

**MINUTES OF REGULAR MEETING
BOARD OF DIRECTORS
SEQUOIA HEALTHCARE DISTRICT
December 5, 2012**

Conference Room, 525 Veterans Boulevard, Redwood City, CA 94063

Directors Present

Director Faro
Director Griffin
Director Hickey
Director Kane
Director Shefren

Directors Excused

Also Present

Mr. Michelson, CEO
Mr. Hudak, Legal Counsel
Ms. Johnson, Recorder

1. Call to Order

By: President Griffin

Time: 4:30 pm

2. Public Comment/Non-Agenda Items

Corrine Goodrich presented information on SamTrans Senior Mobility and Mobility Ambassador programs offering transportation to seniors and others through San Mateo County.

3.a. - 3.b. Consent Calendar

Director Hickey asked that October 30 minutes be removed from the Consent Calendar.

Motion: To approve the remaining items under Consent Calendar.

By: Director Shefren

Seconded by: Director Faro

Vote: 5-0

Motion Passed

Director Hickey stated that the October 30th minutes do not report that Mr. Michelson was tasked with researching alternative funding options for the Nursing Program. The other directors did not agree with that recollection.

Motion: To approve the October 30, 2012 minutes as presented.

By: Director Griffin

Seconded by: Director Shefren

Vote: 4-1 with Director Hickey opposed

Motion Passed

4. CEO/Staff Reports

Mr. Michelson announced that a ground-breaking ceremony for the South County Clinic is scheduled for December 13th.

A three year EBIDA projection has been provided by the hospital as follows: 2013-14 \$2.1 million; 2014-15 \$1.4 million and 2015-16 \$2 million.

Mr. Michelson, Directors Griffin and Kane have met with representatives of the nursing program and a special board meeting may be called for January 23 to consider program options.

Ms. Vaskelis' Campus Redevelopment Annual Report is included following the CEO report.

Healthy Schools Initiative: Ms. Kurtzman announced that HSI is entering its third year and she, Mr. Michelson and program participants are looking at next steps.

HeartSafe: Mr. Nielsen reported that Sequoia Union High School District will be offering CPR/AED training to more than 1,000 freshmen and the training will be provided by RWC fire fighters.

5.a Gardener Center Update on School Health Initiative

Ms. Kurtzman introduced Lisa Westrich, Monika Sanchez and Karen Strober to discuss the implementation study.

Ms. Westrich provided an overview of the program involving two schools from each of four school districts. More than 100 interviews were conducted of parents, teachers, staff and vendors. The overall research question was "in what ways does the Healthy Schools Initiative affect the coordination and accessibility of health and wellness programs and activities at HSI schools?" Findings revealed that increasing knowledge about HSI has the potential to foster increased awareness of health and wellness.

Next steps are to work closely with partners to share findings with local school communities; consider ways in which findings can inform ongoing work; inform the field of school health through conferences and publications.

The bottom line is teachers and students are benefitting from the program. Efforts will continue to increase program awareness.

5.b. Accept Certified Election Results From San Mateo County Registrar's Office and Recognize Directors Griffin and Kane as Newly Elected Directors for the Term 12/7/12-12/2/2016

Motion: To accept election results from San Mateo County Registrar's Office.

By: Director Hickey

Seconded by: Director Shefren

Vote: 5-0

Motion Passed

5.c. Resolution 12-3 Authorizing Application to the State of California for a Certificate of Consent to Self Insure Workers Compensation Liabilities

Motion: To waive reading Resolution 12-3

By: Director Faro

Seconded by: Director Kane

Vote: 5-0

Motion Passed

Mr. Michelson reported that Alpha Fund, a partner of ACHD, provides Workers Comp coverage and joining the Fund will save an estimated \$1,200 and reduce annual ACHD dues by approximately \$5,000.00 annually.

