



Hi-Desert Memorial Health Care District dba
Morongo Basin Healthcare District
BOARD OF DIRECTORS REGULAR MEETING MINUTES
March 3, 2022 at 6:00 p.m.

Convened on site restricted to board members and staff; public invited to attend via GoToMeeting, an electronic, remote-site platform temporarily permitted as per the Executive Order issued by California's Governor in response to the COVID-19 pandemic.

- **Mission Statement:** *To improve the health and wellness of the communities we serve.*
- **Vision:** *A healthy Morongo Basin.*
- **Core Values:** *Commitment, Collaboration, Accountability, Dignity, Integrity.*

Board of Directors:

- Director Brown (*remote*)
- Director Evans
- Director Markle-Greenhouse
- Director Savitt
- Director Sirihekaphong

Guests:

- Robert McCarthy, RBC Wealth Management (*remote*)
- Karen Faulis, CEO, HDMC (*remote*)

Administrative Staff:

- Karen Graley, Board Clerk (*remote*)
- Ana Nunez, Administrative Assistant
- Cindy Schmall, CEO
- Deborah Anderson, CFO
- Angela Wilhite, Director HR

- Janeen Duff, Grants Administrator (*remote*)
- Kathy Alkire, Sr. Manager Quality (*remote*)

CALL TO ORDER

Director Evans called the meeting to order at 6:00 p.m. The meeting was convened on the La Contenta campus and by electronic platform using Go-To-Meeting.

ROLL CALL

Karen Graley, Board Clerk, conducted roll call and declared a quorum.

OBSERVANCES

Director Savitt read the mission, vision, and core value statements.
Director Greenhouse led the assembly in the pledge to the American flag.

PUBLIC COMMENT

No public comments were initially presented.

APPROVAL OF MEETING AGENDA

Motion 22-18: Director Savitt motioned to approve the meeting agenda as presented; motion was seconded by Director Sirihekaphong; the motion passed by unanimous vote.

APPROVAL OF THE CONSENT AGENDA

Motion 22-19: Director Sirihekaphong motioned to approve the Consent Agenda as presented; motion seconded by Director Brown; motion passed by unanimous vote.

- Minutes: Regular Meeting of the Board of Directors, March 3, 2022
- Re-ratify Governor Newsom's proclamation of state of emergency and authorize remote teleconference meetings of the legislative bodies of MBHDistrict.



DESERT CARE NETWORK UPDATE – *Karen Faulis, CEO, Hi-Desert Medical Center*

Ms. Faulis thanked the board for the opportunity to provide an update about Hi-Desert Medical Center (HDMC), the Continuing Care Center (CCC) and Desert Care Network.

COVID-19 Update:

- HDMC acute hospital has zero positive COVID-19 patients and zero PUIs.
- CCC has zero COVID-19 positive resident (as of this am).
- DRMC currently has 21 positive COVID-19 patients and zero PUIs (0 in ICU; 11 vax; last month was 71 COVID; hit high of 102).
- JFK currently has 2 positive COVID-19 patients and 2 PUI patients in-house (0 in ICU; 0 Vax; Last month was 13 COVID).
- Personal Protective Equipment remains in adequate supply at all facilities.
- Boosters were required by the state for healthcare workers on 3/1/22. Some staff will not be scheduled to work until they receive their booster.

Capital Project Update

- Ms. Faulis stated that she plans to present the broader update of the capital projects at the April Board of Directors meeting.
- The Cerner EMR Long Term Care (LTC) Module for CCC work continues with an anticipated go-live March 28. Training begins next week.
- Hospital roof project is anticipated to start within the next few months, they are waiting for reopening of project from OSHPD.
- Floor replacement project at the hospital is completed.
- The telephone system is in process.
- Approved to move forward with an emergency generator purchase and installation for the acute hospital to supplement the existing generator and allow more areas to be accessible to emergency power in the event of a power loss.

Trauma Update

- Hospital is collaborating with San Bernardino County and DRMC Trauma Coordinator to be the first hospital in the county to receive Trauma Level 4 designation. A DCN Trauma summit was held in February to share information and support Hi-D's efforts. *Application submission planned for Q2/Q3.*

PRESENTATION

RBC WEALTH MANAGEMENT REPORT – *Robert McCarthy, RBC*

Mr. McCarthy has been the account manager for the healthcare District since 1995. He last reported to the board in 2019 before COVID-19 pandemic interrupted the reporting schedule. He is located in North Carolina and represents 37 clients, managing \$1.6 billion dollars. The Royal Bank of Canada (RBC) is the ninth largest bank in the world.

World attention is focused on the Ukraine conflict and the potential impact to the financial market. However, as of this morning, internal analysts, and economists project that the market should pass through the crisis okay with the bigger risk being inflation and another COVID shut down.

The District's portfolio is focused in fixed income. Factors such as the Ukraine conflict, an election year that is difficult to predict; and inflation (raising rates too late or too fast leads to



recession) impact the market. It is expected that the feds will raise interest rates. Some of the portfolio cash is sitting in money market accounts, about 1.7 million.

Market bonds are not getting the expected return. 35% is maturing in the next twelve months and a fair amount in 2 year and 4 years. 60% of portfolio is coming due. RBC will be reinvesting at high interest rates.

Directors engaged in Q&A:

- Director Brown asked about the projected fluctuation in rates; Mr. McCarthy stated they are expecting a quarter point in April and maybe again in May. Analysts project the Ukraine conflict will take three months to resolve. However, it is difficult to quantify; it may back-track 10-20 percent.
- Director Evans stated that some of the presented information was complex and difficult to follow. She noted that when the District began with RBC they invested only \$5 million, eventually accounts were consolidated resulting in a larger profile. She asked if there is to the District because RBC is based in another country. Mr. McCarthy stated his division is an American company and monies are subject to US parameters.

