

SUMMARY MINUTES
Chairman's Meeting
Indian River County Hospital District
Hospital District Conference Room
September 20, 2017
10:30 AM

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| TRUSTEES: | Marybeth Cunningham Ann Marie McCrystal Tracey Lockwood-Zudans Karen Deigl | Allen Jones Dr. Michael Weiss Barbara Bodnar |
| STAFF: | Ann Marie Suriano Kate Voss | Jennifer Frederick Jennifer Peshke, Esq. |
| OTHER ATTENDEESS: | Janet Begley Bob Savage Nancy Mace Lisa Sellers Mary Blumstein William Boyles, Esq. | Mary Linn Hamilton Lewis Clark Miranda Hawker Steve Smith George Andreassi Heather Ramos, Esq. |

Convene Meeting – Marybeth Cunningham, Chairwoman

Mrs. Cunningham convened the monthly chairman's meeting of the IRCHD at 10:30 AM by welcoming those in attendance. She introduced Mr. Boyles and Mrs. Ramos who would be providing an affiliation process review concerning

Affiliation Process Review- William Boyles, Esq. & Heather Ramos, Esq.

Mr. Boyles reviewed the general process of communications concerning the potential affiliation partnership for IRMC and stated that the District Board and Hospital Board meetings will be held consecutively, not jointly. Additionally the consultants will coordinate with the District point of contact, who is Chairwoman Mrs. Cunningham. He further instructed the Trustees to direct their questions or issues concerning this matter to Mrs. Suriano or Mrs. Peshke, before contacting their office.

Mrs. Ramos explained that the process will begin with Juniper Advisory preparing an Instruction Letter. Then, Juniper will provide the document to Mrs. Cunningham review as to factual accuracy. The Instruction Letter will then be delivered to potential suitors by Juniper. Additionally, copies will be provided to the Trustees individually, for their review and comment. During that time, a potential suitor is required to identify any "Trade Secrets" the entity may have. There was further Trustee discussion surrounding the topic of "Trade Secrets".

Mrs. Ramos explained that before the initial proposals are received, the Trustees and hospital board will determine and select criteria at a public meeting. The criteria will then be provided to Juniper and they will prepare an evaluation of the information. Lastly, after a review of the selected proposals, each board will select its finalist at their own public meeting. She further explained that Juniper recommends that no more than three finalist be selected by each board and there is a potential that both boards will not select the same finalist. In that case, all finalists selected will be reviewed. Additionally, at a meeting open to the public the District Board will discuss and decide if there is any additional information needed from the finalists. This information will be passed on to Juniper by the District Chair and Juniper will prepare any additional questions for the finalists. Juniper will also set a date to receive the final amended proposals.

Mrs. Ramos further discussed the final proposal process. She explained that during this process Juniper will receive the final sealed proposals. The sealed proposals are exempt from the public records law until a notice of an intended decision or until 30 days after opening the proposals pursuant to 119.071 (1)(b)2, Fla. Stat. Mr. Jones questioned if the Board would be required to sign a confidentiality agreement, to prevent information from being leaked. Mr. Boyle stated that a confidentiality agreement would not be necessary, but the statute will allow the Board time to review these proposals before being made public. Mrs. Ramos advised that by January, the final proposals will be sent to the District Chair and Executive Director who will provide those to the Trustees.

Mrs. Ramos addressed the issue of due diligence regarding the finalists chosen in this process. She explained that once the finalists are chosen, the Trustees will conduct site visits, which will be in compliance with Sunshine law. Juniper recommends that no more than three Trustees and three Board members attend the site visits. Additionally, the finalists will present their proposal to the District Board and Hospital Board at a joint meeting. After the meeting the District and Hospital Board will each select its preferred partner at a subsequent meeting open to the public.

