

**MINUTES OF THE HOSPITAL DISTRICT NUMBER ONE OF MOHAVE COUNTY
SEPTEMBER 12, 2023 – H.I. JOHNSON BOARD ROOM**

PRESENT: Mrs. Penny Holden, Chairman Mr. Dave French, Vice Chairman
Mr. Dan Valentine Carol Newmyer, M.D.

EXCUSED: Mrs. Libby Mathiesen

GUESTS: Krystal Burge, KHI Board Chairman Jim Baker, KHI Board Vice Chairman
Heath Evans, KRMC CEO Joshua Hoffman, KRMC CFO
Kevin Keener, KRMC Director of Finance Barry Moore, KRMC Controller
David Schott, KRMC CAO Keith Stebbins, KRMC Director of
Plant Operations

PUBLIC

ATTENDEES: Carol Pearson John Holden
Janet Wilson Julie Champlain
Katie Tacheron Bill Franzen
Penny White

| TOPIC | RECOMMENDATION/CONCLUSION | FOLLOW-UP |
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CALL TO ORDER

The meeting was called to order at 4:00p.m. by Chairman, Mrs. Holden

ROLL CALL OF THE HOSPITAL DISTRICT BOARD MEMBERS

Roll call was taken by Mrs. Holden. The following District Board Members were present, and a quorum was identified:

Mrs. Penny Holden, Chairman Mr. David French, Vice Chairman
Mr. Dan Valentine Carol Newmyer, M.D.
Mrs. Libby Mathiesen was excused.

CONSIDERATION AND APPROVAL OF MINUTES

ACTION: MINUTES OF THE AUGUST 1, 2023 MEETING WERE REVIEWED. A MOTION WAS MADE BY CAROL NEWMYER AND SECONDED BY DAVE FRENCH TO APPROVE

| TOPIC | RECOMMENDATION/CONCLUSION | FOLLOW-UP |
|-------|---------------------------|-----------|
|-------|---------------------------|-----------|

THE MINUTES WITH ONE CORRECTION REQUESTED BY DAN VALENTINE TO PAGE SIX, SECTION C., PARAGRAPH TWO, LINE SIX: DELETE THE ENTIRE SENTENCE. ALL IN FAVOR WITH NO OPPOSITION.

FOLLOW-UP: CORRECTION TO THE MINUTES AS NOTED ABOVE TO BE MADE BY THE RECORDING SECRETARY. NO FURTHER ACTION DEEMED NECESSARY.

FINANCIAL MATTERS AND REPORTS

A. Discussion and possible action regarding the monthly Hospital District Financial Statements and Fund Balance Reports. Mr. Moore reported that for June, the financials are marked as unaudited or preliminary as the audit is not complete. Cash did not increase from May to June as the June rent check was deposited in July, which was accrued to accounts receivable. The allowance for the Lehman Brothers was combined in June per the Board’s decision at a previous meeting. New accounts were added per the Board’s Budget Committee request. With regard to liabilities, the Intergovernmental Agreement (IGA) for Graduate Medical Education (GME) is accrued for \$976,562. The payable balance also includes the \$12,000 accrued audit fees. Before June is closed, the audit fees will be accrued as a receivable (asset) from Kingman Regional Medical Center. Fiscal year to date income is \$1,272,887 compared to a prior year loss of (286,639). The largest expense difference between the two years was the IGA’s community support with Disproportionate Share Hospital (DSH) no longer available.

For July, cash increased \$400,115 due to two months of lease payments (June & July) plus \$115 accrued from Kingman Healthcare, Inc. (KHI) for elections. The \$825 lease receivable is for the \$500 approved for payment to Kitty Rohler the acting secretary plus \$325 approved for Zavala Law Firm in fiscal year 2023. These were reimbursed to the District by KHI in August 2023 (next month’s reports). July income for the current month is \$189,111 (1st month of the fiscal year).

ACTION: A MOTION WAS MADE BY DAVE FRENCH AND SECONDED BY CAROL NEWMYER TO APPROVE THE HOSPITAL DISTRICT FINANCIAL STATEMENT AND FUND BALANCE REPORTS AS SUBMITTED. ALL IN FAVOR WITH NO OPPOSITION.

| TOPIC | RECOMMENDATION/CONCLUSION | FOLLOW-UP |
|--------------|----------------------------------|------------------|
|--------------|----------------------------------|------------------|

FOLLOW-UP: NO FURTHER ACTION DEEMED NECESSARY.

