

*Approval Date:
August 21, 2023*

MINUTES OF
A REGULAR MEETING OF THE
CITRUS COUNTY HOSPITAL BOARD

JULY 24, 2023, 6:00 P.M.

(1) CALL TO ORDER

A regular meeting of the Citrus County Hospital Board of Trustees was held Monday, **JULY 24, 2023**, in the Conference Room of the Annex Building located at 123 N. Apopka Avenue, Inverness, Florida 34450. Chairman Dr. Mark Fallows called the meeting to order at 6:00 P.M.

(2) PUBLISHED MEETING LEGAL NOTICE

(Agenda & Published Legal notice Copies On File)

(3) QUORUM PRESENT

(4) ATTENDANCE

Board Members Present: Dr. Mark Fallows (Chairman), Dr. Jeffrey Wallis (Trustee) and Rick Harper (Trustee).

Board Member Absent: Allan Bartell

Also in attendance:

William Grant, Esq. (CCHB General Counsel)
Richard Powell (CCHB CPA)
Mireya Diaz (CCHB Administrative Assistant)
Kaylee Flaherty (CCHB Administrative Assistant)

Members of the Public:

Dr. James Henningsen, President (College of Central Florida)
Christopher R. Knife, Vice President (College of Central Florida)
Vernon Lawter, Vice President (College of Central Florida)
Vicki Listebarger, Senior Vice President (Regions Bank)
Mrs. Harper
Crystal Barton, Executive Director (CCCCF)

(5) PUBLIC COMMENT

No public comments.

(6) APPROVAL OF MINUTES

MOTION by Dr. Wallis to accept Minutes as modified, second by Mr. Rick Harper to approve the minutes from the June 12, 2023, No further discussion, the Motion passed unanimously, 3-0.

(7) FINANCE COMMITTEE REPORT

Richard Powell presented the June 2023 Financial Report along with a balance sheet.

MOTION by Dr. Wallis to approve the June 2023 Financial Report as presented, second by Mr. Harper. No further discussion, the Motion passed unanimously, 3-0.

Richard Powell presented the June 2023 CCHB invoices.

MOTION by Dr. Wallis to approve payment of all CCHB invoices, second by Mr. Harper. No further discussion, the Motion passed unanimously, 3-0.

Mr. Grant inquired if the \$6.3 million remains in the existing JP Morgan Indemnity Escrow. Richard Powell responded, "yes".

Richard Powell said that CCHB is transitioning all bank accounts from Cadence Bank to Regions Bank with the exception of the JP Morgan Indemnity Escrow. Richard Powell said that Ms. Vicki Listebarger was present, and she would explain why there was a change to the original proposed Working Capital Sweep account to a Money Market Mutual Fund – Fidelity Treasury Sweep account.

Ms. Vicki Listebarger, Senior Vice President, for Regions Bank explained that in the proposal process she discovered that Cadence Bank statements did not reflect collateralized deposits which is why the original proposal was for the Advantage Business Checking. Ms. Listebarger said that during the opening process and review of the CCHB audit on September 30, 2022, it clearly stated it was a Public Funds account, therefore not eligible for the Working Capital Sweep account. Ms. Listebarger explained that the State of Florida allows for Public Funds to be invested into a Government and Treasury Money Market Mutual Funds account. Regions Bank offers the Money Market Mutual Fund – Fidelity Treasury Sweep account, this account has a monthly maintenance fee of \$175 and a current yield of 4.66%.

Dr. Wallis said he would like to see the new proposal in writing. Ms. Listebarger indicated she would comply.

MOTION by Mr. Harper to approve the terms of the new proposal, second by Dr. Wallis. No further discussion, the Motion passed unanimously, 3-0.

Mr. Grant asked if Regions Bank can do all Raymond James currently does with CCHB investments. Richard Powell confirmed that they can provide the same level of investment opportunities as Raymond James.

Dr. Fallows asked for a status of transferring investments from Raymond James to Regions Bank.

Richard Powell explained Regions Bank will sweep monies from Raymond James at a corporate level and no penalty or other charges will be incurred.

(8) LEGAL

Attorney Schapira joined via phone at 6:19 pm.

