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# SPECIAL ACT

## OF THE

### INDIAN RIVER COUNTY

### HOSPITAL DISTRICT

**Section 1. District Creation; Boundaries.** That the special tax district now existing and known and designated as "Indian River County Hospital District," as created and incorporated by Chapter 59-1385 of the Laws of Florida, Acts of the 1959 Legislature, and as abolished, recreated and reincorporated by Chapter 61-2275 of the Laws of Florida, Acts of the 1961 Legislature, shall embrace and include all that land and area situated and being in Indian River County, Florida, within the following territorial boundaries, to-wit:

Begin at the point where the South boundary line of Indian River County, Florida, intersects the Atlantic Ocean; thence run West along said South boundary line to the Southwest corner of Section 31, Township 33 South, Range 36 East; thence run North along the range line dividing Range 35 East and Range 36 East to the Northeast corner of Township 33 South, Range 35 East; thence run West along the North line of said Township 33 South to the Southwest corner of Section 31, Township 32 South, Range 35 East; thence run North on the line dividing Indian River County and Osceola County to the South line of Township 31 South, Range 35 East; thence run East along said South line of Township 31 South to the Southeast corner of Section 31, Township 31 South, Range 35 East; thence run North along the East line of Sections 31, 30, 19, 18, 7 and 6, all said sections being in Township 31 South, Range 35 East, to the North boundary line of Indian River County; thence run East along said North boundary line of Indian River County to the point where said line intersects the medial line of the South Fork of the St. Sebastian River; thence Northerly down the thread of said stream to the main stream of the St. Sebastian River; thence down the thread of the St. Sebastian River to its confluence with the Indian River; thence East to the intersection with the Southwesterly extension of the center line of the approach channel to the Sebastian inlet from the Indian River; thence Northeasterly along said center line and continue Northeasterly and Easterly along the center line of the Sebastian inlet to the Atlantic Ocean; thence run Southerly along and following the Easterly boundary line of Indian River County, Florida, to the point of beginning.

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**Section 1.1. Definitions.** The following words and terms, unless the context clearly indicates a different meaning, shall have the following meanings:

(1) "District" means the Indian River County Hospital District, a special tax district located in Indian River County, Florida, created and incorporated by Chapter 61-2275, Laws of Florida, as amended.

(2) "Health Facility" or "health facilities" means a building, structure or unit or any improvement to real property, including all necessary or usual attendant and related equipment, facilities or fixtures, or any part or parts thereof, or any combination or combinations thereof, including, but not limited to, a general hospital, psychiatric hospital, ambulatory clinic or center, chronic disease hospital, rehabilitation hospital, urgent care center, extended care and intermediate care facility, nursing home, life-care facility dispensary, laboratory, laundry, administration building, research facility, maintenance facility, storage facility, medical office buildings, conference centers, physical fitness centers or any other related facility, including parking and other facilities necessary or desirable for the orderly operation of a health facility, also including equipment and machinery and other similar items necessary or convenient for the operation of a health facility in the manner for which its use is intended, or items of equipment which are necessary or desirable for the operation of a health facility, or any combination thereof, but shall not include such items as fuel, supplies or other items which are customarily deemed to result in a current operating charge.

(3) "Health and medical services" shall mean items or services provided by or under the supervision of a physician or other person trained or licensed to render health care necessary for the prevention, care, diagnosis or treatment of human disease, pain, injury, deformity or other physical or mental condition, including, but not limited to, pre-admission, outpatient, in-patient and post-discharge care, home care, physician's care, nursing care, extended care, intermediate care, urgent care, emergency care and medical care provided by interns or residents-in-training and other paramedical care, ambulance service, bed and board, drugs, biologicals, supplies, appliances, equipment, laboratory services, x-ray, radium and radio-active-isotope therapy and billing and collection services.

(4) "Cost" means the sum total of all or any part of costs incurred or estimated to be incurred by the district or by a health facility which are reasonable and necessary for carrying out all works and undertakings and providing all necessary or desirable equipment for the development of a health facility, exclusive of the amount of any private or federal, state or local financial assistance for and received by a health facility for the payment of such cost. Such costs shall include, but are not necessarily limited to, interest prior to, during and for a cost of operation and maintenance during the construction period and for a reasonable additional period thereafter, the cost of necessary studies, surveys, plans and specifications, architectural, engineering, legal or other special services, the cost of acquisition of land, buildings and improvements thereon (including payments for the relocation of persons displaced by such acquisition), site preparation and development, construction, reconstruction, equipment, including fixtures, equipment and cost of demolition and removal, and articles of personal property required, the reasonable cost of financing incurred in the course of the development of the health facility, reserves for debt service, the fees imposed by the district, other

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fees charged, and necessary expenses incurred in connection with the initial occupancy of the health facility, and the cost of such other items as may be reasonable and necessary for the development of a health facility.

(5) "General obligation bonds" means bonds of the district issued hereunder, which are secured by the levy of ad valorem taxes and which may be issued only after the same have been approved by the majority of votes cast in an election of the qualified voters residing in the district.

(6) "Revenue bonds" means bonds of the district issued hereunder, payable solely out of the revenues derived by the district from the sale, operation or leasing of any health facility or facilities.

(7) "Bonds" means all bonds, notes or other obligations of the district issued hereunder.

(8) "State" means the State of Florida.

