

Marion County Hospital District

Board of Trustees Meeting Minutes

October 29, 2018 @ 5:00 p.m.
Rich Bianculli - Chairman of the Board

Call to Order

Rich Bianculli called the October 29, 2018 regular meeting of the Marion County Hospital District Board of Trustees to order at 5:26 p.m.

Board Members Present

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

Board Members Absent

None

Present by Phone

None

District Attorney Present

Joe Hanratty, Charles Forman

Others Present:

Curt Bromund, Brianna Liles, Debbie Cooper, Michelle Stone, Carlos Medina, Heather Wyman, Rebecca Tull, Ann Burnette, Aimee Cocolin

Invocation

None

Public Comment (3 minutes)

None

Approval of Previous Minutes – September 24, 2018 and October 23, 2018.

A **Motion** was made by Sam McConnell to accept the Minutes of September 24, 2018 and October 23, 2018. The **Motion** was seconded by Randy Klein. The **Motion** passed unanimously.

New Business

Grant Committee Update - Grant Cycle 3.0

FreeDOM Clinic – Rich Bianculli made a request that Ann Burnette's original request for funds of \$101,614.40 for Outpatient Mental, Behavioral and Opioid Treatment and Counseling Program Sustainability Needs from November 2018 – February 2019 be approved. Ann Burnette was present and gave a brief report on the needs for the funds that Counseling Services started on April 1, 2018 in response to the community's demonstrated need for comprehensive mental, behavioral health and non-pharmaceutical therapeutic pain management services for the working poor, low income and uninsured residents of Marion County. Adhering to our innovative portable dental model, assessments and services are provided in our downtown office, churches, homeless camps and other agencies that serve the indigent population. Ann and her husband have been paying for the services out of pocket up to now from inception on April 1st. Their staff has conducted mental health assessments on 819 county residents and provided therapeutic services to 153 unduplicated/unique individuals of which approximately 90% of

their clients are the working poor. They also provided 671 documented services including psych and medical evaluations, counseling sessions, group therapy, life skills and other essential classes, outreach contact, and therapeutic case management. To date have seen over 800 patients. Clinic is open every day and all therapists are completely booked and there is currently an increasing waiting list of clients to be seen. They anticipate providing assessments and services to an additional 600 patients over the course of the next 4 months. Counseling staff consists of 1 licensed clinical social worker & program director, 2 state registered mental health counseling interns, 1 graduate therapist intern, 1 office manager, 1 administrative therapeutic case manager, 1 psychiatrist, 1 psychiatric nurse practitioner and program volunteers. They are collaborating with the Heart of Florida, The Centers, Florida Hospital Ocala, Court Diversion Program and the Ocala Police Department "Opioid Amnesty Program". Ann states that the Economic Cost Savings to County (conservative est. for 6 mos.) is \$1,228,500. Since hearing that Anne has incurred and paid for \$150,000 in costs since April 1st, Rich Bianculli is now requesting that Ann Burnette be funded for \$150,000 rather than \$101,614.40 for the Outpatient Mental, Behavioral and Opioid Treatment and Counseling Program Sustainability Needs from April 2018 – February 2019.

After some discussion, Ram Vasudevan made a **Motion** to approve FreeDOM's request for \$150,000. The **Motion** was seconded by Sam McConnell. The **Motion** passed unanimously.

LaGuadalupe Clinic - Jason Halstead - He does not expect their program to begin until after construction is completed, which will be late 2019, Mr. Halstead stated that they are going to relinquish the grant and has agreed to return the first quarter funds in the amount of \$20,250. He will reapply at a later date if needed.

AMP/FANS Updates

AMP

Collaboration & Partnership

- Brianna at National Conference for Food & Nutrition
- Marion County Firefighters

Smart Phone Application

- AMP Rangers is live

Data & Metrics

- Almost 3,000 Downloads
- Top teams
 1. FreeD.O.M. Clinic
 2. MCPS VHS (Vanguard)
 3. TC Dream Team
 4. MCPS SNE
 5. MCPS MWE (Maplewood)

