

**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**

August 27, 2008

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, August 27, 2008, at 5:35 p.m.

The following members were present:

Mr. Kevin P. Tynan	Chairman
Mrs. Kathleen Durham	Vice Chairman
Mrs. Sara E. Wolfer	Secretary Treasurer
Mr. Albert C. Jones	
Ms. Laura Raybin Miller	

The following members were absent:

Mr. Alfredo Avalos
Mr. Shane Strum

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

1. CALL TO ORDER

There being a quorum present, the meeting was called to order by Mr. Kevin Tynan, Chairman.

2. APPROVAL OF MINUTES

a. Regular Meeting Held July 23, 2008

There being no additions or corrections to the Minutes,

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

**THE BOARD APPROVE THE MINUTES OF THE
MEETING HELD JULY 23, 2008**

The motion *carried* unanimously.

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

a. **Planning Committee; Mr. A. Avalos, Chairman**
Minutes of Meeting Held 8/8/08

On behalf of Mr. Avalos, Mr. Tynan reviewed the Minutes of the Planning Committee meeting held August 8, 2008, a copy of which is attached to the Minutes on file in the Executive Office.

(1) ***Request Board Approval of the Project in Concept and Authorize Staff to Proceed with the Development and the Construction Necessary to Operate a Women's Imaging Center at Memorial Regional Hospital South***

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

THE BOARD OF COMMISSIONERS OF THE SOUTH BROWARD HOSPITAL DISTRICT APPROVE THIS PROJECT IN CONCEPT AND AUTHORIZE STAFF TO PROCEED WITH THE DEVELOPMENT AND THE CONSTRUCTION NECESSARY TO OPERATE A WOMEN'S IMAGING CENTER AT MEMORIAL REGIONAL HOSPITAL SOUTH

It was noted that currently the Esther L. Grossman Women's Health and Resource Center only provides screening mammography, and these services, as well as staff and equipment, will be moved to the comprehensive Women's Imaging Center at MRHS. The volume shifting to MRHS equates to approximately 3,500 screenings per year. It was determined to be cost prohibitive to provide comprehensive breast imaging services at Esther Grossman, i.e. diagnostics, ultrasound and MRI. It was also noted that Dr. Neimark is now performing surgery at MRHS. The women's imaging services currently provided at all other hospitals will remain unchanged. A determination has not yet been made as to utilization of the space to be vacated at the Esther Grossman Center.

The motion ***carried*** unanimously.

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

THE BOARD APPROVE THE MINUTES OF THE PLANNING COMMITTEE MEETING HELD AUGUST 8, 2008

The motion ***carried*** unanimously.

b. **Senior Services Committee; Mrs. K. Durham, Chairman**
Minutes of Meeting Held 8/13/08

Mrs. Durham reviewed the Minutes of the Senior Services Committee meeting held August 13, 2008, a copy of which is attached to the Minutes on file in the Executive Office.

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

**THE BOARD APPROVE THE MINUTES OF THE SENIOR SERVICES
COMMITTEE MEETING HELD AUGUST 13, 2008**

The motion *carried* unanimously.

c. Finance Committee; Mrs. K. Durham, Chairman
Minutes of Meeting Held 8/13/08

Mrs. Durham reviewed the Minutes of the Finance Committee meeting held August 13, 2008, a copy of which is attached to the Minutes on file in the Executive Office.

(1) Request Board Acceptance of Recommendation of Jeffrey Slocum & Associates, the District's Independent Financial Consultant, Regarding the Mutual Fund Alternatives for Inclusion in the 403(b) and 457(b) Plans Beginning January 1, 2009

Mrs. Wolfer *moved, seconded* by Mrs. Miller, that

**THE BOARD OF COMMISSIONERS ACCEPT THE RECOMMENDATION
OF JEFFREY SLOCUM & ASSOCIATES, THE DISTRICT'S
INDEPENDENT FINANCIAL CONSULTANT, REGARDING THE
MUTUAL FUND ALTERNATIVES FOR INCLUSION IN THE 403(b) AND
457(b) PLANS BEGINNING JANUARY 1, 2009**

Relative to Diversified's compensation for the provision of administrative services, predicated on total plan assets, Mr. Muhart advised that the breakpoint on the 24 basis points has been lowered from \$325 million to \$300 million. Mr. Muhart reviewed the various funds/asset classes recommended by Jeffrey Slocum & Associates, noting the fund offerings provide employees with an opportunity to be well diversified in their selections. Selection of the Lifecycle Target Date Funds would provide the employee with mutual funds/asset classes that are periodically balanced and adjusted by the mutual fund company based on the employee's anticipated retirement date. Mr. Muhart provided examples of potential Socially Responsible Investments, citing stocks geared toward a religious structure or environmentally sensitive companies or stocks with no exposure to tobacco or alcohol.

