

Marion County Hospital District

Minutes of the Meeting of the Board of Trustees

January 25, 2016 @ 5:00 p.m.

Marion County Hospital District Office
1121 SW 1st Avenue, Ocala, FL

David Cope - Chairman of the Board

Call to Order

David Cope called the January 26, 2015 regular meeting of the Marion County Hospital District Board of Trustees to order at 6:04 p.m.

Board Members Present

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

Board Members Absent

None

Hospital Attorneys Present

Jonathan S. Dean

Others Present:

Jon Kurtz, Debbie Cooper, Dick Grosso, Patrick Gilman, Matt Matthews, Barbara Fitos, Rich Mutarelli, Mr. Pritchard

Approval of Previous Minutes (December 21, 2015 and January 19, 2016)

The Minutes of the December 21, 2015 and January 19, 2016 Meetings were approved as presented.

A **Motion** was made by Ken Marino to accept the Minutes of December 21, 2015 and January 19th, 2016 as presented. The **Motion** was seconded by Ram Vasudevan. With no further discussion, the motion carried unanimously.

Approval of Financials

Sam McConnell made a **Motion** to approve the Financial Report for December 2015 and the MCHD Budget vs Actual December 2015 after discussion. Debbie Cooper reviewed the financial report and the MCHD Budget Report. There were no questions or discussion and the Board accepted the financial by general consensus.

New Business

2015 Audit

Alison Stone and Tim Westgate from Purvis Gray were present to discuss and review the 2015 audit results. They previously audited the pension and 401(k) audits which are on a different timeframe and they will be covered at a future meeting.

Mr. Westgate distributed drafts of their audited financial statements for the period ending September 30, 2015. The State requires copies of the final audited financial statements be submitted to them by January 28. Mr. Westgate does not anticipate any significant changes to the reports. The Independent Auditor's Report on page 2 of the larger packet (attached hereto), from September 30, 2015, states the auditor's audit opinion letter is unqualified. Mr. Westgate commended MRHS and MCHD management for their efforts.

The audit is conducted under government auditing standards in that it looks at compliance with various statutes and would identify any material weaknesses or non-compliance issues. There are none of those items in the audit. A separate management letter was given to the Trustees that addressed GASBY 68 and any difficulties encountered with management; none of which were found. The material weaknesses documented in last year's management letter were not repeated in this audit report.

A **Motion** was made by Sam McConnell that the Draft Audit be accepted, contingent on no substantive changes being made to the report presented or to the Final Report. The **Motion** was seconded by Larry Strack. With no further discussion, the motion passed unanimously.

Approval of Grant Funds

Jon Kurtz talked about wiring approved grantees 25% of the grant amount on Monday, February 1, 2016. The grant applicants have to provide their first three months' service delivery plan at a meeting scheduled on either February 26 and 27 with Chairman David Cope.

The grant dollars can be paid contingent upon the conditions in the approval letters and the receipt of the applicants' service plan delivery for the first three months.

A **Motion** was made by Ram Vasudevan to approve the attached list of the 12 applicants in the amount of \$1,045,778 and to pay the first quarter's installments on February 1, 2016, contingent upon the applicant meeting the preliminary requirements of their grant approval letter. The **Motion** was seconded by Randy Klein. David Cope abstained from the Health Alliance approval.

Grant Committee update

David Cope gave an update on the grant application process. Two grant committee meetings were held on January 12 and 13 to review the 54 grants. David Cope signed the conditional approval letters and denial letters, which were mailed as shown on the attached list.

The Centers Grant

The Centers was requested to provide their most recent tax return, which was provided to the Hospital District. Jon Kurtz said the tax return is dated 2013, which is for the period from July 1, 2013 to June 30, 2014 and that is considered the 2013 tax return. Their 2014 return is for the year ending June 30, 2015 and may not be due until May 2016, if they filed for an extension.

Sam McConnell suggested that they finalize their 2014 tax return.

A **Motion** was made by Ram Vasudevan to approve The Centers grant approval as is. The Centers should submit their latest tax return when due. The **Motion** was seconded by Randy Klein seconded. The Motion passed with six yes and one nay by Sam McConnell.

Dental Consortium with Dental Applicants

Ed Dean spoke as to the dental grant applications and stated they are ready to be formally approved and funded. A consortium letter was written by Jim Henningsen from CF College outlining how each dental grant applicant will participate in the Consortium. Matt Matthews from College of Central Florida was present to answer any specific questions.

Heart of Florida, FreeDOM Clinic, Marion County Board of County Commissioners Community Services and College of Central Florida are the four grant applicants which will collaborate under a dental consortium. College of Central Florida, on behalf of the Consortium, will be the leader of the Consortium. Sam McConnell applauded all of the dental applicants for coming together and blending their assets. He thinks the Consortium needs to give the District a breakdown of the expenditures expected by the collaborative effort.

