



**AGENDA**

**REGULAR MEETING OF THE FINANCE COMMITTEE  
A COMMITTEE OF THE BOARD OF DIRECTORS**

**Friday, December 22, 2023**

**9:00 AM**

**Administration Boardroom**

**600 N. Highland Springs Avenue, Banning, CA 92220**

**In compliance with the Americans with Disabilities Act**, if you need special assistance to participate in this meeting, please contact the Administration Office at (951) 769-2101. **Notification 48 hours prior to the meeting** will enable the Hospital to make reasonable arrangement to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].

TAB

I. Call to Order

S. DiBiasi

II. Public Comment

A five-minute limitation shall apply to each member of the public who wishes to address the Finance Committee of the Hospital Board of Directors on any matter under the subject jurisdiction of the Committee. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff for future study, research, completion and/or future Committee Action.) (PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.)

On behalf of the San Gorgonio Memorial Hospital Board of Directors, we want you to know that the Board/Committee acknowledges the comments or concerns that you direct to this Committee. While the Board/Committee may wish to occasionally respond immediately to questions or comments if appropriate, they often will instruct the CEO, or other Administrative Executive personnel, to do further research and report back to the Board/Committee prior to responding to any issues raised. If you have specific questions, you will receive a response either at the meeting or shortly thereafter. The Board/Committee wants to ensure that it is fully informed before responding, and so if your questions are not addressed during the meeting, this does not indicate a lack of interest on the Board/Committee’s part; a response will be forthcoming.

**OLD BUSINESS**

III. **\* Proposed Action – Approval of Minutes**

S. DiBiasi

- November 28, 2023, regular meeting

A



**TAB A**

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								
<b>Call To Order</b>	Susan DiBiasi 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 October 31, 2023, regular meeting</b>	Susan DiBiasi asked for any changes or corrections to the minutes of the October 31, 2023, regular meeting. There were none.	<b>The minutes of the October 31, 2023, regular meeting will stand correct as presented.</b>								
<b>NEW BUSINESS</b>										
<b>Proposed Action – Recommend Approval to Hospital Board and Healthcare District Board – District Hospital Leadership Forum (DHLF) Annual Dues Renewal</b>	<p>San Gorgonio Memorial Healthcare District &amp; 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><b>ROLL CALL:</b></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	<b>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.</b>
DiBiasi	Yes	McDougall	Yes							
Petersen	Yes	Rutledge	Yes							

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP								
<b>Proposed Action – Recommend Approval to Hospital Board and Healthcare District Board – FYE 22 Financial Audit</b>	<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>									
<b>Proposed Action – Recommend Approval to Hospital Board of Directors - Monthly Financial Report (Unaudited) – October 2023</b>	<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"> <li>• Patient Days, Adjusted Patient Days, and all key workload volumes were below budget.</li> <li>• 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)</li> </ul> <p><b>ROLL CALL:</b></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><b>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.</b></p>
DiBiasi	Yes	McDougall	Yes							
Petersen	Yes	Rutledge	Yes							
<b>Update regarding Line of Credit Renewal – Informational</b>	<p>Dan Heckathorne, CFO, gave a brief update regarding the Line of Credit Renewal.</p>									
<b>Update regarding Distressed Hospital Loan Program – Informational</b>	<p>Steve Barron, CEO, and Dan Heckathorne, CFO, gave an update regarding the next steps of the Distressed Hospital Loan Program.</p>									
<b>Future Agenda Items</b>	<ul style="list-style-type: none"> <li>• None</li> </ul>									
<b>Next Meeting</b>	<p>The next regular Finance Committee meeting will be held on December 22, 2023 @ 9:00 am.</p>									
<b>Adjournment</b>	<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.