

KREMMLING MEMORIAL HOSPITAL DISTRICT
d/b/a Middle Park Medical Center
Board of Directors Meeting Minutes
Thursday, September 24, 2020

With meeting notice, Jodi Docheff called the Kremmling Memorial Hospital District board meeting to order at approximately 6:00 PM. The meeting was held in the Wellness Center Meeting Room and virtually by Zoom.

Board members present: Jodi Docheff, President; Kelly Johnson, Vice President; and Chris Murphy, Member; Gary Bumgarner, Member via Zoom,; Kimberly Cameron, Secretary/Treasurer absent/excused.

Also present: Jason Cleckler, Tom Coburn (zoom), Derek Ortner, Deb Plemmons, Mikealena Horner, Michelle Lupica, Andy Radzavich, Jason McKown, Derick Lorentz (zoom), Rhonda Shearer, Shane Tong (zoom), Patrick Johnson and Tiffany Freitag.

There were no conflicts of interest disclosed at the beginning of the meeting.

Agenda Approval

Motion: A motion was made by Chris Murphy to approve the agenda as presented and seconded by Kelly Johnson. **Motion adopted on a 4-0 vote.**

Minutes Approval

Motion: A motion was made by Chris Murphy to approve the August 27, 2020 as presented and seconded by Kelly Johnson. Gary Bumgarner abstained. **Motion adopted on a 3-0 vote.**

Reports of good news

Andy Radzavich reported that the BLAST golf tournament fundraiser was a great success. The weather was beautiful, and preliminary numbers indicate they raised almost \$22,000.

Jason Cleckler also reported that our last recent Press Gainey score was 91, and the last score that we received was 97%. Docheff asked that we pass on to the directors and staff that the board wants to thank everyone for their hard work to make us successful.

He also noted that the new parking lot in Granby was done yesterday, and should be striped next week.

2019 Financial Audit

Shaun from DZA, gave the board the 2019 audit presentation. Overall 2019 was a healthy financial year. Revenues were down from what was originally budgeted, but expenses were lower as well. Cash on hand increased, as well as assets. There were a few internal audit control recommended changes, but no major concerns.

Motion: A motion was made by Gary Bumgarner to approve the 2019 audited financials as presented and seconded by Kelly Johnson. **Motion adopted on a 4-0 vote.**

Financial Report

Statistics for August:

- Admissions for August are down from last year by 53 YTD, and the month of August stayed steady at 22 for both 2019 and 2020.
- Observation and extended days are down from August, but acute and swing saw an increase. Overall YTD, acute and swing exceeded 2019 levels, while observation and extended care are still below the 2019 numbers.
- OR activity is still holding the same numbers as 2019. GI procedures are at 75% of the 2019 numbers.
- GI procedures remain down, 48 in 2019 and 36 in 2020. Overall YTD we are at 76% of the 2019 numbers.
- ER visits increased in Kremmling from 2019, while Granby saw a decrease from last year. YTD numbers were up in Kremmling and down in Granby.
- Urgent care cases remain down both for the month of August and YTD.
- Overall clinic volume is 83% YTD from 2019.
- Imaging, lab services and rehab are still overall lower YTD from 2019. They did all see an increase in August from July.

August Financials

- Net revenue was at \$3.5M compared to budget of \$4.2M. Last year actual was \$3.9M.
- Salaries and benefits are at \$1.8M compared to budget of \$2.3M, sitting at 19% below budget.
- Total expenses are 10% under budget. Net operating income is \$474K compared to budget of \$756K and last year actual income was \$800K. Net income for the month is \$812K compared to budget of \$870K. Last year income actual was \$933K.

YTD Financials

- Total revenue is \$40M compared to budget of \$44.7M, which is 11% below budget.
- Net revenue is \$23.2M, compared to budget of \$27.6M which is 16% below budget. Last year actual was \$27.1M.
- Total salaries and benefits was \$14.7M compared to budget of \$16.5M, which is 11% below budget.
- Operating expenses was \$8.4M compared to budget of \$8.9M which is 6% under budget. Last year actual was \$8.2M.
- Net operating income was \$25K compared to budget income of \$2.2M. Last year actual income was \$3.4M.
- Net income was \$1.4M compared to budget of \$3.6M. Last year actual was \$4.4M.

Mikealena noted that the audit was not finalized for it to be presented tonight, and they received an extension. It should be presented at the September board meeting.

Motion: A motion was made by Gary Bumgarner and seconded by Kelly Johnson to approve the August financials. **Motion adopted on a 4-0 vote.**

Consent Agenda

Motion: A motion was made by Kelly Johnson to approve as presented and seconded by Chris Murphy. **Motion adopted on a 4-0 vote**

Communication Log

- Derek updated the board on the clinics. Dr. Odegaard has started seeing patients and has heard rave reviews on him.
- Cliffview continues to be full, and they are working with the county to prepare the budget for 2021. A new roof was just put on the building. They are continuing to work through COVID policies. They recently went through a state survey and had one deficiency, Deb wrote a corrective plan and it was accepted by the state today.
- The Strategic plan was presented to the board at the last meeting, and they were asked to review the plan. The revenue cycle team created some pillar cards that were passed around at the meeting.

