

MINUTES OF
THE REGULAR MEETING OF THE
CITRUS COUNTY HOSPITAL BOARD

MAY 29, 2013 9:30 A.M.

(1) CALL TO ORDER

A regular meeting of the Citrus County Hospital Board of Trustees was held Wednesday, **May 29, 2013**, in the Citrus Memorial Hospital Administration Building, 2nd floor Boardroom, 502 W. Highland Blvd., Inverness, Florida. Chairwoman Mrs. Ressler called the meeting to order at 9:30A.M.

(2) PUBLISHED MEETING LEGAL NOTICE

(Agenda & Published Legal notice Copies On File)

(3) QUORUM PRESENT

(4) ATTENDANCE

Board Members: Debbie Ressler (Chairwoman), Robert Priselac (Vice-Chairperson), Krista Joseph (Secretary/Treasurer) and Mike Bays (Trustee).

Also in attendance:

William Grant, General Counsel
Taylor Ford, External Counsel
Richard Powell, CPA, Powell & Jones
Karla Dozier CCHB Administrative Assistant

Prestige Court Reporting

Members of the Public: Robert Collins (CMHF), Carlton Fairbanks, MD. (CMHF), Ryan Beaty (CMHF), Mark Williams (CMHF), Gerry Jones (CMHF), Justin Krumholtz and Mike Wright (Citrus County Chronicle)

Mrs. Ressler expressed that in the future the Hospital will face challenges and the future of healthcare for the Community and the need to walk the path together side by side without creating roadblocks for one another. Mrs. Ressler also stated that she will be meeting with Mr. Collins (Chairman of the Foundation) on June 07, 2013, to discuss the issues facing the two (2) Boards and work together and the only goal needs to be the Hospital and the Community.

(5) PUBLIC COMMENT

- Carlton Fairbanks, MD: Dr. Fairbanks noted that he was ready to attend the June 18 meeting for the bid process after Mr. Bays plea in the last Foundation meeting, but after receiving the email from Mr. Nemzoff regarding the meeting in Mr. Grant's office between one of the bidders and Senator Dean the entire bidding process has now been contaminated and a complaint to the Ethics Committee concerning the actions of the politician has already been initiated and it is time for the Politicians and lawyers to leave the building.
- Robert Collins: Mr. Collins agreed with Mrs. Ressler regarding the two Boards to sit down with open minds and try to bring the Boards together. Mr. Collins also presented to the Board a questionnaire for buyer/partnership consideration. *(Copy Attached)*

(6) APPROVAL OF MINUTES

MOTION by Mrs. Joseph, second by Mr. Priselac to approve the minutes from the April 15, 2013 special meeting. The Motion passed unanimously, 4-0.

MOTION by Mr. Priselac, second by Mr. Bays to approve the minutes from April 24, 2013 Regular Meeting. The Motion passed unanimously, 4-0.

(7) FINANCE COMMITTEE REPORT

a) Approval of the Finance Report for April, 2013: (Copy on file)

MOTION by Mrs. Ressler, second by Mrs. Joseph to approve the finance report for April, 2013. The Motion passed unanimously, 4-0.

b) Approval of the Citrus County Hospital Board Invoices: (Copy on file)

MOTION by Mrs. Joseph, second by Mr. Bays to approve payment of the invoices as presented. After discussion the Motion passed unanimously, 4-0.

c) CMHF Charity Care Reimbursement Update: Mrs. Ressler presented the audit review for charity care. (Copy on file)

Mr. Beaty stated that the amount presented to Board by the Foundation exceeds the \$300,000 and he would like have the opportunity to review the denied accounts. Mrs. Dozier informed Mr. Beaty that she will contact Gemma to address those accounts.

MOTION by Mr. Bays, second by Mrs. Joseph to authorize payment to CMHF for \$236,728.30 for Outpatient first quarter (Oct-Dec 2012) and Inpatient accounts for the second quarter (Jan and Feb. 2013). After discussion the Motion passed unanimously, 4-0.

d) Other: Mr. Bays asked Mr. Beaty to give information to the Board regarding the financial situation of the Hospital and the two Boards need to be monitored closely.

Mr. Beaty noted that the two (2) upcoming financial factors for the Hospital will be the summer months and electronic medical records system.

e) Dental Clinic Update: Mr. Bays informed the Board that Nature Coast Ministries is trying to have a meeting with Seven Rivers and also they been seeing some dental patients.

(8) APPROVAL OF THE CCHB AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED SEPTEMBER 2012

Mr. Powell presented to the Board the Audited Financial Statements for Fiscal Year ended September 30, 2012 and he did not find any deficiencies. The Board thanked Mr. Powell for his work.

MOTION by Mr. Bays, second by Mr. Priselac to accept the Audited Financial Statements for Fiscal Year ended September 30, 2012. After discussion the Motion passed unanimously, 4-0.

Mrs. Ressler asked Mr. Powell to inform the Board about the process of the upcoming Tax Hearings. Mr. Powell gave the Board a synopsis of the September tax hearings.

(9) COMMENCE ATTORNEY CLIENT EXECUTIVE SESSION MEETING

The meeting was closed at 10:35am (All the unauthorized individuals left the room) for the 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 to meet with the Board's Attorneys regarding pending litigation.

The meeting was re-opened to the public at 2:09pm.

(10) FOUNDATION GOVERNANCE ISSUES

Mr. Grant informed the Board that the Foundation filed their answer to the Supreme Court.

Mr. Grant stated that a opinion will be requested from the Attorney General regarding 155.40 referendum.

