Year 1 in preparing our Financial Estimate (section 4).
- With no accounts receivable, at least from Day 1 of the Handover **the Hospital would not be paid for services rendered for several weeks**. Compounded by license and provider agreement transfer issues, **the delay may extend from weeks to months**. Although most claims are later paid, the delay causes significant cash flow pressure.
- Access to capital to fund the transition/set up phase has material risk and is discussed later (see page 33).

Moveable Equipment, Supplies and Inventories

- **Moveable equipment** may not be included in the definition of Termination Assets transferred to the District and if so, such equipment would need to be acquired by the District. The financial model provided later in this report assumes such equipment is purchased from Tenet (see Appendix I).
- **Inventory and Prepaids** may be transferred to the District at net book value (per lease) (see Appendix I).

EXECUTIVE SUMMARY



The set-up and transition of administrative services, processes and infrastructure would be a complex undertaking

IT and Systems

- A **Transition Services Agreement (“TSA”)** is typical in hospital transactions negotiated between a buyer and a seller. A TSA would provide opportunity for the District to purchase certain transition services from Tenet after the Handover to assure continuity. However, we understand that Tenet is not obligated to enter a TSA with the District under the lease agreement, and the absence of a TSA would increase the risk of the transition.
- **Electronic Health Record (“EHR”)**: A TSA with Tenet would enable the District to use Tenet's EHR systems for at least 12 months, after which a shift to DRMC-specific EHR platforms like Cerner and AthenaHealth would be planned.
- The **Revenue Cycle Management (RCM)** strategy involves contracting with the presumed existing provider, Conifer, pre-Handover to establish workflows aligned with Tenet's practices, transitioning to new prices and payor contracts, and addressing NPI changes.
- For **Enterprise Resource Planning (ERP)**, the District would likely plan to access Tenet's financial systems initially, then migrate to cloud-based solutions.
- **Administrative systems** would transition to Microsoft or Google SaaS platforms, requiring careful data migration and integration to have a clean system on Day 1 of Handover.
- **Infrastructure requirements** include network and workstation asset transfers; however, software would be assumed to move to a fully hosted (SaaS) model, limiting the scale of capital expenditure requirements. It is expected that there would be no investment required in a local data center.

Corporate Services

- Extracting DRMC from a 30-year history with Tenet, including unwinding its administrative integration with Tenet's corporate systems and processes is a complex undertaking.
- The transition from Tenet to District ownership requires substitution of corporate services expertise, which may involve direct recruitment, outsourcing, or a hybrid approach. **This is a significant task for the District which has execution risk.**
- Professional hospital management companies often provide access to corporate services, as standalone hospitals may lack the in-house expertise for the breadth of complex issues that arise in hospital management.
- Essential corporate services include Human Resources, Finance and Accounting, Information Technology, Legal and Compliance, Supply Chain, Facilities/Asset Management, Marketing and Public Relations, Clinical Governance, and Strategy & Development.
- Obtaining appropriate insurance coverage and managing risk during the transition period will be important

Professional Services

- The transition of DRMC from Tenet to the District requires expertise across various professional domains such as legal, consulting, communications, and financial advisory.
- The District-appointed Hospital management should begin well in Advance of the Handover to ensure a smooth transition. Hospital management needs to prepare for aspects such as financial management, operations setup, employee matters, contracting, and IT transition planning.
- Upfront professional services support may include legal assistance for entity formation and compliance, consulting for governance structure design and contract negotiation, and financial advisory for securing necessary financing.

EXECUTIVE SUMMARY



Upfront capital of est. at least \$219 million would be required, and the District’s access to debt financing may be limited

 Capex and Balance Sheet

Capital Reserves

- We analyzed the cash and investments of six healthcare districts with credit ratings of BBB minus (S&P) or contiguous ratings, BBB and BB+ (Appendix III)
- Upon reviewing the latest financials, we observed varying levels of capital reserves. Taking the average Days’ Cash¹ of 166 days, this would amount to cash and investments of approximately ~\$290 million for DRMC in 2027 based on operating expenses projected in our high-level Financial Estimate (Appendix III).
- In our Financial Estimate, we have instead assumed the District sets up the Hospital with a reasonable cash cushion of 60 days, to meet short term needs. This equates to approximately \$105 million in 2027 (see section 4).

Debt

- **Upfront capital of at least \$219 million is expected to be required for the District to safely and responsibly assume operating responsibility for the Hospital.** To the extent the District would have surplus cash or could allocate revenues to fund the Hospital, it would reduce the level of debt funding required. Significant leverage increases the financial risk for an organization, which at worst can cause cash flow issues leading to insolvency, bankruptcy, and/or facility closure.
- An example of some possible sources of debt financing² include:
 - General obligation bonds
 - Revenue bonds
 - Certificates of Participation
 - Cal-Mortgage Insured Revenue Bonds
 - Negotiable Promissory Notes
 - Asset-backed Loan
 - Line of Credit
 - Capital Lease
 - Lease Purchase

Debt (continued)

- **Access to capital at the scale needed in the initial months of the transition is uncertain due to the nature of available collateral at Handover.** For example, at the point of Handover in 2027, the new Hospital entity will have no accounts receivable to provide collateral for an asset-backed loan. Lender appetite to provide a loan secured by the land and physical plant is questionable, especially for a health district because the path to recovery is complex.
- **It is possible the District would need to limit issuing grants in the years leading up to Handover to accumulate enough cash to safely fund the transition of the Hospital until sufficient debt financing becomes available.**

Seismic Upgrade

- The AHSSA, enacted in 1995 after the Northridge earthquake, mandates that acute hospitals must adhere to specific building code standards by January 1, 2030. DRMC requires an estimated \$222 million for compliance, assuming contractor buyout by mid-2026 and a 4-year construction process starting then.³ It's uncertain if compliance deadlines offer flexibility.
- Two key risks are identified:
 - » First, the District would need new financing, possibly through voter-approved bonds, as other sources lack tax levy capability. Voter approval is not assured.
 - » Second, construction timing, planned for 2026, coincides with Tenet's last year. Even if works were deferred to start in 2027, operations would potentially be disrupted in the same year of the District's transition to operational control.

Holding Period

- Our evaluation assumes the District would hold the Hospital for 3 years to secure a new lessee. This assumption was agreed with the District. A short-term holding period increases operational risk and adds uncertainty regarding the Hospital's long-term operator, affecting transition approach and operational stability.

¹ – Days’ Cash: The number of days of cash operating expenses reflected in the cash and investments of the business (in this case, including current and non-current assets). This is an indicator of capital reserves.

² – Examples of possible funding sources provided in this section have not been vetted and/or validated as being appropriate for DCHD or for any health district.

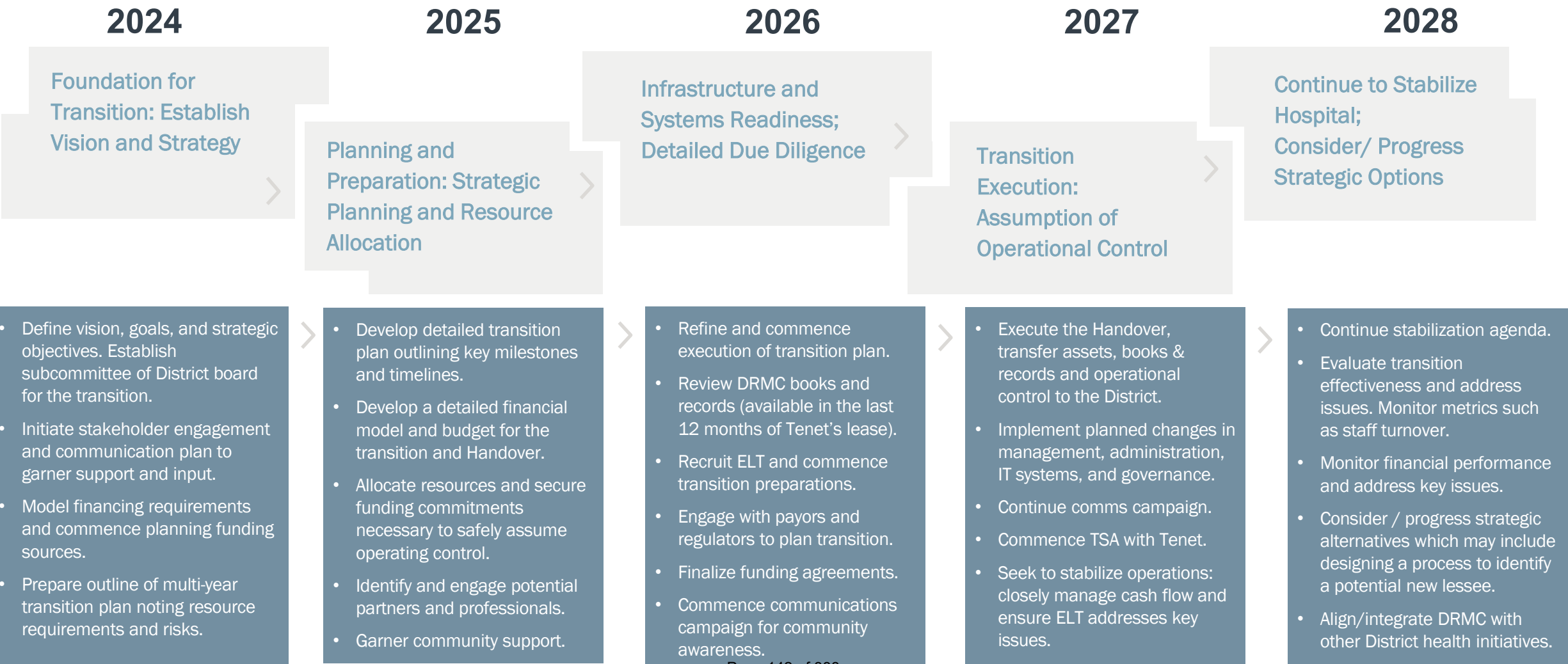
³ - Report by Simpson Gumpertz & Heger Inc.

EXECUTIVE SUMMARY



Transition Timeline: Successfully assuming operational control of the Hospital would be a multi-year process.

Outline of a potential timeline (subject to change):



EXECUTIVE SUMMARY



The 3-year financial projection for DRMC was prepared using assumptions drawn from research of peer hospitals

Financial Estimate

- We developed a high-level financial projection, making a simplifying assumption that the Handover takes place on January 1, 2027 (however we acknowledge the Tenet Lease Agreement expires May 30, 2027).
- We developed our assumptions using CMS cost report data for DRMC and using two key pieces of analysis:
 - Benchmarking financial and operational metrics of **Non-Profit Standalone Peer Group** hospitals (see Appendix II)
 - Benchmarking balance sheet metrics of **Health Care Districts** with credit ratings of BBB minus (S&P) or contiguous ratings, BBB and BB+ (Appendix III)
- The clear finding from the Non-Profit Standalone Peer Group was the **significant difference in profit margin** between DRMC's historical performance under Tenet (being one of the country's largest for-profit hospital systems) compared with the profitability of non-profit standalone peer hospitals. DRMC's historical profitability is *much* higher than Non-Profit Standalone Peer Group.
- Accordingly, a key driver of the model is the **operating profit margin assumption**, which builds in a myriad of assumptions about the possible impact of payor and vendor contracting rates, cost structures, strategic priorities and organizational culture.
- It is also worth noting that DRMC is located within a market with high population growth (~2.0% per year)¹. Following a change in the District boundaries in 2018, the District now serves a **bigger and more diverse population**, including more low-income and remote residents. This is expected to impact payor mix over time. Our financial model includes assumptions for modest activity growth in light of these factors (see section 4).
- Transition (start-up) costs modelled in 2027 include costs expected to be incurred in the months/years prior to Handover (i.e., 2026).

Key Takeaways

- Based on our high-level assumptions (see Appendix I), **the Hospital would not likely be profitable after financing costs**, at least in the first 3 years from Handover. We estimate that incremental costs related to start-up and transition would be ~\$16.0 million, which is a key driver of the expected net loss in year 1. In years 2 and 3, we forecast the Hospital to incur annual losses greater than ~\$7 million.

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Projected Profit & Loss Statement

DRMC Estimated Profit and Loss Statement	2027	2028	2029
\$ Millions			
Total Operating Revenue	\$ 672.0	\$ 686.7	\$ 701.8
Total Operating Expenses	659.9	674.4	689.1
Operating Profit	12.1	12.4	12.6
Operating Profit Margin	1.80%	1.80%	1.80%
Operating EBITDA Margin	4.99%	4.99%	4.99%
Interest Expense	18.7	19.6	20.1
Earnings Before Non-operating Expenses & Taxes	(6.6)	(7.2)	(7.5)
Start-up Staffing Costs	2.7	-	-
Start up IT	5.2	-	-
Start up professional support services	8.1	-	-
Non-Operating Expense (Income)	-	-	-
Earnings Before Taxes	(22.6)	(7.2)	(7.5)
Federal & State Income tax Expense	-	-	-
Earnings After Income Taxes	\$ (22.6)	\$ (7.2)	\$ (7.5)

Source: Gibbins Advisors high level financial model assuming DRMC converts to a standalone District-owned hospital from January 1, 2027

¹ - Desert Healthcare District and Foundation, Community Health Needs Assessment of the Coachella Valley (2020)

EXECUTIVE SUMMARY



Apart from requiring significant upfront capital, the Hospital would not likely be profitable and would have a high debt load

Key Takeaways (continued)

- The District would require significant capital to commence operations: we **estimate of ~\$219 million** would be required to fund working capital, inventories/supplies, moveable equipment, start-up (transition) costs, general capital expenditure requirements, and have a reasonable cash cushion for short term needs (60 days' cash)¹. This does not include any costs related to seismic upgrade compliance.²
- There are **substantial cash flow risks** particularly at the outset, when the District will likely need to fund the Hospital's operating expenses for a period of months (we estimate two months, though it could extend longer) without receiving payment for most services rendered.
- Assuming the District were to obtain 100% debt financing to fund the transition (which we noted earlier may be challenging due to the nature of collateral at Handover), DRMC would have a significantly higher debt load than BBB-rated hospital district peers. For example:
 - » 3-year average Long-term Debt/EBITDA ratio of 5.86 compared to peers (excl. outliers) averaging 4.4.
 - » 3-year average Debt Service Coverage Ratio ("DSCR") of 0.99 at DRMC is also much lower than peers(excl. outliers) averaging 3.35 in 2022/2023. A DSCR of less than 1.0 indicates the business would not generate sufficient earnings to pay debt service.

The alternative to debt financing would be the District committing to using its cash reserves (or accumulating cash reserves) which would require prioritization over other expenditures and grants in the next few years.

Projected Cash Flow

DRMC Estimated Three Year Cash Flow			
\$ Millions	Total 2027	Total 2028	Total 2029
Beginning Cash	\$ -	\$ 105.0	\$ 107.0
Net Operating Cash Flows - Recurring	(12.8)	34.9	34.7
Net Operating Cash Flows - Non-recurring	(10.8)	-	-
Total Net Operating Cash Flows	(23.6)	34.9	34.7
Net Investing Cash Flows	(50.2)	(17.9)	(18.4)
Net Financing Cash Flows	178.8	(15.0)	(13.6)
Total Net Cash Flows	105.0	2.0	2.6
Ending Cash	\$ 105.0	\$ 107.0	\$ 109.6

Source: Gibbins Advisors high level financial model assuming DRMC converts to a standalone District-owned hospital from 1/1/27

Notes:

1 – In our model we have not provided for DRMC to have cash reserves outside the 60-days cash assumption, leaving less room for contingency compared to the reserves of other health districts (see Appendix III) in the event of unexpected events, expenses or performance decline.

2 – The seismic upgrade investment (estimated at \$222 million) required for compliance with the January 1, 2030, deadline is not included in our model, since it is assumed to be self-funded through voter-approved general obligation bonds, which would be supported by separate tax revenues. There is a risk that Coachella Valley voters would not approve new general obligation bonds, and in that case, there would not be dedicated tax revenues to fund an associated debt obligation. See section 3 of this report for more information on seismic upgrade requirements and possible alternative sources of financing.

Projected Starting Balance Sheet

DRMC Balance Sheet Analysis (Excluding existing Desert Healthcare District balance sheet balances)* (\$ Millions)		Beginning Balance sheet at 1/1/27
Current Assets		
Cash and cash equivalents	\$	105.0
Cash - General Reserves		-
Cash - Reserve for collections delay		67.5
Cash - Reserve for start up costs		16.0
Cash - Reserve for cap-ex spend		2.8
Cash - Reserve for qtrly. seismic upgrades		-
Accounts receivable		-
Allowances for uncollectible accts		-
Inventory		-
Prepaid expenses		-
Other current assets		-
Total current assets		191.2
Total Fixed Assets		28.1
Total Assets	\$	219.4
Total current liabilities		
New Line of Credit		86.7
New Fixed Assets Mortgage		27.7
New Seismic Upgrade Bonds		-
New Asset Based Loan		105.0
Total long term liabilities		219.4
Total liabilities		219.4
General fund balance		-
Total liabilities and fund balances	\$	219.4

Source: Gibbins Advisors high level financial model assuming DRMC converts to a standalone District-owned hospital

EXECUTIVE SUMMARY



Significant financial, operational and clinical risks* could cause serious disruption to the Hospital if they materialize

	Risk description (before mitigating actions)	Likelihood	Severity
FINANCIAL RISKS			
1	Profitability Decline: Potential significant decline in profitability in conversion to District-owned standalone.	Almost certain	Extreme
2	Under-capitalized: Risk that the District is unable to obtain necessary upfront financing (or underestimates capital needs) and has inadequate financial reserves to cover required expenditure for Handover/transition.	Possible/Likely	Extreme
3	Over-levered: Capital needed to fund the transition would result in a debt load on the Hospital which may be challenging to service given risk of lower profitability. Leverage may be problematic even excluding new bonds that would be required to fund the \$222m seismic upgrade.	Possible/Likely	Extreme
4	Cash Flow (RCM): Risk that revenue cycle management (RCM) services may not stay with Conifer if a deal cannot be reached, resulting in new revenue cycle processes which may impact cash flow.	Possible	Major
5	Cash Flow (Reimbursement pre-requisites): Delays in payment pre-conditions such as licensing, NPI, change of ownership and set up of provider agreements may result delayed payments of claims.	Possible	Major
6	Labor Collective Bargaining Agreements: Renegotiations may have a negative financial impact on the Hospital	Possible	Moderate/Major
7	Revenue dilution: Risk of significant revenue loss driven by potential decline in patient volume and/or case mix due to Desert Care Network exit and/or payor mix degradation.	Possible	Major
8	Seismic Upgrade: Risk that voters do not approve general obligation bonds (tax-supported) to fund seismic upgrade	Possible	Extreme

	Risk description (before mitigating actions)	Likelihood	Severity
OPERATIONAL/CLINICAL RISKS			
9	Administration Disruption: Changed administrative team, structure and systems, including new corporate services may cause operational disruption. Staying with Vizient would mitigate some risks. Challenge recruiting ELT given long term uncertainty.	Likely	Range from Minor to Major
10	Vendor/Payor Negotiation: Challenges in renegotiating contracts and agreements with payor and vendors previously managed at a network level by Tenet. Reduced bargaining power. Potential to lose clout with counterparties.	Likely	Major
11	Patient volumes/pathways: Possible fracturing of primary care and specialist referral base, outpatient access and capability. May result in lower volumes at DRMC.	Possible	Moderate
12	Service level decline: Limited investment in strategic service development over an extended timeframe (5-6 yrs) which could result in clinical services falling behind the market.	Likely	Moderate
13	Culture: While there are possible benefits from the change of ownership, a cultural shift has the potential to cause confusion and tension among the workforce.	Possible	Moderate/Major
14	Change fatigue: Having ownership Handover in 2027 plus starting construction for seismic upgrade in same year. Risk of disruption to patient care and staff discontent.	Possible	Major
15	Transition Services Agreement: Tenet is not believed to be obligated to enter into a TSA with the District. The absence of a TSA would increase execution risk in the transition.	Possible	Moderate

Risk Assessment Rating System:

Likelihood	Description*	Severity	Description*
Almost Certain	Estimate >80% probability	Extreme	May ultimately cause existential threat
Likely	Estimate <80% probability	Major	Disruption that may take months/years to fix
Possible	Estimate <50% probability	Moderate	Disruption that may take days/months to fix
Unlikely	Estimate <20% probability	Minor	Minimal disruption
Rare	Estimate <5% probability	Insignificant	Barely noticeable impact

* This is not an exhaustive list of all potential risks, but a summary of key risks included in our evaluation. Estimates around impact and likelihood are high level assumptions based on current information and belief of Gibbins Advisors.



2. BACKGROUND, SCOPE AND OUR APPROACH

INTRODUCTION TO OUR METHODOLOGY

BACKGROUND

Current context and objectives for this engagement



- Desert Healthcare District is currently in discussions with Tenet Healthcare to update the lease for Desert Regional Medical Center (“DRMC” or “the Hospital”), set to expire in 2027.
- Upgrading the hospital to meet 2030 seismic standards is crucial.
- At the January 22, 2024, Special Meeting of the District’s Board, Tenet Healthcare (“Tenet”) provided a revised proposal for a **30-year lease extension with the option to purchase**. The proposal included (per Tenet presentation):
 - » A pre-payment by Tenet of \$75MM in 2024 followed by annual lease payments beginning in 2027 (starting at \$11.9MM and escalating annually to \$24.4MM by 2056)
 - » Tenet would be responsible for seismic readiness with estimated value of \$222MM (present value ~\$183.8m)
 - » Purchase option for \$75MM at the end of the lease (2056)
- While the District hopes for successful negotiations, it also recognizes the importance of exploring the potential consequences and financial implications should the existing lease terminate.
- To thoroughly understand these aspects, the District engaged Gibbins Advisors to conduct a high-level evaluation of the potential impact should the District assume operational control of its Hospital in 2027, upon expiration of the Tenet lease.
- This report summarizes the Gibbins Advisors evaluation.

OUR APPROACH | SCOPE AND WORKPLAN



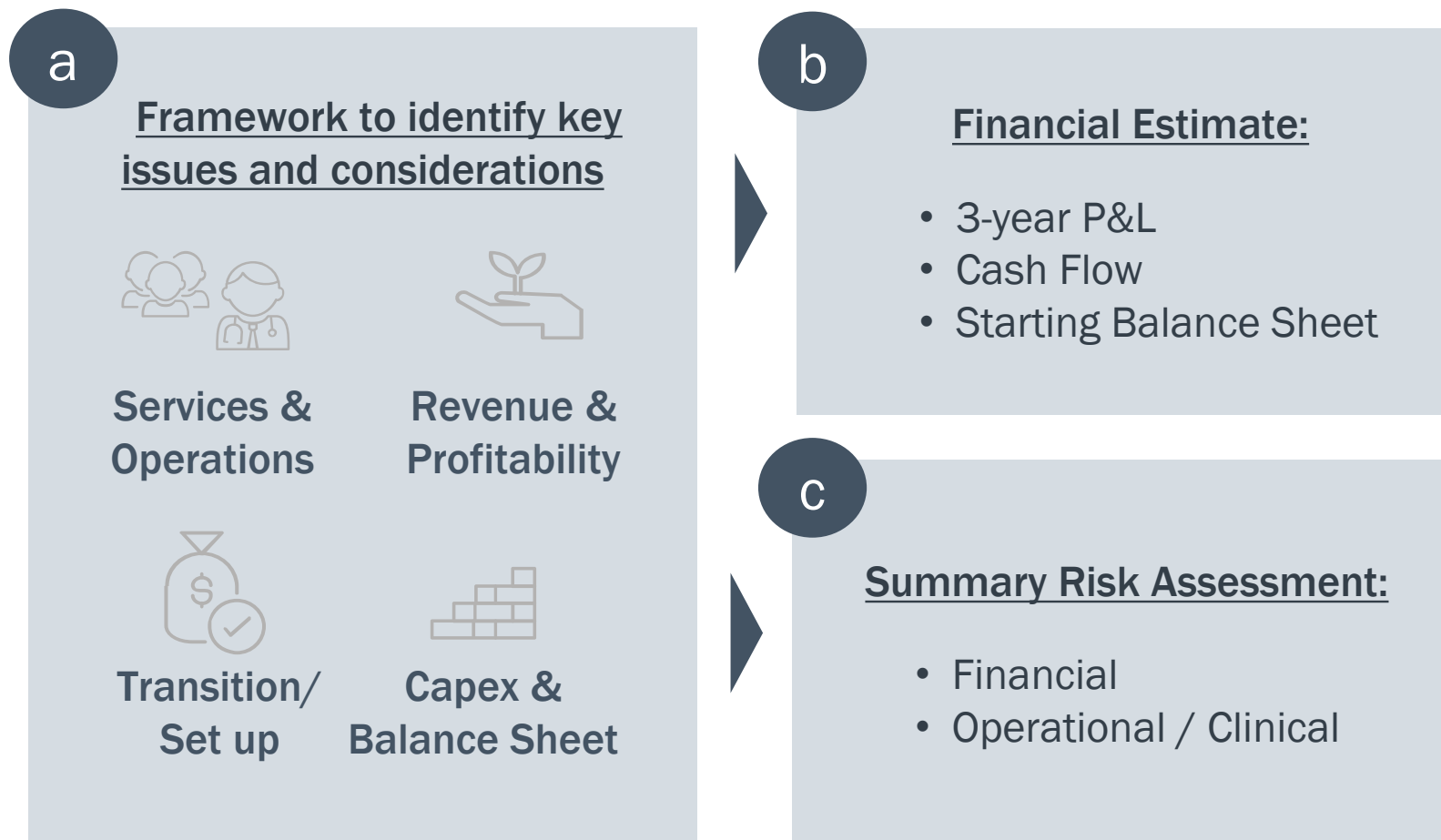
Using primarily publicly available information, we worked in **six workstreams** and used high level assumptions to deliver the required scope of work within **6 weeks**

WORKSTREAMS		SCOPE DESCRIPTION	Weeks					
			1	2	3	4	5	6
01	LEASE REVIEW	<ul style="list-style-type: none"> Review the existing lease agreement and confer with District counsel to gain an understanding of its termination provisions: what assets and intangibles will revert to the District upon termination? 						
02	ASSETS & CAPEX	<ul style="list-style-type: none"> Assuming full compliance by Tenet with the termination provisions of the lease agreement, define the categories of other assets that the District will need to assemble in order to assume full operating responsibility for the hospital. Examples may include: movable equipment, inventories and supplies Estimate the cost to the District of assembling those assets 						
03	WORKING CAPITAL	<ul style="list-style-type: none"> Review publicly available financial information on the hospital, including the recent appraisal Report Estimate the working capital that the District would need to have on hand upon assuming operating responsibility for the hospital 	Involves creating a high-level financial model					
04	BALANCE SHEET & CAPITAL	<ul style="list-style-type: none"> Estimate a range of capital reserves that the District should have on hand upon assuming operating responsibility Based upon the above and the most recent publicly available financial statements for the hospital, estimate the starting balance sheet of the hospital and compare this to a representative BBB minus healthcare district balance sheet Describe potential external funding sources available to the District to borrow the required funding to support asset purchases, working capital and capital reserves 						
05	OPERATIONAL MATTERS	<ul style="list-style-type: none"> Describe other issues that the District should address before assuming operational responsibility for the hospital, e.g. employees, physicians, licensing Describe categories of contracts that the District will need to either assume from Tenet or negotiate de novo upon assuming operating responsibility for the hospital Provide an estimated timeline for a potential transition of operating responsibility from Tenet to the District. Describe how entering into a management contract might impact any of the issues described above (e.g.: cost, timing, complexity) 						
06	IT & SYSTEMS	<ul style="list-style-type: none"> Describe IT (including EMR) related issues that the District should consider prior to assuming responsibility for the hospital and estimate potential costs 						
FINALIZE FINDINGS AND DEVELOP SUMMARY REPORT								

OUR APPROACH | BUILDING A COMPLETE PICTURE OF POTENTIAL IMPACT



We used a framework complemented by a financial model and risk assessment to provide a comprehensive evaluation



OUR APPROACH | FRAMEWORK FOR OUR EVALUATION



Each aspect of this framework is addressed in our report. Additional detail is in the appendices as indicated.

	Services & Operations	Clinical service portfolio & care quality (incl. Desert Care Network)	Physician Groups, affiliations & partnerships	Management, Staffing and Culture	Policies & procedures	Records storage & access
	Revenue & Profitability	Population & Demographic	National Provider Identifier (NPI) & Licensing	Payor & Vendor Contracts	Benchmark relevant peer group profitability Appendix II	Tax impacts and revenue sources
	Transition/ Set up	Working Capital	Movable Equipment, supplies & inventories	IT & Systems	Corporate Services	Professional support services
	Capex & Balance Sheet	Capital reserves Appendix III	Debt Appendix III	Seismic upgrade	Holding period	Transition Timeline



3. OVERVIEW OF KEY ISSUES AND CONSIDERATIONS

APPLYING OUR EVALUATION FRAMEWORK

KEY ISSUES AND CONSIDERATIONS | SERVICES & OPERATIONS

Ref	Services & Operations	Pre-Handover and Year 1 (transition)	Years 2-3
1.1	Clinical Service Portfolio & Care Quality	<p>Clinical Services Portfolio:</p> <ul style="list-style-type: none">• In the transition of operating control of the Hospital from Tenet to the District, we assume that in the first year (2027) the District would plan on continuing the full portfolio of services in place at the time of Handover to minimize any potential disruption to patient care.• However, it is possible that in the years leading up to the Handover that Tenet would limit strategic investment in services and/or facilities at the Hospital where the return on investment would occur <u>after</u> the Handover to the District. As such, the level of service offered at present at DRMC may not be the same at the time of Handover in 2027.• Further, in Tenet owning the other two hospitals in the Desert Care Network (“DCN”), the clinical service portfolio Tenet delivers at DRMC is likely part of a 3-hospital network strategy. If DRMC would no longer be part of DCN, the clinical strategy may change in the years prior to the Handover, which may impact the services offered to the local community served by DRMC.• As in any change in control of a hospital, there is a risk of potential loss of providers and staff which may impact DRMC’s ability to continue certain services until replacements are recruited.• Contracts would need to be renegotiated with hospital-based contracted service providers (such as Intensivists and ER physicians) and specialists for call coverage to assure coverage of all services. Physician Groups, Affiliations & Partnerships are discussed later in this section.• To the extent there is specialized equipment for services (such as Da Vinci robotic surgical system) the District would need to transfer such equipment from Tenet (or acquire from a third party) to continue those services.	<p>Clinical Services Portfolio:</p> <ul style="list-style-type: none">• After the initial transition, the District would need to develop a strategic clinical service plan in collaboration with its key stakeholders which factors in community health needs, financial capability and strategic goals of the District.• We noted that Tenet may hold off on strategic service development given a relatively short time horizon until it would transfer operation to the District. Similarly, with the District having an assumed holding period of 3 years, significant strategic service development in that time may also be limited. The potential combined impact is a possible period of 5-6 years of limited investment in strategic service development at the Hospital, which could result in service levels falling behind the market.• If Tenet were to exit from DRMC in 2027, the future of the Desert Care Network may be at risk. In the absence of DRMC from the network, there may be changes in the range of healthcare services offered. There is a possibility that Tenet would choose to exit the market completely.

KEY ISSUES AND CONSIDERATIONS | SERVICES & OPERATIONS



Ref	Services & Operations	Pre-Handover and Year 1 (transition)	Years 2-3
1.1	Clinical Service Portfolio & Care Quality (continued)	<p>Care Quality & Access:</p> <ul style="list-style-type: none">Establishing robust operational plans to assure continuity of care for patients would be a key priority for the District in the lead up to the transition.It is assumed that nursing and support staffing levels “at the bedside” would likely be continued during the transition in operational control from Tenet to the District. We would expect the District to transition practicing privileges for all active physicians and transfer employees such that the day-to-day patient service processes are largely unchanged (at least in the early transition stage to ensure a smooth handover).If certain service contract providers are changed by the District, agreements need to be in place several months in advance of Handover such that an orderly transition can be planned and executed.As discussed later, the systems and administrative aspects would need careful planning to assure minimal disruption to patient care and patient satisfaction.New payor contracts may impact patient access to care and the patient’s responsibility for the cost of care. The District would likely need to agree new contracts with payors.¹ Changes may be favorable or unfavorable for patients, depending on payors that are in-network or out-of-network and the detailed terms of those agreements. <p>Quality Improvement:</p> <ul style="list-style-type: none">Tenet would have a quality assessment and performance improvement program² for the Hospital related to improving clinical outcomes, patient safety and patient satisfaction scores. To the extent Tenet uses corporate resources to support its program, the District would need to source alternatives.	<p>Care Quality & Access:</p> <ul style="list-style-type: none">Over time, with DRMC leaving the DCN, there is a risk that patient referral patterns are changed which could impact the level of activity at the Hospital. Such referral patterns are typically heavily influenced by the preference of the referring physician, though patient preference also plays a role. The level of interoperability of systems between group practices and hospitals can be an influencing factor.For the purposes of our model, we have not assumed any changes in referral patterns in the first 3 years of the District running the Hospital. <p>Quality Improvement:</p> <ul style="list-style-type: none">Continuous improvement capability will be important for the District to deliver service quality enhancements as well as efficiencies, to remain competitive.

¹ – Despite the fact that it is written in the Tenet lease that the Lessee must co-operate with Lessor in obtaining the transfer and assignment of contracts with Payors for health care services, we would expect the District to have to negotiate new payor contracts with most (if not all) payors.

² - It is a condition of participating in Medicare that a hospital must develop, implement, and maintain an effective, ongoing, [hospital-wide](#), data-driven quality assessment and performance improvement program. (42 CFR § 482.21 Condition of participation: Quality assessment and performance improvement program).

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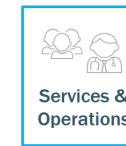


Capex &
Balance Sheet



Ref	Services & Operations	Pre-Handover and Year 1 (transition)	Years 2-3
1.2	Physician Groups, Affiliations & Partnerships	<p>Physician/Provider Retention:</p> <ul style="list-style-type: none"> Retention of key physicians and provider partnerships during a transition from Tenet to the District will be important to maintaining continuity of care. The District would need new contracts with existing physician groups and providers to establish partnerships with them outside of the Desert Care Network. Engaging with physicians/providers early and having open communication before, during and after the transition will be essential to foster their support of the District and the Hospital. <p>Physician/Provider Recruitment:</p> <ul style="list-style-type: none"> Tenet likely has deep expertise, a strategy, and an established network for physician recruitment. The District would need to develop (or outsource) this capability. With a prospective period of 5-6 years of uncertainty around the future long-term operator of the Hospital (i.e., assumed 3 years post-Handover), there may be some challenge in recruiting new physicians to the Hospital both in the lead up to 2027 and in the years thereafter. On the other hand, the conversion of the Hospital to a non-profit may expose a wider market of potential physicians that may be interested in joining to support the District's mission. <p>Legal & Regulatory Compliance:</p> <ul style="list-style-type: none"> The District would need expert legal advice to assure ongoing compliance with complex laws and regulations related to physician partnerships, affiliations, and contractual agreements including (but not limited to) Stark Law and Anti-Kickback Statutes. <p>Physician Practice Subsidy:</p> <ul style="list-style-type: none"> We understand there are certain physician practice operations which contribute to the operations of the Hospital but are not included in the Hospital's financial statements. Such operations currently require substantial financial subsidy.¹ It is believed that the ownership of the physician practice group would not automatically transfer to the District together with the Hospital, but that from a strategic perspective, the District would likely need to expect to provide a subsidy of similar magnitude in order to deliver, stabilize and grow certain clinical services. Professional Liability Insurance: Tenet professional liability insurance is likely on a "claims made" basis. The District would need to arrange coverage for dates prior to Handover. Similar issues would arise for tail coverage after a 3-year hold period. 	<p>Physician/Provider Succession Planning:</p> <ul style="list-style-type: none"> Unless there are immediate prospective gaps, Tenet is unlikely to be focused on succession planning in the lead up to its departure in 2027. The District would need to evaluate the physician/provider landscape for all clinical services to identify risks and take steps to recruit or contract with physician groups to ensure there are no gaps in service coverage. <p>Strategic Alignment:</p> <ul style="list-style-type: none"> Securing providers, partners, and joining networks and that align with the District's objectives and values would enhance its ability to meet the healthcare needs of the community. The District may decide to replace pre-existing arrangements that are not well-aligned with its approach and purpose.

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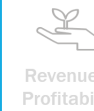


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Ref	Services & Operations	Pre-Handover and Year 1 (transition)	Years 2-3
1.3	Management, Staffing and Culture	<p>Executive Leadership Team (“ELT”):</p> <p>The District has options with respect to appointing an ELT for the Hospital:</p> <p>a) Recruit individuals to the ELT:</p> <ul style="list-style-type: none"> » Presumably, the District would run a formal process to recruit the Hospital’s ELT, starting with the CEO. However, there may be challenges recruiting individuals to ELT positions given the uncertainty around the long-term future of the Hospital. Conversely, there may be candidates attracted to the challenge and a shorter role duration (since there would be no assurance of job security at the ELT level if the District were to find another lessee to operate the Hospital in future). » It is possible that some members of the ELT at DRMC may wish to continue in their role when the Hospital transfers to the District. The District can ascertain whether those individuals would be their preferred candidate. <p>b) Engage a management company:</p> <ul style="list-style-type: none"> » A hospital management company could be engaged by the District. Typically, management companies provide key executives in the ELT (usually CEO and CFO but may include all other members of the C-suite) to manage day-to-day operations as well as a range of corporate and consulting services to provide strategic decision support. ELT members placed by the management company are usually employed by the management company. Fee structure is often a pass-through of executive remuneration (including salary, benefits, bonus) as well as a management fee (which can be a fixed fee or relative to revenue or earnings). » Some potential advantages of a management company include: <ul style="list-style-type: none"> – Depth of expertise in all aspects of hospital management, analytic capability and insight drawn from other clients. – Additional capacity as needed to support the ELT or Board on problem-solving and/or decision support. – Access to talented executives and recruitment capabilities. The ELT recruitment responsibility (and cost) is typically covered by the management company. – Access to administrative infrastructure (i.e., tools, templates, etc.) across finance, operations and clinical quality and possible access to outsourced corporate functions such as billing & collections, coding audits, etc. – Flexibility to terminate the contract (subject to agreed terms) if the District finds another operator for the Hospital. <p>...(continued on following page)</p>	<p>ELT:</p> <ul style="list-style-type: none"> • Culture: Transitioning from a Tenet-operated for-profit hospital to a District-owned non-profit hospital would likely be a cultural shift in values and priorities. The new ELT (and Board) would need to design an approach to ensure the District’s values form part of decision-making context and vocabulary at every level of the Hospital (top-down). • Succession Planning: In the event the District decided to recruit individuals to the ELT, it would retain responsibility for ELT succession planning. However, the assumed holding period of 3 years should mitigate the risk of turnover in the ELT.

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Ref	Services & Operations	Pre-Handover and Year 1 (transition)	Years 2-3
1.3	Management, Staffing and Culture (continued)	<p>Executive Leadership Team (“ELT”) (continued):</p> <p>Some potential disadvantages of a management company include:</p> <ul style="list-style-type: none"> – Cost (it may be more expensive than direct recruitment, but not necessarily) – Less direct control of the Board over the ELT, with the inclusion of another stakeholder (i.e., the management company itself). While the CEO would typically still report to the Hospital Board, in not all cases would the Hospital Board have hiring/firing rights over the CEO. In initial negotiations with a prospective management company, the Hospital Board may be able to secure hiring/firing rights around the CEO. Otherwise, the Hospital Board would be limited to its termination rights around the management company as its contract counter-party. – Executives may not always reside locally, so travel costs should be considered. – Records of the management company would not be considered public records. <p>Start date of ELT:</p> <ul style="list-style-type: none"> • We would expect the District to commence the ELT (whether directly recruited or placed by a management company) well in advance of the transition to develop the detailed operational transition plan including but not limited to financial and capital budget, negotiate contracts with payors and vendors (including suppliers and service providers), negotiate physician and employee matters, clinical care transition plan, establish corporate support services and design governance/reporting that meets the needs of the District Board. 	<p>ELT:</p> <p>The District would need to consider severance for executives at the end of its holding period.</p>
		<p>Middle Management Team</p> <ul style="list-style-type: none"> • We define “middle managers” as all leaders in the organization structure that fall underneath the C-level executives. • While it is common that a new owner would replace some or all of the ELT, there is typically less of an imperative to replace middle managers, unless there was a restructure. We would assume that middle managers would be replaced in the ordinary course of business, but not heavily impacted in the handover of the Hospital from Tenet to the District. 	
		<p>Outsourced Management by an Affiliate</p> <ul style="list-style-type: none"> • There are examples of hospitals partnering with an affiliate organization as a management solution. This can relate to management of certain specialized clinical services (e.g., neonatal care) or for management of the entire hospital (i.e., similar to a management company but instead they partner with another, usually larger, healthcare provider). This is also an option for the District to consider as part of its transition strategy, though typically it would be a long-term contract. 	

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Ref	Services & Operations	Pre-Handover and Year 1 (transition)	Years 2-3
1.3	Management, Staffing and Culture	Staffing Levels: <ul style="list-style-type: none">As noted earlier, it is assumed that nursing and support staffing levels “at the bedside” would likely be continued during the transition in operational control from Tenet to the District.Analysis of Non-profit Standalone Peer Hospitals¹ indicate that staffing level metrics² of hospitals similar to DRMC are ~14% higher on average than DRMC’s historical performance³. Accordingly, it is possible that staffing levels (which includes clinical, ancillary and administrative staff) may <i>increase</i> when DRMC converts to a District-owned standalone hospital.	Staffing Levels: <ul style="list-style-type: none">Labor is the single largest category of cost in hospitals. Management would need to utilize metrics and data to manage productivity of the workforce and effectively control cost. If workforce analytics systems are removed or not available once Tenet departs, alternative tools would need to be sourced.
		Staffing - Benefits and Compensation: <ul style="list-style-type: none">Tenet benefit plans and compensation structures would be replaced. If the District offered at least equivalent remuneration and benefits to the rates paid to employees at the time of Handover, the risk of staff turnover would reduce, and staff would be more likely to support the District. The District may offer more favorable rates and benefits to align with other district-owned hospitals or District employees. In that case, operating margin would be impacted.Further, benefits such as employee 401k plans would need to be transitioned. The District needs ample time to identify, secure and implement solutions for all these complexities.	
		Employee Representatives / Labor Unions: <ul style="list-style-type: none">Proactive engagement with employee representatives would be recommended to assure open communication throughout the transition process and after Handover.To the extent there may be collective bargaining agreements that the District would need to have in place, discussions should commence as early as 12 months in advance of the Handover/renewal date given the often-lengthy negotiation and consultation timeframes.	
		Staffing – Rosters / Scheduling: <ul style="list-style-type: none">The District would need to secure an electronic rostering solution, and preferably continue the system used by Tenet at DRMC to minimize disruption to staff.	

¹ - Non-profit Standalone Peer Hospitals are defined in Appendix II

² - As measured by the number of Full Time Equivalent staff per Adjusted Occupied Bed (see Appendix II for definitions)

³ - 5-year average (2018-2022) of the difference between DRMC’s FTE per AOB and the average of Non-profit Standalone Peer Hospitals (see Appendix II). Data source: CMS cost report data per www.HMPmetrics.com

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Ref	Services & Operations	Pre-Handover and Year 1 (transition)	Years 2-3
1.3	Management, Staffing and Culture	Staffing – Retention & Recruitment: <ul style="list-style-type: none"> In the lead up to the Handover, the District will need to identify key personnel with critical institutional knowledge to retain once it takes over the Hospital. Offering employee retention incentives for key individuals may be worthwhile. A key aspect of attracting and retaining staff will be communications. A well-designed communications plan that offers a clear vision coupled with transparency about changes to expect needs to be implemented consistently from the District through the ELT and Middle Managers. The recruitment function at DRMC is likely managed internally or possibly within the DCN with the support of Tenet’s corporate Human Resources department. In assuming control of the Hospital, the District would need to transition the Tenet system or develop a replacement recruitment system. 	Staffing – Workforce Plan: <ul style="list-style-type: none"> National shortages of nurses and clinical staff necessitate strategic workforce planning to build recruitment pipelines, design retention/development initiatives, and proactively manage systemic labor issues. One aspect of this would be local community engagement to build relationships with educational institutions, professional associations, and healthcare organizations.
		Staffing - On-boarding, Training and Development: <ul style="list-style-type: none"> It is unclear to us whether intellectual property assets such as onboarding and training materials would form part of the definition of “Termination Assets”¹ or books and records which may be transferred to the District at the end of the Tenet lease. If the DRMC training programs are not available to the District for whatever reason, the District would need to design/source replacements as an essential component of delivering consistent, high-quality healthcare. In addition, the District may need to develop an on-boarding program for all staff as part of the introduction and welcome to the District’s ownership, highlighting the District’s values/culture, strategic priorities and aspects that will change. 	
		Staffing - Compliance and Regulatory Requirements: <ul style="list-style-type: none"> Healthcare is one of the most regulated industries and California is reportedly the most heavily regulated state in the country². While Tenet likely has the support of its corporate services, the District would need to acquire the necessary expertise. Staffing compliance matters include (but are not limited to) mandated nurse to patient ratios, licensure, certification, labor laws, and provider credentialing. 	
		Staffing - Agency Contracts: <ul style="list-style-type: none"> The District would need to secure new contracts with staffing agencies. Another consideration is that Tenet may have a service area-wide network for staff sharing which DRMC would lose access to once the lease expires. 	

¹ – “The Termination Assets shall include all real and personal property and all tangible and intangible assets which are owned by the Lessee and used in connection with the Desert Businesses...” per Hospital Lease Agreement by Desert Hospital District as Lessor and Tenet HealthSystem Desert, inc. as Lessee dated as of May 30, 1997 (page 44)

² – Based on 2022 data by researchers at the Mercatus Center at George Mason University. <https://ascend.thentia.com/insight/least-and-most-regulated-states-in-america/>

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Ref	Services & Operations	Pre-Handover and Year 1 (transition)	Years 2-3
1.4	Policies and Procedures	<p>Transition of Policies & Procedures:</p> <ul style="list-style-type: none">It is unclear to us whether intellectual property assets such as policies and procedures would form part of the definition of “Termination Assets”¹ or “books and records” which may be transferred to the District at the end of the Tenet lease. Some documentation may remain at the Hospital, and some may be considered a Tenet corporate resource and deemed unavailable post Handover.Even if the policies and procedures are available, the District would need to review all policies and procedures and determine whether they align with current regulation and the approach/standard that the District would want to adopt.It is assumed that a majority of the policies and procedures affecting day-to-day operations would be transitioned from Tenet (if possible) to minimize the level of potential disruption and confusion in the handover process.The District may identify certain essential changes to policies & procedures, and then would need to adequately train all affected staff on those changes.Aspects affecting corporate and governance, such as Delegations of Authority, would need to be designed and implemented by the District based on alignment with its strategy and risk tolerance.External support (including interim staff, consultants and/or legal) may be required to expedite the process, maintain consistency and ensure a successful state and Joint Commission (JCAHO) (or equivalent accrediting agency) survey.	

¹ – “The Termination Assets shall include all real and personal property and all tangible and intangible assets which are owned by the Lessee and used in connection with the Desert Businesses...” per Hospital Lease Agreement by Desert Hospital District as Lessor and Tenet HealthSystem Desert, inc. as Lessee dated as of May 30, 1997 (page 44)

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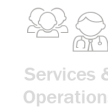
KEY ISSUES AND CONSIDERATIONS | SERVICES & OPERATIONS



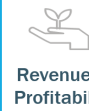
Ref	Services & Operations	Pre-Handover and Year 1 (transition)	Years 2-3
1.5	Records Storage and Access	<p>Medical Records:</p> <ul style="list-style-type: none">Per the Tenet Lease¹, patient records are to be transferred to the District at the end of the lease.For patient records – It is understood that Tenet has long scanned paper and add-on materials in Tenet systems (Cerner and HPF). We assume that Tenet retention standards would be retained by the District. See IT & Systems later in this section for a discussion of conversion.Any legacy paper charts not already converted from paper and fiche to electronic form that are stored per Tenet retention policies and retained either onsite or offsite (outsourced) would likely be assigned/transferred to the District and legacy record retrieval practices adopted. Use existing vendor or bid out. <p>Administrative / Financial Records:</p> <ul style="list-style-type: none">It is assumed that most administrative and financial records would form part of the definition of “books and records”¹ which would be transferred to the District at the end of the lease.We assume that access to at least some administrative and financial records would need to be negotiated. We would expect proprietary items (contracts, etc.) to not be transferred.Need to determine conversion requirements for activity “in transit” at time of transition (construction, purchase orders, etc.).The District would need to extract and convert departmental and personnel files stored in Tenet’s shared folders to new repository (see IT & Systems discussion), which may also require negotiation.	<ul style="list-style-type: none">The District’s approach to the transfer, storage, retention and access to legacy DRMC records may be influenced by its long-term plan for the Hospital. Any system changes would incur higher implementation cost, and if the District’s holding period is intended to be interim (i.e., assumed 3 years for the purposes of our evaluation) then it may be more cost effective to adopt the existing system used by Tenet or negotiate an access agreement with Tenet rather than switching systems.The District may need to reserve cost of storing records after 3 years ... or it may impact negotiations with the successor operator.

¹ – per Hospital Lease Agreement by Desert Hospital District as Lessor and Tenet HealthSystem Desert, inc. as Lessee dated as of May 30, 1997 (page 44)

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Ref	Revenue & Profitability	Pre-Handover and Year 1 (transition)	Years 2-3
2.1	Population & Demographic	<p>Population changes¹: In 2018 the District boundaries were changed, doubling the population and changing the demographic served. The District now serves a more diverse population, with over 50% identifying as Latino and including low-income and remote residents. The estimated population of Coachella Valley will be ~476,000 in 2025 representing a compound annual growth rate of ~2.0% since 2019.</p> <p>Projected Hospital Volume Growth: There are several key variables in projecting healthcare volumes. Population changes, trends in care delivery with activity shifting from an inpatient to an outpatient or community-based setting, the competitive environment and payor mix being a few key factors. We have made simplifying assumptions regarding activity and revenue growth in preparing our Financial Estimate (see section 4 of this report).</p>	
2.2	National Provider Identifier (NPI) & Licensing	<ul style="list-style-type: none"> • Licensing & Credentialing: <ul style="list-style-type: none"> » Per the Tenet Lease, Tenet is required to co-operate in the transfer and assignment of licenses, permits and contracts. » The notification and application for Change of Ownership, regulatory review and approval should commence several months before Handover. California Department of Public Health would review the application, which may involve site visits, inspections, and assessments. » Accreditation is neither automatically transferred nor continued with a Change of Ownership. Organizations must notify The Joint Commission promptly, in writing, when a significant change is contemplated so any potential impact to accreditation can be determined. • National Provider Identifier (“NPI”) Number: Long before the proposed Handover, the District would need to determine the optimal approach to transition the NPI to facilitate a smooth transition in claims processing and minimize the cash flow risk to the District. Several months in advance of Handover, the District would commence discussions with National Plan and Provider Enumeration System (NPPES), commercial payors and government payors (either directly or through the relevant contract intermediary) to execute its plan in an orderly fashion. • Centers for Medicare & Medicaid Services (“CMS”) Provider Number: Similar to the NPI, the District would need to determine the optimal strategy with respect to either transferring the existing CMS Provider number or applying for a new number. • Billing & Collections : Payers may require re-enrollment or re-credentialing of the Hospital and its providers under the new ownership of the District, which can lead to temporary delays (and sometimes denials) in payment of claims. There can be increased billing errors or denials due to administrative changes. A change of bank accounts can also result in delayed payments or payment errors that would need to be claimed from the prior owner. 	<p>NPI & Licensing:</p> <ul style="list-style-type: none"> • Assuming the District lines up a replacement long term operator, it would also need to plan for the transition of operations (including license, NPI, etc.) to the successor. Such costs have not been included in our Financial Estimate due to the uncertainty around timing of such a transaction.