Health Education Campaign

- Pop Up Fitness classes- launched Oct 1
 - 5-6 classes per week
 - Average of 8 participants per class
 - Started a new class in Dunnellon this week
 - Had over 15 new participants this week
- Calendar of Events has been updated
- AMP Rangers- Launched Oct 1
- Beach Please Summer Challenge end Sept 30
 - Prizes being delivered to schools, workplaces, and individuals
- Steps4Teachers with MCPS (October 2018)

- Presented at individual school faculty meetings to walk through app
- Challenge launched Oct 1
- Visited schools to help with troubleshooting

AMP Workplace Wellbeing

- Initial meeting with Ocala Equine Hospital
- Follow up meeting with City of Belleview
- Second meeting with DOH re: workplace wellness campaign for holidays- Maintain Don't Gain
 - Free for participants
 - AMP will provide pop up fitness classes and education opportunities
 - Maintain Don't Gain program will provide
 - Weekly Newsletters
 - Daily Tips
 - Healthy Holiday Recipes
 - Weekly Challenges
 - Prizes and Weekly Winners
 - Free virtual walking race through Rome

FANS

Elementary Raised beds: 11 schools are planted, and harvest education days are taking place (okra, tomatoes, green beans, bell peppers, cucumbers, squash and zucchini). Classes will be holding taste tests, sending veggies and recipes home with kids. FNS is highlighting a veggie from the raised bed every week in October on the cafeteria line. Staff meetings at all schools to sign wellness pledges and create a culture of change. Cheri and Heather visiting schools to determine where the next 5 model schools will be.

Middle School Learning landscapes: Osceola – vertigro, raised beds, floating beds and NFT, Belleview Middle School – microgreens, raised beds and vertigro towers, Ft King – ordering vertigro, North Marion – plans being reviewed, Meetings with FNS are being scheduled to schedule taste tests and possible production schedules. Blessed Trinity- signed on – still in planning stages

High School Greenhouses: *Vanguard*- harvested 300 heads of lettuce last week. Was used in the cafeteria salad bar and BGC also took some to distribute to families. Bell peppers are almost ready to harvest. *Belleview and North Marion* – final plans being reviewed. *Dunnellon*- site work and design started. *Trinity Catholic* – site and prep work started- greenhouse to be delivered with 2 weeks.

FANS Clubs: All clubs are up and running:

VHS- ultimate frisbee black bean/corn/avocado salsa

NMMS- staff/student walk challenge baked cinnamon apples

BMS- wiffle ball pico/salsa

OMS – jump rope event pumpkin smoothies

TC – black bean/corn/avocado salsa

BHS- rattler Olympics baked pumpkin seeds

Special project- Videos about FANS mission

Fitness: Site visits and trainings have been conducted at all schools. BMI's being completed at all model schools.

Wellness - FANS ambassadors are being recruited to create a culture of change at all FANS elementary schools. Wellness pledges will be distributed at staff meetings. Parent Surveys being created.

Grants Cycle 4.0 – Summary Letters Received – The following summary letters have been requested for approval to submit a full grant proposal for 2019.

1. Belleview_City_Of
2. Boys & Girls Club,
3. Children's Alliance
4. College of CF
5. Estella Byrd Wellness
6. FreeDOM Clinic
7. FreeDOM Clinic
8. Heart of Florida
9. Hope Clinic
10. Interfaith
11. Kids Central
12. Kimberly's
13. Langley
14. Marion Aquatic Center
15. Marion McPherson Trail
16. Marion McPherson Outdoor Fitness
17. Ocala Domestic
18. Project Lift
19. The Centers
20. Walden Direct Primary
21. Walden Primary

After some discussion, Ken Marino made a **Motion** to approve the Grant Report along with the above listed summary letters to submit a full grant proposal for 2019 Cycle 4.0. The **Motion** was seconded by Randy Klein. The **Motion** passed unanimously.

