



MORONGO BASIN HEALTHCARE DISTRICT

AGENDA

HI-DESERT MEMORIAL HEALTH CARE DISTRICT dba MORONGO BASIN HEALTHCARE DISTRICT
BOARD OF DIRECTORS REGULAR BUSINESS MEETING

December 5, 2024 at 6:15 p.m.

District Offices | 760.820.9229 | 6530 La Contenta Road, Suite 400, Yucca Valley, CA 92284

INSTRUCTIONS FOR JOINING THIS MEETING REMOTELY

This public meeting may be accessed through the Microsoft Teams platform. Join the meeting by (1) visiting the District website at MBHDistrict.org and (2) selecting at the top of the page the purple tab “Board Meeting Agendas” (3) Click on the URL link presented under the agenda buttons and (4) enter the meeting using the ID and Passcode listed below. Access to the meeting will require the download of the Microsoft Teams application on the device being used if not already done so.

Meeting ID: 222 209 726 500 Passcode: 5Cdq34

CALL TO ORDER

ROLL CALL

OBSERVANCES

Observances were conducted in the Public Hearing immediately preceding this regular meeting of the Board of Directors.

PUBLIC COMMENTS

The public comment portion of this agenda provides an opportunity for the public to address the Board of Directors on items not listed on the agenda that *are of interest to the public at large* and are within the subject matter jurisdiction of this Board. The Board of Directors is prohibited by law from taking action on matters discussed that are not on the agenda, and no adverse conclusions should be drawn if the Board does not respond to public comments at this time. Comments that concern individual incidences of patient care are welcome; however, we encourage doing so only after other administrative avenues for redress have been fully exhausted. In all such instances we will be unable to respond to Comments are to be limited to three minutes per speaker respond publicly because of California Brown Act and/or due to patient confidentiality obligations. In all cases, your concerns will be referred to the Chief Executive Officer for review and a timely response. and shall not exceed a total of 20 minutes. All comments are to be directed to the Board of Directors and shall not consist of any personal attacks. Members of the public are expected to maintain a professional, courteous decorum during their comments. Public input may be offered on an agenda item when the item comes up for discussion and/or action. Members of the public who wish to speak should notify the meeting chairperson through the application’s “Chat” option. shall proceed to the podium when called by the President of the Board. Please state your name and community of residence for the record.

APPROVAL OF MEETING AGENDA

- **Motion 24-73** to approve the meeting agenda as presented.

APPROVAL OF CONSENT AGENDA-----Tab 1

Minutes of the regular business meeting of the Board of Directors, November 7, 2024
Minutes of the special business meeting of the Board of Directors, November 13, 2024

- **Motion 24-74** to approve the consent agenda as presented.

ACTION ITEMS

RESOLUTION: INCREASE MEETING STIPENDS – *Cindy Schmall, CEO* -----Tab 2

Pursuant to California Health and Safety Code Section 32103, the Board of Directors of Hi-Desert Memorial Health Care District (doing business as Morongo Basin Healthcare District) convened a Public Hearing on December 5 to receive public comment and to consider adoption of a resolution

(Resolution #24-03) increasing Board member compensation from \$105 per meeting/day to \$110 per meeting/day for attendance at a meeting of the Board. The increased stipend becomes effective 60 days following adoption of the resolution.

- **Motion 24-75** to adopt Resolution #24-03 to increase the Board of Directors' meeting stipend amount from \$105 to \$110 for each meeting day.

APPROVE CEO PERFORMANCE EVALUATION – *Cindy Schmall, CEO*

- **Motion 24-76** to approve the CEO Performance Evaluation as recommended by the joint boards' committee in the November 13, 2024 closed session.

POLICY FN-AP-104 LEVELS OF AUTHORIZATION – *Debbie Anderson, CFO* ----- Tab 3

- **Motion 24-77** to approve the changes made to policy FN-AP-104.

BYLAWS REVIEW – *Cindy Schmall, CEO*----- Tab 4

- **Motion 24-78** to ratify the changes made to the District's bylaws.

DISCUSSION ----- Tab 5

Amended law 2302 Section 54953 of the Government Code: remote attendance by a member of the legislative body.

REPORTS

COMMUNITY OUTREACH UPDATE – *Tricia Gehrlein, Chief Patient Experience Officer* ----- Tab 6

HUMAN RESOURCES REPORT – *Cindy Schmall, CEO*----- Tab 7

FINANCIAL REPORT – *Debbie Anderson, CFO*----- Tab 8

- **Motion 24-79** to accept financial report(s)

CEO REPORT – *Cindy Schmall, CEO* ----- Tab 9

CALENDAR REVIEW ----- Tab 10

- Move January 2 meeting date to January 9, 2025.

DIRECTOR COMMENTS

ADJOURN MEETING TO CLOSED SESSION

- Pursuant to Government Code 54956.9(b)(1) potential litigation, Corporate Compliance report.

ADJOURN MEETING

I CERTIFY THAT A COPY OF THIS AGENDA WAS POSTED PER SECTION 54954.2 OF THE CALIFORNIA GOVERNMENT CODE.



Karen Graley, Board Clerk

Posted: December 2, 2024

The Morongo Basin Healthcare District Board of Directors' meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or services are needed to participate in the public meeting, requests should be made through the Staff Aide at least three (3) business days prior to the meeting. The Board Clerk's telephone number is 760.820-9229 and the office is located at 6530 La Contenta Rd, #100, Yucca Valley, CA. California Relay Service is 711.

In conformity with Government Code Section 54957.5, any writing that is a public record, that relates to an item listed on this agenda, and that will be distributed to all or a majority of Morongo Basin Healthcare District Board of Directors less than twenty-four (24) hours prior to the meeting for which this agenda relates, will be available for public inspection at the time the writing is distributed. This inspection may be made during the meeting at the address/meeting room(s) listed above or an electronic copy may be requested in advance of the meeting via email message to kgraley@MBHDistrict.org.



MORONGO BASIN
HEALTHCARE DISTRICT
BOARD OF DIRECTORS

TAB 1

CONSENT AGENDA



Hi-Desert Memorial Health Care District dba
Morongo Basin Healthcare District
BOARD OF DIRECTORS REGULAR MEETING MINUTES
November 7, 2024 at 6:00 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 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 Stiemsma
- Jacquelin Todd

- Linda Evans, Chief Strategy Officer,
Desert Care Network

Administrative Staff:

- Cindy Schmall, CEO
- Debbie Anderson, CFO
- Karen Graley, Board Clerk (*remote*)
- Beverly Krushat, Executive Assistant
- Janeen Duff, Grants & Special Programs Manager

- Mark Greenhouse, CHC board member
- Bryan Goldfarb, CHC board member

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 Microsoft Teams platform.

ROLL CALL

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

OBSERVANCES

Director Greenhouse read the mission and vision statements. Director Todd led the assembly in the flag salute.

PUBLIC COMMENT

No public comments were presented.

APPROVAL OF MEETING AGENDA

Motion 24-68: Director Stiemsma motioned to approve the meeting agenda as presented; second by Director Todd and passed by unanimous vote.

APPROVAL OF THE CONSENT AGENDA

- **Motion 24-69:** Director Stiemsma motioned to approve the Consent Agenda as presented; second by Director Todd and passed by unanimous vote.
 - Minutes: Regular meeting of the Board of Directors, October 3, 2024
 - Minutes: Special meeting of the Board of Directors, October 21, 2024

PRESENTATIONS

DESERT CARE NETWORK UPDATE –

Linda Evans, Chief Strategy Officer for Desert Care Network provided the following information on behalf of CEO Karen Faulis, Hi-Desert Medical Center (HDMC):



Surveys:

- Trauma Level 4 - HDMC received its redesignation by San Bernardino County.
- HDMC also received the Get with the Guidelines Silver Stroke Award
- The Full Scope Audit/SOX Audit - Successful

People / Recruitment:

- New ED and OR leader—Rob Malone
- New CCC Administrator—Ronn Ellenich
- Searching for permanent CNO with Kathleen Moore transferring to Abrazo West, AZ. An interim CNO is in place.
- Searching for permanent Labor & Delivery Director. Interim in place

Local Event Participation:

- Paint the Desert Pink - Community awareness of importance of yearly mammograms. Two physicians spoke at the event and an artist led the participants through a painting class.
- Desert Survival Class- Added a second day due to community demand. Multiple speakers from DCN and the community provided information regarding first aid in the desert (i.e. heat exhaustion/stroke, snake bites).
- HDMC continues to hold blood drives with LifeStream as do the other Desert Care Network hospitals. The need for blood remains critical.
- Walks/Parades: Paint El Paseo Pink, DAP Health Equity Walk, Pride Parade, Heart Walk, Veterans Day Parade, Festival of Lights Parade

Trauma Update:

- Next week marks two years since HDMC obtained Level 4 Trauma designation.
- 11/16/2022 – 12/31/2022 - 15 patients - Majority were traffic collisions and geriatric falls – via EMS
- 2023 – 268 patients. The majority continue to be traffic collisions and geriatric falls
 - Adults (15-64) - 152
 - Pediatric (birth – 14 yo) - 18
 - Geriatric (65+) – 98
- YTD through 9/30/2024 - 176 patients (projected 235 through 2024)
 - Majority involved in traffic collisions and geriatric falls
 - Adults- 94
 - Peds- 9
 - Geriatric- 73

Capital Project Update:

- Acute Hospital
 - New centralized telemetry monitoring system project operational in September
 - Acute hospital emergency generator project in process. Anticipated completion Q4 2024
 - EV Charging Station project to begin construction December 2024
 - Bulk O2 Replacement almost complete

COVID-19 Update: No trends; very infrequent admissions.