Ed Dean said on Monday, February 1st, a meeting has been set with the dental partners to discuss the specifics of how they plan to begin delivery of the Dental Consortium services beginning February 1, 2016, following receipt of their first quarter grant installment.

Matt Matthews said as long as they have the District's commitment, they can begin the work under the grant. Jon Kurtz asked if Matt could put something together for Monday's meeting showing the Consortium's utilization of funds. Randy Klein said that hard costs, soft costs, employees you are going to hire should be worked out more, including who is going to write the checks. If CF College is the lead agency, who is going to hire the dentists, et cetera? For dollars allocated, how much will be used by each agency?

Rich Bianculli said to look at the cash flow to see who needs the money now, who does not need it now when they get the first quarter grant payment. Randy Klein suggested giving the grant committee authority to approve the Consortium's members' grant applications at the grant committee, once the numbers are crunched. Sam McConnell wants answers on the County and their grant amount that will be funded. Mr. Dean said he would confirm that information with Cheryl Amey.

A **Motion** was made by Rich Bianculli to tentatively approve the Dental Consortium concept, pending receipt of further financial support as to how the Consortium will work. The Grant Committee is authorized to give final approval of the grant applications. The **Motion** was seconded by Larry Strack. Randy Klein abstained for Heart of Florida.

The Help Agency of the Forest, Inc. Grant Application

The Help Agency of the Forest did not attend the dental consortium meeting. After discussion, Randy Klein recommended that the grant be approved individually, without joining the dental consortium.

A **Motion** was made by Randy Klein that The Help Agency of the Forest grant be approved and funded. The **Motion** was seconded by Larry Strack. With no further discussion, the motion passed unanimously.

Investment Committee Update

Rich Bianculli reported that the advisors were present on January 19, 2016 at the District for the first quarterly update meeting. Investments made \$2.5MM for the last quarter for the period ending December 31, 2015. January 2016 investments are down; however, there are five days remaining and how far down the market will go is anyone's guess. The interest rate is up, while bonds are going down. Earnings have declined the last three quarters, but the earnings are decent. Mr. Bianculli believes this year is going to be a difficult year, but a typical year. He is happy with the services that SunTrust is providing and said they did an awesome job with the grant process.

Finance Committee Update

Sam McConnell said this is the last meeting of the "Finance Committee", as it will be known from now on as the "Operations Committee". The Finance Committee meeting was held on January 19, 2015. Jon Kurtz said there is \$4MM in the Health System account and they will fund the first quarter grant payments from the operating account. There is no reason to take it out of the investment pool

A **Motion** was made by Randy Klein that the funding of the first quarter grant payments be approved and paid from the Munroe Regional Health System operating account. The **Motion** was seconded by Ram Vasudevan. The motion passed unanimously.

Executive Director Search Committee

The six finalists were sent consent forms for background checks; of those, five applicants' consents were received and one candidate, Paul Quin, was disqualified. Mr. Quin felt background checks should not be requested until after the first interview and his name should not have been in the newspaper. Accurate has been hired to do the background and credit checks. Once the background checks are received from Accurate, Jon Kurtz will do phone interviews. Once the phone interviews are complete, a meeting will be scheduled to review what information Mr. Kurtz has obtained from the applicants and the results for the background and credit checks. It will then be decided who will be invited for an interview.

Old Business

None.

Public Comments

Ginger Broslat with Transitions Life Center spoke about as to her organization's grant proposal, which she understands was denied. She thinks there is a lot of wealth in the proposal and she wanted to expound on the proposal she had put together.

Mr. Cope said he had encouraged Ms. Broslat to attend the meeting. Chairman Cope said that he understands that the fact that it was denied was disappointing, but he encouraged her to go back and revisit her proposal the next grant cycle. Chairman Cope believed all the Trustees were familiar with the grant applications and reviewed the proposals fairly.

Ms. Broslat wanted the Trustees to understand her grant proposal was not submitted just for the clients whom TLC serves. TLC serves adults with special needs who have aged out of the school system. The children are monitored until they are 22 and then they can no longer come back to school. The grant proposal was to help the Trustees connect to a group of people with a common bond and common relationship. Ms. Broslat stated that no parents have more motivation than those with special needs children. The outcomes and measurements that TLC used were all tools that IHI presented to be able to pull that community into a clinic to be monitored and be tracked.

Mr. Cope thanked Ms. Broslat for coming to the meeting.

Adjournment

The meeting was adjourned by David Cope at 7:20 p.m.



David Cope, Chairman