

## MEMORANDUM

Agenda Item No. 11(A)(42)

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**TO:** Honorable Chairman Joe A. Martinez  
and Members, Board of County Commissioners

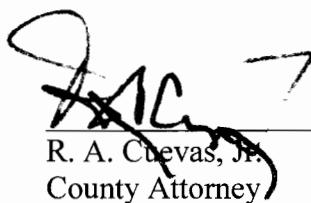
**DATE:** May 3, 2011

**FROM:** R. A. Cuevas, Jr.  
County Attorney

**SUBJECT:** Resolution implementing an assistive measure, pursuant to Section 25A-9(C)(5) of the Code, in the form of establishing a Financial Recovery Board to help resolve the financial sustainability conditions threatening the Public Health Trust, setting term of the Recovery Board and defining those recovery board actions subject to Commission veto authority

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The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Chairman Joe A. Martinez and Co-Prime Commissioner Jose "Pepe" Diaz.

  
\_\_\_\_\_  
R. A. Cuevas, Jr.  
County Attorney

RAC/jls



# MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez and Members, Board of County Commissioners . . . DATE: May 3, 2011

FROM: R. A. Cuevas, Jr.  County Attorney SUBJECT: Agenda Item No. 11(A)(42)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's \_\_\_\_, 3/5's \_\_\_\_, unanimous \_\_\_\_ ) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 11(A)(42)  
5-3-2011

RESOLUTION NO. \_\_\_\_\_

RESOLUTION IMPLEMENTING AN ASSISTIVE MEASURE, PURSUANT TO SECTION 25A-9(C)(5) OF THE MIAMI-DADE COUNTY CODE, IN THE FORM OF ESTABLISHING A FINANCIAL RECOVERY BOARD TO HELP RESOLVE THE FINANCIAL SUSTAINABILITY CONDITIONS THREATENING THE PUBLIC HEALTH TRUST OF MIAMI-DADE COUNTY, SETTING TERM OF THE RECOVERY BOARD, AND DEFINING THOSE RECOVERY BOARD ACTIONS SUBJECT TO COMMISSION VETO AUTHORITY

**WHEREAS**, pursuant to Chapter 25A of the Code of Miami-Dade County, Florida (“Chapter 25A”), the Public Health Trust of Miami-Dade County (the “PHT”) was created as an agency and instrumentality of Miami-Dade County responsible for the governance, operation and maintenance of Jackson Memorial Hospital and other Designated Facilities (as such term is defined in Chapter 25A); and

**WHEREAS**, the PHT provides health care services to all segments of the Miami-Dade County community; and

**WHEREAS**, the PHT is currently facing one of the most serious financial crises in its history and has projected a deficit of approximately \$90 million this fiscal year, following a deficit exceeding \$200 million in the immediate prior fiscal year; and

**WHEREAS**, the PHT has advised the County of an immediate cash flow shortfall which could drastically impede the delivery of health care services and likely precipitate a reduction in health care service lines and severe cuts in health care personnel; and

**WHEREAS**, on March 15, 2011, in the form of a memorandum from Dr. Eneida O. Roldan, President and CEO of the PHT, to Mr. George Burgess, Miami-Dade County Manager, with copy to the Commission, the PHT formally requested an advance of County sales tax funds

in order to meet payroll and Intergovernmental transfer obligations under the Low Income Pool program; and

**WHEREAS**, the PHT has communicated that it lacks Trust funds to meet the afore-stated obligations and that the advance of County funds is necessary to address such operational needs and expenses and to support its vital mission of servicing the medical needs of the residents of Miami-Dade County, including the indigent and uninsured; and

**WHEREAS**, on March 28, 2011, the PHT Board of Trustees adopted Resolution Number PHT 03/11-049 directing the PHT administration to prepare and submit to the County Manager a formal request for an advance of County sales tax funds in the form of the earlier issued March 15<sup>th</sup> memorandum; and

**WHEREAS**, the Trust's request for advanced County funds was placed on the Commission's agenda for discussion on April 4, 2011, but the Commission then voted to defer the item to May 3, 2011, to allow sufficient discussion time; and

**WHEREAS**, on April 12, 2011, Dr. Roldan and Marcos Lapciuc, Esq., Chairman Elect of the PHT, also advised the Commission's Public Safety and Healthcare Administration Committee, that the PHT needs the requested advanced County funds, anticipates receipt of said funds in advance, and presumes receipt of said advanced funds in the current PHT financial estimates for fiscal year 2011; and