Heart of Florida (HOF) - Heart of Florida contracted to purchase the former Albertsons grocery store building at 2553 East Silver Springs Boulevard for \$2.9 million. Randy Klein said Heart of Florida could pay cash for the purchase of the building but would need \$2 million to renovate 20,000 square feet of the more than 67,000-square-foot building. The space is desperately needed for the administration staff and the clinics. He asked again if the hospital district could make a commitment for the \$2 million. They would also consider giving the district 15,000 sq ft for free. David Cope being a realtor and business owner has some concerns about the condition of the building as it is old. There are usually concerns about the roof, electrical etc. being old and needing replacement. David will take a tour of the Albertson's building with Jamie Ulmer and report back to the board with his opinions. David also asked if HOF would be interested in a couple of other available empty building options. Randy stated they like this building because of where it is centrally located. Randy stated there are now some restricted covenances issues with pertaining to whether medical/dental services are being allowed in that area and is asking that Joe Hanratty get involved and give his opinion on the restrictions. Heart of Florida's board has until this coming Friday to make a decision and Randy is asking that if there is an adjudication if the trustees would commit to 2M of the district funds towards the buildout/renovations. Larry Strack does not want to buy the building and David Cope has some reservations about the age of the building and issues it may pose to renovate everything. After some discussion, Sam McConnell made a **Motion** that the District will not commit to the 2M in funds until all legal issues are resolved regarding use of the property, the **Motion** was seconded by David Cope but then Sam revised the **Motion** by stating that HOF must also prevail in declaratory judgement about the restrictions and David Cope must view the building prior to closing and before this Friday. The **Motion** was seconded by David Cope. The **Motion** passed unanimously.

Investment Committee Update

Investment Report – Investors and Renasant were present on October 23, 2018 for their quarterly reports. Rich felt that Renasant gave a very poor report at this meeting and will have a discussion with them about it. Investments are also down 12.5M this month so far and down 113K month to date.

A **Motion** to approve the Investment Report for October 2018 was made by Sam McConnell. The **Motion** was seconded by Ken Marino. With no further discussion, the **Motion** passed unanimously.

Operations Committee Update

Nothing new to report.

Pension Sub-Committee – was discussed under the MRHS Board.

A **Motion** to approve the Operations Committee Report for October 2018 was made by Randy Klein. The **Motion** was seconded by Larry Strack. With no further discussion, the **Motion** passed unanimously.

Old Business

None

Other/Legal Matters

Legal Claims – No Change

Annual Hospital Inspection – Joe Hanratty stated that based upon his conversation today with Matt from Verrando Engineering it is his understanding that Verrando Engineering Company will complete the last year of the agreement to inspect completed improvements at Munroe Regional Medical Center now known as Florida Hospital Ocala. Joe will discuss the time frame for this to be completed with Verrando, Butch is no longer working for Verrando.

Rich would also like Joe to inquire about who is on the Advisory board at the hospital and also a follow up about a list of the Capital Expenses and where they will spend the money.

Adjournment

Rich Bianculli adjourned the meeting at 6:30 p.m.



Rich Bianculli, Chairman

MARION COUNTY HOSPITAL DISTRICT

Grant Committee Meeting Minutes October 23, 2018 David Cope, Chairman

Call to Order

David Cope called the October 23, 2018 Grant Committee regular meeting of Marion County Hospital District to order at 12:12 p.m.

Public Comment (3 minutes)

None

Committee Members Present

Curt Bromund, Rich Bianculli, Sam McConnell, Randy Klein (left at 1:54 PM), David Cope

Committee Members Absent

Larry Strack

Present by Phone

None

District Attorneys Present

None

Others Present:

Dolly Dockham, Debbie Cooper, Carlos Medina, Rebecca Tull

Approval of Previous Minutes

A **Motion** was made by Sam McConnell to accept the Minutes of September 18, 2018 as presented. The **Motion** was seconded by Randy Klein. The **Motion** carried unanimously.

New Business

Grants 3.0 – AMP/Fans Updates – will be presented at October board meeting.

FreeDOM Clinic – Rich Bianculli made a request that Ann Burnette be funded for \$101,614.40 for Outpatient Mental, Behavioral and Opioid Treatment and Counseling Program Sustainability Needs from November 2018 – February 2019. Counseling Services started on April 1, 2018 in response to the community's demonstrated need for comprehensive mental, behavioral health and non-pharmaceutical therapeutic pain management services for the working poor, low income and uninsured residents of Marion County. Adhering to our innovative portable dental model, assessments and services are provided in our downtown office, churches, homeless camps and other agencies that serve the indigent population. Ann and her husband have been paying for the services out of pocket up to now. From April 1st - October 6th, 2018, their staff has conducted mental health assessments on 819 county residents and provided therapeutic services to 153 unduplicated/unique individuals of which approximately 90% of their clients are the working poor. They also provided 671 documented services including psych and medical evaluations, counseling sessions, group therapy, life skills and other essential classes, outreach

