

A regular meeting of the Board of Directors of the Washington Township Health Care District was held on Wednesday, October 28, 2020 via Zoom in order to comply with Alameda County’s orders as revised on October 23, 2020 to slow the spread of COVID-19 and to maintain restrictions on movement and public gathering. Director Wallace called the meeting to order at 6:00 p.m. and led those present in the Pledge of Allegiance.

CALL TO ORDER

Roll call was taken. Directors present: Michael Wallace; William Nicholson, MD; Jeannie Yee; Jacob Eapen, MD; Bernard Stewart, DDS

ROLL CALL

Also present: Kimberly Hartz, Chief Executive Officer; Ed Fayen, Executive Vice President; Chris Henry, Vice President; Tina Nunez, Vice President; Stephanie Williams, Vice President; Paul Kozachenko, Legal Counsel; Dee Antonio, District Clerk

Guests: Will Cobb, Consultant; Sarah Ramos, Consultant; Angus Cochran, Lucy Hernandez, Dan Nardoni

Director Wallace welcomed any members of the general public to the meeting. He stated that Governor’s Newsom’s Executive Order N-29-20 explicitly waives The Brown Act provision that requires physical presence of members, the clerk or other personnel of the body, or of the public as a condition of participation in, or quorum for, a public meeting. He noted that Washington Township Health Care District continues to comply with the Brown Act in providing appropriate connection information in order to provide the public the opportunity to participate in the meeting and that Public Notice for this meeting, including connection information, was posted appropriately on our website.

OPENING REMARKS

Mr. Wallace announced that this meeting, conducted via Zoom, will be recorded for broadcast at a later date.

When asked if any members of the general public were in attendance and/or interested in speaking, there was no response.

There were no oral communications.

COMMUNICATIONS

There were no written communications.

Director Wallace presented the Consent Calendar for consideration:

CONSENT CALENDAR

- A. Amendments to the Pension Investment and Other Post-Retirement Benefits Investment Policies

In accordance with District law, policies, and procedures, Director Nicholson moved that the Board of Directors approve the Consent Calendar, item A.

Director Eapen seconded the motion.

Roll call was taken:

- Michael Wallace – aye
- William Nicholson, MD – aye
- Jeannie Yee - aye

Board of Directors' Meeting

October 28, 2020

Page 2

Jacob Eapen, MD - aye
Bernard Stewart, DDS – aye

The motion unanimously carried.

Chris Henry introduced Will Cobb and Sarah Ramos from Price Waterhouse Coopers who presented the FY 2020 audit results report to the Board of Directors. They noted there were no uncorrected misstatements identified for fiscal year 20; there was one uncorrected misstatement related to fiscal year 19; there were no material weaknesses identified; and, there were audit adjustments to several presentation and disclosure matters and related internal control findings. The following transactions were determined to be significant and unusual during fiscal 2020: CARES Act funding; Medicare Accelerated and Advance Payments; Warm Springs joint real-estate purchase. It was also noted that the District was significantly impacted by COVID-19, which resulted in a reduction in revenue and increased expenses.

PRESENTATION:

*RESULT OF ANNUAL
AUDIT FY 2020*

The audit noted no instances of fraud at the District. There was discussion regarding the Adjustments proposed by PwC and booked by management. Management concluded that the revisions and reclassifications to prior year are not material, individually and in the aggregate, to the previously issued June 30, 2019 financial statements. Based upon guidance included in Government Accounting Standards, the District determined that the inclusion of a cash flow statement for the Foundation was not required. As a result, the fiscal year 2019 cash flow statement and the reclassification proposed by PwC therein are not included in the fiscal year 20 financial statements. Management has concluded, and PwC concurs, that this uncorrected reclassification is not material to the previously issued June 30, 2019 financial statements.

Other required communications to the Board included:

- There were no conditions and events that were identified that indicate there is substantial doubt about the District's ability to continue as a going concern.
- No disagreements with management.
- No identification of any potential or known fraud. No indications of management override identified through the audit procedures performed in response to the presumed significant risk related to management override of controls.
- PwC will issue an unqualified opinion on the District's financial statements.

