

MINUTES
TEHACHAPI VALLEY HEALTHCARE DISTRICT
BOARD OF DIRECTORS MEETING
Tuesday January 16, 2018
Tehachapi Valley Healthcare District Office
305 S. Robinson St.
Tehachapi, CA 93561
5:00PM- Open Session

Board Present: Mike Nixon, President; Sam Conklin, Vice President, William Steele, Duane Moats, Treasurer

Staff Present: Eugene Suksi, CEO; Caroline Wasielewski, EA; Scott Nave, Counsel

I. CALL TO ORDER

President Nixon called the meeting to order at 5:00 pm.

II. OPEN SESSION- 5:00 pm

III. FLAG SALUTE

IV. PUBLIC COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

None

V. BOARD COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA

None

VI. CONSENT AGENDA

Approval of Minutes

a. Finance Meeting, 1/10/18, Receive and File

b. Building and Planning, 11/9/17, Receive and File

Contracts/Agreements

None

APPROVED CONSENT AGENDA: MSA STEELE/CONKLIN; APPROVED 4-0

VII. REPORTS

A. Guild

Ms. Weldon will save her report for the Guild item under New Business.

B. Project Manager Report (Pray)

Ms. Pray reviewed the report included in the Board packet. The activity on the site is mostly on the door issues. She stated the Fire Marshal will be inspecting the facility on Friday, 1/19/18. She referred to CEO Suksi for further information on the process after the 19th and the deficiencies not fixed. Ms. Pray noted that remaining contracts are all T&M and will be closing out soon. Vantage is near closing with only \$32.00 left on their

contract, and no bill submitted in December. Whitehead will stay open due to a pending legal issue. She reported that \$14,000 was spent in the month of December. Ms. Pray continued to report on the status of the lights as a response to a question from the last Board meeting. The lights project was turned over to Adventist Health after all the FAA work was done by TVHD. Mr. Suksi asked for an updated schedule of values to be sent to TVHD and Warren Tetz, AH by Friday.

C. Chief Financial Officer Report (Beedle)

CFO Beedle reviewed the finance report in the packet and noted it had been fully reviewed by the Finance Committee. Mr. Beedle urged the Board to read the variance analysis at their leisure. For the month of November TVHD showed a net loss of \$32,105 which was \$58,000 better than budget. Also, YTD is showing a net loss of \$132,777 which is \$220,559 better than budget. President Nixon reminded the Board that the District is operating with no income.

D. Chief Executive Officer Report (Suksi)

CEO Eugene Suksi reported that the agency agreement with Adventist Health is ready to be executed. This is a significant milestone to TVHD closeout, as is an updated schedule of values. Mr. Suksi stated that any actions after Friday's FLSO visit will most likely be with Adventist Health due to the Agency Agreement.

E. AHMCTV Update (Lingerfelt)

Adventist Health Tehachapi Valley President, Jeff Lingerfelt reported the a new Emergency Physician group has started in the hospital. He responded to questions regarding insurance, stating that the group will do their own billing and accepts the insurances seen locally in Tehachapi.

IX. NEW BUSINESS

A. Presentation of 2016 Audited Financials- Moss Adams

Stacey Stelzriede and Matt Parsons from Moss Adams presented the financials for 2016. Ms. Stelzriede did not go over the financials but did report on her responsibility and various opinions. Moss Adams' modified opinion is to show no modifications of opinion. One item of interest is that TVHD is not required to have financial covenants besides filing of financials. Ms. Stelzriede admitted the findings took a long time and it was difficult to get information with the transitions from TVHD to Adventist Health. There was no fraud found and a modified opinion can be expected on Thursday. The Board moved to receive and file the findings.

MSA MOATS/STEEL; 4-0

B. Guild Purchase: Surgery Suite

Jane Weldon, Guild VP, presented the Board with a check for \$584,365.78. It will be for TVHD to purchase Stryker products for the surgery department of the new AH Tehachapi Hospital. Board member Moats expressed his appreciation, as did all the members.

C. Personnel Appointments: District Manager/Business Manager

Counsel Scott Nave announced that CEO Eugene Suksi's tenure as CEO is ending. General Manger will be Caroline Wasielewski and Business Manager will be Lisa Hughes.

D. District Banking

President Nixon and the Board recommended that Eugene Suksi and Don Napier be removed from signature authority and Caroline Wasielewski be added. A motion was presented by Mr. Moats and Mr. Steele seconded.

MSA MOATS/STEEL; 4-0

President Nixon asked the Finance Committee to review the District bank accounts and bring a recommendation to the next Board meeting concerning consolidation.

E. Election of Officers

Mr. Moats proposed a slate for new Board Officers:

President- Mike Nixon

Vice President- Sam Conklin

Treasurer- Duane Moats

Secretary- William Steele

The slate was seconded by Mr. Steele. A call to question ended with 4-0. Approved.

F. Committee Appointments

This was tabled until the Board vacancy is filled.

G. 2018-2019 Strategic Planning – Discussion

President Nixon spoke about the future of TVHD and how the District will have to brainstorm for the future and how they can help the community. He reminded the members that the hospital buildings are owned by TVHD. He foresees a continued partnership with the Guild. CEO Suksi created a grant policy and there is a process in place. The funded depreciation account can be built to award grants. There will be a Board Strategic Planning committee. Mike Nixon and Sam Conklin expressed interest in the committee.

X. OLD BUSINESS

A. Board of Director Travel

None

XI. ADJOURNMENT

Meeting adjourned at 5:43 pm

Respectfully,



William Steele
Secretary