**Section 2. Authority.** The board of trustees is authorized and empowered to establish, construct, purchase, operate, maintain and lease, as lessee or lessor, such health facilities in or through which the district provides health and medical services as in its opinion are necessary and desirable for the use of the people of the district. The health facilities in or through which the district provides health and medical services which may be purchased, established, constructed, operated, maintained and leased by or through or from the board of trustees shall be for the preservation of the public health, and for the public good and for the use of the public of the district. Maintenance of such health facilities in or through which health and medical services are provided within the district is found and declared to be a public purpose and necessary for the preservation of the public health and public use and for the welfare of the district and the inhabitants thereof. The location of such health facilities shall be determined by the board. The trustees may assume and agree to pay any outstanding indebtedness, obligations or contracts in connection with any health facilities in or through which health and medical services are provided. The board of trustees is further authorized and empowered to expend district funds, for any purposes related to or supportive of the authorized activities of the district. The powers granted to the board of trustees herein are in addition to those granted by the general law of the state.

Section 2.1. (1) The board of trustees is authorized and empowered to enter into contracts or agreements for the purpose of operating and managing any such health facilities in or through which the district provides health and medical services.

(2) The board of trustees is authorized and empowered to enter into financing agreements, to lease, as lessee or lessor, any such health facilities in which the district provides or proposes to provide health and medical services, or any land or property of the district. Any financing agreement to secure bonds of the district shall require that the other party to the financing agreement shall be a governmental unit or nonprofit corporation qualified under Section 501(c)(3) of the United States Internal Revenue Code of 1954, as amended, and exempt from federal income taxes under Section 501(a) or a successor provision thereto, and that such health facilities in or through which the

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district, prior to entering into the financing agreement, shall be returned to the district upon the termination of the financing agreement, or the dissolution of the nonprofit corporation.

(3) The board of trustees shall determine the terms of such financing agreements, contracts or agreements, and the conditions, covenants and agreements to be contained therein.

(4) The board of trustees is authorized and empowered to from time to time sell such rights in real or personal property or other portions of any health facilities as the district by resolution determines are no longer useful in connection with such health facilities and the health and medical services provided therein.

(5) The board of trustees is authorized and empowered to enter into in interlocal agreement pursuant to Florida Interlocal Cooperation Act of 1969, as amended from time to time, and may thereby exercise jointly with any other public entity in the state, any power, privilege, or authority which any such entity shares in common with the district and which each might exercise separately.

(6) Prior to any decision to sell all or substantially all of the facilities which make up Indian River Memorial Hospital, the district shall cause a referendum to be held at which the electors of Indian River County shall have the opportunity to express their approval or disapproval of the proposed sale. The referendum shall be held in accordance with: (a) the bond referendum procedure set forth in section 100.201, et seq., Florida Statutes; (b) the procedure for a mail ballot, referendum set forth in section 101.6101, et seq., Florida Statutes; or (c) any other comparable procedure set forth in then existing Florida law. The specific procedure to be utilized shall be determined by the district in the resolution calling for such referendum. The result of the referendum shall be binding upon the district. Nothing herein shall prevent the district from changing minor details of the proposed sale following the referendum, provided the district determines that such changes are in the best interest of the residents of Indian River County.

**Section 3. Governing Body; Elections.** The governing body of the Indian River County Hospital District shall consist of seven (7) trustees who shall be qualified electors and freeholders residing in said district. The board of trustees elected at the general election in 1964, shall remain in office until the expiration of their terms. At the general election to be held in 1966, three (3) trustees shall be elected for four-year terms. At subsequent general elections the trustees shall be elected for four-year terms so that four (4) trustees are elected at one (1) general election and three (3) trustees are elected at the next ensuing general election. The trustees so elected shall serve for a term of four (4) years and until their successors are elected and qualified.

The election of the trustees shall be conducted in accordance with the Florida Election Code and the Uniform Special District Accountability Act of 1989, as each is amended from time to time; provided, however, that a candidate may qualify by submitting a petition that contains the signatures of at least twenty five (25) of the district's registered electors.

Each trustee shall give bond to the Governor of the State of Florida for the faithful performance of his or her duties, in the sum of five thousand dollars (\$5,000.00) with a surety

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company qualified to do business in the state of Florida as surety, which bond shall be approved and kept by the clerk of the circuit court of Indian River County, Florida. The premiums on said bonds shall be paid as part of the expenses of said district.

**Section 4. Additional Authority.** The board of trustees of said Indian River County Hospital District shall have all the powers of a body corporate, including the power to contract and be contracted with, to adopt and use a common seal, and to alter the same at pleasure; to acquire, purchase, hold, lease, as lessee or lessor, sell and convey by financing agreement, lease, deed, or other instrument of conveyance real and personal property; and to perform such other acts as said board may deem proper or expedient to carry out the purposes of this Act, and the power to sue and be sued under the name of the Indian River County Hospital District, provided, however, that all suits against said board of trustees shall be begun only in Indian River County, regardless of the location of any property involved in the litigation and regardless of where the cause of action accrued. The board is authorized to provide for the management of health facilities of the district, and may employ administrators, a chief surgeon, pathologist, radiologist, and such other specialists, agents and employees as said board may deem advisable. The board shall have power to borrow money and to issue the notes, bonds and other evidences of said district therefor to carry out the provisions of this Act in the manner hereinafter provided. The trustees of said board shall have the authority and the power to make contracts extending beyond their term of office. The powers granted to the board of trustees herein are in addition to those granted by the general law of the state.

If, in the absolute opinion of the board, adequate emergency ambulance service is not supplied and maintained in the district by private or volunteer ambulance companies or associations, then the board shall have the authority and power to provide, maintain and operate emergency ambulance services within the area of the district and to prescribe rules and regulations for the operation and use of such ambulances and to charge such fee for the use of such facilities as it might determine. The board is further authorized and empowered to secure and keep in force in companies duly authorized to do business in Florida, insurance covering liability for damages on account of bodily injury, death or property damage, in such amounts as the board may determine, resulting from the operation of such ambulances or by reason of the ownership, maintenance, operation or use of such ambulances.

