



**MINUTES OF GROSSMONT HEALTHCARE DISTRICT
INDEPENDENT CITIZENS' BOND OVERSIGHT COMMITTEE
Finance & Construction Sub-Committee
October 5, 2017**

A Finance & Construction Sub-Committee Meeting for the Independent Citizens' Bond Oversight Committee (ICBOC) of the Grossmont Healthcare District was held on Thursday, October 5, 2017, at 5:30 p.m. in the James G. Stieringer Conference Center's Small Conference Room located at 9001 Wakarusa Street, La Mesa.

For purposes of these minutes, the listed items will be reflected in the order set forth on the posted Agenda or in the order as amended at the start of the meeting. In some cases, discussion of items may have taken place out of sequence during the course of the meeting. Any documents referred to in these meeting minutes are posted on the website under the meeting agenda of the same date.

Members Present:	Glen Sparrow Kathleen Bute Charles Fouquette	GHD:	Barry Jantz Tom Saiz
		Gafcon:	Sheryl Castro
		Auditor:	Daphnie Munoz, CPA, Partner with Independent Auditor White Nelson Diehl Evans, LLP (<i>attended via conference call</i>)

The meeting was called to order at 5:37 p.m.

A. Approval of the August 3, 2017 Finance & Construction Sub-Committee Meeting Minutes

Mr. Charles Fouquette called for a motion to approve the August 3, 2017 Finance & Construction Sub-Committee meeting minutes. The motion was approved.

B. Auditor's Report

Ms. Daphnie Munoz, Partner from White Nelson Diehl Evans, LLP was contacted via conference call to present the Agreed-Upon Procedures Report on Expenditures Made Under Proposition G for the fiscal year ended June 30, 2017, and the Agreed-Upon Procedures Report on Expenditures for the Co-Generation Project for the fiscal year ended June 30, 2017.

Ms. Munoz stated that the testing under the Agreed-Upon Procedures Report on Expenditures for Proposition G was performed as follows:

- All expenditures exceeding \$100,000 were tested. There were twenty-four in total.
- An additional fifty expenditures under \$100,000 were selected randomly or haphazardly.

In summary, there were \$11,649,136 in total expenditures for the year ended June 30, 2017. Of this amount, the total amount tested was \$9,397,952:

- 24 transactions exceeding \$100,000 for a total of \$9,033,301
- 50 transactions between \$0-\$99,999 for a total of \$364,651



No exceptions were found as a result of applying the specific procedure.

Ms. Munoz stated ninety percent of the expenditures were tested under the Agreed-Upon Procedures Report on Expenditures for the Co-Generation Project. There were \$622,410 in total expenditures for the year ended June 30, 2017. Of this amount, the amount total tested was \$562,571. No exceptions were found.

Mr. Glen Sparrow made a motion to present both Auditors' reports to the Board as reviewed and approved by the ICBOC. The motion was approved.

Mr. Barry Jantz announced the District was awarded the Self-Generation Incentive Program grant from the State of California. He stated the initial payment of \$500,000 was received, and an additional \$100,000 will be received per year for the next five years if performance is documented. Mr. Jantz also stated the District received a refund for the application processing fee in the amount of \$10,800.

Mr. Tom Saiz reviewed the pages of the District's Financial Statements and Independent Auditors' Report for the year ended June 30, 2017 that relate to Prop G.

C. Monthly Report of Prop G Projects at Grossmont Hospital

Mr. Barry Jantz presented the September 2017 Monthly Report of Prop G Projects at Grossmont Hospital.

During the month of September:

- There were no safety events to report.
- There were no infection control breaches.
- There were no Notices of Non-Compliance.

Heart & Vascular Level 1 Surgery Floor Build-Out Update:

- Schedule delays are currently at 50 days. These are a combination of regulatory requirements or unforeseen conditions.
- Contract includes 20 Owner float days.
- These delays do not affect the completion schedule for the Sharp Infill Project.

Prop G Budget and Board Approved Budget vs. Worst Case Forecast Update:

- As of September 20, 2017, the remaining Prop G building funds total \$31,075,089 (before Heart & Vascular Level 1 Surgery Floor Build Out project).
- Potential surplus after Heart & Vascular Level 1 Surgery Floor Build Out project totals \$1,541,405.
- Mr. Jantz reported that a settlement has been reached with Syska Hennessy Group regarding claims on completed projects.

Sharp HealthCare Infill Project

- A brief update was provided on this project.



D. Memos/Approvals to Board

Mr. Jantz reviewed the Heart and Vascular Level 1 Surgery Floor Build-Out: Board Memo #379 – Supplemental Services Agreement (SSA) with Cuningham Group Architecture for Construction Document Changes (Not to Exceed \$148,235) – *Considered by Board 10/2/17.*

E. Other ICBOC Business

Mr. Jantz stated the Board approved Glen Sparrow, Jeff Olson, Ken Lavigne and Sandy Pugliese for another term.

F. Upcoming ICBOC Meetings

The next ICBOC Finance & Construction Sub-Committee meeting is scheduled for Thursday, November 2, 2017, at 5:30 p.m. in the James G. Stieringer Conference Center's Small Conference Room located at 9001 Wakarusa Street, La Mesa.

Subsequent to this meeting, the ICBOC Finance & Construction Sub-Committee meeting scheduled for Thursday, November 2, 2017 was cancelled. The next ICBOC Finance & Construction Sub-Committee meeting will be Thursday, December 7, 2017, at 5:30 p.m. in the James G. Stieringer Conference Center's Small Conference Room located at 9001 Wakarusa Street, La Mesa.

G. Adjournment

Meeting was adjourned at 6:40 p.m.