

**FALLBROOK REGIONAL HEALTH DISTRICT
REGULAR BOARD MEETING
Wednesday, November 8, 2017, 6:00 p.m.
Fallbrook Public Utilities District, 990 E. Mission Rd., Fallbrook**

Minutes

A. CALL MEETING TO ORDER – PLEDGE OF ALLEGIANCE

President Tinker called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

Present: Directors Stephen Abbott, Bill Leach, Barbara Mroz, Howard Salmon and Gordon Tinker.

Also Present: Executive Director Bobbi Palmer, Legal Counsel Blaise Jackson and joining the meeting via teleconference was Craig Fechter of Fechter and Company for the purpose of reviewing the 2016-2017 Audit Report.

B. ADDITIONS TO AGENDA

None

C. BOARD MEMBER AND PUBLIC COMMENTS

Ron Stark, Mental Health Systems, North Inland Community Prevention Program Manager said he was contacted by FRHD and asked to provide a program for the November Woman of Wellness event. Since the holidays can be stressful for many, he arranged for Payal Beam, LCSW, to present "Thriving through the Holidays" with tips for making the season less stressful. He said he attended the event and was pleased that her presentation generated a lot of discussion and was appreciated. He noted that Mental Health Systems is a recipient of a Community Health Contract through Fallbrook Regional Health District for which they are very grateful. Mr. Stark said they value their relationship with the District in providing for the wellness needs of our community.

D. CONSENT ITEMS

- D1. Approval of September 2017 Financial Statements
- D2. Minutes of October 4, 2017 Finance Committee Meeting
- D3. Minutes of October 11, 2017 Regular Board Meeting

President Tinker noted the above listed consent items and no further discussion was requested.

Action: It was moved by Director Salmon, seconded by Director Abbott to approve the Consent Items as presented. Motion carried (5-0).

At this time it was recognized that the auditor had conference called in to the meeting for the purpose of reviewing the 2016-2017 Audit Report and answering any questions for the members of the Board. There was consensus to move to agenda item F1 prior to Reports.

F. DISCUSSION/ACTION ITEMS

- F1. FY 2016-2017 Independent Auditor's Report – Fechter & Company Certified Public Accountants

It was noted that the Finance Committee had already reviewed the audit report. Mr. Fechter said the audit was very successful. He said the sale of the hospital building was a major event that they determined should be considered during this audit, even though it delayed closing the audit. He discussed pages 1 and 2 of the audit report. He also indicated that it is important that members of the Board understand pages 10 and 11(the Balance Sheet and Income Statement or Profit & Loss Statement). He said the District has no debt, has assets and is in a very good financial position.

There was discussion regarding the Community Health Contracts. Director Salmon asked if the auditing firm could in the future verify for random contract recipients that the funds were used as they had indicated they would be used. Mr. Fechter said he would further discuss this with Executive Director Bobbi Palmer.

Action: It was moved by Director Salmon, seconded by Director Abbott to approve the 2016-2017 Audit Report as presented. Motion carried (5-0).

E. REPORTS

- E1. Finance Committee – Committee of the Whole, Chair: Director Mroz
Chairperson Mroz said the Finance Committee met on November 1st with all Board members present except Bill Leach, absent due to illness. The Committee reviewed the financial statements through September 2017. There were no areas of concern noted. Cash in the bank had increased due to the sale of the old hospital building. Those proceeds will be transferred to the Cal-Trust account prior to month-end. The 2016-2017 Audit Report was reviewed and the auditors determined the District books were represented fairly in all material respects. An RFP for Urgent Care Services had been issued with a response due date of November 30, 2017. There was discussion regarding the LAFCO recommendation from 2015 that a portion of the Fallbrook Regional Health District be annexed to Tri-City Health District as it is within the Oceanside City boundary. This will be considered by the full Board of Directors.
- E2. Gov't/Public Relation/Community Relations Committee – Directors Salmon and Tinker
No report
- E3. Facilities/Strategic Planning Committee – Directors Abbott and Salmon
Director Salmon said the committee had met to review the District's Mission and Vision and recommended a workshop prior to year-end to focus on priorities for the next year. Discussion ensued regarding the best date for the workshop and a photo for the Sourcebook. The Board determined that Saturday, December 9th would work best. It will begin at 8:00 a.m. and take place at the FRHD office.
- E4. Executive Director – Bobbi Palmer
Bobbi Palmer thanked Ron Stark and his organization for the presentation at Woman of Wellness in November.
She discussed the upcoming free mammograms offered by Michelle's Place on Saturday, November 18, at the Fallbrook Family Health Center. FRHD awarded Community Health Contracts to both organizations.
Director Salmon had informed Executive Director Bobbi Palmer that Los Medanos Community Healthcare District is being dissolved by LAFCO. Our Executive Director had served in the same capacity at that District for eight years prior to coming to Fallbrook and she said she was very upset by that news. She reviewed the circumstances which resulted in the closure of three health Districts in that area of Northern California. She said Districts are not dissolved without considerable conversation and notice, e.g. a Municipal Services Report. With so many District hospitals having closed and healthcare in general being in a state of flux, healthcare districts must continue to reinvent themselves to fill the unmet healthcare needs in the communities they represent. She reiterated that at the last meeting, she recommended that one of our Board members consider seeking a seat on the LAFCO Board. Without community support for the value of services directly or indirectly provided by a health district, health districts are at risk for dissolution and the property tax revenue would be rerouted to the County or other districts. Since we are in an unincorporated area of the County that would leave our area without direct representation by a locally elected board to assure we have a voice in our communities health needs.
- E5. General Counsel – Blaise Jackson
Legal Counsel Blaise Jackson discussed a California Supreme Court case related to the Public Records Act; ACLU vs. Superior Court of L.A. County. In question was whether a