Measure AA - Desert Regional Medical Center (DRMC) Lease/Purchase Proposal Update:

- Results to date: 71.72% YES, 28.28% NO
- Thanks to the MBHD board and staff for their support, engagement, and education to its district members regarding the impact of Measure AA for the Coachella Valley and Morongo Basin

REQUESTED REVIEW OF HDMC HOLDINGS, LLC LEASE AGREEMENT

CEO Cindy Schmall stated that, as requested by the Directors, the attorney's overview of the lease agreement has been emailed to the board for reference. Ms. Schmall asked the Directors to review the information and direct questions to her.

ACTION ITEMS

SPLIT ROCK CAPITAL EXPENSE

The panels that transfer the electricity from the SCE pole to the building is delayed in production. The requested monies will expedite the process to keep the project on track, otherwise the delay will be 52 weeks. This expense will be paid from the District's reserve account.

- **Motion 24-70:** Motion by Director Cooper to approve the capital expense of \$71,000 for the Split Rock project's electrical equipment, second by Director Greenhouse; motion passed by unanimous vote.

REPORTS

FINANCIAL REPORT – Debbie Anderson, CFO

Ms. Anderson reported on behalf of Ms. Anderson that the consolidated financials for the month of September show income of \$219,537 and year to date income of \$1,561,110. Non-clinic financials for September show income of \$327,632 and year to date income of \$1,907,931 (new fiscal year). Clinic financials for the month of September show a loss of \$(108,095) and year to date loss of \$(346,821).

Overall, clinics are doing better than budgeted, even though the clinics are showing a negative. Part of this is due to savings on salaries and benefits and staff turnover as some budgeted positions remain unfilled. There are variances in supplies and IT due to equipment being bought for the unbudgeted ARP equipment grant. Purchased services showed a variance due to an increase in legal fees.

Quality income was less than projected due to complexities of timing, bundled scores and other factors. Year to date patient visits were 9,094. Prior year to date visits for the same period were 8,546.

The HIV grant has been extended for another year. Staffing will be adjusted to account for grant requirements. There was discussion around the 340B program and the restrictions imposed by the pharmaceutical companies.

CEO Cindy Schmall stated IEHP announced that the Pay for Performance quality program will reduce its reimbursement rate because of organization financial difficulties. There was no specific information about how big the reduction in reimbursement will be. This reduction will impact the health center's operating budget. Additionally, there may be an impact in receiving QAF funding. It was noted that QAF monies were projected into the current CHC budget.

- **Motion 24-71:** Director Stiemsma motioned to accept the financial report as presented, second by Director Todd; motion passed by unanimous vote.



CEO REPORT – *Cindy Schmall, CEO*

CEO Cindy Schmall referred Directors to her written report under Tab 4 in the agenda packet.

Additionally, she highlighted:

- Human Resource update: In the last month there were five new hires and three terminations (one compulsory and two voluntary).
- HIV grant: \$478,000 dollars; primarily for advertising, community and provider education. The focus of the grant includes HIV, sexually transmitted diseases (STD), and related medications. She said she has spoken with Dr. Frascchetti, and he is onboard for an adolescent clinic for preemptive education for STD prevention.
- Employee holiday lunch is December 13, directors are invited.

CALENDAR REVIEW AND COORDINATION

- November 14 Special meeting: CEO Performance Evaluation Committee: changed to November 13.
- December 5: Public Hearing for community feedback on stipend increase for Directors.

DIRECTOR COMMENTS

DIRECTOR COOPER: Thanked Debbie Anderson for the financial report.

DIRECTOR GREENHOUSE: “It’s thrilling that Linda Evans was reelected as Mayor of La Quinta, and that Measure-AA passed.”

DIRECTOR TODD: No comments.

DIRECTOR STIEMSMA: Said she wishes the best for the health center with the coming changes in the reimbursement rates and with the projected changes that may come from the national election and appointments.

DIRECTOR EVANS: Speaking to staff, she said, “We show up for each other and our community no matter what the outcome is from the financial future. We are here as your board to support you in the delivery of healthcare to our community. We thank staff for all that you do.”

ADJOURN MEETING TO CLOSED SESSION

The Directors adjourned from open session at 6:44 p.m. They convened to closed session at 6:51 p.m. after a brief break, pursuant to Government Code Section 32106 involving trade secret. The purpose of the closed session was for the CEO to update the Board of Directors as instructed at the October 21, 2024, special meeting. Expected time of full disclosure remains January 2025.

ADJOURN TO OPEN SESSION

The Directors adjourned at 7:16 p.m. to open session. Director Evans reported that no action was taken.

ADJOURN MEETING

The meeting adjourned at 7:17 p.m.

Heidi Stiemsma, Secretary of the Board

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



Hi-Desert Memorial Health Care District dba
Morongo Basin Healthcare District
BOARD OF DIRECTORS SPECIAL MEETING MINUTES
November 13, 2024 at 6:15 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 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 Stiemsma
- Jacquelin Todd

CHC Governing Board:

- Nicola Keller
- Marc Greenhouse
- CEO Cindy Schmall

CALL TO ORDER

Director Evans called the meeting to order at 6:16 p.m. The meeting was convened on the La Contenta campus. No electronic platform was made available.

ROLL CALL

Beverly Krushat, CHC Board Clerk conducted roll call and declared a quorum.

OBSERVANCES

Director Stiemsma read the mission and vision statements. Director Evans led the assembly in the flag salute.

PUBLIC COMMENT

There was no public comment.

APPROVAL OF MEETING AGENDA

Motion 24-72: Director Greenhouse motioned to approve the meeting agenda as presented; second by Director Todd and passed by unanimous vote.

ADJOURN MEETING TO CLOSED SESSION

The meeting adjourned to Closed Session at 6:16 p.m. pursuant to Government Code Section 54957 for employee evaluation: CEO.

ADJOURN CLOSED SESSION

Closed Session adjourned to Open Session at 7:58 p.m.

ADJOURN MEETING

The meeting adjourned at 7:58 p.m. No actions were reported from closed session.

Heidi Stiemsma, Secretary of the Board

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



MORONGO BASIN
HEALTHCARE DISTRICT
BOARD OF DIRECTORS

TAB 2

ACTION ITEM

RESOLUTION 24-03 TO INCREASE
BOARD OF DIRECTOR STIPENDS



RESOLUTION NO. 24-03

OF HI-DESERT MEMORIAL HEALTH CARE DISTRICT dba MORONGO BASIN HEALTHCARE DISTRICT BOARD OF DIRECTORS

REGARDING INCREASING COMPENSATION FOR MEMBERS OF THE BOARD OF DIRECTORS

WHEREAS, Health and Safety Code Section 32103(b) authorizes the Board of Directors of Hi-Desert Memorial Health Care District (doing business as Morongo Basin Healthcare District) to increase the amount of compensation received for attending meetings of the Board of Directors by no more than five percent (5%) annually by a resolution adopted pursuant to Chapter 2 (commencing with Section 20200) of Division 10 of the Water Code (Wat. Code, §§ 20200 et seq.); and

WHEREAS, Water Code Section 20200 et seq. sets forth the authority and procedure for establishing compensation for the Board of Directors;

WHEREAS, Water Code Section 20202 authorizes an increase in the amount of compensation that may be received by Directors by no more than five percent (5%) annually following a public hearing;

WHEREAS, Water Code Section 20203 requires that notice of the public hearing be published in a newspaper of general circulation pursuant to Section 6066 of the Government Code;

WHEREAS, Government Code Section 6066 requires that notice of the public hearing be published once a week for two (2) successive weeks, with at least five (5) days intervening between publication dates;

WHEREAS, pursuant to Water Code Section 20204, a resolution adopted pursuant to Chapter 2 of Division 10 of the Water Code shall become effective sixty (60) days from the date of its final passage;

WHEREAS, pursuant to Water Code Section 20204, the voters of Morongo Basin Healthcare District shall have the right, as provided in Chapter 2 of Division 10 of the Water Code, to petition for referendum on any resolution adopted pursuant to such chapter;

WHEREAS, pursuant to Water Code Section 20205, if a petition protesting against the adoption of the resolution is presented to the Board of Directors prior to the effective date of the resolution, the resolution shall be suspended, and the Board of Directors shall reconsider the resolution;

WHEREAS, pursuant to Water Code Section 20206, if the Board of Directors does not repeal the resolution against which a petition is filed, the Board of Directors shall submit the resolution to the voters at a regular election or a special election called for the purpose, and the resolution shall not become effective unless and until a majority of the votes cast at the election are cast in favor of it;

WHEREAS, the compensation for the Board of Directors is currently One Hundred and Five Dollars (\$105.00) per day of service for each Director; and

WHEREAS, the Board of Directors desires to increase the amount of compensation for Directors by five percent (5%) in accordance with the provisions of the Chapter 2 of Division 10 of the Water Code.

