

**REGULAR MEETING
BOARD OF DIRECTORS
BEACH CITIES HEALTH DISTRICT
May 24th, 2016**

A Regular Meeting of the Board of Directors of the Beach Cities Health District was called to order in the Beach Cities Room of the Beach Cities Health Center at 6:35 p.m.

Members Present: Dr. Michelle Bholat
Dr. Noel Chun
Jane Diehl
Vanessa Poster

Members Not Present:

Legal Counsel Present: Robert Lundy, Hooper, Lundy & Bookman
Staff Present: Tom Bakaly, CEO

AGENDA ITEM	DISCUSSION	ACTION OR FOLLOW-UP
I. Call to Order-Salute to the Flag	Dr. Michelle Bholat opened the meeting and led the salute to the flag.	
II. Public Discussion	<p>Dr. Bholat asked if any member of the public would like to address the Board on any issue not on the agenda.</p> <p>Dr. Bholat called Mr. Vish Chatterji up to the podium.</p> <p>Mr. Chatterji highlighted the following:</p> <ul style="list-style-type: none"> • Referenced old business item on Board Vacancy • Asked consideration to be appointed to the board for the following reasons: <ul style="list-style-type: none"> ○ Public demonstrated interest ○ Diverse personal background ○ Business experience background ○ Training in complimentary medicine • Has an aging mother living in Silverado and has children in the Redondo Beach school district 	
III. Review and Approval of Minutes of the April 26th, 2017 Regular Meeting	The Board reviewed the Minutes of the April 26 th , 2017 regular Meeting.	It was Moved and Seconded (Poster/Chun) to approve the minutes of the April 26 th , 2017 Regular Meeting as corrected. Dr. Bholat, Ms.

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		Diehl, Ms. Poster and Dr. Chun voted yes. Motion Carried Unanimously
IV. Beach Cities Health District Staff Recognition: Fifteen Year Anniversaries Kerianne Lawson Lifespan Services	Mr. Tom Bakaly, Chief Executive Officer Highlighted the following: <ul style="list-style-type: none"> • Thank you for your years of service • Thank you to Mr. Ryan Lyse for his years of service as he will be leaving BCHD 	
V. Healthy Living Campus – 514 N. Prospect Ave, Redondo Beach	Mr. Bakaly Highlighted the following: <ul style="list-style-type: none"> • Had first meeting with Community Working Group • Next meeting scheduled in June • The first meeting we provided some structure and guidelines to the group Mr. Bakaly called Mr. Eric Garner, Communications Manager to the Podium. Mr. Garner highlighted the following: <ul style="list-style-type: none"> • Excited to roll out the community engagement phase of the Healthy Living Campus • Took board feedback from the Strategic Planning Half-Day and put it into the plan • Put together a group of 19 people representing many stakeholders that include environmental advocates, former board members, elected officials and neighboring residents • Adding a high school student to round the number up to a group of 20 • Receiving great feedback and suggestions on how to be innovating when it comes to parking and traffic Ms. Diehl asked when we would be bringing in a lease holder to which Mr. Garner replied we have one already on the committee. Mr. Garner continued that the next meeting would include	

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	a walking tour of the campus.	
<p>IV. Beach Cities Health District Staff Recognition:</p> <p>Fifteen Year Anniversaries</p> <p>Kerianne Lawson Lifespan Services</p>	<p>This Item was taken out of order.</p> <p>Mr. Bakaly stated that he got a request from staff saying they would like to say a few words about Ms. Lawson.</p> <p>Mr. Bakaly Invited Ms. Lauren Nakano, Director of Blue Zones Project to the podium.</p> <p>Ms. Nakano highlighted the following:</p> <ul style="list-style-type: none"> • Thanks and kudos to Ms. Lawson • Brought lots of value to Community Services and enhanced the level of the services it has been able to provide • Brought a cohesiveness throughout the lifespan services <p>Ms. Melissa Andrizzi-Sobel, Director of Community Services, highlighted the following:</p> <ul style="list-style-type: none"> • Very inspirational to the team and is very caring and compassionate and want to thank her for all her support <p>Ms. Lawson Highlighted the following:</p> <ul style="list-style-type: none"> • A privilege to work at BCHD • Privilege to work with cool and talented people and excited about what is to come • We are out there changing lives in the community and it is an absolute joy to do it <p>Dr. Chun highlighted the following:</p> <ul style="list-style-type: none"> • Very impressed for all that she has done for the District <p>Dr. Bholat highlighted the following:</p> <ul style="list-style-type: none"> • Worked with Ms. Lawson in the Community Health Committee and her breath of knowledge and ability to get accurate information is done so well 	
<p>VI. Program and Staff Reports</p> <p>A. Chief Executive Officer</p>	<p>Dr. Bholat invited Mr. Tom Bakaly, Chief Executive Officer, to address the Board of Directors</p>	

