

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HOSPITAL
BOARD OF DIRECTORS

FINANCE COMMITTEE
November 28, 2023

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

Members Present: Susan DiBiasi (Chair), Shannon McDougall, Darrell Petersen, Steve Rutledge

Members Absent: None

Required Staff: Steve Barron (CEO), Daniel Heckathorne (CFO), John Peleuses (VP of Ancillary and Support Svs.), Karan P. Singh, MD (CMO), Ariel Whitley (Executive Assistant), Annah Karam (CHRO), Angela Brady (CNE), David Imus (Wipfli, LLP)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP								
Call To Order	Susan DiBiasi called the meeting to order at 9:02 am.									
Public Comment	No public present.									
OLD BUSINESS										
Proposed Action - Approve Minutes October 31, 2023, regular meeting	Susan DiBiasi asked for any changes or corrections to the minutes of the October 31, 2023, regular meeting. There were none.	The minutes of the October 31, 2023, regular meeting will stand correct as presented.								
NEW BUSINESS										
Proposed Action – Recommend Approval to Hospital Board and Healthcare District Board – District Hospital Leadership Forum (DHLF) Annual Dues Renewal	<p>San Gorgonio Memorial Healthcare District & Hospital have been members of the DHLF for many years. The DHLF is the group which formally oversees the overall guidance and planning for all matters related to Supplemental Funding on behalf of California Healthcare Districts. DHLF also coordinates their efforts with numerous California agencies (including CHA) in areas that impact the Healthcare Districts.</p> <p>It was noted that approval is recommended to the Hospital Board and Healthcare District Board.</p> <p>ROLL CALL:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">DiBiasi</td> <td style="width: 25%;">Yes</td> <td style="width: 25%;">McDougall</td> <td style="width: 25%;">Yes</td> </tr> <tr> <td>Petersen</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> </table> <p>Motion carried.</p>	DiBiasi	Yes	McDougall	Yes	Petersen	Yes	Rutledge	Yes	M.S.C. (McDougall/Petersen), the SGMH Finance Committee voted to recommend approval of the District Hospital Leadership Forum (DHLF) Annual Dues Renewal to the Hospital Board and Healthcare District Board of Directors.
DiBiasi	Yes	McDougall	Yes							
Petersen	Yes	Rutledge	Yes							

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP								
Proposed Action – Recommend Approval to Hospital Board and Healthcare District Board – FYE 22 Financial Audit	<p>Dan Heckathorne, CFO, introduced David Imus of Wipfli, LLP. David presented the draft FYE 23 Financial Audit.</p> <p>No action was taken at this time. The Finance Committee reviewed the draft FYE 23 Financial Audit. The final draft will be presented to the Hospital Board for recommended approval to the Healthcare District Board.</p>									
Proposed Action – Recommend Approval to Hospital Board of Directors - Monthly Financial Report (Unaudited) – October 2023	<p>Daniel Heckathorne, CFO, reviewed the Unaudited October 2023 finance report as included in the committee packets.</p> <p>The month of October resulted in negative \$2.17M EBIDA compared to budgeted negative EBIDA of \$566K and a Flex Budget loss of \$2.96M. Adjustments and Items of Note for October include:</p> <ul style="list-style-type: none"> • Patient Days, Adjusted Patient Days, and all key workload volumes were below budget. • The Average Length of Stay was 16% higher than October 2022, yet the overall Case Mix Index was only 4.2% higher than the previous year (1.48 vs. 1.42) <p>ROLL CALL:</p> <table border="1" data-bbox="386 1024 1214 1098"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>McDougall</td> <td>Yes</td> </tr> <tr> <td>Petersen</td> <td>Yes</td> <td>Rutledge</td> <td>Yes</td> </tr> </table> <p>Motion carried.</p>	DiBiasi	Yes	McDougall	Yes	Petersen	Yes	Rutledge	Yes	<p>M.S.C. (Petersen/Rutledge), the SGMH Finance Committee voted to recommend approval of the Unaudited October 2023 Financial report to the Hospital Board of Directors.</p>
DiBiasi	Yes	McDougall	Yes							
Petersen	Yes	Rutledge	Yes							
Update regarding Line of Credit Renewal – Informational	<p>Dan Heckathorne, CFO, gave a brief update regarding the Line of Credit Renewal.</p>									
Update regarding Distressed Hospital Loan Program – Informational	<p>Steve Barron, CEO, and Dan Heckathorne, CFO, gave an update regarding the next steps of the Distressed Hospital Loan Program.</p>									
Future Agenda Items	<ul style="list-style-type: none"> • None 									
Next Meeting	<p>The next regular Finance Committee meeting will be held on December 22, 2023 @ 9:00 am.</p>									
Adjournment	<p>The meeting was adjourned at 10:20 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.