

**SOUTH BROWARD HOSPITAL DISTRICT  
REGULAR MEETING OF THE BOARD OF COMMISSIONERS OF THE  
SOUTH BROWARD HOSPITAL DISTRICT  
INCLUDING REPRESENTATIVES OF THE MEDICAL STAFF OF EACH OF ITS  
HOSPITALS  
July 28, 2010**

---

A Regular Meeting of the Board of Commissioners of the South Broward Hospital District (S.B.H.D.) was held at Memorial Regional Hospital, in Perry Auditorium, July 28, 2010, at 5:42 p.m.

The following members were present:

Mrs. Kathleen Durham	Chairman
Mrs. Sara E. Wolfer	Vice Chairman
Mr. Alfredo Avalos	Secretary Treasurer
Mr. Albert C. Jones	
Ms. Laura Raybin Miller	

The following member was absent:

Mr. Kevin P. Tynan

A registration sheet listing all attendees is on file in the Executive Office.

---

**1. CALL TO ORDER**

There being a quorum present, the meeting was called to order by Mrs. Durham, Chairman.

**2. APPROVAL OF MINUTES**

**a. Regular Meeting Held June 23, 2010**

There being no additions or corrections to the Minutes,

Mr. Avalos ***moved, seconded*** by Mr. Jones, that

**THE BOARD APPROVE THE MINUTES OF THE  
REGULAR MEETING HELD JUNE 23, 2010**

The motion ***carried*** unanimously.

**3. REPORTS TO THE BOARD; REPORTS FROM BOARD OFFICERS AND  
STANDING COMMITTEES**

**a. Home Health Agency Committee; Mrs. S. Wolfer, Chairman  
Minutes of Meeting Held 7/19/10**

Mrs. Wolfer reviewed the Minutes of the Home Health Agency Committee meeting held July 19, 2010, a copy of which is on file in the Executive Office.

Mr. Jones *moved, seconded* by Mr. Avalos, that

**THE BOARD APPROVE THE MINUTES OF THE HOME  
HEALTH AGENCY COMMITTEE MEETING HELD JULY 19,  
2010**

Discussion followed regarding the need to increase Medicare volumes. As discussed at length in the Committee meeting, an intensified focus will be placed on heightening physician awareness of the value of utilizing Memorial Home Health.

The motion *carried* unanimously.

**b. Contracts Committee; Mr. A. Avalos, Chairman**  
**Minutes of Meeting Held 7/19/10**

Mrs. Wolfer reviewed the Minutes of the Contracts Committee meeting held July 19, 2010, a copy of which is on file in the Executive Office.

**(1) Request Board Approval of Employment Agreement Between S.B.H.D.  
and Jeremy Frank, M.D., Pediatric Orthopedic Physician Services**

Mrs. Wolfer provided an overview of the Employment Agreement with Jeremy Frank, M.D., for pediatric orthopedic physician services.

Mr. Jones *moved, seconded* by Mr. Avalos, that

**THE BOARD APPROVE THE EMPLOYMENT AGREEMENT  
WITH JEREMY FRANK, M.D. FOR PEDIATRIC ORTHOPEDIC  
PHYSICIAN SERVICES**

The motion *carried* unanimously.

**(2) Request Board Approval of Renewal Employment Agreements  
Between S.B.H.D. and Michael Jofe, M.D., Randolph Cohen, M.D.,  
Neal McNERney, M.D., Cara Novick, M.D., and Stephen Storer, M.D.,  
Pediatric Orthopedic Physician Services**

Mrs. Wolfer provided an overview of the Renewal Employment Agreements with Michael Jofe, M.D., Randolph Cohen, M.D., Neal McNERney, M.D., Cara Novick, M.D., and Stephen Storer, M.D. for pediatric orthopedic physician services.

Mr. Jones *moved, seconded* by Mr. Avalos, that

**THE BOARD APPROVE THE RENEWAL EMPLOYMENT  
AGREEMENTS WITH MICHAEL JOFE, M.D., CHIEF;  
RANDOLPH COHEN, M.D.; NEAL McNERNEY, M.D.;  
CARA NOVICK, M.D.; AND STEPHEN STORER, M.D. FOR  
PEDIATRIC ORTHOPEDIC PHYSICIAN SERVICES**

On behalf of Dr. Jofe and the group, Dr. McNerney thanked the Board, personally remarking that the System has been a wonderful, fulfilling place to work over the past ten years. He read a message from Dr. Jofe that reflected on the many outstanding achievements realized over his twenty years with the System, which have produced a world-class pediatric orthopedic program. He thanked the Board and administration for its support and looks forward to the continuing partnership to provide pediatric orthopedic services to the children of South Florida.