Mrs. Ramos discussed the final steps of the process. She explained that a Letter of Intent will be prepared by the attorneys with input from Juniper. Juniper will then provide the document to the District Chair and the Executive Director for review. The Executive Director will provide copies to the Trustees, individually. Lastly, the District and hospital board will each approve the Letter of Intent at consecutive meetings open to the public. Between February and May, a definitive agreement will be prepared by the attorneys with input from Juniper. Each board chair will review the document and provide additional input. Mrs. Ramos explained that big picture items and concepts will be approved by the Trustee at a subsequent meeting. Further, the Trustees and Hospital Board will each approve the definitive agreement at consecutive meetings open to the public. A closing will occur with a selected partner that satisfies all conditions, once all regulatory filings have been completed.

Communications Consulting Services Agreement- Ann Marie Suriano

Mrs. Suriano asked Mr. Boyles and Mrs. Ramos to briefly discuss the proposed consulting services agreement with Jarrad. Mr. Boyles stated that he and Mrs. Ramos have reviewed the document and recommended a few changes, which were approved by Jarrad. Mr. Boyles explained to the Trustees that it would be beneficial for the District and IRMC to utilize the same communications firm, to maintain unity in the communication process. However, he clarified that the District and IRMC would have separate engagement agreements with Jarrad.

There was further Trustee discussion concerning this matter and Mrs. Zudans stated that she has concerns regarding the communication process and feels that she the other Trustees did not have enough time to review the agreement or research Jarrad as an entity. Mrs. Suriano stated that at a prior meeting, the Trustees discussed utilizing having the same communication firm as the hospital, which was Jarrad. Further she stated that Mr. Jones had conducted further due diligence on Jarrad, Mr. Boyles, Mrs. Ramos and Mrs. Peshke reviewed the agreement prior to it being brought before the Trustees. Mrs. McCrystal made a motion to approve the Jarrad agreement, which was seconded by Mr. Jones. The motion carried 5 to 1, and Dr. Weiss abstained.

VNA Mobile Unit Presentation- Mary Linn Hamilton, CEO VNA

Mrs. Hamilton and Mrs. Blumstein provided an update concerning the VNA mobile unit. The VNA is requesting \$161,847 in additional funding to offset costs for operating the unit, during the transition to fee-for-service. There was further Trustee discussion concerning this matter and the VNA discussed their efforts taken to find additional funding sources, such as applying for Medicare and Medicaid numbers to bill for services and offset their costs.

Mrs. Zudans discussed her concerns with the cost of the mobile unit and the decreased patient volumes. There was further Trustee discussion concerning the same and Dr. Weiss made a motion to approve an additional expenditure of \$100,000 for the VNA. Mr. Jones seconded the motion and it carried 6 to 1.

FY 2017-2018 Final Budget Update Review- Allen Jones, Treasurer

The Trustees had further discussion concerning the proposed final budget, which will be voted on tomorrow, at the Final Budget Hearing. Mr. Jones stated that he and Mrs. Suriano further reviewed the administrative budget and reduced some costs, leaving an additional \$55,000 which could be used towards program expenses. He recommended moving those funds into reserves, which could potentially support any additional expenses the VNA mobile unit may have with their transition to fee for service. There was further Trustee discussion concerning the proposed millage rate of .8894, which many felt was considerably low for the amount of funding that the District is proposing to support for indigent care. Mrs. Zudans stated that she is not in favor of the double digit tax increase but accepts the Trustees recommendations concerning the budget.

Other Business-

Mrs. McCrystal stated that at the first budget hearing on September 14, a member of the public stated that the District was one of the only governing bodies in the county that was raising taxes. Mrs. McCrystal showed the Trustees various Notice of Proposed Tax Increase newspaper ads, which local government bodies are required to publish, stated that each entity was increasing taxes. She recommended that it may be beneficial for Mr. Jones to publicly state at tomorrow's meeting that the Hospital District is not the only entity in Indian River County that is proposing a tax increase.

Public Comment- There was no public comment.

Adjourn- The meeting was adjourned at 1:00 PM