

Petaluma
**HEALTH CARE
DISTRICT**

**MINUTES OF THE APRIL 18, 2017 REGULAR MEETING OF THE
PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS**

CALL TO ORDER

President Hempel called the meeting to order at 12:00 PM in the Suite 103 conference room at 1425 N. McDowell Blvd.

PRESENT

Elece Hempel
Fran Adams, RN, BSN
Josephine S. Thornton, M.A.
Joseph Stern
Becky Monday

ALSO PRESENT

Ramona Faith, CEO, PHCD
Erin Howseman, Board Clerk, PHCD
Andrew Koblick, Controller, PHCD

CALL FOR CONFLICT

President Hempel called for conflict. There was none.

MISSION AND VISION

President Hempel 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 Adams to approve the April 18, 2017 agenda and the minutes from March 28, 2017, which was seconded by Director Monday. This motion was passed by a vote of 5 ayes (Directors: Hempel, Monday, Thornton, Adams, Stern) and 0 noes.

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.**
- **Government Code §54957.6 closed session regarding employee matters.**

ADJOURN TO OPEN SESSION

The meeting was adjourned to open session in the lobby conference room at 1425 N. McDowell Blvd.

PUBLIC COMMENTS

Jeff Adams expressed concerns about the finances of PVH and commented on the rising costs of administrative services.

BOARD COMMENTS

Director Adams commented that she would prefer board meetings every 2 weeks. Director Thornton commented that she would like to remain flexible depending on whether the board has issues to discuss or decide. Director Monday commented that she is impressed with how well the District follows its mission and vision, and that the due diligence process of the board has been exemplary.

ADMINISTRATIVE REPORT

CEO REPORT

CEO Ramona Faith reported that Sonoma County was ranked 5th healthiest county in California. Sonoma County Department of Health Services Health Action created a health care model 8-10 years ago, and the District has aligned with some of their strategies. Sonoma County's high ranking is a result of many efforts and partnerships. Director Adams commented that at the Joint Commission review of PVH, evaluators noted the dedication and community spirit of hospital employees and doctors.

Ms. Faith reported that the date for Board Governance Training is set for June 22. Babs Kavanaugh will help facilitate the training and will be reaching out to board members for input to create the agenda and determine topics of discussion.

Ms. Faith reported that the Petaluma Sober Circle program has had remarkable outcomes in its first year, including a decrease in calls to the Petaluma Police Department of 85%, and a decrease in the number of visits of individuals in the program to the ER. The Sober Circle leadership is working on determining the financial and health impact of the program. The pilot program will continue for one more year, and additional funding will be required. Ms. Faith noted new funding from St. Joseph Health to support an additional outreach worker.

Ms. Faith reported that Sonoma County Human Services Department will open an office in Petaluma at the end of April which will make services more accessible for Petaluma and southern Sonoma County.

Ms. Faith asked for board input on creating a resolution to support the protection of the human, constitutional, and other rights of community members including the immigrant community of southern Sonoma County. Ms. Faith explained that several school and city boards have adopted this type of resolution. Director Monday stated she would be in favor. Director Thornton said she would be in favor in

principal, and would like to see a draft. President Hempel questioned whether other health care districts are adopting resolutions which could be used as a model. The board agreed that Ms. Faith should draft the resolution to bring back to the board.

FORGING A NEW PATH FOR PETALUMA VALLEY HOSPITAL – OPERATOR TRANSITION

CEO Faith updated the board on the transition of PVH operations from SJH to Paladin Healthcare. An update that was sent to PVH employees and community members was included in the packet. Ms. Faith reported that conversations are continuing between St. Joseph Health and Paladin and the District. Paladin and St. Joseph's have been meeting regarding IT services, and there will be an important meeting on April 26 with all parties and legal counsel regarding the Operations Transfer Agreement. Ms. Faith stated that all parties are working together to keep the momentum going. St. Joseph's has indicated they will remain operating the hospital beyond September 1, 2017, and will pay the District \$43,473 per month. Ms. Faith will be requesting at the April 26 meeting that all parties establish a reasonable time frame for the transition.

Ms. Faith reported that the District had been conducting informational forums at the hospital for employees and physicians, which hospital administration and managers were attending, but Todd Salnas, CEO SJH Sonoma County, has put a hold on these forums for now, saying SJH would like to be closer to a definitive agreement. Ms. Faith reported that future District sponsored forums would be held at the District office. The forums will be held April 19 at 8:00 AM, 1:30 PM and 4:00 PM. Board members were encouraged to attend.

