

**MINUTES OF THE GROSSMONT HEALTHCARE DISTRICT
BOARD OF DIRECTORS
Special Meeting
August 16, 2016**

The Board of Directors of Grossmont Healthcare District (District) held a special joint meeting with the Board of Directors of Grossmont Hospital Corporation (GHC) on Tuesday, August 16, 2016, at 5:00 p.m. in the Main Auditorium of Sharp Grossmont Hospital, 5555 Grossmont Center Drive, La Mesa, California.

District Directors Present: Robert Ayres, Gloria Chadwick, Michael Emerson

District Directors Absent: Randy Lenac, Betty Stieringer

District Staff Present: Barry Jantz, Chief Executive Officer
Tom Saiz, Chief Financial Officer
Jeff Scott, General Counsel
Rick Griffin, Public Relations Consultant

A. CALL TO ORDER

President Ayres welcomed the board members and staff members of both the District and GHC, and called the meeting to order at 5:25 p.m.

B. PLEDGE of ALLEGIANCE:

President Ayres led in the pledge of allegiance.

C. APPROVAL OF AGENDA:

It was moved by Director Chadwick, seconded by Director Emerson, and unanimously carried (3-0) to adopt the agenda.

D. PUBLIC COMMENT

There was no public comment.

E. ANNUAL REPORT FROM THE GROSSMONT HOSPITAL CORPORATION

Sharp Grossmont Hospital CEO Scott Evans introduced staff members from GHC and Sharp HealthCare to make the following presentations:

- Sharp Grossmont Hospital 2016 Community Health Needs Assessment – Jillian Barber, Program Manager, Sharp HealthCare

- Finance and Operations – Scott Evans, CEO
- Hospital/Patient Initiatives – Louise White, Chief Nursing Officer, VP of Patient Care Services
- Quality & Safety – Nancy Greengold, Chief Medical Officer
- State of the Facilities/Master Plan Update – Karen Chapman, VP Facilities and Support Services

The presentations provided are included with these minutes.

F. GROSSMONT HEALTHCARE DISTRICT PRESENTATION

President Ayres introduced CEO Jantz for a presentation on District activities.

Mr. Jantz provided a presentation on District highlights in the last year, as well as an overview of Proposition G and how taxes are assessed and collected for the Prop G projects.

The presentation provided is included with these minutes.

G. OPEN DISCUSSION

Both boards had a brief general discussion of the activities of the District and Hospital. President Ayres and CEO Evans thanked everyone for attending and for the presentations.

H. ADJOURNMENT:

There being no further business, **on a motion duly made, seconded, and unanimously carried, the Board adjourned at 7:56 p.m.**

Respectfully submitted,

Gloria Chadwick, R.N., Secretary

ATTEST:

Robert Ayres, President



Grossmont Healthcare District

Joint Meeting: GHD and GHC Boards
August 16, 2016



Mission Statement

As stewards of the public trust, your Grossmont Healthcare District will preserve and protect those resources entrusted to its care.



To maintain and improve the physical and behavioral health of its constituents, we will:

- *Monitor the health care services provided at Grossmont Hospital.*
- *Anticipate and recognize the unmet health care needs of the communities we serve and support suitable services to the greatest extent possible consistent with available resources.*