WHEREAS, in accordance with Section 20203 of the Water Code and Section 32103(b) of the Health and Safety Code, a public hearing was held on December 5, 2024 at 6:15 p.m. at the District Offices located at 6530 La Contenta Road, Suite 400, Yucca Valley, California, 92284, and a notice of said hearing was duly published in the Hi-Desert Star and The Trail, a newspaper of general circulation, once a week for two weeks prior to each public hearing.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF MORONGO BASIN HEALTHCARE DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals are true and correct and are hereby incorporated herein by this reference.

Section 2. The amount of compensation to be received by Directors for each day's attendance at meetings of the Board of Directors, or for each day's service rendered by a Director by request of the Board of Directors, shall be in the amount of One Hundred and Ten Dollars (\$110) per day for as many days per month as is lawful.

Section 4. All resolutions, or administrative actions by the Board of Directors, or parts thereof, that are inconsistent with any provision of this resolution are hereby superseded only to the extent of such inconsistency.

Section 5. The Chairperson of the Board of Directors shall sign this resolution and the Secretary of the Board of Directors shall attest thereto, and pursuant to Section 20204 of the Water Code, this resolution shall take effect sixty (60) days from the date of adoption (March 6, 2025).

PASSED, APPROVED, AND ADOPTED this fifth day of December 2024, by the Board of Directors of Morongo Basin Healthcare District.

Director Cooper:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/> Absent
Director Evans:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/> Absent
Director Greenhouse:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/> Absent
Director Stiemsma:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/> Absent
Director Todd:	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Abstain <input type="checkbox"/> Absent

ATTEST:

I, Misty Evans, President of the Board of Directors of Morongo Basin Healthcare District, DO HEREBY CERTIFY that the foregoing resolution regarding compensation for members of the Board of Directors of Morongo Basin Healthcare District was adopted at a regular meeting of said District on this fifth day of December 2024.

I declare under penalty of perjury, under the laws of the State of California that the foregoing is true and correct.

ATTESTED: _____
Misty Evans, President of the Board of Directors



MORONGO BASIN
HEALTHCARE DISTRICT
BOARD OF DIRECTORS

TAB 4

ACTION ITEM
BYLAWS REVIEW



MORONGO BASIN HEALTHCARE DISTRICT

6530 La Contenta Road, Suite 100, Yucca Valley CA 92284 | 760.820.9229

The attached bylaws for the HI-Desert Memorial Health Care District dba Morongo Basin Healthcare District were reviewed and adopted at the regular meeting of the Board of Directors on September 21, 2017 as certified by the following signatures.

Misty Evans, President

Heidi Stiemsma, Secretary

-
- ADOPTED: 1979
 - REVISED: JULY 22, 1981
 - REVISED: APRIL 12, 1983
 - ADDENDUM (Fair Hearing Plan): MAY 10, 1983
 - REVISED: DECEMBER 10, 1985
 - REVISED: MARCH 4, 1987
 - REVISED: APRIL 12, 1989
 - REVISED: JUNE 13, 1990
 - REVISED: MARCH 14, 1994
 - REVISED: JUNE 20, 1995
 - REVISED: JUNE 18, 1996
 - REVISED: October 14, 1997
 - REVISED: DECEMBER 14, 1999
 - REVISED: DECEMBER 12, 2000
 - REVISED: May 22, 2004
 - REVISED: August 10, 2004
 - REVISED: July 11, 2006
 - REVISED: November 14, 2006
 - REVISED: May 8, 2007
 - REVISED: July 8, 2008
 - REVISED: October 14, 2008
 - REVISED: September 8, 2009
 - REVISED: July 13, 2010
 - REVISED: April 12, 2011
 - REVISED: October 8, 2013
 - REVISED: December 10, 2013
 - REVISED: September 9, 2015 (Post Affiliation)
 - REVISED: October 20, 2015
 - REVISED: February 10, 2016
 - REVISED: September 21, 2017
 - REVISED: June 2, 2022
 - REVISED: November 3, 2022
 - REVISED: December 5, 2024

**HI-DESERT MEMORIAL HEALTH CARE DISTRICT
dba Morongo Basin Healthcare District
BYLAWS**

**ARTICLE I
SCOPE AND PURPOSE**

Section 1. Nature of District: Hi-Desert Memorial Health Care District dba Morongo Basin Healthcare District (the "**District**") is a district organized under the Local Health Care District Law of the State of California, California Health and Safety Code Sections 32000 and following.

Section 2. Bylaws: These bylaws are intended for the regulation of Hi-Desert Memorial Healthcare District DBA: Morongo Basin Health Care District and such other health care facilities, as the District may hereafter operate, and shall be regarded as rules and regulations of the District adopted pursuant to the Local Health Care District Law.

Section 3. Purposes: The jurisdiction, powers and purposes of the District, its Board of Directors ("Board") and its officers and agents shall be as now or hereafter provided by the provisions of The Local Health Care District Law and shall be examined and re-evaluated at least every two (2) years and revised as necessary. Subject thereto, the purposes of the District shall include, but not necessarily be limited to the following:

- (a) Within the limits of community and district resources, to promote healthcare resources to the community, regardless of sex, race, creed, religion, color, ancestry or national origin and any other legally protected class.
- (b) To coordinate the services of the District with community agencies or health care facilities providing specialized care.
- (c) To conduct educational and research activities essential to the attainment of its purposes.
- (d) To do any and all other legal acts and things necessary to carry out the provisions of The Local Health Care District Law.

Section 4. Dissolution: Any proposal for dissolution of the District shall be subject to confirmation of the voters in the District in accordance with California Government Laws.

Section 5. Profit or Gain: There shall be no contemplation of profit or pecuniary gain, and no distribution of profits to any individual, under any guise whatsoever, nor any distribution of assets or surpluses to any individual on the dissolution of the District.

Section 6. Disposition of Surplus: Should the operation of the District result in a surplus of revenue over expenses during any particular period, such surplus may be used

and dealt with by the Directors for improvements in the District's facilities; for the care of the sick, injured or disabled; promotion of community health; or for other purposes not inconsistent with The Local Health Care District Law, or these Bylaws.

ARTICLE II OFFICES

The principal office of the District is hereby fixed and located at 6530 La Contenta Road, Yucca Valley, CA 92284. Branch or subordinate offices may be established by the Board at any time or place.

ARTICLE III DIRECTORS

Section 1. Numbers and Qualifications: The Board shall consist of five (5) members, each of whom shall be a registered voter residing in the District.

- (a) Board members may not be immediate family members of each other or of District employees (i.e. spouse, children, parents, or siblings through blood, adoption, or marriage).
- (b) Persons previously employed by the District may not be seated on the Board of Directors for one year after terminating employment.

Section 2. Election and Term: A Director shall be elected for a term of four (4) years or until his or her successor is elected or appointed by the Board and has been qualified. The terms of Directors shall be staggered such that two seats are filled in one district election and three seats are filled in the following district election. The election of Directors shall be consolidated with the statewide general election and shall be held in each even-numbered year.

Section 3. Attendance: All Directors shall notify the Board President or designee prior to any regular meeting if they do not plan to attend the meeting. In the event a Director fails to do so, then that absence shall be deemed unexcused. If any Director is absent from three consecutive regular meetings or from three or more of any five meetings of the Board, the Board may by resolution declare that a vacancy exists on the Board and that Director's term shall expire upon its adoption. For the purpose of this Section, regular meetings shall include regular meetings of all standing committees. In the absence of a Board member at a regular scheduled meeting, ~~remote attendance phone conferences~~ may be permissible subject to prior approval by the Board President.

- (a) When attending by remote access The Board member must provide advance information as to location to list on the meeting agenda and phone number for the conferencing.
- (b) The Board member must allow public participation ~~from at~~ the ~~remote phone~~ location ~~-and visibly post the agenda at the remote location. The meeting agenda must be visibly posted at the phone conferencing location.~~
- (c) As stated in the Ralph M. Brown Act's teleconferencing requirements, as modified by AB2302, remote attendance for board members is limited to two (2) times per calendar year.

Section 4. Duties Powers and Responsibilities: Generally, the Board shall have and exercise all the duties and responsibilities of a healthcare District as set forth in The Local Health Care District Law Chapter 2, Article 2, Sections 32121-32138. More precisely, the Board shall have the following duties and responsibilities:

- (a) To be responsible for the oversight of all operations and affairs of the District.
- (b) To make and enforce all rules and regulations necessary for the administration, government, protection and maintenance of the facilities or program under District jurisdiction.
- (c) To appoint a CEO, define the qualifications, duties and responsibilities of such appointee and evaluate performance at least annually.