There was discussion about a future meeting for a deep dive with the board; nothing was scheduled.

ACTION ITEMS

LAFCO BALLOTS FOR VACANT SEATS

Cindy Schmall gave an overview of the LAFCO agency. It regulates the function of special districts and local governments; has the ability to evaluate the effectiveness of the entities and intervene if necessary; is responsible for the area's futures growth based on the assigned service area of the districts and local governments. Every five years it evaluates land use. San Bernardino County LAFCO has seven voting members and four alternate members. Dawn Rowe, who is active in our community, is an alternate member.

Board clerk Karen Graley referred the board to the agenda packet. There are two ballots being presented by LAFCO: one to seat a regular board member and a second to seat alternate representation on the LAFCO board. The ballot allows one vote for each of these positions.

Information about each of the candidates was included in the agenda packet. Candidates are members of special districts within San Bernardino County.

There was discussion.

Director Brown requested to defer the action item to the April 7 meeting. The action item was deferred by consensus.

POLICIES AND PROCEDURES

Cindy Schmall introduced the action item and explained how these policies were edited to comply with issues identified during the HRSA survey.

The policy was presented last month; these additional changes were made to incorporate HRSA language from their compliance manual, a literal cut and paste. They needed the policy to define "agent" and "immediate family member."

- **Motion 22-21** Director Greenhouse motioned to approve policy LD-244 Conflict of Interest as presented; motion seconded by Director Savitt; the motion passed by unanimous vote.



At February's meeting a substantial list of financial policies were presented and approved. Again, these three policies are being edited to accommodate HRSA language. Debbie Anderson reviewed the changes to each policy.

- **Motion 22-22** Director Savitt motioned to approve policy LFN-AR-103 Collection of Account Balances as presented; motion seconded by Director Brown; the motion passed by unanimous vote.
- **Motion 22-23** Director Sirihekaphong motioned to approve policy FN-AR-104 Patient, Grants and Other Billing as presented; motion seconded by Director Savitt; the motion passed by unanimous vote.
- **Motion 22-24** Director Savitt motioned to approve policy FN-AR-105 Federal Cash Drawdown with a minor change; motion seconded by Director Brown; the motion passed by unanimous vote.

APPROVE STAFF RECOMMENDATION REGARDING CHANGES TO EMPLOYEE PAID TIME OFF PROGRAM

Cindy Schmall introduced the action item and explained that the consideration was first presented at the October 2021 meeting. At that time, executive staff requested the action be deferred until staff could do appropriate research. Currently the District is closed for six holidays; employees must use paid time off to cover compensation. She explained staff research. It costs the District approximately \$70,000 for each day it's closed (paying out PTO and loss of revenue).

Recommendation is to keep the PTO accrual as is, not changing to a list of specific holidays. The staff proposes to add two additional holidays: Veterans Day and President's Day. The current program allows flexibility to the employee on when to use the PTO benefits. Also, edit the policy to limit the accrual bank to 240 days.

- **Motion 22-25** Director Greenhouse motioned to approve staff's recommendation to edit policy HR-218 as recommended; motion seconded by Director Savitt; motion passed by unanimous vote.

DISCUSSION

Cindy Schmall provided an overview of the ACHD training program. Discussion followed as to how the board members would engage in the training, as a single one-day presentation or divided into six sessions at board meetings.

It was decided by consensus that the board members would receive the ACHD training as one orientation workshop. Karen Graley to calendar the training in April.

REPORTS

FINANCIAL REPORTS – Debbie Anderson, CFO

Debbie Anderson presented her financial report regarding the priority projects and imposed timeframes. As a result, the financial statement for January 2022 will be delayed to the April meeting.

- **Motion 21-26:** Director Sirihekaphong motioned to accept the Debbie Anderson's report, second by Director Greenhouse; motion passed by unanimous vote.

DISTRICT UPDATE – Cindy Schmall, CEO

Ms. Schmall highlighted from her written report:



- Food insecurity: so much community support available through food agencies that patients are not taking our food bags.
- We are collaborating with Reach Out Morongo Basin for Cal Trans grant
- She stated that administrative staff has refined the review and application for grant funding.
- She reviewed the outcome of the HRSA survey: out of 92 criteria 13 were identified for correction or adjustment. Most of it was about the CHC board and proof that they exercise their authority.
- The dentist at the 29 Palms location has resigned. Cindy Schmall will be working with the CHC board for dental services.

Director Evans asked about the meeting with MUSD about vaping education. There was discussion about opportunities and collaboration.

Angela Wilhite reported that all employees are up to date on vaccinations.

CALENDAR REVIEW AND COORDINATION

The calendars for the Board of Directors were reviewed and coordinated.

DIRECTOR COMMENTS

DIRECTOR SAVITT: She noted staff is making lots of progress and is glad for the leadership of the team; she thanked Debbie Anderson for all her work.

DIRECTOR BROWN: He thanked staff for their ongoing work.

DIRECTOR SIRIHEKAPHONG: She thanked staff who put tonight's meeting information together; she too, is glad to hear how well the team is working.

DIRECTOR GREENHOUSE: "Lots of thank yous to Karen Faulis, Robert McCarthy for their reports tonight, and to Debbie Anderson; Ana Nunez, Karen Graley, Janeen Duff, Kathy Alkire, Joe Ruddon and Cindy Schmall who make a fabulous team."

DIRECTOR EVANS: "Thank you, especially during survey week. It's great there were no major discrepancies to be corrected. Thank you to our CHC board members as well."

ADJOURN MEETING

The board adjourned their meeting at 8:32 p.m.

Board meeting minutes recorded by K. Graley, Board Clerk.


Misty Evans
President


Greg Brown
Secretary