CASTRO COUNTY HOSPITAL DISTRICT
BOARD OF DIRECTORS MONTHLY MEETING
March 29, 2022

PLACE: Ettie McDermitt Education Room at Plains Memorial Hospital

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

EMPLOYEES PRESENT: Nathan Flood, CEO; Laura Case, CFO; Elisha Rosier, COO; Olivia Herrera, Administrative Assistant

MEDICAL STAFF PRESENT: None.

GUESTS PRESENT: Martha Ibarra

PUBLIC PRESENT: None.

1. Called to order at 5:02pm. Board members were led in prayer by Kim Birkenfeld. Mission and Vision Statement was read by Shelley Bills.

2. Public Comments: None.

3. Acceptance of Board Member's Resignation:
   Jim read the resignation letter submitted by Ware Brown.

   The board accepted Ware's resignation.

   Shelley Bills made the motion to accept the resignation; Kim made the second motion; All in favor; Motion carried.

4. Appointment of New Board Member/Oath of Office:
   The board appointed Martha Ibarra as the new Board Trustee. Public Notary, Olivia Herrera gave Martha the Oath of Office as Board Trustee for Castro County Hospital District.

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

5. Sale of Real Property Bid Package- 112 W Jones:
   The board approved to put out the bid package to sell the old clinic on 112 W Jones. The deadline for bids would be on May 25, 2022.

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

6. Healthsure Property & Cyber Liability Insurance Renewal:
   Nathan reported that the property and cyber liability insurance was up for renewal. Healthsure recommended that we stay with Travelers on the property which will go up $10K and drop the cyber liability with Tokio Marine and go with Wingman/Axis. The new quote is $5486 cheaper.

   The board approved to renew the insurance with Healthsure as recommended.

   Shelley Bills made the motion to approve; Kim seconded the motion; All in favor; Motion carried.

7. Review of Financials and Statistics: February 2022
   Laura reported that the single audit came back with no findings and praised her team for a successful audit.

   We received $157,678.40 in property tax revenue. We also received $254,819.53 back in UC revenue. SHIP grant funds were also received in the amount of $72,326.24. On March 21st we paid $137,356.53 in interest on the 2017 Revenue Bond.

   The Net Revenue for the Hospital District was $728K which is up $17K from 2021. This was due to adjusting contractuals based on the decrease in revenue.

   The YTD decrease in inpatient revenue in the amount of $1.5M is mostly due to an($850K) decrease in pharmacy revenue and ($366K) decrease at CVL.

   The total other revenue decrease in Feb 2022 from PY in the amount of ($103K) is due to $50K in additional IGT for UC as well as the discontinued SOWT recognized revenue.

   Total salary expense has decreased ($200K) YTD from 2021.

   Purchased Services are down ($70K) from PY. The contract labor at CVL has decreased significantly.

   Supplies showed a decrease of ($10K) from PY.

   Maintenance and Repairs increased $17K from PY.

Other expenses decreased ($104K). There was a decrease of ($124K) in COVID expenses. This decrease was due to a check that was voided in the current period that was cut last fiscal year for the telemetry system. We cut the check in June 2021 in order to use the funds on the first provider relief funding report. The check had to be voided due to a significant change in cost. The total cost ended up being $10K less than the original quote turned in.

With Expenses totaling $1,116,390 and the Non-Operating revenue of $180,017 the District had a loss of ($208,007).

The unaudited Net Profit/(Loss) for the FYE 2022 is ($447,820).

On the Balance Sheet, Cash and Investments year over year is down ($55K).

AR is down ($359K) from PY.

There is a large decrease in prepaid expenses due to SOWT going away.

The COVID-19 CARES Act Stimulus funds include those in which we have received after the utilization of the initial funds.

All Bank accounts are reconciled and are up to date through February 2022.

On the STATS, Total Patient Days are significantly down for the YTD by 389.

Total Clinic visits are up YTD compared to PY.

Nathan also informed the board that Dr. Sorenson would not be coming to work for the district after all and is wanting to get out of the agreement that was made between him and the district with the intention to pay the district back $5K a month for three years after he is done with his residency. Nathan will have the lawyers draw up a contract.

8. Consent Agenda:
   a. Approval of 1/27/2022 Board Meeting Minutes
   b. Certificate of Unopposed Candidates
   c. Cancel Board Election
   d. Quarterly Review of Pledged Securities

e. Departmental P & P Approval
f. Approval of Trauma Resolution
g. Employee Handbook Approval

The board approved to cancel the board election since Zach and Shelley were un-opposed.

Martha Ibarra made the motion to cancel the election; Kim made the second motion; All in favor; Motion carried.

The board also approved the remaining items on the consent agenda. Departmental P & P's approved were: Plant OPS, Housekeeping, QEC, Chronic Care, Clinic & CVL.

Zach made the motion to approve the consent agenda as presented; Shelley seconded the motion; All in favor; Motion carried.

9. General Information:
   a. Department Monthly Reports
   b. Thank You Notes
   c. Other Reading

Jim asked the board to review the general information in their leisure time.

10. Medical Staff:
    a. Review 2/15/2022 and 3/8/2022 Med Staff Minutes
    b. Request Appointment to ER Staff Privileges: Gregory Hannabas, MD
    c. Request Appointment to Tele Med Privileges: Mohamed Bahaa Al Deen, MD
    d. Request Reappointment Consulting Radiologist Privileges: Tully Currie, MD

The board reviewed the Medical Staff items and approved the physicians listed for appointments.

Shelly made the motion to approve; Zach seconded the motion; All in favor; Motion carried.

10. Executive Session: Entered Executive Session at 6:08 PM.
    a. Quality & Regulatory Compliance
    b. Personnel. Consider and Discuss Personnel Matters Pursuant to Texas Government Code Section 511.074

Exited Executive Session at 7:00 PM. No motions made or votes taken in Executive Session.

11. Adjournment – Zach made the motion to adjourn the meeting at 7:00 PM with no no motions made. Martha seconded the motion. All in favor. Motion carried.

Jim Bradford, President — 6/2/2022 Date

Shelley Bills, Secretary — 6/2/2022 Date