**Section 5. Organization of Board.** The trustees shall organize the board of said district, at their regular meeting held in January of each year, by the election of one of their members as Chairman, one as Vice-Chairman, one as Secretary, and one as Treasurer, and by the election of such other officers as they deem necessary.

**Section 6. Meetings; Sunshine Law.** The board of trustees shall hold regular meetings for the transaction of business according to a schedule arranged by the board of trustees and shall convene in special sessions when called by the Chair of the board or by a majority of the trustees of the board; provided, that actions taken at special meetings shall have the same force and effect as if taken at a regular meeting. All meetings of the board of trustees, including notices and minutes relating thereto, shall be governed by chapter 286 Florida Statutes, including those provisions

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commonly referred to as the Florida Government in the Sunshine Law, and the Uniform Special District Accountability Act of 1989, as each is amended from time to time.

**Section 7. Quorum; Public Records.** Four (4) of said trustees shall constitute a quorum, and an affirmative vote of at least three(3) of said trustees shall be necessary to the transaction of any business of the district. The trustees shall cause true and accurate minutes and records to be kept of all business transacted by them, and shall keep full, true and complete books of accounts and minutes. The district shall comply with chapter 119 Florida Statutes, commonly referred to as the Florida Public Records Act, as amended from time to time.

**Section 8. Travel Expenses.** The trustees under this Act, the employees of the district, and other authorized travelers shall be paid per diem and travel expenses provided in section 112.061, Florida Statutes, as amended from time to time, to be substantiated by paid bills therefor.

**Section 9. Expenses.** The board is authorized to pay from the funds of the district all expenses of the organization of said board and all expenses necessarily incurred with the formation of said district and all other reasonable and necessary expenses, including the fees and expenses of any attorney in the transaction of the business of the district and in carrying out and accomplishing the purposes of this Act.

This section, however, shall not be construed to limit or restrict any of the powers vested in said board of trustees by any other section or provision of this Act.

**Section 10. Vacancies.** Vacancies in the board of trustees occasioned by resignations, removals or otherwise, shall be reported to the Governor of the state, who shall fill such vacancies by appointment within forty-five (45) days of the occurrence thereof. Any vacancies not so filled within such time shall remain vacant until the next general election and at such general election the vacancies shall be filled by the election of a trustee to serve for the remainder of the term in which such vacancy occurred. Any appointments made by the Governor to fill vacancies shall hold office until the next general election and at such general election the vacancies shall be filled by the election of a trustee to serve for the remainder of the term in which the vacancy occurred.

**Section 11. Rules and Regulations.** The board of trustees of the Indian River County Hospital District is further authorized and empowered to establish reasonable rules and regulations to govern the operation of district owned or operated health facilities in or through which the district provides health and medical services and to govern and control the conduct of all employees, patients, private duty nurses, sitters, guests and visitors, or any other party or persons who are, in any manner, upon or using the premises and facilities of the district health facilities so that the health and welfare of the patients and the best interest of the district will at all times be served.

**Section 12. Medical Staff.** (1) In the management of such hospital no discrimination shall be made against any medical doctors, commonly known as M.D.'s, duly licensed to practice materia medica in the state, and graduate dentists licensed to practice in the state, and who shall qualify under the bylaws, rules and regulations established by the board and under the bylaws of the medical

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staff as approved by the board, and all such regular medical doctors and dentists shall have equal privileges in treating patients in said hospital. The patient shall have the right to employ at his or her own expense, his or her own medical doctor or dentist, so qualified as aforesaid, and when acting for any patient in such hospital, such medical doctor or dentist employed by such patient shall have exclusive charge of the care and treatment of such patient, and nurses therein as to such patient shall be subject to the direction of said medical doctor, subject always to such general rules and regulations as shall be established by the board of trustees under the provisions of this law.

(2) The board of trustees shall organize a staff of medical doctors and dentists of every practicing medical doctor and dentist who shall qualify under the rules and regulations established by the board. The board of trustees is hereby authorized and empowered to establish reasonable rules, regulations and bylaws to govern said staff, and the members thereof, and to prescribe and establish in said rules, regulations and bylaws reasonable duties and responsibilities for the staff, and member thereof, so that the welfare and health of the patients and the best interests of the hospital may at all times be best served. It shall be the duty of said staff to organize in a manner prescribed by the said board so that there shall be a rotation of service among the members of said staff to give proper medical and surgical attention to the indigent sick, injured or maimed who may be admitted to said hospital for treatment.

(3) The board of trustees is hereby authorized and empowered to grant or refuse, revoke or suspend, membership on the said staff, and to grant or refuse, revoke or suspend, any privileges attendant to such membership so that the welfare and health of the patients and the best interests of the district may at all times be best served; provided further:

(a) The board of trustees is hereby authorized and empowered to require members of the staff to abide by all reasonable rules, regulations and bylaws established by the board of trustees under the authorization of this Act, and to require the performance of those duties and responsibilities prescribed by said rules, regulations and bylaws, and to enforce such requirements by the revocation or suspension of staff membership and privileges, under the terms of this Act.

(b) The board of trustees shall adopt rules and bylaws providing the procedure for considering the refusal, revocation, or suspension of staff membership of any person, or suspension or modification of privileges attendant to such membership. The procedure adopted shall afford due process to the parties and shall provide for an orderly, fair, and impartial proceeding.

