Cochran County Hospital District
Board of Directors
Meeting Minutes
July 17, 2024

Cochran Memorial Hospital Lobby
201 E Grant Ave
Morton, Texas 79346

ATTENDANCE

<u>Board of Directors</u>
Richard Houston
John Schmidt
Ray O'Brien
William (Bill) Albus

<u>Absent</u>
Betty Lyon

<u>Hospital Administration</u>
Kody Kitchens

<u>Minutes Taker</u>
Mary McKnight

<u>Guests</u>
Maggie Ramon
Amanda Turney
Shannon Prieto, City of Morton
Sandra Elmore, City of Morton
Alfred Herlocher, CCEMS

1. **Opening**
    a. Quorum present
        i. Meeting called to order 5:00 p.m.
    b. Invocation led by Ray O'Brien
    c. Public Comments
        i. None
    d. Review and Consider Approval of Previous Meeting Minutes
        i. Motion made to approve the June 19, 2024 regular session meeting minutes as read. Motion seconded. Three (3) votes in favor of approving minutes; zero (0) votes against. Motion passed; minutes approved as read.
2. **Matters for Discussion and/or Action**
    a. City of Morton
        i. Shannon Prieto, Mayor Pro Tempore, presented the Board of Directors with a financials report detailing spending and earnings of the Frontier Ambulance/Cochran County EMS service. Mrs. Prieto asked the Board of Directors for continued support of Frontier Ambulance in the amount of $30,000 for the upcoming fiscal year.
        ii. Mrs. Prieto, Mrs. Elmore and Mr. Herlocher answered questions regarding the financials of the EMS service.
    b. Appointment of 2025 Tax Assessor
        i. Motion made to appoint Dixie Mendoza as tax assessor for the Cochran Memorial Hospital District. Motion seconded. Three (3) votes in favor of appointing Dixie Mendoza; zero (0) votes against. Motion carries, Dixie Mendoza is appointed tax assessor for the Cochran Memorial Hospital District.

c. Tax Deeds
    i. Parcel 10270
        1. Motion made to accept bid on Parcel 10270. Motion was seconded. Three (3) votes in favor of accepting the bid, zero (0) votes against. Motion passed; bid on Parcel 10270 accepted.
    ii. Parcel 12522
        1. Motion made to accept bid on Parcel 12522. Motion was seconded. Three (3) votes in favor of accepting the bid, zero (0) votes against. Motion passed; bid on Parcel 12522 accepted.

d. 2025 Budget Proposal
    i. Kody presented the Board of Directors with the proposed budget for 2025. Budget for Pharmacy and Central Supply were not increased as we have saved money in those departments with the new GPO.
    ii. Potential revenue from uncompensated care and the 340B Pharmacy program were discussed.
    iii. Merit raises for employees were discussed.
    iv. Employee Christmas bonuses discussed.
    v. Revenue and improvements with billing discussed.
    vi. John Schmidt asked the Board of Directors consider an additional $5,000 for Frontier Ambulance. John stated that the $5,000 be a direct donation to Frontier Ambulance's account and not be included with the $30,000 given to the City of Morton for the ambulance service.
    vii. Budget discussions tabled until the regularly scheduled Board of Directors meeting on Wednesday, August 21, 2024.

3. Reports

a. Financials
    i. CDs
        1. CD ending 1260 matured on June 29, 2024. This was a twelve (12) month CD with 3.75% interest rate and 3.79% APR. This CD was renewed for eight (8) months at 4.95% interest and 5.02% APR.
        2. CD ending 1075 matured on July 1, 2024, another twelve (12) month CD with 3.75% interest rate and 3.79% APR. This CD was also renewed for eight (8) months at 4.95% interest and 5.02% APR.
    ii. Fraudulent Checks
        1. Fraudulent check attempts have continued but we have managed to block all of them using the Positive Pay services offered by City Bank. The checks we are seeing now mimic the actual hospital checks more closely and use both John Schmidt's and Kody Kitchen's signatures.
    iii. Investing
        1. Kody made the suggestion of taking $1,000,000 to $1,500,000 of the money held in the operating account and placing it in CDs where it will earn a high interest rate and still leave us with ninety (90) days operating funds. Investing the money in CDs will generate $40,000 to $60,000 in interest at a 4.0% APR.
        2. Board members were in favor of this but recommended the money be split in to two (2) or more CDs and asked that Kody makes certain that should we need to access the money, we could do so.

iv. Line items discussed
   1. Inquiry made about what ASCO was.
      a. Linen service.
   2. Inquiry made regarding Ben Warren and if there were any issues.
      a. Ben has been a good addition to the staff and no complaints have been voiced.
   3. Inquiry made regarding Quadax.
      a. Coding service for emergency room and inpatient billing.

b. Administrator's Report
   i. Have spent money and a lot of time on recent upgrades inside and outside the facility. Kody recognized Daniel Molinar, RJ Maldonado and Rosie Rubio for their hard work in improving our facility. Rosie works to keep the flower beds looking beautiful. Daniel and RJ have been replacing flooring in the clinic making it brighter and easier to clean. The three of them are currently in the process of painting walls and replacing baseboards in the clinic. Kody stated he is proud of the improvements to the facility but even more so to see employees taking ownership of their work and working together as a team for the betterment of the facility.
   ii. Ben Warren has been tracing and replacing old wires that were setup incorrectly and have been causing some computer system problems the past few weeks. He also discovered some wiring issues that may be causing the phone line problems we have been having. Ben is working on correcting the issues.
   iii. Computer firewall protection contracts up for renewal. Ben and Kody have both reviewed the contracts. This was needed added security to Centriq. Our current system is Cloud based and includes many more security features. We may be able to employ a cheaper version of the protection plan, saving approximately $15,000 annually. Ben is currently reviewing protection plans he feels would be more adequate and cheaper.
   iv. The fire system has been alarming a "ground fault" for the past few months. Lubbock Sound technicians have been coming out troubleshooting but have not been able to find the problem until this week. The fault is being caused by a fault in the motherboard on the main control box. Kody has requested a timeline and cost for repair and is waiting to hear back from Lubbock Sound. In the meantime, the fire alarm system is still operational, however the fault alarm will continue to sound until the motherboard is replaced.
   v. Aaron Milligan of Durbin and Co. will be present at the August 21, 2024 meeting to present the 2023 audit.
   vi. Kody Kitchens will be on vacation August 1st through August 6th. He will have his phone should he need to be reached.

4. Personnel

a. No new business

5. **Open Forum**
    i. No new business
6. **Adjournment**
    a. Motion made to adjourn. Motion seconded. Three (3) votes in favor; zero (0) oppose. Motion carried.
        i. Meeting adjourned 7:02 p.m.

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Cochran Memorial Hospital CEO Date

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Cochran Memorial Hospital President, Board of Directors Date