

Marion County Hospital District

Board of Trustees Meeting Minutes

January 28, 2019 @ 5:00 p.m.

Rich Bianculli - Chairman of the Board

Call to Order

Rich Bianculli called the January 28, 2019 regular meeting of the Marion County Hospital District Board of Trustees to order at 5:36 p.m.

Board Members Present

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

Board Members Absent

Larry Strack

Present by Phone

None

District Attorney Present

Joe Hanratty, Charles Forman

Others Present:

Curt Bromund, Brianna Liles, Debbie Cooper, Michelle Stone, Heather Wyman, Rebecca Tull, Jessica Kummerle, Carlos Medina

Invocation

None

Public Comment (3 minutes)

None

Approval of Previous Minutes – December 17, 2018 and January 22, 2019.

A **Motion** was made by Ken Marino to accept the Minutes of December 17, 2018 and January 22, 2019. The **Motion** was seconded by David Cope. The **Motion** passed unanimously.

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

Debbie Cooper reviewed the December 2018 financials. A **Motion** was made by Sam McConnell to accept the Financials of December 2018 as presented. The **Motion** was seconded by David Cope. The **Motion** passed unanimously.

New Business

Grant Committee Update - Grant Cycle 3.0 - Fourth quarter reports due February 9, 2019 for Grant Cycle 3.0, will review at February committee meeting.

AMP/FANS Updates

FANS - Elementary: Re-plantings are underway at all 11 of our current FANS schools. Kale, Collards, Swiss Chard, Broccoli, Cauliflower, Cabbage and Carrots. Staff meetings are being concluded at these 11 schools to encourage whole school wellness. Staff meetings at the 5 new schools: Hammett Bowen, Marion Oaks, Harbour View, Oakcrest and Emerald Shores. Groundbreakings to take place in Feb. Parent Engagement night at Sparr elementary 1/31.

Approx. 9000 students are being exposed to FANS at the elementary level once the 5 new schools are added in Feb.

Middle Schools: OMS recently harvested beets, kale, cabbage, peppers and kohlrabi. This was distributed to students, culinary at OMS/LWHS and teachers. BMS-Vertigro towers were installed this week to add to their microgreens systems and in ground gardens. Ft King ordered Vertigro and floating bed material. MNNS – raised beds construction-Vertigro systems.

Approx. 4000 students are being exposed to FANS at the middle school level through taste tests, health awareness campaigns and horticulture.

High School Greenhouses: VHS harvesting 308 heads of lettuce on 2/4/2019. Will divide between the cafeteria and other FANS schools/clubs. BHS- working with the FANS club to expose all students to what crops are being grown.

Approx 3200 students are being exposed to FANS at the High school level through taste tests, health awareness campaigns and horticulture.

Private Schools: TCHS is complete and Vertigro towers are planted with lettuce, broccoli and basil. Working with FNS to create a production schedule and menu incorporation. BTS greenhouse construction to start in Feb.

FANS Clubs: Smores 5k run- FANS team of 61 members, American Heart Health Awareness Campaign, Taste tests- baked apples w cinnamon, Orange Julius smoothie, mango pineapple smoothie, strawberry kale smoothie, veggie juice.

AMP - Collaboration & Partnership

- New year email sent to partners and workplaces- first year AMP review and newsletter attached
- Met with MCPS Wellness Liaisons to discuss challenges and programs to offer this spring
- Met with City of Ocala Parks and Recreation re: City of Ocala Wellness and Community Center and adding locations within the parks to AMP Rangers.
 - Joined steering committee for new center
- Initial meeting with Marion County Library to discuss partnership to include lunch-n-learns, employee step challenge and kiosk location at headquarters
- Looking for a partner to do another weight loss challenge, but incorporate diabetes management and food prescription program

Smart Phone Application

- Optimizations to IOS app to increase speed of loading information are live
- January challenge- Reach the Summit
- Flash badges
- March Madness
- Quarter 4 2018 results
- Adding City of Ocala parks to AMP Rangers (Art Walk, Painted Horses, parks)

