

**REGULAR MEETING
BOARD OF DIRECTORS
BEACH CITIES HEALTH DISTRICT
May 25th, 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 6:32 p.m.

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

Members Absent:

Legal Counsel Present: David Hatch, Hooper, Lundy & Bookman
Staff Present: Susan Burden, CEO

AGENDA ITEM	DISCUSSION	ACTION OR FOLLOW-UP
I. Call to Order-Salute to the Flag	Ms. Jane Diehl opened the meeting and asked Steve Aspel, Mayor of Redondo Beach, to lead the salute to the flag.	
II. Public Discussion	<p>Ms. Diehl asked if any member of the public would like to address the Board on any issue not on the agenda. No one from the public stepped forward.</p> <p>Ms. Diehl asked Mr. Steve Aspel, Mayor of Redondo Beach and Kevin Byrum, Field Representative of Assemblyman David Hadley, up to the podium.</p> <p>Mr. Aspel addressed the Board to present Beach Cities Health District with a Proclamation for Healthcare District Month.</p> <p>Mr. Byrum addressed the Board to present BCHD with a Certificate of Recognition in honor of Healthcare District Month.</p> <p>Ms. Cristan Higa, Director of Communications addressed the board on behalf of Senator Ben Allen to present a Certificate of Recognition to BCHD recognizing the work done in community health and well-being. Ms. Higa also presented a Proclamation to BCHD on behalf of the City of Hermosa Beach for Healthcare District Month.</p>	

AGENDA ITEM	DISCUSSION	ACTION OR FOLLOW-UP
V.A. Community Health Committee	Ms. Diehl announced that this item will be addressed later in the meeting.	
<p data-bbox="142 245 500 634">V.B. Finance Committee Treasurer's Report</p> <p data-bbox="142 644 500 739">1. Presentation: Fiscal Year 2016-2017 Budget</p> <p data-bbox="142 1715 500 1883">2. Discussion and Potential Action Item: Review and Approval Of District</p>	<p data-bbox="508 245 1154 550">Dr. Chun reported that the Finance Committee met on Monday, May 23rd, 2016. The proposed 2016-2017 budget and the last audit were reviewed. The Finance Committee recommended that both items be approved by the Board. BCHD's investment advisor, PFM Asset Management LLC, gave an update presentation on the status of BCHD's investments.</p> <p data-bbox="508 571 1154 602">Dr. Bholat arrived during this item.</p> <p data-bbox="508 644 1154 739">Dr. Chun invited Ms. Monica Suua, Director of Finance, to present the Fiscal Year 2016-2017 Budget.</p> <p data-bbox="508 770 1154 802">Ms. Suua Highlighted the following:</p> <ul data-bbox="565 812 1154 1652" style="list-style-type: none"> • Overview on Revenue Funding including no major changes in Leases, property Tax, Interests and Partnerships. For User Fees we have a 15% Increase due to Toddler Town. • Net Operating income for FY16-17 includes Revenue Funding at \$12.2 Million and operating Expenditures at \$11.7, thus Operating Income is at \$500,000. • We receive \$1.7 Million from our Real Estate Portfolio. • In Fiscal Year 2015-2016 we had \$1.344 Million in projects that included substantial repairs to the 514 N. Prospect, Redondo Beach building including improvements on the chiller and the elevator. • In Fiscal Year 2016-2017 we have \$1.288 million projected for capital projects including AdventurePlex, IT System Automation and more Building Improvements in 514 N Prospect, Redondo Beach and 1200 Del Amo St., Redondo Beach. <p data-bbox="508 1726 1154 1789">Ms. Diehl recommended approval of District budget for year ending June 30th, 2017.</p>	<p data-bbox="1162 1715 1537 1883">It was Moved and Seconded (Bloss/Chun) to approve District Budget for Year Ending June 30th, 2017.</p>

