

**Nocona General Hospital
Board of Directors Meeting
August 16, 2022**

Board Members Present:

Charles May, President
Chris Keck, Secretary
Ken Koontz, Vice-President
Paula Webb
Kristal Ferguson
Ron Brown

Absent:

Cris Lemon

Hospital Administration:

Lance Meekins, CEO; Rebecca Hamilton, Admin Asst./HR

Medical Staff:

None

Others Present:

Brian Jackson, Jackson & Carter, PLLC

Meeting was called to order by President, Charles May at 12:33 PM.

Approval of Previous Minutes

Paula Webb made a motion to approve the minutes of the July 19, 2022 meeting and Ken Koontz seconded. Motion passed unanimously.

Community Input: None

Old Business: None

New Business:

Department Update: Bonnie Robertson, RN (OR/Purchasing)

Discussion and Possible Vote on Capital Purchase: C-Arm for OR

OR Director Bonnie Robertson, along with Katie Tipton, RN, brought the board up to speed on happenings and statistics in the surgical department. Additionally, she and CRNA Nick Rose presented information regarding the proposed purchase of a C-Arm for the OR, which will enable Nick to perform pain management procedures.

Paula Webb made a motion to purchase the used C-Arm as presented, if readily available, and if not readily available, to purchase the equipment new. Ron Brown seconded the motion, and the motion carried unanimously.

Discussion and Possible Vote on July 2022 Financial Statements

CEO Lance Meekins presented the following report to the board:

For July the hospital finished with 32 admissions; 582 outpatient discharges, including 9 surgeries; 329 ER visits; 267 home health visits; and 1547 clinic visits. Additionally, there were 15 observation admissions. This utilization resulted in gross revenue of just under \$1.7M, about 16% under budget. The average daily census was 3.4 patients with an average length of stay of 3.3 days. These utilization numbers combined with expenses resulted in a \$348,606 loss from operations.

For year over year comparison:

- Gross revenue is about 10% lower than last year. Expenses are up about 1%.
- The ADC is up 1 patient from last year.
- Admissions are up 23%.
- The ALOS is the same.
- Outpatient discharges are up 2%.
- ER visits are about the same.
- Obs admissions are the same.
- O/P surgeries were down 8 from last July.
- FTEs are down 2 from this time last year.

These variances will certainly change as we progress through the year.

On the non-operating revenue front, the hospital received its quarterly county Ambulance subsidy of a little over \$15,000. As I stated at last month’s meeting you will not see any QIPP benefit in July as those payments were accrued in June. The Year 5 June payments and the Year 5 3rd quarter payments are currently being received.

Overall expenses were under budget by 6%.

Ron Brown made a motion to accept the financial report as presented, and Kristal Ferguson seconded. Motion carried unanimously.

Discussion and Possible Vote on 2022 Certified Tax Appraisal Roll

Lance presented the following information concerning the 2022 Certified Tax Appraisal Roll and considerations for setting the 2022 Tax Rate:

Information is enclosed in your packet concerning setting the hospital district’s tax rate and certifying the 2022 tax roll. If the Board is considering a tax rate that exceeds the no new revenue tax rate (effective rate) then the vote must be recorded and public hearing(s) be set. This vote does not tie the board to the rate proposed. This is a requirement that must be voted on at the August meeting. Kathryn Phillips with the Montague County tax office has calculated both the no new revenue tax rate (effective) and the voter approval tax rate (rollback tax) rates for 2022. The hospital’s 2022 net certified tax rolls increased approximately \$120 million to \$574,135,976. The hospital’s current rate is \$0.184 producing a tax levy of close to \$837,000. I have included a timeline detailing the process. Kathryn will take care of publishing the hospital’s notices in the paper once I instruct her as to the rate the board is considering. I have calculated a few of the options and the levies the tax rates would produce:

<u>RATE</u>	<u>LEVY</u>
.149020 (no new revenue)	\$855,577
.161170 (voter approval)	\$925,335

As a taxing district, the hospital is required to provide indigent/charity care based on a written hospital policy. A small change in the charity care policy could vastly change the identification of bad debt or charity. The tax levy is the main option to pay for those “free services”. I have included the latest tax rate booklet which shows every hospital tax rate. You will note that we are still in the lower 25th percentile for both tax rate and tax levy.

Paula Webb made a motion to certify the 2022 Tax Appraisal Roll. Chris Keck seconded, and the motion carried unanimously.

Discussion and Possible Vote to Propose the Hospital Tax Rate for 2022 and Schedule the Required Public Hearings

Ron Brown made a motion to propose that the hospital tax rate for 2022 be set at \$.16110 per \$100 and schedule the required public hearing for September 20, 2022 at 11:45 AM. Ken Koontz seconded the motion, and the motion carried unanimously.

Convene to Closed Session for the Following Purposes:

- a) **Texas Government Code Section 551.071 – Consultation with Attorney**

None

Administrative Report

Lance presented the following report to the board:

Wells Fargo Investments

After I received the Board approval to open the investment account, we transferred \$4M into a laddered approach invested in CDs. They range from 3 months to 12 months with the highest return being just over 3%. The estimated annual income currently is calculated at \$90,000.

Parking Lot

Progress continues on the new parking lot. The week of the 8th saw completion of the dirt work and grading as well as the installation of rebar. We are currently set for concrete pours on the 17th and 19th - weather and the availability of concrete permitting. We do have another change order of about \$6000. With the additional parking spots comes the requirements for additional handicap parking. We will need a total of 16 spots. This will require us to extend the handicap parking spots north from where the current ones are located, thus requiring the sidewalk to be cut and sloped as it is with the current parking spots. Additionally, there will be 6 handicap spots in the new lot across from the current ones (site plan is in your packet).

Coronavirus Update

- 167 Tests performed (121-June; 79-May; 72-April; 73-March; 152-Februray; 484-January)
- 65 Positive (20-June; 5-May; 0-April; 2-March; 32-February; 313-January)
- 4 admissions
- Cases and admissions state-wide continue to decrease slowly.

July update thus far: Pending

Press Ganey Survey – July 2022

Lance highlighted the July Press Ganey survey for the board's attention.

Medical Staff Report: Nothing to Report

Other Business: None

Meeting was adjourned at 2:07 PM.

Charles May, President

Chris Keck, Secretary