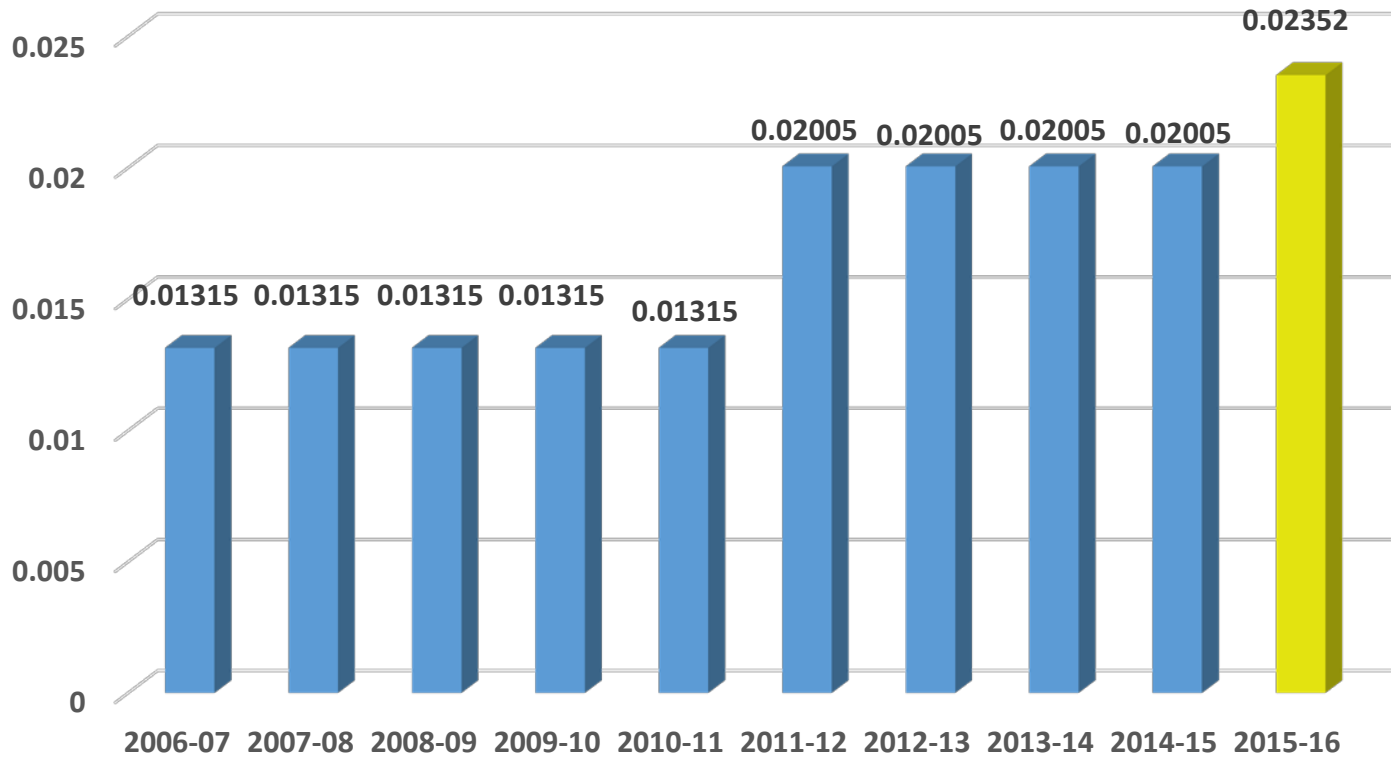
Health and Safety Code 32121.9

“A district that leases or transfers its assets to a corporation...shall act as an advocate for the community to the operating corporation...and report to the community on the progress made in meeting the community's health needs.”

- GHD Designees to the GHC Board
- Monthly/Annual Reports from GHC to the Board
- Annual Sharp Grossmont Community Benefits Report
- Independent Citizens' Bond Oversight Committee Annual Report to the Community
- Quarterly Facilities Inspections / State of the Facilities

