

**MINUTES OF THE JUNE 17, 2014 REGULAR MEETING OF THE
PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS**

CALL TO ORDER:

President Thornton called the meeting to order at 11:00am in the building conference room at 1425 N. McDowell Blvd.

PRESENT:

Fran Adams, RN, BSN, Secretary
Elece Hempel, Member-At-Large
Robert Ostroff, MD, Treasurer
Kathie Powell, MS, Vice President
Josephine S. Thornton, MA, President

ALSO PRESENT:

Steve Bolman, City of Petaluma Schools
Leslie Chase, Lifeline, PHCD
Suzanne Cochrane, Board Clerk, PHCD
Kiersten DeLong, Edelman Marketing
David Evans, Meritage Healthcare Strategies
Ramona Faith, CEO, PHCD
Kathy Ficco, Community Member
Erin Hawkins, Community Outreach Manager, PHCD
Candace Koehler, Edelman Marketing
Ohlson Lavoie, Architect Consultant
Judy Martin, Meritage Healthcare Strategies
Richard Nadale, Director of Finance, PHCD
Jane Read, VP of Operations, PVH
Dan Streeper, City of Petaluma, Senior Center
Callie Ziemer, Edelman Marketing

CALL FOR CONFLICT:

Due to a conflict of interest, Director Adams will remove herself from the closed session portion of the Board meeting.

MISSION AND VISION:

The Petaluma Health Care District's Mission and Vision was read by Director Powell.

CONSENT CALENDAR:

A motion was made by Director Hempel, seconded by Director Ostroff to approve the June 17, 2014 Agenda, May 20, 2014 minutes and May 20, 2014 Asset Management Committee minutes. This motion was passed by a vote of 4 ayes; (Directors: Thornton, Ostroff, Hempel, Powell); and 1 absent (Adams)

PUBLIC COMMENTS:

There were no public comments.

Board Comments:

Let the record show that Director Adams joined the Board meeting.

President Thornton acknowledged Director Ostroff's Birthday.

Director Adams remarked on the recent editorial in the Argus Courier titled "Hospital Contract is Under Review" which appeared to indicate that the District has already made a decision to renew the Lease with St. Joseph Health when in fact the District is in the process of conducting a Due Diligence process.

Director Ostroff also felt the editorial comments were sensitive in bringing up past issues that were not relevant and is considering responding to the specific comments.

ADMINISTRATIVE REPORT:

CEO Update:

There were no additional questions relative to the CEO Report.

Ramona Faith shared an ACHD Video displaying an overview of the Association's Advocacy efforts on behalf of the Membership providing testimony in legislative hearings.

CHIPA (Community Health Initiative for the Petaluma Area), will be holding their quarterly meeting on July 8, 2014 from 12:00 noon to 2:00pm with a presentation scheduled on the data results of The Portrait of Sonoma County. Directors were encouraged to attend.

The Walgreens project was approved by the Petaluma City Council on June 2nd pending clarification if the approval requires an amendment to the City of Petaluma General Plan. Ms. Faith thanked Directors Adams and Hempel for their attendance at the City Council meeting.

President's Report:

Board of Directors selected August 19, 2014 to hold a Board Governance meeting.

FINANCIAL SUSTAINABILITY:

Richard Nadale, Director of Finance, presented the District's financials ending April 30, 2014.

As of April 30, 2014 the Statement of Net Assets reflected assets of \$12,665,749 and liabilities and deferred revenue of \$1,677,304 leaving the net fund balance at \$10,988,445.

The April 2014 monthly Statement of Revenue and Expense shows a loss of \$36,964 which is \$2,641 more than the budgeted loss of \$34,323.

The April 2014 year to date bottom line shows a loss of \$612,420 which is \$56,271 better than the budgeted year to date loss of \$668,691.

Portfolio income is \$55,896 less than budget due to the timing of interest payouts and lower interested rates. Unrealized portfolio losses are \$51,042 more than budget.

Director Powell made a motion, seconded by Director Adams to approve the April 30th financials. This motion was passed by a vote of 5 ayes (Directors: Thornton, Adams, Powell, Hempel, Ostroff) and 0 noes.

Fiscal Year 2014-2015 Budget:

Mr. Nadale presented Draft 2 of the Fiscal Year 2014-15 Budget. Discussion ensued noting a decrease in revenue and stressing the need to increase District's revenue. The proposed budget indicates a negative \$1,113,808. The increase in budget is due to expenses associated with the due diligence process, election scheduled for 2014, and Tramutola Consultants.

Ramona Faith noted Lifeline of the Northbay will be expanding their services in Napa due to the recent change of Queen of the Valley Medical Center no longer providing the service. In addition, a Safe At Home product will be offered to Lifeline of the North Bay customers. The censor alerts family or friends if an individual has not shown movement throughout the house within a specific timeframe.

A motion was made by Director Ostroff to approve the 2014-15 PHCD Budget, seconded by Director Hempel and approved by a vote of 5 ayes (Directors: Thornton, Powell, Ostroff, Adams, Hempel) and 0 noes.

PETALUMA HEALTH CENTER UPDATE:

A ribbon cutting event is scheduled for July 17, 2014 for the new Demonstration Kitchen at the Petaluma Health Center. The event will start at 4:30pm with students from the Culinary Institute of America conducting a cooking demonstration. The official Ribbon cutting event starts at 5:30pm.