- (d) To approve or disapprove all constitutions, bylaws and regulations, including amendments thereto, of all related subordinate organizations.
- (e) To establish policies for the operation of this District and its healthcare facilities.
- (f) To designate by resolution persons who shall have authority to sign checks drawn on the funds of the District.
- (g) To monitor and establish policies regarding agreements with independent contractors, including physicians and paramedical personnel.
- (h) To regularly monitor the quality and appropriateness of services being provided, to provide for resources and support systems for the quality assurance functions and risk management functions related to District related functions.
- (i) To do any and all other acts and things necessary to carry out the provisions of these Bylaws or of The Local Health Care District Law.

Section 5. Compensation: The Board is entitled to stipends as compensation for Directors attending regular Board meetings, special Board meetings, and Board committee meetings. The maximum number of meetings compensated per month shall not exceed five for members. In addition, each member of the Board shall be allowed his or her actual necessary traveling and incidental expenses incurred in the performance of official business of the District as approved by the Board.

Section 6. Vacancies: Any vacancy upon the Board shall be filled by election as described in Article 3.2 "Election and Term or by appointment by the remaining members of the Board if the vacancy occurs during an unexpired term. Any person appointed to fill such vacancy shall hold office for such term and under such conditions as specified by California Government Code Section 1780.

Section 7. Conflict of Interest: In accordance with the Fair Political Practice Act (Government Code Section 81000 et seq.), the Board of Directors shall adopt a Conflict of Interest Code which shall be reviewed and updated biennially in accordance with Government Code Section 87306.5. The Board of Directors shall also comply with the Conflict of Interest provisions relating to contracts set forth in Government Code section 1090 et seq.

Section 8. ~~Ethics~~ Training: California mandated education will be completed within the first six months of being seated on the board and every two years thereafter.

- AB 1234: Ethics Education
- AB 1661: Sexual Harassment Prevention

~~The Board of Directors shall enroll in ethics education upon first being elected to office, and biannually in odd number of years thereafter as prescribed in AB 1234.~~

ARTICLE IV

MEETINGS OF DIRECTORS

Section 1. Regular Meetings: Regular meetings of the Board shall be scheduled no less than once a month on a date convenient to the Board. The Board may change the day of the month of such regular meetings as dictated by holiday schedules or changing circumstances and in accordance with Section 54954 of the California Government Code. Board Meeting Agendas shall be posted as required by law.

Section 2. Special Meetings: A special meeting of the Board may be called by the Board President or at the written request of a majority of Directors, and notice of the holding of such meeting shall be delivered personally or by electronic communication to each member of the Board and shall be received at least twenty-four (24) hours before the meeting. Written notice may be dispensed with in the case of Directors who are actually present at the meeting when it convenes or who, at or prior to the time of the meeting, files a written waiver of notice with the clerk or Secretary of the Board. Public notice shall be given as required by law, except for emergency meetings held in compliance with California Government Code Section 54956.5. This notice shall state the time and place of the special meeting and the business for which the special meeting has been called, and no business other than that stated in the notice shall be transacted at such special meeting.

Section 3. Quorum: A majority of the members of the Board, in person or by telephone, in accordance with Section 3, shall constitute a quorum for the transaction of business at any duly convened meeting of the Board.

Section 4. Adjournment A quorum of the Board may adjourn any Directors' meeting to meet again at a stated day and hour, provided, however, that in the absence of a quorum, a majority of the Directors present at any Directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

Section 5. Public Meetings: All meetings of the Board, whether regular, special or adjourned shall be open to the public, except for closed or executive sessions authorized by law. Members of the public may address the Board on matters of interest to the public, provided that such matters

are within the subject matter jurisdiction of the Board, and provided further that no action shall be taken by the Board on any item arising out of such speeches unless the matter already appears on the agenda for that meeting. The Board may adopt reasonable regulations which limit the total amount of time allotted for and the time for each individual speaker.

Section 6. Minutes: The Secretary of the Board shall cause to be kept at the principal office of the District, a book of minutes of all Board meetings and committees, showing the meeting time and place, whether regular or special, and if special, how authorized, the notice given, the names of Directors present, and a statement of the vote of the Directors on all motions and resolutions.

Section 7. Voting Rights: Directors shall have one (1) vote each at meetings of the Board. There shall be no voting by proxy.

ARTICLE V **OFFICERS**

Section 1. Officers: The officers of the Board shall be Board President, Vice President, Secretary and Treasurer. Officers shall serve in a respective office on a rotating basis such that all members of the Board shall, whenever possible, serve in each officer position during their term of office. Board members accepting nomination and election as officers of the Board shall be cognizant of additional time demands incumbent upon the position being nominated. In particular, nominees to the office of Board President shall be expected to be available for significant additional time demands in support of functions of the District.

Section 2. Election of Officers: The officers of the Board shall be chosen by the Board at the first regular meeting of each January, and each officer shall hold office one (1) year, effective immediately upon board approval, and until his or her successor shall be elected and qualified, or until he or she is otherwise disqualified to serve. However, subject to re-nomination and reelection by the Board, an Officer may serve in that same office for no more than two (2) consecutive years.

Section 3. Nomination of Officers: The President of the Board shall, as the first order of business of the regular meeting of each January, initiate the nomination of officers by asking the Clerk of the Board to receive the nomination recommendations and holding the election of officers. Upon the completion of the election of officers, the newly appointed President shall immediately resume chairmanship of the meeting. Elected officers assume responsibilities effective immediately upon board approval following their election as an officer.

Section 4. Board President: The Board shall elect one of their members to serve as Board President. If at any time the Board President shall be unable to serve, the Vice President shall serve in his or her place. If the Vice President shall also be unable to serve, the Board may appoint another member of the Board to do so, and such person shall be vested temporarily with all the authority and responsibilities of the office of Board President. The Board President or members of the Board acting as such:

- (a) Shall preside over all meetings of the Board and establish the agenda of each meeting.
- (b) Shall sign as Board President, on behalf of the District, all instruments in writing which he or she has been specifically authorized by the Board to sign.
- (c) Shall have, subject to the advice and control of the Board, general responsibility for oversight of the affairs of the District during his or her term of office.

Section 5. Vice President: The Vice President, shall, in the event of death, absence or other inability of the Board President, exercise all the powers and perform all the duties herein given to the Board President. The Vice President shall have such other powers and perform such other duties as may be prescribed from time to time by the Board.

Section 6. Secretary: The Secretary shall keep, or cause to be kept, accurate and complete minutes of all meetings of the Board, call meetings on order of the Board President, attend to all correspondence of the Board and shall have such other powers and perform such other duties as may be prescribed from time to time by the Board.

Section 7. Treasurer: The Board shall elect a Treasurer from its membership, whose duty shall be to ascertain that all receipts are deposited and disbursements made in accordance with these Bylaws, the directions of the Board and good practice. The Treasurer shall have such other powers and perform such other duties as may be prescribed from time to time by the Board. The District Chief Financial Officer will serve as the Assistant Treasurer to maintain the financial records of the District, and cause to prepare such financial reports as are required by the Board.

Section 8. Other Officers: The Board may create such other offices as the business of the District may require, and the holder of each such office shall hold office for such period, have such authority and perform such duties as are provided by these Bylaws or as the Board may from time to time determine. Such additional offices may be filled by members of the Board.

Section 9. Directors & Officers Insurance: The District shall provide Errors & Omissions insurance for the Board of Directors.

ARTICLE VI
COMMITTEES OF THE BOARD OF DIRECTORS

Section 1. Committees of the Board: Committees shall be established by majority vote resolution of the Board, and shall continue in existence until discharged by the Board

Section 2. Ad Hoc Committees: The Board President, with the concurrence of the Board, may from time to time appoint one (1) or more members of the Board and other persons as necessary or appropriate, to constitute special committees for the investigation, study or review of specific topics/matters.

Section 3. CEO Performance Evaluation Committee: This committee will be comprised of the five elected members of the Board of Directors and two board members appointed from the Community Health Center Governing Board. The Committee will meet annually to prepare and deliver the CEO Performance Evaluation.

Section 4.3. Authority: No committee shall have any power or authority to commit the Board or the District in any manner at any time.

ARTICLE VII
CHIEF EXECUTIVE OFFICER (CEO)

The Board shall select and employ a CEO who, by virtue of education and experience, has demonstrated his or her qualifications to be the Chief Executive Officer “CEO” of the District subject to such policies as may be adopted and such orders as may be issued by the Board, or by any of its committees to which it has delegated power for such action, the authority and responsibility of the CEO shall include:

- (a) Carries out all policies established by the Board and advises on the formation and revision of those policies; delegates authority to ensure that appropriate values and culture support the District's long-term business goals and effective use of human resources.
- (b) Provides and maintains effective communications and relationships.
- (c) At direction of the Board, and in accordance with District policy, enters into certain contracts and agreements with independent contractors.
- (d) Informs and advises Directors regarding current trends, problems, and activities in healthcare to facilitate policy making.
- (e) Directs the development and preparation of short-term and long-term plans based upon broad District goals and growth objectives.