contact, and therapeutic case management. All therapists are completely booked and there is currently an increasing waiting list of clients to be seen. They anticipate providing assessments and services to an additional 600 patients over the course of the next 4 months. Counseling staff consists of 1 licensed clinical social worker & program director, 2 state registered mental health counseling interns, 1 graduate therapist intern, 1 office manager, 1 administrative therapeutic case manager, 1 psychiatrist, 1 psychiatric nurse practitioner and program volunteers. They are collaborating with the Heart of Florida, The Centers, Florida Hospital Ocala, Court Diversion Program and the Ocala Police Department "Opioid Amnesty Program". Ann states that the Economic Cost Savings to County (conservative est. for 6 mos.) is \$1,228,500.

After some discussion the committee has requested that Ann be present at the October 29th board with more information about the requested funding such as accounting and auditing information.

Grants 4.0 – Summary Letters Received – the following summary letters were recommended for approval at the board meeting to submit a full grant request for Cycle 4.0 2019 to the District.

1. **Bellevue City Of**
2. **Boys & Girls Club,**
3. **Children's Alliance**
4. **College of CF**
5. **Estella Byrd Wellness**
6. **FreeDOM Clinic**
7. **FreeDOM Clinic**
8. **Heart of Florida**
9. **Hope Clinic**
10. **Interfaith**
11. **Kids Central**
12. **Kimberly's**
13. **Langley**
14. **Marion Aquatic Center**
15. **Marion McPherson Trail**
16. **Marion McPherson Outdoor Fitness**
17. **Ocala Domestic**
18. **Project Lift**
19. **The Centers**
20. **Walden Direct Primary**
21. **Walden Primary**

Break at 1:30

Reconvene at 1:34

Heart of Florida (HOF) - In July, Heart of Florida made an offer to purchase Albertson's grocery store portion of the shopping center located at the intersection of SR 40 and NE 25th Ave, but another party offered \$2.9 million, which the owners accepted but that deal fell through leaving the door open for Heart of Florida, so the Heart of Florida agreed to purchase the former Albertsons grocery store building at 2553 East Silver Springs Boulevard for \$2.9 million. Randy Klein said Heart of Florida could pay cash for the purchase of the building but would need \$2 million to renovate 20,000 square feet of the more than 67,000-square-foot building, although they could really use the 2.9 million. The space is desperately needed for the administration staff and the clinics. He asked again if the hospital district could make a commitment for the \$2 million. They would also consider giving the district 15,000 sq ft for free. David Cope being a realtor and business owner has some concerns about the condition of the building as it is

very old. There are usually concerns about the roof, electrical etc. being old and needing replacement. David will take a tour of the Albertson's building and report back to the board meeting on Monday the 29th with his opinions. David also asked if HOF would be interested in a couple of other available empty building options. Randy stated they like this building because of where it is centrally located.

Old Business

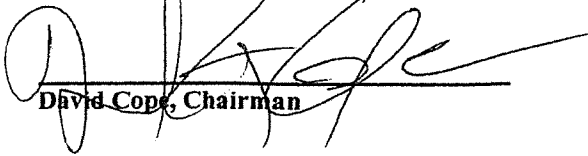
None

Legal/Other

None

Adjournment

There being no further business, Rich Bianculli adjourned the meeting at 1:55 pm.



David Copt, Chairman

MUNROE REGIONAL HEALTH SYSTEM MARION COUNTY HOSPITAL DISTRICT

Investment Committee Meeting Minutes October 23, 2018 Richard Bianculli, Chairman

Call to Order

Rich Bianculli called the October 23, 2018 regular meeting of the Munroe Regional Health System and Marion County Hospital District Investment Committees to order at 2:00 p.m.