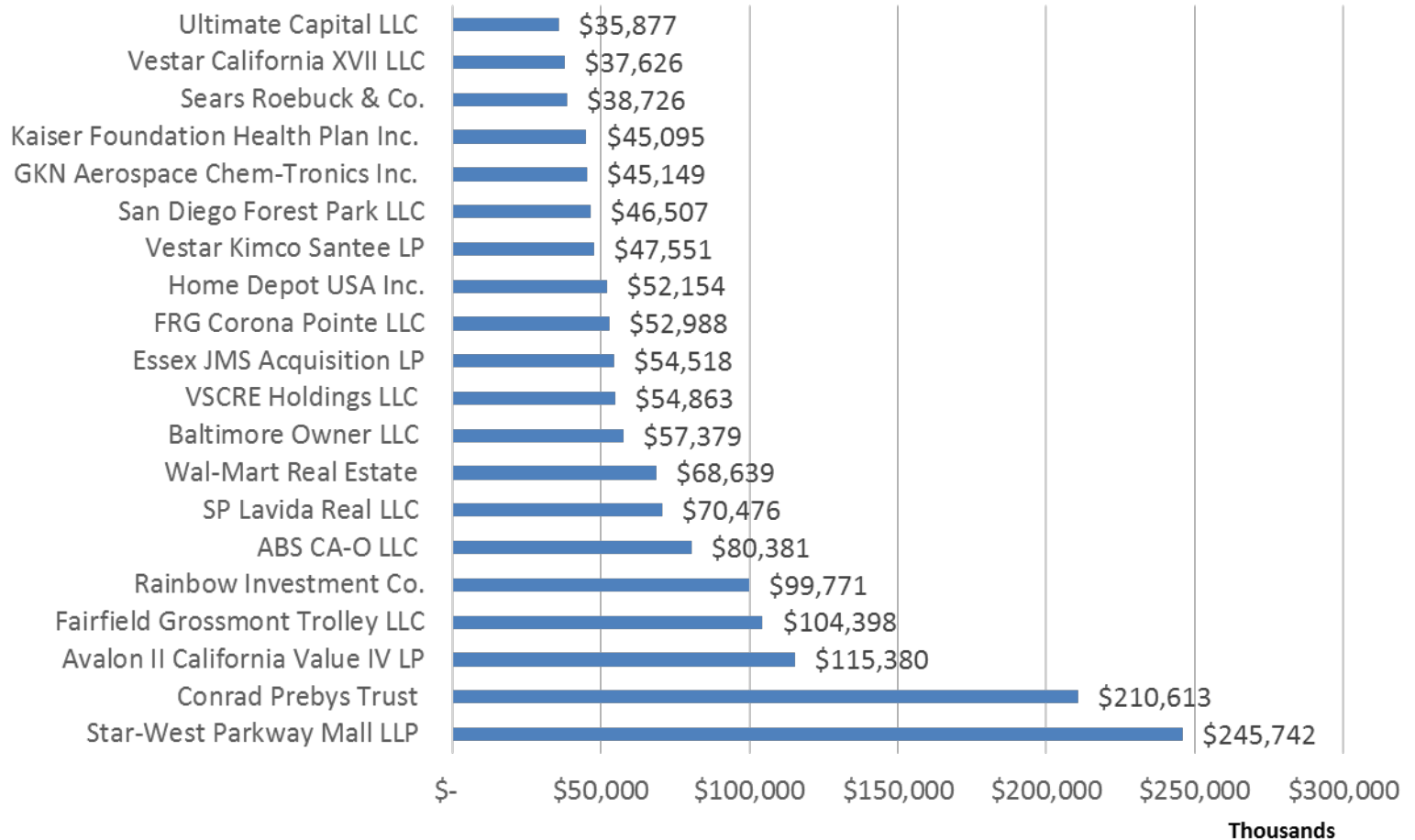


District Tax Rate for Proposition G Bond Debt Service Fiscal Year 2007-2016



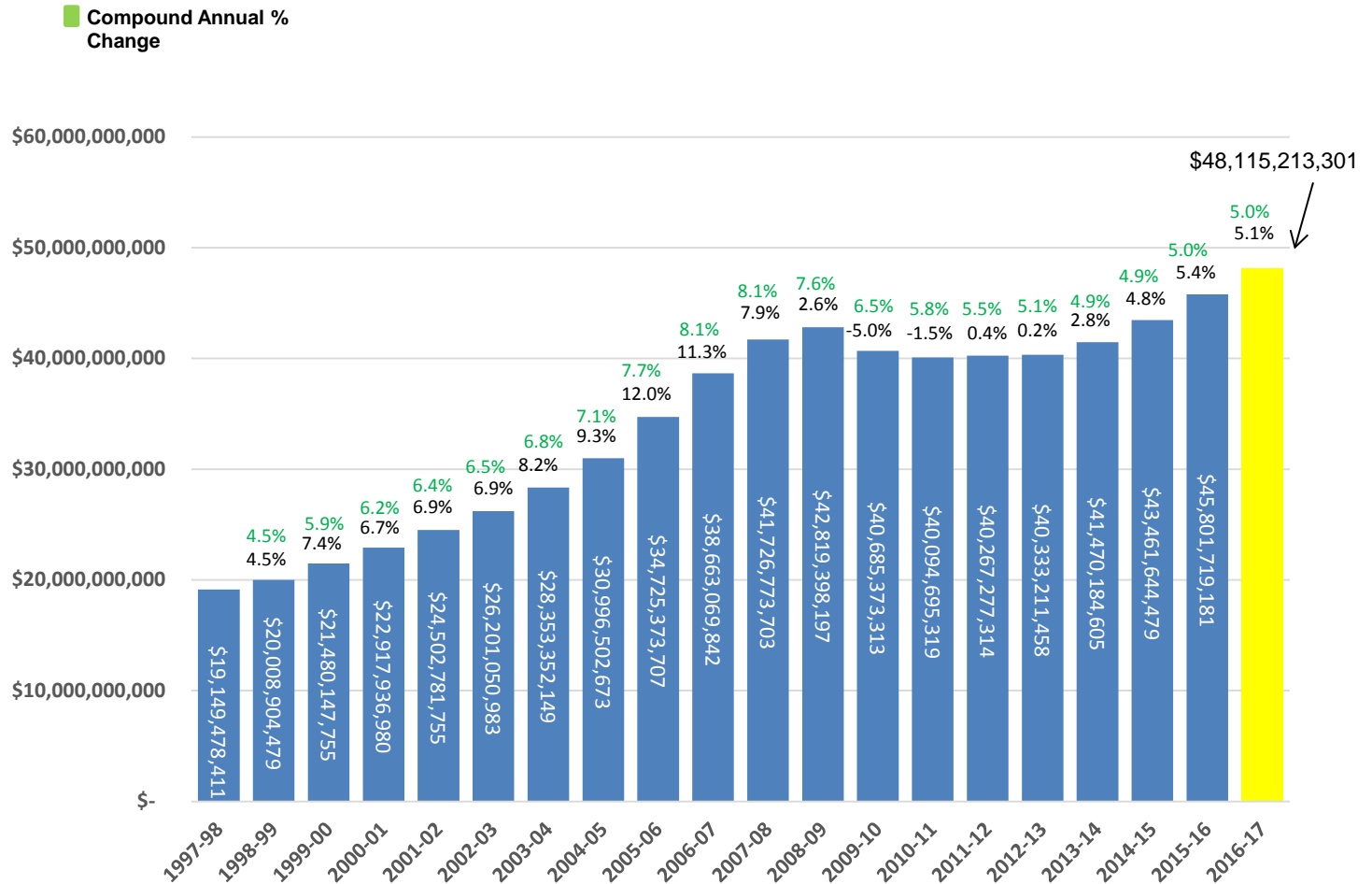


Largest Local Secured Property Taxpayers FY 2016-17





Assessed Valuations Fiscal Years 1998-2017



Prop G Highlights: 2015-16

- Oct 2015 – Another “clean” audit on all Prop G & Co-Gen funds
- Nov 2015 – East Tower Fifth Floor Complete and Occupied
- Feb 2016 – Beneficial Occupancy of New Lab and Pharmacy
- April 2016 – Beneficial Occupancy of Central Energy Plant
- April 2016 – Co-Gen successfully supplying power to the campus: Hospital is “off the grid”
- May 2016: Beneficial Occupancy of H&V Level B (Main Dock)
- May 2016 – Approval of Completion Agreement for Prop G Projects and Related Master Budget Realignment
- CEP and H&V – Both 98% complete
- Settlements with contractors on three major projects
- FY 2015-16: \$29.2 million in Building Fund expenditures (\$41.5 million in FY 14-15 and \$44.6 million in FY 13-14)
- Bids due in September, H&V Surgery Floor Build-Out

New 13,000 S.F. Clinical Testing Lab



New 13,000 S.F. Clinical Testing Lab





In Progress:
New Oxygen
Farm (left),
Steam Line
Fixes (below
left), Cart
Wash Area
(below right)



Remaining Prop G Schedule

Updated 5-19-2016	2016				2017				2018				2019				
Projects	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
CEP & Co-Generation	■	■	■	By August													
Final site work & O2 Tank			■	By September													
Heart & Vascular Building	■	■															
Heart & Vascular Site Work			■														
H&V - Surgery Build Out				Oct Board						CDPH	★						
Prop G Scope			July Board	Construction												CDPH	
Sharp Scope			Construction														

Available Funds vs. Worst Case Forecast

Category	Project Name	Projected Cost At Completion (7/21/2016)
Funds Available	Total Prop G Building Fund (Bond Proceeds, Interest Earned, Grants, Etc.)	\$ 256,809,326