- B. Discussion and Possible Action regarding Audit and GME.** Mr. Keener reported the annual audit has begun and is ongoing. It is anticipated the audit will be completed and presented to the District Board at its November meeting. The IGA GME has been signed and submitted; it is anticipated that the hospital will receive four million in funding for support of the Program.

ACTION: REPORT PRESENTED FOR INFORMATION ONLY.

FOLLOW-UP. NO FURTHER ACTION DEEMED NECESSARY.

DIRECTOR OF PLANT OPERATIONS

- A. Discussion and Possible Action regarding hospital and maintenance operations projects, as well as inventory/maintenance records questions.** Mr. Evans responded to the questions included in the meeting agenda packet. A detailed written response to the questions was disseminated to all Board members, guests, and public attendees for review and discussion.

ACTION: REPORT PRESENTED FOR INFORMATION ONLY.

FOLLOW-UP: THE WRITTEN RESPONSE TO THE FIVE QUESTIONS WILL BE INCLUDED AS AN ATTACHMENT TO THESE MINUTES. NO FURTHER ACTION DEEMED NECESSARY.

NEW BUSINESS

- A. Discussion and Possible Action regarding payment of Attorney Gust Rosenfeld invoice.** Mrs. Holden stated that the invoice for \$137.50 included in the agenda meeting packet was the first conversation, via telephone, with the attorney in July. As stipulated in the invoice, discussion with the attorney centered around the District Board's budget, open meeting laws, agenda preparation and the lease agreement with Kingman Regional Medical Center/Kingman Healthcare, Inc. as well as the IGA GME.

| TOPIC | RECOMMENDATION/CONCLUSION | FOLLOW-UP |
|-------|---------------------------|-----------|
|-------|---------------------------|-----------|

Mrs. Holden further stated that in an effort to remain transparent with attorney discussions, the majority of attorney/client conversations will be handled via email. As such, Mrs. Holden has set up a binder containing all attorney email conversations. Mr. Valentine raised the question as to whether or not there was a transcription of the telephone conversation between Mrs. Holden and the attorney to which she responded no. Mrs. Holden stated that any telephone conversations between herself and the attorney will be brought back to the Board as a whole. She further stated there must be a level of trust between the Board and the chairman with the Board understanding no unnecessary legal charges are being or will be accrued. Finally, anyone wishing to review the contents of the binder is encouraged to contact Mrs. Holden.

ACTION: A MOTION WAS MADE BY CAROL NEWMYER AND SECONDED BY DAVE FRENCH TO APPROVE THE INVOICE of \$137.50 FROM GUST ROSENFELD, PLC. ALL IN FAVOR WITH NO OPPOSTION.

FOLLOW-UP: SECRETARY TO PREPARE CHECK FOR SIGNATURE AND MAIL TO ATTORNEY. COPY OF CHECK AND INVOICE TO BE PROVIDED TO MR. MOORE FOR BUDGET RECONCILLIATION.

B. Discussion and Possible Action regarding storage for Hospital District Records. Mrs. Holden reported that work continues with hospital support staff to locate District records. As records are located, they are organized, which is a work in progress. No permanent storage space has been identified for these records; however, once a space is identified and all files organized, access to the records will be made available.

ACTION: VERBAL REPORT PRESENTED FOR INFORMATION ONLY.

FOLLOW-UP: NO FURTHER BOARD ACTION DEEMED NECESSARY.

C. Discussion and Possible Action regarding reimbursement for office supplies and the mailing of Zavala records to Gust Rosenfeld:

a. Receipt for \$44.04 for office supplies for organization of records that were found in boxes.

