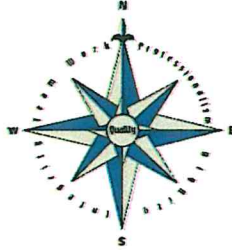


# *Petersburg Medical Center*

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**Meeting:** Medical Center Board Meeting

**Date:** July 25<sup>th</sup>, 2019 **Time:** 5:00 p.m.

**Board Members Present:** Jerod Cook, Cindi Lagoudakis, Jim Roberts (telephonically), George Doyle, Marlene Cushing

**Board Members Absent:** Kathi Riemer, Tim Koeneman

**Staff Members Attending:** Phil Hofstetter, Ro Tejera, Carrie Lantiegne, Jennifer Bryner, Janet Kvernvik, Matt Pawuk, Don Bieber, Jill Dormer, Chad Wright

**Visitors:** Max Kamp, Brian Varela, Bob Lynn, Lisa Nilsen

- I. **CALL TO ORDER:** Member Cook called the meeting to order at 5:00 p.m.
- II. **APPROVAL OF THE AGENDA:** Member Cook requested to add Compliance Matter under Executive Session. Member Cushing made a motion to approve the agenda as amended. Motion seconded by Member Doyle. Motion passed unanimously.
- III. **APPROVAL OF BOARD MINUTES:** Member Lagoudakis made a motion to approve the minutes as presented from the board meeting on June 27, 2019. Motion seconded by Member Doyle. Motion passed unanimously.
- IV. **VISITORS COMMENTS:** None
- V. **BOARD MEMBER COMMENTS:** None
- VI. **REPORTS:**
  - A. **Executive Summary.** P. Hofstetter's was available to answer questions regarding his written report (see copy). He added that the master planning design team will be coming to Petersburg on August 19<sup>th</sup> – 20<sup>th</sup> to conduct staff interviews and to hold a community hearing. The community hearing is scheduled for August 19<sup>th</sup> at 6:00 pm in Assembly Chambers.
  - B. **Home Health.** C. Axmaker was not in attendance but her written report (see copy) was available for review.

**C. Information Technology.** D. Bieber was available to answer questions regarding his written report (see copy).

**D. Lab.** L. Miller was not in attendance but her written report (see copy) was available for review.

**E. Long Term Care.** H. Boggs was not in attendance but J. Bryner was available to answer questions regarding the written report (see copy). J. Bryner noted that a new CNA will be starting in August.

**F. Patient Financial Services/Business Office.** In addition to the written report (see copy), J. Dormer discussed the recent site visit from the new account director from TruBridge. She noted that since March the AR days have gone from 111 to 85. They are currently assessing the portion of aged AR that will be written off. The write-offs are mainly attributed to errors on TruBridge's part going back to 2014. Negotiations will begin for settlement that TruBridge will reimburse due to the lack of that revenue. She added that the ultimately the goal is to get to the 60 day AR and lower range within the next year.

**G. Quality.** L. Bacom was not in attendance but her written report (see copy) was available for review.

**H. Financial.** R. Tejera reviewed the month end financials (see copy). She noted that cash for the FY 2019 year-end was almost one million dollars more than last year. She added that there is still work to be done on the accounts receivable model but that it should be finalized in the next month or two. She stated that cash is 45% of the total assets. Current and long term liabilities is \$2,280,000. The beginning fund balance was \$1,861,000 and after a net income loss of \$60,842 the ending fund balance is \$1,801,000. She then reviewed the income statement (see copy). She then reviewed the income statement (see copy). The net operating revenue for FY 2019 was over budget by 5% and the total operating expenses was over budget by 7%. The total net operating revenue for the year was \$16,328,000 and the total operating expenses was \$16,725,861. Non-operating revenue was \$336,727. The net income is a loss of \$60,842 but when you add depreciation there is a positive cash flow of over \$660,000. R. Tejera then reviewed the statement of cash flow (see copy). The beginning cash for FY 2019 was almost \$7,000,000 with a net change in cash of \$938,000 ending with \$8,047,000 including investments. The average spent every day is \$43,659. The ending cash on hand is 115 days and with investments is 184 days. Grants are actively being pursued. She added that in FY 2019 there was a total of \$611,000 awarded in grants and that \$400,000 has been awarded to support the MAT program in FY 2020. Additionally, there was discussion related to the Medicaid cuts from the State.

## **VII. NEW BUSINESS:**

**A. Investment Update.** M. Kamp with Continental Investors provided an overview of the investment accounts. Additionally, he discussed the asset allocation strategy. He stated that he thought the current investment policy is fine and did not see a need to change it at this time.

**B. Capital Budget.** Member Cushing made a motion to approve the final capital budget for FY 2020 as presented. Motion seconded by Member Doyle. Discussion followed. Member Roberts stated that at the board meeting last month it was stated the capital budget would be limited to \$500,000 but now it is at \$770,000. R. Tejera explained that



after receiving the quote of \$387,000 for the pharmacy project it was decided to use the depreciation model. She noted that the capital items for IT in the amount of \$139,980 are priority items this year which includes a server replacement and upgrading computers to Windows 10. The other departments trimmed down their requests to total \$142,805. P. Hofstetter noted that the capital requests was discussed at the Resource Committee. He then talked about the pharmacy project being a burden on rural facilities. It is a regulation for safety that relates to the chemo service line which we would like to continue. The design was completed and costs a significant amount the bids came back as sticker shock. A large part of the costs is not related to renovation or the remodel, but his understanding is that it is related to the mechanical engineering side dealing with air flow and regulation. He feels as though the bid is inflated because all facilities have this deadline looming and there are only so many mechanical engineers in the state. He added that we are currently in negotiations to get the price down and also looking for grant opportunities. Member Roberts stated the purpose of putting money into the building fund was to fund projects like this so it does not hit the operational side. R. Tejera stated that the plan is to put around \$100,000 from the CPSI settlement into the building fund. Motion passed unanimously.

- VIII. EXECUTIVE SESSION:** Member Cushing made a motion that the Board enter into Executive Session to consider medical staff appointments and reappointments and for a Compliance Matter. Motion seconded by Member Lagoudakis. Motion passed unanimously. Board entered Executive Session at 5:46 p.m. The Board came out of Executive Session at 6:20 p.m.
- IX. MEDICAL STAFF – APPOINTMENTS/REAPPOINTMENTS:** After coming out of Executive Session, Member Cushing made a motion to reappoint Rodney Anderson, DC, and to reappoint Joanne Gartenberg, MD, Joshua Sonkiss, MD, America Gomez, PMHNPP, Tina Pleasants, PMHNP and Helen Short, MD to medical staff. Motion seconded by Member Lagoudakis. Motion passed unanimously.
- X. COMPLIANCE MATTER.**
- XI. NEXT MEETING:** Next regularly scheduled meeting was set for Thursday, August 22, 2019 at 5:00 p.m. in the Dorothy Ingle Conference Room.
- XII. ADJOURNMENT:** Member Cushing made a motion to adjourn. Motion was seconded by Member Doyle. Motion passed unanimously. The meeting adjourned at 6:22 p.m.

Respectfully submitted,

  
Marlene Cushing, Board Secretary