

Munroe Regional Health System, Inc.

Board of Directors Meeting Minutes

August 27, 2018 @ 5:00 p.m.
Rich Bianculli, Chairman

Call to Order

Richard Bianculli called the August 27, 2018 regular meeting of the Munroe Regional Health System, Inc. Board of Directors to order with a quorum present at 6:10 p.m.

Board Members Present

Ken Marino, Rich Bianculli, Randy Klein, Sam McConnell, Larry Strack, Ram Vasudevan

Board Members Absent

David Cope

Present by Phone

None

District Attorney Present

Joe Hanratty

Others Present:

Curt Bromund, Brianna Liles, Debbie Cooper, Carlos Medina, Michelle Stone, Heather Wyman,

Invocation

None

Public Comment (3 minutes)

None

Approval of Previous Minutes – July 30, 2018 and August 21, 2018

A **Motion** was made by Sam McConnell to accept the minutes of July 30, 2018 and August 21, 2018. The **Motion** was seconded by Ken Marino. With no further discussion, the **Motion** carried unanimously.

MRHS Financial Reports, Budget vs. Actual Balance Sheet and Income Statements

Debbie reviewed the July 2018 financials.

A **Motion** was made by Sam McConnell to accept the Financials of July 2018. The **Motion** was seconded by Ken Marino. With no further discussion, the **Motion** carried unanimously.

MRHS 2016 990 Tax Form – Debbie Cooper presented the MRHS 990 Tax form for 2016 for the trustees to view and then accept.

A **Motion** was made by Larry Strack to accept the MRHS 2016 990 Tax Form. The **Motion** was seconded by Ram Vasudevan. With no further discussion, the **Motion** carried unanimously.

New Business

AON Hewitt - Debbie Cooper presented the Aon Hewitt proposed contract fees for work to be done on terminating the Munroe Pension Plan. Projected termination complete timeline is November/December 2020. Proposed Plan Termination (Schedule 7) fees in accordance with of the Agreement are \$140,000 for 2018, \$260,000 for 2019 and assume the plan termination activities will occur in 2018 and 2019. Munroe Annuity Purchase Proposed Fees and Other Payment Terms, (Schedule 8) in exchange for the Services, Client shall pay AHIC Aon Hewitt Investment Consulting, Inc. a total fee equal to \$90,000. Commencement Date of Services: July 2018 with Completion Date of Services: 4th Quarter 2019 or 3-4 months after targeted distribution date whichever is longer. However, there are additional services not included in the fees that are billed as time and materials which could exceed the quoted fees.

After some discussion the trustees felt the fees AON quotes for completion of the MRMC Pension Plan are too high and may include duplication of services already preformed. The Trustees feel that before agreeing to AON's fees and terms that the District should request someone else with the same type of experience that AON has look at the plan and proposed fees and give the District an opinion on the reasonableness of fees and the services that will be provided. Regarding duplication of services, Debbie and Curt had a conversation with AON and to some extent some services are being duplicated as a result of the Pension Plan Termination having been handled improperly in the first place. Rich and Curt will reach out to our CPA to inquire as to who else could handle the Pension Termination and at what cost or a consultant that could oversee what AON Hewitt is proceeding with the termination of the Plan.

Old Business

None

Legal/Other

None

There being no further business, Rich Bianculli adjourned the meeting at 6:30 p.m.



Richard Bianculli, Chairman

MUNROE REGIONAL HEALTH SYSTEM MARION COUNTY HOSPITAL DISTRICT

Investment Committee Meeting Minutes

August 21, 2018

Richard Bianculli, Chairman

Call to Order

Rich Bianculli called the August 21, 2018 regular meeting of the Munroe Regional Health System and Marion County Hospital District Investment Committees to order at 12:00 p.m.

Public Comments (3 Minutes)

None

Committee Members Present

Rich Bianculli, Curt Bromund, Sam McConnell, Randy Klein – Pro Tem (arrived 12:14 pm)

Committee Members Absent

Larry Strack, David Cope

Present by Phone

None

District Attorneys Present

Joe Hanratty

Others Present

Dolly Dockham, Caleb Adair, Matthew Foster, Debbie Cooper, Carlos Medina, Heather Wyman, Brianna Liles

Approval of MRHS/MCHD Previous Minutes

- Minutes of July 24, 2018

A **Motion** was made by Sam McConnell to approve the minutes of July 24, 2018 as presented. The **Motion** was seconded by Randy Klein. With no further discussion, the **Motion** carried unanimously.

New Business

MUNROE REGIONAL HEALTH SYSTEM/MARION COUNTY HOSPITAL DISTRICT

Renasant Asset Management –Caleb Adair and Matthew Foster from Renasant Asset Management want to discuss making some of the changes to the Investment Policy subjects to discuss are: They recommend tightening the ranges not the numbers. Rich,says alternatives may need to be bumped up. More discussions with Renasant will be held at the September and October committee meetings about making any changes.