Ms. Faith reported that there have been rumors that Paladin Healthcare is withdrawing their proposal, but stated the rumor is not true. Paladin has every intention of operating PVH and is working with SJH and the District to reach agreements. Two Paladin representatives (Ed King, Senior Managing Director Paladin Healthcare Capital, and Ravi Sharma (IT executive), will be coming to Petaluma on Friday to attend the Petaluma Chamber Government Affairs meeting to give an overview of Paladin, their interest in Petaluma, and answer questions.

Ms. Faith reported that PHCD staff is in the process of updating the District's website on an ongoing basis to ensure the most recent information has been included regarding the transition of hospital operations. Residents should be referred to the District website to obtain updates.

Ms. Faith reported on an email from Cathy Thomas, member of the Hospice Advisory Board. Ms. Thomas sent the email which contained a number of inaccuracies to many members of the community. Ms. Faith stated she will prepare an answer to Ms. Thomas to correct the inaccuracies, and will be meeting with her and the president of the Hospice Advisory Board that Friday.

Public Comments

Jeff Adams commented that St. Joseph's is slowing down the process, and as they are the party which is ending the lease, they should have a more effective transition plan.

FINANCIAL SUSTAINABILITY

Quarterly Investment Presentation

Matthew Kelman from Exchange Bank's Wealth Management Department presented the District's 1st Quarter 2017 Market and Investment Review ending March 31, 2017.

Mr. Kelman reviewed the investment and performance summary indicating the ending market value of investments totaled \$2,337,858. 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.

February 2017 Financials

The Month and Year to Date February 28, 2017

Andrew Koblick, Controller, reviewed the February financials.

As of February 28, 2017 the Statement of Net Position reflected assets of \$8,337,662 and liabilities of \$634,997 leaving the net fund balance at \$7,702,666.

The month and year to date ended February 28, 2017 showed the net loss of \$82,769 and \$803,213 which is \$14,469 and \$163,407, respectively better than the budgeted loss of \$97,238 and \$966,620.

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

FY 2016-2017 Annual Budget

President Hempel stated for clarification that the budget previously brought to the board was created for the first 6 months of the fiscal year, because of uncertainties around the hospital negotiations. The budget presently under consideration includes the whole year, including the 6 months already approved. Ms. Faith noted the budget now includes the hospice rent, and hospital lease payment which started in January 2017. Mr. Koblick reported that overall revenues are slightly down from last year, and expenses overall are slightly down from last year. Mr. Koblick stated that the cash flow is better than the previous year due to a note due the District being paid off early.

A motion was made by Director Stern to approve the 2016-2017 Annual Budget, seconded by Director Thornton. The motion was passed by a vote of 5 ayes, (Directors Adams, Hempel, Monday, Thornton and Stern) and 0 noes.

COMMUNITY HEALTH STRATEGIC GOALS AND ACCOMPLISHMENTS PRESENTATION

Erin Hawkins, Community Outreach Project Manager, introduced the District's intern, Christina Siasoco, a nursing student from Dominican University. The District supports nursing intern programs from Dominican and SRJC. These students learn about the social determinants that impact individual and community health and the role of healthcare districts.

Ms. Faith began the presentation by stating that it is time to review and update the District's strategic plan, noting the new hospital operator will need to be in place before the next strategic plan can be finalized. At

a previous board meeting, however, the board determined it can begin discussion about the community health strategic priority.

Ms. Faith stated that PHCD's goal is to be a leader and resource for community health, wellness and prevention. The District's objectives are to strengthen and expand PHCD's capacity as a community resource, and to expand access to wellness services in Petaluma. PHCD seeks to develop its leadership role by promoting collaborations with other organizations, county agencies and social services to address the critical issues identified in Southern Sonoma County.

Erin Hawkins continued the community health discussion, listing achievements of the District such as CHIPA, HeartSafe Community, and District collaboration with Health Action Council and Hearts of Sonoma County, and leadership in ACHD. The District has also provided backbone support to Petaluma Sober Circle and Drug Free Communities. The entire presentation is included at the end of these minutes.

PETALUMA VALLEY HOSPITAL

PVH Update

Jane Read was unable to attend the meeting to give the PVH Update due to the Joint Commission review that was taking place at the hospital that day.

RESOURCES TO SUPPORT PHCD'S EDUCATION AND COMMUNITY AWARENESS EFFORTS

Ms. Faith requested board approval to create a scope of work for a consultant with public affairs experience to support PHCD's education and community awareness campaign for the ballot measure. Ms. Faith stated she has identified a consulting firm which was referred by ACHD, and she will bring a proposal to the board. The board agreed that Ms. Faith should move forward with creating the scope of work for the consulting firm.