KEY ISSUES AND CONSIDERATIONS | REVENUE & PROFITABILITY



Ref	Revenue & Profitability	Pre-Handover and Year 1 (transition)	Years 2-3
2.3	Payor & Vendor Contracts	<p>Reduced Negotiating Power:</p> <ul style="list-style-type: none">As compared to being part of a large national hospital system, DRMC operating as a standalone hospital (i.e., with smaller size and market share) would likely lose bargaining power in negotiations with payers and vendors which may result in less favorable rates compared to those secured by Tenet. This may have a material impact on profitability as indicated by our analysis of Non-profit Standalone Peer Hospitals¹.The expected shift in negotiating leverage with payors is also relevant for the District’s ability to escalate and resolve issues which may arise around claims processing, particularly related to Medicare Advantage plans² and claims subject to the No Surprises Act.³ This may negatively impact cash flow.Further, there would be a significant upfront administrative burden in contract establishment and management. While DRMC presently may be part of Master Agreements negotiated by Tenet for many of its hospitals (or at least for the DCN), the District would need to negotiate separate contracts. The District would likely join a Group Purchasing Organization (“GPO”) to obtain the benefits of scale and rebates offered on supplies, however there would still be a hundreds of contracts to arrange with vendors and payors in the lead up to the Handover.Contract implementation is another hurdle to address, with each contract requiring information and operational processes that support compliance with contract terms. Securing the same vendors that DRMC uses at the time of Handover would likely bring some efficiencies. <p>Pricing Considerations:</p> <ul style="list-style-type: none">Reassessment of Pricing Strategies: The gross charges¹ billed by a hospital are typically reduced by contractual adjustments (which are effectively discounts based on negotiated rates with payors) to arrive at net patient revenue. In some cases, gross charges are not reduced by a contractual adjustment, so the price list set by a hospital is relevant. The District will need to review the Hospital’s chargemaster and develop its own price list for every item and service offered by the Hospital. Unless the District intends to adopt Tenet’s price list for DRMC, this would require significant data analytics.	<p>Positioning to Build Negotiating Power:</p> <ul style="list-style-type: none">As a standalone entity, DRMC will need to define its value proposition and competitive positioning within the local healthcare marketplace. Brand equity and reputation can influence negotiating power with payors and vendors and may affect patients' perceptions of value. <p>Contract Transition</p> <ul style="list-style-type: none">Assuming the District lines up a replacement long term operator, contracts with vendors and payors would need to be transferred or terminated. Any associated costs have not been included in our Financial Estimate due to timing uncertainty.

¹ - Non-profit Standalone Peer Hospitals are defined in Appendix II.

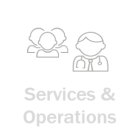
² - In Riverside County, Medicare Advantage plans represent 72% of the enrolled population (reported 10/6/23, [Los Angeles Times](#)). It is widely reported that Medicare Advantage insurers are excessively denying prior authorization requests and denying valid claims (example report [here](#) from 4/5/24).

³ - Healthcare providers have cited the power imbalance between providers and payors in the mandated dispute resolution process resulting in cash flow issues and financial distress (reported by [Wall Street Journal](#), 11/28/23)

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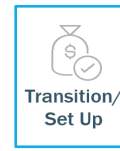
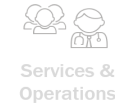


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Balance Sheet



Ref	Revenue & Profitability	Pre-Handover and Year 1 (transition)	Years 2-3
2.4	Benchmark Relevant Peer Group Profitability	<p>A key part of our evaluation involved considering the potential financial implications of the Hospital converting:</p> <ul style="list-style-type: none"> » From - a hospital that forms part of a local health network (DCN) and one of the largest for-profit hospital systems nationally (Tenet Healthcare); » To – a standalone District-owned hospital. <ul style="list-style-type: none"> • We identified a relevant peer group (“Non-profit Standalone Peer Hospitals”) based on hospital characteristics that bear similarities to DRMC under prospective District ownership including size (200-500 beds), location (California & urban), type (general acute care), ownership type (non-profit or government-owned), and “standalone” (i.e., not part of a multi-hospital system). • On average, financial performance of the Non-profit Standalone Peer Hospitals performed worse than DRMC across numerous metrics. A summary of our analysis is provided in Appendix II. Should DRMC convert to a standalone District-owned hospital, we would expect its profitability to decline to closer align to peer performance. Contributing factors would include the impacts of reduced bargaining power with payors and vendors, lower economies of scale, changed cost structures, differences in strategic priorities and culture. 	
2.5	Tax impacts and revenue sources	<p>In the prospective transition from for-profit ownership to District ownership, there would be some advantages to note on tax impacts and revenue sources:</p> <p>Tax / Financing Impacts</p> <ul style="list-style-type: none"> • Like non-profits, health care districts are exempt from most federal, state and local taxes. • Health care districts in California are authorized to incur various types of debt, including general obligation bonds that are approved by voters and paid from local taxes as well as debt secured by district revenues. Subject to compliance with certain requirements the debt is exempt from federal income taxes, lowering borrowing cost. • To the extent Tenet pays property taxes on the personal property it owns at DRMC (we note it does not own the Hospital facility), the municipality and local economy would be impacted by a loss of those taxes. State and federal income tax revenues would also be impacted. <p>Government Grants and Contracts</p> <ul style="list-style-type: none"> • A potential new source of revenue would be subsidies or grants from local, state or federal governments for providing healthcare services to specific populations, such as low-income individuals or underserved populations. 	<p>Fundraising Events and Activities</p> <ul style="list-style-type: none"> • Health care districts can receive charitable donations that are tax-deductible to the donors. Following the initial transition, the District could explore the option of fundraising for specific projects or programs.

KEY ISSUES AND CONSIDERATIONS | TRANSITION / SET UP



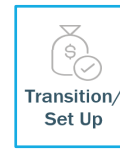
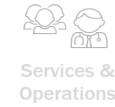
Ref	Transition / Set up	Pre-Handover and Year 1 (transition)	Years 2-3
3.1	Working Capital	<ul style="list-style-type: none"> While it would be assumed that Tenet would retain its balance sheet assets and liabilities at the point of Handover, the District would need to carefully plan for working capital funding to pay for: <ul style="list-style-type: none"> » All DRMC's operating expenses¹: At least from Day 1 of the Handover, there are expected to be delays in the ability to bill and collect for services provided to patients (which can extend from weeks to months, and timelines are not always certain). Typical collection cycle is 45 days, but the transition of NPI and provider numbers can cause further delays. In most cases, payments withheld would eventually be paid, though the delay causes cash flow pressure. » Purchase of supplies and inventory (which are higher at the outset compared to the typical run rate given the need to build adequate stock levels) » Upfront transition expenses (including professional support services). We estimate \$10.6 million would be incurred pre-Handover, though for ease of modeling we have included all start-up and transition costs in Year 1 in preparing our Financial Estimate (section 4). » Essential maintenance including deferred maintenance that may have been deprioritized by Tenet in the years prior to the Handover. » Cash reserves, for unexpected events. See Appendix III for analysis of the Days Cash on Hand for Health Care Districts. We estimate 60 days' cash as a cushion to manage short term cash needs. Financing of working capital can take various forms. Options may include: District funding from its cash reserves, Line of Credit, Asset-Backed Loan (collateralized by assets such as Accounts Receivable), Revenue Bonds and Negotiable Promissory Notes (see Debt section for more information). 	
3.2	Moveable Equipment, supplies & inventories	<ul style="list-style-type: none"> The Tenet Lease² ("Lease") includes clauses related to "Termination Assets"³. Such assets may be transferred to the District at the end of the lease and the terms of transfer is subject to negotiation between the parties. Moveable equipment may not be included in the definition of Termination Assets and if so, such equipment would need to be acquired by the District. Inventory and Prepaids are described in a different section of the Lease. Such assets may be transferred to the District at net book value. 	

¹ – Note: cash operating expenses for DRMC are expected to be over \$50 million per month (per Gibbins Advisors high-level Financial Estimate, see section 4).

² - Hospital Lease Agreement by Desert Hospital District as Lessor and Tenet HealthSystem Desert, inc. as Lessee dated as of May 30, 1997

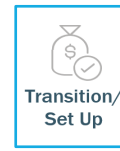
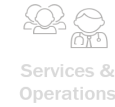
³ - "The Termination Assets shall include all real and personal property and all tangible and intangible assets which are owned by the Lessee and used in connection with the Desert Businesses..." (at page 44) Page 164 of 388

KEY ISSUES AND CONSIDERATIONS | TRANSITION / SET UP



Ref	Transition / Set up	Pre-Handover and Year 1 (transition)	Years 2-3
3.3.1	IT & Systems: <i>Electronic Health Record</i>	<p>Electronic Health Record (“EHR”):</p> <ul style="list-style-type: none"> • A Transition Services Agreement (“TSA”) is typical in hospital transactions between a buyer and a seller. In the transfer of operational control from Tenet to the District, a TSA would provide opportunity for the District to purchase certain transition services from Tenet after the Handover to assure continuity. However, we understand that Tenet is not obligated to enter a TSA with the District under the lease agreement, and the absence of a TSA would increase the risk of the transition. • The following assumptions are made with respect to EHR transition matters¹: <ul style="list-style-type: none"> » District would sign and operate under a TSA with Tenet to use Tenet EHR - OracleHealth (AKA Cerner) and AthenaHealth for 12 months minimum. » Will likely require new license/contract with Cerner for Millennium EHR for hospital services and AthenaHealth for physicians. <ul style="list-style-type: none"> ▪ Negotiate 3-year term with options based on transition strategies. ▪ Continue with interfaces from/to Conifer (see Revenue Cycle Management). » During TSA period, finalize approach and details to transition legacy patient records and Cerner build to new DRMC regions and to migrate off Tenet-managed infrastructure to Cerner SaaS model. » EHR system users will see little change on Day 1 and would have unified patient chart for transitional and scheduled cases during transition (would not start new encounters, etc.). » This approach will include system design and workflow that supports Tenet Clinical, Regulatory and Billing Compliance policies - expect little ability to alter these policies while under TSA. <ul style="list-style-type: none"> ▪ Would follow same definition of legal medical record as Tenet. » Convert to dedicated DRMC Cerner/Athena by end of TSA. 	<p>EHR:</p> <ul style="list-style-type: none"> • Conversion completed to DRMC dedicated domains for EHR and legal medical record but using same vendors as Tenet. • Operating now independently of Tenet TSA, have ability to adapt system to support locally revised Compliance policies and workflows. <ul style="list-style-type: none"> ▪ Can hire or outsource Cerner support to a number of vendors, or a hybrid. • Work independently with Cerner to develop other EHR modules or interfaces to support DRMC operations and decisions not previously permitted in Tenet model. • Address Cerner or other investments during the period with an eye to understanding any future affiliation directions.

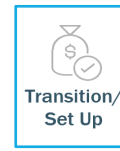
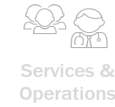
KEY ISSUES AND CONSIDERATIONS | TRANSITION / SET UP



Ref	Transition / Set up	Pre-Handover and Year 1 (transition)	Years 2-3
3.3.2	IT & Systems: <i>Revenue Cycle Management</i>	<p>Revenue Cycle Management (“RCM”):</p> <p>The following assumptions are made with respect to Revenue Cycle transition matters¹:</p> <ul style="list-style-type: none"> Prior to Handover date (T-270 days), District to contract/work with Conifer to establish operating and systems workflow model and interfaces to parallel same outsourced RCM services and workflows used by Tenet but effective Day 1 with a transitioned owner. <ul style="list-style-type: none"> Address if same NPI then impact of CHOW, including need to hold claim or bill under Tenet and track/transfer amounts to DRMC. If new NPI, stand up arrangements with new enrollments and payors to allow billing promptly after Handover date. This will generally follow Tenet standard practice but should be reviewed in depth covering all aspects of Revenue Cycle. Pre-Handover build includes pre-transition development of new prices, payor contracts. Expect to use same CDM structure as Tenet in Year 1, adapted for changes in services and pricing. Discussion of NPI CHOW or new NPI, and associated actions to update Medicare, MediCal, and other payor arrangements. 	<p>RCM:</p> <ul style="list-style-type: none"> In years 2-3, continue operating RCM using Conifer. This may see a period of continued adjustment in pricing and scope of Conifer services to meet new local strategies. <ul style="list-style-type: none"> Flexibilities in Cerner & Athena systems likely only start at end of TSA, coordinate changes with or driven by Conifer to support ongoing variations from Tenet limitations.
3.3.3	IT & Systems: <i>ERP (financial systems)</i>	<p>Enterprise Resource Planning (“ERP”) (i.e., financial systems)</p> <ul style="list-style-type: none"> Prior to Handover date (T-365) the District would need to determine any TSA period access to Tenet Oracle financial systems. Expect to acquire NEW systems needed on Day 1 for General Ledger & Reporting, Budget, Contracting / Purchasing / Inventory management, Accounts Payable, HR and Human Capital Management. Plan for transition to non-Oracle financial systems - Workday is likely best alternative for DRMC. Highly regarded, KLAS-leading, cloud-based Workday is annual subscription fee (opex) based on per user cost, and implementation costs are one to two times the annual cost. Workday is a top ranked ERP solution in 2023 for hospital organizations. Need to address in advance migration of additional local modules such as time clocks (Kronos), including migration to Workday HC/Payroll interface. Some organizations outsource payroll to one vendor (i.e. ADP) while using Workday or other HR module of ERP. 	

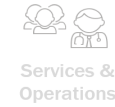
¹- Gibbins Advisors has used best efforts to research the systems in place at DRMC based on publicly available information, however we have not had the opportunity to validate such information with Hospital management.

KEY ISSUES AND CONSIDERATIONS | TRANSITION / SET UP



Ref	Transition / Set up	Pre-Handover and Year 1 (transition)	Years 2-3
3.3.4	IT & Systems: <i>Administrative Systems</i>	<p>Transition of Administrative Systems¹</p> <ul style="list-style-type: none"> • Prior to Handover date (T-365) the District needs to determine its requirements to access email, document storage (SharePoint, shared drives, and Tenet Intranet that it would need during a TSA period. <ul style="list-style-type: none"> » Expect this to require a clean system on Day 1 with conversion of files, emails, and calendars from Tenet systems to DRMC dedicated systems. » Assume migration to Microsoft SaaS or Google SaaS for email, file and document storage and office applications. » SaaS options are subscription models but may have CapEx to engage additional resources to implement changes » Migration to same vendor applications supports more accurate conversion/transition of files from Tenet • Initial and ongoing management and oversight of administrative systems such as email and software can be outsourced to several different organizations. • Key technical integration points need to be addressed before Handover date. DRMC will likely have to set up SaaS access management (i.e., Microsoft Virtual Desktop, Virtual Directory, etc.) - how this interacts with TSA provisioned systems may constrain policies or require different way of logging into EHR. <ul style="list-style-type: none"> » For example, if using badge readers for EHR quick login, may be disabled • DRMC will need to establish freestanding policies and systems IT demand management (Help Desk and service management), data governance, and cyber security policies independent of Tenet policies prior to Handover Date. <ul style="list-style-type: none"> » Reliance on Tenet AD and sign-in and other domain strategies will be limited once the Handover occurs. • This category also includes applications used in Medical Staff Management, Credentialing. <p>Infrastructure:</p> <ul style="list-style-type: none"> • Assume network and workstations are transferred with “Termination Assets”. • Assume software moves to fully hosted (SaaS) model, no investment required in a local data center. 	

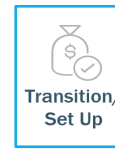
KEY ISSUES AND CONSIDERATIONS | TRANSITION / SET UP



Services &
Operations



Revenue &
Profitability



Transition/
Set Up

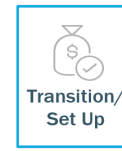
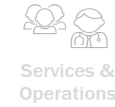


Capex &
Balance Sheet



Ref	Transition / Set up	Pre-Handover and Year 1 (transition)	Years 2-3
3.4	Corporate Services	<ul style="list-style-type: none"> The corporate services currently available to DRMC through Tenet would need to be substituted by alternatives. The expertise and resources may be recruited to the Hospital, outsourced, or a hybrid of both. It is uncommon for many types of corporate services to be delivered pursuant to a TSA since such services are often strategic and value-add rather than administrative/transactional. It is possible that the disruption to corporate services is one of the bigger challenges for the District to tackle. Typically, professional hospital management companies offer access to corporate services. The challenge as a standalone hospital is that the depth and breadth of expertise required to handle some of the complexities that arise in hospital management may not be available in a small team. For some corporate services, the need to have access to relevant experts may require outsourcing to partner with qualified specialists. Corporate services that the District would likely need to reestablish: <ul style="list-style-type: none"> » Human Resources (HR): Including recruitment, employee benefits management, training & development programs, workforce planning. » Finance and Accounting: Including budgeting, financial reporting, auditing, coding, billing and revenue cycle management, treasury management, financial control, payroll, accounts payable, internal audit, capital management, insurance and risk management. » Information Technology (IT): EHR, cybersecurity, systems management, compliance. » Legal and Compliance: Regulatory compliance, enterprise risk management, contract negotiation, dispute management, litigation. » Supply Chain: Most likely partner with a group purchasing organization (GPO) for supply chain efficiencies. » Facilities/Asset Management: Ensure the PP&E of the Hospital is well-managed and compliant. » Marketing and Public Relations: Manage branding, advertising, community outreach, internal communications and media relations. » Clinical Governance: Monitor clinical outcomes, implement evidence-based practices, and ensure compliance with accreditation standards, provider credentialling. » Strategy & Development: Market analysis, strategic planning, managing risks, transaction management. 	

KEY ISSUES AND CONSIDERATIONS | TRANSITION / SET UP



Ref	Transition / Set up	Pre-Handover and Year 1 (transition)	Years 2-3
3.5	Professional Support Services	<ul style="list-style-type: none"> The transition of DRMC from Tenet to the District would require the expertise of professionals including legal, consulting, communications and financial advisory professionals. Additionally, we would expect the District-appointed Hospital management to commence several months in advance of the Handover to prepare for a smooth transition. <p>Upfront professional services support may include:</p> <ul style="list-style-type: none"> Legal (legal entity, health district-mandated formalities, financing support) Licensing & Compliance (healthcare counsel) Communications strategy and implementation (internal + external) Consulting/Interim Management: Governance structure design, support to negotiate key contracts, program management/Chief Transition Officer, risk management, develop TSA scope etc. Support to secure necessary financing: <ul style="list-style-type: none"> » Financial advisor » Bond counsel » Communications/campaign (District-related community engagement or voting if needed) <p>Hospital management would need to commence well in advance of the Handover to drive transition preparation, covering aspects such as:</p> <ul style="list-style-type: none"> Financial management: set up financial reporting, financial controls, delegations, cash management Operations: (incl. policies & procedures, negotiate physician/provider agreements) Employee matters (staff retention/re-hire + set up with employee benefits) Payor and vendor contracting, and establishing a contract management system IT and systems transition planning 	

KEY ISSUES AND CONSIDERATIONS | CAPEX & BALANCE SHEET

Ref	Capex & Balance Sheet	Key Issues & Considerations																																				
5.1	Capital Reserves	<p>Health Care Districts with BBB minus (S&P) bond rating:</p> <ul style="list-style-type: none">We identified health care districts¹ rated by S&P with a BBB minus bond rating as of December 31, 2023, and due to the small sample size, we included health care districts with contiguous bond ratings (BBB and BB+). We excluded districts where the hospital financials are not reported through the obligor. There are six health care districts in the group reviewed. A summary of the health districts is in Appendix III.Reviewing the latest publicly available financials, health care districts in the group reviewed showed mixed levels of capital reserves. As measured by Days Cash on Hand², in 2022 the average was 191 days (ranging from 89 to 324) and in 2023 it reduced to an average of 166 (ranging from 67 to 286). <table><tr><th colspan="4">Days Cash on Hand (including current & non-current cash & investments)</th></tr><tr><th>Rating per Hospital</th><th>2021</th><th>2022</th><th>2023</th></tr><tr><td>BBB</td><td>298</td><td>324</td><td>286</td></tr><tr><td>BB+</td><td>234</td><td>218</td><td></td></tr><tr><td>BBB</td><td></td><td>89</td><td>67</td></tr><tr><td>BBB-</td><td></td><td>104</td><td>73</td></tr><tr><td>BBB</td><td></td><td>253</td><td>250</td></tr><tr><td>BBB</td><td></td><td>158</td><td>155</td></tr><tr><td>Simple Average</td><td>266</td><td>191</td><td>166</td></tr></table> <ul style="list-style-type: none">As an illustrative comparison, 166 days of operating expenses (net of depreciation) at DRMC per our high-level projection for 2027 would be approximately ~\$290 million.	Days Cash on Hand (including current & non-current cash & investments)				Rating per Hospital	2021	2022	2023	BBB	298	324	286	BB+	234	218		BBB		89	67	BBB-		104	73	BBB		253	250	BBB		158	155	Simple Average	266	191	166
Days Cash on Hand (including current & non-current cash & investments)																																						
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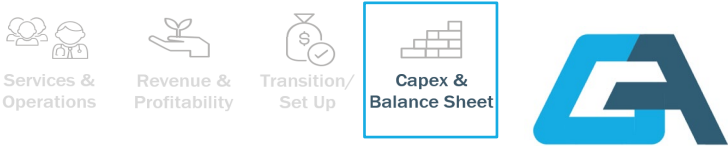
¹ - Healthcare districts identified primarily by the word “district” in the obligor name, with the exception of Palomar Health. There is one Fitch-rated health care district included in our analysis.

² - Days Cash on Hand indicates the number of days of operating expenses (net of depreciation) that a district has in current and non-current cash and investments.

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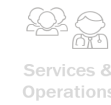
KEY ISSUES AND CONSIDERATIONS | CAPEX & BALANCE SHEET



Ref	Capex & Balance Sheet					
5.2	Debt	Sources of Capital				
		<ul style="list-style-type: none">Significant capital would be required for the District to safely and responsibly assume operating responsibility for the Hospital. To the extent the District would have surplus cash or could allocate revenues to fund the Hospital, it would reduce the level of debt funding required. Significant leverage increases the financial risk for an organization, which at worst can cause cash flow issues leading to insolvency, bankruptcy, and/or facility closure.An example of some possible sources of debt financing¹ are shown below:				
			General Obligation Bonds	Revenue Bonds	Certificates of Participation (COP)	Cal-Mortgage Insured Revenue Bonds
		Description	General obligation (GO) bonds are backed by the full faith, credit, and taxing power of the issuing government entity.	Health district revenue bonds are backed by the revenue generated by the healthcare facility or health district issuing the bonds.	COPs, also known as lease revenue bonds or installment purchase contracts, are structured as a form of lease or installment purchase agreement.	Bonds are typically insured or backed by the California Health Facilities Financing Authority (CHFFA)
		Typically used to finance	Capital projects and initiatives such as large infrastructure projects	Capital projects, improvements, or expansions	Capital projects or equipment purchases	Construction, renovation, or expansion of healthcare facilities or nonprofits in California
		Voter Approval required	Yes, may be simple majority or supermajority	No (but may be subject to district board approval thresholds)	No	No
		Are additional revenues generated?	Yes, via raising local taxes (i.e., ad valorem property taxes, sales taxes or other)	No	No	No
		Comment	Lowest cost; simplicity; self-supporting, but voter approval required.	Flexibility; no vote required but limited to revenues generated to support	Flexibility; no vote required	Flexibility; no vote required
		Continued on following page...				

1 – Examples of possible funding sources provided in this section have not been vetted and/or validated as being appropriate for DCHD or for any health district. Information contained herein is adapted based on information initially published by Orrick, Herrington & Sutcliffe LLP in 2016. Best efforts have been used to provide accurate information however no reliance should be placed on this information without first consulting legal or financial advice. Page 40

KEY ISSUES AND CONSIDERATIONS | CAPEX & BALANCE SHEET



Services &
Operations



Revenue &
Profitability



Transition/
Set Up

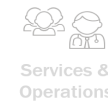


Capex &
Balance Sheet



Ref	Capex & Balance Sheet						
5.2	Debt (continued)	...continued from previous page ¹					
			Negotiable Promissory Notes	Asset-backed Loan	Line of Credit	Capital Lease	Lease Purchase
		Description	A written promise by the issuer to repay a specific amount of money to the payee on a specified date or on demand. May be secured or unsecured.	A loan that is secured by collateral in the form of tangible assets, such as inventory, equipment, accounts receivable, or real estate. Credit is extended subject to a loan-to-value (LTV) ratio.	Gives the borrower the ability to draw funds as needed, up to the approved credit limit, and repay only the amount borrowed plus any interest or fees incurred.	A type of lease agreement that allows a lessee to acquire the use of a tangible asset for a specified period, typically resembling ownership of the asset.	A lease with the option to purchase the property at the end of the lease term.
		Typically used to finance	Business financing, and real estate transactions	Working capital, inventory or equipment.	Manage cash flow, cover unexpected expenses, short-term projects	Equipment.	Real property, buildings, and facilities.
		Voter Approval required	No	No	No	No	No
		Are additional revenues generated?	No, payable from revenues of the District	No, secured with accounts receivable or other assets	No, secured in whole or in part with accounts receivable or other assets	No, but security interest in equipment may be granted	No, payable from revenues of the District
		Comment	Proceeds can be used for any purpose as agreed with lender.	If collateral is strong, easier to obtain financing since it is lower risk for the lender.	Proceeds can be used for any purpose as agreed with lender, including working capital. Higher cost than bonds.	Flexible financing for equipment. Treated as both an asset and a liability on the lessee's balance sheet.	Flexible financing for real property and equipment. Lessee is typically responsible for maintenance.

KEY ISSUES AND CONSIDERATIONS | CAPEX & BALANCE SHEET



Services &
Operations



Revenue &
Profitability



Transition/
Set Up



Capex &
Balance Sheet

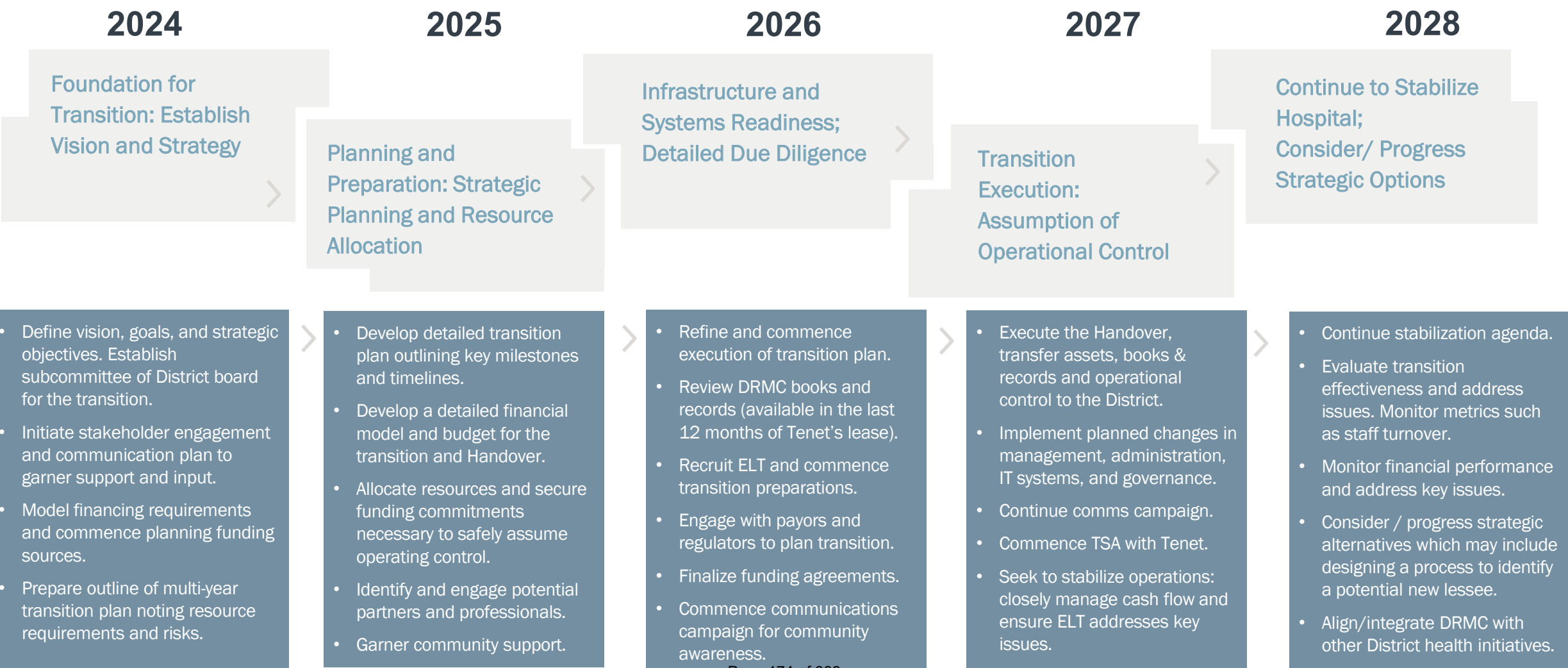


Ref	Capex & Balance Sheet	
5.2	Debt (continued)	<ul style="list-style-type: none"> • Access to debt funding at the scale needed in the initial months of the transition is uncertain due to the nature of available collateral at Handover. For example, at the point of Handover in 2027, the new Hospital entity will have no accounts receivable to provide collateral for an asset-backed loan. Lender appetite to provide a loan secured by the physical plant is questionable, especially for a health district because the path to recovery is complex. • It is possible the District may need to limit issuing grants in the years leading up to Handover to save enough cash to safely fund the transition of the Hospital until sufficient debt financing becomes available.
5.3	Seismic Upgrade	<p>In 1995, the AHSSA, also known as SB1953, was put into effect following the seismic vulnerability displayed by hospitals during the Northridge earthquake of 1994. This legislation mandates that all General Acute Care (GAC) hospital facilities adhere to specific building code standards by January 1, 2030.</p> <p>Experts developed a cost estimate of approximately \$222 million to bring DRMC into compliance with the AHSSA.¹ The projected cost assumes contractor buyout by mid-2026 and a 4-year construction process commencing in 2026 and completing by mid-2029.</p> <p>In light of this, there are two key risks we would note:</p> <ul style="list-style-type: none"> • We understand the District would need to secure new financing to fund the required upgrade, which would place significant debt on the Hospital. The District may seek to secure voter approval to raise general obligation bonds which would provide additional tax dollars to support the debt obligation. Other sources of financing are not believed to have the ability to levy taxes, leaving only other sources of revenue from the Hospital and District to fund the bonds. • The timing of construction to meet the compliance deadline would be scheduled to commence in 2026, the last year of Tenet's control of the Hospital. If the commencement would be deferred to start in 2027 at a time when the District had full control over the Hospital, there would be a very significant construction project at the Hospital starting <u>at the same time</u> as the District would be transitioning operational control: the risk of potential disruption to hospital operations would be significant. It is unclear whether there is any flexibility in the mandated compliance deadlines.
5.4	Holding Period	<p>For the purposes of our evaluation, we have assumed the District would have a 3-year holding period for the Hospital, providing time for it to secure a new lessee. There is uncertainty around the holding period; it may be shorter or longer depending on the District's strategy for the Hospital. However, we note that a relatively short term holding period of 3 years, and the consequential uncertainty about the long term operator of the Hospital, impacts the approach to transition and increases the level of risk for the Hospital in somewhat de-stabilizing the operations.</p>

KEY ISSUES AND CONSIDERATIONS | CAPEX & BALANCE SHEET

5.5. Transition Timeline: Successfully assuming operational control of the Hospital would be a multi-year process.

Outline of a potential timeline (subject to change):





4. FINANCIAL ESTIMATE

SUMMARY OUTPUTS FROM OUR HIGH-LEVEL FINANCIAL MODEL

FINANCIAL ESTIMATE | SUMMARY MODEL OUTPUTS



Projected 3-year Profit & Loss Statement (assuming Handover from January 1, 2027)

DRMC Estimated Profit and Loss Statement \$ Millions	2027	2028	2029
Total Operating Revenue	\$ 672.0	\$ 686.7	\$ 701.8
Total Operating Expenses	659.9	674.4	689.1
Operating Profit	12.1	12.4	12.6
Operating Profit Margin	1.80%	1.80%	1.80%
Operating EBITDA Margin	4.99%	4.99%	4.99%
Interest Expense	18.7	19.6	20.1
Earnings Before Non-operating Expenses & Taxes	(6.6)	(7.2)	(7.5)
Start-up Staffing Costs	2.7	-	-
Start up IT	5.2	-	-
Start up professional support services	8.1	-	-
Non-Operating Expense (Income)	-	-	-
Earnings Before Taxes	(22.6)	(7.2)	(7.5)
Federal & State Income tax Expense	-	-	-
Earnings After Income Taxes	\$ (22.6)	\$ (7.2)	\$ (7.5)

DRMC Estimated Activity Metrics	2027	2028	2029
Admissions Growth	0.5%	0.5%	0.5%
Admissions	17,434	17,522	17,609
Avg. Length of Stay	5.00	5.00	5.00
Average Daily Census	238.8	239.4	241.2

Key Assumptions and Financial Drivers (see Appendix I for detailed assumptions)

- We developed a high-level financial projection, making a simplifying assumption that the Handover takes place on January 1, 2027 (however we acknowledge the Tenet Lease Agreement expires May 30, 2027).
- It is also worth noting that DRMC is located within a market with high population growth (~2.0% per year)¹. Following a change in the District boundaries in 2018, the District now serves a **bigger and more diverse population**, including more low-income and remote residents. This is expected to impact payor mix over time.
- We developed our assumptions using CMS cost report data for DRMC and using two key pieces of analysis:
 - Benchmarking key metrics of **Non-Profit Standalone Peer Group** hospitals (see Appendix II)
 - Benchmarking balance sheet metrics of **Health Care Districts** with S&P credit ratings of BBB minus or contiguous ratings, BBB and BB+ ("BBB Peer Group")(Appendix III)
- The clear finding from the Non-Profit Standalone Peer Group was the **significant difference in profit margin** between DRMC's historical performance under Tenet compared with the profitability of non-profit standalone peer hospitals. DRMC's historical profitability is *much* higher than Non-Profit Standalone Peer Group.
- Accordingly, a key driver of the model is the **operating profit margin assumption**, which builds in a myriad of assumptions about the possible impact of payor and vendor contracting rates, cost structures, strategic priorities and organizational culture.
- Transition (start-up) costs modelled in 2027 include \$10.6 million expected to be incurred in the months/years prior to Handover (i.e., 2026). Start-up costs include legal and professional services required to complete the transition from leasing to Tenet, IT expenditures, and staffing training costs.
- Interest expense is calculated as if the transition was 100% debt funded using a revolving Line of Credit, an Asset Based Loan and a fixed asset mortgage. Estimate interest rates have been used based on current market.
- As a District-owned facility, DRMC would be tax-exempt, whereas it is currently taxable under Tenet.
- Based on our high-level assumptions (see Appendix I), **the Hospital would not likely be profitable after financing costs**, at least in the first 3 years from Handover. We estimate that incremental costs related to start-up and transition would be ~\$16.0 million, which is a key driver of the expected net loss in year 1. In years 2 and 3, we forecast the Hospital to incur annual losses greater than ~\$7 million.

FINANCIAL ESTIMATE | SUMMARY MODEL OUTPUTS



Projected Starting Balance Sheet (assuming Handover from January 1, 2027)

DRMC Balance Sheet Analysis (Excluding existing Desert Healthcare District balance sheet balances)* (\$ Millions)			Beginning Balance sheet at 1/1/27	Assumption
Current Assets				
Cash and cash equivalents	\$	105.0	60 Days Cash on Hand	
Cash - General Reserves		-	Assume \$0 to start	
Cash - Reserve for collections delay		67.5	January and February 2027* estimated expenses less: accrued payroll and accrued expensess	
Cash - Reserve for start up costs		16.0	Estimated Start Up IT, Staffing, and Professional Support Services	
Cash - Reserve for cap-ex spend		2.8	Two month's* estimated cap-ex spend	
Cash - Reserve for qtrly. seismic upgrades		-	\$222M 2022 estimate assumed to be paid via General Obligation bonds, not by the Hospital	
Accounts receivable		-	Assume \$0 to start	
Allowances for uncollectible accts		-	Assume \$0 to start	
Inventory		-	Negotiating item; Assume receive from Lessee at end of lease	
Prepaid expenses		-	Negotiating item; Assume receive from Lessee at end of lease	
Other current assets		-	Assume \$0 to start	
Total current assets		191.2	SUM	
Non-current Assets				
Total Fixed Assets		28.1	Estimated 2027 book value of Autos, Major Movable Equipment, HIT assets, Minor Movable Equipment, net of depreciation	
Other Assets		-	Assume \$0 to start	
Total Non-current Assets		28.1		
Total Assets	\$	219.4	SUM	

Source: Gibbins Advisors high level financial model assuming DRMC converts to a standalone District-owned hospital from 1/1/27

DRMC Balance Sheet Analysis (Excluding existing Desert Healthcare District balance sheet balances)* (\$ Millions)			Beginning Balance sheet at 1/1/27	Assumption
Current Liabilities				
Accounts payable	\$	-	Assume \$0 to start	
Salaries, wages, and fees payable		-	Assume \$0 to start	
Payroll taxes payable		-	Assume \$0 to start	
Notes and loans payable (short term)		-	Assume \$0 to start	
Other current liabilities		-	Assume \$0 to start	
Total current liabilities		-	SUM	
New Line of Credit		86.7	Per estimated cash flow; Predominantly funding delayed collections	
New Fixed Assets Mortgage		27.7	Funding of major movable equipment only; Termination Assets to be negotiated; Assume receive from Lessee at end of lease	
New Seismic Upgrade Bonds		-	\$222M 2022 estimate assumed to be paid via General Obligation bonds, not by the Hospital	
New Asset Based Loan		105.0	Asset Based Working Capital Loan to maintain minimum days cash on hand	
Total long term liabilities		219.4	SUM	
Total liabilities		219.4	SUM	
General fund balance		-	Assume \$0 investment from District	
Total liabilities and fund balances	\$	219.4	SUM	

*Collections assumed to be delayed due to NPI transition and therefore no collections received for January or February 2027, resulting in peak debt drawn on LOC at end of February 2027

Source: Gibbins Advisors high level financial model assuming DRMC converts to a standalone District-owned hospital from 1/1/27

FINANCIAL ESTIMATE | SUMMARY MODEL OUTPUTS



Projected Cash Flow (assuming Handover from January 1, 2027)

DRMC Estimated Three Year Cash Flow			
\$ Millions	Total 2027	Total 2028	Total 2029
Beginning Cash	\$ -	\$ 105.0	\$ 107.0
Net Operating Cash Flows - Recurring	(12.8)	34.9	34.7
Net Operating Cash Flows - Non-recurring	(10.8)	-	-
Total Net Operating Cash Flows	(23.6)	34.9	34.7
Net Investing Cash Flows	(50.2)	(17.9)	(18.4)
Net Financing Cash Flows	178.8	(15.0)	(13.6)
Total Net Cash Flows	105.0	2.0	2.6
Ending Cash	\$ 105.0	\$ 107.0	\$ 109.6

Source: Gibbins Advisors high level financial model assuming DRMC converts to a standalone District-owned hospital from 1/1/27

Projected Total Debt (\$ Millions) (excluding \$222M seismic upgrade project)	2027	2028	2029
Beginning Balance	\$ -	\$ 195.9	\$ 200.4
Draws	246.8	135.6	139.3
Repayments	(50.9)	(131.1)	(132.9)
Ending Balance	\$ 195.9	\$ 200.4	\$ 206.8

Key Assumptions and Financial Drivers

- Cash flow and debt projection prepared with the simplifying assumption that the beginning cash is zero (i.e., pre-funding of loans), with loan funding received on Day 1.
- Existing DHCD balance sheet items, including cash, are not included since it is assumed Tenet would retain all such assets and liabilities and the District would establish a new entity for the Hospital.
- Assumed delayed payment of all revenue for the first 2 months, with collections starting in month 3 and initial delay caught up by month 4. Assumes buildup of ~45 days accounts receivable thereafter.
- Investing cash outflows relate to the purchase of both routine capital expenditures, moveable equipment (at projected book value) and one-time IT start-up capital expenditures.
- Financing Cash Flows relate to debt funding and repayment.

Debt:

- A revolving line of credit is assumed to fund operating expenses, interest expense, one-time estimated startup costs and routine capital expenditures.
- An Asset Based Loan is expected to fund 60 days cash on hand. As daily expense grows each year, the minimum required cash naturally grows with average expenses.
- Principal payments are a function of operating and investing cash flows on the line of credit, and \$10 million annual principal payments are currently assumed for the first three post-transition years on the Asset Based Loan.
- The fixed assets mortgage assumed to be used to purchase movable equipment at projected net book value and amortizes over a 5-year period in the form of a promissory note owed to Tenet (which is a financing structure contemplated in the Tenet lease).
- While we have analyzed Health Districts in the BBB Peer Group, we have not evaluated the prospective credit rating of the District. The analysis of BBB, BBB- and BB+ health districts is for comparison purposes only.

FINANCIAL ESTIMATE | SUMMARY MODEL OUTPUTS



Our projections indicate DRMC would have higher leverage than Health Districts with BBB, BBB- or BB+ credit ratings.

Comparison of Leverage Ratios DRMC to BBB Peers	DRMC 2027	DRMC 2028	DRMC 2029	DRMC Average	BBB Peers 2022 Avg.	BBB Peers 2023 Avg.	BBB Peers Avg. of Avg.
Projected EBITDA (\$ Millions)	\$ 33.6	\$ 34.3	\$ 35.0	\$ 34.3			
Interest Expense (\$ Millions)	\$ 18.7	\$ 19.6	\$ 20.1	\$ 19.5			
Principal Repayments (Excluding LOC)	\$ 14.5	\$ 15.2	\$ 15.6	\$ 15.1			
Debt Service Coverage Ratio	1.01	0.99	0.98	0.99	3.41	3.28	3.35
Ending Long-term Debt (\$ Millions)	\$ 195.9	\$ 200.4	\$ 206.8	\$ 201.0			
Bed Count	368	368	368	368			
Long-term Debt/EBITDA	5.84	5.84	5.90	5.86	5.66	3.15	4.40
Long-term Debt/Bed (\$ Millions)	\$ 0.5	\$ 0.5	\$ 0.6	\$ 0.5	\$ 1.0	\$ 1.0	\$ 1.0
Days Cash on Hand	60.0	60.0	60.0	60.0	71.4	48.7	60.1

Key:

- DRMC metric varies from BBB peers
- Key assumption of financial projection to align with BBB peer averages

Sources: Gibbins Advisors high level financial model assuming DRMC converts to a standalone District-owned hospital from 1/1/27; See Appendix III, Benchmarking Hospital Districts with BBB- credit rating

Leverage Analysis Comparing DRMC Projection to Health Districts with BBB- Credit Ratings

- We reviewed a sample of Health Districts with a credit rating of BBB, BBB- and BB+ (“BBB peer group”) (see Appendix III).
- Based on our assumptions, the projected Debt Service Coverage Ratio (“DSCR”) for DRMC from 2027 to 2029 is at or below 1.0. A DSCR below 1.0 indicates a lack of ability to cover debt service based on earnings generated by the business. Notably, the DSCR projected for DRMC is significantly lower than the outlier-adjusted BBB peer group average shown above.
- In our financial model, we have assumed a short-term cash cushion of 60 days cash at DRMC. This assumption is drawn from the BBB peer group averages shown above (adjusted for outliers and only including current cash and investments). This does not include non-current cash reserves (such as board-designated funds).
- Per our projections, in 2027 to 2029 DRMC would have higher leverage than the BBB peer group, measured by long-term debt to EBITDA (around 5.9 to BBB peers’ 4.4).
- Surprisingly, however, our projected long-term debt per bed at DRMC would be nearly half that of BBB peer group averages.



5. RISK ASSESSMENT

EVALUATION OF THE TOP 15 RISKS

SUMMARY RISK ASSESSMENT: TOP 15 RISKS



Overview of key risks to consider if the District were to assume operational control of the Hospital in 2027*

	Risk description (before mitigating actions)	Likelihood	Severity
FINANCIAL RISKS			
1	Profitability Decline: Potential significant decline in profitability in conversion to District-owned standalone.	Almost certain	Extreme
2	Under-capitalized: Risk that the District is unable to obtain necessary upfront financing (or underestimates capital needs) and has inadequate financial reserves to cover required expenditure for Handover/transition.	Possible/Likely	Extreme
3	Over-levered: Capital needed to fund the transition would result in a debt load on the Hospital which may be challenging to service given risk of lower profitability. Leverage may be problematic even excluding new bonds that would be required to fund the \$222m seismic upgrade.	Possible/Likely	Extreme
4	Cash Flow (RCM): Risk that revenue cycle management (RCM) services may not stay with Conifer if a deal cannot be reached, resulting in new revenue cycle processes which may impact cash flow.	Possible	Major
5	Cash Flow (Reimbursement pre-requisites): Delays in payment pre-conditions such as licensing, NPI, change of ownership and set up of provider agreements may result delayed payments of claims.	Possible	Major
6	Labor Collective Bargaining Agreements: Renegotiations may have a negative financial impact on the Hospital	Possible	Moderate/Major
7	Revenue dilution: Risk of significant revenue loss driven by potential decline in patient volume and/or case mix due to Desert Care Network exit and/or payor mix degradation.	Possible	Major
8	Seismic Upgrade: Risk that voters do not approve general obligation bonds (tax-supported) to fund seismic upgrade	Possible	Extreme

	Risk description (before mitigating actions)	Likelihood	Severity
OPERATIONAL/CLINICAL RISKS			
9	Administration Disruption: Changed administrative team, structure and systems, including new corporate services may cause operational disruption. Staying with Vizient would mitigate some risks. Challenge recruiting ELT given long term uncertainty.	Likely	Range from Minor to Major
10	Vendor/Payor Negotiation: Challenges in renegotiating contracts and agreements with payor and vendors previously managed at a network level by Tenet. Reduced bargaining power. Potential to lose clout with counterparties.	Likely	Major
11	Patient volumes/pathways: Possible fracturing of primary care and specialist referral base, outpatient access and capability. May result in lower volumes at DRMC.	Possible	Moderate
12	Service level decline: Limited investment in strategic service development over an extended timeframe (5-6 yrs) which could result in clinical services falling behind the market.	Likely	Moderate
13	Culture: While there are possible benefits from the change of ownership, a cultural shift has the potential to cause confusion and tension among the workforce.	Possible	Moderate/Major
14	Change fatigue: Having ownership Handover in 2027 plus starting construction for seismic upgrade in same year. Risk of disruption to patient care and staff discontent.	Possible	Major
15	Transition Services Agreement: Tenet is not believed to be obligated to enter into a TSA with the District. The absence of a TSA would increase execution risk in the transition.	Possible	Moderate

Risk Assessment Rating System:

Likelihood	Description*	Severity	Description*
Almost Certain	Estimate >80% probability	Extreme	May ultimately cause existential threat
Likely	Estimate <80% probability	Major	Disruption that may take months/years to fix
Possible	Estimate <50% probability	Moderate	Disruption that may take days/months to fix
Unlikely	Estimate <20% probability	Minor	Minimal disruption
Rare	Estimate <5% probability	Insignificant	Barely noticeable impact

* This is not an exhaustive list of all potential risks, but a summary of key risks included in our evaluation. Estimates around impact and likelihood are high level assumptions based on current information and belief of Gibbins Advisors.



6. APPENDICES

- I. Financial Model Key Assumptions
- II. Non-Profit Standalone Peer Group Hospitals
- III. Benchmarking Hospital Districts with BBB- credit rating (“BBB Peer Group”)
- IV. About Gibbins Advisors

I) FINANCIAL ESTIMATE | KEY ASSUMPTIONS



Category	Key Assumptions and Methodology
Profit & Loss Statement	<ul style="list-style-type: none"> The projection covers 2027 to 2029 given the assumption of DRMC's three year holding period. We made a simplifying assumption that the Handover takes place on January 1, 2027 (however we acknowledge the Tenet Lease Agreement expires May 30, 2027).
Revenue	<ul style="list-style-type: none"> Key activity assumptions: <ul style="list-style-type: none"> 0.5% annual growth in inpatient admissions for Year 1 through Year 3. While population growth in Coachella Valley has averaged 2.0% per year, care continues to shift from an inpatient to outpatient setting so the expected inpatient growth rate is lower than general population growth. Average Length of Stay ("ALOS") of 5.0 days. Net Patient Revenue Rate: <ul style="list-style-type: none"> A key metric, Net Patient Revenue per Adjusted Occupied Bed, was analyzed for hospitals in the Non-profit Standalone Peer Group (see Appendix II) over the period from 2018 to 2022 (the peer group excluded one outlier, DRMC, and a peer with no activity from 2018-2021). The average net patient revenue rate per AOB was escalated at the historical peer group average Compound Average Growth Rate to project the average peer group rate. Other Operating Revenue: Historical supplemental payments are projected to grow at a flat 3.0% per year. Other operating revenue is projected at 1.0% annual growth.
Expense	<ul style="list-style-type: none"> Operating margin: The operating margin assumption for DRMC for 2027-2029 is between the 2nd and 3rd outlier-adjusted Non-profit Standalone Peer Group quartiles at 1.80% (after depreciation), which is based upon margin analysis for 2018, 2019, and 2022 (excluding COVID-impacted years of 2020 and 2021). This results in a projected EBITDA margin for DRMC of approx. 5.0%. Depreciation expense: Depreciation expense is projected at ~2.9% of Total Operating Revenue. The impact of seismic upgrade construction works is not included in the model. Interest expense: Interest expense is calculated based on assumed debt draws at current interest rates. Start up & Transition Costs: Start up costs include staffing, IT, and professional support services including hiring management several months in advance of Handover. While we expect that transition costs of ~\$10.6 million would be incurred prior to Handover, for modelling purposes we have included the pre-Handover costs in Year 1. Federal & State Income Tax Expense: Tax expense for 2027 to 2029 is estimated at \$0, due to assumed District-owned tax-exempt status.