- (f) Ensures compliance with governmental laws and regulations governing healthcare delivery and the requirements of accrediting bodies by continually monitoring operations, programs and physical properties, and initiating changes where required.
- (g) Provides leadership, acts as a role model, and sets standards for performance in all areas of the organization; directs and supervises all system activities through administrative support staff.
- (h) Ensures that the highest quality of service is being rendered to patients and clients.
- (i) Represents the District on internal committees and external professional/civic service organizations. CEO meets with members of the community to promote good community relations.
- (j) Promotes healthcare services which are produced in a cost-effective manner; ensures the sound fiscal operation of the organization including the timely, accurate, and comprehensive development of an annual budget and its implementation; directs District operations to achieve budgeted results and develops successful business affiliations through contract negotiation and administration.
- (k) Performs other related duties as assigned or requested by the Board of Directors.
- (l) The CEO shall ensure that the Authorization Matrix in District Finance Policy FN-AP-104 is adhered to by all administrative members of the staff annually. The CEO will have authority to contract with providers as needed and within Fair Market Value to ensure the needs of the health centers are met.

ARTICLE VIII

RESERVATION OF AUTHORITY

No assignment, referral or other delegation of authority by the Board to the CEO, or anyone else by these Bylaws, contract, or other means shall preclude the Board from exercising the authority required to meet its responsibilities for conducting the business of the District. The Board shall retain the right to rescind such delegation.

ARTICLE IX

EXECUTION OF INSTRUMENTS, DEPOSITS, AND FUNDS

Section 1. Execution of Instruments: The board of directors, except as otherwise provided in these bylaws, may by resolution authorize any officer or agent of the District to enter into any

contract or execute and deliver any instrument in the name of and on behalf of the District and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the District by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 2. Checks and Notes: Except as otherwise specifically determined by resolution of the board of directors, or as otherwise required by law, checks, drafts, promissory notes, order for the payment of money, and other evidence of indebtedness of the District shall be signed according to the resolution or existing policy, and countersigned by the president of the Board of Directors of the District.

Section 3. Deposits: All funds of the District shall be deposited from time to time to the credit of the District in such banks, trust companies, or other depositories as the board of directors may select.

Section 4. Gifts: The board of directors may accept on behalf of the District any contribution, gift, bequest, or devise for the charitable or public purposes of this District.

ARTICLE X **DISTRICT FOUNDATION**

There shall be an organization designated the Hi-Desert Memorial Health Care District Foundation, dba Morongo Basin Healthcare District Foundation, Inc., a California Nonprofit public benefit Corporation subordinate to the District Board of Directors. It shall be the purpose of this Corporation (1) to obtain, acquire, receive, accept and hold gifts, contributions, donations, bequests, grants and devises of money, property and assets of every legal kind and character for the use and benefit of the District; (2) to hold, manage, invest, deposit, lease, exchange and sell such money, property and assets for the use and benefit of the District; (3) to pay and expend the monies of this corporation for the improvement, development, expansion, advancement and maintenance of the District and the property, buildings, structures, furnishings, fixtures, equipment and assets thereof; and (4) to encourage and solicit gifts, contributions, donations, grants, memorials and bequests and devises by Last Will and Testament for the uses and purposes of this Corporation and particularly for the use and benefit of the District.

The bylaws and other governing documents of the Foundation, and the adoption, amendment or repeal thereof shall not be effective until approved by the District Board.

ARTICLE XI **COMMUNITY HEALTH CENTERS**

The name of the organization shall be the Morongo Basin Community Health Center, herein known as the “CHC”. The CHC shall have a governing body which shall be known as the Community Health Center Governing Board (“CHC Board”) and is wholly owned by the Hi-Desert Memorial Health Care District (“District”), a public healthcare district organized and governed under the Local Health Care District Law of the State of California, California Health and Safety Code Sections 32000 (“District Law”) and following, and the Hi-Desert Memorial Health Care District Board of Directors (“District Board”), a publicly elected panel.

The CHC bylaws shall be adopted and may be amended by a majority vote of the CHC Board at any regular meeting. The CHC Board shall review the Bylaws annually. In the case of amendment, written notice of the amendment shall be submitted to each member at least seven (7) days prior to the meeting at which adoption is scheduled. Subsequent to CHC Board action, said amendments shall be approved by the District Board before becoming effective. Bylaws must adhere to the District policies and procedures, as well as continuing to satisfy the FQHC legislation requirements.

ARTICLE XII **SEAL**

The Board shall have the power to adopt a form of corporate seal to alter it at pleasure. The Secretary shall affix the seal to all appropriate documents. The failure to affix the seal shall not, however, affect the validity of any instrument.

ARTICLE XIII **AMENDMENT AND REVIEW**

These Bylaws may be altered, amended, repealed, added to or deleted, at any regular meeting of the Board of Directors, with the consent of a majority of the members. The Board of Directors will review these Bylaws at least biennially and alter them to conform to changes in the Health Care District law and any other applicable laws.




MORONGO BASIN
HEALTHCARE DISTRICT
BOARD OF DIRECTORS

TAB 3

ACTION ITEM

POLICY FN-AP-104
LEVELS OF AUTHORIZATION

 <p>MORONGO BASIN HEALTHCARE DISTRICT</p>	<p>DEPARTMENT/MANUAL: FINANCE</p>
<p>ORIGINAL DATE: June 1991</p>	<p>REVIEW & REVISION DATES: (Supersedes LD-208) 1/94, 1/96, 4/00, 12/00, 4/01, 9/07, 1/08, 6/08, 6/11, 6/13, 11/14, 10/15, 7/16, 5/17, 8/19, 2/22, 9/22, 6/24, <u>11/24</u></p>
<p>TITLE:</p> <p>LEVELS OF AUTHORIZATION</p>	<p>APPROVED BY:</p> <p>IT: _____ Date: _____</p> <p>CEO: _____ Date: _____</p> <p>Governing Board: _____ Date: _____</p>

PURPOSE

The purpose of this policy is to define the check signing signature policy and the levels of authority each member of the Morongo Basin Health District (MBHD) management possesses relating to conduction of all aspects of District business.

POLICY

- Check signing is independent of approvals for expenses/limits of authority. Check signing may require one or two signatures, depending upon the dollar amount of the check, as per the table below:

One signature: CEO or Board Member	Up to \$50,000
Two signatures: CEO and Board Member	Over \$50,000
- Limits of Authority: It is the policy of the District to strictly observe specific levels of authority in conducting District business. It is further the policy of MBHD to periodically re-evaluate the levels of authority to ensure that it meets the District’s needs and promotes efficiency in conducting District business while ensuring an adequate system of internal controls. Compliance with these levels of authority is the responsibility of all District management. Non-compliance with the levels of authority, outlined below, may subject the personnel involved to disciplinary action. The Administrative Team is responsible for periodically reviewing this policy to ensure that it meets District needs and promotes efficiency in conducting District business.

Approvals requiring higher levels of authority should also reflect all prior approvals, which are cumulative and consistent with organization structure.
- Limits of Authority (General): The following limits of authority are solely for operational expenses, and specifically exclude monthly/recurring expenses, provider/directorship contracts, and capital items that meet certain parameters (see section 6):-

CEO with one Board Signer	over \$50,000
CEO	up to \$50,000
District Officers	up to \$10,000
Program Manager	up to \$1,000

District officers include the Chief Clinical Operations Officer, Patient Experience Officer, Chief Financial Officer, Chief Executive Officer, or any other title that includes the word Officer in it. In the case of the CFO, another Officer or Board member should co-approve any authorization over \$1,000.

In addition to the above approvers, a secondary review will be performed prior to payment by either the CFO or Controller.

4. Limits of Authority (Monthly/Recurring Expenses)

The following limits of authority are solely for monthly/recurring expenses. Monthly/recurring expenses include rental, software, provider, contracted, and service payments that have a valid contract on file. It also includes expenses such as recurring utility bills (gas/electric/trash/water), recurring internet & phone usage bills, monthly gasoline payments, monthly director fee payments, lease payments for a valid contract on file, employee benefit payments (such as health/dental/life insurance), and monthly insurance payments for which a certificate of insurance is in force.

CEO	up to \$125,000
CEO with one Board Signer	over \$125,000

5. Limits of Authority (Provider/Directorship Contracts):

Provider/Directorship contracts, no matter the dollar amount, should be approved by the CEO with secondary review by the CFO.

6. Limits of Authority (Capital):

- a. Approved Capital Expenditures – Every effort will be made to include known capital expenses on the capital budget. However, not all capital expenditures can be predicted and known ahead of time. As such, capital expenditures (both approved and not approved on the annual capital budget) shall ~~fall under~~ use the limits of authority (general).
- b. All unapproved capital expenditures will be presented to the Board of Directors at the next regular monthly business meeting. If a prior approved capital item exceeds 25% of the amount originally budgeted or is \$50,000 more than originally budgeted, then said item will need to go back to the Board for reapproval.
- c. Capital items that meet these parameters will be submitted for approval to the Board of Directors on a Capital Equipment Request Form.

