Cochran County Hospital District
Board of Directors
Meeting Minutes
May 14, 2025

Cochran Memorial Hospital
201 E Grant Ave
Morton, Texas 79346

ATTENDANCE

<u>Board of Directors</u>
Betty Lyon
John Schmidt
Ray O'Brien
William (Bill) Albus
Matt Patterson (by phone)

<u>Hospital Administration</u>
Kody Kitchens, CEO
Grant Turner, CNO/COO

<u>Minutes Taker</u>
Mary McKnight

<u>Guests</u>
Maggie Ramon
Aaron Milligan

1. **Opening**
    a. Quorum present
        i. Meeting called to order 5:00 p.m.
    b. Invocation led by John Schmidt.
    c. Public Comments
        i. None
    d. Review and Consider Approval of Previous Meeting Minutes
        i. Motion made to approve the April 11, 2025; regular session meeting minutes as read. Motion seconded. Four (4) votes in favor of approving minutes; zero (0) votes against. Motion passed; minutes approved as read.
2. **Matters for Discussion and/or Action.**
    a. 2024 Fiscal Year Audit
        i. Aaron Milligan with Durbin & Co. presented the 2024 Audit, Management Letter and Governance Letter to the Board of Directors.
    b. Cochran County Senior Center financial assistance
        i. Ray O'Brien, who also serves as Chairman of the Board of Directors for the Cochran County Senior Center abstained from discussions of this topic and from voting. Mr. O'Brien provided a printed statement from the board of the Senior Center to each Cochran Memorial Hospital board before excusing himself from the room.
        ii. The statement provided by Mr. O'Brien outlined the financial issues faced by the Center due to the lack of proper financial oversight. It further stated that the board of the Center was not fully informed of the situation and assistance was needed to maintain operations, provide meals, and offer companionship to the seniors in our community. The director of the Center has resigned and an internal employee was appointed to the position. The Cochran Foundation will assist with account duties at no cost and City Bank has offered the assistance of Dionna McWhorter, the Morton City Bank Branch Manager, to assist with the financial overwatch of the Senior Center. A private donation has been made to the center to cover any bills due and the bring the Center's bank account current.
        iii. Discussion regarding the need to help the Senior Center was held.

iv. Motion made to provide the Cochran County Senior Center with $1,000 per month for six (6) months beginning June 2025, to total $6,000. After six (6) months financial assistance to the Center will be reviewed. Monthly financial reports must be submitted to the Cochran Memorial Hospital Board of Directors. Cochran Memorial Hospital will draft a contract.
v. Motion was seconded.
vi. Three (3) votes in favor; zero (0) against; one (1) abstained.
vii. Motion carried.
viii. Mr. O'Brien rejoined the meeting following the vote.

c. Ashley Davidson, FNP contract renewal
   i. Ashley Davidson's contract is up for renewal. Employees were given a 3% merit raise; this raise did not apply to contract employees. Motion was made to increase Ashley Davidson's pay by 3%. Motion was seconded. Four (4) votes in favor, zero (0) against. Motion passed. Ashley Davidson's pay will be increased by 3%.

3. Reports

a. Clinical Report
   i. Have seen an increase in patient visits in both the Emergency Department and Clinic.
   ii. No inpatients
   iii. Question regarding what AMA stood for. Against Medical Advice.
   iv. Since January EMS has had 74 calls in Morton, 7 in Whiteface, 2 in Bledsoe, and 8 are listed as other.

b. Financials
   i. Matt Patterson left meeting; phone call ended.
   ii. 2021 Employee Retention Tax Credit
      i. Received $270,272.70 plus $70,257.99 in interest for a total of $340,529.97 on May 5, 2025
   iii. Cost Report Settlement
      i. Received $282,218 on April 28, 2025
   iv. CDs
      i. Account ending 5000 matures May 24, 2025
         a. Current cash value $704,085.65
      ii. Account ending 5046 matures May 30, 2025
         a. Current cash value $488,441.59
      iii. Recommendation
         a. Transfer $300,000 from the operating account ($1,600,057.14 as of May 7, 2025) into one of the maturing CDs. All board members voiced agreement.
   v. Check Registry
      i. Reviewed and discussed.
   vi. New payroll/time clock system
      i. Kody reviewing offers from Paylocity.

c. Administrator's Report
    i. Sewer line in basement was leaking; this line runs from the bathroom in the emergency room and the one in the x-ray room. Had to call plumber to repair. The leaking pipe was fixed correctly but they found the cast iron sewage pipes to be corroded and cracked. Waiting on estimate for repair.
    ii. Air conditioner in nurses' lounge replace and working well.
    iii. Air conditioner in clinic went out. Received estimates from Anthony Mechanical and Robertson & Agnew Plumbing, Heating & Air. Accepted estimate from Robertson & Agnew, they were cheaper and seem to do better work. The new equipment has been ordered and installation should be completed around May 15th.
    iv. New oxygen supply manifold was ordered. Installation expected to be completed in June 2025.
    v. Capital Improvement Grant was completed on April 21, 2025. Anticipated award is June 2025. If received we will be able to start the floor repairs in the emergency department and hallway around August 2025.
    vi. Three board members attended the UMC sponsored Hospital Board Training Seminar.
    vii. Sponsorships
        i. $2,000 sponsorship to the Morton Independent School District first annual golf tournament. Proceeds from the event support education, arts, sports and CTE. The hospital will receive a 2025/26 banner advertisement, meal tickets for four (4), two (2) district passes to home sporting events and a plaque made by Morton FFA. The tournament will be held June 7, 2025.
        ii. $2,000 sponsorship to Alcove Care, Inc. for their 9th annual golf tournament. The hospital will receive a prime banner advertisement, 2 meal tickets, 2 t-shirts, and a four-person golf tournament entry. The tournament will be held July 19, 2025.
        iii. Interested board members can see Kody in regards to meal tickets and passes.

4. Executive Session
  a. Kody Kitchens and Grant Turner requested to speak with the Board of Directors in executive session.
    i. Request approved
    ii. Entered executive session 6:40 p.m.
    iii. Exited executive session 7:00 p.m.

5. Personnel
  a. No new business

6. Open Forum
  a. No new business

7. 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.

Cochran Memorial Hospital CEO	Date
Cochran Memorial Hospital President, Board of Directors	Date