| TOPIC | RECOMMENDATION/CONCLUSION | FOLLOW-UP |
|-------|---|--|
| | ACTION: A MOTION WAS MADE BY DAN VALENTINE AND SECONDED BY CAROL NEWMYER TO PAY THE INVOICE OF \$44.04. ALL IN FAVOR WITH NO OPPOSITION. | FOLLOW-UP: SECRETARY TO PREPARE CHECK AND MAIL TO PENNY HOLDEN. COPY OF CHECK AND INVOICE TO BE PROVIDED TO MR. MOORE FOR BUDGET RECONCILIATION |
| b. | Receipt for \$17.03 for mailing Zavala’s legal records to Gust Rosenfeld: | ACTION: A MOTION WAS MADE BY DAN VALENTINE AND SECONDED BY CAROL NEWMYER TO PAY THE INVOICE OF \$17.03. ALL IN FAVOR WITH NO OPPOSITION. |
| | FOLLOW-UP: SECRETARY TO PREPARE CHECK AND MAIL TO PENNY HOLDEN. COPY OF CHECK AND INVOICE TO BE PROVIDED TO MR. MOORE FOR BUDGET RECONCILIATION. | Receipt for \$195.12 for Board office supplies. Mr. Valentine questioned payment of this receipt since a secretary salary has not been established. It was pointed out that secretary salary and office supplies were two separate budget line items. The receipt included in the agenda meeting packet was for supplies only and has nothing to do with payment for secretary time accrued; therefore, payment of \$195.12 should go forward. Mr. Valentine then raised the question of whether it would be more cost effective for the Board to purchase a laser printer, which has the potential to use less ink than a desk jet type printer. No further discussion ensued regarding the latter issue; however, if Mr. Valentine wishes to pursue the purchase of a laser printer, then he is welcome to submit such as an agenda item for discussion at a subsequent meeting. |
| | ACTION: A MOTION WAS MADE BY CAROL NEWMYER AND SECONDED BY DAVE FRENCH TO PAY THE INVOICE OF \$195.12, ALL IN FAVOR WITH DAN VALENTINE OPPOSED. | |

| TOPIC | RECOMMENDATION/CONCLUSION | FOLLOW-UP |
|-------|---------------------------|-----------|
|-------|---------------------------|-----------|

FOLLOW-UP: SECRETARY TO PREPARE CHECK FOR CATHERINE FURTADO. A COPY OF THE CHECK AND INVOICE WILL BE PROVIDED TO MR. MOORE FOR BUDGET RECONCILIATION.

A subsequent discussion ensued in which Mrs. Holden reported that the Public Attendee sign-in sheet has been revised to include a place for an email address. Members of the public who regularly attend these board meetings can then be emailed an agenda packet with the request to print and bring that packet to the meeting, which in turn will help defray printing costs. However, copies of agenda packets will still be provided to the public who do not regularly attend board meetings. In addition, Mrs. Holden encouraged board members and hospital staff to print and bring their agenda meeting packets with them to each board meeting.

UNFINISHED BUSINESS

A. Discussion and Possible Action regarding setting a Recording Secretary Salary.

- a. Salary for the secretary, \$35.00/hour plus expenses for office supplies.
- b. The secretary is to be the custodian of records; pick up lease check for deposit according to established policy; work with chairman with preparation of agendas; prepare checks for signatures for invoice payment/reimbursements; record and prepare meeting minutes, etc.
- c. No requirement needed for the secretary to sign a confidential agreement per Board’s attorney.
- d. No requirement needed for the secretary to be licensed or bonded per the Board’s attorney.
- e. Form 1099 to be provided to the secretary.

Items “b through e” were reviewed for informational purposes only. Item “a” was discussed at length as follows: Mr. French provided salary information gleaned from several job recruiters, which ranged between \$19-\$21/hour. Mrs. Holden provided salary information from the Fire District of Mohave County, which has two positions supporting that board with similar job responsibilities. One is a clerk whose salary range is from \$26-30/hour and an administrative assistant whose salary range is from \$26-\$45/hour. Subsequent discussion centered around whether or not the public had

| TOPIC | RECOMMENDATION/CONCLUSION | FOLLOW-UP |
|-------|---------------------------|-----------|
|-------|---------------------------|-----------|

been notified of the vacant position, to which the answer was no. The position was unexpectedly vacated; an individual was immediately available, willing to fill the secretarial role and, thus, was appointed to the position. While the previous Board secretary was a hospital employee, it was pointed out that when the position was vacated the hospital was going through a personnel transition, which would have made it difficult for another hospital employee to step up as the Board's secretary. Further discussion ensued regarding what the average number of hours would be spent on Board activities. It was pointed out that such could not be determined, as of yet, as no actual policy/procedure manual exists that clearly delineates secretarial responsibilities. However, it is anticipated that one will be created that specifically identifies secretarial role and responsibilities up to and including maintaining a calendar of due dates for audits, budgets, elections, etc.

Following the lengthy discussion, Krystal Burge, KHI Chairman announced the KHI Board would pay the Hospital District secretary's salary at \$35.00/hour for the remainder of calendar year 2023. Mrs. Burge was thanked for the KHI Board's generosity in assisting with this financial task.

ACTION: A MOTION WAS MADE BY DAVE FRENCH AND SECONDED BY CAROL NEWMYER TO PROVIDE A SECRETARY SALARY OF \$35.00/HOUR PLUS EXPENSES FOR OFFICE SUPPLIES. ALL IN FAVOR WITH MR. VALENTINE OPPOSED.