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	<p>Mr. Bakaly referred the Board to the written report.</p> <p>Mr. Bakaly highlighted the following:</p> <ul style="list-style-type: none"> • Design Build bill passed out of appropriations this morning • Thank you to Ms. Jacqueline Sun for all her help on the bill • Association of California Healthcare District has made the bill a priority • Getting quotes from workers comp and recommending that we continue to be a member of ACHD and join California Special Districts Association (CSDA) • ACHD has asked for a delegate since their annual meeting coming up and Ms. Diehl expressed interest and wanted to let the Board know 	
<p>B. Legal Council</p>	<p>Mr. Lundy reported that there was nothing to report.</p>	
<p>VII. Committee Reports</p> <p>A. Community Health Committee</p>	<p>Dr. Bholat reported that the Community Health Committee has not met and we will solicit dates from the committee chairs in the next quarter</p>	
<p>B. Finance Committee/ Treasurer's Report</p> <p>1. Presentation: Fiscal Year 2017- 2018 Budget</p>	<p>Ms. Poster invited Ms. Monica Suua, Chief Financial Officer up to the podium. Ms. Suua highlighted the following:</p> <ul style="list-style-type: none"> • Excited to propose the Fiscal Year 17-18 budget to the Board • Asked Mr. Bakaly to give his observations before diving in to the presentation <p>Ms. Bakaly Highlighted the following:</p> <ul style="list-style-type: none"> • Thanked Ms. Suua for all her hard work • Taken a collaborative approach with staff for the budget • Impressed with the diverse and situated funding structure • Reviewed compensation policy • Aligned expenditures with health priorities 	

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	<ul style="list-style-type: none"> • Enhanced initiatives included in the budget • Lifespan three year study <p>Ms. Suua highlighted the following:</p> <ul style="list-style-type: none"> • FY17-18 recommended budget projects the following overall revenues and expenses: <ul style="list-style-type: none"> ○ Revenues \$12.2 million ○ Operating Expenditures \$11.7 Million ○ Capital Expenditures \$3.3 million ○ Healthy Living Campus \$1.9 million • Increased funding of \$447,000 through property taxes, leases and partnerships, all of which are adding to the estimating operating surplus • Maintains and builds on existing programs and services in the community • Several new initiatives focusing in preventative health • Focuses on retaining talented staff with competitive compensations and benefits • Continued investments in building improvements and IT infrastructure • We are estimating to net an operating surplus of \$500,000 to invest in Capital Investments • BCHD has five sources of revenues • Leases is where we have the biggest increase • Interest is flat • Manhattan Beach community grant, which contract ran out; we are working on finalizing a new contract but wanted to be conservative and not include it to start. • Nine current tenants on 514 N. Prospect • Highlighted Enhanced programs, and added new programs <p>Dr. Chun asked if there is a review process that is done periodically if the programs are effective. Ms. Lawson responded yes, there is tracking and ongoing oversight on each of the programs. She continued that there is also a scope of work for the eight grants.</p>	