INFORMATIONAL ITEMS

Ms. Faith directed the board members' attention to the upcoming events listed in the agenda, including the Petaluma Chamber of Commerce Community Awards of Excellence; the proclamations for May Health Care District Month by the Petaluma City Council and the Sonoma County Board of Supervisors; and Butter and Egg Days Parade. The Benedetti Leadership Celebration will be held on May 6, and Directors Stern and Hempel will attend along with Ms. Faith. The PHCD Community Partners Appreciation Breakfast will be held on May 25, and Ms. Faith is requesting board members attendance.

Lastly, Ms. Faith noted that Director Thornton was recently honored with an award by Rotary as Champion Rotarian of the Year.

ADJOURN

President Hempel adjourned the meeting at 2:45 PM.
Submitted by Fran Adams, Board Secretary
Recorded by Erin Howseman, Board Clerk

PHCD Community Health 2012-2017 Strategic Goals and Accomplishments

PHCD Board of Directors Meeting
April 18, 2017

Board/Board Meetings/Board

PHCD Strategic Plan, 2012-2017

- Petaluma Valley Hospital
- Community Health
- Collaboration and Partnership
- Financial Sustainability
- Infrastructure Development

Board/Board Meetings/Board

Two questions:

- What have we achieved?
- What are the implications for our next Strategic Plan?

Board/Board Meetings/Board

Community Health

"...seeks to impact health through improving the local health care system and **focusing resources on prevention**...increase community involvement in positive changes toward healthy lifestyles choices through **information and resource sharing**...work with other **community partners to create a model for health and wellness**, a community resource that involves people in a range of **activities around health and wellness, offering classes and support groups, and building on community projects** such as Health Action's iGROW and iWALK."

Board/Board Meetings/Board

Community Health

Goal: Position PHCD as a leader and resource for community health, wellness and prevention.

Objective: Strengthen and expand PHCD capacity as a community resource for health, wellness and prevention.

Objective: Expand access to wellness services in Petaluma

Board/Board Meetings/Board

Collaboration and Partnership

"...develop its leadership role by **convening, fostering and promoting collaborations** with other organizations, county agencies and social services **to address the critical issues** identified in Southern Sonoma County. Health Care Reform creates new possibilities and promotes collaboration among providers and services. PHCD wants be integral to the **successful transition into Health Care Reform** for the Southern Sonoma County community."

Board/Board Meetings/Board

Collaboration and Partnership

Goal: Strengthen and improve health care services and programs available in the area served by PHCD and surrounding region

Objective: Establish the Petaluma Health Care District as a major presence in regional health care efforts.

Objective: Optimize the relationship with the Petaluma Community Foundation.

Objective: Establish Petaluma as a Heart Safe Community.

Objective: Facilitate access and availability to healthcare services and programs for District residents

Board/Board Meetings/Board

Achievements

- **Secured resources for health and wellness services**
 - Enhanced PHCD funding process
 - Connected resources
 - Advocated for services
 - Education in the community

Opportunities

- Classes and programs
- Refinement of funding process
- Local capacity building
- 501(c)3

Board/Board Meetings/Board

Achievements

- **Collaboration and partnership**
 - CHIPA
 - HeartSafe Community
 - Health Action Council
 - Hearts of Sonoma County, CACHI, Catalyst Team
 - ACHD Board
- **Technical assistance/ backbone support**
 - Petaluma Sober Circle
 - Drug Free Communities

Opportunities

- Internal capacity
- Engagement with local government

Board/Board Meetings/Board

Achievements

- **Recognition as a model for health and wellness**
 - CA Department of Health Care Services
 - Healthcare District of the Year
 - Jefferson Award
 - Philanthropy Awards
 - Healthiest Companies Award
 - Investment in marketing and PR

Opportunities

- Board participation
- 501(c)3

Board/Board Meetings/Board

PHCD Priorities

Connect - Advocate - Transform



Health Care
Access



Mental Health &
Substance Abuse



Cradle to Career



Heart Health

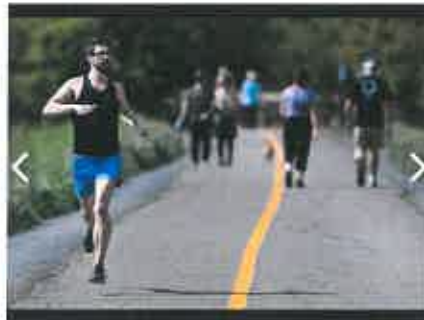


Housing

Board/Board Meetings/Board

We're #5!

Sonoma County ranks among top 5 healthiest in California



San Francisco Chronicle
Monday, January 20, 2014



Board/Board Meetings/Board