I) FINANCIAL ESTIMATE | KEY ASSUMPTIONS (continued)



Category	Key Assumptions and Methodology
Cash Flow	<ul style="list-style-type: none"> • <i>Cash collections delay: The District would need to apply for a new NPI for DRMC or have the NPI transferred from Tenet. This is expected to result in a delay in collections until the NPI process is completed. To reflect this assumption, and other collections assumptions, the first two months of operating revenue are assumed to be collected 60 days late. Thereafter, revenue accrued is projected to be collected after 45 days. We have not separately predicted the timing of cash flows for supplemental payments (which typically occur less frequently) outside the above collection assumption.</i> • <i>Accrued Expenses: Payroll assumes a 14 day pay period with one week delay in paying accrued payroll after the end of the pay period. Non-payroll expenses are assumed paid after 30 days.</i> • <i>Non-recurring operating cash flows: Start up & Transition Costs are assumed to be paid during the first month of 2027. Start Up IT Costs generally relate to IT capital expenditures and are included in Investing Cash Flows.</i> • <i>Investing cash flows: Investing cash flows relate to acquiring capital assets, including IT Start Up assets.</i> • <i>Financing cash flows – Relate to the drawdown and repayment of debt and interest payments. Interest ranges from 6.8% to 10% depending on the type of loan.</i>
Capital Needs	<ul style="list-style-type: none"> • <i>Assumes the District obtains 100% debt financing to fund the transition (which we noted earlier may be challenging due to the nature of collateral at Handover).</i> • <i>Minimum cash balance: Sixty days cash on hand is assumed to be the minimum required balance to provide sufficient cushion to cover short term cash needs.</i> • <i>Working capital: See previous note regarding anticipated delay in cash collections. Although the two-month delay in collections resulting from the NPI transition is estimated to be recovered in 2027, cash will be required upfront to cover operating expenses and other short term cash needs until the Hospital's revenue cycle is established.</i> • <i>Start up costs: Include estimated start up staffing, IT, and professional support services</i> • <i>Routine capital expenditures are estimated at an average Per Licensed Bed amount spent by Tenet as reported in its 2021, 2022, and 2023 annual Forms 10-K. Historic amounts were brought forward to 2027 at a growth rate of 3% annually.</i> • <i>"Termination Assets" (defined in the Lease Agreement) are not included in the projection since that is subject to negotiation between the District and Tenet.</i> • <i>Moveable equipment of ~\$28 million is assumed purchased from Tenet in 2027 utilizing a 5-year promissory note. Interest is accrued based on a typical amortization schedule at ~6.8% annually.</i> • <i>Seismic upgrades: Assumes that seismic upgrades, required to comply with the 2030 deadline, would be financed through General Obligation bonds and will not affect the Hospital financials due to funding from an external revenue stream (local tax levies).</i>

II) NON-PROFIT STANDALONE PEER GROUP SUMMARY: STATISTICS (1/2)



We identified a relevant peer group (“Non-profit Standalone Peer Hospitals”) based on hospital characteristics that bear similarities to DRMC under prospective District ownership including **size** (200-500 beds), **location** (California & urban), **type** (general acute care), **ownership type** (non-profit or government-owned), and **“standalone”**¹ (i.e., not part of a multi-hospital system).

Ref	(data relates to year 2022 cost reports)	Desert Regional Medical Center (“DRMC”)	Antelope Valley Hospital	Community Hospital of the Monterey Peninsula	Eisenhower Medical Center	Henry Mayo Newhall Hospital	John Muir Medical Center - Concord Campus	Loma Linda University Medical Center	Marinhealth Medical Center
	City, State	Palm Springs, CA	Lancaster, CA	Monterey, CA	Rancho Mirage, CA	Valencia, CA	Concord, CA	Loma Linda, CA	Greenbrae, CA
	Total Beds	369	393	262	347	357	244	482	327
	Ownership Type	For-Profit	Governmental	Non-Profit	For-Profit	Non-Profit	Non-Profit	Non-Profit	Local
A	Acute Occupancy Rate	77%	58%	77%	64%	53%	72%	96%	44%
B	FTEs Per AOB	6.1	7.0	7.4	8.8	5.4	6.6	9.3	5.2
C	Total Operating Revenue (\$millions)	629.58	498.53	809.91	1,057.59	402.17	536.03	1,407.20	534.70
D	Operating Profit Margin %	17.7%	2.0%	10.7%	(0.5%)	0.4%	(8.6%)	(14.8%)	5.2%
E	Net Profit Margin %	17.7%	2.3%	11.1%	(0.7%)	(4.7%)	(7.1%)	(1.8%)	(0.8%)
F	Net Patient Revenue Per AOB	\$4,591	\$4,003	\$8,029	\$5,997	\$3,542	\$5,506	\$4,598	\$4,726
G	Operating Expense Per AOB	\$3,589	\$3,833	\$6,385	\$6,455	\$3,554	\$5,974	\$6,383	\$4,725
H	Net Patient Revenue CAGR* 2018-2022	2.0%	3.4%	8.8%	7.6%	3.4%	1.9%	N/A	6.3%
I	Days Cash on Hand	0	163	22	34	143	340	39	73

*CAGR = compound annual growth rate 1 – The exception to standalone hospitals is John Muir and Palomar Health that are part of small hospital systems with 2-3 facilities.

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Data Source: Metrics are calculated by HMP Metrics, except for Net Patient Revenue per AOB, Operating Expense per AOB, and Net Patient Revenue CAGR for the years 2018-2022. The data, derived from CMS cost reports, is cataloged by each hospital’s specific CMS provider number. Gibbins Advisors assumes no responsibility for the accuracy of the numbers reported.

II) NON-PROFIT STANDALONE PEER GROUP SUMMARY: STATISTICS (2/2)



...Continued from prior page

Ref	(data relates to year 2022 cost reports)	Desert Regional Medical Center ("DRMC")	Palomar Health Downtown Campus	Palomar Medical Center Poway	Pomona Valley Hospital Medical Center	Riverside University Health System - Medical Center	Santa Barbara Cottage Hospital	Tri-City Medical Center	USC Arcadia Hospital	Zuckerberg San Francisco General Hospital & Trauma Center
	City, State	Palm Springs, CA	Escondido, CA	Poway, CA	Pomona, CA	Moreno Valley, CA	Santa Barbara, CA	Oceanside, CA	Arcadia, CA	San Francisco, CA
	Total Beds	369	304	236	412	423	401	320	348	397
	Ownership Type	For-Profit	Governmental	Governmental	Non-Profit	Local	Non-Profit	Governmental	Non-Profit	Local
A	Acute Occupancy Rate	77%	70%	74%	66%	100%	67%	54%	56%	91%
B	FTEs Per AOB	6.1	11.5	9.8	7.9	6.8	8.8	4.6	5.5	7.8
C	Total Operating Revenue (\$millions)	629.58	594.81	208.23	767.43	796.36	819.35	345.72	326.87	1,113.93
D	Operating Profit Margin %	17.7%	5.5%	7.5%	0.1%	0.4%	(0.8%)	(11.0%)	(11.5%)	6.0%
E	Net Profit Margin %	17.7%	8.2%	9.0%	0.1%	5.3%	(11.0%)	(7.0%)	(25.4%)	5.4%
F	Net Patient Revenue Per AOB	\$4,591	\$5,250	\$4,068	\$5,152	\$3,941	\$6,208	\$2,884	\$3,555	\$5,544
G	Operating Expense Per AOB	\$3,589	\$4,700	\$1,687	\$4,812	\$3,809	\$6,308	\$3,249	\$3,871	\$5,864
H	Net Patient Revenue CAGR* 2018-2022	2.0%	1.1%	3.9%	4.2%	11.5%	2.1%	(0.5%)	1.7%	1.8%
I	Days Cash on Hand	0	18	92	20	3	27	35	14	116

*CAGR = compound annual growth rate 1 – The exception to standalone hospitals is John Muir and Palomar Health that are part of 2-hospital systems

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Data Source: Metrics are calculated by HMP Metrics, except for Net Patient Revenue per AOB, Operating Expense per AOB, and Net Patient Revenue CAGR for the years 2018-2022. The data, derived from CMS cost reports, is cataloged by each hospital's specific CMS provider number. Gibbins Advisors assumes no responsibility for the accuracy of the numbers reported.

II) NON-PROFIT STANDALONE PEER GROUP SUMMARY: REFERENCES



Ref	
A	Acute occupancy rate is a measure of hospital bed utilization. It represents the average percentage of acute care beds that are occupied - an indicator of inpatient activity levels. It is calculated by dividing the number of days that beds are occupied by the total number of available bed days over the same period.
B	FTEs per AOB (adjusted occupied beds) is a staffing efficiency ratio, showing the average number of Full-Time Equivalent (FTE) staff members relative to activity levels. Adjusted occupied bed is a measure used to factor inpatient and outpatient activity in hospital operations. It is calculated by dividing the number of FTEs by the number of AOBs.
C	Total operating revenue represents the total income generated from a hospital's core business operations, excluding non-operating income like investments. It includes patient care revenue, payment for services, and other operating income.
D	Operating profit margin measures a hospital's profitability from its core operations. It is calculated by dividing the operating profit (or income) by total operating revenue.
E	Net profit margin is the bottom-line profit after all operating and non-operating revenue and expenses, taxes, and interest. It is calculated by dividing net income by total revenue.
F	Net patient revenue per AOB indicates revenue relative to activity levels and is a proxy for price per "unit" of service (noting that there is no distinct unit of service between the blend of inpatient and outpatient activity in hospitals). Figures reported in this report have been calculated by Gibbins Advisors using hospital cost report inputs retrieved from HMPMetrics.com.
G	Operating expense per AOB indicates operating costs relative to activity levels and is a proxy for price per "unit" of service (noting that there is no distinct unit of service between the blend of inpatient and outpatient activity in hospitals). It helps in analyzing the cost efficiency of hospital operations. The calculation is the total operating expense divided by the total number of AOBs.
H	Net patient revenue compound annual growth rate (CAGR) is the average growth rate of patient revenue per year from 2018-2022. It is used to show the growth (or decline) in the size of the hospital's patient care operations over time, excluding other sources of revenue outside of direct patient care.
I	Days cash on hand is the number of days' operating expenses (excluding depreciation) that could be paid with cash and investments. In this case it excludes longer term cash reserves (non-current cash and investments). Cash reported on the CMS cost reports for hospitals that are part of a multi-hospital system may not reflect the cash available for their operations since it is common for those organizations to sweep their cash to the corporate level and manage treasury centrally.

II) NON-PROFIT STANDALONE PEER GROUP SUMMARY: COMMENTS*



	Antelope Valley Hospital	Community Hospital of the Monterey Peninsula	Eisenhower Medical Center	Henry Mayo Newhall Hospital	John Muir Medical Center – Concord Campus	Loma Linda University Medical Center	MarinHealth Medical Center
Comments / Strategic News	Infrastructure Modernization: Antelope Valley Hospital began a \$400 million project in 2021 to build a new facility with 350 beds, updating their infrastructure to current seismic standards and replacing a building from the 1950s. <i>Note [1]</i>	Strong financial performance. Debt forgiveness initiative: In 2023, Montage Health initiated a \$40 million debt forgiveness program, alleviating over for 29,000 patient accounts. <i>Note [2]</i>	Campus Expansion: Plans for Eisenhower Health's main campus in Rancho Mirage to expand were recently approved, including a new memory care and childcare center. Part of a \$256 million capital campaign initiated by the hospital in 2021, construction is set to start in early 2024. <i>Note [3]</i>	Expanding Specialized Care Partnerships (Ongoing): The hospital is collaborating with Keck Medicine of USC to enhance local specialized medical services, adding on-site radiation oncology, advanced orthopedic, and colorectal care, reducing the need for long-distance travel. <i>Note [4]</i>	John Muir – Walnut Creek hospital is not included in the peer group due it its size exceeding the 500-bed threshold. New Cancer Care Facility: Announced in September 2023. <i>Note [5]</i>	Recognition by U.S. News & World Report: The Medical Center was named the No. 1 hospital in the Riverside and San Bernardino metro area for the year 2022-2023, and ranked 12th in California. Very high acute occupancy rate (96.1% in 2022) <i>Note [6]</i>	

	Palomar Health Downtown Campus	Palomar Medical Center Poway	Pomona Valley Hospital Medical Center	Riverside University Health System - Medical Center	Santa Barbara Cottage Hospital	Tri-City Medical Center	USC Arcadia Hospital	Zuckerberg San Francisco General Hospital & Trauma Center
Comments / Strategic News	<ul style="list-style-type: none"> - Recently opened a new rehabilitation center - \$44MM investment to expand capacity. <i>Note [8]</i> - Palomar Medical Center Poway rebranded from Pomerado Hospital. - In financial difficulty due to high leverage, cash shortages, and strategic challenges with competitive environment. <i>Note [8.1]</i> - Recently engaged third party management for the organization. - <i>Note [8.2]</i> 		Recognition for Quality Care: The hospital has been named among the Best Regional Hospitals in Los Angeles by U.S. News & World Report for 2023-24, placing it within the top 12% of hospitals in the nation. <i>Note [9]</i>	Formerly known as Riverside County Regional Medical Center. In 2016 it went through a County-funded turnaround which is reported to have had success. <i>Note [10][11]</i> In 2020, completed a 200,000-square-foot outpatient center. <i>Note [12]</i>	Pediatric ICU Restrictions: In September 2023, the hospital's Pediatric ICU faced restrictions due to 49 deficiencies found by the California Department of Health Care Services. <i>Note [13]</i>	Strategic Partnership Formation: Tri-City Medical Center announced their intention to enhance its service delivery by partnering with UC San Diego Health. The collaboration specifically aims to re-establish labor and delivery services to elevate its women's health care capabilities. <i>Note [14]</i>	USC Arcadia Hospital Revamp (2024): Under new CEO, restructured its executive team to enhance health service delivery. <i>Note [15]</i>	New Rehabilitation Center: Recently unveiled a modernized rehabilitation center to accommodate a 30% increase in patient capacity. <i>Note [16]</i>

III) BENCHMARKING HOSPITAL DISTRICTS WITH BBB- CREDIT RATING (“BBB PEER GROUP”)

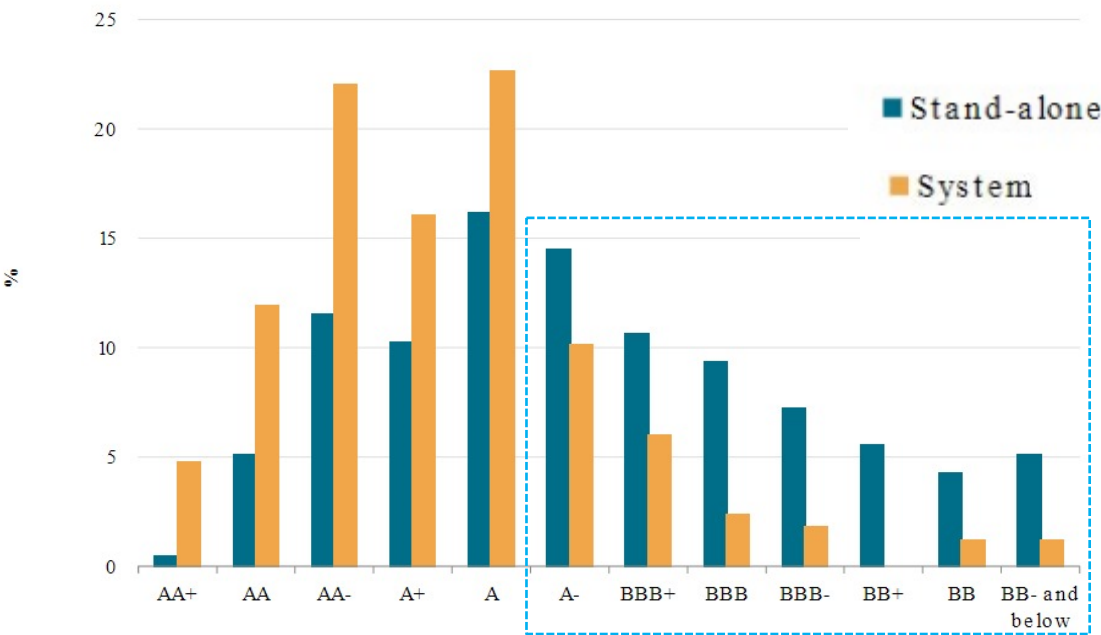


METHODOLOGY FOR COMPARATIVE FINANCIAL ANALYSIS OF HOSPITAL DISTRICTS WITH BBB-, BBB AND BB+ RATINGS

The following steps outline our methodology:

- 1. Identification of Hospital Districts:** We identified health care districts¹ rated by S&P² with a BBB minus bond rating as of December 31, 2023, and due to the small sample size, we included health care districts with contiguous bond ratings (BBB and BB+). We excluded districts where the hospital financials are not reported through the obligor. There are six health care districts in the group reviewed.
 - Crawford County Hospital District
 - Grand River Hospital District
 - King County Public Hospital District No.1
 - Ector County Hospital District
 - Mayers Memorial Hospital District
 - Palomar Health
- 2. Data Extraction and Standardization:** For each selected hospital district, we obtained the latest publicly available financial statements and calculated key balance sheet metrics to facilitate comparison.
- 3. Financial Metric Calculations:**
 - **[Capital reserves indicator] Days Cash on Hand (inclusive of current and non-current cash, cash equivalents, and investments):** (current cash + non-current cash & investments) / (total operating expenses - depreciation & amortization) * 365
 - **[Short term cash indicator] Days Cash on Hand (focusing solely on current cash, cash equivalents, and investments):** current cash & cash equivalents and investments / (total operating expenses - depreciation & amortization) * 365
 - **Long-term Debt to Assets Ratio:** long-term debt / total assets
 - **Days Accounts Receivable (AR):** (net patient accounts receivable / net patient service revenue) * 365
 - **Days Accounts Payable (AP):** (accounts payable / (total operating expenses - depreciation & amortization)) * 365
 - **Current Ratio:** current assets / current liabilities
 - **Interest Coverage Ratio:** EBIT / interest expense
 - **Long-term Debt to EBITDA Ratio:** long-term debt / EBITDA
 - **Debt Service Coverage Ratio:** EBITDA / total debt service (current maturities of long-term debt + interest expense)

S&P credit rating analysis²: There are more stand-alone non-profit hospitals with ratings below “A” than hospitals in a system



As of Dec. 31, 2023. Source: S&P Global Ratings.
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¹ - Healthcare districts identified primarily by the word “district” in the obligor name, with the exception of Palomar Health. There is one Fitch-rated health care district included in our analysis.
² - "U.S. Not-For-Profit Health Care Outstanding Ratings" list published by S&P Global on December 31, 2023.

III) BENCHMARKING HOSPITAL DISTRICTS WITH BBB- CREDIT RATING (“BBB PEER GROUP”)

SUMMARY BY HOSPITAL DISTRICT (2023)



2023 Financial Metrics	Crawford County Hospital District	Grand River Hospital District (2022)	King County Public Hospital District No.1	Ector County Hospital District	Mayers Memorial Hospital District	Palomar Health
Hospital d/b/a	Crawford Memorial Hospital	Grand River Medical Center	Valley Medical Center	Medical Center Health System	Mayers Memorial Hospital	Palomar Medical Center Escondido & Palomar Medical Center Poway
City, State	Robinson, IL	Rifle, CO	Renton, WA	Odessa, TX	Fall River Mills, CA	Escondido, CA & Poway, CA
Total Beds	25	79	329	402	115	Escondido: 292 & Poway: 236
Rating <i>(as of 12/31/2023)</i>	BBB	BB+	BBB	BBB-	BBB <i>(as of 9/7/23)</i>	BBB
Rating Agency	S&P	S&P	S&P	S&P	Fitch	S&P
Total Operating Revenue (\$millions)	69.52	89.31	889.00	335.31	46.94	986.69
Non-Operating Tax Revenue (\$millions)	1.24	7.83	25.60	78.17	1.15	69.99
Operating Income (Loss)(\$millions)	3.75	(18.53)	(26.39)	(81.66)	3.33	(29.48)
Net Profit (\$millions)	5.52	(5.03)	11.09	32.27	4.23	(26.45)
Net Profit Margin	7.9%	(5.6%)	1.2%	9.6%	9.0%	(2.7%)
Total Long-Term Debt (\$millions)	24.98	89.45	278.91	32.64	23.68	1,417.55
Total current and non-current cash and investments (\$millions)	47.93	58.05	158.12	79.06	28.60	406.93
Total Long-Term Debt per bed (\$millions)	1.00	1.13	0.85	0.08	0.21	2.68

Note: Gibbins Advisors has used its best efforts to consistently calculate ratios across hospital districts utilizing available information; however, there may be inaccuracies for which we do not bear responsibility. The information is for illustrative purposes only and should not be relied upon for decision-making by users of this report.

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III) BENCHMARKING HOSPITAL DISTRICTS WITH BBB- CREDIT RATING (“BBB PEER GROUP”)

METRICS SUMMARY BY HOSPITAL SUMMARIZED BY ITS CREDIT RATING



Days Cash on Hand (current & non-current cash & investments)			
Rating per Hospital	2021	2022	2023
BBB		89	67
BBB	298	324	286
BBB		253	250
BBB		158	155
BBB-		104	73
BB+	234	218	
Simple Average	266	191	166

Days Cash on Hand (only current cash & investments)			
Rating per Hospital	2021	2022	2023
BBB		42	35
BBB	186	80	43
BBB		232	225
BBB		132	101
BBB-		31	15
BB+	201	201	
Simple Average	193	120	84

Long-Term Debt to Total Assets			
Rating per Hospital	2021	2022	2023
BBB		0.34	0.34
BBB	0.29	0.28	0.26
BBB		0.36	0.34
BBB		0.67	0.68
BBB-		0.09	0.09
BB+	0.38	0.37	
Simple Average	0.34	0.35	0.34

Days AR			
Rating per Hospital	2021	2022	2023
BBB		44.22	45.74
BBB	44.67	36.38	34.94
BBB		49.68	43.72
BBB		75.77	90.09
BBB-		41.68	46.63
BB+	39.62	40.13	
Simple Average	42.15	47.98	52.22

Days AP			
Rating per Hospital	2021	2022	2023
BBB		12.18	11.82
BBB	13.40	19.43	19.56
BBB		24.37	10.80
BBB		30.60	29.32
BBB-		29.39	29.91
BB+	9.48	10.81	
Simple Average	11.44	21.13	20.28

Current Ratio			
Rating per Hospital	2021	2022	2023
BBB		1.06	1.32
BBB	1.84	1.58	1.61
BBB		7.36	9.55
BBB		2.26	2.39
BBB-		8.52	10.40
BB+	5.52	5.46	
Simple Average	3.68	4.37	5.05

Debt Service Coverage Ratio			
Rating per Hospital	2021	2022	2023
BBB		0.05	2.74
BBB	0.84	6.73	4.92
BBB		2.85	4.38
BBB		1.56	1.08
BBB-		4.75	20.28
BB+	1.93	1.16	
Simple Average	1.38	2.85	6.68

Interest Coverage Ratio			
Rating per Hospital	2021	2022	2023
BBB		(2.54)	1.68
BBB	2.84	14.04	9.28
BBB		2.84	5.19
BBB		1.26	0.69
BBB-		(7.26)	32.55
BB+	1.37	(0.50)	
Simple Average	2.11	1.31	9.88

Long-Term Debt/EBITDA			
Rating per Hospital	2021	2022	2023
BBB		193.59	3.63
BBB	3.79	1.83	2.32
BBB		5.36	3.33
BBB		8.43	12.02
BBB-		2.69	0.57
BB+	6.27	9.96	
Simple Average	5.03	36.98	4.37

Note: Gibbins Advisors has used its best efforts to consistently calculate ratios across hospital districts utilizing available information; however, there may be inaccuracies for which we do not bear responsibility. The information is for illustrative purposes only and should not be relied upon for decision-making by users of this report.

Financial metric descriptions are provided on page 58.

Gibbins Advisors has calculated outlier-adjusted metrics for use in its analysis with respect to DRMC (not shown here).



Appendix (IV) About Gibbins Advisors

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**GIBBINS
ADVISORS**



ABOUT GIBBINS ADVISORS

OUR SERVICES



Bringing decades of C-level healthcare operations and restructuring expertise, GIBBINS ADVISORS is a team of careful listeners, analytical thinkers and creative problem solvers. We provide leadership and advice to support our clients through times of challenge and transition. We operate across the United States and Australia.

OUR VALUES



Straight Talk

We tell the
hard truths



Integrity

Do the right thing in all our
professional interactions



Excellence

Services delivered to the
highest possible standard



Focused

We are results oriented
with a bias to action

KEY SERVICE LINES*

1. Restructuring

- Assistance with lender negotiations, strategic direction, planning / forecasting in distressed situations or bankruptcy
- Balance sheet restructures, capital injections, asset divestments and wind up / liquidation

2. Operational Turnaround, Consulting and Interim Management

- Service Design; Performance Improvement; Strategic Planning
- Rapid Diagnostic Assessments; Turnaround & Restructuring Planning and Execution
- Interim & Crisis Management or advisory services
- CRO, CEO, CFO, COO

3. Creditor Advisory

- Financial Advisor to Committee of Unsecured Creditors
- Independent Business Reviews; Valuations
- Advisory for 'in court' and 'out of court' situations

4. Official Appointments

- Independent Monitor; Chapter 11 Trustee; Liquidating Trustee; CRO; Examiner

5. Transaction Diligence and Post-closing Integration

- Buy-side and Sell-side advisory services
- Business Plan / Business Model diligence / Management Assessment
- Financial and cash flow modelling; Pre/Post-Closing Integration / Wind Down

CORE SECTORS

We primarily specialize in businesses in the middle market (i.e. with revenue from ~\$50 million up to ~\$500 million)

Hospitals

- General acute care
- Critical Access
- Long Term Acute
- Behavioral Health
- Specialty hospitals

Post-Acute and Long-Term Care

- Nursing homes
- Skilled nursing
- Home care
- Hospice
- Inpatient Rehabilitation
- Addiction Centers

Senior Living

- Assisted living
- Independent living
- Continuing Care Retirement Communities

Outpatient Services

- Specialty group practice
- Primary care
- Dental
- Urgent care centers
- Ambulatory surgery centers
- Freestanding ER facilities

Allied Health, Diagnostics & Support

- Therapy
- Laboratory
- Pharmacy
- Imaging
- Revenue cycle providers
- Corporate services
- Medical office buildings
- REIT and medical property

- Staffing
- DME

Not-for-Profit

- Higher Education
- Social Services
- Pension and OPEB (Other Post-Employment Obligations)
- Charitable organizations
- Religious organizations

ABOUT GIBBINS ADVISORS

OUR POINT OF DIFFERENCE



Values-led and results focused, our team of professionals are committed to excellence and delivering value for our clients.

MANAGE COMPLEXITY.

We are experts at navigating multi-layered challenges in an uncertain environment

ANTICIPATE OBSTACLES.

We chart the course and prepare our clients for the path ahead.

MAKE AN IMPACT.

We lead effective execution to achieve targeted results



Our team composition

Our team comprises a diverse mix of professionals who bring decades of experience from both C-level healthcare and not-for-profit operations as well as top tier advisory firms. We understand our clients’ expectations from both sides of the table.



Quality of sector experience

The healthcare and not-for-profit sectors bring a unique set of challenges: operational, strategic, financial, cultural, political and clinical. In times of change and challenge, many of these factors are under duress. An experienced team is needed to navigate stakeholders through the uncertain times.



Our independence, service and value

Our “straight talking” style and transparent approach is valued by those we work with. We are a boutique, independent firm which means we develop close relationships with clients.



Our execution capability

We are grounded and practical with a bias to action. We pay attention to detail and work together with stakeholders at all levels to get the job done. We enjoy collaboration.



Our different mindset

We approach all engagements with a creative and strategic mind set. We think ahead to ensure our clients are prepared for different eventualities – we know you don’t like surprises.

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Updated Proposal for Desert Regional Medical Center

May 28, 2024

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Review of Process to Date

- Following an assessment of Fair Market Value provided by the District's advisors, Tenet and the Desert Care Network ("DCN") originally presented a proposal for a new lease with purchase option of Desert Regional Medical Center ("DRMC") to the District board on September 18, 2023
- After subsequent feedback from the District Board, we responded in December with clarifying information and revised terms
- Since that time, we have worked closely with the District's CEO and legal & financial advisors to respond to additional questions
- Throughout this process, Tenet / DCN has been committed to offering the District "fair and reasonable consideration" for the assets being transferred, as required by CA statute

Tenet / DCN's Revised Proposal

- The existing lease agreement between the District and Tenet / DCN will continue until its expiration (May 30, 2027)
- Subject to approval by both the Desert Healthcare District Board and voters within the District in the November 2024 election, Tenet / DCN and the District would enter into a new lease with purchase (the “New Lease”) on 12/1/2024 (the “Effective Date”), subject to voter approval in the November 2024 election
- The New Lease would begin on May 31, 2027 (the “Commencement Date”)
- The Term of the New Lease would be 30 years (through May 31, 2057)

Tenet / DCN's Revised Proposal – Economic Terms

- Tenet / DCN shall make an initial payment to the District of \$100,000,000 on May 31, 2027
- On May 31, 2028, Tenet / DCN shall make the first of nineteen annual payments to the District of \$19,536,814, which shall increase each year subject to an annual escalator
- Tenet / DCN shall make a final payment of \$100,000,000 to the District on May 31, 2057, at which time, title to DRMC shall fully transfer to Tenet / DCN
- Total payments to the District will be approximately \$650 million
- When adjusted for the time value of money to the Effective Date (using an 8.0% discount rate) this is equivalent to the fair market value of DRMC (the “Business Enterprise Value”) as determined by VMG, plus a \$10,000,000 premium

Tenet / DCN's Revised Proposal – Scheduled Payments

Year	Payment Date	Cash Amount
1	May 31, 2027	\$100,000,000
2	May 31, 2028	\$19,536,814
3	May 31, 2029	\$19,927,550
4	May 31, 2030	\$20,326,101
5	May 31, 2031	\$20,732,624
6	May 31, 2032	\$21,147,276
7	May 31, 2033	\$21,570,222
8	May 31, 2034	\$22,001,626
9	May 31, 2035	\$22,441,658
10	May 31, 2036	\$22,890,492
11	May 31, 2037	\$23,348,301
12	May 31, 2038	\$23,815,268
13	May 31, 2039	\$24,291,573
14	May 31, 2040	\$24,777,404
15	May 31, 2041	\$25,272,952
16	May 31, 2042	\$25,778,411
17	May 31, 2043	\$26,293,980
18	May 31, 2044	\$26,819,859
19	May 31, 2045	\$27,356,256
20	May 31, 2046	\$27,903,382
21 – 30	May 31, 2047 - 2056	\$0
	May 31, 2057	\$100,000,000
Total		\$646,231,750

Adjusted for 8% Discount Rate to 12/1/24:

\$268,642,234

Equivalent to:

BEV: \$258,642,234
Premium: \$10,000,000
Total: \$268,642,234

Total Cash Payments to District:

Approx. \$650 million

Additional Provisions of the Proposed New Lease

- **Tenet will agree to maintain DRMC in compliance with regulatory standards, including California laws regarding life safety and seismic standards**
- **Any modifications to DRMC shall be designed with the intent to ensure the greatest possible access to equitable care, including maintaining current capacity for key elements such as the number of beds, operating suites, and emergency department bays, all while maintaining compliance with State Law**
- **The general terms and conditions of the New Lease will be consistent with the operational restrictions of the existing lease agreement, including the list of essential services to be provided at DRMC**

Additional Provisions of the Proposed New Lease

- **The New Lease will contain language to ensure that the District and Tenet / DCN continue to work as partners to expand care throughout the District's entire geography**
- **The New Lease will contain a provision whereby Tenet / DCN commits to pursue an expansion of the Emergency Department and Admitting area at JFK Memorial Hospital (currently estimated to be \$60 million)**
- **The New Lease would contain a non-compete clause similar to what exists in the current lease, with a territory matching the District's current boundaries**

Modified Terms of the Proposal since September 2023

Since our initial proposal, we have modified many of the terms to make our proposal more beneficial for the District and the community

Agreement Provision	Initial Proposal	Updated Proposal
Fair Market Valuation	Based on VMG report	Added \$10 million premium
Upfront Payment	\$75 million	\$100 million
Timing of Payments	Spread evenly over 30 years	Modified so that more money paid to District earlier
Investment at JFK Memorial Hospital	Not specific	Commitment to renovate Emergency Dept. & Admitting areas
Commitment to maintain current capacity at DRMC	Not addressed	Future modifications will be designed to maintain current capacity
Termination Provision	Same as current lease: Termination at Tenet's option	Removed termination "for convenience" – now only for District breach

Conclusion – Benefits of our continued partnership

- **Tenet / DCN has successfully operated DRMC in partnership with the District for over 25 years and has a long history of serving the needs of our community including:**
 - **Developing the only Level 1 trauma center in the District at DRMC, anchoring a three-hospital trauma network**
 - **Establishing the first comprehensive stroke center within the District boundaries**
 - **Advancing equity in healthcare, and receiving the District's only 100 rating in the Health Equality Index from the Human Rights Campaign Foundation**
 - **Expanding access to healthcare as the number one provider of healthcare services to low-income communities in the Valley**
- **Renewing the Tenet / DCN lease will ensure that healthcare services in the Valley continue without disruptions - allowing DRMC to provide ongoing care to patients**
- **Tenet / DCN is well-equipped to complete the seismic upgrades at DRMC with minimal delays and disruptions to care during construction with no funding obligation for District taxpayers**
- **The District will receive substantial cash proceeds totaling \$650 million to build upon its existing foundation and continue to address the healthcare needs of the District and expand healthcare services to underserved communities**



APPENDIX

Mission, Vision & Values

Our mission, vision and core values were recast in the fall of 2019 to better reflect the organization's purpose-driven culture.

Our Mission is to provide quality, compassionate care in the communities we serve.

Our Vision is to consistently deliver the right care, in the right place, at the right time and to be a premier organization to work, where **patient care and saving lives remain our focus.**

Our Vision reflects our aspirations for the future and the goals we work toward together. It provides hope of what's to come, including how we have the opportunity to participate in some of the most important moments in our patients' lives and continue to improve the way care is delivered.

Our Values

Defining who we are, what we stand for and what we CARE about:

- **Compassion** and respect for others and each other, supporting our communities and advocating for our patients
- **Acting with integrity** and the highest ethical standards, always
- Results delivered through **accountability** and **transparency**
- **Embracing inclusiveness** for all people in our workplace and the communities we serve



Whether we are helping a family welcome a new child, registering a patient for surgery, or training the next generation of clinicians – we do our jobs with heart. We uphold our core values across our network. Each role is integral to our mission.

Developed Desert Care Network and Advanced Capabilities

Emergency Department/Trauma

- DRMC Level I Trauma Center
- JFK Level IV Trauma Center
- HDMC Level IV Trauma Center
- Dedicated Trauma/General Surgery Hospitalist Program 24/7/365: DRMC & JFK
- ACC Chest Pain Certified – DRMC & JFK
- Stroke Receiving & EMS Receiving
- Nursing Staff is Emergency Nurse Pediatric Course (ENPC) Certified – DRMC

Musculoskeletal

- Primary Joint Commission Certified Hip and Knee Programs
- Bone Health and Fracture Programs
- Orthopedic Trauma – DRMC & JFK
- Joint Replacement & Sports Med Program with MAKO capability – DRMC & JFK
- Ortho Clinic – East & West Valley

Cardiovascular Services

- Open Heart
- Valve Program
- STEMI Receiving Center: DRMC & JFK
- Interventional Cardiology: DRMC & JFK
- ACC Chest Pain Certified: DRMC & JFK
- EP/Stereotaxis
- Cardiac Rehab
- Dedicated Cardiac Hospitalists 24/7/365

Surgical Services

- Open Heart Surgery
- Trauma Surgery
- Robotics



Neuroscience Services

DRMC

- Areas only Comprehensive Stroke Program (DNV)
- Two Neuro Clinics
 - Epilepsy, Vascular Neuro, Pediatrics
- Epilepsy Monitoring Unit
- Dedicated Neurohospitalist Program
- Neuro IP Unit & Neuro ICU
- Clinical Research

JFK

- East Valley Neuro Clinic
- Acute Primary Stroke Center
- Tele-Neuro Capable

HDMC

- Acute Stroke Ready Center
- Tele-Neuro Capable

Developed Desert Care Network and Advanced Capabilities

Women & Children’s Services

DRMC

- The Joint Commission Advanced Perinatal Certification
- LDRP Program
- Baby-Friendly Hospital
- Dedicated OB Hospitalist Program
- MFM High Risk Program with OP Clinic
- 14-Bed Pediatric Unit
- Loma Linda Pediatric Hospitalist Program
- Level III NICU with Air & Ground Teams
- Comprehensive Pre & Post-Natal Clinic

JFK

- LDRP Program
- 22-Bed Pediatric Unit
- Loma Linda Pediatric Hospitalist Program
- Pre-natal Education Classes - Promotora / Community Health Workers

Hi-Desert

- LDRP Program

Comprehensive Cancer Center – DRMC

- ACS Accredited
- Inpatient Oncology Unit
- Multi-disciplinary Oncology Programs
 - Breast Program
 - Lung Program
 - GYN/GU Program
 - Head & Neck
 - Gastro-intestinal Malignancies
 - Blood Cancers
 - Neuro Oncology
- Infusion Center
- Radiation Oncology Center
- Cancer Imaging Center
- Community Leader in Cancer Research – 30 Years
- Exclusive site for Radiation Oncology Trials

Additional Services

DRMC

Advanced Wound Healing Centers:

- Hyperbaric oxygen therapy
- Amputation Prevention
- Palm Springs and La Quinta

Acute Rehab Unit:

- 12 bed unit has met service standards

Skilled Nursing Facility:

- 32 bed unit w/ short-term rehabilitation rating of High Performing

Hi-Desert

Continuing Care Center

- 120-bed Continuing Care Center
 - 25 sub-acute care beds
 - 95 bed skilled nursing/long-term

Home Health & Hospice

- Healing patients in high & low deserts

Achieved Numerous Quality Designations

DRMC:

Aetna

Elective Delivery Infant Safe Program

State of California

Baby Friendly Workplace

American College of Cardiology

Accredited Chest Pain Center - Accredited with Commendations

American College of Radiologists

Comprehensive Breast Center of Excellence – Mammography, Stereotactic and Ultrasound

American College of Surgeons Commission on Cancer

Comprehensive Cancer Center Accredited with Commendations

Level I Trauma Center

Bariatric Surgery Comprehensive Center with Obesity Medicine

American Society of Health-Systems Pharmacists (ASHP)

Pharmacy PGY1 Residency

Baby Friendly USA

Baby Friendly Hospital

BCBS Blue Distinction Center

Blue Distinction - Bariatric Surgery

Blue Distinction – Spine. Hip & Knee Replacement

Blue Distinction – Maternity

California Diabetes and Pregnancy Program (CDAPP)

Sweet Success Affiliate

California Maternal Quality Care Collaborative (CMQCC)

Maternity Honor Roll

DNV GL Healthcare USA, Inc.

2022 Comprehensive Stroke Designation

Get with the Guidelines

2022 Stroke Gold Plus, Target: Stroke Honor Roll Elite, Target: Type 2 Diabetes

Human Rights Campaign (HRC) Foundation

LGBTQ Healthcare Equality Leader

RestorixHealth

Center of Excellence Award

The Joint Commission

2023 Hospital Triennial Accreditation

2023 Hip Replacement, Knee Replacement

2024 Advanced Perinatal Care Certification

Riverside County EMS

Comprehensive Stroke Center Designation

2023 Level I Trauma Center Designation

2023 STEMI Receiving Center

CDPH & FDA

Antimicrobial Stewardship Honor Roll – Silver

Mammography Quality Standards

JFK:

The Joint Commission

Hospital Triennial Accreditation

Advanced Certification for Primary Stroke Center

Riverside EMS

STEMI Receiving Center Designation

Primary Stroke Receiving Center

Level IV Trauma Center

Chest Pain Receiving Center

California Department of Public Health

Elective PCI Certification

Get with the Guidelines

2023-Stroke Gold Plus with Target Type 2 Diabetes

American College of Cardiology

Accredited Chest Pain Center with PCI

HI-DESERT:

BCBS Blue Distinction Center

Blue Distinction for Maternity - Blue Shield and Anthem

California Maternal Quality Care Collaborative

Maternity Honor Roll _

CMS Nursing Home Compare 5 Star Ratings - 3 Star

The Joint Commission

Hospital Triennial Accreditation

Home Care Triennial Accreditation

Acute Stroke Ready Accreditation

Inland County EMS

Level IV Trauma Center & Acute Stroke Ready

Dedicated to Workforce Training and Access to Care

Physician Training Programs DRMC

•Residencies:

- Family Medicine – 32
 - transition to 36 in July
- Emergency Medicine - 30
- General Surgery – 6
 - Transition to 9 in July
- Internal Medicine:
 - Proposed start in July - 6
- Transitional Program
 - Proposed start in July – 12
- Pharmacy - 2

•Fellowships

- ED Ultrasound - 1
- Surgical Critical Care – 2



Other Annual Training Programs

DRMC:

- Nursing - 243
- Other – 90

JFK:

- Nursing - 125
- Other - 22

HDMC:

- Medical Students – 16

TOTAL: 496

Contributes to a Thriving Local Economy

Annual Economic Impact: \$1.47 Billion

- 6,871 people employed (direct & indirect)
- \$8.3 million in taxes each year
- 331,400 patients touched annually

Committed to Community Engagement & Charitable Giving

DCN delivered \$108m in Community Benefit

- Charity Care of \$30.7m; Discounts to the Uninsured of \$76.7m
- DCN supports 70 organizations annually
- Annual charitable giving (direct & indirect) \$2.0m
- Participated/Hosted/Sponsored 154 Community Engagements
- 60% of Medi-Cal patients receive care through Desert Care Network
- 2,000 Behavioral health patients annually
- 5,030 Unhoused patients annually

(2023)

Charitable Donations & Sponsorships

Average annual spend \$2M per year

About Families
AIDS Assistance
Alzheimer's Coachella Valley
American Cancer Society *
American Heart Association
Association of Fundraising Professionals
Basin Wide Foundation *
Black Chamber of Commerce
Boys & Girls Clubs across the valley
Cathedral City Senior Center
The Center – LGBTQ Palm Springs
Chambers of Commerce – PS*, PD, RM, Yucca Valley *, GCVCC – all cities *
City of Palm Springs (Parades: Veterans, Christmas & Black History)
Coachella Valley Economic Partnership
Coachella Valley Historical Society
Coachella Valley Rescue Mission
Coachella Youth Soccer Association
College of the Desert – Nursing Program
CSUSB-PD Nursing Program
DAP Health
Desert ARC
Desert Business Association (Gay Chamber) *
Desert Cancer Foundation *
Desert Health (Newspaper & Wellness Awards)
Desert Healthcare Foundation & Behavioral Health Steering Committee *
Desert Healthcare District Medical Mobile Clinics – Residents

Desert Hot Springs Pride Days
Desert Sands Unified Education Foundation
Dr. Carreon Foundation
EMS Appreciation
Equality CA – Palm Springs
FIND Food Bank – Healthy Over Hungry Cereal Drive/Holiday Pies
Friday Night Lights Youth Football
Galilee Center
Hanson House Foundation *
HARC – Health Needs Assessment Surveys
Indio Senior Center
JFK Memorial Foundation – Ophelia Project
Joslyn Senior Center – PD
Joshua Tree Rotary Club
LifeStream Blood Bank & Blood Drives
Martha's Village & Kitchen
Mizell Center *
Neuro Vitality Center
OneFuture Coachella Valley *
One PS – Neighborhoods
Palm Springs Air Museum
Palm Springs Cultural Center
Palm Springs Health Run and Wellness Festival
Palm Springs Int'l Film Society *

Palm Springs Pride
Palm Springs Unified School District
Paws & Hearts Pet Therapy – Cancer Patients
Pendleton Foundation
PS Test
RAP – Sr. Inspiration Luncheon
Riverside County Physicians Memorial Foundation
Skilled Nursing Facilities – Senior Drive
The Center – LGBTQ PS
The Roost Foundation
The Unforgettables Foundation
Transgender Health & Wellness Center
United Way of the Desert
Unity Home (Yucca Valley)
Visit Greater Palm Springs Tourism Foundation
Volunteers in Medicine – Coachella Valley *
Women's Club of Indio
Women Leaders Forum
YMCA of the Desert

***Board Position**

Over Thirty Year History in the Valley

Transitioning Distressed Hospitals to Vital Facilities

JFK Memorial Hospital



Acquired in 1979; 145 beds
Selected by physician owners to acquire and reposition JFK in high growth area

Desert Regional Medical Center



Leased in 1997; 385 beds
Selected by DHCD to redirect and reposition struggling Desert Hospital

Hi-Desert Medical Center



Leased in 2015; 179 beds
Selected by MBHD voters to redirect and reposition struggling Hi-Desert Medical Center



Thank you!

Date: May 28, 2024

To: Desert Healthcare District and Foundation Board

From: Michele Finney, CEO

Re: **DRMC CEO - District Board Meeting Report May 2024**

I'm pleased to provide this monthly report to the District Board to share highlights about Desert Regional Medical Center for the month of May.

People/Quality:

- A big shout out to Deb Gruszecki, DRMC Marketing Manager, for being selected by the American Heart Association as the Coachella Valley Woman of Impact for the current year. Deb was honored at an AHA event on May 15.
- DRMC earned the LGBTQ+ Healthcare Equality Leader designation from the Human Rights Campaign Foundation with a perfect score of 100. DRMC is one of only 384 facilities nationwide to receive the top score of 100. 1,065 actively participated in the HEI 2024 survey.
- DRMC turnover rates are tracking favorably. Year to date, nurse rate is 8.17%, and all employee rate is 9.75%. JFK nurse rate is 8.41%, and all employee rate is 9.00%.
- DRMC was awarded the Aetna Institute of Quality designation for Total Joint Replacements for three more years.
- SEIU-UHW three-year agreement completed and ratified for all three Desert Care Network hospitals.

Survey Activity:

- The Joint Commission Triennial Survey April 23-26, 2024. No Conditional Findings.

Services/Events:

- Nurses and Hospital Week events were filled with spirit and engagement from staff. Events included games, activities, and food.
- Celebration event for DRMC's Advanced Perinatal Certification scheduled for May 29 at 11am.
- DRMC and DCN participated in a number of community events to foster education and wellness and support local non-profit charities. These events have been focused in areas such as blood donation at all three hospitals, Medi-Cal redetermination, Chamber State of the City's, non-profit fundraiser events, and clinical services outreach to the unhoused and those most vulnerable throughout our community. Of particular popularity was a second session of the Desert Survival Seminars – "When the Desert Bites Back". This series will be held in the lower desert next season.

Capital & Construction Projects Underway:

- OR Light, Video Integration and LIM project. Four ORs are fully completed. The upgrading of ORs is taking place at both DRMC and JFK.
- East campus roof and air handler replacement complete and awaiting HCAI sign off.
- ICU Isolation Room (4) Project complete and signed off by HCAI.
- Elevator Replacement - Replacement of the second phase of elevators is expected to start in Q3 2024. This project is currently in the architectural and planning phase. S3 remains out of service.
- ICU Renovation – 2 pods will be updated and are in the planning phase.
- JFK – MRI construction still underway. DRMC – MRI replacement in architect and engineering phase.
- Cancer Center CT Sim – In process. Expected completion in Q3-2024.
- Kitchen and Cafeteria Equipment – Replacement of select appliances. Project will be phased. CERs submitted.



Date: May 28, 2024
To: Board of Directors
From: Les Zendle, MD, Director
Subject: Report of the May 23, 2024, DRMC Governing Board Meeting

1. Presentation: DRMC Graduate Medical Education Annual Report

Programs:	Residents/Fellows:
Emergency Medicine	30
Family Medicine	36
General Surgery	15
Internal Medicine	pending
Transitional Year	12
Surgical Critical Care	2
Obstetrics Fellowship	2
Clinical Ultrasound Fellowship	2
2. DRMC CEO Report: Michele Finney reviewed and answered questions about the updated Tenet proposal for the new lease/purchase to be presented to the DHCD Board on 5/28/24.
3. Reports were given and approved for the credentialing and privileging of medical and allied professional staff, as well as Peer Review by the Medical Executive Committee.
4. Quality Report was given by CQO Christine Langenwaller focusing on 2024 Quality Assurance and Performance Improvement Initiatives
5. April Financial Report was given by CFO Jimmy Fish
6. Policies and Procedures were reviewed and approved by the Governing Board in the Consent Agenda
7. Reviewed results of the 2023 Annual DRMC Governing Board Self-Evaluation



Date: May 28, 2024

To: Board of Directors

Subject: CEO Report - Desert Physicians Medical Group (DPMG) Mobile Medical Trailer Ribbon Cutting Ceremony

Staff Recommendation: Informational item only

Background:

On May 25, 2021, the DHCD Board of Directors approved \$336,500 for the acquisition of a medical mobile unit and additional operational expenses, including \$175,000 from a grant by the Coachella Valley Resource Conservation District (CVRCD). The medical mobile unit cost \$170,000.

On March 1, 2022, a Request for Proposal (RFP) was released to find an operator for the mobile unit who could license it as a medical facility. DPMG Health (Desert Physician's Medical Group), a 501(c)(3) organization associated with DRMC's Family Medicine Residency Program, applied and was selected to operate the unit and provide healthcare services.

On June 28, 2022, the DHCD Board of Directors approved a 3-year operating budget of up to \$500,000 for the medical mobile unit, awarding the funds to DPMG Health.

Following the success of the first medical mobile unit, CVRCD proposed a \$140,000 grant for the purchase of a second medical unit in September 2023.

In October 2023, the DHCD Board of Directors accepted the grant from CVRCD and awarded DPMG Health a \$1,057,396 grant for two years. This grant covered the purchase of a truck to pull the second mobile unit, operating costs, and the rental of a clinical location to serve as a medical home for the mobile units. The facility will also establish a pharmacy, order vaccinations, order labs, and provide telehealth and environmental screening services.

Update

On May 11, 2024, DPMG Health and DHCD hosted a ribbon-cutting ceremony for the medical mobile trailer and an open house for the clinical space that will serve as a clinic and pharmacy hub for both medical mobile units. The event was well attended, with speakers including Dr. Gemma Kim and Dr. Jose Cadelario from DPMG Health, DHCD Board member Dr. Les Zendle, and DHCD staff members interim CEO Chris Christensen and Chief of Community Engagement

Alejandro Espinoza. Congressman Raul Ruiz's office provided congressional certificates to DPMG Health, DHCD, and CVRCD, represented by Board Member Celeste Alonzo.

The event received extensive media coverage, including broadcasts by KESQ-TV and NBC Palm Springs, and reports by The Desert Sun and The Palm Springs Post. It highlighted the successful partnership between the Desert Healthcare District and Foundation, Coachella Valley Resource Conservation District, Growing CV, and DPMG Health.

Fiscal Impact:

Medical Mobile Unit Purchase and Maintenance: \$336,500 of which \$175,000 came from The Coachella Valley Resource Conservation District (CVRCD) grant.

Medical Mobile Trailer Purchase: \$137, 850 of which \$140,000 came from the second Coachella Valley Resource Conservation District (CVRCD) grant.

