



MINUTES

**Southern Nevada District Board of Health Meeting
FINANCE COMMITTEE MEETING
October 14, 2014 - 3:00 pm
Administrative Conference Room (2nd Floor)
330 S. Valley View Blvd., Las Vegas, Nevada 89107**

Bob Beers, Chair, called the Southern Nevada District Board of Health Chief Health Finance Committee meeting to order at 3:17 p.m.

Annette Bradley, Attorney, noted a quorum was present at the start of the meeting with Members Beers, Crowley, Dobyne and Osgood seated and Member Woodbury via teleconference.

BOARD: Bob Beers, Chair – Councilmember, City of Las Vegas
Susan Crowley – Alternate, At-Large Member, Environmental Specialist
(Present) Douglas Dobyne – At-Large Member, Regulated Business/Industry
Kenneth Osgood – At-Large Member, Physician
Rod Woodbury, Chair – Councilmember, Boulder City (via teleconference)

(Absent): John Marz - Councilmember, City of Henderson

ALSO PRESENT:
(In Audience) None

LEGAL COUNSEL: Annette Bradley, Esq.

EXECUTIVE SECRETARY: Joseph Iser, MD, DrPH, MSc, Chief Health Officer

STAFF: Marcia Gershin, Andy Glass, Ben Lehavi, Cassius Lockett, Kieawa Mason, Dan Musgrove, Shirley Oakley, Mars Patricio, Jacqueline Reszetar, Bonnie Sorenson, Jacqueline Wells

PUBLIC ATTENDANCE:

None

I. CALL TO ORDER

- II. PUBLIC COMMENT:** A period devoted to comments by the general public about those items appearing on the agenda. Comments will be limited to five (5) minutes per speaker. Please step up to the speaker's podium, clearly state your name and address, and spell your last name for the record. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chairman or the Board by majority vote.

Seeing no one, this portion of the meeting was closed.

III. ADOPTION OF THE OCTOBER 14, 2014 AGENDA (for possible action)

A motion was made by Member Osgood seconded by Member Crowley and unanimously carried to adopt the October 14, 2014 Agenda as presented.

IV. Report/Discussion/Action:

1. Approve Audit Committee Meeting Minutes – March 20, 2014 (for possible action)

A motion was made by Member Crowley seconded by Member Dobyne and unanimously carried to adopt the minutes of the March 20, 2014 Audit Committee meeting as presented.

2. Review/Discuss Three Year Budget Projection; direct staff accordingly or take other action as deemed necessary *(for possible action)*

Andy Glass, Director of Administration presented the current General Operating Fund Summary projection scenarios (**Attachment 1**). It was noted by Chair Beers that the funds received from Clark County were not clearly indicated on the presentation. This information will be revised to accurately reflect the transfers prior to presentation to the full board.

Dr. Iser indicated future property tax increases, additional grants and billing opportunities could also affect the budget.

Chair Beers clarified that the \$18 million dollar difference in budgeted revenue for 2014 versus estimated revenue is due to the fact that the district anticipated receiving the money from the County in 2014 and essentially money was moved from revenue to opening fund balance.

Chair Beers confirmed that the funds dispute with the Clark County was not just within the Building Fund, but across the entire payment that was due to the district.

Member Osgood confirmed there are core services provided by the district that may be underfunded. Dr. Iser indicated examples of some of the underfunded programs are clinical services, Vector Control, restaurant inspections, disease investigations, Epidemiology and Finance.

Bonnie Sorenson, Director of Clinics and Nursing Services stated there are funds available to the District under the Affordable Health Care Act, however, third party payers have not been educated on billing for services from public health. In addition, a large percentage of the District's clients are undocumented, and as a result, are ineligible for insurance or Medicaid. The District is still obligated to take care of this population as communicable diseases affect everyone.

Dr. Iser noted that questions before the board are:

- Once the building is purchased, should the Bond Reserve Fund continue to be funded and at what level;
- Should the Proprietary Fund (SNHPL) be funded and at what level;
- Should the continuance of the required board policy of ending fund balance of 16.6 to 25 percent be upheld or is the board willing to settle for 10%, allowing the district more flexibility to put additional funds in programs or buildings.

Member Crowley noted having the high reserve preserved the District during the lawsuit with County and additional funds are necessary to have in case of community health emergency.

3. Review/Discuss Building Funding Update; direct staff accordingly or take other action as deemed necessary *(for possible action)*

Andy Glass, Director of Administration advised the District is still in negotiations with the buyers of the property at 278 S. Decatur. Currently, an agreement exists among all the property owners that only retail activities occur on that property. In order to be able to buy the property, the real estate agreement had to be changed for use of a medical facility. Agreement has been reached between Buyer C and Target to make this accommodation. Closure should occur late October to early November. The District will purchase the Target venue and four adjacent storefronts for \$6.5 million and it is anticipated that it will take approximately \$10 million to renovate. Projected move-in is July 2015.

Dr. Iser noted Roland Sansone, owner of Boulevard Mall has been lobbying the Board and some Commissioners to purchase the Dillard's property at Boulevard Mall. Mr. Sansone would like to do another presentation at the October 23 Board meeting, however if documents for the 278 S. Decatur property are signed prior to this meeting, his point will be moot.

Dr. Iser reported the current leases at 400 Shadow Lane expire on January 31, 2015. Most of the offices at that location will be closing down prior to that date and will result in additional moving for those employees, but will cut down on costs in the long run.

4. Discuss and Approve Recommendations to the Southern Nevada District Board of Health on October 23, 2014 regarding the FY15 Budget; direct staff accordingly or take other action deemed necessary (*for possible action*)

A motion was made by Member Crowley and seconded by Member Osgood to Adopt the Projection FYE2015 column as a new budget for the current FY with the caveat that it is based on preliminary information that has not been audited and thus might be subject to some additional change.

Discussion occurred regarding fund names and/or the creation of a new fund instead of the "sinking fund". Chair Beers suggested "future building and repair fund" and recommended that "sinking fund" be fully explained to the board.

It was decided that (1) the district will make a presentation at the next board meeting to educate the board regarding the concept of a sinking or depreciation fund, what it would mean for the district and how it would be managed and (2) determine if an emergency services fund should be established or leave the ending balance funded at the higher level to be used in place of an emergency fund.

Chair Beers suggested that the board policy of a 16.6% to 25% ending fund balance could be modified to 8% balance in the general fund, which is double the statute of the 4% requirement and establish an Emergency Services Fund which could be funded at 8% - 12% of the general fund revenue.

V. PUBLIC COMMENT: A period devoted to comments by the general public, if any, and discussion of those comments, about matters relevant to the Board's jurisdiction will be held. No action may be taken upon a matter raised under this item of this Agenda until the matter itself has been specifically included on an agenda as an item upon which action may be taken pursuant to NRS 241.020. Comments will be limited to five (5) minutes per speaker. Please step up to the speaker's podium, clearly state your name and address, and spell your last name for the record. If any member of the Board wishes to extend the length of a presentation, this may be done by the Chairman or the Board by majority vote.

Seeing no one, the Chair closed this portion of the meeting.

XI. ADJOURNMENT

Motion made by Osgood seconded by Crowley to adjourn. The Chair adjourned the meeting at 4:55 p.m.

Joseph P. Iser, MD, DrPH, MSc
Chief Health Officer/Executive Secretary

/jw