

**MINUTES OF MEETING  
BOARD OF DIRECTORS  
SEQUOIA HEALTHCARE DISTRICT  
October 4, 2006**

Present: Mr. Faro  
Mr. Hickey  
Ms. Kane, President  
Dr. Oblak

Also present: Ms. Scott, CEO  
Ms. Greenberg, Counsel  
Ms. Johnson, Recorder

Excused: Mr. MacNaughton

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**CALL TO ORDER:**

President Kane called the meeting to order at 4:30 PM in the Sequoia Room at Sequoia Hospital.

**PUBLIC COMMENT:**

There was no public comment.

**CONSENT CALENDAR:**

Director Hickey requested the removal of agenda items 3.a (Minutes of August 9 regular meeting and September 20, 2006 special meeting) and 3.b (Financial Statements for July and August 2006).

**DISCUSSION OF ITEMS REMOVED FROM THE CONSENT CALENDAR**

Item 3.a (Minutes of August 9, 2006): Director Hickey stated that it was determined at the August 9th meeting that counsel was to research further as to whether or not the Board had acted within its authority when it approved the policy to pass an agenda item with a 2-1 vote, and that there was no mention in the minutes of the Board's directive to counsel for further research. Ms. Greenberg said that she did not recall a directive at the August 9th meeting from the Board to research the matter further. Ms. Greenberg said that however, regarding the question raised whether Board policy overrode state law, she responded that it did not.

Director Hickey stated that there is no reference in the August 9<sup>th</sup> minutes to his statement that he will walk out of a meeting to avoid a 2-1 vote on an agenda item, and requested that his statement be reflected in the minutes.

Director Oblak offered a motion to accept the August 9<sup>th</sup> minutes upon review of the audio tape of the meeting regarding whether a directive was given to counsel and whether Director Hickey stated he would walk out of a meeting rather than allow a vote. Modifications to the minutes per the tape content are to come back for review at the next meeting. Director Faro seconded the motion, which unanimously passed.

Director Faro offered a motion to approve the minutes of the September 20, 2006 special meeting. Director Oblak seconded the motion, which was approved by a 3-1 vote with Director Hickey opposed.

Item 3.b. (Financial statements for July and August, 2006): Director Hickey asked if the grant payments to Children's Healthcare Initiative and others were legal in the absence of a budget. Ms. Greenberg responded that it is incorrect for Director Hickey to state that the Board does not have a budget. She also added that MOUs and grant agreements are also in place for these payments.

Director Oblak offered a motion to accept the financial statements for July and August. Director Faro seconded the motion, which unanimously passed.

#### **5. CEO REPORT:**

Ms. Scott displayed the ACHD Health Care District Special Achievement Award presented at ACHD's 55<sup>th</sup> annual meeting. Director Faro reported his and President Kane's attendance at the ACHD annual meeting and announced that President Kane was elected to serve on the ACHD Board.

Ms. Scott introduced Pamela Kurtzman, Coordinator for the District's HeartSafe program.

#### **NEW BUSINESS:**

##### **6.a. Investment Report:**

President Kane introduced Eric Reynolds of Fiduciary Trust International (FTI). Mr. Reynolds reported that investment performance as of 9/26/06 reflected a return on assets of 3.14%, which compares favorably to the benchmark, Lehman Government Intermediate Index, of 3.09% and the Merrill Lynch Government Index of 2.14%. Over a 5-year period, the District's portfolio has returned 5.29% compared to the LGI index at 5.07%. Portfolio maturities have lengthened in May and June but income remains consistent at about 5% or \$3 million a year. Total market value of the portfolio is in excess of \$63 million and portfolio's investments are in compliance with the District's investment policy and California State regulations. (A copy of FTI's written report is included with the original of these minutes.)

##### **6.b. Children's Health Initiative Report:**

Ms. Scott introduced Srijia Srinivasan from the San Mateo County Health Department and Ron Robinson from the Health Plan of San Mateo. Ms. Srinivasan provided an overview and evaluation of the third year of the Children's Health Initiative, a program designed to provide health insurance to indigent children. She discussed CHI's goals and outcomes and the importance of the District's financial commitment. The current evaluation reflected demographic and service use, high-cost users, and needs for dental and mental health services. There are now 5 school-based enrollment sites. Ms. Srinivasan reported that to date, the County has been able to identify and insure over half of the previously uninsured children through CHI. A copy of CHI's presentation is included in the District's Minutes Book.

##### **6. e. Item Requested By Director Hickey:**

**“Establish a policy regarding preparation and distribution of board meeting minutes, as follows: ‘It shall be the responsibility of the CEO to ensure preparation and distribution of board meeting minutes within one week after the meeting is held.’”**

Director Hickey said that he sees no reason that the minutes can't be completed and distributed within a week following a Board meeting. Ms. Scott responded that timing of generating and distributing draft minutes depends on staff work load. Director Oblak thought it would be beneficial to the Directors to have the board packets provided 10 business days in advance of the regularly scheduled meetings.

Director Hickey offered a motion to establish a policy wherein board meeting minutes are prepared and distributed within one week after the meeting was held. There was no second to his motion. It was the consensus of the Board that staff prepares and sends the meeting packet out 10 working days prior to the regularly scheduled meetings.

**7. ADJOURN:**

Upon a motion duly made and seconded, President Kane adjourned the meeting at 5:35 PM. The next regularly scheduled meeting of the Sequoia Healthcare District Board of Directors is Wednesday, December 6, 2006, 4:30pm, Sequoia Room, Sequoia Hospital.

Respectfully Submitted,

Arthur J. Faro  
Secretary