

GOVERNANCE COMMITTEE MEETING MINUTES – Thursday, February 2, 2023

<i>AGENDA ITEM</i>	<i>CONCLUSION/ACTION</i>	<i>FOLLOW UP/RESPONSIBLE PARTY</i>	<i>FINAL?</i>
<i>DISCUSSION</i>			
NOTICE OF MEETING			
Notice of Meeting was posted at the Palomar Health Administrative Office; also posted with agenda packet on the Palomar Health website on Monday, January 30, 2023.			
CALL TO ORDER			
The meeting, which was held in the Linda Greer Board Room at 2125 Citracado Parkway, Suite 300, Escondido, CA. 92029, and virtually, was called to order at 12:00p.m. by Committee Chair Jeff Griffith			
ESTABLISHMENT OF QUORUM			
<ul style="list-style-type: none"> • Quorum comprised of: Chair Jeff Griffith, Director Laura Barry and Director Terry Corrales • Excused Absences: None 			
PUBLIC COMMENTS			
<ul style="list-style-type: none"> • There were no public comments. 			
*FOLLOW UP ITEMS			
<ul style="list-style-type: none"> • There were no follow up items. 			
*ACTION ITEMS			
1. *Minutes: Board Governance Committee Meeting – December 1, 2022	MOTION by Director Barry, 2 nd by Director Corrales to approve the December 1, 2022 meeting minutes as written. Roll call voting was utilized. Director Barry - Aye Director Corrales - Aye		Y

	Director Griffith - Aye All in favor. None opposed.		
DISCUSSION: No discussion			
2. Adopt Board Governance Committee Meeting Schedule for Calendar Year 2023 and February 2024	MOTION by Director Corrales, 2 nd by Director Barry to adopt the meeting schedule for calendar year 2023 and February 2024. Roll call voting was utilized. Director Barry - Aye Director Corrales - Aye Director Griffith - Aye All in favor. None opposed.		
DISCUSSION: Director Terry Corrales asked for a reporting calendar for the year for Board Governance Committee. Kevin DeBruin, Chief Legal Officer, will have the reporting calendar created.			
3. Policy Review: Disposition of Surplus Policy #21804	MOTION by Director Barry, 2 nd by Director Corrales to delegate authority to counsel to undertake any further due diligence to draft such resolution for the Board of Directors consideration. Roll call voting was utilized. Director Barry - Aye Director Corrales - Aye Director Griffith - Aye All in favor. None opposed.	1)Legal counsel to draft a Resolution to be moved to Board of Directors for consideration 2) Policy #21804 will be placed on agenda for retirement at the April 6 th Board Governance Committee Meeting.	Y
DISCUSSION: <ul style="list-style-type: none"> ▪ Director Terry Corrales asked about Fair Market Value, and if that is not obtainable, can a charitable donation of equipment be considered? Jessica Brown, Holland and Knight, noted under the Health and Safety Code the district is required to disclose the fair market value, and to the extent that it cannot receive fair market value, it can dispose of it to another hospital district. ▪ Kevin DeBruin, Chief Legal Officer, inquired about assets that are no longer useful and no one would pay for, how is that delegated? Hugh King, Chief Financial Officer, noted it depends on the nature of the asset. If no one bids on an asset during the bidding process, the asset can be donated or scrap it. Jessica Brow, Holland and Knight, noted the explanation is the perfect example of why its best practice to delegate this to high level executive staff, so the Board of Directors is not in a position to abide to the policy to the tee, but giving authority to those who are in the best position to assess asset values and dispose of assets appropriately. 			
4. Policy Review: Debt Policy #58892	MOTION by Director Barry, 2 nd by Director Corrales to recommend Debt Policy #58892 be moved to Board of Directors for approval Roll call voting was utilized. Director Barry - Aye Director Corrales - Aye Director Griffith - Aye		

All in favor. None opposed.

