

**MINUTES OF REGULAR MEETING
BOARD OF DIRECTORS
SEQUOIA HEALTHCARE DISTRICT
August 1, 2012
Conference Room, 525 Veterans Boulevard
Redwood City, CA 94063**

<p><u>Directors Present</u> Director Faro Director Griffin Director Hickey Director Kane Director Shefren* * By teleconference</p>	<p><u>Directors Excused</u></p>	<p><u>Also Present</u> Mr. Michelson, CEO Mr. Hudak, Legal Counsel Ms. Johnson, Recorder</p>
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1. Call to Order

By: President Griffin
Time: 4:30pm

2. Public Comment/Non-Agenda Items

Emile Picchi of Woodside Fire department thanked the Board for purchasing Lucas Devices for each engine within District boundaries. The devices have been instrumental in saving lives and Officer Picchi shared a video, filmed by Woodside firemen, of one such survivor.

Director Hickey said the public has a right to know why the regular October meeting date was changed from the 3rd to the 10th. President Griffin responded that she and another board member would not be available and the 3rd.

3.a. - 3.c. Consent Calendar

Motion: To approve the Consent Calendar.
By: Director Kane
Seconded by: Director Griffin
Roll Call Vote: 5-0-0
Motion Passed

4. CEO/Staff Reports

In addition to Mr. Michelson's written report, he announced that Directors Kane and Faro are replacing Directors Griffin and Shefren on the Grants Committee. Also, another community member is being sought to fill the vacancy of Karen Howe who has served on the committee for several years.

District auditors from Vavrinek Trine & Day have completed their first quarterly review and will present their findings to the Board at the October meeting.

Healthy Schools Initiative: Ms. Kurtzman reported that an all-day planning retreat was held in June with the Wellness Coordinators. The final touches are being applied to the PE Plus program. Website launch has been delayed due to technical issues.

HeartSafe: Recipients of District purchased AEDs have been contacted regarding servicing the units and paying for batteries and pads whenever possible.

5. a. Community Grants Report

Mr. Michelson summarized a snapshot report on the District's community grants over the last two years. Total grants funded averaged \$1.5 million per year, individual grants ranged \$10,000-\$90,000 to 28 nonprofit organizations. Focus has largely been on health prevention.

5. b. Budget Report

Mr. Michelson provided a written report summarizing 2011-12 actual to budgeted income and expenditures. The District is fiscally sound, will continue to closely manage administrative costs and remains committed to spending every dollar of property tax income for the health of all District residents.

5. c. Consider Proposals to Provide Custodial Services

Mr. Michelson informed the Board that Bank of New York Mellon has instituted a minimum annual fee of \$50,000 to provide custodial services which, in the past, have cost the District \$1,500 per quarter. In researching other firms for this service, Wells Fargo initially indicated their fee would be approximately \$5,000 per year. However, upon receipt of their final proposal, he learned the annual fee will be \$15,000. Therefore, Mr. Michelson is changing his recommendation and asking the Board to approve moving forward with an agreement with Fiduciary Trust, who will provide custodial services as part of their current fee for investment advisory services.

Motion: To authorize Mr. Michelson to establish a custodial account with Fiduciary Trust International of California.

By: Director Griffin

Seconded by: Director Kane

Roll Call Vote: 5-0-0

Motion Passed

Fiduciary Trust is to provide proof of insurance of District assets above the amounts covered by the FDIC and meet other criteria as required by a public agency.

6. Adjourn to Closed Session

Motion: Adjourn to Closed Session.

By: Director Griffin

Seconded by: Director Kane

Roll Call Vote: 5-0-0

Motion Passed

Director Hickey asked why a Closed Session is necessary to discuss a public employee's performance evaluation. Mr. Hudak responded that this is standard procedure and an employee would have to specifically request an open meeting discussion.

7. Reconvene to Open Session

Reconvene to Open Session.

President Griffin announced that no action was taken and this agenda item is being deferred to the next meeting to allow for additional research.

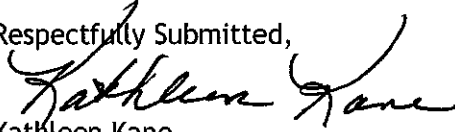
8. Adjourn

Motion: At 5:45 PM adjourn meeting.

By: Director Kane
Seconded by: Director Faro
Roll Call Vote: 5-0-0
Motion Passed

The next regular meeting of the Board of Directors of Sequoia Healthcare District is scheduled for 4:30 PM, Wednesday, October 10, 2011, District Conference Room, 525 Veterans Blvd., Redwood City, CA.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Kathleen Kane". The signature is written in black ink and is positioned above the printed name and title.

Kathleen Kane
Secretary