Mr. Grant said that AHCA owes CCHB significant money and provided a copy of Attorney Schapira's Memo.

Attorney Schapira provided an update on the ongoing AHCA Medicaid Recoupment. Ms. Schapira explained that on July 19, 2023, they sent their response to Mr. Joseph Goldstein, ACHA's attorney. The response proposed errors and supporting documents, and if AHCA accepts the response Attorney Schapira believes that an invitation to sit for settlement negotiations now a distinct possibility. That means ACHA would potentially eliminate existing alleged debt and return the previously recouped sum of \$1,750,082.10, and based on what the consultant said there is a possibility of recouping more.

The question was raised as to whether litigation was an option to reopen the Medicaid Cost Reports, and Attorney Schapira explained that we are already at the Administrative Law Judge stage. Mr. Grant said that with litigation there would be fees. Mr. Grant said that there is \$6.3 million in escrow and a possibility of \$1.7 million coming back to CCHB, and in two months' time there should be a clear horizon.

A brief discussion ensued regarding the recoupment update.

Dr. Wallis said that Attorney Schapira is doing a great job.

No further questions or discussions.

(9) UNFINISHED BUSINESS

Veterans Village

Mr. Grant said that Dr. Desai is medically unavailable at this time. Veterans Village will return to provide update once they have their building permits.

Mr. Harper said that based on Dr. Desai's comments he has now learned that the Veterans Village will not provide services to veterans only, but it is open to everyone. Veterans Village is not able to exclude non-veterans due to grant funding policies. Mr. Harper said that they kept his information a secret when requesting funding from CCHB.

Dr. Fallows stated that clarification is needed.

A brief discussion ensued.

Mr. Grant said he will ask Veterans Village for clarification regarding this matter.

Baker Act Facility

Mr. Grant said that CCHB will no longer be involved in this project due to Life Stream ownership of proposed facility, and that the proposed CCHB contribution at this time will no longer be considered. The facility will be built, owned, and operated by Life Stream.

Investment Matters

Mr. Grant provided an update on the ongoing matter regarding Raymond James, and the imposed loan interest charges from the floating loan that was made to CCHB without authority or permission/consent. As per Florida Statute, floating loans to government agencies are specifically not allowed.

Mr. Grant said that Attorney Snyderburn will draft the demand letter to Raymond James.

Dr. Wallis said he wants to meet with Attorney Snyderburn and Attorney Vanessa Braeley to discuss the CCHB investment policy before the August 21, 2023, meeting. Mr. Grant said he requests Kaylee and Mireya to coordinate this meeting.

Mr. Grant said he believes it is a prudent decision to switch from Cadence Bank to Regions Bank for all CCHB banking needs.

CCCCF Audit

Mr. Grant said the CCCC audit is satisfactory. Mr. Grant explained that the purpose of an audit is to deduce appearances and to ensure all information has been properly recorded and address operational improvements that are available.

Mr. Grant said he will be meeting with Angela Vick, Citrus County Clerk of Court, on Friday, August 4, 2023, to discuss the CCCC audit.

Crystal Barton, CCCC Executive Director, said that great progress has been made in the last 3 years regarding audits. Ms. Barton gave a brief overview of the challenges that she has faced as the new Executive Director of the Foundation. Despite the challenges she has faced she feels optimistic that future audits by the Clerk of Courts will become easier because of the things she has learned within the past 3 years.

Dr. Wallis said that the Clerk of Courts should be happy with the progress made in the last 3 years, and that Ms. Barton is doing an excellent job.

Doctor's Free Clinic

Dr. Wallis said the Doctor's Free Clinic continues to do what they planned to do, and that is to provide medical care to low-income patients. Dr. Wallis said they will be expanding the Doctor's Free Clinic hours, and they continue looking for funding opportunities.

State of Florida Audit

Mr. Grant said that the Fraud Interview with Dr. Fallows will take place on Friday, July 28, 2023, at 1:00 pm.

Mr. Grant said that all documents requested by the State Auditor have been submitted with the exception of the fee retainer agreement from Baker Donelson; Mr. Grant will reach out to Attorney Burks.