Public Comments (3 Minutes)

None

Trustees/Committee Members Present

Rich Bianculli, Curt Bromund, Sam McConnell, David Cope

Committee Members Absent

Larry Strack, Randy Klein

Present by Phone

None

District Attorneys Present

None

Others Present

Dolly Dockham, Caleb Adair, Matthew Foster, Debbie Cooper, Carlos Medina, Rebecca Tull, Brian Creekbaum, Tom Morr, Chris Moore, Mike Hill, Melanie Cianciotto, Wen (Tang) Nottebohm, Russ Allen

Approval of MRHS/MCHD Previous Minutes

- Minutes of September 18, 2018

A **Motion** was made by Sam McConnell to approve the minutes of September 18, 2018 as presented. The **Motion** was seconded by David Cope. With no further discussion, the **Motion** carried unanimously.

New Business

MUNROE REGIONAL HEALTH SYSTEM/MARION COUNTY HOSPITAL DISTRICT

Renasant Asset Management (2:00-2:33PM) –Caleb Adair and Matthew Foster from Renasant Asset Management were present and briefly discussed each investors portfolio and distribution of funds in regards to the revised investment policy. Caleb and Matt will have one on one with each investor to discuss their portfolios also. Renasant to talk to Debbie a week before the committee meetings to discuss the portfolios.

Investors came in at 2:36PM

Massey Quick – Tom Morr, Chris Moore – Summary –Portfolio was up 194 basis points for the quarter. Domestic equities had a strong third quarter supported by constructive economic data. International developed equities were positive but continued to underperform the United States which has been the trend all year. On the contrary, emerging markets were in the red again due to a variety of macroeconomic and geopolitical disruptions. 2018 has not been a good year for bond indices amid a resilient economic backdrop which has prompted the Fed to raise interest rates causing bond prices to fall and yields to climb higher. Treasury yields have moved higher as a result of strong jobs data. The 2-year treasury bond yield increased to its highest level in 10 years. The Federal Reserve increased the fed funds rate by 25bps in September to a range of 2%-2.25% and signaled one more hike in 2018. After soaring higher in 2017, emerging economies have struggled thus far in 2018. From a valuation perspective, emerging markets appear attractive. The

relative discount to the S&P 500 is at levels not seen since before the financial crisis. Since early 2018, emerging market currencies have spiraled downward as a result of rising US interest rates and a stronger US dollar. Despite a rebound at the beginning of Q4, they believe that the factors contributing to the selloff have not been fully resolved and volatility will continue for the near-term. While they remain overweight the asset class, they have been rotating towards a more defensive posture in Value and Large Cap and out of Small Caps and Growth stocks, which have been outperformers this year. International and Emerging Market equities have suffered this year on the back of political uncertainty and trade tensions, exacerbated by the stronger US Dollar. Inflation risk and further escalation of trade wars remain a concern. As the Fed continues on its steady hiking program, traditional fixed income offers limited return opportunities and they have shifted our fixed income exposure toward floating rate and idiosyncratic credit risk. Hedge funds are an alternative to fixed income exposure currently as they can offer better returns with lower correlation to rising rates and are an important component in reducing overall portfolio level risk for investors. Illiquid Alternatives are up 80 basis points. They continue to expand their roster of illiquid opportunities across traditional private equity, venture capital, middle market lending, real estate and distressed. Tom and Chris questioned the bands around the Investment Policy asset class targets. In their opinion the bands were too tight and do not allow for normal market fluctuation. Renasant stated that they will send Massey the template they used to generate the bands.

Suntrust – Mike Hill, Melanie Cinaciotto – Summary – For the quarter, the portfolio was up 2.88% basis points. Excess returns resulted from both asset allocation and active manager performance. The portfolio is in alignment with the current IPS. As we look forward, we expect fixed income will be challenged due to expected additional Fed rate hikes. As we discussed early in 2018, the expectation of a volatile year fueled by midterm election uncertainty is occurring but our outlook is bright headed into the end of year. Benefiting returns year to date is the tilt in the equity allocation toward growth relative to value along with an underweight to international equities and emerging markets in particular. China is facing unique problems and their markets are down and expectations are that additional selling will occur as deleveraging continues. As a recap, global stocks were mixed for September as emerging markets struggles persist. The US notched its best quarterly gain on a total-return basis in nearly five years and padded its hefty year-to-date lead over the rest of the world. US small caps were not so lucky, snapping a six-month rally. Master limited partnerships (MLPs) fell for the month, tipping negative for 2018, but posted gains for the quarter. Bond yields jumped with Fed move, scuttling most bond returns for September, though most finish up modestly for the quarter. Interest rates finally broke out of their fairly narrow range—between 2.8% and 3%—since late May. Yields rose for the month across the board with the benchmark 10-year US Treasury yield ending September at 3.06%, its highest month-end close since December 2013. Municipal bond returns slipped for the month and declined for the quarter. Similarly, non-US government bond performance continued to be hampered by the stronger US dollar, which largely held steady for the month but climbed in the third quarter. All eyes are on the Fed as it continues to normalize policy with a third quarter-point hike in 2018, with another raise likely in December.