Motion: A motion was made by Chris Murphy to approve the general strategic plan and seconded by Kelly Johnson. **Motion adopted on a 4-0 vote**

- Derek updated on the construction projects and reiterated that the parking lot is complete in Granby. They will begin to pour concrete in Kremmling soon. The steel in Granby will begin to go up soon. Both projects are on schedule, and may even be ahead of schedule.
- Testing with the new lab equipment is going well. We are having a supply issue with the reagent that we are using, just because demand is high. They are working with the schools to get their testing back quickly, so that we can help keep the schools open. They are working on a plan for testing once the weather changes. Right now it is more of a drive through service, but once the weather turns bad they will have to look into other options.
- The annual Employee Milestone Dinner will be held next week in Hot Sulphur Springs. 18 employees will be recognized for their years of service.
- Jason noted that we are still working on a go live date with Lawson for October 1. Josh Neff and the centura team recommended an addendum to our management agreement for the Lawson service, and the cost for the project came it at close to \$75,000 under what was budgeted. The monthly amount that we will pay for Lawson is above what was in the original management agreement, so he would like a motion to approve the addendum.

Motion: A motion was made by Chris Murphy to approve the Lawson Contract, and was seconded by Kelly Johnson. **Motion adopted on a 4-0 vote**

The board was presented resolution 2020-09-01, adding Jason Cleckler to the money market account.

Motion: A motion was made by Kelly Johnson to add Jason as a signer to the money market account and seconded by Chris Murphy. **Motion adopted on a 4-0 vote.**

The board discussed a proposed ordinance 2020-09-02, to add Jason Cleckler as an electronic signer to the operating accounts at Bank of the West.

Motion: A motion was made by Kelly Johnson to add Jason as an electronic signer at Bank of the West and seconded by Chris Murphy. **Motion adopted on a 4-0 vote.**

Resolution 2020-09-03 was presented to the board, which would extend the note at United Business Bank. It was discussed at the last board meeting.

Motion: A motion was made by Kelly Johnson to extend the short term note 18 months, and was seconded by Jodi Docheff. **Motion adopted on a 4-0 vote.**

Board Discussion

Kelly Johnson proposed an idea to celebrate long term employees. She would like to explore the possibility of naming the new clinic after Randi Wagner, and the surgical center after Deb Menhennett. She would like the board to think it over. The board felt that coming up with criteria for this process was important.

The 2021 preliminary budget has to be presented to the board by October 15th. The board will need to schedule a special meeting for the budget presentation.

Motion: A motion was made by Jodi Docheff have a special meeting October 15th at 6:00 pm to discuss budget items, and seconded by Kelly Johnson. **Motion adopted on a 4-0 vote.**

Mikealena noted that there were some compliance calendar issues with the audited financials and she wanted the board to know that the issues have been taken care of the with the state and county officials.

Executive Session – 7:44pm

Motion: A motion was made by Kelly Johnson and seconded by Chris Murphy to go into executive session to discuss subjects below. **Motion adopted on a 4-0 vote.**

Executive Session – 7:44pm

CRS #24-6-402(e) – Determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators – Patrick Johnston & Ortho contract negotiations.

Non-board members invited to this executive session were Deb Plemmons, Jason Cleckler, Derek Ortner, Thomas Coburn, and Patrick Johnson.

CRS #24-6-402(e) –Determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators; At-Risk.

Only board members were present.

Resumption of Open Meeting – 10:27 PM

Motion: A motion was made by Kelly Johnson and seconded by Jodi Docheff to approve the at risk compensation. **Motion adopted on a 4-0 vote.**

Motion: A motion was made by Kelly Johnson and seconded by Chris Murphy to approve the Vail Summit Orthopedics contract, subject to legal review and staff recommendations. **Motion adopted on a 4-0 vote.**

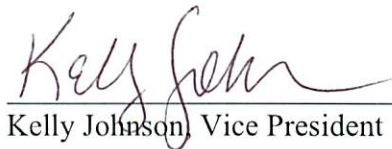
Adjournment

Motion: A motion was made by Kelly Johnson and seconded by Gary Bumgarner to adjourn the meeting at 10:31 PM. **Motion adopted on a 4-0 vote.**

NEXT REGULAR BOARD MEETING: Thursday, October 29, 2020, 6:00 PM, Middle Park Health Wellness Center Conference Room, 109 S 9th Street in Kremmling.



Jodi Docheff, President



Kelly Johnson, Vice President

Approval Date: 10/29/2020

Minutes taken by Rhonda Shearer