

**BOARD OF TRUSTEES
DECEMBER MEETING MINUTES
WEDNESDAY, JANUARY 13, 2016
4:00 P.M.**

MEMBERS PRESENT: Kevin Bailey, David Smith, Gene Davis, Dixie See, Shirley Coulter, Ron Mischke and Gary Miller

MEMBERS ABSENT:

Others Present: Mike McCafferty, Dr. Sara Smith

CALL MEETING TO ORDER

Kevin Bailey, Chairman, called the meeting to order at 4:00 p.m.

PUBLIC COMMENTS, INTRODUCTIONS

Introduction of Lacey Joens, our new Med/Surg Manager from Spearfish, SD. Her background is as an ER Nurse and Manager. She is excited to be in Sheridan.

Lynn Smith is our new Compliance Officer. Lynn's background is with the County Attorney's office, advising the elected officials for the past 11 years. Lynn will handle the hospital's compliance activities and a quarterly meeting will be set up.

Also in attendance are some students from Sheridan High School. The American Government class is required to attend a civic board meeting as part of their graduation requirement and they chose to attend the hospital's board meeting.

Also introduced were two representatives from the ICU. Robin Horsley has been the interim manager of the ICU and has now accepted the permanent position.

APPROVAL OF AGENDA and MINUTES

The agenda for the December Board of Trustees Meeting was available for review. Ron Mischke made the motion to approve the December Board agenda. Shirley Coulter seconded the motion. Motion carried.

The minutes from the November Board Meeting, held on December 9, 2015 were reviewed. Gene Davis made a motion to approve the November Board meeting minutes. David Smith seconded the motion. Motion carried.

OLD BUSINESS

None.

FOUNDATION REPORT –

Dave Nicolarson, Foundation Board Chairman states that the original ICU unit was built in 1979 and is now ready for an update. Physicians, staff and community members have all contributed to the design of this project. The staff has contributed \$200K to this project. The foundation still has \$4.5M to go in this fundraising effort.

Ada Kirven, Foundation Executive Director states that today is a celebration of 7 years of hard work that has been invested in this project. Employees are a dedicated part in the goal of the construction of the new ICU. This is significant as patients can stay in Sheridan with excellent staff and care givers in Sheridan. Also, family members can be with them when receiving their care locally. Ada introduced foundation staff and board members in attendance. The contributions are not only from the employee partners, but from the Foundation's investment income, the Women's Powder Horn Golf Association, the hospital Auxiliary, outside entities, physicians and other staff members. The Foundation is not done fundraising. They will continue to flow funds through to the hospital. This will be a big change to the community and there are many people to thank. Foundation board members presented a check for \$1.5M to the hospital for the ICU project. Accepting the check was Mike McCafferty and Kevin Bailey.

QUALITY COMMITTEE REPORT

The committee reviewed safety events. The trend is favorable, as it has been 252 days since last serious safety event. There has been a decrease in code blues and an increase in rapid response calls. This is a positive development because it shows staff identifying early signs of deterioration in a patient, which allows them to stabilize the patient before life saving measures, are necessary. The flu immunization rate is at 97% for hospital staff. The committee looked at feedback from complaints and the increase is consistent with an increase in reporting with RL Solutions. HCAHPS scores have decreased slightly, so the committee is working to make improvements in that area. However, the responsiveness of staff is above national benchmarks. The committee also reviewed and approved various policies.

MEDICAL STAFF REPORT

The quarterly medical staff meeting was held last night and there was a very good attendance. The next meeting is in March, 2016.

ADMINISTRATION REPORT

Information Systems Works Session ~

A work session will happen in the next couple of weeks covering the 5-year plan for Cerner , specifically future projects, optimization, continuous improvement processes, regulatory issues, meaningful use, penalties with Medicare and Medicaid payments, third party payers, and software and hardware issues. Information will be provided to members prior to meetings.

Medical Office Building Discussion~

A work session will be arranged in conjunction with the IT session and discussion around how a new medical office building plays into future plans.

Temporary Relocation of the ICU

Quite a bit of planning went into the movement of the Pediatric Unit to the Med/Surg floor and ICU to the Pediatric Unit. The moves were a large and complicated project, but it was well-planned and staff executed the moves successfully. With the construction project ahead of schedule, the move occurred sooner to reduce noise and movement around the ICU unit. The teamwork and attitudes of all involved was amazing and the physicians were great in the coordination of care.

