HOSPITAL DISTRICT NUMBER ONE OF MOHAVE COUNTY
3269 Stockton Hill Road – Kingman, AZ 86409

MINUTES - JUNE 2, 2026

The Governing Body of Hospital District Number One of Mohave County (Hospital District Board) will meet in Regular Session on Tuesday, June 2, 2026 at 2:00p.m**. The meeting will be held at Kingman Regional Medical Center in Mohave B Conference Room at 3269 Stockton Hill Road, Kingman, Arizona.** The Hospital District Board may vote to go into Executive Session pursuant to A.R.S. §38-431(A)(3) for legal advice and A.R.S. §431.03(A)(4) for discussion or consultation with attorney(s). The following topic(s) and any variables thereto will be subject Hospital District Board consideration, discussion, approval, or other action. All items are set for possible action.

I. CALL TO ORDER

The Regular Session Board meeting of Hospital District Number One of Mohave County was called to order at 2:00p.m. A quorum was identified.

II. ROLL CALL OF THE HOSPITAL DISTRICT BOARD MEMBERS

Chairman, Katie Tacheron
Vice Chairman, Teresa Boegler
Board Member Logan Marsh
Board Member Carol Newmyer, M.D.
Board Member Leanne Smith

Non-Board Members

Hospital District Attorney Thomas Price
Executive Assistant Catherine Furtado

KRMC Representatives: Billy Neal, Emmanuel Buabeng, Heath Evans, Cheryl Porter, Chris Bennett, Allen Poston and Barry Moore

III. CONSIDERATION AND ACCEPTANCE OF MINUTES

Minutes from the May 5, 2026 meeting were reviewed.

ACTION: MOTION MADE BY BOARD MEMBER BOEGLER AND SECONDED BY BOARD MEMBER MARSH TO ACCEPT THE MINUTES OF MAY 5, 2026 AS WRITTEN.

ACTION: A POINT OF CLARIFICATION WAS REQUESTED BY BOARD MEMBER SMITH TO RECONSIDER BOARD MEMBER NEWMYER'S VOTE CHANGE FROM ABSTAINING TO YEA AS SHE WAS IN ATTENDANCE AT THE MAY 5, 2026 MEETING.

INITIAL VOTE 4/1 WITH BOARD MEMBER NEWMYER ABSTAINING.

FINAL VOTE OF 5/0 FOLLOWING CLARIFICATION OF BOARD MEMBER NEWMYER'S MEETING ATTENDANCE.

Minutes from the May 18, 2026 meeting were reviewed.

ACTION: MOTION MADE BY BOARD MEMBER MARSH AND SECONDED BY BOARD MEMBER SMITH TO ACCEPT THE MAY 18, 2026 MINUTES AS WRITTEN.

VOTE 4/1 WITH BOARD MEMBER NEWMYER ABSTRAINING DUE TO AN EXCUSED ABSENCE.

IV. FINANCIAL MATTERS – PLEASE NOTE: NO MONTHLY FINANCIAL OR BALANCE SHEET REPORTS WILL BE PRESENTED AT THIS MEETING; THOSE REPORTS WILL BE PLACED ON A SUBSEQUENT HOSPITAL DISTRICT REGULAR SESSION BOARD MEETING AGENDA.

A. Payment of Attorney Fees for the period of 5/18/2026 to 5/20/2026.

Discussion ensued when Board Member Newmyer requested clarification as to the charge of $950.00. In response, it was explained the $950.00 was a previous balance carried forward to create a current balance of $2,546.00.

Further discussion ensued when Board Member Newmyer queried the need for attorney expenditures and whether legal expenses could be curtailed. Board Member Marsh responded stating that the accrual of legal expenses had been discussed at two prior board meetings where the following was determined yg87udue to the district moving forward with obtaining office space and separating itself from Kingman Regional Medical Center there would be increased legal expenses.

ACTION: A MOTION WAS MADE BY BOARD MEMBER MARSH AND SECONDED BY BOARD MEMBER SMITH TO PAY THE BALANCE OF $2,546.00 TO ATTORNEY THOMAS PRICE FOR SERVICES RENDERED FROM 4/17/2026 TO 5/20/2026.

VOTE 5/0

B. **Payment of Invoices Received from Contracted Vendors and the Prudent Business Practice to Not Delay Payment for Services Rendered.**

Discussion ensued with Board Member Smith stating she gave her support for this agenda item. When a budget is finalized, it's really important budgeted items associated with a vendor contract be paid without waiting for a subsequent meeting. Board Member Newmyer stated she felt it was a problem unless the Board knows the upfront actual expense. Having some preset approval for invoices where the Board doesn't know the actual amount is problematic to her.

ACTION: MOTION MADE BY BOARD MEMBER MARSH AND SECONDED BY BOARD MEMBER BOEGLER TO PAY CONTRACTED VENDORS UPON RECEIPT OF AN INVOICE RATHER THAN WAITING FOR A HOSPITAL DISTRICT BOARD MEETING TO OCCUR. ALL INVOICES PAID UPON RECEIPT WILL THEN BECOME A SUBSEQUENT AGENDA ITEM FOR HOSPITAL DISTRICT BOARD REVIEW AND ACTION AS DEEMED NECESSARY.