(c) In those instances when the board of trustees, under its rules or bylaws, considers the refusal, revocation, or suspension of staff membership of any person, or suspension or modification of privileges which are attendant to such membership, the vote of five (5) of the seven (7) trustees shall be required to revoke, suspend, or modify staff membership or privileges of any staff member for any reason whatsoever or to refuse to grant staff membership to any practitioner. The right of judicial review shall at all times be preserved.

**Section 13. Bank Accounts; Investments; Procurement of Personal Property or Services.** (1) The board of trustees shall designate a bank or banks, or other depository or

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depositories, to receive and be custodian of all the moneys received by the board for the operation and maintenance of health facilities within the district. The board of trustees, pursuant to chapter 218, Florida Statutes, as amended, is authorized and empowered, as the board of a special district of the state, to invest district surplus funds, as defined in that chapter, in such a manner as allowed under section 218.345, Florida Statutes, as it now exists and as it may be amended from time to time. The board of trustees shall also have the power to delegate its authority to invest these surplus funds, as outlined above, to a national or State of Florida banking organization acting pursuant to a written trust agreement as a trustee of district funds, provided that such delegation is made in writing by the board of trustees.

(2) The funds of the district shall be paid out only upon warrants signed as the trustees may in their bylaws, rules and regulations provide; provided that no warrant shall be drawn or issued against funds of the district except for a purpose authorized by this Act. All funds of the district paid out by warrants as described above shall be approved by the board of trustees. The board may by resolution provide for such special accounts as the board may deem desirable, and may designate the persons authorized to draw on such special accounts in advance of approval by a majority of the board.

(3) All purchases or procurement of personal property or services shall be made in accordance with chapter 287 Florida Statutes, as amended from time to time.

**Section 13.1. Construction or Repairs.** (1) All contracts concerning any construction, improvement or repair to any facility or property owned or leased by the district, shall be entered into in accordance with the procedure set forth in chapter 255 Florida Statutes, as amended from time to time.

**Section 14. Ad Valorem Taxes; Additional Authority.** (1) It shall be the duty of the board of trustees and the said board is hereby authorized and empowered to annually assess and levy against the taxable property within the district a special-tax not to exceed five (5) mills on the dollar to be collected and paid into the district fund and used by said board of trustees for:

(a) First, to pay the interest and to provide and maintain a sinking fund for the payment of the interest and principal of the ad valorem bonds provided for and authorized by section 17 of this Act, and any other ad valorem bonds, which may be assumed by said board;

(b) Second, to pay any outstanding indebtedness incurred as authorized in section 16 of this Act; and

(c) Third, to purchase, lease, as lessee or lessor, operate, maintain and repair health facilities established as authorized by this Act, and to pay other expenses reasonably related to, or supportive of, the authorized activities of the district.

(2) The board of trustees shall be authorized and empowered:



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(a) To declare accounts receivable, including charity accounts, uncollectible and to write such accounts off the active books of the financial records of the district as bad debts. The board of trustees is further authorized to destroy the account records of those accounts declared to be bad debts, but such records shall not be destroyed earlier than four (4) years after the annual private audit of the district reflecting such write-off;

(b) To compromise and settle any accounts receivable or other claim for money due and owing to the district according to such terms and conditions as the board of trustees, in its discretion, may determine;

(c) To sell, assign or convey to any person the right, title, and interest in any account receivable or judgment owned by the district by full or part payment of such account or judgment as the board of trustees in its discretion may determine; and

(d) At the discretion of the board, to provide for the payment of hospital and nursing home expenses for patients transferred from health facilities of the district to such other institutions at the district's request, provided that said patients shall be first certified to be medically indigent by the Indian River County Hospital District, based upon the definition and standards used by the State of Florida, Department of Health and Rehabilitative Services.

(3) All acts and procedures of the board of trustees relative to paragraphs (2)(a), (b), and (c) are hereby validated retroactively to June 23, 1971.

**Section 14.1. Non-Ad Valorem Revenues.** The district is authorized to fix, revise, charge and collect rates, rents, fees and charges for the use of its health facilities and for the health and medical services furnished or to be furnished in each health facility and to contract with any person, partnership, association or corporation, or other body, public or private, in respect thereof. Such rates, rents, fees and charges shall be fixed and adjusted in respect of the aggregate of rents, rates, fees and charges from such health facility so as to provide funds at least sufficient with other revenues or moneys, if any:

(1) To pay the cost of maintaining, repairing and operating the health facility and each and every portion thereof, to the extent that the payment of such cost has not otherwise been adequately provided for;

(2) To pay the principal of and interest on outstanding revenue bonds of the district issued in respect of such health facility as the same shall become due and payable; and

(3) To create and maintain reserves required or providing for in any resolution authorizing, or trust agreement securing, such revenue bonds of the district.

