

Hi-Desert Memorial Health Care District dba  
**Morongo Basin Healthcare District**  
**BOARD OF DIRECTORS REGULAR MEETING MINUTES**  
**April 4, 2024 at 7:15 p.m.**

*Convened on the La Contenta campus; the public was invited to attend the meeting on campus or via Microsoft Teams, an electronic, remote-site platform.*

- **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, Equity.*

Board of Directors:

- Director Cooper
- Director Evans
- Director Markle-Greenhouse
- Director Savitt
- Director Stiemsma

Administrative Staff:

- Cindy Schmall, CEO
- Deborah Anderson, CFO
- Karen Graley, Board Clerk (*remote*)
- Kathy Alkire, Education Nurse
- Shauna Tucker, CHW (*remote*)
- Janeen Duff, Program Dev. Liaison (*remote*)

Guests:

- Shaun Johnson, CPA, Dingus|Zarecor & Assoc (*remote*)
- Nicola Keller, CHC Governing Board member
- Jennifer Rendon, CHC Governing Board member
- Jackie Todd, CHC Governing Board member

## CALL TO ORDER

Director Evans called the meeting to order at 7:15 p.m. The meeting was convened on the La Contenta campus and by electronic platform using Microsoft Teams platform.

## ROLL CALL

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

## OBSERVANCES

This meeting followed the special meeting of the Board of Directors and Community Health Center Governing Board for Brown Act Training. Observances were waived as they were presented in the special meeting.

## PUBLIC COMMENT

No public comments were presented.

## APPROVAL OF MEETING AGENDA

**Motion 24-20:** Director Stiemsma motioned to amend the meeting agenda and move Action Items before the presentations; the motion was seconded by Director Greenhouse and passed by unanimous vote.



## APPROVAL OF THE CONSENT AGENDA

**Motion 24-21:** Director Savitt motioned to approve the Consent Agenda as presented; motion was seconded by Director Stiemsma and passed by unanimous vote.

- Minutes: Regular Meeting of the Board of Directors, March 7, 2024.

## ACTION ITEMS

### AUDITED FINANCIAL REPORT

Mr. Shaun Johnson, CPA, Dingus | Zarecor & Associates, attended by remote platform to answer any questions the Directors may have after their detailed review of the FY2023 financial audit report.

Director Evans asked Mr. Johnson for clarification on the water treatment plant on the medical center campus. He explained that there is a loan against the treatment plant construction. Joshua Basin Water District operates the plant. Costs for the treatment plant operation are passed on to Tenant.

Director Savitt asked what Iron Mountain was; it is an archival facility, an offsite records storage. She also asked about the financial indicators current ratio and why it decreased from the previous year. Mr. Johnson explained that midway through fiscal year 2022 the Medi-Cal compensation model changed to the managed care capitation model. A \$2 million liability that year dropped the ratio in question.

Director Evans thanked Mr. Johnson for being available to answer questions. She also called out that there were no findings, a very clean audit, and congratulated staff for their outstanding efforts.

- **Motion 24-22:** Motion by Director Greenhouse to accept the financial audit report for fiscal year 2023; second by Director Savitt; motion passed by unanimous vote.

*NOTE: A copy of the FY2023 Audited Financial Report is posted on the District's website at [MorongoBasinHealth.org](http://MorongoBasinHealth.org).*

### CAPITAL EQUIPMENT PURCHASE

CEO Cindy Schmall introduced the action item: replacement of the air conditioning unit on the pediatric portion of the Yucca Valley clinic. Originally scheduled on the 2022 capital budget, the purchase was deferred for two years. The unit has now reached the end-of-useful-life and will not provide adequate function through the coming months of desert heat. It is not scheduled on the current capital budget. Cost of replacement is approximately \$10,725. Additionally, this year's capital budget includes replacement of the same building's roof. Staff recommend the replacement of the air conditioning unit prior to the roof project. Discussion followed the introduction.

- **Motion 24-23:** Director Greenhouse motioned to approve the purchase of a replacement air conditioning unit for the Yucca Valley campus at cost of \$10,725; second by Director Stiemsma; motion passed by unanimous vote.

## REPORTS

### FINANCIAL REPORT – Debbie Anderson, CFO

Ms. Anderson reported that the consolidated financials for the month of February show a loss of (119,209) and year to date of \$1,745,023. The non-clinic financials for the month of February



show income of \$23,864 and year to date income of \$2,401,108. The clinic financials for the month of February show a loss of \$(143,073) and year to date loss of \$(656,085).

Investment income was negative for the month, which again has affected the bottom line. Also, District expenses are now trending over budget due to unbudgeted personnel for community relations. Clinics still struggle with low patient volumes, and despite expenses being tightly monitored and controlled, without an increase in patient volume, the clinics continue to lose money.

CEO Cindy Schmall noted that the District is experiencing life-balance issues where providers are taking time off more frequently, impacting patient volumes. She also noted that the clinics are making great strides in the IEHP Pay For Fee program. She gave kudos to the clinical team for perfecting systems and increasing the program reimbursement rate from \$1.14/patient to over \$5.00/patient. The goal is to achieve \$10/patient. Also, staff has contracted with Kaiser and anticipate increased volumes from that new relationship.

- **Motion 24-24:** Director Stiemsma motioned to accept the financial reports as presented, second by Director Greenhouse; motion passed by unanimous vote.

#### **CALENDAR REVIEW AND COORDINATION**

- Yucca Valley Health Fair, April 27
- Special meeting of the Foundation board prior to the regular business meeting, May 2
- Regular business meeting, May 2

#### **DIRECTOR COMMENTS**

DIRECTOR GREENHOUSE: “Once again, thank you to staff.”

DIRECTOR SAVITT: “It was an informative meeting(s); especially the presentation on the Brown Act.”

DIRECTOR COOPER: She thanked Debbie Anderson for her financial report.

DIRECTOR STIEMSMA: “Thank you Debbie for the concise financial report.”

DIRECTOR EVANS: “Thank you to CHC board members for attending tonight’s special education meeting as well as Linda Evans from Desert Care Network, and District staff.”

#### **ADJOURN MEETING**

The meeting adjourned at 7:46 pm.

  
Heidi Stiemsma, Secretary of the Board

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