Berman Capital –Wen (Tang) Nottebohm, Russ Allen – Summary – For the quarter, the portfolio was up 1.88 basis points. The yield curve has been flat. While the economy can take additional interest rate hikes in 2019, bond prices will likely come under even more pressure as investors are overly optimistic about inflation. Two things have accounted for U.S. stocks outperforming international: a stronger dollar and the powerful rally in U.S. technology firms. Near-term these trends are intact, but they don't recommend abandoning international investments. U.S. economic growth clearly picked up in the most recent quarter, with real GDP growth coming in at nearly 4% annualized. The large tax cut for consumers and businesses bolstered confidence and spurred a surge in both consumer spending and business investment. Additionally, growth was temporarily boosted by orders for exports surging ahead of potential tariffs on U.S. goods. Overseas economies have been less robust than the U.S., with developed countries performing much better than emerging markets. The present conflict in Italy is affecting the market. The single largest issue in the global economy is the Trump administration's aggressive use of tariff threats in its efforts to reorder global trade. In the second week of October, stocks dropped sharply, finally reacting to rising bond yields and the Fed's signaling of a continued rate hike campaign. They believe inflation is not out of control, and wages have not turned sharply higher. The Fed is most likely angling for a long-term equilibrium range of between 2.75% and 3.00% by the middle of 2019, then to wait and see. In private markets, while deals are being done at high valuations, the environment remains strong for corporate cash flow, and debt service payment coverage is strong. There is a lot of variability in the quality of investment managers in this space, and they favor sticking with well-established managers with strong credit research teams. Alternatives assets have done the best for this year. In regard to China dispute – they believe there is a high likelihood that something will get worked out, all depends on Trump administration. Russ had a couple questions about the new IPS, with such tight IPS ranges, how long do they have to bring the portfolio in line if there's a violation? What is the allowable % of non-investment grade fixed

income? A global equity benchmark has 55% domestic equities and 45% international equities. What is the rationale for targeting a 75% domestic and 25% international allocation?

Investors had some questions about the changes that were made to the investment policy, Debbie will review the policy questions and give a summary to Rich.

Investors left at 3:43 PM

Short break taken at 3:44 PM

Reconvened at 3:45 PM

Old Business

None

Legal/Other

None

Adjournment

There being no further business, Rich Bianculli adjourned the meeting 3:45 PM



Rich Bianculli, Chairman

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

**Operations Committee Meeting Minutes
October 23, 2018
Sam McConnell, Chairman**

Call to Order

Sam McConnell called the October 23, 2018 regular meeting of the Munroe Regional Health System and Marion County Hospital District Operations Committees to order at 3:46 p.m.

Public Comment (3 Minutes)

None

Committee Members Present

Rich Bianculli, Curt Bromund, Sam McConnell, David Cope

Committee Members Absent

Larry Strack, Randy Klein

Present by Phone

None

District Attorneys Present

None

Others Present

Dolly Dockham, Debbie Cooper, Carlos Medina

New Business

Approval of Previous Minutes

- Minutes of September 18, 2018

A **Motion** was made by Sam McConnell to approve the minutes of September 18, 2018 as presented by general consensus. The **Motion** passed unanimously.

Financials

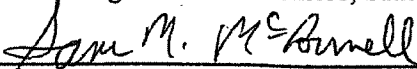
Budget vs Actual, Balance Sheets, Cash Flow and Income Statements for Munroe Regional Health System and Marion County Hospital District –September Financials will be presented at the September board meeting for approval.

Legal/Other

None

Adjournment

There being no further business, Sam McConnell adjourned the meeting at 3:47 p.m.



Sam McConnell, Chairman