

**Mountainview Medical Center
Board of Directors Meeting
June 22, 2022**

Present: Bill Galt – Chair, Cheri Bailey, Rick Seidlitz, Shane Sereday, Chris Schlepp, Rob Brandt – CEO, Tony Pfaff– Cypress Healthcare, David Sterner – Merrill Lynch

1. Call to Order

Bill called the meeting to order at 4 p.m.

2. Minutes

Review of minutes from May, Rick moved to approve as presented, Shane seconded.

Motion Passed.

3. /4. DON/Quality/Medical Staff Report

Providers and nursing are in the ER, so Rob gave a combined report. Nursing still needs one more RN night shift. Improving our infection control plan, worked with state. Meeting next week to renew our trauma designation. Staff is getting prepared.

5. Financials:

David Sterner from Merrill Lynch: David was here to give an update on the investment portfolio. With the pandemic and the war in Ukraine, inflation is the highest in 40 years. In a downcycle right now, 20% correction in the market is average. Account is down 11% YTD. Equity portion up 80%, bonds 8% since 2016. Worst bond market in 100 years. Interest is over 3%, which is the worst thing that can happen. David would like to consider more of an allocation to equities, less risky is more equities, gives a balance. 28% stocks is the most conservative. Bill stated the mission isn't to make money, not to gamble. David likes dividend paying stocks as they pay more than the year before. Bill isn't willing to risk the funds; he would bury in a can in the back yard rather than loose it. Want security over making money.

Question of the upcoming commitments, do we know when the funds are needed, as we can put in CDs; they pay and can be laddered to enhance return. The money market savings has 2.2 million. The CD rates are better return than money market. Can roll to laddered CDs. Operation account funds needs to be 500K; currently have 1.2 million in there. Can earn some interest in it. 2.5 in laddered CDs.

Regarding the inflation at this period of time and the portfolio, David stated bonds do well if inflation is going down, and could look at a real estate portfolio. Bill doesn't care for real estate; Cheri agrees. Tony asked how they do in a rising interest market. They are generally multi-family housing in big urban areas and real estate with e-commerce warehouses. Board was not interested. Are not here to make money, save it.

Rob needs orders for the money market account. Keep 500K liquid and keep the rest in short term CDs. Motion made by Shane to leave it up to the finance committee; Cheri seconded. Motion Passed.

May Financials:

- Investment Accounts: 1st Security 2.4 million; Merrill Lynch and US Bank both 1.1 million
- Revenue: hospital \$512,281 clinic \$47,550 net patient \$670,414
- Expenses: \$636,559

- Operating profit \$41,471 net profit \$265,260
- Census: inpatient days 12, swing days 32, ER visits 61, clinic 288
- Cash on hand 273
- AR days 70. Today down to 62

6. CEO Report:

Townsend Hardware Land Swap Proposal: email included in packet. He is going to put up a fence on his property. We don't need the swap. We are fine, will only have to move the dumpster.

Medical Staff Appointment: Intermountain Tele Wound providers: Recommendation to add, they are delegated credentialed. This program will step up our game with wound care. Cheri moved to accept; Rick seconded. **Motion Passed.**

Budget (FY2023): has a 4% increase for employees, 4% increase in costs. Leaves a \$56K positive bottom line. Finance committee asked to increase the employee raise. Each percentage point is \$24K. Most managers give the max allotted, so they would have to have exemplary performance to get the max. Inflation is up - is why the increase, 3% is below what costs are. Bill added we are not overstaffed. 47 FTEs is low. Rick doesn't want us to lose employees to other places in town. 5% is the recommendation/motion from Rick and Cheri seconded. **Motion Passed.** Rick moved to approve the budget with 5% increase for employees, Chris seconded. **Motion Passed.**

New Facility Update: USDA approved the PAR, includes site plan, square footage, budget. They ensure it fits modest form and function, no custom items. Very detailed report. Environmental study is on hold with ground work of any type; the State office is doing a historical, agricultural study. We have no timeframe of how long. The next deadline is in September, it's by quarter. Rob is engaged with federal and state offices. The maintenance crew has covered the pipe with tarps. We are at the mercy of USDA office.

FEMA Update: yesterday completed the request for more information; senators offices are involved. The argument is about overtime and traveler cost, to prove overtime was only for treating Covid positive patients. Impossible as our staff cross over and do not have designated units like larger facilities.

Information Items:

Safety Deposit Box: a motion is needed to state that all accounts including safety deposit box have the same signers. Rick made the motion, Shane seconded **Motion Passed.**

Covid numbers dropping, if the latest surveillance testing is negative, we are off outbreak status. The last community member positive was 3 days ago.

July meeting – typically is cancelled. Rob doesn't foresee any reason to have it. All agreed. If need one, will call. Will still have finance meeting.

Public Comment: none.

Motion to adjourn at 4:24 p.m. by Rick Chris seconded. Meeting adjourned.