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<p>Budget For Year Ending June 30th, 2017</p>		<p>Dr. Bholat, Ms. Bloss, Ms. Diehl, Dr. Chun and Ms. Poster voted yes. Motion Carried</p>
<p>3. <u>Action Item:</u> Approve Resolution No. 535 of the Beach Cities Health District Adopting the Final Operating and Capital Budget for Year Ending June 30th, 2017</p>	<p>Ms. Poster recommended approval of Resolution No. 535 of the Beach Cities Health District adopting the final Operating and Capital Budget for year ending June 30th, 2017</p>	<p>It was Moved and Seconded (Poster/Bloss) to approve Resolution No. 535 of the Beach Cities Health District Adopting the Final Operating and Capital Budget for Year Ending June 30th, 2017. Dr. Bholat, Ms. Bloss, Ms. Diehl, Dr. Chun and Ms. Poster voted yes. Motion Carried</p>
<p>4. <u>Discussion and Potential Action Item:</u> Review and Approval of the Independent Audit, Financial Statements for Fiscal Year Ended June 30th, 2015</p>	<p>Dr. Chun recommended a discussion on potential action item to review and approve the Independent Audit, Financial Statements for Fiscal Year Ended June 30th, 2015.</p> <p>Dr. Chun asked Ms. Suaa to do a brief run-through of the Audit.</p> <p>Ms. Suaa Highlighted the following:</p> <ul style="list-style-type: none"> • The audit was performed by Davis Farr, LLP and they issued a “non-qualified opinion” or a “clean audit.” • Identified four items estimated as the most sensitive for the District that included Valuation of the Limited Partnership, Estimates of Capital Asset’s useful life and Estimates of Net Pension Liability. • Identified the following corrections: four adjustments to be corrected by management, analysis of Unearned Revenue in the Point of Sale (POS) System, Prior Year Outstanding Checks and Credit Card transactions • No difficulties or disagreements existed during the audit with Management. 	
	<p>Dr. Chun recommended the approval of the</p>	<p>It was Moved and</p>

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<p>5. Action Item: Approve Checks No. 65686 through No. 65898 totaling \$371,819.06 for Accounts Payable for the Month of April 2016.</p>	<p>Independent Audit, Financial Statements for Fiscal Year Ended June 30th, 2015.</p> <p>Dr. Chun recommended approval of Checks No. 65686 through No. 65898 totaling \$371,819.06 for Accounts Payable for the Month of April 2016.</p>	<p>Seconded (Chun/Bloss) to approve the Independent Audit, Financial Statements for Fiscal Year Ended June 30th, 2015. Dr. Bholat, Ms. Bloss, Ms. Diehl, Dr. Chun and Ms. Poster voted yes. Motion Carried</p> <p>It was Moved and Seconded (Chun/Poster) to approve Checks No. 65686 through No. 65898 totaling \$371,819.06 for Accounts Payable for the Month of April 2016. Dr. Bholat, Ms. Bloss, Ms. Diehl, Dr. Chun and Ms. Poster voted yes. Motion Carried</p>
<p>V.A. Community Health Committee</p>	<p>This item was taken out of order.</p> <p>Dr. Bholat reported that the Community Health Committee did not meet. We are soliciting from the committee chairs dates for the next meeting in June. At this meeting the committee will be reviewing the Community Health Snapshot and the proposed health priorities for the next three years.</p>	
<p>V.C. Policy Committee</p>	<p>Ms. Poster reported that the Policy Committee did not meet.</p>	
<p>V.D. Properties Committee</p>	<p>Ms. Diehl reported that the Properties committee met on Thursday, May 19th, 2016. The potential capital expenditures related to the 514 N. Prospect building in Redondo Beach and the continued development of a potential Therapeutic Senior Living Community were discussed. The Properties Committee, after a detailed review, voted to recommend the Capital Budget for 514 N. Prospect Ave, Redondo Beach and the capital expenses related to building a new Therapeutic Senior Living Community be approved by the Board of Directors.</p>	

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V.E. Ad-Hoc Properties Committee	Ms. Diehl reported that the Ad Hoc Properties committee met on Wednesday, May 19 th , 2016. We met related to the potential Therapeutic Senior Living Community and looked at several architects to discuss pricing.	
V.F. Strategic Planning Committee	Ms. Bloss reported that the Strategic Planning Committee did not meet. The Strategic Planning Half-Day was held on Friday, May 13 th , 2016 from 8:30am – 12:30pm at the Redondo Beach Historic Library. Meeting participants included board members, committee members and staff. We have for the Board this evening the documentation notes from the meeting and the evaluation results. The next Strategic Planning Committee Meeting will take place on Wednesday, June 15 th , 2016 at 6:00pm at 1200 Del Amo St.	
VI. Old Business	There was no Old Business	
VII. New Business A. Discussion: Design/Build Legislative Update	<p>Ms. Burden reported that Ms. Jacqueline Sun, Community Policy Analyst, and she went to Sacramento to meet with legislators.</p> <p>Ms. Burden highlighting the following:</p> <ul style="list-style-type: none"> • Made 15 legislative visits in Sacramento over two days to present what BCHD does. • Design/Build was on course when it went to the Senate but was altered in the Governance and Finance Committee. • Presented the case for Community Health Districts to committee members and ACHD representatives. • Ms. Sun will continue to track it and assess the legislation and a few more trips to Sacramento are possible. <p>Ms. Burden asked for direction from the Board of Directors on advocating for all Healthcare Districts or for BCHD. The board members were in favor in advocating for BCHD.</p> <p>Ms. Bloss asked for an update on the Smoking Policy. Ms. Burden let the board know that this will be brought to the Board in the June or July</p>	<p>Put Special Districts Association on the agenda for a future meeting if we think the Special Districts Association can help BCHD.</p>