1. Article 8.2 Duration of no more than 10 years in individual fixed income covered securities.
2. Strategic Asset Allocation.
3. Cash and Fixed Income asset class separations.
4. Fixed Income Securities – Cost Analysis
5. Assets added – preferred equity

Some changes to the following Articles are also being recommended:

Article 5: Responsibilities

Trustees:

•How are fees and other expenses associated with the management and administration of the portfolio monitored? Specifically fees at the product level. Is the board interested in viewing the portfolios from a total cost vs performance perspective?

Investment Managers:

•Pertaining to changes in the investment manager’s firm, strategy and/or style, policy violations, and any material adverse determinations against the firm or its principals by any regulatory authority to the investment advisor, how is the monitored by the investment advisor?

Rich suggested Debbie inform the investors that Renasant be given permission to view the portfolios from a total cost vs. performance perspective.

Article 7: Authorized Investments and Portfolio Composition

7.3 Restrictions on Investments

•No investments will be made in strategies with unusually long time horizons

This needs definition more definition or be omitted entirely.

Article 8: Maturity and Liquidity Requirements

8.2 Specific Guidelines

•Unless matched to a specific cash flow requirement, the Trustees will not directly invest Covered Funds in securities maturing more than 10-years from date of purchase.

Does this pertain to individual securities or is it pooled?

Also put the same statement on bottom of 7.3 on bottom of 8.2 “These above restrictions will not be applied to the underlying holdings of any investments in commingled vehicles such as mutual funds, LP or LLC structures”.

Article 14, Section 18 needs to be changed to Section 14. The words Trustees “of the Investment Committee” needs to be added to Article 14.

Rich stated that this month the three investors all registered similar increases in value. Berman Capital was first, followed by SunTrust and then Massey Quick.

Old Business

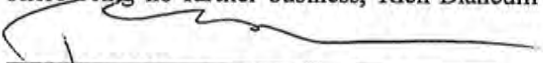
None

Legal/Other

None

Adjournment

There being no further business, Rich Bianculli adjourned the meeting 1:45 p.m.



Rich Bianculli, Chairman

**Munroe Regional Health System
Marion County Hospital District**

**Operations Committee Meeting Minutes
August 21, 2018
Sam McConnell, Chairman**

Call to Order

Sam McConnell called the August 21, 2018 regular meeting of the Munroe Regional Health System and Marion County Hospital District Operations Committees to order at 1:36 p.m.

Public Comment (3 Minutes)

None

Committee Members Present

Rich Bianculli, Curt Bromund, Sam McConnell, Randy Klein

Committee Members Absent

Larry Strack, David Cope

Present by Phone

None

District Attorneys Present

Joe Hanratty

Others Present

Dolly Dockham, Debbie Cooper, Carlos Medina, Heather Wyman, Brianna Liles

New Business

Approval of Previous Minutes

- Minutes of July 24, 2018

A **Motion** was made by Sam McConnell to approve the minutes of July 24, 2018 as presented by general consensus. The **Motion** passed unanimously.

Financials

Budget vs Actual, Balance Sheets, Cash Flow and Income Statements for Munroe Regional Health System and Marion County Hospital District – Debbie Cooper reviewed the Financials and they will be presented at the August board meeting for approval.

2018-2019 Strategic Plan/Budget Workshop - was held on August 15, 2018 to discuss the MRHS/MCHD 2018-2019 Chronic Disease/Grants Budget, AMP & FANS Projects Budgets and Operating Plans.

MRHS/MCHD/AMP/FANS Draft Budgets – these 2018-2019 Draft budgets will be presented again at the August board meeting and the September committee meetings for any changes before being approved at the September board meeting.

AMP/FANS Operating Plans – these Draft 2018-2019 Operating plans will be presented again at the August board meeting and the September committee meetings for any changes before being approved at the September board meeting.

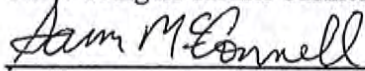
Legal/Other

Joe Hanratty- The 4th Amendment to the Lease Purchase and Agreement being entered into as of August 1, 2018 is by and among Marion County Hospital District (Lessor), Munroe Regional Health System, Inc. (MRHS), Florida Hospital Ocala, Inc. assignee of Munroe HMA Hospital, LLC (Lessee) and Adventist Health System Sunbelt HealthCare Corp. (Guarantor) is in process of being signed.

Legal Claims – Unlisted Legal Claim in County Court Case was dismissed.

Adjournment

There being no further business, Sam McConnell adjourned the meeting at 1:44 p.m.



Sam McConnell, Chairman