CASTRO COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS MONTHLY MEETING
August 15, 2023

PLACE: Ettie McDermitt Education Room at Plains Memorial Hospital

BOARD PRESENT: Jim Bradford, Chairman; Zach Smith, Vice-Chairman; Shelley Bills, Secretary; Kim Birkenfeld, Member; Martha Ibarra, Member

EMPLOYEES PRESENT: Elisha Rosier, CEO, Laura Case, CFO; Laura Kimball, CVL Administration; Mitchell Brockman, QEC; Olivia Herrera, Administrative Assistant

MEDICAL STAFF PRESENT: None.

GUESTS PRESENT:

PUBLIC PRESENT: None.

1. Meal served. Called to order at 5:18pm. Prayer led by Mitchell. Mission and Vision Statement was read by Zach.

2. Public Comments: None.

3. Review of June 2023 Financials & Statistics:
   Financials were reviewed and discussed by the board. On the Income Statement Inpatient Revenue stayed pretty steady and had an increase of $25K from PY.

   Outpatient Revenue is down. Other Revenue, $227K was from 340B revenue.

   Laura reported the Net Revenue for the district was $1,314,281 which was up $855K from 2022.

   Salary expenses also increased due to employee raises, new FT EMS manager and CVL Therapy department. Employee Benefits also had an increase of $19K.

   Purchased Services decreased ($87K) due to the decrease in contract labor as well as decrease in physicians from June 2022.

   Supplies increased $91K due to stocking the ambulance trucks and State inspection in preparation to go live with EMS.

   Other expenses increased $167K from PY due to the QIPP funding in the amount of $131K that we did not have PY. IGT was also submitted for CHIRP and RAPPS this month.

With Expenses totaling $1,714,792 and the Non-Operating revenue of $229,202 the district had a net income of ($171,309).

The unaudited Net Profit/(Loss) for the FYE 2023 is $1,857,195. This is an increase of $3.4M due to the increase in inpatient revenue, receipt of the cost report settlement as well as recognition of the SOWT benefit. Uncompensated Care Revenue, RAPPS Revenue, & increase in 340B Revenue.

On the Balance Sheet, Cash & Investments year over year have increased $883K. AR is down ($41K).

There is an increase of $2.9M in Other Current Assets which is made up of our property tax not received and our ERC Tax Credit that we are expecting results from any day as well as our increase in cash.

There is an increase of $137K in prepaid expenses. We made a total IGT of $1.2M for the payment of our professional fees and will receive approximately 40% benefit on the IGT to DMN.

The COVID-19 Cares act stimulus funds include those in which we have received after the utilization of the initial funds. We will utilize the remaining $773K in this fiscal year to align the recognition of income with the utilization of expenses.

Elisha recommended that we go with the Rollback Tax Rate which will be a decrease from $0.321 to $0.319. Shelley made the motion to go with the recommendation and do the Rollback Tax Rate. Kim made the second motion. Vote taken; motion carried unanimously.

4. Election of Officers:
   Shelley made the motion for the officers to remain the same and Kim made the second motion. Jim will remain Chairman of the Board, Zach Smith, Vice-Chairman, Shelley Bills, Secretary, Kim and Martha as members. Vote taken, motion carried unanimously.

5. Consent Agenda
   a. Approval of June 20, 2023 Board Meeting Minutes
   b. Quarterly Review of Pledged Securities

c. Departmental P & P Approval
Zach made the motion to approve the consent agenda as presented. Materials Management, AP, Business Office, Finance, and IT were the departments whose P & P were approved. Shelley seconded the motion. Vote taken; motion carried unanimously.

6. General Information:
Jim encouraged the board to review the departmental reports and thank you notes at their convenience.

7. Medical Staff:
   a. Review June 19, 2023 & July 17, 2023 Med Staff Minutes
   b. Request Provisional Privileges: Kimberly Smith, MD
   c. Request Appointment to Temporary ER Privileges: Joseph Cerrato, NP; Chandon Loya, MD
   d. Request Appointment to ER Staff: Eloy Cantrell, DO; Eric Guy, MD; Charles O'Hearn, MD
   e. Request Appointment to Consulting Radiology: Tadeusz Cizak, MD
   f. Request Reappointment to Consulting Radiology: Crandon Clark, MD; Stanley Cook, MD; Michael Daniel, MD; Nilay Mehta, MD; Michael Hall, MD; Richard Khu, MD

The board reviewed the Medical Staff minutes and approved the physicians listed for appointment.

Shelley made the motion to approve. Zach made the second motion. All in favor. Motion carried.

8. Conflict of Interests:
The board members were presented with Form CIS, Local Government Officer Conflicts Disclosure Statement for annual completion.

9. Administrator's Report:
Elisha updated the board on the parking lot and EMS area remodeling. Renovations in the EMS area are going great.

We were awarded $75K from the Capital Improvement Grant and will use that money to go towards the new parking lot. Affordable Concrete gave us a bid of $226K. The project will consist of opening up the emergency entrance to give the ambulance more room to come in and have a wider turn. The awning will also be extended to allow the EMS staff to easily park the ambulance underneath the awning as it currently is a tight fit and most of the staff will not park underneath. The employee parking space will be redone including an MRI pad to park the truck and opening additional parking spaces for employees.

Elisha also reported physician recruitment. Dr. Mike Ruggiero will come on as active staff on September 1st. Elisha has received some very positive comments on Dr. Mike from some of his patients.

Dr. Breham was onsite for an interview. He is currently living in South Carolina and Elisha has offered him an ER contract with us but is negotiating ER rates. He had great comments about our staff, culture, community and team work.

Dr. Milos is also interested in coming to Dimmitt. He is in Residency program and should be done by next year. His home base is San Antonio. He has a wife and three children and is ready to have a family life and is excited to come onsite to see our facility and visit our community. His visit date is pending.

Elisha also handed the board members a Trustee Guidebook as a good resource for board education and asked them to review it at their leisure.

10. Executive Session: Entered Executive Session at 6:19PM.
    a. Quality & Regulatory Compliance
    b. Personnel. Consider and Discuss Personnel Matters Pursuant to Texas Government Code Section 511.074

    Exited Executive Session at 6:40PM. No motions made or votes taken in Executive Session.

    Mitchell Brockman presented the QEC report for the quarter.

    Shelley made the motion to approve the QEC Report. Seconded by Martha. All in favor. Motion carried.

11. Adjournment – Meeting adjourned at 6:41PM.

    Kim made the motion to adjourn. Zach seconded. All in favor. Motion carried.

Jim Bradford, President — Date: 10/12/2023

Shelley Bills, Secretary — Date: 10/12/2023