AGENDA ITEM	DISCUSSION	ACTION OR FOLLOW-UP
	Meeting.	
VIII. Board Member Reports	<p>Dr. Chun reported that he attended:</p> <ul style="list-style-type: none"> • Volunteer Brunch • ACHD Annual Meeting • Budget Review • Strategic Planning Half-Day • Finance Committee • Ad Hoc Properties Committee • Meeting with Teri Black <p>Ms. Bloss reported that she attended:</p> <ul style="list-style-type: none"> • Strategic Planning Prep Meeting • ACHD Annual Meeting • Spirit of Wellness • Strategic Planning Half-Day • Special Board Meeting • Budget Review • Properties Committee • Volunteer Brunch • Ted Lieu Breakfast • Wine @ 5 • Errand Volunteer meeting • Meeting with Teri Black <p>Ms. Poster reported that she attended:</p> <ul style="list-style-type: none"> • Spirit of Wellness • Local TedX event • Volunteer Brunch • ACHD Annual Meeting • Earth Day Event • Special Board Meeting • Budget Review • Meeting with Teri Black <p>Dr. Bholat reported that she attended:</p> <ul style="list-style-type: none"> • ACHD Annual Meeting • Special Board Meeting • Budget Review • Strategic Planning Half-Day • Meeting with Teri Black <p>Ms. Diehl reported that she attended:</p> <ul style="list-style-type: none"> • Blue Zones Certification • Strategic Planning Half-Day • Volunteer Brunch • ACHD Annual Meeting • Special Board Meeting • Budget Review • Properties Committee 	

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	<ul style="list-style-type: none"> • Finance Committee • Ad Hoc Properties Committee • Meeting with Teri Black 	
IX. Announcements/ Questions and Referrals to Staff	There were no announcements/questions and referrals to staff.	
X. Closed Session Government Code, Section 54957 Personnel Matters Public Employee Performance Evaluation Title: Chief Executive Officer	<p>At 7:31 p.m. the meeting went into closed session.</p> <p>Government Code, Section 54957 Personnel Matters Public Employee Performance Evaluation Title: Chief Executive Officer</p>	
XI. Open Session: Approve Compensation and Benefits for Chief Executive Officer	<p>Open Session resumed at 9:05 p.m.</p> <p>The Board of Directors discussed the compensation for the Chief Executive Officer in accordance with the criteria set forth in the Beach Cities Health District's Policy 2190, Annual Performance of the Chief Executive Officer. The Board of Directors' evaluation of the Chief Executive Officer included a written evaluation from members of the Board of Directors.</p> <p>Based on the Board of Directors' evaluation of Ms. Burden's professional performance and management skills, Ms. Burden achieved a score of 5.0 out of 5.0. Ms. Burden's performance qualified her to receive a 4.0% merit increase in her base salary that is in line with the annual merit budget approved by the Board of Directors.</p> <p>After review and discussion, Dr. Chun made a motion to approve a merit increase of 4.0% in the base salary of the Chief Executive Officer.</p>	<p>After review, it was Moved and Seconded (Chun/Diehl) to approve a merit increase of 4.0% in the base salary of the Chief Executive Officer. Dr. Bholat, Ms. Bloss, Ms. Diehl, Dr. Chun and Ms. Poster voted yes. Motion Carried</p>
X. Adjournment	Ms. Diehl moved to adjourn the meeting.	There being no further business, Ms. Diehl

AGENDA ITEM	DISCUSSION	ACTION OR FOLLOW-UP
		Moved to adjourn the meeting. Meeting adjourned at 9:35 p.m.

The next Regular Meeting of the Beach Cities Health District Board of Directors is scheduled for Wednesday, June 22nd, 2016 at 6:30 p.m. in the Beach Cities Room of the Beach Cities Health Center, located at 514 N. Prospect Avenue, Redondo Beach, California