**Section 15. Levy of Ad Valorem Taxes.** Levy by said board of taxes authorized by any provision of this Act shall be by resolution of said board duly entered upon the minutes of the board. Certified copies of such resolution executed in the name of the board by its Chairman, under its

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corporate seal, shall be made and delivered to the Board of County Commissioners of Indian River County, Florida, the Property Appraiser of Indian River County, Florida, the Tax Collector of Indian River County, Florida, and the Department of Revenue of the State, within the time as may be specified by the laws of the State. It shall be the duty of the County Commissioners of Indian River County to order and require the Property Appraiser of said County to assess, and the County Tax Collector of said County to collect, the amount of taxes so assessed or levied by the board of trustees of said Indian River County Hospital District upon the taxable property in said district, at the rate of taxation adopted by said board of trustees of said district for said year and included in the warrant of the Property Appraiser and attached to the assessment roll of taxes for said County each year. The Tax Collector shall collect such tax so levied by said board in the same manner as other taxes are collected, and shall pay the same over to the board of trustees of Indian River County Hospital District within the time and in the manner prescribed by law for the payment by the Tax Collector of county taxes to the County depository. The assessment and levy of ad valorem taxes on the railroad lines and railroad property, and on the telegraph lines, telegraph property and telephone lines situated or located in said district, shall be in accordance with general law. If any such taxes so assessed are not paid, the said property shall be by said Tax Collector sold and certificates issued and tax deeds issued in the same manner and under the same laws relating to sales, issuance of certificates and deeds with reference to all other State and county taxes. All such taxes shall be held by said board of trustees and paid out of them as provided in this Act.

**Section 16. Tax Anticipation Financing.** The board of trustees of the Indian River County Hospital District is authorized to borrow in any one (1) tax year (calendar year) a sum not to exceed eighty percent (80%) of the estimated taxes to be collected on behalf of the district within such year and to evidence such loan made to the district by its tax anticipation note or notes bearing interest at a rate not to exceed the maximum rate permissible under Florida Law. Such notes shall be payable at a time not greater than one (1) year from the date of the borrowing of such moneys. The sums so borrowed shall be repaid together with interest at a rate not to exceed the maximum rate permissible under Florida Law. No sums shall be borrowed as herewith provided in any subsequent year unless all moneys so borrowed in any preceding year shall have been entirely paid as to both principal and interest.

**Section 16.1. Personal Property Acquisition Financing.** (1) The board of trustees of the Indian River County Hospital District is hereby authorized and empowered, in order to acquire and finance the acquisition of capital assets in the form of personal property, to borrow money from time to time for periods not exceeding ten (10) years at any one time, from a bank, banks, banking institutions or other lending institutions, from local, state or federal government agencies, or as part of a pooled financing from designated lenders, and to repay such financing on an amortized, monthly or yearly basis, and to issue a note or notes of the district or enter into financing agreements, or loan or lease arrangements on such terms and rates of interest, not to exceed the maximum rates permissible under Florida Law.

(2) For any loans procured pursuant to subsection (1), the board of trustees of said district is further authorized and empowered to secure a note or notes, lease or loan arrangements by executing such security instruments or lease instruments as may be permitted by law if required by

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said lending institution or institutions, pledging as security the equipment acquired through the financing under this section.

(3) Any amounts borrowed under subsection (1) shall be repaid solely and exclusively from nontax revenues and shall not be construed to be a part of or fall within the limitations of section 16, but shall be in addition thereto.

**Section 16.2. Revenue Bonds.** (1) The board of trustees of the district is authorized and empowered by resolution to issue and sell from time to time negotiable revenue bonds of the district for the purpose of raising funds to pay all or any part of the costs of any health facility or facilities and to provide such health and medical services as in its opinion are necessary or desirable in the district. In anticipation of the sale of such revenue bonds, the board of trustees of the district is authorized and empowered by resolution to issue negotiable bond anticipation notes and may renew the same from time to time, but the maximum maturity of any such note, including renewals thereof, shall not exceed seven (7) years from the date of issue of the original note. Such notes shall be paid from any revenues of the district available therefor and not otherwise pledged or from the proceeds of the sale of revenue bonds of the district in anticipation of which they were issued.

(2) The revenue bonds and notes of every issue shall be payable solely out of the revenues derived by the district from the sale, operation or leasing of any health facility or facilities, subject only to any agreements with the holders of particular revenue bonds or notes pledging any particular revenues. Notwithstanding that the revenue bonds and notes may be payable from a special fund, they shall have all the quality of negotiable instruments under the Florida Uniform Commercial Code-Investment Securities and shall not be invalidated for any irregularity or defect in the proceedings for the issue and sale thereof, and shall be incontestable in the hands of bona fide purchasers or holders for value.

(3) The revenue bonds may be issued as serial bonds or as term bonds, or the district, in its discretion, may issue bonds of both types. The revenue bonds shall be authorized by resolution of the board of trustees of the district and shall bear such date or dates; mature at such time or times, not exceeding forty (40) years from their respective dates; bear interest at such rate or rates; be payable at such time or times; be in such denominations; be executed in such manner; be payable in lawful money of the United States at such place or places; and be subject to such terms of redemption, including redemption prior to maturity, as the board of trustees shall determine in such resolution or resolutions. The revenue bonds issued by the district are exempt from all taxation to the extent provided by the general law. The revenue bonds may be issued in coupon or in registered form, as the board of trustees may determine or in accordance with the Registered Public Obligations Act of Florida, Chapter 83-271, Laws of Florida, and provisions may be made for the registration of coupon bonds as to principal alone, and as to both principal and interest, and for the reconversion into coupon bonds of any bonds as to both principal and interest. The district shall determine the form and manner of execution of the revenue bonds, including interest coupons, if any, to be attached thereto, and shall fix the denomination or denominations of the revenue bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the state. In case any board member, officer or employee of the district whose signature,

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or a facsimile of whose signature, shall appear on any bonds or coupons shall cease to be a board member, officer or employee of the district before the delivery of such bonds, such signature or facsimile shall nevertheless be valid and sufficient for all purposes as if he had remained in office until such delivery. The district may also provide for the authentication of the revenue bonds by a trustee, fiscal agent or registrar. The revenue bonds or notes may be sold at public or private sale for such price or prices as the district shall determine. Pending preparation of the definitive bonds, the district may issue interim or temporary receipts or certificates which shall be exchanged for such definitive bonds.

