

# Munroe Regional Health System, Inc.

## Minutes of the Meeting of the Board of Directors

April 27, 2015 @ 5:00 p.m.

Marion County Hospital District Office  
1121 SW 1<sup>st</sup> Avenue, Ocala, FL

Larry Strack - Chairman of the Board

The regular meeting of the Board of Directors of Munroe Regional Health System, Inc. d/b/a Munroe Regional Medical Center was held on Monday, April 27, 2015 at 5:06 p.m. in the Foundation Conference Center at Marion County Hospital District.

### Call to Order

Larry Strack called the MRHS Board meeting to order with a quorum present at 5:05 p.m.

### Board Members Present

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

### Board Members Absent

Randy Klein

### Hospital Attorneys Present

Jonathan S. Dean

### Others Present:

Jon Kurtz, Ed Dean, Debbie Cooper, Fred Hiers, Stan McClain, Mary Lu Fritz, Dolly Dockham, Terri Judy, Dick Grosso, Kerrie Jones-Clark

### Invocation

Jon Dean gave the invocation.

### Approval of Previous Minutes (March 30 and April 21, 2015)

The Minutes of the March 30, 2015 Board Meeting and April 21, 2015 Committee meetings were approved as presented.

A **Motion** was made by Sam McConnell to accept the minutes of March 30, 2015 Board Meeting and April 21, 2015 Committee Meetings as presented. The **Motion** was seconded by Ken Marino. With no further discussion, the motion passed unanimously.

## New Business

### Financial Reports for MRHS

Debbie Cooper reviewed the cash flow as of March 30, 2015. The cash balance is approximately \$5 million and cash receipts were up this month. TimberRidge note payments are now included on the report. The accounts receivable are going down and have been moved to a collection agency to manage.

A **Motion** was made by Sam McConnell to accept the financial report as presented. The **Motion** was seconded by Ram Vasudevan. With no further discussion, the motion passed unanimously.

## Old Business

### Pension Plan and 401(k) Update

Jon Kurtz gave a timeline of the pension plan update and reviewed the memorandum provided by Lowell Walters at GrayRobinson.

Jon Kurtz reported that Lowell Walters is working on the VCP for the 401(k) and the VCP should be ready to file in May or June requesting the Plan be reopened. Aon Hewitt is also working to get the 500 reviews done by May or June.

### Aon Hewitt Follow-Up

Lowell Walters, with Aon Hewitt's assistance, responded to the IRS' second request dated March 17, 2015 for information about the Plan document submitted for IRS review on September 30, 2003. No further communications from the IRS have been received regarding the most recent response to them. Mr. Kurtz stated progress is being made across the Board on the Pension Plan and 401(k).

Mr. Bianculli requested that Jon Dean inquire as to whether there is a statute of limitations for the IRS with regard to the pension issues from 2003.

The Plan's new auditor had some questions about plan documentation that they addressed through Debra Cooper. The questions did not seem unusual and they have received no follow-up questions.

### Steve Purves Arbitration

Jon Dean stated that on Monday, May 4, 2015, the arbitration will take place in Gainesville, Florida. Mr. Dean feels good about our position and how the case will be argued. Mr. Purves is asking to be paid for the balance of the severance agreement, which is approximately \$650K. Mr. Purves was paid \$250K without the Board's knowledge. A counterclaim was filed by MRHS requesting the Arbitrator order Mr. Purves to reimburse MRHS for the monies paid to him as he did not fulfill the terms of the severance agreement.

## Old Business

Mr. McConnell inquired as to whether any collection agencies were contacted with regard to selling our accounts receivables. Ms. Cooper advised that all agreements to pay the Hospital are



verbal and were for amounts patients were short after insurance paid. The collection agencies we currently are utilizing charge very small percentages to collect these payments.

**Dr. Ulmer litigation**

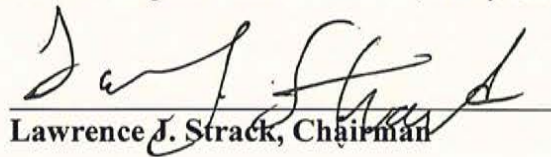
Mr. Dean advised that the attorneys are still trying to get mediation scheduled.

**Public Comment**

None

**Adjournment**

There being no further business, Larry Strack announced the meeting was adjourned at 5:27 p.m.

  
Lawrence J. Strack, Chairman