Motion: To adopt Resolution 12-3

By: Director Faro

Seconded by: Director Shefren

Vote: 3-1-1 with Director Kane abstaining and Director Hickey opposed.

Motion Passed

Additional information on Alpha Fund will be provided to the Board.

5.d Investment Update

Mr. Michelson introduced Eric Reynolds, the District's financial advisor with Fiduciary Trust International (FTI).

The portfolio's performance for the period ending 12/4/12 was presented. Mr. Reynolds stated the District's investments are in compliance with State guidelines and the District's investment policy.

Year-to-date, the portfolio increased in value by 1.45%, compared to the average Local Agency Investment Fund (LAIF) rate of 0.33%. The portfolio's market value totaled \$15.1 million. Mr. Reynolds stated the current rate environment makes it difficult to add value but FTI's goal is to continue to produce the highest return with quality investments. A copy of the written report is included with the original of these minutes.

5.e. Consider Increasing Premium Amount Allowed for Health Care Insurance for Directors and Staff

Director Kane reported she surveyed several special districts and in an environment of increasing healthcare premiums, to add dental and vision coverage she suggests raising the amount reimbursed to directors and staff to \$1,500 a month.

Motion: To approve an increase in amount reimbursed to directors and staff to \$1,500 a month effective January 1, 2013.

By: Director Kane

Seconded by: Director Faro

Director Hickey asked that the maker of the motion amend it to no reimbursement for healthcare premiums for directors and that they receive a stipend for meeting attendance. The suggested amendment was not accepted by the maker of the motion.

Vote: 3-1-1 with Director Shefren abstaining and Director Hickey opposed.

Motion Passed

Additional research will be conducted by a subcommittee of the Board and item shall be placed on the February 6, 2013 meeting agenda for re-evaluation. Mr. Hudak will research to determine if increase is applicable to current directors.

5.f. Consider Revisions to Employee Handbook Adopted 12/2/2009

Director Hickey stated healthcare and in-lieu benefits should be pro-rated for part-time employees.

Motion: To approve proposed revisions to the Employee Handbook as presented.

By: Director Griffin

Seconded by: Director Faro

Vote: 4-1 with Director Hickey opposed.

Motion Passed

5.g. Consider Adopting Statement to Spend 100% of Property Tax Income on Community Service

Director Shefren suggested that adoption of the following statement will make it clear to residents of the District's commitment to the community:

- Sequoia Healthcare District will spend 100% of each year's tax receipts on community projects to improve the health of District members. All other expenses incurred by the District will be paid for through other revenue sources including rental income, investment income, EBIDA income, and if necessary District reserve funds.

Motion: To approve statement.

By: Director Shefren

Seconded by: Director Faro

Vote: 3-1-1 with Director Kane abstaining and Director Hickey opposed.

Motion Passed

5.h. Annual Report

Director Faro suggested that a discussion of the recent Annual Report to the Community would clear up statements made about the production and timing of the mailing of the report. He added that it would be helpful for directors to see a preliminary draft before report is finalized.

Director Hickey had asked to see all invoices related to the production of the report and was given MTK invoices.

Mr. Michelson provided a memo regarding the development of the annual report reminding the Board that it is his responsibility to manage the day-to-day operation of the District and that the Annual Report is a management responsibility and not a governance/policy issue.

Adjourn

Motion: At 6:50 PM adjourn meeting.

By: Director Faro

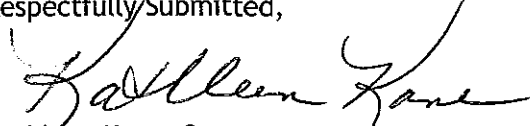
Seconded by: Director Griffin

Vote: 5-0

Motion Passed

The next regular meeting of the Board of Directors of Sequoia Healthcare District is scheduled for 4:30 PM, Wednesday, February 6, 2013, District Conference Room, 525 Veterans Blvd., Redwood City, CA.

Respectfully Submitted,



Kathleen Kane, Secretary