(4) Revenue bonds may be issued under the provision of this section without obtaining the approval or consent of any commission, board or agency of the state or the country and without any other proceedings or the happening of any other condition or things.

(5) Any resolution or resolutions authorizing any revenue bonds or any issue of revenue bonds may contain provisions which shall be a part of the contract with the holders of the revenue bonds to be authorized as to:

(a) Pledging of all or any part of the revenues of a health facility or of the district to secure the payment of the revenue bonds or of any particular issue of revenue bonds, subject to such agreements with bondholders as may then exist.

(b) The rentals, fees, and other charges to be charged, the amounts to be raised in each year thereby, and the use and disposition of the revenues.

(c) The setting aside of reserves or sinking funds, and the regulation and disposition thereof.

(d) Limitations on the right of the district to restrict and regulate the use of the health facility.

(e) Limitations on the purpose to which the proceeds of sale of any issue of revenue bonds then or thereafter to be issued may be applied and pledging such proceeds to secure the payment of the revenue bonds or any issue of the revenue bonds.

(f) Limitations on the issuance of additional bonds, the terms upon which additional bonds may be issued and secured, and the refunding of outstanding bonds.

(g) The procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto, and the manner in which such consent may be given.

(h) Defining the acts or omissions to act which shall constitute a default in the duties of the district to holders of its obligations and providing the rights and remedies of such holders in the event of a default.

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(6) Neither the members of the board of trustees of the district nor any person executing the revenue bonds or notes shall be liable personally on the revenue bonds or notes or be subject to any personal liability or accountability by reason of the issuance thereof.

(7) In the discretion of the district, any revenue bonds issued under the provisions of this part may be secured by a trust agreement by and between the district and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state. Such trust agreement or resolution providing for the issuance of such bonds may pledge or assign the fees, rents, charges, or proceeds from the sale of any health facility or part thereof, insurance proceeds, condemnation awards, and other funds and revenues to be received therefor as security for repayment of the bonds. Such bonds shall contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the district in relation to the acquisition of property and the construction, improvement, maintenance, repair, operation, and insurance of the health facility or facilities in connection with which such bonds shall have been authorized; the fees, rents and other charges to be fixed and collected; the sale of any health facility, or part thereof, or other property; the terms and conditions for the issuance of additional bonds; and the custody, safeguarding, and application of all moneys. It shall be lawful for any bank or trust company incorporated under the laws of the state which may act as depository of the proceeds of bonds, revenues, or other money hereunder to furnish such indemnifying bonds or to pledge such securities as may be required by the district. Any such trust agreement or resolution shall set forth the rights and remedies of the bondholders and of the trustee and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the district may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of such trust agreement or resolution may be treated as a part of the cost of the health facility or facilities in connection with which bonds are issued or as an expense of administration of such health facilities as the case may be.

(8) Revenue bonds issued under the provisions hereof shall not be deemed to constitute a debt, liability, or obligation of the state or any political subdivision thereof or of the district, or a pledge of the faith and credit of the state or any political subdivision thereof, but shall be payable solely from the revenues provided therefor. All such revenue bonds shall contain on the face thereof a statement to the effect that the district shall not be obligated to pay the same or the interest thereon except from the revenues of or derived from the health facility or of the district, or any portion thereof, and that neither the faith and credit nor the taxing power of the state or of any political subdivision thereof, including the district, is pledged to the payment of the principal of or the interest on such bonds. The issuance of revenue bonds under the provisions of this part shall not directly, indirectly, or contingently obligate the state or any political subdivision thereof or the district to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment.

(9) (a) The district is hereby authorized to fix and collect fees, rents, and charges for the use of any health facility and any part or section thereof. The district may require that the lessee or operator of any health facility or part thereof shall operate, repair, and maintain the health facility and bear the cost thereof and other costs of the district in connection with the health facility or

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facilities leased as may be provided in the financing agreement or other contract with the district, in addition to other obligations imposed under such financing agreement or contract.

(b) The repayments, fees, rents, and charges to the lessee shall be fixed as to provide a fund at least sufficient to pay the principal of, and the interest on, such bonds as the same shall become due and payable and to create reserves, if any, deemed by the district to be necessary for such purposes. The repayments, fees, rents, charges, and all other revenues and proceeds derived from the health facility or facilities in connection with which the revenue bonds of any issue shall have been issued, except such part thereof as may be necessary for such reserves or any expenditures as may be provided in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, may be set aside at such regular intervals as may be specified in such resolution or such trust agreement in one or more sinking funds which may be pledged to, and charged with, the payment of the principal of and the interest on such bonds as the same shall become due and the redemption price or the purchase price of bonds retired by call or purchase as therein provided. Such pledge shall be valid and binding from the time when the pledge is made. Notwithstanding any provision of the Florida Uniform Commercial Code requiring the filing of any pledge to create a perfected security interest, the repayments, fees, rents, charges, and other revenues and moneys so pledged and thereafter received by the district shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the district, irrespective of whether such parties have notice thereof. The use and disposition of money to the credit of such sinking fund shall be subject to the provisions of the resolution authorizing the issuance of such bonds or of such trust agreement. Except as may otherwise be provided in the resolution or the trust agreement, the sinking fund shall be a fund for all such bonds without distinction or priority of one over another.

