



MEMORANDUM

Amended
Agenda Item No. 11(A)(42)

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 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

Resolution No. R-392-11

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



R. A. Cuevas, Jr.
County Attorney

RAC/cp



MEMORANDUM

(Revised)

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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 _____

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

RESOLUTION NO. R-392-11

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 aforementioned 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 15th 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; and

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.

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Section 2. Establishes that in selecting the membership of the Recovery Board emphasis should be on ethics and the absence of perceived conflicts. Members of the Recovery Board shall have no conflicts of interest, personally or as stakeholders, in the outcome of the Recovery Board's decisions and that the Recovery Board as a governing body shall have the future of Jackson Health System as their sole interest.

Section 3. Establishes that members of the Recovery Board shall represent the diversity of Miami-Dade County.

Section 4. 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 5. 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 6. 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 7. 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 8. 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 9. Directs the PHT to cooperate and comply with the Recovery Board in accordance with Section 25A-9(c)(5).

Section 10. 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 11. 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 the Co-Sponsors are Commissioner Jose "Pepe" Diaz, and Commissioner Rebeca Sosa. It was offered by Commissioner **Bruno A. Barreiro**, who moved its adoption. The motion was seconded by Commissioner **Rebeca Sosa** and upon being put to a vote, the vote was as follows:

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

The Chairperson thereupon declared the resolution duly passed and adopted this 3rd 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: **DIANE COLLINS**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

ESL
VCC

Valda Clark Christian