Multi-Media Engagement

- Clear Channel
 - Outdoor Media campaign- 6 billboard locations- starting Jan 2019
 - Krista Boyd- Success story
 - Pop Up Fitness class with DOH
 - Digital Media- Jan 2019- Geofencing 6 target areas x 4 weeks- pushing to website and encouraging to download the app

- Social media
 - 628 Facebook followers
 - 358 Instagram followers
 - Celebrating individual and workplace successes

Data & Metrics

- Phone App
 - Downloads - 3,340
 - 115 active team (210 teams total)
 - Top teams
 1. FreeD.O.M. Clinic
 2. Chafing the Dream
 3. MCPS HMS
 4. True Steppers
 5. MCPS MTI
- Community Partners
- Workplace Wellness (11 worksites, with engagement from over 3,000 employees)
- Pop Up Fitness classes (8 classes per week)
 - There has been at least one new person at every class this year
 - Class averages
 - 10 at am classes
 - 3 at DOH afternoon class
 - 6 at evening class
 - Worksites- 12 at Romeo and 12 at Trinity Catholic

Health Education Campaign

- Monthly Lunch-n-Learns- YMCA, MCPS, DOH, OTOW, libraries
 - Wellness presentation at Hands of Mercy Everywhere
- Electronic Kiosk
 - Health Department x3, Zone, YMCA, City of Ocala Parks and Recreation, College of Central Florida, Libraries, BOCC
- Pop Up Fitness classes- new locations and classes to start January 1st
 - Oct-Dec 2018- 5-6 classes per week (average of 8 participants per class)
 - January 2019- offer 8 classes per week (at 3 different worksites)
 - Possible new locations at OTOW and Libraries throughout the county
 - Started “Workout of the Week”- for those that can’t make it to pop up fitness, Rebecca is posting a workout of the week on social media pages. This provides viewers with an opportunity to work out at home, work, on the go, and uses body weight. Have had a very high response and view rate.
 - Will start Facebook Live some classes and making short fitness videos to post (meeting with media specialists)
- Geofencing 6 target areas x 4 weeks

AMP Workplace Wellbeing

- Weight loss Lunch-n-learn at DOH
- Maintain Don’t Gain Challenge for the holidays (almost 200 participants)- waiting on final surveys
- Spring - March Madness challenge (60 teams, all workplaces encouraged to participate)
- Follow up emails sent to workplaces, with a 2018 year-end review newsletter
- Step Challenge for OTOW in April (600 employees)

Funding for a Grant Coordinator – Curt has hired a part time grant coordinator, Brandi Cooney, for the Hospital District who will conduct site visits and review backup documentation for expenditures (receipts/invoices), grant outputs (e.g., number of unduplicated clients served, number of services provided, etc.) and grant outcomes. She started on January 22, 2019.

Grant Cycle 4.0 – first quarter grantee payments will go out on February 1, 2019.

The Centers – Amnesty Program – David and Curt received a letter from the Centers in regard to a request for matching funds - The City of Ocala and The Centers are submitting a request for state funding of the Amnesty Program in this current legislative budget cycle. Similar to the request made to the hospital district, the amount will be \$500,000 for detox and residential services. They anticipate that additional outpatient services will also be provided to those individuals who are referred through the Amnesty Program. They believe that a component of opioid treatment includes the Amnesty Program and inpatient services. The numbers served will be comparable to the request The Centers previously made to the hospital district. They are hoping for a definite number from the delegation, as legislative meetings did not yield a specific ratio for the match. Depending on perspective, 25% to 50% match of the requested funding is desirable. They collectively hope for some of the match to come from the Marion County Hospital District, as this funding represents a significant benefit to the local community, perhaps allowing local resources to address other aspects of the continuum in recovery services. The request must be made this week, thus permitting time for the local delegation to enter appropriate bills prior to the February 4, 2019 deadline.