Upon request and at no cost, Diversified will provide employees with a managed portfolio structure, offering fund distribution guidance based on the employee's risk parameters and anticipated needs upon retirement. It was also noted that for a cost of \$50.00 per year, employees can open an account directly with Slocum and select their own stocks.

The motion *carried* unanimously.

(2) Request Board Authorization of Management to Execute a Sole Provider Contract with Diversified Investment Advisors for the Administration of the District's 403(b) and 457(b) Plans

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

THE BOARD OF COMMISSIONERS AUTHORIZE MANAGEMENT TO EXECUTE A SOLE PROVIDER CONTRACT WITH DIVERSIFIED INVESTMENT ADVISORS FOR THE ADMINISTRATION OF THE DISTRICT'S 403(b) and 457(b) PLANS

Mr. Sacco noted that the initial ranking of vendors chosen to provide administration of the District's 403(b) and 457(b) plans placed Principal as the first choice, with Diversified ranked second. Negotiations with Principal proved unsuccessful, as the District was unable to reach a financial agreement advantageous to its employees. Diversified presented a significantly better financial arrangement than the existing four plan administrators now offered to the District's employees, and with no surrender charges.

The motion *carried* unanimously.

(3) Request Board Approval to Amend the Statement of Investment Policy for the District's Pension Plan to Clarify Notification Requirements by Investment Managers when Fixed Income Securities are Downgraded

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

THE BOARD OF COMMISSIONERS APPROVE AMENDING THE STATEMENT OF INVESTMENT POLICY FOR THE DISTRICT'S PENSION PLAN TO CLARIFY NOTIFICATION REQUIREMENTS BY INVESTMENT MANAGERS WHEN FIXED INCOME SECURITIES ARE DOWNGRADED

The motion *carried* unanimously.

(4) Request Board Approval to Amend the Statement of Investment Policy for the District's Operating Funds to Clarify Notification Requirements by Investment Managers when Fixed Income Securities are Downgraded

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

THE BOARD OF COMMISSIONERS APPROVE AMENDING THE STATEMENT OF INVESTMENT POLICY FOR THE DISTRICT'S OPERATING FUNDS TO CLARIFY NOTIFICATION REQUIREMENTS BY INVESTMENT MANAGERS WHEN FIXED INCOME SECURITIES ARE DOWNGRADED

The motion *carried* unanimously.

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

**THE BOARD APPROVE THE MINUTES OF THE FINANCE COMMITTEE
MEETING HELD AUGUST 13, 2008**

The motion *carried* unanimously.

d. Building Committee; Mr. A. Jones, Chairman
Minutes of Meeting Held 8/18/08

Mr. Jones reviewed the Minutes of the Building Committee meeting held August 18, 2008, a copy of which is attached to the Minutes on file in the Executive Office.

(1) Request Board Acceptance of the Lowest Bidder, Thornton Construction Company, Inc., in the Amount of \$957,422 for the Women's Imaging Center Project at Memorial Regional Hospital South

Mrs. Durham *moved, seconded* by Mrs. Wolfer, that

**THE BOARD OF COMMISSIONERS ACCEPT THE LOWEST BIDDER,
THORNTON CONSTRUCTION COMPANY, INC., IN THE AMOUNT OF
\$957,422 FOR THE WOMEN'S IMAGING CENTER PROJECT AT
MEMORIAL REGIONAL HOSPITAL SOUTH**

The motion *carried* unanimously.

A representative of Thornton Construction Company, Inc. came forward and thanked the Board and management for this opportunity, stating that Thornton understands the urgency of the project and is committed to a successful job.

