

**MINUTES OF THE HOSPITAL DISTRICT NUMBER ONE OF MOHAVE COUNTY
OCTOBER 3, 2023 – H.I. JOHNSON BOARD ROOM**

PRESENT:	Mrs. Penny Holden, Chairman Mr. Dan Valentine Mrs. Libby Mathiesen	Mr. Dave French, Vice Chairman Carol Newmyer, M.D.
GUESTS:	Mr. Jim Baker, KHI Vice Chairman Mr. Joshua Hoffman, KRMC CFO Mr. Allen Posten, KRMC Internet Security	Mr. Heath Evans, KRMC CEO Mr. Barry Moore, KRMC Controller
PUBLIC ATTENDEES:	John Holden Katie Tacheron Stephen Pebley	Carol Pearson Bill Franzen Ed Baumgartner

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

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. Dave French, Vice Chairman
Mr. Dan Valentine	Mrs. Libby Mathiesen
Carol Newmyer, M.D.	

CONSIDERATION AND APPROVAL OF MINUTES

ACTION: MINUTES FROM THE SEPTEMBER 12, 2023 MEETING WERE REVIEWED. A MOTION WAS MADE BY DAVE FRENCH AND SECONDED BY CAROL NEWMYER TO APPROVE THE MINUTES WITH THE FOLLOWING CHANGES: ON PAGE 3, NEW BUSINESS "A," FIRST LINE, AFTER "INVOICE" INSERT "FOR \$137.50"; ON PAGE 4, UNDER "ACTION," SECOND LINE AFTER "INVOICE" INSERT "OF \$137.50" ALL BOARD MEMBERS IN FAVOR WITH NO OPPOSITION.

FOLLOWUP: SECRETARY TO ADD VERBIAGE TO MINUTES AS STIPULATED.

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

Subsequently, Mr. Valentine raised a question relative to Page 4.C of the minutes, specifically, how possession of the Zavala records came about. Mrs. Holden reported the records were obtained from KRMC and copies forwarded at the request of Gust Rosenfeld.

FINANCIAL MATTERS AND REPORTS

A. Discussion and Possible Action regarding the monthly Hospital District Financial Statements and County Treasurer’s Fund Balance Report(s): Mr. Moore reported on the August 31, 2023 Balance Sheet, the Statement of Revenue and Expenses as well as a Trial Balance Report and the County Treasurer’s Fund Balance Report – all of which were included in the distributed agenda packet. The cash balance increased by \$200,325.00, which was the lease payment for the month plus \$325.00 for legal fee reimbursement from Kingman Healthcare, Inc. (KHI). Rent receivable was reduced by \$325.00 from the check issued by Kingman Regional Medical Center (KRMC). Still have \$500.00 in accounts receivable that will be reimbursed when paid by the Hospital District. The Property, Plant and Equipment decreased as expected per depreciation. Lease Receivable (asset) and Deferred Inflow of Resources are both required reporting per GASB 87 allocated over the 10-year life lease. Under Liabilities, the accounts payable balance was \$989,062.00; the Graduate Medical Education (GME) Intergovernmental Agreement (IGA) due of \$976,562.00 plus \$12,000.00 accrued audit fees plus \$500.00 owed to Kitty Rohler. Audit fees and other fees will be reimbursed by KHI (not IGA). The GASB 87 Deferred Inflows are \$13,394,291.00 as of August 31, 2023. For income, under revenue, the lease revenue for the month was \$171,146.00 plus Lease Interest Income of \$28,854.00 (Other Income Section). These two amounts combined are the actual lease payment from KRMC of \$200,000.00 and both are income. Under expenses, depreciation was consistent with the previous month. Net income for the month was \$189,110.00 and fiscal year to date \$378,222.00. In addition, Mr. Moore reported that the audit is ongoing, and it is anticipated that a report will be presented to the Hospital District Board at its November 2023 meeting.

ACTION: A MOTION WAS MADE BY LIBBY MATHIESEN AND SECONDED CAROL NEWMYER TO APPROVE THE ABOVE STATED REPORTS. ALL BOARD MEMBERS IN FAVOR WITH NO OPPOSITION.

FOLLOWUP: NO FURTHER ACTION DEEMED NECESSARY.

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

- B. Discussion/Review of KHI Financial Statements – Jan, Feb, Apr, May, Jun, July, Aug 2023 (Mar 2023 previously reviewed):** Mr. Hoffman addressed the Financial Statements previously distributed to Board Members for the months noted above. As far as yearend, KRMC is still being audited as is the Hospital District Board so the figures will change. The Balance Sheet is healthy with low leverage in terms of debt.

ACTION: REPORT PRESENTED FOR INFORMATIONAL PURPOSES ONLY.

FOLLOWUP: NO FURTHER ACTION DEEMED NECESSARY.

NEW BUSINESS

- A. Discussion regarding Board Insurance:** Mrs. Holden provided clarification of indemnification for the Hospital District Board members. Specifically, the District Board, either as a whole or individually, is indemnified under each of KHI/KRMC insurance policies.

ACTION: REPORT PRESENTED FOR INFORMATIONAL PURPOSES ONLY.

FOLLOWUP: NO FURTHER ACTION DEEMED NECESSARY.

