**MINUTES**

TEHACHAPI VALLEY HEALTHCARE DISTRICT

BOARD OF DIRECTORS MEETING

July 16, 2019

Tehachapi Valley Healthcare District Office

 305 S. Robinson St.

Tehachapi, CA 93561

4:30pm

**Board Present**: Mike Nixon, President; Sam Conklin, Vice-President; Duane Moats , Treasurer; Christine Sherrill, Secretary; William Steele, attending via teleconference from Memphis City (Hooks) Library Conference Center, 3030 Poplar Ave., Memphis , TN 424-645-9372

**Staff Present**: Lisa Hughes, Business Manager; Scott Nave, Counsel; Caroline Wasielewski, District Manager

1. **CALL TO ORDER**

President Mike Nixon called the meeting to order at 4:30pm

1. **FLAG SALUTE**

 **III. CONSENT AGENDA**

1. Approval of Minutes
2. Special Board Meeting, 7/2/19
3. Finance Meeting, 6/12/19, Receive and File
4. Strategic Planning , 6/13/19, Receive and File
5. FY20 Budgeted Cash Flow

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Board meeting minutes from 4/16/19 tabled.

Revised Consent Agenda Approval, **MSA: SHERRILL/MOATS**

**ROLL CALL 5-0 APPROVED**

 **IV. REPORTS**

1. Guild

The president, Jane Weldon had no report.

1. Chief Financial Officer Report ( Beedle)

 Mr. Beedle began his report by reviewing the Variance Report. There were no

 questions. CFO Beedle continued to operational Cash Flow report for June. No

 investment or designated funds. Mr. Beedle continued to review each line item.

 Disbursements include payments to AH. There was no transfer into reserve account

 and money was designated for funded depreciation. Cash on hand at the end of June is

 $1.436 million. Next Mr. Beedle reviewed the Income Statement Summary. He

 mentioned refunds to Department of Corrections. Operating expenses are on track. The

 total net surplus for the month is $155,105 vs budget of -$35,451 loss. The fiscal Year to

 Date total net surplus came in as $625,817 profit, mostly due to depreciation and

 accruals. CFO Beedle finished with the Balance Sheet. He noted the current assets

 decreased related to an accounts receivable issue.

1. Strategic Planning Report

 District Manager Wasielewski reported the National Night Out date is approaching. The

 TVHD table will display a disaster kit and focus on different aspects of emergency

 preparedness. The District continues to keep up on repairs and preparing the old

 hospital building for future tenants. Ms. Wasielewski also reported all mobile trailers and

 storage units are gone from the property at 115 W E St.

1. District Manager Update

 Ms. Wasielewski had no report. Everything was discussed in the Strategic Planning

 report.

 **V. NEW BUSINESS**

 A. AHTV Solar Project

 Shay Ohrel from ENGIE, an energy company and Kyle Goehring from JLL distributed

 information to the Board regarding the proposed solar project. Panels are to be

 installed at the 1100 Magellan Drive hospital. Scott Nave asked if the District has seen

 the Power Purchase Agreement. They had not, so it was determined that Mr. Ohrel

 would forward it to DM Wasielewski. Mr. Nave also asked if this would be leased or

 subleased, and what would happen at the end of the 20-year lease. Mr. Goehring did

 not know about lease or sublease, but it will be determined. Mr. Ohrel responded after

 20 years, AH could extend the lease, and if not, ENGIE would be responsible to remove

 the equipment. Counsel Nave asked if a CEQA exemption would requested, or a

 survey done. It will be determined. Mr. Nave also urged the representatives to

 determine who the responsible party will be in the deal. Mr. Nave will talk with ENGIE,

 find out if a sublease is okay and determine the next steps with CEQA. Once the

 agreement is distributed, the city is notified and the responsible party is determined,

 TVHD and ENGIE will meet. Director Steele asked who would be receiving benefits,

 *(AH),* and if there was any issue with the flight requirements of the Tehachapi Airport.

 *(No)*. Mr. Nixon asked if the term of the lease was flexible. Mr. Ohrel mentioned AH

 wanted all leases to be similar, which is twenty years. Additionally, AH has capital put

 away as buying the project after 7 years is a viable option. Mr. Nave stated that if the

 Board consented to the program; all contingencies would be addressed in the final

 agreement. If TVHD buys back the hospital at the end of their lease to AH, the solar

 equipment would have to be purchased as well. The item was tabled until all information

 is collected and interested parties talk to the City of Tehachapi.

1. National Night Out Budget Request

Ms. Wasielewski asked the Board for a budget of 2k for literature and educational resources for National Night Out.

 **MSA SHERRILL/STEELE ROLL CALL 5-0** **APPROVED**

1. Audit Representation Letter

The FY17 wrap up from the audit was presented by Chet Beedle. He reported there was many positive by the negative is the time it takes to assemble. There were many good comments in the letter. He expects the final to be available at the next board meeting. Mr. Moats said he was glad it is going forward. No action was taken.

1. FY18-19 Audit Engagement Letter

CFO Beedle expressed his professional concern with the performance of WIPFLI in conducting the audit. It was expensive and exceeded both budget and contract. He stopped paying the overages. It is expected TVHD will pay 69-70k for FY17. The firm JWT expects to do FY 18 and FY19 for 21k. Motion was made by Dr. Conklin to engage the firm JWT for FY18 and FY19 audits, and seconded by Mr. Moats. Director Moats mentioned the district has a previous relationship with JWT and Chet seems comfortable with the representative. Chet affirmed. There were no more questions or comments. Call to question. Mr. Steele abstained. **ROLL CALL 4-0** **APPROVED**

1. Vision Statement

President Nixon would like the Board to take a look and revise the vision for the planning of TVHD. He would like DM Wasielewski to plan a special August Board Meeting.

 **VI. OLD BUSINESS**

 None

 Board of Director Travel

 None

 **VII. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**

 **None**

 **VIII.** **BOARD COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**

 Duane Moats thanked Chet Beedle on a good job. Mike Nixon stated a lot is going on

 and AH continues to show patients great service.

 **IX. ADJOURNMENT**

Meeting adjourned at 5:12 pm

Respectfully,

Christine Sherrill

Secretary