

Wheatland Memorial Healthcare
Board of Trustees' Meeting

The Meeting of the Board of Trustees of Wheatland Memorial Healthcare was held on October 18th, 2018 in the Health Education Center.

MEMBERS PRESENT:

June Voldseth, *Chair*
Jenny Peters, *Secretary/Treasurer*
Tom Bennett, *Trustee*

Aubrey Miller, *Vice Chair*
Don Amundson, *Trustee*

OTHERS PRESENT:

Rick Poss, *CEO*
Client Seger, *Billings Clinic*
Pat McConnell, *Billings Clinic*
Allison Fenley, *Director of Nursing*
Jane Moe, *Foundation/Marketing Director*

Dr. Joan McMahon, *COS*
Vern Carda, *Billings Clinic*
Peggy Hiner, *HR Director*
Tina Barnhart, *Admin Sec*

EXECUTIVE SESSION

The executive session began at 6:00 p.m.

WELCOME AND INTRODUCTION

Ms. Voldseth called the meeting to order at 6:50 p.m. with reading of the mission statement.

SEPTEMBER MINUTES

The September Board Minutes were presented.

Upon motion made by Mr. Amundson and seconded by Mr. Bennett, the September Board Minutes were approved as presented.

CONSENT AGENDA

- a. *Upon motion made by Mr. Bennett and seconded by Ms. Peters the Consent Agenda was approved with the preceding discussion.*

REGULAR AGENDA

I. Financials

- a. September Financials
 - i. For September, we posted a loss of \$190,397. This was unfavorable to budget by \$220,586. Total Operating Revenues of \$503,978 were unfavorable against budget by approximately \$90,000.
 - ii. Our Operating Expenses of \$713,027 were unfavorable to budget by about \$119,000. Professional fees were unfavorable to budget by \$154,000 due mainly to overages in acute care, information systems, physical therapy, clinic and administration. Depreciation is unfavorable to budget due to classifying the lease on the CT machine as a capital lease when

- it was budgeted as an operating lease. This increased depreciation expense but decreased rent expense which is part of the favorable variance in other expenses.
- iii. Year to date: We posted a loss of \$17,458. This was unfavorable to budget by approximately \$289,000. Total Operating Revenues of \$5,367,465 were favorable against budget by approximately \$23,000.
 - iv. Our Operating Expenses of \$5,793,323 were unfavorable to budget by about \$451,000. Professional fees were unfavorable to budget by \$677,000 due mainly to Information Services and Administration Professional Fees being more than budgeted. In addition a PT traveler has been in place most of the year but was budgeted as salaries. Coding services have been outsourced but were not budgeted as such as well as some overages in acute care, clinic and a lab traveler for a few months at the beginning of the year. Depreciation is unfavorable to budget due to reclassifying the lease on the CT machine as a capital lease. This increased depreciation expense but decreased rent expense which is part of the favorable variance in other expenses.
 - v. Balance Sheet: We ended the month with about \$419,000 in cash. Cash decreased by about \$160,000 from the prior month resulting in 22 days of cash on hand.
 - vi. We have approximately \$2.16m in net Restricted Funds, and \$1,175,323 in Net Patient Accounts Receivables. Our vendor payables balance was \$373,211, resulting in 19 days outstanding payables which are a little less than the 30 days we want to maintain.
 - vii. Accounts Receivable days ended the month at 77; this was a 10 day increase from the prior month balance of 67 days.
 - viii. Other items:
 - 1. Chargemaster report should be available soon.
 - 2. We are working with Eide Bailly to get the 990 tax return completed.
 - 3. Operating budget worksheets for next year will be given to managers next week.
 - ix. *Upon motion made by Mr. Bennett and second by Ms. Peters the September Financials were approved as presented.*