Recruiting for physicians at the Rohnert Park facility has been occurring. Reimbursement rates continue to be of financial concern. Legislative lobbyists are addressing this issue on the state level because of the huge impact across the state. Proposal is for reimbursements to be reduced by half.

PETALUMA PEOPLE SERVICES CENTER UPDATE:

Director Hempel continues to work with The Village Group on developing a volunteer structure that benefits all involved.

INFORMATONAL ITEMS:

Upcoming events, letters of acknowledgement and articles of interest were included in this section for information.

Erin Hawkins, Community Outreach Program Manager will be providing an update on CHIPA and Work Groups at the July 15, 2014 Board meeting.

PHCD'S STRATEGIC PR COMMUNICATION PLAN:

Kiersten DeLong, Callie Ziemer, and Candace Koehler of Edelman Marketing presented a 12-Month Strategic Communications Plan.

The plan directs PHCD to conduct outreach efforts to raise awareness of the District across specific audiences, as well as general public and voters, to ensure that any evolution of its wellness services and upcoming milestones are understood and supported by the community. The 12-month plan establishes goals, strategies, and outlines target audiences necessary to achieve successful outreach.

Included in the plan are areas of focus around Social Media as social channels act as an information and news sources for many people. Developing new social profiles and contributing more content online will reinforce the District's credibility making the District more accessible and understandable. The plan includes best practices for Facebook content development and instructions for implementing and drafting content for Twitter and LinkedIn.

The plan recommends the District develop a brochure and a fact sheet that includes our mission and vision, our purpose, contact information and a brief overview of the programs and services offered. In addition, an electronic annual report that describes the measurable benefits the District provides to the community was recommended with samples provided.

The District's current Facebook, managed by Erin Hawkins, Community Outreach Program Manger, currently displays good content and helpful information with additional suggestions noted in the Social Media Content calendar provided in the plan. Ms. Hawkins was acknowledged for her work on maintaining the District's Facebook.

Kiersten DeLong recognized the District staff for their support and participation in the development of the Communications Plan.

Board of Directors thanked Edelman Marketing for their presentations and the development of a 12 month Communications Plan that provides positive direction for the District to follow in addressing the Community.

PETALUMA VALLEY HOSPITAL:

Jane Read, VP of Operations Petaluma Valley Hospital, stated the Emergency Room has seen an increase in ER Volume. Financials for the month of May were better than budgeted. The Hospitalists program is still searching for a Medical Director. Dr. Armando Depala and Dr. James Leoni have been recognized by the Press Democrat Petaluma People Choices Award. A plan of Action for the recent Joint Commission survey is in the process of being completed.

Ramona Faith thanked Ms. Read for attending the Petaluma City Council meeting and speaking to support the Walgreens Project.

INTEGRATED WELLNESS PROJECT:

David Evans and Judy Martin of Meritage Healthcare Strategies, and Ohlson Lavoie, Architect, presented a Business Plan Report for a Petaluma Community Wellness Center.

Mr. Evans reviewed the process of interviewing community leaders, City officials, Healthcare providers, and business organizations to develop a vision for the Wellness Center. Results from those meetings expressed the need to have a collaborative effort in the development and design of the project with the Petaluma Health Care District's role to as leaders in the coordination of the collaboration. The Wellness Center would need to serve the entire community and attract individuals who would not join a traditional health club. The overall goal would be to promote culture of wellness for Petaluma residents.

Recommendations included the project to be sponsored by a partnership among area non-profit entities/agencies and have the ability to serve the community at large, but with particular focus on special populations and "un/under-served" without competing with area commercial health clubs or YMCA. The funding could come from a variety of sources or partners.

Mr. Evans reviewed potential collaborators that had shown an interest during the interview process. In addition, various scenarios on a business model were reviewed.

Mr. Evans explained the facility would be designed to be built in various phases for a total estimated building size of 91,000 square feet. The project would include housing for Petaluma programs that are in need of expanding their services to the community.

Judy Martin reviewed the proposed constructions costs and market member projections for the project.

Ohlson Lavoie presented a draft proposal drawing of the proposed project with the location adjacent to the Petaluma Valley Hospital. It was also noted that the proposed location could be changed due to other factors of the project.

The Board of Directors acknowledged the presenters for the work completed on the proposed Wellness Center with future meetings to be scheduled once the Business Plan has been reviewed.

ADDITIONAL PUBLIC COMMENTS:

There were no public comments.

Director Adams removed herself from the Board meeting.

ADJOURN TO CLOSED SESSION:

President Thornton adjourned the meeting into closed session pursuant to:

- **Government Code §54956.8 Closed Session: real property transaction; meeting with negotiator – 400 North McDowell Blvd.; The Camden Group**
- **Government Code §54957.6 Closed Session regarding employee matters**

ADJOURN TO OPEN SESSION:

President Thornton adjourned the meeting into open session and reported no action taken in closed session.

PLUS/DELTA:

Great presentations

Good information

ADJOURN:

President Thornton adjourned the meeting at 4:35pm.

Submitted by:

Fran Adams, Board Secretary

RECORDED BY:

Suzanne Cochrane, Board Clerk