

McDonough District Hospital  
Board of Director's  
Finance Committee

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

Guests: Dr. Curt Farr, JoEllen Pensinger, Alexis Vonholt, and Bill Corbin.

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

There was no public comment at this time

#### **4<sup>th</sup> Quarter Capital Items over \$25,000 and year-end summary**

All FY24 4<sup>th</sup> quarter capital project expenditures exceeding \$25K were reviewed and discussed. The year-end summary of capital project expenditures and the variances to the budget, which were favorable, and unfavorable, were pointed out in detail and explained.

#### **4<sup>th</sup> Quarter Financial Reports / Updates**

Financial key points of the 4<sup>th</sup> quarter were reviewed, including the impact the FY20 Medicare Low Volume Adjustment had on the budget for net patient revenues, and the impact of the utilization of contracted labor on expenses. Non-operating revenue/expenses and days cash on hand were also examined. The 4<sup>th</sup> quarter income statement, subject to audit, was discussed in detail. It was shared that a discretionary disbursement from the Fellheimer Trust, which was put towards the new CT Scanner and Ultrasounds, was realized as donated revenue in FY24. Additionally, there was a request to recategorize contracted labor into a separate line item to allow the committee a better view of its trends and budgetary impact.

#### **Review of Investment Policies. MDH and Fellheimer.**

The MDH and Fellheimer investment policies were presented to the committee. Discussions covered assets and allocations, permissible assets held by a municipal entity, and the minimum distribution requirements of the assets. The consensus was to make no changes to either policy at this time.

#### **Audit of Employee Investment Plan**

Following the transition of assets from the previous record keeper to the current one, an audit was required and subsequently conducted. A summary of the audit findings was presented and reviewed. It was confirmed that any residual shares not yet transferred and settled as of the audit/report date are fully accounted for and will be settled correctly into the appropriate accounts.

#### **457(f) Review**

Bill Corbin shared the 2024 performance objectives for the 457(f) retention/deferred compensation plan for the senior management/Ops Council Team. The current goals: performance evaluations, financial management, quality, and employee and patient satisfaction, were listed and defined. The committee noted the necessity to evaluate and review these goals, ensuring any adjustments can be adopted before the December performance reviews. Additionally, it was suggested that alongside performance reviews, upward reviews be conducted.

Dr. Biagini left the meeting at 7:46 am

#### **Review and Recommend Line of Credit Renewal**

The line of credit held with Clock Tower was reviewed and the maturing CD's were discussed.

**A motion was made by Jere Greuel, and seconded by Dan O'Neill to recommend the line of credit renewal to the MDH Board of Directors. Motion carried.**

**Miscellaneous / Items for Discussion**

There were no miscellaneous discussion items.

**At 7:52 am, there being no further business to discuss, a motion was made by Dave Garner, and seconded by Dan O'Neill, to adjourn. Motion carried.**

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Scott Clauson  
Secretary/Treasurer of MDH Board of Directors