

# Marion County Hospital District

## Board of Trustees Meeting Minutes

March 27<sup>th</sup>, 2017 @ 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 27<sup>th</sup>, 2017 regular meeting of the Marion County Hospital District Board of Trustees to order at 5:04 p.m.

### Board Members Present

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

### Board Members Absent

None

### District Attorney Present

Joe Hanratty, Charles Forman

### Others Present:

Debbie Cooper, Dolly Dockham, Curt Bromund, Fred Hiers, Robert Batsel, Jim Henningsen, Larry Cretul, Kathy Bryant, Tyla Kennedy

### Public Comment (3 minutes)

Tyla Kennedy from Shape Up Ocala gave a brief update on her organization.

### Approval of Previous Minutes

A **Motion** was made by Sam McConnell to accept the Minutes of February 27, 2016 and March 21<sup>st</sup>, 2017 as presented. The **Motion** was seconded by Ken Marino. With no further discussion, the motion carried unanimously.

### MCHD Financial Reports, Budget vs. Actual Balance Sheet and Income Statements for February 2017.

Debbie Cooper reviewed all the MCHD Financials for the month of February 2017 for the District. No substantial changes for the month of December.

A **Motion** to approve all of the MCHD Financial Reports for the month of February 2017 was made by Sam McConnell. The **Motion** was seconded by Randy Klein. With no further discussion, the motion passed unanimously.

## New Business

### Grant Committee Update

**College of Central Florida – Robert Batsel and James Henningsen** – CF is requesting capital funds to support a major health related facilities project that may be contingent on local funding support in order to obtain state legislated funds in the legislature’s upcoming session. They are requesting a commitment of \$6M from the Marion County Hospital District, payable only upon the Florida legislature’s funding of the \$29.7M project, funding is for a 72,000 square-foot facility with state of the art simulation teaching labs to support expansion of health sciences programs including Nursing, Emergency Medical Services, Emergency Medical Technician, Paramedic, Physical Therapist Assistant, Radiography, Surgical Technology, Dental Assisting and, potentially, Dental Hygiene. There is a current shortage of 206 registered nurses in Marion County is accompanied by DEO’s projection that, by 2023, RN job opportunities will increase by 13.7% county-wide, which was projected without considering Munroe Regional Medical Center’s TimberRidge expansion and the presence of a VA Nursing Home.

The facility is necessary in order to grow their Dental Assisting program and create a Dental Hygiene program. Operational funding for program expansion and creation is a high priority and the other main prong of their efforts in Tallahassee. Florida Legislature match would result in \$23.7M state investment in Marion County’s future, amounting to a 4:1 initial return on investment (prior to considering local factors). CF and the CF Foundation are actively leveraging assets to expand health programs, with over \$1.2 million raised in the past two years to support scholarships, equipment purchases, and faculty support.

CF is presenting a MOU in regard to the terms above: This Memorandum of Understanding (“Memorandum”) will be made on this March 27, 2017, by and between the Marion County Hospital District (“MCHD”), and the District Board of Trustees of the College of Central Florida (“CF”), for the purpose of achieving the various aims and objectives relating to the improvement of health in Marion County through construction of a state-of-the-art Health Sciences Technology Education Center at the College of Central Florida. The MOU contains the following:

1. Purpose. The purpose of this Memorandum is to establish the terms and conditions under which MCHD and CF will partner to create a Health Sciences Technology Education Center on CF’s Ocala campus in order to expand CF’s health sciences programming and improve the health of Marion County citizens.
2. Term. This Memorandum is effective upon the date last executed by the duly authorized representatives of the parties, below, and shall remain in full force and effect for eight (8) years.
3. Duties of MCHD. MCHD hereby pledges to provide CF with funding on a pro rata basis in the amount of Twenty Percent (20%) of funds appropriated by the State of Florida for construction of a Health Sciences Technology Education Center on CF’s Ocala campus.1 The total payment obligation shall, under no circumstances, exceed Six Million Dollars (\$6,000,000.00). MCHD’s payment obligation shall be contingent upon the inclusion of a specific appropriation in the state budget executed by the Governor of the State of Florida and shall be due and payable to CF within thirty (30) days’ written notice to MCHD of said appropriation.
4. Duties of CF. CF hereby agrees to the following:
  - A. CF shall dedicate all MCHD funds received pursuant to this Memorandum to the Health Sciences Technology Education Center on CF’s Ocala campus.

