

**CORCORAN DISTRICT HOSPITAL
and
CORCORAN HOSPITAL JOINT POWERS AUTHORITY
BOARDS OF DIRECTORS MEETING**

DATE: January 8, 2013

PRESENT: Mike Graville, Jess Martinez, Donald Chavez, Alex Cardoso, and Karl Kassner.

OTHERS: Jonathan Brenn, CEO; Alan MacPhee, CFO; Leslee Heuer, CNO; Nick Nolan, Executive Director; Terri Ortiz, Human Resources and Executive Assistant.

I. CALL TO ORDER

The meeting was called to order at 5:02 pm by Karl Kassner.

II. PLEDGE OF ALLEGIANCE

Mike Graville led the pledge.

III. PUBLIC COMMENT

None.

IV. BOARD CHAIRMAN'S COMMENTS

Karl wished everyone a Happy New Year. He thanked Bob'e Bravo and the rest of the Hospital staff for collecting drums of canned food and toys for the Corcoran Emergency Aid. This is the spirit of serving others.

Karl noted that CDH's float won first prize at the Christmas Parade. He commended staff for their hard work.

His last comment was that he thinks the Board needs to attend the annual ACHD Conference this year.

Karl also noted that we are having a Joint Meeting tonight with the CDH Hospital Board and the JPA Board. The two boards consist of the same members as outlined in the resolution that created the JPA. He said we should have more than 1 meeting per year, but he agrees that it would be best to have joint meetings.

V. CORRESPONDENCE

None.

VI. EMPLOYEE OF THE MONTH

Bob'e Bravo was named the Employee of the Month for February. Leslee reported that Bob'e has been instrumental in our community outreach effort. She also has taken on many extra duties Leslee throws her way with motivation and positivity. Bob'e recently arranged for a blood drive at CDH when the Central

Valley blood drive was in dire need. Because of Bob'e, we were able to donate 27 units, more than double what was expected.

VII. CONSENT CALENDAR

The meeting minutes from the last JPA meeting were presented for approval. Mike requested to take the meeting minutes off the consent calendar because most of the Directors who were at that meeting are no longer on the Board. The Board recommended seeking Legal Counsel's advice on how to proceed with the matter since there is not a quorum left to approve the minutes, and action was taken at that meeting.

Jess made a motion to approve the consent calendar, excluding the JPA Meeting Minutes from November, 2011. Mike seconded it and the motion carried 5-0.

VIII. REGULAR CALENDAR

A. APPOINTMENT OF DIRECTOR

Jess made a motion to appoint Alex Cardoso to the 2013 - 2016 term for Zone 5. Donald seconded it, and the motion carried 5-0. The Board recommended seeking legal counsel advice on whether Alex needed to be sworn in again or not and, since he hadn't, is he able to participate in the votes for this meeting?

B. REGULAR CALENDAR

Medical Executive Committee -- Jonathan Brenn

Karl stated that Board representation on the MEC is chair-appointed. He has chosen to remain on the Committee himself and to appoint Jess Martinez to serve as the back-up.

Jonathan presented the MEC recommendations. There were two appointments (attached).

Jess made a motion to approve the MEC Recommendations. Alex seconded it and the motion carried 5-0.

Staff Reports

1. CEO – Jonathan Brenn

Jonathan and Alan presented a proposal to the Board requesting approval to borrow money from the bond fund to be repaid over seven years at 2% interest, thereby increasing the Bond fund by \$147,000 in interest income. The loan will be guaranteed by property tax money. Jonathan said we have sought the advice of our bond attorney who has provided his opinion that this is permissible by way of the JPA.

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The JPA, which was created following the successful ballot measure in 2005 because the District itself may not sell Bonds, met once in 2006 and once in 2010 authorizing the sale of bonds. The JPA is also empowered to lend bond money to another agency (CDH) as long as the money is ultimately used for the purposes intended by the vote.

Jess moved to approve Resolution 2013-01 allowing the hospital to borrow money from the bond account through the JPA. Alex seconded it and the motion carried 5-0.

2. CFO – Alan MacPhee
a. November 2012 Financial Report

Alan reported that the total gross revenue for November 2012 was \$2.25 million which is down a little from last month, and under budget. Operating expenses were \$937,000, down from last month, and under budget. We had a net loss of \$169,000 for the month. This was the first negative bottom line for the year, bringing our year-to-date net income to \$460,000. We had 61 surgeries in November, down from our budget of 86. RHC visits were over budget at 1348.

There was discussion on the decline of surgical prison business. Jonathan said our plan is to add new specialties for what we are not capturing currently. He said we want to convince the prison to keep the work local. Mostly the prison is a prompt payor. Mike asked if there is a record of who they send to Bakersfield. Jonathan said yes, there is a monthly report he receives from COR I showing what they send out. Jonathan analyzes it, and gets back to them to see which could have come here. He said their referrals overall are down because of the attempt by the State to reduce inmates' medical expenses.

Jess moved to approve the November Financial Statements. Alex seconded it and the motion carried 5-0.

3. CNO Report -- Leslee Heuer

Leslee reported that the inpatient days were up 70% from October. Surgeries were down, due in part to Dr. Parvez resigning. He was a general surgeon, and we are hoping to replace him with Dr. Monfore. Jess asked Leslee to look into the hold-up with Dr. Monfore's appointment. Jonathan said Terri has been working on expediting the process.

Leslee further reported that we have a new urologist, Dr. Anthony Horan, who will be working every Friday afternoon in clinic or in surgery. He plans to serve the community in addition to inmates.

Jeannette Todd from the media, who was present, offered to do a story on the new urologist.

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Dr. Rashid, a pulmonologist, is also coming on board. He has lots of great ideas and the best part is that he has minimal start-up costs. He will work out of Suite 3 or Suite 1. Karl commented that Dr. Rashid was an enlightening and interesting individual. He can treat all lung ailments, and he does sleep studies, pain management, palliative care, and intensive medicine. Jonathan said to help him gain community exposure he will be inviting him to speak at Rotary.

Leslee finished by saying that she is working on finishing the Med-Room policies, updating competencies for all staff, and she has hired 3 per-diem nurses to help fill our staffing voids.

IX. BOARD MEMBER ANNOUNCEMENTS OR REPORTS

Mike asked if all funds aren't Board Designated funds. Alan explained the difference between general, designated, and restricted funds.

Jess asked if we needed a special meeting. If so, Mike will be out of town January 22-24.

Jess remembered that there used to be \$10,000 in the budget for Board member education expenses, and it was changed to \$15,000.

Karl asked Terri to report to the Board on budgets designated for Board purposes. Jess agreed with him on not going to training.

X. ADJOURNMENT

With nothing further for discussion the Board adjourned at 6:59 PM.