

MINUTES OF  
THE REGULAR MEETING OF THE  
CITRUS COUNTY HOSPITAL BOARD

**SEPTEMBER 28, 2011 8:30 A.M.**

**(1) CALL TO ORDER**

The regular monthly meeting of the Citrus County Hospital Board of Trustees was held Wednesday, **September 28, 2011**, at the Citrus County Hospital Board offices located at 123 N. Apopka Ave., Inverness, Florida. Dr. Rao, Chairman, called the meeting to order at 8:30 A.M.

**(2) PUBLISHED MEETING LEGAL NOTICE**

*(Agenda & Published Legal notice Copies On File)*

**(3) ATTENDANCE**

**Board Members:** V. Upender Rao, MD (Chairman) Deborah L. Ressler, RN, BSN (Vice Chairman) Michael A. Smallridge (Secretary /Treasurer) Edwin H. Lytton (Trustee)

**Also in attendance:**

Vickie LaMarche, CCHB Chief Operating Officer  
Harry Kilgore, CCHB Finance Director  
William J. Grant, Esquire, CCHB General Counsel  
Bruce Blackwell, Esquire  
Karla Dozier, CCHB Staff  
Richard Powell, CCHB Auditor

George Mavros, (CMHF) Director of Professional Services  
Chris Pool, (CMHF) Director of Marketing/Philanthropy  
Peggy O'Connor, Esq. (CMHF)  
Prestige Court Reporting

**Members of the Public:** Joe Chrietberg (CMHF Advisory Member), Bob Priselac (CMHF Advisory Member), Richard Callahan, Dennis Damato (Citrus County Commissioner), Justin Krumholtz and Mike Wright (Citrus County Chronicle).

**(4) APPROVAL OF MINUTES**

**MOTION** by Mrs. Ressler, second by Mr. Lytton to approve the minutes from July 11, 2011. The Motion passed unanimously, 4-0.

**MOTION** by Mrs. Ressler, second by Mr. Lytton to approve the minutes from July 25, 2011. The Motion passed unanimously, 4-0.

**MOTION** by Mrs. Ressler, second by Mr. Lytton to approve the minutes from August 05, 2011. The Motion passed unanimously, 4-0.

**MOTION** by Mr. Lytton, second by Mrs. Ressler to approve the minutes from August 15, 2011. The Motion passed unanimously, 4-0.

(5) PUBLIC COMMENT

Joe Chrietzberg: Mr. Chrietzberg commented about the money flow for charity care between the two boards.

Justin Krumholtz: Mr. Krumholtz commented regarding salaries for ranking file staff and keep them employee.

(6) CITRUS COUNTY HOSPITAL BOARD FINANCE COMMITTEE REPORT

a) Finance Report for August 2011

**MOTION** by Mrs. Ressler, second by Mr. Lytton to approve the finance report for August 2011. The Motion passed unanimously, 4-0.

b) Citrus County Hospital Board Invoices:

**MOTION** by Mrs. Ressler, second by Mr. Lytton to approve the invoices. The Motion passed unanimously, 4-0.

c) Update of Citrus Memorial Health Foundation, Inc. Funding Request: Mrs. Ressler stated as of this date, there are no accounts for review. Mrs. Ressler also noted that later in the meeting Mr. Grant and Mr. Blackwell will give a recommendation to the Board regarding this subject.

d) Review of the Citrus County Hospital Board Charity Care Policy: Mrs. Ressler informed the Board that in the budget workshop there was a discussion regarding the change in the percentage of the Federal poverty level in the CCHB Policy. Mr. Kilgore will review the CCHB charity care policy and will have a recommendation for the Board in the next regular meeting.

e) Other: Mr. Kilgore presented the lease and consent agreement for the CCHB office rental space because effective April 01, 2011 there was an increase in the space and two (2) additional telephone lines. Mr. Grant stated that is his bar obligation notifying the Board with an informed consent and the Board has the right to seek independent counsel for the review of the lease.

Ms. LaMarche informed the Board that the lease didn't change in its content other than the extra space and we can leave within 24 hours notice.