PROCEDURE

For authorizations that pertain to contracted goods or services:

1. For the sole purpose of this policy, this includes all rental agreements, lease agreements, service contracts, contracts for professional services, and Provider/directorship contracts. The limits of authority above shall consider the total value of such agreements, which shall be the sum of all periodic payments that are required by the terms of the agreement, including down payments and/or residual payments at the end of the agreement.
2. Prior to execution, all potential contracts, including Provider/Directorship Contracts, will be reviewed by the appropriate person(s), depending upon the type of contract and limits above.
3. All executed contracted will be signed by the appropriate person(s), depending upon the type of contract and limits above.

4. If Board approval is needed due to the amount of the contract, Board approval will be sought before the signing of the contract by the appropriate person(s). Board minutes shall document Board approval.
5. A copy of all contracts, once executed, should be routed to accounting.
6. Requests for disbursement that pertain to said contracts will be presented for authorization to the appropriate person(s), depending upon the type of contract and limits above, within 3 days of receipt by the finance department. Authorization will be documented by the signing or initialing of the appropriate person(s). Should a Board member signature be required, the finance department and/or the CEO will coordinate efforts to obtain the signature required.
7. The CFO will review all contracted cash disbursements in addition to the procedures above, as evidenced by his/her signature or initials.

For authorizations that pertain to recurring, non-contracted disbursements:

1. For the sole purpose of this policy, this includes disbursements that are recurring monthly, bi-monthly, quarterly, semi-annually, and annually that do not have an agreement obligating the District to pay for such services for more than 1-2 months (IE: can cancel with no repercussions with only one month or two notice). Typical recurring, non-contracted disbursements may include utilities, trash service, pest control services, phone or internet services, landscaping services, tax remittances, and month to month software agreements.
2. Prior to the first recurring billing, the CFO should be informed by the appropriate person(s) that recurring, non-contracted vendor services will be starting. The CFO will then set up the vendor in the accounting system and the finance staff will obtain a W-2.
3. Requests for disbursement that pertain to recurring, non-contracted disbursements will be presented for authorization to the appropriate person(s), depending upon the type of contract and limits above, within 3 days of receipt by the finance department. Authorization will be documented by the signing or initialing of the appropriate person(s).
4. The CFO will review all recurring, non-contracted disbursements in addition to the procedures above, as evidenced by his/her signature or initials.

For authorizations that pertain to non-recurring, non-contracted disbursements:

1. For the sole purpose of this policy, this includes any one-time purchase for goods or services, including expense reimbursements and mileage reimbursements.
2. Prior to purchase, authorization must be obtained. The District utilizes check request forms, mileage, and expense reimbursement forms, and/or printouts from vendor websites of electronic approvals.
3. If a new vendor is being used, the CFO should be informed by the appropriate person(s) that a non-recurring, non-contracted vendor is going to be utilized. The CFO will then set up the vendor in the accounting system and the finance staff will obtain a W-2.

4. Requests for disbursement that pertain to non-recurring, non-contracted disbursements will be presented for authorization to the appropriate person(s), depending upon the type of contract and limits above, within 3 days of receipt by the finance department. Authorization will be documented by the signing or initialing of the appropriate person(s).
5. The CFO will review all non-recurring, non-contracted disbursements cash disbursements in addition to the procedures above, as evidenced by his/her signature or initials.

REFERENCES

N/A

ATTACHMENTS

N/A



MORONGO BASIN
HEALTHCARE DISTRICT
BOARD OF DIRECTORS

TAB 5

DISCUSSION

CALIFORNIA LAW AB2302



MORONGO BASIN HEALTHCARE DISTRICT

BOARD OF DIRECTORS

Staff Report Regarding New Legislation for Remote Attendance

December 5, 2024

SUBJECT:

Assembly Bill No. 2302 amending Section 54953 of the Government Code was approved by Governor Newsom on September 22, 2024.

INTRODUCTION:

The Ralph M. Brown Act requires, with specified exceptions, that all meetings of a local legislative body be open and public and that all persons be permitted to attend and participate. The act generally requires participation from remote locations to be stated on the meeting agenda and made accessible to the public. Existing law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries over which the local agency exercises jurisdiction.

FACTS BEARING ON THE ACTION:

1. Existing law authorizes the use of teleconferencing in specified circumstances with prescribed restrictions for remote participation by a member, including establishing limits on the number of meetings a member may participate by teleconference from a remote location. A member of the local legislative body is prohibited from remote attendance for a period of more than three consecutive months or 20% of the regular meetings for the local agency within a calendar year.
2. Amended law (AB2302) revises those limits, effective January 1, 2025:
 - a. Authorization shall not serve as a means for a member of the legislative body to participate in meetings solely by remote location.
 - b. The allowed frequency of remote location participation is now defined as two meetings per calendar year.
 - c. Acceptable reasons for remote attendance are the following:
 - “just cause” childcare or a close relation, a contagious illness, needs related to physical/mental disability or official travel on behalf of the legislative body.
 - “emergency circumstances” physical or family emergencies that prevent a member from attending.

CONCLUSION:

This information is presented for information purposes. The Board of Directors Bylaws have been edited to reflect the changes imposed by AB2302.



MORONGO BASIN
HEALTHCARE DISTRICT
BOARD OF DIRECTORS

TAB 6

REPORT

COMMUNITY OUTREACH UPDATE



MORONGO BASIN HEALTHCARE DISTRICT

6530 La Contenta Road, Suite 100, Yucca Valley California 92284 | 760.820.9229

August 29, 2024

To: Board of Directors

From: Tricia Gehrlein, MBA, Chief Patient Experience/Compliance Officer

Re: CEO Board Report

During November, the Outreach Team connected with 229 community members where they provided general clinic, HIV & PrEP information, and education. Approximately 28 community members reached out to the Community Health Workers (CHWs) to gather additional information related to HIV testing & PrEP. The CHWs supplied 10 HIV self-testing kits to community members.

The Outreach Team and Tina Huff, NP, provided education related to Diabetes and Self-Care for the Caretaker to local senior centers on November 18, 19, and 20. The three presentations reached approximate 70 individuals, and in addition to the diabetes education the team provided clinic and Covered CA insurance information.

The Outreach Team participated in the Joshua Tree Resource Fair, providing information related to the health centers and Covered CA to attendees. Attendance was minimal at this event.

The Outreach Team attended the Reach Out Yucca Valley Coalition meeting on Nov. 14 where they presented general information related to CHC services and discussed possible collaboration opportunities with attendees and other presenters.

December Events:

- Joshua Tree Resource Fair (monthly) – Dec. 11 @ Joshua Tree Community Center
- USDA distribution (2nd and 3rd Monday/Tuesday of the month) – Provide Clinic information, HIV Self-Tests and other Prevention information to the specific community. They attend 2-3 times per year.
- Reach Out YV Coalition Meeting – Dec. 12
- CBO- San Bernardino – in person meeting Dec 3 in San Bernardino
- Covered CA – Quarterly Engagement Webinar Dec. 5 (virtual)
- NTTAP HIV Prevention 2024 6-Month Check In Call – Dec. 9 (virtual) This is a follow up to the HIV Prevention Collaborative they participated in earlier this year



MORONGO BASIN
HEALTHCARE DISTRICT
BOARD OF DIRECTORS

TAB 7

REPORT

HUMAN RESOURCES UPDATE

July-Sept 2025

Terminations = 9 (5 voluntary, 1 retirement, 3 for cause)

New Hires = 4

Total number of Full-time and Part-time employees = 107

2

Turnover Rate for the Quarter

For the quarter = 8.4%

Target is less than 10% per national recommendations

3

Exit interviews

We sent out 6 exit interviews and received back only 2.

There were no trends to report.

4

HR Update

We have been unable to fill the HR Director position and Denise Gessaman is moving out of state. Therefore, we have hired another HR person to assist Tela and after much consideration, I have promoted Tela Thornett to HR Supervisor! Tela has excelled in HR for the past two years and I will continue to work with her to help her grow into the role of HR leader.

Our current management team already relies heavily on Tela and she assures me she is up for the challenge.

5



MORONGO BASIN
HEALTHCARE DISTRICT
BOARD OF DIRECTORS

TAB 8
REPORT
MONTHLY FINANCIAL



MORONGO BASIN HEALTHCARE DISTRICT

6530 La Contenta Road, Suite 100, Yucca Valley California 92284 | 760.820.9229

November 27, 2024

To: MBHD Board of Directors

From: Deborah Anderson, CFO

Re: CFO's Report for October 2024

OVERVIEW

The consolidated financials for the month of October show a loss of \$(243,884) and year to date shows income of \$1,317,226. (See Table 1 & 2)

The non-clinic financials for the month of October show a loss of \$(223,894) and year to date shows income of \$1,684,037. (See Table 3 & 4)

The clinic financials for the month of October show a loss of \$(19,990) and year to date shows a loss of \$(366,811). (See Table 5 & 6)

The non clinic operating income after allocation is pretty much on par with budget. Operating income after allocation was \$60,432 and the budget for the month was \$56,764. The investments losses are what caused the district to have a negative change in net position. However, year to date the non clinic change in net position of \$1,684,037 is doing much better than budgeted, which was \$1,421,476.

