

STEELE MEMORIAL MEDICAL CENTER

203 S. DAISY ST. ~ SALMON, IDAHO 83467 ~ (208)756-5600 ~ FAX (208) 756-4169

BOARD OF DIRECTOR'S MEETING

March 26, 2024

MINUTES

MEMBERS PRESENT: Dennis Krasowski, Treasurer
David Weston
Chuck Mark
Lori Stacy
Bob Frahme
Ex Officio:
Preston Becker, CEO
Joe Krakker, DO, Chief of Staff
Kim Kesl, Lemhi County Commissioner-Voting

OTHERS PRESENT: Ryan Larson, CFO
Kelly McNitt, CNO
Shawn Huston, CQO

ABSENT: Jean Anders, Chair
Chuck Bloodgood, Vice Chair
Diana Ketterling

Minutes recorded by Judy Washbon, Executive Assistant / Med Staff Services Director

CALL TO ORDER: The meeting was called to order at 4:30 p.m. by D. Krasowski.

EXECUTIVE SESSION: **MOTION:** Motion was made and seconded to move into executive session under Idaho Code 74-206(1)(a)(b)(c) to consider: Provider Credentialing; Property Acquisition; Personnel Discussion: Motion carried unanimously by rollcall. Executive session adjourned at 4:46 p.m.

PUBLIC COMMENT: None

PRESENTATION:
FY2023 AUDIT REPORT
Eide Bailly LLP:

Kevin Smith, CPA, Audit Partner with Eide Bailly LLP reviewed and discussed the financial audit results and processes. A power point presentation was delivered and reports were given on:

- Scope of the audit – reviewed the Unmodified Opinion;
- Required Communications:
 - Conclusion Letter - Significant audit findings and risks identified– restrictive covenants discussed;
 - Qualitative Aspects of Accounting Practices;
 - Accounting Estimates;
 - Corrected & Uncorrected Misstatements;
 - Material Weakness discussed - Financial Statement Preparation & Audit Adjustment;

- Implementation of Subscription standard
- Financial Results and Comparisons;
 - i. Revenue and Expense;
 - Total margin & operating margin discussed;
 - Reviewed current ratio; Days cash on hand; A/R days;

Q & A followed, K. Smith noted Eide Bailly received excellent cooperation from management and staff. P. Becker thanked K. Smith for presenting the audit and financial information to the board.

FINANCE
COMMITTEE REPORT:

February

Financial Report:

R. Larson reviewed and discussed the February financial report and provided a brief overview of the financial narrative. R. Larson noted that February was a great month and revenue hit an all-time record high.

The overall financial performance for February was a net gain of \$85,771. The month had a positive EBITDA of \$141,857; EBITDA on a percentage basis was 4.4% for the month. Total patient services revenue was \$5.85M, which is higher than the prior month by \$600K; Daily revenue for the month was \$202K, the prior month was 168K; Day's cash on hand is at 91 days for the month. R. Larson reported he and P. Becker recently had a meeting with the bank and noted the bank is very pleased with our progress. We are currently meeting all bond covenants.

A question was asked how charity care is handled. R. Larsen explained we must follow and adhere to poverty guidelines which let us know how someone qualifies. Discussed and explained that there can sometimes be a large swing, e.g., if a large surgery is written off. Continued discussions followed.

MOTION: Motion was made and seconded to approve the February Finance report as presented. Motion carried unanimously.

Clinic Bond Payment:

R. Larson discussed the request for the Clinic Bond Payment of \$197,867.34. This is a separate payment from the Hospital Bond and is a fixed amount. It is essentially our mortgage payment on the clinic and is paid to the bank.

MOTION: Motion was made and seconded to approve the Clinic Bond Payment as presented. Motion carried unanimously.

Audit Report:

MOTION: Motion was made and seconded to approve the FY2023 Audit Report as presented. Motion carried unanimously.

Other Business:

Providers A-D

New Appointments:

Providers A-O

Reappointments:

MOTION: Motion was made and seconded to approve all provider new appointments and reappointments as presented in executive session. Motion carried unanimously.

Board Education

Governance Committee:

D. Krasowski discussed board education and a brief review was held on the assignment to read chapter 3 in “The Guide to Good Governance for Hospital Boards”: “The Board’s Role in Credentialing Physicians”. At the previous board meeting, there was some discussion on inviting K. Witalis from Healthcare Consulting to come onsite for board education. It has been determined that this would be too cost prohibitive.

The Board is asked to continue thinking about adopting a Board Governance Committee and if we should move forward with it.

Other: None

CONSENT CALENDAR: Included in the consent calendar were the following items:

- Minutes from the February 27, 2024 meeting and March 5, 2024 special meeting;
- Administration reports were discussed;
P. Becker, CEO reported:
 - Reviewed the organizational scorecard;
 - Recruitment updates: A Recruitment Committee has been created. There have been a few challenges, but we are seeing results and it is really coming together;
 - Staff and provider job notices/applications are on the website as well as various electronic job boards, e.g. Dept. of Labor, 3RNet, etc.;
 - We are recruiting for several providers: CRNA, PA, FP/OB, etc.;
 - Customer service training for all staff has been going well;
 - The week of May 12th is hospital week and there are many activities to celebrate all our employees;
 - National Doctor’s Day is March 30th and we will be celebrating all of our providers;

MOTION: Motion was made and seconded to approve the Consent Calendar.
Motion carried unanimously.

ADJOURNMENT: Meeting was adjourned at 5:44 p.m.