DISCUSSION:

- Annual policy review of Debt Policy #58892.
- Kevin DeBruin, Chief Legal Officer, as agenda item six is discussed, these annual policies will not need to be brought to Board Governance Committee before moving policies to the full Board of Directors.

5. Policy Review: Annual Adoption of Statement of Investment #27092

MOTION by Director Barry, 2nd by Director Corrales to recommend Statement of Investment #27092 be moved to Board of Directors for approval
Roll call voting was utilized.

Director Barry - Aye
Director Corrales - Aye
Director Griffith - Aye

All in favor. None opposed.

DISCUSSION:

- Annual policy review, annual adoption of Statement of Investment #27092
- Chair Jeff Griffith agenda item six will again streamline the process of annual policy reviews

6. Policy Development: Policy Review, Approval and Recommendation by Standing Committees - Discussion

MOTION N/A

Informational item only

DISCUSSION:

- Kevin DeBruin, Chief Legal Officer, explained policies that are entirely in purview of each standing committee, should be able to go straight to the Board of Directors from that standing committee, and this should be covered in each standing committees charter.
- Director Terry Corrales asked if the committee charters reflect this change. Mr. DeBruin will verify the charters.
- Jessica Brown, Holland and Knight, recommended each particular subcommittee, who have particular areas of expertise, can bring policies to the Board of Directors without moving through Board Governance Committee. There does not need to particular language in each sub-committee charter to make this procedure appropriate according to the by-laws
- Chair Jeff Griffith asked if there is a policy or procedure that were passed and are suspect, during a Board of Directors meeting the Chair of Governance can recommend that a policy be referred back to Governance for additional focus or work. Jessica Brown, Holland and Knight, confirmed the Roberts Rules of Order provides for in its procedures, the ability to refer matters back to a particular sub-committee.

7. Policy Development: Board Member Meeting Attendance- Discussion

MOTION N/A

8. Policy Development: Board Member Teleconferencing- Discussion

DISCUSSION:

- Committee members and Legal Counsel discussed the current attendance policy in the by-laws, which restates the attendance statute under the Health and Safety Code.
- David Holtzman, Holland and Knight, provided the updated statute requirements regarding attendance, including virtual attendance, with the committee.
- Chair Jeff Griffith suggested an education segment for Board members. Chair Griffith would like a policy built, outlining step by step how we utilize the attendance policies.
- Diane Hansen, President and CEO, asked if there are limitations on participation depending upon whether board members are in district or out of district? Also, if Board members are out of district, are there limitations based on a quorum or are there other participatory limitations? David Holtzman, Holland and Knight, noted they have not identified any limitations, the Brown Act requires only that a majority of the quorum be within the territorial boundaries.
- Committee members and Legal Counsel discussed the items to add to the draft attendance policy. David Holtzman, Holland and Knight, noted the statute for 2023 expires in 2024, so the new policy will need to be looked at again then. Director Laura Barry asked, has the 2024 statute has been posted? Mr. Holtzman said yes but has not gone through all the differences yet, and will look what the differences are.

- Jessica Brown, Holland and Knight, suggested setting a special meeting of the Governance Committee to vet the policy before bringing the policy to the Board of Directors. A meeting date of February 23, 2023, was agreed upon.
- Kevin DeBruin, Chief Legal Officer, suggested adding an agenda item to the February 13th Board of Directors meeting for a brief discussion about the statute requirements and that the Governance committee will be bringing a new policy to the Board of Directors.

***INFORMATIONAL ITEMS**

V. Standing Items:

1. Legislative Update: None	N/A		
2. Lucidoc Board Policy Listing	Information Only		

Discussion:

1. Kevin DeBruin, Chief Legal Officer, is finding a new vendor to provide legislative updates

VI. RoundTable/Comments

- Discussed committee membership
- Printing of meeting packets
- Refreshments during meetings

FINAL ADJOURNMENT

Meeting adjourned by Chair Jeff Griffith at 1:15 PM.

SIGNATURES:



COMMITTEE CHAIR

Jeff Griffith, EMT-P

COMMITTEE SECRETARY



Carla Albright