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<p>2. <u>Discussion and Potential Action Item:</u> Review and Approval of District Budget for year Ending June 30th, 2018</p>	<p>Ms. Poster recommended approval of District budget for year ending June 30th, 2018.</p>	<p>It was Moved and Seconded (Poster/Diehl) to approve District budget for year ending June 30th, 2018. Ms. Diehl, Dr. Bholat, Ms. Poster and Dr. Chun voted yes. Motion Carried Unanimously</p>
<p>3. <u>Discussion and Potential Action Item:</u> Approve Resolution No. 540 of the Beach Cities Health District Adopting final operating and capital budget for year ending June 30th, 2018</p>	<p>Ms. Poster recommended approval of Resolution No. 540 of the Beach Cities Health District Adopting final operating and capital budget for year ending June 30th, 2018</p>	<p>It was Moved and Seconded (Poster/Diehl) to approve Resolution No. 540 of the Beach Cities Health District Adopting final operating and capital budget for year ending June 30th, 2018. Meeting. Ms. Diehl, Dr. Bholat, Ms. Poster and Dr. Chun voted yes. Motion Carried Unanimously</p>
<p>4. <u>Action Item:</u> Approve checks no. 68183 through 68372, totaling \$382,568.99 for accounts payable for the month of April 2017</p>	<p>Ms. Poster recommended approval of checks no. 68183 through 68372, totaling \$382,568.99 for accounts payable for the month of April 2017</p>	<p>It was Moved and Seconded (Chun/Diehl) to approve checks no. 68183 through 68372, totaling \$382,568.99 for accounts payable for the month of April 2017. Ms. Diehl, Dr. Bholat, Ms. Poster and Dr. Chun voted yes. Motion Carried Unanimously</p>
<p>5. <u>Discussion and Potential Action Item:</u> Policy No. 6130: Principal Preservation</p>	<p>Mr. Bakaly highlight the following:</p> <ul style="list-style-type: none"> • BCHD policy is to preserve the Principal of the District and as of June 30, 2016 net assets of the District were \$60.7 	

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<p>Policy Memo and Revised Policy</p>	<p>million</p> <ul style="list-style-type: none"> • \$30.0 Million has already been invested in various investments • Revised policy allows the Board by Resolution to set aside funds for the planned capital projects that will protect long-term preservation of BCHD principle that grows the health district enterprise to support our mission • This will continue to preserve our principal by investing in assets that generate revenue to be used for ongoing preventative health services • Showing “committed” funds allows BCHD to communicate to stakeholders and the public its planned Capital Investments • The policy currently states that we leave about 6 months balance • Right now BCHD shows a 227% of funds that are uncommitted, which doesn’t really articulate the reinvestment philosophy on the enterprise • Staff recommends that BCHD hold 50% of the following budget years expenditures available and commits the remaining funds to future capital investments <p>Ms. Poster stated that she wanted to bring this to the Board on what is the appropriate level of unrestricted fund balance. Should it go down to 50% or 75% of operating budget? The policy committee didn’t have a recommendation and the Finance committee recommended 6 months. She continued that she wanted the full Board to have this conversation to come to an agreement.</p> <p>A discussion ensued.</p> <p>Ms. Diehl is fine with six months. Dr. Chun asked staff if they felt in a short period of time if they will need more than \$6 million, to which Mr. Bakaly replied that Ms. Suua ran the cash flow and we would be good with 6 months.</p> <p>Ms. Poster recommended approval of Policy No. 6130: Principal Preservation as presented in which the unrestricted reserve equal a</p>	<p>It was Moved and Seconded (Poster/Chun) to approve policy No. 6130: Principal Preservation as presented</p>

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	<p>minimum of six months</p>	<p>in which the unrestricted reserve equal a minimum of six months. Ms. Diehl, Dr. Bholat, Ms. Poster and Dr. Chun voted yes. Motion Carried Unanimously</p>
<p>C. Policy Committee</p> <p>1. Receive & File: Minutes of the May 15th, 2017 Policy Committee Meeting and Policy Manual Table of Contents</p>	<p>Dr. Chun reported that the properties committee met on Monday, May 15th, 2017. The following items were on the agenda:</p> <ul style="list-style-type: none"> • Discussion on Policy 2060: Filling a Vacancy on the Board • Discussion on revised Policy No. 6130: Principal Preservation <p>Dr. Chun received and recommended to file the minutes if the May 15th, 2017, Policy Committee Meeting</p>	<p>The Board received and Dr. Chun noted to file the Minutes of the May 15th, 2017, Policy Committee Meeting</p>
<p>D. Properties Committee</p>	<p>Ms. Diehl reported that the Properties Committee has not met. We are soliciting meeting dates for the next quarter</p>	
<p>E. Ad-Hoc Properties Committee</p>	<p>Ms. Diehl reported that the Ad Hoc Properties Committee has not met. We meet on an as needed basis.</p>	
<p>F. Strategic Planning Committee</p>	<p>Ms. Poster reported that the Strategic Planning Committee did not meet. We are soliciting meeting dates for the next quarter</p>	
<p>VIII. Old Business</p> <p>1. Discussion and Potential Action Item: Filling a Board Vacancy</p> <p>a. Determine whether to fill board</p>	<p>Dr. Bholat opened the floor to discussion on the Board Vacancy and on how to approach filling said vacancy</p>	