Verification of CFO Bank Authority (Action)

A board resolution was presented for discussion and approval to authenticate who is allowed to conduct banking business on behalf of the hospital. The resolution will be amended to fix typos and correct a title change. The finance committee recommended approval of the resolution. David Smith moved to approve the amended resolution as presented. Gene Davis seconded the motion. Motion passed. The resolution is as follows:

AGENT - Let it be resolved that any agent listed below, subject to any written limitations, is authorized to exercise the powers granted below:

| Title or Position | Name | Signature |
|----------------------------|---------------------|------------------|
| A. Board Chairperson | Kevin Bailey | _____ |
| B. Board Treasurer | Jerry Eugene Davis | _____ |
| C. Chief Executive Officer | Mike McCafferty | _____ |
| D. Chief Financial Officer | Nathan Stutte | _____ |
| E. Controller | Susan Novak | _____ |
| F. Accounting Supervisor | Deborah Evans-Small | _____ |
| G. Staff Accountant | Toni Alden | _____ |
| H. Staff Accountant | Janet Twohey | _____ |

LIMITATIONS ON POWERS - The following are the Organization's express limitations on powers granted under this resolution.

POWERS GRANTED - The powers granted to each agent shall be indicated by placing the letter corresponding to their name next to the powers outlined below.

| Description of Power Authorized | Agent |
|---|--------------|
| 1. Exercise all of the powers listed in this resolution. | C,D,E |
| 2. Open any deposit or share account(s) in the name of the organization. | C,D,E |
| 3. Endorse checks and orders for the payment of money or otherwise withdraw funds. (The signature requirements associated with each account are outlined in Attachment #1). | A,B,C,D,E |
| 4. Transfer funds on deposit with any Financial Institution. | C,D,E |

5. Borrow money, on behalf, and in the name of the Organization. Execute and deliver promissory notes or other evidences of indebtedness. C,D
6. Enter into a written lease for the purpose of renting, maintaining, accessing and terminating a safe deposit box in any Financial Institution. (See Attachment #2 for specific safe deposit box instructions). C,D
7. Order the transfer or disbursement of funds on deposit with Financial Institutions by means of wire transfer. C,D,E
8. Possess authority to conduct banking activity (transfer fund balances, research account activity) by means of the Internet and other electronic banking connectivity. C,D,E,F,G,H

EFFECT ON PREVIOUS RESOLUTIONS - This resolution supersedes any prior resolution. If not completed, all prior resolutions remain in effect.

FURTHER RESOLUTIONS

The Organization named on this resolution resolves that,

1. The Financial Institutions named in Attachment #1 to this Board Resolution have been designated as a depository for the funds of the organization and to provide other financial accommodations indicated in this resolution.
2. This resolution shall continue to have effect until rescinded or amendments are duly voted upon by a quorum of the members of the Board of Directors of the Organization and those amendments or revisions are expressly noted in the Minutes of the Board Meeting.
3. The signature of an agent on this resolution is conclusive evidence of their authority to act on behalf of the organization. Any agent so long as they act in a representative capacity as agents of the organization, is provided the express power noted above.
4. The Organization agrees to the terms and conditions of account agreements when properly opened by the appropriate agent of the Organization.
5. The Organization acknowledges and agrees that Financial Institutions may furnish automated access devices to Agents of the Organization to facilitate those powers authorized by this resolution. The term "automated access device" may include, but is not limited to, computer software links, internet access, and credit cards.
6. The Organization acknowledges and agrees that Financial Institutions may rely on alternative signature and verification codes issued to or obtained from the Agent named on this resolution. The term "alternative signature and verification codes" includes, but is not limited to, facsimile signatures on file with Financial Institutions, personal identification numbers (PIN), and digital signatures. If a

facsimile signature specimen has been provided on this resolution, (or is filed separately by the Organization with the Financial Institution) the Financial Institution is authorized to treat the facsimile as the signature of the Agent(s) regardless of, by whom, or by what means, the facsimile signature may have been affixed so long as it resembles the facsimile signature on file.