very large recognition software database maintained by police/sheriff departments (LAPD/LASO) to identify license plates of vehicles suspected in a crime was subject to the Public Records Act and available to the public (noting that the information available would not be for those identified in a crime, but all others with private information redacted). The departments rejected the PRA request, and the lower courts had agreed with LAPD/LASO. The Supreme Court reversed, holding that much of the information was not necessarily immune from public disclosure. Legal Counsel said he brought this up to illustrate that the court continues to narrowly construe the exceptions to the Public Records Act and give precedence to the public's right to know.

Legal Counsel said he had received communication from legal counsel for Community Health Systems in Tennessee (previous operators of the Fallbrook Hospital) asking about putting together language to settle the issue of CHS making repairs to the hospital building. Mr. Jackson said he anticipates bringing a document in that regard to the meeting of the board in December. Any other comments he would confine to Agenda Item F2.

F. DISCUSSION/ACTION ITEMS

F1. This agenda item was already addressed (prior to Reports).

F2. LAFCO Recommended Boundary Change

Legal Counsel said this matter had been discussed at the last meeting and Director Mroz had requested it be postponed to this meeting as Director Abbott had not been present. There was also a question regarding how the affected property owners would be notified. The extent of notification is limited to the posting of the minutes of the boards making the decisions.

In review, Mr. Jackson said that LAFCO had recommended in its 2015 Municipal Services Report that a portion of the Fallbrook Regional Health District be annexed to the Tri-City Healthcare District as it is within the Oceanside City boundary. Tri-City legal counsel had contacted Mr. Jackson to let our District know that Tri-City wants to pursue the recommended annexation. This area includes approximately 2,700 acres, represents 3 percent of our District and a loss of an estimated \$55,000 in property tax revenue at the present time. Discussion ensued during which President Tinker asked if there was a way to verify the amount of property tax revenue and Legal Counsel said he could contact the tax assessor's office for that; however, he does not believe the reduction of that amount of revenue would influence the recommendation by LAFCO. Mr. Jackson said there are three options for FRHD to consider. A motion to support the annexation requested by Tri-City Healthcare District, a motion opposing the annexation or no action, which would then allow Tri-City to move forward with the recommendation by LAFCO. Further discussion ensued.

Action: It was moved by Director Abbott, seconded by Director Salmon to express support for the requested annexation of a portion of the Fallbrook Regional Health District that is within the Oceanside City boundary to Tri-City Healthcare District as recommended by LAFCO. Motion carried (5-0).

G. ITEMS FOR SUBSEQUENT MEETINGS

G1. Other Director/Staff discussion items

G1a. Item(s) for future board agendas

Director Salmon said LYFT had made presentations to the Association of California Health Districts regarding non-emergency transportation of patients and the possibility of insurance paying for it. He said he would like that presentation available to our board members. Executive Director Bobbi Palmer said she has the LYFT presentation and will make it available.

G1b. Announcements of upcoming events:

- Finance Committee meeting – 1st Wednesday, December 6, 5:00pm, Fallbrook Regional Health District Board Room, 138 S. Brandon Rd.
- G2. Next Regular Board meeting – Wednesday, December 13, 2017, Fallbrook Public Utility District Board Room

The Board adjourned to Closed Session at 7:02 p.m.

H. CLOSED SESSION

H1. Personnel Matters Pursuant To Government Code Section 54957 - Evaluation of Executive Director

I. RETURN TO OPEN SESSION

The Board reconvened into Open Session at 7:29 p.m. and directed Legal Counsel to meet with Executive Director Bobbi Palmer to discuss options over a five-year period.

J. ADJOURNMENT

There being no further business, the meeting was adjourned at 7:30 p.m.



Gordon Tinker, President



Stephen Abbott, Secretary