

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT
BOARD OF DIRECTORS
SPECIAL FINANCE COMMITTEE MEETING MINUTES
41870 Garstin Drive, Big Bear Lake, Ca. 92315
July 06, 2017**

MEMBERS Barbara Willey, Treasurer
PRESENT: Rob Robbins, 1st Vice President
John Friel, CEO
Garth Hamblin, CFO
Shelly Egerer, Admin. Asst.

STAFF: Kerri Jex Mary Norman

**COMMUNITY
MEMBERS:** None

ABSENT: None

OPEN SESSION

1. CALL TO ORDER:

Board Member Willey called the meeting to order at 1:17 p.m.

2. ROLL CALL:

Barbara Willey and Rob Robbins were present. Also present were John Friel, CEO, Garth Hamblin, CFO and Shelly Egerer, Administrative Assistant.

3. ADOPTION OF AGENDA:

Board Member Robbins motioned to adopt the July 06, 2017 agenda as presented. Second by Board Member Willey to adopt the July 07, 2017 agenda as presented. Board Member Willey called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Willey- yes
- Board Member Robbins- yes

4. PUBLIC FORUM FOR OPEN SESSION

Board Member Willey opened the Hearing Section for Public Comment on Open Session items at 1:18 p.m. Hearing no request to address the Finance Committee, Board Member Willey closed the Hearing Section at 1:18 p.m.

5. DIRECTORS COMMENTS:

- None

6. APPROVAL OF MINUTES:

A. June 05, 2017

Board Member Willey called for a motion to approve the June 05, 2017 Finance Committee Meeting Minutes as presented. Motion by Board Member Robbins to approve the June 05, 2017 Finance Committee Meeting Minutes as presented.

Second by Board Member Willey to approve the June 05, 2017 Finance Committee Meeting Minutes as presented. Board Member Willey called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Willey- yes
- Board Member Robbins- yes

7. OLD BUSINESS:

- None

8. NEW BUSINESS*

A. Discussion of BVCHD Petty Cash Policy:

- Mr. Hamblin stated that there are departments that need cash boxes for payments, copayments, Dietary Department, the Clinic's, and the Emergency Room. Mr. Hamblin informed the Committee that there will be attachments to include in the policy and he will be revising some of the verbiage in the policy. A random audit will be completed for all departments with cash boxes. The petty cash box is reconciled monthly when the Department Manager submits the monthly audit with the receipts and submitted to the Accounting Department. There is a potential to reduce some of the cash boxes if needed.
- Discussion took place with the committee and the committee members stated that the less cash boxes the District has the less problems there are. Board Member Willey suggested that the policy state how many cash boxes the District has in the policy; i.e. per department. The policy will come back to the committee with the appropriate attachments and the revisions to the policy.

Board Member Willey reported this was informational only.

B. Discussion and Potential Recommendation to the Board of Directors the Following Contracts:

(1) Top Notch Networking (Copiers):

- Board Member Willey stated that she feels that this contract is not good for the District that it benefits the vendor and puts the District at risk.
- Mr. Hamblin stated that legal counsel approved the final version of the contract and is being presented after legal counsel signed off on it.
- Board Member Robbins stated that there are other organizations that we received bids from and the committee and Board stated that they have requested a matrix of the other vendors that provided bids; this is to include vendor name, proposal, term, cost and any other pertinent information that the Board may need to make an appropriate decision. The committee also noted that this contract states there is a 6% increase for the next 5 years and feels that could be a costly increase. The committee will not recommend approval to the Board of Directors for the contract but stated if the additional information can be obtained then to present the agreement at the July 12 Board Meeting.

Board Member Robbins motioned that the Finance Committee will not recommend the Top Notch Networking Contract with the lack of information given at this time. Administration can prepare the proposal to put before the full Board for a vote with corrections, inclusions and changes requested. To include a matrix and legal counsel to consider the term of the contract. Second by Board Member Willey that the Finance Committee will not recommend the Top Notch Networking Contract with the lack of information given at this time. Administration can prepare the proposal to put before the full Board for a vote with corrections, inclusions and changes requested. To include

a matrix and legal counsel to consider the term of the contract. Board Member Willey called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Willey- yes
- Board Member Robbins- yes

(2) Intellicom Communication, Inc. (Phone System)

- Mr. Hamlin asked if the committee was willing to pay the extra \$22,000 to purchase the phone system so that the District can update our current phone system. The new phone system should be good for the next ten to twenty years, software updates also are available and all features will be looked into to ensure we have a good phone system. The cost is approximately \$90,000 for the phone system.
- Board Member Robbins requested that a matrix, bids that were obtained by other vendors be submitted to the Board of Directors. Once again this is a best practice that has been asked by the committee members and the full Board and it is not being presented with such information. Board Member Robbins also stated that he is concerned about purchasing phones due to the issues we had with the email server being down for several weeks. The communication within the District is too important to have another glitch of communication for internal and external uses.
- Mr. Hamblin stated that the phone system comes with software updates, voice mail, and forward voice mail to outlook inbox, and features will be looked at to ensure we have a good system. A committee will be formed to ensure the setup is successful. This system has been on the Capital Budget for several years and is time to update the phone system.

Board Member Robbins recommends \$90,000 for the phone system contingent upon the appropriate information being presented to the full Board, i.e. matrix, vendor information, features and pricing. Second by Board Member Willey to recommend \$90,000 for the phone system contingent upon the appropriate information being presented to the full Board, i.e. matrix, vendor information, features and pricing. Board Member Willey called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Willey- yes
- Board Member Robbins- yes

9. Presentation and Review of Financial Statements:

A. May 2017 Finances:

- Mr. Hamblin reported the following:
 - Over \$13 million in cash and investments.
 - Surplus of \$129,126 for the month.
 - Expenses under budget.
 - Will end the fiscal year strong.
 - Dental services have continued to be positive and patient volume continues to increase.
 - Performa was based on 240 visits per month and should exceed that number.
 - Not ready to begin seeing other insurance carriers and Medi-Cal patients have been booking time slots and are booked at least 3 to 4 months out.
- The committee stated the finances are looking fantastic and very pleased.

B. CFO Report:

- Mr. Hamblin reported the following information:
 - Healthcare Reform still unknown, there is an attachment on some key issues; summary included from the Hospital Association.
 - Questions at last Board Meeting on the FY 2017/2018 Budget are included in the CFO Report.
 - Dues and subscriptions are listed from high to low cost.
 - Emailed President Nicely this item since she has so many questions about the FY 2017/18 Budget at the June Board Meeting.
 - Staff being involved with organizations to network and gain benefit from the membership and Administration feels this is a positive thing.
 - Miscellaneous items:
 - Added additional money for Marketing effort – continue highlighting the Hospital, the Clinics and the Mom & Dad Project.
 - Telephone system cost increased due to RHC reopening.
 - Obligated to pay for travel expenses for Culture Training.
 - Increase in minor equipment for Plant/Maintenance and Surgery Department.
- The Finance Committee appreciated that there was a break down on the questions asked at the June Board Meeting.

Board Member Robbins motioned to approve the May 2017 Finance Report and the CFO Report as presented. Second by Board Member Willey to approve the May 2017 Finance Report and the CFO Report as presented. Board Member Willey called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Willey- yes
- Board Member Robbins- yes

10. ADJOURNMENT*

Board Member Robbins motioned to adjourn the meeting at 2:15 p.m. Second by Board Member Willey to adjourn the meeting. Board Member Willey called for a vote. A vote in favor of the motion was unanimously approved.

- Board Member Willey- yes
- Board Member Robbins- yes