**WHEREAS**, the Commission finds that an advance of County funds to the PHT as requested is likely to occur within one hundred twenty (120) days of the PHT's request for said funds; and

**WHEREAS**, the current financial condition of the PHT evidences a high risk of public management failure and the need for intervention to ensure that the PHT meets the County's health care delivery goals and requirements; and

**WHEREAS**, the Commission has determined that the PHT needs assistance to resolve the financial challenges facing it and threatening its current operations; and

**WHEREAS**, Section 25A-9 of the Miami-Dade County Code ("County Code") allows the Commission to implement assistive measures to preserve a fully functioning and sustainable PHT; and

**WHEREAS**, the Commission has already provided the PHT with technical assistance and has already placed the PHT on management watch, which has not been terminated; and

**WHEREAS**, pursuant to Section 25A-4(j) of the Miami-Dade County Code, the PHT shall comply with directives of the Commission as set forth in resolutions;

**WHEREAS**, the Commission now finds that the establishment of a Financial Recovery Board will provide needed assistance to the PHT in order to resolve the PHT's continuing financial challenges and thereby promoting, protecting, maintaining and improving the health and safety of all Miami-Dade County residents and visitors served by the PHT.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that this Board:

Section 1. Implements an assistive measure to address the Public Health Trust's financial sustainability concerns, specifically by establishing a Financial Recovery Board ("Recovery Board") in accordance with Section 25A-9 of the County Code, effective immediately upon appointment of four (4) members to the Recovery Board by the Commission.

Section 2. Directs the Clerk of the Commission to receive nominations for Recovery Board membership from all Commissioners immediately upon adoption and passage of this Resolution.

Section 3. Directs the Clerk of the Commission to notify, no later than the date this Resolution becomes effective, the Mayor, Chair of the Miami-Dade Legislative Delegation, and President of the South Florida AFL/CIO of (i) the formation of the Recovery Board and (ii) that the Clerk's Office requests their designations for Recovery Board membership ("Designees") within two (2) days following the effective date of this Resolution.

Section 4. Directs the Clerk of the Commission to distribute a complete list of nominees for Recovery Board membership ("Nominee List") to all Commissioners upon adoption and passage of this Resolution. Immediately upon receipt of the Nominee List, or at such other time as designated by the Commission, the Commission shall vote on Recovery Board appointments in accordance with Section 25A-9(c)(5) of the County Code.

Section 5. Directs the Clerk of the Commission to distribute a complete list of Designees for Recovery Board membership to all Commissioners so that they may ratify Recovery Board designations in accordance with Section 25A-9(c)(5) of the County Code.

Section 6. Establishes that the Recovery Board shall remain in effect for twenty-four (24) consecutive months from date of establishment, unless earlier dismantled by subsequent Commission resolution, and to assume and exercise governing body authority for the Public Health Trust in accordance with Section 25A-9(c)(5).

Section 7. Directs the PHT to cooperate and comply with the Recovery Board in accordance with Section 25A-9(c)(5).

Section 8. The following powers and duties exercised by the Recovery Board as enumerated herein and as provided for in Section 25A-9(c)(5) of the County Code shall be subject to veto by the Commission: (i) acquiring, selling, conveying, mortgaging, encumbering title to, destroying, replacing or abandoning real estate; (ii) any action contrary to County Ordinance; and (iii) naming County buildings.

Section 9. Requires the Mayor or Mayor's designee to continue to report periodically to the Commission on the PHT's progress resolving the current financial crisis.

The Prime Sponsor of the foregoing resolution is Chairman Joe A. Martinez and Co-Sponsor Commissioner Jose "Pepe" Diaz. It was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman	
Audrey M. Edmonson, Vice Chairwoman	
Bruno A. Barreiro	Lynda Bell
Jose "Pepe" Diaz	Sally A. Heyman
Barbara J. Jordan	Jean Monestime
Dennis C. Moss	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 3<sup>rd</sup> day of May, 2011. This resolution shall become effective upon passage and adoption by the Commission, provided, however, if as of the date of adoption there is no vacancy in the Office of the Mayor, then this resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA  
BY ITS BOARD OF  
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: \_\_\_\_\_  
Deputy Clerk

Approved by County Attorney as  
to form and legal sufficiency.



Valda Clark Christian