**Section 17. Bonds Payable From Ad Valorem Taxes.** (1) The board of trustees of the Indian River County Hospital District is authorized and empowered by resolution to issue and sell, from time to time, ad valorem bonds of the district for the purpose of raising funds to purchase, establish, construct, equip, and maintain such health facilities for the provision of such health and medical services, as in its opinion are necessary or desirable in the district. All ad valorem bonds issued as herein authorized shall be of the denomination of one hundred dollars (\$100.00) or some multiple thereof, shall bear interest at a rate not to exceed the maximum rate permissible under Florida Law, payable semi-annually, and both principal and interest shall be payable at such place or places as the board of trustees may determine. The form of such bonds shall be fixed by resolution of the board of trustees, and such bonds shall be signed by the Chairman of the board of trustees and shall have the seal of the Indian River County Hospital District affixed thereto. The ad valorem bonds may be issued in coupon or in registered form, as the board of trustees may determine in accordance with the Registered Public Obligations Act of Florida, Chapter 83-271, Laws of Florida, and provisions may be made for the registration of coupon bonds as to principal alone, and as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest. Ad valorem bonds so executed shall be valid notwithstanding any change in the persons holding said office or in the seal occurring after such execution. The ad valorem bonds shall be due not more than forty (40) years from the date thereof as the board of

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trustees may determine, and shall be exempt from all state, county, and city taxation. All the ad valorem bonds issued by the Indian River County Hospital District shall have all the quality of negotiable instruments under the Florida Uniform Commercial Code-Investment Securities and shall not be invalidated for any irregularity or defect in the proceedings for the issue and sale thereof, and shall be incontestable in the hands of a bona fide purchasers or holders thereof for value. The bonds in this section authorized and empowered to be issued shall be issued only after the same have been approved by the majority of votes cast in an election of the qualified voters residing in the district. Such election shall be called, held and conducted in the manner as provided by the general law of the state.

(2) Prior to the issuance of such ad valorem bonds, the board of trustees shall, by resolution, determine the amount, not exceeding five(5) mills on the dollar, which, in their opinion, will be necessary to be raised annually by taxation for an interest and sinking fund with which to pay the interest and principal of the ad valorem bonds. The board of trustees is authorized, empowered and required to provide for the levy and collection annually of a sufficient tax, not exceeding five (5) mills on the dollar, upon all the taxable property in the district, to pay such interest, and with which to provide and maintain a sinking fund for the payment of the principal of the ad valorem bonds and any ad valorem bonds which may have been assumed by the board.

(3) The board of trustees shall offer the ad valorem bonds for sale by notice stating the amount of ad valorem bonds for sale, the maximum rate of interest and when due and payable, by advertising one a week for two (2) weeks in a newspaper published in the district. The board of trustees shall receive bids for the purchase of the ad valorem bonds or any part thereof on the date fixed by the notice, being not less than twenty (20) days from the date of first publication. They shall have the right to reject any and all bids and re-advertise the ad valorem bonds or any portion thereof remaining unsold.

(4) A bank or banks or other depository or depositories to be designated by the board of trustees shall receive and be custodian of the ad valorem bonds and moneys arising from the sale of said ad valorem bonds.

**Section 17.1. Refunding Bonds.** (1) the board of trustees of the district is authorized and empowered by resolution to issue and sell, from time to time, refunding bonds of the district for the purpose of refunding any bonds then outstanding and issued under the provisions of sections 16.2 and 17, including any redemption premium, and any interest accrued or to accrue to the earliest or subsequent date of redemption, purchase or maturity of such bonds, and, if deemed advisable by the board of trustees, for the additional purpose of paying all or any part of the cost of constructing and acquiring additions, improvements, extensions or enlargements of a health facility or any portion thereof and the costs of issuance of the bonds and the amounts necessary to establish any reserve or other funds required to be established in connection therewith.

(2) The proceeds of any such bonds issued for the purpose of refunding outstanding bonds may, in the discretion of the board of trustees, be applied to the purchase or retirement at maturity or redemption of such outstanding bonds either on their earliest or any subsequent redemption date

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or upon the purchase or at the maturity thereof and may, pending such application, be placed in escrow to be applied to such purchase or retirement at maturity or redemption on such date as may be determined by the board of trustees.

(3) Any such escrowed proceeds, pending such use, may be invested and reinvested in obligations of, or guaranteed by, the United States of America, or any agency or instrumentality thereof presently existing or hereafter created or in certificates of deposit or time deposits secured by obligations of, or guaranteed by, the United States of America, maturing at such time or times as shall be appropriate to assure the prompt payment, as to the principal, interest and redemption premium, if any, of the outstanding bonds to be so refunded. The interest, income and profits, if any, earned or realized on any such investment may also be applied to the payment of the outstanding bonds to be so refunded. After the terms of the escrow have been fully satisfied and carried out, any balance of such proceeds and interest, income and profits, if any, earned or realized on the investments thereof may be returned to the district for use by it in any lawful manner.

(4) The portion of the proceeds of any such bonds issued for the additional purpose of paying all or any part of the cost of constructing and acquiring additions, improvements, extensions or enlargements of a health facility may be invested and reinvested in obligations of, or guaranteed by, the United States of America, or in certificates of deposit or time deposits secured by obligations of, or guaranteed by, the United States of America, maturing not later than the time or times when such proceeds will be needed for the purpose of paying all or any part of such cost. The interest, income and profits, if any, earned or realized on such investment may be applied to the payment of all or any part of such cost or may be used by the district in any lawful manner.

(5) The issuance of such obligations, the maturities and other details thereof, the rights and remedies of the holders thereof, and the rights, powers, privileges, duties and obligations of the district with respect to the same shall be governed by the provisions hereof, as amended, as they may be applicable. The refunding bonds issued by the district are exempt from all taxation to the extent provided by general law.

