

**MINUTES OF THE OCTOBER 15, 2013 REGULAR MEETING OF THE
PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS**

CALL TO ORDER:

President Thornton called the meeting to order at 12:00 noon in the building conference room at 1425 North McDowell Blvd.

CALL FOR CONFLICT:

A Conflict of Interest was noted for Director Adams pertaining to the Agenda Item Closed Session and will remove herself from the meeting when this topic is addressed.

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:

Kitty Brown, RN, PVH
Jaynie Boren, SJH, Regional Vice President
Suzanne Cochrane, Board Clerk, PHCD
Marilyn Everett, Matsom and Isom
Ramona Faith, CEO, PHCD
Richard Nadale, Director of Finance, PHCD

CONSENT CALENDAR:

Director Ostroff made a motion to approve the September 17, 2013 minutes and the October 15, 2013 Agenda, seconded by Director Powell and approved by all present.

PUBLIC COMMENTS:

Kitty Brown, RN, PVH informed the Board of Directors a grievance has been filed to address the concern over the reduction in Case Managers at PVH and the shift of responsibilities to the nursing staff.

BOARD COMMENTS:

There were no board comments.

FISCAL SUSTAINABILITY:

Marilyn Everett of Matsom and Isom, presented the Petaluma Health Care District's 2012-2013 Audited Financials.

Ms. Everett reviewed the Financial Statements, Cash Flows Analysis, and District's Investment Portfolio. The report noted that the District changed investment portfolio managers in 2013 and as of June 30, 2013, the District owned some corporate bonds that are rated by Standard & Poor's to below an A rating. This investment rating is below the minimum rating required by the California Government Code and the District's investment policy.

Ms. Everett noted there were no discrepancies in the audited financials for July 2012-June 2013. As of June 30, 2013, the District's total unfunded liability was \$339,214 for past Board member future benefits.

Ms. Everett acknowledged the excellent preparation work completed by the District's Accounting Department with no management changes to be reported in this audit.

Directors thanked Ms. Everett for her report on the District's Audited Financials for 2012-2013.

Director Powell made a motion, seconded by Director Adams to approve the Audited Financials for 2012-2013. This motion was approved by all present.

Asset Management Committee minutes:

A motion was made by Director Ostroff, seconded by Director Adams to approve the Asset Management Committee minutes of September 17, 2013. This motion was approved by all present.

Discussion ensued on revising the schedule for monthly financials to be presented to the Board. As Board meetings were moved up to the second Tuesday of each month, financials do not close in time to be presented at the Board meetings. This occurs for a majority of the calendar year.

Directors' supported the revision of monthly financials to be two months prior available at the scheduled Board meetings. Monthly financial deadlines will remain the same and are available to Directors to review upon request.

Lynch Creek Property:

Ramona Faith, CEO, provided an update on the Lynch Creek Walgreens Project. Jim Stephens, Browman Development Company, continues to work with Walgreens Corporate in developing options for the Pharmacy Drive-through. The timeline is to complete research on options by the end of October and in November meet individually with City Council members.

Generator and Chiller Agreement:

Ramona Faith and Rick Nadale continue to work with SJH on finalizing the Generator and Chiller Agreement. At this time, SJH is requesting to include the lease cost of a temporary generator in the Agreement. Ms. Faith will continue to work with SJH on reaching an agreement and report back to the Board at the next meeting.

ADMINISTRATIVE REPORT:

CEO Update:

Ramona Faith presented her October CEO Report.

Ms. Faith distributed the District's Core Story prepared by Edelman Marketing Group that incorporated the recommendations from the October 7, 2013 Board meeting training session. Directors were asked to review the packet and submit any recommendations or changes to Ms. Faith by October 25, 2013. PHCD Employees will be receiving training on the District's Core Story by Edelman Marketing on November 11, 2013.

Ms. Faith noted it is time for the annual Board Self Assessment Survey through ACHD. The process is being set up and information will be forwarded to Directors to complete the Survey.

President's Report:

President Thornton noted Palm Drive Foundation has merged with the Palm Drive District.

STANDING COMMITTEE REPORTS:

Meritage Health Care Strategies Proposal for Phase II was included in the Board packet for review by Directors. Phase II will focus around developing a Business Plan for an Integrated Wellness and Fitness Center. The proposal recommends approval to complete a Consumer Phone Survey to assess consumer interest, motivations, program preferences, location acceptance and membership price acceptance for the Center. Proposed cost for Phase II is \$32,500.

A motion was made by Director Hempel, seconded by Director Ostroff to approve the proposal for Phase II Business Plan for an Integrated Wellness and Fitness Center for a cost of \$32,500. This motion was approved by all present.

Ramona Faith will be attending a conference on Senior Activities sponsored by International Council on Active Ageing in San Diego on November 21-23, 2013. Don Streeper, Director of Senior Services will also be attending. Ms. Faith and Mr. Streeper have been meeting regarding options to improve space available for seniors in our community. One issue raised is the lack of space and as some of the seniors that participate in activities at the Senior Center are Kaiser patients partnering with Kaiser to provide space will be explored.

CHIPA Committee Charter:

The September 10, 2013 CHIPA committee minutes were included in the Board packet.

In addition, a revised CHIPA Charter and CHIPA Operating Guidelines were reviewed by Directors.

A motion was made by Director Hempel, seconded by Director Adams to approve the CHIPA Committee Charter. This motion was passed by all present.

PETALUMA VALLEY HOSPITAL:

Jaynie Boren, Regional Vice President, reported the Laboratory Department recently was audited by JCAHO and received positive results.

Employee Forums are occurring at Petaluma Valley Hospital and Santa Rosa Memorial. Focus at these sessions is to increase employment engagement through communication processes and strategic planning items. Results from the employee survey indicated a reduction in actively engaged employees. This is an area of concern of the Executive Team and Leadership. Those forums already held have received positive feedback from employees in attendance. It was also noted by the District Board concerns regarding staff and physician satisfaction.

Western Health Advantage continues to grow in membership. Discussion ensued on ways the District could assist in promoting Western Health Advantage. Recommendation was made by Directors to work with Western Health Advantage in developing ads promoting local physicians.

INFORMATIONAL ITEMS:

A Health Care Reform Community Forum is scheduled for Thursday, October 17, 2013 from 4:30pm to 6:00pm at the Petaluma Community Center. This event is co-sponsored by the Petaluma Health Center and the Petaluma Health Care District.

Included in the Board packet were newspaper articles and letters of acknowledgement for District support.

Discussion ensued regarding November and December Board meeting dates. Directors recommended scheduling one Board meeting for November and December. The Board Clerk will communicate with Directors to determine an appropriate date.

ADDITIONAL PUBLIC COMMENTS:

Kitty Brown, RN, PVH, reported meetings with PVH Administration continue regarding the reduction in Case Managers. Ms. Brown noted that if this issue is not resolved, it is likely the nurses will go to the public with their concerns.

Ms. Faith encouraged Ms. Brown to present their issues to the SRM Alliance Board.

ADJOURNED TO CLOSED SESSION:

President Thornton adjourned the meeting to 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

ADJOURNED TO OPEN SESSION:

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

PLUS/DELTA:

Great meeting
Time was allotted for good discussion

ADJOURN:

President Thornton adjourned the meeting at 3:15pm

Respectfully submitted,

Fran Adams, Board Secretary

RECORDED BY:

Suzanne Cochrane, Board Clerk