

GRANT COUNTY PUBLIC HOSPITAL DISTRICT NO. 2
dba QUINCY VALLEY MEDICAL CENTER
BOARD OF COMMISSIONERS SPECIAL MEETING
March 18, 2014, 1:30 p.m.
Annex Conference Room

Present: Anthony Gonzalez, Robert Poindexter, Randy Zolman, Don Condit
Guests: Laure Grammer and Darryl Pheasant
Also in attendance: Mehdi Merred, Dean Taplett, Sarina Pirkey, Mike Pirkey, Colleen Canfield,
Michele Wurl, Alene Walker, Pat Boss, Sandy Longley, Violet Pearl and Glenda
Bishop

- A. CALL TO ORDER** – Anthony Gonzalez, Chairman of the Commissioners, called the meeting to order at 1:38 p.m.
- B.** Mehdi thanked Laure and Darryl for their availability to answer our questions related to the Levy Lid Lift process. Mehdi stated that it is our commitment to increase our cash flow and lower our debt with the County, finding any possible solution to our financial challenges. While the Board hasn't come out officially regarding a Levy Lid Lift (and that is not the purpose of this meeting), it is our hope to come to a greater understanding of the mechanism of a lid lift and all the intricacies of this particular action.

Mehdi opened the discussion noting that we hope to consider a ballot measure for the fall 2014 election and asked if this can be done any other way. Laure responded that it can only be done at a General Election (November); there is no other avenue to accomplish this. Pat Boss asked if there is any evidence to support better outcomes when running a ballot measure on odd or even years. Laure responded that there doesn't really appear to be any evidence one way or the other. It is more important to hold public meetings and educate the voters. A Levy Lid Lift affects every person in the Hospital District, increasing the taxes that they pay. She also stated that she believes "as long as people know what the money is for, they will back it."

Darryl Pheasant stated that the whole purpose is to get the 75 cents to which the Hospital District is already entitled, but for the fact that the lid is reached by the pro-ration. The Hospital is simply being cut "out" of monies by the pro-ration.

Laure further explained that in reality what people don't understand is that essential government services – city, fire, county services – all receive tax monies and when you add the levy rate together it cannot ever exceed \$5.90. When it does, the upside down triangle happens, and we end up in a "pecking order", which puts the Hospital at the bottom of the order.

Don Condit asked about the length of the "lift" – if we ask for 12 months, three years, six years – whichever, then it is done? And then do we have to go back and ask for it again?

Laure stated that her advice is to go after enough so that you don't have to go back again in ten years – be sure to get what you need. Darryl added that if our intent is to address the warrant line, get enough to solve the debt burden.

Michele asked about the difference between multi-year vs. permanent. Laure explained that "permanent" would mean you are asking for a "permanent" lift of the lid – the pro-rationing would happen no matter what. The first year you go up to the 75 cents, the second year you are limited to a 1% increase of lawful increase plus new construction. You have to think about the increase or decrease in value for your taxing district.

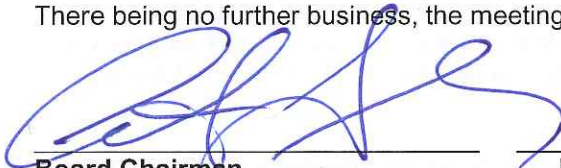
Laure also explained that the hospital district, city and fire district all have boundaries. Each boundary overlaps. As they overlap, the people that live in those boundaries pay in their "tax code areas". The smallest rate has to apply.

There might be other options besides a Levy Lid Lift – like de-annexing portions of the District. This option was discussed, as well as the possibility of running a Maintenance and Operations Levy, which could be run for a specified amount, or a specified rate.


Darryl also added that the County is very anxious for some solutions regarding the Hospital's warrant line, and they are very interested in encouraging the City of Quincy to be part of the solution.

- C. Nursing Department Wage Adjustment: Following an overview presented by Mehdi and discussion, ***a motion was made by Robert Poindexter with a second from Don Condit to authorize the increase of nursing wages for those in the "entry to Step 5" categories, effective March 16, 2014, with Steps 6 and following to be adjusted retroactively after review of the Milliman 2014 NW Compensation Survey. Motion carried.***

There being no further business, the meeting was adjourned at 3:20 p.m.



Board Chairman



Board Secretary