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<p data-bbox="297 142 492 237">vacancy by appointment or by election</p> <p data-bbox="250 1377 483 1539">b. Determine process for appointment of new board member</p> <p data-bbox="250 1581 488 1875">c. Approve Resolution No. 541 requesting the Board of Supervisors of the County of Los Angeles to</p>	<p data-bbox="524 174 1122 336">Dr. Chun stated that in the last meeting he felt strongly on choosing election, but since that time with the discussion in the Policy committee, is comfortable for someone to be appointed until the next election in 2018.</p> <p data-bbox="524 373 1138 504">Ms. Poster stated that we received word from the county that an election would cost over \$300,000 and wouldn't be willing to do a mail in voting.</p> <p data-bbox="524 541 1052 672">Ms. Diehl stated that we would ask for applications from the community within a timeline to appoint someone to fulfill the vacancy until the 2018 election.</p> <p data-bbox="524 709 1138 909">Dr. Bholat stated that she was also in the belief on going with an election as the concern was people having a voice and after thinking it through is comfortable with the Policy Committee's approach on fulfilling the vacancy by appointment until the next election.</p> <p data-bbox="524 947 1133 1041">Ms. Poster recommended to fill the Board Vacancy by appointment until the next election in 2018 fulfilling the process suggested by staff</p>	<p data-bbox="1169 947 1515 1339">It was Moved and Seconded (Poster/Chun) to approve to fill the Board Vacancy by appointment until the next election in 2018 fulfilling the process suggested by staff Ms. Diehl, Dr. Bholat, Ms. Poster and Dr. Chun voted yes. Motion Carried Unanimously</p>

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<p>permit the registrar-recorder/courty clerk to render election services for an election of Beach Cities Health District to be held on November 7th, 2017. Limit Candidate statements to two hundred (200) words; require each candidate to pay the costs of the candidate's statements in advance</p> <p>d. Approve resolution authorizing an election by all-mail ballot pursuant to government code section 4108 to be held at least 130 days from the date the board calls the election</p> <p>e. Determine date of Special Board Meeting</p>	<p>Ms. Poster recommended approval to have a Special Board Meeting on Tuesday, June 13th, 2017 at 5pm inviting the public to submit applications and present to the Board to fulfill the vacancy.</p>	<p>It was Moved and Seconded (Poster/Chun) to approve to have a Special Board Meeting on Tuesday, June 13th, 2017 at 5pm inviting the public to submit applications and present to the Board to fulfill the vacancy. Ms. Diehl, Dr. Bholat, Ms. Poster and Dr. Chun voted</p>

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		yes. Motion Carried Unanimously
IX. New Business	There was no New Business	
X. Board Member Reports	<p>Ms. Poster reported that she attended:</p> <ul style="list-style-type: none"> • Volunteer Brunch • Market Hermosa Beach Event • 514 N Prospect Campus Tour • Policy Committee Meeting • Finance Committee Meeting • Budget Review <p>Dr. Bholat reported that she attended:</p> <ul style="list-style-type: none"> • Volunteer Brunch • Market Hermosa Beach Event • American Heart Association Event <p>Dr. Chun reported that he attended:</p> <ul style="list-style-type: none"> • Budget Review Meeting • Policy Committee Meeting • Finance Committee Meeting • 514 N Prospect Campus tour <p>Ms. Diehl reported that she attended:</p> <ul style="list-style-type: none"> • Volunteer Brunch • ACHD Webinar 	
XI. Announcements/ Questions and Referrals to Staff	There were no announcements/questions and referrals to staff.	
XII. Adjournment	Dr. Bholat moved to adjourn the meeting.	There being no further business, Dr. Bholat Moved to adjourn the meeting. Meeting adjourned at 8:17 p.m.

The next Regular Meeting of the Beach Cities Health District Board of Directors is scheduled for Wednesday, June 28th, 2017 at 6:30 p.m. in the

Beach Cities Room of the Beach Cities Health District, located at
514 N. Prospect Avenue, Redondo Beach, California