

MINUTES OF  
THE SPECIAL MEETING OF THE  
CITRUS COUNTY HOSPITAL BOARD

AUGUST 29, 2012 9:00 A.M.

(1) CALL TO ORDER

A special meeting of the Citrus County Hospital Board of Trustees was held Wednesday, **August 29, 2012**, at the Citrus County Hospital Board offices located at 123 N. Apopka Ave., Inverness, Florida. Chairman Mr. Smallridge called the meeting to order at 9:20A.M.

(2) PUBLISHED MEETING LEGAL NOTICE

(Agenda & Published Legal notice Copies on File)

(3) ATTENDANCE

Board Members: Michael A. Smallridge (Chairperson), Deborah L. Ressler (Trustee) and Robert Priselac (Trustee)

Also in attendance:

Vickie LaMarche, CCHB Chief Operating Officer  
William J. Grant, Esquire, CCHB General Counsel  
Karla Dozier CCHB Staff

Richard Powell, CCHB Auditor

Prestige Court Reporter

Members of the Public: Ryan Beaty, CMHF; Mark Williams, CMHF; Justin Krumholtz; Joe Chrietberg; Paresh Desai, MD

(4) PUBLIC COMMENT

(5) CLOSE MEETING AND REMOVE ALL BUT LEGALLY PERMITTED ATTENDEES

The special meeting was closed at 9:24a.m. (Mrs. Dozier left the room) for closed Attorney client executive session. According to Section 286.011(8) Florida Statutes the Executive Session will be closed to the public to allow the Citrus County Hospital Board of Trustees and their Chief Administrative Officer to meet with the Board's Attorneys.

(6) RE-OPEN MEETING TO PUBLIC

The meeting opened to the public at 10:55am.

\*\*\* RECESS (10:55am to 11:08am) \*\*\*

The Board discussed the CCHB proposed tentative budget.

**(8) ITEMS REQUIRING ACTION BY BOARD**

c) Review of the Citrus County Hospital Board Budget for Fiscal Year 2012-2013: Discussion ensued regarding the CCHB proposed tentative budget for fiscal year 2012-2013.

**MOTION** by Mrs. Ressler, second by Mr. Priselac to adopt the CCHB tentative budget for fiscal year 2012-2013 with the millage rate of 0.245. The Motion failed 2-1.

\*\*\*RECESS\*\*\*

**MOTION** by Mr. Priselac, second by Mrs. Ressler to postpone the review of the Citrus County Hospital Board Budget for fiscal year 2012-2013 to the end of the agenda. The Motion passed unanimously, 3-0.

Public Comment:

- Justin Krumholtz: Mr. Krumholtz stated that after coming to the Board meetings, he has a better understanding of the functions of the Board.
- Joe Chrietberg: Mr. Chrietberg made comments regarding the litigation between the two boards.

**(7) APPROVAL OF THE MINUTES**

**MOTION** by Mrs. Ressler, second by Mr. Priselac to approve the minutes from July 20, 2012 regular meeting. The Motion passed unanimously, 3-0.

**MOTION** by Mr. Priselac, second by Mrs. Ressler to approve the minutes from July 30, 2012 meeting. The Motion passed unanimously, 3-0.

Mr. Priselac recommended to the Board that the minutes needs to provide a line item for unfinished business.

**(8) ITEMS REQUIRING ACTION BY BOARD**

a) Approval of the Finance Report for July 2012: Mrs. Ressler stated that the Finance Committee recommends approval of the Finance Report as presented (*Copy on file*).

**MOTION** by Mrs. Ressler, second by Mr. Priselac to approve the finance report for July 2012. The Motion passed unanimously, 3-0.

b) Approval of the Citrus County Hospital Board Invoices: Mrs. Ressler stated that the Finance Committee recommends approval of the invoices as presented (*Copy on file*).