After some discussion Rich Bianculli made a Motion that the District is willing to help match with funds but only if The Centers demonstrates that they will be part of a continuum of overall care and approval will be contingent upon their accountability to revise their business plan. The Motion was seconded by Randy Klein. Ram Vasudevan wanted to make a Motion that the District agree to support \$125K but they must come in and speak with the trustees about the revised plan. This Motion was not seconded and therefore failed. After more discussion Rich Bianculli then withdrew his previous Motion. Randy Klein withdrew his second. Rich Bianculli then made a Motion that the District will agree to match 25% if The Centers comes in and speaks to the trustees about their new business plan to treat opioid addiction and be part of a continuum of overall care, approval will be contingent upon their revised plan. The Motion was seconded by Randy Klein. Overall vote, the Motion passed with all in favor.

Curt is researching the alternatives for opioid treatment, he has been in discussions with other communities and they have other ways of handling the opioid crisis that focuses on output and medication assisted therapy. Curt will have a full presentation next month about which systems work best and where. He will also arrange to have some professionals come in to present the best systems to address our opioid crisis in Marion County.

Heart of Florida – HOF – They will be receiving documentation this week that should resolve the restricted covenant issues regarding medical/dental services at the Albertson's property. The Board meets this Thursday to review the offer by Hart properties. If the amendment is signed, the restrictions issue of use will cease. Randy will review the amendment once available, one additional issue may be additional parking expenses, HOF may have to pay to pave for additional parking spaces. Hart properties also wants to put restrictions on HOF should they sell at some future time as to who can occupy the building. Randy will keep the board updated on the transaction.

A Motion to approve the Grant Report for January 2019 was made by Sam McConnell. The **Motion** was seconded by Ken Marino. With no further discussion, the **Motion** passed unanimously.

Investment Committee Update

Investment Report – Rich reported we lost \$9M last month and this month we are up ~\$9M so far this month.

Investment Training – Rich said that January investment training was done with the investor Massey. Subjects were:

- 1) 2018 Market Overview & 2019 Market Outlook
- 2) Opportunity Zones

Investment/Renasant Quarterly Meeting - Investors and Renasant were present for their quarterly updates. Renasant will be working towards finalizing the alternative discussion for February's committee meeting. Some discussions will be held about the investors not meeting their benchmarks.

A **Motion** to approve the Investment Report for January 2019 was made by Sam McConnell. The **Motion** was seconded by David Cope. With no further discussion, the **Motion** passed unanimously.

Operations Committee Update

None

Pension Sub-Committee

Munroe Pension Plan Closeout Update (covered under MRHS Board)

Old Business

None

Other/Legal Matters

None

Adjournment

Rich Bianculli adjourned the meeting at 6:40 p.m.



Rich Bianculli, Chairman

MARION COUNTY HOSPITAL DISTRICT

Grant Committee Meeting Minutes

January 22, 2019

David Cope, Chairman

Call to Order

David Cope called the January 22, 2019 Grant Committee regular meeting of Marion County Hospital District to order at 2:32 p.m.

Public Comment (3 minutes)

None

Committee Members Present

Curt Bromund, Sam McConnell, David Cope, Larry Strack

Committee Members Absent

Randy Klein, Rich Bianculli

Present by Phone

None

District Attorneys Present

Joe Hanratty

Others Present:

Dolly Dockham, Debbie Cooper, Carlos Medina

Approval of Previous Minutes

- December 11, 2018

A **Motion** was made by Sam McConnell to approve the minutes of December 11, 2018 as presented. The **Motion** was seconded by Larry Strack. With no further discussion, the motion passed unanimously.

New Business

Grants 3.0 – AMP/Fans Updates – will give their updates at the January board meeting.

Grants 4.0 Creative Services – Ocala Domestic Violence Center – Dr. Judy Wilson cancelled for this meeting and will be asked to present at the February committee meeting.

Boys & Girls Club – this grant was approved at \$150,000 with the contingency that they come back with a better plan than in the grant proposal. They have presented us with new summary and budget, Curt will have copies at the next grant meeting.