ACTION: BRING FORTH A POLICY AND PROCEDURE FOR PAYING CONTRACTED VENDOR INVOICES.

VOTE 4/1 WITH BOARD MEMBER NEWMYER OPPOSED.

C. Securing a Hospital District Board Business Credit Card from a Reputable Company, Bank or Credit Union.

Discussion ensued with Board Member Newmyer querying why a credit card was needed to which Board Member Marsh explained many vendors are moving away from bank transfers and other modes of payment and utilizing digital assets such as credit cards. Board Member Smith stated that the board is lacking a strategic plan that lays out goals, timelines, desired results. Board Member Smith questioned whether the Board had a real budgetary process, policies, or operational plans. All of which Board Member Smith stated is now on this current Board and it appears like there's more expenses, which is true; however, if previous Boards had done what they needed to do, the current Board would not be looking at all these expenses.

ACTION: MOTION MADE BY BOARD MEMBER MARSH AND SECONDED BY BOARD MEMBER SMITH TO ALLOW BOARD CHAIRMAN KATIE TACHERON TO CONTINUE WITH THE HOSPITAL DISTRICT CREDIT CARD APPLICATION PROCESS WITH THE NATIONAL BANK OF ARIZONA.

ACTION: ABSTAIN FROM USING THE CREDIT CARD UNTIL SUCH TIME AS A POLICY IS DEVELOPED AND BROUGHT BEFORE THE BOARD FOR DISCUSSION AND POSSIBLE ACTION.

VOTE 3/2 WITH BOARD MEMBER NEWMYER OPPOSED AND BOARD MEMBER BOEGLER ABSTRAINING

D. Interim critical standards for utilization of the Hospital District Board's credit card.

1. Designate a Board Member to develop and submit to the Board for approval a Policy and Procedure Regarding Use of the Hospital District Board's Business Credit Card. Of note, agenda items 2 through 4 are to be incorporated into the policy.

2. Designate the chairman of the Hospital District Board to be the authorized signer to accomplish payment for services rendered and/or purchased goods relative to conducting Board credit card business with adherence to the Hospital District Board's Bylaws regarding the 2-signature requirement for check disbursement.

3. Designate

   (a) the number of Hospital District Board credit cards to be issued.
   (b) who shall be Hospital District Board credit card holder(s).

4. Establish

   (a) a limit of $1,200.00 per single credit card purchase

(b) Any single credit card purchase over the established limit of $1,200.00 will require Hospital District Board approval prior to the actual purchase; of note, this excludes items in #5.

5. Delineate items/invoices to be paid/purchased with the Board's business credit card, such as monthly cell phone bills, monthly Google Workspace bills, website monthly fees, purchases for business related office supplies (paper, paper clips, binders, binder dividers, printer ink, pencils, pens, staples, stapler, etc.).

ACTION: MOTION MADE BY BOARD MEMBER MARSH AND SECONDED BY BOARD MEMBER BOEGLER TO DEFER ITEM D. 1 THROUGH 5 TO A SUBSEQUENT BOARD MEETING UNTIL SUCH TIME AS A POLICY AND PROCEDURE FOR USE OF A BOARD-ISSUED CREDIT CARD IS DEVELOPED AND BROUGHT BEFORE THE BOARD FOR DISCUSSION AND POSSIBLE ACTION.

VOTE 5/0

E. District Budget for Fiscal Year Ending June 30, 2026

1. Hospital District's Fixed Costs and Recurring Costs for fiscal year 2026-2027.

ACTION: MOTION MADE BY BOARD MEMBER MARSH AND SECONDED BY BOARD MEMBER BOEGLER TO DEFER DISCUSSION AND POSSIBLE ACTION AS THE DOCUMENT CONTAINED IN THE AGENDA PACKET WAS A STRAWMAN ARCHITECTURE PLAN TO BE USED TO PROVIDE KRMC CONTROLLER, BARRY MOORE, WITH BUDGTARY INFORMATION NECESSARY TO MEET THE ARIZONA REVISED STATUTE FOR FILING AN ANNUAL HOSPITAL DISTRICT OPERATIONAL BUDGET REPORT TO THE MOHAVE COUNTY TREASURER'S OFFICE AND THE MOHAVE COUNTY BOARD OF SUPERVISORS.

VOTE 5/0

2. **Google Workspace: The Trial period for the Google Workspace ended 5/28/2026. In order to receive this trial period, Katie Tacheron used her personal credit card to secure the service. While an invoice has not been**

generated by Ms. Tacheron's credit card company, prior approval for reimbursement is being requested.

ACTION: NO BOARD ACTION NEEDED AT THIS TIME AS THIS AGENDA ITEM WAS PLACED FOR INFORMATION ONLY.

