

McDonough District Hospital  
Board of Directors  
Finance Committee

McDonough District Hospital (MDH) Finance Committee met on Thursday, January 11, 2024, at 7:00 a.m. in the third-floor Board Room. Finance Committee members present: Dr. Tim Biagini, Scott Clauson, Jere Greuel, Todd Lester, Dr. Mary Kathleen Lockard, Kathleen Neumann, and Dan O'Neill. Hospital Administration members present: Bill Murdock. Administrative Assistant: Kim Thorman.

Guests: Andy Baker, Dr. Curt Farr, and Sherri Hitchcock.

Scott Clauson, Chairman of the MDH Finance Committee, called the meeting to order at 7:00 a.m.

**Review and Recommend Approval of Final Audit Reports**

RSM has not yet made available the final MDH audit report. Due to subsequent events, RSM has requested additional information from MDH which is being provided to them. There were discussions regarding the delivery of the finalized reports. The MDH Insurance and MDH Foundation Audits were finalized and received at the December 21<sup>st</sup>, Finance Meeting.

**2<sup>nd</sup> Quarter Capital Spend Updates**

Items purchased from October-December for various departments were reported. There were discussions regarding the ER project and the consensus was to pause the spending on that remodel.

**Financial Performance Update 2<sup>nd</sup> Quarter**

Operating margins were discussed, as well as loss offsets, labor and benefits expenses versus revenues, contract labor expenses, the income statement, and the strength of the balance sheet. Comparisons of actual vs. budgeted revenues by service line were shown to be holding on track.

**Budget Mitigation**

Examining the progress of financial stability; including but not limited to looking at budgets per department, service lines, productivity, and profitability.

**Status Report on Retail Pharmacy Progress**

Construction and budget are moving forward according to plan with the majority of the work currently being done on the inside. A tour of the building to see the interior progress when the weather is favorable was discussed.

**Miscellaneous / Items for discussion**

The discussion came up of more frequent MDH Finance and Board of Directors meetings. The consensus was that the MDH Finance Committee would benefit from meeting every month. It was suggested that more frequent Board of Directors meetings, as well as the materials being made available electronically, should be discussed at the Board of Directors meeting on Monday, January 15<sup>th</sup>. The group congratulated Dr. Lockard on her recent appointment as MDH Medical Staff President. Additionally, Jere Greuel thanked and commended Bill for his work thus far in his role as interim President/CEO.

**At 7:58 a.m., there being no further business to discuss, a motion was made by Dan O'Neill, and seconded by Kathy Neumann to adjourn. Motion carried.**

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Scott Clauson  
Secretary/Treasurer of MDH Board of Directors