



**MINUTES OF THE AUGUST 16, 2016 REGULAR MEETING OF THE
PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS**

CALL TO ORDER

President Hempel called the meeting to order at 12:00 PM in the lobby conference room at 1425 N. McDowell Blvd.

PRESENT

Elece Hempel, President
Robert Ostroff, MD, Vice President
Fran Adams, RN, BSN, Secretary
Josephine S. Thornton, M.A., Treasurer
Joseph Stern, Board Member at Large

ALSO PRESENT

Ramona Faith, CEO, PHCD
Erin Howseman, Board Clerk, PHCD
Andrew Koblick, Controller, PHCD
Jane Read, VP Operations, PVH
Chris Manson, Regional Director, Advocacy, Government Relations & Public Policy, SJH
Nischit Hegde, California Nurses Association

CALL FOR CONFLICT

President Hempel called for conflict. There was none.

MISSION AND VISION

Director Ostroff read the mission and vision of the Petaluma Health Care District.

The mission of the Petaluma Health Care District is to improve the health and well-being of our community through leadership, advocacy, support, partnerships and education.

Petaluma Health Care District envisions: A healthier community; a thriving hospital; local access to comprehensive health and wellness services for all.

CONSENT CALENDAR

President Hempel called for a correction for the July 28, 2016 minutes in the Public Comments, the minutes incorrectly stated: “Mr. (Chris) Manson stated SJH has supported local businesses, and has invested more than \$50 million in capital expenditures and \$60 million dollars in community benefits last year alone.” The correct sentence should read, “Mr. (Chris) Manson stated SJH has supported local businesses, and has invested more than \$50 million in hospital capital expenditures over the past 19 years, and has provided more than \$16 million dollars in community benefits last year alone.” A motion was made by Director Ostroff to approve the August 16, 2016 agenda, the revised July 28, 2016 minutes, and the August 2, 2016 minutes which was seconded by Director Adams. This motion was passed by a vote of 5 ayes (Directors: Hempel, Ostroff, Thornton, Adams, Stern) and 0 noes.

PUBLIC COMMENTS

There were no public comments.

BOARD COMMENTS

There were no board comments.

ADMINISTRATIVE REPORT

CEO REPORT

CEO Ramona Faith noted in the board packet the slide presentation given at public meetings to update the community on the due diligence process, and the memo to PVH physicians, staff and volunteers to update them on the due diligence process. Ms. Faith also reported that ACHD has contacted her for information on the work that PHCD has done to be incorporated into the public hearing section of the Little Hoover Commission Report on special districts. SB 957, the bill which allows districts that own or operate hospitals to receive special funding or “design-build authority” passed in the legislature and will be going before the governor. Ms. Faith asked the board if they would like to sign individual letters of support for the bill, to which board members responded that the CEO can send a letter of support on their behalf.

Ms. Faith reported that four individuals filed for the November board election: Directors Hempel, Stern, and Adams, and Rebecca Monday. Because there are four positions, and four candidates there will not be an election.

The schedule of upcoming board meetings was discussed, and due to availability issues, new meeting dates may be necessary and will be confirmed as soon as possible.

FINANCIAL SUSTAINABILITY

June 2016 Financials

Andrew Koblick, Controller, reviewed the June 2016 financials.

As of June 30, 2016 the Statement of Net Position reflected assets of \$9,368,224 and liabilities and deferred revenue of \$862,265 leaving the net fund balance at \$8,505,959.

The month ended June 30, 2016 showed the net loss of \$217,887 which is \$33,531 more than the budgeted loss of \$184,356. The twelve months ended June 30, 2016 showed a year to date net loss of \$1,193,064 which is \$60,418 better than the budgeted year to date loss of \$1,253,482.

CEO Faith reported that Petaluma Health Center (PHC) has requested that the call option on their loan from the District, which was set for February 2017 be extended for one year. PHC is requesting a letter to their auditors to verify the decision of the District. Since this item was not on the meeting agenda, there could not be a vote at this meeting. Ms. Faith was directed by the board to determine whether PHC needs an answer before the next board meeting in two weeks, and if so, she will schedule a special board meeting to vote on the request.

