

Memo

To: Board Members
From: Tom Scaglione
Date: June 25, 2025
Subject: Finance Committee Minutes – **June 24, 2025**

The Finance Committee met on Tuesday, June 24, 2025, at 11:30 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. For the purpose of these minutes, the listed items are reflected in the order set forth on the posted Agenda. In some cases, discussion of items may have taken place out of sequence during the meeting.

Attendees: Director Randy Lenac, Chair
Director Robert “Bob” Ayres, Member
Aaron Byzak, Interim Chief Executive Officer
Tom Scaglione, Chief Administrative Officer
Elizabeth Barrie, Barrie + Co. (via Zoom)

A. Call to Order: The meeting was called to order by Director Lenac at 11:36 a.m.

B. Approval of Agenda: With agenda item D(4) moving to D(1), the agenda was approved as posted.

C. Public Comment: There was no public comment.

D. Reports/Discussion/Possible Action Items

1. Fiscal Year 2025/26 Annual Investment Report

- a) Potential Recommendation to Adopt Fiscal Year 2025/26 Annual Investment Report

CAO Scaglione presented the Fiscal Year 2025/26 Annual Investment Report. The Committee discussed the annual investment plan, which involves continuing to work with Chandler Asset as the investment manager for funds

above the operating and administrative reserve of \$19.6 million. Liquidity is maintained at this level, with the remaining funds, approximately \$28 million invested in a portfolio managed by Chandler. After brief discussion, the Committee *recommended* to adopt the Fiscal Year 2025/26 Annual Investment Report.

2. Investment Policy Annual Review and Update

a) Potential Recommendation to Adopt Fiscal Year 2025/26 Investment Policy

CAO Scaglione presented the updated Investment Policy to the Committee. They reviewed the proposed policy change to allow investments in JPA (Joint Powers Authority) beneficial interest, which would provide an additional investment tool if needed. After brief discussion, the Committee *recommended* to adopt the Fiscal Year 2025/26 Investment Policy.

3. Financial Institution Authorization Policy (FIN-02) Review and Update

a) Potential Recommendation to Adopt Financial Institution Authorization Policy

CAO Scaglione presented the Financial Institution Authorization Policy (FN-02) to the Committee, which includes both investment and cash accounts, to be reviewed annually. There were no changes recommended from the current policy. After discussion, the Committee *recommended* to adopt the Financial Institution Authorization Policy (FIN-02).

4. Consideration of District Renovation Contracts

a) Design and Construction Management Services Contract (Barrie + Co. for \$293,958)

b) Architectural Design Services Contract (HGW for \$216,576)

c) Geotechnical Investigation Services Contract (American Geotechnical Inc. for \$10,000 - \$12,000)

Elizabeth Barrie provided an update on the Barrie + Co. contract. The HGW and American Geotechnical Inc. contracts have been finalized. She will respond to Counsel Scott today regarding final contract comments, mainly regarding prevailing wage, which were not applicable to their situation. She expects the contract to be finalized today. Ms. Barrie will coordinate with Kaelyn St. Thomas to attend the July 17, 2025 Board meeting in-person or via Zoom. The Committee *recommended* to approve all three contracts: Barrie + Co. for \$293,958; HGW for \$216,576, and American Geotechnical Inc. for \$10,000 - \$12,000.

5. Parking Lot Cement Blocks

- a) Potential Recommendation to Approve American Asphalt & Concrete's Estimate for Removal of Parking Lot Cement Blocks (\$2,425 - \$3,625)

The Committee discussed the removal of the parking lot cement blocks (wheel stops) as a safety measure. The Committee suggested investigating local parking lot codes and using yellow reflective strips as a less expensive alternative. The Facilities Committee to further investigate parking lot wheel stop regulations and best practices.

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

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

The Committee also discussed the expenses related to the CEO transition. CAO Scaglione emphasized the expenses are being tracked and are within the amended budgeted amount. They also discussed the Residency contract, including whether the \$500,000 advance was against the \$1 million disbursement. Interim CEO Byzak will follow up on this to provide clarification.

E. Next Meeting: The next regularly scheduled meeting is on the calendar for Tuesday, July 8, 2025, at 10:30 a.m.

F. Adjournment: There being no further business, the meeting adjourned at 12:04 p.m.