Worst Case Forecast for Projects Completed or Under Construction	E Tower Phase 1	\$ 249,566
	Early Utilities and North Dock	\$ 13,313,098
	ED-CCU	\$ 40,514,579
	CEQA	\$ 104,211
	Central Energy Plant	\$ 57,396,138
	Heart and Vascular	\$ 62,237,283
	East Tower Renovation	\$ 39,962,314
	South Dock / Level B Seismic Upgrades	\$ 11,998,902
	Bond Issuance Costs (Current Projection)	\$ 498,613
	Total Worst Case Scenario for Projects Completed or Under Construction	\$ 226,274,704
	Remaining Prop G Building Funds before H&V Level 1 Surgery Floor Build Out Project	\$ 30,534,622
Projects Not Under Construction	H&V Level 1 Surgery Floor Build Out (Current Estimate, Bid and Board Award Pending)	\$ 28,798,214
	Potential Surplus	\$ 1,736,408

Looking Ahead

- A focus on completing the Prop G projects – the highest priority!
- Property Taxes – Property tax revenues continue to increase after a decline a few years ago.
- State of CA – The Legislature and Little Hoover Commission will be holding hearings, with a focus on special districts in general and healthcare districts specifically (view of local governments as a potential source of tax dollars).
- Community Needs – The District continues to see an increase in needs for community non-profits and safety net providers, impacted by recent state cuts and economic declines.
- November Election – Three GHD Board seats will appear on the November ballot for four-year terms.

Input and Discussion



Question 1

*One or two commonly heard
misperceptions or confusions about the
District/Sharp partnership.*

Question 2

Suggestions for helping the public better understand the partnership between the District and Sharp Grossmont Hospital.

Question 3

One or two things the District, Sharp or the two of us mutually can do to improve healthcare in the East Region?



Questions?