- B. Upon completion of the Health Sciences Technology Education Center, CF shall pursue the creation of a Dental Hygiene program as soon as reasonably practicable and prior to the creation of any other new health sciences program at CF. Said Dental Hygiene program shall be a priority program second only to nursing in the Health Sciences Technology Education Center.
- C. CF hereby grants to MCHD the perpetual right to name the Health Sciences Technology Education Center upon approval of the Board of Trustees of the College of Central Florida and pursuant to CF policy, refusal of which shall not be unreasonably withheld.

5. Irrevocable Pledge. CF and MCHD mutually agree that work shall be undertaken immediately in reliance upon this pledge. This pledge is irrevocable, subject to prior appropriation of state funds, and can be reasonably relied upon by the State of Florida, CF, and the citizens of Marion County.

6. Applicable Law. The construction, interpretation and enforcement of this Memorandum shall be governed by the laws of the State of Florida.

7. Entirety of Agreement. This Memorandum represents the entire and integrated agreement between the parties concerning the substance of this Memorandum and supersedes all prior negotiations, representations and agreements, whether written or oral.

8. Severability. Should any portion of this Memorandum be determined to be illegal or unenforceable, the remainder of the Memorandum shall continue in full force and effect, and either party may renegotiate the terms affected by the severance.

**After some discussion a unanimous Motion was made by Randy Klein to approve CF's request for the funding which will be \$6M (20% match) from the Marion County Hospital District, payable only upon the Florida legislature's funding of the \$29.7M project (with the above contingencies from MCHD). The Memo of Understanding presented will also be approved and signed by both parties. The Motion was seconded by Ram Vasudevan.**

**Chronic Disease Projects Update** – Curt has hired a Program Manager for the FANS project. She will begin April 1, 2017. Curt will also be actively seeking another Program Manager to help with the AMPS project, he is also finalizing the software specs for AMPS.

**Marketing/Advertising** - Curt has met with 4 marketing firms and received proposal bids, he is soliciting a couple more companies to get their proposal bids also.

A **Motion** to approve the Grant Report for March 2017 was made by Ken Marino. The **Motion** was seconded by Sam McConnell. With no further discussion, the motion passed unanimously.

### **Investment Committee Update**

#### **Investment Reports**

Rich reported investments were up \$2.8M in February and are up at \$18M since inception to date. We are looking to be down so far for March. Interest rates are rising while bonds are going down.

#### **Old Business**

Investment Policy Statement (IPS) – Joe Hanratty and Rich are still having discussions with Goldman Sachs about updates needed to the policy in regard to illiquid alternatives and Rich and Joe have decided to table this discussion until the Investor's Quarterly Meeting in April so it can be discussed with all the investors at that time.

A **Motion** to approve the Investment Report for March 27, 2017 was made by Sam McConnell. The **Motion** was seconded by Ram Vasudevan. With no further discussion, the motion passed unanimously.

### **Operations Committee Update**

**Pension Plan Funding** – Aon Hewitt has stated that our estimated underfunding on a termination basis is about \$9.1M. The underfunded amount for PBGC premium purposes is about \$7.6M. They recommend a contribution of at least \$2.9M (the amount of underpayments), both from an optics standpoint, and to take care of contribution needs for the year although a contribution closer to half of the underfunded liability on termination basis (\$4.5M) would be a great step toward funding the eventual termination also saving us 3% in net penalties and reducing PBGC premiums which we can't get back. The request is to fund the MRHS Pension Plan in the amount of \$7.6M by June 15, 2017.

**After some discussion a Motion to Approve was made by Randy Klein to approve the request to fund the MRHS Pension Plan in the amount of \$7.6M by June 15, 2017. The Motion to Approve was seconded by Ram Vasudevan. The Motion passed unanimously.**

**MCHD Bylaws** – Joe Hanratty has made the suggested changes to the MCHD/MRHS bylaws from the last board meeting and at the last committee meeting and presented them for approval. The two sets of Bylaws are now similar in content.

**After some discussion, A Motion was made by Sam McConnell to accept and approve the MCHD Bylaws as presented. The Motion was seconded by Randy Klein. The Motion passed unanimously.**

After some discussion, A **Motion** was made by Sam McConnell to approve the Operations Committee Report for March 27, 2017 as presented. The **Motion** was seconded by Rich Bianculli. The **Motion** was unanimous.


**Old Business -Strategic Plan** – Skip Archibald hosted the second Strategic Planning Workshop on March 8<sup>th</sup>, 2017 to help the trustees to come together to develop a unified strategic plan as well as Mission and Vision plan. Curt is still working on the Mission and Vision statements and will present for discussion at a future meeting.

### **Other/Legal Matters**

Joe Hanratty has requested a shade meeting be scheduled in the near future.

### **Adjournment**

The meeting was adjourned by David Cope at 6:10 p.m.

  
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David Cope, Chairman