**Section 18. Validation of Bonds.** Any and all bonds issued under the provisions of this Act may be validated by the board of trustees for said Indian River County Hospital District under and in accordance with the provisions of the General Laws of Florida, in the same manner as is therein provided for validation of bonds, etc., by any county, municipality, taxing district, etc., of the State of Florida.

**Section 19. Indigents.** Each hospital and clinic established under this Act shall be for the use and benefit of the indigent sick who have resided in such County for not less than one (1) year next preceding application for admission for treatment. Such residents shall be admitted to such hospital and clinic and be entitled to medical care without charge, subject to the rules and regulations prescribed by said board of trustees. Such hospital and clinics shall care for and treat without charge only such patients who are found by such board of trustees to be indigent, but such board may collect from patients financially able, such charges as such board of trustees may, from time to time, establish. Such board of trustees shall have the power to extend the benefits and privileges of such



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hospitals and clinics and treatment and out-patient department to the homes of the indigent residents of such county. Said board of trustees may extend the privileges and use of such hospitals and clinics to non-residents of such district upon such terms and conditions as the said Board may from time to time by its rules and regulations provide, provided, however, that the indigent residents of the district wherein such hospitals and clinics are located, shall have the first claim to admission.

The board of trustees is authorized to accept moneys from the welfare funds provided by Indian River County, or the State of Florida, or the United States of America, or from any other source for the payment of the cost of treatment and care of the indigent.

**Section 20. Eminent Domain.** The board shall have the power of eminent domain, and may thereby condemn and acquire any real property which the board may deem necessary for the use of said district. Such power of condemnation shall be exercised in the same manner as is now provided by the general law for the exercise of the power of eminent domain by cities and towns of the State of Florida.

**Section 21. Donations.** Any person or persons, firm, organizations, corporations, or society, public or private, municipal corporations or municipalities desiring to make donations of money, personal property or real estate for the benefit of such hospital, for the creation of a memorial, or an endowment, or for any other purpose shall have the right to vest title of the money, personal property or real estate so donated in said board of trustees to be controlled when accepted by the board of trustees of said hospital according to the terms of the deed, gift, devise or bequest of such property.

**Section 22. Liberal Construction.** It is intended that the provisions of this Act shall be liberally construed for accomplishing the work authorized and provided for or intended to be and provided for in this Act, and where strict construction would result in the defeat of the accomplishment of any part of the work authorized by this Act, and a liberal construction would permit or assist in the accomplishment thereof, the liberal construction shall be chosen.

**Section 23. Invalidity.** Any clause or section of this Act which for any reason may be held or declared invalid, may be eliminated and the remaining portion or portions thereof shall be and remain in full force and be valid as if such invalid clause or section had not been incorporated therein.

**Section 24. Retirement Program.** The board of trustees shall have the power to provide a retirement program for the Indian River County Hospital District's employees; to establish qualifications for coverage under the program; to pay any part or all of the cost of such program; to contract with any company licensed to do business in Florida for the establishment and operation of the program; to charge its covered employees for the employees' share of the cost of the program; to take such other action as may be necessary to establish and operate the retirement program; and to withdraw, by resolution of the board of trustees, from the state and county officers and employees retirement system of Florida, as established by chapter 122, Florida Statutes. All general, special or local laws or parts thereof inconsistent herewith are declared to be inapplicable to the provisions of this Act, including specifically section 122.061, Florida Statutes, which shall not apply and which

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is hereby amended insofar as it prohibits the withdrawal of the Indian River County Hospital District and its employees from the retirement system. In the event that the board of trustees adopts a resolution by which the Indian River County Hospital District and its employees shall be withdrawn from the state and county officers and employees retirement system, such withdrawal shall become effective on the first day of the next month following the adoption of such resolution, and the board of trustees shall send a certified copy of the resolution to the department of administration. Beginning on the first day of the next month following the adoption of the resolution, the Indian River County Hospital District shall not be required to contribute to the state and county officers and employees retirement system, and its employees shall not thereafter be participants in said system. Following the adoption of the resolution, one hundred percent (100%) of the contributions previously made to the state retirement system shall be refunded to the employees of the Indian River County Hospital District and the said district, without interest, and the Department of Administration shall make such refunds upon application therefor by each employee and the district notwithstanding any other provisions of the general law relating to such refund.

**Section 24.1. Employee Insurance.** The Indian River County Hospital District is authorized and empowered to provide for life and disability and medical insurance for all or any of its employees or officers on a group insurance, or other acceptable plan, approved by the board of trustees of the Indian River County Hospital District, and to establish and create by resolution such other employee benefit programs as the board of trustees may deem proper for any groups of officers or employees of the district and qualified or such program, and to pay all or such portion of the costs of any such plan or program from funds available to the district from such balance thereof, if any, and the board of trustees by resolution may determine for any and all groups of officers or employees of the Indian River County Hospital District.

**Section 25. Tax Anticipation Financing; Additional Provisions.** In addition to any other obligations authorized under this Act, the board of trustees of the Indian River County Hospital District is hereby authorized to borrow a sum not to exceed the maximum outstanding amount at any time of fifteen million dollars (\$15,000,000.00) and to evidence such loan made to the district by its tax anticipation note or notes bearing interest at a rate not to exceed the maximum rate permissible under Florida Law; the sum so borrowed shall be repaid together with interest at a rate not to exceed the maximum rate permissible under Florida Law. The notes authorized in this section shall be made only after the same have been approved by the majority of votes cast in an election in which the majority of qualified voters residing in the district shall participate. Such election shall be called, held and conducted in the manner as provided by the general law of the state.