



**MINUTES OF THE NOVEMBER 14, 2017 MEETING OF THE
PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS**

CALL TO ORDER

President Hempel called the meeting to order at 7:30 AM in the lobby conference room at 1425 N. McDowell Blvd.

PRESENT

Elece Hempel
Josephine S. Thornton, M.A. (arrived at 7:35 AM)
Becky Monday
Fran Adams, RN, BSN
Joseph Stern

ALSO PRESENT

Ramona Faith, CEO, PHCD
Erin Howseman, Board Clerk, PHCD
Andrew Koblick, Controller, PHCD
Wendy Thomas, RN, PVH Emergency Dept. Manager
Matt Kelman, Exchange Bank

CALL FOR CONFLICT

President Hempel called for conflict. There was none.

MISSION AND VISION

Director Stern 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

A motion was made by Director Stern to approve the November 14, 2017 Agenda and the November 2, 2017 Minutes which was seconded by Director Monday. This motion was passed by a vote of 4 ayes (Directors: Hempel, Adams, Monday, Stern) and 0 noes.

PUBLIC COMMENTS

There were no public comments.

BOARD COMMENTS

Director Stern reported on chapters 3 and 4 of “52 Ways to be a Better Board.” Chapter 3 speaks about the *vision* of the organization. While the *mission* reflects the purpose of the organization, the *vision* is about its direction. The board’s responsibility is to ensure that the vision connects with the mission. Chapter 4 addresses the board’s role in management, which is participating only when necessary. When a board member does participate in management, it should be as a delegate of the entire board, representing the board’s constituents, not as an individual.

Director Monday volunteered to report on the next two chapters at the next regular board meeting.

ADMINISTRATIVE REPORT

CEO REPORT

CEO Ramona Faith noted the letter in the board packet regarding the update on the PVH nurse’s union, stating that the California Nurses Association has withdrawn from the election for union representation.

Ms. Faith reported on a conversation with Todd Salnas, President of SJH Sonoma County, regarding the housing needs for physicians and medical staff as a result of the Sonoma County fires. Ms. Faith noted that the District may need to adjust allocation of sponsorship funds as a result of the fires, and that some local nonprofits are experiencing fire-related impacts. Ms. Faith and President Hempel expressed the need to ensure that previously offered community services continue for those in need, including seniors and those in need of mental health services.

A video on the Petaluma Sober Circle Project, a collaborative of agencies which have developed a pathway for change for community members who suffer from substance abuse, chronic inebriation, and homelessness was presented to the board. The video highlighted the effective partnership between COTS, the Petaluma Police Department and others under the organizational leadership of PHCD.

FORGING A NEW PATH FOR PETALUMA VALLEY HOSPITAL

Ms. Faith reported on the PVH update on negotiations to transfer operations from St. Joseph Health to Paladin Healthcare, including recent meetings with Paladin to address outstanding issues in the Lease and Transfer Agreements and costs and timeline to build a stand-alone IT system prior to taking over hospital operations. Ms. Faith noted that updates were emailed to PVH physicians, hospital staff, and over 300 members of the community.

PETALUMA VALLEY HOSPITAL *SRM Alliance Board Update*

Wendy Thomas, PVH Emergency Dept. Manager, gave the PVH update for Jane Read. Ms. Thomas reported that PVH achieved an “A” rating in the Leapfrog Hospital Survey. Employee forums were held recently to thank the employees for their hard work during the recent fires and to answer questions regarding the hospital transition. The employee satisfaction survey has been completed and results are due

this week. Ms. Thomas said she hoped to be able to give the board a compilation of the current survey and of the previous two years. The operating room director's position is now being held by an interim person. Dr. Denigris has announced he is leaving his GI practice, and management is working on a plan for GI coverage, as well as searching for an ENT doctor to replace Dr. Kmucha. In general surgery, Dr. Bozuk and Dr. Peter Leoni are requesting more compensation for call as well as more money for equipment. Ms. Thomas reported that SJH gave \$5,500 to every employee who lost their house in the fires to assist with new living situations, and SJH has set up a housing hotline to assist employees and physicians with locating housing. The current housing situation is making recruiting more difficult, and nursing staffing agencies are raising their rates because of the high cost of housing in the area.