II. Discussion Topics

- a. Credentialing
 - i. Ms. Barnhart presented Dr. Scott Sullivan, Radiologist, for privileging approval.
 - ii. Ms. Barnhart stated Dr. Sullivan is a tele-med radiologist with VRAD.
 - 1. *Upon motion made by Mr. Bennett and second by Ms. Peters, Dr. Scott Sullivan was approved as presented.*
- b. Nominations
 - i. The Board discussed nominations. *Upon motion that was duly made by Mr. Bennett and seconded by Ms. Peters the following were approved for 2019 officers.*
 - 1. Aubrey Miller, *Chairperson*
 - 2. Katie, Rein, *Vice Chairperson*
 - 3. Don Amundson, *Secretary/Treasurer*
- c. Signature Cards
 - i. Ms. Barnhart presented the resolutions for the change in signature cards to the Board.

1. The Board would like to add Katie Rein, vice chair; Don Amundson, Secretary/Treasurer of WMH to the Citizens Bank & Trust Co. Signature cards for all checking, savings, and CD accounts. Along with the existing authorized signer, Rick Poss.
 2. The Board would like to add Aubrey Miller, Chair; Katie Rein, Vice Chair and Don Amundson, Secretary/Treasurer of WMH to the US Bank investment accounts. Along with the existing authorized signer; Rick Poss.
 - ii. *Upon motion that was duly made by Mr. Amundson and Seconded by Mr. Bennett the new authorized signers were approved.*
- d. 100-Day Plan
 - i. Mr. Poss stated the purpose of the 100-day plan is to reduce expenses with the plan of a \$1,000,000.00 turn around in 100 days.
 1. The 100-day plan started September 6th with hopes to transfer the plan to the budget the middle of December.
- e. FTE
 - i. Mr. Poss is working with the leadership team and Mr. McConnell to reduce the number of possible entry codes from 92 to 30.
 1. The reduction in the number of codes will help WMH accurately figure the number of FTEs used by each department.
 2. Mr. Poss will present the new FTE list to the Board at the December meeting for review.
- f. Capital Budget
 - i. Mr. Poss presented a list of capital items for board review.
 1. Mr. Poss will get the list prioritized for the December meeting.
 2. Mr. Poss stated this is probably not inclusive list but shows the need for large item purchases over the next three years.
 - a. Mr. Amundson asked if any of the items on the list could be purchased with grant funds.
 - i. Mr. Poss stated he will get the completed prioritized list to Ms. Moe to apply for grants.
- g. Bylaws
 - i. Mr. Poss requested permission to use the board bylaws template from CMMC instead of drawing up a whole new template.
 1. Mr. Poss stated by using the CMMC template WMH could save a substantial amount of money in attorney fees.
 - ii. *Upon motion by Mr. Amundson and seconded by Mr. Miller* it was agreed to use the CMMC board Bylaws template.

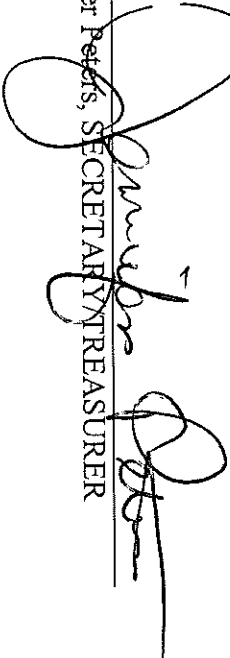
III. Other Topics

- a. Mr. McConnell announced the charge master review report should be completed soon.
- b. Mr. Bennett would like to see the amount paid on the loan to the Community Promise Fund increased from \$1000.00 to \$2000.00 per month.

1. *Upon motion mad by Mr. Bennett and seconded by Mr. Amundson it was approved to increase the amount paid on the Community Promise Loan from \$1000.00 to \$2000.00 per month.*

IV. Adjournment

- a. *There being no further business to be brought before the Board, a motion was duly made by Mr. Miller, and seconded by Mr. Amundson the meeting was adjourned at 7.16 p.m.*


Jennifer Peters, SECRETARY/TREASURER