Mr. Grant noted that he met with the attorneys from the Foundation and the County Commissioner regarding the Development Agreement (DA) for the 491 project and hopefully will have a draft of the DA in a few weeks.

Mr. Grant read all the emails regarding HMA and Bayfront.

Mr. Grant also stated that were assumptions regarding the meeting between Senator Dean and Bill McCullough in his office. Mr. Grant explained what happen and because people have a wrong perception he apologized and stated that will not happen again. Mrs. Ressler and Mr. Bays stated that they conducted their individual investigations and no wrongdoing was found.

Mr. Grant presented to the Board a Resolution about Mr. Nemzoff's contract. Discussion ensued.

MOTION by Mr. Bays, second by Mrs. Joseph to adopt the Resolution presented by Mr. Grant to regarding Mr. Nemzoff's contract.

AMENDED MOTION to modify 3.1 Mr. Priselac will be the contact person, in the event Mr. Priselac is no longer a member of the Citrus County Hospital Board of Trustees then Chairman Ressler will become 155.40 Chairperson. The motion passed unanimously, 4-0.

Mr. Collins informed the Board that he was contacted by ½ dozen people interested in the Hospital and he has referred them to Mr. Nemzoff. Mr. Beaty also noted that other Foundation members were contacted.

Mr. Grant informed the CCHB that there will be a rise in the attorney fees because of the Appeal, DA and the transaction.

(11) COMMITTEE REPORTS

- **Strategic Committee:**

- **Community Needs Assessment (CNA):** Mr. Priselac informed the Board that the Stakeholders were a key to this process for their input and honest discussion. The Citrus County issues are: Communication, All the Organizations together and Mental Health Improvement.

- **155.40:** Mr. Priselac stated that we begin the process of 155.40 sending a notice of the RFP to different newspapers, the RFP was posted in the CCHB website and when we hired the Transaction Broker he sent approximately twenty two (22) invites and maybe six (6) show interests.

Mr. Priselac presented a spreadsheet to consider a transaction counsel. *(copy attached)*

Mrs. Joseph informed the Board the issues that she has concerning the P.R. firm. Discussion ensued.

MOTION by Mrs. Joseph, second by Mr. Bays to provide a ten (10) day notice to Mr. Nemzoff that the CCHB no longer desires communication services through his company (Nemzoff & Company Florida). The Motion passed unanimously, 4-0.

MOTION by Mrs. Joseph, second by Mr. Priselac to have conversations with Bascom Communications if Jarrard and Hancock doesn't want to enter into a business relationship with the Board. After discussion the Motion passed unanimously, 4-0.

MOTION by Mrs. Joseph, second by Mr. Priselac to include in the resolution that the transaction broker will not answer or respond on behalf of the CCHB for any public records responses and cooperate in providing what's needed. After discussion the Motion passed unanimously, 4-0.

Discussion ensued regarding the CCHB counter proposal and move forward with F.S. 155.40.

MOTION by Mrs. Joseph, second by Mr. Bays to send a letter of counter proposal to the Foundation with the language as discussed. The Motion passed unanimously, 4-0.

- **By-Laws Committee:** No Report
- **Audit Committee:** No Report
- **Personnel Committee:** No Report
- **Special Orders:** None

(12) UNFINISHED BUSINESS

(13) NEW BUSINESS

Mr. Grant requested the Board's advice for the purpose of settlement negotiations and strategy sessions related to litigation expenditures in all pending litigations of the CCHB. Mr. Grant stated he needed to seek the Board's advice and direction. 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. 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 the chairperson, 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 Mr. Priselac, second by Mr. Bays to engage in an attorney-client executive session meeting at the next scheduled regular meeting for June 18, 2013 for the purpose of discussing settlement negotiations or strategy sessions related to litigation expenditures. Following discussion, the motion passed 4-0.

(14) TRUSTEE COMMENTS

- K. Joseph: None
- M. Bays: Mr. Bays discussed the following topics:
 - His comments regarding the legal fees and he doesn't want his comments to be misinterpreted.
 - The Trustees need to be cautious with their comments.
- D. Ressler: Mrs. Ressler discussed the following topics:
 - P.R.R from Commissioner Meeks.
- R. Priselac: Mr. Priselac discussed the following topics:
 - The need of the community needs to be addressed.
 - The Trustees need to be cautious with their comments.

The Board asked Mr. Grant to include in the Resolution for Mr. Nemzoff his role with the press.

MOTION by Mrs. Joseph, second by Mrs. Ressler that Mr. Nemzoff will not talk or send information to the press on behalf of the CCHB unless instructed to do so. Following discussion, the motion passed 4-0.

(15) OTHER

Mr. Priselac requested that an email needs to be added to the CCHB website.

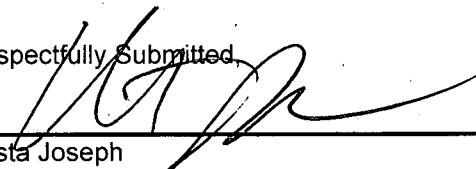
(16) NEXT SCHEDULE MEETING DATE:

Next meeting will be Tuesday, June 18, 2013 at 12:30pm.

(17) ADJOURNMENT

MOTION by Mr. Priselac, second by Mr. Bays to adjourn the meeting, the motion passed 4-0. The meeting was adjourned at 6:09pm.

Respectfully Submitted,



Krista Joseph
Secretary/Treasurer

05.29.13 Minute Copy on File:

1. Agenda & Public Notice
2. CCHB Finance Report & Invoices

Attach Documents

1. Form by Mr. Collins (Partnership/Buyer Considerations)
2. Summary Attorney Transaction
3. Letter from citizen to Mr. Priselc