The motion *carried* unanimously.

Mr. Jones *moved, seconded* by Mr. Avalos, that

**THE BOARD APPROVE THE MINUTES OF THE CONTRACTS  
COMMITTEE MEETING HELD JULY 19, 2010**

The motion *carried* unanimously.

**c. Audit and Compliance Committee; Mr. A. Avalos, Chairman**  
**Minutes of Meeting Held 7/19/10**

Mr. Avalos presented the Minutes of the Audit and Compliance Committee meeting held July 19, 2010, a copy of which is on file in the Executive Office.

**(1) Request Board Acceptance of Fiscal Year 2010 Small Business  
Enterprise Program Annual Report**

Mr. Jones *moved, seconded* by Mrs. Wolfer, that

**THE BOARD ACCEPT THE FISCAL YEAR 2010 SMALL  
BUSINESS ENTERPRISE PROGRAM ANNUAL REPORT**

The motion *carried* unanimously.

**(2) Request Board Acceptance of the Audited Financial Statements, Audit  
Results Report, and Management Letter for the Fiscal Period Ended  
April 30, 2010**

Mrs. Wolfer *moved, seconded* by Mr. Jones, that

**THE BOARD ACCEPT THE AUDITED FINANCIAL  
STATEMENTS, AUDIT RESULTS REPORT, AND  
MANAGEMENT LETTER FOR THE FISCAL PERIOD ENDED  
APRIL 30, 2010**

Mr. Paul Sallwasser, Partner, Ernst & Young, LLP, and Ms. Tanya Davis, Partner, S. Davis and Associates, were invited to address the Board. Mr. Sallwasser commended the System on having completed its consolidated and single audit, as well as the four individual hospital audits,

by mid- June, which reflects on the outstanding coordination and collaboration between the System's management team and the auditing firms.

He presented an overview of the S.B.H.D. d/b/a Memorial Healthcare System Financial Statements for the Years Ended April 30, 2010 and 2009 and highlighted key information. He referenced the Report of Independent Certified Public Accountants as the standard, unqualified opinion.

Ms. Davis advised the Board that the single audit would be presented at the next Audit and Compliance Committee meeting. She explained that the single audit tests for compliance of the System's expenditure of federal and state funding (grants) awarded during the course of the year. The single audit reflected a very good result, as there were no findings, no material weaknesses or significant deficiencies in controls and no matters of non-compliance that would require reporting to the Board.

She then reviewed significant portions of the S.B.H.D. 2010 Audit Results, noting the audit revealed no evidence of fraud or illegal acts and no material weaknesses or significant deficiencies in internal control. Ms. Davis reviewed the annual Management Letter issued to the Auditor General of the State of Florida, noting it contained a comment relative to an accrual entry that was no longer required this year. Subsequently, the System recorded a corrective entry in the appropriate financial statements. It was recommended that the System review all accrued liability accounts on a monthly basis to assess for the continued need for each accrual. Management concurred and will implement procedures to minimize this risk in the future.

The motion *carried* unanimously.

Mrs. Wolfer *moved, seconded* by Mr. Jones, that

***THE BOARD APPROVE THE MINUTES OF THE AUDIT AND COMPLIANCE COMMITTEE MEETING HELD JULY 19, 2010***

The motion *carried* unanimously.

***d. Building Committee; Mr. K. Tynan, Chairman***  
***Minutes of the Meeting Held 7/19/10***

Mr. Jones reviewed the Minutes of the Building Committee meeting held July 19, 2010, a copy of which is on file in the Executive Office.

***(1) Request Board Acceptance of the Guaranteed Maximum Price from Thornton Construction Company in the Amount of \$5,296,034 for the Family Birthplace Project at Memorial Regional Hospital***

Mrs. Wolfer *moved, seconded* by Mr. Avalos, that

**THE BOARD OF COMMISSIONERS ACCEPT THE GUARANTEED MAXIMUM PRICE FROM THORNTON CONSTRUCTION COMPANY IN THE AMOUNT OF \$5,296,034 FOR THE FAMILY BIRTHPLACE PROJECT AT MEMORIAL REGIONAL HOSPITAL**

Mr. Thomas Thornton, President of Thornton Construction Company, thanked the Board for this opportunity. He noted his firm has worked with the System for over six years and affirmed their commitment to service.