In accordance with District Law, Policies and Procedures, Director Nicholson moved for acceptance of the Audit Report for Fiscal Year ending June 30, 2020 as presented and that the Secretary be directed to publish the report in accordance with applicable law and Hospital Policies and Procedures.

*CONSIDERATION OF
ANNUAL AUDIT FISCAL
YEAR 2020*

Director Yee seconded the motion.

Roll call was taken:

Board of Directors' Meeting

October 28, 2020

Page 3

Michael Wallace – aye
William Nicholson, MD – aye
Jeannie Yee - aye
Jacob Eapen, MD - aye
Bernard Stewart, DDS – aye

The motion unanimously carried.

In accordance with District Law, Policies and Procedures, Director Nicholson moved that the Board of Directors approve the 2020 Community Needs Assessment Health Improvement Plan and that the Board authorize the Chief Executive Officer to move forward with its implementation.

*CONSIDERATION OF
2020 COMMUNITY
NEEDS ASSESSMENT
HEALTH
IMPROVEMENT PLAN*

Director Yee seconded the motion.

Roll call was taken:

Michael Wallace – aye
William Nicholson, MD – aye
Jeannie Yee - aye
Jacob Eapen, MD - aye
Bernard Stewart, DDS – aye

The motion unanimously carried.

Director Wallace recused himself from participating in discussion of or taking action on this item as he is the Chairman of the Board of Fremont Bank and this action involves Fremont Bank. First Vice President Nicholson assumed the duties of President and chaired the meeting on this item; Director Wallace logged out of the meeting.

*CONSIDERATION OF
COMMERCIAL
GUARANTY AND
GOVERNMENTAL
CERTIFICATE IN
CONNECTION WITH A
FINANCING OF
TENANT
IMPROVEMENTS FOR
AMBULATORY
SURGERY CENTER*

In accordance with District Law, Policies and Procedures, Director Yee moved that the Board of Directors

- (1) Authorize Kimberly Hartz, Ed Fayen, and Chris Henry to execute the Commercial Guaranty on behalf of the District;
- (2) Authorize Dr. Bernard Stewart, Secretary of the Board, to execute the Governmental Certificate to the Commercial Guaranty; and
- (3) Authorize the Chief Executive Office of the District to take any and all actions necessary to execute any and all instruments and do any and all things deemed by her to be necessary, or desirable, to carry out the intent and purposes of this motion.

Director Eapen seconded the motion.

Roll call was taken:

Michael Wallace – recused
William Nicholson, MD – aye
Jeannie Yee - aye
Jacob Eapen, MD - aye

Board of Directors' Meeting

October 28, 2020

Page 4

Bernard Stewart, DDS – aye

The motion carried.

Kimberly Hartz made the following announcements:

ANNOUNCEMENTS

- The search for Executive Director of the Charitable Foundation has been put on hold. Sara Gemski has been appointed Interim Executive Director at this time.
- The Top Hat Event has netted \$192,000.
- A Commendation will be awarded to Alameda County Supervisor Scott Haggerty at the November 11th Board Meeting.

In accordance with Health & Safety Code Sections 32106 and 32155 and California Government Code 54956.9(d)(2), Director Wallace adjourned the meeting to closed session at 7:02 p.m., as the discussion pertained to a trade secret pursuant to Health & Safety Code section 32106 Trade Secrets discussion and a Report of Medical Staff and Quality Assurance pursuant to Health & Safety Code Section 32155. Mr. Wallace stated that the public has a right to know what, if any, reportable action takes place during closed session. Since this is a teleconference call and we have no way of knowing when the closed session will end, the public was informed they could contact the District Clerk for the Board's report beginning October 29, 2020. He indicated that the minutes of this meeting will reflect any reportable actions.

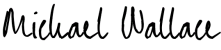
ADJOURN TO CLOSED SESSION


Director Wallace reconvened the meeting to open session at 7:21 p.m. and reported that no reportable action was taken in Closed Session.

RECONVENE TO OPEN SESSION & REPORT ON CLOSED SESSION

There being no further business, Director Wallace adjourned the meeting at 7:21 pm.

ADJOURNMENT

DocuSigned by:

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 Michael J. Wallace
 President

DocuSigned by:

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 Bernard Stewart, DDS
 Secretary