Medical Mobile Unit Operations: \$500,000 over 3-year period to DPMG Health

Medical Mobile Trailer Operations, Truck Purchase, and Clinical Location: a \$1,057, 396 over a 2-year period to DPMG Health



Date: May 28, 2024

To: Board of Directors

Subject: CEO Report -Environmental Health Initiative Data Walk – June 4

Staff Recommendation: Informational item only

Background: The DHCD strategic plan identifies environmental health as one of its top-priority goals and strategies, which include:

Goal #6: Be responsive to and supportive of selected community initiatives that enhance the environment in the District's service area.

- Strategy 6.1 Increase awareness of the health impacts of the air quality in Coachella Valley (**High Priority**)
- Strategy 6.2 Increase awareness of the health impacts of the water quality in Coachella Valley (**High Priority**)
- Strategy 6.3 Increase collaborative efforts addressing the negative health impacts of social determinants of health related to the environment in Coachella Valley (air quality, water quality, and shelter)

As part of the Environmental Health Initiative, which is guided by the three reports from the Public Health Institute, CONCUR, Inc., and the partnership with South Coast AQMD & HARC. DHCD staff has identified both qualitative and quantitative data to gather feedback from District residents and key stakeholders during a data walk. The topics highlighted in the data walk include:

- Healthcare Utilization
- Economic Impact
- Air Quality-Related Health Conditions
- Health Disparities
- Policy Actions & Strategies
- Sources of Air Pollution in the Coachella Valley.

The Environmental Health Initiative data walk will take place on June 4th from 10:00am to 12:30pm at the RAP Foundation conference room. Feedback from District residents and key stakeholders will assist DHCD and its consultant, Stephanie Minor develop a Request For

Proposals, which will be released and announced at the September 20 & 21 Environmental Health Summit hosted by the DHCD.

Fiscal Impact: None



Date: May 28, 2024
To: Board of Directors
Subject: Consideration to approve the second 10-year Lease Option of the Wellness Park with the City of Palm Springs.

Staff Recommendation: Consideration to approve the second 10-year Lease Option of the Wellness Park with the City of Palm Springs.

Background:

- The Wellness Park developed by the District was leased to the City of Palm Springs September 17, 2003.
- The lease agreement requires the City to maintain the park.
- The lease includes 4 optional 10-year extensions.
- The first extension expired September 17, 2023.
- The second extension extends the expiration date to September 17, 2033.
- Staff recommends approval of the second 10-year Lease Option of the Wellness Park with the City of Palm Springs.

Fiscal Impact:

None



City of Palm Springs

Scott C. Stiles, ICMA-CM

City Manager

3200 E. Tahquitz Canyon Way • Palm Springs, California 92262
Tel: (760) 322-8350 • Fax: (760) 323-8207 • Web: www.palmspringsca.gov

May 13, 2024

Desert Healthcare District
ATTN: President, Board of Directors
1140 North Indian Canyon Drive
Palm Springs, CA 92262

RE: Second Option to Parkland Lease Agreement A4772

Pursuant to Section 1.3 of the Agreement A4772 between the Desert Healthcare District and the City of Palm Springs dated September 17, 2003, this services as Notice that the City of Palm Springs would like to exercise the option to extend the lease for the second ten-year option.

Section 14.4 Notices. Shall be amended to reflect all notices addressed to City shall include a copy to counsel for City:

Best, Best & Krieger LLP
Attention: Jeffrey Ballinger
655 W Broadway, 15th Floor
San Diego, CA 92101

Upon consent of the District, the term of the second option would end September 17, 2033.

Respectfully,
CITY OF PALM SPRINGS

Scott C. Stiles, City Manager

ATTEST:

APPROVED AS TO FORM:

Brenda Pree, City Clerk

Jeffrey Ballinger, City Attorney

Accepted,
DESERT HEALCARE DISTRICT

BY:

Wayne

LAW OFFICES

JEFFREY G. SCOTT

16935 WEST BERNARDO DRIVE, SUITE 170
SAN DIEGO, CA 92127-1635

(858) 675-9896

JEFFREY G. SCOTT
CLIFFORD M. LEVY
KEITH A. LIKER
BLAISE J. JACKSON

FAX (858) 675-9897

RECEIVED

JUL 12 2004

DEPT. OF HEALTHCARE DISTRICT

July 9, 2004

Mr. Peter Young
Desert Healthcare District
1140 North Indian Canyon Drive
Palm Springs, CA 92262

Re: **Parkland Project Lease Agreement with City of Palm Springs**

Dear Peter:

Enclosed for your information is a copy of the signed lease, including a March 2003 revision to paragraph 5.4, for the Parkland Project.

Sincerely,

Jeffrey G. Scott/jml
JEFFREY G. SCOTT

JGS:jml
Enclosures

LAW OFFICES
JEFFREY G. SCOTT
16935 WEST BERNARDO DRIVE, SUITE 170
SAN DIEGO, CA 92127-1635

(858) 675-9896

JEFFREY G. SCOTT
CLIFFORD M. LEVY
KEITH A. LIKER
BLAISE J. JACKSON

FAX (858) 675-9897

FAX COVER SHEET

DATE: July 8, 2004

TO: Donna Craig

FAX NO.: 760-323-6825

FROM: Brandi Alger

PAGES: 20 (including cover)

RE: Parkland Project-Lease with City of Palm Springs

Attached is the signed lease. Changes were made to section 5.4, so there is an extra page with initials next to the changes. Also attached is a letter regarding the changes. Please call if you have any questions.

CONFIDENTIALITY NOTICE

The documents accompanying this facsimile transmission may contain confidential information which is legally privileged. The information is intended only for the use of the individual or entity named above. If you are not the intended recipient or the person responsible for delivering it to the intended recipient, you are hereby notified that any disclosure, copying, distribution, or use of any of the information contained in this transmission is strictly **PROHIBITED**. If you have received this transmission in error, please immediately notify us by telephone and mail the original transmission to us. Thank you.



ALESHIRE &
WYNDER, LLP

ATTORNEYS AT LAW
www.awattorneys.com

18881 Von Karman Ave.
Suite 400
Irvine, CA 92612
Phone 949.223.1170
Fax 949.223.1180

March 19, 2004

SENDER'S E-MAIL:
TISRUEL@AWATTORNEYS.COM

David H. Ready
City Manager
City of Palm Springs
3200 East Tahquitz Canyon Way
Palm Springs, CA 92262

RECEIVED

MAR 29 2004

LAW OFFICES OF
JEFFREY G. SCOTT

Re: Parkland Lease Revision

Dear David:

Enclosed please find two copies of revised page 5 of the above-referenced agreement. As you can see, the Vice President of Desert Healthcare District has initialed and dated the new section 5.4. At your earliest convenience, please initial and date the revised pages and return one of the executed pages to Jeff Scott, Esq., Law Offices of Jeffrey Scott, 16935 West Bernardo Drive, Suite 170, San Diego, CA 92127-1635.

Your cooperation is appreciated. Please contact me if you have any questions or concerns.

Very truly yours,

ALESHIRE & WYNDER, LLP


Tiffany J. Israel

TI:vsp

cc: David J. Aleshire, City Attorney

RETURN TO:
CITY CLERK
CITY OF PALM SPRINGS
BOX 2743
PALM SPRINGS, CA 92263

PARKLAND PROJECT LEASE AGREEMENT

This Lease Agreement ("Lease") is made and dated as of September 17, 2003, by and between the Desert Healthcare District, a Health Care District organized and existing pursuant to California Health and Safety Code section 32000 et seq. ("District"), and the City of Palm Springs, a California Charter City ("City"), with reference to the following facts:

RECITALS

A. As a California Health Care District, the District is instrumental in promoting health and wellness services to the communities of the Coachella Valley, including the City of Palm Springs, California. The District is the owner of certain real property located in the southeast quadrant of the intersection of Tachevah Drive and Via Miraleste, in the City of Palm Springs, California, consisting of one (1) parcel totaling approximately five (5) acres, as more particularly described on Exhibit "A" attached hereto and incorporated herein by reference (referred to herein as the "Park" or the "Property").

B. City desires to make the Property available as a special-use park ("Parkland Project"), which shall include recreational areas and facilities specifically designed for use by individuals with disabilities, rehabilitation patients, families utilizing hospital services, support groups, and other health purposes.

C. City owns property ("Ruth Hardy Park") adjacent to the Property which has been developed for many years as a park. The Property and the Ruth Hardy Park are shown on a "Map of Site" which is attached hereto as Exhibit "B" and incorporated herein by this reference.

D. District is willing to enter into a long-term lease of the Property with City in accordance with the terms and conditions of this Lease.

E. The parties have developed a general "Site Plan" attached hereto as Exhibit "C" and incorporated herein by this reference which shows a concept plan for improvements including parking areas and recreational amenities. The parties agree that the joint development and use of the Property and the Ruth Hardy Park will best promote the interests of the parties hereto and the general welfare of the community.

NOW, THEREFORE, the parties incorporate the Recitals as set forth herein and agree as follows:

COVENANTS

ARTICLE I PROPERTY, TERM AND OPTIONS

1.1 Leased Property. District hereby leases to City, and City hereby leases from District, on the terms and conditions set forth in this Lease, the Property that is more particularly identified and described on Exhibit "A".

1.2 Term of Lease. The initial term of this Lease shall be for ten (10) years, commencing on September 17, 2003, and ending on September 17, 2013, with four, 10-year options to extend.

1.3 Options to Extend. With the consent of District, City shall have the right to extend this Lease on the same terms and conditions for four (4) additional ten-year (10) periods after the initial term expires by giving District written notice of its intention to do so at least 60 days prior to the date that the then-current term would otherwise end.

ARTICLE II ACCEPTANCE OF PREMISES

2.1 Acceptance of Property. City accepts the Property in an "as-is" condition as of the date of the commencement of the term of this Lease.

ARTICLE III RENT, TAXES AND UTILITIES

3.1 Rent. The contemplated use of the Property by City will benefit the communities served by District by enhancing the health and welfare of the residents of the community. As City will make available and maintain the Property, the rent shall be \$1.00 per year, which City may prepay in a lump sum.

3.2 Taxes and Assessments. City agrees to pay any and all applicable real and personal property taxes, general and special assessments, and other charges of every description levied on or assessed against the Property, improvements to the Property, or personal property located on or in the Property.

3.3 Utilities. Lessee further agrees to pay for all utilities used on the Property, including without limitation water, gas, heat, light, power, telephone service, refuse collection and removal, and all other services provided to the Property. The District may install underground utilities at its sole cost and expense.

ARTICLE IV USE, MAINTENANCE, AND COMPLIANCE WITH LAWS

4.1 Limitations on Use. The Property is leased to City for the sole purpose of maintaining the Property as a park that provides recreational areas and health related uses specifically designed for District and City residents and other individuals for health promotion purposes. The park areas and facilities shall be maintained in accordance with the Development Plan which shall be consistent with the general Site Plan as further provided in Article V. In the event that City ceases to utilize the Property for the purposes outlined above at any time during the term of the Lease, this Lease shall terminate in accordance with Article IX of this Lease, and the Property with all improvements thereon shall be returned to District in good and clean condition as provided in Section 12.1.

4.2 No Liens or Easements. Except for permitted encumbrances, easements, and restrictions approved in writing by District, City agrees and covenants not to place

any deed of trust, mortgage, or any other type of security lien upon the Property during the term of this Lease without the written consent of District.

4.3 Maintenance of the Property. City shall, at its sole cost and expense, maintain the Property in good, clean condition and use in accordance with the Development Plan. District shall not have any responsibility to maintain the Property and City hereby waives all rights to make repair under California Civil Code sections 1932(1), 1941, and 1942 or any law in replacement thereof.

4.4 Compliance with Laws and Restrictions. City agrees to use the Property in material compliance with all laws now in force or which may hereafter be in force relative to its use as outlined in this Lease, including without limitation compliance with all federal and state statutes and regulations, and local zoning and building ordinances, as well as all covenants, conditions, and restrictions contained in this Lease.

ARTICLE V DEVELOPMENT PLAN AND PARKING ALLOCATION

5.1 Development Plan. The Development Plan shall be prepared by District to implement the Site Plan and shall be subject to District approval. District, at its sole cost, shall be responsible for the improvement of the Property pursuant to the Development Plan. As part of the Development Plan, the Desert Water Agency may assist the District in landscaping the Property with drought tolerant plants and xeriscape landscaping. City agrees to allow Desert Water Agency access to the Property to monitor, and promote the water conservation technology.

5.2 Memorials and Park Naming Rights. During the term of this Lease, District and City shall share the right, in consultation with each other, to place memorials and plaques in appropriate areas in the Park, in recognition of donors and other supporters of the community. Neither party shall unreasonably withhold consent to the placement of a proposed memorial or plaque. In the event the District or City withholds consent to the placement of a memorial or plaque, the dispute resolution

5.3 **Park Access.** In addition to members of the general public, City agrees to ensure access to the Property for health related uses which may include use of the Park by health related groups.

3-16-04
3-24-04
5.4 **Parking Allocation.** As material consideration for entering into this Lease, during the term of this agreement, District shall have the option to utilize up to 45 parking spaces on the Property in the area shown on the Site Plan, to be constructed at the District's sole cost as part of campus parking for Desert Medical Regional Center.

ARTICLE VI INSURANCE

6.1 **Insurance Coverage.** During the term of this Lease and any renewal or extension thereof, City shall, at City's sole cost and expense, procure and maintain comprehensive property and general liability coverage, including automobile liability, as a part of City's comprehensive facilities insurance. This insurance shall cover activities on the Property so as to protect both parties.

ARTICLE VII DAMAGE OR DESTRUCTION DURING TERM OF LEASE

7.1 **Restoration of Leased Premises.** If during the term of this Lease the Property is damaged, whether or not from a risk covered by insurance, and subject to the other provisions of this Lease regarding termination, City shall promptly make the repairs necessary to restore the Property to a condition for use comparable to the condition thereof before such damage occurred.

////

provisions of section 14.2 of this Lease shall apply. Notwithstanding any provision in this Lease, all naming rights to the Park shall be reserved to District.

5.3 Park Access. In addition to members of the general public, City agrees to ensure access to the Property for health related uses which may include use of the Park by health related groups.

5.4 Parking Allocation. As material consideration for entering into this Lease, during the term of this agreement, District shall have the option to utilize up to 45 parking spaces on the Property in the area shown on the Site Plan to satisfy the terms and conditions of that certain Parking Agreement dated January 31, 1997, and recorded in the Office of the County Recorder of Riverside County, California, on February 13, 1997, as Instrument No. 048590.

ARTICLE VI INSURANCE

6.1 Insurance Coverage. During the term of this Lease and any renewal or extension thereof, City shall, at City's sole cost and expense, procure and maintain comprehensive property and general liability coverage, including automobile liability, as a part of City's comprehensive facilities insurance. This insurance shall cover activities on the Property so as to protect both parties.

ARTICLE VII DAMAGE OR DESTRUCTION DURING TERM OF LEASE

7.1 Restoration of Leased Premises. If during the term of this Lease the Property is damaged, whether or not from a risk covered by insurance, and subject to the other provisions of this Lease regarding termination, City shall promptly make the repairs necessary to restore the Property to a condition for use comparable to the condition thereof before such damage occurred.

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ARTICLE VIII CONDEMNATION

8.1 Allocation of Condemnation Award. In the event that the Property or any portion thereof is taken by eminent domain or by inverse condemnation, District shall be entitled to the entire award, including but not limited to compensation, damages, and interest, if any, provided that City shall be entitled to that portion of the award, if any, which is attributable to any improvements constructed by City.

ARTICLE IX DEFAULT AND TERMINATION

9.1 Events of Default. Subject to the notice and cure provisions of paragraphs 9.2 and 9.3 below, and the expiration of the cure period set forth therein, the following events shall be a default by City and a breach of this Lease:

(a) Failure of City to maintain the Property in good condition as a park, as outlined in this Lease, or a material breach of any term or condition of this Lease.

(b) The subjection of any material right or interest of City to attachment, execution, or other levy, or to seizure under legal process which would materially interfere with City's ability to operate the Property as a special use park.

(c) An assignment by City for the benefit of creditors or the filing of a voluntary or involuntary petition by or against City under any law for the purpose of adjudicating City bankrupt.

(d) In the event the Property becomes a public nuisance or disturbs the peace and tranquility of the surrounding residents.

9.2 Notice and Right to Cure. Prior to pursuing any remedy for an alleged default of City, District shall provide written notice of default to City. Each notice of default shall specify in detail the alleged event of default and the intended remedy. City

shall have one hundred and eighty (180) days after notice is given to cure the alleged default.

9.3 Remedies. In the event that a material default by City continues uncured for a period of one hundred and eighty (180) days following notice, in addition to the rights and remedies provided by law or equity, District may at its election terminate this Lease by giving City notice of termination. On the giving of notice, all City's rights in the Property and improvements shall terminate. Promptly after notice of termination, City shall surrender and vacate the Property and all improvements in good and clean condition.

9.4 Termination by City. City may terminate this Lease at any time by giving written notice to District at least one hundred eighty (180) days prior to the effective date of such termination. Upon such termination, City must surrender the Property and all improvements in good and clean condition as provided in Section 12.1.

ARTICLE X HAZARDOUS WASTE

10.1 Hazardous Materials. City shall not use or allow anyone else to use the Property to generate, manufacture, refine, transport, treat, store, handle, recycle, release, or dispose of any hazardous material, other than as reasonably necessary for the activities as contemplated pursuant to this Lease. The term "hazardous material" means any hazardous substance, material, or waste, including but not limited to those listed in 49 CFR 172.101 (U.S. Department of Transportation), the Cal/EPA Chemical Lists, or petroleum products and their derivatives. City shall immediately notify District in writing in the event of any release of hazardous material, violation of any environmental law, or actions brought by third parties against City alleging environmental damage. City shall indemnify and hold District harmless from any and all damages of any nature (including payment of attorney fees) related to or arising out of the discharge or release of hazardous materials by City, its agents, employees or invitees.

////

ARTICLE XI ADDITIONAL COVENANTS OF CITY

11.1 Signage and Displays. District and City shall work cooperatively to develop appropriate signs and displays describing the multi-purpose functions of the park and acknowledging the contributions of the District.

11.2 Annual Reporting. City shall provide to District an annual report, in a form acceptable to District, on the operations of the park.

ARTICLE XII SURRENDER OF PROPERTY

12.1 Surrender of Property. Upon the expiration or earlier termination of this Lease, City shall surrender the Property and all improvements thereon in a good and clean condition to District.

ARTICLE XIII INDEMNIFICATION

13.1 Indemnification. City shall defend, indemnify, and hold District harmless from, and reimburse District for, any loss, cost, expense, liability, or damages of every kind or nature, including but not limited to injury to or death of any person or destruction of Property in connection with or related to, the use by City or any third party (including officers, directors, and employees of District) of the Property or any facilities located thereon in connection with the services being provided by City. In addition, City shall defend, indemnify, and hold District harmless from any breach or default in the performance of any obligation to be performed by City under this Lease; any violation of governmental law or regulation, or any intentional misconduct or negligence of City, or any officer, agent, jusasec employee, guest, or invitee of City, regardless of whether such intentional misconduct or negligence was active or passive.

In the event of the occurrence of any event which is an indemnifiable event pursuant to this Section, City shall notify District promptly and, if such event involves the claim of any third person, City shall assume all expenses with respect to, the defense, settlement, adjustment, or compromise of any claim. Provided that District may, if it so desires, employ counsel at its own expense to assist in the handling of such claim, and City shall obtain the prior written approval of District, which shall not be unreasonably withheld, before entering into any settlement, adjustment or compromise of such claim. City shall reimburse District or any third party (including officers, directors, and employees of the District) for any legal expenses and costs incurred in

connection with or in enforcing the indemnity herein provided. All indemnification obligations hereunder shall survive the expiration or earlier termination of this Lease. Notwithstanding the generality of the foregoing, the City's obligation to indemnify the District shall not extend to liability caused by the negligence or willful misconduct of the District, its officers, employees or agents on the Property, or events or activities conducted by District.

If District operates any facility adjacent to the Property, District should indemnify City for injuries relating to the District's activities/use of the adjacent property.

ARTICLE IX MISCELLANEOUS PROVISIONS

14.1 Governing Law. This Lease shall be governed by and construed in accordance with the laws of the State of California.

14.2 Dispute Resolution. In the event any disagreement, dispute or claim (collectively, a "Dispute") arises between or among the parties hereto with respect to the enforcement or interpretation of any term or provision of this Agreement or any Related Agreement or with respect to whether an alleged breach hereof or thereof has or has not occurred, or with respect to any other matter related to or arising out of this Agreement or any Related Agreement, or the relationship or transactions contemplated hereby or thereby, such Dispute shall be resolved in accordance with the following procedures:

(a) Meet-and-Confer. In the event of a Dispute between the parties hereto, either party may give written notice to the other party setting forth the nature of such Dispute ("Dispute Notice"). The parties shall meet and confer to discuss the Dispute in good faith within thirty (30) days of the other party's receipt of the Dispute Notice in an attempt to resolve the Dispute. All representatives shall meet at such date(s) and time(s) as are mutually convenient to the representatives of each party within such 30-day period.

(b) **Arbitration of Disputes.** Except as set forth below, any Dispute which cannot be resolved by the parties hereto within thirty (30) days after either party's receipt of a Dispute Notice may be submitted at the option of either party to binding arbitration, which arbitration shall be conducted in accordance with the following provisions:

(1) **Venue.** The arbitration shall be conducted in Riverside County, California, unless the parties mutually determine that another venue would be more convenient for the parties.

(2) **Law.** The governing law shall be the law of the State of California.

(3) **Selection.** A single disinterested third party arbitrator shall be selected by mutual agreement of the parties, or if they are unable to mutually select an arbitrator within fifteen (15) days after either party notifies the other of its desire to arbitrate the Dispute, then by JAMS/Endispute (JAMS) in accordance with its then-current Rules of Practice and Procedure.

(4) **Administration.** The arbitration shall be administered by JAMS.


(5) **Rules.** The rules of arbitration shall be the Rules of Practice and Procedure of JAMS as may be modified by the parties to the arbitration by mutual agreement at the time of the arbitration, except that the provisions of California Code of Civil Procedure section 1283.05 are incorporated into and made applicable to this agreement to arbitrate, unless the parties agree otherwise at such time. For good cause shown and on order of the arbitrator, depositions may be taken and discovery may be obtained in accordance with California Code of Civil Procedure section 1283.05.

(6) **Award.** The decision of the arbitrator shall be final and binding upon the parties hereto, and judgment upon the award may be entered in any court of competent jurisdiction in the United States. The award shall include written findings of fact, a summary of the evidence and reasons underlying the decision and

conclusions of law. The arbitrator shall have the power to award equitable relief, including specific performance of the terms and conditions of this Agreement and/or injunctive relief. However, the arbitrator shall not have the right to award punitive damages.

(7) **Fees and Costs.** As part of the award, the arbitrator may award reasonable and necessary costs actually incurred by the prevailing party, as determined by the arbitrator in his or her award, including that party's share of the arbitrators' fees, costs and expenses, as well as any administration fees. The arbitrator may also include reasonable attorneys' fees in an award of costs if the arbitrator finds that the party against whom the fees are assessed acted frivolously or in bad faith in its demand for, or participation in, the arbitration.

NOTICE: By initialing the space below, the parties hereto agree to have any Dispute arising out of the matters included in this "arbitration of disputes" provision decided by neutral arbitration as provided by California law (provided that such Dispute has not been resolved through the meet-and-confer discussions and mediation procedures described above) and the parties are giving up any rights they might possess to have the Dispute litigated in a court or jury trial. By initialing the space below the parties hereby agree to give up their judicial rights to discovery and appeal, unless those rights are specifically included in this "arbitration of disputes" provision. If either party refuses to submit to arbitration after agreeing to this provision, such party may be compelled to arbitrate under the authority of the California Code of Civil Procedure.

 _____

14.3 Invalidity. In the event that any one or more of the provisions contained in this Lease shall be invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained in this Lease shall not in any way be affected or impaired thereby. To the extent permitted by applicable law, each party to this Lease waives any provision of law that renders any provision of this

Lease invalid, illegal, or unenforceable in any respect. In the event any provision of this Lease shall be held invalid, illegal, or unenforceable, the parties shall use all reasonable efforts to substitute a valid, legal, and enforceable provision that implements the purposes and intents of this Lease.

14.4 Notices. All notices, requests, demands, waivers, consents, and other communications hereunder shall be in writing, shall be delivered either in person, by telegraphic, facsimile, or other electronic means, by overnight air courier, or by mail and shall be deemed to have been duly given and to have become effective (a) upon receipt if delivered in person or by telegraphic, facsimile, or other electronic means calculated to arrive on any business day prior to 5:00 p.m. local time at the address of the addressee, or on the next succeeding business day if delivered on a non-business day or after 5:00 p.m. local time, (b) one business day after having been delivered to an air courier for overnight delivery, or (c) three business days after having been deposited in the mail as certified or registered mail, return receipt requested, all fees prepaid, directed to the parties or their assignees at the following addresses (or at such other address as shall be given in writing by a party hereto):

If to City, addressed to:

CITY OF PALM SPRINGS
3200 E. Tahquitz Canyon Way
P.O. Box 2743
Palm Springs, CA 92263-2743
Attn: City Manager
FAX: (760) 323-8207

with a copy to counsel for City:

ALESHIRE, WYNDER & SYLVA, LLP
David J. Aleshire, Esq.
Tower 17
18881 Von Karman Avenue, Suite 400
Irvine, CA 92612
FAX: (949) 223-1170

If to District, addressed to:

DESERT HEALTHCARE DISTRICT
1140 North Indian Canyon Drive
Palm Springs, CA 92262
Attn: President, Board of Directors
FAX: (760) 323-6825

with a copy to counsel for District:

Jeffrey G. Scott, Esq.
16935 W. Bernardo Drive, Suite 170
San Diego, CA 92127
FAX: (858) 675-9897

14.5 Entire Agreement. This Lease (including any exhibits and related agreements): (i) constitutes the entire agreement and supersedes all other prior agreements and understandings, both written and oral, among the parties, or any of them, with respect to the subject matter of this Lease; (ii) is not intended to confer upon any person, other than the parties to this Lease, any rights or remedies under this Lease; and (iii) shall not be assignable.

14.6 Additional Documents. In addition to the documents and instruments to be delivered as provided in this Lease, each of the parties shall, from time to time at the request of the other party, execute and deliver to the other party such other documents and shall take such other actions as may be reasonably required to carry out more effectively the terms of this Lease.

14.7 Relationship of District and City. Nothing contained herein shall be deemed or construed as creating the relationship of principal and agent, or of partnership, or of joint venture by the parties hereto; it being understood and agreed that no provision contained in this Lease nor any acts of the parties hereto shall be deemed to create any relationship other than the relationship of District and City.


14.8 Short Form Agreement. This Lease shall not be recorded, but the parties agree, at the request of either of them, to execute a short form agreement for recording, containing the names of the parties, a description of the Property, and the lease term.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed as of the date first written above.

DISTRICT:

DESERT HEALTHCARE DISTRICT

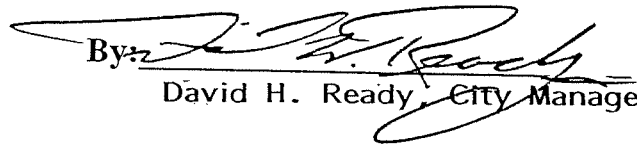
Dated: 10-21-2003

By: 
Mark Matthews, President
Board of Directors


CITY:

CITY OF PALM SPRINGS


Dated: 9/29/2003

By: 
David H. Ready, City Manager

ATTEST:

By: 
City Clerk

Approved as to Form:

By: 
City Attorney

APPROVED BY THE CITY COUNCIL

MC 7379 9-17-03

74772

DESCRIPTION

THAT PORTION OF THE SOUTHWEST QUARTER OF SECTION 11, TOWNSHIP 4 SOUTH, RANGE 4 EAST, SAN BERNARDINO MERIDIAN, ACCORDING TO UNITED STATES GOVERNMENT SURVEY THEREOF, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE CENTER LINE OF TACHEVAH DRIVE WITH THE CENTER LINE OF AVENIDA DE LOS CABALLEROS, SAID POINT ALSO BEING THE CENTER OF SAID SECTION 11;

THENCE ALONG THE CENTER LINE OF SAID AVENIDA DE LOS CABALLEROS, SOUTH 0° 00' WEST 608.22 FEET;

THENCE LEAVING SAID CENTER LINE, SOUTH 89° 58' 00" WEST 1,320.42 FEET TO AN INTERSECTION WITH THE CENTER LINE OF VIA MIRALESTE;

THENCE ALONG SAID CENTER LINE, NORTH 0° 03' 30" EAST 608.22 FEET TO AN INTERSECTION WITH THE CENTER LINE OF SAID TACHEVAH DRIVE;

THENCE ALONG SAID CENTER LINE, NORTH 89° 58' 00" EAST, 1,320.86 FEET TO THE POINT OF BEGINNING;

EXCEPTING THEREFROM THAT PORTION AS CONVEYED TO THE CITY OF PALM SPRINGS BY DEED RECORDED NOVEMBER 21, 1963 AS INSTRUMENT NO. 123450 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

ALSO EXCEPTING THEREFROM THAT PORTION AS CONVEYED TO THE CITY OF PALM SPRINGS BY DEED RECORDED AUGUST 19, 1966 AS INSTRUMENT NO. 84534 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

ALSO EXCEPTING THEREFROM THAT PORTION AS CONVEYED TO THE CITY OF PALM SPRINGS BY DEED RECORDED MARCH 10, 1977 AS INSTRUMENT NO. 40101 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA;

ALSO EXCEPTING THEREFROM ALL URANIUM, THORIUM AND ALL OTHER MINERALS DETERMINED PURSUANT TO SECTION 5, (B), (1) OF THE ATOMIC ENERGY ACT OF 1946, (60 STAT, 761), TO BE PECULIARLY ESSENTIAL TO THE PRODUCTION OF FISSIONABLE MATERIAL AS RESERVED IN QUITCLAIM DEED RECORDED JUNE 15, 1948 IN BOOK 986, PAGE 200 OF OFFICIAL RECORDS OF RIVERSIDE COUNTY, CALIFORNIA.

29-17

T.C.A. 1103

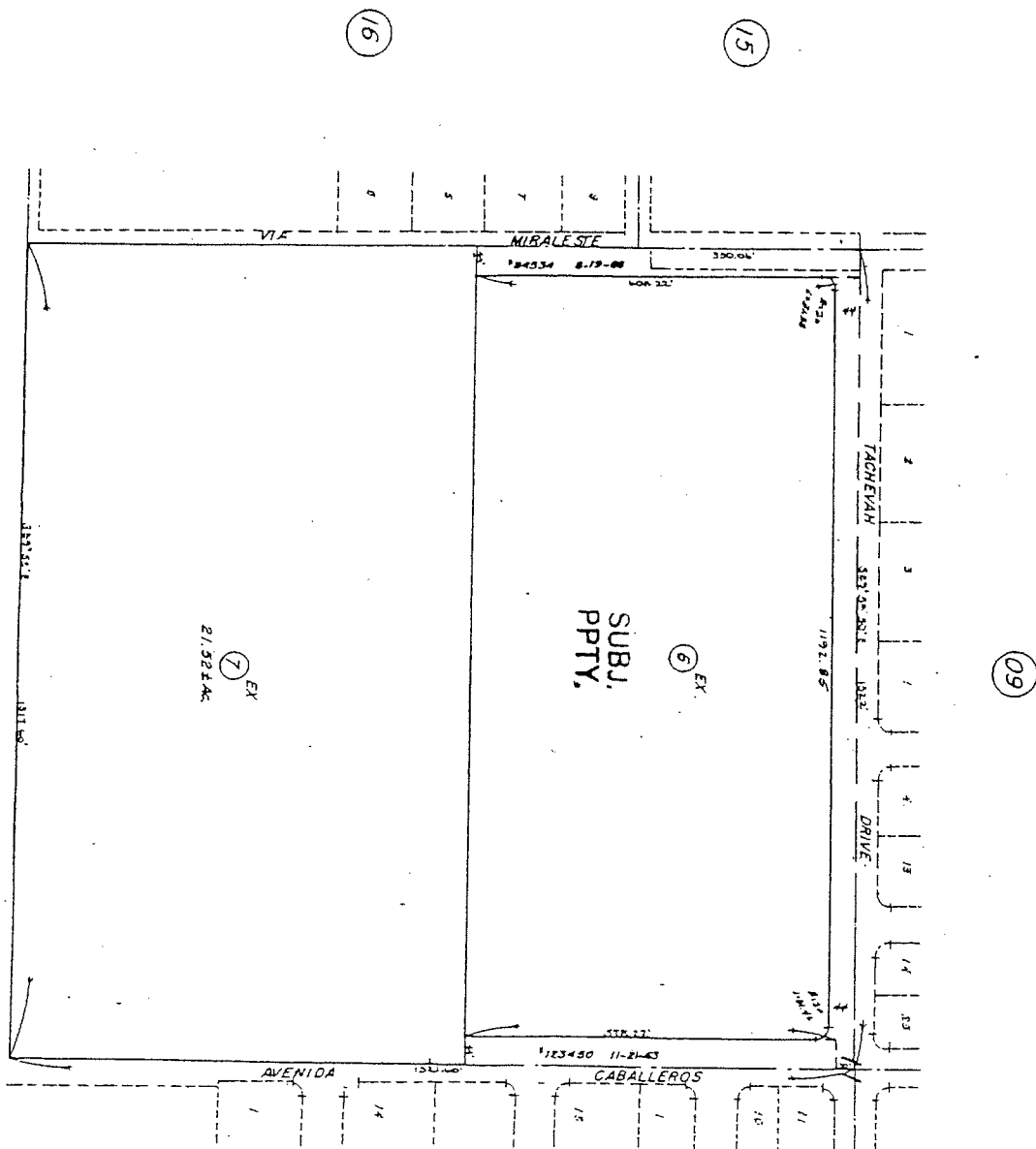
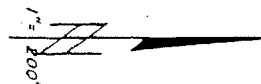
NEI/4 SW/4 SEC.11 T4S., R.4E.

reference to streets and other parcels. It is not a survey. While this plat is believed to be correct, the Company assumes no liability for any loss occurring by reason of reliance thereon.

CHICAGO TITLE INSURANCE COMPANY

CHICAGO TITLE INSURANCE COMPANY

EXHIBIT "B"

[illegible]

Date: MB15/55
RS 53/96-99, 56/29-32

OCT. 1968

ASSESSOR'S MAP BK 507
RIVERSIDE COUNTY, CA

LAW OFFICES
JEFFREY G. SCOTT
16935 WEST BERNARDO DRIVE, SUITE 170
SAN DIEGO, CA 92127-1635

(858) 675-9896

JEFFREY G. SCOTT
CLIFFORD M. LEVY
KEITH A. LIKER
BLAISE J. JACKSON

RECEIVED

MAR 24 2003

Desert Healthcare District

FAX (858) 675-9897

March 18, 2004

VIA OVERNIGHT MAIL

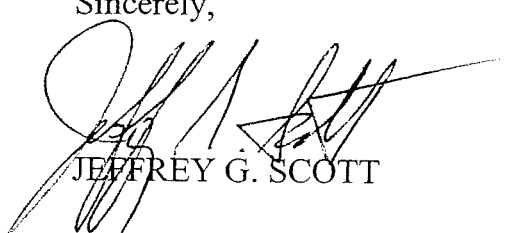
Tiffany J. Israel, Esq.
Aleshire & Wynder, LLP
18881 Von Karman Avenue, Suite 400
Irvine, CA 92612

Re: **Parkland Lease Revision**

Dear Tiffany:

Enclosed are two originals of a revised page 5 (section 5.4) to the Parkland Lease between the City of Palm Springs and the Desert Healthcare District. The revised page has been initialed and dated by Vice President Rubenstein. Please have the City sign and return an original to the undersigned.

Sincerely,



JEFFREY G. SCOTT

Enclosures

cc: Mark Matthews, President
Kay Hazen, Director
Wayne Soucy, CEO



City of Palm Springs

City Attorney

3200 Tahquitz Canyon Way • Palm Springs, California 92262
TEL: (760) 328-8311 • TDD: (760) 864-9527

February 27, 2004

Mr. Jeff Scott
16935 W. Bernardo Drive, Suite 170
San Diego, CA 92127

RE: Kathryn Finchy Park Lease; Desert Health Care District/City Agreement

Dear Jeff:

Last week, we discussed clarifying an issue related to the above-referenced agreement. You were going to send me a letter on the subject which I look forward to receiving.

I think there is an alternative solution I want to mention to you. I believe Section 5.4 could be modified as follows:

5.4 Parking Allocation. As material consideration for entering into this Lease, during the term of this Agreement, District shall have the option to utilize up to 45 parking spaces on the Property in the area shown on the Site Plan [to satisfy the terms and conditions of that certain Parking Agreement dated January 31, 1997, and recorded in the Office of the County Recorder of Riverside County, California on February 13, 1997 as Instrument No. 048590].

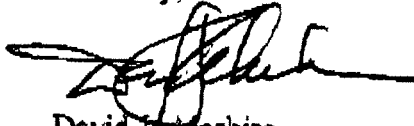
We could either line out the bracketed language and initial the change or revise the page to delete the language (not showing the line out to avoid the inference which might be drawn from the deletion of the language). I think this might be clearer and simpler than dealing with the side letter.

In addition, in reviewing the overall issue with the new Council, a question was raised as to whether the District would agree with a longer term than 10 years. I recognize that there are currently four 10 year options. Nevertheless, I need to forward the suggestion to you.

Post Office Box 2743 • Palm Springs, California 92263-2743

I look forward to hearing your response.

Sincerely,

A handwritten signature in black ink, appearing to read "David J. Adleshire", written over a horizontal line.

David J. Adleshire
City Attorney

DJA:jt
xc: David Ready
Troy Butzlaff



Date: May 28, 2024
To: Board of Directors
Subject: 2024 Special District Selection Committee (SDSC) Run-Off – Eastern Portion of the County

Background:

- The Local Area Formation Commission (LAFCO) released a Notice of Election for the LAFCO Commissioner to all Special District Board Presiding Officers to fill one vacancy in the **Eastern** portion of the county and one vacancy in the Western portion of the county.
- On December 14, 2023, LAFCO released a formal call for nominations due February 13, 2024.
- The Presiding Officer received the ballot on February 15, 2024, with eligibility to vote for the position and the commissioner term expiring on May 1, 2028.

Election Results:

- On April 22, 2024, LAFCO released the election results with thirty-two (32) of the ballot packages returned, exceeding the quorum requirement of twenty-nine (29), with fifty-five (55) eligible voting districts.
- Two districts did not cast any votes for an Eastern Region nominee resulting in a **tie vote** between Bruce Underwood, (CV Cemetery District) and Cástulo Estrada (CV Water District).
- The winning nominee for the Alternate Commissioner is Harvey Ryan (Elsinore Valley Municipal Water District)

Run-Off Election:

- On May 4, 2024, LAFCO and Riverside County legal counsel determined that a run-off election would be the most appropriate method to break the tie.
- The election ballots are due no later than Tuesday, July 2, 2024.
- The election results, run-off ballot packet, and amendment to the Special District LAFO Commissioners Selection Policy & Procedures is included in the Board packet for your reference.



Date: April 22, 2024

via Electronic Mail

To: Presiding Officers (c/o Clerks) and General Managers of Independent Special Districts in
Riverside County

**Re: Results of Special District Selection Committee Election (Eastern Region &
Countywide Alternate)**

As you are aware, over the past two months the Riverside Local Agency Formation Commission (LAFCO) has been conducting ballot proceedings on behalf of the Special District Selection Committee for election of the Regular Special District Commissioner for the Eastern Region and The Countywide Alternate Commissioner. This election was held by electronic mail balloting for purposes of filling the subject expiring Commission seats. The purpose of this notice is to announce the results of the election pursuant to Government Code Section 56332(f)(6).

Thirty-two (32) valid ballot package responses were returned, exceeding the quorum requirement of twenty-nine (29) ballot packages necessary, therefore validating the election as meeting quorum. However, in some cases, some districts only voted for one or the other Commission position, and not both, but most voted for each. Additionally, several districts did not rank more than one candidate for the Alternate Commissioner, which when applying the Instant Runoff Voting (IRV) process lowers the voting threshold to the vote total for the last two candidates after the IRV process is performed.

The 50% plus one threshold of first ranked votes for the Eastern Region Regular Special District Commissioner was sixteen (16) based on the thirty (30) ballots cast for this position. Note that two districts did not cast any votes for an Eastern Region nominee. The vote for the Regular Special District Commissioner for the Eastern Region resulted in a tie vote and is shown below.

The Special Districts Selection Committee will determine what process will be used to break the tie vote and advise.

LAFCO Regular Special District Member (Eastern):

<u>Candidate</u>	<u>Initial First Place Votes</u>
Bruce Underwood (Coachella Valley Cemetery District)	15
Cástulo Estrada (Coachella Valley Water District)	15

Re: Results of Special District Selection Committee Election
Page Two
April 22, 2024

The threshold of 50% plus one first ranked votes for the Countywide Alternate Commissioner position was not met on the initial balloting, therefore the Instant Runoff Voting (IRV) procedure was applied. The winning nominee for the Alternate Countywide Special District Commissioner is shown following in bold, after the instant runoff voting procedure was applied. The original first ranked vote tally for each nominee for the Countywide Alternate position for all nominees is shown below the final vote tally. Note that three (3) districts did not cast any votes for the Countywide Alternate Special District Commissioner nominees, and four (4) #1 rank votes for nominees that were eliminated through the IRV process were not included in the final tally due to lack of designation of additional nominee rankings by the four (4) districts. Upon conclusion of the IRV process, the nominee with the most #1 ranked votes of the last two remaining nominees is deemed selected.

The winning nominee for the Countywide Alternate Special District Commissioner is shown following in bold. The original first ranked vote tally for each nominee for the Countywide Alternate position for all nominees is shown below the final vote tally.

LAFCO Alternate Special District Member (Countywide):

<u>Candidate</u>	<u>First Place Votes</u>
Harvey Ryan (Elsinore Valley Municipal Water District)	14
Angela Little (Valley-Wide Recreation & Park District)	12
<u>Candidate (Ballot Order)</u>	<u>Initial First Place Votes</u>
Bernard Murphy (Rubidoux Community Services District)	3
Steve A. Pastor (Lake Hemet Municipal Water District)	4
Angela Little (Valley-Wide Recreation & Park District)	6
Harvey Ryan (Elsinore Valley Municipal Water District)	10
Richard Lawhead (Beaumont-Cherry Valley Recreation & Park District)	7

Should you have any questions, please do not hesitate to contact me.

Sincerely,



Gary Thompson
Executive Officer



May 3, 2024

via electronic mail

2024 BALLOT INSTRUCTIONS FOR THE SPECIAL DISTRICT SELECTION COMMITTEE RUN-OFF ELECTION FOR THE SPECIAL DISTRICT-EASTERN REGION REGULAR MEMBER OF THE RIVERSIDE LOCAL AGENCY FORMATION COMMISSION

To the Special District Selection Committee (Presiding Officers of Independent Special Districts of Riverside County c/o District Clerks):

Please read these instructions carefully before completing your ballots.

Recently, and as previously announced, an election process was completed for two Special District positions for the LAFCO Commission which was conducted by electronic mail, regular USPS mail, or hand delivered. As a result of the election process, a tie vote resulted for the Eastern Region Regular Special District member of the Commission. It has been determined by LAFCO and Riverside County legal counsel that a run-off election be held as the most appropriate method going forward. This election will also be conducted by electronic or regular USPS mail, or hand delivered.

Enclosed you will find an official election ballot for the position as follows:

One (1) LAFCO Regular Special District Member – Eastern Region: Although candidates were restricted to the Eastern Region area of the County, all members of the SDSC may cast ballots for this position.

General Instructions and Information:

- Completed ballots must be delivered via electronic mail to rholtzclaw@lafco.org, or by regular mail or hand delivered to the LAFCO office at 6216 Brockton Avenue, Suite 111-B, Riverside CA 92506 **no later than 5:00 p.m. on Tuesday, July 2, 2024.**
- Only the Presiding Officer, or another governing board member authorized by your board of directors/trustees to vote, may cast the ballots. Board members designated by their district board to vote in place of the Presiding Officer must provide that authorization (in the form of a resolution or minute order) to LAFCO no later than the time the ballots are cast. District managers or other staff members are not authorized to vote or sign the ballot.

- The voting member must print his or her name on the ballots as well as sign and date the certification indicating he or she is authorized to vote for the district.
- We must receive each ballot with an original signature. However, if you deliver your ballot via electronic mail, you may return a scanned copy of the signed ballot by email to rholtzclaw@lafco.org
- Failure to follow these instructions will invalidate the ballot not meeting these requirements.

Finally, these positions ensure special districts are appropriately represented on the LAFCO Commission. Appointments are only valid if ballots representing a quorum from 29 of the 55 independent special districts are returned. Please return your ballots in a timely manner.

If you have any questions, please contact our office at (951) 369-0631.

Sincerely,



Gary Thompson
Executive Officer

Attachments:

- 1) 2024 Special District Selection Committee – Official Run-Off Election Ballot- Eastern Region Regular Member

May 3, 2024

via electronic mail

**SPECIAL DISTRICT SELECTION COMMITTEE
REGULAR MEMBER- RUN OFF ELECTION
2024 BALLOT**

Name of District: _____
Print District Name Here (required)

Certification of voting member:

I, _____ hereby certify that I am (check one):
Print Name Here (required)

- ☐ The presiding officer of the above-named district.
- ☐ A member of the board of the above-named district authorized by the board to vote in place of the presiding officer. [Authorization ☐ previously transmitted ☐ attached]

Signature (required) Date (required)

**Regular Special District Member of the
Local Agency Formation Commission – Eastern Region – Riverside County**
(Term running through May 1, 2028)

Please mark only one candidate in the box opposite their name.

BRUCE UNDERWOOD, Coachella Valley Public Cemetery District	
CÁSTULO ESTRADA, Coachella Valley Water District	

Listed in random drawing order conducted on 2/14/2024 at 9:39 a.m.

Completed ballots must be delivered via electronic mail to rholtzclaw@lafco.org, or by regular mail or hand delivered to the LAFCO office at 6216 Brockton Avenue, Suite 111-B, Riverside CA 92506 **no later than 5:00 p.m. on Tuesday, July 2, 2024.**



6.c.
5/23/2024

TO: Local Agency Formation Commission

FROM: Gary Thompson, Executive Officer

**SUBJECT: AMENDMENT TO THE SPECIAL DISTRICT LAFCO COMMISSIONERS
SELECTION POLICY & PROCEDURES**

During the recent selection process election for the Special District-Eastern Region Commissioner, a tie vote occurred. In consultation with legal counsel, it was determined that because no specific tie-breaker provision is included in the existing selection policy & procedures adopted on December 7, 2023, a run-off vote would be the most appropriate avenue for resolution. That run-off process is currently underway.

Attached is a proposed Amendment to the policy & procedures that establishes a straightforward resolution and process for breaking ties without having to conduct a lengthy run-off process. The tie breaker is a simple drawing of a name from a container containing each candidate name on separate pieces of paper of equal size, and folded from view. Legal counsel concurs that this is an acceptable method for breaking a tie vote when it occurs.

The proposed Amendment specifies in detail the process to be used for conducting the drawing. Adoption of the Amendment will allow for the tie-breaker to be in place immediately in the event of a future tie vote situation, including the current run-off process underway at this time.

STAFF RECOMMENDATION:

It is recommended that the Commission:

1. Adopt the Amendment to the Special District LAFCO Commissioners Selection Policy & Procedures

Respectfully submitted,


Gary Thompson
Executive Officer

Attachments-

- 1) Amendment to the Special District LAFCO Commissioners
Selection Policy & Procedures
- 2) Current Special District LAFCO Commissioners Selection
Policy & Procedures (w/o Attachments)

Amendment to the Special District LAFCO Commissioners Selection Policy & Procedures

**Amendment to the General Selection Process Section
Special District LAFCO Commissioners Selection Policy & Procedures
May 23, 2024**

Tie Vote

Upon completion of the ballot canvassing process, certification of the ballots received, establishment of a quorum, initial ballot counting, and after conducting a recount by two members of the LAFCO staff, if a tie vote occurs between candidates, the following process shall be utilized as the tie breaker:

- 1) The election of one of the candidates shall be determined by a random drawing of the name of a candidate from a container such as a hat, bowl or other container.
- 2) The random drawing shall be held no later than five (5) days after the day on which the recount canvass is completed to determine the winning candidate.
 - a) The random drawing shall be held at the LAFCO office in the conference room.
 - b) A meeting notice shall be posted at the LAFCO office, distributed to the candidates, the Presiding Officers of each independent special district in Riverside County (c/o their district clerks), and to the President of the Special Districts Association of Riverside County.
 - c) The candidates will be invited to attend and witness the process and are encouraged to attend.
- 3) The name of each of such candidates shall be written on separate pieces of paper, uniform in size and material, folded to hide the candidate name and placed in a receptacle so that the names cannot be seen.
- 4) Prior to inserting the names in the container, the container shall be verified to be empty.
- 5) In the presence of two LAFCO staff members, the Executive Officer shall publicly draw one of the papers with the names, and such person drawn shall be declared elected.
- 6) The result of such drawing shall be certified by the Executive Officer and official notification of the election results sent to all independent special districts as specified in the policy.

Current Special District LAFCO Commissioners Selection Policy & Procedures w/o Attachments

Special District LAFCO Commissioners Selection Policy & Procedures

Background

This Policy & Procedures document for the selection of the independent Special District Commissioners and Alternate to the Riverside Local Agency Formation Commission (LAFCO) has been developed to formalize the process currently utilized, and ensure that all Districts (Districts) have adequate opportunity to engage in the process under the auspices of the statutory framework in state law. The Independent Special District Selection Committee (SDSC) is comprised of the presiding officers of the legislative body of each of the 55 Districts in Riverside County.

In 2014, the SDSC and the Special Districts Association of Riverside County (SDARC) determined that conducting the meetings for selecting LAFCO Special District Commissioners at a location that all could participate was no longer feasible due to cost and logistics for venues to hold the meetings. This was noted by LAFCO Executive Officer George Spiliotis in the 2014 selection process notification letter. Although it is unclear as to how that decision was made as no record of that decision by the SDSC or the SDARC exists at LAFCO, Mr. Spiliotis agreed that LAFCO would conduct the selection process going forward per the statutory framework within Government Code Section 56332 (Attachment A)

Two (2) members (1-Western and 1-Eastern) and one (1) alternate (Countywide) are selected to serve on LAFCO. The Western Region and Eastern Region are defined as Districts with the majority of its assessed value west or east of the intersection of Interstate I-10 and State Highway 111). Presiding officers from all Districts are eligible to vote for the position subject to selection. The purpose of the regional approach for Commissioners was to ensure that representation was provided to these regions which are widely separated geographically. This determination was made early on when the original selection process was developed, and is the same criteria as utilized for the City Commissioners for selections by the City Selection Committee.