The motion *carried* unanimously.

- (2) Request Board Acceptance of the Lowest Bidder, James Hartley Contractor, Inc., in the Amount of \$688,624 for the 3 West Renovation Project at Memorial Hospital Pembroke and Allocate a \$70,000 Contingency Amount to be Controlled by the Memorial Healthcare System**

Mrs. Wolfer *moved, seconded* by Mr. Avalos, that

**THE BOARD OF COMMISSIONERS ACCEPT THE LOWEST BIDDER, JAMES HARTLEY CONTRACTOR, INC., IN THE AMOUNT OF \$688,624 FOR THE 3 WEST RENOVATION PROJECT AT MEMORIAL HOSPITAL PEMBROKE AND ALLOCATE A \$70,000 CONTINGENCY AMOUNT TO BE CONTROLLED BY THE MEMORIAL HEALTHCARE SYSTEM**

Mr. James Hartley, President of James Hartley Contractor, Inc., thanked the Board for this opportunity and looks forward to returning to Memorial Hospital Pembroke.

The motion *carried* unanimously.

- (3) Request Board Approval for Staff to Issue a Request for Qualifications (RFQ) in Order to Select a Construction Manager for the Operating Room Expansion Project at Memorial Hospital Miramar**

Mrs. Wolfer *moved, seconded* by Mr. Avalos, that

**THE BOARD OF COMMISSIONERS APPROVE STAFF ISSUANCE OF A REQUEST FOR QUALIFICATIONS (RFQ) IN ORDER TO SELECT A CONSTRUCTION MANAGER FOR THE OPERATING ROOM EXPANSION PROJECT AT MEMORIAL HOSPITAL MIRAMAR**

It was noted that the operating rooms at Memorial Hospital Miramar are at capacity and require expansion. If the System moves forward with the project, it is anticipated that a shell of six rooms would be built, finishing off two rooms at a time as needed.

The motion *carried* unanimously.

Mrs. Wolfer *moved, seconded* by Mr. Avalos, that

**THE BOARD APPROVE THE MINUTES OF THE BUILDING  
COMMITTEE MEETING HELD JULY 19, 2010**

The motion *carried* unanimously.

**4. REPORT OF SPECIAL COMMITTEES**

None

**5. ANNOUNCEMENTS**

None

**CORRESPONDENCE**

None

**6. UNFINISHED BUSINESS**

None

**7. BOARD REGULAR BUSINESS**

**a. Report from Chief of Staff, Memorial Regional Hospital; L. Shulruff, M.D.**

**(1) Executive Committee Report Re Recommendations for Appointments,  
Advancements, etc.**

Dr. Shulruff presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated July 20, 2010, a copy of which is on file in the Executive Office.

Mrs. Wolfer *moved, seconded* by Mr. Avalos, that

**THE BOARD APPROVE THE RECOMMENDATIONS OF  
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF  
AT MEMORIAL REGIONAL HOSPITAL**

The motion *carried* unanimously.

**b. Report from Chief of Staff, Joe DiMaggio Children's Hospital; J. Long, M.D.**

**(1) Executive Committee Report Re Recommendations for Appointments,  
Advancements, etc.**

On behalf of Dr. Long, Dr. Marks presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated July 7, 2010, a copy of which is on file in the Executive Office.

Mr. Avalos *moved, seconded* by Mrs. Wolfer, that

**THE BOARD APPROVE THE RECOMMENDATIONS OF  
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF  
AT JOE DIMAGGIO CHILDREN'S HOSPITAL**

The motion *carried* unanimously.

**c. Report from Chief of Staff, Memorial Hospital West; D. Weiss, M.D.**

**(1) Executive Committee Report Re Recommendations for Appointments, Advancements, etc.**

Dr. Weiss presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated July 13, 2010, a copy of which is on file in the Executive Office.

Mrs. Wolfer *moved, seconded* by Mr. Avalos, that

**THE BOARD APPROVE THE RECOMMENDATIONS OF  
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF  
AT MEMORIAL HOSPITAL WEST**

The motion *carried* unanimously.

