

Memo

To: Board Members
From: Tom Scaglione
Date: July 9, 2025
Subject: Finance Committee Minutes – **July 8, 2025**

The Finance Committee met on Tuesday, July 8, 2025, at 10:30 a.m. Members of the public were able to participate by telephone, Zoom, or in-person at the Grossmont Healthcare District Conference Center, located at 9001 Wakarusa Street, La Mesa, CA.

Attendees: Director Randy Lenac, Chair
Director Robert “Bob” Ayres, Member
Aaron Byzak, Interim Chief Executive Officer
Tom Scaglione, Chief Administrative Officer
Justine McQuade, Accountant (via Zoom)
Jeffery Scott, General Counsel (via Zoom)
Ryan Purdy, Sharp Grossmont Hospital
Aaron Nail, Chandler Asset Management (via Zoom)

A. Call to Order: The meeting was called to order by Director Lenac at 10:40 a.m.

B. Approval of Agenda: The agenda was approved as posted.

C. Public Comment: There was no public comment.

D. Reports/Discussion/Possible Action Items

1. Investment Report for the Quarter Ended June 30, 2025 (Chandler Asset Management)

Mr. Aaron Nail, Chandler Asset Management, presented the Investment Report for Quarter Ended June 30, 2025. The presentation included the US economic outlook and the District’s portfolio positioning, emphasizing safety, liquidity, and return. The Committee *recommended* that the Investment report for the Quarter Ended June 30, 2025, go before the full Board for a vote. Ms. Mia Brown of Chandler Asset Management will attend the next Board meeting on July 17, 2025 to present the report

to the full Board.

2. Financial Report as of and for the Year Ended June 30, 2025

CAO Scaglione presented the Financial Report as of and for the Year Ended June 30, 2025. All departments are within budget. The total cash and investments for the General Fund ending June 30, 2025 are \$48 million (General Fund) and \$34.4 million (Debt Service). The Committee *recommended* that the Financial Report as of and for the Year Ended June 30, 2025 go before the full Board for vote.

The Committee discussed the approved budget for Sharp Grossmont Hospital, which included \$620 million for master site planning, and emphasized the need for a presentation on the matter. The Committee discussed conducting a poll to gauge interest in pursuing a bond measure to raise \$200 million of the \$620 million projected for the Sharp project.

The Committee also discussed developing a detailed analysis of potential tax rate adjustments with updated county numbers for the next meeting.

Director Lenac has requested that CAO Scaglione bring back the long-range financial plan for the next meeting.

3. Fiscal Year 2025/26 Proposition G Tax Rate (For Discussion)

CAO Scaglione discussed preliminary numbers for the upcoming rate on the voter-approved tax known as Proposition G and emphasized the official property assessment valuations from which the rate is calculated will be available later this month.

4. Audit Update

CAO Scaglione stated the auditors have been provided with requested information and the interim phase of the audit will begin on July 15, 2025. The Board President will be requested to attend an audit entrance Zoom meeting with the auditors.

5. Consider Recommending Revised Public Salary Schedule

The Committee reviewed the revised public salary schedule, which was updated to reflect the Fiscal Year 2025/26 Board and Designee stipend amounts. The Committee *recommended* that the Revised Public Salary Schedule Showing Fiscal Year 2025/26 Board and Designee Stipend Amount, be brought before the full Board for approval.

6. Checks in Excess of \$10,000 Issued in June 2025 (For Information Only)

A list of checks in excess of \$10,000 issued in June was included with the agenda for informational purposes only.

President Ayres addressed the Western Alliance Bank data breach, and advised Board members to review credit monitoring options to protect against identity theft. Since all Board members sign on the bank account, the bank has offered to help with placing a freeze on their credit. Board members should expect to receive an email with this information.

The Committee discussed the progress of the Family Medicine Program contract documenting the District's commitment with Counsel Scott who confirmed he will send over a draft by the end of the week.

Director Lenac expressed his appreciation to Counsel Scott for his long service with the District. Counsel Scott reflected on his decision to move on after 35 years in the role.

E. Next Meeting: The next regularly scheduled meeting is on the calendar for Tuesday, August 12, 2025, at 10:30 a.m.

F. Adjournment: There being no further business, the meeting adjourned at 11:55 a.m.