**MOTION** by Mrs. Ressler, second by Mr. Priselac to approve the invoices as presented. The Motion passed unanimously, 3-0.

c) Meeting Location: The item was tabled.

d) Indigent Care: Ms. LaMarche informed the Board that she had received some information regarding the outpatient and inpatient accounts from Citrus Memorial for charity care for fiscal year 2011-2012 and Ms. LaMarche presented to the Board a summary of those accounts.

**MOTION** by Mrs. Ressler, second by Mr. Priselac to pay \$800,000 to Citrus Memorial Health Foundation, Inc., as an advance for Charity Care for fiscal year 2011-2012.

**AMENDED MOTION** by Mrs. Ressler, second by Mr. Priselac to include the audit of the CMHF charity care accounts from October 2011 to May 2012, shall consider all other governmental funding services to be determined on or before November 01 for final reconciliation, the Chairman has the authority to sign the agreement and the final amount due for charity care is at the sole and absolute discretion of the Hospital Board. The Motion passed unanimously, 3-0.

f) Richard Powell Contract: Mr. Grant informed the Board that Mr. Powell needs to have a level of independence because he is the auditor of the CCHB since he will perform other services for the Trustees; the information provided by Mr. Powell needs to come through Ms. LaMarche or legal counsel if the issue is legal related.

Mr. Powell also stated that these services are called non-audit services and this not the first time that he will work under the Chief Administrator Officer (CAO) and the criteria is the CCHB policy. Mr. Powell will give a report to Ms. LaMarche for her review and then she will make her recommendation to the Board.

**MOTION** by Mrs. Ressler, second by Mr. Priselac to sign an agreement with Powell and Jones. The Motion passed unanimously, 3-0.

g) Grant Writing: Mr. Priselac stated that he asked Ms. Pool to provide a quick overview of what the hospital had in the past for grant writing. Mr. Priselac also stated that he found to grants available to organizations like the Hospital Board (Mr. Priselac found one about community assessments and it's still open until October). Mr. Priselac informed the Board that the cost for grant writing will be between \$30,000 to \$50,000.

h) Foundation Governance Issues/Legal: Mr. Grant stated that the Citrus County Hospital Board received a positive reaction from the Foundation directors in their last meeting regarding the proposals of the Citrus County Hospital Board regarding settlement of the current cases and issues.

In 2010-CA- 5702 the Board provided a settlement agreement to the Foundation and we are still waiting for a response.

Case 2011-CA-1388 the Board authorized a proposed settlement agreement to the Foundation to dismiss the case without prejudice and the Trustees will rejoin the Foundation Board. Mr. Grant also noted that the Board filed a motion for summary judgment but has delayed settling the matter for a hearing because if the Foundation agrees to dismiss the case the CCHB will be saving a lot of money on attorneys' fees.

In the case 1D 12-858 the appeal is still pending, the DCA has not issued their decision as of yet.

In the case 2012-CA-219 the CCHB made a proposal to the Foundation regarding the severance money to be used as a onetime bonus for all hourly employees of the hospital.

In case 2010-CA-5399 responsive pleadings will be filed in respond to the Foundation filings.

Mr. Grant presented the Board with a language to be incorporated in footnote one which gives more flexibility to the Board.

Mr. Grant also stated that the Board has not received a response regarding the invoice sent to the Foundation for administrative expenses that it is required to pay according to the lease. The Foundation responded to the default letter and stated that they are not in default.

Mr. Grant informed the Board that the Auditor General sent a report and the Board will comply with a response.

Ms. LaMarche stated that Well Florida recommends to the Board to partner with the hospital to complete a community needs assessment.

