

REGULAR MEETING OF THE  
SAN GORGONIO MEMORIAL HOSPITAL  
BOARD OF DIRECTORS

FINANCE COMMITTEE  
Tuesday, February 28, 2023

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors Finance Committee was held on Tuesday, February 28, 2023, in Classroom B, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Susan DiBiasi, Ron Rader, Steve Rutledge

Members Absent: Dennis Tankersley

Required Staff: Steve Barron (CEO), Angela Brady (CNO/COO), Daniel Heckathorne (CFO), Annah Karam (CHRO) Ariel Whitley (Executive Assistant), Karan P. Singh, MD (CMO), John Peleuses (VP Support & Ancillary Svs.)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
<b>Call To Order</b>	Susan DiBiasi called the meeting to order at 9:03 am.	
<b>Public Comment</b>	No public present.	
<b>OLD BUSINESS</b>		
<b>Proposed Action - Approve Minutes January 31, 2023, regular meeting</b>	Susan DiBiasi asked for any changes or corrections to the minutes of the January 31, 2023, regular meeting. There were none.	<b>The minutes of the January 31, 2023, regular meeting will stand correct as presented.</b>
<b>NEW BUSINESS</b>		

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP								
<p><b>Proposed Action – Recommend Approval to Hospital Board of Directors - Monthly Financial Report (Unaudited) – January 2023</b></p>	<p>Daniel Heckathorne, CFO, reviewed the Unaudited January 2023 finance report as included in the committee packets.</p> <p>The month of January resulted in negative \$822K EBIDA compared to budgeted EBIDA loss of \$912K. Adjustments and items of note include:</p> <ul style="list-style-type: none"> <li>• The January Patient Days dropped to 653 compared to 910 in December.</li> <li>• Emergency visits and Surgery cases were below projections.</li> <li>• Labor Costs were under budget by \$417K, partially reflecting the low patient volumes.</li> <li>• Salaries, Benefits, and Contract Labor were over budget by \$114K, which was impacted by \$512K plus benefits, offset by 238K from the State Covid “Matching” Recognition program.</li> <li>• A YTD operating lease adjustment of \$121K was reclassified from Purchased Services Expense to Amortization and Interest Expenses.</li> <li>• A 100K YTD reduction in the Altera fee was made to conform with the contract.</li> </ul> <p>It was noted that approval is recommended to the Hospital Board.</p> <p><b>ROLL CALL:</b></p> <table border="1" data-bbox="386 1140 1214 1211"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Rader</td> <td>Yes</td> </tr> <tr> <td>Rutledge</td> <td>Yes</td> <td>Tankersley</td> <td>Absent</td> </tr> </table> <p>Motion carried.</p>	DiBiasi	Yes	Rader	Yes	Rutledge	Yes	Tankersley	Absent	<p><b>M.S.C. (Rutledge/Rader), the SGMH Finance Committee voted to recommend approval of the Unaudited January 2023 Financial report to the Hospital Board of Directors.</b></p>
DiBiasi	Yes	Rader	Yes							
Rutledge	Yes	Tankersley	Absent							
<p><b>Proposed Action – Recommend Approval to Hospital Board and Healthcare District Board to enter a 5-year software lease with Premier, Inc., for a budgeting, financial reporting and forecasting system.</b></p>	<p>The contract calls for a 5-year agreement at a total cost of \$313,880 plus related taxes and travel costs related to installation.</p> <p>It was noted that approval is recommended to the Hospital Board and the Healthcare District Board.</p> <p><b>ROLL CALL:</b></p> <table border="1" data-bbox="386 1577 1214 1648"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Rader</td> <td>Yes</td> </tr> <tr> <td>Rutledge</td> <td>Yes</td> <td>Tankersley</td> <td>Absent</td> </tr> </table> <p>Motion carried.</p>	DiBiasi	Yes	Rader	Yes	Rutledge	Yes	Tankersley	Absent	<p><b>M.S.C. (Rader/Rutledge), the SGMH Finance Committee voted to recommend approval of the 5-year software lease with Premier, Inc., for a budgeting, financial reporting, and forecasting system to the Hospital Board of Directors and the Healthcare District Board of Directors.</b></p>
DiBiasi	Yes	Rader	Yes							
Rutledge	Yes	Tankersley	Absent							
<p><b>Future Agenda Items</b></p>	<ul style="list-style-type: none"> <li>• Board Vacancies</li> </ul>									

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
<b>Next Meeting</b>	The next regular Finance Committee meeting will be held on March 28, 2023 @ 9:00 am.	
<b>Adjournment</b>	The meeting was adjourned 9:59 am.	

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