BOARD RESOLUTION - ATTACHMENT #1

MEMORIAL HOSPITAL OF SHERIDAN COUNTY
dba SHERIDAN MEMORIAL HOSPITAL
dba BIG HORN HEALTH NETWORK
dba SHERIDAN RADIOLOGY
1401 West Fifth Street
Sheridan, WY 82801

DEPOSITORY ACCOUNT DISBURSEMENT REQUIREMENTS

| | TITLE OR POSITION AUTHORIZED |
|---|--|
| <ul style="list-style-type: none">First Interstate Bank SMH General Fund Checking Sweep Acct # 16000366 <p>(NOTE-The account is actively utilized for daily deposit activity. Frequent incoming wires are received through this account.)</p> | Board Treasurer Chief Executive Officer Chief Financial Officer Controller |
| <ul style="list-style-type: none">First Interstate Bank SMH General Fund Acct # 10200087 <p>(NOTE-the Board Treasurer's computerized facsimile signature is utilized for all general operating disbursements.)</p> | Board Treasurer Chief Executive Officer Chief Financial Officer Controller |
| <ul style="list-style-type: none">First Interstate Bank First Care Transaction Account Acct # 15029655 | Chief Executive Officer Chief Financial Officer Controller |
| <ul style="list-style-type: none">First Federal Savings Bank SMH Certificate of Deposit Certificate #01-295009-18 #01-295010-21 #01-295011-19 | Board Chairperson Board Treasurer Chief Executive Officer Chief Financial Officer Controller |
| <ul style="list-style-type: none">First Interstate Bank SMH Certificate of Deposit Certificates: #1000-236-71 #1000-236-72 #1000-243-49 #1000-243-76 | |

**Board of Trustees
December Board Meeting
January 13, 2016**

#1000-244-91 #1000-247-55
#1000-247-56 #1000-247-76
#1000-248-18 #1000-248-69
#1000-248-70 #1000-248-82
#1000-248-83 #1000-255-57
#1000-255-91 #1000-255-92
#1000-255-93 #1000-255-94
#1000-255-95

Board Treasurer
Chief Executive Officer
Chief Financial Officer
Controller

- First Interstate Bank
SMH Hoop Jam Checking
Acct # 9100006296

Board Treasurer
Chief Executive Officer
Chief Financial Officer
Controller

- First Interstate Bank
BHHN General Fund
Acct # 101516243

Board Treasurer
Chief Executive Officer
Chief Financial Officer
Controller

- First Interstate Bank
BHHN General Funds Sweep (Repo)
Acct # 101516250

Board Treasurer
Chief Executive Officer
Chief Financial Officer
Controller

- First Interstate Bank
SR General Fund
Acct #101505535

Board Treasurer
Chief Executive Officer
Chief Financial Officer
Controller

- First Interstate Bank
SR General Funds Sweep (Repo)
Acct # 101507085

Board Treasurer
Chief Executive Officer
Chief Financial Officer
Controller

- First Interstate Bank
SMH Restricted Depreciation
Acct # 100008507

Board Treasurer
Chief Executive Officer
Chief Financial Officer
Controller

- First Interstate Bank
BHHN First Care Account
Acct # 100008960

Board Treasurer
Chief Executive Officer
Chief Financial Officer
Controller

- First Interstate Bank
EBMS Insurance Account
Acct # 101505295

Board Treasurer
Chief Executive Officer
Chief Financial Officer
Controller

- Bank of the West
Wilson Memorial Hospital Trust
Account #31-C108-01-1

Chief Executive Officer
Chief Financial Officer
Controller

BOARD RESOLUTION- ATTACHMENT #2

MEMORIAL HOSPITAL OF SHERIDAN COUNTY
1401 West Fifth Street
Sheridan WY 82801

Financial Institutions currently designated as a depository for the funds of the organization and to provide other financial accommodations indicated in the Board Resolution are as follows:

1. First Interstate Bank of Sheridan
4 South Main Street
Sheridan, WY 82801
2. First Interstate Trust
PO Box 2007
Sheridan, WY 82801
3. First Federal Savings Bank
46 West Brundage
Sheridan, WY 82801

FINANCE COMMITTEE REPORT

Nathan reported he noted an odd trend in November with a change in the payer mix. There was a minor loss in November, which should start to reverse. Deductions are running at 48% but should normalize in December. A discussion of the results followed.

BUILDING COMMITTEE REPORT

The building committee met and discussed current projects. The ICU is a little bit of ahead of schedule, and there are no issues to report on. We are still dealing with the Department of Health on approval of the project and working with management to talk about the matter. The MAC smoke evacuation system is what is holding up the ICU approval and will continue until it is resolved. The generator is ready to be wired, and we are awaiting good weather on the weekend to complete the work. Façade repair is on hold until April or May. The roofing project contract is signed and ready to start; project completion should be by June 2016.

OTHER BUSINESS

None.

EXECUTIVE SESSION

The board discussed matters of real estate, legal and personnel with no action taken.

ADJOURNMENT

There being no further business to come before the Board, the general meeting adjourned at 5:20 pm

Patty Forister, Recorder

David Smith, Secretary