Interfaith - Curt received an updated budget from Interfaith that was in line with the \$150K that was approved, the new budget appears very clean, and they cut their overhead.

Amnesty Program - In lieu of the Centers grant, discussions were held last month about alternatives to The Centers Amnesty Program, what programs are there in other communities such as Palm Beach that are being used and \$500K was approved to be set aside for this project. Curt would research the alternatives, he has been in discussions with other communities and they have other ways of handling the opioid crisis that focuses on output and medication assisted therapy. Curt will have a full presentation next month about which systems work best and where. He will also arrange to have some professionals come in to present the best systems to address our opioid crisis in Marion County.

Grant Coordinator – Curt hired a grant coordinator, her name is Brandi Cooney, she will work on an average 20 hours per week conducting site visits and review backup documentation for expenditures (receipts/invoices), grant outputs (e.g., number of unduplicated clients served, number of services provided, etc.) and grant outcomes. She will also report back to Curt every quarter so we can include it in our quarterly report to the board.

Old Business

None

Legal/Other

None

Adjournment

There being no further business, Rich Bianculli adjourned the meeting at 2:36 pm.



David Cope, Chairman

MUNROE REGIONAL HEALTH SYSTEM MARION COUNTY HOSPITAL DISTRICT

Investment Committee Meeting Minutes January 22, 2019 Richard Bianculli, Chairman

Call to Order

Rich Bianculli called the January 22, 2019 regular meeting of the Munroe Regional Health System and Marion County Hospital District Investment Committees to order at 12:02 p.m.

Public Comments (3 Minutes)

None

Trustees/Committee Members Present

Rich Bianculli, Curt Bromund, Sam McConnell, David Cope, Larry Strack, Randy Klein (Arrived 1:45 pm, left at 2:14 p.m.)

Committee Members Absent

None

Present by Phone

Chris Moore, Mike Hill

District Attorneys Present

None

Others Present

Dolly Dockham, Debbie Cooper, Carlos Medina (arrived 12:05 pm), Rebecca Tull (left at 2:00 pm), Heather Wyman (left at 1:11 pm), Brianna Liles (left 1:15 pm), Brian Creekbaum, Caleb Adair, Matt Foster, Tom Morr, Wayne Yi, Wen (Tang) Nottebohm, Justin Berman and Russ Allen.

Approval of MRHS/MCHD Previous Minutes

- December 11, 2018

A **Motion** was made by Sam McConnell to approve the minutes of December 11, 2018 as presented. The **Motion** was seconded by David Cope. With no further discussion, the **Motion** carried unanimously.

New Business

Renasant (12:00 pm) – Caleb Adair & Matt Foster – Renasant will be working towards finalizing the alternative discussion for February's committee meeting. They stated that alternatives are hard to stress test and investors need to stay focused on correlating guidelines. Rich stated he would like to get all 3 investors on the same page and maybe have just 3 categories such as Equities, Fixed Income and Alternatives. For the most part Composite Top Holdings Equity were not overly concentrated, Composite Top Holdings Fixed Income was ok. Composite Top Holdings Total was in general ok. The Global Passive vs Active Management was tilted more toward Active and Global Market Cap Exposure was tilted more toward Large Cap. For Stress testing – Total Composite the equities were down 13.5% last quarter and the portfolio did 7.05%. Berman's performance Reporting on Domestic side the equities were down to date and there is a question about Regional Banking. Performance Report on Massey showed they had a volatile quarter and there are questions about their benchmark. Their Fixed Income did ok but there are questions about the international investments. Massey's stress testing shows a lot of private investments, and a lot of non-testables. Suntrust's Performance Reporting shows a cleanable and testable portfolio. Suntrust Stress testing is mostly transparent and testable. Renasant stated that the investment committee needs to state what alternatives really are in the portfolio, Renasant will work on this also.

