

# Munroe Regional Health System, Inc.

## Board of Directors Meeting Minutes

Special Meeting March 7, 2019 @ 5:00 p.m.  
Sam McConnell, Chairman

### Call to Order

Sam McConnell called the March 7, 2019 regular meeting of the Munroe Regional Health System, Inc. Board of Directors to order with a quorum present at 5:32 pm.

### Board Members Present

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

### Board Members Absent

Rich Bianculli

### Present by Phone

None

### District Attorney Present

Joe Hanratty

### Others Present:

Curt Bromund, Michelle Stone, Dolly Dockham

### Invocation

None

### Public Comment (3 minutes)

None

### New Business

None

### Old Business

**Capital Expenditures** – Joe received a list of previous CHS capital expenditures from Advent Health. The table represents actual spend date as of 3/31/18. They have spent \$18,905,008 of their required Master Plan spend of \$150M for new building with a remaining \$131,094,992 to spend. Subsequent to the 3/31/2018 list of expenditures through 8/1/2018 CHS spent an additional \$3,022,867 on Routine Maintenance and \$6,870,405 on Capital Improvements to the main campus. Thus under the Third Amendment of the lease there remains \$110,000,000 of spend at Timber Ridge, \$14,224,587 of spend on the main campus and \$1,946,077 on routine maintenance. Advent will be coming back to the district for another lease change. Advent expects that the main campus requires at least another \$50M as there is more work needed than previously thought. Trustees are requesting a detailed list of the \$50M to be expended. David Cope expressed that originally the lease required all \$150 million be spent on the main campus and that CHS decided to ask to spend \$110 million on Timber Ridge when the trustees drafted the 3rd Amendment. Dave suggested that while it is not for the District to decide on what the hospital spends

the money on but it is important to make sure that the amounts claimed are in the correct categories. Joe will have more information on these expenses at the next committee or board meeting.

**Heart of Florida (HOF)** – Dave gave an update on the building, they have received documentation to resolve the restricted covenant issues regarding medical/dental services at the Albertson’s property. There is still one additional issue regarding parking expenses.

**Operations Committee Update**

**Pension Sub-Committee Update**

**Munroe Pension – Milliman Contract** – Joe has received the Milliman contract. Milliman will complete the plan termination within 12 to 18 months of receiving complete and accurate data. Total for the pension plan termination will be \$273,000. Other charges and billing rates will apply. Milliman’s hourly rates were ~ 30% less than Aon Hewitt’s. Milliman’s out of service costs appear to be minimal. Many items that were out of service for AON are included. It will cost ~\$50-\$70K to transition the files from Aon to Milliman which seems high, Joe will discuss with Aon and Milliman what is customary to charge for transfer of files. Sam would also like to request a detailed list of services performed and a log of activity thereof to transfer the files.

**A Motion was made by Dave Cope to accept the Milliman contract as presented and move forward with engaging with Milliman. The Motion was seconded by Larry Strack. The Motion passed unanimously.**

**Legal/Other**

**Compass Notice of Voluntarily to Dismiss** – Joe is seeking to get a Motion to Voluntarily Dismiss the cross claims and counter claims from the Compass litigation. LDC Finance is the company that took over the Compass mortgage.

**A Motion was made by Ram Vasudevan to approve the Notice of Voluntarily Dismissal of Cross Claims and Counter Claims for Compass as presented. The Motion was seconded by Ken Marino. The Motion passed unanimously.**

There being no further business, Sam McConnell adjourned the meeting at 6:24 p.m.

  
\_\_\_\_\_  
**Sam McConnell, Chairman**