- B. Discussion and Possible Action regarding payment of Attorney Gust Rosenfeld current invoice:** The attached invoice from Gust Rosenfeld in the amount of \$4,037.50 was reviewed and discussed by all Board members. Mr. Valentine asked who gave Mrs. Holden the authority to contact the attorney and generate this bill. Mr. Valentine was reminded that at a previous meeting, the Board, as a whole, approved attorney review of the following: the lease agreement, the hospital management agreement, operating budget ending fiscal year June 30, 2024, the Hospital District Bylaws as well as documents from the Zavala Law firm. Mr. Valentine further queried what future attorney bills would be forthcoming to which Mrs. Holden responded none other than a review of the Hospital District's Bylaws.

ACTION: MOTION WAS MADE BY DAVE FRENCH AND SECONDED BY LIBBY MATHIESEN TO APPROVE THE INVOICE IN THE AMOUNT OF \$4,037.50 FROM GUST ROSENFELD. ALL BOARD MEMBERS IN FAVOR WITH MR. VALENTINE OPPOSED.

FOLLOWUP: SECRETARY TO PREPARE CHECK FOR SIGNATURE AND MAIL TO ATTORNEY. COPY OF CHECK AND INVOICE TO BE PROVIDED TO MR. MOORE FOR BUDGET RECONCILLATION AND TO JOEL WITTRUCK, COUNTY TREASURER'S OFFICE, FOR FRAUD PROTECTION.

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

C. Discussion and Possible Action regarding changing the date of the November meeting back to the 7th rather than the 14th: Mrs. Holden stated that since it isn't an election year there is/was no reason for a meeting date change.

ACTION: MOTION WAS MADE BY CAROL NEWMYER AND SECONDED BY LIBBY MATHIESEN TO MOVE THE MEETING DATE TO NOVEMBER 7, 2023. ALL BOARD MEMBERS IN FAVOR WITH NO OPPOSITION.

FOLLOWUP: MRS. HOLDEN TO NOTIFY HOSPITAL ADMINISTRATION OF DATE CHANGE.

UNFINISHED BUSINESS

A. Discussion and Possible Action regarding storage of Hospital District Records

1. A room, two filing cabinets, a small desk, and two chairs have been provided by KRMC for Hospital District record storage. KRMC Executive Assistant, Karen VanZandt, and CEO, Heath Evans worked hard to find space for the Board's records.
2. All Board records have been located but have yet to be organized.
3. Krystal Burge donated 2 boxes of binders for storage of Board records, of which is most appreciated.

ACTION: SEND THANK YOU CARDS TO KAREN VANZANDT, HEATH EVANS, AND KRYSTAL BURGE.

FOLLOW-UP: SECRETARY TO HANDLE.

B. Discussion and Possible Action regarding setting a date for the Bylaws Committee meeting:

ACTION: SEND AN EMAIL WITH AN OPTION TO PICK ONE OF THREE (3) DATES. AFTERNOON TIMES WERE PREFERRED.

FOLLOWUP: MRS. HOLDEN TO HANDLE.

C. Discussion and Possible Action regarding website development: Mrs. Holden reported that since the discovery of two Hospital District Board pages as part of KRMC's website the need to develop a stand-alone website was not necessary. Both KHI and KRMC Leadership have agreed to allow the Hospital District Board to combine the two pages and update them in order to

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

meet the Open Meeting Laws of Arizona. Therefore, working with Allen Poston, Vice President Public Relations & Marketing, the current pages on the KRMC Website will be combined and tabs created for agendas, minutes, calendar, picture identification of District Board members and their respective term dates, the Hospital District’s Purpose, Goals and Objectives Statement and other information as deemed necessary. A question was raised as to the legalities of whether the Hospital District Board can be part of the KRMC Website. The Board’s previous attorney stipulated the need for an independent website so as not to confuse the public as to the role of the Hospital District Board versus that of the KHI Board.

ACTION: CONTACT HOSPITAL DISTRICT BOARD’S ATTORNEY TO DETERMINE WHETHER OR NOT A SEPARATE WEBSITE IS NECESSARY.

FOLLOWUP: MRS. HOLDEN TO HANDLE. AGENDA NOVEMBER 2023 MEETING.

D. Discussion and Possible Action regarding the development of the Board’s Mission Statement:
The attached document was reviewed and discussed by all board members.

ACTION: A MOTION WAS MADE BY CAROL NEWMYER AND SECONDED BY DAVE FRENCH TO APPROVE THE PURPOSE, GOALS, AND OBJECTIVES STATEMENT AS SUBMITTED WITH ONE CHANGE AS FOLLOWS: UNDER “PURPOSE,” FIRST LINE AFTER “HOSPITAL” INSERT THE WORD “DISTRICT” ALL BOARD MEMBERS IN FAVOR WITH NO OPPOSITION.

FOLLOWUP: SECRETARY TO INSERT VERBIAGE TO DOCUMENT AS STIPULATED.

CALL TO THE PUBLIC

A member of the public, Mr. Baumgartner, raised the question as to the cost of the District’s website. It was stated no cost would be accrued by the District since web pages had been previously developed as part of the KRMC Website of which KRMC assumes financial responsibility. However, as discussed earlier in the meeting, Mrs. Holden will contact the Board’s current attorney to determine if an entirely separate website is necessary.

ADJOURNMENT With no further business to discuss, the meeting was adjourned at 4:31p.m.

Respectfully submitted,

Penny Holden, Chairman

Catherine Furtado, Recording Secretary

Date minutes approved: November 7, 2023