LAFCO Responsibilities

- ✓ Conduct the selection process in accordance with Government Code Section 56332, and this Policy and Procedure document.
- ✓ Appoint a LAFCO staff member as the designated point of contact for the selection process.
- ✓ Ensure all notifications of all pre-selection, nomination, and balloting materials are distributed in a timely manner to ensure full participation by all Districts.
- ✓ Ensure all nomination and balloting materials contain instructions for completing, and specific final dates and times for submittal.
- ✓ Provide timely follow-ups during the nomination period and the balloting period to ensure timely submittals of nominations and ballots occur, and quorum requirements are met for a valid selection determination.
- ✓ Provide notifications to successful candidates and overall results to all Districts at the conclusion of the selection process.
- ✓ LAFCO shall retain all election materials for a period of at least two years after the announcement of the election results.

Independent Special District Responsibilities

- ✓ District Clerks - distribute in a timely manner all correspondence and selection process materials to the Presiding Officers and General Managers when received.
- ✓ Presiding Officers- complete nomination forms and ballots as determined by the individual District's internal process, and submit to LAFCO. **All nomination forms and ballots must be signed by the Presiding Officer of the legislative body, or an alternate that has been approved by resolution or a minute order by the legislative body.**
- ✓ District Legislative Body- designate an alternate to Presiding Officer if applicable to the District for acting on behalf of the Presiding Officer. Designation must be by public action and submitting of a resolution or minute order to LAFCO.

General Selection Process

The selection process is conducted by electronic means as allowed under the Government Code. However, allowance is authorized for utilizing regular or special delivery mail services or personal delivery for return of nomination forms and ballots.

Commissioner and Alternate Terms are for four (4) years. The terms of the Commissioners are staggered and selections are held bi-annually on a rotating basis (east/west). Terms expire in May of the expiration year, therefore it is critical that the selection process is not delayed, and quorum is achieved. If a Commissioner term expires and the seat is not vacant, and the selection process has not yet completed for filling that seat, then the sitting Commissioner retains the seat until the selection process has completed.

Any of the 55 Districts may nominate any legislative body candidate, either from within their District, or another District. However, the candidate must be a member of the legislative body of one of the Districts in the region that is up for selection (except for the Alternate which is at-large). Special Note- As specified in Government Code Section 56332 (c), Special District Commissioners cannot be a member of the legislative body of a city or the county.

All 55 Districts are eligible to vote for the candidates on the final ballot whether in their region or not. In order for a selection to be adjudicated, a quorum (50% + 1) of the 55 Districts must be achieved with submitted valid ballots. **Therefore, 29 Districts must submit a valid ballot to reach quorum.**

In order for a candidate to be selected, that candidate must receive a first-place vote on 50% +1 **of the ballots cast**. In the past, when multiple candidates were on the ballot, no candidate received the requisite threshold of votes, which necessitated a new selection voting process, creating significant delays.

To rectify this issue, balloting procedures for using the Instant Runoff Voting (IRV) process (Attachment B) were approved by the SDSC in 2016 for use in the subsequent elections. Although no record exists of this approval other than a reference in the balloting letter for the 2018 election (Attachment C), as this has been accepted practice since 2018, it remains in the process. The purpose of the IRV process is to ensure that a candidate will be selected when quorum is met on the initial ballot.

Further details on the nomination and balloting process are outlined in subsequent sections of this document. Following is a general overall schedule of critical events relative to the balloting process.

Initial Notification of Election

Mid-November

- ♦ LAFCO prepares an Official Notice for a District Commissioner selection to LAFCO (determine region), and/or an Alternate, and distributes by email to all Presiding Officers c/o District Clerk.

Nomination & Balloting Periods

December- 1st Week

- ♦ LAFCO distributes by email an Official Call for Nominations (letter) to all Presiding Officers c/o District Clerks.
- ♦ Candidates must reside within the County and cannot be a Board of Supervisor or City Council member.
- ♦ Included in the packet is the Nomination Form, general instructions with submittal deadlines, and a description of the IRV process if 3 or more candidates are nominated for a position. ONLY the Presiding Officer or his or her alternate as designated by resolution or minute order from the governing body can nominate.
- ♦ The Nomination period will **run for 60 calendar days** from the date of the transmittal letter/email. This should allow sufficient time for those Districts that desire to make nominations a legislative body decision to have sufficient time for submittal.
- ♦ Nomination Forms may be returned to LAFCO by electronic mail, regular or special delivery mail, or hand delivered.
- ♦ As nomination forms are returned, LAFCO determines if Nominees are eligible (east or west representation), and properly executed. Immediate notification will be given to any District if an error has occurred on a nomination form.

Mid-February

- ♦ At the close of the nominating period, if only one candidate is nominated for the seat up for selection, that candidate shall be deemed selected.
- ♦ At the close of the nomination period, if there is more than one (1) nominee, there will be a random draw of candidate names to determine placement order on the ballot.
- ♦ LAFCO creates the Official Ballot with candidates and distributes by email one ballot with voting instructions to Presiding Officers c/o District Clerks.
- ♦ The package includes the Official Ballot, Instructions, and the IRV process information. ONLY the Presiding Officer or his or her alternate as designated by resolution or minute order from the governing body can vote the ballot.
- ♦ The Balloting period will **run for 60 calendar days** from the date of the transmittal letter/email. This should allow sufficient time for those Districts that desire to make a selection(s) a legislative body decision to have sufficient time for submittal.
- ♦ Ballots may be returned to LAFCO by electronic mail, regular or special delivery mail, or hand delivered.
- ♦ As ballot forms are returned, LAFCO determines if ballots are valid and properly executed. Immediate notification will be given to any District if an error has occurred on a ballot which is determined to disqualify that ballot.

- ♦ If quorum has not been achieved by the end of the 60-day balloting period, state statute requires an automatic 60-day extension of the balloting period.
- ♦ If quorum has not been achieved after the 60-day extension, LAFCO can extend the balloting period as desired until quorum is reached, unless there is another procedure in place by the selection committee.

Selection Procedure

Mid-April (unless extended due to lack of a quorum after initial balloting period)

- ♦ Upon establishment of a quorum, all ballots are tallied by LAFCO. If no candidate receives a majority (50%+1) of first-choice votes, the IRV process will be utilized to achieve the threshold for selection. (See Attachment B)
- ♦ LAFCO will announce the results within 7 days upon conclusion of the balloting period.
- ♦ Terms are 4 years beginning in May of the selection year unless the balloting was extended due to quorum issues, and expire in May at the end of the fourth year of the term.
- ♦ A follow up with a congratulatory letter to the selected candidate, and an email to all Special Districts announcing the winner will be distributed by LAFCO.

1st Monday in May

- ♦ Successful candidate assumes the Commissioner position and is sworn in by the Commission Clerk.
- ♦ LAFCO shall retain all election materials for a period of at least two years after the announcement of the election results.

Termination of LAFCO Conducting Elections

The SDSC can whenever and/or if they desire rescind the authorization for LAFCO to perform the selection process, and conduct the selection process independently as was previously performed in the past. LAFCO would be available to assist in providing technical support as needed.

Statutory Provisions

Applicable Sections of the Government Code for selection of Special District Commissioners:
Sections 56325c; 56332; 56334; 56337

Attachments:

- A) Government Code Section 56332
- B) Instant Runoff Voting Process Description
- C) 2018 Ballot Instructions



DESERT HEALTHCARE
DISTRICT & FOUNDATION

Date: May 28, 2024

To: Board of Directors

Subject: Interim CEO Meetings, Engagements, and CEO Discretionary Fund

Background:

- The following is brief information regarding the CEO's current meetings and community engagements.
 - The report includes District media visibility and the CEO Discretionary Fund expenditures.
-

Meetings and Engagements 04/17/24 – 05/23/24

- Ongoing Hospital Lease Ad Hoc Committee Meetings
 - Ongoing Hospital Lease Discussions with Consultant Steve Hollis, Legal Counsel Jeff Scott, and Tenet Healthcare Executive Leadership
 - Gibbins Advisors Draft Summary Report Overview
 - Third Quarter DRMC Hospital Inspection and Reinspection
 - The Ophelia Project "Wings and Dreams" 2024 Luncheon
 - Coachella Valley Behavioral Health Collective - Working Group Chairs Convening
 - Deveau Burr Group Biweekly Meeting
 - City of Desert Hot Springs Homelessness Check Presentation
 - Environmental Health Summit Committee and Subcommittee Meetings
 - Environmental Health Summit Data Walk Preparations
 - Desert Arc AED Grant Press Conference
 - Regional Government Services Human Resources Support Services Scope Overview
-

CEO Discretionary Fund

Date	Name	Memo	Amount
6325 - CEO Discretionary Fund			
07/01/2023	California Forward	Knowledge level sponsorship for 2023 Economic Summit	5,000
08/04/2023	U. S. Bank	Planned Parenthood contribution to 60th Anniversary Cocktail Reception - September 23, 2023	5,000
08/11/2023	Blood Bank of San Bernardino	2023 Thanks4Giving Gala Table Sponsorship - Saturday November 11, 2023	3,500
08/15/2023	Coachella Valley Volunteers in Medicine	2023 VIMY Awards - Bronze Sponsorship	5,000
08/17/2023	U C Riverside Foundation	UCR SOM 2023 Gala and Education Building II Grand Opening - Silver Sponsorship	10,000
08/30/2023	Regional Access Project Foundation	Desert Fast Pitch 2023 Sponsorship	5,000
09/06/2023	Cathedral City Senior Center	Table Sponsor at November 13, 2023 Gala	5,000
10/10/2023	Alianza Nacional De Campesinas Inc.	Storm assistance to help Alianza Nacional de Campesinas purchase and distribute food & water after Tropical Storm Hilary	3,698
01/04/2024	U. S. Bank	OneFuture - The Future Is Ours - February 28, 2024 - Empowering Students Sponsor	2,575
01/31/2024	Alejandro Espinoza Santa cruz - Expense Reimbursement	Purchased items for refugee children	1,604
02/01/2024	U. S. Bank	Joslyn Center - CEO Discretionary Fund donation	1,000
02/29/2024	The Bridge To Better	Airfare reimbursement donation for individual in need	280
03/20/2024	City of Coachella	City of Coachella Women's Summit Sponsorship	1,000
04/01/2024	U. S. Bank	SAGE & Friends Bronze Sponsor for Palm Springs event on 03/24/2024	500
04/18/2024	JFK Memorial Foundation	Ophelia Project Luncheon Sponsorship for April 25, 2024	1,200
04/18/2024	Cathedral City Senior Center	Donation for allowing the District to hold community meeting on April 2, 2024	500
TOTAL			50,857



Date: May 28, 2024

To: Desert Healthcare District and Foundation Board of Directors

Subject: Communications and Marketing District Media Visibility

Below are highlights of the District and Foundation’s media coverage during the past month, with descriptions and links to reports as available.

“Desert Arc to stock vehicles with AEDs” (May 20, NBC Palm Springs)
<https://nbcpalmssprings.com/2024/05/20/desert-arc-to-stock-vehicles-with-aeds/>

“May 14 Daily Briefing: Commission explores role in resolving complaints, new mobile medical clinic, and more” (May 14, The Palm Springs Post).
<https://thepalmsspringspost.com/may-14-daily-briefing-commission-explores-role-in-resolving-complaints-new-mobile-medical-clinic-and-more/>

“Desert Healthcare District and Foundation unveil a new mobile medical Clinic” (May 11, The Desert Sun photo story)
<https://www.desertsun.com/picture-gallery/news/health/2024/05/11/desert-healthcare-district-unveils-a-new-mobile-medical-clinic/73657824007/>

“Desert Healthcare District and Foundation unveils newest mobile clinic” (May 11, KESQ-TV)
<https://kesq.com/news/2024/05/11/desert-healthcare-district-and-foundation-unveils-newest-mobile-clinic/>

“DHCD directors prefer 30-year lease [opinion]” (May 9, The Uken Report)
<https://ukenreport.com/dhcd-directors-prefer-30-year-lease-opinion/>

“Don’t bury head in sand, consider running for seat on Desert Healthcare District Board” (May 6, The Uken Report)
<https://ukenreport.com/consider-seat-on-desert-healthcare-district-board/>

“DHCD, community partners launch mobile health fair,” (April 19, The Uken Report)
<https://ukenreport.com/dhcd-community-partners-launch-mobile-health-fair/>

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Of Counsel
JAMES R. DODSON

Date: May 26, 2024

To: Board of Directors, Desert Healthcare District
Chris Christensen, Interim, CEO

From: Jeffrey G. Scott, General Counsel

Re: Seismic Legislation

SB 1432 (Caballero)

SB 1432 passed the Senate 37-0 on May 22, 2024 and is now in the Assembly. The bill requires HCAI to grant a three year extension of the January 1, 2030 deadline by which hospitals are required to continue operations following a major earthquake, until January 1, 2033. The bill in its current form would apply to Desert Regional Medical Center. To be eligible, a hospital is required to submit the following: the hospital's seismic compliance plan, no later than January 1, 2026; the hospital's Nonstructural Performance Category-5 Evaluation Report by January 1, 2025; and an attestation that the hospital is aware that the hospital is required to be in compliance no later than January 1, 2030. The bill is supported by the California Hospital Association, many hospitals in California, a number of Counties, and the California Chamber of Commerce. It is opposed by the California Nurses Association, SEIU, the California Labor Federation and various contractor organizations. While the bill has passed the Senate it will face strong opposition in the Assembly.

AB 869 (Wood)

AB 869 is a 2-year bill related to Healthcare Districts and seismic compliance. The bill in its current form would not apply to Desert Regional Medical Center and is sponsored by Assemblyman Wood and Garcia and is primarily targeted for small and rural Healthcare District hospitals. The bill would assist financially distressed healthcare districts to apply for grants and would provide for a delay in meeting seismic compliance standards until 2035. The bill is supported by the Association of California Healthcare Districts and passed the Assembly last year but ended up in the Senate Health Committee.

**DESERT HEALTHCARE DISTRICT
SPECIAL PROGRAM COMMITTEE MEETING
MEETING MINUTES
May 14, 2024**

Directors Present via Video Conference	District Staff Present via Video Conference	Absent
President Evett PerezGil Vice-President Carmina Zavala, PsyD Director Leticia De Lara, MPA	Chris Christensen, Interim CEO Donna Craig, Chief Program Officer Alejandro Espinoza, MPH, Chief of Community Engagement Meghan Kane, MPH, Senior Program Officer, Public Health Erica Huskey, Grants Manager Andrea S. Hayles, MBA, Board Relations Officer	

AGENDA ITEMS	DISCUSSION	ACTION
I. Call to Order	The meeting was called to order at 7:00 p.m. by Chair PerezGil.	
II. Approval of Agenda	Chair PerezGil asked for a motion to approve the agenda.	Moved and seconded by Director De Lara and Vice-President Zavala and to approve the agenda. Motion passed unanimously.
III. Meeting Minutes 1. April 09, 2024	Chair PerezGil asked for a motion to approve the April 09, 2024, meeting minutes.	Moved and seconded by Director De Lara and Vice-President Zavala to approve the April 09, 2024, meeting minutes. Motion passed unanimously.
IV. Public Comment	There were no public comments.	
V. Interim CEO Report 1. FY 2024 – 2025 Budget 2. Increasing the current year grant budget from \$4 million to \$5 million	Chris Christensen, Interim CEO, described the upcoming F&A Committee meeting and the FY 2024-2025 budget review. Mr. Christensen described the budget process and carryover of funds, the \$5M in grant awards, and an opportunity to grant additional funding in the next few months at the end of the fiscal year, with a proposed	



**DESERT HEALTHCARE DISTRICT
SPECIAL PROGRAM COMMITTEE MEETING
MEETING MINUTES
May 14, 2024**

	<p>increase of \$4M to \$5M to accommodate additional grant requests – a \$1M increase.</p> <p>The committee discussed the possibility of the future of the grants program and the possibility of the District managing the hospital.</p>	
VI. Program Updates 1. Progress and Final Reports Update	<p>President PerezGil inquired about any questions from the committee concerning the Progress and Final Reports.</p> <p>The committee inquired about the numbers served in the 6-month reporting period for the DAP Health Expands Access to Healthcare with Bill VanHemert, Director of Institutional Giving, DAP Health, describing the combination of the clients and demographics of Borrego and DAP Health legacy not associated with the Desert Highland Gateway Estates grant. The sign-on bonuses are in hard-to-reach areas for housing incentives near the Salton Sea. Mr. VanHemert further described the patient communication system with Borrego on a different system, a transition to the OCHIN Epic's MyChart system, and the reinstatement of the call center for enrollment of patients not using the online portal.</p> <p>Donna Craig, Chief Program Officer, described the 40 eligible scholars in the healthcare career</p>	

**DESERT HEALTHCARE DISTRICT
SPECIAL PROGRAM COMMITTEE MEETING
MEETING MINUTES
May 14, 2024**

<p>2. Grant #1462 HARC: 2025 Coachella Valley Community Health Survey: \$66,240 for two-year period - review and give direction for moving forward as this request is not in alignment with board-approved high priority strategic plan goals.</p>	<p>Chair PerezGil opened the dialogue for the committee to discuss Health Assessment and Research for Communities (HARC) \$66,240 grant request.</p> <p>The committee discussed the costs and resources expended by staff, the benefits of supporting the data, including for other nonprofits relying on the figures for future funding, the challenges from the public related to the incentives and the 2 years of the grant request, the reasonable amount of \$33k per year for two years, the staff impact which doesn't require staff monitoring based on prior support with consideration to proceed for Board discussion and consideration for funding although the grant request is not a high priority strategic plan goal.</p> <p>Staff clarified that the committee would forward to the board approval for staff to continue with the due diligence of the full grant process.</p> <p>Director De Lara motioned to forward to the board approval for staff to continue with the due diligence of the full grant process.</p> <p>Public Comments Supporting the HARC Grant: Megan Guerra, MBA, Employer Group Project Manager, Desert Oasis Healthcare</p>	<p>Moved and seconded by Director De Lara and Vice-President Zavala approval for staff to continue with the due diligence of the full grant process of Grant #1462 HARC: 2025 Coachella Valley Community Health Survey \$66,240 for a two-year period. Motion passed unanimously.</p>
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**DESERT HEALTHCARE DISTRICT
SPECIAL PROGRAM COMMITTEE MEETING
MEETING MINUTES
May 14, 2024**

	Linda Evans, Chief Strategy Officer, Desert Care Network Jenna LeComte-Hinely, PhD, Chief Executive Officer, HARC	
VIII. Committee Members Comments	There were no committee member comments.	
IX. Adjournment	Chair PerezGil adjourned the meeting at 7:34 p.m.	Audio recording available on the website at http://dhcd.org/Agendas-and-Documents

ATTEST: _____
Evett PerezGil, Chair/ President, Board of Directors
Program Committee

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



Date: May 14, 2024

To: Program Committee – District

Subject: Progress and Final Grant Reports 4/1/2024 – 4/30/2024

The following progress and final grant reports are included in this staff report:

TODEC Legal Center # 1326

Grant term: 1/1/2023 – 12/31/2024

Original Approved Amount: \$100,000.

Progress Report covering the time period from: 7/1/2023 – 12/31/2023

El Sol Neighborhood Educational Center # 1328

Grant term: 7/1/2022 – 6/30/2024

Original Approved Amount: \$150,000

Progress Report covering the time period from: 7/1/2023 – 12/31/2023

Lift To Rise # 1391

Grant term: 6/1/2023 – 5/31/2026

Original Approved Amount: \$900,000

Progress Report covering the time period from: 12/1/2023 – 2/29/2024

Desert AIDS Project dba DAP Health (DAP) # 1393

Grant term: 7/1/2023 – 6/30/2024

Original Approved Amount: \$1,025,778

Progress Report covering the time period from: 1/1/2024 – 3/31/2024

Reynaldo J Carreon M D Foundation # 1372

Grant term: 3/1/2023 – 2/29/2024

Original Approved Amount: \$50,000

Final Report covering the time period from: 3/1/2023 – 2/29/2024

DPMG Health # 1329

Grant term: 10/1/2022 – 9/30/2025

Original Approved Amount: up to \$500,000

Monthly Progress Report covering the time period from: 2/1/2024 – 2/29/2024

Grant Progress Report

Organization Name: TODEC Legal Center

Grant #: 1326

Project Title: TODEC's Equity Program

Contact Information:

Contact Name: Luz Gallegos
Phone: (951) 443-8458
Email: luzgallegos@todec.org

Grant Information

Total Grant Amount Awarded: \$100,000

Grant Term (example 7/1/22 – 6/30/23): January 1, 2023 through December 31, 2024

Reporting Period (example 7/1/22 – 10/31/22): 07/1/23 – 12/31/23

Desert Healthcare District Strategic Plan Alignment

Goal 5: Be responsive to and supportive of selected community initiatives that enhance the economic stability of the District residents.

Strategy: 5.2 On a situational basis, play a role in raising awareness of/facilitating progress on the social determinants of health specific to affordable housing for community residents and be a catalyst for community organizations to act in implementing solutions (Priority: Moderate)

Strategy: 5.3 On a situational basis, play a role in raising awareness of/facilitating progress on the social determinants of health specific to poverty among community residents and be a catalyst for community organizations to act in implementing solutions (Priority: Moderate/Low)

Progress This Reporting Period

Please describe your project accomplishment(s) during this reporting period in comparison to your proposed goal(s) and evaluation plan.

Progress of Goal #1: During this reporting period, TODEC's Health Equity program has reached 1,397 unduplicated immigrants and farmworkers in the Coachella Valley via our intentional one-on-one outreach and education and we have achieved our goal to raise awareness about affordable housing and poverty to frontline farm workers. TODEC continues to work with its extensive network of public and nonprofit partners to reach frontline farm and food workers using effective, linguistically and culturally appropriate outreach.

Progress of Goal #2: We have met this goal by creating awareness via community education and organizing 1,397 ECV residents to take action by understanding and elevating their realities on the social determinants of health specific to poverty to decision makers to find solutions and address residents inequities. In addition of creating direct awareness to community, we organized a learning meeting session at TODEC's office with District staff and board members and farmworker women. The intention of this session was to inform and educate the District of our ECV Farmworker community's current struggle and challenges as it deals with Health Equity in Coachella Valley. During the session farm workers shared their current realities with the District participants.

Progress on the Number of District Residents Served

Number of Unduplicated District Residents Directly Served During This Reporting Period: 1,397

Number of Unduplicated District Residents Indirectly Served During This Reporting Period: 4,191

Please answer the following questions:

- **Is the project on track in meeting its goals?** Yes, we are on track to reach our goals.
- **Please describe any specific issues/barriers in meeting the project goals.**
We have not experienced any issues or barriers.
- **If the project is not on track, what is the course correction?**
N/A
- **Describe any unexpected successes during this reporting period other than those originally planned.**

To date, we have reached and educated 100% of the ECV residents of our initial projected goals with one-on-one intentional outreach and education.

Grant Progress Report

Organization Name: El Sol Neighborhood Educational Center

Grant #: 1328

Project Title: DHCD HUB

Contact Information:

Contact Name: Alexander Fajardo

Phone: 909-884-3735

Email: Alexfajardo@elsolnec.org

Grant Information

Total Grant Amount Awarded: \$ 150,000.00

Grant Term (07/01/22 – 6/30/24):

Reporting Period (07/01/23 – 12/31/23):

Desert Healthcare District Strategic Plan Alignment

Goal: Goal 2: Proactively expand access to primary and specialty care services, Goal 3: Proactively expand community access to behavioral/mental health services, and Goal 7: Be responsive to and supportive of selected community initiatives that enhance the general education of the District's residents.

Strategy: This project seeks to address the following strategies: Goal 2, Strategy 2.7 Utilize an equity lens to expand services and resources to underserved communities; Goal 3, Strategy 3.6 Educate community residents on available behavioral and mental health resources; and Goal 7, Strategy 7.1 Play a role in raising awareness of the impact of general health education on the health of community residents and be a catalyst for community organizations to act in implementing solutions.

Progress This Reporting Period

Please describe your project accomplishment(s) during this reporting period in comparison to your proposed goal(s) and evaluation plan.

Goal # 1 in progress Goal # 2 Completed Goal # 3 in progress

Goal #1:

The project will increase knowledge on health education, equity and policy advocacy among residents in the Coachella Valley, especially among Latinos and other minority groups, by the end of the project period.

Evaluation #1:

This goal will be evaluated by reaching the following outputs:

1. El Sol will develop two curricula on equity and advocacy by the end of the first six months.
2. 32 promotores will be trained on the two curricula and demonstrate an increase in knowledge gained by the end of month 9.

Progress of Goal #1:

The project will increase knowledge on health education, equity and policy advocacy among residents in the Coachella Valley, especially among Latinos and other minority groups, by the end of the project period.

The curriculum is finalized with a total of 3 modules for 12 hours of training. The training will be provided in May. The evaluation team is developing the evaluation

Goal #2:

The project will increase knowledge on mental health education and support for residents in the Coachella Valley, especially among Latinos and other minority groups, and provide enhanced support to 32 promotores by the end of the project period.

Evaluation #2:

This goal will be evaluated by reaching the following outputs:

1. El Sol will hire a licensed mental health worker to conduct a mental health training and support session for 32 promotores by the end of month 3.
2. 32 promotores will be trained on specific mental health topics, available mental health resources in the Coachella Valley, and how to initiate support groups by the end of month 6.
3. Promotores will reach 2,000 residents with support information on mental health by the end of the two year project.

Progress of Goal #2:

The project will increase knowledge on mental health education and support for residents in the Coachella Valley, especially among Latinos and other minority groups, and provide enhanced support to 32 promotores by the end of the project period.

Curriculum as updated and training was delivered to a group of CHW/Ps and other participants to on Mental Health education and to become Resilience Group Facilitators. **Gender:** Of these, 30 were female, and 1 male.

Age: Most of the participants were 26 years old or older (93%). Half of the participants were in the 35-54 years old range (55%); followed by 55–64, and 26- 34 year old range.

Race/Ethnicity. The majority of participants identified themselves as Latino (n29).

Primary Language. Most participants speak Spanish as their primary language (68%).

Marital Status. The majority of participants were married (52%), followed by divorced, and never married.

Training Feedback.

Meeting expectations. A total of 31 individuals participated in the training to become Resilience Group Facilitators. Of these, all agreed or strongly agreed that the training met their expectations.

Content quality. All participants agreed or strongly agreed that the training content was of good quality, and that it was easy to understand.

Usefulness of training. Participants were asked to rate how useful the training was; 90% strongly agreed that it was useful, and 10% agreed to the usefulness of the training.

Content Delivery. The delivery of the training was evaluated by asking participants to rate different areas of delivery including the facilitator's commitment to the training, how clear the content was presented, and if the training had a clear structure. Most participants (97%) strongly agreed that the facilitator demonstrated commitment to the training by presenting content very clearly. In addition, all participants rated the structure of the content as clear.

Perceived Self-Efficacy: capacity to deliver Wellbeing and Resiliency content to the community. At the end of the training, participants were asked to rate how convinced they were that they could deliver the Wellbeing and Resiliency content to their community. Most participants strongly agreed or agreed to their perceived self-efficacy to do so successfully.

Perceived Capacity Building: capacity to continuously learn and be capable to address community needs. Participants were asked to rate their perceived capacity to continue to learn with time, and assist with the needs of their community.

Self-Esteem. In addition to perceived capacity to deliver the training content to the community and ability to grow in knowledge and skills, participants were asked to rate their self-esteem in regard to being a good Community Health Worker/Promotor for their community's wellbeing. Also, participants were asked to rate their agreement on having many positive qualities as a Community Health Worker/Promotor. With the exception of a very few, most participants rated their self-esteem positively, with most strongly agreeing or agreeing to being a good CHW/P for their community, and having positive CHW/P qualities.

Additional training. Participants were asked if they planned to participate in additional training in community Wellbeing and Resiliency; 60% indicated that they do plan to continue learning in this area to further impact their community's wellbeing.

Qualitative feedback: what was liked the most. Participants had the opportunity to share what they enjoyed the most about the training with an open-ended question. The feedback highlighted the open interaction during the training as the most beneficial and most enjoyable. In addition, the following was given as having impacted the learning experience positively:

- Popular education approach: open dynamic/activities
- How it was taught using popular education methods for delivering the content to the community
- How thorough and complete the information was
- Understanding very clearly every step of wellbeing and resiliency
- Being able to build capacity in this particular area
- Group interaction and dynamics
- Very prepared and knowledgeable facilitators
- Popular education approach: art therapy
- Open space to learn from other CHW/Ps and their experience

Qualitative feedback: suggestions for improvement. When asked about suggestions for improvement of the training, most participants seemed to agree that they would have enjoyed having additional time for each module. Other suggestions included:

- Simulation of a crisis event and how to respond
- Additional content on family care, not just individual
- Additional time for individual activities

Goal #3:

The project will increase access to health education materials for other organizations, especially low-resourced, local organizations, by creating a virtual resource hub by the end of the project period.

Evaluation #3:

This goal will be evaluated by reaching the following outputs:

1. El Sol will hire a part-time web developer to design the resource hub by the end of month 3.
2. El Sol will design the virtual resource hub and upload at least 10 training resources by the end of the first year.

El Sol will promote this resource hub within CVEC and other local organizations/collaboratives to encourage knowledge and resource sharing

Progress of Goal #3 The project will increase access to health education materials for other organizations, especially low-resourced, local organizations, by creating a virtual resource hub by the end of the project period

El Sol conducted a qualitative study to discuss and analyze the CHWs/Ps need to

be personally, professionally, and technically successful. To gather qualitative data outside of the El Sol CHWs/Ps network, El Sol conducted focus groups and key informant interviews with CHWs/Ps and CHWs/Ps employers. A total of seven questions were asked in the focus groups and eleven questions were asked to the key informants. In addition to the qualitative data El Sol did a comprehensive literature review to see what resources already exist to support CHWs/Ps success.

The interviews assessed the needs and the existing resources for CHWs/Ps and the barriers that impede them from personal and professional growth. It was found that CHWs/Ps want 1) a central place to find tools and resources developed by them, with and for them, 2) to cultivate sincere and intentional connections with their colleagues and 3) to have a central place for their career advancement with a history of their trainings, certificates obtain, assessments, and reports etc.

The El Sol team proposed to develop a CHW/P Learning HUB to address this need. The CHW/P Learning HUB is a website that will contain a wide-range of information and tools on various topics related to the work of CHWs/Ps. It is a unique website that gives the users access to information and education on many topics, tools such as printable sheets, homework materials, assessments, videos, games, blogs, and forums, as well as a dashboard that will report their learning progress, trends, and more. In addition, this Learning HUB will also be used to support CBOs and

employers with technical assistance, and they will have access to resources and training on how to incorporate the CHW/P into their operation.

The CHW/P Learning HUB is a place where CHWs will have a professional home with a large quantity of resources in a creative, engaging format such as videos, games, infographics, tipsheets, etc as well as a platform where they can interact with other CHWs in addition to keeping track of their own advancement history with access to their certificates, assessments, etc.

The team has developed tools that has been reviewed by CHWs, in addition software experts has been working on the website diligently to make it easy to navigate.

Progress on the Number of District Residents Served

Number of Unduplicated District Residents Directly Served During This Reporting Period: 350

Number of Unduplicated District Residents Indirectly Served During This Reporting Period: 1200

Please answer the following questions:

- **Is the project on track in meeting its goals? Yes**
- **Please describe any specific issues/barriers in meeting the project goals.**
- **If the project is not on track, what is the course correction?**
- **Describe any unexpected successes during this reporting period other than those originally planned.**

Grant Progress Report

Organization Name: Lift to Rise

Grant #: 1391

Project Title: Driving Regional Economic Stability Through Collective Impact

Contact Information:

Contact Name: Heather Vaikona

Phone: 760-601-5578

Email: heather@lifttorise.org

Grant Information

Total Grant Amount Awarded: \$900,000.00

Grant Term (example 7/1/22 – 6/30/23): 6/1/23 – 5/31/26

Reporting Period (example 7/1/22 – 10/31/22): 12/1/23 – 2/29/24

Desert Healthcare District Strategic Plan Alignment

Goal: 5

Strategy: 5.1, 5.2, 5.3, 5.4

Progress This Reporting Period

Please describe your project accomplishment(s) during this reporting period in comparison to your proposed goal(s) and evaluation plan.

Progress of Goal #1: (Goal from grant proposal in black, progress in green)

Identify 3,000 units/year that meet criteria for the affordable housing pipeline (with an emphasis on colocation with healthcare and childcare facilities) and move 50% of pipeline projects to development:

- Identify 3,000 new units for pipeline by 12/31/2023 and another 3,000 by 12/31/2024
 - During the reporting period, approximately 84 additional affordable units have been added to the pipeline, bringing the total to nearly 7,300 units (approximately 2,300 of which were added since 1/1/2023).
- Review local housing elements and creatively activate or re-purpose vacant land in partnership with county and municipal governments, school districts, utilities

and others

- During the reporting period, Lift to Rise mapped the sites inventory sites from the City of Palm Springs' housing element update, which was certified by the State of California during the reporting period. These sites join the sites for six of the other Coachella Valley that are mapped on the pipeline portal. Lift to Rise anticipates mapping the remaining sites (City of Coachella, City of Indian Wells, County of Riverside) during the next reporting period, assuming that the remaining jurisdictions have compliant housing elements by then.
- Develop criteria for health and Early Childcare and Education co-location, and develop healthcare and childcare plans to be connected to housing
 - During the reporting period, Lift to Rise participated in three monthly meetings with Build Up Riverside, a coalition of partners working on improving early childcare and education (ECE) access in Riverside County. During these meetings, Lift to Rise and the coalition partners are developing criteria for ECE co-location with affordable housing, including defining standards for square footage of ECE centers as well as best practices for operators.
 - During the reporting period, Lift to Rise continued its work around Housing as a Social Determinant of Health, including meeting with several health-focused local and national stakeholders. At the federal level, Lift to Rise met with officials from US Department of Housing and Urban Development and the US Department of Health and Human Services to discuss what the respective agencies can do to improve synergy between health and affordable housing funding streams and programs. Lift to Rise also met again with Congressman Ruiz's office, this time with his chief of staff, to discuss the policy recommendations that came out of the Congressional Roundtable that took place during the previous reporting period.
- Identify 3-4 infrastructure plays that could accelerate development.
 - During the reporting period, Lift to Rise has made progress building relationships with the local utility providers, especially Imperial Irrigation District (IID), which is having challenges supplying enough electricity to meet projected demand in the Eastern Coachella Valley. In two different meetings during the reporting period, Lift to Rise and IID discussed possibilities for joint power authorities (JPAs) and cost-sharing models between IID, local cities, and affordable housing developers to produce more electricity infrastructure. This infrastructure improvement would unlock hundreds of affordable units in the Eastern Coachella Valley.

Evaluation Plan for Goal #1: (Plan from grant proposal in black, metrics from reporting period in green)

- Monitor and track the # of units identified (84 during reporting period) as well as the # of units that move from planned to under development in the "Development Status" field within our Affordable Housing Pipeline Portal (~40 during reporting period).

- Monitor and track the # of sites within each city's Housing Element Update sites inventory that are being considered for affordable housing development via an RFP process issued by a city or negotiations with an affordable housing developer (3 during reporting period across cities with compliant housing elements).
- Monitor and track the # of projects that have an ECE facility either co-located within the development or associated with the development (3 during reporting period); monitor and track the # of projects that have health facility either co-located within the development or associated with the development (1 during reporting period).
- Monitor and track the # of catalytic infrastructure investments made and the \$ amount of those investments (0 during reporting period); monitor and track the # of affordable units unlocked via such investments (0 during reporting period).

Progress of Goal #2: (Goal from grant proposal in black, progress in green)

Grow We Lift: the Coachella Valley's Housing Catalyst Fund's lending pool to more than \$60 million that will be invested in moving projects to development

- Raise \$30 million in grants for We Lift's loan loss pool, which will be matched by \$30 million in CDFI and other funds to support predevelopment costs, helping developers secure land and permanent financing to move to construction
 - During the previous reporting period, Lift to Rise was awarded \$5 million for the We Lift fund from SCAG's REAP 2.0 PATH NOFA program, the maximum award size given. This award would have translated to \$10 million raised for the We Lift pool with the dollar-for-dollar CDFI partner match. However, in the Governor's proposed budget, which was released during the current reporting period, the administration announced plans to only fund 50% of the REAP 2.0 Program, and SCAG subsequently announced that it would be pausing all REAP 2.0 Awards indefinitely. Since then, Lift to Rise has been engaged in aggressive local and state advocacy efforts to reverse the proposed cuts and ensure that we receive the originally awarded funds for the We Lift fund.
 - During the reporting period, Lift to Rise initiated the pre-application for a Capital Magnet Fund award, which, if successful, would add additional capital to the We Lift fund. Lift to Rise will submit the application in the next reporting period.
- Raise \$10 million in grant dollars to support housing connected to health and ECE outcomes
 - During the reporting period, no funds were raised to support housing connected to health and ECE outcomes – fundraising for these efforts will occur in subsequent reporting periods during the three-year grant term.
- Deploy We Lift loans to at least four projects per year
 - During the reporting, Lift to Rise signed term sheets for three loans which will close in the first quarter of 2024.
- NOTE – Lift to Rise is not proposing that District funds be allocated into the We

Lift fund – the funds will be used as organizational operating support, which includes administering the We Lift fund and building the local market for affordable housing investment.

Evaluation Plan for Goal #2: (Plan from grant proposal in black, metrics from reporting period in green)

- Track the \$ amount of funding secured for the We Lift fund (\$0 during reporting period)
- Track the \$ amount of funding leveraged to support housing connect to health and ECE outcomes (\$0 during reporting period)
- Track the # of loans deployed to projects (0 during reporting period)
- Track the # of units catalyzed through deployed loans (0 during reporting period)

Progress of Goal #3: (Goal from grant proposal in black, progress in green)

Advocate for changes in federal and state regulations for affordable housing programs that remove barriers for our region and align our local jurisdictions in establishing pro-housing policies that support development.

- Federal focus: Seek opportunities for the region to access CDFI Capital Magnet Fund and HUD and USDA housing programs.
 - During reporting period, Lift to Rise continued to review regulations and guidelines from HUD and USDA around project-based vouchers, housing choice vouchers, and rural development loans and developed recommendations for regulatory improvements to address affordable housing development challenges in the Coachella Valley. Lift to Rise also began to investigate the availability and viability of additional Federal funding sources for affordable housing and housing-supportive infrastructure.
- State focus: Re-orient climate and density goals to fit inland California regions in the guidelines and regulations of state funding programs.
 - During the reporting period, Lift to Rise continued to contribute to advocacy efforts calling for changes to the scoring criteria for the CA Tax Credit Allocation Committee (TCAC), which oversees the disbursement of Low Income Housing Tax Credits to affordable housing projects statewide. This includes advocating for changes to how TCAC incorporates the HCD Opportunity Area Maps into its scoring criteria.
 - During the reporting period, Lift to Rise engaged in statewide advocacy efforts to preserve funding for key affordable housing programs like the Multifamily Housing Program, the Infill Infrastructure Grant program, the Cal HOME program, and others that the Governor proposed fully or partially cutting in his February proposed budget.
- County focus: Work with health and childcare agencies to support affordable housing tied to health and ECE, and unlock new funding for development
 - During the reporting period, Lift to Rise participated in three monthly

meetings with Build Up Riverside, a coalition of partners working on improving early childcare and education (ECE) access in Riverside County. During these meetings, Lift to Rise and the coalition partners are continuing to develop criteria for ECE co-location with affordable housing.

- City focus: Support all nine Coachella Valley cities to earn the HCD Pro-Housing Designation and with emphasize by right development and streamlined entitlement.
 - During the reporting period, Lift to Rise supported several local cities (Palm Springs, Palm Desert, and Coachella) with various pro-housing ordinances including inclusionary zoning in Palm Springs, objective design standards in Palm Desert, and pre-approved ADU plans in Coachella. Lift to Rise provided public comment at the city council meetings pertaining to these local ordinances and mobilized members of the Housing Collaborative Action Network (CAN) to also support these policies.

Evaluation Plan for Goal #3: (Plan from grant proposal in black, metrics from reporting period in green)

- Monitor and track # of affordable housing / infrastructure-related NOFAs and funding opportunities made available via Federal agencies that apply to local governments or community based organizations in our region (3 during reporting period).
- Monitor and track the # of public comments for bills and regulations at the State level that Lift to Rise and partners submitted (14 during reporting period); # of bills and regulations updated as a result of our shared advocacy (0 during reporting period).
- Monitor and track the # of local jurisdictions, including Riverside County, who have applied for the Pro-housing Designation (0 during reporting period); monitor and track the # of local jurisdictions, including Riverside County, who have received the Pro-housing Designation (0 during reporting period).
- Monitor and track the # of healthcare and ECE agencies engaged around collaborative efforts to co-locate affordable housing with health and ECE infrastructure (4 during reporting period).

Progress of Goal #4: (Goal from grant proposal in black, progress in green)

Educate and activate resident leaders, partners, and public officials to advocate for affordable housing in the region.

- Build compelling case for affordable housing and supporting media and materials through work with The Case Made and Swell Creative Group
 - During the reporting period, Lift to Rise worked with Swell Creative Group to develop a strategic communications campaign about our work and the issues of housing affordability and economic mobility in the Coachella Valley. This included a new round of strategically placed billboards around the Coachella Valley and rotating ads at the Palm Springs airport.

- Identify other housing advocates in the region and build partnerships around shared agenda interests
 - During the reporting period, Lift to Rise has continued to engage several new housing advocates in the region including the office of State Senator Steve Padilla, immigrant rights CBOs, community health workers, local teachers' unions, and local business owners. Lift to Rise has also continued to build its partnership with the Southern California Association of Non-Profit Housing (SCANPH).
- Activate the Resident Leadership Table to educate residents and increase resident civic engagement through attendance at public meetings, letters of support, and other activities in support of affordable housing
 - During the reporting period, Lift to Rise hosted 3 meetings with the Resident Leadership table and mobilized members and their networks to comment on policy and planning considerations at public meetings.
 - During the reporting period, Lift to Rise mobilized over 200 residents to send public comment letters and over 20 residents to comment in person at the City of Indio Planning Commission where the commission was voting to approve an affordable housing project. The project was unanimously approved.
 - During the reporting period, Lift to Rise worked on building out its Committees by City network, which is an expansion of the RLT and will become an organizing network in each city/community that will advocate for more affordable housing and pro-housing policies at the local level. The Committees by City network will officially launch in the next reporting period.
- Mobilize CAN members and their networks to support affordable housing proposals
 - During the reporting period, Lift to Rise hosted 3 meetings with the Housing CAN and mobilized members and their networks to comment on policy and planning considerations at public meetings.
- Design and deliver curricula to educate public officials and for community members who wish to advocate
 - During the reporting period, Lift to Rise worked on crafting city/community specific educational materials related to housing stability and affordability. The materials include data about each city/community, the affordable housing projects in the works in those cities, and the local and state legislative and policy tools available in each city to move affordable housing forward. These toolkits will be distributed to each city during the next reporting period as part of the launch of Lift to Rise and the Housing CAN's 2024-2026 Action Plan.
- Develop materials and work with partners to equip elected and appointed public officials with data and arguments in support of affordable housing.
 - During the reporting period, Lift to Rise continued to work on compiling data and designing and producing educational materials – delivery of materials will occur in subsequent reporting periods,

Evaluation Plan for Goal #4: (Plan from grant proposal in black, metrics from reporting period in green)

- Monitor and track the # of community residents actively participating in the Resident Leadership Table (9 during reporting period).
- Monitor and track the # of community residents attending Lift 101 and Lift to Rise Townhall events (28 during reporting period).
- Monitor and track the # of community residents mobilized in support of affordable housing projects at local city council and planning commission public meetings (220 during reporting period).
- Monitor and track # of local elected officials engaged around an affordable housing education campaign / curriculum targeted at local elected officials (12 during reporting period).

Progress of Goal #5: (Goal from grant proposal in black, progress in green)

Build and sustain the capacity of Lift to Rise to serve as backbone organization for the Housing CAN, provide thought leadership in the region around affordable housing and its fundamental relationship with health and economic dignity, and administer We Lift: the Coachella Valley's Housing Catalyst Fund.

- During the reporting period, Lift to Rise has provided several professional and leadership development opportunities for staff and for Housing CAN partners.

Evaluation Plan for Goal #5: (Plan from grant proposal in black, metrics from reporting period in green)

- Monitor and track the # of employees hired by Lift to Rise and the length of time they stay at the organization (1 during reporting period)
- Monitor and track the # of professional development trainings/resources accessed by Lift to Rise employees (5 during reporting period).

Progress on the Number of District Residents Served

Number of Unduplicated District Residents Directly Served During This Reporting Period: 800

Number of Unduplicated District Residents Indirectly Served During This Reporting Period: 1,200

Please answer the following questions:

- **Is the project on track in meeting its goals?** Yes, the project is on track to meeting its goals.
- **Please describe any specific issues/barriers in meeting the project goals.** At this moment, we have not experienced specific barriers to meeting project goals.
- **If the project is not on track, what is the course correction?** N/A
- **Describe any unexpected successes during this reporting period other than those originally planned.** N/A

Grant Progress Report

Organization Name: Desert AIDS Project dba DAP Health (DAP)

Grant #: 1393

Project Title: DAP Health Expands Access to Healthcare

Contact Information:

Contact Name: William VanHemert

Phone: 760-668-8801

Email: wvanhemert@daphealth.org

Grant Information

Total Grant Amount Awarded: \$1,025,778

Grant Term (example 7/1/22 – 6/30/23): 7/1/23-6/30/24

Reporting Period (example 7/1/22 – 10/31/22): 1/1/24 – 3/31/24

Desert Healthcare District Strategic Plan Alignment

Goals #2 & 3: Proactively expand community access to primary and specialty care services & Proactively expand community access to behavioral/mental health services

Through a court-ordered bankruptcy acquisition, DAP Health ensured the continuity of healthcare for Borrego's patients, aligning with the Desert Healthcare District's objectives of expanding community access to primary, specialty care, and behavioral/mental health services. Without this acquisition, there was a concern that legacy Borrego patients would need to find new medical providers, further straining the already burdened providers in the Valley, an area long recognized as experiencing a clinician shortage. Alternatively, another health center organization unfamiliar with the Valley's unique needs and populations could have acquired Borrego if DAP had not been awarded the opportunity.

Strategy: Transfer former Borrego clinics, personnel, and patients to DAP. Convert Borrego's electronic health records (EHR) from Greenway Intergy to DAP's Epic EHR.

Progress This Reporting Period

Please describe your project accomplishment(s) during this reporting period in comparison to your proposed goal(s) and evaluation plan.

Progress of Goal #1:

Goal #1: Protect and maintain access to healthcare for 120,000 Borrego patients as they transition and become patients of DAP Health, beginning on July 1, 2023.

Progress towards Goal 1 is proceeding as planned. In the recent reporting period (January 1, 2024 – March 31, 2024), IT staff have been preparing the conversion of legacy Borrego's software system Greenway Intergy to DAP's OCHIN Epic employee health record system. The conversion will take place in late May 2024, but the preparation began during the first quarter of 2024. In that time frame, IT staff installed over 750 new workstations across Borrego clinics. DAP has engaged the services of three consulting firms to assist with the data migration process. Furthermore, a new internet connection has been established to accommodate OCHIN Epic traffic, along with the implementation of two new printer servers. The conversion of Borrego's data to Epic will offer advanced features for Borrego staff, facilitating seamless patient referrals between legacy Borrego clinics and the DAP Palm Springs Sunrise clinics. Consolidating all patient information into a single EHR system will enable DAP to effectively monitor agency-wide patient data, coordinate patient care across practices and facilities, and track patient outcomes more efficiently.

The partnership between DAP and a strategic consultant to facilitate the transition towards a unified organization, leveraging the strengths of both DAP and legacy Borrego, began last month. This collaboration involves developing comprehensive initiatives with clear benchmarks set at one-year, two-year, and three-year intervals. The goal is to establish measurable objectives that align with DAP's long-term vision and ensure successful implementation over defined periods. This strategic approach aims to optimize organizational performance and drive sustainable growth across key areas of operation.

In order to sustain the delivery of quality healthcare services, DAP is actively pursuing funding to address the necessary upgrades identified for clinics during the assessment period. As part of its efforts to engage a more diverse demographic, DAP has launched a fundraising initiative named Women of Impact. This initiative serves as an example of DAP's commitment to inclusivity and community engagement. Prior to the Borrego acquisition, DAP was acknowledged for predominantly serving men who have sex with men and other individuals with HIV/AIDS. However, with significant expansion in both patient demographics and medical services, DAP now caters to a much broader audience. To inform women in the community about the services available to them, the Development team has initiated "impact hours," inviting them to tour one of DAP's clinics and to learn about and support DAP's offerings financially. This serves as both an educational opportunity and an invitation for women to contribute to DAP's expanded mission.

Fiscal and data reporting reflect January 1, 2024 through March 31, 2024 are attached.

Progress of Goal #2:

Goal #2: Ensure seamless patient care by both retaining existing Borrego staff and recruiting new personnel to meet the service demands of the 120,000 individuals who rely on us for healthcare.

Between January 1, 2024 and March 31, 2024, former Borrego clinics within the District provided care to 15,573 patients between the Desert Hot Springs (4,132), Cathedral City (10,772), Martha's Village (505), and Coachella Valley Health Center (164) clinics. Of the patients served, 8,426 identified as Female, 6,850 Male; 30 Genderqueer, 87 Transgender Female, 136 Transgender Male, and 44 No Response or Other; 173 Migrant workers, 212 Seasonal workers, and 14,989 Non-Migrant/Seasonal workers, and 199 No response; 11,310 Hispanic, 3,396 Non-Hispanic, and 866 No response. Total visits for these clinics in this reporting period is 22,932. The demographic category totals are based on each clinic in the Coachella Valley's data, and with two urgent care clinics included, there is some patient data overlap. For example, there are patients who visited Centro Medico Cathedral City and Centro Medical Cathedral City Urgent Care during the reporting period and would be duplicated in demographic category totals.

DAP has successfully filled 19 vacancies within the former Coachella Valley Borrego clinics during the reporting period. Positions filled included: one Dentist, one Nurse Manager, six Medical Assistants, one Care Coordinator Specialist, and one Registered Nurse. When DAP acquired Borrego, there were 45 positions that needed to be filled within the Coachella Valley. Out of this initial count of 45 positions, 10 remain vacant.

Progress of Goal #3

Goal #3: Achieve sustainability through insurance billing reimbursement for the transferred Borrego clinicians under DAP clinician billable services contracts, by the end of the grant year in June 2024.

During this reporting period, the Credentialing Committee remained active in vetting, reviewing, and recommending clinicians acquired through the acquisition. All clinicians except for four have been successfully credentialed under DAP. The committee will continue working with the remaining four clinicians during the fourth quarter reporting period to complete their credentialing process.

Progress on the Number of District Residents Served

Number of Unduplicated District Residents Directly Served During This Reporting Period:

During this reporting period, 15,573 District residents were directly served on this grant during this reporting period.

Number of Unduplicated District Residents Indirectly Served During This Reporting Period:

Out of an estimated 39,485 District residents previously served by Borrego before the acquisition, a total of 23,912 were indirectly served during this reporting period.