Mr. Blackwell, external counsel of the CCHB stated that he reviewed the lease and the consent agreement.

**MOTION** by Mr. Smallridge, second by Mrs. Ressler to approve the lease and consent agreement for the CCHB rental space. After discussion the Motion passed unanimously, 4-0.

(7) CANCER OUTREACH CENTER REPORT BY GEORGE MAVROS

Mr. Mavros stated that the Philanthropy department received more than \$2M in designated contributions for an Education Family Resource Center at Allen Ridge. The program will begin helping Oncology patients (specifically breast cancer) and their families.

(8) APPROVAL OF THE CITRUS COUNTY HOSPITAL BOARD AUDITED FINANCIAL STATEMENTS

Mr. Kilgore presented to the Board for approval the final version of the Audited Financial Statements for 2010 with all the changes previously requested.

**MOTION** by Mrs. Ressler, second by Mr. Smallridge to approve the CCHB audited financial statements ending September 2010. The Motion passed unanimously, 4-0.

**(9) FOUNDATION GOVERNANCE ISSUES / LEGAL**

Mr. Grant informed the Board that on October 18, 2011 there will be a hearing for summary judgment in Wakulla County (Crawfordville). This will be the first hearing of this case that will actually be decided with evidence on the record.

In the case 2011-CA-809 Mr. Grant stated that Mr. Beaty changed lawyers or added a new lawyer.

In the case 2010-CA-5399 Mr. Grant stated that the Foundation filed their Third Amended Complaint and the CCHB filed a counterclaim, affirmative defenses and answers. Mr. Grant also noted that all the individual Foundation members were sued for breach of their fiduciary duty.

In the case 2011-CA-1476 depositions are being scheduled for November and December.

In the case 2011-CA-1653 Mr. Grant stated that there will be a trial on October 27, 2011. One of the responsive pleadings has been made in their response to our motion for summary judgment on the two counts of the Sunshine. Mr. Grant expects one to be dismissed and the other to be in the trial on October 27 in Wakulla County.

Mr. Blackwell noted that since March the board has been willing to sign an agreement between the CCHB and the Foundation to allow the CCHB Finance Director to audit the indigent care records and because we are in litigation we want a set off. Mr. Blackwell informed the Board that he reached an agreement with the Foundation's lawyers (Carlton Fields) and his recommendation is to give the Foundation an advance in the amount of \$250,000 and based on Mr. Kilgore's audit the Board will consider further payment.

**MOTION** by Mrs. Ressler, second by Mr. Lytton to authorize the execution of the HIPPA agreement and give an advance of \$250,000 to the Foundation for indigent care pending Mr. Kilgore's audit of the indigent care records, and then he will come back following that and make a final recommendation to the Board. After discussion, the Motion passed unanimously, 4-0.

Mr. Grant requested the Board's advice for the purpose of settlement negotiations and strategy sessions related to litigation expenditures in all pending litigation now filed in Citrus County Florida and Leon County Florida. 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 Dr. Rao, 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. Lytton to engage in an attorney-client executive session meeting in October, 2011 for the purposes of discussing settlement negotiations or strategy sessions related to litigation and expenditures. Following discussion, the motion passed 4-0.

**(10) OTHER**

Mrs. Ressler stated that for informational purposes in today's newspaper the Foundation published a notice to have a Conflict Committee meeting on Monday, October 03, 2011 at 12:00pm in the Board Room. Mr. Grant made a recommendation to all the Trustees not to attend this conflict committee meeting.

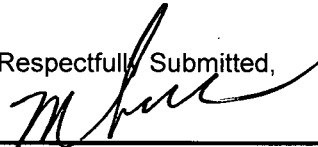
(11) NEXT SCHEDULED MEETING DATE

Next scheduled meeting will be Monday, October 24, 2011 at 12:30pm in the CCHB office.

(12) ADJOURNMENT

The meeting was adjourned at 9:26am.

Respectfully Submitted,



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Michael Smallridge  
Secretary

09.28.11 Minute Copy on File:

1. Agenda & Public Notice
2. CCHB Finance Report & Invoices
3. CCHB Audited Financial Statements 2010