



**Minutes of the November 8, 2022
Meeting of the Petaluma Health Care District
FINANCE AND BUSINESS DEVELOPMENT COMMITTEE**

CALL TO ORDER

California Governor Gavin Newsom issued Executive Order N-15-21 on September 20, 2021, relating to the convening of public meetings during the COVID-19 pandemic. Pursuant to the Governor's Executive Order, The PHCD Finance and Business Development Committee Meeting for Tuesday, November 8, 2022 began at 4:00 p.m. via Zoom Teleconference.

Treasurer Jeffrey Tobias, MD called the meeting to order at 4:06 PM.

PRESENT

Jeffery Tobias, MD, Treasurer
Brian Dufour, Director
Ramona Faith, CEO
Andrew Koblick, Controllor
Jonathan Spees, Consultant
Carlos Oblites, Portfolio Manager – Chandler Asset Management
Don Penner, Portfolio Manager – Chandler Asset Management

CONSENT CALENDAR

A MOTION was made by Director Tobias to approve the November 08, 2022, Agenda and the minutes of the October 11, 2022, Finance and Business Development Committee meeting, which were approved by all present.

CHANDLER QUARTERLY PORTFOLIO PRESENTATION

- **Economic Conditions**

Carlos Oblites updated the committee on the current economic outlook and expectations for the next three to six months. Inflation continues to be a major force in the economy and the Fed's reaction, i.e., increasing the Fed lending rate, is driving the yields in the bond market to higher levels. Chandler expects the Fed to increase rates in the near term.

- **Portfolio Update**

Carlos Oblites updated the committee on the current state of the Schwab portfolio, that is managed by Chandler Asset Management. Mr. Oblites reported that as of November 1, 2022, assets managed by Chandler Asset Management are in full compliance with state law and the District's investment policy, the current purchase yield is 1.66% and the current maturity duration of the portfolio is 1.68 years.

BUSINESS DEVELOPMENT

- **Hospice House Lease**

Staff and consultant Jonathan Spees updated the committee on the status of the 416 Payran Street lease negotiations. The District and Providence have come to a basic agreement and will begin work on the lease contract.

- **Business Development**

Mr. Spees updated the committee on possible ventures involving developing the Lynch Creek property to include retail, medical offices and low-cost housing. Mr. Spees also discussed purchasing real estate that would provide housing for people with special needs.

- **Discussion of Business Development Framework**

The Committee has been asked by the Board to develop a framework for business and financial development. The Committee discussed a number of ways to proceed to help the board make decisions regarding the future direction of investments and community support by the District. Possible ways to move forward and the committee's recommendations will be discussed with the board.

FINANCE

- **Portfolio**

The committee discussed possible changes to the allotment of funds held in LAIF and Schwab.

- **September 2022 Financials**

The Committee reviewed the September 30, 2022, financials and recommends to the board to approve as presented pending minor changes.

- **Annual Audit**

The year-end financial audit has been completed and the Finance Committee reviewed the audit report. The committee has asked for two changes in the language in the management report, which have subsequently been made, before auditor Rick Jackson of JWT & Associates, LLP presents the report to the District Board at the December board meeting.

PLUS / DELTA

None.

ADJOURN

Director Tobias adjourned the meeting at 5:37 PM.
Submitted and recorded by Andrew Koblick, Controller