**(2) Request Board Approval of Department Vice-Chief in Accordance with the Medical Staff Bylaws**

Mrs. Wolfer *moved, seconded* by Mr. Jones, that

**THE BOARD APPROVE THE ELECTION OF EMIL ABDALLA,  
D.O. AS VICE-CHIEF OF OBSTETRICS AND GYNECOLOGY  
AT MEMORIAL HOSPITAL WEST IN ACCORDANCE WITH  
THE MEDICAL STAFF BYLAWS**

The motion *carried* unanimously.

**d. Report from Chief of Staff, Memorial Hospital Miramar; H. Pombo, M.D.**

**(1) Executive Committee Report Re Recommendations for Appointments, Advancements, etc.**

On behalf of Dr. Pombo, Dr. Freling presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated July 9, 2010, a copy of which is on file in the Executive Office.

Mr. Avalos *moved, seconded* by Mr. Jones, that

**THE BOARD APPROVE THE RECOMMENDATIONS OF  
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF  
AT MEMORIAL HOSPITAL MIRAMAR**

The motion *carried* unanimously.

**e. Report from Chief of Staff, Memorial Hospital Pembroke; E. Bolton, D.O.**

**(1) Executive Committee Report Re Recommendations for Appointments, Advancements, etc.**

Dr. Bolton presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated July 9, 2010, a copy of which is on file in the Executive Office.

Mr. Jones *moved, seconded* by Mr. Avalos, that

**THE BOARD APPROVE THE RECOMMENDATIONS OF  
THE EXECUTIVE COMMITTEE OF THE MEDICAL STAFF  
AT MEMORIAL HOSPITAL PEMBROKE**

The motion *carried* unanimously.

**f. Administrative Staff**

No report.

**g. Financial Report; Mr. M. Muhart, Senior Vice President and Chief Financial Officer**

**(1) Financial Report for the Month of June 2010**

Mr. Muhart reviewed the Financial Report for the month of June 2010, a copy of which is on file in the Executive Office.

Mr. Jones *moved, seconded* by Mr. Avalos, that

**THE BOARD APPROVE THE FINANCIAL REPORT FOR THE  
MONTH OF JUNE 2010**

The motion *carried* unanimously.

**(2) Presentation of Proposed Tax Millage Rates for Fiscal Year 2011; and Selection of Dates for Public Hearings on Adoption of Tax Millage**

Mr. Muhart advised that each year the Board of Commissioners of the South Broward Hospital District adopts a tax millage rate and budget. These are statutory requirements that must be strictly adhered to, commencing this evening with the selection of a proposed millage rate and date for a public preliminary tax hearing. To assist in this process,

Mr. Muhart referred to his memorandum dated July 21, 2010, to Mr. Sacco, the Tax Fund Budget Sensitivity Analysis (with definitions) for Fiscal Year 2011, and the proposed tax budget calendar for the month of September 2010, copies of which are on file in the Executive Office.

Mr. Muhart provided an in-depth review of the Tax Fund Sensitivity Analysis which outlines projected tax revenue and expenditures based upon assessed values and various millage rates. The 2010 assessed valuations were received from the Broward County Property Appraiser's Office and represent an 11.7% decrease from the 2009 valuations.

The District's use of tax proceeds was outlined, noting that uncompensated care is budgeted at \$1,050,108,000 in fiscal year 2011, with no expectations for improvement in the foreseeable future. Mr. Muhart presented the various millage rate options and discussed the property tax legislation which mandates specific voting requirements to approve each millage rate.

The Board is required to select a tentative rate for purposes of reporting a millage rate in the TRIM (Truth in Millage) notice. The Board was reminded of three primary considerations: 1) that the proposed millage selected this evening can be decreased, but any increase would be extremely difficult to achieve due to notice requirements; 2) selecting a rate equal to the rolled-back rate of 1.4572 mills would not be considered a tax increase; and 3) the September hearings will allow enough time for the Board to consider the operating results from July and August in their analysis of selecting a final millage for the current year.

Mr. Muhart advised that the September calendar reflects September 7, 2010, as the date of the District's preliminary tax hearing and September 22, 2010, as the date of the final tax hearing. The School Board and Broward Commission board meetings are both reflected on the calendar, as the District's tax hearings cannot conflict with the School Board. Notice to property owners of the District's proposed millage rate and the date, time, and place of the preliminary hearing will take place via the TRIM notices sent to all property owners by the Broward County Property Appraiser's Office.

