

Stoughton Hospital Association Executive Committee

Monday, August 22, 2022 | 7:30 a.m. – 8:30 a.m.

Phone: 312.626.6799 | Meeting ID: 856 6127 2843 | Passcode: 752094

Zoom info: <https://us06web.zoom.us/j/85661272843?pwd=aFBSOk52dHRiO3gyZGxMOmRqOzNFOT09>

Board Members Present: Tom Fendrick | Donna Olson | Steve Staton | Margo Francisco (virtual) | Matt Kinsella (virtual) | Kris Krentz | Dr. Aaron Schwaab | Tim Rusch | Glenn Kruser | Sue Vanderbilt (virtual)

Hospital Staff Present: Dan DeGroot | Michelle Abey | Chris Schmitz | Teresa Lindfors (virtual) | Laura Mays (virtual) | Mary Hermes | Angie Polster | Liz Touchett (virtual) | Brian Swain

Item	Discussion	Presenter
1.	Call to Order	Tom Fendrick
	Mr. Fendrick called the August 22, 2022 Executive Committee meeting to order at 7:30 a.m.	
2.	Master Facility Plan Update	Teresa Lindfors
	Ms. Lindfors provided a campus renovation status update and summarized the updated proposal for space:	
	<ul style="list-style-type: none"> • First Floor (16,334 sq. ft.) <ul style="list-style-type: none"> – Ortho/General Surgery Clinics – Specialty Clinics – Imaging Suite • Second Floor (16,334 sq. ft.) <ul style="list-style-type: none"> – SWAC Rehab (move on site) – Cardiac Rehab – Shelled space for expansion • Third Floor (16,334 sq. ft.) <ul style="list-style-type: none"> – Shell for Future Ambulatory Surgery Center in future 	
	Ms. Lindfors also provided an overview of the proposed expansion timeline. Mr. Kinsella inquired when Stoughton Health would request final approval for the project from the Governing Board and Ms. Lindfors stated expectations are to present to the Board in spring 2023 for final capital approval. Finally, she shared plans are to complete the expansion by Q1 2025.	
A	3. Approval of EUA Service Contract	Teresa Lindfors

Item	Discussion	Presenter
	<p>Ms. Lindfors stated Stoughton Health needs to sign the \$1,074,350 contract with EUA to begin conceptual design and programming for the expansion project. She added this will drive more detailed information on future construction costs, adding JP Cullen estimates are between \$16,000,000 - \$21,000,000.</p> <p><i>Action: Ms. Olson made a motion to approve EUA's service contract proposal, not to exceed \$1.1 million. Mr. Rusch seconded the motion. Motion carried.</i></p>	
A	<p>4. Approval of Reimbursement Resolution</p> <p>Ms. Abey provided a summary of the reimbursement resolution regarding reimbursement expenses, which would allow for later reimbursement of EUA architectural and engineering costs from bonds should the hospital decide to use bond proceeds to finance the expansion project. Ms. Abey added Stoughton Health has adopted similar resolutions in the past, most recently for the Medical Imaging renovation project in April 2018.</p> <p><i>Action: Ms. Olson made a motion to approve Stoughton Health's Reimbursement Resolution regarding reimbursement expenditures as presented in the packet. Mr. Staton seconded the motion. Motion carried.</i></p>	<p>Brian Swain / Michelle Abey</p>
A	<p>5. July 2022 Financials</p> <p>Mr. Swain provided an overview of July 2022 financials which can be found in the August 22, 2022 Executive Committee meeting packet. He stated Stoughton Health has seen strong fiscal year performance which has continued through July 2022. Mr. Swain noted operating income was \$663,548 which was above budget by \$447,759. He added July excess of revenues over expenses is \$1,248,981 which is \$969,587 ahead of budget.</p> <p>Mr. Swain shared days cash on hand was 423 days which was over the budget of 376 days and an increase of 6 days over the end of June. The 6-day increase in July was attributed mainly to strong performance in investments. Mr. Swain shared \$3 million was placed into a one-year CD with One Community Bank (in line with strategy of laddering CDs quarterly) resulting in money being moved from cash and cash equivalents to certificates of deposit on the balance sheet. Mr. Swain added \$3 million was invested in treasury securities and high grade bonds for a newly developed Workforce Development Fund which will be used to invest in</p>	<p>Brian Swain / Michelle Abey</p>

Item	Discussion	Presenter
	<p>Stoughton Health’s workforce by funding training for certifications or degrees to develop and retain staff. He stated the Workforce Development Fund would be funded by gains realized from the initial \$3 million investment. Mr. Swain added \$314,000 of CMS advanced payments was repaid during the month of July noting remaining liability is \$1,704,381 and is due back to CMS Medicare by September 15, 2022.</p> <p>Mr. Swain provided an overview of outpatient revenues stating they were \$1,485,000 which was significantly ahead of budget for the month of July. He added the most significant variances over budget were mainly attributed to Medical Imaging (specifically CT and general imaging), Emergency Room (including Urgent Care in Oregon and McFarland), and Laboratory.</p> <p>Action: Mr. Staton made a motion to approve July 2022 financials. Ms. Francisco seconded the motion. Motion carried.</p>	
A	<p>6. Capital Request</p> <ul style="list-style-type: none"> - SSM Health Dean Clinic Tenant Improvement Agreement, Stoughton Lease FY2022 Capital = \$270,000 <p>Mr. Swain shared SSM Health Dean Clinic’s 25-year tenant improvement agreement recently expired and the clinic is in need of various improvements. SSM Health Dean Clinic will take the lead role on the improvement project allowing them the ability to schedule renovations around their clinic operations. Stoughton Health is requesting approval for \$270,000 of FY2022 budgeted capital expenditures for tenant improvements for the Stoughton SSM Health Dean Clinic (owned by Stoughton Health), pursuant to the lease agreement when signed.</p> <p>Action: Mr. Kruser made a motion to approve \$270,000 of FY2022 budgeted capital expenditures for tenant improvements for the Stoughton SSM Health Dean Clinic, on behalf of the Governing Board and pending approval by the Finance Committee on Friday, August 26, 2022. Mr. Staton seconded the motion. Motion carried.</p>	<p>Brian Swain / Michelle Abey</p>
	<p>7. Adjournment</p> <p>Action: Ms. Olson made a motion to adjourn the August 22, 2022 Executive Committee meeting. Ms. Francisco seconded the motion. Motion carried.</p>	<p>Tom Fendrick</p>

Sincerely,

A handwritten signature in black ink that reads "Steve Staton". The signature is written in a cursive style with a prominent initial "S".

Steve Staton
Secretary/Treasurer