Investors arrived at 1:00 pm

Massey Quick – Tom Morr, Wayne Yi and Chris Moore (phone) – Summary –The final quarter of 2018 was the worst quarterly performance for the US stock market since Q3 2011. Domestic equities underperformed international equities, and both developed and emerging markets. For the full-year 2018, large cap growth stocks were the best place to be in the U.S. equity market volatility came roaring back in the fourth quarter. There were a variety of economic and political factors that contributed to the turbulence. Fear spread across market participants on the back of slowing global GDP, lower guidance from corporations and a continuation of trade tension between the U.S. and China. All of these concerns were on the minds of market participants when the Fed decided to increase rates and continue its path towards shrinking the Central Bank's balance sheet. News related to the Mueller investigation and the government shutdown also fed into this fear. International markets, both developed and emerging, are also trading at attractive levels compared to historical averages. The Fed decided to raise interest rates in December, making it the fourth time the key rate increased during the year, while also indicating that there would be further tightening in 2019. We believe illiquids are less affected by turbulence that exists within public markets and will be able to generate significant alpha over time. We Expect better performance in 2019.

Suntrust – Mike Hill (phone)– Summary – Portfolio was down for 4th quarter and slightly under performed in benchmark led by the sharp draw down in equities. Liquid alternatives produced good relative performance and fixed income had a positive return. US economic growth should stay above the cycle average, while Europe and Japan muddle along. Trade tensions cloud China's outlook, but its economy is well supported by government stimulus. After a sizable step up in interest rates over the last year, the starting points for fixed income investors have improved. We believe the Fed funds rate is nearing neutral. 2019 Positioning, Equity tilt relative to fixed income, Maintain US equity bias and emphasize large caps, International Markets: Underweight both international equities and bonds, Non-Traditional Strategies: Favor less directional managers. A number of factors contributed to negative sentiment late in the year: Mid-term election uncertainty, A large number of hedge fund closures and redemptions causing forced selling and deleveraging across all assets. End of year tax loss selling and unwind of the dividend stock, government shutdown, Trade war fears and Fear of global recession. In Int'l Developed Markets, valuations remain attractive but weaker earnings keep us underweight. Within fixed income, we are maintaining a higher quality and shorter duration bias.

Berman Capital –Wen (Tang) Nottebohm, Russ Allen and Justin Berman – Summary – Markets in 2019 will be choppy with volatility more like this past year than the placid trading of 2017. The Fed is very likely to back off the pace of tightening, perhaps only raising rates once this year. As relative U.S. growth slows and the Fed pauses rate hikes, the US dollar may weaken, boosting international markets and perhaps commodities. Long term stock and bond return expectations should be modest due to starting valuations and less monetary support in coming years; quantitative tightening rather than easing. There will likely be more opportunities for active management, especially distressed, complex investments. U.S. - China Trade conflict, the trade conflict remains a risk that's difficult to predict. Market volatility in the fourth quarter of 2018 brought equity valuations closer to their long-run P/E averages, which should reduce fear that the equity market is overvalued. Expect overall better performance in 2019 and stay balanced in the portfolio. Everything was in line with the IPS by end of 2018.

Short Break at 12:52
Reconvene at 1:03 pm
Renasant left at 2:00 pm
Investors left at 2:14 pm

Old Business

None

Legal/Other

None

Adjournment

There being no further business, Rich Bianculli adjourned the meeting 2:15 pm.

Rich Bianculli, Chairman

Munroe Regional Health System Marion County Hospital District

Operations Committee Meeting Minutes January 22, 2019 Sam McConnell, Chairman

Call to Order

Sam McConnell called the January 22, 2019 regular meeting of the Munroe Regional Health System and Marion County Hospital District Operations Committees to order at 2:16 pm.

Public Comment (3 Minutes)

None

Committee Members Present

Rich Bianculli, Curt Bromund, Sam McConnell, David Cope, Larry Strack

Committee Members Absent

Randy Klein

Present by Phone

None

District Attorneys Present

Joe Hanratty

Others Present

Dolly Dockham, Debbie Cooper, Carlos Medina

Approval of Previous Minutes

- December 11, 2018

A **Motion** was made by Sam McConnell to approve the December 11, 2018 minutes as presented. With no further discussion, the **Motion** passed by general consensus.

