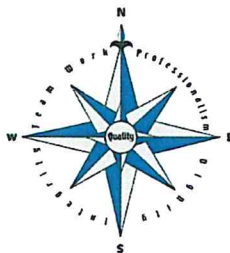


Petersburg Medical Center

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Meeting: Medical Center Board Meeting

Date: November 20th, 2018 **Time:** 3:00 p.m.

Board Members Present: Jerod Cook, Jim Roberts, George Doyle (telephonically), Kathi Riemer, Marlene Cushing, Tim Koeneman, Cindi Lagoudakis

Board Members Absent: None.

Staff Members Attending: Phil Hofstetter – CEO, Doran Hammett – CFO (telephonically), Jennifer Bryner – Chief Nursing Officer, Cindy Newman – Human Resources, Mike Boggs – Plant Manager, Matt Pawuk – Quality, Liz Bacom – Lab/Imaging Manager, Chad Wright – Executive Assistant

Visitors: Brian Varela – Petersburg Pilot

- I. **CALL TO ORDER:** Member Cook called the meeting to order at 3:00 p.m.
- II. **APPROVAL OF THE AGENDA:** Member Lagoudakis made a motion to approve the agenda as presented. Motion seconded by Member Koeneman. Motion passed unanimously.
- III. **APPROVAL OF BOARD MINUTES:** Member Lagoudakis made a motion to approve the minutes as presented from the board meeting on October 24th. Motion seconded by Member Koeneman. Motion passed unanimously.
- IV. **VISITORS COMMENTS:** None.
- V. **BOARD MEMBER COMMENTS:** Member Koeneman brought an article regarding healthcare in Alaska to share with board members. Additionally, he commented that he noticed at the recent Community Café that there was no representation from downtown business owners or from the fishing community. He suggested sending letters or invitations to that population for the next café. At the end of the meeting Member Lagoudakis noted that she attended the Halloween open house at long term care and she was really impressed with the quality, compassion, interest and concern the staff have for patients.

VI. NEW BUSINESS:

- A. CEO Appointment.** Member Lagoudakis made a motion that Petersburg Medical Center's Board of Directors approve Philip Hofstetter as the administrator for Petersburg Medical Center Home Health program effective June 30th, 2018. Motion seconded by Member Riemer. P. Hofstetter explained that one minor finding during a recent survey in the Home Health department was that it was not documented that he was the administrator of the program, so he asked for this motion to be approved at the meeting so there would be a record of that action. Motion passed unanimously.
- B. Strategic Plan.** Member Riemer made a motion that the Petersburg Medical Center's Board of Directors approve the revised Strategic Plan for FY2019-FY2023 as presented. Motion seconded by Member Cushing. Discussion followed. It was noted that the document needs to be edited. Additionally, P. Hofstetter commented that it should be an evolving document that will continue to be updated and edited as it goes. Motion passed unanimously.
- C. Purchasing Process.** P. Hofstetter explained that the Borough Charter says that anything over \$30,000 requires an RFP. He added that he would like to follow the Borough's process for purchasing with the understanding that there is flexibility.
- D. DOWL Proposal.** Member Koeneman made a motion that Petersburg Medical Center's Board of Directors approve the proposal for professional project management services from DOWL dated September 17th, 2018 in the amount of \$20,000. Motion seconded by Member Riemer. Discussion followed. P. Hofstetter stated that he plans for that money to be spent with DOWL looking at space requirements. DOWL would also be able to assist in the RFP process. He added that DOWL could have a product to us in approximately six weeks. P. Hofstetter remains hopeful that he will receive discretionary funds from the Denali Commission to help with master planning. Motion passed unanimously. Motion passed unanimously.
- E. House Demolition.** Member Riemer made a motion that Petersburg Medical Center's Board of Directors approve Rock-N-Road Construction to demolish the property located at 203 North 3rd Street not to exceed \$11,660.00. Motion seconded by Member Cushing. Discussion followed. P. Hofstetter noted that we received two bids from local companies and chose the lower bid. He stated the concern is to remove the old, abandoned house and clear the lot for parking space. He added the house is a liability and an eyesore. There was also discussion about the trees on the lot and it was agreed that it would be best to remove the trees as part of the lot clearing as they would be dead in a couple of years once the roots are covered in rock. Member Doyle questioned how the demolition would be funded and if was rated as a capital project. P. Hofstetter replied that it would be paid for out of operations. D. Hammett replied that it was not a capital project and the demolition would actually add value to the land. Motion passed unanimously.
- F. Policy Committee.** Member Cushing stated that one of the responsibilities of the Policy Committee is to conduct the CEO evaluation. She noted that the six month evaluation will be due in January and she is looking for board members to join her on the committee. She hopes to have the evaluation completed by February 2019. Members Roberts and Lagoudakis agreed to serve on the committee.

VII. REPORTS:

A. Quality. M. Pawuk was available to answer questions regarding his written report (see copy).

B. Financial. D. Hammett reported that there is very little change to the balance sheet (see copy) year over year. Currently there is \$2.8 million in investments and \$3.8 million in cash, with approximately \$2.5 million of that cash being invested in treasuries and CD's. He noted that accounts receivable is up year over year but revenue is also up. He then reviewed the income statement (see copy). He reported that October was an outstanding month with approximately \$1.9 million in revenue, which is about 19% over budget. Additionally, the operating gain for the month is \$236,000 and year-to-date operating gain is \$249,000. Non-operating revenue is minus \$134,000 due to the stock market being down. He then reviewed the cash flow statement (see copy). D. Hammett stated that the cost report is still being drafted but he expects to get \$500,000 back from Medicare. The draft of the audit is scheduled to be completed on Monday.

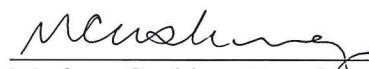
VIII. EXECUTIVE SESSION: Member Roberts made a motion that the Board enter into Executive Session for medical staff appointments and reappointments and to discuss employee contracts. Motion seconded by Member Lagoudakis. Motion passed unanimously. Board entered Executive Session at 3:50 p.m. The Board came out of Executive Session at 4:40 p.m.

A. Medical Staff – Appointments/Reappointments. Member Cushing made a motion to appoint Scott Chatterley, MD, Phil Hofstetter, AuD, Riley Bennett, PA, Sai-Ling Liu, MD and to reappointment Sze Pang, MD and Jerrell Ingalls, MD to medical staff. Motion seconded by Member Lagoudakis. Motion passed unanimously.

B. Employee Contracts.

IX. ADJOURNMENT: Member Cushing made a motion to adjourn. Motion was seconded by Member Lagoudakis. Motion passed unanimously. The meeting adjourned at 4:44 p.m.

Respectfully submitted,



Marlene Cushing, Board Secretary