(2) Request Board Acceptance of the Lowest Bid in the Amount of \$475,973 and that a Contract be Extended to Calvin Giordano & Associates for the Parking Lot Project at Memorial Hospital Miramar

Mrs. Wolfer *moved, seconded* by Mrs. Durham, that

**THE BOARD OF COMMISSIONERS ACCEPT THE LOWEST BID IN THE
AMOUNT OF \$475,973 AND THAT A CONTRACT BE EXTENDED TO
CALVIN GIORDANO & ASSOCIATES FOR THE PARKING LOT
PROJECT AT MEMORIAL HOSPITAL MIRAMAR**

Mr. Jones advised that Calvin Giordano & Associates was requested to handle the bids for this project. Mr. Sacco further clarified that management elected not to engage a general contractor for this parking lot project to reduce expenses by eliminating the G.C. profit overhead and general conditions. Calvin Giordano & Associates, as civil engineer and designer for the project, was requested to act as the general contractor and accept the bids, similar to the District's GMP projects. The sealed bids for the subcontractors were opened in the presence of Memorial Healthcare System Construction Department staff.

Mr. Dennis Giordano of Calvin Giordano & Associates came forward and thanked the Board for the opportunity to trial this new procedure, which should benefit the District in both time and cost savings, as well as result in a better product. They appreciate the opportunity to continue to provide services to the District.

The motion *carried* unanimously.

Mrs. Wolfer *moved, seconded* by Mrs. Durham, that

THE BOARD APPROVE THE MINUTES OF THE BUILDING COMMITTEE MEETING HELD AUGUST 18, 2008

The motion *carried* unanimously.

e. Contracts Committee; Mrs. S. Wolfer, Chairman
Minutes of Meeting Held 8/18/08

Mrs. Wolfer reviewed the Minutes of the Contracts Committee meeting held August 18, 2008, a copy of which is attached to the Minutes on file in the Executive Office.

(1) Request Board Approval of Renewal Agreements Between South Broward Hospital District and Broward County for Contracted Primary Care Services, Offsite Parking Services and Billing Services

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

THE BOARD OF COMMISSIONERS APPROVE THE PRIMARY CARE SERVICES, PRIMARY CARE SERVICES OFFSITE PARKING SERVICES, AND PROVISION OF HEALTH SERVICES – BILLING AGREEMENTS

The motion *carried* unanimously.

Mr. Sacco advised that the County provides approximately 20 to 22 percent of the total operating cost funding for these services, with the remainder of funds taken from the District's tax budget, representing \$16 to \$18 million. He noted Mr. Benz has done an outstanding job in negotiating with the County for a 5.03% funding increase for Primary Care Services contracts. These contracts have been negotiated with County staff and will be voted on by the County Commission in September.

In response to Mr. Tynan, Mr. Benz advised that there are always two components associated with Primary Care Services contract increases; CPI and volume. In this case, incremental volume relates to the Miramar clinic. The funding increase of \$262,247 represents CPI and incremental costs anticipated at the Miramar clinic.

Mrs. Wolfer joined in commending Mr. Benz for his hard work and successful negotiations with the County.

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

***THE BOARD APPROVE THE MINUTES OF THE CONTRACTS
COMMITTEE MEETING HELD AUGUST 18, 2008***

The motion *carried* unanimously.

4. REPORT OF SPECIAL COMMITTEES

None

5. ANNOUNCEMENTS

None

CORRESPONDENCE

None

6. UNFINISHED BUSINESS

7. BOARD REGULAR BUSINESS

a. Report from Chief of Staff, Memorial Regional Hospital; T. Macaluso, M.D.

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

Dr. Macaluso presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated August 20, 2008, a copy of which is attached to the Minutes on file in the Executive Office.

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

Dr. Long presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated August 5, 2008, a copy of which is attached to the Minutes on file in the Executive Office.

Mr. Jones ***moved, seconded*** by Mrs. Durham, 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 August 13, 2008, a copy of which is attached to the Minutes on file in the Executive Office.

Mrs. Durham ***moved, seconded*** by Mr. Jones, 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 Members-at-Large in Accordance with Medical Staff
Bylaws**

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

**THE BOARD APPROVE THE MEMBERS-AT-LARGE IN ACCORDANCE
WITH MEDICAL STAFF BYLAWS**

The motion ***carried*** unanimously.

d. Report from Chief of Staff, Memorial Hospital Miramar; B. Shatkin, M.D.

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

Dr. Shatkin presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated August 15, 2008, a copy of which is attached to the Minutes on file in the Executive Office.

Mrs. Durham *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; J. Snow, M.D.

