

McDonough District Hospital
Board of Directors
Finance Committee

McDonough District Hospital (MDH) Finance Committee met on Wednesday, February 19, 2025 at 7:00 a.m. in the third floor Board Room. The Finance Committee members present were, Dr. Tim Biagini, Dave Garner, Jere Greuel, and Kathleen Neumann. The Hospital Administration members present were, Bill Murdock, Sherri Hitchcock, Gloria Bamforth, and Alexis Vonholt. Administrative Assistant: Kim Thorman.

Excused: Dan O'Neill

Ryan Riggins monitored the meeting by remote connection but did not participate in discussions or votes.

Guests: Dr. Curt Farr, Dr. Mary Kathleen Lockard, Ryan Caldwell from RSM

Due to Ryan Riggins, Finance Committee Chairman, being unable to participate in the meeting, Jere Greuel, Chairman of the MDH Board of Directors, called the meeting to order at 7:00 a.m. Jere acknowledged the members of the Finance Committee as being reappointed at the February 17, 2025 Board of Directors meeting and listed them as follows: Ryan Riggins, Chairman, Dan O'Neill, Jere Greuel, Dave Garner, Kathleen Neumann, and Dr. Tim Biagini.

Public Comment

There was none at this time.

FY24 Audit Presentation

Bill Murdock introduced Ryan Caldwell, from RSM, and Ryan shared a presentation of the MDH FY24 Audits. The FY24 audit is complete and an unmodified/clean opinion has been issued, however, the copies presented to the committee today were noted in draft form, pending signatures. Once all signatures have been obtained, we will receive the final copies.

Ryan began by sharing that all of the MDH accounting practices were reviewed by the RSM team and were found to be preferable practices. He noted there were no significant transactions that were marked as unusual. Ryan shared the look back on the prior years' estimates and found the MDH allowances were conservatively healthy, showing the estimation process MDH utilizes for the contractual/bad debt allowances to be reasonable. Investments were reviewed against independent estimates and all securities were found to be within reason. The cost reports were tested by the internal team at RSM and Ryan shared with the committee the recorded audit adjustments that were identified and corrected, as well as those remaining uncorrected. It was concluded by the MDH team that the uncorrected misstatements were not material to the financial statement, and RSM was in agreement with this conclusion. Ryan pointed out that there were no disagreements, or difficulties obtaining documents from MDH, and noted that the team at MDH is transparent and timely in providing what is needed for the audit process. He concluded by thanking MDH, shared the opportunities RSM offers for support and education, and offered to take questions from the committee.

The finance committee had no questions, and Ryan Caldwell left the meeting at 7:32 am.

Review and Recommend Approval of Final Audit Reports, pending signatures.

A motion was made by Dave Garner, and seconded by Kathy Neumann, to recommend the approval of the final audit reports, which are pending signatures, to the MDH Board of Directors. Motion carried.

Miscellaneous / Items for discussion

The group discussed the EMS services contracted with MDH. There were questions from the board about reviewing other services and the costs. There was a question about the availability of grants for rural hospital transport services and it was agreed by administration that this will be explored.

Sherri Hitchcock explained to the committee that as previously agreed upon, MDH has sought proposals for a new audit firm. Therefore, at the next Finance Committee meeting, a presentation will be shared by one of the audit firms which has submitted a proposal and has been interviewed by MDH.

At 7:44 a.m., there being no further business to discuss, a motion was made by Dave Garner and seconded by Kathy Neumann to adjourn. Motion carried.

Ryan Riggins
Secretary / Treasurer MDH Board of Directors