New Business

Financials

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

Legal/Other – Joe Hanratty

Florida Hospital Ocala dba Advent Health Ocala 340B Memo of Understanding (MOU) - the Memorandum of Understanding between the Marion County Hospital District and FH Ocala regarding the Hospital's participation in the Medicare 340B Program. The 340B program allows eligible covered entities "to stretch scarce financial resources, reaching more eligible patients in need and providing more comprehensive services". The MOU states that Florida Hospital will provide services to indigent, uninsured and under insured residents of the District for non-elective, medically necessary

services. in order to participate in the 340B Program, Hospital must contract with a unit of state or local government pursuant to which Hospital commits to provide healthcare services to low-income individuals who are neither entitled to benefits under Medicare (Title XVIII of the Social Security Act (SSA)) nor eligible for assistance under Medicaid (Title XIX of the SSA). Florida Hospital desires to make such a formal commitment to MCHD.

After some discussion, it was decided to have more discussion about this at the full board on Monday January 28th.

Advent Health Creation of Advisory Board – Amendment to Lease – Florida hospital has submitted a letter which express the hospital’s desire to combine the governance and advisory boards into one corporate board. Currently the lease provides in Section 7.4 the creation of an advisory board that has 6 community members and 5 physicians who work at the hospital. Advent Health is proposing a 16 member Board of Directors for Florida Hospital Ocala, LLC, now Advent Health Ocala which will have 5 community leaders and 4 physicians who work at the hospital. Additionally, they are proposing having the One Board of Directors do all the things set out in Section 7.4 of the lease in addition to the other functions of that Board. However it will require an amendment to the lease. They have additionally attached the list of the 16 members of the board of directors for Advent Health Ocala.

After some discussion, it was decided to have more discussion about this at the full board on Monday January 28th.

Adjournment

There being no further business, Sam McConnell adjourned the meeting at 2:31p.m.



Sam McConnell, Chairman

Munroe Regional Health System Marion County Hospital District

Pension Sub-Committee Meeting Minutes

Sam McConnell, Chairman

Call to Order

Sam McConnell called the January 22, 2109 Pension Sub-Committee meeting of the Munroe Regional Health System and Marion County Hospital District Operations Committees to order at 2:16 p.m.

Public Comment (3 Minutes)

None

Committee Members Present

Rich Bianculli, Curt Bromund, Sam McConnell, David Cope, Larry Strack

Committee Members Absent

Randy Klein

Others Present - Carlos Medina, Debbie Cooper, Dolly Dockham

Munroe Pension Plan Closeout Update

Munroe Regional Health System needs to make a decision on Pension Funding for this year. We made the quarterly payment on January 15 and we need to determine if we want to make a large contribution this year. Below are our options.

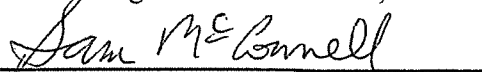
1. Contribute the minimum required contributions which would be quarterly installments of \$99,991 beginning January 15 plus a final amount of between \$500,000 and \$600,000 due by June 15, 2020.

2. Contribute a large amount to reduce the PBGC premium. This contribution would be accrued for the 2017-18 plan year and considered an asset at 10/1/2018. The portion of the PBGC premium (due July 15) that can be reduced or eliminated is \$176,358. To eliminate it completely requires a contribution of \$4,832,000 by June 15, 2019. With an estimated unfunded plan termination liability of \$5 million, there is a risk here that this contribution could overfund the plan for plan termination. The plan termination liability varies as interest rates and assets vary.

After some discussion it was decided to have Debbie get more clarification about the PBGC funding requirements and bring it to the next Operations/Pension Sub Committee meeting in February.

Adjournment

There being no further business, Sam McConnell adjourned the meeting at 2:31 p.m.



Sam McConnell, Chairman