The ARP capital income was booked and so clinics show a small loss of \$(19,990). This brings the year to date loss to \$(366,811). In comparison, the year to date budget is \$(893,358), so clinics also are doing better than budgeted.

CONSOLIDATED CHANGE IN NET POSITION

Table 1 Consolidated October 2024

Consolidated	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Income	1,297,610	1,131,465	166,145	14.68%
Expense	(1,257,168)	(1,340,292)	83,124	6.20%
Operating Income/(Loss) before Allocation	40,442	(208,827)	249,269	119.37%
Non-Operating	(284,326)	8,387	(292,713)	-3490.02%
Discontinued Operations	-	-	-	0.00%
Change in Net Position	(243,884)	(200,440)	(43,444)	-21.67%

Table 2 Consolidate Year to Date

Consolidated	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Income	4,535,845	4,424,460	111,385	2.52%
Expense	(4,728,537)	(5,113,414)	384,877	7.53%
Operating Income/(Loss) before Allocation	(192,692)	(688,954)	496,262	72.03%
Non-Operating	1,509,918	58,157	1,451,761	2496.27%
Discontinued Operations	-	-	-	0.00%
Change in Net Position	1,317,226	(630,797)	1,948,023	308.82%

NON-CLINICS CHANGE IN NET POSITION

Table 3 Non-Clinics October 2024

Non Clinic	Actual Mth	Budget Mth	Over/(Under)	% of Budget
GRANT REVENUE	27,557	6,250	21,307	340.91%
TENET LEASE -Amort of \$2M lease	203,771	203,054	717	0.35%
INTEREST INCOME (TENET LEASE)	1,116	21	1,095	5256.65%
OTHER OPERATING REVENUE	215	125	90	72.00%
	232,659	209,450	23,209	11.08%
Salaries	147,988	178,180	30,192	16.94%
Fringe	40,328	45,000	4,672	10.38%
Phys Fees	-	-	-	0.00%
Purchased Services	4,921	7,570	2,649	34.99%
IT, Network & Phones	12,302	19,216	6,914	35.98%
Supplies	5,900	5,173	(726)	-14.04%
R&M	5,931	4,410	(1,521)	-34.49%
Leases/Rentals	75	26	(49)	-189.75%
Utilities	1,873	4,034	2,162	53.58%
Insurance	8,031	14,971	6,941	46.36%
Other	20,121	21,272	1,150	5.41%
Depreciation	61,510	60,172	(1,339)	-2.22%
	308,980	360,024	51,044	14.18%
Operating Income/(Loss) before Allocation	(76,321)	(150,574)	74,252	49.31%
Allocation of Overhead for Health Centers	136,753	207,338	(70,585)	-34.04%
Operating Income/(Loss) after Allocation	60,432	56,764	3,668	6.46%
Non-Operating Investment Income	(291,049)	1,664	(292,713)	-17592.74%
Non-Operating Rental Income	6,723	6,723	-	0.00%
	(284,326)	8,387	(292,713)	-3490.02%
Change in Net Position	(223,894)	65,152	(289,046)	-443.65%

Grant revenue variance is due to transportation billings. Salaries & fringe variances are due positions budgeted not filled, so savings took place. Allocation of overhead variance is due to less overhead being moved to the clinics.

Table 4 Non-Clinics Year to Date

Non Clinic	Actual YTD	Budget YTD	Over/(Under)	% of Budget
GRANT REVENUE	61,394	25,000	36,394	145.57%
TENET LEASE -Amort of \$2M lease	815,085	812,217	2,868	0.35%
INTEREST INCOME (TENET LEASE)	4,820	83	4,736	5681.74%
OTHER OPERATING REVENUE	482	500	(18)	-3.60%
	881,780	837,800	43,980	5.25%
Salaries	566,268	660,750	94,482	14.30%
Fringe	127,143	142,513	15,370	10.78%
Phys Fees	-	-	-	0.00%
Purchased Services	49,145	30,559	(18,586)	-60.82%
IT, Network & Phones	49,289	76,866	27,577	35.88%
Supplies	15,689	19,568	3,879	19.82%
R&M	29,584	17,478	(12,106)	-69.26%

Table 4 (continued)

Non Clinic	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Leases/Rentals	144	103	(41)	-39.42%
Utilities	21,849	21,702	(147)	-0.68%
Insurance	100,303	125,373	25,069	20.00%
Other	74,155	82,075	7,920	9.65%
Depreciation	247,914	240,687	(7,227)	-3.00%
	1,281,485	1,417,675	136,190	9.61%
Operating Income/(Loss) before Allocation	(399,705)	(579,875)	180,170	31.07%
Allocation of Overhead for Health Centers	573,824	784,278	(210,455)	-26.83%
Operating Income/(Loss) after Allocation	174,119	204,404	(30,285)	-14.82%
Non-Operating Investment Income	1,483,025	31,264	1,451,761	4644%
Non-Operating Rental Income	26,893	26,893	-	0.00%
	1,509,918	58,157	1,451,761	2496.27%
Change in Net Position	1,684,037	262,561	1,421,476	541.39%

Purchased services variance due to an increase in legal fees. Savings are occurring in IT due to software costs going down due to changes in the structuring of Microsoft licenses and applications for staff. Insurance variance due to amounts not increasing as much as they have in past years.

CLINIC CHANGE IN NET POSITION

Table 5 Clinics October 2024

Clinics	Actual Mth	Budget Mth	Over/(Under)	% of Budget
Patient services (net)	699,772	692,507	7,265	1.05%
Grant Revenue	279,452	127,742	151,710	118.76%
340B Revenue	15,515	33,375	(17,860)	-53.51%
Capitation Fees	173,674	166,695	6,979	4.19%
Records & Interest	100	146	(46)	-31.21%
Cost Report Adjustments	(141,667)	(141,667)	(0)	-0.00%
Quality	38,105	43,217	(5,112)	-11.83%
	1,064,951	922,015	142,936	15.50%
Salaries - Clinic	481,327	576,212	94,885	16.47%
Fringe - Clinic	110,028	119,340	9,312	7.80%
Phys Fees - Clinic	135,030	114,894	(20,136)	-17.53%
Purchases Services - Clinic	70,711	65,201	(5,510)	-8.45%
IT, Network & Phones - Clinic	4,020	17,393	13,373	76.89%
Supplies - Clinic	82,695	32,856	(49,839)	-151.69%
Supplies - 340B	17,581	21,832	4,250	19.47%
R&M - Clinic	12,837	4,786	(8,051)	-168.22%
Leases/Rentals - Clinic	149	377	229	60.60%
Utilities - Clinic	4,788	5,128	340	6.62%
Ins - Clinic	144	152	9	5.66%
Other - Clinic	12,219	7,508	(4,711)	-62.75%
Depreciation	16,658	14,590	(2,068)	-14.18%
	948,188	980,268	32,081	3.27%
Operating Income/(Loss) before Allocation	116,764	(58,253)	175,017	300.44%
Allocation of Overhead for Health Centers	(136,753)	(207,338)	70,585	34.04%
Change in Net Position	(19,990)	(265,591)	245,601	92.47%

Grant revenue variance due to bookings for the ARP equipment grant. The 340B revenue variance is due to pharmaceutical drug restrictions placed on FQHC's by the drug companies. Salaries & fringe variances are due positions budgeted not filled, so savings took place. The physician fees are over due to increases in visits being done by BH, Peds, and Chiro. Supplies for the clinic is over due to equipment being bought for the ARP capital grant. This was not budgeted since we were unsure if HRSA was going to approve the change from the modular building to equipment. Since there was less expenses than budgeted in administration, the allocation of overhead expenses is not as much as budgeted.

