

REGULAR MEETING OF THE  
SAN GORGONIO MEMORIAL HOSPITAL  
BOARD OF DIRECTORS

FINANCE COMMITTEE  
May 28, 2024

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors Finance Committee was held on Tuesday, May 28, 2024, in the Administration Boardroom, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Susan DiBiasi (Chair), Darrell Petersen, Ron Rader, Steve Rutledge

Members Absent: None

Required Staff: Steve Barron (CEO), Daniel Heckathorne (CFO), John Peleuses (VP, Ancillary & Support Services), Ariel Whitley (Executive Assistant), Angela Brady (CNE)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP								
<b>Call To Order</b>	Steve Rutledge called the meeting to order at 9:02 am.									
<b>Public Comment</b>	No public present.									
<b>OLD BUSINESS</b>										
<b>Proposed Action - Approve Minutes</b>  <b>April 30, 2024, regular meeting</b>	Steve Rutledge asked for any changes or corrections to the minutes of the April 30, 2024, regular meeting. There were none.	<b>The minutes of the April 30, 2024, regular meeting will stand correct as presented.</b>								
<b>NEW BUSINESS</b>										
<b>Proposed Action – Recommend Approval to the Hospital Board and Healthcare District Board</b> <ul style="list-style-type: none"> <li>• <b>Annual Insurance Renewals</b></li> </ul>	<p>The Annual Insurance Renewals were presented to the committee by Dan Heckathorne, CFO. The Insurance Renewals include:</p> <ul style="list-style-type: none"> <li>• Professional and General Liability</li> <li>• Directors and Officers Liability</li> <li>• Employment Practices Liability</li> <li>• Auto Liability</li> <li>• Workers’ Compensation</li> </ul> <p><b>ROLL CALL:</b></p> <table border="1" style="margin-left: 20px;"> <tr> <td>DiBiasi</td> <td style="text-align: center;">Yes</td> <td>Petersen</td> <td style="text-align: center;">Yes</td> </tr> <tr> <td>Rader</td> <td style="text-align: center;">Yes</td> <td>Rutledge</td> <td style="text-align: center;">Yes</td> </tr> </table> <p>Motion carried.</p>	DiBiasi	Yes	Petersen	Yes	Rader	Yes	Rutledge	Yes	<b>M.S.C. (Rader/Rutledge), the SGMH Finance Committee voted to recommend approval of the Annual Insurance Renewals to the Hospital Board and Healthcare District Board.</b>
DiBiasi	Yes	Petersen	Yes							
Rader	Yes	Rutledge	Yes							

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP								
<p><b>Proposed Action – Recommend Approval to Hospital Board of Directors – Interoperability Antimicrobial Use and Resistance (AUR) Contract</b></p>	<p>CMS has put out a new federal (unfunded mandated) requirement for Hospitals (and others) to install a system that provides for the bidirectional electronic exchange of antimicrobial use and resistance (AUR) for interoperability.</p> <p><b>ROLL CALL:</b></p> <table border="1" data-bbox="386 485 1211 558"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Petersen</td> <td>Yes</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> </table> <p>Motion carried.</p>	DiBiasi	Yes	Petersen	Yes	Rader	Yes	Rutledge	Yes	<p><b>M.S.C. (Petersen/Rutledge), the SGMH Finance Committee voted to recommend approval of the Interoperability Antimicrobial Use and Resistance (AUR) Contract to the Hospital Board of Directors.</b></p>
DiBiasi	Yes	Petersen	Yes							
Rader	Yes	Rutledge	Yes							
<p><b>Proposed Action – Recommend Approval to Hospital Board of Directors - Monthly Financial Report (Unaudited) – April 2024</b></p>	<p>Daniel Heckathorne, CFO, reviewed the Unaudited April 2024 finance report as informational.</p> <p>The month of April resulted in negative \$2.30M EBIDA compared to budgeted negative EBIDA of \$1.94M and a Flex Budget negative EBIDA of \$2.67M.</p> <p>A few adjustments and items of note include:</p> <ul style="list-style-type: none"> <li>• Patient Days, Surgeries, and Adjusted Patient Days volumes were below budget.</li> <li>• There were no Supplemental Revenues in April; there will however be more in May and June.</li> <li>• Payment of the PAGA Class Action lawsuit was submitted in April.</li> </ul> <p><b>ROLL CALL:</b></p> <table border="1" data-bbox="386 1230 1211 1304"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Petersen</td> <td>Yes</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> </table> <p>Motion carried.</p>	DiBiasi	Yes	Petersen	Yes	Rader	Yes	Rutledge	Yes	<p><b>M.S.C. (Rader/Petersen), the SGMH Finance Committee voted to recommend approval of the Unaudited April 2024 Financial report to the Hospital Board of Directors.</b></p>
DiBiasi	Yes	Petersen	Yes							
Rader	Yes	Rutledge	Yes							
<p><b>Future Agenda Items</b></p>	<ul style="list-style-type: none"> <li>• Property Insurance</li> <li>• Capital and Operating Budget</li> </ul>									
<p><b>Next Meeting</b></p>	<p>The next regular Finance Committee meeting will be held on June 25, 2024 @ 9:00 am.</p>									
<p><b>Adjournment</b></p>	<p>The meeting was adjourned at 10:02 am.</p>									

In accordance with The Brown Act, *Section 54957.5*, all reports, and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Hospital Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Minutes respectfully submitted by Ariel Whitley, Executive Assistant