Mr. Koblick reported that the annual audit of PHCD's finances by K COE ISOM, consulting firm, will begin next week. The auditors will be in the District office from August 22 through August 26, 2016, and the final year-end report will be released at the end of October 2016.

A motion was made by Director Thornton to approve the June Financials, seconded by Director Ostroff. The motion was passed by a vote of 5 ayes (Directors Thornton, Adams, Hempel, Ostroff, and Stern).

INFORMATIONAL ITEMS

CEO Faith reviewed the following upcoming events for the board, and asked board members to let her know if they would like to attend:

- Brews & Bites for Bounty – 8/16/16
- Hospice - Clo's Golf Tournament - 8/19/2016
- PEF BASH – 9/10/2016
- Center for Well Being Celebration of Dreams - 9/16/2016
- North Bay Heart Walk SR - 9/25/2016
- Walk to End Alzheimer's - 10/15/2016
- Alex's Lemonade Stand Passport to a Cure VIP Party – 10/11/16, Striking Out Childhood Cancer Dinner/Auction – 10/16/16
- North Bay Children's Center Night in Tuscany - 10/29/2016

PETALUMA VALLEY HOSPITAL

SRM Alliance Board Update

Jane Read, VP of Operations at PVH, reported that with the retirement of Dr. Erny, cardiologist, management is recruiting another cardiologist, but for now, STEMI (*ST-Elevation Myocardial Infarction, a very serious type of heart attack*) patients will be transferred to Santa Rosa Memorial Hospital due to lack of coverage at certain times by PVH on-call physicians. Director Ostroff questioned whether given that PVH offers cardiology as a service PVH is legally able to transfer these patients due to lack of coverage without self-reporting. Ms. Read responded that she believes PVH can transfer them, but will investigate the matter further.

Dr. Barlas, orthopedic surgeon, is retiring effective September 1, 2016, leaving two remaining orthopedic surgeons. Management is still trying to recruit a replacement for Dr. Barlas, and will employ locum tenens in the meantime. Ms. Read reported that Dr. Keri Weigel, and Dr. Sawyer, surgeons, have joined the medical staff. Management will rework the call schedule, and current surgeon's contracts will be extended so all contracts will renew at the same time.

Ms. Read also reported that PVH is preparing for the stroke-ready site visit for Joint Commission between now and mid-September. Management is interviewing candidates for the Surgical Services Director position, and continues to interview candidates for manager over ICU and ED. Tony Boyd, who is Director for Women and Infants for Sonoma County, has been asked to cover the position as an interim solution, following a recommendation from the Mercer Report and Sedgewick that OB should report to an individual with OB competency and experience.

CEO Faith questioned Ms. Read about the report produced by the Mercer firm to assess OB services at PVH. Ms. Read responded that the executive summary from the Mercer Report made recommendations including transfer guidelines to be used by physicians. In addition, Sedgewick also did an evaluation of every OB program in the St. Joseph Health system, and reported that SJH has best practices as a result of changes made. In regards to the Mercer Report, Ms. Read stated that many recommendations were made, including that physicians meet, identify and update transfer guidelines, which was done. The guidelines lay out when high risk pregnant diabetes and hypertension patients should be transferred to Santa Rosa for their deliveries. The guidelines will be taken to the next level for approval and implementation.

ADJOURN TO CLOSED SESSION

President Hempel adjourned the meeting into closed session pursuant to:

- **Government Code §54957.6 closed session regarding Employee Matters;**
- **Government Code §54956.8 closed session; real property transaction; meeting with negotiator – 400 North McDowell Blvd.; the Camden Group and Bouey & Black, LLP.**

ADJOURN TO OPEN SESSION

President Hempel adjourned the meeting into open session and reported that the following action was taken in closed session.

A motion was made by Director Ostroff to approve, effective July 1, 2016, a cost of living increase of 3% for PHCD CEO, Ramona Faith, extend the CEO's employment contract by one year, and the board will finalize her employee review by April 2017. The motion was seconded by Director Thornton, and was passed by a vote of 5 ayes (Directors Thornton, Adams, Hempel, Ostroff, and Stern).

ADJOURN

President Hempel adjourned the meeting at 3:30 PM.

Submitted by Fran Adams, Board Secretary

Recorded by Erin Howseman, Board Clerk