Mr. Muhart requested two motions from the Board; first to select the proposed tax millage rate for the 2010 tax budget; and second, to select the dates and times of the preliminary and final tax hearings.

Mr. Muhart turned the discussion over to the Chair for Board deliberation.

Mrs. Durham commended management's past performance and noted the importance of the availability of tax revenue to provide patient care. She recommended tentative approval of the rolled-back rate of 1.4572 mills, allowing for further consideration of the July and August operating results prior to the September tax hearings.

Commissioners Jones, Avalos, Miller, and Wolfer each expressed their agreement with the Chair's recommendation of tentative approval of 1.4572 mills. Ms. Miller requested additional information be provided by management relative to potential cuts in federal and state funding and the projected impact of each proposed millage rate on individual households. The impact of uncollected taxes on the District's cash flow was discussed and deemed insignificant.

Mr. Muhart read the motion being presented to the Board relative to adoption of a proposed millage rate for the 2010 tax year.

Mrs. Wolfer *moved, seconded* by Mr. Jones, that

***THE SOUTH BROWARD HOSPITAL DISTRICT INFORMS THE PROPERTY APPRAISER OF BROWARD COUNTY, FLORIDA THAT THE PROPOSED MILLAGE RATE FOR THE 2010 TAX YEAR IS 1.4572 MILLS, WHICH IS EQUAL TO THE ROLLED- BACK RATE***

The Chair requested a roll call vote:

Ms. Miller	Yes
Mrs. Wolfer	Yes
Mr. Avalos	Yes
Mr. Jones	Yes
Mrs. Durham	Yes

Mr. Muhart read the second motion being presented before the Board relative to the dates and times of the preliminary and final tax hearings.

Mrs. Wolfer *moved, seconded* by Mr. Jones, that

***THE BOARD SELECTS THE FOLLOWING DATES FOR THE PUBLIC HEARINGS ON ADOPTION OF THE TAX MILLAGE AND BUDGET:***

***PRELIMINARY HEARING: TUESDAY, SEPTEMBER 7, 2010, 5:30 P.M.***

***FINAL HEARING: WEDNESDAY, SEPTEMBER 22, 2010, 5:30 P.M.***

The motion *carried* unanimously.

**h. Legal Counsel; Mr. G. Barber, Senior Vice President and General Counsel**

No report.

8. **NEW BUSINESS**

a. **The July Board Meeting was Designated by the Board of Commissioners as the Annual Meeting; Therefore, the Following Action is Required:**

(1) **Election of Officers**

The Chair passed the gavel to Mr. Barber to conduct the election of officers. Mr. Barber opened the floor for nominations of individual positions or a slate of officers.

Mr. Jones ***moved, seconded*** by Ms. Miller, that

***THE CURRENT SLATE OF OFFICERS FOR THE SOUTH BROWARD HOSPITAL DISTRICT REMAIN THE SAME FOR AN ADDITIONAL YEAR: NAMELY, KATHY DURHAM, CHAIRMAN; SARA WOLFER, VICE CHAIRMAN; AND ALFREDO AVALOS, SECRETARY TREASURER***

Mr. Barber asked if there were any other nominations. There being none,

Mr. Jones ***moved, seconded*** by Ms. Miller, that

***THE FLOOR BE CLOSED FOR NOMINATION OF BOARD OFFICERS***

Both motions ***carried*** unanimously.

Mr. Barber declared Mrs. Kathy Durham, Chairman of the Board of Commissioners; Mrs. Sara Wolfer, Vice Chairman of the Board of Commissioners; and Mr. Alfredo Avalos, Secretary Treasurer of the Board of Commissioners.

9. **COMMISSIONERS' COMMENTS**

None.

10. **ADJOURNMENT**

There being no further business to come before the Board, Mrs. Durham declared the meeting adjourned at 6:54 p.m.

***THE BOARD OF COMMISSIONERS OF THE SOUTH BROWARD HOSPITAL DISTRICT***

***BY: \_\_\_\_\_  
Kathleen Durham, Chairman***

***ATTEST: \_\_\_\_\_  
Alfredo Avalos, Secretary Treasurer***