3. **Hospital District's Annual Budget for fiscal year ending June 30, 2027. This report also includes a cash projection with currently agreed upon Intergovernmental Agreement's (IGA's) for fiscal year 2026-2028.**

ACTION: MOTION MADE BY BOARD MEMBER BOEGLER AND SECONDED BY BOARD MEMBER MARSH TO APPROVE THE KRMC CONTROLLER'S ANNUAL BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2027 WITH TWO CHANGES AS FOLLOWS: (1) UNDER "OTHER INCOME – OTHER (REIMBURSE ADMIN COSTS FROM KRMC)," LAST COLUMN (ESTIMATED BUDGET FY 2027) CHANGED FROM 161,143 TO 233,623. (2) UNDER "EXCESS REVENUES OVER EXPENSES" CHANGED FROM 526,445 TO 598,925.

ACTION: BOARD MEMBER SMITH REQUESTED THE EXECUTIVE ASSISTANT PROVIDE A REVISED COPY OF THE ANNUAL BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2027 TO ALL BOARD MEMBERS.

VOTE: 5/0

V. OLD BUSINESS

A. Addendums for the basic D & O Insurance policy approved at the May 5, 2026 meeting.

1. EPL coverage.

ACTION: MOTION MADE BY BOARD MEMBER BOEGLER AND SECONDED BY BOARD MEMBER NEWMYER TO DEFER DISCUSSION AND POSSIBLE ACTION UNTIL SUCH TIME AS A MORE CRITICAL REVIEW CAN BE ACHIEVED BY EACH BOARD MEMBER.

VOTE: 5/0

2. Cyber coverage.

   Discussion ensued when Board Member Newmyer queried what exactly the cyber coverage entailed to which Board Member Marsh stated while the policy appears broad it covers areas such as, but not limited to, support for payment fraud, vendor fraud.

   ACTION: MOTION MADE BY BOARD MEMBER BOEGLER AND SECONDED BY BOARD MEMBER MARSH TO ACCEPT THE CYBER COVERAGE ADDENDUM TO THE ALREADY APPROVED BASIC D & O BOARD INSURANCE AT AN ANNUAL RATE OF $2,523.24. BOARD CHAIRMAN KATIE TACHERON TO MEET WITH THE KRMC RISK MANAGEMENT INDIVIDUAL TO FACILITATE PURCHASE.

   VOTE 5/0

3. **Digitalize all Hospital District Board records.**

   Discussion ensued with Board Member Smith expressing concern with having a backup record storage plan, like the cloud, in case of untoward damage. No further discussion occurred relative to Board Member Smith's concern. Board Member Newmyer asked for further clarification of the process to be undertaken, with a response noted in the motion.

   ACTION: MOTION MADE BY BOARD MEMBER MARSH AND SECONDED BY BOARD MEMBER SMITH TO SEND ALL RECORDS TO BE DIGITIZED BY DOCUFREE AND THEN DOCUFREE FORWARDS ALL RECORDS (DIGITALIZED AND PAPER) TO THE ARIZONA STATE ARCHIVES FOR PERMANENT STORAGE IN A CLIMATE CONTROLLED FACILITY. SUBSEQUENTLY, AND ON AN ANNUAL BASIS, DOWNLOAD ALL RECORDS ONTO A THUMB DRIVE, WHICH WOULD THEN BE SENT TO THE ARIZONA STATE ACHIVES FOR STORAGE.

   VOTE 5/0

4. A "Status-only" update on Lease agreement discussions between the Hospital District Board and Kingman Healthcare Incorporated (KHI) dba Kingman Regional Medical Center (KRMC).

   Discussion ensued with Board Member Smith asking when the current lease expires to which Board Member Marsh replied it is auto renewed until a new lease is presented for Board review and possible approval**.**

   ACTION: A BRIEF UPDATE WAS PROVIDED BY BOARD MEMBER MARSH STATING LEASE TALKS CONTINUE AND ARE MOVING FORWARD WITH ALL THE NECESSARY REVIEWS BEING CONDUCTED. IT IS ANTICIPATED AN UPDATED LEASE AGREEMENT BETWEEN KHI DBA KRMC AND THE HOSPITAL DISTRICT WILL BE FORTHCOMING THE THIRD QUARTER OF THIS YEAR.

   NO VOTE AS THIS ITEM WAS INFORMATIONAL ONLY. NO FURTHER ACTION DEEMED NECESSARY AT THIS TIME.

VI. NEW BUSINESS – None to be presented

VII. CALL TO THE PUBLIC – DUE TO THE LENGTH OF THE MEETING THERE WILL BE NO CALL TO THE PUBLIC.

VIII. ADJOURNMENT

ACTION: WITH NO FURTHER BUSINESS TO DISCUSS A MOTION WAS MADE BY BOARD MEMBER MARSH AND SECONDED BY BOARD MEMBER BOEGLER TO ADJOURN AT 2:45P.M.

THE NEXT REGULAR SESSION BOARD MEETING IS ANTICIPATED TO OCCUR IN JULY 2026; AGENDA FORTHCOMING.

Respectfully submitted by Catherine Furtado on behalf of:

Katie Tacheron, Hospital District Number One of Mohave County Board Chairman

Minutes approved by Hospital District Board: July 14, 2026