"Indirectly served" refers to individuals who have access to healthcare services but did not utilize them during the reporting period. This group represents those who potentially benefit from the availability of healthcare resources, even if they did not actively seek care during this specific timeframe.

Please answer the following questions:

- **Is the project on track in meeting its goals?**

The project is on track and is meeting its goals.

- **Please describe any specific issues/barriers in meeting the project goals.**

DAP continues to face an ongoing challenge this quarter of filling medical provider positions. To address this issue and attract qualified professionals for specialized roles, DAP has initiated a strategy of offering sign-on bonuses as incentives. This approach is designed to entice skilled individuals to join the organization and contribute to the enhancement of healthcare services within the community.

The sign-on bonuses offered by DAP reflect the organization's commitment to recruiting top talent and promoting excellence in medical care delivery. These bonuses are extended to all provider positions, with varying amounts based on specialty and location, ensuring competitive compensation tailored to the specific roles being filled.

- **If the project is not on track, what is the course correction?**

The project is on track and no course correction is anticipated.

- **Describe any unexpected successes during this reporting period other than those originally planned.**

An unexpected success during this reporting period was DAP's development of alternative patient communication methods. This adjustment was necessary because DAP's previous practice of using OCHIN Epic's MyChart was not feasible due to the former Borrego clinic patients being on a different EHR system at present.

To diversify patient communication strategy, DAP has introduced several initiatives. These include a monthly newsletter featuring wellness programs and health events, an annual magazine highlighting patient diversity, direct mail for important health reminders such as COVID vaccinations, and targeted advertisements on LGBTQ+ dating apps directing users to our website for health resources. MyChart is reserved for critical health alerts from providers to maintain patient trust. This approach has proven successful since the Borrego acquisition, enhancing efficiency and effectiveness in patient engagement.

Final Report

Organization Name: Dr. Carreon Foundation

Grant #: 1372

Project Title: Dr. Carreon Scholarship Program

Desert Healthcare District Strategic Plan Alignment

Goal: Proactively expand community access to primary and specialty care services

Strategy: 2.1 Provide funding to support an increase in the number of primary care and specialty professionals (clinicians, physicians, physician assistants, nurses, nurse practitioners, etc.)

Grant Information

Total Grant Amount Awarded: \$50,000

Grant Term (example 7/1/22 – 6/30/23): 3/1/23-2/29/24

Reporting Period (example 7/1/22 – 10/31/22): 3/1/23-2/29/24 Final

Contact Information:

Contact Name: Kathy McAdara

Phone: 951-623-7256

Email: kathymcadara@aol.com

Final Progress:

Final Outcomes on Goals and Evaluation

Project's final accomplishment(s) in comparison to the proposed goal(s) and evaluation plan.

Goal #1: By May 30, 2023, identify a minimum of 46 eligible students for scholarships that fit the Desert Healthcare criteria. Work closely with OneFuture Coachella Valley to identify possible students wanting to enter the healthcare field.

Final Progress of Goal #1:

Preliminary numbers accomplished by May 30, 2023. We only had 40 scholars, but all the award money was being distributed.

Final Evaluation of Goal #1:

By the time scholarships were ready to be awarded some of the awardees had changed majors.

- # of Scholars: 40 (initially selected for funding)
 - # of scholars successfully enrolled and pursuing healthcare majors during the 2023-24AY: 30 (or 75%)
 - Eight (8) students did not accept the scholarship, stopped communicating, or graduated early.
 - Two (2) students have changed their majors.
 - The grade levels among the eight (8) students that did not accept the scholarship, stopped communicating, or graduated are:
 - Six (6) freshman (75%)
 - One (1) junior
 - One (1) senior
 - Five (5) out of the eight (8) students (or 63%) are first in family to attend college.

We are finding that these trends are not unusual. Nationally, many underrepresented students pursuing healthcare and STEM related majors/careers change their plans when they begin classes (we often hear from East Valley students struggle with “Imposter Syndrome” upon beginning college in these majors/careers, because they come from under-resourced schools that don’t offer equal opportunities). As a result, many colleges/universities are developing programs to help students access the supports students need to successfully complete their programs. OneFuture Coachella Valley is currently working with state and local partners to offer and scale these supports as part of our menu of holistic services (e.g. Health Career Connections Internship Program, Partnerships with Departments, etc.). We are also working closely with our school districts, higher education, and healthcare partners to develop bridge and workforce supports to maximize success outcomes. After reworking the numbers and adding final scholars we came up with a total of 34 scholars. *Please see attached report.*

Goal #2:—Interview in-person applicants and review applications to make sure 100% of applicants under Desert Healthcare are planning a career in a health-related field.

Final Progress of Goal #2:

All scholars considered for scholarships were interviewed by the Dr. Carreon Foundation awards committee. All were enrolled in healthcare fields.

Final Evaluation of Goal #2:

Unfortunately a few students changed majors and a few dropped out, but we still had each and every awardee interviewed by the scholarship committee.

Goal #3:—Utilizing \$50,000 from Desert Healthcare, \$25,000 from OneFuture Coachella Valley and \$50,000 from Carreon Foundation, provide \$125,000 in total scholarships to 36-46 students over a 1-2 year period. The remaining scholarships will come from other sources. The dollar amount needed may vary depending on the school and need. This may result in more students receiving assistance.

Final Progress of Goal #3:

OFCV matched scholarship funds for students in healthcare, but it was not specifically for the same students. OFCV combined match supported **more** than the 40 students originally outlined in the grant. Please see the list of additional healthcare scholars awarded directly with DCF and OFCV funds. That list comprises a total of 65 students.

Final Evaluation of Goal #3:

Even with the loss of a few students we believe that our final work with healthcare students is exemplary.

Final Number of District Residents Served:

Proposed number of District residents to be directly served: 46

Final number of District residents directly served during the entire grant term: 34

Proposed number of District residents to be indirectly served: Hundreds of family members and the community at large will be indirectly served by an increase in the number of healthcare providers.

Final number of District residents indirectly served during the entire grant term: Hundreds of members of the community at large will eventually benefit from the number of new healthcare providers in the valley.

Please answer the following questions

1. Please describe any specific issues/barriers in meeting the proposed project goals:

We have learned that there is a much higher need for scholarships in the health-related fields and we have adjusted our outreach to find more donors and grants to support this. We are currently researching more foundations for health related fields in order to maximize the dollars invested by DHCD. We are also finding that many foundations do not want to fund scholarships and we will be working to show that increasing the education of our minority residents will result in a higher standard of living and a reduction in poverty valley wide.

2. Please describe any unexpected successes other than those originally planned.

The unexpected successes have come in the form of increased visibility and credibility based on the donation from DHCD. This grant will continue to spearhead our efforts forward.

3. After the initial investment by the DHCD how will the project be financially sustained?

The Carreon agency is actively soliciting grant dollars to increase/augment any dollars received from DHCD. While we have been around for over 30 years we only have a short history (2-3 years) of getting grants. That short history makes it more difficult to find new grants. However, we are working diligently on that and starting to see progress in that direction as we receive positive results from such funders as City of Palm Springs and Morongo Band of Mission Indians.

4. List five things to be done differently if this project were to be implemented and/or funded again.

1. We have learned that there is a much higher need for scholarships in the health-related fields and we have adjusted our outreach to find even more. The need in the Valley is immense and we hope to continue to provide even more scholarships. We are currently researching more foundations for health-related fields in order to maximize the dollars invested by DHCD.
2. 34 students were awarded scholarship money based on District guidelines. All \$50,000 has been awarded. Our only problem was spreading the money as efficiently as possible. We could have continued to give more money to more scholars with more funds. We also learned so much during this first year of having a large grant from DHCD. Next year, if we are lucky, we will be able to do even more. We have relied heavily on Ernie from OneFuture Coachella Valley who has been invaluable in helping us. Next year we will continue to work

closely with that agency to make sure we maximize both dollars and results.

3. If this were to be funded again, we have learned that it is important for the grant writer, or the person who is responsible for the final report to work more closely with OneFuture Coachella Valley during the entire grant making process to make sure that we are on track for deliverables.
4. We have also learned that based on the early non-acceptance of students (we had 6 freshmen who did not accept) that we will hone in on students who are at the advanced level of education first. It appears that Juniors, Seniors and graduate students are less likely to switch majors or drop out.
5. The Carreon Foundation is working internally on our fundraising capabilities and board development using classes offered by the RAP Foundation and others. We will be looking into joining a national scholarship association recommended by OFCV to advance our knowledge and skills in administering scholarships.

Report Period: 02/01/2024 - 02/29/2024
(Monthly report due the 15th of each month)

Program/Project Information:

Grant # 1329

Project Title: DPMG Health Street Medicine

Start Date: 10/1/2022

End Date: 9/30/2025

Term: 36 months

Grant Amount: \$500,000.00

Executive Summary: Desert Physicians Medical Group Health is committed to bridging health and community. We plan to expand access and provide care for those living in the Coachella Valley. This funding will provide support for the medical mobile unit and communities we serve. It is anticipated that 3,000 patient encounters will be conducted via the medical mobile unit by September 30, 2023 with an expansion by September 30, 2025 to increase total annual patient encounters to at least 7,000 per year, including primary and specialty care services.

Goal	Goal/ Objective/ Other Topics	Successes, Emergent Issues, Challenges, Findings, and Supportive Information (Graphs, reports, indicator results, etc.)								
Services	By September 30, 2025, increase total annual patient encounters to at least 7,000 per year and provide extended hours and weekend hours at least 1,400 encounters per year.	The table and graph below illustrates the total number of patient encounters seen since October 1, 2023 up to this reporting period.								
		Date	Location	# of Patients seen	Gender		Age			
					Female	Male	≤ 18 yo	19-64 yo	≥ 65 yo	Unknown
		October 2023								
		10/2/23	Gojji Telemedicine	14	8	6	0	12	2	0

**DESERT PHYSICIANS MEDICAL GROUP MEDICAL MOBILE UNIT
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	10/3/23	Galilee Center at Western Sands Motel - Refugee Clinic	29	18	11	12	17	0	0
	10/3/23	Gojji Telemedicine	10	5	5	0	10	0	0
	10/4/23	R.I.S.E. Smoke Tree	3	0	3	0	3	0	0
	10/4/23	Gojji Telemedicine	11	7	4	0	9	2	0
	10/4/23	Birth Choice of the Desert	2	2	0	0	2	0	0
	10/5/23	Coyote Run Apartments	40	25	15	9	26	5	0
	10/5/23	Gojji Telemedicine	9	6	3	0	9	0	0
	10/6/23	Our Lady of Guadalupe - Street Medicine	9	1	8	0	8	1	0
	10/6/23	Gojji Telemedicine	10	4	6	0	10	0	0
	10/9/23	Gojji Telemedicine	12	7	5	0	11	1	0
	10/10/23	Galilee Center at Western Sands Motel - Refugee Clinic	35	19	16	14	21	0	0
	10/11/23	Birth Choice of the Desert	2	2	0	0	2	0	0
	10/11/23	Gojji Telemedicine	14	6	8	0	12	2	0
	10/12/23	Substance Abuse Recovery Home	15	2	13	0	14	1	0

DESERT PHYSICIANS MEDICAL GROUP MEDICAL MOBILE UNIT
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		10/12/23	Gojji Telemedicine	16	8	8	0	14	2	0
		10/13/23	Our Lady of Guadalupe - Street Medicine	12	3	9	0	9	3	0
		10/13/23	Gojji Telemedicine	15	10	5	0	12	3	0
		10/15/23	Coachella Youth Sport Association	14	8	6	0	13	1	0
		10/16/23	Gojji Telemedicine	13	9	4	0	13	0	0
		10/17/23	Galilee Center at Western Sands Motel - Refugee Clinic	22	15	7	11	11	0	0
		10/17/23	Gojji Telemedicine	11	5	6	0	11	0	0
		10/18/23	Gene Autry Wash	3	0	3	0	3	0	0
		10/18/23	Gojji Telemedicine	12	5	7	0	9	3	0
		10/19/23	Desert Hot Springs Unhoused Outreach	18	8	10	0	17	1	0
		10/19/23	Gojji Telemedicine	14	10	4	0	10	4	0
		10/20/23	Our Lady of Guadalupe - Street Medicine	15	5	10	0	13	1	1
		10/20/23	Gojji Telemedicine	13	10	3	0	11	2	0
		10/23/23	Gojji Telemedicine	14	6	8	0	14	0	0
		10/24/23	Galilee Center at Western Sands Motel - Refugee Clinic	23	9	14	6	17	0	0

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		10/25/23	R.I.S.E. Access Center	11	2	9	0	10	1	0
		10/25/23	Gojji Telemedicine	13	6	7	0	13	0	0
		10/26/23	Gojji Telemedicine	9	6	3	0	8	1	0
		10/27/23	Our Lady of Guadalupe - Street Medicine	10	1	9	0	10	0	0
		10/27/23	Gojji Telemedicine	4	2	2	0	4	0	0
		10/28/23	DAP Equity Walk	4	1	3	0	3	1	0
		10/30/23	Mountain View Estates	31	24	7	17	14	0	0
		10/30/23	Gojji Telemedicine	6	4	2	0	5	1	0
		November 2023								
		11/1/23	R.I.S.E. Access Center	3	0	3	0	3	0	0
		11/1/23	Birth Choice of the Desert	2	2	0	0	2	0	0
		11/1/23	Gojji Telemedicine	5	4	1	0	3	2	0
		11/2/23	Gojji Telemedicine	5	2	3	0	3	2	0
		11/3/23	Our Lady of Guadalupe - Street Medicine	12	4	8	0	11	1	0
		11/3/23	Gojji Telemedicine	6	4	2	0	4	2	0
		11/4/23	Palm Springs Pride	354	127	227	3	296	52	3
		11/6/23	Gojji Telemedicine	4	2	2	0	4	0	0

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		11/7/23	Galilee Center at Western Sands Motel - Refugee Clinic	13	7	6	7	6	0	0
		11/8/23	R.I.S.E. Access Center	8	1	7	0	6	2	0
		11/8/23	Birth Choice of the Desert	2	2	0	0	2	0	0
		11/8/23	Gojji Telemedicine	3	2	1	0	2	1	0
		11/9/23	Substance Abuse Recovery Home	12	2	10	0	12	0	0
		11/9/23	Gojji Telemedicine	5	3	2	0	3	2	0
		11/10/23	Our Lady of Guadalupe - Street Medicine	10	1	9	0	10	0	0
		11/10/23	Gojji Telemedicine	6	2	4	0	4	2	0
		11/13/23	Gojji Telemedicine	11	8	3	0	10	1	0
		11/14/23	Galilee Center at Western Sands Motel - Refugee Clinic	19	11	8	10	9	0	0
		11/15/23	R.I.S.E. Access Center	3	1	2	0	3	0	0
		11/15/23	Birth Choice of the Desert	1	1	0	0	1	0	0
		11/15/23	Gojji Telemedicine	3	3	0	0	2	1	0
		11/16/23	Desert Hot Springs Unhoused Outreach	16	4	12	0	13	3	0

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		11/16/23	ABC Recovery Home	24	7	17	0	24	0	0
		11/16/23	Gojji Telemedicine	4	2	2	0	3	1	0
		11/17/23	Gojji Telemedicine	8	5	3	0	8	0	0
		11/20/23	Coachella Valley Housing Coalition	20	13	7	7	10	3	0
		11/20/23	Gojji Telemedicine	7	3	4	0	6	1	0
		11/21/23	Galilee Center at Western Sands Motel - Refugee Clinic	34	17	17	11	23	0	0
		11/22/23	Gojji Telemedicine	5	2	3	0	5	0	0
		11/27/23	Mountain View Estates	20	9	11	8	12	0	0
		11/27/23	Gojji Telemedicine	4	1	3	0	4	0	0
		11/28/23	Galilee Center at Western Sands Motel - Refugee Clinic	24	12	12	8	16	0	0
		11/28/23	Gojji Telemedicine	1	0	1	0	1	0	0
		11/29/23	Gojji Telemedicine	3	1	2	0	2	1	0
		11/30/23	Gojji Telemedicine	5	4	1	0	5	0	0
		December 2023								
		12/1/23	Our Lady of Guadalupe - Street Medicine	3	0	3	0	3	0	0
		12/1/23	Gojji Telemedicine	15	11	4	0	14	1	0

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	12/4/23	Gojji Telemedicine	16	7	9	0	15	1	0
	12/5/23	Galilee Center at Western Sands Motel - Refugee Clinic	16	8	8	2	14	0	0
	12/5/23	Our Lady of Soledad	23	14	9	7	14	2	0
	12/6/23	R.I.S.E. Access Center	11	1	10	0	7	3	1
	12/6/23	Birth Choice of the Desert	2	2	0	1	1	0	0
	12/6/23	Gojji Telemedicine	14	5	9	0	12	2	0
	12/7/23	James Madison Elementary Vaccine Clinic	18	8	10	18	0	0	0
	12/7/23	Gojji Telemedicine	13	10	3	0	13	0	0
	12/8/23	Our Lady of Guadalupe - Street Medicine	14	5	9	0	11	3	0
	12/8/23	Gojji Telemedicine	10	6	4	0	8	2	0
	12/12/23	Galilee Center at Western Sands Motel - Refugee Clinic	8	6	2	4	4	0	0
	12/12/23	Gojji Telemedicine	13	8	5	0	9	4	0
	12/13/23	R.I.S.E. Access Center	8	1	7	0	7	1	0
	12/13/23	Gojji Telemedicine	12	2	10	0	12	0	0
	12/14/23	ABC Recovery Home	8	2	6	0	8	0	0

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		12/14/23	Gojji Telemedicine	14	9	5	0	12	2	0
		12/15/23	Our Lady of Guadalupe - Street Medicine	7	1	6	0	6	1	0
		12/18/23	Gojji Telemedicine	17	12	5	0	17	0	0
		12/19/23	Galilee Center at Western Sands Motel - Refugee Clinic	12	8	4	6	6	0	0
		12/20/23	Gene Autry Wash	4	2	2	0	2	2	0
		12/20/23	Gojji Telemedicine	9	4	5	0	8	1	0
		12/21/23	Desert Hot Springs Unhoused Outreach	40	12	28	0	39	1	0
		12/22/23	Our Lady of Guadalupe - Street Medicine	72	19	53	0	61	11	0
		12/22/23	Gojji Telemedicine	14	10	4	0	14	0	0
		12/26/23	Galilee Center at Western Sands Motel - Refugee Clinic	22	12	10	8	14	0	0
		12/26/23	Gojji Telemedicine	12	6	6	0	12	0	0
		12/27/23	Gojji Telemedicine	9	5	4	0	7	2	0
		12/28/23	Sunrise Park Palm Springs	84	34	50	0	80	3	1
		12/29/23	Our Lady of Guadalupe - Street Medicine	15	3	12	0	13	2	0

January 2024								
1/2/24	Galilee Center at Western Sands Motel - Refugee Clinic	7	4	3	5	2	0	0
1/2/24	Gojji Telemedicine	12	2	10	0	12	0	0
1/3/24	Gojji Telemedicine	15	4	11	0	14	1	0
1/4/24	Gojji Telemedicine	14	6	8	0	12	2	0
1/5/24	Our Lady of Guadalupe - Street Medicine	15	1	14	0	14	1	0
1/5/24	Gojji Telemedicine	19	5	14	0	18	1	0
1/8/24	Gojji Telemedicine	15	11	4	0	12	3	0
1/9/24	Galilee Center at Western Sands Motel - Refugee Clinic	25	13	12	12	13	0	0
1/9/24	Gojji Telemedicine	13	6	7	0	13	0	0
1/10/24	Gene Autry Wash	4	0	4	0	3	1	0
1/10/24	Gojji Telemedicine	13	8	5	0	12	1	0
1/11/24	Gojji Telemedicine	13	5	8	0	13	0	0
1/12/24	Our Lady of Guadalupe - Street Medicine	11	2	9	0	10	1	0
1/12/24	Gojji Telemedicine	18	10	8	0	18	0	0
1/15/24	Gojji Telemedicine	14	8	6	0	13	1	0

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	1/16/24	Galilee Center at Western Sands Motel - Refugee Clinic	18	8	10	8	10	0	0
	1/16/24	Gojji Telemedicine	14	10	4	0	13	1	0
	1/17/24	Birth Choice of the Desert	3	3	0	0	3	0	0
	1/17/24	Gojji Telemedicine	14	5	9	0	14	0	0
	1/18/24	Desert Hot Springs Unhoused Outreach	20	10	10	0	18	2	0
	1/18/24	Gojji Telemedicine	14	10	4	0	14	0	0
	1/19/24	Our Lady of Guadalupe - Street Medicine	9	1	8	0	7	2	0
	1/19/24	Gojji Telemedicine	15	7	8	0	12	3	0
	1/22/24	Gojji Telemedicine	16	13	3	0	16	0	0
	1/23/24	Gojji Telemedicine	15	11	4	1	12	2	0
	1/23/24	Galilee Center at Western Sands Motel - Refugee Clinic	17	9	8	9	8	0	0
	1/24/24	R.I.S.E. Access Center	6	2	4	0	5	1	0
	1/24/24	Birth Choice of the Desert	1	1	0	0	1	0	0
	1/24/24	Gojji Telemedicine	14	7	7	0	13	1	0
	1/25/24	Gojji Telemedicine	16	5	11	0	13	3	0

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		1/26/24	Gojji Telemedicine	16	3	13	0	16	0	0
		1/26/24	Our Lady of Guadalupe - Street Medicine	5	2	3	0	5	0	0
		1/27/24	Palm Springs Health Run & Wellness Festival	78	31	47	0	75	3	0
		1/29/24	Coachella Valley Housing Coalition	10	6	4	0	8	2	0
		1/29/24	Gojji Telemedicine	16	8	8	0	15	1	0
		1/30/24	Galilee Center at Western Sands Motel - Refugee Clinic	30	18	12	10	20	0	0
		1/30/24	Gojji Telemedicine	15	6	9	0	12	3	0
		1/31/24	R.I.S.E. Access Center	6	0	6	0	5	1	0
		1/31/24	Birth Choice of the Desert	1	1	0	0	1	0	0
		1/31/24	Gojji Telemedicine	18	10	8	0	16	2	0
		February 2024								
		2/1/24	Gojji Telemedicine	18	12	6	0	15	3	0
		2/2/24	Our Lady of Guadalupe - Street Medicine	10	1	9	0	9	1	0
		2/2/24	Gojji Telemedicine	18	13	5	0	18	0	0
		2/5/24	Gojji Telemedicine	11	7	4	0	10	1	0

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	2/6/24	Gojji Telemedicine	17	13	4	0	16	1	0
	2/7/24	R.I.S.E. Access Center	7	2	5	0	5	2	0
	2/7/24	Birth Choice of the Desert	3	3	0	0	3	0	0
	2/7/24	Gojji Telemedicine	14	10	4	0	13	1	0
	2/8/24	James Madison Elementary Vaccine Clinic	21	8	13	21	0	0	0
	2/8/24	Gojji Telemedicine	16	13	3	0	14	2	0
	2/9/24	Our Lady of Guadalupe - Street Medicine	13	3	10	0	11	2	0
	2/9/24	Gojji Telemedicine	17	11	6	0	15	2	0
	2/12/24	Gojji Telemedicine	18	6	12	0	17	1	0
	2/13/24	Galilee Center at Western Sands Motel - Refugee Clinic	26	14	12	13	13	0	0
	2/13/24	Gojji Telemedicine	15	8	7	0	15	0	0
	2/14/24	R.I.S.E. Access Center	9	2	7	0	6	3	0
	2/14/24	Gojji Telemedicine	14	9	5	0	11	3	0
	2/15/24	Desert Hot Springs Unhoused Outreach	13	5	8	0	12	1	0
	2/15/24	Indio High School Vaccine Clinic	16	5	11	16	0	0	0

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	2/15/24	Gojji Telemedicine	19	6	13	0	18	1	0
	2/16/24	Our Lady of Guadalupe - Street Medicine	10	3	7	0	9	1	0
	2/16/24	DSUSD TK Enrollment	15	9	6	15	0	0	0
	2/16/24	Gojji Telemedicine	18	8	10	0	17	1	0
	2/19/24	ABC Recovery Home	10	0	10	0	9	1	0
	2/19/24	Gojji Telemedicine	14	6	8	0	14	0	0
	2/20/24	Galilee Center at Western Sands Motel - Refugee Clinic	30	13	17	14	16	0	0
	2/20/24	Gojji Telemedicine	13	7	6	1	11	1	0
	2/21/24	R.I.S.E. Access Center	7	0	7	0	4	3	0
	2/21/24	Birth Choice of the Desert	5	5	0	0	5	0	0
	2/21/24	Gojji Telemedicine	18	9	9	0	15	3	0
	2/22/24	Gojji Telemedicine	15	11	4	0	12	3	0
	2/23/24	Our Lady of Guadalupe - Street Medicine	9	1	8	0	8	1	0
	2/23/24	Gojji Telemedicine	11	3	8	0	9	2	0
	2/26/24	Coyote Runs Apartments	3	2	1	0	2	1	0
	2/26/24	Gojji Telemedicine	17	7	10	0	16	1	0

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**DESERT PHYSICIANS MEDICAL GROUP MEDICAL MOBILE UNIT
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		<table><tr><td>2/27/24</td><td>Galilee Center at Western Sands Motel - Refugee Clinic</td><td>35</td><td>22</td><td>13</td><td>14</td><td>21</td><td>0</td><td>0</td></tr><tr><td>2/27/24</td><td>Gojji Telemedicine</td><td>9</td><td>7</td><td>2</td><td>0</td><td>9</td><td>0</td><td>0</td></tr><tr><td>2/28/24</td><td>R.I.S.E. Access Center</td><td>6</td><td>2</td><td>4</td><td>0</td><td>5</td><td>1</td><td>0</td></tr><tr><td>2/28/24</td><td>Gojji Telemedicine</td><td>16</td><td>8</td><td>8</td><td>0</td><td>13</td><td>3</td><td>0</td></tr><tr><td>2/29/24</td><td>Gojji Telemedicine</td><td>12</td><td>7</td><td>5</td><td>0</td><td>10</td><td>2</td><td>0</td></tr><tr><td colspan="2">Total Since October 2023</td><td>2878</td><td>1324</td><td>1554</td><td>308</td><td>2318</td><td>246</td><td>6</td></tr></table> <div><p>DESERT PHYSICIANS MEDICAL GROUP MEDICAL MOBILE UNIT Number of Patients Seen</p><table><thead><tr><th>Month of Visit</th><th>Total # of Visits</th></tr></thead><tbody><tr><td>October</td><td>518</td></tr><tr><td>November</td><td>662</td></tr><tr><td>December</td><td>535</td></tr><tr><td>January</td><td>595</td></tr><tr><td>February</td><td>568</td></tr></tbody></table></div>	2/27/24	Galilee Center at Western Sands Motel - Refugee Clinic	35	22	13	14	21	0	0	2/27/24	Gojji Telemedicine	9	7	2	0	9	0	0	2/28/24	R.I.S.E. Access Center	6	2	4	0	5	1	0	2/28/24	Gojji Telemedicine	16	8	8	0	13	3	0	2/29/24	Gojji Telemedicine	12	7	5	0	10	2	0	Total Since October 2023		2878	1324	1554	308	2318	246	6	Month of Visit	Total # of Visits	October	518	November	662	December	535	January	595	February	568
2/27/24	Galilee Center at Western Sands Motel - Refugee Clinic	35	22	13	14	21	0	0																																																												
2/27/24	Gojji Telemedicine	9	7	2	0	9	0	0																																																												
2/28/24	R.I.S.E. Access Center	6	2	4	0	5	1	0																																																												
2/28/24	Gojji Telemedicine	16	8	8	0	13	3	0																																																												
2/29/24	Gojji Telemedicine	12	7	5	0	10	2	0																																																												
Total Since October 2023		2878	1324	1554	308	2318	246	6																																																												
Month of Visit	Total # of Visits																																																																			
October	518																																																																			
November	662																																																																			
December	535																																																																			
January	595																																																																			
February	568																																																																			
Goal	Goal/ Objective/ Other Topics	Successes, Emergent Issues, Challenges, Findings, and Supportive Information (Graphs, reports, indicator results, etc.)																																																																		

Services

By September 30, 2023, provide primary and specialty care services to 3,000 patients.

The table and graph below illustrates the total number of patient encounters seen since the launch of services on October 1, 2022 up to this reporting period.

Date	Location	# of Patients seen	Gender		Age			
			Female	Male	≤ 18 yo	19-64 yo	≥ 65 yo	Unknown
October 2022								
10/14/22	Our Lady of Guadalupe - Street Medicine	3	1	2	0	2	1	0
10/15/22	Oasis Thermal - Arsenic Clinic	28	16	12	5	23	0	0
10/22/22	Desert Hot Springs Health & Wellness Center	30	22	8	6	19	5	0
10/28/22	Our Lady of Guadalupe - Street Medicine	4	2	2	0	3	1	0
November 2022								
11/11/22	Our Lady of Guadalupe - Street Medicine	2	0	2	0	2	0	0
11/19/22	Oasis Thermal - Arsenic Clinic	10	7	3	0	9	1	0
December 2022								
12/9/22	Our Lady of Guadalupe - Street Medicine	5	0	5	0	4	1	0

**DESERT PHYSICIANS MEDICAL GROUP MEDICAL MOBILE UNIT
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		12/23/22	Our Lady of Guadalupe - Street Medicine	6	2	4	0	5	0	1
		January 2023								
		1/6/23	Our Lady of Guadalupe - Street Medicine	7	2	5	0	5	2	0
		1/19/23	Headstart Nursery	30	12	18	0	24	5	1
		1/19/23	Tudor Ranch	76	21	55	0	56	16	4
		1/20/23	Our Lady of Guadalupe - Street Medicine	3	0	3	0	3	0	0
		1/25/23	Mobile Van Clinic	1	1	0	0	1	0	0
		1/28/23	Palm Springs Health Run & Wellness Festival	3	0	3	0	2	1	0
		February 2023								
		2/3/23	Our Lady of Guadalupe - Street Medicine	2	1	1	0	2	0	0
		2/17/23	Our Lady of Guadalupe - Street Medicine	11	3	8	0	7	2	2
		2/22/23	Anthony Vineyards	71	9	62	1	57	12	1
		March 2023								
		3/3/23	Our Lady of Guadalupe - Street Medicine	9	3	6	0	9	0	0
		3/10/23	Our Lady of Guadalupe	6	2	4	0	4	0	2

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			- Street Medicine						
	3/14/23	Galilee Center at Western Sands Motel - Refugee Clinic	59	33	26	34	24	1	0
	3/17/23	Our Lady of Guadalupe - Street Medicine	3	0	3	0	2	1	0
	3/19/23	Anthony Vineyards - "Dia de la Familia" Health Fair	46	27	19	6	33	6	1
	3/21/23	Galilee Center at Western Sands Motel - Refugee Clinic	40	21	19	17	23	0	0
	3/24/23	Our Lady of Guadalupe - Street Medicine	5	1	4	0	3	2	0
	3/28/23	Galilee Center at Western Sands Motel - Refugee Clinic	37	18	19	20	17	0	0
	3/31/23	Our Lady of Guadalupe - Street Medicine	6	1	5	0	4	1	1
April 2023									
	4/4/23	Galilee Center at Western Sands Motel - Refugee Clinic	16	6	10	7	9	0	0
	4/11/23	Galilee Center at Western Sands Motel - Refugee Clinic	56	23	33	30	26	0	0

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		4/14/23	Our Lady of Guadalupe - Street Medicine	11	2	9	0	8	3	0
		4/18/23	Galilee Center at Western Sands Motel - Refugee Clinic	56	26	30	19	37	0	0
		4/21/23	Our Lady of Guadalupe - Street Medicine	15	1	14	0	11	1	3
		4/25/23	Galilee Center at Western Sands Motel - Refugee Clinic	41	14	27	11	30	0	0
		4/28/23	Our Lady of Guadalupe - Street Medicine	10	3	7	0	6	1	3
		May 2023								
		5/2/23	Galilee Center at Western Sands Motel - Refugee Clinic	35	15	20	8	26	1	0
		5/3/23	Mental Health Awareness Fair	36	25	11	5	31	0	0
		5/4/23	John Glenn Middle School Tdap Clinic	12	5	7	11	1	0	0
		5/5/23	Our Lady of Guadalupe - Street Medicine	16	5	11	0	10	4	2
		5/8/23	Indio Middle School Tdap Clinic	18	10	8	15	3	0	0
		5/9/23	Galilee Center at	35	19	16	5	30	0	0

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			Western Sands Motel - Refugee Clinic						
5/10/23	Valle Del Sol Elementary Tdap Clinic	35	20	15	34	1	0	0	
5/10/23	Saul Martinez Elementary Tdap Clinic	24	7	17	24	0	0	0	
5/11/23	Thomas Jefferson Middle School Tdap Clinic	8	3	5	8	0	0	0	
5/12/23	Our Lady of Guadalupe - Street Medicine	12	4	8	0	10	2	0	
5/15/23	Colonel Mitchell Paige Middle School Tdap Clinic	2	2	0	2	0	0	0	
5/16/23	Galilee Center at Western Sands Motel - Refugee Clinic	37	19	18	6	31	0	0	
5/17/23	Palm Desert Charter Middle School Tdap Clinic	31	11	20	31	0	0	0	
5/18/23	La Quinta Middle Stem Academy Tdap Clinic	34	12	22	34	0	0	0	
5/19/23	Our Lady of Guadalupe - Street Medicine	5	2	3	0	4	1	0	
5/20/23	CVUSD District Office Tdap/COVID Clinic	31	18	13	29	2	0	0	

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		5/22/23	Palm Desert High School Sports Physicals	289	135	154	289	0	0	0
		5/23/23	Galilee Center at Western Sands Motel - Refugee Clinic	29	13	16	7	22	0	0
		5/25/23	Sacred Heart Tdap Clinic & Sports Physicals	29	12	17	29	0	0	0
		5/26/23	Our Lady of Guadalupe - Street Medicine	16	3	13	0	13	3	0
		5/30/23	Galilee Center at Western Sands Motel - Refugee Clinic	44	21	23	19	25	0	0
		5/31/23	La Quinta High School Sports Physicals	288	128	160	288	0	0	0
		June 2023								
		6/1/23	Cathedral City High School Sports Physicals	197	94	103	197	0	0	0
		6/2/23	Our Lady of Guadalupe - Street Medicine	13	4	9	0	10	2	1
		6/5/23	Palm Springs High School Sports Physicals	231	152	79	231	0	0	0
		6/6/23	Galilee Center at	25	14	11	10	15	0	0

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			Western Sands Motel - Refugee Clinic						
6/9/23	Our Lady of Guadalupe - Street Medicine	11	2	9	0	9	2	0	
6/13/23	Galilee Center at Western Sands Motel - Refugee Clinic	17	7	10	5	12	0	0	
6/14/23	Gene Autry Wash	6	2	4	0	6	0	0	
6/20/23	Galilee Center at Western Sands Motel - Refugee Clinic	13	1	12	0	13	0	0	
6/21/23	Gene Autry Wash	12	6	6	0	10	2	0	
6/23/23	Our Lady of Guadalupe - Street Medicine	13	3	10	0	10	3	0	
6/27/23	Galilee Center at Western Sands Motel - Refugee Clinic	17	7	10	4	13	0	0	
6/28/23	Gene Autry Wash	7	2	5	0	6	1	0	
6/30/23	Our Lady of Guadalupe - Street Medicine	10	1	9	0	9	0	1	
July 2023									
7/5/23	Gene Autry Wash	23	6	17	0	23	0	0	
7/5/23	Gojji Telemedicine	8	1	7	0	7	1	0	

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		7/6/23	Gojji Telemedicine	12	7	5	0	11	1	0
		7/7/23	Our Lady of Guadalupe - Street Medicine	13	3	10	0	10	3	0
		7/7/23	Gojji Telemedicine	4	4	0	0	4	0	0
		7/10/23	Gojji Telemedicine	2	1	1	0	2	0	0
		7/11/23	Galilee Center at Western Sands Motel - Refugee Clinic	36	20	16	15	21	0	0
		7/11/23	Gojji Telemedicine	2	1	1	0	2	0	0
		7/12/23	Gene Autry Wash	10	3	7	0	8	2	0
		7/12/23	Gojji Telemedicine	2	1	1	0	2	0	0
		7/13/23	Gojji Telemedicine	14	6	8	0	12	2	0
		7/14/23	Our Lady of Guadalupe - Street Medicine	18	10	8	0	17	1	0
		7/14/23	Gojji Telemedicine	5	3	2	0	5	0	0
		7/17/23	Gojji Telemedicine	4	2	2	0	4	0	0
		7/18/23	Galilee Center at Western Sands Motel - Refugee Clinic	39	21	18	17	22	0	0
		7/18/23	Gojji Telemedicine	3	1	2	0	3	0	0
		7/19/23	Gene Autry Wash	11	4	7	0	10	1	0
		7/19/23	Gojji Telemedicine	4	2	2	0	3	1	0

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		7/20/23	Coachella Valley Housing Coalition	5	4	1	0	3	2	0
		7/20/23	Gojji Telemedicine	5	2	3	0	4	1	0
		7/21/23	Our Lady of Guadalupe - Street Medicine	17	7	10	0	15	2	0
		7/21/23	Gojji Telemedicine	5	5	0	0	5	0	0
		7/24/23	Gojji Telemedicine	4	1	3	0	4	0	0
		7/25/23	Galilee Center at Western Sands Motel - Refugee Clinic	28	15	13	13	15	0	0
		7/25/23	Gojji Telemedicine	1	1	0	0	1	0	0
		7/26/23	Gene Autry Wash	15	3	12	0	13	1	1
		7/26/23	Gojji Telemedicine	5	4	1	0	4	1	0
		7/27/23	Gojji Telemedicine	13	6	7	0	13	0	0
		7/28/23	Our Lady of Guadalupe - Street Medicine	29	9	20	0	26	2	1
		7/28/23	Gojji Telemedicine	5	3	2	0	4	1	0
		7/31/23	Substance Abuse Recovery Home	33	12	21	3	29	1	0
		7/31/23	Gojji Telemedicine	4	3	1	0	4	0	0
		August 2023								
		8/1/23	Galilee Center at	22	14	8	9	13	0	0

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			Western Sands Motel - Refugee Clinic							
	8/1/23	Gojji Telemedicine	2	0	2	0	2	0	0	
	8/2/23	Gene Autry Wash	6	4	2	0	6	0	0	
	8/2/23	DSUSD District Tdap Clinic	36	16	20	36	0	0	0	
	8/2/23	Gojji Telemedicine	6	2	4	0	4	2	0	
	8/3/23	Gojji Telemedicine	6	3	3	0	4	2	0	
	8/4/23	Our Lady of Guadalupe - Street Medicine	15	5	10	0	13	2	0	
	8/4/23	Gojji Telemedicine	8	5	3	0	8	0	0	
	8/7/23	La Quinta Middle School Tdap Clinic	75	38	37	74	1	0	0	
	8/7/23	Gojji Telemedicine	5	4	1	0	5	0	0	
	8/8/23	Galilee Center at Western Sands Motel - Refugee Clinic	35	20	15	13	22	0	0	
	8/9/23	Gene Autry Wash	4	1	3	0	3	1	0	
	8/9/23	Gojji Telemedicine	5	4	1	0	5	0	0	
	8/10/23	Desert Ridge Academy Vaccine Clinic	48	27	21	47	1	0	0	
	8/10/23	Gojji Telemedicine	9	4	5	0	6	3	0	
	8/11/23	Our Lady of Guadalupe	13	6	7	0	10	3	0	

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			- Street Medicine						
	8/11/23	Gojji Telemedicine	8	4	4	0	7	1	0
	8/14/23	Cahuilla Desert Academy Tdap Clinic	46	26	20	46	0	0	0
	8/14/23	Gojji Telemedicine	5	3	2	0	5	0	0
	8/15/23	Galilee Center at Western Sands Motel - Refugee Clinic	15	6	9	4	10	1	0
	8/16/23	Gene Autry Wash	6	1	5	0	5	1	0
	8/16/23	Gojji Telemedicine	4	2	2	0	3	1	0
	8/17/23	Gojji Telemedicine	5	1	4	0	4	1	0
	8/17/23	Woodspur Farms	35	25	10	2	33	0	0
	8/18/23	Our Lady of Guadalupe - Street Medicine	9	1	8	0	6	3	0
	8/18/23	Gojji Telemedicine	7	6	1	0	7	0	0
	8/22/23	Galilee Center at Western Sands Motel - Refugee Clinic	22	12	10	6	16	0	0
	8/22/23	Gojji Telemedicine	2	1	1	0	2	0	0
	8/23/23	Toro Canyon Middle School Tdap Clinic	13	11	2	13	0	0	0
	8/23/23	Thomas Jefferson Middle School Tdap	9	6	3	9	0	0	0

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			Clinic						
	8/23/23	Gojji Telemedicine	4	1	3	0	4	0	0
	8/24/23	Desert Hot Springs Unhoused Outreach	17	7	10	0	13	4	0
	8/24/23	Gojji Telemedicine	6	3	3	0	6	0	0
	8/25/23	Our Lady of Guadalupe - Street Medicine	7	2	5	0	4	3	0
	8/25/23	Gojji Telemedicine	6	2	4	0	5	1	0
	8/28/23	Substance Abuse Recovery Home	20	7	13	2	15	3	0
	8/28/23	Gojji Telemedicine	6	4	2	0	6	0	0
	8/29/23	Galilee Center at Western Sands Motel - Refugee Clinic	40	22	18	21	19	0	0
	8/30/23	Gene Autry Wash	6	2	4	0	6	0	0
	8/30/23	Gojji Telemedicine	6	2	4	0	4	2	0
	8/31/23	Gojji Telemedicine	4	1	3	0	3	1	0
September 2023									
	9/1/23	Our Lady of Guadalupe - Street Medicine	12	4	8	0	9	3	0
	9/1/23	Gojji Telemedicine	17	9	8	0	17	0	0
	9/5/23	Galilee Center at	28	12	16	7	21	0	0

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			Western Sands Motel - Refugee Clinic							
		9/5/23	Gojji Telemedicine	14	12	2	0	14	0	0
		9/6/23	Gojji Telemedicine	15	6	9	0	15	0	0
		9/7/23	Gojji Telemedicine	16	9	7	0	14	2	0
		9/8/23	Our Lady of Guadalupe - Street Medicine	15	5	10	0	9	6	0
		9/8/23	Gojji Telemedicine	14	8	6	0	11	3	0
		9/11/23	Mountain View Estates	17	13	4	3	13	1	0
		9/11/23	Gojji Telemedicine	15	6	9	0	13	2	0
		9/12/23	Galilee Center at Western Sands Motel - Refugee Clinic	22	15	7	6	16	0	0
		9/12/23	Gojji Telemedicine	11	8	3	0	11	0	0
		9/13/23	Gene Autry Wash	11	5	6	1	9	1	0
		9/13/23	Gojji Telemedicine	15	10	5	0	15	0	0
		9/14/23	Gojji Telemedicine	14	7	7	0	12	2	0
		9/15/23	Our Lady of Guadalupe - Street Medicine	15	6	9	0	12	3	0
		9/15/23	Gojji Telemedicine	14	9	5	0	14	0	0
		9/18/23	Paseo De Los Heros II	8	6	2	2	6	0	0
		9/18/23	Gojji Telemedicine	19	8	11	0	17	2	0

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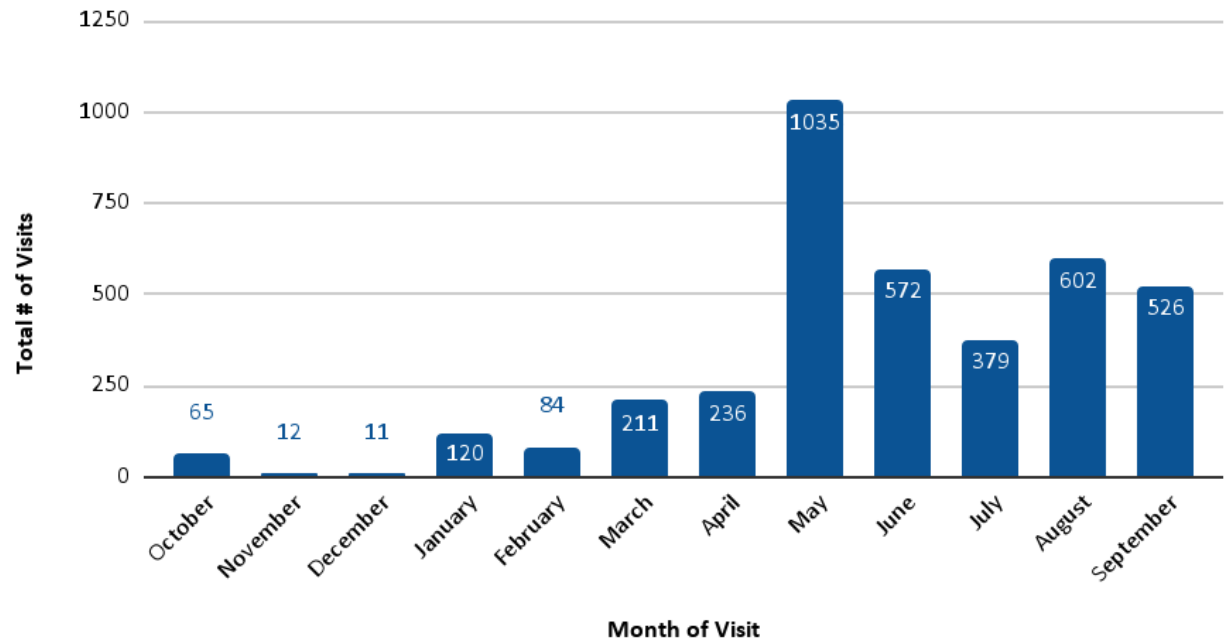
		9/19/23	Galilee Center at Western Sands Motel - Refugee Clinic	21	9	12	8	13	0	0
		9/19/23	Gojji Telemedicine	11	8	3	0	11	0	0
		9/20/23	Gene Autry Wash	8	3	5	0	7	1	0
		9/20/23	Gojji Telemedicine	15	8	7	0	11	4	0
		9/21/23	Desert Hot Springs Unhoused Outreach	22	9	13	0	18	4	0
		9/21/23	Gojji Telemedicine	16	6	10	0	14	2	0
		9/22/23	Our Lady of Guadalupe - Street Medicine	12	4	8	0	10	2	0
		9/22/23	Gojji Telemedicine	14	10	4	0	14	0	0
		9/25/23	Our Lady of Soledad	16	8	8	0	14	2	0
		9/25/23	Gojji Telemedicine	14	9	5	0	10	4	0
		9/26/23	Galilee Center at Western Sands Motel - Refugee Clinic	23	9	14	6	17	0	0
		9/26/23	Gojji Telemedicine	12	7	5	0	12	0	0
		9/27/23	Birth Choice of the Desert	2	2	0	0	2	0	0
		9/27/23	Gojji Telemedicine	13	8	5	0	11	2	0
		9/28/23	Gojji Telemedicine	12	6	6	0	11	1	0

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9/29/23	Our Lady of Guadalupe - Street Medicine	11	2	9	0	7	2	2
9/29/23	Goggi Telemedicine	12	9	3	0	11	1	0
Totals: October 2022 - September 2023		3853	1821	2032	1810	1824	192	27

DESERT PHYSICIANS MEDICAL GROUP MEDICAL MOBILE UNIT
Number of Patients Seen





**DESERT HEALTHCARE
DISTRICT & FOUNDATION**

Date: May 14, 2024
To: Program Committee
Subject: Grant Applications Status Report

Staff Recommendation: Information only.

Grant Applications: The following grant and mini grant applications have been submitted and are under review by the grants team and are pending either proposal conferences and/or a site visit. Recommendations/suggested decisions will be brought forward to the Program Committee for possible action:

1. Mini Grant #1433 GANAS \$10,000: Mission is to improve the quality of life of the Hispanic and Latino special needs community –
 - a. Status: After a recent proposal conference, grantee will revise application to reflect direct healthcare services for special needs children.
2. Grant #1409 UCR School of Medicine - \$475,609 for three years to support and engage doctors in training (medical students) in the screening, diagnosis, and treatment of cardiovascular disease among patients accessing the Coachella Valley Free Clinic in Mecca.
 - a. Status: After site visit to the Mecca clinic on January 16, 2024 grantee is withdrawing application and resubmitting a new application to request 2 year operating support for the free clinic. **Still waiting for new application**
3. Grant # 1463 Ronald McDonald House Charities - \$158,797 for support of temporary housing and family support services for Coachella Valley children and their families
 - a. Status: Pending grants team review

Recently Board-approved GRANTS:

1. Social Isolation and Loneliness “Building Connected Communities” Proposals:
 - a. Grant #1432 Variety – the Children’s Charity of the Desert Tent 66 – Outreach and Future Program Expansion – \$102,949
 - b. Grant #1437 Youth Leadership Institute – Community Advocates for Resilient Emotional Safety (ECV CARES) – \$100,000
 - c. Grant #1441 Desert AIDS Project, dba DAP Health – DAP Health Community Health Workers Build Community Connections – \$125,000
 - d. Grant #1443 Voices for Children – Court Appointed Special Advocate (CASA) Program – \$60,000

- e. Grant #1445 Cove Communities Senior Association dba The Joslyn Center – Increasing Behavioral Health Access and Social Connectedness for Older Coachella Valley Adults – \$200,000
- f. Grant #1452 El Sol Neighborhood Educational Center – Coachella Valley Community Assistance, Resources, and Empowerment Services (CV-CARES) – \$200,000
- g. Grant #1453 Vision y Compromiso – Cultivando Community Connections – \$199,914
- h. Grant #1455 Angel View Inc. – Outreach program to reduce social isolation and loneliness – \$86,250

Recently Staff-approved MINI GRANTS:

- 1. Mini Grant #1431 Habitat for Humanity - \$10,000 for program component for the Client Services Coordinator to conduct regular wellness checks ensure clients' health and safety and identify unmet needs and partnering with numerous community-based and government organizations to provide clients with referrals and linkages to vital services.

Recently declined MINI GRANTS

- 1. Mini Grant #1461 Palms to Pines Parasports dba SoCal Adaptive Sports - \$10,000 for continued operation of adaptive sports programs – Strategic Goal 7 selected – not in alignment with the Board-Approved High Priority Strategic Plan Goals.