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

Dr. Snow presented the Executive Committee Report re recommendations for appointments, advancements, etc., dated August 20, 2008, a copy of which is attached to the Minutes 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 PEMBROKE**

The motion *carried* unanimously.

f. Administrative Staff

Mr. Sacco advised that he had two agenda items to report, one of which was not on the agenda, but was requested by Mr. Tynan. On July 29, 2008, at 9:00 p.m. Mr. Sacco received a call at home from Mr. Piriz, who expressed concerns relative to information he had learned relative to Mr. Rodney Miller's application and background, as well as a pending issue in the Virgin Islands. The following morning at 8:00 a.m., Mr. Sacco met with Mr. Piriz and Mr. Kendrick, and between 12:00 p.m. and 1:00 p.m. that day, Mr. Miller had resigned and left the organization. Upon obtaining further information, Mr. Sacco immediately called Mr. Resmini and requested an audit of Mr. Miller's activities at Memorial Regional Hospital. The following day, the Chief Financial Officer and Chief Human Resources Officer were directed to freeze any pending paycheck or payout of any unused paid leave to Mr. Miller subject to the outcome of the audit. Mr. Sacco noted that Mr. Resmini was in the audience and invited the Board to direct any questions to him and directed Mr. Resmini to come forward should Mr. Sacco relay any inaccurate information.

Mr. Sacco has been advised by Mr. Resmini that he is ready to finalize a draft of the audit which will be presented at the next Board Audit and Compliance Committee meeting. Mr. Resmini advised the results of the audit revealed no impropriety or illegality on the part of Mr. Miller while at Memorial Regional Hospital. Since Mr. Miller did not fulfill his employment obligations, his relocation expenses paid by the Healthcare System will be deducted from his final paycheck; therefore, he will not receive a final paycheck, as his expenses exceed his final payout.

Mr. Tynan expressed his agreement with the audit process and felt it appropriate to bring the audit to the next Audit and Compliance Committee meeting scheduled for October. Mr. Tynan polled his fellow Commissioners, who were also in agreement.

For the record, Mr. Resmini confirmed that there were no critical findings, improprieties, or illegalities revealed in the audit of Mr. Miller's activities at Memorial Regional Hospital. Mr. Sacco advised that Mr. Resmini audits the expenses of all executive staff and administrative team members, as well as expenses incurred by Board members.

Mr. Jones went on record to concur that there was no wrong doing on the part of Memorial Healthcare System and that we have set a nationwide precedent among other hospitals to expand background checks beyond the norm. Mr. Sacco outlined the extensive components of MHS background checks on prospective employees and stated that MHS has set a corporate standard to include review of military justice records. He also noted that certain employee positions will go beyond the background check and into a vetting process.

(1) Quarterly Statistical Report for Period Ending 7/31/08; Mr. F. Sacco, President and Chief Executive Officer

Mr. Sacco presented the Quarterly Statistical Report for period ending 7/31/08, a copy of which is attached to the Minutes on file in the Executive Office.

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

(1) Financial Report for the Month of July 2008

Mr. Muhart reviewed the Financial Report for the month of July 2008, a copy of which is attached to the Minutes on file in the Executive Office. Mr. Muhart noted that net assets for the Healthcare System have passed the \$900 million mark.

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

THE BOARD APPROVE THE FINANCIAL REPORT FOR THE MONTH OF JULY 2008

The motion ***carried*** unanimously.

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

No report

8. NEW BUSINESS

a. Appointment of Board Committee Chairs and Vice-Chairs; Mr. K. Tynan, Chairman

Mr. Tynan advised that the Board Committee Chair and Vice Chair appointments will remain unchanged for the coming year, subject to change should a new Board member be appointed.

9. COMMISSIONERS' COMMENTS

Mrs. Wolfer congratulated the staff of Memorial Regional Hospital for a very good Joint Commission Survey, as well as Memorial Regional Hospital South, Joe DiMaggio Children's Hospital, Primary Care Services and Memorial Home Health. In reviewing the surveyors' comments, she noted there were opportunities for further improvement, but stated the overall survey results were commendable.

Mr. Jones thanked Memorial Healthcare System for its support of the 100th anniversary celebration of his church and presented the System with a centennial journal. He conveyed the thanks of the Pastor for support of this event, as well as other educational offerings and assistance provided by MHS.

Mrs. Durham extended her congratulations to Memorial Manor on its receipt of the Gold Seal Award.

10. ADJOURNMENT

There being no further business to come before the Board, Mr. Tynan declared the meeting adjourned at 6:45 p.m.

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

BY: _____

Kevin P. Tynan, Chairman

ATTEST: _____

Sara E. Wolfer, Secretary Treasurer