FOLLOW-UP: KINGMAN HEALTHCARE, INC. TO COVER ONLY THE SECRETARIAL SALARY FOR THE REMAINDER OF CALENDAR YEAR 2023.

B. Discussion and Possible Action regarding attorney preparation of a secretarial contract/agreement.

ACTION: DEFER ACTION UNTIL JANUARY 2024 SINCE KHI WILL BE FACILITATING PAYMENT OF A SECRETARY SALARY THROUGH THE REMAINDER OF CALENDAR YEAR 2023.

FOLLOW-UP: AGENDA JANUARY 2024.

| TOPIC | RECOMMENDATION/CONCLUSION | FOLLOW-UP |
|-------|---|-----------|
| C. | <p>Discussion and Possible Action regarding website development, e.g., hiring a company to design a website versus having it designed by a private individual. Discussion ensued regarding the difference between a free website versus a professionally designed one. Mrs. Holden stated she met with John Gagnon and Allen Posten from the hospital's Internet Security Department to discuss having the District's website linked with the hospital's and what would be needed to accomplish such a task. During that meeting, discussion ensued regarding the website company, Centretek, the hospital utilizes. Subsequently, contact was made with that company followed by a request for a proposal, which should be available prior to the October 3rd meeting. Mrs. Holden further pointed out the following: (1) the District's website should have a HIPPA component as there will be an email address provided on the District's website in which the public can submit questions, issues, etc. For questions, issues, concerns, and/or complaints received that are patient and/or physician related or otherwise outside the jurisdiction of the District Board's preview, those will be forwarded to the appropriate hospital department for review, and resolution, thus the need for the HIPPA component. The District's website email will be monitored by Mrs. Holden (or her designee) with an immediate response to inquiries as to the routing process/disposition; (2) in order to link the District's website to the KRMC website additional security measures must be enforce beyond https. (3) should the District Board decide to utilize a private individual to create a website, that individual must undergo a background investigation.</p> | |
| | <p>ACTION: DEFER FURTHER DISCUSSION UNTIL THIRD PROPOSAL IS RECEIVED.</p> | |
| | <p>FOLLOW-UP: AGENDA OCTOBER 3, 2023 MEETING.</p> | |
| D. | <p>Discussion and Possible Action regarding the development of the Board's function, purpose, goals, and objectives: Extensive discussion ensued regarding the development of the District Board's function/purpose, goals, and objectives. Points discussed included: (1) the need to educate the public as to the roles and responsibilities of the three boards, e.g., Kingman Healthcare, Inc., Hospital District, and the Kingman Regional Medical Center Foundation; (2) building a strong relationship between the KHI and District Boards by creating a unified partnership that encompasses the obligations of</p> | |

| TOPIC | RECOMMENDATION/CONCLUSION | FOLLOW-UP |
|-------|---------------------------|-----------|
|-------|---------------------------|-----------|

each board relative to the commitment of maintaining hospital property and the commitment to maintaining continuity with the public thereby paving the way to providing the community of Mohave County with a premiere level of quality patient care; (3) clarifying concerns relative to financial support previously provided to the Hospital District Board by the KHI Board and/or Kingman Regional Medical Center. It was pointed out that despite having to replace the secretarial position with a member of the public rather than a hospital employee, no other financial support should be compromised. Developing a mission, vision, goals, and objectives statement should have absolutely no bearing whatsoever on the dismissal of any kind of financial support that has been previously provided to the Hospital District. Kingman Regional Medical Center will continue to provide the District Board with support from their Finance Department for budget reports, audit preparation, etc. And as previously stated, the District Board's secretary salary will be compensated through the KHI Board until the end of calendar year 2023. In the future, as other opportunities are identified that have the potential to benefit both boards as well as the community as a whole, the KHI Board will be present to assist the District Board in any way possible in order to maintain an effective working partnership.

ACTION: UTILIZING INFORMATION INCLUDED IN THE AGENDA MEETING PACKET, THE DISTRICT BOARD SECRETARY WILL DEVELOP A MISSION, VISION, AND GOALS STATEMENT FOR REVIEW AND POSSIBLE APPROVAL BY DISTRICT BOARD MEMBERS.

FOLLOW-UP: AGENDA OCTOBER 3, 2023

CALL THE PUBLIC: None to report.

ADJOURNMENT: A motion was made by Carol Newmyer and seconded by Dave French to adjourn. With no further business to discuss, the meeting was adjourned at 5:21p.m.

Respectfully submitted,

Penny Holden, Chairman
Date Minutes Approved: 10/03/2023

Catherine Furtado, Recording Secretary