Mr. Grant requests the Board's advice in all litigation for the purpose of settlement negotiations and strategy sessions related to litigation expenditures in all pending litigations. Mr. Grant stated that he approximated the necessary time to seek the Board's advice and direction to be three hours in length. The entire session shall be recorded by a certified court reporter. The court reporter will record the times of the commencement and termination of the attorney/client session. All discussions and proceedings as well as the names of all persons present shall be recorded. The names of all persons speaking shall be recorded. No portion of the session shall be off of the record. The court reporter's notes shall be fully transcribed and be filed with the entity's clerk within a reasonable time after the meeting. The chief administrative officer of this agency is Vickie LaMarche, who will also be in attendance with the Trustees, the court reporter and their counsel. Their counsel, William J. Grant and any other counsel deemed appropriate, will be put on the notice. The session shall commence at an open meeting at which the persons chairing the meeting, which will be Chairman Mr. Smallridge, shall announce the commencement and estimated length of the Attorney-Client Session and the names of the persons attending. At the conclusion of the Attorney-Client Executive Session, the meeting shall be reopened and the person chairing the meeting shall announce the termination of the session.

**MOTION** by Mrs. Ressler, second by Mr. Priselac to engage in an attorney-client executive session meeting(s) on September 05, 06 and 10, 2012 at 8:30am and October 08, November 12, December 10, 2012, 2012 at 8:30am for the purpose of discussing settlement negotiations or strategy sessions related to litigation and expenditures. Following discussion, the motion passed 3-0.

i) Other: None

## **NEW BUSINESS**

### (9) TRUSTEE COMMENTS

a) D. Ressler: Mrs. Ressler talked about the following topics:

- Budget Amendment Language
- Auditor General Update.
- Indigent Care
- Mr. Powell's contract
- Meeting Locations
- Catastrophic language
- Request a Workshop for Policies and Procedures.

**MOTION** by Mrs. Ressler, second by Mr. Priselac to eliminate the catastrophic provision from the Citrus County Charity Care Policy. Following discussion, the motion passed 3-0.

**MOTION** by Mrs. Ressler, second by Mr. Priselac to reimbursement Citrus Memorial Health Foundation for the purchase of the EUS machine (capital expenditure) in the amount \$389,104.40. Following discussion, the motion failed 2-1.

b) R. Priselac: Mr. Priselac talked about the following topics:

- Day Star Letter.
- Send a positive message to the community

c) M. Smallridge: Mr. Smallridge talked about the following topics:

- Send a letter to the Chairman of the Foundation to start negotiations.
- Send a letter to the VA Clinic.

(10) STAFF UPDATES / REPORT

Ms. LaMarche expressed that Mr. Kilgore gave his resignation effective August 17, 2012 and he is no longer an employee of the Citrus County Hospital Board and she also thanked Mr. Kilgore for his contribution to the Board.

**MOTION** by Mrs. Ressler, second by Mr. Priselac to pay \$2M for long term debt and that money be paid to the foundation if and only when they sign an agreement that they also add \$1M. The money will be paid on or before October 05, 2012, specifically only for the purpose of the principal of the balloon payment for the 2006 series bonds. Following discussion, the motion passed 3-0.

**AMENDED MOTION** by Mrs. Ressler, second by Mr. Priselac that the Chairman has the authority to sign the agreement. The Motion passed unanimously, 3-0.

8 c) Review of the Citrus County Hospital Board Budget for Fiscal Year 2012-2013: Discussion ensued regarding the CCHB Budget.

**MOTION** by Mrs. Ressler, second by Mr. Smallridge to accept the Citrus County Hospital Board budget as amended for fiscal year 2012-2013. Following discussion, the motion passed 3-0.

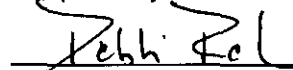
(11) NEXT SCHEDULE MEETING DATE:

Thursday, September 06, 2012 at 5:01p.m (Tax Hearing)

(12) ADJOURNMENT

**MOTION** by Mrs. Ressler, second by Mr. Smallridge to adjourned the meeting at 6:00pm. The motion passed 3-0.

Respectfully Submitted,

  
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Debbie Ressler  
Chairman

.08.29.12 Minute Copy on File:

1. Agenda & Public Notice