Mr. Grant said that the Shepard & Smith fee retainer agreement has been in place and performed for years, and currently in use and was signed by Attorney Shepard but needed a CCHB signature. Mr. Grant requested Dr. Fallows to sign the agreement. Chairman Fallows executed the attorney fee retainer agreement.

(10) NEW BUSINESS

(11) TRUSTEE COMMENTS

(12) OTHER

Mr. Grant said that the CCHB office has been moved from 123 S. Pine Avenue, Inverness, FL., to 121 N. Apopka Avenue, Inverness, FL. Mr. Grant explained that the lease renewal letter has been reconciled with the May 2023 meeting with HCA executives whereby CCHB was told to vacate by June 30, 2023. Upon inquiry and reconciliation of the oral direction and the letter of lease renewal, it was confirmed the lease renewal letter was wrong and CCHB was told to vacate on or before June 30, 2023. CCHB complied and relocated.

Mr. Grant said that the one phone line is now active, but we are still waiting for connection of the second line and internet services to be completed this week.

Mr. Grant provided an update on proposed sale of 10322 and 10334 North Citrus Springs Blvd, Citrus Springs, Florida. Mr. Grant said that CCHB had made a fair market value counteroffer, but that no response has been received regarding the counteroffer or a response from the attorney handling this matter for Dr. Savage. Mr. Grant said that Attorney Shepard had confirmed that in the State of Florida there is no such thing as a "parol contract", and the property cannot be sold without a written agreement.

Mr. Grant provided an update on the sale of CCHB properties located at 1120 and 1150 NE 5th Street,

Crystal River FL. Mr. Grant said that the \$30,000 that had been placed in escrow for the removal of the Lamar billboard has been returned to CCHB. The billboard's lease expired on May 31, 2023, and it has been removed from the property. Mireya Vasquez (CCHB) visually confirmed that the billboard was removed on July 19, 2023.

College of Central Florida

Dr. James Henningsen, President of the College of Central Florida and Christopher Knife, Vice President of Development, and CEO of CF Foundation, began by thanking the Citrus County Hospital Board for their \$10.3 million dollar endowment contribution. Mr. Knife explained how the money has been used to provide \$4400 in scholarships to approximately 273+ students, the purchase of nursing simulators, software, hospital beds, and temporary full-time teaching positions. Mr. Knife said that the Citrus County Hospital Board Debbie Ressler Nursing Program is rated number one in Florida, and they are excited to be able to meet future goals which include increasing enrollment by 20% within the next 3-years, providing full-ride scholarships for Citrus County residents attending CF Nursing program every year. The College of Central Florida is asking the Citrus County Hospital Board for an additional \$5 million commitment which will help create an \$11.7 million endowment for Citrus County to support the Debbie Ressler Nursing Program at Wilton Simpson Citrus Campus.

Mr. Grant said that the College of Central Florida is able to present their proposal at the August 21, 2023, CCHB meeting.

Dr. Wallis expressed the importance of being able to keep the nursing students in Citrus County after graduation. Dr. Wallis said that is also important to provide advanced nursing programs to encourage CRNA's to stay in Citrus County, and this might be accomplished through collaboration with UCF.

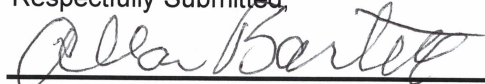
(13) NEXT SCHEDULE MEETING DATE

The next scheduled meeting of the Citrus County Hospital Board will be on Monday, August 21, 2023.

(14) ADJOURMENT

MOTION by Dr. Wallis, second by Mr. Harper to adjourn the meeting. The motion passed unanimously, 3-0.

Respectfully Submitted,



Allan Bartell
Secretary/ Treasurer

7.24.2023 Minute Copy on File:

1. July 24, 2023, Agenda.
2. Proof of Publication of Legal Notice.
3. List of Invoices for Approval for June 2023.
4. Finance Report from June 2023.
5. Memo from Karen Schapira, Esq. dated July 24, 2023.
6. Letter from E2L regarding Veterans Village
7. College of Central Florida Information Page – Citrus County Hospital Board Debbie Ressler Nursing Program