

# Marion County Hospital District

## Minutes of the Meeting of the Board of Trustees

March 28, 2016 @ 5:00 p.m.

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

David Cope - Chairman of the Board

### Call to Order

David Cope called the March 28, 2016 regular meeting of the Marion County Hospital District Board of Trustees to order at 5:17 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, Richard Grosso, Patrick Gilman, Fred Hiers

### Approval of Previous Minutes (February 29, March 7 and March 22 2016)

A **Motion** was made by Randy Klein to accept the Minutes of February 29, March 7 and March 22, 2016 as presented. The **Motion** was seconded by Ram Vasudevan. With no further discussion, the motion carried unanimously.

### Approval of Financials, Balance Sheets and Statement of Revenue and Expenses for MCHD

A review of the financials was presented.

### Financials – February 2016

#### Budget vs Actual – Munroe Regional Health System and Marion County Hospital District

Debbie Cooper reviewed the Budget vs Actual Report for February 2016 for MRHS and the Hospital District. The revenue was higher than budgeted this month. The temp is working more hours, thus the increase in monies paid to the Temp Agency. The admin legal is higher due to David Doyle handling professional liability cases and patient collection fees are higher. Grantee payments were under budget as some were not funded the first quarter.

### **Balance Sheet and Income Statements- Munroe Regional Health System**

Decrease in non-current assets of approximately \$525,000. There are no other significant changes in February.

### **Balance Sheet and Income Statements – Hospital District**

Accrual for advisors' fees was higher because the bills lag; therefore, the months will vary.

Sam McConnell made a **Motion** to approve the Financial Reports for February 2016 and the MCHD Budget vs Actual February 2016 after discussion. The **Motion** was seconded by Rich Bianculli.

### **New Business**

#### **Grant Committee Update**

##### **IHI Update**

IHI came to Ocala for a training session, which was held on March 23, 2016. Cory Sevin from IHI submitted a letter to the Trustees outlining what occurred at the session.

Discussion of the next grant cycle and when the measurements will be presented to the Board was discussed. The first quarterly reports are due April 25<sup>th</sup> from the grant recipients.

A **Motion** was made by Sam McConnell to accept the Grant Committee report as presented. The **Motion** was seconded by Larry Strack. With no further discussion, the motion carried unanimously.

#### **Investment Committee Update**

##### **Investment Reports**

Rich Bianculli reported that there was a loss for the previous month. However, March investments are up about \$3.4 million dollars as of March 25<sup>th</sup>. Overall, investments are up \$3.7 million.

Rich Bianculli visited with two of the three financial advisors and reported to the Committee investment alternatives for the District. He spoke with Goldman Sachs and Massey Quick who have products that can be in either commercial, multi-family, debt side or equity side of real estate. They have programs that are mark to market every quarter, done by third parties, paid cash dividends on a quarterly basis. Total return on an IRR depends on the market.

The investors will call in for the April Investment Committee meeting and will discuss alternative real estate investments. David Cope will contact Realtor Blaine Strickland and talk to him about attending a committee meeting.

A **Motion** was made by Sam McConnell to accept the investment committee report as presented. The **Motion** was seconded by Ken Marino. With no further discussion, the motion carried unanimously.

#### **Operations Committee Update**

##### **Insurance Proposals**

Debbie Cooper discussed the MCHD Commercial Insurance Proposal Renewal. She requested three quotes of the D&O policy. The premium for 2015 was \$43,759. The quotes received were

\$35,562; Chub was \$33,000 with a lesser coverage and to get the coverage to the limit it would be an additional \$10,000. Markel American came in with an \$8,000 quote lower than last year's premium.

**The recommendation of the Committee is to move coverage from AIG to Markel American Insurance and to present to the Board for approval.**

**It is the recommendation of the Board that the MCDH Commercial Insurance Proposal renewal go to Markel American. Recommendation passed unanimously.**

### **Warehouse Update**

A contract to buy the warehouse has been received by Alice Getz for \$386,500. The District asked them to come back with a higher offer which \$400,000 was then presented. Advantage Title will hold \$40,000 in escrow, if offer is approved by the Board of Trustees the closing date would be on April 28, 2016.

After discussion, it was the recommendation that a counter-offer of \$425,000 be presented to the potential buyer. David Cope and Jon Kurtz are given authority to negotiate down to \$400,000.

A **MOTION** was made by Randy Klein to counteroffer at \$425,000. The **MOTION** was seconded by Rich Bianculli. After further discussion, the motion carried with 6 in favor and one nay.

A **MOTION** was made by Randy Klein in lieu of meeting again, Jon Kurtz be authorized to accept any counteroffer between \$400,000 and \$425,000. The **Motion** was seconded by Rich Bianculli. After further discussion, the motion carried with 6 in favor and one nay.

**The Operation Committee Report was accepted by consensus of the Board.**

### **Executive Director Search Committee**

A meeting was held on Monday, March 7, 2016, to discuss additional recruiting agencies. Jon Kurtz heard back from a Tampa group, Ferreri Associates. They will be here on Wednesday, March 30, 2016 at 3:30 p.m. Korn Ferry in Atlanta was contacted and their minimum fee is \$90,000 and they indicated they could not assist us. Mr. Kurtz also heard from Heindrick and Struggles on Friday, March 25, 2016. They are going to search their partners to see if they can help and will get back to us.

Jon Dean stated that the Sunshine Law requires employment interviews for candidates to be conducted in open meetings. One on one conversations with the candidates could be held by individual trustees.

A **Motion** was made by Sam McConnell to accept the Executive Director Search Committee report as presented. The **Motion** was seconded by Larry Strack.

### **Old Business**

#### **Hospital Inspection Update**

Verrando Engineering's primary effort has been to organize the spaces into a format allowing photos to be referenced to specific spaces, each floor of each building has been broken into

sections, each section has been identified and each room within the section have been numbered to provide a totally distinct number. A numbering system was developed based on the Building/Floor, the Section (taken from a provided map) and a sequential number. A sample map package of one of the main building floors is attached to the report. The intent is to provide a distinct reference number for each space in the respective photos; this will locate the photographed area in the facility for later reference. It was requested that a report be given monthly to the Trustees.

**TimberRidge Land Lease Update**

This was briefly discussed in the MRHS Board meeting and the details of the meeting went along with how discussions went in the closed session. No further discussions held.

**Public Comment**

None.

**Adjournment**

The meeting was adjourned by David Cope at 5:53 p.m.



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**David Cope, Chairman**