Recently declined GRANTS:

Grant # 1434 Riverside University Health System – Public Health – Coachella Community Blue Zones Project: \$2,095,200 for 45 months – Program Committee recommendation for Declination – Not in Alignment with the Board-Approved High Priority Strategic Plan Goals

DESERT HEALTHCARE DISTRICT							
OUTSTANDING GRANTS AND GRANT PAYMENT SCHEDULE							
April 30, 2024							
TWELVE MONTHS ENDING JUNE 30, 2024							
Grant ID Nos.	Name	Approved Grants - Prior Yrs	6/30/2023 Bal Fwd	Current Yr 2023-2024	Total Paid Prior Yrs July-June	Total Paid Current Yr July-June	Open BALANCE
2014-MOU-BOD-11/21/13	Memo of Understanding CVAG CV Link Support	\$ 10,000,000	\$ 3,320,000		\$ -		\$ 3,320,000
2022-1301-BOD-01-25-22	UCR Regents - Community Based Interventions to Mitigate Psychological Trauma - 1 Yr.	\$ 113,514	\$ 11,352		\$ 5,747		\$ 5,605
	Unexpended funds Grant #1301						\$ (5,605)
2022-1311-BOD-04-26-22	Desert Arc - Healthcare for Adults with Disabilities Project Employment of Nurses - 1 Yr.	\$ 102,741	\$ 10,275		\$ 10,275		\$ -
2022-1313-BOD-04-26-22	Angel View - Improving Access to Primary & Specialty Care Services for Children With Disabilities 1 Yr.	\$ 76,790	\$ 7,680		\$ 7,680		\$ -
2022-1314-BOD-05-24-22	Voices for Children - Court Appointed Special Advocate Program - 1 Yr.	\$ 60,000	\$ 6,000		\$ 6,000		\$ -
2022-1325-BOD-06-28-22	Vision Y Compromise - CVEC Unrestricted Grant Funds - 2 Yrs.	\$ 150,000	\$ 82,500		\$ 67,500		\$ 15,000
2022-1327-BOD-06-28-22	Youth Leadership Institute - Youth Voice in Mental Health - 2 Yrs.	\$ 50,000	\$ 27,500		\$ 22,500		\$ 5,000
2022-1328-BOD-06-28-22	El Sol - Expanding Access to Educational Resources for Promotoras - 2 Yrs.	\$ 150,000	\$ 82,500		\$ 67,500		\$ 15,000
2022-1331-BOD-06-28-22	Services - 2 Yrs.	\$ 50,000	\$ 27,500		\$ 22,500		\$ 5,000
2022-1324-BOD-07-26-22	Galilee Center - Our Lady of Guadalupe Shelter - 2 Yr.	\$ 100,000	\$ 55,000		\$ 45,000		\$ 10,000
2022-1332-BOD-07-26-22	Alianza CV - Expanding & Advancing Outreach Through Increasing Capacity Development - 2 Yrs.	\$ 100,000	\$ 55,000		\$ 22,500		\$ 32,500
2022-1329-BOD-09-27-22	DPMG - Mobile Medical Unit - 3 Yrs.	\$ 500,000	\$ 450,000		\$ 151,104		\$ 298,896
2022-1350-BOD-09-27-22	JFK Memorial Foundation - Behavioral Health Awareness & Education Program - 1 Yr.	\$ 57,541	\$ 5,755		\$ 5,755		\$ (0)
2022-1355-BOD-09-27-22	The Joslyn Center - The Joslyn Wellness Center - 1 Yr.	\$ 85,000	\$ 8,500		\$ 8,500		\$ 0
2022-1361-BOD-09-27-22	DAP Health - DAP Health Monkeypox Virus Response - 1 Yr.	\$ 586,727	\$ 340,654		\$ 7,659		\$ 332,995
	Unexpended funds Grant #1361						\$ (332,995)
2022-1356-BOD-10-25-22	Blood Bank of San Bernardino/Riverside Counties - Coachella Valley Therapeutic Apheresis Program - 1 Yr.	\$ 140,000	\$ 77,000		\$ 71,121		\$ 5,879
	Unexpended funds Grant #1356						\$ (5,879)
2022-1358-BOD-10-25-22	Foundation for Palm Springs Unified School District - School-Based Wellness Center Project - 1 Yr.	\$ 110,000	\$ 60,500		\$ -		\$ 60,500
2022-1362-BOD-10-25-22	Jewish Family Service of the Desert - Mental Health Counseling Services for Underserved - 2 Yrs.	\$ 160,000	\$ 124,000		\$ 72,000		\$ 52,000
2022-1326-BOD-12-20-22	TODEC - TODEC's Equity Program - 2 Yrs.	\$ 100,000	\$ 77,500		\$ 22,500		\$ 55,000
2022-1330-BOD-12-20-22	OneFuture Coachella Valley - Building a Healthcare Workforce Pipeline - 2 Yrs.	\$ 605,000	\$ 468,874		\$ 204,187		\$ 264,688
2022-1369-BOD-12-20-22	ABC Recovery Center - Cost of Caring Fund Project - 1 Yr.	\$ 332,561	\$ 257,735		\$ 257,735		\$ -
2023-1333-BOD-01-24-23	Organizacion en California de Lideres Campesinas - Healthcare Equity for ECV Farmworker Women - 2 Yrs.	\$ 150,000	\$ 116,250		\$ 67,500		\$ 48,750
2023-1363-BOD-01-24-23	Pegasus Riding Academy - Pegasus Equine Assisted Therapy - 1 Yr.	\$ 60,092	\$ 33,052		\$ 27,040		\$ 6,012
2023-1372-BOD-02-28-23	Reynaldo J. Carreon MD Foundation - Dr. Carreon Scholarship Program - 1 Yr.	\$ 50,000	\$ 27,500		\$ 27,500		\$ -
2023-1391-BOD-05-23-23	Lift To Rise - Driving Regional Economic Stability Through Collective Impact - 3 Yrs.	\$ 900,000	\$ 832,500		\$ 202,500		\$ 630,000
2023-1392-BOD-05-23-23	Galilee Center - Galilee Center Extended Shelter - 1 Yr.	\$ 268,342	\$ 207,965		\$ 181,131		\$ 26,834
2023-1393-BOD-06-27-23	DAP Health - DAP Health Expands Access to Healthcare - 1 Yr.	\$ 1,025,778	\$ 1,025,778		\$ 923,200		\$ 102,578
2023-1398-BOD-06-27-23	Desert Healthcare Foundation - Core Operating Support - 1 Yr.	\$ 750,000	\$ 750,000		\$ 750,000		\$ -
2023-BOD-06-27-23	Carry over of remaining Fiscal Year 2022/2023 Funds for Mobile Medical Unit Program*	\$ 395,524	\$ 395,524		\$ 395,524		\$ -
2023-1399-Mini-07-06-23	Theresa A. Mike Scholarship Foundation - Mini Grant			\$ 10,000		\$ 10,000	\$ -
2023-1401-Mini-07-07-23	Word of Life Fellowship Center - Mini Grant			\$ 10,000		\$ 10,000	\$ -
2023-1396-Mini-07-25-23	Boys & Girls Club of Coachella Valley - Mini Grant			\$ 10,000		\$ 10,000	\$ -
2023-1389-BOD-07-25-23	Step Up on Second Street - Step Up's ECM/LOS Programs in the Coachella Valley - 1 Yr.			\$ 64,401		\$ 28,980	\$ 35,421
2023-1394-BOD-07-25-23	CSU San Bernardino Palm Desert Campus Nursing Street Medicine Program - 1 Yr.			\$ 73,422		\$ 66,080	\$ 7,342
2023-1397-Mini-08-23-23	Well In The Desert - Mini Grant			\$ 10,000		\$ 10,000	\$ -
2023-1402-Mini-09-05-23	Ronnie's House for Hope - Mini Grant			\$ 10,000		\$ 10,000	\$ -
2023-1414-Mini-09-14-23	Desert Access and Mobility, Inc. - Mini Grant			\$ 10,000		\$ 10,000	\$ -
2023-1400-BOD-09-26-23	Desert Arc - Desert Arc Health Care Program - 1 Yr.			\$ 291,271		\$ 131,072	\$ 160,199
2023-1404-BOD-09-26-23	Martha's Village and Kitchen - Homeless Housing & Wrap-Around Services Expansion - 2 Yrs.			\$ 369,730		\$ 83,189	\$ 286,541
2023-1405-BOD-09-26-23	Variety Children's Charities of the Desert - Expansion of Core Programs & Services - 1Yr.			\$ 120,852		\$ 54,383	\$ 66,469
2023-1408-BOD-10-24-23	Coachella Valley Volunteers in Medicine - Ensuring Access to Healthcare - 1 Yr.			\$ 478,400		\$ 215,280	\$ 263,120
2023-1410-BOD-10-24-23	Alianza Nacional de Campesinas, Inc. - Coachella Valley Farmworkers Food Distribution - 1 Yr.			\$ 57,499		\$ 25,875	\$ 31,624
2023-1413-BOD-10-24-23	Voices for Children - Court Appointed Special Advocate Program - 1 Yr.			\$ 81,055		\$ 36,474	\$ 44,581
2023-1412-BOD-10-24-23	DPMG - DPMG Health Community Medicine - 2 Yrs.			\$ 1,057,396		\$ 100,000	\$ 957,396
2023-MOU-BOD-11-04-23	TODEC - Outreach & Linkage to Supportive Mental Health Services - Tropical Storm Hilary - 3 Mos.			\$ 40,000		\$ 40,000	\$ -
2023-MOU-BOD-11-04-23	Chance Initiative, Inc. - Outreach & Linkage to Supportive Services - Tropical Storm Hilary - 3 Mos.			\$ 10,000		\$ 10,000	\$ -
2023-1403-BOD-12-19-23	Vision To Learn - Palm Desert & Coachella Valley VTL Program - 1 Yr.			\$ 50,000		\$ 22,500	\$ 27,500
2023-1419-BOD-12-19-23	Blood Bank of San Bernardino/Riverside Counties - LifeStream's Attracting New Donors Initiative - 1 Yr.			\$ 104,650		\$ 47,092	\$ 57,558
2023-1420-BOD-12-19-23	Braille Institute of America - Low Vision Telehealth Services - 1Yr.			\$ 36,697		\$ 16,514	\$ 20,183
2023-1421-BOD-12-19-23	Olive Crest - General Support for Counseling & Mental Health Services to Vulnerable Children & Families - 2 Yrs.			\$ 359,594		\$ 80,908	\$ 278,686
2024-1430-Mini-02-08-24	Asthma & Allergy Foundation of America St. Louis Chapter - Asthma Newly Diagnosed Kit - 1 Yr.			\$ 10,000		\$ 10,000	\$ -
2024-1429-BOD-02-27-24	Desert Cancer Foundation - Patience Assistance Program & Community Outreach - 1 Yr.			\$ 163,750		\$ 73,687	\$ 90,063
2024-1456-Mini-03-06-24	The Pink Journey - Rolling with Hope - 1 Yr.			\$ 10,000		\$ 10,000	\$ -
2024-1432-BOD-04-23-24	Variety Children's Charities of the Desert - Outreach & Future Program Expansion - 2Yrs.			\$ 102,949		\$ 23,163	\$ 79,786
2024-1434-BOD-04-23-24	Youth Leadership Institute - Community Advocates for Resilient Emotional Safety - 2 Yrs.			\$ 100,000		\$ 22,500	\$ 77,500
2024-1441-BOD-04-23-24	DAP Health - DAP Health Community Health Workers Build Community Connections - 2 Yrs.			\$ 125,000		\$ -	\$ 125,000
2024-1443-BOD-04-23-24	Voices for Children - Court Appointed Special Advocate Program - 2 Yrs.			\$ 60,000		\$ 13,500	\$ 46,500
2024-1445-BOD-04-23-24	The Joslyn Center - Increasing Behavioral Health Access & Social Connectedness - 2 Yrs.			\$ 200,000		\$ 45,000	\$ 155,000
2024-1452-BOD-04-23-24	El Sol - Coachella Valley Community Assistance, Resources, & Empowerment Services - 2 Yrs.			\$ 200,000		\$ -	\$ 200,000
2024-1453-BOD-04-23-24	Vision y Compromiso - Cultivando Community Connections - 2 Yrs.			\$ 199,914		\$ -	\$ 199,914
2024-1455-BOD-04-23-24	Angel View - Outreach Program to Reduce Social Isolation & Loneliness - 2 Yrs.			\$ 86,250		\$ -	\$ 86,250
2024-1431-Mini-04-26-24	Habitat for Humanity - Housing Insecurity Prevention Program for Low Income Coachella Valley Residents - 1 Yr.			\$ 10,000		\$ 10,000	\$ -
TOTAL GRANTS		\$ 17,229,610	\$ 8,944,395	\$ 4,522,830	\$ 3,652,159	\$ 1,226,197	\$ 8,244,390
Amts available/remaining for Grant/Programs - FY 2023-24:							
Amount budgeted 2023-2024			\$ 4,000,000				4/30/2024
Amount granted YTD:			\$ (4,522,830)			G/L Balance:	\$ 5,769,390
Financial Audits of Non-Profits: Organizational Assessments			\$ (2,000)			2131	\$ 2,475,000
Net adj - Grants not used:			\$ 740,003			2281	
Matching external grant contributions			\$ -				
Balance available for Grants/Programs			\$ 215,173			Total	\$ 8,244,390
							(0)



DESERT HEALTHCARE DISTRICT
FINANCE, ADMINISTRATION, REAL ESTATE, AND LEGAL COMMITTEE
MEETING MINUTES
May 15, 2024

Directors Present via Video Conferencing	District Staff Present via Video Conferencing	Absent
Vice-President Carmina Zavala, PsyD Director Leticia De Lara, MPA	Chris Christensen, CPA, Interim CEO Donna Craig, Chief Program Officer Alejandro Espinoza, MPH, Chief of Community Engagement Eric Taylor, CPA, Accounting Manager Andrea S. Hayles, MBA, Board Relations Officer	Chair/Treasurer Arthur Shorr

AGENDA ITEMS	DISCUSSION	ACTION
I. Call to Order	Vice-President Zavala called the meeting to order at 5:07 p.m. in the absence of Director Shorr.	
II. Approval of Agenda	Vice-President Zavala asked for a motion to approve the agenda.	Moved and seconded by Director De Lara and Vice-President Zavala to approve the agenda. Motion passed unanimously.
III. Public Comment	Brad Anderson, Rancho Mirage Resident, provide public comments on a physical location of committee meetings for the public to participate.	
IV. Approval of Minutes 1. F&A Minutes – Meeting April 10, 2024	Vice-President Zavala motioned to approve the April 10, 2024, meeting minutes.	Moved and seconded by Director De Lara and Vice-President Zavala to approve the April 10, 2024, meeting minutes. Motion passed unanimously.
V. Investment Portfolio Presentation 1. District Portfolio Investments Review - Keith Stribling, CFA, Senior Portfolio Manager, PFM Asset Management LLC	Chris Christensen, Interim CEO, described the 12/31/23 and 03/31/24 quarter-end District and Retirement Plan investment statements Mr. Stribling will present, which will be available for review at the May Board meeting.	

DESERT HEALTHCARE DISTRICT
FINANCE, ADMINISTRATION, REAL ESTATE, AND LEGAL COMMITTEE
MEETING MINUTES
May 15, 2024

	<p>Keith Stribling, Senior Portfolio Manager, PFM Asset Management, provided an overview of the December 2023 portfolio, highlighting the asset allocation summary and the performance report for the District and the Retirement Plan. Mr. Stribling reviewed the March 2024 portfolio quarterly market summary, asset allocation, and performance, which performed well, including the benchmark, and the high yield for the District in March 2024, up 33 basis points for the quarter.</p> <p>The committee discussed emerging markets and designating funds for women and minority businesses, which is difficult to accomplish, according to Mr. Stribling, including dialogue on other stocks for larger cap growth that could provide higher yields.</p>	
<p>VI. Chief Administration Officer's Report</p> <p>1. LPMP Lease Update</p>	<p>Mr. Christensen described the 94% vacancy rate, the two suites available for lease, and the brokers' role in showing the suites to prospective tenants. The interim audit fieldwork will commence in the coming week, with the firm conducting an audit test before moving forward with the complete audit.</p>	

DESERT HEALTHCARE DISTRICT
FINANCE, ADMINISTRATION, REAL ESTATE, AND LEGAL COMMITTEE
MEETING MINUTES
May 15, 2024

<p>VIII. Financial Reports – March and April 2024</p> <ol style="list-style-type: none"> 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. CEO Discretionary Fund 10. Retirement Protection Plan Update 11. Grant Payment Schedule 	<p>Mr. Christensen reviewed the March and April 2024 financials with the committee highlighting the property tax performance without a loss, as predicted in prior years, the expenses lower than budgeted, with the net income at \$2M compared to a negative \$1.6M budgeted, further detailing the retirement protection plan, and answering questions from the committee.</p>	<p>Moved and seconded by Director De Lara and Vice-President Zavala to approve the March and April 2024 financial reports and forward to the Board for approval. Motion passed unanimously.</p>
<p>IX. Other Matters</p> <ol style="list-style-type: none"> 1. FY24-25 Annual Budget (Draft) Review 	<p>Mr. Christensen provided an overview of the FY24-25 annual budget highlighting the grant-making budget increase to \$5M for the fiscal year due to the significance of the grant awards and the positive property tax revenue. The statement of income and expense, as highlighted by Mr. Christensen, illustrates the projected June 30 balance of \$10M and an unrealized expense budget loss of \$364k.</p> <p>The committee discussed the standard yearly 5% increase in salaries, concerns with the increase in the grant budget given the possibility of suspending the grant program associated with the lease negotiations and requesting</p>	<p>Moved and seconded by Director De Lara and Vice-President Zavala to approve FY24-25 Annual Budget and forward to the Board for approval. Motion passed unanimously.</p>

DESERT HEALTHCARE DISTRICT
FINANCE, ADMINISTRATION, REAL ESTATE, AND LEGAL COMMITTEE
MEETING MINUTES
May 15, 2024

	Mr. Christensen present the alternative to the board. The committee also inquired and discussed the education and conferences line-item reduction from the prior year, health insurance, and election fees.	
2. Increase FY23-24 Grant Budget from \$4,000,000 to \$5,000,000	Mr. Christensen described the increase in the FY23-24 grant budget from \$4M to \$5M in May and June for additional grant awards and an MOU for funding \$750k between the District and Foundation for operational support to possible awards in the current fiscal year.	Moved and seconded by Vice-President Zavala and Director De Lara to approve the Increase to the FY23-24 Grant Budget from \$4,000,000 to \$5,000,000 and forward to the Board for approval. Motion passed unanimously.
3. Memorandum of Understanding between the District & Foundation – Operational Support Funding - \$750,000	Mr. Christensen described the MOU between the District and Foundation for operational support to fund \$750k for additional grant funding in the current fiscal year.	Moved and seconded by Vice-President and Director De Lara to approve the Memorandum of Understanding between the District & Foundation – Operational Support Funding - \$750,000 and forward to the Board for approval. Motion passed unanimously.
4. Service Contract – Hocker Productions – Environmental Health Symposium – NTE \$40,000	Mr. Christensen described the service contract for Hocker Productions related to the Environmental Health Summit NTE \$40k.	
5. Policies		
a. Policy #FIN-02 – Authorized Check Signers, Number of	Mr. Christensen described that Policy #FIN-02 is for review of any potential changes.	Moved and seconded by Director De Lara and Vice-President Zavala to approve Policy #FIN-02 – Authorized Check Signers, Number

**DESERT HEALTHCARE DISTRICT
FINANCE, ADMINISTRATION, REAL ESTATE, AND LEGAL COMMITTEE
MEETING MINUTES
May 15, 2024**

<p>Signers, Dollar Limits for Signers, Transfer of Funds</p> <p>b. Policy #FIN-03 – Statement of Investment Policy</p> <p>c. Resolution No. 24-01 – FY2024-2025 Statement of Investment Policy</p> <p>d. Policy #FIN-05 – Credit Card Usage</p>	<p>Mr. Christensen described Policy #FIN-03 Statement of Investment Policy as unaffected other than its relation to Resolution 24-01 for FY24-25.</p> <p>Mr. Christensen described Resolution No. 24-01 Statement of Investment Policy for FY2024-2025.</p> <p>Mr. Christensen described the minor modification to Policy #FIN-05 Credit Card Usage in section 2c.</p>	<p>of Signers, Dollar Limits for Signers, Transfer of Funds as is and forward to the Policies Committee and Board for approval. Motion passed unanimously.</p> <p>Moved and seconded by Director De Lara and Vice-President Zavala to approve Policy #FIN-03 – Statement of Investment Policy as unaffected other than its relation to Resolution 24-01 for FY24-25 and forward to the Policies Committee and Board for approval. Motion passed unanimously.</p> <p>Moved and seconded by Director De Lara and Vice-President Zavala to approve Resolution No. 24-01 – FY2024-2025 Statement of Investment Policy and forward to the Policies Committee and Board for approval. Motion passed unanimously.</p> <p>Moved and seconded by Director De Lara and Vice-President Zavala to approve Policy #FIN-05 – Credit Card Usage and forward to the Policies Committee and Board for approval. Motion passed unanimously.</p>
<p>IX. Adjournment</p>	<p>Vice-President Zavala adjourned the meeting at 6:10 p.m.</p>	<p>Audio recording available on the website at http://dhcd.org/Agendas-and-Documents</p>

ATTEST: _____
Carmina Zavala, PsyD, Vice-President, Board of Directors
Finance & Administration Committee Chair
Desert Healthcare District Board of Directors

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



Date: May 15, 2024

To: Finance & Administration Committee

Subject: Information - Contract with Hocker Production for the Environmental Health Summit – NTE \$40,000.

Staff Recommendation: Information Only.

Background:

- At the April 30, 2024 Board of Directors meeting, the Board approved the budget for the inaugural Environmental Health Symposium.
- Included in the budget, is a \$40,000 commitment to Hocker Productions for producing the event and working with District staff to develop a successful symposium.
- The District's general counsel has reviewed and approved the contract with Hocker Productions.
- The executed contract is included in the packet for your review.

Fiscal Impact:

NTE \$40,000 included in the budget for the Environmental Health Symposium budget.



Public Relations, Branding, Strategic Marketing & Events

Proposal Date: April 30, 2024

Client: Desert Healthcare District and Foundation (DHCDF)
Project: Environmental Health Symposium
Length of Project: April 30, 2024 – September 30, 2024
Contracted Fee: \$40,000

GOALS & OUTCOMES:

- Develop line-item budget.
- Increase the number of new, while retaining existing partners and sponsors to help underwrite the cost of producing the event.
- Work in coordination with Will Dean, Director of Communications and Marketing to build the visibility and understanding of its purpose/mission of the DHCDF to provide awareness of its programs and funding initiatives as part of the symposium.
- Work with all vendors to get best available pricing for all production elements (staging, lighting/sound, signage, catering, speakers etc.).

SCOPE OF SERVICES:

Hocker Productions as project Executive Producer (Contractor - HP) will oversee and produce all aspects of the Environmental Health Symposium in conjunction with DHCDF and sub-committees.

DHCD Symposium:

**Friday, September 20 (8:00AM – 4:00PM)
and Saturday, September 21 (8:00AM – 1:00PM)**

- Attendance: 500-1,000 per day (Free and open to the public)
- Work with Will Dean and oversee and contract all vendors including: Westin Mission Hills (DHCDF to sign), staging, lighting, sound, signage, and registration
- Work with sub-committees on production schedule, speakers, sponsors and media and volunteers.
- Work with team to develop video, photography, signage, banners etc.
- Showcase DHCDF Mobile Clinics at event.

While producing the event, we will always keep the DHCDF Mission Statement and Vision Statement in mind and relevant in all messaging and key components.



Public Relations, Branding, Strategic Marketing & Events

Mission Statement: "To Achieve optimal health at all stages of life for all District residents."

Vision Statement: "Equitably connecting Coachella Valley residents to health and wellness services and programs through resources and philanthropy, health facilities, information and community education and public policy."


COMPENSATION:

The term of this contract is from April 30, 2024 – September 30, 2024. DHCDF agrees to pay Hocker Productions (Contractor – HP) a contracted amount of \$40,000.00 payable in four payments of \$10,000, which will be invoiced each month. Payment schedule as follows (May, June, July, August)

DHCDF would hire Contractor for services required to perform production services and support efforts by DHCD team.

The following responsibilities/expenses WOULD NOT be included in the fees to Contractor:

- Creative Development: This would be any graphic design services in the production of the brochures, advertising, programs, posters, invitations, website etc. These costs would be part of a line item budget and would be reviewed with the staff prior to expenditure.
- Cost of media buys (advertising).



Jeff Hocker, Owner/Executive Producer
Hocker Productions

05/09/24

Date



Chris Christensen, Interim CEO
Desert Healthcare District and Foundation

05/07/24

Date



Date: May 28, 2024
To: Board of Directors
Subject: Desert Healthcare District & Retirement Protection Plan (RPP) Investment Reports 12/31/23 & 3/31/24

Staff Recommendation: Information Only – provided by Keith Stribling, Senior Portfolio Manager, HighMark Capital Management

Information:

Aggressive fiscal policy in the form of deficit spending is supporting GDP growth & employment but is also inflationary. Monetary policy has gone from highly inflationary to restrictive with 525 basis points of rate hikes over the past two years. The yield curve has been inverted with short rates above long rates for almost two years and the Fed rate hikes stressed the regional banking system which has forced banks to tighten lending standards and build liquidity and capital. In November, the Fed signaled it was done raising rates and investors quickly jumped to an expectation of up to 7 rate cuts for 2024. The 10-year US Treasury yield fell almost 100 basis points to 3.85% and stocks rallied but inflation proved sticky and in the first quarter of 2024 rates backed up from 3.85% to near 4.5%. The Fed has made it clear that it will keep rates higher for longer to achieve this 2% target and rate cut expectations have moved to an expectation of one or no rate cuts the remainder of 2024.

Risk to the global economy include a slowing Chinese economy due to an aging population; over indebted troubled real estate market and slowing foreign direct investment. Geopolitical concerns remain with two wars that have no clear resolution. Additionally, the rate of US deficit spending appears unsustainable and this November will feature a contentious US Presidential election.

During the quarter, the large and mid-cap equity market sectors outperformed other segments and the active managers in all asset classes had good relative performance. The negatives were interest rate sensitive sectors including fixed income, REIT's an emerging markets. The active bond managers were able to offset much of the rise in rates credit risk as spreads tightened.

Putting it all together our portfolio positioning is balancing tighter financial conditions and heightened geopolitical risks with fundamentals favoring a soft landing and eventual rate cuts from the Fed and other global central banks. This leads us to be positioned at or near the strategic asset allocation for stocks and positioning bonds to favor credit risk with neutral duration.

Fiscal Impact:

Subject to investment performance.



Desert Healthcare District Portfolio Review

Fourth Quarter 2023

Presented by
Keith Stribling, CFA

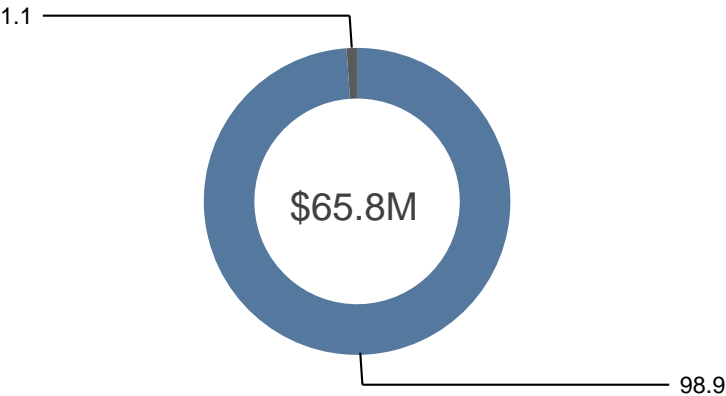
DESERT HEALTHCARE DISTRICT

12/31/2023

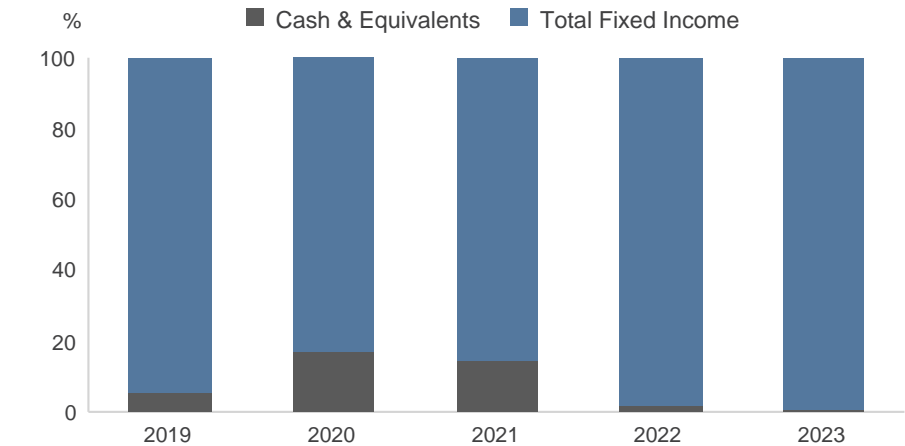
Investment Objective: FIXED INCOME MANAGEMENT
Investment Officer: KEITH STRIBLING, CFA

Market Value by Asset Class

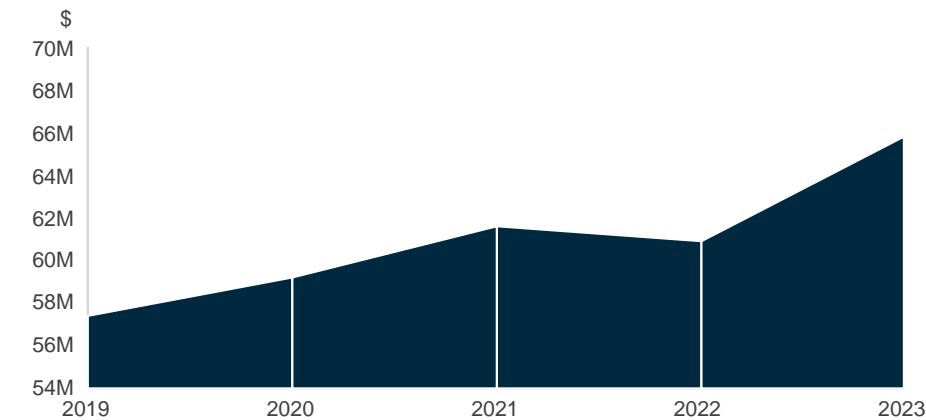
	Market Value	% of Mkt Val
Total Fixed Income	\$ 65,115,503	98.9%
Cash & Equivalents	\$ 699,183	1.1%
Total	\$ 65,814,686	100.0%



Annual Allocation

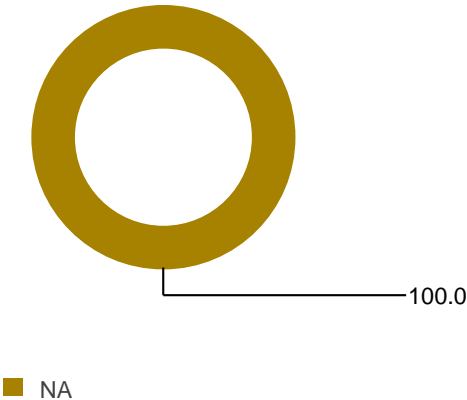


Annual Ending Market Values

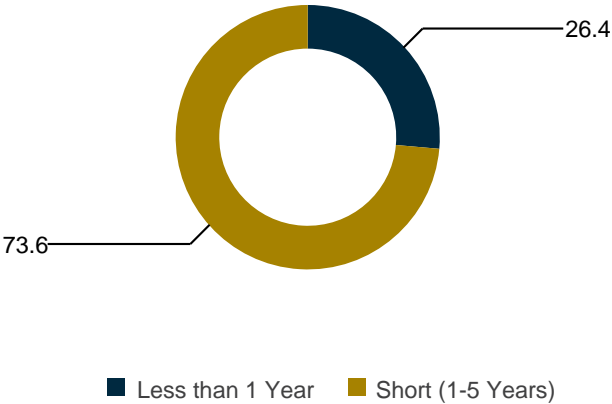


	12/31/2023
Duration	1.75
Coupon	2.05%
Yield to Maturity	4.52%
Maturity	1.81
Current Yield	2.09
Face Amount	\$ 66,700,000
Market Value	\$ 64,766,868
Cost	\$ 65,745,709

Quality Allocation by Market Value



Maturity Allocation by Market Value



Beginning Market Value	60,654,851.47
Beginning Accrued Income	223,471.91
Beginning Portfolio Value	60,878,323.38
Contributions	3,501,342.48
Withdrawals	-1,312,714.96
Income Earned	1,233,946.41
Gain/Loss	1,513,788.33
Ending Market Value	65,463,094.88
Ending Accrued Income	351,590.76
Ending Portfolio Value	65,814,685.64
Total Earnings	2,747,734.74

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As of: December 31, 2023

	Market Value	3 Months	6 Months	Year to Date (1 Year)	3 Years	5 Years	10 Years	20 Years
Cash & Equivalents	699,183	1.34	4.08	6.09	2.49	1.98	1.27	
Lipper Money Market Funds Index		1.33	2.64	5.00	2.15	1.76	1.12	1.32
Total Fixed Income	65,115,503	2.49	3.15	4.36	.04	1.35	1.16	2.01
Bloomberg 1-3 Yr US Govt/Credit Index		2.69	3.44	4.61	.09	1.51	1.27	2.09
Total Managed Account	65,814,686	2.48	3.16	4.42	.29	1.43	1.20	
Total Account Net of Fees	65,814,686	2.45	3.11	4.31	.19	1.29	1.03	1.84

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DESERT HEALTHCARE DISTRICT
Holdings Report w/ Yield and Income

As of: December 31, 2023



	Ticker	Units	Unit Cost	Total Cost	Price	Market Value	Weight	Unit Income	Annual Income	Current Yield
Total Fixed Income										
Taxable Fixed - US Treas										
	UST2224	1,500,000.000	95.84	1,437,539.06	97.84	1,473,408.63	2.2	2.25	33,750.00	2.300
	UTN2525	2,000,000.000	99.83	1,996,640.63	97.66	1,974,043.91	3.0	2.50	50,000.00	2.560
	UST2825	500,000.000	97.94	489,707.03	97.72	489,852.85	.7	2.88	14,375.00	2.942
	33126	3,000,000.000	93.70	2,811,093.75	95.93	2,877,900.00	4.4	2.25	67,500.00	2.345
	UTN2126	2,500,000.000	93.90	2,347,500.00	95.47	2,391,469.81	3.6	2.13	53,125.00	2.226
	UTN2324	2,000,000.000	99.70	1,993,984.38	98.37	1,985,281.58	3.0	2.38	47,500.00	2.414
	UTN2026	1,000,000.000	92.77	927,695.31	94.54	947,972.42	1.4	2.00	20,000.00	2.116
	UTN0024D	2,500,000.000	100.31	2,507,867.39	97.55	2,449,334.75	3.7	1.25	31,250.00	1.281
	UST0024A	2,000,000.000	99.57	1,991,406.25	97.49	1,957,382.95	3.0	1.50	30,000.00	1.539
	UST0024B	2,000,000.000	100.60	2,011,975.27	97.29	1,950,943.93	3.0	1.50	30,000.00	1.542
	UST0024C	2,500,000.000	101.04	2,525,945.07	96.99	2,428,078.69	3.7	1.50	37,500.00	1.547
	UST1724	2,500,000.000	100.05	2,501,246.25	97.05	2,448,339.07	3.7	1.75	43,750.00	1.803
	UST1325	2,000,000.000	99.16	1,983,281.25	96.48	1,941,128.15	2.9	1.38	27,500.00	1.425
	UST1125	1,000,000.000	100.83	1,008,291.46	96.05	964,311.51	1.5	1.13	11,250.00	1.171
	UST0025	3,000,000.000	99.57	2,986,992.19	95.08	2,856,292.42	4.3	.50	15,000.00	.526
	UST0325	3,000,000.000	99.29	2,978,554.69	94.63	2,840,926.48	4.3	.38	11,250.00	.396
	UST0225	3,000,000.000	97.83	2,934,843.75	94.18	2,825,939.34	4.3	.25	7,500.00	.265
	UST0025A	3,000,000.000	97.66	2,929,921.88	93.93	2,821,550.60	4.3	.25	7,500.00	.266
	UST0324A	1,000,000.000	99.30	992,968.75	97.52	975,230.00	1.5	.38	3,750.00	.385
	UST0324B	1,000,000.000	99.15	991,523.44	96.84	969,552.64	1.5	.38	3,750.00	.387
	UST0624	1,500,000.000	99.36	1,490,390.63	96.72	1,452,782.95	2.2	.63	9,375.00	.646
	UST1525	2,500,000.000	99.34	2,483,593.75	96.50	2,426,764.40	3.7	1.50	37,500.00	1.554
	UST2527	2,000,000.000	95.53	1,910,625.00	95.57	1,924,254.73	2.9	2.50	50,000.00	2.616
	UST2825C	3,500,000.000	98.75	3,456,289.07	97.73	3,425,363.84	5.2	2.88	100,625.00	2.942
	UST3227	1,000,000.000	99.00	990,000.00	97.72	993,569.29	1.5	3.25	32,500.00	3.326
	UST3024A	1,500,000.000	99.37	1,490,566.41	98.82	1,501,131.52	2.3	3.00	45,000.00	3.036
	UST3125	1,500,000.000	99.30	1,489,570.31	98.01	1,487,825.50	2.3	3.13	46,875.00	3.189
	UST3127	2,000,000.000	97.26	1,945,195.31	97.19	1,964,879.51	3.0	3.13	62,500.00	3.215
	UST4127	2,000,000.000	99.43	1,988,593.75	100.63	2,033,623.11	3.1	4.13	82,500.00	4.099
	UST4127A	1,200,000.000	100.13	1,201,522.92	100.63	1,215,979.32	1.8	4.13	49,500.00	4.099
	UST4525	500,000.000	100.05	500,257.62	100.34	504,585.22	.8	4.50	22,500.00	4.485

As of: December 31, 2023

	Ticker	Units	Unit Cost	Total Cost	Price	Market Value	Weight	Unit Income	Annual Income	Current Yield	
	UNITED STATES TREAS 4.000% 12/15/25	UST4025	1,000,000.000	100.49	1,004,888.56	99.47	996,507.92	1.5	4.00	40,000.00	4.022
	UNITED STATES TREAS 3.875% 12/31/27	UST3827A	1,500,000.000	98.24	1,473,632.81	99.84	1,526,762.18	2.3	3.88	58,125.00	3.881
	UNITED STATES TREAS 4.000% 2/29/28	UST4028	2,000,000.000	98.30	1,965,937.50	100.33	2,033,592.97	3.1	4.00	80,000.00	3.987
	U S TREASURY NT 4.500% 7/15/26		500,000.000	100.07	500,330.10	100.93	504,650.00	.8	4.50	22,500.00	4.459
	U S TREASURY NT 4.375% 8/31/28		1,500,000.000	100.36	1,505,337.02	102.14	1,554,290.48	2.4	4.38	65,625.00	4.283
	Total for Taxable Fixed - US Treas				65,745,708.56		65,115,502.67	98.9		1,351,375.00	2.087
	Total: Total Fixed Income				65,745,708.56		65,115,502.67	98.9		1,351,375.00	2.087
	Cash Equivalents										
	Cash - Money Market										
	FIMM GOVT PORT CL I #57	FIGXX	696,226.880	1.00	696,226.88	1.00	699,182.97	1.1	.00	1,845.00	.265
	Total for Cash - Money Market				696,226.88		699,182.97	1.1		1,845.00	.265
	Total: Cash Equivalents				696,226.88		699,182.97	1.1		1,845.00	.265
	Total				66,441,935.44		65,814,685.64	100.0		1,353,220.00	2.067

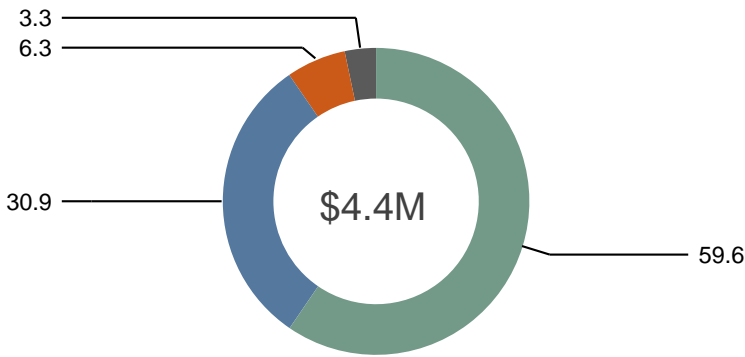
DESERT HOSPITAL RETIREMENT PLAN

12/31/2023

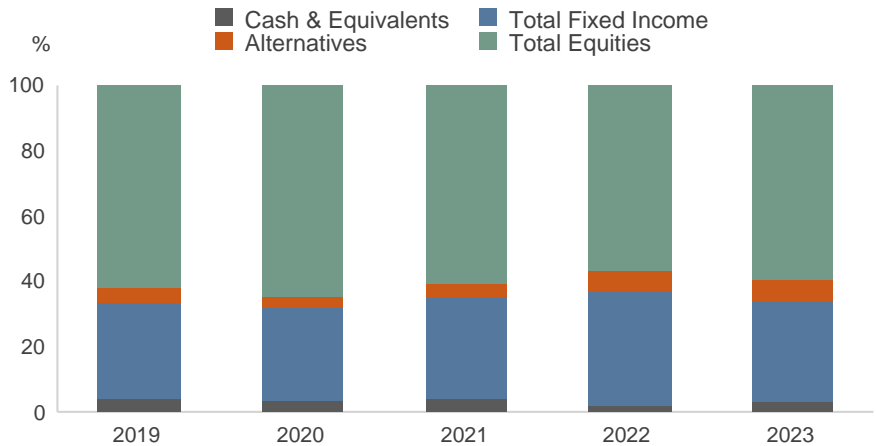
Investment Objective: DOCUMENT DIRECTED - IS
Investment Officer: KEITH STRIBLING, CFA

Market Value by Asset Class

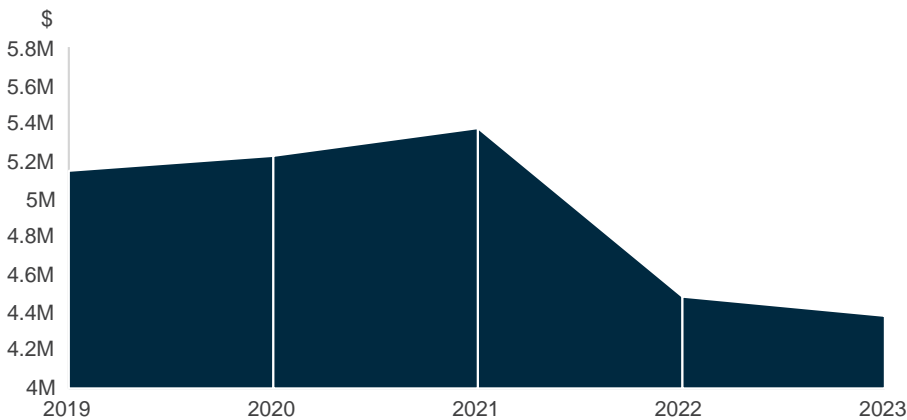
	Market Value	% of Mkt Val
Total Equities	\$ 2,608,882	59.6%
Total Fixed Income	\$ 1,351,435	30.9%
Alternatives	\$ 274,608	6.3%
Cash & Equivalents	\$ 144,466	3.3%
Total	\$ 4,379,390	100.0%



Annual Allocation



Annual Ending Market Values



DESERT HOSPITAL RETIREMENT PLAN
Performance Report

As of: December 31, 2023



	Market Value	3 Months	6 Months	Year to Date (1 Year)	3 Years	5 Years	10 Years	Inception to Date 05/01/1998
Cash & Equivalents	144,466	.90	2.19	4.53	1.99	1.68	1.11	
Lipper Money Market Funds Index		1.33	2.64	5.00	2.15	1.76	1.12	1.79
Total Fixed Income	1,351,435	5.98	3.41	5.76	-.60	1.77	1.73	3.47
Bloomberg Intmtd US Aggregate Index		5.50	3.51	5.18	-2.06	1.14	1.62	3.80
Alternatives	274,608	7.01	3.46	4.48	2.29	4.73	3.59	
Wilshire Liquid Alternative Index		1.90	1.78	4.42	1.06	2.58	1.38	
Total Equities	2,608,882	11.45	7.35	21.33	7.25	12.69	8.79	7.03
MSCI AC World Index (Net)		11.03	7.26	22.20	5.75	11.72	7.93	
MSCI EAFE Index (Net)		10.42	5.88	18.24	4.02	8.16	4.28	4.47
MSCI EM Free Index (Net USD)		7.86	4.71	9.83	-5.08	3.68	2.66	
Russell 2000 Index (USD)		14.03	8.18	16.93	2.22	9.97	7.16	7.17
Russell Midcap Index		12.82	7.54	17.23	5.92	12.68	9.42	9.01
S&P 500 Composite Index		11.69	8.04	26.29	10.00	15.69	12.03	7.82
Total Managed Account	4,379,390	8.69	5.25	13.97	4.54	8.48	6.15	
Total Account Net of Fees	4,379,390	8.50	4.90	13.22	3.86	7.77	5.44	5.04
65% S&P 500/ 15% Russell 2000/ 20% MSCI EAFE		11.84	7.69	23.39	7.73	13.43	9.83	

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DESERT HOSPITAL RETIREMENT PLAN Holdings
Report w/ Yield and Income

As of: December 31, 2023



	Ticker	Units	Unit Cost	Total Cost	Price	Market Value	Weight	Unit Income	Annual Income	Current Yield
Alternatives										
Managed Futures										
ALPHASIMPLEX MGD FUTS STRAT N	AMFNX	5,293.667	10.40	55,062.43	9.16	48,489.99	1.1	.08	447.79	.923
Total for Managed Futures				55,062.43		48,489.99	1.1		447.79	.923
Real Estate - ETFs / Sctr Fds										
VANGUARD REAL ESTATE ETF	VNQ	1,500.000	94.00	140,995.20	88.36	132,540.00	3.0	3.49	5,239.50	3.953
Total for Real Estate - ETFs / Sctr Fds				140,995.20		132,540.00	3.0		5,239.50	3.953
Unconstrained Fixed Income										
BLACKROCK STRAT INC OPPS CL K #1944	BSIKX	9,902.450	9.92	98,206.65	9.45	93,578.15	2.1	.43	4,238.25	4.529
Total for Unconstrained Fixed Income				98,206.65		93,578.15	2.1		4,238.25	4.529
Total: Alternatives				294,264.28		274,608.14	6.3		9,925.54	3.614
Total Equities										
Emerging Market Funds										
ISHARES MSCI EMERGING MKT FD	EEM	1,224.000	38.01	46,529.74	40.21	49,217.04	1.1	1.06	1,294.99	2.631
VANGUARD FTSE EMRG MRKTS ETF	VWO	2,000.000	40.94	81,870.03	41.10	82,200.00	1.9	1.45	2,894.00	3.521
Total for Emerging Market Funds				128,399.77		131,417.04	3.0		4,188.99	3.188
Foreign Large Blended Funds										
ISHARES TR HDG MSCI EAFE	HEFA	2,000.000	26.06	52,114.73	31.51	63,020.00	1.4	.95	1,902.00	3.018
VANGUARD FTSE DEVELOPED MARKETS ETF	VEA	5,026.000	41.79	210,036.54	47.90	240,745.40	5.5	1.51	7,594.29	3.154
Total for Foreign Large Blended Funds				262,151.27		303,765.40	6.9		9,496.29	3.126
Foreign Large Growth Funds										
ISHARES MSCI EAFE GROWTH ETF	EFG	1,200.000	66.43	79,717.58	96.85	116,220.00	2.7	1.57	1,888.80	1.625
Total for Foreign Large Growth Funds				79,717.58		116,220.00	2.7		1,888.80	1.625
Foreign Large Value Funds										
ISHARES MSCI EAFE VALUE ETF	EFV	2,124.000	50.60	107,470.53	52.10	110,660.40	2.5	2.27	4,827.85	4.363
Total for Foreign Large Value Funds				107,470.53		110,660.40	2.5		4,827.85	4.363

DESERT HOSPITAL RETIREMENT PLAN
Holdings Report w/ Yield and Income

As of: December 31, 2023



	Ticker	Units	Unit Cost	Total Cost	Price	Market Value	Weight	Unit Income	Annual Income	Current Yield
Large-Cap Blended Funds										
	SCHX	3,600.000	28.41	102,280.57	56.40	203,040.00	4.6	.79	2,826.00	1.392
	VGIAX	1,621.716	88.83	144,059.08	90.22	146,311.22	3.3	1.17	1,894.16	1.295
	VOO	600.000	218.88	131,330.64	436.80	262,080.00	6.0	6.36	3,814.20	1.455
Total for Large-Cap Blended Funds				377,670.29		611,431.22	14.0		8,534.36	1.396
Large-Cap Growth Funds										
	IVW	5,390.000	43.56	234,767.86	75.10	404,789.00	9.2	.77	4,155.69	1.027
Total for Large-Cap Growth Funds				234,767.86		404,789.00	9.2		4,155.69	1.027
Large-Cap Value Funds										
	DODGX	406.459	223.99	91,043.09	243.55	98,993.09	2.3	3.54	1,438.86	1.454
	IVE	2,315.000	100.67	233,047.66	173.89	402,555.35	9.2	2.87	6,653.31	1.653
Total for Large-Cap Value Funds				324,090.75		501,548.44	11.5		8,092.17	1.613
Mid-Cap Growth Funds										
	IWP	448.000	55.60	24,906.82	104.46	46,798.08	1.1	.56	250.88	.536
Total for Mid-Cap Growth Funds				24,906.82		46,798.08	1.1		250.88	.536
Mid-Cap Value Funds										
	IWS	739.000	72.82	53,815.54	116.29	85,938.31	2.0	2.04	1,510.52	1.758
Total for Mid-Cap Value Funds				53,815.54		85,938.31	2.0		1,510.52	1.758
Small-Cap Blended Funds										
	IWM	715.000	133.16	95,211.63	200.71	143,507.65	3.3	2.70	1,931.93	1.346
Total for Small-Cap Blended Funds				95,211.63		143,507.65	3.3		1,931.93	1.346
Small-Cap Growth Funds										
	IWO	301.000	168.51	50,722.98	252.22	75,918.22	1.7	1.85	555.65	.732
Total for Small-Cap Growth Funds				50,722.98		75,918.22	1.7		555.65	.732
Small-Cap Value Funds										
	IWN	495.000	117.63	58,228.37	155.33	76,888.35	1.8	3.16	1,565.19	2.036
Total for Small-Cap Value Funds				58,228.37		76,888.35	1.8		1,565.19	2.036

DESERT HOSPITAL RETIREMENT PLAN
Holdings Report w/ Yield and Income

As of: December 31, 2023



	Ticker	Units	Unit Cost	Total Cost	Price	Market Value	Weight	Unit Income	Annual Income	Current Yield
Total: Total Equities				1,797,153.39		2,608,882.11	59.6		46,998.32	1.801
Total Fixed Income										
Tax Fds - Multi Sector Inc										
	PIMIX	6,904.723	11.83	81,684.13	10.62	73,328.16	1.7	.66	4,557.12	6.215
Total for Tax Fds - Multi Sector Inc				81,684.13		73,328.16	1.7		4,557.12	6.215
Tax Fds-Int US Treas & Govt										
	GOVT	3,744.000	22.26	83,322.72	23.04	86,261.76	2.0	.61	2,287.58	2.652
Total for Tax Fds-Int US Treas & Govt				83,322.72		86,261.76	2.0		2,287.58	2.652
Taxable Funds - Int Term										
	DODIX	20,891.440	12.19	254,616.20	12.62	263,649.97	6.0	.49	10,174.13	3.859
	DBLFX	16,313.648	8.97	146,322.47	9.33	152,206.34	3.5	.43	7,080.12	4.652
	AGG	2,184.000	93.99	205,267.17	99.25	216,762.00	4.9	3.11	6,787.87	3.131
	MBB	1,165.000	92.73	108,031.22	94.08	109,603.20	2.5	3.20	3,725.67	3.399
	PTRQX	22,609.047	14.18	320,521.08	12.06	272,665.11	6.2	.57	12,796.72	4.693
Total for Taxable Funds - Int Term				1,034,758.14		1,014,886.62	23.2		40,564.52	3.997
Taxable Funds - Short Term										
	VFSUX	12,794.997	10.38	132,764.85	10.23	130,892.82	3.0	.32	4,119.99	3.148
Total for Taxable Funds - Short Term				132,764.85		130,892.82	3.0		4,119.99	3.148
Taxable Funds - corporates										
	VWETX	5,666.093	7.42	42,045.01	8.13	46,065.34	1.1	.38	2,141.78	4.649
Total for Taxable Funds - corporates				42,045.01		46,065.34	1.1		2,141.78	4.649
Total: Total Fixed Income				1,374,574.85		1,351,434.70	30.9		53,670.99	3.971
Cash Equivalents										
Cash - Money Market										

DESERT HOSPITAL RETIREMENT PLAN
Holdings Report w/ Yield and Income

As of: December 31, 2023



	Ticker	Units	Unit Cost	Total Cost	Price	Market Value	Weight	Unit Income	Annual Income	Current Yield
	FIRST AMERN GOVT OBLIG FD CL X #5385	FGXXX	144,465.520	1.00	144,465.52	1.00	144,465.52	3.3	.00	.000
Total for Cash - Money Market				144,465.52		144,465.52	3.3		.00	.000
Total: Cash Equivalents				144,465.52		144,465.52	3.3		.00	.000
Total				3,610,458.04		4,379,390.47	100.0		110,594.85	2.525

Disclosure

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While alternative investments can be used for diversification, seeking to enhance returns and manage risk in a portfolio, they tend to have a higher degree of risk than traditional asset classes and can involve significant loss. For example, commodity prices are highly volatile, and investors may experience significant losses in a short period of time. Investments such as futures are subject to a high degree of fluctuation and should be considered speculative. And short positions could lose significant value if securities prices rise.