Ms. Thomas reported that California Nurses Association has sent an open letter to the staff, saying it is no longer representing PVH nurses. As a result, the National Labor Relations Board has placed PVH into a "laboratory status." PVH is still functioning under the contract that expired in May, 2016, and has received notice from NLRB that the period now opens for the nurses to vote on representation, likely in December.

Ms. Thomas reported that PVH is doing budget preparedness for calendar year 2018. Open enrollment for staff benefits is currently happening, with some new insurance plans being offered.

The air-handling unit at PVH will undergo repair, likely in the first week of December. During the repair the hospital will go on diversion for roughly a twelve hour period, since the operating rooms will not be useable then. Afterwards, there will be a thorough cleaning of the operating rooms.

CEO Faith asked for an update on pediatric call. Ms. Thomas responded that Dr. Krilich, Chief Medical Officer, is working with Santa Rosa pediatricians regarding coverage. Dr. de Pala will stop taking call at the end of March.

Ms. Thomas noted that she and Jane Read will be attending the county-wide debriefing on Thursday on the health care system's response to the North Bay wild fires, including hospital evacuations. Ms. Faith responded that CHIPA workgroups have discussed the need for Petaluma community leaders to debrief on its disaster response in order to put better processes in place, but the county-wide debrief should be done first.

ADJOURN TO CLOSED SESSION

President Hempel adjourned the meeting into closed session pursuant to:

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

ADJOURN TO OPEN SESSION

President Hempel adjourned the meeting to open session and reported no action was taken in closed session.

FINANCIAL SUSTAINABILITY

Quarterly Investment Presentation

Matthew Kelman from Exchange Bank's Wealth Management Department presented the District's 3rd Quarter 2017 Market and Investment Review ending September 30, 2017.

Mr. Kelman reviewed the investment and performance summary indicating the ending market value of investments totaled \$1,942,933. District's investments are limited due to the California Government Code §53601 requiring investments in commercial paper to prime quality of the highest ranking or the highest letter and numerical rating. A majority of the District's investment portfolio consists of corporate bonds and municipal and US Government obligations resulting in a low return on investment.

Ongoing communication with the Controller Andrew Koblick occur regarding maturity of invested bonds and future financial needs.

The Board thanked Mr. Kelman for his presentation.

August 2017 Financials
The Month and Year to Date August 31, 2017

September 2017 Financials
The Month and Year to Date, September 30, 2017

Controller Andrew Koblick presented the August 2017 financials.

As of August 31, 2017 the unaudited Statement of Net Position reflects assets of \$7,687,371 and liabilities of \$613,530 leaving the net fund balance at \$7,073,841.

The month and year to date ended August 31, 2017 the unaudited Statement of Revenue and Expense shows the net loss of \$117,703 and \$208,865 respectively which is \$9,474 and \$13,820 better than the budgeted loss of \$127,177 and \$222,685.

As of September 30, 2017 the unaudited Statement of Net Position reflects assets of \$7,632,397 and liabilities of \$669,508 leaving the net fund balance at \$6,962,890.

The month and year to date ended September 30, 2017 the unaudited Statement of Revenue and Expense shows the net loss of \$110,953 and \$319,818 respectively which is \$12,701 and \$26,520 better than the budgeted loss of \$123,654 and \$346,338.

A motion was made by Director Stern to approve the August 2017 and the September 2017 Financials, seconded by Director Adams. The motion was passed by a vote of 5 ayes, (Directors Hempel, Monday, Adams, Thornton and Stern) and 0 noes.

INFORMATIONAL ITEMS

CEO Ramona Faith referred the board members to the upcoming events listed in the board packet including the Petaluma Turkey Trot on November 23, and the Petaluma Hospice tree lighting on December 1. President Hempel reported that Petaluma People Services Center's Neon Rose Golf Tournament will be held in early March. The board discussed the listed dates of upcoming board meetings which may need to be adjusted.

ADJOURN

President Hempel adjourned the meeting at 9:20 AM.
Submitted by Fran Adams, Board Secretary
Recorded by Erin Howseman, Board Clerk