Table 6 Clinics Year to Date

Clinics	Actual YTD	Budget YTD	Over/(Under)	% of Budget
Patient services (net)	2,595,130	2,619,483	(24,353)	-0.93%
Grant Revenue	702,230	567,400	134,831	23.76%
340B Revenue	96,563	126,244	(29,681)	-23.51%
Capitation Fees	689,267	666,780	22,488	3.37%
Records & Interest	551	553	(2)	-0.43%
Cost Report Adjustments	(566,667)	(566,667)	0	0.00%
Quality	136,990	172,867	(35,876)	-20.75%
	3,654,065	3,586,660	67,405	1.88%
Salaries - Clinic	1,759,094	2,136,786	377,692	17.68%
Fringe - Clinic	369,725	448,505	78,780	17.57%
Phys Fees - Clinic	507,300	434,598	(72,702)	-16.73%
Purchases Services - Clinic	246,227	259,923	13,696	5.27%
IT, Network & Phones - Clinic	85,716	69,570	(16,145)	-23.21%
Supplies - Clinic	197,305	124,283	(73,022)	-58.76%
Supplies - 340B	65,502	84,068	18,566	22.08%
R&M - Clinic	29,481	18,703	(10,777)	-57.62%
Leases/Rentals - Clinic	981	1,509	528	34.99%
Utilities - Clinic	34,709	29,691	(5,018)	-16.90%
Ins - Clinic	575	609	34	5.66%
Other - Clinic	84,364	29,135	(55,229)	-189.56%
Depreciation	66,073	58,359	(7,715)	-13.22%
	3,447,052	3,695,739	248,687	6.73%
Operating Income/(Loss) before Allocation	207,013	(109,079)	316,092	289.78%
Allocation of Overhead for Health Centers	(573,824)	(784,279)	210,455	26.83%
Change in Net Position	(366,811)	(893,358)	526,547	58.94%

Quality payments are not as high due to complexities of timing, bundled scores, improvement from the previous year, and other factors. IT for the clinic is over due to equipment being bought for the ARP capital grant. The other variance is due to recruitment fees paid for the new Split Rock doctor.

Statement of Net Position

Assets and Deferred Outflow of Resources	June 30, 2024 (UnAudited)	Oct 31, 2024 (Unaudited)	Difference
Current Assets			
Cash and cash equivalents	2,848,886	3,912,397	1,063,511
Investments	35,667,736	35,150,761	(516,975)
Receivables			-
Patients	726,951	619,116	(107,834)
Estimated third-party payer settlements	-	-	-
Accrued Interest	582,899	971,498	388,599
Lease	834,202	834,202	-
Rentals	81,901	55,715	(26,186)
Grants	273,957	239,872	(34,085)
Other	248,691	218,747	(29,944)
Receivables Sub-Total	2,748,601	2,939,151	190,550
Prepaid expenses	180,606	166,272	(14,334)
Total current assets	41,445,828	42,168,580	722,752
Noncurrent Assets			
Lease receivable	26,019,890	26,019,890	-
Capital assets, net	8,195,555	8,107,100	(88,455)
Total Noncurrent Assets	34,215,445	34,126,990	(88,455)
Deferred Outflow of Resources			
Prepaid water capacity fee	223,831	149,221	(74,610)
Total Assets and Deferred Outflow of Resources	75,885,105	76,444,791	559,686
Liabilities, Deferred Inflow of Resources, and Net Position			
Current Liabilities			
Accounts payable	547,811	307,548	(240,262)
Accrued payroll and related liabilities	314,215	315,159	944
Accrued paid time off	236,880	206,278	(30,602)
Estimated 3rd party payor settlements	2,774,073	2,837,067	62,994
Current portion of long term debt	167,667	144,646	(23,022)
Deferred Revenue	-	-	-
Total Current Liabilities	4,040,647	3,810,698	(229,948)
Noncurrent Liabilities			
Long-term debt, net of current portion	270,910	196,697	(74,213)
Total Liabilities	4,311,556	4,007,395	(304,161)
Deferred inflow of resources			
Deferred lease revenue for hospital and equipment	27,015,408	26,562,030	(453,379)
Total Deferred Inflow of Resources	27,015,408	26,562,030	(453,379)
Net position			
Net investment in capital assets	26,019,890	26,019,890	-
Restricted by donors for specific operating purposes	-	-	-
Unrestricted	18,538,250	19,855,476	1,317,226
Total net position	44,558,140	45,875,366	1,317,226
Total Liabilities, Deferred Inflow of Resources, and Net Position	75,885,105	76,444,791	559,686

MORONGO BASIN HEALTHCARE DISTRICT
Schedule of Investments
Oct 31, 2024

Description	Institution	9/30/2024	10/31/2024	Variance
Public Interest Acct	PWB	2,465,700.51	4,013,758.77	1,548,058.26
Less O/S checks	PWB	(58,764.47)	(106,562.12)	(47,797.65)
		2,406,936.04	3,907,196.65	1,500,260.61
M & O Acct	PWB	1,000.00	1,000.00	-
Revenue Acct	PWB	1,000.00	1,000.00	-
Payroll Acct	PWB	1,000.00	1,000.00	-
FSA Acc't	PWB	1,000.00	1,000.00	-
Sub-Total		2,410,936.04	3,911,196.65	1,500,260.61
Investment Access**	RBC	33,460,589.70	33,090,296.70	(370,293.00)
Money Market	RBC	3,680,915.14	1,693,922.28	(1,986,992.86)
Total Value of Accts		37,141,504.84	34,784,218.98	(2,357,285.86)
Est Accrued Bond Int.		300,305.35	366,541.77	66,236.42
Total Portfolio Value		37,441,810.19	35,150,760.75	(2,291,049.44)
Total Cash		39,552,440.88	38,695,415.63	(857,025.25)
Total Market Value		39,852,746.23	39,061,957.40	(790,788.83)

Chart A – Visits History Chart

Month	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25
Jul	3,055	3,283	3,091	2,877	2,670	2,758	3,054
Aug	3,886	3,587	3,016	3,425	3,315	3,195	2,992
Sep	3,140	3,501	3,069	3,134	3,256	2,593	3,049
Oct	3,562	3,892	3,267	3,282	3,071	3,026	3,748
Nov	3,249	3,353	2,632	3,116	2,936	2,974	
Dec	2,898	3,304	2,984	2,705	2,881	2,613	
Jan	3,698	4,011	2,926	2,925	3,001	3,258	
Feb	3,198	3,763	3,192	3,068	2,882	2,998	
Mar	3,515	2,927	3,521	3,332	3,331	3,057	
Apr	3,660	2,066	3,461	3,094	2,896	3,026	
May	3,662	2,200	3,043	3,239	3,247	3,160	
Jun	3,344	2,786	3,086	3,218	2,939	2,679	
Total	40,867	38,673	37,288	37,415	36,425	35,337	12,843
Total July - Oct	13,643	14,263	12,443	12,718	12,312	11,572	12,843



MORONGO BASIN
HEALTHCARE DISTRICT
BOARD OF DIRECTORS

TAB 9
REPORT
CEO STAFF REPORT



MORONGO BASIN COMMUNITY HEALTH CENTER

A SERVICE OF MORONGO BASIN HEALTHCARE DISTRICT

6530 La Contenta Road, #100 | Yucca Valley, CA 92284 | 760.820.9229 | MorongoBasinHealth.org

TO: MBHD Board
FROM: Cindy Schmall, CEO
DATE: December 5, 2024

CHC

- The CHC in Yucca Valley was voted “Best of Morongo Basin” - we were voted #1 Best Doctor’s Office
- HRSA site review is still scheduled for March 2025. Tricia Gehrlein, Chief Patient Experience and Compliance Officer is conducting board education at each of the CHC meetings over the next few months to prepare the CHC board for HRSA survey questions.
- Split Rock Modular-flooring choices have been turned in and requoted. The septic system is due to start installation December 16. Electrical work is ongoing. The electric panels the board approved at \$71,000 last meeting came in at less than \$30,000 so they have been ordered and should be here by April 2025.
- The purchase of the building in Yucca Valley is due to close escrow this week or the beginning of next week and then facilities will begin some minor updates to move adult services into the new space. *(Full disclosure: The purchase of the referenced building was the topic of discussion at the two closed sessions, October 21 and November 7, 2024.)*

DISTRICT

- Our two (2) mini vans are wrapped and back in service.
- Mobile Dental Unit remodel will be completed this week and will be in service on Tuesday, December 10th.
- We are exploring the purchase of two (2) new vehicles to replace two of our older transportation vehicles that continually break down.
- Janeen Duff has been made Director of Strategic Initiatives and is assisting me with community relations and implementation of strategic plan initiatives.
- Tina Huff is changing her role to Director of Integrative Services. She will work with Behavioral health, adults, pediatrics and dental to integrate services so that we are providing comprehensive care to our patients.
- Tricia Gehrlein is taking on oversight of the clinics and has taken several of my direct reports in an effort to streamline oversight and take some of the oversight from me. She will have two managers in the clinics to provide direction to clinical team.
- I will retain HR, IT and Operations as well as BH and Dental.



MORONGO BASIN
HEALTHCARE DISTRICT
BOARD OF DIRECTORS

TAB 10
BOARD CALENDARS

BOARD CALENDAR DECEMBER 2024

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4	5 4:45p CHC 6:00p Public Hearing 6:15p MBHD Board Mtg	6	7
8	9	10	11	12	13 MBHD Employee Luncheon	14
15	16	17	18	19	20	21
22	23	24	25 Christmas Day	26	27	28
29	30	31	1 New Year's Day	2	3	4

BOARD CALENDAR

January 2025

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1 New Year's Day	2	3	4
5	6	7	8	9 4:45p CHC Board 6:00p District Board	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	