Deposit products offered by MUFG Union Bank, N.A., such as checking accounts and CDs, are FDIC insured within permissible limits.

Disclosure

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Deposit products offered by MUFG Union Bank, N.A., such as checking accounts and CDs, are FDIC insured within permissible limits.



Desert Hospital Retirement Plan

Investment Performance Review For the Quarter Ended March 31, 2024

Client Management Team

PFM Asset Management LLC

Keith Stribling, CFA, Client Portfolio Manager

1 California Street
Suite 1000
San Francisco, CA 94111

1735 Market Street
43rd Floor
Philadelphia, PA 19103

Financial Markets & Investment Strategy Review

	QTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years
DOMESTIC EQUITY							
S&P 500	10.56%	10.56%	29.88%	11.49%	15.05%	14.09%	12.96%
Russell 3000 Index	10.02%	10.02%	29.29%	9.78%	14.34%	13.45%	12.33%
Russell 1000 Value Index	8.99%	8.99%	20.27%	8.11%	10.31%	9.16%	9.01%
Russell 1000 Index	10.30%	10.30%	29.87%	10.45%	14.76%	13.85%	12.68%
Russell 1000 Growth Index	11.41%	11.41%	39.00%	12.50%	18.52%	18.06%	15.98%
Russell Midcap Index	8.60%	8.60%	22.35%	6.07%	11.10%	10.58%	9.95%
Russell 2000 Value Index	2.90%	2.90%	18.75%	2.22%	8.17%	6.55%	6.87%
Russell 2000 Index	5.18%	5.18%	19.71%	-0.10%	8.10%	7.73%	7.58%
Russell 2000 Growth Index	7.58%	7.58%	20.35%	-2.68%	7.38%	8.40%	7.89%
INTERNATIONAL EQUITY							
MSCI EAFE (Net)	5.78%	5.78%	15.32%	4.78%	7.33%	6.70%	4.80%
MSCI AC World Index (Net)	8.20%	8.20%	23.22%	6.96%	10.92%	10.23%	8.66%
MSCI AC World ex USA (Net)	4.69%	4.69%	13.26%	1.94%	5.97%	5.88%	4.25%
MSCI AC World ex USA Small Cap (Net)	2.11%	2.11%	12.80%	0.38%	6.24%	5.74%	4.74%
MSCI EM (Net)	2.37%	2.37%	8.15%	-5.05%	2.22%	3.72%	2.95%
ALTERNATIVES							
FTSE NAREIT Equity REIT Index	-0.20%	-0.20%	10.54%	4.14%	4.15%	5.08%	6.61%
FTSE EPRA/NAREIT Developed Index	-1.05%	-1.05%	8.57%	-0.19%	0.75%	3.08%	4.00%
FTSE Global Core Infrastructure 50/50 Index (Net)	1.55%	1.55%	3.22%	2.91%	3.78%	5.27%	5.60%
Bloomberg Commodity Index Total Return	2.19%	2.19%	-0.56%	9.11%	6.38%	4.26%	-1.56%
FIXED INCOME							
Blmbg. U.S. Aggregate	-0.78%	-0.78%	1.70%	-2.46%	0.36%	1.06%	1.54%
Blmbg. U.S. Government/Credit	-0.72%	-0.72%	1.74%	-2.35%	0.62%	1.27%	1.70%
Blmbg. Intermed. U.S. Government/Credit	-0.15%	-0.15%	2.69%	-1.06%	1.09%	1.43%	1.61%
Blmbg. U.S. Treasury: 1-3 Year	0.28%	0.28%	2.94%	0.01%	1.13%	1.20%	1.06%
ICE BofAML Global High Yield Constrained (USD)	1.47%	1.47%	11.09%	0.43%	3.12%	3.63%	3.52%
Blmbg. Global Aggregate Ex USD	-3.21%	-3.21%	-0.71%	-6.53%	-2.50%	-0.82%	-1.38%
JPM EMBI Global Diversified	2.04%	2.04%	11.28%	-1.39%	0.71%	1.71%	3.05%
CASH EQUIVALENT							
90 Day U.S. Treasury Bill	1.30%	1.30%	5.35%	2.65%	2.06%	1.94%	1.41%

Source: Investment Metrics. Returns are expressed as percentages. Please refer to the last page of this document for important disclosures relating to this material.

Investment Strategy Overview










Asset Class	Our Q2 2024 Investment Outlook	Comments
U.S. Equities		<ul style="list-style-type: none"> Fed's guidance of higher economic growth and moderating inflation a positive but recent uptick in inflation data warrants attention. Markets reacted positively to March Fed projections with S&P hitting all time high. Rising valuations are supported by improving earnings growth expectations but any negative news could lead to a pullback. Mid- and small-cap valuations are attractive and would benefit as investor sentiment/earnings growth expectations improve. Exposure to interest rate sensitive sectors such as regional banks remains a concern.
Large-Caps		
Mid-Caps		
Small-Caps		
Non-U.S. Equities		<ul style="list-style-type: none"> International equities continue to trade at a discount to U.S. equities but slowing economic growth in Europe and China is a headwind. EM equities trade at attractive valuations relative to developed market equities. We remain cautious on China and are closely monitoring the recent change in investor sentiment towards Chinese equities. International small-caps provide exposure to foreign local economies, but uneven economic growth and geopolitical tensions leads us to be at neutral positioning. Overall, we maintain neutral exposure to international equities.
Developed Markets		
Emerging Markets		
International Small-Caps		
Fixed Income		<ul style="list-style-type: none"> The Fed's recent guidance points towards soft-landing scenario with three expected rate cuts in 2024. Yields at short-end of the curve look attractive even as long-term yields fell back from the recent highs. We expect a further fall in yields as inflation continues to moderate. Credit markets remain attractive due to strong corporate fundamentals. We continue to seek diversified credit exposure and are closely watching signs for any distress in the corporate credit space.
Long-Duration, Interest Rate-Sensitive Sectors		
Credit-Sensitive Sectors		
Alternatives		<ul style="list-style-type: none"> Higher interest rates and rising foreclosure for office buildings are headwinds for private real estate returns. Public REITs have recovered from the lows in 2023. We expect this trend to continue helped by falling rates and economic soft landing. Private equity is facing headwinds from higher leverage costs and falling valuations. Debt strategies may benefit from banks' tighter lending standards as long as default rates remain low. Increased infrastructure investment in the U.S. post the passing of Jobs Act and Chips Act a positive for infrastructure. Transition to renewable energy is another tailwind for both private and listed infrastructure while higher interest rates are headwinds.
Real Estate		
Private Equity		
Private Debt		
Infrastructure		

● Current outlook ○ Outlook one quarter ago



The view expressed within this material constitute the perspective and judgment of PFM Asset Management LLC at the time of distribution (March 31, 2024) and are subject to change.

Factors to Consider Over the Next 6-12 Months

Monetary Policy:  <ul style="list-style-type: none"> Recent Fed guidance implies three rate cuts in 2024 and points to an economic soft landing but path of rate cuts remains uncertain. Globally, central banks are nearing the start of rate cutting cycle in reaction to moderating inflation with the Swiss central bank being the first to cut. 	Economic Growth:  <ul style="list-style-type: none"> U.S. economic growth is led by consumers and supported by a robust labor market. Recent recovery in manufacturing activity along with continued strength in services a tailwind. Economic growth outside U.S. remain mixed with slower growth projected in Eurozone. 	Inflation:  <ul style="list-style-type: none"> Inflation continues to moderate but has proven to be stickier than expected, predominantly in housing and service sectors. Globally, inflation has continued to moderate. Recent upside surprises in the U.S. warrants closer attention but expect moderating trend to continue.
Financial Conditions:  <ul style="list-style-type: none"> Financial conditions continue to ease as the Fed pivot remains in play alongside strength in various economic indicators. With interest rates remaining elevated, we continue to focus on identifying pockets of stress within financial markets. 	Consumer Spending (U.S.):  <ul style="list-style-type: none"> Consumer confidence reached a multi-year high following strong wage growth, a resilient labor market, and moderating inflation. Hiring, wage growth, and increased hours worked have all played a role in boosting personal income and spending and we expect consumer strength to continue as labor markets remain healthy. 	Labor Markets:  <ul style="list-style-type: none"> The labor market remains strong, but we have seen cooling conditions from the extreme levels of 2022. Strong wage increases reflect a competitive labor market and is a key focus for monetary policy moving forward.
Corporate Fundamentals:  <ul style="list-style-type: none"> Earnings growth expectations are improving while profit margins are stabilizing at pre-pandemic levels. Higher cash levels especially across S&P 500 companies, increasing stock buybacks and lower credit default rates are positives. 	Valuations:  <ul style="list-style-type: none"> U.S. equity and credit markets have experienced a run up in valuations amid strong corporate fundamentals and continued economic growth. International equities look attractive but continued economic and geopolitical uncertainty is leading to increased volatility. 	Political Risks:  <ul style="list-style-type: none"> Geopolitical risks continue to remain elevated. U.S./China tensions, Russia/Ukraine war, Israel/Hamas conflict, China's moves in South China Sea and Taiwan Strait further add to risks. Elections across the globe could also lead to short-term volatility.

● Current outlook
○ Outlook one quarter ago
Stance Unfavorable to Risk Assets
Negative
Slightly Negative
Neutral
Slightly Positive
Positive
Stance Favorable to Risk Assets

Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg. The views expressed within this material constitute the perspective and judgment of PFM Asset Management LLC at the time of distribution (March 31, 2024) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness, or suitability.

Plan Performance Summary

Asset Allocation & Performance

	Allocation		Performance(%)								
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Total Portfolio	4,428,629		4.83	4.83	14.43	4.80	7.72	7.26	6.53	5.88	05/01/1998
Blended Benchmark			4.77	4.77	15.01	3.69	7.35	7.12	6.71	5.93	
Domestic Equity	2,072,682		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	02/01/2024
Russell 3000 Index			10.02	10.02	29.29	9.78	14.34	13.45	12.33	8.81	
Dodge & Cox Stock	96,801		8.50	8.50	25.59	10.37	13.57	11.80	11.08	8.38	02/01/2024
iShares S&P 500 Value ETF	414,718		8.01	8.01	25.36	11.98	13.06	11.19	10.44	7.70	02/01/2024
Columbia Contrarian Core Inst3	222,571		10.50	10.50	34.37	11.44	16.16	14.07	12.94	8.52	02/01/2024
Vanguard Growth & Income Adm	154,094		12.44	12.44	31.75	11.98	15.21	14.10	13.03	9.70	02/01/2024
Vanguard S&P 500 ETF	276,883		10.55	10.55	29.85	11.45	15.01	14.05	12.92	8.72	02/01/2024
iShares S&P 500 Growth ETF	424,564		12.69	12.69	33.49	9.99	15.57	15.68	14.36	9.55	02/01/2024
S&P 500			10.56	10.56	29.88	11.49	15.05	14.09	12.96	8.73	
iShares Russell Mid-Cap Value ETF	122,447		8.17	8.17	20.17	6.59	9.72	8.21	8.36	10.16	02/01/2024
iShares Russell Mid-Cap Growth ETF	67,571		9.44	9.44	26.02	4.42	11.59	12.64	11.13	10.05	02/01/2024
Russell Midcap Index			8.60	8.60	22.35	6.07	11.10	10.58	9.95	10.17	
iShares Russell 2000 Value ETF	78,611		2.82	2.82	18.35	1.99	7.95	6.37	6.72	7.74	02/01/2024
iShares Russell 2000 ETF	132,910		5.14	5.14	19.51	-0.21	8.00	7.65	7.54	9.41	02/01/2024
iShares Russell 2000 Growth ETF	81,511		7.56	7.56	20.23	-2.73	7.32	8.36	7.91	11.12	02/01/2024
Russell 2000 Index			5.18	5.18	19.71	-0.10	8.10	7.73	7.58	9.44	
International Equity	610,709		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	02/01/2024
MSCI AC World ex USA (Net)			4.69	4.69	13.26	1.94	5.97	5.88	4.25	5.74	
iShares MSCI EAFE Value ETF	115,546		4.44	4.44	17.13	6.61	6.35	5.23	3.38	5.65	02/01/2024
Vanguard FTSE Developed Markets ETF	252,154		5.16	5.16	14.91	3.97	7.39	6.74	5.04	6.47	02/01/2024
iShares MSCI EAFE Growth ETF	109,187		7.04	7.04	12.84	2.58	7.60	7.55	5.61	6.87	02/01/2024
MSCI AC World ex USA (Net)			4.69	4.69	13.26	1.94	5.97	5.88	4.25	5.74	
iShares MSCI Emerging Markets ETF	50,282		2.21	2.21	6.89	-5.87	1.43	2.97	2.26	7.21	02/01/2024
Vanguard FTSE Emerging Markets ETF	83,540		1.92	1.92	7.48	-3.70	2.90	3.82	3.25	5.65	02/01/2024
MSCI EM (net)			2.37	2.37	8.15	-5.05	2.22	3.72	2.95	7.35	

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and for periods over one year are annualized. Asset class level returns may vary from individual underlying manager returns due to cash flows. Total Portfolio returns prior to 1/1/2024 were provided by previous Advisor and believed to be accurate and reliable. Returns for January 2024 were calculated by the legacy performance system of previous Advisor and believed to be accurate and reliable.

Asset Allocation & Performance

	Allocation		Performance(%)								Inception Date
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	
Other Growth	129,720		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	02/01/2024
Vanguard Real Estate ETF	129,720		-1.19	-1.19	8.50	1.72	3.68	4.64	6.20	3.95	02/01/2024
MSCI US REIT Index			-0.32	-0.32	10.37	4.03	4.14	5.07	6.54	3.99	
Fixed Income	1,466,767		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	02/01/2024
<i>Blmbg. U.S. Aggregate</i>			-0.78	-0.78	1.70	-2.46	0.36	1.06	1.54	-0.50	
Vanguard Short-Term Investment-Grade Adm	132,089		0.67	0.67	4.90	0.29	1.82	1.94	1.94	0.26	02/01/2024
ICE BofA 1-3 Yr. Gov/Corp			0.46	0.46	3.56	0.24	1.36	1.45	1.30	0.03	
iShares Core US Aggregate Bond ETF	213,901		-0.75	-0.75	1.61	-2.48	0.32	1.02	1.50	-0.58	02/01/2024
Dodge & Cox Income	262,800		-0.32	-0.32	4.09	-0.92	1.89	2.28	2.52	-0.24	02/01/2024
DoubleLine Core Fixed Income I	152,557		-0.17	-0.17	2.60	-1.92	0.46	1.21	1.85	-0.47	02/01/2024
PGIM Total Return Bond R6	264,007		0.14	0.14	4.61	-1.68	0.96	1.84	2.43	-0.11	02/01/2024
PIMCO Income Instl	64,582		1.38	1.38	8.05	1.64	3.07	3.51	4.27	0.76	02/01/2024
BlackRock Strategic Income Opps K	94,683		0.91	0.91	6.70	1.04	3.13	3.02	N/A	0.64	02/01/2024
iShares US Treasury Bond ETF	85,251		-0.90	-0.90	-0.03	-2.80	-0.17	0.50	0.94	-0.78	02/01/2024
iShares MBS ETF	107,669		-1.06	-1.06	1.22	-2.93	-0.45	0.38	1.01	-0.69	02/01/2024
Vanguard Long-Term Investment-Grade Adm	45,491		-1.64	-1.64	1.80	-4.71	0.35	1.81	3.05	-0.81	02/01/2024
<i>Blmbg. U.S. Aggregate</i>			-0.78	-0.78	1.70	-2.46	0.36	1.06	1.54	-0.50	
Artisan High Income Institutional	43,737		1.37	1.37	12.08	3.41	5.98	5.82	N/A	1.15	02/01/2024
ICE BofA High Yield Master II			1.51	1.51	11.04	2.21	4.03	4.25	4.36	1.49	
Cash Equivalent	148,752		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	02/01/2024
ICE BofA 3 Month U.S. T-Bill			1.29	1.29	5.24	2.58	2.02	1.90	1.38	0.86	
First American Government Obligation - X	148,752		1.31	1.31	5.28	2.61	1.95	1.82	N/A	0.86	02/01/2024
ICE BofA 3 Month U.S. T-Bill			1.29	1.29	5.24	2.58	2.02	1.90	1.38	0.86	

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Calendar Year Comparative Performance

	Performance(%)									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Portfolio	13.97	-11.78	13.63	10.52	18.96	-5.41	13.74	8.01	-0.36	4.40
<i>Blended Benchmark</i>	<i>15.21</i>	<i>-14.63</i>	<i>11.07</i>	<i>13.56</i>	<i>19.14</i>	<i>-4.77</i>	<i>13.93</i>	<i>7.36</i>	<i>-0.93</i>	<i>8.90</i>
Domestic Equity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>Russell 3000 Index</i>	<i>25.96</i>	<i>-19.21</i>	<i>25.66</i>	<i>20.89</i>	<i>31.02</i>	<i>-5.24</i>	<i>21.13</i>	<i>12.74</i>	<i>0.48</i>	<i>12.56</i>
Dodge & Cox Stock	17.48	-7.22	31.73	7.16	24.83	-7.07	18.33	21.28	-4.49	10.40
iShares S&P 500 Value ETF	22.02	-5.41	24.67	1.24	31.71	-9.09	15.19	17.17	-3.24	12.14
Columbia Contrarian Core Inst3	32.21	-18.45	24.45	22.44	33.08	-8.81	21.89	8.77	3.25	13.14
Vanguard Growth & Income Adm	24.76	-17.11	29.11	18.08	29.77	-4.61	20.80	12.12	2.03	14.16
Vanguard S&P 500 ETF	26.25	-18.15	28.66	18.35	31.46	-4.42	21.78	11.93	1.35	13.63
iShares S&P 500 Growth ETF	29.80	-29.51	31.76	33.21	30.91	-0.17	27.20	6.74	5.33	14.67
<i>S&P 500</i>	<i>26.29</i>	<i>-18.11</i>	<i>28.71</i>	<i>18.40</i>	<i>31.49</i>	<i>-4.38</i>	<i>21.83</i>	<i>11.96</i>	<i>1.38</i>	<i>13.69</i>
iShares Russell Mid-Cap Value ETF	12.53	-12.20	28.04	4.76	26.78	-12.36	13.10	19.69	-4.93	14.49
iShares Russell Mid-Cap Growth ETF	25.63	-26.84	12.50	35.29	35.14	-4.95	24.98	7.15	-0.39	11.68
<i>Russell Midcap Index</i>	<i>17.23</i>	<i>-17.32</i>	<i>22.58</i>	<i>17.10</i>	<i>30.54</i>	<i>-9.06</i>	<i>18.52</i>	<i>13.80</i>	<i>-2.44</i>	<i>13.22</i>
iShares Russell 2000 Value ETF	14.42	-14.67	27.96	4.50	22.17	-12.94	7.73	31.64	-7.53	4.13
iShares Russell 2000 ETF	16.80	-20.48	14.62	19.89	25.42	-11.02	14.66	21.36	-4.33	4.94
iShares Russell 2000 Growth ETF	18.58	-26.33	2.70	34.52	28.46	-9.33	22.24	11.47	-1.19	5.72
<i>Russell 2000 Index</i>	<i>16.93</i>	<i>-20.44</i>	<i>14.82</i>	<i>19.96</i>	<i>25.53</i>	<i>-11.01</i>	<i>14.65</i>	<i>21.31</i>	<i>-4.41</i>	<i>4.89</i>
International Equity	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>MSCI AC World ex USA (Net)</i>	<i>15.62</i>	<i>-16.00</i>	<i>7.82</i>	<i>10.65</i>	<i>21.51</i>	<i>-14.20</i>	<i>27.19</i>	<i>4.50</i>	<i>-5.66</i>	<i>-3.87</i>
iShares MSCI EAFE Value ETF	18.87	-5.38	10.82	-2.78	15.97	-14.88	21.22	4.87	-5.89	-5.65
Vanguard FTSE Developed Markets ETF	17.77	-15.35	11.49	10.29	22.08	-14.47	26.44	2.51	-0.21	-5.71
iShares MSCI EAFE Growth ETF	17.24	-22.93	10.95	17.98	27.60	-13.02	28.50	-3.34	3.74	-4.65
<i>MSCI AC World ex USA (Net)</i>	<i>15.62</i>	<i>-16.00</i>	<i>7.82</i>	<i>10.65</i>	<i>21.51</i>	<i>-14.20</i>	<i>27.19</i>	<i>4.50</i>	<i>-5.66</i>	<i>-3.87</i>
iShares MSCI Emerging Markets ETF	8.90	-20.55	-3.72	17.56	17.67	-14.98	36.42	10.51	-15.41	-2.82
Vanguard FTSE Emerging Markets ETF	9.27	-17.72	0.96	15.32	20.40	-14.57	31.38	11.75	-15.35	0.60
<i>MSCI EM (net)</i>	<i>9.83</i>	<i>-20.09</i>	<i>-2.54</i>	<i>18.31</i>	<i>18.42</i>	<i>-14.57</i>	<i>37.28</i>	<i>11.19</i>	<i>-14.92</i>	<i>-2.19</i>

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Calendar Year Comparative Performance

	Performance(%)									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Other Growth	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vanguard Real Estate ETF	11.75	-26.20	40.38	-4.72	28.91	-5.95	4.95	8.53	2.37	30.29
MSCI US REIT Index	13.74	-24.51	43.06	-7.57	25.84	-4.57	5.07	8.60	2.52	30.38
Fixed Income	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Blmbg. U.S. Aggregate	5.53	-13.01	-1.55	7.51	8.72	0.01	3.54	2.65	0.55	5.97
Vanguard Short-Term Investment-Grade Adm	6.17	-5.75	-0.33	5.25	5.84	0.96	2.12	2.82	1.13	1.86
ICE BofA 1-3 Yr. Gov/Corp	4.62	-3.79	-0.41	3.35	4.07	1.63	0.86	1.29	0.67	0.78
iShares Core US Aggregate Bond ETF	5.59	-13.06	-1.67	7.42	8.68	-0.05	3.53	2.56	0.48	6.04
Dodge & Cox Income	7.70	-10.87	-0.91	9.45	9.73	-0.31	4.36	5.61	-0.59	5.48
DoubleLine Core Fixed Income I	6.43	-12.76	-0.34	5.60	7.99	-0.02	4.66	4.11	0.63	6.86
PGIM Total Return Bond R6	7.78	-14.86	-1.15	8.10	11.14	-0.63	6.71	4.83	0.09	7.25
PIMCO Income Instl	9.32	-7.81	2.61	5.80	8.07	0.63	8.61	8.71	2.61	7.18
BlackRock Strategic Income Opps K	7.36	-5.56	1.05	7.29	7.82	-0.47	4.97	N/A	N/A	N/A
iShares US Treasury Bond ETF	4.21	-12.69	-2.54	7.92	6.71	0.74	2.19	0.92	0.76	4.99
iShares MBS ETF	4.99	-11.86	-1.27	4.03	6.27	0.81	2.37	1.28	1.28	6.16
Vanguard Long-Term Investment-Grade Adm	9.38	-25.55	-2.29	15.48	20.53	-5.85	12.04	7.92	-2.11	18.29
Blmbg. U.S. Aggregate	5.53	-13.01	-1.55	7.51	8.72	0.01	3.54	2.65	0.55	5.97
Artisan High Income Institutional	15.97	-9.51	6.40	10.21	14.20	-1.35	8.92	N/A	N/A	N/A
ICE BofA High Yield Master II	13.46	-11.22	5.36	6.17	14.41	-2.27	7.48	17.49	-4.64	2.50
Cash Equivalent	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ICE BofA 3 Month U.S. T-Bill	5.02	1.46	0.05	0.67	2.28	1.87	0.86	0.33	0.05	0.04
First American Government Obligation - X	5.00	1.54	0.03	0.40	2.12	1.74	0.79	N/A	N/A	N/A
ICE BofA 3 Month U.S. T-Bill	5.02	1.46	0.05	0.67	2.28	1.87	0.86	0.33	0.05	0.04

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and for periods over one year are annualized. Asset class level returns may vary from individual underlying manager returns due to cash flows. Total Portfolio returns prior to 1/1/2024 were provided by previous Advisor and believed to be accurate and reliable. Returns for January 2024 were calculated by the legacy performance system of previous Advisor and believed to be accurate and reliable.

Account Reconciliation

QTR	Market Value As of 01/01/2024	Net Flows	Return On Investment	Market Value As of 03/31/2024
Total Portfolio	4,379,390	(160,874)	210,112	4,428,629



Desert Healthcare District

Investment Performance Review For the Quarter Ended March 31, 2024

Client Management Team

PFM Asset Management LLC

Keith Stribling, CFA, Client Portfolio Manager

1 California Street
Suite 1000
San Francisco, CA 94111

1735 Market Street
43rd Floor
Philadelphia, PA 19103

Plan Performance Summary

Asset Allocation & Performance

	Allocation		Performance(%)								
	Market Value (\$)	%	1 Quarter	Year To Date	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Total Portfolio	65,897,333	100.00	0.23	0.23	3.00	0.39	1.27	1.35	1.19	2.82	07/01/1998
<i>Blended Benchmark</i>			<i>0.29</i>	<i>0.29</i>	<i>2.98</i>	<i>0.03</i>	<i>1.14</i>	<i>1.21</i>	<i>1.07</i>	<i>2.66</i>	
PFMAM - Fixed Income	65,897,333	100.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-0.14	02/01/2024
<i>Blmbg. 1-3 Govt</i>			<i>0.29</i>	<i>0.29</i>	<i>2.98</i>	<i>0.03</i>	<i>1.14</i>	<i>1.21</i>	<i>1.07</i>	<i>-0.08</i>	

Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and for periods over one year are annualized. Asset class level returns may vary from individual underlying manager returns due to cash flows. Total Portfolio returns prior to 1/1/2024 were provided by previous Advisor and believed to be accurate and reliable. Returns for January 2024 were calculated by the legacy performance system of previous Advisor and believed to be accurate and reliable.

Calendar Year Comparative Performance

	Allocation		Performance(%)									
	Market Value (\$)	%	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Portfolio	65,897,333	100.00	4.42	-3.01	-0.40	2.78	3.57	1.65	0.71	0.92	0.67	0.88
<i>Blended Benchmark</i>			4.32	-3.81	-0.60	3.14	3.59	1.58	0.45	0.87	0.57	0.64
PFMAM - Fixed Income	65,897,333	100.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<i>Blmbg. 1-3 Govt</i>			4.32	-3.81	-0.60	3.14	3.59	1.58	0.45	0.87	0.57	0.64

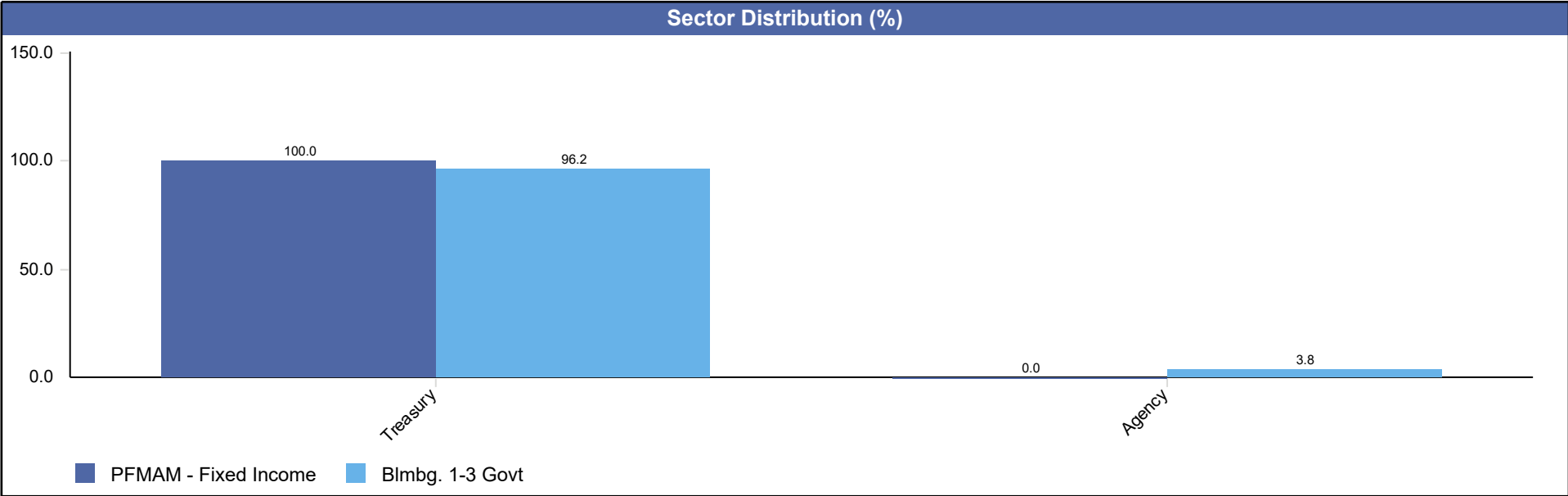
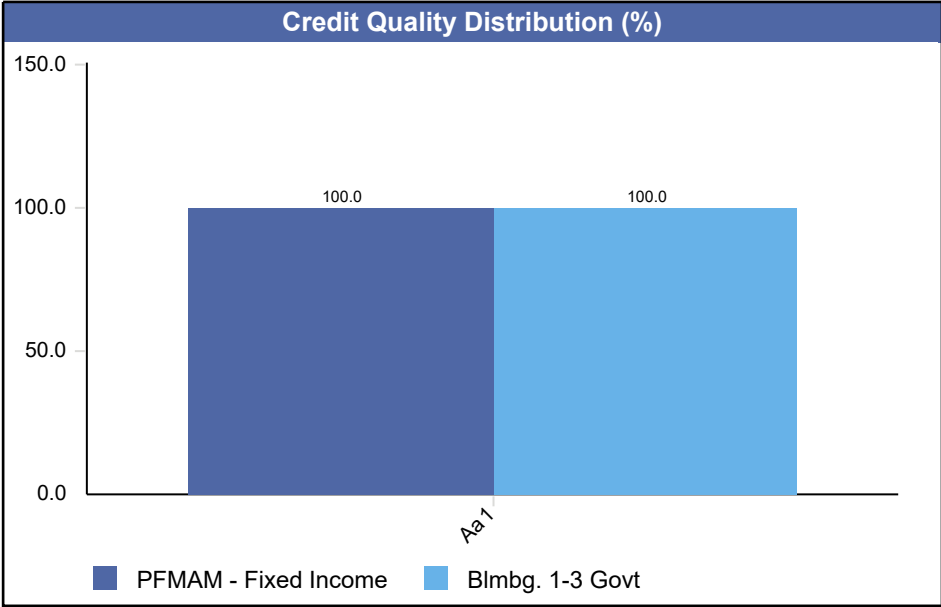
Returns are gross of investment advisory fees and net of mutual fund fees. Returns are expressed as percentages and for periods over one year are annualized. Asset class level returns may vary from individual underlying manager returns due to cash flows. Total Portfolio returns prior to 1/1/2024 were provided by previous Advisor and believed to be accurate and reliable. Returns for January 2024 were calculated by the legacy performance system of previous Advisor and believed to be accurate and reliable.

QTR	Market Value As of 01/01/2024	Net Flows	Return On Investment	Market Value As of 03/31/2024
Total Portfolio	65,814,686	(16,178)	98,825	65,897,333

Fixed Income Overview

PFMAM - Fixed Income vs. Blmbg. 1-3 Govt

Portfolio Characteristics		
	Portfolio	Benchmark
Effective Duration	1.48	1.79
Yield To Maturity (%)	4.91	4.71
Avg. Maturity	1.71	1.85
Coupon Rate (%)	2.06	2.49



IMPORTANT DISCLOSURES

This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation, as it was prepared without regard to any specific objectives or financial circumstances.

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PFMAM professionals have exercised reasonable professional care in the preparation of this performance report. Information in this report is obtained from sources external to PFMAM and is generally believed to be reliable and available to the public; however, we cannot guarantee its accuracy, completeness or suitability. We rely on the client's custodian for security holdings and market values. Transaction dates reported by the custodian may differ from money manager statements. While efforts are made to ensure the data contained herein is accurate and complete, we disclaim all responsibility for any errors that may occur. References to particular issuers are for illustrative purposes only and are not intended to be recommendations or advice regarding such issuers. Fixed income manager and index characteristics are gathered from external sources. When average credit quality is not available, it is estimated by taking the market value weights of individual credit tiers on the portion of the strategy rated by a NRSRO.

It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

The views expressed within this material constitute the perspective and judgment of PFMAM at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon certain assumptions and current opinion as of the date of issue and are also subject to change. Some, but not all assumptions are noted in the report. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Opinions and data presented are not necessarily indicative of future events or expected performance.

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Date: April 26, 2024

DHCD Progress Report #2024-1 for reporting period January 1, 2024, to March 31, 2024

Grantee: Coachella Valley Association of Governments (CVAG)

Project Title: CV Link Project

Project Manager/Contact: Jonathan Hoy, CVAG Director of Transportation (jhoy@cvag.org) or Murray Quance, Transportation Program Specialist – Transportation (mquance@cvag.org)

1. Provide a brief summary of the organization and the objectives of the project.

The Coachella Valley Association of Governments (CVAG) is a regional authority serving nine cities, the County of Riverside, and four Indian Tribes within the Coachella Valley. Its jurisdiction extends across eastern Riverside County, including the City of Blythe on the California-Arizona border.

CV Link is an alternative transportation corridor running along the Whitewater River levee. It will stretch from Desert Hot Springs in the northwest to the Salton Sea in the southeast, with the core project extending from Palm Springs to Coachella. The approved project spans over 40 miles but does not include Rancho Mirage or Indian Wells. It aims to provide significant environmental, health, and economic benefits to current and future residents and visitors. CV Link will connect users to various facilities such as employment centers, shopping centers, schools, and recreational opportunities. The corridor will have dual paths for bicycles, low-speed electric vehicles, and pedestrians, promoting healthier lifestyles, economic innovation, and making the Coachella Valley a more sustainable and appealing place to live, work, and play.

2. Summarize work completed during reporting period.

Construction progress continued throughout the first quarter in multiple cities along the project route. Significant concrete path work was done in Coachella from Avenue 52 to 54 as well as continuing the dewatering and excavation of the cut off wall at 52nd Avenue.



Dewatering and cutoff wall excavation continued at Ave 52.



CSP placement at cutoff wall for Ave 52.

We continue to work with the environmentalists on a weekly and sometimes daily basis. For example, checks were made prior to bridge painting for Cliff Swallow nests

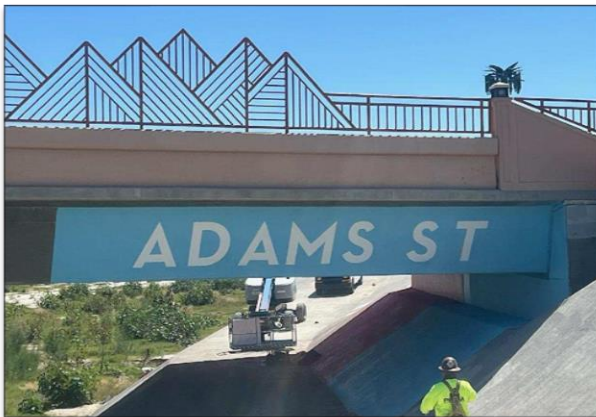


Crews remove Cliff Swallow nests at the Ave 52 bridge.



Cliff Swallow nests at the Ave 52 bridge.

Bridge painting as part of the CV Link branding was done at the Jackson and Avenue 52 undercrossings. On the path users follow orange toward the mountains and blue toward the Salton Sea.



Adams Street undercrossing painted in CV Link's signature orange and blue colors.



Miles Ave undercrossing painted in CV Link's signature orange and blue colors.

In Palm Springs, stripping upgrades took place at El Cielo and Mesquite.



Striping upgrades to the crosswalk at El Cielo and Mesquite.



Delineators and striping upgrades added to the bike lane entrance of CV Link at El Cielo and Mesquite.



Cyclists riding along Mesquite towards Demuth Park.



Striping upgrades to Mesquite.

As noted in previous reports, this construction is largely funded by the \$29.447 million in funds from the Active Transportation Program and State Transportation Improvement Program, which the California Transportation Commission (CTC) green lighted in 2020. CVAG is also drawing down its funding commitments, including those from the South Coast Air Quality Management

District. The Congressional Budget Office has estimated that every dollar spent on infrastructure produced an economic benefit of up to \$2.20, and the U.S. Council of Economic Advisers has calculated that \$1 billion of transportation infrastructure investment supports 13,000 jobs for a year. Based on these calculations, the \$52.7 million investment will produce an economic benefit of over \$116 million, and support more than 685 jobs for a year.

Segments 6 went out for bid in March and will lead to another 5.9 miles of CV Link with 6 access points across Tribal lands, Palm Springs and Cathedral City. This segment will receive partial construction funding from the federal Congestion and Mitigation and Air Quality (CMAQ) program.

3. What challenges and opportunities have you encountered in accomplishing this portion of your Scope of Work?

Construction always brings surprises, and CVAG has also been working through unexpected discoveries of unmarked utilities. At the same time, CVAG staff is coordinating CV Link construction with the Union Pacific Railroad for an undercrossing near Indio which is part of Segment 6.



NBC Palm Springs coverage of CV Link construction start on segment 6 in North Palm Springs.



NBC Palm Springs coverage of CV Link equipment staging on segment 6 in North Palm Springs.

4. Is your project on schedule?

Progress overall is on schedule. Certain segments have taken longer than expected, including the work in Palm Springs. But CVAG continues to adjust the timing of building various parts of the project, in large part to maximize the time that sub-contractors are deployed on the project. CVAG will continue to work with Caltrans to finalize the final design for Hwy 111 near the Palm Springs



Visitors Center. CVAG was granted a 12-month extension to complete the project, with the new end date being December 12, 2024.

5. Provide an update on the financial report for the project.

CVAG has funding commitments from an array of sources, which is reflective of the broad support the project has. That includes:

State Active Transportation Program:	\$21,692,000
CVAG Transportation Funds:	\$20,000,000
State Transportation Improvement Program:	\$18,655,000
South Coast Air Quality Mitigation District:	\$19,125,603
Federal Congestion Mitigation and Air Quality:	\$12,600,000
Desert Healthcare District:	\$10,000,000
California Strategic Growth Council:	\$1,000,000
Riverside County Parks:	\$750,000
Bicycle Transportation Account Grant:	\$748,500 (secured w/ Cathedral City)
Caltrans Environmental Justice Grant:	\$291,000 (secured w/ Palm Desert)

6. Work planned for next reporting period:

In the second quarter of 2024, CVAG anticipates achieving the following milestones:

- Continue construction along the project route, primarily in the cities of La Quinta, Indio and Coachella. This includes:
 - Various undercrossings, namely Avenue 52 and Airport Blvd.
 - Pathway, namely Washington to Adams and Adams to Dune Palms.
- Continue CV Link construction with the City of La Quinta on the Dune Palm Bridge project. The City has commenced construction. CVAG will reimburse the City as it builds improvements related to CV Link, which will go under the new bridge.

CVAG has received Caltrans approval on the Segment 6 ROW Certification. Advertising for construction bids took place in early March. CVAG will be recommending the successful bidder to the CVAG Executive Committee on April 29th. This will be primarily on tribal lands in Palm Springs and Cathedral City. In addition, construction will commence on a UPRR undercrossing on Indio Blvd.

Looking ahead, CVAG anticipates groundbreaking with the Cities of Coachella and Indio in Q'3 2024. CVAG will keep the District Board and staff aware of any planned events. CVAG appreciates the continued support of this project. As always, CVAG welcomes input on any of these issues, as your feedback as a participatory partner in the project is important to our progress and the finalization of the right of way and construction of CV Link.



If District staff or Board members have any questions or need additional information about the project, Jonathan Hoy, Transportation Director can best be reached at (760) 238-1540 or at jhoy@cvag.org and Murray Quance Senior Program Assistant – Transportation can be reached at (760) 636-2373 or mquance@cvag.org.

**EMPLOYMENT AGREEMENT
BETWEEN
DESERT HEALTHCARE DISTRICT
AND DANA “CHRIS” CHRISTENSEN, CPA**

This Employment Agreement (hereinafter “Agreement”) is entered into by and between the Desert Healthcare District, a California health care district organized and operating pursuant to Health & Safety Code section 32000 et seq. (hereinafter “District”), and Dana “Chris” Christensen, CPA. (“Employee”). This Agreement shall be effective as of June 1, 2024 upon approval of the District Board of Directors and execution by the parties.

R-E-C-I-T-A-L-S

A. The District is the owner of the Desert Regional Medical Center and landlord of the facility and related businesses pursuant to a 30-year lease (“Lease”) with Tenet HealthSystems Desert, Inc., which began on May 30, 1997. As Landlord, the District is responsible for overseeing the terms and condition of the Lease. In addition, the District has implemented an extensive community grants program which supports non-profits organization in addressing community health care needs throughout the Coachella Valley. The District also oversees the Desert Healthcare Foundation, which has provided fund raising and support to numerous health care related programs and services in the area served by the District.

B. The District desires to retain Employee to act as its Chief Executive Office

C. During the term of this Agreement, Employee shall serve at the pleasure and direction of the District’s Board of Directors in accordance with the terms and conditions of this Agreement.

C-O-V-E-N-A-N-T-S

1. Employment. Employee shall serve as the CEO of District during the term of this Agreement with full power and authority to manage and conduct the day-to-day business of the District, subject to the directions and policies of the District Board. Employee will perform such duties as outlined in Employee’s job description, which is attached hereto as Exhibit “A,” and such other duties as may be requested by the District Board from time to time. Employee shall be required to file a 700 Form as required as a “Designated Employee” pursuant to the District’s Conflict of Interest Code. Employee also recognizes that the job is a salaried position that will

require more than forty (40) hours per week and may require Employee to travel temporarily to other locations.

2. Term. The term of this Agreement shall be for a two-year term ending on May 31, 2026.

3. Annual Salary. Commencing June 1, 2024, Employee shall receive an annual salary of Two Hundred Eighty Thousand Dollars (\$280,000) payable at the regular District pay periods during the term of this Agreement and subject to all applicable withholdings and deductions. Employee may receive such annual cost of living and merit increases in salary as may be determined by the Board of Directors in its sole discretion.

4. Health and Pension Benefits. Employee shall be entitled to receive health benefits on the same terms and conditions as are available to other District employees, including medical, dental, vision, life and disability insurance, and participation in the District's pension plan. In addition, Employee shall be included under the provisions of the directors and officers liability policy covering the District and also under the provisions of the District's professional liability insurance for all services performed pursuant to this Agreement.

5. Vacation. During the term of this Agreement, Employee shall annually accrue the equivalent of four (4) weeks of paid leave vacation. With the exception of being entitled to four (4) weeks paid vacation per year, Employee shall be subject to the same terms and conditions as other District employees relating to Vacation as set forth in the Employee Handbook.

6. Sick Leave Leaves of Absence and Related Employment Terms. With the exception of four (4) weeks' vacation, Employee shall be subject to the same terms and conditions relating to Bereavement Leave, Extended Medical Leave, Personal Leave, Sick Leave, Kin Care, Required Use of Paid Sick Leave, Paid Sick Leave, Workers Compensation Benefits and Flex Scheduling as all District employees as set forth in the Employee Handbook.

7. Automobile Allowance. The District shall pay Employee an automobile allowance in exchange for the Employee securing a personal vehicle to be used for District business and/or functions, during, before, and after normal work hours. The automobile allowance shall be \$600 per month for travel within Riverside County and San Bernardino County, and standard IRS reimbursement rates for auto travel outside of Riverside County and San Bernardino County. Employee shall be responsible for the costs of operation, repair,

maintenance, and liability, property damage and comprehensive insurance for the personal vehicle.

8. Evaluation. The District Board shall provide a written evaluation of Employee annually on June 1, in accordance with the Chief Executive Officer Annual Performance Evaluation Process set forth in the Board President's Guide.

9. Expenses. Provided the expenditure satisfies the criteria established by the Internal Revenue Code for deductibility, District shall reimburse Employee for reasonable business expenses, subject to approval by the District Board, including travel, entertainment, parking, and business meetings that are substantiated in accordance with the policies established from time to time by the District.

10. Restriction on Outside Activities. Employee shall devote his full business time, energy, and ability exclusively to the business and interests of District and shall not, without the prior written consent of District, render services of any kind for compensation or engage in other business activity.

11. Termination of Employment. Employee is an "At Will" employee who serves at the pleasure of the Board of Directors. Except for Retirement as provided in section 11.(c) below, either the District Board of Directors, or Employee may terminate this Agreement at any time, with or without cause, upon thirty (30) days' advance written notice.

a. In the event this Agreement is terminated by Employee's resignation or for cause, Employee shall not be entitled to any severance compensation or any other compensation from District, except for such salary and benefits as Employee may have earned prior to termination. Termination for "Cause" shall include, but may not be limited to, fraud, embezzlement, misappropriation of District property, or use of undue influence as a District official, conflicts of interest, criminal activities, whether or not prosecution or conviction occurs, or Employee's repeated failure to perform the essential functions of his job, including those circumstances where such failure is because of death or disability and use of illegal drugs or abuse of legal drugs, including alcohol, after a prior warning concerning such abuse of legal drugs.

b. The District Board may terminate Employee "Without Cause" at any time during the term of this Agreement, and the District Board of Directors shall have the option

to (1); Reinstatement Employee to the position of Chief Administrative Officer (CAO) with the same responsibilities and at the salary and benefits equivalent to the salary and benefits Employee was receiving as CAO at the time he was appointed as Interim CEO, including any annual COLA adjustments provided to District Employees. Alternatively, the District Board of Directors shall have the option to (2); Pay Employee a lump sum severance pay equal to the lesser of six (6) months base salary or the remaining term of this Employment Agreement. Employees acceptance of reinstatement or severance pay, shall be Employee's sole remedy for termination Without Cause, and Employee shall not be entitled to any other compensation or the continuance of any other benefits except as required by law.

c. If Employee elects to retire, he agrees to provide the District Board with three (3) months written notice of such retirement and Employee will not be eligible for severance pay.

12. Miscellaneous Provisions.

a. Modification. This Agreement may not be altered in whole or in part except by a modification, in writing, executed by all the parties to this Agreement.

b. Entire Agreement. This Agreement contains all representations and the entire understanding between the parties with respect to the subject matter of this Agreement. The parties acknowledge that there have not been any oral promises or understandings that are not contained in this Agreement. Any prior correspondence, memoranda, or agreements, whether or not such correspondence, memoranda, or agreements are in conflict with this Agreement, are intended to be replaced in total by this Agreement which represents the final and complete agreement between the parties.

c. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors, heirs, and assigns.

d. Unenforceable Provisions. The terms, conditions, and covenants of this Agreement shall be construed whenever possible as consistent with all applicable laws and regulations. To the extent that any provision of this Agreement, as so interpreted, is held to violate any applicable law or regulation, the remaining provisions shall nevertheless be carried into full force and effect and remain enforceable.

Dated: _____, 2024

“District”:

DESERT HEALTHCARE DISTRICT

By _____
Evet PerezGil, President

Dated: _____, 2024

“Employee”:

By _____
Dana “Chris” Christensen, CPA

Exhibit “A”
DESERT HEALTHCARE DISTRICT
CHIEF EXECUTIVE OFFICER
JOB DESCRIPTION

Job Summary

The District Chief Executive Officer (CEO) is responsible for the development of all operational policies, internal grant making procedures, research to support grant making initiatives, and directing of all administrative and program activities of the District which includes, but is not limited to, the effective use of financial resources, maintenance of financial record systems, direction and supervision of all communications with grantees and publics, some of which include newsletters, request for proposal applications, community education symposia, press releases, and annual reports.

Reporting Relationship

The CEO reports to the District Board of Directors.

Professional Responsibilities

In partnership with the Board of Directors, the major role of the CEO is to provide leadership and guidance in order to achieve the agency’s mission, strategy, and annual goals and objectives. The CEO is responsible for:

- Developing and maintaining an effective organizational structure and staffing plan
- Creating links with community constituents so the highest degree of impact can be achieved through the most effective use of resources
- Developing and maintaining a high level of awareness of the needs of the community through regular assessment and evaluation of the relative needs
- Establish and maintain a working relationship with the CEO of Desert Regional Medical Center to develop common initiatives to serve the District Community.
- Overall financial management of the organization – development of annual budget, prudent management of resources and regular reporting to the Board on the organization’s fiscal status
- Overseeing development of strategic planning process in partnership with the Board and overseeing implementation of the plan
- Ensuring that appropriate methods, systems and procedures are in place to review programs and monitor their effectiveness
- Maintaining and developing the organization’s external relations by communicating the organization’s mission and achievements effectively to stakeholders and policy makers
- Actively participating in community, state and national health grant making issues and activities to learn, understand and respond to the needs of those being served
- Orchestrating the various efforts so that a team orientation is developed and both Board members and staff feel involved, committed, and have appropriate access and input; and
- Ensuring that each member of the Board is well-informed with respect to the Board’s responsibilities and Foundation activities.